ANNUAL REPORT 2018

Mobility-Beyond™

A-to-Be

Powered by Brisa

Mobility–Beyond™

I MANAGEMENT REPORT

MANAGEMENT REPORT

1. CORPORATE BODIES OF A-TO-BE – MOBILITY TECHNOLOGY S.A.

1.1. TRIENNIUM 2018/2020

BOARD OF DIRECTORS

CHAIRMAN
Daniel Alexandre Miguel Amaral

MEMBERS
Eduardo António da Costa Ramos
Francisco de Sanches Osório Montanha Rebelo
Luís Rafael Leite Inácio Margalhau Nunes
Frederico José Ribeiro Vaz
Manuel António Garcia de Matos
Vítor Manuel da Rocha Dinis

PRESIDING BOARD OF THE GENERAL MEETING

PRESIDENT OF THE PRESIDING BOARD OF THE GENERAL MEETING
Luís Rua Geraldes

SECRETARY OF THE PRESIDING BOARD
Tiago Severim de Melo

STATUTORY AUDITOR

PRICEWATERHOUSECOOPERS & ASSOCIADOS, SROC S.A.
represented by
Rui Jorge dos Anjos Duarte
ROC no. 1532

ALTERNATE
Carlos José Figueiredo Rodrigues
ROC no. 1737

SECRETARY OF THE COMPANY

Tiago Severim de Melo

1.2. CHANGES IN THE CORPORATE BODIES

On August 27, 2018, the member Pedro José Rocha Alambre Amado Bento tendered his resignation from the position of member of the Board of Directors and on December 27, 2018 the member Jorge Manuel da Conceição Sales Gomes likewise tendered his resignation from the position of member of the Board of Directors. To fill these two positions, the Board of Directors, during the meeting held on February 18, 2019, coopted the members Luís Rafael Leite Inácio Margalhau Nunes and Frederico José Ribeiro Vaz.

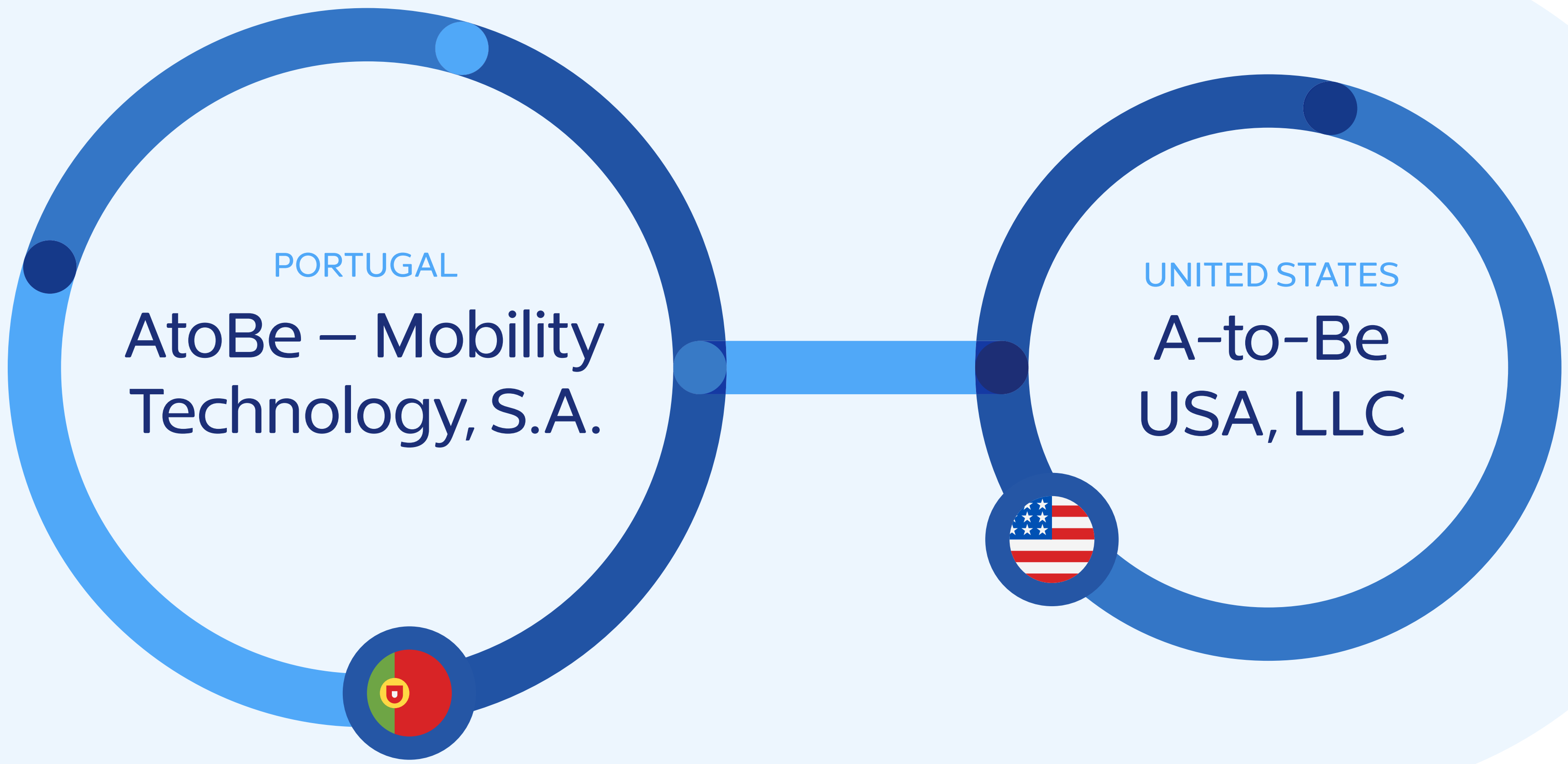
1.3. STATEMENT BY THE CORPORATE BODY

In compliance with legal and statutory provisions, the Board of Directors submits to the shareholders' appraisal the Management Report, Statement of Financial Position and Accounts for the financial year 2018, in the firm belief that, to the best of its knowledge, the information contained therein has been prepared in accordance with the applicable accounting standards, presenting a true and fair view of the company's assets and liabilities, financial position and results, faithfully presenting the business evolution and containing a description of the main risks and uncertainties faced.

2. PRESENTATION

AtoBe – Mobility Technology, S.A. ("Company" or "A-to-Be"), operating under the commercial brand "A-to-Be" is a limited company with registered office at Edifício BRISA, Quinta da Torre da Aguilha, São Domingos de Rana, with a share capital of Euros 3,475,350, registered with the Cascais Commercial Registry under single registration and taxpayer number 505 216 035.

A-to-Be wholly owns the share capital of A-to-Be USA, LLC, a company incorporated under American law in 2015 to develop the mobility business in this market. In 2017, A-to-Be USA changed its registered office from Denver, Colorado to Downers Grove, Illinois, having closed financial year 2018 with a share capital of USD 3,000,000.



3. HISTORICAL OVERVIEW

A-to-Be, was incorporated within the Brisa Group, to operate in the Business to Business (B2B) segment under the brand A-to-Be®. It has been responsible, over the last two decades, for the delivery of critical systems for the mobility and transportation operation business. Operating in more than 1,200 toll lanes, 250 motorways and 140 parking facilities – in Portugal, the Netherlands, the United States of America and Poland – its delivery covers a range from automatic, manual and electronic toll systems; to integrated payment systems covering on and off-street parking, fuel stations, drive-thrus, public transport, access control, among others; and traffic management systems.

4. SECTOR OVERVIEW

4.1. MISSION

A-to-Be's activity integrates a promising market with a significant dimension, with a high level of technological sophistication. In this market, it is necessary to respond to the new paradigms of Intelligent Transportation Systems, supported by the latest technologies in the road and urban areas, ensuring the effective management, monitoring and security of transportation infrastructures.

A-to-Be's mission is to be a relevant international reference in researching, developing, integrating, installing and maintaining the best ITS (Intelligent Transportation Systems) technological solutions for the final customers (citizens). As a technological center of excellence, it seeks to maximize quality and efficiency in the solutions designed and delivered.

In this context, A-to-Be defined as priority markets the USA and Europe. In 2015, it incorporated a company in the USA - today called A-to-Be USA, LLC - to meet the many needs of this market, and in which it has asserted itself as a company of reference in the development and implementation of mobility solutions. The European market is more mature and thus has other needs; however, A-to-Be is attentive to toll system and urban mobility opportunities, developing and collaborating in several initiatives and pilot projects.

4. SECTOR OVERVIEW

4.2. VALUES

CLIENT CENTRICITY

With a dedication to the needs of the customer in order to guarantee the delivery of products and solutions that fully meet the customer's requirements and needs.

ETHICS

Committed to developing its business to the highest standards of workplace integrity, business ethics, and scrupulous compliance with applicable laws and regulations.

LEADERSHIP

Through its human capital – its main asset – guiding the sustained growth of the business, aimed at affirming itself as a company of reference.

INNOVATION

Combining technological capacity with the development of offers and features adapted to the new concepts of mobility.

EXCELLENCE

By the commitment to quality and efficiency, mobilized to attain the business objectives and those of the customers and stakeholders

4. SECTOR OVERVIEW

4.3. BUSINESS AREAS AND PRODUCT STRUCTURE

A-to-Be covers a broad range of professional solutions, such as the design, development, integration and support of critical high availability systems, tailored to the mobility and transportation technology needs of operators, infrastructure managers and mobility service providers (e.g., Via Verde).

Since 2001, it has been designing and developing intelligent transportation systems, information management systems and control systems that enable the Brisa Group to efficiently manage traffic in all its road infrastructure.

A-to-Be's offer is organized according to three product lines, which allow specific mobility applications in each of the segments where A-to-Be is present.

The combination of the 3 A-to-Be solution lines for mobility resulted in an application that serves the various customer segments: mobility operators are provided with the necessary means and tools to manage all the information and support the operation in order to ensure an efficient and optimized management of infrastructures, thus enabling the improvement of the service provided to the final customer.

A-to-Be LinkBeyond™
Advanced Mobility Connector

THE LINK TO THE FIELD
Whenever there is an interaction between the traveler and the mobility operators' infrastructure, this solution ensures the integration of all the services and operators necessary. For a final experience that is fluid, free from interruptions.

A-to-Be MoveBeyond™
Advanced Mobility Platform

A BACKOFFICE FOR MOBILITY
Designed considering the traveler's final experience, this central system allows mobility operators to offer a quality service in terms of operational and commercial management.

A-to-Be Atlas™
Advanced Traffic Management and Information System

TRAFFIC MANAGEMENT
Thought out to handle traffic management in scenarios of operations integrated in complex infrastructure networks, operates via telematics equipment and operational coordination rooms.

4. SECTOR OVERVIEW

4.4. CUSTOMER SEGMENTS

ROAD OPERATORS | SMART CITIES | PUBLIC TRANSPORT | SMART PARKING | COMMUNTING SERVICES

The combination of the 3 A-to-Be® solution lines for mobility resulted in an application that serves the various customer segments: **mobility operators** are provided with the necessary means and tools to manage all the information and support the operation in order to ensure an efficient and optimized management of infrastructures, thus enabling the improvement of the service provided to the final customer.

For **road operators**, A-to-Be allows for an integrated traffic and operations management, both in terms of the supporting equipment line in the field as well as in the supply of toll systems. Likewise, **smart cities** have a central concern to serve the citizens, optimizing the management of infrastructures, specifically in the transportation and mobility component. For cities, A-to-Be offers solutions to implement active mobility policies to promote sustainability, such as access control to sensitive areas (low carbon-emission zones or historic neighborhoods) and adoption of measures to reduce urban congestion (congestion pricing).

For **public transport operators**, A-to-Be provides technological solutions to improve the mobility experience in the various modes of collective transport. The A-to-Be offer also extends to the **individual transport** , private or shared, domain, both in the so-called soft-modes, as well as in the use of vehicles, in car parking lots, drive-thrus, gas stations and other related services.

5. BUSINESS DEVELOPMENT

5.1. ACTIVITIES IN 2018

MAIN RESEARCH, DEVELOPMENT AND INNOVATION (RD&I) ACTIVITIES

In the area of technological research, and in conjunction with its partners in the scientific and technological community, A-to-Be has developed multiple research projects in the areas of computer vision, traffic management and modeling, mobility management and cooperative systems (V2X), thus reinforcing the importance of R&D for the success of its strategy, namely by highlighting the brand **Research Be-ond** in the media, such as the website.

A-to-Be maintained its focus on funding programs by submitting various proposals to European projects under the Horizonte 2020 program. In this context, Project 5G-MOBIX was started in December 2018, for the execution of cross-border tests using 5G technology and evaluation of its benefits for A-to-Be in Cooperative, Connected and Autonomous Mobility (CCAM). In addition, in the scope of Project AUTOC-ITS, A-to-Be was the technological partner of the pilot project with autonomous vehicles that took place on the A9-CREL, demonstrating its capacity to offer solutions in this field.

In the scope of A-to-Be's product development, we highlight the investment in the new releases of A-to-Be® MoveBeyond™ - for delivery in the new contracts won in the USA in Washington and in Virginia. Also to be highlighted are the technological lines of support of the Via Verde ecosystem in Portugal, developing state-of-the-art solutions for the fluid human-machine interaction, with the L-A-M mediator being highlighted, with prototypes of several services in the private transportation domain. Self-service toll solutions (A-T-P-M) have been improved with a view to addressing market needs in the USA. These new features enable, namely, the contactless payment based on new technologies, thus contributing to its affirmation as an innovative product of reference in the USA market.

5. BUSINESS DEVELOPMENT

ACTIVITY IN THE NATIONAL MARKET

A-to-Be prevailed in 2018 as a supplier of reinvestments in toll equipment for the BCR, BRISAL, AEA and AEDL, within the Brisa Group, and also the IP, Scutvias and Globalvia concessions. With regard to the centralized management of road operations, A-to-Be continued the supply of A-to-Be ATLAS in Lusoponte for the management of the two main bridges in Portugal, Vasco da Gama and 25 de Abril.

As the Brisa Group's main technological supplier, A-to-Be also extended its technological support to the Via Verde ecosystem in Portugal by providing operationally efficient services in approximately 200 car parking lots, 300 gas stations, 14 drive-thrus and also in public transportation (ferries, buses, trains and the metro) and city-access control.

INTERNATIONAL ACTIVITY

In the United States of America (USA) market, the demand for All Electronic Tolling (AET) solutions prevails, consequence of the reinvestment in and modernization efforts of the road concessions. A-to-Be participates in this technological revolution through its A-to-Be MoveBeyond™ and A-T-P-M product line rollouts. This market presents a strong demand for technological solutions associated with mobility and has therefore continued to require a reinforcement of means and resources in 2018 to materialize business opportunities. To achieve this, it also reinforced its presence in events in this market, affirming itself as an IBTTA (International Bridge, Tunnel and Turnpike Association) sponsor, with presences in the States of North Carolina, Oregon and Maryland. These and other actions and initiatives contributed to A-to-Be closing the year 2018 having won contracts in 6 USA States: Washington, Illinois, Colorado, Virginia, South Carolina and California. Also noteworthy is the Road User Charging (RUC) pilot project realized by A-to-Be in the State of Washington, a very relevant experience in the context of the current discussion regarding the substitution of the Fuel Tax for the financing of road infrastructure in light of the increasing penetration of electric vehicles.

In 2018, the **European market** continued to be a strong focus of A-to-Be. Being a very mature market, the search for mobility solutions and the implementation of new tolling solutions continues to merit attention and participation. Of note is the celebration of a contract for the supply of video tolling to a major operator in Poland, for use in its concessions. The presence in events in Europe through sponsorships (e.g. MaaS Market, The Future of Transportation World Congress), helped identify this and other business opportunities.

5. BUSINESS DEVELOPMENT

5.2. HUMAN RESOURCES

A-to-Be and A-to-Be USA counted, at the end of 2018, a total of 77 employees, which represents a growth of 24% over 2017. In total, the external collaborators and internal employees working on the various activities of A-to-Be made up a workforce of 200 people at the end of 2018.

TOTAL OF EMPLOYEES

A-to-Be has a dynamic human resources policy, which aims to hire, train and retain talent in its various areas of activity.

Within this framework, programs are developed aimed at the technical, personal and professional enhancement of its employees, in order to improve their skills, as well as their integration and identification with the principles and objectives, not only of the company, but also of the Brisa Group which it integrates.

5.3. FUTURE PROSPECTS

A-to-Be aims to affirm itself as a worldwide player in the field of mobility services technology. The launch of the A-to-Be® brand, in 2017, was the first step in affirming its ambition to become a technological facilitator of intelligent mobility, by integrating multiple operators into a single platform, promoting the growth of large-scale mobility in Europe and the USA.

A-to-Be has been strengthening its capabilities and improving customer management processes, enabling **the creation of "ready" solutions** for new **and/or external** customers, valuing and reinforcing the core competencies of product development and innovation.

The next few years will continue to pose challenges. These are challenges to which the company responds with conviction, evident in the growth of its international teams, in the elegance of the architecture of its products that allow for a sustainable growth, leveraged by both commercial and implementation partners. The conviction of the management team is that it will overcome these.

A word of thanks to all our employees for the effort and dedication and to the shareholders of the company for their guidance and confidence.

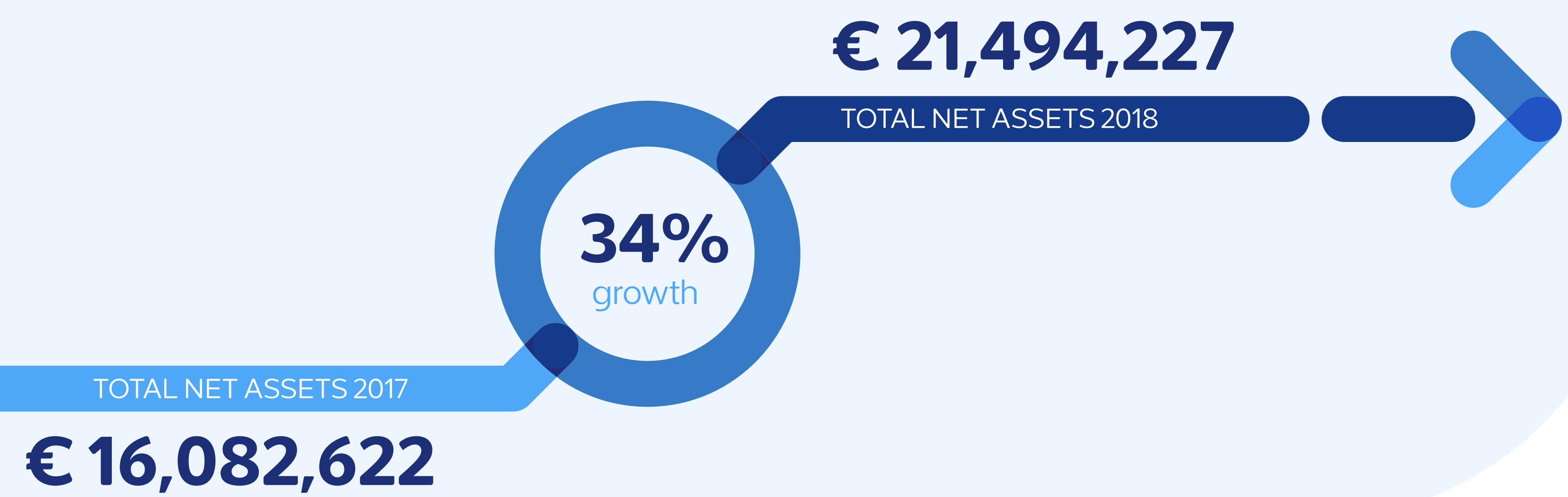
6. ECONOMIC AND FINANCIAL SITUATION

6.1. CONSOLIDATED NET ASSETS' SITUATION

We present the consolidated results of A-to-Be assuming a reporting date as of December 31, 2018.

The following analyses are realized based on the breakdown of the consolidated and separate amounts of A-to-Be Mobility Technology, SA.

Financial year 2018 presented a consolidated Statement of Financial Position of Euros 21,494,227, representing a year-on-year increase of 34% (an additional Euros 5,411,605 in total Net Assets).
Consolidated Shareholders' Equity and Liabilities amounted to Euros 7,586,506 and Euros 13,907,721, respectively.



6.2. FINANCING

A-to-Be contracted a financing line in the form of Commercial Paper with guaranteed subscription in Portugal and Guarantee (Project-Bonds) contracting programs for the North-American market that enable it to develop its operation, invest in the product offer and in the provision of guarantees that are essential to the contracts celebrated.

The sustainable growth indicators and respective business plan convey confidence to the financial stakeholders that recognized the creation of value potential of A-to-Be and A-to-Be USA.

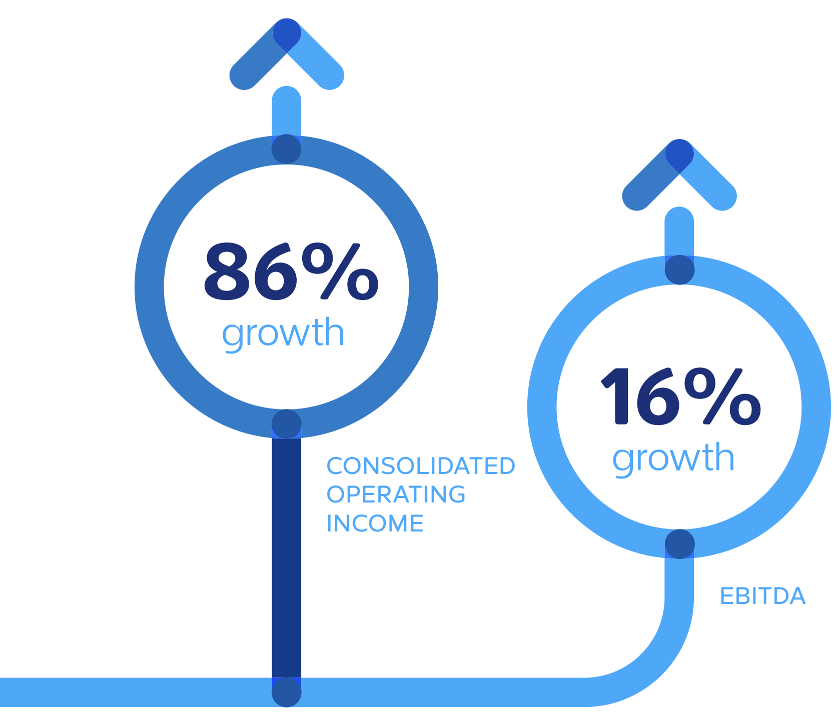
6. ECONOMIC AND FINANCIAL SITUATION

6.3. CONSOLIDATED INCOME AND COMPREHENSIVE INCOME STATEMENT

During 2018, the consolidated operating income amounted to Euros 26,577,873 and EBITDA attained Euros 581,351 corresponding, respectively, to growths of 86% and 16%, year-on-year.

It should be noted that 58% of the operating income was generated in contracts outside Portugal.

In the consolidated accounts, A-to-Be closed the year with a negative Net Profit / (Loss) of Euros 1,016,434, impacted by the effect of the amortization and depreciation of the period amounting to Euros 2,025,859.



Amounts in €	2018	2017	CHANGE ABS.	CHANGE %
Operating Income	**26,577,873**	**14,290,243**	**12,287,630**	**86.0%**
Sales of goods	15,839,337	2,653,118	13,186,219	s/s
Services rendered	10,211,673	11,108,758	-897,085	-8%
Other operating income	525,363	526,867	-1,504	0%
Reversal of amortizations, depreciations, adjustments and provisions	1,500	1,500	0	0%
Operating Costs	**28,066,440**	**14,825,255**	**13,241,185**	**89%**
Cost of sales	11,420,464	2,091,989	9,328,475	s/s
Supplies and services	9,614,899	7,985,376	1,629,523	20%
Payroll costs	4,843,971	3,695,258	1,148,713	31%
Amortizations, depreciations and adjustments	2,025,859	1,012,943	1,012,916	100%
Provisions	45,559	26,751	18,808	n/a
Taxes	12,148	7,698	4,450	58%
Other operating expenses	103,540	5,240	98,300	s/s
Operating profit /(loss)	**-1,488,567**	**-535,012**	**-953,555**	**-178%**
Financial results	**-74,792**	**2,310**	**-77,102**	**s/s**
Financial expenses	81,787	12,123	69,664	s/s
Financial income	6,995	14,433	-7,438	-52%
Profit/(Loss) before tax	**-1,563,359**	**-532,702**	**-1,030,657**	**-193%**
Income tax	**546,925**	**975,589**	**-428,664**	**-44%**
Consolidated net profit/(loss) for the year	**-1,016,434**	**442,887**	**-1,459,321**	**s/s**

6. ECONOMIC AND FINANCIAL SITUATION

6.4. SEPARATE NET ASSETS' SITUATION OF A-TO-BE

Financial year 2018 presented a Statement of Financial Position of A-to-Be of Euros 19,518,135, representing a year-on-year increase of 31% (an additional Euros 4,572,851 in total Net Assets).

Shareholders' Equity and Liabilities amounted to Euros 7,586,506 and Euros 11,931,629, respectively.

6. ECONOMIC AND FINANCIAL SITUATION

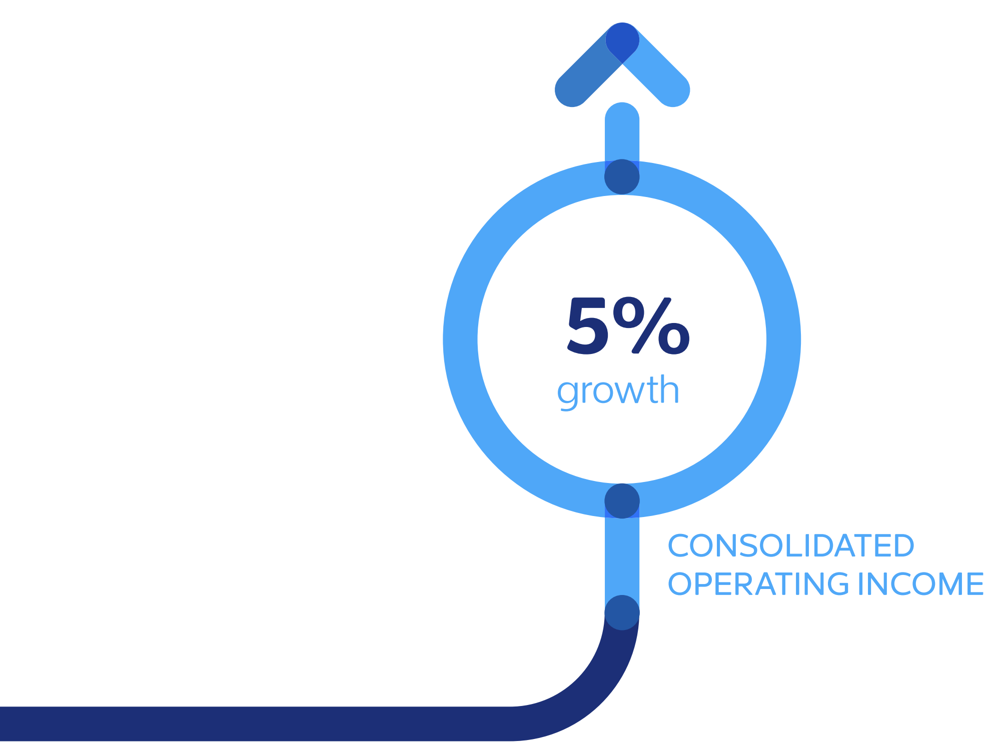
6.5. SEPARATE INCOME AND COMPREHENSIVE INCOME STATEMENT OF A-TO-BE

During 2018, the operating income amounted to Euros 14,204,123, recording a positive change of 5% year-on-year.

The strategic investment and the organic growth of the company justified the increase in activity costs of 22% year-on-year.

EBITDA attained Euros 174,678.

In the separate accounts, A-to-Be closed the year with a negative Net Profit / (Loss) of Euros 1,016,434. This was impacted by the increased amortization and depreciation of the period compared with 2017.



			CHANGE	
Amounts in €	2018	2017	ABS.	%
Operating Income	**14,204,123**	**13,482,953**	**721,170**	**5.3%**
Sales of goods	1,792,902	1,492,559	300,343	20%
Services rendered	11,884,359	11,462,027	422,332	4%
Supplementary income	469,817	482,920	-13,103	-3%
Other operating income	55,545	43,947	11,598	26%
Reversal of amortizations, depreciations, adjustments and provisions	1,500	1,500	0	0%
Operating Costs	**15,954,915**	**13,053,646**	**2,901,269**	**22.2%**
Cost of sales	1,348,108	1,289,003	59,105	5%
Supplies and services	8,437,496	7,291,700	1,145,796	16%
Payroll costs	4,126,759	3,420,637	706,122	21%
Amortizations, depreciations and adjustments	1,881,411	1,012,738	868,673	86%
Provisions	45,559	26,751	18,808	n/a
Taxes	12,148	7,698	4,450	58%
Other operating expenses	103,434	5,119	98,315	s/s
Operating profit /(loss)	**-1,750,792**	**429,307**	**-2,180,099**	**s/s**
Financial results	**161,032**	**-760,871**	**921,903**	**121%**
Financial expenses	181,113	102,275	78,838	77%
Financial income	273,913	81,624	192,289	s/s
Gains/(Losses) from investments	68,232	-740,220	808,452	109%
Profit/(Loss) before tax	**-1,589,760**	**-331,564**	**-1,258,196**	**s/s**
Income tax	**573,326**	**774,451**	**-201,125**	**-26%**
Net profit/(loss) for the year	**-1,016,434**	**442,887**	**-1,459,321**	**s/s**

7. LEGAL INFORMATION

In accordance with legal obligations in force we inform that:

- There are no past due debts in respect of taxes or contributions to Social Security;
- The Company neither transacted nor held own shares (treasury stock) at the end of the financial year;
- There were no transactions between the Company and its directors.

8. PROPOSAL FOR THE APPROPRIATION OF THE RESULTS

We propose that the negative Net Profit / (Loss) for the 2018 financial year, in the amount of Euros 1,016,434.45, be appropriated to Retained Earnings.

Translation note
The present Management Report and Accounts are a free translation of the Portuguese version. In the event of discrepancies or misinterpretations, the original version prevails.

São Domingos de Rana, March 18, 2019

THE BOARD OF DIRECTORS

Daniel Alexandre Miguel Amaral – CHAIRMAN
Eduardo António da Costa Ramos
Francisco de Sanches Osório Montanha Rebelo
Luís Rafael Leite Inácio Margalhau Nunes
Frederico José Ribeiro Vaz
Manuel António Garcia Matos
Vitor Manuel da Rocha Dinis

STATEMENTS OF FINANCIAL POSITION

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As of December 31, 2018 and 2017

(Translation of the consolidated statement of financial position originally issued in Portuguese – Note 31)

	NOTES	2018	2017
Non-current assets:			
Tangible fixed assets	12	707 151	515 472
Intangible assets	13	6 835 671	4 243 369
Deferred tax assets	14	806 973	895 784
Total non-current assets		**8 349 795**	**5 654 625**
Current assets:			
Inventories	15	1 253 702	1 272 721
Trade and other receivables	16	8 509 016	6 729 118
Current tax assets	9	-	385
Government and other public entities		47 180	1
Other current assets	17	2 504 762	1 251 580
Cash and cash equivalents	18	829 772	1 174 192
Total current assets		**13 144 432**	**10 427 997**
Total assets		**21 494 227**	**16 082 622**

	NOTES	2018	2017
Shareholders' equity:			
Share capital	19	3 475 350	3 475 350
Share issuance premium	19	2 451 250	2 451 250
Legal reserve	20	695 070	695 070
Other reserves	20	1 071 860	880 747
Currency conversion adjustments		223 421	(31 616)
Retained earnings		685 989	243 102
Net profit for the year		(1 016 434)	442 887
Total shareholders' equity		**7 586 506**	**8 156 790**
Non-current liabilities:			
Retirement benefits responsabilities	27	633 729	765 425
Provisions	22	666 179	622 120
Total non-current liabilities		**1 299 908**	**1 387 545**
Current liabilities:			
Trade and other payables	23	4 865 572	4 120 969
Loans	24	4 601 794	-
Investment Suppliers		22 886	31 378
Other current liabilities	25	3 117 561	2 385 940
Total current liabilities		**12 607 813**	**6 538 287**
Total liabilities and equity		**21 494 227**	**16 082 622**

AMOUNTS EXPRESSED IN EUROS

The accompanying notes form an integral part of the consolidated statement of financial position as of December 31, 2018.

CONSOLIDATED STATEMENT OF PROFIT AND LOSS AND OTHER COMPREHENSIVE INCOME

For the years ended on December 31, 2018 and 2017

(Translation of the consolidated statement of profit and loss and other comprehensive income originally issued in Portuguese – Note 31)

	NOTES	2018	2017
Operating income:			
Sales of goods	4	15 839 337	2 653 118
Services rendered	4	10 211 673	11 108 758
Other operating income	4	525 363	526 867
Reversal of amortizations, depreciations, adjustments and provisions	4	1 500	1 500
Total operating income		**26 577 873**	**14 290 243**
Operating expenses:			
Cost of sales	15	(11 420 464)	(2 091 989)
Supplies and services	5	(9 614 899)	(7 985 376)
Payroll costs	7	(4 843 971)	(3 695 258)
Amortizations, depreciations and adjustments	12, 13 and 21	(2 025 859)	(1 012 943)
Provisions	22	(45 559)	(26 751)
Taxes		(12 148)	(7 698)
Other operating expenses		(103 540)	(5 240)
Total operating expenses		**(28 066 440)**	**(14 825 255)**
Operating profit		**(1 488 567)**	**(535 012)**

	NOTES	2018	2017
Financial expenses	8	(81 787)	(12 123)
Financial income	8	6 995	14 433
Profit before tax		**(1 563 359)**	**(532 702)**
Income tax	9	546 925	975 589
Net consolidated profit for the year		**(1 016 434)**	**442 887**
Other income and expenses recognized in equity that are not subsequently reclassified to profit or loss:			
Changes in currency reserves		255 037	(46 171)
Retirement benefits – actuarial losses	14 and 27	191 113	44 124
Income recognized directly in equity		**446 150**	**(2 047)**
Total consolidated profit and other comprehensive income for the year		**(570 284)**	**440 840**
Basic earnings per share	10	**(1,46)**	**0,64**

AMOUNTS EXPRESSED IN EUROS

The accompanying notes form an integral part of the consolidated statement of profit and loss and other comprehensive income for the year ended on December 31, 2018.

CONSOLIDATED STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY

For the years ended December 31, 2018 and 2017

(Translation of the consolidated statement of changes in shareholders' equity originally issued in Portuguese – Note 31)

	NOTES	SHARE CAPITAL	SHARE ISSUANCE PREMIUM	LEGAL RESERVE	OTHER RESERVES	CURRENCY TRANSLATION ADJUSTMENTS	RETAINED EARNINGS	NET PROFIT/(LOSS) FOR THE YEAR	TOTAL
Balance as of January 1, 2017		**3 475 350**	**2 451 250**	**695 070**	**836 623**	**14 555**	**102 619**	**140 483**	**7 715 950**
Net income for the year 2017		–	–	–	–	–	–	442 887	442 887
Other income and expenses recognized in equity:									
Changes in foreign-exchange reserves		–	–	–	–	(46 171)	–	–	(46 171)
Retirement benefits – actuarial gains/(losses)	14 and 27	–	–	–	44 124	–	–	–	44 124
Total loss and other comprehensive income for the year		–	–	–	44 124	(46 171)	–	442 887	440 840
Appropriation of net profit for 2016:									
Transfer to retained earnings	11	–	–	–	–	–	140 483	(140 483)	–
Balance as of December 31, 2017		**3 475 350**	**2 451 250**	**695 070**	**880 747**	**(31 616)**	**243 102**	**442 887**	**8 156 790**
Balance as of January 1, 2018		**3 475 350**	**2 451 250**	**695 070**	**880 747**	**(31 616)**	**243 102**	**442 887**	**8 156 790**
Net income for the year 2018		–	–	–	–	–	–	(1 016 434)	(1 016 434)
Other income and expenses recognized in equity:									
Changes in foreign-exchange reserves		–	–	–	–	255 037	–	–	255 037
Retirement benefits – actuarial gains/(losses)	14 and 27	–	–	–	191 113	–	–	–	191 113
Total loss and other comprehensive income for the year		–	–	–	191 113	255 037	–	(1 016 434)	(570 284)
Appropriation of net profit for 2017:									
Transfer to retained earnings	11	–	–	–	–	–	442 887	(442 887)	–
Balance as of December 31, 2018		**3 475 350**	**2 451 250**	**695 070**	**1 071 860**	**223 421**	**685 989**	**(1 016 434)**	**7 586 506**

AMOUNTS EXPRESSED IN EUROS

The accompanying notes form an integral part of the consolidated statement of changes in shareholders' equity as of December 31, 2018.

CONSOLIDATED STATEMENT OF CASH FLOWS

For the years ended on December 31, 2018 and 2017

(Translation of the consolidated statement of financial position originally issued in Portuguese – Note 31)

	NOTES	2018	2017
OPERATING ACTIVITIES:			
Receipts from customers		22 774 466	12 006 265
Payments to suppliers		(23 028 483)	(11 524 073)
Payments to personnel		(5 194 081)	(3 780 889)
Flows generated by operations		**(5 448 098)**	**(3 298 697)**
Income tax receipt/(paid)		106 685	940 947
Other receipts relating to operating activities		366 603	349 163
Net cash from operating activities (1)		**(4 974 810)**	**(2 008 587)**
INVESTING ACTIVITIES:			
Receipts relating to:			
Tangible fixed assets and intangible assets		-	2
Investment subsidies		93 117	110 831
Interest and similar income		510	10 421
		93 627	**121 254**
Payments relating to:			
Tangible fixed assets and intangible assets		(168 448)	(302 577)
Net cash from investing activities (2)		**(74 821)**	**(181 323)**

	NOTES	2018	2017
FINANCING ACTIVITIES:			
Receipts relating to:			
Loans	**24**	**42 200 000**	**-**
Payments relating to:			
Loans	24	(37 600 000)	-
Interest and similar costs		(71 416)	(5 331)
		(37 671 416)	(5 331)
Net cash from financing activities (3)		**4 528 584**	**(5 331)**
Foreign exchange rate effect (4)		176 627	(58 886)
Variation in cash and cash equivalents (5) = (1) + (2) + (3) + (4)		(344 420)	(2 254 127)
Cash and cash equivalents at the beginning of the year	17	1 174 192	3 428 319
Cash and cash equivalents at the end of the year	17	829 772	1 174 192

AMOUNTS EXPRESSED IN EUROS

The accompanying notes form an integral part of the consolidated statement of cash flows for the year ended on December 31, 2018.

NOTES

A. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

1. INTRODUCTION

A-to-Be – Mobility Technology, S.A. ("The company" or "A-to-Be") was incorporated, by public deed dated 11 December 2000, published on the III series, no. 74, of Diário da República on 28 March 2001 and began its activity on 28 February 2001. The Company was previously named Brisa Access – Prestações de Serviços a Automobilistas, S.A. later Brisa Access Electrónica Rodoviária, S.A. and most recently Brisa Inovação e Tecnologias, S.A., having adopted its current name on 14 March, 2019. The business universe of A-to-Be ("Group") is formed by the company and its subsidiary, as stated in Note 3.

A-to-Be's corporate purpose is: (i) investing on technological development areas and rendering services related with projects and studies of new technology; (ii) render services on the areas of development and investigation, systems and technology disclosure, namely on transport infrastructure support technology; (iii) render services of conception, supply, installation, commissioning and maintenance of the equipment and systems, namely electronic and telematic for usage on transport infrastructure, such as highways, roads, viaducts, tunnels, fueling station, parking facilities, garages and similars as well as other associated with the transport industry; and (iv) content development and management for internet and for other communication supports inside of the scope of previously referred activities and services.

2. MAIN ACCOUNTING POLICIES

2.1. BASES OF PRESENTATION

The accompanying consolidated financial statements were prepared on a going concern basis from the books and accounting records of the Company and its subsidiary, maintained in accordance with the International Financial Reporting Standards as endorsed by the European Union, effective for the years beginning on 1 January 2018. 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 ("IASC") and the respective interpretations IFRIC and SIC issued by the IFRS Interpretation Committee ("IFRIC") and Standing Interpretation Committee ("SIC"). These standards and interpretations are hereinafter referred to collectively as "IFRS".

Adoption of standards and new, corrected or revised interpretations

Standards, interpretations, corrections and revisions applicable to the Company's operations, endorsed by the European Union and with compulsory application for the economic periods beginning on or after 1 January 2018, which have not resulted in major impacts to the present consolidated financial statements, are as follows:

STANDARD / INTERPRETATION	EFFECTIVE DATE (PERIODS BEGINNING ON OR AFTER)	
IFRS 15 - Revenue from contracts with customers	01-Jan-18	This standard introduces a structure of revenue recognition framework when the contractual obligation to deliver the assets or provide services is satisfied, following a five step approach.
Amendments to IFRS 15 - Revenue from contracts with customers	01-Jan-18	Identification of performance obligations, timing of revenue recognition from licenses of IP, change to principle versus agent guidance, and new practical expedients on transition.
IFRS 9 – Financial Instruments	01-Jan-18	Replace the requirements of IAS 39 related with the classification and measurement of financial assets and liabilities, the methodology used to calculate impairment (through expected losses model) and the rules applied to hedge accounting.
IFRS 2 – Share-based Payment	01-Jan-18	Recognition of share-based payment transactions, measurement of variations and the classification of the shares-based payment plans in equity when the Employer is obliged to retain the tax.
Improvements to international financial reporting standards (cycle 2014-2016)	01-Jan-18	These improvements include the clarification of some aspects related to: IFRS 1 - First adoption of IFRS: eliminates the temporary exemptions for IFRS 7, IFRS 10 and IAS 19, since they are no longer applicable; IFRS 12 - Disclosure of interests in other entities: clarifies that its scope includes investments classified under IFRS 5, and that the only exemption refers to the disclosure of the summary of the financial information of these 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 may be measured at fair value in accordance with IFRS 9, individually and (ii)) Clarifies that an entity that is not an investment entity but holds investments in associates and joint ventures that are investment entities may maintain the fair value measurement of the associate or joint venture interest in its own subsidiaries.
IFRIC 22 – Foreign Currency Transactions and Advance Consideration	01-Jan-18	Exchange rate to be applied when the consideration is received or paid in advance.

Standards and new, corrected or revised interpretations not endorsed

Until 31 December 2018 the European Union, with compulsory application for future economic periods, endorsed the following standards:

STANDARD / INTERPRETATION	EFFECTIVE DATE (PERIODS BEGINNING ON OR AFTER)	
IFRS 16 - Leases	01-Jan-19	This standard introduces the principles of recognition and measurement of leases, replacing IAS 17 - Leases. The standard states a new definition of leasing and a new accounting of leases for tenants. There are no changes to the booking of rentals by lessors.
IIFRS 9 – Financial Instruments	01-Jan-19	Options for accounting of financial assets with negative compensation.
IFRIC 23 - Uncertainties about the treatment of income taxes	01-Jan-19	Classification concerning the application of the principles of recognition and measurement of IAS 12 when there is uncertainty about the tax treatment of a transaction in respect of income taxes.

These amendments, despite endorsed by the European Union, were not adopted by the Company for the period ended on December 31, 2018 due to the non-compulsory condition. There is although, not expected any significant impact arising from the adoption of the referred standards.

The following standards, interpretations, amendments and revisions applicable to the Company's operations but only with compulsory application in subsequent economic periods, were not endorsed by the European Union, until December 31, 2018:

STANDARD / INTERPRETATION	EFFECTIVE DATE (PERIODS BEGINNING ON OR AFTER)	
IAS 19 - Employee benefits	01-Jan-19	Requirement to use updated assumptions for calculation of remaining liabilities, with impact on the income statement, except for any reduced excess under "asset ceiling" accounting treatment.
IAS 28 - Investment in associate companies and joint ventures	01-Jan-19	Clarification of long-term investments in associate companies and joint ventures that are not being measured by the equity method.
IFRS - 3 Business combinations	01-Jan-20	Revision of the definition of business for purposes of accounting of business combination.
IAS 1 - Presentation of financial statements; IAS 8 - Accounting policies, changes in accounting estimates and errors.	01-Jan-20	Revision of the definition of material.
Improvements to international financial reporting standards (cycle 2015-2017)	01-Jan-19	These improvements include the clarification of some aspects related to: IAS 23 - Borrowing Costs: Clarifies that specific borrowings that remain outstanding after the qualifying assets to which they relate to are abble to use or sale, should be added to generic borrowings to calculate the average interest rate of capitalization on the others qualifying assets; IAS 12 - Income Tax: It clarifies that the tax impact of dividends is recognized on the date on which the entity registers the responsibility for the payment of dividends, which are recognized in income for the year, other comprehensive income or capital, depending on the transaction or event that originated those dividends; IFRS 3 - Concentration of business activities and IFRS 11 - Joint agreements: clarify that (i) in gaining control over a business that is a joint venture, the interests held previously by the investor are remeasured at fair value; and (ii) when an investor in a joint venture, which does not exercise joint control, obtains joint control in a joint operation that is a business, the interest held previously is not remeasured.
Conceptual framework - Changes in reference to other IFRS	01-Jan-20	Amendment to some IFRSs regarding cross-references and clarifications about the application of the new definitions of assets and liabilities and of expenses and income.

Although the effects of adopting these standards are not yet determined or quantified, no significant effects are expected in the Company's consolidated financial statements.

The main accounting policies adopted are presented below.

2.2. CONSOLIDATION PRINCIPLES

Controlled companies

Investments in controlled companies, defined as companies in which the Group is exposed to or has variable rates of return on its involvement in the operations of the subsidiary and has the ability to use its voting rights to affect its return, were included in the consolidated financial statements by the full consolidation method.

The results of subsidiaries acquired or sold during the period are included in the consolidated statement of profit and loss as from the date of their acquisition, or up to the date of loss of control.

Relevant transactions and balances between related parties are eliminated in the consolidation process. Capital gains from the sale of subsidiaries, carried out within the Group are also eliminated.

Whenever necessary, adjustments are made to the financial statements of subsidiaries for them to conform to the Group's accounting policies.

In situations where the Group has control over other entities that were created for a specific purpose, even if the Group holds no share capital directly in those entities, these entities are consolidated by the full consolidation method.

2.3. INTANGIBLE ASSETS

Intangible assets are recorded at acquisition cost less accumulated amortization and impairment losses. Intangible assets are only recognized if it is probable that they will generate future economic benefits for the Group, they are controllable and their value can be determined reliably.

Internally generated intangible assets, namely current research and development costs, are recognized as costs when incurred.

Amortization of such assets is provided on a straight-line basis as from the date the assets are available for use, in accordance with the period the Group expects to use them.
Internal costs relating to the maintenance and development of software are recorded as costs in the consolidated statement of profit and loss and other comprehensive income 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.

Intangible assets, which are expected to generate future economic benefits for an unlimited period, are designated as intangible assets of undefined useful life. Such assets are not amortized but are subject to annual impairment tests

2.4. TANGIBLE FIXED ASSETS

Tangible fixed assets used in services rendering or for administrative purpose are stated at cost of acquisition or production, including expenses incurred with their purchase, less accumulated depreciation and impairment losses, when applicable.

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	5 to 10
Basic equipment	1 to 10
Transport equipment	4 to 6
Administrative equipment	1 to 10
Tools and utensils	1 to 4

The useful life and the depreciation method for tangible fixed assets are revised on an annual basis. The effect of some estimation change is prospectively recognized under the consolidated statement of profit and loss and other comprehensive income.
Maintenance and repair expenses (subsequent expenses) which will not produce additional future economic benefits are recognized as expenses of the year.

2.5. LEASES

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 and not on 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, the fixed assets, corresponding accumulated depreciation and liabilities being recognized in accordance with the contracted financial plan. In addition, the interest included in the lease installments and the depreciation of tangible fixed assets are recognized as costs in the consolidated statement of profit and loss and other comprehensive income for the year to which they relate.

In the case of operating leases, the lease installments are recognized as costs on a straight-line basis in the consolidated statement of profit and loss and other comprehensive income over the period of the lease contract.

2.6. IMPAIRMENT OF NON-CURRENT ASSETS

Impairment assessments are made as of the date of the consolidated 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, in order to determine the possible extent of the impairment loss.

Whenever the book value of an asset exceeds its recoverable amount, an impairment loss is recognized in the consolidated statement of profit and loss and other comprehensive income, under caption "Amortizations, 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. The recoverable amount is estimated for each asset individually or, where this is not possible, for the smaller unit generating cash flows to which the asset belongs.

Impairment losses recognized 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 and other comprehensive income as "Reversal of amortization, adjustments and provisions". However, impairment losses are reversed up to the amount that would have been recognized (net of amortization or depreciation) if the impairment loss had not been recorded in prior years.

2.7. FOREIGN CURRENCY ASSETS, LIABILITIES AND TRANSACTIONS

Transactions in foreign currency are recorded using the exchange rates in force at the moment of the transaction. On each date of the consolidated statement of financial position, assets and liabilities expressed in foreign currency are translated to Euros at the exchange rates in force as of the year-end.

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 were recognized as income or expense in the consolidated statement of profit and loss and other comprehensive income.

2.8. INVENTORIES

Merchandise and raw, subsidiary and consumptions materials are stated at acquisition cost, which is lower than their corresponding market value. The cost of sales is determinate using the average purchase price.

Impairments for inventory losses are recorded if the difference between cost and the realizable value of inventories is negative.

2.9. FINANCING COSTS

Financing costs are recognized in the consolidated income statement and other comprehensive income for the year to which they relate.

Costs incurred with loans obtained directly to finance the acquisition, construction or production of tangible and intangible fixed assets are capitalized as part of the cost of the assets when a significant period of time is required to prepare them for use. Such costs are capitalized 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 at the end of the production/construction process 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 capitalization.

2.10. OPERATION RESULTS

The operation results include the total operating income and expenses, whether they are current or non-current, including the restructuring expenses and the expenses and income generated by the operating assets (intangible and tangible fixed assets). Therefore, are excluded from operation results the net financial expenses and the income taxes.

2.11. PROVISIONS

Provisions are recognized when, and only when, the Group has an obligation (legal or implicit) resulting from a past event, under which it is probable that it will have an outflow of resources to resolve the obligation, and the amount of the obligation can be reasonably estimated. At each consolidated statement of financial position date, provisions are reviewed and adjusted to reflect the best estimate as of that date.

Provisions consist on the present value of the best possible estimate on the report date, of the necessary resources to settle the obligation. Such estimate is determined attending to the risks and uncertainties of the obligation.

Provisions for re-organization costs are recognized whenever there is a formal detailed re-organization plan, which has been communicated to the parties involved.

Present obligations arising under onerous contracts are recognized and measured as provisions. An onerous contract is considered to exist when the Group has a contract under which the unavoidable costs of meeting the obligations under the contract are expected to exceed the economic benefits to be received from it.

2.12. FINANCIAL INSTRUMENTS

Financial assets and liabilities are recognized when the Group becomes a party to the contractual relationship.

Cash and cash equivalents

The caption "Cash and cash equivalents" includes cash, bank deposits and other treasury applications that can be demanded immediately with insignificant risk of change in value.

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 assets after deduction of the liabilities.

Equity instruments issued by the Group are recorded at the amount received net of costs incurred for their issuance.

Financial assets and liabilities at amortized cost

Financial assets and liabilities at amortized cost deduced of accumulated impairment losses include:

- **Trade receivables;**
- **Financing;**
- **Trade payables.**

Financial assets at amortized cost are held with the purpose of receiving capital and / or interest.

The amortized cost corresponds to the amount for which a financial asset or liability is measured at the initial recognition, minus principal repayments, deducting or adding the cumulative amortization, using the effective interest rate method, of any difference between the initial amount and the amount on the settlement date. The effective interest rate is the rate which exactly discounts estimated payments and collections in the net carrying amount of the financial asset or liability.

Financial assets impairment

The Group assesses in a forward-looking manner the estimated credit losses on financial assets, which are debt instruments, classified at amortized cost.

Regarding to trade receivable balances, the Group applies the simplified approach allowed by IFRS 9, according to which estimated credit losses are recognized from the initial recognition of the balances receivable and for the whole period to maturity, considering a historical provision rate matrix on the maturity of trade receivables.

For financial assets at amortized cost, the amount of the impairment loss is measured as the difference between the asset's book value and the best estimate of the fair value of the financial asset.

The impairment losses are recorded in the profit and loss on "Amortizations, depreciations and adjustments" in the year they are identified.

Subsequently, if the amount of the impairment loss decreases and the decrease can be objectively related to an event occurring after the impairment was recognized, the previously recognized impairment loss is reversed through income statement and other comprehensive income, up to the amount that would have been recognized (amortized cost) if the loss had not been initially recorded. The reversal of impairment losses is recorded in the income statement and other comprehensive income.

Financial assets and liabilities derecognition

The Group derecognizes the financial assets only when the contractual rights to receive cash flows expire, or when the assets are transferred to another company with all significant risks and benefits associated with its ownership. Financial assets that were transferred, although the Group retained some significant risks and benefits, are derecognized if the control has changed to the other company.

The Group derecognizes the financial liabilities only when the associated obligation is settled, canceled or expires.

2.13. SHARE CAPITAL

The ordinary shares are classified in equity, as share capital.

Expenses directly attributable to the issuance of new shares or other equity instruments are presented as a deduction, net of taxes, for the amount received resulting from this issue. The expenses directly attributable to the issuance of new shares or options for the acquisition of a business are deducted from the issuance value.

2.14. DISTRIBUTION OF DIVIDENDS

The distribution of dividends to shareholders is recognized as a liability in Company's financial statements in the financial year in which the dividends are approved by the shareholders and until their financial settlement or, in the case of early dividends, when approved by the Board of directors.

2.15. CONTINGENT ASSETS AND LIABILITIES

Contingent assets are not recognized in the consolidated financial statements, but are disclosed in the notes to the consolidated financial statements when a future economic benefit is probable.
Contingent liabilities are not recognized in the consolidated financial statements but are disclosed in the notes to the consolidated 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.

2.16. RETIREMENT BENEFITS RESPONSIBILITIES

The Company has assumed a commitment to provide its employees with retirement pension supplements under a defined benefits plan, having constituted an autonomous pension fund for that purpose.

In order to estimate the amount of its liability for the payment of such supplements, periodic actuarial calculations are obtained, computed in accordance with the Projected Unit Credit Method. Actuarial gains and losses, resulting from (i) the difference between the assumptions used to determine the liabilities with the plan and the actuarial variables' actual evolution, (ii) the changes made to the assumptions and (iii) the difference between the expected profitability of the fund's assets and its real profitability are reflected in shareholders' equity and the costs of benefits granted are reflected are recorded in the statement of income and other comprehensive income for the year in which they occur.

Pension liabilities recognized 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 actuarial gains and losses and/or past service liabilities not recognized, less the fair value of the net assets of the pension funds.

Contributions made by the Company under defined benefits pension plans are recognized as costs on the dates they are due.

2.17. REVENUE

The revenue corresponds to the fair value of the nominal received or receivable from transactions with customers in the normal course of business and is recorded net of any taxes and commercial or financial discounts granted. In determining the amount of revenue, the Group assesses the performance obligations and evaluates the price amount of each one, as well as the existence of variable prices that may give rise to adjustments in the future, for which it makes its best estimate.

Revenue from services rendered is recognized in consolidated statement of profit and loss and other comprehensive income when the control over the product or services is transferred to the customer.

2.18. ACCRUALS

Interest and financial income are recognized on an accruals basis in accordance with the effective interest rate.

Costs and income are recognized in the year to which they relate independently of when they are paid or received. Costs and income in which the actual amount is not known are estimated.

Costs 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 liabilities and Other current liabilities.

2.19. INCOME TAX

Income tax for the year is calculated based on the taxable results and takes into consideration deferred taxation.

Current income tax is calculated based on the taxable results. The taxable results may differ from accounting results, because some expenses and income may only be taxable in future years, as well as expenses and income that will never be deductible or taxable in future years, according with the fiscal law in force.

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 results.

Deferred tax assets and liabilities are calculated and assessed periodically using the tax rates expected to be in force when the timing differences reverse.

Deferred tax liabilities are recognized for all taxable temporary differences.

Deferred tax assets are only recognized when there is reasonable expectation that there will be sufficient future taxable income to utilize them. The timing differences underlying deferred tax assets are reappraised annually in order to recognize or adjust the deferred tax assets based on the current expectation of their future recovery.

2.20. SUBSIDIES

State subsidies are recognized 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 recognized in the consolidated statement of profit and loss and other comprehensive income for the year in accordance with the costs incurred.

Investment subsidies relating to the acquisition of tangible fixed assets and intangible assets are deducted from the value of such fixed assets and recognized in the consolidated statement of profit and loss and other comprehensive income for the year on a consistent straight-line basis in proportion to the depreciation and amortization of the subsidized assets.

2.21. CRITICAL JUDGEMENTS/ ESTIMATES IN APPLYING THE ACCOUNTING STANDARDS

The preparation of consolidated financial statements in accordance with the IFRS recognition and measurement criteria 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, tangible and intangible assets, impairment losses and provisions, disclosure of contingent assets and liabilities as of the date of the consolidated financial statements, as well as of their income and costs.

The estimates are based on the best knowledge available at the time and on the actions planned, and 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, namely, assumptions used to value pension's responsibilities, deferred taxes, and the useful life of tangible and intangible assets, provisions and impairment analysis.

2.22. 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, if material, are disclosed in the notes to the consolidated financial statements.

3. COMPANIES INCLUDED IN THE CONSOLIDATION

The companies included in the consolidation, their head offices and the proportion of capital effectively held in them as of December 31, 2018 are as follows:

COMPANY	HEAD OFFICE	PORPOTION OF CAPITAL	ACTIVITY
A-to-Be - Mobility Technology, S.A. ("A-to-Be")	Cascais	Head Company	Render services related to new technologies
A-to-Be USA, LLC ("A-to-Be USA")	Illinois EUA	100%	Render services related to new technologies

4. OPERATING INCOME

Operating income for the years ended December 31, 2018 and 2017 was as follows:

	2018	2017
Sales (a)	**15 839 337**	**2 653 118**
Services rendered:		
Technical assistance	7 968 435	9 350 358
Others	2 243 238	1 758 400
	10 211 673	**11 108 758**
Other operating income:		
Rental equipment for parking facilities	469 397	470 616
Disposal of tangible and intangible assets	-	29 226
Others	55 966	27 025
	525 363	**526 867**
Reversal of amortizations, adjustments and provisions:		
Provisions (Note 22)	1 500	1 500
	26 577 873	**14 290 243**

(a) The increase in sales when compared to last year is explained by the increase in the Group's activity in the United States through A-to-Be USA, which has been winning contracts in several US states, of stands out the sale of an "Automatic Toll Payment" solution to the Illinois State Toll Highway Authority ("ISTHA"), which represents a significant portion of the amount recorded in this account in the year ended December 31, 2018.

As of December 31, 2018 and 2017, operating income includes transactions with related parties amounting to 9 641 415 Euros and 7 715 418 Euros, respectively (Note 28).

5. SUPPLIES AND SERVICES

Operating income for the years ended December 31, 2018 and 2017 was as follows:

	2018	2017
Specialized services	4 202 822	3 453 298
Consumed goods in maintenance services	1 668 274	1 842 338
Journeys and stays	831 416	373 144
Logistical and administrative support	674 505	609 678
Conservation and Repair	574 334	345 957
Rents and leases:		
Properties	486 381	345 816
Vehicles and equipment	184 400	152 577
Marketing	165 636	309 152
Fuel	81 885	70 897
Others	745 246	482 519
	9 614 899	**7 985 376**

Supplies and services in the year-ended at December 31, 2018 and 2017 includes transactions with related parties amounting to 1 337 928 Euros and 1 390 502 Euros, respectively (Note 28).

6. OPERATING LEASES

In the year ended December 31, 2018 and 2017, the Company recognized expenses relating to lease installments under operating lease agreements concerning the building where the Company operates and vehicles renting in the amounts of 670 781 Euros and 498 393 Euros, respectively.

Lease instalments not yet due as of December 31, 2018 and 2017, under the Company's operating lease contracts, were payable as follows:

YEAR	2018	2017
2018	-	613 154
2019	603 187	574 475
2020	551 947	526 059
2021	514 272	485 762
2022	479 268	463 158
2023	77 193	77 193
	2 225 867	**2 739 801**

7. PAYROLL COSTS

Payroll costs for the year ended December 31, 2018 and 2017 were as follows:

	2018	2017
Salaries	3 186 160	2 487 735
Social charges	678 735	539 025
Bonus	473 895	372 846
Retirement benefits		
Defined benefits (Note 27)	118 388	98 980
Defined contribution (Note 27)	9 092	9 092
Compensations	61 047	15 000
Others	316 654	172 580
	4 843 971	**3 695 258**

In the years ended December 31, 2018 and 2017, the Group's average number of employees were 79 and 52, respectively.

8. NET FINANCIAL INCOME

Net financial income for the years ended December 31, 2018 and 2017 was as follows:

	2018	2017
Expenses and losses		
Incurred Interest	(53 674)	(208)
Exchange rate losses	(291)	(5 505)
Others	(27 822)	(6 410)
	(81 787)	**(12 123)**
Income and gains		
Obtained Interest:		
Related parties (Note 28)	-	8 642
Others	-	1 542
Exchange rate income	6 615	2 523
Others	380	1 726
	6 995	**14 433**
Net financial income/ (loss)	**(74 792)**	**2 310**

9. INCOME TAX

The Company is subject to corporate income tax ("IRC") 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 can fluctuate between 21% and 31.5%, depending on the taxable profit ("TP") determined, which could be taxable by the following rate:

STATE SURCHARGE

3% over TP if **1,5M€** < TP <= **7,5M€**;
5% over TP if **7,5M€** < TP <= **35M€**; and
9% over TP if > **35M€** (a)

The Company is subject to Corporation Income Tax under the special regime for the taxation of groups of companies ("SRTGC"), integrated in the group dominated by Brisa – Auto-Estradas de Portugal, S.A. ("Brisa"). This regime consists of the sum of the taxable results of all the companies included in the tax perimeter, less dividends distributed, to which the applicable Corporation Income Tax rate and municipal surcharge are 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 there are tax losses, 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 2015 to 2018 are subject to review.

The Board of Directors believes that any possible corrections resulting from revisions/inspections of those tax returns will not have a significant effect on the consolidated financial statements as of December 31, 2018.

Under article 88 of the Corporate Income Tax Code, the Company is additionally subject to autonomous taxation on a set of expenses at the rates established in the referred article.

The Company submitted applications within the framework of the program for the *Sistema de Incentivos Fiscais à Investigação de Desenvolvimento Empresarial* ("SIFIDE"), as for in Decree-Law no. 40/2005, of August 3 (Law 40/2005), updated by Law no. 10/2009, of March 10 and by Law no. 3-B / 2010, of April 28, to obtain fiscal benefits on expenses related to R&D with reference to between December 31, 2010 and December 31, 2017. In accordance with Law no. 40/2005, if collection collected in the fiscal year does not allow full deduction in the same fiscal year, the tax benefit of SIFIDE may be deducted from the next six years.

During the year of 2018, the Company received the approval of the tax credit for the fiscal year 2017, amounting to Euros 320 062. Additionally, the Company intends to submit an application regarding investment in R&D carried out during the year ended December 31, 2018.

Income tax recognized in the years ended December 31, 2018 and 2017 was as follows:

	2018	2017
Current tax	(140 787)	184 966
Deferred taxes (Note 14)	13 276	(400 875)
Prior year's tax (a)	(419 414)	(759 680)
	(546 925)	**(975 589)**

(a) On December 31, 2018, this item included the consumption, in the amount of 393 744 Euros, of the remaining tax credit resulting from the aforementioned SIFIDE of 2016 presented in the official tax declaration of the fiscal year 2017 ("Modelo 22"). On December 31, 2017, this item included the partial consumption, in the amount of 200 833 Euros, of the remaining tax credit resulting from the aforementioned SIFIDE of 2014 and the consumption of the SIFIDE tax credit of 2015 in the amount of 506 619 Euros, both totally consumed in the official tax declaration of the fiscal year 2016 ("Modelo 22").

The reconciliation between net profit and income tax for the year was as follows:

	2018	2017
Profit before tax	**(1 563 359)**	**(532 702)**
Expected tax (rate of 21%)	(328 305)	(111 867)
Provisions	9 567	5 618
Pension fund	24 861	20 786
Others	19 978	66
Different tax rate's effect	6 528	(3 453)
Tax losses	-	201 360
Surcharge	-	8 021
Autonomous taxation	126 584	64 435
Prior year's tax	(419 414)	(759 680)
Effect of (recording)/reversing deferred taxes (Note 14)	13 276	(400 875)
Income tax	**(546 925)**	**(975 589)**

As of December 31, 2018 and 2017, current income tax assets were as follow:

	2018	2017
Assets for current tax:		
Corporate income tax:		
Income tax retentions	**-**	**385**

10. EARNINGS PER SHARE

Basic and diluted earnings per share for the years ended December 31, 2018 and 2017 were determined based on the following amounts:

	2018	2017
Result for the purpose of determinating the basic and diluted earnings per share (net profit for the year)	(1 016 434)	442 887
Average number of shares for the purpose of determining the basic and diluted earning per share	695 070	695 070
Basic and diluted earnings per share	**(1.46)**	**0.64**

As of December 31, 2018 and 2017 no diluting effects occurred, hence basic and diluted earnings per share are identical.

11. DIVIDENDS AND APPLICATION OF RESULTS

On the Shareholders' General Meetings held on April 16, 2018 and May 15, 2017 it was decided to transfer to retained earnings the results of the years ended on December 31, 2017 and 2016, respectively.

12. TANGIBLE FIXED ASSETS

The changes in tangible fixed assets and corresponding accumulated depreciation and impairment losses in the years ended December 31, 2018 and 2017 were as follows:

2018	BUILDINGS AND OTHER CONSTRUCTIONS	BASIC EQUIPMENT	TRANSPORT EQUIPMENT	ADMINISTRATIVE EQUIPMENT	TOOLS AND UTENSILS	FIXED ASSETS IN PROGRESS	TOTAL
Gross assets:							
Opening balance	106 689	3 052 076	52 322	1 353 479	62 806	99 723	4 727 095
Effect of exchange rate	–	–	–	114	–	–	114
Additions	–	343 608	–	117 104	–	22 302	483 014
Disposals	–	–	(35 139)	(2 011)	–	–	(37 150)
Write-off	–	–	–	(9 350)	–	(94 120)	(103 470)
Transferences	–	5 603	–	–	–	(5 603)	–
Closing balance	**106 689**	**3 401 287**	**17 183**	**1 459 336**	**62 806**	**22 302**	**5 069 603**
Accumulated amortization and impairment:							
Opening balance	87 190	2 710 835	50 733	1 300 059	62 806	–	4 211 623
Effect of exchange rate	–	–	–	64	–	–	64
Increases	7 110	133 826	1 587	54 740	–	–	197 263
Disposals	–	–	(35 137)	(2 011)	–	–	(37 148)
Write-off	–	–	–	(9 350)	–	–	(9 350)
Closing balance	**94 300**	**2 844 661**	**17 183**	**1 343 502**	**62 806**	–	**4 362 452**
Net amount	**12 389**	**556 626**	**–**	**115 834**	**–**	**22 302**	**707 151**

12. TANGIBLE FIXED ASSETS

The changes in tangible fixed assets and corresponding accumulated depreciation and impairment losses in the years ended December 31, 2018 and 2017 were as follows:

2017	BUILDINGS AND OTHER CONSTRUCTIONS	BASIC EQUIPMENT	TRANSPORT EQUIPMENT	ADMINISTRATIVE EQUIPMENT	TOOLS AND UTENSILS	FIXED ASSETS IN PROGRESS	TOTAL
Gross assets:							
Opening balance	106 689	2 870 541	100 286	1 305 084	62 806	–	4 445 406
Additions	–	185 126	–	65 030	–	99 723	349 879
Write-off	–	(3 591)	(47 964)	(16 635)	–	–	(68 190)
Closing balance	**106 689**	**3 052 076**	**52 322**	**1 353 479**	**62 806**	**99 723**	**4 727 095**
Accumulated amortization and impairment:							
Opening balance	80 082	2 615 459	94 383	1 279 387	62 684	–	4 131 995
Increases	7 108	98 967	4 183	37 307	122	–	147 687
Write-off	–	(3 591)	(47 833)	(16 635)	–	–	(68 059)
Closing balance	**87 190**	**2 710 835**	**50 733**	**1 300 059**	**62 806**	**–**	**4 211 623**
Net amount	**19 499**	**341 241**	**1 589**	**53 420**	**–**	**99 723**	**515 472**

13. INTANGIBLE ASSETS

The changes in intangible assets and corresponding accumulated amortization and impairment losses in the years ended December 31, 2018 and 2017 were as follows:

2018	INDUSTRIAL RIGHTS	SOFTWARE	INTANGIBLE ASSETS IN PROGRESS (a)	TOTAL
Gross assets:				
Opening balance	2 106 972	7 191 116	2 588 183	11 886 271
Additions	3 000	2 780 665	1 494 509	4 278 174
Transferences	-	2 295 728	(2 295 728)	-
Closing balance	**2 109 972**	**12 267 509**	**1 786 964**	**16 164 445**
Accumulated amortization and impairment:				
Opening balance	1 958 197	5 684 705	-	7 642 902
Increases	133 995	1 551 877	-	1 685 872
Closing balance	**2 092 192**	**7 236 582**	**-**	**9 328 774**
Net amount	**17 780**	**5 030 927**	**1 786 964**	**6 835 671**

2017	INDUSTRIAL RIGHTS	SOFTWARE	INTANGIBLE ASSETS IN PROGRESS (a)	TOTAL
Gross assets:				
Opening balance	2 096 807	6 358 775	329 763	8 785 345
Additions	10 165	644 984	2 445 777	3 100 926
Transferences	-	187 357	(187 357)	-
Closing balance	**2 106 972**	**7 191 116**	**2 588 183**	**11 886 271**
Accumulated amortization and impairment:				
Opening balance	1 714 524	5 063 133	-	6 777 657
Increases	243 673	621 572	-	865 245
Closing balance	**1 958 197**	**5 684 705**	**-**	**7 642 902**
Net amount	**148 775**	**1 506 411**	**2 588 183**	**4 243 369**

(a) Intangible assets in progress relates, essentially, to software that the Company is developing for future use in providing services.

14. DEFERRED TAX

Deferred tax assets as of December 31, 2018 and 2017, by underlying temporary differences, were as follows:

	2018	2017
Non deductible provisions	135 970	116 387
Tax incentives - "SIFIDE"	320 063	393 745
Retirement benefits	142 591	160 739
Reportable tax losses	208 349	224 913
	806 973	**895 784**

The changes in deferred tax assets for the years ended on December 31, 2018 and 2017 were as follows:

	2018	2017
Opening balance	**895 784**	**520 776**
Effect on results:		
Effect of rate change:		
Non deductible provisions	9 065	(8 313)
Retirement benefits	15 959	(14 184)
	25 024	**(22 497)**
Movement of the period:		
Movement on non deductible provisions	10 518	6 829
Tax incentives - "SIFIDE"	(73 682)	192 912
Retirement benefits	24 864	22 271
Reportable tax losses	-	201 360
	(38 300)	**423 372**
Sub-total (Note 9)	**(13 276)**	**400 875**
Effect on equity:		
Effect of rate change:		
Retirement benefits	(52 517)	2 702
Movement of the period:		
Retirement benefits	(6 454)	(12 026)
Sub-total	**(58 971)**	**(9 324)**
Different tax rate's effect	**(16 564)**	**(16 543)**
Closing balance	**806 973**	**895 784**

15. INVENTORIES

As of December 31, 2018 and 2017, inventories were as follows:

	2018	2017
Merchandise	1 252 526	1 271 400
Raw, subsidiary and consumable materials	1 176	1 321
	1 253 702	**1 272 721**

Cost of sales for the years ended December 31, 2018 and 2017 were as follows:

2018	MERCHANDISE	RAW, SUBSIDIARY AND CONSUMABLE MATERIALS	TOTAL
Opening balance	1 271 400	1 321	1 272 721
Purchases	12 268 365	257	12 268 622
Inventory regulations (a)	(866 775)	(402)	(867 177)
Closing balance	(1 252 526)	(1 176)	(1 253 702)
Cost of sales	**11 420 464**	**-**	**11 420 464**

2017	MERCHANDISE	RAW, SUBSIDIARY AND CONSUMABLE MATERIALS	TOTAL
Opening balance	862 148	1 856	864 004
Purchases	3 234 530	1 244	3 235 774
Inventory regulations (a)	(733 289)	(1 779)	(735 068)
Closing balance	(1 271 400)	(1 321)	(1 272 721)
Cost of sales	**2 091 989**	**-**	**2 091 989**

(a) The caption “regularization” represents, essentially, consumption movements related to services rendered by the Group and recorded under caption “Supplies and Services”.

16. TRADE AND OTHER RECEIVABLES

As of December 31, 2018 and 2017, this caption was as follows:

	2018	2017
Trade receivables:		
Group and related companies (Note 28)	3 481 414	3 684 215
Others	3 934 199	1 972 590
Doubtful trade receivables	327 402	180 197
	7 743 015	**5 837 002**
Other receivables:		
SRTGC (a) (Note 28)	606 832	125 977
Advances to suppliers	25 203	36 162
Personnel	15 161	66 911
Related companies (Note 28)	12 570	16 703
Others	433 637	826 560
	1 093 403	**1 072 313**
	8 836 418	**6 909 315**
Accumulated impairment losses (Note 21)	**(327 402)**	**(180 197)**
	8 509 016	**6 729 118**

(a) This amount relates mainly to the year income tax under the SRTGC (Note 9).

Trade and other receivables arise from operating activities and are net of accumulated impairment losses. These are estimated based on available information and past experience.

Given the nature of the Group's operations, there is not a significant concentration of credit risk.

17. OTHER CURRENT ASSETS

As of December 31, 2018 and 2017, this caption was as follows:

	2018	2017
Accrued income:		
Group and related companies (Note 28)	401 765	115 203
Others	1 976 977	1 057 277
	2 378 742	**1 172 480**
Deferred expenses:		
Insurances	39 521	30 830
Rents	3 250	3 950
Others	83 249	44 320
	126 020	**79 100**
	2 504 762	**1 251 580**

18. CASH AND CASH EQUIVALENTS

Cash and cash equivalents as of December 31, 2018 and 2017 were as follows:

	2018	2017
Cash	659	659
Bank deposits	829 113	1 173 533
	829 772	**1 174 192**

19. SHARE CAPITAL

The Company's fully subscribed and paid up capital as of December 31, 2018 and consisted of 695 070 shares with a nominal value of five Euros each.

At the General Shareholders Meeting held on March 2, 2015, the Shareholders decided to increase the share capital of the Company from 2 926 600 Euros to 3 475 350 Euros, through the subscription of 109 750 new shares with a nominal value of five Euros per share and an issuance premium of 2 451 250 Euros, represented by the entry of Pathena (SCA) SICAR ("Pathena") in the share capital of the Company.

As of December 31, 2018 and 2017, the Company has the following Shareholders:

2018	NUMBER OF SHARES	VALUE	% CAPITAL
Brisa	564 468	2 822 340	81.21%
Pathena	109 750	548 750	15.79%
Jorge Manuel da Conceição Sales Gomes	13 901	69 505	2.00%
Francisco de Sanches Osório Montanha Rebelo	6 951	34 755	1.00%
	695 070	**3 475 350**	**100.00%**

2017	NUMBER OF SHARES	VALUE	% CAPITAL
Brisa	550 567	2 752 835	79.21%
Pathena	109 750	548 750	15.79%
Jorge Manuel da Conceição Sales Gomes	13 901	69 505	2.00%
Pedro José Rocha Alambre Amado Bento	13 901	69 505	2.00%
Francisco de Sanches Osório Montanha Rebelo	6 951	34 755	1.00%
	695 070	**3 475 350**	**100.00%**

20. CASH AND CASH EQUIVALENTS

Legal reserve

The Portuguese law establishes that, at least 5% of the net income of the year must be used to increase the legal reserve until this one achieves 20% of the share capital. This reserve is not distributable, except in case of Company liquidation, but can be used to cover accumulated losses after the use of all other reserves, or can be incorporated in share capital.

As of December 31, 2018 and 2017, the legal reserve amounted to 695 070 Euros.

Other reserves

In December 31, 2018 and 2017 this item amounted to 1 071 860 Euros and 880 747 Euros respectively.

21. ACCUMULATED IMPAIRMENT LOSSES

The changes in the accumulated impairment losses during the years ended December 31, 2018 and 2017 were as follows:

2018	OPENING BALANCE	EFFECT OF EXCHANGE RATE	INCREASE	CLOSING BALANCE
Impairment losses:				
Account receivables (Note 16)	180 197	4 481	142 724	327 402

2017	OPENING BALANCE	CLOSING BALANCE
Impairment losses:		
Account receivables (Note 16)	180 197	180 197

22. PROVISIONS

The changes in the provisions in the years ended December 31, 2018 and 2017 were as follows:

2018	OPENING BALANCE	INCREASE	REVERSAL (Note 4)	CLOSING BALANCE
Provisions:				
Litigations in progress	7 500	-	(1 500)	6 000
Other risks	614 620	45 559	-	660 179
	622 120	**45 559**	**(1 500)**	**666 179**

2017	OPENING BALANCE	INCREASE	REVERSAL (Note 4)	CLOSING BALANCE
Provisions:				
Litigations in progress	9 000	-	(1 500)	7 500
Other risks	587 869	26 751	-	614 620
	596 869	**26 751**	**(1 500)**	**622 120**

Provisions for litigations in progress have the objective to cover the estimated responsibilities by the Board of Directors, based on the opinion of the attorneys, as a result of cases brought against the Company. The total amount of the claimed compensations, as of December 31, 2018 and 2017, amounted to 81 226 Euros and 93 630 Euros, respectively and the provision corresponded to the best estimation to which responsibilities could be.

The provision for other risks intends to cover possible losses and responsibilities arising from the normal activity of the Company.

23. TRADE PAYABLES LOSSES

As of December 31, 2018 and 2017, this caption was as follows:

	2018	2017
Trade payables:		
Related entities (Note 28)	360 693	328 978
Others	4 411 968	3 568 110
	4 772 661	**3 897 088**
Other payables:		
Personnel	60 113	98 411
Others	32 798	125 470
	92 911	**223 881**
	4 865 572	**4 120 969**

24. FINANCING

In January 2018, the Company contracted with a banking entity a program for commercial paper issuance with underwriting guarantee, for a maximum total amount of 5 000 000 Euros.

As of December 31, 2018, were placed 4 600 000 Euros and accrued interest and commissions amounting to 1 794 Euros.

25. OTHER CURRENT LIABILITIES

As of December 31, 2018 and 2017, this caption was as follows:

	2018	2017
Government and other public entities:		
Personal income tax:		
Income tax retentions	66 505	71 707
Value Added Tax	–	321 854
Contributions to Social Security	79 753	76 404
	146 258	**469 965**
Accrued expenses:		
Salaries to be paid (a)	1 164 166	999 569
Current expenses to be paid	1 765 826	811 036
Related parties (Note 28)	–	105 370
	2 929 992	**1 915 975**
Deferred income:		
Operating subsidies	41 311	–
	3 117 561	**2 385 940**

(a) This caption includes the vacation's accrual, vacation's subsidy, the performance bonus and corresponding social charges to be paid next year.

26. CONTINGENT ASSETS AND LIABILITIES

As of December 31, 2018 and 2017, the Company had the following responsibilities for bank guarantees given to third parties:

	2018	2017
Atlantic Specialty Insurance Company (a)	692 310	100 822
EMEL - Empresa Pública Municipal de Mobilidade e Estacionamento de Lisboa	19 360	19 360
APA - Agência Portuguesa Ambiente	10 500	-
EP - Estradas de Portugal, S.A.	9 778	9 778
TIP - Transportes Intermodais do Porto	9 000	9 000
	740 948	**138 960**

(a) Corresponded to guarantees contracted in foreign currency as of December 31, 2018 and 2017, in amounts of USD 792 696 and USD 115 441, respectively.

27. RETIREMENT BENEFITS RESPONSABILITIES

Defined benefit plan

The Company has a supplementary retirement, incapacity and survivor pension plan, under which their employees reaching retirement age at the service of the Company, 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, attributed by the Social Security that can also not exceed such gross remuneration.

In the case of death of the beneficiary, the plan also gives, under 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 December 31, 2018.

The actuarial study as of December 31, 2018 was prepared by using the Projected Unit Credit Method and the following assumptions and technical bases:

	2018	2017	2016	2015
Technical interest rate	2.25%	2.25%	2.25%	3.25%
Fund's annual income rate	2.25%	2.25%	2.25%	3.25%
Annual salary growth rate	1.85%	1.85%	1.85%	2.25%
Annual pension growth rate	0%	0%	0%	0%

The annual rate of salary growth was adjusted according to the wage policy adopted by the Group.

A reduction of 25 bps in the technical interest rate and annual rate of return of the Fund used for the actuarial calculation, would correspond to an increase in the current value of the responsibilities of, approximately, 75 520 Euros as of December 31, 2018.

In addition, the demographic assumptions considered as of December 31, 2018 and previous years were as follows:

	2018	2017	2016	2015
Mortality tables	TV 88/90	TV 88/90	TV 88/90	TV 88/90
Disability tables	EKV80	EKV80	EKV80	EKV80

In accordance with the actuarial studies, the cost of the retirement pension supplements for the year ended December 31, 2018 and prior years was as follows:

	2018	2017	2016	2015
Current service cost (Note 7)	98 940	80 961	57 638	58 002
Financing costs (Note 7)	45 666	43 602	52 930	52 890
Actuarial gains and losses	(250 084)	(53 448)	215 833	149 260
Fund income (Note 7)	(26 218)	(25 583)	(37 063)	(42 462)
	(131 696)	**45 532**	**289 338**	**217 690**

The actuarial gains and losses are recorded as income and expenses directly in equity.

As explained earlier, liabilities for the social benefits referred to above were transferred to an autonomous pension fund to which the Company contributes on a regular basis to cover such liabilities.

As of December 31, 2018 and in previous years, the difference between the present value of the liabilities and the market value of the fund's assets was follows:

	2018	2017	2016	2015
Present value of projected liabilities	1 749 591	1 940 686	1 866 875	1 578 366
Fund's market value	(1 115 862)	(1 175 261)	(1 146 982)	(1 147 811)
	633 729	**765 425**	**719 893**	**430 555**

The difference between the market value of the fund's assets and the current value of the liabilities is recorded as a non-current asset or non-current liability.

The fund's assets and the yield on December 31, 2018 and 2017 can be detailed as follows:

	RATE OF RETURN		ASSETS FAIR VALUE	
	2018	2017	2018	2017
Shares and other equity instruments				
Europe shares	-13.3%	14.7%	257 228	308 450
International shares ex. Europe	N/A	N/A	17 093	17 580
Bonds and other liability instruments	0.0%	0.3%	629 849	693 256
Real Estate Funds and Hedge Funds	0.1%	1.3%	115 952	119 173
Liquidity	2.0%	1.3%	95 740	36 802
			1 115 862	**1 175 261**

Defined contribution plan

The managers and directors have the benefit of a defined contribution retirement pension complement, the Company having assumed the commitment to pay an insurance company 10% of the respective basic annual remuneration. In the years ended in December 31, 2018 and 2017, contributions recorded under personnel costs amounted to 9 092 Euros (Note 7).

28. RELATED PARTIES

Balances with Group companies and other related parties as of December 31, 2018 and 2017 were as follows:

	TRADE RECEIVABLES (Note 16)		OTHER RECEIVABLES (Note 16)		SRTGC (Note 16)		OTHER CURRENT ASSETS (Note 17)		TRADE PAYABLES (Note 23)		OTHER CURRENT LIABILITIES (Note 25)
	2018	2017	2018	2017	2018	2017	2018	2017	2018	2017	2017
Shareholders:											
Brisa	2 100	2 069	–	–	606 832	125 977	–	–	147 182	124 984	50 000
Related parties:											
Brisa Concessão Rodoviária, S.A. ("BCR")	1 522 531	932 935	–	–	–	–	364 475	–	–	–	–
Brisa – Gestão de Infraestruturas, S.A. ("BGI")	1 118 733	811 439	12 570	12 570	–	–	–	–	130 368	201 066	–
Via Verde Serviços, S.A. ("VVS")	378 794	–	–	–	–	–	–	–	–	–	–
Via Verde Portugal, S.A. ("Via Verde")	189 630	129 257	–	–	–	–	33 540	23 911	74 502	154	55 370
Auto-Estradas do Atlântico, S.A. ("AEA")	222 880	766 089	–	–	–	–	–	–	–	–	–
Geira, S.A. ("Geira")	23 985	48 359	–	–	–	–	–	–	–	–	–
AELO – Auto-Estradas do Litoral Oeste, S.A. ("AELO")	15 222	15 210	–	–	–	–	–	–	–	–	–
Grupo José de Mello	–	–	–	2 792	–	–	–	–	6 090	186	–
AEBT – Auto-Estradas do Baixo Tejo, S.A. ("AEBT")	1 573	1 550	–	–	–	–	3 750	3 750	–	–	–
BNV Mobility, B.V.	792	7 758	–	–	–	–	–	–	2 427	2 427	–
Controlauto – Controlo Técnico Automóvel, S.A. ("Controlauto")	3 004	2 599	–	–	–	–	–	14 702	124	161	–
Brisa O&M, S.A. ("BOM")	2 170	946 841	–	–	–	–	–	72 840	–	–	–
Via Verde Carsharing, S.A. ("VVCS")	–	17 835	–	–	–	–	–	–	–	–	–
Iteuve Portugal, Sociedade Unipessoal, Lda. ("Iteuve")	–	2 274	–	1 341	–	–	–	–	–	–	–
	3 481 414	**3 684 215**	**12 570**	**16 703**	**606 832**	**125 977**	**401 765**	**115 203**	**360 693**	**328 978**	**105 370**

Additionally, transactions carried out with associated companies in the years ended as of December 31, 2018 and 2017 were as follows:

	SALE OF GOODS (Note 4)		SERVICES RENDERED (Note 4)		OTHER OPERATING INCOME (Note 4)		SUPPLIES AND SERVICES (Note 5)		OTHER OPERATING COSTS		FINANCIAL INCOME (Note 8)	INVENTORY		INTANGIBLE FIXED ASSETS INVESTMENTS
	2018	2017	2018	2017	2018	2017	2018	2017	2018	2017	2017	2018	2017	2017
Shareholders:														
Brisa	–	–	10 243	110 093	50 000	15 099	674 505	659 678	8 828	–	–	–	–	173
Related parties:														
BGI	244 275	72 120	3 789 508	1 162 960	1	–	631 946	332 216	–	–	–	43 346	59 431	–
BCR	1 606 805	964 034	1 688 508	1 552 684	–	–	–	–	–	–	–	–	–	–
AEA	17 500	–	1 298 281	–	–	–	–	–	–	–	8 642	–	–	–
VVS	–	–	373 175	–	–	–	–	–	–	–	–	–	–	–
Geira	–	–	233 684	234 316	–	–	–	–	–	–	–	–	–	–
Via Verde	–	–	199 277	163 717	12 885	4 905	5 396	45 461	–	–	–	–	–	–
BOM	19 107	270 412	33 263	2 944 569	–	10 943	–	336 316	–	131	–	–	112	(132)
Grupo José de Mello	–	–	26 222	889	–	–	25 738	16 694	–	–	–	–	–	–
Controlauto	203	210	23 132	39 298	–	–	263	137	902	583	–	–	–	–
AEBT	–	–	7 673	7 556	–	–	–	–	–	–	–	–	–	–
AELO	–	–	7 673	7 561	–	–	–	–	–	–	–	–	–	–
Grupo José de Mello Saúde	–	–	–	–	–	–	80	–	–	–	–	–	–	–
BNV Mobility, B.V.	–	–	–	134 002	–	–	–	–	–	–	–	–	–	–
VVCS	–	–	–	14 500	–	–	–	–	–	–	–	–	–	–
Iteuve	–	–	–	5 550	–	–	–	–	–	31	–	–	–	–
	1 887 890	**1 306 776**	**7 690 639**	**6 377 695**	**62 886**	**30 947**	**1 337 928**	**1 390 502**	**9 730**	**745**	**8 642**	**43 346**	**59 543**	**41**

Remuneration of the key members of the Company in the years ended December 31, 2018 and 2017 was as follows:

	2018	2017
Fixed remuneration	289 151	444 803
Variable remuneration	83 596	159 317
Defined benefits	9 888	10 042
	382 635	**614 162**

29. APPROVAL OF THE FINANCIAL STATEMENTS

The Board of Directors approved the consolidated financial statements for the year ended December 31, 2018 and authorized for issue on March 18, 2019. However, they are still subject to approval by the Shareholders' Meeting, in accordance with the commercial legislation in force in Portugal

30. FEES OF THE OFFICIAL STATUTORY AUDITOR

The fees of the Official Statutory Auditor for the years ended December 31, 2018 and 2017 amounted to 16 000 Euros and13 000 Euros, respectively.

31. NOTE ADDED FOR TRANSLATION

These consolidated financial statements are a translation of consolidated financial statements originally issued in Portuguese. In the event of discrepancies, the Portuguese language version prevails.

São Domingos de Rana, March 18, 2019

The accountant, registered under no. 90672
Pedro Miró Rodrigues

THE BOARD OF DIRECTORS

Daniel Alexandre Miguel Amaral

Eduardo António da Costa Ramos

Francisco de Sanches Osório Montanha Rebelo

Luís Rafael Leite Inácio Margalhau Nunes

Frederico José Ribeiro Vaz

Manuel António Garcia Matos

Vitor Manuel da Rocha Dinis

STATEMENT OF FINANCIAL POSITION

As of December 31, 2018 and 2017

(Translation of the statement of financial position originally issued in Portuguese - Note 31)

	NOTES	2018	2017 Restated
Non-current assets:			
Intangible assets	11	692 498	513 257
Fixed assets	12	6 835 671	4 243 369
Investments in subsidiaries	13	2 042 605	910 929
Deferred tax assets	14	598 624	670 871
Total non-current assets		**10 169 398**	**6 338 426**
Current assets:			
Inventories	15	1 253 702	1 272 721
Trade and other receivables	16	7 108 970	6 197 644
Current tax assets	8	-	385
Government and other public entities		47 181	-
Other current assets	17	550 440	709 441
Cash and cash equivalents	18	388 444	426 668
Total current assets		**9 348 737**	**8 606 859**
Total assets		**19 518 135**	**14 945 285**

	NOTES	2018	2017 Restated
Shareholders' equity:			
Share capital	19	3 475 350	3 475 350
Share issuance premium	19	2 451 250	2 451 250
Adjustments to equity in subsidiaries and associates		223 420	(31 616)
Legal reserve	20	695 070	695 070
Other reserves	20	1 071 860	880 747
Retained earnings	10	685 990	243 103
Net profit for the year		(1 016 434)	442 887
Total shareholders' equity		**7 586 506**	**8 156 791**
Non-current liabilities:			
Retirement benefits responsabilities	27	633 729	765 425
Provisions	22	666 179	622 120
Total non-current liabilities		**1 299 908**	**1 387 545**
Current liabilities:			
Trade and other payables	23	3 714 019	3 446 826
Borrowings	25	4 601 794	-
Investment Suppliers		22 886	31 378
Other current liabilities	24	2 293 022	1 922 745
Total current liabilities		**10 631 721**	**5 400 949**
Total liabilities and equity		**19 518 135**	**14 945 285**

AMOUNTS EXPRESSED IN EUROS

The accompanying notes form an integral part of the statement of financial position as of December 31, 2018.

STATEMENT OF PROFIT AND LOSS AND OTHER COMPREHENSIVE INCOME

For the years ended on December 31, 2018 and 2017

(Translation of the statement of profit and loss and other comprehensive income originally issued in Portuguese - Note 31)

	NOTES	2018	2017 Restated
Operating income:			
Sales of goods	3	1 792 902	1 492 559
Services rendered	3	11 884 359	11 462 027
Supplementary income	3	469 817	482 920
Other operating income	3	55 545	43 947
Reversal of amortizations, depreciations, adjustments and provisions	3	1 500	1 500
Total operating income		**14 204 123**	**13 482 953**
Operating expenses:			
Cost of sales	15	(1 348 108)	(1 289 003)
Supplies and services	4	(8 437 496)	(7 291 700)
Payroll costs	6	(4 126 759)	(3 420 637)
Amortizations, depreciations and adjustments	11 and 12	(1 881 411)	(1 012 738)
Provisions	22	(45 559)	(26 751)
Taxes		(12 148)	(7 698)
Other operating expenses		(103 434)	(5 119)
Total operating expenses		**(15 954 915)**	**(13 053 646)**
Operating profit		**(1 750 792)**	**429 307**

	NOTES	2018	2017 Restated
Financial expenses	7	(181 113)	(102 275)
Financial income	7	273 913	81 624
Investments result	7	68 232	(740 220)
Profit before tax		**(1 589 760)**	**(331 564)**
Income tax	8	573 326	774 451
Net consolidated profit for the year		**(1 016 434)**	**442 887**
Other income and expenses recognized in equity that will be reclassified to profit or loss:			
Adjustments to equity in subsidiaries and associates	13	255 036	(46 171)
Other income and expenses recognized in equity that are not subsequently reclassified to profit or loss:			
Retirement benefits - actuarial losses	14 and 27	191 113	44 124
Income recognized directly in equity		**446 149**	**(2 047)**
Total consolidated profit and other comprehensive income for the year		**(570 285)**	**440 840**
Basic earnings per share	9	**(1.46)**	**0.64**

AMOUNTS EXPRESSED IN EUROS

The accompanying notes form an integral part of the statement of profit and loss and other comprehensive income for the year ended on December 31, 2018.

STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY

For the years ended December 31, 2018 and 2017

(Translation of the consolidated statement of changes in shareholders' equity originally issued in Portuguese - Note 31)

	NOTES	SHARE CAPITAL	SHARE ISSUANCE PREMIUM	ADJUSTMENTS TO EQUITY IN SUBSIDIARIES AND ASSOCIATES	LEGAL RESERVE	OTHER RESERVES	RETAINED EARNINGS	NET PROFIT/(LOSS) FOR THE YEAR	TOTAL
Balance as of January 1, 2017		**3 475 350**	**2 451 250**	**-**	**695 070**	**836 623**	**-**	**307 675**	**7 765 968**
Restatement	2	-	-	14 555	-	-	63 130	(127 702)	(50 017)
Balance as of January 1, 2017 - restated		3 475 350	2 451 250	14 555	695 070	836 623	63 130	179 973	7 715 951
Net income for the year 2017 - restated		-	-	-	-	-	-	442 887	442 887
Other income and expenses recognized in equity:									
Equity method - impact on equity	13	-	-	(46 171)	-	-	-	-	(46 171)
Retirement benefits - actuarial gains/(losses)	14 and 27	-	-	-	-	44 124	-	-	44 124
Total loss and other comprehensive income for the year		**-**	**-**	**(46 171)**	**-**	**44 124**	**-**	**442 887**	**440 840**
Appropriation of net profit for 2016:									
Transfer to retained earnings	10	-	-	-	-	-	307 675	(307 675)	-
Change in the accounting policy for measuring investments in subsidiaries	2	-	-	-	-	-	(127 702)	127 702	-
Balance as of December 31, 2017 - restated		**3 475 350**	**2 451 250**	**(31 616)**	**695 070**	**880 747**	**243 103**	**442 887**	**8 156 791**
Balance as of January 1, 2018		**3 475 350**	**2 451 250**	**(31 616)**	**695 070**	**880 747**	**243 103**	**442 887**	**8 156 791**
Net income for the year 2018		-	-	-	-	-	-	(1 016 434)	(1 016 434)
Other income and expenses recognized in equity:									
Equity method - impact on equity	13	-	-	255 036	-	-	-	-	255 036
Retirement benefits - actuarial gains/(losses)	14 and 27	-	-	-	-	191 113	-	-	191 113
Total loss and other comprehensive income for the year		**-**	**-**	**255 036**	**-**	**191 113**	**-**	**(1 016 434)**	**(570 285)**
Appropriation of net profit for 2017:									
Transfer to retained earnings	10	-	-	-	-	-	1 183 107	(1 183 107)	-
Change in the accounting policy for measuring investments in subsidiaries	2	-	-	-	-	-	(740 220)	740 220	-
Balance as of December 31, 2018		**3 475 350**	**2 451 250**	**223 420**	**695 070**	**1 071 860**	**685 990**	**(1 016 434)**	**7 586 506**

AMOUNTS EXPRESSED IN EUROS

The accompanying notes form an integral part of the statement of changes in shareholders' equity as of December 31, 2018.

STATEMENT OF CASH FLOWS

For the years ended on December 31, 2018 and 2017

(Translation of the consolidated statement of financial position originally issued in Portuguese – Note 31)

	NOTES	2018	2017
OPERATING ACTIVITIES:			
Receipts from customers		13 342 990	10 955 483
Payments to suppliers		(13 177 141)	(10 626 245)
Payments to personnel		(4 476 869)	(3 559 380)
Flows generated by operations		**(4 311 020)**	**(3 230 142)**
Income tax receipt/(paid)		106 132	885 282
Other receipts relating to operating activities		364 838	349 197
Net cash from operating activities (1)		**(3 840 050)**	**(1 995 663)**
INVESTING ACTIVITIES:			
Receipts relating to:			
Loans granted to group companies		1 325 915	-
Tangible fixed assets and intangible assets		-	2
Investment subsidies		93 117	-
Interest and similar income		25 788	10 418
		1 444 820	**10 420**
Payments relating to:			
Loans granted to group companies		(1 215 070)	-
Investments in subsidiaries	13	(808 408)	(425 351)
Tangible and intangible fixed assets		(154 766)	(189 188)
		(2 178 244)	**(614 539)**
Net cash from investing activities (2)		**(733 424)**	**(604 119)**

	NOTES	2018	2017
FINANCING ACTIVITIES:			
Receipts relating to:			
Borrowings	**25**	**42 200 000**	**-**
Payments relating to:			
Borrowings	25	(37 600 000)	-
Interest and similar costs		(71 426)	(5 274)
		(37 671 426)	**(5 274)**
Net cash from financing activities (3)		**4 528 574**	**(5 274)**
Foreign exchange rate effect (4)		6 676	(3 789)
Variation in cash and cash equivalents (5) = (1) + (2) + (3) + (4)		(38 224)	(2 608 845)
Cash and cash equivalents at the beginning of the year	18	426 668	3 035 513
Cash and cash equivalents at the end of the year	18	388 444	426 668

AMOUNTS EXPRESSED IN EUROS

The accompanying notes form an integral part of the statement of cash flows for the year ended on December 31, 2018.

NOTES

B. NOTES TO THE FINANCIAL STATEMENTS

1. INTRODUCTION

A-to-Be – Mobility Technology, S.A. ("The company" or "A-to-Be") was incorporated, by public deed dated 11 December 2000, published on the III series, no. 74, of Diário da República on 28 March 2001 and began its activity on 28 February 2001. The Company was previously named Brisa Access – Prestações de Serviços a Automobilistas, S.A. later Brisa Access Electrónica Rodoviária, S.A. and most recently Brisa Inovação e Tecnologias, S.A., having adopted its current name on 14 March, 2019.

A-to-Be's corporate purpose is: (i) investing on technological development areas and rendering services related with projects and studies of new technology; (ii) render services on the areas of development and investigation, systems and technology disclosure, namely on transport infrastructure support technology; (iii) render services of conception, supply, installation, commissioning and maintenance of the equipment and systems, namely electronic and telematic for usage on transport infrastructure, such as highways, roads, viaducts, tunnels, fueling station, parking facilities, garages and similars as well as other associated with the transport industry; and (iv) content development and management for internet and for other communication supports inside of the scope of previously referred activities and services.

These financial statements don't have the effect of consolidation of assets, liabilities, revenue and expenses, which is required in the consolidated financial statements to be approved and published as the individuals, which reflect an asset of 21 494 227 Euros, equity of 7 586 506 Euros and a negative net income, attributed to the Company's shareholders of 1 016 434 Euros.

2. MAIN ACCOUNTING POLICIES

2.1. BASES OF PRESENTATION

The accompanying consolidated financial statements were prepared on a going concern basis from the books and accounting records of the Company and its subsidiary, maintained in accordance with the International Financial Reporting Standards as endorsed by the European Union, effective for the years beginning on 1 January 2018. 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 ("IASC") and the respective interpretations IFRIC and SIC issued by the IFRS Interpretation Committee ("IFRIC") and Standing Interpretation Committee ("SIC"). These standards and interpretations are hereinafter referred to collectively as "IFRS".

Adoption of standards and new, corrected or revised interpretations

Standards, interpretations, corrections and revisions applicable to the Company's operations, endorsed by the European Union and with compulsory application for the economic periods beginning on or after 1 January 2018, which have not resulted in major impacts to the present consolidated financial statements, are as follows:

STANDARD / INTERPRETATION	EFFECTIVE DATE (PERIODS BEGINNING ON OR AFTER)	
IFRS 15 - Revenue from contracts with customers	01-Jan-18	This standard introduces a structure of revenue recognition framework when the contractual obligation to deliver the assets or provide services is satisfied, following a five step approach.
Amendments to IFRS 15 - Revenue from contracts with customers	01-Jan-18	Identification of performance obligations, timing of revenue recognition from licenses of IP, change to principle versus agent guidance, and new practical expedients on transition.
IFRS 9 – Financial Instruments	01-Jan-18	Replace the requirements of IAS 39 related with the classification and measurement of financial assets and liabilities, the methodology used to calculate impairment (through expected losses model) and the rules applied to hedge accounting.
IFRS 2 – Share-based Payment	01-Jan-18	Recognition of share-based payment transactions, measurement of variations and the classification of the shares-based payment plans in equity when the Employer is obliged to retain the tax.
Improvements to international financial reporting standards (cycle 2014-2016)	01-Jan-18	These improvements include the clarification of some aspects related to: IFRS 1 - First adoption of IFRS: eliminates the temporary exemptions for IFRS 7, IFRS 10 and IAS 19, since they are no longer applicable; IFRS 12 - Disclosure of interests in other entities: clarifies that its scope includes investments classified under IFRS 5, and that the only exemption refers to the disclosure of the summary of the financial information of these 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 may be measured at fair value in accordance with IFRS 9, individually and (ii)) Clarifies that an entity that is not an investment entity but holds investments in associates and joint ventures that are investment entities may maintain the fair value measurement of the associate or joint venture interest in its own subsidiaries.
IFRIC 22 – Foreign Currency Transactions and Advance Consideration	01-Jan-18	Exchange rate to be applied when the consideration is received or paid in advance.

Standards and new, corrected or revised interpretations not endorsed

Until 31 December 2018 the European Union, with compulsory application for future economic periods, endorsed the following standards:

STANDARD / INTERPRETATION	EFFECTIVE DATE (PERIODS BEGINNING ON OR AFTER)	
IFRS 16 - Leases	01-Jan-19	This standard introduces the principles of recognition and measurement of leases, replacing IAS 17 - Leases. The standard states a new definition of leasing and a new accounting of leases for tenants. There are no changes to the booking of rentals by lessors.
IIFRS 9 – Financial Instruments	01-Jan-19	Options for accounting of financial assets with negative compensation.
IFRIC 23 - Uncertainties about the treatment of income taxes	01-Jan-19	Classification concerning the application of the principles of recognition and measurement of IAS 12 when there is uncertainty about the tax treatment of a transaction in respect of income taxes.

These amendments, despite endorsed by the European Union, were not adopted by the Company for the period ended on December 31, 2018 due to the non-compulsory condition. There is although, not expected any significant impact arising from the adoption of the referred standards.

The following standards, interpretations, amendments and revisions applicable to the Company's operations but only with compulsory application in subsequent economic periods, were not endorsed by the European Union, until December 31, 2018:

STANDARD / INTERPRETATION	EFFECTIVE DATE (PERIODS BEGINNING ON OR AFTER)	
IAS 19 - Employee benefits	01-Jan-19	Requirement to use updated assumptions for calculation of remaining liabilities, with impact on the income statement, except for any reduced excess under "asset ceiling" accounting treatment.
IAS 28 - Investment in associate companies and joint ventures	01-Jan-19	Clarification of long-term investments in associate companies and joint ventures that are not being measured by the equity method.
IFRS - 3 Business combinations	01-Jan-20	Revision of the definition of business for purposes of accouting of business combination.
IAS 1 - Presentation of financial statements; IAS 8 - Accounting policies, changes in accounting estimates and errors.	01-Jan-20	Revision of the definition of material.
Improvements to international financial reporting standards (cycle 2015-2017)	01-Jan-19	These improvements include the clarification of some aspects related to: IAS 23 - Borrowing Costs: Clarifies that specific borrowings that remain outstanding after the qualifying assets to which they relate to are abble to use or sale, should be added to generic borrowings to calculate the average interest rate of capitalization on the others qualifying assets; IAS 12 - Income Tax: It clarifies that the tax impact of dividends is recognized on the date on which the entity registers the responsibility for the payment of dividends, which are recognized in income for the year, other comprehensive income or capital, depending on the transaction or event that originated those dividends; IFRS 3 - Concentration of business activities and IFRS 11 - Joint agreements: clarify that (i) in gaining control over a business that is a joint venture, the interests held previously by the investor are remeasured at fair value; and (ii) when an investor in a joint venture, which does not exercise joint control, obtains joint control in a joint operation that is a business, the interest held previously is not remeasured.
Conceptual framework - Changes in reference to other IFRS	01-Jan-20	Amendment to some IFRSs regarding cross-references and clarifications about the application of the new definitions of assets and liabilities and of expenses and income.

Although the effects of adopting these standards are not yet determined or quantified, no significant effects are expected in the Company's consolidated financial statements.

The main accounting policies adopted are presented below.

2.2. INTANGIBLE ASSETS

Intangible assets are recorded at acquisition cost less accumulated amortization and impairment losses. Intangible assets are only recognized if it is probable that they will generate future economic benefits for the Group, they are controllable and their value can be determined reliably.

Internally generated intangible assets, namely current research and development costs, are recognized as costs when incurred.

Amortization of such assets is provided on a straight-line basis as from the date the assets are available for use, in accordance with the period the Group expects to use them.

Internal costs relating to the maintenance and development of software are recorded as costs in the consolidated statement of profit and loss and other comprehensive income 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.

Intangible assets, which are expected to generate future economic benefits for an unlimited period, are designated as intangible assets of undefined useful life. Such assets are not amortized but are subject to annual impairment tests.

2.3. TANGIBLE FIXED ASSETS

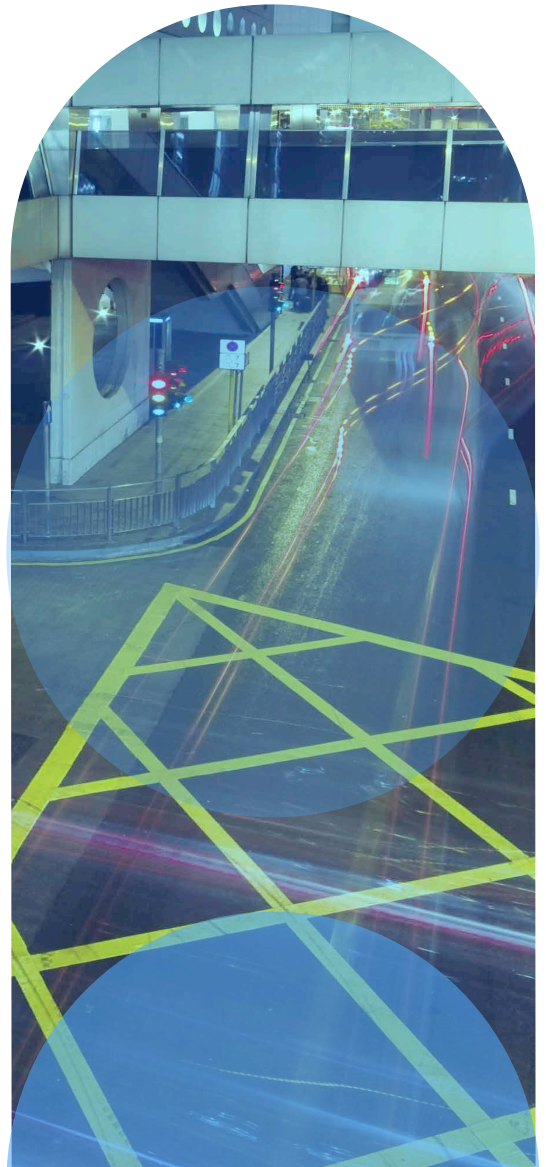
Tangible fixed assets used in services rendering or for administrative purpose are stated at cost of acquisition or production, including expenses incurred with their purchase, less accumulated depreciation and impairment losses, when applicable.

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	5 to 10
Basic equipment	1 to 10
Transport equipment	4 to 6
Tools and utensils	1 to 4
Administrative equipment	1 to 10

The useful life and the depreciation method for tangible fixed assets are revised on an annual basis. The effect of some estimation change is prospectively recognized under the consolidated statement of profit and loss and other comprehensive income.

Maintenance and repair expenses (subsequent expenses) which will not produce additional future economic benefits are recognized as expenses of the year.



2.4. FINANCIAL INVESTMENTS

Investments in subsidiaries are recorded by the equity method.

According to the equity method, financial investments are recorded at acquisition cost, adjusted by the Company's interest in the subsidiary's comprehensive income (including net income), through the profit and loss of the year or through other comprehensive income respectively, and by dividends received.

Any excess of the acquisition cost over the fair value of the identifiable net assets is recorded as goodwill. In cases where the acquisition cost is less than the fair value of the net assets identified, the difference is recorded as profit in the consolidated income statement for the year in which the acquisition occurs.

The additional paid in capital by the Company to subsidiaries is recorded at its nominal value and deducted, when applicable, by accumulated impairment losses. The additional paid in capital is added to the amount of the investment in subsidiaries due to its long term characteristics, not bearing interest, and in accordance with the applicable commercial legislation can only be repaid when the equity of those subsidiaries are high than share capital and of the undistributed reserves after their repayment.

Additionally, dividends received from these companies are recorded as a decrease in the value of financial investments.

During the year ended on December 31, 2018, the company changed the accounting policy for measuring the investments in subsidiaries to the Equity Method, in accordance with IAS 27 – Separate Financial Statements. This change in the accounting policy allows the financial statements to provide a more reliable and relevant information on Financial investments.

As provided by IAS 8 – Accounting Policies, Changes in Accounting Estimates and Errors, this change was applied retrospectively and, consequently, changes were made to the statement of financial position as of January 1, 2017 and December 31, 2017 and to the statement of income and other comprehensive income for the year ended December 31, 2017.

The effects of this change in the accounting policy in the statement of financial position as of January 1, 2017 was as follows:

	01.01.2017
Non-current assets:	
Investments in group companies	(50 017)
Total non-current assets	**(50 017)**
Total assets	**(50 017)**
Equity:	
Adjustments to equity in subsidiaries and associates	14 555
Retained earnings	63 130
Net profit for the year	(127 702)
Total shareholders' equity	**(50 017)**
Total liabilities and equity	**(50 017)**

The effects of these changes in the statement of financial position as of December 31, 2017 was as follows:

	2017	ADOPTION OF EQUITY METHOD	2017 RESTATED
Non-current assets:			
Investments in subsidiaries	1 747 337	(836 408)	910 929
Others	5 427 497	-	5 427 497
Total non-current assets	**7 174 834**	**(836 408)**	**6 338 426**
Current assets	8 606 859	-	8 606 859
Total assets	**15 781 693**	**(836 408)**	**14 945 285**
Shareholders' equity:			
Share capital	3 475 350	-	3 475 350
Share issuance premium	2 451 250	-	2 451 250
Parts of capital adjustments	-	(31 616)	(31 616)
Legal reserve	695 070	-	695 070
Other reserves	880 747	-	880 747
Retained earnings	307 675	(64 572)	243 103
Net profit for the year	1 183 107	(740 220)	442 887
Total shareholders' equity	**8 993 199**	**(836 408)**	**8 156 791**
Non-current liabilities	**1 387 545**	**-**	**1 387 545**
Current liabilities	5 400 949	-	5 400 949
Total liabilities	**6 788 494**	**-**	**6 788 494**
Total liabilities and equity	**15 781 693**	**(836 408)**	**14 945 285**

The effects of these changes in the income statement and other comprehensive income as of December 31, 2017 was as follows:

	2017	ADOPTION OF EQUITY METHOD	2017 RESTATED
Operating income	13 482 953	-	13 482 953
Operating expenses	(13 053 646)	-	(13 053 646)
Operating profit	**429 307**	**-**	**429 307**
Financial expenses	(102 275)	-	(102 275)
Financial income	81 624	-	81 624
Investment result	-	(740 220)	(740 220)
Profit before tax	**408 656**	**(740 220)**	**(331 564)**
Income tax	774 451	-	774 451
Net profit for the year	**1 183 107**	**(740 220)**	**442 887**

2.5. LEASES

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 and not on 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, the fixed assets, corresponding accumulated depreciation and liabilities being recognized in accordance with the contracted financial plan. In addition, the interest included in the lease installments and the depreciation of tangible fixed assets are recognized as costs in the statement of profit and loss and other comprehensive income for the year to which they relate.

In the case of operating leases, the lease installments are recognized as costs on a straight-line basis in the consolidated statement of profit and loss and other comprehensive income over the period of the lease contract.

2.6. 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 determines the recoverable value of the asset, in order to determine the possible extent of the impairment loss.

Whenever the book value of an asset exceeds its recoverable amount, an impairment loss is recognized in the consolidated statement of profit and loss and other comprehensive income, under caption "Amortizations, 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. The recoverable amount is estimated for each asset individually or, where this is not possible, for the smaller unit generating cash flows to which the asset belongs.

Impairment losses recognized 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 amortization, adjustments and provisions". However, impairment losses are reversed up to the amount that would have been recognized (net of amortization or depreciation) if the impairment loss had not been recorded in prior years.

2.7. FOREIGN CURRENCY ASSETS, LIABILITIES AND TRANSACTIONS

Transactions in foreign currency are recorded using the exchange rates in force at the moment of the transaction. On each date of the statement of financial position, assets and liabilities expressed in foreign currency are translated to Euros at the exchange rates in force as of the year-end.

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 were recognized as income or expense in the statement of profit and loss and other comprehensive income.

2.8. INVENTORIES

Merchandise and raw, subsidiary and consumptions materials are stated at acquisition cost, which is lower than their corresponding market value. The cost of sales is determinate using the average purchase price.

Impairments for inventory losses are recorded if the difference between cost and the realizable value of inventories is negative.

2.9. FINANCING COSTS

Financing costs are recognized in the income statement and other comprehensive income for the year to which they relate.

Costs incurred with loans obtained directly to finance the acquisition, construction or production of tangible and intangible fixed assets are capitalized as part of the cost of the assets when a significant period of time is required to prepare them for use. Such costs are capitalized 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 at the end of the production/construction process 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 capitalization.

2.10. OPERATION RESULTS

The operation results include the total operating income and expenses, whether they are current or non-current, including the restructuring expenses and the expenses and income generated by the operating assets (intangible and tangible fixed assets). Therefore, are excluded from operation results the net financial expenses and the income taxes.

2.11. PROVISIONS

Provisions are recognized when, and only when, the Group has an obligation (legal or implicit) resulting from a past event, under which it is probable that it will have an outflow of resources to resolve the obligation, and the amount of the obligation can be reasonably estimated. At each statement of financial position date, provisions are reviewed and adjusted to reflect the best estimate as of that date.

Provisions consist on the present value of the best possible estimate on the report date, of the necessary resources to settle the obligation. Such estimate is determined attending to the risks and uncertainties of the obligation.

Provisions for re-organization costs are recognized whenever there is a formal detailed re-organization plan, which has been communicated to the parties involved.

Present obligations arising under onerous contracts are recognized and measured as provisions. An onerous contract is considered to exist when the Group has a contract under which the unavoidable costs of meeting the obligations under the contract are expected to exceed the economic benefits to be received from it.

2.12. FINANCIAL INSTRUMENTS

Financial assets and liabilities are recognized when the Company becomes a party to the contractual relationship.

Cash and cash equivalents
The caption "Cash and cash equivalents" includes cash, bank deposits and other treasury applications that can be demanded immediately with insignificant risk of change in value.

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 assets after deduction of the liabilities.

Equity instruments issued by the Group are recorded at the amount received net of costs incurred for their issuance.

Financial assets and liabilities at amortized cost
Financial assets and liabilities at amortized cost deduced of accumulated impairment losses include:

- **Trade receivables;**
- **Trade payables.**

Financial assets at amortized cost are held with the purpose of receiving capital and / or interest.

The amortized cost corresponds to the amount for which a financial asset or liability is measured at the initial recognition, minus principal repayments, deducting or adding the cumulative amortization, using the effective interest rate method, of any difference between the initial amount and the amount on the settlement date. The effective interest rate is the rate which exactly discounts estimated payments and collections in the net carrying amount of the financial asset or liability.

Financial assets impairment
The Company assesses in a forward-looking manner the estimated credit losses on financial assets, which are debt instruments, classified at amortized cost.

Regarding to trade receivable balances, the Company applies the simplified approach allowed by IFRS 9, according to which estimated credit losses are recognized from the initial recognition of the balances receivable and for the whole period to maturity, considering a historical provision rate matrix on the maturity of trade receivables.

For financial assets at amortized cost, the amount of the impairment loss is measured as the difference between the asset's book value and the best estimate of the fair value of the financial asset.

The impairment losses are recorded in the profit and loss on "Amortizations, depreciations and adjustments" in the year they are identified.

Subsequently, if the amount of the impairment loss decreases and the decrease can be objectively related to an event occurring after the impairment was recognized, the previously recognized impairment loss is reversed through income statement and other comprehensive income, up to the amount that would have been recognized (amortized cost) if the loss had not been initially recorded. The reversal of impairment losses is recorded in the income statement and other comprehensive income.

Financial assets and liabilities derecognition

The Company derecognizes the financial assets only when the contractual rights to receive cash flows expire, or when the assets are transferred to another company with all significant risks and benefits associated with its ownership. Financial assets that were transferred, although the Company retained some significant risks and benefits, are derecognized if the control has changed to the other company.

The Company derecognizes the financial liabilities only when the associated obligation is settled, canceled or expires.

2.13. SHARE CAPITAL

The ordinary shares are classified in equity, as share capital.

Expenses directly attributable to the issuance of new shares or other equity instruments are presented as a deduction, net of taxes, for the amount received resulting from this issue. The expenses directly attributable to the issuance of new shares or options for the acquisition of a business are deducted from the issuance value.

2.14. DISTRIBUTION OF DIVIDENDS

The distribution of dividends to shareholders is recognized as a liability in Company's financial statements in the financial year in which the dividends are approved by the shareholders and until their financial settlement or, in the case of early dividends, when approved by the Board of directors.

2.15. CONTINGENT ASSETS AND LIABILITIES

Contingent assets are not recognized in the financial statements, but are disclosed in the notes to the consolidated financial statements when a future economic benefit is probable.

Contingent liabilities are not recognized in the financial statements but are disclosed in the notes to the consolidated 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.

2.16. RETIREMENT BENEFITS RESPONSIBILITIES

The Company has assumed a commitment to provide its employees with retirement pension supplements under a defined benefits plan, having constituted an autonomous pension fund for that purpose.

In order to estimate the amount of its liability for the payment of such supplements, periodic actuarial calculations are obtained, computed in accordance with the Projected Unit Credit Method. Actuarial gains and losses, resulting from (i) the difference between the assumptions used to determine the liabilities with the plan and the actuarial variables' actual evolution, (ii) the changes made to the assumptions and (iii) the difference between the expected profitability of the fund's assets and its real profitability are reflected in the statement of income and other comprehensive income for the year in which they occur.

Pension liabilities recognized 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 actuarial gains and losses and/or past service liabilities not recognized, less the fair value of the net assets of the pension funds.

Contributions made by the Company under defined benefits pension plans are recognized as costs on the dates they are due.

2.17. REVENUE

The revenue corresponds to the fair value of the nominal received or receivable from transactions with customers in the normal course of business and is recorded net of any taxes and commercial or financial discounts granted. In determining the amount of revenue, the Company assesses the performance obligations and evaluates the price amount of each one, as well as the existence of variable prices that may give rise to adjustments in the future, for which it makes its best estimate.

Revenue from services rendered is recognized in consolidated statement of profit and loss and other comprehensive income when the control over the product or services is transferred to the customer

2.18. ACCRUALS

Interest and financial income are recognized on an accruals basis in accordance with the effective interest rate.

Costs and income are recognized in the year to which they relate independently of when they are paid or received. Costs and income in which the actual amount is not known are estimated.

Costs 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 liabilities and Other current liabilities.

2.19. INCOME TAX

Income tax for the year is calculated based on the taxable results and takes into consideration deferred taxation.

Current income tax is calculated based on the taxable results. The taxable results may differ from accounting results, because some expenses and income may only be taxable in future years, as well as expenses and income that will never be deductible or taxable in future years, according with the fiscal law in force.

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 results.

Deferred tax assets and liabilities are calculated and assessed periodically using the tax rates expected to be in force when the timing differences reverse.

Deferred tax liabilities are recognized for all taxable temporary differences.

Deferred tax assets are only recognized when there is reasonable expectation that there will be sufficient future taxable income to utilize them. The timing differences underlying deferred tax assets are reappraised annually in order to recognize or adjust the deferred tax assets based on the current expectation of their future recovery.

2.20. SUBSIDIES

State subsidies are recognized based on their fair value, when there is reasonable certainty that they will be received and that the Company will comply with the conditions required for them to be granted.

Operating subsidies, namely those for employee training are recognized in the statement of profit and loss and other comprehensive income for the year in accordance with the costs incurred.

Investment subsidies relating to the acquisition of tangible fixed assets and intangible assets are deducted from the value of such fixed assets and recognized in the statement of profit and loss and other comprehensive income for the year on a consistent straight-line basis in proportion to the depreciation and amortization of the subsidized assets.

2.21. CRITICAL JUDGEMENTS/ ESTIMATES IN APPLYING THE ACCOUNTING STANDARDS

The preparation of financial statements in accordance with the IFRS recognition and measurement criteria 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, tangible and intangible assets, impairment losses and provisions, disclosure of contingent assets and liabilities as of the date of the financial statements, as well as of their income and costs.

The estimates are based on the best knowledge available at the time and on the actions planned, and 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 pension's responsibilities, deferred taxes, and the useful life of tangible and intangible assets, provisions and impairment analysis.

2.22. SUBSEQUENT EVENTS

Events that occur after the statement of financial position date that provide additional information on conditions that existed as of the statement of financial position date are reflected in the financial statements.

Events that occur after the statement of financial position date that provide additional information on conditions that existed after the statement of financial position date, if material, are disclosed in the notes to the financial statements.

3. OPERATING INCOME

Operating income for the years ended December 31, 2018 and 2017 was as follows:

	2018	2017
Sales	**1 792 902**	**1 492 559**
Services rendered:		
Technical assistance	7 724 395	8 473 482
Others	4 159 964	2 988 545
	11 884 359	**11 462 027**
Operating income:		
Rental equipment for parking facilities	469 397	470 616
Others	420	12 304
	469 817	**482 920**
Other operating income:		
Disposal of tangible and intangible assets	-	29 282
Others	55 545	14 665
	55 545	**43 947**
Reversal of amortizations, adjustments and provisions:		
Provisions (Note 22)	1 500	1 500
	14 204 123	**13 482 953**

As of December 31, 2018 and 2017, operating income includes transactions with related parties amounting to 12 447 278 Euros and 9 227 725 Euros, respectively (Note 28).

4. SUPPLIES AND SERVICES

Operating income for the years ended December 31, 2018 and 2017 was as follows:

	2018	2017
Specialized services	3 550 627	2 892 001
Consumed goods in maintenance services	1 674 686	1 842 337
Logistical and administrative support	674 505	609 678
Rents and leases:		
Properties	451 414	341 899
Vehicles and equipment	180 001	152 577
Conservation and Repair	567 798	345 136
Fuel	81 885	70 933
Others	1 256 580	1 037 139
	8 437 496	**7 291 700**

Supplies and services in the year-ended at December 31, 2018 and 2017 includes transactions with related parties amounting to 1 337 928 Euros and 1 390 502 Euros, respectively (Note 28).

5. OPERATING LEASES

In the year ended December 31, 2018 and 2017, the Company recognized expenses relating to lease installments under operating lease agreements in the amounts of 631 416 Euros and 494 476 Euros, respectively.

Lease instalments not yet due as of December 31, 2018 and 2017, under the Company's operating lease contracts, were payable as follows:

YEAR	2018	2017
2018	-	613 154
2019	603 187	574 475
2020	551 947	526 059
2021	514 272	485 762
2022	479 268	463 158
2023	77 193	77 193
	2 225 867	**2 739 801**

6. PAYROLL COSTS

Payroll costs for the year ended December 31, 2018 and 2017 were as follows:

	2018	2017
Salaries	2 621 632	2 229 128
Social charges	640 069	539 025
Bonus	429 694	372 846
Retirement benefits		
Defined benefits (Note 27)	118 388	98 980
Defined contribution (Note 27)	9 092	9 092
Compensations	61 047	15 000
Others	246 837	156 566
	4 126 759	**3 420 637**

In the years ended December 31, 2018 and 2017, the Group's average number of employees were 68 and 51, respectively.

7. NET FINANCIAL INCOME

Net financial income for the years ended December 31, 2018 and 2017 was as follows:

	2018	2017 RESTATED
Expenses and losses		
Incurred Interest	(53 674)	(208)
Exchange rate losses	(104 424)	(95 714)
Others	(23 015)	(6 353)
	(181 113)	**(102 275)**
Income and gains		
Obtained Interest:		
Related parties (Note 28)	24 751	8 642
Others	–	1 542
Exchange rate income	248 819	69 717
Others	343	1 723
	273 913	**81 624**
Investment results:		
A-to-Be USA, LLC ("A-to-Be USA") (Note 13)	68 232	(740 220)

8. INCOME TAX

The Company is subject to corporate income tax ("IRC") 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 can fluctuate between 21% and 31.5%, depending on the taxable profit ("TP") determined, which could be taxable by the following rate:

STATE SURCHARGE

3% over TP if **1.5M€** < TP <= **7.5M€**;
5% over TP if **7.5M€** < TP <= **35M€**; and
9% over TP if > **35M€** (a)

The Company is subject to Corporation Income Tax under the special regime for the taxation of groups of companies ("SRTGC"), integrated in the group dominated by Brisa – Auto-Estradas de Portugal, S.A. ("Brisa"). This regime consists of the sum of the taxable results of all the companies included in the tax perimeter, less dividends distributed, to which the applicable Corporation Income Tax rate and municipal surcharge are 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 there are tax losses, 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 2015 to 2018 are subject to review.

The Board of Directors believes that any possible corrections resulting from revisions/inspections of those tax returns will not have a significant effect on the consolidated financial statements as of December 31, 2018.

Under article 88 of the Corporate Income Tax Code, the Company is additionally subject to autonomous taxation on a set of expenses at the rates established in the referred article.

The Company submitted applications within the framework of the program for the *Sistema de Incentivos Fiscais à Investigação de Desenvolvimento Empresarial* ("SIFIDE"), as for in Decree-Law no. 40/2005, of August 3 (Law 40/2005), updated by Law no. 10/2009, of March 10 and by Law no. 3-B / 2010, of April 28, to obtain fiscal benefits on expenses related to R&D with reference to between December 31, 2010 and December 31, 2017. In accordance with Law no. 40/2005, if collection collected in the fiscal year does not allow full deduction in the same fiscal year, the tax benefit of SIFIDE may be deducted from the next six years.

During the year of 2018, the Company received the approval of the tax credit for the fiscal year 2017, amounting to Euros 320 062. Additionally, the Company intends to submit an application regarding investment in R&D carried out during the year ended December 31, 2018.

Income tax recognized in the years ended December 31, 2018 and 2017 was as follows:

	2018	2017
Current tax	(167 188)	184 744
Deferred taxes (Note 14)	13 276	(199 515)
Prior year's tax (a)	(419 414)	(759 680)
	(573 326)	**(774 451)**

(a) On December 31, 2018, this item included the consumption, in the amount of 393 744 Euros, of the remaining tax credit resulting from the aforementioned SIFIDE of 2016 presented in the official tax declaration of the fiscal year 2017 ("Modelo 22"). On December 31, 2017, this item included the partial consumption, in the amount of 200 833 Euros, of the remaining tax credit resulting from the aforementioned SIFIDE of 2014 and the consumption of the SIFIDE tax credit of 2015 in the amount of 506 619 Euros, both totally consumed in the official tax declaration of the fiscal year 2016 ("Modelo 22").

The reconciliation between net profit and income tax for the year was as follows:

	2018	2017
Profit before tax	**(1 589 760)**	**(331 564)**
Expected tax (rate of 21%)	(333 850)	(69 628)
Provisions	9 567	5 618
Pension fund	24 861	20 786
Investments results	(14 329)	155 446
Others	19 979	66
Autonomous taxation	126 584	64 435
Surcharge	-	8 021
Prior year's tax	(419 414)	(759 680)
Effect of (recording)/reversing deferred taxes (Note 14)	13 276	(199 515)
Income tax	**(573 326)**	**(774 451)**

As of December 31, 2018 and 2017, current income tax assets were as follow:

	2018	2017
Assets for current tax:		
Corporate income tax:		
Income tax retentions	**-**	**385**

9. EARNINGS PER SHARE

Basic and diluted earnings per share for the years ended December 31, 2018 and 2017 were determined based on the following amounts:

	2018	2017
Results for the purpose of determinating the basic and diluted earnings per share (net profit for the year)	(1 016 434)	442 887
Average number of shares for the purpose of determining the basic and diluted earning per share	695 070	695 070
Basic and diluted earnings per share	**(1.46)**	**0.64**

As of December 31, 2018 and 2017 no diluting effects occurred, hence basic and diluted earnings per share are identical.

10. DIVIDENDS AND APPLICATION OF RESULTS

On the Shareholders' General Meetings held on April 16, 2018 and May 15, 2017 it was decided to transfer to retained earnings the results of the years ended on December 31, 2017 and 2016, respectively.

11. TANGIBLE FIXED ASSETS

The changes in tangible fixed assets and corresponding accumulated depreciation and impairment losses in the years ended December 31, 2018 and 2017 were as follows:

2018	BUILDINGS AND OTHER CONSTRUCTIONS	BASIC EQUIPMENT	TRANSPORT EQUIPMENT	ADMINISTRATIVE EQUIPMENT	TOOLS AND UTENSILS	FIXED ASSETS IN PROGRESS	TOTAL
Gross assets:							
Opening balance	106 689	3 052 076	52 322	1 351 070	62 806	99 723	4 724 686
Additions	–	343 608	–	102 992	–	22 302	468 902
Disposals	–	–	(35 139)	(2 011)	–	–	(37 150)
Write-off	–	–	–	(9 350)	–	(94 120)	(103 470)
Transferences	–	5 603	–	–	–	(5 603)	–
Closing balance	**106 689**	**3 401 287**	**17 183**	**1 442 701**	**62 806**	**22 302**	**5 052 968**
Accumulated amortization and impairment:							
Opening balance	87 190	2 710 835	50 733	1 299 865	62 806	–	4 211 429
Increases	7 110	133 826	1 587	53 016	–	–	195 539
Disposals	–	–	(35 137)	(2 011)	–	–	(37 148)
Write-off	–	–	–	(9 350)	–	–	(9 350)
Closing balance	**94 300**	**2 844 661**	**17 183**	**1 341 520**	**62 806**	–	**4 360 470**
Net amount	**12 389**	**556 626**	**–**	**101 181**	**–**	**22 302**	**692 498**

2017	BUILDINGS AND OTHER CONSTRUCTIONS	BASIC EQUIPMENT	TRANSPORT EQUIPMENT	ADMINISTRATIVE EQUIPMENT	TOOLS AND UTENSILS	FIXED ASSETS IN PROGRESS	TOTAL
Gross assets:							
Opening balance	106 689	2 870 541	100 286	1 305 084	62 806	–	4 445 406
Additions	–	185 126	–	62 621	–	99 723	347 470
Disposals	–	(3 591)	(47 964)	(16 635)	–	–	(68 190)
Closing balance	**106 689**	**3 052 076**	**52 322**	**1 351 070**	**62 806**	**99 723**	**4 724 686**
Accumulated amortization and impairment:							
Opening balance	80 082	2 615 459	94 383	1 279 387	62 684	–	4 131 995
Increases	7 108	98 967	4 183	37 113	122	–	147 493
Disposals	–	(3 591)	(47 833)	(16 635)	–	–	(68 059)
Closing balance	**87 190**	**2 710 835**	**50 733**	**1 299 865**	**62 806**	**–**	**4 211 429**
Net amount	**19 499**	**341 241**	**1 589**	**51 205**	**–**	**99 723**	**513 257**

12. INTANGIBLE ASSETS

The changes in intangible assets and corresponding accumulated amortization and impairment losses in the years ended December 31, 2018 and 2017 were as follows:

2018	INDUSTRIAL RIGHTS	SOFTWARE	INTANGIBLE ASSETS IN PROGRESS (a)	TOTAL
Gross assets:				
Opening balance	2 106 972	7 191 116	2 588 183	11 886 271
Additions	3 000	2 780 665	1 494 509	4 278 174
Transferences	-	2 295 728	(2 295 728)	-
Closing balance	**2 109 972**	**12 267 509**	**1 786 964**	**16 164 445**
Accumulated amortization and impairment:				
Opening balance	1 958 197	5 684 705	-	7 642 902
Increases	133 995	1 551 877	-	1 685 872
Closing balance	**2 092 192**	**7 236 582**	**-**	**9 328 774**
Net amount	**17 780**	**5 030 927**	**1 786 964**	**6 835 671**

2017	INDUSTRIAL RIGHTS	SOFTWARE	INTANGIBLE ASSETS IN PROGRESS (a)	TOTAL
Gross assets:				
Opening balance	2 096 807	6 358 775	329 763	8 785 345
Additions	10 165	644 984	2 445 777	3 100 926
Transferences	-	187 357	(187 357)	-
Closing balance	**2 106 972**	**7 191 116**	**2 588 183**	**11 886 271**
Accumulated amortization and impairment:				
Opening balance	1 714 524	5 063 133	-	6 777 657
Increases	243 673	621 572	-	865 245
Closing balance	**1 958 197**	**5 684 705**	**-**	**7 642 902**
Net amount	**148 775**	**1 506 411**	**2 588 183**	**4 243 369**

(a) Intangible assets in progress relates, essentially, to software that the Company is developing for future use in providing services.

13. INVESTMENTS

As of December 31, 2018 and 2017 the detail of the subsidiaries and their respective main financial information, extracted from the respective financial statements, was as follows:

2018	PARTICIPATION HELD	ASSET	NET INCOME FOR THE YEAR	EQUITY
A-to-Be USA	100%	6 019 766	(208 066)	2 042 605

2017	PARTICIPATION HELD	ASSET	NET INCOME FOR THE YEAR	EQUITY
A-to-Be USA	100%	3 123 750	740 220	910 928

In the year ended December 31, 2015, BIT Mobility Solutions, LLC ("BMS") was incorporated in Denver, United States of America, in which the Company holds a 100% interest. During the year ended December 31, 2018, the company changed its name to A-to-Be USA, LLC.

The financial information of this subsidiary, originally denominated in USD, has been translated into Euros at the following exchange rates:

	2018	2017
Assets and liabilities	1,145000	1,199300
Net Income for the year	1,180853	1,129681

During the years ended December 31, 2018 and 2017, the changes in value in investments in subsidiaries and associates were as follows:

			EQUITY METHOD		
2018	OPENING BALANCE RESTATED	INCREASES	IMPACT ON EQUITY	IMPACT ON RESULTS (Note 7)	CLOSING BALANCE
A-to-Be USA	910 929	808 408	255 036	68 232	2 042 605

			EQUITY METHOD		
2017	OPENING BALANCE RESTATED	INCREASES	IMPACT ON EQUITY	IMPACT ON RESULTS (Note 7)	CLOSING BALANCE
A-to-Be USA	406 688	1 290 632	(46 171)	(740 220)	910 929

14. DEFERRED TAX

Deferred tax assets as of December 31, 2018 and 2017, by underlying temporary differences, were as follows:

	2018	2017
Non deductible provisions	135 970	116 387
Tax incentives - "SIFIDE"	320 063	393 745
Retirement benefits	142 591	160 739
	598 624	**670 871**

The changes in deferred tax assets for the years ended on December 31, 2018 and 2017 were as follows:

	2018	2017
Opening balance	**670 871**	**480 680**
Effect on results:		
Effect of rate change:		
Non deductible provisions	9 065	(8 313)
Retirement benefits	15 959	(14 184)
	25 024	**(22 497)**
Movement of the period:		
Movement on non deductible provisions	10 518	6 829
Tax incentives - "SIFIDE"	(73 682)	192 912
Retirement benefits	24 864	22 271
	(38 300)	**222 012**
Sub-total (Note 8)	**(13 276)**	**199 515**
Effect on equity:		
Effect of rate change:		
Retirement benefits	(52 517)	2 702
Movement of the period:		
Retirement benefits	(6 454)	(12 026)
Sub-total	**(58 971)**	**(9 324)**
Closing balance	**598 624**	**670 871**

As of December 31, 2018 and 2017, the tax rate used to calculate deferred tax assets was 22.5% and 21%, respectively.

15. INVENTORIES

As of December 31, 2018 and 2017, inventories were as follows:

	2018	2017
Merchandise	1 252 526	1 271 400
Raw, subsidiary and consumable materials	1 176	1 321
	1 253 702	**1 272 721**

Cost of sales for the years ended December 31, 2018 and 2017 were as follows:

2018	MERCHANDISE	RAW, SUBSIDIARY AND CONSUMABLE MATERIALS	TOTAL
Opening balance	1 271 400	1 321	1 272 721
Purchases	2 196 009	257	2 196 266
Inventory regulations (a)	(866 775)	(402)	(867 177)
Closing balance	(1 252 526)	(1 176)	(1 253 702)
Cost of sales	**1 348 108**	**-**	**1 348 108**

2017	MERCHANDISE	RAW, SUBSIDIARY AND CONSUMABLE MATERIALS	TOTAL
Opening balance	862 148	1 856	864 004
Purchases	2 431 544	1 244	2 432 788
Inventory regulations (a)	(733 289)	(1 779)	(735 068)
Closing balance	(1 271 400)	(1 321)	(1 272 721)
Cost of sales	**1 289 003**	**-**	**1 289 003**

(a) The caption "regularization" represents, essentially, consumption movements related to services rendered by the Company and recorded under caption "Supplies and Services".

16. TRADE AND OTHER RECEIVABLES

As of December 31, 2018 and 2017, this caption was as follows:

	2018	2017
Trade receivables:		
Group and related companies (Note 28)	5 019 076	4 496 294
Others	1 140 272	1 386 931
Doubtful trade receivables	180 197	180 197
	6 339 545	**6 063 422**
Other receivables:		
SRTGC (a) (Note 28)	606 832	125 977
Advances to suppliers	25 203	36 162
Personnel	15 161	66 911
Related companies (Note 28)	12 570	16 703
Others	289 856	68 666
	949 622	**314 419**
	7 289 167	**6 377 841**
Accumulated impairment losses (Note 21)	**(180 197)**	**(180 197)**
	7 108 970	**6 197 644**

(a) This amount relates mainly to the year income tax under the SRTGC (Note 8).

Trade and other receivables arise from operating activities and are net of accumulated impairment losses. These are estimated based on available information and past experience.

Given the nature of the Group's operations, there is not a significant concentration of credit risk.

17. OTHER CURRENT ASSETS

As of December 31, 2018 and 2017, this caption was as follows:

	2018	2017
Accrued income:		
Group and related companies (Note 28)	408 641	279 167
Others	15 777	351 175
	424 418	**630 342**
Deferred expenses:		
Insurances	39 521	30 830
Rents	3 252	3 950
Others	83 249	44 319
	126 022	**79 099**
	550 440	**709 441**

18. CASH AND CASH EQUIVALENTS

Cash and cash equivalents as of December 31, 2018 and 2017 were as follows:

	2018	2017
Cash	659	659
Bank deposits	387 785	426 009
	388 444	**426 668**

19. SHARE CAPITAL

The Company's fully subscribed and paid up capital as of December 31, 2018 and consisted of 695 070 shares with a nominal value of five Euros each.

At the General Shareholders Meeting held on March 2, 2015, the Shareholders decided to increase the share capital of the Company from 2 926 600 Euros to 3 475 350 Euros, through the subscription of 109 750 new shares with a nominal value of five Euros per share and an issuance premium of 2 451 250 Euros, represented by the entry of Pathena (SCA) SICAR ("Pathena") in the share capital of the Company.

As of December 31, 2018 and 2017, the Company has the following Shareholders:

2018	NUMBER OF SHARES	VALUE	% CAPITAL
Brisa	564 468	2 822 340	81.21%
Pathena	109 750	548 750	15.79%
Jorge Manuel da Conceição Sales Gomes	13 901	69 505	2.00%
Francisco de Sanches Osório Montanha Rebelo	6 951	34 755	1.00%
	695 070	**3 475 350**	**100.00%**

2017	NUMBER OF SHARES	VALUE	% CAPITAL
Brisa	550 567	2 752 835	79.21%
Pathena	109 750	548 750	15.79%
Jorge Manuel da Conceição Sales Gomes	13 901	69 505	2.00%
Pedro José Rocha Alambre Amado Bento	13 901	69 505	2.00%
Francisco de Sanches Osório Montanha Rebelo	6 951	34 755	1.00%
	695 070	**3 475 350**	**100.00%**

20. LEGAL AND OTHER RESERVES

Legal reserve

The Portuguese law establishes that, at least 5% of the net income of the year must be used to increase the legal reserve until this one achieves 20% of the share capital. This reserve is not distributable, except in case of Company liquidation, but can be used to cover accumulated losses after the use of all other reserves, or can be incorporated in share capital.

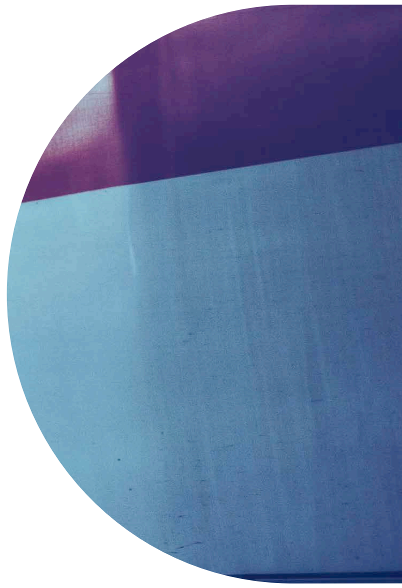
As of December 31, 2018 and 2017, the legal reserve amounted to 695 070 Euros.

Other reserves

In December 31, 2018 and 2017 this item amounted to 1 071 860 Euros and 880 747 Euros respectively.

21. ACCUMULATED IMPAIRMENT LOSSES

As of December 31, 2018 and 2017, accumulated impairment losses were related to accounts receivable and amounted to 180 197 Euros (Note 16). There were no movements in accumulated impairment losses during the years then ended.



22. PROVISIONS

The changes in the provisions in the years ended December 31, 2018 and 2017 were as follows:

2018	OPENING BALANCE	INCREASE	REVERSAL (Note 4)	CLOSING BALANCE
Provisions:				
Litigations in progress	7 500	-	(1 500)	6 000
Other risks	614 620	45 559	-	660 179
	622 120	**45 559**	**(1 500)**	**666 179**

2017	OPENING BALANCE	INCREASE	REVERSAL (Note 4)	CLOSING BALANCE
Provisions:				
Litigations in progress	9 000	-	(1 500)	7 500
Other risks	587 869	26 751	-	614 620
	596 869	**26 751**	**(1 500)**	**622 120**

Provisions for litigations in progress have the objective to cover the estimated responsibilities by the Board of Directors, based on the opinion of the attorneys, as a result of cases brought against the Company. The total amount of the claimed compensations, as of December 31, 2018 and 2017, amounted to 81 226 Euros and 93 630 Euros, respectively and the provision corresponded to the best estimation to which responsibilities could be.

The provision for other risks intends to cover possible losses and responsibilities arising from the normal activity of the Company.

23. TRADE PAYABLES LOSSES

As of December 31, 2018 and 2017, this caption was as follows:

	2018	2017
Trade payables:		
Related entities (Note 28)	439 750	391 342
Others	3 157 352	2 858 769
	3 597 102	**3 250 111**
Other payables:		
Personnel	60 113	48 383
Related entities (Note 28)	22 863	22 863
Others	33 941	125 469
	116 917	**196 715**
	3 714 019	**3 446 826**

24. OTHER CURRENT LIABILITIES

As of December 31, 2018 and 2017, this caption was as follows:

	2018	2017
Government and other public entities:		
Personal income tax:		
Income tax retentions	66 505	71 707
Value Added Tax	-	321 854
Contributions to Social Security	79 753	76 405
	146 258	**469 966**
Accrued expenses:		
Salaries to be paid (a)	1 118 577	999 569
Current expenses to be paid	626 920	347 840
Related parties (Note 28)	-	105 370
	1 745 497	**1 452 779**
Deferred income:		
Related parties (Note 28)	359 956	-
Others	41 311	-
	401 267	**-**
	2 293 022	**1 922 745**

(a) This caption includes the vacation's accrual, vacation's subsidy, the performance bonus and corresponding social charges to be paid next year.

25. FINANCING

In January 2018, the Company contracted with a banking entity a program for commercial paper issuance with underwriting guarantee, for a maximum total amount of 5 000 000 Euros.

As of December 31, 2018, were placed 4 600 000 Euros and accrued interest and commissions amounting to 1 794 Euros.

26. CONTINGENT LIABILITIES

As of December 31, 2018 and 2017, the Company had the following responsibilities for bank guarantees given to third parties:

	2018	2017
Atlantic Specialty Insurance Company (a)	692 310	100 822
EMEL - Empresa Pública Municipal de Mobilidade e Estacionamento de Lisboa	19 360	19 360
APA - Agência Portuguesa Ambiente	10 500	-
EP - Estradas de Portugal, S.A.	9 778	9 778
TIP - Transportes Intermodais do Porto	9 000	9 000
	740 948	**138 960**

(a) Corresponded to guarantees contracted in foreign currency as of December 31, 2018 and 2017, in amounts of USD 792 696 and USD 115 441, respectively.

27. RETIREMENT BENEFITS RESPONSABILITIES

Defined benefit plan

The Company has a supplementary retirement, incapacity and survivor pension plan, under which their employees reaching retirement age at the service of the Company, 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, attributed by the Social Security that can also not exceed such gross remuneration.

In the case of death of the beneficiary, the plan also gives, under 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 December 31, 2018.

The actuarial study as of December 31, 2018 was prepared by using the Projected Unit Credit Method and the following assumptions and technical bases:

	2018	2017	2016	2015
Technical interest rate	2.25%	2.25%	2.25%	3.25%
Fund's annual income rate	2.25%	2.25%	2.25%	3.25%
Annual salary growth rate	1.85%	1.85%	1.85%	2.25%
Annual pension growth rate	0%	0%	0%	0%

The annual rate of salary growth was adjusted according to the wage policy adopted by the Group.

A reduction of 25 bps in the technical interest rate and annual rate of return of the Fund used for the actuarial calculation, would correspond to an increase in the current value of the responsibilities of, approximately, 75 520 Euros as of December 31, 2018.

In addition, the demographic assumptions considered as of December 31, 2018 and previous years were as follows:

	2018	2017	2016	2015
Mortality tables	TV 88/90	TV 88/90	TV 88/90	TV 88/90
Disability tables	EKV80	EKV80	EKV80	EKV80

In accordance with the actuarial studies, the cost of the retirement pension supplements for the year ended December 31, 2018 and prior years was as follows:

	2018	2017	2016	2015
Current service cost (Note 7)	98 940	80 961	57 638	58 002
Financing costs (Note 7)	45 666	43 602	52 930	52 890
Actuarial gains and losses	(250 084)	(53 448)	215 833	149 260
Fund income (Note 7)	(26 218)	(25 583)	(37 063)	(42 462)
	(131 696)	**45 532**	**289 338**	**217 690**

The actuarial gains and losses are recorded as income and expenses directly in equity.

As explained earlier, liabilities for the social benefits referred to above were transferred to an autonomous pension fund to which the Company contributes on a regular basis to cover such liabilities.

As of December 31, 2018 and in previous years, the difference between the present value of the liabilities and the market value of the fund's assets was follows:

	2018	2017	2016	2015
Present value of projected liabilities	1 749 591	1 940 686	1 866 875	1 578 366
Fund's market value	(1 115 862)	(1 175 261)	(1 146 982)	(1 147 811)
	633 729	**765 425**	**719 893**	**430 555**

The difference between the market value of the fund's assets and the current value of the liabilities is recorded as a non-current asset or non-current liability.

The fund's assets and the yield on December 31, 2018 and 2017 can be detailed as follows:

	RATE OF RETURN		ASSETS FAIR VALUE	
	2018	2017	2018	2017
Shares and other equity instruments				
Europe shares	-13.3%	14.7%	257 228	308 450
International shares ex. Europe	N/A	N/A	17 093	17 580
Bonds and other liability instruments	0.0%	0.3%	629 849	693 256
Real Estate Funds and Hedge Funds	0.1%	1.3%	115 952	119 173
Liquidity	2.0%	1.3%	95 740	36 802
			1 115 862	**1 175 261**

Defined contribution plan

The managers and directors have the benefit of a defined contribution retirement pension complement, the Company having assumed the commitment to pay an insurance company 10% of the respective basic annual remuneration. In the years ended in December 31, 2018 and 2017, contributions recorded under personnel costs amounted to 9 092 Euros (Note 7).

28. RELATED PARTIES

The Company's financial statements are included in the Brisa consolidation.

Balances with Group companies and other related parties as of December 31, 2018 and 2017 were as follows:

	TRADE RECEIVABLES (Note 16)		OTHER RECEIVABLES (Note 16)		RETGS (Note 16)		OTHER CURRENT ASSETS (Note 16)	
	2018	2017	2018	2017	2018	2017	2018	2017
Shareholders:								
Brisa	2 100	2 069	-	-	606 832	125 977	-	-
Related parties:								
Brisa Concessão Rodoviária, S.A. ("BCR")	1 522 531	932 935	-	-	-	-	364 475	-
A-to-Be USA	1 537 662	812 079	-	-	-	-	6 876	163 964
Brisa - Gestão de Infraestruturas, S.A. ("BGI")	1 118 733	811 439	12 570	12 570	-	-	-	-
Via Verde Serviços, S.A. ("VVS")	378 794	-	-	-	-	-	-	-
Auto-Estradas do Atlântico, S.A. ("AEA")	222 880	766 089	-	-	-	-	-	-
Via Verde Portugal, S.A. ("Via Verde")	189 630	129 257	-	-	-	-	33 540	23 911
Geira, S.A. ("Geira")	23 985	48 359	-	-	-	-	-	-
AELO - Auto-Estradas do Litoral Oeste, S.A. ("AELO")	15 222	15 210	-	-	-	-	-	-
AEBT - Auto-Estradas do Baixo Tejo, S.A. ("AEBT")	1 573	1 550	-	-	-	-	3 750	3 750
Controlauto - Controlo Técnico Automóvel, S.A. ("Controlauto")	3 004	2 599	-	-	-	-	-	14 702
Brisa O&M, S.A. ("BOM")	2 170	946 841	-	-	-	-	-	72 840
BNV Mobility, B.V.	792	7 758	-	-	-	-	-	-
Via Verde Carsharing, S.A. ("VVCS")	-	17 835	-	-	-	-	-	-
Iteuve Portugal, Sociedade Unipessoal, Lda. ("Iteuve")	-	2 274	-	1 341	-	-	-	-
Grupo José de Mello Saúde	-	-	-	2 792	-	-	-	-
	5 019 076	**4 496 294**	**12 570**	**16 703**	**606 832**	**125 977**	**408 641**	**279 167**

28. RELATED PARTIES

	TRADE PAYABLES (Note 23)		OTHER CREDITORS (Note 23)		OTHER CURRENT LIABILITIES (Note 23)	
	2018	2017	2018	2017	2018	2017
Shareholders:						
Brisa	147 182	124 984	–	–	–	50 000
Related parties:						
A-to-Be USA	79 057	62 364	22 863	22 863	359 956	–
BGI	130 368	201 066	–	–	–	–
Via Verde	74 502	154	–	–	–	55 370
Grupo José de Mello	6 090	186	–	–	–	–
BNV Mobility, B.V.	2 427	2 427	–	–	–	–
Controlauto	124	161	–	–	–	–
	439 750	**391 342**	**22 863**	**22 863**	**359 956**	**105 370**

Additionally, transactions carried out with associated companies in the years ended as of December 31, 2018 and 2017 were as follows:

	SALE OF GOODS (Note 3)		SERVICES RENDERED (Note 3)		OTHER OPERATING INCOME (Note 3)		SUPPLIES AND SERVICES (Note 3)		OTHER OPERATING COSTS		FINANCIAL INCOME (Note 3)		INVENTORY		INTANGIBLE FIXED ASSETS INVESTMENTS
	2018	2017	2018	2017	2018	2017	2018	2017	2018	2017	2018	2017	2018	2017	2017
Shareholders:															
Brisa	–	–	10 243	110 093	50 000	15 099	674 505	659 678	8 828	–	–	–	–	–	173
Related parties:															
BGI	244 275	72 120	3 789 508	1 162 960	1	–	631 946	332 216	–	–	–	–	43 346	59 431	–
BCR	1 606 805	964 034	1 688 508	1 552 684	–	–	–	–	–	–	–	–	–	–	–
A-to-Be USA	23 598	–	2 782 265	1 512 307	–	–	–	–	16	–	24 751	–	–	–	–
AEA	17 500	–	1 298 281	–	–	–	–	–	–	–	–	8 642	–	–	–
VVS	–	–	373 175	–	–	–	–	–	–	–	–	–	–	–	–
Geira	–	–	233 684	234 316	–	–	–	–	–	–	–	–	–	–	–
Via Verde	–	–	199 277	163 717	12 885	4 905	5 396	45 461	–	–	–	–	–	–	–
BOM	19 107	270 412	33 263	2 944 569	–	10 943	–	336 316	–	131	–	–	–	112	(132)
Grupo José de Mello	–	–	26 222	–	–	–	25 738	16 694	–	–	–	–	–	–	–
Controlauto	203	210	23 132	39 298	–	–	263	137	902	583	–	–	–	–	–
AELO	–	–	7 673	7 561	–	–	–	–	–	–	–	–	–	–	–
AEBT	–	–	7 673	7 556	–	–	–	–	–	–	–	–	–	–	–
Grupo José de Mello Saúde	–	–	–	889	–	–	80	–	–	–	–	–	–	–	–
BNV Mobility, B.V.	–	–	–	134 002	–	–	–	–	–	–	–	–	–	–	–
VVCS	–	–	–	14 500	–	–	–	–	–	–	–	–	–	–	–
Iteuve	–	–	–	5 550	–	–	–	–	–	31	–	–	–	–	–
	1 911 488	**1 306 776**	**10 472 904**	**7 890 002**	**62 886**	**30 947**	**1 337 928**	**1 390 502**	**9 746**	**745**	**24 751**	**8 642**	**43 346**	**59 543**	**41**

Remuneration of the key members of the Company in the years ended December 31, 2018 and 2017 was as follows:

	2018	2017
Fixed remuneration	289 151	444 803
Variable remuneration	83 596	159 317
Defined benefits	9 888	10 042
	382 635	**614 162**

29. APPROVAL OF THE FINANCIAL STATEMENTS

The Board of Directors approved the financial statements for the year ended December 31, 2018 and authorized for issue on March 18, 2019. However, they are still subject to approval by the Shareholders' Meeting, in accordance with the commercial legislation in force in Portugal.

30. FEES OF THE OFFICIAL STATUTORY AUDITOR

The fees of the Official Statutory Auditor for the years ended December 31, 2018 and 2017 amounted to 16 000 Euros and13 000 Euros, respectively.

31. NOTE ADDED FOR TRANSLATION

These consolidated financial statements are a translation of consolidated financial statements originally issued in Portuguese. In the event of discrepancies, the Portuguese language version prevails.

São Domingos de Rana, March 18, 2019

The accountant, registered under no. 90672
Pedro Miró Rodrigues

THE BOARD OF DIRECTORS

Daniel Alexandre Miguel Amaral

Eduardo António da Costa Ramos

Francisco de Sanches Osório Montanha Rebelo

Luís Rafael Leite Inácio Margalhau Nunes

Frederico José Ribeiro Vaz

Manuel António Garcia Matos

Vitor Manuel da Rocha Dinis

LEGAL CERTIFICATION OF ACCOUNTS

pwc

Report and Opinion of the Supervisory Body

(Free translation from the original in Portuguese)

To the Shareholders,

In accordance with the law and our mandate, we herewith present the report on our supervisory activity and our opinion on the consolidated Directors' Report and consolidated financial statements as presented by the Board of Directors of AtoBe – Mobility Technology, S.A. (the Entity) with respect to the year ended December 31, 2018.

During the year, we have accompanied the evolution of the Entity's activity, as and when deemed necessary. We have verified the timeliness and adequacy of the accounting records and respective supporting documentation, as well as the effectiveness of the internal control system, only to the extent that the controls are of relevance for the control of the Entity's activity and the presentation of the financial statements. We have also ensured that the law and the Entity's articles of association have been complied with.

As a consequence of our work, we have issued the attached Statutory Audit Report.

Within the scope of our mandate, we have verified that:

i) the consolidated balance sheet, the consolidated statement of comprehensive income, the consolidated statement of changes in equity, the consolidated statement of cash flows and the corresponding notes to the accounts, permit an adequate understanding of the financial position, the results, the comprehensive income, the changes in equity and cash flows of the Entity;

ii) the accounting policies and valuation methods applied are appropriate;

iii) the consolidated Directors' Report is sufficiently clear as to the developments of the business and the position of the Entity [and the subsidiaries included in the consolidation] and highlights the more significant aspects;

On this basis, and taking into account information obtained from the Board of Directors and the Entity's employees, together with the conclusions in the Statutory Audit Report, we are of the opinion that:

i) the consolidated Directors' Report be approved;

ii) the consolidated financial statements be approved;

PricewaterhouseCoopers & Associados - Sociedade de Revisores Oficiais de Contas, Lda.
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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

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.

Finally, we would like to express our gratitude to the Board of Directors and all those whom we contacted, for their valuable contribution.

March 19, 2019

PricewaterhouseCoopers & Associados
- Sociedade de Revisores Oficiais de Contas, Lda.
represented by:

Rui Jorge dos Anjos Duarte, R.O.C.

Statutory Audit 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 AtoBe – Mobility Technology, S.A. (the Group), which comprise the consolidated statement of financial position as at December 31, 2018 (which shows total assets of Euros 21,494,227 and total shareholders' equity of Euros 7,586,506 Euros including a net loss of Euros 1,016,434), the consolidated statement of profit and loss and other comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows 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 AtoBe – Mobility Technology, S.A. as at December 31, 2018, 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 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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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; and

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.

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; and

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 compliance with paragraph 3 e) of article No. 451 of the Portuguese Company Law, it is our opinion that 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.

March 19, 2019

PricewaterhouseCoopers & Associados
- Sociedade de Revisores Oficiais de Contas, Lda.
represented by:

Rui Jorge dos Anjos Duarte, R.O.C.

pwc

Report and Opinion of the Supervisory Body

(Free translation from the original in Portuguese)

To the Shareholders,

In accordance with the law and our mandate, we herewith present the report on our supervisory activity and our opinion on the Directors' Report and financial statements as presented by the Board of Directors of AtoBe – Mobility Technology, S.A. (the Entity) with respect to the year ended December 31, 2018.

During the year, we have accompanied the evolution of the Entity's activity, as and when deemed necessary. We have verified the timeliness and adequacy of the accounting records and respective supporting documentation, as well as the effectiveness of the internal control system, only to the extent that the controls are of relevance for the control of the Entity's activity and the presentation of the financial statements. We have also ensured that the law and the Entity's articles of association have been complied with.

As a consequence of our work, we have issued the attached Statutory Audit Report.

Within the scope of our mandate, we have verified that:

i) the balance sheet, the statement of financial position, the statement of comprehensive income, the statement of changes in equity, the statement of cash flows and the corresponding notes to the accounts permit an adequate understanding of the financial position, the results, the comprehensive income, the changes in equity and cash flows of the Entity;

ii) the accounting policies and valuation methods applied are appropriate;

iii) the Directors' Report is sufficiently clear as to the developments of the business and the position of the Entity and highlights the more significant aspects;

iv) the proposed appropriation of results is not contrary with the applicable laws and Entity's articles of association.

On this basis, and taking into account information obtained from the Board of Directors and the Entity's employees, together with the conclusions in the Statutory Audit Report, we are of the opinion that:

i) the Directors' Report be approved;

ii) the financial statements be approved;

iii) the proposed appropriation of results be approved.

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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
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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.

Finally, we would like to express our gratitude to the Board of Directors and all those whom we contacted, for their valuable contribution.

March 19, 2019

PricewaterhouseCoopers & Associados
- Sociedade de Revisores Oficiais de Contas, Lda.
represented by:

Rui Jorge dos Anjos Duarte, R.O.C.

pwc

Statutory Audit 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 AtoBe – Mobility Technology, S.A. (the Entity), which comprise the statement of financial positions at December 31, 2018 (which shows total assets of Euros 19,518,135 and total shareholders' equity of Euros 7,586,506 including a net loss of Euros 1,016,434, the statement of profit and loss and other comprehensive income, the statement of changes in 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 AtoBe – Mobility technology, S.A. as at December 31, 2018, 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 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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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.

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 compliance with paragraph 3 e) of article No. 451 of the Portuguese Company Law, it is our opinion that 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.

March 19, 2019

PricewaterhouseCoopers & Associados
- Sociedade de Revisores Oficiais de Contas, Lda.
represented by:

Rui Jorge dos Anjos Duarte, R.O.C.

ANNUAL REPORT 2018

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