

# 4Q08 EARNINGS RELEASE

March 2009

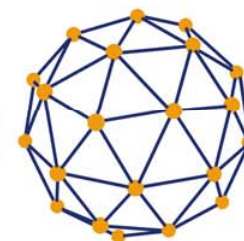
**Luis Alberto M. L. Reátegui**

*CEO*

**Rodin Spielmann**

*CFO and Investor Relations Officer*

**ideias** net



# 4Q08 HIGHLIGHTS

## • Gross Revenue

- Growth of 9.8% in 4Q08 – R\$ 283.2 million
- Growth of 12.5% in 2008 - R\$ 1.08 billion

## • Net Revenue

- Growth of 11.7% in 4Q08 – R\$ 229.6 million
- Growth of 12.2% in 2008 - R\$ 865.6 million

## • EBITDA

- Growth of 95.2% in the 4Q08 - R\$ 12.4 million
- Growth of 33.0% in 2008 - R\$ 28.5 million

	4Q07	4Q08	Δ%	2007	2008	Δ%
<b>NET REVENUE</b>	<b>205.640</b>	<b>229.640</b>	<b>11,7%</b>	<b>771.605</b>	<b>865.648</b>	<b>12,2%</b>
<b>GROSS PROFIT</b>	<b>40.298</b>	<b>48.463</b>		<b>143.273</b>	<b>167.140</b>	
Gross Margin	19,6%	21,1%		18,6%	19,3%	
<b>OPERATING EXPENSES</b>	<b>-33.968</b>	<b>-36.111</b>		<b>-121.819</b>	<b>-138.614</b>	
<b>(=) EBITDA</b>	<b>6.329</b>	<b>12.351</b>	<b>95.2%</b>	<b>21.454</b>	<b>28.527</b>	<b>33,0%</b>
EBITDA Margin	3,1%	5,4%	2.3pp	2,8%	3,3%	0.5pp
<b>(=) Net Income</b>	<b>3.792</b>	<b>2.202</b>	<b>-42%</b>	<b>9.701</b>	<b>3.581</b>	<b>-63%</b>

In R\$ thousands

\* We present here the Proportional Combined result, witch considers only the proportional shares of Ideiasnet in the companies in its portfolio.

## 4Q08 HIGHLIGHTS

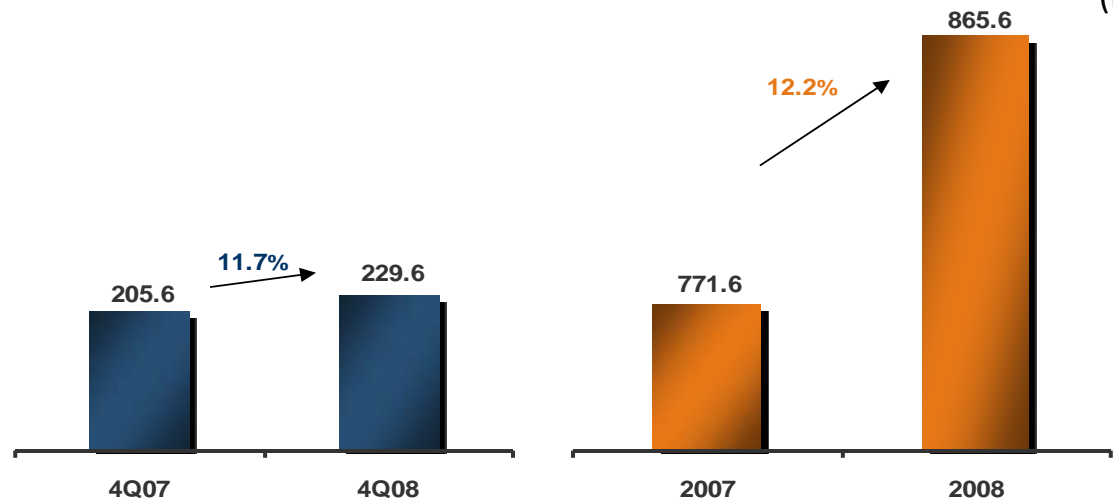
- **Officer**

- EBITDA margin - 5,5% in the 4Q08 and 3,4% in 2008
- EBITDA
  - Growth of 153.2% in the 4Q08 – R\$ 10.3 million
  - Growth of 80.5% in 2008 - R\$ 24,9 million

- **Spring Wireless** - was included in the Magic Quadrant for Mobile Enterprise Application Platforms – Gartner Report (Dec/08)
- **Pini** - Net Revenue growth of 18.8% and EBITDA growth of 74.8% in 2008
- **Softcorp** - positive EBITDA margin in 2008 reversing the negative margins of the first half of 2008
- **iLogistica** - was acquired by **Officer** in December 2008, Ideiasnet return - 208.2% over the capital invested.
- **Bolsa de Mulher** - increase of **400%** in audience and **670%** in revenue, during 2008
- **Credit Suisse** - initiated Ideiasnet's coverage in December 2008

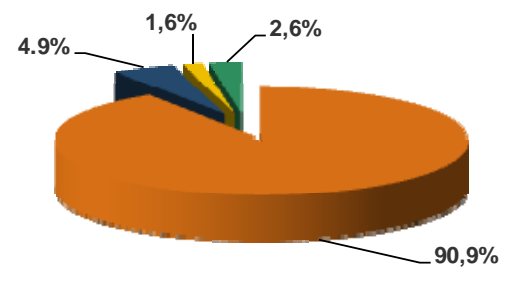
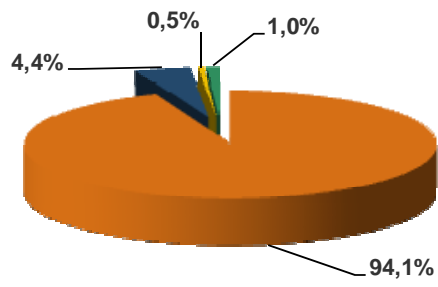
# NET REVENUE

(R\$ Millions)



2007

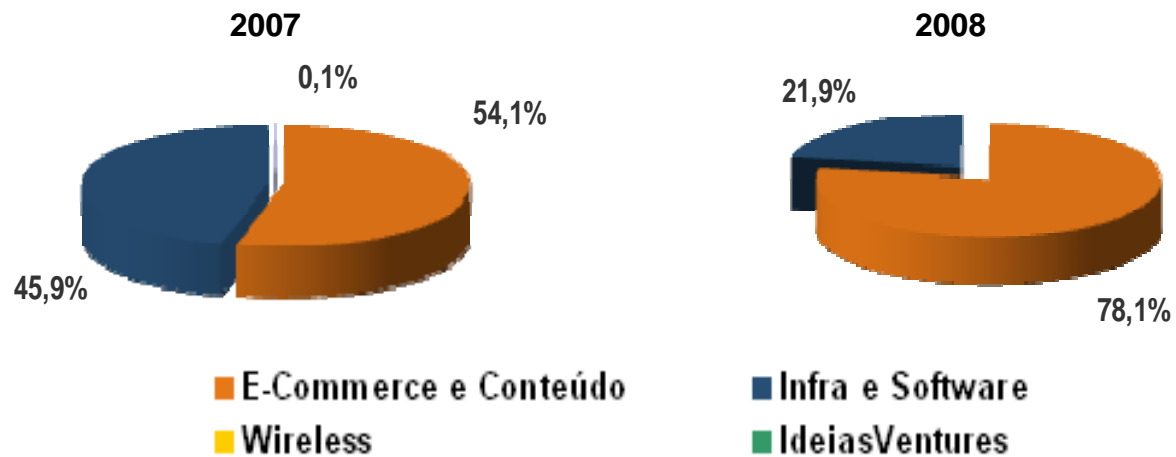
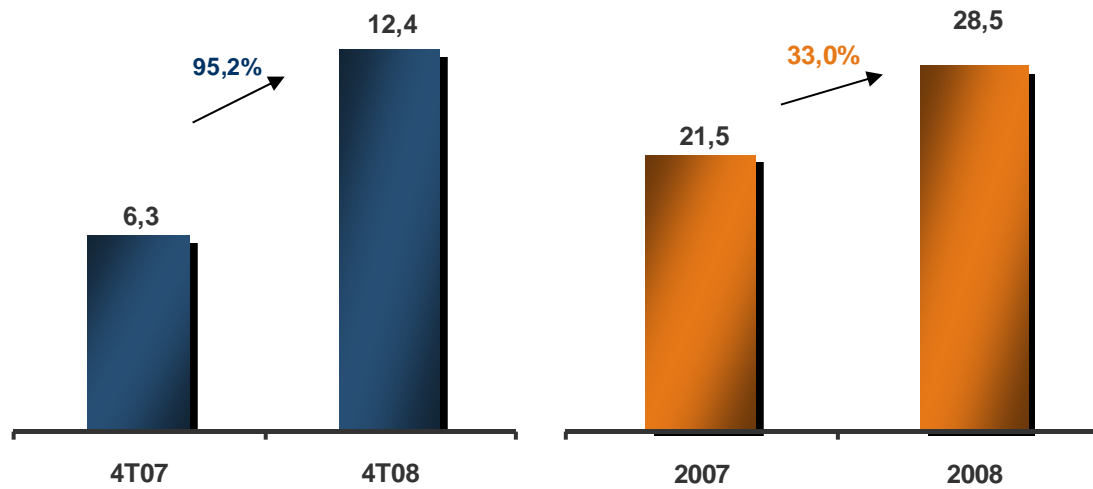
2008



- E-Commerce & Content
- Infra-Structure & Software
- Wireless
- IdeiasVentures

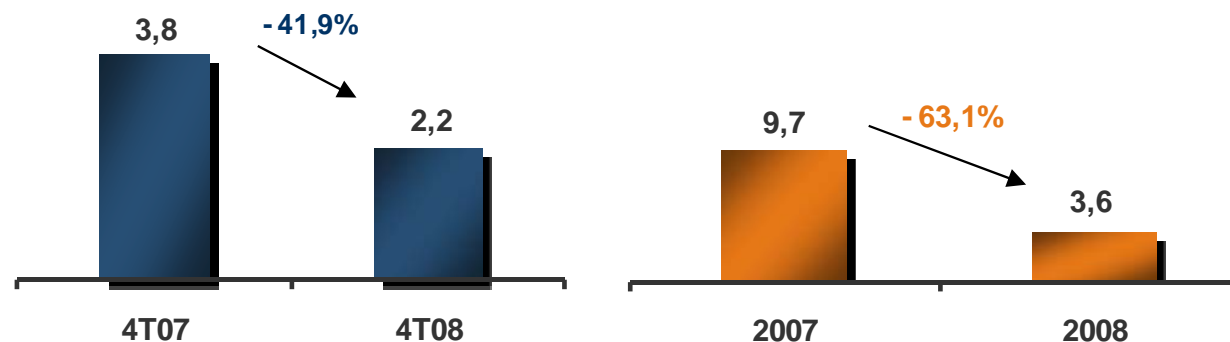
# EBITDA

(R\$ Millions)



# NET INCOME

(R\$ Millions)



## 4Q08 Highlights

- **Negative Financial Result** of R\$ 7.5 million
- FX variation of R\$ 4.3 million (57.4% of financial expenses) = 1.9% of Net Revenue

## 2008 Highlights

- **Negative Financial Result** of R\$ 14.9 million
- FX variation of R\$ 5.1 million (34.2% of financial expenses) = 0.6% of Net Revenue

# PORTFOLIO HIGHLIGHTS

## OFFICER

- Net Revenue
  - R\$ 186.0 million in the 4Q08, growth of 8.0%
  - R\$ 727,2 million in 2008, growth of 12.0%
- EBITDA margin
  - R\$ 5.5 % growth in the 4Q08, growth of 3,2pp
  - R\$ 3,4% in the 2008, growth of 1,3pp
- EBITDA
  - R\$ 10.3 million in the 4Q08, growth of 153,0%
  - R\$ 24,9 million in 2008, growth of 80.5% compared do 2007

# PORTFOLIO HIGHLIGHTS

## OFFICER

- Annual Officer Real Time event, held in São Paulo and also in Porto Alegre
- *Best Company Award* in the Wholesale Sector by the 32nd edition of the Balanço Annual ranking, published by the newspaper Gazeta Mercantil
- 2008 Preferred Distributor Award, sponsored by the Revista CRN Brasil magazine, receiving 15 of the 16 awards
- Ideiasnet Stock Purchase Program: 2,904,400 shares were acquired in the 4Q08, with a total of 3,535,900 shares purchased by year-end.

## SOFTCORP

- In the 2H08, the company posted positive EBITDA in both quarters, reversing the operational losses posted in the first half
- The sales team was expanded by almost 80.0%, establishing a strong base for the company's growth in 2009

# PORTFOLIO HIGHLIGHTS

## **PADTEC**

- Net Revenue growth of 26.0% in 2008, when compared to 2007
- In 4Q08, the EBITDA margin suffered compression due to:
  - Strong competition from major global manufacturers
  - Industry consolidation resulting from the acquisition of Brasil Telecom by Oi (both Padtec Clients)
  - Padtec's inclusion in Telefonica's short list
- Exports grew by 77.5% while Civcom's sales grew by four fold

## **IMUSICA**

- Net Revenue growth of 479.0% in 2008, in relation to 2007
- 2.3 million songs sold through mobile phones in 2008
- Became the main distribution channel for independent Brazilian music, exporting content to more than 250 international sites

# PORTFOLIO HIGHLIGHTS

## SPRING WIRELESS

- Spring Wireless was included in Gartner's Magic Quadrant for Mobile Enterprise Application Platforms in 2008, with the following highlights:
  - One of the largest R&D teams in the middleware mobile industry
  - Portfolio with excellent application suites
  - Significantly higher growth versus the other companies evaluated
  - Broad spectrum of applications and clients
  - Large base of major multinational clients that use multiple platforms (Blackberry, Windows Mobile, Symbian and others, with support for Java)
  - Strong technology platform, with a platform for developing robust applications
  - Excellent catalog of off-the-shelf applications
  - Low total cost of ownership

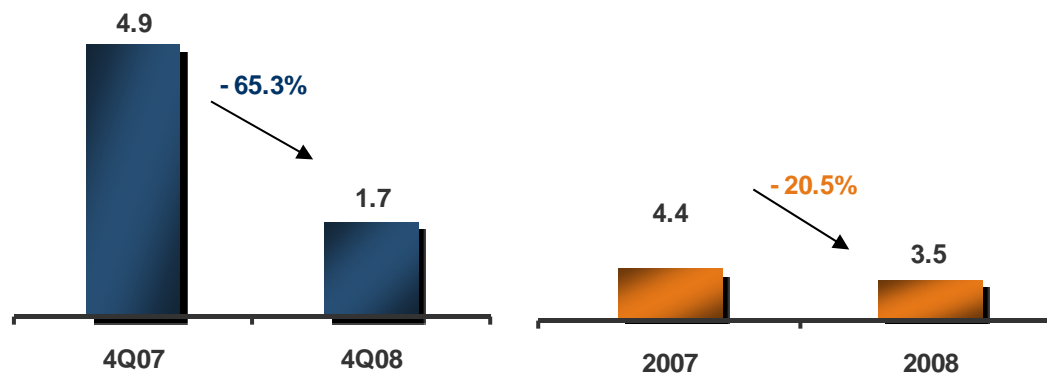
## PORTFOLIO HIGHLIGHTS

### **BOLSA DE MULHER**

- Brazil's largest on-line women's communication group , gross revenue growth of 670% in 2008
- Reached more than 6.5 million unique visitors per month and had over 7.4 million registered users in 2008
- At the end of the 4Q08, Bolsa de Mulher formed an exclusive partnership with Mattel who will sponsor the site as part of Barbie's 50th anniversary celebration
- Bolsa de Mulher S.A. is responsible for sites such as Bolsa de Mulher, Feminice, Te Conteí, Estrela Guia and Bem Leve.

# IDEIASNET STOCK

Ideiasnet Average Daily Trading Volume (R\$ millions)



**4Q08:** total volume of **R\$ 110.3 million**, average daily trading volume was **R\$ 1.7 million**.

**2008:** total volume of **R\$ 872.6 million**, average daily trading volume was **R\$ 3.5 million**.

## SUBSEQUENT EVENTS

### **Creation of the receivables-backed investment fund**

Ideiasnet informed decided to concern the planning and possible structuring of a receivables-backed investment fund. Ideiasnet seeks through this project to create new financing alternatives for the investees, both current and future, and to seek new revenue sources for Ideiasnet, boosting profitability without increasing risks.

## INVESTMENTS BY THE COMPANY

In 2008, Ideiasnet invested **R\$ 52.4 million** in its companies, detailed as follows:

INVESTMENTS (R\$ thousands)			
Sector	Company	Amount	(%)
E-commerce	Officer e Softcorp	28.2	53.8%
IdeiasVentures	Bolsa de Mulher, iMusica, BRANDS e TrinnPhone	17.0	32.4%
Infra-Structure & Software	Automatos e Padtec	3.7	7.1%
Wireless	Spring Wireless	3.5	6.7%
<b>Total</b>		<b>52.4</b>	<b>100.0%</b>

## NET DEBT

At the end of 2008, Ideiasnet's net debt, proportional to the participation in the portfolio, totaled R\$ 28.5 million, representing an increase in debt when compared to the net cash of R\$2,6 million in the 3T08's

	31/12/2008
<b>Cash in hand</b>	R\$ 54.668
<b>Short Term Loans</b>	R\$ (57.300)
<b>Long Term Loans</b>	R\$ (25.848)
<b>Net Debt</b>	R\$ (28,480)

# INCOME STATEMENT

(R\$ Thousands)

Proportional Portfolio					2007	2008	Δ%
	4Q07	4Q08	Δ%				
<b>GROSS REVENUE</b>	<b>257,893</b>	<b>283,245</b>	9.8%	<b>GROSS REVENUE</b>	<b>959,609</b>	<b>1,079,923</b>	12.5%
(-) Taxes and deductions	(52,253)	(53,605)		(-) Taxes and deductions	(188,005)	(214,275)	
<b>NET REVENUES</b>	<b>205,640</b>	<b>229,640</b>	11.7%	<b>NET REVENUES</b>	<b>771,605</b>	<b>865,648</b>	12.2%
Cost of goods sold	(165,342)	(181,177)		Cost of goods sold	(628,331)	(698,508)	
<b>GROSS PROFIT</b>	<b>40,298</b>	<b>48,463</b>		<b>GROSS PROFIT</b>	<b>143,273</b>	<b>167,140</b>	
Gross margin	19.6%	21.1%		Gross margin	18.6%	19.3%	
<b>OPERATING EXPENSES</b>	<b>(33,968)</b>	<b>(36,110)</b>	6.3%	<b>OPERATING EXPENSES</b>	<b>(121,819)</b>	<b>(138,614)</b>	13.8%
General and administrative	(30,259)	(35,710)		General and administrative	(119,026)	(135,865)	
Other expenses	(3,709)	(400)		Other expenses	(2,794)	(2,748)	
<b>(=) EBITDA</b>	<b>6,329</b>	<b>12,352</b>	95.2%	<b>(=) EBITDA</b>	<b>21,454</b>	<b>28,527</b>	33.0%
Ebitda margin	3.1%	5.4%	2.3	Ebitda margin	2.8%	3.3%	0.5
Depreciation	(487)	(953)		Depreciation	(2,271)	(3,153)	
<b>(=) EBIT</b>	<b>5,843</b>	<b>11,399</b>		<b>(=) EBIT</b>	<b>19,182</b>	<b>25,374</b>	
Net financial results	1,150	(7,487)		Net financial results	(384)	(14,933)	
<b>(=) EBT</b>	<b>6,993</b>	<b>3,912</b>		<b>(=) EBT</b>	<b>18,798</b>	<b>10,441</b>	
(-) Non-operating results	324	(779)		(-) Non-operating results	435	(1,089)	
(-) Income tax and social contribution	(2,513)	(389)		(-) Income tax and social contribution	(8,521)	(5,228)	
Profit sharing	(1,011)	(542)		Profit sharing	(1,011)	(542)	
<b>(=) Net income</b>	<b>3,792</b>	<b>2,202</b>	-41.9%	<b>(=) Net income</b>	<b>9,701</b>	<b>3,581</b>	-63.1%

# DISCLAIMER

*This presentation may contain forward-looking statements concerning future trends and results. These projections are subject to risks and uncertainties and future results may differ materially from such forward-looking statements. Many of these risks refer to factors that are beyond Ideiasnet's control or ability to anticipate, including market conditions, currency fluctuations, the behavior of competitors, the regulatory environment, the company's ability to continue raising funds and changes in the social and political context in which Ideiasnet operates or in economic trends or conditions, including inflation and changes in consumer confidence levels, on a global, national or regional scale.*

*Readers are hereby advised not to rely only on these trends and projections, nor is Ideiasnet obliged to publish any changes to these trends or projections to reflect subsequent events or circumstances.*

For additional information, please contact our IR team:

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