IMPRESA
2014 Annual Report

IMPRESA - SGPS SA
Public Company
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SINGLE MANAGEMENT REPORT 2014

In compliance with the requirements imposed by law regarding public companies, the Board of Directors of IMPRESA – Sociedade Gestora de Participações Sociais, S.A. hereby presents its SINGLE MANAGEMENT REPORT relative to the financial year of 2014. In doing so, the Board was careful to include sufficient elements and information for the shareholders and investors in general to be able to assess the activity of the IMPRESA GROUP in a clear and objective manner within the respective horizon of intervention.

A) CONSOLIDATED ACCOUNTS

The consolidated financial statements were prepared according to IAS/IFRS provisions, as adopted by the European Union, which include the International Accounting Standards (IAS) issued by the International Standards Committee (IASC), the International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board (IASB), and the respective SIC and IFRIC interpretations issued by the International Financial Reporting Interpretation Committee (IFRIC) and Standing Interpretation Committee (SIC).

1. Executive Summary

- In 2014, IMPRESA achieved a consolidated net income of 11.0 M€, representing an increase of 66.8% in relation to the result of 6.6 M€ obtained in 2013, and is the best net profit figure since 2007.

- IMPRESA reached an EBITDA of 31.9 M€, representing an increase of 5.3% in relation to the value of 30.4 M€ registered in 2013.

- Total revenues reached 237.8 M€, representing a year-on-year increase of 0.3%, with a 4.8% growth in advertising revenues, with 7.2% in television.

- Net bank debt reached 176.4 M€ at the end of 2014, a year-on-year decrease of 11.8 M€. This reduction is a reflection of the continued commitment to the financial deleveraging of IMPRESA. In the last 6 years, net debt was reduced by 72 M€.

- SIC reached an EBITDA of 31.7 M€ in 2014, representing an increase of 6.7% in relation to the value of 29.7 M€ registered in 2013. SIC's EBITDA margin rose from 14.4% in 2013 to 17.9% in 2014.

- IMPRESA Publishing reached a positive EBITDA of 4.5 M€ in 2014, representing a year-on-year increase of 0.9%, in spite of a 6.9% decrease in its revenues.

- In 2014, SIC maintained its leadership of the main commercial targets (A/B C D 15/54 and A/B C D 25/54), during weekday prime time, with shares of 26.9% and 27.4%, respectively. For this results, contributed the leadership position which our novelas “Sol de Inverno” and “Mar Salgado” kept in prime-time.

- The IMPRESA has a 50% market share in digital sales and subscriptions in 2014 (APCT data), making it the largest media group in Portugal.

- Expresso continued to be the most sold weekly newspaper, with paid circulation values of 92,000 copies, and ended the year as the leading publication in both digital sales and online subscriptions. The launch of the digital edition of EXPRESSO Diário in May 2014, which reached an average number of sales of more than 17,000 in the last quarter of 2014, is also noteworthy.

- On 24 March 2014, IMPRESA was listed on the PSI 20, following the review of the index, having become the only media group on the main stock exchange in Portugal.

Table 1. IMPRESA Main Indicators IMPRESA

(Values in €)	dez-14	dez-13	ch %	4th Qt 2014	4th Qt 2013	ch %
Total Revenues	**237.780.059**	**237.176.998**	**0,3%**	**64.970.374**	**68.140.275**	**-4,7%**
Television Revenues	177.598.174	173.535.290	2,3%	48.030.684	50.365.988	-4,6%
Publishing Revenues	58.767.367	63.129.719	-6,9%	16.676.464	17.599.982	-5,2%
Ímpresa Others Revenues	1.414.518	511.989	176,3%	263.226	174.305	51,0%
Operating Costs	**205.835.951**	**206.826.427**	**-0,5%**		**56.829.943**	**-100,0%**
EBITDA	**31.944.108**	**30.350.571**	**5,3%**	**12.125.374**	**11.310.332**	**7,2%**
EBITDA Margin	**13,4%**	**12,8%**		**18,7%**	**16,6%**	
EBITDA Television	31.728.888	29.736.654	6,7%	10.926.599	10.574.736	3,3%
EBITDA Publishing	4.530.299	4.489.877	0,9%	2.650.111	1.673.405	58,4%
EBITDA Impresa Others	-4.315.079	-3.875.960	-11,3%	-1.451.336	-937.809	-54,8%
Net Profits	**11.006.338**	**6.597.529**	**66,8%**	**5.452.287**	**3.954.363**	**37,9%**
Net Debt (M€)	**176,4**	**188,2**	**-6,3%**	**176,4**	**188,2**	**-6,3%**

Notes: EBITDA = Operating Results + Amortisations and Depreciation + Impairment Losses. Net Debt = Loans (ST+MLT) - Cash and Cash Equivalents. (1) Does not consider Amortisations and Depreciation and Impairment Losses.

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2. Consolidated Accounts Analysis

IMPRESA reached consolidated revenues of 237.8 M€ in 2014, representing an increase of 0.3% in relation to the value registered in 2013. In the 4th quarter, consolidated revenues came to 65 M€, which represented a year-on-year decrease of 4.7%. This decrease was mainly on other revenues, with the decline in multimedia revenues.

From the business activity in 2014, is worth mention:

- 4.8% increase in advertising revenues, with a 7.2% growth in the television area.
- 1.6% increase in channel subscription revenues, with a 17.9% growth in international revenues.
- 5.9% decline in circulation revenues.
- 60.3% growth in the content sales for the international market, and of InfoPortugal, which was insufficient to offset the 8.3% decrease in other revenues.

Table 2. Total Revenues

(Values in €)	Dec-14	Dec-13	ch %	4th Qt 2014	4th Qt 2013	ch %
Total Revenues	**237.780.059**	**237.176.998**	**0,3%**	**64.970.375**	**68.140.275**	**-4,7%**
Advertising	121.844.840	116.258.330	4,8%	36.711.758	35.505.936	3,4%
Channel Subscription	45.125.528	44.427.380	1,6%	11.425.982	11.009.257	3,8%
Circulation	25.698.074	27.322.029	-5,9%	6.372.069	6.585.315	-3,2%
Others	45.111.617	49.169.259	-8,3%	10.460.566	15.039.767	-30,4%

Operating costs, without considering amortisations and depreciation and impairment losses, reached 205.8 M€, which represented a decrease of 0.5% in relation to 2013. The decline in fixed and variable costs, of 0.3% and 0.6% respectively, contributed to this decrease.

The good performance in terms of revenues and operating costs enabled consolidated EBITDA to reach 31.9 M€ at the end of 2014, which represented a gain of 5.3% in relation to the 30.4 M€ obtained in 2013. The EBITDA margin came to 13.4% in comparison to 12.8% in 2013. In the 4th quarter, consolidated EBITDA came to 12.1 M€ (margin of 18.7%), representing a 7.2% increase relative to the 4th quarter of 2013 (margin of 16.6%).

The depreciation charges fell 27.5% to 3.8 M€ at the end of 2014, which enabled EBIT - which came to 28.1 M€ - to grow 12.1% relative to 2013.

In 2014, the negative financial results improved 3.9% relative to 2013, reaching 11.3 M€. This positive variation was mainly due to the reduction in the value of interest-bearing liabilities, which offset the increase in forex losses.

In 2014, earnings before tax and non-controlling interests was positive by 16.6 M€, in comparison to the value of 13.3 M€ achieved in 2013, i.e. a growth of 24.5%.

In 2013, IMPRESA achieved a consolidated net income of 11.0 M€, an increase of 66.8% in relation to the value of 6.6 M€ obtained in 2013.

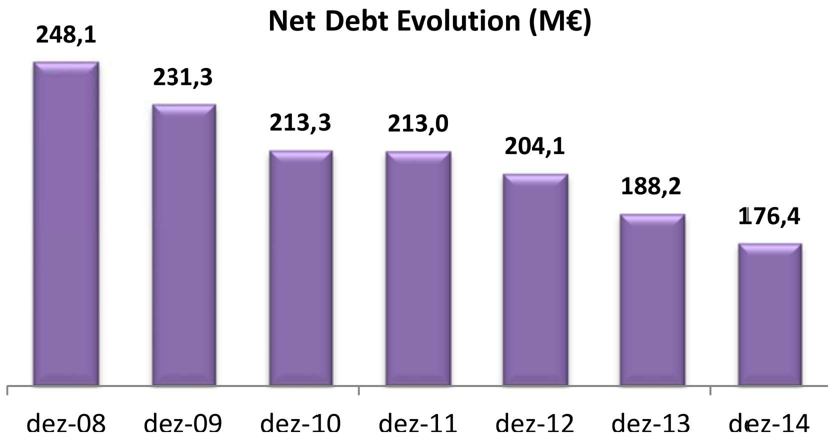
Table 3. Profit & Loss

(Values in €)	Dec-14	Dec-13	ch %	4th Qt 2014	4th Qt 2013	ch %
Total Revenues	**237.780.059**	**237.176.998**	**0,3%**	**64.970.374**	**68.140.275**	**-4,7%**
Television	177.598.174	173.535.290	2,3%	48.030.684	50.365.988	-4,6%
Publishing	58.767.367	63.129.719	-6,9%	16.676.464	17.599.982	-5,2%
Impresa Others	1.414.518	511.989	176,3%	263.226	174.305	51,0%
Operating Costs	**205.835.951**	**206.826.427**	**-0,5%**	**52.845.000**	**56.829.943**	**-7,0%**
Total EBITDA	**31.944.108**	**30.350.571**	**5,3%**	**12.125.374**	**11.310.332**	**7,2%**
EBITDA margin	**13,4%**	**12,8%**		**18,7%**	**16,6%**	
Television	31.728.888	29.736.654	6,7%	10.926.599	10.574.736	3,3%
Publishing	4.530.299	4.489.877	0,9%	2.650.111	1.673.405	58,4%
Impresa Others	-4.315.079	-3.875.960	-11,3%	-1.451.336	-937.809	-54,8%
Depreciation	3.811.373	5.259.100	-27,5%	901.903	1.176.010	-23,3%
EBIT	**28.132.735**	**25.091.471**	**12,1%**	**11.223.471**	**10.134.322**	**10,7%**
EBIT Margin	**11,8%**	**10,6%**		**17,3%**	**14,9%**	
Financial Results (-)	-11.341.458	-11.801.951	-3,9%	-3.262.338	-2.746.397	18,8%
Impairements	239.523	0	-	239.523	0	-
Res. bef.Taxes & Minorities	**16.551.754**	**13.289.520**	**24,5%**	**7.721.610**	**7.387.925**	**4,5%**
Taxes (IRC)(-)	5.545.410	0	-17,1%	2.269.317	3.433.562	-33,9%
Net Profits	**11.006.344**	**6.597.529**	**66,8%**	**5.452.293**	**3.954.363**	**37,9%**

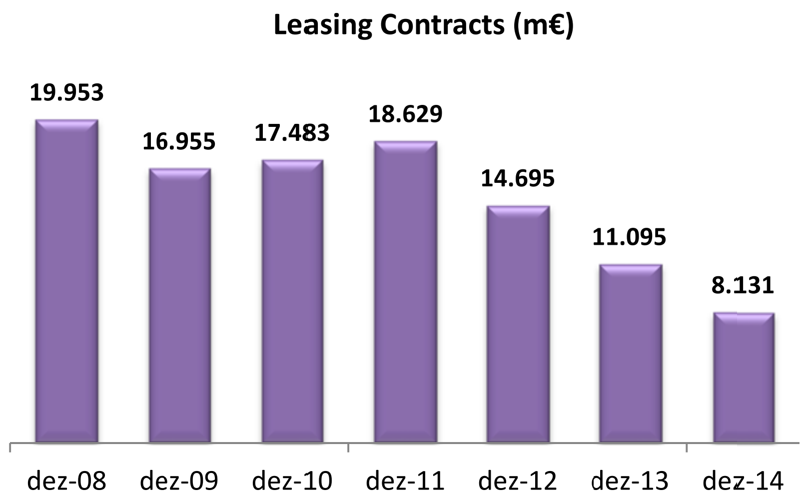
Note: EBITDA = Operating Results + Amortisations and Depreciation + Impairment Losses. (1) Does not consider Amortisations and Depreciation and Impairment Losses.

On the balance sheet side, at the end of 2014, net bank debt came to 176.4 M€, which is 11.8 M€ less than the value registered in 2013.

In the last quarter of 2014, a 4-year bond issue in the amount of 30 M€, and the issuance of two Commercial Paper Programmes, in a total amount of 26 M€, aimed at extending the maturity and reducing the cost debt, are noteworthy. At the end of 2014, medium and long term debt represented approximately 77% of total net bank debt.



With respect to financial leasing, the value at the end of 2014 came to 8.2 M€, a year-on-year decrease of 3 M€.



The debt-to-equity ratio rose from 30.1% in December 2013 to 33.8% at the end of 2014.

3. Television

Table 4. Television Indicators (Values in €)	Dec-14	Dec-13	ch %	4th Qt 2014	4th Qt 2013	ch %
Total Revenues	**177.598.174**	**173.535.290**	**2,3%**	**48.030.684**	**50.365.988**	**-4,6%**
Advertising	94.639.569	88.250.010	7,2%	27.892.364	26.653.252	4,6%
Channels Subscription	45.125.528	44.427.380	1,6%	11.425.982	11.009.257	3,8%
Others	37.833.077	40.857.900	-7,4%	8.712.338	12.703.479	-31,4%
Operating Costs	**145.869.286**	**143.798.636**	**1,4%**	**37.104.085**	**39.791.252**	**-6,8%**
EBITDA	**31.728.888**	**29.736.654**	**6,7%**	**10.926.599**	**10.574.736**	**3,3%**
EBITDA (%)	**17,9%**	**14,4%**		**22,7%**	**21,0%**	
Result. Before Taxes	**27.623.235**	**23.517.848**	**17,5%**	**10.536.364**	**9.330.337**	**12,9%**

Note: EBITDA = Operating Results + Amortisations and Depreciation + Impairment Losses. (1) Does not consider Amortisations and Depreciation and Impairment Losses.

SIC ended 2014 with total revenues of 177.6 M€, which represented an increase of 2.3% relative to 2013, with the 7.2% growth in advertising revenues being noteworthy, resulting from the audiences evolution in weekday's prime time and in the commercial targets, which was in line with the evolution of the television advertising market.

By the end of the year, advertising revenues represented approximately 53% of SIC's total revenues.

SIC consolidated its position in domesticl fiction in 2014. The IMPRESA Group's TV station has led the "made in Portugal" novela audiences for almost three years. The station took top spot with "Dancin' Days", continued with "Sol de Inverno" and is breaking all records with "Mar Salgado", which started in September 2014.

The soap opera "Mar Salgado" is the most watched programme on Portuguese television, with close to 1.5 million loyal viewers, corresponding to a market share of 30.7%, making it the undisputed and absolute leader in the commercial targets.

In 2014, SIC maintained its leadership in the commercial targets (A/B C D 15/54 and A/B C D 25/54), during weekday prime time, with shares of 26.9% and 27.4%, respectively.

Over the whole day, SIC ended 2014 with a share of 19.1% and maintained its leadership in the commercial targets (A/B C D 15/54 e A/B C D 25/54), amongst generalist channels, with shares of 20% and 20.4%, respectively.

SIC's set of generalist and thematic channels achieved a collective share of 22.5% in 2014. In the commercial targets (A/B C D 15/54 and A/B C D 25/54), SIC's set of channels ended 2014 in the leading position, with 23.8% and 24.4%, respectively.

In addition to "Mar Salgado", SIC's solid performance in weekday prime time is largely due to the extraordinary results of the soap operas “Sol de Inverno”, “Amor à Vida”, “Guerreira” and, more recently, “Império” and “Lado a Lado” (with shares of 24.3% and 23.9%, respectively).

Among the remaining programming, special reference should be made of the Golden Globes Gala, a partnership with CARAS, and the European Football League, namely the final playoff between Benfica and Seville, which was the 2nd most watched programme on Portuguese television in the first half of 2014.

Subscription revenues generated by SIC's 8 channels distributed over cable and satellite, in Portugal and abroad, grew 1.6% in 2014 to 45.1 M€. This growth was driven by the 17.9% increase in international revenues.

In 2014, SIC's subscription channels maintained a collective share of 3.3%, with SIC Notícias standing out as the information channel most preferred by the Portuguese, with a share of 1.7%.

With regards to the other thematic channels, SIC Mulher obtained a share of 0.6%, SIC Radical a share of 0.6% and SIC K, in spite of only being present on the MEO platform, obtained a share of 0.3%. The SIC Caras channel, launched in December 2013 on the ZON platform, ended 2014 with a share of 0.1%.

In 2014, the international distribution of the SIC channels played a fundamental role in SIC's growth strategy. SIC Notícias expanded its presence to new distributors in Canada and France, SIC K began in Cape Verde and SIC Caras also began, in July 2014, to be distributed on the ZAP platform for the Angolan and Mozambican markets. SIC Internacional began being broadcast by new North American operators and, in December 2014, initiated its broadcasting to the United Kingdom.

In 2014, the SIC channels increased their presence to 14 countries and 57 operators.

Within its international expansion, SIC launched its 8th channel - DSTV Kids, in November 2014. The first channel produced by SIC for the Multichoice platform, for exclusive distribution in the markets of Angola and Mozambique.

The sites of the SIC Universe registered a positive performance in 2014, with traffic rising 7.1%, in terms of unique visitors, and with a monthly average of 3.9 million visitors. The sites of SIC and SIC Notícias underwent a complete overhaul during 2014, with emphasis on the new site of SIC Notícias which, after its renovation, grew 31% in unique visitors.

In 2014, there was a 7.4% decrease in other revenues. In spite of the growth in the sales of contents to the international markets, this decrease in other revenues was mainly due to the entry into force, in the second half of the year, of the self-regulation agreement on telephone participation competitions concluded between television operators.

The sales of contents surpassed the 1.0 M€ barrier for the first time, with the sales of SIC soap operas to foreign operators, namely the sale of “Laços de Sangue” to TV Zimbo and RAI.

SIC's operating costs, in the amount of 145.9 M€, grew 1.4% in 2014, mainly due to the effect of the increase in variable costs associated to other revenues. Programming costs remained at the same level as in 2013, in spite of having 2 additional channels broadcast during 2014.

This positive operational performance enabled an EBITDA of 31.7 M€, an increase of 6.7% relative to the value of 29.7 M€ obtained in 2013, and a margin of 17.9%, against 14.4% in 2013.

In 2014, SIC obtained results before taxes of 27.6 M€, corresponding to an increase of 17.5% relative to the result of 23.5 M€ achieved in 2013.

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4. Publishing

Table 5. Publishing Indicators

(Values in €)	Dec-14	Dec-13	ch %	4th Qt 2014	4th Qt 2013	ch %
Total Revenues	**58.767.367**	**63.129.719**	**-6,9%**	**16.676.464**	**17.599.982**	**-5,2%**
Advertising	27.110.453	27.951.195	-3,0%	8.571.458	8.232.663	4,1%
Circulation	25.698.074	27.322.029	-5,9%	6.372.069	6.585.315	-3,2%
Others	5.958.840	7.856.495	-24,2%	1.732.937	2.782.004	-37,7%
Operating Costs	**54.237.068**	**58.639.842**	**-7,5%**	**14.026.353**	**15.926.577**	**-11,9%**
EBITDA	**4.530.299**	**4.489.877**	**0,9%**	**2.650.111**	**1.673.405**	**58,4%**
EBITDA (%)	**7,7%**	**7,1%**		**15,9%**	**9,5%**	
Result. Before Taxes	**2.238.225**	**1.710.176**	**30,9%**	**2.420.269**	**978.453**	**147,4%**

Note: EBITDA = Operating Results + Amortisations and Depreciation + Impairment Losses. (1) Does not consider Amortisations and Depreciation and Impairment Losses.

In the Publishing segment, which continues to be significantly affected by the Portuguese economic environment, total revenues reached 58.8 M€ in 2014, which represented a decline of 6.9% in relation to 2013. This negative evolution of revenues was across to all the activities of IMPRESA Publishing.

Advertising revenues fell 3% in 2014, in spite of having registered a growth of 4.1% in the 4th quarter.

In 2014, circulation revenues reached 25.7 M€, which represented a decrease of 5.9% relative to 2013 (only 3.2% in the 4th quarter), whose growth in the digital area and the increase of some retail prices – Expresso and TV Mais - were unable to offset.

During a year marked by the generalised decline in circulation, the publications of IMPRESA Publishing maintained their positions of leadership in the different market segments, having registered 3 increases, namely Blitz, Courier and Visão História. Expresso continued to be the most sold weekly newspaper, with paid circulation values in excess of 92,000 thousand copies and the paid circulation of the newsmagazine Visão exceeded 77,000 thousand copies.

Whilst circulation sales continue to decline, digital sales continued to increase their share, with a year-on-year growth of 42.8%, representing 3.7% of total circulation revenues. Of a total of 119,000 subscribers to the Group's publications, at the end of 2014 digital subscribers represented 19.2%.

The year of 2014 was marked by the launch of EXPRESSO Diário in May, only available to subscribers and buyers of the weekly paper edition, which enabled a strong growth of digital sales and subscriptions. Expresso ended the year with 11,544 digital subscribers, in addition to the more than 6,000 users of vouchers.

The IMPRESA Group, with a market share of 50.3% was, in 2014 (APCT data), the largest media group in terms of sales and subscriptions of digital copies of its publications.

In the digital area, the sites of IMPRESA Publishing continued to register a high volume of traffic. In 2014, the sites achieved an average of 12.1 million visits and 67.0 million pageviews. Also noteworthy is the rapid growth of mobile traffic which, in 2014, reached an average of 15.5% and, at the end of 2014, already represented 25% of total traffic, representing about double the traffic relative to the end of 2013.

Overall, total digital revenues now represent 6.4% of IMPRESA Publishing's turnover, having increased 50.4% in 2014.

Facing a difficult economic climate, other revenues, which include namely sales of associated products and customer publishing, fell 24.2% relative to 2013, having reached 6.0 M€.

Operating costs, in the amount of 54.2 M€, registered a decline of 7.5% relative to the previous year. The main reason for this reduction was the decrease in fixed and variable costs, of 3% and 11% respectively, primarily associated to the production item.

This operational performance enabled a positive EBITDA of 4.5 M€, an increase of 0.9% relative to the value obtained in 2013. The EBITDA margin came to 7.7% in 2014 (7.1% in 2013), whilst in the 4th quarter EBITDA registered a year-on-year growth of 58.4%, with a margin of 15.9% (9.5% in the 4th quarter of 2013).

In 2014, results before taxes reached 2.2 M€, an increase of 30.9% relative to the value of 1.7 M€ reached in 2013.

During 2014, the following events were noteworthy:

- Award of the Prémio Pessoa 2012 to the researcher Maria Manuel Mota, with the presence of the President of the Republic, and award of the Prémio Pessoa 2014 to the physician Henrique Leitão (award ceremony to be held in 2015).
- "Energy of Portugal" Initiative, in partnership with EDP
- VISÃO Solidária Conference, in partnership with Montepio.
- Golden Globes Gala, partnership between the magazine Caras and SIC.
- "Mid-Day Expresso" Conferences, in partnership with Banco Popular
- Portugal under Examination" Conference, 25 years, in partnership with Banco Popular
- 500 Biggest & Best, in partnership with Randstand
- 1000 Largest SMEs, in partnership with CGD
- Best Companies to Work for in Portugal, in partnership with Accenture
- Global Management Challenge, in partnership with SDG
- Global Investment Challenge, in partnership with SDG
- Car of the Year / Essilor Crystal Wheel Trophy

- Primus Inter-Peer Award, in partnership with Banco Santander Totta
- Branquinho da Fonseca Award, in partnership with the Gulbenkian Foundation
- "Look at the Future" Conference, in partnership with Deutsche Bank
- "Prosperous Portugal" Conference, in partnership with Deutsche Bank
- "Cities of the Future" Conference, in partnership with IBM

At the start of 2015, the following should be noted in relation to EXPRESSO:

- the launch of “E”, the new magazine of EXPRESSO, a new product for the reader, which complements the reading of the first section and of the economics section. “E” is a magazine about behaviour, large newspaper formats, culture and leisure time recommendations.
- the launch of the morning newsletter "EXPRESSO Curto", which aims to be another step in the digital transition and in the permanent relationship with readers.

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5. IMPRESA Other

Table 6. Impresa Others Indicators (Values in €)	Dec-14	Dec-13	ch %	4th Qt 2014	4th Qt 2013	ch %
Total Revenues	**1.414.518**	**511.989**	**176,3%**	**263.226**	**174.305**	**51,0%**
InfoPortugal + Olhares	**1.810.701**	**1.479.272**	**22,4%**	**434.200**	**370.016**	**17,3%**
Others & Inter-segments	**-396.183**	**-967.283**	**59,0%**	**-170.974**	**-195.711**	**12,6%**
Operating Costs	**5.729.597**	**4.387.949**	**30,6%**	**1.714.562**	**1.112.114**	**54,2%**
EBITDA	**-4.315.079**	**-3.875.960**	**-11,3%**	**-1.451.336**	**-937.809**	**-54,8%**
InfoPortugal + Olhares	-224.897	55.261	n.a.	-341.807	47.489	n.a.
Others & Inter-segments	-4.094.064	-3.931.221	-4,1%	-1.113.411	-985.298	-13,0%
Result. Before Taxes	**-13.309.706**	**-11.938.502**	**-11,5%**	**-5.235.023**	**-2.923.402**	**-79,1%**

Note: EBITDA = Operating Results + Amortisations and Depreciation + Impairment Losses. (1) Does not consider Amortisations and Depreciation and Impairment Losses.

This segment, which includes the management and financial costs of the holding, also includes the operating activities of Infoportugal, a company dedicated to information technologies and content production, namely aerial photography, cartography and georeferenced contents, and the exploitation of the photography website and the Olhares Academy, as well as the the Group inter segments adjustments.

It should be noted that, during 2014, the merger through incorporation of the company Olhares into InfoPortugal was completed.

InfoPortugal achieved revenues of 1.8 M€ in 2014, representing a year-on-year increase of 22.4%. In terms of EBITDA, the company registered a negative value of 224.9 thousand euros at the end of 2014, in comparison to the positive result of 55.3 thousand euros obtained in 2013. This negative result was mainly due to the need to recognise provisions for trade receivable impairments in the amount of 325 thousand euros.

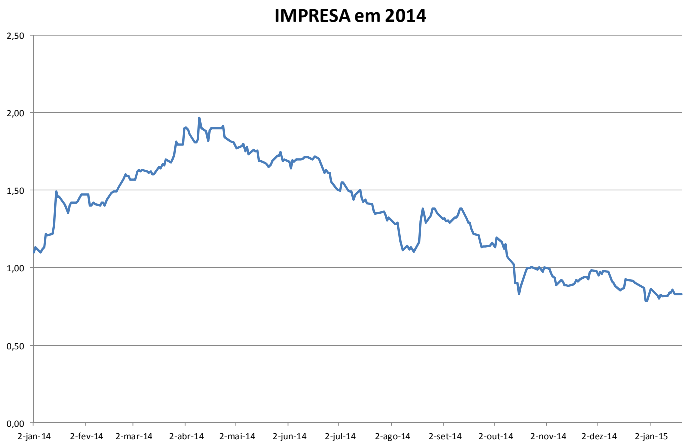
In the activity of InfoPortugal, focusing on the specialised production of integrated georeferenced contents and solutions for the tourism sector, InfoPortugal was selected to develop 11 digital platforms, portals and applications for smartphones and tablets.

In terms of digital photogrammetry, 2014 was a particularly productive year, with a total of 250 flight hours and 25,000 km2 of covered area having been accumulated.

During 2014, InfoPortugal maintained its focus on the development of innovative products and services, through Research and Development projects, in cooperation with different Universities, in the areas associated to geographic information systems. Worth mention is new Ribatejo tourist information networ, Digital Aerial Photography for DGT, a georeferencing terrestrial video of Ascendi road infrastructures, and production of the EPG - Electronic Programme Guide – for a local cable provider.

It is important to mention that in 2014, a new platform of the Olhares.com site was launched, whose reformulation positioned the portal at the level of the latest technological trends and usability, in addition to the offer of new features and services. The new portal enabled advertising revenues to increase during 2014.

6. IMPRESA in the Stock Market

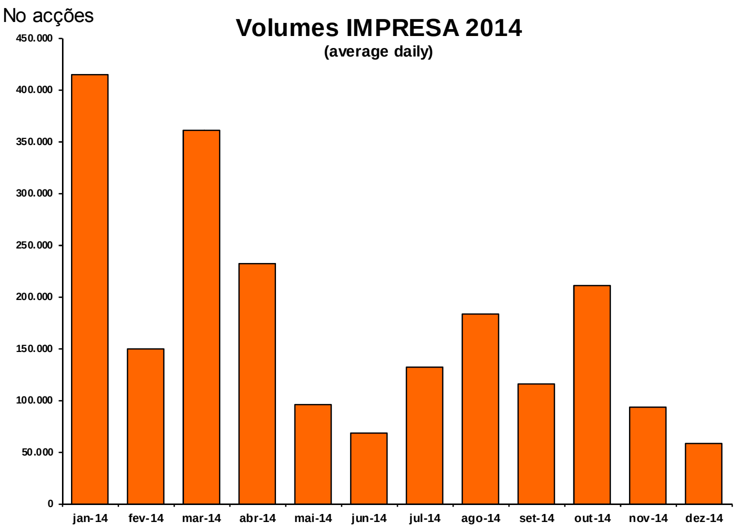


After two years during which the main stock market indices increased, 2014 continued this trend, with the exception of the indices of the European peripheral markets, as was the case of Portugal. While the EuroStoxx appreciated by 2.9% in 2014, the PSI 20 closed 2014 with a decline of 26.8%, only surpassed, in the European continent, by the Greek market.

The performance of the Portuguese market was particularly affected by the bankruptcy of BES and its consequent negative impact on Portugal Telecom. Apart from the losses recorded in the index, this occurrence influenced the confidence of foreign investors, which led to the widespread decline of stock values.

In turn, the European media sector showed a positive performance, with the DJ EuroStoxx Media having appreciated by 7.3% in 2014, after the 33.7% appreciation recorded in 2013. However, the subsector of television companies' securities depreciated by 4.5%.

IMPRESA shares, which appreciated strongly in 2013 by 251.6%, depreciated by 27.7% during 2014.



It should be noted that in January 2014, a block of shares representing 23% of the capital was dispersed on the stock exchange. This dispersion led to an increase of liquidity and free float and, together with the appreciation recorded at that time, enabled IMPRESA to be eligible to return to the PSI 20, which took place on 24 March 2014.

The dispersion, which increased the free-float to approximately 40% of the capital, simultaneously led to a recovery of the traded volumes. The average transaction volume increased from 54.3 thousand shares/day in 2013 to 176.1 thousand shares/day in 2014 (+224%).

7. Prospects

The macroeconomic environment in 2014 was more positive than in 2013, and the estimates for 2015 point to further improvement. However, it is important to mention that the negative impact on other revenues, namely those related to multimedia revenues, which is expected to affect the first two quarters of 2015.

Based on the results achieved in 2014, IMPRESA, which will continue to maintain tight control of operating costs, to improve its operational indicators as well as the continued reduction of interest-bearing liabilities.

B) INDIVIDUAL ACCOUNTS

1. Analysis of Individual Accounts

The Board of Directors of IMPRESA decided to adopt, in the preparation of its individual financial statements, the IAS/IFRS as endorsed by the European Union, considering 1 January 2008 as the transition date for the purpose of calculating the conversion adjustments. Hence, the individual financial statements presented since then have been prepared in accordance with these accounting standards.

During 2014, in individual terms, the operating results were negative by 4,340.7 thousand euros, compared with the negative results of 3,777.7 thousand euros, reached in 2013.

The financial results were positive by 5,656.2 thousand euros, compared with the positive value of 4,296.6 thousand euros achieved in 2013, as a consequence of the increase of dividends received from the participated companies.

The net profit for 2014 was positive, to the value of 2,785.2 thousand euros, compared to the 1,146.6 thousand euros reached in 2013.

2. Proposed appropriation of net profit

It is proposed that the net profit for the year of 2,785,154 euros should be applied as follows:

- to the legal reserve .... 139.258 euros
- to retained earnings .... 2,645,896 euros

With a view to enabling a regular dividend distribution policy in the future, the Board of Directors also proposes, in order to cover the outstanding negative retained earnings in the respective balance sheet heading, of the amount of 4,954,594 euros, that a sum of the same amount should be withdrawn from the heading of Free Reserves.

C) ACTIVITY OF THE NON-EXECUTIVE DIRECTORS

Non-executive directors, in compliance with the duties entrusted to them by law, participated in the meetings of the Board of Directors, namely in meetings where the quarterly, half-year and annual accounts for the financial year of 2014 were appraised and approved, and in the general meetings of shareholders. These directors did not encounter any constraints in the performance of their duties.

Under the terms of the law and IMPRESA Audit Committee regulations, the activity of the non-executive members of the Audit Committee are described in a separate report, which is an integral part of the IMPRESA 2014 Annual Report.

D) ACKNOWLEDGEMENTS

The Board of Directors would like to thank the employees for their effort and dedication shown during the year under analysis, which enabled the results presented to be obtained.

The Board of Directors would also like to thank the Statutory Auditor, Deloitte & Associados, SROC and the following banks for the collaboration provided during the financial year of 2013: Banco BPI, Caixa Geral de Depósitos, Caixa Banco de Investimento, Novo Banco, BESI, Millennium BCP, Banco Santander Totta, Banco Popular, Montepio Geral and Banco BIC.

Lisbon, 16 March 2015

The Board of Directors

Francisco José Pereira Pinto de Balsemão

Francisco Maria Supico Pinto Balsemão

Pedro Lopo de Carvalho Norton de Matos

Alexandre de Azeredo Vaz Pinto

António Soares Pinto Barbosa

Maria Luísa Coutinho Ferreira Leite de Castro Anacoreta Correia

Miguel Luís Kolback da Veiga

José Manuel Archer Galvão Telles

IMPRESA

Sociedade Gestora de Participações Sociais, SA.

IMPRESA

2014 Individual Report

(Amounts stated in Euros)

INTRODUCTORY NOTE

Impresa – Sociedade Gestora de Participações Sociais, S.A. ("the Company" or "Impresa") has its head-office in Lisbon and was founded on 18 October 1990, its main activities being the management of investments in other companies.

Impresa is the parent company of a group made up of Impresa and its subsidiaries ("the Group"). The Group operates in the media industry, namely in television broadcasting, publishing (newspapers and magazines) and other audiovisual activities.

The accompanying financial statements were approved for publication by Impresa's Board of Directors on 16 March 2015.

The Company has also prepared consolidated financial statements in accordance with legislation.

2. MAIN ACCOUNTING POLICIES

2.1 Bases of presentation

The financial statements were prepared on a going concern basis, from the Company's accounting records, maintained in accordance with the provisions of International Financial Reporting Standards as endorsed by the European Union, which include the International Accounting Standards ("IAS") issued by the International Accounting Standards Committee ("IASC"), the International Financial Reporting Standards ("IFRS") issued by the International Accounting Standards Board ("IASB") and the related "SIC" and "IFRIC" interpretations issued by the International Financial Reporting Interpretation Committee ("IFRIC") and Standing Interpretation Committee ("SIC"), respectively. These standards will hereinafter be referred to as "IFRS".

Impresa adopted IFRS in the preparation of its separate financial statements for the first time in 2009 and so, in compliance with IFRS 1 – First-time Adoption of International Financial Reporting Standards ("IFRS 1"), the date of transition from Portuguese generally accepted accounting principles to IFRS rules was 1 January 2008.

Therefore, in compliance with IAS 1, Impresa declares that these financial statements and related notes comply with the requirements of IAS/IFRS as endorsed by the European Union, in force for the years beginning on 1 January 2014.

2.2 Adoption of new or revised IAS/IFRS

The accounting policies used in the year ended 31 December 2014 are consistent with those used for the preparation of the separate financial statements of Impresa for the year ended 31 December 2013 and refered in the corresponding notes.

The following standards, interpretations, amendments and revisions endorsed by the European Union are of mandatory application in the year ended 31 December 2014:

Standard / Interpretation	Applicable to years beginning on or after	Brief description
IFRS 10 – Consolidated Financial Statements	01-jan-14	This standard established the requirements relating to the presentation of consolidated financial statements of the parent company, replacing, for these matters, standard IAS 27 – Consolidated and Separate Financial Statements and SIC 12 – Consolidation – Special Purpose Entities. This standard also introduced new rules regarding the definition of control and determination of the consolidation perimeter.

(Amounts stated in Euros)

Standard / Interpretation	Applicable to years beginning on or after	Brief description
IFRS 11 – Joint Arrangements	01-jan-14	This standard replaces IAS 31 – Interests in Joint Ventures and SIC 13 – Jointly Controlled Entities – Non Monetary Contributions by Venturers, and eliminates the possibility of using the proportional consolidation method for recording interests in joint ventures.
IFRS 12 – Disclosures of Interests in Other Entities	01-jan-14	This standard establishes a new set of disclosures relating to participations in subsidiaries, joint agreements, associates and entities not consolidated.
IAS 27 – Separate financial statements (2011)	01-jan-14	This standard restricts the scope of application of IAS 27 to separate financial statements.
IAS 28 – Investments in Associates and Joint Ventures (2011)	01-jan-14	This amendment ensures consistency between IAS 28 – Investments in Associates and the new standards adopted, especially IFRS 11 – Joint Arrangements.
Amendment to standards: - IFRS 10 – Consolidated Financial Statements; - IFRS 12 – Disclosures of Interests in Other Entities (Investment Entities)	01-jan-14	This amendment introduced an exemption from the consolidation of certain entities that qualify for the definition of investment entities. It also establishes the rules for measuring investments held by these investment entities.
Amendment to IAS 32 – Compensation between financial assets and liabilities	01-jan-14	This amendment clarifies certain aspects of the standard relating to the application of the compensating requirements between financial assets and liabilities.
Amendment to IAS 36 - Impairment of assets (Disclosures relating to the recoverable amount of non-financial assets)	01-jan-14	This amendment eliminates the disclosure requirements of the recoverable amount of a cash generating unit with goodwill or intangibles of undefined useful life allocated to periods in which no impairment loss or impairment recovery is recognized. It introduces additional disclosure requirements for assets for which an impairment loss or reversal of impairment is recognized and their recoverable amount has been determined based on fair value less costs to sell.
Amendment to IAS 39 – Financial Instruments: Recognition and measurement (reformulation of derivatives and continuation of hedge accounting)	01-jan-14	This amendment permits the continued use of hedge accounting in certain circumstances when a derivative designated as a hedging instrument is reformulated.
IFRIC 21 – Levies	01-jan-14	This amendment establishes the conditions as to timing of the recognition of a liability relating to payment by an entity to the State as a result of a specific event (for example, participation in a specific market), without the payment having specific goods or services received in exchange.

The adoption of these standards interpretations, amendments and revisions did not have a significant effect on the Company's financial statements for the year ended 31 December 2014.

The following standards, interpretations, amendments and revisions applicable to future years have, to the date of approval of the accompanying financial statements, been endorsed by the European Union:

Standard / Interpretation	Applicable to years beginning on or after	Brief description
Improvements to international financial statement standards (2011-2013 cycle)	01-jan-15	These standards include clarification of some aspects relating to the standards IFRS 1 – First time Adoption of International Financial Reporting Standards, IFRS 3 – Business Combinations, IFRS 13 Fair Value Measurement and IAS 40 – Investment Properties.

The Company did not early adopt any of these standards in its financial statements for the year ended 31 December 2014. However, significant impact on the consolidated financial statements is not expected as a result of this adoption.

(Amounts stated in Euros)

The following standards, interpretations, amendments and revisions, applicable to the Company, applicable to future years have not been endorsed by the European Union, to the date of approval of the accompanying financial statements:

Standard / Interpretation	Brief description
IFRS 9 – Financial Instruments (2009) and subsequent amendments	This standard is part of the IAS 39 revision project and establishes the requirements for classification and measurement of financial assets and liabilities and for application of the hedge accounting rules.
IFRS 15 –Revenue from Contracts with Customers	This standard introduces a framework for recognizing revenue based on principles supported by a model to be applied to all contracts entered into with clients.
Amendment to IFRS 11 – Joint Arrangements	This amendment clarifies that IFRS 3 must be applied when an investor acquires an interest in a jointly controlled entity when it consists of a business as defined by the standard. Application of IFRS 3 is required on the intial acquisition and subsequent acquisitions of interests.
Amendments to IAS 16 – Tangible Fixed Assets and IAS 38 – Intangible Assets	These amendments clarify the methods permitted for depreciation of tangible fixed assets and amortization of intangible assets.
Amendment to IAS 19 – Employee benefits	This amendment clarifies the circumstances under which employees' contributions to post-employment benefit plans consist of a decrease in the cost of short term benefits.
Amendments to IFRS 10 – Consolidated Financial Statements and IAS 28 – Investments in Associates and Joint Ventures (2011)	These amendments eliminate the conflict existing between the standards, relating to the sale or the contribution of assets between an investor and the associate or jointly controlled entity.
Amendment to IAS 27 – Separate Financial Statements (2011)	This amendment introduces the possibility of applying the equity method, to value investments in subsidiaries, associates and jointly controlled entities, in the separate financial statements of an entity that presents consolidated financial statements.
Amendments to IFRS 10 – Consolidated Financial Statements, IFRS 12 – Disclosures of interests in Other Entities and IAS 28 – Investments in Associates and Joint Ventures (2011)	These amendments clarify several aspects relating to the application of the consolidation exception by investment entities.
Amendment to IAS 1 – Presentation of Financial Statements	This amendment introduces a series of indications and guidelines aimed at improving and simplifying disclosures in the context of the current requirements of IFRS reporting.
Improvements to international financial statement standards (2010-2012 and 2012-2014 cycles)	These improvements involve the revision of several standards.

These standards have not yet been endorsed by the European Union, and so, have not been applied by the Company in the year ended 31 December 2014.

2.3 Investments in group and associated companies

Equity investments in group and associated companies are recorded at cost, which includes the amount paid plus transaction costs or at deemed cost as of the date of transition to IFRS, which corresponds to the amount recorded as of that date in accordance with generally accepted accounting principles in Portugal. Investments are maintained at cost of acquisition or deemed cost, less any estimated impairment losses, when applicable.

Supplementary capital contributions made by the Company to group and associated companies are recorded at nominal value less any impairment losses. Such contributions are added to the amount of the investment in group and associated companies due to their permanent nature, they do not bear interest and in accordance with the applicable commercial legislation, they can only be repaid if, after repayment, equity of the companies is not less than the sum of their capital and non-distributable reserves.

Dividends attributed by group and associated companies are recorded as financial income and decreases in capital are recorded as decreases in the amount of the investment.

2.4 Financial instruments

2.4.1 Other current assets

Other current assets are initially recorded at their nominal value and are presented net of any impairment losses. Impairment losses of these assets are recorded when there is objective evidence that all the amounts due will not be collected in accordance with the terms originally established for settlement of the amounts due. The amount of the loss corresponds to the difference between the nominal value and the estimated recoverable value and is recognized in the statement of profit or loss and other comprehensive income for the year.

2.4.2 Cash and cash equivalents

Cash and cash equivalents comprise cash and term deposits which mature in less than three months that are readily convertible to cash with an insignificant risk of change in value.

For the purposes of the cash flow statement, cash and cash equivalents also include bank overdrafts, reflected under the caption “Bank borrowings” in the statement of financial position.

2.4.3 Borrowings

Borrowings are initially recognized as liabilities at the amount received, net of expenses relating to their issuance.

Expenses incurred with the issuance of borrowings are recognized in accordance with the amortized cost method, in the statement of profit or loss and other comprehensive income over the period of the borrowings.

Financial costs relating to bank interest and similar costs, such as stamp tax, are recognized in the statement of profit or loss and other comprehensive income on an accruals basis, the amounts due as of the date of closing the financial statements being classified as “Other current liabilities”.

2.4.4 Loans from group companies

Loans from group companies are recorded at their nominal value.

2.4.5 Trade and other payables and other current liabilities

Payables are recorded at their nominal value and do not bear interest.

2.5 Provisions and contingent liabilities

Provisions are recognized when there is a present legal or implied obligation resulting from a past event, the resolution of which will probably require expending internal resources, the amount of which can be reasonably estimated.

The amount of provisions is reviewed and adjusted at each statement of financial position date so as to reflect the best estimate at that time.

When any of the above mentioned conditions is not met, the corresponding contingent liability is not recorded but only disclosed, unless a future outflow of funds affecting future financial benefits is remote, in which case it is not disclosed.

2.6 Pension liability

The Company has assumed the commitment to grant its employees and remunerated Board Members hired up to 5 July 1993, pension supplements for retirement due to age and incapacity. The pensions consist of a percentage which increases with the number of years of service to the company, applied to the salary table, or a fixed percentage applied to the base salary in force in 2002.

The liability for the payment of retirement, incapacity and survivor pensions is recorded in accordance with the provisions of IAS 19, which requires companies with pension plans to recognise the cost of granting such benefits as the services are rendered by the benefiting employees and board members.

Therefore, at the end of each accounting period, the Company obtains an actuarial study made by an independent entity, in order to determine its liability at that date and the pension cost to be recognised in the period. The liability thus estimated is compared with the market value of the pension fund assets in order to determine the amount of contributions to be made or recorded.

The effect of changes in the assumptions and differences between the assumptions used and the actual amounts is considered as actuarial gains and losses, being recognized in equity (other comprehensive income).

2.7 Income tax

Income tax for the year consists of current tax and deferred tax and is recorded in accordance with the provisions of IAS 12.

Impresa is covered by the special regime for the taxation of groups of companies (Regime Especial de Tributação dos Grupos de Sociedades - “RETGS”), which covers all the companies in which Impresa has a direct or indirect participation of at least 75% and comply with the other conditions of the regime. The other companies of the Impresa Group not covered by the special regime for the taxation of groups of companies are taxed individually based on their taxable income at the applicable tax rates.

In determining income tax cost for the year, in addition to current tax, the effect of deferred tax is also considered, calculated based on the difference between the book value of assets and liabilities and their corresponding value for tax purposes.

Deferred tax assets and liabilities are calculated and assessed annually using the tax rates expected to be in force when the temporary differences reverse.

Deferred tax assets are only recognised when there is reasonable expectation that there will be sufficient future taxable income to use them. At each statement of financial position date, a review of the temporary differences underlying the deferred tax assets is made so as to recognize the deferred tax assets not previously recognized because they did not fulfill the conditions required for them to be recognized and/or reduce the amount of the deferred tax assets based on the current expectation of their future recovery.

2.8 Accruals basis

Costs and income are recorded in the period to which they relate, independently of the date they are paid or received.

Financial costs and income relating to interest are recognized on an accruals basis in accordance with the applicable effective interest rate.

2.9 Classification of the statement of financial position

Assets realizable and liabilities payable in less than one year from the statement of financial position date are classified as current assets and liabilities, respectively.

2.10 Subsequent events

Events that occur after the end of the year that provide additional information of conditions that existed at that date are reflected in the financial statements.

Events that occur after the end of the year, that provide additional information on conditions that existed after that date, if significant, are disclosed in the notes to the financial statements.

2.11 Impairment of assets

Impairment tests are made of assets as of the statement of financial position date and whenever events or changes in circumstances are identified that indicate that the amount of an asset may be impaired.

Whenever the book value of an asset exceeds its recoverable amount, an impairment loss is recognized in the statement of profit or loss and other comprehensive income.

(Amounts stated in Euros)

The recoverable amount is the higher of the net selling price and value in use. Net selling price is the amount that could be obtained from the sale of the asset in a transaction between knowledgeable independent entities, less the costs directly attributable to the sale. Value in use is the present value of the estimated future cash flows from continued use of the asset and its sale at the end of its useful life. Value in use results from future cash flows discounted based on discount rates that reflect the present value of the principal and the specific risk of the asset.

Whenever the book value of an asset exceeds its recoverable amount, an impairment loss is recognised in the statement of profit or loss and other comprehensive income for the period to which it refers. When an impairment loss is subsequently reversed, the book value of the asset is adjusted to its estimated value. However, impairment losses are reversed only up to the amount that would have been recognised had no impairment loss been recognised for the asset in prior years, net of amortisation or depreciation. The reversal of impairment losses is recognised immediately in the statement of profit or loss and other comprehensive income.

2.12 Changes in accounting policies and estimates

In 2014, there were no changes in accounting policies in relation to those used in the financial statements for the year ended 31 December 2013, nor were material errors relating to prior years recognized.

In the year ended 31 December 2014, as a result of adopting the revised version of IAS 19, the mandatory application of which occurred for the first time in that year, the Company restated its financial statements as of 1 January 2012 and 31 December 2012.

As a result of the uncertainties relating to the operations, the basis used for the amounts estimated is the most recent reliable information available, the main estimates relating to the impairment analyses of the investments, provisions, market value of the financial instruments and pension liabilities. The revision of a prior period estimate is not considered as an error. Changes in estimates are only recognized prospectively in results and are subject to disclosure when the effect is significant. Estimates are determined based on the best information available at the time of preparing the financial statements.

3. OTHER OPERATING REVENUES

Other operating revenues for the years ended 31 December 2014 and 2013 are made up as follows:

	2014	2013
Excess estimated income tax	49,534	-
Other operating revenue	1	59
	49,535	59

4. EXTERNAL SUPPLIES AND SERVICES

This caption for the years ended 31 December 2014 and 2013 are made up as follows:

	2014	2013
Rents (a)	300,250	292,765
Specialized works	225,131	198,941
Others	158,489	141,103
	683,870	632,809

(a) This caption for the years ended at 31 December 2014 and 2013 includes 89,784 Euros charged each year by related entities (Note 22).

(Amounts stated in Euros)

5. PERSONNEL COSTS

Personnel costs for the years ended 31 December 2014 and 2013 are made up as follows:

	2014	2013
Remuneration of the corporate boards (Note 22)	950,911	878,124
Personnel remuneration	1,601,078	1,274,936
Charges on remuneration	589,669	428,485
Others	190,922	225,734
	3,332,580	2,807,279

The Company had an average of 22 and 15 employees during the years ended 31 December 2014 and 2013, respectively.

6. OTHER OPERATING COSTS

Other operating costs for the years ended 31 December 2014 and 2013 are made up as follows:

	2014	2013
Taxes	301,052	255,063
Subscriptions	71,529	81,151
Other operating costs	1,176	1,489
	373,757	337,703

7. NET FINANCIAL ITEMS

Net financial items for the years ended 31 December 2014 and 2013 are made up as follows:

	2014	2013
Financial costs:		
Interest (a)	(2,613,708)	(855,482)
Other financial costs	(184,313)	(125,264)
	(2,798,021)	(980,746)
Net gains/(losses) on group and associated companies:		
Dividends (b)	8,437,823	5,260,327
Effect of sale of NoniusSoft, Software e Consultoria para Telecomunicações, S.A. ("NoniusSoft")	16,368	-
Effect of liquidation of Impresa Serviços – Sociedade Unipessoal, Lda. ("Impresa Serviços")	-	16,980
	8,454,191	5,277,307
	5,656,170	4,296,561

(a) At 31 December 2014, this caption included 1,789,669 Euros charged by related entities (Nota 22).

(b) This caption at 31 December 2014 and 2013 corresponds to dividends received from the following companies (Note 22):

	2014	2013
SIC - Sociedade Independente de Comunicação, S.A. ("SIC")	8,017,823	5,160,327
Vasp - Distribuidora de Publicações, S.A. (“Vasp”)	420,000	100,000
	8,437,823	5,260,327

8. DIFFERENCES BETWEEN THE ACCOUNTING AND TAX RESULTS

The Company is subject to Corporation Income Tax under the Special Regime for the Taxation of Groups of Companies (Regime Especial de Tributação dos Grupos de Sociedades - "RETGS") together with its subsidiaries: Office Share - Gestão de Imóveis e Serviços, S.A. ("Office Share"), Impresa Serviços e Multimédia, Lda. ("ISM"), Impresa Publishing, S.A. ("Impresa Publishing"), SIC, GMTS – Global Media Technology Solutions – Serviços Técnicos e Produção Multimédia, Sociedade Unipessoal, Lda. ("GMTS"), Medipress - Sociedade Jornalística e Editorial, Lda. ("Medipress") and InfoPortugal - Sistemas de Informação e Conteúdos, S.A. ("InfoPortugal").

The Company is subject to corporation income tax at the rate of 23% on taxable income plus a municipal surcharge at the rate of 1.5% of taxable income, resulting in a maximum aggregate tax rate of 24.5%.

Furthermore, taxable income exceeding 1,500,000 Euros is subject to State surcharge at the following rates:
- 3% on taxable profit between 1,500,000 Euros and 7,500,000 Euros;
- 5% on taxable profit between 7,500,000 Euros and 35,000,000 Euros;
- 7% on taxable profit exceeding 35,000,000 Euros.

In accordance with Law 82-B/2014 of 31 December, which approved the State Budget for 2015, the Corporation Income Tax rate was reduced to 21% for the year starting on 1 January 2015.

In 2014, Impresa opted, in its consolidated tax return, to apply this regime to net financial costs of the Impresa Group, for purposes of determining the Group's taxable profit. Therefore, in 2014 deductible net financial costs for purposes of determining taxable profit, determined individually, is subject to the greater of the following limits:
- 1,000,000 Euros;
- 60% of the profit before amortization and depreciation, net financial costs and taxes.

In addition, net financial costs for 2015 are deductible, progressively each year up to 2017, for determining taxable income of each company individually, to the greater of the following limits:
- 1,000,000 Euros;
- 50% of the profit before amortization and depreciation, net financial costs and taxes.

In accordance with article 88 of the Corporation Income Tax Code, the Company is subject to autonomous taxation on certain charges, at the rates established in that article.

In accordance with current legislation, tax returns are subject to review and correction by the tax authorities during a period of four years (five years for social security), except where there have been tax losses, tax benefits have been given or tax inspections, claims or contestations have been made, in which case, depending on the circumstances, the period can be extended or suspended. Therefore, the Company's tax returns for the years 2011 to 2014 are still subject to review.

The Board of Directors believes that any corrections resulting from revisions/inspections by the tax authorities of these tax returns will not have a significant effect on the financial statements as of 31 December 2014 and 2013.

In accordance with current legislation, tax losses can be carried forward during a period of 12 years after their occurrence for deduction from taxable income generated in that period, limited to 70% of the Group's taxable income in each year, applicable also to tax losses incurred in prior years.

At 31 December 2014 and 2013 Impresa and its subsidiaries included in the tax consolidation (RETGS) did not have any tax losses carried forward.

(Amounts stated in Euros)

a) Temporary differences – Changes in deferred tax assets

31 December 2014:

	Tax losses carried forward
Balance at 31 December 2013	-
Increases	1,567,873
Recovery (Note 19)	(1,567,873)
Balance at 31 December 2014	-

31 December 2013:

	Tax losses carried forward
Balance at 31 December 2012	-
Increases	872,859
Recovery (Note 19)	(872,859)
Balance at 31 December 2013	-

Deferred tax assets resulting from tax losses carried forward, generated during the years ended 31 December 2014 and 2013 were fully used up in the years then ended as a result of the taxable profit calculated by the companies included in the consolidated tax return (RETGS).

b) Temporary differences – Changes in deferred tax liabilities

31 December 2014:

	Pension fund
Balance at 31 December 2013	68,363
Effect of change in the tax rate	(3,888)
Increase/(decrease) with effect on other comprehensive income	(20,747)
Increase/(decrease) with effect on profit or loss	875
Balance at 31 December 2014	44,603

31 December 2013:

	Pension fund
Balance at 31 December 2012	75,205
Effect of change in the tax rate	(5,675)
Increase/(decrease) with effect on other comprehensive income	(1,861)
Increase/(decrease) with effect on profit or loss	694
Balance at 31 December 2013	68,363

(Amounts stated in Euros)

c) Reconciliation of the tax rate

	2014	2013
Profit before income tax	1,315,498	518,829
Nominal tax rate	23%	25%
Estimated income tax	302,565	129,707
Permanent differences (i)	(1,869,563)	(1,001,872)
Adjustment to taxable profit (ii)	97,342	63,938
Insufficiency estimated income tax of prior years	-	180,490
Income tax for the year	(1,469,656)	(627,738)
Current tax (Note 19)	97,342	63,938
Deferred tax generated in the year	(1,566,998)	(872,165)
Insufficiency estimated income tax of prior years	-	180,490
	(1,469,656)	(627,738)

(i) These amounts were made up as follows at 31 December 2014 and 2013:

	2014	2013
Dividends received (Note 7)	(8,437,823)	(5,260,327)
Non-tax deductible interest	-	855,482
Others, net	309,287	397,356
	(8,128,536)	(4,007,489)
	23%	25%
	(1,869,563)	(1,001,872)

(ii) This amount corresponds to corporate income tax taxed autonomously.

d) Tax processes in progress

As a result of a tax inspection carried out to ISM and its related tax procedures, in 2011, 2012, 2013 and 2014 Impresa was notified of additional corporation income tax assessments for the years 2008, 2009, 2010, 2011 and 2012, under which the Tax Administration did not accept the tax deductibility of interest on part of the loan from BPI to finance the acquisition of non-remunerated shareholders' loans of BPI (prior shareholder) to Solo (entity merged in prior years into ISM. The reasons alleged by the Tax Administration for this non-acceptance is that the normal and current activities of ISM do not include the granting of loans to subsidiaries (it is not a holding company) and such charges are not related to loans obtained for its direct operations. The corrections to taxable income amount to 3,415,295 Euros for 2008, 2,105,621 Euros for 2009, 2,161,788 Euros for 2010, 3,114,777 Euros for 2011 and 943,005 Euros for 2012.

At 31 December 2014, the additional tax assessments for the years 2008, 2009 and 2010 had been legally contested, the same procedure relating to the additional assessment for 2011 having been followed in the beginning of 2015. As regards the correction to taxable income for 2012, Impresa was notified by the Tax Authorities of the additional assessment of 255,112 Euros, the period for contesting it being in progress in March 2015 (Note 24).

In addition, at 31 December 2014, as a result of the above contestations for the years 2010 and 2011, Impresa gave bank guarantees of 2,991,811 Euros (Note 20). Bank guarantees were not given for the contestations for the years 2008 and 2009 as the tax consolidation for these years presented tax losses carried forward (used in the year 2010) that offset the above additional tax assessments.

The Board of Directors believes, based on the opinion of its lawyers, that the prospects of success of the claims and/or contestation of the action that it will make, are reasonable and so no provision has been made for that tax contingency.

(Amounts stated in Euros)

9. EARNINGS PER SHARE

Earnings per share for the years ended 31 December 2014 and 2013 were computed as follows:

	2014	2013
Profit for the year	2,785,154	1,146,567
Number of shares (Note 13)	168,000,000	168,000,000
Earnings for the year per share	0.0166	0.0068
Comprehensive income for the year	2,725,107	1,146,509
Number of shares (Note 13)	168,000,000	168,000,000
Comprehensive income for the year per share	0.0162	0.0068

As there are no situations that involve dilution, diluted earnings per share are the same as earnings per share.

10. INVESTMENTS IN GROUP AND ASSOCIATED COMPANIES

The changes in investments in group and associated companies and in the related accumulated impairment losses in the years ended 31 December 2014 and 2013 were as follows:

31 December 2014:

	Investments	Supplementary capital contributions	Total
Investments:			
Balance at 31 December 2013	124,336,030	58,500,750	182,836,780
Increases (a)	-	13,819,800	13,819,800
Decreases (b)	(8,704,758)	-	(8,704,758)
Balance at 31 December 2014	115,631,272	72,320,550	187,951,822

(a) The increase in the caption "Supplementary capital contributions" refers to supplementary capital contributions made to ISM and Office Share in the amounts of 12,671,050 Euros (of which 7,330,000 Euros were paid in 2014 and 5,341,050 Euros result from the conversion of shareholders' loans made in cash in prior years) and 1,148,750 Euros, respectively.

(b) This caption corresponds to 8,667,016 Euros received as a result of a decrease in the capital of SIC and 37,742 Euros relating to the sale 10,822 shares of NoniusSoft to that same entity for 54,110 Euros, generating a gain of approximately 17,000 Euros.

31 December 2013:

	Investments	Supplementary capital contributions	Total
Investments:			
Balance at 31 December 2012	124,335,370	41,540,750	165,876,120
Increases (a)	660	17,260,000	17,260,660
Decreases (b)	-	(300,000)	(300,000)
Balance at 31 December 2013	124,336,030	58,500,750	182,836,780

(a) The increase in the caption "Investments" refers to the acquisition of a participation in in the fund Nexponor – Sociedade Especial de Investimento Imobiliário de Capital Fixo – SICAFI – S.A. ("Nexponor"). The increase in the caption "Supplementary capital contributions" corresponds to supplementary capital contributions made to ISM, Impresa Publishing and Office Share, in the amounts of 14,960,000 Euros, 2,000,000 Euros and 300,000 Euros, respectively.

(Amounts stated in Euros)

(b) The decrease in the caption "Supplementary capital contributions" is due to liquidation of Impresa Serviços, which resulted in a gain of 16,980 Euros (Note 7).

At 31 December 2014 and 2013 the Company had the following investments in group and associated companies (accounting information of the participations taken from their financial statements prepared in accordance with generally accepted accounting principles in Portugal ("SNC"):

31 December 2014:

Company	Head office	Net assets	Equity	Total revenue	Net profit/ (loss) for the year	Percentage participation	Book value	Impairment losses	Permanent loans	Total investment
Impresa Publishing (a)	Lisbon	51,045,312	3,539,066	26,755,586	1,525,529	100%	35,611,372	(10,149,415)	5,500,000	30,961,957
Office Share (a)	Oeiras	15,691,300	8,934,431	1,265,683	96,704	99.89%	5,942,500	-	3,745,930	9,688,430
SIC	Carnaxide	113,112,773	32,216,351	177,598,171	19,882,081	51.00%	79,389,999	-	-	79,389,999
ISM (a)	Lisbon	100,819,737	(1,740,517)	4,754,925	4,613,513	100%	500,000	-	63,071,050	63,571,050
Vasp	Queluz	36,436,453	11,377,694	210,862,180	944,869	33.33%	1,910,566	-	-	1,910,566
Lusa	Lisbon	12,350,290	5,440,087	14,757,048	(802,415)	22.35%	890,732	-	-	890,732
NoniusSoft	Maia	n.a.	n.a.	n.a.	n.a.		1,534,858	-	-	1,534,858
Visapress - Gestão de Conteúdos dos Media, C.R.L. ("Visapress")	Lisbon	n.a.	n.a.	n.a.	n.a.	10.00%	5,000	(5,000)	3,570	3,570
Nexponor	Porto	n.a.	n.a.	n.a.	n.a.	0.001%	660	-	-	660
							125,785,687	(10,154,415)	72,320,550	187,951,822

31 December 2013:

Company	Head office	Net assets	Equity	Total revenue	Net profit/ (loss) for the year	Percentage participation	Book value	Impairment losses	Permanent loans	Total investment
Impresa Publishing (a)	Lisboa	29,370,473	2,229,178	28,725,582	892,778	100%	35,611,372	(10,149,415)	5,500,000	30,961,957
Office Share (a)	Oeiras	16,172,325	7,687,726	1,542,235	321,878	99.89%	5,942,500	-	2,597,180	8,539,680
SIC	Carnaxide	141,241,188	45,049,641	169,752,878	15,721,221	51.00%	88,057,015	-	-	88,057,015
ISM (a)	Lisboa	107,150,875	(18,844,222)	11,742,957	1,248,566	100%	500,000	-	50,400,000	50,900,000
Vasp	Queluz	36,044,522	11,392,976	210,500,919	1,204,798	33.33%	1,910,566	-	-	1,910,566
Lusa	Lisboa	13,015,047	5,894,854	14,476,905	(945,688)	22.35%	890,732	-	-	890,732
NoniusSoft	Maia	n.a	n.a	n.a	n.a		1,572,600	-	-	1,572,600
Visapress	Lisboa	109,594	9,984	57,739	7,738	10.00%	5,000	(5,000)	3,570	3,570
Nexponor	Porto	n.a	n.a	n.a	n.a	0.001%	660	-	-	660
							134,490,445	(10,154,415)	58,500,750	182,836,780

(a) The equity of these investments includes amounts recorded by the Company as supplementary capital contributions in the caption "Permanent loans".

In 2014 and 2013, the Company did not identify impairment losses in its investments.

Investments in group and associated companies were valued by the Board of Directors considering the cash generating units controlled by Impresa, as well as the key assumptions of each, in conformity with the information presented in Note 17 to the consolidated financial statements.

(Amounts stated in Euros)

11. OTHER CURRENTASSETS AND LIABILITIES

Other current assets at 31 December 2014 and 2013 are made up as follows:

	2014	2013
Group companies - consolidated tax return (Notes 19 and 22)		
SIC	7,178,531	7,266,940
Impresa Publishing	388,523	-
GMTS	260,778	248,669
Medipress	305,293	286,826
Office Share	31,381	-
	8,164,506	7,802,435
Group companies (Note 22):		
ISM	-	5,341,050
SIC	-	201,411
Impresa Publishing	5,485,284	115,628
	5,485,284	5,658,089
Others	355,262	43,172
	355,262	43,172
	14,005,052	13,503,696

Accounts receivable from Group companies at 31 December 2014 and 2013 in the amounts of 8,164,506 Euros and 7,802,435 Euros, respectively, correspond to estimated income taxes, withholdings taxes at source and payments on account of those subsidiaries recorded in accordance with the RETGS (Note 19).

“Other current liabilities” at 31 December 2014 and 2013 is made up as follows:

	2014	2013
Group companies - consolidated tax regime (Notes 19 and 22)		
ISM	1,389,088	1,366,129
InfoPortugal	81,074	37,624
Office Share	-	150,031
Impresa Publishing	-	2,296
	1,470,162	1,556,080
Group companies - prior year tax consolidations (Note 22):		
SIC	1,601,190	-
Accrued costs:		
Personnel vacation pay and vacation bonus	454,113	453,720
Interest	207,524	49,699
Others	185,158	12,494
	846,795	515,913
Others	5,323	-
	3,923,470	2,071,993

Accounts payable to group companies in the amounts of 1,470,162 Euros and 1,556,080 Euros at 31 December 2014 and 2013, respectively, correspond to estimated income tax, withholding taxes and payments on account of those subsidiaries recorded under the RETGS (Note 19).

(Amounts stated in Euros)

12. CASH AND CASH EQUIVALENTS

The caption "Cash and cash equivalents" included in the cash flow statements as of 31 December 2014 and 2013 and the reconciliation thereof to the amount of cash and cash equivalents reflected in the statement of financial position as of those dates are as follows:

	2014	2013
Bank deposits	101,867	58,386
Cash	4,775	2,233
	106,642	60,619

The caption cash and cash equivalents includes cash and bank deposits payable on demand.

13. CAPITAL

At 31 December 2014 and 2013, capital was fully subscribed for and paid up and amounted to 84,000,000 Euros, represented by 168,000,000 shares of fifty cents each, which are held as follows, according to the participations reported to the Stock Exchange Commission (CMVM):

	2014		2013	
	Percentage held	Amount	Percentage held	Amount
Impreger - Sociedade Gestora de Participações Sociais, S.A. ("Impreger")	50.31%	42,257,294	50.31%	42,257,294
FIL, Ltd.	5.32%	4,466,500	0.00%	-
Invesco, Ltd.	5.12%	4,299,295	0.00%	-
Madre - SGPS, S.A.	4.97%	4,172,181	4.97%	4,172,181
BPI Group	3.69%	3,100,000	3.69%	3,100,000
Newshold - SGPS, S.A.	2.40%	2,019,382	3.21%	2,698,269
Santander Asset Management	2.83%	2,375,627	0.00%	-
UBS Group AG	2.52%	2,115,683	0.00%	-
Hendersen Global Investors, Ltd.	2.50%	2,100,000	0.00%	-
TT International	2.47%	2,075,000	0.00%	-
Ongoing Group:				
Ongoing Energy - SGPS, S.A.	0.00%	-	23.43%	19,678,695
Investoffice - Investimentos e Consultoria	0.00%	-	0.32%	267,412
Others	17.88%	15,019,040	14.08%	11,826,149
	100.00%	84,000,000	100.00%	84,000,000

14. SHARE PREMIUM

This caption corresponds to premiums obtained in share capital increases made in previous years. In accordance with current legislation, utilisation of this reserve is subject to the same rules as the legal reserve and so this amount is not available for distribution to the shareholders but may be used to absorb losses, once all the other reserves and retained earnings have been exhausted, or to increase capital.

15. RESERVES

At 31 December 2014 and 2013, the caption "Legal Reserve" corresponds to the Company's legal reserve recorded in accordance with commercial legislation, which provides that at least 5% of annual profit must be appropriated to a legal reserve until the reserve equals the minimum requirement of 20% of share capital. The reserve is not available for distribution except upon liquidation of the Company, but may be used to absorb losses, once all the other reserves and retained earnings have been exhausted, or to increase capital.

(Amounts stated in Euros)

The changes in reserves in 2014 and 2013 were as follows:

31 December 2014:

	Legal reserve	Other reserves	Accumulated losses
Balance at 1 January 2014	1,050,761	5,730,695	(8,689,728)
Increases (a)	57,329	-	1,089,238
Decreases (b)	-	(60,047)	-
Balance at 31 December 2014	1,108,090	5,670,648	(7,600,490)

(a) The increase in these captions results from the decision of the Shareholders' General Meeting held on 23 April 2014 to appropriate net profit for the year ended 31 December 2013 as follows:

Legal reserve	57,329
Accumulated losses	1,089,238
	1,146,567

(b) The decrease in this caption is due to the actuarial gains and losses on the pension plan in the net amount of 60,047 Euros.

31 December 2013:

	Legal reserve	Other reserves	Accumulated losses
Balance at 1 January 2013	1,050,761	5,730,753	-
Decreases (a)	-	(58)	(8,689,728)
Balance at 31 December 2013	1,050,761	5,730,695	(8,689,728)

(a) The decrease in this caption is due to the actuarial gains and losses of 58 Euros in the pension plan and the decision of the Shareholders' General Meeting held on 23 April 2013, in which the loss for the year ended 31 December 2012 was transferred in full to the caption "Accumulated losses".

16. BORROWINGS

Borrowings at 31 December 2014 and 2013 are made up as follows:

	31 December 2014				31 December 2013			
	Book value		Nominal value		Book value		Nominal value	
Lending entities	Non-current	Current	Non-current	Current	Non-current	Current	Non-current	Current
Caixa Geral de Depósitos, S.A. (a)	-	14,957,663	-	15,000,000	-	-	-	-
Novo Banco, S.A. and Banco Espírito Santo de Investimento, S.A. (b)	29,623,347	-	30,000,000	-	-	-	-	-
Caixa Geral de Depósitos, S.A. (c)	-	-	-	-	-	4,000,000	-	4,000,000
Caixa Geral de Depósitos, S.A. (d)	-	-	-	-	-	5,929,649	-	6,000,000
Guaranteed current accounts (e)	-	-	-	-	-	5,400,000	-	5,400,000
	29,623,347	14,957,663	30,000,000	15,000,000	-	15,329,649	-	15,400,000

(a) Issuance of commercial paper under a commercial paper program for a period of 3 years with maturities up to six months, ending on 23 December 2017, with an initial amount of 15,000,000 Euros, which will progressively be reduced to 3,750,000 Euros at the last issuance. At 31 December 2014 this commercial paper issue bore interest at the Euribor rate for the maturity period plus a spread of 2.85%.

In accordance with this loan, in addition to Impresa, SIC and Impresa Publishing have assumed certain covenants, on a solidarity basis, including, among others, requirements to repay principal and pay interest. In addition, Impreger and Impresa must not cease to hold directly the majority of the capital of Impresa and SIC, respectively.

(b) On 12 November 2014, the Company issued bonds totalling 30,000,000 Euros, corresponding to 600 bonds of 50,000 Euros each, repayable on 12 November 2018. The bonds bear interest at the Euribor 6 month rate plus a spread of 4%.

(Amounts stated in Euros)

Under the terms of with this loan, the Company assumed certain commitments, not ceasing to hold all the share capital of SIC and Impresa Publishing and Impregar must not cease to hold a majority (50.1%) of the Company's capital.

At 31 December 2014 these bonds were listed for trading (Euronext), their market value being similar to the amount recorded in the financial statements as of that date.

(c) In 2012 the Company restructured this debt through an amendment to its previous contract with Caixa Geral de Depósitos, S.A., under which 2014 was defined as the date for repayment of the remaining balance.

(d) Issuance of commercial paper under a commercial paper program for a period of five years ending on 18 December 2014 for the maximum amount of 6,000,000 Euros. Impresa was required to maintain a minimum 51% participation in SIC.

(e) Guaranteed current accounts that bear interest at normal market rates for similar operations.

In the years ended 31 December 2014 and 2013 the effective interest rates on the loans were as follows:

Financing entities	2014	2013
Caixa Geral de Depósitos, S.A.	3.02%	0.00%
Novo Banco, S.A. and Banco Espírito Santo de Investimento, S.A.	4.18%	0.00%
Caixa Geral de Depósitos, S.A.	-	3.59%
Caixa Geral de Depósitos, S.A.	-	3.69%
Guaranteed current accounts	5.26%	6.36%

If the interest rates had been 0.5% higher or lower in 2014 and 2013 net profit for these years would have decrease or increased by approximately 150,000 Euros and 84,000 Euros, respectively.

The Board of Directors believes that there are no cases of non-compliance with the requirements of the above mentioned borrowings, both as regards maintenance of the main participations in subsidiary companies, the limitation of investments or the distribution of dividends and the applicable financial covenants. The financial covenants to be complied with, not applicable to all the borrowings, correspond to the "Remunerated net debt/EBITDA Ratio" and the "Financial Autonomy Ratio", calculated based on the consolidated financial statements, in which the existence of possible non-compliance, could result in the financial entities requiring early repayment of the borrowings and/or change in the lending conditions previously agreed.

17. LOANS FROM GROUP COMPANIES

Loans from group companies at 31 December 2014 and 2013 are made up as follows (Note 22):

	2014	2013
SIC	29,330,894	47,552,323
Impresa Publishing	-	6,900,000
	29,330,894	54,452,323

The account payable to SIC bears interest at market rates for similar transactions.

(Amounts stated in Euros)

18. TRADE AND OTHER PAYABLES

Trade and other payables at 31 December 2014 and 2013 are made up as follows:

	2014	2013
SIC (Note 22)	1,692,807	154,715
Impresa Publishing (Note 22)	235,323	5,612
Other current account suppliers	59,514	128,560
	1,987,644	288,887

19. STATE AND OTHER PUBLIC ENTITIES

Taxes payable at 31 December 2014 and 2013 are made up as follows:

	2014	2013
Corporation income tax:		
Payments on account and special payments on account generated under RETGS	(5,213,676)	(657,659)
Corporate income tax generated under RETGS (a)	5,126,471	5,373,496
Estimated income tax (Note 8)	97,342	63,938
Personal income tax	129,400	196,058
Social Security contributions	111,920	75,510
	251,457	5,051,343

(a) This amount was made up as follows at 31 December 2014 and 2013:

	2014	2013
Accounts payable generated within RETGS (Note 11)	(1,470,162)	(1,556,080)
Accounts receivable generated within RETGS (Note 11)	8,164,506	7,802,435
	6,694,344	6,246,355
Tax losses used in the year within RETGS (Note 8)	(1,567,873)	(872,859)
	5,126,471	5,373,496

20. CONTINGENT LIABILITIES AND GUARANTEES GIVEN

At 31 December 2014, the Company had requested the issuance of bank guarantees totalling 2,991,811 Euros in favour of the Tax Department in guarantee of tax execution processes resulting from correction of corporation taxable income for the years 2010 and 2011 (Note 8).

At 31 December 2013, the Company had requested the issuance of bank guarantees totalling 1,956,648 Euros in favour of the Tax Department in guarantee of tax execution processes resulting from correction of corporation taxable income for the year 2010.

21. COMMITMENTS ASSUMED

21.1 Pensions

Impresa has assumed commitments to pay its employees and remunerated members of the Board of Directors hired before 5 July 1993, pension supplements for retirement due to age and incapacity. The benefits are calculated based on a percentage that increases with the number of years of service applied to the salary scale or a fixed percentage applied to the base salary defined as being the amounts in 2002.

In 1987, the Group created an autonomous pension fund to which it transferred its liability for the payment of the above pensions.

(Amounts stated in Euros)

In accordance with an actuarial study made by the entity managing the fund, the present value of the above mentioned past service liability for current and retired employees as of 31 December 2014 and 2013 was estimated at 802,520 Euros and 713,146 Euros, respectively, and the amount of the fund on those dates was 1,000,755 Euros and 992,175 Euros, respectively.

The actuarial study was made using the method known as “Projected Unit Credit” to calculate the pension for retirement due to disability and age, and considered the following main assumptions and actuarial and technical bases:

	2014	2013
Discount rate	2.60%	4.00%
Salary growth rate	0%	0%
Pension growth rate	0%	0%
Actuarial tables:		
Mortality	TV 88/90	TV 88/90
Incapacity	EVK 80	EVK 80
Decreases due to incapacity	100% EVK 80	100% EVK 80
Retirement age	65 years	65 years

The rate used was determined based on market income rates for high quality corporate bonds, consistent with the currency and the expected period of the benefits.

The method used was based on the creation of an adjusted interest rate curve, considering the income of a high quality corporate bonds which covers several maturities. For this, a Eurozone interest rate swap curve was considered, obtaining, through the bootstrapping method, a zero coupon curve. The interest rate curve used resulted from the application of a risk spread to the zero coupon curve obtained. To determine the spread, the *iTraxx Europe Main*, índex was used, that covers European corporate debt securities with an investment grade rating, therefore being considered of high quality. The rates for the intermediate term were obtained by straight-line interpolation, and for terms of less than 3 or more than 10 years a constant rate was used.

The pension fund is exposed to the following risks:

- Fund profitability risk

  The definition of an investment policy is the responsibility of Impresa, with the advice of the Managing Entity, respecting the limits and restrictions defined for each class of investment. Caixa Gestão de Activos, S.A. is the entity responsible for implementing the strategy and managing the financial assets of the Pension Fund. The securities held are selected considering the defined guidelines, taking into account the economic-financial realities and evolution of the market.

  The investment policy follows the benchmark management model, which defines the maximum limits of exposure for each class of assets and reference indices for each, against which performance is measured.

  There are some deviations between the makeup of the portfolio allocated and the benchmark, namely the significant monetary market component. This is due in part to the significant excess financing of the fund.

  The composition of the portfolio of assets obeys a set of rules aimed, through systematic spreading of risks and a benchmark process, at referencing and measuring the performance and risk of the portfolio, ensuring that the principles of diversification and spreading of risk are met.

  There are also precise guidelines regarding the quality of credit that establish minimum credit notations and limit the universe of investments.

  Financial flow projections were made for the liabilities up to the end of the useful life of the Pension Fund.

  This management model, not being specifically aimed at minimizing the mismatch between assets and liabilities, is justified as the residual maturity of the past service liability exceeds 70 years and its duration is of approximately 12 years, which makes an effective immunization strategy difficult. This strategy does not invalidate the rebalancing of the portfolio, considering the evolution of the liability.

In the years ended 31 December 2014 and 2013, the profitability of the fund was 5.51% and 3.8%, respectively, which is lower than the discount rate used. Expected income from the assets, considering the defined benchmark was 1.21% and is 1.13%, respectively, which is lower than the rate of income considered for the projection.

- Exchange risk
  The portfolio is preferably made up of securities in the same currency as that of the liability, that is Euros. At 31 December 2014 and 2013, the percentage of the portfolio exposed to exchange risk was 0.51% and 0.19%, respectively.

- Liquidity risk
  At 31 December 2014 and 2013 the Pension Fund had pension liabilities in payment which, due to the evaluation of its liquidity, was considered in the composition of the portfolio. Therefore, at those dates, the percentage of the portfolio invested in the monetary market was 18% and 21%, and so cash in the portfolio was sufficient to cover the payment of expected pensions over the next three to four years.

- Credit risk
  The control of credit risk takes into consideration the maturities of each security and is made in aggregate terms, considering in isolation both the fixed and variable rate. The investment policy stipulates a minimum investment grade notation or equivalent for any security to be acquired.

  At 31 December 2014 and 2013, 93.26% and 84.73% of the portfolio, respectively, consisted of BBB- grade or better securities. The securities in question are analysed and are only maintained in the portfolio if the issuer is comfortable with them, as well as their maturity, being permanently monitored.

In addition, sensitivity analyses of variations were made of the portfolio of assets, as regards interest rates in both the share and real estate markets. Therefore, for the fixed income component, increases in the interest rate curve of 1% and 2% and decreases of 10% and 15% were considered simultaneously for the share and real estate markets, it having been determined that in any of the simulations made, the amount of the portfolio is sufficient to cover the minimum level of solvency.

Furthermore, so as to assess the adequacy of the relationship between the assets and the liability, which in the sensitivity analyses made of the portfolio of assets to the various types of asset risk which, despite the expected profitability of the assets being lower than the discount rate used, if this scenario is maintained, it is not expected that it will be necessary to make any contribution to the Fund for the next 20 years.

(Amounts stated in Euros)

The changes in the amount of the past service liability to current and retired employees and the amount of the assets of the Company's plan in the years ended 31 December 2014 and 2013 were as follows:

	2014	2013
Present value of the liability for defined benefits at the beginning of the year	713,146	713,452
Benefits paid	(41,686)	(41,686)
Current service cost	8,058	8,521
Interest cost	26,907	27,704
Actuarial losses	96,095	5,155
Present value of the liability for defined benefits at the end of the year	802,520	713,146
Plan assets at the beginning of the year	992,175	997,244
Benefits paid	(41,686)	(41,686)
Interest of the plan	38,853	39,056
Financial gains/(losses)	11,413	(2,439)
Plan assets at the end of the year	1,000,755	992,175
Surplus	198,235	279,029

Composition of the Group's pension fund assets is disclosed in the notes to the consolidated financial statements.

The pension fund does not have any securities of the Impresa Group or any assets used by it.

The financial gain and loss resulting from differences between the assumptions used in determining the expected income from the assets and the effective amounts and the actuarial gains and losses between the assumptions used in determining the liability, were recorded as income and costs recognized directly in equity as other comprehensive income. The actuarial gains and losses recognized in the year ended 31 December 2014 result essentially from the effect of change in the discount rate. The remaining income and costs were recorded in the statement of profit or loss.

	2014	2013
Amounts recognized in the statement of profit or loss:		
Current service cost	(8,058)	(8,521)
Interest cost	(26,907)	(27,704)
Plan interest	38,853	39,056
	3,888	2,831
Amounts recognized as other comprehensive income:		
Actuarial (gains)/losses	96,095	5,155
Financial (gains)/losses	(11,413)	2,439
	84,682	7,594

21.2 Operating leases

The operating lease contracts in force do not have contingent lease instalments. The operating lease contracts mature as follows:

	2014	2013
Within one year	154,646	124,940
From one to five years	171,790	130,250
	326,436	255,190

(Amounts stated in Euros)

In 2014 and 2013 the Group recognized in the statements of profit or loss and other comprehensive income the amounts of approximately 162,000 Euros and 172,000 Euros, respectively, relating to operating lease contracts.

22. RELATED PARTIES

All the subsidiaries and associated companies belonging to the Impresa Group identified in the consolidated financial statements and the shareholder Impreger are considered as related parties.

Considering the Group governance structure and the decision making process, it only considers as "key management personnel", the Board of Directors, as the main operating decisions are made by the Impresa's Managing Director and the Board of Directors. In the years ended 31 December 2014 and 2013, transactions with the Board of Directors corresponded essentially to remuneration paid for performing their functions in the Impresa Group.

The balances at 31 December 2014 and 2013 and transactions during the years then ended with related parties were as follows:

	2014	2013
Transactions:		
Rent cost (Note 4)	89,784	89,784
Personnel costs (Note 5)	950,911	878,124
Interest and similar costs (Note 7)	1,789,669	-
Dividends received (Note 7)	8,437,823	5,260,327
Balances:		
Cash and cash equivalents (a)	4,025	10,522
Receivables (Note 11)	13,649,790	13,460,524
Loans obtained (Note 17)	29,330,894	54,452,323
Payables (Notes 11 and 18)	4,999,482	1,716,407

(a) These balances correspond essentially to bank deposits at Banco BPI, S.A..

In the years ended 31 December 2014 and 2013, pension supplements of 184,739 Euros were paid in each year by the pension fund to the Chairman of the Board of Directors.

In the years ended 31 December 2014 and 2013, no long term benefits for termination of labour contracts or payments in shares were attributed to members of the Board of Directors.

23. RISK MANAGEMENT

Risk is managed on a consolidated basis and so Note 40 of the consolidated financial statements should be consulted on this matter.

24. SUBSEQUENT EVENTS

In January 2015 Impresa was notified by the Tax Administration of an additional tax assessment of 255,112 Euros for the year 2012, the period for appealing it being in progress in March 2015 (Note 8).

25. NOTE ADDED FOR TRANSLATION

These financial statements are a translation of financial statements originally issued in Portuguese in conformity with International Financial Reporting Standards as endorsed by the European Union. In the event of discrepancies, the Portuguese language version prevails.

THE ACCOUNTANT | THE BOARD OF DIRECTORS

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

STATEMENTS OF FINANCIAL POSITION AS OF 31 DECEMBER 2014 AND 2013

(Amounts expressed in Euros)

(Translation of statements of financial position originally issued in Portuguese - Note 25)

ASSETS	Notes	31 December 2014	31 December 2013
NON-CURRENT ASSETS			
Investments in group and associated companies	10	187.951.822	182.836.780
Other non-current assets	21.1	198.235	279.029
Total current assets		188.150.057	183.115.809
CURRENT ASSETS			
Other current assets	11	14.005.052	13.503.696
Cash and cash equivalents	12	106.642	60.619
Total current assets		14.111.694	13.564.315
TOTAL ASSETS		202.261.751	196.680.124

EQUITY AND LIABILITIES	Notes	31 December 2014	31 December 2013
EQUITY:			
Capital	13	84.000.000	84.000.000
Share premium	14	36.179.271	36.179.271
Legal reserve	15	1.108.090	1.050.761
Other reserves	15	5.670.648	5.730.695
Accumulated losses	15	(7.600.490)	(8.689.728)
Net profit for the year		2.785.154	1.146.567
TOTAL EQUITY		122.142.673	119.417.566
LIABILITIES:			
NON-CURRENT LIABILITIES			
Borrowings	16	29.623.347	-
Deferred tax liabilities	8	44.603	68.363
Total non-current liabilities		29.667.950	68.363
CURRENT LIABILITIES:			
Borrowings	16	14.957.663	15.329.649
Loans from group companies	17	29.330.894	54.452.323
Trade and other payables	18	1.987.644	288.887
State and other public entities	19	251.457	5.051.343
Other current liabilities	11	3.923.470	2.071.993
Total current liabilities		50.451.128	77.194.195
Total liabilities		80.119.078	77.262.558
TOTAL EQUITY AND LIABILITIES		202.261.751	196.680.124

The accompanying notes form an integral part of the statement of financial position as of 31 December 2014 and 2013.

THE ACCOUNTANT

THE BOARD OF DIRECTORS

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

STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

FOR THE YEARS ENDED 31 DECEMBER 2014 AND 2013

(Amounts expressed in Euros)

(Translation of statements of profit or loss and other comprehensive income originally issued in Portuguese - Note 25)

	Notes	31 December 2014	31 December 2014
OPERATING REVENUES:			
Other operating revenues	3	49.535	59
OPERATING COSTS:			
External supplies and services	4	(683.870)	(632.809)
Personnel costs	5	(3.332.580)	(2.807.279)
Other operating costs	6	(373.757)	(337.703)
Total operating costs		(4.390.207)	(3.777.791)
Operating loss		(4.340.672)	(3.777.732)
NET FINANCIAL ITEMS:			
Net financial costs	7	(2.798.021)	(980.746)
Net gains/(losses) on group companies and associates	7	8.454.191	5.277.307
		5.656.170	4.296.561
Profit before income taxes		1.315.498	518.829
Income tax for the year	8	1.469.656	627.738
Net profit for the year		2.785.154	1.146.567
Other comprehensive income			
Items that will not be reclassified into the statement of profit and loss:			
Actuarial gains/(losses)	15	(60.047)	(58)
Comprehensive income for the year		2.725.107	1.146.509
Earnings for the year per share:			
Basic	9	0,0166	0,0068
Diluted	9	0,0166	0,0068
Comprehensive income for the year per share:			
Basic	9	0,0162	0,0068
Diluted	9	0,0162	0,0068

The accompanying notes form an integral part of the statement of profit or loss and other comprehensive income for the years ended 31 December 2014 and 2013.

THE ACCOUNTANT

THE BOARD OF DIRECTORS

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

STATEMENTS OF CHANGES IN EQUITY

FOR THE YEARS ENDED 31 DECEMBER 2014 AND 2013

(Amounts stated in Euros)

(Translation of a statement of changes in equity originally issued in Portuguese - Note 25)

	Capital	Share premium	Legal reserve	Other reserves	Accumulated losses	Net profit/(loss) for the year	Total equity
Balance at 1 January 2013	84.000.000	36.179.271	1.050.761	5.730.753	-	(8.689.728)	118.271.057
Pension plan - actuarial gains/(losses) (Note 21.1)	-	-	-	(7.594)	-	-	(7.594)
Pension plan - deferred tax liabilities (Note 8)	-	-	-	1.861	-	-	1.861
Pension plan - effect of change in the rate of tax deferred tax liabilities (Note 8)	-	-	-	5.675	-	-	5.675
Other comprehensive income	-	-	-	(58)	-	-	(58)
Other changes:							
Appropriation of the net loss for the year ended 31 December 2012 (Note 15)	-	-	-	-	(8.689.728)	8.689.728	-
Net profit for the year ended 31 December 2013	-	-	-	-	-	1.146.567	1.146.567
Balance at 31 December 2013	84.000.000	36.179.271	1.050.761	5.730.695	(8.689.728)	1.146.567	119.417.566
Pension plan - actuarial gains/(losses) (Note 21.1)	-	-	-	(84.682)	-	-	(84.682)
Pension plan - deferred tax liabilities (Note 8)	-	-	-	20.747	-	-	20.747
Pension plan - effect of change in the rate of tax deferred tax liabilities (Note 8)	-	-	-	3.888	-	-	3.888
Other comprehensive income	-	-	-	(60.047)	-	-	(60.047)
Other changes:							
Appropriation of net profit for the year ended 31 December 2013 (Note 15)	-	-	57.329	-	1.089.238	(1.146.567)	-
Net profit for the year ended 31 December 2014	-	-	-	-	-	2.785.154	2.785.154
Balance at 31 December 2014	84.000.000	36.179.271	1.108.090	5.670.648	(7.600.490)	2.785.154	122.142.673

The accompanying notes form an integral part of the statement of changes in financial position for the years ended 31 December 2014 and 2013.

THE ACCOUNTANT

THE BOARD OF DIRECTORS

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

CASH FLOW STATEMENTS FOR THE YEARS ENDED

31 DECEMBER 2014 AND 2013

(Amounts stated in Euros)

(Translation of cash flow statements originally issued in Portuguese - Note 25)

	Notes	31 December 2014	31 December 2013
OPERATING ACTIVITIES:			
Cash paid to suppliers		(740.457)	(448.725)
Cash paid to employees		(3.122.793)	(2.436.304)
Cash used in operations		(3.863.250)	(2.885.029)
Payments relating to income taxes		(1.780.208)	(239.793)
Other cash paid relating to operating activities		(560.126)	(322.038)
Net cash used in operating activities (1)		(6.203.584)	(3.446.860)
INVESTING ACTIVITIES			
Cash received relating to:			
Sale of investments in group and associated companies	10	54.110	-
Dividends	7	8.437.823	5.260.327
Decreases in capital	10	8.667.016	-
		17.158.949	5.260.327
Cash paid relating to:			
Acquisition of investments	10	-	(660)
Supplementary capital contributions	10	(8.478.750)	(17.260.000)
Loans to group companies	11	(5.485.290)	-
		(13.964.040)	(17.260.660)
Net cash from/(used in) investing activities (2)		3.194.909	(12.000.333)
FINANCING ACTIVITIES:			
Cash received relating to:			
Borrowings	16	45.000.000	1.900.000
Loans from group companies		-	21.472.673
		45.000.000	23.372.673
Cash paid relating to:			
Borrowings	16	(15.400.000)	(5.000.000)
Loans from group companies	17	(25.121.429)	-
Interest and similar costs		(1.423.873)	(940.631)
		(41.945.302)	(5.940.631)
Net cash from financing activities (3)		3.054.698	17.432.042
Net increase in cash and cash equivalents (4) = (1) + (2) + (3)		46.023	1.984.849
Cash and cash equivalents at the beginning of the year	12	60.619	(1.924.230)
Cash and cash equivalents at the end of the year	12	106.642	60.619

The accompanying notes form an integral part of the cash flow statement
for the years ended 31 December 2014 and 2013.

THE ACCOUNTANT

THE BOARD OF DIRECTORS

IMPRESA

Sociedade Gestora de Participações Sociais, SA.

IMPRESA
2014 Consolidated Report

(Amounts stated in Euros)

INTRODUCTORY NOTE

Impresa – Sociedade Gestora de Participações Sociais, S.A. ("Impresa") has its head-office in Lisbon, in Rua Ribeiro Sanches, 65, was founded on 18 October 1990, and its main activities the management of investments in other companies.

Impresa is the parent company of a group made up of Impresa and its subsidiaries ("the Group", Note 4). The Group operates in the media industry, namely in television broadcasting, publishing (newspapers and magazines) and other audiovisual activities.

The accompanying financial statements were approved for publication by the Board of Directors of Impresa on 16 March 2015.

2. MAIN ACCOUNTING POLICIES

2.1 Bases of presentation

The consolidated financial statements have been prepared on a going concern basis, from the accounting records of the companies included in the consolidation (Note 4), adjusted in accordance with the provisions of International Financial Reporting Standards as endorsed by the European Union, which include the International Accounting Standards ("IAS") issued by the International Accounting Standards Committee ("IASC"), the International Financial Reporting Standards ("IFRS") issued by the International Accounting Standards Board ("IASB") and the related "SIC" and "IFRIC" interpretations issued by the International Financial Reporting Interpretation Committee ("IFRIC") and Standing Interpretation Committee ("SIC"), respectively. These standards will hereinafter be referred to as "IFRS".

Impresa adopted IFRS for the preparation of its consolidated financial statements for the first time in 2005 and so, in compliance with IFRS 1 – First-time Adoption of International Financial Reporting Standards ("IFRS 1"), the date of transition from Portuguese generally accepted accounting principles to IFRS rules was 1 January 2004.

Therefore, in compliance with IAS 1, Impresa declares that these consolidated financial statements and the related notes comply with the requirements of IAS/IFRS as endorsed by the European Union, in force for years beginning on 1 January 2014.

2.2 Adoption of new or revised IAS/IFRS

The accounting policies used in the year ended 31 December 2014 are consistent with those used for the preparation of the consolidated financial statements of Impresa for the year ended 31 December 2013 and are referred in the corresponding notes.

The following standards, interpretations, amendments and revisions endorsed by the European Union are of mandatory application in the year ended 31 December 2014:

Standard / Interpretation	Applicable to years beginning on or after	Brief description
IFRS 10 – Consolidated Financial Statements	01-jan-14	This standard established the requirements relating to the presentation of consolidated financial statements of the parent company, replacing, for these matters, standard IAS 27 – Consolidated and Separate Financial Statements and SIC 12 – Consolidation – Special Purpose Entities. This standard also introduced new rules regarding the definition of control and determination of the consolidation perimeter.

(Amounts stated in Euros)

Standard / Interpretation	Applicable to years beginning on or after	Brief description
IFRS 11 – Joint Arrangements	01-jan-14	This standard replaces IAS 31 – Interests in Joint Ventures and SIC 13 – Jointly Controlled Entities – Non Monetary Contributions by Venturers, and eliminates the possibility of using the proportional consolidation method for recording interests in joint ventures.
IFRS 12 – Disclosures of Interests in Other Entities	01-jan-14	This standard establishes a new set of disclosures relating to participations in subsidiaries, joint agreements, associates and entities not consolidated.
IAS 27 – Separate financial statements (2011)	01-jan-14	This standard restricts the scope of application of IAS 27 to separate financial statements.
IAS 28 – Investments in Associates and Joint Ventures (2011)	01-jan-14	This amendment ensures consistency between IAS 28 – Investments in Associates and the new standards adopted, especially IFRS 11 – Joint Arrangements.
Amendment to standards: - IFRS 10 – Consolidated Financial Statements; - IFRS 12 – Disclosures of Interests in Other Entities (Investment Entities)	01-jan-14	This amendment introduced an exemption from the consolidation of certain entities that qualify for the definition of investment entities. It also establishes the rules for measuring investments held by these investment entities.
Amendment to IAS 32 – Compensation between financial assets and liabilities	01-jan-14	This amendment clarifies certain aspects of the standard relating to the application of the compensating requirements between financial assets and liabilities.
Amendment to IAS 36 - Impairment of assets (Disclosures relating to the recoverable amount of non-financial assets)	01-jan-14	This amendment eliminates the disclosure requirements of the recoverable amount of a cash generating unit with goodwill or intangibles of undefined useful life allocated to periods in which no impairment loss or impairment recovery is recognized. It introduces additional disclosure requirements for assets for which an impairment loss or reversal of impairment is recognized and their recoverable amount has been determined based on fair value less costs to sell.
Amendment to IAS 39 – Financial Instruments: Recognition and measurement (reformulation of derivatives and continuation of hedge accounting)	01-jan-14	This amendment permits the continued use of hedge accounting in certain circumstances when a derivative designated as a hedging instrument is reformulated.
IFRIC 21 – Levies	01-jan-14	This amendment establishes the conditions as to timing of the recognition of a liability relating to payment by an entity to the State as a result of a specific event (for example, participation in a specific market), without the payment having specific goods or services received in exchange.

The adoption of these standards interpretations, amendments and revisions did not have a significant effect on the Company's financial statements for the year ended 31 December 2014.

The following standards, interpretations, amendments and revisions applicable to future years have, to the date of approval of the accompanying financial statements, been endorsed by the European Union:

Standard / Interpretation	Applicable to years beginning on or after	Brief description
Improvements to international financial statement standards (2011-2013 cycle)	01-jan-15	These standards include clarification of some aspects relating to the standards IFRS 1 – First time Adoption of International Financial Reporting Standards, IFRS 3 – Business Combinations, IFRS 13 Fair Value Measurement and IAS 40 – Investment Properties.

The Group did not early adopt any of these standards in its consolidated financial statements for the year ended 31 December 2014. However, significant impact on the consolidated financial statements is not expected as a result of this adoption.

(Amounts stated in Euros)

The following standards, interpretations, amendments and revisions, applicable to the Company, applicable to future years have not been endorsed by the European Union, to the date of approval of the accompanying financial statements:

Standard / Interpretation	Brief description
IFRS 9 – Financial Instruments (2009) and subsequent amendments	This standard is part of the IAS 39 revision project and establishes the requirements for classification and measurement of financial assets and liabilities and for application of the hedge accounting rules.
IFRS 15 –Revenue from Contracts with Customers	This standard introduces a framework for recognizing revenue based on principles supported by a model to be applied to all contracts entered into with clients.
Amendment to IFRS 11 – Joint Arrangements	This amendment clarifies that IFRS 3 must be applied when an investor acquires an interest in a jointly controlled entity when it consists of a business as defined by the standard. Application of IFRS 3 is required on the intial acquisition and subsequent acquisitions of interests.
Amendments to IAS 16 – Tangible Fixed Assets and IAS 38 – Intangible Assets	These amendments clarify the methods permitted for depreciation of tangible fixed assets and amortization of intangible assets.
Amendment to IAS 19 – Employee benefits	This amendment clarifies the circumstances under which employees' contributions to post-employment benefit plans consist of a decrease in the cost of short term benefits.
Amendments to IFRS 10 – Consolidated Financial Statements and IAS 28 – Investments in Associates and Joint Ventures (2011)	These amendments eliminate the conflict existing between the standards, relating to the sale or the contribution of assets between an investor and the associate or jointly controlled entity.
Amendment to IAS 27 – Separate Financial Statements (2011)	This amendment introduces the possibility of applying the equity method, to value investments in subsidiaries, associates and jointly controlled entities, in the separate financial statements of an entity that presents consolidated financial statements.
Amendments to IFRS 10 – Consolidated Financial Statements, IFRS 12 – Disclosures of interests in Other Entities and IAS 28 – Investments in Associates and Joint Ventures (2011)	These amendments clarify several aspects relating to the application of the consolidation exception by investment entities.
Amendment to IAS 1 – Presentation of Financial Statements	This amendment introduces a series of indications and guidelines aimed at improving and simplifying disclosures in the context of the current requirements of IFRS reporting.
Improvements to international financial statement standards (2010-2012 and 2012-2014 cycles)	These improvements involve the revision of several standards.

These standards have not yet been endorsed by the European Union and so have not been applied by the Group in the year ended 31 December 2014.

2.3 Consolidation principles

The consolidation methods used by the Group were as follows:

a) Controlled companies

The financial statements of all the companies controlled by the Group are included in the accompanying consolidated financial statements by the full consolidation method. Control is considered to exist when the Group is exposed, or has rights, to variable returns resulting from its involvement with companies in which it has participations and has the ability to affect the returns through the power it exercises over the companies. Shareholders' equity and net profit or loss of these companies corresponding to third party participation in them are presented separately in the consolidated statement of financial position and consolidated statement of profit or loss and other comprehensive income under the caption "Non-controlling interests". The controlled companies included in the consolidated financial statements are listed in Note 4.

The assets and liabilities of subsidiaries are reflected at their respective fair values at the date of acquisition of the subsidiary. Any excess of cost over the fair value of identifiable net assets is recorded as goodwill. Where cost is lower than the fair value of the identified net assets, the difference is recognised as income in the consolidated statement of profit or loss and other comprehensive income for the year of the acquisition.

The results of subsidiaries acquired or sold during the year are included in the consolidated statement of profit or loss and other comprehensive income as from the date of their acquisition or up to the date of their sale.

Changes in the Group's participation in companies already controlled, which do not result in loss of control are recorded in equity. Consequently, the Group's interest and non-controlling shareholders' interest in these companies are adjusted so as to reflect the changes in the control of the subsidiaries. The differences between the non-controlling interests acquired or sold and the fair value of the purchase or sale, respectively, are recognized in equity.

Transactions, balances and dividends distributed between companies included in the consolidation are eliminated on consolidation. Capital gains resulting from the sale of participated companies within the Group are also eliminated in consolidation.

b) Associated companies

An associated company is one over which the Group has significant influence, but does not have control or joint control over decisions relating to their operating and financial policies.

Investments in associated companies (Note 5) are recorded in accordance with the equity method of accounting, except when the investment is classified as held for sale. Investments in associated companies are initially recorded at cost, which is subsequently increased or decreased by the difference between cost and the proportion of equity held in the companies, as of the acquisition date or the date the equity method is applied for the first time.

In accordance with the equity method, investments are periodically adjusted by the amount corresponding to the Group's share in the net results of the associated companies, by other changes in their equity, as well as by the recognition of impairment losses by corresponding entry to "Net financial gain and loss" (Note 14).

In addition, dividends received from these companies are recorded as decreases in the amount of the investment.

The Group ceases applying the equity method of accounting when the investment in the associated company is reduced to zero, and a liability is recognised only if the Group has a legal or constructive obligation towards the associated company or to its creditors. If afterwards the associated company reports profits, the Group only restarts applying the equity method once its share of those profits equals the part of the losses not recognised.

The Group makes impairment assessments of investments in associated companies on an annual basis and whenever there are signs that the asset may be impaired, impairment losses are recognised as expenses. When impairment losses previously recognised cease to exist, they are reversed up to the limit of the impairment loss recognised.

Any excess of cost over the fair value of the identifiable net assets as of the date of acquisition is recorded as goodwill and included in the book value of the investment. Where cost is lower than the fair value of the identified net assets, the difference is recognised as income in the statement of profit or loss and other comprehensive income for the year of the acquisition.

Whenever necessary, adjustments are made to the financial statements of the associated companies to make them consistent with the accounting standards used by the Group.

c) Investments in other companies

Investments representing participations of less than 20%, for which there are no market values, are recorded at the lower of cost or estimated realizable value.

(Amounts stated in Euros)

2.4 Goodwill

Goodwill corresponds to the excess of cost over the fair value of the identifiable assets and liabilities of a subsidiary as of its acquisition date. Where cost is lower than the fair value of the identifiable net assets, the difference is recognised as income in the statement of profit or loss and other comprehensive income for the year of the acquisition.

As a result of the exception established in IFRS 1, the Group did not apply retrospectively the provisions of IFRS 3 to acquisitions prior to 1 January 2004, and so goodwill arising on acquisitions prior to the transition to IFRS (1 January 2004) was maintained at the net book value as of that date determined in accordance with generally accepted accounting principles in Portugal.

Goodwill is recorded as an asset and is not amortised, being presented separately on the statement of financial position. Goodwill is tested for impairment annually and whenever there are indications of a possible loss. Impairment losses are recorded immediately as costs in the statement of profit or loss and other comprehensive income and cannot be subsequently reversed (Note 17).

Goodwill is included in determining the gain or loss on the sale of a subsidiary.

2.5 Intangible assets

Intangible assets, which include software (except for that related to tangible fixed assets), the cost of registering trademarks and titles, licenses and other rights of use, are recorded at cost less accumulated amortisation and any accumulated impairment losses. Intangible assets are only recognized when it is probable that they will generate future economic benefits for the Group, they are controllable and can be reliably measured.

Internal costs relating to maintenance and development of software are expensed as incurred in the statement of profit or loss and other comprehensive income, except where the development costs are directly related to projects which are expected to generate future financial benefits for the Group. In such situations, these costs are capitalised under intangible assets.

Intangible assets are amortized on a straight-line basis over their estimated useful lives, as from the time the assets are available for use, which varies from three to six years.

2.6 Tangible fixed assets

Tangible fixed assets acquired up to I January 2004 (date of transition to IFRS) are recorded at deemed cost, which corresponds to cost or revalued cost based on price indices in accordance with tax legislation in force, less accumulated depreciation.

Fixed assets acquired after that date are stated at cost less accumulated depreciation and impairment losses. Acquisition cost is defined as the purchase price, plus related purchase costs.

Estimated losses resulting from the replacement of equipment before the end of its useful life, due to technological obsolescence, are recognized as a decrease in the corresponding asset by corresponding entry to the statement of profit or loss and other comprehensive income for the year.

Current maintenance and repair costs are expensed as incurred. Improvements are only recognised as assets where they correspond to the replacement of assets which are written off, and result in increased future economic benefits.

Tangible fixed assets are depreciated from the time they become available for their intended use. Depreciation of cost less estimated residual value (if significant) is provided on a straight-line basis, from the month the asset becomes available for use, over the period of its expected useful life, as follows:

	Years
Buildings and other constructions	4 – 50
Machinery and equipment	3 – 10
Transport equipment	4
Administrative equipment	3 – 10
Other tangible fixed assets	4 – 8

2.7 Finance and operating leases

Leases are classified as (i) finance leases when the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee and (ii) operating leases when the lease do not transfer substantially all the risks and rewards of ownership to the lessee.

Leases are classified as finance or operating leases based on the substance of the contracts rather than their form.

Tangible fixed assets acquired under finance lease contracts, as well as the corresponding liabilities, are recorded in accordance with the financial method. Under this method, the cost of the assets is recorded under tangible fixed assets, at the lower of the present value of the lease payments or their fair value at the inception of the lease, by corresponding entry to liabilities. The assets are depreciated in accordance with their estimated useful lives, the lease instalments being recorded as a reduction of the liability, and interest and depreciation of the asset are recognised as costs in the consolidated statement profit or loss and other comprehensive income for the period to which they relate.

Operating lease instalments are charged to the consolidated statement of profit or loss and other comprehensive income on a straight-line basis over the term of the lease contract.

2.8 Investment properties

Investment properties consist essentially of land held for leasing, capital appreciation or both, and not for use in the production or supply of goods, rendering of services or for administrative purposes.

Investment properties are initially recorded at cost plus transaction costs, the Group having opted to record them at historical cost, less any impairment losses.

Maintenance, repair, insurance and tax costs, as well as any income realized on investment properties are recognized in the consolidated statement of profit or loss and other comprehensive income for the period to which they relate.

2.9 Financial instruments

2.9.1 Trade and other receivables

Trade and other receivables classified as current assets are recorded at their nominal value which is understood to correspond to amortized cost, as they are expected to be received in the short term and this does not differ significantly from their fair value at the date they were contracted, less any impairment losses.

Impairment losses on trade and other receivables classified as current assets correspond essentially to the difference between the amount initially recognized and the estimated recoverable amount. The Group estimates impairment losses based on the age of the balances of the entities, the guarantees that may exist for each entity, the historical experience with each entity and information collected by the financial department relating to their financial situation and possible reasons for delays in their payments.

Trade and other receivables classified as non-current assets are recorded at amortized cost less possible impairment losses. In measuring amortized cost the effective interest rate method was used, interest income having been applied over the expected life of the financial instruments, considering the contractual terms.

Impairment losses are recognized in the statement of profit or loss and other comprehensive income for the period in which they were estimated.

2.9.2 Cash and cash equivalents

Cash and cash equivalents comprise cash, term deposits and other treasury applications which mature in less than three months that are readily convertible to cash with an insignificant risk of change in value.

For the purposes of the cash flow statement, cash and cash equivalents also include bank overdrafts, reflected under the caption “Borrowings” on the statement of financial position.

2.9.3 Payables

Payables are recorded at their nominal value and, where applicable, by their amount discounted for possible interest calculated in accordance with the effective interest rate method.

2.9.4 Bank borrowings

Bank borrowings are initially recognised at the amount received, net of expenses relating to their issuance and are subsequently measured at amortised cost. Any difference between the amount received (net of issuance costs) and the amount payable is recognised in the statement of profit or loss and other comprehensive income over the term of the borrowing using the effective interest rate method.

Borrowings that mature in less than twelve months are classified as current liabilities, unless the Group has the unconditional right to defer their settlement for more than twelve months after the date of the statement of financial position.

2.9.5 Derivative financial instruments

The Group uses derivative financial instruments to hedge the financial risks to which it is exposed as a result of variations in exchange rates. The Group does not use derivative financial instruments for speculative purposes. The use of financial derivatives is governed by the Group's policies approved by the Board of Directors. Derivative financial instruments are measured at fair value.

The possibility of designating a financial instrument as a hedging instrument obeys the provisions of IAS 39, as regards its documentation and effectiveness.

The variations in the fair value of derivative financial instruments contracted by the Group, although contracted for hedging purposes in accordance with the Group's hedging policies, do not comply with all the provisions of IAS 39 as regards the possibility of qualifying for hedge accounting, so they are recognized in the statement of profit or loss and other comprehensive income for the period in which they occur.

2.10 Inventories and program broadcasting rights

Inventories are stated at the lower of cost or net realizable value, using the weighted average cost method.

Net realizable value is estimated based on the Company's past experience in accordance with aging and inventory turnover criteria, considering also the possibility of their future use.

The Group records under the caption "Program broadcasting rights" the rights acquired from third parties to broadcast programs, by corresponding entry to the caption "Trade and other payables" when such rights come into force and the following conditions are met:

- The cost of the broadcasting rights is known or can be reasonably determined;

- The program contents have been accepted in accordance with the conditions established contractually; and

- The programs are available for broadcasting without restriction.

Program broadcasting rights correspond essentially to contracts or agreements with third parties for the broadcasting of soaps, films, series and other TV programs and are stated at specific cost. The cost of programs is recognized in the statement of profit or loss and other comprehensive income when the programs are broadcasted, considering the estimated number of broadcasts and estimated benefits of each broadcast.

In addition, advances made for the purchase of contents are recorded in the caption "Program transmission rights" by corresponding entry to "Trade and other payables".

Future financial commitments for the acquisition of programs are shown in Note 37.2.

Impairment losses (Notes 23 and 32) are recognised whenever the book value of inventories or broadcasting rights is greater than their estimated recoverable amount.

2.11 Provisions and contingent liabilities

Provisions are recognized when the Group has a present legal or implied obligation resulting from a past event, the resolution of which will probably require expending internal resources, the amount of which can be reasonably estimated.

Provisions for restructuring costs are only recognized when a detailed formal plan exists identifying the main characteristics of the plan, and after the plan has been communicated to the entities involved.

The amount of provisions is reviewed and adjusted at the date of each statement of financial position so as to reflect the best estimate at that time.

When any of the above conditions is not met, the corresponding contingent liability is not recorded but only disclosed (Note 36), unless a future outflow of funds affecting future financial benefits is remote, in which case it is not disclosed.

2.12 Pension liability

Some of the Group companies have assumed the commitment to grant some of their employees and remunerated Board Members hired up to 5 July 1993, pension supplements for retirement due to age and incapacity. The pensions consist of a percentage which increases with the number of years of service to the company, applied to the salary table, or a fixed percentage applied to the base salary in force in 2002.

The liability for the payment of retirement, incapacity and survival pensions is recorded in accordance with the provisions of IAS 19, which requires companies with pension plans to recognise the cost of granting such benefits as the services are rendered by the benefiting employees and board members.

Therefore, at the end of each accounting period the Group obtains an actuarial study made by an independent entity, in order to determine its liability at that date and the pension cost to be recognised in the period. The liability thus estimated is compared with the market value of the pension fund assets in order to determine the amount of contributions to be made or recorded.

The effect of changes in the assumptions and differences between the assumptions used and the actual amounts is considered as actuarial gains and losses being recognized in equity (other comprehensive income).

2.13 Income tax

Income tax for the year consists of current tax and deferred tax and is recorded in accordance with the provisions of IAS 12.

Impresa is covered by the special regime for the taxation of groups of companies (Regime Especial de Tributação dos Grupos de Sociedades - "RETGS")), which covers all the companies in which Impresa has a direct or indirect participation of at least 75% and comply with the other conditions of the regime. The other companies of the Impresa Group not covered by the special regime for the taxation of groups of companies are taxed individually based on their taxable income at the applicable tax rates.

In determining income tax cost for the year, in addition to current tax, the effect of deferred tax is also considered, calculated based on the variance between the years of the difference between the book value of assets and liabilities at the end of each year and their corresponding value for tax purposes.

As established in the above standard, deferred tax assets are only recognized when there is reasonable assurance that they can be recovered in the future. At the end of each year an assessment of deferred tax assets is made and they are reduced whenever their future recovery stops being probable.

2.14 Subsidies

State subsidies received are recognized at their nominal value when there is reasonable certainty that they will be received and the Group will comply with the conditions required for their concession.

Operating subsidies are recognised in the statement of profit or loss and other comprehensive income in accordance with the the corresponding costs incurred.

Investment subsidies relating to the acquisition of assets are recorded as deferred income, being recognized as income for the year on a systematic basis over the useful life of the assets.

2.15 Revenue

Revenue from sales (relating mainly to the sale of newspapers, magazines, books and other publications) is recognised in the consolidated statement of profit or loss and other comprehensive income when all the risks and rewards of ownership of the assets are transferred to the buyer and the corresponding income can be reasonably quantified. Returns are recorded as a reduction of sales for the period to which they relate. Sales are recognized net of taxes, discounts and other costs relating to their realization.

Income from subscriptions to regular publications is deferred over the subscription period.

Income from services rendered (essentially the sale of advertising space in newspapers, magazines, television and the Internet, and value added services "VAS") is recognised in the consolidated statement of profit or loss and other comprehensive income when the advertising is inserted or broadcast. Services rendered are recognised net of taxes, discounts and other costs relating to their realisation.

Income relating to the ceding of broadcasting rights of the general channel and theme channels, essentially to cable television operators, is recognized in the statement of profit or loss and other comprehensive income over the period they are ceded.

In summary:

Income	Classification	Time of recognition
Sale of publications	Sales	When the publications are on the stands
Sale of books and other publications	Sales	When the goods are on the stands
Broadcasting of advertisements	Services rendered	When the advertising is broadcast
Publication of advertisements	Services rendered	When the advertising is published
Value added services	Services rendered	When the services are rendered
Broadcasting rights on channels	Services rendered	When the rights are ceded

2.16 Accruals basis

Costs and income are recorded in the period to which they relate, independently of when they are paid or received. Where the amount of costs and revenue is not known it is determined based on estimates.

Interest and financial income are recognized on an accruals basis in accordance with the applicable effective interest rate.

2.17 Impairment of assets, except goodwill

The Group makes impairment tests of tangible and intangible fixed assets whenever events or changes in circumstances are identified that indicate that the amount of an asset may be impaired. Where such indications exist, the recoverable amount of the asset is estimated in order to determine the amount of any impairment loss.

The recoverable amount is estimated for each asset individually or, when this is not possible, for the cash flow generating unit to which the asset belongs.

The recoverable amount is the higher of net selling price and value in use. Net selling price is the amount that could be obtained from the sale of the asset in a transaction between knowledgeable independent entities, less the costs directly attributable to the sale. Value in use is the present value of the estimated future cash flows discounted based on discount rates that reflect the present value of the principal and the specific risk of the assets.

Whenever the book value of an asset exceeds its recoverable amount, an impairment loss is recognised in the statement of profit or loss and other comprehensive income for the period to which it refers. When an impairment loss is subsequently reversed, the book value of the asset is adjusted to its estimated value. However, impairment losses are reversed only up to the amount that would have been recognised had no impairment loss been recognised for the asset, net of amortisation or depreciation, in prior years. The reversal of impairment losses is recognised immediately in the statement of profit or loss and other comprehensive income.

2.18 Foreign currency balances and transactions

Foreign currency assets and liabilities are translated to Euros at the exchange rates prevailing as of the date of the statement of financial position, published by financial institutions. Exchange gains and losses arising from differences between the historical exchange rates and those prevailing at the date of collection, payment or at the date of the statement of financial position are recorded as income or costs in the statement of profit or loss or other comprehensive income for the period.

2.19 Classification in the statement of financial position

Assets realizable and liabilities payable in less than one year from the date of the consolidated statement of financial position are classified as current assets and liabilities, respectively.

2.20 Subsequent events

Events that occur after the closing of the accounts that provide additional information of conditions that existed at that date are reflected in the consolidated financial statements.

Events that occur after the closing of the accounts that provide additional information on conditions that existed after that date, if significant, are disclosed in the notes to the consolidated financial statements.

3. CHANGES IN ACCOUNTING POLICIES AND ESTIMATES

In the year ended 31 December 2014, there were no changes in accounting policies in relation to those used in the consolidated financial statements for the year ended 31 December 2013, nor were material errors relating to prior periods recognized.

In 2013, as a result of adopting the revised version of IAS 19, application of which became mandatory for the first time in that year, the Company restated its consolidated financial statements on 1 January 2012 and 31 December 2012.

The more significant accounting estimates reflected in the consolidated financial statements as of 31 December 2014 include:

- Impairment analysis of goodwill and other non-current assets;

- The recording of provisions;

- Useful lives of tangible fixed assets;

- Realization of deferred tax assets;

- Dates of broadcasting of program exhibition rights;

- Impairment adjustments of receivables;

- Technical actuarial assumptions and bases;

- Analysis of the value of unlisted financial instruments.

The revision of a prior period estimate is not considered as an error. Changes in estimates are only recognized prospectively in results and are subject to disclosure when the effect is significant. Estimates are determined based on the best information available at the time of preparing the consolidated financial statements.

(Amounts stated in Euros)

4. COMPANIES INCLUDED IN THE CONSOLIDATION

The companies included in the consolidation by the full consolidation method, their head offices and the proportion of capital effectively held in them at 31 December 2014 and 2013 are as follows:

Company	Head office	Main activity	Percentage effectively held in 2014	2013
Impresa - Sociedade Gestora de Participações Sociais, S.A. (parent company)	Lisbon	Holding company	Parent	Parent
Impresa Publishing, S.A. ("Impresa Publishing")	Lisbon	Publishing	100.00%	100.00%
Medipress - Sociedade Jornalística e Editorial, Lda. ("Medipress")	Lisbon	Publishing	100.00%	100.00%
Impresa Serviços e Multimédia- Sociedade Unipessoal, Lda. ("ISM")	Lisbon	Multimedia production and management of administrative and financial services	100.00%	100.00%
SIC - Sociedade Independente de Comunicação, S.A. ("SIC")	Carnaxide	Television	100.00%	100.00%
GMTS - Global Media Technology Solutions - Serviços Técnicos e Produção Multimédia, Sociedade Unipessoal, Lda. ("GMTS")	Carnaxide	Rendering of services	100.00%	100.00%
InfoPortugal - Sistemas de Informação e Conteúdos, S.A. ("InfoPortugal")	Matosinhos	Multimedia production	100.00%	100.00%
Office Share - Gestão de Imóveis e Serviços, S.A. ("Office Share")	Oeiras	Management of real estate and services	100.00%	100.00%
Olhares.com - Fotografia Online, S.A. ("Olhares.com") (Note 7) (a)	Porto	Multimedia production	-	100.00%

(a) Company merged into InfoPortugal on 1 January 2014 (Note 7).

The consolidated statements of profit or loss and other comprehensive income for the years ended 31 December 2014 and 2013 include the effect of full consolidation of the operations of the subsidiaries sold and liquidated up to the time that took place.

5. ASSOCIATED COMPANIES

Associated companies are recorded in accordance with the equity method. Their head offices and the proportion of capital effectively held in them by the Group at 31 December 2014 and 2013 are as follows:

Company	Head office	Percentage effectively held in 2014	2013
Vasp – Distribuidora de Publicações, Lda. ("Vasp") (a)	Agualva	33.33%	33.33%
Lusa – Agência de Notícias de Portugal, S.A. ("Lusa") (a)	Lisbon	22.35%	22.35%
Visapress - Gestão de Conteúdos dos Media, C.R.L. ("Visapress") (b)	Lisbon	21.43%	21.43%

(a) These participations are held directly by Impresa.

(b) Management of contents cooperative participated in by Impresa, Medipress and Impresa Publishing. As financial statements of that entity as of 31 December 2014 do not exist, the equity method was not applied. The Group believes that the effect of this is not significant for these consolidated financial statements.

6. OTHER COMPANIES

The investments in other companies and the proportion of capital held in them by the Group at 31 December 2014 and 2013 are as follows:

Company	Percentage effectively held in 2014	2013
NP - Notícias de Portugal, C.R.L. ("NP") (a)	10.71%	10.71%
ITEXAMPLE, ACE (b)	4.41%	4.41%
NoniusSoft, Software e Consultoria para Telecomunicações, S.A. ("Noniussoft") (c)	14.67%	15.03%
Nexponor (d)	0.001%	0.001%

(a) Participation held by Impresa Publishing and SIC.

(b) Consortium founded in 2010, with a participation of ISM of 30,000 Euros after a capital increase subscribed for and paid up in 2011.

(c) Participation acquired by Impresa in July 2012. In 2014 the Company sold 10,822 shares of this company to NoniusSoft, for 54,110 Euros.

(d) Participation acquired by Impresa in April 2013.

These investments are recorded at the lower of cost or estimated realizable value.

7. CHANGES IN THE CONSOLIDATION PERIMETER, ACQUISITIONS AND SALES OF PARTICIPATIONS IN SUBSIDIARIES AND ASSOCIATES

The following changes took place in the Group's consolidation perimeter in the year ended 31 December 2014:

- In December 2014, Olhares.com was merged into InfoPortugal, with retroactive effect to 1 January 2014.

The following changes took place in the Group's consolidation perimeter in the year ended 31 December 2013:

- Acquisition of a 25% participation in Olhares.com, for 135,000 Euros, resulting in a purchase difference of 75,074 Euros, recorded in equity, as it is an additional participation in that company that was already controlled by the Group;

- In July 2013 Impresa.com was merged into ISM, with retroactive effect to 1 January 2013;

- In March and June 2013 Gesco – Gestão de Conteúdos e Meios de Comunicação Social, S.A. and Impresa Serviços – Sociedade Unipessoal Lda. were liquidated.

8. SEGMENT REPORTING

The segments identified by the Group are based on identification of the segments in accordance with the financial information reported to the Board of Directors that supports it in the assessment of the performance of the businesses and the decision making as to the allocation of resources to be used. The segments identified by the Group for segment reporting purposes are therefore consistent with the form in which the Board of Directors analyses its business.

Therefore, the Group identified the following reporting segments:

Television – The Group is the sole shareholder of SIC which broadcasts in open signal and by cable, under broadcasting licences, the television channels "SIC", "SIC Notícias", "SIC Radical", "SIC Internacional", "SIC Mulher", SIC K and SIC Caras. In addition, the Group also includes GMTS in this segment.

Publishing – The Group publishes a wide range of newspapers and magazines covering several themes, including business, politics and society, namely, among others, the weekly newspaper "Expresso", and the magazines "Visão", "Exame" and "Caras".

Others – Includes the Group's holding companies, ISM, Office Share and InfoPortugal that operates in the geographic information systems area (SIG).

In the Publishing segment, sales to VASP contributed 9.4% and 10.4%, respectively, of the Group's revenues reflected in the statement of profit or loss and other comprehensive income for the years ended 31 December 2014 and 2013, corresponding to 22,403,409 Euros and 24,756,682 Euros, respectively (Note 38). VASP is an intermediary between the publishers and the distribution network to the final customer, in which Impresa has a 33.33% participation (Note 5). In addition, advertising revenue results essentially from purchases from Group companies by five media centrals that operate as intermediaries between the advertiser and the social communication entities.

Inter-segment transactions are recorded using the same principles as transactions with third parties. The accounting policies of each segment are the same as those of the Group.

(Amounts stated in Euros)

a) Reporting by main segment – Business segment:

At 31 December 2014:

	Television	Publishing	Other	Total segments	Eliminations	Consolidated total
Operating revenue						
Services rendered - external costumers	175,512,827	29,333,615	1,804,446	206,650,888	-	206,650,888
Services rendered - intersegment	579,785	73,372	5,706,093	6,359,250	(6,359,250)	-
Sales - external costumers	-	28,820,112	-	28,820,112	-	28,820,112
Other operating revenue - external costumers	1,430,286	540,268	338,505	2,309,059	-	2,309,059
Other operating revenue - intersegment	75,276	-	-	75,276	(75,276)	-
Total operating revenue	177,598,174	58,767,367	7,849,044	244,214,585	(6,434,526)	237,780,059
Operating costs						
Cost of programs broadcast and goods sold	(72,423,755)	(8,974,826)	-	(81,398,581)	-	(81,398,581)
External supplies and services	(45,302,313)	(25,208,366)	(3,731,531)	(74,242,210)	6,434,526	(67,807,684)
Personnel costs	(26,931,508)	(19,453,812)	(7,304,499)	(53,689,819)	-	(53,689,819)
Depreciation and amortisation of tangible and intangible fixed assets	(2,749,808)	(348,369)	(713,196)	(3,811,373)	-	(3,811,373)
Impasirment losses (Notes 22 and 32)	(239,523)	-	-	(239,523)	-	(239,523)
Provisions (Note 32)	(184,470)	(180,000)	-	(364,470)	-	(364,470)
Other operating costs	(1,027,240)	(420,064)	(1,128,093)	(2,575,397)	-	(2,575,397)
Total operating costs	(148,858,617)	(54,585,437)	(12,877,319)	(216,321,373)	6,434,526	(209,886,847)
Operating profit/(loss)	28,739,557	4,181,930	(5,028,275)	27,893,212	-	27,893,212
Financial items:						
Gain and loss on associated companies	-	-	329,590	329,590	-	329,590
Other financial items	(1,116,322)	(1,943,705)	(8,611,021)	(11,671,048)	-	(11,671,048)
	(1,116,322)	(1,943,705)	(8,281,431)	(11,341,458)	-	(11,341,458)
Operating profit/(loss) before taxes	27,623,235	2,238,225	(13,309,706)	16,551,754	-	16,551,754
Income tax	(7,741,154)	(712,696)	2,908,440	(5,545,410)	-	(5,545,410)
Profit/(loss) per segment	19,882,081	1,525,529	(10,401,266)	11,006,344	-	11,006,344

At 31 December 2013:

	Television	Publishing	Other	Total segments	Eliminations	Consolidated total
Operating revenue						
Services rendered - external costumers	172,002,891	30,495,311	1,518,078	204,016,280	-	204,016,280
Services rendered - intersegment	1,029,213	310,662	5,374,747	6,714,622	(6,714,622)	-
Sales - external costumers	-	31,454,365	-	31,454,365	-	31,454,365
Other operating revenue - external costumers	450,821	869,381	386,151	1,706,353	-	1,706,353
Other operating revenue - intersegment	52,365	-	-	52,365	(52,365)	-
Total operating revenue	173,535,290	63,129,719	7,278,976	243,943,985	(6,766,987)	237,176,998
Operating costs						
Cost of programs broadcast and goods sold	(68,888,810)	(10,268,238)	-	(79,157,048)	-	(79,157,048)
External supplies and services	(46,272,391)	(28,635,129)	(3,516,502)	(78,424,022)	6,766,987	(71,657,035)
Personnel costs	(26,722,198)	(18,824,174)	(6,839,000)	(52,385,372)	-	(52,385,372)
Depreciation and amortisation of tangible and intangible fixed assets	(3,832,355)	(377,715)	(1,049,030)	(5,259,100)	-	(5,259,100)
Provisions (Note 32)	(1,100,052)	(180,000)	-	(1,280,052)	-	(1,280,052)
Other operating costs	(815,185)	(732,301)	(799,434)	(2,346,920)	-	(2,346,920)
Total operating costs	(147,630,991)	(59,017,557)	(12,203,966)	(218,852,514)	6,766,987	(212,085,527)
Operating profit/(loss)	25,904,299	4,112,162	(4,924,990)	25,091,471	-	25,091,471
Financial items:						
Gain and loss on associated companies	-	-	260,059	260,059	-	260,059
Other financial items	(2,386,451)	(2,401,986)	(7,273,573)	(12,062,010)	-	(12,062,010)
	(2,386,451)	(2,401,986)	(7,013,514)	(11,801,951)	-	(11,801,951)
Operating profit/(loss) before taxes	23,517,848	1,710,176	(11,938,504)	13,289,520	-	13,289,520
Income tax	(7,796,627)	(817,398)	1,922,034	(6,691,991)	-	(6,691,991)
Profit/(loss) per segment	15,721,221	892,778	(10,016,470)	6,597,529	-	6,597,529

(Amounts stated in Euros)

Assets, liabilities and other relevant information by segment and reconciliation to the consolidated totals are as follows:

At 31 December 2014:

	Television	Publishing	Others	Segment totals	Eliminations	Consolidated totals
Goodwill	17,499,139	32,270,000	251,123,682	300,892,821	-	300,892,821
Investments	6,235	12,470	6,573,494	6,592,199	-	6,592,199
Other assets	95,686,646	17,040,856	36,748,636	149,476,138	(49,881,074)	99,595,064
Total assets	113,192,020	49,323,326	294,445,812	456,961,158	(49,881,074)	407,080,084
Bank borrowings	17,389,249	18,412,945	145,417,273	181,219,467	-	181,219,467
Other liabilities	63,412,095	27,371,315	47,362,403	138,145,813	(49,881,074)	88,264,739
Total liabilities	80,801,344	45,784,260	192,779,676	319,365,280	(49,881,074)	269,484,206
Other information:						
Increases in tangible fixed assets (Note 19)	2,267,860	220,537	13,965	2,502,362	-	2,502,362
Depreciation and amortisation for the year	2,749,803	348,368	713,202	3,811,373	-	3,811,373
Impairment losses except goodwill (Note 32)	708,206	33,796	329,097	1,071,099	-	1,071,099
Reversal of impairment losses (Note 32)	125,255	40,110	-	165,365	-	165,365
Utilization of impairment losses (Note 32)	2,500,000	34,893	-	2,534,893	-	2,534,893
Average number of personnel	589	413	117	1,119		1,119

At 31 December 2013:

	Television	Publishing	Others	Segment totals	Eliminations	Consolidated totals
Goodwill	17,499,139	32,270,000	251,123,682	300,892,821	-	300,892,821
Investments	6,235	12,470	6,718,082	6,736,787	-	6,736,787
Other assets	126,036,212	25,123,041	20,811,711	171,970,964	(57,722,704)	114,248,260
Total assets	143,541,586	57,405,511	278,653,475	479,600,572	(57,722,704)	421,877,868
Bank borrowings	23,588,030	31,672,936	134,394,226	189,655,192	-	189,655,192
Other liabilities	74,729,590	23,386,634	64,963,934	163,080,158	(57,722,704)	105,357,454
Total liabilities	98,317,620	55,059,570	199,358,160	352,735,350	(57,722,704)	295,012,646
Other information:						
Increases in tangible fixed assets (Note 19)	3,627,839	45,999	30,797	3,704,635	-	3,704,635
Depreciation and amortisation for the year	3,832,355	377,715	1,049,030	5,259,100	-	5,259,100
Impairment losses except goodwill (Note 32)	171,565	35,116	9,274	215,955	-	215,955
Reversal of impairment losses (Note 32)	80,756	285,266	7,982	374,004	-	374,004
Average number of personnel	598	419	117	1,134	-	1,134

The column "Others" corresponds essentially to assets and liabilities recorded by Impresa, the activities of which consist of managing investments, and so the corresponding assets include goodwill relating to the television, publishing and others segments in the amounts of 228,524,334 Euros, 20,130,334 Euros and 2,469,014 Euros, respectively, as well as the corresponding bank loans used to acquire the investments.

b) Reporting by secondary segments – Geographic markets:

Operating revenue by geographic market for the years ended 31 December 2014 and 2013 were as follows:

	Portugal		Other markets		Consolidated total	
	2014	2013	2014	2013	2014	2013
Services rendered	199,545,070	197,798,582	7,105,818	6,217,698	206,650,888	204,016,280
Sales	28,755,587	31,399,837	64,525	54,528	28,820,112	31,454,365
Other operating income	2,309,059	1,706,353	-	-	2,309,059	1,706,353
Total operating income	230,609,716	230,904,772	7,170,343	6,272,226	237,780,059	237,176,998

At 31 December 2014 and 2013, there were no acquisitions of non-current assets relating to the segment "Other markets". In addition, more than 99% of the Group's assets and liabilities at 31 December 2014 and 2013 relate to the Portugal geographic segment.

(Amounts stated in Euros)

9. SERVICES RENDERED AND SALES BY ACTIVITY

Services rendered and sales for the years ended 31 December 2014 and 2013 were as follows:

	2014	2013
Services rendered:		
Television		
Advertising	94,639,569	88,250,010
Subscription to channels	45,125,528	44,427,380
Others (a)	35,747,730	39,325,501
	175,512,827	172,002,891
Publishing:		
Advertising	27,110,453	27,951,195
Others	2,223,162	2,544,116
	29,333,615	30,495,311
Others:		
Digital mapping	1,568,160	1,099,991
Others	236,286	418,087
	1,804,446	1,518,078
Total services rendered	206,650,888	204,016,280
Sales:		
Publications	25,698,074	27,322,029
Others - publishing	3,122,038	4,132,336
Total sales	28,820,112	31,454,365
Total services rendered and sales	235,471,000	235,470,645

(a) This caption includes essentially income from the sale of information contents and contests and value added call initiatives.

10. OTHER OPERATING REVENUE AND COSTS

Other operating revenue for the years ended 31 December 2014 and 2013 was as follows:

	2014	2013
Supplementary income and other operating income (a)	1,089,937	963,623
Subsidies	477,185	302,735
Liquidation of FICA (Note 21)	394,770	-
Reversal of provisions (Note 32)	181,802	65,991
Reversal of provisions for impairment (Note 32)	165,365	374,004
	2,309,059	1,706,353

(a) In 2014 and 2013 this caption corresponds essentially to income received from sponsorships.

(Amounts stated in Euros)

Other operating costs for the years ended 31 December 2014 and 2013 were as follows:

	2014	2013
Taxes	1,480,362	1,378,530
Uncollectible receivables	-	232,616
Impairment losses on receivables (Note 32)	831,576	215,955
Membership quotas	150,420	177,778
Losses on the sale of assets	-	2,066
Other operating costs	113,039	339,975
	2,575,397	2,346,920

11. COST OF PROGRAMS BROADCAST AND GOODS SOLD

The cost of programs broadcast and goods sold in the years ended 31 December 2014 and 2013 was as follows:

	2014	2013
Programs broadcasted	72,423,755	68,888,810
Raw materials consumed	6,785,005	7,907,379
Merchandise sold	2,189,821	2,360,859
	81,398,581	79,157,048

12. EXTERNAL SUPPLIES AND SERVICES

This caption for the years ended 31 December 2014 and 2013 was made up as follows:

	2014	2013
Specialized works	9,921,297	10,867,097
Subcontracts	16,767,873	21,340,138
Articles to be offered (prizes)	11,294,554	5,175,960
Communication	8,789,362	9,580,019
Lease and rent	3,532,986	3,382,866
Fees	3,570,825	4,673,792
Advertising	4,157,649	3,719,900
Maintenance and repairs	4,193,547	4,238,322
Others	5,579,591	8,678,941
	67,807,684	71,657,035

13. PERSONNEL COSTS

Personnel costs for the years ended 31 December 2014 and 2013 are made up as follows:

	2014	2013
Salaries	42,139,843	41,653,979
Charges on remuneration and other personnel costs	10,892,501	10,057,258
Indemnities	657,475	674,135
	53,689,819	52,385,372

In the years ended 31 December 2014 and 2013 the average number of employees of the companies included in consolidation was 1,119 and 1,134 employees, respectively.

(Amounts stated in Euros)

14. NET FINANCIAL EXPENSES

Net financial expenses for the years ended 31 December 2014 and 2013 are made up as follows

	2014	2013
Losses and gains on associated companies: (a)		
Losses on associated companies	(101,695)	(211,385)
Gains on associated companies	431,285	471,444
	329,590	260,059
Interest and other financial costs:		
Interest	(10,062,184)	(10,889,756)
Exchange losses	(334,587)	(154,805)
Other financial costs (b)	(1,288,318)	(1,076,199)
	(11,685,089)	(12,120,760)
Other financial income:		
Exchange gains	233	1,365
Interest	9,906	48,377
Financial discount received	3,902	8,524
Other financial income	-	484
	14,041	58,750
Net financial costs	(11,341,458)	(11,801,951)

(a) This caption is made up as follows:

	2014	2013
Vasp (Note 20)	414,917	471,444
Lusa (Note 20)	(101,695)	(211,385)
Others (Note 20)	16,368	-
	329,590	260,059

(b) This caption corresponds essentially to bank charges.

15. DIFFERENCES BETWEEN ACCOUNTING AND TAX RESULTS

Impresa is subject to Corporation Income Tax under the Special Regime for the Taxation of Groups of Companies (Regime Especial de Tributação dos Grupos de Sociedades - "RETGS") together with its subsidiaries: Impresa Publishing, Medipress, ISM, SIC, GMTS, Office Share and Infoportugal.

Impresa and its subsidiaries are subject to corporate income tax at the rate of 23% on taxable income. In addition, taxation is increased by a Municipal Surcharge of up to 1.5% of taxable income, resulting in a maximum aggregate tax rate of 24.5%.

In addition, taxable income exceeding 1,500,000 Euros is subject to a State surcharge at the following rates:
- 3% on taxable profit between 1,500,000 Euros and 7,500,000 Euros;
- 5% on taxable profit between 7,500,000 Euros and 35,000,000 Euros;
- 7% on taxable profit exceeding 35,000,000 Euros.

In accordance with Law 82-B/2014 of 31 December, which approved the State Budget for 2015, the Corporation Income Tax rate was reduced to 21% for the year starting on 1 January 2015.

In 2014 the Impresa Group opted, in its consolidated tax return, to apply this regime to net financial costs, for purposes of determining the Group's taxable profit. Therefore, in 2014 the Group's deductible net financial cost for purposes of determining taxable profit is subject to the greater of the following limits:
- 1,000,000 Euros;
- 60% of the profit before amortization and depreciation, net financial costs and taxes.

(Amounts stated in Euros)

In addition, net financial costs for 2015 are limited, progressively each year up to 2017, for determining taxable income, to the greater of the following limits:
- 1,000,000 Euros;
- 50% of the profit before amortization and depreciation, net financial costs and taxes.

In accordance with article 88 of the Corporation Income Tax Code the Company is subject to autonomous taxation on certain charges, at the rates established in the article.

The Impresa Group's Management believes that possible corrections to the tax returns resulting from revisions/inspections by the Tax Administration will not have a significant effect on the consolidated financial statements as of 31 December 2014 and 2013.

The Group records deferred taxes resulting from temporary differences between the accounting and tax bases of its assets and liabilities. The following deferred tax assets were recognized at 31 December 2014 and 2013:

(a) Temporary differences – Changes in deferred tax assets

31 December 2014:

	Deferred tax assets					
	Impairment losses on receivables	Provisions for other risks and charges	Impairment losses on available-for-sale investments	Impairment losses on property investments	Others	Total
Balance at 31 December 2013	315,090	603,929	343,750	-	6,877	1,269,646
Effect of change in tax rate	(16,853)	(11,560)	-	-	(561)	(28,974)
Increases/(decreases)	21,023	-	(343,750)	65,869	-	(256,858)
Balance at 31 December 2014	319,260	592,369	-	65,869	6,316	983,814

31 December 2013:

	Deferred tax assets				
	Impairment losses on receivables	Provisions for other risks and charges	Impairment losses on available-for-sale investments	Others	Total
Balance at 31 December 2012	578,196	799,265	312,500	-	1,689,961
Effect of change in tax rate	(28,552)	(45,183)	31,250	-	(42,485)
Increases/(decreases)	(234,554)	(150,153)	-	6,877	(377,830)
Balance at 31 December 2013	315,090	603,929	343,750	6,877	1,269,646

(b) Temporary differences – Changes in deferred tax liabilities

31 December 2014:

	Pension fund
Balance at 31 December 2013	472,581
Effect of change in the tax rate	(30,469)
Increase/(decrease) affecting other comprehensive income	(99,349)
Increase/(decrease) affecting profit and loss	10,752
Balance at 31 December 2014	353,515

(Amounts stated in Euros)

31 December 2013:

	Pension fund
Balance at 31 December 2012 (Restated)	403,765
Effect of change in the tax rate	(47,346)
Increase/(decrease) affecting other comprehensive income	111,324
Increase/(decrease) affecting profit and loss	4,838
Balance at 31 December 2013	472,581

In accordance with current legislation, tax losses can be carried forward during a period of 12 years after their occurrence for deduction from taxable income generated in that period, limited to 70% of the Group's taxable income in each year, applicable also to tax losses incurred in prior years. At 31 December 2014 the Group did not have tax losses carried forward.

c) Reconciliation of the tax rate

Income tax for the years ended 31 December 2014 and 2013 was as follows:

	2014	2013
Profit before tax	16,551,754	13,289,520
Nominal tax rate	23%	25%
	3,806,903	3,322,380
Effect of change in the tax rate on deferred taxes	28,974	42,485
Permanent differences (i)	(194,262)	1,468,553
Income tax adjustments (ii)	446,575	333,837
Municipal and State Surcharge	1,457,220	1,455,206
Investment extraordinary tax credit	-	(472,938)
Insufficiency on estimated income tax of prior years	-	542,468
Income tax	5,545,410	6,691,991
Current tax (iii)	5,248,826	5,724,370
Deferred tax for the year	296,584	425,153
Insufficiency on estimated income tax of prior years	-	542,468
	5,545,410	6,691,991

(i) This amount was made up as follows at 31 December 2014 and 2013:

	2014	2013
Effect of the equity method of accounting (Note 20)	(313,222)	(260,059)
Fines	5,584	2,393
Non tax deductible provisions	364,470	1,105,052
Financial costs not deductible or in excess of the legal limits	-	4,798,617
Confidential and/or undocumented expenses	758	12,980
Non-deductible costs on lease of vehicles without drivers	64,923	111,813
Utilization of provisions taxed in preceding years	(89,302)	(293,014)
Tax effect of the liquidation of assets	(1,250,000)	-
Other, net	372,172	396,428
	(844,617)	5,874,210
Nominal income tax rate	23%	25%
	(194,262)	1,468,553

(ii) This amount corresponds to the autonomous taxation of certain expenses.

(Amounts stated in Euros)

(iii) This amount was made up as follows at 31 December 2014 and 2013:

	2014	2013
Estimated income tax recorded under other current liabilities (Note 34)	5,248,826	5,724,086
Estimated income tax recorded as a deduction from other current assets (Note 25)	-	284
	5,248,826	5,724,370

16. EARNINGS PER SHARE

Basic and diluted earnings per share for the years ended 31 December 2014 and 2013 were computed based on the following information:

	2014	2013
Number of shares		
Weighted average number of shares for purposes of computing basic earnings per share (Note 28)	168,000,000	168,000,000
Earnings		
Earnings for purposes of computing basic earnings per share (net profit for the year)	11,006,344	6,597,529
Earnings for purposes of computing comprehensive earnings per share (comprehensive income for the year)	10,730,656	6,952,147
Earnings per share:		
Basic	0.0655	0.0393
Diluted	0.0655	0.0393
Comprehensive income for the year per share:		
Basic	0.0639	0.0414
Diluted	0.0639	0.0414

(Amounts stated in Euros)

17. GOODWILL

There were no changes in the caption goodwill in the years ended 31 December 2014 and 2013.

Goodwill at 31 December 2014 and 2013 is made up as follows:

Company	2014	2013
Television:		
Recognized by the holding companies	228,524,334	228,524,334
Recognized by SIC	17,499,139	17,499,139
	246,023,473	246,023,473
Magazines:		
Recognized by Medipress	32,270,000	32,270,000
Newspapers (recognized by the holding companies)	20,130,334	20,130,334
InfoPortugal (recognized by ISM)	2,065,500	2,065,500
Olhares.com (recognized by Infoportugal)	403,514	403,514
	22,599,348	22,599,348
	300,892,821	300,892,821

In compliance with the provisions of IFRS 3, the Group makes impairment tests of goodwill at 31 December of each year and whenever there are indications of impairment. For purposes of impairment tests, goodwill has been attributed to the identified cash generating units, considering, as a cash generating unit, the smallest identifiable group of cash generating assets that are largely independent of the cash flow of other assets or groups of assets. The cash generating units identified for this purpose, to which goodwill was attributed, were the following:

- Television: corresponding to the generalist channel SIC, the theme channels SIC Notícias, SIC Mulher, SIC Radical, SIC K, SIC Internacional and SIC Caras owned by the legal entities SIC and GMTS;

- Magazines: corresponding to several publications in the form of magazines with the titles Caras, Visão, Exame, TV Mais, Activa, Blitz, Telenovelas, among others, which are owned by the legal entity Medipress;

- Newspapers: corresponding essentially to the newspaper Expresso, which is owned by the legal entity Impresa Publishing;

- InfoPortugal: corresponding essentially to the digital mapping business;

- Olhares.com: corresponding essentially to the olhares.com portal.

Approach used to determine the amounts attributed to key assumptions

At 31 December 2014 and 2013 the Group requested a specialised independent entity to test impairment of goodwill of the television, magazine and newspaper sectors, as they were considered to be the more significant cash generating units for purposes of determining their recoverable value and the more complex for determination of the recoverable amount. The Group made internal tests of the impairment of goodwill of the remaining cash generating units.

Impairment tests of goodwill are made using the discounted cash flow method, based on cash flow projections prepared for a five year period for each cash generating unit, a perpetuity being considered as from the fifth year.

The financial projections are prepared based on assumptions of the evolution of the operations of the cash generating units, which the Board of Directors believes are coherent with last historical experience and the markets tendencies, being reasonable and prudent and which reflect their vision and of the consultants involved in their preparation. In addition, whenever possible data obtained from external entities were used, which were compared with historical data and the Group's experience.

The discount rates used reflect the level of indebtedness and the borrowing cost of each cash generating unit, as well as the risk level and profitability expected by the market. In addition, in determining the discount rates, the component related to the pre-risk assets based on the interest rates of ten year German bonds plus a country risk premium corresponding to the average spread between the Portuguese and German 10 year bonds. The discount rates used also include a market risk premium, estimated by the external consultants that made the impairment studies.

The perpetuity growth rate was estimated based on an analysis of the potential market of each cash generating unit, based on the expectations of the Board of Directors and the external consultants involved in the valuations. For this purpose the external consultants considered a sample of Iberian companies.

The main changes made in the impairment analyses as of 31 December 2014 in relation to past experience are as follows:

- decrease in the discount rate resulting essentially from the decrease in the risk of the Portuguese sovereign debt;
- improvement in the advertising market during the projected period in relation to that previously estimated;
- decrease in other income, namely in the television segment.

Impairment tests in the year ended 31 December 2014:

As a result of the impairment tests carried out, in the year ended 31 December 2014 the Group did not identify any impairment of goodwill.

Television:

The recoverable amount of this cash generating unit was determined considering the financial projections of the Television cash generating unit for a period of five years, using a discount rate of 8.13% (9.86% at 31 December 2013) and a perpetuity growth rate of 2% (2% in 2013).

The main business assumptions considered were as follows:

- Advertising market: a compound annual growth rate throughout the period of the projections of 3.7%, never achieving the amounts for 2011;

- Advertising and audience market share: these variables were considered constant in relation to 2014 for the 5 year period of the projections;

- Programing cost: an increase was estimated for 2015 and slight increase in the remaining years of the projection;

- Automatic renewal of the television operating licences at the end of their term, without additional costs;

- Maintenance of the current open signal transmission costs of the SIC generalist channel, as well as operating continuity of the current theme channels.

The impairment tests carried out assume that the current number of television channel broadcasting in open signal is maintained, as well as the current limit of advertising space in each channel and other sector regulations.

The Company made the following sensitivity tests:

- a 1% decrease in advertising income of the cash generating unit resulting from a 1% decrease in advertising target market income over the period of the projection would not imply the need to record an impairment loss at 31 December 2014;

- a 0.5% increase in the discount rate for the years of the projections would not imply the need to record an impairment loss at 31 December 2014;

- a decrease in the perpetuity growth rate to 1.75% would not imply the need to record an impairment loss at 31 December 2014.

Magazines:

The recoverable amount of this cash generating unit was determined considering the financial projections of the Magazines for a five year period, using a discount rate of 8.15% (9.24% at 31 December 2013) and a perpetuity growth rate 0.5% (0.5% in 2013).

The main assumptions considered were as follows:

- Advertising market: a compound annual growth rate of 1.7% was considered for the period of the projections, never achieving the 2012 levels;

- Advertising market share: a slight decrease was estimated for 2015 with slight recovery over the remaining period of the projections, never achieving the 2013 levels;

- Circulation: a decrease in magazine circulation was estimated for 2015 and maintenance of the level over the following years of the projections;

- Portfolio: the current magazine publications were considered to be maintained.

The Company made the following sensitivity tests:

- a 1% decrease in advertising income of the cash generating unit resulting from a 1% decrease in advertising target market income over the period of the projection would not imply the need to record an impairment loss at 31 December 2014;

- a 0.5% increase in the assumed discount rate for the years of the projections would not imply the need to record an impairment loss at 31 December 2014;

The Group does not consider it reasonable to assume a perpetuity growth rate of less than 0.5%.

Newspapers:

The recoverable amount of this cash generating unit was determined considering the financial projections of the Newspapers segment for a five year period, using a discount rate of 8.16% (9.27% at 31 December 2013) and a perpetuity growth rate 0.5% (0.5% in 2013).

The main assumptions considered were as follows:

- Advertising market: a compound annual growth rate of 1.7% was considered for the period of the projections, never reaching the 2012 levels;

- Advertising market share: recovery over the period of the projections was estimated, never reaching the 2013 level;

- Circulation: maintenance of the 2014 circulation level over the following years of the projection.

The Company made the following sensitivity tests:

- a 1% decrease in advertising income of the cash generating unit resulting from a 1% decrease in advertising target market income over the period of the projection would not imply the need to record an impairment loss at 31 December 2014;

- a 0.5% increase in the assumed discount rate for the years of the projections would not imply the need to record an impairment loss at 31 December 2014.

The Group does not consider it reasonable to assume a perpetuity growth rate of less than 0.5%.

InfoPortugal and Olhares,com:

The recoverable amount of these cash generating units was determined considering the financial projections of the digital mapping business and Olhares.com portal for a five year period using a discount rate of 8.18% (9.84% at 31 December 2013) and a perpetuity growth rate 2.5% (2.5% in 2013).

(Amounts stated in Euros)

The main assumptions considered in the projections for 2015 assume recovery of operations and a 5% compound annual growth rate over the remaining period of the projections.

In addition, reasonable changes were not identified in the key assumptions of the valuations on which the Company based itself to determine the recoverable value that would imply the need to record additional impairment losses at 31 December 2014.

In the impairment analyses made as of 31 December 2013, the main changes in relation to past experience were as follows:

- slight improvement in the advertising market during the projected period in relation to that previously estimated;
- decrease in the discount rate due essentially to the decrease in the Portuguese sovereign debt risk;
- impact of the gain in market share and audiences of SIC in 2013, as well as increase in other income;
- decrease in the rate of income tax.

18. INTANGIBLE ASSETS

The changes in intangible assets and respective accumulated amortization and impairment losses in 2014 and 2013 were as follows:

31 December 2014:

	Industrial property and other rights	Software	Intangible assets in progress	Total
Gross:				
Balance at 31 December 2013	3,720,800	5,136,626	91,302	8,948,728
Acquisitions	14,128	292,016	33,278	339,422
Sales and write-offs	(977,874)	(5,245,269)	-	(6,223,143)
Balance at 31 December 2014	2,757,054	183,373	124,580	3,065,007
Accumulated amortisation and impairment losses:				
Balance at 31 December 2013	(3,589,649)	(5,029,412)	-	(8,619,061)
Increases	(66,700)	(128,479)	-	(195,179)
Decreases due to sales and write-offs	977,874	5,245,269	-	6,223,143
Balance at 31 December 2014	(2,678,475)	87,378	-	(2,591,097)
Net balance at 31 December 2014	78,579	270,751	124,580	473,910

The acquisitions in 2014 correspond essentially to software updates and software licences of the Oracle program.

The decreases correspond to the write-off of fully amortized assets.

(Amounts stated in Euros)

31 December 2013:

	Industrial property and other rights	Software	Intangible assets in progress	Total
Gross:				
Balance at 31 December 2012	3,713,777	4,985,942	-	8,699,719
Acquisitions	7,023	12,549	91,302	110,874
Reclassifications (Note 19)	-	138,135	-	138,135
Balance at 31 December 2013	3,720,800	5,136,626	91,302	8,948,728
Accumulated amortisation and impairment losses:				
Balance at 31 December 2012	(3,402,520)	(4,850,507)	-	(8,253,027)
Increases	(187,129)	(149,089)	-	(336,218)
Reclassifications (Note19)	-	(29,816)	-	(29,816)
Balance at 31 December 2013	(3,589,649)	(5,029,412)	-	(8,619,061)
Net balance at 31 December 2013	131,151	107,214	91,302	329,667

Intangible assets in progress at 31 December 2013 correspond essentially to software licences of the Oracle program.

19. TANGIBLE FIXED ASSETS

The changes in tangible fixed assets and corresponding accumulated depreciation and impairment losses during the years ended 31 December 2014 and 2013 were as follows:

31 December 2014:

	Land and natural resources	Buildings and other constructions	Machinery and equipment	Transport equipment	Administrative equipment	Other tangible assets	Fixed assets in progress	Total
Gross:								
Balance at 31 December 2013	1,675,961	23,255,655	101,047,494	592,085	25,088,202	21,414	2,705,267	154,386,078
Acquisitions	-	-	2,204,866	29,987	237,944	-	29,565	2,502,362
Sales and write-offs	-	-	(3,928,626)	(27,210)	(46,260)	(7,777)	-	(4,009,873)
Transfers	-	(19,660)	2,683,260	-	-	-	(2,663,600)	-
Balance at 31 December 2014	1,675,961	23,235,995	102,006,994	594,862	25,279,886	13,637	71,232	152,878,567
Accumulated depreciation and impairment losses								
Balance at 31 December 2013	-	(6,781,854)	(93,801,928)	(578,069)	(23,911,760)	(21,414)	-	(125,095,025)
Increases	-	(889,106)	(2,178,154)	(12,241)	(536,693)	-	-	(3,616,194)
Decreases due to sales and write-offs	-	-	3,928,626	27,210	46,260	7,777	-	4,009,873
Balance at 31 December 2014	-	(7,670,960)	(92,051,456)	(563,100)	(24,402,193)	(13,637)	-	(124,701,346)
Net balance at 31 December 2014	1,675,961	15,565,035	9,955,538	31,762	877,693	-	71,232	28,177,221

The increase in the caption “Tangible fixed assets in progress” corresponds essentially to the DCM/DAM project of SIC, the objective of which is to implement the work flows relating to the treatment and circulation of contents entirely in digital format and create conditions for the broadcasting of channels on HD, completed during the year.

The decrease in the caption “Machinery and equipment” corresponds essentially to the write-off of fully depreciated assets.

(Amounts stated in Euros)

31 December 2013:

	Land and natural resources	Buildings and other constructions	Machinery and equipment	Transport equipment	Administrative equipment	Other tangible assets	Fixed assets in progress	Total
Gross:								
Balance at 31 December 2012	1,675,961	23,247,035	100,258,462	592,085	25,157,320	21,414	145,513	151,097,790
Acquisitions	-	8,620	1,035,336	-	80,411	-	2,580,268	3,704,635
Sales and write-offs	-	-	(128,683)	-	(149,529)	-	-	(278,212)
Transfers	-	-	20,514	-	-	-	(20,514)	-
Reclassifications (Note 18)	-	-	(138,135)	-	-	-	-	(138,135)
Balance at 31 December 2013	1,675,961	23,255,655	101,047,494	592,085	25,088,202	21,414	2,705,267	154,386,078
Accumulated depreciation and impairment losses								
Balance at 31 December 2012	-	(5,656,090)	(90,723,634)	(560,565)	(23,514,947)	(21,414)	-	(120,476,650)
Increases	-	(1,125,764)	(3,236,793)	(17,504)	(542,821)	-	-	(4,922,882)
Decreases due to sales and write-offs	-	-	128,683	-	146,008	-	-	274,691
Reclassifications (Note 18)	-	-	29,816	-	-	-	-	29,816
Balance at 31 December 2013	-	(6,781,854)	(93,801,928)	(578,069)	(23,911,760)	(21,414)	-	(125,095,025)
Net balance at 31 December 2013	1,675,961	16,473,801	7,245,566	14,016	1,176,442	-	2,705,267	29,291,053

The increase in the caption "Machinery and equipment" is due essentially to the acquisition of technical equipment supporting the operations of SIC and GMTS.

The caption "Tangible fixed assets in progress" corresponds essentially to the DCM/DAM project of SIC.

At 31 December 2014 and 2013, the Group had the following assets under finance lease:

	2014			2013		
	Gross	Accumulated depreciation and impairment losses	Net	Gross	Accumulated depreciation and impairment losses	Net
Land	1,726,261	-	1,726,261	1,675,961	-	1,675,961
Buildings and natural resources	14,442,035	(2,941,558)	11,500,477	14,421,985	(2,651,484)	11,770,501
Machinery and equipment	9,017,788	(5,669,725)	3,348,063	13,710,943	(9,114,782)	4,596,161
Transport equipment	20,502	(13,241)	7,261	110,800	(85,995)	24,805
Administrative equipment	151,790	(84,639)	67,151	2,337,557	(1,876,800)	460,757
	25,358,376	(8,709,163)	16,649,213	32,257,246	(13,729,061)	18,528,185

As explained in Note 2.7, these leased assets are recorded in accordance with the financial method.

Except for the assets acquired under finance lease contracts, there are no other restrictions to the ownership of tangible fixed assets.

20. INVESTMENTS

The changes in investments in the years ended 31 December 2014 and 2013 were as follows:

31 December 2014:

	Investments in associated companies	Investments in other companies	Total
Balance at 31 December 2013	5,114,824	1,621,963	6,736,787
Application of the equity method (Note 14)	313,222	-	313,222
Dividends distributed by VASP	(420,000)	-	(420,000)
Decreases (a)	-	(37,810)	(37,810)
Balance at 31 December 2014	5,008,046	1,584,153	6,592,199

(Amounts stated in Euros)

(a) This amount corresponds to the sale of 10,822 shares of NonuisSoft to that same entity for 54,110 Euros generating a gain of approximately 17,000 Euros.

31 December 2013:

	Investments in associated companies	Investments in other companies	Total
Balance at 31 December 2012	4,954,765	1,621,303	6,576,068
Application of the equity method (Note 14)	260,059	-	260,059
Dividend distributed by VASP	(100,000)	-	(100,000)
Increase (b)	-	660	660
Balance at 31 December 2013	5,114,824	1,621,963	6,736,787

(b) The increase refers to the acquisition of a participation in the Nexponor fund.

Investments in associated companies at 31 December 2014 and 2013 are made up as follows:

31 December 2014:

		2014							
Company	Head office	Total assets	Total revenue	Equity	Net result	Percentage effectively held	Participation amount	Accumulated impairment losses (Note 32)	Net value of the asset
Vasp	Cacém	36,436,453	210,862,180	11,377,694	944,869	33,33	3,792,185	-	3,792,185
Lusa	Lisbon	12,350,290	14,757,048	5,440,087	(802,415)	22,35	1,215,861	-	1,215,861
Visapress	Lisbon	n.d.	n.d.	n.d.	n.d.	21.43	15,000	(15,000)	-
							5,023,046	(15,000)	5,008,046

31 December 2013:

		2013							
Company	Head office	Total assets	Total revenue	Equity	Net result	Percentagem Percentage effectively held	Participation amount	Accumulated impairment losses (Note 32)	Net value of the asset
Vasp	Cacém	36,044,522	210,500,919	11,392,976	1,204,798	33,33	3,797,268	-	3,797,268
Lusa	Lisbon	13,015,047	14,476,905	5,894,854	(945,688)	22,35	1,317,556	-	1,317,556
Visapress	Lisbon	n.d.	n.d.	n.d.	n.d.	21.43	15,000	(15,000)	-
							5,129,824	(15,000)	5,114,824

As a result of applying the equity method at 31 December 2014 and 2013 the following changes were recorded in the caption "Investments in associates":

	2014			2013		
Company	Gains on associated companies (Note 14)	Losses on associated companies (Note 14)	Total	Gains on associated companies (Note 14)	Losses on associated companies (Note 14)	Total
Vasp	414,917	-	414,917	471,444	-	471,444
Lusa	-	(101,695)	(101,695)	-	(211,385)	(211,385)
	414,917	(101,695)	313,222	471,444	(211,385)	260,059
Others	16,368	-	16,368	-	-	-
	431,285	(101,695)	329,590	471,444	(211,385)	260,059

(Amounts stated in Euros)

Investments in other companies at 31 December 2014 and 2013 are made up as follows:

	2014		2013	
Company	Effective participation of the Group	Amount of the participation	Effective participation of the Group	Amount of the participation
NP	10.71%	18,703	10.71%	18,703
ITEXAMPLE, ACE	4.41%	30,000	4.41%	30,000
Nonius Soft	14.96%	1,534,790	15.03%	1,572,600
Nexponor	0.001%	660	0.001%	660
		1,584,153		1,621,963

21. OTHER ASSETS

In the year ended 31 December 2007, the Company subscribed for participating units in Fundo de Investimento Cinematográfico e Audiovisual ("FICA" or "the Fund"), founded under the terms of Ministerial Order 277/2007 of 14 March, with the objective of investing in cinematographic, audio-visual and multi-platform works, aimed at exploring them on a broad basis so as to increase and improve supply and increase the potential value of such productions with the ultimate purpose of stimulating the development of cinematographic and audio-visual art.

FICA's initial capital amounted to 83,000,000 Euros, fully subscribed, and to be paid on a phased basis. The capital was made of 83,000 participating units of 1,000 Euros each at the time of subscription, the founders being: the Portuguese State (represented by Instituto do Cinema e Audiovisual – ICA, I.P.), ZON Multimédia, Serviços de Telecomunicações e Multimédia, SGPS, S.A., RTP – Rádio e Televisão de Portugal, S.A., SIC and TVI – Televisão Independente, S.A..

The Fund was founded for a period of seven years as from the time it starts operating, the first five years being an investment phase and the last two a disinvestment phase.

The Fund was an autonomous fund, having no responsibility, under any circumstances, for the debts of its participants or of any other entity or agent, the participants having no responsibility for any debts contracted by the Fund, other than the amount of their participating units.

In 2007, SIC subscribed for participating units totalling 10,000,000 Euros, representing 12.05% of FICA, payable as follows:

	Nominal amount	Present value at the subscription date
2007	1,000,000	993,937
2008	2,000,000	1,916,574
2009	2,000,000	1,825,289
2010	2,000,000	1,738,351
2011	2,000,000	1,655,554
2012	1,000,000	797,969
	10,000,000	8,927,674

On 26 June 2009, SIC renounced the participation contract in FICA. As a result of this decision, on that date SIC derecognized the asset and liability relating to the participating units not paid for. Consequently, on that date the amount of the asset was decreased from 8,927,674 Euros to 2,500,000 Euros, derecognizing the liability of 6,427,674 corresponding therefore to the amount realized up to that date. On 31 October 2008, SIC had already suspended the payment of its participating units as not all the other subscribers to FICA were complying with their liabilities.

In prior years the Group recognized impairment losses corresponding to the full amount of its investment.

(Amounts stated in Euros)

On 26 December 2014, the subscribers to FICA approved the liquidation, sharing and distribution of the result of the fund as of that date, in proportion to the number of participating units subscribed for, the part corresponding to the Company being approximately 395,000 Euros (Note 10), of which approximately 383,000 Euros have already been received.

As a result of liquidation of the Fund the Company derecognized its participation and accumulated impairment in the amount of 2,500,000 Euros.

22. INVESTMENT PROPERTIES

Investment properties held by the Group at 31 December 2014 and 2013 are made up as follows:

Investment property	2014	2013
"FNAC" land	5,912,440	6,151,963

The changes in the caption “Investment Properties” in the years ended 31 December 2014 and 2013 were as follows:

31 December 2014:	
Balance at 31 December 2013	6,151,963
Impairment losses for the year (Note 32)	(239,523)
Balance at 31 December 2014	5,912,440
31 December 2013:	
Balance at 31 December 2012	6,231,074
Decreases	(79,111)
Balance at 31 December 2013	6,151,963

As a result of the assessment of the realizable value of the asset by comparison to the market, in 2014 an impairment loss of 239,523 Euros was recognized.

23. PROGRAM BROADCASTING RIGHTS AND INVENTORIES

Program broadcasting rights at 31 December 2014 and 2013 are made up as follows:

	31 December 2014		31 December 2013	
	Non-current	Current	Non-current	Current
Broadcasting rights				
Gross:				
Program broadcasting rights	9,280,535	4,900,024	8,591,730	12,056,008
Advances on account of purchases	557,128	8,510,754	557,128	5,050,261
	9,837,663	13,410,778	9,148,858	17,106,269
Impairment of realizable value:				
Accumulated impairment of the realizable value (Note 32)	(557,128)	-	(557,128)	-
Net realizable value of the transmission rights	9,280,535	13,410,778	8,591,730	17,106,269

The caption “Advances on account of purchases” at 31 December 2014 and 2013 includes payments made by SIC to program suppliers under contracts entered into with these entities, relating to program broadcasting rights, which at that date were not available for broadcasting, corresponding essentially to series and sports rights.

(Amounts stated in Euros)

Inventories at 31 December 2014 and 2013 are made up as follows:

	2014	2013
Inventories:		
Raw, subsidiary and consumable material	1,318,290	1,463,692
Work in progress	532,383	733,366
Net realizable value of inventories	1,850,673	2,197,058

At 31 December 2014 and 2013 the Group had no inventories pledged in guarantee of compliance with liabilities.

24. TRADE AND OTHER RECEIVEBLES

At 31 December 2014 and 2013, this caption was made up as follows:

	31 December 2014			31 December 2013		
	Gross	Accumulated impairment Losses (Note 32)	Net	Gross	Accumulated impairment Losses (Note 32)	Net
Customers	30,729,474	(9,739,184)	20,990,290	41,813,611	(9,107,867)	32,705,744
Invoices to be issued:						
Value added services	2,056,293	-	2,056,293	3,326,104	-	3,326,104
Television broadcasting rights of theme channels	585,101	-	585,101	434,833	-	434,833
Television broadcasting rights of generalist channels	180,829	-	180,829	133,076	-	133,076
Advertising	-	-	-	105,159	-	105,159
Other amounts to be invoiced	837,284	-	837,284	614,144	-	614,144
Discounts receivable						
Volume discounts receivable	60,432	-	60,432	137,334	-	137,334
	34,449,413	(9,739,184)	24,710,229	46,564,261	(9,107,867)	37,456,394

25. STATE AND OTHER PUBLIC ENTITIES – ASSETS

At 31 December 2014 and 2013 this caption was made up as follows:

	2014	2013
Corporate income tax:		
Withholdings at source	65	259
Payments on account	-	6,893
Estimated income tax (Note 15)	-	(284)
Value Added Tax - amounts to be reported	74,524	44,015
	74,589	50,883

(Amounts stated in Euros)

26. OTHER NON-CURRENT AND CURRENT ASSETS

At 31 December 2014 and 2013, this caption was made up as follows:

	2014	2013
Other non-current assets:		
Lisgráfica – Impressão e Artes Gráficas, S.A. ("Lisgráfica") (a)	1,558,888	1,789,844
Pension fund - Post employment benefits (Note 37.1)	1,571,523	1,928,902
Premius, S.A.	906,250	906,250
Digital telebroadcasting services (b)	811,274	873,626
Novimovest - Fundo de Investimento Imobiliário (c)	800,000	800,000
	5,647,935	6,298,622
Other current assets:		
Advances to suppliers	630,027	641,590
Other debtors		
Lisgráfica (a)	252,934	281,867
Subsidies receivable (f)	173,222	258,380
Advances to employees	163,527	249,695
Isabel Monteiro (e)	192,868	192,500
Fantasy Day - Unipessoal, Lda. and Lemon-Entretenimento, Lda. (d)	169,403	169,403
Deposit (g)	982,492	144,861
Others	682,018	1,024,273
Prepayments:		
Licences	105,384	387,514
Rent	115,696	105,604
Digital telebroadcasting services (b)	61,667	61,668
Financial charges	253,299	-
Insurance	15,692	56,794
Others	454,577	496,262
	4,252,806	4,070,411
	9,900,741	10,369,033

(a) Present value of the account receivable resulting initially from the sale in 2006 of the investment in Imprejornal - Sociedade de Impressão, S.A. to Mirandela – Artes Gráficas, S.A.. During the year ended 31 December 2008, the Group sold that account receivable to Lisgráfica. In accordance with the contract, this account is payable in monthly instalments of 25,000 Euros up to 2022. The nominal value of this receivable at 31 December 2014 and 2013 was 2,357,010 Euros and 2,606,897 Euros respectively.

(b) This caption corresponds to deferral of the single instalment for access to the digital teledifusion network and for services rendered by PT Comunicações, under the technical alteration process. This amount is being deferred over the period of the contract to render digital telebroadcasting services entered into with PT Comunicações. The contract became effective on 1 January 2012 and remains in force until 9 December 2028.

(c) Amount still receivable from the sale of the SIC building in 2004, which is dependent upon updating of the utilization licence.

(d) Present value of the account receivable resulting from the sale in prior years of the 100% participation in iPlay- Som e Imagem, Lda..

(e) Present value of the account receivable resulting from the sale in prior years of the 90% participation in Dialectus – Traduções Técnicas, Legendagem e Locução, Lda..

(f) Subsidies attributed to InfoPortugal, not yet received.

(Amounts stated in Euros)

(g) The amounts of 982,492 Euros and 144,861 Euros at 31 December 2014 and 2013, respectively, correspond to the net amount of a dollar term deposit of 7,001,071 Euros and 6,163,440 Euros, respectively, and a loan contract of 6,018,579 Euros in both years, recorded in this caption with a maximum amount of 10,000,000 Euros, being automatically renewable for successive six month periods. The term deposit is in guarantee of the liability resulting from the loan contract.

27. CASH AND CASH EQUIVALENTS

The caption "Cash and cash equivalents" included in the consolidated statement of cash flow as of 31 December 2014 and 2013 and the reconciliation thereof to the amount of cash and cash equivalents reflected in the statement financial position as of those dates are as follows:

	2014	2013
Cash	91,808	109,942
Bank deposits (a)	4,728,326	1,324,622
	4,820,134	1,434,564
Bank overdrafts (Note 30)	(484,327)	(7,835,777)
	4,335,807	(6,401,213)

(a) This caption at 31 December 2014 includes a term deposit of 2,600,000 Euros that matures on 5 January 2015 and bears interest at market rates.

28. EQUITY ATTRIBUTABLE TO THE SHAREHOLDERS OF THE PARENT COMPANY

Share Capital: At 31 December 2014 and 2013, Impresa's fully subscribed and paid up share capital amounted to 84,000,000 Euros, represented by 168,000,000 shares of fifty cents each, which are held as follows, according to the participations reported to CMVM:

	2014		2013	
	Percentage held	Amount	Percentage held	Amount
Impreger - Sociedade Gestora de Participações Sociais, S.A. ("Impreger")	50.31%	42,257,294	50.31%	42,257,294
FIL, Ltd.	5.32%	4,466,500	0.00%	-
Invesco, Ltd.	5.12%	4,299,295	0.00%	-
Madre - SGPS, S.A.	4.97%	4,172,181	4.97%	4,172,181
BPI Group	3.69%	3,100,000	3.69%	3,100,000
Newshold - SGPS, S.A.	2.40%	2,019,382	3.21%	2,698,269
Santander Asset Management	2.83%	2,375,627	0.00%	-
UBS Group AG	2.52%	2,115,683	0.00%	-
Hendersen Global Investors, Ltd.	2.50%	2,100,000	0.00%	-
TT International	2.47%	2,075,000	0.00%	-
Ongoing Group:				
Ongoing Energy - SGPS, S.A.	0.00%	-	23.43%	19,678,695
Investoffice - Investimentos e Consultoria Financeira, S.A.	0.00%	-	0.32%	267,412
Others	17.88%	15,019,040	14.08%	11,826,149
	100.00%	84,000,000	100.00%	84,000,000

Share premium: This caption corresponds to premiums obtained in capital increases made in previous years. In accordance with current legislation, utilisation of this reserve is subject to the same rules as the legal reserve, as such this amount is not available for distribution to the shareholders, but may be used to absorb losses once all other reserves and retained earnings have been exhausted, or to increase capital.

Legal reserve: Portuguese law provides that at least 5% of annual net profit must be appropriated to a legal reserve until the reserve equals the minimum requirement of 20% of share capital. The reserve is not available for distribution to the shareholders except upon liquidation of the Company, but may be used to absorb losses, once all other reserves and retained earnings have been exhausted, or to increase capital.

(Amounts stated in Euros)

As decided at the Shareholders' General Meeting held on 23 April 2014, net profit for the year ended 31 December 2013 in the amount of 1,146,567 Euros, determined in the separated financial statements of Impresa, was appropriated as follows:

Legal reserve	57,329
Accumulated losses	1,089,238
	1,146,567

The difference between the non-consolidated and consolidated result was transferred to retained earnings/(accumulated losses).

As decided at the Shareholders' General Meeting held on 23 April 2013, the net loss for the year ended 31 December 2012, determined in accordance with the separated financial statements of Impresa, was appropriated in full to the caption "Retained earnings/Accumulated losses".

The difference between the separated and consolidated profit was transferred to retained earnings/(accumulated losses).

29. EQUITY ATTRIBUTABLE TO NON-CONTROLLING INTERESTS

The changes in this caption in the years ended 31 December 2014 and 2013 were as follows:

31 December 2013	
Balance at 31 December 2012	59,926
Acquisition of an additional participation in Olhares.com	(59,926)
Balance at 31 December 2013	-

At 31 December 2014, the Group did not have any non-controlling interests.

30. BORROWINGS

Borrowings at 31 December 2014 and 2013 were as follows:

		31 December 2014				31 December 2013			
		Book value		Nominal value		Book value		Nominal value	
Company	Lending entities	Non-current	Current	Non-current	Current	Non-current	Current	Non-current	Current
ISM	Banco BPI, S.A. (a)	88,966,280	9,454,983	89,377,051	9,508,198	98,419,993	9,463,462	98,885,245	9,508,198
Medipress	Banco Espírito Santo, S.A. and Banco Espírito Santo de Investimento, S.A. (b)	-	-	-	-	11,390,339	2,749,392	11,600,000	2,800,000
Impresa	Caixa Geral de Depósitos, S.A. (c)	-	-	-	-	-	4,000,000	-	4,000,000
Impresa	Caixa Geral de Depósitos, S.A. (d)	-	-	-	-	-	5,929,649	-	6,000,000
Impresa	Caixa Geral de Depósitos, S.A. (e)	-	14,957,663	-	15,000,000	-	-	-	-
Impresa	Novo Banco, S.A. and Banco Espírito Santo de Investimento, S.A. (f)	29,623,347	-	30,000,000	-	-	-	-	-
SIC	Banco Espírito Santo, S.A. and Banco Espírito Santo de Investimento, S.A. (g)	-	-	-	-	8,281,835	6,010,245	8,400,000	6,096,000
SIC	Banco BPI, S.A. (h)	16,904,922		17,000,000		8,500,000	-	8,500,000	-
Impresa Publishing	Banco Comercial Português, S.A. (i)	-	-	-	-	-	4,000,000	-	4,000,000
Impresa Publishing	Banco Comercial Português, S.A. (j)	-	10,932,945	-	11,000,000	-	-	-	-
	Guaranteed current accounts (k)	-	9,895,000	-	9,895,000	-	23,074,500	-	23,074,500
	Bank overdrafts (l) (Note 27)	-	484,327	-	484,327	-	7,835,777	-	7,835,777
		135,494,549	45,724,918	136,377,051	45,887,525	126,592,167	63,063,025	127,385,245	63,314,475

(Amounts stated in Euros)

(a) Loan contracted by ISM from Banco BPI, S.A. to finance the acquisition of all the share capital of Solo (merged into ISM) which had an 18.35% participation in SIC, and a 30.65% participation in SIC. At 31 December 2014, the loan bore interest payable half yearly in arrears at the Euribor six month rate plus a spread of 2.5%, the contract establishing a floor of 2.15% and a cap of 5.05% up to 2015 for the reference rate. The loan is repayable in 38 successive half yearly instalments, beginning on 30 June 2006. The nominal amount of the loan is repayable as follows:

2015	9,508,198
2016	9,508,198
2017	9,983,607
2018	9,983,607
2019 and following years	59,901,639
	89,377,051
	98,885,249

As guarantee of full compliance with this loan, the Group signed a blank promissory note, and ISM pledged shares representing 49% of SIC's share capital (Note 36).

ISM and Impresa have assumed several covenants with respect to this loan and restrictions relating essentially to the acquisition and sale of assets and the distribution of dividends.

The above mentioned cap and floor were not separated from the loan contract because, at the loan contracting date, they did not fulfil the conditions established in IAS 39 for their separation, that is, on the date of contracting the loan, the floor was below the market interest rate and the cap was above the market interest rate.

In accordance with this contract Impresa must maintain all the capital of ISM and at least 51% of the capital of SIC. In addition, Impreger must not reduce its participation in Impresa to below 50.01% of its capital.

(b) Loan contracted in July 2008, with Banco Espírito Santo, S.A. and Banco Espírito Santo de Investimento, S.A., in the amount of 23,000,000 Euros, to finance the acquisition of a 50% participation in Edimpresa (company merged into Medipress). In 2014 this loan was fully repaid early.

(c) In 2012 the Group restructured this debt, through an addendum to the previous contract with Caixa Geral de Depósitos, S.A., which defined 2014 as the date for repayment of the remaining balance.

(d) Issuance of commercial paper by Impresa under a commercial paper program for a period of five years ending on 18 December 2014 for the maximum amount of 6,000,000 Euros. Impresa was required to maintain a minimum participation of 51% in SIC.

(e) Issuance of commercial paper under a commercial paper program for a period of 3 years with maturities up to six months, ending on 23 December 2017, with an initial amount of 15,000,000 Euros, which will progressively be reduced to 3,750,000 Euros at the last issuance. At 31 December 2014 this commercial paper issue bore interest at the Euribor rate for the maturity period plus a spread of 2.85%.

In accordance with this loan, in addition to Impresa, SIC and Impresa Publishing have assumed certain covenants, on a solidarity basis, including, among others, requirements to repay principal and pay interest. In addition, Impreger and Impresa must not cease holding directly the majority of the capital of Impresa and SIC, respectively.

(f) On 12 November 2014 the Company issued bonds totalling 30,000,000 Euros, corresponding to 600 bonds of 50,000 Euros each, repayable on 12 November 2018. The bonds bear interest at the Euribor 6 month rate plus a spread of 4%.

In accordance with these bonds, Impresa assumed certain commitments, not ceasing to hold all the share capital of SIC and Impresa Publishing and Impregar must not cease to hold a majority (50.1%) of the Company's capital.

At 31 December 2014, these bonds were listed for trading (Euronext), their market value being similar to the amount recorded in the financial statements as of that date.

(Amounts stated in Euros)

(g) Bank loan contracted by SIC from Banco Espírito Santo S.A. and Banco Espírito Santo de Investimento, S.A. on 23 March 2012 for 20,000,000 Euros, which matures on 10 December 2015 and was repaid early in full in 2014.

(h) Bank loan contracted by SIC from Banco BPI, S.A. on 26 June 2013 for the maximum amount of 17,000,000 Euros, which was fully used up in 2014. At 31 December 2014 and 2013 the loan bore interest at the Euribor 180 day rate plus a spread of 5% and is repayable in 16 successive half yearly instalments as from 30 June 2017. As a result of this loan, the Group signed a blank promissory note, assumed several covenants and restrictions relating essentially to the acquisition and sale of assets, a promissory mortgage of the FNAC land, as well as maintenance of the current shareholder structure of Impresa.

(i) Loan contracted by Impresa Publishing from Banco Comercial Português, S.A. on 24 June 2013 which matured on 24 June 2014.

(j) Issuance of commercial paper by Impresa Publishing under a commercial paper program for 5 years with maturities up to six months, ending on 18 November 2019, for a total amount of 11,000,000 Euros, which will progressively decrease to 1,100,000 by the last issuance. At 31 December 2014, this commercial paper issuance bore interest at the Euribor rate for the period of the issuance plus a spread of 5.25%.

Impresa Publishing assumed certain conditions under this loan, including not being held in less than 50.1% in Impresa.

(k) Guaranteed current accounts obtained by the group companies which bear interest at normal market rates for similar operations.

(l) The bank overdrafts bear interest at market rates for similar transactions.

At 31 December 2014 and 2013 the Group had approved unused credit limits of approximately 53,321,000 Euros and 29,258,000 Euros, respectively.

At 31 December 2014 and 2013, the effective interest rates on the loans were as follows:

Company	Financing entities	2014	2013
Impresa Digital	Banco BPI, S.A.	4.65%	4.65%
Medipress	Banco Espírito Santo, S.A. and Banco Espírito Santo de Investimento, S.A.	-	5.72%
Impresa	Caixa Geral de Depósitos, S.A.	-	3.69%
Impresa	Caixa Geral de Depósitos, S.A.	-	3.59%
Impresa	Caixa Geral de Depósitos, S.A.	3.02%	-
Impresa	Novo Banco, S.A. and Banco Espírito Santo de Investimento, S.A. (f)	4.18%	-
SIC	Banco Espírito Santo, S.A. and Banco Espírito Santo de Investimento, S.A.	-	5.13%
SIC	Banco BPI, S.A.	5.29%	5.34%
Impresa Publishing	Banco Comercial Português, S.A.	-	4.19%
Impresa Publishing	Banco Comercial Português, S.A.	5.43%	-
Group	Guaranteed current accounts	4.90%	4.93%

Information on the Group's exposure to interest rate risk on its loans is shown in Note 40.

The Board of Directors believes that there are no cases of non-compliance with the requirements of the above mentioned loans, both as regards maintenance of the main participations in subsidiary companies, the limitation of investments or the distribution of dividends as well as the applicable financial covenants. The financial covenants to be complied with, not applicable to all the loans, correspond to the "Remunerated net debt/EBITDA Ratio" and the "Financial Autonomy Ratio", in which the existence of possible non-compliance, could result in the financial entities requiring early repayment of the loans and/or change in the previously agreed loan conditions.

(Amounts stated in Euros)

31. FINANCE LEASES

At 31 December 2014, Office Share, Impresa Publishing, InfoPortugal and companies of the television segment had liabilities under finance lease contracts totaling 6,426,548 Euros, 149,175 Euros, 9,381 Euros and 1,637,863 Euros, respectively, payable as follows:

	Principal	Interest	Total
2015	2,381,515	151,819	2,533,334
2016	1,134,985	90,145	1,225,130
2017	894,727	69,151	963,878
2018	3,810,740	10,126	3,820,866
	5,840,452	169,422	6,009,874
	8,221,967	321,241	8,543,208

The liabilities under the lease contracts relate essentially to the head office building of Office Share and technical support equipment for the digitalisation project of the television segment operating systems. The lease contracts do not include contingent instalments and include purchase options at below the market value of the assets.

At 31 December 2013 Office Share, Impresa Publishing and InfoPortugal and the subsidiaries of the television segment had liabilities under finance lease contracts of 7,278,136 Euros, 305,468 Euros, 13,601 Euros and 3,497,672 Euros, respectively, payable as follows:

	Principal	Interest	Total
2014	3,028,626	261,363	3,289,989
2015	2,225,801	151,819	2,377,620
2016	1,134,985	90,043	1,225,029
2017	894,727	69,151	963,878
2018	3,810,738	10,126	3,820,864
	8,066,251	321,139	8,387,391
	11,094,877	582,502	11,677,380

32. IMPAIRMENT LOSSES, LEGAL AND TAX PROCESSES AND PROVISIONS

32.1 Impairment losses

The following changes occurred in the accumulated impairment loss captions in the years ended 31 December 2014 and 2013:

31 December 2014:

	Impairment losses on investments (Note 20)	Impairment losses on investments properties (Note 22)	Impairment losses on receivables (Notes 10 and 24)	Impairment losses on broadcasting rights and inventories (Note 23)	Other accounts (Note 21)
Balances at 31 December 2013	15,000	-	9,107,867	557,128	2,500,000
Increases (Note 10)	-	239,523	831,576	-	-
Utilization	-	-	(34,894)	-	(2,500,000)
Reversal/adjustment (Note 10)	-	-	(165,365)	-	-
Balances at 31 December 2014	15,000	239,523	9,739,184	557,128	-

(Amounts stated in Euros)

31 December 2013:

	Impairment losses on investments (Note 20)	Impairment losses on receivables (Notes 10 and 24)	Impairment losses on broadcasting rights and inventories (Note 23)	Other accounts (Note 19)
Balance at 31 December 2012	15,000	9,265,916	557,128	2,500,000
Increase (Note 10)	-	215,955	-	-
Reversal/adjustment (Note 10)	-	(374,004)	-	-
Balance at 31 December 2013	15,000	9,107,867	557,128	2,500,000

Impairment losses are deducted from the amounts of the assets.

32.2 Provisions

The provision for risks and charges at 31 December 2014 and 2013 relates essentially to legal actions in progress and is made up as follows:

	2014		2013	
Nature	Amount claimed	Amount provided	Amount claimed	Amount provided
Tax	686,522	686,522	686,522	686,522
Labour indemnities	331,141	318,848	423,406	380,391
Penalties arising from advertising	2,233,137	309,259	2,316,963	334,633
Abuse of freedom of the press	1,987,093	240,680	1,758,715	216,080
Others	3,758,925	3,758,925	4,276,747	4,276,747
	8,996,818	5,314,234	9,462,353	5,894,373

The amounts claimed under legal actions relating to advertising fines result essentially from the filing of several countermanding actions by ERC for violation of the Advertising Code.

The Group is subject to several lawsuits for abuse of freedom of the press, for which it has recorded provisions based on the opinion of its lawyers and historical experience in this type of litigation.

The Board of Directors and the Group's lawyers believe, based on an assessment of the risks of the litigation in process, that the outcome of the litigation will not result in significant liabilities not covered by provisions reflected in the consolidated financial statements as of 31 December 2014, which correspond to the best estimate of the outflow of funds resulting from these lawsuits as of that date.

The changes in provisions in the years ended 31 December 2014 and 2013 were as follows:

31 December 2014:

	Provisions for risks and charges
Balance at 31 December 2013	5,894,373
Increase	364,470
Utilization	(762,807)
Reversal/ adjustment (Note 10)	(181,802)
Balance at 31 December 2014	5,314,234

(Amounts stated in Euros)

31 December 2013:

	Provisions for risks and charges
Balance at 31 December 2012	5,135,011
Increase	1,280,052
Utilization	(454,699)
Reversal/ adjustment (Note 10)	(65,991)
Balance at 31 December 2013	5,894,373

Utilization of provisions in the years ended 31 December 2014 and 2013 corresponds to direct utilization of the balance to cover the liabilities resulting essentially from the Group's legal and non-legal litigation. In addition, adjustments correspond to the reversal of provisions covering risks and contingencies for which they were provided but that did not materialize.

The caption "Provisions and impairment losses" included in the statement of profit or loss and other comprehensive income for the years ended 31 December 2014 and 2013 is made up as follows:

31 December 2014:	
Increase in the provision for other risks and charges	364,470
Impairment loss in investment properties (Note 22)	239,523
	603,993
31 December 2013:	
Increase in the provision for other risks and charges	1,280,052

32.3 Lawsuits in progress

In addition to the matter referred to in Note 32.2, at 31 December 2014 there were several lawsuits in progress brought against the Group by third parties, the amounts of which and final outcome at the time of preparing the financial statements were still unknown, including:

a) In prior years GDA – Cooperativa de Gestão dos Direitos dos Artistas, CRL ("GDA") brought a legal action against SIC, in the Judicial Court of Oeiras, under which GDA claims payment of annual remuneration due to artists, interpreters or performers at the rate of 1.5% of the annual amount of advertising income, effective as from September 2004, as well as late payment interest (the amounts included in Note 32.2 do not include this process). SIC contested this action, a favourable decision having been issued, considering the initial petition to be unfounded due to the lack of cause of the demand and, consequently, annulled the whole process. This decision was contested, the action having followed in the first instance. The Court judged the GDA's action as groundless and established as annual equitable remuneration, an amount per minute of the exhibitions, the amount per minute being subject to determination. The decision became an executory sentence and was not contested, liquidation of the sentence to be requested by GDA being awaited.

32.4 Tax processes in progress

In previous years the Group was notified of additional tax assessments, most of which were not recorded or paid as they are considered to have no merit:

- As a result of a tax inspection carried out to ISM and its related tax procedures, in 2011, 2012, 2013 and 2014 Impresa was notified of additional corporation income tax assessments for the years 2008, 2009, 2010, 2011 and 2012, under which the Tax Administration did not accept the tax deductibility of interest on part of the loan from BPI to finance the acquisition of non-remunerated shareholders' loans of BPI (prior shareholder) to Solo (merged entity in prior years to ISM). The reasons alleged by the Tax Administration for this non-acceptance is that the normal and current activities of ISM do not include the granting of loans to subsidiaries (it is not a holding company) and such charges are not related to loans obtained for its direct operations. The corrections to taxable income amount to 3,415,295 Euros for 2008, 2,105,621 Euros for 2009, 2,161,788 Euros for 2010, 3,114,777 Euros for 2011 and 943,005 for 2012.

(Amounts stated in Euros)

At 31 December 2014 the additional tax assessments for the years 2008, 2009 and 2010 had been legally contested, the same procedure relating to the additional assessment for 2011 having been followed in the beginning of 2015. As regards the correction to taxable income for 2012, Impresa was notified by the Tax Authorities of the additional assessment of 255,112 Euros, the period for contesting it being in progress in March 2015 (Note 24).

In addition, at 31 December 2014, as a result of the above contestations for the years 2010 and 2011, Impresa gave bank guarantees of 2,991,811 Euros (Note 36). Bank guarantees were not given for the contestations for the years 2008 and 2009 as the RETGS for these years presented tax losses carried forward (used in the year 2010) that offset the above additional tax assessments.

The Board of Directors believes, based on the opinion of its lawyers, that the prospects of success of the claims and/or contestation of the actions that it will make are reasonable and so, no provision has been made for that tax contingency.

- In previous years, SIC was notified by the tax authorities to pay approximately 687,000 Euros (including compensatory interest), as a result of corporate income tax inspections of certain transactions realised in the year 2000. Based on the opinion of its legal advisors, SIC appealed against these notifications, but has recorded a provision of approximately 687,000 Euros for them. In addition the Company has also provided bank guarantees for these assessments (Note 36).

33. TRADE AND OTHER PAYABLES

At 31 December 2014 and 2013, this caption was made up as follows:

	2014	2013
Suppliers, current account	36,337,845	40,922,313
Suppliers of fixed assets, current account	29,420	41,956
	36,367,265	40,964,269

34. STATE AND OTHER PUBLIC ENTITIES - LIABILITY

These captions were made up as follows at 31 December 2014 and 2013:

	2014	2013
Value Added Tax	3,130,406	3,676,545
Personal income tax - withholdings at source	1,948,670	2,264,372
Social Security contributions	1,747,799	1,672,964
Instituto Português de Arte Cinematográfica e Audiovisual/Cinemateca Portuguesa	1,289,160	1,323,037
Stamp tax	279,696	671,156
Corporation income tax:		
Estimated tax (Note 15)	5,248,826	5,724,086
Additional payments on account	(933,638)	(442,705)
Payments on account	(3,869,933)	(135,777)
Special payments on account	(139,709)	(85,621)
Withholdings	(298,205)	(274,695)
Double international taxation	-	(13,008)
	8,403,072	14,380,353

(Amounts stated in Euros)

35. OTHER NON-CURRENT AND CURRENT LIABILITIES

These captions were made up as follows at 31 December 2014 and 2013:

	2014	2013
Other current liabilities:		
Advances from clients	1,960,111	2,402,334
Accrued costs:		
Personnel vacation and vacation subsidy	7,179,525	7,094,329
Cost of program production	3,734,488	5,425,339
Commercial agreements	556,411	1,033,880
Social Security - Green receipts	316,427	986,655
Personnel commission payable	39,920	648,153
Communication	893,042	-
Marketing and advertising	750,555	580,644
Accrued interest	-	367,152
Royalties	451,458	249,164
Municipal property tax	399,448	105,900
Indemnities	25,331	67,390
Other accruals	-	60,000
Deferred income:	3,801,205	3,038,223
Advanced billing		
Subscription for newspapers and magazines	2,856,611	3,299,085
Subsidies	1,670,534	1,523,294
Other deferred income	40,966	272,676
Other liabilities:	319,484	215,170
Other creditors	4,609,170	5,181,613
	29,604,686	32,551,001

36. CONTINGENT LIABILITIES AND GUARANTEES GIVEN

The guarantees given to third parties by Impresa, SIC, Medipress and the remaining Group companies at 31 December 2014 were as follows:

At 31 December 2014, ISM had pledged shares representing 49% of SIC's capital in guarantee of a loan from Banco BPI, S.A. to finance the acquisition of that participation (Note 30.a)). During the year, as a result of the payment of several loans, the Group freed the pledge of 51% of the shares of SIC, the pledge of quotas of Medipress and the financial pledge over certain income of the television segment.

(Amounts stated in Euros)

At 31 December 2014 and 2013 the companies of the television segment had requested the issuance of the following guarantees in favour of third parties:

	2014	2013
Union des Associations Europeenes de Football	3,665,268	3,665,268
General Secretariat of the Ministry of Internal Administration ("SGMAI")	3,317,338	4,166,811
ERC	1,995,192	1,995,192
Santander Novimovest	1,320,600	1,320,600
IBM	1,231,215	1,894,176
Tax department of Algés	970,283	970,283
De Lage Cisco	594,271	2,205,635
Imopólis	44,701	44,701
Municipal Council of Oeiras	35,745	35,745
Court of Oeiras	7,000	7,000
Greater Lisbon Northeast District	4,000	4,000
	13,185,613	16,309,411

The guarantee given to UEFA is to ensure full compliance with the “UEFA Europa League 2012-2015” contracts.

The guarantees given to the General Secretariat of the Ministry of Internal Administration are to guarantee fulfilment of the advertising contests, “Casa Portuguesa”, “Sextas Mágicas”, “Furo da Sorte”, “Aniversário SIC”, “Janela da Felicidade” and “Cartão de Sonho".

The guarantee given to ERC results from the requirements of current legislation for the licencing of new channels and for broadcasting television contests.

The guarantee given to Santander Novimovest is to cover obligations resulting from the lease contract of the SIC head office with that entity, especially payment of the rent.

The bank guarantee given to IBM is to ensure compliance with the obligations resulting from the contract entered into with that entity relating to the DCM/DAM project in SIC.

The guarantees given to the Tax Department of Algés are in connection with tax execution processes (Note 32.3).

The guarantees given to De Lage Cisco are to ensure compliance with the obligations resulting from finance lease contracts.

The guarantee given to the Municipal Council of Oeiras is to ensure the repair of any damage that could be caused to the public infrastructure due to excavations and containment of land on Outurela Road on a plot of land adjacent to the installations of SIC’s headquarters.

At 31 December 2014, Medipress had not given any guarantees to third parties. At 31 December 2013, Medipress had requested the issuance of the following guarantees in favour of third parties:

	2013
SGMAI	34,235
Civil Government of Lisbon	26,981
	61,216

The guarantees given to the General Secretariat of the Ministry of Internal Administration are to ensure full compliance with the advertising contests competitions called “Globos de Ouro”, “Caras Odisseias” and “18º Aniversário Caras”.

The guarantees given to the Civil Government of Lisbon at 31 December 2013 are a result of the legal requirements of current legislation for contests in publications.

At 31 December 2014 and 2013, Impresa Publishing had requested the issuance of a guarantee in favour of Instituto de Apoio às Pequenas e Médias Empresas e à Inovação (“IAPMEI”) in the amount of 28,404 Euros relating to a subsidy received in previous years.

(Amounts stated in Euros)

At 31 December 2014 and 2013, the companies of the “Others” segment had requested the issuance of the following bank guarantees in favour of third parties:

	2014	2013
Tax Authorities (Note 32.3)	2,991,811	1,956,648
Instituto de Apoio às Pequenas e Médias Empresas e à Inovação ("IAPMEI")	222,311	222,311
Turismo de Portugal	20,791	20,791
General Directorate of the Territory	8,846	-
	3,243,759	2,199,750

The guarantees given to IAPMEI relate to subsidies received from that entity regarding the Intellitouring and SINTTRA projects that are being carried out by InfoPortugal.

The guarantees given to Instituto Geográfico Português and Turismo de Portugal are to ensure compliance with the service contracts to them by InfoPortugal.

37. COMMITMENTS ASSUMED

37.1 Pensions

Certain Group companies (Impresa, Impresa Publishing and Medipress) have assumed commitments to pay their employees and remunerated members of the Board of Directors hired before 5 July 1993, pension supplements for retirement due to age and disability. The benefits are calculated based on a percentage that increases with the number of years of service applied to the salary scale or a fixed percentage applied to the base salary defined as being the amounts in 2002.

In 1987, the Group created an autonomous pension fund to which it transferred its liability for the payment of the above pensions. In addition, Impresa Publishing assumed joint responsibility with the remaining companies to comply with all the obligations, namely for financing of the pension plan.

In accordance with an actuarial study made by the entity managing the fund, the present value of the past service liability of the above mentioned companies for current and retired employees as of 31 December 2014 and 2013 was estimated at 3,594,735 Euros and 3,228,049 Euros, respectively, the amount of the fund at those dates being 5,166,258 Euros and 5,156,951 Euros, respectively.

The actuarial study was made using the method known as “Projected Unit Credit” to calculate the pensions for retirement due to disability and age, and considered the following main assumptions and actuarial and technical bases:

	2014	2013
Discount rate	2.60%	4.00%
Salary growth rate	0.00%	0.00%
Pension growth rate	0.00%	0.00%
National minimum salary growth rate	2.00%	2.00%
Actuarial tables:		
Mortality	TV 88/90	TV 88/90
Disability	EVK 80	EVK 80
Decrease due to incapacity	100% EVK 80	100% EVK 80
Retirement age	66 years	65 years

The rate used was determined based on market income rates for high quality corporate bonds, consistent with the currency and the expected period of the benefits.

The method used was based on the creation of an adjusted interest rate curve, considering the income of high quality corporate bonds which covers several maturities. For this, a Eurozone interest rate swap curve was considered, obtaining, through the bootstrapping method, a zero coupon curve. The interest rate curve used resulted from the application of a risk spread to the zero coupon curve obtained. To determine the spread, the *iTraxx Europe Main* index was used, that covers European corporate debt securities with an investment grade rating, therefore being considered of high quality.

The rates for the intermediate term were obtained by straight-line interpolation, and for terms of less than 3 or more than 10 years a constant rate was used.

The pension fund is exposed to the following risks:

- Fund profitability risk
  The definition of an investment policy is the responsibility of Impresa, with the advice of the Managing Entity, respecting the limits and restrictions defined for each class of investment. Caixa Gestão de Activos, S.A. is the entity responsible for implementing the strategy and managing the financial assets of the Pension Fund. The securities held are selected considering the defined guidelines, taking into account the economic-financial realities and expectations of the evolution of the market.

  The investment policy follows a benchmark management model, which defines the maximum limits of exposure for each class of assets and reference indices for each, against which performance is measured.

  There are some deviations between the makeup of the portfolio allocated and the benchmark, due to the significant monetary market component. This is due in part to the significant excess financing of the fund.

  The composition of the portfolio of assets obeys a set of rules aimed, through systematic spreading of risks and a benchmark process, at referencing and measuring the performance and risk of the portfolio, ensuring that the principles of diversification and spreading of risk are met.

  There are also precise guidelines regarding the quality of credit that establish minimum credit notations and limit the universe of investments.

  Financial flow projections were made for the liabilities up to the end of the useful life of the Pension Fund.

  This management model, not being specifically aimed at minimizing the mismatch between assets and liabilities, is justified as the residual maturity of the past service liability exceeds 70 years and its duration is of approximately 12 years, which makes an effective immunization strategy difficult. This strategy does not invalidate the rebalancing of the portfolio, considering the evolution of the liability.

  In the years ended 31 December 2014 and 2013, the profitability of the fund assets was 5.51% and 3.8%, respectively. Expected income from the assets, considering the defined benchmark, was 1.21% and 1.13% in each year, which is lower than the income rate considered for the projection.

- Exchange risk
  The portfolio is preferably represented by securities in the same currency as that of the liability, which is Euros. At 31 December 2014 and 2013, the percentage of the portfolio exposed to exchange risk was 0.51% and 0.19%, respectively.

- Liquidity risk
  At 31 December 2014 and 2013, the Pension Fund had pension liabilities in payment which, due to the evaluation of its liquidity, was considered in the composition of the portfolio. Therefore, at those dates, the percentage of the portfolio invested in the monetary market was 18% and 21%, respectively, and so the cash in the portfolio was sufficient to cover the payment of expected pensions over the next three and four years, respectively.

- Credit risk
  The control of credit risk takes into consideration the maturities of each security and is made in aggregate terms, considering in isolation both the fixed and variable rate. The investment policy stipulates a minimum investment grade notation or equivalent for any security to be acquired.

  At 31 December 2014 and 2013, 93.26% and 84.73%, respectively, of the portfolio consisted of BBB- grade or better securities. The securities in question are analysed and are only maintained in the portfolio if they are comfortable with the issuer, as well as their maturity, being permanently monitored.

In addition, sensitivity analyses of variations were made of the portfolio of assets, as regards interest rates in both the share and real estate markets. Therefore, for the fixed income component, increases in the interest rate curve of 1% and 2% and decreases of 10% and 15% were considered simultaneously for the share and real estate markets, it having been determined that in any of the simulations made, the amount of the portfolio is sufficient to cover the minimum level of solvency.

(Amounts stated in Euros)

Furthermore, so as to assess the adequacy of the relationship between the assets and the liability, that in the sensitivity analyses made to the portfolio of assets to the various types of risk of the assets which, despite the expected profitability of the assets being lower than the discount rate used, if this scenario is maintained, it is not expected that it will be necessary to make any contribution to the Fund for the next 20 years.

The changes in the amount of the past service liability for current and retired employees and the amount of the assets of the Company's plan in the years ended 31 December 2014 and 2013 were as follows:

	2014	2013
Present value of the liability for defined benefits at the beginning of the period	3,228,049	3,720,764
Benefits paid	(251,384)	(245,240)
Current service cost	30,979	39,873
Interest cost	122,144	143,925
Actuarial (gains)/losses	464,947	(431,273)
Present value of the liability for defined benefits at the end of the period	3,594,735	3,228,049
Plan assets at the beginning of the year	5,156,951	5,211,320
Benefits paid	(251,384)	(245,240)
Interest of the plan	201,250	203,548
Financial gain/(loss)	59,441	(12,677)
Plan assets at the end of the year	5,166,258	5,156,951
Surplus (Note 26)	1,571,523	1,928,902

The financial gains and losses resulting from differences between the assumptions used in determining the expected income from the assets and the effective amounts and the actuarial gains and losses between the assumptions used in determining the liability, were recorded as income and costs recognized directly in equity, as other comprehensive income. The actuarial gains and losses recognized in the year ended 31 December 2014 result essentially from the effect of change in the discount rate. The gains and losses recognized in the year ended 31 December 2013 result essentially from the exit of beneficiaries from the pension plan, resulting from termination of labour contracts by mutual agreement. The remaining income and costs were recorded in the statement of profit or loss.

	2014	2013
Amounts recognized in the statement of profit and loss:		
Current service cost	(30,979)	(39,873)
Interest rate cost of the plan	(122,144)	(143,925)
Plan interest	201,250	203,548
	48,127	19,750
Amounts recognized as other comprehensive income:		
Actuarial (gains)/losses	(464,947)	431,273
Financial gains/(losses)	59,441	(12,677)
	(405,506)	418,596

The impact at 31 December 2014 and 2013 of a decrease in the discount rate to 2.1% and 3.5% each year, used in the actuarial calculations, would correspond to an increase of 197,000 Euros and 162,000 Euros, respectively, in the present value of the liability.

(Amounts stated in Euros)

The portfolio of assets of the pension fund at 31 December 2014 and 2013 was made up as follows:

	2014		2013	
	Amount	%	Amount	%
Bonds	1,763,758	34%	1,654,795	32%
Public debt securities	1,539,997	30%	769,087	15%
Money market	938,087	18%	1,058,866	21%
Shares	527,011	10%	250,334	5%
Participating units in real estate investment funds	411,448	8%	1,362,998	26%
Structured products	-	0%	19,750	0%
Cash, receivables (payables) and other short term assets (liabilities)	(14,043)	0%	41,121	1%
	5,166,258	100%	5,156,951	100%

The pension fund does not have any securities of the Impresa Group or any assets used by it.

37.2 Commitments to acquire programs

At 31 December 2014 and 2013, the Group had contracts and agreements with third parties to acquire films, series and other programs amounting to 18,186,110 Euros and 7,707,389 Euros, respectively, not included in the statement of financial position, in accordance with the valuation criteria used (Note 2.10), as follows:

	31 December 2014					31 December 2013				
	Year the titles are available						Year the titles are available			
Nature	2015	2016	2017 and following years	Without defined date	Total	2014	2015	2016 and following years	Without defined date	Total
Entertainment	6,952,334	56,000	-	-	7,008,334	463,160	-	-	-	463,160
Films	2,215,009	140,342	-	-	2,355,351	1,072,476	-	-	-	1,072,476
Format	55,369	-	-	-	55,369	27,820	-	-	-	27,820
Soap-operas	5,875,277	-	-	-	5,875,277	3,913,039	-	-	-	3,913,039
Children	494,679	-	-	-	494,679	123,381	-	-	-	123,381
Documentaries	324,172	87,380	-	15,741	427,293	15,500	-	-	-	15,500
60 Series	629,369	94,479	-	-	723,848	54,445	-	15,741	-	70,186
Mini series	-	-	-	-	-	338,001	-	-	-	338,001
Sport	1,135,263	-	-	-	1,135,263	1,671,876	-	-	-	1,671,876
Events	110,696	-	-	-	110,696	11,950	-	-	-	11,950
	17,792,168	378,201	-	15,741	18,186,110	7,691,648	-	15,741	-	7,707,389

	31 December 2014					31 December 2013				
	Limit year for exhibition the titles						Limit year for exhibition the titles			
Nature	2015	2016	2017 and following years	Without defined date	Total	2014	2015	2016 and following years	Without defined date	Total
Entertainment	5,633,973	485,043	889,318	-	7,008,334	-	463,160	-	-	463,160
Films	129,480	259,593	1,966,278	-	2,355,351	113,654	66,735	892,087	-	1,072,476
Format	8,000	27,820	19,549	-	55,369	-	-	27,820	-	27,820
Soap-operas	2,111,113	10,060	3,754,104	-	5,875,277	3,913,039	-	-	-	3,913,039
Children	6,995	202,419	285,265	-	494,679	-	86,006	37,375	-	123,381
Documentaries	70,748	100,024	240,780	15,741	427,293	-	-	15,500	-	15,500
60 Series	15,211	190,687	515,220	2,730	723,848	-	-	54,445	15,741	70,186
Mini series	-	-	-	-	-	876	183,661	153,464	-	338,001
Sport	1,135,263	-	-	-	1,135,263	385,817	1,286,059	-	-	1,671,876
Events	95,696	15,000	-	-	110,696	-	11,950	-	-	11,950
	9,206,479	1,290,646	7,670,514	18,471	18,186,110	4,413,386	2,097,571	1,180,691	15,741	7,707,389

37.3. Commitments for the acquisition of tangible fixed assets

At 31 December 2014 and 2013, the commitments assumed for the acquisition of fixed assets amounted to approximately 1,100,294 Euros and 1,900,963 Euros, respectively.

(Amounts stated in Euros)

37.4. Operating leases

In 2004, SIC sold its head office building to an investment fund for 12,300,000 Euros and signed a lease contract to rent back the building for a period of 15 years at an annual rent of 816,500 Euros in the first year and 873,000 Euros as from the second year, subject to annual adjustment based on inflation.

In 2009, GMTS signed a contract to lease a property in which the new SIC studios are located; for a period of five years, paying an annual rent of approximately 236,000 Euros, subject to annual adjustment in accordance with an applicable Ministerial Order.

In addition, the Group uses other assets under operating lease.

The operating lease contracts do not have contingent lease payments. The payments under the operating lease contracts mature as follows:

	2014	2013
within one year	2,155,676	2,141,837
from one to five years	5,509,389	6,114,741
more than five years	473,906	1,068,173
	8,138,971	9,324,751

In the years ended 31 December 2014 and 2013, the Group recognized operating lease costs of approximately 2,142,000 Euros and 1,200,000 Euros, respectively, in the consolidated statement of profit or loss and other comprehensive income.

38. RELATED PARTIES

The balances at 31 December 2014 and 2013 and transactions during the years then ended with related parties were as follows:

31 December 2014:

	Balances			
	Bank deposits	Receivables	Payables	Loans obtained
Shareholders:				
Grupo BPI	1,447,474	-	30,750	118,619,573
Grupo Madre (SP - Televisão, Lda.)	-	355,901	2,196,956	-
Participated companies:				
Noniussoft	-	3,618	359	-
Associated companies:				
Vasp	-	2,305,689	33,935	-
Vasp Premium - Entrega personalizada de publicações, Lda. ("Vasp Premium")	-	338	64,174	-
Vasp TMK - Soluções de Trademarketing, Lda. ("Vasp TMK")	-	-	34,473	-
Others:				
Compta - Infra-estruturas e Segurança, S.A. ("Compta Infra-estruturas")	-	-	146,475	-
Morais Leitão, Galvão Teles, Soares da Silva & Associados	-	-	110,259	-
	1,447,474	2,665,546	2,617,381	118,619,573

(Amounts stated in Euros)

	Transactions				
	Services obtained	Personnel costs	Financial costs	Sales and services rendered	Financial income
Shareholders:					
Impreger	89,784	-	-	-	-
Grupo BPI	-	-	6,633,012	291,866	7,842
Grupo Madre (SP - Televisão, Lda.)	11,557,700		-	797,406	-
Participated companies:					
Noniussoft	-	-	-	4,000	-
Associated companies:					
Vasp (Note 8)	206,994	-	-	22,403,409	-
Vasp Premium	78,698	-	-	-	-
Vasp TMK	76,733	-	-	-	-
Others:					
The Board of Directors	-	950,911	-	-	-
Compta - Equipamentos e Serviços de Informática, S.A. ("Compta")	109	-	-	-	-
Compta Infra-estruturas	18,485	-	-	-	-
Morais Leitão, Galvão Teles, Soares da Silva & Associados	344,441	-	-	-	-
	12,372,944	950,911	6,633,012	23,496,681	7,842

31 December 2013:

	Balances			
	Bank deposits	Receivables	Payables	Loans obtained
Shareholders:				
Grupo BPI	502,309	178,535	-	122,378,316
Grupo Madre (SP - Televisão, Lda.)	-	313,785	1,133,214	-
Participated companies:				
DGSM	-	576,543	998	-
Noniussoft	-	936	-	-
Associated companies:				
Vasp	-	2,507,197	32,808	-
Vasp Premium	-	338	57,602	-
Vasp TMK	-	-	20,444	-
Others:				
Compta	-	-	2,720	-
Compta - Infra-estruturas	-	-	406	-
Morais Leitão, Galvão Teles, Soares da Silva & Associados	-	-	144,258	-
DPS - Digital Priting Services, Lda.	-	-	5,399	-
7GRAUS II - Soluções WEB, Lda. ("7Graus II")	-	1,181	-	-
	502,309	3,578,515	1,397,848	122,378,316

(Amounts stated in Euros)

	Transactions				
	Services obtained	Personnel costs	Financial costs	Sales and services rendered	Financial income
Shareholders:					
Impreger	89,784	-	-	-	-
Grupo BPI	-	-	6,650,849	269,893	13,898
Grupo Madre (SP - Televisão, Lda.)	10,034,400	-	-	754,688	-
Participated companies:					
Noniussoft	-	-	-	4,000	-
Associated companies:					
Vasp (Note 8)	187,693	-	-	24,756,587	-
Vasp Premium (Note 8)	146,809	-	-	275	-
Vasp TMK	63,989	-	-	-	-
Others:					
Board of Directors	-	1,044,076	-	-	-
Compta	3,308	-	-	-	-
Compta Infra-estruturas	6,019	-	-	-	-
Morais Leitão, Galvão Teles, Soares da Silva & Associados	388,926	-	-	3,650	-
7GRAUS II	2,373	-	-	14,578	-
DPS - Digital Priting Services, Lda.	10,437	-	-	-	-
	10,933,738	1,044,076	6,650,849	25,803,671	13,898

The terms and conditions practiced in transactions between Impresa and related parties are substantially the same to those that would normally be contracted, accepted and practiced between independent entities in comparable operations. Some of Impresa's shareholders are financial institutions with which commercial agreements are established in the normal course of Impresa's operations, with similar conditions to those currently contracted with independent entities. The transactions carried out under the commercial agreements relate essentially to advertising services rendered by the Impresa Group and the granting of loans by the financial institutions. In the beginning of 2005 the Group acquired from the BPI Group and other small shareholders, 49% of SIC's share capital and obtained a loan of 152,500,000 Euros (Note 30) to finance the acquisition.

Balances and transactions between the consolidated companies were eliminated in the consolidation process and are shown in Note 8.

Considering the Group's governance structure and the decision making process, it only considers as "key management personnel", the Board of Directors, as the main operating decisions are made by Impresa's Managing Director and the Board of Directors of Impresa. In the years ended 31 December 2014 and 2013, transactions with the Board of Directors corresponded essentially to remuneration paid for performing their functions in the Impresa Group.

In the years ended 31 December 2014 and 2013, pension supplements of 184,739 Euros were paid each year to the Chairman of the Board of Directors by the pension fund.

In these years no long term benefits relating to termination of contracts or payments in shares were attributed to members of the Board of Directors.

(Amounts stated in Euros)

39. RATES USED TO TRANSLATE FOREIGN CURRENCY BALANCES

The following rates were used to translate foreign currency assets and liabilities to Euros at 31 December 2014 and 2013 to Euros:

	2014	2013
US dollar USD)	1.2141	1.3791
Swiss franc (CHF)	1.2024	1.2276
British pounds (GBP)	0.7789	0.8337
Australian dollar (AUD)	1.4829	1.5423
Canadian dollar (CAD)	1.4063	1.4671

40. FINANCIAL INSTRUMENTS

The Group manages its capital to ensure that the subsidiary companies carry out their operations from a going concern standpoint. In this respect, the Group periodically analyses the capital structure (own and third party) and debt maturities of the Group companies, financing them when necessary.

The financial instruments at 31 December 2014 and 2013 were as follows:

	2014	2013
Financial assets:		
Receivables	34,206,087	46,941,016
Cash and cash equivalents (Note 27)	4,335,807	-
	38,541,894	46,941,016
Financial liabilities:		
Borrowings	180,735,140	181,819,415
Payables	82,596,990	98,990,500
Cash and cash equivalents (Note 27)	-	6,401,213
	263,332,130	287,211,128

The Group believes that the amounts at which the loans at 31 December 2014 and 2013 are recorded do not differ significantly from their fair value or exceed fair value. In fact, fair value of the borrowings will depend significantly on the risk level attributed by the financing entities and on conditions under which Impresa would, at 31 December 2014 and 2013, be able to contract loans with terms and amounts similar to those which it had of those dates.

The Group believes that the majority of loans have market spreads as they have been negotiated recently or the rates are updated periodically, and so, their conditions are updated in relation to the current situation of the financial markets, thus reflecting the risk level attributed by the lenders.

The borrowings that have not been subject to renegotiation were contracted under more favourable market conditions than those currently existing, and so fair value should not exceed book value.

The Impresa Group is exposed essentially to the following financial risks:

a) Interest rate risk

Interest rate risk relates essentially to interest cost on several loans subject to variable interest rates. In order to reduce the Group's exposure to variable interest rates, the BPI loan contract to acquire a 49% participation in SIC, signed in 2005, includes a floor and cap which limit the variation in the basic interest rate on the loan to 2.15% and 5.05%, respectively, up to 2015. The amount due on this loan at 31 December 2014 and 2013 was 98,421,266 Euros and 107,883,455 Euros, respectively, representing approximately 54% and 56% of bank borrowing at those dates. The remaining loans are exposed to changes in the market rates of interest (Note 30).

If market interest rates in the years ended 31 December 2014 and 2013 were 0.5% higher or lower, net profit for these years would have decreased or increased by approximately 978,092 Euros and 1,053,562 Euros, respectively, without considering the tax effect.

b) Exchange rate risk

Exchange rate risk refers to receivables and payables in currencies other than the Euro, the Group's currency.

Exchange rate risk at 31 December 2014 and 2013 relates essentially to the acquisition of television broadcasting rights from foreign producers. So as to reduce the risk to which the Company is exposed, a loan was contracted, which at 31 December 2014 and 2013 amounted to 6,018,579 Euros, which was converted to a USD term deposit, which at 31 December 2014 and 2013 amounted to 7,001,071 Euros and 6,163,440 Euros (Note 26).

In 2014 and 2013 the Group contracted exchange forwards (calculated over the amount of 9,000,000 USD and 12,500,000 USD, respectively), to hedge exchange rate risk. In 2012 the Group did not contract exchange forwards. However, at 31 December 2014 and 2013, the Group did not have forwards contracted.

The foreign currency balances payable, expressed in Euros at the exchange rates in force at 31 December 2014 and 2013 were as follows:

	2014	2013
US dollar USD)	4,339,788	3,076,439
Swiss franc (CHF)	31,096	38,291
British pounds (GBP)	10,507	5,838
Australian dollar (AUD)	2,913	2,801
Canadian dollar (CAD)	300	288
	4,384,604	3,123,657

The Group did not have significant foreign currency receivables at 31 December 2014 and 2013.

c) Credit risk

Credit risk relates essentially to accounts receivable resulting from the operations of several Group companies (Note 24). In order to reduce credit risk, the Group companies have defined policies for granting credit, with defined credit limits by client and collection terms and discount policies for payment in advance or in cash. The credit risk of each Group business is monitored regularly with the objective of:
- limiting credit granted to clients considering the profile and age of the account receivable;
- monitor evolution of the level of credit granted;
- review the recoverability of amounts receivable on a regular basis.

Impairment losses on accounts receivable are calculated considering:
- a review of the aging of accounts receivable;
- risk profile of the customer;
- historical commercial and financial relationship with the customer;
- existing payment agreements;
- financial condition of the customers.

The changes in impairment losses on accounts receivable are shown in Note 32.

The Board of Directors believes that the impairment losses on accounts receivable are adequately reflected in the consolidated financial statements, there being no need to increase the impairment losses on accounts receivable.

Receivables at 31 December 2014 and 2013 include amounts overdue as follows, for which impairment losses were not recognized as the Board of Directors believes that they are collectible.

(Amounts stated in Euros)

Overdue balances	2014	2013
Up to 90 days	2,889,696	6,635,326
From 90 to 180 days	985,655	889,780
More than 180 days	1,560,034	2,072,747
	5,435,385	9,597,853

In addition, accounts receivable at 31 December 2014 and 2013 include balances not yet due, their maturity dates being defined contractually as follows:

Due date	2014	2013
2014	-	667,603
2015	252,934	252,934
2016	246,164	246,164
2017	239,576	239,576
2018 and following years	1,073,148	1,058,147
	1,811,822	2,464,424

d) Liquidity risk

Liquidity risk exists if the funding sources such as operating cash flows, divestment, credit lines and flows from financing operations do not meet the financing needs such as cash outflow for operating and financing activities, investment, shareholder remuneration and debt repayment.

In order to reduce this risk, the Group endeavours to maintain a liquid position and average debt maturities that enable it to repay debt under reasonable conditions. At 31 December 2014 and 2013, the amount of cash and credit lines approved and not used amounted to approximately 62,961,000 Euros and 30,693,000 Euros, respectively, which in the opinion of the Board of Directors, considering the main cash flow projections for 2015, will be sufficient to settle all the Company's current liabilities. Financial indebtedness at 31 December 2014 and 2013 matures as follows:

	2014				
Financial liabilities	Up to 1 year	1 to 2 years	2 to 3 years	More than 3 years	Total
Remunerated:					
Borrowing (a)	45,143,265	9,466,513	11,577,612	114,547,750	180,735,140
Finance lease liabilities	2,381,515	1,134,985	894,727	3,810,740	8,221,967
Payables to suppliers guaranted by third parties	1,014,847	-	-	-	1,014,847
	48,539,627	10,601,498	12,472,339	118,358,490	189,971,954
Not remunerated:					
Trade payables	36,337,845	-	-	-	36,337,845
Suppliers of fixed assets	29,420	-	-	-	29,420
Other current liabilities	36,992,911	-	-	-	36,992,911
	73,360,176	-	-	-	73,360,176
	121,899,803	10,601,498	12,472,339	118,358,490	263,332,130

(Amounts stated in Euros)

	2013				
	Up to 1 year	1 to 2 years	2 to 3 years	More than 3 years	Total
Remunerated:					
Borrowing (b)	61,628,461	20,887,459	17,711,639	87,993,069	188,220,628
Finance lease liability	3,028,626	2,225,801	1,134,985	4,705,465	11,094,877
Suppliers' credits guaranteed by third parties	1,432,808	-	-	-	1,432,808
	66,089,895	23,113,260	18,846,624	92,698,534	200,748,313
Not remunerated:					
Trade payables	40,922,313	-	-	-	40,922,313
Suppliers of fixed assets	41,956	-	-	-	41,956
Other current liabilities	45,498,546	-	-	-	45,498,546
	86,462,815	-	-	-	86,462,815
	152,552,710	23,113,260	18,846,624	92,698,534	287,211,128

(a) This caption does not include bank overdrafts.
(b) This caption includes cash and cash equivalents (Note 27).

41. SUBSEQUENT EVENTS

In January 2015 Impresa was notified by the Tax Administration of an additional tax assessment of 255,112 Euros for the year 2012, the period for appealing it being in progress in March 2015 (Note 32.4).

42. NOTE ADDED FOR TRANSLATION

These financial statements are a translation of financial statements originally issued in Portuguese in conformity with Portuguese legislation and following the International Financial Reporting Standards as endorsed by the European Union. In the event of discrepancies, the Portuguese language version prevails.

THE ACCOUNTANT

THE BOARD OF DIRECTORS

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

CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

AS OF 31 DECEMBER 2014 AND 2013

(Amounts stated in Euros)

(Translation of consolidated statements of financial position originally issued in Portuguese - Note 42)

ASSETS	Notes	31 December 2014	31 December 2013
NON-CURRENT ASSETS			
Goodwill	17	300.892.821	300.892.821
Intangible assets	18	473.910	329.667
Tangible fixed assets	19	28.177.221	29.291.053
Investments	20	6.592.199	6.736.787
Investment properties	22	5.912.440	6.151.963
Program broadcasting rights	23	9.280.535	8.591.730
Other non-current assets	26	5.647.935	6.298.622
Deferred tax assets	15	983.814	1.269.646
Total non-current assets		357.960.875	359.562.289
CURRENT ASSETS:			
Program broadcasting rights	23	13.410.778	17.106.269
Inventories	23	1.850.673	2.197.058
Trade and other receivables	24	24.710.229	37.456.394
State and other public entities	25	74.589	50.883
Other current assets	26	4.252.806	4.070.411
Cash and cash equivalents	27	4.820.134	1.434.564
Total current assets		49.119.209	62.315.579
TOTAL ASSETS		407.080.084	421.877.868
EQUITY AND LIABILITIES			
EQUITY:			
Share capital	28	84.000.000	84.000.000
Share premium	28	36.179.272	36.179.272
Legal reserve	28	1.108.090	1.050.761
Retained earnings/(accumulated losses) and other reserves		5.302.172	(962.340)
Consolidated net profit for the year		11.006.344	6.597.529
Equity attributable to shareholders of the parent company		137.595.878	126.865.222
Equity attributable to non-controlling interests	29	-	-
TOTAL EQUITY		137.595.878	126.865.222
LIABILITIES:			
NON-CURRENT LIABILITIES:			
Borrowings	30	135.494.549	126.592.167
Finance leases	31	5.840.452	8.066.251
Provisions	32.2	5.314.234	5.894.373
Deferred tax liabilities	15	353.515	472.581
Total non-current liabilities		147.002.750	141.025.372
CURRENT LIABILITIES:			
Borrowings	30	45.724.918	63.063.025
Trade and other payables	33	36.367.265	40.964.269
Finance leases	31	2.381.515	3.028.626
State and other public entities	34	8.403.072	14.380.353
Other current liabilities	35	29.604.686	32.551.001
Total current liabilities		122.481.456	153.987.274
TOTAL LIABILITIES		269.484.206	295.012.646
TOTAL EQUITY AND LIABILITIES		407.080.084	421.877.868

The accompanying notes form an integral part of the consolidated statements of financial position as of 31 December 2014 and 2013.

THE ACCOUNTANT

THE BOARD OF DIRECTORS

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

CONSOLIDATED STATEMENTS OF PROFIT AND LOSS AND OTHER COMPREHENSIVE INCOME

FOR THE YEARS ENDED 31 DECEMBER 2014 AND 2013

(Amounts stated in Euros)

(Translation of consolidated statements of comprehensive income originally issued in Portuguese - Note 42)

	Notes	31 December 2014	31 December 2013
OPERATING REVENUES			
Services rendered	9	206.650.888	204.016.280
Sales	9	28.820.112	31.454.365
Other operating revenues	10	2.309.059	1.706.353
Total operating revenues		237.780.059	237.176.998
OPERATING EXPENSES			
Cost of programs broadcast and goods sold	11	(81.398.581)	(79.157.048)
External supplies and services	12	(67.807.684)	(71.657.035)
Personnel costs	13	(53.689.819)	(52.385.372)
Amortisation and depreciation	18 and 19	(3.811.373)	(5.259.100)
Provisions and impairment losses	32	(603.993)	(1.280.052)
Other operating expenses	10	(2.575.397)	(2.346.920)
Total operating expenses		(209.886.847)	(212.085.527)
Operating profit		27.893.212	25.091.471
NET FINANCIAL EXPENSES			
Gains / (losses) on associated companies	14	329.590	260.059
Interest and other financial costs	14	(11.685.089)	(12.120.760)
Other financial income	14	14.041	58.750
		(11.341.458)	(11.801.951)
Profit before taxes		16.551.754	13.289.520
Income tax expense	15	(5.545.410)	(6.691.991)
Consolidated net profit for the year		11.006.344	6.597.529
Other comprehensive income			
Items that will not be reclassified into the statement of profit and loss			
Actuarial gains/(losses)		(275.688)	354.618
Comprehensive income for the year		10.730.656	6.952.147
Net consolidated profit attributable to:			
Shareholders of the parent company		11.006.344	6.597.529
Non-controlling interests	29	-	-
		11.006.344	6.597.529
Comprehensive income for the year attributale to:			
Shareholders of the parent company		10.730.656	6.952.147
Non-controlling interests		-	-
		10.730.656	6.952.147
Earnings per share:			
Basic	16	0,0655	0,0393
Diluted	16	0,0655	0,0393
Comprehensive income for the year per share:			
Basic	16	0,0639	0,0414
Diluted	16	0,0639	0,0414

The accompanying notes form an integral part of the statements of profit and loss and other comprehensive income for the years ended 31 December 2014 and 2013.

THE ACCOUNTANT THE BOARD OF DIRECTORS

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

CONSOLIDATED CASH FLOW STATEMENTS FOR THE YEARS ENDED

31 DECEMBER 2014 AND 2013

(Amounts stated in Euros)

(Translation of cash flow statements originally issued in Portuguese - Note 42)

	Notes	2014	2013
OPERATING ACTIVITIES			
Cash receipts from customers		244.904.652	227.344.185
Cash paid to suppliers		(151.234.981)	(138.396.417)
Cash paid to employees		(54.187.478)	(53.491.906)
Cash generated from operations		39.482.193	35.455.862
Payments relating to income taxes		(10.017.648)	(1.246.591)
Other cash paid relating to operating activities		(1.986.549)	(2.004.279)
Net cash from operating activities (1)		27.477.996	32.204.992
INVESTING ACTIVITIES			
Cash received relating to:			
Sale of investments	6	54.110	-
Dividends from associates	20	420.000	100.000
Interest and other similar income		9.906	48.377
Subsidies		115.844	321.374
Other assets	21	382.878	-
		982.738	469.751
Cash paid relating to:			
Aquisition of investments	7 and 20	-	(135.660)
Tangible fixed assets		(2.278.318)	(1.034.220)
Intangible assets		(339.424)	(127.891)
		(2.617.742)	(1.297.771)
Net cash used in investing activities (2)		(1.635.004)	(828.020)
FINANCING ACTIVITIES			
Cash received relating to:			
Bank borrowings		84.115.000	17.251.500
		84.115.000	17.251.500
Cash paid relating to:			
Bank borrowings		(85.198.697)	(25.492.198)
Payments relating to finance leases		(2.872.910)	(3.600.056)
Interest and similar costs		(11.149.365)	(11.612.855)
		(99.220.972)	(40.705.109)
Net cash used in financing activities (3)		(15.105.972)	(23.453.609)
Net increase in cash and cash equivalents (4) = (1) + (2) + (3)		10.737.020	7.923.363
Change in consolidation perimeter	7	-	-
Cash and cash equivalents at the beginning of the year	27	(6.401.213)	(14.324.576)
Cash and cash equivalents at the end of the year	27	4.335.807	(6.401.213)

The accompanying notes form an integral part of the consolidated cash flow statements for the years ended 31 December 2014 and 2013.

THE ACCOUNTANT

THE BOARD OF DIRECTORS

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

CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY

FOR THE YEARS ENDED 31 DECEMBER 2014 AND 2013

(amounts stated in Euros)

(Translation of ststements of changes in equity originally issued in Portuguese - Note 42)

	Equity attributable to the shareholders of the parent company						Equity attributable to non-controlling interest (Note 29)	Total equity
	Share capital	Share premium	Legal reserve	Retained earnings and other reserves	Consolidated net profit/(loss) for the year	Total		
Balance at 1 January 2013	84.000.000	36.179.272	1.050.761	3.982.795	(5.224.679)	119.988.149	59.926	120.048.075
Pension plan - actuarial gains/(losses) (Note 37.1)	-	-	-	418.596	-	418.596	-	418.596
Pension plan - deferred tax liabilities (Note 15)	-	-	-	(111.324)	-	(111.324)	-	(111.324)
Pension plan - effect of changes in the rate of income tax on deferred tax liabilities (Note 15)	-	-	-	47.346	-	47.346	-	47.346
Other comprehensive income	-	-	-	354.618	-	354.618	-	354.618
Other changes:								
Appropriation of net consolidated loss for the year ended 31 December 2012 (Note 28)	-	-	-	(5.224.679)	5.224.679	-	-	-
Net consolidated profit for the year ended 31 December 2013	-	-	-	-	6.597.529	6.597.529	-	6.597.529
Acquisition of additional participations in subsidiaries (Note 7)	-	-	-	(75.074)	-	(75.074)	(59.926)	(135.000)
Balance at 31 December 2013	84.000.000	36.179.272	1.050.761	(962.340)	6.597.529	126.865.222	-	126.865.222
Pension plan - actuarial gains/(losses) (Note 37.1)	-	-	-	(405.506)	-	(405.506)	-	(405.506)
Pension plan - deferred tax liabilities (Note 15)	-	-	-	99.349	-	99.349	-	99.349
Pension plan - effect of changes in the rate of income tax on deferred tax liabilities (Note 15)	-	-	-	30.469	-	30.469	-	30.469
Other comprehensive income	-	-	-	(275.688)	-	(275.688)	-	(275.688)
Other changes:								
Appropriation of net consolidated profit for the year ended 31 December 2013 (Note 28)	-	-	57.329	6.540.200	(6.597.529)	-	-	-
Net consolidated profit for the year ended 31 December 2014	-	-	-	-	11.006.344	11.006.344	-	11.006.344
Balance at 31 December 2014	84.000.000	36.179.272	1.108.090	5.302.172	11.006.344	137.595.878	-	137.595.878

The accompanying notes form an integral part of the consolidated statement of changes in equity for the years ended 31 December 2014 and 2013.

THE ACCOUNTANT

THE BOARD OF DIRECTORS

LEGAL CERTIFICATION OF ACCOUNTS AND AUDITOR'S REPORT

(Translation of a report originally issued in Portuguese – Notes 25 and 42 to separate and consolidated financial statements, respectively)

Introduction

1. In compliance with the applicable legislation, we present our Legal Certification of Accounts and Auditor's Report on the financial information contained in the Directors' Report and consolidated and separate financial statements of Impresa - Sociedade Gestora de Participações Sociais, S.A. ("the Company") and subsidiaries for the year ended 31 December 2014, which comprise the consolidated and separate statement of financial position as of 31 December 2014, that presents a total of 407,080,084 Euros and 202,261,751 Euros, respectively, and consolidated and separate equity of 137,595,878 Euros and 122,142,673 Euros, respectively, including consolidated net proft of 11,006,344 Euros and a separate net profit 2.785,154 Euros, the consolidated and separate statements of profit or loss and other comprehensive income, changes in equity and cash flows for the year then ended and the corresponding notes.

Responsibilities

2. The Company's Board of Directors is responsible for: (i) the preparation of consolidated and separate financial statements that present a true and fair view of the financial position of the companies included in the consolidation and the company, its consolidated and separate results and comprehensive income from operations, the changes in its consolidated and separate equity and its consolidated and separate cash flows; (ii) the preparation of historical financial information in accordance with International Financial Reporting Standards as endorsed by the European Union which is complete, true, timely, clear, objective and licit, as required by the Portuguese Securities Market Code; (iii) the adoption of adequate accounting policies and criteria and the maintenance of appropriate systems of internal control and (iv) the disclosure of any relevant facts that have influenced its operations and the operations of the companies included in the consolidation, their financial position and, results and comprehensive income.

3. Our responsibility is to examine the consolidated and separate financial information contained in the documents of accounts referred to above, including verifying that, in all material respects, the information is complete, true, timely, clear, objective and licit, as required by the Portuguese Securities Market Code, and to issue a professional and independent report based on our work.

Scope

4. Our examination was performed in accordance with the Auditing Standards ("*Normas Técnicas e as Directrizes de Revisão/Auditoria*") issued by the Portuguese Institute of Statutory Auditors ("*Ordem dos Revisores Oficiais de Contas*"), which require that the examination be planned and performed with the objective of obtaining reasonable assurance about whether the consolidated and separate financial statements are free of material misstatement. This examination included verifying, on a sample basis, evidence supporting the amounts and disclosures in the consolidated and separate financial statements and assessing the estimates, based on judgments and criteria defined by the Board of Directors, used in their preparation. This examination also included verifying the consolidation procedures used and application of the equity method, and that the financial statements of the companies included in the consolidation have been appropriately examined, assessing the adequacy of the accounting policies used, their uniform application and their disclosure, taking into consideration the circumstances, verifying the applicability of the going concern concept, assessing the adequacy of the overall presentation of the consolidated and separate financial statements and assessing if, in all material respects, the financial information is complete, true, timely, clear, objective and licit. Our examination also included verifying that the financial information included in the Directors' Report is consistent with the other consolidated and separate documents of account as well as the verifications established in items 4 and 5 of article 451 of the Commercial Companies Code. We believe that our examination provides a reasonable basis for expressing our opinion.

Opinion

5. In our opinion, the consolidated and separate financial statements referred to in paragraph 1 above, present fairly in all material respects, the consolidated and separate financial position of Impresa - Sociedade Gestora de Participações Sociais, S.A. as of 31 December 2014, its consolidated and separate results and comprehensive income from their operations, the changes in its consolidated and separate equity and its consolidated and separate cash flows for the year then ended, in conformity with International Financial Reporting Standards as endorsed by the European Union and the information contained therein is, in terms of the definitions included in the auditing standards referred to in paragraph 4 above, complete, true, timely, clear, objective and licit.

Report on other legal requirements

6. It is also our opinion that the financial information contained in the Directors' Report is in agreement with the consolidated and separate financial statements for the year and that the report on corporate governance includes the items required for the Company in accordance with article 245-A of the Portuguese Securities Market Code.

Lisbon, 16 March 2015

Deloitte & Associados, SROC S.A.
Represented by António Marques Dias

IMPRESA
Sociedade Gestora de Participações Sociais, SA.

ANNEX TO THE SINGLE MANAGEMENT REPORT 2014

All the members of the Board of Directors state, as provided in and for the purposes of subparagraph c) of number 1 of article 245 of the Securities Market Code that, to the best of their knowledge, the information provided for in subparagraph a), as well as in number 1 of the same article, was drawn up in accordance with the applicable accounting rules, and provides a true and fair view of the assets and liabilities, financial position and results of the Company and companies included in the consolidation perimeter, and that the management report, together with the notes that are an integral part thereof, faithfully describes the business evolution, performance and financial position of the Company and the companies included in the consolidation perimeter and contains a description of the main risks and uncertainties that they face.

Lisbon, 16 March 2015

Francisco José Pereira Pinto Balsemão
Chairman of the Board of Directors

Francisco Maria Supico Pinto Balsemão
Deputy Chairman of the Board of Directors

Pedro Lopo de Carvalho Norton de Matos
Member of the Board of Directors and CEO

Alexandre de Azeredo Vaz Pinto
Member of the Board of Directors and Chairman of the Audit Committee

António Soares Pinto Barbosa
Member of the Board of Directors and of the Audit Committee

Maria Luísa Coutinho Ferreira Leite de Castro Anacoreta Correia
Member of the Board of Directors and of the Audit Committee

Miguel Luís Kolback da Veiga
Member of the Board of Directors

José Manuel Archer Galvão Teles
Member of the Board of Directors

IMPRESA
Sociedade Gestora de Participações Sociais, SA.

LIST OF QUALIFYING SHAREHOLDERS AS REFERRED TO IN SUBPARAGRAPH B) OF NUMBER 1 OF ARTICLE 8 OF CMVM REGULATION NUMBER 05/2008

(with reference to 31 December 2014)

Qualifying shareholder	Quantity of Shares Held	Percentage of voting rights
IMPREGER – Sociedade Gestora de Participações Sociais, SA		
* Directly (a)	84,514,588	50.306%
* Through the Chairman of the Board of Directors, Dr. Francisco José Pereira Pinto de Balsemão	2,520,000	1.500%
* Through the Deputy Chairman of the Board of Directors, Eng. Francisco Maria Supico Pinto Balsemão	8,246	0.005%
* Through the Chairman of the Supervisory Board, Dr. António Flores de Andrade	160	0.000%
Total imputable	**87,042,994**	**51.811%**
(a) IMPREGER, Sociedade Gestora de Participações Sociais, SA is majority held by BALSEGER, Sociedade Gestora de Participações Sociais, SA, which is 99.99% held by Dr. Francisco José Pereira Pinto de Balsemão hence the corresponding votes are also imputable to him.		
FIL, Limited		
* Through FII – Fil Investments International	8,932,999	5.317%
Total imputable	**8,932,999**	**5.317%**
Invesco, Ltd		
* Through Invesco Advisers Incorporated	570,383	0.339%
* Through Invesco Asset Management Dublin	4,560,796	2.715%
* Through Invesco Asset Management Japan	22,339	0.013%
* Through Invesco Asset Management Limited	817,787	0.487%
* Through Invesco Fund Managers Limited	2,627,285	1.564%
Total imputable	**8,598,590**	**5.118%**
Madre – Sociedade Gestora de Participações Sociais, SA		
* Directly (a)	8,344,362	4.967%
Total imputable	**8,344,362**	**4.967%**
(a) Madre – Sociedade Gestora de Participações Sociais, SA is controlled by Madre – Empreendimentos Turísticos, SA, which, in turn, is controlled by António da Silva Parente, hence the corresponding votes are also imputable to him.		

IMPRESA
Sociedade Gestora de Participações Sociais, SA.

BANCO BPI, SA		
* Directly	6,200,000	3.690%
Total imputable	**6,200,000**	**3.690%**
Santander Asset Management, SA		
* Through Fundo Santander Acções Portugal	4,539,673	2.702%
* Through Fundo Santander PPA	211,580	0.126%
Total imputable	**4,751,253**	**2.828%**
UBS Group, AG		
* Through UBS AG	4,231,365	2.519%
Total imputable	**4,231,365**	**2.519%**
Henderson Global Investors		
* Directly	4,200,000	2.500%
Total imputable	**4,200,000**	**2.500%**
TT International		
* Directly	4,150,000	2.470%
Total imputable	**4,150,000**	**2.470%**
Newshold – S.G.P.S., S.A.		
* Directly (a)	4,038,764	2.404%
Total imputable	**4,038,764**	**2.404%**
(a) Newshold – S.G.P.S., SA is 91.25% held by Pineview Overseas, SA, hence the corresponding voting rights are also imputable to it.		

INFORMATION REFERRED TO IN ARTICLES 447 OF THE CSC AND 14 OF CMVM REGULATION NUMBER 5/2008

(Shares held by members of the administration and supervisory bodies of the company with reference to 31/12/2014)

Members of the Board of Directors	Shares			
	Held on 31.12.13	Acquired	Transferred	Held on 31.12.14
Francisco José Pereira Pinto de Balsemão	2,520,000	0	0	2,520,000
Pedro Lopo de Carvalho Norton de Matos	0	0	0	0
Francisco Maria Supico Pinto Balsemão	8,246	0	0	8,246
Alexandre de Azeredo Vaz Pinto	140	0	0	140
António Soares Pinto Barbosa	0	0	0	0
Maria Luísa Coutinho Ferreira Leite de Castro Anacoreta Correia	0	0	0	0
Miguel Luís Kolback da Veiga	0	0	0	0
José Manuel Archer Galvão Teles	0	0	0	0

Francisco José Pereira Pinto de Balsemão – Held 2,520,000 IMPRESA shares as at 31.12.13, a position which, since there was no acquisition/disposal of shares in 2014, remained the same as at 31.12.13. Concerning IMPREGER – Sociedade Gestora de Participações Sociais, SA, which is in a relationship of control with IMPRESA, he held, through BALSEGER, SGPS, SA, in which he has a 99.99999% stake as at 31.12.13, 12,095,376 shares, a position which, since there was no acquisition/disposal of shares in 2014, was maintained as at 31.12.14. His wife, Maria Mercedes Aliú Presas Pinto de Balsemão, held 868 IMPRESA shares as at 31.12.12, a position which, since there was no acquisition/disposal of shares in 2014, remained the same as at 31.12.13. Concerning IMPREGER – Sociedade Gestora de Participações Sociais, SA, in which he is Chairman of the Board of Directors, he held 84,514,588 shares as at 31.12.2013, a position which, since there was no acquisition/disposal of shares in 2014, remained the same as at 31.12.14. The company Francisco Pinto Balsemão, Lda., of which he is Manager, held, 140 shares as at 31.12.13, a position which, since there was no acquisition/disposal of shares in 2014, remained the same as at 31.12.14.

Pedro Lopo de Carvalho Norton de Matos – Made no acquisition/disposal of shares in 2014.

Francisco Maria Supico Pinto Balsemão – Made no acquisitions/disposals in 2014. Concerning IMPREGER – Sociedade Gestora de Participações Sociais, SA, of which he is a Director, he held 84,514,588 shares as at 31.12.13, a position which, since there was no acquisition/disposal of shares in 2014, remained the same as at 31.12.14.

Alexandre de Azeredo Vaz Pinto – Made no acquisition/disposal of shares in 2014.

António Soares Pinto Barbosa – Made no acquisition/disposal of shares in 2014.

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Maria Luísa Coutinho Ferreira Leite de Castro Anacoreta Correia – Made no acquisition/disposal of shares in 2014.

Miguel Luís Kolback da Veiga – Made no acquisition/disposal of shares in 2014.

José Manuel Archer Galvão Teles – Made no acquisition/disposal of shares in 2014.

Statutory Auditor and Alternate	Shares			
	Held on 31.12.13	Acquired	Transferred	Held on 31.12.14
Deloitte & Associados, SROC, SA	0	0	0	0
Luís Augusto Gonçalves Magalhães (ROC)	0	0	0	0

IMPRESA
Sociedade Gestora de Participações Sociais, SA.

ANNEX REFERRED TO IN ARTICLE 448 OF THE COMMERCIAL COMPANY CODE

(with reference to 31 December 2014)

With more than 1/2 of capital

Shareholder	Quantity of Shares Held
IMPREGER – Sociedade Gestora de Participações Sociais, SA	87,042,994 shares