

## Consolidated Results 9M12

### Privileged Information

October 30, 2012

### Highlights:

**Turnover: 155.6 M€**  
(172.6 M€ in 9M11)

**EBITDA: 14.2 M€**  
(11.7 M€ in 9M11)

**Net Profit: 6.0 M€**  
(4.7 M€ in 9M11)

**Net Cash: 28.4 M€**  
(14.7 M€ in 12M11)

### Message from the CEO - Luís Paulo Salvado

"The accumulated results as of September confirm the trends we had already observed in the first half of the year and show a good execution of the strategy we set for this year.

International business grew 43%, representing 30% of the total business. The services maintain a growth trend, contributing to the net creation of over two hundred highly-skilled jobs. EBITDA and Net Profit increased by 22% and 29%, respectively. Also positive was the evolution of cash, with a generation near 14 M€ since the beginning of the year.

These results reflect that our stakes on international expansion and offerings with higher added value have succeeded. However, the domestic context has remained adverse, negatively impacting the components where we have less strategic control, therefore the business of third party products declined by 28%, leading to a decrease of 10% in total Turnover.

We are quite comfortable in the compliance of the Guidance for 2012 regarding profitability and international market share, but the goal that we have drawn for Turnover proves far more challenging. The coming months reveal themselves as very difficult and uncertain in the domestic market. Nevertheless, the results now released renew our confidence in the strategy outlined and in the ability to execute it. We will maintain focus on internationalization and growth of our more distinctive offerings."

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Report available on website :  
[www.novabase.pt](http://www.novabase.pt)

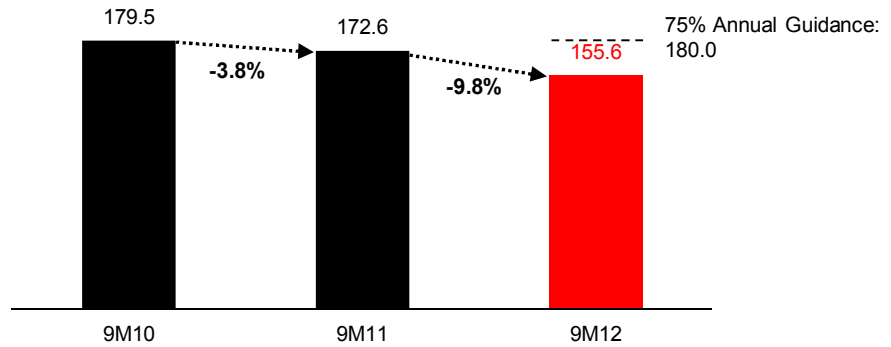
Novabase SGPS, S.A.  
Public Company . Euronext code: NBA.AM .  
Registered in TRO of Lisbon and Corporate Tax Payer nº 502.280.182 . Share Capital: 15,700,697.00 € .  
Head Office: Av. D. João II, Lote 1.03.2.3., 1998-031 Lisbon - PORTUGAL



## 1. Key Indicators Evolution

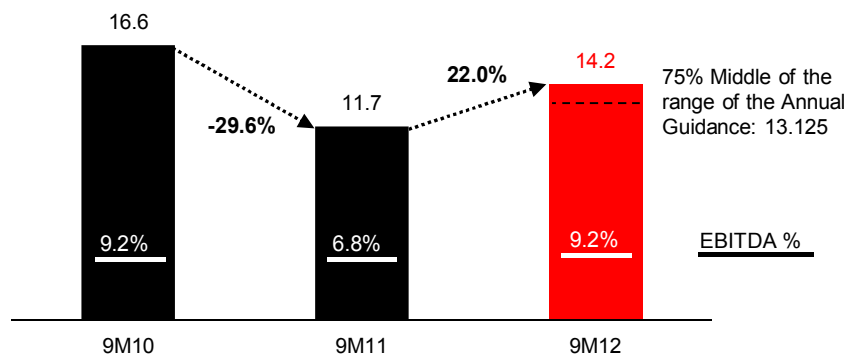
### Turnover (M€)

Turnover below the annual Guidance linearized (-13.6%), due to the contraction of business in Portugal in the product component.



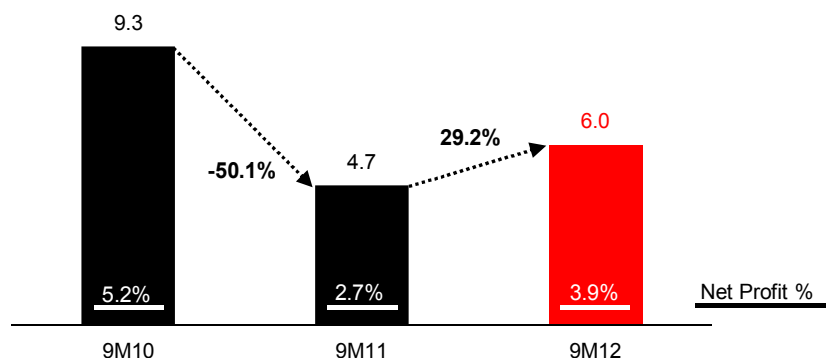
### EBITDA (M€)

EBITDA above the annual Guidance linearized of 16-19 M€ and 7.3%: +8.5% above the middle of the range (+1.9 points %).



### Net Profit (M€)

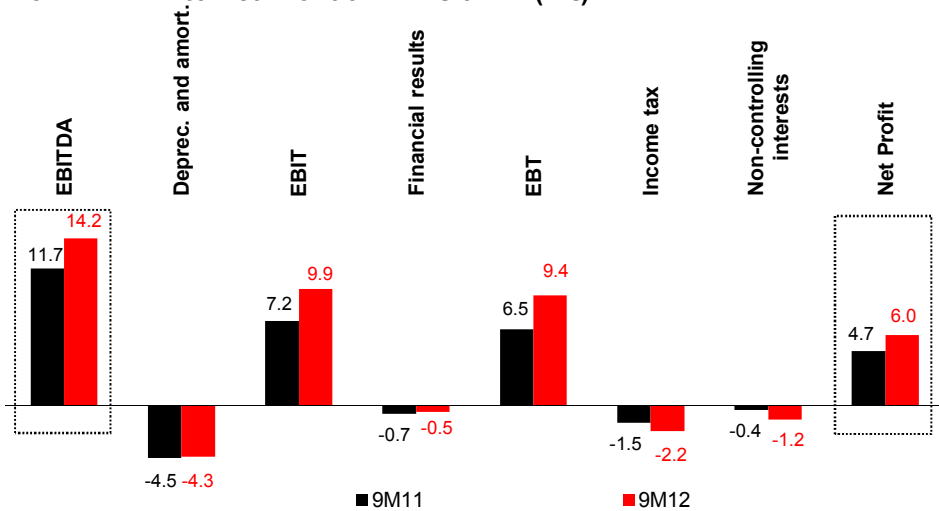
Significant improvement of profitability as a result of the measures adopted in the end of 2011.



Earnings per share (EPS) in 9M12 reached 0.20 euros per share, registering an increase of 28.3% towards the EPS from the previous year of 0.15 euros per share.

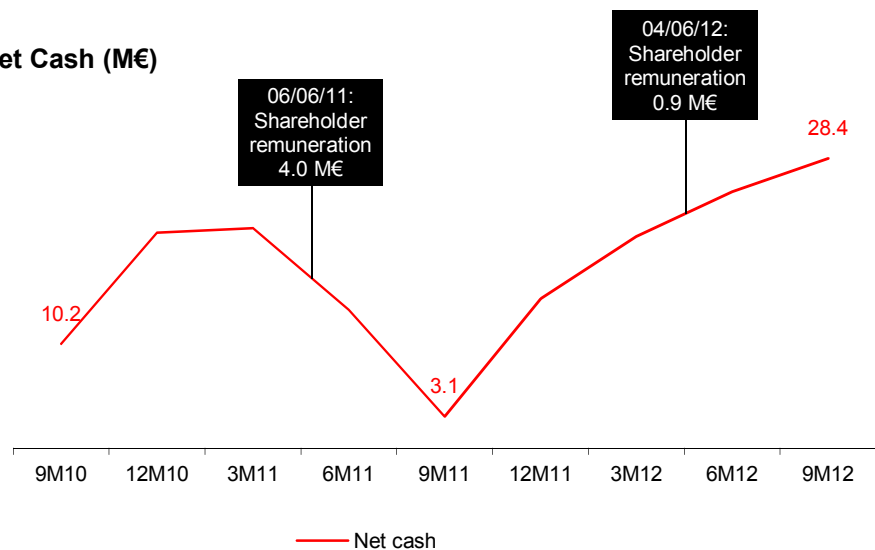


**From EBITDA to Net Profit 9M12 Vs 9M11 (M€)**



Non-controlling interests in 9M12 amounted to -1.2 M€, which compares to -0.4 M€ in 9M11. This variation is mainly due to the positive evolution of the results of subsidiaries Celfocus, Collab and NBASIT, in Angola, compared to the same period of the prior year.

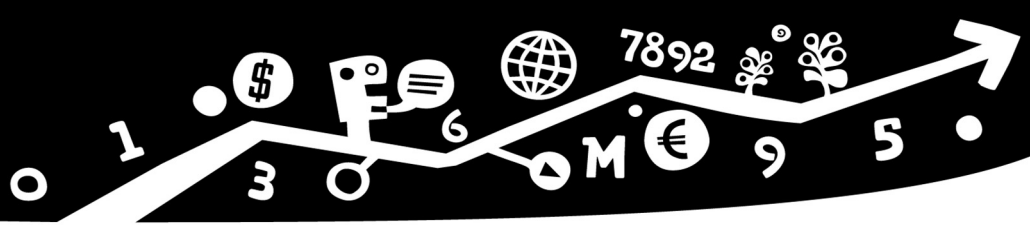
**Net Cash (M€)**



Cash generation of 13.8 M€ in the first nine months of 2012.

In the 9M12, Novabase shows a positive performance in cash generation. Novabase ended the 9M12 with 28.4 M€ in net cash, which compares to 14.7 M€ in the 12M11.

On June 4th 2012, Novabase paid its shareholders a total amount of 0.9 M€ (0.03€/share).



## 2. Short Summary of the Activity

The first nine months of 2012 were marked by strong pressure on prices in the third party product component in Portugal, but also by significant improvement of the operating performance, which already reflects the measures adopted in the end of 2011 (restructuring process with the double objective of decreasing the average production cost and enabling the company to increase international growth).

Thus, the results of the nine months of 2012 are below the Turnover Guidance (-13.6%), but remained above the middle of the range of the EBITDA Guidance (+8.5%). Compared to 2011, Turnover decreased 9.8%, however, services grew 4.1% and international business represented 29.7% of the total business. EBITDA raised 22.0% and Net Profit reached 6.0 M€.

Novabase's management was focused on strengthening internationalization, the great challenge of the company for 2012, remaining committed to maintain the position in the domestic market, which is proving extremely challenging.

With the aim of maximizing synergies between all of its businesses, Novabase has decided to reorganize its Digital TV operations with effect from the second half of the year. Solutions geared toward TV operators were included in the Infrastructures & Managed Services (IMS) business. On the other hand, the System-in-Package (SIP) solutions, strongly supported by R&D and intellectual property investments, were transferred to the Venture Capital business.

The table below shows the Turnover and EBITDA for 9M10 and 9M11 related to each of the offerings, which were included in Digital TV area, and that were incorporated in 2012 into the IMS and VC segments:

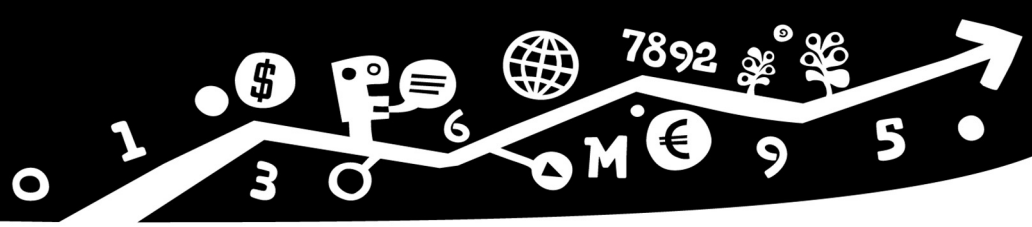
	TV operators Solutions		SIP Solutions	
	9M10	9M11	9M10	9M11
Turnover (M€)	38.367	34.634	2.327	6.805
EBITDA (M€)	3.817	2.878	-2.159	-1.165

Noteworthy is the inauguration of Parque Oriente Operations Centre in the first quarter of 2012. The new space, which occupies more than 3,000 m<sup>2</sup> and is designed to operate 24 hours a day, 7 days a week, incorporates all of the expertise needed to design and deploy large-scale technology infrastructure projects. This new Operations Centre at Parque Oriente will allow us to reinforce outsourcing and managed services in Portugal and the rest of the world.

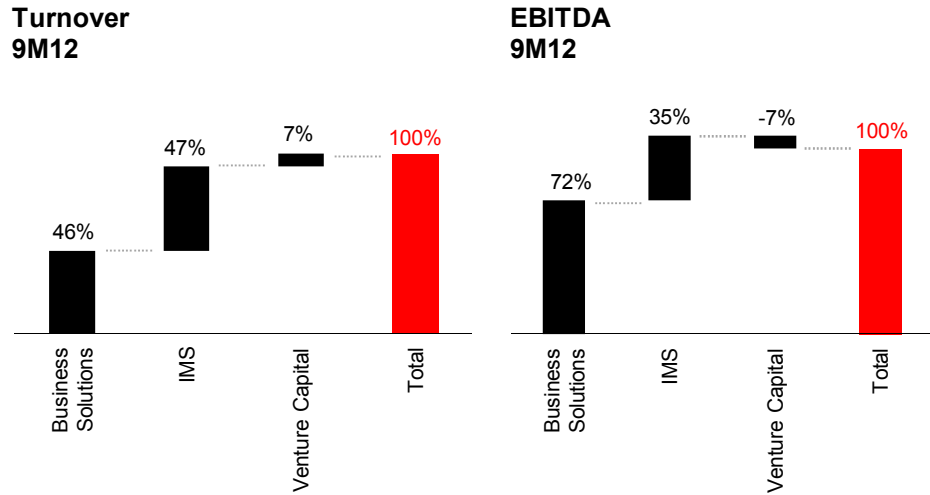
In the second quarter of the year, Novabase strengthened its focus on the Financial sector with the acquisition of 100% stake in Binómio, a company specialising in financial assets management solutions, who holds a paramount position in Portugal with insurance and pension management companies and also has customers in the PALOPs (African Portuguese Speaking Countries), namely in Angola.

Also worthy of note in these first nine months of 2012, is the distinction of Novabase as Best System Integrator in 2011, in the National Conference of IBM Business Partners. Collab has received three awards at the Conference Beyond 2013, attributed by the Portuguese Association of Contact Centers (APCC) to the organizations that stood out most in their Centres Customer Relationship in 2012: Best IVR Platform 2012, Best Workforce Management Platform 2012 and Best Agent Front End (CRM) 2012. Additionally, Microsoft Portugal distinguished Novabase as the best partner for Cloud Services.

This investment is part of Novabase's growth and internationalization strategy for the Financial Services sector.



The percentage breakdown of Turnover and EBITDA by the different businesses, in the 9M12, is as follows:

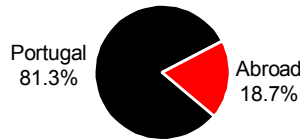


4.1% rise in services, in line with Novabase strategic orientation to increase the added value of its offers.

Of the overall Turnover generated in 9M12, the services rendered represents 65.5%, which compares to 56.7% in 9M11.

Of the 155.6 M€ Turnover, 29.7% is generated outside Portugal, that is 46.2 M€, which compares to the 32.3 M€ registered in 9M11.

**Turnover by geography 9M11**



International business increased 43.0%, reflecting a strong focus on markets outside Portugal.

**Turnover by geography 9M12**



Business outside Portugal generated in the Business Solutions area increased to 26.7% of the respective invoicing (16.6% in 9M11). In the IMS business area, the international business in 9M12 increased to 24.6% (14.7% in 9M11) and in the Venture Capital area decreased to 85.2% (87.8% in 9M11).

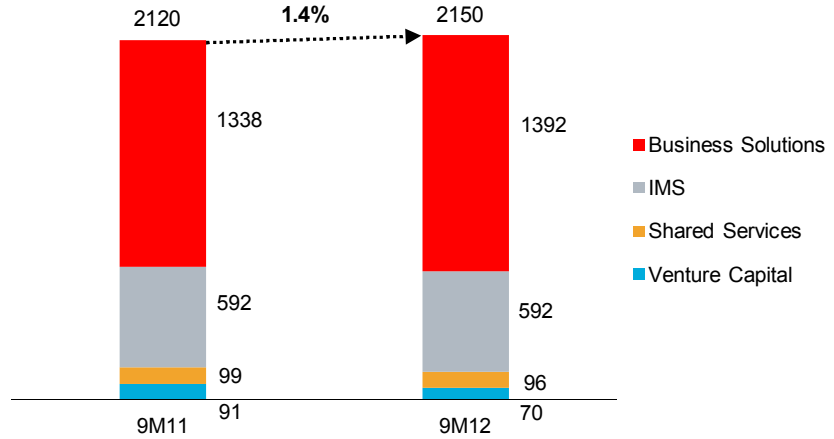
Novabase had on average, in the 9M12, 2150 employees, which represents an increase of 1.4% compared to the 9M11 (2120) and of 1.9% compared to FY11 (2109).



Employee breakdown by business area, in 9M12, is as follows:

**Average Number of Employees**

Average number of employees evolution includes the talent renovation by the recruitment of 192 university graduates through Novabase Academy program.



**Average Number of Employees by geography 9M11**



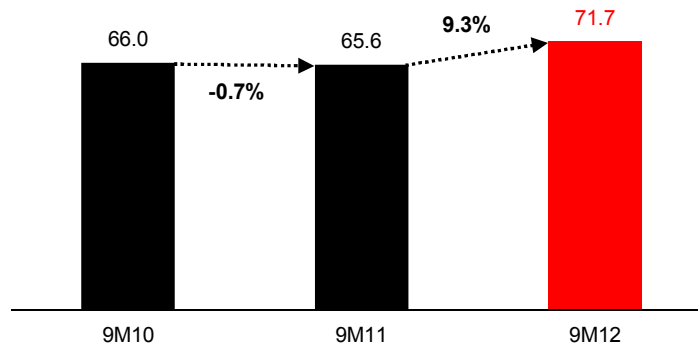
**Average Number of Employees by geography 9M12**



**2.1. Business Solutions**

**Turnover Business Solutions (M€)**

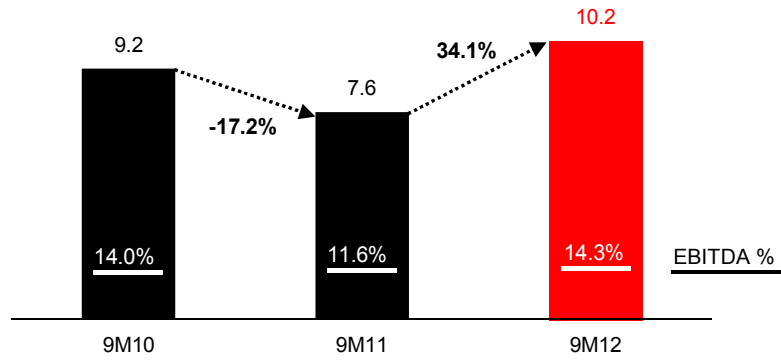
BS Turnover evolution reflects the significant growth of the international component (76.1% vs. 9M11).





**EBITDA Business Solutions (M€)**

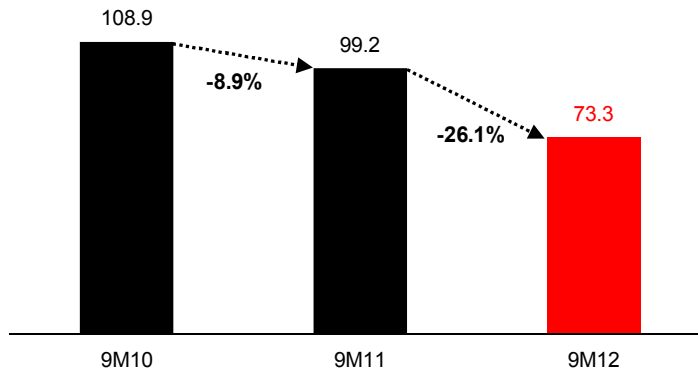
BS positive evolution reflects the measures adopted for the improvement of operating competitiveness.



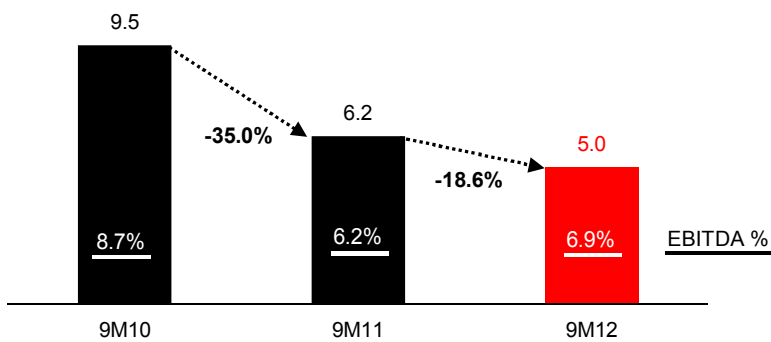
**2.2. Infrastructures & Managed Services**

**Turnover IMS (M€)**

IMS evolution reflects the strong pressure in the product component in Portugal, despite the international growth (+23.5%).



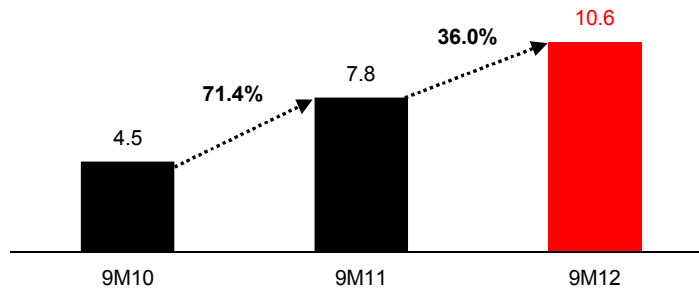
**EBITDA IMS (M€)**



## 2.3. Venture Capital

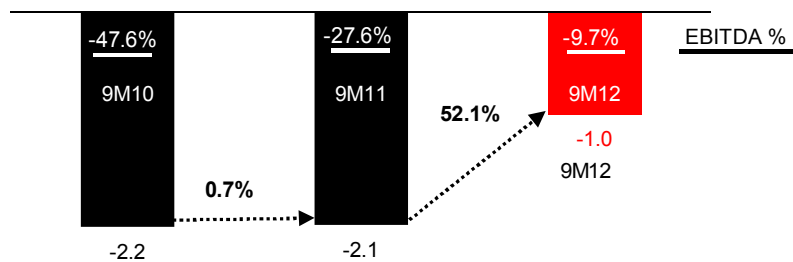
### Turnover Venture Capital (M€)

VC Turnover positive evolution primarily reflects the growth of the international component (+32.1%).



### EBITDA Venture Capital (M€)

VC EBITDA reflects the development stadium, strongly supported by R&D investments. However, remarkable improvement of profitability, primarily due to subsidiary Collab.



## 3. Stock Performance

Excluding the shareholder remuneration, the depreciation of Novabase share price would be 1.5%.

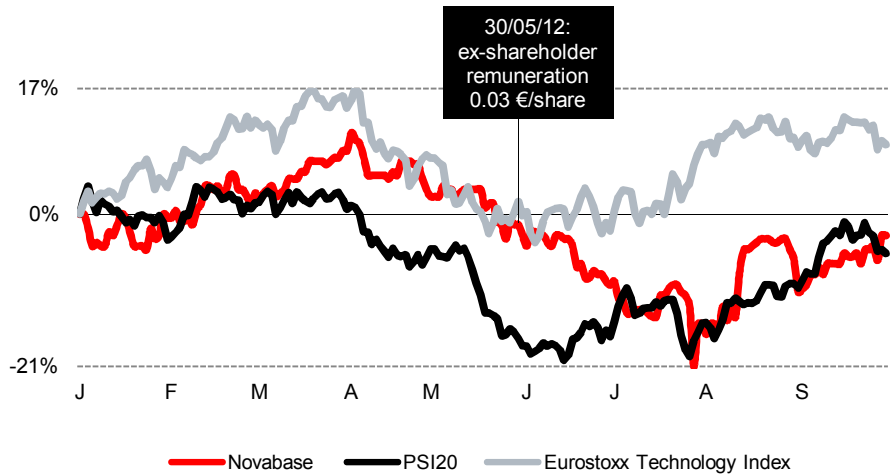
Novabase share price in 9M12 lost 2.9%, comparing to a 5.3% loss in the PSI20 Index and a 9.4% gain in the EuroStoxx Technology Index.

In this period, a dividend of 0.03€/share was distributed.



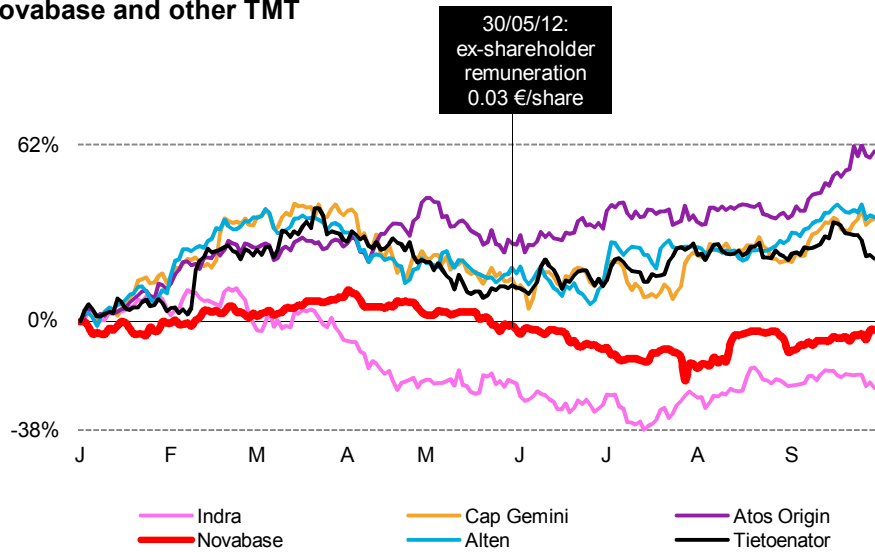


### Novabase and the Market



When comparing Novabase share prices with other companies in the IT sector in Europe, we verify that Novabase share performance in 9M12 was below the average.

### Novabase and other TMT



Novabase shows an EV/EBITDA multiple of 3.85x and an EV/Revenue multiple of 0.29x, which represents a discount of 36% and 51%, respectively, compared to the average of other companies in the IT sector in Europe.

Average upside of 92.9%, according to the analysts who cover Novabase.

The average price target disclosed by the analysts who cover Novabase is 3.92 euros, with unanimous recommendation to buy.

Rotation in 9M12 represented 11.6% of the capital and 3.7 million shares were traded, below the values in 9M11 (rotation of 14.8% of the capital and 4.7 million shares traded).



Summary	3Q12	2Q12	1Q12	4Q11	3Q11
Minimum price (€)	1.66	1.89	1.99	1.70	2.26
Maximum price (€)	2.03	2.30	2.32	2.38	2.75
Volume weighted average price (€)	1.92	2.03	2.15	1.99	2.55
Closing price at the end of the Quarter (€)	2.03	1.90	2.32	2.09	2.45
Nr. of shares traded	1,113,951	1,826,016	717,461	833,186	1,284,390
Market cap in the last day (M€)	63.7	59.7	72.9	65.6	76.9

## 4. Outlook 2012

The results of the 9M12 are positive, 8.5% above the middle of the range of the EBITDA Guidance, as a result of the measures implemented for the improvement of operating competitiveness. International business now accounts for 29.7% of total business and the weight of services increased to 65.5%. However, we experienced a strong pressure in the product component in Portugal, which explains the negative evolution of Turnover in this period.

We maintain our confidence in the compliance of the Guidance for 2012 regarding profitability and international market share. However, in light of the economic difficulties in Portugal, the target set initially for 2012 Turnover seems to us overly ambitious.

We believe that the results of this period are encouraging and motivate us to reaffirm the commitment to the strategic priorities defined: international growth and focus on the most distinctive added value offerings.

**Consolidated Statement of Financial Position  
as at 30 September 2012**

	30.09.12	31.12.11
	(Thousands of Euros)	
<b>Assets</b>		
Tangible assets	7,275	9,000
Intangible assets	29,786	31,127
Financial investments	1,960	1,786
Deferred income tax assets	11,878	12,387
Other non-current assets	15	-
<b>Total Non-Current Assets</b>	<b>50,914</b>	<b>54,300</b>
Inventories	6,505	6,909
Trade debtors and accrued income	87,522	99,168
Other debtors and prepaid expenses	20,941	18,523
Derivative financial instruments	104	245
Available-for-sale financial assets	9,788	-
Cash and cash equivalents	28,844	27,157
<b>Total Current Assets</b>	<b>153,704</b>	<b>152,002</b>
Assets for continuing operations	204,618	206,302
Assets for discontinued operations	-	-
<b>Total Assets</b>	<b>204,618</b>	<b>206,302</b>
<b>Shareholders' Equity</b>		
Share capital	15,701	15,701
Treasury shares	(371)	(490)
Share premium	43,560	43,560
Reserves and retained earnings	33,724	31,206
Net profit	6,019	2,651
<b>Total Shareholders' Equity</b>	<b>98,633</b>	<b>92,628</b>
Non-controlling interests	10,966	9,811
<b>Total Equity</b>	<b>109,599</b>	<b>102,439</b>
<b>Liabilities</b>		
Bank borrowings	7,638	10,500
Finance lease liabilities	1,065	1,528
Provisions	2,122	1,721
Deferred income tax liabilities	100	100
Other non-current liabilities	70	308
<b>Total Non-Current Liabilities</b>	<b>10,995</b>	<b>14,157</b>
Bank borrowings	4,097	4,053
Trade payables	20,918	26,165
Other creditors and accruals	37,249	36,013
Derivative financial instruments	70	461
Deferred income	21,370	22,669
<b>Total Current Liabilities</b>	<b>83,704</b>	<b>89,361</b>
<b>Total Liabilities for cont. operations</b>	<b>94,699</b>	<b>103,518</b>
<b>Total Liabilities for discont. operations</b>	<b>320</b>	<b>345</b>
<b>Total Liabilities</b>	<b>95,019</b>	<b>103,863</b>
<b>Total Equity and Liabilities</b>	<b>204,618</b>	<b>206,302</b>
Net Cash	28,404	14,653

**Consolidated Income Statement  
for the period of 9 months ended 30 September 2012**

	30.09.12	30.09.11	Var. %
	(Thousands of Euros)		
Sale of goods	53,677	74,634	
Cost of goods sold	(47,503)	(67,588)	
<b>Gross margin</b>	<b>6,174</b>	<b>7,046</b>	<b>-12.4 %</b>
<b>Other income</b>			
Services rendered	101,921	97,916	
Supplementary income	62	187	
Other operating income	3,155	233	
	<b>105,138</b>	<b>98,336</b>	
	<b>111,312</b>	<b>105,382</b>	
<b>Other expenses</b>			
External supplies and services	(38,467)	(36,111)	
Employee benefit expense	(57,868)	(57,760)	
(Provisions) / Provisions reversal	(409)	819	
Other operating expenses	(322)	(650)	
	<b>(97,066)</b>	<b>(93,702)</b>	
<b>Gross Net Profit (EBITDA)</b>	<b>14,246</b>	<b>11,680</b>	<b>22.0 %</b>
Depreciation and amortization	(4,325)	(4,459)	
<b>Operating Profit (EBIT)</b>	<b>9,921</b>	<b>7,221</b>	<b>37.4 %</b>
Financial Gains / (Losses)	(515)	(706)	
<b>Net Profit before taxes (EBT)</b>	<b>9,406</b>	<b>6,515</b>	<b>44.4 %</b>
Income tax expense	(2,181)	(1,473)	
Non-controlling interests	(1,206)	(385)	
<b>Attributable Net Profit</b>	<b>6,019</b>	<b>4,657</b>	<b>29.2 %</b>
<b>Other information:</b>			
Turnover	155,598	172,550	<b>-9.8 %</b>
Gross margin from sales %	11.5 %	9.4 %	
EBITDA margin	9.2 %	6.8 %	
EBT % on Turnover	6.0 %	3.8 %	
Net profit % on Turnover	3.9 %	2.7 %	

**Consolidated Income Statement by SEGMENTS**  
**for the period of 9 months ended 30 September 2012**

(Thousands of Euros)

	<b>Business Solutions</b>	<b>IMS</b>	<b>Venture Capital</b>	<b>NOVABASE</b>
Sale of goods	1,624	44,317	7,736	<b>53,677</b>
Cost of goods sold	(1,192)	(40,400)	(5,911)	<b>(47,503)</b>
<b>Gross margin</b>	<b>432</b>	<b>3,917</b>	<b>1,825</b>	<b>6,174</b>
<b>Other income</b>				
Services rendered	70,066	29,010	2,845	<b>101,921</b>
Supplementary income and subsidies	60	-	2	<b>62</b>
Other operating income	3,086	55	14	<b>3,155</b>
	<b>73,212</b>	<b>29,065</b>	<b>2,861</b>	<b>105,138</b>
	<b>73,644</b>	<b>32,982</b>	<b>4,686</b>	<b>111,312</b>
<b>Other expenses</b>				
External supplies and services	(21,998)	(14,048)	(2,421)	<b>(38,467)</b>
Employee benefit expense	(41,384)	(13,419)	(3,065)	<b>(57,868)</b>
(Provisions) / Provisions reversal	147	(352)	(204)	<b>(409)</b>
Other operating expenses	(174)	(125)	(23)	<b>(322)</b>
	<b>(63,409)</b>	<b>(27,944)</b>	<b>(5,713)</b>	<b>(97,066)</b>
<b>Gross Net Profit (EBITDA)</b>	<b>10,235</b>	<b>5,038</b>	<b>(1,027)</b>	<b>14,246</b>
Depreciation and amortization	(2,702)	(1,209)	(414)	<b>(4,325)</b>
<b>Operating Profit (EBIT)</b>	<b>7,533</b>	<b>3,829</b>	<b>(1,441)</b>	<b>9,921</b>
Financial Gains / (Losses)	116	(437)	(194)	<b>(515)</b>
<b>Net Profit / (Loss) before Taxes (EBT)</b>	<b>7,649</b>	<b>3,392</b>	<b>(1,635)</b>	<b>9,406</b>
Income tax expense	(1,603)	(494)	(84)	<b>(2,181)</b>
Non-controlling interests	(816)	(276)	(114)	<b>(1,206)</b>
<b>Attributable Net Profit / (Loss)</b>	<b>5,230</b>	<b>2,622</b>	<b>(1,833)</b>	<b>6,019</b>
Other information :				
<b>Turnover</b>	71,690	73,327	10,581	<b>155,598</b>
<b>EBITDA</b>	10,235	5,038	(1,027)	<b>14,246</b>
<b>EBITDA % on Turnover</b>	14.3%	6.9%	-9.7%	<b>9.2%</b>
<b>EBT % on Turnover</b>	10.7%	4.6%	-15.5%	<b>6.0%</b>