



IMPRESA

Sociedade Gestora de Participações Sociais, SA.

Lisbon, April 28th 2003

Press Release: IMPRESA Earnings Report Q1, 2003

1. Main Events

IMPRESA posted consolidated revenues of 54.8 M€ for the 2003 1st quarter, up 7.3% on 2002 pro-forma accounts for the same period.

IMPRESA consolidated advertising revenues rose 2.3% on the 1st quarter 2003. The publications sales increased 13.7%, while the thematic channels revenues rose 15.1%. On the quarter, SIC took the lead with revenues up 13.1%, and EDIMPRESA whose revenues rose 12.6%.

IMPRESA's consolidated operating costs fell by 2% during the first quarter. This was made possible only by the savings achieved through the cost-cutting programs implemented over the last 2 years, as well the continuous decline in paper prices.

The rising revenues along with lower operating costs, brought consolidated EBITDA back to positive territory on the 1st quarter. EBITDA reached 1.1 M€ in March 2003, versus the negative 3.6 M€ achieved on 1st quarter 2002.

The results before taxes and minority interests improved 35.2% to -9.5 M€, against the -14.7 M€ registered on March 2002.

With the operating improvement, the consolidated loss posted in the 2003 first quarter narrowed to 7.4 M€, an improvement of 12.3% from 8.4 M€ loss posted in the 2002 first quarter.



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Table 1. IMPRESA: Consolidated Operating Statement

	March 2003	March 2002	March 2002	Change (vs pro-forma)
		Pro-forma		
Consolidated Revenues	54,786,383	51,043,745	57,855,430	7.3%
Newspapers	29,657,111	26,226,997	26,226,997	13.1%
Magazines	10,761,847	11,596,327	11,596,327	-7.2%
Television	15,451,369	13,724,404	13,724,404	12.6%
Distribution	0	0	11,930,948	
Inter-segments	-1,083,944	-503,983	-5,623,246	115.1%
Cash Operating Costs	53,615,221	54,699,463	61,395,149	-2.0%
Consolidated EBITDA	1,171,162	-3,655,717	-3,539,717	132.0%
Divisions EBITDA:				
Newspapers	-686,732	-5,059,341	-5,059,341	86.4%
Magazines	1,099,609	650,550	650,550	69.0%
Television	1,101,042	1,172,603	1,172,603	-6.1%
Distribution	0	0	116,000	
Holding Adjustments	-342,757	-419,529	-419,529	18.3%
Depreciation (-)	4,805,207	5,523,294	5,577,443	-13.0%
Provisions (-)	1,655,609	777,101	777,101	113.0%
EBIT	-5,289,654	-9,956,112	-9,894,261	46.9%
Net Financial Charges (-)	1,951,618	2,765,013	2,798,622	-29.4%
Goodwill (-)	2,756,543	2,439,277	2,439,277	13.0%
Current Results	-9,997,815	-15,160,402	-15,132,160	34.1%
Results Extraordinary (+)	483,061	477,702	483,361	1.1%
Results before Taxes and Minorities	-9,514,754	-14,682,700	-14,648,799	35.2%
Income Taxes (IRC) (-)	590,904	-2,940,219	-2,929,186	n.a
Minorities Interests (-)	-2,702,873	-3,301,894	-3,279,026	18.1%
Consolidated Net Profit/Loss	-7,402,785	-8,440,587	-8,440,587	12.3%



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2. Television

Table 2. SIC Indicators

(values in M€)	1º Qt 2003	1º QT 2002	Change (y-o-y)
Total Revenues	29,6	26,2	13,1%
Advertising	20,4	18,7	9,1%
Merchandising	0,74	0,39	86,7%
SIC Internacional	0,31	0,26	20,7%
Cable Channels	6,0	5,2	15,1%
Others	2,1	1,6	33,7%
EBITDA Consolidated	-0,7	-5,0	86,4%

On the first quarter 2003, SIC posted consolidated revenues of 29.6 M€, a 13.1% rise year-on-year.

The revenues growth was due positive behavior of SIC's ad revenues and the significant increase registered by the emergent areas. The television ad market had a positive evolution, along higher audience ratings on the prime-time period, which increased SIC ad market share. SIC ad revenues rose by 9.1% on the 1st quarter 2003.

On the first quarter, SIC had an average audience of 33.8% (national values without cable & satellite), which is 1 percentage point below the values registered on 1st quarter 2002. This loss in audiences was mainly in the mornings and afternoon periods. On the prime time, SIC audiences rose 1.5 p.p. to 32.6% versus the 1st quarter 2002.

At the same time, the new areas continued to show highly attractive growth rates. They posted 9.2 M€ in revenues during the 1st quarter, a 23.1% gain on the same period last year and accounted for 31.1% of SIC's total revenues.

This growth was made possible by the thematic channels, which posted revenues of 6 M€, an increase of 15.1%. In March, the 4th thematic channel, SIC Mulher was launched, and gave already a small contribution to the area revenues. Meanwhile, SIC Notícias reinforced its leadership position of among the cable channels, with an average audience share of 19.1%. In the month of March, SIC Notícias broke a new audience record, with an average of 21.9%, being the favorite channel to follow the events in Iraq.

On the quarter, SIC a positive performance from the emergent areas. On the merchandising side the turnover has doubled in 1st quarter. The SMS traffic generate by programs and online site, generated 270 m€ on the quarter, close to the figure generated in the whole of 2002. SIC Internacional, SIC Serviços, SIC Online and the TV-shopping, all had a positive evolution.



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The cost-cutting program carried out at SIC over the last 2 year's, made it possible an improvement in operating margins. On the 1st quarter, SIC's cash costs fell by 2%, representing a saving of 1 M€. Worth mentioning, that costs in the quarter were still affected by the start-up of SIC Mulher and the news coverage of the Iraq conflict.

The revenue growth and the falling costs, made for a sharp improvement on SIC's EBITDA. On 1st quarter 2003, EBITDA had a negative value of 0.68 M€, down on 5.1 M€ recorded on March 2002.

3. Newspapers

Table 3. Newspapers Indicators

(values in M€)	1º Qt 2003	1º Qt 2002	Change (y-o-y)
Total Revenues	10,7	11,6	-7,2%
Advertising	6,2	7,4	-15,9%
Newspaper Sales	3,8	3,4	13,1%
Others	0,67	0,77	-13,8%
EBITDA Consolidated	1,1	0,65	69,0%

The Newspaper area continued to be affected by the slowdown in the ad market, mainly the continued weakness in the classifieds. On the other side, the newspaper sales have continued to grow, which has compensated partially for the shortfall in the ad revenues.

The consolidated revenues on the newspaper side totaled 10.8 M€ up to March 2003, down 7.2%. Advertising revenues fell by 15.9% on the 1st quarter, while the circulation revenues rose 13.1% on the same period.

The fall in ad revenues was particularly affected by the negative behavior on the classifieds, namely, recruitment and real estate. In the case of Expresso, the classified revenues have fallen by 28.6%, while the display advertising has only fallen 2.9% on the same period. Particularly affected by the slowdown on the classifieds and local advertising, had been the free-sheet Jornal da Região. Down to 9 editions, less 5 editions than the 1st quarter 2002, the total revenues dropped 45.5%.

On the other hand, circulation revenues grew by 13.1%, due to the excellent performance put in by Expresso, AutoSport and SurfPortugal. Expresso's average 1st quarter sales stood at 142,506 copies, down 1.5% year-on-year, which was compensated by 16% increase in its cover price.

Operating costs for the period fell by 11.7%, as a result of the restructuring done in 2002, rigorous cost control, combined with an approximate 10% fall in paper prices. Thus, EBITDA rose up by 69% to 1.1 M€.

4. Magazines

Table 4. Magazines Indicators

(values in M€)	1 ^o Qt 2003	1 ^o Qt 2002	Change (y-o-y)
Total Revenues	15,4	13,7	12,6%
Advertising	5,4	5,2	3,6%
Magazines Sales	8,9	7,8	13,9%
Others	1,1	0,67	67,1%
EBITDA Consolidated	1,10	1,17	-6,1%

The magazines area had a positive quarter, both with the sale of publications and the ad revenues. EDIMPRESA posted total revenues of 15.5 M€ in 1st quarter, up 12.6% on the 1st quarter 2002.

On the period, magazine sales rose by 13.9%. For this growth contributed the good performance of some titles, namely, news magazine Visão, women magazine Activa and Cosmopolitan, TV Mais, IT magazine Exame Informática and Super Interessante. The total magazine sales accounted for 57.6% of the quarterly turnover. In March, EDIMPRESA launched the children magazine “Casa do Picapau Amarelo” based on series broadcast by SIC. It’s expected to launch a few more publications before the year-end.

With the rise in audiences, the overall ad revenues rose by 3.6% on the 1st quarter.

The rise in magazine sales implied an increase in promotion and production costs. So, although, paper prices have fallen as well as personnel costs, the total operating costs rose 14.3% on the 1st quarter 2003.

The rapid rise in the sale of magazines, meant there was a change in the sales mix, which has affected the EBITDA margin. The March 2003 EBITDA stood at 1.1 M€, 6% less than the value obtained in March 2002.



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5. Consolidated Financials

IMPRESA recorded revenues of 54.7 M€, which represents an increase of 7.3% in relation to the pro-forma accounts of 1st quarter 2002. This rise has been due to strong publication sales, thematic channels and a recovery in advertising revenues, namely, on television and magazines.

Operating costs showed a drop of 2% on the quarter, as a result of the restructuring plans implemented over the last 2 years, and helped by the continuing slide in paper costs.

Overall, EBITDA return to positive territory on the 1st quarter 2003, reaching 1.2 M€, which compares with negative 3.6 M€ registered on March 2002.

The operating results also showed a significant improvement, cutting the losses almost in half versus the 1st quarter 2002, having reaching a negative 5.3 M€ by March 2003.

The financial results remain negative at 1.9 M€, which represents a improvement of 29.4% versus March 2002. The lower interest rates and higher foreign exchange gains allowed for the improvement. Also, there was a turnaround in the contribution of associated companies, generating a positive gain in the quarter, mainly due to VASP.

On the end of the 1st quarter 2003, the net debt stood at 152.4 M€, which represents an increase of 4.6 M€ versus December 2002. Although the 1st quarter free cash-flow was very small, there was an effort to reduce suppliers outstanding, which was reduced by 13.4 M€ versus the value in December 2002.

With the increasing stake on EDIMPRESA in late 2002, the goodwill depreciation rose to 2.7 M€ on 1st quarter 2003.

With the operating improvement, the consolidated loss posted in the 2003 first quarter narrowed to 7.4 M€ from the 8.4 M€ loss posted in the 1st quarter 2002.

6. Prospects for 2003

IMPRESA had positive turnover evolution on the first quarter, which, nevertheless, was affected by international instability. The good start of the year allows confirms our objectives for the full year. 2003 will be a year of revenue and margin growth. IMPRESA estimates a revenue growth between 4-5% for the full year, with a very significant improvement in the operating margins.

Lisbon, April 28th, 2003

By the Board of Directors

José Freire
Director Investor Relations

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

DEMONSTRAÇÃO CONSOLIDADA DOS RESULTADOS POR NATUREZAS PARA O EXERCÍCIO FINDO EM 31 DE MARÇO DE 2003

(Montantes expressos em Euros)

CUSTOS E PERDAS	2003	PROVEITOS E GANHOS	2003
Custo das mercadorias vendidas e das matérias consumidas:		Vendas:	
Mercadorias	11,966,951	Mercadorias	287,089
Matérias	<u>3,774,009</u>	Produtos	12,523,085
	<u>15,740,960</u>	Prestações de serviços	<u>40,799,446</u>
			53,609,620
Fornecimentos e serviços externos	<u>21,520,610</u>	Proveitos suplementares	661,694
Custos com o pessoal:		Varição da produção	<u>515,069</u>
Remunerações	12,086,441		<u>54,786,383</u>
Encargos sociais:	3,247,799		
Outros	<u>826,764</u>		
	<u>16,161,004</u>	Proveitos e ganhos financeiros	<u>2,188,314</u>
			<u>56,974,697</u>
Amortizações do imobilizado corpóreo e incorpóreo	4,805,207		
Provisões	<u>1,655,609</u>	Proveitos e ganhos extraordinários	1,473,956
	<u>6,460,816</u>		
Impostos	96,862		
Outros custos e perdas operacionais	<u>95,785</u>		
	<u>192,647</u>		
(A)	<u>60,076,037</u>		
Custos e perdas financeiros	<u>6,896,475</u>		
(C)	<u>66,972,512</u>		
Custos e perdas extraordinários	<u>990,895</u>		
(E)	<u>67,963,407</u>		
Imposto sobre o rendimento do exercício	590,904		
Interesses minoritários	<u>(2,702,873)</u>		
(G)	65,851,438		
Resultado consolidado líquido do exercício	<u>(7,402,785)</u>		
	<u>58,448,653</u>	(F)	<u>58,448,653</u>
		Resultados operacionais:	(B) - (A) <u>(5,289,654)</u>
		Resultados financeiros:	(D-B) - (C-A) <u>(4,708,161)</u>
		Resultados correntes:	(D) - (C) <u>(9,997,815)</u>
		Resultados antes de impostos e interesses minoritários:	(F) - (E) <u>(9,514,754)</u>
		Resultado consolidado líquido do exercício:	(F) - (G) <u>(7,402,785)</u>

O TÉCNICO OFICIAL DE CONTAS

O CONSELHO DE ADMINISTRAÇÃO

