

# IMPRESA

## 1st Quarter 2011 Results

IMPRESA SGPS SA  
Publicly Held Company  
Share Capital EUR 84,000,000  
Rua Ribeiro Sanches, 65  
Tax Number 502 437 464  
Commercial Registry Office of Lisbon





**IMPRESA**

Sociedade Gestora de Participações Sociais, SA.

## Press Release: IMPRESA Accounts of 1st Quarter 2011

### 1. Main events in 1st quarter 2011

- Consolidated revenues fell to 57.8 M€ in the 1st quarter of 2011, representing a decrease of 6.1% year-on-year, mainly penalised by the decline in multimedia and associated products revenues.
- Channel subscription revenues increased 6.2%, while advertising revenues declined 1.1%.
- The SIC family channels – SIC, SIC Notícias, SIC Radical, SIC Mulher and SIC K, represented an average audience of 25.3% in the 1st quarter of 2011, collectively, leading the audiences in the cable universe.
- In the 1st quarter of 2011, the Group's titles entered the Ipad platform in a definitive way. Following the launch of Visão, in December 2010, the editions of Caras, Exame and Expresso, for Ipad, were launched in the first 3 months of 2011, having been received favourably by readers and advertisers alike.
- Operating costs fell 2.1%, enabling a positive EBITDA of 726 thousand Euros to be reached.
- Net Debt came to 231.0 M€, representing a year-on-year reduction of 14.4 M€.
- Net profits were negative by 3.4 M€ in the first quarter of 2011.

**Table 1. IMPRESA Main Indicators**

(Values in €)

	Mar-11	Mar-10
<b>Receitas Consolidadas</b>	<b>57.823.725</b>	<b>61.589.149</b>
Television Revenues	38.414.348	39.634.009
Publishing Revenues	18.300.746	20.616.196
Digital Revenues	1.668.101	1.729.362
<b>EBITDA</b>	<b>726.526</b>	<b>3.242.311</b>
<b>EBITDA Margin</b>	<b>1,3%</b>	<b>5,3%</b>
EBITDA Television	1.623.007	2.855.894
EBITDA Publishing	-237.810	730.817
EBITDA Digital	-144.540	91.704
<b>Net Profits</b>	<b>-3.446.022</b>	<b>-896.818</b>
<b>Net Debt (M€)</b>	<b>231,0</b>	<b>245,4</b>

Note: EBITDA= Operating results + Depreciation charges





## 2. Television - SIC

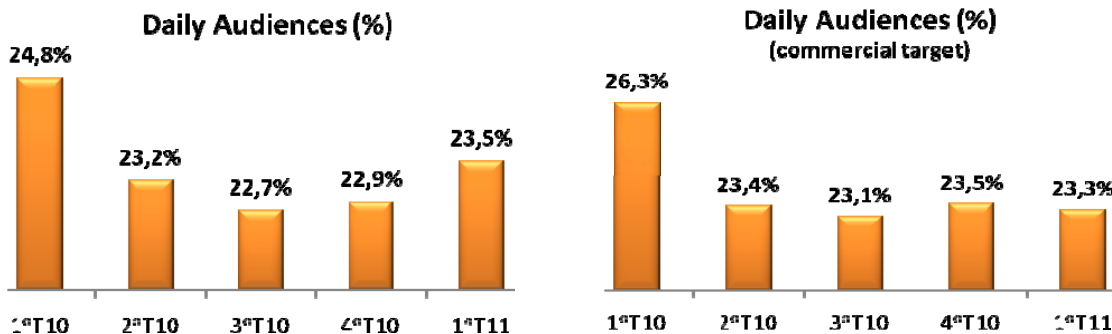
<b>Table 2. Television Indicators</b>			
(Values in €)	Mar-11	Mar-10	ch %
<b>Total Revenues</b>	<b>38.414.348</b>	<b>39.634.009</b>	<b>-3,1%</b>
Advertising	22.280.222	21.976.373	1,4%
Channel subscribers	10.704.588	10.080.983	6,2%
Multimedia	3.739.023	6.382.092	-41,4%
Others	1.690.515	1.194.562	41,5%
<b>Operating Costs (1)</b>	<b>36.791.341</b>	<b>36.778.115</b>	<b>0,0%</b>
<b>EBITDA</b>	<b>1.623.007</b>	<b>2.855.894</b>	<b>-43,2%</b>
<b>EBITDA (%)</b>	<b>4,2%</b>	<b>7,2%</b>	<b>0,0%</b>
<b>Results before taxes</b>	<b>-166.830</b>	<b>1.107.445</b>	<b>n.a.</b>

(1) Does not consider the depreciation charges. Note: EBITDA= Operating results + Depreciation charges

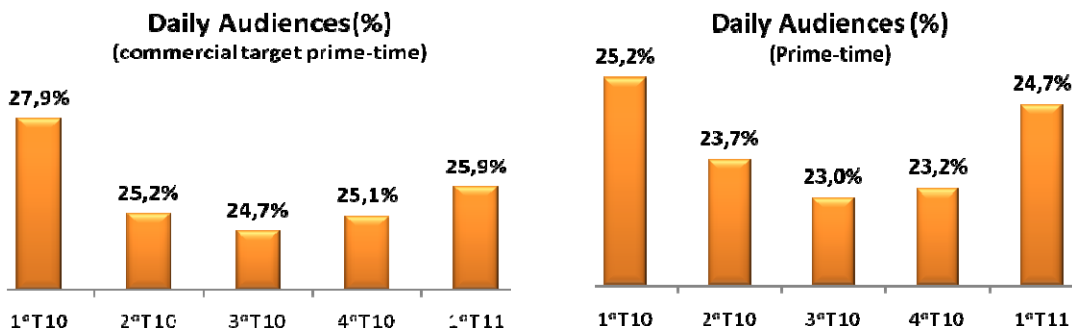
SIC finished the 1st quarter of 2011 with total revenues of 38.4 M€, representing a decline of 3.1%, affected by the fall in multimedia revenues.

In the first 3 months of 2011, advertising revenues increased 1.4%, reaching 22.3 M€, reflecting a good performance in the commercial targets and the growth of advertising revenue generated by the thematic channels. Both in open TV and in the thematic channels, SIC gained market share.

In the 1st quarter of 2011, SIC's daily average audiences reached 23.5%, 1.3 percentage points less than in March 2010, but representing an increase of 0.6 p.p. in relation to the 4th quarter of 2010. The focus on commercial targets remained fruitful, especially at prime time, during which an average audience of 25.9% in the 1st quarter of 2011 was reached,



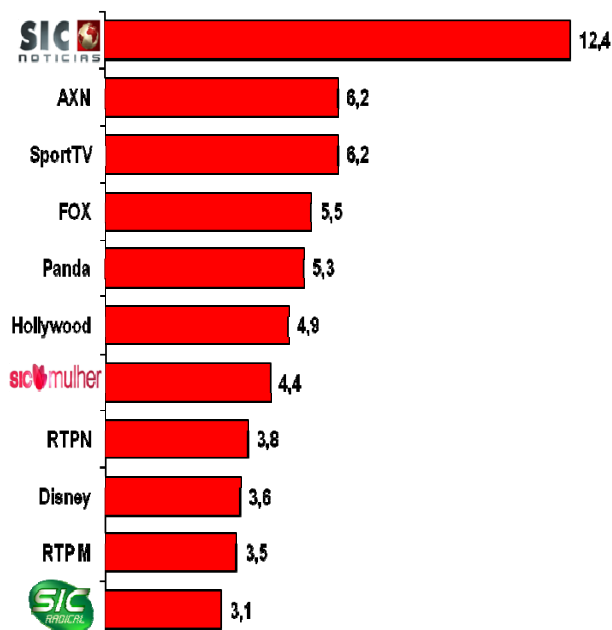
corresponding to 1.2 p.p. above the general audiences in the same time-slot.



The entertainment programme “Portugal tem Talento”, which achieved an average audience of 31.8%, the European Soccer League and BWIN Cup games, and the soap opera “Laços de Sangue” stood out in the programming of the first 3 months of 2011. The soap opera “Laços de Sangue”, which achieved an average audience of 27%, in the 1st quarter of 2011, had a positive impact on the strong performance of the commercial targets. SIC's most watched programme, in the 1st quarter of 2011, was the Benfica-Sporting game, of the BWIN Cup, with an audience of 52%.

Thematic channel subscription revenues increased 6.2% in the 1st quarter of 2011 to 10.7 M€. This increase was driven was once again by international revenues, and by the slight growth of the domestic market.

### TOP Cable in March 2011 (%)



In the first quarter of 2011, SIC had 4 thematic channels - SIC Notícias, SIC Radical, SIC Mulher and SIC K, which collectively represented 20.4% of the audience of cable channels, representing an increase relative to 2010 (18.9%) and to the 1st quarter of 2010 (18.9%).

SIC Notícias maintained its leadership on Cable TV with an average audience of 12.4% in the 1st quarter of 2011.

At the beginning of May, SIC launched a new channel dedicated to the transmission of "Peso Pesado", which subsequently has debuted on the SIC main channel.

It should be noted that, in the cable universe, the SIC family channels –

SIC, SIC Notícias, SIC Radical, SIC Mulher and SIC K, represented an audience of 25.3% in the 1st quarter of 2011 (source: Markttest – Audiocabo), collectively, which represents a higher audience in comparison with the collective offer of the other stations.

Multimedia revenues, in the 1st quarter of 2011, registered a decline of 41.4% to 3.7 M€. The final stage of the programme "Ídolos" in February 2010 helped to push multimedia revenues in the 1st quarter of 2010, and explains the decline recorded in the first 3 months of 2011. The values registered in the 1st quarter of 2011 are in line with the multimedia revenues generated in the last 3 quarters.

Other revenues registered an increase of 41.5% at the end of the 1st quarter of 2011, driven by the increase in GMTS activity, and the increase in revenues generated by the Merchandising and Telesales activities.



Operating costs remained at the same level as that registered in the 1st quarter of 2010, with the decline in multimedia costs having been offset by the increase in programming costs.

The fall in revenues resulted in EBITDA reaching 1.6 M€ in the first quarter of 2011, representing a year-on-year decline of 43.2%.

This operational performance also resulted in results before taxes remaining in negative territory, reaching -167 thousand Euros in the 1st quarter of 2011.



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### 3. IMPRESA Publishing

Table 3. Publishing Indicators			
(Values in €)	Mar-11	Mar-10	ch %
<b>Total Revenues</b>	<b>18.300.746</b>	<b>20.616.196</b>	<b>-11,2%</b>
Advertising	8.158.753	8.735.653	-6,6%
Publications	8.406.822	9.172.955	-8,4%
Associated Products	568.213	1.900.105	-70,1%
Others	1.166.958	807.485	44,5%
<b>Operating Costs (1)</b>	<b>18.538.556</b>	<b>19.885.379</b>	<b>-6,8%</b>
<b>EBITDA</b>	<b>-237.810</b>	<b>730.817</b>	<b>n.a</b>
<b>EBITDA (%)</b>	<b>-1,3%</b>	<b>3,5%</b>	<b>0,0%</b>
<b>Results before taxes</b>	<b>-901.085</b>	<b>186.064</b>	<b>n.a.</b>

(1) Does not consider the depreciation charges. Perimeter changes, since January 2011 100% of Acting Out is consolidated in IMPRESA Publishing. Note: EBITDA= Operating results + Depreciation charges.

In relation to the accounts of the 1st quarter of 2011, total revenues decreased 11.2% to 18.3 M€, in comparison with the same quarter of the previous year. This performance was affected by the cessation of publications during the first months of 2011, as in the case of Cosmopolitan and SurfPortugal. Adjusting for that fact, IMPRESA Publishing revenues would only have declined 9.8%.

Advertising revenues fell 6.6% in the 1st quarter of 2011, in relation to the same period of the previous year. Adjusting for the publications that exited the portfolio, the decline came to only 5.3%. The decline in advertising continued to be felt particularly in the classified advertisements area. Traditional advertising (display), on the other hand, registered a lower decline and has managed to gain market share. Online advertising maintained a growth rate above 20%, with a new contribution from the advertising revenue generated by the tablets editions.



In the 1st quarter of 2011, there was a strong increase in traffic on the IMPRESA Publishing sites. In average terms, the sites reached 9 million visits and 63 million pageviews in the 1st quarter of 2011, representing a growth of 27% and 20%, respectively, relative to the same period of the previous year.

In the 1st quarter of 2011, the Group's titles entered the Ipad platform in a definitive way. Following the launch of Visão, in December 2010, the editions of Caras, Exame and Expresso, for Ipad, were launched in the first 3 months of 2011, having been received favourably by readers and advertisers alike.



Circulation revenues decreased 8.4% until the end of March 2011, reaching 8.4 M€. Adjusting for discontinued publications, the decline came to only 6.9%. During the 1st quarter of 2011, the newspaper Expresso was relaunched, taking advantage of the edition no. 2000 at the end of February 2011, managing an increase in the number of copies sold following that edition.

The current economic crisis had an impact on the sale of associated products. In the 1st quarter of 2011, revenues generated from associated products declined 70.1% to 0.56 M€.

All other revenue rose by 44.5% to 1.1 M€, driven by the new events area, which was consolidated for the first time inside the Publishing Universe (before was consolidated in others).

The decline in turnover penalised profitability in the 1st quarter of 2011, in spite of the 6.8% decline in operating costs. As a result, EBITDA was negative by 237 thousand Euros, against a positive 730 thousand Euros registered in the 1st quarter of 2010.

This operational performance means a return to negative results, before taxes, in the amount of 901 thousand Euros, in the 1st quarter of 2011, in contrast to the positive results before taxes of 186 thousand Euros, recorded in the 1st quarter of 2010.

During the month of April, IMPRESA and the Angolan asset management company Finicapital signed a strategic partnership agreement with the purpose of developing a Media group in Angola, whose first initiative shall be the launch of a magazine in the economic area, RUMO.



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## 4. IMPRESA Digital

<b>Table 4. Digital Indicators</b>			
(Values in €)	Mar-11	Mar-10	ch %
<b>Total Revenues</b>	<b>1.668.101</b>	<b>1.729.362</b>	<b>-3,5%</b>
DGSM	676.747	825.118	-18,0%
InfoPortugal	361.157	287.364	25,7%
AEIOU	558.609	567.174	-1,5%
Others	71.588	49.706	44,0%
<b>Operating Costs (1)</b>	<b>1.812.641</b>	<b>1.637.658</b>	<b>10,7%</b>
<b>EBITDA</b>	<b>-144.540</b>	<b>91.704</b>	<b>n.a.</b>
<b>EBITDA (%)</b>	<b>-8,7%</b>	<b>5,3%</b>	<b>0,0%</b>
<b>Results before taxes</b>	<b>-653.426</b>	<b>-262.305</b>	<b>-149,1%</b>

(1) Does not consider the depreciation charges. Note: EBITDA= Operating results + Depreciation charges.

In the 1st quarter of 2011, IMPRESA Digital reached a turnover of 1.67 M€, representing a decline of 3.5% in relation to the 1st quarter of 2010. Operating costs increased 10.7%, affected by investments in new initiatives that started in last months of 2010. As a result, EBITDA was negative by 144 thousand Euros, a reversal in relation to the same quarter of the previous year. And results before taxes remained in negative territory, reaching -653 thousand Euros at the end of the first 3 months of 2011.

The performance of the main activities was as follows:



In DGSM, turnover fell 18.0% in the 1st quarter of 2011 to 676 thousand Euros. The activity was negatively affected by the decline in the sale of equipment, and by the reduction in the occupation rates of hotels. But the sale of contents maintained a good momentum, having registered an increase of 20.2% in sales per occupied room.

On the other hand, the opening of new hotels, which had been interrupted during the last few months of 2010, was resumed. In the 1st quarter of 2011, 4 new hotels were opened, increasing the presence of DGSM in a total of 62 units. International expansion received a new boost, following the signing of the first contract for a hotel unit in Angola, in addition to the hotel that has already opened in London. Moreover, within the scope of attraction of customers in other activity areas, a pilot installation in a hospital unit was launched by DGSM.



The turnover of AEIOU reached 558 thousand Euros in the 1st quarter of 2011, representing a slight year-on-year decline of 1.5%, due to the slowdown in the growth of the online advertising market and the decline in other sources of revenue.

In the first few months of 2011, the reinforcement of the technical and editorial team of the AEIOU portal enabled the leisure site Escape to be relaunched in April 2011 and the football site Relvado to be completely renewed, having passed the 1 million pageviews mark in March 2011.





InfoPortugal increased its turnover by 25.7% to 361 thousand Euros in the 1st quarter of 2011, with the contribution from all areas of activity.



The site Olhares represents the majority of other revenues in the 1st quarter of 2011 (in the 1st quarter of 2010 there were also other revenues relative to activities that were in the process of closure). The revenues of Olhares registered a strong growth of about 85%, with the start of the activity of Academia Olhares.

In the 1st quarter of 2011, IMPRESA Digital, through AEIOU, reinforced its shareholding position to 85% of the company that owns Olhares, by exercising the option that it already owned.





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## 5. Analysis of the Consolidated Accounts

In the 1st quarter of 2011, IMPRESA reached consolidated revenues of 57.8 M€, which represents a 6.1% decline in relation to the turnover registered in the 1st quarter of 2010, regarding which the following should be mentioned:

- 1.1% decline in advertising revenues, reflecting the economic slowdown, with advertising increases registered only in the thematic channels and the Internet.
- 6.2% increase in channel subscription revenues, driven once again by the international area and by the slight growth of the domestic market.
- 8.4% decline in advertising sales, affected by the discontinuation of some publications.
- 41.2% decline of multimedia revenues, resulting mainly from the final of the programme "Ídolos" in February 2009, and which did not occur in the 1st quarter of 2011.
- Decline in the sale of associated products by 70.1%, with a fewer number of collections launched during this period.
- Increase of other revenues by 33.4%.

**Table 5. IMPRESA Main Revenues**

(Values in €)	Mar-11	Mar-10	var %
<b>Total Revenues</b>	<b>57.823.725</b>	<b>61.589.149</b>	<b>-6,1%</b>
Advertising	30.887.934	31.226.473	-1,1%
Channel Subscription	10.704.588	10.080.983	6,2%
Publications	8.406.822	9.172.955	-8,4%
Multimedia	3.963.873	6.740.596	-41,2%
Associated Products	568.213	1.900.105	-70,1%
Others	3.292.295	2.468.039	33,4%

In the 1st quarter of 2011, IMPRESA registered a decrease of 2.1% in consolidated operating costs. This decrease resulted from the decline in activity, registered in the 1st quarter, mainly due to the fall in multimedia and associated products revenues and as a result of a fewer number of publications.

In the 1st quarter of 2011, consolidated EBITDA reached 722 thousand Euros, representing a decline of 77.6% in relation to the same quarter of the previous year.

The volume of amortisations increased 2.2% to 2.1 M€ in the 1st quarter of 2011, reflecting the increase in investments undertaken in the previous year.

The negative financial results worsened by 34% increasing to 2.8 M€ at the end of the 1st quarter of 2011. This increase results from the in interest rates rise, in spite of the lower balance of interest-bearing liabilities, relative to the same period of the previous year. On the other hand, the increase in foreign exchange gains in the 1st quarter of 2011 mitigated the increase in financial costs.



**Table 6. Profit & Loss March 2011**

(Values in €)	Mar-11	Mar-10	var %
<b>Total Revenues</b>	<b>57.823.725</b>	<b>61.589.149</b>	<b>-6,1%</b>
Television	38.414.348	39.634.009	-3,1%
Publishing	18.300.746	20.616.196	-11,2%
Digital	1.668.101	1.729.362	-3,5%
Other & Inter-Segments	-559.470	-390.418	-43,3%
<b>Operatung Costs</b>	<b>57.097.199</b>	<b>58.346.838</b>	<b>-2,1%</b>
<b>Total EBITDA</b>	<b>726.526</b>	<b>3.242.311</b>	<b>-77,6%</b>
<b>EBITDA Margin</b>	<b>1,3%</b>	<b>5,3%</b>	
Television	1.623.007	2.855.894	-43,2%
Publishing	-237.810	730.817	n.a.
Digital	-144.540	91.704	n.a.
Other&Holding	-514.131	-436.104	-17,9%
Depreciation	2.134.630	2.088.667	2,2%
<b>EBIT</b>	<b>-1.408.104</b>	<b>1.153.644</b>	<b>n.a.</b>
<b>EBIT Margin</b>	<b>-2,4%</b>	<b>1,9%</b>	
Financial Results (-)	2.887.808	2.155.813	34,0%
<b>Res. Before Taxes &amp; Minorities</b>	<b>-4.295.912</b>	<b>-1.002.169</b>	<b>-328,7%</b>
Taxes (IRC)(-)	-855.310	-72.926	-1072,8%
Minority Interests(-)	5.420	-32.425	n.a.
<b>Net Profit</b>	<b>-3.446.022</b>	<b>-896.818</b>	<b>-284,2%</b>

Net debt, at the end of the 1st quarter of 2011, came to 231.0 M€. The increase in interest-bearing liabilities, in relation to December 2010, was influenced by the payment of the final tranche of Lisboa TV, paid in February 2010. In relation to March 2010, IMPRESA had a decline of 14.4 M€.

Net profits were negative by 3.4 M€, in the 1st quarter of 2011, in comparison to the negative results of 896 thousand Euros in March 2010.

IMPRESA remains concerned with the degradation of the Portuguese economic environment, and its impact, particularly, on the evolution of advertising market. As it was done in previous occasions, the necessary steps will be taken to minimize the impact in the company accounts.

Lisbon, 9th March 2011

By 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)

	<b>March 2011</b>	<b>March 2010</b>
<b>REVENUES</b>		
Goods	9.804.374	11.843.112
Services	47.665.054	49.546.391
Other	354.297	199.646
Total Revenues	<u>57.823.725</u>	<u>61.589.149</u>
<b>OPERATING COSTS</b>		
Program costs and of goods sold	(23.976.905)	(23.260.860)
External Supplies	(17.010.531)	(19.186.545)
Personnel costs	(15.088.927)	(14.987.617)
Depreciation	(2.134.630)	(2.088.667)
Provisions and impairment	(136.101)	(145.000)
Other operating costs	(884.735)	(766.816)
Total Operating Costs	<u>(59.231.829)</u>	<u>(60.435.505)</u>
Operating Results	<u>-1.408.104</u>	<u>1.153.644</u>
<b>FINANCIAL RESULTS</b>		
Gains & Losses in Associated Companies	(55.410)	64.653
Other Financial Costs	(2.832.398)	(2.220.466)
Financial Results	<u>(2.887.808)</u>	<u>(2.155.813)</u>
Results before income taxes	<u>-4.295.912</u>	<u>-1.002.169</u>
Income Taxes	855.310	72.926
Discontinued Activities	-	-
Consolidated Net profit	<u>-3.440.602</u>	<u>-929.243</u>
Due to:		
IMPRESA shareholders	(3.446.022)	(896.818)
Minorities interests	5.420	(32.425)
Earnings per share		
EPS	(0,0205)	(0,0053)

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

Consolidated Accounts  
(values in Euros)

<b>ASSETS</b>	<b>March 2011</b>	<b>December 2010</b>
<b>NON CURRENT ASSETS</b>		
Goodwill	337.584.989	337.584.989
Other intangible assets	1.071.896	1.797.970
Tangible fixed assets	38.093.679	36.959.960
Financial investments	5.092.027	5.220.569
Assets available for disposal	580.710	775.710
Investment properties	6.107.685	6.107.685
Program Rights & Inventories	19.681.161	19.073.562
Other assets	3.523.746	3.672.232
Deferred Taxes	3.025.107	2.058.823
Total Non Current Assets	<u>414.761.000</u>	<u>413.251.500</u>
<b>CURRENT ASSETS</b>		
Program Rights & Inventories	29.259.045	26.260.509
Customers - current account	43.624.956	32.031.089
Other receivables	7.183.614	5.933.466
Cash and equivalents	2.562.993	6.926.699
Total Current Assets	<u>82.630.608</u>	<u>71.151.763</u>
<b>TOTAL ASSETS</b>	<u><u>497.391.608</u></u>	<u><u>484.403.263</u></u>
	<b>March 2011</b>	<b>December 2010</b>
<b>EQUITY, MINORITIES AND LIABILITIES</b>		
<b>EQUITY</b>		
Capital	84.000.000	84.000.000
Share issue premiums	97.902.257	97.902.257
Legal reserve	843.428	759.786
Retained earnings and other reserves	(23.792.574)	(33.631.553)
Consolidated net profit	(3.466.022)	10.058.906
Equity of IMPRESA shareholders	<u>155.487.089</u>	<u>159.089.396</u>
Equity of minority interests	40.332	-246.931
Total Equity Funds	<u>155.527.421</u>	<u>158.842.465</u>
<b>LIABILITIES</b>		
<b>NON CURRENT LIABILITIES</b>		
Loans	157.763.938	158.659.228
Leasing	14.107.845	14.243.413
Provisions for risk and charges	3.885.733	4.793.498
Total Non Current Liabilities	<u>175.757.516</u>	<u>177.696.139</u>
<b>CURRENT LIABILITIES</b>		
Loans	75.843.042	61.564.768
Leasing	3.478.598	3.239.744
Suppliers payables	36.395.079	35.796.145
Other current liabilities	50.369.952	47.264.002
Total Current Liabilities	<u>166.086.671</u>	<u>147.864.659</u>
<b>TOTAL EQUITY, MINORITIES AND LIABILITIES</b>	<u><u>497.371.608</u></u>	<u><u>484.403.263</u></u>