



REPORT AND ACCOUNTS - 1ST QUARTER 2013

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Consolidated Results 3M13

Privileged Information

May 9, 2013

Highlights:

Turnover: 54.4 M€

(53.7 M€ in 3M12)

EBITDA: 3.9 M€

(5.3 M€ in 3M12)

Net Profit: 2.0 M€

(2.5 M€ in 3M12)

Net Cash: 31.8 M€

(37.5 M€ in 12M12)

Message from the CEO - Luís Paulo Salvado

"The results of the first quarter are in line with the strategic orientation and priorities set for 2013.

The company is again growing, supported by a 21% increase in international business. However, EBITDA and Net Profit decreased by 25% and 22%, as anticipated, due to the allocation of additional resources to international expansion, as well as an underperformance of IMS (Infrastructures & Managed Services) business. Finally, and also as expected, the Cash decreased by 6 M€ in the quarter, but in the last 12 months we kept a clear positive trend, with a generation of 11 M€.

Market conditions remain very challenging and we do not foresee improvements in the domestic market, which will continue to press margins. However, in the 2nd quarter we expect a recovery in profitability of IMS and the evolution of the overall business in line with the Guidance.

The quarter was also marked by the return of Novabase to PSI20, the main index of Euronext Lisbon. This re-entry increases the visibility of Novabase securities, which may increase its liquidity and value. In this period, Novabase shares gained 23%, and the volume of transactions has tripled over the same period of the previous year."

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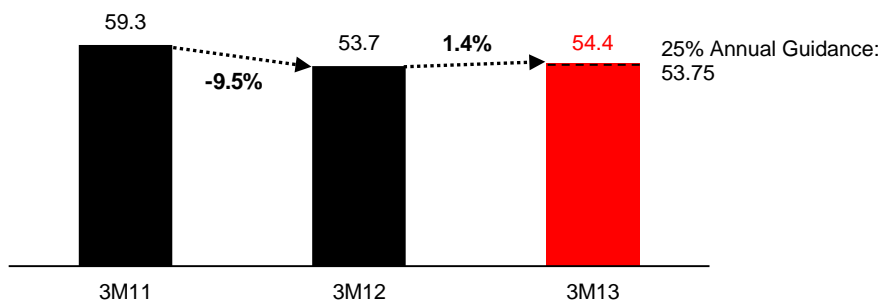
Report available on website :
www.novabase.pt

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

1. Key Indicators Evolution

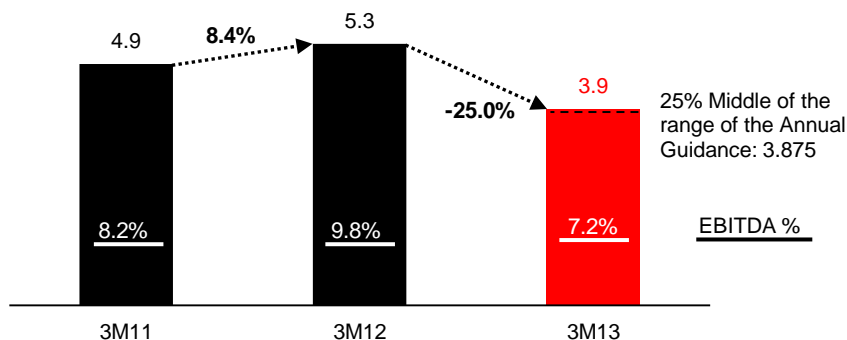
Turnover (M€)

Turnover above the annual Guidance linearized of 215 M€ (+1.3%), due to the growth of the international component.



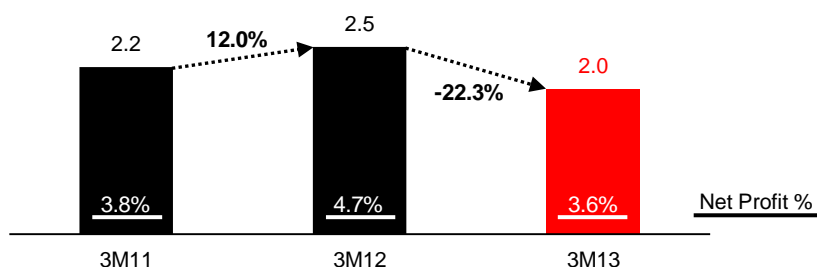
EBITDA (M€)

EBITDA above the annual mean Guidance linearized of 14-17 M€ and 7.2%: +1.8% above the middle of the range.

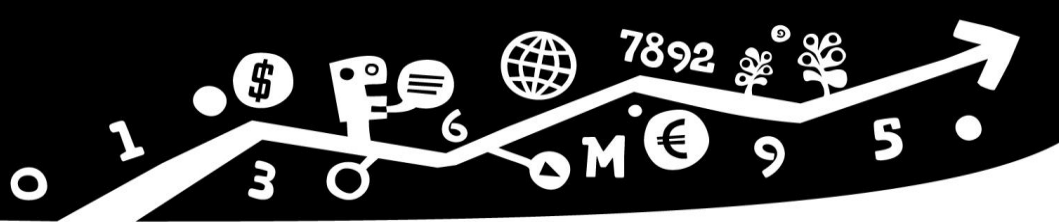


Net Profit (M€)

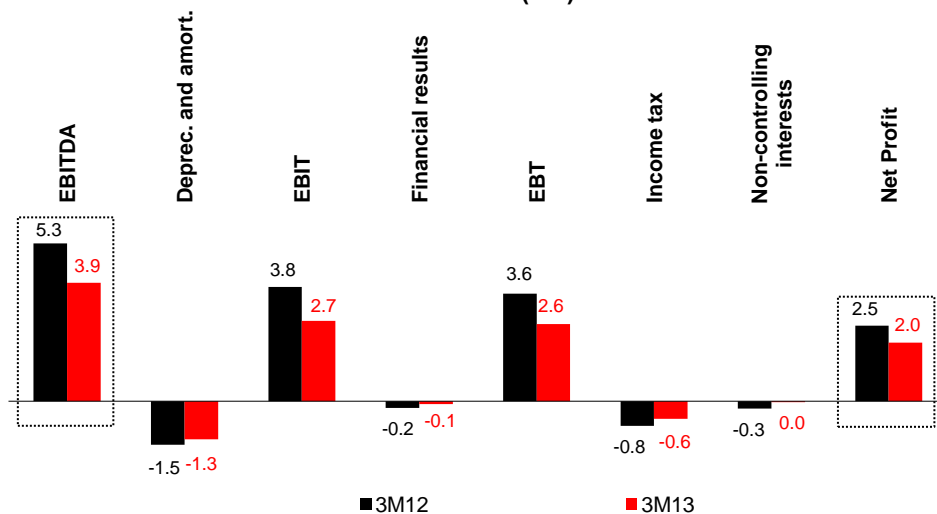
Evolution of profitability as expected, due to the costs associated to the reinforcement of the international expansion strategy and to an underperformance of IMS business.



Earnings per share (EPS) in 3M13 reached 0.06 euros per share, registering a decrease of 22.9% towards the EPS from the previous year of 0.08 euros per share.



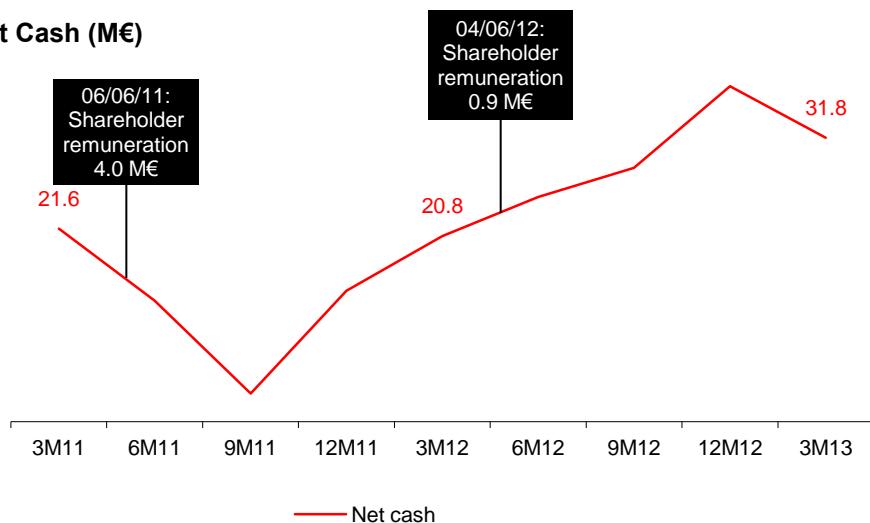
From EBITDA to Net Profit 3M13 Vs 3M12 (M€)



The Amortizations and the Financial Results registered an increase of 0.3 M€.

Non-controlling interests in 3M13 amounted to -0.03 M€, which compares to -0.3 M€ in 3M12. This variation is mainly due to the evolution of the results of subsidiaries with significant investments in international expansion.

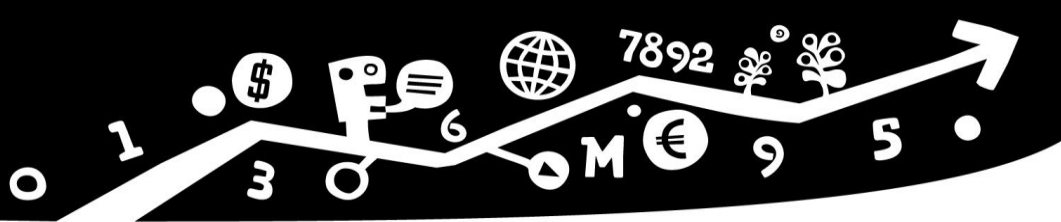
Net Cash (M€)



Cash use of 5.8 M€ in the first quarter of 2013, with an expected increase of the investment in working capital, given the unusually lower levels recorded in the end of 2012.

In the 3M13, Novabase shows a negative evolution in cash generation, however, considering the last 12 months, we observed a clear positive trend, with a generation of 11.0 M€.

Novabase ended the 3M13 with 31.8 M€ in net cash, which compares to 37.5 M€ in the 12M12.



2. Short Summary of the Activity

The results of the first quarter of 2013 are in line with the expectations set for the year, with focus on strengthening both the international expansion and the vertical integration and differentiation of Novabase offerings. It is worth noting that the Guidance included the costs associated to the development of these strategies.

Thus, compared to the same period of last year, the Turnover increased by 1.4%, with a 21.4% raise in international business, but the EBITDA registered a decrease of 25.0%. The results of the first quarter remained above both the Turnover Guidance (+1.3%) and the EBITDA mean Guidance (+1.8%), though.

According to the reorganization implemented in the Digital TV area in 2012 with the aim of maximizing synergies between all of the businesses, solutions geared toward TV operators were included in the Infrastructures & Managed Services (IMS) business, while System-in-Package (SIP) solutions were transferred to the Venture Capital business. The table below shows the Turnover and EBITDA for 3M11 and 3M12 related to each of the offerings, which were included in Digital TV area, and that were incorporated into the IMS and VC segments:

	TV operators Solutions		SIP Solutions	
	3M11	3M12	3M11	3M12
Turnover (M€)	11.576	8.333	1.717	2.838
EBITDA (M€)	1.223	0.490	-0.354	-0.752

Highlights include the return of Novabase to the main index of the Lisbon stock exchange in the first quarter of 2013. The return to PSI20 increases the visibility of Novabase which may increase the liquidity of its securities, that registered a 30% appreciation during the first three months.

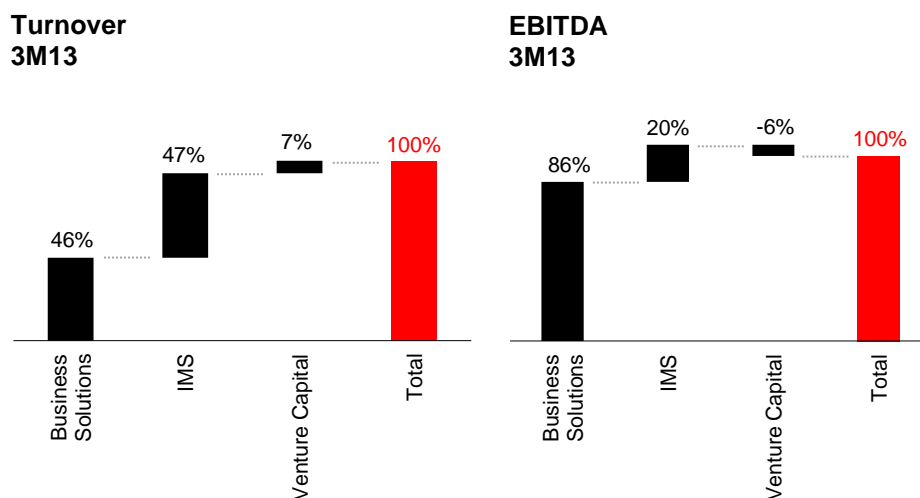
With regard to new businesses, Novabase strengthened its strategic commitment to innovative technology-based SMEs focused on the international market with the acquisition, through its Novabase Capital Inovação e Internacionalização venture capital fund, of a 25% stake in SmartGeo Solutions, a company specialising in the deployment of Geographic Information Systems (GIS) and the provision of associated products and services, which is proactively positioning itself in value-added areas, and already addresses the markets of Angola and Mozambique.



The entry into Mozambique is in line with the company's international expansion strategy, which continues to focus strongly on the African market.

Also worthy of note, up until publication of this report, is the official opening of operations in Mozambique. Novabase Mozambique aspires to be a key technology partner for leading banks and mobile operators, and play a major role in the government's structural projects. Another goal is to expand its position to the rest of the African market by exporting knowledge and technology from Mozambique.

The percentage breakdown of Turnover and EBITDA by the different businesses, in the 3M13, is as follows:



Of the overall Turnover generated in 3M13, the services rendered represent 62.0%, which compares to 65.7% in 3M12.

Of the 54.4 M€ Turnover, 28.5% is generated outside Portugal, that is 15.5 M€, which compares to the 12.8 M€ registered in 3M12.

Turnover by geography 3M12

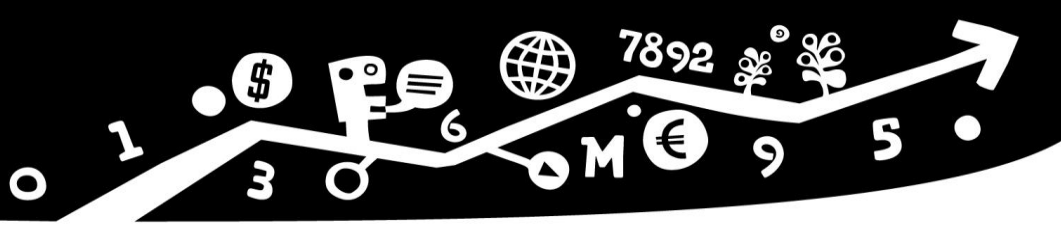
Turnover by geography 3M13

International business increased 21.4%, reflecting a strong focus on markets outside Portugal.



Business outside Portugal generated in the Business Solutions area increased to 30.3% of the respective invoicing (18.5% in 3M12). In the IMS business area, the international business in 3M13 decreased to 16.1% (18.6% in 3M12) and in the Venture Capital area increased to 94.6% (89.8% in 3M12).

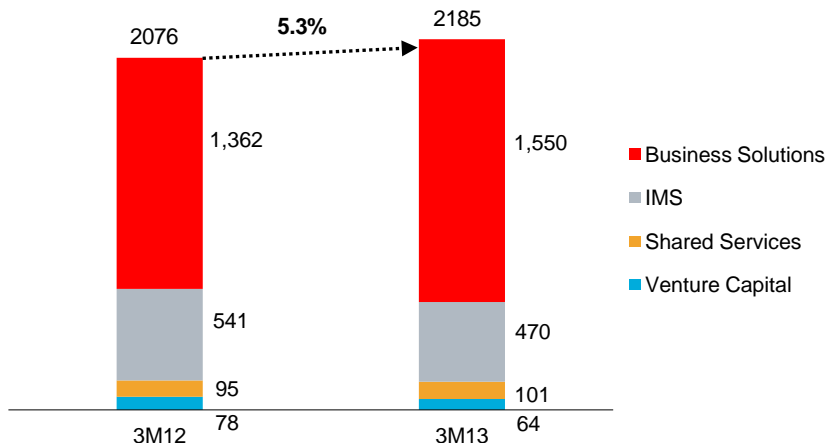
Novabase had on average, in the 3M13, 2185 employees, which represents an increase of 5.3% compared to the 3M12 (2076).



Employee breakdown by business area, in 3M13, is as follows:

Average Number of Employees

Average number of employees' evolution includes the talent renovation by the recruitment of 170 university graduates through Novabase Academy program.



Average Number of Employees by geography 3M12

The international team grew 27.9%, in line with the focus of Novabase on markets outside Portugal.



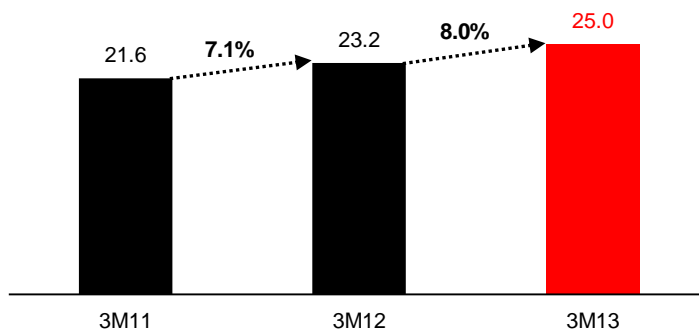
Average Number of Employees by geography 3M13



2.1. Business Solutions

Turnover Business Solutions (M€)

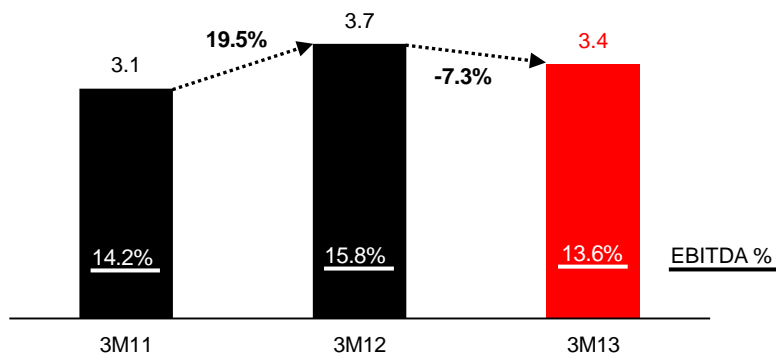
BS Turnover evolution reflects the significant growth of the international component (77.0% vs. 3M12).





EBITDA Business Solutions (M€)

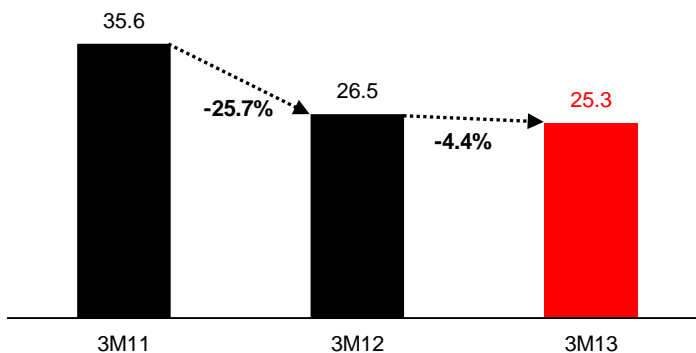
BS evolution reflects the costs associated to the intensification of the international expansion strategy.



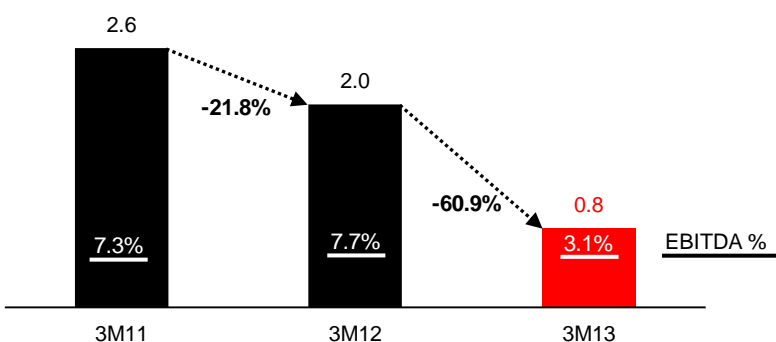
2.2. Infrastructures & Managed Services

Turnover IMS (M€)

IMS evolution is mainly due to the strong market pressure. However, this area should be analysed for time periods longer than a quarter.



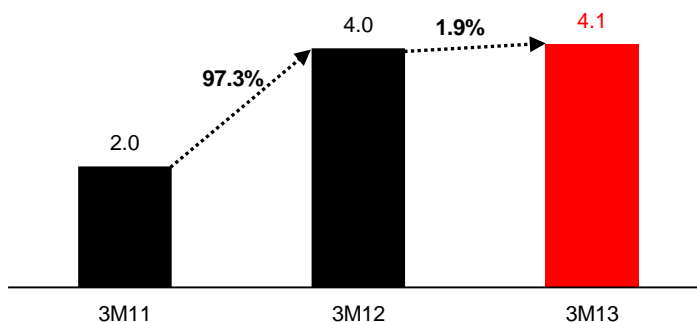
EBITDA IMS (M€)



2.3. Venture Capital

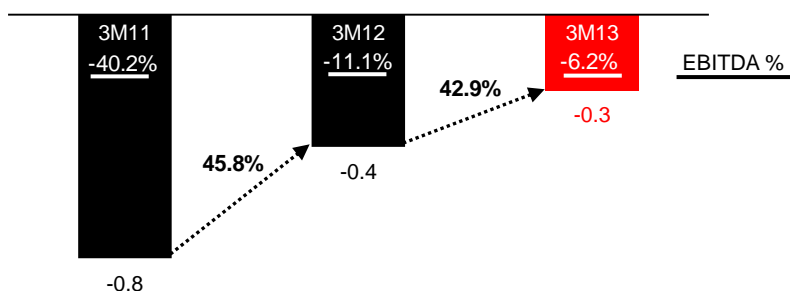
Turnover Venture Capital (M€)

VC Turnover positive evolution primarily reflects the growth of the international component (+7.4%).



EBITDA Venture Capital (M€)

VC EBITDA reflects the development stadium, strongly supported by R&D investments. This area should be analysed for time periods longer than a quarter.



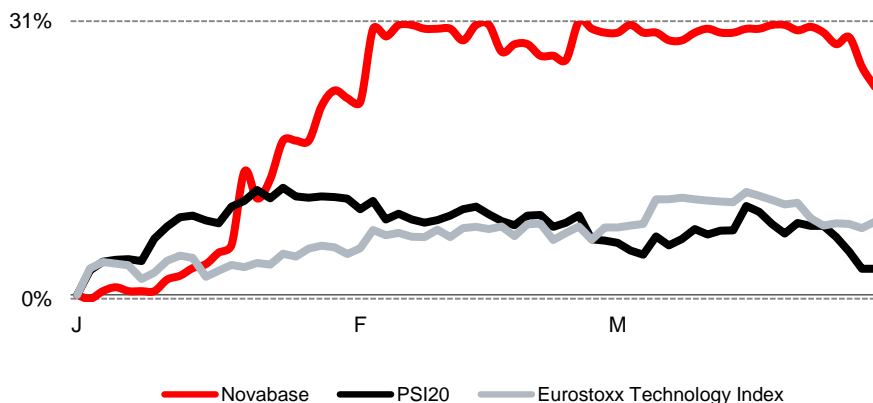
3. Stock Performance

Novabase share price in 3M13 gained 23.4%, comparing to a 3.0% gain in the PSI20 Index and a 8.2% gain in the EuroStoxx Technology Index.

The annual review of the composition of the PSI20 Index, in February 2013, established the entry of Novabase as of March, 18.

Up to the date of issue of this report, it was approved in the General Meeting of Shareholders of May 2, 2013, the distribution of dividends to the shareholders in the amount of 3.1 M€, corresponding to 0.10€ per share. The payment of these dividends will occur in the second quarter of 2013.

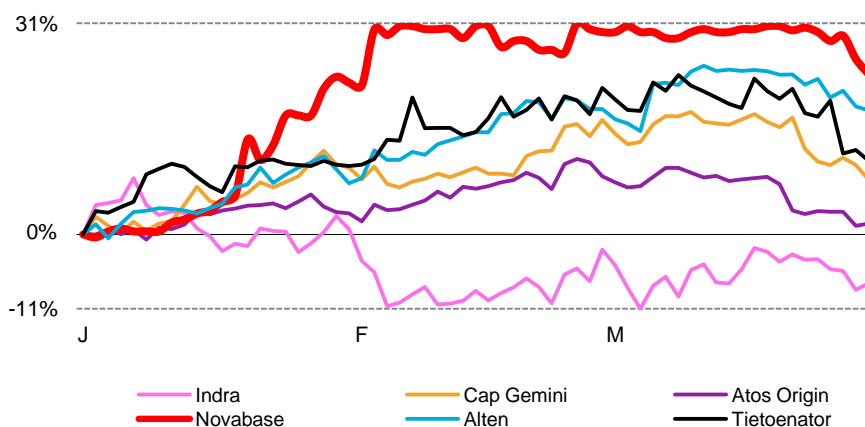
Novabase and the Market



The evolution of Novabase share prices compared to other companies in the IT sector in Europe, in 3M13, was as follows:

Novabase and other TMT

In the end of the first quarter of 2013, Novabase presented a Price to CF multiple of 5.85x and a Price to Sales multiple of 0.43x, which represents a discount of 38% and 32%, respectively, compared to the average of other companies in the sector in Europe.



Average upside of 43.8%, according to the analysts who cover Novabase.

The average price target disclosed by the analysts who cover Novabase is 4.08 euros, with unanimous recommendation to buy.

Rotation in 3M13 represented 7.0% of the capital and 2.2 million shares were traded, above the values in 3M12 (rotation of 2.3% of the capital and 0.7 million shares traded).



Summary	1Q13	4Q12	3Q12	2Q12	1Q12
Minimum price (€)	2.29	2.00	1.66	1.89	1.99
Maximum price (€)	3.01	2.30	2.03	2.30	2.32
Volume weighted average price (€)	2.85	2.15	1.92	2.03	2.15
Closing price at the end of the Quarter (€)	2.839	2.30	2.03	1.90	2.32
Nr. of shares traded	2,206,309	1,249,942	1,113,951	1,826,016	717,461
Market cap in the last day (M€)	89.1	72.2	63.7	59.7	72.9

4. Outlook 2013

The results of the first quarter of 2013 are in line with the management expectations, being 1.3% above the Turnover Guidance and 1.8% above the EBITDA mean Guidance. The Turnover registered an increase of 1.4% due to the 21.4% growth in international business compared to the same period of last year. As anticipated, EBITDA decreased by 25.0%, year on year, due to strong pressure on prices in the domestic market, but especially because of the costs associated to the reinforcement of the strategies defined by the management.

Novabase is committed to compliance with the Guidance for 2013, reaffirming as its strategic priorities the intensification of the international expansion and the increase of investments in vertical integration and differentiation of its offerings.

**Consolidated Statement of Financial Position
as at 31 March 2013**

	31.03.13	31.12.12
	(Thousands of Euros)	
Assets		
Tangible assets	7,209	7,101
Intangible assets	31,271	31,660
Financial investments	2,611	2,586
Deferred income tax assets	12,274	12,249
Other non-current assets	-	-
Total Non-Current Assets	53,365	53,596
Inventories	8,890	4,474
Trade debtors and accrued income	88,339	89,668
Other debtors and prepaid expenses	21,016	20,695
Derivative financial instruments	281	216
Financial assets held for trading	9,855	9,855
Cash and cash equivalents	34,835	40,452
Total Current Assets	163,216	165,360
Assets for continuing operations	216,581	218,956
Assets for discontinued operations	-	-
Total Assets	216,581	218,956
Shareholders' Equity		
Share capital	15,701	15,701
Treasury shares	(371)	(371)
Share premium	43,560	43,560
Reserves and retained earnings	41,599	33,481
Net profit	1,951	7,906
Total Shareholders' Equity	102,440	100,277
Non-controlling interests	10,807	10,613
Total Equity	113,247	110,890
Liabilities		
Bank borrowings	10,423	10,270
Finance lease liabilities	1,244	1,017
Provisions	2,199	2,436
Deferred income tax liabilities	100	100
Other non-current liabilities	70	70
Total Non-Current Liabilities	14,036	13,893
Bank borrowings	4,600	4,195
Trade payables	25,997	23,456
Other creditors and accruals	34,330	38,266
Derivative financial instruments	332	34
Deferred income	23,719	27,902
Total Current Liabilities	88,978	93,853
Total Liabilities for cont. operations	103,014	107,746
Total Liabilities for discount. operations	320	320
Total Liabilities	103,334	108,066
Total Equity and Liabilities	216,581	218,956
Net Cash	31,774	37,549

**Consolidated Income Statement
for the period of 3 months ended 31 March 2013**

	31.03.13	31.03.12	Var. %
	(Thousands of Euros)		
Sale of goods	20,705	18,423	
Cost of goods sold	(19,417)	(17,210)	
Gross margin	1,288	1,213	6.2 %
Other income			
Services rendered	33,734	35,247	
Supplementary income and subsidies	52	8	
Other operating income	258	129	
	34,044	35,384	
	35,332	36,597	
Other expenses			
External supplies and services	(12,064)	(11,713)	
Employee benefit expense	(19,560)	(19,648)	
Provisions reversal	444	145	
Other operating expenses	(206)	(122)	
	(31,386)	(31,338)	
Gross Net Profit (EBITDA)	3,946	5,259	-25.0 %
Depreciation and amortization	(1,276)	(1,451)	
Operating Profit (EBIT)	2,670	3,808	-29.9 %
Financial results	(100)	(224)	
Net Profit before taxes (EBT)	2,570	3,584	-28.3 %
Income tax expense	(589)	(821)	
Non-controlling interests	(30)	(251)	
Attributable Net Profit	1,951	2,512	-22.3 %
Other information:			
Turnover	54,439	53,670	1.4 %
Gross margin from sales %	6.2 %	6.6 %	
EBITDA margin	7.2 %	9.8 %	
EBT % on Turnover	4.7 %	6.7 %	
Net profit % on Turnover	3.6 %	4.7 %	

Consolidated Income Statement by SEGMENTS for the period of 3 months ended 31 March 2013

(Thousands of Euros)

	Business Solutions	IMS	Venture Capital	NOVABASE
Sale of goods	206	17,631	2,868	20,705
Cost of goods sold	(130)	(16,773)	(2,514)	(19,417)
Gross margin	76	858	354	1,288
Other income				
Services rendered	24,833	7,686	1,215	33,734
Supplementary income and subsidies	48	4	-	52
Other operating income	247	7	4	258
	25,128	7,697	1,219	34,044
	25,204	8,555	1,573	35,332
Other expenses				
External supplies and services	(7,403)	(3,692)	(969)	(12,064)
Employee benefit expense	(14,422)	(4,110)	(1,028)	(19,560)
Provisions reversal	152	103	189	444
Other operating expenses	(127)	(61)	(18)	(206)
	(21,800)	(7,760)	(1,826)	(31,386)
Gross Net Profit (EBITDA)	3,404	795	(253)	3,946
Depreciation and amortization	(910)	(203)	(163)	(1,276)
Operating Profit (EBIT)	2,494	592	(416)	2,670
Financial results	(24)	(110)	34	(100)
Net Profit / (Loss) before Taxes (EBT)	2,470	482	(382)	2,570
Income tax expense	(439)	(488)	338	(589)
Non-controlling interests	(103)	85	(12)	(30)
Attributable Net Profit / (Loss)	1,928	79	(56)	1,951
Other information :				
Turnover	25,039	25,317	4,083	54,439
EBITDA	3,404	795	(253)	3,946
EBITDA % on Turnover	13.6%	3.1%	-6.2%	7.2%
EBT % on Turnover	9.9%	1.9%	-9.4%	4.7%

Condensed Consolidated Accounts
1st quarter 2013
(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 2013

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

Condensed Consolidated Interim Statement of Financial Position as at 31 March 2013

(Amounts expressed in thousands of Euros)

	Note	31.03.13	31.12.12
Assets			
Non-Current Assets			
Property, plant and equipment	6	7,209	7,101
Intangible assets	6	31,271	31,660
Investments in associates		855	855
Financial assets at fair value through profit or loss		1,756	1,731
Deferred income tax assets	7	12,274	12,249
Total Non-Current Assets		53,365	53,596
Current Assets			
Inventories		8,890	4,474
Trade and other receivables	8	86,097	92,489
Accrued income		15,054	10,035
Income tax receivable		2,118	2,057
Derivative financial instruments		281	216
Other current assets		6,086	5,782
Financial assets held for trading		9,855	9,855
Cash and cash equivalents	9	34,835	40,452
Total Current Assets		163,216	165,360
Assets for discontinued operations		-	-
Total Assets		216,581	218,956
Equity			
Share capital		15,701	15,701
Treasury shares		(371)	(371)
Share premium		43,560	43,560
Reserves and retained earnings		41,599	33,481
Profit for the period		1,951	7,906
Total Equity attributable to owners of the parent		102,440	100,277
Non-controlling interests	10	10,807	10,613
Total Equity		113,247	110,890
Liabilities			
Non-Current Liabilities			
Borrowings	11	11,667	11,287
Provisions	12	2,199	2,436
Deferred income tax liabilities	7	100	100
Other non-current liabilities		70	70
Total Non-Current Liabilities		14,036	13,893
Current Liabilities			
Borrowings	11	5,913	5,246
Trade and other payables	13	57,814	59,755
Income tax payable		1,200	916
Derivative financial instruments		332	34
Deferred income and other current liabilities		23,719	27,902
Total Current Liabilities		88,978	93,853
Liabilities for discontinued operations		320	320
Total Liabilities		103,334	108,066
Total Equity and Liabilities		216,581	218,956

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 Comprehensive Income for the period of 3 months ended 31 March 2013

(Amounts expressed in thousands of Euros)

	Note	3 M *	
		31.03.13	31.03.12
Sales	5	20,705	18,423
Services rendered	5	33,734	35,247
Cost of sales		(19,417)	(17,210)
External supplies and services		(12,064)	(11,713)
Employee benefit expense		(19,560)	(19,648)
Other gains/(losses) - net	14	548	160
Depreciation and amortisation		(1,276)	(1,451)
Operating Profit		2,670	3,808
Finance income		881	931
Finance costs		(981)	(1,059)
Share of loss of associates		-	(96)
Profit Before Income Tax		2,570	3,584
Income tax expense	15	(589)	(821)
Profit for the period		1,981	2,763
Other comprehensive income for the period		-	-
Total comprehensive income for the period		1,981	2,763
Profit attributable to:			
Owners of the parent		1,951	2,512
Non-controlling interests	10	30	251
		1,981	2,763
Total comprehensive income attributable to:			
Owners of the parent		1,951	2,512
Non-controlling interests	10	30	251
		1,981	2,763
Earnings per share			
attributable to owners of the parent (Euros per share)			
Basic earnings per share	16	0.06 Euros	0.08 Euros
Diluted earnings per share	16	0.06 Euros	0.08 Euros

3 M * - period of 3 months ended

THE ACCOUNTANT

THE BOARD OF DIRECTORS

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

Condensed Consolidated Interim Statement of Changes in Equity for the period of 3 months ended 31 March 2013

(Amounts expressed in thousands of Euros)

	Note	Attributable to owners of the parent					Non-controlling interests	Total Equity
		Share capital	Treasury shares	Share premium	Legal reserves	Stock options reserves	Reserves and retained earnings	
Balance at 1 January, 2012		15,701	(490)	43,560	2,505	1,407	29,945	102,439
Total comprehensive income for the period		-	-	-	-	-	2,512	2,763
Transactions with owners								
Share-based payments	17	-	-	-	-	39	-	39
Foreign currency translation reserve		-	-	-	-	-	(56)	(113)
Transactions with owners		-	-	-	-	39	(56)	(74)
Changes in ownership interests in subsidiaries that do not result in a loss of control								
Transactions with non-controlling interests		-	-	-	-	-	-	-
Balance at 31 March, 2012		15,701	(490)	43,560	2,505	1,446	32,401	105,128
 Balance at 1 January, 2013		 15,701	 (371)	 43,560	 3,042	 130	 38,215	 110,890
Total comprehensive income for the period		-	-	-	-	-	1,951	1,981
Transactions with owners								
Share-based payments	17	-	-	-	-	49	-	49
Foreign currency translation reserve		-	-	-	-	-	163	327
Transactions with owners		-	-	-	-	49	163	376
Changes in ownership interests in subsidiaries that do not result in a loss of control								
Transactions with non-controlling interests		-	-	-	-	-	-	-
Balance at 31 March, 2013		15,701	(371)	43,560	3,042	179	40,329	113,247

THE ACCOUNTANT

THE BOARD OF DIRECTORS

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

Condensed Consolidated Interim Statement of Cash Flows for the period of 3 months ended 31 March 2013

(Amounts expressed in thousands of Euros)

	Note	3 M *	
		31.03.13	31.03.12
Cash flows from operating activities			
Net Cash generated / (used) in operating activities		(5,807)	6,904
Cash flows from investing activities			
Receipts:			
Loan repayments received from associates		31	15
Proceeds on disposal of property, plant and equipment		1	-
Interest received		432	204
		464	219
Payments:			
Acquisition of subsidiaries and associates		(25)	-
Loans granted to associates		(1,383)	(377)
Purchases of property, plant and equipment		(580)	(72)
Purchases of intangible assets		(205)	(51)
		(2,193)	(500)
Net Cash used in investing activities		(1,729)	(281)
Cash flows from financing activities			
Receipts:			
Proceeds from borrowings		1,350	-
Capital contribution by non-controlling interests (i)		2,000	-
		3,350	-
Payments:			
Repayments of borrowings		(806)	(1,015)
Payment of finance lease liabilities		(358)	(418)
Interest paid		(300)	(293)
		(1,464)	(1,726)
Net Cash (used) / generated in financing activities		1,886	(1,726)
Cash, cash equivalents and bank overdrafts at beginning of period		40,452	27,157
Net increase / (decrease) of cash, cash equivalents and bank overdrafts		(5,650)	4,897
Effect from exchange rate fluctuations on cash held		18	(22)
Cash, cash equivalents and bank overdrafts at end of period	9	34,820	32,032
3 M * - period of 3 months ended			

(i) In 2013: FCR NB Capital Inovação e Internacionalização.

THE ACCOUNTANT

THE BOARD OF DIRECTORS

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 2013

1. General information

Novabase, Sociedade Gestora de Participações Sociais, SA (hereunder referred to as Novabase or Group), 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 approved for issue by the Board of Directors on May 2, 2013. In the opinion of the Board of Directors these financial statements fairly present the Group operations, as well as its financial position, financial performance and cash flows.

2. Significant accounting policies

These condensed consolidated interim financial statements for the period of three months ended 31 March 2013 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 2012, which have been prepared in accordance with IFRSs, as adopted by the European Union (EU).

These financial statements are presented in thousands of euros (EUR thousand).

These financial statements have not been audited.

Except as described below, the accounting policies applied are consistent with those of the annual financial statements for the year ended 31 December 2012, 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 2013.

3. Critical accounting estimates and judgements

The preparation of interim financial statements requires Management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates.

In preparing these condensed consolidated interim financial statements, the significant estimates and judgments made are the same as those that applied to the consolidated financial statements for the year ended 31 December 2012.

4. Seasonality

The activity of Business Solutions and IMS is usually lower in 3rd quarter due to holiday period.

5. Segment information

In the second half of 2012, Novabase reorganized its Digital TV (DTV) operations. Solutions geared towards TV operators were included in the IMS business. The System-in-Package (SIP) solutions were transferred to the VC business.

The table below shows the amounts of each of the offerings that have been disclosed in DTV segment in 1st quarter of 2012, and were transferred to IMS and VC segments.

	IMS ^(*)	Units of former DTV	IMS	VC ^(*)	Units of former DTV	VC
At 31 March 2012						
Total segment Sales and services rendered	20,826	8,567	29,393	1,404	3,541	4,945
Inter-segment Sales and services rendered	2,684	234	2,918	237	703	940
Sales and services rendered	18,142	8,333	26,475	1,167	2,838	4,005
Depreciation and amortisation	(343)	(2)	(345)	(43)	(166)	(209)
Operating profit/(loss)	1,198	488	1,686	266	(918)	(652)
Finance costs – net	(23)	(81)	(104)	24	(13)	11
Share of loss of associates	-	-	-	(11)	-	(11)
Income tax expense	(371)	252	(119)	(73)	-	(73)
Profit/(Loss) from operations	804	659	1,463	206	(931)	(725)

Other information:

(Provisions) / Provisions reversal	41	33	74	-	10	10
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^(*) Amounts disclosed in the Report and Accounts for the 1st quarter of 2012.

The segment results presented below consider the new internal reporting organization, with the comparatives restated.

	Business Solutions	IMS	Venture Capital	NOVABASE
At 31 March 2012				
Total segment Sales and services rendered	40,013	29,393	4,945	74,351
Inter-segment Sales and services rendered	16,823	2,918	940	20,681
Sales and services rendered	23,190	26,475	4,005	53,670
Depreciation and amortisation	(897)	(345)	(209)	(1,451)
Operating profit/(loss)	2,774	1,686	(652)	3,808
Finance costs – net	(35)	(104)	11	(128)
Share of loss of associates	(85)	-	(11)	(96)
Income tax expense	(629)	(119)	(73)	(821)
Profit/(Loss) from operations	2,025	1,463	(725)	2,763

Other information:

(Provisions) / Provisions reversal	61	74	10	145
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	Business Solutions	IMS	Venture Capital	NOVABASE
At 31 March 2013				
Total segment Sales and services rendered	41,009	27,681	4,781	73,471
Inter-segment Sales and services rendered	15,970	2,364	698	19,032
Sales and services rendered	25,039	25,317	4,083	54,439
Depreciation and amortisation	(910)	(203)	(163)	(1,276)
Operating profit/(loss)	2,494	592	(416)	2,670
Finance costs – net	(24)	(110)	34	(100)
Share of loss of associates	-	-	-	-
Income tax expense	(439)	(488)	338	(589)
Profit/(Loss) from operations	2,031	(6)	(44)	1,981

Other information:

(Provisions) / Provisions reversal	152	103	189	444
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6. Property, plant and equipment and intangible assets

During the periods ended at 31 March 2013 and 31 March 2012, the movements in the net book value of property, plant and equipment and intangible assets, were as follows:

	Property, plant and equipment	Intangible assets
Net book value at 1 January 2012	9,000	31,127
Acquisitions / increases	175	51
Write off's / disposals	(31)	-
Exchange differences	(11)	-
Depreciation and amortisation	(799)	(652)
Net book value at 31 March 2012	8,334	30,526
Net book value at 1 January 2013	7,101	31,660
Acquisitions / increases	819	205
Write off's / disposals	(44)	-
Exchange differences	15	-
Depreciation and amortisation	(682)	(594)
Net book value at 31 March 2013	7,209	31,271

7. Deferred income tax assets and liabilities

The movement in the deferred income tax assets was as follows:

	31.03.13	31.12.12
Balance at 1 January	12,249	12,387
Change in consolidation universe	-	15
Exchange differences	(1)	(7)
Profit or loss charge	26	(146)
Balance at the end of the period	12,274	12,249

The movement in the deferred income tax liabilities was as follows:

	31.03.13	31.12.12
Balance at 1 January	100	100
Profit or loss charge	-	-
Balance at the end of the period	100	100

The movement in deferred tax assets during the period, without taking into consideration the offsetting of balances within the same tax jurisdiction, is as follows:

	Tax Losses	Tax Incentives	Provisions / Adjustments	Total
Balance at 1 January 2012	2,904	7,690	1,793	12,387
Profit or loss charge	(1,612)	801	665	(146)
Change in consolidation universe	15	-	-	15
Exchange differences	(7)	-	-	(7)
Balance at 31 December 2012	1,300	8,491	2,458	12,249
Profit or loss charge	108	21	(103)	26
Exchange differences	(1)	-	-	(1)
Balance at 31 March 2013	1,407	8,512	2,355	12,274

8. Trade and other receivables

	31.03.13	31.12.12
Trade receivables	78,057	84,442
Allowance for impairment of trade receivables	(4,772)	(4,809)
	73,285	79,633
Prepayments to suppliers	965	448
Employees	306	114
Value added tax	913	725
Receivables from related parties (note 17)	5,790	4,407
Financial investments disposal	67	67
Receivables from financed projects	3,849	3,912
Capital subscribers of FCR NB Capital Inovação e Internacionalização	350	2,350
Other receivables	4,596	4,954
Allowance for impairment of other receivables	(4,024)	(4,121)
	12,812	12,856
	86,097	92,489

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

	Trade receivables		Other receivables		Total	
	31.03.13	31.12.12	31.03.13	31.12.12	31.03.13	31.12.12
Balance at 1 January	4,809	2,854	4,121	3,661	8,930	6,515
Change in consolidation universe	-	7	-	-	-	7
Impairment	-	2,180	-	525	-	2,705
Impairment reversal	(37)	(157)	(114)	(55)	(151)	(212)
Exchange differences	-	-	17	(10)	17	(10)
Write off's	-	(75)	-	-	-	(75)
Balance at the end of the period	4,772	4,809	4,024	4,121	8,796	8,930

9. Cash and cash equivalents

With reference to the consolidated statement of cash flows, the detail and description of **Cash, cash equivalents and bank overdrafts** is analysed as follows:

	31.03.13	31.12.12
- Cash	17	34
- Short term bank deposits	34,818	40,418
Cash and cash equivalents	34,835	40,452
- Overdrafts	(15)	-
	34,820	40,452

10. Non-controlling interests

	31.03.13	31.12.12
Balance at 1 January	10,613	9,811
(*) Change in consolidation universe	-	66
Dividends paid by Celfocus to non-controlling interests	-	(900)
Foreign currency translation differences for foreign operations	164	(219)
Profit attributable to non-controlling interests	30	1,855
Balance at the end of the period	10,807	10,613

(*) In 2012, NBMSIT was established.

11. Borrowings

	31.03.13	31.12.12
Non-current		
Bank borrowings	10,423	10,270
Finance lease liabilities	1,244	1,017
	<u>11,667</u>	<u>11,287</u>
Current		
Bank borrowings	4,600	4,195
Finance lease liabilities	1,313	1,051
	<u>5,913</u>	<u>5,246</u>
Total borrowings	<u><u>17,580</u></u>	<u><u>16,533</u></u>

The periods in which the current bank borrowings will be paid are as follows:

	31.03.13	31.12.12
6 months or less	2,530	2,289
6 to 12 months	2,070	1,906
	<u>4,600</u>	<u>4,195</u>

The maturity of non-current bank borrowings is as follows:

	31.03.13	31.12.12
Between 1 and 2 years	3,848	3,831
Between 2 and 5 years	6,189	5,912
Over 5 years	386	527
	<u>10,423</u>	<u>10,270</u>

The effective interest rates at the reporting date were as follows:

	31.03.13	31.12.12
Bank borrowings	5.562%	5.532%
Bank overdrafts	2.905%	N/A

Gross finance lease liabilities – minimum lease payments:

	31.03.13	31.12.12
No later than 1 year	1,663	1,392
Between 1 and 5 years	1,556	1,331
	<u>3,219</u>	<u>2,723</u>
Future finance charges on finance leases	(662)	(655)
Present value of finance lease liabilities	<u>2,557</u>	<u>2,068</u>

The present value of finance lease liabilities is analysed as follows:

	31.03.13	31.12.12
No later than 1 year	1,313	1,051
Between 1 and 5 years	1,244	1,017
	<u>2,557</u>	<u>2,068</u>

12. Provisions

Movements in provisions are analysed as follows:

	Warranties	Legal Claims	Other Risks and Charges	Total
Balance at 1 January 2012	901	240	580	1,721
Additional provisions	165	-	1,876	2,041
Reversals	(319)	-	(983)	(1,302)
Exchange differences	-	-	(24)	(24)
Balance at 31 December 2012	747	240	1,449	2,436
Additional provisions	22	-	55	77
Reversals	(16)	-	(298)	(314)
Balance at 31 March 2013	753	240	1,206	2,199

13. Trade and other payables

	31.03.13	31.12.12
Trade payables	24,684	22,405
Remunerations, vacations and vacation and Christmas subsidies	9,218	8,045
Bonus	5,630	9,619
Ongoing projects	4,161	4,147
Value added tax	3,978	7,129
Social security contributions	1,354	2,049
Income tax withholding	3,264	1,508
Employees	202	201
Prepayments from trade receivables	39	14
Acquisition of financial interests to related parties (note 17)	205	205
Acquisition of financial interest in Evolvespace Solutions	151	151
Other accrued expenses	4,702	4,068
Other payables	226	214
	57,814	59,755

14. Other gains/(losses) - net

	31.03.13	31.03.12
Impairment and impairment reversal of trade and other receivables	151	21
Impairment and impairment reversal of inventories	56	32
Warranties provision	(6)	60
Provisions for other risks and charges	243	32
Other operating income and expense	104	15
	548	160

15. Income tax expense

The tax on the Group's profit before tax differs from the theoretical amount that would arise using the weighted average rate applicable to profits of the consolidated entities as follows:

	31.03.13	31.03.12
Profit before income tax	2,570	3,584
Income tax expense at nominal rate (25%)	643	896
Tax benefit on the net creation of employment for young and long term unemployed people	(103)	(117)
Provisions and amortisations not considered for tax purposes	18	51
Recognition of tax on the events of previous years	(72)	-
Associates' results reported net of tax	-	24
Autonomous taxation	190	160
Losses in companies where no deferred tax is recognised	37	(61)
Expenses not deductible for tax purposes	(28)	11
Differential tax rate on companies located abroad	(7)	26
Research & Development tax benefit	(214)	(221)
Municipal surcharge and State surcharge	43	52
Impairment of Special Payment on Account, tax losses and withholding taxes	82	-
Income tax expense	589	821

16. Earnings per share

	31.03.13	31.03.12
Weighted average number of ordinary shares in issue	30,659,078	30,420,867
Stock options adjustment	455,564	-
Adjusted weighted average number of ordinary shares in issue	31,114,642	30,420,867
Profit attributable to owners of the parent	1,951	2,512
Basic earnings per share (Euros per share)	0.06 Euros	0.08 Euros
Diluted earnings per share (Euros per share)	0.06 Euros	0.08 Euros

17. Related-party transactions

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

i) Key management compensation

	31.03.13	31.03.12
Salaries and other short-term employee benefits	1,475	1,597
Stock options granted	49	39
	1,524	1,636

ii) Balances arising from acquisitions of financial interests to related parties (former shareholders)

	Non-current		Current (note 13)		Total	
	31.03.13	31.12.12	31.03.13	31.12.12	31.03.13	31.12.12
Novabase A.C.D.	-	-	40	40	40	40
SAF	-	-	32	32	32	32
Novabase International Solutions B.V.	-	-	133	133	133	133
	-	-	205	205	205	205

iii) Other balances with related parties

	31.03.13	31.12.12
Loan to Novabase Atlântico, SI, S.A.	1,092	1,023
Loan to Powergrid, Lda	1,765	550
Loan to DTV Research, Lda	1,310	1,310
Loan to Bright Innovation, Lda	1,477	1,477
(*) Loan to SmartGeo Solutions, Lda	99	-
Loans to other shareholders	47	47
	<u>5,790</u>	<u>4,407</u>
Receivables from related parties (note 8)		

(*) New investment from FCR NB Capital Inovação e Internacionalização.

18. Contingencies

Given the disclosed in the annual financial statements for the year 2012, no significant changes occurred in the judicial processes, having arisen a new procedure:

- Court procedure brought by former collaborators of the company Novabase Digital TV SA claiming payment of credits due referring to the years they were in service prior to 2012 as independent service providers. They petitioned the Court to recognize the existence of a formal employment contract rather than a services agreement and have petitioned the Company to be condemned to the payment of credits in an amount totaling EUR 80 thousand. The procedure awaits written formal defense by the Defendant.

19. Events after the reporting period

In the annual General Meeting of Shareholders held on May 2013, it was approved the payment of dividends in the amount of EUR 3,140 thousand corresponding to 0.10 Euros per share.

20. Note added for translation

These financial statements are a translation of financial statements originally issued in Portuguese. In the event of discrepancies, the Portuguese language version prevails.

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