

Consolidated Results

March 31, 2011

Privileged Information (IFRS/IAS)

May 11, 2011

Highlights:

Turnover: 59.3 M€

(58.0 M€ in 3M10)

EBITDA: 4.9 M€

(6.2 M€ in 3M10)

Net Profit: 2.2 M€

(4.0 M€ in 3M10)

Cash: 21.6 M€

(21.1 M€ in 12M10)

Message from the CEO - Luís Paulo Salvado

"In 2011 we began a new cycle, where internationalization is the central objective. The first quarter results show us that this was the right choice, especially given the current macro-economic context of our domestic market which has proved more challenging than we anticipated:

- Turnover exceeded 59 M€, which means that this was our best first quarter ever in the current business perimeter, with an increase above 2%. This growth was only possible thanks to the contribution of international activity, which grew a massive 115%, now representing about 22% of total business. In services we also had a good performance with an increase of almost 7%.
- EBITDA amounted to 4.9 M€, which represents a decrease of 21% year on year. This degradation of margin, partly already expected by the additional costs of internationalization, was even more pronounced due to high competitive pressure which affected mainly the product components.
- Net profit was 2.2 M€, a decrease of 44% compared to the same period of the prior year, penalized by the headings of non-controlling interests and financial results.
- Cash generation continued positive, with a value close to 0.5 M€.

We believe that the environment will continue to be very challenging and will require of us a renewed commitment to keep the ambitious goals we have set for this year.

The international results we have achieved, central to our strategy, are the best encouragement we could have received to continue to give our best, in an objective we know to be medium term."

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www.novabase.pt

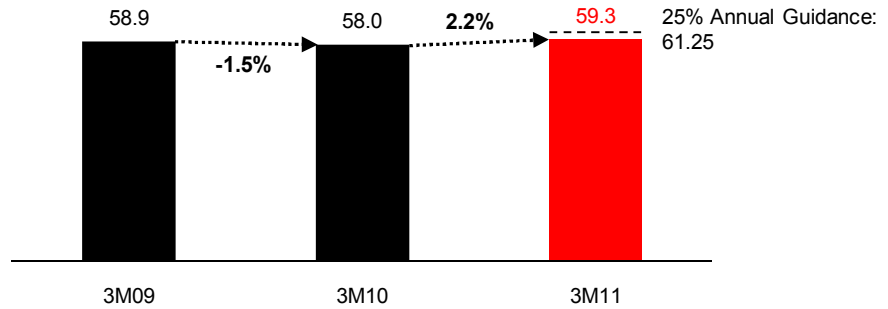
Novabase SGPS, S.A.
Public Company - Euronext code: NBA.AM
Registered in TRO of Lisbon and Corporate Tax Payer nº 502.280.182 - Share Capital: 15,700,697.00 €.
Head Office: Av. D. João II, Lote 1.03.2.3., 1998-031 Lisbon - PORTUGAL



1. Key Indicators Evolution

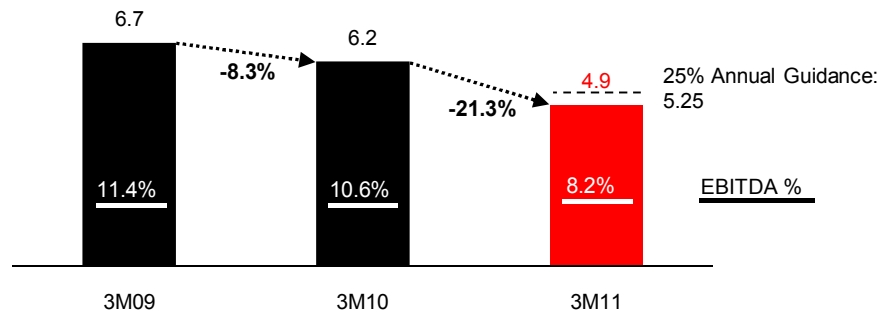
Turnover (M€)

Turnover below the annual Guidance linearized (-3.2%), but above the amount registered in 3M10.

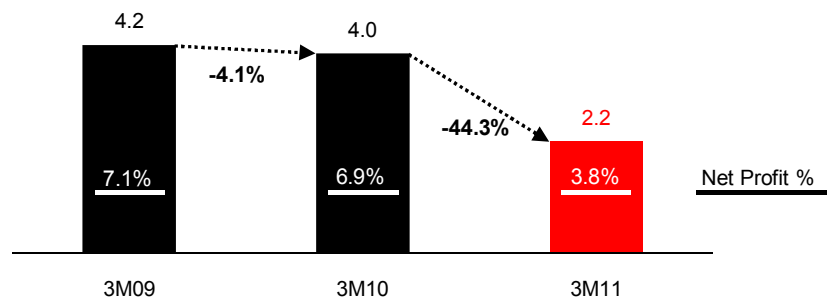


EBITDA (M€)

EBITDA below the annual Guidance linearized of 20-22 M€ and 8.6%: -7.6% below the middle of the range (-0.4 points %).



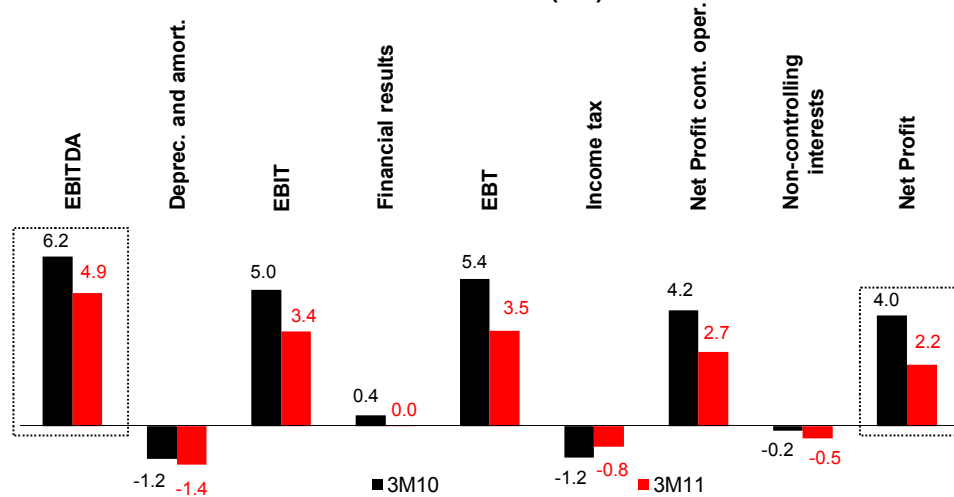
Net Profit (M€)





Earnings per share (EPS) in 3M11 reached 0.07 euros per share, registering a decrease towards the EPS from the previous year of 0.13 euros per share.

From EBITDA to Net Profit 3M11 Vs 3M10 (M€)

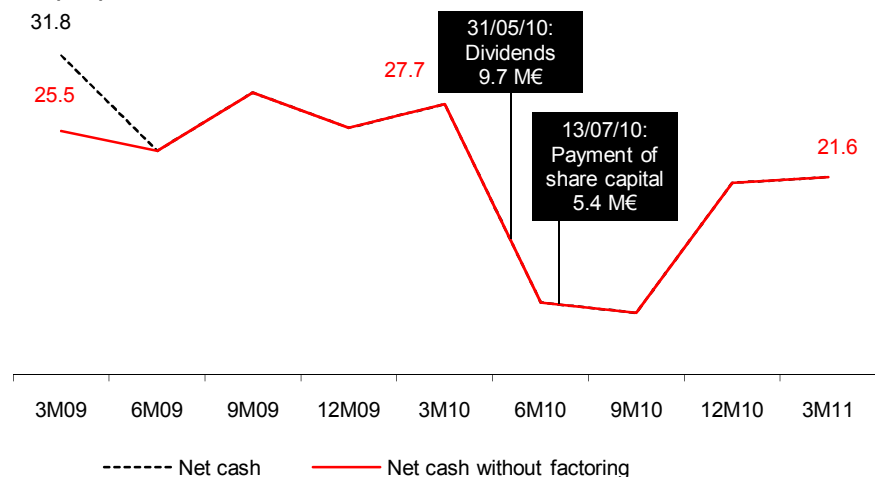


The Financial results reached a net positive value of 0.02 M€, below the net positive value of 0.4 M€ registered in the same period of the prior year, especially due to the recording in 3M11 of foreign exchange gains below those recorded in 3M10 (0.3 M€ which compares to 0.6 M€).

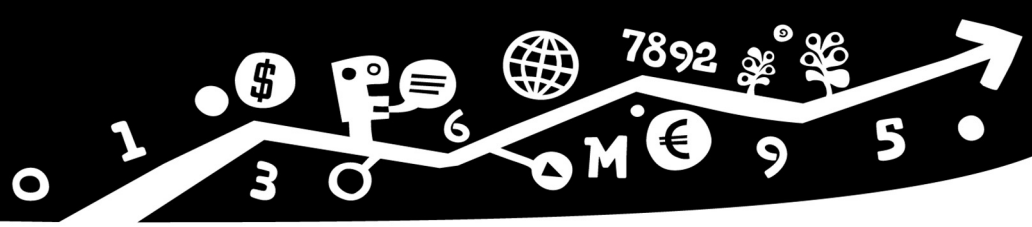
Non-controlling interests in 3M11 amounted to -0.5 M€, which compares to -0.2 M€ in 3M10. This evolution is due to the improvement of the results of subsidiary Celfocus comparatively to the same period of the prior year and to non-controlling interests related to NBASIT, in Angola, which was only incorporated in the second quarter of 2010.

Cash (M€)

Cash generation of 0.5 M€ in the first quarter of 2011.



In the 3M11, Novabase shows a positive performance in cash generation, without use of factoring since 6M09. Novabase ended the 3M11 with 21.6 M€ in net cash, which compares to 21.1 M€ in the 12M10.



2. Short Summary of the Activity

The first quarter of 2011 was marked by a worsening of the macroeconomic environment in Portugal, which has affected investments in the public sector and private sector. The consequences of the economic crisis continued to present, which required a special effort to mitigate the degradation of the operating performance.

Novabase's management was focused on internationalization and the development of new industries, continuing the effort to maintain the position in the domestic market.

In this quarter a new offer structure was defined even more differentiated and closer to the needs of our customers. Novabase's activity is now structured around six industries (Telecoms & Media, Financial Services, Government & Healthcare, Energy & Utilities, Aerospace & Transportation and Industry & Services) and aggregated into four business areas (Business Solutions, Managed Services & Infrastructures, Digital TV and Venture Capital).

Business Solutions now includes the business of Novabase Consulting and the areas of Ticketing and Managed Services (application outsourcing strand) previously considered in Novabase IMS. The table below shows the Turnover and EBITDA for 2009 and 2010 included in Novabase IMS, which moved to the perimeter of Business Solutions in 2011:

Ticketing & Managed Services	3M09	3M10
Turnover (M€)	2.027	1.864
EBITDA (M€)	0.088	0.017

The company's activity in the first quarter of 2011 was also marked by new strategic partnerships and decisions on new businesses.

Noteworthy is the partnership that Novabase established with Microsoft, under which the two companies will deliver a joint offering of productivity solutions for large enterprises, in a cloud computing model. Also, Novabase signed a partnership with FICO (American multinational company specialising in decision support and predictive information analysis technology) to provide top solutions for decision support in Portugal.

With regard to the Venture Capital, it was decided to establish a new venture capital fund 'Novabase Capital Inovação e Internacionalização', up to a total of 11.36 M€. The referred fund has two specific provisions, with a contribution from the COMPETE Program of 5.0 M€ and the POR Lisboa Program (focused on the Early Stage phase) of 0.5 M€. These initiatives are integrated in the NSRF and are co-financed by the European Union via the ERDF.

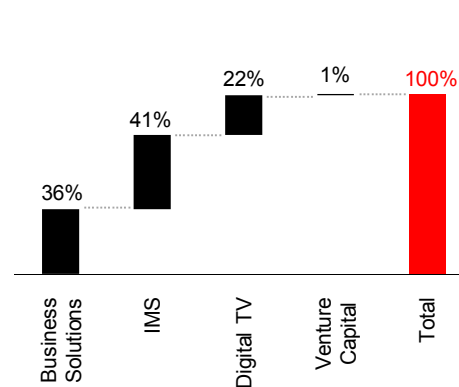


Novabase strengthens focus on the Aerospace industry .

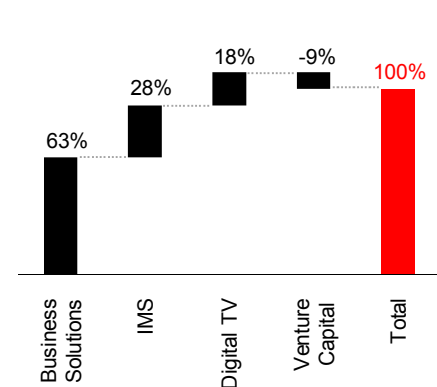
After the close of the first quarter, Novabase strengthened its focus on the Aerospace industry with acquisition of 100% stake in Evolvespace Solutions, which majority business is international in countries such as Germany, UK, France and Italy. This investment is part of Novabase’s growth strategy for the Aerospace & Transportation industry and internationalization efforts.

The percentage breakdown of Turnover and EBITDA by the different businesses, in the 3M11, is as follows:

Turnover 3M11



EBITDA 3M11



6.8% rise in services, in line with Novabase strategic orientation to increase the added value of its offers.

Of the overall Turnover generated in 3M11, the services rendered represents 56.5%, which compares to 54.1% in 3M10.

Of the 59.3 M€ Turnover, 21.8% is generated outside Portugal, that is 12.9 M€, which compares to the 6.0 M€ registered in 3M10.

Turnover by geography 3M10



Turnover by geography 3M11



International business increased 115.0%, reflecting a strong focus on markets outside Portugal.

Business outside Portugal generated in the Business Solutions area represents 18.0% of the respective invoicing. In the IMS business area, international sales in 3M11 represents 29.9% of the respective invoicing. The Digital TV area increased the relative weight of international business, which represents 13.4% of the respective invoicing (compared to 4.6% in 3M10).

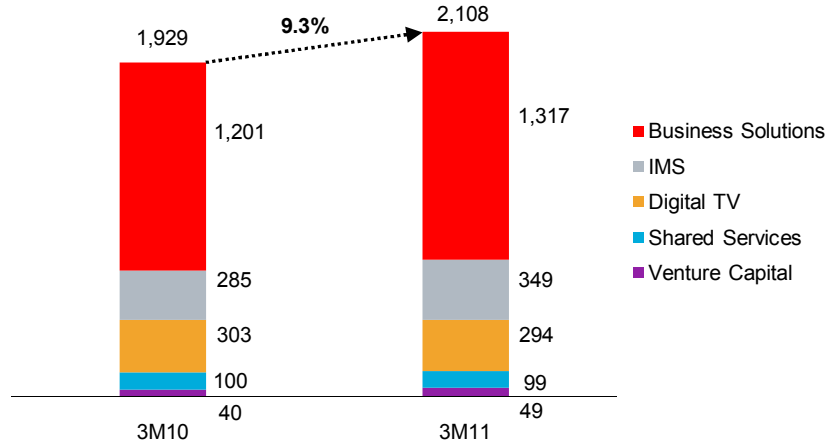
Novabase had on average, in the 3M11, 2,108 employees, which represents an increase of 9.3% compared to the 3M10 (1,929) and an increase of 5.2% compared to FY10 (2,003).



Employee breakdown by business area, in 3M11, is as follows:

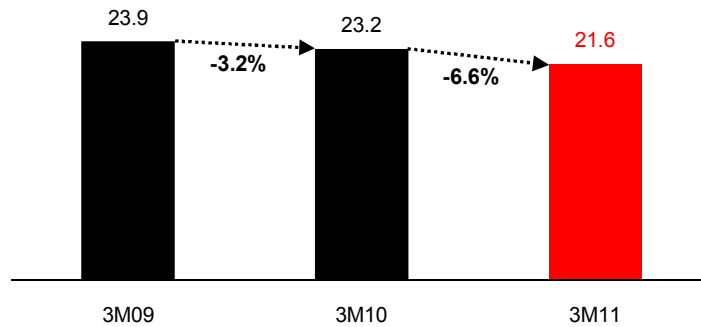
Average Number of Employees

Support to services growth and for strengthening of the strategy of international expansion and new industries.



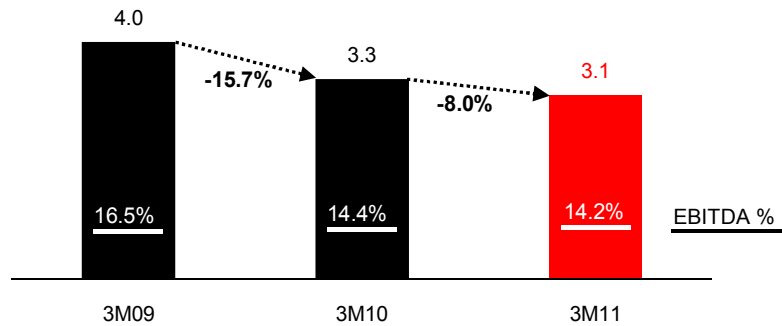
2.1. Business Solutions

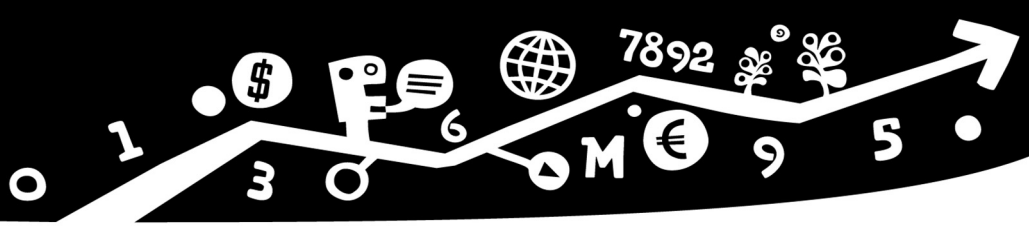
Turnover Business Solutions (M€)



EBITDA Business Solutions (M€)

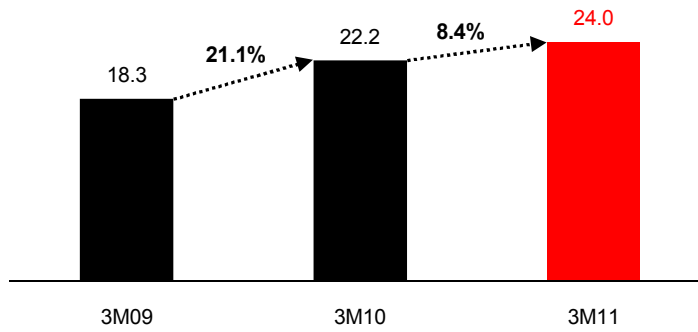
EBITDA % evolution reflects the conjunctural pressure on prices.





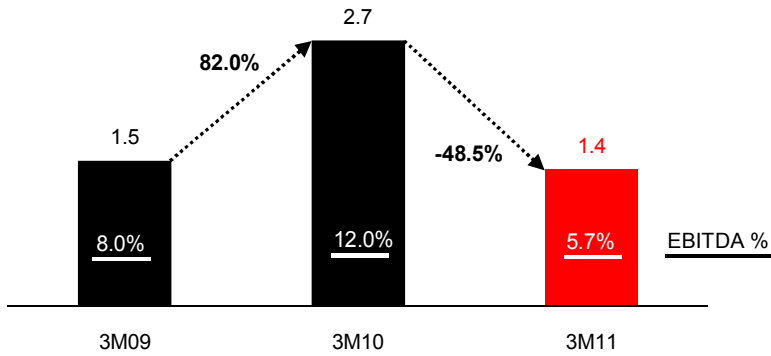
2.2. Infrastructures & Managed Services

Turnover IMS (M€)



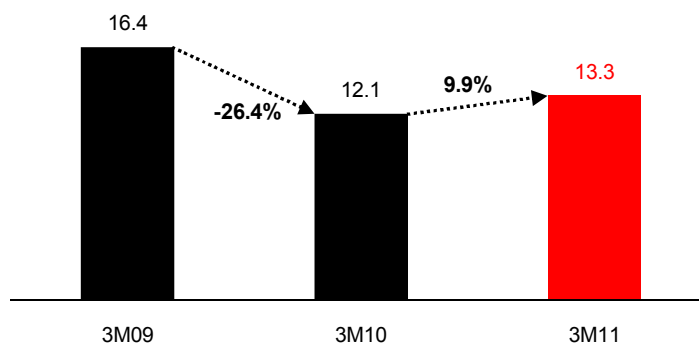
Evolution of IMS results is mainly due to the pressure on prices in the product sales component. However, this area should be analysed for time periods longer than a quarter.

EBITDA IMS (M€)



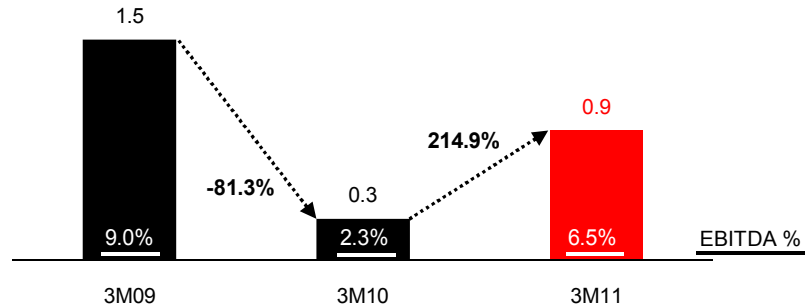
2.3. Digital TV

Turnover Digital TV (M€)



EBITDA Digital TV (M€)

Positive evolution of Digital TV indicators, with expressive growth of the international component. However, this area should be analysed for time periods longer than a quarter.



2.4. Venture Capital

The results of Venture Capital primarily reflect the performance of the subsidiary Collab in this quarter.

Global Turnover in this area reached 0.3 M€, which represents a decrease of 42.3% compared to 3M10.

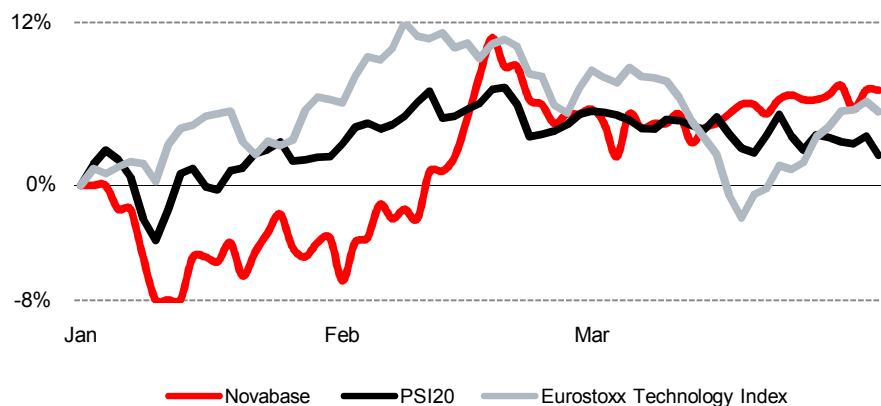
Venture Capital EBITDA in 3M11 decreased 299.1% year on year (from -0.1 M€ to -0.5 M€), reaching an EBITDA margin of -147.9%.

3. Stock Performance

Novabase share price in 3M11 gained 6.9%, comparing to a 2.2% gain in the PSI20 Index and a 5.3% gain in the EuroStoxx Technology Index.

Up to the date of issue of this report, it was approved in the General Meeting of Shareholders of May 5, 2011, the distribution of dividends to the shareholders in the amount of 4.1 M€, corresponding to 0.13€ per share. The payment of these dividends will occur in the second quarter of 2011.

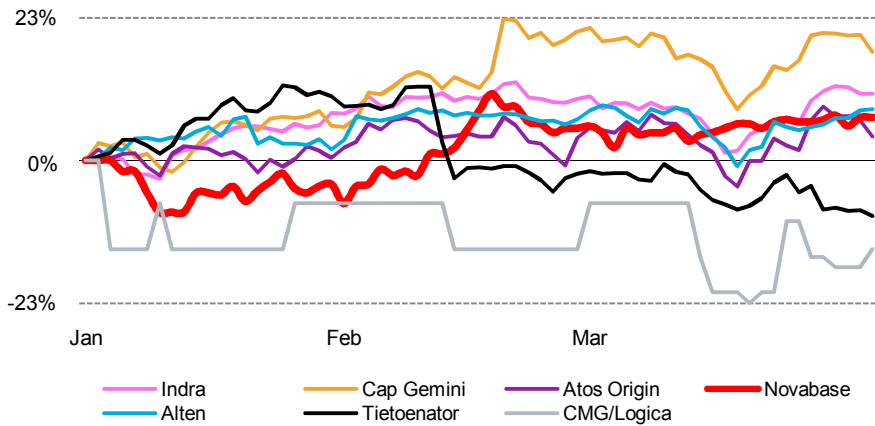
Novabase and the Market





When comparing Novabase share prices with other companies in the IT sector in Europe, we verify that Novabase share performance in 3M11 was in line with the values of the average performance of other IT.

Novabase and other TMT



Average upside of 51.6%, according to the analysts that cover Novabase.

The average price target disclosed by analysts that cover Novabase is 4.70 euros, with unanimous recommendation to buy.

Rotation in 3M11 represented 6.0% of the capital and 1.9 million shares were traded, in line with the values that have occurred in 3M10 (rotation of 6.1% of the capital and 1.9 million shares traded).

Summary	1Q11	4Q10	3Q10	2Q10	1Q10
Minimum price (€)	2.66	2.79	3.17	3.34	3.90
Maximum price (€)	3.21	3.37	3.46	4.45	4.63
Volume weighted average price (€)	2.96	3.05	3.30	3.91	4.38
Closing price at the end of the Quarter (€)	3.10	2.90	3.20	3.44	4.30
Nr. of shares traded	1,883,117	1,948,307	1,000,218	2,194,905	1,916,989
Market cap in the last day (M€)	97.3	91.1	100.5	108.0	135.0

4. Outlook 2011

This quarter's results already reflect Novabase' strategic options in internationalization and development of new industries. International growth was expressive, but a degradation of the operating profit occurred given the current context of recession in the domestic market.

Novabase remains committed to comply with the Guidance for 2011, maintaining as priorities international growth and the preservation of its position in the national market.

**Consolidated Statement of Financial Position
as at 31 March 2011**

	31.03.11	31.12.10
	(Thousands of Euros)	
Assets		
Tangible assets	9,849	9,836
Intangible assets	30,704	31,229
Financial investments	1,718	1,697
Deferred income tax assets	10,885	10,396
Other non-current assets	71	69
Total Non-Current Assets	53,227	53,227
Inventories	6,884	10,403
Trade debtors and accrued income	94,550	92,432
Other debtors and prepaid expenses	13,739	12,100
Derivative financial instruments	381	197
Cash and cash equivalents	28,593	28,088
Total Current Assets	144,147	143,220
Assets for continuing operations	197,374	196,447
Assets for discontinued operations	59	49
Total Assets	197,433	196,496
Shareholders' Equity		
Share capital	15,701	15,701
Treasury shares	(518)	(603)
Share premium	43,560	43,560
Reserves and retained earnings	34,566	21,063
Net profit	2,242	13,053
Total Shareholders' Equity	95,551	92,774
Non-controlling interests	6,076	5,724
Total Equity	101,627	98,498
Liabilities		
Non-current borrowings	5,838	6,200
Finance lease liabilities	1,659	1,679
Provisions	1,463	1,633
Deferred income tax liabilities	909	909
Other non-current liabilities	243	927
Total Non-Current Liabilities	10,112	11,348
Current borrowings	4,386	4,272
Trade payables	24,810	20,183
Other creditors and accruals	36,876	38,290
Derivative financial instruments	326	353
Deferred income	18,566	22,807
Total Current Liabilities	84,964	85,905
Total Liabilities for cont. operations	95,076	97,253
Total Liabilities for discount. operations	730	745
Total Liabilities	95,806	97,998
Total Equity and Liabilities	197,433	196,496
Net Cash	21,582	21,115

**Consolidated Income Statement
for the period of 3 Months ended 31 March 2011**

	31.03.11	31.03.10	Var. %
	(Thousands of Euros)		
Sale of goods	25,811	26,647	
Cost of goods sold	(23,226)	(22,830)	
Gross margin	2,585	3,817	-32.3 %
<i>Other income</i>			
Services rendered	33,490	31,356	
Supplementary income	31	30	
Other operating income	47	38	
	33,568	31,424	
	36,153	35,241	
<i>Other expenses</i>			
External supplies and services	(11,402)	(10,870)	
Employee benefit expense	(19,642)	(18,430)	
(Provisions) / Provisions reversal	(3)	274	
Other operating expenses	(255)	(48)	
	(31,302)	(29,074)	
Gross Net Profit (EBITDA)	4,851	6,167	-21.3 %
Depreciation and amortization	(1,409)	(1,195)	
Operating Profit (EBIT)	3,442	4,972	-30.8 %
Financial Gains / (Losses)	23	390	
Net Profit before taxes (EBT)	3,465	5,362	-35.4 %
Income tax expense	(763)	(1,155)	
Non-controlling interests	(460)	(185)	
Attributable Net Profit	2,242	4,022	-44.3 %
Other information:			
Turnover	59,301	58,003	2.2 %
EBITDA margin	8.2 %	10.6 %	
EBT % on Turnover	5.8 %	9.2 %	
Net profit % on Turnover	3.8 %	6.9 %	

Consolidated Income Statement by SEGMENTS for the period of 3 Months ended 31 March 2011

(Thousands of Euros)

	Business Solutions	IMS	Digital TV	Venture Capital	NOVABASE
Sale of goods	208	16,730	8,873	-	25,811
Cost of goods sold	(140)	(14,590)	(8,496)	-	(23,226)
Gross margin	68	2,140	377	-	2,585
Other income					
Services rendered	21,440	7,317	4,420	313	33,490
Supplementary income and subsidies	31	-	-	-	31
Other operating income	38	5	4	-	47
	21,509	7,322	4,424	313	33,568
	21,577	9,462	4,801	313	36,153
Other expenses					
External supplies and services	(4,603)	(4,571)	(2,107)	(121)	(11,402)
Employee benefit expense	(13,804)	(3,434)	(1,997)	(407)	(19,642)
(Provisions) / Provisions reversal	(38)	19	261	(245)	(3)
Other operating expenses	(61)	(102)	(89)	(3)	(255)
	(18,506)	(8,088)	(3,932)	(776)	(31,302)
Gross Net Profit (EBITDA)	3,071	1,374	869	(463)	4,851
Depreciation and amortization	(874)	(327)	(162)	(46)	(1,409)
Operating Profit (EBIT)	2,197	1,047	707	(509)	3,442
Financial Gains / (Losses)	40	(58)	52	(11)	23
Net Profit / (Loss) before Taxes (EBT)	2,237	989	759	(520)	3,465
Income tax expense	(467)	(1,333)	909	128	(763)
Non-controlling interests	(421)	(207)	-	168	(460)
Attributable Net Profit / (Loss)	1,349	(551)	1,668	(224)	2,242
Other information :					
Turnover	21,648	24,047	13,293	313	59,301
EBITDA	3,071	1,374	869	(463)	4,851
EBITDA % on Turnover	14.2%	5.7%	6.5%	-147.9%	8.2%
EBT % on Turnover	10.3%	4.1%	5.7%	-166.1%	5.8%