



**CONSOLIDATED ACCOUNTS**  
**(Unaudited)**

**1<sup>st</sup> Half-Year 2017**

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## I - CONSOLIDATED MANAGEMENT REPORT

Note: The 2017 1st Half-Year results (1H17), presented henceforth, are compared with the restated 1H16 values.

### 1. Main Operating Indicators of the Group

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- **Operating Revenue of EUR 20,9 million (vs. EUR 22,1 million)**
- **EBITDA of EUR 2,5 million (vs. EUR 2,1 million)**
- **EBITDA margin 12.2% (vs. 9.3%)**
- **Income from Continued Operations of EUR 64 thousand (vs. negative EUR 262 thousand)**
- **International Sales represent 40% of total (vs. 29%)**

### 2. Summary of the Activity

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Reditus Group's main performance indicators for the in the first half of 2017 (1H17) are positive, confirming the turnaround initiated in the first quarter (1Q17) and an improvement over the first half of 2016 (1H16), whereby the increase in EBITDA and profitability, and the expansion of the international presence of the Group, should be highlighted.

The areas of *IT Consulting* and *IT Outsourcing* have contributed most to this improvement, with positive growth in both Revenues and EBITDA.

Reditus pursued during 1H17 the internal reorganization begun in the last quarter of 2016, following the strategic repositioning of the Group after the sale of the subsidiary ROFF, adjusting its spending structure to the new reality of the Group and creating the conditions for the development of integrated, innovative and higher added value offers, in order to follow the business plan based on the development of its core activities and on higher profitability of its business.

Operating Income amounted to 20.9 million Euros in 1H17, reflecting a 5.7% decrease compared to 1H16; it nevertheless represents a positive evolution in relation to 1Q17, due to the decrease in the relative variation in the same period of the previous year (in 1Q17, there had been a drop of 15.3%).

This Revenue contraction derives mostly from the *BPO* segment within the *Client Services* area, reflecting the contractual expiration of a large contract from the previous year, the replacement

of which by others of equivalent value and higher profitability the Group has been actively pursuing.

In effect and during 1H17, Reditus was able to obtain new businesses within its customer portfolio and to renew existing contracts in the domestic market, in the segments of *IT Consulting* and *IT Outsourcing* and throughout a wide range of activity sectors.

Revenue for the International sector registered a significant growth of 28.0% in 1H17, increasing its weight from 29% to 40% relative to the Group's overall Revenue. The strategic commitment to the African market, with a focus on the three geographies where the Group has subsidiaries namely Angola, Mozambique and Equatorial Guinea, has led to a growth in business volume due to the beginning of new projects and to the continuation of those where the Group has already an on-going history.

The Group expects to continue actively searching during the coming months for new international market opportunities in those geographies, as well as for Nearshore projects, with the aim at consolidating its business growth.

EBITDA reached 2,5 million Euros, equivalent to an EBITDA margin of 12.2%, or 2.9 pp above the 9.3% margin reached in the same period of last year.

Net Income from Continued Operations amounted to 64 thousand Euros, an increase of 326 thousand Euros over the same period of the previous year, when a negative value of 262 thousand Euros had been reached.

### 3. Consolidated Indicators

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#### 3.1. Consolidated Operating Revenues

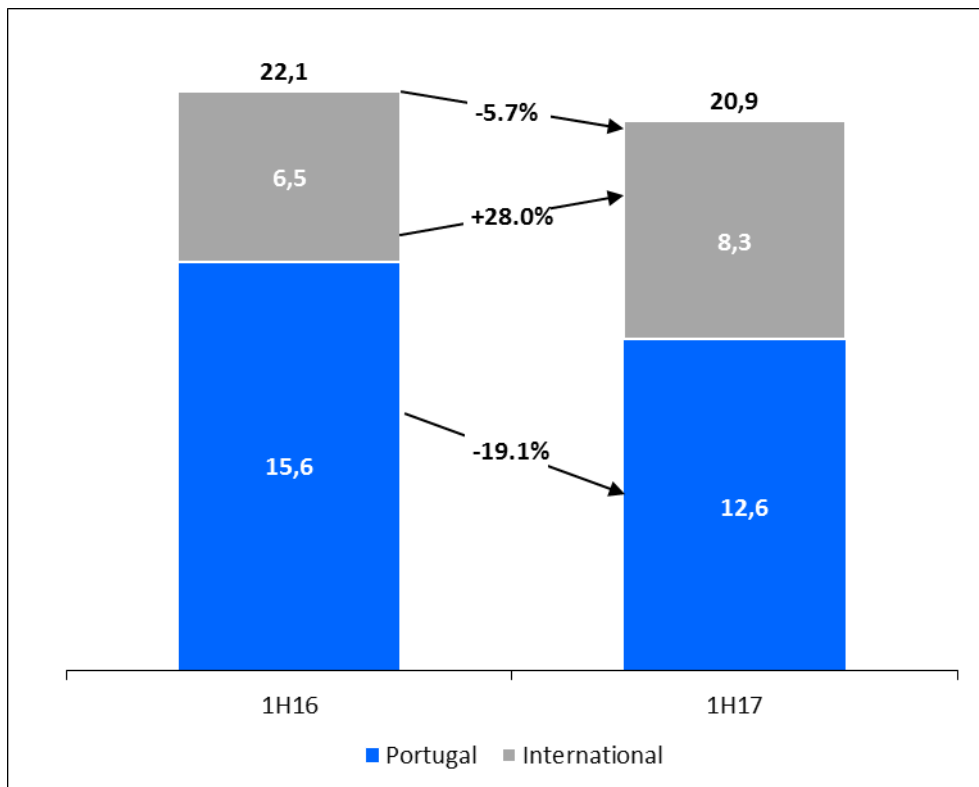
Consolidated Operating Revenues amounted to 20,9 million Euros in 1H17, against 22,1 million Euros in the same period last year, or a decrease of 5.7%.

Business in the domestic market contracted 19.1% over 1H16, as result of an important reduction in the BPO segment as mentioned in 2. above.

International Sales, namely in the African market where the Group has subsidiaries, achieved a significant increase of 28.0% relative to 1H16, having seen its weight increase from 29% to 40% of the Group's total Revenues, as mentioned in 2. above.

## Operating Revenues

€ Millions



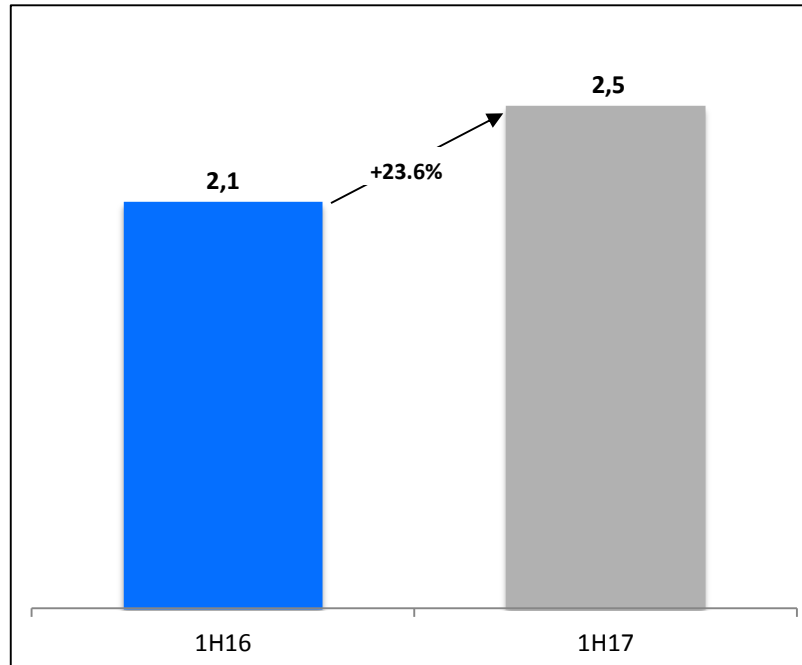
### 3.2. Operating Expenses

Consolidated Operating Expenses, net of Depreciation, Provisions and Adjustments, amounted to 18,3 million Euros in 1H17; this accounts for 87.8% of total Revenue and represents a decrease of 8.7% over 1H16, when they represented 90.7% of total Revenue.

### 3.3. Operational Result before Amortizations (EBITDA)

Consolidated EBITDA reached 2,5 million Euros, 23.6% higher than the 2,1 million Euros reached in 1H16. The EBITDA margin was 12.2%, or 2.9 pp above the margin of 9.3% achieved in the same period.

**EBITDA**  
**€ Millions**



### 3.4. Net Income

Depreciations, Amortizations, Provisions e Adjustments amounted to 1,5 million Euros in 1H17, an increase of 38.5% over the same period last year.

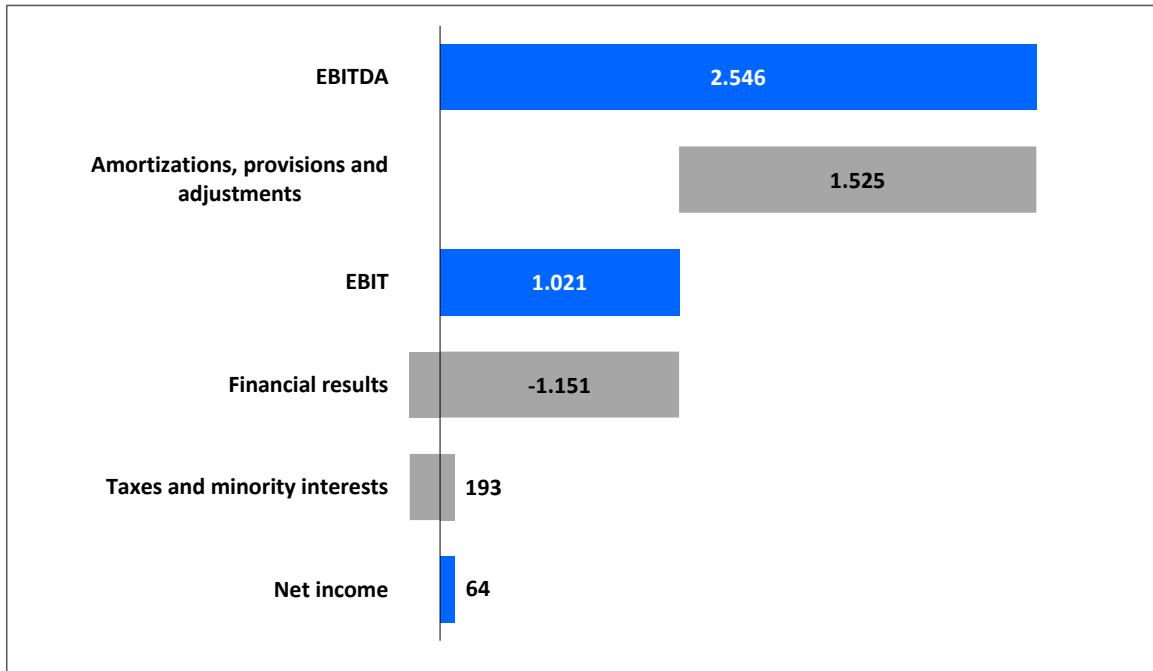
Operating income (EBIT) was positive with 1,0 million Euros, 6.5% higher than the value reached in 1H16.

Net financial expenses improved 1.7% to 1,2 million Euros in 1H17, reflecting a continuing effort towards the improvement of financing conditions through the renegotiation of all the credit lines.

Income from On-Going Operations was positive in 1H17 with 64 thousand Euros which compares, in accordance with the criteria for restatement of financial statements, with a negative result of 262 thousand Euros in the same period last year, reflecting an improvement derived from the increase in profitability and performance of operations. In terms of the previous Consolidation perimeter, the 1H16 result amounted to 268 thousand Euros under the influence of 530 thousand Euros relating to the result of the discontinued operations, namely of the former subsidiary ROFF prior to its disposal.

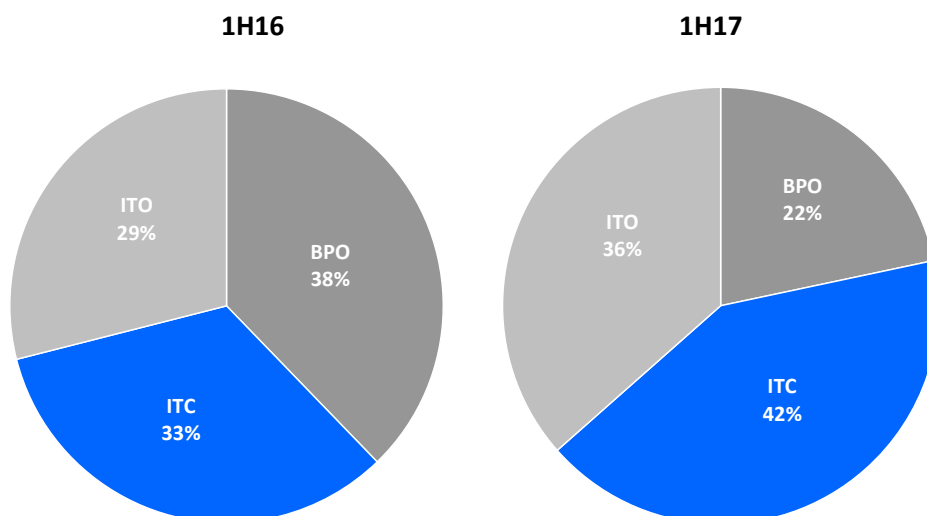
### From EBITDA to Net Income

€ Thousand

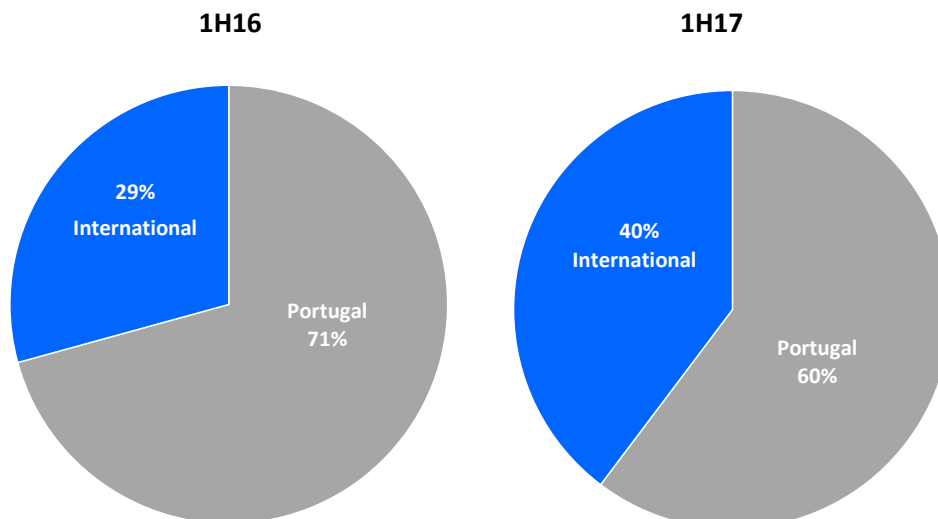


#### 4. Indicators by Business Sectors

### Revenue by Business Sector



## Revenue by Geographic Markets



### 4.1. IT Consulting

*IT Consulting* integrates the business segments of Consulting, Platforms and Applications, and Specialized Outsourcing. This area represented 42% of the Group's total Revenue in 1H17.

The Consulting segment offers consulting, process management, application development / maintenance and management services, business intelligence and applications, open source solutions, and outsourcing services specializing in information technology. Services include the management, administration and support of technology platforms.

Revenues for the ITC area reached 10,3 million Euros in 1H17, growing 28.8% over the same period last year. EBITDA was 1,1 million Euros, a significant increase over the 324 thousand Euros obtained in 1H16, mainly due to the new businesses and to an increased profitability in different projects.

### 4.2. IT Outsourcing

Reditus' *IT Outsourcing* area comprises the IT Infrastructure skills and represented 36% of total revenues in 1H17.

The IT Infrastructure segment offers services, projects and infrastructure solutions for information technology. Services include management, administration and support of technological platforms, based on a logic of liability agreement or of functional outsourcing.



Revenues from this area reached 9,0 million Euros in 1H17, an increase of 29.3% over the same period last year. EBITDA reached 2,1 million Euros or an increase of 11.6% over 1H16, mainly due to a increased performance in the new businesses.

#### 4.3. Business Process Outsourcing (BPO)

The *BPO* area provides Contact Center services and business support, developing inbound and outbound services for customer support and retention, mail handling, document preparation, scanning, file custody, credit processing - corporate, mortgage, consumer and automobile, insurance claims - automotive, multi-risk and occupational hazards, processing of credit, debit and student cards, complaint management, among others. This area represented 22% of Reditus' global business in 1H17.

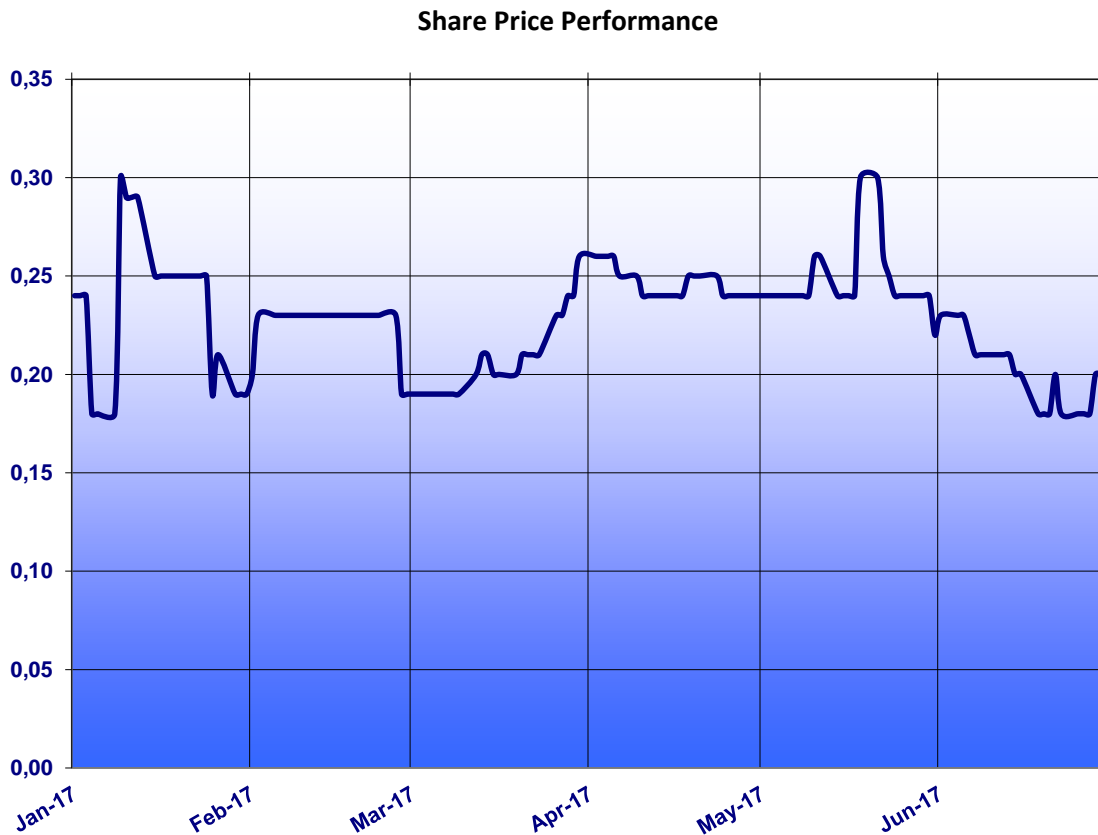
Operating Revenues amounted to 5,3 million Euros, a decrease of 41.2% over the same period in the previous year. EBITDA recorded a negative result of 638 thousand Euros in 1H17, which compares with a negative result of 105 thousand Euros in 1H16. This result is mainly due to the contractual expiration of a large contract (as mentioned in point 2), for the replacement of which the Group has been making several efforts. However and despite the adverse context and strong competition, the Group pursues its strategy in the creation of differentiated offers in this segment, and in a growth on the basis of larger volume businesses.

## 5. Main Balance Sheet Items

€ Millions	30-Jun-2017	31-Dec-2016	Var. %
<b>Total Assets</b>	172,2	172,7	-0,3%
Non Current Assets	71,9	72,7	-1,1%
Current Assets	100,3	100,0	0,3%
<b>Equity</b>	32,6	32,4	0,8%
<b>Total Liabilities</b>	139,5	140,3	-0,6%
Non-Current Liabilities	89,6	95,3	-6,0%
Current Liabilities	49,9	45,0	10,8%
<b>Net Debt</b>	55,8	59,2	-5,7%

At the end of 1H17, net bank debt (including loans and lease liabilities, less cash and cash equivalents) was 55,8 million Euros, which compares with 59,2 million Euros at the end of 4Q16, or a decrease of 5.7%.

## 6. Stock Market Performance



At the end of 1H17, Reditus' share closing price was 0,20 Euros, which compares to 0,24 Euros at the beginning of the year.

In terms of liquidity, around 1,6 million Reditus' shares were traded during 1H17, representing a transaction value of 334 thousand Euros.

The average number of shares traded daily stood at about 12.390, corresponding to a daily average of approximately 2.572 Euros.

## 7. EBITDA by Business Sector

*Unit: thousands of euros*

	30-Jun-2017	Restated 30-Jun-2016	YoY %
<b>TOTAL REDITUS</b>			
<b>Operating Revenues</b>	20.882	22.136	-5,7%
Sales	683	535	27,8%
Services Rendered	19.904	20.559	-3,2%
Other Operating Revenues	294	1.042	-71,7%
Operating Expenses (excluding deprec., provisions and adjust.)	18.335	20.076	-8,7%
<b>EBITDA</b>	2.546	2.059	23,6%
EBITDA Margin	12,2%	9,3%	2,9pp
<b>ITC</b>			
<b>Operating Revenues</b>	10.296	7.992	28,8%
Sales	315	21	1394,6%
Services Rendered	9.785	7.701	27,1%
Other Operating Revenues	196	270	-27,3%
Operating Expenses (excluding deprec., provisions and adjust.)	9.166	7.668	19,5%
<b>EBITDA</b>	1.130	324	248,8%
EBITDA Margin	11,0%	4,1%	6,9pp
<b>ITO</b>			
<b>Operating Revenues</b>	8.993	6.957	29,3%
Sales	531	567	-6,3%
Services Rendered	8.297	5.516	50,4%
Other Operating Revenues	165	874	-81,2%
Operating Expenses (excluding deprec., provisions and adjust.)	6.939	5.117	35,6%
<b>EBITDA</b>	2.054	1.840	11,6%
EBITDA Margin	22,8%	26,4%	-3,6pp
<b>BPO</b>			
<b>Operating Revenues</b>	5.338	9.072	-41,2%
Sales	-	15	-100,0%
Services Rendered	5.338	9.056	-41,1%
Other Operating Revenues	-	0	-100,0%
Operating Expenses (excluding deprec., provisions and adjust.)	5.976	9.176	-34,9%
<b>EBITDA</b>	(638)	(105)	508,9%
EBITDA Margin	-11,9%	-1,2%	-10,8pp
<b>Other and Intra-group</b>			
<b>Operating Revenues</b>	(3.746)	(1.885)	
Sales	(163)	(69)	
Services Rendered	(3.517)	(1.714)	
Other Operating Revenues	(66)	(102)	
Operating Expenses (excluding deprec., provisions and adjust.)	(3.746)	(1.885)	

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## 8. Main Events occurred in the 1st Half of 2017

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In the course of the 1<sup>st</sup> Half of 2017, Reditus has released the following relevant information:

### **30<sup>th</sup> April 2017**

#### **Reditus - SGPS, SA discloses the 2016 Fiscal Year Results**

Operating Revenue of 44,9 M€, EBITDA of 2,8 M€ e Net Loss of 2,9 M€.

### **31<sup>st</sup> May 2017**

#### **Reditus SGPS discloses the 1<sup>st</sup> Quarter 2017 Results**

Operating Revenue of 10,2 M€, EBITDA of 1,3 M€ and Net Income of 0,1 M€.

### **31<sup>st</sup> May 2017**

#### **Reditus SGPS informs on the May 31<sup>st</sup>, 2017 General Shareholders Meeting's Resolutions**

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## 9. Outlook for the Second Half of 2017

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We plan to leverage on the improved economic growth for Portugal in 2017, as estimated by both the Portuguese Central Bank and the OCDE, in order for Reditus to increase its revenues while, at the same time, increasing the profitability of its businesses in spite of continuing to operate under a very aggressive and competitive market in some of the segments in which we are active.

Reditus will thus continue to focus on the development of integrated, innovative and higher added value offerings for the domestic market, reinforcing internal competencies in order to avoid external subcontracting and to allow for the maintenance of margins. The Business Plan is based on the enhancement of both its core activities and the profitability of its projects.

At the international level, Reditus will continue to leverage its market position to actively search for new opportunities in markets abroad and in Nearshore projects.

In what concerns its offer portfolio, Reditus will continue to focus on innovative solutions based on “Cloud”, hyper-convergence and systems management, as well as on those other that particularly enhance its offer in various segments of its activity, such as “automation of processes” through “robotisation”, and implementation of “self-learning” algorithms.

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## 10. Main Risks and Uncertainties for the Second Half of 2017

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The Reditus Group is exposed to several risks that result from its activity, of which the following are the main factors with relevance for its business:

**Counterpart Credit Risk** – third party credit risks results primarily from the possibility of "default" by our Customers, be it as a result of short-term liquidity constraints or as a result of long-term systemic difficulties.

**Interest Rate Risk** – results mainly from the risk associated with the fact that our debt's service is linked to reference interest rates.

**Exchange Rate Risk** – is related to the Group's operations abroad. Presently, the most significant exposure to exchange rate risks results from the fluctuation between the US Dollar and the Euro, due to our operations in Africa. Reditus' general policy is based on denominating its main contracts in Euros, hence mitigating the impact of currency fluctuations.

**Legal Risks** - the main legal risks relate to potential problems with clients and employees. The former are controlled through an internal audit system, which includes a project qualification methodology through the analysis of given parameters that allow for the evaluation of the impact, as well as the probability of occurrence of the risks associated with each potential business. The in-house legal Department screens all contracts and other processes of a legal nature, in order to reduce potential future risks.

## II – NOTES TO THE CONSOLIDATED MANAGEMENT REPORT

### I. Information on the number of shares and bonds held by members of the administrative and supervisory bodies as well as on any purchases, pledges or cessations of ownership of shares and bonds in the Company, or in entities with which the Company has a controlling or group interest

Under the terms and for the purposes of Article 447 of the CSC, in particular the respective paragraph 5, the number of shares held by the members of the administrative and supervisory bodies of Reditus as of June 30<sup>th</sup>, 2017, are as follows:

#### a) Board of Directors

The Board of Directors	2017 Transactions		No. of shares in 2017		
	Purchases	Sales	Direct	Indirect	Total
Francisco Santana Ramos	0	0	0	0	0
Miguel Pais do Amaral	0	0	0	3,621,204	3,621,204
José António da Costa Gatta	0	0	0	1,480,000	1,480,000
Fernando da Fonseca Santos	0	0	782,135	0	782,135
Helder Matos Pereira	0	0	0	0	0

#### b) Audit Committee

The members of the recently elected Audit Committee, composed of Dr António Pedro Valente da Silva Coelho (ROC), Dr Luis Manuel Cunha Dias Miguel, Dr Luis Henriques de Lancastre de Lima Raposo and Dr José António Baptista Marques Pereira (substitute) did not hold any shares or bonds of Reditus SGPS on June 30<sup>th</sup>, 2017 nor did they conduct any transactions regarding such securities.

#### c) Statutory Auditor

The recently elected Statutory Auditors, Auren - Auditores & Associados, SROC, SA, represented by Dr Victor Manuel Leitão Ladeiro, did not hold any shares or bonds of Reditus SGPS on June 30<sup>th</sup>, 2017 nor did they conduct any transactions regarding such securities.

In what concerns bonds, Reditus SGPS does not have bonds quoted in the market.

## II. Treasury Shares

As of June 30<sup>th</sup>, 2017, Reditus SGPS held 255.184 treasury shares, representing de 1,743% of its share capital. During the first six months of the current year, Reditus did not purchase or sell any shares in the regulated market.

III. Holders of relevant shareholdings (in the sense of Article 20th, heading c, of Article 9th, nr 1 of the Portuguese Stock Exchange – CMVM – Regulation nr 5/2008)

Shareholder	Nº of Shares	% Share Capital	% Voting Rights
<b>Miguel Maria de Sá Pais do Amaral</b>			
Directly	0	0.00%	0.00%
Through Courical Holding SGPS (controlled by the shareholder)	1,382,027	9.44%	9.61%
Through AHS Holdings SGPS (controlled by the shareholder)	2,239,177	15.30%	15.57%
<b>Total attributable</b>	<b>3,621,204</b>	<b>24.74%</b>	<b>25.18%</b>
<b>Banco Comercial Português, S.A.</b>			
Directly	2,555,937	17.46%	17.77%
<b>Total attributable</b>	<b>2,555,937</b>	<b>17.46%</b>	<b>17.77%</b>
<b>URCOM - Urbanização e Comércio, SA</b>			
Directly	0	0.00%	0.00%
Through Lisorta, Ltd (controlled by the shareholder)	1,210,124	8.27%	8.41%
Through Vicente Moreira Rato (Director of the company)	271,316	1.85%	1.89%
<b>Total attributable</b>	<b>1,481,440</b>	<b>10.12%</b>	<b>10.30%</b>
<b>José António da Costa Limão Gatta</b>			
Directly	0	0.00%	0.00%
Through ELAO SGPS (controlled by the shareholder)	1,480,000	10.11%	10.29%
<b>Total attributable</b>	<b>1,480,000</b>	<b>10.11%</b>	<b>10.29%</b>
<b>António Maria de Mello da Silva César e Menezes</b>			
Directly	0	0.00%	0.00%
Through António M. de Mello, SGPS (controlled by the shareholder)	738,498	5.04%	5.13%
Through Canes Venatici - Invest. SGPS (controlled by the shareholder)	198,833	1.36%	1.38%
<b>Total attributable</b>	<b>937,331</b>	<b>6.40%</b>	<b>6.52%</b>
<b>Fernando Manuel Cardoso Malheiro da Fonseca Santos</b>			
Directly	782,135	5.34%	5.44%
<b>Total attributable</b>	<b>782,135</b>	<b>5.34%</b>	<b>5.44%</b>
<b>Rui Miguel de Freitas e Lamego Ferreira</b>			
Directly	0	0.00%	0.00%
Through Inventum DUE, Ltd (controlled by the shareholder)	668,831	4.57%	4.65%
<b>Total attributable</b>	<b>668,831</b>	<b>4.57%</b>	<b>4.65%</b>

### III - CONSOLIDATED FINANCIAL STATEMENTS

#### REDITUS SGPS, SA

#### CONDENSED DEMONSTRATION

Consolidated Statement of Financial Position on June 30<sup>th</sup>, 2017 and December 31<sup>st</sup>, 2016  
(Unaudited)  
(Values expressed in Euros)

	Notes	30-Jun-2017	31-Dec-2016
<b>ASSETS</b>			
<b>NON-CURRENT ASSETS:</b>			
Tangible Fixed Assets	7	7.313.683	7.456.886
Investment Properties		1.500.000	1.500.000
Goodwill	8	41.473.191	41.473.191
Intangible Assets		19.171.522	20.228.928
Advances for Financial Investments		74.707	74.707
Other Financial Investments		1.351.585	1.339.140
Deferred Tax Assets	9	994.971	606.155
		<u>71.879.659</u>	<u>72.679.007</u>
<b>CURRENT ASSETS:</b>			
Inventories		723.484	532.887
Customer receivables		60.688.914	60.381.289
Other account receivables		8.337.754	16.969.189
Other current assets		24.533.132	19.044.900
Financial assets at fair value		8.374	47.599
Cash and equivalents		5.988.564	3.047.867
		<u>100.280.222</u>	<u>100.023.731</u>
<b>TOTAL ASSETS</b>		<u>172.159.881</u>	<u>172.702.738</u>
<b>EQUITY</b>			
Share Capital		73.193.455	73.193.455
Treasury shares		(1.426.438)	(1.426.438)
Share premium account		9.952.762	9.952.762
Reserves		3.608.430	3.608.430
Retained earnings		(53.766.602)	(50.865.855)
Adjustments in financial assets		(501.763)	(501.763)
Valuation surplus of fixed assets		1.129.470	1.129.470
Consolidated net income for the year		63.816	(2.900.747)
Equity attributable to equity holders of Reditus		<u>32.253.130</u>	<u>32.189.314</u>
Equity attributable to minority interests		372.317	190.653
Total equity		<u>32.625.447</u>	<u>32.379.967</u>
<b>LIABILITIES:</b>			
<b>NON-CURRENT LIABILITIES:</b>			
Loans	10	52.643.807	54.381.333
Other accounts payable	11	28.846.935	32.540.810
Deferred tax liabilities	9	3.856.732	4.001.735
Financial leasing liabilities	12	4.231.269	4.420.877
		<u>89.578.743</u>	<u>95.344.755</u>
<b>CURRENT LIABILITIES:</b>			
Loans	10	4.556.579	3.005.126
Suppliers		8.410.170	9.564.203
Other accounts payable	11	22.513.149	17.243.325
Other current liabilities		14.077.252	14.736.980
Financial leasing liabilities	12	398.541	428.382
		<u>49.955.691</u>	<u>44.978.016</u>
<b>TOTAL LIABILITIES</b>		<u>139.534.434</u>	<u>140.322.771</u>
<b>TOTAL EQUITY AND LIABILITIES</b>		<u>172.159.881</u>	<u>172.702.738</u>

The Annex is part of the consolidated financial position statements reporting to the date of June 30, 2017 and December 31, 2016.

CHARTERED ACCOUNTANT

THE BOARD OF DIRECTORS



**REDITUS SGPS, SA**  
**CONDENSED DEMONSTRATION**  
Half-Year Results as of June 30<sup>th</sup>, 2017 and June 30<sup>th</sup>, 2016  
(Unaudited)  
(Values expressed in Euros)

	Notes	30-06-2017	Restated 30-06-2016
<b>OPERATING REVENUES</b>			
Sales	13	683,040	534,540
Services rendered	13	19,904,081	20,559,209
Other operating revenues	14	294,383	1,041,781
<b>Total Operating Revenues</b>		<b>20,881,504</b>	<b>22,135,530</b>
<b>OPERATING COSTS</b>			
Inventories consumed and sold		(437,581)	(426,573)
External supplies and services	15	(7,230,300)	(5,463,055)
Staff costs	16	(10,194,119)	(14,035,718)
Depreciation and amortisation costs	17	(1,519,853)	(1,100,601)
Provisions and impairments		(4,924)	-
Other operating costs		(473,449)	(151,074)
<b>Total Operating Costs</b>		<b>(19,860,226)</b>	<b>(21,177,021)</b>
<b>Net Operating Income</b>		<b>1,021,278</b>	<b>958,509</b>
<b>FINANCIAL RESULTS</b>			
Net financial costs	18	(1,150,847)	(1,170,808)
Net losses in associate companies		-	-
<b>Income before taxes</b>		<b>(1,150,847)</b>	<b>(1,170,808)</b>
		(129,569)	(212,299)
Taxation	19	375,049	57,061
Income before minority interests		245,480	(155,238)
Minority interests		(181,664)	(106,948)
Income from continued operations		63,816	(262,186)
Income from discontinued operations		-	530,062
<b>Net income</b>		<b>63,816</b>	<b>267,876</b>
Attributable to:			
Shareholders of the Parent Company		63,816	267,876
Minority Interests		181,664	106,948
		245,480	374,824
Earnings Per Share from Ongoing and Discontinued Operations			
Basic		0.0044	0.0183
Dilluted		0.0044	0.0183
Earnings Per Share from Ongoing Operations			
Basic		0.0044	(0.0179)
Dilluted		0.0044	(0.0179)

The annex is intergal part of the Consolidated Income Statement  
for the Periods ended 30 June, 2017 and December 31, 2016.

THE CHARTERED ACCOUNTANT

THE BOARD OF DIRECTORS

**CONDENSED DEMONSTRATION**  
 Half-Year Comprehensive Income as of June 30<sup>th</sup>, 2017 and June 30<sup>th</sup>, 2016  
 (Unaudited)  
 (Values expressed in Euros)

	30-06-2017	30-06-2016
Consolidated net income for the fiscal year (before minorities)	245,480	(155,238)
Headings that will not be subsequently reallocated in the income		
Changes in the surplus valuation of fixed assets (IAS 16, IAS 38)	-	-
Integral consolidated income	245,480	(155,238)
Income attributable to:		
Parent company shareholders	63,816	(262,186)
Minority interests	181,664	106,948
	245,480	(155,238)

**REDITUS SGPS, SA**  
**CONDENSED DEMONSTRATION**  
Half-Year Consolidated Cashflow Statements as of June 30<sup>th</sup>, 2017 and June 30<sup>th</sup>, 2016  
(Unaudited)  
(Values expressed in Euros)

	30-06-2017	Restated 30-06-2016
<b>OPERATIONAL ACTIVITIES:</b>		
Receipts from Customers	16,754,511	26,801,111
Payments to Suppliers	(6,540,753)	(5,712,018)
Staff Payments	(7,832,141)	(9,012,755)
Payment / Receipt of Income Tax	(353)	(6)
Other Receipts/(Payments) relating to the Operational Activity	(1,089,718)	(7,060,503)
<b>Cash Flow from Operating Activities (1)</b>	<b>1,291,545</b>	<b>5,015,830</b>
<b>INVESTMENT ACTIVITIES:</b>		
<b>Receipts derived from:</b>		
Financial Investments	2,858,915	3,825
Venda de ativos tangíveis	615	-
	<b>2,859,530</b>	<b>3,825</b>
<b>Payments relative to:</b>		
Acquisition of Tangible Assets	(175,258)	-
Aquisition of Intangible Assets	-	-
Others	-	(83)
	<b>(175,258)</b>	<b>(83)</b>
<b>Cash Flow from Investment Activities (2)</b>	<b>2,684,272</b>	<b>3,742</b>
<b>FINANCING ACTIVITIES:</b>		
<b>Receipts relating to:</b>		
Loans Received	5,619,783	7,739,591
	<b>5,619,783</b>	<b>7,739,591</b>
<b>Payments relating to:</b>		
Loans Received	(6,227,749)	(8,325,713)
Interest and equivalent costs	(1,008,550)	(1,100,160)
Others	-	(2,517,863)
	<b>(7,236,298)</b>	<b>(11,943,736)</b>
<b>Cash Flow from Financing Activities (3)</b>	<b>(1,616,515)</b>	<b>(4,204,145)</b>
Variation in Cash and Equivalents (4) = (1) + (2) + (3)	2,359,302	815,427
Effect of Exchange Rate Variations	-	-
Non-Current Assets Held for Sale	-	(5,560,548)
Cash and Equivalent at the Beginning of the Period	2,996,616	5,152,718
Cash and Equivalent at the End of the Period	5,355,918	407,597

**REDITUS SGPS, SA**

**CONDENSED DEMONSTRATION**

Half-Year notes to the Cashflow Statements as of June 30<sup>th</sup>, 2017 and June 30<sup>th</sup>, 2016  
(Unaudited)

(Values expressed in Euros)

	30-06-2017	30-06-2016
Cash	87,787	101,056
Bank Deposits	5,900,776	1,643,835
Cash and Equivalents (Balance Sheet)	5,988,563	1,744,891
Overdraft Facilities	(632,645)	(1,337,294)
Cash and Equivalents (Cash Flow Statement)	5,355,918	407,597

**REDITUS, SGPS, SA**  
**CONDENSED DEMONSTRATION**  
Half-Year Consolidated Statement of Changes in Shareholders Equity  
As of June 30<sup>th</sup>, 2017 and December 31<sup>st</sup>, 2016  
(Unaudited) - (Values expressed in Euros)

	Equity Attributable to the Shareholders of the Parent Company										Equity Attributable to Minority Interests	Total Equity
	Share Capital	Treasury Shares	Share Premium Account	Legal Reserves	Other Reserves	Retained Earnings	Adjustments in Financial Assets	Excess Valorisation on Fixed	Consolidated Net Income for FY	Total		
Balance as of 31 December 2016	73,193,455	(1,426,438)	9,952,762	2,040,761	1,567,669	(50,865,855)	(501,763)	1,129,470	(2,900,747)	32,189,314	190,653	32,379,967
Share Capital Increase	-	-	-	-	-	-	-	-	-	-	-	-
(Acquisition) / Sale of Treasury Shares	-	-	-	-	-	-	-	-	-	-	-	-
Application of Results	-	-	-	-	-	(2,900,747)	-	-	2,900,747	-	-	-
Acquisition of Minority Interests (Note 10)	-	-	-	-	-	-	-	-	-	-	-	-
Others	-	-	-	-	-	-	-	-	-	-	-	-
Minority Interests for the Period	-	-	-	-	-	-	-	-	-	-	181,664	181,664
Changes in Surplus Valuation (IAS 16, IAS 38)	-	-	-	-	-	-	-	-	-	-	-	-
Consolidated Net Income for the Fiscal Year	-	-	-	-	-	-	-	-	63,816	63,816	-	63,816
Balance as of 30 June 2017	73,193,455	(1,426,438)	9,952,762	2,040,761	1,567,669	(53,766,602)	(501,763)	1,129,470	63,816	32,253,130	372,317	32,625,447
Balance as of 31 December 2015	73,193,455	(1,426,438)	9,952,762	2,034,086	1,567,669	(51,122,799)	(501,763)	1,213,436	263,621	35,174,029	671,266	35,845,295
Share Capital Increase	-	-	-	-	-	-	-	-	-	-	-	-
(Acquisition) / Sale of Treasury Shares	-	-	-	-	-	-	-	-	-	-	-	-
Application of Results	-	-	-	6,675	-	256,946	-	-	(263,621)	-	-	-
Acquisition of Minority Interests (Note 10)	-	-	-	-	-	-	-	-	-	-	-	-
Others	-	-	-	-	-	-	-	-	-	-	(560,657)	(560,657)
Minority Interests for the Period	-	-	-	-	-	-	-	-	-	-	80,044	80,044
Changes in Surplus Valuation (IAS 16, IAS 38)	-	-	-	-	-	-	-	(83,966)	-	(83,966)	-	(83,966)
Consolidated Net Income for the Fiscal Year	-	-	-	-	-	-	-	-	(2,900,747)	(2,900,747)	-	(2,900,747)
Balance as of 31 December 2016	73,193,455	(1,426,438)	9,952,762	2,040,761	1,567,669	(50,865,855)	(501,763)	1,129,470	(2,900,747)	32,189,314	190,653	32,379,967

The Annex is an integral part of the Consolidated Statement of Equity Changes for the Periods ended 30 June 2017 and 30 June 2016.

THE CHARTERED ACCOUNTANT

THE BOARD OF DIRECTORS

## IV - Notes to the Consolidated Financial Statements

### 1. Activity

Reditus, Sociedade Gestora de Participações Sociais, S.A. is the holding company (parent company) of the Reditus Group and is head-quartered in Lisbon, Avenida 5 de Outubro, nº 125, Loja 2.

Reditus was founded in 1966 under the name of *Reditus - Estudos de Mercado e Promoção de Vendas, SARL* and had as its main activity the supply of specific services, including market research. It evolved into data processing for the Banco de Agricultura, its main stockholder together with the insurance company "A Pátria".

In December 1990, Reditus changed its corporate name and became a *Sociedade Gestora de Participações Sociais* (holding company), with its main activity being the management of shareholdings in other companies as an indirect way of pursuing economic activities.

The Reditus Group operates in three different business areas: *Business Process Outsourcing* (BPO), *IT Outsourcing* (ITO) and *IT Consulting* (ITC).

The activity of the company is not subject to significant seasonality.

Reditus has been listed on Euronext Lisbon (former Stock Exchange of Lisbon and Oporto) since 1987.

These Financial Statements were approved by the Board of Directors on August 31<sup>st</sup>, 2017 and are expressed in Euros.

These interim, consolidated financial statements as of June 30<sup>th</sup>, 2017 have not been audited.

### 2. Most Significant Accounting Policies

These consolidated financial statements have been prepared on the basis of the accounting policies disclosed in the notes to the consolidated financial statements relating to the fiscal year ended December 31<sup>st</sup>, 2016.

#### 2.1 Presentation Basis

These consolidated financial statements have been prepared in accordance with IAS 34 - Interim Financial Reporting. As such, they do not include all the information to be disclosed in the annual consolidated financial statements and should be read in conjunction with the consolidated financial statements for the previous fiscal year.

The interim consolidated financial statements of Reditus, SGPS, SA have been prepared on a going concern basis, based on the books and accounting records of the companies included in the consolidation, maintained in accordance with the accounting principles generally accepted in the country of each subsidiary and adjusted during the consolidation process so that the consolidated financial statements comply with International Financial Reporting Standards ("IFRS"), as adopted by the European Union and as applicable for financial years from January 1<sup>st</sup>, 2017.

The adoption of these standards and interpretations had no significant impact on the Group accounts.

### 3. Financial Risk Management / Accounts Receivable / Accounts Payable:

#### Financial risk management policies

##### Revenue recognition

Revenue resulting from equipment sales is recognized when invoices are issued, specialized for any time deferral on their delivery.

The recognition of includes analysis and estimates by Management, in what concerns the completion stage of ongoing projects as on the date of the financial information, which might have a future development different from the one budgeted to date.

Revenues from projects / services are recorded on the basis of the completion level of the projects, as services are being rendered. The use of other assumptions for the referred estimates and judgments could result in financial results different from those considered.

##### Income Tax

The Group is subject to the payment of taxes on profits (IRC). The calculation of the total tax amount to be paid on profits requires certain interpretations and estimates. Changes to these assumptions could have a significant impact on the estimated values.

There are several transactions and calculations for which the estimation of the final payable tax amount is uncertain during the normal business cycle. Other interpretations and estimates could result in a different level of income taxes, current and deferred, recognized in the period.

The Portuguese Tax Authorities may review the calculation of the taxable income of Reditus and its subsidiaries for a period of four or six years, in what relates to deferrable tax losses. It is thus possible that corrections could be made to the taxable income, mainly resulting from differences in interpretation of the tax legislation, although the Management of Reditus and its subsidiaries is convinced that there will be no significant corrections to the taxes on profits recorded in the present financial statements.

##### Exchange rate risk management

The Reditus Group operates primarily in markets where the common functional currency is the Euro. It is nevertheless exposed to exchange rate risks in US dollars (USD) with regard to operations in Angola, even though that risk is mitigated by the fact that the major contracts have been awarded in Euros. The value of the USD balances in customer's due accounts is USD 461.047, as of June 30<sup>th</sup>, 2017.

The debt contracted by the Reditus Group is entirely denominated in Euros, and the Group did not take out financial instruments to hedge against interest rate changes.

##### Financial risk management

All operations performed with financial instruments are subject to prior approval by the Executive Board, which defines the specifics of each transaction and approves the relevant documents.

The financial risk management for Reditus' Group companies is controlled centrally, through the CFO's Office and in accordance with the policies adopted by the Executive Board. The Financial Director identifies, evaluates, and reports to the Executive Board for approval, the elements for analysis of each individual operation. The Executive Board is responsible for defining general principles of risk management, as well as exposure limits.

The Group's activities involve exposure to financial risks, including changes in market pricing conditions, interest rates and exchange rates. The Group's exposure to financial risks lies essentially in its debt, which is exposed to interest rate risks.

In the context of variable rate loans, the Reditus Group follows the evolution of the markets and, whenever considered necessary, may resort to contracting interest rate derivative financial instruments to hedge cash flows associated with future payments of interest. This has the effect of converting variable interest rate loans to fixed interest rate loans, while the unpredictability of financial markets is analysed in accordance with the Group's risk management policy.

Considering the interest rates applied on June 30<sup>th</sup>, 2017, a variation of the reference rate of 0.5% would have the following annual impact:

	Sensitivity Analysis	Variation Charges
Increase	0,50%	286.002
Decrease	-0,50%	-286.002

#### Counterpart credit risk management

As regards to third parties' debts resulting from the current activity of the Reditus Group, the credit risk results primarily from the possibility of "defaults" by those third parties. This is significantly mitigated by the nature and solidity of the Clients that make up almost the entire Group's Client portfolio.

The Group policy in terms of counterpart risk is also governed by an analysis of the technical capacity, competitiveness, credit rating and exposure to each of the counterparties, thus avoiding significant concentrations of credit risk and not allowing for relevant risk of default from the counterpart, whereas no dedicated guarantees are common for this type of operations.

Monitoring risks, both relating to price and volume as well as to credit, requires its quantification in measures associated with risk exposures that may be adjusted by means of market operations. This quantification is performed by the CFO's Office.

The Group manages liquidity risks through the contracting and maintenance of credit lines with national financial institutions, which allow immediate access to funds.

## 4. Significant Accounting Estimates and Judgments

The preparation of consolidated financial statements requires from Management a number of judgments and estimates, with an impact in what income, expenses, assets, liabilities and disclosures are concerned. The financial information hereby reported includes therefore items that are influenced by the application of those estimates and judgments, as a reflection of the Group's accounting policies.

The above mentioned estimates are determined by management judgments, which are in turn based on the best available information, on the knowledge of present events, and on the activities that the Group expects to develop in the future. Thus, the use of estimates and assumptions represents a risk that may lead to adjustments in future periods.



The Board of Directors considers that the choices made are appropriate and that the consolidated financial information adequately represents the Group's financial position and the results of its transactions, in all materially relevant aspects.

The main items influenced by estimates and judgments are the following:

1. Goodwill impairment;
2. Impairment on prototypes;
3. Impairment on accounts receivable;
4. Income tax;
5. Revenue recognition;
6. Deferred tax assets, arising from tax losses carried forward.

### 1. Goodwill impairment

Goodwill impairment tests are performed annually by external experts, in accordance with IAS 36 – *Impairment of Assets*. The identified cash-flow generating units are the following business units:

- IT Outsourcing
- BPO (Business Process Outsourcing)
- IT Consulting

### 2. Impairment on prototypes

Prototypes represent the internal development of marketable products, in the form of re-engineered administrative processes, new administrative processes or customized computer applications, whose recognition is recorded over the estimated useful life's duration. All prototypes have documentary support and reflect an estimate about their ability to generate cash flows in future fiscal years. In addition to a systematic amortization whenever there is evidence of impairment, the prototypes are still subject to impairment tests carried out by external experts.

### 3. Impairment on accounts receivable

The cash flow generating units' recoverable amounts were calculated according to their useful value. These calculations require the application of estimates.

### 4. Income Tax

The Group determines *income taxes* through the application of estimates arising from the current tax legislation, in particular adjustments for non tax-deductible expenditures and also adjustments required on securities and financial investments. These calculations require the application of estimates.

### 5. Revenue recognition

The recognition of revenue by the Group includes analysis and estimates by Management, in what concerns the completion stage of ongoing projects as on the date of the financial information, which might have a future development different from the one budgeted to date.

### 6. Deferred Tax Assets

The Group accounts for deferred tax assets on the basis of the tax losses existing at the balance sheet date, and the calculation of their recovery. These calculations require the use of estimates.

## 5. Companies Included in the Consolidation

On June 30<sup>th</sup>, 2017 the Group Companies included in the consolidation and their respective headquarters, share capital and proportion of share capital held, were the following:

Company Name	Headquarters	Consolidation Method	Actual Equity Share	
			2017	2016
Reditus SGPS, SA	Lisboa	Integral	Holding	Holding
Reditus Gestão, SA	Lisboa	Integral	100	100
Reditus Imobiliária, SA	Lisboa	Integral	100	100
Reditus Business Solutions, S.A.	Lisboa	Integral	100	100
ALL2IT Infocomunicações, S.A.	Lisboa	Integral	100	100
Reditus Business Security, S.A.	Lisboa	Integral	100	100
Reditus Consulting, S.A.	Lisboa	Integral	100	100
Ogimatech Portugal - Consultoria Empresarial e Institucional, SA	Lisboa	Integral	100	100
G.Consult Angola - Consultoria e Desenvolvimento, Lda	Angola	Integral	80	80
Ogimatech - Consultoria Empresarial e Institucional, Lda	Angola	Integral	95	95
Tora - Sociedade Imobiliária, S.A	Lisboa	Integral	100	100
Reditus Business Products	Lisboa	Integral	100	100
SolidNetworks Business Consulting	Arruda dos Vinhos	Integral	95	95
Reditus Guinea Ecuatorial, S.A	Malabo	Integral	60	60
Reditus Networks Innovation, Lda.	Arruda dos Vinhos	Integral	100	100
Job Value, S.A	Arruda dos Vinhos	Integral	77.5	77.5
Reditus Consulting Moçambique, Limitada.	Mozambique	Integral	100	100

## 6. Information by Business Segment

On June 30<sup>th</sup>, 2017 and June 30<sup>th</sup>, 2016 the results by business segment were as follows:

### June 30<sup>th</sup>, 2017

	2017					
	ITO	ITC	BPO	Total	Adjustments	Consolidated
<b>Operating revenues:</b>						
External sales of products and	368,502	314,538	-	683,040	-	683,040
Intra-network sales of products and merchandise	162,891	-	-	162,891	(162,891)	-
Provision of external services	7,296,578	7,305,532	5,338,544	19,940,654	(36,573)	19,904,081
Provision of intra-network services	1,000,722	2,479,281	-	3,480,003	(3,480,003)	-
Other external operating revenue	131,724	151,774	-	283,498	10,885	294,383
Other intra-network operational revenue	32,865	44,392	-	77,257	(77,257)	-
<b>Total operating revenues</b>	<b>8,993,282</b>	<b>10,295,517</b>	<b>5,338,544</b>	<b>24,627,343</b>	<b>(3,745,839)</b>	<b>20,881,504</b>
<b>Operational expenses:</b>						
Inventories consumed and sold	(451,702)	(25,521)	-	(477,223)	39,642	(437,581)
Supplies and Services External	(4,130,420)	(3,845,332)	(2,959,731)	(10,935,483)	3,705,183	(7,230,300)
Staff Costs	(2,148,802)	(5,042,204)	(3,003,113)	(10,194,119)	-	(10,194,119)
Depreciation and amortization Costs	(627,698)	(484,630)	(407,525)	(1,519,853)	-	(1,519,853)
Provisions and Impairment Losses	31,301	(29,820)	(6,405)	(4,924)	-	(4,924)
Other Operating Costs and Losses	(208,271)	(252,987)	(13,205)	(474,463)	1,014	(473,449)
<b>Total Operating Expenses</b>	<b>(7,535,592)</b>	<b>(9,680,494)</b>	<b>(6,389,979)</b>	<b>(23,606,065)</b>	<b>3,745,839</b>	<b>(19,860,226)</b>
Operational profits	1,457,690	615,023	(1,051,435)	1,021,278	0	1,021,278
Financial results						(1,150,847)
Income before taxes						(129,569)
Income tax						375,049
<b>Profit from continuing operations</b>						<b>245,480</b>

June 30<sup>th</sup>, 2016

	2016				Adjustments	Consolidated
	ITO	ITC	BPO	Total		
<b>Operating revenues:</b>						
External sales of products and	517,397	21,045	14,985	553,427	(18,887)	534,540
Intra-network sales of products and merchandise	49,918	-	-	49,918	(49,918)	-
Provision of external services	6,177,400	6,915,046	8,575,115	21,667,562	(1,108,352)	20,559,209
Provision of intra-network services	(661,366)	786,356	481,014	606,004	(606,004)	-
Other external operating revenue	56,054	122,031	405	178,490	863,291	1,041,781
Other intra-network operational revenue	817,567	147,841	-	965,408	(965,408)	-
Total de réditos operacionais	6,956,970	7,992,319	9,071,519	24,020,809	(1,885,278)	22,135,530
<b>Operational expenses:</b>						
Inventories consumed and sold	(505,864)	(34,223)	62,908	(477,179)	50,606	(426,573)
Supplies and Services External	(2,140,700)	(2,043,677)	(3,107,570)	(7,291,947)	1,828,892	(5,463,055)
Staff Costs	(2,379,907)	(5,548,634)	(6,112,024)	(14,040,565)	4,847	(14,035,718)
Depreciation and amortization Costs	(463,368)	(276,140)	(361,093)	(1,100,601)	-	(1,100,601)
Provisions and Impairment Losses	-	-	-	-	-	-
Other Operating Costs and Losses	(90,644)	(41,790)	(19,573)	(152,007)	933	(151,074)
Total Operating Expenses	(5,580,483)	(7,944,464)	(9,537,352)	(23,062,299)	1,885,278	(21,177,021)
Operational profits	1,376,487	47,855	(465,833)	958,509	-	958,509
Financial results						(1,170,808)
Income before taxes						(212,299)
Income tax						57,061
Income before consideration of minority shareholders interest						(155,238)

## 7. Tangible Fixed Assets

### 7.1. Movements occurred under the items Tangible Fixed Assets and the respective Amortizations:

#### Gross Assets:

	Gross Assets				
	Balance 31-12-2016	Increases and Revaluations	Scraps and Disposals	Corrections and Transf.	Balance 30-06-2017
Real Estate and Natural Resources	2,685,250	-	-	-	2,685,250
Buildings and other Cosntructions	5,906,916	12,273	-	(87,351)	5,831,838
Basic Equipment	4,110,843	125,287	(5,791)	-	4,230,339
Transportations Equipment	1,106,075	-	(23,600)	-	1,082,475
Administrative Equipment	3,889,204	1,916	-	-	3,891,120
OtherTangible Fixed Assets	2,915,865	1,490	-	-	2,917,355
Tangible Fixed Assets Underway	-	-	-	-	-
	20,614,153	140,966	(29,391)	(87,351)	20,638,377

#### Accumulated Depreciation:

	Cummulated Depreciations				
	Balance 31-12-2016	Increases	Disposals	Corrections and Transf.	Balance 30-06-2017
Buildings and other Constructions	1,673,968	82,123	-	(33,193)	1,722,898
Basic Equipment	3,918,696	52,471	(2,735)	(476)	3,967,955
Transportation Equipment	1,000,321	12,477	(23,600)	-	989,198
Administrative Equipment	3,698,895	67,969	-	(195)	3,766,668
Other Tangible Fixed Assets	2,865,386	12,587	-	-	2,877,973
	13,157,266	227,626	(26,335)	(33,865)	13,324,693

## 8. Goodwill

During the periods ending on June 30<sup>th</sup>, 2017 and December 31<sup>st</sup>, 2016 the movements in Goodwill were as follows:

	30-06-2017	31-12-2016
Balance at the beginning of the Period	41,473,191	41,473,191
Reclassified as non-current assets held for sale (note 6)		-
Balance at the end of the Period	<u>41,473,191</u>	<u>41,473,191</u>
<b>Net accounting value:</b>		
Balance at the beginning of the Period	<u>41,473,191</u>	<u>41,473,191</u>
Balance at the end of the Period	<u>41,473,191</u>	<u>41,473,191</u>

## 9. Deferred Tax Assets and Liabilities

The details of the deferred tax assets and liabilities on June 30<sup>th</sup>, 2017 and December 31<sup>st</sup>, 2016 in accordance with the temporary differences that generated them are as follows:

	ASSETS		LIABILITIES		NET VALUE	
	30-06-2017	31-12-2016	30-06-2017	31-12-2016	30-06-2017	31-12-2016
Adjustments a)	283,423	283,423	-	-	283,423	283,423
Deferrable Tax Losses b)	711,548	322,732	-	-	711,548	322,732
Revaluation reserves c)	-	-	348,053	348,053	(348,053)	(348,053)
Other d)	-	-	3,508,679	3,653,682	(3,508,679)	(3,653,682)
<b>Net Deferred Tax Asset / (Liability)</b>	<b>994,971</b>	<b>606,155</b>	<b>3,856,732</b>	<b>4,001,735</b>	<b>(2,861,761)</b>	<b>(3,395,580)</b>

- a) These adjustments relate primarily to losses in fair value of securities and financial investments;
- b) The tax losses carried forward are as follows:

	FY of Tax Loss	Last Year for Deduction	Remaining Tax Loss	Deduction Value
	2016	2028	1 542 787	322 732
	2017	2029	1 851 503	388 816
			<u>3,394,290</u>	<u>711,548</u>

Deferred tax assets have been recognized to the extent that future taxable income is likely to be used to recover tax losses and temporary differences. This evaluation was based on the business plans of the Group companies, which are periodically reviewed and updated.

- c) The value relative to the revaluation reserves relates to the revaluation of the Reditus building in Alfragide, to the extent that a part of the amortizations will not be tax deductible
- d) Corresponds to the intangible assets generated with the acquisitions of Reditus Business Security (formerly Partblack) and Tora, the amortizations of which will not be tax deductible.

## 10. Loans

On June 30<sup>th</sup>, 2017 and December 31<sup>st</sup>, 2016, the loans obtained were as follows:

	30-06-2017	31-12-2016
<b>Non-Current</b>		
Bank Loans	52,643,807	54,360,001
Commercial paper	0	21,333
	<u>52,643,807</u>	<u>54,381,333</u>
<b>Current Assets</b>		
Bank Loans	3,016,658	1,730,665
Bank Overdrafts	632,645	51,250
Commercial paper	59,575	73,962
Secured current accounts	91,558	196,934
Factoring	756,144	952,314
	<u>4,556,579</u>	<u>3,005,126</u>
	<b>57,200,386</b>	<b>57,386,459</b>

As of June 30<sup>th</sup>, 2017 the deadlines for loan repayment were as follows:

	Total	Less than 1 year	Between 1 and 5 years	More than 5 years
Bank Loans	55,660,465	3,016,658	29,698,322	22,945,485
Bank Overdrafts	632,645	632,645		
Commercial paper	59,575	59,575		
Secured current accounts	91,558	91,558		
Factoring	756,144	756,144		
	<u>57,200,386</u>	<u>4,556,579</u>	<u>29,698,322</u>	<u>22,945,485</u>

Existing guarantees for the various loans are:

- Loans from *Novo Banco* with outstanding amounts of 2,119,825 Euros, 5,650,000 Euros, 1,000,000 Euros and 1,115,000 Euros are guaranteed by a 4<sup>th</sup> degree pledge of 104,428 Reditus SGPS shares and 100,000 Reditus Gestão shares. They have an interest rate of 2.75%, and a clause that allows the bank to request an early reimbursement, total or partial, in case any one of the reference shareholders Miguel Maria de Sá Pais do Amaral, António Maria de Mello Silva César Menezes, Fernando Manuel Cardoso Malheiro Fonseca Santos and José António da Costa Limão Gatta should transfer a number of shares in the groups' capital greater than 5% of their respective present holdings;
- Loan from *Banco Efisa*, with an outstanding amount of 7,322,256 Euros, with an interest rate of 3.50%, is guaranteed by the assignment of a client contract invoices and has a clause that allows the bank to request an early reimbursement, total or partial, in case any one of the reference shareholders Miguel Maria de Sá Pais do Amaral, the Estate of the late Frederico José Appleton Moreira Rato, António Maria de Mello Silva César Menezes, Fernando Manuel Cardoso Malheiro Fonseca Santos, José António da Costa Limão Gatta and Rui Miguel de Freitas e Lamego Ferreira should not maintain 80% of their individually held investment at the date of the contract's signature;

- Loans from *Caixa Económica Montepio Geral*, with outstanding amounts of 4,597,860 Euros and 10,000,000 Euros and an interest rate of 2.75%, guaranteed by the assignment of a client contract invoices;
- Loans from *Deutsche Bank*, with outstanding amounts of 277,178 Euros, 98,766 Euros and 89.918 Euros, all with an interest rate of 4.50 %, are guaranteed through the assignment of a client contract invoices;
- Loan from *Millennium BCP*, with an outstanding amount of 19,820,000 Euros, guaranteed by a pledge of 502,747 shares of Millennium BCP and 10,900,000 shares of Reditus Gestão.

## 11. Other Accounts Payable

On June 30<sup>th</sup>, 2017 and December 31<sup>st</sup>, 2016 the item “other accounts payable” was composed as follows:

	30-06-2017	31-12-2016
<b>Non-Current</b>		
State and Other Public Entities	28,846,935	32,540,810
	<u>28,846,935</u>	<u>32,540,810</u>
<b>Current</b>		
Other shareholders	1,006,324	714,155
State and Other Public Entities	17,282,678	12,329,575
Other Creditors	4,197,890	4,199,595
FACCE a)	3,000,000	3,000,000
Solidnetworks	50,000	50,000
Other	1,147,890	1,149,595
	<u>22,513,149</u>	<u>17,243,325</u>
	<b>51,360,084</b>	<b>49,784,135</b>

a) On September 2011, a shareholders' agreement was concluded between Reditus SGPS, SA and *PME Investimentos – Sociedade de Investimento, SA*, acting as management company for the *Fundo Autónomo de Apoio à Concentração e Consolidação de Empresas* (Autonomous Fund for the Support of Merger and Consolidation of Corporations) which has committed to invest 3 million Euros in the capital of Reditus, SA. The agreement grants Reditus a *call option* for the shares held by FACCE, which can be exercised at any time from October 1<sup>st</sup>, 2011 thru December 31<sup>st</sup>, 2016, and a *put option* to FACCE, which can be exercised at any time from June 30<sup>th</sup>, 2016 through December 31<sup>st</sup>, 2018. The amount of 3 million Euros has therefore been classified as a liability.

## 12. Leasing Liabilities

On June 30<sup>th</sup>, 2017 and December 31<sup>st</sup>, 2016, the breakdown of assets financed by liabilities was as follows:

	30-06-2017	31-12-2016
<b>Non-Current Assets</b>		
Buildings	4,189,592	4,352,897
Administrative Equipment	20,964	27,301
Vehicles	20,714	26,610
IT Equipment	0	14,069
	<u>4,231,269</u>	<u>4,420,877</u>
<b>Current Assets</b>		
Buildings	336,639	333,299
Administrative Equipment	12,213	12,034
Vehicles	16,243	44,267
IT Equipment	33,446	38,781
	<u>398,541</u>	<u>428,382</u>
	<u><b>4,629,810</b></u>	<u><b>4,849,259</b></u>

The average interest rate for these leasing contracts is 4.15%.

The maturities of the leasing contract liabilities are as follows:

	Capital in debt 30/06/2017	Capital in debt 31/12/2016
Payments up to 1 year	398,542	428,382
Payments between 1 and 5 years	1,785,266	1,808,808
Payments over 5 year	2,446,002	2,612,069
	<u><b>4,629,810</b></u>	<u><b>4,849,259</b></u>

## 13. Revenues from Sales and Services

On June 30<sup>th</sup>, 2017 and June 30<sup>th</sup>, 2016 this item was composed as follows:

Sales	30-06-2017	30-06-2016
BPO		14,985
IT Outsourcing	531,393	567,315
IT Consulting	314,538	21,045
Disposals	(162,891)	(68,805)
	<u><b>683,040</b></u>	<u><b>534,540</b></u>

Services rendering	30-06-2017	30-06-2016
BPO	5,338,544	9,056,129
IT Outsourcing	8,297,300	5,516,032
IT Consulting	9,784,813	7,701,403
Disposals	(3,516,576)	(1,714,355)
	<b>19,904,081</b>	<b>20,559,209</b>

## 14. Other Income and Operating Revenues

On June 30<sup>th</sup>, 2017 and June 30<sup>th</sup>, 2016 this item was composed as follows:

Other Operating Income	30-06-2017	30-06-2016
Extra income	131,737	951,714
Operating subsidies	0	5,185
Other Operating Income and Earnings	162,646	84,882
	<b>294,383</b>	<b>1,041,781</b>

## 15. External Supplies and Services

On June 30<sup>th</sup>, 2017 and June 30<sup>th</sup>, 2016 this item was composed as follows:

	30-06-2017	30-06-2016
Subcontracts	1,477,709	843,291
Fees	1,980,096	2,101,125
Transports, travel and stays and representation expenses	391,627	307,775
Leases and rentals	739,073	728,480
Specialized jobs	706,059	337,288
Communication	144,796	192,478
Water, electricity and fuels	141,752	168,855
Other supplies and services	1,649,188	783,763
	<b>7,230,300</b>	<b>5,463,055</b>

## 16. Staff Costs

On June 30<sup>th</sup>, 2017 and June 30<sup>th</sup>, 2016 this item was composed as follows:

	30-06-2017	30-06-2016
Staff compensation	8,302,841	11,647,614
Expenses on compensation	1,468,034	1,954,851
Compensation of Social Bodies	154,228	152,606
Insurance, Work Accidents and Professional Diseases	17,923	33,243
Other Staff Costs	251,093	247,404
	<b>10,194,119</b>	<b>14,035,718</b>



On June 30<sup>th</sup>, 2017 and June 30<sup>th</sup>, 2016 the average number of employees by business segment was as follows:

	30-06-2017	30-06-2016
BPO	509	440
IT Outsourcing	390	245
IT Consulting	78	189
Support Areas	50	60
	<b>1,027</b>	<b>934</b>

## 17. Amortisations and Depreciations

On June 30<sup>th</sup>, 2017 and June 30<sup>th</sup>, 2016 this item was composed as follows:

	30-06-2017	30-06-2016
<b>Tangible Fixed Assets</b>		
Buildings and Other Constructions	82,123	102,795
Basic Equipment	52,471	61,290
Transport equipment	12,477	14,757
Administrative equipment	67,968	67,274
Other tangible fixed assets	12,587	25,299
	<b>227,626</b>	<b>271,415</b>
<b>Other Intangible Assets</b>		
Development projects	321,192	209,537
Industrial Property	304,702	304,702
Computer programs	66,415	49,065
Other intangible assets	599,918	265,882
	<b>1,292,227</b>	<b>829,186</b>
	<b>1,519,853</b>	<b>1,100,601</b>

## 18. Financial Results

The financial results of the half-year periods ended on June 30<sup>th</sup>, 2017 and June 30<sup>th</sup>, 2016 were composed as follows:

	30-06-2017	30-06-2016
<b>Financial Expenses and Loses</b>		
Supported interests		
Loans	737,245	594,840
Leasing contracts	51,409	128,829
Factoring	31,298	27,761
Default and compensatory	263,543	350,024
Other	439	19
	<u>1,083,934</u>	<u>1,101,473</u>
Foreign exchange losses	8,080	1
Other financial expenses	62,023	69,360
	<u>1,154,037</u>	<u>1,170,834</u>
<b>Financial Income and Gains</b>		
Obtained Interest	16	22
Foreign exchange gains	2,887	0
Other financial gains	287	4
	<u>3,190</u>	<u>26</u>
<b>Financial Result</b>	<b><u>(1,150,847)</u></b>	<b><u>(1,170,808)</u></b>

## 19. Income Taxes

On June 30<sup>th</sup>, 2017 and June 30<sup>th</sup>, 2016 this item was composed as follows:

	30-06-2017	30-06-2016
Current tax	433,623	405,025
Deferred tax	(808,672)	(462,086)
	<u>(375,049)</u>	<u>(57,061)</u>

	30-06-2017	30-06-2016
<b>Income before taxes</b>	(129,569)	(212,299)
Taxes to the rate	(27,209)	(44,583)
Amortizations and provisions not accepted to taxati	0	3,350
Fines, compensatory interests	29,439	28,952
Corrections regarding the previous year	303	45
(Excess)/estimative insuf. tax	344	-
Autonomous Taxation	133,361	300,196
Rate	19,632	36,641
Acknowledgment of deferred taxes	(808,672)	(462,085)
Other	277,753	80,423
Tax on fiscal year income	<u>(375,049)</u>	<u>(57,061)</u>

## 20. Net Income per Share

	30-06-2017	30-06-2016
<b>Earnings:</b>		
Earning attributable to majority shareholders for the calculation of the net result by share (net profit of the financial year)	63,816	267,876
Profit from discontinued operations for the calculation of the profit by share of discontinued operations	-	530,062
Profit for calculation of the profit by share from continuing operations	<u>63,816</u>	<u>(262,186)</u>
<b>Number of shares:</b>		
Weighted average number of shares for calculation of the basic and diluted net profit by share	<u>14,638,691</u>	<u>14,638,691</u>
Effect of the additional shares generated by the incentive plan for employees	-	-
Weighted average number of shares for calculation of the diluted net profit by share	<u>14,638,691</u>	<u>14,638,691</u>
Income per share from the ongoing operations:		
Basic	0.0044	(0.0179)
Diluted	0.0044	(0.0179)

## 21. Commitments

As of June 30<sup>th</sup>, 2017 the financial commitments of the Reditus Group's companies in respect to bank guarantees and that are not listed on the balance sheet, are as follows:

Payable to	Origin	Values (Euros)
Several Clients	Good fulfillment of contract obligations	553,620
Several Suppliers	Good fulfillment of contract obligations	56,199
		<u>609,819</u>

## 22. Contingencies

There are no changes in relation to the contingencies reported as of December 31<sup>st</sup>, 2016.

## 23. Related Parties

The balances as of June 30<sup>th</sup>, 2017 and December 31<sup>st</sup>, 2016, together with the transactions carried out with related companies excluded from the consolidation in the half- years ended June 30<sup>th</sup>, 2017 and June 30<sup>th</sup>, 2016 are the following:

### BALANCES:

	30-06-2017			
	Clients	Other accounts <sup>2</sup> receivable	Other accounts payable	Suppliers
AHS Investimentos SGPS, S.A.	9,607	-	-	-
Parroute SGPS	7,675	1,500,000	-	15,384
Companhia das Quintas, S.A.	1,636	-	-	822
Lanifos - Soc Financiamento, Lda	6,396	-	-	-
GTBC - Global Technologie & Business Consulting	40,000	-	-	-
Portuvinus - Wine & Spirits, S.A.	-	-	-	7,000
Mirol - Prestação de serviços, Lda.	5,000	-	-	-
	<u>70,314</u>	<u>1,500,000</u>	<u>-</u>	<u>23,206</u>

	31-12-2016			
	Clients	Other accounts <sup>2</sup> receivable	Other accounts payable	Suppliers
AHS Investimentos SGPS, S.A.	9,607	-	-	-
Parroute SGPS	7,675	1,500,000	-	15,384
Companhia das Quintas, S.A.	1,636	-	-	822
Lanifos - Soc Financiamento, Lda	6,396	-	-	-
Inventum	40,000	-	-	-
Clayton	-	-	-	7,000
Mirol - Prestação de serviços, Lda.	5,000	-	-	-
	<u>70,315</u>	<u>1,500,000</u>	<u>-</u>	<u>23,206</u>

### TRANSACTIONS:

No transactions were registered with related parties during the half-year period ended on June 30<sup>th</sup>, 2017.

In the half-year period ended June 30<sup>th</sup>, 2017 no variable component of Directors' remuneration was paid, nor under the heading of termination of mandate. The fixed remuneration component was as follows:

	30-06-2017	30-06-2016
<b>Executives</b>		
Francisco Santana Ramos	60,000	60,000
Helder Matos Pereira	55,000	55,000
	<u>115,000</u>	<u>115,000</u>

## 24. Operational Leases

On June 30<sup>th</sup>, 2017 and December 31<sup>th</sup>, 2016 this item was composed as follows:

Amounts identified as expense:	30-06-2017	31-12-2016
Minimal payments of the operating lease Instalations/Equipments	448,881	995,358

Amounts identified as expense:	30-06-2017	31-12-2016
Minimal payments of renting of vehicles	290,192	519,508

## 25. Events Occurred Post Balance Sheet Date

No events occurred after the balance sheet date, which may have a material impact on the financial statements herewith presented.

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## V – DECLARATION OF CONFORMITY

Under Article 245, paragraph 1, subheading c) of the Portuguese Securities Code, the Board of Directors declares that, to the best of its knowledge, the information contained in the Management Report and 1st Half-year Accounts was prepared in accordance with applicable accounting standards, providing a true and fair view of the assets and liabilities, financial position and earnings of the Company and the companies included in the consolidation scope. Also it is their understanding that the Management Report accurately reflects the development of businesses, performance and position of the Company and the companies included in the consolidation scope and contains a description of the main risks and uncertainties they face.

Alfragide, August 31<sup>st</sup>, 2017.

Eng. Francisco José Martins Santana Ramos - Chairman & CEO

Eng. Miguel Maria de Sá Pais do Amaral - Non-Executive Director

Eng. José António da Costa Limão Gatta – Non-Executive Director

Dr. Fernando Manuel Cardoso Malheiro da Fonseca Santos – Non-Executive Director

Dr. Helder Filipe Ribeiro Matos Pereira – Executive Director & CFO

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