

## Reditus EBITDA increases by 41% in 2010

- **Operating Income of 118.6 million Euros (+19%)**
- **EBITDA of 11.6 million Euros (+41%)**
- **EBITDA margin of 9.8% (vs. 8.2% in 2009)**
- **EBITDA of 6.5 million Euros (+26%)**
- **Net Income of 269 thousand Euros**
- **International Sales represented 37% of Turnover**

Note: The growth strategy of Reditus changed the consolidation perimeter with the acquisition of Tora, Digisis, Ogimatech, Sapi2 and Partblack (Panda Security), such that the financial information of 2010 is not directly comparable with that of the same period of the previous year. As at December 2010, Reditus classified as assets available for sale the entire holdings in the companies Caléo, BCCM and JM Consultores, which represented the Engineering and Mobility Systems area, such that the operating income presented does not include this business segment.

### 1. Summary of Activity

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The year of 2010 was marked by the reinforcement of Reditus' leadership position in the information technology sector in Portugal and by the expansion of its international presence.

Several company acquisitions were undertaken (Tora, SAPI2, Digisis and Ogimatech), with a strong specialisation in niche areas, which allowed the offer of products and services to be reinforced and to build up competencies in the business consultancy sector, constituting an important step in the Group's development strategy.

In spite of the difficult economic scenario, Reditus presented an excellent operational performance, as a result of the success of the strategy implemented. The Operating Income totalled 118.6 million Euros and EBITDA came to 11.6 million Euros, representing a growth of 41% relative to the previous year. The EBITDA margin came to 9.8% compared with 8.2% in 2009.

Reditus chose to disinvest from the Engineering and Mobility area, so as to focus its efforts on those areas of greater importance within the defined growth strategy. At the end of 2010 the Group's structure was divided into 3 business areas: BPO, IT Outsourcing and IT Consulting.

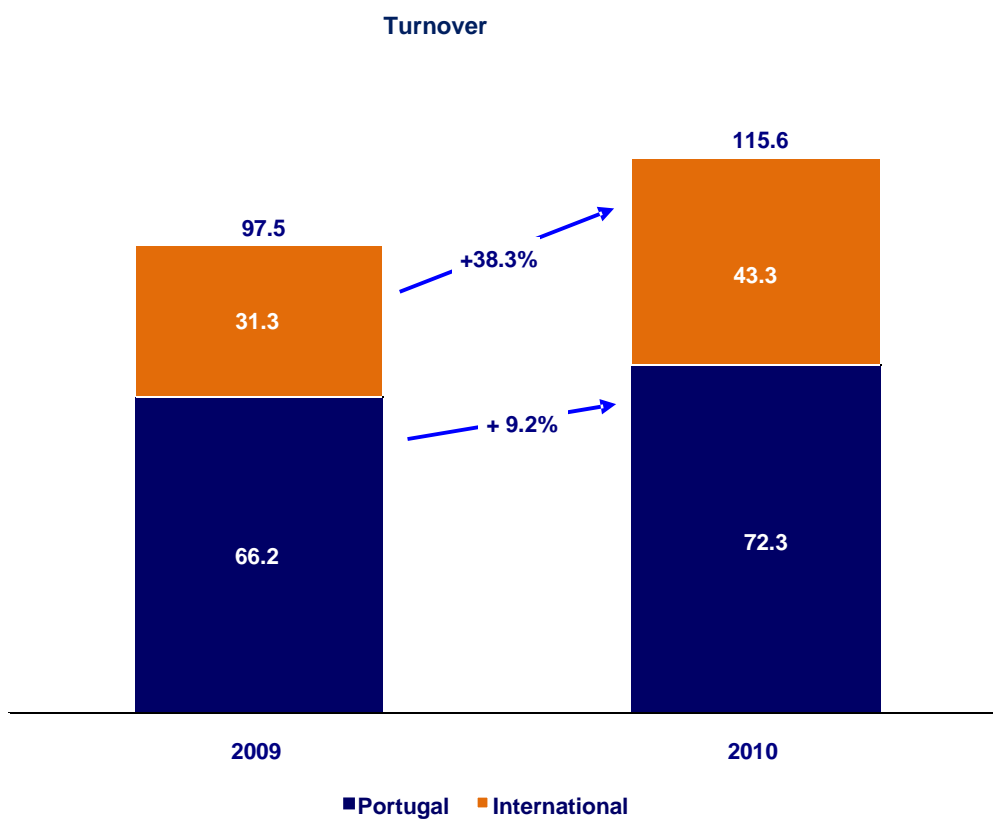
## 2. Consolidated Indicators

### 2.1. Consolidated Operating Income

In 2010, the Consolidated Operating Income came to 118.6 million Euros, corresponding to a 19.0% year-on-year increase.

The Consolidated Turnover increased by 18.5% relative to the previous year to 115.6 million Euros, driven by the strong growth of the IT Consulting area.

The International Sales represented 37% of Turnover in 2010, compared with 32% in the same period of the previous year.

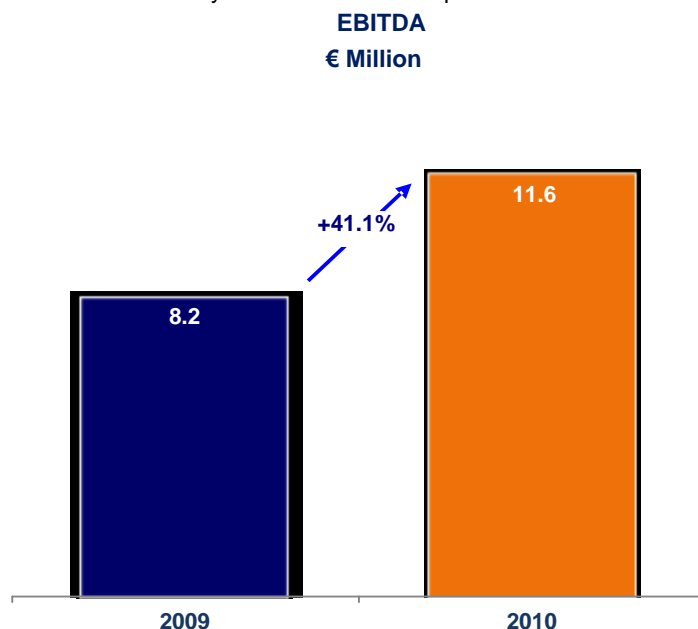


### 2.2. Operating Costs

The Consolidated Operating Costs, net of depreciation, provisions and adjustments totalled 107 million Euros in 2010, which represents a year-on-year increase of 17% and corresponds to 90% of Total Income in comparison with 92% in 2009.

### 2.3. Operating Profit before Depreciation (EBITDA)

The Consolidated EBITDA came to 11.6 million Euros in 2010, increasing 41.1% relative to the 8.2 million Euros registered in 2008. The EBITDA margin came to 9.8%, above the 8.2% margin achieved in 2009. The strong growth of the Group's EBITDA was mainly due to the excellent performance of the IT Consulting area.



### 2.4. Net Income

The Depreciation, Amortisations, Provisions and Adjustments reached 5.1 million Euros in 2010, which reflects an increase of 66% relative to the previous year, essentially explained by the increase in the amortisations of intangible assets as a result of the recent acquisitions.

The Operating Profit (EBIT) registered an increase of 26.2% to 6.5 million Euros. The operating margin came to 5.5%, in comparison with the 5.2% achieved in 2009.

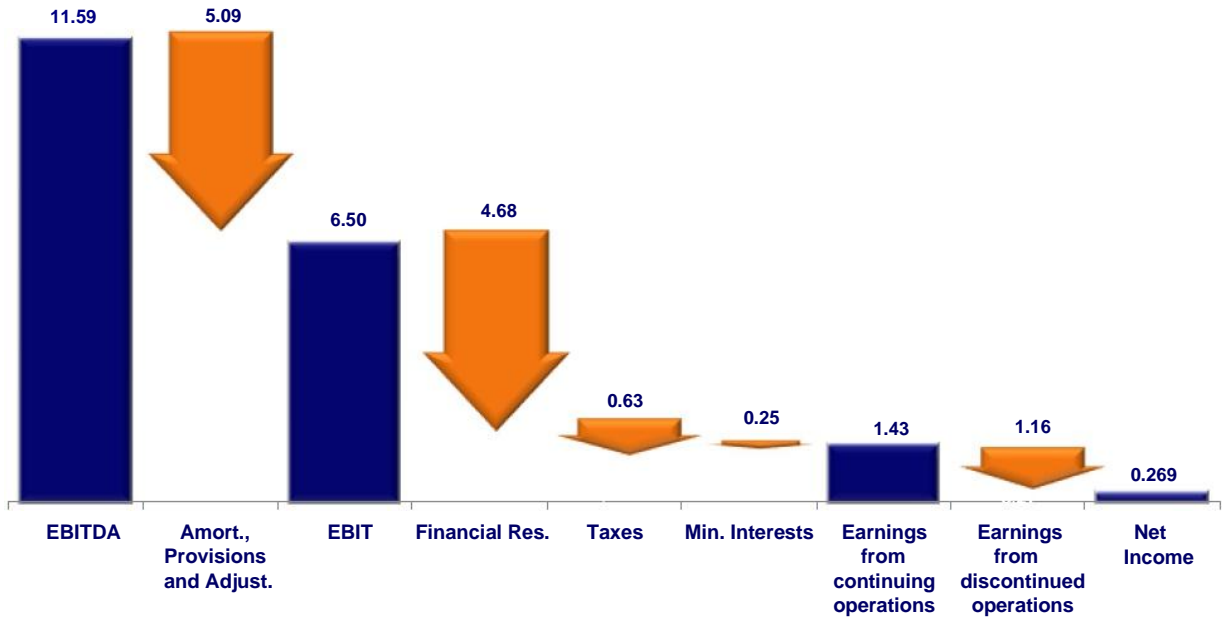
The Financial Results achieved a negative net value of 4.7 million Euros, an increase of 37.4% in relation to the same period of the previous year. This increase is essentially due to the increase of gross average debt resulting from the acquisitions undertaken in 2010 and due to the increase in the effective interest rate, reflecting financial market conditions.

The Provision for Income Tax came to 0.6 million Euros in 2010, in comparison with the provision of 1.8 million Euros in 2009.

The Earnings from Continuing Operations in 2010 came to 1.4 million Euros, in comparison with negative results of 26 million Euros in 2009.

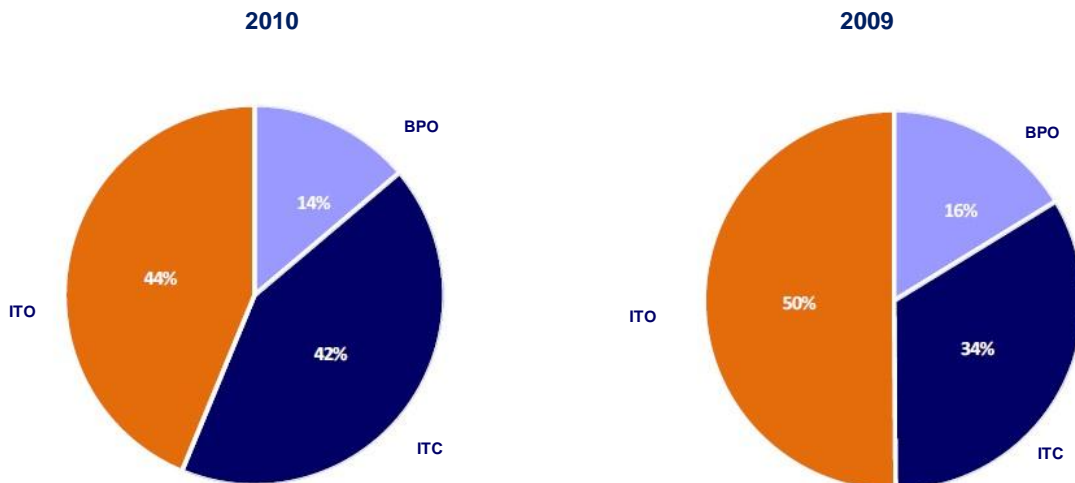
The Consolidated Net Income, after minority interests and earnings from discontinued operations, came to 269 million Euros in 2010, representing an increase of 553 thousand Euros relative to the negative results of 285 thousand Euros in 2009.

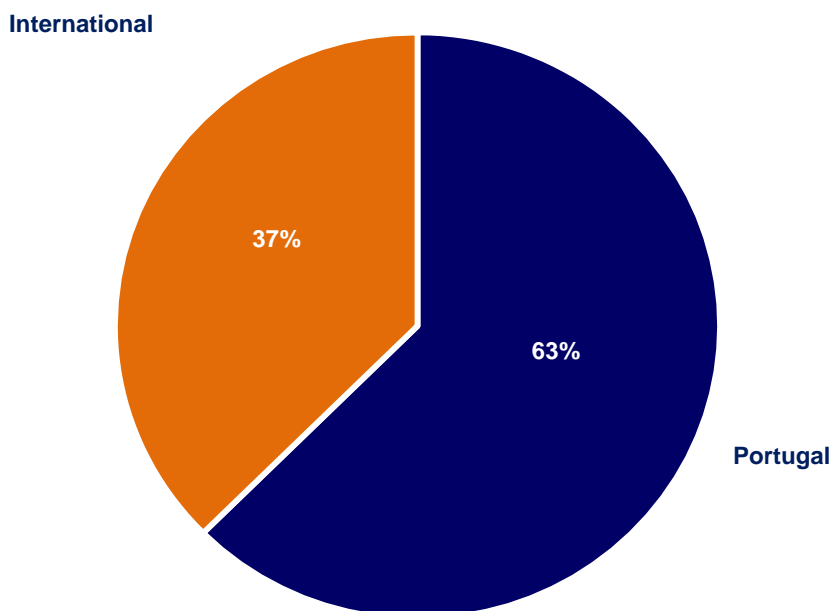
### From EBITDA to Net Income



### 3. Indicators by Business Area

#### Turnover by Activity Area



**Turnover by Geographic Market****3.1.1 Business Process Outsourcing (BPO)**

BPO is represented by Redware, market leader in the area of Back-Office and Front-Office operations through Outsourcing (Business Process Outsourcing) in Portugal.

With its own methodologies, associated technologies and specialised resources, Redware offers the best Outsourcing solutions in data treatment. BPO activities include services such as:

(i) Back-Office Banking operations with special incidence in Credit Contracting and Recovery/Claim Management; (ii) Document Treatment (Digitalisation and Indexation); (iii) Management of Archives; (iv) Management of Correspondence; and (v) Services for the Insurance sector with special incidence in the claims area. The Front-Office Services (Contact Center) underwent significant developments in 2010 with about 300 active positions, having closed contracts at the end of the year - extending into the next few years - that will add a further 700 operation posts.

Redware currently has nine Service Centers in Portugal, from where it operates Outsourcing contracts for several Customers.

BPO contributed with about 14% to the total Turnover of Reditus and 1% of the total EBITDA generated in 2010.

This business area achieved a Turnover of 16.7 million Euros, representing a growth of 1.4% relative to the value registered in the same period of the previous year.

During 2010, three important multi-annual contracts were signed that reinforce the company's projection in the national and international market, the latter being of greater significance in the Iberian perimeter.

The EBITDA and EBITDA margin came to 64 thousand Euros and 0.4% respectively, which represents a decrease relative to the previous year as a result of market changes, which resulted resulting in a decrease in the volume of transactions

in credit processes of banking sector customers, which were however offset by new businesses which are still at an initial phase.

### 3.1.2 IT Outsourcing

IT Outsourcing is represented by Tecnidata, ALL2IT and Partblack (Panda Security Portugal). This business area provides its customers with integrated competencies in IT Infra-structures. The services provided include: (i) HelpDesk of Information Technology and Communications (Service Desk), (ii) Management and Maintenance of Equipment, (iii) Project and Implementation of Data Networks (Networking and Security), (iv) Management and Maintenance of Networks and Systems and v) Distribution of Security Software of Panda Security.

In this business unit, emphasis is placed on the significant reinforcement of competencies and specialisation in Microsoft and HP technology, recognised with the attribution of the “Country Partner of the Year 2010” and “Best performing Partner” awards, respectively, and the rationalisation and restructuring that resulted in the merger by incorporation of the companies that provide services and offer solutions in this area, enabling a reduction in costs and an increase in operational efficiency.

IT Outsourcing represented 44% of Turnover and 41% of the total EBITDA of the Reditus Group.

Turnover was 52.7 million Euros, in comparison with the 50.7 million Euros in the previous year. The EBITDA came to 4.7 million Euros in 2010, a year-on-year decrease of 35.2%. This decrease was due to the delay in the development of projects in Angola, which were very significant in 2009, in contrast to 2010.

### 3.1.3 IT Consulting

This business area is represented by ROFF, Reditus II (Skills & Solutions and Solutions Factory), Reditus Consulting (ex-Digisis) and Ogimatech and provides Information Technology Consultancy services, including SAP Consultancy, Specialised Outsourcing and Software Factory and Business Consultancy services.

The offer of SAP Consultancy services includes: SAP Business Consulting, SAP Consulting, SAP Maintenance, SAP Development Factory and SAP Software & Maintenance Licensing.

The Specialised Outsourcing area is dedicated to reinforcing and cooperating with its Customers/Partners in application development projects in several technological areas and competencies.

The Software Factory implements an approach of software production in compliance with the principles of standardisation, specialisation, scalability and economy. From this viewpoint, greater efficiency in the conception process, economies of scale in production, rigorous quality control and increased speed of development is possible.

In April 2010, ROFF acquired the total capital of SAPI2 CI - Consultoria Informática, SA, an information systems consultancy company and implementer of SAP solutions, based in Porto, whose integration in the consolidated financial statements is dated 1 April 2010.

In July and August 2010, Reditus acquired Digisis (now Reditus Consulting) and Ogimatech, respectively. Reditus Consulting contributes management capability and consolidated practice in the business and IT consultancy areas, namely in the Financial, Public and Telecommunications sectors, representing an important element in the development and transformation strategy of the Reditus Group, ensuring the necessary competencies for a sustainable leadership of the process, with a view to implementing an organisation with a strong sectorial vocation, which integrates the know-how of the business and of its clients' processes, with an offer of specialised and differentiated solutions and services.

Ogimatech offers international consultancy services in areas such as business strategy, processes and organisation, information systems and technologies. Similarly, it also offers assistance in cooperation projects for development in underdeveloped countries, normally financed by international entities such as the European Union, the World Bank or the African Development Bank. The company has a history of more than 20 years of a strong presence in Angola, where it has been an important partner of various state entities, particularly in the oil sector, and also has a strong presence in Mozambique.

IT Consulting represented 42% of Turnover and 59% of the total EBITDA of the Reditus Group.

This business unit presented an excellent operational performance reflecting not only the integration of the companies recently acquired but also the strong growth of the international market that contributes with 41% of the total revenue.

Turnover came to 51.1 million Euros, in comparison with the 34.0 million Euros in 2009. EBITDA was 6.8 million Euros, equivalent to a margin of 11.9%.

#### 4. Balance Sheet - Main Headings

€ Million	2010	2009	Var. %
<b>Total Assets</b>	191.9	140.0	37.1%
Non-current Assets	115.4	81.7	41.3%
Current Assets	76.5	58.3	31.3%
<b>Equity</b>	29.2	20.4	43.1%
<b>Total Liabilities</b>	162.7	119.5	36.1%
Non-current Liabilities	47.9	31.7	51.2%
Current Liabilities	114.8	87.9	30.7%

At the end of December 2010, the net bank debt (includes bank loans and overdrafts, financial leasing liabilities, deducted from cash and equivalent) reached 84.1 million Euros. The increase in debt relative to 2009 is essentially due to the recent acquisitions: Tora, Digisis, Ogimatech, Sapi2 and Partblack.

The Engineering and Mobility segment comprising the companies BCCM, JM Consultores and Caléo was classified as non-current assets held for sale.

The financial leasing liabilities include 7.6 million Euros of real estate leasing.

## 5. Stock Market Behaviour

Performance of Reditus Shares



The closing market price of Reditus shares in 2010 was 6.55 Euros; 11% below the closing price of the previous year of 7.34 Euros.

In terms of liquidity, during the financial year about 275 thousand Reditus shares were traded, representing a transaction value of 2.0 million Euros.

The daily average number of shares traded came to about 1.1 thousand, corresponding to a daily average value of about 8.3 thousand Euros.



**6. Outlook for 2011**

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With the integration of the acquired companies and the decision to disinvest from the Engineering and Mobility area, considered as non-strategic, at the end of 2010 the Group conducted an internal reorganisation by redefining its approach to the market through a vertical segmentation model focused on the main sectors of activity, namely Financial Services, Telecommunications and Utilities, Health and Public Administration, as well as another sector of a more general offer.

Through a structured approach beginning with a business analysis, consultancy and transformation process, Reditus implements and provides support to solutions in four key areas: (1) Business Consulting, (2) IT Consulting (3) IT Outsourcing and (4) BPO.

The main growth vectors of the Reditus Group for 2011 are:

- Maximise and enhance the Group's new organisation;
- Increase cross-selling, via Reditus Consulting, through greater presence of the Group in the accounts of the most important customers in terms of size and potential business development, with a comprehensive approach and a better coverage and identification of business opportunities;
- Expand the international presence, via the development of projects in destination countries and via the export from Portugal of high added value services;
- Rationalise costs, fomenting synergies and commercial, technical, human and financial optimisations.

## 7. EBITDA by Business Area

	<i>Unit: thousand €</i>		
	31-12-2010	31-12-2009	Var%
<b>Total Reditus</b>			
<b>Operating Income</b>	118,584	99,644	19.0%
Sales	25,556	23,753	7.6%
Provision of Services	90,012	73,751	22.0%
Other Operating Income	3,016	2,139	41.0%
Operating Costs (excludes amort., provisions and adjust.)	106,998	91,434	17.0%
<b>EBITDA</b>	11,586	8,210	41.1%
EBITDA Margin	9.8%	8.2%	1.5pp
<b>BPO</b>			
<b>Operating Income</b>	16,969	16,522	2.7%
Sales	-	-	
Provision of Services	16,682	16,454	1.4%
Other Operating Income	286	68	318.2%
Operating Costs (excludes amort., provisions and adjust.)	16,905	16,121	4.9%
<b>EBITDA</b>	64	401	-84.1%
EBITDA Margin	0.4%	2.4%	-2.1pp
<b>ITO</b>			
<b>Operating Income</b>	53,197	51,440	3.4%
Sales	20,344	19,451	4.6%
Provision of Services	32,371	31,290	3.5%
Other Operating Income	482	699	-31.1%
Operating Costs (excludes amort., provisions and adjust.)	48,469	44,149	9.8%
<b>EBITDA</b>	4,728	7,291	-35.2%
EBITDA Margin	8.9%	14.2%	-5.3pp
<b>IT Consulting</b>			
<b>Operating Income</b>	57,126	35,306	61.8%
Sales	5,794	4,633	25.1%
Provision of Services	45,307	29,398	54.1%
Other Operating Income	6,025	1,275	372.4%
Operating Costs (excludes amort., provisions and adjust.)	50,331	34,789	44.7%
<b>EBITDA</b>	6,794	517	1213.9%
EBITDA Margin	11.9%	1.5%	10.4pp
<b>Other and Intra-Group</b>			
<b>Operating Income</b>	(8,707)	(3,624)	
Sales	(581)	(331)	
Provision of Services	(4,349)	(3,390)	
Other Operating Income	(3,777)	97	
Operating Costs (excludes amort., provisions and adjust.)	(8,707)	(3,624)	

REDITUS, SGPS, SA  
**CONSOLIDATED STATEMENTS OF RESULTS**  
 FOR THE FINANCIAL YEARS ENDING 31 DECEMBER 2010 AND 2009  
 (Values expressed in Euros)

	<b>31-12-2010</b>	<b>31-12-2009</b>
<b><u>OPERATING INCOME:</u></b>		
Sales	25,556,336	23,753,426
Provision of services	90,011,753	73,751,271
Other operating income	3,015,911	2,139,315
Total operating income	118,584,000	99,644,012
<b><u>OPERATING COSTS:</u></b>		
Inventories consumed and sold	(18,264,995)	(21,260,906)
External supplies and services	(55,568,026)	(44,295,450)
Staff costs	(31,788,416)	(23,809,409)
Depreciation and amortisation costs	(4,155,577)	(2,472,847)
Provisions and impairment losses	(929,880)	(587,295)
Other operating costs and losses	(1,376,938)	(2,068,719)
Total operating costs	(112,083,832)	(94,494,625)
Net operating income	6,500,168	5,149,387
<b><u>FINANCIAL RESULTS:</u></b>		
Financial costs, net	(4,682,319)	(3,408,733)
Losses in associated companies, net	-	-
Profit before taxes	(4,682,319)	(3,408,733)
	1,817,849	1,740,654
Income taxes	(634,171)	(1,797,092)
Net income before minority interests	1,183,678	(56,438)
Minority interests	247,804	30,442
Earnings from continuing operations	1,431,482	(25,996)
Earnings from Discontinued Operations	(1,162,875)	(258,773)
Net Income	268,607	(284,769)
EBITDA	11,585,625	8,209,529
EBITDA Margin	9.8%	8.2%

REDITUS, SGPS, SA  
**CONSOLIDATED STATEMENT OF FINANCIAL POSITION**  
 AS AT 31 DECEMBER 2010 AND 31 DECEMBER 2009  
 (Values expressed in Euros)

	<b>31-12-2010</b>	<b>31-12-2009</b>
<b>ASSETS</b>		
<b>NON-CURRENT ASSETS:</b>		
Tangible fixed assets	16 587 124	16 482 490
Goodwill	59 760 715	58 920 584
Intangible fixed assets	30 301 174	3 868 961
Assets available for sale	6 845 115	
Other financial investments	5 000	17 764
Deferred tax assets	1 874 826	2 376 569
	115 373 954	81 666 368
<b>CURRENT ASSETS:</b>		
Inventories	668 646	1 290 952
Customers	42 884 705	39 360 472
Other accounts receivable	9 274 233	9 132 724
Other current assets	14 279 303	4 249 317
Financial assets at fair value	339 211	373 878
Cash and equivalent	9 078 735	3 881 717
	76 524 833	58 289 060
<b>TOTAL ASSETS</b>	<b>191 898 787</b>	<b>139 955 428</b>
<b>EQUITY:</b>		
Share capital	51 557 265	44 630 250
Own shares (quotas)	( 1 156 757)	( 1 135 357)
Issue premiums	11 146 578	8 507 386
Reserves	3 546 904	2 948 867
Retained earnings	( 38 096 232)	( 37 337 980)
Adjustments in financial assets	( 501 763)	( 501 763)
Surplus value of fixed assets	2 357 714	3 266 648
Consolidated net income for the year	268 607	( 284 769)
Equity attributable to majority shareholders	29.122.316	20 093 282
Equity attributable to minority interests	105 032	332 501
Total equity	29 227 348	20 425 783
<b>LIABILITIES:</b>		
<b>NON-CURRENT LIABILITIES:</b>		
Loans	25 294 990	20 630 401
Provisions	1 807 659	972 090
Liabilities available for sale	6 191 351	
Other accounts payable	4 309	708 538
Deferred tax liabilities	6 340 644	1 711 576
Financial leasing liabilities	8 224 041	7 634 899
	47 862 994	31 657 504
<b>CURRENT LIABILITIES:</b>		
Loans	58 392 057	31 276 061
Suppliers	22 638 325	14 577 358
Other accounts payable	12 750 117	17 277 091
Other current liabilities	19 737 406	23 610 375
Financial leasing liabilities	1 290 540	1 131 256
	114 808 445	87 872 141
<b>TOTAL LIABILITIES</b>	<b>162 671 439</b>	<b>119 529 645</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>191 898 787</b>	<b>139 955 428</b>