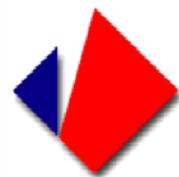


# IMPRESA

## 1st Quarter 2014 Results

IMPRESA – SGPS, S.A.  
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## Press Release: 1<sup>st</sup> Qt 2014 IMPRESA Accounts

### 1. Main events of the 1st Quarter 2014

- IMPRESA reached an **EBITDA of 5.6 M€**, up **56.2%** in relation to the 3.6 M€ obtained in the 1st quarter of 2013.
- IMPRESA achieved a net operating profit **4.6 M€**, compared with the 2.1 M€ obtained in the 1st quarter of 2013.
- IMPRESA achieved a **net profit of 1.2 M€**, compared with the loss 0.9 M€ obtained in the 1st quarter 2013, being the best result on the 1<sup>st</sup> quarter since 2007.
- **IMPRESA consolidated revenues rose by 8.0% to 55.8 M€**
- **SIC posted profits before taxes of 5.6 M€**, up 115.6% relative to the 1st quarter of 2013. **The station was the leader of the main commercial targets**, for daytime and weekdays prime-time, achieving an average audience of 20.6% and 27.0%, respectively.
- SIC Noticias rose its audience share by 18%, keeping the the indisputed leadership among news channels.
- The **IMPRESA Group has increased its advertising market share**, both in the television segment and in the press segment.
- **Net Debt stood at 194.7 M€**, that is, a year-on-year **reduction of 18.7 M€**
- **IMPRESA** was included, since March 24th, on the PSI 20 index, being the only media group that is present in the main Portuguese stock market index.

**Table 1. IMPRESA Main Indicators**

(Values in €)	Mar-14	Mar-13	ch %
<b>Total revenues</b>	<b>55.798.253</b>	<b>51.644.357</b>	<b>8,0%</b>
Television	42.683.895	37.404.129	14,1%
Publishing	12.735.113	14.073.949	-9,5%
Impresa Others	379.245	166.279	128,1%
<b>Operating Costs (1)</b>	<b>50.183.361</b>	<b>48.049.098</b>	<b>4,4%</b>
<b>EBITDA</b>	<b>5.614.892</b>	<b>3.595.259</b>	<b>56,2%</b>
<b>EBITDA Margin</b>	<b>10,1%</b>	<b>7,0%</b>	
EBITDA Television	6.866.899	4.233.387	62,2%
EBITDA Publishing	-278.289	302.676	n.a.
EBITDA Impresa Others	-973.718	-940.804	-3,5%
<b>Net Profits</b>	<b>1.214.376</b>	<b>-857.752</b>	<b>n.a.</b>
<b>Net Debt (M€)</b>	<b>194,7</b>	<b>213,4</b>	<b>-8,8%</b>

Note: EBITDA = Net Operating Income + Amortisation and Depreciation. (1) Does not consider the effect of amortisation and depreciation.



## 2. Analysis of the Consolidated Accounts

In the 1st quarter of 2014, IMPRESA reached consolidated revenues of 55.8 M€, which represents an 8,0% increase in relation to the value of 51.6 M€ registered in the 1st quarter of 2013, driven by:

- 2.6% increase in advertising revenues, with a growth of 6.3% in the television area.
- 1.7% increase in channel subscription revenues.
- 41.9% increase in other revenues, namely, sale of contents, associated products and interactive multimedia initiatives.
- 9.9% decline in publication sales.
- It should be noted that the 1<sup>st</sup> quarter of 2013, both in circulation and advertising, was positively affected by the anniversaries initiatives of Expresso (40 years) and Visão (20 years).

**Table 2. IMPRESA Main Revenues**

(Values in €)	Mar-14	Mar-13	ch %
<b>Total Revenues</b>	<b>56.123.253</b>	<b>51.644.357</b>	<b>8,7%</b>
Advertising	24.845.877	24.223.278	2,6%
Channel Subscription	11.279.431	11.085.483	1,7%
Circulation	6.106.720	6.778.241	-9,9%
Others	13.891.225	9.557.355	45,3%

In the 1st quarter of 2014, IMPRESA registered an increase of 4.4% in consolidated operating costs, mainly in variable costs associated to other revenues, having maintained programming grid costst, in spite of the existence, in comparative terms, of another thematic channel (SIC Caras).

The good performance in terms of revenue and control of operating costs led to consolidated EBITDA of 5.6 M€ in the 1st quarter of 2014, corresponding to a gain of 56.2% in relation to the 3.6 M€ achieved in the same period of the previous year.

The volume of depreciation and amortisation fell 32.5%, to 1.0 M€ in the 1st quarter of 2014, reflecting the cutback in investment in the last few financial years.

At the end of the 1st quarter of 2014, the negative financial results, stood at 2.6 M€, improved by 10.9% in relation to the same period of the previous year. This variation is mainly explained by the decrease in the average balance of interest-bearing liabilities and the positive evolution of equity consolidated companies – VASP and Lusa.

Net income for the 1st quarter of 2014 was positive, with 1.2 M€, compared with the negative net income of 0.9 M obtained in the 1st quarter of 2013.



<b>Table 3. Profit &amp; Loss</b>			
(Values in €)	Mar-14	Mar-13	ch %
<b>Total Revenues</b>	<b>55.798.253</b>	<b>51.644.357</b>	<b>8,0%</b>
Television	42.683.895	37.404.129	14,1%
Publishing	12.735.113	14.073.949	-9,5%
Impresa Others	379.245	166.279	128,1%
<b>Operating Costs (1)</b>	<b>50.183.361</b>	<b>48.049.098</b>	<b>4,4%</b>
<b>Total EBITDA</b>	<b>5.614.892</b>	<b>3.595.259</b>	<b>56,2%</b>
<b>EBITDA Margin</b>	<b>10,1%</b>	<b>7,0%</b>	
Television	6.866.899	4.233.387	62,2%
Publishing	-278.289	302.676	n.a.
Impresa Others	-973.718	-940.804	-3,5%
Depreciations	1.022.122	1.515.150	-32,5%
<b>EBIT</b>	<b>4.592.770</b>	<b>2.080.109</b>	<b>120,8%</b>
<b>EBIT Margin</b>	<b>8,2%</b>	<b>4,0%</b>	
Financial Res (-)	2.603.273	2.921.544	-10,9%
<b>Res. Bef Taxes &amp; Minorities</b>	<b>1.989.497</b>	<b>-841.435</b>	<b>n.a.</b>
Income Tax (IRC)(-)	775.121	16.904	4485,4%
Minority Interests (-)	0	-587	-100,0%
<b>Net Profit</b>	<b>1.214.376</b>	<b>-857.752</b>	<b>n.a.</b>

Note: EBITDA = Net Operating Income + Amortisation and Depreciation. (1) Does not consider the effect of amortisation and depreciation.

In terms of the balance sheet, net debt, at the end of the 1st quarter of 2014, stood at 194.7 M€, a decline of 18.7 M€ relative to the same period of the previous year. At the end of March 2014, medium and long term debt represented 65% of total debt.



## 2. Television – SIC

<b>Table 4. Television Indicators</b>			
	<b>Mar-14</b>	<b>Mar-13</b>	<b>ch %</b>
<b>Total Revenues</b>	<b>42.683.895</b>	<b>37.404.129</b>	<b>14,1%</b>
Advertising	19.766.299	18.587.770	6,3%
Channel Subscriptions	11.279.431	11.085.483	1,7%
Others	11.638.165	7.730.876	50,5%
<b>Operating Costs (1)</b>	<b>35.816.996</b>	<b>33.170.742</b>	<b>8,0%</b>
<b>EBITDA</b>	<b>6.866.899</b>	<b>4.233.387</b>	<b>62,2%</b>
<b>EBITDA (%)</b>	<b>16,1%</b>	<b>11,3%</b>	
<b>Res. Bef. Taxes</b>	<b>5.578.378</b>	<b>2.587.343</b>	<b>115,6%</b>

Note: EBITDA = Net Operating Income + Amortisation and Depreciation. (1) Does not consider the effect of amortisation and depreciation.

SIC closed the 1st quarter of 2014 with total revenue of 42.7 M€, representing an increase of 14.1%, with particularly strong growth of 50.5% registered in the other revenues area.

In the 1st quarter of 2014, advertising revenue grew by 6.3%, having reached 19.8 M€, due to a good performance of commercial target audiences. It is thus estimated that SIC achieved a better performance than the television market. It should be noted that this positive performance was reached in spite of the effect of the Easter holidays - which are in April 2014 versus March 2013.

In the 1st quarter of 2014, SIC continued to be leader of audiences in the main television time slot - prime-time from Monday to Friday -, ending the 1st quarter with a share of 25.8%. This leadership was due to the soap opera "Sol de Inverno" and "Jornal da Noite", in addition to the excellent performances of the soap operas "Amor à Vida" and "A Guerreira". In the commercial targets ABCD15-54, in this prime-time, SIC achieved a share of 27%. In the 1st quarter, the most watched programme of Portuguese television was the Benfica-Tottenham football game, of the European Football Championship, broadcast by SIC.

Thematic channel subscription revenues increased by 1.7% in the 1st quarter of 2014 to 11.3 M€. This increase was due to the growth of the domestic market - first full quarter of the new SIC Caras channel - and of international revenues.

Other revenues, in the 1st quarter of 2014, increased by 50.5% to 11.6 M€. In the 1st quarter of 2014, in addition to the growth of multimedia revenues, it is important to point out the sale of contents, namely the sale of the soap opera "Laços de Sangue" to TV Zimbo in Angola.

With regards to operating costs, in the 1st quarter of 2014 there was an increase of 8% due to the effect of the increase in variable costs associated to other revenues.



The positive operating developments led to EBITDA having reached 6.9 M€ in the 1st quarter of 2014, which represented a year-on-year increase of 62.2%, and enabled an EBITDA margin of 16.1% to be reached, against the 11.3% obtained in march 2013.

This operating performance also led to a growth of earnings before tax of 115.6%, reaching 5.6 M€, compared to the 2.6 M€ obtained in the 1st quarter of 2013.



## 4. IMPRESA Publishing

**Table 5. Publishing Indicators**

	Mar-14	Mar-13	ch %
<b>Total revenues</b>	<b>12.735.113</b>	<b>14.073.949</b>	<b>-9,5%</b>
Advertising	5.067.593	5.623.121	-9,9%
Circulation	6.106.720	6.778.241	-9,9%
Others	1.560.800	1.672.587	-6,7%
<b>Operating Costs (1)</b>	<b>13.013.402</b>	<b>13.771.273</b>	<b>-5,5%</b>
<b>EBITDA</b>	<b>-278.289</b>	<b>302.676</b>	<b>n.a.</b>
<b>EBITDA (%)</b>	<b>-2,2%</b>	<b>2,2%</b>	
<b>Res. Bef. Taxes</b>	<b>-992.364</b>	<b>-373.327</b>	<b>-165,8%</b>

Note: EBITDA = Net Operating Income + Amortisation and Depreciation. (1) Does not consider the effect of amortisation and depreciation.

In the publishing segment, during the 1st quarter of 2014, total revenue decreased by 9.5% to 12.7 M€, in comparison with the same quarter of the previous year.

Advertising revenues fell 9.9% in the 1st quarter of 2014. It should be noted that the financial year of 2013 was positively affected by the commemorative initiatives of the anniversaries of Expresso (40 years) and Visão (20 years), which also had a positive impact on circulation revenues which, in comparative terms, declined by 9.9% in the 1st quarter of 2014, reaching 6.1 M€.

In spite of the overall decline in circulation, sales in digital format continued to show growth, in particular for iPad. The number of digital customers reached 23,500 in March 2014 and the newspaper Expresso, which is the undisputed leader of sales in digital format, reached weekly sales of around 8,600 copies in the 1st quarter of 2014.

IMPRESA has decided to reinforce its digital strategy, leveraging on its multiplatform success, which Expresso is the best example. Following that lead, Expresso will be the main vector of the digital strategy. Thus Expresso will have its online contents reinforced, with the launch of daily edition, Monday to Friday, on May 6<sup>th</sup>, which will be available for its digital subscribers.

With regards to other revenues, a decrease of 6.7% was registered in the 1st quarter of 2014, in spite of the increase in sales of associated products of 2.6%.

The reduction of operating costs of 5.5% was not, however, sufficient to guarantee a positive EBITDA, having obtained a negative value of 278.3 thousand euros, which represented a decrease in relation to the positive value of 302.7 thousand euros registered in the 1st quarter of 2013.

This operational performance led to a deterioration of results before taxes, from the negative 373.3 thousand euros at the end of the 1st quarter of 2013 to the negative 992.4 thousand euros at the end of the 1st quarter of 2014.



## 5. IMPRESA Other revenues

Table 6. IMPRESA Others indicators			
	Mar-14	Mar-13	ch %
<b>Total revenues</b>	<b>379.245</b>	<b>166.279</b>	<b>128,1%</b>
InfoPortugal	423.265	261.182	62,1%
Olhares	41.673	48.606	-14,3%
Others	-85.693	-143.509	-40,3%
<b>Operating Costs</b>	<b>1.352.963</b>	<b>1.107.083</b>	<b>22,2%</b>
<b>EBITDA</b>	<b>-973.718</b>	<b>-940.804</b>	<b>-3,5%</b>
<b>EBITDA (%)</b>	<b>-256,8%</b>	<b>-565,8%</b>	

Note: EBITDA = Net Operating Income + Amortisation and Depreciation. (1) Does not consider the effect of amortisation and depreciation.

In the 1st quarter of 2014, IMPRESA Other reached a turnover of 379.2 thousand euros, representing an increase of 128.1% in relation to the 1st quarter of 2013, reflecting the growth in activity of INFOPORTUGAL.

EBITDA was negative, to the value of 973.7 thousand euros in the 1st quarter of 2014, compared with the negative value of 940.8 thousand euros recorded in the same quarter of the previous year.

The performance of the main activities was as follows:



INFOPORTUGAL reached a total turnover of 423.3 thousand euros in the 1st quarter of 2014, which represented an increase of 62.1% relative to the value of 261.2 thousand euros achieved in the same period of the previous year. This increase resulted from the growth in the activity of cartography and aerial photography. In view of this increase in revenue, EBITDA was positive to the value of 89.8 thousand euros (with a margin of more than 20%), compared to the negative value of 21.7 thousand euros recorded in the 1st quarter of 2013.



The start of the year was marked by the launch of the new site, on 6 January. OLHARES recorded a decline of 14.3% in total turnover, due to the fall in revenue from services, which was not offset by the growth which occurred in subscriptions and advertising. The change of the revenue structure resulted in an increase in EBITDA, from a negative 2.3 thousand euros in the 1st quarter of 2013 to a positive 1.4 thousand euros in the 1st quarter of 2014.



## 6. Prospects

Considering the results achieved in this 1st quarter of 2014, the main objectives of the Group IMPRESA, apart from continuing a tight control of operating costs and focused on the consolidation of market share, are to improve the operational indicators, diversify revenues, reduce interest-bearing liabilities and increase net profits.

Lisbon, April 28<sup>th</sup>, 2014

On behalf of the Board of Directors

José Freire  
Investor Relations Director  
[www.impresa.pt](http://www.impresa.pt)



**IMPRESA - Sociedade Gestora de Participações Sociais, S.A.**

Consolidated Accounts  
(values in Euros)

<u>ASSETS</u>	<b>March 2014</b>	<b>Dec 2013</b>
<b>NON CURRENT ASSETS</b>		
Goodwill	300.892.821	300.892.821
Other intangible assets	383.457	329.667
Tangible fixed assets	28.648.806	29.291.053
Financial investments	6.992.673	6.736.787
Investment properties	6.151.963	6.151.963
Program Rights & Inventories	10.283.771	8.591.730
Other assets	6.019.593	6.298.622
Deferred Taxes	1.279.432	1.269.646
Total Non Current Assets	<u>360.652.516</u>	<u>359.562.289</u>
<b>CURRENT ASSETS</b>		
Program Rights & Inventories	15.659.423	19.303.327
Customers - current account	39.740.724	37.456.394
Other receivables	4.294.647	4.121.294
Cash and equivalents	1.125.812	1.434.564
Total Current Assets	<u>60.820.606</u>	<u>62.315.579</u>
<b>TOTAL ASSETS</b>	<u><u>421.473.122</u></u>	<u><u>421.877.868</u></u>
	<b>March 2014</b>	<b>Dec 2013</b>
<b>EQUITY, MINORITIES AND LIABILITIES</b>		
<b>EQUITY</b>		
Capital	84.000.000	84.000.000
Share issue premiums	36.179.272	36.179.272
Legal reserve	1.050.761	1.050.761
Retained earnings and other reserves	5.635.189	(962.340)
Consolidated net profit	1.214.376	6.597.529
Equity of IMPRESA shareholders	<u>128.079.598</u>	<u>126.865.222</u>
Equity of minority interests		
Total Equity Funds	<u><u>128.079.598</u></u>	<u><u>126.865.222</u></u>
<b>LIABILITIES</b>		
<b>NON CURRENT LIABILITIES</b>		
Loans	126.000.425	126.592.167
Leasing	7.300.204	8.066.251
Provisions for risk and charges	5.994.137	5.894.373
Deferred taxes	472.581	472.581
Total Non Current Liabilities	<u>139.767.347</u>	<u>141.025.372</u>
<b>CURRENT LIABILITIES</b>		
Loans	69.807.999	63.063.025
Suppliers payables	28.563.607	40.964.269
Leasing	3.028.626	3.028.626
Other current liabilities	52.225.945	46.931.354
Total Current Liabilities	<u>153.626.177</u>	<u>153.987.274</u>
<b>TOTAL EQUITY, MINORITIES AND LIABILITIES</b>	<u><u>421.473.122</u></u>	<u><u>421.877.868</u></u>

**IMPRESA - Sociedade Gestora de Participações Sociais, S.A.**

Consolidated Accounts  
(values in Euros)

	<b>March 2014</b>	<b>March 2013</b>
<b>REVENUES</b>		
Goods	7.217.934	7.884.522
Services	48.348.571	43.635.451
Other	231.748	124.384
Total Revenues	<u>55.798.253</u>	<u>51.644.357</u>
<b>OPERATING COSTS</b>		
Program costs and of goods sold	(20.642.843)	(18.970.967)
External Supplies	(15.726.468)	(15.692.325)
Personnel costs	(13.245.982)	(12.787.042)
Depreciation	(1.022.122)	(1.515.150)
Provisions and impairment	(120.000)	(135.000)
Other operating costs	(448.068)	(463.764)
Total Operating Costs	<u>(51.205.483)</u>	<u>(49.564.248)</u>
Operating Results	<u>4.592.770</u>	<u>2.080.109</u>
<b>FINANCIAL RESULTS</b>		
Gains & Losses in Associated Companies	255.886	47.287
Other Financial Costs	(2.859.159)	(2.968.831)
Financial Results	<u>(2.603.273)</u>	<u>(2.921.544)</u>
Results before income taxes	<u>1.989.497</u>	<u>-841.435</u>
Income Taxes	(775.121)	(16.904)
Consolidated Net profit	<u>1.214.376</u>	<u>-858.339</u>
Due to:		
IMPRESA shareholders	(857.752)	(857.752)
Minorities interests	(587)	(587)
Earnings per share		
EPS	(0,0051)	(0,0051)