

# IMPRESA

## 2018 Results

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## Press Release: IMPRESA Accounts for 2018

### 1. Main highlights

*The accounts of 2018 are compared, up to EBITDA, with the proforma accounts of 2017. These were prepared by excluding the income and expenses that are estimated to be attributable to the portfolio of magazines sold in 2018 (see chapter 4 below) and consider the impact of IFRS 15 and of IFRS 9, as if these had been applied in 2017.*

- In 2018, IMPRESA returned to a positive net profit, having reached 3.1 M€, representing a strong improvement relative to the losses of 2017.
- Consolidated EBITDA came to 18.1 M€, representing a gain of 21.0% in relation to the proforma accounts of 2017.
- It is worth highlighting the good performance of SIC in operating terms, having reached an adjusted EBITDA of 21.3 M€, which represents an increase of 9.6% in relation to the proforma accounts of 2017.
- The total revenues of the IMPRESA Group reached 172.2 M€ in 2018, corresponding to a decrease of 2.2%, and compensated lower operating costs in 4,4%, relative to the proforma accounts of 2017.
- Net remunerated debt reached 179.2 M€ at the end of 2018, representing a year-on-year increase of 0,4% (0.8 M€), due to financing of IMPRESA building expansion project and investment in the new studios.
- SIC ended 2018 with an average share of 17.0%, maintaining its leadership in both commercial targets (A/B CD 15/54 and A/B CD 25/54) during prime time, with a share of 19.8% and 20.4%, respectively.
- At the end of summer 2018, SIC announced the hiring of Cristina Ferreira. “Programa da Cristina” debuted on 7 January, immediately recovering the leadership position in the mornings. In January 2019, SIC reached an audience share of 19.0%, having returned to its leadership position on weekdays, which it had last occupied in March 2015.
- The recovery of SIC's audiences began in October 2018, with the debut of the new programme "Julia", on weekday afternoons, and the entertainment show “Casados à Primeira Vista”, which immediately soared to the leadership position on Sunday nights, and the access to prime time, from Monday to Friday.
- In 2018, SIC Mulher reached a record audience, with a share of 1.0%. SIC Notícias once again stood out as the leading information channel, with a share



of 1.9%, and among the subscription channels it reached a market share of 3.8%, identical to what was registered in 2017.

- SIC concluded a distribution agreement with Comcast, expanding the coverage of SIC International to the entire territory of the USA.
- At the end of 2018, IMPRESA launched the initiative SIC Ventures, with a view to diversifying its sources of revenue. Through SIC Ventures, SIC aims to, in exchange for advertising space, acquire minority stakes in start-ups. The first initiative was the acquisition of the site Volante SIC, and Zaask was the second start-up to be selected.
- EXPRESSO continued to be the best-selling newspaper in Portugal, with an average of more than 86 thousand copies sold, according to data from the APCT with reference to 2018.
- EXPRESSO is also the leading Portuguese publication in paid digital circulation, having sold on average more than 25 thousand copies per edition in 2018.
- In the beginning of 2019, Expresso has changed its traditional plastic bag, for a paper bag, more environment friendly, thus reinforcing its sustainability.

Table 1. Main Indicators (Values in €)	Pro-forma (a)				
	Dec/18	Dec/17	var %	Dec/17	ch %
<b>Total Revenues</b>	<b>172 162 757</b>	<b>176 060 868</b>	<b>-2,2%</b>	<b>201 821 209</b>	<b>-14,7%</b>
Television	145 309 942	150 200 875	-3,3%	153 704 664	-5,5%
Publishing	24 273 158	23 664 091	2,6%	46 170 642	-47,4%
InfoPortugal & Others	2 135 721	2 319 889	-7,9%	2 319 889	-7,9%
Intersegments	443 936	-123 987	n.a	-373 986	n.a
<b>Operating Costs</b>	<b>154 052 740</b>	<b>161 093 598</b>	<b>-4,4%</b>	<b>188 005 778</b>	<b>-18,1%</b>
<b>EBITDA</b>	<b>18 110 017</b>	<b>14 967 269</b>	<b>21,0%</b>	<b>13 815 431</b>	<b>31,1%</b>
EBITDA Margin	10,5%	8,5%		6,8%	
EBITDA Television	20 001 532	17 899 068	11,7%	17 617 403	13,5%
EBITDA Publishing	1 188 370	-105 541	n.a.	-975 714	n.a.
EBITDA Infoportugal & Others	-3 079 885	-2 826 258	9,0%	-2 826 258	9,0%
<b>EBITDA (2) (w/restructuring)</b>	<b>20 192 046</b>	<b>18 909 524</b>	<b>6,8%</b>	<b>19 176 794</b>	<b>5,3%</b>
<b>Net Profit</b>	<b>3 139 284</b>	<b>-</b>	<b>n.a.</b>	<b>-21 654 037</b>	<b>n.a.</b>
<b>Net Debt &amp; Leasings (M€)</b>	<b>179,2</b>	<b>178,4</b>	<b>0,4%</b>	<b>178,4</b>	<b>0,4%</b>

Note: EBITDA = Operating Results + Amortisations and Depreciation + Provisions + Impairment in non-current assets. Net Debt = Loans (ST+MLT) - Cash and Cash Equivalents + Financial Leases. (1) Does not consider Amortisations and Depreciation, Provisions and Impairment Losses in non-current assets. (2) EBITDA adjusted for restructuring costs, with 2,1 M€ in 2018. (a) The proforma accounts of December 2017 were prepared by excluding the revenue and expenses that are estimated to be attributable to the portfolio of magazines sold in 2018 and consider the impact of the adoption of IFRS 15 and IFRS 9, as if these had been applied in 2017.



## 2. Analysis of the Consolidated Accounts

As of January 2018, IFRS 15 was adopted, with reference to the recording of income from contracts with customers. The application of this standard led to a decline in operating income and expenses, by the same amount, for IMPRESA, having had no impact in terms of cash flow. Furthermore, as of 1 January 2018, IFRS 9 was adopted, which had a residual effect on the operating results of 2017, presented for comparative purposes.

In January 2018, the portfolio of magazines was sold to TiN for the agreed amount of 10.2 M€, whose accounting impact was still recorded in the annual accounts of 2017. The proforma consolidated accounts relative to 2017 also reflect this change, up to the operating results item.

The sale is part of the execution of the Strategic Plan for the 2017-2019 period, and the repositioning of IMPRESA's activities to focus principally on audiovisual and digital components.

At the end of 2018, IMPRESA achieved consolidated revenues of 172.2 M€, which represented a 2.2% decline in turnover in relation to the proforma accounts of 2017, with all revenues having fallen in 2018, in consolidated terms, with exception of advertising.

Table 2. Total Revenues (Values in €)	Pro-forma (a)				
	Dec/18	Dec/17	var %	Dec/17	ch %
<b>Total Revenues</b>	<b>172 162 757</b>	<b>176 060 868</b>	<b>-2,2%</b>	<b>201 821 209</b>	<b>-14,7%</b>
Advertising	111 929 215	111 582 074	0,3%	119 275 588	-6,2%
Channel Subscriptions	36 857 597	39 287 723	-6,2%	43 129 491	-14,5%
Circulation	9 326 920	9 603 328	-2,9%	22 910 919	-59,3%
Others	14 049 026	15 587 743	-9,9%	16 505 212	-14,9%

In relation to the proforma accounts of 2017, operating costs at the end of 2018, without considering amortisation, depreciation and impairment losses in non-current assets, fell 4.4%. This positive result came about due to a decrease in programming costs, less IVR activity, as well as lower restructuring costs during 2018.

At the end of 2018, the consolidated EBITDA came to 18.1 M€, a gain of 21.0% in relation to the proforma accounts in the same period of the previous year, with an improvement being recorded in all areas. EBITDA adjusted for restructuring costs came to 20.2 M€, a gain of 6.8% relative to the adjusted proforma accounts in the same period of the previous year.

The volume of amortisations fell 3.6% in 2018, still not reflecting the investment undertaken in the expansion of the IMPRESA building and new studios.

In 2018, the investment in the expansion of the IMPRESA building continued, with the construction of television studios, which will enable the Publishing and Television activities to be brought together in the same building, thus benefiting from inherent synergies and lower operating costs. At the same time, with the construction of the new studios, the entire technological infrastructure of television was renewed. This project was launched in 2016

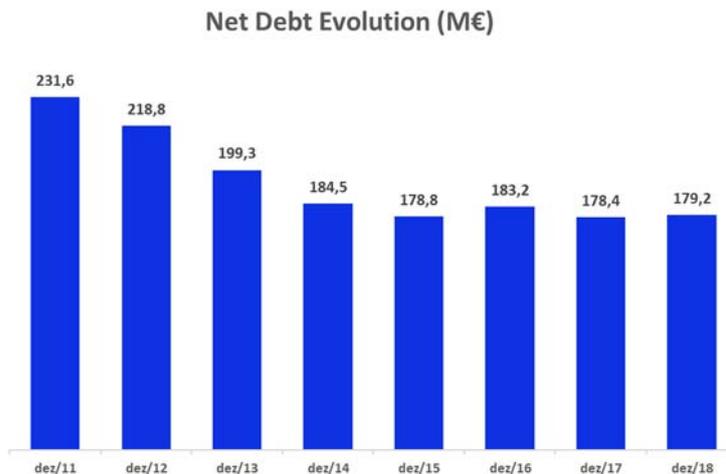


and was concluded at the end of January 2019. On January 27 th, 2019, all SIC channels started to broadcast from the new studios, in the IMPRESA building, in Paço de Arcos.

In June 2018, IMPRESA carried out a financing transaction supported by the IMPRESA building, in Paço de Arcos, involving a 10-year period, in which the amount involved in the operation came to 24.2 M€. In November 2018, IMPRESA reimbursed the outstanding bond loan of 30 M€.

In relation to the financial results, the downward trend seen over the last few years was maintained, with an improvement relative to the previous year. Negative financial results of 5.5 M€ were recorded, which represents a reduction of 18.4% when compared to 2017. Improvements across all lines of activity were registered, namely:

- Financial costs - in spite of the maintenance of the level of debt - fell 10.9%, driven by the fall of the average interest rate over the course of 2018.
- Exchange rate gains were recorded in 2018, in contrast to the losses registered in 2017, an improvement which represented about 0.5 M€.
- Improvement in the results of associated companies, namely VASP, which returned to a positive net income in 2018, and which also includes a positive contribution from LUSA.



In terms of the statement of financial position, net debt including financial leases stood at 179.2 M€ at the end of 2018, i.e. a slight year-on-year increase of 0.8 M€ compared to December 2017. This increase was due to the financing of the project involving the expansion of the IMPRESA building, and to the new studios, having partly benefited from the cash inflow arising from the sale of the magazine portfolio

in 2018. The proceeds of the sale will be received by June 2020.

In the end of 2018, IMPRESA, in consolidated balance sheet, will have 31.6% of financial autonomy ratio.

After a negative net income of 21.6 M€ in 2017, which was particularly affected by the recording of impairments and high restructuring costs, net income in 2018 was positive, having reached 3.1 M€.



<b>Table 3. Profit &amp; Loss</b>					
<b>(Values in €)</b>	<b>Dec/18</b>	<b>Dec/17</b>	<b>var %</b>	<b>Dec/17</b>	<b>ch %</b>
<b>Total Revenues</b>	<b>172 313 302</b>	<b>176 060 868</b>	<b>-2,1%</b>	<b>201 821 209</b>	<b>-14,6%</b>
Television	145 460 364	150 200 875	-3,2%	153 704 664	-5,4%
Publishing	24 273 158	23 664 091	2,6%	46 170 642	-47,4%
InfoPortugal	2 135 721	2 319 889	-7,9%	2 319 889	-7,9%
Intersegments & Outras	444 059	-123 987	n.a.	-373 986	n.a.
<b>Operating Costs (1)</b>	<b>154 312 362</b>	<b>161 093 598</b>	<b>-4,2%</b>	<b>188 005 778</b>	<b>-17,9%</b>
<b>Total EBITDA</b>	<b>18 000 940</b>	<b>14 967 269</b>	<b>20,3%</b>	<b>13 815 431</b>	<b>30,3%</b>
<b>EBITDA margin</b>	<b>10,4%</b>	<b>8,5%</b>		<b>6,8%</b>	
Television	20 001 954	17 899 068	11,7%	17 617 403	13,5%
Publishing	1 078 746	-105 541	n.a.	-975 714	n.a.
Infoportugal & Others	-3 079 760	-2 826 258	9,0%	-2 826 258	9,0%
<b>Total EBITDA (w/ reest) (2)</b>	<b>20 182 969</b>	<b>18 909 524</b>	<b>6,7%</b>	<b>19 176 794</b>	<b>5,2%</b>
<b>EBITDA margin</b>	<b>11,7%</b>	<b>10,7%</b>	<b>0,0%</b>	<b>9,5%</b>	
Depreciation	3 521 332	3 651 544	-3,6%	3 651 544	-3,6%
<b>EBIT</b>	<b>14 479 608</b>	<b>11 315 725</b>	<b>28,0%</b>	<b>10 163 886</b>	<b>42,5%</b>
<b>EBIT Margin</b>	<b>8,4%</b>	<b>6,4%</b>		<b>5,0%</b>	
Financial Results (-)	5 489 985	6 729 500	-18,4%	6 729 500	-18,4%
<b>Res. bef. Taxes &amp; Minorities</b>	<b>8 989 623</b>	<b>4 586 225</b>	<b>96,0%</b>	<b>3 434 386</b>	<b>161,8%</b>
Provisions	2 669 030	386 625	590,3%	-	n.a.
Taxes (IRC)(-)	3 179 660	1 889 101	68,3%	1 888 804	68,3%
<b>Net Profits (w/impairments)</b>	<b>3 140 933</b>	<b>2 310 499</b>	<b>35,9%</b>	<b>1 545 582</b>	<b>103,2%</b>
<b>Impairments (4)</b>	<b>-</b>	<b>23 199 619</b>	<b>n.a.</b>	<b>23 199 619</b>	<b>n.a.</b>
<b>Net Profit</b>	<b>3 140 933</b>	<b>-20 889 120</b>	<b>n.a.</b>	<b>-21 654 037</b>	<b>n.a.</b>

Note: EBITDA = Operating Results + Amortisations and Depreciation + Provisions + Impairment in non-current assets. (1) Does not consider Amortisations and Depreciation, Provisions and Impairment Losses in non-current assets. (2) EBITDA adjusted for restructuring costs. In 2018, a total of 2.1 M€ in compensations was recorded, while in 2017 the value came to 3.9 M€, in terms of proforma accounts. (a) The proforma accounts of December 2017 were prepared by excluding the revenue and expenses that are estimated to be attributable to the portfolio of magazines sold in 2018 and consider the impact of the adoption of IFRS 15 and IFRS 9, as if these had been applied in 2017.

At the end of 2018, IMPRESA launched the initiative SIC Ventures, with a view to diversifying its sources of revenue. Through SIC Ventures, SIC aims to, in exchange for advertising space, acquire minority stakes in start-ups. Following through this initiative, IMPRESA, at the end of 2018, acquire the car web site kbb.pt, in a media-for-equity deal worth 0.36 M€, which has been denominated Volante SIC. Zaask was the second start-up to be selected, with the acquisition of a stake in the company planned for the start of 2019.



### 3. Television - SIC

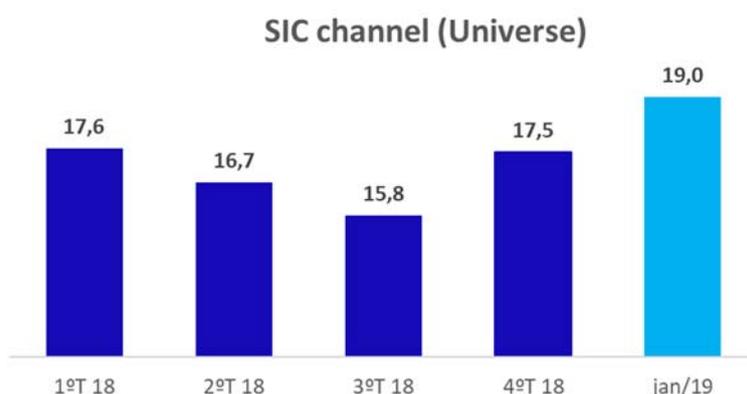
	Table 4. Television Indicators		Pro-forma (a)		
	Dec/18	Dec/17	var %	Dec/17	ch %
<b>Total Revenues</b>	<b>145 309 942</b>	<b>150 200 875</b>	<b>-3,3%</b>	<b>153 704 664</b>	<b>-5,5%</b>
Advertising	97 448 776	98 167 745	-0,7%	98 167 745	-0,7%
Channel Subscriptions	36 857 597	39 287 723	-6,2%	43 129 491	-14,5%
Multimedia	6 474 786	8 412 580	-23,0%	8 074 602	-19,8%
Others	4 528 783	4 332 827	4,5%	4 332 827	4,5%
<b>Operating Costs (1)</b>	<b>125 308 410</b>	<b>132 301 806</b>	<b>-5,3%</b>	<b>136 087 261</b>	<b>-7,9%</b>
<b>EBITDA</b>	<b>20 001 532</b>	<b>17 899 068</b>	<b>11,7%</b>	<b>17 617 403</b>	<b>13,5%</b>
EBITDA (%)	13,8%	11,9%		11,5%	
<b>EBITDA adjusted (2)</b>	<b>21 333 480</b>	<b>19 467 185</b>	<b>9,6%</b>	<b>19 185 519</b>	<b>11,2%</b>
EBITDA (%)	14,7%	13,0%		12,5%	

Note: EBITDA = Operating Results + Amortisations and Depreciation + Provisions + Impairment Losses in non-current assets. (1) Does not consider Amortisations and Depreciation + Provisions + Impairment Losses in non-current assets. (2) EBITDA adjusted for restructuring costs. SIC incorporated 1.3 M€ of restructuring costs in 2018, and 1.5 M€ in 2017. (a) The proforma accounts of 2017, in the television segment, reflect the impact of the adoption of IFRS 15 and of IFRS 9, as if they had been applied in 2017.

In 2018, SIC achieved total revenues of 145.3 M€, which represented a year-on-year decrease of 3.3%, relative to the proforma accounts of 2017. The proforma accounts reflect the impact of the adoption of IFRS 15, as if it had occurred in 2017, having affected channel subscription revenues.

In 2018, advertising revenues reached 97.5 M€, representing a slight decrease of 0.7% in comparison to 2017. Overall, the television advertising market, which includes channels broadcasting in open signal and subscription channels, rose by 0.4% in 2018. In comparison to 2017, advertising revenues were negatively affected by the celebrations of the 25 years of SIC in 2017, whose sponsorship values were unable to be offset in 2018. However, SIC reinforced its market share during 2018, having reached 45.0% of television advertising investment in Portugal.

The gain in market share of advertising investment was possible due to the good performance of the SIC channels in terms of audiences, particularly in the last quarter of 2018, which permitted recovering from the decreases registered in the 2nd and 3rd quarters of 2018.



SIC ended 2018 with an average share of 17.0%, in comparison with 17.6% in 2017, maintaining its leadership position in both commercial targets (A/B CD 15/54 and A/B CD 25/54) for daytime and prime time, amongst generalist channels, with a share of 16.7% and 17.3%, and 19.8% and 20.4%, respectively.



In January 2019, the debut of "Programa da Cristina" on weekday mornings boosted audiences, with SIC leading audiences in the morning and daytime slots, on weekdays and in the universe, since the debut of the new programming grid on 7 January, having reached a share of 19.0% in January 2019.

The good performance of some programmes, namely the debuts as of September 2018, such as the programme "Casados à Primeira Vista", "Jornal da Noite" and the soap opera "Paixão", as well as the debut in the 2nd quarter of the soap opera "Vidas Opostas", leader in both commercial targets since its debut, contributed to the results of the previous year.



- "Casados à Primeira Vista" which debuted at the start of October, quickly reached the leadership position in access to prime time, on weekdays, having achieved an average audience of 22.9% in the universe. Sunday night specials also registered leadership positions with 26.3%.
- "Alma e Coração", which has replaced the soap opera "Paixão", which ended in September 2017, had an average audience share of 21.7%, a poorer performance than previous soap operas in this time slot.
- "Vidas Opostas", in the second prime time slot, which was launched in May 2018 with an average audience share of 21.7%, or nearly 1.0 million viewers.
- "Julia", with a new programming format for the afternoons, marked the launch of the new programming grid in September 2018. The return of Júlia Pinheiro to this time slot achieved a share of 15.6% in the universe, having contributed to the return of SIC to the leadership position in the afternoon time slot.
- "Terra Nossa" marked the return of César Mourão to SIC, and to the prime time of SIC's evenings, which achieved a share of 21.4% in the universe.
- The last few months of 2018 were marked by another return, the comedy specials "Levante-te e Ri", with an average audience of 29.2%, which were among the most successful contents over the course of 2018.

It is also worth highlighting the good performance of the Brazilian soap "Segundo Sol", in prime time, and of the information programmes, with "Jornal da Noite" achieving an average audience share of 19.1%, leaders in both commercial targets.

SIC's subscription channels reached a market share of 3.8% in 2018, 0.1 pp higher year-on-year, after reaching a record value in the 3rd quarter of 2018, with a global audience of 4.1%, due to the good performance of the SIC Mulher and SIC K channels.

SIC Notícias stood out once again as the information channel most preferred by the Portuguese, with a share of 1.9% in 2018. Regarding the other thematic channels, the following are noteworthy: SIC Mulher, with a share of 1.0% - a record for the channel; the increase of SIC K (to 0.3%); the maintenance of SIC Radical (with 0.4%) and of SIC Caras (0.3%).



Subscription revenues generated by SIC's 8 channels distributed over cable and satellite, in Portugal and abroad, fell 6.2% (relative to the proforma accounts) in 2018 to 36.8 M€. This decrease over the course of the year was essentially due to the devaluation of the US dollar, which in turn penalised foreign contracts, registering a sharper decline in the last few months of the year. This last factor stemmed from the entry into force of new distribution contracts: with NOS, MultiChoice and ZAP.

In 2018, SIC continued to expand its international coverage, having concluded in the 1st half of 2018 a distribution agreement with Comcast, expanding the coverage of SIC Internacional to the entire territory of the USA, reaching states such as California, Texas, Virginia or Pennsylvania. At the same time, there was a reinforcement of the coverage of the presence of SIC Internacional and SIC Notícias in Switzerland. Within the scope of contract renewals, the agreement with Multichoice to distribute the children's channel TXILLO (ex-Dstv Kids) was renewed.



Some instability in Multimedia revenues was registered during 2018, mainly due to the discontinuation of some programmes over the course of 2017 and 2018, namely "A Vida nas Cartas", as of September 2017, and "Juntos à Tarde", as of the start of March 2018. As a result, IVR revenues fell 23.0% to 6.5 M€ in 2018. It should be mentioned that IVR revenues reversed the downward trend seen over the last few quarters, having registered an increase of 6.0% in the 4th quarter of 2018.

The introduction of new IVR numbers, allowing calls to be made at a unit value of 1 euro, contributed to this reversal. These new numbers, which were introduced on some programmes during the last few months of 2018, will be extended to all programmes with IVR in 2019.

Other revenues rose 4.5% to 4.5 M€ in 2018. The rise was due to higher non-recurring income along with growing content sales. The recovery in contents sales, which exceeded 1.1 M€ once again in 2018. The entrance in the Middle East Market was marked by the sale of the soap operas "Amor Maior" and "Rainha das Flores" to MBC, and "Rainha das Flores" to Germany, with the latter in a re-edited format for the international market.

The year of 2018 was also marked by a reduction in the operating costs, excluding amortisations, depreciation and impairment losses in non-current assets, of television. There was a decrease of approximately 7 M€, which represented a decrease of 5.3% in relation to the proforma accounts of 2017. This decrease was due to the fall in programming costs - in spite of the investment in the World Cup games, and less IVR activity. In 2018, restructuring costs were still recorded, which came to 1.3 M€, about 0.25 M€ less than in 2017.

The reduction of costs permitted the expansion of EBITDA, in spite of the fall in total revenues. In 2018, adjusted EBITDA reached 21.3 M€, registering an increase of 9.6% in relation to 2017.

It should be mentioned that, on 27 January 27<sup>th</sup>, 2019, SIC began broadcasting from the new studios of the IMPRESA building, in Paço de Arcos, thus completing its investment plan in new facilities and studio renewals, enabling all of the IMPRESA Group's activity to be concentrated in only one building, in Lisbon. This reorganisation of the Group will result in operational savings during 2019 and 2020.



## 4. IMPRESA Publishing

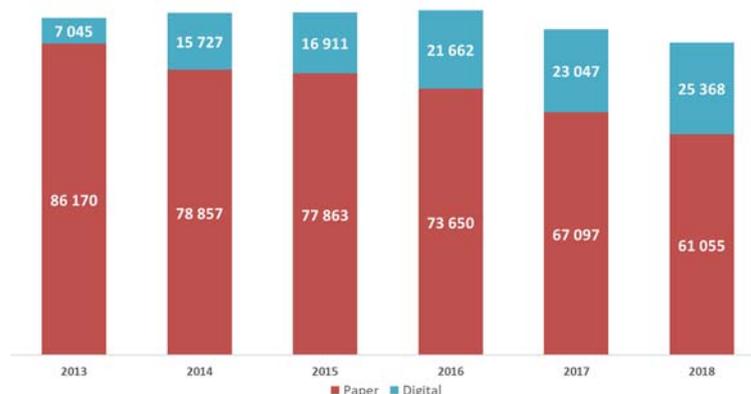
Table 5. Publishing Indicators	Pro-forma (a)				
	Dec/18	Dec/17	var %	Dec/17	ch %
<b>Total Revenues</b>	<b>24 273 158</b>	<b>23 664 091</b>	<b>2,6%</b>	<b>46 170 642</b>	<b>-47,4%</b>
Circulation	9 326 920	9 603 328	-2,9%	22 910 919	-59,3%
Advertising	14 452 584	13 128 178	10,1%	20 821 692	-30,6%
Others	493 655	932 585	-47,1%	2 438 031	-79,8%
<b>Operating Costs (1)</b>	<b>23 084 788</b>	<b>23 769 632</b>	<b>-2,9%</b>	<b>47 146 356</b>	<b>-51,0%</b>
<b>EBITDA</b>	<b>1 188 370</b>	<b>-105 541</b>	<b>n.a</b>	<b>-975 714</b>	<b>n.a</b>
EBITDA (%)	4,9%	-0,4%		-2,1%	
<b>EBITDA adjusted (2)</b>	<b>1 362 188</b>	<b>2 000 587</b>	<b>-31,9%</b>	<b>2 549 523</b>	<b>-46,6%</b>
EBITDA (%)	5,6%	8,5%		5,5%	

Note: EBITDA = Operating Results + Amortisations and Depreciation + Provisions + Impairment Losses in non-current assets. (1) Does not consider Amortisations and Depreciation, Provisions and Impairment Losses in non-current assets. (2) EBITDA adjusted for restructuring costs. In 2018, Publishing incorporated 173.8 thousand euros of restructuring costs, in comparison with 2.1 M€ in 2017 (a) The proforma accounts of 2017 were prepared by excluding the revenue and expenses that are estimated to be attributable to the portfolio of magazines sold in 2018.

The year of 2018 began with the sale of the portfolio of twelve publications and respective brands, such that the Publishing segment now includes the following publications/activities: Expresso, Blitz (which now only has a digital presence, with special paper editions), New Media Solutions (which includes Customer Publishing), Boa Cama Boa Mesa (previously in InfoPortugal) and the commercial management of digital properties not owned by IMPRESA, including, since 2018, the websites Noticias ao Minuto and Zero Zero, in addition to LinkedIn, in Portugal. The operating results presented herein are compared with the proforma accounts relative to 2017.

In 2018, total revenues increased 2.6% relative to the proforma accounts of 2017, to 24.3 M€. This rise was mainly due advertising revenues growth.

Sales EXPRESSO Paper + Digital(no units)



In 2018, circulation revenues fell 2.9% to 9.3 M€, affected by the closure of the paper edition of Blitz magazine, at the end of 2017. In 2018, the paid circulation numbers of the Expresso newspaper fell by about 3.8%, with most of the decline in the number of copies sold being partly offset by the increase in digital sales. Digital sales and subscriptions exceeded 25,500 copies at the end of 2018, having increased about 11% in the previous

year. The increase of the contribution of digital revenues, which in 2018 represented 14.7% of total circulation revenues, is noteworthy. The increase in the cover price of Expresso to 3.80 € during the 2nd quarter of 2018 is also noteworthy.



Advertising revenues reached 14.4 M€ in 2018, which represents an increase of 10.1% when compared to the proforma figures of the same period of 2017. It is important to point out the strong contribution of the digital segment, which increased about 28.6% in 2018, to these good results.



The sales of brand extension products rose with the contribution of the guides Boa Cama Boa Mesa and books of the Expresso collection.

Other revenues reached 0.5 M€, a gain in 2018, impacted by non-recurring events.

The operating costs declined by 2.9%. The end of 2018 was penalised by restructuring costs of about 173 thousand euros, but substantially less than what was recorded in 2017.

Consequently, in accumulated terms in 2018, the combined performance of operating revenues and costs, excluding amortisations, depreciation, provisions and impairment losses in non-current assets, resulted in an EBITDA of 1.2 M€, in comparison with the negative value recorded in 2017. Without restructuring costs, EBITDA reached 1.4 M€, representing a decrease of 31.9% relative to the adjusted EBITDA of the proforma accounts of 2017.





## 5. IMPRESA Other

	Table 6. IMPRESA Others Indicators		Pro-forma (a)		
	Dec/18	Dec/17	var %	Dec/17	ch %
<b>Total Revenues</b>	<b>2 579 657</b>	<b>2 195 902</b>	<b>17,5%</b>	<b>1 945 903</b>	<b>32,6%</b>
InfoPortugal	2 135 721	2 319 889	-7,9%	2 319 889	-7,9%
Intersegments & Others	443 936	-123 987	n.a	-373 986	n.a
<b>Operating Costs (1)</b>	<b>5 659 542</b>	<b>5 022 160</b>	<b>12,7%</b>	<b>4 772 161</b>	<b>18,6%</b>
<b>EBITDA</b>	<b>-3 079 885</b>	<b>-2 826 258</b>	<b>9,0%</b>	<b>-2 826 258</b>	<b>9,0%</b>
<b>EBITDA adjusted (2)</b>	<b>-2 503 622</b>	<b>-2 558 248</b>	<b>-2,1%</b>	<b>-2 558 249</b>	<b>-2,1%</b>

Note: EBITDA = Operating Results + Amortisations and Depreciation + Provisions + Impairment Losses in non-current assets. (1) Does not consider Amortisations and Depreciation, Provisions and Impairment Losses in non-current assets. (2) EBITDA adjusted for restructuring costs. (a) The proforma accounts of 2017, in the Others segment, reflect the impact of the adoption of IFRS 15 and IFRS 9, as if these had been applied in 2017. In 2018, 614.7 thousand euros of restructuring costs were recorded, while in 2017 restructuring costs reached 268 thousand euros.

This segment includes the management and financial costs of the IMPRESA holding company and also includes the operating activities of Infoportugal, a company dedicated to information technologies and content production, namely aerial photography, cartography and geo-referenced contents, and the operation of the photography website and of the Olhares Academy. Relative to 2017, the activity related to Boa Cama Boa Mesa was transferred to the Publishing segment.

In 2018, the total revenues of InfoPortugal fell 7.9% in relation to the previous year, having reached 2.1 M€. The transfer of the Boa Cama Boa Mesa project from the InfoPortugal universe to the Publishing universe justifies this reduction. Despite the fall in turnover, EBITDA grew 25%, reaching a margin of 17.6%.



During 2018, the editorial area registered a good performance, with the growth of the EPG (Electronic Programming Guide) service for the main national operators and some international customers, and at the end of the year important points of interest supply contracts, also for international customers, were concluded. The Aerial Photography and Cartography area registered a fall in turnover, penalised by the malfunction of InfoPortugal's plane.

In the meantime, an important project was awarded, involving the production of cartography for the Intermunicipal Community of Alto Alentejo, which began at the end of 2018 and will continue into next year. The R&D area more than doubled its turnover in 2018, the focus on the development of technology based on Augmented Reality, Artificial Intelligence and Computer Vision will enable significant advancements to be made in the cartography and geographic information systems area, as well as in the services provided by InfoPortugal.





Finally, for the second consecutive year, the “World’s Leading Tourism Authority Website” award was attributed by “World Travel Awards” to the website [www.visitportugal.com](http://www.visitportugal.com) developed by InfoPortugal, for Turismo de Portugal.

In terms of consolidated results, the EBITDA of this segment was negative by 3.1 M€ in 2018, presenting a decline of 9.0% in comparison with the same period of 2017, penalised by restructuring costs.



## 6. Prospects

The IMPRESA Group returned to a positive net income in 2018. The completion of the investment in the new studios in Paço de Arcos, and the consequent concentration of all the Group's activities in one building, and more competitive programming grid, which will permit the IMPRESA Group to increase its profitability and continue to reduce its interest-bearing liabilities.

Lisbon, February 28<sup>th</sup>, 2019

On behalf of the Board of Directors

José Freire  
Investor Relations Director  
[www.impresa.pt](http://www.impresa.pt)



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

CONSOLIDATED BALANCE SHEET Dec 2018

(Values in Euros)

<u>ASSETS</u>	<u>Dec 31th 2018</u>	<u>Dec 31st 2017 (pro-forma)</u>
<b>NON CURRENT ASSETS</b>		
Goodwill	268 622 821	268 622 821
Other intangible assets	159 523	313 863
Tangible fixed assets	42 157 742	29 882 242
Financial investments	4 040 066	3 614 521
Investment properties	1 478 489	1 478 489
Program Rights	2 586 358	4 959 298
Deferred Taxes	1 790 735	1 605 884
Other non current assets	5 086 515	5 567 277
<b>Total Non Current Assets</b>	<b>325 922 249</b>	<b>316 044 395</b>
<b>CURRENT ASSETS</b>		
Program Rights	15 264 200	12 778 402
Inventory	504 724	355 302
Customers - current account	32 370 747	36 258 860
Other receivables	9 813 192	5 195 594
Cash and equivalents	9 639 108	3 824 133
<b>Total Current Assets</b>	<b>67 591 971</b>	<b>58 412 291</b>
Non Current Assets to be sold	3 200 000	13 845 466
<b>TOTAL ASSETS</b>	<b>396 714 220</b>	<b>388 302 152</b>
<b>EQUITY, MINORITIES AND LIABILITIES</b>		
<b>EQUITY</b>		
Capital	84 000 000	84 000 000
Share issue premiums	36 179 272	36 179 272
Legal reserve	2 001 797	2 001 797
Retained earnings and other reserves	60 378	21 774 666
Consolidated net profit	3 139 284	(21 590 996)
<b>Equity of IMPRESA shareholders</b>	<b>125 380 731</b>	<b>122 364 739</b>
Equity of minority interests		
<b>Total Equity Funds</b>	<b>125 380 731</b>	<b>122 364 739</b>
<b>LIABILITIES</b>		
<b>NON CURRENT LIABILITIES</b>		
Loans	98 931 373	83 506 647
Provisions for risk and charges	7 078 308	4 502 402
Deferred Taxes	255 082	339 650
Suppliers payables	2 026 823	
<b>Total Non Current Liabilities</b>	<b>108 291 586</b>	<b>88 348 699</b>
<b>CURRENT LIABILITIES</b>		
Loans	89 879 559	98 742 384
Suppliers payables	32 880 943	32 035 967
Deferred Taxes	1 004 271	1 324 841
Other current liabilities	39 277 130	43 554 780
<b>Total Current Liabilities</b>	<b>163 041 903</b>	<b>175 657 972</b>
Liabilities relative non Current Assets being sold		1 930 741
<b>TOTAL EQUITY, MINORITIES AND LIABILITIES</b>	<b>396 714 220</b>	<b>388 302 151</b>



IMPRESA - SOCIEDADE GESTORA DE PARTICIPAÇÕES SOCIAIS, S.A. and SUBSIDIARIES

CONSOLIDATED PROFIT & LOSS ACCOUNTS

(Values in Euros)

	IAS Dec 31th 2018	IAS Dec 31th 2017 (re-expressed)
	<u>2018</u>	<u>2017 (re-expressed)</u>
<u>Total revenues</u>		
Goods	9 841 484	24 012 138
Services rendered	160 304 765	173 162 319
Other revenues	2 016 508	1 142 296
Total revenues	<u>172 162 757</u>	<u>198 316 753</u>
<u>Operating costs</u>		
Cost of goods sold	(73 756 113)	(80 691 513)
External supplies	(35 838 956)	(46 965 634)
Personnel	(43 057 546)	(53 073 972)
Depreciation	(3 521 332)	(3 651 545)
Provisions and Impairments	(2 778 232)	(23 886 666)
Other operating costs	(1 400 124)	(3 020 115)
Total operating costs	<u>(160 352 303)</u>	<u>(211 289 445)</u>
Operating results	<u>11 810 454</u>	<u>(12 972 692)</u>
<u>Financial results</u>		
Gain & losses in associated companies	430 544	126 627
Other financial revenues	465 233	315 492
Interest and other financial costs	(6 387 286)	(7 171 619)
Results before taxes	<u>(5 491 509)</u>	<u>(6 729 500)</u>
Income tax	6 318 945	(19 702 192)
Income tax	(3 179 661)	(1 888 804)
Consolidated net profit	<u>3 139 284</u>	<u>(21 590 996)</u>
Due to:		
Main shareholders	3 139 284	(21 590 996)