



## Consolidated Results 9M15

### Privileged Information

November 5, 2015

### Highlights:

**Turnover: 169.3 M€**  
(158.6 M€ in 9M14)

**EBITDA: 10.5 M€**  
(9.9 M€ in 9M14)

**Net Profit: 4.4 M€**  
(2.0 M€ in 9M14)

**Net Cash: 2.2 M€**  
(6.9 M€ in 12M14)

## Message from the Chairman and CEO Luís Salvado



"The success of Novabase's internationalization strategy is confirmed by these results, in line with our goals for this year.

International business grew 25% and now accounts for 45% of total activity. In Europe, operations increased 55% representing half of the international activity. The services rose 12%, driven by a strong growth in Business Solutions outside Portugal.

EBITDA and Net Profit also showed a positive trend, despite the very challenging environment in the domestic market and the significant international expansion costs. These effects caused a greater pressure in the profitability of Business Solutions. Our cash position deteriorated 5 M€ since the beginning of the year.

Regardless of the adverse and particularly demanding conditions of some markets we operate in, including our domestic market, we are committed towards the accomplishment of our 2015 Guidance. In 2016, internationalization will continue to be our top priority adjusting our targets and resources to the potential and specific circumstances of each market."

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

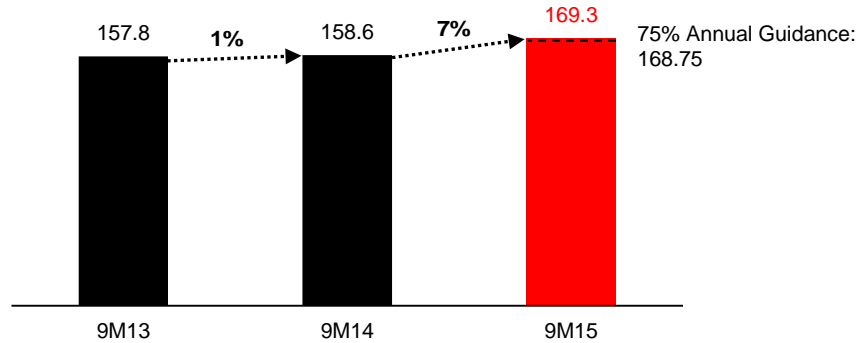
Novabase SGPS, S.A.  
Public Company, Euronext code: NBA.AM  
Registered in TRO of Lisbon and Corporate Tax Payer nº 502.280.182. Share Capital: 15,700,697.00 €. .  
Head Office: Av. D. João II, 34, 1998-031 Lisbon - PORTUGAL



## 1. Key Indicators Evolution

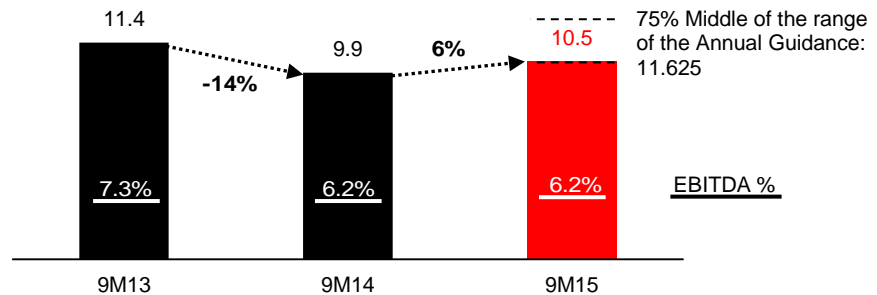
### Turnover (M€)

Turnover shows a 7% rise YoY, and is in line with the annual Guidance. Highlights include the significant international growth (25%).



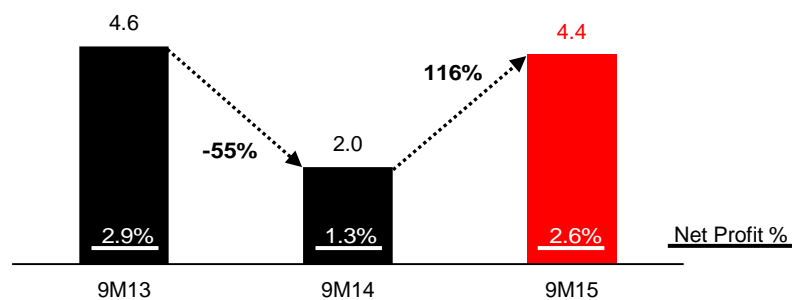
### EBITDA (M€)

EBITDA presents a 6% growth YoY and at the lower end of the annual Guidance.



### Net Profit (M€)

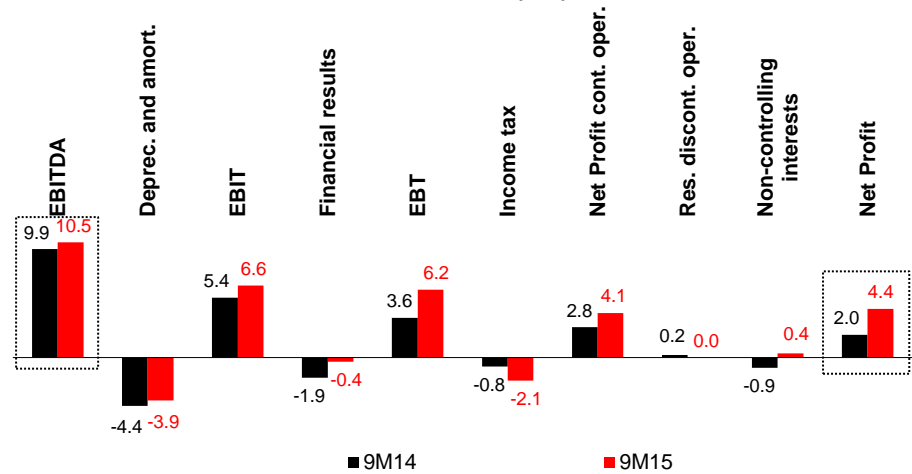
Profitability improved as a result of the measures adopted in the end of 2014.



Earnings per share (EPS) in 9M15 reached 0.14 euros per share, registering an increase of 114% towards the EPS from the previous year of 0.07 euros per share.



### From EBITDA to Net Profit 9M15 Vs 9M14 (M€)



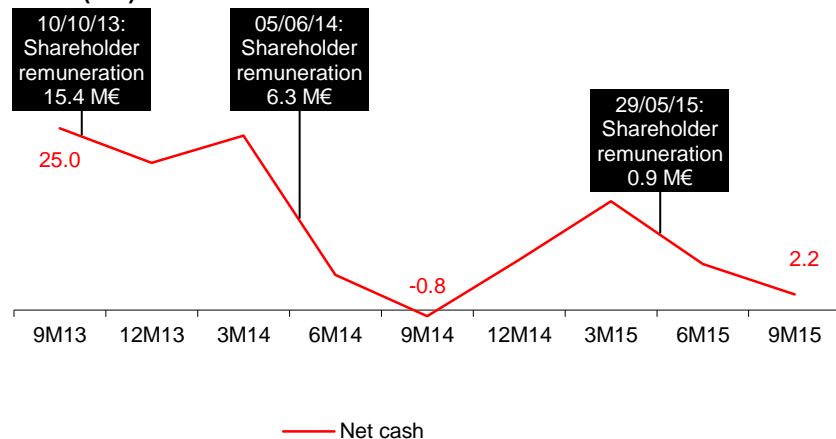
The Financial Results were negative in 0.4 M€, an increase of 1.5 M€, fundamentally based on the foreign exchange differences recorded compared to the same period of last year.

Results from discontinued operations are null in 9M15, compared to 0.2 M€ in 9M14. Note that, that gain reflected the completion of the closure process of the 'Mobility Solutions' area with a value lower than the one provisioned.

Non-controlling interests in 9M15 amounted to 0.4 M€, which compares to -0.9 M€ in 9M14. This variation is mainly due to evolution of the results of international subsidiaries.

### Net Cash (M€)

Cash use of 4.7 M€ in 9M15 includes the payment of dividends to Shareholders and Non-controlling interests.



Novabase ended the 9M15 with 2.2 M€ in net cash, which compares to 6.9 M€ in the 12M14. However, considering the last 12 months, we observed a positive trend, with a generation of 3.0 M€.

On May 29, 2015, Novabase paid its shareholders a total amount of 0.9 M€ (0.03€/share). Additionally, on May 21, 2015, occurred the payment of 0.4 M€ to Non-controlling interests.



## 2. Short Summary of the Activity

Clear progress in terms of international expansion and differentiation of the offerings.

Europe was the continent with greater expression in 9M15, representing half of international business.

New partnerships fall under Novabase's international expansion strategy.

The first nine months of 2015 were marked by a significant increase in international activity, in line with the goals set for the year, and by the growth in services, which now accounts for approximately 3/4 of the total business.

Overall, compared to the same period of last year, Turnover increased by 7%, due to the significant 25% growth in the international business, which now accounts for 45% of the total business (in line with the annual goal of 40-45%). The services continued to rise and its weight is 72% of the total activity. Operationally, it was also registered an improvement, with EBITDA increasing by 6%, reflecting the measures implemented in late 2014 (restructuring aiming to improve competitiveness in the domestic operations and freeing resources to the effort of internationalization).

Given the Guidance, the results of the nine months of 2015 were in line on Turnover, and at the lower end of the EBITDA range.

To highlight that Novabase won several managed services contracts for the European Commission. These contracts, led by Novabase, are included in the framework agreement signed in consortium with another European company.

With regard to new partnerships, Novabase IMS is since the beginning of 2015, Gold partner of EMC, the Storage and Backup market leader in Portugal. In the second quarter, Novabase and OutSystems signed a strategic partnership to offer new joint products and services in the markets where they do business. Likewise, Novabase and SAP strengthened their partnership, to resell SAP products and solutions in Africa. Note that Novabase has been a recognized SAP partner for more than 15 years, and received certification as a SAP Channel Partner in 2013.

In the Venture Capital area, the Venture Capital Fund Novabase Capital Inovação e Internacionalização sold part of its investment in the company Feedzai, in a round of a venture capital investment, led by Oak HC/FT, a leading world venture capital firm in the area of fintech. Feedzai works in the area of data science and is one of the references of innovation in Novabase Capital' portfolio.

Also worthy of note, is the distinction of Novabase with the 2014 Innovation Partner award from IBM, at the National Business Partners' Conference, which acknowledges the work being done by our Financial Services area. Additionally, Novabase IMS has been recognized by Microsoft as Gold Partner, with the Cloud Productivity competency. The subsidiary Collab won the award for "Best Global Customer Satisfaction" Technology company in 2015, at the Portuguese Association of Contact Centers event. On the other hand, Novabase Mozambique has been named Microsoft's "Communications Partner of the Year" for the WECA (West, East and Central Africa) region.



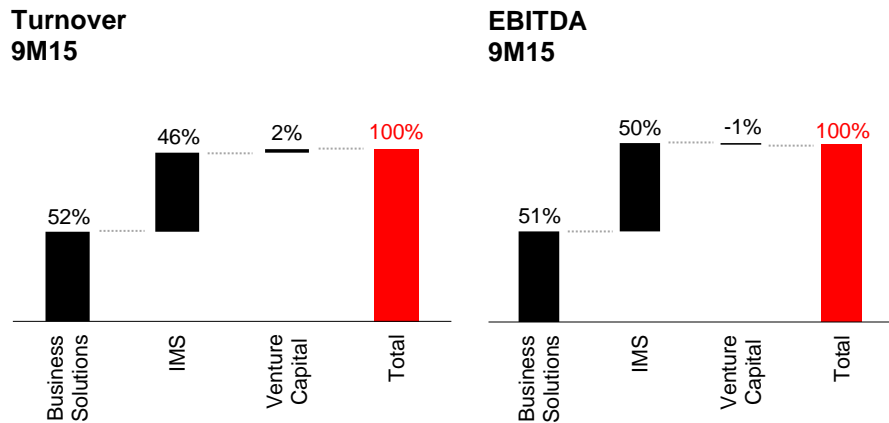


Novabase's focus in innovation materialized in world reference events.

Additionally, Novabase launched MyWizzio in New York, at Finovate Fall 2015. Finovate conferences showcase the latest and the greatest in global fintech and perform high quality networking, gathering over 1000 fintech innovators and financial institutions from all over the world.

Finally, highlight that Novabase was honoured with an “Excellence at Work” award, in the category “large companies” with more than 1000 employees, which distinguish best practices in managing people at companies, by surveying employees.

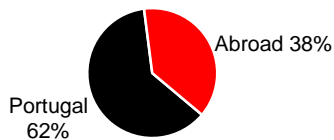
The percentage breakdown of Turnover and EBITDA by the different businesses, in the 9M15, is as follows:



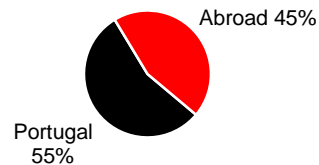
The services rendered increased by 12% in 9M15, in line with Novabase strategy to increase the added value of its offerings.

From the total Turnover, 75.7 M€ were generated outside Portugal, which compares to 60.5 M€ registered in 9M14.

**Turnover by geography 9M14**



**Turnover by geography 9M15**



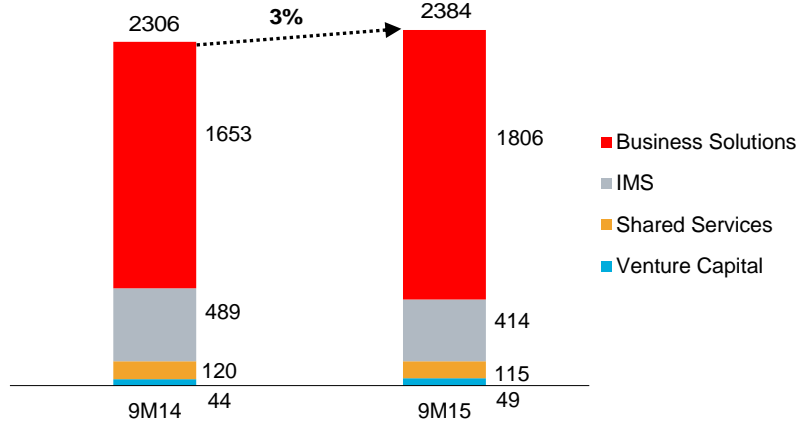
Business outside Portugal generated in the Business Solutions area increased to 53% of the respective Turnover (40% in 9M14). In the IMS business area, the international business in 9M15 remained at 35% and in the Venture Capital area decreased to 62% (66% in 9M14).

Novabase had on average, in the 9M15, 2384 employees, which represents an increase of 3% compared to the 9M14 (2306).



Employee breakdown by business area, in 9M15, is as follows:

**Average Number of Employees**



Average number of employees increased due to international expansion and services growth. Worthy of note is the recruitment of 109 new university graduates through Novabase Academy program.

**Average Number of Employees by geography 9M14**

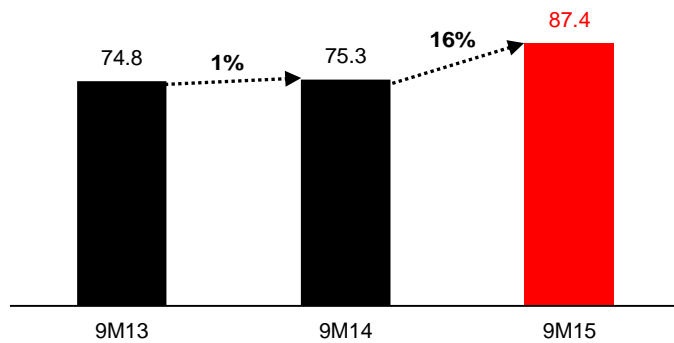


**Average Number of Employees by geography 9M15**



**2.1. Business Solutions**

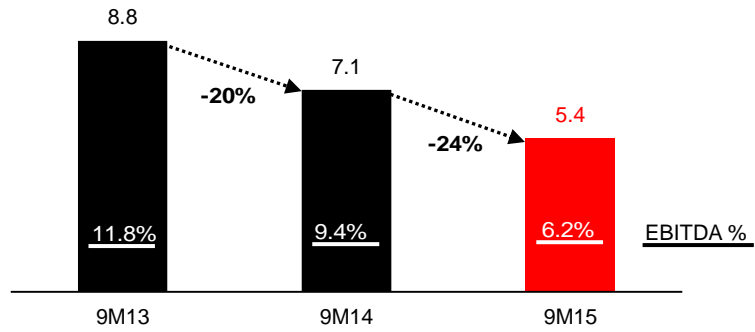
**Turnover Business Solutions (M€)**





**EBITDA Business Solutions (M€)**

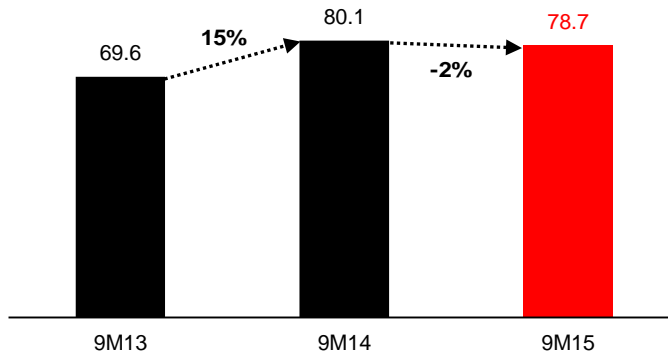
Despite the significant international growth (+54%), BS evolution reflects the costs associated to the international expansion strategy.



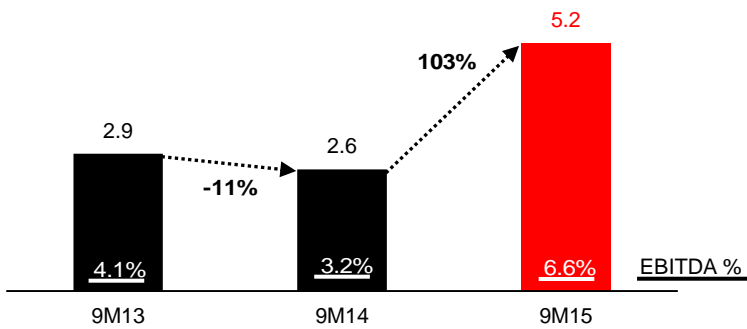
**2.2. Infrastructures & Managed Services**

**Turnover IMS (M€)**

IMS evolution reflects a change in the mix products / services, with services representing over 40% of the total.



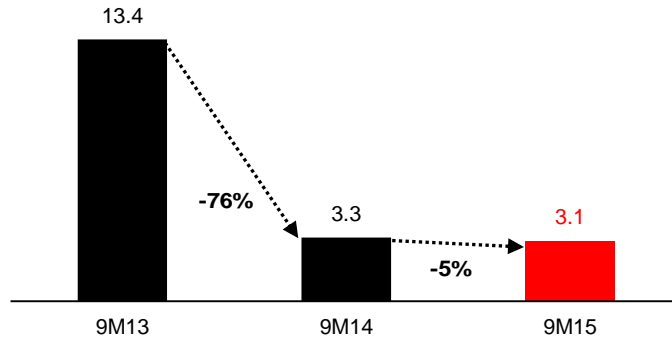
**EBITDA IMS (M€)**





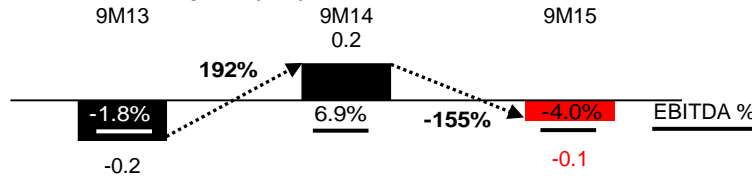
### 2.3. Venture Capital

#### Turnover Venture Capital (M€)



VC area with marginal significance. Evolution typical of the development stage of the investments of the Funds.

#### EBITDA Venture Capital (M€)



## 3. Stock Performance

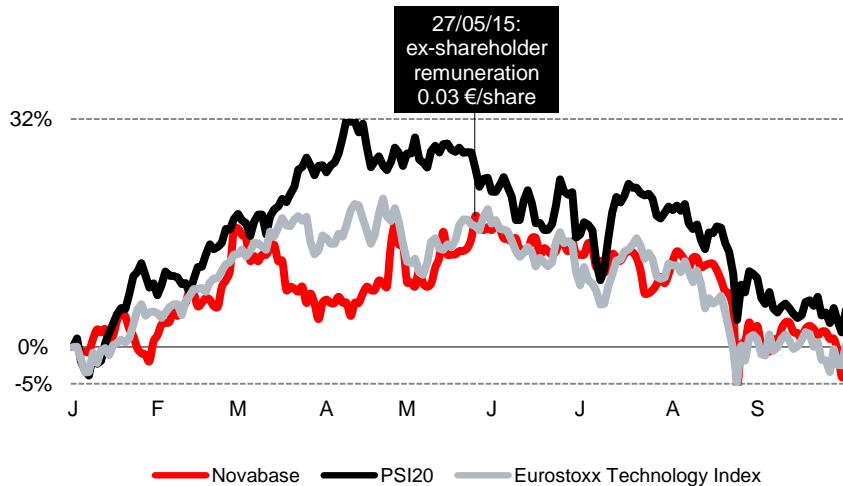
Novabase share price in 9M15 lost 3%, comparing to a 5% gain in the PSI20 Index and a 0.3% gain in the EuroStoxx Technology Index.

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

Also to be noted that, on May 2015, Novabase was chosen to be part of Tech 40, Euronext's international technology index whose purpose is to distinguish innovative listed European companies.



#### Novabase and the Market



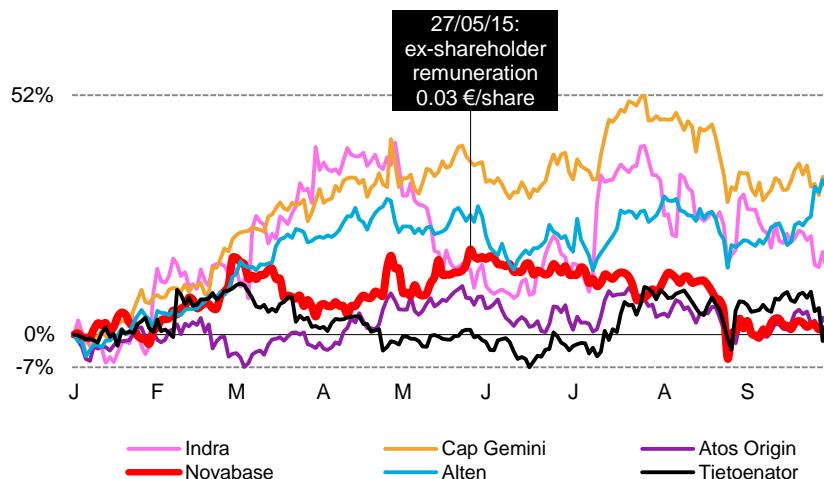
Excluding the shareholder remuneration, Novabase share price would have registered a depreciation of 1.6%.





The evolution of Novabase share prices compared to other companies in the IT sector in Europe, in 9M15, was as follows:

### Novabase and other TMT



Average upside of 54%, according to the analysts who cover Novabase.

The average price target disclosed by the analysts who cover Novabase is 3.32 euros.

Rotation in 9M15 represented 15% of the capital and 4.8 million shares were traded, similar to the values in 9M14 (rotation of 15% of the capital and 4.6 million shares traded).

Summary	3Q15	2Q15	1Q15	4Q14	3Q14
Minimum price (€)	2.100	2.310	2.170	2.090	2.421
Maximum price (€)	2.535	2.619	2.580	2.530	3.520
Volume weighted average price (€)	2.329	2.414	2.337	2.165	3.089
Closing price at the end of the Quarter (€)	2.148	2.500	2.360	2.214	2.421
Nr. of shares traded	573,164	2,848,400	1,344,259	1,324,176	1,417,140
Market cap in the last day (M€)	67.5	78.5	74.1	69.5	76.0

## 4. Outlook 2015

The results of the nine months reflect the success of Novabase' strategic options in internationalization and differentiation of its offerings. Turnover increased, strongly driven by the international business, which now accounts for 45% of total business. Likewise, the weight of services increased to 72%. EBITDA grew by 6%, as a result of the measures implemented in the end of 2014 for the improvement of operating competitiveness.

For the last quarter, we reaffirm the continuity of the strategic focus on international growth. Despite the uncertainty in some of the markets where we operate and the very challenging conditions in the domestic market, we are committed to compliance with the guidance for the FY15.


**Consolidated Statement of Financial Position  
as at 30 September 2015**

	30.09.15	31.12.14
	(Thousands of Euros)	
<b>Assets</b>		
Tangible assets	5,466	5,570
Intangible assets	28,901	30,663
Financial investments	3,351	2,415
Held-to-maturity investments	3,004	-
Deferred income tax assets	15,363	17,228
Other non-current assets	8,410	7,770
<b>Total Non-Current Assets</b>	<b>64,495</b>	<b>63,646</b>
Inventories	8,177	4,943
Trade debtors and accrued income	109,559	103,821
Other debtors and prepaid expenses	15,305	17,242
Derivative financial instruments	61	88
Held-to-maturity investments	1,003	-
Cash and cash equivalents	17,934	20,714
<b>Total Current Assets</b>	<b>152,039</b>	<b>146,808</b>
<b>Total Assets</b>	<b>216,534</b>	<b>210,454</b>
<b>Shareholders' Equity</b>		
Share capital	15,701	15,701
Treasury shares	(6)	(29)
Share premium	43,560	43,560
Reserves and retained earnings	21,802	24,493
Net profit	4,417	3,112
<b>Total Shareholders' Equity</b>	<b>85,474</b>	<b>86,837</b>
Non-controlling interests	9,231	12,431
<b>Total Equity</b>	<b>94,705</b>	<b>99,268</b>
<b>Liabilities</b>		
Bank borrowings	11,905	8,376
Finance lease liabilities	1,519	1,613
Provisions	1,950	3,638
Other non-current liabilities	64	70
<b>Total Non-Current Liabilities</b>	<b>15,438</b>	<b>13,697</b>
Bank borrowings	7,882	5,561
Trade payables	26,962	21,849
Other creditors and accruals	40,302	39,092
Derivative financial instruments	91	1,323
Deferred income	31,154	29,664
<b>Total Current Liabilities</b>	<b>106,391</b>	<b>97,489</b>
<b>Total Liabilities</b>	<b>121,829</b>	<b>111,186</b>
<b>Total Equity and Liabilities</b>	<b>216,534</b>	<b>210,454</b>
Net Cash	2,180	6,903

**Consolidated Income Statement  
for the period of 9 months ended 30 September 2015**

	30.09.15	30.09.14	Var. %
	(Thousands of Euros)		
<b>CONTINUING OPERATIONS</b>			
Sale of goods	46,607	49,576	
Cost of goods sold	(41,148)	(44,862)	
<b>Gross margin</b>	<b>5,459</b>	<b>4,714</b>	<b>15.8 %</b>
<i>Other income</i>			
Services rendered	122,646	109,073	
Supplementary income and subsidies	450	228	
Other operating income	1,209	1,372	
	<b>124,305</b>	<b>110,673</b>	
	<b>129,764</b>	<b>115,387</b>	
<i>Other expenses</i>			
External supplies and services	(50,831)	(41,483)	
Employee benefit expense	(67,582)	(65,185)	
Provisions reversal	517	2,766	
Other operating expenses	(1,407)	(1,633)	
	<b>(119,303)</b>	<b>(105,535)</b>	
<b>Gross Net Profit (EBITDA)</b>	<b>10,461</b>	<b>9,852</b>	<b>6.2 %</b>
Depreciation and amortization	(3,905)	(4,405)	
<b>Operating Profit (EBIT)</b>	<b>6,556</b>	<b>5,447</b>	<b>20.4 %</b>
Financial results	(392)	(1,857)	
<b>Net Profit before taxes (EBT)</b>	<b>6,164</b>	<b>3,590</b>	<b>71.7 %</b>
Income tax expense	(2,114)	(831)	
<b>Net Profit from continuing operations</b>	<b>4,050</b>	<b>2,759</b>	<b>46.8 %</b>
<b>DISCONTINUED OPERATIONS</b>			
<b>Net Profit from discount. operations</b>	<b>-</b>	<b>219</b>	<b>-100.0 %</b>
Non-controlling interests	367	(931)	
<b>Attributable Net Profit</b>	<b>4,417</b>	<b>2,047</b>	<b>115.8 %</b>
<b>Other information:</b>			
Turnover	169,253	158,649	6.7 %
Gross margin from sales %	11.7 %	9.5 %	
EBITDA margin	6.2 %	6.2 %	
EBT % on Turnover	3.6 %	2.3 %	
Net profit % on Turnover	2.6 %	1.3 %	



## Consolidated Income Statement by SEGMENTS for the period of 9 months ended 30 September 2015

(Thousands of Euros)

	Business Solutions	IMS	Venture Capital	NOVABASE
Sale of goods	243	46,364	-	<b>46,607</b>
Cost of goods sold	(122)	(41,026)	-	<b>(41,148)</b>
<b>Gross margin</b>	<b>121</b>	<b>5,338</b>	<b>-</b>	<b>5,459</b>
<b>Other income</b>				
Services rendered	87,205	32,345	3,096	<b>122,646</b>
Supplementary income and subsidies	358	80	12	<b>450</b>
Other operating income	1,097	112	-	<b>1,209</b>
	<b>88,660</b>	<b>32,537</b>	<b>3,108</b>	<b>124,305</b>
	<b>88,781</b>	<b>37,875</b>	<b>3,108</b>	<b>129,764</b>
<b>Other expenses</b>				
External supplies and services	(30,501)	(18,799)	(1,531)	<b>(50,831)</b>
Employee benefit expense	(52,368)	(13,556)	(1,658)	<b>(67,582)</b>
(Provisions) / Provisions reversal	349	185	(17)	<b>517</b>
Other operating expenses	(879)	(503)	(25)	<b>(1,407)</b>
	<b>(83,399)</b>	<b>(32,673)</b>	<b>(3,231)</b>	<b>(119,303)</b>
<b>Gross Net Profit (EBITDA)</b>	<b>5,382</b>	<b>5,202</b>	<b>(123)</b>	<b>10,461</b>
Depreciation and amortization	(2,683)	(1,008)	(214)	<b>(3,905)</b>
<b>Operating Profit (EBIT)</b>	<b>2,699</b>	<b>4,194</b>	<b>(337)</b>	<b>6,556</b>
Financial results	363	(945)	190	<b>(392)</b>
<b>Net Profit / (Loss) before Taxes (EBT)</b>	<b>3,062</b>	<b>3,249</b>	<b>(147)</b>	<b>6,164</b>
Income tax expense	(1,122)	(624)	(368)	<b>(2,114)</b>
Non-controlling interests	123	223	21	<b>367</b>
<b>Attributable Net Profit / (Loss)</b>	<b>2,063</b>	<b>2,848</b>	<b>(494)</b>	<b>4,417</b>
Other information :				
<b>Turnover</b>	87,448	78,709	3,096	<b>169,253</b>
<b>EBITDA</b>	5,382	5,202	(123)	<b>10,461</b>
<b>EBITDA % on Turnover</b>	6.2%	6.6%	-4.0%	<b>6.2%</b>
<b>EBT % on Turnover</b>	3.5%	4.1%	-4.7%	<b>3.6%</b>