

Accounts



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REPORT AND ACCOUNTS - 1ST HALF 2014

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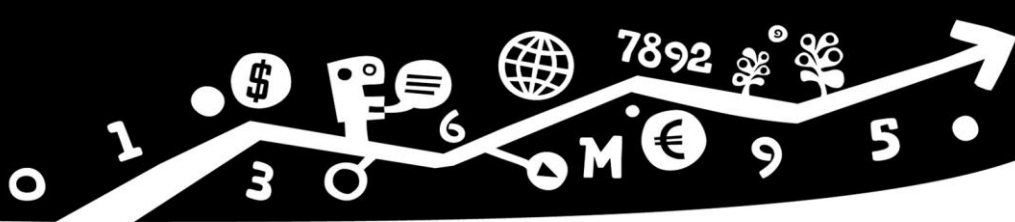
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Consolidated Results 6M14

Privileged Information

July 30, 2014

Highlights:

Turnover: 105.9 M€

(113.7 M€ in 6M13)

EBITDA: 6.4 M€

(8.1 M€ in 6M13)

Net Profit: 1.9 M€

(3.6 M€ in 6M13)

Net Cash: 4.9 M€

(20.3 M€ in 12M13)

Message from the CEO - Luís Paulo Salvado

"The results of the first half reflect the very challenging conditions in the domestic market and are aligned with our strategic priorities. Services represent over 2/3 of the total business and the international business accounts for 36%. Excluding the Digital TV/SIP business, sold in 2013, international growth exceeded 38%, which we classify as highly positive.

However, the domestic business experienced a contraction of 12% and has maintained a high pressure on the margins with significant impact on EBITDA and Net Profit, -21% and -45%, respectively. The cash position declined by 15 M€, mainly due to investment in working capital and shareholder remuneration.

Novabase's share price has appreciated 37% in the first half, clearly above the indexes we follow as a reference, PSI 20 and Eurostoxx Technology.

For the second half we do not anticipate significant changes in the market. We foresee that the current domestic context will remain adverse - which is proving tougher than we had anticipated earlier in the year. In the international business, we are confident in achieving our commercial pipeline, reaffirming that this is our first priority. The annual guidance appears now more challenging, although at this time there is no significant elements to revise it."

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Report available on website :
www.novabase.pt

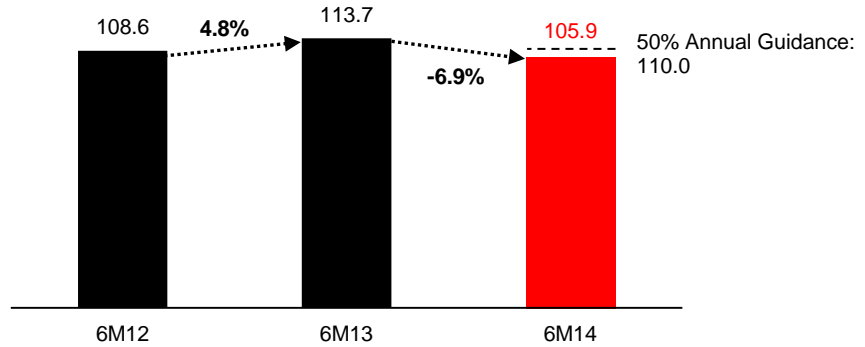
Novabase SGPS, S.A.
Public Company - Euronext code: NBA.AM
Registered in TRO of Lisbon and Corporate Tax Payer nº 502.280.182 - Share Capital: 15,700,697.00 €
Head Office: Av. D. João II, Lote 1.03.2.3., 1998-031 Lisbon - PORTUGAL



1. Key Indicators Evolution

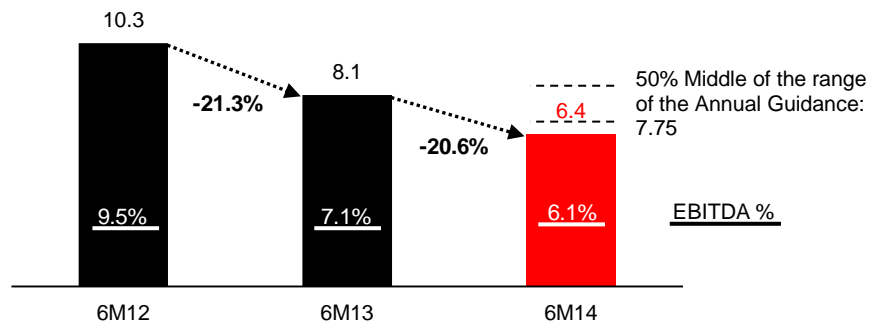
Turnover (M€)

Turnover below the annual Guidance linearized of 220 M€ (-3.7%), due to the contraction of business in Portugal, despite the international growth. Removing the effect of the sale of the DTV/SIP business, Turnover increased by 1% YoY.



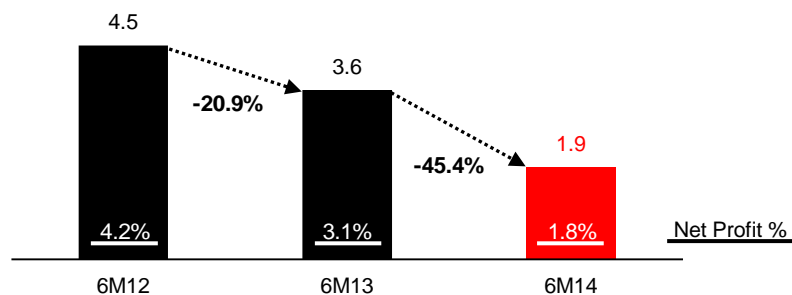
EBITDA (M€)

EBITDA below the range of the annual Guidance linearized of 14-17 M€ and 6.4%-7.7% of margin: -17.3% below the middle of the range (-0.9 points %).

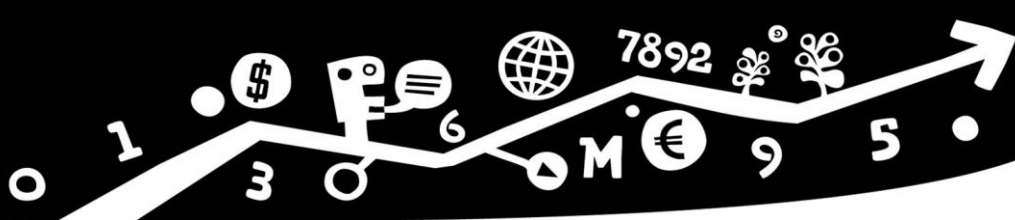


Net Profit (M€)

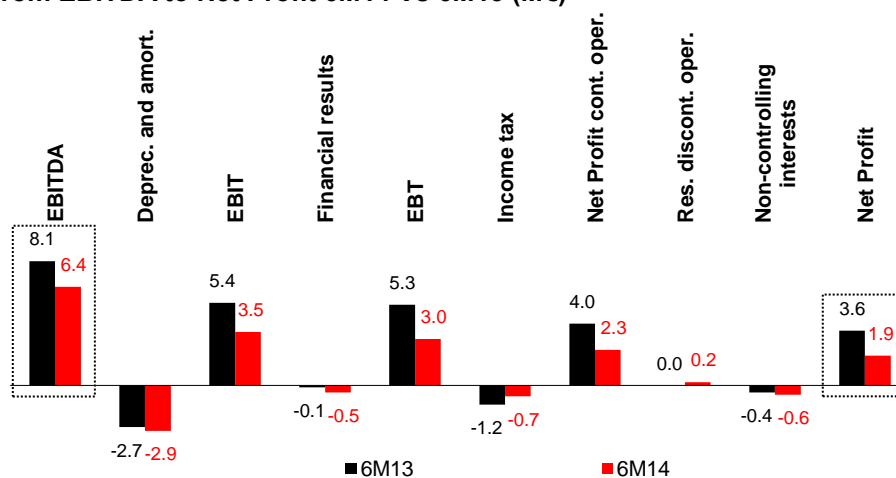
Evolution of profitability penalized by the degradation of margins in the domestic market and by the reinforcement of the international expansion strategy.



Earnings per share (EPS) in 6M14 reached 0.06 euros per share, registering a decrease of 45.9% towards the EPS from the previous year of 0.12 euros per share.



From EBITDA to Net Profit 6M14 Vs 6M13 (M€)

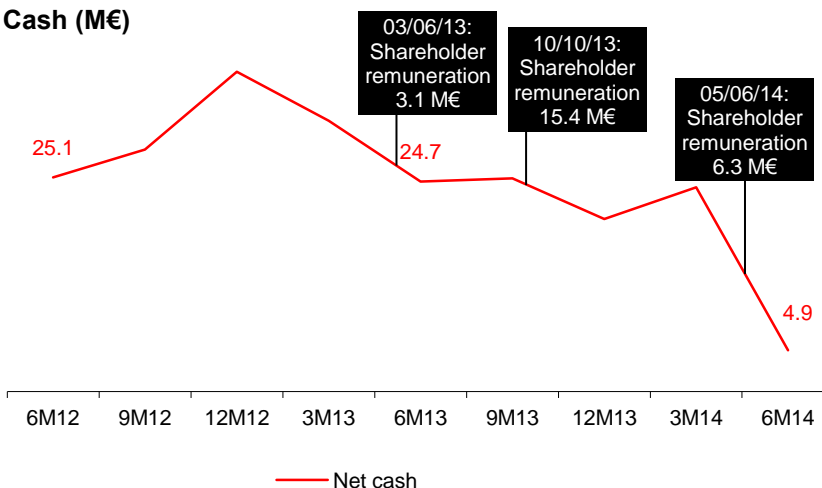


The Financial Results reached a net negative value of 0.5 M€, a decrease of 0.4 M€, fundamentally based on the decline in the short term bank deposits gains compared to the same period of last year.

Results from discontinued operations in 6M14 reached a 0.2 M€ profit. This figure reflects the completion of the closure process of the 'Mobility Solutions' area, discontinued during 2008, with a value lower than the one provisioned.

Non-controlling interests in 6M14 amounted to -0.6 M€, which compares to -0.4 M€ in 6M13. This variation is mainly due to the positive evolution of the results of subsidiaries focused on international expansion.

Net Cash (M€)



Cash use of 15.4 M€ in the first half of 2014, includes the payment of dividends and a significant investment in working capital.

In the 6M14, Novabase shows a negative evolution in cash generation. Novabase ended the 6M14 with 4.9 M€ in net cash, which compares to 20.3 M€ in the 12M13.

On June 5, 2014, Novabase paid its shareholders a total amount of 6.3 M€ (0.20€/share).



2. Short Summary of the Activity

The first half of 2014 was marked by a significant increase of the international business considering the same perimeter, however, we also observed a relevant contraction of business in Portugal.

Overall, compared to the same period of last year, the Turnover decreased by 6.9%, due to the sale of the Digital TV/SIP area. Removing this effect, the international business grew 38.3%, and now accounts for 36.3% of the total business, in line with the annual goal of 35%. In the six months of 2014, the weight of services increased to 67.3%. EBITDA registered a decrease of 20.6%, due to the strong pressure on prices in the domestic market and the costs associated to the reinforcement of the international expansion strategy.

The results of the six months of 2014, are below the Turnover Guidance (-3.7%), and below the range of the EBITDA Guidance (-17.3% in value and -0.9 percentage points, comparing to the middle of the range).

Following the transaction of sale of non-strategic assets of Digital TV/SIP, in the end of 2013, the table below shows the Turnover and EBITDA generated by this business in 6M12 and 6M13, which are included in the Venture Capital area:

Digital TV/SIP business	6M12	6M13
Turnover (M€)	7.028	8.999
EBITDA (M€)	-0.962	-0.523

This new infrastructure will keep pace with Novabase Angola's recent growth, and is in line with the company's international expansion strategy.

Highlights include the opening of the new logistics centre of Novabase Angola, in Talatona, in the first quarter of 2014, to support local operations more efficiently and on a larger scale.

In the second quarter of 2014, the subsidiary of Novabase, Celfocus, opened a new Delivery and R&D (research and development) centre in the UPTEC science and technology park's at Oporto University. This unit reflects the continued strategic investment of Novabase in R&D for the specialization of its offerings.

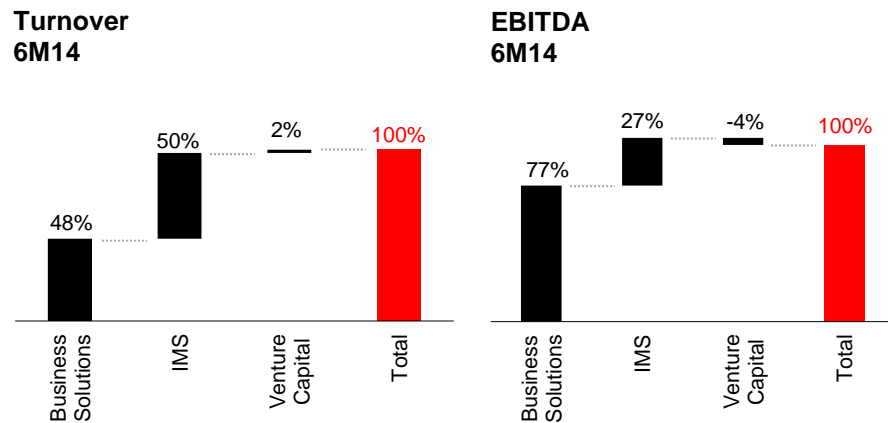
These investments reflect the strengthening of Novabase's strategic commitment to innovative technology-based SMEs, with complementary offerings.

In the Venture Capital area, the Venture Capital Fund Novabase Capital Inovação e Internacionalização invested in the companies Wizdee, a company specializing in the development of Business Intelligence self-service solutions through natural language, and City Pulse, a company with differentiated expertise in the areas of mobility and smart-cities.



Also worthy of note, is the distinction of Novabase IMS which was given the “Growth” award in the Enterprise Group category, during the annual gala HP Partners Awards 2014. This award highlights Novabase IMS for being the partner who grew the most in the business areas of Systems, Storage, Networking and Services. Additionally, is the distinction of Collab by the Portuguese Association of Contact Centers (APCC), in the Gold category, for four out of five awards: ACD Technologies, Call Recorder Technologies, CTI + IVR + Dialler Technologies and the Global Customer Satisfaction Technologies Award.

The percentage breakdown of Turnover and EBITDA by the different businesses, in the 6M14, is as follows:



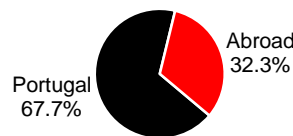
Rise in services, in line with Novabase strategic orientation to increase the added value of its offers.

Of the overall Turnover generated in 6M14, the services rendered represent 67.3%, which compares to 60.2% in 6M13.

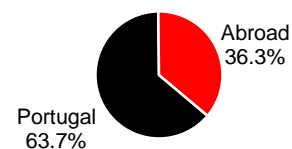
Of the 105.9 M€ Turnover, 36.3% is generated outside Portugal, that is 38.4 M€, which compares to the 36.7 M€ registered in 6M13.

However, it is to be noted that in 6M13 the Digital TV/SIP business was still being consolidated, which contributed with 9.1 M€, that is 24.7% of total Turnover generated outside of Portugal.

Turnover by geography 6M13



Turnover by geography 6M14



International Turnover increased by 38.3%, removing the effect of the sale of the Digital TV/SIP business.

Business outside Portugal generated in the Business Solutions area increased to 38.1% of the respective invoicing (32.3% in 6M13). In the IMS business area, the international business in 6M14 increased to 33.8% (19.0% in 6M13) and in the Venture Capital area decreased to 55.4% (96.4% in 6M13 but 74.7% in 6M13 without Digital TV/SIP business).

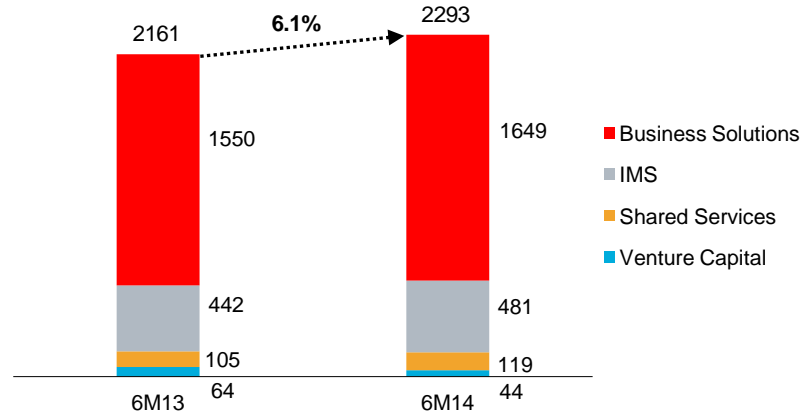


Novabase had on average, in the 6M14, 2293 employees, which represents an increase of 6.1% compared to the 6M13 (2161).

Employee breakdown by business area, in 6M14, is as follows:

Average Number of Employees

Average number of employees' evolution includes the talent renovation by the recruitment of 148 university graduates through Novabase Academy program.



Average Number of Employees by geography 6M13

Removing the effect of the sale of the Digital TV/SIP subsidiaries, the international team grew 21.9%, in line with the focus of Novabase on markets outside Portugal.

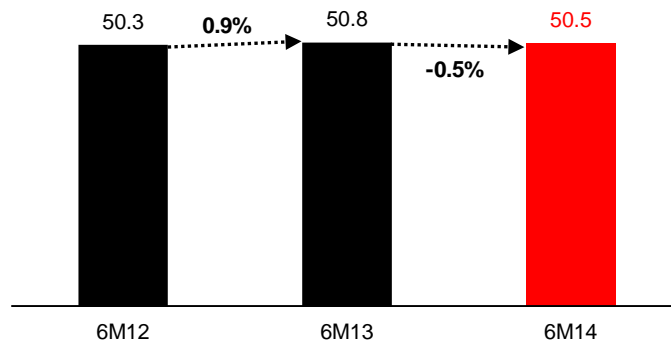


Average Number of Employees by geography 6M14



2.1. Business Solutions

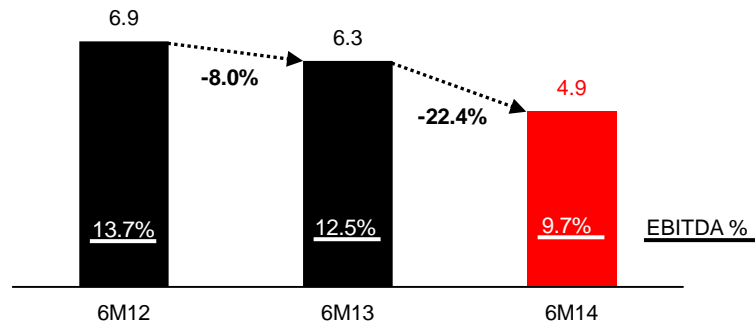
Turnover Business Solutions (M€)





EBITDA Business Solutions (M€)

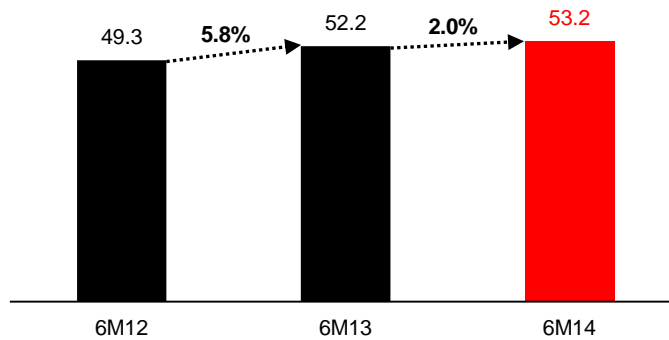
Despite the growth of the international component (+17.6%), BS evolution reflects the strong pressure on prices in the domestic market and the costs associated to the intensification of the international expansion strategy.



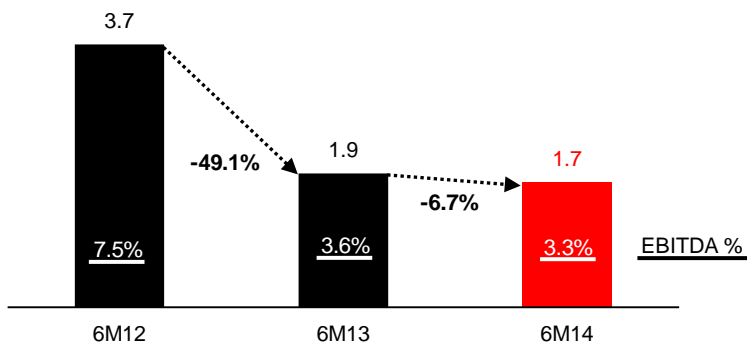
2.2. Infrastructures & Managed Services

Turnover IMS (M€)

IMS evolution is due to the significant international growth (+80.9%), which partially offset the difficulties experienced in the domestic market. However, this area should be analysed for longer time periods.



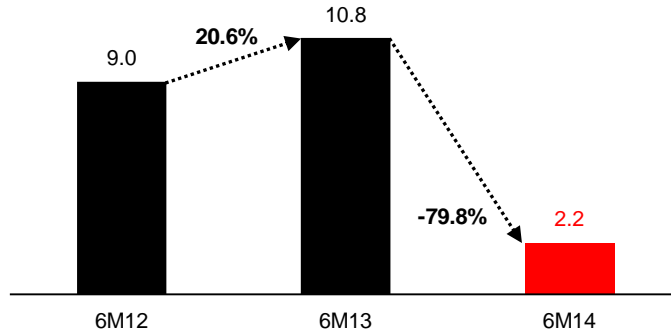
EBITDA IMS (M€)





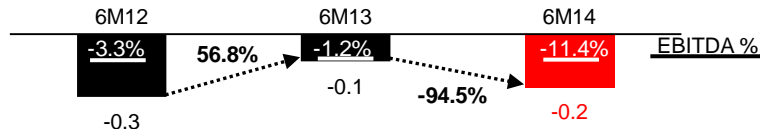
2.3. Venture Capital

Turnover Venture Capital (M€)



VC performance typical of the development stage of the investments of the Funds. The YoY evolution primarily reflects the exit of the Digital TV/SIP business.

EBITDA Venture Capital (M€)



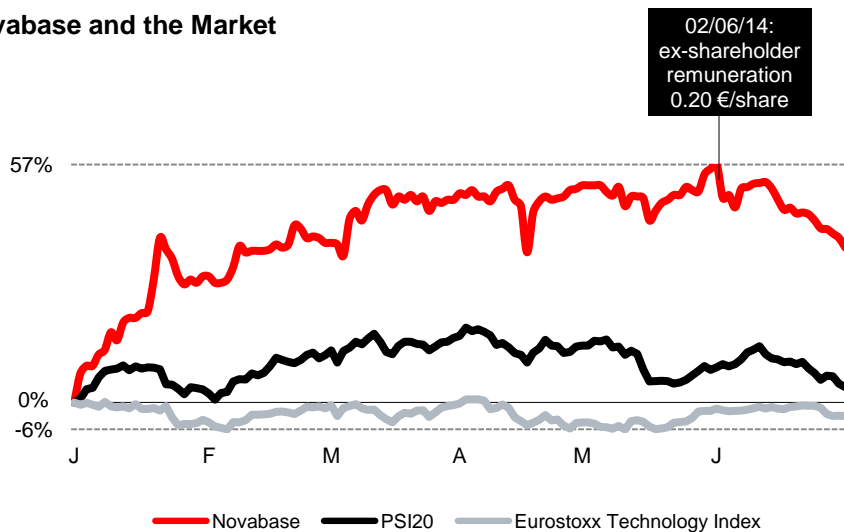
3. Stock Performance

Excluding the shareholder remuneration, the appreciation of Novabase share price would have been 44.8%.

Novabase share price in 6M14 gained 37.2%, comparing to a 3.7% gain in the PSI20 Index and a 3.2% loss in the EuroStoxx Technology Index.

In this period, a dividend of 0.20€/share was distributed.

Novabase and the Market



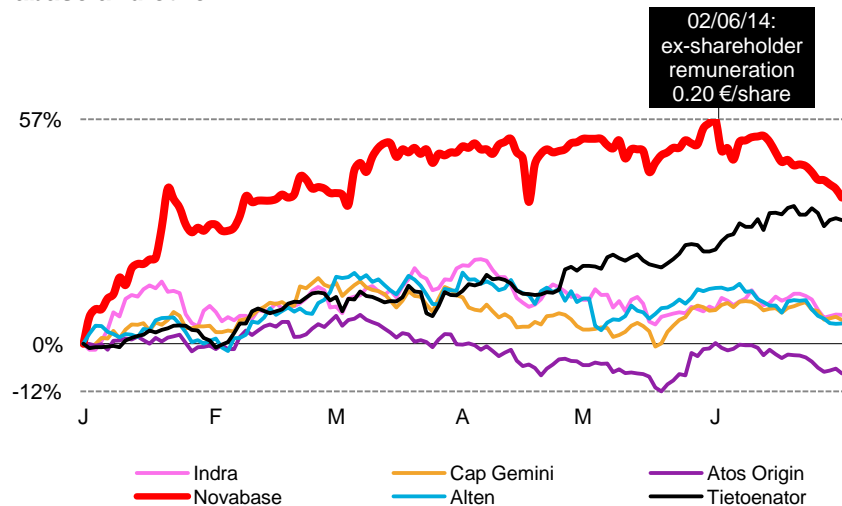


The evolution of Novabase share prices compared to other companies in the IT sector in Europe, in 6M14, was as follows:

Novabase and other TMT

In the end of the second quarter of 2014, Novabase presented a Price to Sales multiple of 0.53x and a Price to Earnings multiple of 16.23x, which represents a discount of 38% and 20%, respectively, compared to the average of other companies in the sector in Europe (source: Reuters, ttm values at 30/6).

Average upside of 18.2%, according to the analysts who cover Novabase.



The average price target disclosed by the analysts who cover Novabase is 4.23 euros.

Rotation in 6M14 represented 10.1% of the capital and 3.2 million shares were traded, below the values in 6M13 (rotation of 13.0% of the capital and 4.1 million shares traded).

Summary	2Q14	1Q14	4Q13	3Q13	2Q13
Minimum price (€)	3.55	2.79	2.61	2.31	2.35
Maximum price (€)	4.10	3.94	3.11	3.08	2.90
Volume weighted average price (€)	3.89	3.45	2.87	2.74	2.67
Closing price at the end of the Quarter (€)	3.58	3.92	2.61	3.08	2.49
Nr. of shares traded	1,283,056	1,898,155	2,314,482	1,929,789	1,864,279
Market cap in the last day (M€)	112.4	123.1	82.0	96.7	78.2

4. Outlook 2014

The results of the first half of 2014 are in line with the management priorities set for the year. Thus, the international business accounts for 36.3% of the total business, and the weight of services grew to 67.3%. Turnover declined by 6.9%, affected by the exit of the Digital TV/SIP business. EBITDA decreased by 20.6%, year on year, primarily due to the strong pressure on prices in the domestic market and the costs associated to the reinforcement of the international expansion strategy.

For the second half we anticipate that the domestic context remains adverse, reaffirming as strategic focus the intensification of the international expansion. In light of the degradation of the business indicators, the annual guidance appears now more challenging, although at this time there is no significant elements to revise it.

**Consolidated Statement of Financial Position
as at 30 June 2014**

	30.06.14	31.12.13
	(Thousands of Euros)	
Assets		
Tangible assets	5,912	6,120
Intangible assets	30,795	32,095
Financial investments	2,380	2,217
Deferred income tax assets	15,242	14,901
Other non-current assets	6,278	4,868
Total Non-Current Assets	60,607	60,201
Inventories	3,593	8,925
Trade debtors and accrued income	88,669	85,296
Other debtors and prepaid expenses	17,753	21,806
Derivative financial instruments	107	514
Financial assets held for trading	-	5,015
Cash and cash equivalents	20,911	32,942
Total Current Assets	131,033	154,498
Assets for continuing operations	191,640	214,699
Assets for discontinued operations	-	-
Total Assets	191,640	214,699
Shareholders' Equity		
Share capital	15,701	15,701
Treasury shares	(29)	(295)
Share premium	43,560	43,560
Reserves and retained earnings	24,627	23,756
Net profit	1,949	7,510
Total Shareholders' Equity	85,808	90,232
Non-controlling interests	10,749	11,522
Total Equity	96,557	101,754
Liabilities		
Bank borrowings	10,677	13,024
Finance lease liabilities	1,038	1,007
Provisions	1,937	4,386
Deferred income tax liabilities	-	100
Other non-current liabilities	70	70
Total Non-Current Liabilities	13,722	18,587
Bank borrowings	5,583	6,202
Trade payables	18,983	22,268
Other creditors and accruals	33,503	40,736
Derivative financial instruments	60	77
Deferred income	23,131	24,755
Total Current Liabilities	81,260	94,038
Total Liabilities for cont. operations	94,982	112,625
Total Liabilities for discount. operations	101	320
Total Liabilities	95,083	112,945
Total Equity and Liabilities	191,640	214,699
Net Cash	4,855	20,271

**Consolidated Income Statement
for the period of 6 months ended 30 June 2014**

	30.06.14	30.06.13	Var. %
	(Thousands of Euros)		
CONTINUING OPERATIONS			
Sale of goods	34,598	45,244	
Cost of goods sold	(30,568)	(40,105)	
Gross margin	4,030	5,139	-21.6 %
<i>Other income</i>			
Services rendered	71,311	68,505	
Supplementary income and subsidies	119	107	
Other operating income	944	714	
	72,374	69,326	
	76,404	74,465	
<i>Other expenses</i>			
External supplies and services	(26,976)	(27,291)	
Employee benefit expense	(44,178)	(40,079)	
Provisions reversal	2,470	1,426	
Other operating expenses	(1,307)	(444)	
	(69,991)	(66,388)	
Gross Net Profit (EBITDA)	6,413	8,077	-20.6 %
Depreciation and amortization	(2,937)	(2,701)	
Operating Profit (EBIT)	3,476	5,376	-35.3 %
Financial results	(460)	(126)	
Net Profit before taxes (EBT)	3,016	5,250	-42.6 %
Income tax expense	(697)	(1,232)	
Net Profit from continuing operations	2,319	4,018	-42.3 %
DISCONTINUED OPERATIONS			
Net Profit from discount. operations	219	-	
Non-controlling interests	(589)	(447)	
Attributable Net Profit	1,949	3,571	-45.4 %
Other information:			
Turnover	105,909	113,749	-6.9 %
Gross margin from sales %	11.6 %	11.4 %	
EBITDA margin	6.1 %	7.1 %	
EBT % on Turnover	2.8 %	4.6 %	
Net profit % on Turnover	1.8 %	3.1 %	

**Consolidated Income Statement by SEGMENTS
for the period of 6 months ended 30 June 2014**

(Thousands of Euros)

	Business Solutions	IMS	Venture Capital	Discontin. Operations	NOVABASE
CONTINUING OPERATIONS					
Sale of goods	178	34,101	319	-	34,598
Cost of goods sold	(176)	(30,136)	(256)	-	(30,568)
Gross margin	2	3,965	63	-	4,030
Other income					
Services rendered	50,365	19,080	1,866	-	71,311
Supplementary income and subsidies	72	47	-	-	119
Other operating income	617	21	306	-	944
	51,054	19,148	2,172	-	72,374
	51,056	23,113	2,235	-	76,404
Other expenses					
External supplies and services	(14,183)	(11,697)	(1,096)	-	(26,976)
Employee benefit expense	(32,733)	(10,321)	(1,124)	-	(44,178)
Provisions reversal	1,022	893	555	-	2,470
Other operating expenses	(248)	(240)	(819)	-	(1,307)
	(46,142)	(21,365)	(2,484)	-	(69,991)
Gross Net Profit (EBITDA)	4,914	1,748	(249)	-	6,413
Depreciation and amortization	(2,123)	(671)	(143)	-	(2,937)
Operating Profit (EBIT)	2,791	1,077	(392)	-	3,476
Financial results	(514)	34	20	-	(460)
Net Profit / (Loss) before Taxes (EBT)	2,277	1,111	(372)	-	3,016
Income tax expense	138	(944)	109	-	(697)
Net Profit / (Loss) from cont. operations	2,415	167	(263)	-	2,319
DISCONTINUED OPERATIONS					
Net Profit from discontinued operations	-	-	-	219	219
Non-controlling interests	(332)	(228)	(29)	-	(589)
Attributable Net Profit / (Loss)	2,083	(61)	(292)	219	1,949
Other information :					
Turnover	50,543	53,181	2,185	-	105,909
EBITDA	4,914	1,748	(249)	-	6,413
EBITDA % on Turnover	9.7%	3.3%	-11.4%	-	6.1%
EBT % on Turnover	4.5%	2.1%	-17.0%	-	2.8%

Annex I - Management Report

30 June 2014

Shareholding Structure and Qualified Holdings

Shareholdings of Members of the Corporate and Supervisory Boards (pursuant to Article 447/5 of the Company Code)¹

Owner	#	%
	Shares	Capital and voting rights
Pedro Miguel Quinteiro Marques de Carvalho	2,279,012	7.26%
Rogério dos Santos Carapuça	2,087,849	6.65%
João Nuno da Silva Bento ²	699,799	2.23%
Álvaro José da Silva Ferreira ²	1	0.00%
Luís Paulo Cardoso Salvado ²	1	0.00%
José Afonso Oom Ferreira de Sousa ²	1	0.00%
Nuno Carlos Dias dos Santos Fórneas	205,718	0.66%
Paulo Jorge de Barros Pires Trigo	150,912	0.48%
Maria do Carmo do Brito Palma	26,235	0.08%
Manuel Alves Monteiro	9,000	0.03%
Luís Mira Amaral	6,305	0.02%
João Luís Correia Duque	500	0.00%
Total	5,465,333	17.40%

¹ The shareholding of each of these corporate board members corresponds to the last position notified to the Company in reference to a date before 30 June 2014.

² José Afonso Oom Ferreira de Sousa, Luís Paulo Cardoso Salvado, Álvaro José da Silva Ferreira and João Nuno da Silva Bento are shareholders of HNB - SGPS, S.A., where they hold management positions. HNB - SGPS, S.A. holds 8,321,019 shares representing 26.50% of Novabase's share capital and respective voting rights.

Shareholdings and Qualified Holdings (pursuant to Article 448/4 of the Company Code and Article 16 of the Securities Code - 'CVM')¹

Shareholder	#	#	%
	Partial Shares	Shares	Capital and voting rights
HNB - SGPS, SA	8,321,019		26.50%
Pedro Miguel Quinteiro Marques de Carvalho	2,279,012		7.26%
Rogério dos Santos Carapuça	2,087,849		6.65%
João Nuno da Silva Bento ²	699,799		2.23%
Álvaro José da Silva Ferreira ²	1		0.00%
Luís Paulo Cardoso Salvado ²	1		0.00%
José Afonso Oom Ferreira de Sousa ²	1		0.00%
Number of shares attributable to signatories of the Novabase Shareholders' Agreement (under the terms of article 20, paragraph 1 of the Securities Code)		13,387,682	42.63%
Partbleu, Sociedade Gestora de Participações Sociais, SA		3,180,444	10.13%
ES TECH VENTURES, SGPS, SA	1,792,144		
Banco Espírito Santo de Investimento, SA	66,929		
Members of the Corporate Boards	60		
Grupo Banco Espírito Santo, SA (under the terms of article 20, paragraph 1 of the Securities Code)		1,859,133	5.92%
Fernando Fonseca Santos		1,575,020	5.02%
Fundo Santander Ações Portugal	1,535,399		
Fundo Santander PPA	71,135		
Santander Asset Management - Soc. Gestora de Fundos de Investimento Mobiliário, SA (under the terms of article 20, paragraph 1 of the Securities Code)		1,606,534	5.12%
Total		21,608,813	68.81%

¹ The shareholding of each of these shareholders corresponds to the last position notified to the Company in reference to a date before 30 June 2014.

² José Afonso Oom Ferreira de Sousa, Luís Paulo Cardoso Salvado, Álvaro José da Silva Ferreira and João Nuno da Silva Bento are the only shareholders of HNB - SGPS, S.A., having signed a shareholder's agreement for all of this company's share capital.

Novabase SGPS, S.A.

Public Company - Euronext Code: NBA.AM

Head Office: Av. D. João II, Lote 1.03.2.3 Parque das Nações 1998-031 Lisboa

Share Capital: 15,700,697.00 Euros

Corporate Tax Payer nº 502.280.182

Annex II - Management Report

30 June 2014

Management Transactions

List of Management Transactions (pursuant to Article 14/6 and 14/7 of the Portuguese Securities Commission Regulation nº 5/2008)

Director				#	€
	Transaction	Date	Location	Shares	Share price
Maria do Carmo do Brito Palma	Acquisition	02-04-2014	Over-the-Counter	14,415	3.94
Paulo Jorge de Barros Pires Trigo	Acquisition	02-04-2014	Over-the-Counter	4,235	3.940
Rogério dos Santos Carapuça	Acquisition	26-05-2014	Over-the-Counter	94,729	3.858
Luís Paulo Cardoso Salvado	Acquisition	26-05-2014	Over-the-Counter	67,663	3.858
Luís Paulo Cardoso Salvado	Disposal	26-05-2014	Over-the-Counter	81,264	3.858
José Afonso Oom Ferreira de Sousa	Acquisition	26-05-2014	Over-the-Counter	13,532	3.858
José Afonso Oom Ferreira de Sousa	Disposal	26-05-2014	Over-the-Counter	16,252	3.858
Pedro Miguel Quinteiro Marques de Carvalho	Acquisition	26-05-2014	Over-the-Counter	27,064	3.858
João Nuno da Silva Bento	Acquisition	26-05-2014	Over-the-Counter	135,325	3.858
João Nuno da Silva Bento	Disposal	26-05-2014	Over-the-Counter	135,325	3.858
Alvaro José da Silva Ferreira	Acquisition	26-05-2014	Over-the-Counter	67,663	3.858
Alvaro José da Silva Ferreira	Disposal	26-05-2014	Over-the-Counter	81,264	3.858
Nuno Carlos Dias dos Santos Fôrneas	Acquisition	26-05-2014	Over-the-Counter	87,961	3.858
Paulo Jorge de Barros Pires Trigo	Acquisition	26-05-2014	Over-the-Counter	77,813	3.86
Pedro Miguel Quinteiro Marques de Carvalho	Disposal	26-05-2014	Euronext Lisbon	9,603	3.94
HNB - SGPS, SA	Acquisition	26-05-2014	Over-the-Counter	81,264	3.858
HNB - SGPS, SA	Acquisition	26-05-2014	Over-the-Counter	16,252	3.858
HNB - SGPS, SA	Acquisition	26-05-2014	Over-the-Counter	135,325	3.858
HNB - SGPS, SA	Acquisition	26-05-2014	Over-the-Counter	81,264	3.858
Pedro Miguel Quinteiro Marques de Carvalho	Disposal	27-05-2014	Euronext Lisbon	8,897	3.94
Pedro Miguel Quinteiro Marques de Carvalho	Disposal	28-05-2014	Euronext Lisbon	8,564	4.020
Nuno Carlos Dias dos Santos Fôrneas	Disposal	30-06-2014	Euronext Lisbon	5,000	3.720
Total				1,250,674	

The above mentioned directors, as a result of such transactions, hold the following shareholdings in the Company's share capital:

Director	#	%
	Shares	Capital and voting rights
Luís Paulo Cardoso Salvado	1	0.00%
Alvaro José da Silva Ferreira	1	0.00%
João Nuno da Silva Bento	699,799	2.23%
José Afonso Oom Ferreira de Sousa	1	0.00%
Pedro Miguel Quinteiro Marques de Carvalho	2,279,012	7.26%
Rogério dos Santos Carapuça	2,087,849	6.65%
Paulo Jorge de Barros Pires Trigo	150,912	0.48%
Nuno Carlos Dias dos Santos Fôrneas	205,718	0.66%
Maria do Carmo do Brito Palma	26,235	0.08%
HNB - SGPS, SA	8,321,019	26.50%

Novabase SGPS, S.A.

Public Company - Euronext Code: NBA.AM

Head Office: Av. D. João II, Lote 1.03.2.3 Parque das Nações 1998-031 Lisboa

Share Capital: 15,700,697.00 Euros

Corporate Tax Payer nº 502.280.182

Annex III - Management Report 30 June 2014

Own Shares Transactions

Information of transactions on own shares (pursuant to Article 66/5 d) of the Company Code)

Transaction	Date	Location	#	€
			Shares	Share price
Transfer	02-04-2014	Over-the-Counter	14,415	3.94
Transfer	02-04-2014	Over-the-Counter	6,828	3.94
Transfer	02-04-2014	Over-the-Counter	6,195	3.94
Transfer	02-04-2014	Over-the-Counter	29,525	3.94
Transfer	02-04-2014	Over-the-Counter	4,235	3.94
Acquisition	08-04-2014	Euronext Lisbon	748	3.909
Acquisition	08-04-2014	Euronext Lisbon	260	3.910
Acquisition	08-04-2014	Euronext Lisbon	665	3.910
Acquisition	08-04-2014	Euronext Lisbon	48,327	3.910
Acquisition	08-04-2014	Euronext Lisbon	50,000	3.930
Disposal	26-05-2014	Over-the-Counter	94,729	3.858
Disposal	26-05-2014	Over-the-Counter	67,663	3.858
Disposal	26-05-2014	Over-the-Counter	135,325	3.858
Disposal	26-05-2014	Over-the-Counter	67,663	3.858
Disposal	26-05-2014	Over-the-Counter	87,961	3.858
Disposal	26-05-2014	Over-the-Counter	77,813	3.858
Disposal	26-05-2014	Over-the-Counter	13,532	3.858
Disposal	26-05-2014	Over-the-Counter	27,064	3.858
		Total	732,948	

At 31 December 2013, Novabase S.G.P.S. held 589,954 own shares, representing 1.88% of its share capital.

During the first half of 2014, the company acquired on the market 100,000 own shares at the average price of 3.92 euros, transferred 61,198 own shares at the average price of 3.94 euros and disposed 571,750 own shares at the average price of 3.858 euros.

Own shares acquisitions were performed because they were considered as best interest to society.

Own shares transfers were used for the settlement of bonuses to employees.

Own shares disposals resulted of the exercise of stock allotment options by directors Rogério Carapuça, Luís Paulo Salvado, José Afonso Sousa, Pedro Marques Carvalho, João Nuno Bento, Álvaro Ferreira, Nuno Fórneas and Paulo Trigo, and, pursuant to the terms and conditions set out in the respective options plan, which was previously disclosed to the market.

At 30 June 2014, Novabase S.G.P.S. held 57,006 own shares, representing 0.18% of its share capital.

Condensed Consolidated Accounts
1st half 2014
(Unaudited)

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

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I. CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS
for the period of 6 months ended 30 June 2014

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

Condensed Consolidated Interim Statement of Financial Position as at 30 June 2014

(Amounts expressed in thousands of Euros)

	Note	30.06.14	31.12.13
Assets			
Non-Current Assets			
Property, plant and equipment	6	5,912	6,120
Intangible assets	6	30,795	32,095
Investments in associates		914	961
Financial assets at fair value through profit or loss		1,466	1,256
Deferred income tax assets	7	15,242	14,901
Other non-current assets	18	6,278	4,868
Total Non-Current Assets		60,607	60,201
Current Assets			
Inventories		3,593	8,925
Trade and other receivables	8	75,712	87,975
Accrued income		23,318	12,421
Income tax receivable		2,068	2,236
Derivative financial instruments		107	514
Other current assets		5,324	4,470
Financial assets held for trading		-	5,015
Cash and cash equivalents	9	20,911	32,942
Total Current Assets		131,033	154,498
Assets for discontinued operations		-	-
Total Assets		191,640	214,699
Equity			
Share capital		15,701	15,701
Treasury shares		(29)	(295)
Share premium		43,560	43,560
Reserves and retained earnings	10	24,627	23,756
Profit for the period		1,949	7,510
Total Equity attributable to owners of the parent		85,808	90,232
Non-controlling interests	11	10,749	11,522
Total Equity		96,557	101,754
Liabilities			
Non-Current Liabilities			
Borrowings	12	11,715	14,031
Provisions	13	1,937	4,386
Deferred income tax liabilities	7	-	100
Other non-current liabilities		70	70
Total Non-Current Liabilities		13,722	18,587
Current Liabilities			
Borrowings	12	6,330	7,353
Trade and other payables	14	51,709	61,764
Income tax payable		30	89
Derivative financial instruments		60	77
Deferred income and other current liabilities		23,131	24,755
Total Current Liabilities		81,260	94,038
Liabilities for discontinued operations		101	320
Total Liabilities		95,083	112,945
Total Equity and Liabilities		191,640	214,699

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 Profit and Loss and Other Comprehensive Income for the period of 6 months ended 30 June 2014

(Amounts expressed in thousands of Euros)

	Note	6 M *		3 M *	
		30.06.14	30.06.13	30.06.14	30.06.13
Continuing Operations					
Sales	5	34,598	45,244	17,168	24,539
Services rendered	5	71,311	68,505	37,191	34,771
Cost of sales		(30,568)	(40,105)	(15,123)	(20,688)
External supplies and services		(26,976)	(27,291)	(14,896)	(15,227)
Employee benefit expense		(44,178)	(40,079)	(22,208)	(20,519)
Other gains/(losses) - net	15	2,226	1,803	653	1,255
Depreciation and amortisation		(2,937)	(2,701)	(1,657)	(1,425)
Operating Profit		3,476	5,376	1,128	2,706
Finance income		513	1,410	181	529
Finance costs		(926)	(1,520)	(454)	(539)
Share of loss of associates		(47)	(16)	(30)	(16)
Profit Before Income Tax		3,016	5,250	825	2,680
Income tax expense	16	(697)	(1,232)	(352)	(643)
Profit from continuing operations		2,319	4,018	473	2,037
Discontinued operations					
Profit from discontinued operations		219	-	219	-
Profit for the period		2,538	4,018	692	2,037
Other comprehensive income for the period					
		-	-	-	-
Total comprehensive income for the period		2,538	4,018	692	2,037
Profit attributable to:					
Owners of the parent		1,949	3,571	387	1,620
Non-controlling interests	11	589	447	305	417
		2,538	4,018	692	2,037
Total comprehensive income attributable to:					
Owners of the parent		1,949	3,571	387	1,620
Non-controlling interests	11	589	447	305	417
		2,538	4,018	692	2,037
Earnings per share from continuing and discontinued operations attributable to owners of the parent (Euros per share)					
Basic earnings per share					
From continuing operations	17	0.06 Euros	0.12 Euros	0.01 Euros	0.05 Euros
From discontinued operations	17	0.01 Euros	Zero Euros	0.01 Euros	Zero Euros
From profit for the year	17	0.06 Euros	0.12 Euros	0.01 Euros	0.05 Euros
Diluted earnings per share					
From continuing operations	17	0.06 Euros	0.11 Euros	0.01 euros	0.05 euros
From discontinued operations	17	0.01 Euros	Zero Euros	0.01 euros	Zero euros
From profit for the year	17	0.06 Euros	0.11 Euros	0.01 Euros	0.05 Euros

6 M * - period of 6 months ended

3 M * - period of 3 months ended

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 6 months ended 30 June 2014

(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, 2013		15,701	(371)	43,560	3,042	130	38,215	10,613	110,890
Total comprehensive income for the period		-	-	-	-	-	3,571	447	4,018
Transactions with owners									
Dividends	10	-	-	-	-	-	(3,080)	-	(3,080)
Legal reserve		-	-	-	98	-	(98)	-	-
Treasury shares movements		-	72	-	-	-	364	-	436
Share-based payments	18	-	-	-	-	98	-	-	98
Foreign currency translation reserve		-	-	-	-	-	48	47	95
Transactions with owners		-	72	-	98	98	(2,766)	47	(2,451)
Changes in ownership interests in subsidiaries that do not result in a loss of control									
Transactions with non-controlling interests		-	-	-	-	-	-	-	-
Balance at 30 June, 2013		15,701	(299)	43,560	3,140	228	39,020	11,107	112,457
Balance at 1 January, 2014		15,701	(295)	43,560	3,140	326	27,800	11,522	101,754
Total comprehensive income for the period		-	-	-	-	-	1,949	589	2,538
Transactions with owners									
Dividends	10, 11	-	-	-	-	-	(6,269)	(1,394)	(7,663)
Treasury shares movements		-	(20)	-	-	-	(132)	-	(152)
Share-based payments - stock options exercise		-	286	-	-	(278)	(8)	-	-
Share-based payments	18	-	-	-	-	53	-	-	53
Foreign currency translation reserve		-	-	-	-	-	(5)	32	27
Transactions with owners		-	266	-	-	(225)	(6,414)	(1,362)	(7,735)
Changes in ownership interests in subsidiaries that do not result in a loss of control									
Transactions with non-controlling interests		-	-	-	-	-	-	-	-
Balance at 30 June, 2014		15,701	(29)	43,560	3,140	101	23,335	10,749	96,557

THE ACCOUNTANT

THE BOARD OF DIRECTORS

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

Condensed Consolidated Interim Statement of Cash Flows for the period of 6 months ended 30 June 2014

(Amounts expressed in thousands of Euros)

	Note	6 M *		3 M *	
		30.06.14	30.06.13	30.06.14	30.06.13
Cash flows from operating activities					
Net Cash used in operating activities		(9,407)	(6,617)	(7,829)	(810)
Cash flows from investing activities					
Receipts:					
Proceeds on disposal of subsidiaries and associates		2,079	-	-	-
Loan repayments received from associates		3,343	444	-	413
Proceeds on disposal of financial assets held for trading		10,034	-	5,019	-
Proceeds on disposal of property, plant and equipment		4	41	4	40
Interest received		571	652	142	220
		16,031	1,137	5,165	673
Payments:					
Acquisition of subsidiaries and associates		(210)	(87)	(210)	(62)
Loans granted to associates		(1,410)	(2,910)	(1,410)	(1,527)
Purchases of financial assets held for trading		(5,019)	(5,000)	-	(5,000)
Purchases of property, plant and equipment		(571)	(1,148)	(262)	(568)
Purchases of intangible assets		(460)	(590)	(175)	(385)
		(7,670)	(9,735)	(2,057)	(7,542)
Net Cash generated / (used) in investing activities		8,361	(8,598)	3,108	(6,869)
Cash flows from financing activities					
Receipts:					
Proceeds from borrowings		100	6,493	-	5,143
Capital contribution by non-controlling interests (i)		35	2,000	35	-
		135	8,493	35	5,143
Payments:					
Repayments of borrowings		(3,067)	(2,201)	(1,584)	(1,395)
Dividends paid	10	(6,269)	(3,080)	(6,269)	(3,080)
Payment of finance lease liabilities		(662)	(747)	(325)	(389)
Interest paid		(727)	(676)	(341)	(376)
Purchase of treasury shares		(392)	-	(392)	-
		(11,117)	(6,704)	(8,911)	(5,240)
Net Cash (used) / generated in financing activities		(10,982)	1,789	(8,876)	(97)
Cash, cash equivalents and bank overdrafts at beg. of period	9	32,942	40,452	34,501	34,820
Net decrease in cash, cash equivalents and bank overdrafts		(12,028)	(13,426)	(13,597)	(7,776)
Effect from exchange rate fluctuations on cash held		(3)	11	7	(7)
Cash, cash equivalents and bank overdrafts at end of period	9	20,911	27,037	20,911	27,037
6 M * - period of 6 months ended					
3 M * - period of 3 months ended					

(i) In 2014: NBMSIT, Sist. De Inf. E Tecnol., S.A. (Mozambique). 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 6 months ended 30 June 2014

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 July 24, 2014. 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 six months ended 30 June 2014 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 2013, 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 2013, 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 2014.

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 2013.

4. Seasonality

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

5. Segment information

	Business Solutions	IMS	Venture Capital	NOVABASE	
At 30 June 2013					
Total segment Sales and services rendered	83,631	57,966	13,327	154,924	
Inter-segment Sales and services rendered	32,857	5,813	2,505	41,175	
Sales and services rendered	50,774	52,153	10,822	113,749	
Depreciation and amortisation	(1,844)	(549)	(308)	(2,701)	
Operating profit/(loss)	4,487	1,325	(436)	5,376	
Finance costs – net	(10)	(91)	(9)	(110)	
Share of loss of associates	-	-	(16)	(16)	
Income tax expense	(748)	(832)	348	(1,232)	
Profit/(Loss) from operations	3,729	402	(113)	4,018	
Other information:					
(Provisions) / Provisions reversal	(145)	1,257	314	1,426	
At 30 June 2014					
Total segment Sales and services rendered	80,760	63,244	2,563	146,567	-
Inter-segment Sales and services rendered	30,217	10,063	378	40,658	-
Sales and services rendered	50,543	53,181	2,185	105,909	-
Depreciation and amortisation	(2,123)	(671)	(143)	(2,937)	-
Operating profit/(loss)	2,791	1,077	(392)	3,476	219
Finance costs – net	(514)	34	67	(413)	-
Share of loss of associates	-	-	(47)	(47)	-
Income tax expense	138	(944)	109	(697)	-
Profit/(Loss) from operations	2,415	167	(263)	2,319	219
Other information:					
(Provisions) / Provisions reversal	1,022	893	555	2,470	-

The amount of discontinued operations reflects the completion of the closure process of the 'Mobility Solutions' area, discontinued during 2008, with a value lower than the one provisioned.

6. Property, plant and equipment and intangible assets

During the periods ended at 30 June 2014 and 30 June 2013, 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 2013		
Acquisitions / increases	7,101	31,660
Write off's / disposals	1,682	590
Exchange differences	(95)	-
Depreciation and amortisation	10	-
	(1,363)	(1,338)
Net book value at 30 June 2013	7,335	30,912
Net book value at 1 January 2014		
Acquisitions / increases	6,120	32,095
Write off's / disposals	1,037	460
Exchange differences	(67)	-
Depreciation and amortisation	(1)	-
	(1,177)	(1,760)
Net book value at 30 June 2014	5,912	30,795

7. Deferred income tax assets and liabilities

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

	30.06.14	31.12.13
Balance at 1 January	14,901	12,249
Exchange differences	(11)	(16)
Profit or loss charge	352	2,668
Balance at the end of the period	<u>15,242</u>	<u>14,901</u>

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

	30.06.14	31.12.13
Balance at 1 January	100	100
Profit or loss charge	(100)	-
Balance at the end of the period	<u>-</u>	<u>100</u>

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 2013	1,300	8,491	2,458	12,249
Profit or loss charge	(581)	2,963	286	2,668
Exchange differences	(16)	-	-	(16)
Balance at 31 December 2013	703	11,454	2,744	14,901
Profit or loss charge	1,060	181	(889)	352
Exchange differences	(11)	-	-	(11)
Balance at 30 June 2014	<u>1,752</u>	<u>11,635</u>	<u>1,855</u>	<u>15,242</u>

8. Trade and other receivables

	30.06.14	31.12.13
Trade receivables	69,942	77,309
Allowance for impairment of trade receivables	(4,591)	(4,434)
	<u>65,351</u>	<u>72,875</u>
Prepayments to suppliers	1,260	503
Employees	277	125
Value added tax	2,538	3,012
Receivables from related parties (note 18)	806	4,788
Financial investments disposal	67	67
Disposal of Digital TV international business	400	2,478
Receivables from financed projects	3,906	2,963
Other receivables	4,439	4,547
Allowance for impairment of other receivables	(3,332)	(3,383)
	<u>10,361</u>	<u>15,100</u>
	<u>75,712</u>	<u>87,975</u>

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

	Trade receivables		Other receivables		Total	
	30.06.14	31.12.13	30.06.14	31.12.13	30.06.14	31.12.13
Balance at 1 January	4,434	4,809	3,383	4,121	7,817	8,930
Impairment	205	2,805	-	234	205	3,039
Impairment reversal	(50)	(2,703)	(52)	(735)	(102)	(3,438)
Exchange differences	2	(25)	1	(4)	3	(29)
Write off's	-	(452)	-	(233)	-	(685)
Balance at the end of the period	<u>4,591</u>	<u>4,434</u>	<u>3,332</u>	<u>3,383</u>	<u>7,923</u>	<u>7,817</u>

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:

	30.06.14	31.12.13
- Cash	21	16
- Short term bank deposits	20,890	32,926
Cash and cash equivalents	<u>20,911</u>	<u>32,942</u>
- Overdrafts	-	-
	<u>20,911</u>	<u>32,942</u>

10. Reserves and retained earnings

In the Annual General Meeting of Shareholders held on May 2014, it was approved the payment to shareholders of an amount of EUR 6,280 thousand, corresponding to 0.20 Euros per share. The payment occurred in June, 2014.

	30.06.14	30.06.13
Payment to shareholders	6,269	3,080
Remuneration of the treasury shares held by the Company	11	60
	<u>6,280</u>	<u>3,140</u>

11. Non-controlling interests

	30.06.14	31.12.13
Balance at 1 January	11,522	10,613
Transactions with non-controlling interests	-	(431)
Dividends paid by Celfocus to non-controlling interests - see note 14	(1,394)	-
Foreign currency translation differences for foreign operations	32	(398)
Profit attributable to non-controlling interests	589	1,738
Balance at the end of the period	<u>10,749</u>	<u>11,522</u>

12. Borrowings

	30.06.14	31.12.13
Non-current		
Bank borrowings	10,677	13,024
Finance lease liabilities	1,038	1,007
	<u>11,715</u>	<u>14,031</u>
Current		
Bank borrowings	5,583	6,202
Finance lease liabilities	747	1,151
	<u>6,330</u>	<u>7,353</u>
Total borrowings	<u>18,045</u>	<u>21,384</u>

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

	30.06.14	31.12.13
6 months or less	3,236	3,237
6 to 12 months	2,347	2,965
	<u>5,583</u>	<u>6,202</u>

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

	30.06.14	31.12.13
Between 1 and 2 years	4,716	4,701
Between 2 and 5 years	5,961	8,323
Over 5 years	-	-
	<u>10,677</u>	<u>13,024</u>

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

	30.06.14	31.12.13
Bank borrowings	5.248%	5.325%

Gross finance lease liabilities – minimum lease payments:

	30.06.14	31.12.13
No later than 1 year	1,033	1,386
Between 1 and 5 years	1,411	1,338
	<u>2,444</u>	<u>2,724</u>
Future finance charges on finance leases	(659)	(566)
Present value of finance lease liabilities	<u>1,785</u>	<u>2,158</u>

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

	30.06.14	31.12.13
No later than 1 year	747	1,151
Between 1 and 5 years	1,038	1,007
	<u>1,785</u>	<u>2,158</u>

13. Provisions

Movements in provisions are analysed as follows:

	Warranties	Legal Claims	Other Risks and Charges	Total
Balance at 1 January 2013	747	240	1,449	2,436
Additional provisions	45	472	3,009	3,526
Reversals	(147)	-	(1,429)	(1,576)
Balance at 31 December 2013	645	712	3,029	4,386
Additional provisions	12	-	68	80
Reversals	(549)	(457)	(1,523)	(2,529)
Balance at 30 June 2014	<u>108</u>	<u>255</u>	<u>1,574</u>	<u>1,937</u>

14. Trade and other payables

	30.06.14	31.12.13
Trade payables	18,236	21,117
Remunerations, vacations and vacation and Christmas subsidies	11,102	8,481
Bonus	4,971	9,127
Ongoing projects	4,247	4,849
Value added tax	3,216	7,198
Social security contributions	1,312	1,839
Income tax withholding	1,596	1,488
Amount to be paid to non-controlling interests - see note 11	1,394	-
Employees	184	277
Prepayments from trade receivables	956	756
Acquisition of financial interest in FCR Istart I	72	72
Other accrued expenses	4,216	6,282
Other payables	207	278
	<u>51,709</u>	<u>61,764</u>

15. Other gains/(losses) - net

	30.06.14	30.06.13
Impairment and impairment reversal of trade and other receivables	(103)	332
Impairment and impairment reversal of inventories	124	77
Warranties provision	537	14
Legal claims provision	457	-
Provisions for other risks and charges	1,455	1,003
Other operating income and expense	(244)	377
	<u>2,226</u>	<u>1,803</u>

16. 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:

	30.06.14	30.06.13
Profit before income tax	3,016	5,250
Income tax expense at nominal rate (25% in 2013, 23% in 2014)	694	1,313
Tax benefit on the net creation of employment for young and long term unemployed people	(171)	(205)
Provisions and amortisations not considered for tax purposes	32	35
Recognition of tax on the events of previous years	(63)	(129)
Associates' results reported net of tax	11	4
Autonomous taxation	462	370
Losses in companies where no deferred tax is recognised	86	(7)
Expenses not deductible for tax purposes	(329)	(106)
Differential tax rate on companies located abroad	88	(19)
Research & Development tax benefit	(351)	(339)
Municipal surcharge and State surcharge	48	94
Impairment of Special Payment on Account, tax losses and withholding taxes	190	221
Income tax expense	<u>697</u>	<u>1,232</u>

17. Earnings per share

	30.06.14	30.06.13
Weighted average number of ordinary shares in issue	30,982,622	30,721,492
Stock options adjustment	294,939	358,081
Adjusted weighted average number of ordinary shares in issue	<u>31,277,561</u>	<u>31,079,573</u>
Profit attributable to owners of the parent	1,949	3,571
Basic earnings per share (Euros per share)	0.06 Euros	0.12 Euros
Diluted earnings per share (Euros per share)	0.06 Euros	0.11 Euros
Profit from continuing operations attributable to owners of the parent	1,730	3,571
Basic earnings per share (Euros per share)	0.06 Euros	0.12 Euros
Diluted earnings per share (Euros per share)	0.06 Euros	0.11 Euros
Profit from discontinued operations attributable to owners of the parent	219	-
Basic earnings per share (Euros per share)	0.01 Euros	-
Diluted earnings per share (Euros per share)	0.01 Euros	-

18. Related-party transactions

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

i) Key management compensation

	30.06.14	30.06.13
Salaries and other short-term employee benefits	1,824	2,398
Stock options granted	53	98
	<u>1,877</u>	<u>2,496</u>

ii) Acquisition and merger of financial interests with related parties

	30.06.14	31.12.13
Acquisitions to former shareholders of Collab	-	(151)
Merger of Techno Trend GmbH into TV Lab	-	422
	<u>-</u>	<u>271</u>

iii) Other balances with related parties

	Non-current		Current (note 8)	
	30.06.14	31.12.13	30.06.14	31.12.13
Loan to NB Digital TV GmbH	-	-	-	2,800
Loan to Globaleda, S.A.	-	-	784	784
Loan to Powergrid, Lda	2,050	2,050	-	-
Loan to DTV Research, Lda	-	-	-	1,182
Loan to Bright Innovation, Lda	1,477	1,477	-	-
Loan to SmartGeo Solutions, Lda	99	99	-	-
Loan to Radical Innovation, Lda	994	994	-	-
Loan to Power Data, Lda	248	248	-	-
(*) Loan to City Pulse, Lda	1,410	-	-	-
Loans to other shareholders	-	-	22	22
	<u>6,278</u>	<u>4,868</u>	<u>806</u>	<u>4,788</u>

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

19. Contingencies

Given the disclosed in the annual financial statements for the year 2013, the significant changes in the judicial processes are the following:

- In the court procedures brought by former collaborators of the company Novabase Digital TV claiming payment of credits due referring to the years they were in service prior to 2012 (and 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 270 thousand), an Agreement has been reached in seven of the eight pending procedures, wherein Novabase paid the Plaintiffs an amount equal to 56% of the amount initially claimed and the Plaintiffs dropped all claims against Novabase.

20. Events after the reporting period

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

21. 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.

II. SECURITIES ISSUED BY THE COMPANY AND OTHER GROUP COMPANIES, HELD BY BOARD MEMBERS

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DETAIL ON SECURITIES ISSUED BY THE COMPANY AND OTHER GROUP COMPANIES, HELD BY BOARD MEMBERS OF NOVABASE S.G.P.S. AND OF OTHER GROUP COMPANIES

	Share Capital	Total Number of Shares	Number of shares held by Board Members at 31.12.13	Transactions	Number of shares held by Board Members at 30.06.14	% of shares held by Board Members at 30.06.14
Novabase S.G.P.S., S.A.	15,700,697 €	31,401,394	5,221,102	244,231	5,465,333	17.4%
José Afonso Oom Ferreira de Sousa			2,721	(2,720)	1	0.0%
Pedro Miguel Quinteiro Marques de Carvalho			2,279,012	0	2,279,012	7.3%
Luís Paulo Cardoso Salvado			13,602	(13,601)	1	0.0%
João Nuno da Silva Bento			699,799	0	699,799	2.2%
Rogério dos Santos Carapuça			1,993,120	94,729	2,087,849	6.6%
Álvaro José da Silva Ferreira			13,602	(13,601)	1	0.0%
Nuno Carlos dos Santos Fórneas			122,757	82,961	205,718	0.7%
Paulo Jorge de Barros Pires Trigo			68,864	82,048	150,912	0.5%
Maria do Carmo do Brito Palma			11,820	14,415	26,235	0.1%
Manuel Fernando Macedo Alves Monteiro			9,000	0	9,000	0.0%
Luís Fernando de Mira Amaral			6,305	0	6,305	0.0%
João Luís Correia Duque			500	0	500	0.0%
NBASIT - Sist. Inf. e Telecomunicações, S.A.	47,500,000 AOA	100,000	800	0	800	0.8%
Álvaro José da Silva Ferreira			400	0	400	0.4%
Francisco Paulo Figueiredo Morais Antunes			200	0	200	0.2%
Luís Paulo Cardoso Salvado			200	0	200	0.2%
CelFocus, S.A.	100,000 €	100,000	2	0	2	0.0%
Paulo Jorge de Barros Pires Trigo			1	0	1	0.0%
José Afonso Oom Ferreira de Sousa			1	0	1	0.0%
COLLAB – Sol. I. Com. e Colab., S.A.	61,333 €	61,333	3,750	0	3,750	6.1%
Pedro Cabrita Quintas			3,750	0	3,750	6.1%
FeedZai, S.A.	108,068 €	10,806,750	5,649,000	0	5,649,000	52.3%
Nuno Jorge da Cruz Sebastião			1,749,500	0	1,749,500	16.2%
Paulo Jorge Pimenta Marques			1,724,750	0	1,724,750	16.0%
Pedro Gustavo Santos Rodrigues Bizarro			1,724,750	0	1,724,750	16.0%
Pedro Miguel Quinteiro Marques de Carvalho			450,000	0	450,000	4.2%
PowerGrid, Lda	450,000 €	450,000	50,000	0	50,000	11.1%
Vitor Manuel Spinola Prisca			50,000	0	50,000	11.1%
Dosapac, Automação de Edifícios, S.A. (a)	50,000 €	50,000	35,000	0	0	0.0%
José da Conceição Martins da Mota			35,000	0	N/A	-
Bright Innovation, Lda	25,000 €	25,000	2,500	0	2,500	10.0%
Patrícia Delgado Tavares Nunes G. Costa			2,500	0	2,500	10.0%
NBMSIT, Sist. de Inf. e Tecnol., S.A.	8.235.000 MZN	27,450	4,941	0	4,941	18.0%
Lucas Fazine Chacine			4,941	0	4,941	18.0%
DTV Research, Lda (b)	200,000 €	200,000	10,000	0	0	0.0%
Humberto João da Silva dos Santos Abel			10,000	0	N/A	-
Power Data, Lda	10,000 €	10,000	2,000	0	2,000	20.0%
Vitor Manuel Spinola Prisca			2,000	0	2,000	20.0%
Radical Innovation, Lda	10,000 €	10,000	2,000	0	2,000	20.0%
Patrícia Delgado Tavares Nunes G. Costa			2,000	0	2,000	20.0%
Smartgeo Solutions Lda	5,000 €	5,000	3,750	0	3,750	75.0%
Sandra Maria Loureiro Bernardo			1,000	0	1,000	20.0%
Pedro Manuel Gonçalves Reino			1,000	0	1,000	20.0%
Victor José Luz Ramos			1,000	0	1,000	20.0%
Nuno Miguel Sousa			250	0	250	5.0%
Carlos Eduardo Vieira Caçador			250	0	250	5.0%
João Negrão Antunes			250	0	250	5.0%
City Pulse, Lda (c)	100,000 €	100,000	0	10,000	10,000	10.0%
Manuel Maximiano Relvas do Nascimento			N/A	10,000	10,000	10.0%
Wizdee, S.A. (c)	122,325 €	12,232,498	0	9,359,092	9,359,092	76.5%
Bruno Emanuel Machado Antunes			N/A	4,679,546	4,679,546	38.3%
Paulo Jorge de Sousa Gomes			N/A	4,679,546	4,679,546	38.3%

(a) Financial holding disposed in 2014.

(b) Financial holding disposed in 2013. Formally, the shares were transferred only at 01/31/2014.

(c) Company incorporated in 2014.

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STATEMENT OF COMPLIANCE

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

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Statement of the Board of Directors
(Free translation from the original version in Portuguese)

Under the terms of sub-paragraph c) paragraph 1 of article 246 of the Portuguese Securities Code, the members of the Board of Directors of Novabase S.G.P.S., S.A., below identified declare that to the extent of their knowledge:

(i) the information contained in the condensed consolidated interim financial statements and all other accounting documentation required by law or regulation, regarding the period of six months ended 30 June 2014, was prepared in compliance with the applicable accounting standards and gives a true and fair view of the assets and liabilities, financial position and results of Novabase S.G.P.S., S.A. and the companies included in the consolidation perimeter; and

(ii) the interim management report faithfully states the evolution of the businesses, of the performance and of the position of Novabase S.G.P.S., S.A. and the companies included in the consolidation perimeter, containing namely an accurate description of the main risks and uncertainties which they face.

Lisbon, July 24, 2014

Rogério dos Santos Carapuça
(Non-Executive Member, Chairman of the Board of Directors)

Luís Paulo Cardoso Salvado
(Executive Member, Chairman of the Executive Committee - CEO)

José Afonso Oom Ferreira de Sousa
(Non-Executive Member)

Pedro Miguel Quinteiro Marques de Carvalho
(Non-Executive Member)

João Nuno da Silva Bento
(Executive Member, Member of the Executive Committee)

Álvaro José da Silva Ferreira
(Executive Member, Member of the Executive Committee)

Joaquim Manuel Jordão Sérvulo Rodrigues
(Non-Executive Member)

Luís Fernando de Mira Amaral
(Non-Executive Member, Independent, Chairman of the Audit Committee)

Manuel Fernando de Macedo Alves Monteiro
(Non-Executive Member, Independent, Member of the Audit Committee)

Francisco Paulo Figueiredo Morais Antunes
(Executive Member, Member of the Executive Committee - CFO)

João Luís Correia Duque
(Non-Executive Member, Independent, Member of the Audit Committee)

Nuno Carlos Dias dos Santos Fórneas
(Executive Member, Member of the Executive Committee)

Paulo Jorge de Barros Pires Trigo
(Non-Executive Member)

Maria do Carmo do Brito Palma
(Executive Member, Member of the Executive Committee)

Pedro Miguel Gonçalves Afonso
(Executive Member, Member of the Executive Committee)

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