RESULTS OF THE FIRST 9 MONTHS OF 2011

Operating Income of Reditus increased 8.7% in the first nine months of 2011

- **Operating Income of 81.2 million euros**

- **EBITDA of 4.7 million euros**

- **EBITDA margin of 5.8%**

- **EBIT of 0.93 million euros**

- **Net Income of -3.9 million euros**

- **International Sales increased 47.9% and represent 29.5% of turnover**

Note: In the first nine months of 2011, the acquisition of Tora, Digisis, Ogimatech and Sapi2, as a result of Reditus' growth strategy, altered the consolidation perimeter and therefore the financial information for the first nine months of 2011 is not directly comparable with that of the previous period.

1. Summary of Activity

In the first nine months of 2011 (9M11), Reditus experienced strong growth in its international operations, with an increase of 47.9% in comparison to the previous year, and a strong performance in domestic operations in spite of the worsening macroeconomic environment.

The results of the first nine months of the year highlight the assertiveness of the Reditus Group in the development of its strategy, namely the focus on international operations which now represent 29.5% of total turnover in 9M11, in comparison with 21.0% in the previous period.

In addition to the increase in international sales, the activity of Reditus was also marked by the start, in the national market, of three new projects of major significance in the Business Process Outsourcing area and by the strong expansion of the consultancy business, which already represents more than 56% of the Group's revenues.

Since the beginning of the year, the Group has reinforced its structure with more than 800 jobs to sustain the growth of activity and has been implementing a plan to capture synergies in terms of costs, benefitting from economies of scale arising from the success in the capture of new businesses.

The Reditus Group is one of the largest national players in the Information Technologies sector. Its activities are structured into three main areas of expertise: BPO, IT Outsourcing (ITO) and IT Consulting (ITC).
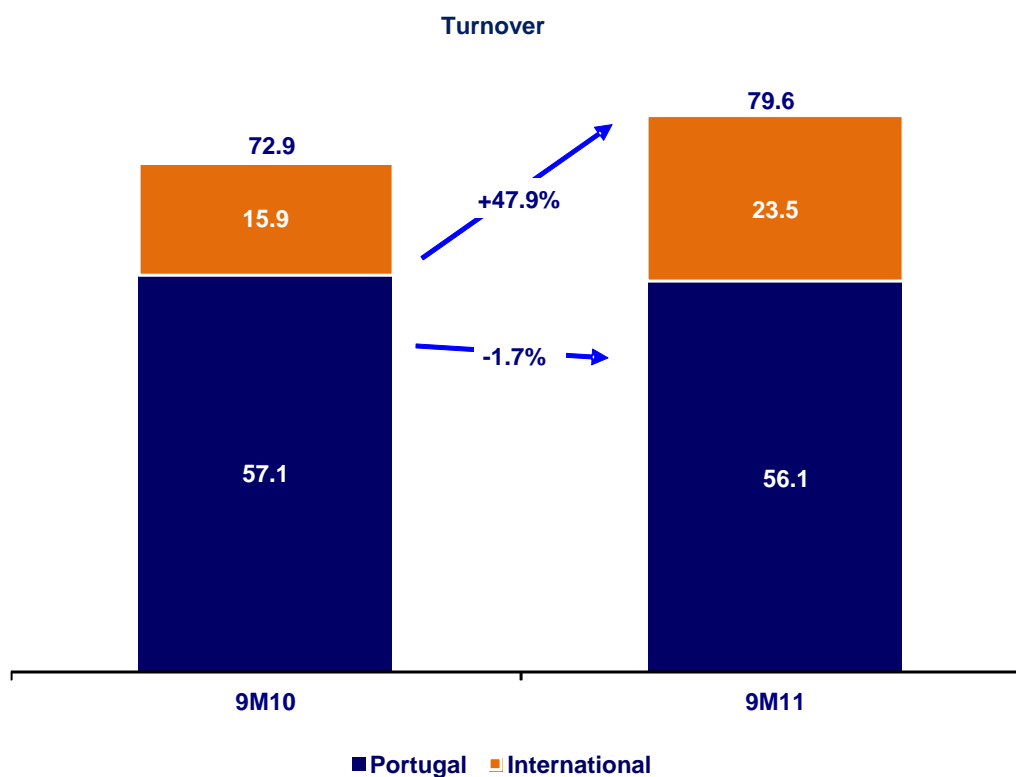
RESULTS OF THE FIRST 9 MONTHS OF 2011

2. Consolidated Indicators

2.1. Consolidated Operating Income

In 9M11, the Consolidated Operating Income came to 81.2 million euros, corresponding to an 8.7% year-on-year increase.

The Consolidated Turnover increased 9.1% to 79.6 million euros, driven by the strong growth of international operations (+ 47.9%), which represented 29.5% of total operations (vs. 21.0% in the same period of the previous year).

The Provision of Services component registered a very positive performance, with an increase of 15.6%, representing 80.0% of Turnover, in comparison with 75.6% in 9M10.

Turnover

Portugal ■ **International**

2.2. Operating Costs

The Consolidated Operating Costs, net of depreciation, provisions and adjustments totalled 76.5 million euros in the first nine nonths of the year, which represents an increase of 10.9%. This increase results mainly from the reinforcement of the teams to sustain the growth of the Group and the investment in internationalisation.

2.3. Operating Profit before Depreciation (EBITDA)

The Consolidated EBITDA reached 4.7 million euros, decreasing 17.9% relative to the 5.8 million euros registered in the same period of 2011. The EBITDA margin came to 5.8%, 1.9 p.p. below the margin of 7.7% reached in 9M10. The decline in EBITDA resulted from the internationalisation effort, the contraction of the domestic market and the costs inherent to the start of new operations in the BPO area.

EBITDA
€ Million
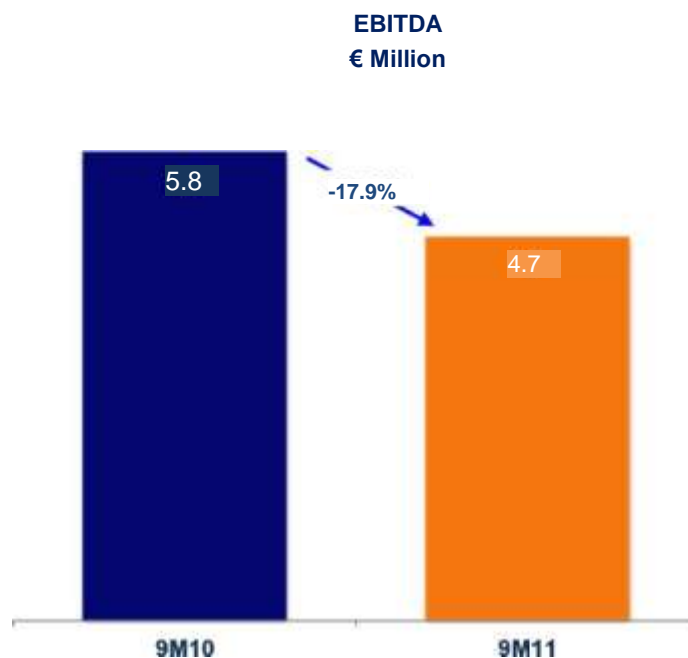
2.4. Net Income

The Depreciation, Amortisations, Provisions and Adjustments reached 3.8 million euros in 9M11, which reflects an increase of 25.2% 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 a decrease of 65.9% to 0.93 million euros. The operating margin came to 1.1%, in comparison with the 3.7% achieved in 9M10.

The Financial Results achieved a negative net value of 4.9 million euros, an increase of 51.1% in relation to the same period of the previous year. This increase is essentially explained by the increase in the gross average debt as a result of the acquisitions undertaken in 2010 and the increase in the effective interest rate, reflecting financial market conditions.

The income tax gain decreased 0.34 million euros due to the fact that in 9M10 a tax benefit within the scope of the Tax Incentives for Company Investments in R&D (SIFIDE) was registered.

The Earnings from Ongoing Operations in 9M11 were negative by 2.8 million euros, which compares with the positive results of 0.86 million euros in the same period of the previous year.
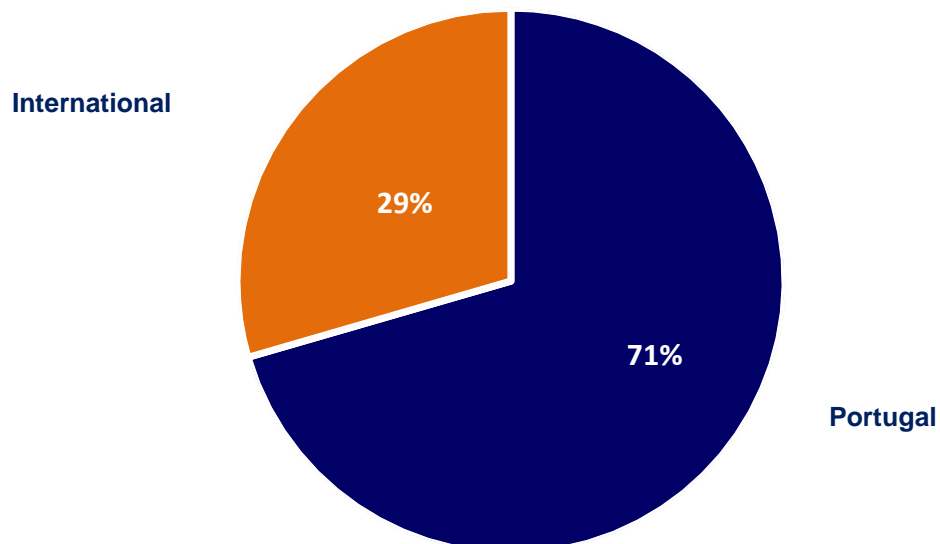
RESULTS OF THE FIRST 9 MONTHS OF 2011

The Consolidated Net Income, after minority interests and earnings from discontinued operations came to, in this period, losses of 3.9 million euros, representing a decrease relative to the positive results of 153.1 thousand euros registered in 9M10.

3. Indicators by Business Area

Turnover by Activity Area

9M10

9M11
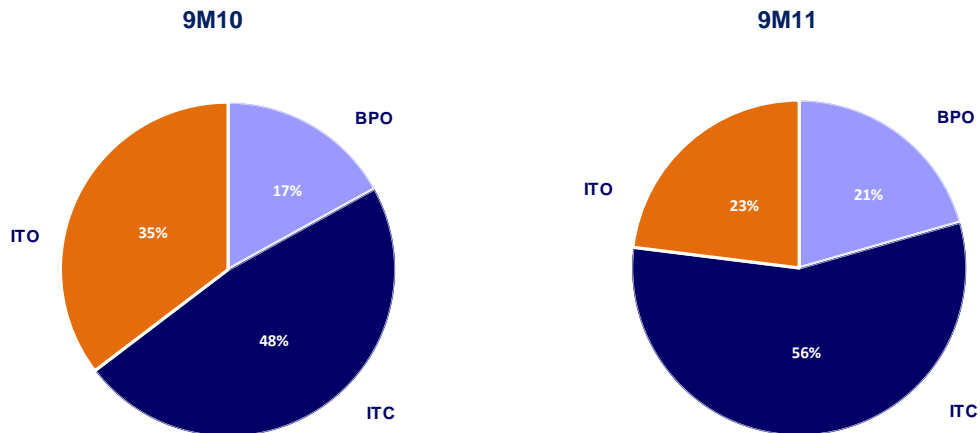
Turnover by Geographic Market

3.

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) developed substantially over the last two years, with multi-annual contracts that added about 1,000 operation posts.

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

BPO contributed to approximately 20.6% of the total Turnover of Reditus and 23.9% of the total EBITDA generated in 9M11.

The turnover in this business area registered a year-on-year increase of 30.5% to 16.7 million euros, reflecting the impact of new businesses, which compensated for the decrease in the volume of transactions in credit operations of customers of the banking sector.

EBITDA reached 1.1 million euros, equivalent to an EBITDA margin of 6.7% and representing a decline of 0.5 p.p. relative to the margin of 7.2% reached in the same period of the previous year. This decline is essentially explained by the costs inherent to the start-up of two new Service Centers.

3.2. IT Outsourcing

IT Outsourcing is represented by Tecnidata, ALL2IT and Partblack (Panda Security Portugal). This business sector offers its clients integrated expertise on the perimeter of the IT Infrastructure. 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.

IT Outsourcing represented 23.0% of the total Turnover of the Reditus Group.

This business unit presented a less positive operational performance, mainly as a result of the delay in the development of projects in Angola which in 9M10 were very significant, contrary to 9M11. Turnover registered a decline of 29.9% to 18.7 million euros and EBITDA was negative by 16 thousand euros, in comparison with a positive EBITDA of 865 thousand euros in the same period of the previous year.

3.3. IT Consulting

This business area is represented by ROFF, Reditus II (Skills & Solutions), 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 includes: SAP Business Consulting, SAP Consulting, SAP Maintenance, SAP Development Factory and SAP Software & Maintenance Licensing.

IT Consulting represented 56.4% of Turnover and 75.6% of the total EBITDA of the Reditus Group.

RESULTS OF THE FIRST 9 MONTHS OF 2011

This operational unit maintained the strong performance of the last quarters, registering a growth of 27.3% in Turnover in the first nine months of the year to 45.8 million euros. This growth reflects not only the integration of the acquired companies but also the exceptional growth in the international market, which represented 49.9% of total turnover. EBITDA registered a decrease of 9.8% to 3.6 million euros, equivalent to an EBITDA margin of 7.6%. This decline essentially reflects the investment in internationalisation, the current climate and the consequent pressure on domestic prices.

CONDENSED CONSOLIDATED STATEMENT OF RESULTS
FOR THE QUARTERS ENDED 30 SEPTEMBER 2011 AND 2010
(Unaudited)

	30-09-2011	30-09-2010
OPERATING INCOME:		
Sales	15,872,772	17,827,832
Services rendered	63,687,903	55,092,076
Other operating income	1,682,537	1,837,195
Total operating income	81,243,212	74,757,103
OPERATING COSTS:		
Inventories consumed and sold	(10,368,255)	(13,015,540)
External supplies and services	(28,599,948)	(32,703,765)
Staff costs	(36,280,480)	(22,762,232)
Depreciation and amortisation costs	(3,486,066)	(2,318,859)
Provisions and impairment losses	(315,445)	(717,524)
Other operating costs and losses	(1,262,312)	(509,672)
Total operating costs	(80,312,506)	(72,027,592)
Net operating income	930,706	2,729,511
FINANCIAL RESULTS:		
Financial costs, net	(4,882,554)	(3,231,989)
Losses in associated companies, net	-	
	(4,882,554)	(3,231,989)
Profit before taxes	(3,951,848)	(502,478)
Income tax	1,114,341	1,453,346
Net income before minority interests	(2,837,507)	950,868
Minority interests	(2,208)	(86,888)
Result of ongoing operations	(2,839,715)	863,980
Result of discontinued operations	(1,090,865)	(710,852)
Net Income	(3,930,580)	153,128
EBITDA	4,732,217	5,765,894
EBITDA Margin	5.8%	7.7%