



INTEGRATED REPORT 2017

MOBILITY
On the Move

EFFICIENCY 4.0



NATURE OF BRISA'S INTEGRATED REPORT



GRI INDICATORS

GLOBAL REPORT INITIATIVE INDICATORS (GRI) ARE INCLUDED AS FOOTNOTES OF THE PAGES THEY CONCERN

GLOSSARY

IN EACH PAGE A LINK TO THE GLOSSARY
CAN BE FOUND AS A FOOTNOTE, WHICH HAS
ADDITIONAL INFORMATION ON CONCEPTS
AND/OR ABBREVIATIONS



DOWNLOAD
www.brisa.pt

This integrated report contains financial and non-financial information relating to the Brisa Group. It was prepared according to the IIRC – International Integrated Reporting Council guidelines, for information on strategy, management and the company's main performance drivers

FRAMEWORK

This integrated report contains financial and non-financial information relating to the Brisa Auto-Estradas de Portugal, S.A. Group (“Brisa”), concerning 2017. Brisa operates in an increasingly sustainable global economy, where the alignment with new reporting trends for both financial and non-financial information is very important. The company must combine long-term strategy and return with social justice and environmental protection. Brisa’s report is thus addressed to all stakeholders, according to the best market practices.

Brisa's 2017 integrated report provides information on the Group's strategy, management and performance of key business vectors, from a sustainable value creation perspective. The report also reviews the intrinsic risks of the business and how Brisa incorporates different capital (financial, human, intellectual, social and natural), following the guidelines proposed by the International Integrated Reporting Council (IIRC). The Report also provides information on the Company's Governance, Financial Statements and Sustainability.

Individual and Consolidated Financial Statements included herein were prepared in accordance with International Financial Reporting Standards (IFRS), as adopted by the European Union. Non-financial data was prepared according to the fourth generation of Global Reporting Initiative Directives (G4).

EXTERNAL VERIFICATION

The financial statements attached to this report were audited by an external entity (PricewaterhouseCoopers & Associates - Sociedade de Revisores Oficiais de Contas, Lda.), in accordance with the Audit Report at the end of this document. The reported sustainability information (whether resulting from measurements, calculations or estimates) has been subject to verification by the same external entity, according to the Independent Assurance Report also available at the end of this document.

STAKEHOLDERS

This integrated report seeks to inform all stakeholders (employees, investors and shareholders, sector associations, clients, suppliers, partners, funders, media, sustainable development related entities, local communities and others) about Brisa's business and performance.

The information disclosed herein shows Brisa's commitment to the continuous implementation of measures that foster value creation, alongside its goal of becoming a provider of innovative mobility solutions in addition to being a road operator.

CONTACTS

Any doubts or questions should be addressed to:
IR@brisa.pt or **contato@brisa.pt**.

STATEMENT OF COMPLIANCE

In compliance with legal and statutory provisions, the Board of Directors hereby submits for the consideration of shareholders the individual and consolidated financial statements and integrated report relating to 2017,

in the firm belief that, to the best of its knowledge, the information contained therein was prepared in accordance with the relevant accounting standards, providing a true and fair view of the assets and liabilities, the financial situation of the issuer and of the companies included in the consolidation, and that the integrated report contains a faithful account of the information required.



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I. MANAGEMENT REPORT



BRISA
AUTO-ESTRADAS
DE PORTUGAL

BRISA, FOUNDED ON THE VALUES OF ETHICS, EXCELLENCE, INNOVATION AND PEOPLE, IS DEDICATED TO THE DEVELOPMENT OF MOBILITY AND ACCESSIBILITY SOLUTIONS, DERIVING SIGNIFICANT BENEFITS TO THE COMMUNITIES IT SERVES.

The emergence of new trends, digital disruption, climate change and changes in behavioural patterns reflect a new era where concepts of mobility and efficiency take on a broader significance and bring new challenges.

MOBILITY ON THE MOVE • EFFICIENCY 4.0

MOBILITY On the Move

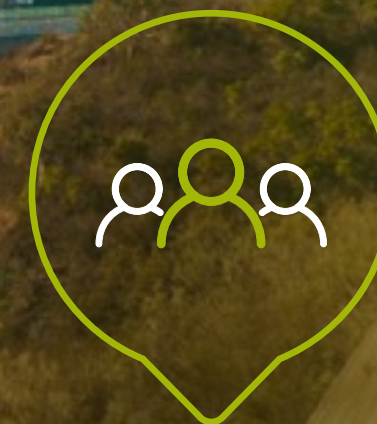
EFFICIENCY 4.0



BRISA IS THE LARGEST PRIVATE ROAD OPERATOR IN PORTUGAL
and stands out at both national and international levels.
It seeks efficiency in all dimensions of its business.

Brisa is focused on operational efficiency and client service. In the middle of the current decade, Brisa started implementing a new strategic vision extending to other mobility services and the development of technological solutions, in addition to road operation. Current economic and environmental challenges provide greater incentive to increase operational efficiency and extend its mobility offer.

01 INTRODUCTION TO BRISA



MOBILITY
FOR PEOPLE

1.1 FOREWORD FROM THE CHAIRMAN

1.2 BRISA PROFILE

1.3 KEY FIGURES

1.4 AWARDS AND EXTERNAL RECOGNITION

1.5 HIGHLIGHTS AND EVENTS OF THE YEAR



OPERATIONAL
AND FINANCIAL
EFFICIENCY



TECHNOLOGIC
DEVELOPMENT AND
DIGITALIZATION



NEW MOBILITY
PRODUCTS AND
SERVICES



PARTNERSHIPS
AND COLLABORATIVE
PROCESSES

1.1

FOREWORD FROM THE CHAIRMAN



VASCO DE MELLO
Chairman of the Board of Directors

“

Brisa's performance in 2017 was marked by sustained growth in traffic, in line with the economic environment in Portugal. Furthermore, Brisa achieved its strategic goals, comprising financial soundness and operating efficiency, development of new projects and businesses as well as improving social and environmental performance

INTEGRATED VISION FOR BUSINESS EFFICIENCY

The 2017 results benefited from the positive impact of traffic growth, which stood at 6.8%. Operating income grew by 4.9% and operating costs remained stable, with a positive impact on operating results (EBITDA), which rose to €M 506.3 and as a result of which net consolidated profit for the year totalled €M 231.5. We achieved our main financial goals, while continuing to invest in improving the network. Cash generation (EBITDA-CAPEX) rose by 5.8% to €M 450.4.

The evolution of these financial indicators contributed to our financial strength, as shown by the reduction of debt (as measured by Net Debt/ EBITDA) from 4.2x to 3.8x, and by the favourable development in Brisa

Concessão Rodoviária's rating - by both Moody's and Fitch - reflecting the strong operational and financial performance.

Moreover, Brisa's non-financial results have also evolved favourably particularly improving environmental measures, as shown by consumption of electricity (-4%), fuel (-2.1%), and CO₂ emissions (-3.3%). The impact of prolonged drought and wild fires in Portugal affected our performance in terms of water consumption (+48.8%), this being an issue which we need to address in the future.

Training and safety conditions in the workplace are among our primary concerns. Regarding the latter, no fatal accidents were recorded again this year.

FOREWORD FROM THE CHAIRMAN

DEVELOPMENT OF THE DIFFERENT DIMENSIONS OF MOBILITY

Brisa delivered on its strategic plan for the mobility sector, covering both its core business (management of major toll road infrastructure) and new mobility services, based on multimodal management and integration, connectivity and sharing, where the company is increasingly active.

In the motorway business, which is our core activity, Brisa's main priority is to provide efficient, suitable, safe and sustainable mobility. The work in progress at the recently created Brisa Gestão de Infraestruturas, which aims to increase efficiency and quality in our infrastructure assets, as well as the creation of Brisa Áreas de Serviço, which is a new business area combining better client service with better economic performance at our motorway service areas.

Via Verde mobility services, which are complementary to our traditional business, are growing and gaining market recognition. They complete and strengthen our positioning in this area.

The Via Verde Estacionar parking service is present in 11 Portuguese cities whereas the Via Verde Transportes service is being deployed in pilot-projects with Fertagus and Carris-Metro-Transtêjo. New operations in the so-called sharing economy were launched in 2017, specifically DriveNow in Lisbon (carsharing) and Via Verde Boleias (ridesharing).

The number of subscriptions to the different Via Verde Ecosystem services grew significantly, sending out a clear signal that we are meeting the challenge we set out on to improve operational efficiency and client service. Online and electronic communication with clients recorded remarkable progress, with selfcare already representing 40% of our clients' interactions with Via Verde Contact.

Internationally, Brisa's expansion focused on the sale of technology solutions for intelligent management of motorways and *Mobility-as-a-Service*, under

A-to-Be® brand and is starting to deliver results. The award of a \$M 33 contract in the State of Illinois and the Washington State Road Usage Charge (RUC) pilot-project, both in the United States, are positive achievements. They were recognized, winning the AmCham Tributes awards.

KEEP THE FOCUS ON PEOPLE

Finally, mention should be made to the launch of the Grow Mobility Programme, a business accelerator dedicated to the identification and development of start-ups offering innovating and disruptive solutions, capable of contributing to the development of Brisa's business and to the mobility challenges of the present age of digitalization, urbanisation and climate change.

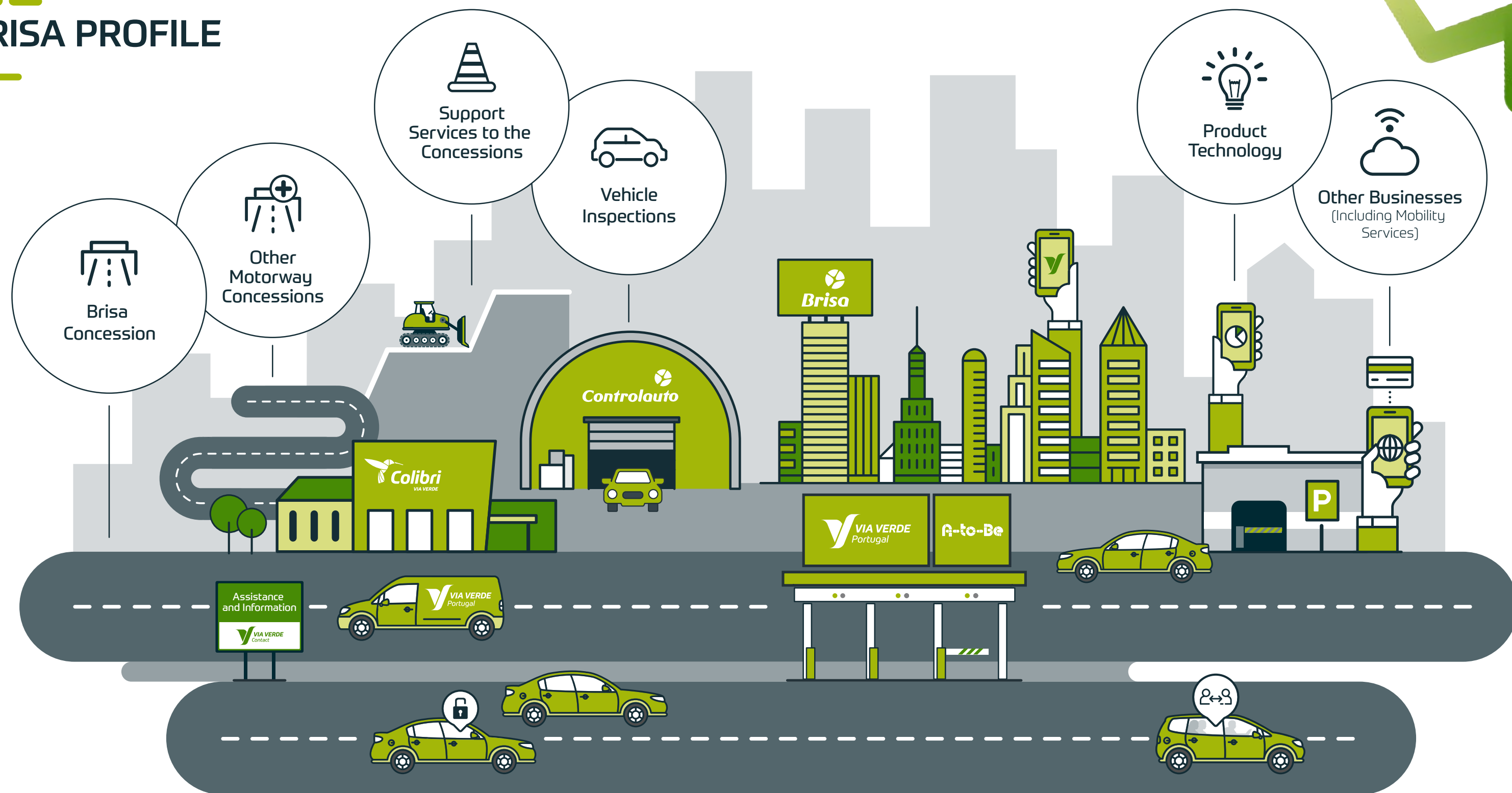
In this environment, employees play a crucial role in Brisa's growth and future as they are the ones who have the closest relationship with the company. Together with safety and health at work, training is one of our major concerns, with 9 600 participations in training courses, 21% more than in 2016.

In Portugal, we live a period of higher confidence. However, we need to keep our commitment, dedication and work to achieve the company's new vision.

Finally, I wanted to mention the "More Life, More Brisa" programme, which is an important initiative developed internally and aims to reconcile our people's professional and personal/family lives. This programme should gain further visibility in 2018.

For all of these reasons, 2017 was a positive year. In 2018 we will continue to pursue our strategy, working in the present to build the future.

1.2 BRISA PROFILE



BRISA PROFILE

Brisa Auto-Estradas de Portugal has in its portfolio a broad number of assets, in 6 business segments

These business segments were defined according to Management's vision and have been incorporated into the company's strategy, based on dimension and materiality criteria.



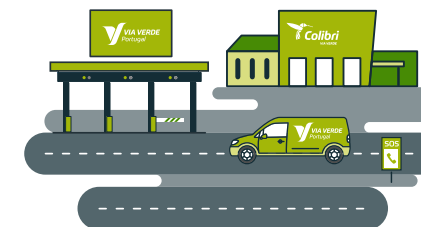
BRISA CONCESSION

70% holding in **Brisa Concessão Rodoviária, S.A. (BCR)**. BCR holds the concession for 12 motorways, totalling 1 124 km. This network runs from North to South and East to West. It includes the country's main road axes - coastal corridor and Lisbon-Madrid link.



OTHER MOTORWAY CONCESSIONS

Brisa has stakes in other toll road concessions, totalling 504 km: **Atlântico** (50%), **Brisal** (70%), **Douro Litoral** (99.92%), **Baixo Tejo** (36.85%) and **Litoral Oeste** (15%).



SUPPORT SERVICES TO THE CONCESSIONS

Support services provided to the concessions through **Brisa Operação & Manutenção** (Brisa O&M), **Brisa Gestão de Infraestruturas** (BGI), **Brisa Áreas de Serviço** (BAS), **Via Verde Portugal** (VVP), **Via Verde Contact** (VVC) and **M Call**. Services focused on the client and on the operation and maintenance of concessioned toll roads.



VEHICLE INSPECTIONS

Vehicle inspection services provided by **Controlauto**.



PRODUCT TECHNOLOGY

Development and marketing of technology solutions designed by **Brisa Inovação e Tecnologia** (BIT), sold internationally under brand A-to-Be®. Focus on an efficient management of infrastructure and mobility solutions.



OTHER BUSINESSES (INCLUDING MOBILITY SERVICES)

Through **Via Verde Serviços** (VVS) and **BNV Mobility** (BNV), Brisa develops and takes part in innovative projects, providing new mobility solutions. These include, amongst other: car parking and urban mobility, carsharing and ridesharing. This business segment includes interests in **Transport Infrastructure Investment Company** (TIIC) funds.

1.3 KEY FIGURES

BRISA'S MAIN FIGURES

45 years of experience
in construction, operation
and maintenance of road
infrastructures



6
CONCESSIONS



1 628 Km
1 124 KM: UNDER CONCESSION TO BCR
504 KM: TOTAL OF THE NETWORK
OF OTHER CONCESSIONS



1.3 MILLION
VEHICLE INSPECTIONS



2 434
EMPLOYEES



12 MILLION
KM TRAVELLED BY ROAD
ASSISTANCE VEHICLES



3.5 MILLION
VIA VERDE
ON BOARD UNITS



€M 679.3
CONSOLIDATED
OPERATING INCOME

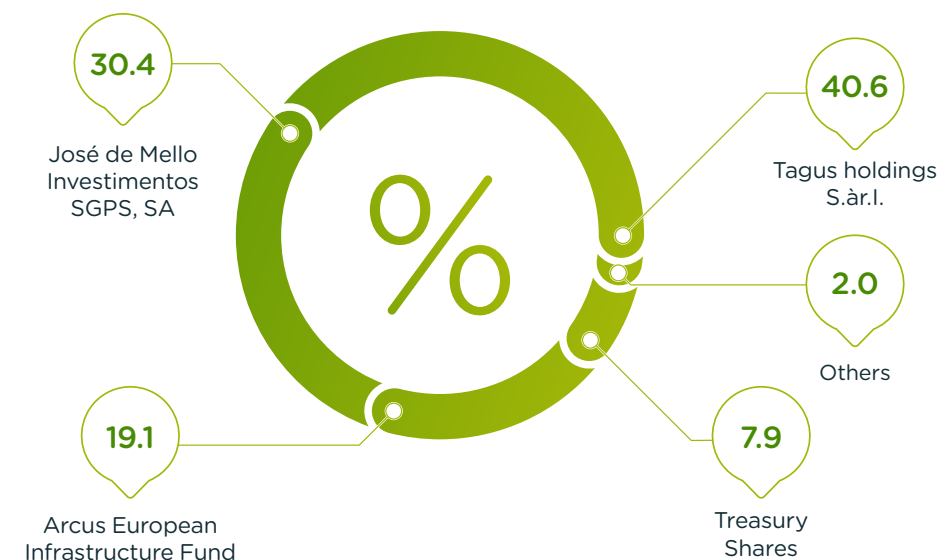


€M 55.8
CAPITAL EXPENDITURE



6 New contracts
AWARDED IN 2017 FOR
THE SUPPLY OF TECHNOLOGY
IN EUROPE AND IN THE USA

SHAREHOLDER STRUCTURE:



NOTE: Tagus holdings S.à.r.l. is 55% held by José de Mello Investimentos SGPS, SA and 45% held by Arcus European Infrastructure Fund.

KEY FIGURES



€M **506**

EBITDA IN 2017

FINANCIAL CAPITAL (€M)

'15 '16 '17

OPERATING INCOME	615	648	679
EBITDA	451	484	506
EBITDA MARGIN	73.3%	74.8%	74.5%
NET FINANCIAL DEBT	2 119	2 041	1 919
NET FINANCIAL DEBT/EBITDA	4.7X	4.2X	3.8X

SOCIAL CAPITAL

'15 '16 '17

INVESTMENT IN LOCAL COMMUNITIES (€M)

DONATIONS	0.5	0.6	0.5
PUBLIC SERVICE	0.2	0.1	0.2

SOCIAL INDICATORS

NUMBER OF VOLUNTEERS	103	128	133
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EDUCATIONAL PROGRAMME "BRISA IN SCHOOLS" INDICATORS

NUMBER OF VISITS	245	201	135
NUMBER OF STUDENTS	18 560	15 156	14 530



133

NUMBER OF VOLUNTEERS IN 2017



53 577

NO. OF TRAINING HOURS IN 2017



€M **7.5**

INVESTMENT IN INNOVATION AND DEVELOPMENT IN 2017



10³tCO₂eq 14.5

GHG EMISSIONS IN 2017

HUMAN CAPITAL

'15 '16 '17

HUMAN RESOURCES INDICATORS

TOTAL NUMBER OF EMPLOYEES	2 343	2 344	2 434
NUMBER OF TRAINING HOURS	42 216	52 291	53 577

INDICATORS OF HEALTH AND SAFETY AT THE WORKPLACE

NUMBER OF ACCIDENTS	93	91	111
ABSENTEEISM RATE (%)	3.9	3.7	3.9

INTELLECTUAL CAPITAL (€M)

'15 '16 '17

INVESTMENT IN INNOVATION AND DEVELOPMENT

INNOVATION	0.1	0.2	0.2
DEVELOPMENT	4.4	4.6	7.3

NATURAL CAPITAL

'15 '16 '17

ENVIRONMENTAL INDICATORS

ELECTRICITY CONSUMPTION (10 ³ GJ)	101.7	98.0	94.3
FUEL CONSUMPTION (10 ³ GJ)	90.2	88.9	87.6
WATER CONSUMPTION (m ₃)	92.8	82.0	122.0
GHG EMISSIONS (10³tCO₂eq)	14.5	15.0	14.5
WASTE (t)	743.0	1188.0	782.0

1.4

AWARDS AND EXTERNAL RECOGNITION



GRESB AWARDED TO BRISA THE FIRST PLACE IN THE RANKING "TRANSPORTATION/ EUROPE" IN 2017

GRESB is the reference sustainability research agency, worldwide, for real assets sector – infrastructure and real estate..



BRISA 2016 INTEGRATED REPORT RECOGNISED BY MEIOS & PUBLICIDADE MAGAZINE

Brisa's 2016 integrated report obtained Honourable Mention Award in the "Institutional Publication" category given by the Meios & Publicidade Magazine in 2017.

The report was the sole annual report receiving an award, amongst other reports registered in this category.



A-to-BE® (BIT) WINS AmCham TRIBUTES

A-to-Be (BIT) was one of the winners of the AmCham Tributes in 2017 for the contracts awarded in the USA, namely in the States of Colorado, South Carolina, Illinois, and recently in Washington.

The awards ceremony was held at the Ritz Hotel, in Lisbon, in the presence of the Portuguese President, Marcelo Rebelo de Sousa. On this occasion, the US ambassador George Glass congratulated the winners and underlined the importance of economic and trade relations between Portugal and the United States.



BRISA WINS GOLD IN 2017 EFFECTIVENESS AWARDS

Brisa won a Gold prize at the 2017 Effectiveness Awards, in the "Institutional Communication" category with the brand "Via Verde, Anda Consigo". This prize rewards excellence in marketing aimed at the Image and Reputation of companies using exclusively (or mainly) own means and/or media advisory.

The Effectiveness Awards promoted by APAN - Associação Portuguesa de Anunciantes are the sole awards in Portugal based on results achieved through communication, considering effectiveness as the true purpose of advertising activity, based on the return of the investment made and the accelerating effect on the business of the advertising company.



BRISA DISTINGUISHED IN THE 2016 EDITION OF THE EXCELLENCE INDEX

Brisa was recognised in the 2016 edition of the Excellence Index, ranking 4th in the category of Large Companies with over 1 000 employees. This prize was awarded in 2017.

The survey on the organisational climate and human capital development was carried out by Neves de Almeida | HR Consulting, in partnership with Human Resources Portugal, Executive Digest and INDEG-ISCTE, and in 2016 it covered 178 corporations and 46 465 employees.



BRISA O&M SELECTED AS BEST COMPANY OF THE YEAR BY EXAME MAGAZINE

Brisa Operação e Manutenção was recognised as Best Company of the Year for the third consecutive year, by Exame – 500 Largest and Best, and as Best Company in the Services Sector.

Exame's 500 largest and best companies award is one of the most important prizes granted in Portugal, rewarding the best performing companies determined according to an automatic system, with no subjective interference.

1.5

HIGHLIGHTS AND EVENTS OF THE YEAR



FINANCIAL CAPITAL



HUMAN CAPITAL



INTELLECTUAL CAPITAL



SOCIAL CAPITAL



NATURAL CAPITAL

JAN

BRISA: Launch of the Parents and Children project

VIA VERDE SERVIÇOS: Half a million subscribers

FEB

BCR: Release of 2016 Results. Traffic grows by 7%

VIA VERDE PORTUGAL: Launch of a pilot payment system for multimodal public transport in Lisbon, in association with Carris, Metro and Transtejo

MAR

BRISA: Conclusion of the NorthWest Parkway sale, a concession held by Brisa in Colorado (USA)

BIT (A-to-BE®): Award of a contract in the state of Illinois (USA), of up to US\$M 33.2, for the supply of an Automatic Toll Payment (ATPM) solution

BRISA: XVI Brisa Forum

BIT (A-to-BE®): Launch of the new A-to-Be® global brand in London, during the "MaaS Market" event

VIA VERDE PORTUGAL: Via Verde's site considered Socially Devoted by SocialBakers, for the second consecutive year

BRISA: Brisa's promotion of electric mobility enabled a continuous corridor of rapid chargers for electric vehicles on the A2 and A1 motorways, linking the city of Oporto to the Algarve

APR

BCR: Launch of information service about travelling times on A5

VIA VERDE PORTUGAL: Reputation sustainability award

BRISA: Brisa Student Drive Camp 2017, within the scope of "Porto Capital Jovem da Segurança Rodoviária"

MAY

BCR: €M 300 Bond issue

BCR: Extension of a committed credit line in the amount of €M 100

VIA VERDE PORTUGAL: Start of operation of automatic payment system in Fertagus railway transports

BRISA: Presence at the "International Transport Forum Summit 2017", where Brisa's CEO participated

BCR: Visit of the Prime-Minister to A1 in Vila Nova de Gaia

JUN

BRISA ÁREAS DE SERVIÇO: Launch of Colibri, a new restaurant concept in service areas, at Alcácer do Sal (A2)

VIA VERDE SERVIÇOS: Launch of the ridesharing service, Via Verde Boleias

BRISA: Participation in the Movin'On by Michelin conference, in Montréal, Canadá

BRISA: Brisa Mobility award given to WePark, by the "Acredita Portugal" association

BRISA: Launch of new app "Brisinha", for children (road safety)

BRISA: Start of the 7th year of the Volunteer Programme

HIGHLIGHTS AND EVENTS OF THE YEAR



FINANCIAL CAPITAL



HUMAN CAPITAL



INTELLECTUAL CAPITAL



SOCIAL CAPITAL



NATURAL CAPITAL

JUL

BCR: Release of 1st Half 2017 Results. Traffic grows by 6.8%

BRISA: Training on "Conduct for Social Media"

BRISA ÁREAS DE SERVIÇO: New restaurant service "Colibri Via Verde" opens at Vendas Novas, on A6

BRISA: Participation in 11th Transports in Review Meeting

VIA VERDE PORTUGAL: Presence in Summer Festivals

AUG

VIA VERDE PORTUGAL: Summer 2017 Campaign - Via Verde Leve

BRISA: Training on "Reconciling professional, family and personal life"

BRISA: Kick off of the "Family Responsible Company" and the "More Life, More Brisa" projects

SEP

BCR: Outlook upgrade from "Stable" to "Positive" and confirmation of Baa3 rating by Moody's

BIT (A-to-BE®): Award of a new contract for the implementation of advanced traffic management system Atlas, a new supporting tool for 25 de Abril and Vasco da Gama bridges

BIT (A-to-BE®): Award of new contract in the US, in partnership with Globalvia, for the use of the MoveBeyond system (toll back office) at the Pocahontas Parkway concession, in Richmond, Virginia

BIT (A-to-BE®): Supplying of the first drive-through payment system in drug stores, extending the Via Verde service

VIA VERDE PORTUGAL: Opening of the Via Verde store in Oporto

BRISA: Participation in B2Run

VIA VERDE SERVIÇOS: Launching of carsharing (DriveNow) operations in Lisbon

BRISA: Formation of BGI - Brisa Gestão de Infraestruturas and start of second phase of Asset Management project

BRISA: José de Mello Group Volunteer Day

BRISA: Support to the car transport of children observation study promoted by APSI

OCT

BCR: Extension of a committed credit line in the amount of €M 50

BRISA: Support to "Mobility on the Move" Conference at ISCTE

VIA VERDE PORTUGAL AND CONCESSÃO ATLÂNTICO: Renewed sponsorship of "Meo Rip Curl Pro Portugal" and "Nazaré Challenge 2017"

NOV

BIT (A-to-BE®): Award of a new contract, in partnership with IMS Intellimec, for the supply of toll back-office and operation of "Washington State Road Usage Charge" (RUC) Pilot, in the US

BRISA: Granting of scholarships by Fundação Amélia de Mello to employees' children

BRISA: Participation in "Websummit'17" with Via Verde Portugal and BIT (A-to-Be)

BIT (A-to-BE®): A-to-Be MoveBeyond™ - launch of new generation of back-office for mobility during the "WebSummit", in Lisbon

VIA VERDE PORTUGAL: Release of the new Via Verde app

DEC

BCR: Outlook upgrade from "Stable" to "Positive" and short-term rating upwards revision to F2 from F3 by Fitch Ratings

BIT (A-to-BE®): Award of new toll contract in the US for the implementation of Automatic Payment Solutions (ATPM) and Open Road Tolling for Globalvia, Pocahontas Parkway concession, in Richmond, Virginia

BRISA ÁREAS DE SERVIÇO: Colibri services open at the Barcelos Service Area, on A3

BRISA: "Handshake to the CEO" wins Bronze Prize in Portuguese-Speaking Creativity Awards, in "Low Budget Events" category

02

STRATEGIC FRAMEWORK



OPERATIONAL AND FINANCIAL
EFFICIENCY

2.1 MACROECONOMIC ENVIRONMENT

2.2 VALUES AND MISSION

2.3 BUSINESS MODEL AND STRATEGIC PRIORITIES

2.4 RISK MANAGEMENT



TECHNOLOGIC
DEVELOPMENT AND
DIGITALIZATION



NEW MOBILITY
PRODUCTS AND
SERVICES



PARTNERSHIPS
AND COLLABORATIVE
PROCESSES



MOBILITY
FOR PEOPLE

2.1 MACROECONOMIC ENVIRONMENT

ECONOMIC ACTIVITY

Global growth accelerated in 2017 in both developed and emerging economies. According to the IMF, Gross Domestic Product (GDP) grew by 3.7%, outperforming both initial projections and 2016's figure of 3.2%. This performance was mainly driven by a recovery in investment and foreign trade, the quantitative easing policy followed by major Central Banks and an increase in consumer and investor confidence.

Economic activity in the Euro Zone surprised on the upside, maintaining a strong and sustained growth. GDP in the Euro Zone grew 2.4%, which compares to 1.8% in 2016.

In Portugal, the macroeconomic environment was also favourable. Indices with the largest impact on BCR's activity (namely, GDP, private consumption and inflation), all evolved favourably throughout 2017.

In addition, the labour market was buoyant, with the unemployment rate falling to 8.0% as of December 2017 (less 2.2 p.p. as compared to December 2016). The Portuguese economy should continue to grow at a moderate pace, driven by a supportive external environment prevailing among its main trade partners.

GROSS DOMESTIC PRODUCT (GDP)

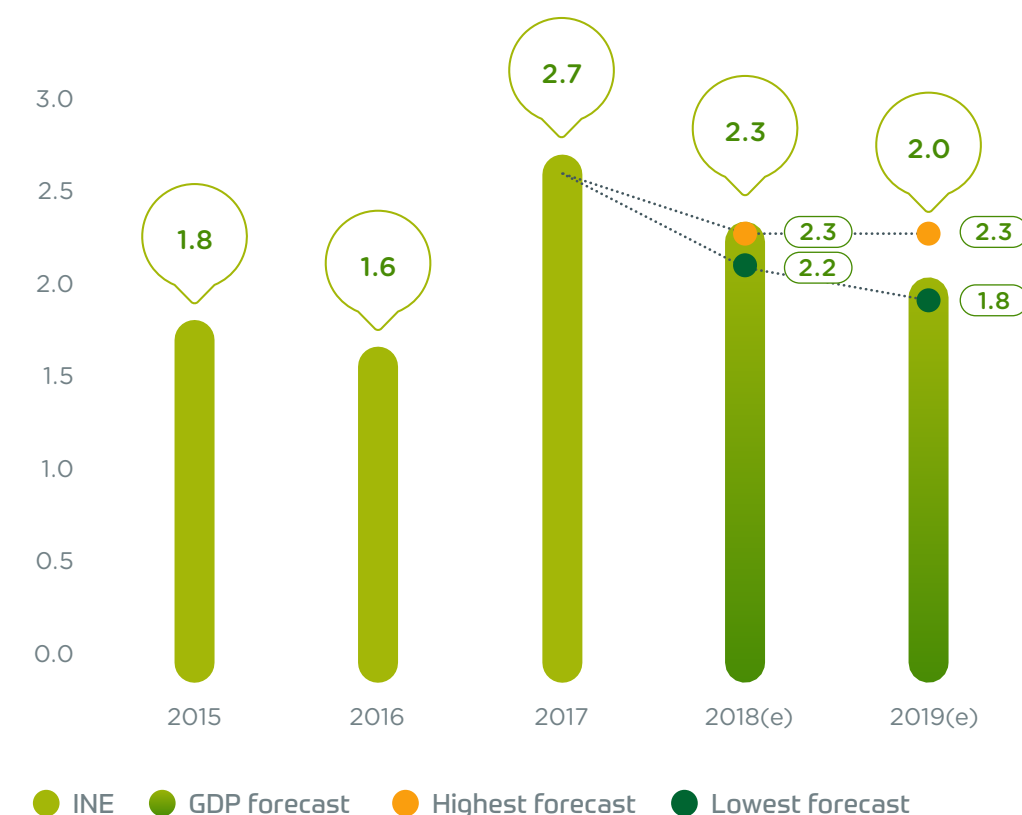
Portugal's GDP grew by 2.7% in volume, representing an acceleration of 1.1 p.p. over 2016. Such evolution (outperforming initial projections which pointed to growth figures between 1.1% and 1.8%) resulted in an increase in internal demand and an acceleration of investment (+8.4%). Net external demand fell by 0.2 p.p. (flat in 2016), although tourism performed outstandingly well, as figures show, 20.6 million visitors and 57.5 million overnight stays in 2017 (increasing by 8.9% and 7.4% respectively, over 2016).

In 2018 and 2019 economic activity in Portugal should continue to expand at a significant pace, although GDP growth should be lower than in 2017.

According to both national and international projections, Portugal's GDP should grow 2.2% in 2018 and 2.0% in 2019, in line with projected growth for the Euro Zone GDP.

GDP EVOLUTION IN PORTUGAL

PERCENTAGE (%)



Note: Projections for 2018 and 2019 resulting of the average of estimates by the European Commission, Banco de Portugal, IMF and OECD. The highest forecast for GDP was published by OECD and Banco de Portugal for 2018 and by OECD for 2019. The lowest GDP forecast was released by European Commission and the IMF for 2018 and by the IMF for 2019.

Source: International Monetary Fund for the Euro Zone indicators and Portuguese National Statistics Institute for Portuguese data.



2.7 %
PORTUGAL'S GDP
GROWTH RATE IN 2017

MACROECONOMIC ENVIRONMENT

PRIVATE CONSUMPTION

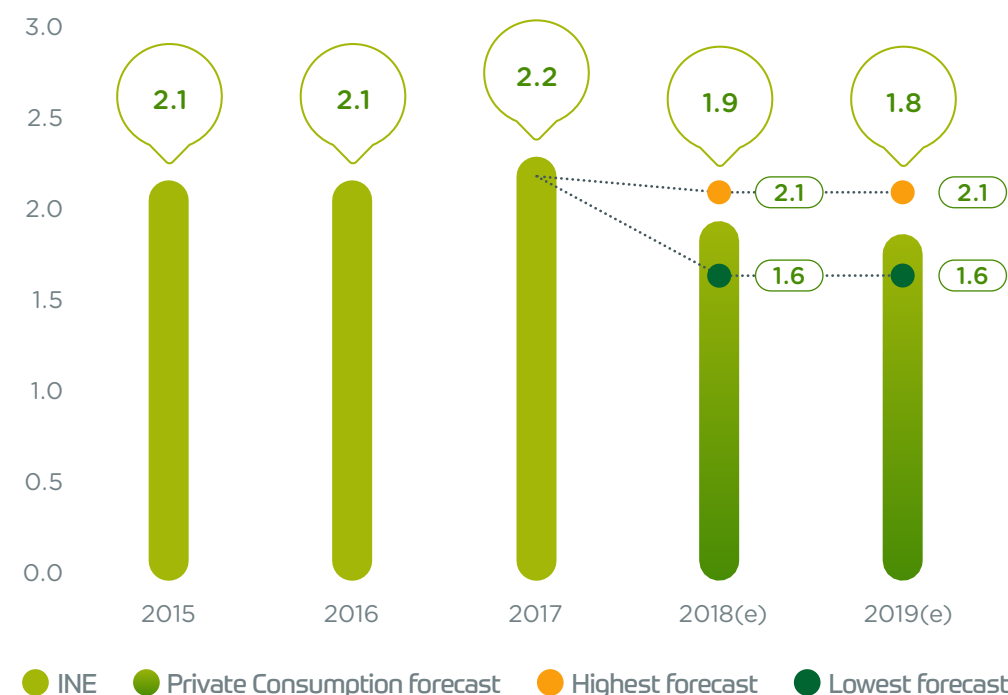
Private consumption in Portugal rose by 2.2% in 2017, in line with recent years. In 2018 and 2019 the growth pace of this indicator is likely to slow down to 1.9% and 1.8%, respectively. The gradual declining of effects associated with expenses that had been postponed during the last recession, combined with the likely evolution of real disposable income (influenced by moderate growth in real wages and recovery of the labour market at a gradually lower pace) should lead to a slowdown in private consumption.

INFLATION

In 2017 the **Consumer Price Index (CPI)** in Portugal recorded an average change rate of 1.4%, increasing significantly as compared with 0.6% in 2016. Core inflation, i.e. excluding food and energy items, stood at 1.1%. Energy prices on the other hand rose by 3.5%. The outlook for inflation in the forthcoming years is that it will reach 1.4% and 1.5% in 2018 and 2019, respectively, in line with projected inflation of the Euro Zone.

EVOLUTION OF PRIVATE CONSUMPTION IN PORTUGAL

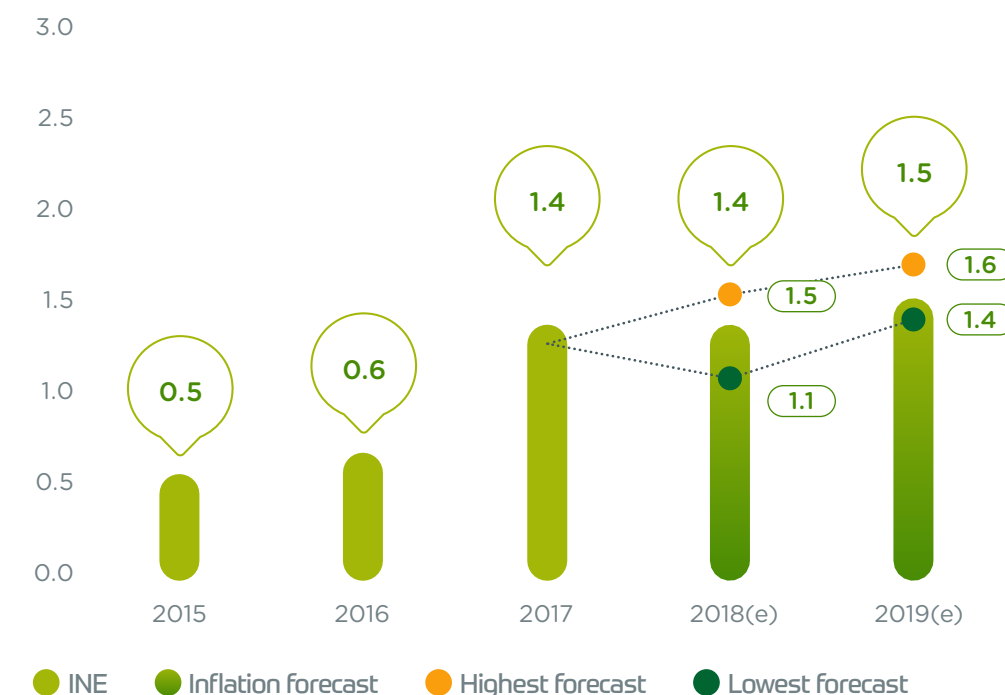
PERCENTAGE (%)



Note: Projections for 2018 and 2019 resulting of the average of estimates by the European Commission, Banco de Portugal, IMF and OECD. The highest forecast for Private Consumption was published by Banco de Portugal as concerns 2018 and by OECD for 2019. The lowest forecast for Private Consumption for 2018 was released by the European Commission and by the IMF and the European Commission for 2019.

EVOLUTION OF INFLATION IN PORTUGAL

PERCENTAGE (%)



Note: Projections for 2018 and 2019 resulting of the average of estimates by the European Commission, Banco de Portugal, IMF and OECD. The highest forecast for inflation was released by the IMF and Banco de Portugal for 2018 and by the IMF for 2019. The lowest forecast for inflation was released by OECD for 2018 and by OECD and the Banco de Portugal for 2019.

Source: Portuguese National Statistics Institute for Portuguese data.

MACROECONOMIC ENVIRONMENT

FINANCIAL MARKETS

The political instability experienced in 2016 following the unexpected events witnessed that year, such as Britain's decision to leave the European Union ("Brexit") and the result of the US Presidential elections, chilled out in 2017. Nonetheless, a couple of relevant circumstances in 2017 are worth noting, such as nuclear escalation in North Korea, the turmoil caused by the independent movement in Catalonia and the US decision to leave the Paris Agreement.

Against this increasingly stable background, equity markets performed quite well, recording historical valuation highs and historical volatility lows.

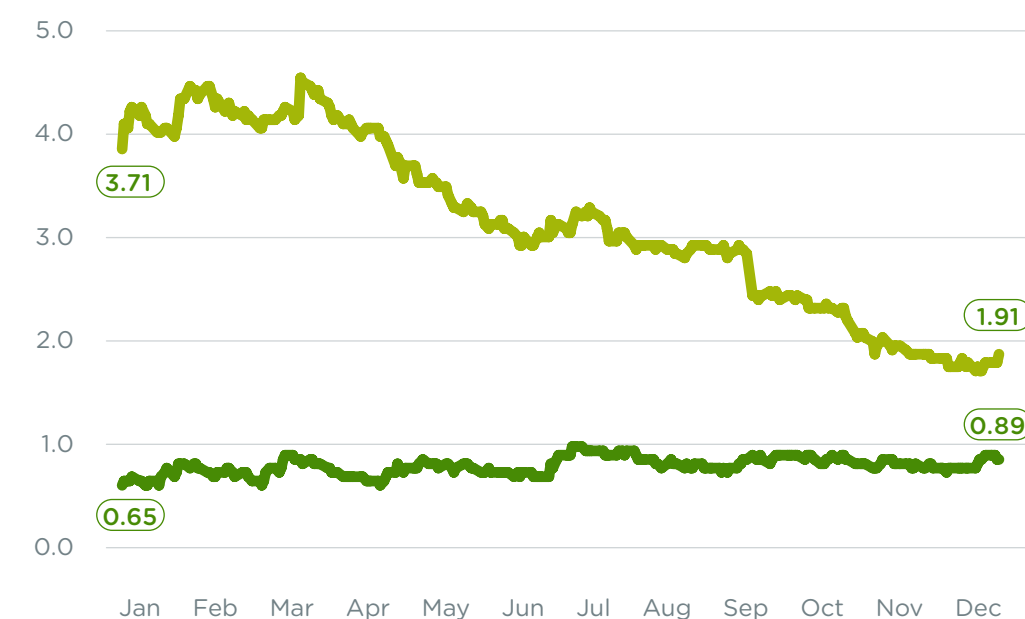
In 2017 the European Central Bank kept its reference rate at 0.0% and continued its monetary stimulus, which was adjusted throughout the year: in April 2017 ECB reduced the monthly amount of its asset purchases to €bn 60 (from the previous €bn 80) and in October 2017 it extended the length of time that its stimulus programme runs from December 2017 up to September 2018 and reduced monthly asset purchases to €bn 30 (as from January 2018).

Meanwhile, in the US, the Federal Reserve (FED) continued the gradual process of monetary policy normalisation, rising the FED Funds rate three times further (ranging now between 1.25% and 1.5%). Additional hikes in the FED Funds rate are expected in 2018.

In this environment, European swap rates recorded a slight rise across all maturities, with the 10-year swap rate reaching 0.89% at year-end (25 bps above end-2016 level). It is also worth mentioning the significant decrease in the risk premium associated with the Portuguese sovereign debt, with 10-year bond yields falling from 3.71% at the end of 2016 to 1.91% at the end of 2017.

10-YEAR SWAP RATE AND INTEREST RATE OF PORTUGUESE 10-YEAR BONDS IN 2017

PERCENTAGE (%)



10-year Euroswaps 10-year PGB's

Brisa does not have listed securities. However, Brisa Concessão Rodoviária (BCR) is one of the largest bond issuers in Portugal. Throughout 2017, BCR's risk premium decreased considerably, reflecting not only the favourable performance of financial markets, but also the Company's strong operating and financial performance as well as the creditors' recognition of the strength of BCR's financial structure. The spread of BCR 2025's bonds narrowed by 93 bps throughout the year, from 1.61% to 0.68%.

MACROECONOMIC ENVIRONMENT



1.50 €

ANNUAL AVERAGE PUMP PRICE OF GASOLINE IN 2017



1.24 €

ANNUAL AVERAGE PUMP PRICE OF DIESEL IN 2017

BCR SPREAD CURVE

PERCENTAGE (%)



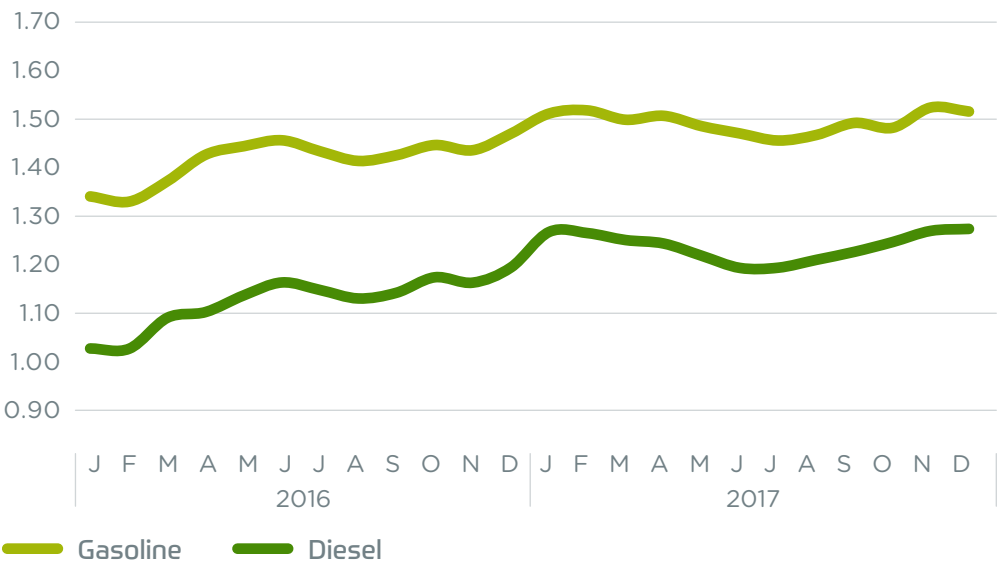
FUEL PRICES AT THE PUMP

Along with the macro economic situation, road fuel prices also bear significant influence on Brisa's activity. Throughout 2017 the weighted average annual fuel price at the pump (gasoline and diesel) rose by 9.5%, reversing the downward trend recorded from 2013 to 2016. The annual average price of gasoline increased by 5.9%, but that of diesel rose even further (10.9%).

In Portugal, fuel price is influenced by the price of Brent crude per barrel, which is expected to increase in 2018. However, the expected rise in the final price of fuel at the pump is likely to be mitigated, since taxes on fuel products in Portugal correspond to absolute figures per litre, which do not vary significantly and the weight of which is relevant in the formation of the final price.

MONTHLY EVOLUTION OF PORTUGUESE FUEL PRICES AT THE PUMP, 2016-2017

EURO (€)



ANNUAL AVERAGE FUEL PRICES AT THE PUMP IN PORTUGAL, 2016-2017

	'16	'17	% CHANGE
GASOLINE	1.42 €	1.50 €	5.9%
DIESEL	1.12 €	1.24 €	10.9%
AVERAGE	1.19 €	1.31 €	9.5%

MACROECONOMIC ENVIRONMENT

Despite the price increase, the volume of fuel sales grew in 2017 (+1,4%). Total sales of gasoline declined by 2%, but diesel sales increased, thus accounting for the positive balance of overall sales.

THE CAR MARKET

The Portuguese car market continued to recover in 2017, as sales volume rose by 7.7% in relation to 2016. Following a sharp increase by 24.0% in 2015 and 15.8% in 2016, the number of cars sold in Portugal reached almost 270 thousand units, throughout 2017. Sales of heavy vehicles performed slightly better than light vehicle sales (10.7% vs. 7.6%).

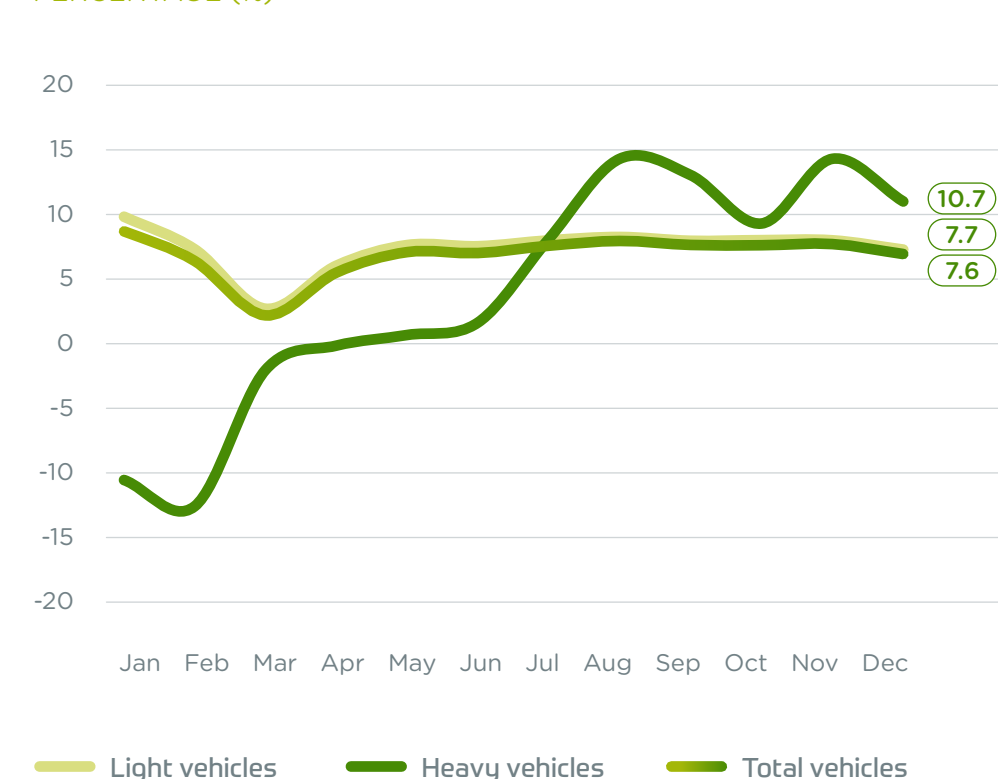
ROAD FUEL SALES, PORTUGAL, 2016-2017

PERCENTAGE (%)



CUMULATIVE MONTHLY EVOLUTION OF NEW CAR SALES IN PORTUGAL, 2016-2017

PERCENTAGE (%)



10.7 %
 GROWTH RATE OF 2017
 HEAVY VEHICLES SALES
 IN PORTUGAL



7.6 %
 GROWTH RATE OF 2017
 LIGHT VEHICLE SALES
 IN PORTUGAL

2.2 VALUES AND MISSION

Brisa considers itself as a “Partner for the Development of Portugal”, a vision which it extends to all regions where it operates, either as a road concessionaire or as a provider of advanced road services

The Brisa Group has played a key role in the financing, definition, construction and operation of a network of motorways, covering Portugal's main road axes and crossing the country from North to South and East to West. As a result of such experience, it developed a culture that is strongly directed to the promotion of mobility and accessibility, based on values of **Ethics, Excellence, Innovation** and **People**, with important economic and social benefits for the activities and communities it serves.

For over 40 years, Brisa has led the national road market and established a structured and internationally recognised operational model for road infrastructure. The emergence of new trends, technology developments and changes in people's behavioural patterns led to the advent of a new era, where the concept of Mobility gained broader significance, bringing in new challenges. In this environment, Brisa will continue to **provide efficient mobility for people**, focusing on Mobility as a requisite for growth, development and value creation.

VALUES ON WHICH BRISA'S CULTURE IS BASED



BRISA'S MISSION

**PROVIDE EFFICIENT
MOBILITY
FOR PEOPLE**



ETHICS

+



EXCELLENCE

+



INNOVATION

+



PEOPLE

VALUES AND MISSION

Brisa Group has developed a culture strongly focused towards the promotion of mobility and accessibility, established upon values of Ethics, Excellence, Innovation and People

ETHICS



Brisa promotes transparent management practices, aligned with the organization's ethical values, standards and principles. The company advocates the application of such practices across all its business segments and by all its employees.

EXCELLENCE



Brisa promotes a culture based on excellence and strictness in practices, procedures and processes. This way of acting allows it to be recognised at national and international levels.

INNOVATION



Brisa conducts its business according to the highest technology and innovation standards. Innovation is a critical success factor of differentiation in relation to competitors.

PEOPLE



Brisa is focused on people: employees (promoting their access to training and career development, balance of personal and professional life, adoption of appropriate labour practices, preventive culture in relation to health and safety at work) and clients (who are at the centre of Brisa's attention).

2.3 BUSINESS MODEL AND STRATEGIC PRIORITIES

2.3.1 MARKET TRENDS AND CHALLENGES

The sector of transport and mobility infrastructure involves a set of activities with a high degree of interdependence. It's one of the sectors that has witnessed the greatest changes in the last few years. Brisa is successfully adapting to the new challenges brought by such changes

Today's society is becoming more global and is constantly changing. Customs and behaviours are continuously evolving, whether of people, institutions or corporations. These changes require frequent adjustments in the supply of products and services, in distribution channels and in pre- and post-sales assistance.

Accordingly, the technological evolution combined with new social behaviours and needs, foster innovation and the development of new solutions, which stimulate and challenge the way of doing business.

The sector of transport infrastructures and mobility is one of the sectors that has undergone the largest transformation, with this trend likely to persist in the next few years. This is perceived in the ever-changing needs of customers that cross multiple areas. The increasing digitalisation and the growing use of digital devices, channels and apps, the need to be connected all the time and have real time access to updates and upgrades or any other novelty are good examples of these new trends.

In the transport and mobility sector, these new consumer trends and behaviours give rise to specific challenges, such as:

- focus on the supply of mobility services rather than on infrastructure;
- new forms of mobility (carsharing, ridesharing, bikesharing);
- smart cities, Mobility as a Service (MaaS) vision and respective integrated mobility platforms;
- connected cars, autonomous vehicles and drones;
- integration of mobility data with recourse to Big, Smart and Open Data;
- increasing view of the car as a mobile connected space and not just an object for transport.

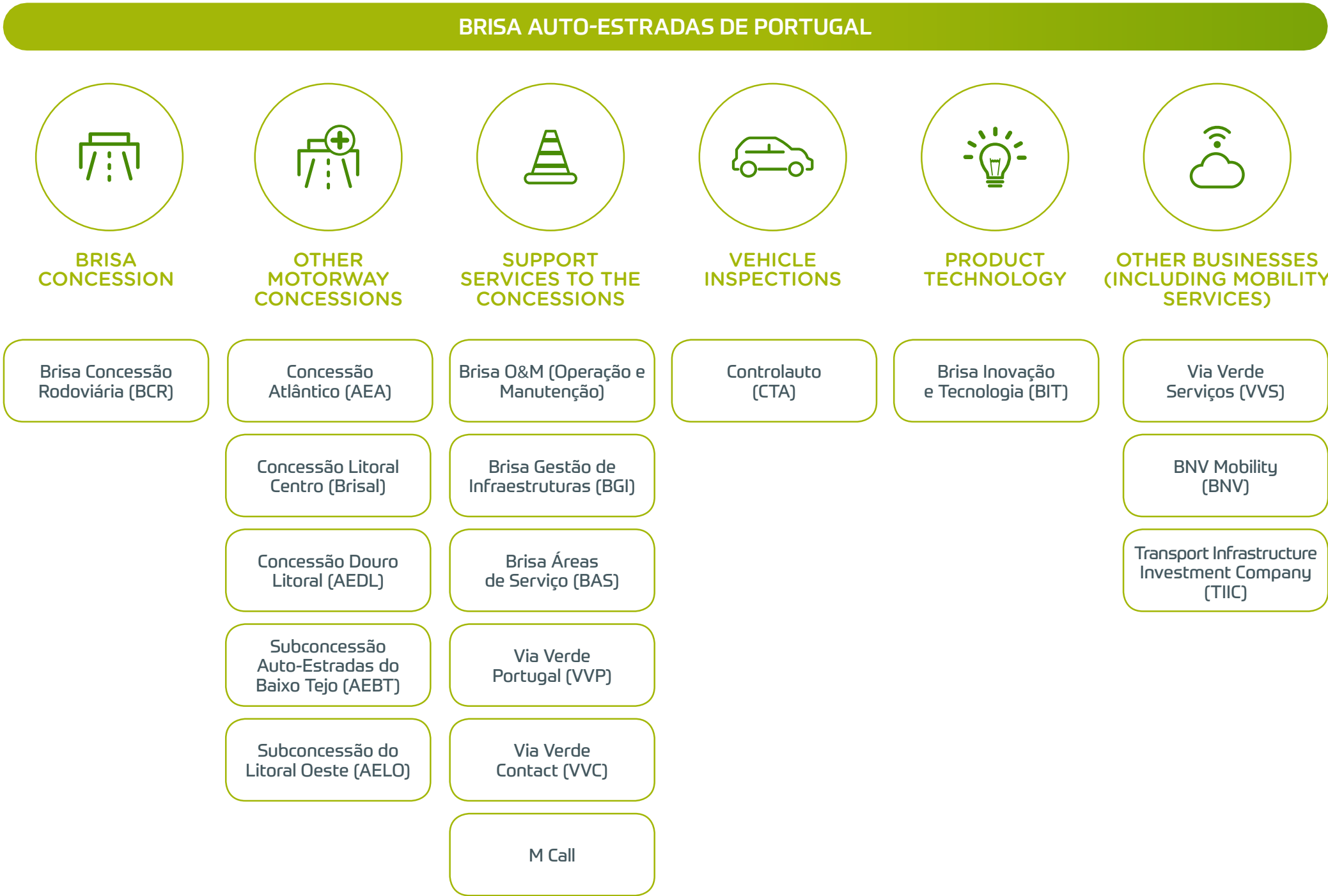
BUSINESS MODEL AND STRATEGIC PRIORITIES

BRISA'S SIMPLIFIED ORGANISATION CHART BY BUSINESS SEGMENT

Brisa Auto-Estradas de Portugal was established in 1972 and is currently the largest private transport infrastructure company in Portugal.

Holder of considerable operational and technological know-how, Brisa is recognised for the efficient management of its road concessions and the development and marketing of innovative mobility solutions.

2.3.2 BUSINESS MODEL



BUSINESS MODEL AND STRATEGIC PRIORITIES

PORTFOLIO MANAGER

Brisa's business model, as a **portfolio manager**, seeks to create value to the different stakeholders by optimising the value generated by each of its businesses, seizing investment opportunities and disinvesting where needed.

With a view to maximise value creation and the medium and long-term performance of its businesses, Brisa must manage its assets carefully, continuously seeking the development of the opportunities such assets generate, whilst keeping its focus on the client. Therefore, **Brisa is**

simultaneously focused on value creation (based on operational efficiency, strict management of investment, financial efficiency and optimisation of capital), on **new growth opportunities and** on enhancing the relationship with its **clients**.

Each business segment has its own business model, requiring different types and amounts of capital employed and led by different operational drivers that generate value to stakeholders.



PORTFOLIO MANAGER



BRISA
CONCESSION



OTHER MOTORWAY
CONCESSIONS



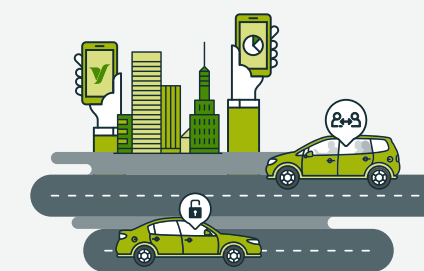
SUPPORT SERVICES
TO THE CONCESSIONS



VEHICLE
INSPECTIONS



PRODUCT
TECHNOLOGY



OTHER BUSINESSES
(including mobility services)

BUSINESS MODEL AND STRATEGIC PRIORITIES

DRIVERS FOR VALUE CREATION



CLIENT FOCUS

Development of mobility and accessibility solutions that are innovative, efficient and customer-oriented

OPTIMISATION OF EXISTING PORTFOLIO



OPERATING PERFORMANCE

Efficient and judicious management of road infrastructures. **Maximisation of cash generation**, based on high **continuous operational efficiency** and careful management of investment.



FINANCIAL MANAGEMENT

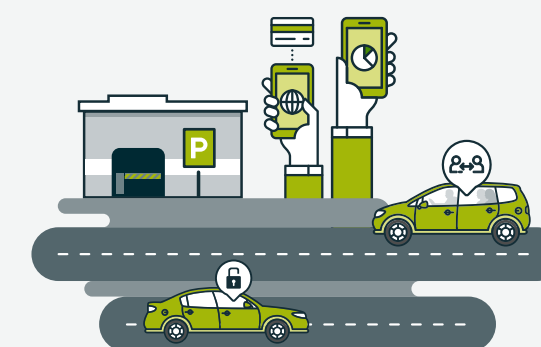
Efficient, disciplined and **conservative financial management** of BCR and all its road concessions.



CAPITAL OPTIMISATION

Efficient allocation of available capital. Minimisation of the cost of capital, maximising the value of assets.

NEW GROWTH OPPORTUNITIES



NEW OPPORTUNITIES OF VALUE CREATION

Generation of complementary sources of revenue, contributing to additional growth.
Development of new products and services as supplier of technology and mobility.

BUSINESS MODEL AND STRATEGIC PRIORITIES

RELATION WITH CAPITALS



FINANCIAL

- Efficiency in the use of existing assets
- Management of working capital
- Implementation of competitive projects
- Financial soundness
- Maximisation of generated cash flow



HUMAN

- Operational know-how
- Expertise in road management
- Continuous development of skills and talents
- Diversification of skills towards new business areas
- Safety at work



INTELLECTUAL

- Technological know-how
- Partnerships with universities and other research institutions
- Intellectual property and technologies
- Corporate governance system
- Risk control and management system (Data Centre)



SOCIAL

- Values and reputation
- Social development focused on the relationship with local communities
- Partnerships with different stakeholders
- Volunteering programmes



NATURAL

- Existence of a sustainable environmental policy
- Development of metrics, systematisation and centralisation of information on environmental management
- Optimization and efficiency gains on energy and water management
- Preparation for emerging challenges associated to climate change risks and the evolution of mobility businesses

VALUE CREATION FOR STAKEHOLDERS

Shareholders

- Return on investment
- Solid distribution policy
- Lower cost of capital
- Ongoing operation
- M&A opportunities
- Increase portfolio of assets

Debt investors

- Adequate return
- Protection of BCR's investment grade rating

Grantor

- Open to changes in the Concession Contracts, creating value for the different stakeholders
- Active relationship with the grantor

Employees

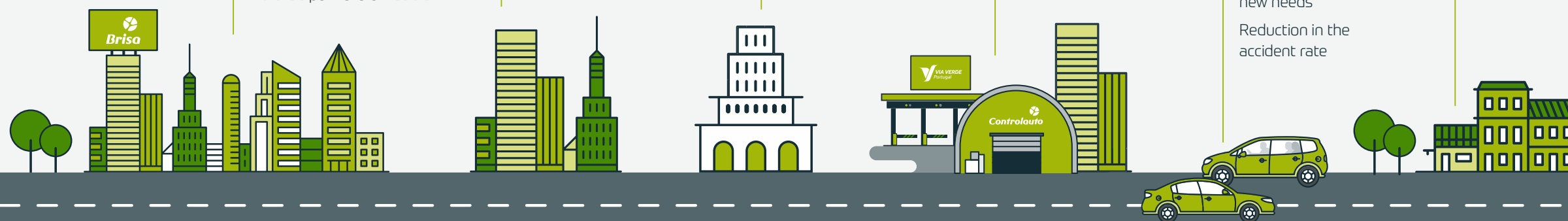
- Know-How
- Job security
- Career development
- Balance between private and professional life

Clients

- Trust
- Safety and efficiency
- Improvement in client satisfaction
- Larger offer of products and services focused on new needs
- Reduction in the accident rate

Local communities

- Job creation
- Reduction of environmental impacts
- Protection of biodiversity
- Promotion of local social and economic development



BUSINESS MODEL AND STRATEGIC PRIORITIES

2.3.3 STRATEGIC PRIORITIES

As a portfolio manager, Brisa aims to achieve sustainable growth. Its business model is developed according to strategic priorities based on 3 pillars that will allow Brisa to evolve from the infrastructure era to the mobility era.

Based on these 3 strategic pillars, Brisa seeks to continue to be recognized as a road infrastructure company that also provides innovating mobility solutions for its clients.



1. CORE

EXPAND AND PROTECT THE CORE BUSINESS

Protect and maximise value creation generated by existing (core) businesses, achieving operational excellence and financial optimisation.

EFFICIENT AND CAREFUL MANAGEMENT OF CURRENT ASSETS:

- Brisa Concession and Other Motorway Concessions
- Support services to the concessions
- Vehicle inspections



2. GROWTH

PROMOTE EMERGING BUSINESSES

Develop capacities and explore business opportunities with high growth potential.

FOSTER INTERNAL TECHNOLOGICAL KNOW-HOW

- Product Technology:
 - Traffic Management
 - Toll Collection
 - Urban Mobility



3. SEED

CREATE VIABLE SOLUTIONS THAT ARE STRATEGICALLY ALIGNED

Create a diversified portfolio, encouraging entrepreneurship, new business creators and promoting adequate incentives.

PROVIDE NEW MOBILITY SOLUTIONS:

- Other businesses (including mobility services):
 - Satisfaction of personal mobility needs
 - Generate complementary sources of revenue through the Via Verde Ecosystem

BUSINESS MODEL AND STRATEGIC PRIORITIES

2.3.3 STRATEGIC PRIORITIES

In 2017 Brisa continued to work to achieve its strategic goals of operational and financial efficiency, development of new businesses and creation of new mobility solutions

CORE - EXPAND AND PROTECT THE CORE BUSINESS

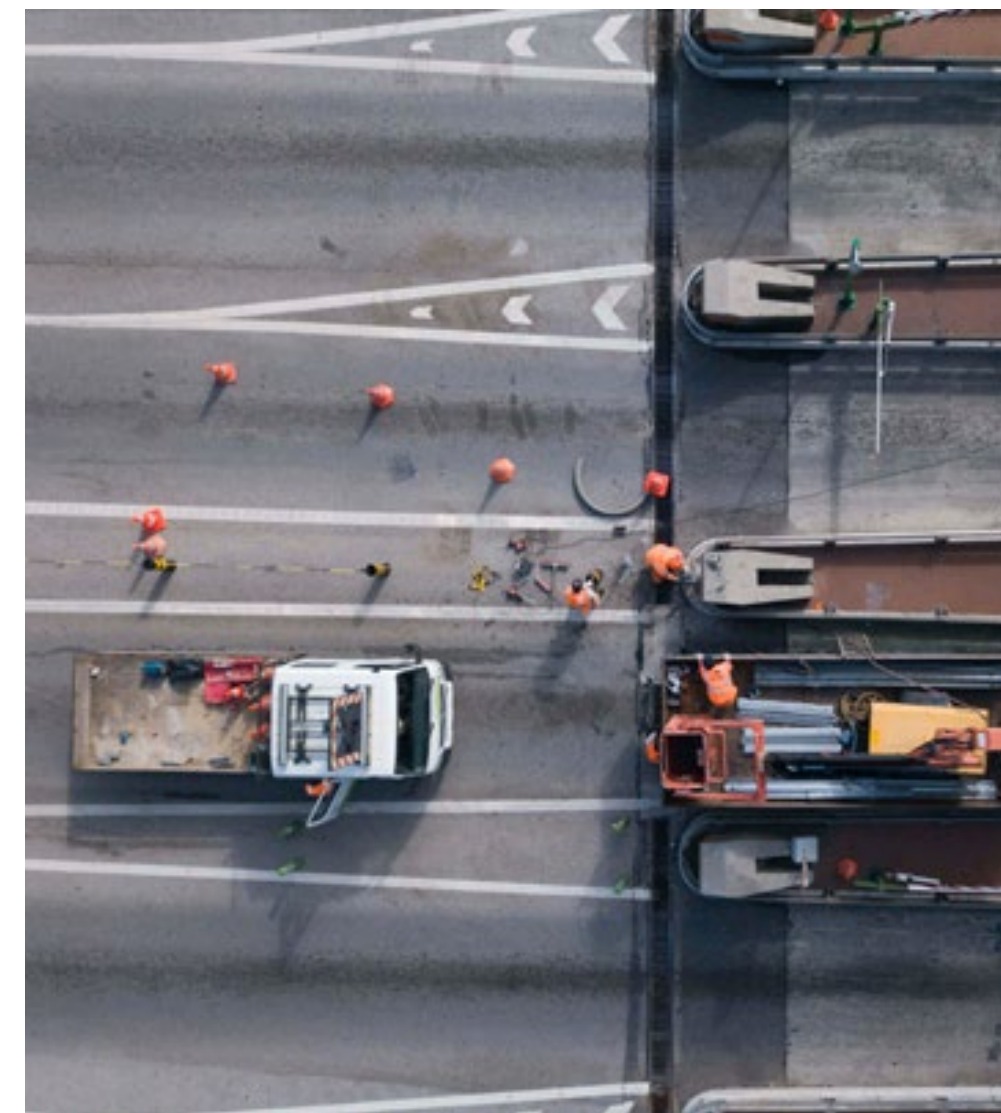
Asset Management Programme

In the context of the constant improvement policy of its operational efficiency, Brisa implemented a new Asset Management Programme in 2017 and created BGI (focused on specialized and maintenance engineering). BGI resulted from the merger, by incorporation, of two companies of the Brisa Group (Brisa Engenharia e Gestão and Brisa Conservação de Infraestruturas) and from the transfer of two departments of Brisa Operação e Manutenção (monitoring and conservation department and equipment maintenance department).

As the cycle of the motorway network construction (in the portfolio of concessions owned by Brisa) has been completed, the maintenance of these infrastructures has received increasing attention. In 2016, a thorough review was carried out, across the whole group, aiming to characterize the infrastructure maturity levels, to assess the sector best practices and to evaluate the inherent potential of a new asset management philosophy of the infrastructure guided by the ISO 55000: 2014 standard. This standard advises for the definition of policies and strategies for monitoring performance and evaluating the risks inherent to decision making, in order to optimize the resources allocated to these activities.

Brisa's strategic agenda in this area was based on two pillars:

- Integration into a single company of all the skills inherent to a new maintenance engineering culture, leading to the creation of BGI - Brisa Gestão de Infraestruturas in September 2017;



BUSINESS MODEL AND STRATEGIC PRIORITIES

2.3.3 STRATEGIC PRIORITIES

- Creation of a project team with the task of tracing the guidelines of the new Asset Management Programme, reviewing the organization's internal processes and finding the most adequate technologies to support it.

The objectives of this transformation are also to improve the inventory and traceability of infrastructure assets, thus promoting the best knowledge of its criticality to the system. The ongoing transformation plan points to the conclusion of the modelling and start-up phase of the implementation of the new functions during 2018.

Service areas

Assuming the service areas as an integral part of the motorway experience, Brisa created a new company (Brisa Áreas de Serviço - BAS)



at the end of 2016, with the objective of reconciling the provision of a better client service with the management and efficient exploitation of BCR's network service areas. BAS started its operational activity in January 2017, with the management of 6 service areas.

GROWTH - STIMULATE EMERGING BUSINESSES

New brand: A-to-Be®

BIT is the Brisa Group's business unit providing mobility-related technology solutions and was responsible for the supply of critical systems for the mobility and transport business over the past few years. In March 2017, BIT launched a new brand called A-to-Be®, thus reinforcing its positioning in the mobility and related services area.

Over the year Brisa strengthened its presence abroad, through A-to-Be®, being awarded with several contracts in the United States for the supply of Automatic Toll Payment Solutions and Open Road Tolling. In Portugal, the company shall implement an advanced traffic management system (Atlas) namely in 25 Abril and Vasco da Gama bridges.

SEED - CREATE VIABLE SOLUTIONS THAT ARE STRATEGICALLY ALIGNED

Launch of new mobility products and services

In 2017 Brisa focused on multimodal transport management, based on vehicles' connectivity and sharing.

New projects as Via Verde Carsharing – DriveNow, and Via Verde Boleias (ridesharing) were implemented. Additionally, a new version of the Via Verde app was launched and other services that improve people's every day mobility and that had been previously launched were reinforced: Via Verde Estacionar (street car parking) is now available in an increasing number of cities and Via Verde Transportes provides an increasingly consistent experience.

BUSINESS MODEL AND STRATEGIC PRIORITIES



THE GLOBAL GOALS For Sustainable Development

2.3.4 SUSTAINABLE DEVELOPMENT GOALS

In line with its continued commitment to sustainable development, Brisa recognises the importance and potential of the United Nations Sustainable Development Goals (SDGs), which Portugal has subscribed on September, 2015.

In 2017, Brisa began studying how to best articulate SDG's with its own strategy, in order to achieve full implementation. It should be concluded in 2018.

The first approach was carried out through a survey on the company's compliance with SDG's and respective targets and by crossing these targets with identified compliance in the transport and mobility sector, according to WBCSD's "SiMPLify" and "Paris Process on Mobility and Climate", whereby Brisa identified 8 of the 17 Sustainable Development Goals:



Goal 3 - Good health and well-being
Focus on reducing injured and fatalities on motorways.



Goal 7 - Affordable and Clean energy
Focus on doubling energy efficiency.



Goal 9 - Industry, Innovation and Infrastructure
Focus on targets of building resilient and inclusive infrastructure, and promote sustainable industrialisation.



Goal 11 - Sustainable Cities and Communities
Focus on targets of accessible and sustainable transport systems, protection of the cultural and environmental heritage, minimisation of environmental impact of cities and strong national and regional development planning.



Goal 12 - Responsible Consumption and Production
Focus on ensuring sustainable production practices, promoting universal understanding of sustainable life styles, reducing waste generation.



Goal 13 - Climate Action
Focus on taking urgent action to combat climate change.



Goal 15 - Life on Land
Focus on protection of biodiversity and natural habitats.



Goal 17 - Partnerships for the goals
Focus on the sharing of knowledge viewing access to science, technology and innovation.

BUSINESS MODEL AND STRATEGIC PRIORITIES



Dialogue with stakeholders is a cornerstone in Brisa's sustainability strategy. Identifying the critical topics and building a positive relationship with all stakeholders requires increasingly sensitive scrutiny mechanisms.

A materiality review exercise was developed from the perspective of the different external stakeholders, with the objective of assessing the relevance that the topics have from two perspectives: Brisa's business and stakeholders.

2.3.5 MATERIALITY ANALYSIS

Brisa discloses its financial, social and environmental information according to AA1000 APS (2008) and G4 directives, a tool which aligns the information in this report with expectations of stakeholders and the company's materiality.

Brisa undertook an independent review of financial, social and environmental topics from the point of view of its business strategy. To do so, it implemented an approach that embraces the vision of our main stakeholders and peer companies, as well as the main trends in the management and topics that affect the company's business risk.

Brisa systematised its approach to determine its key material subjects:

CONSULTATION OF STAKEHOLDERS

Questionnaires were given to internal stakeholders to find out the employees' main expectations.

BENCHMARK ANALYSIS

Brisa developed a benchmark analysis of 7 national and international peer companies considered as benchmark in financial, social and environmental management.

SECTOR'S TREND ANALYSIS

Brisa analysed the main trends, impacts and risks which must be addressed by the company in its business and sustainability strategy, from an integrated perspective.

ANALYSIS OF REPUTATIONAL RISK

Brisa analysed the topics and respective favourable or unfavourable impacts that directly affect the reputation of the Brisa brand.

Based on the methodology presented, 8 topics considered as being material for Brisa's business and simultaneously for the main stakeholders were identified, as represented in the following page.

The 8 topics considered to be material served as a basis for the definition of strategic areas of action and for the prioritization of projects, initiatives and actions which were developed during 2017.

After determining the material topics, Brisa identified the respective GRI version G4 indicators, according to which Brisa monitors performance for subsequent reporting to stakeholders.

Further information is available in the GRI table attached to this report:



**CONSULT
GRI Table**

BUSINESS MODEL AND STRATEGIC PRIORITIES

2.3.5 MATERIALITY ANALYSIS

THE EIGHT MATERIAL TOPICS

The eight topics deemed material are the basis for the definition of strategic sustainability action areas.



BUSINESS MODEL AND STRATEGIC PRIORITIES

2.3.6 MANAGEMENT APPROACH

MATERIAL TOPICS	MANAGEMENT APPROACH
ECONOMIC PERFORMANCE	Brisa considers operational efficiency and economic performance to be one of the cornerstones of its management. It promotes good management practices, both in the financial field and in the environmental aspect of optimising resources. The search for continuous improvement of its efficiency is a key element of Brisa's strategy.
CUSTOMER SATISFACTION	Brisa assumes that management and customer satisfaction are the mainstay of its strategy, in line with the current business model. It is in this sense that it intends to monitor the satisfaction of its clients, through the maintenance and/or improvement of infrastructures and services.
EFFICIENCY OF SERVICES	Brisa seeks to continuously improve service efficiency by investing in quality, road safety and intelligent management of traffic.
TRANSPARENCY IN MANAGEMENT PRACTICES	Brisa promotes transparent management practices aligned with ethics, the law and internal organisation rules.
INNOVATION IN PRODUCTS AND SERVICES	In a continuously changing environment, Brisa promotes the development of its business in accordance with the most demanding standards in terms of technology and innovation, as a critical factor of success and business differentiating factor.
ENVIRONMENTAL ACTION AND AWARENESS RAISING	Environmental management of environmental aspects throughout the life cycle of the motorways, specifically the prevention, mitigation and offsetting of impacts, as well as the anticipation of new risks and the continuous search for innovating opportunities and solutions
RELATIONSHIP WITH AND IMPACT ON LOCAL COMMUNITIES	Brisa values its relationship with the local communities in every stage of its activity and seeks to have a positive impact on society, namely by hiring local suppliers, developing operational solutions adjusted to respective realities and models of cooperation, and supporting social and human development.
PROFESSIONAL DEVELOPMENT AND LABOUR PRACTICES	Brisa values its human capital, implementing training and career development programmes, encouraging balance between professional and personal life, and working on the promotion of health and safety at the workplace.

BUSINESS MODEL AND STRATEGIC PRIORITIES

DIALOGUE WITH STAKEHOLDERS

Brisa is an active member of several organizations, including sector associations and benchmark entities associated with sustainable development.

2.3.7 DIALOGUE WITH STAKEHOLDERS

Stakeholders have legitimate expectations that define the material issues for Brisa. Identifying the critical topics and building a positive relationship with all stakeholders requires segmented and dedicated scrutiny mechanisms.

BENCHMARK ORGANISATIONS

The most relevant stakeholders were identified based on two criteria: impact of stakeholder on Brisa and vice-versa.

Comprehensive identification of the expectations of each stakeholder and the respective response are articulated with the materiality analysis mentioned in the previous sub chapter and is systematised through AA1000 APS Standard.

Brisa is an active member of various organizations, including sector associations and benchmark entities associated with sustainable development.

Brisa takes part in the managing bodies or decision-making structures of some of these organisations (marked with: ✓)

UNITED NATIONS GLOBAL COMPACT

This is a corporate citizenship initiative launched by the United Nations in 2000 that involves stakeholders based on universally accepted principles: Universal Declaration of Human Rights, Declaration of the International Labour Organization on Fundamental Principles and Rights at Work and the Rio Declaration on Environment and Development.

Brisa signed the United Nations Global Compact on 8 October 2007, reinforcing its public commitment to sustainable development. Membership enhances the integration of sustainable development values in Brisa's value chain.

UNITED NATIONS GLOBAL COMPACT PRINCIPLES		PAGE
1	Support and Respect the protection of human rights	173-175
2	Prevent human right abuses	173
3	Support freedom of association at work	111
4	Abolish forced labour	174
5	Abolish child labour	157, 164-173
6	Eliminate discrimination in respect of employment and occupation	157, 164, 170-171
7	Support a precautionary approach to environmental challenges	13, 114-116, 123-127, 158, 161-163
8	Promote environmental responsibility	13, 124-125, 159-164
9	Encourage technologies that do not harm the environment	123, 125-127, 158-159, 163
10	Combat corruption in all its forms, including extortion and bribery	23-24, 139-140, 175-176

BRISA SEEKS TO ALIGN ITS STRATEGY AND BUSINESS WITH LEGITIMATE EXPECTATIONS OF STAKEHOLDERS

STAKEHOLDERS	FORMS OF SCRUTINY (PHASE 1)	EXPECTATIONS (PHASE 2)	RESPONSE (PHASE 3)	MATERIAL TOPICS
REGULATOR	<ul style="list-style-type: none"> • Active management of the Concession Contract • Prior, formal and informal meetings 	<ul style="list-style-type: none"> • Fulfilment of the Concession Contract 	<ul style="list-style-type: none"> • Creation of events/activities/queries • Strict fulfilment of the Concession Contract • Definition of criteria to improve the provision of services • Optimisation of technical solutions • Development and implementation of specific studies" 	<ul style="list-style-type: none"> • Fulfilment of the Concession Contract
EMPLOYEES	<ul style="list-style-type: none"> • Employee website and Quality website • Irregularities disclosure channel and Ethical Ombudsman • Regular meetings with the Workers' Commission • Meetings between quality and sustainability managers • Follow-up of management systems • Training assessment questionnaire • Internal quality auditing satisfaction questionnaires • Active improvement opportunities system 	<ul style="list-style-type: none"> • Job stability • Prospects of professional progress • Working conditions • Balance between professional, family and personal life 	<ul style="list-style-type: none"> • People management processes, for example: <ul style="list-style-type: none"> - Performance management; - Careers - Remuneration - Training - Communication channels (See channels mentioned in column "Forms of Scrutiny") 	<ul style="list-style-type: none"> • Talent Management • Health and Safety • Corporate culture • Professional development and labour practices • Compatibility of work and private life
STATE	<ul style="list-style-type: none"> • Active management of the follow-up of contractual obligations • Permanent contact 	<ul style="list-style-type: none"> • Fulfilment of the Concession Contract 	<ul style="list-style-type: none"> • Negotiation process, with impact on the Concession Contract • Contract management • Creation of events/activities/queries • Drafting of reports 	<ul style="list-style-type: none"> • Fulfilment of the Concession Contract • Ethics and Transparency

STAKEHOLDERS	FORMS OF SCRUTINY (PHASE 1)	EXPECTATIONS (PHASE 2)	RESPONSE (PHASE 3)	MATERIAL TOPICS
PARTNERS	<ul style="list-style-type: none"> Proposals of the trade unions and negotiating process Regular meetings (monthly or quarterly) Parity commissions (when necessary) Management of Works Contract 	<ul style="list-style-type: none"> Fulfilment of contracts and protocol in force Creation of opportunities and active collaboration in developed initiatives 	<ul style="list-style-type: none"> Analysis of the proposals, suggestions and complaints Negotiation of the Collective Bargaining Agreement (CBA) Model of network innovation Development of long term joint ventures Partnership protocols with universities and research entities Support to the production of scientific literature 	<ul style="list-style-type: none"> Ecosystem of innovation Certification Ethics and Transparency
SHAREHOLDERS	<ul style="list-style-type: none"> Brisa website, email, telephone number 	<ul style="list-style-type: none"> Transparent and accurate information 	<ul style="list-style-type: none"> Regular information via available channels Integrated report (Financial and non financial information) Brisa website, email, telephone number Meetings and specific events, such as the General Meeting 	<ul style="list-style-type: none"> Economic performance Ethics and Transparency Eco-efficiency and Operational Management Client satisfaction
CLIENTS	<ul style="list-style-type: none"> Customer satisfaction assessment survey Follow-up on the clients' satisfaction assessment survey related with the service provided by Road Assistance, Hotline and service in Via Verde stores Mystery client in widening works, service areas and Via Verde stores Assessment of food quality and hygiene in service areas Client surveys Available service channels: Websites, hotlines, stores Complaints management system 	<ul style="list-style-type: none"> Traffic safety, comfort and fluidity Quality of the infrastructure and service provided, perception of received value Accessible and transparent contact 	<p>At operational level:</p> <ul style="list-style-type: none"> New road safety equipment, systems and procedures Management of road pavement and related structures Road patrolling and assistance services <p>In terms of the information provided:</p> <ul style="list-style-type: none"> Complaint management system Multichannel information on traffic in motorways (Via Verde service channels, website, app, radio, press releases, leaflets,...) Network of stores, service stations and information kiosks Assistance and information number, helpline to Via Verde clients Assistance and information to the hearing-impaired community via sms Internet websites Via Verde Ecosystem Via Verde app 	<ul style="list-style-type: none"> Road safety Active Traffic Management Customer Service

STAKEHOLDERS	FORMS OF SCRUTINY (PHASE 1)	EXPECTATIONS (PHASE 2)	RESPONSE (PHASE 3)	MATERIAL TOPICS
FINANCIAL MARKETS	<ul style="list-style-type: none"> • Consultation of financial entities • Negotiation process • Daily follow-up 	<ul style="list-style-type: none"> • Value creation • Transparent and accurate information 	<ul style="list-style-type: none"> • Taking into consideration of the results of the benchmark analysis in Brisa's decision-making 	<ul style="list-style-type: none"> • Economic performance • Ethics and Transparency • Eco-efficiency and Operational Management
SUPPLIERS	<ul style="list-style-type: none"> • Contract negotiation process and sessions • Follow-up meetings 	<ul style="list-style-type: none"> • Transparency and accuracy 	<ul style="list-style-type: none"> • Compliance with contractual terms • Dedicated channel for the management of contracts • Stable and long-term relationship • Contract management system and technical support 	<ul style="list-style-type: none"> • Ethics and Transparency
COMPETITORS	<ul style="list-style-type: none"> • In-depth analysis of competitors during strategic planning process • Benchmarking analysis of economic performance 	<ul style="list-style-type: none"> • Transparency and accuracy 	<ul style="list-style-type: none"> • Dedicated channel for communication with the Media • Meetings, press conferences, support to media articles, provision of background information 	<ul style="list-style-type: none"> • Ethics and Transparency
LOCAL COMMUNITIES	<ul style="list-style-type: none"> • Tender process, for environmental impact assessments • Dedicated channel for communication with the Media 	<ul style="list-style-type: none"> • Contribution towards local development • Mobility and accessibility solutions 	<ul style="list-style-type: none"> • Contribution towards local development • Mobility and accessibility solutions 	<ul style="list-style-type: none"> • Involvement of stakeholders • Positive external factors • Employees' contribution
PUBLIC OPINION	<ul style="list-style-type: none"> • Implementation of annual surveys • Journalists perception study • Quarterly monitoring and assessment of news • Monitoring of the impact of specific events • Annual reputation survey 	<ul style="list-style-type: none"> • Transparency and quality information 	<ul style="list-style-type: none"> • Transparency and quality information 	<ul style="list-style-type: none"> • Ethics and Transparency • Eco-efficiency and Operational Management • Client Service

2.4 RISK MANAGEMENT

2.4.1 DESCRIPTION OF THE IDENTIFICATION PROCESS AND RISK MANAGEMENT

The aim of Risk Management is to ensure the sustained growth of the businesses and to safeguard the value of the Brisa group, through the adoption of best practices, allowing in-house knowledge to be capitalised, and contributing to the achievement of strategic goals set forth at Group level. Brisa is exposed to 4 different categories of risks:

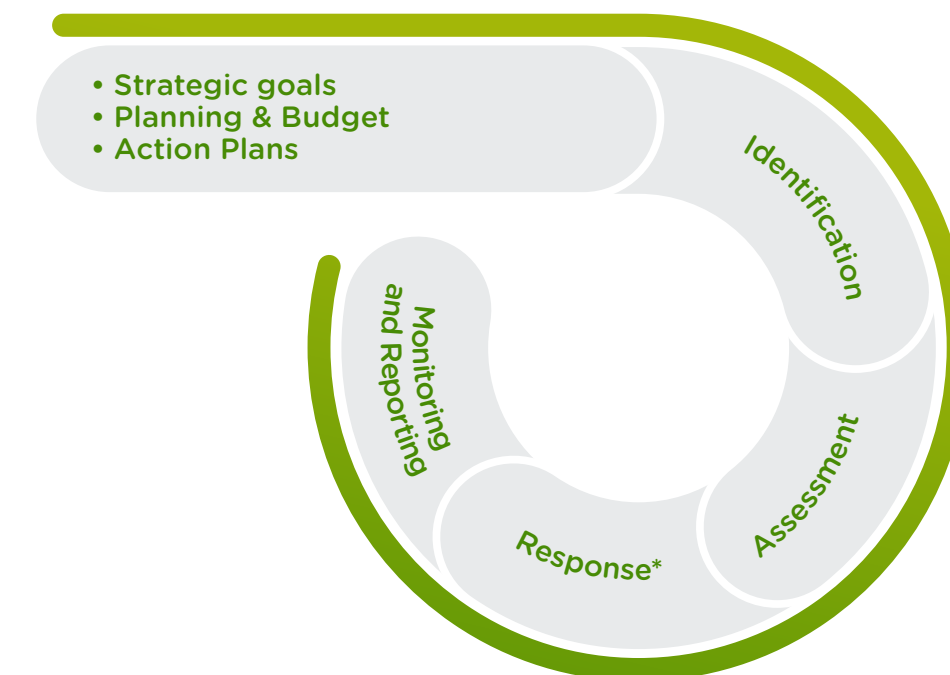
- Strategic risks
- Operational Risks
- Financial Risks
- Compliance Risks

The Risk Management Policy is established at Group level, involving directly the governing bodies of the various companies of the Brisa Group, as well as all remaining corporate structures.

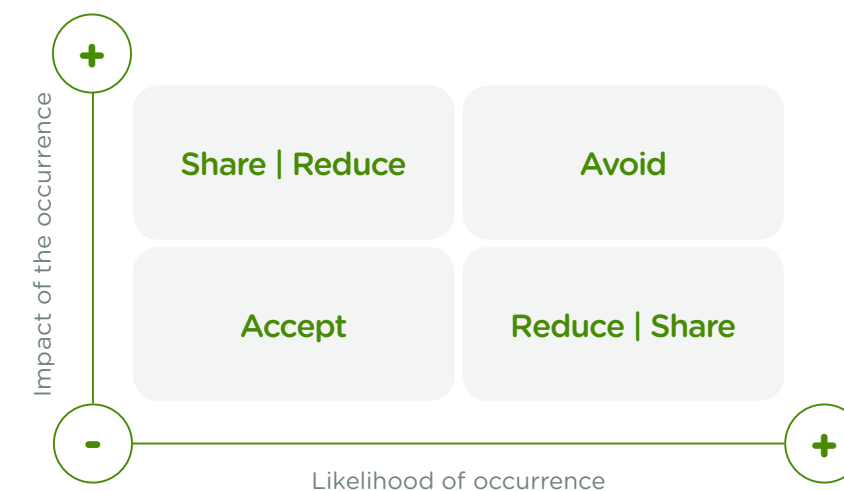
As a cornerstone of the Company's governance policy, Risk Management is present in Brisa's culture and management processes. Employees are responsible for mitigating risk factors, minimizing their impact and identifying, whenever possible, opportunities for improvement and/or return.

The Group's integrated risk management is based on internationally recognised methodologies such as COSO (Committee of Sponsorship Organizations of the Treadway Commission) and ISO (International Organisation for Standardisation) 31000 - Risk Management, which is developed as follows:

INFORMATION AND COMMUNICATION



*RESPONSE



RISK MANAGEMENT

2.4.1 DESCRIPTION OF THE IDENTIFICATION PROCESS AND RISK MANAGEMENT

The process implemented at Brisa, besides ensuring convergence between Risk Management and Strategic Planning, allows to update on a regular basis and in a systematic and over-arching way the main risks associated with the business portfolio.

Additionally, it allows to determine respective control and/or mitigation measures, which in the current context of new business trends - evolution

of efficient infrastructure management for the development of new mobility solutions - is particularly relevant to support management from a strategic perspective of sustained development of the entire company.

The following chart summarises the role of the different players:

RISK AND CONTROL	FUNCTIONS	RESPONSIBILITIES
1 ST LINE OF DEFENCE BUSINESS UNITS	Business and support areas: <ul style="list-style-type: none">Managing DirectorsRisk owners / Business process owners	<ul style="list-style-type: none">Identify and assess the risks of business areasImplement the risk management processDefine and implement internal controlsDefine/Identify changes in risk appetite
2 ND LINE OF DEFENCE CONTROL FUNCTIONS	<ul style="list-style-type: none">Strategic PlanningFinancial controlRisk controlAuditing, Organisation and QualityLegal	<ul style="list-style-type: none">Define and implement policies, processes and proceduresEnsure the alignment of risk management with strategic goalsMonitor adequacy and effectiveness of the risk management process and internal control system
3 RD LINE OF DEFENCE INTERNAL AUDIT	<ul style="list-style-type: none">Internal AuditExternal AuditAudit Board	<ul style="list-style-type: none">Perform independent assessmentsIdentify improvement opportunitiesReporting to top management

The Internal Audit, besides supporting in the implementation of the risk management system, makes an ongoing assessment of existing procedures to ensure that the risk management system continues aligned with the strategic goals defined by the Board of Directors.

The Audit Board is responsible for controlling the risk management policy and system, in conjunction with the Board of Directors, promoting an annual assessment of the system and proposing the necessary measures to improve it.

RISK MANAGEMENT

2.4.2

IDENTIFICATION OF RISKS (RISK MATRIX)

STRATEGIC

Risk associated with the definition and implementation of the strategy and timely responsiveness to internal and external events likely to significantly influence the group's competitive position.

FINANCIAL

Risk associated with the financial management of the Group, namely liquidity, interest rate or credit risk of main counterparties in possible financial transactions.

OPERATIONAL

Risk associated with operational management stemming from activities likely to have significant impact in the continuity of the business.

COMPLIANCE

Risk associated with compliance with the law, regulations, internal procedures or contracts.



RISK MANAGEMENT

BRISA HAS ACTION PLANS WHICH ALLOW IT TO EFFICIENTLY FACE ALL IDENTIFIED RISKS, through the implementation of control and mitigation measures. A few examples of Brisa's responses to some of the identified risks are described below.

2.4.3 BRISA'S RESPONSE TO IDENTIFIED RISKS

STRATEGIC RISKS	
RISK	TREATMENT / RESPONSE TO RISK
TECHNOLOGICAL EVOLUTION	<ul style="list-style-type: none">Alignment with the best market practicesPolicy of partnerships with universities and companiesInvestment in new solutionsPermanent contact with R&D funding agencies (national and EU)
TRAFFIC	<ul style="list-style-type: none">Traffic budget based on macroeconomic studies by external entitiesPreparation of sensitivity scenarios/analysisPlanning of interventions/road network maintenanceRegular monitoring of Average Daily Traffic (ADT)
REGULATORY	<ul style="list-style-type: none">Follow-up of regulatory developmentsBenchmarking of international trendsManagement and interaction with stakeholders (IMT and Government Bodies)Active presence in sector associations (APCAP and ASECAP) and institutional organisations (WBCSD, BCSD, ITF, CIP)

OPERATING RISKS	
RISK	TREATMENT / RESPONSE TO RISK
HEALTH AND SAFETY AT WORK	<ul style="list-style-type: none">Internal specialised structureOccupational safety and health procedures for hazardous activitiesContinuous training of employeesSafety audits
INFRASTRUCTURE MAINTENANCE	<ul style="list-style-type: none">Identification and monitoring of critical intervention areasPlanning of interventions (priority/criticality)Performance of improvement worksRenewal of equipmentAlarms and monitoring
ROAD SAFETY	<ul style="list-style-type: none">Patrolling of motorways by the National Republican Guard (GNR) and road assistanceParticipation in accident prevention campaigns

RISK MANAGEMENT

2.4.3 BRISA'S RESPONSE TO IDENTIFIED RISKS

CROSS-CUTTING RESPONSE TO ALL FINANCIAL RISKS

Follow-up and monitoring of financial markets, with emphasis on critical areas as far as Brisa is concerned, such as interest rate, spreads and counterparty ratings.

FINANCIAL RISKS	
RISK	TREATMENT / RESPONSE TO RISK
INTEREST RATE	<ul style="list-style-type: none">• Adequacy of the fixed rate/floating rate mix to market conditions and/or contractual requirements of each company• Contracting of financial instruments for managing interest rate risk• Sensitivity analysis
FUNDING AND LIQUIDITY	<ul style="list-style-type: none">• Ensure a smooth debt amortization profile• Extend the average maturity of debt to make it more consistent with the long-term assets• Highly-liquid financial products
COUNTERPARTY	<p>Financial applications:</p> <ul style="list-style-type: none">• Investment policy concerning treasury surplus, determining the maximum limit of exposure per financial instrument and bank counterparty. Brisa has a risk allocation model based on country risk, credit risk and concentration risk:<ul style="list-style-type: none">• The model is dynamic, adjusting to cash balances at any time.• Regular review of each counterparty limit and daily monitoring of trigger events. <p>Clients:</p> <ul style="list-style-type: none">• Control of the clients current account and credit claims• Recording of impairment for debt due in more than one year



RISK MANAGEMENT

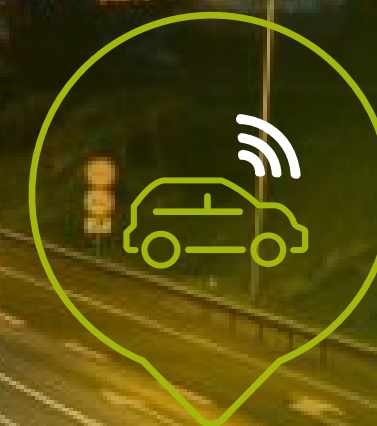
2.4.3 BRISA'S RESPONSE TO IDENTIFIED RISKS



COMPLIANCE RISKS	
RISK	TREATMENT / RESPONSE TO RISK
ENVIRONMENT	<ul style="list-style-type: none">• Integration of environmental goals in the company's strategy• Environmental Policy• Compliance with environmental and social sustainability and governance criteria and the law• Focus on continuous improvement and sustainable performance of the business• Environmental audits• Monitoring of environmental indicators• Environmentally certified companies (ISO 140001)• GRI Reporting• Permanent communication with regulatory entities
PERSONAL DATA PROTECTION	<ul style="list-style-type: none">• Implementation of specific compliance programmes• Withdrawal and updating of applications with the National Data Protection Commission (CNPD)• Training of key area users• Revision of profiles and access authorisations (logical and physical)• Revision of rules and procedures• Internal appointment of Data Protection Officer (DPO)
CONCESSION AGREEMENT	<ul style="list-style-type: none">• All time communication with the Grantor• Compliance with contract provisions• Implementation and monitoring of the Quality Control Plan (QCP)• Implementation of the Maintenance and Operation Manual (MOM)• Monitoring of compliance with information duties

03

ANALYSIS BY SEGMENT



TECHNOLOGIC DEVELOPMENT
AND DIGITALIZATION

3.1 BRISA CONCESSION (BCR)

3.2 OTHER MOTORWAY CONCESSIONS

3.3 SUPPORT SERVICES TO CONCESSIONS

3.4 VEHICLE INSPECTIONS

3.5 PRODUCT TECHNOLOGY

3.6 OTHER BUSINESSES



NEW MOBILITY
PRODUCTS AND
SERVICES



PARTNERSHIPS
AND COLLABORATIVE
PROCESSES



MOBILITY
FOR PEOPLE



OPERATIONAL
AND FINANCIAL
EFFICIENCY

3.1 BRISA CONCESSION (BCR)

The relevance and size of Brisa Concessão Rodoviária (BCR) within the Brisa Group, along its strict contractual and financial structure, justify its being an independent business segment

BCR was created following Brisa's corporate re-organization. Its corporate object is the construction, maintenance and operation of motorways and respective service areas, pursuant to a concession contract, and the

development and implementation of social equipment infrastructure. The length of the network subject to concession is 1 124 km. BCR is 70% held by Brisa.



1 124 Km
BCR'S CONCESSION



50 %
MARKET SHARE
(TRAVELLED KM, APCAP 2016)



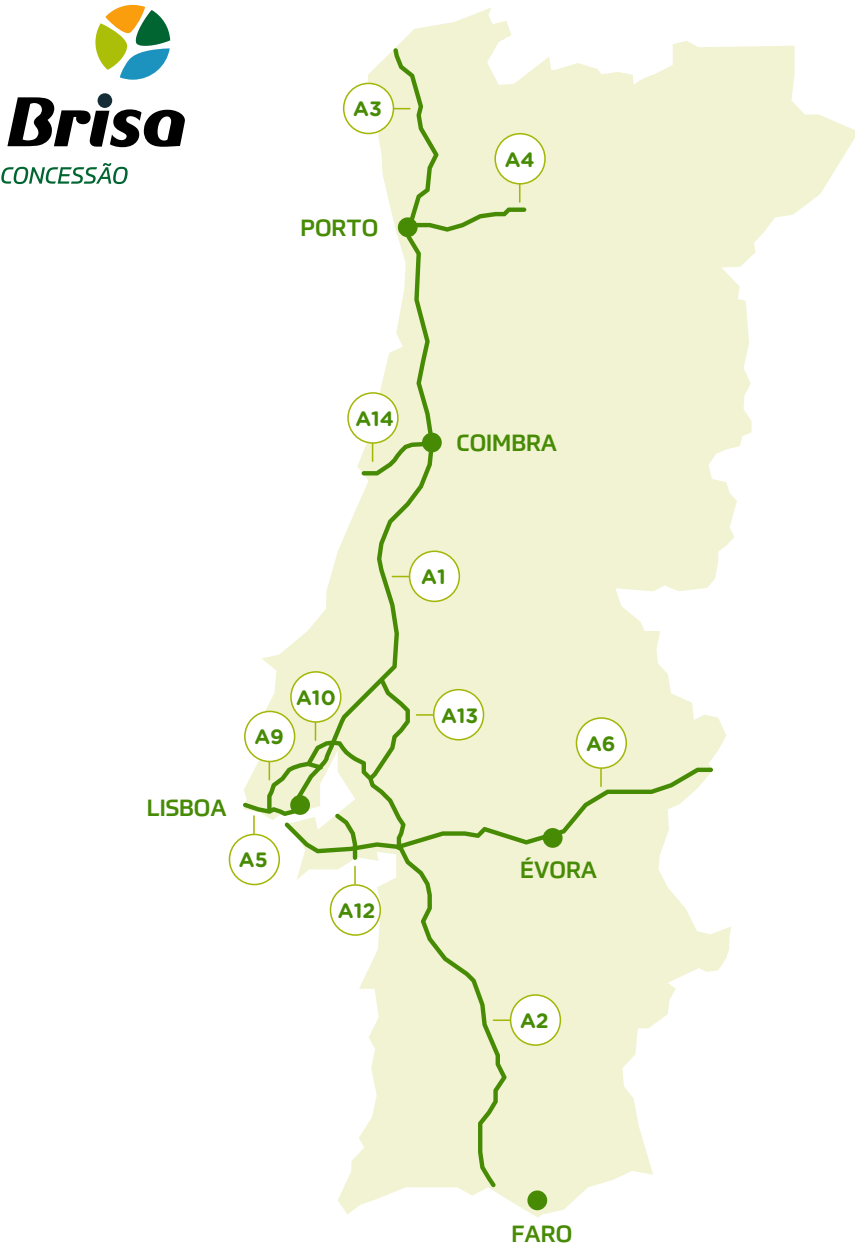
Brisa Concession (BCR)

3.1

BRISA CONCESSION (BCR)

BRISA CONCESSÃO

RODOVIÁRIA (BCR)



BRISA CONCESSÃO RODOVIÁRIA PROFILE

BCR's concession totals 1 124 km, comprising 12 motorways including the future access to the New Lisbon Airport. The network subject to concession is almost entirely built. BCR currently operates 11 motorways, covering a total length of 1 100.1 km, of which 1 014.0 km are tolled. The network will be fully completed following the construction of the motorway access to the New Lisbon Airport, which is currently on hold.

The network runs from North to South and East to West. It includes the country's main road axes, such as the coastal corridor or the Lisbon-Madrid link. It further includes important circular roads around the metropolitan areas of Lisbon and Oporto.

According to the Concession Contract concluded with the Portuguese Government, the concession will end in December 2035.



BCR'S CONCESSION BY MOTORWAY IN OPERATION

LENGTH IN Km

MOTORWAYS		TOLLED	NON TOLLED	TOTAL
A1	Autoestrada do Norte	279.0	17.4	296.4
A2	Autoestrada do Sul	225.2	9.6	234.8
A3	Autoestrada Porto - Valença	101.3	11.5	112.8
A4	Autoestrada Porto - Amarante	48.3	3.0	51.3
A5	Autoestrada da Costa do Estoril	16.9	8.1	25.0
A6	Autoestrada Marateca - Elvas	138.8	19.1	157.9
A9	Circular Regional Externa de Lisboa	34.4	0.0	34.4
A10	Autoestrada Bucelas - Carregado - IC3	39.8	0.0	39.8
A12	Autoestrada Setúbal - Montijo	24.8	4.3	29.1
A13	Autoestrada Almeirim - Marateca	78.7	0.0	78.7
A14	Autoestrada Figueira da Foz - Coimbra N	26.8	13.1	39.9
Total		1 014.0	86.1	1 100.1

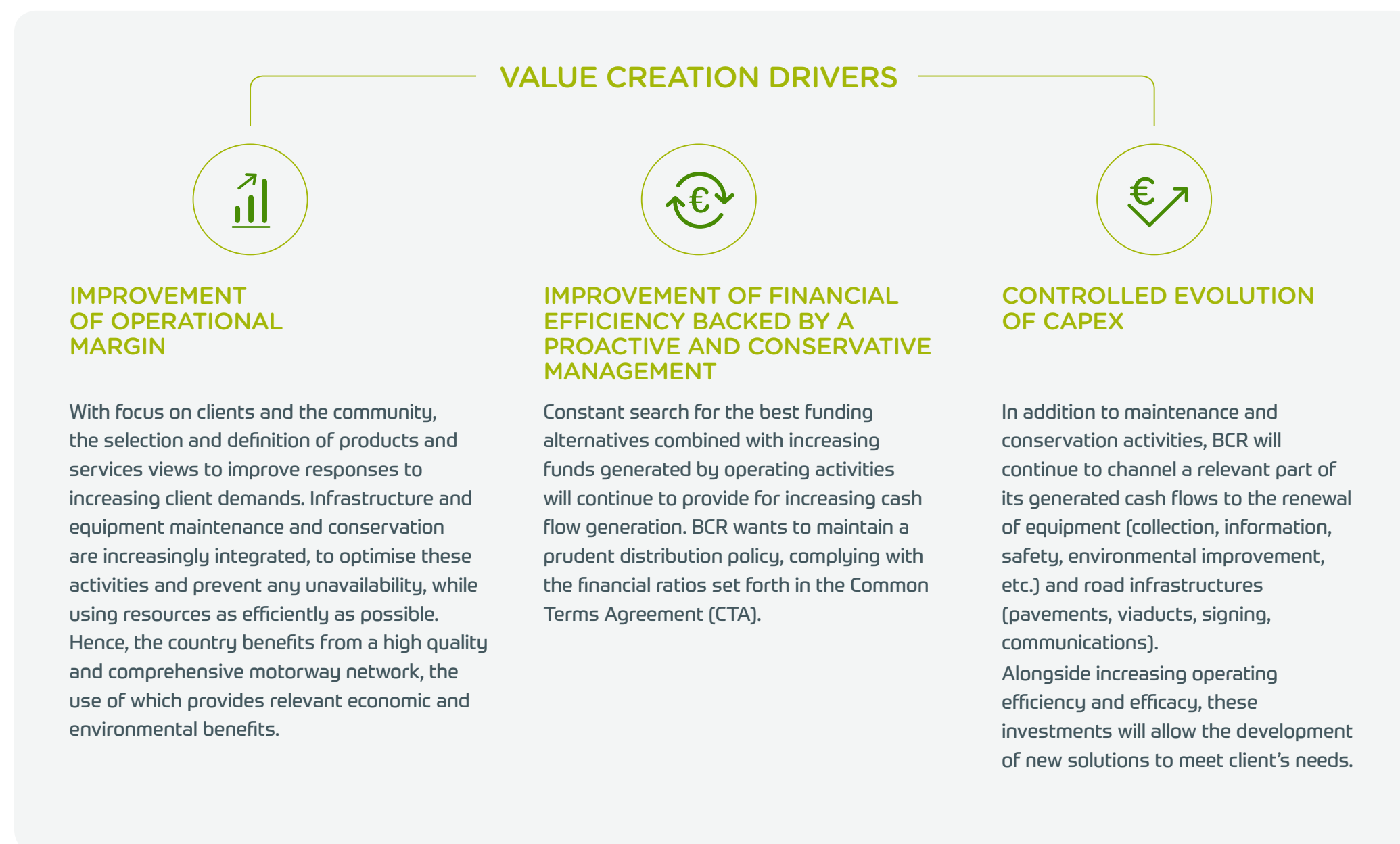
3.1

BRISA CONCESSION (BCR)

BRISA CONCESSÃO RODOVIÁRIA (BCR)



BCR's long term strategy is based on the combined and sustainable development of its three value creation drivers



3.1

BRISA CONCESSION (BCR)

BRISA CONCESSÃO
RODOVIÁRIA (BCR)



TRAFFIC EVOLUTION

Traffic registered sustained growth across all BCR's network, driven by the favourable macroeconomic conditions in 2017. GDP had a very positive evolution during the year, recording a higher growth rate than in 2016. Average Daily Traffic (ADT) in the concession totalled 19 847 vehicles, increasing by 7.1% as compared to the same period last year. Vehicles per Km (V/km) growth was slightly lower (standing at 6.8%), as 2016 was a leap year.

BREAKDOWN OF ANNUAL TRAFFIC CHANGE (V/KM)

PERCENTAGE (%)

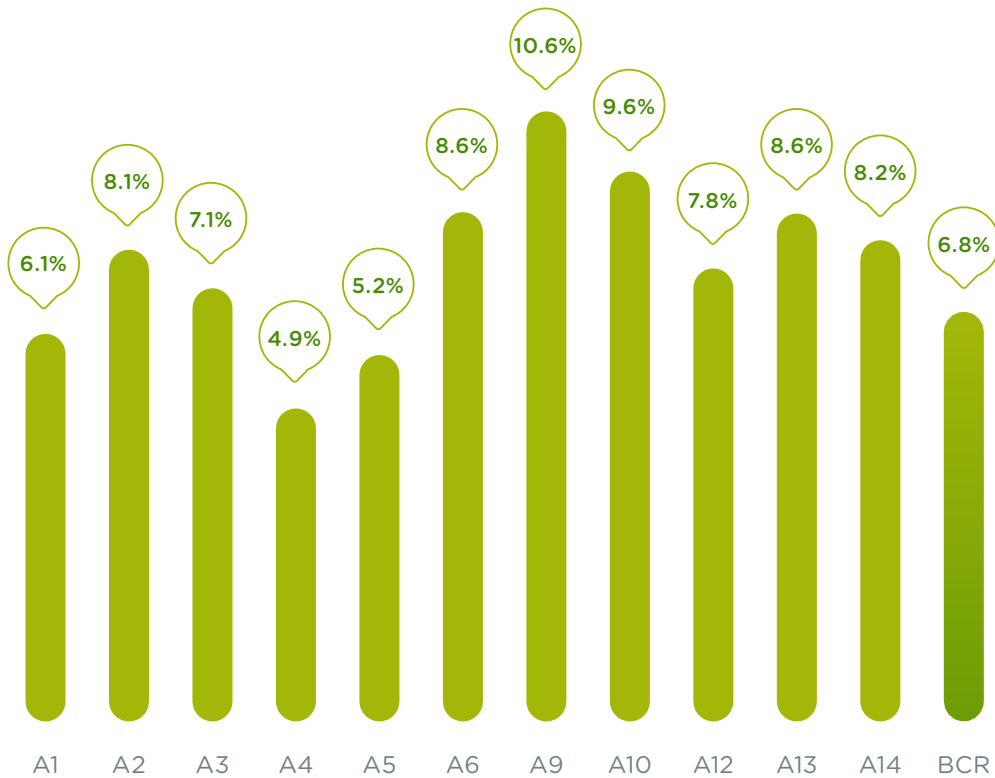
	'16	'17
VEHICLES/KM	7.0%	6.8%
BREAKDOWN:		
ORGANIC GROWTH	6.2%	7.3%
CALENDAR EFFECT (*)	0.7%	-0.5%
OTHERS	0.1%	0.0%
ADT	18 534	19 847
LIKE-FOR-LIKE	6.7%	7.1%

* Includes leap year effect

As was the case in 2016, all motorways continued to post very positive growth figures. Traffic on the A9 motorway registered the highest growth (+10.6%), benefiting from the increasing saturation of IC17/CRIL. The A4 motorway recorded the lowest annual growth (+4.9%).

CHANGE IN ANNUAL TRAFFIC PER MOTORWAY (V/KM)

PERCENTAGE (%)



The breakdown of traffic by class of vehicle shows a positive trend both in light as in heavy vehicles traffic, with heavy vehicles posting higher growth rates driven by the upsurge in the country's economic activity (respectively, +6.6% and +9.3%).

3.1 BRISA CONCESSION (BCR)

BRISA CONCESSÃO RODOVIÁRIA (BCR)



Baa3
MOODY'S RATING



BBB+
FITCH RATING

COVENANTS AND RATING

In addition to having a contractual and financial structure designed to protect creditors, BCR follows principles of prudent and conservative financial management. The four covenants in the form of financial ratios (namely Net Senior Debt/EBITDA, Historic ICR, Forward Looking ICR and CLCR) to which BCR is subject stood within established thresholds as of 31 December 2017.

BCR's rating evolved favourably throughout 2017, reflecting the company's strong operational and financial performance. In September 2017 Moody's upgraded BCR's Outlook from 'Stable' to 'Positive', following the upward revision of Portugal's Outlook. The company's long-term rating was reaffirmed at 'Baa3'.

In December 2017 Fitch confirmed its long-term 'BBB' rating of BCR and upgraded its Outlook from 'Stable' to 'Positive'. The short-term rating was also revised upwards from 'F3' to 'F2'. Subsequently, in January 2018 Fitch revised its long-term rating upwards to 'BBB+' from 'BBB', with 'Stable' Outlook. Short-term rating was confirmed at 'F2'.

AGENCIES	RATING	OUTLOOK
MOODY'S	Baa3	POSITIVE
FITCH RATINGS	BBB+	STABLE

FINANCIAL AND OPERATIONAL PERFORMANCE OF THE BUSINESS SEGMENT

In 2017 the business segment's **Operating Income** totalled €M 570.7, driven by an increase in traffic on the network (+6.8%). Over 75% of toll revenues were collected through the Via Verde automated toll collection system, confirming the growing usage of this payment method.

Operating Costs rose by 3.1% in 2017 (totalling €M 129.6), reflecting the significant increase in activity. This amount includes €M 1.2 relating to major repairs outside the scope of IFRIC 12.

Operating Results (EBITDA) in 2017 totalled €M 441.1, increasing by 9.8% YoY (+€M 39.3). The sharp rise in operating income combined with control in costs, led to a significant increase in EBITDA margin, which reached 77.3% (+1.1 p.p. in year on year terms).

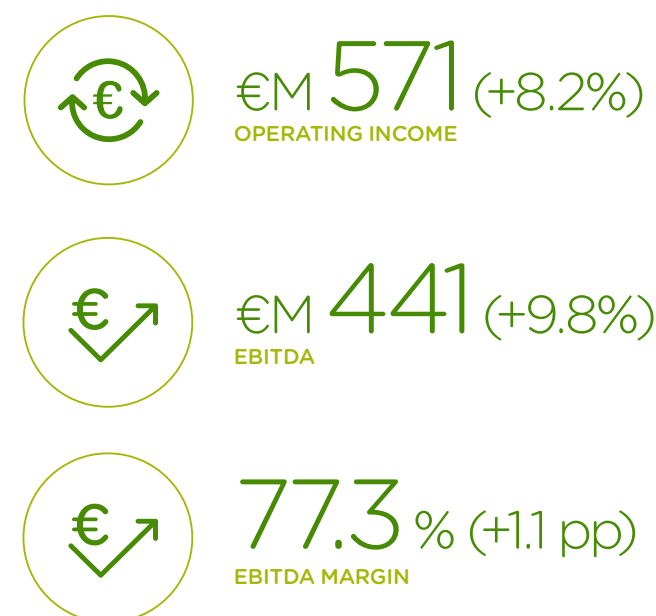
Amortization and Provisions totalled €M 172.4 (+2.4% over 2016), including €M 39.5 (net of reversals in the amount of €m 4.6) concerning future costs related to replacement of infrastructure with major repairs in the network that BCR will support in the coming years, in accordance with IFRIC 12.

In 2017 BCR recorded **Financial Results** of €M 79.5, improving by €M 20.6 in relation to the previous year. **Net Profit** attributable to equity holders totalled €M 96.8.

Capital Expenditure totalled €M 42.7, specifically in the improvement of service levels, namely safety and comfort of motorway clients. Investment in major repairs and widening works amounted to €M 27.0 and €M 9.5 respectively.

3.1 BRISA CONCESSION (BCR)

PERFORMANCE AND OUTLOOK



CONDENSED PROFIT AND LOSS STATEMENT

EURO MILLION (€)

	'16	'17	% CHANGE
OPERATING INCOME	527.4	570.7	8.2%
OPERATING COSTS	125.7	129.6	3.1%
EBITDA	401.7	441.1	9.8%
EBITDA MARGIN	76.2%	77.3%	1.1 pp
AMORTISATION AND PROVISIONS	168.3	172.4	2.4%
EBIT	233.4	268.7	15.1%
EBIT MARGIN	44.3%	47.1%	2.8 pp
FINANCIAL RESULTS	-100.1	-79.5	-
EBT	133.3	189.1	41.9%
INCOME TAX FOR THE YEAR	38.1	50.8	33.5%
NON-CONTROLLING INTERESTS	28.6	41.5	45.2%
NET INCOME	66.7	96.8	45.2%
CAPEX	46.3	42.7	-7.8%
EBITDA - CAPEX	355.4	398.4	12.1%

Note: figures above reflect the impact of this business segment on Brisa Group consolidated accounts, including respective intragroup eliminations from the consolidation process.

BUSINESS SEGMENT OUTLOOK

BCR will continue to focus on its three value creation drivers: improvement of operational margin, financial efficiency and controlled evolution of capital expenditure:

- In 2018 BCR should continue to benefit from the recovery in demand levels started three years ago. Toll revenues are expected to grow by more than 4%, fuelled by traffic recovery through organic growth;
- Operating expenses should evolve in line with revenues, reflecting the increase in activity;
- The strong operating performance, driven by increasing operating income and strict cost control, should lead to sustained cash flow generation (measured by EBITDA-CAPEX);
- BCR wants to maintain a conservative financial management, with a strong liquidity position and lower concentration of debt maturity;
- It will continue to implement the most efficient funding solutions, seeking to extend average maturity and reduce the cost of debt.

3.2 OTHER MOTORWAY CONCESSIONS

The Other Motorway Concessions business segment comprises all concessions held by Brisa under a project finance agreement

AEA, AEBT, Brisal and AEDL are consolidated according to the equity method (as described in note 14 of the notes to the consolidated financial statements).

Sub-concession AELO is valued at cost, less estimated impairment losses (as described in note 15 of the said notes).

				
				
Atlântico (AEA) Concession	Autoestradas do Baixo Tejo (AEBT) Sub-concession	Litoral Oeste (AELO) Sub-concession	Litoral Centro (Brisal) Concession	Douro Litoral (AEDL) Concession
170 km Brisa holds 50% of the Concession	60 km Brisa holds 36.85% of the Sub-concession	102 km Brisa holds 15% of the Sub-concession	93 km Brisa holds 70% of the Sub-concession	79 km Brisa holds 99.92% of the Sub-concession



504 km
TOTAL OF THE NETWORK
OF OTHER CONCESSIONS



5
CONCESSIONS

3.2 OTHER MOTORWAY CONCESSIONS

CONCESSÃO ATLÂNTICO (AEA)



MOTORWAYS

- A8 (Lisboa / Leiria)
- A15 (Caldas da Rainha / Santarém)

TOTAL KM

Total 170 km
(144 km tolled and 26 km non-tolled)

LOCATION

West region of Portugal

BRISA HOLDING

Brisa holds 50% of the concession

CONCESSION PERIOD

This concession was awarded in 1998 for a period of 30 years (ending in 2028)



CONCESSÃO ATLÂNTICO (AEA)

This network has a strong urban presence, as it serves the northern outer Lisbon area and neighbouring west region, both enjoying bustling agriculture and tourism activity.

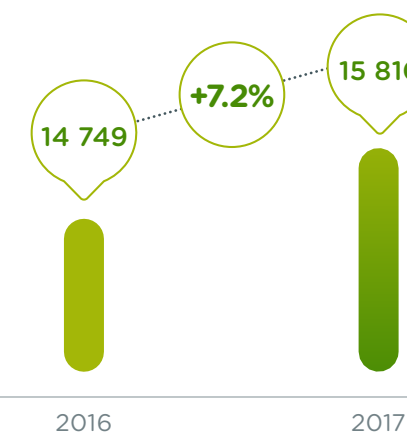
Traffic growth and tariff revision in 2017 resulted in strong operating performance. This positive performance was seen in all classes of vehicles and in all sub-stretches, translating a favourable trend across the concession.

Over the last four years, traffic has increased, with Average Daily Traffic moving increasingly closer to 2009's levels, showing a sustained recovery from the decrease in traffic and revenues started in 2010.

The year was also positively marked by a decrease in the accident rate compared to 2016, converse to what has happened at national and European levels.

EVOLUTION OF AVERAGE DAILY TRAFFIC

AVERAGE DAILY TRAFFIC (ADT)



In 2017 Annual Average Daily Traffic totalled 18 723 vehicles, increasing by 7.2% over the previous year. Traffic as measured by vehicle/km rose 6.9%.

3.2

OTHER MOTORWAY CONCESSIONS

SUBCONCESSÃO AUTO-ESTRADAS DO BAIXO TEJO (AEBT)



MOTORWAYS

Construction and operation of:

- A33 – Palhais / Coina
- A33 – Casas Velhas / Palhais (including link to Trafaria and link to Funchalinho)

Operation and Maintenance:

- A33 – Coina / Montijo (IP1)
- IC3 – Montijo (IP1) / Alcochete
- IC20 – Via Rápida da Caparica
- IC21 – Via Rápida do Barreiro

TOTAL KM

Total of 60.2 km (in operation)

LOCATION

South of the Tagus region

BRISA HOLDING

In 2017 Brisa increased its stake in AEBT, from 30% to 36.85%

CONCESSION PERIOD

The Sub-concession was awarded in 2009 for a period of 30 years



SUBCONCESSÃO AUTO-ESTRADAS DO BAIXO TEJO (AEBT)

Baixo Tejo Sub-concession's privileged location plays a key role in economic development, being the motorway crucial for mobility in the South of the Tagus river. It intersects and complements other existing roads.

In 2015, UTAP/IP/AEBT entered a Memorandum of Understanding whereby they agreed on a set of intentions and positions concerning the renegotiation of the Sub-concession contract, viewing the amendment of respective object, confirming the withdrawal of the works relating to the ER377-2/Av.Mar and return to IP of the stretches of the IC21 and links to Funchalinho and Trafaria. The negotiation seeking a consensus regarding

the new sub-concession contract is in progress. This process does not alter nor increases the risks to AEBT shareholders.

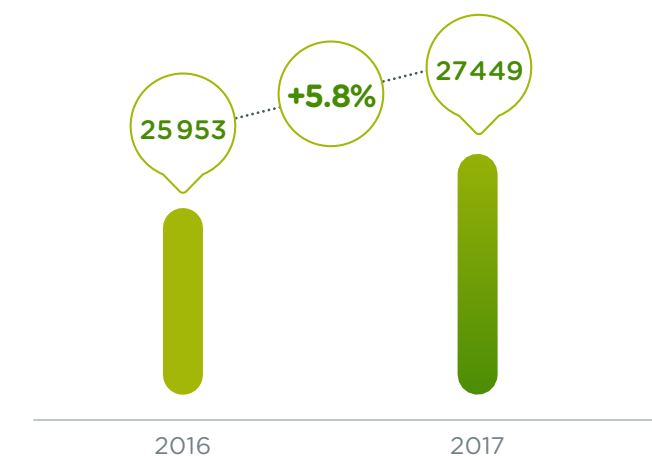
MODEL OF REMUNERATION

Remuneration according to availability: the price according to availability is laid down in the concession agreement, corresponding to a fixed and non-revisable amount depending exclusively on the availability of each of the roads included in the sub-concession.

Remuneration according to service: the price according to service is also provided in the concession agreement, corresponding to an amount per travelled km (km x traffic), which is revised on an annual basis in line with inflation.

EVOLUTION OF AVERAGE DAILY TRAFFIC

AVERAGE DAILY TRAFFIC (ADT)



In 2017 ADT totalled 27 449 vehicles, increasing by 5.8% over the previous year. Traffic as measured by vehicle/km rose 5.5%.

3.2

OTHER MOTORWAY CONCESSIONS

SUBCONCESSÃO LITORAL OESTE (AELO)



MOTORWAYS

- A19 (S. Jorge da Batalha / Leiria)
- East end of A8 (Leiria Sul / Leiria Nascente)
- IC9 (Nazaré / Tomar)

The Sub-concession further comprises two roads serving urban areas:

- Variante da Nazaré
- Via de Penetração em Leiria (VPL)

TOTAL KM

Total 102 km

LOCATION

Leiria, Batalha, Nazaré and Tomar

BRISA HOLDING

Brisa holds 15% of the concession

CONCESSION PERIOD

The Sub-concession was awarded in 2009 for a period of 30 years (until 2039)



SUBCONCESSÃO LITORAL OESTE (AELO)

There was no evolution in the renegotiation of the sub-concession projected pursuant to the Memorandum of Understanding signed in August 2015 with UTAP and Infraestruturas de Portugal (IP).

ADT growth rate was slightly lower than in 2016, due to the expected decrease in the ramp-up effect (the last stretch of the network opened to traffic in May 2012).

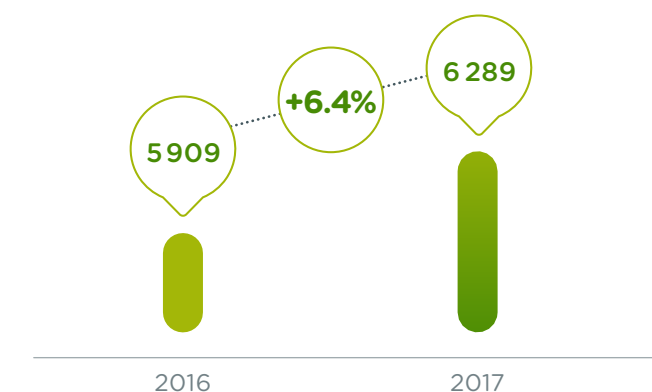
MODEL OF REMUNERATION

Some tolled stretches are tolled by means of an electronic toll collection system.

Toll revenues belong to the grantor IP. The sub-concessionaire is paid according to a combination of fixed payments based on road availability and variable payments depending on traffic.

EVOLUTION OF AVERAGE DAILY TRAFFIC

AVERAGE DAILY TRAFFIC (ADT)



In 2017 ADT totalled 6 289 vehicles, increasing by 6.4% over the previous year. Traffic as measured by vehicle/km rose 6.2%.

3.2

OTHER MOTORWAY CONCESSIONS

CONCESSÃO LITORAL CENTRO (BRISAL)



MOTORWAYS

- A17 (Lanço Marinha-Grande / Mira)

TOTAL KM

Total 92.7 km

LOCATION

Together with Atlântico and Costa de Prata Concessions, this concession forms a second motorway link between Lisbon and Oporto

BRISA HOLDING

Brisa holds 70% of the concession

CONCESSION PERIOD

Variable term (22 to 30 years)



CONCESSÃO LITORAL CENTRO (BRISAL)

In addition to the normal development of the activity, the 2017 financial year was marked by the signing, in March, of an agreement with the banking syndicate (Lock-up Agreement). The agreement established the commercial principles of the financial restructuring between the Concessionaire, Brisa and Brisa O&M and a majority of nearly 94% of the Concessionaire's creditors, including the EIB. The agreement was preliminarily submitted to the Grantor in March, but the negotiations of the final terms and conditions and changes to the financing contracts for operation and maintenance are continuing.

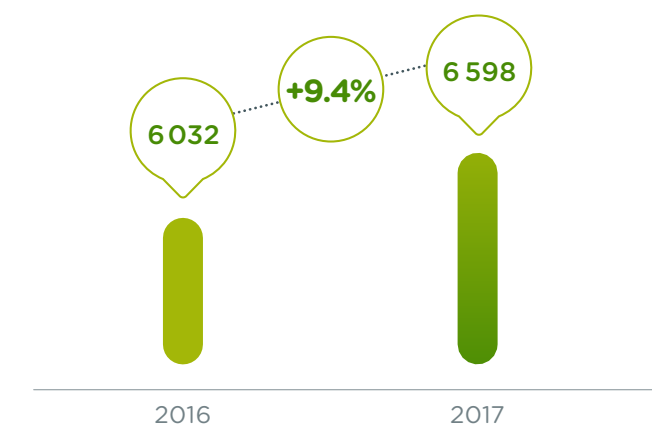
The Lock-up Agreement stayed in force until the 16th of October 2017 and expired before the

negotiation process was completed. Therefore, with a view to ensure the necessary stability to the negotiation process, the parties signed a Standstill agreement, whereby creditors undertook not to seek the early repayment of debt or execute any guarantees, thus allowing ongoing operation during the negotiation period. This agreement will be in force until March 31, 2018 and may be extended until May 31, 2018.

During the current year, we expect that the terms and conditions of the financial restructuring agreed with the banking syndicate will be approved by the Grantor and implemented, thus providing the necessary economic and financial conditions for the Concession to continue operating.

EVOLUTION OF AVERAGE DAILY TRAFFIC

AVERAGE DAILY TRAFFIC (ADT)



In 2017 Annual Average Daily Traffic totalled 6 598 vehicles, increasing by 9.4% over the previous year. Traffic as measured by vehicle/km rose 9.1%.

3.2

OTHER MOTORWAY CONCESSIONS

CONCESSÃO DOURO LITORAL (AEDL)



MOTORWAYS

- A43 (Gondomar / Aguiar de Sousa (IC24))
- A41 (Espinho (IC1) / Nó da Ermida (IC25))
- A32 (Oliveira de Azeméis / IP1 (S. Lourenço))

TOTAL KM

Total 79 km (73.3 km tolled and 6 km toll free, according to O&M contract for the stretch of the A41)

LOCATION

The network crosses and complements existing motorways, amongst which the A1 (Auto-Estrada do Norte), A3 (Auto-estrada Porto / Valença) and A4 (Auto-estrada Porto-Amarante) motorways

BRISA HOLDING

Brisa holds 99.92% of the concession

PERÍODO DE CONCESSÃO

This concession was awarded in 2007 for a period of 27 years (ending in 2034)



CONCESSÃO DOURO LITORAL (AEDL)

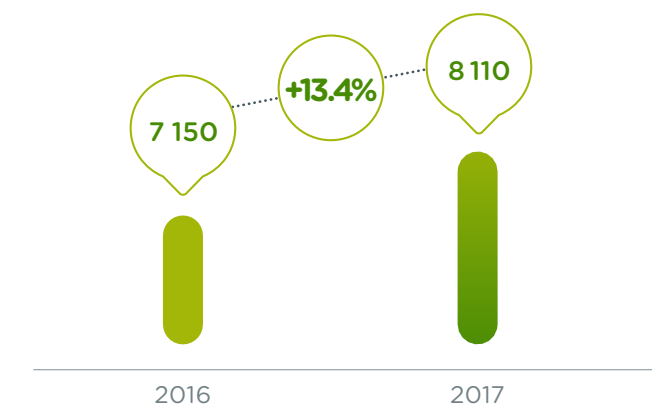
In January 2013 AEDL entered a claim for the reinstatement of the financial balance of the concession. The arbitral court issued its Final Decision in February 2017, whereby the Grantor was ordered to pay compensation to the Concessionaire.

Based on the experience of similar cases, contacts are being made viewing the negotiation of an agreement with financial creditors, shareholders and the Grantor to enable the financial viability of the concessionaire and ongoing operations.

It should also be noted that although traffic levels and toll revenues are still below initial projections, they have been increasing considerably. If this trend continues AEDL will be able to provide positive operational results on a consistent basis.

EVOLUTION OF AVERAGE DAILY TRAFFIC

AVERAGE DAILY TRAFFIC (ADT)



In 2017 ADT totalled 8 110 vehicles, increasing by 13.4% over the previous year. Traffic as measured by vehicle/km rose 13.1%.

3.2 OTHER MOTORWAY CONCESSIONS

PERFORMANCE AND OUTLOOK

FINANCIAL AND OPERATIONAL PERFORMANCE OF THE BUSINESS SEGMENT

Business Segment ‘Other Motorway Concessions’ complements the core business of Brisa Concessão Rodoviária. Despite existing differences in their operation models and in Brisa's level of intervention in each of them, these Concessions are included in Brisa's business base and have reached a maturity phase. The value generated stems from current activity, operating efficiencies, improvements in the network and in the service provided.

This business segment included, in terms of operational activity, mainly the Northwest Parkway concession, which was sold in 2017. In 2016, following the signing of the Purchase and Sale Agreement for the sale of NWP concession, the respective assets and liabilities were reclassified to “Non-current assets held for sale”, effective as of 1 December 2016.

BUSINESS SEGMENT OUTLOOK

In this business segment of Other Motorway Concessions, Brisa will continue to work on a series of initiatives to secure a solid and sustainable relationship with all stakeholders. Moreover, it will continue to optimise the operational management of the infrastructure.



3.3 SUPPORT SERVICES TO THE CONCESSIONS

Business segment “Support services to the Concessions” comprises Brisa’s companies that provide services to the road concessions and other companies outside the Group

This segment includes road infrastructure operation and maintenance services, road assistance and road side repair, specialised engineering

services and maintenance engineering, management of service areas, electronic collection management and client services



18
OPERATIONAL
CENTRES



3.5 Million
VIA VERDE
ON BOARD UNITS



20 Thousand
DAILY VISITS TO
THE VIA VERDE WEBSITE

<p>Brisa OPERAÇÃO E MANUTENÇÃO</p>	<p>Brisa GESTÃO DE INFRAESTRUTURAS</p>	<p>Brisa ÁREAS DE SERVIÇO</p>			
<p>Brisa O&M (Operação e Manutenção)</p> <p>Brisa's holding: 100%</p>	<p>Brisa Gestão de Infraestruturas (BGI)</p> <p>Brisa's holding: 100%</p>	<p>Brisa Áreas de Serviço (BAS)</p> <p>Brisa's holding: 51%</p>	<p>Via Verde Portugal (VVP)</p> <p>Brisa's holding: 60%</p>	<p>Via Verde Contact (VVC)</p> <p>Brisa's holding: 100%</p>	<p>M Call</p> <p>Brisa's holding: 100%</p>

3.3

SUPPORT SERVICES TO THE CONCESSIONS

BRISA O&M (OPERAÇÃO E MANUTENÇÃO)



IN 2017 BRISA O&M PATROLLED AND MONITORED 12 236 055 Km, totalling 124 647 assistance interventions, in coordination with the Operational and Coordination Centre.

Brisa O&M (Operação e Manutenção) provides specialised monitoring, operation, maintenance and Client assistance services to motorway concessionaires and other road infrastructure



Brisa O&M operation covers nearly 1 628 km of road infrastructure, comprised in the following Concessions and Sub-concessions:

- Brisa Concessão Rodoviária (BCR)
- Concessão Douro Litoral (AEDL)
- Concessão do Litoral Centro (Brisal)
- Subconcessão Auto-Estradas do Baixo Tejo (AEBT)
- Subconcessão Litoral Oeste (AELO)
- Concessão Atlântico (AEA) - exclusively road assistance services.

Brisa O&M work 24h/365d/year to secure the best safety conditions and a comfortable driving experience to clients.

Quality and continuous training of teams, the search for state-of-the-art technology and procedures which are constantly reviewed and improved are crucial.

3.3

SUPPORT SERVICES TO THE CONCESSIONS

BRISA O&M (OPERAÇÃO E MANUTENÇÃO)



BRISA O&M IS CERTIFIED ACCORDING TO

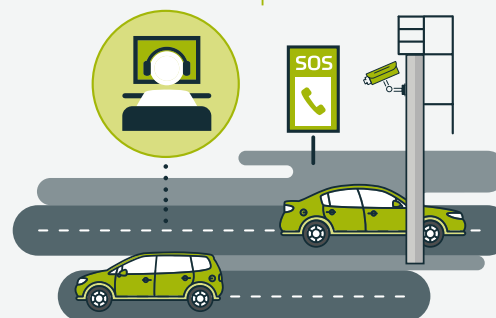
NP EN ISO 9001:2008 since 2010,
specifically for “Traffic Control
and Road Operation, Monitoring
and Maintenance
and Road Assistance”.

BRISA O&M IS ACTIVE IN 3 MAJOR AREAS

1



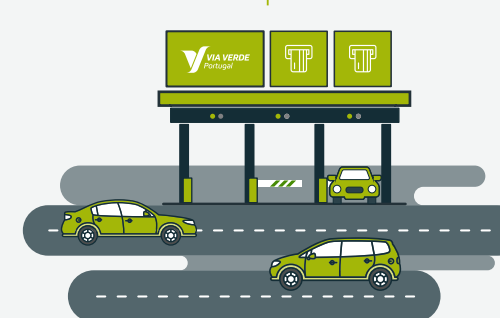
TRAFFIC MANAGEMENT



2



TOLL COLLECTION



3



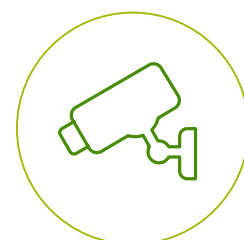
MAINTENANCE* (CIVIL WORKS, ELECTRICAL AND ELECTRONIC)



* All road maintenance and repair and respective monitoring is now provided by BGI – Brisa Gestão de Infraestruturas, a Brisa Group company.

3.3 SUPPORT SERVICES TO THE CONCESSIONS

BRISA O&M (OPERAÇÃO E MANUTENÇÃO)



1 TRAFFIC MANAGEMENT

The Traffic Management and Control System covers five key areas, namely:

- Network of road equipment and sub-systems for data collection;
- Communications network;
- Road Information System;
- Client Information Systems;
- Monitoring and maintenance of equipment and systems.

Brisa O&M aims to improve comfort and mobility, which are important drivers of regional and social development, capable of bringing significant positive impacts for the regions served by Brisa networks.

The Operational Coordination Centre (OCC) coordinates all means required for an active traffic management:

- 18 Operational Centres;
- Covers the whole motorway network;
- Uses a state-of-the-art IT platform;
- Promotes the coordination of services at national level;
- Maximizes the level and quality of each rendered service by minimizing the response time;
- Raises the level of benchmark service and client satisfaction.

OPERATION AND OPERATIONAL COORDINATION CENTRE (OCC)

To provide assistance and ensure safety and comfort to clients of the motorways where it operates, Brisa O&M offers a wide range of services:



SOS AND PROTECTION

Emergency signing and beaconing, cleaning, clearance and triggering of rescue means



CLIENT INFORMATION

Help and information, road side assistance (electrical/mechanical, fuel, oil, water and air)



SURVEILLANCE AND PATROLLING

Checking of road conditions and traffic fluidity

3.3
SUPPORT SERVICES TO THE CONCESSIONS

BRISA O&M (OPERAÇÃO E MANUTENÇÃO)



1 TRAFFIC
MANAGEMENT

OPERATION AND OPERATIONAL COORDINATION CENTRE (OCC)

NO. OF EVENTS

	'16	'17	% CHANGE
CLIENTS			
HOTLINE CALLS	159 959	123 035	-23.1%
ROAD ASSISTANCE (EVENTS IN THE NETWORK)			
SOS AND PROTECTION	58 817	60 399	2.7%
ASSISTANCE	10 137	9 631	-5.0%
WORKS	22 646	23 059	1.8%

Brisa O&M carries out client satisfaction surveys on a regular basis, with a view to implement corrective measures to improve service levels. In 2017, the overall average of client satisfaction in each of the services reviewed was 3.8, which in a scale of 1 to 4 is quite positive. Furthermore, average time from the moment the assistance call is received at the OCC to the moment assistance arrives at the scene was 5.6 minutes in 2017.



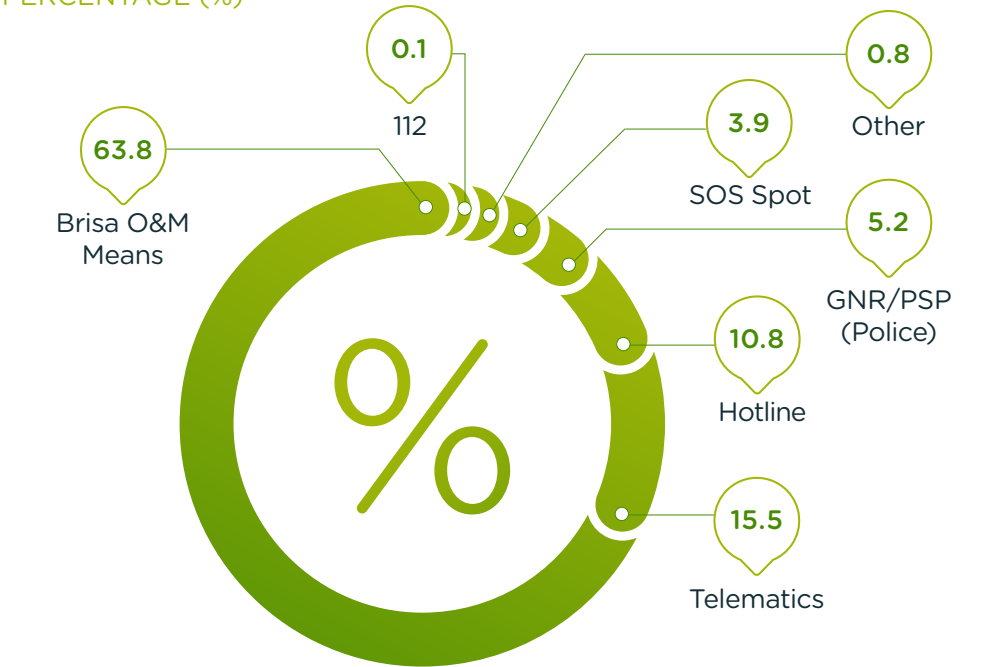
CLIENT SATISFACTION

	TOTAL
CLIENT SATISFACTION (OVERALL)	
RESULT (1 TO 4)	3.8
CLIENT SATISFACTION (HOTLINE)	
RESULT (1 TO 4)	3.2
AVERAGE RESPONSE TIME *	
RESULT (MINUTES)	5.6

* Average time from the moment the assistance call is received at the OCC to the moment assistance arrives at the scene.

OCC OPERATION – ORIGIN RECORDED EVENT

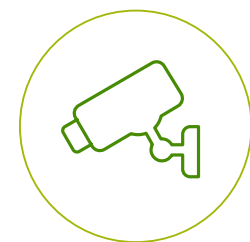
PERCENTAGE (%)



3.3

SUPPORT SERVICES TO THE CONCESSIONS

BRISA O&M (OPERAÇÃO E MANUTENÇÃO)



1 TRAFFIC MANAGEMENT

ROAD SAFETY IN 2017

Brisa has a strict and active traffic management policy to ensure safety in its motorways. This includes road maintenance and repair, as well as information and awareness-raising campaigns.

In particular, the company invests in road improvement and reinforcement works. Investments involve improvement of traffic conditions, increase in the number of lanes in stretches subject to widening works, installation and improvement of road signalling equipment.

In 2017 the number of accidents on BCR network decreased (-2.1%), the accident rate fell (-7.7%) and the rate of injuries also dropped (-1.6%).

However, indicators relating to the severity of accidents worsened. As a matter of fact, the accidents resulting in death increased by 25.8%. The severe injury accident rate remained practically flat (+0.2%). The year was also marked by an increase of 13.6% in the number of deaths.

The rise in severity indicators was in line with the increase in traffic on the concession network. Notwithstanding, the prevention measures implemented over the last few years and the quality of the infrastructure allowed for a downward trend in most accident indicators on BCR network.

ROAD ACCIDENT INDICATORS



-7.7 %
ROAD ACCIDENT RATE



-2.4 %
MINOR INJURY
ACCIDENT RATE



+4.3 %
MINOR INJURIES RATE



-1.6 %
ROAD ACCIDENT INDEX



+0.2 %
SEVERE INJURIES
ACCIDENT RATE



-10.8 %
SEVERE INJURIES RATE



+9.0 %
SEVERITY INDEX



+25.8 %
FATAL ACCIDENTS RATE

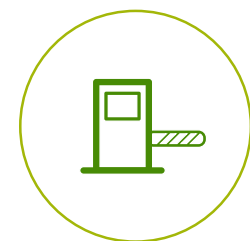


+7.2 %
FATALITY RATE

(Compared to 2016)

3.3 SUPPORT SERVICES TO THE CONCESSIONS

BRISA O&M (OPERAÇÃO E MANUTENÇÃO)



2 TOLL COLLECTION

Brisa O&M is responsible for the toll collection in the 122 toll plazas from the concessionaires it operates.

Payment systems play a crucial role in client service efficiency and quality. Three payment systems are currently available: electronically (Via Verde), toll booth operator and semi-automatic (e-toll equipment, remotely assisted if required), providing easier and increased comfort to clients.

TRAFFIC CONTROL AND REVENUES

Determining traffic and revenues generated by the various concessions is a daily task aimed to provide information to the concessionaires and ensure the integrity of the data received and continuous improvement in collection efficiency.

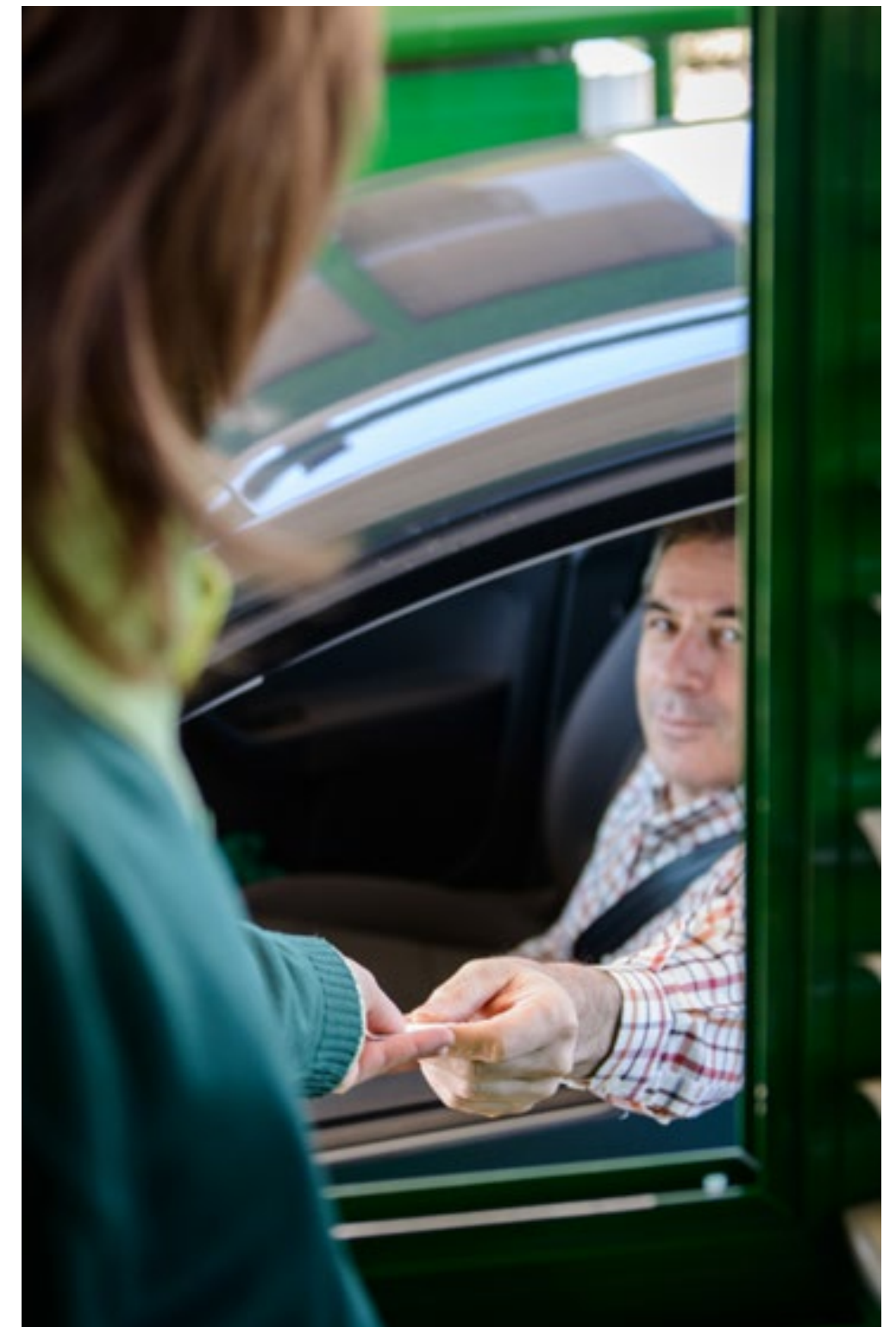
Throughout 2017 the number of transactions recorded on the motorway networks operated by Brisa O&M surpassed 220 million, growing by 6% over the previous year. The breakdown of transactions was as follows:

TRANSACTIONS PER TYPE OF SYSTEM

PERCENTAGE (%)



The weight of the Via Verde system reached 76.2%, which compares with 74.4% in 2016.



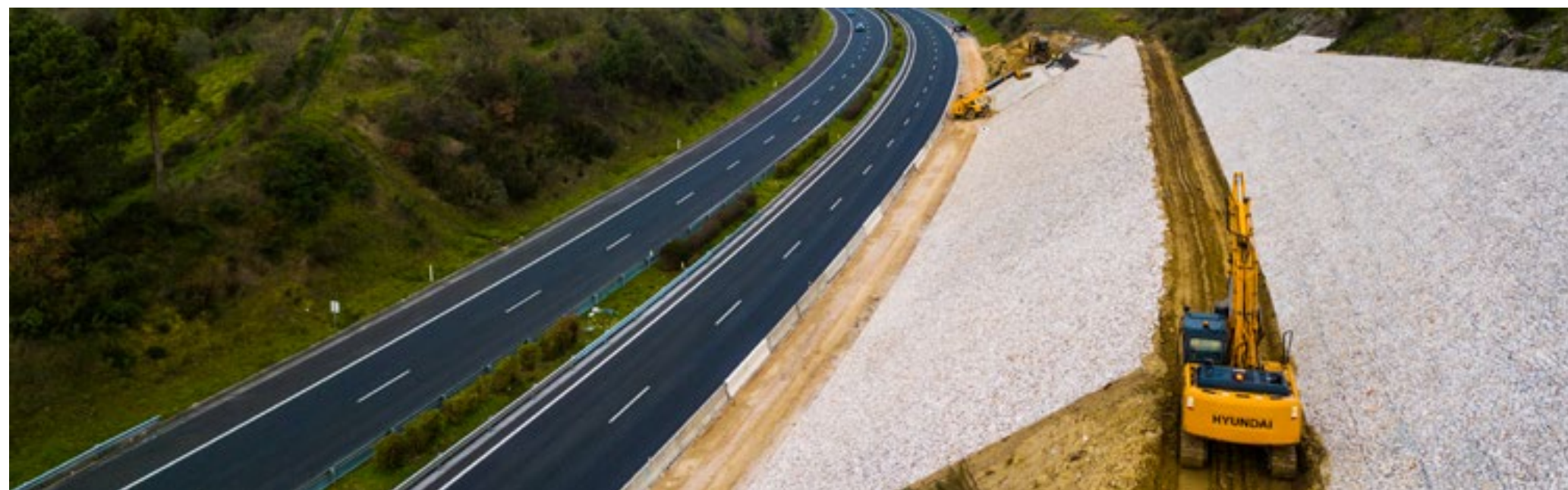
3.3

SUPPORT SERVICES TO THE CONCESSIONS

BRISA GESTÃO DE INFRAESTRUTURAS (BGI)



Brisa Gestão de Infraestruturas (BGI) provides specialised engineering services and maintenance engineering to concessionaires and sub-concessionaires of motorways and other infrastructure



BGI was created in the beginning of September following the merger through incorporation of two companies of the Group (Brisa Engenharia e Gestão and Brisa Conservação de Infraestruturas) and the transfer of two departments of Brisa Operação e Manutenção (monitoring and maintenance and equipment maintenance).

The purpose was to concentrate in one single company the skills necessary for an integrated management of Brisa's assets, with a view to achieve excellence in maintenance engineering and client service. This will allow greater road availability and safety, an adequate risk

management framework and optimisation of the value of investment and maintenance costs. BGI's vision is to be a market leading road operator, recognised for its efficiency and integrated management.

The challenges that it faces are considerable, given the demanding technical level of processes, systems and work methodologies, but also in terms of the definition and structuring of strategic vision that must be shared and well-articulated by the different teams originating from distinct companies as well as the creation of a common culture and true spirit of belonging.

3.3

SUPPORT SERVICES TO THE CONCESSIONS

BRISA GESTÃO DE INFRAESTRUTURAS (BGI)



BGI was given the means and resources necessary to perform the said activities efficiently. Its management model is based on 3 key areas:



BGI's organisation considered the company's value chain, with a relatively flexible structure, privileging communication and the sharing of knowledge between teams.

Consolidation of BGI's new teams, development of skills and leadership based on the delegation of functions and accountability will be the major goal for the forthcoming year. The challenge for 2018 will be to create a unique culture of excellence in maintenance engineering directed to the client.

Services provided by BGI spread across 1 458 km of road infrastructure, comprised in the following concessions and sub-concessions:

- Brisa Concessão Rodoviária (BCR)
- Concessão do Litoral Centro (Brisal)
- Concessão Douro Litoral (AEDL)
- Subconcessão Auto-estradas do Baixo Tejo (AEBT)
- Subconcessão Litoral Oeste (AELO)

3.3 SUPPORT SERVICES TO THE CONCESSIONS

BRISA GESTÃO DE INFRAESTRUTURAS (BGI)



In 2017, BGI's main activities were the following:

- Development of studies and projects relating to the improvement of traffic conditions on BCR network and projected widening works on A1, A3, A4 and A5;
- Preparation and launching of 35 tenders for construction works, namely road pavement, engineering structures, noise barriers, slope stabilisation and reinforcement of cantilevered structures;
- Performance of periodic inspections to the infrastructure, including pavements, slopes, retaining structures and engineering structures;
- Coordination of 57 work contracts;
- Implementation of General Environmental Monitoring Plans to ensure legal compliance with environmental criteria to which concessions and sub-concessions are subject;
- Coordination of works safety and security and accident prevention. In this area, it's worth to mention a decrease in accident rates, with no fatalities recorded in the last seven years. The severity index dropped by 85% over 2016 and by 39% over 2015;
- Maintenance and upkeep (civil works, electricity, electronics) of the road infrastructure, namely in pavements, engineering structures, tunnels, drainage systems, safety equipment, vertical and horizontal signing, buildings, landscape, lighting, telecommunications, toll and telematics systems.

The following table includes figures for some of the activities developed:

MAIN ACTIVITIES

	'16	'17
SEALING OF CRACKS IN PAVEMENTS	104 000 m	84 722 m
HORIZONTAL SIGNING (REPAINTING)	320 km 71 road junctions	386 km 30 road junctions
REPLACEMENT OF VERTICAL SIGNS	1 630 Signs 232 Panels	905 Signs 608 Panels
REPAIR OF DAMAGED PAVEMENT (FIRES IN CARS, OIL SPILLS)	4 060 sq.m	7 749 sq.m
REPAIR OF EXPANSION JOINTS	950 m	1 254 m
	'16	'17
NUMBER OF ELECTRONIC MAINTENANCE INTERVENTIONS	56 734	54 900

BGI's integrated Quality and Environmental Management System is certified according to NP EN ISSO 9001:2015 and 14001:2015 standards, and its Test Laboratory is certified according to NP EN ISSO 17025:2005.

3.3

SUPPORT SERVICES TO THE CONCESSIONS

BRISA ÁREAS DE SERVIÇO (BAS)



 1.3 Million
CLIENTS IN 2017

 €M 4
SALES IN 2017

 6
SERVICE AREAS
UNDER MANAGEMENT

Brisa Áreas de Serviço (BAS) was set up at the end of 2016. The company stems from a partnership between Brisa and Areas (Elior Group) created to manage, operate and maintain service areas on BCR network



BAS started its operation in January 2017, with 6 service areas, 3 of which include restaurant activity. Until then, the development model of service areas was the responsibility of oil companies, from construction to operation. As the end of the sub-concession contracts approached, and in line with its increasing focus on clients, Brisa decided to have a

more active role in the management of service areas. BAS was created to manage these assets directly and ensure the maintenance of common areas and the development of a quality offer in order to satisfy the needs and expectations of its customers. Accordingly, only activities relating to fuel supply are sub-contracted to oil companies.

3.3

SUPPORT SERVICES TO THE CONCESSIONS

BRISA ÁREAS DE SERVIÇO (BAS)



NEW BRAND - COLIBRI VIA VERDE

BAS strategy is disruptive and client-oriented. To this end, the company created a new trade brand - Colibri Via Verde - fully integrated in Brisa ecosystem of services, refurbished the infrastructure completely and introduced an innovating offer of products and services.

Based on the concept that service areas form an integral part of the motorway experience, restaurants were re-designed with focus on the comfort of people and families, providing wider and more comfortable areas both inside and outside, improved WC areas, baby-changing and children areas, to serve different needs. BAS has now an offer directed to clients who opt for longer rests (restaurant and shop) as well as for those on a quick stop (vending area).

During its first year, BAS refurbished and implemented the Colibri brand in the service area of Alcácer (which re-opened in June), Vendas Novas

(July) and Barcelos (December). The Colibri concept will be extended to remaining service areas gradually over the next few years, and will consider the type of traffic, client profile and location of the service area of respective motorway.

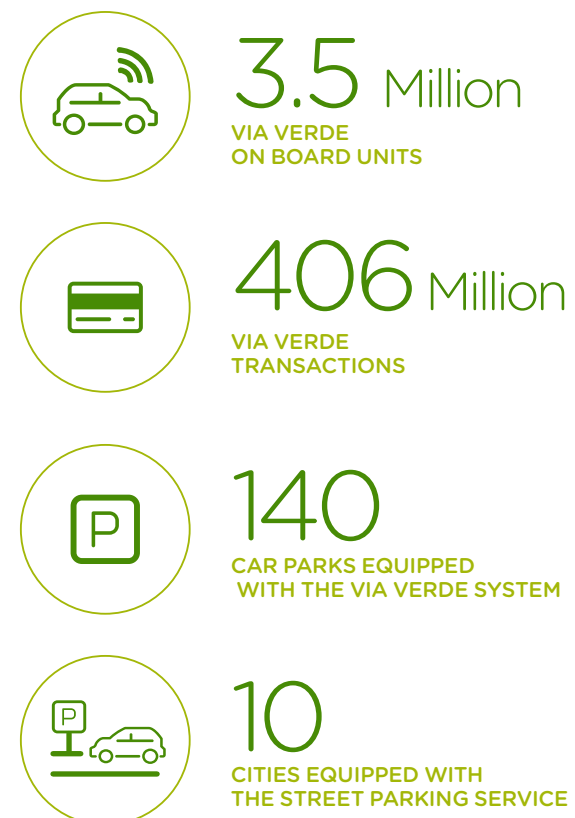
In 2017 sales in the 3 units mentioned above totalled €M 4, growing by 21% compared to 2016, when these units were not operated by BAS. This performance was driven by a favourable macroeconomic framework, naturally, but also and above all by the impact of the new supply, translated in a higher number of clients.

In the next few years, the Company plans to refurbish and introduce the Colibri brand in 9 service areas on A1 and A2, 4 of which in 2018. In overall terms, pursuant to the sub-concession contract with BCR, the number of service areas managed by BAS will grow to 14, introducing two service areas on A2 and six on A1.



3.3 SUPPORT SERVICES TO THE CONCESSIONS

VIA VERDE PORTUGAL (VVP)



Via Verde Portugal (VVP) is one of the most emblematic companies of Brisa, supporting itself through its growth, as a global benchmark in the sector



Via Verde Portugal provides electronic toll collection systems and services in motorways and other road infrastructures. The service is available in all toll collection systems in Portugal, consisting of an integrated network of over 3 000 km.

The system is also available in **car parks, Galp pump stations, McDonalds®** restaurants, **Atlantic Ferries**, controlled **access to historic neighbourhoods, Farmadrive** drug stores, **street parking** and **public transports**.

Via Verde processes around 79% of all toll transactions in Portugal, and it is 60% held by Brisa.

SERVICES PORTFOLIO

2017 was a year marked by the development and expansion of new products and services, following technological evolution and market trends. In this increasingly demanding and changing environment, Via Verde recently launched new services based on apps for smartphones, such as **Via Verde Estacionar** (already available in 10 cities) and **Via Verde Transportes** (available in public transports on Fertagus network and marking the entrance of Via Verde in the public transports sector). The introduction of these services will strengthen the importance and role of Via Verde Portugal as a facilitator of mobility in Portugal.

3.3 SUPPORT SERVICES TO THE CONCESSIONS

VIA VERDE PORTUGAL (VVP)



Via Verde Portugal will continue to invest in initiatives to maintain its positioning as a leading and innovating company and as a reference to its peers at international level. As far as its clients are concerned, Via Verde is increasingly efficient, effective, comfortable and easy to use.

FORMS OF SUBSCRIPTION AND PAYMENT MEANS

In addition to the traditional forms of Via Verde subscription, the company created '**Via Verde Leve**', which is addressed to occasional clients. A promotional campaign for Via Verde Leve was again carried out in July 2017, targeting tourists and Portuguese emigrants coming home for the holidays.

Via Verde carried out another promotional campaign directed to **motorcyclists**, advertising a 30% discount in tolls.

It should also be mentioned the expansion in payment options provided by Via Verde, namely **payment by direct debit** which became available in the last quarter of the year, under a pilot project. This form of payment, which allows the corporate clients to know in advance what will be the

amount that will be charged, adds to the existing offer of automatic payment (attached to a Multibanco debit card), prepaid and credit (the latter two are exclusive for tolls).

VIA VERDE ESTACIONAR

In the mobility area, the 'Via Verde Estacionar' app (for street parking payment) was extended in 2017 to 4 additional cities: Bragança, Cascais, Oeiras and Tavira, and is presently available in 10 cities. Two further towns adhered to the system at the end of the year - Loures and Almada, and should become available in 2018.

Improve, facilitate and simplify are the focus of Via Verde Estacionar, based on a app developed for smartphones. As it uses the current post-payment model of Via Verde, the app ends the client's concern of having to have coins or pay-on-the-go. Besides being simpler to use, the service also allows relevant savings as only the parking time effectively used is charged. Moreover, it permits extending parking time and to have several vehicles in the same account, thus allowing simultaneous parking payments.

 **331** Thousand
NEW SUBSCRIBERS
TO VIA VERDE IN 2017

 **166** Thousand
DOWNLOADS OF VIA VERDE
ESTACIONAR APP IN 2017

 **540** Thousand
PARKING PAID THROUGH
THE APP IN 2017



3.3

SUPPORT SERVICES TO THE CONCESSIONS

VIA VERDE PORTUGAL (VVP)



VIA VERDE TRANSPORTES

In 2017 Via Verde launched a new app to be used on public transport, marking the Company's entrance in this sector. The app enables the client to purchase simple tickets or monthly subscriptions under the pay-as-you-go concept or pay without having to worry about tickets or ticket rates, as the app determines what is the most suitable rate for the client.

The app was launched in May 2017 for Fertagus transport network. Via Verde is currently working on a technically robust and intuitive solutions to be available on any public transport operator in the Lisbon Metropolitan Area.

VIA VERDE CARSHARING - DRIVENOW

In 2017 Via Verde Portugal launched a new mobility service: carsharing. Via Verde Carsharing is a partnership between Brisa and DriveNow, available in Lisbon, and using the Via Verde payment system.

The strong advertising campaign launched in September resulted in 5 000 subscriptions to the service in that month alone.

CAR PARKS

In 2017 the Company launched a new business model for car parks. This model was designed in conjunction with A-to-Be®, and aims to attract additional car parks (with low turnover and/or seasonal use) to the Via Verde system. The model proved very successful, as 40 additional car parks joined (12 of which saw the system implemented in 2017, whereas the rest will have the system in 2018).

As a result, the number of Via Verde transactions in car parks increased by 10%. This service accounts for approximately 5% of overall electronic transactions of Via Verde Portugal.



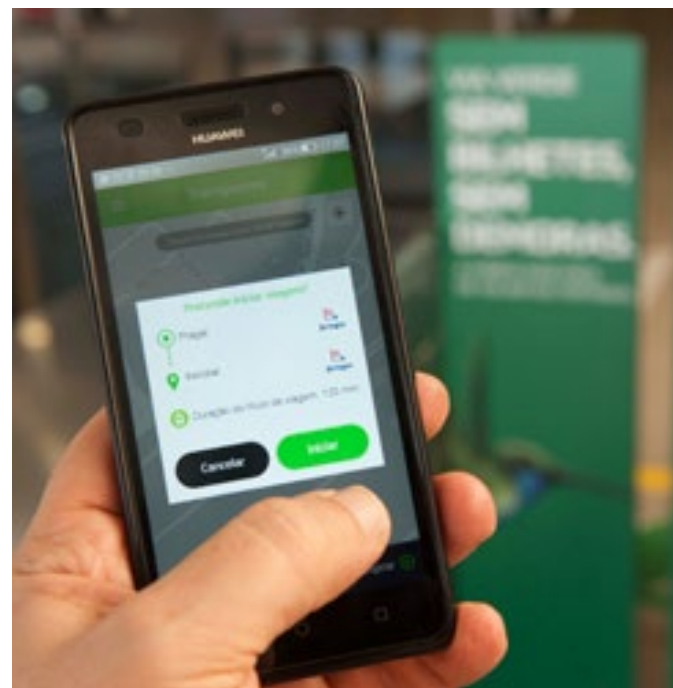
9 575

DOWNLOADS OF VIA VERDE TRANSPORTES APP IN 2017



4 784

TRANSACTIONS WITH VIA VERDE TRANSPORTES APP IN 2017



3.3

SUPPORT SERVICES TO THE CONCESSIONS

VIA VERDE PORTUGAL (VVP)



FARMADRIVE

In 2017 it was also launched the FarmaDrive pilot project in a pharmacy in Cascais, allowing drive-thru payment, similar to McDrive®.

TOLL PAYMENT PORTAL

Following a successful pilot phase, Lusoponte adhered to the toll collection recovery service in 2017, joining the concessionaires which had already subscribed the service: BCR, Brisa, AEA, AEDL, AELO, AEBT and IP (managed by operator Geira).

In 2017 Portvias adhered to the voluntary payment service through the Toll Payment Portal, thus contributing a comprehensive expansion of voluntary payment. This type of payment has efficiency gains for subscribing concessionaires and the end-users, providing a broader access of all passages made.



3.3

SUPPORT SERVICES TO THE CONCESSIONS

VIA VERDE CONTACT (VVC)



Via Verde Contact (VVC) consolidated its positioning in 2017 as an integrated platform for contact services and client support for all the Brisa Group



FULL INTEGRATION OF ALL CONTACT CHANNELS

In 2017 the physical branch network of Via Verde was included in VVC's organisational structure, resulting in the full integration of all customer contact channels. This integration had a significant impact on the Company, given its operational size and the strategic importance of this channel for the Via Verde client experience.

REINFORCEMENT OF THE DIGITAL CHANNEL

With a view to optimise the quality and efficiency of client service, VVC continued to promote the use of the digital channel, providing more and better support services on the website and through the Via Verde app, including "My Via Verde" login area.

At the end of 2017, Via Verde had over 1.2 million clients online, growing by 20% over 2016.

The Via Verde website recorded approximately 20 thousand visits daily. The Via Verde app ended the year with 626 thousand downloads and a monthly use rate of around 20%.

PRESENCE IN SOCIAL NETWORKS

Brisa, under the Via Verde brand, is present in the main social networks, seeking to leverage on the potential of these networks, interacting with its clients in real time.

 **1.2 Million (+20%)**
VIA VERDE ONLINE CLIENTS

 **20 Thousand**
DAILY SESSIONS ON VIA VERDE WEBSITE

 **626 Thousand**
DOWNLOADS OF VIA VERDE APP

3.3 SUPPORT SERVICES TO THE CONCESSIONS

VIA VERDE CONTACT (VVC)



Client service through Facebook constitutes a landmark, as the client now has access to a channel available 24 hours/day every day of the year. With a maximum response time of 15 minutes, clients can address any matter at any time and for free.

REMOTE CHANNELS

During 2017 VVC continued processing requests sent by clients by letter, email or online form.

Backed by a skilled and multidisciplinary team and by CRM (Customer Relationship Management) tools, the Company was able to ensure an integrated response, with most inquiries solved at first contact.

With a view to face the challenges of new mobility services, VVC set up a dedicated team, provided with specific training and know-how, to respond to client needs quicker, solving problems and pro-actively contributing to improvements.

VVC handled over 766 thousand calls received through the hotline.

These channels handled the following issues:

- Support to subscriptions
- Contract changes
- Payments
- Debts
- Clarifications and information
- Corporate service
- Claims

FACE-TO-FACE CHANNEL

Currently with 14 client contact points scattered throughout the country, VVC branch network handled 671 654 visits.

Moreover, VVC manages a network of partners comprising 8 client contact points. Although most of the visits concern post-sales service, the face-to-face channel accounts for 34% of subscriptions to the Via Verde service.



3.3
SUPPORT SERVICES TO THE CONCESSIONS

VIA VERDE
CONTACT (VVC)



CUSTOMER EXPERIENCE AND OPERATIONAL EFFICIENCY

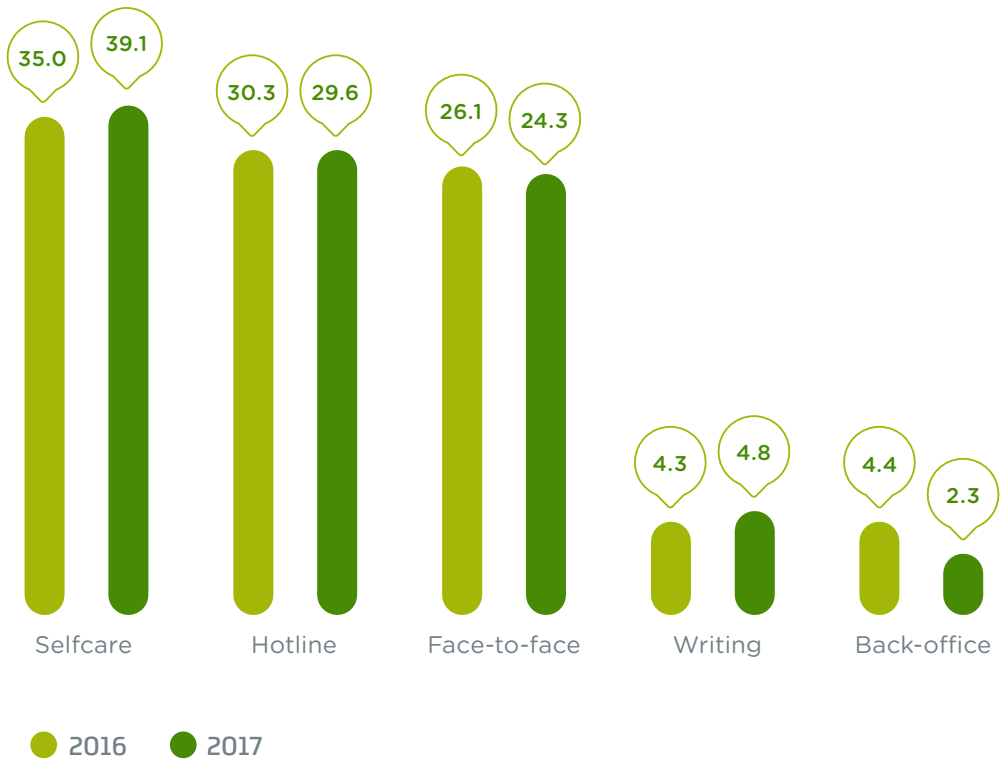
The focus on the generation of efficiencies developed throughout the year translated in several initiatives aimed at the simplification of processes and reduction of costs. Results are seen in the number of interactions through the digital channel (selfcare) vis-à-vis remaining channels.

In 2017 the share of the selfcare channel grew by 4 p.p. over the previous year.

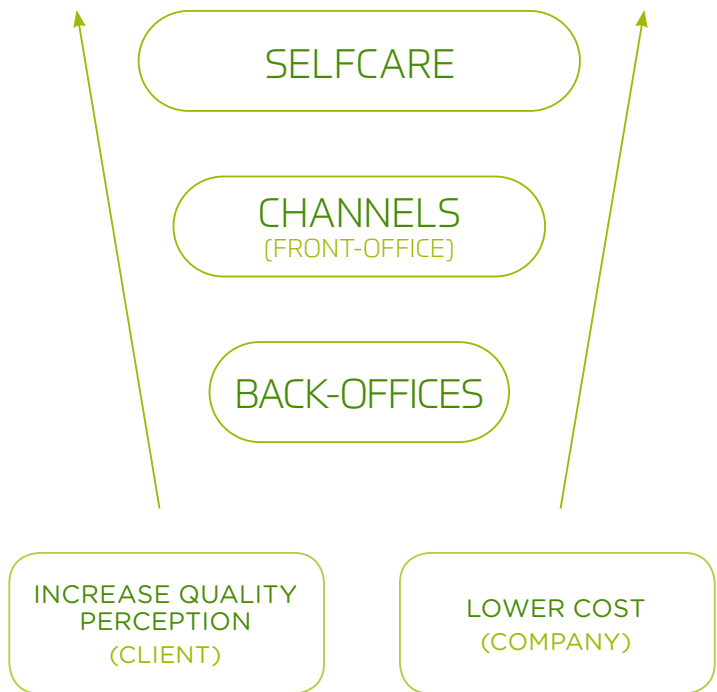
Focused on these goals, the company introduced a wide number of improvements, which allowed the integration of back-office processes to front-office, and from front-office to selfcare, consolidating the inversion of the pyramid.

CUMULATIVE SHARE BY CHANNEL

PERCENTAGE (%)



PYRAMID – EFFICIENCY GOAL



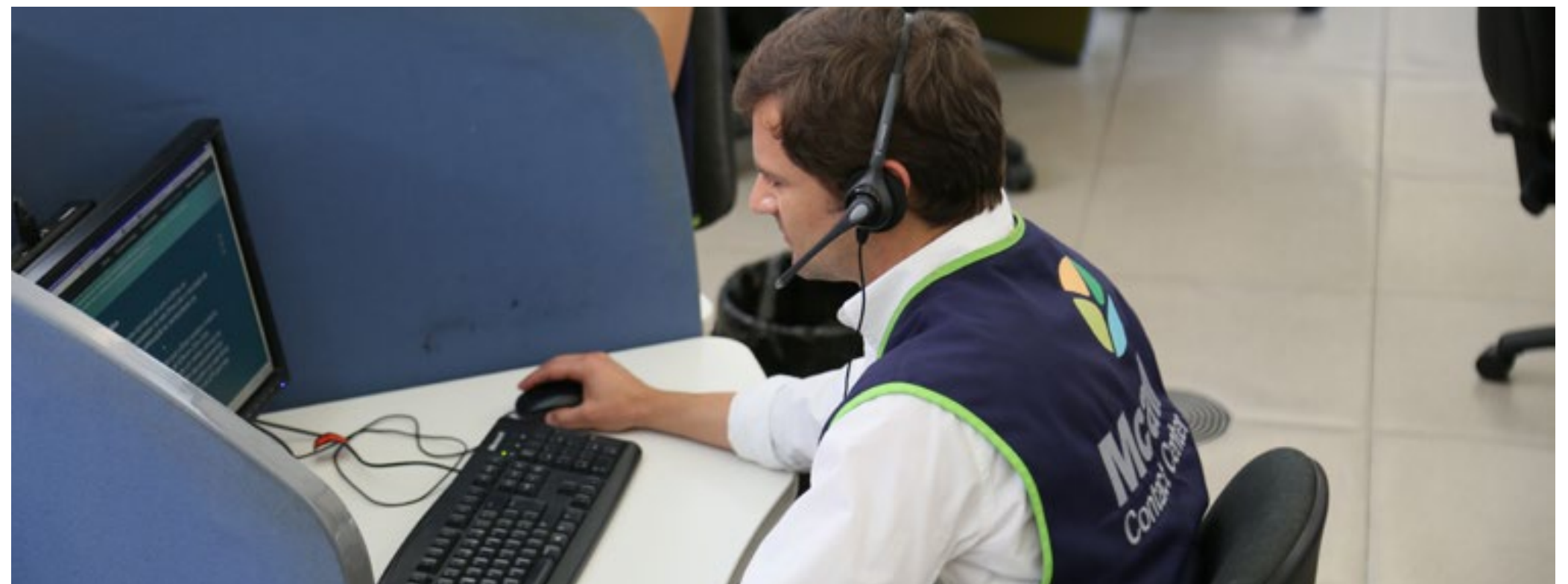
3.3

SUPPORT SERVICES TO THE CONCESSIONS

M CALL



M Call provides an increasingly wider range of contact services, with a high-level of professionalism, based on remote multi-channel contact



M Call seeks to increase client satisfaction and loyalty levels, driving productivity gains and extending business opportunities. It takes advantage of the multiple channels currently available and from a dynamic interaction with clients.

Changes happening in contact centres have driven M Call towards the digital channels. Accordingly, the range of services has widened,

in line with technological evolution and behavioural changes, offering increasingly dynamic value-added services.

In 2017 M Call continued to promote professional training, to improve operational efficiency, with success, as shown by the improvement recorded in most performance indicators.

3.3 SUPPORT SERVICES TO THE CONCESSIONS

M CALL



BRISA HOTLINE FOR ROAD ASSISTANCE AND INFORMATION

- 24h/day, 365 days/year
- Informing about:
 - > Road side assistance;
 - > Travel assistance;
 - > Traffic, routes and simulation of trips;
 - > Toll rates and detailed information on service and rest areas available on Brisa network (including information to hearing-impaired clients (via SMS)).

VVP CLIENT HOTLINE CALLS

- Several outbound actions;
- Toll recovery and collection;
- Opinion surveys, client follow-up, satisfaction surveys.

CONTROLAUTO HOTLINE

- Scheduling of vehicle inspections in Controlauto centres throughout the country;
- Outbound actions with the purpose of establishing commercial contacts for further visits.

M CALL PROVIDES SERVICES THROUGH THE FOLLOWING CHANNELS



TELEPHONE



MOBILE APPS



EMAIL



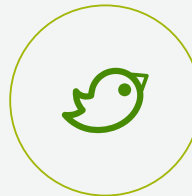
CHAT



SMS



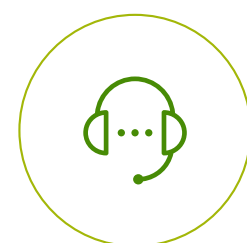
WEB



SOCIAL NETWORK

3.3 SUPPORT SERVICES TO THE CONCESSIONS

M CALL



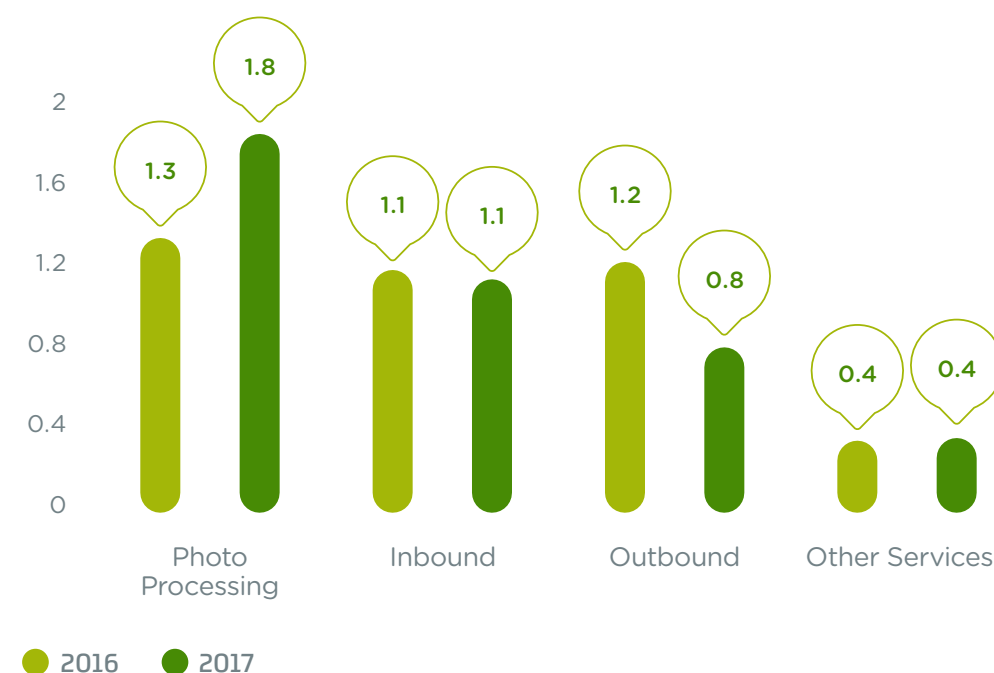
4 Million
 CONTACT CENTRE
 INTERACTIONS IN 2017

SERVICES PORTFOLIO

In addition to serving Brisa companies (65% of turnover), M Call provides client contact services to third companies - telemarketing, sales, inquiries, collections, back-office, social networks and chats (35% of turnover).

SERVICES PROVIDED IN 2017

NO. OF INTERACTIONS (MILLION)



Note: Inbound corresponds to calls started by the client
 Outbound corresponds to calls started by M Call

Total number of calls handled by the contact Centre in 2017 surpassed 4 million, growing by 3.5% over the previous year.

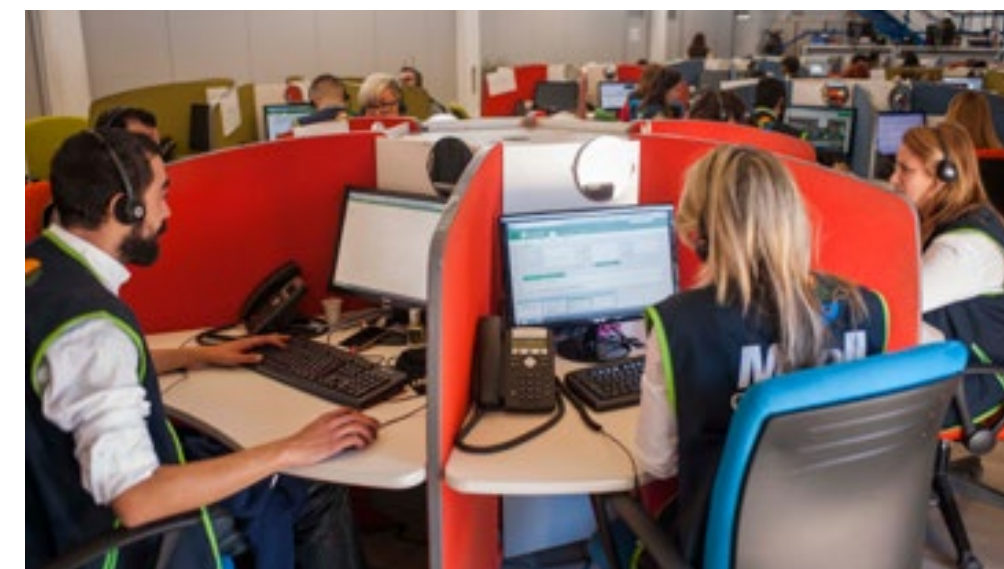
“Other Services” comprise processes relating to social networks, emails, voice mail, IVR, internet orders, validation of online proposals, sms and back-office services.

CERTIFICATIONS

Quality is a crucial and differentiating element in the development of the organisation, employees and services, based on the best management practices. Accordingly, M Call and its teleoperators are certified and follow the best market practices, always committed to constant improvement.

In 2017 the company renewed the certification of several functions - tele-operator, supervisor assistant and supervisor. All 58 employees proposed for certification were certified. The company obtained the renewal of its quality certification according to ISO 9001:2015 and adequacy to PCI-DSS standard (safety of electronic transactions paid by credit card).

During the year M Call was audited by SGS, within the scope of social responsibility (covering the 4 pillars: health and safety in the workplace, environmental aspects and ethical business practices). The audit was developed based on SMETA (Sedex Members Ethical Trade Audit) Guide of Best Practices and ETI (Ethical Trading Initiative) base code. Respective results reflect international recognition in terms of compliance with occupational health and safety laws, environmental commitment and ethics in business and is available on Sedex (Supplier Ethical Data Exchange) data base. It can be accessed by any member, at international level.



3.3
SUPPORT SERVICES TO THE CONCESSIONS

PERFORMANCE
AND OUTLOOK

FINANCIAL AND OPERATIONAL PERFORMANCE
OF THE BUSINESS SEGMENT

The “Support Services to the Concessions” business segment comprises infrastructure operation and maintenance, service areas, payment options, customer care and value creation relating to the road infrastructure concessions of the Brisa Group. Holding different models of operation, cost structures and revenue sources, these services play a unique and indispensable role in the improvement of the network, the quality of services and mobility supply across the country.

During 2017 this business segment contributed to Brisa's operating income with €M 196.8, increasing by 11.7% over the previous year. Brisa's concern to maintain excellent road quality levels determined an increase in operating costs by 13.1%.

The rise in revenues combined with the increase in costs had a negative impact in the EBITDA margin (-0.8 p.p.). However, it is worth noting the 8.8% growth in the segment's EBITDA, which reached €M 61.2.

Amortisation and Provisions increased sharply, standing close to €M 5.5. This performance was mainly driven by the increase in provisions and decrease in reversal of amortisations.

Net Profit of the business segments rose 0.2%, amounting to €M 37.8.

CONDENSED PROFIT AND LOSS STATEMENT

EURO MILLION (€M)

	'16	'17	% CHANGE
OPERATING INCOME	176.2	196.8	11.7%
OPERATING COSTS	119.9	135.6	13.1%
EBITDA	56.3	61.2	8.8%
EBITDA MARGIN	31.9%	31.1%	-0.8 pp
AMORTISATION AND PROVISIONS	0.8	5.5	589.4%
EBIT	55.5	55.7	0.3%
EBIT MARGIN	31.5%	28.3%	-3.2 pp
NET INCOME	37.8	37.8	0.2%

Note: figures above reflect the impact of this business segment on Brisa Group consolidated accounts, including respective intragroup eliminations from the consolidation process.

BUSINESS SEGMENT OUTLOOK

Support Services to the Concessions will continue to play a crucial role in Brisa's strategic positioning, focused on operational efficiency and on the client:

- Brisa O&M has the additional challenge of constantly seeking more efficient and effective solutions in operation and maintenance works to contain operating costs growth, while ensuring high client satisfaction levels;
- BGI will pursue its mission consisting of an integrated and sustainable management of its road infrastructure, seeking to maximise the performance of assets throughout their life cycle, optimising their availability and cost, whilst ensuring compliance, safety and risk management;
- In the Service Areas business segment, Brisa will continue focused on improving supply, quality and consequently the value perceived by clients;
- Via Verde will continue to implement the necessary initiatives to achieve its goal of becoming the leading payment system in the mobility sector in Portugal. Moreover, it will continue to promote adhesion to electronic statements and other initiatives allowing it to reduce processing costs;
- Via Verde Contact will continue to promote the selfcare channel, to give greater autonomy to clients and improve the rate of solved claims.

3.4 VEHICLE INSPECTIONS

Controlauto is the Brisa Group company that operates in the car inspection business

This business segment includes vehicle inspection services, namely the study, management and operation of the technical vehicle control and any

other directly related activities. Brisa has a 74% stake in Controlauto, which holds 100% of Iteuve and 40% of Controlauto Açores.



 1.3 Million
VEHICLE INSPECTIONS
IN 2017

 46
INSPECTION CENTRES

 25 %
MARKET SHARE

3.4 VEHICLE INSPECTIONS

CONTROLAUTO



CONTROLAUTO

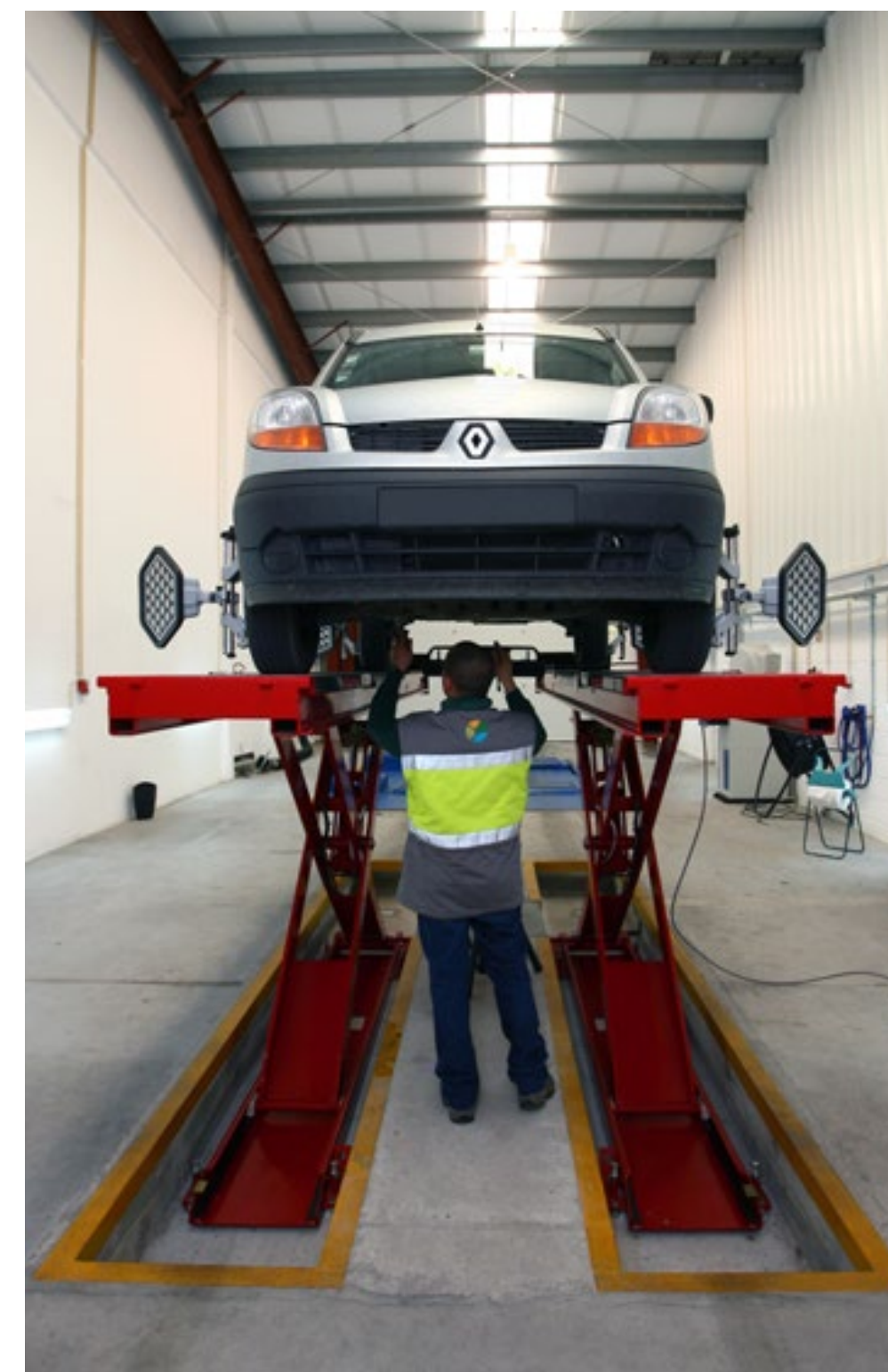
Controlauto operates in the car inspection business, managing a network of 46 inspection centres scattered across the country and covering approximately 90% of the market. According to the relevant authority (IMT), Controlauto's market share of the car inspection business is 25%.

The brand Controlauto is the most recognised in the sector, with 82% customer awareness.

Controlauto's strategy is client focused, on the belief that in a regulated market in terms of price and activity, this is the best way for differentiation and appreciation of the brand. The optimization of resources and efficiency are key factors for creating value in the company's activity.

In 2017, the company continued to improve comfort and functionality of the inspection centres for its customers and employees, regardless of the improvements implemented as a result of the obligations arising from changes in legislation in 2016.

The publication of the new legislation on the General Regulation on Data Protection, which will take effect at the end of May 2018, will require greater care in the management and storage of information. This new regulatory framework has led to changes in software systems, in order to ensure greater efficiency, together with greater robustness in terms of storage and data processing.



3.4 VEHICLE INSPECTIONS

CONTROLAUTO



INSPECTION GUIDE

AT CONTROLAUTO
YOUR CAR IS INSPECTED
IN 15 MINUTES.

ASSESSMENT IS MADE
IN 8 STEPS. IN EACH STEP,
SEVERAL SPECIFIC ASPECTS
ARE CHECKED IN DETAIL

We start with the vehicle's identification and end with control of mandatory equipment. In the meantime, we checked the main systems ensuring driving safety, we controlled gas and noise emissions and assess the general condition of the vehicle.

Having your car approved means that it gathers minimum conditions for maximum driving safety, while caring for your property.

1. IDENTIFICATION OF THE VEHICLE

Ensure the vehicle's compliance with legal requirements.

Check information on car documents.

Visual Assessment

8. CHECKING OF VEHICLE CONDITION

Checking of vehicle's general condition.

Condition of chassis and respective parts.

Visual Assessment

2. MANDATORY EQUIPMENT

Ensure the safety of occupants and pedestrians.

Assessment of equipment efficiency and compliance (warning triangle, jacket, ...)

Visual Assessment

3. GAS EMISSION INSPECTION

Ensure perfect combustion of engines (lower emissions and lower consumption).

Check exhaust gas emissions (CO₂ and CO) and identify possible leaks.

Visual Assessment + Gas Analysor / Opacimetre

4. LIGHTING SYSTEM AND VISIBILITY

Ensure adequate visibility and identification.

Check lighting and visibility equipment.

Visual Assessment + Headlight Aligner

5. STEERING ALIGNMENT

Check wheel alignment, to prevent wear and tear of tires and reduce fuel consumption.

Measure the alignment of steered wheels and check the mechanical condition of steering parts.

Visual Assessment + Side slip tester

7. BRAKING SYSTEM

Ensure effective braking.

Assess the efficiency and conditions of the braking system.

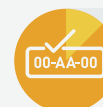
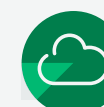
Visual Assessment + Brake tester

6. SUSPENSION SYSTEM

Ensure the vehicle's stability.

Assess the efficiency of shock absorbers.

Visual Assessment + Seat Suspension



3.4
VEHICLE INSPECTIONS

PERFORMANCE
AND OUTLOOK

FINANCIAL AND OPERATIONAL PERFORMANCE
OF THE BUSINESS SEGMENT

2017 was marked by the continued negative impact on the number of services provided by Controlauto as a result of the opening of new centres by the competition, which translated into a decline in the number of services of around 4.8% when compared with the previous year.

During 2017, 17 new vehicle inspection centres opened in Portugal, totalling 36 new inspection centres opened pursuant Law no. 11/2011 of April 26, which resulted in increased competition in the influence areas of those centres.

The contribution of this business segment to Brisa's consolidated operating income amounted to €M 32.1, falling by 3.7% over the previous year. This decline resulted from a decrease in the number of services provided, which was partly offset by an increase in prices. Costs dropped 3.5%, mainly as a result of a decrease in Supplies and Services.

The decrease in revenues was higher than the decrease in costs, which had a negative impact on EBITDA (fell by 4.2% to €M 9.6).

Amortization and Provisions decreased by 17.4% over the previous year, following a decrease in capital expenditure.

Net Profit posted by the Car Inspection business segment rose by 1.1%.

Existing loans in the amount of €M 1.7 were fully repaid during 2017.

CONDENSED PROFIT AND LOSS STATEMENT

EURO MILLION (€M)

	'16	'17	% CHANGE
OPERATING INCOME	33.3	32.1	-3.7%
OPERATING COSTS	23.3	22.5	-3.5%
EBITDA	10.0	9.6	-4.2%
EBITDA MARGIN	30.0%	29.9%	-0.2 pp
AMORTISATION AND PROVISIONS	3.0	2.5	-17.4%
EBIT	7.0	7.1	1.3%
EBIT MARGIN	21.1%	22.2%	1.1 pp
NET INCOME	3.8	3.9	1.1%

Note: figures above reflect the impact of this business segment on Brisa Group consolidated accounts, including respective intragroup eliminations from the consolidation process.

BUSINESS SEGMENT AND OUTLOOK

In the car inspection business segment, Controlauto will continue to focus its attention on increasing client loyalty in the face of growing competition. Controlauto seeks to strengthen its market leadership and stand as benchmark in the segment. At the same time, it will deal with:

- Increased competition, following Government authorisation for the opening of new inspection centres and the introduction of mandatory inspection for motorcycles above 249 cc.
- Evolution towards a more educational approach in line with customer expectations, based on the concept that vehicle inspection is crucial for road safety.

3.5 PRODUCT TECHNOLOGY

Brisa Inovação e Tecnologia (BIT), under brand A-to-Be®, is the Brisa company responsible for the supply of mobility-related technology solutions

In March 2017 BIT **launched its new A-to-Be® brand** during the MaaS Market event in London, thus reinforcing its positioning in the area of mobility and mobility-related services. Brisa holds a 79% stake in BIT.



Brisa Inovação e Tecnologia (BIT)



33%
TURNOVER GROWTH
IN 2017



6
NEW CONTRACTS WON IN 2017
FOR THE SUPPLY OF TECHNOLOGY
IN EUROPE AND USA



A-to-Be®
LAUNCHING IN LONDON
OF BIT'S NEW BRAND

3.5

PRODUCT TECHNOLOGY

A-to-BE®



Powered by  Brisa

BRISA INOVAÇÃO E TECNOLOGIA (BIT)

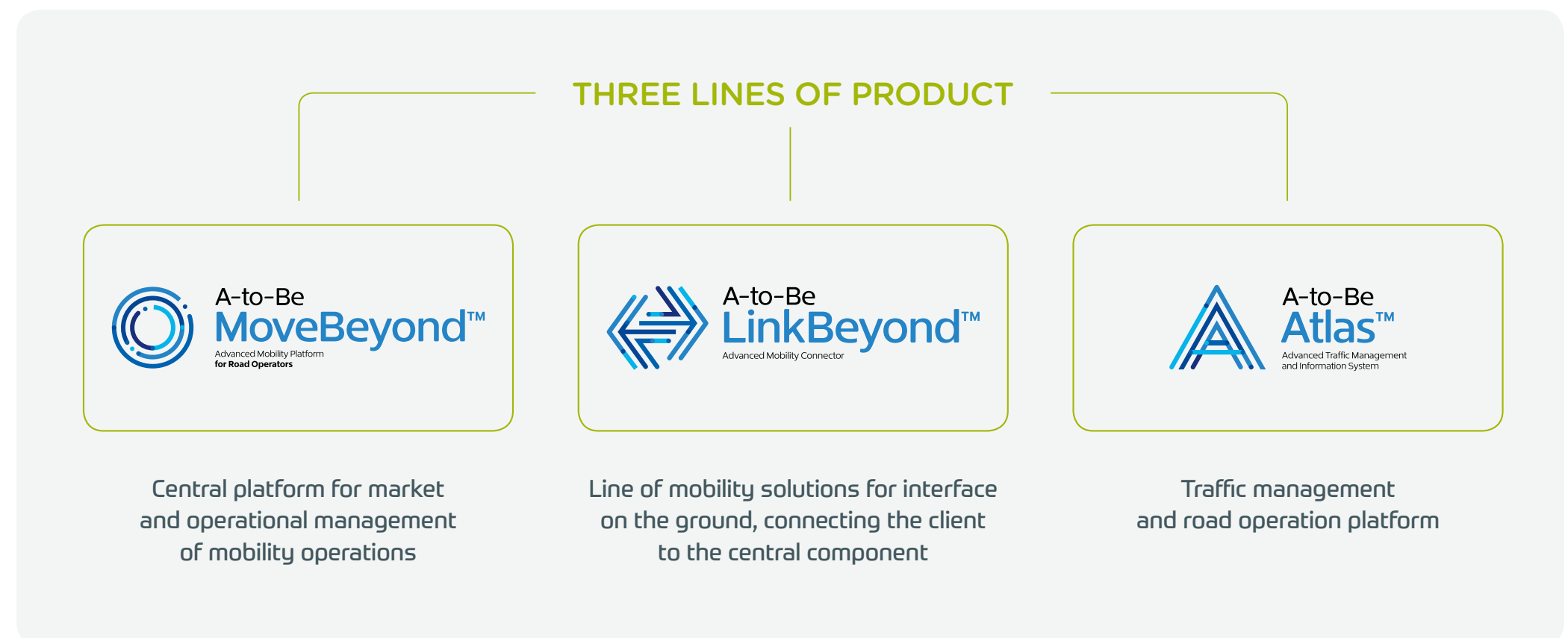
Active in the Business to Business (B2B) segment, BIT is the Brisa Group's business unit developing and supplying mobility-related technology solutions. Over the last few years, it has developed and supplied critical systems in the mobility and transport areas (over 1 200 toll lanes, 250 motorways and 140 car parks) in **Portugal, Holland** and the **United States**. Its product portfolio comprises toll systems, road tunnel automation systems, systems for car parks and fuel stations, drive-thru and sea and river car transport.

Recognising Mobility as one of the most important technology vector of this age and the volume of ongoing investment worldwide, BIT

has submitted tenders in contests in the USA, Europe and Latin America. In 2015, it set up a company in the United States (BIT Mobility Solutions - BMS). In Europe, which is a rather mature market with lesser investment prospects at infrastructure level, BIT is attentive to possible interoperability opportunities for toll systems and urban mobility.

BUSINESS AREAS AND PRODUCT STRUCTURE

A-to-Be® offer is organised according to **three lines of products**, providing specific mobility applications in each of the **five market segments** where A-to-Be® is present:



3.5 PRODUCT TECHNOLOGY

A-to-BE®

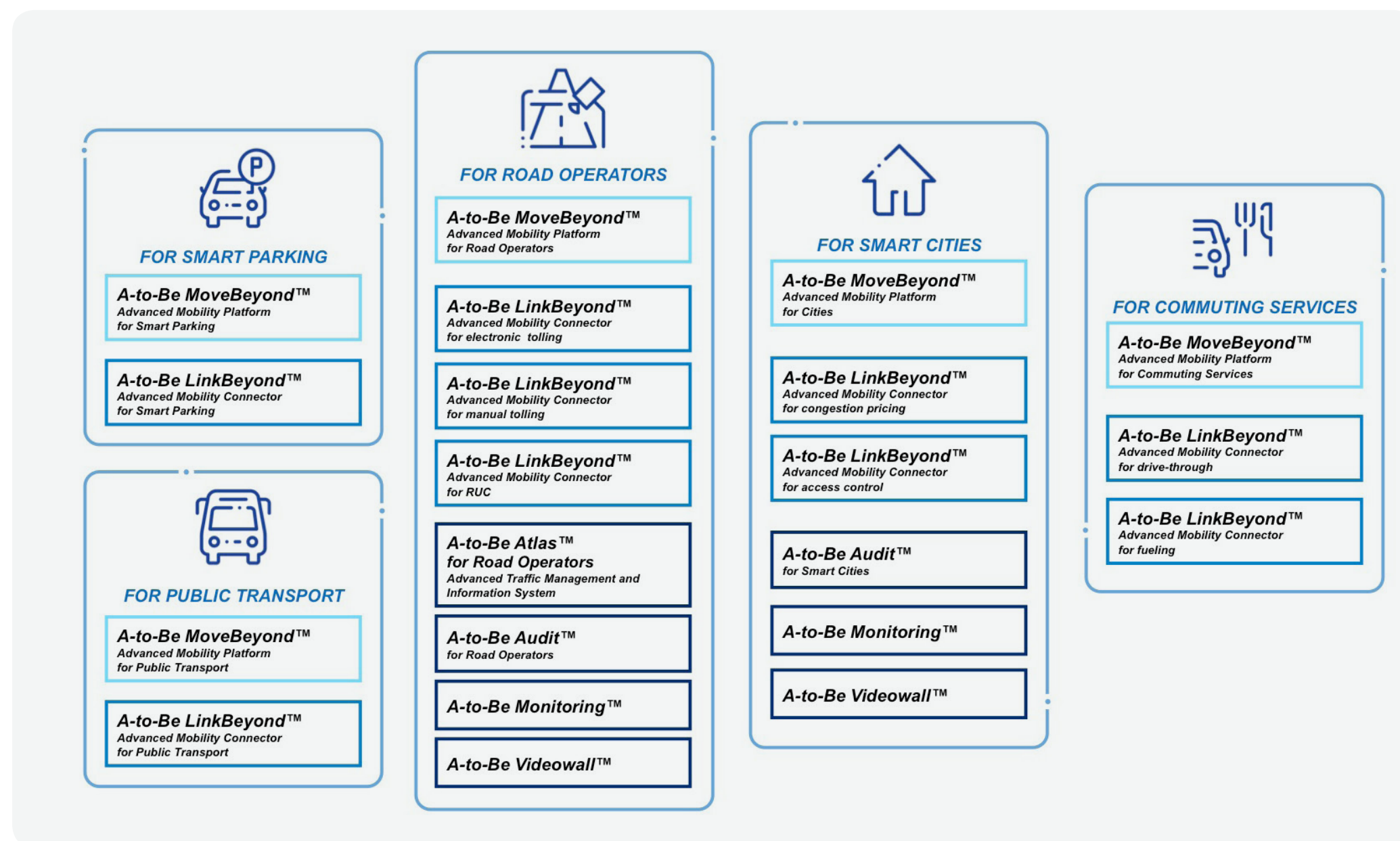
A-to-Be

Powered by  **Brisa**

APPLICATION OF THE A-TO-BE® OFFER TO MARKET SEGMENTS

A specific application resulted from the combination of the 3 A-to-Be® lines of mobility solutions which serves its market segments.

Mobility operators are provided with the necessary means and tools to manage all the information and support to the operation to ensure efficient and optimized management of the infrastructures, thus allowing the improvement of the service provided to the final client.



Further information available at www.a-to-be.com

3.5 PRODUCT TECHNOLOGY

A-to-BE®

A-to-Be

Powered by  **Brisa**



FOR SMART
PARKING



FOR ROAD
OPERATORS



FOR PUBLIC
TRANSPORT



FOR COMMUTING
SERVICES



FOR SMART
CITIES

As far as road operators are concerned, A-to-Be® allows managing traffic and integrated operations of both support equipment on the ground and the supply of toll systems.

The key concern of **smart cities** today is to serve its citizens, optimising the management of infrastructures, specifically transport and mobility. A-to-Be® offers solutions to implement active mobility policies that promote sustainability, such as controlled access to sensitive areas

(reduced emission areas or historical neighbourhoods) or measures to reduce congestion pricing. To **transport operators**, A-to-Be® supplies technology solutions to improve the mobility experience in different modes of collective transport.

A-to-Be® supply is extensive to **individual, private or shared transport**, in the so-called soft modes and in car use, **car parks**, drive-thrus, pharmacies, fuel stations and other related services.



3.5

PRODUCT TECHNOLOGY

A-to-BE®

A-to-Be

Powered by  Brisa

Research be-ond

A-to-Be® Brand
for research activity



€M 7.5
INVESTMENT IN R&D
IN 2017

RESEARCH

Together with its scientific and technological partners, A-to-Be® developed various technological research projects, in the areas of computer vision, traffic shaping and management, mobility management and cooperative systems (V2X). During 2017 A-to-Be® showed how important R&D is for the success of its strategy, creating brand “**Research Be-ond**” focused on R&D.

A-to-Be® develops its ideas in partnership with universities and highly specialised suppliers, investing in Research and Development projects. The continued renewal of central systems such as back-office and manual and automatic tolling equipment and the constant search for finding answers to meet new mobility needs using mobile equipment are also relevant lines of activity.

The Company continued to apply to funding programs, having submitted several applications for European projects within the scope of the Horizon 2020 initiative, and it is preparing an application to a national project of strategic interest (PIN) within the scope of Portugal 2020 framework. At European project level, in 2017 it started the C-ROADS Portugal project, on the development and deployment of technical specifications and tests to ensure interoperability among systems and networks of different European countries.

In terms of product development, we point out investment in new releases of A-to-Be MoveBeyond™ (to deliver for contract recently won in the state of Washington and the state of Virginia, USA and for BNV Mobility in Holland), as well as the technology lines to support Via Verde Ecosystem in Portugal, using cutting-edge solutions for a fluid man-machine interaction. We highlight LAM mediator, with prototypes in the field of public transport in the metropolitan areas of Lisbon and Oporto. Improvements were introduced in self-service toll solutions (ATPM) for the US market, which already assume contactless technologies, among others.

ACTIVITY IN THE PORTUGUESE MARKET

BIT gives operational support to Via Verde Ecosystem in Portugal, providing maintenance services in 140 car parks and controlled access to historic

neighbourhoods. Additionally, it manages contracts for toll equipment on IP and Globalvia concessions, which do not belong to the Brisa Group.

The following recent supply contracts granted to A-to-Be Atlas™ reinforce the company's market position:

- Lusoporte - centralised management of road operations on Portugal's two most important bridges - Vasco da Gama and 25 de Abril bridges;
- Expansion of the Via Verde system to new areas (drive-thru for pharmacies) and further car parks;
- Additional investment in toll equipment for BCR, Brisal, AEA and AEDL concessions.

ACTIVITY ON THE INTERNATIONAL MARKET

In the **United States** market, the company continues to work on All Electronic Tolling (AET) solutions, following recent efforts towards the modernisation of road concessions. BIT takes part in this technological revolution through its line of products A-to-Be MoveBeyond™ and ATPM. This market has a huge demand for modern mobility-related solutions, having required a reinforcement of means and resources during 2017, aimed at seizing business opportunities.

During 2017, A-to-Be® continued to bank strongly on the **European market**. As this is a very mature market, demand for mobility solutions and the implementation of new toll solutions continue to deserve BIT's attention and participation. The Company entered a new contract for the supply of back-office to a large road operator.

Latin America also deserved A-to-Be® attention during 2017: 4th generation projects in Colombia, mergers and acquisitions of concessions in Chile, the opening of the market in Ecuador and new projects in Argentina are opportunities A-to-Be® has been paying attention.

3.5
PRODUCT TECHNOLOGY

PERFORMANCE
AND OUTLOOK

FINANCIAL AND OPERATIONAL PERFORMANCE
OF THE BUSINESS SEGMENT

The Product Technology business segment sparks value creation through different innovation initiatives, which resulted in a set of solutions and practical applications. Although the solutions have a universally applicable scope, BIT has defined the USA as a priority market.

Operating income grew by 32.5% over 2016, driven by sales associated with ATPM supply contracts in the US, for Illinois State Toll Highway Authority (ISTHA) and A-to-Be MoveBeyond™ for Pocahontas Parkway concession (in Virginia, US). Other supply contracts won in 2017 include electronic toll and self-service equipment for Pocahontas Parkway concession and the A-to-Be Atlas™ contract with Lusoponte.

Sustained growth figures together with the business plan in place should increase financial stakeholders' confidence on the potential value creation of A-to-Be®.

BUSINESS SEGMENT OUTLOOK

In this business segment, BIT should continue to evolve towards an ITS (Intelligent Transportation Systems) company, responding to the growing digitalisation of the road assets business operation, developing technology solutions duly protected by intellectual property rights. Based on the A-to-Be® brand and on its partnership policy for research and technological development, BIT intends to position itself as a reference supplier of Mobility as a Service (MaaS), developing solutions to support all mobility needs in different geographies and with different levels of technological maturity.

CONDENSED PROFIT AND LOSS STATEMENT

EURO MILLION (€M)

	'16	'17	% CHANGE
OPERATING INCOME	9.5	12.6	32.5%
OPERATING COSTS	10.0	13.4	33.9%
EBITDA	-0.5	-0.8	-61.4%
EBITDA MARGIN	-5.2%	-6.4%	-1.1 pp
AMORTISATION AND PROVISIONS	0.7	1.0	55.0%
EBIT	-1.2	-1.8	57.7%
EBIT MARGIN	-12.3%	-14.7%	-2.4 pp
NET INCOME	-0.3	-0.5	-47.9%

Nota: figures above reflect the impact of this business segment on Brisa Group consolidated accounts, including respective intragroup eliminations from the consolidation process.

3.6 OTHER BUSINESSES

“Other Businesses” comprises Brisa Auto-Estradas de Portugal, companies providing mobility services and the stake in TIIC

This segment includes Brisa Auto-Estradas, which centralises the provision of logistic and administrative services to all the Group companies. It also covers mobility providers, namely Via Verde Serviços - VVS and BNV

Mobility – BNV, which are still not material enough to exist as separate business segment. Finally, this business segment includes the holding in Transport Infrastructure Investment Company (TIIC).



Brisa Auto-Estradas
de Portugal (BAE)



Via Verde Serviços
(VVS)



BNV Mobility
(BNV)



Transport Infrastructure
Investment Company
(TIIC)

3.6

OTHER BUSINESSES

MOBILITY SERVICES

MOBILITY SERVICES

Brisa is developing a wide-ranging mobility services ecosystem based on its Via Verde brand, meeting the growing demand of clients, who face increasing options and are increasingly rational in their choices.

Technological evolution, combined with changes in life styles and consumer habits, create the need to optimise daily journeys through easier, safer, sustainable and over-arching mobility.

The Via Verde Ecosystem is not based merely on vehicles and infrastructures, but particularly on people. In this perspective, it aggregates a set of services such as road assistance and electronic toll collection, simple and dedicated service network and a wide range of advantages and discounts from a network of partners.

The future of mobility is certainly challenging and will surely comprise autonomous and connected vehicles. Using innovating information gathering and sharing solutions, it will be possible to have continued real-time access to information on both the vehicle and driving style.

Keeping pace with developments associated to the mobility concept, Brisa remains committed to follow the new trends and finding innovative solutions. At the same time, it ensures the necessary investment in new technology and tools that support the core business and go beyond that, capitalising on the experience gathered throughout its history, and complementing internal capacities.

VIA VERDE ECOSYSTEM



3.6

OTHER BUSINESSES

MOBILITY SERVICES



ACTIVITY IN 2017

During 2017 new car sharing projects were started: **Via Verde Carsharing** - **DriveNow** (carsharing) and **Via Verde Boleias** (ridesharing).

Furthermore, services launched in 2016 have expanded and became increasingly embedded in people's daily lives: **Via Verde Estacionar** (street car parking) is available in an increasing number of cities and **Via Verde Transportes** has an increasingly consistent network of partners.

In 2017, in the variable message signs, travel times on road accesses to metropolitan areas became available thanks to a partnership established with Waze. Soon, it will be possible to plan journeys according to criteria that add more value and importance to each person's individual experience.

Mobility is a daily experience. In this sense, Brisa intends to continue to provide new products and services, extending the Via Verde Ecosystem offer.

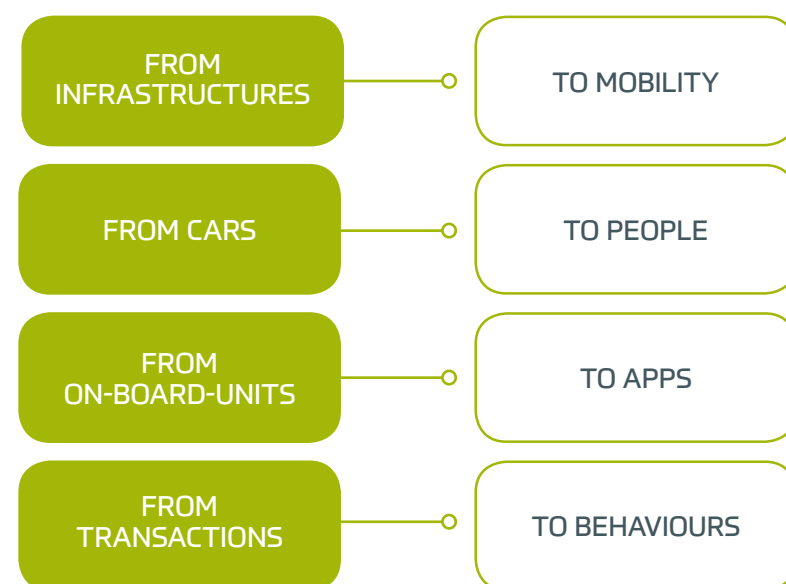


3.6 OTHER BUSINESSES

VIA VERDE SERVIÇOS (VVS)



NEW MOBILITY TRENDS



Via Verde Serviços' mission is to design, market and manage mobility-related products and services

MOBILITY-RELATED PRODUCTS AND SERVICES

In 2017 Brisa's commitment to mobility continued to be supported by Via Verde Serviços (VVS), which has developed a range of differentiated projects towards growth, focused on the client and mobility needs, offering consistent and added value services.

New products and services in the mobility area use technological proprietary solutions of VVS, developed jointly with several partners. VVS plays a crucial role in the creation of a client-oriented mobility ecosystem, constantly adjusting to new trends.

Among the new services/products launched in 2017, Via Verde Carsharing (in partnership with DriveNow) should be highlighted. Additionally, Via Verde Boleias (a ridesharing service, i.e. a new mobility option that meets an identified need and promotes the efficient use of cars) was also launched.

VIA VERDE CARSHARING - DRIVENOW

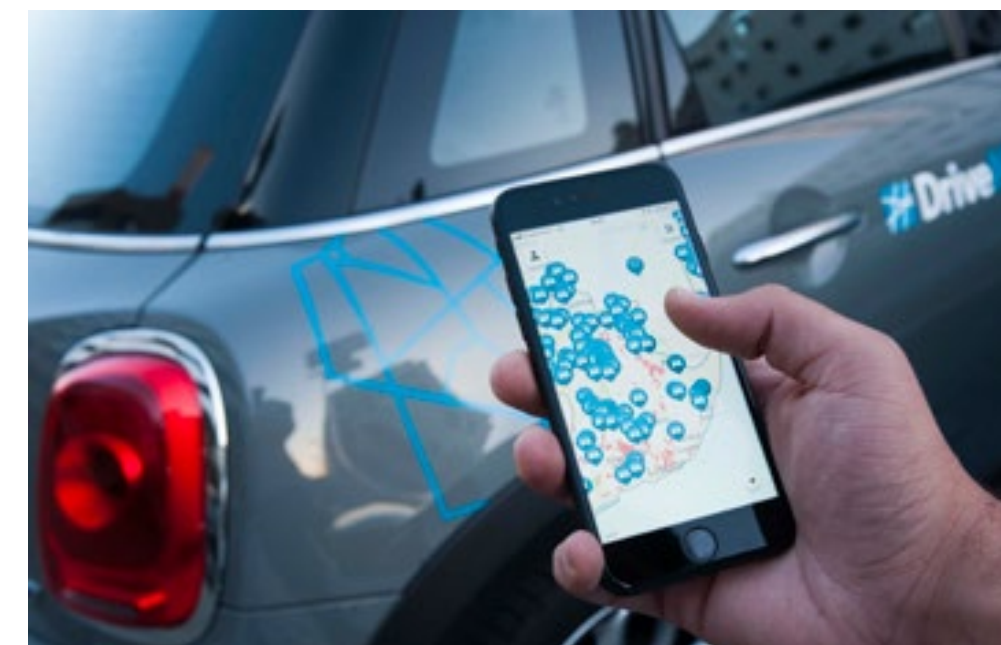
DriveNow is a subsidiary of the BMW group that provides carsharing services on a free-floating system. It aims to offer flexible and sustainable mobility service in metropolitan city areas. The concept is based on **cars parked/distributed across specific urban areas, which clients can use for as long as they wish and then leave within specified areas, paying for the time used only**. The price comprises fuel, insurance and parking (with or without parking meters).

DriveNow arrived in Portugal through Brisa in September 2017. Lisbon is now the 13th European company and the 1st iberian company where Drivenow operates. Lisbon was also the first city where Drivenow has

a 100% cardless operation, with every operation being performed using a specific app, including to open and close the cars.

It has a fleet of 211 vehicles (BMW and MINI) that can be used within an area spanning from Algés train station to Parque das Nações, to 2^a Circular to Lumiar, including the Airport.

At the end of 2017 DriveNow clients were over 1 million across the cities where it operates. In Lisbon, it reached 19 000 clients and 50 thousand journeys in just four months.



3.6

OTHER BUSINESSES

VIA VERDE SERVIÇOS (VVS)



THE TRAVEL &
ADVANTAGES PROGRAMME

VIA VERDE BOLEIAS

Via Verde Boleias is an online platform for sharing travel costs.

Through a website or mobile app, drivers publish available seats, route and price per seat. Passengers search journeys by filling in the date and starting/destination points. They can then pick the most convenient option arising from the search, according to time and preferences shown in the profile. Via Verde Boleias can be used by occasional travels or daily journeys, and for short or long-distance journeys.

The service established a group concept, allowing to create communities with similar interests in journeys for the same destination. Groups can be public or private. Members of public groups can organise travel sharing for large events, according to the type of journey and client. The sharing allows users to reduce cost and time associated with their daily trips, as well as carbon footprint, parking needs and related expenses, and promote a sharing spirit and culture.



Ridesharing solutions such as Via Verde Boleias have significant environmental advantages, contributing to reduce carbon emissions significantly (up to 75% per person).

From a social point of view, this solution also has benefits. Besides providing cost-effective transport alternatives, it encourages more responsible driving, thus improving road safety.

TRAVEL & ADVANTAGES

The Travel & Advantages loyalty programme was launched at the end of 2015 with the purpose of boosting and encouraging the use of Via Verde services. It is a 100% digital programme and it currently has over 500 thousand subscribers.

In 2017, more than 50 thousand people benefited from the advantages offered by the programme, which translated into a significant increase (+110%) in its use. The new functionality that enables offers in “Toll Account Balance” was fundamental for this result and was launched having Controlauto and Brisa Áreas de Serviço as partners. It should also be noted the growth in the sales volume of leisure programmes.

Satisfaction and client recommendation levels of the users of the programme are kept at favourable levels, having even improved when compared to the previous year and contributed to the good results recorded in the tone of the Via Verde social networks (where “Travel & Advantages” contents weight 70%).

3.6 OTHER BUSINESSES

BNV MOBILITY



BNV Mobility, located in Breda, Holland, is a partnership of Brisa (47.5%), Egis Projects (47.5%) and Sherlock Ventures (5%). It acts as innovation lab for business models, and as embryo for a future sustainable mobility operator

BNV MOBILITY

BNV Mobility has contributed with significant experience in projects in the Dutch market, mainly in the areas of Management of Demand (with emphasis in projects viewing to reduce traffic in rush hours) and Innovation / Technology associated with Connected Vehicles, focused on the client and on the future positioning of mobility services.

PROJECTS AND INITIATIVES

Initiatives developed for **rush hour avoidance** were funded by the local government, seeking to considerably reduce traffic in rush hours. These projects comprise a scheme of incentives to drivers to change their habits, such as travel time or use other transport means.

Another high-profile project was the creation of **“myJini” platform**, using an on-board unit (OBU) with internet access and geolocation, to provide information to drivers so that they can make more rational and intelligent decisions, and at the same time have access to an integrated range of services associated with their mobility (such as car insurance or fuel supply) provided in partnership.

Platform/application “Turnn” views to offer over-arching access to different mobility operators, based on mobility data, identify alternative means of transport and behaviour, promoting their sustainability.

Through this initiative Brisa ensures its presence in a technologically advanced market at the centre of Europe, where the supply of innovating mobility solutions is a critical factor of success. This partnership strengthens Brisa’s role as front-running player in the road industry, prompting increased value to its asset structure. Its partnership with other relevant players seeks to complement skills, exchange experiences and share risks.

2 PROJECTS:

- **Rush Hour avoidance – “Turnn”**
- **“myJini” Platform – Rewards**

3.6

OTHER BUSINESSES

TRANSPORT INFRASTRUCTURE INVESTMENT COMPANY (TIIC)



The objective of TIIC – Transport Infrastructure Investment Company is to invest in transport infrastructure, primarily in Europe, focused on greenfield investments.

TIIC started its disinvestment process in 2016, which continued in 2017.

Initially, the company had stakes in 6 companies - 5 motorway concessions and 1 car park company. In 2016, it completed the disposal of its first associate – GTC, the concessionaire of the Polish A1 motorway. This sale resulted in an excellent return for TIIC.

PERFORMANCE OF THE FUND'S PORTFOLIO IN 2017

In 2017 the company sold its stake in Empark, Iberia's largest car park operator. The operation was carried out in June and financially settled in December.

Regarding the activity of Portuguese associates in the motorway sector, i.e. Auto-Estradas do Baixo Tejo (AEBT) and Auto-Estradas do Litoral Oeste (AELO), negotiations with the grantor have continued, with the aim of reaching a new, stable, operating model.

In what concerns associate Albea, concessionaire of the A150 motorway in France, the year was marked by a promising ramp-up and the

finalisation of a refinancing process that considerably extended the financing term of the concession, reduced financing costs and contributed positively to the appreciation of the concessionaire.

Finally, Spanish concessionaire Autovía Gerediaga Elorrio consolidated its operation.

Distributions to shareholders continued during the year, following the disposal of the above-mentioned equity holdings. The goal of distributing to shareholders an amount higher than the amount invested was reached (110% of the invested amount).

TIIC 2 FUND RAISING

In 2017 the fund-raising process for TIIC2 continued. Brisa holds a leading position as operational partner in this Fund. The fund invests in transport and social infrastructures in Europe.

Further information on the subsidiaries and TIIC investments is available at www.tiic.pt.

3.6 OTHER BUSINESSES

OUTLOOK

BUSINESS SEGMENT OUTLOOK

Mobility services will continue to play an increasingly important role in Brisa's activity. The Company will continue to invest in Mobility, paving the way for growth and value creation opportunities in this business area, in these rapidly evolving times.

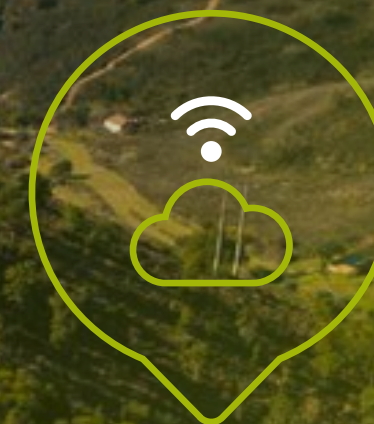
- Develop Traffic Demand projects, as well as projects based on providing integrated services for the end consumer.

- Develop and promote existing and new mobility services, such as Via Verde Carsharing – DriveNow and Via Verde Boleias, creating complementary services aiming an integrated mobility offer.
- Invest in mobility-related projects, to ensure the existence of growth and value creation opportunities. Brisa is active in the definition and development of innovating business models responding to the constantly evolving changes occurring in present day life.



04

BRISA'S PERFORMANCE



NEW MOBILITY PRODUCTS
AND SERVICES

4.1 FINANCIAL CAPITAL

4.2 HUMAN CAPITAL

4.3 INTELLECTUAL CAPITAL

4.4 SOCIAL CAPITAL

4.5 NATURAL CAPITAL



PARTNERSHIPS
AND COLLABORATIVE
PROCESSES



MOBILITY
FOR PEOPLE



OPERATIONAL
AND FINANCIAL
EFFICIENCY



TECHNOLOGIC
DEVELOPMENT AND
DIGITALIZATION

4.1 FINANCIAL CAPITAL

In 2017 the favourable evolution of the macro economic environment continued to drive Brisa's operating performance, reflected in a sustained growth in traffic (6.8%), in line with the past few years

In 2016 Brisa signed a Purchase and Sale Agreement (PSA) for the sale of the NorthWest Parkway (NWP) concession. This transaction was concluded during 2017. Comparisons with previous year must take this fact into consideration, since NWP was classified as an asset available for sale as from 1 December 2016 onwards.

During 2017 new companies initiated their operational activity:

- In line with Brisa's strategic focus associated with mobility services, Via Verde Carsharing (a Drivenow franchise, carsharing service with a free-floating system) was launched;
- Seeking to provide the best road experience to clients, Brisa Áreas de Serviço was set up in the end of 2016. Its operating activities started in 2017, with Colibri Via Verde brand;
- With a focus on the efficient management of road infrastructure assets, Brisa Gestão de Infraestruturas was created in September 2017. It is based on a new culture of specialized and maintenance engineering.

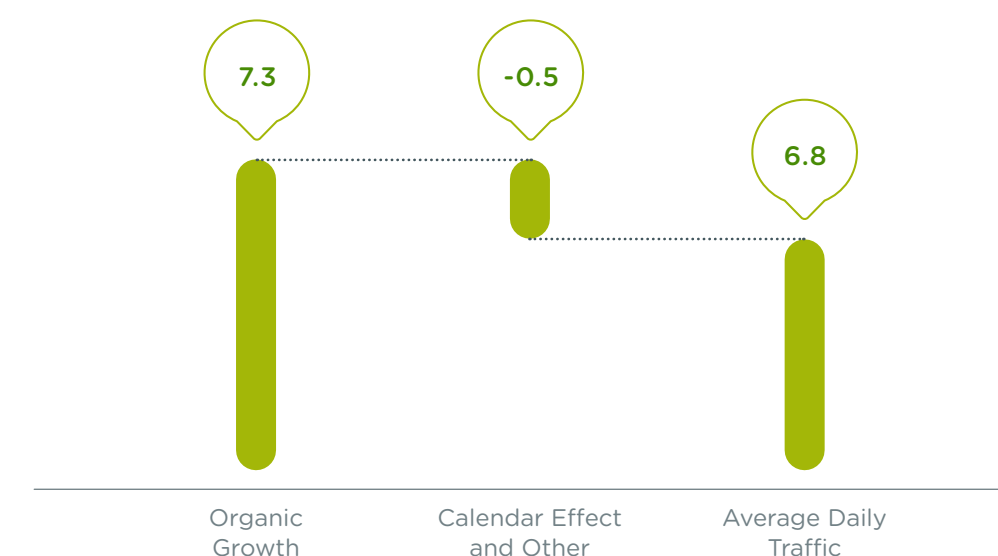
PROFIT AND LOSS STATEMENT

OPERATING INCOME

Driven by traffic growth, **Operating Income** rose by 4.9% over the previous year.

TRAFFIC EVOLUTION IN BCR NETWORK

PERCENTAGE (%)



FINANCIAL CAPITAL

Toll revenues account for 82% of Brisa's overall operating income and grew by 4.5%. It should be noted that in 2016 the company's income still included NWP's toll revenues (€M 18, approximately) but in 2017 that was no longer the case due to the above-mentioned sale process. When considering only BCR's toll revenues in both years, 2017's growth reached 8.1% (€M 41.9).

The rise in operating income associated with **services** is particularly clear in the "Product Technology" business segment, as a result of the new projects launched in the United States. Via Verde's activity also increased significantly.

The increase in **Other operating income** resulted mainly from the service areas activity started during the year.

CONSOLIDATED OPERATING INCOME

EURO MILLION (€M)

	'16	'17	% CHANGE
OPERATING INCOME	647.6	679.3	4.9%
TOLL REVENUES	533.0	557.0	4.5%
SERVICES	95.5	96.9	1.5%
SERVICE AREAS	7.8	8.1	2.7%
OTHER OPERATING INCOME	11.3	17.3	52.1%

OPERATING COSTS

In line with the Group's strategic focus on mobility-related areas directed to people, Brisa has invested in these new businesses (e.g. Via Verde Carsharing, Via Verde Boleias) and in improving clients' experience on its motorways, with the creation of Brisa Áreas de Serviço.

Staff costs grew in relation to the previous year. Brisa has 2 434 employees which represents an increase of 90 persons, mostly as a

result of the incorporation of Brisa Áreas de Serviço (in 2016 Brisa had 2 344 employees).

Brisa constantly seeks to optimise and streamline its cost structure.

CONSOLIDATED OPERATING COSTS

EURO MILLION (€M)

	'16	'17	% CHANGE
OPERATING COSTS	163.3	173.0	5.9%
SUPPLIES AND SERVICES	70.9	70.9	0.0%
STAFF COSTS	83.1	90.9	9.4%
OTHER OPERATING EXPENSES	9.4	11.2	19.3%

OPERATING RESULTS AND MARGINS

Increasing operating activity combined with constant concern with efficiency and cost control resulted in higher operating results. Consolidated **EBITDA** reached €M 506.3, growing by 4.5% over the previous year. EBITDA margin stood at 74.5%.

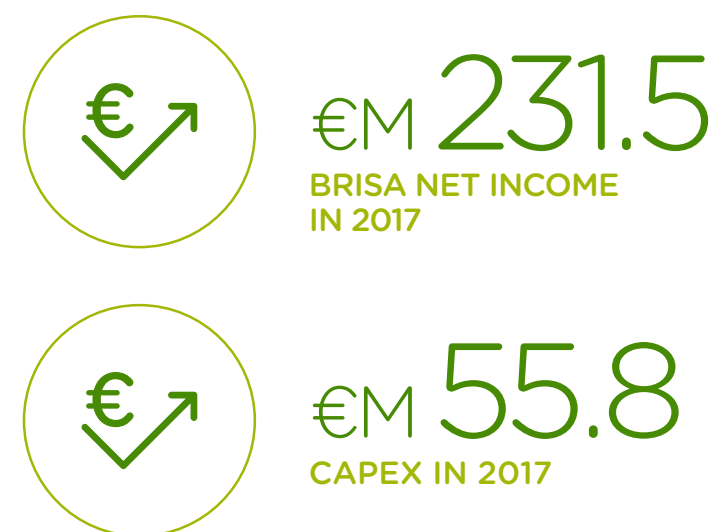
In 2017, Amortizations and Provisions increased when compared with previous year. It should be noted that in 2016 Amortizations and Provisions recorded a considerably low value as a result of the reversal of 2016's impairment relating to NWP concession. **EBIT** totalled €M 321, falling by €M 68.8 (-17.6%) year-on-year.

FINANCIAL RESULTS

Financial Results improved significantly in relation to the previous year, driven by gains with the disposal of Northwest Parkway concession (+€M 208) and by BCR's financial costs reduction.

Brisa's net financial debt decreased by €M 123 over 2016, standing at 31 December 2017 at €M 1 919.

FINANCIAL CAPITAL



NET INCOME

Brisa's consolidated **Net Income** in 2017 totalled €M 231.5, as a result of the good operational performance and the already mentioned NWP impacts.

CONDENSED PROFIT AND LOSS STATEMENT

EURO MILLION (€M)

	'16	'17	%CHANGE
OPERATING INCOME	647.6	679.3	4.9%
OPERATING COSTS	163.3	173.0	5.9%
EBITDA	484.3	506.3	4.5%
EBITDA MARGIN	74.8%	74.5%	-0.2 pp
AMORTISATION AND PROVISIONS	94.7	185.3	95.7%
EBIT	389.6	321.0	-17.6%
EBIT MARGIN	60.2%	47.3%	-12.9 pp
FINANCIAL RESULTS	-108.4	85.2	-
EBT	281.2	406.2	44.4%
EBT MARGIN	43.4%	59.8%	16.4 pp
INCOME TAX FOR THE YEAR	-7.6	129.2	-
NON-CONTROLLING INTERESTS	32.4	45.5	40.2%
NET INCOME	256.4	231.5	-9.7%

CAPEX

During 2017 Brisa carried out **investments** in the amount of €M 55.8 to improve the safety and comfort of clients travelling on its motorways, and in technological development and innovation, to meet new mobility challenges.

CAPITAL EXPENDITURE

EURO MILLION (€M)

	'16	'17	%CHANGE
BRISA CONCESSION	46.3	42.7	-3.6
WIDENING WORKS	15.9	9.5	-6.4
MAJOR REPAIRS	25.0	27.0	2.1
EQUIPMENT	1.7	2.5	0.8
OTHER	3.7	3.6	-0.1
OTHER INVESTMENTS	12.4	13.1	0.8
TOTAL INVESTMENT	58.7	55.8	-2.9

CASH FLOW GENERATION (EBITDA – CAPEX)

Cash flow generation ratio (as measured by EBITDA – CAPEX) totalled €M 450.4, reflecting a very positive year in terms of operating activity.

EVOLUTION OF CASH FLOW GENERATION (EBITDA-CAPEX)

EURO MILLION (€M)



FINANCIAL CAPITAL

BALANCE SHEET

Brisa's total assets at 31 December 2017 was €M 3 338.7, falling by €M 133.9 in relation to 31 December 2016. This decrease is mainly the result of the disposal of Northwest Parkway.

	'16	'17	% CHANGE
EURO MILLION (€M)			
ASSETS			
NON CURRENT ASSETS	2 981.1	2 673.3	-307.9
INTANGIBLE ASSETS	2 511.6	2 397.3	-114.3
TANGIBLE ASSETS	47.2	49.0	1.8
DEFERRED TAX ASSETS	247.9	78.1	-169.8
OTHER	174.5	148.9	-25.6
CURRENT ASSETS	491.5	665.4	173.9
CASH AND CASH EQUIVALENT	183.2	519.4	336.2
OTHER	308.3	146.0	-162.2
TOTAL ASSETS	3 472.6	3 338.7	-133.9
EQUITY AND NON-CONTROLLING INTERESTS			
EQUITY	631.0	402.9	-228.0
NON CONTROLLING INTERESTS	92.6	88.5	-4.1
TOTAL EQUITY AND NON-CONTROLLING INTERESTS	723.6	491.4	-232.1
LIABILITIES			
NON CURRENT LIABILITIES	2 368.4	2 258.7	-109.8
MEDIUM AND LONG-TERM DEBT	2 047.4	2 010.4	-37.1
OTHER	321.0	248.3	-72.7
CURRENT LIABILITIES	380.7	588.6	208.0
SHORT TERM DEBT		428.0	250.7
OTHER	203.4	160.6	-42.8
TOTAL LIABILITIES	2 749.1	2 847.3	98.2
TOTAL EQUITY AND LIABILITIES	3 472.6	3 338.7	-133.9

FINANCIAL INDICATORS

Brisa's leverage fell significantly in 2017. As already mentioned, financial debt fell by €M 123 (from €M 2 041 to €M 1 919). Net Financial Debt/ EBITDA ratio stood at 3.8x.

CONSOLIDATED FINANCIAL INDICATORS

	'16	'17
EURO MILLION (€M)		
FINANCIAL INDICATORS		
NET FINANCIAL DEBT (€M)	2 041.5	1 918.9
NET FINANCIAL DEBT/EBITDA	4.2X	3.8X
EBITDA / INTEREST EXPENSE	4.7X	7.5X
SHARE		
EARNINGS PER SHARE (EURO CENTS)	0.4639	0.4189



3.8 x
NET FINANCIAL
DEBT/EBITDA IN 2017



€ 0.41
NET EARNINGS PER
SHARE IN 2017

4.2 HUMAN CAPITAL

People are a key value of the Brisa Group, as shown in its culture and practices. Management of Human Capital deserves Brisa's greatest care

Brisa is undergoing a cycle of change in its supply, which covers mobility-related services, digital channels and innovating technology. This development has significant qualitative impact on Brisa's human capital. At road management level, there is an ongoing modernisation of processes, as attested with the creation of Brisa Gestão de Infraestruturas and underlying asset management concepts.

To keep pace with the excellence required in this new phase, Brisa made relevant investments in personnel management systems, particularly as concerns performance management and development processes, and supporting information tools.

It was a very busy and intense year as far as people management is concerned, including the “+Life, +Brisa” programme (which seeks the balance between professional, personal and family life), professional

training, prevention of occupational risks and development of the “Brisa Trainee Programme”.

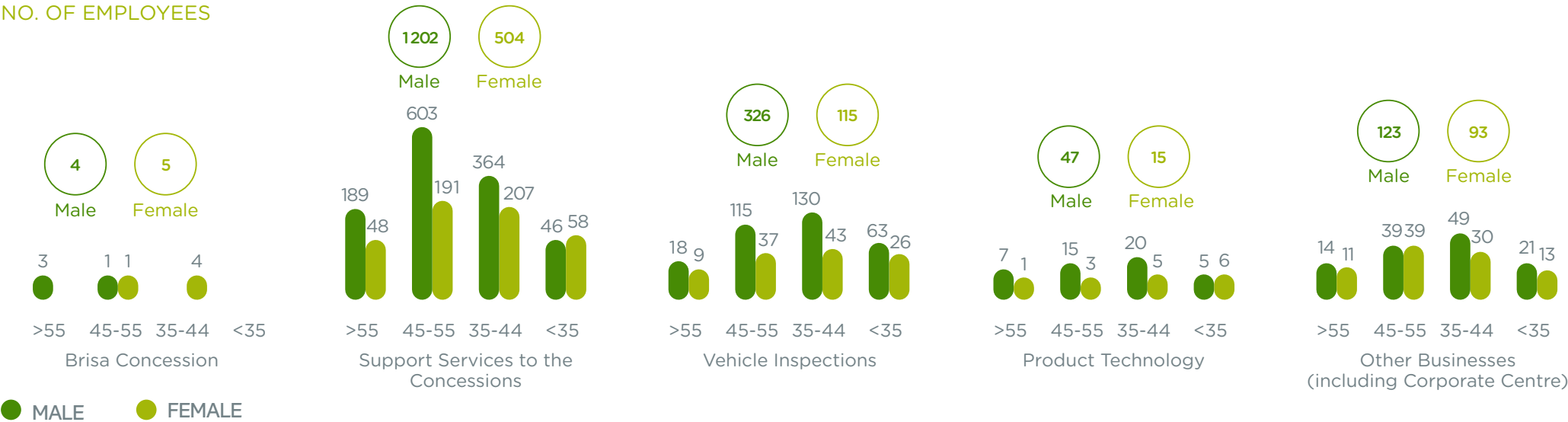
NUMBER OF EMPLOYEES BY REGION OF PORTUGAL

NO. OF EMPLOYEES

CENTRE	513
LISBON	1 071
ALENTEJO	294
ALGARVE	54
NORTH	500
UNITED STATES OF AMERICA	2
TOTAL	2 434

BREAKDOWN OF BRISA EMPLOYEES (BY GENDER, AGE GROUP AND BUSINESS SEGMENT)

NO. OF EMPLOYEES



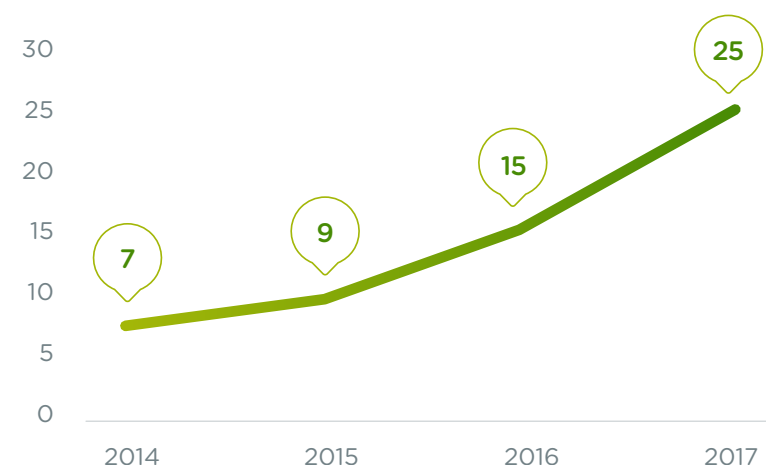
2 434
TOTAL EMPLOYEES

HUMAN CAPITAL



EVOLUTION OF THE NUMBER OF TRAINEES

NO. OF TRAINEES



YOUNG TALENT RETENTION

One of Brisa's strategic goals in terms of human resources management is to ensure the sustainability of its talent and create future succession lines. In this connection, "Brisa Trainee Programme" has played a crucial role viewing the fulfilment of this goal and the renewal of the organisation.

Since the programme was started in 2015, career opportunities were created, namely in the areas of Business and Market Analysis, Management Control, Management and Development of New Products, Strategic Marketing, Communication and Sustainability, Civil Engineering – Structures and Pavement, amongst others, contributing to the involvement and retention of young talent (retention of 83% in 2017) in critical areas of the organisation.

Other initiatives were carried out during the year with the purpose of introducing the Group to future young talent, including presence in job fairs or actions such as Breakfast with the CEO 2017, in partnership with Nova School of Business & Economics, during which a group of 15 Business and Economics students met the Group's CEO, Vasco de Mello, heard about his professional career and asked him questions.



Breakfast with the CEO 2017 initiative, in partnership with Nova School of Business & Economics.

PERFORMANCE MANAGEMENT EVOLUTION

Performance management is a key tool in Brisa Group's strategy and culture. In 2017 the revision of the Group's 3 models of performance management continued. In addition to the Senior Staff Model (updated in 2013), in 2017 the Performance Management Model was revised for 100% of the Staff and the revision of the Managerial Staff Model was started. The project involves **3 phases: diagnosis, design and implementation.**

The **diagnosis** was completed in 2017, based on the opinion on a representative sample of stakeholders (15% of this segment), including employees, managers and members of the Group's Executive Board, and various focus group sessions and interviews were carried out.

Additionally, an external survey was made about present and future key performance management trends at national and international levels.

Among other evolving aspects, this new model will provide:

- **Greater agility** in the performance management of managerial staff, thanks to easier and simpler use;
- **Greater flexibility** to accommodate differences between the different units of the Group;
- **Greater recognition and differentiation of performances**, aligned with the company's strategy and goals of the different business units;
- Increasingly **greater focus on the personal development of employees**;
- Greater **autonomy and empowerment of managers in their management of people.**

This project will be continued during 2018, with the development of the **design** and **implementation** phases.

HUMAN CAPITAL

Out of a universe of 2 344 employees eligible for performance assessment, 96% were successfully assessed (2,252 employees) in 2017. The remaining (92 employees) did not fulfil the criteria required to be included in the assessment cycle.

CONTINUED MODERNISATION OF HUMAN RESOURCES MANAGEMENT SYSTEMS

Following the successful implementation in 2016 of a new integrated management RH Cloud platform - **SAP Success Factors**, in 2017 Brisa converged all existing support systems of human resources management into this platform.

The implementation plan of the modular platform was continued, integrating the 3 Performance Management Models with success. This allowed reducing paper waste by 100% as the final paper registration of forms required in the previous system is no longer necessary.

Training in this field was reinforced, totalling 2 176 hours and involving 1 347 participants in training sessions in 2017.

Finally, integration of training management into the new platform was completed, offering new functionalities, including access to the employee website, where each employee can have access to various services.

The goal for the next two years will include implementing additional modules, relating to pay/benefits, career management, recruitment, with a user rate of 100%.

MORE LIFE, MORE BRISA

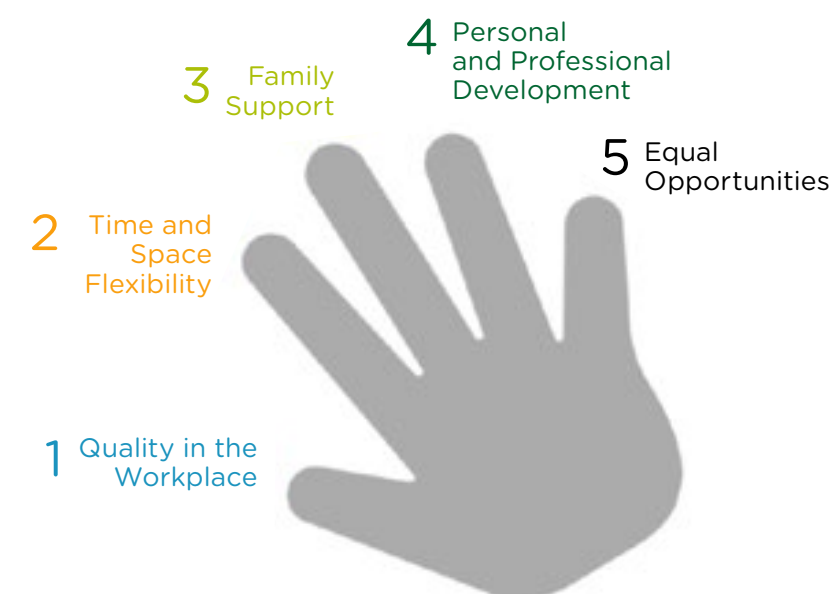
2017 was marked by the creation of brand and logo "More Life, More Brisa".

With a view to obtain certification as Family Responsible Company (FRC) by Fundación MásFamilia, the Brisa Group carried out several initiatives involving managerial staff and employees. This process views to encourage the involvement of organisations in the creation of a new working culture, based on mutual flexibility, respect and commitment and allow balance between professional, personal and family life.

The **five pillars of the FRC** model include practices to conciliate professional, personal and family life. In 2017 Brisa systematised its practices, which go beyond the obligations provided in the Labour Code.

Some of these initiatives have been in force for more than 20 years. A plan of measures was subsequently worked on by both managers and employees in order to ensure its awareness and adequate use.

FIVE PILLARS OF THE FRC



HUMAN CAPITAL

The **Excellence Index** created at the end of 2016 constituted an excellent work base for the definition of subsequent steps. The results disclosed at the beginning of 2017 allowed assessing more accurately the opinion of employees in relation to leadership and management practices and measure such opinions against peer companies.

Results show considerable alignment and commitment. Client focus and innovation are highly valued, as is confidence in the management. Retention factors identified included pleasure in the work developed, job security, balance between professional and personal life, working conditions and pay. Areas identified for further improvement were personal development and balance between professional and personal life.

In line with the Group's values and taking into consideration the results obtained, as well as best market practices and suggestions gathered from inquiries and interviews made to employees, Brisa is already working on new measures that will be implemented in 2018.

Although Brisa is recognised as a socially responsible company, it was found that existing practices regarding conciliation of professional and personal life were not fully assimilated by the managerial staff and employees. Specific training on this subject was thus prepared allowing a top-down involvement of all employees of the different companies of the Group, which sought to create accountability about this issue and everything it involves and inform on the measures/actions already adopted by the company, fostering the balance between family, and personal and professional development.

Feedback gathered from this training, which totalled approximately 5 295 hours, was quite positive.

In 2018 Brisa will continue to bank on the evolution of conciliation practices, ensuring that measures in place are adequately used and adjusted to the expectations and needs of employees. Brisa's plan of measures will be published, and inquiries will be made to employees about them.

RESULTS OF THE EXCELLENCE INDEX

CLASS: LARGE COMPANIES (+ 1 000 EMPLOYEES)



EVOLUTION OF THE FAMILY RESPONSIBLE COMPANY CERTIFICATION PROCESS



HUMAN CAPITAL



TOTAL NUMBER OF TRAINING HOURS



REPRESENTATIVES OF EMPLOYEES

97% of Brisa's employees are covered by collective labour instruments: Collective Bargaining Agreement (CBA Brisa) and Motor Inspection Collective Convention.

The Collective Bargaining Agreement (CBA Brisa) has been negotiated every year since 1989, and is presently subscribed by union forces belonging to the two largest Portuguese trade unions (UGT and CGTP) and covers personnel linked to motorway operation and maintenance and mobility services. The CBA is a simple but encompassing instrument, which is revised by the parties (employer and employees representatives) every year.

Brisa also has a Workers' Committee which meets on a regular basis with management teams, and follows the company's activities.

Social peace has been kept over the years and is strongly valued by all parties. While managing the different organisational development processes undertaken over the last few years, it has always been possible to find grounds of common understanding and balance, thanks to the great sense of responsibility of all players, thus significantly contributing to the sustainability of the Group.

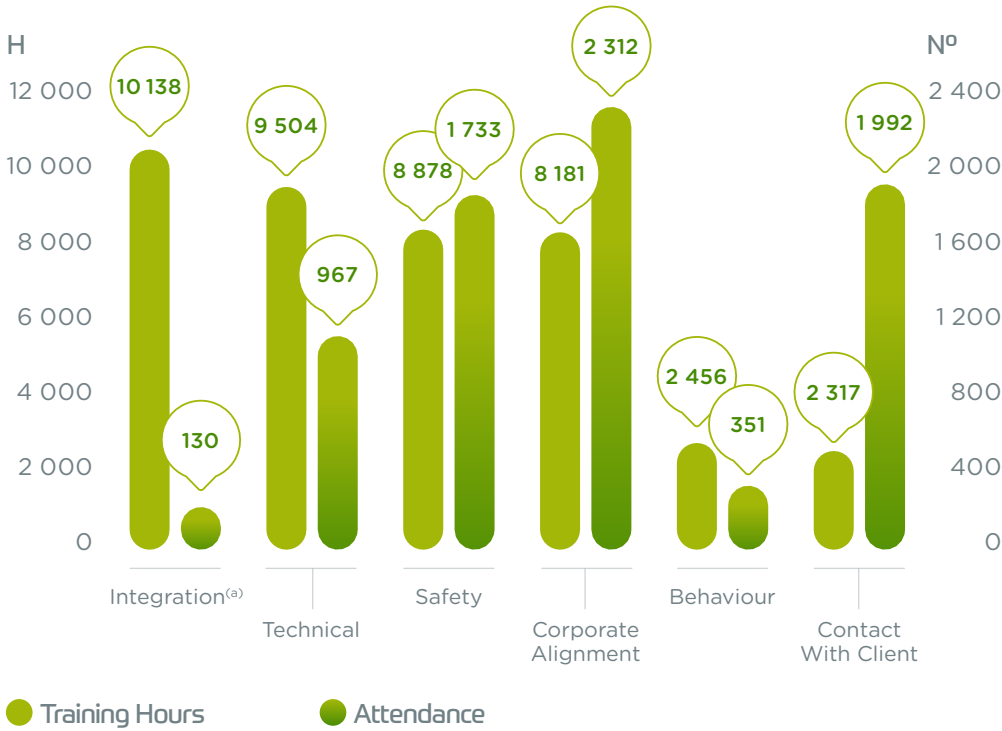
TRAINING

The professional training and development of its personnel is an integral part of Brisa's policy. Viewing corporate alignment and the strengthening of the Group's culture, mission, values and vision, several training projects were developed throughout 2017, such as the above-mentioned "More Life, More Brisa" programme. It is worth noting the participation of Brisa employees in Advanced Programmes, the first eLearning course (on communication in social networks), training in safety and health in the workplace, modernisation of Human Resources management systems.

Some of the areas which were covered by training in 2017 were:

TRAINING HOURS

TOTAL HOURS AND NO. OF PARTICIPANTS



(a) This area includes introduction to the company, or a new function, or new team, or new project.

In line with previous years, part of the investment in training was directed to differential learning, provided by means of qualifying training and participation in Advanced Programmes (e.g. business management, with the 15th edition of the Advanced Business Management Programme for Executives – PAGE, Management Performance and Control, Data Protection, Executive Masters in Business and Finance) and PhD's in the Mobility and Safety areas.

HUMAN CAPITAL

Brisa has strategic partnerships established with the most prestigious Portuguese universities, namely UCP – BE, Nova SBE, IST, amongst others.

In the light of its client-oriented strategy, in 2017 the company promoted the development of skills viewing to improve services, processes and communication.

In order to ensure the alignment of the organisation as regards communication in social networks in every channel, an eLearning course was provided addressed to all employees. The course approached the principles and recommendations on how employees must interact in social networks in subjects involving the company. It was a successful experience, which we want to replicate to other over-arching subjects where this form of learning can be efficient and effective. This investment involved 2 317 hours of training.

With the purpose of working behaviour skills and better ensuring operational efficiency of teams that, in many cases, were subject to restructuring, or given the geographical dispersion and different work schedules, training requiring the physical presence of the trainees was also provided.

These training actions facilitate team spirit and communication and give to participants an overview of the different and many challenges arising in the daily life of organisations, mainly focusing on the priority aspects that are intended to be highlighted.

The total number of training hours provided in this field was 2 456 hours.

Brisa participated in B2RUN again this year (a sporting event held for the second time in Portugal), where the number of participants exceeded that of 2016.

Given the different nature and dynamics of the various companies of the Group, in 2017 several training actions were provided by internal trainers, as a result of diversified contexts, such as the integration of recently hired employees, change of job functions, new systems, processes, products or services. The alignment of people with corporate goals is very important for the Group, as it increases the companies' competitiveness and connects people. Training in this area totalled 10 138 hours.



HUMAN CAPITAL

SAFETY AND HEALTH AT WORK

The Group adopted the internal safety service modality in 2009, based on the continuous risk assessment, implementation of measures and procedures to prevent accidents and occupational diseases, in compliance with the law.

Large part of Brisa Group's activity is developed in a road environment with continued traffic flow. This involves high risk, requiring an assessment and control of activities and constant investment in the implementation of mitigation measures, in terms of both equipment and procedures.

Training is thus crucial to ensure that employees are well prepared for their jobs of assisting roadside clients, or for any other road related job. Training in the field of safety and health was thus reinforced in 2017, totalling 8,878 hours. Prevention of run over risk and how to act in emergency contexts continued to be relevant subject of training.

No serious accidents or fatalities were recorded in 2017. The accident rate stood flat in relation to the previous year, except in the last quarter of the year. In the fourth quarter the number of accidents increased year-on-year, though the severity of accidents was lower.

ACCIDENT RATE AT WORK

NUMBER OF ACCIDENTS

	'16	'17
NO. OF FATAL ACCIDENTS	0	0
NO. OF ACCIDENTS	91	111
FREQUENCY INDEX	22.4	27.5
SEVERITY INDEX	909.5	1 009.4

All accidents were analysed by the Internal Safety Service.

In 2017, the Internal Safety and Health in the Workplace Service (ISHSW) carried out the routines determined by law and the Group's policy, amongst which we highlight the revision of procedures to prevent run over risk in toll barriers, risk assessment and control in car inspection activity and revision of procedures in emergency situations. It should also be pointed out:

- Identification of specific risks and programme contents for each of the service providers of the different companies of the Group;
- Review of working conditions and preparation of new specifications on the control of run over risk at toll barriers;
- Monitoring and support in the selection of suitable Personal Protection Equipment (PPE) to fit the individual characteristics of some employees;
- Reports on accidents in the workplace involving time off due to incapacity for work, or that are particularly serious from a safety perspective.

4.3 INTELLECTUAL CAPITAL

The key pillars of Brisa's code of values are Ethics, Excellence, Innovation and People



INTELLECTUAL CAPITAL AND VALUE CREATION

Few factors are as important to the sustained consolidation of this cultural mindset and sustained value creation than intellectual capital.

As a matter of fact, without an intellectual capital of excellence, used ethically by people, with continued concern for integrated business innovation, it would be hard to create long term value for stakeholders anywhere.

Therefore, though it is difficult to explain and seize at first glance, the virtuous relations and positive externalities which a strong intellectual capital can generate are among the most critical factors of success and creation of perpetuity.

Throughout its history, the Brisa Group has consistently followed a structured approach to strengthen and protect its intellectual capital. From the very first process innovations which marked the beginning of operations in the 70s to the introduction of technology to serve clients, and the recent projects in the new economy field, which characterise business models associated with mobility, Brisa always took great care in continuously improving its intangibility, documenting

and legally protecting its intellectual assets, so that they could generate value through differentiating competitive advantages (core skills).

In the last few years, the Company refocused its strategic paradigm, shifting its focus towards people mobility. This close relationship with the client is buttressed on innovation (optimisation of traffic models, operating efficiency, smart cities and infrastructure management) and new mobility concepts, some of which introduced in 2017 (such as Via Verde Carsharing - DriveNow, Via Verde Estacionar and Via Verde Boleias).

In this chapter, the following **initiatives are part of Brisa's DNA:**

- R&D system in partnership with (engineering, economics/business) universities and other centres of knowledge, where the Group's employees are always those who hold the key to activate and implement solutions;
- The protection of intellectual property, through patents at national, European and even world level, in order to allow for a unique operational and technological approach for all its concessions;

INTELLECTUAL CAPITAL

- The systematic collection of internal data for knowledge management, using state-of-the-art technological tools, which encourage sharing and boost productivity;
- Additionally, aiming to market solutions beyond the Group's perimeter (e.g. A-to-Be®), Brisa deemed crucial to have its source codes and intangible solutions duly registered so that business lines are sufficiently protected by copyrights, and it can position itself as a differentiating company with an unrivalled value proposal;
- Finally, through the development of its personnel skills, Brisa has always sought the continued enrichment of its know-how, based on multidisciplinary teams, and significant investment to attract, train and retain the best professionals in the market.

“GROW MOBILITY” PROGRAMME

A decade and a half from the beginning of this second millennium, we are clearly at the threshold of what can be described as the biggest and most important change in the area of mobility and transport in over a century. The benefits will be relevant: Lower travel costs; decrease in pollution levels; decrease in the accident rate; optimisation of travel times and increase in time available for productivity and leisure.

This future is being drawn at the confluence of three major trends: high and buoyant demand, booming technology and the growing importance of urban centres. Each of these trends is important by itself, however, the three combined form an unstoppable driving change.

Safety, reliability, and data/information are key to trigger the potential of mobility as business segment with increasingly widespread borders. Terms of comparison would be the emergence of electricity at the end of the 19th century, or cars in the 20s, or planes in the 40s - all of which were reliant on the building up of public and regulatory trust in these technologies.

We are thus seeing a “vibrant” ecosystem of innovation in Portugal (entrepreneurs, startups, business incubators, major high quality national and international events), which are pooling resources at different levels (talents, private funding, public institutions support, etc.).

Even if the practical impact of this ecosystem is still reduced (in terms of percentage of the overall economy), it will undoubtedly gain increasing weight in economic growth in the next decades, which will certainly be marked by an increasing use of technology in business creation and development.

Accordingly, Brisa's top management decided in 2016 to foster business innovation through a structured approach to startups, adding this dimension to its development of intellectual capital at the service of the Group, forming new partnerships to create medium/long term value.

The “Grow Mobility” programme (aligned with the “Grow” programme of the José de Mello Group) arose in this context, with various initiatives to support and follow-up startups operating in the field of personal mobility, thrust by the magnetism of the Brisa, Via Verde, A-to-Be® and Controlauto brands, with the ambition of scaling-up the best and more innovating ideas and projects at international level, whilst contributing to the development of the Portuguese economy.

This value proposal is achieved through an “Acceleration Programme” which will frame Brisa's role in the Mobility and Technology area and will allow it to manage and follow the appointment of mentors, performance of field tests and investment, clearly geared towards results.

In 2017 the focus of “Grow Mobility” was to introduce itself to the Portuguese and international ecosystem, participating in events such as “Smart Open Lisboa” and “Acredita Portugal”, and international events amongst which “Web Summit 2017” was the most relevant, with a view to communicate to startups the advantages of working with a group such as Brisa.

INTELLECTUAL CAPITAL



Against this background, we assessed over 110 startups, and selected 19 for possible field tests. Four are already undergoing or starting field test.

Additionally, the company used José de Mello's (Brisa's largest shareholder) platform "Grow" to increase penetration in the Portuguese ecosystem of startups.

Brisa and José de Mello want to have a relevant presence in this ecosystem of startups, honouring the crucial role they play in the Portuguese business landscape, whilst strengthening their values and seizing the potential for value creation which this positive disruption generates to the benefit of their business units.

Finally, this structured approach to startups paves the way to future opportunities and better skills, starting a new chapter in the strengthening of intellectual capital and inevitably upholding the creation and implementation of growth options.

PARTNERSHIPS FOR SUSTAINABLE MOBILITY

Sustainable Mobility is a critical subject of Brisa Group's research activities, which has been extensively developed within the scope of the Group's membership in two international organisations - WBCSD – World Business Council for Sustainable Development and ITF – International Transport Forum, each with their own focus, but always converging to optimise mobility solutions and services, according to financial, natural

and social capitals. Both projects are in line with Sustainable Development Goal 17 – **Partnerships for the Goals**.

Within the WBCSD, the Brisa Group continued to boost the development and implementation of the results of the "Sustainable Mobility Project 2.0", currently known as "**SiMPlify**". Its "agnostic" methodology allows cities of any size, any economic resources anywhere in the world, to draw their own sustainable mobility plans, based on an integrated diagnosis built in 19 indicators, backed by a tool to identify market available solutions.

In 2017 additional cities - Feira de Santana (Brazil), Montreal (Canada), Cagayán de Oro (Philippines), Jiazuo (China) and Clermont Ferrand (France) joined the group of cities having used "SiMPlify", among which Lisbon. Meanwhile, the European Commission awarded to a consortium integrating Eurocities and Polis the implementation of "SiMPlify" indicators in 50 small and medium-sized cities in the European Union, whose kick-off should occur in the first half of 2018.

Brisa selected this project, which will be followed at the highest level of Brisa's management, to contribute to the implementation of collaborative models between corporations and cities towards clean, inclusive and multimodal mobility, in line with Sustainable Development Goal 17 – **Partnerships for the Goals**.

Still in the area of partnerships for Sustainable Mobility, 2017 was marked by the presentation during the "ITF Summit 2017" in Leipzig, of the **Decarbonizing Transport**, tool developed by member companies of the *Carbon Partnership Board*, including Brisa.

This project emerged from the Paris Agreement on Climate Change and views to meet the challenge of reducing the weight of CO₂ emissions associated with transport, based on a broad quantitative model for overall transport activity, permitting the adoption of measures and solutions that are simultaneously carbon efficient and politically viable.

4.4 SOCIAL CAPITAL

Brisa has walked its social development path focused on a close relationship with local communities, whether through donations or higher involvement and cooperation, according to specific goals found along the way



The country's economic and social development is closely linked to the existence of transport infrastructures, benefiting both people and businesses.

This understanding of social responsibility geared towards results reflects the Company's strong will to produce positive impacts on communities, through the institutions with which it forged social partnerships.

With this collaborative model, Brisa does not interfere in the management of the charitable organizations or NGOs with which it becomes involved. There are projects the results of which are intangible and harder to verify and others where the goals and results of our social action are very clear.

In this context, in its actions of social responsibility Brisa follows **three distinct philosophies**.

SOCIAL CAPITAL

BRISA'S SUPPORT PHILOSOPHY Volunteer Programme + Financial Aid



COMMIT & ENGAGE

Takes on a medium/long term partnership relationship, based on structured and continued support, using company resources, either material or human, and forging the company's involvement with the institutions and community concerned.

- Associação Salvador
- Refood
- Acredita Portugal



ACT & CONNECT

Facilitates an action or project contributing with donation in cash or in kind, based on which the relationship and collaboration with the institution and community builds up, namely with volunteer work, management support or fresh donations.

- Academia do Johnson
- Call to Action
- Movimento de Defesa da Vida
- Terra dos Sonhos
- Fórum para a Competitividade
- Clube Naval de Cascais (Projeto Vela sem Limites)
- Missão País
- Fundação Portuguesa de Cardiologia (Dia do Coração)
- Centro Paroquial do Estoril (Musical da Boa Nova)



PAY & FORGET

Donation in cash or in kind, in a one-off act, without any other involvement with the institution or community concerned.

- Associação Portuguesa para o Desenvolvimento das Comunicações (APDC)
- Associação Portuguesa Famílias Numerosas (*Family Land*)
- Família SOS
- Projeto Pegadas
- Mosteiro dos Jerónimos
- Fundação Gil (Parada das Mascotes)
- Associação Romeiros de Vila Boim
- Centro Paroquial do Estoril (Torneio de Golf da Boa Vontade)
- Fundação Salesianos (Missão Cabo Verde)
- Fábrica da Igreja Paroquial Stº António do Estoril (Aldeias SOS)
- Ordem de Malta (Apoio Peregrinos)
- Corpo Nacional de Escutas (Agrup. 113 São Domingos de Rana)
- Associação de Estudantes (Arroches – Missão Miúdos)
- Fábrica da Igreja Paroquial São Cristóvão e São Lourenço (campo ALFAJ)

SOCIAL CAPITAL

Based on this conceptual framework, Brisa continues to develop intense activity in the social area, whether by providing financial support to institutions, or and mostly, by direct intervention and involvement, providing field support to social solidarity institutions, within the scope of the José de Mello Group's Volunteer Service Programme.

In 2017, Brisa made donations to various communities in the amount of €k 510, which benefited 72 institutions throughout the country, standing as reference of citizenship and strengthening its role of civic support to communities, at a time when Portugal still endures extreme social inequality.

JOSÉ DE MELLO GROUP VOLUNTEER PROGRAMME

The José de Mello Group, with the support of Amélia de Mello Foundation implements an over-arching volunteer programme across all its subsidiaries, and directed to the 14 thousand employees of the Group.

This Volunteer Programme is in line with the José de Mello Group's positioning with regard to social responsibility, deriving on one hand from its commitment to developing a socially responsible business, and on the other hand, to perpetuate the legacy of the historic CUF Group, which was in its time an example of pioneerism in the adoption of good corporate citizenship policies.

In 2017, 133 Brisa volunteers contributed actively to consolidate the Volunteer Programme of the José de Mello Group. This Voluntary Service Program stands out for having a model in which the volunteers contribute to the institutions and projects not only with their time, but also with their know-how, breathing life into functional areas for which they have specific competences and with which they add significant social value.

The volunteering program provides support to the following charitable organizations: Associação Coração Amarelo, (Lisboa and Oporto), ATL da Galiza, Centro Comunitário da Paróquia de Carcavelos, Obra do Frei Gil, at Oporto, Movimento de Defesa da Vida, Junior Achievement Portugal Refood, Bébés de S.João and Associação dos Albergues Noturnos do Porto.

JOSÉ DE MELLO GROUP VOLUNTEER PROGRAMME

(NUMBER OF VOLUNTEERS)



ATL DA GALIZA	36
CENTRO COMUNITÁRIO	23
ASSOCIAÇÃO CORAÇÃO AMARELO	22
MOVIMENTO DE DEFESA DA VIDA	22
OBRA DO FREI GIL	7
JUNIOR ACHIEVEMENT	154
REFOOD	7
BEBÉS DE S. JOÃO	1
ASSOCIAÇÃO DOS ALBERGUES NOTURNOS DO PORTO	1



133
VOLUNTEERS

SOCIAL CAPITAL

The work provided by Brisa volunteers in these organisations was quite diverse, ranging from school support to home care to the elderly, legal aid, computer training given to jobless people, administrative support, serving in social shops, psychological support with intervention teams, help in the management of social and cultural events and activities.

For the sixth consecutive year, volunteers of the various companies of the José de Mello Group, gathered at Monte da Ravasqueira on the 15th of September to share experiences and knowledge about the activities developed along the year.

ACADEMIA DO JOHNSON PROJECT

Within the framework of its social responsibility policy, Brisa supports “Academia do Johnson” project. This initiative views to help young people from problem neighbourhoods, providing the necessary support for their development and growth as citizens, based on sports.

The Academy is developing a project called “One Step+” since 2015, with a duration of 3 years. The project views to help 20 young people each year (60 in 3 years) aged 14 to 18. Over the first year, several of these young people were released from prison, and given support to re-enter school or seek employment.

In 2017 Brisa embraced this project that extended outside the Greater Lisbon area, supporting a group of young people from Centro Educativo dos Olivais (Coimbra) and the prison of Leiria.

The project now called “Step by Step” views to combat social exclusion promoting equal opportunities, reintegrate these young people into society and their own family, ensuring their access to essential levels of social well-being. This project is subject to external audit by Misericórdia da Amadora.

BRISA STUDENT DRIVE CAMP

In 2017 Porto welcomed the 4th edition of Brisa Student Drive Camp, where Brisa's presence in Porto Young Capital of Road Safety enhances the company's promotion of road safety.

This initiative developed by Brisa in partnership with Fórum Estudante aims to disseminate best practices for road safety and safe driving among secondary and professional schools' students, training 50 “ambassadors” selected among students from all over the country.

This 4th edition included various activities that provided to participants a direct contact with the world of driving and cars.

National road safety statistics attest of the importance of promoting discussion on this issue with young people.

Though the accident rate involving young people is decreasing, about 3 in each 10 accidents affects people younger than 25 years old. Accidents occurring during week-ends account for 40% of fatalities and serious injuries in drivers between 18 and 24 years old. A third of these accidents happens between midnight and 8 in the morning. And half of the total number of people killed or injured at this age happen with cars going off the road.

The main focus of this prevention strategy is to create a communication channel with future drivers, through a road safety, responsible and better-informed driving culture.

Brisa Student Drive Camp takes place every year in the city selected as the Young Capital of Road Safety, which will change every year so as to cover the whole country. In 2018 Brisa will hold this action in Viseu.



60

GOAL OF YOUNG PEOPLE
SUPPORTED IN THE “STEP BY
STEP” (PROJECT OVER 3 YEARS)

SOCIAL CAPITAL



VIDEO Educational Programme

NUMBERS OF “BRISA IN SCHOOLS” EDUCATIONAL PROGRAMME IN 2016/2017 SCHOOL YEAR

NUMBER OF STUDENTS	14 530
NUMBER OF SESSIONS	135
NUMBER OF TEACHERS	783
NUMBER OF LOCATIONS	96
NUMBER OF SCHOOLS	90

ROAD SAFETY AS TOP PRIORITY

Road safety is one of Brisa’s pillars. The company’s concern to contribute to the highest road safety standards has made Brisa the largest private investor in road safety in Portugal.

In 2017 the accident rate improved, falling by 7.7% over 2016. This performance is all the more relevant given that traffic grew by 6.8%. Regrettably, in 2017 the rate of fatal accidents and serious injury accidents rose as against 2016, deserving a careful analysis of respective causes by the relevant authorities.

Brisa will certainly maintain its commitment to road safety and will continue to engage in promoting a road safety culture that can help to save lives.

“BRISA IN SCHOOLS” EDUCATIONAL PROGRAMME

Within the scope of its activity, Brisa carries out several actions addressed to drivers but also to the society in general, with a view to promote road safety in Portugal.

In addition to mass media campaigns focused on informing and raising public opinion awareness for the prevention of road accidents,

Brisa has a specific programme targeted to 6 to 10-year-old children, called “Programa Educativo Brisa nas Escolas” which unfolds into two programmes:

- Road Safety First, on road safety related issues;
- Environment First, on environment and biodiversity related issues.

The purpose of these programmes is to contribute to the education and training of this young audience, by promoting actions that will allow children to become acquainted with these issues.



SAFETY FIRST

The Road Safety First programme consists of school visits to Brisa’s Operational Centres throughout the country, or Brisa’s visit to the schools, where several basic safety notions are transmitted supported by real life objects, e.g. safety belts, traffic road signs, direct contact with the road assistance’s vehicles. The purpose of this programme is to stimulate the children’s interest and commitment to best practices in terms of road safety, based on a playful and educational experience.



ENVIRONMENT FIRST

Environment and Biodiversity are strategic areas in Brisa’s activity, as the company aims to achieve a positive global balance of the impact of its business on biodiversity. One of the project’s initiatives is the organisation of school visits to the EVOA – Bird Observation and Visitation Space, at the Lezíria of Vila Franca de Xira, 35 km from Lisbon. These visits raise awareness to biodiversity and the importance of natural habitats, through bird watching (both real and virtual) in the heart of the Tagus Estuary’s natural reserve. The project is addressed to primary schools, and extends to the student’s families and teachers.

4.5 NATURAL CAPITAL

Throughout its already long history, Brisa has always sought to protect the environment from the impacts on ecosystems caused by the construction, maintenance and operation of motorways. Brisa's agenda is aligned with major challenges relating to energy, climate and mobility change



ENVIRONMENTAL MANAGEMENT SYSTEM

Brisa's environmental management is built on its Environmental Policy and Biodiversity Policy (www.brisa.pt), as far as principles are concerned, and on an Environmental Management System, at operational level, defined over time, in line with legal requirements but also seeking to act ahead of emerging challenges.

In 2017 the Company started the revision of this environmental management system and its replacement by a modern system, eligible

for certification, which should be completed in 2018 to be implemented in the following year.

KEY ECO-EFFICIENCY INDICATORS

The constant search for a greater eco-efficiency started more explicitly in the second half of the 2000's allowed for significant progress. By way of example, from 2009 to 2016 GHG (Greenhouse Gas) emissions dropped from 23.8 to 15.0 10³tCO₂eq, and further reduction was reached in 2017. Besides this indicator, critical in this day and age, four other

CAPITAL NATURAL

have been managed with increasing rigour: electricity consumption, fuel consumption, water consumption and waste generation.

Progress in these indicators, quite noticeable in the first years of intervention, has slowed down, mainly because of the need for disruptive technology solutions allowing a sharp new cycle of progress.

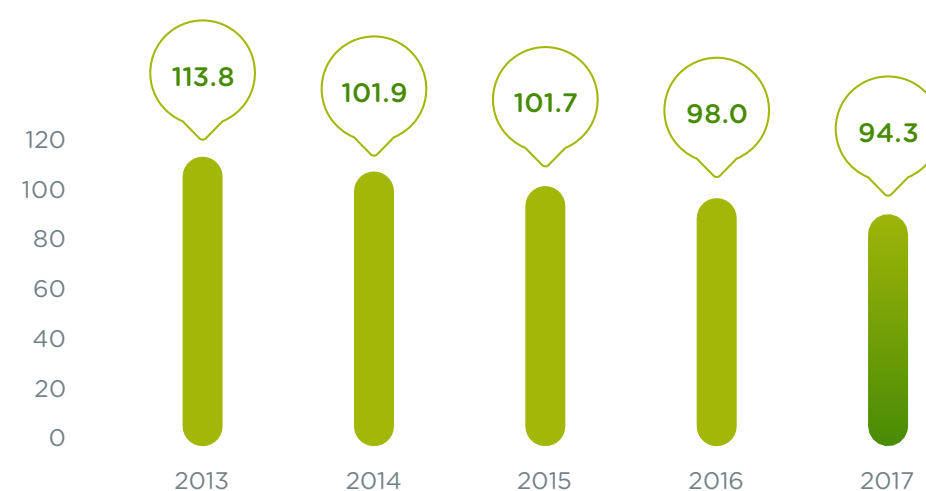
In 2017 water consumption increased considerably as a result of severe drought that affected Portugal and the wild fires that devastated many of the regions crossed by Brisa motorway concessions.

Electricity consumption

Electricity consumption in the 2013-2017 period shows a downward trend, even in years of higher activity. In 2017 measures laid down in the Energy Consumption Rationalisation Plan led to a decrease in consumption by 4% over the previous year, thanks to a more efficient and smart management of consumption and change in use profiles.

ELECTRICITY CONSUMPTION

TERAJOULES (TJ)

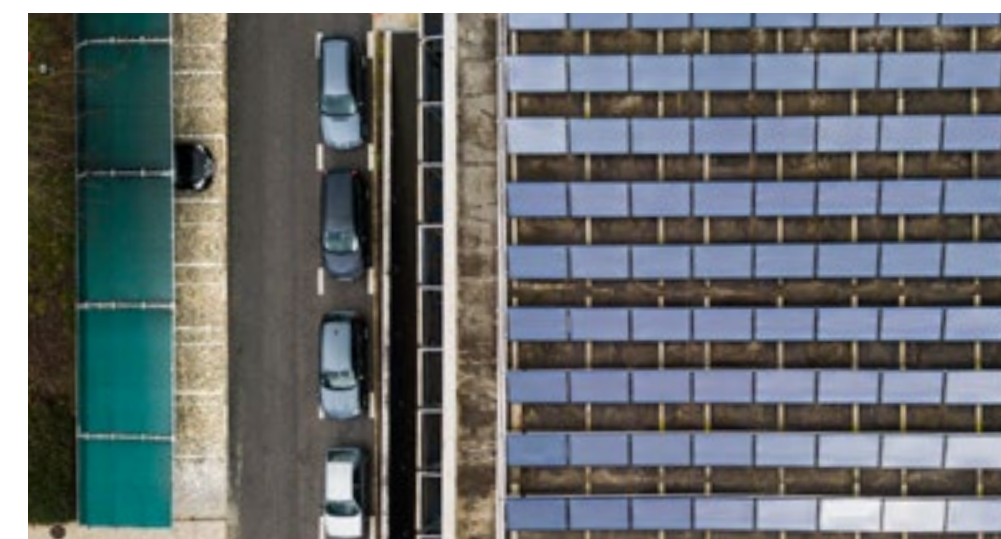
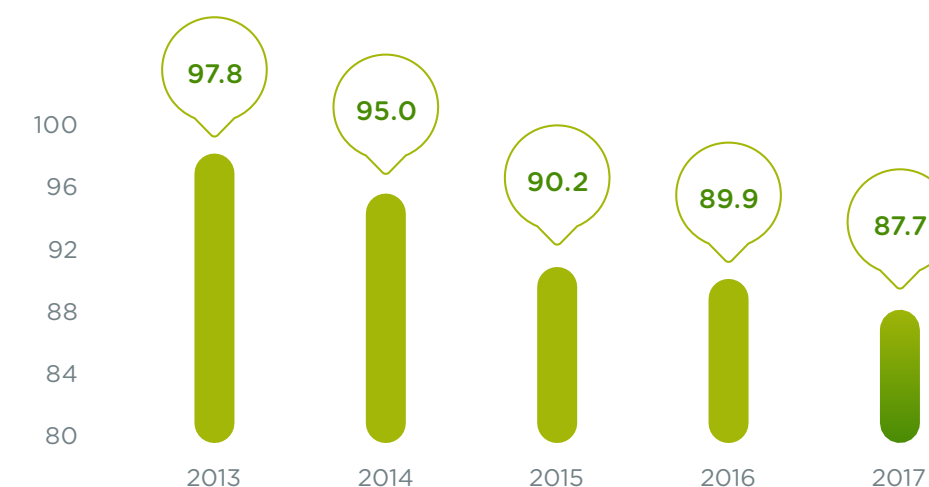


Fuel consumption

In 2017 the car fleet of Brisa Group grew by 36.5%, however, fuel consumption dropped by 2.4% over 2016. This performance is explained by optimised management of the number of cars, attention paid to engine capacity, better planning of operations and behavioural changes.

FUEL CONSUMPTION

TERAJOULES (TJ)

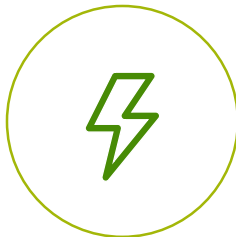


CAPITAL NATURAL



6 442.1

DIRECT EMISSIONS
RESULTING FROM FUEL
CONSUMPTION (tCO₂eq)



8 096.9

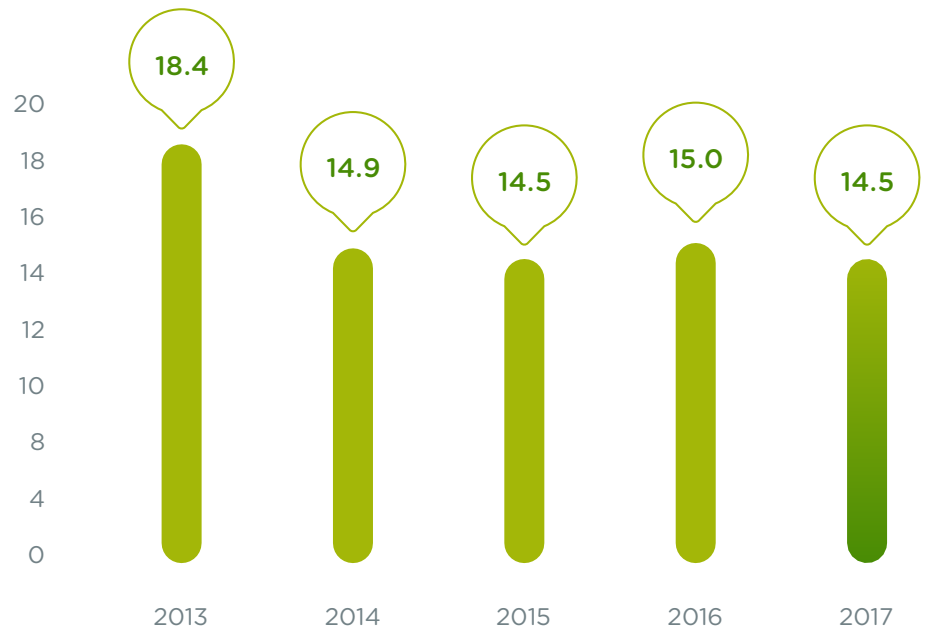
DIRECT EMISSIONS
RESULTING FROM ELECTRICITY
CONSUMPTION (tCO₂eq)

GHG (Greenhouse Gas) emissions

As far as the Brisa Group is concerned, Greenhouse Gas (GHG) emissions result from electricity and fuel consumption combined. In 2017 these emissions fell by 3.1% over the previous year, in line with what had happened in 2016 over 2015.

GHG EMISSIONS

THOUSAND TONS OF CO₂



DIRECT GHG EMISSIONS (SCOPE 1)

TONS OF CO₂ EQUIVALENT (tCO₂eq)

	'14	'15	'16	'17
DIRECT EMISSIONS RESULTING FROM FUEL CONSUMPTION (tCO ₂ eq)	7 160.2	6 686.5	6 613.2	6 442.1

INDIRECT GHG EMISSIONS (SCOPE 2)

TONS OF CO₂ EQUIVALENT (tCO₂eq)

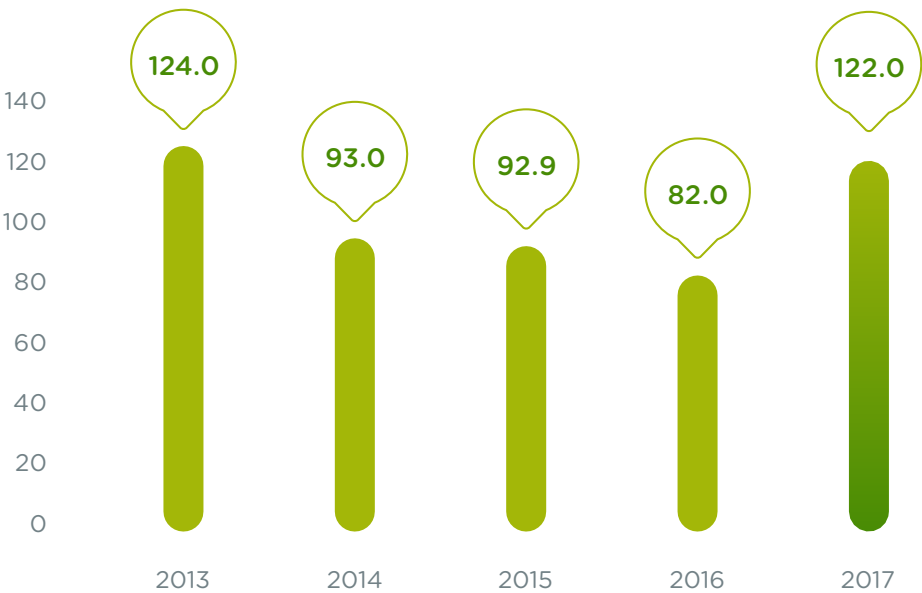
	'14	'15	'16	'17
INDIRECT EMISSIONS RESULTING FROM FUEL CONSUMPTION (tCO ₂ eq)	7 728.0	7 719.3	8 410.3	8 096.9

Water Consumption

Water management is a top concern of the Brisa Group, as the evolution of respective indicator from 2013 to 2016 shows. In 2017 the indicator recorded a negative performance, as consumption grew by 48.8% in relation to 2016, explained by the severe drought and wildfires affecting the country in 2017. This performance will require an adequate action plan to return to previous years levels.

WATER CONSUMPTION

THOUSANDS CUBIC METERS



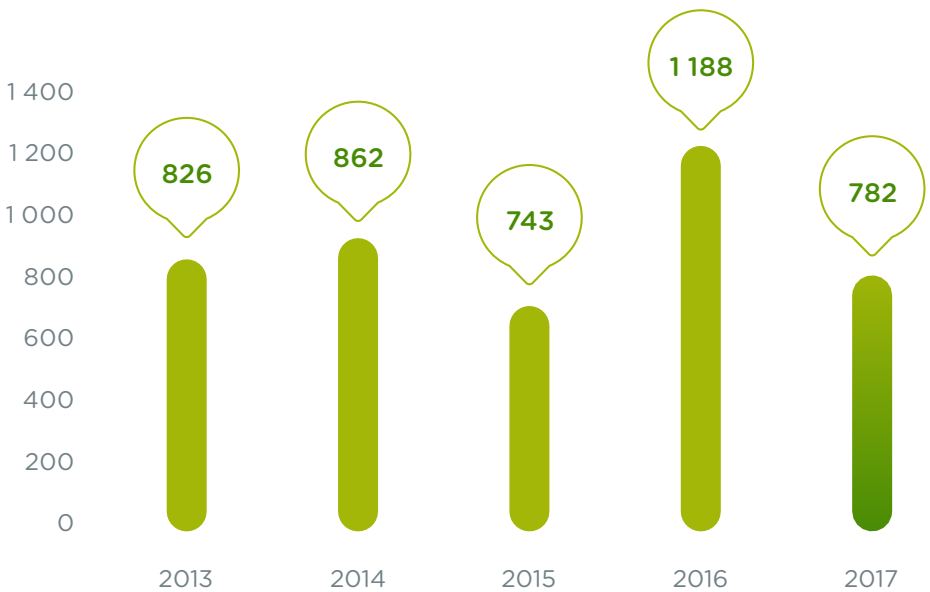
CAPITAL NATURAL

Waste

After having increased significantly in 2016, waste production decreased by 34.2% in 2017. Although there is still much to be done, this improvement was the result of a comprehensive revision in waste management processes, which will continue to be developed in 2018.

WASTE

Tons (t)



TOTAL WASTE PER TYPE AND METHOD OF DISPOSAL

Tons (t)

	HAZARDOUS	NON HAZARDOUS	VALUATION	DISPOSAL
	48	734	408	374
TOTAL	782		782	

CLIMATE CHANGE

Brisa's involvement with regard climate change is made at two levels:

1. At internal level, with a number of projects focused on energy efficiency and reduction of the carbon footprint in the Group's operations;
2. At external level, via participation in projects focused on decarbonising transports or incorporating the carbon issue in the development and implementation of mobility solutions.

Focus on carbon efficiency in operations

At internal level, the Brisa Group has a carbon reduction programme, called Energy Consumption Rationalisation Plan, which is the Group's answer to achieve greater efficiency in operations. This plan is in line with the Company's policy of promoting a strict and comprehensive stock-taking of its direct and indirect greenhouse gas (GHG) emissions, establishing quantitative long-term targets to limit such emissions. The Plan lays down a set of specific projects, focused on improving energy efficiency in buildings and equipment and constant improvement in the carbon efficiency of the car fleet.

Energy efficiency in infrastructures and facilities

In 2017, with regard to the energy efficiency of buildings, Brisa started implementing the conclusions and suggestions of the audit reports made in compliance with Decree law 68 A/2015.

The following actions were carried out:

- Hot water heating with solar panels: installation of 4 thermosiphon systems for water heating in Operational Centres of Loures, Vendas Novas, Mealhada and Ponte de Lima;
- Replacement of indoor lighting: Replacement of current lamps with LED lamps in premises (GNR, offices, warehouses and workshops), giving priority to areas occupied during longer time;

CAPITAL NATURAL

- Beginning of case study on the A2/A12 junction, replacing high-pressure sodium lights by LED;
- Photovoltaic system for self-consumption: Study of solutions viewing the implementation of a case study in the Operational Centre of Vendas Novas, for the production of energy with solar photovoltaic panels;
- Management of Energy: training to raise awareness and teach energy savings.

Energy efficiency continues to be one of the goals in Brisa's annual action plan:

- Save energy, use it more efficiently and intelligently, to achieve more with lesser impacts;
- Avoid unnecessary energy consumption by changing use profiles.

In line with the Energy Consumption Rationalisation Plan, the following measures were implemented in 2017:

1. Control, management and maintenance of astronomic clocks working with geostationary coordinates, thus providing a better management of lighting from dawn to sunset;
2. Renovation/maintenance of public lighting, reducing power from 400 W to 250 W and down to 150 W, where appropriate;
3. Deployment of the electronic ballast technology, helping to increase the useful life of lamps, reducing energy consumption and optimising lighting;
4. Replacement of HPS lighting on A2/A12 junction to LEDs, thus reducing energy consumption by approximately 70%. This project made a case study. Accordingly, lighting will be replaced in over 15 junctions and/or toll plazas on BCR network;
5. Gradual replacement of older HVAC equipment (with R22 gas without inverter);

6. New air-conditioned equipment, acquisition of new R32 gas devices (DAIKIN exclusive innovation). The introduction of this new gas holds advantages in terms of energy consumption and environmental impact.

Management of the fleet

In 2017 following the set up of two new businesses and the start up of the DriveNow carsharing service in Lisbon, the Group's fleet grew 36.5%, from 624 to 852 vehicles. This evolution had an impact on consumption and emission levels; moreover, since 211 vehicles of Brisa's fleet are driven by clients, who have different driving styles and training resulting in different consumption levels.

Brisa seeks to preserve the efficiency of its fleet and mitigate respective impacts, taking up several measures, such as:

- Optimised management of the vehicles, from age to engine power, or fossil fuel to electric cars;
- Training provided under BDA programme (Brisa Driving Academy), focused on road behaviour and safety.

Brisa's fleet evolution towards electric vehicles and the development of its network of chargers is something that must be pointed out. Brisa wants to improve the effectiveness of the electric fleet, based on a better located charger network, with higher charging capacity, according to the type and use of the fleet. Brisa's charger network has evolved in line with its of acquisition of electric and plug-in hybrid vehicles. The number of charging points presently available is 26 deployed, and 2 more units should be deployed soon, of 24 and 7.4 KVA.

Leadership in the agenda of the future of mobility

At external level, the Brisa Group is active through international partnerships within the scope of the WBCSD (World Business Council for Sustainable Development) and ITF (International Transport Forum), and national partnerships through BCSD Portugal. Within these organisations,

CAPITAL NATURAL

Brisa seeks to promote a multimodal and intra sector vision of sustainable mobility.

Participation in activities within these organisations has the direct involvement of Brisa's CEO, with emphasis as concerns the WBCSD, where he presides alongside Toyota Motor Company and Renault Nissan Alliance, to project "SIMPLify". This project consists of the development and implementation of a tool under the same name, to support sustainable urban mobility planning, combining environmental variables with social, economic and mobility variables.

This project integrates 5 environmental indicators, out of 19. These indicators cover the use of mobility space, greenhouse gas (GHG) emissions, traffic jams, energy efficiency and active mobility. The underlying rationale is explained with the following example: GHG emissions contribute to greenhouse effect and have an impact on the global environment. Energy efficiency and traffic jam influence the amount of GHG emissions, and consequently the global environment. Finally, active mobility opportunities are also opportunities to reduce GHG emissions, with impact on the global environment. Indicators and calculation formulas area available at www.wbcsd.org.

This tool will be tested in 2018 in 50 European Union cities, within the scope of a European project.

Decarbonizing Transport is a new tool presented during the "ITF Summit 2017" in Leipzig. Brisa participated in its development. This project emerged out of the Paris Agreement on Climate Change and views to meet the challenge of reducing the weight of CO₂ emissions associated with transport, based on a broad quantitative model for overall transport activity, permitting the adoption of measures and solutions that are simultaneously carbon efficient and politically viable.

In Portugal, the most relevant project in which Brisa was involved was BCDS's **Meet 2030** focused on the exploitation of models allowing to conciliate economic growth and higher energy efficiency. To understand how economic growth and job creation can prosper in a carbon neutral economy, "Meet 2030" used the exergy economic model approach. This approach differs significantly from the traditional economic model, where GDP is a function of labour, capital and total productivity of factors. According to the exergy economic model, GDP is a function of labour, capital and energy productivity, i.e. exergy efficiency.



05

GOVERNANCE AND REMUNERATION



PARTNERSHIPS AND COLLABORATIVE PROCESSES

5.1 BRISA'S GOVERNANCE STRUCTURE

5.2 MANAGEMENT MECHANISMS AND POLICIES

5.3 REMUNERATIONS AND REMUNERATION POLICIES



MOBILITY FOR PEOPLE



OPERATIONAL AND FINANCIAL EFFICIENCY



TECHNOLOGIC DEVELOPMENT AND DIGITALIZATION

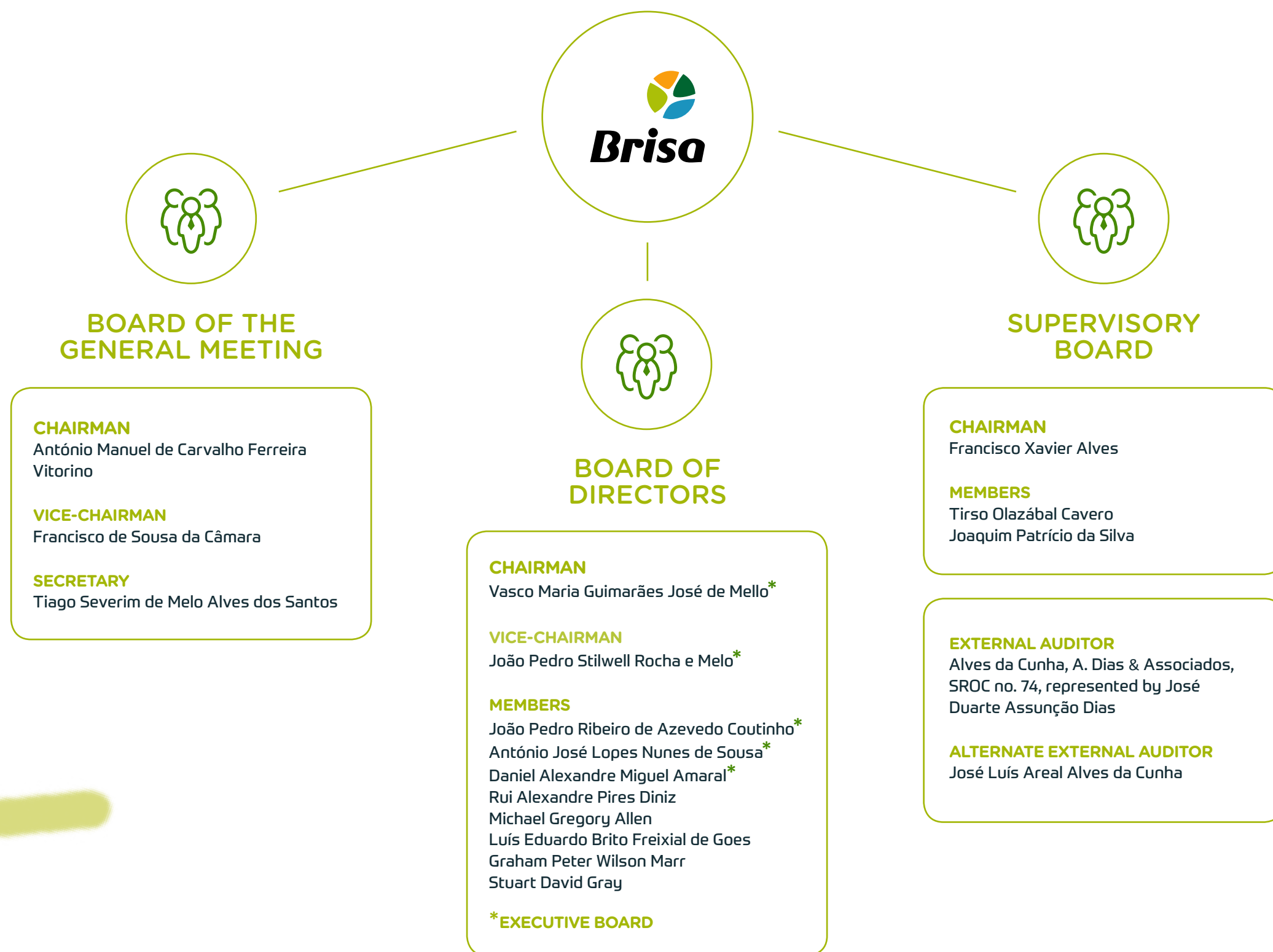


NEW MOBILITY PRODUCTS AND SERVICES

5.1 BRISA'S GOVERNANCE STRUCTURE

OVERVIEW OF BRISA'S GOVERNANCE STRUCTURE

The current mandate of all corporate bodies is for the 2017-2019 period.
Brisa's corporate bodies are made up as follows:



BRISA'S GOVERNANCE STRUCTURE

According to a resolution of its shareholders, Brisa's governance model consists of a Board of Directors and a Supervisory Board. Hence, executive and supervisory functions are clearly separated and thus performed by distinct bodies.

Within this framework, at board of directors' level, the law sets out a rule of solidarity and mutual responsibility between all members, with no exception. However, notwithstanding the said rule of solidarity, the advantage of having management bodies composed of executive and non-members is clear. Non-executive directors, as they are not directly involved in daily management, will have a more comprehensive and less compromised view of day-to-day situations. They are in a privileged position to bring positive contributions to the outlining and analysis of strategies and the follow-up of businesses, identifying any deficiency, or suggesting changes and improvements, or even alternative solutions.

In these terms, the Board of Directors makes a positive assessment of this corporate governance structure, as it considers that, in the light of the business developed by the company, its shareholder structure and experience, as the most appropriate system to ensure an efficient and transparent governance, capable of creating value to all shareholders.

Besides the Executive Board set up within the Board of Directors, there are no other committees with managing or supervisory powers.

The Board of Directors consists of ten members, five of whom make up the Executive Board. Under statutory terms, the Board of Directors meets at least once a month. The executive management of the company falls to the Executive Board. Pursuant to the governance model adopted

at Brisa, the Chairman of the Board of Directors is also the Chairman of the Executive Board.

The Executive Board, within the limitations of the law and the company's bylaws, was invested with the broadest powers, to assure the executive management of the Company, according to the strategic determinations of the Board of Directors. Under these terms, the following duties fall to the Board of Directors:

- (a) Co-option of Directors;
- (b) Convening of General Meetings;
- (c) Preparation of annual reports and accounts;
- (d) Provision of surety bonds, personal or tangible securities or any other surety on the company's behalf;
- (e) Relocation of the head-office and capital increases;
- (f) Mergers, demergers and transformation of the company;
- (g) Approval of any Business Plan, including any amendment or revision thereof;
- (h) Approval of the annual budget, including any revision thereof;
- (i) Entering of relevant contracts, assuming of liabilities, asset purchase

BRISA'S GOVERNANCE STRUCTURE

or disposal, including holdings in other companies, where respective estimated value exceeds, on an individual basis, (i) € 100 000 000 (one hundred million Euro) if provided for in the annual budget or (ii) € 10 000 000 (ten million Euro), if not provided for in the annual budget;

- (j) Loans, financing, bonds, debt securities, commercial paper and other forms of financing, including the issuing of sureties or stand-by sureties in amount exceeding, on an individual basis i) € 100 000 000 (one hundred million Euro) if provided for in the annual budget or (ii) € 10 000 000 (ten million Euro), if not provided for in the annual budget;
- (k) Any of the subjects referred to in paragraphs (a) to (d) hereinabove relating to any of the Company's subsidiaries;
- (l) Transactions (including any commitment to conclude such transactions) likely to result in the transfer or encumbrance of any shares held by the Company in any of its subsidiaries which, directly or indirectly, operates as concessionaire of the concession, the bases of which were approved by Decree-law 247-C/2008, of 30 December (or any subsequent amendment comprising in its object at least the motorways specified therein) (the "Main Concession");
- (m) Contracts, agreements or any transactions resulting, directly or indirectly, in the transfer or encumbrance of the Main Concession, including those resulting from internal reorganizations of the corporate group controlled by the Company;
- (n) Contracts, agreements or any transactions resulting, directly or indirectly, in a dilution of the Company's financial holding in the Main Concession, including following the issuing of shares or other convertible securities into shares representing the share capital of the Company and/or any subsidiary of the Company, including Brisa – Concessão Rodoviária SGPS, S.A. and Brisa – Concessão Rodoviária, S.A. (or any other company that may directly or indirectly replace them in the development of the businesses comprised in the Main Concession) (the "Concession Companies");

- (o) Release of funds to Brisa by any of the Concession Companies, whether via distributions or loans or via proposals of payment of such distributions or loans, whenever the amount to release accounts for less than 80% (eighty percent) of the funds available in the balance sheet of Brisa – Concessão Rodoviária, S.A. (taking into account relevant legal restrictions as well as existing restrictions, including those stemming from loans obtained with third parties);
- (p) Changes to the articles of association or internal regulations relating to the corporate bodies of any of the Concession Companies, including split-offs, mergers, dissolution, subordination or group contracts, relating to or to be entered into by any of these companies;
- (q) Issuing of binding instructions under the terms of Article 503 of the Companies Code or the exercising of any rights as shareholders, where relating to any of the subjects comprised in the previous paragraphs;
- (r) Approval of early distribution of profit for the year.

Non executive directors may request any clarification they deem suitable and will have access to any information they may want, namely minutes and agendas of the meetings of the Executive Board, either individually or within the scope of any work developed jointly with other directors. Meetings of the Board of Directors are convened and prepared in advance, and the documentation relating to the subjects included on respective agenda will be distributed in advance, in order to ensure that all members of the Board of Directors can exercise their duties in an informed and independent way. During 2017 non executive directors participated actively in the meetings of the board of directors.

BRISA'S GOVERNANCE STRUCTURE

AREAS UNDER THE RESPONSIBILITY OF THE EXECUTIVE BOARD

VASCO DE MELLO

PEDRO ROCHA E MELO

JOÃO AZEVEDO COUTINHO

ANTÓNIO NUNES DE SOUSA

DANIEL AMARAL

General Coordination

CORPORATE CENTRE

Marketing and Institutional Relations *	Legal	Financial	Corporate Centre
	Strategy and Planning	Administrative	Audit, Organization and Quality
	Human Resources	Technologies and Systems	

BUSINESS UNITS

Brisa Concessão Rodoviária	Via Verde Portugal	Subconcessão do Litoral Oeste	Concessão Litoral Centro
Mobility services	Transport Infrastructure Investment Company	Brisa O&M	Concessão Douro Litoral
Via Verde Serviços	M Call	BGI - Brisa Gestão de Infraestruturas	Concessão Atlântico
Brisa Áreas de Serviço	Via Verde Contact	Controlauto – Controlo Técnico Automóvel	Subconcessão do Baixo Tejo
Via Verde Carsharing			Brisa Inovação e Tecnologia
			BNV Mobility
			BIT Mobility Solutions

* Includes Sustainability

BRISA'S GOVERNANCE STRUCTURE



**VASCO MARIA
GUIMARÃES
JOSÉ DE MELLO**

EDUCATION

Graduated in Business Administration from the American College of Switzerland, 1978. Attended Citigroup's Training Program in New York, from 1978 to 1979.

Member of Brisa's Board of Directors since 2000. His current mandate is for the 2017-2019 period.

POSITIONS CURRENTLY HELD

Chairman of the Board of Directors and Executive Board:

José de Mello, Capital, S.A. and Brisa Auto-Estradas de Portugal, S.A.

Chairman of the Board of Directors:

Brisa Concessão Rodoviária, SGPS, S.A.; Brisa Concessão Rodoviária, S.A.; Brisa O&M, S.A.; BGI – BRISA Gestão de Infraestruturas, S.A.; Brisa Internacional, SGPS, S.A.; Via Oeste, SGPS, S.A.; Brisa II – Serviços de Gestão de Concessões, S.A.

Member of the Managing Board:

BCSD Conselho Empresarial para o Desenvolvimento Sustentável

Chairman of the Board:

Fundação Amélia de Mello

Chairman of the General Council:

COTEC Portugal

PREVIOUS PROFESSIONAL ACTIVITY

- 1979 – 1980** Analyst at Banco Crefisul de Investimento Brasil
- 1980 – 1982** Advisor to the Board of Directors of União Industrial Têxtil e Química
- 1982 – 1999** Member of the Board of Directors of União Industrial Têxtil e Química
- 1982 – 1987** Member of the Board of Directors of sociedade Transitec-Lausanne
- 1985 – 2002** Managing director of CUF Finance, S.A.
- 1991 – 2000** Chairman of the Board of Directors of Banco Mello de Investimentos, S.A.
- 1992 – 1999** Member of the Board of Directors of Sociedade Independente de Comunicação
- 1992 – 1996** Member of the Board of Directors of Companhia de Seguros Império
- 1995 – 2000** Chairman of the Board of Directors of Banco Mello S.A.
- 1996 – 2000** Chairman of the Board of Directors of Companhia de Seguros Império
- 1996 – 2004** Vice-Chairman of José de Mello SGPS, S.A.
- 2000 – 2007** Vice-Chairman of the High Council of Banco Comercial Português
- 2000 – 2002** Member of the Board of Directors of ONI, SGPS. S.A.
- 2001 – 2004** Chairman of the Board of Directors of União Internacional Financeira, SGPS, S.A.
- 2003 – 2007** Member of the Board of Directors of Abertis, Barcelona
- 2005 – 2007** Member of the Supervisory Board of Bank Millennium - Poland



**JOÃO PEDRO
STILWELL
ROCHA E MELO**

EDUCATION

Graduated in Mechanical Engineering from Instituto Superior Técnico in 1985.

Post-graduation in Business Administration (MBA) from Universidade Nova de Lisboa in collaboration with Wharton School, of the University of Pennsylvania in 1986.

International Capital Markets Course from Oxford University in 1991.

Completed the management training programme "Leadership for Top Managers" – IMD International in 2002.

Member of Brisa's Board of Directors since 2002. His current mandate is for the 2017-2019 period.

POSITIONS CURRENTLY HELD

Vice-Chairman of the Board of Directors:

Brisa Auto-Estradas de Portugal, S.A.

Member of the Board of Directors:

Brisa Concessão Rodoviária, SGPS, S.A.; Brisa Concessão Rodoviária, S.A.; Brisa O&M, S.A.; BGI – Brisa Gestão de Infraestruturas, S.A.; Via Oeste, SGPS, S.A.; Brisa II – Serviços de Gestão de Concessões, S.A.; Brisa Internacional, SGPS, S.A.

Chairman of the Board of Directors:

Via Verde Serviços, S.A.; Via Verde Carsharing, S.A.; BRISA Áreas de Serviço, S.A.

Member of the Board of Directors and Executive Board:

José de Mello Capital, S.A.

Member of the Managing Board:

Câmara de Comércio e Indústria Portuguesa; ACEGE – Associação Cristã de Empresários e Gestores

Member of the Supervisory Board:

Associação APOIAR

PREVIOUS PROFESSIONAL ACTIVITY

Director of Mello Valores - Sociedade Financeira de Corretagem and Director-General of Banco Mello de Investimentos

- 1997 – 2000** Chairman of the Executive Board of Banco Mello de Investimentos, Director of Banco Mello, Director of Companhia de Seguros Império and Vice-chairman of the Board of Directors of BCP Investimento

BRISA'S GOVERNANCE STRUCTURE



**JOÃO PEDRO
RIBEIRO AZEVEDO
COUTINHO**

EDUCATION

Graduated in Business Administration from Universidade Católica Portuguesa in 1982. Completed Business Training Program “Leadership for Top Managers”, from IMD International in 2002 and “Advanced Management Program” from Harvard in 2013.

Member of Brisa's Board of Directors since 1999. His current mandate is for the 2017 – 2019 period.

POSITIONS CURRENTLY HELD

Executive Member of the Board of Directors:

Brisa Auto –Estradas de Portugal, S.A.

Chairman of the Board of Directors:

Via Verde Portugal – Gestão de Sistemas Electrónicos de Cobrança, S.A.; Mcall Serviços de Telecomunicações, S.A.; Via Verde Contact, S.A.

Member of the Board of Directors:

Brisa Concessão Rodoviária, SGPS, S.A.; Brisa Concessão Rodoviária, S.A.; Brisa O&M, S.A.; BGI – BRISA Gestão de Infraestruturas, S.A.; Brisa Internacional SGPS, S.A.; Via Oeste, SGPS, S.A.; BRISA II – Serviços de Gestão de Concessões, S.A.;

SICIT – Sociedade de Investimento e Consultoria em Infraestruturas de Transporte S.A.

Non-executive member of the Board of Directors:

José de Mello, Capital, S.A.

PREVIOUS PROFESSIONAL ACTIVITY

1990 – 1997 Manager responsible for the Investment Banking Department of Deutsche Bank in Portugal, from 1990 to 1997

1997 – 1999 Chairman of the Executive Board of Banco Mello de Investimentos

2002 – 2007 Member of the Board of Directors of CCR - Companhia de Concessões Rodoviárias, Brazil, and Chairman of the Board of Directors in 2008



**ANTÓNIO JOSÉ
LOPES NUNES
DE SOUSA**

EDUCATION

Civil Engineering Degree from Instituto Superior Técnico (IST), 1982.

Post-graduation in Business Administration from Universidade Católica Portuguesa, Lisbon, 1998.

Member of Brisa's Board of Directors since 2008. His current mandate is for the 2017 – 2019 period.

POSITIONS CURRENTLY HELD

Executive Member of the Board of Directors:

Brisa – Auto-Estradas de Portugal, S.A.

Member of the Board of Directors:

Brisa Concessão Rodoviária, SGPS, S.A.; Brisa Concessão Rodoviária, S.A.; Brisa O&M, S.A.; BGI – BRISA Gestão de Infraestruturas, S.A.; AEDL – Auto-Estradas do Douro Litoral, S.A.; AEBT – Auto-Estradas do Baixo Tejo, S.A.; AELO – Auto-Estradas do Litoral Oeste, S.A.; Via Oeste, SGPS, S.A.; Brisa Internacional, SGPS, S.A.; BRISA II – Serviços de Gestão de Concessões, S.A.; APCAP - Associação Portuguesa das Sociedades Concessionárias de Auto-Estradas ou Pontes com Portagem

Chairman of the Board of Directors:

Controlauto Controlo Técnico Automóvel, S.A.

PREVIOUS PROFESSIONAL ACTIVITY

1983 – 1999 Various managing offices at the Road Authority; appointed Manager of Concession Operations in 1996

1999 – 2002 Brisa Auto-Estradas de Portugal, S.A., Technical General Manager

2002 – 2004 Managing director of Brisa Engenharia e Gestão, S.A.

2004 – 2008 Director General of Brisa Participações e Empreendimentos and member of the Board of Directors of Companhia de Concessões Rodoviárias, S.A., in Brazil, and chairman of the board of directors of CCR in 2005

BRISA'S GOVERNANCE STRUCTURE



**DANIEL
ALEXANDRE
MIGUEL AMARAL**

EDUCATION

Business degree from ISEG.

Member of Brisa's Board of Directors since 2011. His current mandate is for the 2017 – 2019 period.

POSITIONS CURRENTLY HELD

Executive Member of the Board of Directors:

Brisa Auto-Estradas de Portugal, S.A.

Chairman of the Board of Directors:

Brisal Auto-Estradas do Litoral, S.A.; AEBT – Auto-Estradas do BAIXO TEJO, S.A.; AEDL – Auto-Estradas do Douro Litoral, S.A.; BRISA Inovação e Tecnologia, S.A.

Member of the Board of Directors:

BGI - Brisa Gestão de Infraestruturas, S.A. ; Via Oeste, SGPS, S.A.; Brisa Internacional, SGPS, S.A.; Brisa Concessão Rodoviária, SGPS, S.A.; BRISA Concessão Rodoviária, S.A.; Brisa O&M, S.A.; Brisa International B.V.; Brisa II – Serviços de Gestão de Concessões, S.A.; Brisa International Investments B.V.; Brisa United States, LLC

Partner:

Arcus Infrastructure Partners LLP ; Arcus ISH LLP

Manager:

Tagus Holdings S.à.r.L.

Manager:

AEIF Apollo S.à.r.L.; Maintranche, Unipessoal, Lda.

PREVIOUS PROFESSIONAL ACTIVITY

- 1996** Caixa Geral de Depósitos Group
2003 – 2008 Manager of Caixa- Banco de Investimento, S.A.
2007 – 2008 Executive Director of CREDIP – Instituição Financeira de Crédito, S.A.
2008 – 2009 Member of the European Infrastructure Team of Babcock & Brown



**MICHAEL
GREGORY ALLEN**

EDUCATION

Corporate Finance Evening Programme, London Business School.

Bachelor of Laws (LLB) from King's College, University of London, England

Associate Member of King's College London, England

Member of Brisa's Board of Directors since 2011. His current mandate is for the 2017 – 2019 period.

POSITIONS CURRENTLY HELD

Member of the Board of Directors:

Brisa - Auto Estradas de Portugal, S.A. Brisa Concessão Rodoviária,SGPS, S.A.; Brisa Concessão Rodoviária, S.A.

Partner:

Arcus Infrastructure Partners LLP; Arcus ISH LLP

Manager:

AEIF Apollo S.à r.l.; Tagus Holdings, S.à r.l.; Maintranche, Unipessoal, Lda.

PREVIOUS PROFESSIONAL ACTIVITY

- 1991 – 1999** Linklaters
1999 – 2002 Executive Director at Goldman Sachs International
2003 – 2004 Investment Banking Vice-President at Dresdner Kleinwort Wasserstein
2004 – 2007 Banking Merrill Lynch International, Director
2007 – 2009 Babcock & Brown Limited, London, Senior Member of the Infrastructures Team

BRISA'S GOVERNANCE STRUCTURE



**RUI ALEXANDRE
PIRES DINIZ**

EDUCATION

Bachelor of Economics from Universidade Católica Portuguesa, 1996.

Member of Brisa's Board of Directors since 2010. His current mandate is for the 2017 – 2019 period.

POSITIONS CURRENTLY HELD

Member of the Board of Directors:

Brisa - Auto -Estradas de Portugal, S.A.; ATM – Assistência Total em Manutenção, S.A.; GEMP – Empreendimentos Imobiliários, S.A.; GEMP Invest, S.A.; JMTMG Imobiliária, S.A.; José de Mello Capital, S.A.; MGI CAPITAL, SGPS, S.A.; MGICAPITAL – International Financing, SGPS, S.A.; MGICAPITAL – Sistema de Gestão, S.A.; MGIGP – Gestão de Activos, S.A.; José de Mello Saúde, S.A.; Escala Braga – Sociedade Gestora do Estabelecimento, S.A. ; Hospital CUF Infante Santo, S.A.; Hospital CUF Descobertas, S.A.; Hospital CUF Porto, S.A.; JMS – Prestação de Serviços Administrativos e Operacionais, ACE; JMS – Prestação de Serviços de Saúde, ACE; Loja Saúde CUF – Produtos e Serviços de Saúde e Bem Estar, S.A.; PPPS – Consultoria em Saúde, S.A.; ACADEMIA CUF, Sociedade Unipessoal Lda; Clínica CUF Alvalade S.A.; Clínica Luís Alvares

S.A.; Hospital CUF Viseu, S.A.; Hospital CUF Santarém, S.A.; Escala Vila Franca – Sociedade Gestora do Estabelecimento, S.A.; Hospital CUF Cascais, S.A.; CUF Belém S.A.; Hospital CUF Torres Vedras, S.A.; IMO HEALTH - Investimentos Imobiliários, S.A.; INFRA HEALTH – Gestão de Infraestruturas, S.A.; JMS – Serviços de Logística, ACE; Efacec Power Solutions, SGPS, S.A.; Efacec do Brasil, Ltda; SESCO - Efacec , Sdn. Bhd.

Chairman of the Board of Directors :

Centro Gamma Knife – Radiocirurgia, S.A.; Clínica CUF Belém, S.A.; Efacec Sistemas Espana, S.L.M.

PREVIOUS PROFESSIONAL ACTIVITY

- 1996 – 2010** McKinsey & Company (Iberia Office)
- 1996 – 2002** Consultant at McKinsey & Company
- 2002 – 2008** Partner at McKinsey & Company
- 2007 – 2010** Office Manager McKinsey & Company Lisbon office
- 2008 – 2009** Managing Partner at McKinsey & Company

He was responsible in Iberia for the Insurance and Health areas and for the Banking, Insurance and Health teams in Portugal, Spain, Brazil and Angola.



**LUIS EDUARDO
BRITO FREIXIAL
DE GOES**

EDUCATION

Graduated in Law from Universidade Católica Portuguesa, 1993.

Member of Brisa's Board of Directors since 2012. His current mandate is for the 2017 – 2019 period.

POSITIONS CURRENTLY HELD

Member of the Board of Directors:

Brisa Auto-Estradas de Portugal, S.A.; Brisa Concessão Rodoviária, SGPS, S.A.; José de Mello Saúde, S.A. ; José de Mello Energia, S.A.; José de Mello Imobiliária, SGPS, S.A.; José de Mello Internacional; Tagus Holdings S.àrl; Tecnocapital, SGPS, S.A.

Chairman of the Board of Directors:

MGI Capital, SGPS, S.A.

Member of the Executive Board:

José de Mello Capital, S.A.

Sole Director:

IBOMÍLIA – Sociedade Imobiliária, S.A.

PREVIOUS PROFESSIONAL ACTIVITY

- 1990 – 1993** Deloitte (Tax Department)
- 1993 – 1995** Vieira de Almeida e Associados, law trainee
- 1995 – 2000** Vieira de Almeida e Associados, specialist in Corporate and Financial Areas
- 2000 – 2004** Manager of the Legal Department of José de Mello SGPS
- 2005 – 2012** Head Coordinator of the legal areas of José de Mello Group
- Since April 2012** Executive Director of José de Mello- Sociedade Gestora de Participações Sociais, S.A.

BRISA'S GOVERNANCE STRUCTURE



**GRAHAM
PETER WILSON
MARR**

EDUCATION

BSc (Hons) in Chemistry, Durham University in 1980.

Official Auditor (Institute of Chartered Accountants in England & Wales) in 1983.

Member of Brisa's Board of Directors since 2012. His current mandate is for the 2017 – 2019 period.

POSITIONS CURRENTLY HELD

Member of the Board of Directors:

Brisa Auto–Estradas de Portugal, S.A.

PREVIOUS PROFESSIONAL ACTIVITY

1980 – 1996 Price Waterhouse (tax partner since 1992)

1996 – 2006 Member (and subsequently responsible for) the leasing and shipping finance team of Babcock & Brown, London

2006 – 2009 Senior member of European Infrastructure team, Babcock & Brown Limited, London

2008 – 2015 Willow Topco Limited – Member of the Board of Directors

2009 – 2016 Arcus ISH LLP - Partner
2009 – 2016 Partner and Chief Operating Officer (2009-2013) and Co-Managing Partner (2013-2016), Arcus Infrastructure Partners LLP
2010 – 2015 Angel Trains Group Limited – Member of the Board of Directors
2012 – 2017 Forth Ports Limited



**STUART
DAVID GRAY**

EDUCATION

BAcc in Accounting from Glasgow University in 1993.

Member of the Institute of Chartered Tax Advisors and the Institute of Chartered Accountants of Scotland.

Member of Brisa's Board of Directors since 2015. His current mandate is for the 2017 – 2019 period.

POSITIONS CURRENTLY HELD

Member of the Board of Directors:

Brisa Auto- Estradas de Portugal, S.A.; Forth Ports Limited; AEIF Luxembourg Holdings S.à.r.l.

Partner and Chief Financial Officer:

Arcus Infrastructure Partners LLP

PREVIOUS PROFESSIONAL ACTIVITY

1993 – 1996 Deloitte Tax Consultant
1996 – 2002 Andersen, Senior Tax Consultant
2002 – 2007 Sanmina-SCI, director of the European tax and treasury areas
2007 – 2009 Babcock & Brown Limited, member of the Tax Division
2011 – 2016 Shere Group Limited

BRISA'S GOVERNANCE STRUCTURE

ASSESSMENT OF THE BOARD OF DIRECTORS' PERFORMANCE

The performance of the board of directors is assessed by shareholders at every annual general meeting. It is also assessed on an annual basis by the supervisory body, the official auditor and the external auditor, specifically from a perspective of risk management and compliance with the relevant accounting standards. This assessment views to show the actual financial position of the company at the end of each year, as well as how results

were generated and activity evolved from the point of view of the principles of ethics and transparency which govern the company.

Finally, as result of these appreciations and assessments, the remuneration committee - under the terms of the mandate entrusted upon it by the general meeting - determines the remuneration to be paid to members of the board of directors, considering the performance of each member, according to the goals and criteria for value creation that were previously set out.



5.2 MANAGEMENT MECHANISMS AND POLICIES

—

Brisa's commitment goes well beyond the strict compliance with the laws and regulations that govern its activity at every level.

KEY MANAGEMENT POLICIES

Brisa is indubitably committed to the development of all its affairs and activities in the light of the principles deriving from its mission and values, from a perspective of value creation, which becomes all the more judicious when seen as key instrument for the development of the economy, while respecting the people and the environment.

Brisa's major concern are the people, which is why it set out as key mission offering efficient mobility solutions.

The spread of globalisation that occurred at the end of the 20th century spurred by the emergence of new technologies and free trade, introduced particular relevance to ethics as values that must guide and determine decision-making processes, from a holistic perspective, incorporating economic, social and cultural growth and development of people and organisations, while respecting nature and the environment.

Policies implemented at Brisa translate the deliberate embodiment of the set of ethical and moral values set out in the relationship with the environment and stakeholders, in the continuous search for the best available solutions, according to the said concerns.

To epitomize these concerns, the company approved and implemented a code of ethics, where it set out the ethical and moral rules governing the conduct of all employees within the company itself and in their relationship with third parties.

IRREGULARITIES REPORTING POLICY

In 2009, under a proposal of the Executive Board, a system was created, whereby all employees could freely and conscientiously expose any situation configuring any intentional, reckless or negligent acts or omissions occurred within the scope of Brisa Group business activity, In the areas of accounting, internal control, audit, fight against corruption and banking and financial crime, violation of ethical and legal nature occurring within the company. Brisa thus materialised its strong commitment to conducting its business in compliance with the law and the principles laid down in its Code of Ethics, contributing moreover to the early detection of any irregular situation.

Under the terms of the regulations approved (available at www.brisa.pt) a list of dedicated addresses was created on the Intranet and the company's site, allowing the disclosure of any irregularity, within absolute confidentiality, via e-mail, fax or mail.

MANAGEMENT MECHANISMS AND POLICIES



The processing of this information and conduct of respective proceedings are the responsibility of an Ombudsman, presently Mr. José Joaquim Cortiço da Costa Braga, to whom all resources required to fulfil his duties are provided, namely access to any service, information and documentation he may deem suitable.

No employee can be prosecuted, intimidated, discriminated or harmed for having disclosed any irregularity, except in cases of lack of grounds or deceit in the information provided.

According to the assessment made following the results of the inquiries deriving from each case, taking into consideration the Ombudsman recommendations, the Board of Directors will decide on any change in methods or procedures it will deem more suitable, notify the relevant authorities or take any other measures deemed adequate in each case.

Following the appointment of the Ombudsman, Brisa carried out a wide training programme covering 2 387 Group employees, with a view to explaining and clarify any doubts concerning the Ethics Code and its application and the operation of the irregularities disclosure system.

Brisa has an ongoing training programme aiming to raise the awareness of employees to improve balance between work and family life and prevention and combat of sexual harassment at the workplace, in line with recent amendments to the Labour Code, within the legal framework of Community legislation.

Proceedings and recommendations relating to situations which the Ombudsman may deem serious or urgent must be promptly disclosed to the Board of Directors.



5.3 REMUNERATION AND REMUNERATION POLICIES

Every year, the remuneration committee submits to the approval of shareholders at a general meeting, a statement explaining the principles, criteria and objectives relating to the definition of the remuneration of members of the board of directors.

REMUNERATION POLICY AND KEY CONSTITUENTS

The Annual General Meeting held on May 5, 2017 approved the following statement submitted by the Remuneration Committee:

“The Remuneration Committee of Brisa Auto-Estradas de Portugal, S.A. (the “Company” or “Brisa”) hereby submits to the approval of the General Meeting the following statement on the remuneration policy of respective management and supervisory boards:

- The members of the board of directors must perform their duties diligently and judiciously, in the best interest of the company's shareholders, employees and remaining stakeholders;
- It is in the best interest of the company and its shareholders to create adequate conditions and incentives to encourage a sound performance of duties by members of the Board of Directors, in accordance with the criteria referred to above;
- In this light, remuneration is a key management tool for framing and encouraging the performance of senior managers;

- The definition and application of the criteria for fixing the remuneration of Directors entrusted to the Remuneration Committee should thus be rational and consistent: it should consider the level of remuneration currently practised in European peer companies, and, on the other hand, the degree of achievement of the strategic goals set forth for the company, the creation of value for shareholders and the economic situation;
- In view of the above, remuneration should consist of a fixed amount that will adequately remunerate, within the framework of respective competences and responsibilities, the effort developed by executive and non-executive members of the Board of Directors each year, and a variable amount payable to executive members that will reward, amongst other things, increasing efficiency and productivity and the creation of long term value for the Company and shareholders, and at the same time, align their interests with the company's long term sustainability interests. This alignment will be ensured namely by calculating the variable amount based on the company's financial and operational performance each year, the intrinsic quality of (recurrent and extraordinary) results posted, taking into consideration the situation of equity markets, Brisa's positioning in the markets where it operates, its business outlook in the medium and long term;

REMUNERATION AND REMUNERATION POLICIES

DIVULGAÇÃO DE REMUNERAÇÕES DO ÓRGÃO DE ADMINISTRAÇÃO

- In addition to the above, the payment of the variable amount will also be subject to the evaluation of the performance goals set forth each year, based on the following indicators: EBITDA, EBIT, NET PROFIT, ROE and ROA, considering the company's evolution and the remuneration level practised by major national and international peer companies;
- Other exceptional factors may be taken into account in the assessment of the performance of the Executive Board or any of its members;
- Part of the variable remuneration will be paid following the closure of each financial year and determination of respective results; the other significant part will be deferred for a period of three years, and its

payment will depend on the maintenance of Brisa's positive performance throughout such period, with a view to allow the maximisation of long term performance and the pursuing of strategic and structural goals and disincentivise excessive risk-taking.

In what concerns the supervisory board, pursuant to provisions in art. 422 - A and paragraph 1 of art. 399 of the Companies Code, the remuneration of members of the Supervisory Board must consist of a fixed amount, determined taking into account the complexity and responsibility of the functions performed, the normal practices and remuneration conditions for the performance of similar functions and the economic situation of the company."

REMUNERATION OF EXECUTIVE MEMBERS OF THE BOARD OF DIRECTORS

FIXED REMUNERATION	VARIABLE REMUNERATION	DEFINED BENEFITS	TOTAL
1 830 596 €	2 283 000 €	272 410 €	4 386 006 €

REMUNERATION OF NON EXECUTIVE MEMBERS OF THE BOARD OF DIRECTORS

FIXED REMUNERATION
386 000 €

PROPOSAL FOR THE APPROPRIATION OF RESULTS

Considering the net profit for the year 2017, in the amount of € 145 150 740.18, the Board of Directors proposes the following appropriation of results:

- Distribution by way of dividends of € 0.145 per share;
- The remaining, to free reserves.

São Domingos de Rana, 18th April 2018

THE BOARD OF DIRECTORS

— Vasco Maria Guimarães José de Mello

— João Pedro Stilwell Rocha e Melo

— João Pedro Ribeiro de Azevedo Coutinho

— António José Lopes Nunes de Sousa

— Daniel Alexandre Miguel Amaral

— Rui Alexandre Pires Diniz

— Michael Gregory Allen

— Luís Eduardo Brito Freixial de Goes

— Graham Peter Wilson Marr

— Stuart David Gray

II. ANNEXES



GRI INDEX AND GRI INDICATORS

GRI INDICATOR		LOCATION (PAGE)	GCP	SDG ^(1 AND 2)	EXTERNAL ASSURANCE
STRATEGY AND ANALYSIS					
G4-1	Statement from the Chairman about the relevance of sustainability to the organisation and the organisation's strategy for addressing sustainability	1.1 Foreword from the Chairman – pg. 8-9	-	-	Limited
G4-2	Key impacts, risks, and opportunities	2.3.1 Market trends and challenges – pg. 25 2.3.3 Strategic priorities – pg. 30-32 2.4 Risk management – pg. 41-46 3. Analysis per business segment (outlook of the business segment) – pg. 48-101	-	-	Limited
ORGANISATIONAL PROFILE					
G4-3	Name of the organisation	Nature of integrated report pg. 2	-	-	Limited
G4-4	Primary brands, products and services	1.2 Brisa profile – pg. 10-11	-	-	Limited
G4-5	Location of organisation's headquarters	Back cover	-	-	Limited
G4-6	Number of countries where the organisation operates, and names of countries where either the organisation has significant operations or that are specifically for the sustainability issues covered in the report	1.2 Brisa profile – pg. 10-11	-	-	Limited
G4-7	Nature of ownership and legal form	Nature of integrated report - pg. 2	-	-	Limited
G4-8	Markets served	1.2 Brisa profile – pg. 10-11	-	-	Limited
G4-9	Scale of the organisation	1.2 Brisa profile – pg. 10-11 1.3 Key Indicators – pg. 12-13	-	-	Limited
G4-10	Total number of employees by employment contract and gender	GRI Indicators – pg. 164	Principle 6	SDG 8 (2)	Reasonable
G4-11	Percentage of total employees covered by collective bargaining agreements	GRI Indicators – pg. 164	Principle 3	SDG 8 (2)	Reasonable
G4-12	Organisation's supply chain	1.2 Brisa profile – pg. 10-11	-	-	Limited
G4-13	Significant changes during the reporting period regarding the organisation's size, structure, ownership, or its supply chain	1.1 Foreword from the Chairman – pg. 8-9 No significant changes were recorded.	-	-	Limited

1) Direct impact of Brisa 2) Indirect impact of Brisa
GCP = Global Compact Principles

GRI INDICATOR		LOCATION (PAGE)	GCP	SDG ^(1 AND 2)	EXTERNAL ASSURANCE
ORGANISATIONAL PROFILE					
G4-14	Adoption of the precautionary principle	2.4 Risk management – pg. 41-46	-	-	Limited
G4-15	List of externally developed economic, environmental and social charters, principles, or other initiatives to which the organisation subscribes or which it endorses	2.3.7 Dialogue with stakeholders – pg. 37-40	-	-	Limited
G4-16	List memberships of associations (such as industry associations) and national or international advocacy organisations	2.3.7 Dialogue with stakeholders – pg. 37-40	-	-	Limited
G4-17	Entities included in the organisation's consolidated financial statements or equivalent documents.	1.2 Brisa profile – pg. 10-11	-	-	Limited
IDENTIFIED MATERIAL ASPECTS AND BOUNDARIES					
G4-18	Process for defining the report content and the Aspect Boundaries	Nature of integrated report - pg. 2 2.3.5 Materiality analysis – pg. 34-35	-	-	Limited
G4-19	Material Aspects identified in the process for defining report content	2.3.5 Materiality analysis – pg. 35	-	-	Limited
G4-20	Aspect Boundary within the organisation	2.3.5 Materiality analysis – pg. 35	-	-	Limited
G4-21	Aspect Boundary outside the organisation	2.3.5 Materiality analysis – pg. 35	-	-	Limited
G4-22	Restatements of information provided in previous reports, and the reasons for such restatements	Nature of integrated report – pg. 2	-	-	Limited
G4-23	Significant changes from previous reporting periods in the Scope and Aspect Boundaries	Nature of integrated report – pg. 2 There was a change in the scope of covered companies, as company Brisa - Áreas de Serviço was included and Northwest Parkway was excluded.	-	-	Limited
INVOLVEMENT WITH STAKEHOLDERS					
G4-24	List of stakeholder groups engaged by the organisation	2.3.7 Dialogue with stakeholders - pg. 37-40	-	-	Limited
G4-25	Basis for identification and selection of stakeholders with whom to engage	2.3.7 Dialogue with stakeholders - pg. 37-40	-	-	Limited
G4-26	Approach to stakeholder engagement, including frequency of engagement by type and by stakeholder group	2.3.7 Dialogue with stakeholders - pg. 37-40	-	-	Limited
G4-27	Key topics and concerns that have been raised through stakeholder engagement, and how the organisation has responded to those key topics and concerns, including through its reporting	2.3.5 Materiality analysis – pg. 34-35 2.3.6 Management approach – pg.36 2.3.7 Dialogue with stakeholders – pg. 37-40	-	-	Limited

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GRI INDICATOR		LOCATION (PAGE)	GCP	SDG ^(1 AND 2)	EXTERNAL ASSURANCE
REPORT PROFILE					
G4-28	Reporting period	Nature of integrated report - pg. 2	-	-	Limited
G4-29	Date of most recent previous report	Nature of integrated report - pg. 2 (Annual periodicity)	-	-	Limited
G4-30	Reporting cycle	Nature of integrated report - pg. 2 (Annual periodicity)	-	-	Limited
G4-31	Contact point for questions regarding the report or its contents	Nature of integrated report - pg. 2	-	-	Limited
G4-32	'In accordance' option the organisation has chosen and GRI Content Index for the option chosen	"In accordance - essential" GRI Index – pg. 145-155 (This table) GRI Indicators – pg. 156-180	-	-	Limited
G4-33	Organisation's policy and current practice with regard to seeking external assurance for the report	Nature of integrated report - pg. 2	-	-	Limited
CORPORATE GOVERNANCE					
G4-34	Governance structure of the organisation, including committees of the highest governance body, responsible for specific task such as the definition of the organisation's strategy or its supervision	5.1 Brisa governance structure - pg. 129-137	-	-	Limited
G4-35	Process for delegating authority for economic, environmental and social topics from the highest governance body to senior executives and other employees.	5.1 Brisa governance structure - pg. 130-131 5.3 Remuneration and Remuneration Policies - pg. 139-140	-	-	Limited
G4-36	Appointment of an executive-level position or positions with responsibility for economic, environmental and social topics, and whether post holders report directly to the highest governance body	5.1 Brisa governance structure - pg. 130-131 5.3 Remuneration and Remuneration Policies - pg. 139-140	-	-	Limited
G4-37	Processes for consultation between stakeholders and the highest governance body on economic, environmental and social topics	2.3.7 Dialogue with stakeholders - pg. 37-40	-	SDG 16 (2)	Limited
G4-38	Composition of the highest governance body and its committees	5.1 Brisa governance structure – pg. 129-137	-	SDG 5 and 16 (2)	Limited
G4-39	Chairman of the Board of Directors is also an executive officer	5.1 Brisa governance structure – pg. 129-132	-	SDG 16 (2)	Limited
G4-40	Nomination and selection processes for the highest governance body and its committees, and the criteria used for nominating and selecting highest governance body members	5.1 Brisa governance structure – pg. 129-138 5.2 Management Mechanisms and Policies - pg. 139-140 5.3 Remuneration and Remuneration Policies - pg. 141-142 Proposal for appropriation of results - pg. 143 Brisa Articles of Association available here	-	SDG 5 and 16 (2)	Limited
G4-41	Processes for the highest governance body to ensure conflicts of interest are avoided and managed.	5.2 Management Mechanisms and Policies - pg. 139-140	-	SDG 16 (2)	Limited

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GRI INDICATOR	LOCATION (PAGE)	GCP	SDG ^(1 AND 2)	EXTERNAL ASSURANCE
G4-42 The highest governance body's and senior executives' roles in the development, approval, and updating of the organisation's purpose, value or mission statements, strategies, policies, and goals related to economic, environmental and social impacts	5.2 Management Mechanisms and Policies - pg. 139-140	-	-	Limited
G4-43 Measures taken to develop and enhance the highest governance body's collective knowledge of economic, environmental and social topics	5.2 Management Mechanisms and Policies - pg. 139-140	-	SDG 4 (2)	Limited
G4-44 Processes for evaluation of the highest governance body's performance with respect to governance of economic, environmental and social topics.	5.1 Brisa governance structure – pg. 138 5.2 Management Mechanisms and Policies - pg. 139-140	-	-	Limited
G4-45 The highest governance body's role in the identification and management of economic, environmental and social impacts, risks, and opportunities. Include the highest governance body's role in the implementation of due diligence processes	5.2 Management Mechanisms and Policies - pg. 139-140	-	SDG 16 (2)	Limited
G4-46 The highest governance body's role in reviewing the effectiveness of the organisation's risk management processes for economic, environmental and social topics	5.2 Management Mechanisms and Policies - pg. 139-140	-	-	Limited
G4-47 The frequency of the highest governance body's review of economic, environmental and social impacts, risks, and opportunities	5.2 Management Mechanisms and Policies - pg. 139-140	-	-	Limited
G4-48 The highest committee or position that formally reviews and approves the organisation's sustainability report and ensures that all material Aspects are covered.	5.1 Brisa governance structure – pg. 130-131 5.2 Management Mechanisms and Policies - pg. 139-140	-	-	Limited
G4-49 Process for communicating critical concerns to the highest governance body	5.2 Management Mechanisms and Policies - pg. 139-140	-	-	Limited
G4-50 Nature and total number of critical concerns that were communicated to the highest governance body and the mechanism(s) used to address and resolve them	5.2 Management Mechanisms and Policies - pg. 139-140	-	-	Limited
G4-51 Remuneration policies for the highest governance body and senior executives	5.3 Remuneration and remuneration policies – pg. 141-142	-	-	Limited
G4-52 Process for determining remuneration	5.3 Remuneration and remuneration policies – pg. 141-142	-	-	Limited
G4-53 How stakeholders' views are sought and taken into account regarding remuneration, including the results of votes on remuneration policies and proposals, if applicable	5.3 Remuneration and remuneration policies – pg. 141-142	-	SDG 16 (2)	Limited
G4-54 Ratio of the annual total compensation for the organisation's highest-paid individual in each country of significant operations to the median annual total compensation for all employees (excluding the highest-paid individual) in the same country	5.3 Remuneration and remuneration policies – pg. 141-142	-	-	Limited
G4-55 e ratio of percentage increase in annual total compensation for the organisation's highest-paid individual in each country of significant operations to the median percentage increase in annual total compensation for all employees (excluding the highest-paid individual) in the same country.	5.3 Remuneration and remuneration policies – pg. 141-142	-	-	Limited

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GRI INDICATOR		LOCATION (PAGE)	GCP	SDG ^(1 AND 2)	EXTERNAL ASSURANCE
ETHICS AND INTEGRITY					
G4-56	Organisation's values, principles, standards and norms of behaviour such as codes of conduct and codes of ethics.	2.2 Values and mission – pg. 23-24 5.2 Management Mechanisms and Policies - pg. 139-140	Principle 10	SDG 16 (2)	Limited
G4-57	Internal and external mechanisms for seeking advice on ethical and lawful behaviour, and matters related to organisational integrity, such as helplines or advice lines.	5.2 Management Mechanisms and Policies - pg. 139-140	Principle 10	SDG 16 (2)	Limited
G4-58	Internal and external mechanisms for reporting concerns about unethical or unlawful behaviour, and matters related to organisational integrity, such as escalation through line management, whistleblowing mechanisms or hotlines.	5.2 Management Mechanisms and Policies - pg. 139-140	Principle 10	SDG 16 (2)	Limited
ECONOMIC INDICATORS					
ECONOMIC PERFORMANCE					
Forms of Management - DMA:		2.3.5 Materiality analysis – pg. 34-35; 2.3.6 Management approach – pg. 36; 1.3 Key Indicators – pg. 12-13			
G4-EC1	Direct economic value generated and distributed	GRI Indicators – pg. 157	-	SDG 2, 5 and 8 (2) SDG 7 and 9 (1)	Reasonable
G4-EC2	Financial implications and other risks and opportunities for the Organisation's activities due to climate change	GRI Indicators – pg. 157 4.3 Intellectual Capital – pg. 114-116 4.5 Natural Capital – pg. 125-127	Principle 7	SDG 13 (1)	Limited
G4-EC3	Coverage of the Organisation's defined benefit plan obligations	GRI Indicators – pg. 157	-	-	Limited
G4-EC4	Financial assistance received from Government	GRI Indicators – pg. 157	-	-	Limited
MARKET PRESENCE					
Forms of Management - DMA:		2.3.5 Materiality analysis – pg. 34-35; 2.3.6 Management approach – pg. 36; 1.3 Key Indicators – pg. 12-13			
G4-EC5	Ratio of the entry level wage by gender at significant locations of operation to the minimum wage.	GRI Indicators – pg. 157	Principle 6	SDG 1, 5 and 8 (2)	Reasonable
G4-EC6	Proportion of senior management hired from the local community	GRI Indicators – pg. 157	Principle 6	SDG 8 (2)	Limited

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GRI INDICATOR		LOCATION (PAGE)	GCP	SDG ^(1 AND 2)	EXTERNAL ASSURANCE
PROCUREMENT PRACTICES					
Forms of Management - DMA:		2.3.5 Materiality analysis – pg. 34-35; 2.3.6 Management approach – pg. 36; 1.3 Key Indicators – pg. 12-13			
G4-EC9	Proportion of spending on local suppliers	GRI Indicators – pg. 157	-	SDG 12 (1)	Reasonable
ENVIRONMENTAL INDICATORS					
ENERGY					
Forms of Management - DMA:		2.3.5 Materiality analysis – pg. 34-35; 2.3.6 Management approach – pg. 36; 1.3 Key Indicators – pg. 12-13			
G4-EN3	Energy consumption within the organisation	1.3 Key Indicators – pg. 13 4.5 Natural Capital – pg. 123 GRI Indicators – pg. 158	Principles 7 and 8	SDG 7, 12 and 13 (1) SDG 8 (2)	Reasonable
G4-EN4	Energy consumption outside the organisation	GRI Indicators – pg. 158	Principles 7 and 8	SDG 7, 12 and 13 (1) SDG 8 (2)	Reasonable
G4-EN5	Energy intensity	GRI Indicators – pg. 158	Principles 7 and 8	SDG 7, 12 and 13 (1) SDG 8 (2)	Reasonable
G4-EN6	Reduction of energy consumption	4.5 Natural Capital – pg. 123, 125-127 GRI Indicators – pg. 158	Principles 8 and 9	SDG 7, 12 and 13 (1) SDG 8 (2)	Reasonable
G4-EN7	Reductions in energy requirements of products and services	4.5 Natural Capital – pg. 125-127 GRI Indicators – pg. 158	Principles 8 and 9	SDG 7, 12 and 13 (1) SDG 8 (2)	Reasonable
WATER					
Forms of Management - DMA:		2.3.5 Materiality analysis – pg. 34-35; 2.3.6 Management approach – pg. 36; 1.3 Key Indicators – pg. 12-13			
G4-EN8	Total water withdrawal by source	1.3 Key Indicators – pg. 13 4.5 Natural Capital – pg. 124 GRI Indicators – pg. 158	Princípios 7 and 8	SDG 6 (2)	Reasonable
G4-EN10	Percentage and total volume of water recycled and reused	GRI Indicators – pg. 159	Principle 8	SDG 6 and 8 (2) SDG 12 (1)	Limited

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GRI INDICATOR		LOCATION (PAGE)	GCP	SDG ^(1 AND 2)	EXTERNAL ASSURANCE
BIODIVERSITY					
Forms of Management - DMA:		2.3.5 Materiality analysis – pg. 34-35; 2.3.6 Management approach – pg. 36; 1.3 Key Indicators – pg. 12-13			
G4-EN11	Sites in protected areas - operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas	GRI Indicators – pg. 159	Principle 8	SDG 6 and 14 (2) SDG 15 (1)	Reasonable
G4-EN12	significant direct and indirect impacts on biodiversity in protected areas and areas of high biodiversity value	GRI Indicators – pg. 159-160	Principle 8	SDG 6 and 14 (2) SDG 15 (1)	Reasonable
G4-EN13	Habitats protected or restored	GRI Indicators – pg. 160	Principle 8	SDG 6 and 14 (2) SDG 15 (1)	Reasonable
G4-EN14	Total number of IUCN Red List species and national conservation list species with habitats in areas affected by the operations of the organisation, by level of extinction risk	GRI Indicators – pg. 161	Principle 8	SDG 6 and 14 (2) SDG 15 (1)	Reasonable
EMISSIONS					
Forms of Management - DMA:		2.3.5 Materiality analysis – pg. 34-35; 2.3.6 Management approach – pg. 36; 1.3 Key Indicators – pg. 12-13			
G4-EN15	Direct GHG emissions (Scope 1)	4.5 Natural Capital – pg. 124 GRI Indicators – pg. 161-162	Principles 7 and 8	SDG 3, 12, 13 and 15 (1) SDG 14 (2)	Reasonable
G4-EN16	Indirect GHG emissions (Scope 2)	4.5 Natural Capital – pg. 124 GRI Indicators – pg. 162	Principles 7 and 8	SDG 3, 12, 13 and 15 (1) SDG 14 (2)	Reasonable
G4-EN17	Indirect GHG emissions (Scope 3)	GRI Indicators – pg. 162	Principles 7 and 8	SDG 3, 12, 13 and 15 (1) SDG 14 (2)	Reasonable
G4-EN18	GHG emissions intensity	GRI Indicators – pg. 162	Principles 7 and 8	SDG 14 (2), SDG 15 (1)	Reasonable
G4-EN19	GHG emissions reductions	1.3 Key Indicators – pg. 13 4.5 Natural Capital – pg. 124 GRI Indicators – pg. 162	Principles 7 and 8	SDG 13 and 15 (1) SDG 14 (2)	Limited
G4-EN20	Emissions of ozone-depleting substances, by weight	GRI Indicators – pg. 162	Principles 7 and 8	SDG 3 and 12 (1)	Limited
G4-EN21	NOx, SOx and other significant air emissions	GRI Indicators – pg. 162-163	Principles 7 and 8	SDG 3, 12 e 15 (1) SDG 14 (2)	Limited

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GRI INDICATOR	LOCATION (PAGE)	GCP	SDG ^(1 AND 2)	EXTERNAL ASSURANCE
EFFLUENTS AND WASTE				
Forms of Management - DMA:		2.3.5 Materiality analysis – pg. 34-35; 2.3.6 Management approach – pg. 36; 1.3 Key Indicators – pg. 12-13		
G4-EN22 Total water discharge by quality and destination	GRI Indicators – pg. 163	Principle 8	SDG 3 and 12 (1) SDG 6 and 14 (2)	Limited
G4-EN23 Total weight of waste by type and disposal method	4.5 Natural Capital – pg. 125 GRI Indicators – pg. 163	Principle 8	SDG 3 and 12 (1) SDG 6 (2)	Reasonable
COMPLIANCE				
G4-EN29 Monetary value of significant fines and total number of non-monetary sanctions for non-compliance with environmental laws and regulations	GRI Indicators – pg. 163	Principle 8	SDG 16 (2)	Reasonable
GENERAL				
G4-EN31 Total environmental protection expenditures and investments, by type	GRI Indicators – pg. 163	Principles 7, 8 and 9	SDG 7, 9, 12, 13, 15 and 17 (1); SDG 14 (2)	Reasonable
SUPPLIER ENVIRONMENTAL ASSESSMENT				
Forms of Management - DMA:		2.3.5 Materiality analysis – pg. 34-35; 2.3.6 Management approach – pg. 36; 1.3 Key Indicators – pg. 12-13		
G4-EN32 Percentage of new suppliers that were screened using environmental criteria	GRI Indicators – pg. 163-164	Principle 8	-	Limited
G4-EN33 Significant actual and potential negative environmental impacts in the supply chain and actions taken	GRI Indicators – pg. 164	Principle 8	-	Limited
LABOUR INDICATORS				
EMPLOYMENT				
Forms of Management - DMA:		2.3.5 Materiality analysis – pg. 34-35; 2.3.6 Management approach – pg. 36; 1.3 Key Indicators – pg. 12-13		
G4-LA1 Total number and rates of new employee hires and employee turnover by age group, gender and region	GRI Indicators – pg. 164-165	Principle 6	SDG 5 and 8 (2)	Reasonable
G4-LA2 Benefits provided to full-time employees that are not provided to temporary or part-time employees, by significant locations of operation	GRI Indicators – pg. 165	-	SDG 8 (2)	Limited
G4-LA3 Return to work and retention rates after parental leave, by gender	GRI Indicators – pg. 166	Principle 6	SDG 5 and 8 (2)	Limited

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GRI INDICATOR		LOCATION (PAGE)	GCP	SDG ^(1 AND 2)	EXTERNAL ASSURANCE
OCCUPATIONAL HEALTH AND SAFETY					
Forms of Management - DMA:		2.3.5 Materiality analysis – pg. 34-35; 2.3.6 Management approach – pg. 36; 1.3 Key Indicators – pg. 12-13			
G4-LA5	Percentage of total workforce represented in formal joint management-worker health and safety committees that help monitor and advise on occupational health and safety programmes	GRI Indicators – pg. 166	-	SDG 8 (2)	Limited
G4-LA6	Type of injury and rates of injury, occupational diseases, lost days, and absenteeism and total number of work-related fatalities, by region and by gender	GRI Indicators – pg. 167-168	-	SDG 3 (1) SDG 8 (2)	Reasonable
G4-LA7	Workers with high incidence or high risk of diseases related to their occupation	GRI Indicators – pg. 168	-	SDG 3 (1) SDG 8 (2)	Limited
G4-LA8	Health and safety topics covered in formal agreements with trade unions	GRI Indicators – pg. 168-169	-	SDG 8 (2)	Limited
TRAINING AND EDUCATION					
Forms of Management - DMA:		2.3.5 Materiality analysis – pg. 34-35; 2.3.6 Management approach – pg. 36; 1.3 Key Indicators – pg. 12-13			
G4-LA9	Average hours of training per year per employee, by gender, and by employee category	GRI Indicators – pg. 169	Principle 6	SDG 4, 5 and 8 (2)	Reasonable
G4-LA10	Programmes for skill management and lifelong learning that support the continued employability of employees and assist them in managing career endings	GRI Indicators – pg. 169-170	Principle 6	SDG 8 (2)	Limited
G4-LA11	Percentage of employees receiving regular performance and career development reviews, by gender and employee category	GRI Indicators – pg. 170	-	SDG 5 and 8 (2)	Limited
DIVERSITY AND EQUAL OPPORTUNITY					
Forms of Management - DMA:		2.3.5 Materiality analysis – pg. 34-35; 2.3.6 Management approach – pg. 36; 1.3 Key Indicators – pg. 12-13			
G4-LA12	Composition of governance bodies and breakdown of employees per employee category, according to gender, age group, minority group membership, and other indicators of diversity	GRI Indicators – pg. 171	Principle 6	SDG 5 and 8 (2)	Reasonable
SALARY EQUALITY BETWEEN MEN AND WOMEN					
Forms of Management - DMA:		2.3.5 Materiality analysis – pg. 34-35; 2.3.6 Management approach – pg. 36; 1.3 Key Indicators – pg. 12-13			
G4-LA13	Ratio of basic salary and remuneration of women to men by employee category, by significant locations of operation	GRI Indicators – pg. 171-172	Principle 6	SDG 5,8 and 10 (2)	Reasonable

1) Direct impact of Brisa 2) Indirect impact of Brisa

GCP = Global Compact Principles

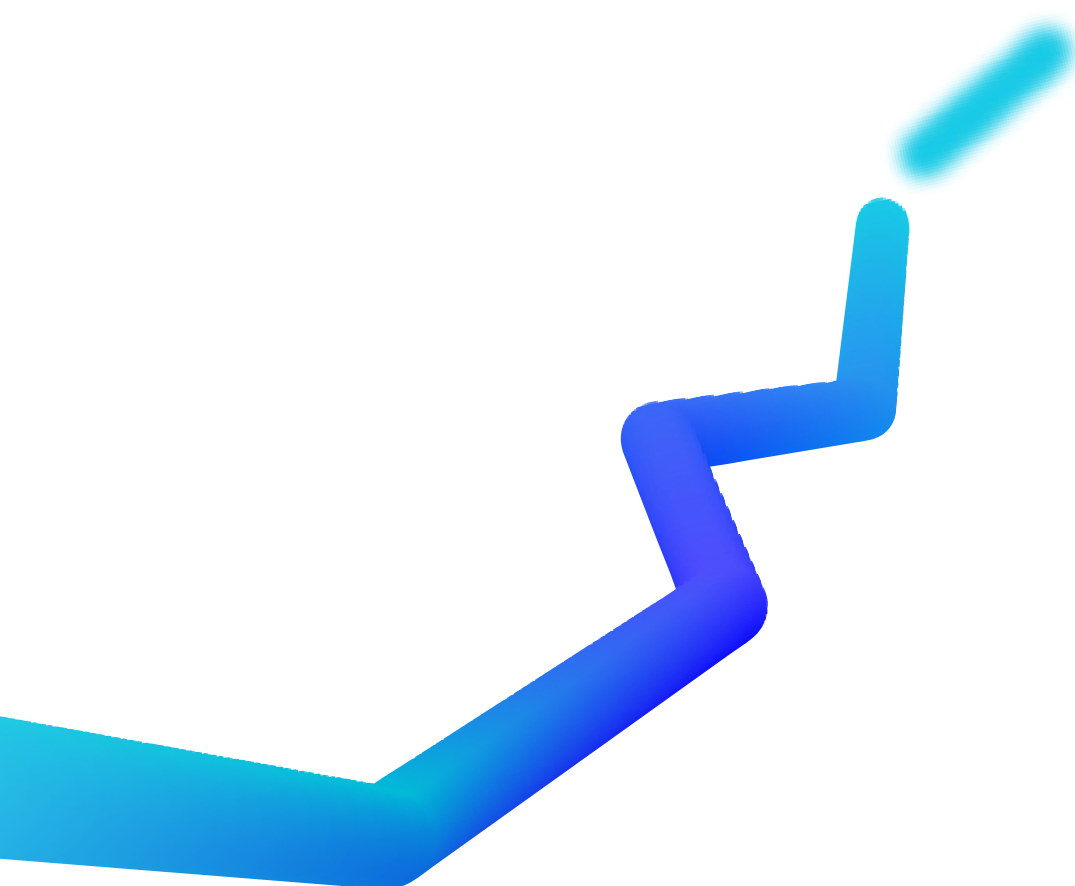
GRI INDICATOR	LOCATION (PAGE)	GCP	SDG ^(1 AND 2)	EXTERNAL ASSURANCE
SUPPLIER ASSESSMENT FOR LABOUR PRACTICES				
Forms of Management - DMA:	2.3.5 Materiality analysis – pg. 34-35; 2.3.6 Management approach – pg. 36; 1.3 Key Indicators – pg. 12-13			
G4-LA14 Percentage of new suppliers that were screened using labour practices criteria	GRI Indicators – pg. 172	-	SDG 5,8 and 16 (2)	Limited
G4-LA15 Significant actual and potential negative impacts for labour practices in the supply chain and actions taken	GRI Indicators – pg. 172	-	SDG 5,8 and 16 (2)	Limited
HUMAN RIGHTS INDICATORS				
SUPPLIER HUMAN RIGHTS ASSESSMENT				
Forms of Management - DMA:	2.3.5 Materiality analysis – pg. 34-35; 2.3.6 Management approach – pg. 36; 1.3 Key Indicators – pg. 12-13			
G4-HR10 Percentage of new suppliers that were screened using human rights criteria	GRI Indicators – pg. 173	Principles 2, 4, 5	-	Limited
G4-HR11 Significant actual and potential negative human rights impacts in the supply chain and actions taken	GRI Indicators – pg. 173	Principles 2, 4, 5	-	Limited
SOCIETY INDICATORS				
LOCAL COMMUNITIES				
Forms of Management - DMA:	2.3.5 Materiality analysis – pg. 34-35; 2.3.6 Management approach – pg. 36; 1.3 Key Indicators – pg. 12-13			
G4-S01 Percentage of operations with implemented local community engagement, impact assessments, and development programmes	GRI Indicators – pg. 173	Principle 1	-	Limited
G4-S02 Operations with significant actual and potential negative impacts on local communities	GRI Indicators – pg. 174-175	Principle 1	SDG 1 and 2 (2)	Limited
ANTI-CORRUPTION				
Forms of Management - DMA:	2.3.5 Materiality analysis – pg. 34-35; 2.3.6 Management approach – pg. 36; 1.3 Key Indicators – pg. 12-13			
G4-S03 Total number and percentage of operations assessed for risks related to corruption	GRI Indicators – pg. 175	Principle 10	SDG 16 (2)	Limited
G4-S04 Communication and training on anti-corruption policies and procedures	GRI Indicators – pg. 175	Principle 10	SDG 16 (2)	Reasonable
G4-S05 Confirmed incidents of corruption and actions taken	GRI Indicators – pg. 175	Principle 10	SDG 16 (2)	Limited

1) Direct impact of Brisa 2) Indirect impact of Brisa
GCP = Global Compact Principles

GRI INDICATOR		LOCATION (PAGE)	GCP	SDG ^(1 AND 2)	EXTERNAL ASSURANCE
ANTI-COMPETITIVE BEHAVIOUR					
Forms of Management - DMA:		2.3.5 Materiality analysis – pg. 34-35; 2.3.6 Management approach – pg. 36; 1.3 Key Indicators – pg. 12-13			
G4-S07	Total number of legal actions for anti-competitive behaviour, anti-trust and monopoly practices and their outcomes	GRI Indicators – pg. 176	-	SDG 16 (2)	Reasonable
SUPPLIER ASSESSMENT FOR IMPACTS ON SOCIETY					
Forms of Management - DMA:		2.3.5 Materiality analysis – pg. 34-35; 2.3.6 Management approach – pg. 36; 1.3 Key Indicators – pg. 12-13			
G4-S09	Percentage of new suppliers that were screened using criteria for impacts on society	GRI Indicators – pg. 176	-	-	Limited
G4-S010	Significant actual and potential negative impacts on society in the supply chain and actions taken	GRI Indicators – pg. 176-178	-	-	Limited
PRODUCT RESPONSIBILITY INDICATORS					
CUSTOMER HEALTH AND SAFETY					
G4-PR1	Percentage of significant product and service categories for which health and safety impacts are assessed for improvement	GRI Indicators – pg. 178-179	-	-	Limited
G4-PR2	Total number of incidents of non-compliance with regulations and voluntary codes concerning the health and safety impacts of products and services during their life cycle, by type of outcomes	GRI Indicators – pg. 180	-	SDG 16 (2)	Limited
PRODUCT AND SERVICE LABELING					
Forms of Management - DMA:		2.3.5 Materiality analysis – pg. 34-35; 2.3.6 Management approach – pg. 36; 1.3 Key Indicators – pg. 12-13			
G4-PR5	Results of surveys measuring customer satisfaction	GRI Indicators – pg. 180	-	-	Limited
PRODUCT AND SERVICE LABELING					
Forms of Management - DMA:		2.3.5 Materiality analysis – pg. 34-35; 2.3.6 Management approach – pg. 36; 1.3 Key Indicators – pg. 12-13			
G4-PR8	Total number of substantiated complaints regarding breaches of customer privacy and losses of customer data	GRI Indicators – pg. 180	-	SDG 16 (2)	Limited

1) Direct impact of Brisa 2) Indirect impact of Brisa
GCP = Global Compact Principles

GRI INDICATORS



SCOPE OF INDICATORS

ECONOMIC, HUMAN RIGHTS, SOCIETY AND PRODUCT RESPONSIBILITY INDICATORS:

Brisa Group companies included in the financial consolidation scope, with the exception of BMS and BAS

ENVIRONMENTAL INDICATORS:

Brisa Group companies with significant operation and for which the monitoring of these indicators is considered relevant

LABOUR INDICATORS:

Brisa Group companies with employees at 31 December, with the exception of BMS and BAS

COMPANIES	FUEL	ELECTRICITY	WATER	WASTE	PRACTICES
BGI - BRISA GESTÃO INFRAESTRUTURAS, S.A.	x	a)	x	x	x
BRISA AUTO-ESTRADAS DE PORTUGAL, S.A.	x	b)	b)	x	x
BRISA CONCESSÃO RODOVIÁRIA, S.A.	x	b)	b)	c)	x
BRISA - CONSERVAÇÃO DE INFRAESTRUTURAS, S.A.	x	b)	b)	x	d)
BRISA INOVAÇÃO E TECNOLOGIA, S.A.	x	x	x	x	x
BRISA - O&M, S.A.	x	x	x	x	x
CONTROLAUTO - CONTROLO TÉCNICO AUTOMÓVEL, S.A.	x	x	x	c)	x
ITEUVE PORTUGAL, SOCIEDADE UNIPESSOAL LDA.	x	x	x	c)	x
M. CALL, S.A.	x	x	x	c)	x
VIA VERDE CARSHARING, S.A.	x	b)	b)	c)	x
VIA VERDE CONTACT, S.A.	x	b)	b)	x	x
VIA VERDE PORTUGAL - GESTÃO DE SISTEMAS ELETRÓNICOS DE COBRANÇA, S.A.	x	b)	b)	x	x
VIA VERDE SERVIÇOS, S.A.	x	b)	b)	c)	x
BRISA - ÁREAS DE SERVIÇO, S.A.	x	x	x	x	e)

a) No meter; building shared with non-Brisa Group companies

b) Included in Brisa O&M/OC Carcavelos

c) Monitoring centralised in BAE

d) Merged into BGI

e) Not considered by the HRD since BAS employees are managed by company Áreas.

ECONOMIC INDICATORS

G4-EC1

DIRECT ECONOMIC VALUE GENERATED AND DISTRIBUTED

	'17 (€M)
Direct economic value generated	679.3
Direct economic value distributed	301.5
Remuneration	90.9
Dividends	0.0
Payments to the State*	135.4
Investment in Local Communities	0.7
Donations	0.5
Public Service**	0.2
Operating costs	74.5
Economic Value withheld	377.8

* Includes income tax, payments to local municipalities and other taxes

** Brisa considers as Public Service all activities developed mainly for the benefit of society, the ultimate purpose of which are not commercial considerations, excluding donations.

G4-EC2

FINANCIAL IMPLICATIONS AND OTHER RISKS AND OPPORTUNITIES DUE TO CLIMATE CHANGE

The answer to this indicator is found in Chapter 4.3 Intellectual Capital, on page 114-116 of this Report.

G4-EC3

COVERAGE OF THE COMPANY'S DEFINED BENEFIT PLAN OBLIGATIONS

According to estimate as of 31 December 2017 of the value of the Pension Fund and respective liabilities, according to the Benefit Plan currently in force at the company as provided in Brisa's Pension Fund Agreement, in 2017 the fund had a deficit of € 124 thousand.

The current value of projected liabilities is € 18 249 thousand.

	BAE	VVP	BRISA O&M	BIT	BCI	TOTAL
Number of employees covered	218	153	1 054	56	283	1 764
Total number of employees	225	175	1 052*	60	325	1 837
% of employees covered by the pension fund	97%	87%	100%	93%	87%	96%

* 2 employees left

G4-EC4

SIGNIFICANT FINANCIAL ASSISTANCE RECEIVED FROM GOVERNMENT

No financial assistance was received from the Government in 2017.

G4-EC5

RATIO OF STANDARD ENTRY LEVEL COMPARED TO LOCAL MINIMUM WAGE AT SIGNIFICANT LOCATIONS OF OPERATION

At the end of 2017 the lowest wage paid in the Organisation was € 557. This remuneration applies to 1.35% of the population.

EC5	'16	'17
Lowest wage at the organisation	532	557
National minimum wage	530	557
Ratio of the lowest wage in the organisation compared to the national minimum wage	1.00	1.00
Lowest wage of the organisation's most representative group	762	773
Employees (toll sector)	27.8%	26.7%
Ratio of the lowest wage of the organisation's most representative group	1.44	1.39

G4-EC6

PROPORTION OF SENIOR MANAGEMENT HIRED FROM THE LOCAL COMMUNITY

Brisa does not practise any type of discrimination when recruiting its workers and is prohibited, for legal reasons, from exercising any type of discrimination in the recruitment of new employees within national territory. At international level, no hirings were recorded.

G4-EC9

PROPORTION OF SPENDING ON LOCAL SUPPLIERS AT SIGNIFICANT LOCATIONS OF OPERATION

Brisa does not practise any type of discrimination in the selection of its suppliers; it consults the market and receives bids from both local and international suppliers. Brisa is subject to the public contracting regime, being thus required to launch tenders, in accordance with the Law.

In 2017 the percentage of local suppliers was 95.3%.

ENVIRONMENTAL INDICATORS

G4-EN3

DIRECT ENERGY CONSUMPTION BY PRIMARY ENERGY SOURCE

The answer to this indicator is found in Chapter 4.5 Natural Capital, on page 123 of this Report.

G4-EN4

INDIRECT ENERGY CONSUMPTION OUTSIDE THE ORGANISATION

Brisa considers that only indirect energy consumption within the organisation is its responsibility, not outside it.

G4-EN5

ENERGY INTENSITY

To determine energy intensity, Brisa used fuel and electricity consumption of the Group, and the consolidated kilometres of network for this sustainability report. Based on these facts, Brisa's energy intensity in 2017 is 161.9 GJ per kilometre.

G4-EN6

REDUCTION OF ENERGY CONSUMPTION

The answer to this indicator is found in Chapter 4.5 Natural Capital, on pages 123, 125-127 of this Report.

G4-EN7

REDUCTION IN ENERGY REQUIREMENTS OF PRODUCTS AND SERVICES

The answer to this indicator is found in Chapter 4.5 Natural Capital, on pages 125-127 of this Report.

G4-EN8

TOTAL WATER WITHDRAWAL BY SOURCE

Water consumption increased in 2017 in relation to the previous year mainly due to two reasons: (1) 2017 was a drought year in Portugal, requiring increased watering of gardens; (2) water support provided by Brisa in the fighting of the tragic fires occurred in several municipalities.

SOURCE	'16	'17
Own water supply (m³)	26 483	70 530
Public water supply (m³)	55 535	51 521
Total (m³)	82 018	122 051

G4-EN10

PERCENTAGE AND TOTAL VOLUME OF WATER RECYCLED AND REUSED

As part of its site supervision activity, Brisa Gestão de Infraestruturas (BGI¹) conducts laboratory tests to ensure the compliance of construction elements and materials. It has 2 laboratories allocated to this end, specifically those at the Maia site and the mobile laboratory.

The tests carried out by BGI aim to control the compliance of construction elements and

materials of the works it supervises. These tests are conducted on materials such as soils, aggregates, bituminous materials and concrete to determine the characteristics of samples collected at the site.

The vast majority of these tests do not require water. In fact, waste-water from the laboratory stems mainly from the washing of aggregates and of the equipment and material used in the tests.

Amongst the equipment used in the laboratories, those identified as consumers of considerable volume of water were the solvent recovery equipment, the water distiller and the rotary evaporator, which operate with cooling systems. It was thus decided to develop a system to recirculate this water, by storing it and subsequently pumping it in a closed cycle, thus reducing water consumption to zero.

The test carried out using the rotary evaporator consists of the recovery of bitumen from bituminous mixtures. Each test involves the operation of the rotary evaporator for 2 hours. Based on an estimated flow of 3 l/min, water consumption is reduced by 360 l per test carried out. An analysis of laboratory records shows that 3 tests were carried out in 2017 (lab's internal records), from which we can conclude that recirculating the water used to cool the rotary evaporator led to an annual saving of approximately 1.1 m³.

At the Maia site, the solvent recovery equipment works (when there are bitumen extraction samples) every 4 samples, for 2 hours each time, with an estimated flow rate of 3 l/min. According to laboratory records, in 582 bitumen extraction tests were carried out during 2017; since the water comes from the reuse system, we conclude that water savings reached 52.4 m³/year.

In the mobile laboratory, the solvent recovery equipment works (when there are bitumen extraction samples) every 4 samples, for 2 hours each time, with an estimated flow rate of 3 l/min. According to laboratory records, in 88 bitumen extraction tests were carried out during 2017; since the water comes from the reuse system, we conclude that water savings reached 7.9 m³/year.

The water distiller at the Maia laboratory operated about once a week, year-round. The estimated flow rate is 4l/min, operating 8h/day. Since the reused water comes from the reuse system, we conclude that water consumption savings reached around 99.8 m³ per year.

It can be concluded that the recirculation of water used in the solvent recovery equipment, water distiller and rotary evaporator, during 2017, led **to water consumption savings of around 161.2 m³ in 2017.**

¹ Formerly (up to August 2017) BEG – Brisa Engenharia e Gestão. In September 2017, BGI – Brisa Gestão de Infraestruturas was set up, integrating BEG, BCI (Brisa Conservação e Infraestruturas) and part of BOM (Brisa Operação e Manutenção).

G4-EN11

SITES IN PROTECTED AREAS - OPERATIONAL SITES OWNED, LEASED, MANAGED IN, OR ADJACENT TO, PROTECTED AREAS AND AREAS OF HIGH BIODIVERSITY VALUE OUTSIDE PROTECTED AREAS

In 2017 the managed area included in the Natura 2000 Network totals 3 591 221.11 sq.m., i.e. 359.12 hectares.

The area is the same reported on in previous years (2009-2016), as no infrastructure / widenings works crossing any areas of the Natura 2000 Network were carried out during 2017.

As far as this indicator is concerned, it should be noted that the company has leased area for the implementation of impact mitigation measures. This area is located at Monte Pardieiro covering 10.000 sq.m. in the Castro Verde Special Protection Area, with the aim of preserving the habitat of the Lesser Kestrel.

G4-EN12

SIGNIFICANT DIRECT AND INDIRECT IMPACTS ON BIODIVERSITY IN PROTECTED AREAS AND AREAS OF HIGH BIODIVERSITY VALUE

To answer to this indicator Brisa reports the occurrence of significant impacts on biodiversity in protected areas or areas of high value for biodiversity, which are considered to be the areas identified in the Natura 2000 Network. This analysis was divided into a Design and Works Phase and an Operating phase to facilitate the explanation of procedures and the reasons behind them.

DESIGN AND WORKS PHASES

Impacts on biodiversity associated with the construction and operation of motorways are first evaluated during the Environmental Impact Assessment process, during the implementation study and design phase, when different layouts and design projects are reviewed. Based on this analysis, measures are outlined to mitigate or offset expected impacts on biodiversity.

During the works phase, environmental monitoring is performed, and the Environmental Management Plan and monitoring programmes are implemented, with the main purpose of ensuring a correct collection of information to assess the main impacts arising from this phase and ensure an adequate implementation of the project. Moreover, these practices allow a timely identification of possible situations that may lead to the need for additional measures to mitigate or offset impacts. The systematic gathering of environmental data, such as the quality of surface waters and groundwater, noise, air quality, fauna, flora, soils, is a highly relevant procedure in Environmental Impact Assessments (EIA), since it allows to assess the quality of the environment and project impacts, the efficacy of mitigation measures adopted, and the weighing of predictive models used for EIAs.

There are no environmental impacts to report in 2017 as no work was done in 2017 in areas inside the Natura 2000 Network.

OPERATING PHASE

Some of the most relevant environmental impacts occur during construction phase, therefore, we have sought to develop methodologies to prevent and control impacts during this phase. In the context of biodiversity, the main environmental impacts caused by the operation of motorways are fragmentation and alteration of habitats, the running over of fauna and increased human pressure.

The entire motorway network under concession to Brisa is covered by an animal collision monitoring system and all motorways built or undergoing widening work after the entry into force of Decree-Law no. 69/2000 of 3

May (as amended by Decree-Law no. 151-B/2013 dated 31 October) are covered by **General Environmental Monitoring Plans**, viewing the post-assessment of impacts. These plans are focused on human health and well-being and the quality of ecosystems; hence, biodiversity-related issues are approached using an integrated view which includes the specific monitoring of fauna and the follow-up of environmental quality indicators allowing to support the different communities.

A Fauna Identification Manual was made available to Operational Centres and Road Assistance Structures to support the recording system of animals struck by cars.

The monitoring of fauna roadkill in 2017 carried out across Brisa's motorway network has shown that in the sub-stretches that cross areas included in the Natura 2000 Network, there was no record of collisions with species listed as threatened in "Livro Vermelho dos Vertebrados de Portugal (2005)" [The Red Book of Portuguese Vertebrates (2005)]

On the Almodôvar/S. Bartolomeu de Messines and S. Bartolomeu de Messines/V.L.A. sub-stretches of A2 motorway, which cross the Caldeirão and Barrocal sites, the impact on biodiversity is also assessed through ecosystem quality monitoring campaigns.

These campaigns include the monitoring of noise on the A2 - Bartolomeu de Messines/Paderne (A22), which established that the limit values for noise exposure provided by law were duly complied with in every location monitored.

Additionally, Brisa issued an "Environmental Management Operating Procedures Manual" (POGA), which must be followed by contractors of construction works. The Manual provides a set of guidelines and actions to be implemented during the works, with a view to follow the best environmental practices in relevant construction works.

Likewise, it is worth pointing out the requirement made to contractors of having on Environmental Manager on site at all times, and of

implementing an Environmental Management System (EMS), consisting of an Environmental Management Plan (EMP), viewing to ensure the environmental framework of the works.

Brisa's Supervision, on the other hand, is responsible for controlling and ensuring compliance with all legal and contractual requirements which must be implemented by the contractor in all phases of the works: pre-construction, construction, and post-construction. Moreover, all participants in Brisa's environmental supervision receive adequate training viewing the efficient control of the environmental requirements established for any works.

In terms of **management and protection of the flora**, Brisa carries forward a **set of measures** such as:

- Improvements brought by planting native tree/shrub species;
- Forest fire prevention measures to prevent fires and the destruction of the organisation's plant heritage;
- Control of invading species as listed in Annex I of Decree-Law No. 561/99 of 12 December;
- Cutting and removal of burnt vegetation, providing for the rapid growth of native plants, enabling the recovery of habitats.

We highlight the **Business & Biodiversity Initiative** – in place for 10 years, the EVOA Project – Bird Watching and Interpretation Centre, stemming from protocol entered by Companhia das Lezírias and Brisa – Autoestradas de Portugal, within the scope of Brisa's biodiversity programme, which has successfully achieved its goals. Visitors can enjoy a unique natural heritage, composed of three wetlands - covering a total of 70 ha - at Lezíria Grande in Vila Franca de Xira, a refuge and rearing ground of 120 thousand birds.

Contributing to the impact of the EVOA, which in 2017 reached the barrier of 30 thousand visitors, Brisa prepared a programme to promote visits by the general public at larger scale of the areas recovered under the Protocol with Companhia das Lezírias. This programme called Environment First, was launched in 2013 and is part of Brisa's Education Programme.

In 2017 Brisa started to prepare a new biodiversity programme, having initiated separate talks for this purpose with Companhia das Lezírias and Quercus.

G4-EN13

HABITATS PROTECTED AND RESTORED

Restoring and protecting certain habitats is part of Brisa’s biodiversity strategy, and it is used to prevent or restore negative impacts associated with Brisa’s activities. Areas of protected or restored habitats may result from the following actions:

- The implementation, at the end of works, of landscape integration and restoration projects;
- The implementation of active habitat restoration or protection measures during the road infrastructure operating phase;
- Habitat protection and restoration projects resulting from partnerships with other organisations, aimed at areas of habitats different to those referred to above.

In relation to the implementation of landscape integration and recovery projects, hydro-seeding was applied to an area of 39,120 sq.m (3.91 ha) of motorway slopes, and tunnel accesses and climbers and other plants were installed in an area of 2,600 sq.m /0.3 ha) of motorways under construction, during 2017.

With regard to active restoration and protection measures during operating phase, within the scope of the implementation of mitigation measures associated with the Aljustrel/Castro Verde sub-stretch of the A2 sub-stretch, a protocol was signed with the ICNF (formerly ICNB) to ensure the implementation of management measures of the Lesser Kestrel

colony (Falco naumanni) that ended in 2013. Under this protocol a lease was signed with the owners of Monte do Pardieiro (nesting ground of the Lesser Kestrel) for an area of 10 000 sq.m. (1 ha) inside the Castro Verde Special Protection Area. This contract was renewed in 2007 and its term extended until the end of 2032.

In addition, vegetation burned by fires was cut and removed to facilitate the rapid growth of native plants, thus contributing to the recovery of habitats. The area covered by this measure totalled approximately 738,355 sq.m. (73.8 ha) during 2017.

In relation to the restoring and protection of habitats stemming from partnerships with third parties, Brisa is aware of the impact of its activity on biodiversity, promoting voluntary actions, from an environmental responsibility perspective. These actions are translated in projects that form part of the Business & Biodiversity Protocol, mentioned in answer to EN12 indicator.

In the light of the data provided above, in 2017 the area of protected/ restored habitats totalled 798,978.50 sq.m. corresponding to79.9 ha.

G4-EN14

TOTAL NUMBER OF IUCN RED LIST SPECIES AND NATIONAL CONSERVATION LIST SPECIES WITH HABITATS IN AREAS AFFECTED BY OPERATIONS, BY LEVEL OF EXTINCTION RISK

During 2017, there were two animal species (birds) on the IUCN red list and on the national species conservation list, with habitats affected by the operations, by extinction risk level.

		BIRDS		
MW	SUB-STRETCH	SPECIES	COMMON NAME	STATUS
A1	Carvalhos - Santo Ovídeo	Anthus trivialis	Petinha-das-árvores	R (rare)
A4	Novo Túnel de Águas Santas (Águas Santas/ Ermesinde)	Caprimulgus europaeus	Noitibó-cinzento	VU (vulnerable)

In 2017 there were no works supervised by BGI where uncommon or rare species grew.

G4-EN15

DIRECT EMISSIONS OF GHG (SCOPE 1)

The answer to this indicator is found in Chapter 4.5 Natural Capital, on page 124 of this Report.

The following conversion factors were used for determining emissions associated with fuel consumption:

	DIESEL	GASOLINE
Fuel (GJ/TON)	43.07	44.00
Oxidation factor	0.99	0.99
Emission factor (KG CO ₂ /GJ)	74.1	73.7
Density (T/M ³ OU KG/L)	0.837	0.745
Emission factor CH ₄ (kg CH ₄ /GJ)	0.0007	0.01
Emission factor N ₂ O (kg N ₂ O/GJ)	0.0004	0.0006
PAG CH ₄	21	
PAG N ₂ O	310	

G4-EN16

DIRECT EMISSIONS OF GHG (SCOPE 2)

The answer to this indicator is found in Chapter 4.5 Natural Capital, on page 124 of this Report.

The following conversion factor was used for determining energy consumption:

- CO₂ (g/kWh): 309,10

Source: <https://www.edp.pt/empresas/apoio-cliente/origem-energia/?sector=Total%20EDP%20Comercial&year=2016&period=0>

G4-EN17

OTHER RELEVANT INDIRECT GREENHOUSE (GHG) EMISSIONS (SCOPE 3)

The Indicator is not accounted for, as in-service journeys are normally made in vehicles belonging to the Brisa group fleet. The emissions generated during these journeys are therefore counted as direct emissions.

Taking into account that the company does not transport its staff, the remaining journeys made, specifically by air carriers, are very marginal and not very significant, and are not shown in this report.

G4-EN18

EMISSIONS INTENSITY

Within the scope of this indicator, to determine emissions intensity, we used the emissions at Group level, and consolidated kilometres of network for this report. Based on these data, in 2017 the intensity of Brisa's emissions did not change in relation to the previous year, standing at 13 tCO₂eq per kilometre.

G4-EN19

REDUCTION OF GHG EMISSIONS

The answer to this indicator is found in Chapter 4.5 Natural Capital, on page 124 of this Report.

G4-EN20

EMISSIONS OF OZONE-DEPLETING SUBSTANCES (ODS)

This indicator does not apply to the Brisa Group as the organisation's processes, products and services do not use substances that deplete the ozone layer. Moreover, ozone-depleting substances contained or emitted by products during their use or disposal are not to be accounted for, this being the case of substances contained in air conditioning equipment.

In view of the above and although it does not seem that the scope of this indicator applies to the organisation, it is important to draw up and report the inventory of equipment in existence and the type of refrigerant used, in order to monitor the degree of compliance with legislation that establishes that as from 1 January, 2015 there should be no equipment that use hydrochlorofluorocarbons, and show/demonstrate the Group's commitment in relation to these global issues.

G4-EN21

NO_x, SO_x AND OTHER SIGNIFICANT AIR EMISSIONS

The Brisa group does not carry out any activity producing significant atmospheric emissions within the scope of this indicator, since none of Brisa's activities can be included in the manufacturing industry category.

The Brisa Group's atmospheric emissions to be considered are those generated by the circulation of its vehicle fleet, which cannot be considered as significant as they are diffuse type emissions arising out of merely 842 vehicles. This figure includes 25 electric cars, 11 hybrid vehicles and 4 plug-in hybrid vehicles.

In relation to SOx emissions generated by burning fuel from traffic, these are not significant due to the implementation of significant reductions in the sulphur content of fuel.

With regard to other atmospheric emissions, data provided by air quality monitoring within the scope of General Environmental Monitoring Plans, on motorways with average daily traffic far higher than the number of vehicles in the Brisa Group's fleet (such as the A3 and A2) generally identify low concentrations of atmospheric pollutants. Therefore, the 842 vehicles circulating throughout Portugal cannot be considered significant and are negligible within the framework of this indicator and this report.

G4-EN22

TOTAL WATER DISCHARGE BY QUALITY AND DESTINATION

As part of the deactivation of the BEG laboratory² in Loures, this indicator now only considers information on the effluent produced at the BGI laboratory, in Maia.

The discharge value is determined based on water consumption values obtained through the EN8 indicator for the BGI site in Maia, considering that the domestic discharge volume produced corresponds to 80% of the water consumption.

² Formerly (up to August 2017) BEG – Brisa Engenharia e Gestão. In September 2017, BGI – Brisa Gestão de Infraestruturas was set up, integrating BEG, BCI (Brisa Conservação e Infraestruturas) and part of BOM (Brisa Operação e Manutenção).

The laboratory in Maia is estimated to discharge around 88 m³ in 2017, dropping in relation to 2016, according to information on water consumption obtained through the EN8 indicator.

The analysis sheets prove that discharge quality complies with legal requirements.

'16

LOCATION	UNITS	1 ST Q	2 ND Q	3 RD Q	4 TH Q	CUMULATIVE	80%
MAIA	(m ³)	27	44	40	33	144	115

'17

LOCATION	UNITS	1 ST Q	2 ND Q	3 RD Q	4 TH Q	CUMULATIVE	80%
MAIA	(m ³)	20	26	33	31	110	88

G4-EN23

TOTAL WEIGHT OF WASTE BY TYPE AND DISPOSAL METHOD

The answer to this indicator is found in Chapter 4.5 Natural Capital, on page 125 of this Report.

G4-EN29

MONETARY VALUE OF SIGNIFICANT FINES AND TOTAL NUMBER OF NON-MONETARY SANCTIONS FOR NON-COMPLIANCE WITH ENVIRONMENTAL LAWS AND REGULATIONS

No fines associated with this indicator were recorded in 2017.

G4-EN31

TOTAL ENVIRONMENTAL PROTECTION EXPENDITURES AND INVESTMENTS, BY TYPE

In 2017 Brisa invested approximately €M 4.3 in environmental expenditures, of which 67% concerned emissions and waste treatment and 33% concerned environmental management and prevention.

G4-EN32

PERCENTAGE OF NEW SUPPLIERS THAT WERE SCREENED USING ENVIRONMENTAL CRITERIA

In 2017 any new entity whose activity is considered strategic was selected based on the environmental requirements in force within the organisation, namely ISO 14001 certification requirements, and by including in any new contract entered the obligation to develop and implement Construction and Demolition Waste Management Prevention Plans.

The percentage of new suppliers selected according to these criteria was 2.53%.

G4-EN33

SIGNIFICANT ACTUAL AND POTENTIAL NEGATIVE ENVIRONMENTAL IMPACTS IN THE SUPPLY CHAIN AND ACTIONS TAKEN

Taking into account implemented controls and based on the analysis of product

documentation, employee training on handling the products and technician and company certifications, as well as by verifying the effectiveness of the actions, we did not find any negative impact in the supply chain.

Even though no complaints existed relating to this issue, namely as regards the use of products with potential risk, the organisation can conduct external audits certified by qualified partners (Achilles and SGS), for an even more assertive validation.

Furthermore, the organisation has been replacing products that pose a potential risk to the environment, with other zero risk alternatives*.

* Enzyme-based products; replacement of PET's, PP's, HDPE's, LDPE's, by glass.

LABOUR INDICATORS

G4-10

NO. OF EMPLOYEES PER CONTRACT TYPE

	'17
	NO. OF EMPLOYEES
TYPE OF CONTRACT	
Open-ended	2 228
Fixed term*	77
Undetermined term	39
GENDER	
Female	665
Male	1 679
TOTAL	2 344

* Includes fixed term contracts, term of office and traineeships

G4-11

PERCENTAGE OF TOTAL EMPLOYEES COVERED BY COLLECTIVE BARGAINING AGREEMENTS

	'15	'16	'17
Employees as of 31 December	2 343	2 344	2 344
No. of employees covered by agreements	2 274	2 271	2 270
% of employees covered	97.06%	96.89%	96.84%

CALCULATION FORMULA:

- No. of employees covered by the collective labour agreement (CBA) / total employees of the Brisa Group at the end of the period under review] *100

G4-LA1

TOTAL NUMBER AND RATES OF NEW EMPLOYEE HIRES AND EMPLOYEE TURNOVER BY AGE GROUP, GENDER AND REGION

Staff includes all employees, with the exception of trainees, outsources, posted workers and the Board of Directors of Brisa Auto-estradas.

	'15	'16	'17
Entered	61	65	74
Left	105	64	74
Employees at end of period	2 343	2 344	2 344
Average no. of employees	2 357	2 348	2 344
Turnover rate	7.05%	5.49%	6.31%

		'17	
	TOTAL	GENDER	
		M	F
Entered	74	31	43
Left	74	40	34
Total employees	2 344	1 679	665
Rate of new hires	3.16%	1.85%	6.47%
Turnover rate	3.16%	2.38%	5.11%

	'17	
	RATE OF NEW HIRES	ROTATION RATE
REGION		
North	1.46%	0.47%
Centre	2.73%	1.41%
Lisbon	4.67%	3.80%
Alentejo	0.88%	0.26%
Algarve	1.85%	0.38%
Total	3.16%	6.31%
AGE GROUP		
<30	40.54%	1.92%
30-50	56.76%	3.20%
>50	2.70%	1.19%

CALCULATION FORMULA:

- Rate of new hires = (No. of new hires / total no. of employees) x 100, by age group and gender
- Turnover rate = (No. of exits during reporting period / total no. of employees at end of period) x 100, by age group and gender
- Rotation rate = (No. of new hires + no. of exits during reporting period) /average staff)

G4-LA2

BENEFITS PROVIDED TO FULL-TIME EMPLOYEES THAT ARE NOT PROVIDED TO TEMPORARY OR PART-TIME EMPLOYEES, BY SIGNIFICANT LOCATIONS OF OPERATION

The benefits awarded to part-time employees are the same as those granted to full-time employees.

The benefits for businesses that endorse the **Brisa Collective Bargaining Agreement** (CBA) are:

- leave and paid absences in accordance with the General Labour Law;
- payment of sickness allowance (in cases of sick leave or accidents in the workplace, subsidised by social security or insurance);
- 23 holiday days;
- Payment of a supplement to the sickness benefit (Clause 72 and 73, CBA published in the BTE no. 27, on 22 July 2017);
- special allowance for workers with disabled children (Clause 70, CBA published in the BTE no. 27, on 22 July 2017);
- Urgent and necessary assistance to member of household (up to 15 days/ year, plus one more per child, adoptee or step-child, in addition to the first);
- Health insurance, life insurance and personal injury insurance;
- Defined contribution pension complement;
- Luncheon cards;
- Meal vouchers and allowances for compensation of family expenses (Clause 87, CBA published in the BTE no. 27, on 22 July 2017).

At **Controlauto** and **Iteuve**:

- Leave and paid absences in accordance with the General Labour Law;
- Possibility to enjoy up to 25 holiday days;
- Urgent and necessary assistance to member of household (up to 15 days/ year, plus one more per child, adoptee or step-child, in addition to the first);
- Health insurance, life insurance and personal injury insurance;
- Luncheon cards;
- Meal vouchers and allowances for compensation of family expenses.

At **M Call**:

- Leave and paid absences in accordance with the General Labour Law;
- Urgent and necessary assistance to member of household (up to 15 days/ year, plus one more per child, adoptee or step-child, in addition to the first);
- Health insurance;
- Luncheon cards;
- Meal vouchers and allowances for compensation of family expenses.

G4-LA3

RETURN TO WORK AND RETENTION RATES AFTER PARENTAL LEAVE, BY GENDER

TOTAL NO. OF EMPLOYEES ENTITLED TO PARENTAL LEAVE

Pursuant to art. 31, sub-paragraph 4, and articles 33 to 46 of SUBSECTION IV Parenthood (arts. 33 to 46), all employees are entitled.

For this purpose, Brisa considers that the same number of employees who enjoyed the right, as we are not aware of any employee who refused to use such right.

	'15 '16		'17				
			NO.			%	
			TOTAL	M	F	M	F
Employees enjoying parental leave (no.)	32	66	65	46	19	-	-
Employees who returned after enjoying parental leave (no. and %)	32	65	63	46	17	100%	89%
Employees who were still at the company 12 months after taking parental leave* (no. and %)	28	32	63	42	21	98%	91%

* This figure was determined for parental leaves in 2016

CALCULATION FORMULA:

- Rate of return to work after parental leave = (total number of employees who returned to work after parental leave / total number of employees who took parental leave) * 100, by gender
- Retention rate = (total number of employees still at the company 12 months after taking parental leave / total number of employees returning from parental leave in the previous reporting period) *100, by gender.

G4-LA5

PERCENTAGE OF TOTAL WORKFORCE REPRESENTED IN FORMAL JOINT MANAGEMENT-WORKER HEALTH AND SAFETY COMMITTEES THAT HELP MONITOR AND ADVISE ON OCCUPATIONAL HEALTH AND SAFETY PROGRAMMES

The terms for the official creation of a Commission on Health, Safety and Hygiene in the Workplace were provided in the Collective Labour Agreement in 2006. This joint committee, which provides for the election of workers' representatives, whose existence in the form of an election is formally agreed with the trade union organisations, is made up of a total of seven members, three worker representatives and three representatives of the company.

In 2007, Brisa's representatives sitting on the Commission of Health, Safety and Hygiene in the workplace, were appointed for the purpose of advising the company in its occupational health and safety systems and processes.

The election of worker representatives is pending.

	'15	'16	'17
Employees as of 31 December	2 343	2 344	2 344
No. of employees covered by agreements	2 274	2 271	2 270
% of employees covered	97.06%	96.89%	96.89%

CALCULATION FORMULA:

- No. of employees covered by the Collective Bargaining Agreement (CBA) / total employees of the Brisa Group at the end of the period under review) *100

HEALTH, HYGIENE AND SAFETY IN THE WORKPLACE

Clause 77

General principles

- Employers must comply with the laws on Health, Safety and Hygiene in the Workplace and adapt it, in cooperation the workers' representative bodies, to the specific characteristics of their activities, through internal regulations and their subsequent transposition into this CBA;
- As there are corporate relations between all signatory companies of this CBA, and as the main activities are carried at the facilities and for the rendering of services to one of them, only one company is deemed to exist for the purposes of Health, Safety and Hygiene in the Workplace, specifically regarding worker representatives;
- Given the geographic distribution of the companies' workplaces, worker representatives will be elected by correspondence, observing all formalities provided for by law;
- A joint Commission on Health, Safety and Hygiene in the Workplace (CHSHW) will be set up as an advisory body, following the election of worker representatives;
 - The CHSHW will be made up of 7 members elected as provided above, three of whom as representatives of the workers and three appointed by the employers;
 - Once the CHSHW is set up, it will have the responsibility to propose regulations for its operation, to be subsequently negotiated and agreed upon by the companies and trade union organisations that are signatories to the CBA.

Source: CBA

G4-LA6

TYPE OF INJURY AND RATES OF INJURY, OCCUPATIONAL DISEASES, LOST DAYS, AND ABSENTEEISM, AND TOTAL NUMBER OF WORK-RELATED FATALITIES, BY REGION AND BY GENDER

During 2017, the Internal Service for Health and Safety in the Workplace (ISHSW) carried out routine activities determined by the legal framework for Health and Safety in the Workplace and by the Brisa Group's Policy, including the following:

- Annual Health and Safety in the Workplace Report (Sole Report, MSST model) of each of the Brisa Group companies – Brisa O&M, BIT, BGI³, BCI, CTA, VVP, M Call.
- Annual accident rate reports for each of the Brisa Group companies.
- Monitoring and support for selecting suitable PPE for the individual characteristics of some employees.
- Reports on accidents in the workplace involving time off due to incapacity for work, or that are particularly serious from a safety perspective.

We highlight the following OHS training activities carried out in 2017:

BRISA O&M

- OHS training activities;
- Update of controlling the risk of being run over at the toll barriers;
- OC administrators (Reporting of occupational accidents).
- Verification of fire-extinguishers

BIT

- Risk assessment of electronic equipment maintenance

BCI

- Control of OHS documentation relating to each project; observation and analysis of any activity at the work site;
- Training actions, in the specific context of each project, on the safety procedures file as provided in DL 273/2003, for all civil works teams involved.
- Training of civil construction officials/civil construction assistants (periodical); and electricians;
- Technical Open Days.

BGI³

- Ação de formação para os novos Operadores de Laboratório;
- Ação de formação aos Trabalhadores Temporários.

CTA E ITV

- Training activities for new Laboratory Operators;
- Training activities for Temporary Workers.

M CALL

- Assessment of Risks and Safety Procedures;
- Report/audit of working conditions;

- Training of Call Centre Operators;
- MAP creation (monitoring);
- Training on evacuation, first aid and fire-fighting.

In general, the ISHSW activity plan for 2017 was met.

As regards the evolution of the accident rate of Brisa group companies, in overall terms, the number of accidents in absolute terms and the number of lost days associated thereto increased.

	'15	'16	'17
No. of accidents	93	91	111
Lost days	4 064	3 687	4 075
Men x hours worked	4 564 259	4 053 796	4 036 979
Frequency index	20.00	22.45	27.50
Severity index	977.2	909.52	1 009.42
Incidence index	39.5	38.76	47.35
Duration index	43.7	40.52	36.71
No. of fatalities resulting from accidents	0	0	0

HOURS OF ABSENTEEISM (NO.)

	'15	'16	'17
Occupational accidents	28 185	25 389	27 355
Trade union activity	9 084	9 923	9 663
Urgent assistance	8 040	7 930	9 600
Illness	122 141	118 082	122 795
Unjustified absence	1 093	626	822
Absence pending justification	-	1 290	1 442
Strike	8	8.5	27
Other causes	9 651	9 929	12 863
Total	178 202	173 178	184 567

³ Formerly (up to August 2017) BEG – Brisa Engenharia e Gestão. In September 2017, BGI – Brisa Gestão de Infraestruturas was set up, integrating BEG, BCI (Brisa Conservação e Infraestruturas) and part of BOM (Brisa Operação e Manutenção).

ABSENTEEISM RATE (%)

	'15	'16	'17
Occupational accidents	0.62	0.54	0.58
Trade union activity	0.20	0.21	0.21
Urgent assistance	0.18	0.17	0.20
Illness	2.68	2.51	2.62
Unjustified absence	0.02	0.01	0.02
Absence pending justification	-	0.03	0.03
Strike	0.00	0.00	0.00
Other causes	0.21	0.21	0.27
Total	3.91	3.68	3.93

CALCULATION FORMULA:

- Absenteeism = hours of absence / maximum work potential
Note: excluding absences for study/examinations and parenthood
- Occupational Accident Indices:
 - Incidence index - (no. of accidents in the workplace / average employee)x1000
 - Frequency index - (no. of accidents in the workplace x 1000000/ no. of hours worked)
 - Severity index - (no. of lost days x 1000000 / no. of hours worked)
 - Duration index - (no. of lost days / no. of accidents)

Working days are considered as lost days and the count starts on the day immediately following the day of the accident.

The formulas used for calculating this indicator are the same as for 2015 2016 and 2017 using the basis for calculation agreed in Directive no. 288/2009 of 20 March - which approves the Annual Report Template for the HSHW Services Activity. None of the other indicators are legally binding but they are used frequently in studies of Health and Safety in the Workplace

As of reporting date it is not possible to separate information by gender concerning absenteeism by reason

G4-LA7

WORKERS WITH HIGH INCIDENCE OR HIGH RISK OF DISEASES RELATED TO THEIR OCCUPATION

Brisa contracts the provision of health services in both the fields of Occupational Medicine and Curative Medicine. This service covers all workers and allows actions to be taken to prevent, educate and control the risk of diseases considered serious by the Portuguese National Health Service.

Occupational Medicine periodically organises consultations and auxiliary diagnosis examinations aimed at ruling out the occurrence of severe diseases, regardless of whether they are related to working conditions or to the professional activity.

Employees are given medical examinations every two years, followed by a consultation with a doctor. Consultations are still arranged in the year when no examinations are performed. Employees with ages and functions that could potentially involve a greater risk/likelihood of health problems are given annual medical examinations and consultations. Employees under 18 years old and over 50 form part of this group, as well as employees who work shifts.

From another angle, Curative Medicine provides advice and treatment of conditions for all workers who request this service.

Specific examinations such as electrocardiograms and diagnoses of levels of cholesterol and triglyceride are performed for cardiovascular diseases. Glycaemia levels are controlled for diabetes, and Gamma GT analyses are performed for liver diseases.

Brisa also works in the area of Alcohol Consumption Prevention and Control. The purpose of this program is to prevent work-related accidents and to detect situations of dependency, which are forwarded to an intervention program, thus promoting the protection of workers' health.

In this area, programmes aimed at local communities are covered by the National Health Service, as Brisa, due to the nature of its activity, focuses its efforts on raising awareness in this specific population and providing road safety training. Brisa makes available all necessary means and resources for this purpose.

G4-LA8

HEALTH AND SAFETY TOPICS COVERED IN FORMAL AGREEMENTS WITH TRADE UNIONS

Topics related to health and safety, covered in formal agreements with trade unions, are described below.

- **Clause 10, Item 4** - any individual admitted to the company's staff will be subject to prior medical examination; respective cost will be borne by the employer;
- **Clause 17, Item 1, Line g)** - Adopt, in all aspects relating to health, safety and hygiene in the workplace, the measures arising, for the company, establishment or activity, from the application of current provisions in the law and in the agreements;
- **Clause 17, Item 1, Line h)** - Provide the worker with suitable information and training for preventing the risks of accidents and illness;
- **Clause 18, Item 1, line i)** - Cooperate, in the company, establishment or service, to improving the health, safety and hygiene system in the workplace, specifically through worker representatives elected for this purpose;

- **Clause 18, Item 1, line jj** - Comply with the rules on Health, Safety and Hygiene in the workplace, as established in the applicable legal provisions and agreements, as well as orders given by the employer;
- **Clause 21, Item 11** - Workers who work without interruption on equipment with a screen must take 10-minute breaks every 2 hours, which, for all due purposes, will be considered as effective working time;
- **Clause 77, Item 1** - Employers must comply with legislation on Health, Safety and Hygiene in the workplace and to adapt it, with cooperation from the bodies that represent their workers, to the specific characteristics of their activities, through internal regulations and their subsequent transposition into this CBA;
- **Clause 77, Item 2** - As there are corporate relations between all signatory companies of this CBA, and as the main activities are carried at the facilities and for the rendering of services to one of them, only one company is deemed to exist for the purposes of Health, Safety and Hygiene in the Workplace, specifically regarding worker representatives.
- **Clause 77, Item 3** - Given the geographic distribution of the companies' workplaces, worker representatives will be elected by correspondence, observing all formalities provided for by law.
- **Clause 77, Item 4** - A joint Commission on Health, Safety and Hygiene in the Workplace (CHSHW) will be set up as an advisory body, following the election of worker representatives.
- **Clause 77, Item 4.1** - The CHSHW will be made up of 7 members elected as provided above, three of whom as representatives of the workers and three appointed by the employers.

G4-LA9

AVERAGE HOURS OF TRAINING PER YEAR PER EMPLOYEE, BY GENDER, AND BY EMPLOYEE CATEGORY

'17		
EMPLOYEE SUB-GROUP	AVERAGE TRAINING HOURS PER EMPLOYEE	TOTAL NUMBER OF TRAINING HOURS
Administrative personnel	21.73	8 625
Client service	52.33	14 285
Heads of service	45.65	2 602
Topographic designers	9.70	49
Directors and Managers	37.15	2 675
Electricians/Electronic technicians	11.07	841
Supervisors	37.23	1 973
Auto inspectors	22.17	7 495
Mcall operators	20.79	1 143
Toll booth operators	4.18	2 835
Construction workers	12.27	1 792
Senior technicians	47.79	9 263
Total	22.86	53 577
GENDER	Average Training hours per employee	Total number of training hours
Female	21.35	14 199
Male	23.45	39 378
TRAINING AREA	Total number of training hours	Participants (no.)
Behaviour	2 456	351
Contact with client	2 317	1 992
Management	3 590	101
Languages	2 200	151
Integration in the company/job	10 138	130
Marketing	802	143
Quality and Environment	781	138
Safety	8.877	1 733
Technical	9 504	967
Information systems	4 731	1 582
Corporate alignment	8 181	2 312
Total	53 577	9 600

CALCULATION FORMULA:

- Average training hours by professional sub-group = Total number of training hours by professional sub-group/ Total number of employees in each sub-group.
- Average training hours by gender = total number of training hours by gender/ total number of employees of each gender

G4-LA10

PROGRAMMES FOR SKILL MANAGEMENT AND LIFELONG LEARNING THAT SUPPORT THE CONTINUED EMPLOYABILITY OF EMPLOYEES AND ASSIST THEM IN MANAGING CAREER ENDINGS

Brisa has implemented a programme supporting the employability of young people, called the Brisa Trainee Programme which views to attract young talent, particularly students in courses in critical areas for the future of the Group. In 2017 we had 16 trainees selected under this programme, totalling 25 since the beginning of the programme in 2015.

Additionally, Brisa working with a specialised company in the field, has 3 types of support programmes for the employability of its employees at the end of their careers and transition to retirement. The programme is 100% accessible and optional for this group of employees. The programmes consist of training and personal development, namely regular themed workshops, personal coaching sessions, and they also include follow-up sessions to promote their effectiveness.

The Job Search programme is addressed to end-of-career employees who wish to continue their career outside the Brisa Group and develop their skills and enhance their employability.

This program is broken down in 3 phases – assessment of profile and technical skill, preparation in the approach to the labour market and

implementation of the plan, during which the employee is accompanied by specialised consultants and invited to participate in thematic workshops aimed at the development of skills and behavioural competences, such as career management, networking, conflict management, personal marketing, negotiation.

For end-of-career employees who wish to start up their own business, Brisa offers the Create your Own Business programme, with the main objective of assisting in the definition and structure of the person's business. The programme helps defining the business plan, assessing its viability, identifying resources and legal aspects.

The training focuses first and foremost on the general aspects of how to create and develop a business, including sales, marketing modules and concludes with the preparation of a Business Plan and applying for eligible IEPF (Professional Job and Training Institute) support to finance the start of the business.

This programme can be carried out alongside the Job Search programme.

Additionally, Brisa offers a Transition to Retirement programme to employees who opt for specialised support in their journey to retirement.

This program includes advice and support to minimise the negative impact associated with job loss and features a set of modules – transition and change, time management, communication techniques, health, financial planning and real estate, etc..

In 2017 four employees were covered by these programmes, of which 75% opted for the Create your Own Business programme and 25% for the Job Search programme.

G4-LA11

PERCENTAGE OF EMPLOYEES RECEIVING REGULAR PERFORMANCE AND CAREER DEVELOPMENT REVIEWS, BY GENDER AND EMPLOYEE CATEGORY

The Performance Management System is one of the most important tools used to support the establishment of specific objectives to be achieved, and for meeting the requirement of defining the lines of action to be taken by employees and respective hierarchical levels, to achieve them. The system, using a spiral logic, is based on the annual setting of specific objectives to be achieved by the company, where each employee recognises the importance of his/her own personal contribution to the results of the team, and thus to overall results.

It is a continuously evolving system, subject to improvements resulting from analysis processes that include elements from several companies. Contributions from employees and their respective managers are also taken into account.

The Performance Management process involves all employees.

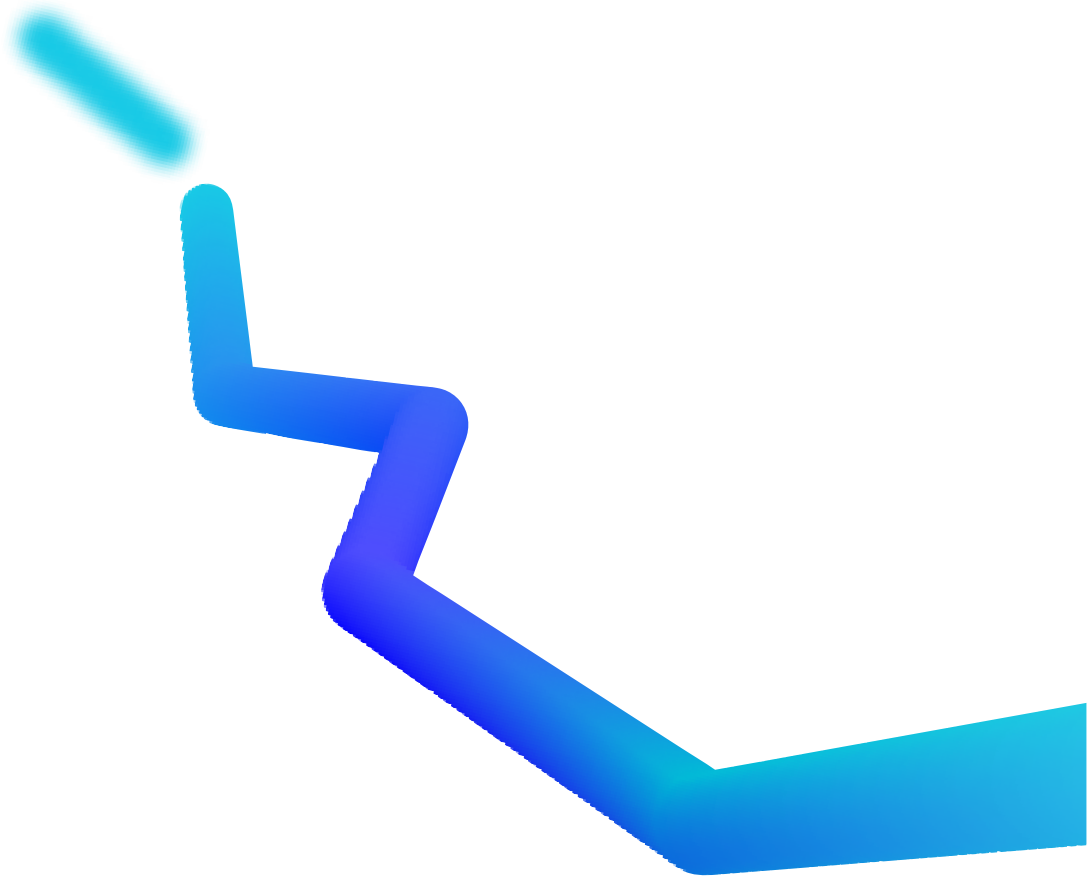
Other considerations:

- According to the Senior Staff and Senior Management Performance Management System, all workers are assessed within their respective functional groups, if they joined the company before June 30 of the year concerned;
- According to the Non-Senior Staff Performance Management System, all workers are assessed for their respective jobs, with the following exceptions:
 - Workers who joined the company after 01 April of the year under assessment;
 - Workers with absenteeism higher than 6 months (absenteeism from January to December of the year under assessment);

- Employees having changed functions, and salary, after July 1st of the year under assessment.

	'15	'16	'17
No. of employees assessed	1 967	2 261	2 224
No. of eligible employees	2 343	2 344	2 344
% of employees assessed	83.95%	96.46 %	94.9%

* Eligible population = Total staff as of 31 December 2016 (year which 2017 assessments concern)



G4-LA12

COMPOSITION OF GOVERNANCE BODIES AND BREAKDOWN OF EMPLOYEES PER EMPLOYEE CATEGORY, ACCORDING TO GENDER, AGE GROUP, MINORITY GROUP MEMBERSHIP, AND OTHER INDICATORS OF DIVERSITY

The most represented group is active in toll-related operations, accounting for 28% of the total number of employees, followed by administrative, client services and car inspection functional groups.

FUNCTIONAL SUB-GROUPS	NO.	%
Administrative/Storage	378	16%
Client service	273	12%
Clerks	5	0%
Heads of service	57	2%
Topographic designers	5	0%
Managers	72	3%
Electricians	19	1%
Electronic technicians	57	2%
Supervisors	53	2%
Inspectors	338	14%
Mcall operators	55	2%
Toll booth operators	433	18%
Principals	245	10%
Construction workers	146	6%
Secretariat	14	1%
Senior technicians	194	8%
TOTAL	2 344	100%

FUNCTIONAL SUB-GROUPS	FEMALE (NO.)	MALE (NO.)
Administrative/Storage	281	97
Client service	6	267
Clerks		5
Heads of service	17	40
Topographic designers		5
Managers	11	61
Electricians		19
Electronic technicians	3	54
Supervisors	2	51
Inspectors	30	308
Mcall operators	42	13
Toll booth operators	163	270
Principals	8	237
Construction workers	1	145
Secretariat	14	
Senior technicians	87	107
TOTAL	665	1 679

FUNCTIONAL SUB-GROUPS	<30	30-50	>50
Administrative/Storage	4%	77%	18%
Client service		68%	32%
Clerks		20%	80%
Heads of service		86%	14%
Topographic designers		40%	60%
Managers		40%	60%
Electricians		21%	79%
Electronic technicians		74%	26%
Supervisors		57%	43%
Inspectors	7%	80%	13%
Mcall operators	11%	76%	13%
Toll booth operators		68%	32%
Principals		56%	44%
Construction workers		50%	50%
Secretariat		57%	43%
Senior technicians	18%	70%	13%
TOTAL	3.4%	68.1%	28.5%

G4-LA13

RATIO OF BASIC SALARY AND REMUNERATION OF WOMEN TO MEN BY EMPLOYEE CATEGORY, BY SIGNIFICANT LOCATIONS OF OPERATION

The Group does not restrict access by women to any job or category and the remuneration they receive is not different to that of men.

The wage table agreed pursuant to the CBA applies equally to the definition of the basic salary for both men and women, who are covered by the agreement.

The same principle applies to M Call, Controlauto and other group companies in the vehicle inspection business, even though they are not covered by Brisa's Collective Bargaining Agreement.

Remuneration and recruitment policies followed by the organisation 30 years ago were quite different from those of today. Only in recent years do we find women performing functions that were traditionally carried out by men. On the other hand, employees who had worked at the company for longest may potentially have had more opportunity for progression. Taking these factors into consideration, the ratio of basic salary between men and women was calculated in two different ways.

The first case only considered a sample of the total labour force, and the second case calculated the ratio for the group's entire labour force.

MONTHLY BASIC SALARY RATIO BY PROFESSIONAL CATEGORY (EURO)

EMPLOYEE SUB-GROUP	FEMALE	MALE	RATIO F/M
Administrative personnel			
Clerk	858.68	836.26	1.03
Administrative technician	1 484.00	1 649.00	0.90
Communications Operators			
Central communication operator	1 185.00	1 219.20	0.97
Toll operators			
Toll booth operators	-	822	-
Senior Staff			
Technician	2 225.29	2 217.29	1.00
Deputy technician	1 603.00	1 783.42	0.90
Senior technician	3 552.00	2 815.77	1.26

MONTHLY BASIC SALARY RATIO BY RELEVANT OPERATING UNIT OF THE GROUP

EMPLOYEE SUB-GROUP	FEMALE	MALE	RATIO F/M
BRISA AUTO-ESTRADAS	1 954.11	2 924.32	0.67
BRISA INOVAÇÃO E TECNOLOGIA	1 860.92	2 372.60	0.78
BRISA O&M	1 071.53	1 207.11	0.89
VIA VERDE PORTUGAL	1 636.34	1 882.13	0.87
BGI - BRISA GEST. INFRAESTRUTURAS	2 042.51	2 069.69	0.99

MONTHLY BASIC GROSS SALARY RATIO BY PROFESSIONAL CATEGORY (EURO)

EMPLOYEE SUB-GROUP	FEMALE	MALE	RATIO F/M
Administrative personnel			
Clerk	1 113.06	1 102.40	1.01
Administrative technician	2 149.86	1 943.86	1.11
Communications Operators			
Central communication operator	1 607.06	1 697.30	0.95
Toll operators			
Toll booth operators		1 244.06	
Senior Staff			
Technician	3 099.98	3 017.54	1.03
Deputy technician	2 084.45	2 417.16	0.86
Senior technician	4 734.86	3 771.29	1.26

MONTHLY BASIC GROSS SALARY RATIO BY RELEVANT OPERATING UNIT OF THE GROUP

EMPLOYEE SUB-GROUP	FEMALE	MALE	RATIO F/M
BRISA AUTO-ESTRADAS	2 773.80	4 221.56	0.66
BRISA INOVAÇÃO E TECNOLOGIA	2 557.49	3 287.17	0.78
BRISA O&M	1 576.77	1 847.60	0.85
VIA VERDE PORTUGAL	2 300.05	2 663.43	0.86
BGI - BRISA GEST. INFRAESTRUTURAS	3 015.20	2 985.89	1.01

Assumptions:

- Employees of the Companies who signed the CBA in 2017
- Only Full-Time Employees are considered.
- Average ratio value by category was used for calculation
- Employees hired over the past 10 years, functional groups in which there are no women were excluded.
- All employees of the Group, except for corporate bodies and directors/managers and offices including both genders.

G4-LA14

PERCENTAGE OF NEW SUPPLIERS THAT WERE SCREENED USING LABOUR PRACTICES CRITERIA

In 2017 Brisa selected various suppliers that were screen using labour practices criteria, such as OHSAS 18001 certifications, accounting for 3.61% of new suppliers.

Brisa continues to work with other suppliers selected in previous years based of the same criteria. Naturally, Brisa continues to raise awareness among its partners to the importance of implementing adequate health and safety policies in the workplace.

G4-LA15

SIGNIFICANT ACTUAL AND POTENTIAL NEGATIVE IMPACTS FOR LABOUR PRACTICES IN THE SUPPLY CHAIN AND ACTIONS TAKEN

In relation to the actual and potential negative impacts for labour practices in the supply chain, no supplier was identified in operations considered relevant for the Brisa Group.

With regard to actual positive impacts, we point out that practices stemming from OHSAS 18001 standard continued to be applied and implemented on the ground. In particular, employees carrying out operational tasks are closely monitored, to ensure that they are protected from, or less exposed to risks, due to negligence, during their day-to-day activities.

HUMAN RIGHTS INDICATORS

G4-HR10

PERCENTAGE OF NEW SUPPLIERS THAT WERE SCREENED USING HUMAN RIGHTS CRITERIA

All new suppliers are 100% screened in line with current labour legislation. The total number of suppliers is currently 277. Additionally, contractors and subcontractors are screened for the use of illegal labour and child labour.

In 2016 Brisa adjusted its policy relating to the qualification of strategic suppliers, which are now carried out by a separate and independent entity (Achilles), based on the validation of available information, including information relating to impacts on society and human rights.

This policy also covers the vertical structures to which suppliers are related.

G4-HR11

SIGNIFICANT ACTUAL AND POTENTIAL NEGATIVE HUMAN RIGHTS IMPACTS IN THE SUPPLY CHAIN AND ACTIONS TAKEN

All new suppliers are screened in line with current labour legislation. Currently, the total number of suppliers is 277. No suppliers with significant actual or potential negative human rights impacts were identified.

SOCIETY INDICATORS

G4-SO1

PERCENTAGE OF OPERATIONS WITH IMPLEMENTED LOCAL COMMUNITY ENGAGEMENT, IMPACT ASSESSMENTS, AND DEVELOPMENT PROGRAMMES

ASPECT	DESCRIPTION	% OF OPERATIONS
Social impact assessment	During construction phase, Brisa ensures that local entities are monitored through the responsible Concessionaire, and runs public consultations as part of Environmental Impact Assessment processes, guaranteed by BGI (see Indicator SO10); During operation and maintenance stage, Brisa's materiality analysis identifies the subject of Road Safety as the most significant impact on local communities at a social level; the Safety-First programme is a nationwide initiative aimed at meeting this need;	100%
Assessment of environmental impacts and continuous monitoring	Environmental monitoring is described in Indicator EN12. 2015 figures still stand, i.e. the environmental monitoring of a stretch of 296.13 km was delayed, as monitoring on the A1 - Carvalhos/Sto. Ovidio contract did not begin in 2017. AEDL, Brisal, AELO and AEBT concessions are not considered, because they are excluded from the scope of this report. AEA is not included in this figure, as environmental monitoring data for the concession is not yet available;	27%
Public reports on assessment results	Environmental information is public. At social level, the percentage is not considered to be applicable.	100% / NA
Local community development programmes, based on their needs	Solutions are determined on a case-by-case basis, based on identified needs. E.g. Protocol developed for the A4 - Maia	100%
Involvement plans based on stakeholder mapping	Construction phase activity is quite small given the maturity of the concession network. Therefore, the risk associated with local communities during this phase is not considered to be relevant, and it does not justify a continuous mechanism for stakeholder mapping and involvement. During operation and maintenance phase, stakeholder involvement is ensured through channels described in answer to the AA1000 standard. There is no permanent mechanism in place for stakeholder mapping and involvement.	100%
Local communities consultation	Local community involvement and consultation is critical during the design development phase for new projects and widening. Brisa consults with the local entities, i.e. local government and relevant public institutions, with the aim of ascertaining the expectations of local communities and including them since design phase onwards. Local community involvement is also guaranteed through the responsible Concessionaire.	100%
Employees' council, health and safety committees	The Brisa Group Employees' Council is active. As regards Formal Health and Safety Committees, the election of worker representatives, which is the exclusive responsibility of trade unions' representatives, is pending (See LA5 indicator).	100%
Formal local community grievance processes	The customer support service provides a channel for the reception of claims, which include local communities. Claims presented by non-customers are forwarded to the respective concessionaire (See PR5 Indicator).	100%

G4-SO2

PERATIONS WITH SIGNIFICANT ACTUAL AND POTENTIAL NEGATIVE IMPACTS ON LOCAL COMMUNITIES

CONSTRUCTION PHASE

The main impact on local communities during this phase is mainly related to land planning and to other specific concerns as a consequence of land occupation.

List of works in progress in 2017:

Widening works::

A1 – Carvalhos/Sto. Ovídio sub-stretch, road widening and improvement to 2X3 lanes

A4 – Águas Santas/Ermesinde Sub-stretch, Design / Construction of New Tunnel of Águas Santas

Pavement improvement:

A1 - Alverca Junction, pavement improvement contract

A1 - Santarém and Torres Novas junctions, pavement improvement contracts

A2 - São Bartolomeu de Messines / Paderne sub-stretch, pavement improvement/reinforcement contract

A2 - Alcácer do Sal/Grândola Norte sub-stretch, pavement improvement contract for the Grândola Norte Junction /connection to IC1

A2 - A2 Junction/A12 / Marateca / A2 Junction/A6/A13 sub-stretches, pavement improvement / reinforcement contract

A2 -Grândola Sul / Aljustrel sub-stretch (km 124+450 to km 151+500), pavement improvement/reinforcement contract

A2 - Aljustrel/Castro Verde e Almodôvar/S. B. de Messines sub-stretches, pavement improvement contract

A5 - Alcabideche / Alvide / Cascais sub-stretches, pavement improvement/reinforcement contract

A6 - Borba-Elvas Poente sub-stretch, pavement improvement/reinforcement contract

A9 - A9-A16 / Radial da Pontinha sub-stretch, Contract for the renovation of drainage and re profiling of platform in km 9+400 to 9+820

A12 - Pinhal Novo / A2 Junction/A12 sub-stretch, pavement improvement / reinforcement contract

A14 - Montemor-o-Velho/ EN335 sub-stretch, pavement improvement/reinforcement contract

Refurbishment and structural reinforcement:

A1 - Soure/Condeixa sub-stretch, refurbishment of viaduct over Rio de Mouros

A1 - Coimbra (Sul)/Coimbra (Norte) sub-stretch, refurbishment and structural reinforcement of over crossings 284 and 285

A1 - Pombal/ Soure/ Condeixa and Coimbra Sul/ Coimbra Norte (A1/A14) sub-stretches, refurbishment and structural reinforcement of hydraulic crossings 240, 241, 246, 261 e 262 and 279.1

A1 - Leiria / Pombal sub-stretch, Coimbra Norte / Mealhada sub-stretch and A14 - Vila Verde / Sta. Eulália sub-stretch, refurbishment and structural reinforcement of hydraulic crossings 207 and 209, 297, and 11

A1 - Vila Franca de Xira I/ Carregado sub-stretch, refurbishment and structural reinforcement of hydraulic crossings 054

A2 - Fogueteiro/ Coima sub-stretch, refurbishment of Coima toll plaza roof covering

A2 - Alcácer do Sal/ Grândola Norte sub-stretch, replacement and refurbishment of expansion joints of bridge over river Sado and access viaduct, North / South direction

A2 - Castro Verde/ Almodôvar/ S. B. Messines sub-stretches, refurbishment and structural reinforcement of hydraulic crossings 261, 263 and 270

A3 - Sto. Tirso/ Famalicão sub-stretch and A14 - Vila Verde / A14/A17 / Sta. Eulália sub-stretches, refurbishment and structural reinforcement of hydraulic crossings km 24+238, and km 10+380, 10+448, 10+752 and 10+946

A3 - Braga Sul / Braga Oeste sub-stretch, Braga Oeste/ EN201 sub-stretch, EN201/ Ponte de Lima sub-stretch, Ponte de Lima/ EN303 sub-stretch, and

A5 - Sublaço Estoril/ Alcabideche sub-stretch, A13 - Almeirim/ EN118 sub-stretch, refurbishment and structural reinforcement of hydraulic crossings 082.1, of lower crossings 113 and 118, hydraulic crossings 129.1, 167.1 and 167.2, hydraulic crossing 048.1, and hydraulic crossing 095

A3 and A5 - maintenance works in engineering structures in Brisa network in 2017, Lote B

A3 - Circular Sul de Braga, shoring of PH006.1 at Pk1+220

A3 - EN 201 / Ponte de Lima Sul sub-stretch and Ponte de Lima Norte / EN 303 sub-stretch, refurbishment and structural reinforcement of hydraulic crossings 123.1, 136.1, e 168.1

A3 - EN 303 / Valença sub-stretch, refurbishment and structural reinforcement of hydraulic crossings on km 106+450 (Ramo F - Valença junction)

A3 - EN 201 / Ponte de Lima Sul sub-stretch and Ponte de Lima Norte / EN 303 sub-stretch, refurbishment and structural reinforcement of hydraulic crossings 123.1, 136.1, e 168.1

A4 - Castelões (A4/IP9)/ Amarante Poente sub-stretch, refurbishment and structural reinforcement of hydraulic crossings at PK 50+675, 51+650 e 57+320 (Ramo B)

A4 - Penafiel / Nó A4/A11 / Amarante sub-stretch, refurbishment and structural reinforcement of hydraulic crossings at Km 42+090, 43+450, 44+450 and 51+850

A4 - Castelões (A4/IP 9) / Amarante sub-stretch, refurbishment and structural reinforcement of hydraulic crossings at km 57+320 (Nó EN 210) and km 57+320 (Ramo A - Ramo C+D)

A4 - Castelões (A4/IP9)/Amarante Poente sub-stretch, refurbishment and structural reinforcement of hydraulic crossings at PK 50+675, 51+650 and 57+320 (Ramo B)

A5 - Carcavelos/ Estoril sub-stretch, refurbishment and structural reinforcement of hydraulic crossings 031, on Oeiras I/ Carcavelos e 036 sub-stretch

A5 - Replacement, reinforcement and repair of gateways

A5 - Estádio Nacional/ A5/A9, A9 sub-stretch - Estádio Nacional (A5/A9)/ Queluz sub-stretch, refurbishment and structural reinforcement of hydraulic crossings 017 and 000.2

A5 - Estádio Nacional/Oeiras II sub-stretch, refurbishment and structural reinforcement of hydraulic crossings 018.1 and crossing 019

A9 – Odivelas junction, temporary shoring of hydraulic crossings 030.3 and 030.5

A12 - A2/A12/ Setúbal sub-stretch, refurbishment of Pinhal Novo toll gateway covering (North / South direction)

A14 - Vila Verde/ A14/A17/ Sta. Eulália sub-stretch, refurbishment and structural reinforcement of hydraulic crossings 006 and 010

A14 - Vila Verde / Stª Eulália sub-stretch, refurbishment and structural reinforcement of hydraulic crossings 015 (Rio Foja) and 016.1 (Vala Real)

Slope stabilisation:

A1 - Fátima / Leiria sub-stretch, stabilisation of excavation slope of Ramo B - Leiria junction

A1 - São João da Talha / Sta Iria da Azóia / Alverca sub-stretches, stabilisation of excavation slopes at km 7+200 (N/S) and km 12+250 (S/N)

Urgent consolidation works at km 25+700 (S/N)

A1 - Fátima/ Leiria sub-stretch, stabilisation of excavation slope at km 127+100 (S/N direction)

A14 - Santa Eulália/Montemor-o-Velho sub-stretch, stabilisation of embankment at km 14+900 (O/E)

Construction of noise barriers

A1 - Carvalhos/Santo Ovídio sub-stretch, Design/construction of noise barriers

A3 - Águas Santas/ Maia and Maia/ Santo Tirso sub-stretches, Design/ construction of noise barriers (Lote 12 B)

Refurbishment works in Brisa buildings

Refurbishment works of Barcelos service Area

Refurbishment of warehouse

Dismantling and demolition of pre-fabricated building near Celeirós Junction - Circular Sul de Braga

OPERATING AND MAINTENANCE PHASE

In this phase, the main identified impacts on the local community are related to noise, traffic accidents and biodiversity.

G4-SO3

TOTAL NUMBER AND PERCENTAGE OF OPERATIONS ASSESSED FOR RISKS RELATED TO CORRUPTION

Compliance with disclosed audit directives/standards is an essential part of internal audit work, carried out by the Group's Audit, Organisation and Quality Department

The work undertaken in 2017 took the following aspects into consideration:

- 1.** Assessment of the risks associated with the activities of the audited areas;
- 2.** Testing of existing internal control mechanisms;
- 3.** Verification of the degree of implementation of recommendations made following previous audits.

In this regard, the organisation has developed controls allowing to introduce continuous improvement in processes, to make them more robust and mitigate any risks associated with activities that are carried out.

Specifically, within the scope of the vehicle inspection activity developed by companies CTA/ITV, a report is prepared every year on the implementation of the “Management Plan of Corruption and related offences Risks” (PGRCIC). The report identifies the risks, and describes the measures taken to prevent them and responsible people involved in the management of the said plan.

The Brisa Group is governed by rules and best practices, which include a set of mechanisms aimed at improving internal control, namely:

- Ecompanies’ bylaws
- limits and levels of competence and responsibilities, including those carrying a monetary nature;
- Internal operations with mechanisms of segregation of functions.

In relation to this indicator, there is no specific procedure addressed to this subject exclusively. Internal checking and approval rules aim to the control of fraud and corruption situations.

G4-SO4

COMMUNICATION AND TRAINING ON ANTI-CORRUPTION POLICIES AND PROCEDURES

In 2017 BRISA provided 379 hours of training on anti-corruption related subjects, of which 10.15% at BGI, 30.8% at BAE/DAQ, 66.7% at BAE/DJR and 11.1% at BCR.

Given the specific nature of this type of training, the percentage of staff members trained in these subjects was calculated in relation to the total number of staff in the departments most directly linked to this activity.

Brisa Code of Ethics provides principles addressed to anti-corruption. All employees, suppliers and partners of Brisa are aware of this Code and have signed a written confirmation of knowledge and acceptance of the principles and duties contained therein. The Portuguese and English versions of the Code are available for consultation on Brisa intranet and [website](#).

G4-SO5

CONFIRMED INCIDENTS OF CORRUPTION AND ACTIONS TAKEN

Em termos de mecanismos/medidas já adotadas pelo Grupo Brisa, em anos anteriores, para fazer face à problemática da corrupção, destaca-se:

1. A Code of Ethics and an Ethics Ombudsman
2. Channel for reporting irregularities Irregularities

3. Specific rules on personal data processing and information protection;

4. Cross-disciplinary policies throughout the Brisa Group, specifically:

- Risk
- Procurement
- IT systems
- information security
- Vehicles
- Receipts and payments

In relation to 2017 we point out the following:

1. Total number of cases of employees dismissed or punished for corruption: There is no knowledge or record of situations of this nature;
2. Total number of cases where partner and business contracts were not renewed due to corruption related violations: 0;
3. Legal actions relating to corruption practices brought against the reporting organisation or its employees: 0.

G4-SO7

TOTAL NUMBER OF LEGAL ACTIONS FOR ANTI-COMPETITIVE BEHAVIOUR, ANTI-TRUST AND MONOPOLY PRACTICES AND THEIR OUTCOMES

There were no convictions associated with this indicator in 2017.

G4-SO9

PERCENTAGE OF NEW SUPPLIERS THAT WERE SCREENED USING CRITERIA FOR IMPACTS ON SOCIETY

No new suppliers were selected based on society impact criteria.

However, in 2016, Brisa reviewed its strategic supplier qualification methodology, namely the validation of information by separate and independent entity, including information related to impacts on society and human rights.

G4-SO10

SIGNIFICANT ACTUAL AND POTENTIAL NEGATIVE IMPACTS ON SOCIETY IN THE SUPPLY CHAIN AND ACTIONS TAKEN

Brisa's activity is characterized by significant geographic distribution and a major impact on local communities. Accordingly, Brisa has several mechanisms in place at different levels, aimed at preventing and mitigating impacts in the communities in which it operates, to ensure compliance with the Law and, in certain cases, to guarantee a level of performance beyond the minimum legal requirements.

MEASURES TO ENSURE LEGAL COMPLIANCE

- Measures resulting from working alongside local entities, ensured directly by the responsible Concessionaire;
- Measures resulting from public consultations carried out as part of Environmental Impact Assessment processes, ensured by Brisa Gestão de Infraestruturas;

- Press office: press conferences, releases and other relevant actions, ensured by the Marketing, Communication and Sustainability Department;
- Client support service;
- Deployment of noise barriers;
- Environmental monitoring.

In 2017 Brisa prepared its transposition of EU Regulation 2016/679 of the European Parliament and of the Council of 27 April 2017, relating to data protection, which will become effective as of May 25, 2018, in relation to the processing of client, suppliers and third-party data and its employee data.

MEASURES TO ENSURE PERFORMANCE BEYOND THAT REQUIRED BY LAW

All the above in specific cases, based on the needs.

The works listed under the SO2 Indicator were in progress in 2017.

Brisa maintains a relationship of close cooperation with Local Governments and the GNR (National Republican Guard). It forms part of specific working groups, such as the Working Group on Road Safety, run by the Civil Government, including other entities such as the PSP (Police) and the INEM (National Medical Emergency Institute).

Measures resulting from public consultations carried out as part of Environmental Impact Assessment processes, ensured by Brisa.

Gestão de Infraestruturas are also worthy of notice.

The development of studies and projects is a deep concern for achieving environmentally sustainable technical solutions. In fact, with the aim of increasing the quality and efficiency of projects managed by Brisa, measures are taken to guarantee the quality of the engineering project,

from the preliminary stages to the final phases of the studies and projects. This is specifically done through an effective coordination of environmental studies, and the inclusion in the final design project of measures to prevent or reduce impacts.

Meetings with municipalities involved in the project, as well as with other entities form an integral part of the Environmental Impact Assessment Process; the designs are presented by Brisa, as developer, and all questions asked by interested parties are answered. Brisa adopts a pro-active approach during this phase to consult with entities interested in the project, specifically Local Governments and affected services, among other entities.

This consultation process of entities having a vast knowledge of the project's implementation area, allows addressing a range of different concerns, thereby preventing them from arising at a later stage.

This methodology thus contributes to the faster approval of the project by the relevant entities, and consequently to the beginning of land expropriation and construction phases.

Within the scope of project coordination, around 60 work meetings were held with stakeholders during 2017, concerning design and construction phases of projects to be developed on the following motorways:

A1 – North Motorway

A2 – South Motorway

A3 – Porto/Valença Motorway

A4 – Porto/Amarante Motorway

A5 – Costa do Estoril Motorway

A9 – Lisbon Regional External Circular (CREL)

A10 – Bucelas/Carregado/IC3 Motorway

A12 – Setúbal/Montijo Motorway

A14 – Figueira da Foz/Coimbra Norte Motorway

Inspection of the Environmental Management of projects was also a pertinent and relevant issue, as construction activities can cause significant impacts on the environment. It is essential to control these, with the aim of mitigating negative impacts; this situation is monitored/controlled by Brisa's supervisory body.

The follow-up of local communities is provided by the Communication Department, specifically by the Press Service, which ensures that information is conveyed to local communities by making communication channels available to any media that require clarification. During long-term works, or works with a significant impact on communities, information is made available at the site, through press conferences and regular press releases.

162 press releases were prepared during 2017. 24 Press Conferences/ Meetings were held with journalists.

Clients of concessionaires operated by BRISA O&M, S.A. have various means of communicating with the company via its Client Support Service (VVC), specifically by post, fax, email, pre-paid envelopes and forms found in stores and at the site, as well as complaints books.

Pre-paid envelopes can be obtained at any toll gate.

The websites of concessionaires and sub-concessionaires provide the email addresses for communication.

Process management is centralised in Via Verde Contact which, where necessary, requests the opinion of the area responsible for the subject mentioned by the client.

The sending of responses is also centralized.

Via Verde website, as well as the Hotline are available 24 hours a day, 365 days per year, and store staff are also able to answer client questions.

The staff have access to the claims processing platform and can contact the Client Department.

In specific cases telephone contact may be made with the client.

Client inputs through the channels described above are welcome and relevant. In some cases, the analysis of the information gathered leads to improvements operational and management level.

PRODUCT RESPONSIBILITY INDICATORS

G4-PR1

PERCENTAGE OF SIGNIFICANT PRODUCT AND SERVICE CATEGORIES FOR WHICH HEALTH AND SAFETY IMPACTS ARE ASSESSED FOR IMPROVEMENT

This indicator identifies the impacts on health and safety during the course of the organisation's 3 phases of activity: Design, Construction and Operation.

DESIGN PHASE

The main objective of Design Safety Coordination (DSC) is to ensure the integration of the General Principles of Prevention into the creation of the project in order to reduce risks during implementation phase and use/ maintenance phase following completion of the works.

Considering that over 50% of the causes of accidents in the construction and public works industry are attributable to the design phase, according to statistics, it is BGI's responsibility to act at such phase to facilitate the construction process within the scope of Safety in the Workplace.

Taking advantage of BGI's extensive experience in the follow-up of construction works, the DSC will be able to draft, or control the drafting of Tender Specifications, the Health and Safety Plan (HSP) and the Technical Compilation (TC) in a more effective way. Connection between BGI technicians are therefore essential to ensure that all its responsibilities as Safety Coordinator for the design phase are met (DL 273/2003).

CONSTRUCTION PHASE

The main aim of Project Safety Coordination (PSC) is to ensure the continuous improvement of working conditions at sites under the management

responsibility of BGI, with an effective reduction in accident rates in relation to the sector of activity concerned.

PSC will be performed by BGI with the utmost rigour, in strict compliance with the legislation and documents originating from the design phase, particularly the HSP.

WARRANTY PERIOD

A Provisional Project Reception Inspection Report is drawn up at the end of the project.

During the warranty period, projects are monitored by Operating Centres that report any anomalies to BAE, which then informs BGI, allowing it to work with the Contractors to repair the anomalies concerned.

At the end of the warranty period, a Final Project Reception Inspection Report is drawn up. If all is compliant after this report, the bank guarantee is returned to the Contractor responsible for the execution of the project concerned.

OPERATION PHASE

At the level of current maintenance of the road network, the following elements have been identified and are considered to be the most relevant and with the greatest impact on health and safety:

- Vertical signs;
- Horizontal signs (road marking);
- Engineering structures (structural elements);
- Pavements

TECHNICAL DESCRIPTION

a) Vertical signs

As part of its vertical signs conservation process, Brisa Concessão Rodoviária is replacing vertical signs, considering the life span of these materials and quality parameters.

From 2005 onwards, the company began to install vertical signs with high-resolution reflective screens, in order to improve retro-reflection quality.

Criteria for replacement have to do with their performance level, as laid down in the Quality Control Plan (QCP).

b) Horizontal signs (road marking);

Thermoplastic material (spray) or water-based acrylic paint and the spraying of glass beads are used for horizontal signs.

Functional performance measurements are made, such as retro-reflection “RL”, luminance coefficient under diffuse illumination “Qd”, slip resistance “SRT” and thickness.

The life time of the Horizontal Signs paint used by Brisa Concessão Rodoviária depends on its wear. It is repainted when retro-reflection drops to minimum values provided in the Quality Control Plan (QCP).

ENGINEERING STRUCTURES

Verification tests:

a) Inspections of engineering structures - Frequency:

CES (current engineering structures - PS, PI, PA, PP, PE and PH)

- 4 years - current engineering structures on the BCR network;
- 3-5 years - current engineering structures on other networks.

The first inspection is conducted during the project warranty period and is carried out by the BGI/dep. team. Subsequent inspections are carried out by BGI/dmi teams, receiving specific training given by BGI/des to allow them to carry out this specific activity.

SES (special engineering structures - Viaducts, bridges and tunnels)

- 6-5 years - special engineering structures of all networks.

All inspections are performed by the BGI/dep team.

b) Identification of the required indicators:

- State of Repair of Engineering Structures Indicator (IM);
- Engineering Structures Annual Conservation Indicator (IG).

The description and calculation of the values of these two indicators are detailed in the attached document.

Brisa Group targets for the following indicators:

- State of Repair of Engineering Structures **IM ≤ 2 (Good)**
- Annual Conservation of Engineering Structures **IG ≥ 80% (Sufficient)**

Estimated figures of indicators of the Brisa Group for 2017 are the following:

- State of Repair of Engineering Structures **IM = 1.2**
- Annual Conservation of Engineering Structures **IG = 80%**

Note: State of Repair (IM) and Annual Conservation of Engineering Structures (IG) indicators are estimates. Final figures will be determined up to the end of the first quarter of 2018.

With the approval of the aforementioned indicators by the regulatory body, it is possible to attest of the overall state of state of repair, as well as to annual conservation status of the engineering structures existing in the various managed networks.

ROAD SURFACE

a) Frequency of Surveys/Inspections to be conducted on road surfaces:

Surveys/inspections of operational parameters (adhesion and longitudinal regularity) are performed every 4 years;

structural parameter (deflection) surveys are conducted at variable frequencies.

b) Identification of the required quality indicator:

The overall condition of road surfaces is characterised by the FUNCTIONAL IPAV performance indicator (IMS indicator). It results from the weighting of a set of simple performance indicators (ICAT: adhesion, IREG: regularity, ICE: useful life) that are based on technical parameters measured by specific equipment. This activity forms part of the RoadSurface survey area.

	‘17
FUNCTIONAL IPAV	74
ICAT	62
IREG	73
ICE	100

G4-PR2

TOTAL NUMBER OF INCIDENTS OF NON-COMPLIANCE WITH REGULATIONS AND VOLUNTARY CODES CONCERNING THE HEALTH AND SAFETY IMPACTS OF PRODUCTS AND SERVICES DURING THEIR LIFE CYCLE, BY TYPE OF OUTCOMES

In 2017 Brisa was sentenced to pay a fine in the amount of € 14,000.00 applied to BAE on the grounds of lack of safety conditions of outsourced workers providing security services in the resting area of Fátima.

G4-PR5

RESULTS OF SURVEYS MEASURING CUSTOMER SATISFACTION

The client's experience when contacting with the organisation sets the tone for the relationship with the company.

As a result, assessment and monitoring of the client's experience is a constant concern of the Brisa Group.

The group systematically evaluates the services provided to its end clients and its internal clients.

The assessment studies are carried out the following services to measure end-client satisfaction:

- Roadside Assistance Service;
- Call centre service through the Hotline, under the "Roadside Assistance and Traffic" option";
- Face-to-face service provided by the Via Verde stores.

In 2017 these studies were carried out on a monthly basis, showing an improvement.

	ANNUAL AVERAGE	
	'16	'17
Roadside Assistance Service - (scale of 1 to 4)	3.73	3.75
Roadside Assistance and Traffic Hotline - (scale of 1 to 4)	3.30	3.24
Face-to-face service - Via Verde Stores - (scale of 1 to 10)		
Stores	8.79	8.81
Service Efficiency in Stores	9.47	9.47
Friendliness of Service in Stores	9.44	9.46
Quality of Store Infrastructure	8.28	8.30

HALF-YEARLY MONITORING OF THE SATISFACTION OF BRISA O&M CLIENTS

Brisa O&M performs satisfaction surveys of the concessionaires to whom it provides services:

	ANNUAL AVERAGE	
Client satisfaction (scale of 1-4):	'16	'17
BCR	3.73	3.69
BRISAL	3.66	3.81
AEDL	3.64	3.73
AEBT	3.76	3.82
AELO	3.85	3.71
TOTAL	3.73	3.75

G4-PR8

TOTAL NUMBER OF SUBSTANTIATED COMPLAINTS REGARDING BREACHES OF CUSTOMER PRIVACY AND LOSSES OF CUSTOMER DATA

In 2017 no claims were recorded regarding violation of privacy or loss of client data. Brisa has always paid great attention to this issue and is preparing the transposition of EU Regulation 2016/679 of the European Parliament and of the Council of 27 April 2017, relating to data protection, which will become effective as of May 25, 2018, in relation to the processing of client, suppliers and third-party data and its employee data.

CORPORATE GOVERNANCE REPORT

Though no longer a listed company, Brisa continues to abide by CMVM's corporate governance code, to the extent of its own specificities

A. SHAREHOLDER STRUCTURE

I. CAPITAL STRUCTURE

1 – Brisa is a public limited liability company with a share capital of € 6 000 000 (six million Euro), corresponding to 600 000 000 (six million) nominal shares, with the nominal value of one cent per share, not listed in any regulated market.

2 – There are no restrictions to the free transmission of shares corresponding to Brisa share capital.

3 – The number of treasury shares is 47 352 614, accounting for 7.89% of its share capital.

4 – The Company did not enter into any agreement and there are no agreements which would terminate or become effective in the event of change in the Company's control.

5 – There exist no defensive measures in force, namely any limits to the number of votes exercisable by any shareholder.

6 – The company is not aware of any shareholder agreement that might restrict the transfer of Brisa securities or voting rights.

II. EQUITY HOLDINGS AND BONDS

7 – Holders of qualifying holdings in the Company's share capital, according to the attendance list of the General Meeting held on December 6, 2017, are as follows:

SHAREHOLDER STRUCTURE

HOLDER	NO. OF SHARES	% SHARE CAPITAL	% VOTE*
José de Mello Investimentos, SGPS, S.A.	182 683 904	30.45%	33.06%
Arcus European Infrastructure Fund GP LLP	114 557 795	19.09%	20.73%
Tagus Holdings S.àr.L.	243 497 061	40.58%	44.06%

* The number of treasury shares is 47 352 614

8 – The members of Brisa's governing bodies do not hold shares nor bonds in the Company.

9 – The managing board does not hold special powers, namely in what concerns resolutions on capital increases.

10 – There are no relevant business relations between holders of qualifying shares and the Company.

B. CORPORATE BODIES AND COMMITTEES

I. GENERAL MEETING

a) Board of the General Meeting

11 – The board of the general meeting is made up of António Manuel de Carvalho Ferreira Vitorino, Chairman, Francisco Sousa da Câmara, vice-chairman and Tiago Severim de Melo Alves dos Santos, Corporate Secretary. The current mandate is for the 2017-2019 period.

b) Exercise of voting rights

12 – There are no special classes of shares nor any statutory rules restricting the exercising of voting rights by any shareholder, regardless of the number of shares the shareholder may hold.

13 – There are no limits to the exercise of voting rights.

14 – According to the articles of association, there are no resolutions requiring to be approved by majorities above those legally set forth.

II. MANAGEMENT AND SUPERVISION

a) Structure

15 – The corporate governance model adopted by Brisa consists of board of directors and supervisory board.

16 – Under the terms provided in the Company Code, the choice and election of the members of the corporate bodies are the strict responsibility of the general meeting.

17 – Under the terms set out in the articles of association, the board of directors is composed of a minimum of ten and maximum of fourteen members, elected for a 3-year mandate. The current mandate is for the 2017-2019 period. The composition and powers of the Board of Directors is as described on pages 130 and 131.

18 – The composition and powers of the executive board is as described on pages 129 and 130.

19 – Qualifications and other curricula information about the members of the board of directors are as described on pages 133 to 137.

20 – Except for member António José Nunes Lopes de Sousa, who is senior member of the staff, all remaining members of the Board of Directors; are related to reference shareholders of the Company.

21 – The company chart can be seen on page 132.

b) Functioning

22 – Not applicable.

23 – During 2017, the executive board held 46 meetings and the board of directors held 14 meetings; average attendance of members stood above 90%.

24 – The assessment of executive members' performance is carried out by the board of directors, the remuneration committee and the general meeting.

25 – In relation to the performance assessment of the executive board, the 2017 general meeting approved the statement of the remuneration committee which determines that the variable remuneration payable exclusively to executive members of the board of directors must aim at rewarding respective performance namely in what concerns "... The Remuneration Committee of Brisa Auto-Estradas de Portugal, S.A. (the "Company" or "Brisa") hereby submits to the approval of the General Meeting the following statement on the remuneration policy of respective management and supervisory boards:

- The members of the board of directors must perform their duties diligently and judiciously, in the best interest of the company's shareholders, employees and remaining stakeholders.
- It is in the best interest of the company and its shareholders to create adequate conditions and incentives to encourage a sound performance of duties by members of the Board of Directors, in accordance with the criteria referred to above.
- In this light, remuneration is a key management tool for framing and encouraging the performance of senior managers.
- The definition and application of the criteria for fixing the remuneration of Directors entrusted to the Remuneration Committee should thus be rational and consistent: it should consider the level of remuneration currently practised in European peer companies, and, on the other hand, the degree of achievement of the strategic goals set forth for the company, the creation of value for shareholders and the economic situation.
- In view of the above, remuneration should consist of a fixed amount that will adequately remunerate, within the framework of respective competences and responsibilities, the effort developed by executive and non-executive members of the Board of Directors each year, and a variable amount payable to executive members that will reward, amongst other things, increasing efficiency and productivity and the

- creation of long term value for the Company and shareholders, and at the same time, align their interests with the company’s long term sustainability interests. This alignment will be ensured namely by calculating the variable amount based on the company’s financial and operational performance each year, the intrinsic quality of (recurrent and extraordinary) results posted, taking into consideration the situation of equity markets, Brisa’s positioning in the markets where it operates, its business outlook in the medium and long term.
- In addition to the above, the payment of the variable amount will also be subject to the evaluation of the performance goals set forth each year, based on the following indicators: EBITDA, EBIT, NET PROFIT, ROE and ROA, taking into account the company’s evolution and the remuneration level practised by major national and international peer companies.
 - Other exceptional factors may be taken into account in the assessment of the performance of the Executive Board or any of its members.
 - Part of the variable remuneration will be paid following the closure of each financial year and determination of respective results; the other significant part will be deferred for a period of three years, and its payment will depend on the maintenance of Brisa’s positive performance throughout such period, with a view to allow the maximisation of long term performance and the pursuing of strategic and structural goals and disincentive excessive risk-taking.

In what concerns the supervisory board, pursuant to provisions in art. 422-A and paragraph 1 of art. 399 of the Companies Code, the remuneration of members of the Supervisory Board must consist of a fixed amount, determined taking into account the complexity and responsibility of the functions performed, the normal practices and remuneration conditions for the performance of similar functions and the economic situation of the company.”

26 – The corporate offices of members of the Board of Directors are as described on pages 133 to 137.

c) Committees within the board of directors or supervisory board and managing directors

27 – The board of directors set up an Executive Board composed of five members of the board of directors; respective regulation is available on the Company’s website.

28 – The Executive Board is composed of Vasco Maria Guimarães José de Mello, Chairman, João Pedro Stilwell Rocha e Melo, João Pedro Ribeiro de Azevedo Coutinho, António José Lopes Nunes de Sousa and Daniel Alexandre Miguel Amaral.

29 – Not applicable. There are no further committees in addition to the Executive Board.

III. SUPERVISION

a) Structure

30 – The Company’s supervisory body, according to the corporate governance model adopted is the Supervisory Board

31 – The Supervisory Board is made up as follows:

Chairman	Francisco Xavier Alves
MEMBERS	Tirso Olazábal Caverio Joaquim Patrício da Silva

ALTERNATE MEMBER	Diogo da Gama Lobo Salema da Costa
EXTERNAL AUDITOR	Alves da Cunha, A. Dias & Associados, SROC no. 74, represented by José Duarte Assunção Dias ROC nº 513.
ALTERNATE EXTERNAL AUDITOR	José Duarte Assunção Dias ROC no. 585, with office at Rua Américo Durão, 6-8º Esqº, 1900 – 064 LISBOA.

The mandate of the Supervisory Board is for a period of 3 years; the ongoing mandate is for the 2017-2019 period. The Supervisory Board consists of a chairman, two members and one external auditor. Members of the Supervisory Board started their functions in the 2008-2010 mandate

32 – All members of the supervisory board are independent, under the terms of article 415, no. 5 of the Companies Code.

33 – Francisco Xavier Alves is Bachelor of Finance from ISCEF, and is a certified official auditor. His professional experience includes the coordination of financial audits, corporate restructuring and consultancy in the management and organizational fields.

Tirso Olazábal Caverio has a degree in Business Administration. From 1988 to 2002, he was executive director of Constância Editores S.A.. As from 2002 he became partner and director Olazábal & Artola, a consultancy company, and executive director and partner of Agoa Gestão de Resíduos S.A.. and Ociomedia. He is member of the Board of Directors of Grupo Capital Group since 2006.

b) Functioning

34 – As Brisa’s securities are not listed, the regulations of the corporate bodies are not available to the public.

35 – During 2017 the Supervisory Board met 8 times, always attended by all its members.

36 – The offices performed by the members of the Supervisory Board are as described in point 33.

c) Powers and duties

37 – The hiring of additional services to the external auditor is subject to the prior approval of the supervisory board. To this end, Brisa's financial department issues an information note addressed to the chairman of the supervisory board identifying the service concerned, the terms of the hiring and the reasons for such hiring.

38 – Not applicable. There is no committee for financial matters.

IV STATUTORY AUDITOR

39 – The external auditor is Alves da Cunha, A. Dias & Associados, SROC no. 74, represented by José Duarte Assunção Dias ROC no. 513.

40 – The official auditor performs its current functions since 2008.

41 – The official auditor does not provide any other services to the Company.

V EXTERNAL AUDITOR

42 – The Company's external auditor is Pricewaterhousecoopers & Associados, SROC, S.A., registered with CMVM under no. 20161485, represented by Rui Jorge dos Anjos Duarte, ROC no. 1532.

43 – The external auditor and respective partner started functions during 2016.

44 – Not applicable. Since Brisa does not have listed securities, it does not require the appointment of the external auditor and is therefore not subject to the obligation to define a policy for auditors' change.

45 – The assessment of the external auditor is performed by the supervisory board on an annual basis.

46 – Every year the Supervisory Board receives the auditor's independence statement, which describes the services provided by the latter and other entities belonging to the same network, respective remuneration, possible threats to their independence and measures to safeguard such independence. Any identified threat to the auditor's independence as well as respective safeguarding measures are assessed and discussed with the auditor. It is furthermore clarified that the weight of tax consultancy fees concerns services relating to expats' personal income tax and the diagnosis to SAFT T files of entities of the Group. In what concerns this specific aspect, given the importance of the issues concerned and the need for absolute celerity, the hiring of Pwc seemed the most adequate in the light of its solid experience and technical know-how in the tax field, on par with its deep knowledge of the issues concerned. Moreover, Pwc services are carried out on an exclusive basis, and are developed by multi-disciplinary teams including independent consultants and experts.

The auditor's familiarity threat was clearly identified in the Sarbanes-Oxly Act as worthy of close attention, since the exercise over several years of external audit functions for the same company may lead to excessive familiarity between auditor and auditee likely to influence auditor's free and independent analysis.

This risk may be mitigated by limiting the number of years during which an auditor may audit a company, in line with what happens with the supervisory board, which after being re-elected more than twice is no longer considered independent, and may inclusively have to cease functions in such company, for incompatibility reasons.

Total remuneration paid (in euro) to the External Auditor during 2017 was as follows:

47 – Remuneration of the External Auditor

NATURE	AMOUNT (€)	%
Audit	286 350	68.6%
Other reliability enhancing services	100 500	24.1%
Tax consultancy services	21 600	5.2%
Other specific audit services	8 800	2.1%
Total	417 250	

C.

INTERNAL ORGANISATION

I. ARTICLES OF ASSOCIATION

48 – Changes in the articles of association of the Company can only be introduced by the general meeting, as provided in the Companies Code.

II. REPORTING OF IRREGULARITIES

49 – On February 3, 2009, Brisa's Executive Board, upon the proposal of the sustainability and corporate governance committee, approved the creation of an internal irregularities reporting system as described in page 139.

50 – Brisa has an integrated risk management and control system in force, according to the internationally recognised COSO method (Committee of Sponsorship Organizations of the Treadway Commission), as described on page 41.

51 – Hierarchical and functional liaisons are as described in table of paragraph on page 42.

52 – Functional areas with risk control duties are as described in point no. 50.

53 – The main risks to which the company is exposed while developing its business are as described on pages 43 to 46.

54 – The process of identification, assessment, follow up, control and management of risks is developed as provided in table on pages 41 to 43.

55 – As pointed out hereinabove, Brisa has an integrated risk management and control system, covering financial risks in particular, as described on page 45. However, since it does not have listed securities, the Company is not subject to the reporting requirements provided in no. 1 sub-paragraph m) of article 245-A of the Securities Code.

III INVESTOR RELATIONS

56 – Not applicable. Brisa does not have a formal investor relations structure as it does not have listed securities.

57 – Not applicable. Brisa does not have a representative for relations with the market as it does not have listed securities.

58 – Not applicable due to the reasons explained above.

IV WEBSITE

59 – Brisa website address is www.Brisa.pt.

60 – Brisa is not a public company. However, corporate information as provided in article 171 of the CC is available on its website.

61 – The Company's articles of association are available on the website.

62 – The name and identification of the members of governing bodies are available on the website.

63 – The company's reports and accounts are available on the website.

64 – Minutes of general meetings are published on the company's website. Under the terms of its articles of association, the Company is not required to publish additional preparatory information for general meetings. However, documentation may be consulted by all shareholders at the company's head office, during the 15 days prior to the date of the general meeting concerned.

65 – Not applicable. The company does not publish this type of information as it is not a listed company.

D. REMUNERATION

I. DECISION POWERS

66 – Determination of the remuneration of the members of governing bodies, as provided in the CC, is the exclusive responsibility of the general shareholders meeting, which entrusted such powers upon a remuneration

committee composed exclusively of independent members. Remuneration of the managerial staff and remaining employees is the responsibility of the board of directors

II. REMUNERATION COMMITTEE

67 – The remuneration committee is composed of Luís Miguel Cortes Martins (Chairman) and members Pedro Norton de Matos and Jaime Amaral Anahory. All members of the Remuneration Committee are independent from both the Board of Directors or any consultant; no natural or legal person was engaged to assist the remuneration committee in the performance of its duties which provides or has provided services over the past three years to any structure subject to the Board of Directors, to the Board of Directors of the company or having any relation with a consultant.

68 – Pedro Norton the Matos, member of the remuneration committee has knowledge and experience in remuneration policy issues.

III. REMUNERATION STRUCTURE

69 – Brisa is not a public interest company, under the terms and for the purposes of Law 26/2009, of 19 June. However, shareholders at the general meeting held on May 5, 2017 approved the statement submitted by this committee, as provided on pages 141 and 142.

70 – Information on the remuneration structure is provided in the statement referred to in the preceding paragraph

71 – The remuneration of executive directors includes a significant variable component, which is paid only if pre-established performance criteria are met..

72 – Payment of part of the variable remuneration is deferred by 3 years.

73 – Not applicable, since remuneration does not include shares, bonds or options.

74 – Not applicable, since remuneration does not include shares, bonds or options.

75 – Not applicable, since remuneration does not include shares, bonds or options.

76 – Members of the board of directors are entitled to supplementary pension, under the terms of a general meeting resolution dated March 28, 1989.

IV. DISCLOSURE OF REMUNERATION

77 – Remuneration of the board of directors is as described on page 142.

78 – Members of the board of directors do not receive any type of compensation for exercising functions in any associate or subsidiary of Brisa.

79 – Not applicable, there is no remuneration paid under a profit sharing scheme.

80 – Not applicable, there was no compensation paid.

81 – Not applicable, Brisa is not a public interest company, under the terms and for the purposes of Law 28/2009, of 19 June.

82 – The chairman of the general meeting earns € 5000 for each chairmanship of a general meeting. In 2016 two general meetings were held.

V. ARRANGEMENTS IMPLYING PAYMENTS

83 – Not applicable. It is not possible to restrict in advance a compensation which will be ultimately decided in court.

84 – Not applicable, there are no termination agreements for unfair dismissal.

VI. STOCK OPTION PLANS

85 – Not applicable. There are no stock option plans.

86 – Not applicable due to the reasons explained above.

87 – Not applicable due to the reasons explained above.

88 – Not applicable due to the reasons explained in no. 85.

E. TRANSACTIONS WITH RELATED PARTIES

I. CONTROL MECHANISMS AND PROCEDURES

89 – Transactions with related parties above a relevant amount, specifically € 1 000 000, are subject to prior favourable opinion of the supervisory board.

90 – During 2017 no transactions with related parties have occurred.

91 – Whenever a transaction with related parties occurs involving an amount above that provided in paragraph 89 hereinabove, the Corporate

Secretary prepares a memorandum addressed to the supervisory board, identifying the parties, the amounts involved and remaining terms of the transaction concerned to allow the supervisory board to issue its opinion thereon.

II. ELEMENTS CONCERNING TRANSACTIONS

92 – Reporting documentation, including on this Integrated Report are available on the Company website. Information on transactions with related parties is shown in the attached notes to individual financial statements on page 219 and attached notes to consolidated financial statements on page 272 of this Report.

PARTE II – CORPORATE GOVERNANCE ASSESSMENT

Though a unlisted company, Brisa follows CMVM's Corporate Governance Code.

INDIVIDUAL FINANCIAL STATEMENTS

STATEMENTS OF FINANCIAL POSITION

as of 31 December 2017 and 2016

(Amounts expressed in thousand Euro)

ASSETS	NOTES	DEC '17	DEC '16
NON CURRENT ASSETS			
Tangible fixed assets	11	13 822	13 004
Intangible assets	12	2 162	2 184
Investments in subsidiaries and associates	13	388 837	421 182
Other investments	13	7 400	9 940
Deferred tax assets	14	2 034	2 097
Other debtors		949	925
Total non-current assets		415 204	449 332
CURRENT ASSETS			
Inventories		17	17
Trade and other receivables	15	14 756	15 288
Group companies	13	89 787	96 079
Other current assets	16	16 822	20 162
Cash and cash equivalent	17	37 725	21 992
Total current assets		159 107	153 538
Total assets		574 311	602 870

SHAREHOLDERS' EQUITY

	NOTES	DEC '17	DEC '16
Share capital	18	6 000	6 000
Treasury shares - nominal value	19	(474)	(474)
Treasury shares - discounts and premiums	19	(228 246)	(228 246)
Legal and other reserves	20	279 880	368 554
Net profit for the year		145 151	411 571
Total shareholders' equity		202 311	557 405

LIABILITIES

NON-CURRENT LIABILITIES:

Loans	21	313 387	-
Pension liabilities	28	1 491	1 082
Provisions	23	5 118	4 690
Total non-current liabilities		319 996	5 772

CURRENT LIABILITIES:

Provisions	23	320	485
Suppliers	24	3 116	3 369
Loans	21	33	35
Group companies	13	12 023	-
Shareholders		276	235
Suppliers of investment	24	2 845	1 619
Current tax liabilities	8	124	2 176
Other current liabilities	25	33 267	31 774
Total current liabilities		52 004	39 693
Total liabilities and equity		574 311	602 870

The accompanying notes form an integral part of the statement of financial position for the period ended 31 December 2017.

THE CERTIFIED ACCOUNTANT NO. 62018 THE BOARD OF DIRECTORS

INDIVIDUAL FINANCIAL STATEMENTS

STATEMENT OF PROFIT AND LOSS AND OTHER COMPREHENSIVE INCOME

for the years ended as of 31 December 2017 and 2016

(Amounts expressed in thousand Euro)

	NOTES	DEC '17	DEC '16
OPERATING INCOME:			
Rendered Services	3	32 118	31 102
Other operating income	3	1 362	2 976
Reversal of amortisation, depreciation, adjustments and provisions	3	-	25
Total operating income		33 480	34 103
OPERATING EXPENSES:			
External supplies and services	4	(12 447)	(10 917)
Personnel costs	6	(22 478)	(17 337)
Amortisation, depreciation and adjustments	11, 12 e 22	(2 808)	(2 524)
Provisions	23	(971)	(326)
Tax		(33)	(287)
Other operating expenses		(609)	(410)
Total operating expenses		(39 346)	(31 801)
Operating Results		(5 866)	2 302

	NOTES	DEC '17	DEC '16
FINANCIAL EXPENSES	7	(15 029)	(2 889)
FINANCIAL INCOME	7	2 319	2 251
INVESTMENT INCOME	7	160 778	411 266
Profit before tax		142 202	412 930
INCOME TAX	8	2 949	(1 359)
Net profit for the year		145 151	411 571
OTHER INCOME AND EXPENSES RECOGNISED UNDER SHAREHOLDERS' EQUITY WHICH WILL NOT BE SUBSEQUENTLY RECLASSIFIED IN RESULTS:			
Pension plan - remeasurements	14 e 28	(99)	(461)
Income recognised directly in shareholders' equity		(99)	(461)
Total net profit and loss and other comprehensive income for the year		145 052	411 110
Basic and diluted earnings per share (in Euro):	9	0.26	0.74

The accompanying notes form an integral part of the results and other comprehensive income for the year ended 31 December 2017.

THE CERTIFIED ACCOUNTANT NO. 62018 THE BOARD OF DIRECTORS

INDIVIDUAL FINANCIAL STATEMENTS

STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY

for the years ended as of 31 December 2017 and 2016

(Amounts expressed in thousand Euro)

	NOTES	SHARE CAPITAL	TREASURY SHARES	LEGAL AND OTHER RESERVES	NET RESULT FOR THE YEAR	INTERIM DIVIDENDS	TOTAL
Balance at 01 January 2016		6 000	(228 720)	276 390	458 477	(66 318)	445 829
Net profit for 2016		-	-	-	411 571	-	411 571
Other income and expenses recognised under Shareholders' Equity:							
Pension plan - remeasurements	14 e 28	-	-	(461)	-	-	(461)
Total net profit and loss and other comprehensive income for the year		-	-	(461)	411 571	-	411 110
Appropriation of net profit for 2015:							
Other reserves	10	-	-	292 683	(292 683)	-	-
Dividends	10	-	-	-	(165 794)	66 318	(99 476)
Distribution of free reserves	10	-	-	(200 058)	-	-	(200 058)
Balance at 31-12-2016		6 000	(228 720)	368 554	411 571	-	557 405
Balance at 01 January 2017		6 000	(228 720)	368 554	411 571	-	557 405
Net profit for 2017		-	-	-	145 151	-	145 151
Other income and expenses recognised under Shareholders' Equity:							
Pension plan - remeasurements	14 e 28	-	-	(99)	-	-	(99)
Total net profit and loss and other comprehensive income for the year		-	-	(99)	145 151	-	145 052
Appropriation of net profit for 2016:							
Other reserves	10	-	-	1 507	(1 507)	-	-
Dividends	10	-	-	-	(410 064)	-	(410 064)
Distribution of free reserves	10	-	-	(90 082)	-	-	(90 082)
Balance at 31 December 2017		6 000	(228 720)	279 880	145 151	-	202 311

The accompanying notes form an integral part of the results and other comprehensive income for the year ended 31 December 2017.

THE CERTIFIED ACCOUNTANT NO. 62018

THE BOARD OF DIRECTORS

INDIVIDUAL FINANCIAL STATEMENTS

STATEMENTS OF CASH FLOWS FOR THE YEARS

for the years ended as of 31 December 2017 and 2016

(Amounts expressed in thousand Euro)

	NOTES	DEC '17	DEC '16
OPERATING ACTIVITIES:			
Cash receipts from clients		34 293	31 211
Cash paid to suppliers		(13 078)	(11 082)
Cash paid to personnel		(19 944)	(17 597)
Flows generated by operations		1 271	2 532
Income tax received		99	8 256
Other receipts/(payments) relating to operating activities		341	(725)
Net cash from operating activities (1)		1 711	10 063
INVESTMENT ACTIVITIES			
Cash receipts relating to:			
Investments in subsidiaries, associates and other	13	63 005	142 631
Tangible and intangible fixed assets		15	-
Interest and similar income		906	252
Dividends	7	150 680	152 275
		214 606	295 158
Cash payments relating to:			
Finacial investments in subsidiaries, associates and other	13	(10 632)	(19 584)
Tangible and intangible fixed assets		(2 648)	(3 377)
		(13 280)	(22 961)
Net cash from investing activities (2)		201 326	272 197

	NOTES	DEC '17	DEC '16
FINANCING ACTIVITIES			
Cash receipts relating to:			
Borrowings		315 800	-
Derivative financial instruments		175	-
		315 975	-
Cash payments relating to:			
Interest and similar costs		(1 367)	(487)
Dividends	10	(500 084)	(365 807)
Derivative financial instruments	26	(1 940)	(3 546)
		(503 391)	(369 840)
Net cash from financing activities (3)		(187 416)	(369 840)
Foreign exchange effect (4)		112	-
Variation in cash and cash equivalents (5) = (1) + (2) + (3) + (4)		15 733	(87 580)
Cash and cash equivalents at the beginning of the year	17	21 964	109 544
Cash and cash equivalents at the end of the period	17	37 697	21 964

The accompanying notes form an integral part of the results and other comprehensive income for the year ended 31 December 2017.

THE CERTIFIED ACCOUNTANT NO. 62018 THE BOARD OF DIRECTORS

INDIVIDUAL FINANCIAL STATEMENTS

1. INTRODUCTION

Brisa – Auto-Estradas de Portugal, S.A. ("Company" or "Brisa") was founded in 28 September 1972 having as corporate object the construction, maintenance and operation of motorways and respective service areas under concession, as well as the study and execution of public infrastructures. On 22 December 2010, within the scope of its corporate reorganization, the Company assigned to Brisa – Concessão Rodoviária S.A. ("BCR") the latter's position in the concession contract approved by Council of Ministers Resolution no. 198-B/2008, of 31 December ("Brisa Concession"). This operation included the transfer by Brisa of a number of assets and liabilities allocated to Brisa Concession, carried out in the form of contributions in kind for the realization of a share capital increase at BCR. As result of the reorganization process, the Company's object is now the holding of equity holdings, the management and development of new businesses and the provision of logistics support and financial and administrative management services.

In accordance with International Financial Reporting Standards ("IFRS"), financial investments were recorded at acquisition cost. Accordingly, these financial statements do not include the effect of the consolidation of assets, liabilities, income and expenses, which will be included in the consolidated financial statements to approved and disclosed separately; these financial statements reflect total assets of € 3,335,023 thousand, an equity amount of € 487,739 thousand and net profit attributable to shareholders in the amount of € 227,799 thousand.

2. MAIN ACCOUNTING POLICIES

2.1. BASIS OF PRESENTATION

The accompanying financial statements were prepared on a going concern basis from the Company's books and accounting records, restated to International Financial Reporting Standards, effective for the year beginning 01 January 2017, as adopted in the European Union. Such standards include the International Financial Reporting Standards ("IFRS") issued by the International Accounting Standards Board ("IASB"), the International Accounting Standards ("IAS") issued by the Accounting Standards Committee ("ASC") and respective interpretations – SIC and IFRIC issued by the International Financial Reporting Interpretation Committee ("IFRIC") and Standing Interpretation Committee ("SIC"). These standards and interpretations are hereinafter referred to collectively as "IFRS".

ADOPTION OF NEW STANDARDS AND INTERPRETATIONS, AMENDED OR REVISED

The following standards, interpretations, amendments and revisions applicable to the Company's operations, endorsed by the European Union with mandatory application in financial years starting on or after 01 January 2017, resulting in no relevant an impact on the Group's financial statements are as follows:

INDIVIDUAL FINANCIAL STATEMENTS

ADOPTION OF NEW STANDARDS AND INTERPRETATIONS, AMENDED OR REVISED

STANDARD / INTERPRETATION	EFFECTIVE DATE (YEARS BEGINNING ON OR AFTER)	
IAS 7 – Cash flow Statement	01-Jan-17	Reconciliation of changes in funding liabilities with cash flows of financing activities.
IAS 12 – Income tax	01-Jan-17	Recognition of deferred tax assets measured at fair value, the impact of deductible temporary differences on the estimate of future taxable income and the impact of restrictions on the capacity to recover deferred tax assets.

NON ADOPTED NEW STANDARDS AND INTERPRETATIONS, AMENDED OR REVISED

Until the date of approval of these financial statements the European Union endorsed the following standards, the adoption of which is mandatory in future financial years:

NON ADOPTED NEW STANDARDS AND INTERPRETATIONS, AMENDED OR REVISED

STANDARD / INTERPRETATION	EFFECTIVE DATE (YEARS BEGINNING ON OR AFTER)	
IFRS 9 - Financial instruments:	01-Jan-18	This standard is included in the revision of IAS 39 and establishes new requirements relating to the classification and measurement of financial assets and liabilities, the recognition of impairments on trade receivables and the recognition and classification of hedging accounting.
IFRS 15 – Revenue from contracts with customers	01-Jan-18	This standard introduces a structure for recognising revenue when the contractual obligation of delivering assets or providing services is met, by applying the 5-phase method.
IFRS 16 – Leases	01-Jan-19	This standard specifies the principles to recognise, measure, present and disclose leases, replacing IAS 17 - Leases. The standard defines a new definition of lease and a new accounting of leases for lease-holders. There are no changes concerning the accounting of leases by lessors.
IFRS 15 – Revenue from contracts with customers	01-Jan-18	Identification of performance obligations, time of recognition of revenue from PI licences, revision of indicators for classifying the principal relation versus agent, and new regimes for the simplification of the transition.

INDIVIDUAL FINANCIAL STATEMENTS

These standards, although endorsed by the European Union, were not adopted by the Company in the year started at 31 December 2017 as their application is not yet mandatory. No significant impact is likely to occur as result of the adoption of the said standards.

The following standards, interpretations, amendments and revision that could be applicable to the Company's operations, the adoption of which will be mandatory in future financial years, were not endorsed by the European Union, as of the date of these financial statements:

NON ADOPTED NEW STANDARDS AND INTERPRETATIONS, AMENDED OR REVISED

STANDARD / INTERPRETATION	EFFECTIVE DATE (YEARS BEGINNING ON OR AFTER)	
Improvements in international financial reporting standards (2014-2016 cycle)	01-Jan-17 / 01-Jan-18	These improvements involve the clarification of aspects relating to: IFRS 1 - First adoption of IFRS: eliminates temporary exemptions for IFRS 7, IFRS 10 and IAS 19, as they are no longer applicable; IFRS 12 - Disclosures of interests in other entities: clarifies that its scope includes investments classified within the scope of IFRS 5, and that the only exemption refers to the disclosure of the summary of the financial information of such entities; and IAS 28 - Investments in associates and joint ventures: (i) clarifies that investments in associates or joint ventures held by a venture capital company can be measured at fair value according to IFRS 9, on an individual basis, and (ii) clarifies that an entity which is not an investment entity, but holds investments in associates and joint ventures which are investment entities can keep the measurement at fair value of the associate or joint venture in its own subsidiaries.
IFRS 2 – Share-base payment	01-Jan-18	Measurement of share-based payment plans financially settled, recognition of changes, and the classification of share-based payment plans as settled in equity, where the employer is required to withhold tax.
IFRS 9 - Financial instruments:	01-Jan-19	Options of accounting processing of financial assets with negative compensation.
IAS 28 - Investments in associates and joint ventures	01-Jan-19	Clarification as to long term investment in associates and joint ventures which are not measured by the equity method.
Improvements in international financial reporting standards (2015-2017 cycle)	01-Jan-19	These improvements involve the clarification of aspects relating to: IAS 23 - Borrowing costs: The amendments clarify that if any specific borrowing remains outstanding after the related asset is ready for its intended use or sale, that borrowing becomes part of the funds that an entity borrows generally when calculating the capitalisation rate on general borrowings. IAS 12 - Income taxes: The amendments clarify that all income tax consequences of dividends (i.e. distribution of profits) should be recognised in profit or loss, regardless of how the tax arises; and IFRS 3 - Business Combinations and IFRS 11 - Joint Arrangements: clarify that (i) when an entity obtains control of a business that is a joint operation, it remeasures previously held interests in that business; and (ii) when an entity obtains joint control of a business that is a joint operation, the entity does not remeasure previously held interests in that business.

INDIVIDUAL FINANCIAL STATEMENTS

STANDARD / INTERPRETATION

EFFECTIVE DATE (YEARS BEGINNING ON OR AFTER)

IFRIC 22 – Foreign currency transactions and advance consideration	01-Jan-18	Interest rate to apply where the consideration is received or paid in advance.
IFRIC 23 – Uncertainty over income tax treatment	01-Jan-19	Clarification regarding the determination of taxable profit (tax loss), tax bases, unused tax losses, unused tax credits and tax rates, when there is uncertainty over income tax treatments under IAS 12.

No relevant effects are estimated for future financial statements from the application of these standards and interpretations, though its impact was not yet determined or quantified.

The financial statements were prepared in accordance with the historical cost convention, except in the case of financial instruments, which were recognised at fair value. The main accounting policies adopted are described below.

2.2. FINANCIAL INVESTMENTS

Investments in subsidiaries, which the Company controls, and associates, where it holds a significant influence, and other investments, are recorded at cost, minus any accumulated impairment losses.

Supplementary capital loans granted by the Company to these companies are recorded at respective nominal value and deducted, where the case may be, of any cumulative impairment losses. These supplementary capital loans are added to the value of the investments due to their permanent nature, and do not accrue interest; according to the commercial law in force, they can only be returned to the Company if those companies' equity does not fall below the sum of the capital and non-distributable reserves following such return.

These companies' dividends are recorded as financial income under caption "Results relating to investments".

Additionally, when the Company assumes the liability for covering the companies' losses, impairment losses will be affected by that amount; where the investment is reported at null value, a provision will be recorded.

2.3. NON CURRENT ASSETS HELD FOR SALE

Non-current assets are classified as held for sale if the amount is realisable through sale, as opposed to through continued use. This is considered to be the case where: (i) sale is probable and the asset is available for immediate sale in its current condition; (ii) management is committed to a sales plan; and (iii) the sale is expected to take place within a period of 12 months.

Non-current assets classified as held for sale are stated at the lower of book value or fair value less costs to sell.

2.4. INTANGIBLE ASSETS

Intangible assets, which comprise essentially licences and software are stated at cost less accumulated amortisation and impairment losses. Intangible assets are only recognised if it is probable that they will produce future economic benefits for the Company, they are controllable by the Company and their value can be determined reliably.

Internally generated intangible assets, namely current research and development costs, are recognised as costs when incurred.

Internal costs relating to the maintenance and development of software are recorded as expenses in the statement of profit and loss and other comprehensive income when incurred, except where such expenses relate directly to projects which will probably generate future economic benefits for the Group. In such cases these costs are capitalised as intangible assets.

Amortisation of such assets is provided on a straight-line basis as from the date the assets started being used, in accordance with the period the Company expects to use them.

2.5. TANGIBLE FIXED ASSETS

Tangible fixed assets used in rendering services or for administrative use are stated at cost, including expenses incurred with their purchase, less accumulated depreciation and, where applicable, impairment losses.

Depreciation of tangible fixed assets is provided on a straight-line basis over their estimated useful lives, as from when the assets become available for their intended use, in accordance with the following estimated periods of useful life:

	YEARS OF USEFUL LIFE
Buildings and other constructions	10 to 50
Basic equipment	1 to 20
Transport equipment	4 to 6
Administrative equipment	1 to 10
Tools and utensils	1 to 4

2.6. LEASING

Lease contracts are classified as: (i) finance leases, if substantially all the benefits and risks of ownership are transferred under them; and (ii) operating leases, if substantially all the benefits and risks of ownership are not transferred under them.

Leases are classified as finance or operating leases based on the substance rather than the form of the contract.

Fixed assets acquired under finance lease contracts as well as the corresponding liabilities are recorded in accordance with the financial method, where fixed assets, corresponding accumulated depreciation and liabilities are recognised in accordance with the contracted financial plan. In addition, interest included in lease instalments and depreciation of tangible fixed assets are recognised as expenses in the statement of profit and loss and other comprehensive income for the year they concern.

In the case of operating leases, lease instalments are recognised as expenses in the statement of profit and loss and other comprehensive income on a straight-line basis over the period of the lease contract.

2.7. IMPAIRMENT OF NON-CURRENT ASSETS

Impairment assessments are made as of the date of the statement of financial position and whenever an event or change in circumstances is identified that indicates that the book value of an asset may not be recovered. Where such indications exist, the Company will determine the recoverable value of the asset, so as to determine the possible extension of the impairment loss.

In situations in which the individual asset does not generate cash-flows independently of other assets, the estimated recoverable value is determined for the cash generating unit to which the asset belongs.

Whenever the book value of an asset exceeds its recoverable amount, an impairment loss is recognised by charge to the statement of profit and loss

and other comprehensive income, under caption “Amortisation, depreciation and adjustments”.

The recoverable amount is the higher of the net selling price (selling price less costs to sell) and the usable value of the asset. Net selling price is the amount that would be obtained from selling the asset in a transaction between knowledgeable independent entities less the costs directly attributable to the sale. Usable value is the present value of the estimated future cash flows resulting from the continued use of the asset and sale thereof at the end of its useful life. Recoverable amounts are estimated for individual assets or, where this is not possible, for the cash-generating unit to which the asset belongs.

Impairment losses recognised in prior years are reversed when there are indications that such losses no longer exist or have decreased. The reversal of impairment losses is recognized in the statement of profit and loss and other comprehensive income as "Reversal of amortisation, depreciation, adjustments and provisions". However, impairment losses are reversed up to the amount that would have been recognised (net of amortisation) if the impairment loss had not been recorded in prior years.

2.8. FOREIGN CURRENCY ASSETS, LIABILITIES AND TRANSACTIONS

Transactions in currencies other than Euro are recorded at the rates of exchange in force on the dates of the transactions. At each date of the statement of financial position, monetary assets and liabilities denominated in foreign currency are translated to Euro at the rates of exchange in force as of those dates.

Exchange gains and losses resulting from differences between the exchange rates in force on the dates of the transactions and those in force on the dates of collection, payment or the date of the statement of financial position are recognised as income or expenses in the statement of profit and loss and other comprehensive income.

2.9. FINANCING COSTS

Loan expenses are recognised in the statement of profit and loss and other comprehensive income for the period to which they relate.

2.10. INVENTORIES

Merchandise and raw materials are stated at average cost, which is lower than their corresponding market value.

Impairment losses in inventories are recorded by the amount of the difference between cost and the realisable value of inventories, if this is lower than cost.

2.11. RESULT OF OPERATIONS

Operating results include all operating expenses and income, whether recurring or not, including restructuring expenses, and expenses and income relating to operating assets (tangible fixed assets and intangible assets). Therefore, operating profit excludes net financial expenses, the results of investments and income tax.

2.12. PROVISIONS

Provisions are recognised when, and only when, there is an obligation (legal or implicit) resulting from a past event, under which it is probable that there will exist an outflow of resources to resolve the obligation and the amount of the obligation can be reasonably estimated. At each the date of each statement of financial position, provisions are reviewed and adjusted to reflect the best estimate as of that date.

Provisions for reorganization expenses are recognised whenever there is a formal detailed reorganization plan which has been communicated to the parties involved.

Current obligations deriving from onerous contracts are recognised and measured as provisions. An onerous contract exists whenever the Company is party in a contract in which the unavoidable expenses to meet obligations will exceed the economic benefits expected to be received under it.

2.13. FINANCIAL INSTRUMENTS

Financial assets and liabilities are recognised when the Company becomes a party to the contractual relationship.

CASH AND CASH EQUIVALENT

Amounts included in caption “Cash and cash equivalents” include cash, bank deposits and term deposits which can be immediately withdrawable with insignificant risk of change.

Caption “Cash and cash equivalents” in the cash flows statement also includes bank overdrafts, reflected in the statement of financial position in the caption “Loans”.

FINANCIAL LIABILITIES AND EQUITY INSTRUMENTS

Financial liabilities and equity instruments are classified in accordance with the substance of the contract, independently of its legal form. Equity instruments are contracts that reflect a residual interest in the Company’s assets after deduction of the liabilities.

Equity instruments issued by the Company are recorded at the amount received net of costs incurred for their issuance.

FINANCIAL ASSETS AND LIABILITIES AT AMORTISED COST

Financial assets and liabilities at amortised costs, deducted in the case of assets, of any accumulated impairment losses include:

- Accounts receivable;
- Loans;
- Accounts payable.

The amortised cost is the amount at which a financial asset or liability is measured at initial recognition, less principal repayments, and plus or minus cumulative amortisation, using the effective interest rate method, of any difference between such original amount and the amount at maturity. The effective interest rate is the rate that discounts estimated future payments or receivables to the net amount recognized in the financial asset or liability.

DERIVATIVE FINANCIAL INSTRUMENTS AND HEDGE ACCOUNTING

The Company may contract derivative financial instruments to hedge the financial risks to which it is exposed as a result of changes in interest rates.

The Group contracts derivative financial instruments in accordance with internal policies approved by the Board of Directors.

Derivative financial instruments are measured at their fair value. The method for recognising these financial instruments will depend on the nature and purpose of the transaction.

Hedge accounting

Derivative financial instruments are designated as hedging instruments in accordance with provisions of IAS 39, as to their documentation and effectiveness.

Changes in the fair value of derivative instruments designated as fair value hedges are recognised in the income statement for the year, together with changes in the fair value of the asset or liability subject to that risk.

Changes in the fair value of derivative financial instruments designated as cash flow hedging instruments are recorded in caption “Other reserves” as concerns their effective component, and in the income statement as concerns their non-effective component. The amounts recorded under “Other reserves” are transferred to the income statement in the same year in which the effect on the hedged item is reflected in the income statement.

Hedge accounting is discontinued when the hedging instrument matures or is sold or exercised or when the hedging relationship ceases to comply with requirements of IAS 39.

Trading instruments

Changes in the fair value of derivative financial instruments which are contracted for financial hedging purposes, in accordance with the Company’s risk management policies, but do not comply with requirements of IAS 39 to qualify for hedge accounting, are recorded in the statement of profit and loss and other comprehensive income for the year in which they occur.

FAIR VALUE OF FINANCIAL INSTRUMENTS

The fair value of financial assets and liabilities is determined as follows:

- The fair value of standard financial assets and liabilities traded on active markets is determined based on their listed prices (Level 1);
- The fair value of other assets and liabilities (except derivative financial instruments) is determined in accordance with generally accepted valuation models, based on discounted cash flow analyses, considering prices on current market transactions (Level 2);
- The fair value of derivative financial instruments is determined based on listed prices. Where listed prices are not available, fair value is determined based on analyses of discounted cash flow, which include assumptions not supported by prices or market rates (Level 3).

IMPAIRMENT OF FINANCIAL ASSETS

Financial assets carried at amortized cost are assessed for indicators of impairment, where there is evidence that these assets may be impaired. Such financial assets are considered to be impaired when there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows of the investment have been negatively affected.

In what concerns financial assets carried at amortized cost, the amount of the impairment loss recognized is the difference between the asset's carrying amount and the present value of the estimated future cash flows, discounted at the financial asset's original effective interest rate.

For financial assets carried at cost, the amount of the impairment loss is measured as the difference between the asset's carrying amount and the best estimate of the fair value of the financial asset.

The impairment losses are recorded in the statement of comprehensive income in the caption "Amortisation, depreciation and adjustments" in the year they are identified.

In the subsequent period, if the amount of the impairment loss decreases and the decrease can be linked objectively to an event occurring after the impairment was recognized, the previously recognized impairment loss is reversed through the income statement, to the extent that the carrying amount of the investment at the date the impairment is reversed does not exceed what the amortized cost would have been had the impairment not been recognized. The reversal of impairment losses is recorded in the statement of profit and loss and other comprehensive income in Caption "Reversal of amortisation, adjustments and provisions".

DERECOGNITION OF FINANCIAL ASSETS AND LIABILITIES

The Company derecognises financial assets only when the contractual rights to receive the cash flows expire or when the financial assets and the risks and rewards of its ownership are transferred to another entity. The Company derecognises transferred financial assets in relation to which it still retains significant risks and benefits, insofar as their control was transferred.

The Company derecognises financial liabilities when, and only when, the corresponding obligation is either discharged or cancelled or expires.

2.14. SHARE CAPITAL AND TREASURY SHARES

Ordinary shares are classified in equity, as share capital.

Expenses directly attributed to the issuance of new shares or other equity instruments are recorded as deduction, net of tax, at the amount received resulting from the issue. Expenses directly attributed to the issuance of new shares or options for the purchase of a business are deducted at the value of the issue.

Treasury shares are recorded at cost, as a decrease in shareholders' equity. Income or expenses on the sale of treasury stock are recorded in the caption "Other reserves".

2.15. DIVIDEND DISTRIBUTION

The distribution of dividends to holders of share capital is recognised as liabilities in the Company's financial statements, in the period on which such dividends are approved by shareholders until the date of their financial settlement, or, in case of interim dividends, when approved by the Board of Directors.

2.16. PENSION LIABILITIES

The Company has assumed the commitment to provide its employees with retirement pension supplements under a defined benefits plan, having constituted autonomous pension funds for the purpose.

In order to estimate the amount of its liability for the payment of such supplements, periodic actuarial calculations are made using the Projected Unit Credit Method. Remeasurements resulting (i) from the difference between the assumptions used to determine liabilities with the plan and the actual evolution of actuarial variables, (ii) changes introduced in the assumptions and (iii) the difference between the expected return on the fund's assets and actual return are recorded as equity and expenses with benefits granted are reflected in the statement of profit and loss and other comprehensive income for the year in which they are incurred.

Pension liabilities recognised as of the date of the statement of financial position correspond to the present value of the liabilities under the defined benefits plans, adjusted for remeasurements, less the fair value of the net assets of the pension funds.

Contributions made by the Company to the defined pension plans are recognised as expense on the dates they are due.

2.17. CONTINGENT ASSETS AND LIABILITIES

Contingent assets are not recognised in the financial statements, but are disclosed in the notes to the financial statements, when a future economic benefit is likely.

Contingent liabilities are not recognised in the financial statements but are disclosed in the notes to the financial statements, unless the possibility of an outflow of funds affecting future economic benefits is remote, in which case they are not subject to disclosure.

2.18. REVENUE

Income from services rendered is recognised in the statement of profit and loss and other comprehensive income as of completion of the services as of the date of the statement of financial position.

2.19. ACCRUAL BASIS

Dividends from investments are recognised as income in the year they are attributed.

Interest and financial income are recognised on an accrual basis in accordance with the effective interest rate.

Expenses and income are recognised in the year to which they relate independently of when they are paid or received. Income and expenses for which their real amount is not known are estimated.

Expenses and income attributable to the current period, which will only be paid or received in future periods, as well as the amounts already paid and received in the current period that relate to future periods and will be attributed to each of these periods, are recorded in the captions “Other current assets” and “Other current liabilities.”

2.20. INCOME TAX

Tax on income for the year is calculated based on the taxable results and takes into consideration deferred taxation.

Current income tax is determined based on the taxable income for the year. Taxable income differs from accounting results since it excludes several expenses and income which will only be deductible or taxable in subsequent years (timing differences), as well as expenses and income

which will never be deductible or taxable under the terms of the tax rules in force (permanent differences).

Deferred taxes refer to temporary differences between the amounts of assets and liabilities for accounting purposes and the corresponding amounts for tax purposes, as well as those resulting from tax benefits obtained and temporary differences between tax and accounting income.

Deferred tax assets and liabilities are calculated and assessed periodically using the tax rates expected to be in force when the timing differences will reverse.

Deferred tax liabilities are recognised for all taxable temporary differences.

Deferred tax assets are only recognised when there is reasonable expectation that there will be sufficient future taxable income to utilise them. The temporary differences underlying deferred tax assets are reappraised annually in order to recognise or adjust the deferred tax assets based on the current expectation of their future recovery.

2.21. CRITICAL JUDGEMENTS/ESTIMATES IN APPLYING THE ACCOUNTING STANDARDS

The preparation of financial statements in accordance with the IFRS recognition and measurement principles require the Board of Directors to make judgements, estimates and assumptions that can affect the value of the assets and liabilities presented, especially deferred tax assets, intangible assets, tangible fixed assets, impairment losses and provisions, the disclosure of contingent assets and liabilities as of the date of the financial statements as well as income and costs.

These estimates are based on the best knowledge available at the time and on the actions planned, and they are constantly revised based on the information available. Changes in the facts and circumstances can result in revision of the estimates, and so the actual future results can differ from such estimates.

Significant estimates and assumptions made by the Board of Directors in preparing these financial statements include namely, assumptions used to value liabilities with pensions, deferred taxes, the useful life of intangible and tangible fixed assets, provisions and impairment analyses.

2.22. SUBSEQUENT EVENTS

Events that occur after the date of the statement of financial position that provide additional information on conditions that existed as of the said date are reflected in the financial statements.

Events that occur after the date of the statement of financial position that provide additional information on conditions that existed after the said date are reflected in the notes to the financial statements.

3. OPERATING INCOME

Operating income for the years ended as of 31 December 2017 and 2016 are made up as follows:

THOUSAND EURO	'17	'16
Services rendered:		
Logistic and administrative support	32 118	31 089
Other	-	13
	32 118	31 102
Other operating income:		
Administration services	810	-
Gains on tangible fixed assets	22	20
Reimbursement of stamp duty by the tax authority	-	948
Corporate offices in other companies	-	709
Other	530	1 299
	1 362	2 976
Reversal of amortisation, depreciation, adjustments and provisions:		
Provisions (Note 23)	-	25
	33 480	34 103

In the years ended at 31 December 2017 and 2016 operating income with associates and subsidiaries totalled € 33 221 thousand and € 33 046 thousand, respectively (Note 13).

4. SUPPLIES AND SERVICES

The Goods & Services Account for the years ended 31 December 2017 and 2016 is made up as follows:

THOUSAND EURO	'17	'16
Maintenance and repair	3 279	3 604
Specialised works		
Technical and administrative assistance	2 623	2 267
Legal and tax advice	990	612
Studies and opinions	514	270
Other	1 477	497
Rents and rentals	569	535
Advertising costs	498	803
Training	294	176
Communications	229	251
Other	1 974	1 902
	12 447	10 917

5. OPERATING LEASES

Expenses of € 518 thousand and € 514 thousand relating to instalments under operating lease contracts were recognised in the years ended 31 December 2017 and 2016, respectively.

Lease instalments payable under operating lease contracts in force as of 31 December 2017 and 2016 are as follows:

YEAR	THOUSAND EURO	'17	'16
2017		-	366
2018		386	328
2019		259	209
2020		104	54
2021		30	-
		779	957

6. PERSONNEL COSTS

Personnel costs for the years ended 31 December 2017 and 2016 are made up as follows:

THOUSAND EURO	'17	'16
Remuneration	12 233	11 761
Bonuses	5 750	1 868
Wage expenses	3 169	2 529
Retirement benefits:		
Defined contribution (Note 28)	317	310
Defined benefits (Note 28)	283	222
Other	726	647
	22 478	17 337

In the years ended 31 December 2017 and 2016, the average number of employees was 205 and 204, respectively.

7. NET FINANCIAL RESULTS

Financial expenses and losses for the years ended 31 December 2017 and 2016 are made up as follows:

THOUSAND EURO	‘17	‘16
Interest expense	9 615	1
Derivative financial instruments (Note 26)	4 033	1 279
Foreign exchange losses	18	7
Financial Revision of AEDL - Auto-Estradas do Douro Litoral, S.A. ("AEDL") call option (Note 23)	-	146
Other	1 363	1 456
	15 029	2 889

Income and gains for the years ended 31 December 2017 and 2016 are made up as follows:

THOUSAND EURO	‘17	‘16
Interest gained	2 104	2 222
Foreign exchange gains	143	6
Financial revision of the disposal of shares: Brisa Inovação e Tecnologia, S.A. ("BIT") ^{a)}	24	23
Other	48	-
	2 319	2 251

a) This amount corresponds to the financial restatement of accounts receivable from the disposal of 2% and 3% of the stake in BIT, occurred in 2016 and 2015, respectively.

In the years ended at 31 December 2017 and 2016 the company recorded interest earned with group companies, associates and subsidiaries totalling € 1 803 thousand and € 2 045 thousand, respectively (Note 13).

Investment income for years ended 31 December 2017 and 2016 is made up as follows:

THOUSAND EURO	‘17	‘16
Income of group and associate companies ^{a)}		
Brisa Concessão Rodoviária, SGPS, S.A. ("BCR SGPS")	95 964	113 652
Brisa O&M, S.A. ("BOM")	31 578	25 819
Transport Infrastructure Investment Company SCA ("SICAR")	15 572	5 160
Via Verde Portugal, Gestão de Sistemas Electrónicos de Cobrança, S.A. ("Via Verde")	3 894	3 419
Controlauto - Controlo Técnico Automóvel, S.A. ("Controlauto")	2 144	2 409
BGI - Brisa Gestão de Infraestruturas, S.A. ("BGI") ^{b)}	1 418	-
SICIT - Sociedade de Investimento e Consultoria em Infra-estruturas de Transportes, S.A. ("SICIT")	70	88
M. CALL, S.A. ("Mcall")	21	342
Via Verde Contact, S.A. ("VVC")	19	-
Brisa Conservação de Infra-Estruturas, S.A. ("BCI") ^{b)}	-	1 503
	150 680	152 392
Gains on the disposal of investments:		
BIT	-	181
Gains on investment liabilities (Note 23)		
AEDL ^{c)}	-	80
Impairment reversals/(losses) in investments (Notes 13 and 22)		
BGI ^{b)}	8 022	488
Via Oeste, SGPS, S.A. ("Via Oeste")	2 076	305
Brisa Internacional, SGPS, S.A. ("Brisa Internacional")	-	257 820
	10 098	258 613
	160 778	411 266

a) Income from group companies and associates correspond to dividends received from associates during those years.

b) On June 6, 2017, the corporate object and name of Brisa Engenharia e Gestão, S.A. were altered. The corporate name is currently BGI - Brisa Gestão de Infraestruturas, S.A.. On September 4, 2017 BCI was merged into the said company, affective as of January 1, 2017.

c) This amount represents adjustments to estimated liabilities assumed directly by the Company, under the agreement entered with the company responsible for the construction of AEDL's infrastructure.

8. INCOME TAX

The Company is subject to Corporate Income Tax ("CIT") at the normal rate of 21%, which can be increased by a municipal surcharge of up to a maximum rate of 1.5% of the taxable income.

Additionally, the nominal tax rate may vary from 21% to 29.5%, depending on the amount of taxable income ("TI") determined, which will be subject to a tax surcharge at the following rates:

- State surtax:
 - 3% on TI if €M 1.5 < TI <= €M 7.5;
 - 5% on TI if €M7.5 < TI <= €M35; and
 - 7% on TI > €M 35 ^{a)}

a) As from the tax year of 2018, this tax rate will change to 9%; hence, the nominal tax rate for future years may vary from 21% to 31.5% (Note 14).

The Company is taxed for Corporate Income Tax under the Special Regime for the Taxation of Group of Companies ("SRTGC") included in a group where it is the parent company and which further includes subsidiaries BGI, BOM, BIT, Brisa Internacional, Via Oeste, Via Verde Serviços, S.A. ("VVS"), VVC, Mcall and Via Verde Carsharing, S.A. ("VVCS").

This regime consists of the sum of the taxable results of all the companies included in the tax perimeter, less distributed dividends, to which the relevant Corporate Income Tax rate and municipal Surcharge will be applied.

In accordance with current legislation, tax returns are subject to review and correction by the tax authorities during a period of four years (five years for social security), except where tax losses exist or tax benefits have been granted or inspections, claims or appeals are in progress, in which case, depending on the circumstances, the period can be extended or suspended. Therefore, the Company's tax returns for the years 2014 to 2017 may still be subject to review and correction.

The Board of Directors believes that any possible corrections resulting from revisions/inspections of these tax returns will not have a significant effect on the financial statements as of 31 December 2017.

The deadline for the deduction of reportable tax losses ("RTL") is as follows:

TAX PERIOD	DEDUCTION PERIODS
2017	5
2016	12
2015	12
2014	12
2013	5

The deduction amount to be made in each of the tax periods is limited to 70% of respective taxable income.

During the regular inspections that were carried out, Tax Authorities requested corrections to the income tax base and tax, in particular as regards the activity carried out under the concession contract. The Board of Directors, based on technical advice from external consultants, believes that such corrections are unfounded. In this context, the Board of Directors has used the instruments at its disposal to defend its views, continuing to believe in the goodness of its arguments and in a favourable outcome of all existing disputes with the Tax Authorities.

The corrections relating to 2008, 2009 and 2010 stemming from the securitisation of future receivables, result from the said Authority concluding as to the inadequacy of the legal and tax framework applied to the securitisation of future receivables in the amount of €400 000 thousand, carried out on December 19, 2007; the said authority considers that it does not comply with the legislation for the securitization of receivables established in Decree-law 453/99, of 5 November, as amended by Decree-Law 82/02 of 5 April, and consequently with the tax law provided in Decree-Law 219/2001, of 4 August, as amended by Decree-law 303/2003 of 5 December.

In view of the above, the Tax Authority considers that:

- The amount of €400 000 thousand received pursuant to the said operation was unduly added to the taxable income of 2007;
- Income corresponding to the services giving rise to the assigned future receivables are to be recognized, in both tax and accounting terms, in the tax periods in which they are generated;
- An approximate amount of €100 000 thousand relating to the tax benefit under decree-law 287/99 likely to be used up to 2007, was unduly deducted to the corporate tax income for that year;
- When determining the taxable income relating to 2008 to 2010 (already inspected) an amount of € 80 000 thousand was unduly deducted from the taxable income relating to each of the said years.

The Board of Directors of Brisa, based on the opinion of its legal and accounting experts and consultants, deems that the recognition of the said operation is adequately based from the legal point of view, and therefore in accounting and tax terms as well. Consequently, the Board of Directors of Brisa considers that the corrections proposed in the Tax Inspection Reports relating to years 2007 to 2010 are unjustified, as described in the judicial claim (relating to the taxable periods of 2007 and 2010) submitted to the tax authority.

Corrections to the taxable income mentioned above resulted in tax enforcement proceedings, which are suspended until a decision is reached. To obtain the suspension of tax enforcement proceedings relating to the taxable periods of 2008 and 2009 the Company provided bank guarantees in the amount of € 64 129 thousand (Note 27).

Additionally, to obtain the suspension of tax enforcement proceedings set up a pledge over 24 618 shares of subsidiary BOM, in the amount of € 191 637 thousand. During the year ended at 31 December 2016, these proceedings were settled partly in favour of the Company, as the tax due was reduced to € 28 829 thousand (Note 27).

With respect to the tax periods of 2011 and 2012, the TA made the same correction to taxable income, although on a non consolidated basis, since the securitisation operation was transferred to BCR, jointly with the assets and liabilities allocated to Brisa Concession.

Within the scope of the SRTGC, additional corporate income tax assessment relating to 2012 and 2011 was issued in the name of Brisa (controlling company), but the tax foreclosure was suspended against guarantee provided by BCR, in the amount of € 30 948 and €25 736 thousand, respectively.

Income tax recognised in the years ended 31 December 2017 and 2016 was made up as follows:

THOUSAND EURO	'17	'16
Current tax	(2 757)	482
Deferred tax (Note 14)	90	599
Taxes on previous years income	(282)	278
	(2 949)	1 359

The reconciliation between profit before income tax and income tax for the year is as follows:

THOUSAND EURO	'17	'16
Profit before tax	142 202	412 930
Expected tax (21% rate)	29 862	86 715
Capital income	(31 643)	(32 002)
Provisions	55	(307)
Impairment losses	(2 121)	(54 309)
Accounting gains	-	(43)
Pension fund	59	47
Other	277	165
Autonomous taxation	754	196
Municipal surcharge	-	20
Taxes on previous years income	(282)	278
(Set up)/reversal of deferred taxation (Note 14)	90	599
Income tax	(2 949)	1 359

As of 31 December 2017 and 2016, current income tax liabilities were made up as follows:

THOUSAND EURO	'17	'16
Current tax liabilities:		
Corporate Income Tax (CIT)		
Payment on account	(9 992)	(9 891)
Tax withheld	(17)	(155)
Tax estimate ^{a)}	10 133	12 222
	124	2 176

a) This amount corresponds to the estimated tax amount determined under the SRTGC for its group of companies.

9. EARNINGS PER SHARE:

Basic and diluted earnings per share for the years ended 31 December 2017 and 2016 were determined based on the following amounts:

THOUSAND EURO	'17	'16
Result for the purpose of determining the basic and diluted earning per share (net profit for the year)	145 151	411 571
Average number of shares for the purpose of determining the basic and diluted earning per share	552 647 386	552 647 386
Basic and diluted earnings per share (in Euro)	0.26	0.74

At 31 December 2017 and 2016 no diluting effects have occurred; hence, basic and diluted earnings per share are identical.

10. DIVIDENDS AND APPROPRIATION OF RESULTS

At the General Shareholders Meetings held on 05 May 2017 and 04 May 2016 it was decided to pay dividends of € 0.742 per share and € 0.18 per share, totalling € 410 064 thousand and € 99 476 thousand, respectively, concerning the net profit for the years ended 31 December 2016 and 2015. It was further decided to transfer to free reserves the remaining amount of respective net profit for the said years.

At the General Shareholders Meetings held on 06 December 2017 and 07 November 2016 it was decided to pay dividends of € 0.163 per share and € 0.362 per share, totalling € 90 082 thousand and € 200 058 thousand, respectively, via the distribution of reserves.

11. TANGIBLE FIXED ASSETS

Changes in other tangible fixed assets and corresponding accumulated depreciation and impairment losses in the years ended 31 December 2017 and 2016 are as follows:

								'17
THOUSAND EURO	LAND AND NATURAL RESOURCES	BUILDINGS AND OTHER CONSTRUCTIONS	BASIC EQUIPMENT	TRANSPORT EQUIPMENT	ADMINISTRATIVE EQUIPMENT	TOOLS AND UTENSILS	FIXED ASSETS IN PROGRESS	TOTAL
Gross assets:								
Opening balance	3 064	9 412	10 576	372	19 767	20	1	43 212
Increases	-	84	1 154	44	1 406	-	-	2 688
Disposals	-	-	(389)	(89)	(128)	-	-	(606)
Write-downs	-	-	(2)	-	(142)	-	(1)	(145)
Transfers	-	-	122	-	(122)	-	-	-
Closing Balance	3 064	9 496	11 461	327	20 781	20	-	45 149
Cumulative depreciation and Impairment losses:								
Opening balance	-	4 071	7 546	354	18 219	18	-	30 208
Increase	-	227	817	40	721	1	-	1 806
Disposals	-	-	(328)	(89)	(126)	-	-	(543)
Write-downs	-	-	(2)	-	(142)	-	-	(144)
Transfers	-	-	40	-	(40)	-	-	-
Closing Balance	-	4 298	8 033	305	18 672	19	-	31 327
Net value	3 064	5 198	3 428	22	2 109	1	-	13 822

								'16
THOUSAND EURO	LAND AND NATURAL RESOURCES	BUILDINGS AND OTHER CONSTRUCTIONS	BASIC EQUIPMENT	TRANSPORT EQUIPMENT	ADMINISTRATIVE EQUIPMENT	TOOLS AND UTENSILS	FIXED ASSETS IN PROGRESS	TOTAL
Gross assets:								
Opening balance	3 064	9 384	9 910	412	19 190	18	13	41 991
Increases	-	28	924	8	622	2	-	1 584
Disposals	-	-	-	(48)	(16)	-	-	(64)
Write-downs	-	-	(270)	-	(29)	-	-	(299)
Transfers	-	-	12	-	-	-	(12)	-
Closing Balance	3 064	9 412	10 576	372	19 767	20	1	43 212
Cumulative depreciation and Impairment losses:								
Opening balance	-	3 852	7 040	373	17 491	17	-	28 773
Increase	-	219	776	16	773	1	-	1 785
Disposals	-	-	-	(35)	(16)	-	-	(51)
Write-downs	-	-	(270)	-	(29)	-	-	(299)
Closing Balance	-	4 071	7 546	354	18 219	18	-	30 208
Net value	3 064	5 341	3 030	18	1 548	2	1	13 004

12.

INTANGIBLE ASSETS

Changes in intangible fixed assets and corresponding accumulated depreciation and impairment losses in the years ended 31 December 2017 and 2016 are as follows:

THOUSAND EURO			'17	'16		
	LICENSES AND SOFTWARE	INTANGIBLE ASSETS IN PROGRESS	TOTAL	LICENSES AND SOFTWARE	INTANGIBLE ASSETS IN PROGRESS	TOTAL
Gross assets:						
Opening balance	5 572	408	5 980	4 283	485	4 768
Increases	935	45	980	1 203	142	1 345
Write-downs	(118)	-	(118)	(133)	-	(133)
Transfers	81	(81)	-	219	(219)	-
Closing Balance	6 470	372	6 842	5 572	408	5 980
Cumulative depreciation impairment losses:						
Opening balance	3 796	-	3 796	3 194	-	3 194
Increase	1 002	-	1 002	735	-	735
Write-downs	(118)	-	(118)	(133)	-	(133)
Closing Balance	4 680	-	4 680	3 796	-	3 796
Net value	1 790	372	2 162	1 776	408	2 184

13. INVESTMENTS

Investments in subsidiaries, associates and other investments as well as respective changes occurred in the years ended at 31 December 2017 and 2016 are as follows:

THOUSAND EURO							'17				'17
	% HELD	OPENING BALANCE	INCREASES ^{a)}	DECREASES ^{b)}	IMPAIRMENT REVERSALS/ (LOSSES) (NOTES 7 AND 22)	CLOSING BALANCE		ACQUISITION VALUE	CUMULATIVE IMPAIRMENT LOSSES (NOTE 22)	CLOSING BALANCE	
Investments in subsidiaries:											
Brisa Internacional	100%	258 798	950	-	-	259 748		259 748	-	259 748	
Via Oeste	100%	53 657	-	-	2 076	55 733		129 321	(73 588)	55 733	
BGI	100%	11 419	-	-	8 022	19 441		19 441	-	19 441	
Controlauto	74.002%	18 257	-	-	-	18 257		18 257	-	18 257	
BIT	79.21%	8 998	-	-	-	8 998		8 998	-	8 998	
Brisa Áreas de Serviço, S.A. ("BAS")	51%	25	1 530	-	-	1 555		1 555	-	1 555	
Mcall	100%	955	-	-	-	955		955	-	955	
Via Verde	60%	773	-	-	-	773		773	-	773	
BOM	100%	500	-	-	-	500		500	-	500	
VVS	100%	198	2 800	-	-	2 998		2 998	-	2 998	
VVC	100%	100	-	-	-	100		100	-	100	
BCR SGPS	70%	17 048	-	(16 977)	-	71		71	-	71	
Brisa II - Serviços de Gestão de Concessões, S.A. ("Brisa II")	100%	-	50	-	-	50		50	-	50	
Brisa International, B.V. ("BI BV")	100%	1 566	-	(1 551)	-	15		15	-	15	
Investments in associates:											
SICAR (Nota 27)	35.59%	42 700	-	(24 382)	-	18 318		18 318	-	18 318	
AEBT - Auto-Estradas do Baixo Tejo, S.A. ("AEBT")	36.848%	6 160	1 530	(6 393)	-	1 297		1 297	-	1 297	
SICIT	35%	18	-	-	-	18		18	-	18	
Transport Infrastructure, S. à r.l.	35%	6	-	-	-	6		6	-	6	
TIICC, S. à r.l. ("TIICC")	35%	4	-	-	-	4		4	-	4	
AEDL ^{e)}	99.92%	-	-	-	-	-		265 400	(265 400)	-	
Brisal - Auto-Estradas do Litoral, S.A. ("Brisal") ^{e)}	70%	-	-	-	-	-		194 219	(194 219)	-	
		421 182	6 860	(49 303)	10 098	388 837		922 044	(533 207)	388 837	
Other investments:											
AELO - Auto-Estradas do Litoral Oeste, S.A. ("AELO") ^{d)}	15%	6 690	280	(3 120)	-	3 850		3 850	-	3 850	
ELOS - Ligações de Alta Velocidade, S.A. ("ELOS")	16.3%	2 849	157	-	-	3 006		3 006	-	3 006	
I-Start	-	296	-	-	-	296		296	-	296	
TIIC 2 S.C.A., SICAR ("TIIC 2")	3.35%	-	143	-	-	143		143	-	143	
F-Hitec	-	97	-	-	-	97		97	-	97	
ELOS - OM, S.A. ("ELOS - OM")	16.3%	8	-	-	-	8		8	-	8	
		9 940	580	(3 120)	-	7 400		7 400	-	7 400	

THOUSAND EURO

THOUSAND EURO							'16				'16
	% HELD	OPENING BALANCE	INCREASES ^{a)}	DECREASES ^{b)}	DISPOSALS ^{c)}	IMPAIRMENT REVERSALS/(LOSSES) (NOTES 7 AND 22)	CLOSING BALANCE	ACQUISITION VALUE	CUMULATIVE IMPAIRMENT LOSSES (NOTE 22)	CLOSING BALANCE	
Investments in subsidiaries:											
Brisa Internacional	100%	1 078	-	(100)	-	257 820	258 798	258 798	-	258 798	
Via Oeste	100%	53 452	-	(100)	-	305	53 657	129 321	(75 664)	53 657	
Controlauto	74.002%	11 007	7 250	-	-	-	18 257	18 257	-	18 257	
BCR SGPS	70%	155 382	-	(138 334)	-	-	17 048	17 048	-	17 048	
BIT	79.21%	9 225	-	-	(227)	-	8 998	8 998	-	8 998	
BGI	100%	7 149	-	-	-	488	7 637	15 659	(8 022)	7 637	
BCI	100%	3 782	-	-	-	-	3 782	3 782	-	3 782	
BI BV	100%	1 545	21	-	-	-	1 566	1 566	-	1 566	
Mcall	100%	955	-	-	-	-	955	955	-	955	
Via Verde	60%	773	-	-	-	-	773	773	-	773	
BOM	100%	500	-	-	-	-	500	500	-	500	
VVS	100%	50	148	-	-	-	198	198	-	198	
VVC	100%	50	50	-	-	-	100	100	-	100	
BAS	51%	-	50	-	(25)	-	25	25	-	25	
Investments in associates:											
SICAR (Nota 27)	35.58%	42 700	-	-	-	-	42 700	42 700	-	42 700	
AEBT	30%	6 160	-	-	-	-	6 160	6 160	-	6 160	
SICIT	35%	18	-	-	-	-	18	18	-	18	
Transport Infrastructure, S. à r.l.	35%	6	-	-	-	-	6	6	-	6	
TIICC	35%	4	-	-	-	-	4	4	-	4	
AEDL ^{e)}	99.92%	-	-	-	-	-	-	265 400	(265 400)	-	
Brisal ^{e)}	70%	-	-	-	-	-	-	194 219	(194 219)	-	
		293 836	7 519	(138 534)	(252)	258 613	421 182	964 487	(543 305)	421 182	
Other investments:											
AELO ^{d)}	15%	7 532	831	(1 673)	-	-	6 690	6 690	-	6 690	
ELOS	16.3%	2 836	13	-	-	-	2 849	2 849	-	2 849	
I-Start	-	300	-	(4)	-	-	296	296	-	296	
F-Hitec	-	97	-	-	-	-	97	97	-	97	
ELOS - OM	16.3%	8	-	-	-	-	8	8	-	8	
		10 773	844	(1 677)	-	-	9 940	9 940	-	9 940	

a) In the year ended at 31 December 2017 the increase in investment in associate Brisa II stems from its setting up. As of 31 December 2016, the increase in investment in associate Controlauto concerns the acquisition of a stake of 14.45% in this company and the increase in associate BAS stems from its creation.

In the year ended at 31 December 2017, increases in investment in subsidiaries Brisa Internacional, VVS e BAS concern increases in supplementary capital, whereas increase in investment in subsidiary AEBT concern the acquisition of a 6.848% stake (including corresponding supplementary capital and shareholders loans). In the year ended at 31 December 2016 increases occurred in investments in associates BI BV, VVS and VVC concern increases in supplementary capital.

b) As of 31 December 2017, reductions in investment in subsidiaries BCR SGPS and SICAR related to a reduction in share capital and reimbursement of supplementary capital, and the decrease in subsidiaries BI BV and AEBT concerned the reimbursement of accessory contributions. As of 31 December 2016, reductions in equity holding in subsidiary BCR SGPS related to a reduction in share capital and reimbursement of supplementary capital, and the decrease in subsidiaries Via Oeste e Brisa Internacional concerns the reimbursement of accessory contributions.

c) As of 31 December 2016 the Company sold a 2% stake in the share capital of BIT and 49% of BAS..

d) Investment in AELO includes: (i) € 512 thousand relating to capital and accessory contributions and (ii) € 3 338 thousand corresponding to additional construction costs supported directly by the Company.

e) In the year ended as of 31 December 2016, the Company exercised its call option on 54.92% of AEDL shares.

In view of the expectations as to the evolution of future operations of Litoral Centro ("Brisal concession") and Douro Litoral (AEDL) concessions, impairment losses were recognised in the financial statements of previous years, reflecting the non-exercising of the entire contractual right deriving from the investment made in the construction of these motorways. Likewise, Brisa did not recognise in its financial statements the losses corresponding to its exposure as shareholder of the said concessions.

Note that the said projects were structured under project finance, assuming therefore specific characteristics, namely the allocation of risks to the various participants in the projects both as shareholders and funders, ensuring them access to long term debt, repayable according

to the cash flows generated by the projects and respective assets, with limited recourse to shareholders.

Within the scope of the concession contracts referred to above, the parties (including financing entities) entered supporting agreements namely, the Agreement for the Subscription of Capital, and in Brisa's specific case, the Shareholders' Support Agreement and the Traffic Support Agreement attached to respective concession contracts forming an integral part thereof, whereby shareholders' supporting obligations were specifically established, namely in what concerns liabilities for capital investments.

Given the continued deterioration of operating conditions within the scope of the said projects, the Board of Directors adopted a position, having informed the market thereon, whereby Brisa, as shareholder of the said projects, will not accept any liability that may translate in an investment or involvement higher than that contractually agreed.

In 2012 the declining trend in traffic worsened considerably as result of the economic crisis combined with the impact of the introduction of tolls in a number of motorways, adversely affecting the said projects. Likewise, the deterioration of the macroeconomic outlook and the fiscal measures imposed to consolidate and straighten up the public accounts led to a downward revision in the second half of 2012 of cash flow estimates for Brisa and Douro Litoral concessions, based on the latest traffic figures.

As result, the Board of Directors of Brisa has considered that:

- Via the contractual mechanisms, the financial institutions exposed to these projects have a step-in right and can establish the timing to exercise such right;
- The management of these concessionaires is now restricted to day-to-day measures and operation, subject to the budget previously agreed with financial institutions, where any decision not covered by this budget requires their prior approval.
- Under the present circumstances, Brisa ceased to be able to control the said companies, and consequently to conduct AEDL and Brisa relevant businesses and is no longer exposed and ceased to be entitled to their variable results, on account of its relationship with these entities, as mention in paragraph 7 of IFRS 10.

As result, the Board of Directors of Brisa, based on its legal advisers' opinion, considers that Brisa is not exposed to any variability in the negative cash flows foreseen for the said projects, and does not exercise an effective control over the said subsidiaries.

In the years ended at 31 December 2017 and 2016 payments concerning financial investments were made up as follows:

THOUSAND EURO	'17	'16
Contractual obligations with AEDL investment	353	1 663
Investments in subsidiaries and associates:		
VVS	2 800	148
BAS	1 530	50
AEBT	1 530	-
Brisa Internacional	950	-
Brisa II	50	-
AEDL	-	8 994
Controlauto	-	7 250
VVC	-	50
BI BV	-	21
Treasury loan to:		
BI	300	510
BGI	-	700
Mcall	-	175
TIICC	-	2
Shareholders' loans to AEBT	2 819	-
Other investments	300	21
	10 632	19 584

In the years ended at 31 December 2017 and 2016 receivables concerning financial investments were made up as follows:

THOUSAND EURO	'17	'16
Decrease in investment in subsidiaries and associates:		
SICAR	24 382	-
BCR SGPS	16 977	138 140
Repayment of accessory capital in:		
AEBT	6 393	-
AELO	3 120	1 673
BI BV	1 551	-
BCR SGPS	-	194
Via Oeste	-	100
Brisa Internacional	-	100
Repayment of treasury loans to:		
AEBT	9 404	-
BGI	700	-
Brisa Internacional	300	810
Mcall	175	-
AELO	3	1 535
VVC	-	50
Disposal of equity holdings		
BAS	-	25
Reduction in other investments:		
I-Start	-	4
	63 005	142 631

At 31 December 2017 and 2016 balances with group companies and associates were made up as follows:

THOUSAND EURO	CLIENTS (NOTE 15)		SUPPLIERS (NOTE 24)		OTHER DEBTORS (NOTE 15)		OTHER CREDITORS (NOTE 25)		COMPANIES OF THE GROUP ASSETS ^{a)}		OTHER CURRENT ASSETS (NOTE 16)		LOANS (NOTE 21)	COMPANIES OF THE GROUP LIABILITIES	OTHER CURRENT LIABILITIES (NOTE 25)		SRTGC (NOTES 15 E 25)	
	'17	'16	'17	'16	'17	'16	'17	'16	'17	'16	'17	'16	'17	'17	'17	'16	'17	'16
Subsidiaries:																		
Via Oeste	-	-	-	-	-	13	-	-	82 073	80 913	-	-	-	-	-	-	(77)	(84)
BOM	794	821	85	190	-	-	3 747	4 140	-	-	-	-	-	12 023	-	4	2 244	1 627
VVC	398	168	-	-	12	-	-	-	-	-	-	-	-	-	-	-	13	30
Via Verde	326	510	1	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
BGI	256	140	22	17	143	-	-	-	-	703	-	-	-	-	-	-	445	69
Controlauto	159	139	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
BIT	125	109	2	374	-	-	-	-	-	-	50	100	-	-	-	-	(126)	(435)
BAS	55	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
VVS	26	3	82	49	-	-	-	-	-	-	-	-	-	-	-	-	(149)	(32)
Mcall	21	27	13	10	4	-	-	-	-	176	-	-	-	-	3	6	39	(65)
BCI	-	113	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	138
BI BV	-	-	-	-	-	-	15	15	-	-	-	-	-	-	-	-	2	-
BCR SGPS	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(2)
Brisa Internacional	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(1)
Associates:																		
AEDL	184	61	-	-	3 221	1 964	-	-	216 900	216 900	-	4	-	-	-	-	-	-
AEBT	107	48	-	-	-	-	-	-	6 349	12 916	-	-	-	-	-	-	-	-
Brisal	-	288	-	-	-	2 176	-	-	-	-	-	-	-	-	-	-	-	-
SICIT	8	8	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
TIICC	-	-	-	-	-	-	-	-	5	5	-	-	-	-	-	-	-	-
Related parties:																		
Brisa United States, LLC ("BUS")	-	-	-	-	-	-	-	-	-	-	-	-	313 387	-	-	-	-	-
BCR	4 273	4 242	-	-	-	-	-	-	-	-	-	927	-	-	-	-	(105)	(105)
Auto-Estradas do Atlântico, S.A. ("AEA")	849	726	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
AELO	55	32	-	-	-	-	-	-	1 360	1 366	-	-	-	-	-	-	-	-
VVCS	33	-	-	-	-	-	5	-	-	-	-	-	-	-	-	-	(342)	-
Iteuve Portugal, Lda ("Iteuve")	31	29	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
BNV Mobility, B.V.	-	-	89	51	-	203	-	-	-	-	-	-	-	-	-	-	-	-
Capinv 2, S.A.	1	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	7 701	7 464	294	691	3 380	4 356	3 767	4 155	306 687	312 979	50	1 031	313 387	12 023	3	10	1 944	1 140
Impairment losses on Accounts receivable (Note 22)	-	-	-	-	-	-	-	-	(216 900)	(216 900)	-	-	-	-	-	-	-	-
	7 701	7 464	294	691	3 380	4 356	3 767	4 155	89 787	96 079	50	1 031	313 387	12 023	3	10	1 944	1 140

a) Account receivable from AEDL includes partners' loans in the amount of €216 900 thousand, fully adjusted for impairment, as it is unlikely that they will be repaid (Note 22). Account receivable from Via Oeste concerns partners' loans in the amount of € 82 073 thousand, which accrue interest at a rate of 1.5% + EUR12M and for which there is no repayment schedule. Accounts receivable from AELO and AEBT included in this caption concern partners' loans granted, which accrue interest at a rate of EUR6M + 1.5% and EUR6M+6%, respectively.

Additionally, transactions carried out with group companies and associates in the years ended as of 31 December 2017 and 2016 were as follows:

THOUSAND EURO	OPERATING INCOME (NOTE 3)		OPERATING EXPENSES		FINANCIAL EXPENSES (NOTE 21)	FINANCIAL INCOME (NOTE 7)		ACQUISITION OF TANGIBLE AND INTANGIBLE FIXED ASSETS	
	'17	'16	'17	'16	'17	'17	'16	'17	'16
Subsidiaries:									
BOM ^{a)}	(17 389)	(16 383)	289	20	-	-	-	-	-
VVC	1 294	819	-	-	-	-	1	-	-
Via Verde	1 588	1 778	1	-	-	-	-	1	-
BGI	1 250	684	49	40	-	22	3	-	-
Via Oeste	1	1	-	-	-	1 159	1 258	-	-
Controlauto	774	653	1	3	-	-	-	-	-
BIT	660	530	125	103	-	-	-	-	15
BAS	270	-	-	-	-	-	-	-	-
Mcall	103	123	64	52	-	5	1	-	-
Brisa Internacional	1	1	-	-	-	2	14	-	-
BCR SGPS	1	1	-	-	-	-	-	-	-
VVS	126	28	398	480	-	-	-	-	-
BCI	-	545	-	-	-	-	-	-	-
Associates:									
Brisal ^{a)}	12 279	11 633	(50)	-	-	-	-	-	-
AEDL ^{a)}	10 220	9 963	-	-	-	-	-	-	-
AEBT	145	135	52	-	-	597	740	-	-
SICIT	46	37	-	-	-	-	-	-	-
Related parties:									
BCR	20 843	21 616	(12)	-	-	-	-	17	-
BUS	-	-	-	-	9 587	-	-	-	-
AEA	690	606	-	-	-	-	-	-	-
Iteuve	150	143	1	-	-	-	-	-	-
VVCS	122	-	-	-	-	-	-	-	-
AELO	45	36	-	-	-	18	28	-	-
Capinv 2, S.A.	1	-	-	-	-	-	-	-	-
TIICINVEST, Sociedade Unipessoal Lda.	1	-	-	-	-	-	-	-	-
BNV Mobility, B.V.	-	90	92	51	-	-	-	-	-
Movenience, B.V.	-	7	-	-	-	-	-	-	-
	33 221	33 046	1 010	749	9 587	1 803	2 045	18	15

a) Brisal and AEDL operation and maintenance services were contracted with the Company. Following the creation of BOM arising out of the transfer of the company's operation and maintenance into this company, BAE and BOM concluded contracts whereby services contracted with Brisal and AEDL were to be provided by BOM, the contractual relationship between the Company and the said concessionaires, however, did not change. The Company did not record any margin out of such transactions, recording the invoices issued to the concessionaires and corresponding invoices from BOM in its net operating results.

14.

DEFERRED TAXES

Deferred tax assets and liabilities at 31 December 2017 and 31 December 2016, by underlying timing difference, are as follows:

THOUSAND EURO	'17	'16
Provisions not considered for tax purposes	1 037	981
Retirement benefits (pensions)	314	227
Other liabilities	683	889
	2 034	2 097

The changes in deferred tax assets and liabilities in the years ended 31 December 2017 and 2016 are as follows:

THOUSAND EURO	'17	'16
Opening balance	2 097	2 523
Effect on results:		
Effect of change in rate:		
Differences between the tax base and book value of:		
Other liabilities	-	(190)
Provisions not considered for tax purposes	-	(210)
Retirement benefits	-	(60)
	-	(460)
Change for the year:		
Differences between the tax base and book value of:		
Other liabilities	(206)	193
Change in provisions not accepted for tax purposes	56	(388)
Retirement benefits	60	56
	(90)	(139)
Sub-total (Note 8)	(90)	(599)
Effect on equity		
Effect of change in rate:		
Retirement benefits	-	11
Change for the year:		
Retirement benefits	27	162
Sub-total	27	173
Closing Balance	2 034	2 097

As of 31 December 2017 and 2016 the tax rate used for determining deferred tax assets was 21%.

15.

TRADE AND OTHER RECEIVABLES

As of 31 December 2017 and 2016 this caption was made up as follows:

THOUSAND EURO	'17	'16
Clients:		
Group companies (Note 13)	7 701	7 929
Other related parties (Note 30)	-	34
Other	51	6
Doubtful receivables	37	37
	7 789	8 006
Other debtors:		
Group companies (Note 13)	3 380	4 356
SRTGC (Note 13)	2 743	1 864
Personnel	75	243
Other related parties (Note 30)	18	-
Other	788	856
Other doubtful receivables	1	1
	7 005	7 320
	14 794	15 326
Cumulative impairment losses (Note 22)	(38)	(38)
	14 756	15 288

Trade and other receivables result from operating activities and they are net of accumulated impairment losses. These are estimated based on available information and past experience.

Given the nature of the Company's operation, there is no significant concentration of credit risk.

16. OTHER CURRENT ASSETS

As of 31 December 2017 and 2016 this caption was made up as follows:

THOUSAND EURO	'17	'16
Government and other public bodies:		
Corporate income tax:		
Recoverable taxes ^{a)}	15 906	15 952
Other taxes	2	1
	15 908	15 953
Fair value of derivative instruments (Note 26)	-	2 267
Accrued income:		
Group companies (Note 13)	50	931
Interest receivable	33	7
	83	938
Deferred costs:		
Insurance	124	112
Group companies (Note 13)	-	100
Other related Parties (Note 30)	-	26
Other	707	766
	831	1 004
	16 822	20 162

a) This amount concerns a tax payment made by the Company in previous years, the refund of which is pending the settlement of the disputes mentioned in Note 8.

17. CASH AND CASH EQUIVALENT

Cash and cash equivalents at 31 December 2017 and 2016 were made up as follows:

THOUSAND EURO	'17	'16
Bank deposits	37 725	21 992
Cash and cash equivalent	37 725	21 992
Bank overdrafts (Note 21)	(28)	(28)
	37 697	21 964

Caption “Cash and cash equivalents” includes cash, demand deposits and term deposits immediately withdrawable, regarding which the risk of any change in value is irrelevant. Caption “Bank overdrafts” includes the credit balances on demand deposit accounts with banks.

18. CAPITAL

The Company’s capital at 31 December 2017 is made up of 600 000 000 fully subscribed and paid up shares with a nominal value of € 0.01 each.

As of 31 December 2017, the Company shareholders were as follows:

THOUSAND EURO	NUMBER OF SHARES	% SHARE CAPITAL	% VOTE
Tagus Holdings S. à r.l.	243 497 061	40.6%	44.06%
José de Mello Investimentos, SGPS, SA	182 683 904	30.4%	33.06%
Arcus European Infrastructure Fund GP LLP	114 557 795	19.1%	20.73%
Treasury shares (Note 19)	47 352 614	7.9%	N/A
Other shareholders	11 908 626	2.0%	2.15%
	600 000 000	100.0%	100.0%

19. TREASURY SHARES

No changes took place in treasury stock in the years ended 31 December 2017 and 2016. As of the said dates, this caption was made up as follows:

	NUMBER OF SHARES	THOUSAND EURO
Opening balance	47 352 614	228 720
Closing Balance	47 352 614	228 720

	NUMBER OF SHARES	THOUSAND EURO
Opening balance	47 352 614	228 720
Closing Balance	47 352 614	228 720

Commercial legislation regarding treasury stock requires companies to maintain a free reserve equal in amount to the cost of their treasury stock. The reserve is not available for distribution while the stock is held, a reserve of €228 720 thousand (Note 20) being maintained for that purpose. In addition, the applicable accounting rules provide that gains and losses on the sale of treasury stock must be recorded in reserves.

20. LEGAL RESERVE AND OTHER RESERVES

As of 31 December 2017 and 2016 this caption was made up as follows:

THOUSAND EURO	'17	'16
Legal reserve	1 200	1 200
Reserve unavailable for distribution (Note 19)	228 720	228 720
Free reserves	49 960	138 634
	279 880	368 554

LEGAL RESERVE

Commercial legislation establishes that at least 5% of annual net profit must be appropriated to a legal reserve until the reserve equals at least 20% of share capital. This reserve is not available for distribution except in the event of liquidation, but it can be used to absorb losses once the other reserves have been exhausted, or to increase capital.

RESERVE UNAVAILABLE FOR DISTRIBUTION

Commercial law requires the setting up of a reserve in equal amount to the value of outstanding treasury shares, to be kept unavailable for distribution as long as such treasury shares are held.

21. LOANS

At 31 December 2017 and 2016 loans contracted by the Company were as follows:

THOUSAND EURO	'17		'16
	CURRENT	NON CURRENT	CURRENT
Bonds (Note 13)	-	331 387	-
Commercial paper and short term lines	5	-	7
Bank overdrafts (Note 17)	28	-	28
	33	313 387	35

BONDS

Non convertible bonds at 31 December 2017 are made up as follows:

THOUSAND EURO		'17			
ISSUE	NOMINAL VALUE OF THE ISSUE	CURRENT	NON CURRENT	MATURITY	NOMINAL INTEREST RATE
2017	303 800	9 587	303 800	mar/20	4.000%

2017-2020 Issue

The € 303 800 thousand bond issue was carried out in 23 March 2017. This bond with maturity in March 2020 bears interest at a fixed rate of 4%. Repayment of principal will be made on March 23, 2020, however the issuer can make an early repayment of the loan. This Bond was fully subscribed by BUS (Note 13).

COMMERCIAL PAPER AND SHORT TERM LINES

Caption "Other loans obtained" at 31 December 2017 and 2016 is made up as follows:

THOUSAND EURO	'17	'16
Other loans		
Commercial paper and short term lines	5	7

As of 31 December 2017 and 2016, Brisa had credit agreement in the form of an advance on a current account in the total amount of € 36 000 thousand and € 48 000 thousand, respectively. As of the said dates, these amounts were not used.

22. CUMULATIVE IMPAIRMENT LOSSES

Changes in cumulative impairment losses in the years ended 31 December 2017 and 2016 are as follows:

THOUSAND EURO			'17
OPENING BALANCE		DECREASE (NOTES 7 AND 13)	CLOSING BALANCE
Impairment losses:			
Accounts receivable (Note 15)	38	-	38
Shareholders' loans AEDL (Note 13)	216 900	-	216 900
Financial investments ^{a)}	543 305	(10 098)	533 207
	760 243	(10 098)	750 145

THOUSAND EURO					'16
OPENING BALANCE		INCREASE	DECREASE (NOTE 6)	TRANSFERS (NOTE 29)	CLOSING BALANCE
Impairment losses:					
Accounts receivable (Note 15)	34	4	-	-	38
Shareholders' loans AEDL (Note 13)	216 900	-	-	-	216 900
Financial investments ^{a)}	792 924	-	(258 613)	8 994	543 305
	1 009 858	4	(258 613)	8 994	760 243

a) Impairment losses in financial investments in the years ended at 31 December 2017 and 2016, relating to investments in Brisal, AEDL and Via Oeste, were determined using official tests, based on cash-flows projections until the end of the concession contracts of Litoral Centro, Douro Litoral and Atlântico, taking into account corresponding traffic projections. As result of the said analyses, as of 31 December 2017 and 2016 the Company recognised reversal for impairment losses relating Via Oeste in the amount of € 2 076 thousand and € 305 thousand, respectively.

The discount rates used in all evaluations associated with impairment tests reflect the cost of capital employed and the specific risk of each asset, and were estimated within a range of 4.9% to 11.3%.

Additionally, with regard to evaluations which do not concern road concessions the perpetual growth rates considered in were of 1% to 2%, (nominal) taking into account the prospects of value creation in each business after the period established for the projections.

Discount rates used in project finance for the purposes of impairment tests correspond to the original IRR of the base case, as the financing structure of these companies is defined since the initial moment of investment and shareholders cannot change it without the approval of financial banks. In what concerns remaining companies, the discount rate takes into account the evolution of the invested capital structure and the specific risk of each asset, as well as the country where the operation is established.

As of 31 December 2016 the Company recognised a full reversal of impairment losses in the amount of € 257 820 thousand in investment in associate Brisa Internacional, taking into account the contract entered in December 2016 for the disposal of the latter's investments in NWP and Go-Pass Mobility Services, LLC.

Additionally, as of 31 December 2017 and 2016, the Company recognised a reversal of impairment losses concerning investment in BGI, in the amount of € 8 022 thousand and € 488 thousand, following improvement in estimated flows in respective business plan.

23. PROVISIONS

Changes in the provisions and accumulated impairment losses in the years ended 31 December 2017 and 2016 were as follows:

THOUSAND EURO								'17
HEADINGS	OPENING BALANCE	INCREASE		USE		CLOSING BALANCE		
Provisions:								
Non current:								
Pending legal proceedings	31		-		-			31
Other risks and charges	4 659		795		(367)			5 087
	4 690		795		(367)			5 118
Current								
Other risks and charges	485		176		(341)			320
	5 175		971		(708)			5 438
								'16
HEADINGS	OPENING BALANCE	INCREASE	USE	DECREASE (NOTE 7)	FINANCIAL REVISION (NOTE 7)	TRANSFERS (NOTA 22)	CLOSING BALANCE	
Provisions:								
Non current:								
Pending legal proceedings (Note 3)	56	-	-	(25)	-	-		31
Other risks and charges	6 138	315	(1 714)	(80)	-	-		4 659
	6 194	315	(1 714)	(105)	-	-		4 690
Current								
Financial investments	8 848	-	-	-	146	(8 994)		-
Other risks and charges	614	11	(140)	-	-	-		485
	9 462	11	(140)	-	146	(8 994)		485
	15 656	326	(1 854)	(105)	146	(8 994)		5 175

The provision for ongoing lawsuits views to face potential liabilities with lawsuits brought against the company, which were estimated based on information from legal consultants. At 31 December 2017 and 2016 claims against the Company totalled € 7 512 thousand and € 7 379 thousand, respectively; corresponding provision reflects the Board of Directors' best estimate of the amount of such liabilities.

As of 31 December 2016, the Company exercised its call option on the remaining shares of AEDL, in the amount of € 8 994 thousand, transferring the amount of the provision for financial investments to impairment losses (Note 22).

Provision for other risks and charges as of 31 December 2017 and 2016 includes the amounts of € 1 842 thousand and € 2 209 thousand respectively,

corresponding to the Board of Directors' current estimate of the amount of the potential losses to be incurred by the Company associated to the Douro Litoral Concession, resulting from commitments assumed under agreements entered into with the consortium responsible for the construction of Douro Litoral motorway ("DLACE"). In the year ended at 31 December 2016 a partial reversal of this obligation was recorded, in the amount of € 80 thousand (Note 7).

24. SUPPLIERS AND SUPPLIERS OF INVESTMENT

As of 31 December 2017 and 2016, these captions were made up as follows:

THOUSAND EURO	'17	'16
Suppliers:		
Decunify - Soluções de Comunicações, S.A.	338	353
Group companies (Note 13)	294	694
Deloitte & Associados, SROC S.A.	213	12
Avaya Emea Ltd - Sucursal em Portugal	193	87
IT Peers - Serviços em Tecnologias de Informação, S.A.	150	1
Korn Ferry, S.A.	131	195
Doitlean, Lda.	124	30
Nova Expressão - Planeamento Media e Publicidade, S.A.	89	144
AMT - Consulting, Lda.	15	169
Accenture - Consultores de Gestão, S.A.	-	109
Other related Parties (Note 30)	-	2
Other	1 569	1 573
	3 116	3 369
Suppliers of investment:		
Iten Solutions - Sistemas de Informação, S.A.	1 801	-
Decunify - Soluções de Comunicações, S.A.	675	843
Wingman - Agência Digital	67	116
Other related Parties (Note 30)	-	84
Hewlett-Packard Portugal, Lda.	-	21
Other	302	555
	2 845	1 619

25. OTHER CURRENT LIABILITIES

As of 31 December 2017 and 2016 this caption was made up as follows:

THOUSAND EURO	'17	'16
Accrued costs:		
Remuneration payable ^{a)}	9 034	7 050
Group companies (Note 13)	3	10
Other	252	645
	9 289	7 705
Government and other public bodies:		
Corporate Income Tax (CIT)		
Tax payable ^{b)}	16 051	16 051
Personal income tax:		
Income tax withheld	305	304
Value added tax	382	480
Payments to Social Security	292	288
Other taxes	543	543
	17 573	17 666
Other receivables:		
Group companies (Note 13)	3 767	4 155
SRTGC (Note 13)	799	724
Other	1 839	1 524
	6 405	6 403
	33 267	31 774

a) This caption includes the amount of holiday pay, holiday bonus, performance bonus payable to employees and social expenses.

b) This amount refers to a sum returned by tax authorities following the tax inspection relating to 2007 (Note 8), which the Company considers as being due.

26. DERIVATIVE FINANCIAL INSTRUMENTS

As of 31 December 2016, the Company contracted a set of derivative financial instruments with the purpose of minimizing risks of exposure to changes in foreign interest rates within the scope of the disposal of investment in NWP concession (United States), indirectly held by Brisa.

As of 31 December 2016, the Company had contracted the following forex derivative financial instruments, which although contracted for hedging purpose, did not comply with provisions in IAS 39 as hedging instruments, and were therefore classified as held for trade:

THOUSAND EURO				'16
TYPE OF OPERATION	MATURITY	COUNTERPARTY	PREMIUM PAID	FAIR VALUE (NOTES 16 AND 29)
EUR Call options (sale of USD)	04 April 2017	BST / Société Générale	3 546	2 267

Following the disposal of equity holding in NWP concession, these hedging operations were cancelled in the year ended 31 December 2017, the Company having recognised on such date financial expenses associated with these operations in the amount of € 4 033 thousand (Note 7).

As of 31 December 2017 the Company had no derivative financial instruments.

27. CONTINGENT LIABILITIES

At 31 December 2017 and 2016 Brisa had requested several bank guarantees in favour of third parties, namely:

THOUSAND EURO	'17	'16
AEA ^{a)}	23 100	23 100
ELOS ^{a)}	17 769	17 235
Other guarantees provided to third parties ^{b)}	64 455	64 455
	105 324	104 790

a) This amount corresponds to bank guarantees given by Brisa, to guarantee compliance with the Capital Subscription and Realisation Agreement.

(b) At 31 December 2017 and 2016 this caption included the amount of EUR 64 129 thousand corresponding to bank guarantees provided to the Tax Authorities within the scope of pending proceedings (Note 8).

Within the scope of companies financed through Project Finance (AEDL, AEA, AEBT and AELO), equity holdings are given as pledge in favour of funders.

Within the scope of the commitments assumed in companies subject to Project Finance (AEDL, AEBT, AELO and ELOS), the Company is responsible for any additional costs that may arise. At AELO, AEBT and ELOS this liability is pro rata to the percentage capital held.

Brisa entered a Subscription Agreement with SICAR, whereby it undertook to invest up to € 50 000 thousand. At 31 December 2017 and 2016 it had already invested € 18 318 thousand and € 42 700 thousand (Note 13).

Viewing to suspend tax enforcement proceedings relating to 2010 tax period, the Company provided a bank guarantee of € 153 310 thousand, by means of pledge on 24 618 shares of BOM, in the amount of € 191 637 thousand. During the year ended at 31 December 2016, the said proceedings were decided partly in favour of the Company; accordingly, tax payable within the scope of these proceedings was reduced to € 28 829 thousand (Note 8).

28. PENSION LIABILITIES

DEFINED BENEFIT PLAN

Brisa and some of its subsidiaries have a supplementary retirement, incapacity and survivor pension plan, under which their employees reaching retirement age at the service of the Company and of some of its subsidiaries and that have been at their service for at least ten years, as well as those that have been at their service for at least five years and are in a situation of incapacity, have the right to a retirement pension supplementary to that guaranteed by the Social Security.

The benefit defined in the pension plan corresponds to 7% of the gross remuneration at the date of retirement, plus 0.5% for each year of service after the tenth year. Also, in accordance with the pension plan in force, the retirement pension supplement cannot exceed 17% of the gross remuneration at the date of retirement and the sum of the pension supplement plus that attributed by the Social Security can also not exceed the gross remuneration base.

In the case of death of the beneficiary, the plan also gives, in certain conditions, the surviving spouse, children or equivalent, the right to a supplementary survivor pension, corresponding to 50% of the supplementary retirement pension that the beneficiary was receiving.

The liability resulting from the above mentioned scheme was transferred to an autonomous pension fund. The liability is determined half yearly based on actuarial studies prepared by independent experts, the last available being as of 31 December 2017.

Actuarial studies as of 31 December 2017 and previous years were prepared using the Projected Unit Credit method and the following assumptions and technical bases:

	'17	'16	'15	'14
Technical interest rate	2.25%	2.25%	3.25%	3.85%
Fund's annual income rate	2.25%	2.25%	3.25%	3.85%
Annual salary growth rate	1.85%	1.85%	2.25%	2.25%
Annual pension growth rate	0%	0%	0%	0%

The annual wage growth rate reflects the wage policy which is being followed by the Group.

As of 31 December 2017 the impact of a 25 bps reduction in the technical interest rate and the fund's annual income rate used in the actuarial study would correspond to an increase in the present value of projected liabilities by approximately EUR 280 thousand.

In addition, the demographic assumptions considered at 31 December 2017 and previous years were as follows:

	'17	'16	'15	'14
Mortality tables	TV 88/90	TV 88/90	TV 88/90	TV 88/90
Disability table	EKV 80	EKV 80	EKV 80	EKV 80

In accordance with the actuarial studies, the cost of the retirement pension supplements for the years ended 31 December 2017 and previous was as follows:

THOUSAND EURO	'17	'16	'15	'14
Cost of current services (Note 6)	253	208	166	204
Financing cost (Note 6)	110	134	161	213
Remeasurements	126	634	(364)	(756)
Income from the fund (Note 6)	(80)	(120)	(140)	(150)
	409	856	(177)	(489)

Remeasurements are recorded as income and expenses and are recognised directly in equity.

As mentioned, liabilities for the social benefits referred to above were transferred to an autonomous pension fund to where the company makes contributions whenever necessary to cover such liabilities.

At 31 December 2017 and in previous years, the difference between the present value of liabilities and the market value of the fund's assets was follows:

THOUSAND EURO	'17	'16	'15	'14
Current value of projected liabilities	5 342	4 736	4 003	4 115
Fund's market value	(3 851)	(3 654)	(3 777)	(3 712)
	1 491	1 082	226	403

The difference between the market value of the fund's assets and the current value of liabilities is recorded as a non current asset.

The fund's assets and return rate at 31 December 2017 and 2016 are as follows:

THOUSAND EURO	RETURN RATE		FAIR VALUE OF ASSETS	
	'17	'16	'17	'16
Shares and other equity instruments				
Europe	14.69%	1.0%	1 011	960
International excluding Europe	N/A	N/A	58	35
Bonds and other debt instruments	0.32%	2.3%	2 272	2 119
Real estate funds and Hedge Funds	1.33%	-1.2%	391	362
Liquidity	1.3%	2.7%	121	178
			3 851	3 654

DEFINED CONTRIBUTION PLAN

The management and directors have the benefit of a defined contribution supplementary retirement pension, the Company having assumed the commitment to pay an insurance company

10% of the respective basic annual remuneration. In the years ended 31 December 2017 and 2016, the amount of bonuses recorded under "Personnel Costs" was of € 317 thousand and € 310 thousand, respectively (Note 6).

29. MANAGEMENT OF FINANCIAL RISKS

GENERAL PRINCIPLES

Like most companies, Brisa is exposed to a number of financial risks stemming from its business activity. It is worth noting the counterparty risk to which the Company is exposed due to risk hedging operations and financial applications.

All financial risk operations, namely those involving the use of derivative instruments must be approved by the Financial Director or the Executive Board.

Following is a more detailed description of the Company's main financial risks and measures implemented to manage them.

CREDIT RISK

Credit risk relates to trade and other accounts receivable. Although limited, due to the nature of the Company's main operations, the risk is monitored on a regular basis with the objective of:

- monitoring evolution of the level of balances receivable;
- reviewing the recoverability of amounts receivable on a regular basis.

Changes in impairment losses of accounts receivable are disclosed in Note 22.

The Board of Directors deems that the estimated impairment losses on accounts receivable as of 31 December 2017 are adequately provided for in the financial statements (Notes 15 and 22)

Accounts receivable from third parties except for related parties at 31 December 2017 and 2016 included the following overdue balances, for which the Board of Directors has not recognised impairment losses as it believes that they are receivable:

THOUSAND EURO	'17	'16
Overdue balances		
Up to 90 days	41	1
1 to 360 days	2	4
More than 360 days	2	1
	45	6

COUNTERPARTY RISK

The application of cash surpluses and the majority of operations involving derivative financial instruments expose the Company to the risk of non compliance by the counterparties in these operations. In order to mitigate this risk the Company's Financial Management maintains permanent control of the level of exposure to each counterparty; counterparty credit limits are defined based on their rating levels, amongst other factors.

PROJECT FINANCE

It is a policy of the Brisa Group to tender for new road concessions both at home and abroad, integrated in joint ventures/consortia.

Project Finance is the financing mechanism used in these projects, with the purpose of separating, in operational, financial and legal terms, Brisa's activity resulting from the original concession contract, from the activity relating to these new projects. For each project a company is set up with its own financing structure and no recourse by creditors to Brisa cash flows or assets, (apart from the normal equity stand-by guarantees conceded under the terms of these projects and whose value is known

at the very beginning]). Therefore, the risk taken on by Brisa is limited to the amount of Equity Capital allocated to the project and to the guarantees mentioned above.

FAIR VALUE ESTIMATE - ASSETS AND LIABILITIES MEASURED AT FAIR VALUE

The following fair value hierarchy levels apply to assets and liabilities measured at fair value:

- **Level 1:** the fair value of financial instruments is based on prices ruling on active, liquid markets at the date of the statement of financial position;
- **Level 2:** the fair value of financial instruments is not determined based on active market prices but according to valuation models;
- **Level 3:** the fair value of financial instruments is not determined based on active market prices but according to valuation models, the main inputs of which are not observable on the market.

The following table shows the Company's assets and liabilities measured at fair value at 31 December 2016 according to the following fair value hierarchy levels:

THOUSAND EURO		'16		
CLASS	ITEM	LEVEL 1	LEVEL 2	LEVEL 3
Financial assets at fair value	Instruments held for trading (Note 26)	-	2 267	-

At 31 December 2017, the Company had no assets or liabilities measured at fair value.

30. OTHER RELATED PARTIES

The main balances as of 31 December 2017 and 2016 concerning other related parties not disclosed in Note 13 are as follows:

THOUSAND EURO	CLIENTS (NOTE 15)	OTHER DEBTORS (NOTE 15)	OTHER CURRENT ASSETS (NOTE 16)
	'16	'17	'16
Grupo José de Mello	34	18	26
Grupo Efacec	-	-	-
	34	18	26

THOUSAND EURO	SUPPLIERS (NOTE 24)	SUPPLIERS OF INVESTMENTS (NOTE 24)
	'16	'16
Grupo José de Mello	2	13
Grupo Efacec	-	71
	2	84

Additionally, main transactions carried out with other related entities in the years ended as of 31 December 2017 and 2016 were as follows:

THOUSAND EURO	OPERATING INCOME	
	'17	'16
Grupo José de Mello	45	28
Grupo Efacec	-	-
	45	28

THOUSAND EURO	OPERATING EXPENSES	TANGIBLE FIXED ASSETS	INTANGIBLE ASSETS	
	'17	'16	'17	'16
Grupo José de Mello	200	448	90	16
Grupo Efacec	-	-	58	-
	200	448	148	16

In the years ended 31 December 2017 and 2016, gross remuneration of members of Brisa's corporate bodies was as follows:

THOUSAND EURO	'17	'16
Executive directors:		
Fixed remuneration	1 831	1 837
Variable remuneration	2 283	868
Defined benefits	272	272
Non-executive directors:		
Fixed remuneration	386	380
Supervisory Board	120	120
	4 892	3 477

In the years ended 31 December 2017 and 2016, gross remuneration of Brisa key management personnel was as follows:

THOUSAND EURO	'17	'16
Key managing personnel:		
Fixed remuneration	1 820	1 944
Variable remuneration	1 018	641
Defined benefits	45	40
	2 883	2 625

31. APPROVAL OF THE FINANCIAL STATEMENTS

Financial statements for the year ended 31 December 2017 were approved by the Board of Directors on 18 April 2018.

32. STATUTORY OFFICIAL AUDITOR FEES

In the years ended 31 December 2017 and 2016 the Official auditor's fees totalled €30 thousand in each of the said years.

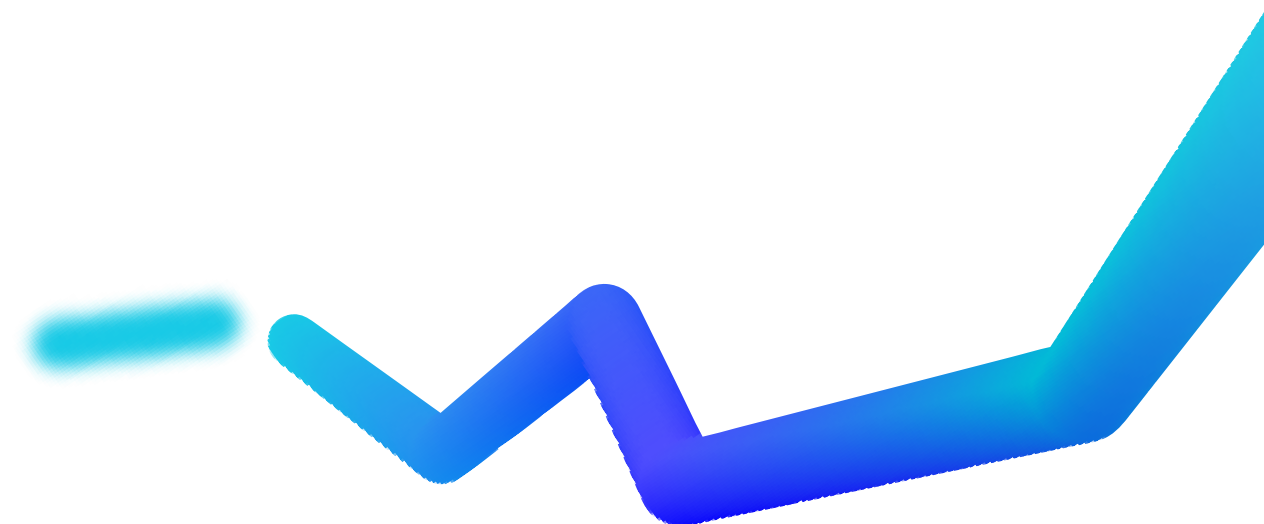
S. Domingos de Rana, 18 de April 2018

THE CERTIFIED ACCOUNTANT NO. 62018

João Rodrigues

THE BOARD OF DIRECTORS

- Vasco Maria Guimarães José de Mello
- João Pedro Stilwell Rocha e Melo
- João Pedro Ribeiro de Azevedo Coutinho
- António José Lopes Nunes de Sousa
- Daniel Alexandre Miguel Amaral
- Rui Alexandre Pires Diniz
- Michael Gregory Allen
- Luís Eduardo Brito Freixial de Goes
- Graham Peter Wilson Marr
- Stuart David Gray



CONSOLIDATED FINANCIAL STATEMENTS

STATEMENTS OF CONSOLIDATED FINANCIAL POSITION

as of 31 december 2017 and 2016

(Amounts expressed in thousand Euro)

ASSETS	NOTES	DEC '17	DEC '16
NON CURRENT:			
Tangible fixed assets	12	48 978	47 179
Intangible assets	13	2 397 252	2 511 559
Investments in associates	14	110 976	133 778
Other investments	15	7 407	9 945
Goodwill	16	26 447	26 447
Other debtors		925	925
Deferred tax assets	17	78 126	247 929
Other non current assets	18	3 146	3 368
Total non-current assets		2 673 257	2 981 130
CURRENT:			
Inventories		5 282	4 534
Trade and other receivables	19	52 360	51 982
Controlled companies	14	64 416	70 300
Other current assets	20	23 983	25 026
Cash and cash equivalent	21	519 405	183 242
		665 446	335 084
Non current assets held for sale	22	-	156 432
Total current assets		665 446	491 516
Total assets		3 338 703	3 472 646

SHAREHOLDERS' EQUITY

	NOTAS	DEC '17	DEC '16
Share capital	23	6 000	6 000
Treasury shares	24	(228 720)	(228 720)
Adjustments of investments in associates		(2 383)	(4 411)
Legal reserve	25	1 200	1 200
Foreign Exchange Adjustments	25	54 018	48 553
Retained earnings and other reserves	25	341 353	551 966
Consolidated net profit for the year		231 479	256 369
Equity attributable to equity holders		402 947	630 957
Non controlling interests	26	88 472	92 603
Total shareholders' equity		491 419	723 560

LIABILITIES

NON-CURRENT:

Loans	27	2 010 351	2 047 448
Provisions	29	201 440	180 030
Other non current liabilities	30	45 958	50 655
Deferred tax liabilities	17	919	90 295
Total non-current liabilities		2 258 668	2 368 428

CURRENT:

Provisions	29	21 020	26 394
Suppliers		20 582	17 839
Loans	27	427 969	177 250
Other accounts payable		16 590	14 562
Current tax liabilities	9	22 612	13 873
Other current liabilities	31	79 843	130 740
Total current liabilities		588 616	380 658
Total liabilities		2 847 284	2 749 086
Total liabilities and equity		3 338 703	3 472 646

The accompanying notes form an integral part of the consolidated statement of financial position at 31 December 2017.

THE CERTIFIED ACCOUNTANT NO. 62018

THE BOARD OF DIRECTORS

CONSOLIDATED FINANCIAL STATEMENTS

CONSOLIDATED INCOME STATEMENTS

for the years ended as of 31 december 2017 and 2016

(Amounts expressed in thousand Euro)

	NOTES	DEC '17	DEC '16
OPERATING INCOME:			
Sale of Goods	5 e 6	8 907	3 621
Rendered Services	5 e 6	662 011	636 291
Other operating income	5 e 6	8 348	7 722
Reversal of amortisation, depreciation, adjustments and provisions	5 e 6	4 856	91 364
Income associated to construction service	5 e 6	13 324	21 401
Total operating income		697 446	760 399
OPERATING EXPENSES:			
Cost of Goods Sold	5	(3 657)	(1 484)
External supplies and services	5	(70 865)	(70 871)
Personnel costs	5	(90 924)	(83 085)
Amortisation, depreciation and adjustments	5, 12, 13 e 28	(142 330)	(144 877)
Provisions	5 e 29	(47 791)	(41 140)
Other operating expenses	5	(7 552)	(7 911)
Expenses associated to construction service	5 e 6	(13 324)	(21 401)
Total operating expenses		(376 443)	(370 769)
Operating profit		321 003	389 630

	NOTES	DEC '17	DEC '16
FINANCIAL EXPENSES	5 e 8	(148 654)	(124 469)
FINANCIAL INCOME	5 e 8	2 152	4 973
INVESTMENT INCOME	5 e 8	231 686	11 084
Profit before tax		406 187	281 218
INCOME TAX	5 e 9	(129 230)	7 586
Net profit for the year		276 957	288 804
Attributable to:			
Shareholders	5 e 10	231 479	256 369
Non controlling interests	5 e 26	45 478	32 435
EARNINGS PER SHARE (IN EURO):			
Basic	10	0.419	0.464
Diluted	10	0.419	0.464

The accompanying notes form an integral part of the separate consolidated income statement for the year ended 31 December 2017.

THE CERTIFIED ACCOUNTANT NO. 62018

THE BOARD OF DIRECTORS

CONSOLIDATED FINANCIAL STATEMENTS

CONSOLIDATED STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY

for the years ended as of 31 december 2017 and 2016

(Amounts expressed in thousand Euro)

	NOTES	SHARE CAPITAL	TREASURY SHARES	ADJUSTMENTS IN EQUITY HOLDINGS	LEGAL RESERVE	FOREX ADJUSTMENTS	RETAINED EARNINGS AND OTHER RESERVES	CONSOLIDATED NET RESULT FOR THE YEAR	INTERIM DIVIDENDS	NON CONTROLLING INTERESTS	TOTAL
Balance at 01 January 2016		6 000	(228 720)	(5 785)	1 200	40 274	885 352	(2 063)	(66 318)	176 140	806 080
Consolidated net profit for the year		-	-	-	-	-	-	256 369	-	32 435	288 804
Other income and expenses recognised under Shareholders' Equity											
Increase/(decrease) in the fair value of financial instruments net of tax effect	32	-	-	-	-	-	37 250	-	-	666	37 916
Changes in foreign exchange reserves		-	-	-	-	8 279	-	-	-	1	8 280
Pension plan - remeasurements	17 e 34	-	-	-	-	-	(1 338)	-	-	(85)	(1 423)
Effect of the application of the Equity Method		-	-	1 374	-	-	-	-	-	-	1 374
Changes in the control % of subsidiaries		-	-	-	-	-	(1 382)	-	-	-	(1 382)
Total comprehensive income for the year		-	-	1 374	-	8 279	34 530	256 369	-	33 017	333 569
Appropriation of consolidated net profit for 2015:											
Distribution of free reserves	11	-	-	-	-	-	(200 058)	-	-	(59 203)	(259 261)
Transferred to retained earnings		-	-	-	-	-	(68 381)	2 063	66 318	-	-
Distributed Dividends	11	-	-	-	-	-	(99 477)	-	-	(51 917)	(151 394)
Changes in the control % of subsidiaries	26	-	-	-	-	-	-	-	-	(5 434)	(5 434)
Balance at 31 December 2016		6 000	(228 720)	(4 411)	1 200	48 553	551 966	256 369	-	92 603	723 560
Balance at 01 January 2017		6 000	(228 720)	(4 411)	1 200	48 553	551 966	256 369	-	92 603	723 560
Consolidated net profit for the year		-	-	-	-	-	-	231 479	-	45 478	276 957
Other income and expenses recognised under Shareholders' Equity											
Increase/(decrease) in the fair value of financial instruments net of tax effect	32	-	-	-	-	-	39 664	-	-	690	40 354
Changes in foreign exchange reserves		-	-	-	-	5 465	-	-	-	(10)	5 455
Pension plan - remeasurements	17 e 34	-	-	-	-	-	(202)	-	-	(7)	(209)
Effect of the application of the Equity Method		-	-	2 028	-	-	-	-	-	-	2 028
Other		-	-	-	-	-	(6 298)	-	-	-	(6 298)
Total comprehensive income for the year		-	-	2 028	-	5 465	33 164	231 479	-	46 151	318 287
Appropriation of consolidated net profit for 2016:											
Distribution of free reserves	11	-	-	-	-	-	(90 082)	-	-	-	(90 082)
Transferred to retained earnings		-	-	-	-	-	256 369	(256 369)	-	-	-
Distributed dividends	11 e 26	-	-	-	-	-	(410 064)	-	-	(26 476)	(436 540)
Share capital decrease	26	-	-	-	-	-	-	-	-	(7 276)	(7 276)
Interim dividends	26	-	-	-	-	-	-	-	-	(18 000)	(18 000)
Accessory capital	26	-	-	-	-	-	-	-	-	1 470	1 470
Balance at 31 December 2017		6 000	(228 720)	(2 383)	1 200	54 018	341 353	231 479	-	87 782	491 419

CONSOLIDATED FINANCIAL STATEMENTS

CONSOLIDATED STATEMENTS OF OTHER COMPREHENSIVE INCOME

for the years ended as of 31 december 2017 and 2016

(Amounts expressed in thousand Euro)

	NOTES	DEC '17	DEC '16
Consolidated net profit for the year		276 957	288 804
Other income and expenses recognised directly under Shareholders' Equity which may be restated to expenses and income:			
Changes in foreign exchange reserves		5 455	8 280
Increase/(decrease) in the fair value of financial instruments, net of tax effect	17 e 32	40 354	37 916
Income from equity holdings	14	2 028	1 374
Other income and expenses recognised directly under Shareholders' Equity		(6 298)	(1 382)
		41 539	46 188
Other income and expenses recognised directly under Shareholders' Equity which will be reclassified to results:			
Pension plan - remeasurements	17 e 34	(209)	(1 423)
Total Other Comprehensive Income		41 330	44 765
Total consolidated net profit and loss and other comprehensive income for the year		318 287	333 569
Attributable to:			
Shareholders		272 136	300 552
Non controlling interests		46 151	33 017

The accompanying notes form an integral part of the separate consolidated income statement for the year ended 31 December 2017.

THE CERTIFIED ACCOUNTANT NO. 62018

THE BOARD OF DIRECTORS

CONSOLIDATED FINANCIAL STATEMENTS

CONSOLIDATED CASH FLOW STATEMENT

for the years ended as of 31 december 2017 and 2016

(Amounts expressed in thousand Euro)

	NOTES	DEC '17	DEC '16
OPERATING ACTIVITIES:			
Cash receipts from clients		639 282	607 129
Cash paid to suppliers		(97 763)	(90 888)
Cash paid to personnel		(91 828)	(88 299)
Flows generated by operations		449 691	427 942
Income tax paid		(68 644)	(48 788)
Payments for the replacement of infrastructures		(27 609)	(24 230)
Other receipts relating to operating activities		42 536	20 995
Net cash from operating activities (1)		395 974	375 919
INVESTMENT ACTIVITIES			
Cash receipts relating to:			
Tangible fixed assets		871	842
Investments in subsidiaries, associates and other	14, 15 e 22	316 555	3 875
Investment subsidies		111	7
Dividends	14	15 780	5 315
Interest and similar income		2 512	1 267
		335 829	11 306
Cash payments relating to:			
Investments in subsidiaries, associates and other	14 e 15	(6 249)	(18 129)
Tangible and intangible fixed assets		(17 021)	(27 765)
		(23 270)	(45 894)
Net cash from investing activities (2)		312 559	(34 588)

	NOTES	DEC '17	DEC '16
FINANCING ACTIVITIES			
Cash receipts relating to:			
Borrowings		1 113 500	937 418
Capital increases and accessory capital by non controlling interests	26	1 470	-
Financial instruments		175	-
		1 115 145	937 418
Cash payments relating to:			
Borrowings		(902 735)	(907 075)
Interest and similar costs		(69 474)	(84 054)
Dividends	11	(544 236)	(405 464)
Derivative financial instruments		(4 982)	(13 848)
Capital decreases and accessory capital of non controlling interests	26	(7 276)	(59 286)
		(1 528 703)	(1 469 727)
Net cash from financing activities (3)		(413 558)	(532 309)
Foreign exchange effect (4)		18 807	826
Transfer to asset held for sale (5)		23 807	(29 195)
Variation in cash and cash equivalents (6) = (1) + (2) + (3) + (4)		337 589	(219 347)
Cash and cash equivalents at the beginning of the year	21	181 760	401 107
Cash and cash equivalents at the end of the period	21	519 349	181 760

The accompanying notes form an integral part of the separate consolidated income statement for the year ended 31 December 2017.

THE CERTIFIED ACCOUNTANT NO. 62018

THE BOARD OF DIRECTORS

CONSOLIDATED FINANCIAL STATEMENTS

1. INTRODUCTION

Brisa – Auto-Estradas de Portugal, S.A. has its head office in Cascais and was founded on 28 September 1972. The Brisa Group (“the Group”) is made up of the subsidiaries and associated companies listed in Notes 4 and 14, including subsidiary Brisa – Concessão Rodoviária, S.A. (“BCR”), which has securities listed on Bourse de Luxembourg (“LuxSE”) and Euronext Lisbon. The Group’s principal activities are described in Note 5.

the companies included in the consolidation (Note 4), restated in the consolidation process to International Financial Reporting Standards, effective for the years beginning 01 January 2017, as adopted in European Union. Such standards include the International Financial Reporting Standards (“IFRS”) issued by the International Accounting Standards Board (“IASB”), the International Accounting Standards (“IAS”) issued by the Accounting Standards Committee (“ASC”) and the respective interpretations – SIC and IFRIC issued by the International Financial Reporting Interpretation Committee (“IFRIC”) and Standing Interpretation Committee (“SIC”). These standards and interpretations are hereinafter referred to collectively as “IFRS”.

2. MAIN ACCOUNTING POLICIES

2.1. BASIS OF PRESENTATION

The accompanying consolidated financial statements were prepared on a going concern basis from the books and accounting records of

ADOPTION OF NEW STANDARDS AND INTERPRETATIONS, AMENDED OR REVISED

The following standards, interpretations, amendments and revisions endorsed by the European Union with mandatory application in financial years starting on or after 01 January 2017, are as follows:

ADOPTION OF NEW STANDARDS AND INTERPRETATIONS, AMENDED OR REVISED

STANDARD / INTERPRETATION	EFFECTIVE DATE (YEARS BEGINNING ON OR AFTER)	
IAS 7 – Cash flow Statement	01-Jan-17	Reconciliation of changes in funding liabilities with cash flows of financing activities.
IAS 12 – Income tax	01-Jan-17	Recognition of deferred tax assets measured at fair value, the impact of deductible temporary differences on the estimate of future taxable income and the impact of restrictions on the capacity to recover deferred tax assets.

CONSOLIDATED FINANCIAL STATEMENTS

NON ADOPTED NEW STANDARDS AND INTERPRETATIONS, AMENDED OR REVISED

Until the date of approval of these financial statements, the European Union endorsed the following standards the application of which is mandatory in future financial years:

NON ADOPTED NEW STANDARDS AND INTERPRETATIONS, AMENDED OR REVISED

STANDARD / INTERPRETATION	EFFECTIVE DATE (YEARS BEGINNING ON OR AFTER)	
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IFRS 9 - Financial instruments:	01-Jan-18	This standard is included in the revision of IAS 39 and establishes new requirements relating to the classification and measurement of financial assets and liabilities, the recognition of impairments on trade receivables and the recognition and classification of hedging accounting.
IFRS 15 – Revenue from contracts with customers	01-Jan-18	This standard introduces a structure for recognising revenue when the contractual obligation of delivering assets or providing services is met, by applying the 5-phase method.
IFRS 16 – Leases	01-Jan-19	This standard specifies the principles to recognise, measure, present and disclose leases, replacing IAS 17 - Leases. The standard defines a new definition of lease and a new accounting of leases for lease-holders. There are no changes concerning the accounting of leases by lessors.
IFRS 15 – Revenue from contracts with customers	01-Jan-18	Identification of performance obligations, time of recognition of revenue from PI licences, revision of indicators for classifying the principal relation versus agent, and new regimes for the simplification of the transition.

These standards, although endorsed by the European Union, were not adopted by the Group in the year started at 31 December 2017 as their application is still not mandatory. Impact stemming from the adoption of these standards are being assessed by Management.

The following standards, interpretations, amendments and revision that could be applicable to the Company's operations, the adoption of which will be mandatory in future financial years, were not endorsed by the European Union, as of the date of these financial statements:

CONSOLIDATED FINANCIAL STATEMENTS

NON ADOPTED NEW STANDARDS AND INTERPRETATIONS, AMENDED OR REVISED

STANDARD / INTERPRETATION EFFECTIVE DATE
(YEARS BEGINNING ON OR AFTER)

Improvements in international financial reporting standards (2014-2016 cycle)	01-jan-17 / 01-jan-18	These improvements involve the clarification of aspects relating to: IFRS 1 - First adoption of IFRS: eliminates temporary exemptions for IFRS 7, IFRS 10 and IAS 19, as they are no longer applicable; IFRS 12 - Disclosures of interests in other entities: clarifies that its scope includes investments classified within the scope of IFRS 5, and that the only exemption refers to the disclosure of the summary of the financial information of such entities; and IAS 28 - Investments in associates and joint ventures: (i) clarifies that investments in associates or joint ventures held by a venture capital company can be measured at fair value according to IFRS 9, on an individual basis, and (ii) clarifies that an entity which is not an investment entity, but holds investments in associates and joint ventures which are investment entities can keep the measurement at fair value of the associate or joint venture in its own subsidiaries.
IFRS 2 – Share-base payment	01-Jan-18	Measurement of share-based payment plans financially settled, recognition of changes, and the classification of share-based payment plans as settled in equity, where the employer is required to withhold tax.
IFRS 9 - Financial instruments:	01-Jan-19	Options of accounting processing of financial assets with negative compensation.
IAS 28 - Investments in associates and joint ventures	01-Jan-19	Clarification as to long term investment in associates and joint ventures which are not measured by the equity method.
Improvements in international financial reporting standards (2015-2017 cycle)	01-Jan-19	These improvements involve the clarification of aspects relating to: IAS 23 - Borrowing costs: The amendments clarify that if any specific borrowing remains outstanding after the related asset is ready for its intended use or sale, that borrowing becomes part of the funds that an entity borrows generally when calculating the capitalisation rate on general borrowings. IAS 12 - Income taxes: The amendments clarify that all income tax consequences of dividends (i.e. distribution of profits) should be recognised in profit or loss, regardless of how the tax arises; and IFRS 3 - Business Combinations and IFRS 11 - Joint Arrangements: clarify that (i) when an entity obtains control of a business that is a joint operation, it remeasures previously held interests in that business; and (ii) when an entity obtains joint control of a business that is a joint operation, the entity does not remeasure previously held interests in that business.
IFRIC 22 – Foreign currency transactions and advance consideration	01-Jan-18	Interest rate to apply where the consideration is received or paid in advance.
IFRIC 23 – Uncertainty over income tax treatment	01-Jan-19	Clarification regarding the determination of taxable profit (tax loss), tax bases, unused tax losses, unused tax credits and tax rates, when there is uncertainty over income tax treatments under IAS 12.

No relevant effects are estimated for future financial statements from the application of these standards and interpretations, though its impact was not yet totally determined or quantified.

The financial statements were prepared in accordance with the historical cost convention, except in the case of financial instruments, which were recognised at fair value. The main accounting policies adopted are described below.

2.2. CONSOLIDATION PRINCIPLES

A) CONTROLLED COMPANIES

Controlled companies have been consolidated in each accounting period using the full consolidation method. Control is considered to exist where the Group is exposed to or is entitled to variable returns stemming from its involvement with affiliates and can determine such returns on account of the power it exerts on these companies. Subsidiaries are consolidated as from the date in which respective control is transferred to the Group, and they are excluded from consolidation as from the date such control ceases to exist.

Third party participation in shareholders' equity and net profit of such companies is presented separately in the consolidated statement of financial position and consolidated income statement, respectively, under the caption "Non controlling interests" (Note 26).

The results of subsidiaries acquired or sold during the year are included in the separate consolidated income statement from the date of their acquisition to the date of their sale.

Controlled companies as of 31 December 2017 are listed in Note 4. Significant balances and transactions between such companies were eliminated in the consolidation process. Non realised losses are also eliminated, unless considered as an indicator of impairment for the asset transferred. Capital gains within the Group on the sale of subsidiary and associated companies are also eliminated.

Whenever necessary, adjustments are made to the financial statements of subsidiary companies to conform to the Group's accounting policies.

B) JOINT VENTURES

Joint arrangements are classified as joint ventures or joint undertakings according to the contractual rights and obligations of each investor.

Joint undertakings are included in the consolidated financial statements according to the equity method. Investments in joint undertakings are initially measured at cost; their book value is subsequently increased or reduced by recognising the share of the Group in total gains or losses recorded by the joint undertaking.

When the share of the losses attributable to the Group is equivalent or exceeds the value of the investment in the joint venture, the Group recognise additional losses if it has taken on obligations or made payments in benefit of the associate to the benefit of the joint ventures.

Unrealised gains and losses on transactions between the Group and its joint ventures are eliminated in the proportion of the Group's interest in the joint venture. Unrealised losses will also be eliminated, unless the transaction provides additional evidence of an impairment over the transferred asset.

Accounting policies of joint ventures are altered, where necessary, in order to ensure that they are applied consistently with those of the Group.

C) CONCENTRATION OF BUSINESS ACTIVITIES

The acquisition of subsidiaries is accounted for according to the purchase method. The acquisition cost is calculated as the sum of the fair values of the assets transferred, liabilities incurred or assumed and the equity instruments issued by the Group in exchange for the control of the acquire, at acquisition date.. Acquisition related costs are recognized as cost when incurred. When applicable the acquisition costs also include the fair value of the contingent consideration measured at the acquisition date. Subsequent changes to value of the contingent consideration are recorded in

accordance with the accounting of rules applicable to the identified assets and liabilities, except if they qualify as measurement period adjustments. During the provisional measurement period, these subsequent changes affect the purchase value of the concentration of business activities (fair value of net assets purchased), whilst changes occurred following the provisional measurement period affect results or equity, in accordance with respective standards, and the fair value of assets and liabilities for the purposes of measuring the concentration of business activities is no longer altered.

If the initial accounting of the business combination is incomplete by the end of the reporting period in which the business combination occurs, the Group reports provisional amounts for the items for which the accounting is incomplete and adjusts those provisional amounts during the measurement period (period between the date of acquisition and the date at which the Group obtains the full information about the facts and circumstances that existed at the acquisition date and that cannot exceed one year from the acquisition date), or additional assets and liabilities are recognized, to reflect the facts and circumstances that existed at the financial position date and that, if known, would have been affected the amounts recognized at the acquisition date. Where, as of the date of acquisition of the control, the Group already has a holding previously acquired, the fair value of such holding will be taken into account to determine the goodwill or badwill.

If the above mentioned differential is negative, it is recognized in the income statement for the period after reassessment of the estimated fair value.

The non-controlling interests of the shareholders that do not have the control of the business combination are identified separately in the equity. Non-controlling interests can be initially measured by its fair value or by the percentage of the fair value of the assets and liabilities of the acquired subsidiary. This option is available each separate transaction. After the initial measurement the non-controlling interests are determined as the amount initially recognized plus the proportion of the changes in the

equity of the subsidiary. The comprehensive income of a subsidiary is attributed to the non-controlling interests even if they are negative.

Changes in the controlling interests over subsidiary companies both in increases and in decreases that do not represent a loss of control are accounted as equity transactions. The controlling interests of the Group and the non-controlling interests are adjusted to reflect the changes of participation. Any difference between the amount by which the non-controlling interests are adjusted and the fair value of the acquisition price is recognized as equity and allocated to the controlling interests.

When the Group loses control over a subsidiary, the gain or loss in the sale is calculated as the difference between (i) the aggregated amount of the fair value of the consideration received and the fair value of the interest retained and (ii) the accounting value of the assets (including goodwill) and the liabilities of the subsidiary and of the non-controlling interests; respective gains are recognised in results for the year. The amounts previously recognized as comprehensive income are transferred to the income statement or retained earnings in a similar manner as if the related assets and liabilities had been sold. The fair value of the interests retained corresponds to the fair value of the initial recognition for the purposes of the subsequent accounting in the scope of IAS 39 – Financial instruments or, if applicable, the cost for the purposes of the initial recognition of an investment in an associate or a joint-venture.

D) INVESTMENTS IN ASSOCIATES

An associated company is one in which the Group exercises significant influence, but does not have control or joint control, through participation in decisions relating to its financial and operating policies.

Investments in the majority of associated companies (Note 14) are recorded in accordance with the equity method, except where they are classified as held for sale. Investments are originally recorded at cost which is then increased or decreased by the difference between cost and the proportional value of the equity of such companies as of the date of acquisition or the date the equity method was first used.

Under the equity method, an investment in an associate is initially recognized in the consolidated statement of financial position at cost and adjusted thereafter to recognize the Group's share of the profit or loss and other comprehensive income of the associate (and accounted in the income statement and the other comprehensive income of the Group) and the dividends received.

In the specific case of changes in equity in associated companies, resulting from the capital increase with share premium, causing a dilution of the investment held, the corresponding adjustment in the amount of the investment is made by corresponding entry to income or loss from investments.

Losses in associated companies in excess of the investment in such companies are not recognised, except when the Group has made payments to the benefit of the associates.

Any excess of cost over the fair value of the identifiable net assets acquired as of the acquisition date is recorded as goodwill. Where cost is lower than the fair value of the net assets identified, the difference is recorded as a gain in the consolidated statement of profit and loss for the period in which the acquisition occurs.

In addition, dividends received from these companies are recorded as decreases in the amount of the investments.

A valuation of the investments in associates is performed when there are signs that the asset may be impaired (including goodwill and/or implicit loans/financing), in which case any impairment losses will be recorded as expenses. Reversal of impairment losses recognised in prior years is recorded when there is an indication that the impairment losses recognised for the asset no longer exist or have decreased. However, impairment losses are reversed up to the amount that would have been recognised (net of amortisation) if the impairment loss had not been recorded in prior years.

Unrealised gains in transactions with associated companies are eliminated in proportion to the Group's interest in such companies, by corresponding entry to the amount of the related investment. Unrealised losses are also eliminated, but only up to the point in which the loss does not show that the asset transferred is in a situation of impairment.

E) GOODWILL

The differences between the acquisition cost of the investments in group companies and associates, plus, in the case of subsidiaries, of the non-controlling interests and the fair value of identifiable assets and liabilities of those companies at the date of acquisition, if positive, are recorded in goodwill or in investments in associated companies, as applicable. Goodwill on investments in subsidiaries registered abroad as well as the fair value adjustments of the subsidiary's assets and liabilities at the date of acquisition is recorded in the reporting currency of the subsidiary, being translated to the Group's reporting currency (Euro) at the exchange rate in force on the date of the consolidated statement of financial position. Exchange differences arising on such translations are recorded in the caption "Foreign currency adjustments".

Goodwill is not amortised but subjected to annual impairment tests. Goodwill is allocated to the cash-generating units to which it belongs for the purposes of performing the impairment tests, which are carried out at least once a year. The recoverable amount is determined based on management business plans or valuation reports performed by independent experts. Any goodwill impairment loss is recorded as a cost in the consolidated income statement for the period under caption "Amortisation, depreciation and adjustments".

Goodwill impairment losses cannot be reversed, except for goodwill on investments in associates.

When the differences between the acquisition cost of investments in group companies and associates, added, in the case of subsidiaries, of the value of non-controlling interests and the fair value of identifiable assets and liabilities of those companies at the date of acquisition are negative, they

are recognized as an income at the date of acquisition, after reassessment of the fair value of the identifiable assets and liabilities.

Goodwill on acquisitions prior to the transition date to IFRS (1 January 2004) was maintained at the former amount, being subject to annual impairment tests.

2.3. SEGMENT REPORTING

An operating segment is a component of an entity:

- (i) that engages in business activities from which it may earn revenues and incur expenses (including revenues and expenses relating to transactions with other components of the same entity);
- (ii) whose operating results are regularly reviewed by the entity's chief operating decision maker to make decisions about resources to be allocated to the segment and assess its performance; and
- (iii) for which discrete financial information is available.

Operating segments are reported consistently with the internal management information model provided to the Group's key decision-makers. Such decision-makers are responsible for allocating resources to the segment and assessing its performance, in addition to strategic decision-making.

2.4. NON CURRENT ASSETS HELD FOR SALE

Non-current assets (or discontinued operations) are classified as held for sale if the amount is realisable through sale, as opposed to through continued use. This is considered to be the case where: (i) sale is probable and the asset is available for immediate sale in its current condition; (ii) management is committed to a sales plan; and (iii) the sale is expected to take place within a period of 12 months.

Non-current assets (or discontinued operations) classified as held for sale are stated at the lower of book value or fair value less costs to sell. Assets with finite life cease to be amortised/depreciated as from the date they

are classified as held for sale until the date of the sale or the transaction becomes unlikely.

Subsidiaries classified as non current assets held for sale continue to be consolidated until the date of respective sale, and their assets and liabilities are then classified as held for sale and accounted at the lower of the carrying amount and the fair value less selling costs, whilst the recording of depreciation/amortisation ceases.

Where, due to changes in circumstances of the Brisa Group, non current assets and/or groups for sale cease to fulfil the conditions to be classified as held for sale, such assets and/or Groups for sale will be reclassified according to the underlying nature of the assets and will be remeasured at the lower of i) the carrying amount before they were classified as held for sale, adjusted for any depreciation/amortisation expense, or revaluation amounts that were recognised, had such assets not been classified as held for sale, and ii) recoverable amounts of the assets as of the date they are reclassified, in accordance with underlying nature. These adjustments will be recognised in results for the year.

2.5. INTANGIBLE ASSETS

Intangible assets acquired separately are measured at acquisition cost, which comprises; i) the purchase price, including intellectual rights and other taxes, after deduction for discounts; and ii) any directly attributable cost of preparing the asset for its intended use.

After the initial accounting, the Group measures its intangible assets according to the cost model.

Intangible assets, which comprise essentially contractual rights and costs incurred on specific projects with future economic value, are stated at cost less accumulated amortisation and impairment losses. Intangible assets are only recognised if it is probable that they will produce future economic benefits for the Group, they are controllable by the Company and their value can be determined reliably.

The Brisa Group follows IFRIC 12 – Service Concession Arrangements in situations where a public entity has assigned the Group with the supply of public services, through public services concession arrangements. The Group follows the intangible asset model for these arrangements, being granted the right to charge users for the public service provided, there existing no guarantee over the revenues to be received by the Grantor during the concession period and the Group assuming the demand risk. Expenses with concession infrastructures are recognised as intangible assets, and amortised over the period of the concession. These intangible assets are added to the amounts agreed with the Grantor for the construction/acquisition of assets to operate the concession, where these translate in investments in expansion or improvements to infrastructures.

Internally generated intangible assets, namely current research and development costs, are recognised as costs when incurred. Internal costs relating to the maintenance and development of software are recorded as expenses in the consolidated income statement when incurred, except where such costs relate directly to projects which will probably generate future economic benefits for the Group. In such cases these costs are capitalised as intangible assets.

Amortisation of such assets is provided on a straight-line basis as from the date the assets started being used, in accordance with the period the Company expects to use them.

Whenever there are signs of possible loss of economic value in intangible assets, impairment tests are carried out to estimate the recoverable value of the asset, and where necessary, recognise an impairment loss.

Useful lives of intangible assets are reviewed at the end of each reporting year so that depreciation complies with the asset consumption patterns. Changes to useful lives are treated as a change in an accounting estimate and applied prospectively.

2.6. TANGIBLE FIXED ASSETS

Tangible fixed assets used in production, rendering services or for administrative use are stated at cost, including expenses incurred with their purchase, less accumulated depreciation and, where applicable, impairment losses.

Depreciation of tangible fixed assets is provided on a straight-line basis over their estimated useful lives, as from when the assets become available for their intended use, in accordance with the following estimated periods of useful life:

	YEARS OF USEFUL LIFE
Buildings and other constructions	1 a 50
Basic equipment	1 a 20
Transport equipment	4 a 6
Administrative equipment	1 a 10
Tools and utensils	1 a 10

Tangible fixed assets directly related to concessions that will revert to the grantor at the term of respective contracts are amortized throughout their estimated useful lives up to the end of the concession period.

Whenever there are signs of possible loss of economic value in tangible assets, impairment tests are carried out to estimate the recoverable value of the asset, and where necessary, recognise an impairment loss.

Useful lives of assets are revised at the end of each reporting year so that depreciation complies with the asset consumption patterns. Land is not depreciated. Changes to useful lives are treated as a change in an accounting estimate and applied prospectively.

2.7. LEASING

Lease contracts are classified as: (i) finance leases, if substantially all the benefits and risks of ownership are transferred under them; and (ii) operating leases, if substantially all the benefits and risks of ownership are not transferred under them.

Leases are classified as finance or operating leases based on the substance rather than the form of the contract.

Fixed assets acquired under finance lease contracts as well as the corresponding liabilities are recorded in accordance with the financial method, where fixed assets, corresponding accumulated depreciation and liabilities are recognised in accordance with the contracted financial plan under caption “Suppliers of investments”. In addition, the interest included in the lease instalments and depreciation of the tangible fixed assets are recognised as expenses in the consolidated statement of profit and loss for the year to which they relate.

Tangible fixed assets acquired through financial leases depreciate over the useful life of the corresponding asset.

In the case of operating leases, lease instalments are recognised as expenses on a straight-line basis in the consolidated statement of profit and loss over the period of the lease contract.

2.8. IMPAIRMENT OF NON CURRENT ASSETS, EXCLUDING GOODWILL

Impairment assessments are made as of the date of the statement of financial position and whenever an event or change in circumstances is identified that indicates that the book value of an asset may not be recovered. Where such indications exist, the Group determines the recoverable value of the asset, so as to determine the possible extension of the impairment loss.

In situations in which the individual asset does not generate cash-flows independently of other assets, the estimated recoverable value is determined for the cash generating unit to which the asset belongs.

Whenever the book value of an asset exceeds its recoverable amount, an impairment loss is recognised by charge to the statement of comprehensive income, under caption “Amortisation. depreciation and adjustments”.

Intangible assets which do not have a finite useful life are tested for impairment on a regular basis (at least once a year), regardless of any signs of impairment.

The recoverable amount is the higher of the net selling price (selling price less costs to sell) and the usable value of the asset. Net selling price is the amount that would be obtained from selling the asset in a transaction between knowledgeable independent entities less the costs directly attributable to the sale, or the market price if the asset is traded on a active market, or fair value calculated based on an estimate of future cash flows that any market agent would expect to obtain from the asset. Usable value is the present value of the estimated future cash flows resulting from the continued use of the asset and sale thereof at the end of its useful life. Recoverable amounts are estimated for individual assets or, where this is not possible, for the cash-generating unit to which the asset belongs.

Impairment losses recognised in prior years are reversed when there are indications that such losses no longer exist or have decreased. The reversal of impairment losses is recognized in the consolidated statement of profit and loss as "Reversal of provisions, amortisation, depreciation, adjustments and provisions". However, impairment losses are reversed up to the amount that would have been recognised (net of amortisation) if the impairment loss had not been recorded in prior years.

2.9. FOREIGN CURRENCY ASSETS, LIABILITIES AND TRANSACTIONS

Transactions in currencies other than Euro are recorded at the rates of exchange in force on the dates of the transactions. At each date of the consolidated statement of financial position, monetary assets and liabilities denominated in foreign currency are translated to Euro at the rates of exchange in force as of those dates. Foreign currency non monetary assets and liabilities recorded at fair value are translated to Euro using the rates of exchange in force on the dates the fair value is determined.

Exchange gains and losses resulting from differences between the exchange rates in force on the dates of the transactions and those in force on the dates of collection, payment or the date of the consolidated statement of financial position are recognised as income or costs in the separate income statement, except for those relating to non monetary items where the change in fair value is recognised directly in shareholders' equity ("Foreign Exchange Adjustments"), in particular:

- Exchange differences resulting from the translation of medium and long term foreign currency intra Group balances, which in practice are extensions of investments;
- Exchange differences on financial operations to hedge exchange risk on foreign currency investments as established in IAS 21, provided that they comply with the efficiency criteria established in IAS 39.

The foreign currency financial statements of subsidiary and associated companies are translated as follows: assets and liabilities at the exchange rates in force on the date of the consolidated statement of financial position; shareholders' equity captions at the historical exchange rates; and separate Income statement captions at the average exchange rates.

The effect of such translations is reflected in the shareholders' equity caption "Foreign Exchange Reserves", and is transferred to the income statement when the corresponding investments are sold.

In accordance with IAS 21 goodwill and fair value corrections determined on the acquisition of foreign entities are considered in the reporting currency of such entities being translated to Euro at the exchange rates in force on the date of the consolidated statement of financial position. Such exchange differences are reflected under caption "Foreign exchange adjustments".

2.10. FINANCING COSTS

Costs incurred on loans obtained directly to finance the acquisition, construction or production of qualifying tangible and intangible fixed assets, i.e. assets which take more than one year to build, are capitalised and part of the cost of the assets. Such costs are capitalised as from the beginning of the preparation for construction or development of the assets and ends on the date such assets are available for use or when the project in question is suspended. Any financial income generated by loans obtained in advance to finance specific capital expenditure is deducted from the capital expenditure subject to capitalisation.

Loan expenses are recognised in the consolidated income statement for the period to which they relate.

2.11. SUBSIDIES

State subsidies are recognised based on their fair value, when there is reasonable certainty that they will be received and that the Group will comply with the conditions required for them to be granted.

Operating subsidies, namely those for employee training, are recognised in the consolidated income statement for the year in accordance with the expenses incurred.

Investment subsidies relating to the acquisition of tangible fixed assets are deducted from the value of such fixed assets and recognised in the consolidated income statement for the year on a consistent straight-line basis in proportion to depreciation of the subsidised fixed assets.

2.12. INVENTORIES

Merchandise and raw materials are stated at average cost, which is lower than their corresponding market value.

Finished and semi-finished products, sub-products and work in progress are stated at average production cost, which includes the cost of the raw materials incorporated, labour and production overheads (considering depreciation of production equipment based on normal utilisation levels), which is lower than net realisable value. Net realisable value corresponds to normal selling price less cost to complete production and selling costs.

Impairment losses on inventories are recorded by the difference between the cost and the realisable value of inventories, if this is lower than cost.

2.13. RESULT OF OPERATIONS

Operating results include all operating expenses and income, whether recurring or not, including restructuring expenses, and expenses and income relating to operating assets (tangible fixed assets and intangible assets). It further includes capital gains and losses on the sale of companies included in the consolidation by the full consolidation method. Therefore, operating profit excludes net financial expenses, the results of associated companies and other investments and income tax.

2.14. PROVISIONS

Provisions are recognised when, and only when, there is an obligation (legal or implicit) resulting from a past event, under which it is probable that there will exist an outflow of resources to resolve the obligation and the amount of the obligation can be reasonably estimated. At each the date of each consolidated statement of financial position provisions are reviewed and adjusted to reflect the best estimate as of that date.

The amount recognised as provisions consists of the present value of the best estimate, as of reporting date, of the resources required to settle the obligation. This estimate is determined taking into account the risks and uncertainties surrounding the obligation.

In particular, the Group recognizes provisions for the reinstatement of obligations associated to the infrastructures operated under the concession agreements that require a specific level of service. These provisions are calculated based on future intervention plans, namely as concerns road resurfacing.

Present obligations arising under onerous contracts are recognized and measured as provisions. An onerous contract is considered to exist where the Group has a contract under which the unavoidable costs of meeting the obligations under the contract exceed the economic benefits to be received from the contract.

Provisions for reorganization expenses are recognised whenever there is a formal detailed reorganization plan which has been communicated to the parties involved.

2.15. FINANCIAL INSTRUMENTS

Financial assets and liabilities are recognised when the Group becomes a party to the contractual relationship.

CASH AND CASH EQUIVALENT

Amounts included in caption “Cash and cash equivalents” include cash, bank deposits, term deposits and other treasury applications maturing in less than three months and which can be immediately withdrawable with insignificant risk of change.

For the purposes of the consolidated cash flow statement, caption “Cash and cash equivalents” also includes bank overdrafts included in caption “Loans” in the statement of financial position.

ACCOUNTS RECEIVABLE

Accounts receivable do not have implicit interest and are reflected at their nominal value, less estimated loss on realisation.

HELD TO MATURITY INVESTMENTS

Held-to-maturity investments are classified as non current assets, except if they mature in less than twelve months from the statement of financial position, including investments with a defined maturity date for which there is no intention or capacity to hold up to that date.

Held-to-maturity investments are recorded at capitalised cost based on the effective interest rate, less repayments of principal and interest income.

FINANCIAL LIABILITIES AND EQUITY INSTRUMENTS

Financial liabilities and equity instruments are classified in accordance with the substance of the contract, independently of its legal form. Equity instruments are contracts that reflect a residual interest in the Group’s assets after deduction of the liabilities.

Equity instruments issued by the Company are recorded at the amount received net of costs incurred for their issuance.

BANK LOANS

Loans are recorded as liabilities at the amount received, net of costs of issuing such loans. Financial costs, calculated in accordance with the effective interest rates, including premiums payable, are recorded on an accruals basis, being added to the book value of the loans if they are not paid during the year.

ACCOUNTS PAYABLE

Accounts payable do not bear interest and are recorded at their nominal value.

DERIVATIVE FINANCIAL INSTRUMENTS AND HEDGE ACCOUNTING

The Group has the policy of contracting derivative financial instruments to hedge the financial risks to which it is exposed as a result of changes in interest rates. The Group does not contract derivative financial instruments for speculation purposes.

Derivative financial instruments are measured at their fair value. The method for recognising these financial instruments will depend on the nature and purpose of the transaction.

The Group contracts derivative financial instruments in accordance with internal policies approved by the Board of Directors.

Hedge accounting

Derivative financial instruments are designated as hedging instruments in accordance with provisions of IAS 39, as to their documentation and effectiveness.

Changes in the fair value of derivative financial instruments designated as cash flow hedging instruments are recorded in caption “Other reserves” as concerns their effective component and in the income statement as concerns their non-effective component. The amounts recorded under “Retained earnings and Other reserves” are transferred to the income statement in the same year in which the effect on the hedged item is reflected in the income statement.

Hedge accounting is discontinued when the hedging instrument matures or is sold or exercised or when the hedging relationship ceases to comply with requirements of IAS 39.

Trading instruments

Changes in the fair value of derivative financial instruments which are contracted for financial hedging purposes in accordance with the Group’s risk management policies, but do not comply with the requirements of IAS 39 to qualify for hedge accounting, are recorded in the separate consolidated income statement for the year in which they occur.

FAIR VALUE OF FINANCIAL INSTRUMENTS

The fair value of financial assets and liabilities is determined as follows, according to provisions in IFRS 13:

- The fair value of standard financial assets and liabilities traded on active markets is determined based on their listed prices (Level 1);

- The fair value of other assets and liabilities (except derivative financial instruments) is determined in accordance with generally accepted valuation models, based on discounted cash flow analyses, considering prices on current market transactions (Level 2);
- The fair value of derivative financial instruments is determined based on listed prices. Where listed prices are not available, fair value is determined based on analyses of discounted cash flow, which include assumptions not supported by prices or market rates (Level 3).

IMPAIRMENT OF FINANCIAL ASSETS

Financial assets carried at amortized cost are assessed for indicators of impairment at each reporting period, where there is evidence that these assets may be impaired. Such financial assets are considered to be impaired when there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows of the investment have been negatively affected.

In what concerns financial assets carried at amortized cost, the amount of the impairment loss recognized is the difference between the asset's carrying amount and the present value of the estimated future cash flows, discounted at the financial asset's original effective interest rate.

For financial assets carried at cost, the amount of the impairment loss is measured as the difference between the asset's carrying amount and the best estimate of the fair value of the financial asset.

The impairment losses are recorded in the income statement in the year they are identified.

In the subsequent period, if the amount of the impairment loss decreases and the decrease can be linked objectively to an event occurring after the impairment was recognized, the previously recognized impairment loss is reversed through the income statement, to the extent that the carrying amount of the investment at the date the impairment is reversed does not exceed what the amortized cost would have been had the impairment

not been recognized. The reversal of impairment losses is recorded in the income statement.

2.16. SHARE CAPITAL AND TREASURY SHARES

Ordinary shares are classified in equity, as share capital.

Expenses directly attributed to the issuance of new shares or other equity instruments are recorded as deduction, net of tax, at the amount received resulting from the issue. Expenses directly attributed to the issuance of new shares or options for the purchase of a business are deducted at the value of the issue.

Treasury shares are accounted for at acquisition cost, if the purchase is made at spot, or at estimated fair value if the purchase is deferred, as a reduction to equity. Income or expenses on the sale of treasury stock are recorded in the caption "Other reserves".

2.17. DIVIDEND DISTRIBUTION

The distribution of dividends to holders of share capital is recognised as liabilities in the Company's financial statements, in the period on which such dividends are approved by shareholders until the date of their financial settlement, or, in case of interim dividends, when approved by the Board of Directors

2.18. PENSION LIABILITIES

The Group has assumed the commitment to provide its employees with retirement pension supplements under a defined benefits plan, having constituted autonomous pension funds for the purpose.

In order to estimate the amount of its liability for the payment of such supplements, periodic actuarial calculations are made using the Projected Unit Credit Method. Remeasurements resulting (i) from the difference between the assumptions used to determine liabilities with the plan and the actual evolution of actuarial variables, (ii) changes introduced in the assumptions and (iii) the difference between the expected return on the fund's assets and actual return are recorded in the consolidated statement of profit and loss in the year they occur.

Pension liabilities recognised as of the date of the consolidated statement of financial position correspond to the present value of the liabilities under the defined benefits plans, adjusted for remeasurements, less the fair value of the net assets of the pension funds.

Contributions made by the Group to the defined benefits pension plans are recognised as expense on the dates they are due.

2.19. CONTINGENT ASSETS AND LIABILITIES

Contingent liabilities are not recognised in the financial statements but are disclosed in the notes to the financial statements, unless the possibility of an outflow of funds affecting future economic benefits is remote, in which case they are not subject to disclosure.

Contingent assets are not recognised in the consolidated financial statements, but are disclosed in the notes to the financial statements when it is probable that any associated future economic benefits will occur.

2.20. REVENUE

Income resulting from sales is recognised in the consolidated income statement when the risks and benefits of ownership of assets are transferred to the purchaser and the amount of income can be reasonably quantified. Sales are recognised net of taxes, discounts and other costs incurred to realise them, by the fair value of the amount received or receivable.

For construction contracts where the outcome can be estimated reliably, corresponding expenses and income are recognised by reference to the stage of completion of the contract at the end of the reporting period. The stage of completion is measured based on the stage of realization of the construction work in the infrastructure. Where the outcome of a construction contract cannot be estimated reliably, contract revenue is recognized up to the amount of the contract costs incurred which are likely to be recovered. Contract costs are recognized as expenses in the period in which they are incurred. When it is likely that total contract costs will exceed total contract revenue, the expected loss is recognised as an expense immediately.

Income from services rendered is recognised in the consolidated statement of profit and loss for the year as of completion of the services at the date of the consolidated statement of financial position.

2.21. ACCRUAL BASIS

Dividends from investments are recognised as income in the year they are attributed

Interest and financial income are recognised on an accrual basis in accordance with the effective interest rate.

Expenses and income are recognised in the year to which they relate independently of when they are paid or received. Income and expenses for which their real amount is not known are estimated.

Expenses and income attributable to the current year, which will only be paid or received in future years, as well as the amounts paid and received in the current year that relate to future years and will be attributed to each of these years, are recorded in the captions "Other current assets", "Other non-current assets" and "Other current liabilities" and other non current liabilities.

2.22. INCOME TAX

Tax on income for the year is calculated based on the taxable results of the companies included in the consolidation and takes into consideration deferred taxation. Income tax for the period comprises current and deferred tax. Income tax is recognised in the statement profit or loss and other comprehensive income, except when it concerns gains or losses recognised directly in equity, in which case it is also recognised directly in equity.

Current income tax is calculated based on the taxable results (which may differ from the accounting results) of the companies included in the consolidation, in accordance with the tax rules applicable to the area in which the head office of each Group company is located.

Deferred taxes refer to temporary differences between the amounts of assets and liabilities for accounting purposes and the corresponding amounts for tax purposes, as well as those resulting from tax benefits obtained and temporary differences between tax and accounting income.

Deferred tax assets and liabilities are calculated and assessed periodically using the tax rates expected to be in force when the timing differences will reverse.

Deferred tax liabilities are recognised for all taxable temporary differences.

Deferred tax assets are only recognised when there is reasonable expectation that there will be sufficient future taxable income to utilise them. The temporary differences underlying deferred tax assets are reappraised annually in order to recognise or adjust the deferred tax assets based on the current expectation of their future recovery.

2.23. CRITICAL JUDGEMENTS/ESTIMATES IN APPLYING THE ACCOUNTING STANDARDS

The preparation of financial statements in accordance with the IFRS recognition and measurement principles require the Board of Directors to make judgements, estimates and assumptions that can affect the value of the assets and liabilities, especially of deferred tax assets, intangible assets, tangible fixed assets and provisions, the disclosure of contingent assets and liabilities as of the date of the financial statements as well as income and costs.

These estimates are based on the best knowledge available at the time and on the actions planned, and they are constantly revised based on the information available. Changes in the facts and circumstances can result in revision of the estimates, and so the actual future results can differ from such estimates.

Significant estimates and assumptions made by the Board of Directors in preparing these consolidated financial statements include assumptions

used to value pension liabilities, deferred taxes, the useful life of tangible fixed assets, impairment analyses, the fair value of derivative financial instruments and provisions.

2.24. SUBSEQUENT EVENTS

Events that occur after the consolidated statement of financial position date that provide additional information on conditions that existed as of the consolidated statement of financial position date are reflected in the consolidated financial statements.

Events that occur after the consolidated statement of financial position date that provide additional information on conditions that existed after the consolidated statement of financial position date are reflected in the consolidated financial statements.

3. CHANGES IN POLICY, ESTIMATES AND ERRORS

In the year ended 31 December 2017 no changes in accounting policies in relation to those used to prepare the information for the year 2016 have occurred that could affect the consolidated financial situation or the consolidated results of operations, and no significant errors relating to prior years were recorded.

4. COMPANIES INCLUDED IN THE CONSOLIDATION

The companies included in the consolidation, their head offices and the proportion of capital held in them at 31 December 2017 are as follows:

COMPANY*	HEAD OFFICE	EFFECTIVE %	CORPORATE OBJECT
Brisa - Auto-Estradas de Portugal, S.A. ("Brisa")	Cascais	Parent Company	Logistics and administrative and financial services
Brisa - Concessão Rodoviária, SGPS, S.A. ("BCR SGPS")	Cascais	70%	Management of equity holdings
Brisa - Concessão Rodoviária, S.A. ("BCR")	Cascais	70%	Construction, maintenance and operation of motorways
Controlauto - Controlo Técnico Automóvel, S.A. ("Controlauto")	Paço de Arcos	74.002%	Vehicle inspection
Iteuve Portugal, Lda. ("Iteuve")	Cascais	74.002%	Vehicle inspection
Via Verde Portugal - Gestão de Sistemas Electrónicos de Cobrança, S.A. ("Via Verde Portugal")	Cascais	60%	Management of electronic toll systems
Brisa Gestão de Infraestruturas, S.A. ("BGI")	Cascais	100%	Management of engineering and infrastructure maintenance projects
Brisa O&M, S.A. ("BOM")	Cascais	100%	Management, operation and maintenance of road infrastructuresand mobile assistance
Brisa Inovação e Tecnologia, S.A. ("BIT")	Cascais	79.21%	Technology related services
M. Call, S.A. ("Mcall")	Porto Salvo	100%	Telecommunication services
Via Verde Contact, S.A. ("VVC")	Cascais	100%	Client relationship management
Via Verde Serviços, S.A. ("VVS")	Cascais	100%	Design, marketing and management of products and services in mobility-related areas
Via Verde Carsharing, S.A. ("VVCS")	Cascais	100%	Carsharing services
Brisa - Áreas de Serviço, S.A. ("BAS")	Cascais	51%	Management, operation, commercial development and maintenance of service areas
Via Oeste, SGPS, S.A. ("Via Oeste")	Cascais	100%	Management of equity holdings
Brisa Internacional, SGPS, S.A. ("Brisa Internacional")	Cascais	100%	Management of equity holdings
Brisa Participações e Empreendimentos, Ltda. ("BPE")	São Paulo, Brazil	100%	Management of equity holdings
Brisa United States, LLC ("BUS")	Atlanta, USA	100%	Management of equity holdings
Brisa International, BV ("BIBV")	Amsterdam, Holland	100%	Management of equity holdings
Brisa International Investments, BV ("BIIBV")	Amsterdam, Holland	100%	Management of equity holdings
BIT Mobility Solutions, LLC ("BMS")	Illinois, USA	79.21%	Technology-related services
Brisa II - Serviços de Gestão de Concessões, S.A. ("Brisa II")	Cascais	100%	Strategic Planning and organisation of road concessionaires

* These companies were included in the consolidation by the full consolidation method.

5. BUSINESS SEGMENTS

The identification of the Group's operating segments is made by the Board of Directors.

As of 31 December 2017 operating segments were revised and comparative information was thus restated.

As result, as of 31 December 2017 the Group was organized according to the following business segments:

- Brisa Concession;
- Other Motorway Concessions;
- Supporting Services to the Concessions;
- Vehicle inspections;
- Product Technology;
- Other Businesses.

BRISA CONCESSION

Decree-law 467/72, of 22 November established the bases of Brisa Concession, namely the construction, maintenance and operation of motorways. Since then, the concession bases were revised on several occasions, following amendments to the concession contract.

Decree-Law 294/97 of 24 October, Decree-Law 287/99, of 28 July, Decree-Law 314 A/2002, of 26 December, and Decree-Law 247-C/2008, of 30 December approved the bases of the current concession currently; these bases are

as described below, having relevant impact on the Company's financial and economic situation:

- The total length of the motorway network operated under concession covers 1 100 kilometres, which are all open to traffic, except for the access to the new airport the length of which will depend on the location of the airport. The motorways are all tolled except for 86 kilometres.
- The concession period will end on 31 December 2035 and the assets directly related to the concession will revert to the State on such date.
- The Company's minimum share capital is Euro 75 million.
- In the last five years of the concession the State may redeem the contract, under certain conditions ensuring financial stability.
- The supervision of the concession falls to the Ministry of Finance in what concerns financial matters and to the ministry responsible for the road sector as concerns remaining issues.

OTHER MOTORWAY CONCESSIONS

This business segment included, in terms of operational activity, mainly the Northwest Parkway concession, which was sold during the year ended 31 December 2017 (Note 22).

SUPPORTING SERVICES TO THE CONCESSIONS

This segment includes operation and maintenance services of motorway infrastructure, management of electronic billing, road assistance and management of engineering projects.

VEHICLE INSPECTIONS

This segment includes vehicle inspection services, in particular, study, management and operation of the vehicle technical control and any other activities directly related.

PRODUCT TECHNOLOGY

This segment includes technological development and services related to new technologies.

OTHER BUSINESSES

This segment includes logistics and financial and administrative services.

The results of each segment (after the elimination of intra segment transactions) in the years ended as of 31 December 2017 and 2016 were as follows:

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THOUSAND EURO	BRISA CONCESSION	SUPPORT SERVICES TO THE CONCESSIONS	VEHICLE INSPECTIONS	PRODUCT TECHNOLOGY	OTHER BUSINESSES	TOTAL BUSINESS SEGMENTS	ELIMINATIONS	CONSOLIDATED TOTAL
Operating income:								
Sales of goods and products - external clients	-	7 638	-	1 269	-	8 907	-	8 907
Sales of goods and products - intrasegment	-	33	-	239	-	272	(272)	-
Rendered services - external clients	563 028	39 291	31 531	5 192	22 969	662 011	-	662 011
Rendered services - intra-segment	2 247	148 442	32	5 341	9 948	166 010	(166 010)	-
Other operating income - external clients	5 373	890	265	496	1 324	8 348	-	8 348
Other operating income - intra-segment	4	546	235	31	289	1 105	(1 105)	-
Reversal of amortisation, depreciation, adjustments and provisions	4 790	30	34	2	-	4 856	-	4 856
Income associated to construction service	13 324	-	-	-	-	13 324	-	13 324
Total operating income	588 766	196 870	32 097	12 570	34 530	864 833	(167 387)	697 446
Operating expenses:								
Cost of Goods Sold	-	(2 451)	-	(1 206)	-	(3 657)	-	(3 657)
Supplies and services - external suppliers	(5 239)	(39 579)	(5 482)	(5 863)	(14 702)	(70 865)	-	(70 865)
Supplies and services - intra-segment	(121 369)	(40 739)	(1 549)	(2 595)	(1 081)	(167 333)	167 333	-
Personnel costs	(1 724)	(52 215)	(10 461)	(3 695)	(22 856)	(90 951)	27	(90 924)
Amortisation, depreciation and adjustments	(133 129)	(3 088)	(2 275)	(1 013)	(2 825)	(142 330)	-	(142 330)
Provisions	(44 087)	(2 485)	(221)	(27)	(971)	(47 791)	-	(47 791)
Other operating expenses - external	(1 230)	(656)	(4 994)	(13)	(659)	(7 552)	-	(7 552)
Other operating expenses - intra-segment	(4)	-	-	-	-	(4)	4	-
Expenses associated to construction service	(13 324)	-	-	-	-	(13 324)	-	(13 324)
Total operating expenses	(320 106)	(141 213)	(24 982)	(14 412)	(43 094)	(543 807)	167 364	(376 443)
Operating profit	268 660	55 657	7 115	(1 842)	(8 564)	321 026	(23)	321 003
Financial expenses - external	(79 556)	(471)	(154)	(12)	(68 461)	(148 654)	-	(148 654)
Financial expenses - intra-segment	-	(28)	-	(90)	(10 771)	(10 889)	10 889	-
Financial income - external	36	42	2	14	2 058	2 152	-	2 152
Financial income - intra-segment	-	24	-	67	10 775	10 866	(10 866)	-
Investment income	-	-	54	-	231 632	231 686	-	231 686
	(79 520)	(433)	(98)	(21)	165 233	85 161	23	85 184
Profit before tax	189 140	55 224	7 017	(1 863)	156 669	406 187	-	406 187
Income tax	(50 842)	(14 624)	(1 776)	1 271	(63 259)	(129 230)	-	(129 230)
Non controlling interests	(41 489)	(2 752)	(1 362)	123	2	(45 478)	-	(45 478)
Consolidated net profit for the year attributable to shareholders	96 809	37 848	3 879	(469)	93 412	231 479	-	231 479

THOUSAND EURO	BRISA CONCESSION	OTHER MOTORWAY CONCESSIONS	SUPPORT SERVICES TO THE CONCESSIONS	VEHICLE INSPECTIONS	PRODUCT TECHNOLOGY	OTHER BUSINESSES	TOTAL BUSINESS SEGMENTS	ELIMINATIONS	CONSOLIDATED TOTAL
Operating income:									
Sales of goods and products - external clients	-	-	3 150	-	471	-	3 621	-	3 621
Sales of goofd and products - intrasegment	-	-	-	-	39	-	39	(39)	-
Rendered services - external clients	522 967	17 848	37 086	32 998	3 622	21 770	636 291	-	636 291
Rendered services - intra-segment	153	-	134 530	29	4 757	9 851	149 320	(149 320)	-
Other operating income - external clients	4 292	168	828	33	593	1 808	7 722	-	7 722
Other operating income - intra-segment	1	-	616	242	6	1 168	2 033	(2 033)	-
Reversal of amortisation, depreciation, adjustments and provisions	3 043	85 678	2 581	24	13	25	91 364	-	91 364
Income associated to construction service	21 401	-	-	-	-	-	21 401	-	21 401
Total operating income	551 857	103 694	178 791	33 326	9 501	34 622	911 791	(151 392)	760 399
Operating expenses:									
Cost of Goods Sold	-	-	(1 244)	-	(241)	1	(1 484)	-	(1 484)
Supplies and services - external suppliers	(3 866)	(5 100)	(40 367)	(6 227)	(4 510)	(10 801)	(70 871)	-	(70 871)
Supplies and services - intra-segment	(118 856)	(233)	(28 279)	(1 369)	(1 810)	(837)	(151 384)	151 384	-
Personnel costs	(1 684)	(781)	(49 323)	(10 511)	(3 393)	(17 393)	(83 085)	-	(83 085)
Amortisation, depreciation and adjustments	(131 944)	(4 334)	(2 866)	(2 525)	(684)	(2 524)	(144 877)	-	(144 877)
Provisions	(39 420)	(398)	(519)	(478)	-	(325)	(41 140)	-	(41 140)
Other operating expenses - external	(1 267)	(2)	(723)	(5 194)	(32)	(693)	(7 911)	-	(7 911)
Other operating expenses - intra-segment	-	-	(2)	-	(11)	(16)	(29)	29	-
Expenses associated to construction service	(21 401)	-	-	-	-	-	(21 401)	-	(21 401)
Total operating expenses	(318 438)	(10 848)	(123 323)	(26 304)	(10 681)	(32 588)	(522 182)	151 413	(370 769)
Operating profit	233 419	92 846	55 468	7 022	(1 180)	2 034	389 609	21	389 630
Financial expenses - external	(100 425)	(20 501)	(418)	(226)	(7)	(2 892)	(124 469)	-	(124 469)
Financial expenses - intra-segment	-	-	(4)	(7)	(16)	(1 273)	(1 300)	1 300	-
Financial income - external	329	2 635	65	1	31	1 912	4 973	-	4 973
Financial income - intra-segment	-	-	-	7	38	1 276	1 321	(1 321)	-
Investment income	-	-	-	138	(7)	10 953	11 084	-	11 084
	(100 096)	(17 866)	(357)	(87)	39	9 976	(108 391)	(21)	(108 412)
Profit before tax	133 323	74 980	55 111	6 935	(1 141)	12 010	281 218	-	281 218
Income tax	(38 070)	-	(14 755)	(1 752)	741	61 422	7 586	-	7 586
Non controlling interests	(28 577)	-	(2 597)	(1 347)	83	3	(32 435)	-	(32 435)
Consolidated net profit for the year attributable to shareholders	66 676	74 980	37 759	3 836	(317)	73 435	256 369	-	256 369

The accounting policies in the various segments are consistent with the Group policies described in Note 2.

The assets and liabilities of the segments and the respective reconciliation with the consolidated total assets at 31 December 2017 and 2016 are as follows:

ASSETS THOUSAND EURO	'17	'16
Brisa Concession	2 903 080	2 680 460
Other motorway concessions	-	156 432
Support Services to concessions	18 113	38 918
Vehicle inspections	48 236	48 166
Product technology	15 587	11 559
Other businesses	242 711	403 333
Total assets of business segments	3 227 727	3 338 868
Non allocated assets	110 976	133 778
Consolidated Assets	3 338 703	3 472 646

LIABILITIES THOUSAND EURO	'17	'16
Brisa Concession	2 743 416	2 502 249
Other motorway concessions	-	61 209
Support Services to concessions	47 907	44 267
Vehicle inspections	6 165	8 534
Product technology	7 441	4 984
Other businesses	42 355	127 843
Total liabilities	2 847 284	2 749 086

In order to monitor the performance of each segment and the allocation of resources between them:

- All assets are allocated to reportable segments excluding investments in associates and other financial assets;

- Goodwill is allocated to the respective segments and corresponds to € 23 203 thousand allocated to the “vehicle inspections” operating segment, € 2 644 thousand allocated to the “Supporting services to the concessions” business segment and € 601 thousand allocated to the “Product technology” business segment (Note 16);
- All liabilities are allocated to reportable segments.

In the years ended 31 December 2017 and 2016, changes in non current assets of each segment were as follows:

	CHANGES IN NON CURRENT ASSETS NON CURRENT ASSETS	
THOUSAND EURO	'17	'16
Brisa Concession	(108 372)	(104 902)
Other motorway concessions	-	(388 435)
Support Services to concessions	2 047	(1 308)
Vehicle inspections	(1 731)	696
Product technology	3 108	1 083
Other businesses	(180 123)	104 757
	(285 071)	(388 109)

6. OPERATING INCOME

Operating income for the years ended as of 31 December 2017 and 2016 are made up as follows:

THOUSAND EURO	'17	'16
Sale of Goods	8 907	3 621
Services rendered:		
Tolls	557 016	532 969
Vehicle inspections	31 531	32 998
Operation and Maintenance	31 508	31 662
Electronic collection	18 760	17 900
Service areas	8 060	7 847
Other rendered services	6 812	7 831
Management of electronic equipment	5 199	2 895
Lease of on-board units	2 940	1 917
Management of engineering projects	124	210
Vehicle assistance	61	62
	662 011	636 291
Other operating income:		
Compensation for operating losses (Note 30)	1 572	1 572
Indemnities received on works	595	634
Equipment rental	466	494
Other	5 715	5 022
	8 348	7 722
Reversal of amortisation, depreciation and adjustments and provisions:		
Amortisation	-	85 678
Accounts receivable (Note 28)	250	151
Provisions (Note 29)	4 606	5 535
	4 856	91 364
Income associated to construction service ^{a)}	13 324	21 401
	697 446	760 399

a) Within the scope of concession contracts covered by IFRC 12, the construction activity is sub-contracted to external specialised companies. The Group does not have, therefore, any margin in the construction of assets allocated to the concession and the income and expenses associated to the construction of these assets are recorded in equal amount.

7.

OPERATING LEASES

Expenses of € 4 391 thousand and € 3 973 thousand relating to instalments under operating lease contracts were recognised in the years ended 31 December 2017 and 2016, respectively.

Lease instalments payable under operating lease contracts in force as of 31 December 2017 and 2016 are as follows:

YEAR	THOUSAND EURO	'17	'16
2017		-	1 823
2018		2 064	1 426
2019		1 007	752
2020		311	168
2021		66	-
		3 448	4 169

8.

NET FINANCIAL RESULTS

Financial expenses and losses for the years ended 31 December 2017 and 2016 are made up as follows:

THOUSAND EURO	'17	'16
Interest expense	(67 061)	(102 864)
Loss on the valuation of derivative financial instruments ^{a)}	(65 353)	(1 279)
Foreign exchange losses	(45)	(18)
Other ^{b)}	(16 195)	(20 308)
	(148 654)	(124 469)

a) In the year ended at 31 December 2017 this caption included an amount of € 61 320 thousand relating to the settlement of the derivative financial instrument contracted by Northwest Parkway ("NWP"), following the disposal of the said concession (Note 32).

b) This caption includes the sums of € 7 445 thousand and € 7 576 thousand (Note 29) stemming from the financial updating of provision for the reinstatement of infrastructures carried out in the years ended 31 December 2017 and 2016, respectively, and expenses with banking services and the organising of the loan, which form an integral part of the effective cost of the loans.

Income and gains for the years ended 31 December 2017 and 2016 are made up as follows:

THOUSAND EURO	'17	'16
Interest earned ^{a)}	1 892	2 590
Foreign exchange gains	146	11
Gains on the valuation of derivative financial instruments	1	2 290
Other	113	82
	2 152	4 973

a) The decrease results mainly from a reduction in interest rates.

Investment income for years ended 31 December 2017 and 2016 is made up as follows:

THOUSAND EURO	'17	'16
Gains on associates (Note 14)		
Transport Infrastructure Investment Company SCA ("SICAR")	10 973	14 328
Auto-Estradas do Atlântico - Concessões Rodoviárias de Portugal, S.A. ("AEA")	10 004	-
AEBT - Auto-Estradas do Baixo Tejo, S.A. ("AEBT")	1 830	1 440
SICIT - Sociedade Investimento e Consultoria em Infra-Estruturas de Transportes, S.A. ("SICIT")	133	112
Geira, S.A. ("Geira")	97	-
Controlauto Açores, Lda. ("Controlauto Açores")	54	138
Transport Infrastructure S. à r.l. ("Transport")	2	-
Feedback Brisa Highways OMT PVT LTD ("FBH OMT")	-	35
	23 093	16 053
Losses on associates (Note 14)		
New Mobility Ventures, B.V. ("Mobility, B.V.")	(532)	(604)
AEA	-	(4 921)
Geira	-	(10)
Transport	-	(1)
TIICC, S. à r.l. ("TIICC")	-	(1)
	(532)	(5 537)
Gains on the disposal of investments:		
Northwest Parkway Holding, LLC ("NWP") + Go-Pass Mobility Services, LLC ("Go Pass") (Nota 22)	208 037	-
FBH OMT	1 088	-
	209 125	-
Gains on liabilities in investments:		
AEDL - Auto-Estradas do Douro Litoral, S.A. ("AEDL") ^{a)}	-	80
Other investment income	-	488
	231 686	11 084

a) This amount represents adjustments to estimated liabilities assumed directly by the Company, under the agreement entered with the company responsible for the construction of AEDL's infrastructure.

9. INCOME TAX

Brisa and its subsidiaries with head-office in Portugal are subject to Corporate Income Tax at the normal rate of 21%, which can be increased by a municipal surcharge of up to a maximum rate of 1.5% of taxable income.

Additionally, the nominal tax rate may vary from 21% to 29.5%, depending on the amount of taxable income ("TI") determined, which will be subject to a tax surcharge at the following rates:

- State surtax:
 - 3% on TI if €M 1.5 < TI <= €M 7.5;
 - 5% on TI if €M7.5 < TI <= €M35; and
 - 7% on TI > €M 35 ^{a)}

a) As from the tax year of 2018, this tax rate will change to 9%; hence, the nominal tax rate for future years may vary from 21% to 31.5% (Note 17).

The Company is taxed for Corporate Income Tax under the Special Regime for the Taxation of Group of Companies ("SRTGC") included in a group where it is the parent company and which further includes subsidiaries BGI, BOM, BIT, Brisa Internacional, Via Oeste, Via Verde Serviços, S.A. ("VVS"), VVC, Mcall and Via Verde Carsharing, S.A. ("VVCS").

This regime consists of the sum of the taxable results of all the companies included in the tax perimeter, less the dividends distributed, to which the applicable Corporate Income Tax rate plus municipal Surcharge is applied.

In accordance with current legislation, tax returns are subject to review and correction by the tax authorities during a period of four years (five years for social security), except where tax losses exist or tax benefits have been granted or inspections, claims or appeals are in progress, in which case, depending on the circumstances, the period can be extended or suspended. Therefore the Company's tax returns for the years 2014 to 2017 may still be subject to review and correction.

The Board of Directors believes that any possible corrections resulting from revisions/inspections of these tax returns will not have a significant effect on the financial statements as of 31 December 2017.

The deadline for the deduction of reportable tax losses ("RTL") in Portugal is as follows:

TAX PERIOD	DEDUCTION PERIODS
2017	5
2016	12
2015	12
2014	12
2013	5

The deduction amount to be made in each of the tax periods is limited to 70% of respective taxable income.

During the regular inspections that were carried out, Tax Authorities requested corrections to the income tax base and tax, in particular as regards the activity carried out under the concession contract. The Board of Directors, based on technical advice from external consultants, believes that such corrections are unfounded. In this context, the Board of Directors has used the instruments at its disposal to defend its views, continuing to believe in the validity of its arguments and in a favourable outcome of all existing disputes with the Tax Authorities.

The corrections relating to 2008, 2009 and 2010 stemming from the securitisation of future receivables, result from the said Authority concluding as to the inadequacy of the legal and tax framework applied to the securitisation of future receivables in the amount of €400 000 thousand, carried out on December 19, 2007; the said authority considers that it does not comply with the legislation for the securitization of receivables established in Decree-law 453/99, of 5 November, as amended

by Decree-Law 82/02 of 5 April, and consequently with the tax law provided in Decree-Law 219/2001, of 4 August, as amended by Decree-law 303/2003 of 5 December.

In view of the above, the Tax Authority considers that:

- The amount of €400 000 thousand received pursuant to the said operation was unduly added to the taxable income of 2007;
- Income corresponding to the services giving rise to the assigned future receivables are to be recognized, in both tax and accounting terms, in the tax periods in which they are generated;
- An approximate amount of €100 000 thousand relating to the tax benefit under decree-law 287/99 likely to be used up to 2007, was unduly deducted to the corporate tax income for that year;
- When determining the taxable income relating to 2008 to 2010 (already inspected) an amount of € 80 000 thousand was unduly deducted from the taxable income relating to each of the said years.

The Board of Directors of Brisa, based on the opinion of its legal and accounting experts and consultants, deems that the recognition of the said operation is adequately based from the legal point of view, and therefore in accounting and tax terms as well. Consequently, the Board of Directors of Brisa considers that the corrections proposed in the Tax Inspection Reports relating to years 2007 to 2010 are unjustified, as described in the judicial claim (relating to the taxable periods of 2007 and 2010) submitted to the tax authority.

Corrections to the taxable income mentioned above resulted in tax enforcement proceedings, which are suspended until a decision is reached. To obtain the suspension of tax enforcement proceedings relating to the taxable periods of 2008 and 2009 the Company provided bank guarantees in the amount of € 64 129 thousand (Note 33).

Additionally, to obtain the suspension of tax enforcement proceedings, a pledge was set up over 24 618 shares of subsidiary BOM, in the amount

of € 191 637 thousand. During the year ended at 31 December 2016, these proceedings were settled partly in favour of the Brisa; the tax due was reduced to € 28 829 thousand (Note 27).

With respect to the tax periods of 2011 and 2012, the TA made the same correction to taxable income (securitisation of future receivables), although on a non consolidated basis, since the securitisation operation was transferred to BCR, jointly with the assets and liabilities allocated to Brisa Concession.

Within the scope of the RETGS, additional corporate income tax assessment relating to 2011 and 2012 was issued in the name of Brisa (controlling company), but the tax foreclosure was suspended against guarantee provided by BCR, in the amount of € 30 948 and €25 736 thousand, respectively.

The Board of Directors of Brisa, based on the opinion of its legal and accounting experts and consultants, deems that the recognition of the said operation is adequately based from the legal point of view, and therefore in accounting and tax terms as well. Brisa will use all defence instruments which it has available as tax payer, to validate the treatment it has given to these operations from all points of view. In view of the above, as of 31 December 2017, no provision was recorded for this purpose.

Income tax recognised in the years ended 31 December 2017 and 2016 was made up as follows:

THOUSAND EURO	‘17	‘16
Current tax	80 615	58 403
Deferred tax (Note 17)	50 042	(65 154)
Taxes on previous years income	(1 427)	(835)
	129 230	(7 586)

The reconciliation between profit before income tax and income tax for the year is as follows:

THOUSAND EURO	‘17	‘16
Profit before tax	406 187	281 218
Expected tax (21% rate)	85 299	59 056
Provisions	3 373	2 625
Amortisations	(736)	(23 725)
Impairment losses	141	151
Derivative financial instruments	311	(658)
Equity method	(4 738)	(2 209)
Pension fund	185	139
Other	152	181
Gains	44 710	(161)
Differences between individual and consolidated	(384)	(786)
Tax losses	(75 834)	8 380
Autonomous taxation	1 244	728
Municipal surcharge	3 761	3 082
State surcharge	15 983	11 600
Federal tax (USA) ^{a)}	7 148	-
Taxes on previous years income	(1 427)	(835)
(Set up)/reversal of deferred taxation (Note 17)	50 042	(65 154)
Income tax	129 230	(7 586)

a) Federal tax in the amount of € 7 148 concerns the tax paid by BUS on the gains determined following the disposal of NWP.

As of 31 December 2017 and 2016, current income tax liabilities were made up as follows:

THOUSAND EURO	‘17	‘16
Current tax liabilities:		
Corporate Income Tax (CIT)		
Payment on account	(49 027)	(41 655)
Tax withheld	(1 819)	(2 594)
Tax estimate	73 458	58 122
	22 612	13 873

10. EARNINGS PER SHARE

Basic and diluted earnings per share for the years ended 31 December 2017 and 2016 were determined based on the following amounts:

THOUSAND EURO	‘17	‘16
Result for the purpose of determining the basic and diluted earning per share (net profit for the year attributable to shareholders)	231 479	256 369
Average number of shares for the purpose of determining the basic and diluted earning per share	552 647 386	552 647 386
Basic and diluted earnings per share (in Euro)	0.419	0.464

At 31 December 2017 and 2016 no diluting effects have occurred; hence, basic and diluted earnings per share are identical.

The weighted average number of shares is deducted of the treasury shares held by the Company.

11. DIVIDENDS AND APPROPRIATION OF RESULTS

At the General Shareholders Meetings held on 05 May 2017 and 04 May 2016 it was decided to pay dividends of € 0.742 per share and € 0.18 per share, totalling € 410 064 thousand and € 99 476 thousand, respectively, concerning the net profit for the years ended 31 December 2016 and 2015. It was further decided to transfer to free reserves the remaining amount of respective net profit for the said years.

At the General Shareholders Meetings held on 06 December 2017 and 07 November 2016 it was decided to pay dividends of € 0.163 per share and € 0.362 per share, totalling € 90 082 thousand and € 200 058 thousand, respectively, via the distribution of reserves.

12.

TANGIBLE FIXED ASSETS

Changes in other tangible fixed assets and corresponding accumulated depreciation and impairment losses in the years ended 31 December 2017 and 2016 are as follows:

									'17
THOUSAND EURO	LAND AND NATURAL RESOURCES	BUILDINGS AND OTHER CONSTRUCTIONS	BASIC EQUIPMENT	TRANSPORT EQUIPMENT	ADMINISTRATIVE EQUIPMENT	TOOLS AND UTENSILS	FIXED ASSETS IN PROGRESS	ADVANCES ON BEHALF OF TANGIBLE FIXED ASSETS	TOTAL
Gross assets:									
Opening balance	14 010	39 104	157 255	5 114	33 847	319	725	3	250 377
Increases	-	1 114	2 996	1 039	2 035	20	1 398	29	8 631
Disposals	(80)	(242)	(618)	(892)	(178)	-	-	-	(2 010)
Write-downs	-	-	(501)	(37)	(354)	-	-	-	(892)
Transfers	-	25	2 071	-	(122)	-	(713)	-	1 261
Closing Balance	13 930	40 001	161 203	5 224	35 228	339	1 410	32	257 367
Cumulative depreciation and impairment losses:									
Opening balance	-	23 230	144 716	3 111	31 825	316	-	-	203 198
Increase	-	1 672	4 188	698	1 098	6	-	-	7 662
Disposals	-	(241)	(554)	(619)	(172)	-	-	-	(1 586)
Write-downs	-	-	(494)	(37)	(354)	-	-	-	(885)
Transfers	-	-	40	-	(40)	-	-	-	
Closing Balance	-	24 661	147 896	3 153	32 357	322	-	-	208 389
Net value	13 930	15 340	13 307	2 071	2 871	17	1 410	32	48 978

‘16

THOUSAND EURO	LAND AND NATURAL RESOURCES	BUILDINGS AND OTHER CONSTRUCTIONS	BASIC EQUIPMENT	TRANSPORT EQUIPMENT	ADMINISTRATIVE EQUIPMENT	TOOLS AND UTENSILS	FIXED ASSETS IN PROGRESS	ADVANCES ON BEHALF OF TANGIBLE FIXED ASSETS	TOTAL
Gross assets:									
Opening balance	14 010	37 045	155 233	4 845	33 184	318	791	155	245 581
Foreign Exchange Adjustments	-	-	34	1	2	-	-	-	37
Increases	-	1 767	3 579	1 465	972	2	483	3	8 271
Disposals	-	-	(95)	(1 167)	(40)	-	-	-	(1 302)
Write-downs	-	(23)	(1 349)	-	(137)	(1)	(1)	-	(1 511)
Transfers:									
Non current assets held for sale (Note 22)	-	-	(2 145)	(30)	(56)	-	-	-	(2 231)
Other	-	315	1 998	-	(78)	-	(548)	(155)	1 532
Closing Balance	14 010	39 104	157 255	5 114	33 847	319	725	3	250 377
Cumulative depreciation and impairment losses:									
Opening balance	-	21 617	142 660	3 243	30 964	314	-	-	198 798
Foreign Exchange Adjustments	-	-	28	1	2	-	-	-	31
Increase	-	1 635	4 807	636	1 093	3	-	-	8 174
Disposals	-	-	(89)	(739)	(40)	-	-	-	(868)
Write-downs	-	(22)	(1 345)	-	(137)	(1)	-	-	(1 505)
Transfers:									
Non current assets held for sale (Note 22)	-	-	(1 347)	(30)	(55)	-	-	-	(1 432)
Other	-	-	2	-	(2)	-	-	-	-
Closing Balance	-	23 230	144 716	3 111	31 825	316	-	-	203 198
Net value	14 010	15 874	12 539	2 003	2 022	3	725	3	47 179

In the years ended 31 December 2017 and 2016, caption Basic Equipment included the net amounts of € 5 447 thousand and € 5 305 thousand, respectively, relating to assets directly associated to the concession activity, which will therefore revert to the State at the end of the concession period, without compensation.

13.
INTANGIBLE ASSETS

Changes in intangible fixed assets and corresponding accumulated depreciation and impairment losses in the years ended 31 December 2017 and 2016 are as follows:

					'17
THOUSAND EURO	RIGHTS	LICENSES AND SOFTWARE	INTANGIBLE ASSETS IN PROGRESS		TOTAL
Gross assets:					
Opening balance	4 667 359	18 218	45 932		4 731 509
Increases	6 478	2 472	9 581		18 531
Write-downs	-	(265)	-		(265)
Transfers	25 389	270	(25 659)		-
Capitalized financial costs	-	-	775		775
Closing Balance	4 699 226	20 695	30 629		4 750 550
Cumulative depreciation and impairment losses:					
Opening balance	2 205 999	13 951	-		2 219 950
Increase	131 321	2 292	-		133 613
Write-downs	-	(265)	-		(265)
Closing Balance	2 337 320	15 978	-		2 353 298
Net value	2 361 906	4 717	30 629		2 397 252



‘16

THOUSAND EURO	RIGHTS	LICENSES AND SOFTWARE	INTANGIBLE ASSETS IN PROGRESS	TOTAL
Gross assets:				
Opening balance	5 135 581	20 278	27 160	5 183 019
Foreign Exchange Adjustments	11 181	-	-	11 181
Increases	3 597	2 813	18 269	24 679
Disposals	-	(2)	-	(2)
Write-downs	-	(5 557)	-	(5 557)
Transfers:				
Non current assets held for sale (Note 22)	(483 040)	-	-	(483 040)
Other	40	686	(726)	-
Capitalized financial costs	-	-	1 229	1 229
Closing Balance	4 667 359	18 218	45 932	4 731 509
Cumulative depreciation and impairment losses:				
Opening balance	2 202 054	17 829	-	2 219 883
Foreign Exchange Adjustments	2 985	-	-	2 985
Increase	134 313	1 666	-	135 979
Decrease	(89 552)	-	-	(89 552)
Write-downs	-	(5 544)	-	(5 544)
Transfers:				
Non current assets held for sale (Note 22)	(43 801)	-	-	(43 801)
Closing Balance	2 205 999	13 951	-	2 219 950
Net value	2 461 360	4 267	45 932	2 511 559

In view of changes in expectations for the realisation of NWP assets, respective impairment losses were reversed in the year ended at 31 December 2016, as in December 2016 a contract was signed for the disposal of 100% of the equity holdings in NWP and Go Pass, leading to a reclassification of respective assets and liabilities, recorded as “Non current assets held for sale” (Note 22).

The gross amount of intangible assets at 31 December 2017 includes essentially contractual rights and results from:

- (i) The contractual right for Brisa Concession (Note 5) obtained as consideration for the road construction services associated with this concession, in the amount of € 4 210 041 thousand, of which € 243 556 thousand relate to the capitalization of financial expenses;
- (ii) Payment by Brisa to the State (the conceding entity) in exchange for the right to collect tolls on the CREL motorway as from 1 January 2003 under the provisions of Decree-Law 314 A/2002 of 26 December, less the amount received earlier when such tolls were abolished, and which at 31 December 2002 had not yet been recognised as income – € 236 318 thousand;
- (iii) Amount paid under the Global Agreement entered into between the Company and the State, corresponding to changes in the Bases of the Concession (Decree-Law 247-C/2008 of 30 December) – € 158 100 thousand;
- (iv) Costs incurred by Brisa to renegotiate the concession contract in 1991, which resulted in extending the initial concession period – € 101 750 thousand;

The concession rights included in intangible assets obtained in consideration for construction services are made up as follows:

	BRISA CONCESSION	
THOUSAND EURO	'17	'16
Construction costs		
Opening balance	4 195 941	4 173 311
Increases	14 100	22 630
Closing Balance	4 210 041	4 195 941

The above mentioned concession rights include capital financial costs as follows:

	BRISA CONCESSION	
THOUSAND EURO	'17	'16
Financial expenses		
Opening balance	242 781	241 573
Increases	775	1 208
Closing Balance	243 556	242 781

14.

INVESTMENTS IN ASSOCIATES

At 31 December 2017 the following associated companies were recorded in accordance with the equity method:

COMPANY	HEAD OFFICE	EFFECTIVE % HELD	CORPORATE OBJECT
Controlauto Açores, Lda. ("Controlauto Açores")	Praia da Vitória	29.60%	Vehicle inspection
Geira, S.A. ("Geira")	Portugal	50%	Management, operation and maintenance of road infrastructures
SICIT - Sociedade de Investimento e Consultoria em Infra-estruturas de Transportes, S.A. ("Sicit")	Portugal	35%	Investment consultancy
Transport Infrastructure Investment Company SCA ("SICAR")	Luxembourg	35.59%	Investment fund in Infrastructures
Transport Infrastructure, S. à r.l. ("Transport")	Luxembourg	35%	Management of equity holdings
TIICC, S. à r.l. ("TIICC")	Luxembourg	35%	Management of equity holdings
AEBT - Auto-Estradas do Baixo Tejo, S.A. ("AEBT")	Portugal	36.85%	Construction, maintenance and operation of motorways
New Mobility Ventures, B.V. ("Mobility, B.V.")	Breda	47.50%	Operation of electronic toll systems
Brisal - Auto-Estradas do Litoral, S.A. ("Brisal") ^{a)}	Cascais	70%	Construction, maintenance and operation of motorways
AEDL - Auto-Estradas do Douro Litoral, S.A. ("AEDL") ^{a)}	Cascais	99.92%	Construction, maintenance and operation of motorways
Auto-Estradas do Atlântico - Concessões Rodoviárias de Portugal, S.A. ("AEA")	Torres Vedras	50%	Construction, maintenance and operation of motorways

a) In view of the expectations as to the evolution of future operations of Litoral Centro ("Brisal concession") and Douro Litoral (AEDL) concessions, impairment losses were recognised in the financial statements of previous years, reflecting the non exercising of the entire contractual right deriving from the investment made in the construction of these motorways. Likewise, Brisa did not recognise in its financial statements the losses corresponding to its exposure as shareholder of the said concessions.

Note that the said projects were structured under project finance, assuming therefore specific characteristics, namely the allocation of risks to the various participants in the projects both as shareholders and funders, ensuring them access to long term debt, repayable according to the cash flows generated by the projects and respective assets, with limited recourse to shareholders.

Within the scope of the concession contracts referred to above, the parties (including financing entities) entered supporting agreements namely, the Agreement for the Subscription of Capital, and in Brisal's specific case, the Shareholders' Support Agreement and the Traffic Support Agreement

attached to respective concession contracts forming an integral part thereof, whereby shareholders' supporting obligations were specifically established, namely in what concerns liabilities for capital investments.

Given the continued deterioration of operating conditions within the scope of the said projects, the Board of Directors adopted a position, having informed the market thereon, whereby Brisa, as shareholder of the said projects, will not accept any liability that may translate in an investment or involvement higher than that contractually agreed.

In 2012 the declining trend in traffic worsened considerably as result of the economic crisis combined with the impact of the introduction of tolls in a number of motorways, adversely affecting the said projects. Likewise, the deterioration of the macroeconomic outlook and the fiscal measures imposed to consolidate and straighten up the public accounts led to a downward revision in the second half of 2012 of cash flow estimates for Brisal and Douro Litoral concessions, based on the latest traffic figures.

As result, the Board of Directors of Brisa has considered that:

- Pursuant to the contractual mechanisms set forth, financial institutions exposed to these projects have a step-in right and can establish the timing to exercise such right;
- The management of these concessionaires is now restricted to day-to-day measures and operation, subject to the budget previously agreed with financial institutions, where any decision not covered by this budget requires their prior approval.
- Under the present circumstances, Brisa ceased to be able to control the said companies - though no change in respective holdings has yet occurred - since the Company no longer can run AEDL and Brisal businesses and is no longer exposed and ceased to be entitled to their variable results, on account of its relationship with these entities, as mention in paragraph 7 of IFRS 10.

As result, the Board of Directors of Brisa, based on its legal advisers opinion, considers that Brisa is not exposed to any variability in the negative cash flows foreseen for the said projects, and does not exercise an effective control over the said subsidiaries.

Changes in investments in associated companies in the years ended 31 December 2017 and 2016 are as follows:

THOUSAND EURO	'17	'16
Opening balance	133 778	130 278
Increase ^{a)}	2 580	3 034
Decrease ^{b)}	(32 638)	(267)
Foreign exchange differences	54	5
Dividends	(15 780)	(5 315)
Gains on the disposal of investments	1 088	-
Effect of the application of the Equity Method		
Effect in results (Note 8)	22 561	10 516
Effect on equity ^{c)}	2 028	1 374
Provisions (Note 29)	(2 695)	(5 847)
Closing Balance	110 976	133 778

a) As of 31 December 2017, the increase in caption “Investment in Associates” was made in associates AEBT and Mobility B.V..

b) As of 31 December 2017, decrease investments in associated companies corresponded mainly to the decrease in the share capital of associate SICAR, the repayment of accessory contributions of associate AEBT and the disposal of associate Feedback.

c) This effect stems from the equity changes occurred in associated companies, corresponding mainly, to the impact of the recognition of cash flow hedging instruments.

Investments in associated companies at 31 December 2017 and 2016 were as follows:

THOUSAND EURO	'17	'16
AEA	72 320	62 315
SICAR	34 147	63 128
AEBT	2 445	6 146
SICIT	874	811
Mobility, B.V.	708	190
Controlauto Açores	317	401
Geira	160	63
TIICC	5	4
FBH OMT	-	720
	110 976	133 778

At 31 December 2017 and 2016, investments in associates considered relevant concern AEA and SICAR; accordingly, relevant financial information and respective reconciliation is as follows:

THOUSAND EURO	AEA		SICAR	
	'17	'16	'17	'16
Operating income	69 011	65 718	19 214	17 649
Operating costs	(40 729)	(50 130)	(1 656)	(1 973)
Operating Results	28 282	15 588	17 558	15 676
Financial income	48	63	4 144	4 196
Financial costs	(11 034)	(12 403)	(230)	-
Financial result	(10 986)	(12 340)	3 914	4 196
Income tax	(4 577)	(919)	(4)	-
Net profit for the year	12 719	2 329	21 468	19 872
Non current assets	229 752	250 968	97 076	168 024
Current assets	38 029	50 645	5 420	10 220
	267 781	301 613	102 496	178 244
Non current liabilities	265 039	298 396	78	846
Current liabilities	11 432	24 637	6 461	-
	276 471	323 033	6 539	846
Equity attributable to equity holders	(8 690)	(21 420)	95 957	177 398
Percentage held	50%	50%	35.59%	35.59%
Investment	(4 345)	(10 710)	34 147	63 128
Appropriation of the difference of the purchase price to the fair value of the intangible asset ^{a)}	76 665	73 025	-	-
	72 320	62 315	34 147	63 128

a) The difference between acquisition cost of this interest and the fair value of identifiable net assets was considered as a increase in the right associated to AEA concession contract, subject to annual amortisation until the end of the concession term.

At 31 December 2017 and 2016, balances with associated companies were made up as follows:

THOUSAND EURO	CLIENTS AND OTHER DEBTORS (NOTE 19)		ASSOCIATES		SUPPLIERS		OTHER ACCOUNTS PAYABLE		OTHER CURRENT ASSETS		OTHER CURRENT LIABILITIES	
	'17	'16	'17	'16	'17	'16	'17	'16	'17	'16	'17	'16
AEDL	3 451	2 039	216 900	216 900	1	-	-	-	-	7	36	23
Brisal	2 159	4 469	-	-	1	3	40	-	-	3	12	12
AEA	1 945	2 143	57 462	56 659	69	4	1	-	-	-	-	-
AEBT	900	947	6 349	12 916	-	-	-	843	948	368	584	556
Mobility, B.V.	-	-	600	720	-	-	-	-	-	-	-	-
BNV Mobility, B.V.	8	330	-	-	89	54	-	-	-	-	-	-
SICIT	8	8	-	-	-	-	-	-	-	-	-	-
Controlauto Açores	5	4	-	-	-	-	-	-	-	-	-	-
TIICC	-	-	5	5	-	-	-	-	-	-	-	-
Geira	50	-	-	-	-	-	-	-	-	-	-	-
	8 526	9 940	281 316	287 200	160	61	41	843	948	378	632	591
Impairment losses on accounts receivable (Note 28)	-	-	(216 900)	(216 900)	-	-	-	-	-	-	-	-
	8 526	9 940	64 416	70 300	160	61	41	843	948	378	632	591

Additionally, transactions carried out with associated companies in the years ended as of 31 December 2017 and 2016 were as follows:

THOUSAND EURO	RENDERED SERVICES		OTHER OPERATING INCOME		SUPPLIES AND SERVICES		PERSONNEL EXPENSES		FINANCIAL INCOME	
	'17	'16	'17	'16	'17	'16	'17	'16	'17	'16
Brisal	12 598	11 972	634	1	(34)	5	-	-	-	-
AEDL	10 970	10 601	435	-	6	5	-	-	-	-
AEBT	5 835	6 069	75	66	53	-	-	-	597	740
AEA	4 644	4 653	690	606	268	49	-	-	-	24
BNV Mobility, B.V.	134	133	-	90	92	-	-	51	-	-
Geira	513	31	-	-	-	-	-	-	-	-
SICIT	83	39	-	-	-	-	-	-	70	-
Movenience	14	14	-	7	-	-	-	-	-	-
Controlauto Açores	-	-	12	12	-	-	-	-	-	-
	34 791	33 512	1 846	782	385	59	-	51	667	764

In the years ended at 31 December 2017 and 2016 payments concerning investments in associates were made up as follows:

THOUSAND EURO	'17	'16
AEBT	4 348	-
Mobility, B.V.	1 250	200
AEDL ^{a)}	352	10 656
TIICC	-	2
	5 950	10 858

a) In the year ended at 31 December 2017 this amount concerned obligations of contributing in additional construction costs. In the year ended 31 December 2016 this amount included € 8 994 thousand concerning supplementary capital (Note 29) and € 1 662 thousand concerning obligations of contributing in additional construction costs.

In the years ended at 31 December 2017 and 2016 the breakdown of receivables relating to investments in associates was as follows:

THOUSAND EURO	'17	'16
SICAR	24 382	-
AEBT	15 797	-
FBH OMT	1 864	-
Mobility, B.V.	300	-
Movenience	-	638
	42 343	638

15. OTHER INVESTMENTS

This caption includes, mainly, investments in entities over which the Group does not have significant influence, which are stated at cost less estimated impairment losses.

At 31 December 2017 and 2016 this caption included investments in the following entities:

THOUSAND EURO	'17	'16
Non current:		
AELO - Auto-Estradas do Litoral Oeste, S.A. ^{a)}	3 850	6 689
ELOS	3 014	2 857
Fundo ISTART	296	296
TIIC 2 S.C.A., SICAR ("TIIC 2")	143	-
F-Hitec	97	97
Other investments	7	6
	7 407	9 945

a) Investment in AELO includes: (i) € 512 thousand relating to capital and accessory contributions and (ii) € 3 338 thousand corresponding to additional construction costs of the said concessionaire supported directly by the Company.

In the years ended at 31 December 2017 and 2016 payments concerning other investments were made up as follows:

THOUSAND EURO	'17	'16
ELOS	157	13
TIIC 2	142	-
AELO	-	8
	299	21

In the years ended at 31 December 2017 and 2016 receivables concerning other investments were made up as follows:

THOUSAND EURO	'17	'16
AELO	3 123	3 209
Fundo ISTART	-	4
	3 123	3 213

16. GOODWILL

At 31 December 2017 and 2016 goodwill was made up as follows:

THOUSAND EURO	'17	'16
Iteuve	14 917	14 917
Controlauto	8 286	8 286
BGI	2 264	2 264
BIT	601	601
Mcall	379	379
	26 447	26 447

The allocation of the balance of this caption to respective operating segments is disclosed in Note 5.

As mentioned in Note 28, the amount recoverable from cash-generating units was determined based on respective value in use, according to cash

flow projections for a period of 5 years, considering a perpetual growth rate in line with estimated inflation (1% to 2%), discounted at rates of 4.9% to 11.3%.

Cash flow projections for each cash-generating unit have different key variables, such as the characteristics of the national car fleet, prospects for new car sales and traffic projections.

17. DEFERRED TAXES

Deferred tax assets and liabilities at 31 December 2017 and 2016, by underlying timing difference, are as follows:

THOUSAND EURO	DEFERRED TAX ASSETS		DEFERRED TAX LIABILITIES	
	'17	'16	'17	'16
Provisions for the replacement of infrastructures	65 064	57 321	-	-
Provisions not considered for tax purposes	3 622	2 986	-	-
Retirement benefits (pensions)	733	603	919	862
Differences between the tax base and book value of:				
Intangible assets ^{a)}	-	-	-	85 217
Tangible assets	6	10	-	9
Other assets	394	2 128	-	-
Other liabilities	684	889	-	-
Differences between individual and consolidated income	6 276	6 894	-	-
Tax losses brought forward ^{b)}	225	149 958	-	-
Derivative financial instruments	1 122	27 140	-	4 207
	78 126	247 929	919	90 295

a) Deferred tax liabilities recorded under this caption related to the timing difference between the amortization of the concession right recorded in NWP accounting books over the concession period (99 years), and the corresponding amortization considered for tax purposes for a lower period (15 years) (Note 9).

b) As of 31 December 2016 deferred tax assets relating to reportable tax losses amounted to € 149 958 thousand concerned mainly BUS (United States of America). Deferred tax assets stemming from reportable tax losses were recorded where they were deemed capable of being used through tax profit according to the business plan of each company, taking into account the rules applicable to their deductibility according to the tax law in force in the countries where associates are established.

Changes in deferred tax assets and liabilities in the years ended 31 December 2017 and 2016 are as follows:

THOUSAND EURO	'17	'16
Opening balance	157 634	66 455
Effect on results:		
Effect of change in rate:		
Differences between the tax base and book value of:		
Tangible assets	1	-
Other liabilities	-	(191)
Provisions not considered for tax purposes	256	(210)
Provisions for the replacement of infrastructures	4 131	-
Financial instruments	(183)	-
Retirement benefits	102	(60)
	4 307	(461)
Change for the year:		
(Use)/increase of reportable tax losses ^{a)}	(139 671)	69 323
Differences between the tax base and book value of:		
Intangible assets	79 515	(9 003)
Tangible assets	4	9
Other assets	(1 606)	2 036
Other liabilities	(205)	193
Change in other provisions not accepted for tax purposes	379	(983)
Change in provisions for the replacement of infrastructures	3 712	6 255
Increase / (decrease) of financial instruments	3 926	(869)
Retirement benefits	214	169
Differences between individual and consolidated income	(617)	(1 515)
	(54 349)	65 615
Sub-total (Note 9)	(50 042)	65 154
Effect on equity		
Effect of change in rate:		
Retirement benefits	(227)	12
Financial instruments	254	-
	27	12
Change for the year:		
Retirement benefits	(18)	490
Increase / (decrease) of financial instruments	(23 031)	24 301
	(23 049)	24 791
Sub-total	(23 022)	24 803
Foreign Exchange Adjustments	(7 363)	1 222
	(80 427)	91 179
Closing Balance	77 207	157 634

a) Changes occurred in the year ended 31 December 2017 and 2016 in deferred tax assets relating to reportable tax losses concern mainly the change in future estimates for taxable results and use in NWP concession.

18. OTHER NON CURRENT ASSETS

At 31 December 2017 and 2016 this caption was made up as follows:

THOUSAND EURO	'17	'16
Retirement benefits (Note 34)	3 146	3 368

19. TRADE AND OTHER RECEIVABLES

As of 31 December 2017 and 2016 this caption was made up as follows:

THOUSAND EURO	'17	'16
Clients:		
Tolls ^{a)}	26 444	24 616
Doubtful receivables	24 914	24 036
	51 358	48 652
Other debtors		
Advances to suppliers	372	533
Personnel	827	910
Doubtful receivables	42	-
	1 241	1 443
Other receivables and debtors ^{b)}		
Related Parties (Note 36)	2 848	3 004
Other	21 879	22 962
	24 717	25 966
	77 316	76 061
Cumulative impairment losses accounts receivable (Note 28)	(24 956)	(24 079)
	52 360	51 982

a) As of 31 December 2017 and 2016, this balance included the amounts of €3 903 thousand and €3 090 thousand, respectively, receivable from Spanish concessions concerning Brisa motorway tolls paid by users of the Spanish concessions, within the scope of an interoperability agreement.

(b) As of 31 December 2017 and 2016, this caption included a balance of € 8 526 thousand and € 9 940 thousand, respectively, relating to associates (Note 14).

Accounts receivable from third parties, having the same book value and fair value, stem from operating activity and are deducted of cumulative impairment losses. These are estimated based on available information and past experience (Note 35).

Given the nature of the Company's operation, there is no significant concentration of credit risk.

20. OTHER CURRENT ASSETS

As of 31 December 2017 and 2016 this caption was made up as follows:

THOUSAND EURO	'17	'16
Government and other public bodies:		
Income tax ^{a)}	15 907	16 012
Other	1 735	1 999
	17 642	18 011
Cumulative impairment losses accounts receivable (Note 28)	(1 735)	(1 999)
	15 907	16 012
Accrued income:		
Interest receivable	92	34
Other	2 774	1 409
	2 866	1 443
Deferred costs:		
Insurance	3 876	3 632
Other	1 334	1 672
	5 210	5 304
Fair value of derivative instruments (Note 32)	-	2 267
	23 983	25 026

a) This amount concerns a tax payment made by the Company in previous years, the refund of which is pending the settlement of the disputes mentioned above.

21. CASH AND CASH EQUIVALENT

Cash and cash equivalents at 31 December 2017 and 2016 are made up as follows:

THOUSAND EURO	'17	'16
Cash	2 178	2 093
Bank deposits payable on demand	315 329	69 363
Term deposits	201 898	111 786
Cash and cash equivalents	519 405	183 242
Bank overdrafts (Note 27)	[56]	[1 482]
	519 349	181 760

Caption “Cash and cash equivalents” includes cash, on demand and term deposits and treasury applications immediately withdrawable, the value of which is unlikely to change. Caption “Bank overdrafts” includes the credit balances on demand deposit accounts with banks.

Within the scope of the contractual obligations assumed by BCR, the balance of treasury applications as of 31 December 2017 included the following reserve accounts:

- Reserve account for the repayment of debt, in the amount of, approximately, € 107 500 thousand;
- Reserve account for investment purposes in the amount of € 4 066 thousand.

Since the companies where the said reserve accounts are set have restrictions as to the activities they may pursue in accordance with their by-laws and concession agreements, which include borrowing and

investments, and taking into account that the said reserve accounts may always be used to these purposes, the Group deems total balances in reserve accounts as cash and cash equivalents.

22. NON CURRENT ASSETS HELD FOR SALE

As mentioned in Note 13, in December 2016 the company entered into an agreement to sell off its stakes in NWP and Go Pass, which led to the reclassification of respective assets and liabilities as “non current assets held for sale”, made up as follows:

THOUSAND EURO	'16
Tangible fixed assets (Note 12)	799
Intangible assets (Note 13)	439 239
Trade and other receivables	2 530
Other current assets	40 511
Cash and cash equivalent	29 195
	512 274
Loans	350 820
Provisions (Note 29)	3 817
Suppliers	17
Other current liabilities	1 188
	355 842
Non current assets held for sale	156 432

Effect of the disposal materialised on March 9, 2017 for USD 334 063 86, corresponding at the exchange rate in force as of the said date to

approximately € 316 618 thousand. The disposal generated gains in the amount of € 208 037 thousand (Note 8).

Following the deduction of due diligence expenses and the amount recorded in cash equivalent of the disposed companies in the amount of USD 27 818 850, the operation generated a net financial flow of USD 306 244 936, i.e. approximately € 271 089 thousand following conversion at the average exchange rate.

23. CAPITAL

The Company’s capital at 31 December 2017 is made up of 600 000 000 fully subscribed and paid up shares with a nominal value of € 0.01 each.

As of 31 December 2017, the Company shareholders were as follows:

	NUMBER OF SHARES	% SHARE CAPITAL	% VOTE
Tagus Holdings S. à r.l.	243 497 061	40.6%	44.06%
José de Mello Investimentos, SGPS, S.A.	182 683 904	30.4%	33.06%
Arcus European Infrastructure Fund GP LLP	114 557 795	19.1%	20.73%
Treasury shares (Note 24)	47 352 614	7.9%	N/A
Other shareholders	11 908 626	2.0%	2.15%
	600 000 000	100.0%	100.0%

24. TREASURY SHARES

No changes took place in treasury stock in the years ended 31 December 2017 and 2016. As of the said dates, this caption was made up as follows:

	'17		'16	
	NUMBER OF SHARES (NOTE 23)	THOUSAND EURO	NUMBER OF SHARES	THOUSAND EURO
Opening Balance	47 352 614	228 720	47 352 614	228 720
Closing Balance	47 352 614	228 720	47 352 614	228 720

Commercial legislation regarding treasury stock requires companies to maintain a free reserve equal in amount to the cost of their treasury stock. The reserve is not available for distribution while the stock is held, a reserve of €228,720 thousand (Note 25) being maintained for that purpose. In addition, the applicable accounting rules provide that gains and losses on the sale of treasury stock must be recorded in reserves.

25. LEGAL RESERVE AND OTHER RESERVES

LEGAL RESERVE

Commercial legislation establishes that at least 5% of annual net profit must be appropriated to a legal reserve until the reserve equals at least 20% of share capital. This reserve is not available for distribution except in the event of liquidation, but it can be used to absorb losses once the other reserves have been exhausted, or to increase capital.

OTHER RESERVES

At 31 December 2017 and 2016 the amounts of Euro 49 960 thousand and Euro 138 634 thousand, respectively were available for distribution.

Additionally, at 31 December 2017 and 2016, caption Other Reserves included the amount of € 228 720 thousand (Note 24), concerning treasury stock reserves.

FOREIGN EXCHANGE ADJUSTMENTS

As of 31 December 2017 and 2016 the Group had a foreign exchange reserve in the amount of €54 018 thousand and €48 553 thousand, respectively, stemming from the conversion of the assets and liabilities of the Group's operations expressed in foreign currency, namely in United States of America.

26. NON CONTROLLING INTERESTS

The changes in this caption in the years ended 31 December 2017 and 2016 were as follows:

THOUSAND EURO	'17	'16
Opening balance	92 603	176 140
Changes in equity of associates	(31 609)	(110 538)
Change in position of non controlling interest ^{a)}	-	(5 459)
Increase - Change in perimeter	-	25
Profit for the year attributable to non controlling interests	45 478	32 435
Early dividends attributable to non controlling interests ^{b)}	(18 000)	-
Closing Balance	88 472	92 603

a) In the year ended as of 31 December 2016, the change occurred in this caption included the recognition of non controlling interests in the amount of € 5 481 thousand, resulting from acquisition of 14.45% of Controlauto and a negative amount of € 22 thousand relating to the disposal of 2% of BIT.

b) In the year ended as of 31 December 2017, the change occurred in this caption included the recognition of non controlling interests in the amount of € 18 000 thousand, resulting from early distribution of dividends of BCR SGPS, in the amount of € 60 000 thousand.

Non controlling interests as of 31 December 2017 and 2016 were made up as follows:

THOUSAND EURO	'17	'16
BCR SGPS	72 711	78 937
Controlauto	10 974	10 363
Via Verde Portugal	3 264	3 166
BIT	(12)	112
BAS	1 535	25
	88 472	92 603

In the years ended at 31 December 2017 and 2016 payments concerning investments with impact on non controlling interests were made up as follows:

THOUSAND EURO	'17	'16
BCR SGPS ^{a)}	48 403	95 817
Via Verde Portugal	2 271	2 280
Controlauto	753	8 096
	51 427	106 193

a) In the year ended 31 December 2017, payments made by BCR SGPS to non controlling interests concerned dividends and share capital reduction in the amounts of 41 127 thousand Euro and 7 276 thousand Euro, respectively. In the year ended at 31 December 2016, payments made by BCR SGPS to non controlling interests concerned share capital reduction and dividends, in the amount of 59 286 Euro and 36 531 thousand Euro, respectively.

In the years ended at 31 December 2017 and 2016 receivables concerning investments with impact on non controlling interests were made up as follows:

THOUSAND EURO	'17	'16
BAS	1 470	24

27. LOANS

At 31 December 2017 and 2016 loans contracted by the Company were as follows:

	'17		'16	
THOUSAND EURO	CURRENT	NON CURRENT	CURRENT	NON CURRENT
Bonds	339 756	1 395 532	34 976	1 394 144
Bank loans	38 579	464 819	38 565	503 304
Commercial paper and short term lines	49 578	150 000	102 227	150 000
Bank overdrafts (Note 21)	56	-	1 482	-
	427 969	2 010 351	177 250	2 047 448

BONDS

At 31 December 2017 and 2016 (non convertible) bonds were made up as follows:

THOUSAND EURO		'17		'16		MATURITY	NOMINAL INTEREST RATE
ISSUE	NOMINAL VALUE OF THE ISSUE	CURRENT	NON CURRENT	CURRENT	NON CURRENT		
2012-2032	100 000	5 439	93 952	5 556	93 666	jan/32	Floating
2012-2018	300 000	315 232	-	14 725	299 806	apr/18	6.875%
2014-2021	300 000	8 413	299 138	8 426	298 792	apr/21	3.875%
2015-2025	300 000	1 885	286 640	1 935	284 735	apr/25	1.875%
2016-2022	120 000	31	119 450	32	119 280	jan/22	Floating
2016-2023	300 000	4 294	298 256	4 302	297 865	mar/23	2.000%
2017-2027	300 000	4 462	298 096	-	-	may/27	2.375%
		339 756	1 395 532	34 976	1 394 144		

2012-2032 Issue

The €100 000 thousand bond issue was carried out by BCR on 12 July 2012. This bond loan with a 19.5-year maturity, pays interest at a fixed rate of 6% in the first five years and interest indexed to the consumer price index (except housing) as from the sixth year to maturity. Repayment of principal will be made in one instalment at maturity in 12 January 2032.

2012-2018 Issue

The €300 000 thousand bond issue was carried out by BCR on 02 October 2012. This bond loan with a 5.5-year maturity bears interest at a fixed rate of 6.875%. Repayment of principal will be made in one instalment at maturity in 06 April 2018.

2014-2021 Issue

The €300 000 thousand bond issue was carried out by BCR on 01 April 2014. This bond loan with a 7-year maturity bears interest at a fixed rate of 3.875%. Repayment of principal will be made in one instalment at maturity in 01 April 2021.

2015-2025 Issue

The €300 000 thousand bond issue was carried out by BCR on 30 April 2015. This bond loan with a 10-year maturity bears interest at a fixed rate of 1.875%. Repayment of principal will be made in one instalment at maturity in 30 April 2025.

2016-2022 Issue

The €120 000 thousand bond issue was carried out by BCR on 07 June 2016. This bond loan has a floating interest rate indexed to the 6-month

Euribor. Repayment of principal will be made in one instalment at maturity in 07 January 2022.

2016-2023 Issue

The €300 000 thousand bond issue was carried out by BCR on 22 March 2016. This bond loan with a 7-year maturity bears interest at a fixed rate of 2%. Repayment of principal will be made in one instalment at maturity in 22 March 2023.

2017-2027 Issue

The bond issue in the amount of € 300 000 000 was carried out by BCR on 10 May 2017. This bond loan with a 10-year maturity bears interest at a fixed rate of 2.375%. Repayment of principal will be made in one instalment at maturity in 10 May 2027.

As of 31 December 2017 and 2016 bond issues concerning which it was possible to obtain a market valuation were the following:

THOUSAND EURO			'17		'16		MATURITY	NOMINAL INTEREST RATE
ISSUE	STOCK EXCHANGE	NOMINAL VALUE OF THE ISSUE	ACCOUNTING VALUE	MARKET VALUE ^{a)}	ACCOUNTING VALUE	MARKET VALUE ^{a)}		
2012	Lux SE	300 000	315 232	305 118	314 531	325 929	apr/18	6.875%
2014	Lux SE	300 000	307 551	335 376	307 218	340 491	apr/21	3.875%
2015	Lux SE	300 000	288 525	311 511	286 670	295 095	apr/25	1.875%
2016	Lux SE	300 000	302 550	318 855	302 167	307 776	mar/23	2.000%
2017	Lux SE	300 000	302 558	318 198	-	-	may/27	2.375%
			1 516 416	1 589 058	1 210 586	1 269 291		

a) Source: Bloomberg

The fair value of the bond loans corresponds to their amortised cost, as described in Note 35.

The above mentioned bond issues are part of an Euro Medium Term Note Programme, which may be extended to a maximum amount of €3 000 000 thousand.

BANK LOANS

Caption “Bank loans” at 31 December 2017 and 2016 was made up as follows:

THOUSAND EURO			'17					'16		
CONTRACTING COMPANY	AMOUNT TO BE SETTLED			REPAYMENT			CONTRACTED NOMINAL AMOUNT	AMOUNT TO BE SETTLED		
	CONTRACTED NOMINAL AMOUNT	CURRENT	NON CURRENT	MATURITY	PERIODICITY	INTEREST RATE		CURRENT	NON CURRENT	
BCR	506 810	38 579	464 819	Dec-30	Half-year	Floating	545 796	38 565	503 304	

Within the scope of the corporate reorganization of the Brisa Group, Brisa negotiated with the European Investment Bank (EIB) the transfer to BCR of several loans contracted between Brisa Auto-Estradas de Portugal, S.A. and EIB. The debt transferred as of 22 December 2010 totalled €779 708 171. It was also agreed with the EIB the consolidation of 16 existing financing contracts into one sole contract, subject to floating interest rate indexed to the 6-month Euribor with extended term (this loan will be repaid in half-year instalments from June 2011 to December 2030).

As of 31 December 2017 and 2016 bank loans had the following repayment schedule:

THOUSAND EURO	'17	'16
Up to 1 year	38 579	38 565
Up to 2 years	38 522	38 486
Up to 3 years	38 558	38 522
Up to 4 years	38 597	38 559
Up to 5 years	38 636	38 597
More than 5 years	310 506	349 140
	503 398	541 869

COMMERCIAL PAPER AND SHORT TERM LINES

Caption “Other loans obtained” at 31 December 2017 and 2016 is made up as follows:

THOUSAND EURO	FINANCED ENTITY	'17	'16	CURRENCY
Other loans				
Commercial paper and short term lines	BCR	199 579	251 973	EUR
Commercial paper and short term lines	Controlauto	(5)	248	EUR
Commercial paper and short term lines	Brisa	4	6	EUR
		199 578	252 227	
Bank overdrafts (Note 21)				
Bank overdraft lines	Brisa	30	28	EUR
Bank overdraft lines	Via Verde Portugal	26	25	EUR
Bank overdraft lines	Controlauto	-	1 429	EUR
		56	1 482	
		199 634	253 709	

At 31 December 2017 and 2016 the Group had short term credit lines and commercial paper issues with banks in a total maximum amount of € 481 500 thousand; as of the said dates, approximately € 200 000 thousand and € 250 250 thousand, respectively, were placed. Of the total amount placed as of 31 December 2017, €150 000 thousand concern a commercial paper programme with guaranteed subscription for a period beyond one year, thus being classified as of medium and long term.

28. CUMULATIVE IMPAIRMENT LOSSES

Changes in cumulative impairment losses in the years ended 31 December 2017 and 2016 are as follows:

THOUSAND EURO					'17
	OPENING BALANCE	FOREX EFFECT	INCREASE	DECREASE (NOTE 6)	CLOSING BALANCE
Impairment losses:					
Financial investments:					
Investments in associates	453 659	-	-	-	453 659
Other investments	13 843	-	-	-	13 843
Accounts receivable:					
Associates (Note 14)	216 900	-	-	-	216 900
Accounts receivable and other debtors (Note 19)	24 079	-	1 127	(250)	24 956
Inventories	103	-	-	-	103
Other (Note 20)	1 999	(274)	10	-	1 735
	710 583	(274)	1 137	(250)	711 196

THOUSAND EURO							'16
	OPENING BALANCE	FOREX EFFECT	INCREASE	USE	DECREASE (NOTE 6)	TRANSFERS (NOTE 29)	CLOSING BALANCE
Impairment losses:							
Financial investments:							
Investments in associates	450 625	-	-	-	-	3 034	453 659
Other investments	13 843	-	-	-	-	-	13 843
Accounts receivable:							
Associates (Note 14)	216 900	-	-	-	-	-	216 900
Accounts receivable and other debtors (Note 19)	23 314	-	1 078	(162)	(151)	-	24 079
Inventories	103	-	-	-	-	-	103
Other (Note 20)	1 508	399	92	-	-	-	1 999
	706 293	399	1 170	(162)	(151)	3 034	710 583

Impairment losses are deducted to the amount of the corresponding assets.

In the specific case of goodwill (Note 16) and of the concessions related rights, impairment tests were carried out in accordance with the discounted cash flow method; the cash flows projections used covered the whole period of concessions under a Project Finance and 5 to 5 years for the remaining businesses of the Group.

The discount rates used in all evaluations associated with impairment tests reflect the cost of capital employed and the specific risk of each asset, and were estimated within a range of 4.9% to 11.3%.

Additionally, with regard to evaluations which do not concern road concessions the perpetual growth rates considered in were of 1% to 2%, (nominal) taking into account the prospects of value creation in each business after the period established for the projections.

Discount rates used in project finance for the purposes of impairment tests correspond to the original IRR of the base case, as the financing structure of these companies is defined since the initial moment of investment and shareholders cannot change it without the approval of financial banks. In what concerns remaining companies, the discount rate takes into account the evolution of the invested capital structure and the specific risk of each asset, as well as the country where the operation is established.

29. PROVISIONS

Changes in the provisions and accumulated impairment losses in the years ended 31 December 2017 and 2016 were as follows:

							'17
HEADINGS	OPENING BALANCE	INCREASE	USE	DECREASE (NOTE 6)	FINANCIAL REVISION (NOTE 8)	TRANSFERS	CLOSING BALANCE
Provisions:							
Non current:							
Pending legal proceedings	1 433	23	-	(50)	-	-	1 406
Investments in associates (Note 14)	2 698	615	-	(3 310)	-	-	3
Replacement of infrastructures	166 172	24 246	(6 143)	(342)	5 710	(310)	189 333
Other risks and charges	9 727	1 338	(367)	-	-	-	10 698
	180 030	26 222	(6 510)	(3 702)	5 710	(310)	201 440
Current							
Replacement of infrastructures	23 073	19 819	(23 504)	(4 214)	1 735	310	17 219
Other risks and charges	3 321	2 365	(1 885)	-	-	-	3 801
	26 394	22 184	(25 389)	(4 214)	1 735	310	21 020
	206 424	48 406	(31 899)	(7 916)	7 445	-	222 460

										'16
HEADINGS	OPENING BALANCE	NON CURRENT ASSETS HELD FOR SALE (NOTE 22)	FOREX EFFECT	INCREASE	USE	DECREASE (NOTE 6)	FINANCIAL REVISION (NOTE 8)	TRANSFERS (NOTE 28)	CLOSING BALANCE	
Provisions:										
Non current:										
Pending legal proceedings	1 571	-	-	-	-	(138)	-	-	1 433	
Investments in associates (Note 14)	5 511	-	-	1	-	(2 814)	-	-	2 698	
Replacement of infrastructures	162 913	(3 817)	96	19 453	(1 098)	(918)	5 772	(16 229)	166 172	
Other risks and charges	10 833	-	-	854	(1 714)	(246)	-	-	9 727	
	180 828	(3 817)	96	20 308	(2 812)	(4 116)	5 772	(16 229)	180 030	
Current										
Investments in associates (Note 14)	8 848	-	-	-	(5 960)	-	146	(3 034)	-	
Replacement of infrastructures	13 275	-	-	20 358	(26 647)	(1 946)	1 804	16 229	23 073	
Other risks and charges	6 666	-	-	475	(1 454)	(2 366)	-	-	3 321	
	28 789	-	-	20 833	(34 061)	(4 312)	1 950	13 195	26 394	
	209 617	(3 817)	96	41 141	(36 873)	(8 428)	7 722	(3 034)	206 424	

The provision for litigation in process is to cover liabilities estimated by the Board of Directors, based on information from the lawyers, resulting from actions brought against the Company relating to motor accidents, losses caused by the construction of motorways and labour claims. At 31 December 2017 and 2016 claims against the Company totalled approximately € 47 406 thousand and € 48 996 thousand, respectively; respective provision corresponds to the Board of Directors' best estimate of the amount of such liabilities.

As of 31 December 2017 and 2016, caption Investments in associated companies related to the interests In the negative shareholder's equity (excluding supplementary capital) of associated companies and liabilities to make additional capital contributions in relation to the investment already incurred. On January 28, 2016 the Company settled the commitment to buy the remaining shares of associated AEDL for the amount of € 8 994 thousand (Note 14).

Provisions for reinstatement of infrastructures relate to the responsibilities to replace the wear layer of the flexible pavements and is recognised, at the present value, through the period up to the date in which the intervention takes place. The provision is subject to a financial update at each reporting date calculated at the average interest cost rate of the company and recorded as a financial expense The recorded reversals relate essentially to the reassessment of the estimates for the costs to be incurred and changes in the planned schedule of the interventions in the infrastructure.

Provision for other risks and charges as of 31 December 2017 and 2016 included the amounts of € 1 842 thousand and € 2 209 thousand respectively, corresponding to the Board of Directors' current estimate of the amount of the potential losses to be incurred by the Company associated to the Douro Litoral Concession, resulting from commitments assumed under agreements entered into with the consortium responsible for the construction of Douro Litoral motorway ("DLACE").

As of 31 December 2017 and 2016, provision for other risks and charges further included € 3,800 thousand and € 3,321 thousand, respectively, concerning a restructuring plan.

30. OTHER NON CURRENT LIABILITIES

As of 31 December 2017 and 2016 this caption was made up as follows:

THOUSAND EURO	'17	'16
Compensation for operating losses ^{a)}	26 727	28 300
Global Agreement ^{b)}	11 746	11 746
Fair value of derivative instruments (Note 32)	3 811	6 761
Retirement benefits (Note 34)	3 270	2 641
Suppliers of investment	404	647
Advanced revenues of service areas ^{c)}	-	560
	45 958	50 655

a) This caption includes €73,670 thousand relating to compensation obtained from the State for not charging tolls on some sub-stretches in the metropolitan area of Lisbon and Porto, less €45,370 thousand already transferred to income, of which the amount of €1,572 thousand relating to the year ended at 31 December 2017 were recorded in caption "Other operating income" (Notes 6 and 31).

b) This caption corresponds to the difference between the amount received from the State, under the Global Agreement established with Brisa relating to BCR Concession and the balances pending settlement and recognised in the financial statements as of the date of the agreement. In accordance with agreed terms, an inspection by IGF is still pending viewing validating and confirming the balances, which will result in settlement of the amount thereof.

c) This caption comprises the amounts paid by sub concessionaires of service stations for future rents (Note 31).

31. OTHER CURRENT LIABILITIES

As of 31 December 2017 and 2016 this caption was made up as follows:

THOUSAND EURO	'17	'16
Fair value of derivative instruments (Note 32)	-	57 002
Accrued costs:		
Remuneration payable	21 924	19 970
Other accrued expenses	4 474	3 962
	26 398	23 932
Deferred income:		
Compensation for operating losses (Note 30)	1 572	1 572
Advanced revenues of service areas (Note 30)	560	561
Financial contributions	-	15
Other	2 452	1 444
	4 584	3 592
Government and other public bodies:		
Value added tax	19 609	18 320
Payments to Social Security	1 620	1 583
Income tax withheld	1 121	1 097
Income tax		
Tax payable ^{a)}	16 051	16 051
Other	537	534
	38 938	37 585
Other creditors:		
Dividends payable to shareholders (Note 11)	276	235
Other	9 647	8 394
	9 923	8 629
	79 843	130 740

a) This amount refers to a sum returned by tax authorities following the tax inspection relating to 2007, which the Company considers as being due.

32.

DERIVATIVE FINANCIAL INSTRUMENTS

The Group has contracted a series of derivative financial instruments to minimise the risk of exposure to variations in interest and exchange rates.

Such instruments are contracted considering the risks that affect its assets and liabilities, after verifying which market instruments available are the most adequate to hedge the risks.

Such operations, which are contracted with the prior approval by the Chief Financial Officer or the Executive Commission, are permanently monitored through analysis of the various indicators relating to such instruments, especially evolution of their market value and sensitivity of their projected cash flows and of the market itself to changes in the key variables that affect the structures, with the objective assessing their financial effect.

These financial derivative instruments are recorded in accordance with the provisions of IAS 39, being measured at their fair value considering evaluations made by financial institutions based on mathematical models, such as option pricing models and discounted cash flow models for unlisted instruments (over-the-counter instruments). These models are based essentially on market information.

Such instruments are classified as hedging or trading instruments considering the provisions of IAS 39.

Hedge accounting is applicable to derivative financial instruments that are efficient as regards the effect of offsetting the variations in the fair value or cash flows of the underlying assets/liabilities. The efficiency of

these operations is checked on a quarterly basis. Hedging accounting covers cash flow hedging operations.

Trading instruments are derivative financial instruments which, although contracted under the Group’s risk hedging policies, do not qualify for hedge accounting because they were not formally designated for that purpose or simply because they are not efficient hedges in accordance with the conditions established in IAS 39.

CASH FLOW HEDGES

At 31 December 2017 and 2016 the Group had the following interest rate derivative instruments:

THOUSAND EURO				‘17		‘16	
CONTRACTING COMPANY	TYPE OF OPERATION	MATURITY	COUNTERPARTY	UNDERLYING AMOUNT	FAIR VALUE (NOTES 30 AND 35)	UNDERLYING AMOUNT	FAIR VALUE (NOTES 30, 31 AND 35)
BCR	Fixed/floating int. rate swap	15 June 2019	BBVA and BST	38 382	(1 352)	63 971	(3 299)
BCR	Fixed/floating int. rate swap	15 June 2023	Caixa BI	22 917	(2 459)	27 083	(3 462)
NWP	Fixed/floating. int. rate swap (USD) ^{a)}	21 December 2027	Macquarie, BNP Paribas e BoAML	-	-	295 128	(57 002)
				61 299	(3 811)	386 182	(63 763)

a) Following the disposal of NWP concession (Note 22), the settlement of this derivative instrument occurred in the year ended 31 December 2017 (Note 8); hence, respective fair value, which was recorded in caption “Other current liabilities”, was derecognised (Note 31).

In the years ended at 31 December 2017 and 2016 the Group recorded changes in these derivative financial instruments in equity net of the tax effect, in the amounts of €40 354 thousand and € 37 916 thousand, respectively.

INSTRUMENTS HELD FOR TRADING

As of 31 December 2016, the Group had contracted the following forex derivative financial instrument, which although contracted for exposure purposes, did not comply with provisions in IAS 39, and was therefore classified as held for trade:

THOUSAND EURO				'16
TYPE OF OPERATION	MATURITY	COUNTERPARTY	PREMIUM PAID	FAIR VALUE (NOTE 20)
EUR Call options (sale of USD)	04 April 2017	BST / Société Générale	3 546	2 267

At 31 December 2016 the fair value of the derivative financial instruments is shown under caption "Other current assets" (Note 20).

At 31 December 2017 the Group had no foreign exchange rate derivative instruments.

At 31 December 2017 and 2016 the following foreign exchange rates were used to translate into Euro assets and liabilities in foreign currency:

	'17	'16
Brazilian Real	3.9729	3.4305
US Dollar	1.1993	1.0541

At 31 December 2017 and 2016 the following foreign exchange rates were used to translate into Euro expenses and income expressed in foreign currency:

	'17	'16
Brazilian Real	3.6054	3.8561
US Dollar	1.1296	1.1069

33. CONTINGENT ASSETS AND LIABILITIES

At 31 December 2017 and 2016 the companies included in the consolidation had the following bank guarantees given to third parties:

THOUSAND EURO	'17	'16
Portuguese State (Base XX of BCR Concession Contract)	61 243	60 893
AEA	23 100	23 100
ELOS ^{a)}	17 769	17 235
Bank guarantees in favour of courts ^{b)}	54	54
Other guarantees provided to third parties ^{c)}	66 061	65 915
	168 227	167 197

a) This amount corresponds to bank guarantees given by Brisa, to guarantee compliance with the Capital Subscription and Realisation Agreement.

b) This amount corresponds to bank guarantees given by Brisa and BCR to several courts under real estate expropriation proceedings.

c) This caption included the amount of € 64 129 thousand corresponding to bank guarantees provided to the Tax Authorities within the scope of pending proceedings (Note 9).

Within the scope of companies financed through Project Finance (Brisal, AEDL, AEA, AEBT and AELO), shareholders' investments were provided as pledge in favour of funders.

Within the scope of the commitments assumed in companies subject to Project Finance (AEDL, AEBT, AELO and ELOS), Brisa and remaining shareholders are responsible for any additional costs that may arise. At AELO, AEBT and ELOS this liability is pro rata to the percentage capital held.

Brisa entered a Subscription Agreement with SICAR, whereby it undertook to invest up to € 50 000 thousand. At 31 December 2017 and 2016 it had already invested € 18 318 thousand and € 42 700 thousand, respectively.

Viewing to suspend tax enforcement proceedings, the Company provided a bank guarantee of € 153 310 thousand, by means of pledge on 24 618 shares of BOM, in the amount of 191 637 thousand Euro. During the year ended at 31 December 2016, these proceedings were settled partly in favour of the Company; hence, the tax due was reduced to € 28 829 thousand (Note 9).

Within the scope of the ring-fencing of subsidiary BCR, a set of guarantees were provided in favour of BCR's senior creditors, which include, among other, a pledge on shares held by BCR SGPS in the share capital of BCR, and in the balances of BCR's bank accounts.

Additionally, as result of the tax execution procedures brought against BAE relating to the years ended as of 31 December 2012 and 2011, the Company through BCR provided guarantees to the tax authorities on September 22 2016 and December 29, 2015 in the amounts € 30 948 thousand and € 25 551 thousand, respectively, in order to suspend the said proceedings.

34. PENSION LIABILITIES

DEFINED BENEFIT PLAN

Brisa and some of its subsidiaries have a supplementary retirement, incapacity and survivor pension plan, under which their employees reaching retirement age at the service of the Company and of some of its subsidiaries and that have been at their service for at least ten years, as well as those that have been at their service for at least five years and are in a situation of incapacity, have the right to a retirement pension supplementary to that guaranteed by the Social Security.

The benefit defined in the pension plan corresponds to 7% of the gross remuneration at the date of retirement, plus 0.5% for each year of service after the tenth year. Also, in accordance with the pension plan in force, the retirement pension supplement cannot exceed 17% of the gross remuneration at the date of retirement and the sum of the pension supplement plus that attributed by the Social Security can also not exceed the gross remuneration base.

In the case of death of the beneficiary, the plan also gives, in certain conditions, the surviving spouse, children or equivalent, the right to a supplementary survivor pension, corresponding to 50% of the supplementary retirement pension that the beneficiary was receiving.

The liability resulting from the above mentioned scheme was transferred to an autonomous pension fund. The liability is determined half yearly based on actuarial studies prepared by independent experts, the last available being as of 31 December 2017.

The actuarial studies as of 31 December 2017 and previous years were prepared using the Projected Unit Credit method and the following assumptions and technical bases:

	'17	'16	'15	'14
Technical interest rate	2.25%	2.25%	3.25%	3.85%
Fund's annual income rate	2.25%	2.25%	3.25%	3.85%
Annual salary growth rate	1.85%	1.85%	2.25%	2.25%
Annual pension growth rate	0%	0%	0%	0%

The annual wage growth rate was adjusted taking into account the wage policy which is being followed by the Group.

As of 31 December 2017 the impact of a 25 bps reduction in the technical interest rate and the fund's annual income rate used in the actuarial study would correspond to an increase in the present value of projected liabilities by approximately € 1 002 thousand.

In addition, the demographic assumptions considered at 31 December 2017 and previous years were as follows:

	'17	'16	'15	'14
Mortality tables	TV 88/90	TV 88/90	TV 88/90	TV 88/90
Disability table	EKV80	EKV80	EKV80	EKV80

In accordance with the actuarial studies the cost of the retirement pension supplements for the years ended 31 December 2017 is as follows:

THOUSAND EURO	'17	'16	'15	'14
Cost of current services	884	747	663	881
Financing cost	400	491	540	774
Remeasurements	(36)	1 923	(75)	(4 470)
Fund's income	(397)	(575)	(662)	(686)
	851	2 586	466	(3 501)

Remeasurements are recorded as income and expenses and are recognised directly in equity.

As mentioned, liabilities for the social benefits referred to above were transferred to an autonomous pension fund to where the company makes contributions whenever necessary to cover such liabilities.

At 31 December 2017 and in previous years, the difference between the present value of liabilities and the market value of the fund's assets was follows:

THOUSAND EURO	'17	'16	'15	'14
Current value of projected liabilities	18 249	17 029	14 473	13 499
Fund's market value	(18 125)	(17 756)	(17 786)	(17 278)
	124	(727)	(3 313)	(3 779)

The difference between the market value of the fund's assets and the current value of liabilities is recorded as a non current asset or non current liabilities (Notes 18 and 30).

The fund's assets and return rate at 31 December 2017 and 2016 are as follows:

	RETURN RATE		FAIR VALUE OF ASSETS	
THOUSAND EURO	'17	'16	'17	'16
Shares and other equity instruments				
Europe	14.7%	1.0%	4 399	4 301
International excluding Europe	N/A	N/A	251	157
Bonds and other debt instruments	0.3%	2.1%	10 906	10 205
Real estate funds and Hedge Funds	1.3%	-1.2%	1 699	1 623
Liquidity	0.8%	1.5%	870	1 470
			18 125	17 756

DEFINED CONTRIBUTION PLAN

The management and directors have the benefit of a defined contribution supplementary retirement pension, the Company having assumed the commitment to pay an insurance company 10% of the respective basic annual remuneration. In the years ended 31 December 2017 and 2016, the amount of bonuses recorded under personnel costs totalled €367 thousand and €366 thousand, respectively.

35. MANAGEMENT OF FINANCIAL RISKS

GENERAL PRINCIPLES

Like most corporate groups, the Brisa Group is exposed to a set of financial risks stemming from its business activity. These involve, in particular, liquidity, refinancing and interest rate risks stemming from financial liabilities of subsidiaries and counterparty risk to which the companies of the Brisa Group are exposed by contracting risk hedging operations and performing treasury applications.

Brisa's financial management centralises financing operations, the application of cash surplus, exchange transactions as well as the Group's counterparty risk, subject to the compliance with any restrictions deriving from the specific financial structure of each company. It is also responsible for the identification, quantification and for the proposal and implementation of measures aimed at the management/mitigation of the financial risks to which the Group is exposed.

All financial risk operations involving the use of derivative instruments must be approved by the Financial Director or the Executive Board.

Detailed description of the Group's main financial risks and measures implemented to manage them is summed up below (additional considerations concerning the Group's risk management policy can be found in the Management Report).

INTEREST RATE RISK

The objective of interest rate risk management is to minimise the cost of debt by keeping the volatility of financial costs at a low level. At the end of 2017, approximately 71% of financial debt were at fixed interest rate, which ensures that financial costs have low sensitivity to increases in interest rates. The remaining 29% of the loans were indexed to a variable rate, allowing the Group to continue benefiting from the historically low level of short term interest rates throughout 2017.

If market interest rates in the years ended 31 December 2017 and 2016 had been 1% higher, the financial costs for these years would have increased by approximately € 7,200 thousand and € 6,800 thousand, respectively.

BCR interest rate hedge derivatives at the end of 2017 and 2016 corresponded to the part of the derivative portfolio previously engaged by Brisa Auto-Estradas, which was transferred to BCR at the date of the financial close of the Group's corporate reorganization, together with hedged loans. Since some of the characteristics of the hedged loans were altered, as a consequence of the transfer process from Brisa to BCR, the terms of the associated swaps were also changed in order to ensure correspondence with the characteristics of the associated hedge loan.

EXCHANGE RATE RISK

Brisa's exposure to exchange risk results essentially from its investments in BUS in the United States.

The Euro equivalents of the monetary assets and liabilities in foreign currency at 31 December 2017 and 2016 are as follows:

	ASSETS		LIABILITIES	
	'17	'16	'17	'16
UD Dollars (USD)	12 620	157 527	2 214	57 681
Brazilian Real (BRL)	311	334	6	-
	12 931	157 861	2 220	57 681

Additionally, the Euro equivalents of the non monetary asset and liabilities in foreign currency at 31 December 2017 and 2016 are as follows:

	ASSETS		LIABILITIES	
	'17	'16	'17	'16
UD Dollars (USD)	304 027	178 609	-	89 434

Exchange risk management is based on permanent quantification and monitoring of the significant financial and accounting exposure. Financial exposure consists of the market value of the investments and dividends receivable by Brisa Internacional, while accounting exposure results from the book value of the investments and their contribution to Group's consolidated results.

The following table shows the impact on profit and reserves of a 10% increase in the USD and BRL, resulting from the exposure of the above mentioned assets and liabilities to these currencies at 31 December 2017 and 2016. The impact of any depreciation would be symmetrical to that of an appreciation.

	USD		BRL	
	'17	'16	'17	'16
Results	7 733	13 752	2	(1)
Reserves	(7 629)	(10 494)	29	35
	104	3 258	31	34

The Board of Directors understands that the above sensitivity analysis, based on the dates indicated, may not be representative of the Company's exposure to exchange risk over the year.

CREDIT RISK

Credit risk relates to trade and other accounts receivable. Although limited, due to the nature of the Company's main operations (i.e. motorway concessions), the risk in the various businesses is monitored on a regular basis with the objective of:

- monitoring evolution of the level of balances receivable;
- reviewing the recoverability of amounts receivable on a regular basis.

Changes in impairment losses of accounts receivable are disclosed in Note 28.

The Board of Directors deems that the estimated impairment losses on accounts receivable as of 31 December 2017 are adequately provided for in the consolidated financial statements (Note 19)

Accounts receivable at 31 December 2017 and 2016 include the following overdue balances, for which the Board of Directors has not recognised impairment losses as it believes that they will be receivable:

THOUSAND EURO	'17	'16
Overdue balances		
Up to 90 days	2 816	2 086
1 to 180 days	337	904
1 to 360 days	532	1 535
More than 360 days	1 690	1 264
	5 375	5 789

The quality of the Company's credit risk and liquidity as of 31 December 2017 and 2016 specifically as concerns financial assets (cash and equivalent) the counterparties of which are financial institutions are as follows:

THOUSAND EURO	'17	'16
A+	101 076	85 480
A	296 276	27 028
A-	351	53
BBB+	48 640	4 177
BBB	7	2 061
BBB-	9 618	17 763
BB	11 180	-
BB-	41 244	8 262
B+	-	30 721
B	-	1
CCC+	8 667	5 336
Without rating	168	10
Other	-	257
Bank deposits	517 227	181 149
Cash	2 178	2 093
	519 405	183 242

Caption "Other" includes bank deposits with credit institutions in relation to which it was not possible to obtain respective credit ratings as of the reporting dates.

COUNTERPARTY RISK

The application of cash surpluses and the majority of operations involving derivative financial instruments expose the Group to the risk of non

compliance by the counterparties in these operations. In order to mitigate this risk the Company's Financial Management maintains permanent control of the level of exposure to each counterparty; counterparty credit limits are defined based on their rating levels, amongst other factors.

Note that in the particular case of BCR, the financial risks hedging policy determines that in treasury and hedging operations the counterparties must meet strict rating criteria (Qualifying Banks) or provide a guarantee from an entity that meets the same criteria.

LIQUIDITY RISK

The funding and liquidity risk management policies are based on the following objectives:

- To ensure that debt maturity is scaled over time;
- Maintain short term debt at less than 15% of total indebtedness;
- Continue to extend the average maturity of debt to make it more consistent with the long term assets held by the Group.

In compliance with these objectives, Brisa follows the evolution of financing markets closely, carefully selecting the most efficient alternatives at any moment.

The management of liquidity risk is of particular importance in what concerns the new road concession projects in which Brisa has been involved over the past few years, for which it contracted financing operations under a project finance regime, which normally have very long repayment schedules, scaled over time so as to coincide with projected cash flow from respective concessions.

As a result of the corporate reorganization which culminated at the end of 2010 with the transfer of Brisa Concession and all the rights, obligations, assets, liabilities and contractual positions associated thereto to BCR, this company became the Group company with the greater proportion of the

Group's debt (of approximately € 2,438,000 thousand by the end of 2017). Moreover, BCR is a company with a dynamic financial structure where the management of liquidity and refinancing risks are of particular relevance.

The setting up at the end of 2010 of an innovating financial and contractual structure common to all senior creditors provided an effective ring-fencing of BCR, reducing creditors exposure to this company alone. The limitation of the financial risk provided by this contractual structure, combined with a low operational risk that results from the nature of BCR's activity, led to strong ratings at the time (A-Stable by Fitch and Baa1 Stable by Moody's), placing the company amongst the highest rated companies in Portugal. These ratings were affected by the sharp cut in Portugal's rating, particularly in 2011, when Moody's reduced the company's credit rating to sub-investment grade level. During 2014, Moody's recognised the expansion in BCR network and the reduction achieved in debt (leading to financial ratios of investment grade level) improving BCR's rating to Baa3 with Stable Outlook, and then to "Positive" on 5 September 2017. Fitch's rating of BCR debt was revised from "Negative" to "Stable" on February 25, 2015 and then to "Positive" on December 6, 2017. In January 2018 Fitch again revised upwards BCR's rating to BBB+ with Stable Outlook, taking into account the strong operating and financial performance of BCR. Note that ratings given to BCR are above those given to the Portuguese Republic. This fact attests for BCR's financial solidity and creditor protection ensured by the company's financial and contractual structure.

The financial and contractual structure referred to above includes a set of covenants, which provide added protection to creditors. In addition, BCR's capacity to increase its leverage is subject to several requirements. One of those requirements is the maintenance of a minimum rating of Baa3/BBB-, which the company benefited at 31 December 2017.

Additionally, four other covenants should be pointed out on account of their action range, namely Net Senior Debt/EBITDA, Historic ICR, Forward Looking ICR and CLCR), which are subject to two thresholds - one in the form of trigger event and the other in the form of event of default - implying different consequences if exceeded. At 31 December 2017 these ratios were all within the stipulated levels, though headroom increased throughout the year, specifically the Net Senior Debt/EBITDA ratio, which evolved from 5.25x at the end of 2016 to 4.51x at the end of 2017, i.e. below the 5.75x trigger event ceiling, whereas the Historic ICR ratio, which moved from 4 at the end of 2016 to 5 one year also evolved quite favourably (from 4.36x at end 2016 to 5.68x at end 2017, i.e. above the minimum 2.25x trigger event level.

BCR has a Euro Medium-Term Notes Programme (EMTN) totalling € 3 000 000 thousand, of which € 1 720 000 thousand were being used at 31 December 2017. During 2017 the Company raised an additional amount of € 300,000 thousand via bond issue carried out pursuant to the EMTN (previously described as "2017-2017 issue") which enabled it to continuing its strategy viewing the extension of its debt maturity.

Viewing to ensure its financial flexibility, at the end of 2017, BCR had credit lines and commercial paper programmes with the banking sector, in the total amount of € 475 000 thousand.

The company also has reserve accounts to cover investment and debt repayment commitments thus mitigating financing risk.

Maturity of financial liabilities at 31 December 2017 and 2016 is as follows:

					'17
	UP TO 1 YEAR	1 TO 2 YEARS	2 TO 3 YEARS	MORE THAN 3 YEARS	TOTAL
THOUSAND EURO					
Loans	427 969	185 067	34 996	1 790 288	2 438 320
Derivative financial instruments	-	1 351	-	2 460	3 811
Suppliers	20 582	-	-	-	20 582
Other accounts payable	16 590	265	85	34	16 974
Current tax liabilities	22 612	-	-	-	22 612
Other liabilities	75 259	-	-	15 016	90 275
	563 012	186 683	35 081	1 807 798	2 592 574

					'16
	UP TO 1 YEAR	1 TO 2 YEARS	2 TO 3 YEARS	MORE THAN 3 YEARS	TOTAL
THOUSAND EURO					
Loans	177 250	485 197	35 295	1 526 956	2 224 698
Derivative financial instruments	57 002	-	3 299	3 462	63 763
Suppliers	17 839	-	-	-	17 839
Other accounts payable	14 562	263	265	119	15 209
Current tax liabilities	13 873	-	-	-	13 873
Other liabilities	70 146	-	-	14 387	84 533
	350 672	485 460	38 859	1 544 924	2 419 915

PROJECT FINANCE

It is a policy of the Brisa Group to tender for new road concessions both at home and abroad, integrated in joint ventures/consortia.

Project finance has been used to fund these projects with the clear objective of separating each project in operating, financial and legal terms. The creation of companies with their own financing structures and no recourse to Brisa cash flow or assets (besides the capital commitments the amount of which is known at the very beginning) allows to limit and quantify the risk assumed by Brisa when investing in new concessions. Moreover, Brisa enters in these projects in partnership, normally with minority stakes, thereby mitigating its exposure to each project.

For each project a company is set up with its own financing structure and no recourse by creditors to Brisa cash flows or assets, (apart from the normal equity stand-by guarantees conceded under the terms of these projects and whose value is known at the very beginning) . Therefore, the risk taken on by Brisa is limited to the amount of Equity Capital attributed to the project and to the guarantees mentioned above.

FAIR VALUE ESTIMATE - ASSETS AND LIABILITIES MEASURED AT FAIR VALUE

The following table shows the Company's assets and liabilities measured at fair value at 31 December 2017 and 2016 according to the following fair value levels:

- **Level 1:** the fair value of financial instruments is based on prices ruling on active, liquid markets at the date of the statement of financial position;

- **Level 2:** the fair value of financial instruments is not determined based on active market prices but according to valuation models;
- **Level 3:** the fair value of financial instruments is not determined based on active market prices but according to valuation models, the main inputs of which are not observable on the market.

THOUSAND EURO

		‘17		
CLASS	ITEM	LEVEL 1	LEVEL 2	LEVEL 3
Financial liabilities at fair value	Derivative financial instruments (Note 32)	-	3 811	-

		‘16		
CLASS	ITEM	LEVEL 1	LEVEL 2	LEVEL 3
Financial assets at fair value	Derivative financial instruments (Note 32)	-	2 267	-
Financial liabilities at fair value	Derivative financial instruments (Note 32)	-	63 763	-

As far as bank loans are concerned, most of which are subject to floating interest rate, as mentioned in Note 27, it is considered that their book value (amortised cost) does not differ significantly from corresponding market value.

36. RELATED PARTIES

Balances and transactions between the Group and other related parties are detailed below: The terms and conditions of the transactions between Brisa and these related parties are substantially similar to those contracted, accepted and practised in similar operations with independent entities.

The main balances receivable from and payable to related entities as of 31 December 2017 and 2016 are as follows:

THOUSAND EURO	CLIENTS AND OTHER DEBTORS (NOTE 19)		SUPPLIERS		OTHER ACCOUNTS PAYABLE	
	'17	'16	'17	'16	'17	'16
AELO	2 093	2 207	11	-	-	-
ELOS	727	727	-	-	-	-
Grupo Efacec	1	5	11	74	4	5
Grupo José de Mello	20	49	44	50	-	-
Grupo José de Mello Saúde	3	6	-	21	-	-
Movenience	-	6	-	-	-	-
Street Park	4	4	-	-	-	-
	2 838	3 004	66	145	4	5

Additionally, main transactions carried out with other related entities in the years ended as of 31 December 2017 and 2016 were as follows:

THOUSAND EURO	ACQUISITION OF							
	TANGIBLE FIXED ASSETS	INTANGIBLE ASSETS	SUPPLIES AND SERVICES		SERVICES		OTHER OPERATING INCOME	
	'16	'16	'17	'16	'17	'16	'17	'16
AELO	-	-	9	-	5 115	5 791	45	36
Grupo José de Mello	221	31	531	683	6	28	45	-
Grupo José de Mello Saúde	-	-	131	183	38	43	13	11
Grupo Efacec	82	-	1	-	2	4	-	-
CAPINV S.A.	-	-	-	-	-	1	-	-
TIICINVEST Unipessoal Lda.	-	-	-	-	1	1	-	-
	303	31	672	866	5 162	5 868	103	47

Gross remuneration of the members of Brisa's corporate boards in the years ended 31 December 2017 and 2016 was as follows:

THOUSAND EURO	'17	'16
Executive directors:		
Fixed remuneration	1 831	1 837
Variable remuneration:	2 283	868
Defined benefits	272	272
Non-executive directors:		
Fixed remuneration	386	380
Supervisory Board	120	120
	4 892	3 477

Gross remuneration of the members of Brisa's key personnel in the years ended 31 December 2017 and 2016 was as follows:

THOUSAND EURO	'17	'16
Key managing personnel		
Fixed remuneration	3 662	3 802
Variable remuneration:	1 646	1 497
Defined benefits	114	112
	5 422	5 411

37. APPROVAL OF THE FINANCIAL STATEMENTS

The consolidated financial statements for the year ended 31 December 2016 were approved by the Board of Directors on April 18, 2018.

38. STATUTORY OFFICIAL AUDITOR FEES

The remuneration of the Statutory Official Auditor for the year ended 31 December 2017 and 2016 amounted to € 30 thousand, in both cases.

S. Domingos de Rana, 18 de abril de 2018

THE CERTIFIED ACCOUNTANT NO. 62018

João Rodrigues

THE BOARD OF DIRECTORS

- Vasco Maria Guimarães José de Mello
- João Pedro Stilwell Rocha e Melo
- João Pedro Ribeiro de Azevedo Coutinho
- António José Lopes Nunes de Sousa
- Daniel Alexandre Miguel Amaral
- Rui Alexandre Pires Diniz
- Michael Gregory Allen
- Luís Eduardo Brito Freixial de Goes
- Graham Peter Wilson Marr
- Stuart David Gray

Report and Opinion of the Supervisory Board
on accounts of the year of 2017

1.

In accordance with legal and statutory provisions, the Audit Board issues this Report and Opinion on the Integrated Annual Report and other individual and consolidated accounting documents of Brisa Auto-Estradas de Portugal, S.A., that have been presented by its Board of Directors for the 2017 financial year.
2.

Over the year under review the Supervisory Board followed the management and evolution of the Company's businesses, having held regular meetings with the Chief Financial Officer, the Corporate Secretary and the Certified Account Auditor, entities with whom kept a close collaboration. It was also present in the meeting of the Board of Directors that approved the Integrated Annual Report and had access to the minutes of the meetings of this governing body and to all financial and management accounting documents, either from Brisa as from its affiliates. During its activities, the Supervisory Board did not identify or came to its knowledge any situation violating legal and statutory rules.
3.

With the periodicity deemed suitable, the Supervisory Board performed its duties as laid down in Article 420 of the Companies Code; namely, it assessed the accounting principles and valuation criteria used in the preparation of the financial information, which it deemed adequate and followed the implementation of the risk management system, the development of internal audit actions and the efficiency of the internal control system.
4.

The Supervisory Board considers that the Integrated Annual Report and the individual and consolidated financial statements for the year ended as of 31 December 2017 (statement of financial position, statement of profit and loss and other comprehensive income, statement of changes in equity, cash flow statements, and the notes to the financial statements) provide an adequate view of the Company's equity at the end of the financial year and provide a clear understanding of how profit and losses originated and how the business

evolved. The financial information referred hereinabove is sustained by adequate accounting records and documents and was adequately prepared.

5.

The Supervisory Board assessed the legal certification of the consolidated and individual financial statements issued by the Certified Account Auditor under the terms of the law, which deserved its agreement; it analyzed the annual audit report issued by the and followed the development of the audit work, which in its opinion, was carried out with full Independence.

6.

The Supervisory Board monitored and appreciated in a positive way the activity carried out by the External Auditor, to whose Report it had access, considering adequate the methodology adopted and the means employed, and took note of the main conclusions of the work carried out that are globally consistent with their own perception of the subject.

7.

The Supervisory Board expresses its appreciation for the collaboration received from the Board of Directors, the Certified Account Auditor, the External Auditor and the Services, in general.

OPINION

In view of the foregoing, the Supervisory Board believes that the conditions are met for the approval by the General Meeting of Brisa - Auto-Estradas de Portugal, SA, of the following:

- a)

The Integrated Annual Report and the individual and consolidated financial statements for the 2017 financial year;
- b)

The Proposal for the Allocation of Net Income presented by the Board of Directors in the Integrated Annual Report.

Supervisory Board's Statement

The members of the Supervisory Board hereby warrant that, as far as they are aware, the information contained in the Integrated Annual Report and other individual and consolidated accounting documents related to 2017, was drawn up in compliance with the applicable accounting standards and regulations, and that it gives a true and fair view of the Company and its affiliates' assets and liabilities, their financial situation and results and faithfully describes the development of its businesses, the performance and situation of the Company and the main risks and uncertainties that it faces.

São Domingos de Rana, 19 April 2018

THE SUPERVISORY BOARD

Francisco Xavier Alves (Chairman)

Tirso Olazábal Caveró (Member)

Joaquim Patrício da Silva (Member)



LEGAL CERTIFICATION OF THE ACCOUNTS



REPORT ON THE AUDIT OF THE INDIVIDUAL AND CONSOLIDATED FINANCIAL STATEMENTS

Opinion

We have audited the attached individual financial statements of Brisa Auto-Estradas de Portugal, S.A., (the Entity) and the attached consolidated financial statements of the Brisa Group, composed of the Entity and its subsidiaries (the Group), which comprise the individual and consolidated statements of financial position as of 31 December 2017 (showing a total of Euro 574,311 thousand for the Entity and Euro 3,338,703 thousand for the Group, and a total equity of Euro 202,311 thousand for the Entity and Euro 491,419 thousand for the Group, including a net profit of Euro 145,151 thousand for the Entity and Euro 231,479 thousand for the Group), the individual statement of profit and loss and other comprehensive income, the consolidated statement of profit and loss and other comprehensive income, the statements of changes in individual and consolidated equity and the individual and consolidated cash flow statements for the year ended as of that date, which include a summary of the relevant accounting policies.

In our opinion, the above mentioned individual and consolidated financial statements attached hereto present, in a true and appropriate manner, in all materially relevant respects, the individual and consolidated financial position of Brisa Auto-Estradas de Portugal, S.A. as of 31/12/2017 and its financial performance and the individual and consolidated cash flows relating to the year ended as of the said date, in accordance with the International Financial Reporting Standards (IFRS) as adopted by the European Union.

Bases of the opinion

Our audit was conducted in accordance with the International Standards on Auditing (ISA) and the technical and ethical standards of the Certified Auditors Association (Ordem dos Revisores Oficiais de Contas). Our responsibilities as provided in the said standards are described in section “Auditor’s responsibilities for the audit of the individual and consolidated financial statements” herein below. We are independent from the entities which compose the Group, under the terms of the law, and comply with relevant ethical requirements under the terms of the Code of Ethics of the Certified Auditors Association.

We believe that the audit evidence we obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of the management body and the supervisory body for the individual and consolidated financial statements

The management body is responsible for:

- preparing individual and consolidated financial statements which give a true and appropriate view of the financial position of the Entity and the Group, their individual and consolidated performance and individual and consolidated cash flows, in accordance with the International Financial Reporting Standards (IFRS), as adopted in the European Union;
- preparing a management report according to legal and regulatory terms;
- designing, implementing and maintaining an internal control relevant to the preparation of financial statements that are free from material misstatement, whether due to fraud or error;
- selecting and applying appropriate accounting policies and making accounting estimates that are reasonable in the circumstances;
- disclosing any relevant fact that may have affected the operations, financial position or results of the Entity and the Group; and

- assessing the Entity’s and the Group’s ability to continue as going concern, disclosing, where applicable, any subject that may cast significant doubt upon their ability to continue as a going concern.

The supervisory body is responsible for the supervision of the process of preparation and disclosure of the financial information of the Entity and the Group.

Auditor’s responsibility for the audit of the individual and consolidated financial statements

Our responsibility is to obtain reasonable assurance about whether the individual and consolidated financial statements taken as a whole are free of material misstatement, whether caused by fraud or error, and issue a report expressing our opinion. Reasonable assurance is a high level of assurance, however, it is not a guarantee that an audit conducted according to ISAs will always detect a material misstatement if it exists. Misstatements may originate from fraud or error and they are considered material if individually or jointly, they could influence the economic decisions of users of the financial statements.

As part of an audit conducted according to ISAs, we make professional judgements and maintain professional scepticism during the audit and:

- we identify and assess the risks of material misstatement of the individual and consolidated financial statements due to fraud or error, we design and perform audit procedures which respond to such risks, and we obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than not detecting one resulting from error, as fraud may involve collusion, forgery, deliberate failure to record transactions, or intentional misrepresentations or overriding of internal control procedures;
- we obtain an understanding of the relevant internal control for the audit with the purpose of designing audit procedures that are appropriate in the circumstances, but not to express an opinion on the efficacy of the internal control of the Entity and the Group;
- we assess the adequacy of the accounting policies used and the reasonability of accounting estimates and respective disclosures made by the management body;
- we conclude as to the appropriate use by the management body of the going concern assumption and, based on the audit evidence obtained, whether any material uncertainty exists relating to events or conditions that may cast significant doubt upon the ability of the Entity and the Group to continue as a going concern. If we conclude that a material uncertainty exists, we must draw attention in our report to related disclosures included in the financial statements or, if such disclosures are not appropriate, we must change our opinion. Our conclusions are based on audit evidence obtained until the date of our report. However, future events or conditions may cause the Entity or the Group to cease to continue as going concern;
- we assess the presentation, structure and overall contents of the individual and consolidated financial statements, and whether such financial statements reflect the underlying transactions and events in order to achieve a fair presentation;
- we obtain sufficient and adequate audit evidence relating to the financial information of the entities or activities within the Group in order to express an opinion on the individual and consolidated financial statements. We are responsible for the guidance, supervision and performance of the Group’s audit and we are ultimately responsible for our audit opinion;
- we communicate with those charged with governance, among other subjects, the scope and schedule of the audit, the audit’s relevant conclusions, including any relevant internal control deficiency identified during the audit.

Our responsibility also comprises the verification that the information contained in the management report is consistent with the individual and consolidated financial statements.

REPORTING ON OTHER LEGAL AND REGULATORY REQUIREMENTS

On the management report

In compliance with provisions in article 451, no. 3, sub-paragraph e) of the Companies Code, it is our opinion that the management report was prepared according to the relevant legal and regulatory requirements in force, and that the information contained therein is consistent with the individual and consolidated financial statements audited, and taking into account our knowledge and assessment of the Group, we did not identify material misstatements.

Lisbon, 19 April 2018

Alves da Cunha, A. Dias & Associados, SROC, Lda
Represented by José Duarte Assunção Dias ROC nº 513.



Auditors’ Report

(Free translation from the original in Portuguese)

Report on the audit of the financial statements

Opinion

We have audited the accompanying financial statements of Brisa – Auto-Estradas de Portugal, S.A. (the Entity), which comprise the statement of financial position as at December 31, 2017 (which shows total assets of Euro 574,311 thousand and total shareholders' equity of Euro 202,311 thousand including a net profit of Euro 145,151), the statement of profit and loss and other comprehensive income, the statement of changes in shareholders' equity and the statement of cash flows for the year then ended, and the notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly in all material respects, the financial position of Brisa – Auto-Estradas de Portugal, S.A. as at December 31, 2017, and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRS), as adopted by the European Union.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) and other technical and ethical standards and recommendations issued by the Institute of Statutory Auditors. Our responsibilities under those standards are described in the “Auditor’s responsibilities for the audit of the financial statements” section below. In accordance with the law we are independent of the Entity and we have fulfilled our other ethical responsibilities in accordance with the ethics code of the Institute of Statutory Auditors.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of management and supervisory board for the financial statements

Management is responsible for:

- a) the preparation of the financial statements, which present fairly the financial position, the financial performance and the cash flows of the Entity in accordance with International Financial Reporting Standards (IFRS), as adopted by the European Union;
- b) the preparation of the Directors’ Report in accordance with the applicable law and regulations;
- c) the creation and maintenance of an appropriate system of internal control to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error;

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Sede: Palácio Sottomayor, Rua Sousa Martins, 1 - 3º, 1069-316 Lisboa, Portugal
Tel +351 213 599 000, Fax +351 213 599 999, www.pwc.pt
Matriculada na CRC sob o NUPC 506 628 752, Capital Social Euros 314.000
Inscrita na lista das Sociedades de Revisores Oficiais de Contas sob o nº 183 e na CMVM sob o nº 20161485

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- d) the adoption of appropriate accounting policies and criteria; and
- e) the assessment of the Entity’s ability to continue as a going concern, disclosing, as applicable, events or conditions that may cast significant doubt on the Entity’s ability to continue its activities.

The supervisory board is responsible for overseeing the process of preparation and disclosure process of the Entity’s financial information.

Auditor’s responsibilities for the audit of the financial statements

Our responsibility is to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor’s report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- a) identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;
- b) obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Entity’s internal control;
- c) evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management;
- d) conclude on the appropriateness of management’s use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Entity’s ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor’s report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor’s report. However, future events or conditions may cause the Entity to cease to continue as a going concern;

- e) evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation; and
- f) communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Our responsibility also includes verifying that the information included in the Directors’ report is consistent with the financial statements.

Report on other legal and regulatory requirements

Director’s report

In our opinion the Director’s report has been prepared in accordance with applicable requirements of the law and regulation, that the information included in the Directors’ report is consistent with the audited financial statements and, taking into account the knowledge and assessment about the Entity, no material misstatements were identified.

April 19, 2018

PricewaterhouseCoopers & Associados
- Sociedade de Revisores Oficiais de Contas, Lda.
represented by:

Rui Jorge dos Anjos Duarte, R.O.C.



Auditors’ Report

(Free translation from the original in Portuguese)

Report on the audit of the consolidated financial statements

Opinion

We have audited the accompanying consolidated financial statements of Brisa – Auto-Estradas de Portugal, S.A. (the Group), which comprise the statement of consolidated financial position as at December 31, 2017 (which shows total assets of Euro 3,338,703 thousand and total shareholders’ equity of Euro 491,419 thousand including a net profit of Euro 231,479 thousand), the consolidated income statement, the consolidated statement of other comprehensive income, the consolidated statement of changes in shareholders’ equity and the consolidated cash flow statement for the year then ended, and the notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying consolidated financial statements present fairly in all material respects, the consolidated financial position of Brisa – Auto-Estradas de Portugal, S.A. as at December 31, 2017, and their consolidated financial performance and their consolidated cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRS), as adopted by the European Union.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) and other technical and ethical standards and recommendations issued by the Institute of Statutory Auditors. Our responsibilities under those standards are described in the “Auditor’s responsibilities for the audit of the consolidated financial statements” section below. In accordance with the law we are independent of the entities that are included in the Group and we have fulfilled our other ethical responsibilities in accordance with the ethics code of the Institute of Statutory Auditors.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of management and supervisory board for the consolidated financial statements

Management is responsible for:

- a) the preparation of the consolidated financial statements, which present fairly the financial position, the financial performance and the cash flows of the Group in accordance with International Financial Reporting Standards (IFRS), as adopted by the European Union;
- b) the preparation of the Directors’ Report in accordance with the applicable law and regulations;

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PricewaterhouseCoopers & Associados - Sociedade de Revisores Oficiais de Contas, Lda. pertence à rede de entidades que são membros da PricewaterhouseCoopers International Limited, cada uma das quais é uma entidade legal autónoma e independente.

- c) the creation and maintenance of an appropriate system of internal control to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error;
- d) the adoption of appropriate accounting policies and criteria;
- e) the assessment of the Group’s ability to continue as a going concern, disclosing, as applicable, events or conditions that may cast significant doubt on the Group’s ability to continue its activities.

The supervisory board is responsible for overseeing the process of preparation and disclosure of the Group’s financial information.

Auditor’s responsibilities for the audit of the consolidated financial statements

Our responsibility is to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor’s report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- a) identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;
- b) obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group’s internal control;
- c) evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management;
- d) conclude on the appropriateness of management’s use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group’s ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor’s report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence

obtained up to the date of our auditor’s report. However, future events or conditions may cause the Group to cease to continue as a going concern;

- e) evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation;
- f) obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the Group audit. We remain solely responsible for our audit opinion;
- g) communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit;

Our responsibility also includes verifying that the information included in the Directors’ report is consistent with the consolidated financial statements.

Report on other legal and regulatory requirements

Director’s report

In our opinion the Director’s report has been prepared in accordance with applicable requirements of the law and regulation, that the information included in the Directors’ report is consistent with the audited consolidated financial statements and, taking into account the knowledge and assessment about the Group, no material misstatements were identified.

April 19, 2018

PricewaterhouseCoopers & Associados
- Sociedade de Revisores Oficiais de Contas, Lda.
represented by:

Rui Jorge dos Anjos Duarte, R.O.C.



Independent Assurance Report

*(Free translation from the original in Portuguese)

To the Board of Directors

Introduction

1 We were engaged by the Board of Directors of Brisa Auto-estradas de Portugal, S.A. (“Brisa” or “Company”) to perform a reasonable assurance engagement on the indicators identified in the paragraph 4 below and a limited assurance engagement on the indicators also mentioned in that paragraph, which integrates the sustainability information included in the Integrated Report 2017, for the year ended in December 31, 2017, prepared by the Company for the purpose of communicating its annual sustainability performance.

Responsibilities

2 It is the responsibility of the Board of Directors to prepare the sustainability information identified in the paragraph 4 below, included in the Integrated Report 2017, in accordance with the sustainability reporting guidelines “Global Reporting Initiative” (“GRI”), version G4 (“GRI G4”), the AA1000APS Standard (2008) issued by Accountability, regarding the principles of inclusivity, materiality and responsiveness, and with the instructions and criteria disclosed in the Integrated Report 2017, as well as for the maintenance of an appropriate internal control system that enables the adequately preparation of the mentioned information.

3 Our responsibility is to issue an assurance report, which is professional and independent, based on the procedures performed and specified in the paragraph below.

Scope

4 The work performed was conducted in accordance with International Standard on Assurance Engagements (ISAE) 3000 (Revised) “Assurance engagements other than audits or reviews of historical financial information”, issued by the International Auditing and Assurance Standards Board of the International Federation of Accountants. This standard requires that we plan and perform the assurance engagement to obtain an assurance level:

4.1 reasonable on whether the sustainability information identified in the Annex “GRI Index” of Integrated Report 2017, for the year ended in December 31, 2017, as “External Assurance – Reasonable”, comprising the GRI G4 indicators relative to organizational profile (G4 10 and G4 11), economic performance (G4 EC1), market presence (G4 EC5), procurement practices (G4 EC9), energy (G4 EN3, G4 EN4, G4 EN5, G4 EN6 and G4 EN7), water (G4 EN8), biodiversity (G4 EN11, G4 EN12, G4 EN13 and G4 EN 14), emissions (G4 EN15, G4 EN16 and G4 EN18), effluents and waste (G4 EN23), supplier environmental assessment (G4 EN29), general (G4 EN31), employment (G4 LA1), occupational health and safety (G4 LA6), training and education (G4 LA9), diversity and equal opportunity (G4 LA12), salary equality between men and women (G4 LA 13), anti-corruption (G4 SO4) and anti-competitive behavior (G4 SO7); and

4.2 limited on whether the remaining sustainability information identified in the Annex “GRI Index” of Integrated Report 2017, for the year ended in December 31, 2017, as “External Assurance – Limited”,

is free from material misstatement.

5 For this purpose the above mentioned work included::

- (i) Inquiries to management and senior officials responsible for areas under analysis, with the purpose of understanding how the information system is structured and their awareness of issues included in the report;
- (ii) Identification of the existence of internal management procedures leading to the implementation of economic, environmental and social policies;
- (iii) Testing, on a sampling basis, the efficiency of processes and systems in place for collection, consolidation, validation and reporting of the performance information previously mentioned, through calculations and validation of reported data;
- (iv) Confirmation that operational units follow the instructions on collection, consolidation, validation and reporting of performance information;
- (v) Execution of substantive procedures, on a sampling basis, in order to collect evidence of the reported information;
- (vi) Comparison of financial and economic data included in the sustainability information with the audited by PricewaterhouseCoopers & Associados, SROC, Lda, in the scope of the legal review of Brisa’s financial statements for the year ended in December 31, 2017;
- (vii) Analysis of the process for defining the materiality of the sustainability issues, based on the materiality principle of GRI G4, according to methodology described by the Company in the Report;
- (viii) Assessment of the level of adherence to the principles of inclusivity, materiality and responsiveness set by AA1000APS Standard (2008), in the sustainability information disclosure, through the analysis of the contents of the Report and the internal documents of the Company;
- (ix) Verification that the sustainability information included in the Report complies with the requirements of GRI G4 guidelines.

6 In addition, we performed the following procedures for the purpose of reasonable assurance work:

- i) Assessment of the risks and general of the information systems that support the human resources processes;
- ii) Verification, through the performance of analytical and substantive tests, and based on defined materiality criteria, of the adequate application of reporting criteria

7 In the limited assurance work, the procedures performed were more limited than those used in an engagement to obtain reasonable assurance and, therefore, less assurance was obtained than in a reasonable assurance engagement.

8 We believe that the procedures performed provide an acceptable basis for our conclusion.

Quality control and independence

9 We apply the International Standard on Quality Control 1 (ISQC1) and, accordingly, maintain a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

10 We have complied with the independence and other ethical requirements of the Code of Ethics for Professional Accountants issued by the International Ethics Standards Board for Accountants and of the ethics code of the Institute of Statutory Auditors.

Conclusion on the reasonable assurance work

11 Based on the work performed, it is our opinion that the sustainability information, with respect to the indicators identified in the Annex “GRI Index” of the Integrated Report 2017, for the year ended in December 31, 2017, as “External Assurance – Reasonable”, and presented in the paragraph 4.1 above, were prepared, in all material respects, in accordance with GRI G4 guidelines requirements and with the instructions and criteria disclosed on it.

Conclusion on the limited assurance work

12 Based on the work performed, nothing has come to our attention that causes us to believe that the sustainability information, with respect to the indicators identified in the Annex “GRI Index” of the Integrated Report 2017, for the year ended in December 31, 2017, as “External Assurance – Limited”, and referred in the paragraph 4.2 above, were not prepared, in all material respects, in accordance with GRI G4 guidelines requirements and with the instructions and criteria disclosed on it and that Brisa has not applied, in the sustainability information included in the same Integrated Report 2017, the GRI G4 guidelines, for the option “In accordance – Comprehensive”, and the principles defined in the AA1000APS Standard (2008).

Restriction on use

13 This report is issued solely for information and use of the Board of Directors of the Company for the purpose of communicating the annual sustainability performance in the Integrated Report 2017 and should not be used for any other purpose. We will not assume any responsibility to third parties other than Brisa by our work and the conclusions expressed in this report, which will be attached to the Company's Integrated Report 2017.

April 19, 2018

PricewaterhouseCoopers & Associados
- Sociedade de Revisores Oficiais de Contas, Lda.
representada por:

António Brochado Correia, R.O.C.

*(This is a translation, not to be signed)

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TRAFFIC STATISTICS

BRISA CONCESSÃO RODOVIÁRIA



A1/IP1 - AUTO-ESTRADA DO NORTE

SUB-STRETCH	TRAFFIC ^{a)}		ADT		VARIATION	
	'16	'17	'16	'17	TRAFFIC	ADT
Alverca (A1/A9)-V. Franca de Xira II	1.6	1.7	63 079	65 394	3.4%	3.7%
V. Franca de Xira II-V. Franca de Xira I	0.9	0.9	63 920	66 138	3.2%	3.5%
V. Franca de Xira I-Castanheira do Ribatejo	0.7	0.8	51 909	53 902	3.6%	3.8%
Castanheira do Ribatejo-A1/A10	0.2	0.2	51 421	53 342	3.5%	3.7%
A1/A10-Carregado	0.2	0.2	58 674	61 583	4.7%	5.0%
Carregado-Aveiras de Cima	2.5	2.6	43 321	45 720	5.2%	5.5%
Aveiras de Cima-Cartaxo	1.4	1.4	33 107	35 076	5.7%	5.9%
Cartaxo-Santarém	1.0	1.0	33 616	35 651	5.8%	6.1%
Santarém-A1/A15	0.2	0.2	35 842	38 132	6.1%	6.4%
A1/A15-Torres Novas (A1/A23)	3.3	3.5	33 643	35 767	6.0%	6.3%
Torres Novas (A1/A23)-Fátima	1.8	1.9	23 937	25 549	6.4%	6.7%
Fátima-Leiria	1.4	1.5	24 762	26 419	6.4%	6.7%
Leiria-Pombal	2.1	2.3	24 340	25 980	6.4%	6.7%
Pombal-Soure	1.3	1.4	24 442	26 011	6.1%	6.4%
Soure-Condeixa	1.2	1.2	24 545	26 161	6.3%	6.6%
Condeixa-Coimbra Sul	0.7	0.8	26 231	28 021	6.5%	6.8%
Coimbra Sul-Coimbra Norte (A1/A14)	0.7	0.8	24 491	26 163	6.5%	6.8%
Coimbra Norte (A1/A14)-Mealhada	1.1	1.2	25 841	27 519	6.2%	6.5%
Mealhada-Aveiro Sul	2.2	2.3	25 317	26 927	6.1%	6.4%
Aveiro Sul-Albergaria (A1/IP5)	1.2	1.3	23 082	24 553	6.1%	6.4%
Albergaria (A1/IP5)-Estarreja	1.4	1.5	36 912	39 755	7.4%	7.7%
Estarreja-Feira	2.1	2.3	34 133	37 010	8.1%	8.4%
Feira-Espinho (IC24)	1.4	1.5	38 382	41 551	8.0%	8.3%
Espinho (IC24)-Feiteira	1.1	1.1	39 407	42 367	7.2%	7.5%
Castanheira do Ribatejo-PLLN ^{b)}	0.0	0.0	1 641	1 882	14.3%	14.6%
A1	31.8	33.7	31 093	33 075	6.1%	6.4%

a) Traffic 10⁸ vehicle.km
b) PLLN - Plataforma Logística Lisboa Norte

TRAFFIC STATISTICS

BRISA CONCESSÃO RODOVIÁRIA



A2/IP1 - AUTO-ESTRADA DO SUL

SUB-STRETCH	TRAFFIC ^{a)}		ADT		VARIATION	
	'16	'17	'16	'17	TRAFFIC	ADT
Fogueteiro-Coína	1.1	1.2	34 801	35 924	2.9%	3.2%
Coína-Palmela	1.2	1.3	29 559	31 058	4.8%	5.1%
Palmela-A2/A12	0.2	0.2	30 639	32 401	5.5%	5.7%
A2/A12-Marateca	1.4	1.5	22 590	24 421	7.8%	8.1%
Marateca-A2/A6/A13	0.2	0.2	21 221	23 038	8.3%	8.6%
A2/A6/A13-Alcácer do Sal	1.6	1.7	17 530	19 066	8.5%	8.8%
Alcácer do Sal-Grândola Norte	1.3	1.4	16 234	17 552	7.8%	8.1%
Grândola Norte-Grândola Sul	0.7	0.7	11 968	13 070	8.9%	9.2%
Grândola Sul-Aljustrel	1.1	1.2	9 292	10 281	10.3%	10.6%
Aljustrel-Castro Verde	0.9	1.0	9 152	10 136	10.4%	10.8%
Castro Verde-Almodôvar	0.6	0.7	9 903	10 980	10.6%	10.9%
Almodôvar-S.B. Messines	1.2	1.4	10 142	11 257	10.7%	11.0%
S.B. Messines-Paderne (A22)	0.4	0.5	9 758	10 861	11.0%	11.3%
A2	12.1	13.0	14 634	15 866	8.1%	8.4%

a) Traffic 10⁸ vehicle.km



TRAFFIC STATISTICS

BRISA CONCESSÃO RODOVIÁRIA



A3/IP1 - AUTO-ESTRADA PORTO-VALENÇA

SUB-STRETCH	TRAFFIC ^{a)}		ADT		VARIATION	
	'16	'17	'16	'17	TRAFFIC	ADT
Maia-Santo Tirso	2.5	2.6	52 989	56 194	5.8%	6.0%
Santo Tirso-Famalicão	0.9	1.0	45 429	48 485	6.4%	6.7%
Famalicão-Cruz	0.7	0.8	23 238	24 866	6.7%	7.0%
Cruz-Braga Sul	0.6	0.6	20 798	22 492	7.9%	8.1%
Braga Sul-Braga Poente	0.1	0.2	8 860	9 740	9.6%	9.9%
Braga Poente-EN 201	0.6	0.7	8 438	9 287	9.8%	10.1%
EN201-Ponte de Lima Sul	0.3	0.4	9 327	10 272	9.8%	10.1%
Ponte de Lima Sul-Ponte de Lima Norte	0.0	0.0	11 875	12 830	7.8%	8.0%
Ponte de Lima Norte-EN 303	0.6	0.6	7 425	8 045	8.1%	8.3%
EN 303-Valença	0.2	0.2	7 213	7 815	8.1%	8.4%
Braga Sul-Celeirós	0.1	0.1	16 552	17 799	7.2%	7.5%
Celeirós-EN14	0.1	0.1	26 781	28 760	7.1%	7.4%
A3	6.8	7.3	18 373	19 729	7.1%	7.4%

A4/IP4 - AUTO-ESTRADA PORTO-AMARANTE

SUB-STRETCH	TRAFFIC ^{a)}		ADT		VARIATION	
	'16	'17	'16	'17	TRAFFIC	ADT
Ermesinde-Valongo	0.7	0.7	43 351	44 513	2.4%	2.7%
Valongo-Campo	0.7	0.8	40 447	41 425	2.1%	2.4%
Campo-Baltar	0.9	0.9	37 101	39 086	5.1%	5.4%
Baltar-Paredes	0.7	0.7	32 288	34 099	5.3%	5.6%
Paredes-Guilhufe	0.3	0.3	28 829	29 956	3.6%	3.9%
Guilhufe-Penafiel	0.2	0.2	28 473	29 849	4.5%	4.8%
Penafiel-Castelões (A4/IP9)	0.7	0.7	23 572	25 154	6.4%	6.7%
Castelões (A4/IP9)-Amarante Poente	0.9	1.0	16 989	18 435	8.2%	8.5%
A4	5.0	5.3	28 476	29 965	4.9%	5.2%

a) Traffic 10⁸ vehicle.km



TRAFFIC STATISTICS

BRISA CONCESSÃO RODOVIÁRIA



A5/IC15 - AUTO-ESTRADA DA COSTA DO ESTORIL

SUB-STRETCH	TRAFFIC ^{a)}		ADT		VARIATION	
	'16	'17	'16	'17	TRAFFIC	ADT
Estádio Nacional-Oeiras	1.5	1.5	116 280	120 560	3.4%	3.7%
Oeiras-Carcavelos	1.0	1.0	76 576	80 247	4.5%	4.8%
Carcavelos-Estoril	0.9	0.9	50 012	53 622	6.9%	7.2%
Estoril-Alcabideche	0.4	0.4	38 249	40 926	6.7%	7.0%
Alcabideche-Alvide	0.1	0.1	39 823	43 290	8.4%	8.7%
Alvide-Cascais	0.2	0.2	32 055	35 089	9.2%	9.5%
A5	4.0	4.2	64 916	68 454	5.2%	5.4%

A6/IP7 - AUTO-ESTRADA MARATECA (A2)-CAIA

SUB-STRETCH	TRAFFIC ^{a)}		ADT		VARIATION	
	'16	'17	'16	'17	TRAFFIC	ADT
A2/A6/A13-Vendas Novas	0.6	0.7	8 406	9 191	9.0%	9.3%
Vendas Novas-Montemor-o-Novo Poente	0.5	0.6	7 657	8 337	8.6%	8.9%
Montemor-o-Novo Poente-Montemor-o-Novo Nascente	0.1	0.2	6 979	7 628	9.0%	9.3%
Montemor-o-Novo Nascente-Évora Poente	0.3	0.4	6 143	6 699	8.8%	9.1%
Évora Poente-Évora Nascente	0.2	0.2	3 071	3 317	7.7%	8.0%
Évora Nascente-Estremoz	0.4	0.5	3 809	4 142	8.4%	8.7%
Estremoz-Borba	0.1	0.1	2 993	3 234	7.8%	8.1%
Borba-Elvas Poente	0.2	0.3	2 948	3 195	8.1%	8.4%
A6	2.6	2.8	5 062	5 510	8.6%	8.9%

a) Traffic 10⁸ vehicle.km



TRAFFIC STATISTICS

BRISA CONCESSÃO RODOVIÁRIA



A9/IC18 - CREL - CIRCULAR REGIONAL EXTERIOR DE LISBOA

SUB-STRETCH	TRAFFIC ^{a)}		ADT		VARIATION	
	'16	'17	'16	'17	TRAFFIC	ADT
Estádio Nacional (A5/A9)-Queluz	0.3	0.3	24 666	26 808	8.4%	8.7%
Queluz-A9/A16	0.2	0.2	21 226	23 393	9.9%	10.2%
A9/A16-Radial Pontinha	0.3	0.4	30 345	33 210	9.1%	9.4%
Radial Pontinha-Radial Odivelas	0.5	0.5	19 498	22 015	12.6%	12.9%
Radial Odivelas-A8/A9	0.3	0.3	20 216	22 756	12.3%	12.6%
A8/A9-Bucelas (Zambujal)	0.2	0.3	19 628	21 801	10.8%	11.1%
Bucelas (Zambujal)-A9/A10	0.4	0.4	11 996	13 329	10.8%	11.1%
A9/A10-Alverca	0.1	0.1	7 116	7 681	7.6%	7.9%
A9	2.3	2.6	18 328	20 322	10.6%	10.9%

A10/IC2 - AUTO-ESTRADA BUCELAS (CREL)-CARREGADO-IC3

SUB-STRETCH	TRAFFIC ^{a)}		ADT		VARIATION	
	'16	'17	'16	'17	TRAFFIC	ADT
A9/A10-Arruda dos Vinhos	0.3	0.3	10 063	11 120	10.2%	10.5%
Arruda dos Vinhos-Carregado	0.3	0.3	6 851	7 673	11.7%	12.0%
Carregado-Benavente	0.3	0.3	5 225	5 574	6.4%	6.7%
Benavente-A10/A13	0.1	0.1	2 104	2 373	12.5%	12.8%
A10	0.9	0.9	5 933	6 520	9.6%	9.9%

A12/IC3 - AUTO-ESTRADA SETÚBAL-MONTIJO

SUB-STRETCH	TRAFFIC ^{a)}		ADT		VARIATION	
	'16	'17	'16	'17	TRAFFIC	ADT
Montijo-Pinhal Novo	0.7	0.7	17 555	19 124	8.6%	8.9%
Pinhal Novo-A2/A12	0.6	0.6	17 196	18 707	8.5%	8.8%
A2/A12-Setúbal	0.5	0.5	26 788	28 412	5.8%	6.1%
A12	1.8	1.9	19 355	20 913	7.8%	8.1%

a) Traffic 10⁸ vehicle.km



TRAFFIC STATISTICS

BRISA CONCESSÃO RODOVIÁRIA



A13/IC3/IC11 - AUTO-ESTRADA ALMEIRIM-MARATECA

SUB-STRETCH	TRAFFIC ^{a)}		ADT		VARIATION	
	'16	'17	'16	'17	CIRCULAÇÃO	TMDA
Almeirim-Salvaterra Magos	0.3	0.3	3 422	3 669	6.9%	7.2%
Salvaterra Magos-A13/A10	0.2	0.2	3 435	3 677	6.7%	7.0%
A13/A10-Sto. Estevão	0.2	0.2	4 924	5 420	9.8%	10.1%
Sto. Estevão-Pegões	0.3	0.4	4 703	5 174	9.7%	10.0%
Pegões-Marateca	0.2	0.2	4 696	5 167	9.7%	10.0%
A13	1.2	1.3	4 111	4 476	8.6%	8.9%

A14/IP3 - AUTO-ESTRADA FIGUEIRA DA FOZ-COIMBRA (NORTE)

SUB-STRETCH	TRAFFIC ^{a)}		ADT		VARIATION	
	'16	'17	'16	'17	TRAFFIC	ADT
Santa Eulália-Montemor-o-Velho	0.1	0.1	3 523	3 936	11.4%	11.7%
Montemor-o-Velho-EN335	0.1	0.1	3 724	4 092	9.6%	9.9%
EN335-Ançã	0.1	0.2	4 016	4 318	7.2%	7.5%
Ançã-Coimbra Norte (A14/A1)	0.1	0.1	6 861	7 322	6.4%	6.7%
A14	0.4	0.5	4 308	4 675	8.2%	8.5%

SUB-STRETCH	TRAFFIC ^{a)}		ADT		VARIATION	
	'16	'17	'16	'17	TRAFFIC	ADT
BCR	68.8	73.5	18 534	19 847	6.8%	7.1%

a) Traffic 10⁸ vehicle.km

TRAFFIC
STATISTICS

CONCESSÃO ATLÂNTICO (AEA)



A8/IC1 - AUTO-ESTRADA DO OESTE

SUB-STRETCH	TRAFFIC ^{a)}		ADT		VARIATION	
	'16	'17	'16	'17	TRAFFIC	ADT
Loures - CREL	0.3	0.3	46 560	49 252	5.5%	5.8%
CREL - Lousa	1.4	1.5	50 839	54 072	6.1%	6.4%
Lousa - Malveira	0.4	0.4	46 455	49 350	5.9%	6.2%
Malveira - Enxara	0.7	0.8	25 735	27 560	6.8%	7.1%
Enxara - Torres Vedras Sul	0.9	0.9	24 462	26 216	6.9%	7.2%
Torres Vedras Sul - Torres Vedras Norte	0.4	0.4	18 790	20 182	7.1%	7.4%
Torres Vedras Norte - Ramalhal	0.2	0.2	21 412	22 984	7.1%	7.3%
Ramalhal - Campelos	0.6	0.6	15 793	16 985	7.2%	7.5%
Campelos - Bombarral	0.4	0.5	15 379	16 528	7.2%	7.5%
Zona Industrial - Tornada (Pagante)	0.1	0.1	10 285	11 208	8.7%	9.0%
Tornada - Alfeizerão	0.3	0.3	11 329	12 307	8.3%	8.6%
Alfeizerão - Valado de Frades	0.5	0.5	11 137	12 051	7.9%	8.2%
Valado de Frades - Pataias	0.3	0.3	10 657	11 525	7.9%	8.1%
Pataias - Marinha Grande Sul	0.4	0.4	10 614	11 484	7.9%	8.2%
Marinha Grande Sul - Nó c/ A17 (S)	0.1	0.1	11 145	12 105	8.3%	8.6%
Nó c/ A17 (S) - Nó c/ A17 (N)	0.0	0.0	6 151	6 671	8.2%	8.5%
Nó c/ A17 (N) - Marinha Grande Este	0.0	0.0	7 090	7 737	8.8%	9.1%
Marinha Grande Este - Leiria Sul	0.1	0.1	6 478	7 189	10.7%	11.0%
A8	7.1	7.6	18 774	20 147	7.0%	7.3%

a) Traffic 10⁸ vehicle.km

TRAFFIC STATISTICS

CONCESSÃO ATLÂNTICO (AEA)



A15/IP6 - AUTO-ESTRADA CALDAS DA RAÍNHA-SANTARÉM

SUB-STRETCH	TRAFFIC ^{a)}		ADT		VARIATION	
	'16	'17	'16	'17	TRAFFIC	ADT
Arnoia - A dos Negros (Pagante)	0.1	0.1	3 721	3 945	5.7%	6.0%
A dos Negros - A dos Francos	0.1	0.2	4 588	4 855	5.5%	5.8%
A dos Francos - Rio Maior Oeste	0.1	0.1	3 701	3 917	5.5%	5.8%
Rio Maior Oeste - Rio Maior Este	0.0	0.0	3 629	3 789	4.1%	4.4%
Rio Maior Este - Malaqueijo	0.1	0.1	4 708	4 992	5.7%	6.0%
Malaqueijo - Nó A1/A15	0.2	0.2	4 751	5 036	5.7%	6.0%
A15	0.6	0.7	4 361	4 615	5.5%	5.8%

SUB-STRETCH	TRAFFIC ^{a)}		ADT		VARIATION	
	'16	'17	'16	'17	TRAFFIC	ADT
Atlântico	7.8	8.3	14 749	15 810	6.9%	7.2%

a) Traffic 10⁸ vehicle.km

TRAFFIC STATISTICS

CONCESSÃO LITORAL CENTRO (BRISAL)



A17/IC1 - AUTO-ESTRADA MARINHA GRANDE (A8) - MIRA

SUB-STRETCH	TRAFFIC ^{a)}		ADT		VARIATION	
	'16	'17	'16	'17	TRAFFIC	ADT
Nó A8/A17 S - Nó A8/A17 N	0.0	0.0	4 993	5 447	8.8%	9.1%
Marinha Grande - Leiria (Norte)	0.2	0.2	5 933	6 516	9.5%	9.8%
Leiria (Norte) - Monte Real	0.1	0.1	7 009	7 718	9.8%	10.1%
Monte Real - Monte Redondo	0.1	0.1	6 743	7 411	9.6%	9.9%
Monte Redondo - Guia	0.2	0.2	6 638	7 298	9.6%	9.9%
Guia - Louriçal (IC8)	0.1	0.1	6 399	7 047	9.8%	10.1%
Louriçal (IC8) / Marinha das Ondas	0.1	0.2	5 890	6 495	10.0%	10.3%
Marinha das Ondas / A14	0.3	0.4	5 628	6 198	9.8%	10.1%
A14 / Quiaios	0.2	0.2	5 102	5 557	8.6%	8.9%
Quiaios / Tocha	0.3	0.3	6 029	6 508	7.7%	8.0%
Tocha / Mira	0.2	0.3	6 165	6 679	8.1%	8.3%
Mira / Mira PV	0.1	0.1	6 456	7 023	8.5%	8.8%
A17	2.0	2.2	6 032	6 598	9.1%	9.4%

A32/IC2 - LANÇO OLIVEIRA DE AZEMÉIS / IP1 (S.LOURENÇO)

SUB-STRETCH	TRAFFIC ^{a)}		ADT		VARIATION	
	'16	'17	'16	'17	TRAFFIC	ADT
EN 224 - EN 227	0.0	0.0	1 700	1 970	15.6%	15.9%
EN 227 - Feira-Mansores	0.1	0.1	3 075	3 376	9.5%	9.8%
Feira-Mansores - Gião-Louredo	0.2	0.2	8 046	9 000	11.6%	11.9%
Gião-Louredo - Canedo	0.1	0.1	8 424	9 494	12.4%	12.7%
Canedo - A32/A41	0.1	0.1	11 142	12 527	12.1%	12.4%
A32/A41 - Olival	0.1	0.1	8 459	9 599	13.2%	13.5%
Olival - A32/A1	0.2	0.2	9 976	11 423	14.2%	14.5%
A32	0.8	0.9	7 064	7 967	12.5%	12.8%

a) Traffic 10⁸ vehicle.km

TRAFFIC STATISTICS

CONCESSÃO DOURO LITORAL (AEDL)



A41/IC24 - LANÇO PICOTO (IC2) / NÓ DA ERMIDA (IC25)

SUB-STRETCH	TRAFFIC ^{a)}		ADT		VARIATION	
	'16	'17	'16	'17	TRAFFIC	ADT
Gandra - A4/A41	0.1	0.1	5 764	6 477	12.1%	12.4%
A4/A41 - Z.I.C.	0.1	0.1	8 710	10 116	15.8%	16.1%
Z.I.C. - Aguiar de Sousa	0.1	0.1	9 022	10 417	15.2%	15.5%
Aguiar de Sousa - A41/A43	0.2	0.2	8 986	10 379	15.2%	15.5%
A41/A43 - Medas	0.1	0.1	9 986	11 358	13.4%	13.7%
Medas - A32/A41	0.2	0.2	8 916	10 249	14.6%	14.9%
A32/A41 - Sandim	0.0	0.0	7 493	8 530	13.5%	13.8%
Sandim - Argoncilhe	0.2	0.2	7 656	8 677	13.0%	13.3%
A41	1.0	1.1	8 136	9 306	14.1%	14.4%

A43/IC29 - LANÇO GONDOMAR / AGUIAR DE SOUSA (IC24)

SUB-STRETCH	TRAFFIC ^{a)}		ADT		VARIATION	
	'16	'17	'16	'17	TRAFFIC	ADT
Gens - A41/A43	0.1	0.1	3 413	3 736	9.2%	9.5%
A43	0.1	0.1	3 413	3 736	9.2%	9.5%

SUB-STRETCH	TRAFFIC ^{a)}		ADT		VARIATION	
	'16	'17	'16	'17	TRAFFIC	ADT
AEDL	1.9	2.2	7 150	8 110	13.1%	13.4%

a) Traffic 10⁸ vehicle.km

GLOSSARY

ABBREVIATION

MEANING

A

ADT

Average Daily Traffic - average daily number of vehicles recorded in the network, per year

APCAP

Association of Portuguese Concession Companies of Toll Motorways or Bridges

APS

Accountability Principles Standard

APSI

Associação para a Promoção da Segurança Infantil

ASECAP

European Association of Operators of Toll Road Infrastructures

ATPM

Automated Tolling Payment Machine

B

BCSD

Business Council for Sustainable Development

BTE

Work and Employment Bulletin

C

CAPEX (Capital Expenditure)

Capital expenditure or investment in capital goods

CBA

Collective Bargaining Agreement

CC

Companies Code

cc

Cubic centimetres

CGTP

Confederação Geral dos Trabalhadores Portugueses(Union)

CH₄

Methane

CIP

Portuguese Corporate Confederation

Clients Satisfaction (Help Line)

Response to surveys carried out to customers calling the Help Line, on a scale of 1 to 4

Clients Satisfaction (Overall)

Response to surveys carried out to customers of BCR, Brisal, AEDL e AELO, on a scale of 1 to 4

CMVM

The Portuguese Securities Commission

CO₂

Carbon Dioxide

CRP

Centro Rodoviário Português

D

DMA

Disclosure on Management Approach

E

EBIT

Earnings Before Interest and Taxes

EBITDA

Earnings Before Interest, Taxes, Depreciations and Amortisations

EBT

Earnings Before Taxes

ECB

European Central Bank

EIB

European Investment Bank

F

Fatal Accidents Rate

= Accidents with fatalities / Vehicle km travelled

Fatality Rate

=Fatalities / Vehicle km travelled

FED

Federal Reserve

FRC

Family Responsible Company

ABBREVIATION

MEANING

Frequency Index (labour accident indicator)

= No. of total accidents x 106 / No. Employee hours worked

G

GDP

Gross Domestic Product

GHG

Greenhouse Gases

GJ

Gigajoules

GRI

Global Report Initiative

Group

Companies within the consolidation perimeter as described in notes to the financial statements

GWP

Global Warming Potential

H

HDPE

High-Density Polyethylene

HPS

High Pressure Sodium

HSHW

Health, Security and Hygiene at Work

HVAC

Heating, Ventilating and Air Conditioning

I

IAS

International Accounting Standards

IBTTA

International Bridge, Tunnel and Turnpike Association

ICAT

Functional indicator that characterizes adhesion, that is the safety of the driver

ICE

Structure Indicator that characterizes the load capacity, that is the useful life of the pavement

ICNB

Nature and Biodiversity Conservation Institute

ICNF

Nature and Forest Conservation Institute

IEFP

Instituto de Emprego e Formação Profissional

IFRIC 12

International Financial Reporting Interpretation Committee

IFRS

International Financial Reporting Standards

IMF

International Monetary Fund

IMS

Information Management System

IMT

Institute of Mobility and Transports

INE

Nacional Statistics Institute

IP

Infraestruturas de Portugal

IPAV

Structural or functional indicator that characterizes the overall state of the pavement

IREG

Functional indicator that characterizes longitudinal regularity, i. e. driver's comfort and safety

IRR

Internal Rate of Return

IS

Information Systems

ISHSW

Internal Service for Health and Safety in the Workplace

ISO

International Organization for Standardization

ABBREVIATION	MEANING
IT	Information Technology
ITF	International Transport Forum
IUCN	International Union for Conservation of Nature
K	
K€	Thousand Euro
Km	kilometres
L	
LAM	Local Access Mediator
LDPE	Low-Density Polyethylene
LHV	Lower Heating Value
M	
M&A	Mergers and Acquisitions
€M	Euro Million
m³	Cubic meters
Minor Injuries Rate	= Minor injuries / Vehicle km travelled
Minor Injury Accident Rate	= Accidents with minor injuries / Vehicle km travelled
MSST	<i>Ministério da Segurança Social e do Trabalho</i>
MW	Motorway
N	
N ₂ O	Nitrous Oxide
NGO	Non - Governmental Organization
NOx	Nitrogen Oxide
O	
O&M	Operation and Maintenance
OBU	On Board Unit
OC	Operational Centre
OCC	Operational Coordination Centre
OECD	Organisation for Economic Co-operation and Development
OHS	Occupational Health and Safety
P	
PET	Polyethylene Terephthalate
PP	Polypropylene
PPE	Personal Protective Equipment
R	
R&D	Research and Development
ROA	Return on Assests
Road Accident Index	= Fatal Accidents / Theoretical Time

ABBREVIATION	MEANING
Road Accident Rate	= Total Accidents / Vehicle km travelled
ROE	Return on Equity
S	
SDG	Sustainable Development Goals
Severe Injuries Accident Rate	= Accidents with severe injuries / Vehicle km travelled
Severe Injuries Rate	= Severe injuries / Vehicle km travelled
Severity Index (labour accident indicator)	=No. Fatal accidents / 100 accidents with fatalities
Severity Index (road accident indicator)	= No. Fatal accidents / 100 accidents with fatalities
SGS	Société Générale de Surveillance
SOx	Sulphur Oxides
SRTGC	Special Regime for the Taxation of Group of Companies
T	
t	Tonne
tCO ₂ eq	Tonne of CO ₂ equivalent
TJ	Terajoules
U	
UGT	<i>União Geral de Trabalhadores</i> (Union)
UTAP	<i>Unidade Técnica de Acompanhamento de Projetos</i> (Technical Assistance Unit)
W	
WBSCD	<i>World Business Council for Sustainable Development</i>
Y	
YoY	Year-on-Year

CONCESSIONS	
AEA	Concessão Atlântico
AEBT	Subconcessão do Baixo Tejo
AEDL	Concessão Douro Litoral
AELO	Subconcessão do Litoral Oeste
BCR	Brisa Concessão Rodoviária
Brisal	Concessão Litoral Centro
NWP	NorthWest Parkway

OTHER GROUP COMPANIES	
BCI	Brisa Conservação de Infraestruturas
BGI	Brisa Gestão de Infraestruturas
BIT	Brisa Inovação e Tecnologia
BNV	Brisa Nedmobiel Ventures
Brisa O&M	Brisa Operação & Manutenção
CTA	Controlauto
ITV	Iteuve
M Call	M Call
VVC	Via Verde Contact
VVCS	Via Verde Carsharing
VVP	Via Verde Portugal
VVS	Via Verde Serviços



MOBILITY

On the Move

EFFICIENCY 4.0

www.brisa.pt

Brisa Auto-Estradas de Portugal, S.A.
Quinta da Torre da Aguilha, Edifício Brisa
2785-599 São Domingos de Rana
PORTUGAL