

Novabase

Report and Accounts

1st Quarter 2009

Report & Accounts

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Consolidated Results on March 31, 2009

Privileged Information (IFRS/IAS)

May 7, 2009

Turnover reaches 58.9 M€
(65.1 M€ in 3M08)

EBITDA reaches 6.7 M€
(7.3 M€ in 3M08)

Net profit from continuing operations: 4.4 M€
(3.3 M€ in 3M08)

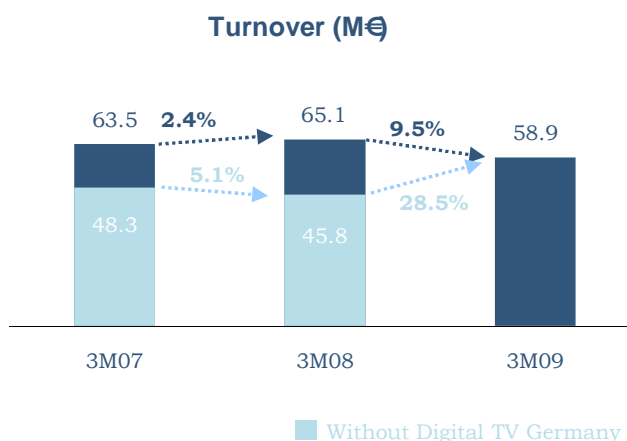
Net Profit: 4.2 M€
(-5.9 M€ in 3M08)

1. Key Indicators

The turnover and EBITDA do not consider the Mobility Solutions business (discontinued during 1Q2008) and consider the TV business in Germany only in 2007 and 2008.

1.1. Turnover

The Consolidated Sales and Services Volume in the 1st quarter of 2009 (3M09) reached 58.9 M€ (million euros), which represents a decrease of 9.5% vs. the 65.1 M€ in 3M08. However, this turnover represents an increase of 28.5% compared to 3M08 without the TV business in Germany (45.8 M€).



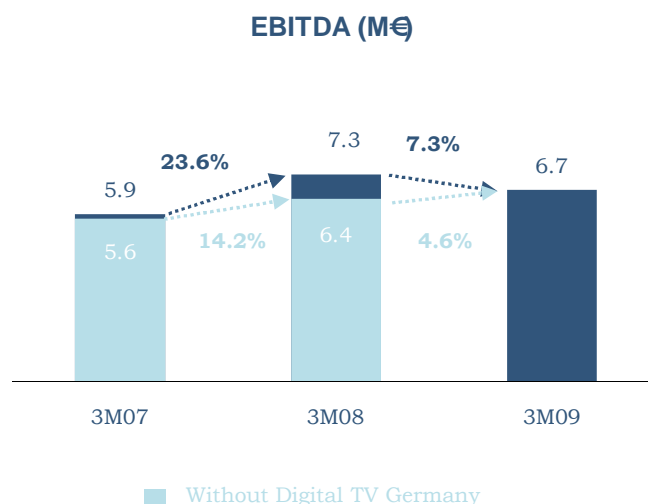
Novabase SGPS, S.A.
Public Company
Euronext code: NBA.AM
Registered in TRO of Lisbon and Corporate Tax Payer nº 502.280.182
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1.2. EBITDA

The Operational Cash Flow (EBITDA) reached 6.7 M€ in 3M09 which represents a decrease compared to the 7.3 M€ in the 3M08. However, this EBITDA represents an increase of 4.6% compared to 3M08 without the TV business in Germany (6.4 M€).

The chart below shows EBITDA variation compared to the prior periods.



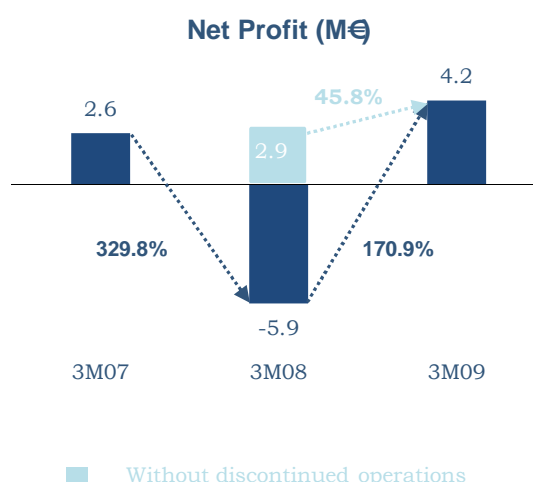
EBITDA margin in 3M09 was 11.4%.

1.3. Net Profit

Operating profit (EBIT) reached 5.5 M€, reflecting a decrease of 4.1% compared to 3M08 (5.8 M€). However, this EBIT represents an increase of 5.4% compared to 3M08 without the TV business in Germany (5.3 M€).

EBTM reached 5.7 M€ in this period, registering an increase of 19.1% vs. the 4.8 M€ booked in 3M08, and 12.8% compared to 3M08 excluding the TV business in Germany.

The Consolidated Net Results, after minority interests and results from discontinued operations, reached 4.2 M€, showing an increase of 170.9% vs. the -5.9 M€ in 3M08, which however included a cost of 8.8 M€ for the closure of the Mobility Solutions business. Still, they would have increased 45.8% when compared to the 2.9 M€ Net Profit in 3M08 without that effect.



2. Short Summary of the Activity

The 1st quarter of 2009 shows an extremely good performance given the current economic context. These results reflect the value-oriented management to the Novabase core business (in the areas of Consulting, IMS and Digital TV) after the implemented targeting during the financial year 2008 (exit from the Mobile distribution business and from non-strategic assets of Digital TV in Germany). With this same objective, we analyzed separately the venture capital activity developed in Novabase Capital, which was previously disclosed within Novabase Consulting.

This area of Novabase Capital generated the following turnover and EBITDA in the prior periods, 3M07 and 3M08:

Novabase Capital	3M07	3M08
Turnover (M€)	0.431	0.027
EBITDA (M€)	0.002	-0.150

Thus, in the table below is presented the turnover, EBITDA (with the variation over the prior period) and EBITDA margins for each of the current Novabase businesses.

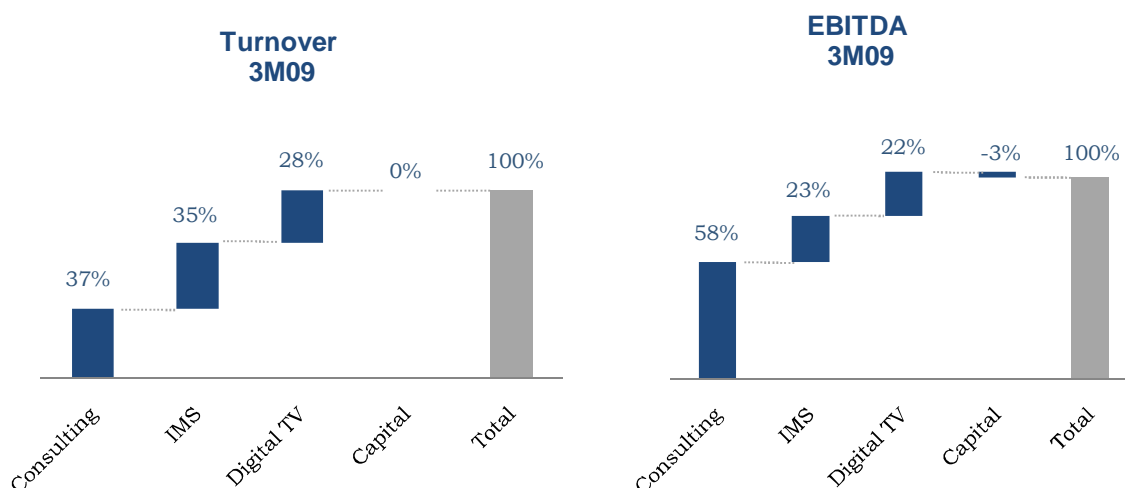
	Turnover		EBITDA		
	Value (M€)	YoY (%)	Value (M€)	YoY (%)	EBITDA (%)
Novabase Consulting	21.9	24.1%	3.9	19.6%	17.7%
Novabase IMS	20.3	-13.6%	1.6	-30.3%	7.6%
Novabase Digital TV	16.4	-31.0%	1.5	-23.6%	9.0%
Novabase Capital	0.2	666.7%	-0.2	-21.3%	-87.9%
Total	58.9	-9.5%	6.7	-7.3%	11.4%

Novabase Consulting business in 3M09 reached an EBITDA margin of 17.7% (which compares to 18.3% in 3M08, and a margin of 14.9% in FY08).

EBITDA margin in the Novabase IMS business reached 7.6% (which compares to 9.5% in 3M08, and 7.3% in FY08). The IT Infrastructures and Outsourcing areas had a good performance despite reflecting pressures in the gross margins (product components).

The Novabase Digital TV business showed an EBITDA margin of 9.0% (which compares to 8.1% in 3M08, and 4.5% in FY08 if we exclude the effect of consolidating the Digital TV business in Germany).

The percentage breakdown of turnover and EBITDA by the different businesses in the 3M09 is as follows:



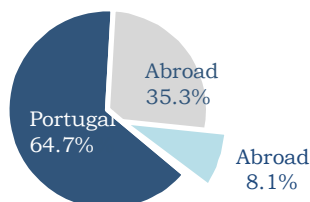
In the 3M09 an excellent performance in cash generation was maintained, with a significant increase of 10.9 M€ in this quarter. Novabase ended the 3M09 with 31.8 M€ in net cash, which includes 6.4 M€ of factoring (compared to 19.2 M€ of net cash in the end of 2008, which included 4.7 M€ of factoring).

Of the 58.9 M€ turnover, 10.9% is generated outside Portugal, that is 6.4 M€, which represents a decrease of 71.9% towards the 23.0 M€ registered in 3M08.

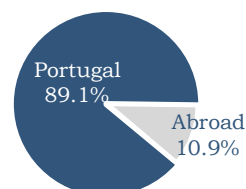
However, it is to be noted that in the 3M08 the TV business in Germany was still being consolidated, which contributed with 19.2 M€, that is 83.8% of total turnover generated outside of Portugal.

Removing this effect, the percentage of turnover generated outside Portugal in 3M08 would have been 8.1% (3.7 M€), which represents in 3M09 a comparable significant increase of 73.5%.

**Turnover
3M08**



**Turnover
3M09**



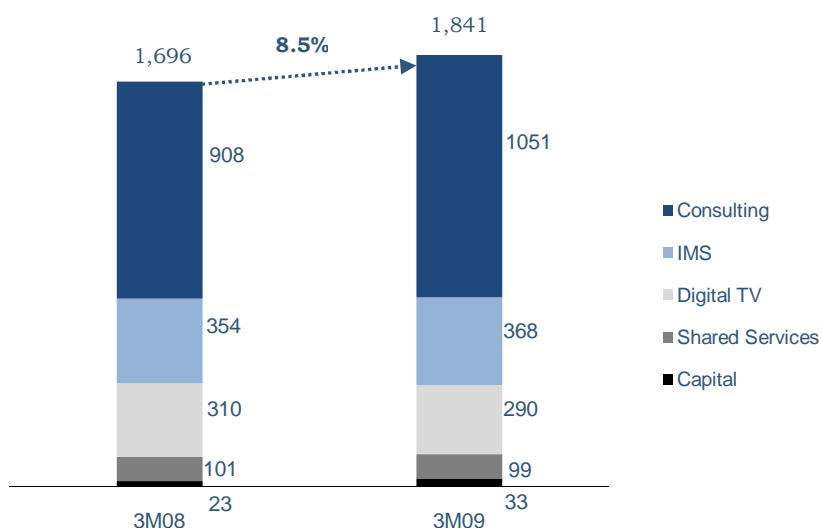
■ Without Digital TV Germany

The growth abroad was registered mainly in the Novabase IMS and Novabase Consulting business areas, with international sales representing 12.3% and 14.5% of the respective turnover.

In terms of Human Resources, Novabase had on average in the 3M09, 1,841 employees, which represents an increase of 8.5% compared to the 3M08 (1,696) and an increase of 8.1% compared to FY08 (1,703).

The distribution by business area is as follows:

Average Number of Employees



2.1. Novabase Consulting

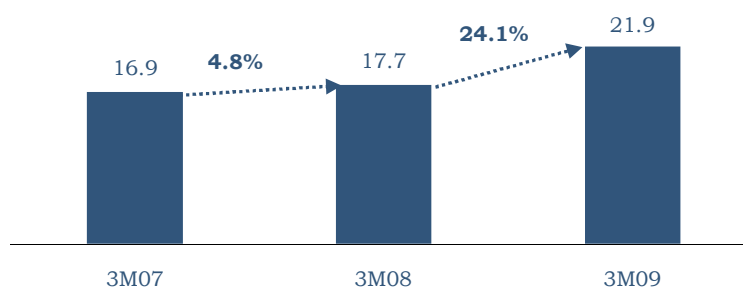
Novabase Consulting today has 1,051 consultants. This area accounts for 37% of Novabase overall turnover and 58% of the global EBITDA generated in the 3M09.

Novabase Consulting operates fundamentally in the following markets:

- Banking and Financial Services, including the areas of Banking, Insurance and Financial services in general;
- Telecommunications, including the telecom operators as main customers;
- Government, including public administration, local and regional, as well as the defense and healthcare markets.

This business area, which no longer includes the business of Novabase Capital, recorded a 24.1% growth in 3M09.

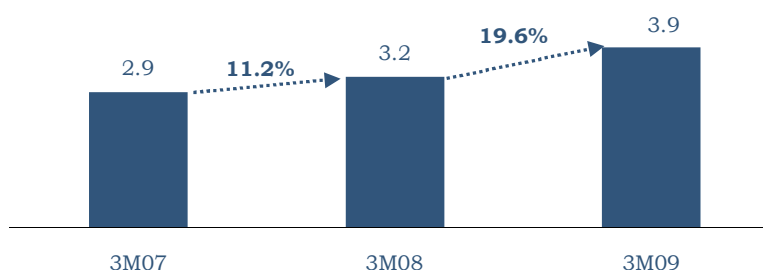
Turnover Novabase Consulting (M€)



Novabase Consulting EBITDA in 3M09 increased 19.6% year on year (from 3.2 M€ to 3.9 M€) reaching an EBITDA margin of 17.7%.

The operational profitability of this area is above the comparables in the sector internationally and can be regarded as remarkable in the current market conditions.

EBITDA Novabase Consulting (M€)



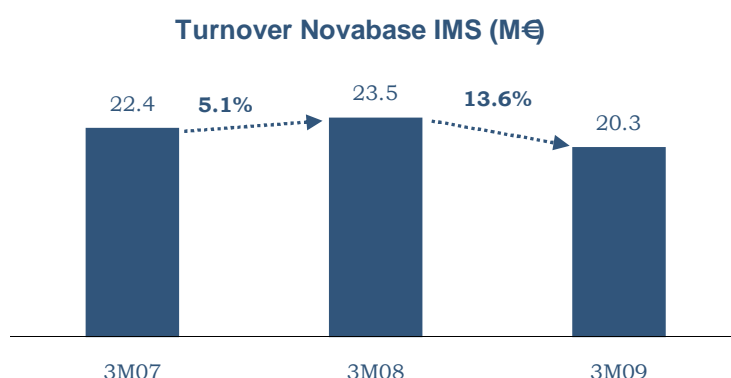
2.2. Novabase IMS

This area, with 368 employees, accounts for 35% of Novabase overall turnover and 23% of the global EBITDA generated in the 3M09.

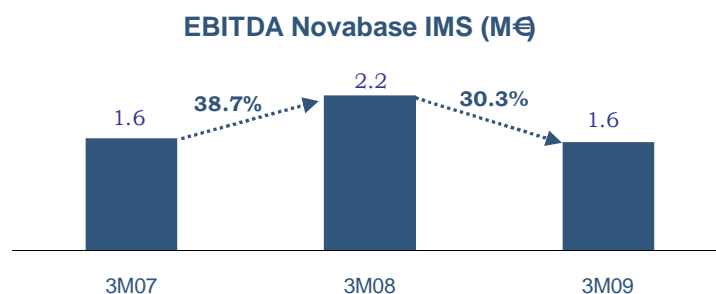
This area includes three lines of business:

- Outsourcing: including Application Outsourcing and Infrastructure Outsourcing;
- IT Infrastructure: infrastructure solutions that include IT components ranging from the physical (cabling, routers, etc.) to business communications services, including videoconferencing and video on demand;
- Ticketing and Transport Solutions: core product and service offer for transports, covering the devices and systems for the whole ticket lifecycle, from production to back office revenue accounting.

Global turnover in this business area reached 20.3 M€, which represents a decrease of 13.6% compared to 3M08.



Novabase IMS EBITDA in 3M09 decreased 30.3% year on year.



This negative evolution is mainly due to the current economic situation, that increased the pressure on prices in the product sales component.

2.3. Novabase Digital TV

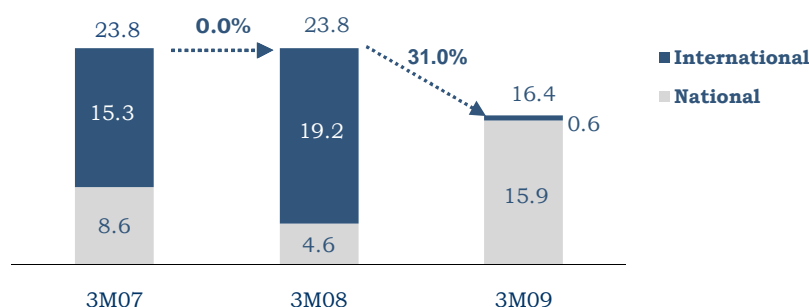
Novabase Digital TV currently has 290 employees and accounts for 28% of Novabase overall turnover and 22% of the global EBITDA generated in the 3M09.

The business of Novabase Digital TV has a profound know-how and an offer oriented to the operators business, complemented with licensing solutions and Chips-on-board (COB).

As an integrator, within the strategic rescoping implemented in 2008, this area ended operation in all the value chain phases in Set-top-boxes manufacturing.

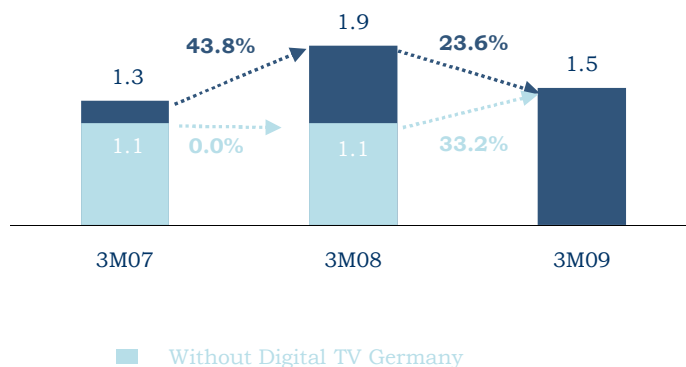
This business registered in 3M09 a turnover of 16.4 M€, below the 23.8 M€ registered in 3M08. This decrease is due to the fact that TV business in Germany is still considered in the 3M08 and not in 3M09. Excluding this effect, Novabase Digital TV increased its turnover by 257.6%.

Turnover Novabase Digital TV (M€)



Novabase Digital TV EBITDA in 3M09 decreased 23.6% compared to 3M08, reaching 1.5 M€. However, removing the effect of considering in the 3M08 the Digital TV business in Germany (resulting in 1.1 M€), EBITDA of this area increased by 33.2%.

EBITDA Novabase Digital TV (M€)



2.4. Novabase Capital

Novabase Capital currently has 33 employees and accounts for 0.4% of Novabase overall turnover and -3% of the global EBITDA generated in the 3M09.

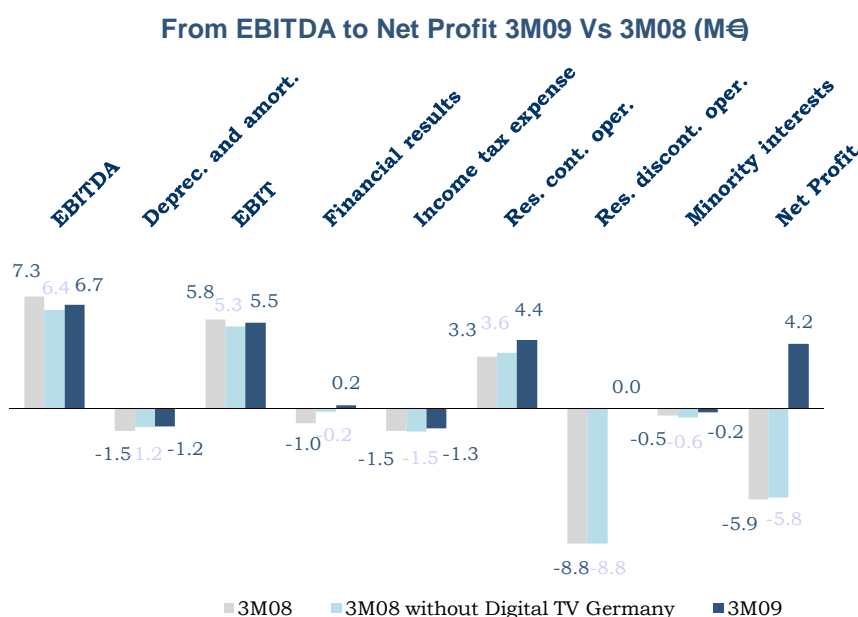
This area of Novabase develops, in a small scale, a Corporate Venture Capital activity and supports strategic and M&A projects of the Group.

This business in 3M09 reached a turnover of 0.2 M€, above the 0.03 M€ registered in 3M08.

Novabase Capital EBITDA in 3M09 decreased 21.3% compared to 3M08, reaching -0.2 M€.

3. Economical-Financial Analysis

The reconciliation between EBITDA and Net Profit is as follows:



EBITDA reached 6.7 M€, reflecting a decrease of 7.3% compared to 3M08 (7.3 M€).

Depreciation and amortization decreased 20.0% reaching -1.2 M€.

EBIT, in the amount of 5.5 M€, decreased 4.1% compared to 3M08 (5.8 M€).

The Financial results reached a net positive value of 0.2 M€, which compares to a net negative value of 1.0 M€ registered in the same period of the prior year, that was however affected by FX losses and loan interests from the TV business in Germany.

Current tax amounted to -0.7 M€ while deferred taxes resulted in a tax loss amounting to -0.6 M€, therefore the Income tax expense in the 3M09 resulted in -1.3 M€.

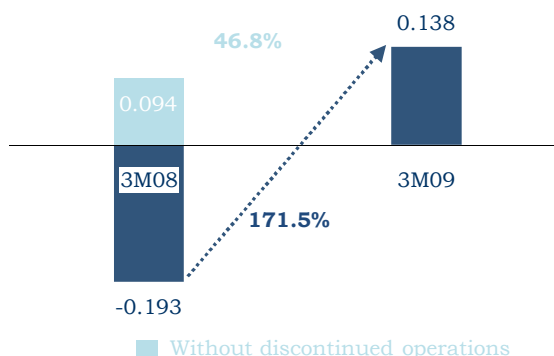
Minority interests in 3M09 amounted to -0.2 M€, which compares to -0.5 M€ in 3M08.

Net Consolidated Results, after minority interests and results from discontinued operations reached in 3M09 a profit of 4.2 M€, representing an increase when compared to the -5.9 M€ loss registered in 3M08.

The Earnings per share (EPS), discounting the treasury shares, rose from -0.193 (which already included the costs of closure of Mobility Solutions business) to 0.138 euros per share, representing an increase of 171.5%.

Removing the effect of discontinued operations in 3M08, still, earnings per share would have increased 46.8%.

Earnings per share (EPS) (€/Share)



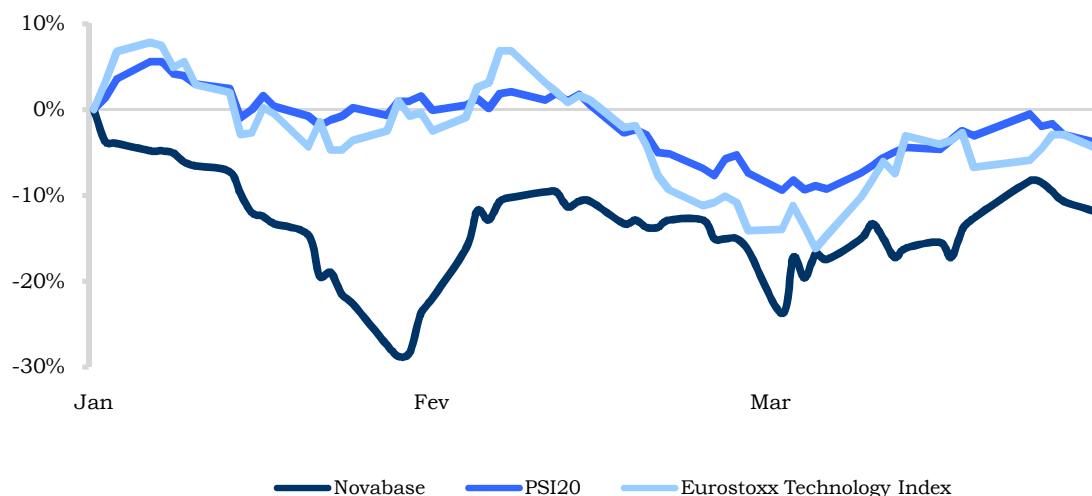
4. Stock Performance

The three months of 2009 were marked by a loss in the PSI20 and in the EuroStoxx Technology Indexes, which lost 2.6% and 4.4%, respectively.

Novabase share price lost 9.59%, a greater decrease than the PSI20 and the EuroStoxx Technology Indexes, given the depreciation of the share during January. However, we observed a significant recovery (18.6%) during the last months of the quarter.

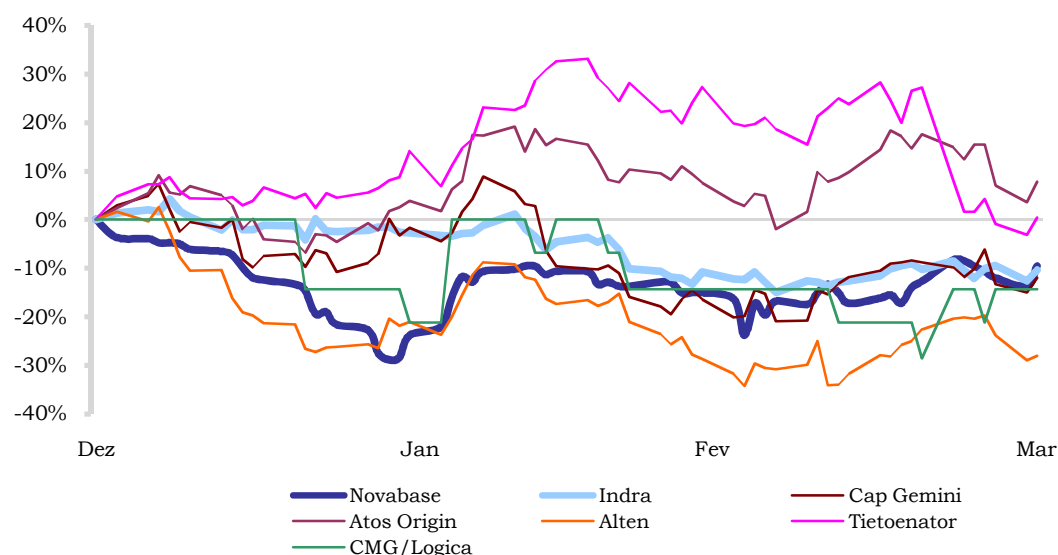
Rotation in 3M09 represented 8.3% of the capital and 2.7 million shares were traded, below the values that have occurred in 3M08 (rotation of 21.9% of the capital and 6.9 million shares traded), reflecting the current negative situation in the stock market.

Novabase and the Market



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

Novabase and other TMT



The average price, weighted by volume, of Novabase shares during 3M09, was 3.94 euros per share. Approximately 2.6 million shares were traded in all the 62 Stock Exchange sessions in the 3M09, corresponding to a transaction value of 10.3 M€.

The average daily number of shares traded in 3M09 was approximately 42.2 thousand shares, corresponding to a daily average value of approximately 0.2 M€.

The price in the stock Exchange in the last tradable day of the quarter (March 31, 2009), was 4.15 euros.

The maximum closing price which took place during 3M09 was 4.50 euros, while the minimum price registered was 3.21 euros. The market capitalization at the end of 3M09 was 130.3 M€.

Summary	1Q09	4Q08	3Q08	2Q08	1Q08
Minimum price (€)	3.21	4.00	3.60	3.40	2.10
Máximum price (€)	4.50	5.05	5.07	4.79	3.48
Volume weighted average price (€)	3.94	4.47	4.57	4.27	2.85
Closing price at the end of the Quarter (€)	4.15	4.59	4.93	4.20	3.16
Nr. of shares traded	2,620,634	1,861,787	3,319,981	8,941,091	6,871,753
Market cap in the last day of the period (M€)	130.3	144.1	154.8	131.9	99.2

Novabase

Consolidated Statement of Financial Position as at 31 March 2009

	31.03.09	31.12.08
	(Thousands of Euros)	
Assets		
Tangible assets	7.963	8.121
Intangible assets	29.005	29.481
Financial investments	2.314	2.314
Deferred tax assets	9.701	10.092
Other non-current assets	197	193
Total Non-Current Assets	49.180	50.201
Inventories	14.812	13.154
Trade debtors and accrued income	77.811	104.160
Other debtors and prepaid expenses	11.903	8.665
Derivative financial instruments	151	62
Cash and deposits	35.584	24.710
Total Current Assets	140.261	150.751
Assets for continuing operations	189.441	200.952
Assets for discontinued operations	1.728	2.258
Total Assets	191.169	203.210
Shareholders' Equity		
Share capital	15.701	15.701
Treasury stock	(471)	(429)
Share premium	49.213	49.213
Reserves and retained earnings	18.626	17.340
Consolidated net income	4.193	1.608
Total Shareholders' Equity	87.262	83.433
Minority interests	5.410	5.165
Total Equity	92.672	88.598
Liabilities		
Long term borrowings	682	1.346
Creditors of fixed assets	1.185	1.353
Provisions	2.114	1.850
Deferred tax liabilities	100	483
Other non-current liabilities	1.508	1.865
Total Non-Current Liabilities	5.589	6.897
Short term borrowings	6.991	8.150
Trade creditors	36.320	42.421
Other creditors and accruals	33.976	37.487
Derivative financial instruments	68	35
Deferred income	13.695	17.300
Total Current Liabilities	91.050	105.393
Total Liabilities for cont. operations	96.639	112.290
Total Liabilities for discount. operations	1.858	2.322
Total Liabilities	98.497	114.612
	191.169	203.210
Net Cash	31.823	19.153

Consolidated Income Statement for the period of 3 Months Ended 31 March 2009

	31.03.09	31.03.08	Var. %
	(Thousands of Euros)		
CONTINUING OPERATIONS			
Sale of goods	27.547	37.831	
Cost of goods sold	(24.852)	(29.765)	
Gross margin	2.695	8.066	-66,6 %
Other income			
Services rendered	31.352	27.236	
Supplementary income	185	183	
Other operating income	149	181	
	31.686	27.600	
	34.381	35.666	
Other expenses			
External suppliers and services	(9.897)	(11.641)	
Personnel expenses	(17.621)	(16.290)	
Provisions	(49)	(105)	
Other operating expenses	(91)	(380)	
	(27.658)	(28.416)	
Gross Net Profit (EBITDA)	6.723	7.250	-7,3 %
Depreciation and amortization	(1.178)	(1.465)	
Operating Profit (EBIT)	5.545	5.785	-4,1 %
Financial Gains / (Losses)	193	(967)	
Net Profit before Taxes	5.738	4.818	19,1 %
Income tax expense	(1.299)	(1.469)	
Net Profit from continuing operations	4.439	3.349	32,5 %
DISCONTINUED OPERATIONS			
Net Loss from discount. operations	-	(8.806)	100,0 %
Minority interests	(246)	(457)	
Attributable Net Profit / (Loss)	4.193	(5.914)	170,9 %
Other information:			
Turnover	58.899	65.067	-9,5 %
EBITDA margin	11,4 %	11,1 %	
Net profit bef. taxes % on Turnover	9,7 %	7,4 %	
Net profit % on Turnover	7,1 %	-9,1 %	

Novabase

Consolidated Financial Statements by BUSINESS SEGMENT for the period of 3 Months Ended 31 March 2009

(Thousands of Euros)

	Consulting	IMS	Digital TV	Capital	NOVABASE
CONTINUING OPERATIONS					
Sale of goods	27	14 211	13 309	-	27 547
Cost of goods sold	-23	-12 790	-12 039	-	-24 852
Gross margin	4	1 421	1 270	-	2 695
Other income					
Services rendered	21 888	6 127	3 130	207	31 352
Supplementary income and subsidies	139	5	-	41	185
Other operating income	34	97	17	1	149
	22 061	6 229	3 147	249	31 686
	22 065	7 650	4 417	249	34 381
Other expenses					
External suppliers and services	-6 661	-2 191	-1 172	127	-9 897
Personnel expenses	-11 300	-3 944	-1 830	-547	-17 621
(Provisions) / Provisions reversal	-190	66	75	-	-49
Other operating expenses	-40	-27	-13	-11	-91
	-18 191	-6 096	-2 940	-431	-27 658
Gross Net Profit (EBITDA)	3 874	1 554	1 477	-182	6 723
Depreciation and amortization	-740	-302	-125	-11	-1 178
Operating Profit (EBIT)	3 134	1 252	1 352	-193	5 545
Financial Gains / (Losses)	419	-95	-125	-6	193
Net Profit / (Loss) before Taxes	3 553	1 157	1 227	-199	5 738
Income tax expense	-548	-465	-369	83	-1 299
Net Profit / (Loss) from cont. operations	3 005	692	858	-116	4 439
DISCONTINUED OPERATIONS					
Net Loss from discontinued operations	-	-	-	-	-
Minority interests	-353	16	-	91	-246
Attributable Net Profit / (Loss)	2 652	708	858	-25	4 193
Other information :					
Turnover	21 915	20 338	16 439	207	58 899
EBITDA	3 874	1 554	1 477	-182	6 723
EBITDA % on Turnover	17.7%	7.6%	9.0%	-87.9%	11.4%
Income before taxes % on Turnover	16.2%	5.7%	7.5%	-96.1%	9.7%

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**Condensed Consolidated Interim Financial Statements for the 1st quarter 2009
(unaudited)**

NOVABASE S.G.P.S., S.A.

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**CONDENSED CONSOLIDATED
INTERIM FINANCIAL STATEMENTS
for the period of 3 Months Ended 31 March
2009**

NOVABASE S.G.P.S., S.A.

Condensed Consolidated Interim Statement of Financial Position as at 31 March 2009

		(Amounts expressed in thousands of Euros)	
	Note	31.03.09	31.12.08
Assets			
Non-current assets			
Property plant and equipment		7 963	8 121
Intangible assets		29 005	29 481
Investments in associates		2 314	2 314
Deferred income tax assets		9 701	10 092
Other non-current assets		197	193
Total non-current assets		49 180	50 201
Current assets			
Inventories		14 812	13 154
Trade and other receivables	4	68 486	96 576
Income tax receivable		1 810	2 053
Accrued income		15 730	11 949
Derivative financial instruments		151	62
Other current assets		3 688	2 247
Cash and cash equivalents		35 584	24 710
Total current assets		140 261	150 751
Assets for discontinued operations		1 728	2 258
Total assets		191 169	203 210
Equity			
Share capital		15 701	15 701
Treasury shares		(471)	(429)
Share premium		49 213	49 213
Reserves and retained earnings		18 626	17 340
Profit for the period attributable to equity holders		4 193	1 608
Equity attributable to the company's equity holders		87 262	83 433
Minority interest		5 410	5 165
Total equity		92 672	88 598
Liabilities			
Non-current liabilities			
Borrowings		1 867	2 699
Provisions	5	2 114	1 850
Deferred income tax liabilities		100	483
Other-non current liabilities	9	1 508	1 865
Total non-current liabilities		5 589	6 897
Current liabilities			
Borrowings		7 948	9 256
Trade and other payables		68 886	78 787
Income tax payable		453	15
Derivative financial instruments		68	35
Deferred income and other current liabilities		13 695	17 300
Total current liabilities		91 050	105 393
Liabilities for discontinued operations		1 858	2 322
Total liabilities		98 497	114 612
Total equity and liabilities		191 169	203 210

The accompanying notes are an integral part of these condensed consolidated interim financial statements

NOVABASE S.G.P.S., S.A.

Condensed Consolidated Interim Statement of Comprehensive Income for the period of 3 Months Ended 31 March 2009

		(Amounts expressed in thousands of Euros)	
	Note	3 M * 31.03.09	3 M * 31.03.08
Continuing Operations			
Sales	3	27 547	37 831
Services rendered	3	31 352	27 236
Cost of sales		(24 852)	(29 765)
External supplies and services		(9 897)	(11 641)
Employee benefit expense		(17 621)	(16 290)
Other gains/(losses) - net	6	194	(121)
Depreciation and amortisation		(1 178)	(1 465)
Operating profit		5 545	5 785
Finance income		1 182	1 225
Finance costs		(989)	(2 202)
Share of post tax profit of associates		-	10
Profit before income tax		5 738	4 818
Income tax expense	7	(1 299)	(1 469)
Profit from continuing operations		4 439	3 349
Discontinued operations			
Loss from discontinued operations		-	(8 806)
Profit for the period		4 439	(5 457)
Other comprehensive income		-	-
Total comprehensive income for the period		4 439	(5 457)
Profit attributable to:			
Equity holders of the Company		4 193	(5 914)
Minority interest		246	457
		4 439	(5 457)
Total comprehensive income attributable to:			
Equity holders of the Company		4 193	(5 914)
Minority interest		246	457
		4 439	(5 457)
Earnings per share for profit from continuing operations attributable to the equity holders of the Company during the period (expressed in EUR per share) - basic and diluted	8	0.14 euros	0.09 euros
Earnings per share for profit from discontinued operations attributable to the equity holders of the Company during the period (expressed in EUR per share) - basic and diluted	8	Zero euros	(0.29) euros

3 M * - period of 3 months ended

The values shown for the 1st quarter 2008 consider the company TechnoTrend which was still consolidated by the full method, contrary to what happens for the 1st quarter 2009. This change in the consolidation universe is the main responsible for the decrease of the various headings.

THE ACCOUNTANT

THE BOARD OF DIRECTORS

The accompanying notes are an integral part of these condensed consolidated interim financial statements

NOVABASE S.G.P.S., S.A.

Condensed Consolidated Interim Statement of Changes in Equity for the period of 3 Months Ended 31 March 2009

(Amounts expressed in thousands of Euros)

	Attributable to equity holders of the Company						Minority Interest	Total Equity
	Share Capital	Share premium	Treasury shares	Legal (*) reserves	Stock Options reserves (*)	Retained earnings		
Balance at January 1, 2008	15 701	49 213	(249)	1 276	686	34 234	13 641	114 502
Total comprehensive income for the period	-	-	-	-	-	(5 914)	457	(5 457)
Treasury shares movements	-	-	(36)	-	-	86	-	50
Stock Options	-	-	-	-	42	-	-	42
Changes in consolidation universe	-	-	-	-	-	-	255	255
Balance at March 31, 2008	15 701	49 213	(285)	1 276	728	28 406	14 353	109 392
 Balance at January 1, 2009	 15 701	 49 213	 (429)	 1 276	 854	 16 818	 5 165	 88 598
Total comprehensive income for the period	-	-	-	-	-	4 193	246	4 439
Treasury shares movements	-	-	(42)	-	-	(322)	-	(364)
Changes in consolidation universe	-	-	-	-	-	-	(1)	(1)
Balance at March 31, 2009	15 701	49 213	(471)	1 276	854	20 689	5 410	92 672

(*) These reserves cannot be distributed to equity holders

NOVABASE S.G.P.S., S.A.

Condensed Consolidated Interim Statement of Cash Flows for the period of 3 Months Ended 31 March 2009

(Amounts expressed in thousands of Euros)

	3 M * 31.03.09	3 M * 31.03.08
<i>Cash flows from operating activities</i>		
Net Cash generated in operating activities	19 311	9 626
<i>Cash flows from investing activities</i>		
Receipts:		
Interest received	280	385
	280	385
Payments:		
Acquisition of subsidiary	(i) (3 050)	-
Loans to associates	(493)	-
Purchases of property plant and equipment	(454)	(1 323)
Purchases of intangible assets	(100)	(387)
	(4 097)	(1 710)
Net Cash used in investing activities	(3 817)	(1 325)
<i>Cash flows from financing activities</i>		
Receipts:		
Proceeds from borrowings	26	1 294
	26	1 294
Payments:		
Repayments of borrowings	(1 849)	(5 434)
Rents and leasing	(396)	(353)
Interests and similar costs	(181)	(1 034)
Purchase of treasury shares	(1 001)	(865)
	(3 427)	(7 686)
Net Cash used in financing activities	(3 401)	(6 392)
Cash and bank overdrafts at the beginning of the period	19 796	31 278
Cash and bank overdrafts - net	12 093	1 909
Cash and bank overdrafts at the end of the period	31 889	33 187

3 M * - period of 3 months ended

(i) In 2009, payments were made of EUR 50 thousand and EUR 3 000 thousand related to the acquisitions in 2008 of Novabase IIS SGPS and Digital TV business, respectively.

NOVABASE S.G.P.S., S.A.
Selected Notes to the Condensed Consolidated Interim Financial Statements
for the period of 3 months ended 31 March 2009

1. General Information

Novabase, S.G.P.S., SA (hereunder referred to as Novabase or the company), with its head office in Av. D. João II, Lote 1.03.2.3, Parque das Nações – 1998-031 Lisboa - Portugal, holds and manages financial holdings in other companies as an indirect way of doing business, being the Holding Company of Novabase Group.

Novabase is listed on the Euronext Lisbon.

These condensed consolidated interim financial statements were authorized by the Board of Directors on May 28, 2009. The Board of Directors believes that these financial statements fairly present the Group operations, as well as its financial position, financial performance, and cash flows.

2. Accounting Policies

These condensed consolidated interim financial statements for the period of three months ended March 31, 2009 have been prepared in accordance with IAS 34, 'Interim financial reporting'. The condensed consolidated interim financial information should be read in conjunction with the annual financial statements for the year ended 31 December 2008, which have been prepared in accordance with IFRSs, as adopted by the European Union (EU).

These financial statements are presented in thousands of Euros.

These financial statements have not been audited.

Except as described below, the accounting policies applied are consisted with those of the annual financial statements for the year ended 31 December 2008, as described in those financial statements.

Taxes on income in this interim period were accrued using the tax rate that would be applicable to expected total annual earnings for the year 2009.

The following new standards and amendments to standards are mandatory for the first time for the financial year beginning 1 January 2009:

- (i) IAS 1 (revised), 'Presentation of financial statements'. The revised standard introduced some changes in terminology (namely in the titles of the consolidated financial statements), and resulted in some changes in presentation and detail of information. Entities can choose whether to present two performance statements (the income statement and statement of comprehensive income) or only this last one. The Group decided to adopt only the statement of comprehensive income. The revised standard had no impact in the results or financial position of the Group.
- (ii) IFRS 8, 'Operating segments'. This new standard requires a 'management approach' under which segment information is presented on the same basis as that used for internal reporting purposes. This as resulted in an increase in the number of reportable segments presented (see note 3), but had no impact in the results or financial position of the Group.

3. Segment information

The Group has adopted IFRS 8, 'Operating Segments', with effect from 1 January 2009. This new standard requires that the operating segments are identified based on internal reports regarding the Group components that are regularly reviewed by the chief operating decision maker in order to allocate resources to the segment and to assess its performance. In contrast, the predecessor standard IAS 14 required that the company identified two sets of segments (business and geographical), using a risks and rewards approach.

In 2009, as a result of management focus on Novabase core business (represented by segments of (i) Consulting, (ii) IMS and (iii) Digital TV), the Administration decided to isolate the venture capital activity in a fourth segment ('Novabase Capital'), separated from the Consulting segment in which was included until the end of 2008. The figures presented below already reflect this segmentation, also for 2008.

	Consulting	IMS	Digital TV	Novabase Capital	Novabase	Disc. Operat. Mobile
1st quarter 2008						
Sales and services rendered	17 658	23 543	23 839	27	65 067	8 184
Operating profit / (loss)	2 478	1 972	1 510	(175)	5 785	(8 660)
Finance costs – net	233	(334)	(873)	(3)	(977)	(215)
Share of post tax profit of associates	10	-	-	-	10	-
Income tax expense	(762)	(537)	(214)	44	(1 469)	69
Profit / (Loss) from operations	1 959	1 101	423	(134)	3 349	(8 806)
1st quarter 2009						
Sales and services rendered	21 915	20 338	16 439	207	58 899	-
Operating profit / (loss)	3 134	1 252	1 352	(193)	5 545	-
Finance costs – net	419	(95)	(125)	(6)	193	-
Share of post tax profit of associates	-	-	-	-	-	-
Income tax expense	(548)	(465)	(369)	83	(1 299)	-
Profit / (Loss) from operations	3 005	692	858	(116)	4 439	-

The amount of EUR 92 034 thousand of Consulting total assets disclosed in 2008 accounts included the amount of EUR 3 748 thousand of Novabase Capital assets, from which EUR 2 044 thousand were investments in associates.

4. Trade and other receivables

	31.03.09	31.12.08
Trade receivables	65 066	94 904
Impairment of trade receivables	(2 985)	(2 693)
	62 081	92 211
Prepayments to suppliers	2 551	1 514
Employees	249	144
Taxes	1 535	1 440
Subsidies from European Social Fund	-	12
Related parties debtors (note 9)	457	457
Financial holdings disposals	77	75
Other	5 553	4 683
Impairment of other receivables	(4 017)	(3 960)
	6 405	4 365
	68 486	96 576

Movements in impairment of trade and other receivables are analysed as follows:

	Trade receivables		Other receivables		Total	
	31.03.09	31.12.08	31.03.09	31.12.08	31.03.09	31.12.08
Balance at 1 January	2 693	3 291	3 960	3 664	6 653	6 955
Change in consolidation universe	-	(59)	-	(70)	-	(129)
Impairment	399	642	57	716	456	1 358
Impairment reversal	(107)	(347)	(186)	(70)	(293)	(417)
Transfers	-	95	-	(280)	-	(185)
Discontinued operations	-	(801)	-	-	-	(801)
Write-offs	-	(128)	186	-	186	(128)
	<u>2 985</u>	<u>2 693</u>	<u>4 017</u>	<u>3 960</u>	<u>7 002</u>	<u>6 653</u>

5. Provisions

Movements in Provisions are analysed as follows:

	Legal		Other risks	Total
	Warranties	Disputes	and charges	
Balance at 1 January 2008	1 429	100	133	1 662
Additional provisions	567	-	709	1 276
Used during year	(485)	-	(362)	(847)
Changes in consolidation universe	(393)	-	479	86
Discontinued operations	(327)	-	-	(327)
Balance at 31 December 2008	791	100	959	1 850
Additional provisions	27	-	3	30
Used during the period	(75)	-	(71)	(146)
Transfers	-	383	(3)	380
Balance at 31 March 2009	<u>743</u>	<u>483</u>	<u>888</u>	<u>2 114</u>

6. Other gains/(losses) - net

	31.03.09	31.03.08
Impairment and impairment reversal of trade and other receivables	(163)	169
Impairment and impairment reversal of inventories	(2)	(241)
Warranties provisions	48	(33)
Provisions for other risks and charges	68	-
Operational subsidies	138	113
Other	105	(129)
	<u>194</u>	<u>(121)</u>

7. Income tax expense

Income tax expense included in these accounts was based on management's best estimate of the weighted average annual income tax rate expected for the full financial year of 2009, of 23% (for the 3 months ended 31 March 2008: 30%).

8. Earnings per share

	31.03.09	31.03.08
Weighted average number of ordinary shares in issue	30 431 742	30 683 950
Profit attributable to equity holders of the Company	4 193	(5 914)
Basic earnings per share (euro per share)	0.14 euros	(0.19) euros
Diluted earnings per share (euro per share)	0.14 euros	(0.19) euros
Profit from continuing operations attributable to equity holders of the Company	4 193	2 892
Basic earnings per share (euro per share)	0.14 euros	0.09 euros
Diluted earnings per share (euro per share)	0.14 euros	0.09 euros
Loss from discontinued operations attributable to equity holders of the Company	-	(8 806)
Basic earnings per share (euro per share)	-	(0.29) euros
Diluted earnings per share (euro per share)	-	(0.29) euros

9. Related-party transactions

For reporting purposes, related party consider subsidiaries, associated companies, shareholders with management influence and key elements in the Group management.

i) Sales of goods and services

	31.03.09	31.03.08
BES group	2 941	2 294
	2 941	2 294

The above identified transactions were performed at arms length.

ii) Purchases of goods and services

	31.03.09	31.03.08
BES group	53	80
	53	80

iii) Key management compensation

	31.03.09	31.03.08
Salaries and other short-term employee benefits	1 401	1 355
	1 401	1 355

iv) Balances arising from sales/purchases of goods/services

	31.03.09	31.12.08
Receivables from related parties:		
BES group	2 777	3 080
	2 777	3 080
Payables from related parties:		
BES group	-	-
	-	-

v) Acquisitions of financial holdings to related parties

	31.03.09	31.12.08
Minority interest Novabase Consulting SGPS	-	2 701
Minority interest Novabase Infraestruturas, SGPS	-	1 186
Minority interest NB Digital TV, S.A., Novabase Interactive TV and OnTV	-	14 736
Minority interest Novabase A. C. D.	-	657
Minority interest SAF	-	272
	<u>-</u>	<u>19 552</u>

vi) Balances related to acquisitions of financial holdings to related parties

	Non-current		Current		Total	
	31.03.09	31.12.08	31.03.09	31.12.08	31.03.09	31.12.08
Min. interest Novabase Consulting SGPS	613	919	307	307	920	1 226
Min. interest Novabase Infraestruturas, SGPS	-	51	51	50	51	101
Min. interest NB Dig. TV, NB ITV and OnTV	563	563	281	3 324	844	3 887
Min. interest NB A. C. D.	235	235	78	313	313	548
Min. interest SAF	97	97	32	130	129	227
	<u>1 508</u>	<u>1 865</u>	<u>749</u>	<u>4 124</u>	<u>2 257</u>	<u>5 989</u>

vii) Other balances with related parties (note 4)

	31.03.09	31.12.08
Loan to Mind	259	259
Loan to Superemprego	142	142
Loans to other shareholders	56	56
	<u>457</u>	<u>457</u>
Provisions for loans provided to associates and shareholders	(442)	(442)
	<u>15</u>	<u>15</u>

viii) Loans from related parties

	31.03.09	31.12.08
BES group	1 700	1 700

ix) Bank deposits and finance investments (including 'overdrafts')

	31.03.09	31.12.08
BES group	14 976	10 013

10. Contingencies

Given the disclosed in the annual financial statements for the year 2008, the material changes in the judicial processes are the following:

- Court procedure brought by the company Drink In – Novabase’s subsidiary in question filed a reply and a counterclaim in the amount of approximately EUR 404 thousand concerning unpaid invoices in the same project. This lawsuit is at the hearing stage, where the closing arguments are to be presented on next June 30th. The above mentioned company Drink In has filed for insolvency, whereby Novabase Enterprise Applications has claimed payment of credits in the amount of approximately EUR 404 thousand concerning unpaid invoices and interest. The proceedings are pending the presentation by the insolvents' Administration of the insolvency plan until May 15th, after which a Creditors' Assembly will be convened to analyze the said plan.
- Novabase Consulting, S.A., has been served regarding two procedures brought forward by the Instituto de Gestão Financeira da Segurança Social. The first procedure refers to alleged absence of payment of social security contributions in the years 2004, 2005, 2006 and 2007 in the amount of EUR 131 thousand. The second procedure refers to alleged absence of payment of social security contributions in the years 2002 and 2003, in the amount of EUR 266 thousand. The company has filed opposition regarding the allegations demonstrating compliance with applicable laws, payment of all amounts due and providing documents to that respect. The servings are contradictory with the statements issued by the same Social Security services informing of the companies absence of debt. The procedures await decision by the competent organism (Centro Distrital da Segurança Social de Lisboa).
- The process in which Octal was a defendant in two civil court actions brought forward by PT Comunicações S.A, who claimed the payment of invoices for services rendered, and allegedly not paid in the amount of approximately EUR 10 thousand, was completed by withdrawal from the plaintiff PT.
- The company Qimonda Portugal S.A. has filed for insolvency, whereby NBO has claimed credits in the amount of approximately EUR 980 thousand corresponding to the unpaid invoices and compensation for breach of prior notice for termination of contract. General Creditors Assembly is scheduled for June 9th 2009.
- TVLab has filed a claim against Pelicano Investimentos Imobiliários S.A., requesting payment of the amount EUR 212 thousand corresponding to unpaid invoices, interest and court fees. The procedure is pending opposition by the defendant Pelicano.

11. Events occurring after the reporting period

No events worthy of note happened until the date of conclusion of this report.

12. Seasonality

The Sales for Consulting and IMS usually is lower in 3rd quarter due to holiday period.