



RESULTS

1st QUARTER

2019

IMPRESA – SGPS, S.A.

Sociedade Aberta

Capital Social Eur 84.000.00

Rua Ribeiro Sanches, 65,

1200-787 Lisboa

NIPC 502 437 464



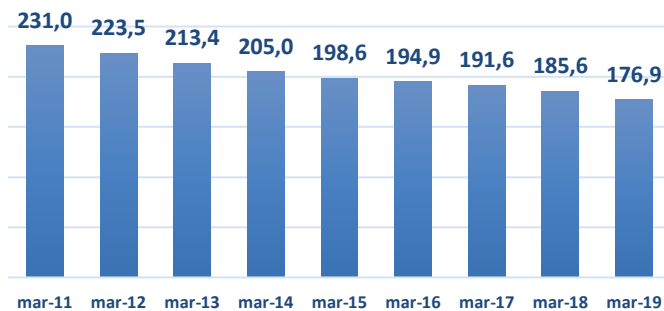
IMPRESA Accounts of the 1st quarter 2019

- ✓ SIC returns to its top spot as audience leader
- ✓ EXPRESSO continues to be the best selling newspaper
- ✓ EBITDA IMPRESA jumps 18.3%
- ✓ Debt falls €8.7m

1. Main financial

1.1. highlights

- The consolidated EBITDA of the 1st quarter of 2019 reached a positive value of €2.3m, which represents an improvement of 18.3% relative to the positive EBITDA of €1.9m recorded in the same period of 2018.
- Net income in the 1st quarter was negative at €1.2m, having fallen €0.6m relative to the same quarter of the previous year. This performance was the result of a 100.7% increase in depreciation to €1.8m, due to the expansion of the IMPRESA building and the investment in technology in the new studios.



- Net remunerated debt fell €8.7m year-on-year to €176.9m (considering the lease liabilities recorded as a result of the application of IFRS 16 in the 1st quarter of 2019).

- The total revenues of the IMPRESA Group reached €40.8m, an increase of 4.8% relative to the turnover of the 1st quarter of 2018. An increase in advertising revenues (+4.8%) contributed to this result.
- The improvement in the operational performance of SIC is noteworthy, having reached an EBITDA of €3m, representing an increase of 16.7% in relation to the EBITDA adjusted for restructuring costs registered in the 1st quarter of 2018.



(values in Euros)	março 19	março 18	var %
Total Revenues	40.769.708	38.914.329	4,8%
Television	34.157.521	32.384.021	5,5%
Publishing	5.865.812	5.815.433	0,9%
Infoportugal	686.329	609.362	12,6%
Intersegments & Others	60.046	105.513	-43,1%
Operating Costs (1)	38.517.832	37.010.565	4,1%
EBITDA	2.251.876	1.903.764	18,3%
EBITDA Margin	5,5%	4,9%	
EBITDA Television	3.012.455	2.480.374	21,5%
EBITDA Publishing	-267.567	31.926	-938,1%
EBITDA Infoportugal & Others	-493.011	-608.536	19,0%
EBITDA (2)	2.591.948	2.015.861	28,6%
Net Profits	-1.211.547	-632.789	-91,5%
Net Debt (M€)	176,9	185,6	-4,7%

Notes:

EBITDA = Operating Results + Amortisations and Depreciation + Provisions + Impairment in non-current assets.

Net Debt (*) = Loans (ST+MLT) - Cash and Cash Equivalents + Leases.

(*) Considers the lease liabilities in the amount of €1,526,431 recorded in the 1st quarter of 2019 as a result of the application of IFRS 16.

(1) Does not consider Amortisations and Depreciation, Provisions and Impairment Losses in non-current assets.

(2) EBITDA adjusted for restructuring costs.

1.2. Audiovisual

- SIC returned to its top spot as audience leader in the universe of generalist channels from February onwards, a feat which had not been achieved in more than twelve years, having ended the 1st quarter of 2019 occupying the leading position among all the channels, with an average share of 19.2%, in terms of consolidated data, ahead of its main competitor by a distance of 1.1%.
- SIC maintained its leadership of the main commercial targets (A/B C D 15/54 and A/B C D 25/54) in the universe of generalist channels, with shares of 19.9% and 20.3%, respectively.
- SIC's set of generalist and thematic channels ended the 1st quarter of the year in the leading position with a market share of 22.8%, 1.7 pp higher year-on-year.

1.3. Publishing

- The EXPRESSO continued to be the best selling newspaper in Portugal, with an average of about 85 thousand copies sold, according to data from the APCT with reference to the period covering January to February 2019.
- The EXPRESSO is also the Portuguese leader in paid digital circulation, selling an average of more than 25 thousand copies per edition.



2. Analysis of the Consolidated Accounts

(values in Euros)	março 19	março 18	var %
Total Revenues	40.769.708	38.914.329	4,8%
Television	34.157.521	32.384.021	5,5%
Publishing	5.865.812	5.815.433	0,9%
Infoportugal & Others	686.329	609.362	12,6%
Intersegments	60.046	105.513	-43,1%
Operating Costs (1)	38.517.832	37.010.565	4,1%
Total EBITDA	2.251.876	1.903.764	18,3%
EBITDA Margin	5,5%	4,9%	
Television	3.012.455	2.480.374	21,5%
Publishing	-267.567	31.926	-938,1%
Infoportugal & Others	-493.011	-608.536	19,0%
Total EBITDA (2)	2.591.948	2.015.861	28,6%
EBITDA Margin (2)	6,4%	5,2%	
Depreciation	1.807.403	900.503	100,7%
EBIT	444.473	1.003.261	-55,7%
EBIT Margin	1,1%	2,6%	
Financial Results	-1.639.345	-1.480.394	-10,7%
Res. Bef Taxes & Minorities	-1.194.872	-477.133	-150,4%
Provisions	85.500	70.500	21,3%
Income Tax (IRC)(-)	-68.825	85.156	-180,8%
Net Profit	-1.211.547	-632.789	-91,5%

Notes:

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 the 1st quarter of 2019, IMPRESA reached consolidated revenues of €40.8m, which represented a 4.8% increase in turnover relative to the 1st quarter of 2018.

The following should be noted relative to business in the 1st quarter of 2019:

- 3.7% increase in advertising revenues, driven by the digital area and the growth of advertising in SIC.
- 7.4% increase in sales of paper and digital publications.
- 8.7% decrease in channel subscription revenues.
- 41.5% increase in other revenues, especially in those related to IVRs and to the business generated by InfoPortugal.



Total Revenues (values in Euros)	março 19	março 18	var %
Total Revenues	40.769.708	38.914.329	4,8%
Advertising	23.743.746	22.893.402	3,7%
Channel Subscription	8.873.619	9.717.714	-8,7%
Circulation	2.417.202	2.251.144	7,4%
Other revenues	5.735.142	4.052.069	41,5%

In the 1st quarter of 2019, operating costs, without considering amortisations, depreciation, provisions and impairment losses in non-current assets, increased 4.1% year-on-year. This difference results from the growth in IVR-related business.

Consolidated EBITDA was positive by €2.3m, up 18.3% relative to the same period of 2018, when EBITDA came to €1.9m.

EBITDA (2), adjusted for compensations, was positive by €2.6m, up 28.6% (+ €0.6m) year-on-year.

The volume of amortisations and depreciation increased (+100.7%) to €1.8m. The expansion project of the IMPRESA building was concluded in January 2019.

Negative financial results of €1.6m were registered.

Net income at the end of the 1st quarter of 2019 came to €1.2m.

Net remunerated debt fell €8.7m year-on-year to €176.9m.



3. SIC

(values in Euros)	março 19	março 18	var %
Total Revenues	34.157.521	32.384.021	5,5%
Advertising	20.803.642	19.947.841	4,3%
Channel Subscriptions	8.873.619	9.717.714	-8,7%
Multimedia	3.407.970	1.720.215	98,1%
Other revenues	1.072.291	998.252	7,4%
Operating Costs (1)	31.145.067	29.903.647	4,2%
EBITDA	3.012.455	2.480.374	21,5%
EBITDA Margin (%)	8,8%	7,7%	
EBITDA (2)	3.012.739	2.581.188	16,7%
EBITDA Margin (2) (%)	8,8%	8,0%	

Notes:

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 the 1st quarter of 2019, SIC reached total revenues of €34.2m, representing an increase of 5.5%, as a result of the good performance observed in all lines of revenue, with the exception of channel subscriptions.

Advertising revenues reached €20.8m, up 4.3% in comparison with the 1st quarter of 2018.

Subscription revenues generated by the 8 SIC channels, distributed over cable and satellite, in Portugal and abroad, fell 8.7% in the 1st quarter of 2019 to €8.9m. This decrease was essentially due to the negotiation of national contracts and the end of international contracts.

IVR revenues grew 98.1%, reaching €3.4m, as a result of alterations to the programming grid of SIC's generalist channel.

Operating costs increased 4.2%, mainly due to the increase in IVR revenues.

The increase in operating costs (€1.2m) was offset by the total increase in revenues (€1.8m), which led to a 21.5% increase in EBITDA and a 16.7% increase in EBITDA adjusted for compensations.



3.1. Audiences

An historic change took place in the leadership of audiences in Portugal , with SIC having ended the 1st quarter of 2019 as audience leader, in the universe of generalist channels, with an average share of 19.2%, in terms of consolidated data, up 1.6 pp year-on-year.

SIC maintains its leadership of the main commercial targets (A/B C D 15/54 and A/B C D 25/54) during prime time, with shares of 19.9% and 20.3%, respectively.

The following programmes contributed to these good results:

- o "Programa da Cristina" and "Olhó Baião!" which allowed SIC to reconquer its leadership position on weekday and weekend mornings,
- o "Julia" and "Linha Aberta" which consolidated their leadership positions in the afternoons,
- o "Quem Quer Namorar com o Agricultor?" which allowed SIC to reconquer its leadership position in Sunday prime time and in the 19:00 broadcast block during the week,
- o The combined performance of the information news programmes ("Primeiro Jornal" and "Jornal da Noite"), leading audiences in the SIC universe, also contributed to the good results of the station.

SIC's set of generalist and thematic channels ended the 1st quarter of the year in the leading position with a market share of 22.8%, 1.7 pp higher year-on-year.

In the commercial targets (A/B C D 15/54 and A/B C D 25/54), SIC's set of channels ended the quarter in the leading position, with shares of 23.2% and 24.0%, respectively.

SIC's subscription channels reached a market share of 3.6%, 0.1 pp higher year-on-year.

SIC Notícias stood out once again as the leading information channel, with a share of 1.7%.

Regarding the other thematic channels, SIC Mulher reached a market share of 1.0%, SIC Radical and SIC K increased their market share, reaching 0.4% and 0.3%, respectively, whilst SIC Caras maintained the market share (0.3%) registered in the 1st quarter of 2018.



4. IMPRESA Publishing

(values in Euros)	março 19	março 18	var %
Total Revenues	5.865.812	5.815.433	0,9%
Circulation	2.417.202	2.251.144	7,4%
Advertising	2.937.272	2.940.072	-0,1%
Associated products	110.843	141.362	-21,6%
Other revenues	400.494	482.855	-17,1%
Operating Costs (1)	6.133.379	5.783.507	6,0%
EBITDA	-267.567	31.926	-938,1%
EBITDA Margin (%)	-4,6%	0,5%	
EBITDA (2)	62.609	42.987	45,6%
EBITDA Margin (2) (%)	1,1%	0,7%	

Notes:

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.

Total revenues increased 0.9%, relative to the 1st quarter of 2018, to €5.9m. The main contributing factor to this positive performance was circulation revenues.

Circulation revenues increased 7.4% to €2.4m, affected by the increase of the newspaper Espresso's retail selling price. On the positive side, there is also the digital subscription revenues of Espresso, which grew at a rate of more than 12.6%, in comparative terms, in the 1st quarter, representing 15.9% of total circulation revenues.

Advertising revenues reached €2.9m, having remained steady in relation to the same quarter of the previous year. In addition to the increase in paper advertising revenues, the digital segment made a strong contribution to this result, with an increase of approximately 12.0% in digital advertising revenues, which now represent 31.6% of the total advertising revenues of the Publishing area.

The continued focus on digital formats is reflected in the total advertising and circulation revenues, currently representing 25.3% of the total turnover of the Publishing area.

The sales of brand extension products are lower relative to the 1st quarter of 2018 due to the 2019 edition of the "Boa Cama Boa Mesa" guide, which was published in April, whereas in 2018 it was published in March.

The 6% growth in operating costs is due to compensations costs incurred in the 1st quarter of 2019.

The combined performance of operating revenues and costs, without the recording of restructuring costs, resulted in a positive EBITDA, which reached 63 thousand euros, twenty thousand euros more than in the 1st quarter of 2018.



5. IMPRESA Other

(values in Euros)	março 19	março 18	var %
Total Revenues	746.375	714.875	4,4%
Infoportugal	686.329	609.362	12,6%
Intersegments & Others	60.046	105.513	-43,1%
Operating Costs (1)	1.239.386	1.323.410	-6,3%
EBITDA	-493.011	-608.536	19,0%

Notes:

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 the 1st quarter of 2019, the strong growth of aerial photography projects and new content supply contracts continued, permitting Infoportugal to reach operating revenues of €0.7m, representing an increase of 12.6% year-on-year.

In terms of consolidated results, the EBITDA of this segment was negative by €0.5m, representing nonetheless a year-on-year improvement of approximately 19.0%.

6. Awards

- Personality Award, attributed by the American Chamber of Commerce, within the scope of the AmCham's Tributes – Francisco Pinto Balsemão, due to the success of SIC's internationalisation
- "Five Stars" 2019 Award in the categories:
 - "Information Channel" - SIC Notícias
 - "Journalism" - Rodrigo Guedes de Carvalho
 - "Career Award" - Cristina Ferreira
 - "Weekly Newspapers" - Expresso
- Portuguese Society of Authors Award - Isable Osório, "Grande Reportagem" 'The 25 Years of the Associação Abraço (Embrace Association)'
- W2018 Awards - Category of Television Reporting "Event of the Year" - Lúcia Gonçalves, Vintage Families
- Best Environment Journalist of the Decade of the 'All Ladies League - Women Economic Forum 2019' – Carla Castelo
- Best Information Programme Award - Author Awards 2019 - Miriam Alves, "Grande Reportagem" 'The Misunderstanding: The diseases we call cancer'
- LinkedIn Marketing Culture and Values Award in Partner Connect London 2019 - Carlos Prazeres and Cláudio Casquinha



7. Prospects

In 2019, in compliance with the strategic plan, the company's will seek to improve results, in terms of revenue growth and greater and improved operational efficiency, with a view to increasing EBITDA and net income, while also maintaining a focus on debt reduction, in order to improve IMPRESA's net debt/EBITDA ratio.

Lisbon, 2 May 2019

On behalf of the Board of Directors

Cristina Barroso
Management Control and Strategic Execution Director

Paulo Miguel dos Reis
Investor Relations Director

www.impresa.pt

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

CONSOLIDATED CONDENSED STATEMENTS OF FINANCIAL POSITION

AS OF MARCH 31, 2019 AND DECEMBER 31, 2018

(Amounts stated in Euros)

ASSETS	March 31, 2019	December 31, 2018
<u>NON-CURRENT ASSETS:</u>		
Goodwill	268.622.821	268.622.821
Intangible assets	131.110	159.523
Tangible fixed assets	44.603.416	42.157.742
Investments	4.216.621	4.040.066
Investment properties	1.478.489	1.478.489
Program broadcasting rights	2.645.997	2.586.358
Other non-current assets	4.137.016	5.086.515
Deferred tax assets	1.803.934	1.790.735
Total non-current assets	327.639.404	325.922.249
<u>CURRENT ASSETS:</u>		
Program broadcasting rights and inventories	13.557.761	15.768.924
Trade and other receivables	34.426.107	32.370.747
Other current assets	9.712.439	9.813.192
Cash and cash equivalents	4.836.329	9.639.108
Total current assets	62.532.636	67.591.971
Current assets classified as held for sale	-	3.200.000
TOTAL ASSETS	390.172.040	396.714.220
<u>EQUITY AND LIABILITIES</u>		
<u>EQUITY:</u>		
Share capital	84.000.000	84.000.000
Share premium	36.179.272	36.179.272
Legal reserve	2.001.797	2.001.797
Retained earnings and other reserves	3.199.662	60.378
Consolidated net profit/(loss) for the period	(1.211.547)	3.139.284
TOTAL EQUITY	124.169.184	125.380.731
<u>LIABILITIES:</u>		
<u>NON-CURRENT LIABILITIES:</u>		
Bank borrowings	97.393.161	98.931.373
Provisions	7.063.807	7.078.308
Deferred tax liabilities	255.082	255.082
Trade and other payables	2.430.062	2.026.823
Total non-current liabilities	107.142.112	108.291.586
<u>CURRENT LIABILITIES:</u>		
Bank borrowings	84.378.391	89.879.559
Trade and other payables	31.215.796	32.880.943
Current tax liabilities	903.503	1.004.271
Other current liabilities	42.363.054	39.277.130
Total current liabilities	158.860.744	163.041.903
TOTAL LIABILITIES	266.002.856	271.333.489
TOTAL EQUITY AND LIABILITIES	390.172.040	396.714.220

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

CONSOLIDATED CONDENSED STATEMENTS OF PROFIT AND LOSS AND OTHER COMPREHENSIVE INCOME

OF THE QUARTERS ENDED ON MARCH 31, 2019 AND 2018

(Amounts stated in Euros)

	<u>2019</u>	<u>2018</u>
<u>OPERATING REVENUE</u>		
Services rendered	37.604.057	36.499.635
Sales	2.527.567	2.385.197
Other operating revenue	638.084	29.960
Total operating revenue	<u>40.769.708</u>	<u>38.914.792</u>
<u>OPERATING EXPENSES</u>		
Cost of programs broadcast and goods sold	(17.814.699)	(17.794.308)
Supplies and services	(9.655.345)	(8.574.287)
Personnel costs	(10.653.937)	(10.297.613)
Amortization and depreciation	(1.807.403)	(900.503)
Provisions and impairment losses	(85.500)	(108.000)
Other operating expenses	(393.851)	(307.320)
Total operating expenses	<u>(40.410.735)</u>	<u>(37.982.031)</u>
Operating profit	<u>358.973</u>	<u>932.761</u>
<u>NET FINANCIAL EXPENSES</u>		
Gain / (loss) on associated companies	(48.446)	27.751
Interest and other financial costs and income	(1.590.899)	(1.508.145)
Net financial expenses	<u>(1.639.345)</u>	<u>(1.480.394)</u>
Profit before taxes	(1.280.372)	(547.633)
Income tax expense	68.825	(85.156)
Consolidated net profit/(loss) for the period	<u>(1.211.547)</u>	<u>(632.789)</u>
Earnings per share:		
Basic	(0,0072)	(0,0038)
Diluted	(0,0072)	(0,0038)