

## **Reditus Net Income increases 83.9% in first nine months of 2014**

- **Operating Revenues of 89.9 million Euros (+ 8.8%)**
- **EBITDA of 7.6 million Euros (+ 11.6%)**
- **EBIDTA margin 8.5% (vs. 8,3%)**
- **Net Result of 427.5 thousand Euros (vs. 232.5 million Euros)**
- **International Sales represent 40.3% of the Revenues**

Note: In the fiscal year of 2013, Reditus proceeded to the reclassification of the assets available for sale on the grounds that the conditions in IFRS 5 had not been met - Non-Current Assets Held for Sale and Discontinued Operational Units - in order to maintain this classification.

### **1. Summary of the Activity**

The income in the first nine month months of 2014 (9M14) reflect the continuing focus on the expansion of internationalization that register an increase of 27.3% above the homologous period and became representative of 40.3% of Reditus Group total revenues, compared with the 34.5% in the same period of the previous year.

The operations in the national market remained almost unchanged, a good development considering the adverse economical context that continued to affect Portugal.

Operating Revenues amounted to 89.9 million Euros, an increase of 8.8% versus the same period of the previous year. The EBITDA was 7.6 million Euros, an increase of 11.6% versus the same period, equivalent to EBITDA margin of 8.5%.

The positive evolution of the results show the success of the strategy implemented by Reditus Group, particularly the betting in internationalization and the approach in the streamlining of the operating and e costs.

**Reditus SGPS, S.A.**

Open Capital. Share Capital: 73.193.455 Euros

Headquarters: Rua Pedro Nunes, nº11

1050-169 Lisboa

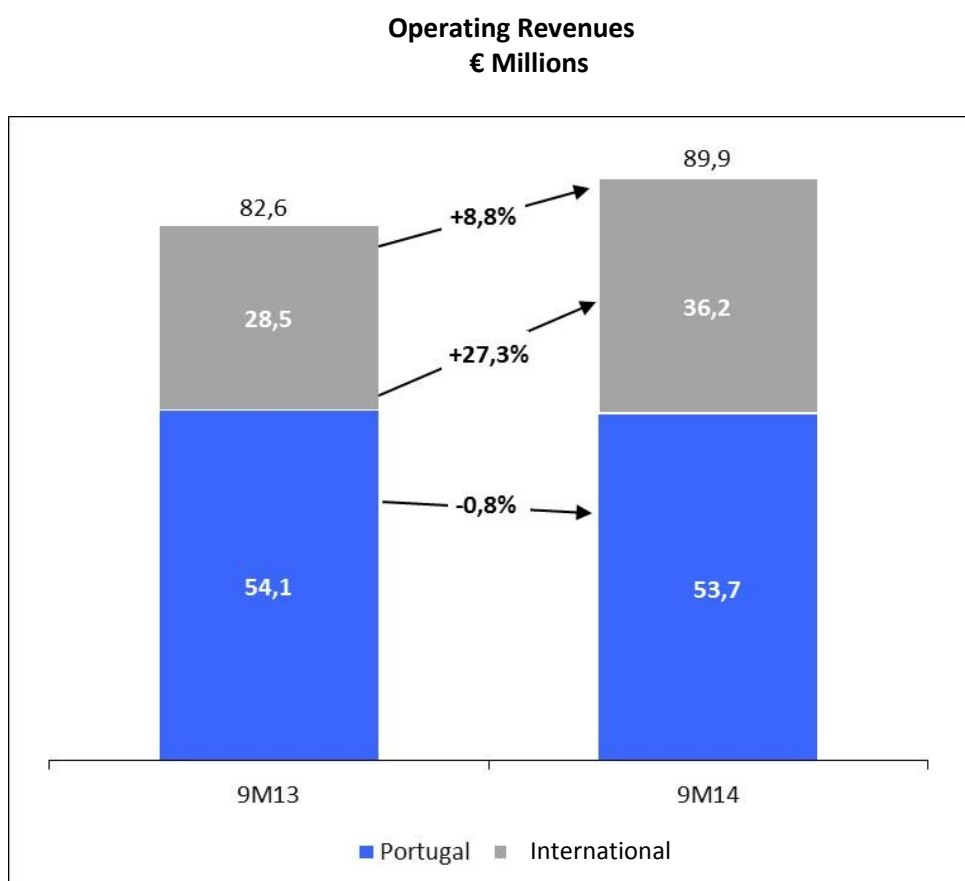
Registered at Lisboa Registrar of Companies, under the single registration and legal entity number 500 400 997

## 2. Consolidated Indicators

### 2.1. Consolidated Operating Income

The Consolidated Operating Revenues amounted to 89.9 million Euros in 9M14, an increase of 8.8% over the same period on the previous year.

This performance was driven by the international activity growth that register an increase of 27.3 %for 36.2 million Euros and represented 40.3% of total revenues (vs. 34.5% in the previous year). At the home market, in spite of the adverse context, Reditus remained it's activity almost unchanged.



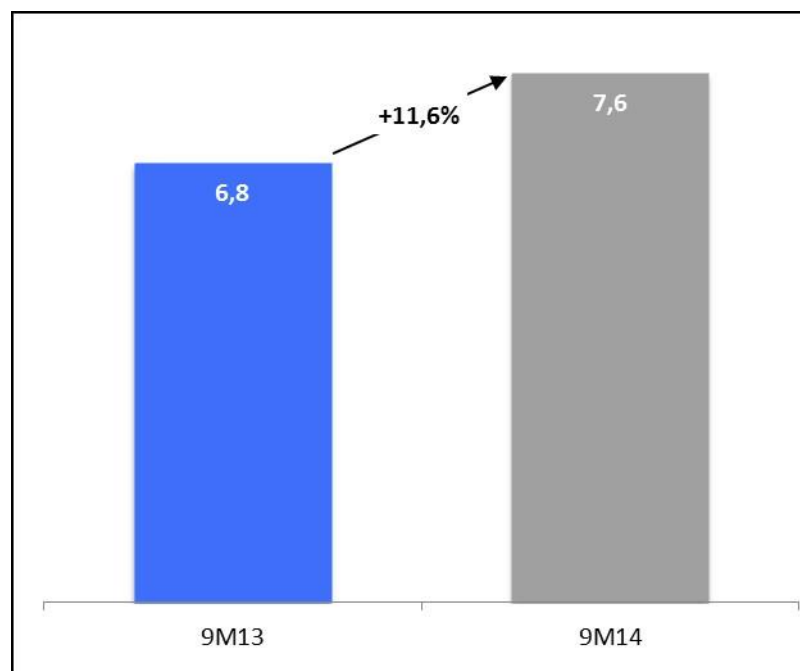
### 2.2. Operating Expenses

Consolidated Operating Expenses net of depreciation, provisions and adjustments amounted to 82.2 million Euros in first nine months of the year, which represents an increase of 8.5% on day-to-day terms, also representing 91.5% of Total Revenues against 91.7% on the same period of the previous year.

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

Consolidated EBITDA was 7.6 million Euros, an increase of 11.6% when compared to the 6.8 million Euros recorded on the same period of 2013. EBITDA margin stood at 8.5%, corresponding to 0.2 pp higher than the margin achieved in 9M13.

**EBITDA.**  
**€ Million**



#### **2.4. Net Result**

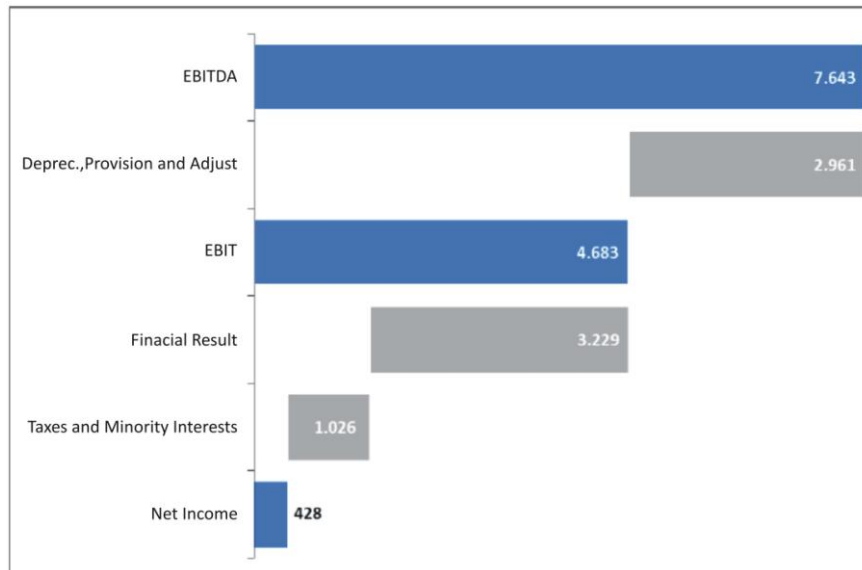
Depreciation, Amortization, Provisions and Adjustments amounted to 3.0 million Euros, an decrease of 6.0% over the same period of the previous year due to the decrease of Depreciation and Amortization Costs heading.

Operating income (EBIT) was 4.7 million Euros, an increase of 26.5% when compared to 3.7 million Euros in the same period of the previous year.

The Financial Results consolidated negative net value of 3.2 million Euros, a slight increase of 2.1% when compared to the same period of the previous year.

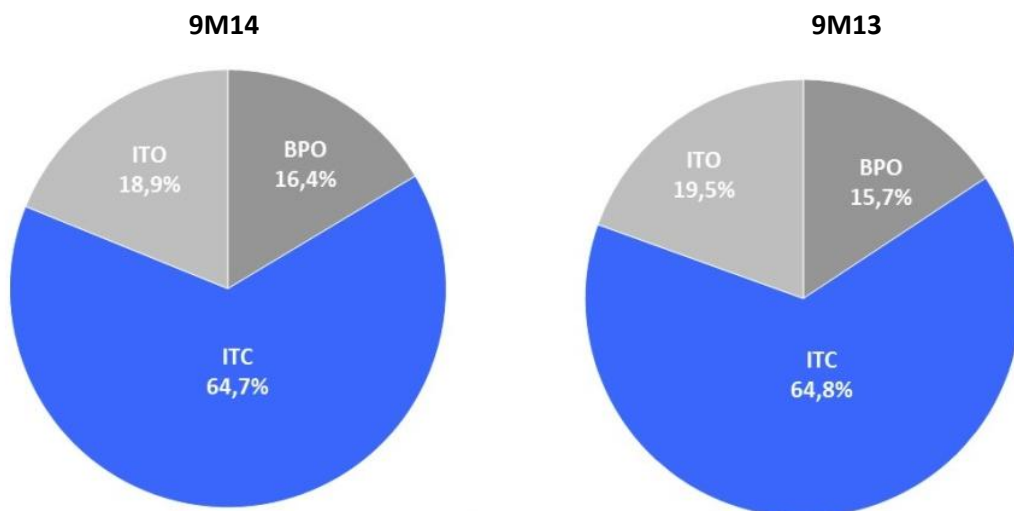
Consolidated net profit amounted to 427.5 thousand Euros, an increase of 83.9% when compared to the 232.5 thousand Euros achieved in the same period, benefiting from improved operating results.

**From EBITDA to Net Result €  
Thousands**

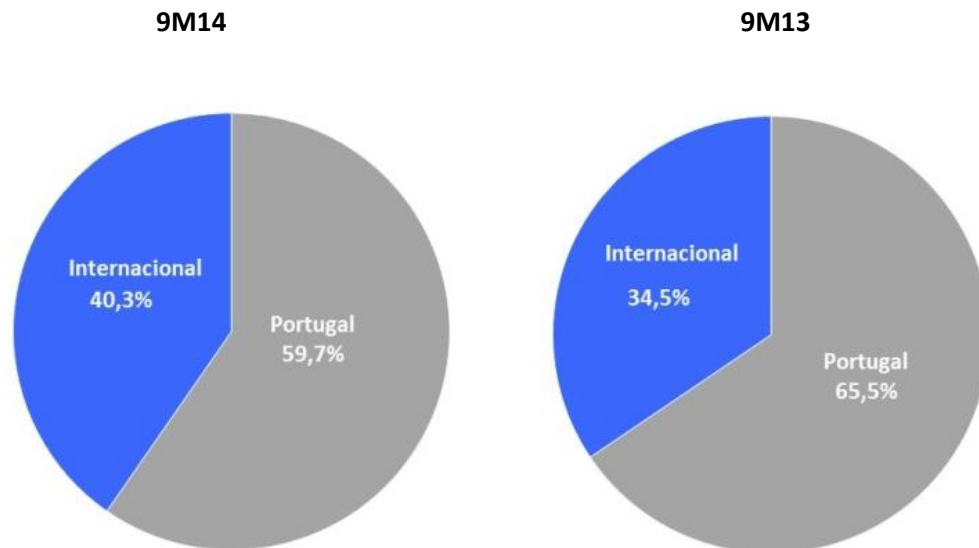


**3. Indicator by Line of Business**

**Revenue by Area of Activity**



## Revenue by Geographic Market



### 3.1. IT Consulting

The IT Consulting area integrates the segments of Consultancy, Platforms and Applications, SAP Consulting and Implementation and outsourcing of Human Resources. This area represented 64.7% of the total Group revenue in 9M14.

In the area of SAP Consultancy and Implementation, the subsidiary company ROFF, which represents more than 70% of the ITC area, reinforced its position in the domestic market, increasing its turnover in this market to 41% over the same period of the previous year.

The revenues of this segment were 59.5 million euros, an increase of 6.4%, face to the 55.9 million euros recorder on the same period. However, EBDITA presented year-on-year terms a decrease of 50.4%, reflecting the high pressure in home market prices.

### 3.2. IT Outsourcing

The Reditus IT Outsourcing area is composed by competences of IT Infrastructures and represented, in the first nine months of 2014, 18,9% of the total revenue.

The Reditus IT Infrastructures segment offers information technology services, projects and infrastructure solutions to the market. Services include the management, administration and support of technology platforms, with either contract responsibility or a function outsourcing approach.

The Revenues of this segment were 17.3 million Euros, an increase of 2.9% over the figure for the same period in the previous year. The EBITDA presented a significant increase for 4.5 million Euros comparing to 1.2 million Euros obtained in the same period of the previous year and the EBITDA margin stood in 25.9%, 18,8pp above the margin obtain in same period. The result reflects the positive performance of international activity and strict control costs, both operational and structural.

### 3.3. Business Process Outsourcing (BPO)

The BPO area involves the provision of business support services in the categories of BPO (Business Process Outsourcing), BTO (Business Transformation Outsourcing) and BPaaS (Business Process as a Service), as well as Multichannel Contact Center services. This area represented 16.4% of the total business of Reditus in 9M14.

In 9M14 the evolution of ITC activity was very positive, showing an increase of 11.7% in Operating Income to 15.1 million Euros. The EBITDA was 486 million Euros, which is to be compared with 272 million Euros over the same period.

### 4. Main Balance Sheet Items

Million Euros

	30-09-2014	31-12-2013	Var %
<b>Total Assets</b>	199.9	191.3	4.5%
Non-Current Assets	99.0	99.9	-0.9%
Current Assets	100.9	91.4	10.5%
<b>Equity</b>	35.6	35.0	1.9%
<b>Total Liabilities</b>	164.3	156.3	5.1%
Non-Current Liabilities	88.3	87.3	1.2%
Current Liabilities	76.0	69.0	10.2%
<b>Net Debt</b>	62.4	66.4	-5.9%

At the end of September 2014, net bank debt (including loans, finance lease liabilities, net of cash and cash equivalents) decreased to 62.4 million Euros, as compared with the 66.4 million Euros recorded at the end of 2013.

Liabilities for finance leases include 6.2 million Euros of real estate leases.

## 5. Stock Market Behaviour

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Performance of Reditus Equities



At the end of 9M14, on September 30, 2014, the closing price of Reditus shares stood at 0.90 Euros, value to be compared with the 1.25 Euros recorded in end of last year.

In terms of liquidity, where trade during the first nine months of 2014 around 322 thousand Reditus securities representing a transaction value of 456 thousand Euros.

The average daily number of shares traded settled at 1.680 shares, corresponding to a daily average value of about 2.373 Euros.

## 5. EBITDA by Business Area

*Unit: million of Euros*

	30-09-2014	30-09-2013	Var%
<b>Total Reditus</b>			
<b>Operating Revenues</b>	89.866	82.635	8,8%
Sales	12.091	11.350	6,5%
Provision of Services	76.475	70.052	9,2%
Other operating revenues	1.299	1.234	5,3%
Operating Expenses (exclude deprec., provisions and adjust.)	82.222	75.785	8,5%
<b>EBITDA</b>	7.643	6.850	11,6%
EBIDTA Margin	8,5%	8,3%	0,2pp
<b>ITC</b>			
<b>Operating Revenues</b>	59.516	55.913	6,4%
Sales	7.406	9.079	-18,4%
Provision of Services	50.842	45.825	10,9%
Other operating revenues	1.268	1.010	25,5%
Operating Expenses (exclude deprec., provisions and adjust.)	56.855	50.543	12,5%
<b>EBITDA</b>	2.661	5.370	-50,4%
EBIDTA Margin	4,5%	9,6%	-5,1pp
<b>ITO</b>			
<b>Operating Revenues</b>	17.335	16.854	2,9%
Sales	4.935	3.281	50,4%
Provision of Services	12.286	13.044	-5,8%
Other operating revenues	113	528	-78,6%
Operating Expenses (exclude deprec., provisions and adjust.)	12.839	15.646	-17,9%
<b>EBITDA</b>	4.496	1.208	272,2%
EBIDTA Margin	25,9%	7,2%	18,8pp
<b>BPO</b>			
<b>Operating Revenues</b>	15.065	13.491	11,7%
Sales	10	9	15,0%
Provision of Services	14.989	13.481	11,2%
Others Operating Revenues	66	1	n.a
Operating Expenses (exclude deprec., provisions and adjust.)	14.579	13.219	10,3%
<b>EBITDA</b>	486	272	78,8%
EBIDTA Margin	3,2%	2,0%	1,2pp
<b>Other and Intra-group</b>			
<b>Operating Revenues</b>	(2.050)	(3.623)	
Sales	(260)	(1.019)	
Provision of Services	(1.642)	(2.298)	
Others Operating Revenues	(147)	(306)	
Operating Expenses (exclude deprec., provisions and adjust.)	(2.050)	(3.623)	



REDITUS, SGPS, SA  
**CONDENSED STATEMENT**  
 Results for the Quarters ended September 30, 2014 and 2013  
 (Values expressed in euro)

	<u>30-09-2014</u>	<u>30-09-2013</u>
<b><u>OPERATING REVENUES:</u></b>		
Sales	12.091.414	11.349.519
Services rendering	76.475.066	70.051.928
Operating Income	<u>1.299.372</u>	<u>1.233.571</u>
Total operational profit	<u>89.865.852</u>	<u>82.635.018</u>
<b><u>OPERATING EXPENSES:</u></b>		
Inventories Consumed and Sold and external services staff costs	(9.630.350)	(9.051.050)
Depreciation and amortization costs	(27.999.247)	(26.699.134)
Provision and impairment losses	(44.137.506)	(39.167.645)
Other Operating Costs and Losses	(2.557.208)	(2.935.370)
Total Operating Expenses	<u>(455.251)</u>	<u>(867.262)</u>
Operational profits	<u>(85.182.870)</u>	<u>(78.933.353)</u>
	<u>4.682.982</u>	<u>3.701.665</u>
<b><u>FINANCIAL RESULTS:</u></b>		
Net financial expenses	(3.229.308)	(3.164.065)
Net losses in associates companies	-	-
Income before taxes	<u>(3.229.308)</u>	<u>(3.164.065)</u>
	<u>1.453.674</u>	<u>537.600</u>
Tax on fiscal year income	(739.622)	(262.764)
Income before considering minority interests	<u>714.052</u>	<u>274.836</u>
Minority Interests	(286.534)	(42.357)
Net income	<u>427.518</u>	<u>232.479</u>
EBITDA	7.643.498	6.849.927
EBIDTA Margin	8,5%	8,3%

REDITUS, SGPS, SA  
**CONDENSED STATEMENT**  
of Consolidated Financial Position on 30 of September 2014 and 31 of December 2013  
(Values expressed in Euro)

	<b>30-09-2014</b>	<b>31-12-2013</b>
<b>ASSETS</b>		
<b>NON-CURRENT ASSETS:</b>	11 231 875	11 714 348
Tangible assets	1 500 000	1 500 000
Investment Properties	56 690 855	56 690 855
Intangible assets	24 713 637	25 534 133
Advances for Financial Investments Other Receivables	1 604 434	1 574 707
Other Financial Investments	904 963	904 963
Deferred Tax Assets	44 902	32 078
	2 292 149	1 941 661
<b>CURRENT ASSETS:</b>	98 982 815	99 892 745
Inventories		
Clients	314 862	295 417
Other Receivables	74 415 881	67 323 330
Other Current Assets	9 555 230	4 939 953
Financial Assets Fair Value Cash and	9 713 655	14 341 472
Cash Equivalents	348 224	302 520
	6 601 464	4 175 245
	100 949 316	91 377 937
<b>TOTAL ASSETS</b>	<b>199 932 131</b>	<b>191 270 682</b>
<b>EQUITY:</b>		
Equity		
Stocks Own (Shares)	73 193 455	73 193 455
Share Emission Premiums	(1 426 438)	(1 426 438)
Reserves	9 952 762	9 952 762
Income carried forward	3 592 304	3 592 304
Financial Assets Adjustments	(51 531 269)	(51 991 719)
Fixed Assets Evaluation Surplus	( 501 763)	( 501 763)
Consolidated Net Income for the Fiscal Year	2 157 280	2 157 280
Own Equity Attributable to Majority Shareholders Own	427 518	460 450
Equity Attributable to Minority Interests	35.863.849	35.436.331
Total own capital	( 241 567)	( 481 097)
	35 622 282	34 955 234
<b>LIABILITY:</b>		
<b>NON-CURRENT LIABILITY:</b>		
Loans		
Other Payables	52 952 303	52 983 233
Deferred Tax Liabilities	24 336 881	22 685 696
Liabilities for Finance Leases	5 014 155	5 234 625
	6 012 910	6 453 109
<b>CURRENT LIABILITY:</b>	88 316 249	87 356 663
Loans		
Suppliers	9 370 829	10 266 056
Other Payables Other	17 321 682	15 613 669
Current Liabilities	24 259 712	16 124 723
Liabilities for Finance Leases	24 329 770	26 111 445
	711 607	842 892
	75 993 600	68 958 785
<b>TOTAL LIABILITIES</b>	<b>164 309 849</b>	<b>156 315 448</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>199 932 131</b>	<b>191 270 682</b>