

Reditus' 2015 EBITDA reaches EUR 11.0 million

- **Operating income: 118.6 million euros**
- **EBITDA: EUR 11.0 million**
- **EBITDA margin: 9.3%**
- **Net income: EUR 0.3 million**
- **Domestic Sales increased 6.2%**
- **International Sales amounted to approx. 40% of the total**

1. Summary of Activity

In 2015 and given the expected fall in international activity, particularly in African markets, consolidated total income of the Reditus Group reached 118.6 million euros.

Strengthening the focus on the domestic market led to a 6.2% growth to 72.2 million euros in Portugal, albeit insufficient to offset the 10.8% drop in the international arena, which nevertheless reached 46.4 million euros or about 40% of total Group revenues.

The Reditus Group maintained its pledge on expanding the international activity through partnerships in new geographies, such as Latin America, which will strengthen and enhance the range of services and SAP solutions offered to the private and the public business sectors.

The 2015 results demonstrate the decisiveness of the Reditus Group in implementing its strategy, namely the resilience of its business under a clearly challenging context in both Portugal and Africa. Customers in the latter markets were forced to postpone several investment decisions, which should eventually be resumed during 2016.

Besides the demonstrated resilience, Reditus Group managed to win several flagship projects in 2015 which include "Pordata Kids", management of the "Maputo Hospital Screening System" (Mozambique), application development for Sport Lisboa e Benfica (soccer club), as well as several maintenance contracts at customers such as the Bank of Portugal (Portuguese Central Bank) and EDP (Portuguese Electrical Utility).

Reditus Group, which celebrates in 2016 its 50th anniversary, is the oldest and one of the largest players in the Information Technology sector in Portugal. Its activities are structured in three areas of competence: BPO, IT Outsourcing and IT Consulting Sectors.

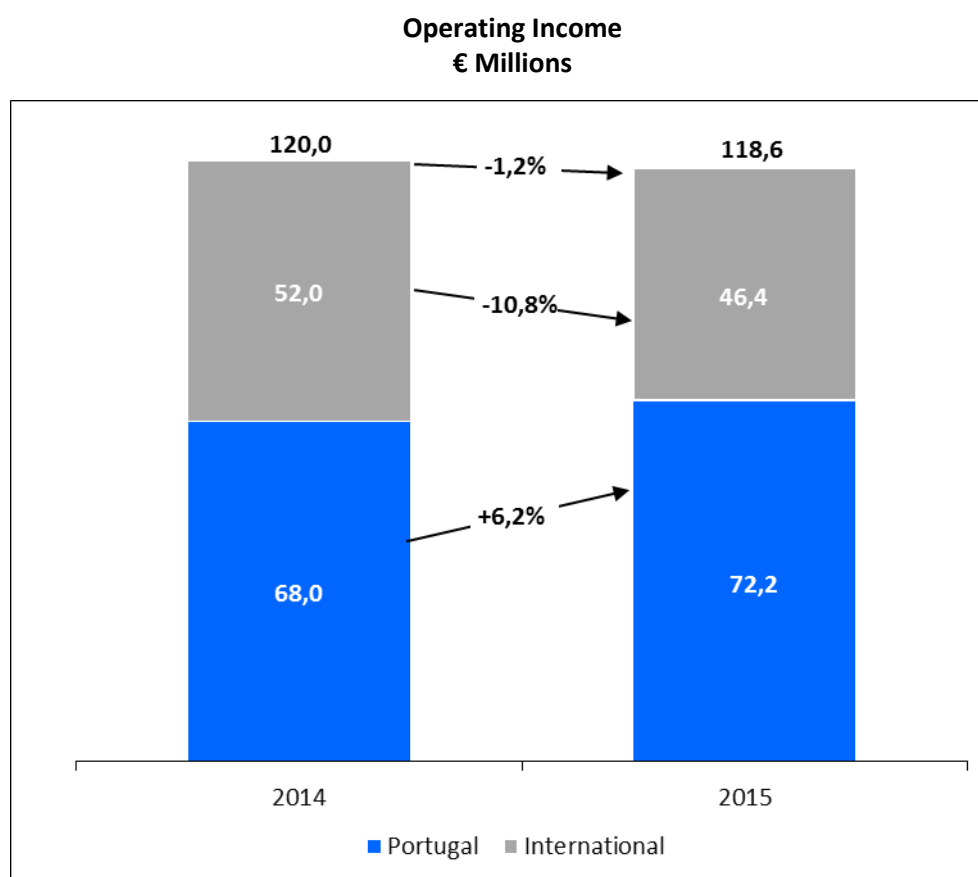
2. Consolidated Indicators

2.1. Consolidated Operating Income

Consolidated Operating Income amounted to 118.6 million euros in 2015, or a 1.2% decrease when compared with 120 million euros the previous year.

A 6.2% growth in domestic market sales, to 72.2 million euros, was not sufficient to offset the decrease in the international areas, especially in the African markets.

The international business, which represented 39% of overall sales, fell by 10.8% to 46.4 million euros due to project deployment delays in the African market.



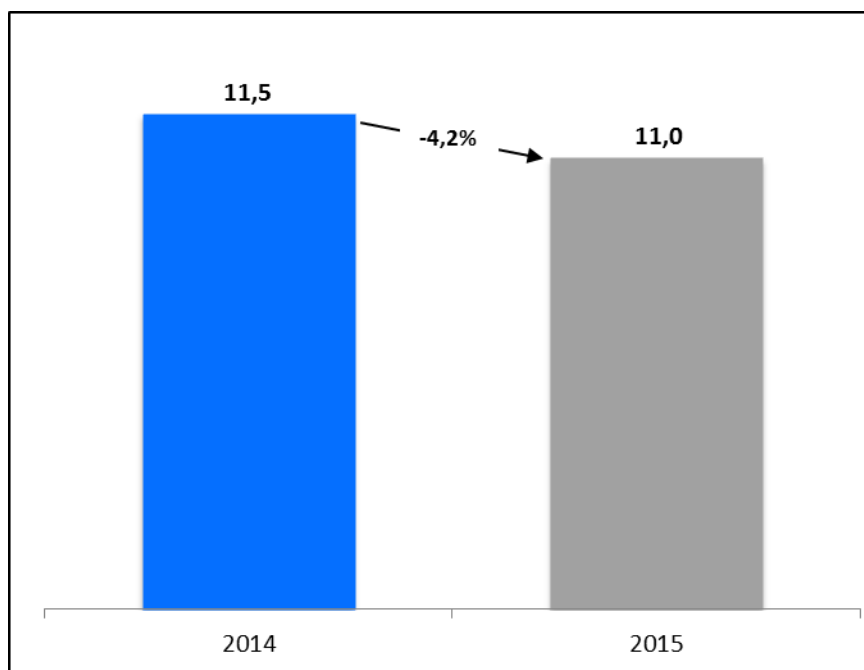
2.2. Operating Expenses

Consolidated Operating Expenses, net of depreciation, provisions and adjustments, totalled 107.6 million euros in 2015, representing a decrease of 0.9% over the previous year.

2.3. Operational Result Before Amortizations (EBITDA)

Consolidated EBITDA reached 11.0 million euros, a decrease of 4.2% compared to 11.5 million euros in 2014. The EBITDA margin stood at 9.3%, 0.2pp below the 9.5% margin obtained in 2014.

EBITDA
€ Millions



2.4. Net Income

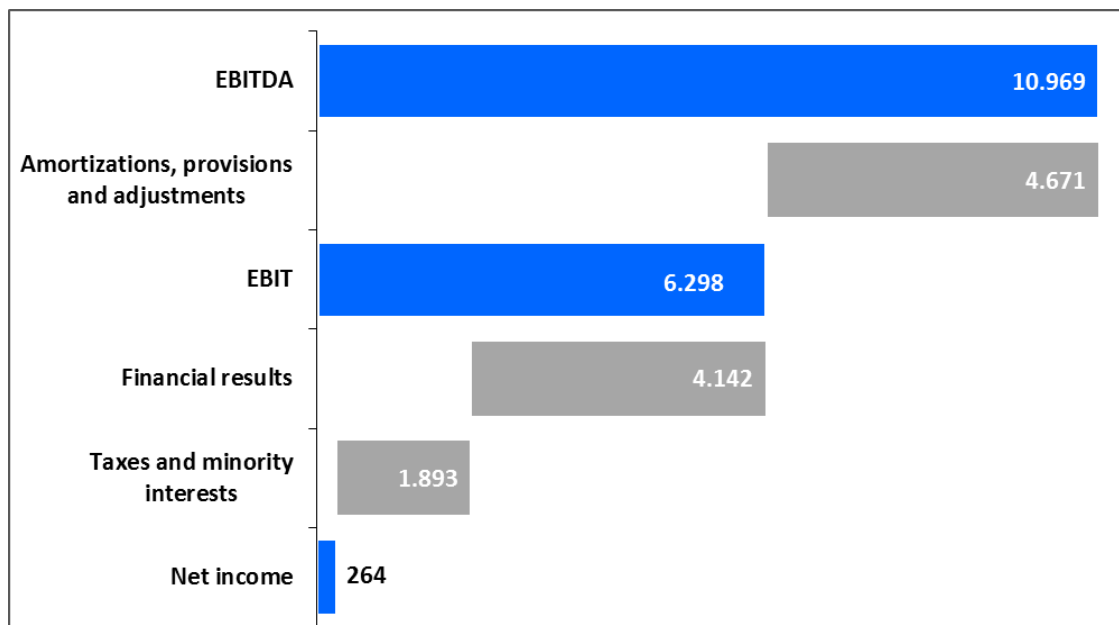
Depreciation, Amortization, Provisions and Adjustments totalled 4.7 million euros, a decrease of 5.8% over the previous year due to decreases of respectively 11.4% and 3.2% in provisions and impairment losses, and in depreciation and amortization expenses.

Operating Income (EBIT) was, at 6.3 million euros, 3.0% down when compared to the 6.5 million euros reached in the previous year.

The negative Financial Results registered a positive evolution, reaching 4.1 million euros in 2015 or a 6.6% decrease when compared to 4.4 million in 2014. This improvement reflects a reduction in the average gross debt and the company's continued efforts in obtaining better financing conditions through the renegotiation of the main credit lines, particularly with regard to their average pricing.

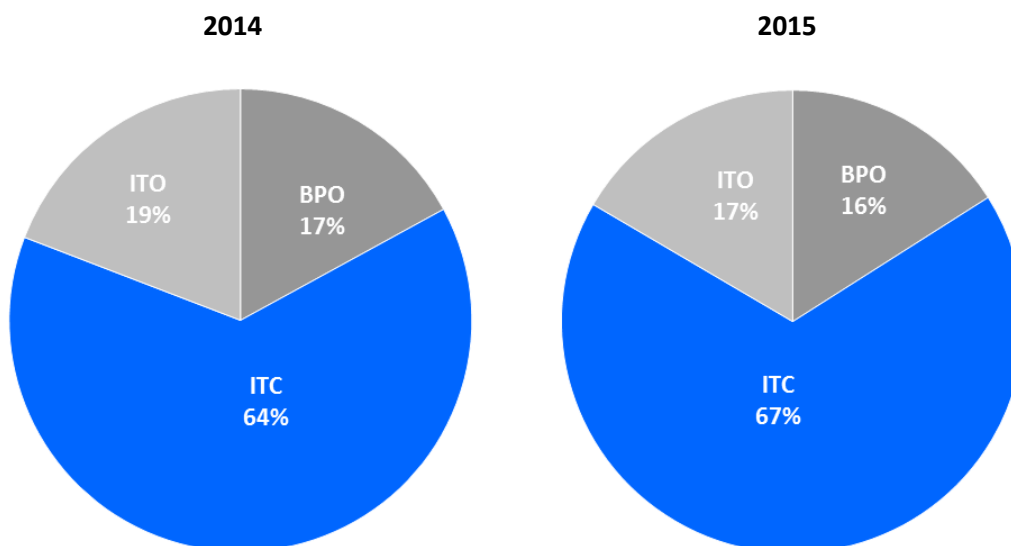
Consolidated Net Income amounted to 263,621 euros, against 417,921 euros for the same period last year.

From EBITDA to Net Income € Thousand

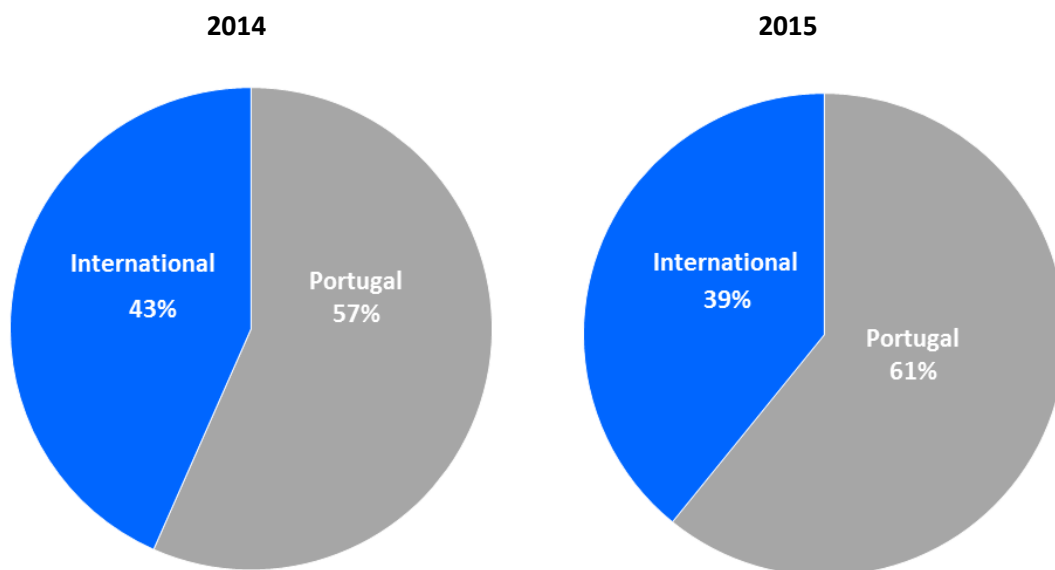


3. Indicators by Business Sector

Revenue by Business Sector



Revenue by Geography



3.1. IT Consulting

The IT Consulting sector comprises the Advisory, the Platforms and the Applications segments, SAP Consulting and Implementation, and Specialized Outsourcing. This sector represented 67% of total Group revenues in 2015.

In the area of SAP Consulting and implementation our subsidiary ROFF, contributing alone to more than 70% of the ITC sector revenues, strongly reinforced its position in the domestic market, where turnover increased by 35% over the previous year. ROFF has thus continued to gain ground as the largest SAP consulting company in Portugal and the largest national partner of the German multinational.

The ITC sector's activity evolved very positively, with revenues increasing 5.1% to 84.4 million euros and a 17.1% increase in EBITDA to 5.1 million euros, representing a 6.0% margin vs. 5.4% in 2014.

3.2. IT Outsourcing

The IT Outsourcing sector deploys solutions based on Reditus' IT Infrastructure skills and represented 17% of total revenues.

Reditus' IT Infrastructure provides services, projects and infrastructure solutions for information technology. Services include management, administration and support of technology platforms, either under a full-responsibility agreement or through selective, functional outsourcing.

Revenues from this segment reached 20.7 million euro, a decrease of 14.1% over the previous year. The EBITDA did however show a very positive trend, having increased by 19.5% to 7.2 million euro and earning a 34.7% margin, vs. 24.9% in the previous year.

3.3. Business Process Outsourcing (BPO)

The BPO area comprises Contact Centre and Business Process support activities, proposing – among others - services such as customer contact and retention in both inbound and outbound

options, mail processing, document handling, document scanning and archiving, credit processing - corporate, mortgage, consumer and automobile, insurance claims - automotive, multi-risk and occupational hazards, processing of credit, debit and student cards, complaint management. This area represented 16% of Reditus' business in 2015.

The BPO revenues amounted to 20.0 million euros, a decrease of 6.7% over the previous year. EBITDA was a negative 1.3 million euros, compared to positive 1.1 million euros in the year before.

4. Balance Sheet - Main Items

M€			
	31-12-2015	31-12-2014	Var. %
Total Assets	205,4	196,5	4,5%
Non-Current Assets	93,2	94,5	-1,4%
Current Assets	112,2	102,0	10,0%
Equity	35,9	35,8	0,3%
Total liabilities	169,5	160,7	5,5%
Non-Current Liabilities	99,1	86,5	14,6%
Current liabilities	70,4	74,2	-5,1%
Net Debt	61,8	63,5	-2,6%

At the end of December 2015, net bank debt (including loans and lease liabilities, less cash and cash equivalents) decreased to 61.8 million euros, compared with 63.5 million euros recorded at the end of 2014.

Financial leasing liabilities include 5.8 million euros of real estate leases.

5. Share Price Performance

Reditus Share Price Evolution



On the last trading day of 2015, Reditus' share closing price reached 0.40 euros, compared with 0.76 euros in the beginning of the year.

In terms of liquidity, around 170 thousand Reditus' shares were traded during the year, representing a transaction value of 90 thousand euros.

The average number of shares traded daily stood at about 652, corresponding to a daily average of approx. 346 euros.

6. Outlook into 2016

In spite of forecasts indicating a slight rebound in the economy, Reditus will continue to operate on the assumption of a fragile national and international economic context so that business profitability will remain one of the top Group priorities.

Thus, in the domestic market Reditus will remain focused on developing integrated, innovative and higher value-added offerings, adequate to the new technological challenges and to the different market sectors' current needs, while maintaining strict control of costs, both operational and structural.

Internationally, Reditus will continue to pursue investment opportunities and the opening of branches in new high-growth potential markets, namely in “booming” countries, and to leverage its skills in Nearshore project development.

In terms of its product portfolio Reditus will continue to focus on innovative, including Cloud-based solutions, which have the potential to distinctively enhance its offer in the various business segments.

7. EBITDA by Business Sector

Unit: thousands of euros

	31-12-2015	31-12-2014	Var%
TOTAL REDITUS			
Operating Revenues	118.565	119.994	-1,2%
Sales	12.305	14.465	-14,9%
Provision of Services	104.190	103.461	0,7%
Other Operating Income	2.069	2.067	0,1%
Operating Expenses (excluding deprec., provisions and adjust.)	107.595	108.539	-0,9%
EBITDA	10.969	11.455	-4,2%
EBITDA margin	9,3%	9,5%	-0,2pp
ITC			
Operating Revenues	84.360	80.246	5,1%
Sales	9.596	8.868	5,7%
Provision of Services	72.935	69.010	5,7%
Other Operating Income	1.829	2.368	-22,8%
Operating Expenses (excluding deprec., provisions and adjust.)	79.261	75.890	4,4%
EBITDA	5.099	4.356	17,1%
EBITDA margin	6,0%	5,4%	0,6pp
ITO			
Operating Revenues	20.706	24.106	-14,1%
Sales	2.776	5.912	-53,0%
Provision of Services	17.208	18.008	-4,4%
Other Operating Income	722	186	287,8%
Operating Expenses (excluding deprec., provisions and adjust.)	13.521	18.096	-25,3%
EBITDA	7.184	6.011	19,5%
EBITDA margin	34,7%	24,9%	9,8pp
BPO			
Operating Revenues	20.006	21.436	-6,7%
Sales	124	10	1100,3%
Provision of Services	19.841	21.360	-7,1%
Other Operating Income	41	66	n.a
Operating Expenses (excluding deprec., provisions and adjust.)	21.321	20.348	4,8%
EBITDA	(1.314)	1.089	-220,7%
EBITDA margin	-6,6%	5,1%	-11,6pp
Other and Intra-group			
Operating Revenues	(6.507)	(5.795)	
Sales	(191)	(325)	
Provision of Services	(5.793)	(4.917)	
Other Operating Income	(524)	(553)	
Operating Expenses (excluding deprec., provisions and adjust.)	(6.507)	(5.795)	

REDITUS SGPS, SA
CONSOLIDATED INCOME STATEMENT
 FOR THE PERIODS ENDED DECEMBER 31, 2015 and 2014
 (Values expressed in euros)

	31-12-2015	31-12-2014
OPERATING REVENUES		
Sales	12.305.097	14.465.447
Services	104.190.300	103.461.219
Other operating revenues	2.069.303	2.067.285
Total operating revenues	118.564.700	119.993.951
OPERATING EXPENSES		
Inventories consumed and sold	(8.951.217)	(11.294.236)
External supplies and services	(36.174.831)	(36.680.159)
Personnel expenses	(61.039.777)	(58.842.654)
Depreciation and amortization expenses	(3.266.898)	(3.373.958)
Provisions and impairment losses	(1.403.940)	(1.584.440)
Other operating expenses and losses	(1.429.657)	(1.721.759)
Total operating expenses	(112.266.320)	(113.497.206)
EBIT	6.298.380	6.496.745
FINANCIAL RESULTS		
Net financial expenses	(4.141.960)	(4.435.317)
Net losses in associate companies	-	-
	(4.141.960)	(4.435.317)
Income before taxes	2.156.420	2.061.428
Income tax	(1.895.379)	(1.344.215)
Income before considering minority interests	261.041	717.213
Minority interests	2.580	(299.292)
Net income	263.621	417.921
EBITDA	10.969.218	11.455.143
EBITDA Margin	9,3%	9,5%

REDITUS SGPS, SA
CONSOLIDATED STATEMENT OF FINANCIAL POSITION
ON DECEMBER 31, 2015 AND DECEMBER 31, 2014
(Values expressed in euros)

	31-12-2015	31-12-2014
ASSETS		
NON-CURRENT ASSETS:		
Tangible assets	10.193.661	10.513.691
Investment Properties	1.500.000	1.500.000
Goodwill	56.445.407	56.445.407
Intangible assets	23.030.730	24.457.339
Advances for Financial Investments	74.707	74.707
Other receivables	1.500.000	-
Other financial investments	131.414	61.072
Deferred tax assets	288.561	1.369.027
	<u>93.164.480</u>	<u>94.421.243</u>
CURRENT ASSETS:		
Inventories	315.559	355.285
Clients	83.802.915	74.208.897
Other receivables	7.341.299	8.556.592
Other current assets	13.306.634	13.559.437
Financial assets at fair value	159.729	246.731
Cash and equivalents	7.297.349	5.112.996
	<u>112.223.485</u>	<u>102.039.938</u>
TOTAL ASSETS	<u>205.387.965</u>	<u>196.461.181</u>
EQUITY		
Capital	73.193.455	73.193.455
Own Stock (shares)	(1.426.438)	(1.426.438)
Share emission premiums	9.952.762	9.952.762
Reservas	3.601.755	3.592.304
Income carried forward	(51.122.799)	(51.531.269)
Financial assets adjustments	(501.763)	(501.763)
Fixed assets evaluation surplus	1.213.436	1.427.621
Consolidated net income in fiscal year	263.621	417.921
Equity capital attributable to majority shareholders	35.174.029	35.124.593
Equity capital attributable to minority interests	671.266	620.295
Total equity	<u>35.845.295</u>	<u>35.744.888</u>
LIABILITIES:		
NON-CURRENT LIABILITIES:		
Loans	54.973.761	52.567.537
Other accounts payable	34.576.736	23.588.343
Deferred tax liabilities	4.293.565	4.447.689
Liability by financial location	5.318.975	5.948.751
	<u>99.163.037</u>	<u>86.552.320</u>
CURRENT LIABILITIES:		
Loans	7.971.689	9.386.493
Suppliers	13.614.723	14.495.938
Other accounts payable	24.897.380	27.290.077
Other current liabilities	23.028.171	22.298.540
Liability by financial location	867.670	692.925
	<u>70.379.633</u>	<u>74.163.973</u>
TOTAL LIABILITIES	<u>169.542.670</u>	<u>160.716.293</u>
TOTAL EQUITY AND LIABILITIES	<u>205.387.965</u>	<u>196.461.181</u>