

Reditus EBITDA increases by 47% during first half of 2007

Business turnover: 13.1 million euros (+13%).

EBITDA of 1.8 million (+47%).

EBIT of 1 million euros (+25%).

Net profits of 0.51 million euros (+238%).

1. Activity Summary

As expected, during the first half of 2007, the consolidated net income of the Reditus Group has increased.

The Group continues to focus on promoting client loyalty and expanding its client portfolio by entering into new multiyear contracts to support the positive development of the Services Outsourcing area.

By accelerating the development of the Engineering & Mobility area, the Group was able to dramatically improve its performance during this period.

The Company is currently operating in two business areas: **Services Outsourcing and Engineering and Mobility Systems.**

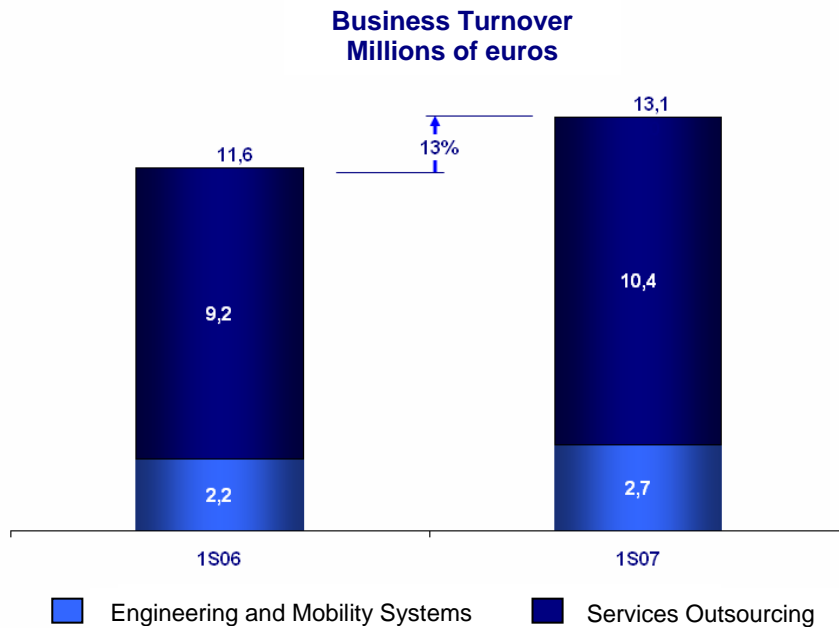
Activities in Services Outsourcing include: (1) Business Process Outsourcing (BPO), (2) IT Infrastructure Outsourcing, (3) IT Consulting and (4) Contact Centers. Systems Engineering and Mobility encompasses the following business units: (1) Engineering Systems, (2) Mobility Systems and (3) Personalization of Financial Documents.

2. Consolidated Indicators

2.1. Consolidated Operating Income

Consolidated operating income increased 9.3% in the first half of 2007 to 13.7 million euros, compared with 12.5 million euros in the same period of the previous year.

Consolidated turnover in the first half of 2007 increased to 13.1 million euros. This amount represents a 13% rise when compared to the same period of 2006. This growth was driven by 12.7% and 19.3% increases, respectively, in the Services Outsourcing and Engineering & Mobility Systems areas.



2.2. Operating Expenses

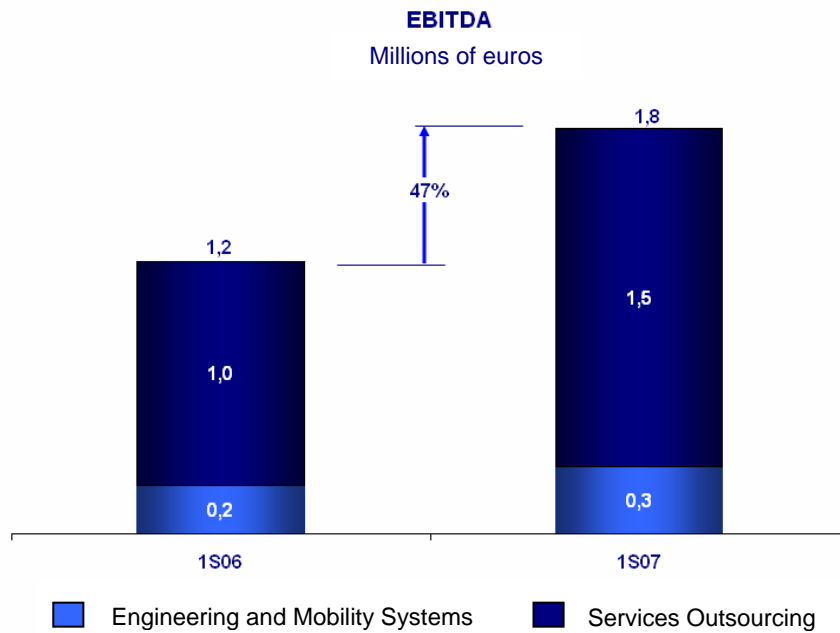
Consolidated operating expenses net of repayments only increased 5.1% during the first half of 2007 when compared with the same period in 2006 and represented 87% of total income, compared with 90% in the first half of the previous year, reflecting the Group's efforts to control costs.

It is important to note the 1.4% reduction evidenced in personnel costs, which represented 36% of the turnover, compared with 32% for the same period last year.

2.3. Operating Income before Amortization (EBITDA)

When compared with the same period of last year, the consolidated EBITDA registered a 47.3% increase and reached 1.8 million euros. This constitutes a 3.4 percentage point increase on the first half of 2006.

It should be noted, however, that the increase in EBITDA expected for the end of the year, compared to the same period last year, will be conditioned by the inherent seasonality of the third quarter.



2.4. Net result

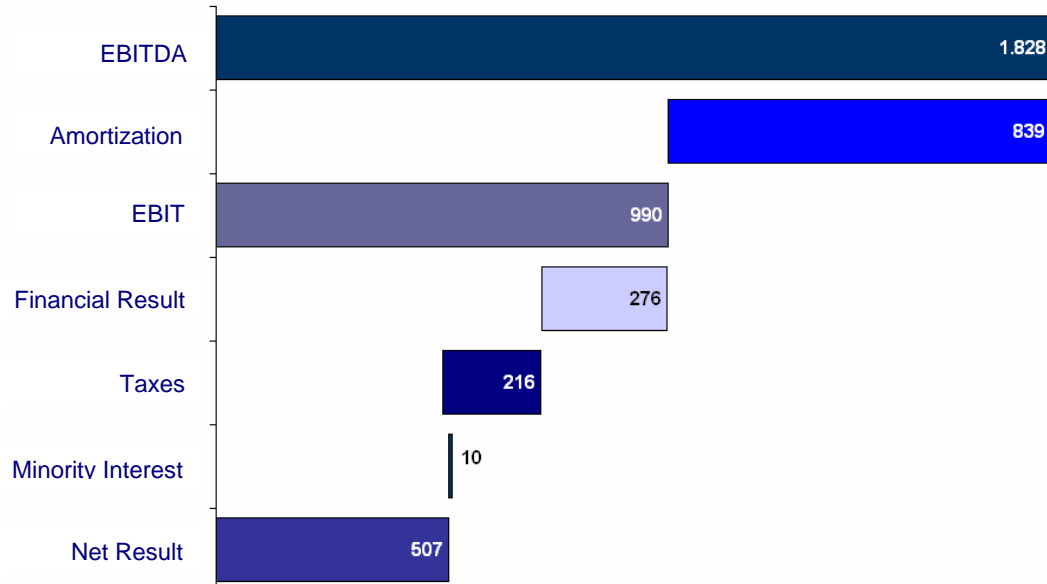
Depreciation and amortization for the first half of 2007 increased by 394,000 euros on the same period last year due to the impact of intangible assets developed in-house.

Net financing costs reached 276,000 euros during the first half of 2007, 144,000 euros less than in the same period of 2006. This is explained by a non-recurring gain of almost 447,000 euros from negotiable securities. Excluding this effect, net financing costs recorded an increase of nearly 300,000 euros, mainly due to: (i) the acquisition of the Reditus Alfragide Services Center; (ii) greater working capital requirements resulting from more intense Outsourcing activity; and (iii) the increase in the reference rate (Euribor).

Consolidated net result totaled 507,200 euros in the first half of 2007 driven by better operating and financing results; this represents an increase when compared to the amount entered for the same period in 2006.

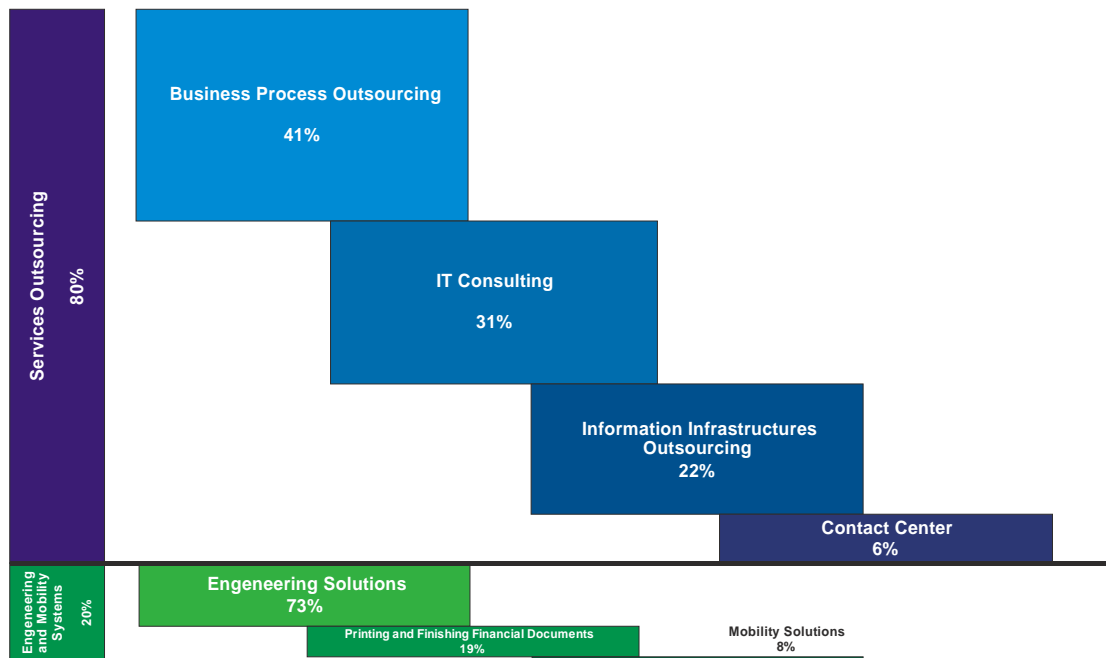
From EBITDA to net result

Thousands of euros



3. Indicators by Business Area

Turnover by Area of Activity



3.1. Services Outsourcing

The turnover recorded by Services Outsourcing increased by 12.7% and reached 10.4 million euros. EBITDA grew 50% on the previous year, reaching 1.5 million euros; with the EBITDA margin recorded an increase of 4.2 percentage points to 14.2%.

During the first half of 2007, Reditus entered into Services Outsourcing contracts worth nearly 9 million euros, of which 4 million euros will have an impact in 2007. Considering that the Group started the year working in projects that had been already negotiated in previous years worth 17 million euros, we expect that our total sales for the year will continue to grow and we will be able to meet the planned strategic goal of double-digit growth.

3.1.1 Business Process Outsourcing (BPO)

In Portugal, Reditus is the market leader in backoffice operations. Today Reditus offers the best Outsourcing solutions in data handling by implementing customized methodologies, optimized and flexible processes, and highly-specialized IT and human resources. BPO activities include: document preparation, requirement verification, data analysis, data entry, digitalization and file and office management.

Large banking, insurance and telecommunications companies that require highly complex operations and confidentiality are among the Group's customers.

According to IDC (International Data Corporation), BPO is one of the fastest growing areas in technology services and it is expected to grow approximately 14.2% per year over the next 3 years.

During the first half of 2007, this business area experienced significant growth, with turnover increasing nearly 37% (4.3 million euros) on 2006. EBITDA registered a 7.3% increase and reached 15%.

3.1.2 Outsourcing of IT Infrastructures

This area provides companies with integrated management for all their data systems. Services provided by this area include: Telecommunications and IT Helpdesk (Service Desk); Equipment Maintenance and Management; Networks and Systems Maintenance and Management; Data Network design and implementation (Networking and Security).

Turnover of this operating unit reached 2.2 million euros, representing a 16.4% reduction when compared to the same period in 2006. This reduction was mainly caused by the impact generated by the start-up of a large project in the first half of 2006.

EBITDA reached 224,000 euros in the first half of 2007, compared with 434,000 euros during the same period the previous year. It should be noted that the EBITDA was affected by significant additional costs involved in the optimization and improvement of operating management and the quality of the services provided.

For the second half of 2007, we expect operating result values to recover in this business unit, reaching the levels of the previous year, due to the start-up of new projects and the impact of the improvements in operating management referred to above.

3.1.3 IT Consulting

IT Consulting provides IT consultancy services including: (1) application development, (2) ongoing application maintenance, (3) application customization.

This is a strategic area for Reditus, which positions itself as a highly specialized service provider offering substantial added value, and is a key component of our offer in the areas of data systems and technologies.

During the first half of 2007, the performance of this business area was excellent. Turnover reached 3.2 million euros, a 16.7% increase on 2006, and EBITDA reached 684,000 euros compared to a loss of 42,000 euros for the same period of the previous year. The variation in EBITDA was predictable because non-recurring costs had occurred due to the start-up of large-scale projects last year.

3.1.4 Contact Center

Contact Center services include: (1) Call Center support, (2) integral Call Center management, (3) Inbound services, (4) Outbound services and (5) Contact Center Infrastructure Outsourcing.

Contact Center turnover fell by 1.7%, to 615,000 euros.

In order to complement the services provided to the public in general and our customers in particular, we have joined efforts with a Belgian company to implement new technology that will improve Contact Center operations and thus creating a differential factor and adding more value to our offer.

3.2. Engineering and Mobility Systems

Reditus develops Engineering Solutions for the assembly (back-end and front-end) of semiconductors and other microelectronic components; it also provides geo-positioning and telemetry solutions and financial document personalization.

The performance of this area in the first half of 2007 was excellent. Turnover amounted to nearly 2.7 million euros, a 19.3% increase when compared to the same period of last year. This growth was driven by the 50.2% growth in Engineering Solutions turnover as many orders that had been under negotiation since the end of last year were confirmed. EBITDA increased by 41.8% and reached 300,000 euros, mainly due to the strong recovery of the Engineering Solutions operating unit.

4. Balance Sheet

Main headings

Millions of euros

	2006	1H 07	Variation %
Total - Assets	36.3	36.5	0.6%
Non-current assets	21.6	20.8	-3.5%
Current assets	14.8	15.7	6.4%
Equity	2.0	2.5	21.6%
Total - Liabilities	34.3	34.1	-0.7%
Non-current liabilities	16.6	19.9	19.8%
Current liabilities	17.7	14.2	-19.9%

5. Stock Market Performance

Performance of Reditus shares



During the first half of 2007, nearly 5.4 million shares were traded for nearly 20.7 million euros, which represents almost 63% of the Reditus capital stock.

On the last business day of the first half of 2007 (29 June 2007), the share price closed at 5.09 euros; this means that the price increased 45% when compared to the value recorded at the end of 2006.

FIRST HALF ACCOUNTS 2007

REDITUS, SGPS, SA

CONSOLIDATED BALANCE SHEET AS OF 30 JUNE 2007 AND 31 DECEMBER 2006. (In euros)

	30 June 2007 Based on IFRS	31 December 2006 Based on IFRS
ASSETS		
Non-current assets		
Tangible fixed assets	11,904,904	12,081,584
Goodwill	2,277,980	1,396,480
Other intangible fixed assets	3,504,968	4,586,461
Other financial investments	83,612	87,011
Deferred tax assets	<u>3,056,589</u>	<u>3,423,013</u>
	<u>20,828,052</u>	<u>21,574,549</u>
Current assets		
Inventory	1,437,883	1,257,433
Customers	5,584,355	6,069,618
Other accounts receivable	4,592,336	3,942,260
Other current assets	1,187,055	1,078,968
Cash and cash equivalents	<u>2,910,663</u>	<u>2,413,247</u>
	<u>15,712,292</u>	<u>14,761,526</u>
Assets - Total	<u>36,540,344</u>	<u>36,336,075</u>
EQUITY AND LIABILITIES		
Capital and reserves		
Nominal capital	32,500,000	32,500,000
Treasury stock	-173,245	-173,245
Non-Distributable Reserves	1,418,167	1,418,167
Distributable reserves	1,522,269	1,522,269
Fixed assets revaluation surplus	1,608,439	1,608,439
Adjustments to the value of financial assets	-2,739,943	-2,739,943
Accumulated results	-32,179,202	-32,337,029
Net result for the period	<u>507,160</u>	<u>174,608</u>
	<u>2,463,646</u>	<u>1,973,266</u>
Minority interest	<u>14,547</u>	<u>63,908</u>
Total – Equity	<u>2,478,193</u>	<u>2,037,174</u>
Non-current liabilities		
Loans and bank overdrafts	6,450,389	2,604,784
Other accounts payable	3,179,504	3,372,378
Deferred tax liabilities	2,432,769	2,663,841
Lease liability	<u>7,809,676</u>	<u>7,940,282</u>
	<u>19,872,337</u>	<u>16,581,285</u>
Current liabilities		
Loans and bank overdrafts	1,097,888	2,465,149
Suppliers	4,845,644	5,214,112
Other accounts payable	5,215,749	7,210,574
Provisions	77,831	5,325
Other current liabilities	2,186,193	2,051,033
Lease liability	<u>766,510</u>	<u>771,423</u>
	<u>14,189,814</u>	<u>17,717,616</u>
Total - Equity, minority interest and liabilities	<u>36,540,344</u>	<u>36,336,075</u>

FIRST HALF ACCOUNTS 2007

REDITUS, SGPS, SA
CONSOLIDATED PROFIT AND LOSS ACCOUNT (BY NATURE OF EXPENSE)
 FOR FISCAL YEAR ENDED 30 JUNE 2007 AND 2006.
 (In euros)

	30 June 2006	30 June 2007
	Based on IFRS	Based on IFRS
Operating Income		
Income from sales and services rendered	11,573,770	13,080,527
Other operating revenue and income	944,880	480,240
Inventory variation to finished products and products in progress	0	120,804
Total Operating Income	12,518,650	13,681,571
Operating expenses		
Inventory consumed and sold	914,537	1,469,960
Materials and services consumed	5,405,098	5,936,945
Personnel costs	4,294,775	4,236,498
Depreciation and amortization expenses	443,027	837,250
Increase / reduction in provisions	6,976	1,540
Other operating expenses and losses	663,011	209,856
Total - Operating expenses	11,727,424	12,692,048
Operating result	791,226	989,522
Financial result	-420,210	-276,438
Losses in affiliated companies		
Result before taxes	371,016	713,084
Income tax	156,154	216,368
Result before minority interest	214,862	496,716
Result after minority interest	64,893	-10,444
Net result for the period	149,969	507,160

Operating result from Services Outsourcing by Area of Activity

	30 June 2006	30 June 2007	Variation %
Total – Services Outsourcing			
Total - Operating income	10,104	10,737	6%
Sales and services rendered	9,240	10,415	13%
Other operating income	865	322	-63%
Total - Operating expenses	9,087	9,209	50%
EBITDA	1,017	1,528	
EBITDA margin	10.1%	14.2%	4.2pp
Business Process Outsourcing			
Total - Operating income	3,930	4,616	17%
Sales and services rendered	3,143	4,305	37%
Other operating income	786	311	-60%
Total - Operating expenses	3,285	3,923	19%
EBITDA	645	693	7%
EBITDA margin	16.4%	15.0%	-1.4pp
Outsourcing of IT infrastructures			
Total - Operating income	2,763	2,253	-18%
Sales and services rendered	2,686	2,246	-16%
Other operating income	77	7	-13%
Total - Operating expenses	2,329	2,029	
EBITDA	434	224	-48%
EBITDA margin	15.7%	10.0%	-5.8pp
IT Consulting			
Total - Operating income	2,785	3,251	17%
Sales and services rendered	2,784	3,249	17%
Other operating income	1	2	189%
Total - Operating expenses	2,827	2,567	-9%
EBITDA	-42	684	n.m
EBITDA margin	-1.5%	21.0%	22.5pp
Contact Center			
Total - Operating income	626	617	-2%
Sales and services rendered	625	615	
Other operating income	1	3	159%
Total - Operating expenses	647	690	7%
EBITDA	-20	-73	n.m
EBITDA margin	-3.3%	-11.8%	-8.6pp

Operating Profit/Expense from Engineering and Mobility Systems by Area of Activity.

	30 June 2006	30 June 2007	Variation %
Total - Engineering and Mobility System			
Total - Operating income	2,402	2,944	23%
Sales and services rendered	2,235	2,666	19%
Other operating income	167	279	67%
Total - Operating expenses	2,190	2,644	42%
EBITDA	212	300	
EBITDA margin	8.8%	10.2%	1.4pp
Engineering Solutions			
Total - Operating income	1,449	2,200	52%
Sales and services rendered	1,283	1,927	50%
Other operating income	166	273	64%
Total - Operating expenses	1,590	2,095	32%
EBITDA	-141	105	n.m
EBITDA margin	-9.7%	4.8%	14.5pp
Mobility Solutions			
Total - Operating income	453	225	-50%
Sales and services rendered	452	224	-50%
Other operating income	1	1	9%
Total - Operating expenses	142	126	-12%
EBITDA	310	99	-68%
EBITDA margin	68.5%	44.1%	-24.4 pp
Document Personalization			
Total - Operating income	500	519	4%
Sales and services rendered	500	514	3%
Other operating income	0	5	n.m
Total - Operating expenses	458	423	-8%
EBITDA	42	96	129%
EBITDA margin	8.4%	18.5%	10.1pp