

Reditus – Sociedade Gestora de Participações Sociais, S.A.

Public limited company with share capital open to public investment

Head Office: Rua Pedro Nunes, no. 11 – 11 – 1050-169 Lisbon

Share Capital: 73.193.455 Euros

Registered at Lisbon Commercial Register under the same registration and
Legal Person number 500 400 997

Report and Accounts (Unaudited)

3rd Quarter of 2012 (9M12)

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I - Consolidated Management Report

1. Summary of Activity

The positive and sustained trend of the results of the Reditus Group during the first nine months of 2012 confirm the success of the strategy implemented in 2011, namely the simplification of structures, cost reduction and focus on the upselling of services and internationalisation.

International activity grew by 35.4% and currently represents 36% of total Turnover, compared to 29% over the same period of the previous year. In the domestic market, in spite of the adverse context, Reditus managed to maintain stable activity, with a slight reduction of 0.4%.

The Group's operating profitability improved significantly, reflecting the continuous focus on the efficiency of the national and international operations. The Group's EBITDA reached € 8.7 million, during the period of 9M12, an increase of 84.0% compared with the same period of the previous year, equivalent to an EBITDA margin of 9.8% (against 5.8% in the 9M11).

The Reditus Group continues its strong focus on the expansion of international activity, particularly in Central Europe, South America and Africa, and strengthening of its integrated offer with the development of new solutions.

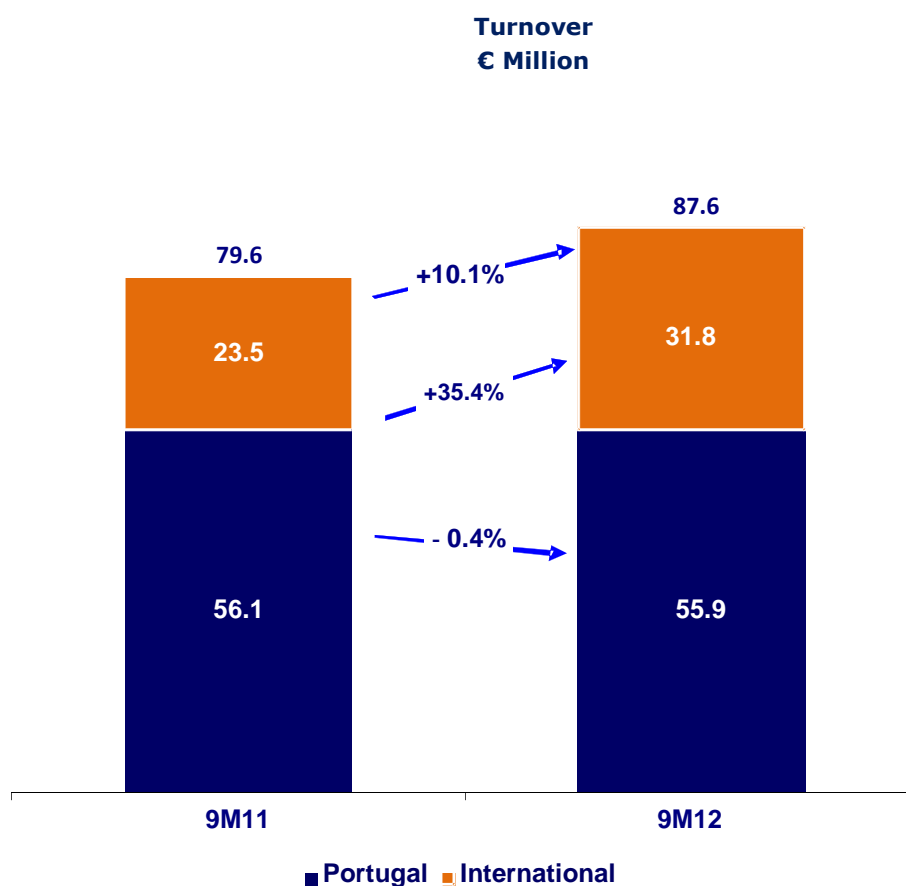
2. Consolidated Indicators

2.1. Consolidated Operating Income

Consolidated Operating Income reached € 89.1 million in the 9M12, an increase of 9.7% in relation to the same period of the previous year.

Consolidated Turnover increased by 10.1% to € 87.6 million, driven by the strong growth of international activity (+ 35.4%), which represented 36% of total operations (against 29.0% in the same period of the previous year).

The Provision of Services component increased by 18.8%, and currently represents 86.3% of Turnover, compared with 80.0% in the 9M11.

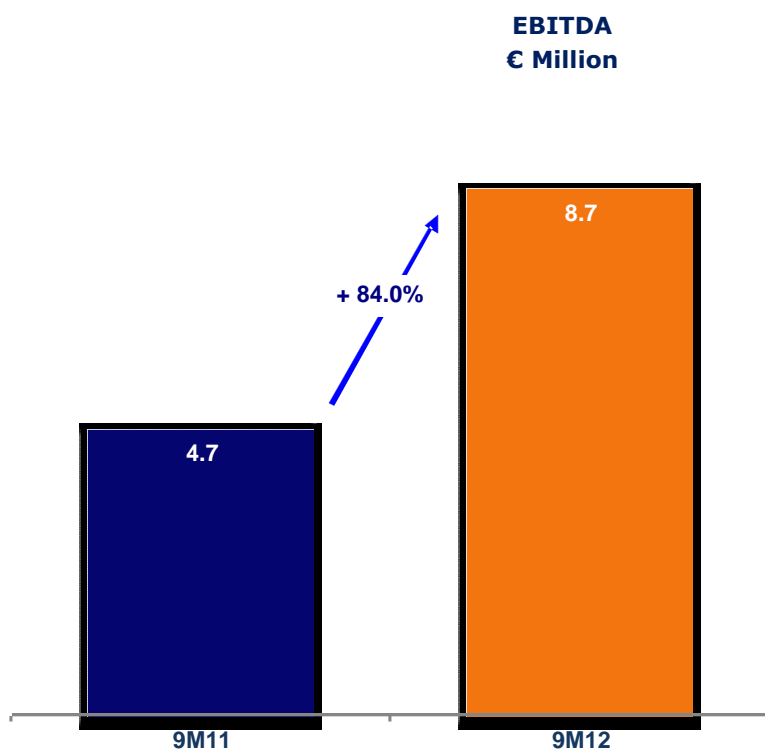


2.2. Operating Costs

Consolidated Operating Costs, net of depreciation, amortisation, provisions and adjustments reached a total of € 80.4 million in the first nine months of 2012, corresponding to a year-on-year increase of 5.1% and accounting for 90.2% of Total Income, in comparison with 94.2% in the same period of the previous year. This performance reflects the ongoing effort towards rationalisation of the cost structure and streamlining of operating costs.

2.3. Earnings Before Interest, Taxes, Depreciation and Amortisation (EBITDA)

The performance in terms of Turnover, combined with efficiency and productivity gains led to growth of EBITDA of 84.0%, year-on-year, to € 8.7 million, with the EBITDA margin having reached 9.8%, 3.2 pp above the figure for the same period of the previous year. This improvement demonstrates the positive results achieved through the strategy of operating efficiency and focus on higher value added services.



2.4. Net Income

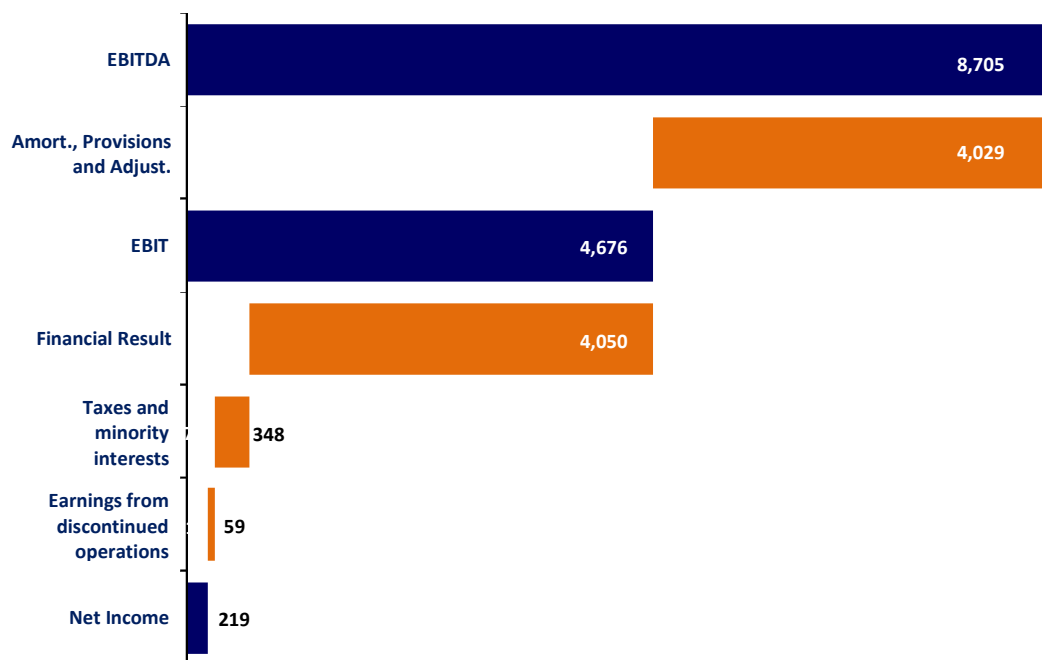
Depreciation, Amortisation, Provisions and Adjustments reached € 4.0 million in the 9M12, reflecting an increase of 6.0% relative to the same period of the previous year.

Earnings Before Interest and Taxes (EBIT) were positive by € 4.7 million, compared with the € 931 million recorded in the same period of the previous year.

The Financial Results achieved a negative net value of € 4.0 million, a decrease of 17.1% in relation to the same period of the previous year, reflecting the reduction of gross debt and average pricing, and better use of the available funds.

The Earnings from Discontinued Operations in the 9M12 were negative by € 59.0 thousand, which compares with the negative results of € 1.1 million in the same period of the previous year.

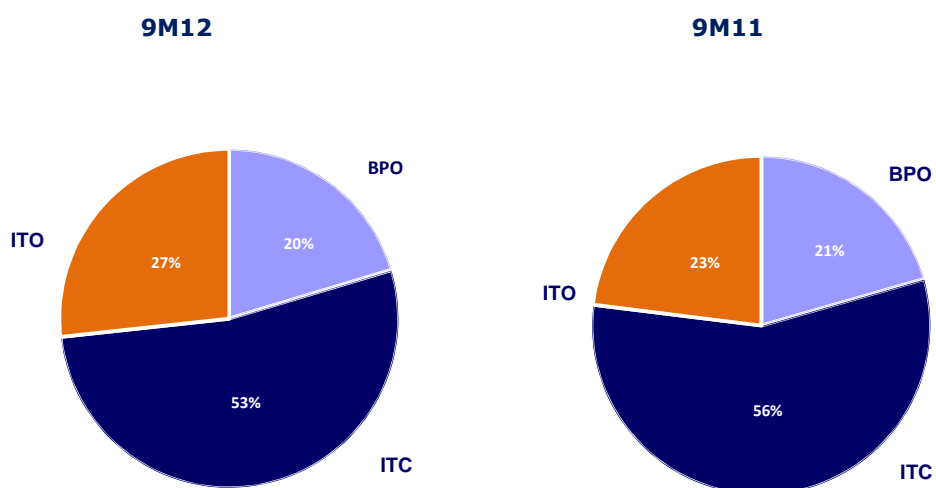
Consolidated Net Income, after minority interests and earnings from discontinued operations, stood at € 218.5 thousand in this period, representing an increase of € 4.1 million relative to the negative results of € 3.9 million in the same period of the previous year.



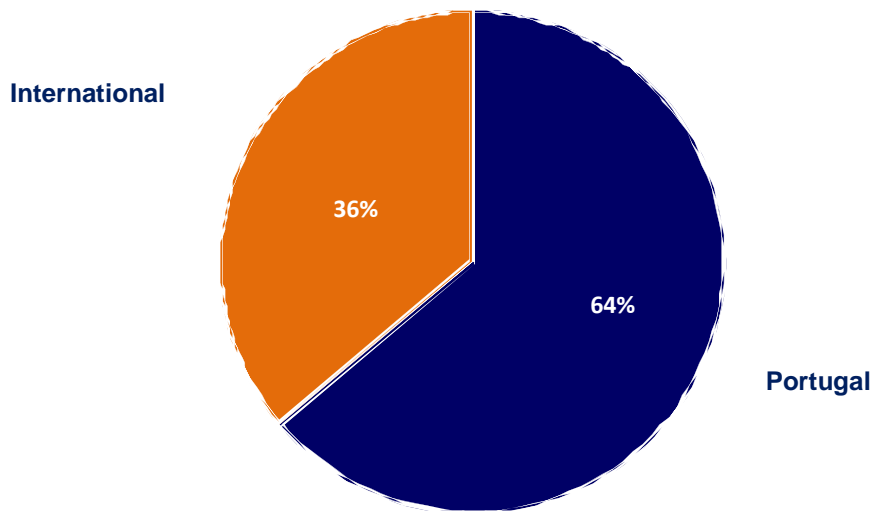
From EBITDA to Net Income
€ Thousand

3. Indicators by Business Area

Turnover by Activity Area



Turnover by Geographic Market



3.1. Business Process Outsourcing (BPO)

The BPO area, which involves Back-Office and Front-Office activities under Outsourcing, accounts for 20% of the total Turnover of Reditus in the 9M12.

The Turnover of this business area showed year-on-year growth of 9.3% to € 18.3 million, reflecting the impact of new business.

EBITDA reached € 203 thousand, equivalent to an EBITDA margin of 1.1% and representing a decline of 5.6 pp relative to the margin of 6.7% recorded in the same period of the previous year. This evolution is essentially explained by the costs inherent to the start-up of new operations.

3.2. IT Outsourcing

The IT Outsourcing area is composed of IT Infrastructure competences and product representation. Its activity represents 27% of the Turnover of Reditus.

The significant retraction in corporate investment in IT infrastructures and cost-cutting policies adopted by most organisations has led to the postponement of investment in technological renovation. However, there has been greater demand for solutions with direct impact on the reduction of operating costs related to IT management, namely virtualisation of workplaces and data storage and archiving management solutions.

This operating unit has maintained the strong performance of the last quarters, recording growth of 28.1% in Turnover in the first nine months of the year to € 24.0 million, basically reflecting the development of international projects. The 74.0% increase in the Provision of Services more than offset the 27.5% decline in Product Sales. EBITDA stood at € 3.9 million, compared with the negative EBITDA of € 16 thousand in the same period of the previous year.

3.3. IT Consulting

IT Consulting includes the areas of Business Consulting and Transformation, SAP Development and Consulting, and Application Development, Integration and Management.

In the area of SAP Consulting and Implementation, the company ROFF, in which Reditus has a stake, increased its turnover not only in the international market, where it has strengthened its position markedly, but also in the domestic market, where it continues to expand as the largest SAP consulting company in Portugal and largest national partner of the German multinational.

IT Outsourcing represented 53% of the Turnover and total EBITDA of the Reditus Group.

During the first nine months of the year, the evolution of the IT Consulting activity was very positive, having increased its operating income by 4.7% to € 49.2 million and increased its EBITDA by 28.3% to € 4.6 million. The EBITDA margin grew 0.7 pp from 7.6% to 9.3%.

4. Balance Sheet - Main Headings

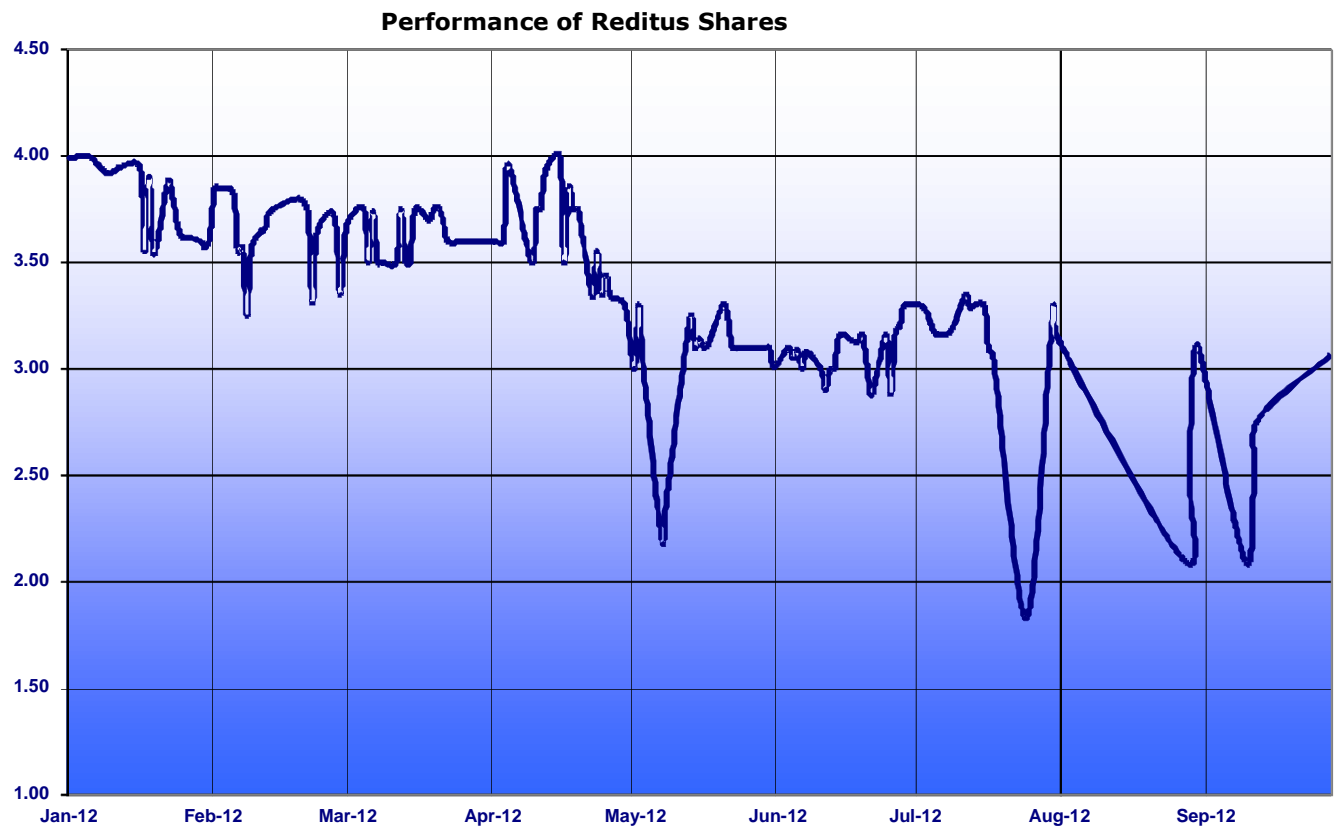
€ Million

	30-09-2012	31-12-2011	Var. %
Total Assets	190.5	184.8	3.1%
Non-current Assets	106.9	108.1	-1.1%
Current Assets	83.6	76.6	9.1%
Equity	35.0	34.7	0.7%
Total Liabilities	155.6	150.0	3.7%
Non-current Liabilities	79.1	67.8	16.6%
Current Liabilities	76.4	82.2	-7.0%
Net Debt	69.8	73.6	-5.2%

By the end of September 2012, the net bank debt (which includes loans, financial leasing liabilities, minus cash and equivalent) decreased to € 69.8 million, where this value represents a reduction of € 3.8 million, or 5.2%, relative to the € 73.6 million recorded at the end of 2011.

The financial leasing liabilities include € 6.8 million of real estate leases.

5. Stock Market Behaviour



By the end of the 9M12, as at 30 September 2012, the closing market price of Reditus shares stood at € 3.06, in comparison with the € 3.99 recorded at the beginning of the year.

In terms of liquidity, during the 9M12 approximately 134 thousand transactions of Reditus shares were recorded, corresponding to a transaction value of € 440 thousand.

The daily average number of share transactions stood at approximately 934 shares, corresponding to a daily average value of approximately 3.080 euros.

6. EBITDA by Business Area

Unit: thousand €

	30-09-2012	30-09-2011	Var%
Total Reditus			
Operating Income	89,120	81,243	9.7%
Sales	11,966	15,873	-24.6%
Services Rendered	75,646	63,688	18.8%
Other Operating Income	1,508	1,683	-10.4%
Operating Costs (excludes amort., provisions and adjust.)	80,415	76,511	5.1%
EBITDA	8,705	4,732	84.0%
EBITDA Margin	9.8%	5.8%	3.9pp
BPO			
Operating Income	18,264	16,894	8.1%
Sales	4	-	
Services Rendered	18,260	16,709	9.3%
Other Operating Income	-	185	
Operating Costs (excludes amort., provisions and adjust.)	18,062	15,763	14.6%
EBITDA	203	1,131	-82.1%
EBITDA Margin	1.1%	6.7%	-5.6pp
ITO			
Operating Income	24,069	19,097	26.0%
Sales	6,128	8,447	-27.5%
Services Rendered	17,838	10,254	74.0%
Other Operating Income	103	396	-73.9%
Operating Costs (excludes amort., provisions and adjust.)	20,160	19,113	5.5%
EBITDA	3,909	(16)	
EBITDA Margin	16.2%	-0.1%	16.3pp
IT Consulting			
Operating Income	49,163	46,950	4.7%
Sales	6,348	7,791	-18.5%
Services Rendered	41,117	38,019	8.1%
Other Operating Income	1,698	1,139	49.1%
Operating Costs (excludes amort., provisions and adjust.)	44,570	43,371	2.8%
EBITDA	4,593	3,579	28.3%
EBITDA Margin	9.3%	7.6%	1.7pp
Other and Intra-Group			
Operating Income	(2,376)	(1,697)	
Sales	(514)	(366)	
Services Rendered	(1,569)	(1,295)	
Other Operating Income	(293)	(37)	
Operating Costs (excludes amort., provisions and adjust.)	(2,376)	(1,735)	

II - Consolidated Financial Statements

REDITUS, SGPS, SA
CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 30 SEPTEMBER 2012 AND 31 DECEMBER 2011
(Unaudited)
(Values expressed in euros)

	Notes	30-09-2012	31-12-2011
NON-CURRENT ASSETS:			
Tangible assets	7	14,510,082	15,205,123
Goodwill	8	56,767,838	56,767,838
Intangible assets		28,012,319	29,569,074
Investments in associated companies		44,618	-
Assets available for sale	9	2,338,066	2,316,755
Other financial investments		5,000	5,000
Deferred tax assets	10	5,252,285	4,274,518
		<u>106,930,208</u>	<u>108,138,308</u>
CURRENT ASSETS:			
Inventories		771,055	902,647
Clients		44,316,142	42,632,288
Other accounts receivable		8,365,055	7,193,562
Other current assets		24,881,859	17,158,775
Financial assets at fair value		80,799	100,420
Cash and equivalent		5,198,928	8,637,349
		<u>83,613,838</u>	<u>76,625,041</u>
TOTAL ASSETS		<u>190,544,046</u>	<u>184,763,349</u>
EQUITY AND LIABILITIES			
EQUITY:			
Share capital		73,193,455	73,193,455
Own shares (quotas)		(1,426,438)	(1,180,733)
Issue premiums		9,952,762	9,952,762
Reserves		3,592,304	3,592,304
Retained earnings		(51,813,867)	(37,873,025)
Adjustments in financial assets		(501,763)	(501,763)
Surplus valuation of fixed assets		2,115,352	2,115,352
Consolidated net income for the year		218,516	(13,940,842)
Equity attributable to majority shareholders		35,330,321	35,357,510
Equity attributable to minority interests	11	(361,610)	(628,430)
Total equity		<u>34,968,711</u>	<u>34,729,080</u>
LIABILITIES:			
NON-CURRENT LIABILITIES:			
Loans	12	46,175,822	44,856,585
Provisions	13	2,970,976	2,970,976
Liabilities available for sale	9	2,993,931	2,912,595
Other accounts payable	14	13,708,977	3,000,000
Deferred tax liabilities	10	6,024,744	6,425,017
Financial leasing liabilities	15	7,254,304	7,675,033
		<u>79,128,754</u>	<u>67,840,206</u>
CURRENT LIABILITIES:			
Loans	12	20,544,330	28,703,107
Suppliers		17,922,351	19,989,559
Other accounts payable	14	11,722,802	12,774,819
Other current liabilities		25,252,929	19,747,163
Financial leasing liabilities	15	1,004,169	979,415
		<u>76,446,581</u>	<u>82,194,063</u>
Total liabilities		<u>155,575,335</u>	<u>150,034,269</u>
TOTAL EQUITY AND LIABILITIES		<u>190,544,046</u>	<u>184,763,349</u>

The notes are an integral part of the statement of the consolidated financial position
as at 30 September 2012 and 31 December 2011.

THE CHIEF ACCOUNTANT

THE BOARD OF DIRECTORS

REDITUS, SGPS, SA
CONDENSED CONSOLIDATED INCOME STATEMENT
FOR THE QUARTERS ENDED ON 30 SEPTEMBER 2012 AND 2011
(Unaudited)
(Values expressed in euros)

	Notes	30-09-2012	30-09-2011
<u>OPERATING INCOME:</u>			
Sales	16	11,966,140	15,872,772
Services rendered	16	75,645,587	63,687,903
Other operating income	16	1,508,046	1,682,537
Total operating revenue		<u>89,119,773</u>	<u>81,243,212</u>
<u>OPERATING COSTS:</u>			
Inventories consumed and sold		(8,378,111)	(10,368,255)
External supplies and services	17	(30,345,590)	(28,599,948)
Staff costs	18	(41,224,602)	(36,280,480)
Depreciation and amortisation costs	19	(3,407,835)	(3,486,066)
Provisions and impairment losses		(621,199)	(315,445)
Other operating costs and losses		(466,525)	(1,262,312)
Total operating costs		<u>(84,443,862)</u>	<u>(80,312,506)</u>
Net operating income		<u>4,675,911</u>	<u>930,706</u>
<u>FINANCIAL RESULTS:</u>			
Net financial costs	20	(4,049,981)	(4,882,554)
Net losses in associate companies		-	-
		<u>(4,049,981)</u>	<u>(4,882,554)</u>
Profit before taxes		<u>625,930</u>	<u>(3,951,848)</u>
Income tax for the year	21	(281,336)	1,114,341
Profit before minority interests		<u>344,594</u>	<u>(2,837,507)</u>
Minority interests	11	(67,106)	(2,208)
Earnings from ongoing operations		<u>277,488</u>	<u>(2,839,715)</u>
Earnings from discontinued operations	22	(58,972)	(1,090,865)
Net Income		<u>218,516</u>	<u>(3,930,580)</u>
Attributable to:			
Shareholders of the parent company		218,516	(3,930,580)
Minority interests	11	67,106	2,208
		<u>285,622</u>	<u>(3,928,372)</u>
Earnings per share from ongoing and discontinued operations			
Basic		0.0149	(0.3199)
Diluted		0.0149	(0.3199)
Earnings per share from ongoing operations			
Basic		0.0190	(0.2311)
Diluted		<u>0.0190</u>	<u>(0.2311)</u>

The notes are an integral part of the consolidated statements of the financial position
for the periods ended 30 September 2012 and 2011.

THE CHIEF ACCOUNTANT

THE BOARD OF DIRECTORS

REDITUS, SGPS, SA
CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
 FOR THE QUARTERS ENDED ON 30 SEPTEMBER 2012 AND 2011
 (Unaudited)
 (Values expressed in euros)

	<u>30-09-2012</u>	<u>30-09-2011</u>
Consolidated net income for the year (before minority interests)	<u>344,594</u>	<u>(2,837,507)</u>
Changes in surplus valuation of fixed assets (IAS 16, IAS 38)	-	175,255
Consolidated comprehensive income	<u>344,594</u>	<u>(2,662,252)</u>
Attributable to:		
Shareholders of the parent company	277,488	(2,664,460)
Minority interests	<u>67,106</u>	<u>2,208</u>
	<u>344,594</u>	<u>(2,662,252)</u>

REDITUS, SGPS, SA
CONDENSED CONSOLIDATED CASHFLOW STATEMENT
FOR THE QUARTERS ENDED ON 30 SEPTEMBER 2012 AND 2011
(Unaudited)
(Values expressed in euros)

	30-09-2012	30-09-2011
<u>OPERATING ACTIVITIES:</u>		
Receipts from customers	102,029,050	91,954,606
Payments to suppliers	(42,228,838)	(41,335,537)
Payments to the staff	(34,976,694)	(32,699,606)
Payment/receipt of income tax	(894,147)	(419,749)
Other receipts/(payments) relative to operating activity	(13,241,145)	(19,620,162)
Cash flow from operating activities (1)	<u>10,688,226</u>	<u>(2,120,448)</u>
<u>INVESTMENT ACTIVITIES:</u>		
Receipts derived from:		
Financial investments	-	-
Sale of tangible assets	48,480	31,120
Investment grants	-	1,997
Interest and similar income	-	44,435
Other	113,599	31,852
	<u>162,079</u>	<u>109,404</u>
Payments relative to:		
Business combinations	-	(4,291,706)
Acquisition of tangible assets	(448,808)	(119,217)
Acquisition of intangible assets	(45,000)	-
Other	(318,772)	(1,194,732)
	<u>(812,580)</u>	<u>(5,605,655)</u>
Cash flow from investment activities (2)	<u>(650,501)</u>	<u>(5,496,251)</u>
<u>FINANCING ACTIVITIES:</u>		
Receipts relative to:		
Loans received	41,645,762	51,082,605
Share capital increases, additional paid-in capital and issue premiums	-	22,506,974
	-	-
	-	-
Other	-	-
	<u>41,645,762</u>	<u>73,589,579</u>
Payments relative to:		
Loans received	(47,053,970)	(65,051,445)
Amortisation of financial leasing contracts	-	(1,095,049)
Interest and similar costs	(4,381,427)	(4,080,235)
Acquisition of own shares	(245,706)	(20,328)
Other	(2,429,078)	(92,744)
	<u>(54,110,181)</u>	<u>(70,339,801)</u>
Cash flow from financing activities (3)	<u>(12,464,419)</u>	<u>3,249,778</u>
Variation in cash and equivalent (4) = (1) + (2) + (3)	(2,426,694)	(4,366,921)
Effect of currency conversion differences	-	-
Non current assets held for sale	-	-
Perimeter alteration	-	(2,398)
Incorporation by merger	-	-
Cash and equivalent at the beginning of the period	3,952,238	3,453,142
Cash and equivalent at the end of the period	1,525,544	(916,177)

REDITUS, SGPS, SA
NOTES TO THE CONDENSED CONSOLIDATED CASHFLOW STATEMENT
 FOR THE QUARTERS ENDED ON 30 SEPTEMBER 2012 AND 2011
 (Unaudited)
 (Values expressed in euros)

	<u>30-09-2012</u>	<u>30-09-2011</u>
Cash	158 970	426 708
Bank deposits	5 039 958	9 577 228
Disposable assets in the balance sheet	5 198 928	10 003 936
Non current assets held for sale		
Bank overdrafts	(3 673 384)	(10 920 113)
	<u>1 525 544</u>	<u>(916 177)</u>
Cash and equivalent		

REDITUS, SGPS, SA
CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
for the periods ended 30 September 2012 and 2011
(Unaudited)
(Values expressed in euros)

	Equity attributable to majority shareholders										Equity	
	Share capita	Treasury shares (quotas)	Issue premium of shares	Legal Reserves	Other Reserves	Retained earnings	Adjustments in financial assets	Surplus valuation of fixed assets	Consolidated net income for the period	Total	attributable to minority interests	Total equity
Balance as at 31 de December de 2011	73,193,455	(1,180,733)	9,952,762	2,024,635	1,567,669	(37,873,025)	(501,763)	2,115,352	(13,940,842)	35,357,510	(628,430)	34,729,080
Share capital increase	-	-	-	-	-	-	-	-	-	-	-	-
(Acquisition) / Sale of own shares	-	(245,705)	-	-	-	-	-	-	-	(245,705)	-	(245,705)
Application of results	-	-	-	-	-	(13,940,842)	-	-	13,940,842	-	-	-
Acquisition of minority interests (Note 10)	-	-	-	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-	-	199,714	199,714
Minority interests for the period	-	-	-	-	-	-	-	-	-	-	67,106	67,106
Changes in surplus valorisation (IAS 16, IAS 18)	-	-	-	-	-	-	-	-	-	-	-	-
Consolidated net income for the year	-	-	-	-	-	-	-	-	218,516	218,516	-	218,516
Balance as at 30 de September de 2012	73,193,455	(1,426,438)	9,952,762	2,024,635	1,567,669	(51,813,867)	(501,763)	2,115,352	218,516	35,330,321	(361,610)	34,968,711
Balance as at 31 de December de 2010	51,557,265	(1,156,757)	11,146,578	2,024,635	1,522,269	(38,096,232)	(501,763)	2,357,714	268,607	29,122,316	105,032	29,227,348
Share capital increase	21,636,190	-	(1,193,701)	-	-	-	-	-	-	20,442,489	-	20,442,489
(Acquisition) / Sale of own shares	-	(20,328)	-	-	-	-	-	-	-	(20,328)	-	(20,328)
Application of results	-	-	-	-	-	268,607	-	-	(268,607)	-	-	-
Acquisition of minority interests (Note 10)	-	-	-	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-	-	(10,971)	(10,971)
Minority interests for the period	-	-	-	-	-	-	-	-	-	-	2,208	2,208
Changes in surplus valorisation (IAS 16, IAS 18)	-	-	-	-	-	-	-	175,255	-	175,255	-	175,255
Consolidated net income for the year	-	-	-	-	-	-	-	-	(3,930,580)	(3,930,580)	-	(3,930,580)
Balance as at 30 de September de 2011	73,193,455	(1,177,085)	9,952,877	2,024,635	1,522,269	(37,827,625)	(501,763)	2,532,969	(3,930,580)	45,789,152	96,269	45,885,421

The notes are an integral part of the consolidated statements of changes in equity for the periods ended on 30 September 2012 and 2011.

THE CHIEF ACCOUNTANT

THE BOARD OF DIRECTORS

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1. ACTIVITY

Reditus, Sociedade Gestora de Participações Sociais, S.A. is the holding (parent company) of the Reditus Group with head office in Lisbon, at Rua Pedro Nunes No. 11.

Reditus was established in 1966 under the name Reditus - Estudos de Mercado e Promoção de Vendas, SARL, with the core business of provision of specific services, namely market research, evolving to data processing for "Banco de Agricultura", its main shareholder, together with the insurance company "A Pátria".

In December 1990, Reditus changed its corporate name, and became a holding company, whose core business is the management of holdings in other companies as an indirect form of exercising economic activity.

The Reditus Group operates in Portugal, France, Morocco, Brazil, Sweden and Angola in three specific business areas: BPO, IT Outsourcing and IT Consulting.

The company's business is not subject to any significant seasonality.

Reditus has been listed on Euronext Lisbon (former Stock Market of Lisbon and Porto) since 1987.

The present Financial Statements were approved by the Board of Directors on 29 November 2012 and are expressed in euros.

The consolidated interim financial information reported as at 30 September 2012 have not been audited.

2. MOST SIGNIFICANT ACCOUNTING POLICIES

These consolidated financial statements were prepared based on the accounting policies disclosed in the notes attached to the consolidated financial statements for the financial year ended on 31 December 2011.

2.1. Basis of presentation

These consolidated financial statements were prepared in accordance with IAS 34 — Interim Financial Reporting. As a result, they do not include all of the information to be disclosed in the annual consolidated financial statements, such that they should be read in conjunction with the consolidated financial statements of the previous year.

Relative to previous years, a set of standards and interpretations took effect as of 1 January 2012:

- **IAS 32 (amendment)**, 'Financial instruments: Presentation — classification of rights issues'. This amendment refers to the recording of rights issued denominated in a currency other than the functional currency of the issuer. If these rights are issued pro rata to the shareholders for a fixed amount in any currency, this is considered to be a transaction with shareholders to be classified under Equity. Otherwise, the rights must be recorded as derivative instruments under liabilities.
- **IFRS 1 (amendment)**, 'First-time adoption of the IFRS'. This amendment enable first-time adopters to benefit from the same transition provisions as those included in IFRS 7 - 'Financial instruments - Disclosures', which permits exemption from the disclosure of comparative information for the classification of fair value at the three levels required by IFRS 7, provided that the comparative period ends before 31 December 2009.
- **IAS 24 (amendment)**, 'Related party disclosures'. The amended standard eliminates the general requirements of disclosure of related parties for public entities, although it is compulsory to disclose the relationship of the Entity with the State and any significant transactions which have taken place with the State or entities related to the State.

In addition, the definition of related party has been amended to eliminate inconsistencies in the identification and disclosures of related parties.

Annual improvements to IFRS in 2011, generally applicable to financial years which begin on or after 1 January 2012. The 2011 annual improvements affect the following standards: IFRS 1, IFRS 3, IFRS 7, IAS 1, IAS 27, IAS 34 and IFRIC 13.

- **IFRIC 14 (amendment) IAS 19** - 'The limit on defined benefit assets, minimum funding requirements and their interaction'. This amendment clarifies that when an asset surplus arises from voluntary prepayments made on account of future minimum funding contributions, this surplus can be recognised as an asset.

- **IFRIC 19 (new)**, 'Extinguishing financial liabilities with equity instruments'. This interpretation clarifies the accounting treatment to be adopted when an entity renegotiates the terms of a debt which results in the payment of the liability through the issue of equity instruments (shares) to the creditor. A gain or loss is recognised through profit or loss for the year, based on the fair value of the equity instruments issued compared to the carrying amount of the debt. The simple reclassification of the debt amount to equity is not permitted.

There was no significant impact on the present consolidated financial statements as a result of adopting these standards and interpretations.

3. MANAGEMENT OF FINANCIAL RISK / ACCOUNTS RECEIVABLE / ACCOUNTS PAYABLE

Financial risk management policies

Liquidity risk management

The management of liquidity risk implies the maintenance of cash and bank deposits at a sufficient level, the feasibility of the consolidation of the floating debt through an adequate amount of credit facilities and the capacity to liquidate market positions. In view of the dynamics of the underlying businesses, the Group's treasury seeks to maintain the flexibility of the floating debt, maintaining the credit lines available.

Exchange rate risk management

The Reditus Group essentially operates in markets where the current and functional currency is the Euro. It is, however, exposed to exchange rate risk in US dollars (USD) due to the operations in Angola, even though this risk is mitigated by the fact that the main contracts were concluded in Euros. The value of the balances in USD, of accounts payable to suppliers, as at 30 September 2012 is \$ 8,285,778.

The debt incurred by the Reditus Group is entirely denominated in euros, with no interest rate hedge instruments having been contracted by the Group.

Financial risk management

All operations undertaken with financial instruments require prior approval from the Executive Board, which defines the specificities of each operation and approves the respective documentation.

The financial risk management of Reditus and all other Group companies is conducted centrally by the Financial Department of the Group, pursuant to the policies approved by the Executive Board. The Financial Department identifies, assesses and forwards the elements of analysis of each operation to the Executive Board for approval. This Board is responsible for defining general risk management principles, as well as exposure limits.

The activities of the Reditus Group expose it to a variety of financial risks, including the effects of changes in market prices, exchange rates and interest rates. The exposure of the Reditus Group to financial risks stems mainly from its debt, associated to interest rate risks.

Concerning loans at variable rates, the Reditus Group follows market developments, and, whenever considered necessary, may contract interest rate derivative financial instruments to hedge cash flow associated to future interest payments, which convert variable rate loans into fixed rate loans, with the unpredictability of financial markets being analysed in accordance with the Group's risk management policy.

Considering the interest rates in force on 30 September 2012, a 0.5% variation in the reference rate would have the following annual impact:

	Sensitivity Analysis	Variation in Costs
Increase	0.50%	333,601
Decrease	-0.50%	-333,601

Counterpart credit risk management

With respect to receivables resulting from the current business of the Reditus Group, credit risk arises essentially from the possibility of third party defaults, a significantly mitigated situation given the nature and solidity of the customers that comprise the Group's almost entire portfolio of clients.

Balance	30.09.2012	Outstanding	Overdue	
			up to 1 year	over 1 year
Customers	44,316,142	12,303,097	21,417,335	10,595,710

The Group's policy, in terms of counterpart risk, also considers the analysis of the technical capacity, competitiveness, credit rating and exposure to each counterpart, where major concentration of credit risk is avoided, significant counterpart default risk is not attributed and specific guarantees are not required for this type of operation.

The monitoring of risks, relative to price, volume and credit, involves their quantification into measurements associated to risk positions that may be adjusted through market operations. This quantification is undertaken by the central Financial Department.

The Group conducts liquidity risk management through the contracting and maintenance of credit lines with national financial institutions, which allow immediate access to funds.

4. RELEVANT ACCOUNTING ESTIMATES AND JUDGEMENTS

The preparation of consolidated financial statements requires the Management to make a number of judgements and estimates with impact on the level of income, costs, assets, liabilities and disclosures. The present financial information thus includes headings that are influenced by the estimates and judgements used in the application of the Group's accounting policies.

The estimates referred to above are determined by judgements made by the management, which are based on the best information and knowledge of present events and on the activities that the Group expects to develop in the future. Hence, the use of estimates and assumptions represents a risk that could lead to adjustments in future periods.

The Board of Directors considers that the choices that have been made are appropriate and that the consolidated financial information presents, in a suitable manner, the financial position of the Group and the result of its transactions in all materially relevant aspects.

The main headings that are influenced by estimates and judgements are the following:

1. Estimated impairment of goodwill
2. Estimated impairment of prototypes
3. Estimated impairment of receivables
4. Estimated income tax

5. Estimated recognition of revenue

6. Estimated deferred tax assets resulting from tax losses brought forward.

1. Impairment of goodwill

Goodwill is subject to annual impairment tests conducted by external experts, under the terms defined by IAS 36 - Impairment of Assets, where the Cash Flow Generating Units are identified, i.e. the different Business Units:

- IT Outsourcing
- BPO (Business Process Outsourcing)
- IT Consulting

2. Impairment of prototypes

Prototypes result from the application of knowledge developed by the Reditus Group in the contracts signed with customers, under the form of reengineering of administrative processes, new administrative processes or computer applications directed towards the Customer, the recognition of which is recorded over their duration. All the prototypes have documental support and reflect an estimate as to their capacity to generate cash flow in future financial years. In addition to their systematic depreciation, the prototypes are also subject to annual impairment tests, undertaken by external experts.

3. Impairment of receivables

The recoverable values of the cash flow generating units were calculated according to their value in use. These calculations require the use of estimates.

4. Income tax

The Group records income tax based on estimates arising from the tax legislation in force, namely cost adjustments not accepted for tax purposes as well as any necessary adjustments made to securities and financial investments. These calculations require the use of estimates.

5. Recognition of revenue

The Group's recognition of revenue includes management analyses and estimates regarding the phase of completion of projects underway on the date of the financial information whose future development might be different from that budgeted at the present date.

6. Deferred taxes

The Group records deferred tax assets based on the existing tax losses on the reporting date and the calculation of their recovery. These calculations require the use of estimates.

5. COMPANIES INCLUDED IN THE CONSOLIDATION

As at 30 September 2012, the Group companies included in the consolidation and their respective head offices, share capital and proportion of share capital held were as follows:

Corporate name	Head Office	Consolidation Method	Effective percentage of the capital held		Business Segment
			2012	2011	
Reditus SGPS, SA	Lisbon	Full	Parent	Parent	
Reditus Gestão, SA	Lisbon	Full	100	100	
J. M. Consultores de Informática e Artes Gráficas, SA	Alfragide	Full	69	69	Eng. & Mob.
Reditus Imobiliária, SA	Lisbon	Full	100	100	Support
Reditus Business Solutions, S.A.	Oeiras	Full	100	100	IT Outsourcing
ROFF Consultores Independentes, S.A.	Oeiras	Full	100	100	IT Consulting
ALL2IT Infocomunicações, S.A.	Oeiras	Full	100	100	IT Outsourcing
Roff Global	France	Full	80	80	IT Consulting
Roff Tec	Angola	Full	80	80	IT Consulting
Roff - SDF, Lda	Covilhã	Full	80	80	IT Consulting
Partblack, SA	Alfragide	Full	100	100	IT Outsourcing
Reditus Consulting, S.A.	Lisbon	Full	100	100	IT Consulting
Ogimatech Portugal - Consultoria Empresarial e Institucional, SA	Lisbon	Full	100	100	IT Consulting
G.Consult Angola - Consultoria e Desenvolvimento, Lda	Angola	Full	80	80	IT Consulting
Ogimatech - Consultoria Empresarial e Institucional, Lda	Angola	Full	95	95	IT Consulting
Tora - Sociedade Imobiliária, S.A.	Lisbon	Full	100	100	Support
Reditus Business Products	Lisbon	Full	100	100	IT Outsourcing
RNIC-Independent Consultants AB	Sweden	Full	80	80	IT Consulting
SolidNetworks Business Consulting	Lisbon	Full	60	60	IT Consulting
Roff Morocco	Morocco	Full	70	70	IT Consulting
Roff Brasil	São Paulo	Full	80		IT Consulting

6. INFORMATION BY SEGMENT

As at 30 September 2012 and 2011, the results by business segment were as follows:

30 September 2012

	2012						
	ITO	ITC	BPO	Structure	EM	Total	Elimination Consolidated
Operating income:							
External sales of goods and products	5,693,703	6,308,815	3,948	-	-	12,006,466	(40,326) 11,966,140
Intra-segment sales of goods and products	434,132	39,583		-	-	473,715	(473,715) -
External services rendered	15,674,806	41,449,474	18,259,808	2,096	-	75,386,184	259,403 75,645,587
Intra-segment services rendered	2,162,335	(334,042)		3,725,889	-	5,554,182	(5,554,182) -
Other external operating income	59,006	1,335,602	-	34,901	-	1,429,509	78,537 1,508,046
Other intra-segment operating income	43,012	328,910		452,447	-	824,369	(824,369) -
Total operating revenue	24,066,994	49,128,342	18,263,756	4,215,333	-	95,674,425	(6,554,652) 89,119,773
Operating costs:							
Inventories consumed and sold	(4,387,038)	(4,367,148)	-	-	-	(8,754,186)	376,076 (8,378,111)
External supplies and services	(10,142,909)	(17,197,343)	(6,669,064)	(2,512,273)	-	(36,521,589)	6,175,997 (30,345,592)
Staff costs	(5,744,208)	(22,792,607)	(11,290,847)	(1,398,228)	-	(41,225,890)	1,290 (41,224,600)
Depreciation and amortisation costs	(949,952)	(465,612)	(679,219)	(1,313,052)	-	(3,407,834)	(0) (3,407,834)
Provisions and impairment losses	(109,223)	(498,398)	(13,578)	-	-	(621,199)	(621,199)
Other operating costs and losses	71,585	(300,401)	(134,170)	(104,828)	-	(467,814)	1,290 (466,524)
Operating costs	(21,261,746)	(45,621,508)	(18,786,877)	(5,328,381)	-	(90,998,512)	6,554,652 (84,443,860)
Net operating income	2,805,248	3,506,834	(523,121)	(1,113,048)	-	4,675,913	- 4,675,913
Financial results							(4,049,981)
Profit before taxes							625,932
Income tax							(281,336)
Earnings from ongoing operations							344,596

30 September 2011

	2011						
	ITO	ITC	BPO	Structure	EM	Total	Elimination Consolidated
Operating income:							
External sales of goods and products	8,344,262	7,621,638	-	-	-	15,965,900	(93,128) 15,872,772
Intra-segment sales of goods and products	102,584	169,808	-	-	-	272,392	(272,392) -
External services rendered	9,961,521	38,157,956	16,605,244	-	-	64,724,721	(1,036,818) 63,687,903
Intra-segment services rendered	292,797	(138,768)	103,920	-	-	257,949	(257,949) -
Other external operating income	345,229	1,138,821	29,269	-	-	1,513,319	169,218 1,682,537
Other intra-segment operating income	50,589	175	155,321	-	-	206,085	(206,085) -
Total operating revenue	19,096,982	46,949,630	16,893,754	-	-	82,940,366	(1,697,154) 81,243,212
Operating costs:							
Inventories consumed and sold	(5,530,689)	(4,939,039)	-	-	-	(10,469,728)	101,473 (10,368,255)
External supplies and services	(6,292,818)	(17,168,684)	(6,708,375)	-	-	(30,169,877)	1,569,929 (28,599,948)
Staff costs	(6,859,728)	(20,549,446)	(8,932,005)	-	-	(36,341,179)	60,699 (36,280,480)
Depreciation and amortisation costs	(1,095,327)	(1,217,088)	(1,173,651)	-	-	(3,486,066)	- (3,486,066)
Provisions and impairment losses	12,192	(301,153)	(26,484)	-	-	(315,445)	- (315,445)
Other operating costs and losses	(429,984)	(713,431)	(122,201)	-	-	(1,265,616)	3,304 (1,262,312)
Operating costs	(20,196,354)	(44,888,841)	(16,962,716)	-	-	(82,047,911)	1,735,405 (80,312,506)
Net operating income	(1,099,372)	2,060,789	(68,962)	-	-	892,455	38,251 930,706
Financial results							(4,882,554)
Profit before taxes							(3,951,848)
Income tax							1,114,341
Earnings from ongoing operations							(2,837,507)

7. TANGIBLE FIXED ASSETS

7.1. Movements in the Tangible Fixed Asset heading and respective Depreciation:

Gross Assets

	Balance as at 31/12/2011	Non current assets held for sale	Perimeter alteration	Increases and Revaluations	Write-offs and Disposals	Corrections and Transf.	Balance as at 30/09/2012
Land and Natural Resources	2 760 455						2 760 455
Buildings and Other Constructions	10 756 209			79 268			10 835 477
Basic Equipment	5 330 030			180 414	(39 144)		5 471 300
Transport Equipment	3 631 132			340 677	(356 409)		3 615 400
Office Equipment	3 940 173			64 019	(20 481)		3 983 711
Other Tangible Fixed Assets	2 787 655			153 591	(56 050)		2 885 196
Tangible Fixed Assets in Progress	358 905			71 382		(209 382)	220 905
	29 564 560			889 351	(472 085)	(209 381)	29 772 444

Accumulated Depreciation:

	Balance as at 31/12/2011	Non current assets held for sale	Perimeter alteration	Increases	Write-offs and Disposals	Corrections and Transf.	Balance as at 30/09/2012
Buildings and Other Constructions	1 544 432			179 438	1 310		1 725 180
Basic Equipment	4 869 688			278 776	(39 144)		5 109 320
Transport Equipment	2 741 131			414 383	(341 202)		2 814 312
Office Equipment	2 999 712			319 454	(20 482)		3 298 683
Other Tangible Fixed Assets	2 204 474			166 443	(56 050)		2 314 867
	14 359 437			1 358 494	(455 569)		15 262 362

8. GOODWILL

During the periods ended on 30 September 2012 and 31 December 2011, the movement in goodwill was as follows:

	30-09-2012	31-12-2011
Opening balance for the period	56,767,838	59,760,715
BCCM disposal	-	(713,405)
Caléo disposal	-	(2,277,980)
Adjustment after calculation of initial accounting SAPI2	-	127,332
Tora Goodwill allocation to Intangibles	-	450,500
Additions relative to business combinations (note 5)	-	257,932
Impairments recognised in the period		(837,256)
Closing balance for the period	<u>56,767,838</u>	<u>56,767,838</u>

Net book value:

Opening balance for the period	<u>56,767,838</u>	<u>59,760,715</u>
Closing balance for the period	<u>56,767,838</u>	<u>56,767,838</u>

The details of goodwill by segment as at 30 September 2012 and 31 December 2011 are as follows:

	<u>30-09-2012</u>	<u>31-12-2011</u>
ITO	34 969 522	34 039 544
ITC	<u>21 798 316</u>	<u>22 728 294</u>
	<u>56 767 838</u>	<u>56 767 838</u>

9. ASSETS AND LIABILITIES AVAILABLE FOR SALE

The Engineering and Mobility segment, currently only composed of the company JM Consultores, was reclassified to non-current assets held for sale in 2010. Reditus SGPS is holding negotiations to sell the Company or its main business.

Non-current assets are classified as held for sale when their book value is recovered principally through a sale transaction (including those acquired exclusively for the purpose of their sale), the assets are available for immediate sale and the sale is highly probable.

9.1 Assets available for sale

As at 30 September 2012, the Company presented the following assets (Engineering and Mobility Segment) classified as held for sale:

	<u>30-09-2012</u>	<u>31-12-2011</u>
NON-CURRENT ASSETS:		
Tangible fixed assets	11,971	19,540
CURRENT ASSETS:		
Inventories	958	18,184
Clients	123,098	23,662
Other accounts receivable	2,192,778	1,986,543
Other current assets	9,083	3,654
Cash and equivalent	178	265,172
Assets available for sale	<u>2,338,066</u>	<u>2,316,755</u>

9.2 Liabilities available for sale

	<u>30-09-2012</u>	<u>31-12-2011</u>
CURRENT LIABILITIES:		
Loans	7 693	
Suppliers	383,104	367,632
Other accounts payable	2,226,708	2,098,643
Other current liabilities	376,426	444,440
Financial leasing liabilities	0	1,880
Liabilities Available for Sale	<u>2,993,931</u>	<u>2,912,595</u>

10. DEFERRED TAX ASSETS AND LIABILITIES

Deferred tax assets and liabilities are attributable to the following headings:

	Assets		Liabilities		Net Value	
	30-09-2012	31-12-2011	30-09-2012	31-12-2011	30-09-2012	31-12-2011
Adjustments a)	568 325	568 325			568 325	568 325
Reportable tax losses b)	4 601 176	3 623 409			4 601 176	3 623 409
Reportable tax losses France c)	82 784	82 784			82 784	82 784
Revaluation reserves			577 391	577 391	(577 391)	(577 391)
Other			5 447 353	5 847 626	(5 447 353)	(5 847 626)
Net deferred tax assets/(liabilities)	5 252 285	4 274 518	6 024 744	6 425 017	(772 459)	(2 150 499)

a) These adjustments essentially refer to losses in the fair value of securities and financial investments;

b) The tax losses brought forward are as follows:

Year of Tax Loss	Limit Year for Deduction	Value of loss to be used	Deduction Value
2009	2013	3 646 766	907 777
2010	2014	1 503 900	375 975
2011	2015	9 595 320	2 339 657
2012	2016	1 230 179	977 767
		15 976 165	4 601 176

c) This heading refers to Roff France;

11. MINORITY INTERESTS

As at 30 September 2012 and 31 December 2011, minority interests were represented as follows:

	% Minority Interests		Book Value		Attributed Profit	
	30-09-2012	31-12-2011	30-09-2012	31-12-2011	30-09-2012	30-09-2011
J M. Consultores Inf. Artes Gráficas, SA	31%	31%	(641 947)	(808 526)	(18 696)	(51 390)
Caléo, S.A.		45%				(114 760)
Roff Angola	20%	20%	51 931	20 192	31 740	6 896
Roff France	20%	20%	(38 732)	(19 619)	(19 113)	(2 068)
Roff SDF	20%	20%	161 569	145 646	15 922	116 260
Ogimatech - Consult Empresarial e Institucional	5%	5%	13 790	1 453	12 369	18 341
SolidNetworks	40%	40%	41 871	(12 667)	36 742	18 340
RNIC	20%	20%	43 263	30 091	16 394	10 589
Roff Morocco	30%	30%	6 645	15 000	(8 252)	
			(361 610)	(628 430)	67 106	2 208

12. LOANS

As at 30 September 2012 and 31 December 2011, the loans raised were broken down as follows:

	30-09-2012	31-12-2011
Non-Current		
Bank Loans	46 175 822	43 556 585
Pledged Current Accounts		200 000
Commercial Paper		1 100 000
	46 175 822	44 856 585
Current		
Bank Loans	3 372 660	11 728 342
Bank Overdrafts	3 673 384	5 097 238
Promissory Notes	2 955 000	99 000
Pledged Current Accounts	5 975 857	6 985 645
Express Bill	1 443 947	1 443 947
Factoring	3 123 482	2 948 935
Commercial Paper		400 000
	20 544 330	28 703 107
	66 720 152	73 559 692

As at 30 September 2012, the repayment period of the loans was as follows:

	Total	Less than 1 year	Between 1 and 5 years	More than 5 years
Bank Loans	49 548 482	3 372 660	35 809 726	10 366 096
Bank Overdrafts	3 673 384	3 673 384		
Promissory Notes	2 955 000	2 955 000		
Pledged Current Accounts	5 975 857	5 975 857		
Express Bill	1 443 947	1 443 947		
Factoring	3 123 482	3 123 482		
Commercial Paper				
	66 720 152	20 544 330	35 809 726	10 366 096

The average remuneration of loans is 7.5%.

13. PROVISIONS AND ADJUSTMENTS

During the third quarter of 2012, the movements of Provisions and Adjustments were as follows:

	Balance as at 31/12/2011	Non current assets held for sale	Perimeter alteration	Increases	Write-offs	Corrections and Transf.	Balance as at 30/09/2012
Treasury applications a)	1 488 443			19 621			1 508 064
Doubtful receivables from customers	3 178 849			621 200	(93 967)		3 706 082
Depreciation stocks	318 435						318 435
Doubtful receivables from other debtor	104 971						104 971
Group Companies	2 461 456						2 461 456
Provisions	2 970 976						2 970 976
Financial applications	925 741						925 741
	11 448 871			640 820	(93 967)		11 995 725

- a) The adjustment of Treasury Applications results from the stock market value of the securities in the portfolio (BCP), with the increase recorded in financial losses.

14. OTHER ACCOUNTS PAYABLE

As at 30 September 2012 and 31 December 2011, other accounts payable were broken down as follows:

	30-09-2012	31-12-2011
Non-Current		
State and Other Public Entities	10 708 977	
FACCE a)	3 000 000	3 000 000
	13 708 977	3 000 000
Current		
Debenture loans		
Group Companies	757 585	12 695
Other shareholders		
Advances from customers	149 500	149 500
Other loans obtained		
Fixed assets suppliers - current accounts		
State and Other Public Entities	7 076 902	9 945 446
Other Creditors	3 738 815	2 667 178
<i>Debts from acquisitions:</i>		
Sapi2		248 870
SolidNetworks	84 750	129 750
Other	3 654 065	2 418 308
	11 722 802	12 774 819
	25 431 779	15 774 819

- a) In June 2011 a shareholders' agreement was concluded between Reditus SGPS, SA and PME Investimentos - Sociedade de Investimento, SA, the management company of the Autonomous Fund to Support Company Merger and Consolidation (FACCE), whereby this company undertook the commitment to invest 3 million euros in the share capital of Reditus Gestão, SA. The agreement establishes a call option for Reditus to purchase the shares held by FACCE, to be exercised at any time, from 1 October 2012 until 31 December 2016,

and a put option for FACCE, to be exercised at any time, between 30 June 2016 and 31 December 2018. Pursuant to IAS 32, the value of 3 million euros was classified as a liability and not under equity.

As at 30 September 2012, there were late payments of contributions and taxes of a total amount of 13,267,637 euros - VAT 4,019,048 euros, tax that has been withheld (IR) 2,486,709 euros and Social Security contributions 6,761,880 euros. Instalment Plans have been submitted for the debt referred to above, almost all of which have already been granted.

15. FINANCIAL LEASING LIABILITIES

As at 30 September 2012 and 31 December 2011, the value of the Financial Leasing Liabilities was as follows:

	<u>30-09-2012</u>	<u>31-12-2011</u>
Non-Current		
Buildings	6 405 899	6 703 027
Office Equipment	144 140	227 533
Vehicles	591 240	509 446
Computer Equipment	113 025	235 027
	<u>7 254 304</u>	<u>7 675 033</u>
Current		
Buildings	389 959	367 189
Office Equipment	111 182	108 649
Vehicles	330 507	304 877
Computer Equipment	172 521	198 700
	<u>1 004 169</u>	<u>979 415</u>
	<u>8 258 473</u>	<u>8 654 448</u>

The maturity periods of the liabilities related to financial lease contracts are as follows:

	<u>Capital in Debt 30-09-2012</u>	<u>Capital in Debt 31-12-2011</u>
Payments up to 1 year	1 004 169	979 415
Payments from 1 to 5 years	3 107 040	3 538 287
Payments over more than 5 years	4 147 264	4 136 746
	<u>8 258 473</u>	<u>8 654 448</u>

16. OPERATING INCOME

As at 30 September 2012 and 2011, this heading was broken down as follows:

Sales	30-09-2012	30-09-2011
BPO	3 948	
IT Outsourcing	6 127 835	8 446 846
IT Consulting	6 348 398	7 791 446
Engineering and Mobility Systems		
Elimination	(514 041)	(365 520)
	11 966 140	15 872 772
Services Rendered	30-09-2012	30-09-2011
BPO	18 260 316	16 709 164
IT Outsourcing	17 837 577	10 254 318
IT Consulting	41 116 584	38 019 188
Engineering and Mobility Systems		
Elimination	(1 568 890)	(1 294 767)
	75 645 587	63 687 903
Other operating income	30-09-2012	30-09-2011
Own work capitalised		
Supplementary income	1 230 987	1 088 801
Operating grants		50 565
Other operating income and gains	277 059	543 171
	1 508 046	1 682 537

17. EXTERNAL SUPPLIES AND SERVICES

As at 30 September 2012 and 2011, this heading was broken down as follows:

	30-09-2012	30-09-2011
Fees	5 286 329	6 146 246
Subcontracts	8 224 844	7 035 201
Specialised work	3 096 967	3 475 855
Transport, travel and representation costs	5 300 650	4 327 855
Hire and rental charges	3 159 785	2 595 614
Communication	993 969	1 114 328
Royalties	470 368	824 237
Water, electricity and fuel	616 300	702 829
Other supplies and services	3 196 378	2 377 783
	30 345 590	28 599 948

18. STAFF COSTS

As at 30 September 2012 and 2011, this heading was broken down as follows:

	<u>30-09-2012</u>	<u>30-09-2011</u>
Staff Remuneration	33 556 565	28 366 888
Payroll Costs	5 867 637	5 290 177
Remunerations of Governing Bodies	853 435	1 451 320
Occup. Acc. & Disease Insurance	152 756	102 103
Other Staff Costs	794 209	1 069 992
	<u>41 224 602</u>	<u>36 280 480</u>

18.1 Average Number of Employees

As at 30 September 2012 and 2011, the average number of active employees, by business area, was as follows:

	<u>30-09-2012</u>	<u>30-09-2011</u>
BPO	1 222	1 011
IT Outsourcing	871	308
IT Consulting	635	773
Engineering and Mobility Systems	10	16
Supporting Areas	50	53
	<u>2 788</u>	<u>2 161</u>

19. AMORTISATION AND DEPRECIATION

As at 30 September 2012 and 2011, this heading was broken down as follows:

	<u>30-09-2012</u>	<u>30-09-2011</u>
Tangible fixed assets		
Buildings and other constructions	179 438	178 542
Basic equipment	287 596	392 314
Transport equipment	414 383	351 650
Office equipment	310 634	182 973
Other tangible fixed assets	166 443	150 997
	<u>1 358 494</u>	<u>1 256 476</u>
Other Intangible Fixed Assets		
Development projects	11 733	671 097
Industrial property	712 458	652 672
Other intangible fixed assets	1 325 150	905 821
	<u>2 049 341</u>	<u>2 229 590</u>
	<u>3 407 835</u>	<u>3 486 066</u>

20. FINANCIAL RESULTS

The financial results of the quarters ended on 30 September 2012 and 2011 were broken down as follows:

	<u>30-09-2012</u>	<u>30-09-2011</u>
Financial Costs and Losses		
Interest paid		
loans	2,360,825	2,972,547
leasing contracts	307,652	239,866
factoring	121,684	72,857
moratory and compensatory	266,875	145,700
other	27,450	2,208
	<u>3,084,486</u>	<u>3,433,178</u>
Bank services	369,348	493,950
Unfavourable currency conversion differences	108,269	300,658
Other financial costs	573,351	679 500
	<u>4,135,454</u>	<u>4,907,286</u>
Financial Income and Gains		
Interest received	17,467	5 911
Favourable currency conversion differences	46,000	18 478
Other financial income	22,006	343
	<u>85,473</u>	<u>24,732</u>
Financial Result	<u>(4 049 981)</u>	<u>(4 882 554)</u>

21. INCOME TAXES

As at 30 September 2012 and 2011, this heading was broken down as follows:

	<u>30-09-2012</u>	<u>30-09-2011</u>
Current tax	1 948 042	1 189 094
Deferred tax	<u>(1 666 706)</u>	<u>(2 303 435)</u>
	<u>281 336</u>	<u>(1 114 341)</u>

21.1 Reconciliation of the Effective Tax Rate

As at 30 September 2012 and 2011, the effective average tax rate differs from the nominal rate due to the following:

	30-09-2012	30-09-2011
Profit before Tax	625 931	(3 951 848)
Tax at the rate of 25%	156 483	(987 962)
Amortisation and provisions not accepted for tax purposes	234 919	262 919
Fines and compensatory interest	56 029	18 167
Corrections relative to the previous year	21 872	137 558
(Surplus) / Insufficient tax estimate	407 613	(39 168)
Autonomous taxation	707 180	696 615
Recognition of deferred tax liabilities		
Other	(1 302 760)	(1 202 470)
Income Tax for the Year	281 336	(1 114 341)
Effective average tax rate	44.9%	28.2%

22. DISCONTINUED OPERATIONS

The results of the discontinued operations presented in the income statement and their cash flow are broken down as follows:

	30-09-2012	30-09-2011
OPERATING INCOME:		
Sales	0	1,324,198
Services rendered	215,118	671,186
Other operating income	80,024	1,092
Total operating revenue	295,142	1,996,476
OPERATING COSTS:		
Inventories consumed and sold	(105,758)	(955,755)
External supplies and services	(119,894)	(747,745)
Staff costs	(99,116)	(885,272)
Depreciation and amortisation costs	(7,568)	(93,553)
Provisions and impairment losses	(350)	33,315
Other operating costs and losses	(16,932)	(588,004)
Total operating costs	(349,619)	(3,237,015)
Net operating income	(54,477)	(1,240,540)
Financial Results:		
Net financial costs	(3,887)	(4,770)
Profit before taxes	(58,364)	(1,245,310)
Income tax	(608)	154,443
Results of operations	(58,972)	(1,090,866)

CASHFLOW

	30-09-2012	30-09-2011
CASHFLOW OF OPERATING ACTIVITIES:		
Receipts from customers	165,522	3,200,356
Payments to suppliers	(187,570)	(2,520,687)
Payments to the staff	(96,125)	(797,622)
Cash generated by operations	(118,173)	(117,953)
Payment/receipt of income tax	(1,789)	(1,030)
Other receipts / payments	(63,980)	(188,082)
Cashflow from operating activities [1]	(183,941)	(307,066)
CASHFLOW OF INVESTMENT ACTIVITIES:		
Payments relative to:		
Tangible fixed assets	-	(3,856)
Intangible assets	-	(73,500)
Financial investments	-	-
Other assets	-	-
Receipts derived from:		
Tangible fixed assets	-	-
Intangible assets	-	-
Financial investments	-	-
Other assets	9,887	15,209
Investment subsidies	-	-
Interest and similar income	-	77
Dividends	-	-
Cashflow from investment activities [2]	9,887	(62,070)
CASHFLOW OF FINANCING ACTIVITIES:		
Receipts derived from:		
Financing obtained	-	175,173
Realisation of capital and other equity instruments	-	-
Coverage of losses	-	-
Donations	-	-
Other financing operations	268,360	-
Payments relative to:		
Financing obtained	(105,483)	(14,000)
Interest and similar costs	(2,906)	(6,874)
Dividends	-	-
Reductions of capital and other equity instruments	-	-
Other financing operations	(39,438)	(44,383)
Cashflow from financing activities [3]	120,533	109,916
Variation in cash and equivalent [4]=[1]+[2]+[3]	(53,522)	(259,219)
Effect of currency conversion differences	-	-
Cash and equivalent at the beginning of the period	257,527	516,746
Sold Companies	-	-
	257,527	516,746
Cash and equivalent at the end of the period	(7,515)	257,527

Notes to the Condensed Consolidated Cash Flow Statement

	2012	2011
Disposable assets in the balance sheet	178	299 932
Bank overdrafts	(7 693)	(42 405)
Cash and equivalent	(7 515)	257 527

23. NET EARNINGS PER SHARE

	30-09-2012	30-09-2011
<u>Results:</u>		
Earnings attributable to majority shareholders for the effect of calculating the net earnings per share (net income for the year)	218,516	-3,930,580
Earnings from discontinued operations for the effect of calculating the earnings per share of discontinued operations	58,972	1,090,865
Earnings for the effect of calculating the earnings per share from ongoing operations	277,488	(2,839,715)
<u>Number of shares:</u>		
Weighted average number of shares for the effect of calculating the net earnings per basic and diluted share	14,638,691	8,742,486
Effect of additional actions arising from employee incentive plans	-	-
Weighted average number of shares for the effect of calculating the diluted net earnings per share	14,638,691	8,742,486
Earnings per share from ongoing operations:		
Basic	0.0190	(0.3248)
Diluted	0.0190	(0.3248)
Earnings per share from discontinued operations:		
Basic	(0.0040)	(0.1248)
Diluted	(0.0040)	(0.1248)
Earnings per share:		
Basic	0.0149	(0.4496)
Diluted	0.0149	(0.4496)

24. COMMITMENTS

As at 30 September 2012, the financial commitments of the companies of the Reditus Group which do not figure in the balance sheet relative to bank guarantees are as follows:

(Euros)	Payable to	Source
116 063	IGFSS	Guarantee of payment of executive processes
3 864 728	DGCI	Guarantee of payment of executive processes
615 831	Customers	Proper compliance with contractual obligations
231 216	Suppliers	Proper compliance with contractual obligations

25. CONTINGENCIES

Contingencies remain similar to previous periods.

Various situations were raised by the Tax Authorities, in the context of inspections carried out, which the Company is disputing with the Tax Authorities, in the form of appeal procedures or complaints, still pending decision. The total value of taxes claimed by the Tax Authorities is 3,426,502 euros, although the Management of Reditus believes that the possibility of having to pay this is remote.

During previous financial years, inspections were carried out by the Tax Authorities to companies of the Group. The situations relative to each company are indicated below:

- Reditus SGPS: The Company was notified to proceed with the corrections relative to Corporate Income Tax (IRC) for 2004 to 2007 and received an additional VAT assessment with reference to 2009. The Company is currently awaiting the outcome of the judicial appeal it submitted against the assessment with reference to 2005 and the claims lodged relative to the assessments of the other financial years. A claim has also been submitted in relation to the VAT assessment relative to 2009.

- Inter Reditus: Tax inspections were made in relation to IRC and VAT for 1997 and 1998. The Company considered that the adjustments were not correct, and hence submitted claims and appealed to a higher court against the assessments made by the Tax Authorities. The appeals submitted in a higher court were rejected by the Government Treasury, with the Company then having submitted claims at the Lisbon Tax Court, claiming that the deadline for the debts in question had expired. These claims were dismissed so the Company appealed against the decision of the Lisbon Tax Court, and is currently awaiting the outcome of this appeal. Pending the decision of the Courts, which should have resulted in the suspension of the collection processes, the Government Treasury executed attachments in order to obtain the payment of the values involved, which will have to be returned if the appeals are upheld, which the Company expects will happen.

- Redware: The Company (integrated by merger into Reditus Business Solutions, since 2 January 2012) was notified to proceed with corrections relative to VAT for 2004 and 2005. The Company considered that the corrections were not accurate, having submitted claims and appealed to a higher court relative to the assessments made by the Tax Authorities. The appeals to a higher court were rejected, whereby the Company submitted legal challenges against the additional assessments and is awaiting the outcome.

- Reditus Gestão: The Company was notified of additional VAT assessments, with reference to 2008 and 2009. The Company considered that the corrections were not accurate, having submitted claims relative to the assessments made by the Tax Authorities, and is currently awaiting a response to these claims.

- Tora: The Tax Authorities did not accept the deduction of VAT relative to the Tora/Reditus/Millennium BCP business. The Company submitted a challenge to the Lisbon Tax Court, contesting the decision of the Tax Authorities, and is currently awaiting a response.

26. RELATED PARTIES

The balances as at 30 September 2012 and 31 December 2011 and the transactions carried out with related companies excluded from the consolidation, for the quarters ended on 30 September 2012 and 2011, are as follows:

⇒ Balances

	30.09.2012			
	Clients	Other accounts receivable	Other accounts payable	Suppliers
COMPANHIA DAS QUINTAS- VINHOS S.A.				648
D. Quixote				337
LEYA SGPS S.A.	468,304			
Portuvinus - Wine & Spirits, S.A.				5,582
TEXTO Editores, Lda	-	-		5,668
Mirol - Prestação de serviços, Lda.				10,455
	468,304	-	-	12,234

	31.12.2011			
	Clients	Other accounts receivable	Other accounts payable	Suppliers
António M. de Mello, Sociedade Gestora de Participações Sociais, S.A				9,200
Canes Venatici	17,708	-	-	1,013
Lanifos - Soc Financiamento, Lda	13,276	-	-	-
Leya, SA	374,334	-	-	3,575
Inventum – Serviços de Consultoria e Gestão Financeira, Unipessoal, Lda.	-	-	-	86,100
Companhia das Quintas Vinhos, SA	-	-	-	25,636
D. Quixote	-	-	-	337
TEXTO Editores, Lda	-	-	-	5,582
	405,318	-	-	131,442

⇒ Transactions

	30.09.2012			
	Sales	Services rendered	External supplies and services	Financial costs
Canes Venatici			3,000	
Leya, SA	111,650	356,654		
Mirol - Prestação de serviços, Lda.			51,000	
	111,650	356,654	54,000	-
	30.09.2011			
	Sales	Services rendered	External supplies and service	Financial costs
Courical Holding BV			187,500	
Canes Venatici		6,816	8,000	
Companhia das Quintas Vinhos, SA			648	
Portuvinus - Wine & Spirits, S.A.			85	
PARTROUGE - Projectos de Investimento, SA			50,122	
Lanifos - Soc Financiamento, Lda	10,794	-	-	-
Leya, SA	149,586	380,269	-	-
GTBC - Global Technologie & Business Consulting			995,294	5,001
	160,380	387,085	1,241,648	5,001

All transactions with related companies were conducted under normal market conditions, that is, the values of the transactions correspond to those that would have been applied to non-related companies.

The balances receivable from Leya are due to the implementation of a computer application by Roff.

During the third quarter of 2012 no variable component of the Directors' remuneration was paid. The fixed component was as follows:

	Accumulated 3rd Quarter
Executive Directors	100,000
Francisco Santana Ramos	50,000
Carlos Oliveira	50,000
Non-Executive Directors	236,570
Miguel Pais do Amaral	22,500
José António Gatta	22,500
Fernando Fonseca Santos	22,500
Frederico Moreira Rato	78,570
Miguel Ferreira	18,000
António Maria de Mello	50,000
José Manuel Silva Lemos	22,500

27. OPERATING LEASES

As at 30 September 2012 and 30 September 2011, this heading was broken down as follows:

<u>Amounts recognised as cost:</u>	<u>30-09-2012</u>	<u>30-09-2011</u>
Minimum operating lease payments Premises / Equipment	<u>1,575,571</u>	<u>1,793,695</u>

<u>Amounts recognised as cost:</u>	<u>30-09-2012</u>	<u>30-09-2011</u>
Minimum vehicle renting payments	<u>1,584,214</u>	<u>801,919</u>

28. EVENTS AFTER THE REPORTING DATE

Nothing to highlight.

IV - Declaration of Conformity

Under subparagraph c) of number 1 of article 246 of the Portuguese Securities Market Code, the Board of Directors states that, to the best of its knowledge, the information contained in the Management Report, 9M and other documents presenting the accounts was prepared in conformity with the applicable accounting standards, giving a true and fair image of the assets and liabilities, financial situation and results of the issuer and companies included in the consolidation perimeter and that the management report faithfully presents the evolution of the businesses, performance and position of the issuer and companies included in the consolidation perimeter, and contains a description of the main risks and uncertainties they face.

Alfragide, 29 November 2012.

The Board of Directors

Miguel Maria de Sá Pais do Amaral – Chairman

Frederico José Appleton Moreira Rato – Deputy Chairman

António Maria de Mello Silva César e Menezes – Deputy Chairman

José António da Costa Limão Gatta – Director

Fernando Manuel Cardoso Malheiro da Fonseca Santos – Director

Rui Miguel de Freitas e Lamego Ferreira - Director

Francisco José Martins Santana Ramos - Director

José Manuel Marques da Silva Lemos - Director

Carlos Duarte Oliveira – Director