

Press Release: IMPRESA Accounts, December 2004

1. Main events of 2004:

- Consolidated revenues rose by 12.3% from 2003, to 258.7 M€, due to:
 - 13% growth in advertising revenues, up 3.0% in the 4th quarter;
 - 5.4% increase in publication sales, up 10.6% in the 4th quarter;
 - Other revenues increased by 15.8%, up 8.2% in the 4th quarter.

- EBITDA was 57.7 M€, representing a 22.3% margin - a 61.9% improvement on 2003.
 - 4th quarter EBITDA rose to 19.9 M€ - a margin of 27%.

- Operating earnings were 41.2 M€, representing an EBIT margin of 15.9%, approximately 1.7 times more than that of 2003.

- Net interest-paying debt was reduced by 34.3%, to 92.2 M€.

- Net profit was 6.2 M€, compared with a negative 10,2 M€ posted in 2003.

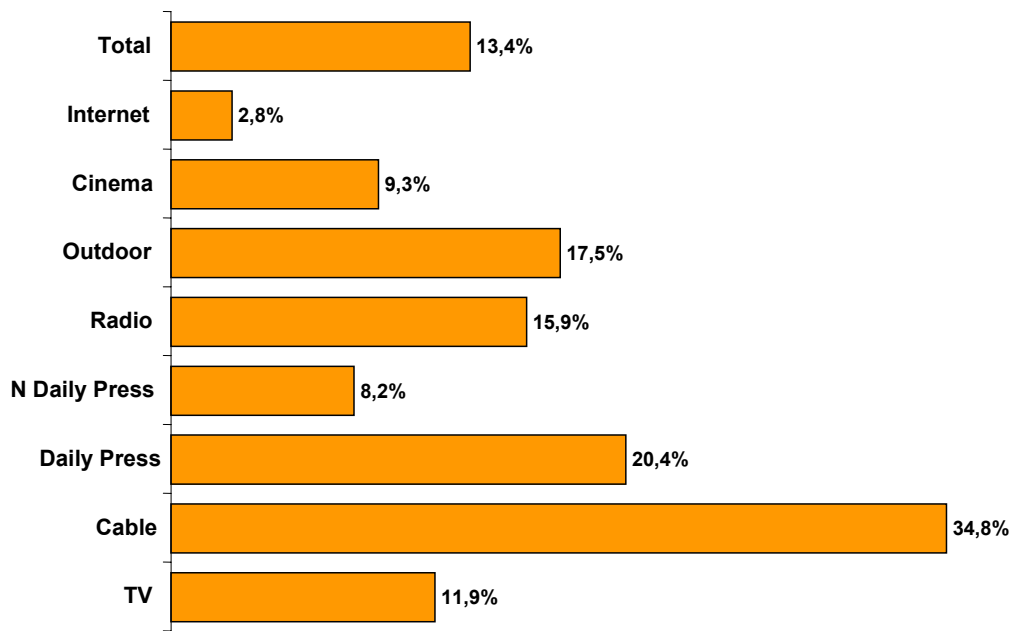
Table 1. Key Figures of 2004

(Values in 000 €)	Dec-04	Dec-03 (pf)	var (%)	4° Qt 04	4° Qt 03 (pf)	var (%)
Total Revenues	258.769	230.357	12,3%	73.888	69.889	5,7%
Advertising	178.947	158.352	13,0%	52.539	51.006	3,0%
Publication Sales	35.371	33.555	5,4%	8.426	7.618	10,6%
Others	47.262	40.828	15,8%	13.451	12.437	8,2%
TV Revenues	164.893	144.720	13,9%	46.018	44.084	4,4%
Newspaper Revenues	56.894	50.748	12,1%	16.928	15.775	7,3%
Magazines Revenues	39.793	37.267	6,8%	11.470	11.201	2,4%
EBITDA Consolidated	57.763	35.673	61,9%	19.916	16.238	22,6%
Margin EBITDA	22,3%	15,5%		27,0%	23,2%	
EBITDA Television	42.417	25.804	64,4%	14.583	13.332	9,4%
EBITDA Newspaper	13.436	8.417	59,6%	4.337	3.397	27,7%
EBITDA Magazines	5.566	5.184	7,4%	2.038	2.109	-3,4%
EBIT Consolidated	41.267	15.264	170,4%	16.256	12.117	34,2%
Margin Ebit	15,9%	6,6%		22,0%	17,3%	
Net Profits	6.211	-10.202	n.a.	3.948	144	2639,7%
Net Debt (M€)	92,2	140,3	-34,3%	92,2	140,3	-34,3%

2. Advertising market

After recovering in 2003, growth in advertising spending in 2004 was boosted by the success of various events, such as Euro 2004, Rock-in-Rio Lisboa and the Olympic Games held in Athens, and reached levels close to those recorded in 2000. According to the most recent estimates, the advertising market grew by 13.4% in 2004 after the somewhat anemic 3.6% growth posted for 2003.

Advertising Market in 2004



Source: APAP/Deloitte

The overall ad market reached around 664 M€, with the recovery being felt in every segment. Open television saw a 11.9% expansion, while the revenues of the cable channels continued to grow at a blistering (34.8%) pace; these factors in combination accounted for 55.4% of advertising spending in Portugal, a market share virtually unchanged from its 2003 level. Press revenues grew at a somewhat slower pace, mainly in the non-daily segment, which grew by 8.2%.

3. Review of Consolidated Accounts

Since our scope of consolidation has changed, our comparisons are based on pro-forma accounts for 2003, which consolidate Edimpresa by the proportional method in order to reflect IMPRESA's 50% stake.

IMPRESA posted consolidated revenues of 258.7 M€ in 2004, up 12.3% on 2003. Consolidated 4th quarter 2004 revenues increased 5.7%, year-on-year.

Table 2. IMPRESA Income statement

	Dez-04	Dez-03 (Pro-forma)	var vs pf	4° Quarter 2004	4° Quarter 2003 pf	var vs pf
Total revenues	258.769.002	230.357.063	12,3%	73.887.837	69.888.877	5,7%
Television	164.892.781	144.720.116	13,9%	46.017.577	44.083.922	4,4%
Newspapers	56.893.567	50.747.750	12,1%	16.928.400	15.775.451	7,3%
Magazines	39.793.246	37.266.753	6,8%	11.469.933	11.200.815	2,4%
Inter-segments	-2.810.593	-2.377.557	-18,2%	-528.073	-1.171.311	54,9%
Cash costs	201.006.090	194.683.651	3,2%	53.972.008	53.650.579	0,6%
Total EBITDA	57.762.912	35.673.412	61,9%	19.915.829	16.238.298	22,6%
EBITDA Margin	22,3%	15,5%		27,0%	23,2%	
Television	42.417.288	25.804.338	64,4%	14.583.098	13.331.810	9,4%
Newspapers	13.435.810	8.416.680	59,6%	4.336.605	3.396.646	27,7%
Magazines	5.565.742	5.183.753	7,4%	2.037.553	2.108.797	-3,4%
Holding Adjustements	-3.655.928	-3.731.360	-2,0%	-1.041.426	-2.598.954	-59,9%
Depreciation	12.168.307	14.869.768	-18,2%	2.251.392	1.363.706	65,1%
Provisions	4.327.143	5.539.501	-21,9%	1.408.452	2.757.641	-48,9%
EBIT	41.267.462	15.264.143	170,4%	16.255.985	12.116.951	34,2%
EBIT Margin	15,9%	6,6%		22,0%	17,3%	
Financial Results(-)	9.128.043	9.201.204	-0,8%	2.674.306	2.728.655	-2,0%
Goodwill(-)	10.424.414	10.472.111	-0,5%	2.752.657	2.570.114	7,1%
Current Results	21.715.005	-4.409.171	n.a.	10.829.023	6.818.182	58,8%
Extraordinary Results	2.341.464	499.469	368,8%	557.829	-396.072	n.a.
Res. bef. Taxes & Minorities	24.056.469	-3.909.702	n.a.	11.386.852	6.422.110	77,3%
Income Tax (-)	7.251.760	4.627.636	56,7%	3.280.740	3.141.791	4,4%
Minorities (-)	10.594.130	1.664.264	536,6%	4.157.822	3.136.207	32,6%
Consolidated Net profit	6.210.579	-10.201.602	n.a.	3.948.290	144.113	2639,7%

All segments had a positive behavior during 2004. Advertising revenues grew by 13.0%, accounting for 69% of total revenues, boosted by events such as Rock-in-Rio Lisboa and Euro 2004. Other revenues, the fruit of diversification over recent years, showed a higher rate of growth, at 15.4% and account for 18.2% of total revenues. Publication sales grew by a more moderate 5.4%.

Despite growth in revenues, IMPRESA's operating expenses remained under firm control; rising by a mere 3.2%, as a result mainly of increased sales of ad-on products and the growth of new business areas. In the 2004 4th quarter, operating expenses increased by only 0.6%. Those cost increases were due mainly to rising variable costs, while overheads, such as personnel expenses, remained at their 2003 level.

This continuing cost containment enabled us to increase EBITDA margins in 2004. The Group EBITDA increased by 62%, to 57.7M€, representing a margin of 22.3%. In the 4th quarter margins have reached 27.0%.

Operating profit (EBIT) also showed a strong improvement, increasing by 170.4%, compared with 2003, to 41.2M€ in 2004. The operating margin increased to 15.9% (2003: 6.7%). Nevertheless, operating margins were burdened by restructuring charges, which at the group level stood at €1m by year end 2004.

Depreciation charges continued to fall, showing a year-on-year decline of 18.2%, mainly due to containment of capital expenditures. In 2004, the total investments reached 4.9 M€.

During 2004, SIC sold its office building for 12.3M€, using the proceeds to pay down debt.

At the same time, IMPRESA acquired the remaining 50% of the share capital of "AutoSport" weekly that it did not already own. This investment amounted to 653 thousand euros. At year end, we concluded negotiations for the acquisition of 49% share capital of SIC. The transaction will be completed in the 1st quarter of 2005 and will represent an investment of 152.5 M€, financed new bank lines.

Net financial expenses stood 9.1 M€, roughly at 2003 level. Although we reduced interest-paying debt in 2004, which made for lower interest expense, a lower level of forex gains than in the preceding year (0.4 M€ versus 3.2 M€ in 2003) prevented any further improvement.

We should mention the contribution of two associated companies, namely VASP and LUSA, which from losses of 0.8M€ in 2003, swung into profit during the reporting year, to 1 M€.

From the financial standpoint, Impresa has continued to reduce debt, using its free cash-flow generation. At year end, net interest-paying debt stood at 92.2M€, some 48.1M€ below that at (adjusted) year end 2003. The gearing at year end stood at 73%. Also, IMPRESA debt to assets ratio has improved from 27.7%, in 2003, to 39.5%.

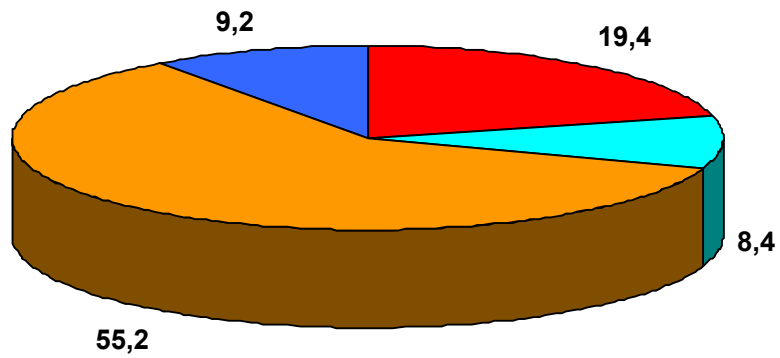
Improvements at the operating level enabled us to return to profit by year end 2004 for the first time since 1999. Net profit totaled 6.2M€ versus the loss of 10.2M€ by the end of 2003.



IMPRESA

Sociedade Gestora de Participações Sociais, SA.

Net Debt in 2004 (M€)



■ Television ■ Magazines ■ Holding ■ Newspapers

4. Television

Table 3. SIC Indicators

	Dec-04	Dec-03	ch %		4th Qt 04	4th Qt 03	ch %
Total Revenues	164.892.781	144.720.116	13,9%		46.017.577	44.083.922	4,4%
Advertising	126.235.037	109.534.726	15,2%		36.775.392	35.436.441	3,8%
SIC channels	29.204.282	27.668.290	5,6%		7.391.048	7.175.108	3,0%
Others	9.453.463	7.517.100	25,8%		1.851.137	1.472.374	25,7%
EBITDA	42.417.288	25.804.336	64,4%		14.583.098	13.331.808	9,4%
EBITDA (%)	25,7%	17,8%			31,7%	30,2%	
Net Profits	20.334.667	5.299.473	283,7%		7.953.368	7.059.968	12,7%

Note: SIC channels comprise SIC Notícias, SIC Radical, SIC Mulher, SIC Gold/Comédia and the international subscribers to SIC Notícias.

SIC posted total turnover of 164.9 M€ for 2004, up 13.9% on 2003. In the 4th quarter, its total revenues increased by 4.4%, year-on-year.

Advertising revenues were an important element in the revenues growth, and were up 15.2% in 2004, ahead of the market average for television advertising (11.9%), thus enabling SIC to increase its market share of the TV advertising spend.

This growth was impelled by the continuing reduction of agency fees, which in 2004 fell from 11 to 6.5%, and boosted by events like Rock-in-Rio Lisboa and Euro 2004 events.

SIC was the TV audience leader in 2004, averaging 29.3%, completing an uninterrupted run of 10 years as the leader in Portuguese television.

SIC's programming was aimed at strengthening its position in the entertainment of its main target audiences, after having made significant progress in access to prime time and prime time. Relative to SIC programming in 2004, we should highlight the following successes:

- SIC strengthened its popular and comic programs, with emphasis on "Os Super Malucos do Riso", and the great surprise in Portuguese television which was the stand-up comedy "Levanta-te e Ri", which continued to reveal a plethora of young talents.
- Further successes in the comedy line were programs such as a "K7 Pirata", "(Maré Alta" and "Flagrante Delirio".
- SIC produced the 2nd edition of the "Pop Idol" program.
- SIC's ability to compete in prime time was even more in evidence as could be seen in the good results obtained by the Globo soaps. "Chocolate com Pimenta" lead its time-slot with 35.2% average audience, and "Senhora do Destino" and the "Cabocla" after their screen launch in the 2004 4th quarter.

- Diversifying young children programming with in-house production, with new episodes of “Uma Aventura” and “Dá-lhe Gás”.
- The return of US big success fiction series, namely CSI, which is the largest hit since 1992.
- With two partnerships, Disney and Dreamworks, the films broadcasted by SIC include 11 of the top 15 of the most viewed films on television.

The revenues generated by SIC thematic and international channels grew 5.6% in 2004, representing 17.7% of SIC turnover. On average, SIC’s cable channels accounted for 26.2% of total audience share for cable channels in 2004.

Also, cable channels continued to be renewed throughout the reporting year: the new SIC Comédia channel was launched in October, in replacement of SIC Gold, SIC’s first channel.

SIC Notícias, on its 4th year of operation, channel continued to be number one amongst the cable channels, with an average audience share of 14.4%, and expanding its leadership position. Also, amongst the national channels, SIC Notícias consolidated its position as 4th most watched channel.

SIC Internacional’s international expansion deserves highlighting. It entered the Brazilian market in August, with access provided through local cable and satellite services and by the end of 2004 became integrated with DISH Network, the main DTH North American platform. Now in strong international expansion mode, SIC Notícias has gone on to other markets, namely Angola and Mozambique, where its subscribers now number approximately 52,000.

Other business areas continued to increase their contribution to SIC’s total revenues, with growth of 25.8% by year end, to 9.4 M€. The following factors were significant contributors to this growth:

- The growth of SIC Serviços, which was involved in the coverage of Rock in Rio, Euro 2004 and the Olympic Games in Athens, more than doubling its revenues.
- SIC Online has consolidated its activity, and with an improvement of its contents and interactivity with SIC channels and SIC Indoor, and has become the leader amongst the general information sites.
- Revenues from the SMS, Teletext and SIC Mobile services, continued to exceed expectations, having posted growth of 198% and accounted for 2.0% of SIC’s total revenues. From a monthly average of 300,000 SMS’s in 2003, it rose to 700,000 in 2004. We would emphasize that these services have been integrated with SIC Multimédia in order to stimulate its future development.
- The launch in November of the “Gato Fedorento” DVD, of which were sold 48,000 copies up to end of December 2004, making it Portugal’s most-sold TV program DVD.

Despite rapid revenue growth, the year's two major events, and the rapid growth in new business areas, SIC kept a tight lid on operating expenses. These grew by 3.0% to 122.4 M€.

By far the greater portion of these expenses was incurred in the programming of SIC's 6 channels, which despite Euro 2004, Rock in Rio and the launch of SIC Comédia, increased by no more than 2.8% in 2004, to approximately 71 M€.

Personnel expense remained under tight control, increasing by no more than 1.5%. We also booked restructuring charges of 0.4 M€.

Good revenue growth and containment in operating costs made for a wider EBITDA margin, which expanded to 31.7% in the 2004 4th quarter. For the full year, EBITDA increased by 64.4%, to 42.4 M€, representing a margin of 25.7%. We should emphasize that this trend has been helped by SIC Online first positive EBITDA margin.

In the context of SIC's recovery, we would emphasize the substantial improvement in its balance sheet. Net interest-paying debt fell from 62.8 M€ to 19.4 M€ by year end. This process was helped by the disposal of SIC's office building to a property fund, which generated proceeds of 12.3 M€.

After returning to profit in 2003, the growth in SIC's revenues, its cost controls, the consequent broadening of margins, and lower interest expense in 2004, all fuelled an approximate 283.7% increase in net profit, to 20,3 M€.

5. Newspapers

Table 4: Key Newspaper figures

	Dec-04	Dec-03	var %	4° Qt 04	4° Qt 03	var %
Total Revenues	56.893.567	50.747.750	12,1%	16.928.400	15.775.450	7,3%
Advertising	36.538.129	32.474.392	12,5%	10.912.852	10.181.259	7,2%
Newspaper sales	15.451.693	15.016.445	2,9%	3.636.722	3.427.501	6,1%
Others	4.903.745	3.256.914	50,6%	2.378.826	2.166.691	9,8%
EBITDA	13.435.810	8.416.680	59,6%	4.336.605	3.396.645	27,7%
EBITDA (%)	23,6%	16,6%		25,6%	21,5%	
Net Profits	9.477.457	4.162.229	127,7%	3.507.520	2.526.264	38,8%

At the end of the 1st quarter, IMPRESA bought the remaining shares of “AutoSport” weekly newspaper (50%), representing an investment of 653 thousand euros.

For the reporting year, newspaper division revenues grew by 12.1%, to 56.9 M€, spurting to 7.3% year-on-year in the 4th quarter.

Advertising revenues increased by 12.5% in 2004, accounting for 64% of total revenues. All publications reported advertising growth. Expresso continued to be the main engine of growth, with a 14.1% increase, followed by SurfPortugal, up 9.4%, AutoSport up 8.3% and Blitz 2.3%. Expresso’s superior growth was due to editorial and graphics revamps to its Economy, Employment sections and its new “Real Estate” section, which grew its ad revenues by more than 20%.

Jornal da Região posted a 1.1% increase in revenues, a turnaround from its past 3 years decline. This was in spite of the closure of one of its regional editions, which meant that we published 65 fewer editions in the reporting year. In the 4th quarter, Jornal da Região increased its advertising revenues by 5.3%.

Circulation sales increased by 2.9%, the result of higher cover prices, thereby enabling d us to offset the general decline in newspaper circulations. Publication sales accounted for 27% of total revenues.

At the same time, we achieved a high success rate with alternative product initiatives; these now account for the greater portion of the other revenue mix, which in turn now accounts for 8.9% of the total sales, after growth of 50.6% in 2004. The success of certain distributed products made a strong contribution to this growth, particularly through the following initiatives:

- The relaunch of “Lusíadas” at the beginning of the year, prompted by its success in 2003.
- The sale of “Anuário 2004”.
- Unprecedented success with the launch of the “April 25th” table game.
- The launch of Fernão Mendes Pinto’s “Peregrinação” in 10 volumes.
- Sales of the DVD version of “Fahrenheit 9/11”

- The launch of the book “Volta ao Mundo” by Gonçalo Cadilhe.
- Blitz newspaper’s collection of music CD’s.

Despite the increase in business, with more pages printed and higher printing costs, operating expenses remained under tight control, growing only by 2.7% in 2004. The past 2 years of restructuring proved decisive, along with the decline in paper prices which continued throughout 2004. Moreover, restructuring costs totaled 0.6 M€, the greater portion of which covered severance pay to lay off at AutoSport and Expresso.

The favorable trend in costs boosted the EBITDA margin to 23.6% in 2004, a 59.6% improvement over the preceding year.

Taken to the bottom line, this improvement in operating margins enhanced earnings to a marked degree, as could be seen in the newspaper area’s 127.7% increase in net profit from the preceding year, to 9,5 M€ by year end 2004.

The launch of a new IMPRESA group newspaper weekly is planned for 2005; it will be published under the name of “Courier Internacional”.

6. Magazines

Table 5. Key magazine figures

	Dec-04	Dec-03	var %		4° Qt 04	4° Qt 03	var %
		(pro-forma)				(pro-forma)	
Total Revenues	39.793.246	37.266.753	6,8%		11.469.933	11.200.815	2,4%
Advertising	16.174.138	16.342.763	-1,0%		4.850.651	5.388.047	-10,0%
Magazine Sales	19.918.851	18.538.576	7,4%		4.788.928	4.190.409	14,3%
Others	3.700.257	2.385.415	55,1%		1.830.354	1.622.359	12,8%
EBITDA	5.565.742	5.183.753	7,4%		2.037.553	2.108.796	-3,4%
EBITDA (%)	14,0%	13,9%			17,8%	18,8%	
Net Profits	1.442.728	830.880	73,6%		690.923	640.486	7,9%

NB: amounts in the above table relate to 50% of the amounts posted by EDIMPRESA and which reflect IMPRESA's proportionate stake.

Edimpresa's market continued to be characterized by strong competition, as new publications, more frequent promotions accompanied by 'freebies' and sales of products were launched in nearly all magazine segments.

In a year of considerable volatility, with rapid swings from one quarter to the next, EDIMPRESA's total revenues rose by 6.8% in 2004, to 39.8 M€. The 4th quarter brought a 2.4% increase in revenues, fuelled by publication sales (+14.3%) and alternative products (+12.8%), offsetting a weak quarter of the advertising revenue (-10%).

Publication sales accounted for the greatest single portion of total revenues, with 50% of the total. In 2004, these sales grew by 7.4%. Contributing to this good performance was the good showing made by some magazines, which increased their average circulations throughout the year, particularly Caras (+2.0%), TV Mais (+2.6%), and Exame (+11.2%). The good performance of the juvenile segment deserves particular praise, with "Barbie" and "Witch" magazines achieving sales of approximately 28,000 copies per month. Furthermore, despite increased competition, good performances were turned in by Visão (-3.1%), Exame Informática (-1.6%), Cosmopolitan (-3.3%) and Activa (-5%). The weakest segment was in home decoration, which due to increased foreign competition, saw a 14% fall in circulation.

Also in 2004, the relaunch of existing magazines has continued, with new releases of TV Mais, TeleNovelas and Visão.

2004 was marked by two new initiatives undertaken to introduce new products to the juvenile market and to embark on our expansion abroad. This was accomplished in the following ways:

- In August, we launched Visão Júnior, with the aim of attracting young readers. Due to the success of this initiative, which was planned only for the month of August, the magazine went to press again in October, thereafter to continue on

a monthly basis. In December, we launched “Exame Informática Kids”, another initiative of this type.

- We made a successful start to the export of some brands, specifically “Caras”, which we launched in Angola in November, while promoting cookery books from the “Activa” collection in Spain.

During the reporting year we also maintained our efforts to improve profitability, by discontinuing “Nintendo” and “Doze” magazines, together with “Executive Digest”, which we closed down in February of 2005.

In 2004, only 40% of Edimpresa’s total revenues were derived from advertising revenues. Advertising revenues fell by only 1% for the whole year, but weakened during the 4th quarter, slumping by 10%.

Another important source of gains in 2004 was the launch of alternative products, which accounted for nearly 10% of the revenues in that area, their sales soaring by 55% during the reporting year. The following were the most important launches of 2004:

- History of the 20th Century Collection, in both DVD and book form
- PC – Portugal 1111, a game of strategy
- A book of poetry by Sofia de Mello Breyner
- “Days that changed the world”, a BBC collection
- Siza Viera porcelain set of SPAL with Caras
- Caras Summer Products
- Continuation of our policy of publishing new books editions

Operating expenses increased by 7.5% in 2004, this attributable mainly to alternative product costs and associated campaigns. Overheads were reined in, particularly personnel expense, which fell by 4.7%.

Despite increased competition, EBITDA increased by 7.4%, to 5.5 M€ by year end 2004, representing a margin of 14%, practically margin obtained in 2003’s.

At the same time, net profit increased by 73.6%, to 1.44 M€ at year end.

As is now public knowledge, EDIMPRESA will launch two new publications in the current year, in segments in which we were previously unrepresented, namely “FHM” in the men’s segment and “Rotas do Mundo”, in the travel area.

7. Prospects for 2005

For 2005, IMPRESA objective is to maintain high growth rates of both sales and margins. The main objectives for 2005 are:

- Total revenues growth by 8%, through:
 - Rising advertising revenues
 - Publication growth, mainly with the launch of new publications
 - To continue the revenue diversification efforts:
 - New media revenues, through SIC Multimedia and SIC Mobile
 - Rising the number of editorial products and ad on products
 - To raise the international revenues
- EBITDA growth above 20%
- To continue to reduce the net debt outstanding
- To more than double the net profits

Lisbon, March 7th, 2005

By the Board of Directors

José Freire
Director of Investor Relations

www.impresa.pt

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

Consolidated Profit and Loss Accounts of the years ended on 31 December 2004 and 2003

(Values in Euros)

Costs and Losses	Notes	2004	2003	ËITOS	Profits and earnings	Notes	2004	2003
Cost of goods sold and materials consumed					Sales			
Goods		1.496.016	1.980.499		Goods		5.514.226	2.272.473
Materials		69.651.901	75.786.237		Products		35.103.425	54.273.883
		<u>71.147.917</u>	<u>77.766.736</u>		Services rendered		216.099.389	205.831.914
						36	<u>256.717.040</u>	<u>262.378.270</u>
Supplies and external services		68.762.063	75.679.200		Additional revenues		1.839.198	2.094.614
Staff costs					Variation in production		-	1.063.637
Salaries		45.285.233	54.577.012		Other operating revenues	51	212.764	187.461
Social charges					(B)		<u>258.769.002</u>	<u>265.723.982</u>
Pensions	21.1	210.500	155.000		Financial profits and earnings	44	3.596.571	9.752.087
Others		13.013.268	14.155.136		(D)		<u>262.365.573</u>	<u>275.476.069</u>
others		1.650.745	1.244.283		Extraordinary profits and earnings	45	3.463.390	6.006.537
		<u>60.159.746</u>	<u>70.131.431</u>					
Depreciation of tangible and intangible fixed assets	27	22.592.721	26.519.924					
Provisions	46	4.327.143	6.659.762					
		<u>26.919.864</u>	<u>33.179.686</u>					
Taxes		579.193	850.285					
Other operational charges and losses		357.171	439.165					
		<u>936.364</u>	<u>1.289.450</u>					
(A)		<u>227.925.954</u>	<u>258.046.503</u>					
Financial charges and losses	44	12.724.614	19.777.013					
(C)		<u>240.650.568</u>	<u>277.823.516</u>					
Extraordinary charges and losses	45	1.121.926	5.272.560					
(E)		<u>241.772.494</u>	<u>283.096.076</u>					
Income tax	38	7.251.760	5.472.432					
Minority interests	54	10.594.130	3.115.700					
(G)		<u>259.618.384</u>	<u>291.684.208</u>					
Consolidated result		6.210.579	(10.201.602)					
		<u>265.828.963</u>	<u>281.482.606</u>		(F)		<u>265.828.963</u>	<u>281.482.606</u>
					Operating results	(B) - (A)	30.843.048	7.677.479
					Financial results	(D-B) - (C-A)	(9.128.043)	(10.024.926)
					Current results	(D) - (C)	21.715.005	(2.347.447)
					Results before tax and minority interests	(F) - (E)	24.056.469	(1.613.470)
					Consolidated net profit	(F) - (G)	6.210.579	(10.201.602)

Consolidated Balance Sheets of 31 December 2004 and 2003

Assets	Notes	2004		2003		Equity capital, minority interests and liabilities	Notes	2004	2003
		Assets gross	Depreciations and provisions	Assets net	Assets net				
						EQUITY CAPITAL:			
Installation costs	27	8.859.325	(7.165.719)	1.693.606	2.963.102	Capital	52 e 53	84.000.000	84.000.000
Research and development costs	27	48.938	(47.238)	1.700	40.421	Share issue premiums	53	97.902.257	97.902.257
Industrial property and other rights	27	1.082.308	(947.236)	135.072	204.075	Legal reserve	53	281.051	281.051
Trespasses	27	203.642.424	(60.166.944)	143.475.480	163.400.917	Retained earnings	53	(86.530.366)	(76.328.764)
		<u>213.632.995</u>	<u>(68.327.137)</u>	<u>145.305.858</u>	<u>166.608.515</u>	Consolidated liquid result of the current year	53	<u>6.210.579</u>	<u>(10.201.602)</u>
						Total equity capital		<u>101.863.521</u>	<u>95.652.942</u>
Land and natural resources	27	5.169.093	-	5.169.093	6.692.920	MINORITY INTERESTS	54	<u>24.553.205</u>	<u>15.699.543</u>
Buildings and other constructions	27	9.954.020	(332.377)	9.621.643	27.914.988	LIABILITIES			
Basic equipment	27	87.055.365	(66.247.489)	20.807.876	26.584.750	Provisions for risks and charges	46	<u>3.618.035</u>	<u>5.645.115</u>
Transport equipment	27	810.821	(677.038)	133.783	191.544	Debts to third parties - medium and long term			
Tools and utensils	27	97.571	(82.749)	14.822	25.238	Debts to credit institutions	48	95.585.503	120.307.377
Administrative equipment	27	18.028.921	(14.892.916)	3.136.005	4.776.567	Suppliers of fixed assets	47	8.178.552	15.846.602
Other tangible fixed assets	27	645.613	(582.359)	63.254	249.629	Other creditors	50	-	32.500
Advances for fixed assets	27	5.511.767	-	5.511.767	5.511.767			<u>103.764.055</u>	<u>136.186.479</u>
Fixed assets in progress	27	2.370.548	-	2.370.548	1.537.824				
		<u>129.643.719</u>	<u>(82.814.928)</u>	<u>46.828.791</u>	<u>73.485.227</u>				
Share capital in associates companies	27	3.405.169	(993.674)	2.411.495	1.382.310	Debts to third parties - short term			
Share capital in group companies	27	830.638	(504.712)	325.926	246.929	Debts to credit institutions	48	17.496.830	49.787.936
Shareholder loans	27	1.091.825	(1.091.825)	-	1.524.858	Suppliers - current account		25.969.690	46.495.121
		<u>5.327.632</u>	<u>(2.590.211)</u>	<u>2.737.421</u>	<u>3.154.097</u>	Csustomer advances		291.877	2.184.874
Raw materials and consumables	46	34.621.296	(314.727)	34.306.569	37.370.530	Suppliers of fixed assets- current account	47	2.025.900	3.985.999
Products and work in progress	46	2.141.947	(1.209.741)	932.206	843.407	State and other public organisations	49	11.379.504	10.261.514
Finished goods		1.109	-	1.109	13.008	Other creditors	50	<u>3.741.793</u>	<u>4.403.662</u>
		<u>36.764.352</u>	<u>(1.524.468)</u>	<u>35.239.884</u>	<u>38.226.945</u>	Prepayments and deferred income			
Customers - current account		40.314.622	-	40.314.622	52.105.960	Accrued charges	51	20.517.902	20.137.038
Customers - securities receivables		65.168	-	65.168	119.602	Deferred income	51	<u>4.177.838</u>	<u>10.937.754</u>
Customers - Doubtfull collection	46	6.368.605	(6.368.605)	-	-			<u>24.695.740</u>	<u>31.074.792</u>
Advances for fixed assets suppliers		9.391	-	9.391	294.571				
Advances to suppliers		348.758	-	348.758	50.941				
State and other public companies	49	1.076.456	-	1.076.456	1.166.480				
Other debtors	50	7.897.106	(557.128)	7.339.978	15.965.167				
		<u>56.080.106</u>	<u>(6.925.733)</u>	<u>49.154.373</u>	<u>69.702.721</u>				
Other negotiable securities		42.080	-	42.080	70.838				
Bank deposits		20.728.809		20.728.809	20.828.709				
Cash		124.864		124.864	133.102				
		<u>20.853.673</u>		<u>20.853.673</u>	<u>20.961.811</u>				
Accrued income	51	4.285.609		4.285.609	4.226.057				
Deferred charges	51	3.536.552		3.536.552	7.275.368				
Deferred taxes	38	11.415.909		11.415.909	17.666.398				
		<u>19.238.070</u>		<u>19.238.070</u>	<u>29.167.823</u>				
Total amortization			(151.142.065)			Total Liabilities		<u>192.983.424</u>	<u>290.025.492</u>
Total provisions			(11.040.412)			Total equity capital, minority interests and liabilities		<u>319.400.150</u>	<u>401.377.977</u>
Total Assets		<u>481.582.627</u>	<u>(162.182.477)</u>	<u>319.400.150</u>	<u>401.377.977</u>				