

IMPRESA

Results for 2017

IMPRESA – SGPS, S.A.
Publicly Held Company
Share Capital Eur 84,000,000
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Press Release: IMPRESA 2017 Results

1. Main Events of 2017

- The consolidated EBITDA for 2017, adjusted for restructuring charges and impairments, was 19.2 M€, representing an increase of 5.6% over the 2016 EBITDA.
- The net remunerated debt, including financial leases, fell by 4.8 M€ compared to December 2016, to 178.4 M€, its lowest level in the last 10 years.
- IMPRESA's total turnover was 201.8 M€ in 2017, a fall of 2.0%, due to the reduction of multimedia revenues.
- IMPRESA advertising revenues rose 2.6% in 2017.
- The strategy of reducing operating costs continues, independent of restructuring charges, has produced a cost reduction of 2.8% in 2017. The restructuring charges have reached 5.3 M€, twice that recorded in 2016.
- The pre-tax result, without restructuring costs and impairments, stood at 8.8 M€ in 2017, representing an increase of 20.1%, compared to 2016.
- SIC obtained an average audience share of 17.6%, maintaining its leadership position in the commercial target (A/B CD 25/54) during prime time, with a share of 21.4%.
- SIC Notícias stood out once again as the leading news channel, with an average share of 2.0% in 2017.
- EXPRESSO newspaper was again the most sold publication in Portugal, with an average close to 93,000 units, according to APCT, in 2017.
- The digital version of Expresso reached close to 25,000 buyers at the end of 2017, between digital subscribers and sales, representing nearly 28% of the paper's total sales.
- In 2017 SIC celebrated its 25th anniversary, which started in June and continued throughout the 3rd quarter. SIC, supported by various sponsors, organised a tour through the 18th district capitals, ending with a big event in Lisbon on October 6th.



- In January 2018, IMPRESA disposed of its magazine portfolio for 10.2 M€. The 2017 annual accounts will record a provision for an impairment loss of 21.9 M€. The sale follows Strategic Plan for the period 2017-2019, which pursues the repositioning of IMPRESA with a greater focus on audiovisual and digital components.
- The net profit, not including the provisions for impairment, stood at 1.5 M€, compared to 2.8 M€, at the end of 2016.
- The net profit for 2017 was a loss of 21.6 M€, penalised by due to 23.2 M€ impairments charge.

Tabela 1. Principais Indicadores						
(Valores em €)	dez/17	dez/16	var %	4ºT 2017	4ºT 2016	var %
Receitas Consolidadas	201 821 209	205 997 090	-2,0%	55 384 590	56 171 416	-1,4%
Televisão	153 704 664	156 192 486	-1,6%	42 584 433	42 565 142	0,0%
Publishing	46 170 642	48 424 634	-4,7%	12 126 070	13 090 270	-7,4%
InfoPortugal	2 319 889	1 847 448	25,6%	696 091	537 000	29,6%
Intersegmentos & Outras	-373 986	-467 478	20,0%	-22 004	-20 995	n.a
Custos Operacionais (1)	188 005 778	190 471 192	-1,3%	50 192 910	49 382 981	1,6%
EBITDA	13 815 431	15 525 898	-11,0%	5 191 679	6 788 436	-23,5%
Margem EBITDA	6,8%	7,5%		9,4%	12,1%	
EBITDA Televisão	17 617 403	18 897 128	-6,8%	8 322 422	7 656 954	8,7%
EBITDA Publishing	-975 714	-74 600	n.a.	-2 184 505	-182 374	n.a
EBITDA Infoportugal & Outras	-2 826 258	-3 296 630	14,3%	-946 238	-686 145	-37,9%
EBITDA ajustado (2)	19 176 794	18 157 261	5,6%	8 826 467	8 411 563	4,9%
Resultado Líquido (s/imparidades) (3)	1 545 582	2 759 895	-44,0%	1 710 641	3 345 538	-48,9%
Resultado Líquido	-21 654 037	2 759 895	n.a.	-21 488 978	3 345 538	n.a.
Dívida Líquida + Locações (M€)	178,4	183,2	-2,6%	178,4	183,2	-2,6%

Note: EBITDA = Operating Results + Amortisations and Depreciation + Impairment Losses. Net Debt = Loans (ST+MLT) - Cash and Cash Equivalents + Financial Leases. (1) Does not consider Amortisations and Depreciation and Impairment Losses. (2) Adjusted for 5.31 M€m of restructuring costs in 2017 and 3.58 M€ in the 4th quarter of 2017, and 2.63 M€ in 2016, of which 1.62 M€ were recorded in 4th quarter 2016.



2. Analysis of the Consolidated Accounts

In 2017, IMPRESA achieved consolidated revenues of 201.8 M€, corresponding to a decrease of 2.0% from 206 M€ recorded in 2016. In the 4th quarter of 2017, consolidated revenues reached 55.4 M€, a 1.4% decrease.

The following should be noted relative to business in 2017:

- Rise of 2.6% in the Group's total advertising revenues, with an increase in television ad revenues and a substantial jump in the Digital area, while the paper advertising declined.
- Slight decline of 0.5% in circulation revenues, despite a rise in the sale price of most publications and growing in subscription revenues.
- A fall of 0.8% in channel subscription revenues, despite a slight increase in the domestic market; international revenues were hit by the devaluation of the dollar during 2017.
- A fall of 29.1% in other revenues, mainly affected by the decline in IVRs and alternative products, however this contrasts with the growth of InfoPortugal, the SIC technical services and content sales.

Table 2. Total Revenues

(Values in €)	Dec-17	Dec-16	ch %	4th Qt 2017	4th Qt 2016	ch %
Total Revenues	201.821.209	205.997.090	-2,0%	55.384.591	56.171.417	-1,4%
Advertising	119.275.588	116.219.951	2,6%	34.840.849	34.042.462	2,3%
Channel Subscriptions	43.129.491	43.488.469	-0,8%	10.737.544	10.926.146	-1,7%
Circulation	22.910.919	23.019.578	-0,5%	5.418.323	5.677.291	-4,6%
Others	16.505.212	23.269.092	-29,1%	4.387.876	5.525.519	-20,6%

2017 was marked by a profound reorganisation of the IMPRESA Group, culminating in the sale of the magazine portfolio in January 2018, which penalised the evolution of operating costs. Although IMPRESA generated operating saving's in areas, like personnel, total costs were affected by restructuring charges and higher provisions. Restructuring charges total 5.3 M€, nearly twice that recorded in 2016. Overall operating costs in 2017, discounting amortisations and impairments, fell by 1.3% year-on-year. If restructuring costs are adjusted, the fall in 2017 was 2.8%. In the 4th quarter, adjusted operating costs declined by 2.5%.

The consolidated EBITDA in 2017, adjusted for restructuring costs, was 19.1 M€, which represents an increase of 5.6% in relation to the EBITDA of the same period of the previous year, with gains reflected across all the Group's segments. In 2017, the consolidated



EBITDA was 13.8 M€, representing a fall of 11.0% against 2016. In the 4th quarter of 2017, the EBITDA fell by 23.5% to 5.8 M€, while the adjusted value rose by 4.9% to 8.3 M€.

In 2017 the total capital expenditure was 3.7 M€, value which includes the expansion of the IMPRESA building, which has started in March 2017, which will allow the concentration in the same premises of all IMPRESA activities in Lisbon. The expansion is expected to be completed by the end of 2018. The depreciation charges rose by 4.3% to 3.6 M€ in 2017, as a result of the recent rise in investments.

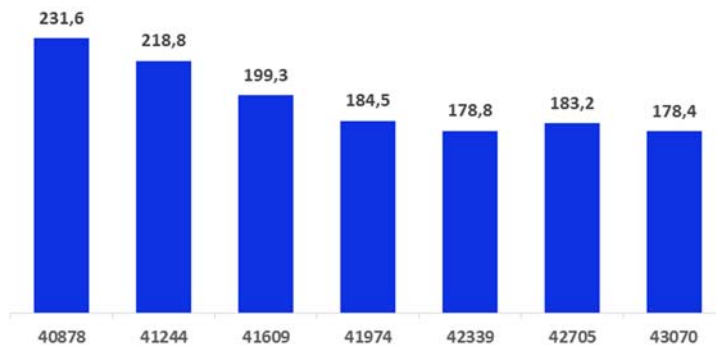
Table 3. Profit & Loss						
(Values in €)	Dec/17	Dec/16	ch %	4th Qt 2017	4th Qt 2016	ch %
Total Revenues	201 821 209	205 997 090	-2,0%	55 384 590	56 171 416	-1,4%
Television	153 704 664	156 192 486	-1,6%	42 584 433	42 565 142	0,0%
Publishing	46 170 642	48 424 634	-4,7%	12 126 070	13 090 270	-7,4%
InfoPortugal	2 319 889	1 847 448	25,6%	696 091	537 000	29,6%
Intersegments & Outras	-373 986	-467 478	20,0%	-22 004	-20 995	n.a
Operating Costs (1)	188 005 778	190 471 192	-1,3%	50 192 910	49 382 981	1,6%
Total EBITDA	13 815 431	15 525 898	-11,0%	5 191 679	6 788 436	-23,5%
EBITDA margin	6,8%	7,5%		9,4%	12,1%	
Television	17 617 403	18 897 128	-6,8%	8 322 422	7 656 954	8,7%
Publishing	-975 714	-74 600	n.a	-2 184 505	-182 374	n.a
Infoportugal & Others	-2 826 258	-3 296 630	14,3%	-946 238	-686 145	-37,9%
Total EBITDA (w/ reest) (2)	19 176 794	18 157 261	5,6%	8 826 467	8 411 563	4,9%
EBITDA margin	9,5%	8,8%		15,9%	15,0%	
Depreciation	3 651 544	3 501 245	4,3%	924 687	893 630	3,5%
EBIT	10 163 886	12 024 653	-15,5%	4 266 992	5 894 806	-27,6%
EBIT Margin	5,0%	5,8%		7,7%	10,5%	
Financial Results (-)	6 729 500	7 332 479	-8,2%	1 528 516	1 310 649	16,6%
Res. bef. Taxes & Minorities	3 434 386	4 692 174	-26,8%	2 738 476	4 584 157	-40,3%
Res. bef. Taxes (w/reest) (3)	8 795 750	7 323 537	20,1%	6 373 264	6 207 284	2,7%
Taxes (IRC)(-)	1 888 804	1 932 279	-2,2%	1 027 835	1 238 619	-17,0%
Net Profits (w/impairments)	1 545 582	2 759 895	-44,0%	1 710 641	3 345 538	-48,9%
Impairments (4)	23 199 619	-	n.a.	23 199 619	-	n.a.
Net Profit	-21 654 037	2 759 895	n.a.	-21 488 978	3 345 538	n.a.

Note: EBITDA = Operating Results + Amortisations and Depreciation + Impairment Losses. (1) Does not consider Amortisations and Depreciation and Impairment Losses. (2) Adjusted for €5.31m of restructuring costs in 2017 and €3.58m in the 4th quarter of 2017, and €2.63m in 2016, of which €1.62m were recorded in 4th quarter 2016. (3) adjusted restructuring charges of 5.31 M€ in 2017 and 2.63 M€ in 2016. (4) represented by two impairment charges: 1.23 M€ due to the sale of real estate and 21.96 M€ from sale of the magazine portfolio.



During 2017, the financial results reached 6.7 M€, an improvement of 8.2% over 2016. These is due of the reduction of 6.4% in interest payments, and along with better results from associated companies - VASP underwent a restructuring process which penalised the net results for 2017, however LUSA made a positive contribution, allowed the Group to compensate for the increase in foreign exchange losses.

Net Debt Evolution (M€)



In terms of the balance sheet, net debt, including financial leases, stood at 178.4 M€ at the end of 2017, i.e. a year-on-year decrease of 4.8 M€ compared to 2016.

At the end of 2017, a promissory sale and purchase contract was signed for one of the plots of

land owned by SIC, and it is estimated that the deed of sale will be signed in 2018 for a value of 3.2 M€. A second plot remains for sale. It should be noted that the sale operation resulted in an impairment of the order of 1.2 M€, including a similar adjustment for the second plot.

In January 2018, IMPRESA disposed of its magazine portfolio for 10.2 M€. The sale is part of the Strategic Plan for the period 2017-2019, which pursues the repositioning of IMPRESA with a greater focus on audiovisual components and digital operations. The sale required a provision to be made for an impairment loss of 21.9 M€ in the 2017 accounts, reflecting the difference between the sale and the goodwill value recorded in the balance sheet for these assets.

In total, impairment charges amount to 23.3 M€, in 2017

The pre-tax result, without re-structuring costs and impairments, was 8.7 M€ in 2017, representing an increase of 20.1% compared to 2016.

The net profit, not including the provisions for impairment, stood at 1.5 M€, compared to 2.8 M€ at the end of 2016.

Including the provisions for all the impairments, totalling 23.2 M€, the net loss was 21.6 M€ at the end of 2017.



3. Television – SIC

Table 4. Television Indicators

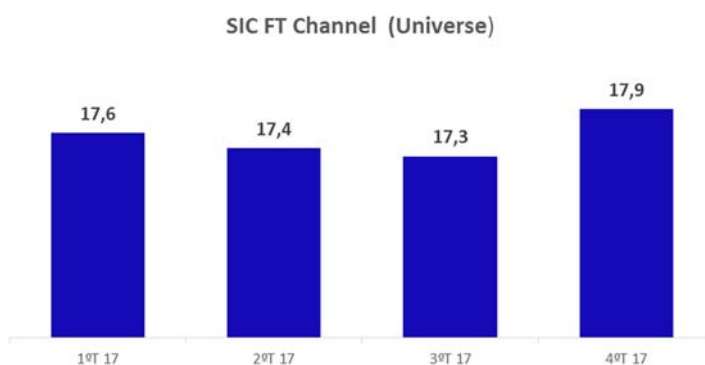
	Dec-17	Dec-16	ch %	4th Qt 2017	4th Qt 2016	ch %
Total Revenues	153.704.664	156.192.486	-1,6%	42.584.433	42.565.142	0,0%
Advertising	98.167.745	94.669.054	3,7%	28.672.695	27.906.836	2,7%
Channel Subscriptions	43.129.491	43.488.469	-0,8%	10.737.544	10.926.146	-1,7%
Multimedia	8.074.602	13.765.265	-41,3%	1.740.517	2.858.812	-39,1%
Others	4.332.827	4.269.698	1,5%	1.433.678	873.348	64,2%
Operating Costs (1)	136.087.261	137.295.358	-0,9%	34.262.011	34.908.188	-1,9%
EBITDA	17.617.403	18.897.128	-6,8%	8.322.422	7.656.954	8,7%
EBITDA (%)	11,5%	12,1%		19,5%	18,0%	
EBITDA adjusted (2)	19.185.519	19.036.146	0,8%	8.436.498	7.659.327	10,1%
EBITDA (%)	12,5%	12,2%		19,8%	18,0%	

Note: EBITDA = Operating Results + Amortisations and Depreciation + Impairment Losses. (1) Does not consider Amortisations and Depreciation and Impairment Losses. (2) EBITDA adjusted for 1.568 M€ restructuring costs in 2017 and 139,000€ in 2016.

2017 was marked by the celebration of SIC's 25th anniversary, which started in June and continued throughout the 3rd quarter. The company, supported by various sponsors, organised a tour through the 18 district capitals, ending with a big party in Lisbon on 6 October.

SIC reached total revenues of 153.7 M€ in 2017, which is decrease of 1.6% compared to 2016. This decrease is explained essentially by the fall in IVR revenues, despite the increase in advertising income. In the 4th quarter of 2017, total revenues remain at the same level as the year-on-year period.

The total advertising income from all SIC's channels in 2017 was 98.2 M€, an increase of 3.7% over 2016 and higher than the Advertising television market. The main factors in this positive performance were the performance of the generalist channel, the big increase in the thematic channels and digital revenues from the SIC universe, and revenues related to the celebrations of SIC's 25th anniversary. Advertising revenue increased by 2.7% in the 4th quarter of 2017.



SIC finished 2017 with a mean audience share of 17.6%, 0.4 percentage points less than in 2016, in the universe of generalist channels. Furthermore, SIC maintained its leadership in the main commercial targets (A/B C D 15/54 and A/B C D 25/54), for daytime and prime time. The re-launch of the new programming in September 2017 enabled the



company to recover audience share. For prime time, SIC maintained its leadership in the main commercial target (A/B C D 25/54), with 21.4%, despite a fall of 0.6 percentage points from 2016.

This leadership in the commercial targets was helped by the good performance of SIC's Portuguese novelas, which in 2017 started with "Rainha das Flores" and "Amor Maior", and continued with two new programmes - "Espelho d'Água" in May and the new novela "Paixão" from September.



- "Amor Maior", which finished in September 2017, drew an average audience of 27.6%, its performance being in line with the previous serial in the same time slot ("Coração de Ouro"); this translates into a figure of 1.3 million viewers.



- "Rainha das Flores", in the second prime time slot, ended in May 2017, with average audience share of 24.1%, or nearly 1.2 million viewers.



- "Espelho d'Água", which replaced "Rainha das Flores", draws an average audience of 23.7%.



- "Paixão", the number 1 prime time serial which has replaced "Amor Maior", will be showing until next September and attracts an average audience of 24.9%, or 1.2 million viewers.

2017 was also marked by the introduction of several entertainment programmes on Sunday evenings, notably "D'Improviso" and the return of "Vale Tudo", as well as the Brazilian novela "Força do Querer" with an excellent performance, being the market leader in its time slot. SIC's afternoon programming was reformulated, with the Brazilian novela which traditionally came before "Jornal da Noite" being replaced by "Linha Aberta" from September, a change which improved results. "Jornal da Noite", with average audience share of 19.7%, also led in its commercial targets.



Subscription revenues generated by SIC's 8 channels distributed over cable and satellite, in Portugal and abroad, fell by 0.8% in 2017 to 43.1 M€. This fall was due to the lower revenues from external markets, resulting from the recent devaluation of the US dollar, which was not compensated by the growth in the domestic market. The decline was most marked in the 4th quarter of 2017, with a fall of 1.7% - again due to unfavourable exchange rate fluctuations.



Despite the more difficult conditions, SIC's channels continued to expand their presence, being broadcast on more platforms:

- Launch of SIC International Africa, present in Mozambique and South Africa.
- SIC International and SIC Notícias started to be broadcast in Germany.
- Strengthened presence of SIC International and SIC Notícias in Luxembourg.
- Strengthening of SIC International coverage in Australia.

Thematic channels Audiences

	(%)	2017
1º	CMTV	2,4
2º	Hollywood	2,1
3º	SIC Notícias	2,0
4º	Disney Channel	2,0
5º	Globo	2,0
6º	Panda	1,8
7º	TVI24	1,8
8º	FOX	1,5
15º	SIC Mulher	0,9
32º	SIC Radical	0,4
43º	SIC Caras	0,3
49º	SIC K	0,2

Source: GfK, consolidated values

In terms of audiences, SIC's subscription channels reached a collective market share of 3.7%, 0.1 pp lower year-on-year. SIC Notícias stood out once again as the news channel preferred by the Portuguese, with a share of 2.0%, reaching 3rd position in the general ranking of subscription channels.

Of the other themed channels, SIC Mulher performed very well with an increase to 0.9%, 0.3 pp over 2016. SIC Caras also gained ground to 0.3% (+0.1pp), while SIC K maintained its share at 0.2%. SIC Radical, on the other hand, saw a fall in market share to 0.4%, 0.2 pp lower than in 2016.

The falling trend in IVR's revenues continued, closing 2017 with revenues of 8.1 M€, decline of 41.3%. This fall is attributed to the reduction in the number of 'phone-in' competition programmes, especially on Sundays.

Other income for 2017 stood at 4.3 M€, an increase of 1.5% after a better than expected 4th quarter (+64.2%). In 2017, technical services revenues increased by 7.5% (through GMTS), and in content sales, was another very good year for this area, once again reaching the 1M€ mark, with sales to new markets such as Canada.

Operating costs fell by 1.9% in 2017, however this figure does not include restructuring costs, which amounted to 1.5 M€. 2017 also saw investment in programming, across several of SIC's channels. SIC celebrated its 25th anniversary, requiring the strengthening of several areas of operations. Operating costs fell by 1.9% in the 4th quarter.

After good operational performance in the 2nd semester, the EBITDA reached 19.2 M€, adjusted for restructuring charges; this represented an increase of 0.8% compared to 2016. In the 4th quarter, the EBITDA adjusted for restructuring costs was 8.4 M€, representing an increase of 10.1%. This resulted in a margin of 19.8%, the highest for the year in 2017.



4. IMPRESA Publishing

Table 5. Publishing Indicators						
	Dec-17	Dec-16	ch %	4th Qt 2017	4th Qt 2016	ch %
Total Revenues	46.170.642	48.424.634	-4,7%	12.126.070	13.090.270	-7,4%
Circulation	22.910.919	23.019.578	-0,5%	5.418.323	5.677.291	-4,6%
Advertising	20.821.692	21.514.731	-3,2%	6.086.781	6.313.366	-3,6%
Associated Products	1.130.245	2.136.652	-47,1%	160.327	529.524	-69,7%
Others	1.307.786	1.753.673	-25,4%	460.639	570.089	-19,2%
Operating Costs (1)	47.146.356	48.499.234	-2,8%	14.310.574	13.272.643	7,8%
EBITDA	-975.714	-74.600	-1207,9%	-2.184.505	-182.374	-1097,8%
EBITDA (%)	-2,1%	-0,2%		-18,0%	-1,4%	
EBITDA adjusted (2)	2.549.523	1.974.358	29,1%	1.068.198	1.438.381	-25,7%
EBITDA (%)	5,5%	4,1%		8,8%	11,0%	

Note: EBITDA = Operating Results + Amortisations and Depreciation + Impairment Losses. (1) Does not consider Amortisations and Depreciation and Impairment Losses. (2) Adjusted for 3.525 M€ restructuring costs in 2017 and 2.048 M€ in 2016.

In the Publishing segment, in January 2018 IMPRESA disposed of its magazine portfolio for 10.2 M€. The operation required a provision to be made for an impairment loss of 21.9 M€ in the 2017 accounts. The Publishing area had to be reorganised, with costs which affected the profitability of this business unit during 2017.

The total turnover of the Publishing area fell by 4.7% to 46.2 M€ by the end of 2017. Over the 4th quarter, total revenues fell by 7.4%, year-on-year.

Circulation income fell by 0.5%, to 22.9 M€, representing 49.6% of the total revenues in 2017; the 4th quarter was relatively weak, with a decline in circulation income of 4.6%. In general terms, 2017 was marked by cover price increases for most publications, higher paid circulation in some publications, and growth from subscription income, mainly in digital subscriptions. The digital version of Espresso performed particularly well, achieving close to 25,000 buyers by the end of 2017, between digital subscribers and sales, representing nearly 28% of the paper's total sales.

Advertising revenues reached 20.8 M€ in 2017, a fall of 3.2% compared to 2016. Advertising revenue fell by 3.6% in the 4th quarter of 2017. The negative trend for paper based advertising revenues was maintained, while digital sales continued to rise - by 11.4% in 2017, representing nearly 19% of all advertising revenues.



Sales of associated products declined by 47.1% in 2017 including a fall of 69.7% in the last quarter of the year. Total sales for the year were 1.1 M€. A new BCBM guide, "Tascas e Petiscos", was launched in 2017 with remarkable success.

In terms of operating costs, the year was marked by the restructuring process as the organisation adjusted to the new business model after the sale of the magazine portfolio. Restructuring costs totalled 3.5 M€ in 2017, an increase of 72.1% over 2016; nearly 90% resulted from sale of the magazine portfolio. Even with this increase, total operating costs fell by 2.8% in 2017. If restructuring costs are excluded, overall costs fell by 6.1%.

The adjusted EBITDA was 2.5 M€, representing an increase of 29.1% over the 2016 figures.

Last August, IMPRESA reported that it had started an assessment of its Publishing portfolio which could involve the disposal of those assets, in order to carry out strategic repositioning of its activities in that area.

Subsequently, on January 2nd 2018, IMPRESA Publishing signed the sale contract for the following publications: Activa, Caras, Caras Decoração, Courier Internacional, Exame, Exame Informática, Jornal de Letras, TeleNovelas, TV Mais, Visão, Visão História and Visão Junior, to Trust in News. with effect from January 1st 2018.

The portfolio sale price was 10.2 M€, obliging IMPRESA to make a provision for impairment of the goodwill value for 21.9 M€. The portfolio sold represented 47.6% of the total revenues of the Publishing area in 2017.



5. IMPRESA Other

Table 6. IMPRESA Others Indicators

	Dec/17	Dec/16	ch %	4th Qt 2017	4th Qt 2016	ch %
Total Revenues	1 945 903	1 379 970	41,0%	674 087	516 005	30,6%
InfoPortugal	2 319 889	1 847 448	25,6%	696 091	537 000	29,6%
Intersegments & Others	-373 986	-467 478	20,0%	-22 004	-20 995	-4,8%
Operating Costs (1)	4 772 161	4 676 600	2,0%	1 620 325	1 202 150	34,8%
EBITDA	-2 826 258	-3 296 630	14,3%	-946 238	-686 145	-37,9%
EBITDA adjusted (2)	-2 558 249	-2 853 243	10,3%	-678 229	-686 145	1,2%

Note: EBITDA = Operating Results + Amortisations and Depreciation + Impairment Losses. (1) Does not consider Amortisations and Depreciation and Impairment Losses. (2) EBITDA adjusted for 268,010€ restructuring charges in 2017 and 443,387 € in 2016.

This segment includes the management and financial costs of the IMPRESA holding company and also includes the operating activities of InfoPortugal, a company dedicated to aerial photography, cartography and geo-referenced contents, and the operation of the photography website and the Olhares Academy.

2017 was a record year for InfoPortugal, which achieved its highest revenues since it was incorporated into the IMPRESA Group. InfoPortugal achieved total revenues of 2.3 M€ in 2017, which represents an increase of 25.6% over 2016. The area which produced the largest growth was Aerial Photography, confirming that the purchase of a large format camera in 2016 was a good investment. The editorial area also expanded its Electronic Programming Guide (EPG) services to the main domestic operators, as well as signing service provision contracts with international customers. Also in the editorial area, InfoPortugal received international awards for its work, specifically in tourism-related services: for the film “Live a day in Alcácer”, a tourism promotion film made for Alcácer do Sal which received the “Silver Dolphin” award at the Cannes Corporate Media & TV Awards festival; and the “World’s Leading Tourism Authority Website 2017” awarded by “World Travel Awards”, for the Portuguese Tourism site www.visitportugal.com.

In terms of profitability InfoPortugal recorded a significant improvement, obtaining an EBITDA margin to around 13% in 2017.

It should be noted that during 2017, European community subsidy PT2020 was approved for InfoPortugal for a figure in the order of 0.5 M€, which will have impact in 2018 and 2019.

Turning to the consolidated results, in 2017 the EBITDA of this segment was negative, in the amount of 2.8 M€, improvement of 14.3% was recorded as compared to 2016, with the better results recorded by InfoPortugal and the lower restructuring costs. The restructuring costs in 2017 were 268,010€.



6. Prospects

With the re-dimensioning of the IMPRESA Group at the beginning of 2018, and the restructuring measures implemented during recent quarters, along with more favourable macro-economic context, it is expected that the Group's profitability in terms of EBITDA and Net Profits will improve, underpinning the objectives of the Strategic Plan.

Lisbon, March 6th, 2018

On behalf of the Board of Directors

José Freire
Investor Relations Director
www.impresa.pt



IMPRESA - SOCIEDADE GESTORA DE PARTICIPAÇÕES SOCIAIS, S.A

CONSOLIDATED BALANCE SHEET Dec 2014

(Values in Euros)

ASSETS	Dec 31th 2017	Dec 31st 2016
NON CURRENT ASSETS		
Goodwill	268 622 821	300 892 821
Other intangible assets	313 863	435 821
Tangible fixed assets	29 882 242	28 234 916
Financial investments	3 614 521	3 667 894
Investment properties	1 478 489	5 912 440
Program Rights	4 959 298	4 568 154
Defered Taxes	1 605 884	818 427
Other non current assets	5 567 277	4 941 825
Total Non Current Assets	316 044 395	349 472 298
CURRENT ASSETS		
Program Rights	12 778 402	15 636 356
Inventory	355 302	1 422 658
Customers - current account	36 573 551	37 631 796
Defered Taxes		
Other receivables	5 195 594	6 329 572
Cash and equivalents	3 824 133	3 491 256
Total Current Assets	58 726 982	64 511 638
Non Current Assets to be sold	13 845 466	-
TOTAL ASSETS	388 616 843	413 983 936
EQUITY, MINORITIES AND LIABILITIES		
EQUITY	Dec 31th 2017	Dec 31th 2016
Capital	84 000 000	84 000 000
Share issue premiums	36 179 272	36 179 272
Legal reserve	2 001 797	1 782 188
Retained earnings and other reserves	22 152 398	19 520 330
Consolidated net profit	(21 654 037)	2 759 895
Equity of IMPRESA shareholders	122 679 430	144 241 685
Equity of minority interests		
Total Equity Funds	122 679 430	144 241 685
LIABILITIES		
NON CURRENT LIABILITIES		
Loans	82 996 798	134 730 289
Leasing	363 082	256 701
Provisions for risk and charges	4 502 402	3 757 354
Defered Taxes	339 650	315 456
Total Non Current Liabilities	88 201 932	139 059 800
CURRENT LIABILITIES		
Loans	98 483 960	51 596 359
Leasing	405 191	113 399
Suppliers payables	32 035 967	29 876 474
Defered Taxes	1 324 841	253 801
Other current liabilities	43 554 780	48 842 418
Total Current Liabilities	175 804 739	130 682 451
Liabilities relative non Current Assets being sold	1 930 741	
TOTAL EQUITY, MINORITIES AND LIABILITIES	388 616 842	413 983 936



IMPRESA - SOCIEDADE GESTORA DE PARTICIPAÇÕES SOCIAIS, S.A. and SUBSIDIARIES

CONSOLIDATED PROFIT & LOSS ACCOUNTS

(Values in Euros)

	IAS Dec 31th 2017	IAS Dec 31th 2016
	<u>2017</u>	<u>2016</u>
<u>Total revenues</u>		
Goods	24 012 138	25 117 542
Services rendered	176 666 775	179 243 775
Other revenues	1 142 296	1 635 773
Total revenues	<u>201 821 209</u>	<u>205 997 090</u>
<u>Operating costs</u>		
Cost of goods sold	(80 691 513)	(80 692 585)
External supplies	(50 470 090)	(55 801 421)
Personnel	(53 073 972)	(51 665 160)
Depreciation	(3 651 545)	(3 501 245)
Provisions and Impairments	(23 949 707)	(677 138)
Other operating costs	(3 020 115)	(1 634 888)
Total operating costs	<u>(214 856 942)</u>	<u>(193 972 437)</u>
Operating results	<u>(13 035 733)</u>	<u>12 024 653</u>
<u>Financial results</u>		
Gain & losses in associated companies	126 627	(139 978)
Other financial revenues	127 475	95 354
Interest and other financial costs	(6 983 602)	(7 287 855)
Results before taxes	<u>(6 729 500)</u>	<u>(7 332 479)</u>
	<u>(19 765 233)</u>	<u>4 692 174</u>
Income tax	(1 888 804)	(1 932 279)
Consolidated net profit	<u>(21 654 037)</u>	<u>2 759 895</u>
Due to:		
Main shareholders	(21 654 037)	2 759 895