IMPRESA

2010 Annual Report

IMPRESA Single Management Report 2010

In compliance with the demands required by law regarding public companies, the Board of Directors of IMPRESA – Sociedade Gestora de Participações Sociais, S.A. hereby presents its SINGLE MANAGEMENT REPORT relative to the financial year of 2010. In doing so, the Board was concerned to include sufficient elements and information, so that shareholders and investors in general are able to evaluate IMPRESA GROUP business in the universe in which it operates, in a clear and objective manner.

A) CONSOLIDATED ACCOUNTS

The Consolidated financial statements were prepared according to IAS/IFRS provisions, as adopted by the European Union, which include the International Accounting Standards (IAS) issued by the International Standards Committee (IASC), the International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board (IASB), and the respective SIC and IFRIC interpretations issued by the International Financial Reporting Interpretation Committee (IFRIC) and Standing Interpretation Committee (SIC).

IMPRESA
Sociedade Gestora de Participações Sociais, SA.

1. Executive Summary for 2010

- At the end of 2010, **net profits reached 10.1 M€, which represents a 29.2% growth.**

- **Net remunerated debt** reached 213.3 M€ at the end of 2010, which represents a decrease of 18 M€ compared to the 231.3 M€ registered at the end of 2009.

- **Current EBITDA reached 35.9 M€, a rise of 10.5%**. Including the restructuring charges the EBITDA stood at 33.7 M€, a rise of 1,2%.

- **Consolidated revenues increased by 7.1%, to 271.1 M€**. Revenue growth was driven by the following:

  - 10.0% increase in advertising revenues.

  - 8.5% increase in publication sales.

  - 39.8% increase in multimedia revenues.

  - 40.4% increase in associated product sales.

Table 1. IMPRESA Main Indicators IMPRESA

(Values in €)	Dez-10	Dez-09	ch %	4th Qt 2010	4th Qt 2009	ch %
Total Revenues	**271.147**	**253.216**	**7,1%**	**77.222**	**72.370**	**6,7%**
Television Revenues	172.997	155.445	11,3%	50.233	44.688	12,4%
Publishing Revenues	93.469	91.912	1,7%	25.849	26.184	-1,3%
Digital Revenues	6.815	6.390	6,7%	1.511	1.731	-12,7%
EBITDA	**33.689**	**33.289**	**1,2%**	**15.776**	**15.913**	**-0,9%**
EBITDA Margin	**12,4%**	**13,1%**		**20,4%**	**22,0%**	
EBITDA Television	25.001	22.653	10,4%	12.982	11.206	15,8%
EBITDA Publishing	10.147	11.658	-13,0%	3.328	5.460	-39,0%
EBITDA Digital	133	406	-67,2%	-29	-52	n.a.
Net Profits	**10.059**	**7.783**	**29,2%**	**7.996**	**7.534**	**6,1%**
Net Debt (M€)	**213**	**231**	**-7,8%**	**213**	**231**	**-7,8%**

Note: In the 2010 operating costs, are included 2.2 M€ in restructuring charges. EBITDA = Operating results + depreciation charges.

2. Analysis of Consolidated Accounts

Table 2. Total Revenues (Values in €)	Dec-10	Dec-09	ch %	4th Qt 2010	4th Qt 2009	ch %
Total Revenues	**271.147**	**253.216**	**7,1%**	**77.222**	**72.370**	**6,7%**
Advertising	152.792	138.907	10,0%	46.429	41.492	11,9%
Channel Subscriptions	42.081	42.489	-1,0%	11.064	10.783	2,6%
Circulation	37.446	34.499	8,5%	9.125	8.502	7,3%
Multimedia	19.660	13.484	45,8%	4.776	2.570	85.8%
Associated Products	7.231	5.152	40,4%	1.769	2.405	-26,4%
Others	11.937	18.686	-36,1%	4.058	6.619	-38,7%

In 2010, IMPRESA reached consolidated revenues of 271.1 M€, which represents a 7.1% increase compared to 2009. A 6.7% increase in revenues was observed in the 4th quarter of 2010. The following should be noted regarding the business in 2010:

- 10.0% increase in advertising revenues, driven by an increase in the SIC advertising market share, new advertising revenues from thematic channels, and an increase in Internet advertising. The most significant increase, of 11.9%, was observed in the 4th quarter of 2010.
- 9.1% increase in thematic and international channel subscription revenues, on the same comparative basis. Without adjustments, revenues decreased only by 1%, following a 2.6% increase in the 4th quarter of 2010.
- 8.5% increase in publication sales, driven by increased sales, price increases for some publications and new publications, which offset the losses caused by discontinuation of other publications.
- 45.8% increase in multimedia revenues, due to increased revenues for interactive television programmes and an increased contribution of the digital area.
- 40.4% increase in associated product sales, mostly owing to the greater number of available collections, despite the decrease observed in the 4th quarter of 2010.
- 36.1% decrease in other revenues, with a decrease in DGSM revenues and smaller non-recurrent revenues in 2010.

Operating costs reached 237.4 M€, representing an 8% increase. If adjusted to take restructuring costs into account, this increase would only have corresponded to 7%. The greatest increase was observed for variable costs, corresponding to 11.8%, as a result of growth in activity, whereas fixed costs only increased by 0.3%, reflecting the cost containment and reorganisation efforts undertaken in recent years. The following evolution was observed regarding main costs:

- Restructuring costs, which did not occurred in 2009, reached 2.2 M€ in 2010.

- Costs related to programmes increased 7%, due to the launch of a new channel, increased investment in Portuguese fiction and the broadcasting of the World Football Cup.

- Personnel costs were similar to those registered in 2009, if restructuring costs are not considered. Personnel costs included the reinstatement of 10% of the salaries of members of the Board of Directors and main IMPRESA staff, which had been withdrawn in 2009.

- Marketing costs increased 12.3%, owing to increased activity and organisation of the Rock-in-Rio festival.

- Associated Product and Multimedia costs increased 20.8% as a result of the considerable growth observed in these two areas.

- General costs decreased 2.5% as a result of the cost reduction plan implemented in previous years.

Table 3. Profit & Loss

(Values in €)	Dec-10	Dec-09	ch %	4th Qt 2010	4th Qt 2009	ch %
Total Revenues	**271.147**	**253.216**	**7,1%**	**77.222**	**72.370**	**6,7%**
Television	172.997	155.445	11,3%	50.233	44.688	12,4%
Publishing	93.469	91.912	1,7%	25.849	26.184	-1,3%
Digital	6.815	6.390	6,7%	1.511	1.731	-12,7%
Other & Inter-Segments	-2.135	-530	-302,7%	-371	-2.317	84,0%
Operating Costs (a)	**237.458**	**219.927**	**8,0%**	**61.446**	**56.457**	**8,8%**
Total EBITDA	**33.689**	**33.289**	**1,2%**	**15.776**	**15.913**	**-0,9%**
EBITDA margin	**12,4%**	**13,1%**		**20,4%**	**22,0%**	
Current EBITDA (1)	**35.890**	**32.489**	**10,5%**	**17.646**	**15.113**	**16,8%**
EBITDA margin	**13,2%**	**12,8%**		**22,9%**	**20,9%**	
Television	25.001	22.653	10,4%	12.982	11.206	-15,8%
Publishing	10.147	11.658	-13,0%	3.328	5.460	39,0%
Digital	133	406	-67,2%	-29	-52	n.a.
Other & Holding	-1.591	-1.428	-11,5%	-505	-701	28,1%
Depreciation	8.127	9.416	-13,7%	2.063	2.372	-13,0%
EBIT	**25.562**	**23.873**	**7,1%**	**13.713**	**13.541**	**1,3%**
EBIT Margin	**9,4%**	**9,4%**		**17,8%**	**18,7%**	
Financial Results (-)	**11.852**	**12.393**	**-4,4%**	**3.619**	**2.502**	**44,7%**
Res. bef.Taxes & Minorities	**13.711**	**11.480**	**19,4%**	**10.094**	**11.040**	**-8,6%**
Taxes (IRC)(-)	3.769	3.827	-1,5%	2.218	3.531	-37,2%
Minority Interests (-)	-117	-130	9,8%	-120	-87	-38,1%
Net Profits	**10.059**	**7.783**	**29,2%**	**7.996**	**7.534**	**6,1%**

Note: (1) In the 2010 operating costs, are included 2.2 M€ in restructuring charges. EBITDA = Operating results + depreciation charges. The 2009 total revenues included a extraordinary revenue due a distribution of excess funds of Sojornal pension fund. (a) Does not include the depreciation charges.

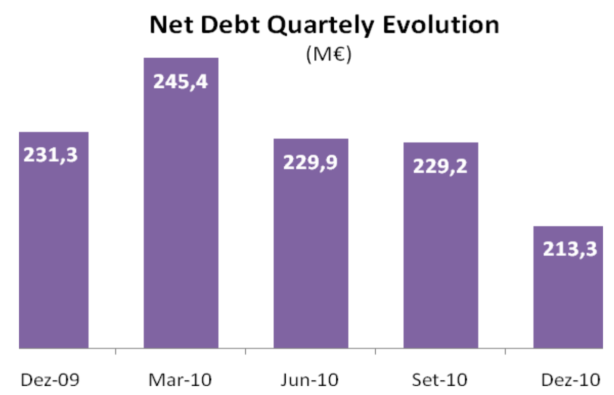
Consolidated EBITDA reached 33.7 M€. On a current basis, and adjusted to take restructuring costs into account, this value would have reached 35.9 M€, representing a 10.5% increase, on a recurrent basis. EBITDA reached 13.2% in 2010, with a margin of 22.9% in the 4th quarter of 2010.

The volume of depreciations declined 13.7% in 2010, to 8.1 M€, reflecting the smaller investments made over the last few years.

Investment in 2010 reached 7.3 M€, included leasing contracts. Of this amount, approximately 0.36 M€ were used to acquire the remaining capital of InfoPortugal, which is now 100% held by IMPRESA.

Table 4. Financial Results

	Dec-10	Dec-09	ch %
Interests and financial costs (-)	-10.212.277	-11.222.616	9,7%
Forex Gains (+)/ Losses (-)	-574.036	-822.634	30,2%
Gains in associated (+)	250.784	174.699	43,6%
Impairement in assets for disposal	-780.000	-944.920	17.4%
Impairement in Ass.companies (-)	-593.034	-	n.a.
Other financial revenues (+)	56.851	421.567	-86,5%
Financial results	**-11.851.712**	**-12.393.274**	**4,4%**



The financial results decreased 4.4% to 11.8 M€, owing to low interest rates, debt reduction, smaller exchange rate losses and a greater contribution from associated companies – Vasp and Lusa. In 2010, an impairment was registered over the acquisition value of associated company Elsinor, corresponding to 593,000 euros.

Net remunerated debt reached 213.3 M€ at the end of 2010, approximately 18 M€ less than the 231.3 M€ registered at the end of 2009. In terms of average debt, a reduction of 20.2 M€ was achieved over the year. The observed reduction in remunerated debt resulted essentially from the EBITDA increase and a decrease in working capital needs, allowing the generation of sufficient funds to meet investments and debt repayments.

In 2010, the financial autonomy ratio increased from 29.6% to 32.8%, with equity funds increasing to 158.8 M€.

Results before taxes reached 13.7 M€, representing a 19.4% increase.

At the end of 2010, net profits reached 10.1 M€, representing a 29.2% increase.

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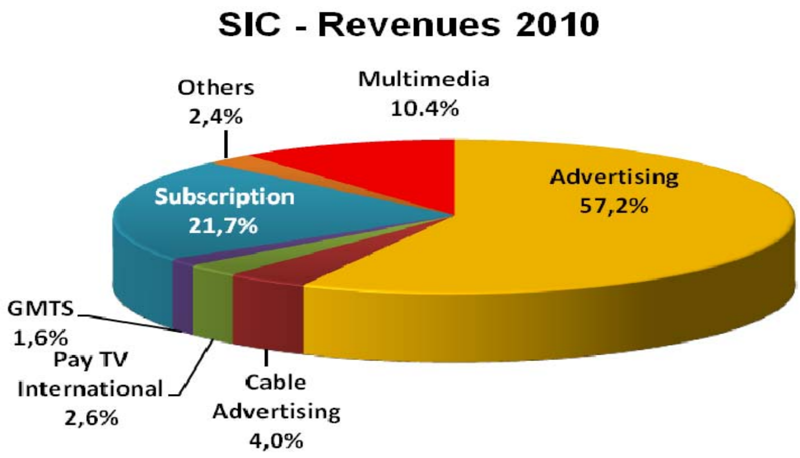
3. Television

Table 2. Television Indicators	Dec-10	Dec-09	ch %	4th Qt 2010	4th Qt 2009	ch %
Total Revenues	**172.997.311**	**155.444.574**	**11,3%**	**50.232.778**	**44.687.786**	**12,4%**
Advertising	105.934.891	92.725.199	14,2%	32.448.782	28.437.928	14,1%
Channels Subscriptions	42.080.542	42.488.831	-1,0%	11.064.325	10.782.848	2,6%
Multimedia	18.117.264	13.001.987	39,3%	4.367.933	3.151.720	38,6%
Others	6.864.614	7.228.557	-5,0%	2.351.738	2.315.290	1.6%
Operating Costs (a)	**147.996.632**	**132.791.193**	**11,5%**	**37.250.689**	**33.481.480**	**11,3%**
EBITDA	**25.000.679**	**22.653.381**	**10,4%**	**12.982.090**	**11.206.306**	**15,8%**
EBITDA (%)	**14,5%**	**14,6%**		**25,8%**	**25,1%**	
Result. Before Taxes	**16.535.322**	**13.358.751**	**23,8%**	**10.770.614**	**9.196.959**	**17,1%**

Note: EBITDA = Operating results + depreciation charges. (a) Does not include the depreciation charges

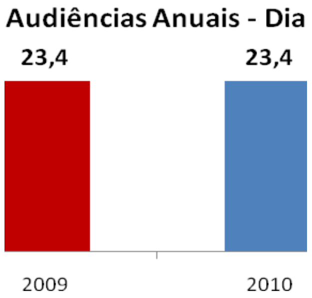
The 2010 was a year of expansion for SIC, leading to increased profitability. Total revenues for SIC increased 11.3% to 173 M€; results before taxes increased 23.8% to 16.5 M€. This growth was mostly driven by an increase in advertising and multimedia revenues, and by the good performance displayed by subscription channels.

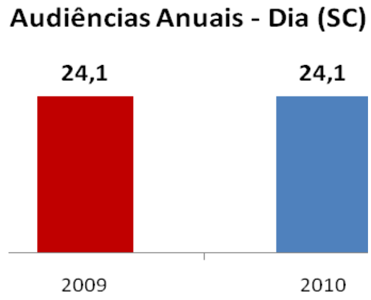


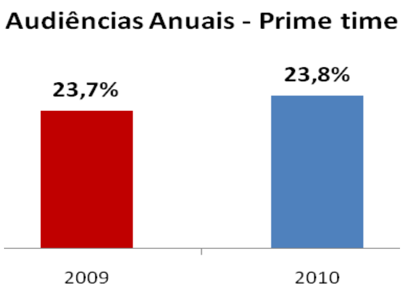
Advertising revenues increased 14.2% in 2010, after registering a 14.1.% rise in the 4th quarter of 2010. At the end of the year, advertising revenues represented 57.2% of total SIC revenues, corresponding to 34.9% of the free-to-air TV advertising market share in 2010.

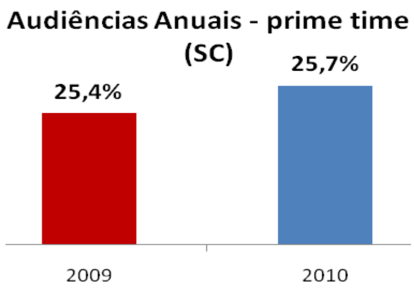
The observed increase in advertising revenues was driven by an improved performance in commercial targets, leading to an 1 percentage point increase in SIC's market share, as well as the advertising revenues generated by thematic channels, which started in January 2010.

SIC ended the year of 2010 with an average audience of 23.4%**,** an identical value to that registered in 2009. If we only account for the FTA channels, SIC gained audience share, moving form 28.6% to 29.1%. The station's programme strategy has been focused on the best commercial targets (ABC1C2 classes, age between 15-54 years), resulted in audiences above the station average, reaching 24.1%, an identical value to that reached in 2009. This strategy allowed commercial target audiences to increase 0.3% during prime time hours, to 25.7%.









The following SIC programmes, broadcast in 2010, are worthy of note:

- Newscast "Jornal da Noite", which reached an average audience of 25.7%, and an audience of 27.2% in the commercial target, continues to reach audience values above the station average.
- Weekly news programmes, broadcast immediately after "Jornal da Noite" – "Reportagem Especial", "Grande Reportagem" – continued to make the difference and ensure viewer loyalty, reaching audience values above the station average.

- The programme line-up for Sunday evenings included new shows, such as the 4th season of "Idolos", with an average audience of 26.3%, "Achas que sabes dançar", with an average audience of 28.9%, "Procura de um sonho".

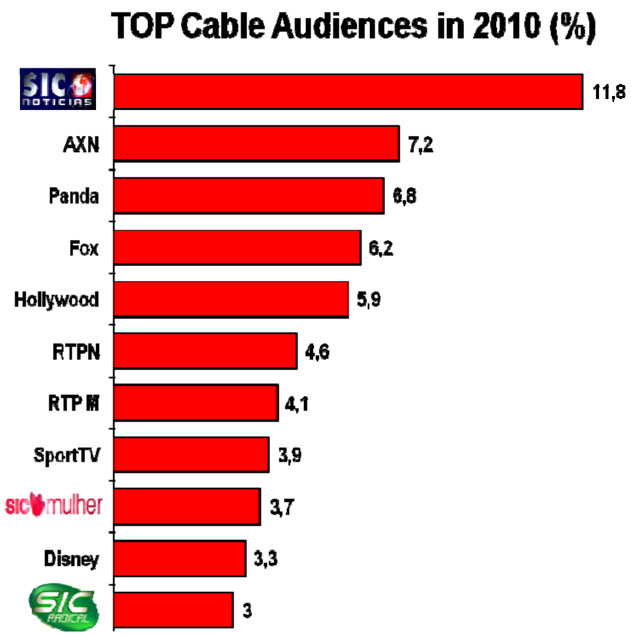
- In the 2nd quarter of 2010, SIC signed a co-production agreement with TV Globo for production of soap operas in Portugal. This partnership entails the participation of both companies in all creative and production stages, including script writing, planning, casting and selection of all artistic aspects.
- New formats were launched throughout the year, such as the first programme co-produced with the TV Globo, "Laços de Sangue", as well as teenage soap opera "Lua Vermelha" and the second season of "Camilo, O

Presidente". Soap opera "Laços de Sangue" reached an average audience of 23.5% in 2010, a value that increased to 28.2% in the first 2 months of 2011.

- Brazilian soap operas continued to be a part of SIC's line-up. "Viver a vida", which started being shown in September 2009, was a bit evening hit, with audiences higher than 27.4% until June 2010. Soap opera "Armadilha" was an afternoon hit for SIC in 2010, reaching an average audience of 28.1%.

- SIC also broadcast some South Africa World Cup matches, as well as Europa League matches, whose broadcasting rights were acquired by SIC for 3 seasons, and the domestic Carlsberg Cup matches. The Carlsberg Cup final – Benfica-Porto – was the most watched SIC programme in 2010, with an average audience of 61%.

Subscription revenues, generated by cable and satellite channels operating in Portugal and abroad increased 9.11% in 2010, to 42.1 M€, on a comparable basis. This increase was due to the continued growth in the international area, as well as the new Portuguese Pay-TV market dynamics, resulting from increased competition between platforms. Subscription revenues accounted for 24.3% of total revenues.



The 1.0% decrease shown reflects the new distribution contracts, negotiated in 2009, as well as the changes in the way advertising revenues from thematic channels are recorded. Until 2009, these advertising revenues had been included in total revenues from thematic channels. However, these values started to be recorded in the advertising item from January 2010 onwards, after advertising management was transferred to SIC.

In 2010, accumulated audiences for the 4 thematic channels reached 18.9% (19.2% in 2009), despite an increase in the number of channels available in the various platforms. "SIC Notícias" maintained its leadership within the cable segment for the 10th consecutive year, with an average audience of 11.8%. "SIC Radical" and "SIC Mulher" were also listed in the Top 10 most watched channels, with audiences of 3.7% and 3.0%, respectively. "SIC K", launched in December 2009, has an average audience of 0.2%, despite being provided only by the MEO platform.

Following renewal of the main distribution contracts for thematic channels, in 2009, a new contract with Cabovisão was signed in 2010, valid until 2014. These new distribution contracts enable SIC to reinforce production and development of its own programmes, until the middle of the next decade.

The international area of thematic channels continued to grow at a significant rate. In 2010, international revenues increased 52.4%, driven by the new distribution contract for Angola. At the beginning of April, SIC and ZAP TV signed a contract for distribution of "SIC Mulher", "SIC K" and "SIC Noticias" in Angola.

International channels represented 10.6% of revenues from this area in 2010, reaching over 4.6 million viewers, in 10 countries, such as Switzerland, France, the USA, Canada, Brazil, Cape Verde, Angola, Mozambique, South Africa and Australia.

Multimedia revenues increased 39.3% in 2010, to 18.1 M€. This increase is due to the success of Call TV programmes, such as "Idolos", as well as the launch of new game shows where viewers are invited to vote by telephone or text message, which have been very well received by audiences.

Other revenues declined 5.0%. An increase was registered in merchandising revenues; however, this was not sufficient to offset the declined in GMTS and other non-recurrent revenues.

Operating costs increased 11.5% in 2010, with an increase of approximately 15% in variable costs, whereas fixed costs increased only 2.3%. The increase in variable costs was due to increased multimedia activity, as well as the launch of an additional channel (SIC K) and new distribution contracts for thematic channels. Programme planning costs increased approximately 7%, due to the launch of "SIC K", broadcasting of World Football Cup matches, a greater investment in national fiction and use of programmes in stock, with high historical costs.

Revenue increase led to an increase in EBITDA, which reached 25 M€, representing a 10.4% rise compared to 2009, and reaching a margin of 14.5%. The EBITDA margin in the 4th quarter of 2010 was 25.8%.

Results before taxes reached 16.5 M€ in 2010, representing a 23.8% increase compared to 2009.

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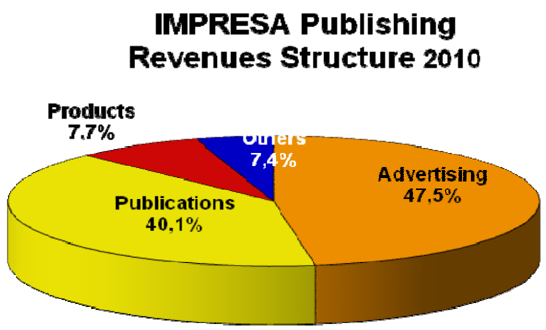
4. Publishing

Table 6. Publishing Indicators

	Dec-10	Dec-09	ch %	4th Qt 2010	4th Qt 2009	ch %
Total Revenues	**93.469.194**	**91.911.725**	**1,7%**	**25.849.312**	**26.183.565**	**-1,3%**
Advertising	44.377.374	44.835.121	-1,0%	13.244.236	12.714.469	4,2%
Circulation	37.446.331	34.498.639	8,5%	9.125.434	8.501.971	7,3%
Associated Products	7.231.192	5.151.597	40,4%	1.769.397	2.404.548	-26,4%
Others	4.414.297	7.426.368	-40,6%	1.710.244	2.404.548	-28,9%
Operating Costs	**83.322.645**	**80.254.113**	**3,8%**	**22.521.431**	**20.723.579**	**8,7%**
EBITDA	**10.146.549**	**11.657.612**	**-13,0%**	**3.327.882**	**5.459.986**	**-39,0%**
EBITDA (%)	**10,9%**	**12,7%**		**12,9%**	**20,9%**	
Result. Before Taxes	**7.880.401**	**8.655.107**	**-9,0%**	**2.801.035**	**5.087.433**	**-44,9%**

Note: In the 2010 operating costs, are included 2.1 M€ in restructuring charges. EBITDA = Operating results + depreciation charges. (a) Does not include the depreciation charges.

In its second year in business, IMPRESA Publishing once again faced harsh market conditions, resulting from the adverse economic conjuncture. However, the measures adopted in the last 2 years and the tight cost control maintained throughout 2010 allowed this area to remain profitable. At the end of 2010, a reorganisation process was started for this area, which will allow IMPRESA Publishing to face 2011 with moderate optimism.



In 2010, total revenues reached 93.5 M€, representing a 1.7% increase compared to 2009. This positive evolution was due to an increase in publication and associated product sales, which offset the slight fall in advertising revenues and the absence of extraordinary revenues, as occurred in 2009.

Advertising revenues for IMPRESA Publishing represented only 47.5% of total revenues in 2010, with associate product sales representing 7.8% and publication sales accounting for 40.1% of total revenues.

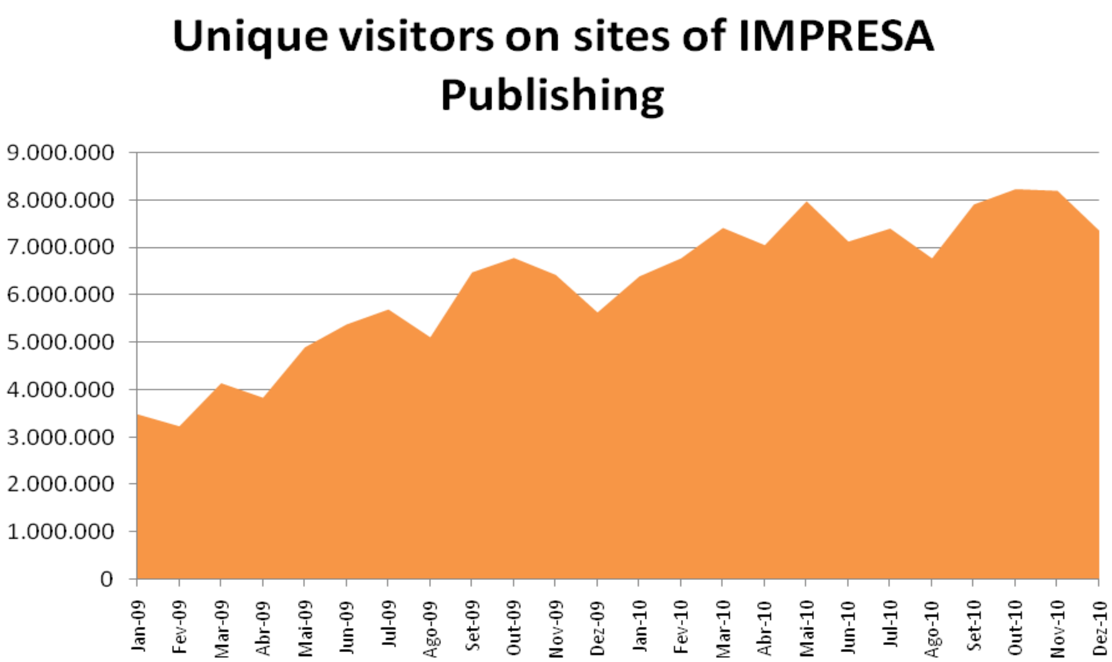
Non-daily press advertising revenues decreased 6.2% in 2010. In the case of IMPRESA Publishing, advertising revenues decreased only 1%, to 44.4 M€. In the 4th quarter of 2010, advertising revenues increased 4.2%, year-on-year.

While the observed decrease in traditional advertising (display) was below sector average, revenues from classified advertising registered a steeper fall. However, these decreases were partly offset by a growth in online advertising revenues, which increased approximately 30% in 2010, representing nearly 5% of total advertising revenues.

Other factors leading an increase in advertising revenues were the organisation of large conferences in 2010, supported by “Acting Out” and main brands of IMPRESA Publishing. Five large conferences were held in 2010, namely the Conference for a Sustainable Future, the Portugal in Review Conference, the Conference for the TV of the Future, the Sea Conference and the Conference on Tablets. Several institutional events were also organised, such as the Pessoa Award, the Primus Inter Pares Award, the Environment Month and the Sustainability Month.

Development of the conferences and events area is considered a strategic action for the growth of IMPRESA Publishing. In this sense, event-planning company Acting Out was integrated in this area in January 2011.

Multimedia capacity for the various IMPRESA Publishing brands continued to be reinforced in 2010. Introduction of new site features and contents allowed traffic to continue to increase at considerable rates. In average terms, the number of visits increased 45% and the number of page views doubled in 2010, compared to 2009. By December 2010, IMPRESA Publishing sites had reached 7.3 million visits and 53.7 million page views.



A multi-platform strategy continued to be simultaneously implemented for the various brands in 2010, with increased focus on “Blitz”. After its publication in print, reinforced by the launch of “MyBlitz”, and on the Internet, in May, this publication reached the television screens, through “BLITZ TV”, a music show broadcast by the “SIC Notícias” channel. Radio was the next step, through a show currently distributed to 45 radio stations, from North to South.

Collaboration between the various Group publishers continued to be promoted in 2010, after the “Expresso/Exame” show, a daily comment on economy news, started to be broadcast by “SIC Notícias”.

In the digital area, IMPRESA Publishing continued to develop new initiatives, having launched the first issues of the “Visão” and “Caras” magazines for the IPAD in 2010, followed by the “Exame” magazine, in January 2011.

In 2010, publication sales reached 37.4 M€, representing an 8.5% increase. Increased sales were observed for approximately half of the publications portfolio. Cover prices were also increased and three new magazines were launched – “Volante”, in November 2009; “Intelligent Life”, in April 2010; and “My Blitz”, in May 2010.

These launches offset the closing of FHM, in the 1st quarter of 2010. Still within the scope of portfolio management, it was decided to discontinue the “Cosmopolitan” magazine from 2011 onwards; the “SurfPortugal” magazine was also sold.

Weekly newspaper “Expresso” continued to register the highest number of sales within its segment, with nearly 113 thousand copies sold. Sales of the “Visão” magazine also increased in 2010, reaching over 102 thousand copies. This value represents over 50% of the market share for news magazines.

The associated products area registered a good performance, with a 40.4% increase and revenues of 7.2 M€, due to the large number of available collections, of which the “Lord of the Rings” DVD collection and the 2010 issue of restaurant and hotel guide “Boa Cama e Boa Mesa” should be highlighted.

Other revenues reached 4.4 M€ in 2010, representing a 40.6% decrease. This was mainly due to the absence of extraordinary revenues, such as the revenues from the “Sojornal” pension fund registered in 2009. The good performance observed for the customer publishing area, which increased 10% in 2010, was not sufficient to offset the observed fall in other revenues.

Operating costs increased 3.7%, penalised by restructuring costs amounting to 2.1 M€ at the end of 2010. If adjusted to take these costs into account, operating costs would only have increased 1.1%. IMPRESA Publishing reached the end of 2010 with 526 employees.

Restructuring costs also penalised EBITDA evolution. EBITDA decreased 13%, reaching only 10.1 M€. If adjusted to take non-recurrent costs into account, EBITDA would have reached 12.2 M€, which would have represented a 4.7% increase compared to 2009.

Operational performance led to results before taxes of 7.8 M€, penalised by restructuring costs, which resulted in a 9.0% decrease, compared to 2009.

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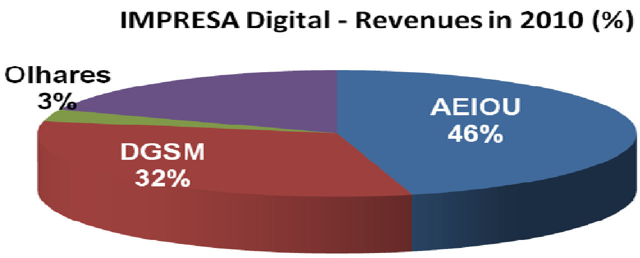
5. Digital

Table 4. Digital Indicators

	Dec-10	Dec-09	ch %	4th Qt 2010	4th Qt 2009	ch %
Total Revenues	**6.815.332**	**6.390.094**	**6,7%**	**1.510.659**	**1.730.866**	**-12,7%**
DGSM	**2.205.543**	**2.961.904**	**-25,5%**	**163.263**	**793.782**	**-79,4%**
InfoPortugal	**1.295.908**	**1.510.146**	**-14,2%**	**282.659**	**422.310**	**-33,1%**
AEIOU	**3.155.229**	**1.096.076**	**187,9%**	**1.021.854**	**230.036**	**344,2%**
Others	**158.652**	**821.967**	**-80,7%**	**-36.945**	**284.738**	**n.a**
Operating Costs (a)	**6.682.091**	**6.026.396**	**11,7%**	**1.539.861**	**1.782.197**	**-13,6%**
EBITDA	**133.241**	**363.698**	**-63.4%**	**-29.202**	**-51.332**	**n.a.**
EBITDA (%)	**2,0%**	**6,4%**		**-1,9%**	**-3,0%**	
Result. Before Taxes	**-1.371.240**	**-1.437.823**	**4,6%**	**-421.948**	**-524.366**	**19,5%**

Note: EBITDA = Operating results + depreciation charges. (a) Does not include the depreciation charges

During its 4th year in business, IMPRESA Digital revenues increased 6.7% to 6.8 M€. This growth was driven by the growth of “AEIOU” and marketing of IMPRESA Group sites, which offset the losses caused by discontinuation of some activities, such as “Chilltime”, at the end of 2009. However, revenues decreased 12.7% in the 4th quarter of 2010, due to a decrease in DGSM revenues.



EBITDA reached 133 thousand euros, representing a 63.4% decrease. The year of 2010 was penalised by customer adjustments and provisions, which reached 290 thousand euros.

The following performances were observed for the main activities:

Impresa.DGSM, which represents 32% of total revenues for this area, registered a decrease of 25.5% in 2010, to 2.2 M€. While service sales increased 17.2%, business was penalised by a fall in equipment sales, which decreased 27.3% in 2010. The number of installations decreased and several contracted projects were postponed to 2011. At the end of the year, the number of rooms with installed services reached 11,341, representing a 3.8% increase compared to December 2009. At the end of 2010, DGSM solutions were installed in 58 hotels.

IMPRESA Digital holds the entire capital of DGSM.

InfoPortugal reached revenues of 1.29 M€ in 2010, which represented a 14.2% decrease. These revenues accounted for 19% of the total revenues of IMPRESA Digital. Nevertheless, Infoportugal continues to generate EBITDA margins in the region of 40%.

Sales of digital contents increased, especially maps of the Portuguese territory. Service provision also increased, focusing on combined georeferencing, mapping and aerial photography services, the three fields in which InfoPortugal specialises.

IMPRESA Digital exercised its option, having acquired the remaining share capital nad now holds 100% of the InfoPortugal share capital.

In 2010, AEIOU contributed with the greatest share for IMPRESA Digital revenues, accounting for 46% of total revenues.

AEIOU revenues reached 3.1 M€, nearly three times the volume reached in 2009. This growth was a result of the new strategy implemented in the end of 2009, after AEIOU became holder of 100% of the share capital, whereby the company became responsible for the marketing of all IMPRESA Digital and IMPRESA Publishing sites.

In the sequence of this increase in revenues, EBITDA was once again positive in 2010. Several initiatives were also implemented, with a view to maintaining sustainable growth rates within the next few years. In 2011, reinforcement of the technical and editorial teams will allow development of the “Escape” and “MyGames” sites, as well as the re-launch of football site “Relvado”.

The main asset held by **7 Graus** is “Olhares”, an artistic photography site including over 1.3 million photos. This site registered the largest number of visits in Portugal, after news sites, with over 30 million page views per month.

In 2010, company revenues increased approximately 14.7%, exceeding 200 thousand euros. Subscription revenues increased 17%, with an increasing number of Brazilian subscribers after the launch of the “olhares.com” site, especially aimed at Brazilian audiences. Also in 2010, the company started to prepare training courses related to photography. The growth in revenues, allowed the company to rise its EBITDA margins close to 40%.

IMPRESA Digital holds 51% of the share capital of 7 Graus, through AEIOU, as well as an option to acquire an additional 24%.

6. Human Resources

Regarding the organisation of the Human Resources Department, the following took place in 2010:

- Minimisation of risks inherent to the contracting of service providers and outsourcing companies;
- Negotiation of assignment of copyright agreements with all photographers linked to the company through employment contracts;
- Carrying out of a Corporate Environment Survey, internal disclosure of results and consequent elaboration of action plans;
- Review, simplification and improvement of the performance management process and respective communication and internal training;
- Link between the needs identified in the performance assessment, through the elaboration of individual training plans within the scope of the feedback meetings, and the Annual Training Plan.
- Focus on internal communication, through, for example, the quarterly dispatch to all employees of the Chairman's Letter, the reformulation of the Intranet, the half-yearly dispatch of an HRD Newsletter and the quarterly dispatch of a summary of the Group's accounts to all employees;
- Organisation of several initiatives with a view to motivating employees.

Regarding the human capital of the IMPRESA Group, at the end of 2010 the number of employees fell to 1,305, representing a reduction of 9 permanent staff members relative to the total for 2009.
Female employees represent 49% of the total, with gender distribution being very balanced.
The average age of the total employees is 39, strongly associated to the age of each business within the Group. The Digital round is the youngest area with an average age of 34. The professionals of the editorial area represent approximately 54% of the total number.

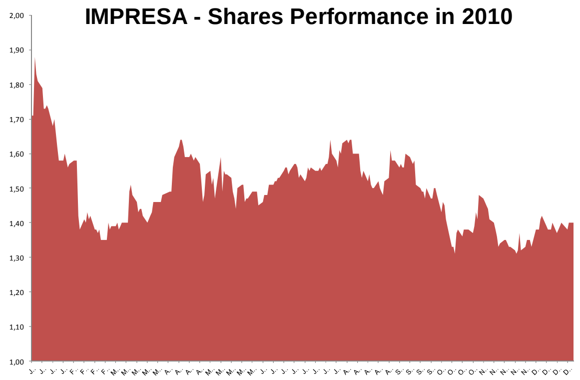
The following table presents the profile of the employees of the IMPRESA Group, as at 31 December 2010

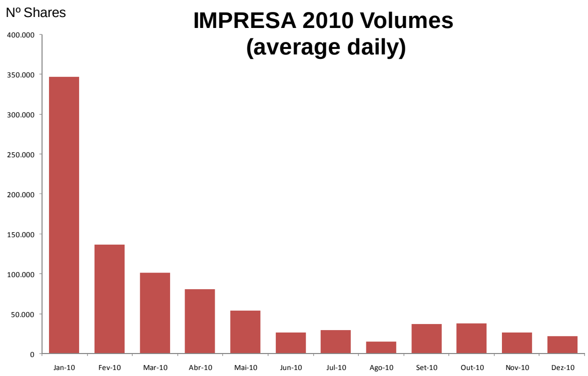
Table 8. Human Resources in 2010

	Television 2010	Publishing 2010	Digital 2010	Others 2010	Total 2010	Total 2009
Nº Employees	**617**	**526**	**65**	**97**	**1.305**	**1.443**
Male	354	245	33	40	672	688
Female	263	281	32	57	633	626
Age (years)	**39**	**41**	**34**	**40**	**39**	37
Qualifications						
University	268	*244*	*47*	*39*	598	596
12º Grade	268	*208*	*15*	*52*	543	542
< 12º Grade	81	*74*	*3*	*6*	164	176
Area	**617**	**526**	**65**	**97**	**1.305**	**1.314**
Editorial	360	334	6	0	700	712
Non Editorial	257	192	59	97	605	602

7. IMPRESA in the Stock Market

In 2010 the capital markets registered a generalised positive evolution. However, the year was negative for the Portuguese market. The PSI 20 closed the year with a 10.3% decline, in line with the other markets in the south of Europe, and after having appreciated 33.3% in 2009. The sovereign debt crisis that affected Portugal and the austerity programmes presented over the course of 2010 penalised the behaviour of the Portuguese stock market.





The EuroStoxx European reference index registered a slight increase of 0.3% in 2010. The media sector in Europe, on the other hand, registered a positive performance, with the DJ Eurostoxx Media index appreciating 13.6%. The main companies benefitted from the expectations of economic recovery in the majority of European countries, in contrast with what happened in Portugal and Spain.

IMPRESA shares, after a strong appreciation in 2009 of 113.1%, were penalised and ended 2010 with a decline of 21.8%.

The decline in stock market prices was accompanied by a decrease in the liquidity of shares. The average transaction volume of 183 thousand shares/day in 2009 declined to 76.5 thousand shares/day in 2010 (-58%). In addition to the exit from the PSI-20, which took place in 2009, there was a reduction in the free float of IMPRESA shares, currently below 15%, which penalised the liquidity of the shares in the stock market.

8. Outlook for 2011

Given the adverse macroeconomic environment foreseen, the objectives of the IMPRESA Group for 2011 will focus on the maintenance of results, a continuing tight control of operating costs and diversification of revenues, as well as a reduction of remunerated liabilities.

IMPRESA

Sociedade Gestora de Participações Sociais, SA.

IMPRESA

2010 Individual Company Report

B) INDIVIDUAL ACCOUNTS

1. Analysis of Individual Accounts

As already noted in the 2009 Report, the Board of Directors of IMPRESA decided to adopt, in the preparation of its individual financial statements, the IAS/IFRS as adopted by the European Union, from 1 January 2009. Hence, the individual financial statements as at 31 December 2010 and 2009 were prepared in accordance wit these accounting standards, considering 1 January 2008 as the transition date for the effects of the calculation of the conversion adjustments.

The main alterations of accounting policies, which led to conversion adjustments in the individual accounts, are as follows:

- The investments in subsidiary and associated companies are now recorded at acquisition cost, corrected for impairment losses, except where it is not feasible to determine the acquisition cost, in which case the value of the previous record was maintained (determined through the equity method) in accordance with the former accounting principles, which assumes the nature of a considered cost;

- Goodwill is now included in the amount of the financial investments and are no longer depreciated, but subject to impairment analyses, together with the book value of each financial investment. The impairment analyses are made annually, or whenever there are indications that the asset could be impaired.

During 2010, in individual terms, the operating income stood at the value of 109 thousand euros, essentially as a result of the surplus tax estimate, which implied a reduction compared to the value of 413 thousand euros reached in 2009, and which referred to reversions of provisions.

Regarding operating costs, note should be made of the value of 2,493 thousand euros, similar to that reached in 2009 (2,468 thousand euros). Note should also be made of the fact that, in April 2010, the salaries of the members of the Board of Directors and senior staff members, which had been voluntarily reduced by 10% in 2009, were reinstated.
With respect to financial results, note should be made of the lower financial costs, which decreased from 1,219.5 thousand euros in 2009 to 945 thousand euros in 2010, and the increase in earnings of 770 thousand euros to 3,082 thousand euros, due to the receipt of dividends during the financial year under analysis.

The net income calculated for 2010 was positive, in the amount of 1,672.8 thousand euros, in comparison with the loss of 1,993 thousand euros registered in 2009.

2. Proposal for the coverage of retained earnings

With a view to enabling a regular dividend distribution policy in the future, the Board of Directors of IMPRESA proposes, to cover the negative retained earnings, in the amount of 61,722,986, recorded in the respective balance sheet item as at 31 December 2010, that a sum of the same amount be withdrawn from the Share issue premiums item.

3. Proposal for the application of results

The net income of 1,672,835 euros, recorded in 2010, is proposed to be applied as follows:

To the legal reserve heading	83,642 euros
To the free reserves heading	1,589,193 euros

C) ACTIVITIES OF THE NON-EXECUTIVE DIRECTORS

The non-executive directors, in compliance with their legal attributions, participated in the meetings of the Board of Directors, namely in meetings where the quarterly, half-year and annual accounts for the financial year of 2010 were assessed and approved, as well as in the general meetings of shareholders. No constraints to the exercise of their functions were encountered. In accordance with the terms of the law and IMPRESA Audit Committee regulations, the activities performed by non-executive members of the Audit Committee members are described in a separate report, which is an integral part of the IMPRESA 2010 Annual Report and Accounts.

D) ACKNOWLEDGEMENTS

The Board of Directors would like to thank the employees for the effort and dedicated commitment shown which made it possible, in spite of all the difficulties, to present the results provided in this Report.

The Board of Directors would also like to thank the Statutory Auditor and the following banks for their collaboration during the financial year ended: Banco BPI, Caixa Geral de Depósitos, Caixa Banco de Investimento, Banco Espírito Santo, Banco Espírito Santo de Investimento, Millennium BCP, Banco Santander Totta and Barclays Bank.

Lisbon, 14th March 2011

The Board of Directors

Francisco José Pereira Pinto de Balsemão

Francisco Maria Supico Pinto Balsemão

Pedro Lopo de Carvalho Norton de Matos

Alexandre de Azeredo Vaz Pinto

António Soares Pinto Barbosa

Maria Luísa Coutinho Ferreira Leite de Castro Anacoreta Correia

Miguel Luís Kolback da Veiga

José Manuel Archer Galvão Teles

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

STATEMENTS OF FINANCIAL POSITION AS OF 31 DECEMBER 2010 AND 2009

(Amounts stated in Euros)

(Translation of statements of financial position originally issued in Portuguese - Note 28)

ASSETS	Notes	2010	2009
NON-CURRENT ASSETS			
Investments in subsidiaries and associated companies	10	159.017.056	137.511.933
Loans to group companies	11	-	10.825.000
Total non-current assets		159.017.056	148.336.933
CURRENT ASSETS:			
State and other public entities	12	1.583.678	1.217.195
Other current assets	13	4.517.454	4.345.515
Cash and cash equivalents	14	45.941	57.334
Total current assets		6.147.073	5.620.044
TOTAL ASSETS		165.164.129	153.956.977
EQUITY AND LIABILITIES			
EQUITY:			
Capital	15	84.000.000	84.000.000
Share premium	16	97.902.257	97.902.257
Legal reserve	17	759.786	759.786
Accumulated losses		(61.722.986)	(59.730.004)
Net profit/(loss) for the year		1.672.835	(1.992.982)
TOTAL EQUITY		122.611.892	120.939.057
LIABILITIES:			
Bank loans	18	15.889.667	20.898.142
Total non-current liabilities		15.889.667	20.898.142
CURRENT LIABILITIES:			
Bank loans	18	9.809.172	4.657.317
Loans from group companies	19	14.125.000	4.949.688
Trade and other payables	20	88.869	53.334
State and other public entities	21	115.829	96.330
Other current liabilities	13	2.523.700	2.363.109
Total current liabilities		26.662.570	12.119.778
Total liabilities		42.552.237	33.017.920
TOTAL EQUITY AND LIABILITIES		165.164.129	153.956.977

The accompanying notes form an integral part of the statements of financial position as of 31 December 2010 and 2009.

THE ACCOUNTANT

THE BOARD OF DIRECTORS

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

STATEMENTS OF COMPREHENSIVE INCOME

FOR THE YEARS ENDED 31 DECEMBER 2010 AND 2009

(Amounts stated in Euros)

(Translation of statements of comprehensive income originally issued in Portuguese - Note 28)

	Notes	2010	2009
OPERATING REVENUE:			
Other operating revenue	3	109.465	413.425
OPERATING COSTS:			
External supplies and services	4	(592.854)	(589.083)
Personnel costs	5	(1.792.667)	(1.644.239)
Other operating costs	6	(107.795)	(235.059)
Total operating costs		(2.493.316)	(2.468.381)
Operating loss		(2.383.851)	(2.054.956)
NET FINANCIAL ITEMS:			
Net financial costs	7	(945.012)	(1.219.533)
Net gain on group companies and associates	7	3.083.480	770.400
		2.138.468	(449.133)
Loss before taxes		(245.383)	(2.504.089)
Income tax for the year	8	1.918.218	511.107
Net profit/(loss) for the year		1.672.835	(1.992.982)
Comprehensive net profit/(loss) for the year		1.672.835	(1.992.982)
Earnings per share:			
Basic	9	0,0100	(0,0119)
Diluted	9	0,0100	(0,0119)

The accompanying notes form an integral part of the statement of comprehensive income for the years ended 31 December 2010 and 2009.

THE ACCOUNTANT

THE BOARD OF DIRECTORS

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

STATEMENTS OF CHANGES IN EQUITY

FOR THE YEARS ENDED 31 DECEMBER 2010 AND 2009

(Amounts stated in Euros)

(Translation of a statement of changes in equity originally issued in Portuguese - Note 28)

	Capital	Share premium	Legal reserve	Accumulated losses	Net (loss)/profit for the year	Total equity
Balance at 31 December 2008	84.000.000	97.902.257	759.786	(81.724.401)	21.994.397	122.932.039
Appropriation of profit for the year ended 31 December 2008	-	-	-	21.994.397	(21.994.397)	-
Loss for the year ended 31 December 2009	-	-	-	-	(1.992.982)	(1.992.982)
Balance at 31 December 2009	84.000.000	97.902.257	759.786	(59.730.004)	(1.992.982)	120.939.057
Appropriation of loss for the year ended 31 December 2009	-	-	-	(1.992.982)	1.992.982	-
Profit for the year ended 31 December 2010	-	-	-	-	1.672.835	1.672.835
Balance at 31 December 2010	84.000.000	97.902.257	759.786	(61.722.986)	1.672.835	122.611.892

The accompanying notes form an integral part of the statement of changes in equity for the years ended 31 December 2010 and 2009.

THE ACCOUNTANT

THE BOARD OF DIRECTORS

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

CASH FLOW STATEMENTS FOR THE YEARS ENDED

31 DECEMBER 2010 AND 2009

(Amounts stated in Euros)

(Translation of cash flow statements originally issued in Portuguese - Note 28)

	Notes	2010	2009
OPERATING ACTIVITIES:			
Cash paid to suppliers		(557.319)	(602.995)
Cash paid to employees		(1.754.826)	(1.618.104)
Cash used in operations		(2.312.145)	(2.221.099)
Payments relating to income taxes		1.659.733	(1.902.642)
Other cash paid relating to operating activities		(168.309)	(124.504)
Net cash from/(used in) operating activities		(820.721)	(4.248.245)
INVESTING ACTIVITIES			
Cash received relating to:			
Investment in group and associated companies	10	29.007	-
Dividends	7	3.697.507	770.400
Loans to group companies	11	10.825.000	11.225.000
Interest and similar income		15	36
		14.551.529	11.995.436
Cash paid relating to:			
Capital increases in group companies	10	(80.000)	-
Supplementary capital contributions	10	(22.068.157)	-
Permanent loans	10	-	(10.103.000)
		(22.148.157)	(10.103.000)
Net cash from/(used in) investing activities (2)		(7.596.628)	1.892.436
FINANCING ACTIVITIES:			
Cash received relating to:			
Loans from banks	18	2.850.000	5.898.142
Loans from group companies	19	14.125.000	3.449.688
		16.975.000	9.347.830
Cash paid relating to:			
Loans from banks	18	(4.000.000)	(4.500.000)
Loans from group companies	19	(4.949.688)	-
Interest and similar costs		(921.211)	(1.219.569)
		(9.870.899)	(5.719.569)
Net cash from financing activities (3)		7.104.101	3.628.261
Net increase/(decrease) in cash and cash equivalents (4) = (1) + (2) + (3)		(1.313.248)	1.272.452
Cash and cash equivalents at the beginning of the year	14	(599.983)	(1.872.435)
Cash and cash equivalents at the end of the year	14	(1.913.231)	(599.983)

The accompanying notes form an integral part of the cash flow statement
for the years ended 31 December 2010 and 2009.

THE ACCOUNTANT

THE BOARD OF DIRECTORS

INTRODUCTORY NOTE

Impresa – Sociedade Gestora de Participações Sociais, S.A. ("the Company" or "Impresa") has its head-office in Lisbon and was founded on 18 October 1990, its main activities being the management of investments in other companies.

Impresa is the parent company of a group made up of Impresa and its subsidiaries ("Group"). The Group operates in the media industry, namely in television broadcasting, publishing (newspapers and magazines) and other audiovisual activities.

These financial statements were approved for publication by the Board of Directors of Impresa on 14 March 2011 and will be submitted for approval by the Shareholders' General Meeting which, in accordance with current legislation, can still make changes to them.

The Company, as legally required, has also prepared consolidated financial statements.

2. MAIN ACCOUNTING POLICIES

2.1 Bases of presentation

The financial statements have been prepared on a going concern basis, from the Company's accounting records, maintained in accordance with the provisions of IAS/IFRS as endorsed by the European Union, which include the International Accounting Standards ("IAS") issued by the International Standards Committee ("IASC"), International Financial Reporting Standards ("IFRS") issued by the International Accounting Standards Board ("IASB") and related "SIC" and "IFRIC" interpretations issued by the International Financial Reporting Interpretation Committee ("IFRIC") and Standing Interpretation Committee ("SIC"). These standards will hereinafter be referred to as "IFRS".

Impresa adopted IFRS in the preparation of its non-consolidated financial statements for the first time in 2009 and so, in compliance with IFRS 1 – First-time Adoption of International Financial Reporting Standards ("IFRS 1"), the date of transition from Portuguese generally accepted accounting principles to IFRS rules was 1 January 2008.

Therefore, in compliance with IAS 1, Impresa declares that these financial statements and related notes comply with the requirements of IAS/IFRS as endorsed by the European Union, in force for the years beginning on 1 January 2010.

2.2 Adoption of new and revised IAS/IFRS

The accounting policies adopted for the year ended 31 December 2010 are consistent with those used for the preparation of the Company's financial statements for the year ended 31 December 2009 and are explained in the respective notes.

The following standards, interpretations, amendments and revisions endorsed by the European Union with mandatory application in financial years starting on or after 1 January 2010, which did not have a significant impact on the amounts reported in these financial statements, were adopted in the year ended 31 December 2010:

- Revisions to IFRS 3 – Business combinations;
- IAS 27 – Consolidated and separate financial statements;
- IAS 28 (2008 revision) – Investments in associates;
- Revision of IFRS 1 – First time adoption of international financial reporting standards;
- IFRS 1 – Amendments (Additional exemptions);
- IFRS 2 – Amendment (Group cash-setttled share-based payment transactions);
- IFRIC 12 – Service concession arrangements;
- IFRIC 15 – Agreements for the construction of Real estate;
- IFRIC 16 – Hedges of a net investment in a foreign operation;
- IFRIC 17 – Distributions of non-cash assets to owners;
- IFRIC 18 – Transfer of assets from customers;
- Improvements to International Financial Reporting Standards (2009);
- Changes to IAS 39 – Financial Instruments: Recognition and Measurement: Eligible Hedged Items.

At the date of approval of these financial statements by the Board of Directors the following standards and interpretations had been issued and endorsed by the European Union, but are of mandatory application only in following years:

- IAS 24 – Related party disclosures (revision) (years beginning on or after 1 January 2011);
- IFRS 1 – Amendment (Limited exemption from the requirement to present comparative disclosures in accordance with IFRS 7 for first time adopters (years beginning on or after 1 July 2010);
- IAS 32 – Amendment (Classification of rights issues) (years beginning on or after 1 February 2010);
- IFRIC 14 – Amendment (Prepayment of a minimum funding requirement) (years beginning on or after 1 January 2011);
- IFRIC 19 – Extinguishing financial liabilities with equity instruments (years beginning on or after 1 July 2010);

These standards, although endorsed by the European Union, have not been adopted by Impresa in the year ended 31 December 2010, as their adoption is not yet mandatory.

Although the impact of adopting the above standards and interpretations on the financial statements of future years has not been fully assessed, the management believes that they will not have a significant impact on the financial position and results of operations of the Company.

2.3 Investments in group and associated companies

Equity investments in group and associated companies are recorded at cost, which includes the amount paid plus transaction costs or at deemed cost as of the date of transition to IFRS, which corresponds to the amount recorded as of that date in accordance with generally accepted accounting principles in Portugal. Investments are maintained at cost of acquisition or deemed cost, less any estimated impairment losses.

Supplementary capital contributions made by the Company to group and associated companies are recorded at nominal value less any impairment losses. Such contributions are added to the amount of the investment in group and associated companies due to their permanent nature, they do not bear interest and in accordance with the applicable commercial legislation they can only be repaid if, after repayment, equity of the companies is not less than the sum of their capital and non distributable reserves.

Dividends paid out of post acquisition profits attributed by group and associated companies are recorded as financial income. Dividends that exceed such profits are recorded as decreases in the amount of the investment.

2.4 Financial instruments

2.4.1 Loans to group companies

Loans to group companies are recorded at their nominal value less any impairment losses and do not bear interest.

2.4.2 Other current assets

Other current assets are initially recorded at their nominal value and are presented net of any impairment losses. Impairment losses of these assets are recorded when there is objective evidence that all the amounts due will not be collected in accordance with the terms originally established for settlement of the amounts due. The amount of the loss corresponds to the difference between the nominal value and the estimated recoverable value and is recognized in the statement of comprehensive income for the year.

2.4.3 Cash and cash equivalents

Cash and cash equivalents comprise cash, term deposits and other treasury applications which mature in less than three months that are readily convertible to cash with an insignificant risk of change in value.

For the purposes of the cash flow statement, cash and cash equivalents also include bank overdrafts, reflected under the caption "Bank loans" on the balance sheet.

2.4.4 Loans

Loans are initially recognised under liabilities at the amount received, net of expenses relating to their issuance.

Expenses incurred with the issuance of loans are recognized in accordance with the amortized cost method, in the statement of comprehensive income over the period of the loan.

Financial costs relating to bank interest and similar costs, such as stamp tax, are recognized in the statement of comprehensive income on an accrual basis, the amounts overdue as of the date of closing the financial statements being classified as "Other current liabilities".

2.4.5 Loans from group companies

Loans from group companies are recorded at their nominal value.

2.4.6 Suppliers and other payables and other current liabilities

Payables are recorded at their nominal value and do not bear interest.

2.5 Provisions and contingent liabilities

Provisions are recognised when there is a present obligation (legal or implied) resulting from a past event, the resolution of which will probably require expending internal resources, the amount of which can be reasonably estimated.

The amount of provisions is reviewed and adjusted at the date of each statement of financial position so as to reflect the best estimate at that time.

When any of the above mentioned conditions are not met, the corresponding contingent liability is not recorded but only disclosed, unless a future outflow of funds affecting future financial benefits is remote, in which case it is not disclosed.

2.6 Pension liability

Some of the Group companies (Impresa, Sojornal - Sociedade Jornalística e Editorial, S.A. ("Sojornal") and Medipress - Sociedade Jornalística e Editorial, Lda. ("Medipress") have assumed the commitment to grant some of their employees and remunerated Board Members hired up to 5 July 1993 and that were serving in 2002, pension supplements for retirement due to age and incapacity. The pension supplements consist of a percentage which increases with the number of years of service to the company, applied to the salary table, or a fixed percentage applied to the base salary in force in 2002.

The liability for the payment of retirement, incapacity and survivor pensions is recorded in accordance with the provisions of IAS 19, which requires companies with pension plans to recognise the cost of granting such benefits as the services are rendered by the benefiting employees and directors.

Accordingly, at the end of each accounting period the Company obtains an actuarial study made by an independent entity, in order to determine its liability at that date and the pension cost to be recognised in the period. The liability thus estimated is compared with the market value of the pension fund assets in order to determine the amount of contributions to be made or the liability to be recorded. Pension costs are recorded under the caption “Personnel costs – Social charges” based on the amounts determined by the actuarial study, and include:

- Current service cost
- Interest cost
- Estimated return of the assets of the funds
- Recognition of actuarial gains and losses.

The effect of changes in assumptions, differences between the assumptions used and the actual amounts and between the estimated and actual income of the pension fund assets are considered as actuarial gains and losses.

Actuarial gains and losses are recognised immediately in the statement of comprehensive income, the corridor rule established in IAS 19 not being followed.

2.7 Corporate income tax

Income tax for the year consists of current tax and deferred tax and is recorded in accordance with the provisions of IAS 12.

Impresa is taxed in accordance with the special regime for the taxation of of groups of companies (*regime especial de tributação dos grupos de sociedades* - “RETGS”)), which covers all the companies in which Impresa has a direct or indirect participation of at least 90% and comply with the other conditions of the regime. The other companies of the Impresa Group not covered by the special regime for the taxation of groups of companies are taxed individually based on their taxable income at the applicable tax rates.

In determining income tax cost for the year, in addition to current tax, the effect of deferred tax is also considered, calculated based on the difference between the book value of assets and liabilities and their corresponding value for tax purposes.

Deferred tax assets and liabilities are calculated and assessed annually using the tax rates expected to be in force when the temporary differences reverse.

Deferred tax assets are only recognised when there is reasonable expectation that there will be sufficient future taxable income to use them. At the date of each statement of financial position, a review of the temporary differences underlying the deferred tax assets is made so as to recognize the deferred tax assets not previously recognized because they did not fulfill the conditions required for them to be recognized and/or reduce the amount of the deferred tax assets based on the current expectation of their future recovery.

At 31 December 2009, Impresa did not have operations with temporary taxable differences resulting in deferred tax liabilities.

2.8 Accruals basis

Costs and income are recorded in the period to which they relate, independently of the date they are paid or received.

Financial costs and income relating to interest are recognized on an accruals basis in accordance with the applicable effective rate of interest.

2.9 Classification in the statement of financial position

Assets realisable and liabilities payable in less than one year from the date of the statement of financial position are classified as current assets and liabilities, respectively.

2.10 Subsequent events

(Amounts stated in Euros)

Events that occur after the end of the year that provide additional information of conditions that existed at that date are reflected in the financial statements.

Events that occur after the end of the year, that provide additional information on conditions that existed after that date, if significant, are disclosed in the notes to the financial statements.

3. OTHER OPERATING REVENUE

Other operating revenue for the years ended 31 December 2010 and 2009 is as follows:

	2010	2009
Excess estimated tax	103,362	-
Reversal of provisions (Note 22)	-	400,000
Other operating revenue	6,103	13,425
	109,465	413,425

4. EXTERNAL SUPPLIES AND SERVICES

This caption for the years ended 31 December 2010 and 2009 is made up as follows:

	2010	2009
Rents (a)	222,696	218,069
Specialized works (b)	295,739	229,840
Others	74,419	141,174
	592,854	589,083

(a) This caption at 31 December 2010 and 2009 included 89,784 Euros charged by related entities (Note 25).

(b) This caption at 31 December 2010 and 2009 included 9,006 Euros and 13,622 Euros, respectively, charged by related entities (Note 25).

5. PERSONNEL COSTS

Personnel costs for the years ended 31 December 2010 and 2009 are made up as follows:

	2010	2009
Remuneration of the corporate bodies (Note 25)	758,332	712,471
Personnel remuneration	764,587	694,353
Charges on remuneration	249,763	222,992
Others	19,985	14,423
	1,792,667	1,644,239

The Company had 9 employees during the years ended 31 December 2010 and 2009.

6. OTHER OPERATING COSTS

Other operating costs for the years ended 31 December 2010 and 2009 are made up as follows:

(Amounts stated in Euros)

	2010	2009
Subscriptions	52,110	54,911
Taxes	34,051	18,412
Estimated tax insufficiency	-	142,299
Other operating costs	21,634	19,437
	107,795	235,059

7. NET FINANCIAL ITEMS

Net financial items for the years ended 31 December 2010 and 2009 are made up as follows:

	2010	2009
Financial costs:		
Interest	(912,736)	(1,165,463)
Other financial costs	(32,291)	(54,106)
	(945,027)	(1,219,569)
Financial inccome:		
Interest	15	36
	(945,012)	(1,219,533)
Gain/(loss) on group and associated companies:		
Dividends (a)	3,697,507	770,400
Impairment loss on investments in associates (Note 10)	(593,034)	-
Liquidation of Impresa.com - Publicidade e Projectos Especiais, Lda. ("Impresa.com") (Note 10)	(20,993)	-
	3,083,480	770,400
	2,138,468	(449,133)

(a) This caption at 31 December 2010 and 2009 corresponded to dividends received from the following companies (Note 25):

Impresa Publishing, S.A. (“Impresa Publishing”) (i)	3,645,397	710,312
Lusa – Agência de Notícias de Portugal, S.A. (“Lusa”)	52,110	60,088
	3,697,507	770,400

(i) Company formerly called Impresa Publishing - Sociedade Gestora de Participações Sociais, S.A..

8. DIFFERENCES BETWEEN THE ACCOUNTING AND TAX RESULTS

The Company is subject to corporate income tax at the rate of 12.5% on taxable income up to the amount of 12,500 Euros, the excess being subject to corporate income tax at the rate of 25% plus a Municipal Surcharge of 1.5% of taxable income, resulting in a maximum aggregate tax rate of 26.5%. In addition there is a State Surcharge of 2.5% on taxable profit exceeding 2,000,000 Euros. Because of its legal form, the Company is subject to the tax legislation covering holding companies (“Sociedades Gestoras de Participações Sociais”). In accordance with this legislation, dividends received from participated companies, gain on the sale of participations and financial costs relating to the acquisition of investments, are not considered for tax purposes.

In accordance with article 88 of the Corporate Income Tax Code, the Company is subject to autonomous taxation on certain charges, at the rates established in the article.

The Company is subject to corporate income tax under the RETGS regime with its subsidiaries Impresa Publishing, Soincom - Sociedade Gestora de Participações Sociais, S.A. (“Soincom”), Solo - Investimentos em Comunicação, SGPS, S.A. (“Solo”), Sojornal, Medipress, Publisurf - Edições e Publicidade, Lda., Impresa Classificados - Publicidade, Lda., Impresa Digital – Produção Multimédia (Media Zoom), Lda. (formerly Media Zoom – Produção Multimédia (Impresa Digital), Lda.), SIC - Sociedade Independente de Comunicação, S.A., GMTS - Global Media Technology Solutions - Serviços Técnicos e Produção

Multimédia, Sociedade Unipessoal, Lda., Impresa Media Solutions - Sociedade Unipessoal, Lda. (“Impresa Media Solutions”), Impresa Serviços – Sociedade Unipessoal, Lda., Gesco – Gestão de Conteúdos e Meios de Comunicação Social, S.A., Office Share – Gestão de Imóveis e Serviços, S.A and Impresa DGSM – Desenvolvimento e Gestão de Soluções Multimédia, Lda.. The remaining subsidiaries of Impresa are taxed individually.

The benefits of the consolidated taxation regime are recorded by Impresa, not being allocated to the subsidiaries.

In accordance with current legislation, tax returns are subject to review and correction by the tax authorities during a period of four years (ten years for social security up to 2000, inclusive, and five years as from 2001), except where there have been tax losses, tax benefits have been given or tax inspections, claims or contestations have been made, in which case, depending on the circumstances, the period can be extended or suspended. Therefore the Company’s tax returns for the years 2007 to 2010 are still subject to review. The Board of Directors believes that any corrections resulting from revisions/inspections by the tax authorities of these tax returns will not have a significant effect on the financial statements as of 31 December 2010 and 2009.

In accordance with current tax legislation tax losses can be carried forward for a period of six years for deduction from taxable profits generated during that period. At 31 December 2010 Impresa and its subsidiaries included in the RETGS did not have tax losses carried forward.

(Amounts stated in Euros)

At 31 December 2010 and 2009, there were no significant temporary differences between the amounts of assets and liabilities for accounting purposes and the corresponding amounts for tax purposes.

a) Temporary differences – Changes in deferred tax assets

31 December 2010:

	Tax losses carried forward
Balance at 31 December 2009	-
Increases	1,947,070
Recovery (Note 12)	(1,947,070)
Balance at 31 December 2010	-

The deferred tax assets resulting from tax losses carried forward generated up to the year ended 31 December 2010 were fully used in the year then ended, as a result of the taxable profit of the companies taxed on a consolidated basis.

31 December 2009:

	Provisions	Tax losses carried forward of Impresa	Tax losses carried forward of the subsidiaries	Total
Balance at 31 December 2008	102,250	701,606	1,827,087	2,630,943
Increases / reversals	(102,250)	643,750	-	541,500
Recovery (Note 12)	-	(1,345,356)	(1,827,087)	(3,172,443)
Balance at 31 December 2009	-	-	-	-

The deferred tax assets resulting from tax losses carried forward generated up to the year ended 31 December 2009 were fully used in the year then ended, as a result of the taxable profit of the companies taxed on a consolidated basis.

b) Reconciliation of the tax rate

	2010	2009
Profit/(loss) before income tax	(245,383)	(2,504,089)
Nominal tax rate	25%	25%
Estimated income tax credit	(61,346)	(626,022)
Permanent differences (i)	(592,577)	84,522
Adjustment to taxable profit (ii)	28,852	30,393
Deferred taxes resulting from tax losses recoverable generated in prior years	(1,293,147)	-
Income tax for the year	(1,918,218)	(511,107)
Current tax (Note 12)	28,852	30,393
Deferred tax generated in the year	(1,947,070)	(541,500)
	(1,918,218)	(511,107)

(Amounts stated in Euros)

(i) These amounts were made up as follows at 31 December 2010 and 2009:

	2010	2009
Dividends received (Note 7)	(3,697,507)	(770,400)
Excess estimated tax (Note 3)	(103,362)	-
Insufficiency of estimated tax	-	142,299
Impairment losses on investments in associated companies (Note 7)	593,034	-
Non tax deductible interest	812,009	952,695
Others, net	25,518	13,494
	(2,370,308)	338,088
	25%	25%
	(592,577)	84,522

(ii) This amount corresponds to the part of corporate income tax taxed autonomously.

9. EARNINGS PER SHARE

Earnings per share for the years ended 31 December 2010 and 2009 were computed as follows:

	2010	2009
Net profit/(loss) for the year	1,672,835	(1,992,982)
Number of shares (Note 15)	168,000,000	168,000,000
Earnings per share	0.0100	(0.0119)

10. INVESTMENTS IN GROUP AND ASSOCIATED COMPANIES

The changes in investments in group companies and associates and in the related accumulated impairment losses in the years ended 31 December 2010 and 2009 were as follows:

31 December 2010:

	Investment	Supplementary capital contributions	Total
Investments:			
Balance at 31 December 2009	110,932,933	26,579,000	137,511,933
Increases (a)	80,000	22,068,157	22,148,157
Decreases (b)	(50,000)	-	(50,000)
Impairment losses (Note 7)	(593,034)	-	(593,034)
Balance at 31 December 2010	110,369,899	48,647,157	159,017,056

(a) The increase in the caption “Investments” corresponds to subscription to a capital increase in Impresa Media Solutions in the amount of 80,000 Euros.

The increase in the caption “Supplementary capital contributions” corresponds to supplementary capital contributions in the amount of 22,068,157 Euros made to Soincom.

(b) The decrease in the caption “Investments” corresponds to liquidation of Impresa.com in December 2010, from which 29,007 was received and a loss of 20,993 was recognized (Note 7).

(Amounts stated in Euros)

During the year ended 31 December 2010, the Company identified and recognized an impairment loss of 593,034 Euros in the investment in Castillo de Elsinor, SL ("Castillo de Elsinor"). No indications of impairment loss were identified in the remaining investments.

31 December 2009:

	Investment	Supplementary capital contributions	Total
Investments:			
Balance at 31 December 2008	108,652,907	21,066,000	129,718,907
Increases (a)	5,000	10,103,000	10,108,000
Transfers (b)	4,590,000	(4,590,000)	-
Utilization	(2,314,974)		(2,314,974)
Balance at 31 December 2009	110,932,933	26,579,000	137,511,933

(a) The increase in the caption "Investments" corresponds to foundation of the cooperative Visapress – Gestão de Conteúdos dos Media, S.A.R.L., through subscription of 5,000 Euros of its total capital of 50,000 Euros.

The increase in the caption "Supplementary capital contributions" corresponds to supplementary capital contributions made to Digital and Office Share, in the amounts of 8,103,000 Euros and 2,000,000 Euros, respectively.

(b) The transfer corresponds to subscription for a capital increase in Office Share, which was realized through conversion of supplementary capital contributions made earlier.

In 2009 the Company did not identify indications of impairment in its investments.

At 31 December 2010 and 2009 the Company had the following investments in group and associated companies (accounting information of the participations taken from their financial statements prepared in accordance with generally accepted accounting principles in Portugal, except for Soincom that adopted IAS/IFRS):

31 December 2010:

Company	Head office	Net assets	Equity	Total revenue	Result for the year	Percentage of participation	Book value	Impairment losses	Permanent loans	Total investment
Impresa Publishing	Lisbon	35,023,362	17,044,212	5,852,371	5,435,049	100%	34,011,372	-	-	34,011,372
Office Share (a)	Oeiras	17,644,586	6,639,886	1,388,965	3,913	99.89%	5,942,500	-	2,000,000	7,942,500
Soincom (a)	Lisbon	88,057,015	88,057,015	-	(16,398)	100%	65,988,858	-	22,068,157	88,057,015
Impresa Digital (a)	Lisbon	168,190,105	(24,527,684)	5,992,949	296,311	100%	500,000	-	24,543,000	25,043,000
Impresa Serviços	Lisbon	1,556,495	62,664	5,056,953	11,186	100%	50,000	-	-	50,000
Acting Out - Produção de Espectáculos e Eventos, Lda. ("Acting Out")	Lisbon	905,088	(139,439)	1,822,552	248,231	60%	30,000	-	-	30,000
Impresa Media Solutions (a)	Lisbon	476,892	43,158	2,267,472	(404)	100%	85,000	-	36,000	121,000
Vasp – Distribuidora de Publicações, S.A. ("Vasp")	Queluz	28,486,442	9,579,989	205,296,047	311,619	33.33%	1,910,396	-	-	1,910,396
Lusa – Agência de Notícias de Portugal, S.A. ("Lusa")	Lisbon	14,725,302	4,547,598	19,508,221	664,713	22.35%	890,732	-	-	890,732
Castillo de Elsinor	Barcelona	4,654,744	1,933,754	8,950,792	32,866	20.00%	1,549,075	(593,034)	-	956,041
Visapress	Lisbon	n.a	n.a	n.a	n.a	10.00%	5,000	-	-	5,000
							110,962,933	(593,034)	48,647,157	159,017,056

(a) The equity of these investments includes amounts recorded by the Company as supplementary capital contributions, identified as "Permanent loans".

(Amounts stated in Euros)

31 December 2009:

Company	Head office	Net assets	Equity	Total revenue	Result for the year	Percentage participation	Book value	Permanent loans	Total investment
Impresa Publishing	Lisbon	41,250,139	15,256,671	5,991,662	3,647,508	100%	34,011,372	-	34,011,372
Office Share (a)	Oeiras	18,410,521	6,635,972	1,625,322	7,465	99.89%	5,942,500	2,000,000	7,942,500
Soincom	Lisbon	65,988,858	65,988,858	-	(11,396)	100%	65,988,858	-	65,988,858
Impresa Digital (a)	Lisbon	165,584,640	(24,823,911)	3,131,437	(8,470,989)	100%	500,000	24,543,000	25,043,000
Impresa.com	Lisbon	747,998	45,825	1,896,733	(2,147)	100%	50,000	-	50,000
Impresa Serviços	Lisbon	1,456,955	51,477	4,559,792	812	100%	50,000	-	50,000
Acting Out	Lisbon	670,497	(387,670)	1,762,962	(51,642)	60%	30,000	-	30,000
Impresa Media Solutions (a)	Lisbon	833,330	(36,438)	1,614,599	(2,546)	100%	5,000	36,000	41,000
Vasp	Queluz	34,253,018	9,283,775	216,581,380	230,007	33.33%	1,910,396	-	1,910,396
Lusa	Lisbon	13,998,228	4,146,134	19,467,450	464,744	22.35%	890,732	-	890,732
Castillo de Elsinor	Barcelona	3,543,375	1,892,601	6,349,050	20,015	20.00%	1,549,075	-	1,549,075
Visapress	Lisbon	n.a	n.a	n.a	n.a	10.00%	5,000	-	5,000
							110,932,933	26,579,000	137,511,933

(a) The equity of these investments includes amounts recorded by the Company as supplementary capital contributions, identified as "Permanent loans".

11. LOANS TO GROUP COMPANIES

Loans to group companies at 31 December 2010 and 2009 were as follows (Note 25):

	2010	2009
Soincom	-	10,825,000

The loan to Soincom was received in 2010.

12. STATE AND OTHER PUBLIC ENTITIES – ASSET

This caption at 31 December 2010 and 2009 was made up as follows:

	2010	2009
Corporate Income Tax:		
Payments on account and special payments on account within the RETGS	2,043,203	302,731
Corporate income tax generated within the RETGS (a)	(430,673)	944,857
Estimated income tax (Note 8)	(28,852)	(30,393)
	1,583,678	1,217,195

(a) This amount was made up as follows at 31 December 2010 and 2009:

	2010	2009
Accounts payable generated within RETGS (Note 13)	2,046,285	2,116,250
Accounts receivable generated within RETGS (Note 13)	(4,424,028)	(4,343,836)
	(2,377,743)	(2,227,586)
Tax losses carried forward used within the RETGS (Note 8)	1,947,070	3,172,443
	(430,673)	944,857

(Amounts stated in Euros)

13. OTHER CURRENT ASSETS AND LIABILITIES

Other current assets at 31 December 2010 and 2009 were made up as follows:

	2010	2009
Group companies -2010 RETGS (Note 25):		
SIC	1,587,434	909,281
Medipress	1,401,034	772,763
Sojornal	1,016,439	1,740,485
GMTS	384,031	902,176
Impresa Serviços	22,864	15,112
Impresa Classificados	7,646	-
Impresa Media Solutions	3,305	4,019
Gesco	1,275	-
	4,424,028	4,343,836
Group companies -2009 RETGS (Note 25):		
SIC	26,471	-
Impresa Digital	21,818	-
Impresa Publishing	13,268	-
Impresa Serviços	6,887	-
	68,444	-
Others	24,982	1,679
	4,517,454	4,345,515

Accounts receivable from group companies of 4,424,028 Euros, 68,444 Euros and 4,343,836 Euros at 31 December 2010 and 2009, respectively, correspond to estimated income tax, withholding taxes and payments on account and special payments on account of those subsidiaries included in the consolidated tax regime (Note 12).

Other current liabilities at 31 December 2010 and 2009 were made up as follows:

(Amounts stated in Euros)

	2010	2009
Group companies -2010 RETGS (Note 25):		
Impresa Digital	1,666,287	2,026,939
Office Share	181,175	-
Impresa DGSM	170,335	-
Publisurf	11,994	8,425
Solo	8,249	5,262
Soincom	4,489	4,798
Impresa Publishing	3,756	25,214
Impresa Classificados	-	44,575
Impresa.com	-	1,037
	2,046,285	2,116,250
Group companies -2009 RETGS (Note 25):		
Sojornal	99,270	-
Medipress	95,132	-
Publisurf	16,668	-
Impresa Classificados	6,110	-
GMTS	5,539	-
Impresa Media Solutions	337	-
	223,056	-
Accrued costs:		
Accrued personnel vacation pay and bonus	254,359	236,039
Others	-	10,820
	2,523,700	2,363,109

Accounts payable to group companies in the amounts of 2,046,285 Euros, 223,056 Euros and 2,116,250 Euros at 31 December 2010 and 2009, respectively, correspond to estimated income tax, withholding taxes, payments on account and special payments on account of those subsidiaries included in the consolidated tax regime (Note 12).

14. CASH AND CASH EQUIVALENTS

The caption “Cash and cash equivalents” included in the cash flow statements as of 31 December 2010 and 2009 and reconciliation thereof to the amount of cash and cash equivalents reflected in the statement of financial position as of those dates are as follows:

	2010	2009
Bank deposits	45,588	57,121
Cash	353	213
	45,941	57,334
Bank overdrafts (Note 18)	(1,959,172)	(657,317)
	(1,913,231)	(599,983)

The caption cash and cash equivalents includes cash and bank deposits payable on demand.

(Amounts stated in Euros)

15. CAPITAL

At 31 December 2010 and 2009, Impresa's fully subscribed and paid up share capital amounted to 84,000,000 Euros, represented by 168,000,000 shares of fifty cents each, which were held as follows:

	2010		2009	
	Percentage held	Amount	Percentage held	Amount
Impreger - Sociedade Gestora de Participações Sociais, S.A. ("Impreger")	50.31%	42,257,294	50.31%	42,257,294
Ongoing Strategy Investments, S.G.P.S, S.A.	22.89%	19,227,528	20.02%	16,817,222
Grupo BPI	3.94%	3,312,173	4.06%	3,413,002
Credit Suisse Group AG	3.95%	3,320,559	3.95%	3,320,559
Madre - SGPS, S.A.	4.14%	3,477,928	3.57%	2,995,201
Others	14.77%	12,404,518	18.09%	15,196,722
	100.00%	84,000,000	100.00%	84,000,000

16. SHARE PREMIUM

This caption corresponds to premiums obtained in share capital increases made in previous years. In accordance with current legislation, utilisation of this reserve is subject to the same rules as the legal reserve; as such, this amount is not be available for distribution to the shareholders but may be used to increase capital or absorb losses, once all other reserves and retained earnings have been exhausted.

17. LEGAL RESERVE

This caption at 31 December 2010 and 2009 corresponds to the Company's legal reserve recorded in accordance with commercial legislation, which provides that at least 5% of annual profit must be appropriated to a legal reserve until the reserve equals the minimum requirement of 20% of share capital. The reserve is not available for distribution except upon liquidation of the Company, but may be used to absorb losses, once all the other reserves and retained earnings have been exhausted, or to increase capital.

18. BANK LOANS

Bank loans at 31 December 2010 and 2009 are made up as follows:

	31 December 2010				31 December 2009			
	Book value		Nominal value		Book value		Nominal value	
Financing entities	Non-current	Current	Non-current	Current	Non-current	Current	Non-current	Current
Caixa Geral de Depósitos, S.A. (a)	10,000,000	5,000,000	10,000,000	5,000,000	15,000,000	4,000,000	15,000,000	4,000,000
Caixa Geral de Depósitos, S.A. (b)	5,889,667	-	6,000,000	-	5,898,142	-	6,000,000	-
Current accounts (c)	-	2,850,000	-	2,850,000	-	-	-	-
Bank overdrafts (d)	-	1,959,172	-	1,959,172	-	657,317	-	657,317
	15,889,667	9,809,172	16,000,000	9,809,172	20,898,142	4,657,317	21,000,000	4,657,317

(a) The Caixa Geral de Depósitos, S.A. loan is repayable as follows:

2011	5,000,000
2012	5,000,000
2013	5,000,000
	10,000,000
	15,000,000

The loan bears interest payable half yearly in arrears at the Euribor six month rate plus a spread of 2.25%.

(Amounts stated in Euros)

At 31 December 2010, Soincom had shares corresponding to 51% of SIC's share capital and Impresa had shares representing all Soincom's share capital pledged in guarantee of compliance with the terms of the loan (Note 23). In addition, the loan has certain covenants to be complied with and restrictions relating to the contracting of additional debt and the distribution of dividends, which the Company is in compliance with.

(b) Issuance of commercial paper under a commercial paper program for a period of five years ending on 18 December 2014 for the maximum amount of 6,000,000 Euros. At 31 December 2010, this commercial paper issue bore interest at the rate of 2.73%.

(c) Guaranteed current accounts obtained by the group companies which bear interest at normal market rates for similar operations.

(d) The bank overdrafts bear interest at market rates for similar transactions (Note 14).

At 31 December 2010 and 2009 the effective interest rates on the loans were as follows:

Company	Lending entities	2010	2009
Impresa	Caixa Geral de Depósitos, S.A.	3.48%	4.85%
Impresa	Caixa Geral de Depósitos, S.A.	2.95%	2.49%
Group	Guaranteed current accounts	3.28%	3.26%

If the interest rates had been 0.5% higher or lower in 2010 and 2009 net profit for these years would have decrease or increased by approximately 122,000 Euros and 128,000 Euros, respectively.

19. LOANS FROM GROUP COMPANIES

Loans from group companies at 31 December 2010 and 2009 were made up as follows (Note 25):

	2010	2009
SIC	11,225,000	-
Sojornal	2,900,000	-
Impresa Publishing	-	4,949,688
	14,125,000	4,949,688

The loans do not bear interest and are repayable in the short term and so they have been recorded as current liabilities.

20. SUPPLIERS AND OTHER PAYABLES

Suppliers and other payables at 31 December 2010 and 2009 were made up as follows:

	2010	2009
Acting Out (Note 25)	10,897	-
Medipress (Note 25)	157	438
Sojornal (Note 25)	-	6,000
Impresa Serviços (Note 25)	-	1,293
Impresa Digital (Note 25)	-	6,628
Other trade payables - current accounts	77,815	38,975
	88,869	53,334

(Amounts stated in Euros)

21. STATE AND OTHER PUBLIC ENTITIES – LIABILITY

Taxes payable at 31 December 2010 and 2009 were made up as follows:

	2010	2009
Personal income tax	62,156	50,869
Social Security contributions	53,649	45,415
Value Added Tax	24	46
	115,829	96,330

22. PROVISIONS

There were no changes in provisions in 2010.

The changes in provisions in 2009 were as follows:

Balance at 31 December 2008	400,000
Reversals (Note 3)	(400,000)
Balance at 31 December 2009	-

In 2009 the Company reversed the provision recorded in the preceding year as the risks and contingencies for which it was recorded did not arise and no longer existed at 31 December 2009.

23. CONTINGENT LIABILITIES

At 31 December 2010, Impresa had pledged all the shares of Soincom in guarantee of a loan contracted initially by that company with Caixa Geral de Depósitos, S.A., which was transferred to Impresa in 2001. In addition, Soincom pledged shares representing 51% of the capital of the subsidiary SIC in guarantee of that loan (Note 18).

At 31 December 2010, Impresa had pledged quotas representing the capital of Medipress in guarantee of loans contracted by that subsidiary from Banco Espírito Santo, S.A. and Banco Espírito Santo de Investimento, S.A..

24. COMMITMENTS ASSUMED

24.1 Pensions

Certain Group companies (Impresa, Sojornal and Medipress) have assumed commitments to pay their employees and remunerated members of the Board of Directors hired before 5 July 2003, pension supplements for retirement due to age and incapacity. The benefits are calculated based on a percentage that increases with the number of years of service applied to the salary scale or a fixed percentage applied to the base salary defined as being the amounts in 2002.

In 1987 the Group created an autonomous pension fund to which it transferred its liability for the payment of the above pensions.

In accordance with an actuarial study made by the entity managing the fund, the present value of the past service liability of the above mentioned companies for current and retired employees as of 31 December 2010 was estimated at 3,762,271 Euros, the amount of the fund at that date being 5,394,745 Euros.

All the information relating to the pension plan is provided in the notes to the consolidated financial statements.

24.2 Operating leases

The operating lease contracts in force do not have contingent lease instalments. The operating lease contracts mature as follows:

(Amounts stated in Euros)

	2010	2009
- within one year	94,384 Euros	94,384 Euros
- between one and five years	81,177 Euros	175,561 Euros

In 2010 and 2009, the Group recognized the amounts of approximately 94,000 Euros and 81,000 Euros, respectively, relating to operating lease contracts in the statements of comprehensive income.

25. RELATED PARTIES

All the subsidiaries and associated companies belonging to the Impresa Group, identified in the consolidated financial statements are considered as related parties.

Considering the Group's governance structure and the decision making process, it only considers as "key management personnel", the Board of Directors, as the main operating decisions are made by Impresa's Executive Committee, which is made up only of members of the Board of Directors. In the years ended 31 December 2010 and 2009 transactions with the Board of Directors corresponded essentially to remuneration paid for performing their functions in the Impresa Group.

The balances at 31 December 2010 and 2009 and transactions during the years then ended with related parties were as follows:

	2010	2009
Transactions:		
Rent cost incurred (Note 4)	89,784	89,784
Legal services (Note 4)	9,006	13,622
Personnel costs (Note 5)	758,332	712,471
Dividends received (Note 7)	3,697,507	770,400
Balances:		
Loans granted (Note 11)	-	10,825,000
Receivables (Note 13)	4,492,472	4,343,836
Loans obtained (Note 19)	14,125,000	4,949,688
Payables (Notes 13 and 20)	2,280,395	2,130,609

In 2010, no pension supplements were paid by the pension fund. In 2009 pension supplements of 8,143 Euros were paid by the pension fund to a former Director.

In 2010 and 2009 no long term benefits, termination of contracts or payments in shares were made to members of the Board of Directors.

26. RISK MANAGEMENT

Risk is managed on a consolidated basis, and so, Note 40 of the consolidated financial statements should be consulted on this matter.

27. OTHER INFORMATION

The total fees billed in 2010 and 2009 by the Statutory Auditor relating to the statutory audit of the annual accounts amounted to 32,330 Euros and 42,330 Euros, respectively.

28. NOTE ADDED FOR TRANSLATION

These financial statements are a translation of financial statements originally issued in Portuguese in conformity with International Financial Reporting Standards as endorsed by the European Union. In the event of discrepancies, the Portuguese language version prevails.

THE ACCOUNTANT	THE BOARD OF DIRECTORS

IMPRESA

2010 Consolidated Accounts

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

CONSOLIDATED STATEMENTS OF FINANCIAL POSITION AS OF 31 DECEMBER 2010 AND 2009

(Amounts stated in Euros)

(Translation of consolidated statement of financial position originally issued in Portuguese - Note 43)

ASSETS	Notes	31 December 2010	31 December 2009
NON-CURRENT ASSETS			
Goodwill	17	337.584.989	337.584.989
Intangible assets	18	1.797.970	2.204.553
Tangible fixed assets	19	36.959.960	37.813.880
Investments	20	5.220.569	5.599.767
Available-for-sale assets	21	775.710	1.555.710
Investment properties	22	6.107.685	6.154.623
Program broadcasting rights	23	19.073.562	25.873.469
Inventories	23	-	414.568
Other non-current assets	26	3.672.232	4.288.760
Deferred taxes assets	15	2.058.823	4.446.329
Total non-current assets		413.251.500	425.936.648
CURRENT ASSETS:			
Program broadcasting rights	23	23.481.140	25.497.654
Inventories	23	2.779.369	1.916.265
Trade and other receivables	24	32.031.089	39.247.730
State and other public entities	25	2.153.389	2.407.367
Other current assets	26	3.780.077	3.848.762
Cash and cash equivalents	27	6.926.699	5.122.812
Total current assets		71.151.763	78.040.590
TOTAL ASSETS		484.403.263	503.977.238
EQUITY AND LIABILITIES			
EQUITY:			
Share capital	28	84.000.000	84.000.000
Share premium	28	97.902.257	97.902.257
Legal reserve	28	759.786	759.786
Accumulated losses and other reserves		(33.631.553)	(41.334.738)
Consolidated net profit for the year		10.058.906	7.783.013
Equity attributable to the shareholders of the parent company		159.089.396	149.110.318
Equity attributable to minority interest	29	(246.931)	91.775
TOTAL EQUITY		158.842.465	149.202.093
LIABILITIES:			
NON-CURRENT LIABILITIES:			
Loans obtained	30	158.659.228	187.057.328
Finance leases	31	14.243.413	14.498.318
Other non-current liabilities	35	-	6.458.970
Provisions	32	4.793.498	5.885.815
Total non-current liabilities		177.696.139	213.900.431
CURRENT LIABILITIES:			
Loans obtained	30	61.564.768	49.345.573
Trade and other payables	33	35.796.145	48.508.618
Finance leases	31	3.239.744	2.456.638
State and other public entities	34	9.106.325	8.068.903
Other current liabilities	35	38.157.677	32.494.982
Total current liabilities		147.864.659	140.874.714
TOTAL EQUITY AND LIABILITIES		484.403.263	503.977.238

The accompanying notes form an integral part of the consolidated statement of financial position as of 31 December 2010.

THE ACCOUNTANT

THE BOARD OF DIRECTORS

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

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME

FOR THE YEARS ENDED 31 DECEMBER 2010 AND 2009

(Amounts stated in Euros)

(Translation of consolidated statements of comprehensive income originally issued in Portuguese - Note 43)

	Notes	31 December 2010	31 December 2009
OPERATING REVENUE			
Services rendered	9	222.010.577	202.502.945
Sales	9	46.377.850	45.589.406
Other operating revenues	10	2.758.219	5.123.879
Total operating revenues		271.146.646	253.216.230
OPERATING EXPENSES			
Cost of programs broadcast and goods sold	11	(97.836.716)	(92.842.667)
External supplies and services	12	(71.483.960)	(63.033.727)
Employee benefits expense	13	(61.929.005)	(59.661.997)
Amortisation and depreciation	18 and 19	(8.126.614)	(9.373.768)
Provisions and impairment losses	32	(1.413.406)	(1.718.337)
Other operating expenses	10	(4.794.511)	(2.712.460)
Total operating expenses		(245.584.212)	(229.342.956)
Operating profit		25.562.434	23.873.274
NET FINANCIAL EXPENSES			
Gain / (loss) on associated companies	14	(342.250)	174.699
Interest and other financial costs	14	(11.591.547)	(13.029.413)
Other financial income	14	82.085	461.440
		(11.851.712)	(12.393.274)
Profit before taxes		13.710.722	11.480.000
Income tax expense	15	(3.768.853)	(3.826.728)
Consolidated net profit for the year		9.941.869	7.653.272
Comprehensive income		9.941.869	7.653.272
Attributable to:			
Shareholders of the parent company		10.058.906	7.783.013
Minority interest	29	(117.037)	(129.741)
Earnings per share:			
Basic	16	0,0599	0,0463
Diluted	16	0,0599	0,0463

of comprehensive income for the year ended 31 December 2010.

THE ACCOUNTANT

THE BOARD OF DIRECTORS

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

CONSOLIDATED CASH FLOW STATEMENTS FOR THE YEARS ENDED

31 DECEMBER 2010 AND 2009

(Amounts stated in Euros)

(Translation of cash flow statements originally issued in Portuguese - Note 43)

	Notes	2010	2009
OPERATING ACTIVITIES			
Cash receipts from customers		278.751.050	257.348.397
Cash paid to suppliers		(174.168.347)	(154.520.904)
Cash paid to employees		(61.401.827)	(60.691.055)
Cash generated from operations		43.180.876	42.136.438
Payments relating to income taxes		(1.333.462)	(3.358.506)
Other cash received/(paid) relating to operating activities		793.156	(1.233.348)
Net cash from operating activities (1)		42.640.570	37.544.584
INVESTING ACTIVITIES			
Cash received relating to:			
Sale of subsidiaries	26	883.446	2.054.544
Tangible fixed assets		91.182	546.830
Intangible assets		21.222	-
Dividends from associated companies	20	52.110	60.087
Interest and other similar income	14	24.703	67.029
		1.072.663	2.728.490
Cash paid relating to:			
Acquisition of subsidiaries	7	(7.048.493)	(6.756.666)
Shareholders' loans		-	(3.000.000)
Tangible fixed assets		(2.882.342)	(4.288.389)
Intangible assets		(954.547)	(1.090.556)
		(10.885.382)	(15.135.611)
Net cash used in investing activities (2)		(9.812.719)	(12.407.121)
FINANCING ACTIVITIES			
Cash received relating to:			
Capital increase of subsidiaries		-	88.200
Supplementary capital contributions of subsidiaries		-	425.600
Bank loans		2.850.000	8.866.415
		2.850.000	9.380.215
Bank loans		(30.558.155)	(11.033.279)
Finance leases		(2.815.529)	(2.422.819)
Interest and similar expenses		(10.399.164)	(11.021.373)
Dividends		-	(1.898.223)
		(43.772.848)	(26.375.694)
Net cash used in financing activities (3)		(40.922.848)	(16.995.479)
Net increase/(decrease) in cash and cash equivalents (4) = (1) + (2) + (3)		(8.094.997)	8.141.984
Changes in consolidation perimeter	7	-	(139.262)
Cash and cash equivalents at the beginning of the year	27	1.076.716	(6.926.006)
Cash and cash equivalents at the end of the year	27	(7.018.281)	1.076.716

The accompanying notes form an integral part of the cash flow statement for the year ended 31 December 2010.

THE ACCOUNTANT

THE BOARD OF DIRECTORS

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

CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY

FOR THE YEARS ENDED 31 DECEMBER 2010 AND 2009

(Amounts stated in Euros)

(Translation of a statement of changes in equity originally issued in Portuguese - Note 43)

	Equity attributable to the shareholders of the parent company						Equity attributable to minority interest (Note 29)	Total equity
	Share capital	Share premium	Legal reserve	Accumulated losses and other reserves	Consolidated net profit/(loss) for the year	Total		
Balance at 31 December 2008	84.000.000	97.902.257	759.786	(14.435.316)	(26.899.422)	141.327.305	3.680.805	145.008.110
Appropriation of consolidated loss for the year ended 31 December 2008	-	-	-	(26.899.422)	26.899.422	-	-	-
Consolidated net profit for the year ended 31 December 2009	-	-	-	-	7.783.013	7.783.013	(129.741)	7.653.272
Dividends distributed of 7 Graus and Publisurf	-	-	-	-	-	-	(14.834)	(14.834)
Acquisition of capital in subsidiaries	-	-	-	-	-	-	(4.205.120)	(4.205.120)
Supplementary capital contributions of subsidiaries	-	-	-	-	-	-	425.600	425.600
Changes in the consolidation perimeter	-	-	-	-	-	-	283.621	283.621
Other	-	-	-	-	-	-	51.444	51.444
Balance at 31 December 2009	84.000.000	97.902.257	759.786	(41.334.738)	7.783.013	149.110.318	91.775	149.202.093
Appropriation of consolidated profit for the year ended 31 December 2009	-	-	-	7.783.013	(7.783.013)	-	-	-
Consolidated net profit for the year ended 31 December 2010	-	-	-	-	10.058.906	10.058.906	(117.037)	9.941.869
Supplementary capital contributions to subsidiaries	-	-	-	-	-	-	31.800	31.800
Changes in the consolidation perimeter	-	-	-	-	-	-	(309.245)	(309.245)
Impairment losses on minority interests (Note 32.2)	-	-	-	-	-	-	55.776	55.776
Goodwill on the acquisition of additional participations in subsidiaries (Notes 2, 3 and 7)	-	-	-	(79.828)	-	(79.828)	-	(79.828)
Balance at 31 December 2010	84.000.000	97.902.257	759.786	(33.631.553)	10.058.906	159.089.396	(246.931)	158.842.465

The accompanying notes form an integral part of the consolidated statement of changes in equity for the year ended 31 December 2010.

INTRODUCTORY NOTE

Impresa – Sociedade Gestora de Participações Sociais, S.A. ("Impresa") has its head-office in Lisbon, in Rua Ribeiro Sanches, 65, and was founded on 18 October 1990, with the main activity of managing investments in other companies.

The Impresa Group ("the Group") consists of Impresa and its subsidiaries (Note 4). The Group operates in the media industry, namely in television broadcasting, publishing and distribution of newspapers and magazines and other audiovisual activities.

These financial statements were approved for publication by the Board of Directors of Impresa on 14 March 2011 and will be submitted for approval by the Shareholders' General Meeting which, in accordance with current legislation, can still make changes to them.

2. MAIN ACCOUNTING POLICIES

2.1 Bases of presentation

The consolidated financial statements have been prepared on a going concern basis, from the accounting records of the companies included in the consolidation (Note 4), adjusted in accordance with the provisions of IAS/IFRS as endorsed by the European Union, which include the International Accounting Standards ("IAS") issued by the International Standards Committee ("IASC"), International Financial Reporting Standards ("IFRS") issued by the International Accounting Standards Board ("IASB") and related "SIC" and "IFRIC" interpretations issued by the International Financial Reporting Interpretation Committee ("IFRIC") and Standing Interpretation Committee ("SIC"). These standards will hereinafter be referred to as "IFRS".

Impresa adopted IFRS in the preparation of its consolidated financial statements for the first time in 2005 and so, in compliance with IFRS 1 – First-time Adoption of International Financial Reporting Standards ("IFRS 1"), the date of transition from Portuguese generally accepted accounting principles to IFRS rules was 1 January 2004.

Therefore, in compliance with IAS 1, Impresa declares that these consolidated financial statements and related notes comply with the requirements of IAS/IFRS as endorsed by the European Union, in force for years beginning on 1 January 2010.

2.2 Adoption of new and revised IAS/IFRS

The accounting policies used in the year ended 31 December 2010 are consistent with those used in the preparation of the consolidated financial statements of Impresa for the year ended 31 December 2009 and are explained in the notes, except for the matter explained in the following paragraph.

The revisions to IFRS 3 – Business Combinations and IAS 27 – Consolidated and separate financial statements came into force for the Group on 1 January 2010, resulting in the purchase difference arising on the acquisition of an additional participation in an already controlled subsidiary being recorded in equity (Notes 3 and 7).

In addition, also in 2010, the following standards, interpretations, amendments and revisions were endorsed by the European Union with mandatory application in financial years beginning on or after 31 December 2010, which did not have a significant effect on the amounts reported in the financial statements:

- Revisions to IFRS 3 – Business combinations;
- IAS 27 – Consolidated and separate financial statements;
- IAS 28 (2008 revision) – Investments in associates;
- Revision of IFRS 1 – First time adoption of international financial reporting standards;
- IFRS 1 – Amendments (Additional exemptions);
- IFRS 2 – Amendment (Group cash-settled share-based payment transactions);
- IFRIC 12 – Service concession arrangements;
- IFRIC 15 – Agreements for the construction of Real estate;
- IFRIC 16 – Hedges of a net investment in a foreign operation;
- IFRIC 17 – Distributions of non-cash assets to owners;
- IFRIC 18 – Transfer of assets from customers;
- Improvements to International Financial Reporting Standards (2009);
- Changes to IAS 39 – Financial Instruments: Recognition and Measurement: Eligible Hedged Items.

At the date of approval of these financial statements by the Board of Directors the following standards and interpretations had been issued and endorsed by the European Union, but are of mandatory application only in following years:

- IAS 24 – Related party disclosures (revision) (years beginning on or after 1 January 2011);

- IFRS 1 – Amendment (Limited exemption from the requirement to present comparative disclosures in accordance with IFRS 7 for first time adopters (years beginning on or after 1 July 2010);

- IAS 32 – Amendment (Classification of rights issues) (years beginning on or after 1 February 2010);

- IFRIC 14 – Amendment (Prepayment of a minimum funding requirement) (years beginning on or after 1 January 2011);

- IFRIC 19 – Extinguishing financial liabilities with equity instruments (years beginning on or after 1 July 2010);

These standards, although endorsed by the European Union, have not been adopted by Impresa in the year ended 31 December 2010, as their adoption is not yet mandatory.

Although the impact of adopting the above standards and interpretations on the consolidated financial statements of future years has not been fully assessed, the management believes that they will not have a significant impact on the financial position and results of operations of the Group.

2.3 Consolidation principles

The consolidation methods used by the Group are as follows:

a) Controlled companies

Investments in companies in which the Group holds, directly or indirectly, the majority of the voting rights in Shareholders' General Meetings or has the power to control their financial and operating policies have been included in these consolidated financial statements by the full consolidation method. Shareholders' equity and net profit and loss of these companies corresponding to third party participation in them are presented separately in the consolidated statement of financial position and statement of comprehensive income under the caption "Minority interest". The controlled companies included in the consolidated financial statements are listed in Note 4.

Where losses applicable to the minority shareholders exceed minority interest in the subsidiary's equity, the Group absorbs the excess plus any additional losses, except where the minority shareholders have an obligation to cover the losses or have manifested their intention to do so and it is estimated that they have the capacity to do so. If the subsidiary subsequently reports profits, the Group recognises all such profits until it has recovered the minority portion of the losses previously recognised.

The assets and liabilities of subsidiaries are reflected at their respective fair values at the acquisition date. Any excess of cost over the fair value of identifiable net assets is recorded as goodwill. Where cost is lower than the fair value of the identifiable net assets, the difference is recognised as income in the consolidated statement of comprehensive income for the year of the acquisition.

The results of subsidiaries acquired or sold of during the year are included in the consolidated statement of comprehensive income from the date of acquisition or up to the date of sale.

Changes in the Group's participation in controlled companies, which do not result in loss of control are recorded in equity. Consequently, the Group's interest and minority shareholders' interest in these companies are adjusted so as to reflect the changes in the control of the subsidiaries. The differences between the minority interests acquired or sold and the fair value of the purchase or sale, respectively, are recognized in equity.

Transactions, balances and dividends distributed between companies included in the consolidation are eliminated on consolidation. Capital gains resulting from the sale of participated companies within the Group are also eliminated in consolidation.

b) Associated companies

An associated company is one over which the Group has significant influence, but does not have control or joint control over decisions relating to the operating and financial policies

Investments in associated companies (Note 5) are recorded in accordance with the equity method of accounting, except when the investment is classified as held for sale. Investments in associated companies are initially recorded at cost, which is subsequently increased or decreased by the difference between cost and the proportion of equity held in the companies, as of the acquisition date or the date the equity method is applied for the first time.

In accordance with the equity method, investments are periodically adjusted by the amount corresponding to the Group's share in the results of the associated companies by corresponding entry to the caption "Gain and loss on associated companies", by other changes in equity by corresponding entry to the caption "Accumulated losses and other reserves", as well as by the recognition of impairment losses by corresponding entry to "Net financial expenses" (Note 14).

In addition, dividends received from these companies are recorded as decreases in the amount of the investment.

The Group ceases applying the equity method of accounting when the investment in the associated company is reduced to zero, and a liability is recognised only if the Group has a legal or constructive obligation to the associated company or its creditors. If afterwards the associated company reports profits, the Group only restarts applying the equity method once its share of those profits equals the part of the losses not recognised.

The Group makes impairment assessments on investments in associated companies on an annual basis and whenever there are signs that the asset may be impaired, impairment losses being recognised as expenses. When impairment losses previously recognised cease to exist, they are reversed up to the limit of the impairment loss recognised.

Any excess of cost over the fair value of the identifiable net assets as of the date of acquisition is recorded as goodwill and included in the book value of the investment. Where cost is lower than the fair value of the identifiable net assets, the difference is recognised as income in the statement of comprehensive income for the year of the acquisition.

Whenever necessary, adjustments are made to the financial statements of the associated companies to make them consistent with the accounting standards used by the Group.

c) Investments in other companies

Investments representing participations of less than 20%, for which there are no market values, are recorded at the lower of cost or estimated realisable value.

2.4 Goodwill

Goodwill corresponds to the excess of cost over the fair value of the identifiable assets and liabilities of a subsidiary, associated company or jointly controlled entity as of its acquisition date. Where cost is lower than the fair value of the identifiable net assets, the difference is recognised as income in the statement of comprehensive income for the year of the acquisition.

As a result of the exception established in IFRS 1, the Group did not apply retrospectively the provisions of IFRS 3 to acquisitions prior to 1 January 2004, and so goodwill arising on acquisitions prior to the transition to IFRS (1 January 2004) was maintained at the net book value as of that date determined in accordance with generally accepted accounting principles in Portugal.

Goodwill is recorded as an asset and is not amortised, being reflected separately on the statement of financial position. Goodwill is tested for impairment annually and whenever there are indications of a possible loss. Impairment losses are recorded immediately as costs in the statement of comprehensive income and cannot be subsequently reversed (Note 17).

Goodwill is included in determining the gain or loss on the sale of a subsidiary.

2.5 Intangible assets

Intangible assets, which include software (except for that related to tangible fixed assets), the cost of registering trademarks and titles, licenses and other rights, are recorded at cost less accumulated amortisation and any accumulated impairment losses. Intangible assets are only recognized when it is probable that they will generate future economic benefits for the Group, they are controllable and can be reliably measured.

Internal costs relating to maintenance and development of software are expensed as incurred in the statement of comprehensive income, except where the development costs are directly related to projects with expected future financial benefits for the Group. In such situations, these costs are capitalised under intangible assets.

Intangible assets are amortized, from the time the assets are available for use, on a straight-line basis over their estimated useful lives, which vary from three to six years.

2.6 Tangible fixed assets

Tangible fixed assets acquired up to I January 2004 (date of transition to IFRS) are recorded at deemed cost, which corresponds to cost or cost restated based on price indices in accordance with tax legislation in force, less accumulated depreciation.

Fixed assets acquired after that date are stated at cost less accumulated depreciation and impairment losses. Acquisition cost is defined as the purchase price plus the related purchase costs.

Estimated losses resulting from the replacement of equipment before the end of its useful life, due to technological obsolescence, are recognised as a decrease in the corresponding asset by corresponding entry to the statement of comprehensive income for the year.

Current maintenance and repair costs are expensed as incurred. Improvements are only recognised as assets where they correspond to the replacement of assets which are written off, and result in increased future economic benefits.

Tangible fixed assets are depreciated from the moment they become available for their intended use. Depreciation is computed based on cost less estimated residual value (if significant) and is provided on a straight-line basis, from the month the asset becomes available for use, over the period of its expected useful life, as follows:

	Years
Buildings and other constructions	10 – 50
Machinery and equipment	4 – 10
Transport equipment	3 – 6
Administrative equipment	3 – 10
Other tangible fixed assets	4 – 8

2.7 Finance and operating leases

Leases are classified as (i) finance leases when the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee and (ii) operating leases when the lease does not transfer substantially all the risks and rewards of ownership to the lessee.

Leases are classified as finance or operating based on the substance of the contracts rather than their form.

Tangible fixed assets acquired under finance lease contracts, as well as the corresponding liabilities, are recorded in accordance with the financial method. Under this method, the cost of the assets is recorded under tangible fixed assets, at the lower of their fair value at the inception of the lease or the present value of the minimum lease payments by corresponding entry to liabilities. The assets are depreciated in accordance with their estimated useful lives, the lease instalments being recorded as a reduction of the liability, and interest and depreciation of the asset are recognised as costs in the consolidated statement of comprehensive income for the period to which they relate.

Operating lease instalments are charged to the consolidated statement of comprehensive income over the period of the lease contract.

2.8 Investment properties

Investment properties consist essentially of land held for leasing, capital appreciation or both, and not for use in the production of goods, rendering of services or for administrative purposes.

Investment properties are initially recorded at cost plu transaction costs, the Group having opted to record it at historical cost, less any impairment losses.

Maintenance, repair, insurance and tax costs, as well as any income realised on investment properties are recognised in the consolidated statement of comprehensive income for the period to which they relate.

2.9 Financial instruments

2.9.1 Trade and other receivables

Trade and other receivables are recorded at their nominal value less any impairment losses. Impairment losses correspond to the difference between the amount initially recognised and the recoverable amount, which corresponds to the present value of the estimated cash flows, discounted at the effective rate; impairment losses are recognised in the statement of comprehensive income for the period in which they are estimated.

2.9.2 Cash and cash equivalents

Cash and cash equivalents comprise cash, term deposits and other treasury applications which mature in less than three months, that are readily convertible to cash with an insignificant risk of change in value.

For the purposes of the cash flow statement, cash and cash equivalents also include bank overdrafts, reflected under the caption “Loans obtained” on the statement of financial position.

2.9.3 Payables

Payables are recorded at their nominal value, discounted for possible interest calculated in accordance with the effective interest rate method.

2.9.4 Bank loans

Bank loans are initially recognised at the amount received, net of expenses relating to their issuance and are subsequently measured at amortised cost. Any difference between the amount received (net of issuance costs) and the amount payable is recognised in the statement of comprehensive income over the term of the loan using the effective interest rate method.

Loans that mature in less than twelve months are classified as current liabilities, unless the Group has the unconditional right of deferring the settlement of them for more than twelve months after the date of the statement of financial position.

2.9.5 Derivative financial instruments

The Group uses derivative financial instruments to hedge the financial risks to which it is exposed as a result of variations in exchange rates. The Group does not use derivative financial instruments for speculative purposes. The use of financial derivatives is governed by the Group’s policies approved by the Board of Directors. Derivatives are measured at fair value.

The possibility of designating a financial instrument as a hedging instrument obeys the provisions of IAS 39, as regards its documentation and effectiveness.

Derivative financial instruments contracted by the Group, although contracted for hedging purposes in accordance with the Group’s hedging policies, do not comply with all the provisions of IAS 39 as regards the possibility of qualifying for hedge accounting; as such, the variations in their fair value are recognized in the statement of comprehensive income for the period in which they occur.

2.9.6 Available-for-sale assets

Financial assets classified as available for sale are initially recognized at cost, which corresponds to the price paid including transaction costs. Subsequently, they are stated at fair value or at cost less any impairment losses, if the fair value cannot be reliably measured.

2.10 Inventories and program broadcasting rights

Inventories are stated at the lower of production (or acquisition cost, as applicable), or net realisable value, using the weighted average cost method. Net realisable value is estimated based on the Company's past experience in accordance with aging and inventory turnover criteria, considering also the possibility of their future use.

The Group records under the caption "Program broadcasting rights" the rights acquired from third parties to broadcast programs, by corresponding entry to the caption "Trade and other payables" when such rights come into force and the following conditions are met:

- The cost of the broadcasting rights is known and can be reasonably determined;

- The program contents have been accepted in accordance with the conditions established contractually; and

- The programs are available for broadcasting without restrictions.

Program broadcasting rights correspond essentially to contracts or agreements with third parties for the exhibition of soap operas, films, series and other TV programs and are stated at specific cost. The cost of programs is recognised in the statement of comprehensive income when the programs are broadcasted, considering the estimated number of broadcasts and estimated benefits of each broadcast.

In addition, advances made for the purchase of contents are recorded in the caption "Program broadcasting rights" by corresponding entry to "Trade and other payables".

Future financial commitments for the acquisition of programs are shown in Note 37.2.

Impairment losses (Notes 23 and 32) are recognised whenever the book value of inventories or broadcasting rights is greater than the estimated recoverable amount.

2.11 Provisions and contingent liabilities

Provisions are recognised when the Group has a present obligation (legal or implied) resulting from a past event, the resolution of which will probably require expending internal resources and, the amount of which can be reasonably estimated.

Provisions for restructuring costs are only recognised when a detailed formal plan exists identifying the main characteristics of the plan, after the plan has been communicated to the entities involved.

The amount of provisions is reviewed and adjusted at the date of each statement of financial position so as to reflect the best estimate at that time.

When any of the above mentioned conditions are not met, the corresponding contingent liability is not recorded but only disclosed (Note 36), unless a future outflow of funds affecting future financial benefits is remote, in which case it is not disclosed.

2.12 Pension liability

Some of the Group companies have assumed the commitment to grant some of their employees and executive Board Members hired up to 5 July 1993 and that were serving in 2002, pension supplements for retirement due to age and incapacity. The pensions consist of a percentage which increases with the number of years of service to the company, applied to the salary table, or a fixed percentage applied to the base salary in force in 2002.

Responsibility for the payment of retirement, incapacity and survivor pensions is recorded in accordance with the provisions of IAS 19, which requires companies with pension plans to recognise the cost of granting such benefits as the services are rendered by the benefiting employees and board members.

Accordingly, at the end of each accounting period the Group obtains an actuarial study made by an independent entity, in order to determine its liability at that date and the pension cost to be recognised in the period. The liability thus estimated is compared with the market value of the pension fund assets in order to determine the amount of contributions to be made or the liability to be recorded. Pension costs are recorded under the caption “Employee benefits expense – Social charges” based on the amounts determined by the actuarial study, and include:

- Current service cost
- Interest cost
- Estimated income of the assets of the funds
- Recognition of actuarial gains and losses.

The effect of changes in assumptions, differences between the assumptions used and the actual amounts and between the estimated and actual income of the pension fund assets are considered as actuarial gains and losses.

Actuarial gains and losses are recognized immediately in the statement of comprehensive income, the corridor rule established in IAS 19 not being followed.

2.13 Income tax

Income tax for the year consists of current tax and deferred tax and is recorded in accordance with the provisions of IAS 12.

Impresa is covered by the regime for the taxation of consolidated profit (currently known as the special regime for the taxation of groups of companies (regime especial de tributação dos grupos de sociedades - “RETGS”)), which covers all the companies in which Impresa has a direct or indirect participation of at least 90% and comply with the other conditions of the regime. The other companies of the Impresa Group not covered by the special regime for the taxation of groups of companies are taxed individually based on their taxable income at the applicable tax rates.

In determining income tax cost for the year, in addition to current tax, the effect of deferred tax is also considered, calculated based on the difference between the book value of assets and liabilities at a specific time and their corresponding value for tax purposes.

As established in the above standard, deferred tax assets are only recognized when there is reasonable assurance that they can be used to decrease taxable income in the future. At the end of each year an assessment of deferred tax assets is made, and they are reduced whenever their future utilization stops being probable.

The Group has no operations with timing taxable differences that could generate deferred tax liabilities.

2.14 Subsidies

State subsidies are recognised at their fair value when there is a reasonable certainty that they will be received and the Group will comply with the conditions required for their concession.

Operating subsidies are recognised in the statement of comprehensive income in accordance with the recognition of the corresponding costs.

Investment subsidies relating to the acquisition of assets are recorded as deferred income, being recognized as income on a systematic basis over the useful life of the assets.

2.15 Income

Income from sales (relating mainly from the sale of newspapers, magazines, books and other publications) is recognised in the consolidated statement of comprehensive income when all the risks and rewards of ownership are transferred to the buyer and the corresponding income can be reasonably quantified. Returns are recorded as a reduction of sales for the period to which they relate. Sales are recognized net of taxes, discounts and other costs relating to their realisation.

Income from subscriptions to regular publications is deferred over the subscription period.

Income from services rendered (essentially the sale of advertising space in newspapers, magazines, television and the Internet, and from value added services (“VAS”)) is recognised in the consolidated statement of comprehensive income when the advertising is inserted or broadcasted. Services rendered are recognised net of taxes, discounts and other costs relating to their realisation.

Income relating to the ceding of broadcasting rights on theme channels to cable television operators is recognized in the statement of comprehensive income over the period of they are ceded.

In summary:

Income	Classification	Time of recognition
Sale of publications	Sales	When the publications are on the stands
Sale of books and other publications	Sales	When the goods are on the stands
Braodcasting of advertisements	Services rendered	When the advertising is broadcasted
Publication of advertisements	Services rendered	When the advertising is published
Value added services	Services rendered	When the services are rendered
Broadcasting rights on theme channels	Services rendered	When the rights are ceded

2.16 Accruals basis

Costs and revenues are recorded in the period to which they relate, independently of when they are paid or received. Where the amount of costs and revenues is not known, it is determined based on estimates.

Interest and financial income are recognised on an accruals basis in accordance with the applicable effective interest rate.

2.17 Impairment of assets, excluding goodwill

The Group makes impairment tests of tangible and intangible fixed assets whenever events or changes in circumstances are identified that indicate that the amount of an asset may be impaired. Where such indications exist, the recoverable amount of the asset is estimated in order to determine the amount of any impairment loss.

The recoverable amount is estimated for each asset individually or, when this is not possible, for the cash flow generating unit to which the asset belongs.

The recoverable amount is the higher of net selling price (selling price less costs to sell) and value of use. Net selling price is the amount that could be obtained from the sale of the asset in a transaction between knowledgeable independent entities, less the costs directly attributable to the sale. Value of use is the present value of the estimated future cash flows discounted based on discount rates that reflect the present value of the principal and the specific risk of the assets.

Whenever the book value of an asset exceeds its recoverable amount, an impairment loss is recognised in the statement of comprehensive income for the period to which it refers. When an impairment loss is subsequently reversed, the book value of the asset is adjusted to its estimated value. However, impairment losses are reversed only up to the amount that would have been recognised had no impairment loss been recognised for the asset, net of amortisation or depreciation, in prior years. The reversal of impairment losses is recognised immediately in the statement of comprehensive income.

2.18 Foreign currency balances and transactions

Foreign currency assets and liabilities are translated to Euros at the exchange rates prevailing as of the date of the statement of financial position, published by financial institutions. Exchange gains and losses arising from differences between the historical exchange rates and those prevailing at the date of collection, payment or at the date of the statement of financial position are recorded in the statement of comprehensive income for the period.

2.19 Classification in the financial statements

Assets realizable and liabilities payable in less than one year from the date of the statement of financial position are classified as current assets and liabilities, respectively.

2.20 Subsequent events

Events that occur after the closing of the accounts that provide additional information of conditions that existed at that date are reflected in the consolidated financial statements.

Events that occur after the closing of the accounts, that provide additional information on conditions that existed after that date, if significant, are disclosed in the notes to the financial statements.

3. CHANGES IN ACCOUNTING POLICIES AND ESTIMATES

During the year ended 31 December 2010, there were no changes in accounting policies in relation to those used in the preceding year, except for those referred to in Note 2.2, but only with prospective impact, nor were material errors relating to prior years recognized.

As a result of uncertainties inherent to the Group's operations, the amounts estimated are based on the latest reliable information available. The main estimates relate to the useful life of tangible and intangible fixed assets, impairment tests (goodwill and other assets), adjustments to assets and provisions, market value of financial instruments and pension liabilities. The revision of a prior year estimate is not considered as an error. Changes in estimates are only recognised prospectively in the statement of comprehensive income and, if the impact is significant, are disclosed. Estimates are determined based on the best information available as of the date of preparation of the consolidated financial statements.

The more relevant accounting estimates reflected in the consolidated financial statements as of 31 December 2010 include:

- Impairment analysis of goodwill and other assets;
- The recording of provisions;
- Useful lives of tangible and intangible assets;
- Realization of deferred tax assets;
- Dates of broadcasting of contents;
- Adjustments of trade receivables;
- Technical actuarial assumptions and bases;
- Analysis of the value of unlisted financial instruments.

In 2010, there were no significant changes in the main estimates made by the Group in the preparation of the financial statements.

4. COMPANIES INCLUDED IN THE CONSOLIDATION

The companies included in the consolidation by the full consolidation method, their head offices and the proportion of capital effectively held in them at 31 December 2010 and 2009 are as follows:

Company	Head office	Main activity	Percentage effectively held on 2010	2009
Impresa - Sociedade Gestora de Participações Sociais, S.A. (parent company)	Lisbon	Holding company	Parent	Parent
Impresa Publishing -, S.A. ("Impresa Publishing") (a)	Lisbon	Holding company	100.00%	100.00%
Impresa Digital - Produção Multimédia (Media Zoom), Lda. ("Impresa Digital") (b)	Lisbon	Multimedia production	100.00%	100.00%
Medipress - Sociedade Jornalística e Editorial, Lda. ("Medipress")	Lisbon	Publishing	100.00%	100.00%
SIC - Sociedade Independente de Comunicação, S.A. ("SIC")	Carnaxide	Television	100.00%	100.00%
GMTS - Global Media Technology Solutions - Serviços Técnicos e Produção Multimédia, Sociedade Unipessoal, Lda. ("GMTS")	Carnaxide	Rendering of services	100.00%	100.00%
Soincom - Sociedade Gestora de Participações Sociais, S.A. ("Soincom")	Lisbon	Holding company	100.00%	100.00%
Sojornal - Sociedade Jornalística e Editorial, S.A. ("Sojornal")	Lisbon	Publishing	100.00%	100.00%
Solo - Investimentos em Comunicação, SGPS, S.A. ("Solo")	Lisbon	Holding company	100.00%	100.00%
Publisurf - Edições e Publicidade, Lda. ("Publisurf")	Lisbon	Publishing	99.63%	99.63%
Gesco - Gestão de Conteúdos e Meios de Comunicação Social, S.A. ("Gesco")	Lisbon	Contents management	100.00%	100.00%
SIC INDOOR – Gestão de Suportes Publicitários, S.A. ("SIC Indoor") (c)	Carnaxide	Closed circuit television	-	65.00%
SIC Filmes, Lda. (SIC Filmes")	Carnaxide	Film production	51.00%	51.00%
Impresa Classificados - Publicidade, Lda. ("Impresa Classificados")	Lisbon	Sales of Advertising	100.00%	100.00%
IMPRESA-DGSM - Desenvolvimento e Gestão de Soluções Multimédia, Lda. ("Impresa DGSM")	Lisbon	Publishing	100.00%	100.00%
AEIOU - Investimentos Multimédia, S.A. ("AEIOU")	Porto	Multimedia production	100.00%	100.00%
Impresa Media Solutions - Sociedade Unipessoal, Lda. ("Impresa Media Solutions")	Carnaxide	Sales of Advertising	100.00%	100.00%
Impresa.com - Publicidade e Projectos Especiais, Lda. ("Impresa.Com") (d)	Lisbon	Multimedia production	-	100.00%
Acting Out - Produção de Espectáculos e Eventos, Lda. ("Acting Out")	Lisbon	Production of shows and events	60.00%	60.00%
InfoPortugal - Sistemas de Informação e Conteúdos, S.A. ("InfoPortugal") (e)	Porto	Multimedia production	100.00%	51.00%
DIRNET - Directório da Internet, S.A. ("Dirnet") (d)	Carnaxide	Multimedia production	-	70.00%
Olhares.com - Fotografia Online, S.A. (f)	Porto	Multimedia production	51.00%	51.00%
Hearst Edimpresa - Editora de Publicações, Lda. ("Hearst Edimpresa")	Oeiras	Publishing	50.00%	50.00%
Comfutebol - Edições Desportivas, Lda. ("Comfutebol") (g)	Oeiras	Publishing	-	50.00%
Office Share - Gestão de Imóveis e Serviços, S.A. ("Office Share")	Oeiras	Management of properties and services	100.00%	100.00%
Impresa Serviços - Sociedade Unipessoal, Lda.	Lisbon	Financial and administrative management services	100.00%	100.00%

(a) Previously called Impresa Publishing - Sociedade Gestora de Participações Sociais, S.A..

(b) Previously called Media Zoom – Produção Multimédia (Impresa Digital), Lda..

(c) Liquidated in January 2010 (Note 7).

(d) Liquidated in December 2010 (Note 7).

(e) In March 2010, the Group acquired an additional participation of 49%, effective as of 1 January 2010 (Note 7).

(f) Previously called 7Graus – Sistemas de Informação, S.A..

(g) Liquidated in March 2010 (Note 7).

The consolidated statement of comprehensive income for the year ended 31 December 2010 includes the effect of full consolidation of the operations of the subsidiaries sold and liquidated up to the time that took place.

5. ASSOCIATED COMPANIES

Investments in associated companies are recorded by the equity method of accounting. Their head offices and the proportion of capital effectively held by the Group in them at 31 December 2010 and 2009 are as follows:

Company	Head office	Participarion effectively held in 2010	2009
Vasp – Distribuidora de Publicações, S.A. ("Vasp") (a)	Queluz	33.33%	33.33%
Lusa – Agência de Notícias de Portugal, S.A. ("Lusa") (a)	Lisbon	22.35%	22.35%
Castillo de Elsinor, S.L. ("Castillo de Elsinor") (a)	Barcelona	20.00%	20.00%
Visapress - Gestão de Conteúdos dos Media, C.R.L. ("Visapress") (b)	Lisbon	21.43%	30.00%

(a) These participations are held directly by Impresa.

(b) Cooperative participated in by Impresa, Medipress and Sojornal, acting in content management. In 2010 the Group decreased its effective participation due to the entry of new cooperatives. As there are no financial statements for this entity as of 31 December 2010 yet, the equity method was not applied to it.

6. OTHER COMPANIES

The investments in other companies and the proportion of capital held by the Group in them at 31 December 2010 and 2009 are as follows:

Company	Percentage effectively held in	
	2010	2009
NP - Notícias de Portugal, C.R.L. (“NP”) (a)	10.71%	10.71%
ITEXAMPLE, ACE (b)	4.41%	-

(a) Participation held by Sojornal, SIC and Medipress.

(b) ACE was founded in 2010, with the participation of Impresa Digital of 15,000 Euros (Note 20).

These investments are recorded at the lower of cost or estimated realisable value.

7. CHANGES IN THE CONSOLIDATION PERIMETER, ACQUISITIONS AND SALES OF PARTICIPATIONS IN SUBSIDIARIES AND ASSOCIATED COMPANIES

The following changes took place in the Group's consolidation perimeter in the year ended 31 December 2010:

- Acquisition of an additional participation of 49% in the subsidiary Infoportugal, for 366,656 Euros, resulting in a purchase difference of 79,828 Euros which, in accordance with the change in IFRS 3 and IAS 27, as from 1 January 2010, was recorded in equity (Notes 2, 3 and 4);

- In January 2010, SIC Indoor was liquidated (Note 4);

- In March 2010, Comfutebol was liquidated (Note 4);

- In July 2010, Sojornal acquired an additional participation in VASP for 170 Euros;

- In December 2010, Impresa.com and Dirnet were liquidated (Note 4).

The following changes took place in the Group's consolidation perimeter in the year ended 31 December 2009:

- Sale of the participation in Dialectus– Traduções Técnicas, Legendagem e Locução, Lda. ("Dialectus") to Isabel Monteiro, including supplementary capital contributions of 270,000 Euros, for 540,000 Euros resulting in a gain of 113,995 Euros recorded under the caption "Other operating income" (Note 10). The amount of 540,000 Euros receivable from the sale was initially contracted to be payable in 36 monthly successive instalments of 15,000 Euros each. However, in 2010 the repayment plan for this receivable was renegotiated, becoming receivable in 12 monthly instalments of 7,500 Euros in 2011 and the remaining balance in 23 monthly instalments of 10,000 Euros. The present value of the receivable amounted to 307,780 Euros (Note 26).

- Sale of all the capital of Terra do Nunca - Produção de Ficção Televisiva, S.A. ("Terra do Nunca") to SP Televisão, S.A. ("SP Televisão") for 1,717,230 Euros, with a present value of 1,703,293 Euros, resulting in a gain of 716,942 Euros recorded under the caption "Other operating income" (Note 10). The full proceeds of the sale were received in 2010 (Note 26).

- Sale of the participation in N.M.D.C. - New Media Digital Contents - Gestão de Conteúdos, Lda. ("New Media"), including shareholders loans of 190,000 Euros, for 341,480 Euros, received in full in 2009, resulting in a gain of 124,956 Euros recorded under the caption "Other operating income" (Note 10).

- Sale of all the capital of iPlay- Som & Imagem Lda. ("iPlay") to Fantasy Day – Unipessoal, Lda and Lemon – Entretenenimento, Lda., including supplementary capital contributions, for 3 Euros, resulting in a loss of 63,767 Euros, recorded under the the caption "Other operating income" (Note 10). In addition, the Group had granted supplementary capital contributions of 1,000,000 Euros to iPlay, of which 150,000 Euros was received at the time of sale and the remaining balance is receivable in 35 instalments of 24,286 Euros each. The present value of the account receivable at 31 December 2010 amounted to 323,997 Euros (Note 26).

- Sale of the 51% participation in NJPT Internet, Lda. ("NJPT"), including supplementary capital contributions, for 15,770 Euros, received in 2009, no gain or loss having been realised.

- Acquisition of an additional 40% participation in Lisboa TV – Informação e Multimédia, S.A. the company that held the channel "SIC Noticias", and that was merged into SIC as of 1 January 2009) from ZON Conteúdos – Actividade de Televisão e de Produção de Conteúdos, S.A. ("ZON Conteúdos") for 20,000,000 Euros corresponding to a discounted amount of 19,792,303 Euros resulting in goodwill of 17,324,797 Euros (Note 17). In February 2009 and February 2010 the Group paid two instalments of 6,666,666 Euros and 6,666,667 Euros, respectively, the third instalment of 6,458,970 Euros being payable in February 2011 (Note 35). This acquisition was recorded effective as of 1 January 2009, considered as the date of acquisition.

- In January 2009, Edimpresa.com was liquidated.

- In November, 2009 Adtech was liquidated.

- In July 2009 AEIOU made a capital increase through the issuance of 1,060,000 new shares subscribed for and realized by the shareholders, corresponding to 1,060,000 Euros, of which 868,550 Euros was realized by Impresa Digital, 676,800 Euros being realized in cash and 191,750 Euros by the conversion of loans into capital, resulting in an additional participation of 8.31%. In addition, in November 2009 Media Zoom acquired the remaining 26.69% of the capital of AEIOU for 90,000 Euros, becoming the sole shareholder of the company. The capital increase and additional participation in AEIOU generated goodwill of 63,275 Euros (Note 17).

- Capital increase of Dirnet through the issuance of 167,325 new shares subscribed for and realized only by Media Zoom for 33,465 Euros, resulting in the acquisition of an additional participation of 19% and giving rise to goodwill of 42,284 Euros (Note 17).

- Foundation of the cooperative Visapress through the subscription and realisation of 30,000 Euros of its capital out of a total of 50,000 Euros (Notes 5 and 20).

8. SEGMENT REPORTING

The reporting segments of the Group are based on the identification of the segments in accordance with the financial information reported to the Board of Directors that supports it in the assessment of the performance of the businesses and the taking of decisions as to the allocation of resources to be used. The segments identified by the Group for segment reporting purposes are therefore consistent with the form in which the Board of Directors analyses its business.

Therefore, considering the above factors the Group identified the following reporting segments:

Television – The Group is the sole shareholder of SIC that broadcasts in open air and by cable, under broadcasting licences, the television channels “SIC”, “SIC Notícias”, “SIC Radical”, “SIC Internacional”, “SIC Mulher” and SIC K. In addition, the Group includes GMTS and SIC Filmes in this segment.

Publishing – The Group publishes a wide range of newspapers and magazines covering several themes, including business, politics and society, namely, among others, the weekly newspaper “Expresso”, and the magazines “Visão”, “Exame” and “Caras”. In addition, the Group includes in this segment Impresa Classificados and Gesco.

Digital – The Group produces and distributes contents in digital form for multiple platforms, through its portals and sites “AEIOU”, “Olhares” and “Dirnet” and “Digital Guest Services” for the hotel industry. The Group also includes in this segment, InfoPortugal which operates in the area of digital mapping.

Others – Includes the Group’s holding companies, Acting Out, Impresa Serviços, Impresa.com, Impresa Media Solutions and Office-Share.

In the Publishing segment, sales to VASP contributed 13.6% and 14%, respectively, of the Group’s revenue included in the statement of comprehensive income for the years ended 31 December 2010 and 2009, corresponding to 36,980,122 Euros and 35,332,955 Euros, respectively (Note 38). VASP is an intermediary between the publishers and the distribution network to the final customer, in which Impresa has a 33.33% participation (Note 5). In addition, advertising revenue results essentially from purchases from Group companies by five media centrals, that operate as intermediaries between the advertiser and the social communication entities.

Inter-segment transactions are recorded using the same principles as transactions with third parties. The accounting policies of each segment are the same as those of the Group.

a) Reporting by main segment – Business segment:

At 31 December 2010:

	Television	Publishing	Digital	Other	Total segments	Eliminations	Consolidated total
Operating revenue							
Services rendered - external costumers	170,112,434	45,573,751	4,005,120	2,319,272	222,010,577	-	222,010,577
Services rendered - intersegment	1,471,902	2,453,746	209,665	7,539,274	11,674,587	(11,674,587)	-
Sales - external costumers	-	44,687,144	1,690,706	-	46,377,850	-	46,377,850
Other operating revenue - external costumers	1,379,961	754,553	464,132	159,573	2,758,219	-	2,758,219
Other operating revenue - intersegment	33,014	-	445,709	596,834	1,075,557	(1,075,557)	-
Total operating revenue	172,997,311	93,469,194	6,815,332	10,614,953	283,896,790	(12,750,144)	271,146,646
Operating expenses:							
Cost of programs broadcast and goods sold	(80,767,170)	(15,616,946)	(1,452,600)	-	(97,836,716)	-	(97,836,716)
External supplies and services	(36,019,244)	(39,884,451)	(3,010,030)	(5,320,379)	(84,234,104)	12,750,144	(71,483,960)
Employee benefits expense	(27,231,216)	(26,620,188)	(1,857,622)	(6,219,979)	(61,929,005)	-	(61,929,005)
Amortisation and depreciation							
of tangible and intangible fixed assets	(5,607,097)	(795,553)	(994,921)	(729,043)	(8,126,614)	-	(8,126,614)
Impairment losses	-	-	-	(55,776)	(55,776)	-	(55,776)
Provisions (Note 32)	(1,058,050)	(206,425)	(93,155)	-	(1,357,630)	-	(1,357,630)
Other operating costs	(2,920,952)	(994,635)	(268,684)	(610,240)	(4,794,511)	-	(4,794,511)
Total operating costs	(153,603,729)	(84,118,198)	(7,677,012)	(12,935,417)	(258,334,356)	12,750,144	(245,584,212)
Operating profit/(loss)	19,393,582	9,350,996	(861,680)	(2,320,464)	25,562,434	-	25,562,434
Financial items:							
Gain and loss on associated companies	-	-	-	(342,250)	(342,250)	-	(342,250)
Other financial items	(2,858,260)	(1,470,595)	(509,560)	(6,671,047)	(11,509,462)	-	(11,509,462)
	(2,858,260)	(1,470,595)	(509,560)	(7,013,297)	(11,851,712)	-	(11,851,712)
Operating profit/(loss) before taxes and minority interest	16,535,322	7,880,401	(1,371,240)	(9,333,761)	13,710,722	-	13,710,722
Income tax	(4,817,875)	(2,646,853)	324,606	3,371,269	(3,768,853)	-	(3,768,853)
Minority interest	-	257,258	(40,928)	(99,293)	117,037	-	117,037
Segment profit/(loss)	11,717,447	5,490,806	(1,087,562)	(6,061,785)	10,058,906	-	10,058,906

At 31 December 2009:

	Television	Publishing	Digital	Other	Total segments	Eliminations	Consolidated total
Operating revenue							
Services rendered - external costumers	151,500,660	45,221,753	2,817,308	2,963,224	202,502,945	-	202,502,945
Services rendered - intersegment	1,221,730	2,081,826	518,217	6,736,786	10,558,559	(10,558,559)	-
Sales - external costumers	-	43,113,991	2,475,415	-	45,589,406	-	45,589,406
Sales - intersegment	-	869	61,268	-	62,137	(62,137)	-
Other operating revenue - external costumers	2,597,021	1,493,286	517,886	515,686	5,123,879	-	5,123,879
Other operating revenue - intersegment	125,163	-	-	1,553,203	1,678,366	(1,678,366)	-
Total operating revenue	155,444,574	91,911,725	6,390,094	11,768,899	265,515,292	(12,299,062)	253,216,230
Operating expenses:							
Cost of programs broadcast and goods sold	(75,511,864)	(15,536,716)	(1,854,016)	(2,208)	(92,904,804)	62,137	(92,842,667)
External supplies and services	(28,336,890)	(38,945,703)	(1,627,930)	(6,360,129)	(75,270,652)	12,236,925	(63,033,727)
Employee benefits expense	(26,663,978)	(24,705,577)	(2,108,992)	(6,183,450)	(59,661,997)	-	(59,661,997)
Amortisation and depreciation							
of tangible and intangible fixed assets	(6,444,181)	(1,039,126)	(1,260,480)	(629,981)	(9,373,768)	-	(9,373,768)
Impairment losses	-	-	(42,283)	-	(42,283)	-	(42,283)
Provisions (Note 32)	(1,211,216)	(337,909)	(126,929)	-	(1,676,054)	-	(1,676,054)
Other operating costs	(1,067,245)	(728,208)	(266,246)	(650,761)	(2,712,460)	-	(2,712,460)
Total operating expenses	(139,235,374)	(81,293,239)	(7,286,876)	(13,826,529)	(241,642,018)	12,299,062	(229,342,956)
Operating profit/(loss)	16,209,200	10,618,486	(896,782)	(2,057,630)	23,873,274	-	23,873,274
Financial items:							
Gains and losses on associated companies	-	-	-	174,699	174,699	-	174,699
Other financial items	(2,850,449)	(1,963,379)	(541,041)	(7,213,104)	(12,567,973)	-	(12,567,973)
	(2,850,449)	(1,963,379)	(541,041)	(7,038,405)	(12,393,274)	-	(12,393,274)
Operating profit/(loss) before taxes and minority interest	13,358,751	8,655,107	(1,437,823)	(9,096,035)	11,480,000	-	11,480,000
Income tax	(3,874,860)	(2,495,252)	561,567	1,981,817	(3,826,728)	-	(3,826,728)
Minority interest	(16,558)	107,936	17,795	20,568	129,741	-	129,741
Segment profit/(loss)	9,467,333	6,267,791	(858,461)	(7,093,650)	7,783,013	-	7,783,013

Assets, liabilities and other significant information by segment and reconciliation to the consolidated totals are as follows:

At 31 December 2010:

	Television	Publishing	Digital	Other	Total segments	Eliminations	Consolidated total
Goodwill	17,499,139	39,220,083	403,514	280,462,253	337,584,989	-	337,584,989
Investments	6,234	22,637	15,000	5,176,698	5,220,569	-	5,220,569
Other assets	108,389,072	29,701,603	10,761,746	24,863,184	173,715,605	(32,117,900)	141,597,705
Total assets	125,894,445	68,944,323	11,180,260	310,502,135	516,521,163	(32,117,900)	484,403,263
Bank loans	19,115,632	33,957,999	13,711,152	153,439,213	220,223,996	-	220,223,996
Other liabilities	62,178,943	31,897,139	3,472,334	39,906,295	137,454,711	(32,117,909)	105,336,802
Total liabilities	81,294,575	65,855,138	17,183,486	193,345,508	357,678,707	(32,117,909)	325,560,798
Other information:							
Increases in tangible fixed assets (Note 19)	5,198,335	409,782	159,923	255,928	6,023,968	-	6,023,968
Depreciation and amortisation for the year	5,607,097	795,553	994,921	729,043	8,126,614	-	8,126,614
Impairmente losses (Note 32)	344,177	414,885	161,407	651,531	1,572,000	-	1,572,000
Reversal of impairment losses (Note 32)	(35,640)	(30,672)	(71,494)	(6,006)	(143,812)	-	(143,812)
Utilization of impairment losses (Note 32)	(10,071,958)	-	(164,298)	-	(10,236,256)	-	(10,236,256)
Average number of personnel	608	535	67	103	1,313	-	1,313

At 31 December 2009:

	Television	Publishing	Digital	Other	Total segments	Eliminations	Consolidated total
Goodwill	17,499,139	39,220,083	403,514	280,462,253	337,584,989	-	337,584,989
Investments	6,234	22,467	-	5,571,066	5,599,767	-	5,599,767
Other assets	117,418,237	30,998,017	11,720,844	24,858,743	184,995,841	(24,203,359)	160,792,482
Total assets	134,923,610	70,240,567	12,124,358	310,892,062	528,180,597	(24,203,359)	503,977,238
Bank loans	27,726,547	36,195,368	14,390,000	158,090,986	236,402,901	-	236,402,901
Other liabilities	74,292,499	31,949,934	3,224,473	33,108,697	142,575,603	(24,203,359)	118,372,244
Total liabilities	102,019,046	68,145,302	17,614,473	191,199,683	378,978,504	(24,203,359)	354,775,145
Other information:							
Increases in tangible fixed assets (Note 19)	3,589,913	177,018	1,063,261	226,653	5,056,845	-	5,056,845
Depreciation and amortisation for the year	6,444,181	1,039,126	1,260,480	629,981	9,373,768	-	9,373,768
Impairmente losses (Note 32)	130,939	491,453	209,220	4,481	836,093	-	836,093
Reversal of impairment losses (Note 32)	(41,544)	-	(73)	(13,223)	(54,840)	-	(54,840)
Utilization of impairment losses (Note 32)	(227,968)	-	-	(1,103,965)	(1,331,933)	-	(1,331,933)
Average number of personnel	541	605	82	100	1,328	-	1,328

The column “Others” corresponds to assets and liabilities recorded by Impresa and other sub-holding companies of the Group, the activities of which consist essentially of managing investments, and so the corresponding assets include goodwill relating to the television, publishing and digital segments in the amounts of 256,515,098 Euros, 20,724,100 Euros and 3,223,055 Euros respectively, as well as the corresponding bank loans used to acquire the investments.

b) Reporting by secondary segments – Geographic markets:

Operating revenues by geographic market for the years ended 31 December 2010 and 2009 are as follows:

	Portugal		Other markets		Consolidated total	
	2010	2009	2010	2009	2010	2009
Services rendered	215,889,970	196,901,737	6,120,607	5,601,208	222,010,577	202,502,945
Sales	46,352,399	45,569,085	25,451	20,321	46,377,850	45,589,406
Other operating revenue	2,758,219	5,123,879	-	-	2,758,219	5,123,879
Total operating revenue	265,000,588	247,594,701	6,146,058	5,621,529	271,146,646	253,216,230

At 31 December 2010 and 2009 there were no acquisitions of non-current assets relating to the geographic segment “Other markets”. In addition, more than 99% of the Group’s assets at 31 December 2010 and 2009 relate to the Portugal geographic segment.

9. SALES AND SERVICES RENDERED BY ACTIVITY

Services rendered and sales for the years ended 31 December 2010 and 2009 were as follows:

	2010	2009
Services rendered:		
Television:		
Advertising	105,934,891	92,461,551
Cable channels	42,080,542	42,488,831
Multimedia	18,117,264	13,001,987
Merchandising	1,775,102	1,343,389
Other	2,204,635	2,204,902
	170,112,434	151,500,660
Publishing:		
Advertising	44,377,374	44,835,121
Other	1,196,377	386,632
	45,573,751	45,221,753
Digital:		
Advertising	2,307,673	974,643
Digital mapping	1,153,581	1,231,829
DGS	486,948	509,622
Others	56,918	101,214
	4,005,120	2,817,308
Others	2,319,272	2,963,224
Total services rendered	222,010,577	202,502,945
Sales:		
Publications	37,446,331	34,498,639
Others - publishing	7,240,813	8,615,352
Others - digital	1,690,706	2,475,415
Total sales	46,377,850	45,589,406
Total services rendered and sales	268,388,427	248,092,351

10. OTHER OPERATING REVENUE AND EXPENSES

Other operating revenues for the years ended 31 December 2010 and 2009 were as follows:

	2010	2009
Reversal of provisions (Note 32)	1,245,282	1,585,579
Supplementary income and other oerating income (a)	1,181,188	1,634,835
Operating subsidies	187,937	169,722
Reversal of impairment losses (Note 32)	143,812	41,617
Gain on the sale of investments (b)	-	892,126
Gain on the return of the excess funding of the pension fund (c)	-	800,000
	2,758,219	5,123,879

(a) This caption corresponds essentially to an indemnity paid by an insurance company and revenues obtained from sponsorships.

(b) This caption includes gain on the sale of investments in Terra do Nunca, Dialectus and New Media, in the amounts of 716,942 Euros, 113,995 Euros and 124,956 Euros, respectively, and the loss on the sale of the investment in iPlay, in the amount of 63,767 Euros (Note 7).

(c) Following a request by the Company, Instituto de Seguros de Portugal authorised the return of part of the excess of the pension fund, as it was confirmed that that amount of the excess was not reversible (Note 37).

Other operating expenses for the years ended 31 December 2010 and 2009 were as follows:

	2010	2009
Taxes (a)	2,984,239	899,810
Impairment losses on accounts receivable (Note 32)	923,190	793,809
Loss on the sale of fixed assets	7,215	46,555
Other operating losses (b)	879,867	972,286
	4,794,511	2,712,460

(a) At 31 December 2010 and 2009, this caption included approximately 2,017,000 Euros and 130,000 Euros regarding to taxes incurred relating to prizes paid on contests organized by the Group. The increase in 2010 in relation to 2009 results from changes in the Stamp Tax legislation.

(b) At 31 December 2010 and 2009, this caption included, approximately 353,000 Euros and 273,000 Euros, respectively, relating to offers and donations by the Group media to third parties.

11. COST OF PROGRAMS BROADCASTED AND GOODS SOLD

The cost of programs broadcasted and goods sold in the years ended 31 December 2010 and 2009 were as follows:

	2010	2009
Programs broadcasted	80,767,170	75,511,864
Raw materials consumed	10,383,798	11,206,093
Merchandise sold	6,685,748	6,124,710
	97,836,716	92,842,667

12. EXTERNAL SUPPLIES AND SERVICES

This caption for the years ended 31 December 2010 and 2009 was made up as follows:

	2010	2009
Subcontracts (a)	21,318,151	14,622,349
Articles to be offered (prizes)	2,718,340	2,814,762
Leases and rents	3,457,588	4,160,966
Communication	6,165,317	7,002,221
Professional fees	5,479,723	5,472,654
Maintenance and repairs	5,030,518	3,739,194
Advertising	4,947,479	3,600,597
Specialised works	11,123,470	12,569,630
Others	11,243,374	9,051,354
	71,483,960	63,033,727

(a) The increase in this caption is due essentially to the terms of the television transmission rights contracts of the theme channels, signed with each cable operator, in which the Group incurred costs of 6,286,500 Euros and 491,000 Euros, respectively, in the years ended 31 December 2010 and 2009 corresponding to the signal transmission technical rate.

13. EMPLOYEE BENEFITS EXPENSE

Employee benefits expense for the years ended 31 December 2010 and 2009 is made up as follows:

	2010	2009
Personnel salaries	48,221,398	47,591,612
Charges on remuneration and other personnel costs	11,514,776	11,598,630
Indemnities	2,192,831	471,755
	61,929,005	59,661,997

In the years ended 31 December 2010 and 2009 the average number of employees of the companies included in consolidation was 1,313 and 1,328, respectively.

14. NET FINANCIAL EXPENSES

Net financial expenses, for the years ended 31 December 2010 and 2009, are made up as follows

	2010	2009
Loss and gain on group and associated companies: (a)		
Loss on associated companies	(584,804)	-
Gain on associated companies	242,554	174,699
	(342,250)	174,699
Interest and other financial costs:		
Interest	(9,481,140)	(10,927,262)
Impairment loss on available-for-sale assets (Note 21)	(780,000)	(944,290)
Foreign exchange losses	(599,270)	(862,507)
Other financial expenses (b)	(731,137)	(295,354)
	(11,591,547)	(13,029,413)
Other financial income:		
Foreign exchange gain	25,234	39,873
Interest	24,703	67,029
Financial discount received	15,556	29,637
Other financial income (c)	16,592	324,901
	82,085	461,440
Net financial costs	(11,851,712)	(12,393,274)

(a) This caption is made up as follows:

	2010	2009
Vasp (Note 20)	98,728	76,661
Lusa (Note 20)	143,826	94,035
Castillo de Elsinor (Note 20)	(584,804)	4,003
	(342,250)	174,699

(b) This caption corresponds essentially to bank charges.

(c) In 2009, this caption included 304,165 Euros relating to the implied interest on non-current balances recorded at discounted value.

15. DIFFERENCES BETWEEN THE ACCOUNTING AND TAX RESULTS

Impresa and its subsidiaries are subject to corporate income tax at the rate of 12.5% up to the amount of taxable income of 12,500 Euros, the excess being subject to corporate income tax at the rate of 25%, plus a Municipal Surcharge of 1.5% of taxable income, resulting in a maximum aggregate tax rate of 26.5%. In addition, there is a State Surcharge of 2.5% on taxable income in excess of 2,000,000 Euros. Furthermore, because of their legal form, some Group companies are subject to the tax legislation covering holding companies (“Sociedades Gestoras de Participações Sociais”). In accordance with this legislation, the gains and losses in group companies resulting from the application of the equity method, dividends received from participated companies, amortisation of goodwill arising on the acquisition of investments and financial expenses relating to the acquisition of investments, are not considered for tax purposes.

Impresa is subject to corporate income tax under the special regime for the taxation of groups of companies (Regime Especial de Tributação dos Grupos de Sociedades - “RETGS”) with its subsidiaries Impresa Publishing, Soincom, Solo, Sojornal, Medipress, Publisurf, Impresa Classificados, Impresa Digital, SIC, GMTS, Impresa Media Solutions, Gesco, Offices Share, Impresa DGSM and Impresa Serviços.

The remaining subsidiaries, not covered by this regime, are subject to income tax on an individual basis, based on their respective taxable results at the applicable tax rates.

The Board of Directors believes that any corrections resulting from revisions/inspections by the tax authorities of these tax returns will not have a significant effect on the financial statements as of 31 December 2010.

The Group records deferred taxes resulting from temporary differences between the accounting and tax bases of its assets and liabilities. Deferred tax assets at 31 December 2010 and 2009 are as follows:

a) Temporary differences – Changes in deferred tax assets

31 December 2010:

	Deferred tax assets						
	Accrued expenses	Adjustments to Accounts receivable	Adjustments to inventories	Provisions for other risks and charges	Tax losses carried forward	Impairment losses on investment properties	Total
Balance at 31 December 2009	26,227	513,267	3,144,783	331,824	413,082	17,146	4,446,329
Effect of change in tax rate	2,000	28,623	296,678	32,922	-	-	360,223
Increases/decreases	(24,809)	7,833	(2,906,762)	135,888	57,267	(17,146)	(2,747,729)
Balance at 31 December 2010	3,418	549,723	534,699	500,634	470,349	-	2,058,823

31 December 2009:

	Deferred tax assets						
	Accrued expenses	Adjustments to Accounts receivable	Adjustments to inventories	Provisions for other risks and charges	Tax losses carried forward	Impairment losses on investment properties	Total
Balance at 31 December 2008	26,227	430,340	3,630,241	552,187	2,820,505	17,146	7,879,440
Increases/decreases	-	82,927	(485,458)	(220,363)	(1,730,250)	-	(2,755,938)
Changes in consolidation perimeter	-	-	-	-	(677,173)	-	(677,173)
Balance at 31 December 2009	26,227	513,267	3,144,783	331,824	413,082	17,146	4,446,329

31 December 2010

	Tax losses carried forward considered for purposes of deferred taxes		Tax losses not considered for purposes of deferred taxes		
	2010	Prior years	2010	Prior years	Total
Medipress subsidiaries	-	-	495,398	247,833	743,231
Impresa DGSM	-	119,885	-	13,298	133,183
AEIOU	43,885	1,481,360	-	-	1,525,245
Acting Out	185,184	51,080	-	-	236,264
	229,069	1,652,325	495,398	261,131	2,637,923
Tax rate	25%	25%			
	57,267	413,082			

31 December 2009

	Tax losses carried forward considered for purposes of deferred taxes		Tax losses not considered for purposes of deferred taxes		
	2009	Prior years	2009	Prior years	Total
Medipress subsidiaries	-	-	111,289	237,242	348,531
Impresa DGSM	119,885	-	-	64,109	183,994
AEIOU	428,212	1,039,732	-	-	1,467,944
Dirnet	-	-	14,858	261,401	276,259
Acting Out	64,494	-	-	383,896	448,390
Impresa Media Solutions	-	-	-	95,528	95,528
	612,591	1,039,732	126,147	1,042,176	2,820,646
Tax rate	25%	25%			
	153,148	259,934			

Tax losses carried forward of 2,637,923 Euros at 31 December 2010, expire as follows:

	Tax losses considered for deferred taxes	Tax losses not considered for deferred taxes	Total
2013	160,748	29,324	190,072
2014	1,061,184	120,518	1,181,702
2015	615,577	111,289	726,866
2016	43,885	495,398	539,283
	1,881,394	756,529	2,637,923

Tax losses carried forward of 2,820,646 Euros at 31 December 2009, expire as follows:

	Tax losses considered for deferred taxes	Tax losses not considered for deferred taxes	Total
2012	-	31,722	31,722
2013	160,808	224,212	385,020
2014	878,924	786,242	1,665,166
2015	612,591	126,147	738,738
	1,652,323	1,168,323	2,820,646

b) Reconciliation of the tax rate

Income tax for the years ended 31 December 2010 and 2009 was as follows:

	2010	2009
Profit/(loss) before tax	13,710,722	11,480,000
Nominal income tax rate	25%	25%
	3,427,681	2,870,000
Tax losses used	(1,389,121)	-
Tax losses carried forward	123,850	31,537
Effect of change in the tax rate on deferred taxes	(360,223)	-
Permanent differences (i)	781,776	328,565
Income tax adjustments (ii)	285,771	269,916
Municipal and State surcharge	899,119	326,710
Income tax	3,768,853	3,826,728
Effective income tax rate	27.49%	33.33%
Current income tax (iii)	1,381,347	1,070,790
Deferred income tax for the year	2,387,506	2,755,938
	3,768,853	3,826,728

(i) At 31 December 2010 and 2009, this amount was made up as follows:

	2010	2009
Effect of applying the equity method of accounting (Note 20)	(250,784)	(174,699)
Fines	13,336	19,025
Impairment losses on minority interest (Note 32)	55,776	-
Impairment osses on investments (Note 20)	593,034	-
Impairment losses on available-for-sale assets (Note 21)	780,000	944,290
Impairment losses - goodwill (Note 32)	-	42,284
Non tax deductible depreciation and amortization	-	64,041
Tax capital gains	-	711
Non tax deductible provisions	521,898	304,322
Tax capital losses	-	(2,816,086)
Accounting capital losses	-	753,190
Confidential and/or undocumented expenses	17,594	54,070
Accounting capital gains	-	(130,007)
Other, net	1,396,248	2,253,119
	3,127,102	1,314,260
Nominal income tax rate	25%	25%
	781,776	328,565

(ii) This amount corresponds to the autonomous taxation of certain expenses.

(iii) At 31 December 2010 and 2009, this amount was made up as follows:

	2010	2009
Estimated income tax recorded under other current assets (Note 25)	1,355,348	970,533
Estimated income tax recorded under other current liabilities (Note 34)	25,999	100,257
	1,381,347	1,070,790

16. EARNINGS PER SHARE

Basic and diluted earnings per share for the years ended 31 December 2010 and 2009 were computed based on the following information:

	2010	2009
Number of shares		
Weighted average number of shares for purposes of computing basic earnings per share (Note 28)	168,000,000	168,000,000

	2010	2009
Earnings		
Earnings for purposes of computing basic earnings per share (net profit for the year)	10,058,906	7,783,013
Earnings per share:		
Basic	0.0599	0.0463
Dilluted	0.0599	0.0463

17. Goodwill

There were no changes in goodwill in 2010.

The changes in goodwill during the year ended 31 December 2009 were as follows:

31 December 2009:

Balance at 31 December 2008	320,799,855
Acquisitions (i)	17,430,356
Sales (ii)	(602,938)
Impairment losses (iii)	(42,284)
Balance at 31 December 2009	337,584,989

(i) Goodwill generated on the following acquisitions (Note 7):

Company	Goodwill	Percentage of participation acquired	Date of acquisition
SIC Notícias	17,324,797	40.00%	January
AEIOU	63,275	35.00%	July and November
Dirnet	42,284	19.00%	July
	17,430,356		

The Group did not detect significant differences between the fair value of assets and liabilities acquired and their book values for purposes of determining goodwill resulting from the acquisitions made in 2009. The Group has not early adopted revisions to IFRS 3 and IAS 27, which are of mandatory application only for years beginning on or after 1 July 2009.

(ii) Decrease due to the sale of the participation in Dialectus (Note 7).

(iii) The impairment losses result from the additional goodwill generated by the increase in capital of Dirnet (Note 7).

Goodwill at 31 December 2010 and 2009 is made up as follows:

Company	2010	2009
SIC:		
Recorded by Solo	92,986,242	92,986,242
Recorded by Soincom	86,290,401	86,290,401
Recorded by Media Zoom (Solo)	40,771,737	40,771,737
Recorded by Impresa (Soincom)	34,722,846	34,722,846
SIC Notícias	17,499,139	17,499,139
Recorded by Gesco	1,743,872	1,743,872
	274,014,237	274,014,237
Medipress	39,220,083	39,220,083
Sojornal (recorded by Impresa, through Impresa Publishing)	20,130,334	20,130,334
InfoPortugal (recorded by Media Zoom)	2,065,500	2,065,500
AEIOU (recorded by Media Zoom)	1,157,555	1,157,555
Former Mediger (recorded by Impresa Publishing)	593,766	593,766
Olhares.com (former-7Graus, recorded by AEIOU)	403,514	403,514
	337,584,989	337,584,989

In compliance with the provisions of IFRS 3, the Group makes impairment tests of goodwill at 31 December of each year, or whenever there are indications of impairment. For purposes of impairment tests, goodwill has been attributed to the identified cash generating units, considering, as a cash generating unit, the smallest identifiable group of cash generating assets that are largely independent of the cash flow of other assets or groups of assets. The cash generating units identified for this purpose, to which goodwill was attributed, were the following:

- SIC Group (including SIC, SIC Notícias, GMTS and SIC Filmes);
- Medipress and its subsidiaries (including the former Mediger);
- Sojornal;
- InfoPortugal;
- AEIOU;
- Olhares.com.

At 31 December 2009, the Group requested a specialised independent entity to test impairment of goodwill of the SIC Group, Edimpresa and AEIOU, as they were considered to be more complex cash generating units for purposes of determining their recoverable value. The Group made internal tests of the impairment of the remaining goodwill, as it considered that they correspond to cash generating units wose business is of greater maturity and/or due to the stability of the results generated by them in recent years.

The impairment tests were made based on the financial projections of the cash generating units.

The discounted cash flow method was used to test impairment of goodwill, cash flow projections having been prepared for five years and considering a perpetuity from that year onwards. The growth rate of the perpetuity was estimated based on an analysis of the market potential of each cash generating unit. The discount rates used reflect the level of indebtedness and the cost of third party capital of each cash generating unit, as well as the level of risk and profitability expected by the shareholder.

The financial projections were prepared based on assumptions of market and operations of the cash generating units consistent, which the Board of Directors believes are reasonable and prudent and reflect their vision and that of the consultants involved in their preparation as to the behaviour of the principal market variables and performance of the group companies, based on their defined strategic plans. For this purpose, market data was obtained from external entities, which were compared with historical statistical data and past experience of the Group, complemented by the estimated effect of business strategies adopted for each cash generating unit.

Sensitivity analyses were made of some of the main assumptions as regards the discount rate and growth rate of the perpetuity.

SIC Group

The recoverable amount of this cash generating unit was determined considering the cash-flow projections in accordance with the financial projections of the companies included in the SIC Group for a five year period, using a discount rate of 9.74% (8.16% in 2009) and a perpetuity growth rate of 2.0% (2.0% in 2009).

The main variables considered were the following:

- Growth of the advertising target market relating to the generalist channel;
- Growth of the advertising market relating to the theme channels;
- Increase in market share in the five year period;
- Increase in income from the subscription of rights to the theme channels;
- Control of programming costs;
- Automatic renewal of the TV licenses without additional significant costs.

The main changes in relation to past experience considered in the impairment analysis of the SIC Group relate to the increase in the discount rate resulting from the increase of the risk-free interest rate, following the increase in the risk of sovereign debt of the Portuguese State, and the stability of the programming costs, resulting from new contracts signed in 2010 and the beginning of 2011.

Medipress

The recoverable amount of this cash generating unit was determined considering the cash-flow projections in accordance with the financial projections of Medipress for a five year period, using a discount rate of 9.12% (8.01% in 2009) and a perpetuity growth rate of 0.5% (0.5% in 2009).

The main variables considered were the following:

- Stagnation of the target advertising market;
- Maintenance of the circulation for the five year period;
- Increase in income resulting from the commercial exploitation of digital platforms;
- Continuation of the restructuring started in prior years, directed at reducing operating costs.

The main changes in relation to past experience considered in the impairment analysis of the SIC Group relate to the increase in the discount rate resulting from the increase of the risk-free interest rate, following the increase in the risk of sovereign debt of the Portuguese State

AEIOU

The recoverable amount of this cash generating unit was determined considering the cash-flow projections in accordance with the financial projections of AEIOU for a five year period, using a discount rate of 10.46% (9.27% in 2009) and a perpetuity growth rate of 2.0% (2.2% in 2009).

The main variables considered were the following:

- Strategic stimulation of the management of the Group's sites;
- Recovery of growth of the advertising market.

The main changes in relation to past experience considered in the valuation of the impairment of AEIOU relate essentially to strategic reorientation of the management of the business, with a direct impact on the revenue, which began in 2009.

As specifically regards goodwill of Sojornal and InfoPortugal, the impairment tests were made internally using the discounted cash flow method as explained above, having used discount rates similar to those used in previous valuations based on continuation of the current operation relating to Expresso and digital Mapping, respectively, assuming operational business growth rates similar to those of preceding years.

The impairment tests of the goodwill of Olhares was based on verification of the annual results for the year ended 31 December 2010 resulting in the reasonable expectation of recovery of the investment in up to six years.

As a result of the impairment tests made, based on the methodologies and assumptions mentioned above, and considering the sensitivity analyses made, the Group concluded that there are no impairment losses of goodwill to be recognized at 31 December 2010.

Impairment losses:

No impairment losses of goodwill were recognized in 2010. In 2009, the Group recognized an impairment loss of 42,284 Euros on the goodwill of Dirnet (Note 32).

18. INTANGIBLE ASSETS

The changes in intangible assets and respective accumulated amortization and impairment losses, in 2010 and 2009, were as follows:

31 December 2010:

	Industrial property and other rights	Software	Intangible assets in progress	Total
Gross:				
Balance at 31 December 2009	3,354,838	4,471,662	602,127	8,428,627
Purchases	403,061	31,676	519,810	954,547
Sales and write-offs	-	-	(21,222)	(21,222)
Transfers	294,909	80,554	(580,905)	(205,442)
Balance at 31 December 2010	4,052,808	4,583,892	519,810	9,156,510
Accumulated amortisation and impairment losses:				
Balance at 31 December 2009	(2,731,387)	(3,492,687)	-	(6,224,074)
Increases	(471,239)	(547,018)	-	(1,018,257)
Transfers and reclassifications	(43,518)	(72,691)	-	(116,209)
Balance at 31 December 2010	(3,246,144)	(4,112,396)	-	(7,358,540)
Net book value at 31 December 2010	806,664	471,496	519,810	1,797,970

The increase in the caption “Industrial property and other rights” is due essentially to the acquisition of mapping rights and aerial photographs to carry out the subsidized project *Intellitouring* and form the availability for use of new sites.

“Intangible assets in progress” includes essentially a platform for the introduction and management of contents online, acquired in 2010, and which is still not available for use.

The transfer of 205,442 Euros corresponds to assets transferred to tangible fixed assets (Note 19).

31 December 2009:

	Industrial property and other rights	Software	Intangible assets in progress	Total
Gross:				
Balance at 31 December 2008	3,012,137	3,968,047	637,231	7,617,415
Changes in consolidation perimeter	(1,000)	-	-	(1,000)
Purchases	198,824	503,615	388,117	1,090,556
Sales and write-offs	(11,049)	-	(1,000)	(12,049)
Balance at 31 December 2009	155,926	-	(422,221)	(266,295)
	3,354,838	4,471,662	602,127	8,428,627
Accumulated amortisation and impairment losses:				
Balance at 31 December 2008	(2,365,981)	(3,089,506)	-	(5,455,487)
Changes in consolidation perimeter	250	-	-	250
Increases	(376,705)	(403,181)	-	(779,886)
Sales and write-offs	11,049	-	-	11,049
Balance at 31 December 2009	(2,731,387)	(3,492,687)	-	(6,224,074)
Net book value at 31 December 2009	623,451	978,975	602,127	2,204,553

The increase in the caption “Software” is related essentially to the new inventory management system of SIC.

19. TANGIBLE FIXED ASSETS

The changes in tangible fixed assets and corresponding accumulated depreciation and impairment losses, during the years ended 31 December 2010 and 2009, were as follows:

31 December 2010:

	Land and natural resources	Buildings and other constructions	Machinery and equipment	Transport equipment	Administrative equipment	Other tangible assets	Fixed assets in progress	Total
Gross:								
Balance at 31 December 2009	1,675,961	22,786,321	89,852,223	607,881	23,594,661	571,703	327,182	139,415,932
Changes in consolidation perimeter	-	-	(304,588)	-	(84,028)	-	-	(388,616)
Acquisitions	-	105,493	3,112,123	-	887,659	-	1,918,693	6,023,968
Sales and write-offs	-	-	(27,640)	(41,073)	(171,323)	-	(44,923)	(284,959)
Transfers	-	-	283,222	-	(1,344)	(152)	(76,284)	205,442
Balance at 31 December 2010	1,675,961	22,891,814	92,915,340	566,808	24,225,625	571,551	2,124,668	144,971,767
Accumulated depreciation and impairment losses:								
Balance at 31 December 2009	-	(2,299,883)	(76,994,919)	(590,680)	(21,149,644)	(566,926)	-	(101,602,052)
Changes in consolidation perimeter	-	-	274,315	-	75,594	-	-	349,909
Increases	-	(1,068,307)	(4,565,613)	(4,588)	(1,469,654)	(195)	-	(7,108,357)
Decreases due to sales and write-offs	-	-	20,485	41,073	170,926	-	-	232,484
Transfers and reclassifications	-	-	43,518	-	72,539	152	-	116,209
Balance at 31 December 2010	-	(3,368,190)	(81,222,214)	(554,195)	(22,300,239)	(566,969)	-	(108,011,807)
Net book value at 31 December 2010	1,675,961	19,523,624	11,693,126	12,613	1,925,386	4,582	2,124,668	36,959,960

The caption “Buildings and other constructions” includes the allocation of the purchase price difference of 1,326,850 Euros arising on the purchase of an additional participation in Office Share in the year ended 31 December 2008.

The increase in the caption “Machinery and equipment” results essentially from the acquisition of audiovisual equipment for television broadcasting by SIC.

The increase in the caption “Administrative equipment” corresponds to the installation of the VOIP telephone exchange.

“Fixed assets in progress” includes essentially the Sonaps system, specific equipment for the management of computer contents, which is not yet available for use.

The transfers of 205,442 Euros correspond to assets transferred from intangible assets (Note 18).

31 December 2009:

	Land and natural resources	Buildings and other constructions	Machinery and equipment	Transport equipment	Administrative equipment	Other tangible assets	Fixed assets in progress	Total
Gross:								
Balance at 31 December 2008	1,795,542	20,393,572	88,908,145	704,906	23,015,158	2,938,179	467,264	138,222,766
Changes in consolidation perimeter	(119,581)	(448,604)	(514,100)	(69,900)	(206,330)	(2,366,476)	-	(3,724,991)
Acquisitions	-	2,841,353	879,585	18,348	743,781	-	573,778	5,056,845
Sales and write-offs	-	-	(198,697)	(45,473)	(19,144)	-	(141,669)	(404,983)
Transfers	-	-	777,290	-	61,196	-	(572,191)	266,295
Balance at 31 December 2009	1,675,961	22,786,321	89,852,223	607,881	23,594,661	571,703	327,182	139,415,932
Accumulated depreciation and impairment losses:								
Balance at 31 December 2008	-	(1,784,999)	(72,080,436)	(654,875)	(18,669,956)	(1,678,102)	-	(94,868,368)
Changes in consolidation perimeter	-	85,244	161,691	36,656	71,936	1,309,480	-	1,665,007
Increases	-	(600,128)	(5,211,437)	(16,732)	(2,567,281)	(198,304)	-	(8,593,882)
Decreases due to sales and write-offs	-		135,263	44,271	15,657	-	-	195,191
Balance at 31 December 2009	-	(2,299,883)	(76,994,919)	(590,680)	(21,149,644)	(566,926)	-	(101,602,052)
Net book value at 31 December 2009	1,675,961	20,486,438	12,857,304	17,201	2,445,017	4,777	327,182	37,813,880

The caption “Buildings and other constructions” includes the allocation of the purchase price difference of 1,326,850 Euros arising on the purchase of an additional participation in Office Share in the year ended 31 December 2008 (Note 17). The remaining increase in this caption in 2009 results essentially from the construction of new studios for SIC.

The increase in the caption “Machinery and equipment” results essentially from the acquisition of equipment for the installation of hotels by Impresa.DGSM.

At 31 December 2010 and 2009 the Group had the following assets under finance leases:

	2010			2009		
	Gross	Accumulated depreciation and impairment losses	Net	Gross	Accumulated depreciation and impairment losses	Net
Land and natural resources	1,675,961	-	1,675,961	1,675,961	-	1,675,961
Buildings and other constructions	14,431,965	(1,758,098)	12,673,867	14,431,965	(1,467,746)	12,964,219
Machinery and equipment	12,078,386	(6,617,305)	5,461,081	8,661,057	(4,585,626)	4,075,431
Transport equipment	61,628	(37,908)	23,720	62,381	(60,217)	2,164
Administrative equipment	2,052,691	(1,222,367)	830,324	1,467,859	(653,479)	814,380
	30,300,631	(9,635,678)	20,664,953	26,299,223	(6,767,068)	19,532,155

As explained in Note 2.7, these leased assets are recorded in accordance with the financial method.

Except for the assets acquired under finance lease contracts, there are no other restrictions to the entitlement of tangible assets.

20. INVESTMENTS

The changes in investments, in the years ended 31 December 2010 and 2009, were as follows:

31 December 2010:

	Investments in associated companies	Investments in other companies	Total
Balance at 31 December 2009	5,581,064	18,703	5,599,767
Application of the equity method (Note 14)	250,784	-	250,784
Distribution of dividends by Lusa	(52,110)	-	(52,110)
Foundation of companies (a)	-	15,000	15,000
Impairment losses (Notes 14 and 32)	(593,034)	-	(593,034)
Others	162	-	162
Balance at 31 December 2010	5,186,866	33,703	5,220,569

(a) This caption corresponds to the foundation of ITEXAMPLE, ACE (Note 6).

31 December 2009:

	Investments in associated companies	Investments in other companies	Total
Balance at 31 December 2008	5,456,514	23,701	5,480,215
Application of the equity method (Note 14)	174,699	-	174,699
Distribution of dividends by Lusa	(60,087)	-	(60,087)
Foundation of companies (a)	15,000	-	15,000
Liquidation (b)	-	(4,998)	(4,998)
Impaired assets of associated companies	1,103,965	-	1,103,965
Utilization (Note 32)	(1,103,965)	-	(1,103,965)
Others	(5,062)	-	(5,062)
Balance at 31 December 209	5,581,064	18,703	5,599,767

(a) This caption corresponds to the Group’s investment in the foundation of Visapress (Note 7).

(b) This caption corresponds to the liquidation of PTDP.

Investments in associated companies at 31 December 2010 and 2009 were made up as follows:

31 December 2010:

		31-12-2010				Percentage		Impairment	Net value
Company	Head office	Total assets	Total revenue	Equity	Net result	effectively held by the Group	Amount of the investment	losses (Notes 14 and 32)	of the assets
Vasp	Queluz	28,486,442	205,296,047	9,579,989	311,619	33,33	3,193,180	-	3,193,180
Lusa (a)	Lisbon	14,725,302	19,508,221	4,547,598	664,713	22,35	1,016,389	-	1,016,389
Castillo de Elsinor	Lisbon	4,654,744	8,950,792	1,933,754	32,866	20.00	386,751	-	386,751
Visapress	Lisbon	n.d.	n.d.	n.d.	n.d.	21.43	15,000	-	15,000
							4,611,320	-	4,611,320
Castillo de Elsinor - goodwill							1,168,580	(593,034)	575,546
							5,779,900	(593,034)	5,186,866

(a) The equity considered was adjusted to comply with IFRS.

31 December 2009:

		31-12-2009				Percentage	
Company	Head office	Total assets	Total revenue	Equity	Net result	effectively held by the Group	Amount of the investment
Vasp	Queluz	34,253,018	216,581,380	9,283,775	230,007	33,33	3,094,282
Lusa (a)	Lisbon	13,998,228	19,467,450	4,146,134	464,744	22,35	924,682
Castillo de Elsinor	Lisbon	3,543,375	6,349,050	1,892,601	20,015	20.00	378,520
Visapress	Lisbon	n.d.	n.d.	n.d.	n.d.	30.00	15,000
							4,412,484
Castillo de Elsinor - goodwill							1,168,580
							5,581,064

(a) The equity considered was adjusted to comply with IFRS.

As a result of applying the equity method, at 31 December 2010 and 2009, the following changes were recorded in the caption “Investments in associated companies”:

	2010			2009
Denominação	Gain on associated companies (Note 14)	Loss on associated companies (Note 14)	Total	Gain on associated companies (Note 14)
Vasp	98,728	-	98,728	76,661
Lusa	143,826	-	143,826	94,035
Castillo de Elsinor (a)	-	(584,804)	(584,804)	4,003
	242,554	(584,804)	(342,250)	174,699

(a) The amount in 2010 includes 593,034 Euros relating to impairment losses recorded in 2009 (Note 32).

Investments in other companies at 31 December 2010 and 2009 were made up as follows:

	2010		2009	
Company	Effective participation of the Group	Amount of the participation	Effective participation of the Group	Amount of the participation
NP	10.71%	18,703	10.71%	18,703
ITEXAMPLE, ACE	4.41%	15,000	-	-
		33,703		18,703

21. AVAILABLE-FOR-SALE ASSETS

In the year ended 31 December 2007 the Company subscribed for participating units in Fundo de Investimento Cinematográfico e Audiovisual ("FICA" or "the Fund"), founded under the terms of Ministerial Order 277/2007 of 14 March, with the objective of investing in cinematographic, audio-visual and multi-platform works, aimed at exploring them on a broad basis so as to increase and improve supply and increase the potential value of such productions, with the ultimate purpose of stimulating the development of cinematographic and audio-visual art.

FICA's initial capital amounts to 83,000,000 Euros, fully subscribed for, to be paid on a phased basis. The capital consists of 83,000 participating units of 1,000 Euros each at the time of subscription, the founders being: the Portuguese State (represented by Instituto do Cinema e Audiovisual – ICA, I.P.), ZON Multimédia, Serviços de Telecomunicações e Multimédia, SGPS, S.A., RTP – Rádio e Televisão de Portugal, S.A., SIC and TVI – Televisão Independente, S.A..

The Fund was founded for a period of seven years as from the time it starts operating, the first five years being an investment phase and the last two a disinvestment phase.

The Fund is an autonomous fund, having no responsibility, under any circumstances, for the debts of its participants or of any other entity or agent, the participants having no responsibility for any debts contracted by the Fund, other than the amount of their participating units.

In 2007 SIC subscribed for participating units totalling 10,000,000 Euros, representing 12.05% of FICA, payable as follows:

	Nominal value	Present value at the subscription date
2007	1,000,000	993,937
2008	2,000,000	1,916,574
2009	2,000,000	1,825,289
2010	2,000,000	1,738,351
2011	2,000,000	1,655,554
2012	1,000,000	797,969
	10,000,000	8,927,674

On 26 June 2009, SIC renounced the participation contract in FICA, and so, SIC derecognized the asset and liability relating to the participating units not paid for. Consequently, the amount of the asset was decreased by 8,927,674 Euros to 2,500,000 Euros, derecognizing the liability of 6,427,674 Euros, corresponding therefore to the amount realized up to that date. On 31 October 2008, SIC had already suspended the payment of its participating units, as not all the other subscribers to FICA were complying with their liabilities. Therefore, at 31 December 2009, this caption was made up as follows:

	2010	2009
Present value at the date of subscription	8,927,674	8,927,674
Derecognition of the liability	(6,427,674)	(6,427,674)
Amount paid up	2,500,000	2,500,000
Impairment loss	(1,724,290)	(944,290)
	775,710	1,555,710

In accordance with an impairment analysis made by the Board of Directors of the realizable value of FICA as of 31 December 2010 and 2009, impairment losses of 780,000 Euros and 944,290 Euros, respectively, were recorded (Note 14).

22. INVESTMENT PROPERTIES

Investment properties held by the Group at 31 December 2010 and 2009 are made up as follows:

Investment properties	2010	2009
"FNAC" land	6,107,685	6,219,369
Impairment loss (Note 32)	-	(64,746)
	6,107,685	6,154,623

The changes in the caption "Investment properties", in the years ended 31 December 2010 and 2009, were as follows:

31 December 2010	
Balance at 31 December 2009	6,219,369
Write-offs	(46,938)
Utilization (Note 32)	(64,746)
Balance at 31 December 2010	6,107,685
31 December 2009	
Balance at 31 December 2008	6,104,369
Increases	50,254
Balance at 31 December 2009	6,154,623

In 2010, the Group requested an independent valuation of that asset, in accordance with which its market value exceeded its book value. At that date, the necessary procedures were in progress to sign the definitive purchase deed of that land.

23. PROGRAM BROADCASTING RIGHTS AND INVENTORIES

Program broadcasting rights at 31 December 2010 and 2009 are made up as follows:

	2010		2009	
	Non current	Current	Non current	Current
Broadcasting rights				
Gross:				
Broadcasting rights	19,801,805	16,609,012	37,740,572	15,720,953
Work in progress	-	437,007	-	115,037
Advances on account of purchases	557,128	7,566,769	557,128	9,661,664
	20,358,933	24,612,788	38,297,700	25,497,654
Adjustments to net realisable value:				
Accumulated decreases to net realisable value (opening balance)	(12,424,231)	-	(12,424,231)	-
Utilization of accumulated decreases (Note 32) (a)	10,007,212	-	-	-
Reclassification of accumulated decreases in realizable value	1,131,648	(1,131,648)	-	-
Accumulated decreases in realizable value (closing balance)	(1,285,371)	(1,131,648)	(12,424,231)	-
Net realizable value of transmission rights	19,073,562	23,481,140	25,873,469	25,497,654

(a) Given that the contractual period for using the rights for which the Company had recorded these adjustments in prior years expired in 2010, the contents were written-off using the corresponding adjustment.

The caption "Advances on account of purchases" at 31 December 2010 includes advances made by SIC to program suppliers under contracts signed with these entities, relating to programs and series not yet available for broadcasting.

Inventories at 31 December 2010 and 2009 are made up as follows:

	2010	2009	
	Current	Non current	Current
Inventories:			
Raw, subsidiary and consumable material	2,332,568	414,568	1,658,271
Goods	295,038	-	28,714
Work in progress	151,763	-	229,280
Net realizable value of inventories	2,779,369	414,568	1,916,265

At 31 December 2010 and 2009, the Group did not have any inventories pledged in guarantee of liabilities.

24. TRADE AND OTHER RECEIVABLES

At 31 December 2010 and 2009, this caption was made up as follows:

	2010			2009		
	Gross	Accumulated impairment losses (Note 32)	Net	Gross	Accumulated impairment losses (Note 32)	Net
Customers	38,056,095	(9,097,640)	28,958,455	42,092,413	(8,486,802)	33,605,611
Invoices to be issued:						
SVA	1,063,930	-	1,063,930	1,902,009	-	1,902,009
Television transmission rights of theme channels	932,053	-	932,053	1,965,979	-	1,965,979
Television transmission rights of generalist channels	84,594	-	84,594	757,272	-	757,272
Advertising	26,943	-	26,943	98,233	-	98,233
Other amounts to be invoiced	288,629	-	288,629	267,347	-	267,347
Discounts receivable						
Volume discounts receivable	676,485	-	676,485	651,279	-	651,279
	41,128,729	(9,097,640)	32,031,089	47,734,532	(8,486,802)	39,247,730

25. STATE AND OTHER PUBLIC ENTITIES

At 31 December 2010 and 2009, this caption was made up as follows:

	2010	2009
Corporate income tax		
Payments on account	2,769,245	2,087,488
Withholdings	254,561	706,557
Estimated income tax (Note 15)	(1,355,348)	(970,533)
Value Added Tax - amounts to be reported	484,931	583,855
	2,153,389	2,407,367

26. OTHER NON-CURRENT AND CURRENT ASSETS

At 31 December 2010 and 2009, this caption was made up as follows:

	2010	2009
Other non-current assets:		
Lisgráfica – Impressão e Artes Gráficas, S.A. ("Lisgráfica") (a)	2,598,128	2,905,053
Novimovest - Fundo de Investimento Imobiliário (b)	800,000	800,000
Fantasy Day - Unipessoal, Lda. and Lemon - Entretenimento, Lda. (c)	48,393	333,797
Isabel Monteiro (d)	225,711	249,910
	3,672,232	4,288,760
Other current assets:		
Advances to suppliers	68,965	77,617
Other debtors		
Subsidies receivable (e)	888,445	384,007
Lisgráfica (a)	306,924	300,000
Deposit (f)	303,172	-
Fantasy Day - Unipessoal, Lda. and Lemon- Entretenimento, Lda. (c)	275,604	280,048
Advances to employees	271,862	208,929
Consultants	110,486	133,281
Isabel Monteiro (d)	82,069	186,905
SP Televisão (g)	-	464,563
Insurance - Indemnities receivable	-	224,259
Others	389,183	590,876
Prepayments:		
Licences	203,233	225,367
Rents	146,011	91,877
Insurance	111,558	23,193
Others	622,565	657,840
	3,780,077	3,848,762
	7,452,309	8,137,522

(a) Present value of the account receivable resulting initially from the sale in 2006 of the investment in Imprejornal - Sociedade de Impressão, S.A. to Mirandela – Artes Gráficas, S.A.. During the year ended 31 December 2008, the Group sold that account receivable to Lisgráfica. In accordance with the contract, this account is payable in monthly instalments of 25,000 Euros up to 2022.

(b) Amount receivable from the sale of the SIC building in 2004, which is pending until the utilization licence of the building is obtained.

(c) Present value of the account receivable resulting from the sale of iPlay (Note 7)

(d) Present value of the account receivable resulting from the sale of Dialectus (Note 7).

(e) Subsidies attributed to InfoPortugal, AEIOU and Medipress not yet received.

(f) The amount of 303,172 Euros corresponds to the net amount of a deposit of 7,483,910 Euros in dollars and a loan contract of 7,180,738 Euros with a maximum amount of 10,000,000 Euros recorded in this caption, being automatically renewable for successive six month periods. The term deposit is under a financial guarantee regime in guarantee of the liability resulting from the loan contract.

(g) Present value of the account receivable from the sale of Terra do Nunca (Note 7).

27. CASH AND CASH EQUIVALENTS

The caption "Cash and cash equivalents" included in the cash flow statements as of 31 December 2010 and 2009 and reconciliation thereof to the amount of cash and cash equivalents reflected in the statement of financial position as of those dates are as follows:

	2010	2009
Cash	121,676	131,988
Bank deposits	6,805,023	4,990,824
	6,926,699	5,122,812
Bank overdrafts (Note 30)	(13,944,980)	(4,046,096)
	(7,018,281)	1,076,716

28. EQUITY ATTRIBUTABLE TO THE SHAREHOLDERS OF THE PARENT COMPANY

Share Capital: At 31 December 2010 and 2009, Impresa's fully subscribed and paid up share capital amounted to 84,000,000 Euros, represented by 168,000,000 shares of fifty cents each, which are held as follows:

	2010		2009	
	Percentage Held	Amount	Percentage Held	Amount
Impreger - Sociedade Gestora de Participações Sociais, S.A. ("Impreger")	50.31%	42,257,294	50.31%	42,257,294
Ongoing Strategy Investments, S.G.P.S, S.A.	22.89%	19,227,528	20.02%	16,817,222
BPI Group	3.94%	3,312,173	4.06%	3,413,002
Credit Suisse Group AG	3.95%	3,320,559	3.95%	3,320,559
Madre - SGPS, S.A.	4.14%	3,477,928	3.57%	2,995,201
Others	14.77%	12,404,518	18.09%	15,196,722
	100.00%	84,000,000	100.00%	84,000,000

Share premium: This caption corresponds to premiums obtained in the share capital increases made in previous years. In accordance with current legislation, utilisation of this reserve is subject to the same rules as the legal reserve; as such, this amount is not be available for distribution to the shareholders but may be used to increase capital or absorb losses, once all other reserves and retained earnings have been exhausted.

Legal reserve: Portuguese law provides that at least 5% of annual profit must be appropriated to a legal reserve until the reserve equals the minimum requirement of 20% of share capital. The reserve is not available for distribution to the shareholders but may be used to absorb losses, once all other reserves and retained earnings have been exhausted, or to increase capital.

29. EQUITY ATTRIBUTABLE TO MINORITY INTEREST

The changes in this caption in the years ended 31 December 2010 and 2009 were as follows:

31 December 2010:	
Balance at 31 December 2009	91,775
Net profit attributable to minority interest	(117,037)
Supplementary capital contributions in Dirnet	31,800
Acquisition of an additional participation in InfoPortugal (Note 7)	(286,828)
Changes in the consolidation perimeter (Note 7):	
Liquidation of SIC Indoor	(22,157)
Liquidation of Dirnet	(260)
Impairment loss (Note 32) (a)	55,776
Balance at 31 December 2010	(246,931)
31 December 2009:	
Balance at 31 December 2008	3,680,805
Net profit attributable to minority interest	(129,741)
Dividends distributed by 7 Graus and Publisurf	(14,834)
Acquisition of an additional participation in SIC Notícias	(4,350,894)
Acquisition of an additional participation in AEIOU	61,489
Capital increase in Dirnet	84,285
Supplementary capital contributions in SIC Indoor	425,600
Changes in the consolidation perimeter:	
Liquidation of Adtech	237,553
Sale of Dialectus	35,494
Sale of NJPT	10,574
Other	51,444
Balance at 31 December 2009	91,775

(a) Corresponds to the amount of minority interests in Acting Out, the equity of which is negative.

At 31 December 2010 and 2009, equity attributable to minority interest relates to the following Group companies:

	2010	2009
Hearst	(319,600)	(62,522)
SIC Filmes	(5,294)	(5,294)
Publisurf	(59)	120
Olhares.com	78,022	48,540
SIC Indoor	-	22,157
Infoportugal	-	286,828
Dirnet	-	(42,986)
Acting Out	-	(155,068)
	(246,931)	91,775

Minority interest reflected on the consolidated statement of comprehensive income for the years ended 31 December 2010 and 2009 relates to the following Group companies:

	2010	2009
Hearst	(257,078)	(56,890)
Publisurf	(180)	(65)
Acting Out	99,292	(20,657)
Olhares.com	29,482	22,363
Dirnet	11,447	(55,680)
SIC Indoor	-	14,365
SIC Filmes	-	(4,433)
Adtech	-	6,422
Dialectus	-	205
Comfutebol	-	(50,981)
AEIOU	-	(79,511)
Infoportugal	-	93,439
NJPT	-	1,682
	(117,037)	(129,741)

30. LOANS OBTAINED

Loans obtained at 31 December 2010 and 2009 are as follows:

		31 December 2010				31 December 2009			
		Book value		Nominal value		Book value		Nominal value	
Company	Lending entities	Non-current	Current	Non-current	Current	Non-current	Current	Non-current	Current
Impresa Digital	Banco BPI, S.A. (a)	122,035,467	4,730,056	122,655,738	4,754,098	126,744,595	4,729,276	127,409,836	4,754,098
Medipress	Banco Espírito Santo and Banco Espírito Santo de Investimento, S.A. (b)	15,804,668	3,838,277	16,100,000	3,910,000	19,600,515	1,802,346	20,010,000	1,840,000
Impresa	Caixa Geral de Depósitos, S.A. (c)	10,000,000	5,000,000	10,000,000	5,000,000	15,000,000	4,000,000	15,000,000	4,000,000
Impresa	Caixa Geral de Depósitos, S.A. (d)	5,889,667	-	6,000,000	-	5,898,142	-	6,000,000	-
SIC	Banco Espírito Santo de Investimento, S.A. (e)	-	14,901,455	-	15,000,000	14,912,282	-	15,000,000	-
Impresa Publishing	Banco Comercial Português, S.A. (f)	4,929,426	-	5,000,000	-	4,901,794	-	5,000,000	-
Medipress	Banco Espírito Santo and Banco Espírito Santo de Investimento, S.A.	-	-	-	-	-	2,450,000	-	2,450,000
Office Share	Banco Comercial Português, S.A.	-	-	-	-	-	130,000	-	130,000
Impresa Publishing	Banco Comercial Português, S.A.	-	-	-	-	-	2,500,000	-	2,500,000
	Current accounts (g)	-	19,150,000	-	19,150,000	-	29,687,855	-	29,687,855
	Bank overdrafts (h) (Note 27)	-	13,944,980	-	13,944,980	-	4,046,096	-	4,046,096
		158,659,228	61,564,768	159,755,738	61,759,078	187,057,328	49,345,573	188,419,836	49,408,049

(a) Loan contracted by Impresa Digital from Banco BPI, SA to finance the acquisition of all the share capital of Solo and a 30.65% participation in SIC. At 31 December 2010, this loan bore interest payable half yearly at the Euribor six month rate plus a spread of 2.5%, the contract establishing a floor of 2.15% and a cap of 5.05% up to 2014. The loan is repayable in 38 successive half yearly instalments, beginning on 30 June 2006. The outstanding nominal value of the loan is repayable as follows:

2011	4,754,098
2012	4,754,098
2013	9,508,198
2014	9,508,198
2015	9,508,198
2016 and following years	89,377,046
	122,655,738
	127,409,836

As guarantee of the full compliance with this loan, the Group subscribed a blank promissory note, and Impresa Digital and Solo have pledged shares representing 49% of SIC's share capital (Note 36).

Impresa Digital and Impresa have assumed several covenants with respect to this loan, relating essentially to the acquisition and sale of assets and distribution of dividends, which are being complied with.

The above mentioned cap and floor were not separated from the loan contract because, at the loan contracting date, they did not fulfil the conditions established in IAS 39 for their separation, that is, on the date of contracting the loan, the floor was below the market interest rate and the cap was above the market interest rate.

(b) Loan contracted in July 2008, with Banco Espírito Santo, S.A. and Banco Espírito Santo de Investimento, S.A., in the amount of 23,000,000 Euros, to finance the acquisition of a 50% participation in Edimpresa (company merged into Medipress). At 31 December 2010 the loan bore interest at the two months Euribor rate plus a spread of 2.875% and is repayable in arrears in 26 successive quarterly instalments, beginning on 31 March 2009. The loan is repayable as follows:

2010	3,910,000
2012	3,910,000
2013	4,600,000
2014	5,060,000
2015	2,530,000
	16,100,000
	20,010,000

In guarantee of full compliance with the loan, the shares of Medipress were pledged in guarantee of the financial entities (Note 36).

The loan has some covenants relating to the contracting additional debt and the acquisition or sale of assets, with impact on the spread, which can vary from 2.375% to 3.375%.

(c) In 2009, the Group restructured its debt, through an addendum to the initial contract with Caixa Geral de Depósitos, S.A., resulting the following repayment schedule:

2011	5,000,000
2012	5,000,000
2013	5,000,000
	10,000,000
	15,000,000

This loan bears interest payable half yearly in arrears at the Euribor six month rate plus a spread of 2.25%.

At 31 December 2010, Soincom had shares corresponding to 51% of SIC's share capital and Impresa had shares representing all of Soincom's share capital pledged in guarantee of compliance with the terms of the loan (Note 36). In addition, the loan has certain covenants to be complied with and restrictions relating to the contracting of additional debt and the distribution of dividends, which are being complied with.

(d) Issuance of commercial paper by Impresa under a commercial paper program for a period of five years ending on 18 December 2014 for the maximum amount of 6,000,000 Euros. At 31 December 2010, this commercial paper issuance bore interest at the rate of 2.73%.

(e) Issuance of commercial paper by SIC, under a commercial paper program for a period of six months, initially subscribed for on 24 October 2005, ending on 24 October 2011. At 31 December 2010, this commercial paper issuance bore interest at the rate of 1.45%.

(f) Bank loan of 5,000,000 Euros obtained by Impresa Publishing on 17 June 2005 from Banco Comercial Português, SA. The loan bears interest payable half yearly at the Euribor six month rate plus a spread of 0.875% and is repayable on 21 June 2013.

(g) Guaranteed current accounts obtained by the group companies which bear interest at normal market rates for similar operations.

(h) The bank overdrafts bear interest at market rates for similar transactions (Note 27).

At 31 December 2010 and 2009 the Group had approved unused credit limits of approximately 34,633,868 Euros and 30,440,000 Euros (Note 40).

At 31 December 2010 and 2009, the effective interest rates on the loans were as follows:

Company	Lending entities	2010	2009
Media Zoom	Banco BPI, S.A.	4.15%	4.11%
Medipress	Banco Espírito Santo and Banco Espírito Santo de Investimento, S.A.	3.69%	4.35%
Impresa	Caixa Geral de Depósitos, S.A.	3.48%	4.85%
Impresa	Caixa Geral de Depósitos, S.A.	2.95%	2.49%
SIC	Banco Espírito Santo de Investimento, S.A.	1.30%	1.51%
Impresa Publishing	Banco Comercial Português, S.A.	2.01%	2.93%
Medipress	Banco Espírito Santo and Banco Espírito Santo de Investimento, S.A.	3.69%	4.34%
Office Share	Banco Comercial Português, S.A.	2.26%	2.70%
Impresa Publishing	Banco Comercial Português, S.A.	2.63%	3.70%
Group	Current accounts	3.28%	4.09%

Information on the Group's exposure to interest rate risk on its loans is shown in Note 40.

31. FINANCE LEASES

At 31 December 2010 Office Share, Sojornal, Medipres, Impresa Digital and the subsidiaries of the television segment had liabilities under finance leasing contracts of 9,792,197 Euros, 122,285 Euros, 141,824 Euros, 28,169 Euros and 7,398,682 Euros, respectively, payable as follows:

	Principal	Interest	Total
2011	3,239,744	358,728	3,598,472
2012	3,208,007	281,863	3,489,870
2013	2,505,319	207,622	2,712,941
2014	1,788,427	146,765	1,935,192
2015	1,167,852	101,043	1,268,895
2016 to 2018	5,573,808	162,512	5,736,320
	14,243,413	899,805	15,143,218
	17,483,157	1,258,533	18,741,690

The liabilities under the lease contracts relate essentially to the office building of Office Share and technical support equipment for the digitalisation project of the television segment's operating systems. The lease contracts do not include contingent instalments and include purchase options at below the market value of the assets.

The accounts payable relating to lease contracts at 31 December 2009 are payable as follows:

	Principal	Interest	Total
2010	2,456,638	427,232	2,883,870
2011	2,500,627	339,201	2,839,828
2012	2,478,036	247,864	2,725,900
2013	1,910,558	164,238	2,074,796
2014	1,149,184	118,631	1,267,815
2015 to 2018	6,459,913	259,863	6,719,776
	14,498,318	1,129,797	15,628,115
	16,954,956	1,557,029	18,511,985

32. IMPAIRMENT LOSSES, LEGAL AND TAX PROCESSES AND PROVISIONS

32.1 Impairment losses

The following changes occurred in the accumulated impairment loss captions in the years ended 31 December 2010 and 2009:

31 December 2010:

	Impairment losses on investments (Note 20)	Impairment losses on investment properties (Note 22)	Impairment losses on receivables (Notes 10 and 24)	Decrease in the realisable value of broadcasting rights and inventories (Note 23)
Balances at 31 December 2009	-	64,746	8,486,802	12,424,231
Changes in the consolidation perimeter	-	-	(4,242)	-
Increases (Note 10)	593,034	-	923,190	-
Utilization	-	(64,746)	(164,298)	(10,007,212)
Decreases/adjustments (Note 10)	-	-	(143,812)	-
Balances at 31 December 2010	593,034	-	9,097,640	2,417,019

Impairment losses are deducted from the amounts of the assets.

31 December 2009:

	Impairment losses on investments (Note 20)	Impairment losses on investment properties (Note 22)	Impairment losses on receivables (Notes 10 and 24)	Decrease in the realisable value of broadcasting rights and inventories (Note 23)
Balances at 31 December 2008	1,117,188	64,746	8,013,522	12,424,231
Changes in the consolidation perimeter	-	-	(50,944)	-
Increases (Note 10)	-	-	793,809	-
Utilization	(1,103,965)	-	(227,968)	-
Decreases/adjustments (Note 10)	(13,223)	-	(41,617)	-
Balances at 31 December 2009	-	64,746	8,486,802	12,424,231

32.2 Provisions

The provision for risks and charges at 31 December 2010 and 2009 relates essentially to legal actions in progress and is made up as follows:

	2010		2009	
Nature	Amount claimed	Amount provided	Amount claimed	Amount provided
Tax	2,694,212	1,383,780	4,633,885	1,188,308
Labour	2,976,125	1,328,178	3,282,595	1,361,883
Abuse of freedom of the press	3,523,896	410,258	9,135,980	880,717
Penalties arising from advertising	1,915,586	342,879	2,596,495	657,102
Other	1,764,566	1,328,403	2,878,797	1,797,805
	12,874,385	4,793,498	22,527,752	5,885,815

The Group is subject to several lawsuits for abuse of freedom of the press, for which it has recorded provisions based on the opinion of its lawyers and historical experience in this type of litigation.

The decrease in the amount claimed regarding tax processes in progress results essentially from the extinction of two processes relating to additional corporate income tax assessments of SIC. In addition, the decrease in the amount claimed for legal processes relating to abuse of freedom of the press results essentially from the extinction of four legal processes without any payment and decrease in the amount claimed under another process.

The Board of Directors and the Group’s lawyers believe, based on an assessment of the risks of the litigation in process, that the outcome of the litigation will not result in significant liabilities not covered by provisions reflected in the consolidated financial statements as of 31 December 2010, which correspond to the best estimate of the outflow resulting from these lawsuits as of that date, no asset having been recognised relating to any class of provision.

The changes in provisions in the years ended 31 December 2010 and 2009 were as follows:

31 December 2010:

	Provisions for risks and charges
Balances at 31 December 2009	5,885,815
Changes in the consolidation perimeter (Note 7)	(2,224)
Increases	1,357,630
Utilization	(1,202,441)
Decreases/adjustments (Note 10)	(1,245,282)
Balances at 31 December 2010	4,793,498

Utilization of provisions in the year ended 31 December 2010 corresponds to direct utilization of the balance to cover the liabilities resulting essentially from the Group’s legal and non-legal litigation. In addition, adjustments correspond to the reversal of provisions covering risks and contingencies for which they were provided but that did not materialize.

The caption “Provisions and impairment losses” included in the statement of comprehensive income for the year ended 31 December 2010 is made up as follows:

Increase in the provision for other risks and charges	1,357,630
Impairment loss of minority interests (Note 29)	55,776
	1,413,406

31 December 2009:

	Provisions for risks and charges
Balance at 31 December 2008	6,516,610
Increases	1,676,053
Utilization	(721,269)
Decreases/adjustments (Note 10)	(1,585,579)
Balance at 31 December 2009	5,885,815

The caption "Provisions and impairment losses" included in the statement of comprehensive income for the year ended 31 December 2009 is made up as follows:

Increase in the provision for other risks and charges	1,676,053
Impairment losses on goodwill (Notes 7 and 17)	42,284
	1,718,337

32.3 Lawsuits in progress

At 31 December 2010 there were several lawsuits in progress brought against the Group by third parties, the amounts of which and final outcome at the time of preparing the financial statements were still unknown, including:

- In previous years GDA – Cooperativa de Gestão dos Direitos dos Artistas, CRL ("GDA") brought a legal action against SIC, in the Judicial Court of Oeiras, under which GDA claims payment of annual remuneration due to artists, interpreters or performers at the rate of 1.5% of the annual amount of advertising income, effective as from September 2004, as well as late payment interest. SIC contested this action, a favourable decision having been issued, considering the initial petition to be unfounded due to the lack of cause to demand and, consequently, annulled the whole process. GDA contested this ruling to the Lisbon Court of Appeal (Tribunal da Relação de Lisboa), which gave reason it, the company waiting for a new first instance trial session to be set.

32.4 Tax processes in progress

In previous years the Group was notified of additional tax assessments, most of which were not recorded or paid as they are considered to have no merit:

- In 2002, a company merged into Edimpresa (now merged into Medipress) was subject to additional corporate income tax assessments by the tax authorities in the amount of approximately 1,339,000 Euros (including compensatory interest of 329,000 Euros). Considering the tax legislation in force at the time regarding the exception relating to late payment interest at the end of 2002, the company decided to pay part of the additional assessments, the unpaid amount at 31 December 2010 and 2009 being approximately 1,026,000 Euros. In the beginning of 2011 the company paid approximately 1,000,000 Euros relating to these assessments. Additionally, in 2005 that participated company received an additional tax assessment of 731,593 Euros, relating essentially to Personal Income Tax, which also has been contested by the company, as the Board of Directors believes that its outcome will be favourable to it.

- In previous years, SIC was notified by the tax authorities to pay approximately 1,466,000 Euros (including compensatory interest), as a result of corporate income tax and property tax inspections of certain transactions realised in the years from 1997 to 2004. The Company, based on the opinion of its legal advisors, appealed against these notifications, as it believes that they are unfounded and has recorded a provision of 155,000 Euros for them, corresponding to the liabilities likely to be incurred. The Company has also provided bank guarantees for them (Note 36).

33. TRADE AND OTHER PAYABLES

At 31 December 2010 and 2009, this caption was made up as follows:

	2010	2009
Trade payables	35,132,223	47,642,592
Suppliers of fixed assets - current account	663,922	866,026
	35,796,145	48,508,618

34. STATE AND OTHER PUBLIC ENTITIES – LIABILITY

At 31 December 2010 and 2009, these captions were made up as follows:

	2010	2009
Value Added Tax	3,469,442	2,549,286
Social security contributions	2,149,288	2,071,448
Personal income tax - withholdings	1,859,012	1,957,693
Instituto Português de Arte Cinematográfica e Audiovisual/Cinemateca Portuguesa	1,371,172	1,418,512
Corporate income tax:		
Estimated tax (Note 15)	25,999	100,257
Payments on account	(14,169)	(25,948)
Withholdings	(14)	(2,345)
Stamp tax	245,595	-
	9,106,325	8,068,903

35. OTHER NON-CURRENT AND CURRENT LIABILITIES

At 31 December 2010 and 2009, these captions were made up as follows:

Other non-current liabilities:		
ZON Conteúdos (a)	-	6,458,970
Other current liabilities:		
Advances from clients (b)	3,482,385	167,114
Accrued costs:		
Personnel vacation and vacation subsidy	8,325,031	7,773,359
Cost of program production (c)	1,731,753	1,350,514
Communication	1,571,686	1,018,947
Marketing and advertising	1,272,936	576,000
Commercial agreements	1,213,503	655,868
Authors' rights	600,825	-
Bonuses and overtime	400,109	449,749
Municipal property tax	391,657	331,804
Royalties	383,053	471,430
Production of magazines, newspapers and other products	287,737	362,736
Consultants	169,723	29,579
Colaboration	143,589	200,340
Interest	137,243	180,440
Indemnities	-	153,641
Other accruals	2,302,376	2,338,695
Deferred income:		
Subscription to newspapers and magazines	2,512,233	2,075,123
Advanced billing	2,061,552	3,910,614
Operating and investment subsidies	984,740	325,241
Other deferred income	2,386,379	2,383,022
Other liabilities:		
ZON Conteúdos (a)	6,458,970	6,666,667
Other creditors	1,340,197	1,074,099
	38,157,677	32,494,982
	38,157,677	38,953,952

(a) Present value payable resulting from the acquisition of an additional participation in SIC Notícias from ZON Conteúdos (Note 7).

(b) This caption includes 3,321,935 Euros relating to commercial discounts allowed at the end of 2010 related to transactions realized in the year.

(c) This caption corresponds essentially to costs incurred by the management of programs and information of SIC, relating to programs already broadcasted, awaiting the receipt of the invoices.

36. CONTINGENT LIABILITIES

The guarantees given to third parties by Impresa, SIC, Medipress and the remaining Group companies at 31 December 2010 were as follows:

At 31 December 2009, Media Zoom and Solo had shares representing 49% of SIC's capital pledged in guarantee of a loan from Banco BPI, S.A. to finance the acquisition of that subsidiary (Note 30.a)).

At 31 December 2009, Impresa had shares representing 100% of Soincom's capital pledged in guarantee of a loan obtained initially by that subsidiary from Caixa Geral de Depósitos, SA, which was transferred to Impresa in 2001, and in guarantee of the loan obtained from Caixa Banco de Investimento; additionally, Soincom had shares representing 51% of SIC's capital pledged in guarantee of these loans (Note 30.c).

At 31 December 2010 the quotas of Medipress were pledged in guarantee of loans from Banco Espírito Santo, S.A. and Banco Espírito Santo de Investimento, S.A. (Note 30.b).

At 31 December 2010 and 2009, the companies of the television segment had requested the issuance of the following guarantees in favour of third parties:

	2010	2009
Tax department of Algés	2,879,640	2,879,640
Entidade Reguladora para a Comunicação Social ("ERC")	1,995,192	1,995,192
Civil Government of Lisbon	1,939,721	734,674
Novimovest	1,320,600	1,320,600
Union des Associations Europeenes de Football	1,187,500	1,900,000
De Lage Cisco	899,074	137,624
Imopólis	44,701	44,701
Municipal Council of Oeiras	35,745	35,745
Direcção Geral de Impostos	-	497,133
	10,302,173	9,545,309

The guarantees given to the Tax Department of Algés are in connection with the tax litigation awaiting judgement of the appeals submitted by SIC (Note 32).

The guarantee given to ERC results from requirements of current legislation for the licensing of new channels and for broadcasting television contests.

The guarantee given to the Civil Government of Lisbon is to guarantee fulfilment of the contests "Galinha Ovos Ouro 2010", "Mesmo a tempo", "Cartão de Sonho", "Cofre Esperança 2010", "SIC 18 Anos", "Companhia Ano novo", "Salve-se quem puder", "Campanha de Outono", "Companhia do Amor", "Companhia de Portugal", "Companhia dos presentes", "Companhia Regresso a Casa", "Rock in Rio", "Ídolos", "Achas que sabes dançar" and "Natal de esperança".

The guarantee given to Novimovest is to cover obligations resulting from the lease contract of the SIC head office with that entity, especially payment of the rent.

The guarantee given to Union des Associations Europeenes de Football is to cover compliance with the "UEFA 2010-2011 Season" contract.

The guarantee given to De Lage Cisco results from reformulation of the communications architecture currently in progress (VOIP).

The guarantee given to Imopólis is in guarantee of the payment of rent of the SIC studios.

The guarantee given to the Municipal Council of Oeiras results from a process to purchase a plot of land adjacent to the installations of SIC's headquarters.

At 31 December 2010 and 2009, Medipress had requested the issuance of the following bank guarantees in favour of third parties:

	2010	2009
Tax department of Oeiras	932,400	932,400
Civil Government of Lisbon	128,558	89,179
De Lage Cisco	97,635	97,635
Direcção Geral de Impostos	95,602	95,602
	1,254,195	1,214,816

The guarantees given to the Tax Department of Oeiras and Direcção Geral de Impostos are to cover additional tax assessment of 731,593 Euros for 2005 (Note 32).

The guarantees given to the Civil Government of Lisbon results from legal requirements of current legislation relating to contests in publications.

The guarantee given to De Lage Cisco results from reformulation of the communications architecture (VOIP).

At 31 December 2010 and 2009 the companies of the digital segment had requested the issuance of the following bank guarantees in favour of third parties:

	2010	2009
LG Electronics	300,000	300,000
Instituto de Apoio às Pequenas e Médias Empresas e à Inovação ("IAPMEI")	227,666	-
Instituto Geográfico Português	102,275	-
De Lage Cisco	14,487	14,487
Polis Litoral Ria de Aveiro	14,250	-
Municcipality of Almada	2,493	-
CTT	-	36,000
	661,171	350,487

The guarantee given to LG Electronics is to cover the exact and punctual compliance with the obligations resulting from the supply of products and/or rendering of services by that entity.

The guarantees to IAPMEI relate the subsidies received from that entity regarding the Intellitouring and SINTTRA projects that are being carried out by InfoPortugal.

The guarantess given to Instituto Geográfico Português, Polis Litoral Ria de Aveiro and Municipality of Almada are to guarantee compliance with the service contracts to them with InfoPortugal.

The guarantee given to De Lage Cisco results from reformulation of the communications architecture (VOIP).

At 31 December 2010 and 2009 the remaining Group companies, namely, Sojornal and Gesco, had bank guarantees given relating to their operations and tax assessments awaiting response to the appeals presented by the companies, in the amounts of approximately 367,000 Euros, and a guarantee of 28,404 Euros in favour of IAPMEI relating to a subsidy received from that entity.

37. COMMITMENTS ASSUMED

37.1 Pensions

Certain Group companies (Impresa, Sojornal and Medipress) have assumed commitments to pay their employees and remunerated members of the Board of Directors hired before 5 July 2003, pension supplements for retirement due to age and incapacity. The benefits are calculated based on a percentage that increases with the number of years of service applied to the salary scale or a fixed percentage applied to the base salary, defined as being the amounts in 2002.
In 1987 the Group created an autonomous pension fund to which it transferred its liability for the payment of the above pensions.

In accordance with an actuarial study made by the entity managing the fund, the present value of the past service liability of the above mentioned companies for current and retired employees as of 31 December 2010 was estimated at 3,762,271 Euros, the amount of the fund at that date being 5,394,745 Euros.

In 2009, after authorization given by the Institute of Insurance of Portugal, part of the surplus (800,000 Euros) was returned to the Group.

The market value of the pension fund's assets at 31 December 2010 and 2009 exceeded Impresa's estimated liability. In accordance with IAS 19, paragraph 58, considering that it is not possible to reliably determine if that excess can be returned to the Company, or results in a decrease in future contributions to the plan, the Company did not record the corresponding asset.

The actuarial study was made using the method known as "Projected Unit Credit" to calculate the pensions for retirement and disability, and the following main assumptions and actuarial and technical bases:

	2010	2009	2008	2007	2006	2005
Annual rate of return on pension fund assets	5.0%	5.0%	4.6%	4.6%	5.0%	6%
Salary growth rate	0%	0%	0%	0%	0%	0%
Pension growth rate	0%	0%	0%	0%	0%	0%
National minimum salary growth rate	2.00%	2.00%	2.00%	4.50%	4.50%	4.50%
Technical actuarial rate	4.25%	5.25%	5.25%	5.25%	4.00%	4%
Salary growth rate for purposes of calculation of the Social Security pension	2%	2%	2%	2%	2%	2%
Actuarial tables:						
Mortality	TV 88/90	TV 88/90	TV 88/90	TV 88/90	TV 88/90	TV 73/77
Disability	EVK 80	EVK 80	EVK 80	EVK 80	EVK 80	EVK 80

The estimated annual rate of return on the pension fund assets was determined by the company managing the fund, by applying to the benchmark structure of the Fund's assets, the expected medium and short term annual rates of return to each class of assets. These result from an estimating model of an international consultancy firm, in which the inputs are not only the historical rates of return for each class of assets, but also the perspectives of an international panel of financial analysts.

The changes in the past service liability of current and retired employees and in the assets of the plan in the years ended between 31 December 2006 and 2010 were as follows:

	2010	2009	2008	2007	2006
Present value of the liability for defined benefits at the beginning of the period	3,435,764	5,185,997	5,392,058	6,265,891	5,770,783
Benefits paid	(61,638)	(69,868)	(239,906)	(239,466)	(201,555)
Current service cost	31,621	31,237	34,050	74,292	328,693
Interest cost	178,760	270,431	276,786	307,308	359,922
Actuarial (gains)/losses	177,764	(1,982,033)	(276,991)	(1,015,967)	8,048
Present value of the liability for defined benefits at the end of the period	3,762,271	3,435,764	5,185,997	5,392,058	6,265,891

	2010	2009	2008	2007	2006
Plan assets at the beginning of the year	5,516,094	6,030,641	6,504,447	6,507,567	6,391,200
Benefits paid	(61,638)	(69,868)	(239,906)	(239,466)	(201,556)
Return to the associates relating to the financial excess (Note 10)	-	(800,000)	-	-	-
Actual return on the plan assets	(59,711)	355,321	(233,900)	236,346	317,923
Plan assets at the end of the year	5,394,745	5,516,094	6,030,641	6,504,447	6,507,567
Superavit	1,632,474	2,080,330	844,644	1,112,389	241,676

The fund's assets at 31 December 2010 and 2009 were as follows:

	2010		2009	
	Amount	%	Amount	%
Bonds	2,044,232	38%	2,587,701	47%
Public debt securities	1,387,137	26%	1,087,730	20%
Participating units in real estate investment funds	1,499,355	28%	1,319,035	24%
Money market	111,952	2%	157,299	3%
Shares	355,441	7%	350,946	6%
Cash and cash equivalents, receivables and other short term assets	(3,372)	0%	13,383	0%
	5,394,745	100%	5,516,094	100%

The pension fund does not have any securities of the Impresa Group or any assets used by it.

37.2 Commitments to acquire programs

At 31 December 2010 and 2009, the Group had contracts and agreements with third parties to acquire films, series and other programs amounting to 13,920,444 Euros and 14,735,828 Euros, respectively, not included in the statement of financial position, in accordance with the valuation criteria used (Note 2.10)), as follows:

	31 December 2010					31 December 2009				
	Year the titles are available					Year the titles are available				
Nature	2011	2012	2013 and following years	Without defined date	Total	2010	2011	2012 and following years	Without defined date	Total
Entertainment	681,094	-	-	-	681,094	745,256	-	-	-	745,256
Films	1,557,557	75,960	-	23,500	1,657,017	541,377	300,000	-	25,474	866,851
Format	879,429	-	-	-	879,429	817,174	-	-	-	817,174
Soap-operas	4,620,729	-	-	-	4,620,729	2,971,074	-	-	-	2,971,074
Children	502,770	-	-	-	502,770	641,738	15,233	-	-	656,971
Documentaries	143,904	-	-	-	143,904	186,372	-	-	-	186,372
60' Series	156,029	-	-	-	156,029	336,398	87,288	-	-	423,686
Mini series	3,472	-	-	24,000	27,472	-	-	-	24,000	24,000
WIldlife	-	-	-	-	-	-	-	-	131,319	131,319
Sport	1,952,000	3,300,000	-	-	5,252,000	2,913,125	2,500,000	2,500,000	-	7,913,125
	10,496,984	3,375,960	-	47,500	13,920,444	9,152,514	2,902,521	2,500,000	180,793	14,735,828

	31 December 2010					31 December 2009				
	Year the titles are available					Year the titles are available				
Nature	2011	2012	2013 and following years	Without defined date	Total	2010	2011	2012 and following years	Without defined date	Total
Entertainment	285,778	86,101	309,215	-	681,094	706,256	39,000	-	-	745,256
Films	48,740	100,920	1,483,857	23,500	1,657,017	17,696	-	823,681	25,474	866,851
Format	798,699	25,000	55,730	-	879,429	774,900	42,274	-	-	817,174
Soap-operas	4,616,179	4,550	-	-	4,620,729	2,295,688	126,255	549,131	-	2,971,074
Children	19,348	135,968	347,454	-	502,770	266,840	81,675	308,456	-	656,971
Documentaries	118,904	-	25,000	-	143,904	136,372	-	50,000	-	186,372
60' Series	9,460	19,934	126,635	-	156,029	145,889	-	277,797	-	423,686
Mini series	-	3,472	-	24,000	27,472	-	-	-	24,000	24,000
WIldlife	-	-	-	-	-	-	-	-	131,319	131,319
Sport	1,152,000	4,100,000	-	-	5,252,000	2,913,125	2,500,000	2,500,000	-	7,913,125
	7,049,108	4,475,945	2,347,891	47,500	13,920,444	7,256,766	2,789,204	4,509,065	180,793	14,735,828

37.3. Commitments to acquire fixed assets

At 31 December 2010 and 2009, the commitments assumed for the acquisition of fixed assets amounted to approximately 3,164,000 Euros and 438,000 Euros, respectively.

37.4. Operating leases

In 2004, SIC sold its head office building to an investment fund for 12,300,000 Euros and signed a lease contract to rent the building for a period of 15 years at an annual rent of 816,500 Euros in the first year and 873,000 Euros as from the second year, subject to annual adjustment based on inflation.

In 2009, GMTS sign a contract to lease a property in which the SIC studios are located for a period of five years, paying an annual rent of approximately 236,000 Euros, subject to annual adjustment in accordance with the applicable Ministerial Order.

In addition, the Group uses other assets under operating lease.

The operating lease contracts do not have contingent lease payments. The payments under the operating lease contracts mature as follows:

	2010	2009
- within one year	2,387,463 Euros	2,042,761 Euros
- from one to five years	6,206,823 Euros	5,391,123 Euros
- more than five years	3,858,350 Euros	5,105,594 Euros

In the years ended 31 December 2010 and 2009 the Group recognized operating lease costs of approximately 2,352,000 Euros and 2,429,000 Euros Euros in the statement of comprehensive income.

37.5. Commitments to acquire investments

AEIOU has assumed the commitment to purchase an additional 24% participation in Olharres.com after approval by the Shareholders' General Meeting of its audited accounts for the year ended 31 December 2010, for an amount varying between 96,000 Euros and 288,000 Euros. Additionally, there is a commitment to acquire an additional 10% participation in this company after approval by the Shareholders' General Meeting of its audited accounts for the year ended 31 December 2012 for an amount varying between 60,000 Euros and 100,000 Euros (Note 41).

On 31 December 2010 Impresa Publishing signed a promissory contract to acquire the remaining 0.375% of their capital of Publisurf up to 28 February 2011 for 500 Euros, which was realized in 2011. On that date Publisurf signed a Transfer Contract of the title SurfPortugal in the amount of 15,000 Euros (Note 41).

These purchase options were not measured at fair value, as the underlying shares do not have a listed market value on an active market, and so it is not possible to reliably measure their fair value.

38. RELATED PARTIES

The balances at 31 December 2010 and 2009 and transactions during the years then ended with related parties were as follows:

31 December 2010:

	Balances			
	Bank deposits	Accounts receivable	Accounts payable	Loans obtained
Impreger	-	-	-	-
BPI Group	703,969	312,851	-	138,840,575
Vasp	-	2,832,879	615,380	-
Vasp Premium - Entrega personalizada de publicações, Lda. ("Vasp Premium")	-	21,013	59,241	-
Vasp TMK - Soluções de Trademarketing, Lda. ("Vasp TMK")	-	19,469	28,424	-
Compta - Equipamentos e Serviços de Informática, S.A. ("Compta")	-	-	3,331	-
Morais Leitão, Galvão Teles, Soares da Silva & Associados	-	-	50,706	-
7GRAUS II - Soluções WEB, Lda. ("7Graus II")	-	1,120	5,445	-
SP - Televisão, Lda.	-	214,200	533,589	-
MOBBIT SYSTEMS - Infocomunicação, S.A ("MOBBIT")	-	104,292	462	-
S.T.& S.F. - Sociedade de Publicações, Lda. ("S.T.& S.F.")	-	34,657	-	-
Económica TV - New Media, S.A. ("Económica TV")	-	54,509	-	-
Castillo de Elsinor	-	-	691	-
	703,969	3,594,990	1,297,269	138,840,575

	Transactions				
	Services obtained	Payroll	Financial costs	Sales and services rendered	Financial income
Impreger	89,784	-	-	-	-
BPI Group	-	-	6,440,693	300,700	25,141
Board of Directors	-	1,351,965	-	-	-
Vasp (Note 8)	1,004,401	-	-	36,863,942	-
Vasp Premium (Note 8)	151,868	-	-	76,148	-
Vasp TMK (Note 8)	136,798	-	-	40,032	-
Compta	17,539	-	-	4,129	-
Compta - Infra-estruturas e Segurança, S.A.	16,385	-	-	-	-
Morais Leitão, Galvão Teles, Soares da Silva & Associados	264,473	-	-	-	-
7GRAUS II	15,070	-	-	926	-
SP - Televisão, Lda.	11,923,831	-	-	424,465	-
MOBBIT	385	-	-	(45,424)	-
S.T.& S.F.	-	-	-	526	-
Económica TV	-	-	-	45,424	-
Castillo de Elsinor	691	-	-	-	-
	13,621,225	1,351,965	6,440,693	37,710,868	25,141

31 December 2009:

	Balances			
	Bank deposits	Accounts receivable	Accounts payable	Loans obtained
BPI Group	3,125,352	10,205	-	136,896,790
Vasp	-	4,332,560	372,238	-
Vasp Premium	-	19,561	40,879	-
Vasp TMK	-	19,215	-	-
Heidrick & Struggles - Consultores de Gestão, S.A. ("Heidrick & Struggles")	-	-	87,885	-
Compta	-	-	32	-
Morais Leitão, Galvão Teles, Soares da Silva & Associados	-	-	127,645	-
MOBBIT	-	173,707	-	-
S.T.& S.F.	-	68,040	-	-
Castillo de Elsinor	-	-	709	-
	3,125,352	4,623,288	629,388	136,896,790

	Transactions				
	Services obtained	Payroll	Financial costs	Sales and services rendered	Financial income
Impreger	89,784	-	-	-	-
BPI Group	-	-	6,333,565	315,119	40,228
Board of Directors	-	1,164,117	-	-	-
Vasp (Note 8)	662,925	-	-	35,176,406	-
Vasp Premium (Note 8)	114,786	-	-	108,206	-
Vasp TMK (Note 8)	74,447	-	-	48,343	-
Heidrick & Struggles	184,275	-	-	3,072	-
Compta	63,294	-	-	-	-
Morais Leitão, Galvão Teles, Soares da Silva & Associados	232,777	-	-	190	-
7GRAUS II	9,500	-	-	-	-
MOBBIT	-	-	-	182,288	-
S.T.& S.F.	-	-	-	70,687	-
	1,431,788	1,164,117	6,333,565	35,904,311	40,228

The terms and conditions practiced in transactions between Impresa and related parties are substantially the same to those that would normally be contracted, accepted and practiced between independent entities in comparable operations.

Some of Impresa's shareholders are financial institutions with which commercial agreements are established in the normal course of Impresa's operations, with similar conditions to those currently contracted with independent entities. The transactions carried out under the commercial agreements relate essentially to advertising services by the Impresa Group and the granting of loans by the financial institutions. In the beginning of 2005, the Group acquired from the BPI Group, 49% of SIC's share capital and obtained a loan of 152,500,000 Euros (Note 30) to finance the acquisition.

Balances and transactions between the consolidated companies were eliminated in the consolidation process and are shown in Note 8.

Considering the Group's governance structure and the decision making process, it only considers as "key management personnel", the Board of Directors, as the main operating decisions are made by Impresa's Executive Committee, which is made up only of members of the Board of Directors. In the years ended 31 December 2010 and 2009, transactions with the Board of Directors corresponded essentially to remuneration paid for performing their functions in the Impresa Group.

In the year ended 31 December 2010, no pension supplements were paid.

In the year ended 31 December 2009, pension supplements of 8,143 Euros were paid by the pension fund to a former Director.

In the years ended 31 December 2010 and 2009, no long term benefits relating to termination of contracts or payments in shares were attributed to members of the Board of Directors.

39. RATES USED TO TRANSLATE FOREIGN CURRENCY BALANCES

The following rates were used to translate foreign currency assets and liabilities at 31 December 2010 and 2009 to Euros:

	2010	2009
US dollar	1.3362	1.4406
British pound	0.8608	0.8881
Swiss franc	1.2504	1.4836

40. FINANCIAL INSTRUMENTS

The Group manages its capital to ensure that the subsidiary companies carry out their operations from a going concern standpoint. In this respect, the Group periodically analyses the capital structure (own and third party) and debt maturities of the Group companies, financing them when necessary.

The financial instruments at 31 December 2010 and 2009 were as follows:

	2010	2009
Financial assets:		
Available-for-sale assets	775,710	1,555,710
Receivables	41,636,787	49,792,619
Cash and cash equivalents (Note 27)	-	1,076,716
	42,412,497	52,425,045
Financial liabilities:		
Loans	206,279,016	232,356,805
Payables	100,543,304	112,486,429
Cash and cash equivalents (Note 27)	7,018,281	-
	313,840,601	344,843,234

The Impresa Group is exposed essentially to the following financial risks:

a) Interest rate risk

Interest rate risk relates essentially to interest cost on several loans subject to variable interest rates. In order to reduce the Group's exposure to variable interest rates, the BPI loan contract, signed in 2005 to finance the acquisition of 49% of the share capital of SIC, includes a floor and cap which limit the variation in the basic interest rate on the loan to 2.15% and 5.05%, respectively, up to 2014. The amount due on this loan at 31 December 2010 and 2009 was 127,765,523 Euros and 131,473,871 Euros, respectively, representing approximately 57.6% and 55.6% of bank indebtedness at those dates. The remaining loans are exposed to changes in the market rates of interest (Note 30).

If market interest rates in the years ended 31 December 2010 and 2009 were 0.5% higher or lower, net profit for these years would have decreased or increased by approximately 1,256,000 Euros and 1,357,000 Euros, respectively, without considering the tax effect.

b) Exchange rate risk

Exchange rate risk refers to receivables and payables in currencies other than the Euro, the Group's currency.

Exchange rate risk at 31 December 2010 and 2009 relates essentially to the acquisition of television broadcasting rights from foreign producers. So as to reduce the risk to which the Company is exposed, a loan of 7,189,738 Euros was contracted, which was converted to a USD term deposit, which at 31 December 2010 amounted to 7,483,910 Euros (Note 26).

In addition, during the year ended 31 December 2010, the Group contracted exchange forwards (calculated over the amount of 27,500,000 USD) with the objective of hedging variations in exchange rates. At 31 December 2010, the Company did not have any forwards contracted.

The foreign currency balances payable, expressed in Euros at the exchange rates in force at 31 December 2010 and 2009, were as follows:

	2010	2009
US dollars (USD)	3,624,712	3,514,854
Swiss francs (CHF)	17,967	23,663
British pounds (GBP)	69,375	112,776
	3,712,054	3,651,293

The Group did not have foreign currency receivables at 31 December 2010 and 2009.

c) Credit risk

Credit risk relates essentially to accounts receivable resulting from the operations of several Group companies (Note 24). In order to reduce credit risk, the Group companies have defined policies for granting credit, with defined credit limits by client and collection terms and discount policies for payment in advance or in cash. The credit risk of each Group business is monitored regularly with the objective of:

- limiting credit granted to clients considering the profile and age of the account receivable;
- monitor evolution of the level of credit granted;
- review the recoverability of amounts receivable on a regular basis.

Impairment losses on accounts receivable are calculated considering:

- a review of the ageing of accounts receivable;
- risk profile of the customer;
- historical commercial and financial relationship with the customer;
- existing payment agreements;
- financial condition of the customers.

The changes in impairment losses on accounts receivable are shown in Note 32.

The Board of Directors believes that the impairment losses on accounts receivable are adequately reflected in the financial statements, there being no need to increase the adjustments to accounts receivable.

Receivables at 31 December 2010 and 2009 include amounts overdue as follows, for which impairment losses were not recognized, as the Board of Directors believes that they are collectible.

Overdue balances	2010	2009
Up to 90 days	7,509,639	16,574,004
From 90 to 180 days	2,597,253	3,215,636
More than 180 days	2,570,792	3,048,022
	12,677,684	22,837,662

In addition, accounts receivable at 31 December 2010 include balances not yet due, their maturity dates being defined contractually as follows:

Due date	2010
2011	651,196
2012	438,335
2013	376,031
2014	260,478
2015	253,506
2016 and following years	1,564,704
	3,544,250

Accounts receivable at 31 December 2009 include balances not yet due, their maturity dates being defined contractually as follows:

Due date	2009
2010	1,231,516
2011	774,203
2012	368,228
2013	267,641
2014	260,478
2015 and following years	1,818,210
	4,720,276

d) Liquidity risk

Liquidity risk exists if the funding sources such as operating cash flows, divestment, credit lines and flows from financing operations do not meet the financing needs such as cash outflow for operating and financing activities, investment, shareholder remuneration and debt repayment operations.

In order to reduce this risk, the Group endeavours to maintain a liquid position and average debt maturities that enable it to repay debt under reasonable conditions. At 31 December 2010 and 2009, the amount of cash and credit lines approved and not used amounted to approximately 34,633, 868 Euros and 30,440,000 Euros, respectively, which the Board of Directors believes, considering the main cash-flow projections for 2011, will be sufficient for the Group to meet its current financial liabilities. Financial indebtedness at 31 December 2010 and 2009 matures as follows:

	2010				
Financial liabilities:	Up to 1 year	1 to 2 years	2 to 3 years	More than 3 years	Total
Remunerated:					
Loans (a)	54,638,069	18,568,333	18,905,161	121,185,734	213,297,297
Finance lease creditors	3,239,744	3,208,007	2,505,319	8,530,087	17,483,157
Other liabilities	6,458,970	-	-	-	6,458,970
	64,336,783	21,776,340	21,410,480	129,715,821	237,239,424
Not remunerated:					
Trade payables	35,132,223	-	-	-	35,132,223
Suppliers of fixed assets	663,922	-	-	-	663,922
Other current liabilities	40,805,032	-	-	-	40,805,032
	76,601,177	-	-	-	76,601,177
	140,937,960	21,776,340	21,410,480	129,715,821	313,840,601

	2009				
Financial liabilities:	Up to 1 year	1 to 2 years	2 to 3 years	More than 3 years	Total
Remunerated:					
Loans (a)	45,299,477	28,471,543	13,559,261	145,026,524	232,356,805
Finance lease creditors	2,456,638	2,500,627	2,478,036	9,519,655	16,954,956
Other liabilities	6,666,667	6,458,970	-	-	13,125,637
	54,422,782	37,431,140	16,037,297	154,546,179	262,437,398
Not remunerated:					
Trade payables	47,642,592	-	-	-	47,642,592
Suppliers of fixed assets	866,026	-	-	-	866,026
Other current liabilities	33,897,218	-	-	-	33,897,218
	82,405,836	-	-	-	82,405,836
	136,828,618	37,431,140	16,037,297	154,546,179	344,843,234

(a) This caption includes cash and cash equivalents (Note 27).

41. SUBSEQUENTS EVENTS

Up to 14 March 2011, the Group acquired the following additional participations:

- 0.375% of the capital of Publisurf for 500 Euros (Note 37);

- 40% of the capital of Acting Out for 30,000 Euros.

42. OTHER INFORMATION

The total fees billed to the Group in the years ended 31 December 2010 and 2009 by the Statutory Auditor amounted to 462,908 Euros and 554,925 Euros, respectively, relating to the following services rendered:

	2010	2009
- Statutory audit of the annual accounts	432,820	493,460
- Other assurance services	3,600	4,500
- Tax consultancy	26,488	56,965

43. NOTE ADDED FOR TRANSLATION

These financial statements are a translation of financial statements originally issued in Portuguese in conformity with International Financial Reporting Standards as endorsed by the European Union. In the event of discrepancies, the Portuguese language version prevails.

THE ACCOUNTANT THE BOARD OF DIRECTORS

Deloitte.

Deloitte & Associados, SROC S.A.
Inscrição na OROC nº 43
Registo na CMVM nº 231

Edifício Atrium Saldanha
Praça Duque de Saldanha, 1 - 6º
1050-094 Lisboa
Portugal

Tel: +(351) 210 427 500
Fax: +(351) 210 427 950
www.deloitte.pt

Impresa - Sociedade Gestora de Participações Sociais, S.A.
Rua Ribeiro Sanches, 65
1200-787 LISBOA

For the attention of Mr. Paulo de Saldanha

31 March 2011

Dear Sirs,

Please find enclosed a translation to English of our Legal Certification of Accounts and Auditors' Report on the consolidated and separate financial information of Impresa, SGPS, S.A. as of 31 December 2010.

This is a translation of a Legal Certification of Accounts and Auditors' Report originally issued in Portuguese on financial statements prepared in accordance with International Financial Reporting Standards as endorsed by the European Union. In the event of discrepancies, the Portuguese language version prevails.

Yours faithfully,

Deloitte & Associados, SROC S.A.
Represented by António Marques Dias

TE/ln

Encl.

LEGAL CERTIFICATION OF ACCOUNTS AND AUDITOR'S REPORT

(Translation of a report originally issued in Portuguese – Note 28 and 43 to the separate and consolidated financial statements, respectively)

Introduction

1. In compliance with the applicable legislation, we present our Legal Certification of Accounts and Auditor's Report on the consolidated and separate financial information contained in the Directors' Report and consolidated and separate financial statements of Impresa - Sociedade Gestora de Participações Sociais, S.A. ("the Company") for the year ended 31 December 2010, which comprise the consolidated and separate statements of financial position as of 31 December 2010, that presents a total of 484,403,263 Euros and 165,164,129 Euros, respectively, and consolidated and separate equity of 158,842,465 Euros and 122,611,892 Euros, respectively, including consolidated and separate net profit of 10,058,906 Euros and 1,672,835 Euros, respectively, the consolidated and separate statements of comprehensive income, changes in equity and cash flows for the year then ended and the corresponding notes.

Responsibilities

2. The Company's Board of Directors is responsible for: (i) the preparation of separate and consolidated financial statements that present a true and fair view of the separate financial position of the Company and financial position of the Company with the companies included in the consolidation, its consolidated and separate comprehensive income, the consolidated and separate changes in its equity and its consolidated and separate cash flows; (ii) the preparation of historical financial information in accordance with International Financial Reporting Standards as endorsed by the European Union which is complete, true, timely, clear, objective and licit, as required by the Portuguese Securities Market Code; (iii) the adoption of adequate accounting policies and criteria and the maintenance of appropriate systems of internal control and (iv) the disclosure of any relevant fact that has influenced its operations and the operations of the companies included in the consolidation, the financial position and comprehensive income.
3. Our responsibility is to examine the consolidated and separate financial information contained in the documents of accounts referred to above, including verifying that, in all material respects, the information is complete, true, timely, clear, objective and licit, as required by the Portuguese Securities Market Code, and to issue a professional and independent report based on our work.

Scope

4. Our examination was performed in accordance with the Auditing Standards ("*Normas Técnicas e as Directrizes de Revisão/Auditoria*") issued by the Portuguese Institute of Statutory Auditors ("*Ordem dos Revisores Oficiais de Contas*"), which require that the examination be planned and performed with the objective of obtaining reasonable assurance about whether the consolidated and separate financial statements are free of material misstatement. This examination included verifying, on a sample basis, evidence supporting the amounts and disclosures in the consolidated and separate financial statements and assessing the estimates, based on judgments and criteria defined by the Board of Directors, used in their preparation. This examination also included verifying the consolidation procedures used and application of the equity method, and that the financial statements of the companies included in the consolidation have been appropriately examined, assessing the adequacy of the accounting policies used, their uniform application and their disclosure, taking into consideration the circumstances, verifying the applicability of the going concern concept, assessing the adequacy of the overall presentation of the consolidated and separate financial statements and assessing if, in all material respects, the financial information is complete, true, timely, clear, objective and licit. Our examination also included verifying that the financial information included in the Directors' Report is consistent with the consolidated and separate financial statements as well as the verifications established in items 4 and 5 of article 451 of the Commercial Companies Code. We believe that our examination provides a reasonable basis for expressing our opinion.

Opinion

5. In our opinion, the consolidated and separate financial statements referred to in paragraph 1 above, present fairly in all material respects, the consolidated and separate financial position of Impresa - Sociedade Gestora de Participações Sociais, S.A. as of 31 December 2010, its consolidated and separate comprehensive income, the changes in its consolidated and separate equity and its consolidated and separate cash flows for the year then ended, in conformity with International Financial Reporting Standards as endorsed by the European Union and the information contained therein is, in terms of the definitions included in the auditing standards referred to in paragraph 4 above, complete, true, timely, clear, objective and licit.

Report on other legal requirements

6. It is also our opinion that the financial information contained in the Directors' Report is in agreement with the consolidated and separate financial statements for the year and that the report on corporate governance includes the items required in accordance with article 245-A of the Portuguese Securites Market Code.

Lisbon, 14 March 2011

Deloitte & Associados, SROC S.A.
Represented by António Marques Dias

IMPRESA

2010 Social Responsibility Report

IMPRESA
Sociedade Gestora de Participações Sociais, SA.

SOCIAL RESPONSIBILITY

The IMPRESA Group is fully aware of its added social responsibility, since its companies operate mostly in the area of social communication.

Therefore, the Group promotes various initiatives throughout the year, both internally and externally, which express its concern with the community and reflect the values the Group focuses on and favours, such as:

- Development of relations with stakeholders, local communities and society in general;
- Greater investment in human resources, covering the many aspects involved;
- Preservation and defence of the environment.

In this context, various actions were developed in 2010 in the main areas of the Group, providing Society with valuable contributions in different areas:

A. AT AN EXTERNAL LEVEL

1. SOCIAL RESPONSIBILITY

During a year of economic and financial crisis, with negative social consequences, especially regarding unemployment, the IMPRESA Group paid special attention to and encouraged solidarity actions, seeking to cover the entire country.

All our press publications regularly gave space for the promotion of charity initiatives, presented by reliable entities.

Over 2010 SIC also maintained its support to other fields through airtime for public services broadcasting. A total of 104 campaigns were broadcast, covering a total of 13 hours and 21 minutes, representing an increase of 44% in the number of campaigns established. Some of these campaigns were also disseminated through the thematic channels SIC Notícias, SIC Mulher, SIC Radical and SIC K which specialised in campaigns aimed at young people and the environment.

a) SIC ESPERANÇA

In 2010, a year dedicated to the fight against poverty and social exclusion, it was possible to assist over 5,300 people with the 1,273,528 euros raised, thanks to the collaboration of all. Over the year, many projects were developed in this area, which was also the European Year:

1. Solar School Project Edition 2010 - with the 2nd edition of the "Rock in Rio Solar School" Competition with 291 candidatures from 251 schools all over the country. The challenge launched to the schools involved the design of projects

concerned with the environment and social and territorial cohesion. The projects were required to provide solutions to specific and pertinent problems in the community where the school is located, using creativity and innovation as tools for the resolution of social problems through appropriate environmental solutions, in a perspective of sustainability.
This initiative was developed by Rock in Rio and SIC Esperança, ADENE (Energy Agency), with the support of the State Secretariat for Energy and Innovation and the Directorate General for Innovation and Curricular Development (ME) and the Social Security Institute.

2. An adapted minibus for the Friends of Autism Association (AMA), based in Viana do Castelo, was purchased with 22,000 euros donated by Fremantle, derived from the value of unclaimed prizes of the Call TV programmes produced for SIC.

3. A Flower for Madeira was an initiative promoted by SIC to raise funds for the reconstruction of houses hit by the storm which devastated the island in February. 890,309 euros were raised through the involvement of the entire nation and various companies which also contributed to the cause. This sum was donated to the associations ASA and ADBRAVA and is enabling the reconstruction of houses and, in this way, benefiting approximately 1,000 people.

4. Sustainable Attitude Rock in Rio Award - SIC Esperança was a promoter and partner of this innovative award for the purpose of distinguishing people and organisations who have made outstanding efforts to improve the quality of life of the community.

5. Cleaning Up Portugal - this initiative at a national level was embraced by SIC Esperança and by the Human Resources Department of Impresa, which used this opportunity for yet another action to raise awareness and strengthen team spirit.

6. The World Life Style Project, in partnership with SIC Esperança, chose and selected the prestigious brands in Portugal, and raised 45,000 euros through this initiative. This sum was channelled towards three projects selected by SIC Esperança:

   a. Madre Sacramento Foundation: Ergue-te (Get Up) Project. Acquisition of a mobile unit, which will be especially useful for the social intervention team for street prostitutes in the district of Coimbra.
   b. APEXA (Association for Support to Exceptional Persons of the Algarve). "Centre for the Transition into Active Life" Project, whose main objective is the development of autonomy and integration of young people and adults with special needs, so that they may carry out an occupational activity.
   c. Shalom Baptist Association: "Shalom Social Shop" Project, in Setúbal which distributes toys, clothes, footwear and household utensils.

7. Creation and attribution of the 1st SIC Esperança award – Rock in Rio Solar School, of the value of 20,000 euros. This sum came from the 1st Solar School competition (2008) in which over 100 projects competed, presented by institutions of a social character and aimed at improving the living conditions of poor communities, under the theme of the fight against poverty and social exclusion. It was won by an innovative and creative project of the Association for the Social Development of Gondomar aimed at the creation of a community kitchen to support a social canteen, which will be run by volunteers. An honourable mention was also awarded to the Parish Centre of Nossa Senhora da Conceição da Costa da Caparica for the implementation of a social Supermarket.

8. Distribution of 170 blankets for CASA (Support Centre for the Homeless), Matosinhos delegation, purchased with the sum donated by the publishing house Fronteira do Caos to SIC Esperança, derived from part of the revenue from the sale of the book "Aqui Há Pena de Morte" (There is Death Penalty Here), whose subject involves the homeless.

9. Annual volunteer action for the IMPRESA Group - After the vegetable garden of the charity for the homeless, Albergues Noturnos de Lisboa, it was time to support the restoration of the children's park of the Temporary Accommodation Centre of Tercena, which involved double the number of volunteers of the previous year. The sum required to purchase the raw material came from unclaimed prizes.

10. Restoration and equipment of the Acreditar building in Funchal, damaged by the February storms, with a sum offered to SIC Esperança by Mediagolf, arising from a percentage of the enrolment in the Expresso/BPI golf tournament.

11. In 2010, the Esperança Christmas Gala raised 229,948 euros which were channelled by SIC Esperança to six projects fighting against poverty and social exclusion, country-wide, namely:

    - Education Centre for Disabled Citizens of Mira Sintra: acquisition of a minibus.
    - Santo Adrião Cultural and Social Centre in Braga: acquisition of electrical domestic appliances and security equipment for the emergency social support office.
    - House of the Boys and Workshops of S. José in Viana do Castelo: refurbishment of the pantry, kitchen and laundry facilities.
    - Cais: creation of a laundry for the homeless in Lisbon and Porto.
    - Home for the Elderly Nossa Senhora do Acolhimento in Porto and the Vigilante in Amadora: improvement of the security conditions and comfort of the residences for adolescent mothers.

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12. For its Christmas action, SIC Esperança and the Human Resources Department proposed to the Group's workers that they offer hygiene articles, to be delivered to CASA (Support Centre for the Homeless). The articles collected by the Porto delegation were donated to the Matosinhos section of CASA.

Other Actions:

At the same time, SIC Esperança developed other occasional actions to respond to pressing social issues:

1. In 2010, SIC Esperança maintained its association with the construction of a house for refugee children of the CPR (Portuguese Refugee Council), through the sale of the Swatch Caçula watch - A House for the World. The first stone was laid in November.

2. In partnership with the OMYS Group, SIC Esperança took 15 children of the Temporary Accommodation Centre of Tercena to the Benfica/Paços de Ferreira football match. This initiative will continue over 2011.

3. In partnership with Impresa Publishing, summer kits of the brands Caras and FHM were distributed. These kits were composed of T-shirts, Beach Sandals and Beach Towels and were given to 6 associations of young people in Lisbon and Porto.

4. Offer of an Antivirus - Panda Security Portugal offered 104 subscriptions, valid for 1 year of "Panda Internet Security 2010" to SIC Esperança. SIC Esperança channelled this offer to over 50 institutions listed in its database.

5. SIC Esperança was the social partner of Coolgift in the Solidarity Present project, which consists of direct assistance, expressed in a monetary value, to national charity institutions.

6. Using sums derived from various actions, SIC Esperança financed the equipment of the kitchen of the home for the elderly of Caritas in Vila Viçosa, the Awaken the Mind project of Nossa Sra. da Luz Social Centre and the acquisition of central heating based on renewable energy for the Boa Vontade Homes.

Future Activities:

2011 will be dedicated to Education. School support actions are being planned for young people at risk as well as activities in Senior Citizen Universities, both with a strong component of voluntary work.

b) CHRISTMAS PROJECT

As in 2009, in 2010 Expresso and SIC developed a Christmas social solidarity action in partnership with the Vodafone Foundation to support D. Estefânia Hospital under the motto "A greener Christmas".

We challenged D. Estefânia Hospital to present us with a need under this theme so that we could support a specific cause. This lead to the decision to support the renovation of the Hospital corridors which involved, among other things, the placement of new windows to improve the comfort of the Hospital and, at the same time, save lots of energy.

The idea behind this initiative, in addition to supporting this cause, was to inspire in young children the true spirit of Christmas and make them more aware of the importance of the preservation of biodiversity and natural ecosystems.

The main objectives of this joint initiative were the:

- Creation of a moment of daily entertainment in SIC programming, through the reading of a Christmas tale, enhancing the action and thus its results.
- Sale of a book (with stories read on SIC) and a CD (with the theme tune of the action and story-telling) with Expresso at a symbolic retail price (€1 each).
- Fund raising for this cause of D. Estefânia Hospital. All the revenue gained from the sale of these products will revert to the renovation of the Hospital corridors.

The SIC personalities involved in this action were: Henrique Gil, Raquel Strada, Rui Porto Nunes, José Figueiras, Vanessa Oliveira, Nuno Graciano, Ana Marques, Mário Daniel, Ana Rita Clara and Rita Andrade. The theme tune of this initiative was performed by André Sardet and the preface of the book was written by Luísa Schmidt.

2. ENVIRONMENT AND SUSTAINABILITY

For many years, the media of the IMPRESA Group have been pioneers in the publicising of problems related to the environment and the search for solutions to resolve them. In 2010, this cause pursued:

a) Thematic Months

During 2010, the Expresso once again devoted some months of the year to current themes, considered to be of great importance for contemporary society. Hence:

April – Was the month dedicated to Sustainability. In addition to an editorial approach to this subject, together with Banco Espírito Santo, the visit of Ian Goldin, director of the James Martin 21st Century School of the University of Oxford, a former adviser of Nelson Mandela and former deputy chairman of the World Bank was promoted, to participate in a lunch-conference on the subject. *Systemic Change in the 21st Century: impacts and role of Biodiversity*. The Sustainable Future programme endeavoured to contribute to a broad dissemination of the different dimensions of sustainable development, placing it on the agenda of the media and public during the month of April. We thus aimed to contribute to valorising and stimulating the debate on the themes of sustainability and social responsibility.

September – Was considered the month of the Environment in the Expresso. Therefore, and in partnership with EDP, we published reports and articles on the most important environmental questions, and also promoted various initiatives linked to nature. One such initiative was the free distribution of recycling bags with the motto: Get involved. Recycle. Nature thanks you.

November – Was the month dedicated to Savings. "The art of good management of your money" was a joint initiative of the Expresso and Caixa Geral de Depósitos which aimed to help the Portuguese towards better management, saving and investment of their financial resources. Over this month, articles were published on the theme, developed in a *web conference* with the participation of Luís Cabral, Professor of Economics and Dean of the New York Centre of the IESE Business School, as well as the offer of a Manual with practical advice and useful financial information.

b) Visão Verde

After having dedicated a number to the forests in 2007, another to the oceans in 2008, a third edition to the cities in 2009, in 2010 the edition focused on what is, in reality, determinant: people and everyone who makes an effort for the future to exist.
"We, green citizens", was the central theme of this, yet another, special number. An edition where the stars are the citizens who are dedicated to the defence of the environment and to the promotion of a sustainable model of society. This edition revealed numerous stories of people who have something to tell us in this area, many of the things which are current among us nowadays, in order to reduce the negative impacts of human activity on the health of the planet.
There was also a special edition of Visão Sete, with a green guide of biological markets and ecological shops.
As happened in 2009, a low consumption light bulb was offered in partnership with EDP. More than just an environmentally friendly product, energy saving light bulbs continue to be a true emblem. The symbol of a good idea, in the new paths we tread, looking at the environment in a different and concerned manner, adopting sustainable consumption patterns.

c) Visão Visual Encyclopaedia

2010 was the year chosen as the International Year of Biodiversity, through the decision of the General Meeting of the United Nations.
Visão, once again, was in the frontline of the defence of biodiversity and the environment, with the launch of an animal encyclopaedia for all ages right in the beginning of 2010, as the best way to raise awareness among everyone, from the youngest to the oldest, on the importance of defending the different natural habitats of the Earth and on the need to preserve a vast number of species under the threat of extinction.

Visão launched four books of 64 pages each, with many spectacular photographs, other illustrations and computer graphics, dedicated to mammals (7th January 2010), to birds (14th), to fish and amphibians (21st) and to reptiles and invertebrates (28th).

d) Field Guide for B Day

On 20th May 2010, Visão launched the "Field Guide for B Day", priced at 3.90€, included under the International Year of Biodiversity and in association with the Bioevents 2010 programme and the Field Guide project, a partnership between the Environmental Biology Centre and the National Museum of Natural History, to publicise issues on Biodiversity.
The objective of this action was to portray the extraordinary biodiversity existing in Portugal, one of the richest and most diversified of Europe, in terms of fauna and flora. Portugal is, indeed a fact unknown to many, one of the world's hotspots of biodiversity, and is part of one of the 34 areas of greatest biological richness in the entire Planet.
Composed of 136 pages, this guide was written to be accessible and easy to use, with its main objective being the awakening of public interest on the theme of Biodiversity. A group of common species which are easy to observe are represented in this Field Guide, which enables the identification of 218 animals and plants of widespread distribution in Portugal.

e) SIC CAMPAIGNS

Also on SIC, the environment continued to be highlighted through the Clean Up Portugal civil society campaigns and the World Wildlife Fund's Earth Hour campaign. Note should also be made to the continued support of SIC Notícias to the Green Project Awards and Green Festival projects which distinguish and stimulate the best things done in Portuguese society. SIC K kicked off its association to campaigns by developing a special day, the green day on 5th June, World Environment Day.

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3. CULTURE

Support to all types of culture is another constant feature of the media of the IMPRESA Group, whether through the dissemination of contents and the importance they are attributed, or through other means:

a) SUPPORT TO SHOWS AND OTHER CULTURAL INITIATIVES

In the area of musical and cultural performances, the SIC Group has supported a total of approximately 109 events related to music, the performing arts or culture, representing an increase of 18% compared with 2009. In most of its support, the SIC brand was present at the places of the events so as to cultivate greater proximity. The partnership with the National Cultural Centre was also maintained and the usual support was given to the publicising of non-profit making cultural events of Santa Casa da Misericórdia de Lisboa as well as other cultural initiatives.

b) SPECIAL CONDITIONS FOR ADVERTISING

Culture and the Performing Arts benefit from a 50% discount in advertising prices.

c) READING/CULTURAL INCENTIVES

Several initiatives were launched for the purpose of stimulating interest in reading, writing, photography and history in our younger (and other) citizens:

- Collection of 10 centuries 10 stories – In October 2010, the Expresso launched the collection "Expresso Younger Children - 10 Centuries 10 Stories" to encourage younger children to learn about the History of Portugal. A collection of 10 books + 10 free CDs. Each book, one century. Amusing stories over the 10 most important episodes of the History of Portugal, from the country foundation by D. Afonso Henriques until the arrival of the euro. This collection was preceded by the offer of a chronological ruler, a useful piece/tool to enable younger children to learn, in an entertaining manner, about some of the main events of the History of Portugal.

- Great Composers - During the year when we commemorated the 200th anniversary of the birth of Chopin, it made perfect sense for the Expresso to launch a collection for younger children to encourage a taste for and knowledge of Classical Music.
  The "Great Composers" Collection was composed of 6 volumes, each dedicated to one of the following composers: Chopin, Beethoven, Mozart, Tchaikovsky, Vivaldi and Verdi. Each book presented the biography of the composer and various games and a quiz to test their understanding of the story, as well as the offer of a CD with several excerpts of works of the respective composer, selected to take into account the target group.

In order to launch this initiative, which was supported by the sponsorship of Millennium BCP, the Expresso promoted a concert for children performed by children, to further encourage a taste for classical music and its understanding among younger children, with the Generation Orchestra, an orchestra based on a project started in Venezuela which aimed at the rehabilitation of young people from problematic districts.

- Braille Editions - The Braille editions, started in 2005 with the magazine Visão, were extended in 2006 to the magazines Visão Júnior and Activa, and maintained in 2007, 2008, 2009 and 2010 due to the success of the initiative.

- Portuguese speaking Authors Collection **-** On 4th February 2010, the magazine Visão launched its 1st series of the "Autores Lusofónos" collection, composed of six books of some of the most talented and distinguished authors of Portuguese-speaking countries. Angola, Mozambique, Guinea Bissau, Brazil, Cape Verde and Portugal are the countries of origin of the authors who, through the Portuguese language, bring together three continents separated by distance.
  The first book was by the author Mia Couto with the novel "A Varanda de Frangipani" (Under the Frangipani). This author was followed by Pepetela, Chico Buarque, Germano de Almeida, Filinto Barros and José Cardoso Pires. In view of the success achieved with the first collection, on 6th May 2010, the magazine Visão launched a second series of the collection, with a further six titles, by authors such as Jorge Amado, José Eduardo Agualusa, Lídia Jorge; Ondjaki; João Paulo Borges Coelho and Luís Cardoso. Each book was sold for the symbolic price of one euro.

- Commemoration of 100 years of the Republic - On 30th September 2010, Visão offered a re-edition of the newspaper "A Capital" of 5th October 1910. An original document which is part of history.

- Book "O Ensino do Português" (The Teaching of Portuguese) **-** The mission of the Francisco Manuel dos Santos Foundation, chaired by Professor António Barreto, is to promote and deepen knowledge on the Portuguese reality, seeking in this way to stimulate as many citizens as possible to participate in the debate and resolution of major national problems.
  It was in this context that Visão and Jornal de Letras launched the 1st Book of the Collection of Essays of the Foundation. Presenting the points of view of the authors on themes on Portuguese reality, the main objective of this collection can be summarised in a few words: thinking freely.
  The Collection will launch a new Essay every month, where the first book "The teaching of Portuguese", by Maria do Carmo Vieira, may be bought firsthand, with the edition of Visão, on 17th June for an additional € 3.15.

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4. CITIZENSHIP

Citizenship may be exercised through the most diverse forms and the media of the IMPRESA Group contributed, in 2010, to the publicising of voices and interests of different types and origins.

a) LOCAL SCOPE

- In the perspective of involvement with the community, SIC maintained, for the second consecutive year, its representation in the Advisory Board of the Group of Schools of Miraflores and Carnaxide.

- The CEO of Impresa, Dr. Francisco Pinto Balsemão, is a member of the Advisory Board of the Marquês de Pombal Foundation, in whose activities the Director of Institutional Relations of Impresa has also participated.

b) NATIONAL SCOPE (MADEIRA STORMS)

- By buying the Visão edition of 25th February 2010, the readers contributed with 0.50 euro towards the reconstruction of the Island of Madeira. The tragic storms which devastated this autonomous region on 20 February 2010, left destruction in its wake in various parts of the island, with dozens dead, hundreds homeless, and the loss of material wealth and local heritage.

5. INSTITUTIONAL INITIATIVES

As an institution itself, the IMPRESA Group has assumed its fair share of responsibility, seeking to promote and distinguish persons and institutions, and call attention through alternative channels to major current affairs.

EXPRESSO

- Pessoa Award. Launched in 1987, this is one of the most important awards in our country, attributed every year to a Portuguese personality with relevant intervention in scientific, artistic or literary life.
  The Selection Board is composed of Francisco Pinto Balsemão (Chairman), Fernando Faria de Oliveira (Deputy Chairman), António Barreto, Clara Ferreira Alves, Diogo Lucena, Eduardo Souto de Moura, João José Fraústo da Silva, João Lobo Antunes, José Luís Porfírio, Maria de Sousa, Mário Soares, Miguel Veiga, Rui Magalhães Baião and Rui Vieira Nery.
  In 2010, the Award of the value of 60,000 euros was attributed to Prof. Maria do Carmo Fonseca, a graduate of Medicine and with a PhD in Cellular Biology from Lisbon University. She is a full professor of Cellular and Molecular Biology at the Faculty of Medicine of Lisbon University and Executive Director of the Molecular Medicine Institute. The Award will be given by the President of the Republic at a ceremony to be held in 2011.
  Caixa Geral de Depósitos is a partner for this Award.

- Primus Inter Pares Award. Launched in 2004 in partnership with Banco Santander Totta, its objective is to contribute to the development of a culture of rigour, professionalism and excellence in business management, through the granting of privileged complementary, academic training opportunities, international and national, to three final year students of the Master's Course, following a licentiate degree in Business Management, Economics or Engineering, from Portuguese Universities, Higher Education Schools or Institutes which award this degree, selected each year by the selection board as the very best.
  The Selection Board is composed of Francisco Pinto Balsemão (Chairman), Nuno Amado (Deputy Chairman), António Borges, António Vitorino, Amândio da Fonseca and Estela Barbot.
  The winner of the 7th edition was Gonçalo Videira, final year student of the Management/Strategy and Entrepreneurism course of Universidade Católica Portuguesa.

- Branquinho da Fonseca Award. Organised in partnership with the Calouste Gulbenkian Foundation, the objective of this biennial award, of the value of 5,000 euros and with the guaranteed publication of the winning works, is to encourage the emergence of young writers and authors of literature for children and young people.
  The Selection Board is composed of Ana Maria Magalhães, Inês Pedrosa, Fernando Madrinha, José António Gomes and Maria Helena Melim Borges.

- Green Ideas Award. Launched in 1999 and in partnership with Central de Cervejas, the objective of this award is to distinguish an innovative and useful project for Portuguese society in the environmental area in the following categories: Food and Sustainable Nutrition, Environmental Education and Awareness-Raising, Energy, Mobility and Urbanism and Oceans.
  The Selection Board is composed of Francisco Pinto Balsemão (Chairman), Alberto da Ponte (Deputy Chairman), Alberto Galvão Teles, Carlos Pimenta, Joana Correia da Silva, Luísa Schmidt, Margarida Castro and Maria da Graça Saraiva.
  The award, of the value of 50,000 euros, was attributed in 2010 to the "Scientists on Foot" project by David Marçal and "Let's Build a City" project by Eugénio Sena, which focus precisely on environmental awareness-raising aimed at schools, through very innovative processes.

VISÃO

- EDP / Visão / Richard Branson Innovation Award
  Since 2008, in partnership with the magazine Exame, EDP and Sir Richard Branson, Visão offers the Richard Branson Innovation Award, for the purpose of finding new entrepreneurs with innovative ideas in the area of "clean energy". The winner receives 50,000 euros to start up his business project.
  In 2010, the award-giving ceremony was presented by the SIC journalist Andreia Vale and included the participation of António de Almeida, chairman of the Supervisory Board of EDP, Pedro Norton, deputy chairman of Impresa, Carlos Zorrinho, secretary of State for Energy and Innovation, and António Vidigal,

chairman of EDP Inovação. The Selection Board, as was the case last year, was chaired by the English businessman Richard Branson, who was given the difficult task of choosing the winner between the two finalists, after a first selection which included 37 projects.
Filipe Casimiro, 24 years old, and Francisco Duarte, 26, were the winners with the project Waynergie.

ACTIVA

- Activa Woman Award. Created in 2001, the objective of the Activa Woman Award has always been to disseminate and promote the work, so often hidden in anonymity, of women who, thanks to their talent, effort and dedication contribute to a better life for us all.
  Up to date, the Award has achieved its objective: the recognition of the civic and social work of many women. Over these past 10 years, this Award has distinguished 100 women for their notable work in the most diverse areas. These women are researchers, scientists, businesswomen, artists or devoted to social causes, who fight for a better world, where women play an active role.
  The nominations are made by institutions, universities, foundations and other entities. The Selection Board is composed of prestigious personalities: Padre António Vaz Pinto, Bárbara Guimarães, Prof. Dr. Gentil Martins, Mercedes Balsemão, Maria da Glória Garcia, Maria José Ritta, Manuela Eanes, António Pires de Lima and Clara Marques.
  The 2010 edition attributed 5 awards. The first award, of the value of 30,000 euros, was attributed to Maria do Rosário Líbano Monteiro, of Estoril Parish Centre, and the rest of the awards, of the value of 5,000 euros each, were attributed to Margarida Amaral of the Faculty of Science of Lisbon University, Emília Maria Ferreira Agostinho, of the "A Nossa Âncora" Association, Joana Santiago, of BIPP (Parent-to-Parent Information Pool) and Sandra Paula Duarte Cardoso, of SOS Animal.

EXAME

- The 500 Largest and Best Companies. For the past 21 years, consecutively, the magazine Exame has distinguished the best companies among the largest companies operating in Portugal. This special edition of Exame is the most reliable guide of the Portuguese business universe, and already constitutes a reference. The study on which this edition is based is carried out exclusively for Exame by Informa D&B and validated by Deloitte. In addition to the ranking of the 500 best companies, ordered by turnover, the best company in each of the 23 business sectors analysed is selected, as well as the Company of the Year. Upon the indication of the executive search consultancy company Amrop, Belmiro de Azevedo was distinguished with the Excellence in Leadership Award.
  The Company of the Year of 2010 was Otis.

- The Best Banks and Insurers. The choice of the best financial institutions was portrayed in a thematic dossier of the magazine Exame which was made autonomous in 2010, and now comprises a specific supplement and an event. The study on which this edition is based is carried out exclusively for Exame by Deloitte, where Informa D&B is responsible for the data collection. Added to these distinctions is the choice of the "Excellence in Leadership Award", indicated by the executive search company Amrop.

  The Best Large Bank of 2010 was Santander Totta. Banco BIG was distinguished as the Best Small and Medium-Sized Bank.In the insurance sector, awards were given to Ocidental (Best Large Life Insurer), Groupama (Best Small and Medium-Sized Life Insurer), Zurich (Best Large Non-Life Insurer) and CA Seguros (Best Small and Medium-Sized Non-Life Insurer).
  Commander Horácio Roque was posthumously distinguished with the Excellence in Leadership Award.

- The 1000 Largest SMEs. In this partnership with Caixa Geral de Depósitos, the winning companies are selected through a study carried out exclusively for the magazine EXAME by Informa D&B, with the results being validated by Deloitte. Exame has published the ranking of the 1,000 Largest SMEs, in a special dossier, for 13 consecutive years, and also selects the best SME in each of the 21 sectors considered, as well as the best of the best.
  The SME distinguished in 2010 was Ilhapor.

- Best Companies to Work for in Portugal. The magazine Exame was a pioneer at a European level by introducing a corporate environment study in 2000, in order to evaluate companies operating in Portugal relative to their level of commitment to their employees and practices regarding selection, talent retention and motivation. For the edition relative to 2010, the study was carried out in partnership with the consultancy company Accenture.
  The winning company in 2010 was Remax.

AUTOSPORT and VOLANTE

- "Car of the Year - Crystal Trophy". An initiative of great credibility due to the recognised competence of the members of the selection board, composed of journalists from several specialised publications, and with the high participation of brands and pilots.
  The 2011 Car of the Year was the Ford C-Max.

- "Green Volante" - Initially a heading in the magazine AutoSport and subsequently in the magazine Volante, the Green Volante concept has become a category of the "Car of the Year - Crystal Wheel Trophy". The entity organising the "Car of the Year/Crystal Trophy" decided to institute this prize to award the most effective and innovative happening of the year, in the area of environmental protection and sustainable individual mobility, in all their aspects.
  The winner of the "Green Volante" was the Nissan Leaf.

EXAME INFORMÁTICA

- “Exame Informática Awards”. The objective of the Exame Informática Awards, which are now in their 4th edition, is to distinguish the most outstanding people and enterprises in the area of Information and Communication Technologies. Among the various awards, especially noteworthy is the "Personality of the Year Award", where the choice is the responsibility of a selection board composed of renowned personalities in the area of Information and Communication Technologies, which decided to distinguish Dr. Leonor Beleza.

CONFERENCES

Portugal under Exame – For the sixth consecutive year, the Conference organised by the magazine Exame was held, in 2010, with the theme "Discovering of the best path. Portugal and the future: from deficits to development", where numerous business people, economists and managers reflected on the future of the country.

Sustainable Future – In the context of the month dedicated to Sustainability (April), the Expresso, together with Banco Espírito Santo, brought Ian Goldin, director of the James Martin 21st Century School of the University of Oxford, a former adviser of Nelson Mandela and former deputy chairman of the World Bank, to Portugal to participate in a lunch-conference on the subject: *Systemic Change in the 21st Century: impacts and role of Biodiversity*. This event was held in the Hotel Ritz.

TV of the Future - On 8th July 2010, the Expresso held a major conference on Television. Two key note speakers participated, Bill Foster, of FuturesourceConsulting and Gavin Mann, of Accenture, where these specialists brought us valuable insights with their visions on the future of TV. Speakers such as Zeinal Bava, Rodrigo Costa, António Coimbra, Luís Marques, amongst others, also participated in this event.

Portugal and the Sea: our focus for the twenty-first century - On 21st October 2010, the Expresso, in partnership with Caixa Geral de Depósitos, held a Conference at Hotel The Oitavos, in Cascais, entitled "Portugal and the Sea: our focus in the twenty-first century". Various topics related to the different activities linked to the sea were debated and discussed, from the most traditional (fishing, tourism, ship repair, ports, freight forwarding, maritime trade) to the most innovative (development of prototypes to investigate the bottom of the sea, use of sea beds for the production of energy or pharmaceutical or beauty products, oil exploration, etc.). Moderated by Nicolau Santos and Ricardo Costa, Deputy Directors of the Expresso, this event included a panel of highly distinguished national and international speakers and the participation, in the opening session, of the President of the Republic and European Commissioner of Maritime Affairs and Fisheries, Maria Damanaki, in the closing session.

Tablets, a new communication era – On 23rd November 2010, a meeting was held at Pavilhão Atlântico, in Lisbon, promoted by the newspaper Expresso, with the support of Exame Informática, on “Tablets”. The event provided speakers from the IMPRESA Group, Innovagency, The Times, Vodafone, the Leya Group, Samsung, BBDO, El País

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and the Secretary of State for Energy and Innovation, Carlos Zorrinho. Vodafone and Samsung sponsored the event.

Web Conference "The art of good money management" – In the context of the Saving's Month, the Expresso and Caixa Geral de Depósitos promoted an online conference on the Expresso site with the Professor of Economics and Dean of the New York Centre of the ESE Business School, Professor Luís Cabral moderated by Nicolau Santos. This conference sought to teach the Portuguese how to manage, save and invest their financial resources.

Lunch / Conference presenting the GREEN edition on the theme of Biodiversity and presenting the WWF Biannual *Living Planet* Report - The event took place during a lunch at a Lisbon hotel and included speeches by Francisco Pinto Balsemão, CEO of the IMPRESA Group (which owns Visão), and Dulce Pássaro, Minister of the Environment and Territorial Planning.

António Mexia, CEO of EDP, used the occasion to present Kakuma, a renewable energy project in a refugee camp in Kenya, while Paolo Lombardi, director of Mediterranean WWF (World Wildlife Fund), disseminated the WWF biennial Living Planet report, which outlines the "ecological footprint" of different countries. Portugal, as is naturally evident, was worthy of a special regard and place.
The guests included various leading personalities of this green edition: from Viriato Soromenho-Marques, former chairman of Quercus, to David Marçal, of the Scientists on Foot, to the actress Sandra Cóias, an environmental activist and one of the notable figures of our dossier of people who are dedicated to ecological causes - and who were portrayed on the front page of this special number.

Mid-Day Expresso Conferences – Over 2010, the Expresso organised a series of events under the format of Mid-Day Expresso. With the objective of promoting a debate on crucial topics for Portuguese society, the Expresso has developed these conferences (without assistance) which gathers 6 specialists in a particular area who discuss subjects of a previously defined agenda. Moderated by Nicolau Santos, these events were widely covered by the media, both on the Expresso website and in Expresso first or business supplement. The Mid-Day Expresso Conference was held on the following topics:

- Cities of the Future, March, sponsored by Siemens
- Banking, May, sponsored by Accenture
- Taxation, July, sponsored by Abreu Advogados
- Urban Rehabilitation, September, sponsored by CGD
- Social Economics, October, sponsored by Montepio
- The Fuel Market, November, sponsored by APETRO
- Prosperity in Portugal, December, sponsored by Vodafone

GLOBAL MANAGEMENT CHALLENGE

Pursued with great success in 2010, this Portuguese initiative was launched over 30 years ago under a partnership between Expresso and SDG – Simuladores e Modelos de Gestão, and is currently implemented in 34 countries distributed over the five continents, which has already involved the participation of 400 thousand people, including university students and corporate staff members.

The Portuguese final was held in November in Lisbon, and was won by the Barclays team.

The international final will be held in April 2011.

6. Relations with Stakeholders

The IMPRESA Group has a consolidated presence in the various regulating and self-regulating bodies of which it is a member, which allows it to actively participate in decisions of interest to its activity. This positioning continued to be affirmed over 2010, through its participation in the debate and proposal of alternatives to the draft legislation, directives and/or rules that the Government and other entities, at a national and European level, presented for public consultation, aimed at the activity of the media.

During 2010, the IMPRESA Group maintained and/or reinforced its presence in the governing bodies of the following associations:

- AIP/CE – Associação Industrial Portuguesa/Confederação Empresarial (Portuguese Industrial Association/Corporate Confederation) – Deputy Chairman of the Board of Directors
- APCT – Associação Portuguesa para o Controlo de Tiragem e Circulação (Portuguese Edition and Circulation Control Association) – Deputy Chairman of the Board of Directors
- API – Associação Portuguesa de Imprensa (Portuguese Press Association) – Chairman of the Board of Directors
- CCPJ – Comissão da Carteira Profissional de Jornalista (Professional Journalist Certification Commission) – Executive Secretary
- CPMCS – Confederação Portuguesa dos Meios de Comunicação Social (Portuguese Media Confederation) – Chairman of the Board of Directors and Deputy Chairman of the General Meeting
- ERC – Entidade Reguladora para a Comunicação Social (Media Regulatory Entity) – Advisory Board
- ICAP – Instituto Civil da Autodisciplina da Publicidade (Civil Advertising Self-Regulation Institute) – Deputy Chairman of the General Meeting – Supervisory Board

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- MAPINET – Supervisory Board
- OBERCOM – Observatório da Comunicação (Communication Observatory) – Governing Board
- NP – Noticias de Portugal (News from Portugal) – Deputy Chairman of the Board of Directors
- VISAPRESS – Board of Directors

In each of these associations, as well as before the Government, Parliamentary Groups, European Commission and members of the European Parliament, the different interventions were always guided by the defence of freedom of information and the feasibility of media companies:

a) <u>Before the Government, Parliamentary Groups and other Entities</u>

Debates were held on the Television Law, AVMS Directive, proposed amendment of the Cinema Law, Terrestrial Digital Television, Digital Dividend and Private Copy Law. Negotiations were held and finally ensured that VAT at 23% would not be applied to specialised publications. Discussions were initiated on criteria for the new classification of different types of press.

b) <u>In the different organisations:</u>

<u>APCT – Associação Portuguesa para o Controlo de Tiragem e Circulação (Portuguese Edition and Circulation Control Association)</u>

- In partnership with the analogous entity in Spain - Oficina de Justificación de la Difusión (OJD) and Marktest, a tripartite agreement was prepared for the collection and certification of data relative to sales and subscriptions on new platforms, as well as online circulation.
- Companies were selected for the creation of a new site and redesign of the logo.
- Audits were reinforced.
- Amendments were made to the Regulation to control online circulation.

<u>API – Associação Portuguesa de Imprensa (Portuguese Press Association)</u>

- The new governing bodies of the Association were elected.
- Journalists Collective Wage Agreement (CCT) was concluded in July.
- The National Press Day was held in Santarém, with the theme "Press under Change: Management for Success", with the presence of the Minister for Parliamentary Affairs.
- Two workshops were held on the new CCT for Journalists, one in Lisbon and the other in Coimbra.

- A protocol was signed with the National Library on the digitalisation of the Press, under which subsequent conversations were developed on the new Legal Deposit law, with the expected possibility of a Digital Legal Deposit.
- 50 Years - The Association began the commemorations with a dinner at Lisbon City Hall and launched a commemorative newspaper of this event.
- The Association now participates in the PASC Movement (Platform of Civil Society Associations.
- Contacts were resumed for closer cooperation with the Directorate General for the Consumer and with Infarmed.
- The Association signed a protocol with the Mission for Mental Health Unit.
- The Association became a member of the Portuguese Council of Printpower and participated in providing support to an awareness-raising campaign for advertisers on the use of paper formats.
- The Association supported the awareness-raising action "Great C", promoted by AGECOP in elementary and secondary schools, as partners of the project, being part of the Supervisory Committee, participating in the selection board of the work of the media category and publicising information and elements promoting the competition through its members.
- The Association negotiated with the Government and Assembly of the Republic to maintain VAT at the lower rate. For this reason, work was also started on the implementation of a Press classification system.
- The Association, in the context of Government consultation on the II National Plan against trafficking in Human Beings 2011-2013, developed information actions in Parliament aimed at ensuring that related matters with restrictions to advertising should not be placed under this plan. The Association accepted the invitation to join the entities which will supervise the implementation of some of the measures of this plan (which was approved in January 2011) regarding awareness-raising among the public and the training of journalists.

CCPJ (Professional Journalist Certification Commission)

- Follow-up of the cases distributed to the Disciplinary Committee and to the Arbitration Committee.
- Discussion of the Professional and Curricular Internship Regulation.
- Conclusion of the new database with emission software and renewal of professional titles by the actual interested parties.
- Collaboration with the Supreme Court of Justice in the seminar on "Bridges between Justice and the Media".

CPMS (Portuguese Media Confederation)

- At the beginning of 2010, the Board of Directors presented the Government and different Parties with seats in the Assembly of the Republic with a proposal on the granting of Tax and Financial Incentives to the Media Industry.
- Regarding its strategic action, the Board of Directors defined two priority areas:

  - **Terrestrial Digital Television (TDT)** - The Board of Directors extended its action after the decision of the Administrations of the three televisions to undersign a Joint Statement entrusting the Confederation to represent them and contact all the entities involved in the implementation of TDT.
    In this context, meetings were promoted with the Administration of ANACOM, the Government, namely the Minister of Parliamentary Affairs, PT and ERC.
    The Digital Dividend was also addressed, defending that the interest of the public and of the entire Media Industry should not be harmed in favour of other interests.

  - **Review of the Articles of Association -** A Draft Review was drawn up which was submitted to all the members of the Association in order to obtain opinions and suggestions. However, it was not possible to reach a consensus, in view of the new strategies of realignment of the major Portuguese media groups which might arise in the near future.
    The representative of SIC, in the working party, admitted, however, that this review might take place in 2011 and defended that the current Board of Directors of CPMCS should continue in office for another year, conducting delicate dossiers such as TDT and the review of the Articles of Association, when opportune.
  - Another topic which required more permanent supervisory action was the transposition into national law of the AVMS Directive and consequent review of the Television Law.
  - The Confederation also maintained ongoing contacts with various bodies, in order to defend the interests of its members:
    - Ministry of Culture - Review of the Private Copy Law and future Cinema Law.
    - Directorate General for the Consumer - Discussion on the future Review of the Consumer Directive. Advertising for Courses and Real Estate.
    - QREN - Possibility of access to funds
    - CMVM - Implications of the Market Abuse Directive on journalist activity.

MAPINET (Internet Civic Movement for Anti-Piracy)

- During this first year, contacts and agreements were developed with portals and Internet Service Providers (ISPs) for the purpose of combating sites involved in the piracy of contents.
- While it is well known just how difficult it is to combat, some significance is gained from the denouncement of 103 websites. The easy manner in which the pirates, when dislodged, install themselves in other countries, where copyright protection laws either do not exist or are softer, makes this a never-ending mission.
- The collaboration agreements with Sapo and eight other ISPs greatly contributed to the results achieved in this first year.

OBERCOM (Media Observatory)

- The identification and creation of partnerships with various entities were intensified, involving members, universities and research centres, national and international, as well as companies, one of the main objectives of the strategy of the Board of Directors.

- Production of the Annual Media and Communication Report and the Communication and Media Barometer: trends 2010.
  Regarding the Annual Media and Communication Report, the objective was that this publication should present not only statistical information on the different sectors under analysis, but also various analytical summaries of the main characteristics of the sectors in 2010.
  The other annual publication of OberCom – Comunicação e Media: trends 2010 - was also carried out through an electronic platform on the Internet. Questionnaires were issued to persons holding senior management positions in Media companies/Groups, to key players in Advertising/Marketing in the Media and Communication Sector and senior management staff in the Telecommunications sector.

- Information was collected and the survey of the use of the Internet was produced, supported by UMIC, which also permitted the continued presence of Obercom in the WIP (World Internet Project) network and the production of the Report "The Internet in Portugal 2010".
- Continuity was given to the collaboration protocol with Barcelona Open University (UAB), as the entity responsible for the Portuguese version of the Portal InCom, which provides major dissemination, being widely accepted by the academic population worldwide, especially in Spain and Latin America.

- OberCom publications and the magazine Observatório (OBS*)
  - Flash Reports (FR), as well as the implementation, growth and recognition of the magazine Observatório (OBS*), were the specific activities under the policy of research and dissemination of activities that OberCom has initiated among its members and the wider public, especially the academic and corporate public.
  - The regular publication of 5 Minutes of Media Management (5M3) was maintained, which are summary documents and reviews of articles exclusively on Media Management.
  - The publication of a new quarterly product was initiated, entitled "MEDIATRENDS" which aims to capture new trends and practices, global and national, concerning the consumption, production and distribution of media. This product focuses exclusively on areas of action of the members of OberCom.

<u>VISAPRESS (Content Management Cooperative)</u>

- Constituted in September 2009, the Cooperative VISAPRESS - Gestão de Conteúdos dos Media, CRL, due to legalisation problems, only started up its activity in January 2010, where the following should be noted:
  - Preparation of the Internal Regulation relative to the Model of Collection, Distribution and Division of Remunerations, as well as the License for the clipping activity and Communication Agencies.
  - Creation of a site and other communication formats.
  - Communication campaign - Initially planned for July, the campaign was transferred to August, when it started in the 2nd week, covering the placement of advertisements of an entire page or half a page, in national and regional newspapers and magazines.
  - Commercial activity - licensing - in view of the nature of the activities in this area, VISAPRESS was presented to entities which constitute potential customers and/or partners:
    - Clipping companies;
    - Communication Agencies.
  - New areas of activity / management of accesses to digital contents **-** The usefulness/need of VISAPRESS to acquire technology capable of enabling access to contents in digital format has been highlighted by the fact that this point is referred to by the actual companies in the clipping area, such as communication. In other words, the possibility of VISAPRESS providing a platform to enable the direct access of licensed entities to contents in digital format is a benefit which is recognised as such by its actual potential users.

ANACOM (Telecommunications Regulator)

Participation in the meetings of the Advisory Board of ICP/ANACOM, with the observer status (SIC).

APAN (Portuguese Advertisers Association)

Participation in the working party of the Board of Directors of the Media Smart project developed and promoted by APAN. The main objective of the Media Smart project is the promotion of literacy in advertising and is directed at schools, with the support of the Ministry of Education.

Support of Television Viewers

In keeping with its defined policy of proximity, the SIC Television Viewer Support Service processed 47,829 contacts, by telephone or written, for all the channels of the SIC Universe.

Study Visits

The study visits to SIC premises have involved the participation of 48 institutions, namely primary and secondary schools and associations, representing a total of 1,130 people.

Investor Relations

In the context of its relations with the different stakeholders, the Investor Relations Department of the IMPRESA Group has developed regular contacts with the vast number of shareholders, potential investors and analysts, so as to ensure institutional relations and the disclosure of information.
In spite of the difficult circumstances of the financial markets during 2010, an ongoing flow of communication was maintained with investors and financial analysts, both in Portugal and abroad. Apart from the above, the IMPRESA Group carried out the following initiatives:

- Attendance at three conferences, on the invitation of the organising investment banks, which were held in Lisbon, London and Paris.
- Two Roadshows were held by the main European financial markets and New York, in which 18 investors participated.
- Three Roadshows were held in Portugal during the year, in which 21 investors participated.
- And the IMPRESA Group received, at its head office, 8 investors and analysts during 2010.

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B. AT AN INTERNAL LEVEL

1. Training

In spite of the downsizing of the structure, both in terms of numbers of companies and businesses, and in terms of its headcount, in 2010 the IMPRESA Group continued its focus on training, increasing the number of actions provided and workers covered.

The table below presents the most relevant data and respective comparison with 2009:

	Number of Actions			Number of Workers			Training Hours		
	2009	2010	% ch	2009	2010	% ch	2009	2010	% ch
Publishing	65	97	49,2%	462	541	17,1%	12.570	9.060	-27,9%
Television	63	85	34,9%	412	517	25,5%	8.253	7.132	-13,6%
Digital	24	32	33,3%	36	43	19,4%	1.157	744	-35,7%
Others	35	58	65,7%	83	92	10,8%	2.271	1.697	-25,3%
Group IMPRESA	187	272	45,5%	993	1.193	20,1%	24.251	18.633	-23,2%

The table above includes specific programmes for training and the retention of talent, of which the following are particularly noteworthy:

	Number of Workers	Training Hours
Editorials of the Future	11	66
Journalism for non journalists	44	616
Ethics	227	908
Total Group IMPRESA	**282**	**1.590**

Programm Editorials of the Future

Conclusion of the 3-year programme which involved the participation of 11 members of staff, of different companies.

Journalism Course

Organisation of the fourth edition of the Course on Journalism and Production of Contents for non-journalist staff, with the participation of 44 people.

Code of Conduct

Training, through an e-learning system, of the Codes of Conduct of the Expresso, Visão and SIC. In 2010, 227 employees participated in this action, following the completion of this training by another 137 employees in 2009.

Other Events

- Continuation of language training - English and Spanish - with classes during the academic year and specialised courses;
- New edition of the Management for Leadership course, aimed at intermediary staff;
- Transversal training, except for the editorial areas of Television, on the New Orthographic Agreement;
- Training, ministered by SONY, on High Definition Television;
- Various workshops on new technologies, namely iPads;
- Transversal training on the new VOIP communications system;
- Preparation and training for Health Delegates in Carnaxide and Paço de Arcos;
- Participation of trainees in various training actions abroad, with the cost entirely supported by the company.

2. Performance Management

Review, simplification and improvement of the performance management process and respective communication and internal training.

3. Internal Initiatives

Various initiatives were organised aimed at motivating the employees, such as the dissemination of birthdays, competitions entitled Go to the Snow with Impresa, Lifebeat (improved heart functioning), and children's photography Me and Impresa, May heart month initiative, organisation of carpooling action, support to the bone marrow donators project, organisation of the viewing of the national football team matches of the World Cup, organisation of Visão Júnior Workshops for the children of employees, distribution of summer kits by the employees, promotion of castings for participation in the TV soap opera "Laços de Sangue", exclusively for employees of the Group (Casting Impresa), launch of the "Use the Stairs" initiative, encouraging the use of stairs instead of lifts, organisation of personal defence workshops, organisation of the team-building component of the Staff Meeting, distribution of Christmas presents to the children of employees, etc.
In addition to the initiatives referred to above, the IMPRESA Group provides its workers with a series of benefits, namely access to services at a cost lower than the normal price, through the establishment of protocols with entities providing services in the following areas: banks, communications, children, aesthetics, gyms, leisure, health, insurance and vehicles.

4. Audit Committee

Impresa has adopted a management and supervisory model which includes the Board of Directors and an Executive Committee for the administration and management of its corporate business, and the Audit Committee responsible for the supervision and control of corporate activity.

The Audit Committee is composed of three independent directors, in conformity with the criteria defined in article 414, number 5 of the Commercial Company Code.

Under the terms of the Internal Regulation, the main duties of the Audit Committee are as follows:

- Supervise the administration of the company and ensure observance of the law and memorandum of association;
- Verify the precision of the documents presenting the accounts prepared by the Board of Directors and supervise the preparation process and disclosure of the financial information;
- Supervise the integrity and effectiveness of internal control and risk management situations;
- Follow the activity of the External Auditor so as to ensure his independence;
- Receive the communications of irregularities presented (Whistle Blowing system).

During 2010, the Audit Committee held eight meetings, in which the External Auditor, Chief Financial Officer and Internal Audit Director regularly participated.

In some of these meetings the Directors responsible for the operational areas involved also participated, for the purpose of providing in-depth information and clarifying aspects raised by the internal audits.

During the first quarter of 2010, internal audits were carried out to the "Management and Removal of Accesses" and "Purchases of Television Contents" processes and a new process "Operation DGSM" was opened.

During the second quarter of 2010, the “Paper Purchases”, “Publishing Production”, “Circulation Sales” and “Publishing Subscription Sales” processes were analysed. All these process of the responsibility of the Production, Circulation and Subscriptions Department have shown an improvement in the different existing internal controls and the implementation of most of the recommendations made by the last audit.

Four processes were analysed during the third quarter: “Publishing Advertising Sales”, “TV Advertising Sales”, “Oracle Information Security” and “Purchases of Gifts and VAP – Publishing”.

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In the fourth quarter, in addition to the implementation of a new audit to the "Management and Removal of Accesses" process, a new process was opened in the television segment "Operation DGSM".

In general, the way in which the various Departments reacted to the Internal Audit activities and to their recommendations was very positive.

5. Risk Management

In order to guarantee the existence of measures to ensure the continuity of production, a review was made of the alternative plans for the printing of the Group's newspapers and magazines, in the event of a breakdown causing unforeseen and prolonged operational stoppage at the printing facilities where they are usually printed.

Ink and paper stocks are also in place, to ensure the continuity of printing, in the event of any unforeseen interruption in the supply of these materials, which are purchased abroad.

A survey was made and a list was drawn up of the human resources, interim and external, so as to ensure the emergency functioning, in the event of the absence, through force majeure or pandemic, of a significant part of the contracted personnel.

Regarding SIC broadcasts, several broadcasting alternatives are foreseen to ensure continuity, in the case of a stoppage. The persons responsible for the Information Services, Continuity, IT and Technical Support are prepared and equipped with the necessary means to act, in the case of an emergency.

Appointment and training of Health Delegates at the premises of Paço de Arcos, Carnaxide Outurela, Parque Holanda, Monte de Burgos and Av. Boavista. Distribution of the respective identification material and procedures manual.

Rules standardisation for buildings evacuation.

Implementation of a evacuation simulation for S. Francisco de Sales building in Paço de Arcos.

It should be noted that these issues are coordinated with the Audit Committee, which follows the Risk Management system and may use external auditor services, since, according to its duties referred to above, the Audit Committee "…supervises the efficacy of the risk management system, the internal control system and the internal audit system…".

6. Defence of the Environment

Implementation of the policy aimed at reducing consumables, namely paper, energy and water, was continued during 2010.

The guideline documents of the Environmental, Energy and Green Purchases policies of the IMPRESA Group were approved.

The application of the (Global Reporting Initiative) GRI reporting system was initiated, with the choice of indicators and annual objectives.

Satisfactory results were achieved regarding the defence of the environment, due to the development of IT systems and the decisions taken, in particular, the following:

- Continuation of the electronic processing of company information, both on the Intranet and other IT formats.
- Increased recycling of paper, packaging materials and toner cartridges for printing.
- Salary receipts sent in electronic format.
- Launch of the "Global Management of documents" project, implying the standardisation of multi-functional equipment, with increased electronic processing capacity and decreased consumption of paper and ink cartridges.
- Internal mobilisation towards the environment: participation in tree-planting, in community vegetable gardens and the exchange of light bulbs.
- Beginning of the updating of the lists of Suppliers with indication of the respective ISO and Environmental certifications.

In the case of electrical energy:

- Launch and award of the Energy Certification for the premises of Paço de Arcos and Carnaxide.
- Review and reformulation of the external supply contracts for electrical energy.
- Decreased number of lit street lights in the public areas and open spaces.
- Decreased times of automatic lighting.
- Increased minimum temperatures and decreased maximum temperatures for the air conditioning system.
- Decreased number of hours of air conditioning.
- Use of rechargeable batteries in the editorial offices.
- Placement of labels recommending the switching off of lights and PCs.

In terms of water saving:

- Installation of taps with timers.

- Repair of the well and of irrigation water leaks in the São Francisco de Sales building.

Regarding the purchase of paper for newspapers and magazines, and printing:

- Purchase of paper from certified paper companies.
- Decreased number of copies of newspapers and magazines bought from other publishers and the purchase of subscriptions in electronic format whenever possible.
- Decreased number of courtesy copies of own publications.

7. Professional Ethics

In addition to compliance with the legislative rules (Press Law, Television Law, Journalist Statutes, Deontological Code, etc.), the core areas of the Group – SIC, Expresso and Visão – have their own Codes of Good Journalistic Practice, which are adopted by the other publications and adapted to their specific characteristics.

With the e-learning training actions started in 2009 on the three Codes of Conduct referred to above, the importance of this aspect in the Group's editorial strategy is thus strengthened.

IMPRESA

2010 Internal Audit Report

ACTIVITY REPORT
OF
THE AUDIT COMMITTEE

Financial Year of 2010

1. Introduction

The Impresa Group adopted the management and supervision model of anglo-saxonic inspiration, which comprises the Board of Directors and the Executive Committee as the business administration and management body and the Audit Committee as the supervision and control body.
During the financial year, the Audit Committee was made up of the following elements:

- Chairman - Dr. Alexandre de Azeredo Vaz Pinto
- Voting Members - Prof. António Soares Pinto Barbosa
  - Dra. Maria Luísa Coutinho Ferreira Leite de Castro Anacoreta Correia

All members of the Audit Committee meet the compatibility criteria for the exercise of their functions as established in article 414 A of the Commercial Company Code.

The members of the Audit Committee participated in all the meetings of the Board of Directors, having presented, where relevant, the adequate recommendations and suggestions in the fields of internal audit, external audit and risk control.

The powers and competences, form of organisation and operation are laid down in the Internal Regulation of the Audit Committee.

2. Activity Developed

During 2010, the Audit Committee held 8 meetings, dedicated to the follow-up and supervision of the management of the Group and the efficacy of the internal control system.

When necessary, meetings were held with the Executive Committee to analyse specific topics, with emphasis on the Budget for 2011 and its assumptions.
The previously mentioned meetings included the participations, when solicited, of the chief corporate officers from different areas, with emphasis on the Financial and Information Systems areas.

2.1 External Audit

In 2010, the Audit Committee held meetings on a quarterly basis with the External Auditor, with a view to assessing the circumstances in which the External Auditor exercised its functions. The supervision of the fulfilment of accounting policies, criteria and practices and of the reliability of the financial information was, thus, undertaken, through the appreciation of the progress achieved and the conclusions presented by the External Auditor.

In the meetings held with the auditors, special attention was given to the recognition of inventories, the provisions for leases and impairment losses in the Group's business and in other assets. The appropriateness of the conditions for the transition of the POC system to the SNC system in the individual accounts of some Group companies was also assessed.

The External Auditor occasionally presented internal control measures aimed at improving accounting practices.

In such cases, the Audit Committee reported these to the Board of Directors for appreciation.

The access of the Audit Committee to financial information was granted on a regular basis, without any constraints.
The Audit Committee appreciated the activity of the External Auditor, following-up and assessing on a regular basis the performance of their functions, having concluded that the external audit and statutory audit activity was adequate.

2.2 Internal Audit

In line with the internal audit quality improvement policy, an internal control analysis of the Impresa Group's main business processes was undertaken, an analysis that was extended, during the year, to two new processes (''Impresa DGSM", "GMTS").

Thus, during the first quarter, the conclusions relative to the audits carried out of the "Management/Removal of Accesses", "Purchases of Television Contents" and "DGSM Operation" processes were assessed. Based on the general recognition of an improvement in the effectiveness of the controls, some recommendations were formulated, and a decision was made to reaudit the first of those processes at the beginning of the year .
During this quarter, the new "Impresa DGSM" process was, in the interim, initiated, whose recommendations were opportunely received and implemented. There was also a whistleblowing episode registered during this period, with the procedures foreseen for this type of situations, as set out in the Group's existing regulations, having been complied with.

During the second quarter, the “Paper Purchases”, “Publishing Production”, “Circulation Sales” and “Publishing Subscription Sales” processes were analysed.
With regards to paper purchases, circulation sales and publishing production, there was full effectiveness of the existing internal controls, and a full implementation of the recommendations made in the previous year was observed.

With regards to the Subscription process, a set of recommendations was formulated, focusing primarily on the need to automate processes and restructure procedures within the scope of data handling, customer segmentation, dispatching, exchange handling, offers and accounting. Its next implementation is awaited.

During the third quarter, four processes were analysed: “Publishing Advertising Sales”, “TV Advertising Sales”, “Oracle Information Security” and “Purchases of Gifts and VAP – Publishing”.
In any of them, an improvement in the effectiveness of the controls, as shown in the summary table presented below, was observed.

In the fourth quarter, as a follow-up to the plan of activities for 2010, the new "GMTS" process was initiated, with an audit of the departments of operations, image and logistics being undertaken, as well as analysis of access to the Gmedia Plan computer programme, base of operations of the company.
Of the total number of controls assessed, 116, a 79% level of effectiveness was recorded, with the recommendations being analysed by the management of the company.

As previously mentioned, a new audit of the "Management of Accesses" process was undertaken this quarter, whose conclusions pointed towards a keen interest in implementing an automatic and integrated access management system (Identity Management), which was proposed as a recommendation.

Overall, the way in which the internal audit mission and tasks were understood and received by the various departments and the continuing fulfilment of its recommendations over the course of the year has been frankly positive.
Based on the summary table presented below, describing the total number of processes analysed, an average effectiveness of the internal controls of 82% is calculated, in comparison with an average of 74% in the previous year, which shows an increasingly positive assessment by the senior staff members of the audited areas of the recommendations made.

The following table compares, in summarised form, the effectiveness of the internal controls in 2010, with that of previous audits (shown in column n-1):

Process	Number of IC (total)		%Effective	
	n-1	2010	n-1	2010
Paper Purchases	42	40	64%	90%
Purchases of Gifts and VAP	44	49	64%	82%
Purchases of TV Contents	35	35	63%	80%
Oracle Information Security	30	34	50%	65%
Publishing Advertising*	70	49	83%	86%
TV Advertising	39	44	85%	89%
Publishing Circulation	44	42	70%	79%
Publishing Signatures	40	54	90%	83%
Publishing Production	39	37	97%	92%
Access Management	-	38	-	79%
Impresa DGSM	-	66	-	76%
GMTS	-	116	-	79%

* In 2010, newspaper and magazine advertising was transferred to a single IT solution, the Ad-online

3. Final Consideration

Overall, the way in which the various Departments reacted to the activities of the Internal Audit and its recommendations was quite positive.

Lisbon, 14th March 2011

The Audit Committee

Alexandre de Azeredo Vaz Pinto

António Soares Pinto Barbosa

Maria Luísa Anacoreta Correia

IMPRESA

2010 Corporate Governance Report

CORPORATE GOVERNANCE REPORT

INTRODUCTION

The present report was organised in accordance with the model established in CMVM (Securities Market Commission) Regulation no. 1/2010, of 1st February, and presents a summary of the most relevant corporate governance practices at IMPRESA.

CHAPTER 0

COMPLIANCE STATEMENT

0.1. Indication of the location, available to the public, of the corporate governance code texts applicable to the issuer, and, if applicable, of those to which the issuer has voluntarily agreed to comply with.

The corporate governance code texts are available on the company website, and have also been made public through the CMVM website.

0.2. Detailed indication of the recommendations adopted and not adopted included in the Corporate Governance Code of the CMVM or another that the company has decided to adopt, under the Regulation of which the present Annex is an integral part.
For this purpose, non-adopted recommendations are understood as those not complied with in full.

RECOMMENDATIONS:

I. GENERAL MEETING

I.1 BOARD OF THE GENERAL MEETING

I.1.1 The chairman of the board of the general meeting should have adequate supporting human and logistic resources to his/her needs, considering the company's economic situation.

Adopted *(Chap. I, I.1)*

I.1.2 The remuneration of the chairman of the general meeting should be disclosed in the annual report on corporate governance.

Adopted *(Chap. I, I.3)*

I.2 PARTICIPATION IN THE MEETING

I.2.1 The obligation of share depositing or blocking in advance imposed by the articles of association for participation in a general meeting should not exceed 5 business days.

Adopted *(Chap. I, I.4)*

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I.2.2 If the general meeting is suspended, the company should not impose share blocking during the entire period until the session is resumed, with the advance period required for the first session considered as sufficient.

Adopted *(Chap. I, I.5)*

I.3 VOTE AND EXERCISE OF VOTING RIGHTS

I.3.1 Companies should not foresee any statutory restrictions to voting by correspondence.

Adopted *(Chap. I, I.9 and I.10)*

I.3.2 The statutory advance period for receiving votes issued by correspondence should not exceed 3 business days.

Adopted *(Chap. I, I.9 and I.11)*

I.3.3 Companies should foresee, in their articles of association, that one vote corresponds to one share.

Adopted *(Chap. I, I.6)*

I.4 QUORUM AND DELIBERATIONS

I.4.1 Companies should not establish constitutive or deliberating quorum numbers greater than those established by the law.

Adopted *(Chap. I, I.8)*

I.5 MINUTES AND INFORMATION ON DELIBERATIONS ADOPTED

I.5.1 The minutes of the general meetings should be made available to the shareholders on the company website within a period of 5 days, even if they do not constitute privileged information, in legal terms. This website should keep historical records on attendance lists, the agendas and deliberations taken relative to the meetings held, covering at least the 3 previous years.

Adopted *(Chap. I, I.13 and I.14)*

I.6 CORPORATE CONTROL MEASURES

I.6.1 Measures adopted with a view to prevent the success of takeover bids should protect the interests of the company and its shareholders.

Adopted

I.6.2 Articles of association which, while respecting the principle defined in the section above, foresee a limitation to the number of votes that may be held or exercised by a single shareholder, individually or in coordination with other shareholders, should also foresee that maintenance of this statutory disposition should be subject to deliberation by the General Meeting, at least every five years – with no requirements for increased quorum numbers relatively to legal dispositions – and that all cast votes for this deliberation are counted without considering the limitation in question.

Not applicable

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I.6.3 No defensive measures should be taken for the purpose of automatically causing severe erosion in company assets in the case of change of control or administrative body, thereby harming the free transmission of shares and free assessment of the performance of administrative body members by the shareholders.

Adopted *(Chap. I, I.20)*

II. ADMINISTRATIVE AND SUPERVISORY BODIES

II.1. General Subjects

II.1.1. Structure and Competence

II.1.1.1 The administrative body should assess the adopted model in its governance report, identifying any operational constraints and proposing measures that, in its judgement, are appropriate to overcome them.

Adopted *(Chap. II, II.1)*

II.1.1.2 Companies should create internal control systems for the effective detection of risks associated to company business, in order to safeguard its assets and increase corporate governance transparency.

Not adopted

II.1.1.3 The administrative and supervisory bodies should have operational regulations, which should be disclosed on the company website.

Adopted *(Chap. II, II.7)*

II.1.2 Incompatibilities and Independence

II.1.2.1 The board of directors should include a sufficient number of non-executive members, in order to ensure the effective supervision, inspection and assessment of the activities of the executive members.

Adopted *(Chap. II, II.14)*

II.1.2.2 The group of non-executive directors should include an adequate number of independent directors, considering the size of the company and its shareholder structure. This number can never be less than one quarter of the total number of directors.

Adopted *(Chap. II, II.14)*

II.1.3 Eligibility and Appointment

II.1.3.1 Depending on the applicable model, the chairman of the supervisory board, audit committee or finance committee should be independent and possess adequate competences to exercise their respective functions.

Adopted *(Chap. II, II.14)*

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II.1.4 POLICY ON THE COMMUNICATION OF IRREGULARITIES

II.1.4.1 The company should adopt a policy on the communication of irregularities, allegedly occurred at an internal level, with the following elements: i) indication of the means through which communication of irregular practices may be made internally, including the persons legitimately empowered to receive communications; ii) indication of how communications are to be processed, including confidential treatment, if requested by the declarant.

Adopted *(Chap. II, II.35)*

II.1.4.2 The general guidelines of this policy should be included in the corporate governance report.

Adopted *(Chap. II, II.35)*

II.1.5 REMUNERATION

II.1.5.1 The remuneration of the members of the administrative body should be structured so as to permit the alignment of their interests with the interests of the company. In this context: i) the remuneration of the executive directors should include a performance-based component, which should take into account the periodic performance assessments carried out by the competent body or committee for this purpose; ii) the variable component should be consistent with the maximisation of the long-term performance of the company and dependent on the sustainability of the performance variables adopted; iii) when not directly resulting from a legal imposition, the remuneration of the non-executive directors should exclusively consist of a fixed amount.

Adopted *(Chap. II, II.30 and II.34)*

II.1.5.2 The remunerations committee and the administrative body should submit a remunerations policy statement relative to administrative and supervisory bodies, as well as to any other directors, as per no. 3 of article 248-B of the Securities Code, for approval by the general annual meeting of shareholders. In this context, the criteria and main parameters proposed for performance assessment, used in determining the variable component, whether consisting of share bonuses, share acquisition options, annual bonuses or other elements, should be explained to the shareholders.

Adopted *(Chap. II, II.30)*

II.1.5.3 At least one representative of the remunerations committee should attend the general annual meetings of shareholders.

Adopted *(Chap. I, I.15)*

II.1.5.4 The proposal relative to approval of share attribution plans and/or share acquisition options or plans based on share price variations, for the administrative and supervisory body members and other directors, as per no. 3 of article 248-B of the Securities Code, should be submitted to the general meeting for approval. This proposal should include all necessary elements for a correct assessment of the plan. The proposal should be accompanied by the plan regulations or, if the plan has not yet been prepared, the general conditions it should follow. Likewise, the main characteristics of the retirement benefits system extended to the members of the administrative and supervisory bodies and other directors, as per no. 3 of article 248-B of the Securities Code, should be approved by the general meeting.

Not applicable

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II.1.5.5 The remuneration of the members of the administrative and supervisory bodies should be disclosed on an annual basis, in individual terms, and whenever applicable, always distinguishing the different components received in terms of fixed and variable remuneration, as well as any remuneration received from other group companies or companies controlled by qualified shareholders.

Adopted *(Chap. II, II.34)*

II.2. BOARD OF DIRECTORS

II.2.1 Within the limits established by law for each administrative and supervisory structure, unless as a result of the small size of the company, the board of directors should delegate the daily administration of the company. These delegated competences should be identified in the annual report on Corporate Governance.

Adopted *(Chap. II, II.3)*

II.2.2 The board of directors should ensure the company acts consistently with its objectives and should not delegate its competences regarding the following: i) definition of the strategy and general policies of the company; ii) definition of the corporate structure of the group; iii) decisions which should be considered strategic due to the amount involved, risk or special characteristics.

Adopted *(Chap. II, II.3 and II.10)*

II.2.3 If the chairman of the board of directors performs executive functions, the board of directors should find efficient mechanisms to coordinate the work of the non-executive members, which ensure that the latter are able to make decisions in an independent and informed manner. An explanation of these mechanisms should be provided to the shareholders in the corporate governance report.

Adopted *(Chap. II, II.2 and II.3)*

II.2.4 The annual management report should include a description of the activities developed by the non-executive directors and, in particular, refer to any constraints encountered.

Adopted *(Chap. II, II.17)*

II.2.5 The administrative body should promote a rotation of the member responsible for financial matters, at least at the end of every two mandates.

Adopted

II.3 CHIEF EXECUTIVE OFFICER, EXECUTIVE COMMITTEE AND EXECUTIVE BOARD OF DIRECTORS

II.3.1 The executive directors should provide any information requested by other corporate body members, in an adequate and timely manner.

Adopted *(Chap. II, II.3)*

II.3.2 The chairman of the executive committee should send the corresponding meeting calls and minutes to the chairman of the board of directors and, as applicable, to the chairman of the supervisory board or audit committee, respectively.

Adopted *(Chap. II, II.2)*

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II.3.3 The chairman of the executive board of directors should send the meeting calls and minutes to the chairman of the general and supervisory board and the chairman of the finance committee, respectively.

Not applicable

II.4. General and Supervisory Board, Finance Committee, Audit Committee and Supervisory Board

II.4.1 The general and supervisory board, in addition to fulfilling the supervisory functions assigned, should have an advisory role, and ensure the follow-up and continuous evaluation of the company's management by the executive board of directors. Amongst the matters on which the general and supervisory board should issue its opinion, are the following: i) definition of the strategy and general policies of the company; ii) definition of the corporate structure of the group; and iii) decisions which should be considered strategic due to the amount involved, risk or special characteristics.

Not applicable

II.4.2 The annual reports on the activities developed by the general and supervisory board, finance committee, audit committee and supervisory board should be disclosed on the company website, together with accounts documents.

Adopted *(Chap. II, II.4)*

II.4.3 The annual reports on the activities developed by the general and supervisory board, finance committee, audit committee and supervisory board should include a description of the supervisory activities carried out, in particular, referring to any constraints encountered.

Adopted *(Chap. II, II.4)*

II.4.4 The finance committee, audit committee and supervisory board, according to the applicable model, should represent the company, for all purposes, before the external auditor, being responsible, namely, for proposing the provider of these services and its remuneration, ensuring that adequate conditions for the provision of these services exist within the company, as well as being the interlocutor of the company and first receiver of the respective reports.

Adopted *(Chap. II, II.2)*

II.4.5 The finance committee, audit committee and supervisory board, according to the applicable model, should assess the external auditor on an annual basis and propose the external auditor's dismissal to the general meeting, whenever there is just cause for the effect.

Adopted *(Chap. II, II.2)*

II.5. Specialised Committees

II.5.1 Unless as a result of the small size of the company, the board of directors and the general and supervisory board, according to the model adopted, should create the committees which prove necessary to: i) ensure a competent and independent assessment of the performance of the executive directors and their overall performance, as well as that of the various existing committees; ii) reflect upon the adopted governance system, verify its efficacy and propose improvement measures to the competent bodies.

Not adopted

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II.5.2 The members of the remunerations committee or equivalent should be independent from the members of the administrative body.

Adopted *(Chap. II, II.39)*

II.5.3 All the committees should prepare minutes of all meetings they hold.

Adopted *(Chap. II, II.12 and II.13)*

III. INFORMATION AND AUDITING

III.1 General Information Duties

III.1.2 Companies should ensure constant contact with the market, respecting the principle of equal shareholder rights and preventing asymmetries in access to information by investors. For this purpose, companies should maintain an investor support office.

Adopted

III.1.3 The following information, available on the company website, should be disclosed in English:

a) The company name, public company status, registered office and other elements referred to in article 171 of the Commercial Company Code;

Adopted

b) Articles of Association;

Adopted

c) Identity of corporate body members and the market relations representative;

Adopted

d) Investor Support Office, respective functions and contacts;

Adopted

e) Accounts documents;

Adopted

f) Half-year corporate events calendar;

Adopted

g) Proposals presented for discussion and voting at the general meeting;

Adopted

h) General meeting calls.

Adopted

0.3. Without prejudice to the provisions of the preceding paragraph, the company may also carry out an overall assessment, provided there are reasonable ground sto do so, of the degree of adoption of groups of recommendations of intererlated subjects.

With the exception of two recommendations, the IMPRESA Group has adopted all the relevant recommendations of the CMVM.

0.4. When the corporate governance structure or practices differ from CMVM recommendations or other codes applicable to the company, or which the latter has voluntarily adopted, the parts of each code which are not complied with or that the company considers as not being applicable, their justification and other relevant observations, in addition to clear indication of the part of the Report where the description of this situation can be found, should be indicated.

CMVM recommendations not applicable:

I.6.2 – The articles of association of IMPRESA do not foresee a limitation to the number of votes.

II.3.3 – IMPRESA adopted the corporate model of a Board of Directors that includes an Audit Committee, as established in article 278 of the Commercial Company Code.

II.4.1 – IMPRESA adopted the corporate model of a Board of Directors that includes an Audit Committee, as established in article 278 of the Commercial Company Code.

CMVM recommendations not applicable:

II.1.1.2 – In spite of the inexistence of a systemised risk detection policy, there is a Risk Management Office of the IMPRESA Group, created on 21st December 2009, and point II.5. of Chapter II of the present report describes the most important aspects of risk management implemented in the company.

II.5.1 – Given the current size of the Board of Directors, IMPRESA does not comply with the first part of the recommendation relative to the existence of a committee to assess the performance of the Board and executive members. Regarding analysis of the governance model, IMPRESA does not comply with the recommendation relative to the formal existence of a specific committee; however, two members of the Board of Directors have Corporate Governance functions, which include being attentive to developments on this matter and, if necessary and/or opportune, proposing alterations to the adopted model.

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CHAPTER I
GENERAL MEETING

I.1. Identification of members of the board of the general meeting.

The Board of the General Meeting is composed of the following members:

Chairman: Dr. José Pedro Correia de Aguiar-Branco

Secretary: Dr. Maria de Deus Maio Madalena Botelho

In addition to the secretary of the board of the general meeting, the Chairman of the Board of the General Meeting has at its disposal, the entire human resources and logistics structure of the holding Impresa, SGPS, SA, in order to meet his support needs, which may be requested at any time, and includes namely: the company secretary, the general financial director, the director of investment, communication and investor relations, the director of development and institutional relations, the director of internal auditing, the director of management control, and the general administrative services, as well as all the members comprising the Executive Committee, to whom he may request any necessary information and assistance.

I.2. Indication of the start and end dates of the respective mandates.

The Chairman of the Board of the General Meeting, Dr. José Pedro Correia de Aguiar-Branco, was elected during the General Meeting held on 21st April 2006, for the present four-year period (2003-2006). During the General Meeting held on 12th April 2007, he was re-elected for the four-year period 2007-2010.

The Secretary, Dr. Maria de Deus Maio Madalena Botelho, was elected during the General Meeting held on 12th April 2007, for the four-year period 2007-2010.

I.3. Indication of the remuneration of the chairman of the board of the general meeting.

The Chairman of the Board of the General Meeting earned the sum of 4,700 euros for the exercise of his functions during the financial year of 2010.

I.4. Indication of the share blocking advance period required for participation in the general meeting.

In accordance with article 7 of the articles of association of IMPRESA, in order to be able to participate in the General Meeting, shareholders must have held shares for a minimum period of 5 business days before the date of the General Meeting, and have maintained this ownership until this date.

Proof of shareholding will be confirmed through the sending to the Chairman of the Board of Directors, at least three days before the date of the General Meeting, of a statement, issued and authenticated by the financial broker responsible for share registration, which should note that these shares have been registered in the holder’s account for at least 5 business days before the date of the General Meeting and that these shares were blocked in the account up to the date of the General Meeting in question. The shareholders or the actual company are responsible for this communication on company-registered shares.

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I.5. Indication of the rules applicable to the blocking of shares in the case of suspension of the general meeting.

If the general meeting is suspended, the provisions of the preceding paragraph are applied, as to proof of shareholding for the purposes of participating in the continuing session of the general meeting.

I.6. Number of shares corresponding to one vote.

In accordance with article 8 of the articles of association of IMPRESA, each share corresponds to one vote.

I.7. Indication of the statutory rules that foresee the existence of shares that do not confer the right to vote or that establish that voting rights above a certain number are not counted, when issued by a single shareholder or by shareholders related with said shareholder.

There are no statutory rules with the abovementioned characteristics.

I.8. Existence of statutory rules regarding the exercise of voting rights, including constitutive and deliberative quorum numbers or systems relative to asset composition rights.

There are no statutory rules on constitutive and deliberative quorum numbers, and the General Meetings comply with the rules established in the Commercial Company Code.

Likewise, there are no statutory rules on systems relative to asset composition rights.

I.9. Existence of statutory rules on the exercise of voting rights by correspondence.

In accordance with article 8 of the articles of association of IMPRESA, voting by correspondence is allowed, under the following terms:

a) shareholders wishing to exercise their voting rights by correspondence should do so regarding all points in the Agenda included with the General Meeting call notice, by expressly and clearly casting their votes;

b) voting slips must be signed; signatures should be recognised, in legal terms, as belonging to persons empowered to vote, or in the case of natural persons, the signatures should be accompanied by a legible copy of the respective identity cards.

c) voting slips must be enclosed in an envelope, on which the following should be noted: "CONTAINS VOTING SLIPS ON POINTS ON THE AGENDA";

d) the envelope containing the voting slips should be handed in or sent to the company's registered office, by registered post with acknowledgment of receipt, together with a letter addressed to the Chairman of the Board of the General Meeting. This letter, written according to a template to be provided by the company, should be received by the day before the date of the General Meeting;

e) votes sent by correspondence will be considered as votes against any deliberation proposals presented after they are cast.

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I.10. Provision of a template for the exercise of voting rights by correspondence.

The company provides a template, on its website, for the exercise of voting rights by correspondence, according to the rules described in the previous point.

I.11. Requirement of a time interval between the reception of voting slips by correspondence and the date of the general meeting.

Under the terms of sub-paragraph d) of the rules described in point I.8, the letter containing the voting slips should be handed in or sent by registered post with acknowledgement of receipt and should be received by the day before the date of the General Meeting.

I.12. Exercise of voting rights by electronic means.

The exercise of voting rights by electronic means is not foreseen.

I.13. Possibility of shareholders accessing extracts of the minutes of the general meetings on the company website during the five days following the general meeting.

The minutes of the general meetings are made available to the shareholders on the company website within 5 days following the General Meeting.

I.14. Existence of historical records on deliberations taken at the general meetings of the company, the share capital represented and the results of voting, with reference to the 3 previous years.

Historical records on attendance lists, the agendas and deliberations taken relative to the meetings held, covering at least the 3 previous years, are kept on the company's website.

I.15. Indication of the representative(s) of the remunerations committee attending the general meetings.

In the last General Meeting held on 20th April 2010, Dr. José Pedro Aguiar-Branco and Dr. Alberto Romano, Chairman and Voting Member of the Remunerations Committee, respectively, were present.

I.16. Information on the intervention of the general meeting relative to the company's remuneration policy and assessment of the performance of members of the administrative body and other directors.

The Remunerations Committee provides information on an annual basis, in the General Meeting, on the criteria adopted in the establishment of remunerations for the financial year. As to the approval of the performance of the members of the administrative body, a point for this assessment under the terms of article 455 of the Commercial Company Code is always scheduled in general annual meetings.

I.17. Information on the intervention of the general meeting with respect to the proposal relative to share attribution plans and/or share acquisition options or plans based on share price variations, for the administrative and supervisory body members and other directors, as per no. 3 of article 248-B of the Securities Code, as well as on the elements provided to the general meeting with a view to a correct assessment of those plans.

In tghe general meeting, no proposals were presented for the attribution of shares, and/or share acquisition options or based on share price variations, for the administrative and supervisory body members and other directors.

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I.18. Information on the intervention of the general assembly in the approval of the main characteristics of the retirement benefits system applicable to administrative and supervisory body members and other directors, as per no. 3 of article 248-B of the Securities Code.

The retirement plan described in point II.33.o), created in 1987, is included in the information provided in the IPO of IMPRESA in 2000 and, since then, in all accounts documents.

I.19. Existence of statutory standard that foresees the duty of attributing, at least every five years, to the deliberation of the general meeting, the maintenance or elimination of the statutory standard that foresees a limitation to the number of votes that may be held or exercised by a single shareholder, individually or in coordination with other shareholders.

The articles of association of IMPRESA do not foresee a limitation to the number of votes.

I.20. Indication of defensive measures which automatically cause severe erosion in company assets in the case of the change of control or composition of the administrative body.

No defensive measures exist which automatically cause severe erosion in company assets in the case of change of control or composition of the administrative body.

I.21. Significant agreements involving the company and which come into effect, whether altered or ceased in the case of change of control of the company, as well as the respective effects, unless, due to their nature, their disclosure is severely detrimental to the company, unless the company is specifically obliged to disclose this information, due to other legal impositions.

There are no significant agreements involving the company and which come into effect, are altered or ceased in the case of the change of control of the company, as well as the respective effects.

I.22. Agreements between the company and members of the administrative body, as per no. 3 of article 248-B of the Securities Code, which foresee the payment of compensations in the case of resignation, dismissal without just cause or cessation of the work contract, following a change of company control.

There are no agreements whatsoever between the company and members of the administrative body and directors, as per no. 3 of article 248-B of the Securities Code, which foresee the payment of compensations in the case of cessation of the employment contract, following a change of company control.

There is a management contract drawn up between the company and the deputy chairman of the Executive Committee, Dr. Pedro Lopo de Carvalho Norton de Matos, which applies if there is a cessation of the exercise of his functions due to dismissal or non-reappointment by arbitrary decision of the shareholders. This contract was approved at the General Meeting headquarters of IMPRESA, held on 17th April 2009.

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CHAPTER II

ADMINISTRATIVE AND SUPERVISORY BODIES

Section I

General Subjects

II.1. Identification and composition of corporate bodies.

In addition to the Board of the General Meeting, the composition of which has been described in I.1, the corporate bodies are comprised of the Board of Directors, which include an Audit Committee and a Statutory Auditor, elected by majority of votes cast during the General Meeting of shareholders.

The mandate of the corporate body is four years, with their re-election permitted for successive four-year periods, without detriment to the limitations imposed by law to companies issuing negotiable securities in regulated markets.

The composition of the Board of Directors for the current mandate (four-year period 2007-2010) is as follows:

Chairman:	Dr. Francisco José Pereira Pinto Balsemão
Deputy Chairman:	Eng. Francisco Maria Supico Pinto Balsemão
Voting Members:	Dr. Alexandre de Azeredo Vaz Pinto
	Prof. Dr. António Soares Pinto Barbosa
	Dr. Miguel Luís Kolback da Veiga
	Dr. Maria Luísa Coutinho Ferreira Leite de Castro Anacoreta Correia
	Dr. Pedro Lopo de Carvalho Norton de Matos
	Dr. José Manuel Archer Galvão Teles

STATUTORY AUDITOR

	Deloitte & Associados, SROC, SA
Substitute:	Luís Augusto Gonçalves Magalhães (ROC)

II.2. Identification and composition of other committees with corporate administrative or supervisory competences.

There are two committees with corporate administrative or supervisory competences: an Executive Committee and an Audit Committee.

These Committees are composed as follows:

Executive Committee

Chairman:	Dr. Francisco José Pereira Pinto de Balsemão
Deputy Chairman:	Dr. Pedro Lopo de Carvalho Norton de Matos
Voting Member:	Eng. Francisco Maria Supico Pinto Balsemão

Audit Committee

Chairman: Dr. Alexandre de Azeredo Vaz Pinto

Voting Members: Prof. Dr. António Soares Pinto Barbosa
Dr. Maria Luísa Coutinho Ferreira Leite de Castro Anacoreta Correia

Before the Board of Directors meetings, scheduled in advance (with the exception of any extraordinary meetings) and with this scheduling being of the agreement of all, non-executive members of the board of directors, including therefore all the members of the Audit Committee, receive all the documentation related to the points of the agenda in due time, and may request additional information on any points on the agenda, propose the inclusion of other points to this agenda which they would like to see discussed, and propose to the Chairman of the Board of Directors the presence in the meeting of any employee or director of IMPRESA and its participated companies who might be related with the discussion of one (or more) points on this same agenda.

The non-executive members of the Board of Directors also receive all the information and documentation of an economic and financial nature, namely investment, management control and bank debt schedules, by company, segment and consolidated, as well as other information related to the activity of the Group, such as for example information on human resources, evolution of publication sales and audiences, etc., with the same periodicity and in the same terms (quantity and quality wise) in which the information and documentation is made available to the executive members of the same Board and to the senior management of the business areas developed by the IMPRESA Group.

With particular regard to the Audit Committee, the Committee meets periodically with its external auditors to assess the conditions created for the adequate execution of its work. The content of the external auditors' reports is presented and analysed in detail at these periodic meetings, which are held prior to the Board of Directors meetings, so that the Audit Committee is the first body of the Group to examine the content of the reports. The suggestions made by the external auditors aimed at improving the internal control measures of the company and implementing better accounting practices are subsequently presented and discussed at the headquarters of the Board of Directors.

The assessment of the external auditors also constitutes a topic of discussion at the meetings of the Audit Committee, with no reason having been found so far, in the opinion of the Committee, for its dismissal and, therefore, substitution.

II.3. Operational charts or maps relative to the distribution of competences between the various corporate bodies, committees and/or departments, including information on the scope of the delegation of competences, in particular concerning the delegation of the daily administration of the company, or the distribution of functions amongst corporate and supervisory body members and list of matters which cannot be delegated and of competences effectively delegated.

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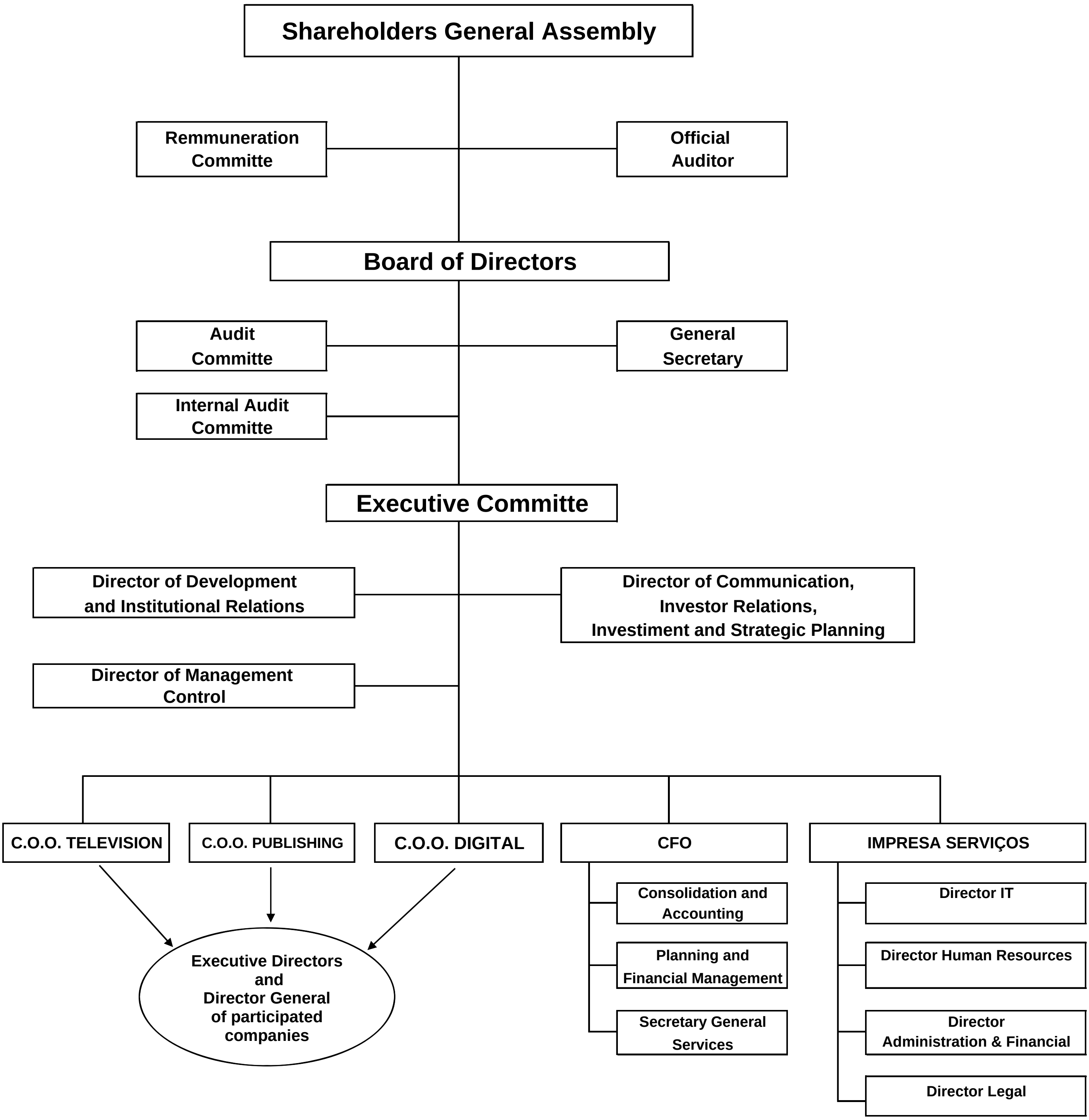
IMPRESA Functional ORGANIZATIONAL CHART



IMPRESA
Sociedade Gestora de Participações Sociais, SA.

DISTRIBUTION OF FUNCTIONS

MEMBERS OF THE EXECUTIVE COMMITTEE	
Editorial/Contents	Dr. Francisco José Pereira Pinto de Balsemão
Corporate Governance, Social Responsibility, Ethics and Environment	Dr. Francisco José Pereira Pinto de Balsemão and Eng. Francisco Maria Supico Pinto Balsemão
Market and Institutional Relations	Dr. Francisco José Pereira Pinto de Balsemão and Eng. Francisco Maria Supico Pinto Balsemão
Strategic Development and New Businesses	Dr. Francisco José Pereira Pinto de Balsemão and Dr. Pedro Lopo de Carvalho Norton de Matos
Human Resources	Dr. Francisco José Pereira Pinto de Balsemão and Eng. Francisco Maria Supico Pinto Balsemão
Sales and Marketing	Dr. Pedro Lopo de Carvalho Norton de Matos
Finance and Management Control	Dr. Pedro Lopo de Carvalho Norton de Matos
Technologies and Information Systems	Eng. Francisco Maria Supico Pinto Balsemão

THE AUDIT COMMITTEE
Risk Management

MATTERS WHICH CANNOT BE DELEGATED

The following matters cannot be delegated by the Board of Directors:

a) co-optation of directors;

b) requests to call general meetings;

c) approval of annual reports and accounts;

d) provision of deposits and personal or real guarantees by the company;

e) change of registered office under the terms established in the articles of association;

f) company merger, demerger and transformation projects.

g) definition of strategic options of the Group;

h) definition of the corporate structure of the Group.

All other members of the corporate bodies may request any information relative to the activities of IMPRESA and its participated companies, from the executive directors. Usually, these requests for information are made in writing (namely by electronic mail), but they may also be made by telephone or in the presence of the persons concerned (normally during the meetings of the board of directors). After these requests have been made, and if the executive directors are unable to access all the data to enable an immediate and full response (in writing or verbally), these requests are forwarded internally to the structure of IMPRESA and/or its participated companies. In the latter case, and on average, the response to the request will take approximately 5 business days to be given to the member of the corporate bodies who requested it. If this member is not satisfied with the abovementioned answer, the process is re-started, and involves the number of iterations required until the request has been met in an entirely satisfactory manner.

II.4. Reference to the fact that the annual reports on the activities developed by the General and Supervisory Board, Finance Committee, Audit Committee and Supervisory Board include a description of the supervisory activities carried out, referring to any constraints detected, and are disclosed on the company website, together with accounts documents.

The annual reports of the Audit Committee include the description of the supervisory activities carried out by the Committee and, when applicable, refer to any constraints detected. Such reports are disclosed on the company website, together with accounts documents.

II.5. Description of internal control and risk management systems implemented in the company, namely relative to the process of disclosure of financial information, the system's operating method and its efficacy.

a) The General Finance Department has been developing the following aspects on risk control:

- negotiation, contracting and management of bank financing, in order to meet the financial needs of the IMPRESA Group;
- supervision, through appropriate financial instruments, with the purpose of reducing exposure to interest and exchange rate risks;
- supervision of insurance contracting at the IMPRESA Group level, in order to achieve the most appropriate solutions to cover insurable risks;

b) At the level of operational subsidiaries, the applicable legislation to the corresponding sector is followed (TV Legislation, Press Legislation, AACS Legislation, Advertising Legislation), in collaboration with the Department of Development and Institutional Relations, for the purpose of minimizing the risks of any non-compliance.

c) Also at the level of operational subsidiaries, plans relative to external situations which may affect current company operation, namely fires, production stoppages, broadcasting failures, IT system failures, etc., have been established and implemented, with the objective of safeguarding people and goods, as well as ensure, as much as possible, the continuity of production not only of newspapers and magazines but also of digital and television activities.

d) The Executive Committee, in coordination with the Audit Committee, regularly analyses and supervises the preparation and disclosure of financial information, so as to prevent undue and extemporaneous access to relevant information by third parties.

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II.6. Responsibility of the administrative body and supervisory body in the creation and operation of the internal control and risk management systems of the company, as well as the assessment of their operation and adjustment to the needs of the company.

The Internal Auditing Department executes its functions in conjunction with the Audit Committee with the objective of testing the operation of the internal control procedures implemented, as well as to develop optimised processes, so as to adjust them to the needs of the IMPRESA Group. The Audit Committee reports the results achieved to the Board of Directors and makes recommendations taking into account such results.

The Audit Committee coordinates with the Risk Management Department measures related with the detection and management of identified risks, reporting the results achieved and recommendations to the Board of Directors.

II.7. Indication on the existence of corporate body operational regulations or other rules concerning internally defined incompatibilities and maximum number of accumulated positions, as well as the location where these may be found.

Operational regulations exist for the Board of Directors, the Executive Committee and the Audit Committee, which may be consulted on the company website.

Regarding incompatibilities, no list has been internally defined by the administrative body nor maximum number of positions directors may accumulate in the administrative bodies of other companies.

Section II

Board of Directors

II.8. If the chairman of the administrative body exercises executive functions, indication of the mechanisms to coordinate the work of the non-executive members that ensure the independent and informed character of their decisions.

In addition to all the information provided, referred in point 11.2 above, the Chairman of the Board of Directors sends to the non-executive members the documentation related to the main current matters, allowing them to keep themselves informed on these topics, even when they are not included in the agendas of the Board of Directors.

II.9. Identification of the main economic, financial and legal risks to which the company is exposed in the exercise of its activity.

In the exercise of its activity, the company is mainly exposed to the following risks:

a) Risk of changes to the macroeconomic environment;

b) Risk of interruption of activity due to breakdown of the production systems;

c) Interest rate risk;

d) Exchange rate risk;

e) Paper price risk;

f) Risk of changes to the VAT regime applicable to the activity;

g) Risk of changes to the advertising investment market;

h) Risks of changes to the applicable sector legislation.

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II.10. Administrative body powers, namely regarding deliberations on increase of capital.

In accordance with article 12 of the articles of association, the Board of Directors is empowered with the broadest of management responsibilities, practicing all acts and exercising all functions relative to relevant corporate matters, and especially:

a) company representation, active and passive, judicially and otherwise;

b) negotiation and signing of all contracts, including arbitration conventions, regardless of their scope, nature and form, in which the company is involved;

c) acquisition, sale, encumbrance or any other form of corporate asset transaction;

d) contracting loans, as well as provision of the necessary guarantees, regardless of their extent and nature;

e) confession, discontinuance or transactions relative to any judicial proceeding;

f) constitution of company representatives, regardless of the scope and extent of the mandate;

g) delegation of particular functions and powers to any director, within the scope established in the respective deliberation.

With reference to sub-paragraph g) delegation of functions and powers, there is an Executive Committee whose composition is described in point II.2 above. The matters that cannot be delegated are, in turn, indicated in point II.3.

Regarding deliberations on capital increases, the articles of association do not define any empowerment of the Board of Directors, this being an exclusive matter of the General Meeting, but the Board may, however, make proposals along these lines to the General Meeting.

II.11. Information on the policy of rotation of functions of the Board of Directors, namely of the member with financial functions, as well as on the rules applicable to the appointment and replacement of members of the administrative and supervisory bodies.

There is no policy of rotation of functions of the Board of Directors. The distribution of functions is indicated annually in this Report, in point II.3 above.

The General Meeting is responsible for appointing the members of the administrative and supervisory bodies at the beginning of each mandate.

The replacement of a director will take place by election, within sixty days, or if there is no election, by appointment by the Audit Committee. In the latter case, the selection will be ratified in the following General Meeting, and will be valid until the end of the period for which the director had been elected.

When applicable, the Statutory Auditor will be replaced by his/her substitute.

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II.12. Number of meetings of the administrative and supervisory bodies, as well as reference to the preparation of the minutes of those meetings.

The following number of administrative and supervisory body meetings was held during the financial year of 2010:

Board of Directors	7 meetings
Executive Committee	10 meetings
Audit Committee	8 meetings

Minutes were prepared of all the meetings mentioned.

The members of the Executive Committee of IMPRESA are, simulaneously, members of the executive committees of the Television, Publishing and Digital business segments. In this sense, these committees hold weekly meetings with the participation of the C.O.O. of each segment. In addition to these meetings, as members of the Boards of Directors of the segments indicated, they also participate in the monthly meetings of these committees. Minutes are prepared of all of these meetings.

II.13. Indication of the number of meetings of the Executive Comittee or of the Executive Board of Directors, as well as reference to the preparation of the minutes of these meetings and their sending, accompanied by the meeting calls, as applicable, to the Chairman of the Board of Directors, the Chairman of the Supervisory Board or the Audit Committee, the Chairman of the General and Supervisory Board and the Chairman of the Finance Committee.

The minutes of all the meetings of the Executive Committee, mentioned in the previous paragraph, were prepared and made available to the members of the Audit Committee.

II.14. Distinction between executive and non-executive members and, among these, the breakdown of the members that would comply, if applicable to them, with the incompatibility rules established in no. 1 of article 414-A of the Commercial Company Code, with the exception of sub-paragraph b), and the independence criteria established in no. 5 of article 414, both included in the Commercial Company Code.

Executive:

Dr. Francisco José Pereira Pinto de Balsemão – Chairman of the Board of Directors and Executive Committee

Dr. Pedro Lopo de Carvalho Norton de Matos – *Voting Member of the Board of Directors and Deputy Chairman of the Executive Committee*

Eng. Francisco Maria Supico Pinto Balsemão – *Deputy Chairman of the Board of Directors and Voting Member of the Executive Committee*

Non-executive:

Dr. Alexandre de Azeredo Vaz Pinto – Voting Member of the Board of Directors and Chairman of the Audit Committee

Dr. António Soares Pinto Barbosa – *Voting Member of the Board of Directors and Audit Committee*

Dr. Maria Luísa Coutinho Ferreira Leite de Castro Anacoreta Correia – *Voting Member of the Board of Directors and Audit Committee*

Dr. Miguel Luís Kolback da Veiga – *Voting Member of the Board of Directors*

Dr. José Manuel Archer Galvão Teles – *Voting Member of the Board of Directors*

All non-executive members comply with the incompatibility rules established in no. 1 of article 414-A of the Commercial Company Code, with the exception of sub-paragraph b), and the independence criterion established in no. 5 of article 414, both included in the Commercial Company Code, with the exception of Dr. José Manuel Archer Galvão Teles.

II.15. The administrative body has based its assessment of independence of its members on legal, regulatory rules and other criteria.

For assessment of the independence of the non-executive members, their C.V.s have been made available in order to analyse their professional activity, and verify the non-existence of contractual or business links with companies of the IMPRESA Group.

II.16. Indication of the rules of the process for selecting candidates for non-executive director positions and how the non-interference of executive directors in this process is ensured.

There are no rules defined for selecting candidates for non-executive director positions. The criterion used is based on professional experience and proven independence of candidates.

II.17. Reference to the fact that the annual management report of the company includes a description of the activities developed by the non-executive directors and any constraints detected.

The activity developed by the non-executive directors and any constraints detected are indicated in point C) of the single annual management report-

II.18. Professional qualifications of the members of board of directors, indication of their professional activities, at least during the last five years, number of company shares held and dates of first appointment and end of mandate.

* <u>*Dr. Francisco José Pereira Pinto de Balsemão – 2,378,840 shares held on 31.12.10*</u>

First appointment to the position of Chairman of the Board of Directors on 18.10.90. The current mandate refers to the four-year period 2007-2010.

Member of the Council of State (since May 2005), Chairman of the European Publishers Council (since 1999), Chairman of the Selection Board of the Pessoa Award (since 1987), member of the Selection Board of the Prince of Asturias International Cooperation Award, member of the Consejo de Protectores of Fondación Carolina (since 2001), member of the General Board of COTEC Portugal – Associação Empresarial para a Inovação (since April 2003), member of the International Consulting Board of the Santander Group (since 2004), member of the Steering Committee of the Bilderberg Meetings, member of the Board of Curators of the Portuguese-Brazilian Foundation (since April 2004), Chairman of the Council of the Faculty of Social and Human Sciences of Universidade Nova de Lisboa (since May 2009).

Was an associate professor (1987-2002) at the School of Social and Human Sciences (UNL), Chairman (1990-1999) of the Board of Directors of the European Institute for the Media, Chairman (1997-2003) of the European Television and Film Forum, Deputy Chairman (1995-2003) of the Journalistes en Europe Foundation, member (1999-2002) of the Global Business Dialogue executive committee, member of the Advisory Board of the University of Lisbon (from January 2007 to May 2009).

Holds a Law Degree from the Lisbon Law School (Faculdade de Direito de Lisboa – FDL), having also attended a complementary Political and Economic Science course at the FDL. Worked as a journalist, management secretary (1963-65) and director (1965-71) of the Diário

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Popular newspaper. Was the founder and director of the EXPRESSO newspaper (1973-80), a founder of the Social Democrat Party (1974), parliament member and deputy chairman of the Constitutional Parliament (1975), Member of Parliament in 1979, 1980 and 1985, Assistant Minister of State for the 6th Constitutional Government (1980) and Prime Minister for the 7th and 8th Constitutional Governments (1981-83).

* *Eng. Francisco Maria Supico Pinto Balsemão – 8.246 shares held on 31.12.10*

First appointment to the position of member of the Board of Directors on 05.02.01. The current mandate refers to the four-year period 2007-2010.

Holds a Degree in Electrical and Computer Engineering, Telecommunications and Electronics Branch, from the Instituto Superior Técnico - I.S.T. of the Technical University of Lisbon.

Post-Graduation Course in Telecommunications Business Management (1998-99) from ISTP - Instituto Superior de Transportes, organised by the ISTP, APDC - Associação Portuguesa para o Desenvolvimento das Comunicações and by the Enterprise Institute of Madrid.

Participation and conclusion of the EJE Programme – Engenheiro Jovem Empresário (Young Enterprising Engineer (1993-1994), promoted by the State Secretariat for Youth, Junitec (Junior Enterprises of the Higher Technical Institute) and the ITEC (Instituto Tecnológico para a Europa Comunitária – Technological Institute for the European Community).

At TMN - Telecomunicações Móveis Nacionais, S.A., held the positions of International Business and Roaming Director (between October 1997 and March 2000), Product Manager at the Department of Products and Services for the Corporate Market of the Direction of Products and Services Development and Management (between April 1997 and October 1997) and Project Manager at the Department of Products and Services Innovation and Development of the Direction of Communication and Marketing (between December 1995 and April 1997).

Voting member of the Board of Directors of AAAIST - Associação dos Antigos Alunos do Instituto Superior Técnico (Association of Alumnae of Higher Technical Institute Students), in 2000-2002, and chairman of the its Communication and Image Committee, from 1995 to 2000. Member of the National Direction (Southern Region/Islands) of APIGRAF - Associação Portuguesa das Indústrias Gráficas, de Comunicação Visual e Transformadoras do Papel (Portuguese Association of Graphic, Visual Communications and Paper Industries), in 2005-2007 (representing Imprejornal, Sociedade de Impressão, S.A.).

Voting member of the Board of Directors of APDC - Associação Portuguesa para o Desenvolvimento das Comunicações" (Portuguese Association for Communications Development) since 2001, chairman of the National Direction of ANJE - Associação Nacional de Jovens Empresários (National Association of Young Entrepreneurs) since 2009 (having ben deputy chairman between 2003 and 2009), member of the Board of Directors of ACEPI - Associação do Comércio Electrónico em Portugal (Association of Electronic Commerce in Portugal) since November 2005 (having been the Director of its B2C Specialised Group between 2001 and 2005), deputy chairman of the Board of Directors of AIP/CE – Associação Industrial Portuguesa/Confederação Empresarial (Portuguese Industrial Association/Enterprise Confederation) since 2007, substitute voting member of the Board of Directors of API – Associação Portuguesa de Imprensa (Portuguese Press Association) since 2007, voting member of the Board of Directors of CIP - Confederação da Indústria Portuguesa (Portuguese Industrial Confederation) since 2010, voting member of the Board of Directors of ANETIE - Associação Nacional das Empresas de Tecnologia de Informação e Eletrónica (National Association of Information Technology and Electronic Companies) since 2010, member of the General Board of APDSI - Associação para a Promoção e Desenvolvimento da Sociedade de Informação (Association for the Promotion and Development of the Information Society), liaison

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element between IMPRESA, SGPS and COTEC Portugal - Associação Empresarial para a Inovação (Enterprise Association for Innovation) and member of the Executive Committee of the Civil Movement Novo Portugal – Opções de uma Geração (New Portugal – Options of a Generation).

Member of the Economic and Social Council (representing ANJE), member of the Advisory Board of RTP2 (representing ANJE), observer member of the Advisory Board of ICP/ANACOM – Autoridade Nacional das Comunicações (representing SIC), member of the Iberian Advisory Board of the American multinational SUN Microsystems, member of the Iberian Advisory Board of Thomson-Reuters Aranzadi, a Spanish publisher of specialised contents for the legal market, belonging to the Canadian multinational Thomson-Reuters (world leader in the provision of specialised contents for professionals: legal, tax, financial, scientific). Was a member of the assessment board of the Professional Aptitude Exams of the Telecommunications Technician courses ministered by INETE – Instituto de Educação Técnica and by EPET – Escola Profissional de Electrónica e Telecomunicações (representing APDC), and was senior advisor to Portugal of the Investment Banking Division of the multinational bank of North American origin, Lehman Brothers, from July 2006 to the bankruptcy of this institution (on 15th September 2008).

* *Dr. Alexandre de Azeredo Vaz Pinto – 140 shares held on 31.12.10*

First appointment to the position of member of the Board of Directors on 15.05.00. The current mandate refers to the four-year period 2007-2010.

Holds an Economics Degree from the Instituto Superior de Ciências Económicas (Higher Economic Sciences Institute), obtained in 1961.

Deputy chairman of Caixa Geral de Depósitos (1996), non-executive director of Brisa (1998), chairman of the Board of Directors of SIBS, SA (1996), chairman of the Board of Directors of Caixa Investimentos (1996), non-executive director of UNICRE (1996), chairman of Banco Espírito Santo e Comercial de Lisboa, by appointment of the Council of Ministers (1986), deputy chairman of the aforementioned Bank (1992), deputy governor of the Bank of Portugal, by appointment by the Council of Ministers (1982), chairman of the Board of Directors of the Foreign Investment Institute, by appointment of the Council of Ministers (1977), Minister of Commerce and Tourism (between January and September 1981), chairman of the Board of Directors of the Foreign Investment Institute, resuming his former position, chairman of the Portuguese Financial Society, by appointment of the Council of Ministers (between 1974 and 1979), Secretary of State for Commerce, by appointment from 11th August 1972, having, under this position, held the position of chairman of the Portuguese Delegation of the EFTA Council of Ministers, in the sessions held in November 1972 and May 1973, in Vienna and Geneva, respectively, having chaired the proceedings of the latter; also participated in several GATT and OECD ministerial meetings. Sub-secretary of State for Commerce, by appointment from 15th January 1970 and held up to 11th August 1972. Director of Banco Nacional Ultramarino, by appointment from September 1968. Worked in the Prime Minister's Technical Secretariat, having collaborated in the preparation of the Third Development Plan. Collaborated, as Technician of the Industrial Economy Department of the National Industrial Research Institute, in the preparation of the first Portuguese inter-industrial relations matrix. Subsequently involved in the study and preparation of Development Plans, having worked at the Ministry of Economy, in collaboration with a group of economists, in the programming of the industrial sector for the Intermediate Development Plan, having then been part of the Secretariat, at the Prime Minister's Office.

Head of the Research and Planning Department of the Portuguese Oil Company, BP.

Throughout his professional career, he has worked as a consultant for several organisations, namely CIP, where he collaborated in the preparation of an Investment Guide; as a consultant

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for the Transport and Tourism Corporation, he participated in the preparation of the Tourism Sector programme for the Third Development Plan.

* <u>Prof. *Dr. António Soares Pinto Barbosa – no shares held on 31.12.10*</u>

First appointment to the position of voting member of the Board of Directors on 12.04.07, for the four-year period 2007-2010.

Holds a Finance Degree, from the Instituto Superior de Ciências Económicas e Financeiras (Higher Institute of Economic and Financial Sciences), of the Technical University, obtained in 1966.

Economics Professor at Universidade Nova de Lisboa.

Voting Member of the Supervisory Board of the Champalimaud Foundation

Member of the Advisory Board of Banif

* <u>*Dr. Miguel Luís Kolback da Veiga – no shares held on 31.12.10*</u>

First appointment to the position of member of the Board of Directors on 23.12.04. The current mandate refers to the four-year period 2007-2010.

Holds a Law Degree, obtained in 1959, from the Law School of the University of Coimbra, having practised forensic and advisory law for 50 years, as an independent worker, mainly in the areas of civil and commercial law.

Member of UIA, União Internacional de Advogados (International Association of Lawyers), having participated in various of its Congresses, founding member of the Dr. Mário Soares Foundation and O Lugar do Desenho - Júlio Resende Foundation, member of the European Movement and Cultural Board of Eça de Queirós Foundation, Chairman of the Toponymics Commission of Porto, member of the Advisory Board of Porto Vivo – Sociedade de Reabilitação Urbana, member of the Founders Council of the Júlio Pomar Foundation, Chairman of the General Meeting of the Interposto Comercial e Industrial do Norte (Commercial and Industrial Warehouse of Porto), the Chocolate Factory Imperial (RAR Group), the Associação de Amigos do Coliseu do Porto (Association of Porto Coliseum Friends), and Interbolsa – Sociedade Gestora de Sistemas de Liquidação e de Sistemas Centralizados de Valores Mobiliários, SA.

Elected member of the National Supreme Council and of the Porto District Council of the Portuguese Lawyers Association and Chairman of the Cultural Council of the Portuguese Lawyers Association; elected a member of the Supreme Magistrates' Council, by the Parliament, and is the National Deputy Chairman of the Portuguese Red Cross and member of the Portuguese Honours Chancellery.

Member of the various selection boards of the *"Pessoa Award"* since its foundation.

Founding member of the political party PPD, currently PSD, having participated in the preparation of its programme and promotion, dissemination and establishment in 1974-75, having been elected to the Parliament by the electoral district of Porto, as well as having been elected a member of the first National Political Committees of PPD and of several of its National Councils, and deputy chairman of PSD - Partido Social Democrata (Social Democrat Party).

Chosen by the Council of Ministers to represent Portugal in a seminar on "Non-judicial means of protection and promotion of Human Rights", organised by the European Council, held in Sienna, Italy (1982).

Representative of the former President of the Republic Dr. Mário Soares and Social Democrat

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Party, respectively in the presidential and legislative elections, and of Dr. Rui Rio during the last local government elections in Porto.

Founding member of the A Comunidade contra a Sida (The Community against AIDS) Foundation;

* *Dr. Maria Luísa Coutinho Ferreira Leite de Castro Anacoreta Correia – no shares held on 31.12.10*

First appointment to the position of voting member of the Board of Directors on 28.01.08, for the four-year period 2007-2010.

PhD in Management, specialising in Accountancy, from ISCTE, obtained in October 2009.

Masters in Economics, from the School of Economics and Management, obtained in March 2001.

Holds a Degree in Business and Management Administration, from the School of Economic and Business Sciences of Universidade Católica Portuguesa, obtained in September 1991.

Visiting Assistant Professor at the School of Economics and Management of Universidade Católica Portuguesa and at the Business Management School.

Member no. 1133 of the Order of Chartered Accountants (Ordem dos Revisores Oficiais de Contas - OROC). Member of the Admissions Examination Board of OROC. Member of the Editorial Board of the magazine Revisores e Empresas.

Director of the Masters in Audit and Tax of the School of Economics and Management at Universidade Católica Portuguesa.

* *Dr. Pedro Lopo de Carvalho Norton de Matos – no shares held on 31.12.10*

First appointment to the position of voting member of the Board of Directors on 17.04.08, for the four-year period 2007-2010.

Management graduate at Universidade Católica Portuguesa, in 1990.

Holds a Masters in Politics and Philosophy from Universidade Católica Portuguesa, obtained in May 1998 - Infante D. Henrique Award.

Masters in Television Management from Boston University School of Communication, in August 1999.

Project Finance Analyst at Banco ESSI, from September 1990 to June 1991. Advisor to the Board of Directors of Custódio Cardoso Pereira, from September 1990 to June 1991.

Representative of the Portuguese Government in the Strategic Committee on the Oceans, from June 2003 to September 2004.

Lecturer of the Media and Society course at Universidade Católica Portuguesa, from September 2002 to January 2005.

Regular literary reviewer in the newspaper O Independente, in 1990. Regular collaborator of the opinion column of the newspaper Diário Económico, from 1999 to 2001 and regular collaborator of the political opinion column in the magazine Visão, since 2001.

* *Dr. José Manuel Archer Galvão Teles – no shares held on 31.12.10*

First appointment to the position of voting member of the Board of Directors on 07.10.09, for the four-year period 2007-2010.

Senior partner of Morais Leitão, Galvão Teles, Soares da Silva & Associados – Sociedade de Advogados, has been practising law full-time since 1961 (except in '75 and '76 when he was Portuguese Ambassador at the UN).

II.19. Functions performed by administrative body members in other companies, including details on functions performed in other companies of the group.

* *Dr. Francisco José Pereira Pinto de Balsemão*

Functions performed in other companies:

a) Group Companies

- Chairman of the Board of Directors of AEIOU – Investimentos Multimédia, SA
- Chairman of the Board of Directors of GESCO – Gestão de Conteúdos e Meios de Comunicação Social, SA
- Chairman of the Board of Directors of IMPRESA PUBLISHING, SA
- Chairman of the Board of Director of INFOPORTUGAL – Sistemas de Informação e Conteúdos, SA
- Chairman of the Board of Directors of SIC – Sociedade Independente de Comunicação, SA
- Chairman of the Board of Directors of SOINCOM – Sociedade Gestora de Participações Sociais, SA
- Chairman of the Board of Directors of SOJORNAL – Sociedade Jornalística e Editorial, SA
- Chairman of the Board of Directors of SOLO – Investimentos em Comunicação, SGPS, SA
- Manager of GMTS (Global Media e Technology Solutions) Serviços Técnicos e Produção Multimédia, Sociedade Unipessoal Lda.
- Manager of IMPRESA CLASSIFICADOS – Publicidade, Lda.
- Manager of IMPRESA DIGITAL – Produção Multimédia (Media Zoom), Lda.
- MANAGER OF IMPRESA MEDIA SOLUTIONS – SOCIEDADE UNIPESSOAL, LDA.
- Manager of IMPRESA.DGSM – Desenvolvimento e Gestão de Soluções Multimédia, Lda.
- Manager of MEDIPRESS – Sociedade Jornalística e Editorial, Lda.
- Manager of PUBLISURF – Edições e Publicidade, Lda.

b) Non-Group Companies

- Chairman of the Board of Directors of BALSEGER-SGPS, SA
- Chairman of the Board of Directors of IMPREGER – Sociedade Gestora de Participações Sociais, SA
- Non-executive Director of the Daily Mail and General Trust plc

- Manager of Sociedade Francisco Pinto Balsemão, Lda.
- Manager of Sociedade Turística da Carrapateira, Lda.

* *Eng. Francisco Maria Supico Pinto Balsemão*

Functions performed in other companies:

a) Group Companies

- Deputy Chairman of the Board of Directors of SOINCOM – Sociedade Gestora de Participações Sociais, SA
- Director of AEIOU – Investimentos Multimédia, SA
- Director of GESCO – Gestão de Conteúdos e Meios de Comunicação Social, SA
- Director of IMPRESA PUBLISHING, SA
- Director of INFOPORTUGAL – Sistemas de Informação e Conteúdos, SA
- Director of OFFICE SHARE – Gestão de Imóveis e Serviços, SA.
- Director of SIC – Sociedade Independente de Comunicação, SA
- Director of SOJORNAL – Sociedade Jornalística e Editorial, SA
- Director of SOLO – Investimentos em Comunicação, SGPS, SA
- Manager of GMTS (Global Media e Technology Solutions) Serviços Técnicos e Produção Multimédia, Sociedade Unipessoal Lda.
- Manager of IMPRESA CLASSIFICADOS – Publicidade, Lda.
- Manager of IMPRESA DIGITAL – Produção Multimédia (Media Zoom), Lda.
- Manager of IMPRESA MEDIA SOLUTIONS – Sociedade Unipessoal, Lda.
- Manager of IMPRESA SERVIÇOS – Sociedade Unipessoal, Lda.
- Manager of IMPRESA.DGSM – Desenvolvimento e Gestão de Soluções Multimédia, Lda.
- Manager of MEDIPRESS – Sociedade Jornalística e Editorial, Lda.
- Manager of PUBLISURF – Edições e Publicidade, Lda.

b) Non-Group Companies

- Director of IMPREGER – Sociedade Gestora de Participações Sociais, SA
- Non-executive Director of COMPTA – Equipamentos e Serviços de Informática, SA
- Non-executive Director of Lifetime Value, SA.
- Manager of ENCOREXPERT – Investments, SGPS, Lda.

* *Dr. Alexandre de Azeredo Vaz Pinto*

Does not perform any functions in other companies.

* <u>Prof. *Dr. António Soares Pinto Barbosa*</u>

Functions performed in other companies:

<u>Non-Group Companies</u>

- Voting Member of the Supervisory Board of the Champalimaud Foundation
- Member of the Advisory Board of Banif

* <u>*Dr. Miguel Luís Kolback da Veiga*</u>

Functions performed in other companies:

<u>Non-Group Companies</u>

- Non-executive Director of Companhia de Seguros Tranquilidade, SA
- Chairman of the Supervisory Board of the Condes de Campo Bello Foundation

* <u>*Dr. Maria Luísa Coutinho Ferreira Leite de Castro Anacoreta Correia*</u>

Functions performed in other companies:

<u>Non-Group Companies</u>

- Chairman of the Supervisory Board of the Associação para a Escola de Gestão Empresarial

* <u>*Dr. Pedro Lopo de Carvalho Norton de Matos*</u>

Functions performed in other companies:

a) <u>Group Companies</u>

- Chairman of the Board of Directors of OFFICE SHARE – Gestão de Imóveis e Serviços, SA.
- Director of AEIOU – Investimentos Multimédia, SA
- Director of GESCO – Gestão de Conteúdos e Meios de Comunicação Social, SA
- Director of IMPRESA PUBLISHING, SA
- Director of INFOPORTUGAL – Sistemas de Informação e Conteúdos, SA
- Director of SIC – Sociedade Independente de Comunicação, SA
- Director of SOJORNAL – Sociedade Jornalística e Editorial, SA
- Director of OLHARES.COM – Fotografia Online, SA
- Manager of ACTING OUT – Produção de Espectáculos e Eventos, Lda.
- Manager of GMTS (Global Media e Technology Solutions) Serviços Técnicos e Produção Multimédia, Sociedade Unipessoal Lda.
- Manager of IMPRESA CLASSIFICADOS – Publicidade, Lda.
- Manager of IMPRESA DIGITAL – Produção Multimédia (Media Zoom), Lda.

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- Manager of IMPRESA MEDIA SOLUTIONS – Sociedade Unipessoal, Lda.
- Manager of IMPRESA.DGSM – Desenvolvimento e Gestão de Soluções Multimédia, Lda.
- Manager of MEDIPRESS – Sociedade Jornalística e Editorial, Lda.
- Manager of PUBLISURF – Edições e Publicidade, Lda.

b) Non-Group Companies

- Deputy Chairman of the Board of Directors of BALSEGER - SGPS, SA
- Non-executive Director of Sociedade Agrícola da Alorna.

* *Dr. José Manuel Archer Galvão Teles*

Functions performed in other companies:

Non-Group Companies

- Director of GT4 – Assessoria e Gestão, SA
- Manager of CIPRESTE – Turismo de Habitação, Lda.

Section II

General and Supervisory Board,
Finance Committee and Supervisory Board

II.21. Identification of members of the supervisory board, including indication of their compliance with the incompatibility rules established in no. 1 of article 414-A and whether they comply with the independence criteria established in no. 5 of article 414, both included in the Commercial Company Code. For this purpose, the supervisory board conducts the respective self-assessment.

Not applicable.

II.22. Professional qualifications of members of the supervisory board, indication of their professional activities, at least during the previous five years, number of company shares held and dates of first appointment and end of mandate.

Not applicable.

II.23. Functions performed by members of the supervisory board in other companies, including details on functions performed in other companies of the group.

Not applicable.

II.24. Reference to the fact that the supervisory board assesses the external auditor annually and the possibility of proposing to the general meeting the dismissal of the auditor with just cause.

Not applicable.

II.25. Identification of members of the general and supervisory board, as well as members of committees constituted within the former, for the purposes of individual and overall performance assessment of the executive directors, reflection on the system of

government adopted by the company and identification of potential candidates with a profile for the position of director.

Not applicable.

II.26. Declaration that members comply with the incompatibility rules established in no. 1 of article 414-A, including sub-paragraph f), and the independence criterion established in no. 5 of article 414, both included in the Commercial Company Code. For this purpose, the general and supervisory board conducts the respective self-assessment.

Not applicable.

II.27. Professional qualifications of members of the general and supervisory board, as well as members of committees constituted within the former, indication of their professional activities, at least during the previous five years, number of company shares held and dates of first appointment and end of mandate.

Not applicable.

II.28. Functions performed by members of the general and supervisory boards, as well as members of committees constituted within the former, in other companies, including details on functions performed in other companies of the group.

Not applicable.

II.29. Description of the remunerations policy, namely including that of directors as per no. 3 of article 248-B of the Securities Code, and that of other employees whose professional activity may have a relevant impact on the risk profile of the company and whose remuneration contains a significant variable component.

Not applicable.

Section IV

Remuneration

II.30. Description of the remunerations policy of the administrative and supervisory bodies, which article 2 of Law no. 28/2009, of 19th June, refers to.

In accordance with the memorandum of association, the General Meeting elected a Remunerations Committee to establish the remunerations of the members of the Board of Directors.

In a context of considerable change and competition, such as currently experienced by the IMPRESA Group, the capacity to attract, motivate and retain the best professionals in the market, as well as transform their contribution into true teamwork, will doubtlessly constitute a main critical factor for success in the near future.

Therefore, it is important to emphasise the fact that the IMPRESA Group reformulated its compensation strategy for Executive Commission members in 2003, having extended it to the rest of the organisational structure, through the implementation of a new model, the main objective of which is to increase shareholder value creation and sustainability by the Board of Directors.

Hence, in terms of its architecture, the IMPRESA Group believes such a model with these characteristics should include a component linked to performance.

This approach presents a great capacity for integration with the value creation objectives, being based on a series of principles and characteristics which make it extremely interesting, namely:

- its transparency;
- its methodological consistence, at two levels:
    - model integration in a balanced manner, and compensation rules amongst the various top management levels;
    - relative competitiveness in terms of comparison with the best practices;
- its ability to create the necessary basic elements to attract, motivate and retain the best human assets in IMPRESA Group target markets;
- its capacity to ensure the convergence of interests of the shareholders with those of the Board of Directors;
- ability to optimise executive remunerations, according to their performance and value-generating ability.

The IMPRESA Remunerations Committee, in compliance with the mandate attributed by the General Meeting, and considering the aforementioned objectives, deliberates annually on the value of the fixed remunerations of the executive and non-executive directors, as well as on the value of the variable remunerations of the executive directors, according to the share evolution and economic performance of the Group, in an equal manner for all Executive Committee members.

Hence, in 2003 the Remunerations Committee approved a calculation model for annual variable remunerations, which will correspond to the result of applying a percentage (between 0% and 150%) of the established objective achievement to the annual amount of the fixed remuneration. These objectives should be included in a series of indicators, whose number must be between 3 and 5. For the financial year of 2010, the IMPRESA Remunerations Committee approved the following indicators: IMPRESA revenue, EBITDA, net debt/EBITDA ratio, net results and total shareholder return (TSR), in comparison with the media sector.

Notwithstanding the previous paragraph, always seeking more advanced, transparent and sustainable remuneration practices, the Board of Directors will propose to the Remunerations Committee, which will be elected for the following mandate (2011-2014), that the current model reflect the performance assessment of directors that exercise executive functions on a multi-annual basis, with the objective of maximising the long term performance of the IMPRESA Group.

II.31. Indication of the annual amount of remuneration earned, on an individual basis, by members of the administrative and supervisory bodies, including fixed and variable remuneration and, with regards to the latter, mention of its different components, broken down into the deferred portion and the paid portion.

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Remunerations of the Board of Directors			
Executive Directors	**Fixed**	**Variable**	**Total**
Chairman of the Executive Comitee – Dr. Francisco José Pereira Pinto de Balsemão	376.750,00€	0,00€	376.750,00€
Deputy Chairman of the Executive Committee – Dr. Pedro Lopo de Carvalho Norton de Matos	313.250,00€	0,00€	313.250,00€
Voting Member of the Executive Committee - Eng. Francisco Maria Supico Pinto Balsemão	167.140,00€	0,00€	167.140,00€
Total Executive	***857.140,00€***	***0,00€***	***857.140,00€***
Non-Executive Directors			
Chairman of the Audit Comitee – Dr. Alexandre de Azeredo Vaz Pinto	71.925,00	-	71.925,00
Voting Member of the Audit Committee – Prof. Dr. António Soares Pinto Barbosa	71.925,00	-	71.925,00
Voting Member of the Audit Committee – Dr. Maria Luísa Coutinho Ferreira Leite de Castro Anaco-reta Correia	71.925,00	-	71.925,00
Voting Member of the Board of Directors – Dr. Miguel Luís Kolback da Veiga	37.675,00	-	37.675,00
Voting Member of the Board of Directors – Dr. José Manuel Archer Galvão Teles	37.675,00	-	37.675,00
Total Non-Executive	***291.125,00€***	**-**	***291.125,00€***
TOTAL	**1.148.265,00€**	**0,00€**	**1.148.265,75€**

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II.32. Information relative to the way in which the remuneration is structured so as to permit the alignment of the interests of the members of the administrative body with the long term interests of the company, as well as relative to the way it is based on performance assessment and discourages excessive risks.

Point II.30 above describes the subject related with the definition of the remunerations by the Remunerations Committee. As mentioned in the previous paragraph, the Board of Directors will propose to the Remunerations Committee, which will be elected for the following mandate (2011-2014), that the current model reflect the performance assessment of directors that exercise executive functions on a multi-annual basis, with the objective of maximising the long term performance of the IMPRESA Group.

II.33. Regarding the remuneration of the executive directors:

a) Reference to the fact that the remuneration of the executive directors includes a variable component and information on the way in which this component depends on performance assessment;

As described in point II.30 above, the remuneration of the executive directors includes a variable component subject to the annual achievement of objectives.

b) Indication of the competent corporate bodies to conduct the performance assessment of the executive directors;

As mentioned in the explanation for the non-compliance of recommendation II.5.1, and due to the reasons pointed out, within the corporate bodies of the company there is no Committee to assess the performance of the executive directors.

c) Indication of the pre-determined criteria for assessment of the performance of the executive directors;

See information in the previous paragraph.

d) Clear indication of the relative importance of the fixed and variable components of the remuneration of the directors, as well as indication of the maximum limits for each component;

The values attributed, in terms of fixed and variable components, are detailed in point II.31 above. With regards to the maximum limits for the variable component, they are set out in point II.30.

e) Indication of the deferred payment of the variable remuneration component, with mention of the deferral period;

As mentioned in point II.30, the Board of Directors, always seeking more advanced, transparent and sustainable remuneration practices, will propose to the Remunerations Committee, which will be elected for the following mandate (2011-2014), that the current model reflect the performance assessment of directors that exercise executive functions on a multi-annual basis, with the objective of maximising the long term performance of the IMPRESA Group.

f) Explanation as to how the payment of the variable remuneration is subject to the continuing positive performance of the company over the course of the deferral period;

Not applicable. Se previous sub-paragraph.

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g) **Sufficient information on the criteria based on which the attribution of a variable remuneration in shares is determined, as well as on the maintenance, by the executive directors, of company shares that they have had access to, on the possible conclusion of contracts relative to those shares, namely hedging or risk transfer contracts, respective limit and their relation to the total annual remuneration value;**

There are no incentive systems involving shares.

h) **Sufficient information on the criteria based on which the attribution of a variable remuneration in share options is determined and indication of the deferral period and of the exercise price;**

There is no incentive system that involves the attribution of this type of variable remuneration.

i) **Identification of main parameters and basic concepts of any system relative to annual bonuses and other non-cash benefits;**

As explained in point II.30 above, the variable component of the compensation system defined by the Remunerations Committee of the IMPRESA Group will be the result of applying the percentage (between 0% and 150%) of the established objective achievement to the annual amount of the fixed remuneration. These objectives should be included in a series of indicators, whose number must be between 3 and 5. For the financial year of 2010, the IMPRESA Remunerations Committee approved the following indicators: IMPRESA revenue, EBITDA, net debt/EBITDA ratio, net results and total shareholder return (TSR), in comparison with the media sector. The Group's compensation system does not establish any right to shares or share options.

j) **Remuneration paid as participation in profit and/or bonuses and reasons for the awarding of these bonuses and/or participation in profit;**

The variable remuneration of the IMPRESA Group will only be paid if the weighted average of the achievement of the defined objectives (objectives defined for 2010 were growth in revenue, EBITDA, net debt/EBITDA ratio, net results and the TSR comparison between the Group and the Sector) is equal or greater than 90%. Payment will be made according to the percentage of fixed remuneration corresponding to the value of the aforementioned achievement (between 0% and 150%).

For the financial year of 2010, the executive members of the Board of Directors were not attributed any variable remunerations, in the form of participation in profit or bonuses.

l) **Compensations paid or due to former executive directors relative to the termination of their functions during the financial year;**

No compensations were paid or are due to former executive directors relative to the termination of their functions during the financial year.

m) **Reference to the contractual limitation foreseen regarding the compensation to be paid for dismissal without just cause of a director and its relation with the variable remuneration component;**

Not applicable.

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n) Any amounts paid by other companies where a controlling or group relationship exists;

Of the total indicated in point II.31, the amount of 376,750 euros was paid by the subsidiary SOJORNAL, SA, corresponding to the total remuneration of the Chairman of the Executive Committee.

o) Description of the main characteristics of the supplementary pension and early retirement schemes for the directors, indicating whether or not they were assessed by the general meeting;

The Chairman of the Executive Committee benefits from a supplementary retirement scheme, through the Sojornal & Associadas Pension Fund, created in 1987, which covers directors, journalists and other paid staff, admitted by 5th July 1993, as per the information contained in Note 37.1 of the Annex to the IMPRESA consolidated financial statements.

The supplement attribution plan consists of the following rules and characteristics:

“Journalists and directors who have worked for the company for 10 years or more are entitled to a supplementary retirement subsidy, due to old age or disability, the amount of which is calculated as follows, with there being no commitments regarding future updating:

a) Journalists and directors who have worked for the company for 10 years will receive a subsidy equivalent to half the difference between the pension paid by Social Security and their pensionable salary;

b) For every year worked after 10 years, this supplement will increase by 1%, until the sum of the pension and the supplement totals 90% of their pensionable salary.

Retirement due to old age is understood as that granted to employees over 65 years of age.

Retirement due to disability is understood as that recognised and granted to employees by Social Security.

Pensionable salary is understood as total remunerations (base salary, bonus payments and subsidies) defined for 2002.

Any employee may remain at the service of the Associate, by common agreement, after the old age retirement date. In this case, the value of the pension will be calculated as defined above, based on the pensionable salary and pensionable working time on the date the employee in question completed 65 years of age.

Pension supplements will be calculated using the formula used by Social Security to calculate pensions on 5th July 1993."

During the financial ended 31st December 2010, no supplements to pensions were paid by the Pension Fund.

The abovementioned retirement plan is included in the information provided in the IPO of IMPRESA in 2000 and, since then, in all accounts documents.

p) Estimation of relevant non-cash benefits, considered as remuneration, not included in the previous sections.

There were no relevant non-cash benefits, considered as remuneration, not included in the previous sections.

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q) **Existence of mechanisms that prevent executive directors from celebrating contracts that call into question the validity of the variable remuneration.**

Within the scope of the internal audits to the various existing processes in the IMPRESA Group, the contracts related with said processes are analysed by the Internal Audit Department, which then reports the results to the Audit Committee. The Audit Committee, whenever it deems necessary and opportune, issues recommendations to the Executive Committee of IMPRESA.

II.34. Reference to the fact that the remuneration of the non-executive directors of the administrative body does not include variable components.

Pursuant to the annual deliberations of the Remunerations Committee, no variable remuneration component is attributed to the non-executive directors.

II.35. Information relative to the policy adopted by the company on the communication of irregularities (means of communication, people with legitimacy to receive the communications, treatment of the latter and indication of people and bodies with access to the information and respective intervention in the procedure).

In 2007, the Audit Committee created and approved an internal system for the communication of irregularities, aimed at the prevention and punishment of irregular situations, thereby avoiding damages caused by the continuation of irregular practices.

This system, the Regulations of which are disclosed on the IMPRESA website and on the IMPRESA Group Intranet network, ensures the confidentiality of the information provided, as well as the anonymity of the persons reporting any irregularities.

It also ensures the rights of IMPRESA Group company employees will not be harmed by the communication of irregular practices.

The system for the communication of irregularities has five procedural phases, namely: reception and recording, preliminary analysis, judgement of the consistency of the information received, investigation and final report, including communication to the Chairman of the Board of Directors.

Section V

Specialised Committees

II.36. Identification of members of the committees constituted for the purposes of individual and overall performance assessment of the executive directors, reflection on the system of government adopted by the company and identification of potential candidates with a profile for the position of director.

There are no specific committees for the situations indicated. However, with reference to the system of government adopted by the company, two members of the Board of Directors are responsible for "Corporate Governance". Within the scope of their functions, these members carry out the continuous analysis and follow-up of developments on this matter and, when necessary and/or opportune, propose alterations to the adopted model. Up to the present date, the existing model has been considered appropriate to the structure of IMPRESA and no operational constraints have been recognised.

II.37. Number of committee meetings with administrative and supervisory competences during the financial year in question, as well as reference to the preparation of the minutes of those meetings.

See points II.12 and II.13.

II.38. Reference to the fact that a member of the remunerations committee has knowledge and experience in remuneration policy.

Any member of the Remunerations Committee has knowledge and experience in this matter, due to the pursuit of their professional activity.

II.39. Reference to the independence of natural or legal persons contracted for the remunerations committee by employment contract or service delegation contract relative to the board of directors, as well as, when applicable, the fact that these people have a current relationship as consultants of the company.

No member of the Remunerations Committee has an employment contract, service delegation contract or consultancy contract with the company.

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CHAPTER III

INFORMATION AND AUDITING

III.1. Capital structure, including indication of non-negotiable shares, different share categories, their rights and obligations and percentage of capital represented by each category.

The company's share capital is 84,000,000 euros, represented by shares of 0.5 euros each, all negotiable. All shares have the same rights and there are no different types of shares.

III.2. Qualified shareholdings in the issuer's share capital, calculated according to article 20 of the Securities Code.

Qualified shareholder	Number of Shares Held	Percentage of voting rights
IMPREGER – Sociedade Gestora de Participações Sociais, SA		
* Directly	84.514.588	50,306%
* Through the Chairman of the Board of Directors, Dr. Francisco José Pereira Pinto de Balsemão	2.378.840	1,416%
* Through the Deputy Chairman of the Board of Directors, Eng. Francisco Maria Supico Pinto Balsemão	8.246	0,005%
* Through the Chairman of the Supervisory Board, Dr. António Flores de Andrade	160	0,000%
Total imputable	**86.901.834**	**51,727%**
(a) – IMPREGER, Sociedade Gestora de Participações Sociais, SA is majority owned by the company BALSEGER, Sociedade Gestora de Participações Sociais, SA, which is 99.99% owned by Dr. Francisco José Pereira Pinto de Balsemão, such that the said voting rights are likewise imputable.		
Ongoing Strategy Investments, S.G.P.S., SA (a)		
* Directly	2.180.000	1,298%
* Through Investoffice – Investimentos e Consultoria Financeira, SA	36.255.055	21,580%
* Through the members of the administrative body	20.000	0,012%
Total imputable	**38.455.055**	**22,890%**
(a) – Ongoing Strategy Investments, S.G.P.S., SA is majority owned by the company RS Holding, SGPS, SA, which is 99.99% owned by Mrs. D. Isabel Maria Alves Rocha dos Santos, such that the said voting rights are likewise imputable to her.		
Madre – Sociedade Gestora de Participações Sociais, SA (a)		
* Directly	6.955.857	4,140%
Total imputable	**6.955.857**	**4,140%**
(a) – Madre – Sociedade Gestora de Participações Sociais, SA is controlled by Madre – Empreendimentos Turísticos, SA, which in turn is controled by Mr. António da Silva Parente, such that the said voting rights are likewise imputable to him.		
Credit Suisse Group AG		
* In representation of clients	6.597.888	3,927%
* Through CS Securities (Europe) Ltd	38.230	0,023%
* Through Credit Suisse Securities (USA) LLC	5.000	0,003%
Total imputable	**6.641.118**	**3,953%**

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BANCO BPI, SA		
* Directly	6.200.000	3,690%
* Through BPI Vida – Companhia de Seguros de Vida, SA	424.346	0,253%
Total imputable	**6.624.346**	**3,943%**

III.3. Identification of shareholders with special rights and description of these rights.

There are no special rights.

III.4. Any share transaction restrictions, such as clauses of consent to divestiture, or limitations to shareholding.

There are no restrictions on the transmissibility of shares.

III.5. Agreements outside the scope of the memorandum of association known to the company and which may lead to restrictions on the transmission of securities or voting rights.

There are no agreements outside the scope of the memorandum of association known to the company and which may lead to restrictions on the transmission of securities or voting rights.

III.6. Applicable rules to alteration of the company's articles of association;

There are no rules on the alteration of the company's memorandum of association, except those resulting from the applicable legislation.

III.7. Control mechanisms established for any system involving employee shareholdings, where the voting rights are not directly exercised by the employees in question.

There is no system involving the holding of company shares by employees.

III.8. Description of issuer share price evolution, namely including the following:

a) a) Issue of shares of other securities allowing share subscription or acquisition;

b) Results announcement;

c) Payment of dividends, by share category, including indication of net amounts per share.

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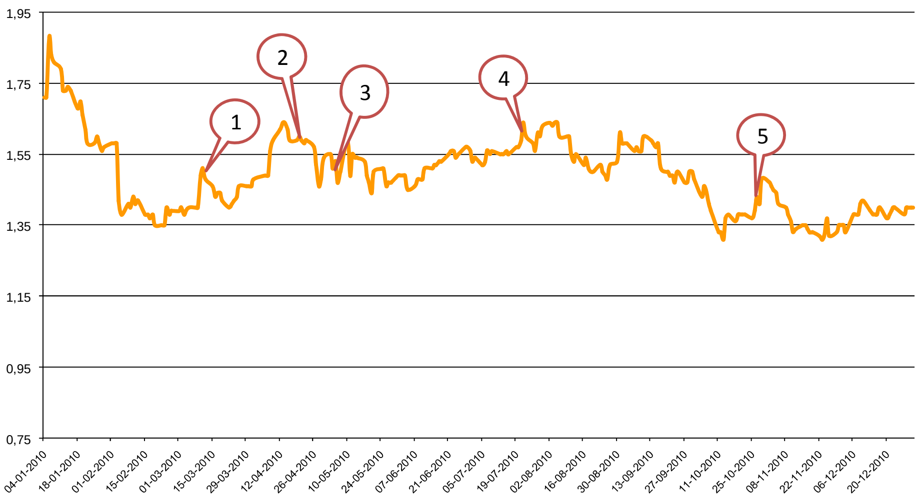
Evolução das Acções IMPRESA 2010



Main Dates:

1. 11th March 2010	Presentation of the Accounts for 2009
2. 20th April 2010	General Meeting of IMPRESA
3. 4th May 2010	Presentation of the 2010 1st Quarter Accounts
4. 23rd July 2010	Presentation of 2010 2nd Quarter Accounts
5. 28th October 2010	Presentation of 2010 3rd Quarter Accounts

III.9. Description of the dividend distribution policy adopted by the company, identifying the value of the dividend per share distributed in the last three financial years.

For the purposes of distribution of the results of the financial year, namely dividends, the individual accounts of IMPRESA are considered, prepared based on the IFRS/IAS standards.

On the other hand, the IMPRESA company memorandum of association establishes that “during the assessment of the accounts, the General Meeting should distribute profits relative to the previous financial year, if they exist, in the following manner:

a) 5% to the legal reserve fund, as long as its constitution or reintegration is necessary;

b) the remainder to be applied as determined by the majority, during the General Meeting.”

According to applicable legal dispositions, the deliberation of the General Meeting on the distribution of the remaining financial year results should consider the following:

- coverage of losses from previous financial years;
- constitution or reinforcement of other reserves determined by law or constituted by General Meeting deliberation;
- dividend distribution policy regarding shareholders.

Therefore, since the accrued negative retained earnings have not yet been covered, it has not yet been possible to proceed with the distribution of dividends.

With a view to enabling a regular dividend distribution policy in the future, the Board of Directors included in the Single Management Report of 2010 a proposal to cover the negative retained earnings by withdrawing the necessary sum from the share issue premiums item, a proposal that shall be subject to deliberation by the shareholders at the next General Meeting.

III.10. Description of the main characteristics of share attribution and share acquisition option plans adopted or effective in the financial year in question, including justification of the plans adopted, category and number of beneficiaries, attribution conditions, clauses relative to the non-divestiture of shares, share price criteria, prices relative to exercise of share options, period of exercise of share options, characteristics of the shares to be attributed, share acquisition or share option incentives and competence of the administrative body to execute or alter the plan in question.

Indication:

a) Of the number of shares necessary to enable the exercise of share options attributed and of the number of shares necessary to enable the exercise of exercisable share options, with reference to the beginning and end of the year;

b) Of the number of share options attributed, exercisable and extinguished during the year;

c) Of the assessment at the general meeting of the characteristics of the plans adopted or effective in the financial year in question.

There are no share attribution or share acquisition option plans which are effective or have been adopted at IMPRESA.

III.11. Description of main business elements and operations occurred between the company, on one side, and, on the other side, administrative and supervisory body members or companies in a control or group relationship, provided that these are economically significant to any of the parties involved, except with respect to businesses or operations which, cumulatively, are carried out according to normal market conditions for similar operations and are part of the company's normal business activity.

It should be noted that of the two rental contracts celebrated, indirectly, with the shareholder and Chairman of the Board of Directors, Dr. Francisco Pinto Balsemão, mentioned in previous reports and included in the brochures prepared for the occasion of the entry into the stock market in June 2000, and IMPRESA share capital increase in October 2003, at Euronext, only the contract relative to the IMPRESA registered office is still valid.

In addition to the content of the previous sub-paragraph, there were no economically significant businesses or operations in 2010, between the company and the members of its administrative and supervisory bodies, qualified shareholders or companies in a control or group relationship.

III.12. Description of the main business elements and operations undertaken between the company and qualified shareholders or entities that are in any relationship with it, under the terms of article 20 of the Securities Code, outside of normal market conditions.

There are no contracts, businesses and operations carried out between the company and qualified shareholders or entities that are in any relationship with it, under the terms of article 20 of the Securities Code, outside of normal market conditions.

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III.13. Description of the procedures and criteria applicable to the intervention of the supervisory board for the purposes of prior evaluation of the business to be carried out between the company and owners of the qualifying holdings or entities which are in any relationship with it, under the terms of article 20 of the Securities Code.

There was no prior evaluation, by the supervisory board, of the business to be carried out between the company and owners of the qualifying holdings or entities which are in any relationship with it, under the terms of article 20 of the Securities Code.

III.14. Description of the statistics (number, average value and maximum value) relative to the business subject to the prior intervention of the supervisory board.

There was no business subject to the prior intervention of the supervisory board.

III.15. Indication of the provision, on the company's website, of the annual reports on the activity developed by the general and supervisory board, financial matters committee, audit committee and supervisory board, including indication of any constraints which have been detected, together with accounts documents.

The annual reports of the Audit Committee include the description of the supervisory activities carried out by the Committee and, when applicable, refer to any constraints detected. Such reports are disclosed on the company website, together with accounts documents.

III.16. Reference to the existence of an Investor Support Office or similar service, including the following:

a) Duties of the Office;

Following entry into the then existing Lisbon and Porto Stock Exchange, in 2000, IMPRESA created the Department of Communication and Investor Relations, in order to ensure institutional relations and the disclosure of information to the vast universe of shareholders, potential investors, analysts and stock markets where IMPRESA shares are negotiable and the respective regulatory and supervisory entities, CMVM and Euronext.

The Department of Communication and Investor Relations of IMPRESA thus performs an important role in pursuit of that goal, allowing the maintenance of an adequate relationship with shareholders, financial analysts and potential investors of IMPRESA, namely through the participation in specific conferences and holding of road-shows at the main stock markets.

The main function of this Department, instituted in 2000, consists of acting as an agent between the Executive Committee of the Board of Directors of IMPRESA and investors and financial markets in general, being responsible, within the scope of its normal activity, for all information provided by the IMPRESA Group, both with respect to the disclosure of relevant facts and other communications to the market, as well as the publication of periodic, quarterly, half-year and annual financial statements.

b) Type of information provided by the Office;

In order to perform its functions, this Department maintains a flow of constant communication with financial investors and analysts in Portugal and abroad, providing all necessary information and clarifications to respond to the requests made by these entities, in compliance with the applicable legal and regulatory provisions.

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c) Office contacts;

R. Ribeiro Sanches, 65 – 1200-787 Lisbon
Telephone: +351-213929780
Fax: +351-213929787.
Email: jfreire@impresa.pt

d) Company website;

The company website address is "www.impresa.pt".

e) Identification of the representative for market relations.

The representative for market relations and Director of Communication and Investor Relations is Eng. José Freire, who reports to the Executive Committee.

III.17. Indication of value of the annual remuneration paid to the auditor and other natural or legal persons included in the same network, supported by the company and/or legal persons in a control or group relationship, as well as details on the percentage relative to the following services:

The fees paid to the auditor or other entities included in the same network, reached the total amount of 462,908 euros in 2010, distributed as indicated below:

a) Statutory audit services;

432,820 euros (93.50%)

b) Other reliability assurance services;

3,600 euros (0.78%)

c) Tax consultancy services;

26,488 euros (5.72%)

d) Services not included under statutory audit services.

0 euros (0%)

If the auditor provides any of the services described in sub-paragraphs c) and d), a description should be made of the means to safeguard the independence of the auditor.
For the purposes of this information, the concept of network is as defined in Recommendation of the European Commission no. C (2002) 1873, of 16th May.
The Audit Committee, in coordination with the General Finance Department of IMPRESA, guarantees that the auditing services contracted do not call into question their independence.

III.18. Reference to the rotation period of the external auditor.

During the financial year ended 31st December 2009, Deloitte & Associados, SROC, external auditor and statutory auditor of the company, indicated a new partner to represent it.