



Consolidated Results 12M14

Privileged Information

February 11, 2015

Highlights:

Turnover: 220.9 M€
(216.8 M€ in 12M13)

EBITDA: 14.7 M€
(14.9 M€ in 12M13)

Net Profit: 3.1 M€
(7.5 M€ in 12M13)

Net Cash: 6.9 M€
(20.3 M€ in 12M13)

Message from the CEO - Luís Paulo Salvado

"The results of 2014 reflect the successful implementation of the international expansion strategy and are aligned with the goals set for the year.

Turnover increased for the second year running, strongly driven by international business. Excluding TV/SIP business, which was sold in 2013, Novabase registered an 8% growth, due to a 42% rise in the international operations, which already accounts for approximately 40% of total business. The services, another strategic focus, registered an 11% growth, increasing its weight to near 70% of the total business.

Despite the additional costs associated to the internationalization process and the difficult conditions in the domestic market, the EBITDA was close to the 2013 value. However, Net Profit had a contraction of 59%, penalized by the restructuring costs and by the financial results, namely, FX differences.

The cash declined by 13 M€, mainly due to the payment of dividends and investments in new companies in the Venture Capital area. Excluding those effects, the cash consumption would have been of 3 M€.

Through 2014, Novabase share price lost 15%, a performance 12% above the PSI20 and 23% below Eurostoxx Technology Index.

In 2015, we will maintain the internationalization strategy as a priority, strengthening the investment allocated to the differentiation of our offerings. Given the uncertainty in the evolution of some of the markets where we operate, including the domestic market, we carried on a restructuring process in the end of 2014, with the double objective of improving our domestic competitiveness and, simultaneously, freeing additional resources to our internationalization effort. Thus, we anticipate a Turnover exceeding 225 M€, 40% to 45% of which generated outside Portugal, and an EBITDA between 14 M€ and 17 M€.

Finally, and in line with the remuneration policy in force, we will propose to the Annual Meeting of Shareholders, the payment of a dividend of 3 cents of euro per share."

INVESTOR RELATIONS OFFICE:
Maria Gil Marín
Tel. +351 213 836 300
Fax: +351 213 836 301
investor.relations@novabase.pt

Report available on website :
www.novabase.pt

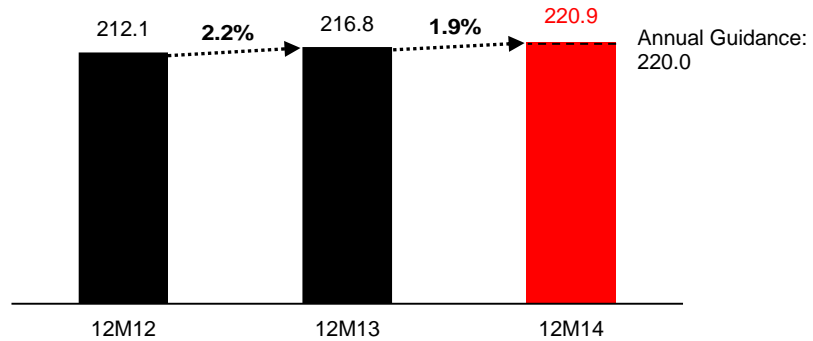
Novabase SGPS, S.A.
Public Company - Euronext code: NBA.AM
Registered in TRO of Lisbon and Corporate Tax Payer nº 502.280.182 - Share Capital: 15,700,697.00 €
Head Office: Av. D. João II, 34, 1998-031 Lisbon - PORTUGAL



1. Key Indicators Evolution

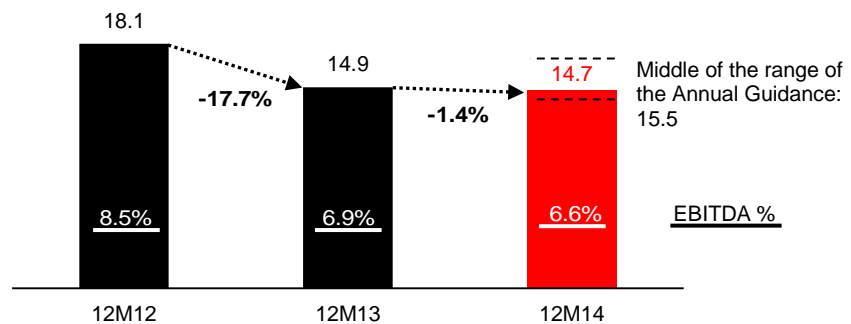
Turnover (M€)

Turnover in line with the annual Guidance of 220 M€ (+0.4%), highlighting the significant international growth.



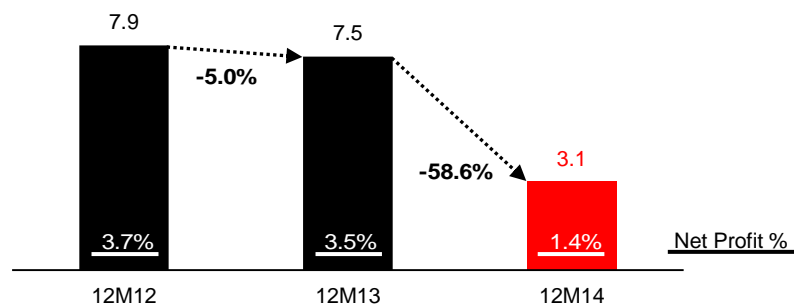
EBITDA (M€)

EBITDA within the range of the annual Guidance of 14-17 M€ and 6.4%-7.7% of margin: -5.4% below the middle of the range (-0.4 points %).

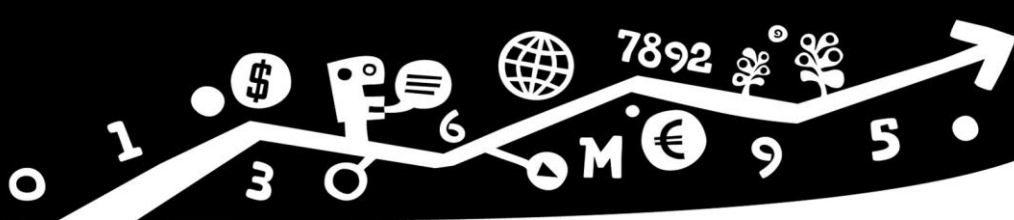


Net Profit (M€)

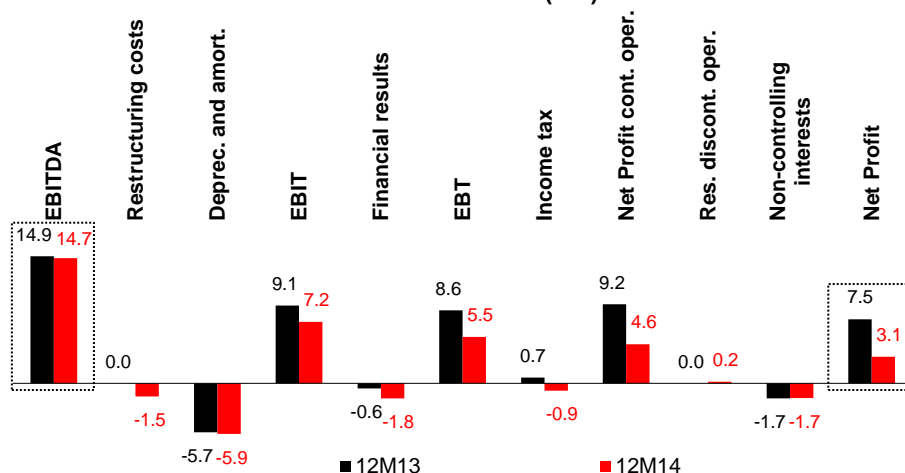
Profitability penalized by the restructuring costs of 1.5 M€ and by the evolution of the financial results.



Earnings per share (EPS) in 12M14 reached 0.10 euros per share, registering a decrease of 59.1% towards the EPS from the previous year of 0.24 euros per share.



From EBITDA to Net Profit 12M14 Vs 12M13 (M€)

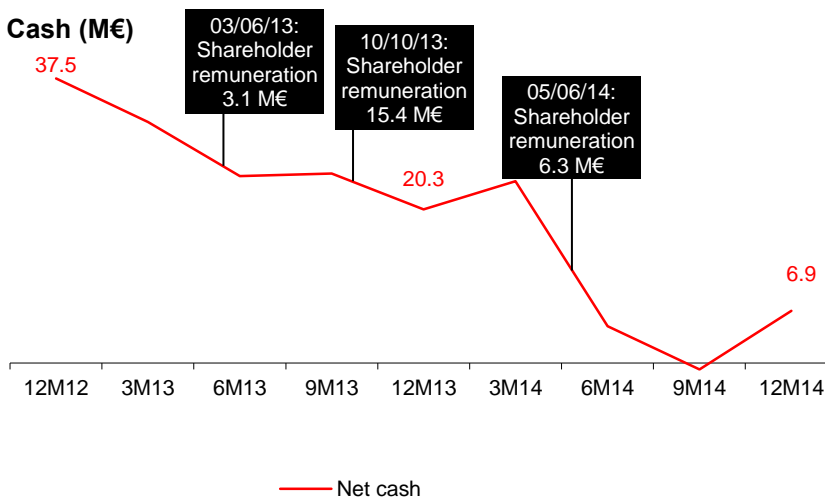


Restructuring costs amounted to 1.5 M€, and are the result of the measures decided by Novabase's management to improve competitiveness.

The Financial Results reached a net negative value of 1.8 M€, a decrease of 1.2 M€, especially due to the foreign exchange differences recorded and because of the decline in the short term bank deposits gains compared to the same period of last year.

Results from discontinued operations in 12M14 reached a 0.2 M€ profit. This figure reflects the completion of the closure process of the 'Mobility Solutions' area, discontinued during 2008, with a value lower than the one provisioned.

Net Cash (M€)



Cash use of 13.4 M€ includes the payment of dividends, a significant investment in working capital and CAPEX, and financial investments.

In the 12M14, Novabase shows a negative evolution in cash generation. Novabase ended the 12M14 with 6.9 M€ in net cash, which compares to 20.3 M€ in the 12M13.

On June 5, 2014, Novabase paid its shareholders a total amount of 6.3 M€ (0.20€/share). Additionally, on July 2, 2014, occurred the payment of 1.4 M€ to Non-controlling interests.



2. Short Summary of the Activity

The year of 2014 was marked by a significant increase of the international business, also observing a contraction of the business in Portugal.

Overall, compared to the same period of last year, the Turnover increased by 1.9%, affected by the sale of the Digital TV/SIP area. Removing this effect, the Turnover grew by 7.8%. In what concerns to comparable international business, it has grown 42.4%, and now accounts for 39.2% of the total business, above the annual goal of 35%. In the year of 2014, the weight of services increased to 69.3%. EBITDA registered a decrease of 1.4%, due to the strong pressure on prices in the domestic market and the costs associated to the reinforcement of the international expansion strategy.

The annual results are in line with the Turnover Guidance (+0.4%), and within the range of the EBITDA Guidance (-5.4% in value and -0.4 percentage points, comparing to the middle of the range).

Following the transaction of sale of non-strategic assets of Digital TV/SIP, in the end of 2013, the table below shows the Turnover and EBITDA generated by this business in 12M12 and 12M13, which are included in the Venture Capital area:

| Digital TV/SIP business | 12M12 | 12M13 |
|-------------------------|--------|--------|
| Turnover (M€) | 9.543 | 12.029 |
| EBITDA (M€) | -2.046 | -1.803 |

Highlights include the opening of the new logistics centre of Novabase Angola, in Talatona, in the first quarter of 2014, to support local operations more efficiently and on a larger scale.

In the second quarter of 2014, the subsidiary of Novabase, Celfocus, opened a new Delivery and R&D (research and development) centre in the UPTEC science and technology park's at Oporto University. This unit reflects the continued strategic investment of Novabase in R&D for the specialization of its offerings.

These investments reflect the strengthening of Novabase's strategic commitment to innovative technology-based SMEs, with complementary offerings.

In the Venture Capital area, the Venture Capital Fund Novabase Capital Inovação e Internacionalização invested in the companies Wizdee, a company specializing in the development of Business Intelligence self-service solutions through natural language, City Pulse, a company with differentiated expertise in the areas of mobility and smart-cities, and Livian Technologies, a company dedicated to developing intelligent multichannel solutions for the financial sector.

In the last quarter, and following the strategic priority of enhancement of internationalization, the company Celfocus Turquia was incorporated, which will allow Novabase to expand its operations.





2014 was also a year of recognition for Novabase by its activity in various technologies and services. Worthy of note, is the distinction of Novabase IMS which was given the “Growth” award in the Enterprise Group category, during the annual gala, HP Partners Awards 2014. This award highlights Novabase IMS for being the partner who grew the most in the business areas of Systems, Storage, Networking and Services. Additionally, is the distinction of Collab by the Portuguese Association of Contact Centers (APCC), in the Gold category, for four out of five awards: ACD Technologies, Call Recorder Technologies, CTI + IVR + Dialler Technologies and the Global Customer Satisfaction Technologies Award. This subsidiary was also highlighted in the categories of Contact Centre Workforce Optimization and Contact Centres IP-Based, together with the category of Private Cloud Communications, in the Gartner 2014 Hype Cycle for Contact Centre Infrastructure and the 2014 Hype Cycle for Unified Communications and Collaboration.

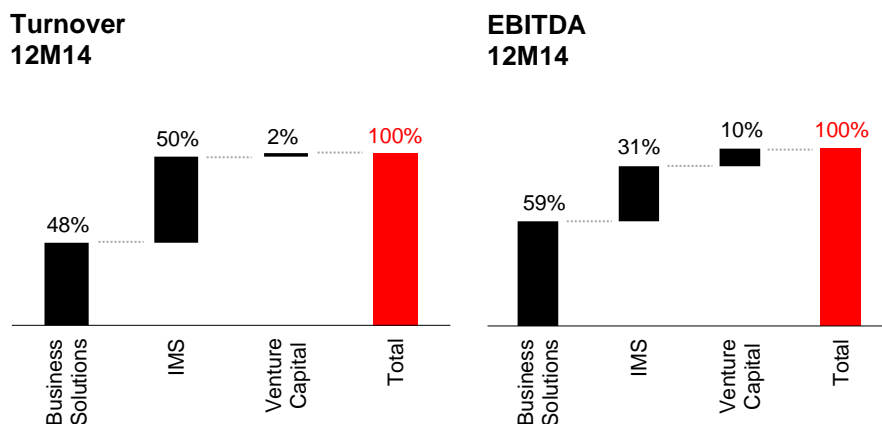
Additionally, highlight the new certifications from Microsoft achieved in Angola and Mozambique: Gold certification in Volume Licensing, Gold certification in Server Platform and Silver certification in Collaboration and Content. Novabase continues to invest in internationalization, with certifications being a key differentiating factor.

For the sixth year running, Novabase has been ranked the top R&D investor among Portuguese IT service and software companies, and one of the top 100 in the European sector. This information is available in the “2014 EU Industrial R&D Investment Scoreboard”, published by the European Commission. In the last three years, Novabase made investments in the amount of €22 million.

Up until publication of this report, also to be noted that Novabase obtained a financing line of up to €14 million from the European Investment Bank (EIB) for the next six years, dedicated to investments in R&D, as part of the European Union’s research and innovation program, Horizon 2020. This is the first EIB transaction in Portugal supported by “InnovFin – EU Finance for Innovators” and acknowledges Novabase’s work in the area of innovation.

Finally, mentioning the distinction of Novabase by Thomson Reuters as the Best Company in Investor Relations in Portugal, in the category of Small Caps.

The percentage breakdown of Turnover and EBITDA by the different businesses, in the 12M14, is as follows:



This financing will reinforce Novabase R&D focus and is a driver of the internationalization strategy.

Rise in services, in line with Novabase strategic orientation to increase the added value of its offers.

Of the overall Turnover generated in 12M14, the services rendered represent 69.3%, which compares to 63.9% in 12M13.

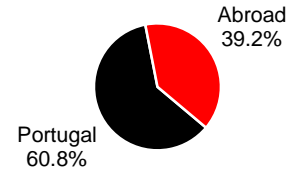
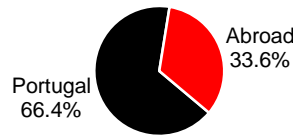


Of the 220.9 M€ Turnover, 39.2% is generated outside Portugal, that is 86.5 M€, which compares to 72.8 M€ registered in 12M13 (60.8 M€ excluding the Digital TV/SIP business).

Turnover by geography 12M13

Turnover by geography 12M14

International Turnover increased by 42.4%, removing the effect of the sale of the Digital TV/SIP business.



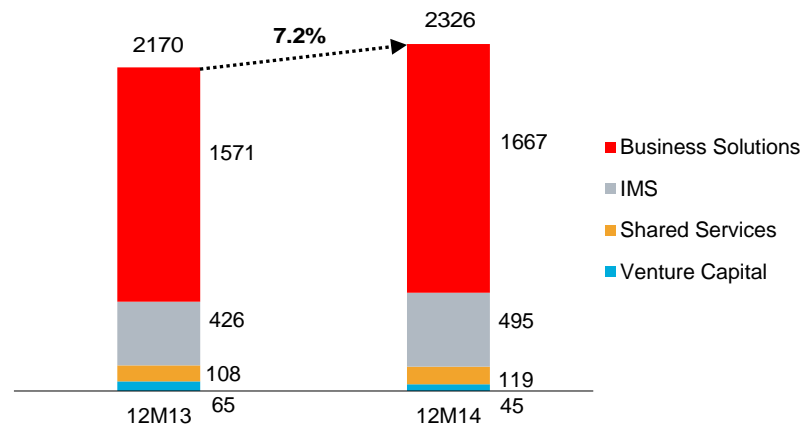
Business outside Portugal generated in the Business Solutions area increased to 41.2% of the respective invoicing (32.1% in 12M13). In the IMS business area, the international business in 12M14 increased to 36.3% (26.2% in 12M13) and in the Venture Capital area decreased to 63.3% (87.9% in 12M13 but 52.4% in 12M13 without Digital TV/SIP business).

Novabase had on average, in the 12M14, 2326 employees, which represents an increase of 7.2% compared to the 12M13 (2170).

Employee breakdown by business area, in 12M14, is as follows:

Average Number of Employees

Average number of employees' evolution in line with the services growth (10.5%). Includes the talent renovation by the recruitment of 134 university graduates through Novabase Academy program.



Average Number of Employees by geography 12M13

Average Number of Employees by geography 12M14

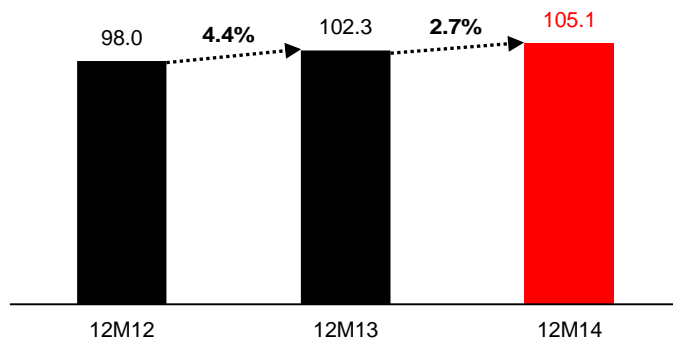
Removing the effect of the sale of the Digital TV/SIP subsidiaries, the international team grew 24.5%, in accordance with the focus of Novabase on markets outside Portugal.





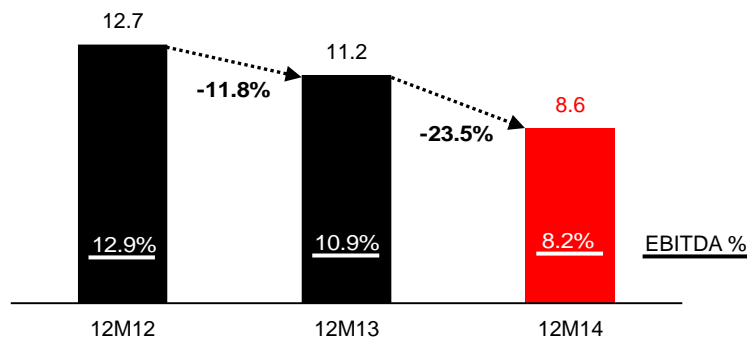
2.1. Business Solutions

Turnover Business Solutions (M€)



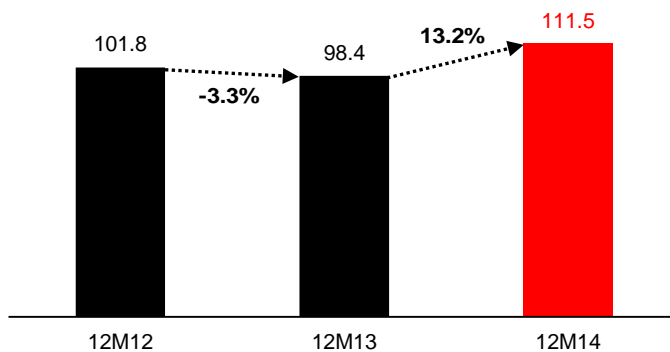
Despite the growth of the international component (+31.9%), BS evolution reflects the strong pressure on prices in the domestic market and the costs associated to the intensification of the international expansion strategy.

EBITDA Business Solutions (M€)



2.2. Infrastructures & Managed Services

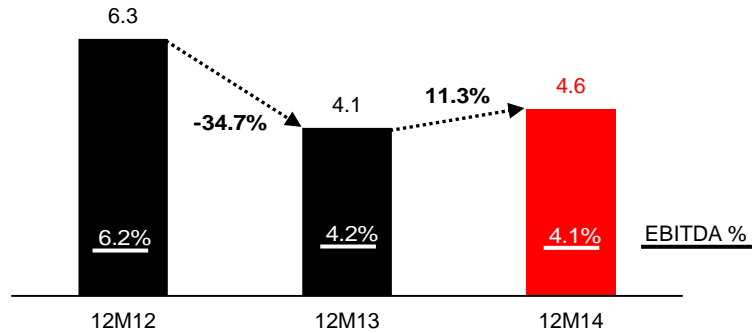
Turnover IMS (M€)





EBITDA IMS (M€)

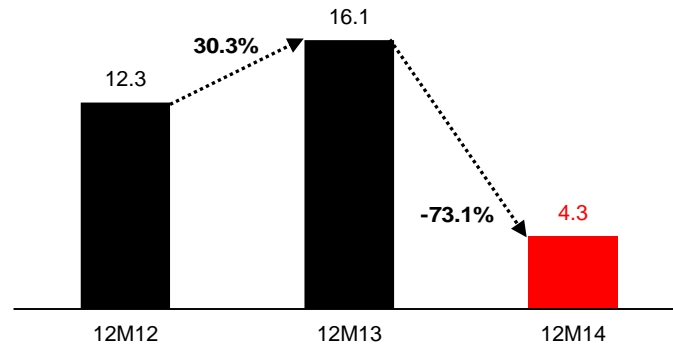
IMS evolution is due to the significant international growth (+57.0%) and rise in services (+34.0%), which offset the difficulties experienced in the domestic market.



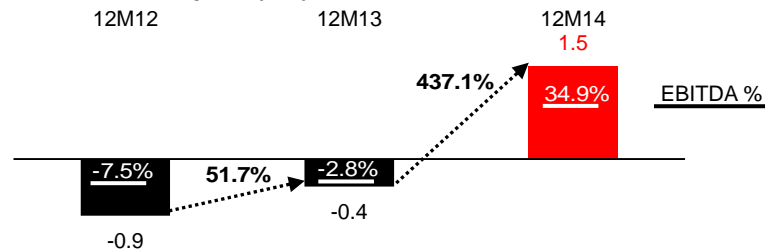
2.3. Venture Capital

Turnover Venture Capital (M€)

VC Turnover evolution primarily reflects the exit of the Digital TV/SIP business.



EBITDA Venture Capital (M€)



3. Stock Performance

Excluding the shareholder remuneration, Novabase share price would have registered a depreciation of 7.5%.

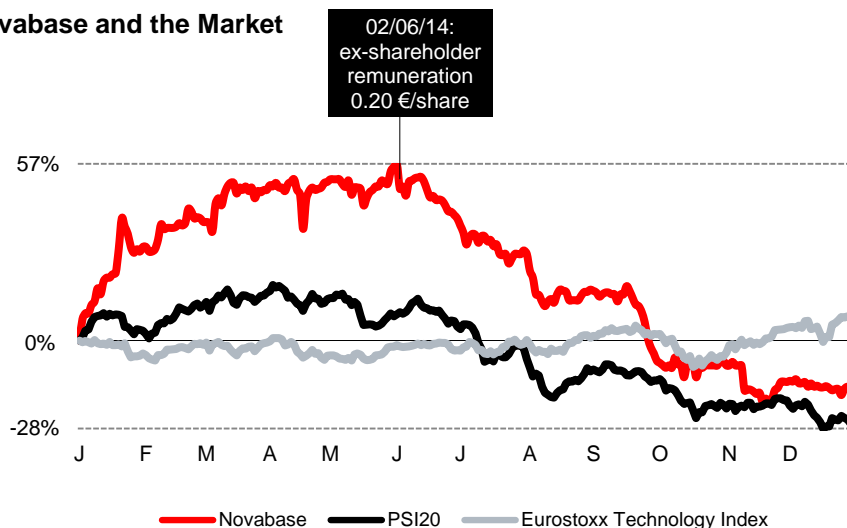
Novabase share price in 2014 lost 15.2%, comparing to a 26.8% loss in the PSI20 Index and a 7.5% gain in the EuroStoxx Technology Index.

In this period, a dividend of 0.20€/share was distributed.

The Board of Directors will propose to the General Meeting of Shareholders to be held on April 29, the distribution of dividends in the amount of 0.9 M€, corresponding to 0.03€ per share.

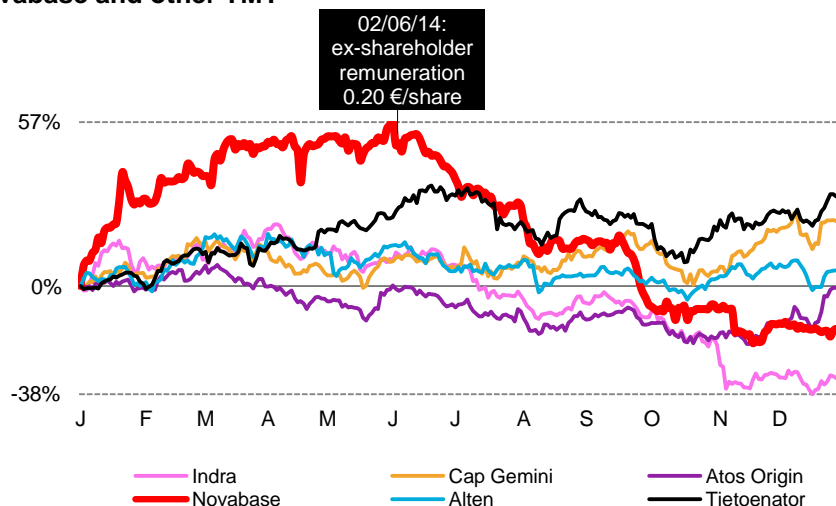


Novabase and the Market



The evolution of Novabase share prices compared to other companies in the IT sector in Europe, in 12M14, was as follows:

Novabase and other TMT



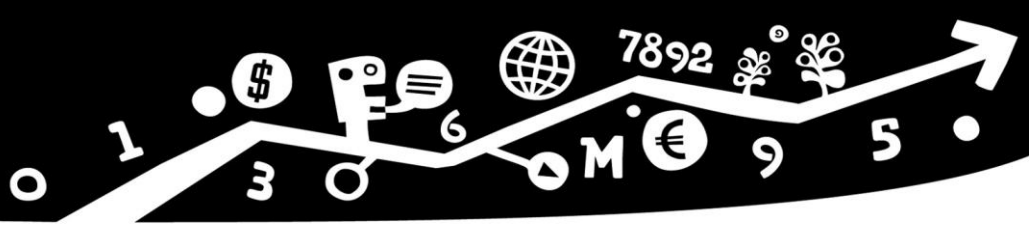
In the end of 2014, Novabase presented a Price to Sales multiple of 0.32x and a Price to Earnings multiple of 14.86x, which represents a discount of 62% and 34%, respectively, compared to the average of other companies in the sector in Europe (source: Reuters, ttm values at 31/12).

Average upside of 27.6%, according to the analysts who cover Novabase.

The average price target disclosed by the analysts who cover Novabase is 2.83 euros.

Rotation in 12M14 represented 18.9% of the capital and 5.9 million shares were traded, below the values in 12M13 (rotation of 26.5% of the capital and 8.3 million shares traded).

| Summary | 2014 | 2013 | 2012 | 2011 | 2010 |
|-----------------------------------|-------|-------|-------|-------|-------|
| Minimum price (€) | 2.090 | 2.290 | 1.660 | 1.700 | 2.790 |
| Maximum price (€) | 4.100 | 3.110 | 2.320 | 3.210 | 4.630 |
| Volume weighted average price (€) | 3.183 | 2.790 | 2.050 | 2.673 | 3.712 |
| Last tradable day price (€) | 2.214 | 2.610 | 2.300 | 2.090 | 2.900 |
| Nr. of shares traded (millions) | 5.9 | 8.3 | 4.9 | 5.5 | 7.1 |
| Market cap. in the last day (M€) | 69.5 | 82.0 | 72.2 | 65.6 | 91.1 |



4. Outlook 2015

The results of 2014 are in line with the management priorities. Actually, the international business accounts for 39.2% of the total business, and the weight of services grew to 69.3%. Turnover registered a slight increase of 1.9%, affected by the exit of the Digital TV/SIP business. EBITDA decreased by 1.4%, year on year, due to the strong pressure on prices in the domestic market and the costs associated to the reinforcement of the international expansion strategy.

Novabase maintains as priorities for 2015 the enhancement of its internationalization and the strengthening of investment in R&D with the aim of differentiation of its offerings. Thus, in terms of Guidance, and in a context of some uncertainty regarding the evolution of the markets in which Novabase operates, it is expected a Turnover exceeding 225 M€, 40% to 45% of which generated outside Portugal, and an EBITDA between 14 M€ and 17 M€.

**Consolidated Statement of Financial Position
as at 31 December 2014**

| | 31.12.14 | 31.12.13 |
|---|----------------------|----------------|
| | (Thousands of Euros) | |
| Assets | | |
| Tangible assets | 5,570 | 6,120 |
| Intangible assets | 30,663 | 32,095 |
| Financial investments | 2,415 | 2,217 |
| Deferred income tax assets | 17,228 | 14,901 |
| Other non-current assets | 7,770 | 4,868 |
| Total Non-Current Assets | 63,646 | 60,201 |
| Inventories | 4,943 | 8,925 |
| Trade debtors and accrued income | 103,821 | 85,296 |
| Other debtors and prepaid expenses | 17,242 | 21,806 |
| Derivative financial instruments | 88 | 514 |
| Financial assets held for trading | - | 5,015 |
| Cash and cash equivalents | 20,714 | 32,942 |
| Total Current Assets | 146,808 | 154,498 |
| Assets for continuing operations | 210,454 | 214,699 |
| Assets for discontinued operations | - | - |
| Total Assets | 210,454 | 214,699 |
| Shareholders' Equity | | |
| Share capital | 15,701 | 15,701 |
| Treasury shares | (29) | (295) |
| Share premium | 43,560 | 43,560 |
| Reserves and retained earnings | 24,493 | 23,756 |
| Net profit | 3,112 | 7,510 |
| Total Shareholders' Equity | 86,837 | 90,232 |
| Non-controlling interests | 12,431 | 11,522 |
| Total Equity | 99,268 | 101,754 |
| Liabilities | | |
| Bank borrowings | 8,376 | 13,024 |
| Finance lease liabilities | 1,613 | 1,007 |
| Provisions | 3,638 | 4,386 |
| Deferred income tax liabilities | - | 100 |
| Other non-current liabilities | 70 | 70 |
| Total Non-Current Liabilities | 13,697 | 18,587 |
| Bank borrowings | 5,561 | 6,202 |
| Trade payables | 21,849 | 22,268 |
| Other creditors and accruals | 39,092 | 40,736 |
| Derivative financial instruments | 1,323 | 77 |
| Deferred income | 29,664 | 24,755 |
| Total Current Liabilities | 97,489 | 94,038 |
| Total Liabilities for cont. operations | 111,186 | 112,625 |
| Total Liabilities for discount. operations | - | 320 |
| Total Liabilities | 111,186 | 112,945 |
| Total Equity and Liabilities | 210,454 | 214,699 |
| Net Cash | 6,903 | 20,271 |

**Consolidated Income Statement
for the year ended 31 December 2014**

| | 31.12.14 | 31.12.13 | Var. % |
|--|----------------------|------------------|----------------|
| | (Thousands of Euros) | | |
| CONTINUING OPERATIONS | | | |
| Sale of goods | 67,811 | 78,282 | |
| Cost of goods sold | (61,854) | (67,165) | |
| Gross margin | 5,957 | 11,117 | -46.4 % |
| Other income | | | |
| Services rendered | 153,044 | 138,548 | |
| Supplementary income and subsidies | 381 | 269 | |
| Other operating income | 2,279 | 1,776 | |
| | 155,704 | 140,593 | |
| | 161,661 | 151,710 | |
| Other expenses | | | |
| External supplies and services | (59,898) | (54,441) | |
| Employee benefit expense | (86,305) | (79,808) | |
| (Provisions) / Provisions reversal | 1,189 | (1,581) | |
| Other operating expenses | (1,988) | (1,020) | |
| | (147,002) | (136,850) | |
| Gross Net Profit (EBITDA) | 14,659 | 14,860 | -1.4 % |
| Restructuring costs | (1,522) | - | |
| Operating Gross Net Profit | 13,137 | 14,860 | -11.6 % |
| Depreciation and amortization | (5,917) | (5,731) | |
| Operating Profit (EBIT) | 7,220 | 9,129 | -20.9 % |
| Financial results | (1,765) | (574) | |
| Net Profit before taxes (EBT) | 5,455 | 8,555 | -36.2 % |
| Income tax expense | (857) | 693 | |
| Net Profit from continuing operations | 4,598 | 9,248 | -50.3 % |
| DISCONTINUED OPERATIONS | | | |
| Net Profit from discount. operations | 211 | - | |
| Non-controlling interests | (1,697) | (1,738) | |
| Attributable Net Profit | 3,112 | 7,510 | -58.6 % |
| Other information: | | | |
| Turnover | 220,855 | 216,830 | 1.9 % |
| Gross margin from sales % | 8.8 % | 14.2 % | |
| EBITDA margin | 6.6 % | 6.9 % | |
| EBT % on Turnover | 2.5 % | 3.9 % | |
| Net profit % on Turnover | 1.4 % | 3.5 % | |

**Consolidated Income Statement by SEGMENTS
for the year ended 31 December 2014**

(Thousands of Euros)

| | Business Solutions | IMS | Venture Capital | Discontin. Operations | NOVABASE |
|--|---------------------------|-----------------|------------------------|------------------------------|------------------|
| CONTINUING OPERATIONS | | | | | |
| Sale of goods | 418 | 67,074 | 319 | - | 67,811 |
| Cost of goods sold | (313) | (61,285) | (256) | - | (61,854) |
| Gross margin | 105 | 5,789 | 63 | - | 5,957 |
| Other income | | | | | |
| Services rendered | 104,638 | 44,396 | 4,010 | - | 153,044 |
| Supplementary income and subsidies | 268 | 94 | 19 | - | 381 |
| Other operating income | 1,200 | 773 | 306 | - | 2,279 |
| | 106,106 | 45,263 | 4,335 | - | 155,704 |
| | 106,211 | 51,052 | 4,398 | - | 161,661 |
| Other expenses | | | | | |
| External supplies and services | (32,554) | (25,938) | (1,406) | - | (59,898) |
| Employee benefit expense | (64,292) | (21,028) | (985) | - | (86,305) |
| (Provisions) / Provisions reversal | (283) | 1,092 | 380 | - | 1,189 |
| Other operating expenses | (518) | (593) | (877) | - | (1,988) |
| | (97,647) | (46,467) | (2,888) | - | (147,002) |
| Gross Net Profit (EBITDA) | 8,564 | 4,585 | 1,510 | - | 14,659 |
| Restructuring costs | (1,313) | (209) | - | - | (1,522) |
| Depreciation and amortization | (4,263) | (1,367) | (287) | - | (5,917) |
| Operating Profit (EBIT) | 2,988 | 3,009 | 1,223 | - | 7,220 |
| Financial results | (805) | (991) | 31 | - | (1,765) |
| Net Profit / (Loss) before Taxes (EBT) | 2,183 | 2,018 | 1,254 | - | 5,455 |
| Income tax expense | 702 | (1,683) | 124 | - | (857) |
| Net Profit / (Loss) from cont. operations | 2,885 | 335 | 1,378 | - | 4,598 |
| DISCONTINUED OPERATIONS | | | | | |
| Net Profit from discontinued operations | - | - | - | 211 | 211 |
| Non-controlling interests | (1,084) | (191) | (422) | - | (1,697) |
| Attributable Net Profit / (Loss) | 1,801 | 144 | 956 | 211 | 3,112 |
| Other information : | | | | | |
| Turnover | 105,056 | 111,470 | 4,329 | - | 220,855 |
| EBITDA | 8,564 | 4,585 | 1,510 | - | 14,659 |
| EBITDA % on Turnover | 8.2% | 4.1% | 34.9% | - | 6.6% |
| EBT % on Turnover | 2.1% | 1.8% | 29.0% | - | 2.5% |