

## **3Q07 EARNINGS RELEASE**

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*CFD AND INVESTOR RELATIONS OFFICER*



- **Ideiasnet** acquired the total capital of **Officer**, the largest distributor of IT products in Brazil.
- **iMusica** signed an agreement with América Móvil and Nokia to distribute digital content for mobile phones through América Móvil's operator network in 15 countries in Latin America, reaching a total of 137 million users.
- **Proportional combined gross revenue**<sup>1</sup> reached R\$ 701.9 million in the 9M07, a significant growth of **145.8%** over the 9M06.
- **Proportional combined EBITDA** grew significantly in the 9M07, totaling **R\$ 15.1 million**. When compared with the same period in 2006, growth was **103.9%**, with a 2.7% margin.
- **Proportional combined net result** totaled **R\$ 5.9 million** in the 9M07, a notable increase over the R\$ 1.8 million in the 9M06.
- If analyzed separately, **Net Revenues** of the **E-commerce** portfolio grew **155.8%** in relation to the 9M06.

[1] Proportional Combined: considers Ideiasnet' proportional stake in its portfolio.

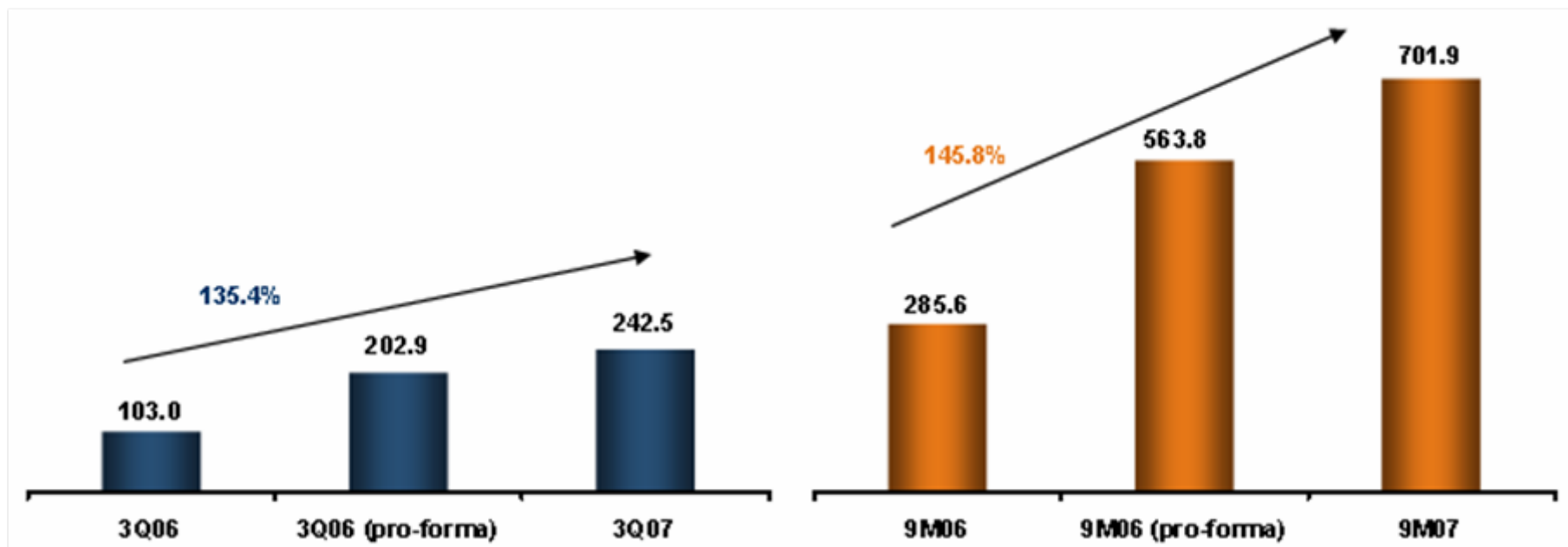


- After the capital increase at Padtec, the acquisition of Officer and the capital increasing in the following investee companies: **Softcorp, iMusica, Bolsa de Mulher, AddComm, NetMovies**, Ideiasnet chose to discuss its results on a pro forma basis to enable better analysis of the business and ensure better comparison with the earlier period and estimates of future results.
- The Company's financial information presented in the following pages is presented in consolidated numbers on pro forma basis, considering 100% of the stake in Officer and the actual percentages in the stakes of other companies mentioned above, in all the periods, and all amounts are in Reais.
- All comparisons to follow are with the same quarter in 2006 (3Q06) or the nine months of 2006 (9M06), except where specified otherwise.
- Due to the acquisition of 100% stake in Officer, the most important company, starting this quarter, Ideiasnet's results will be analyzed only with the **proportional numbers** and not with the total combined value.



## GROSS REVENUE (PROPORTIONAL)

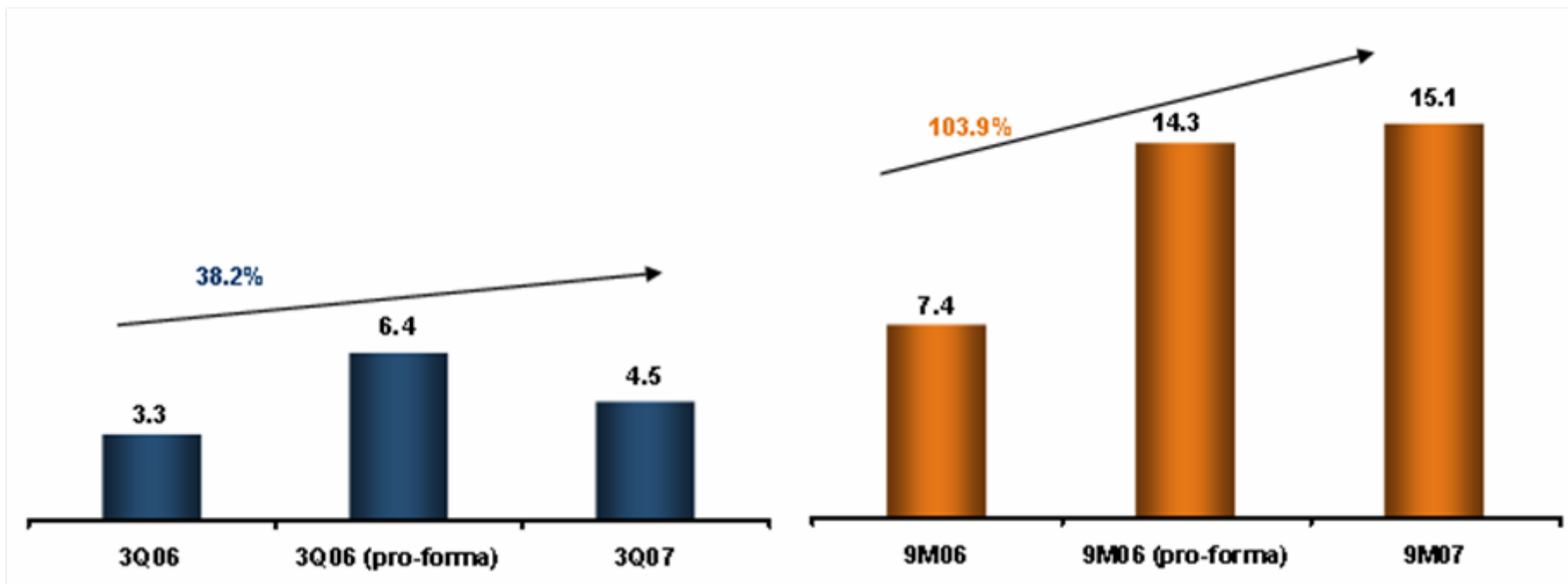
(IN R\$ MILLIONS)





## EBITDA (PROPORTIONAL)

(IN R\$ MILLIONS)



The decline in EBITDA and margin in the 3Q07 in comparison to the pro-forma figures for the 3Q06 was mainly due to **non-recurring items**:

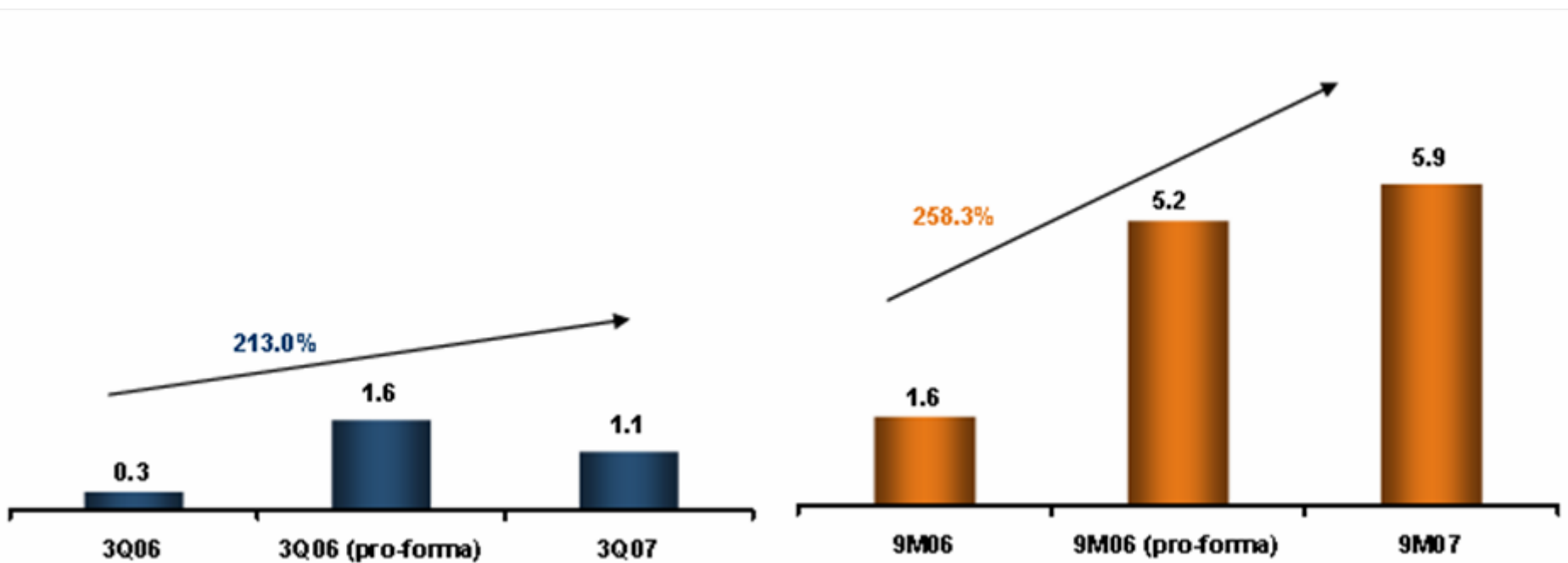
- Investments made by Officer in a new Distribution Center in Rio Grande do Sul State
- Isolated problems in the import flows of some products that indirectly affected Officer, as well as the entire IT products distribution market.

Import flows have already normalized and sales have returned to their recent pace of growth.



## NET INCOME (PROPORTIONAL)

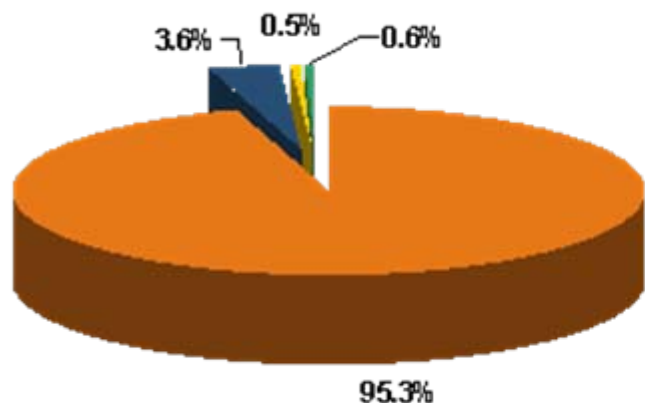
(IN R\$ MILLION)



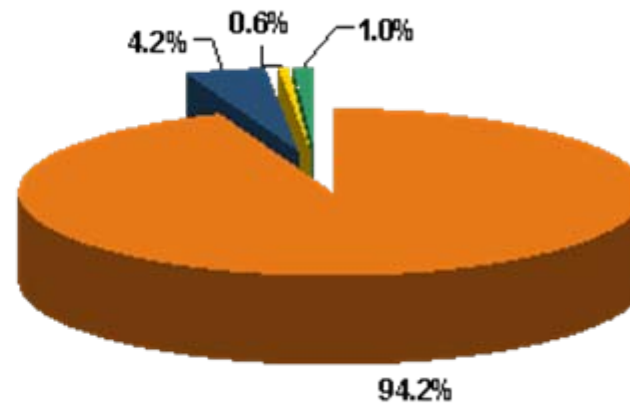


- **E-Commerce and Content** – led by **Officer** and **Softcorp**.
- **Infrastructure and Software** – led by **Padtec** and **Automatos**.
- **Wireless** – led by **Spring Wireless**.
- **IdeiasVentures** – led by **iMusica**, **NetMovies**, **Zura**, **Bolsa de Mulher** and **Hands**.

Proportional Gross Revenue 9M06



Proportional Gross Revenue 9M07



■ E-Commerce and Content

■ Wireless

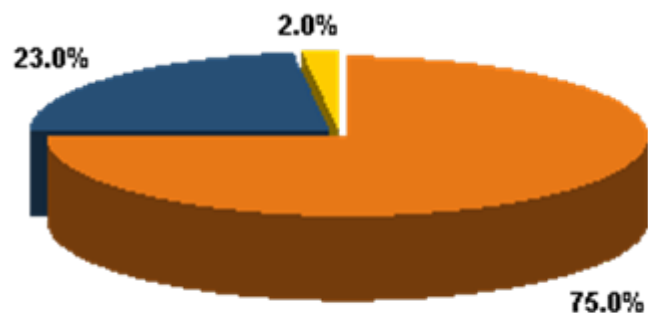
■ Infra-Structure and Software

■ IdeiasVentures

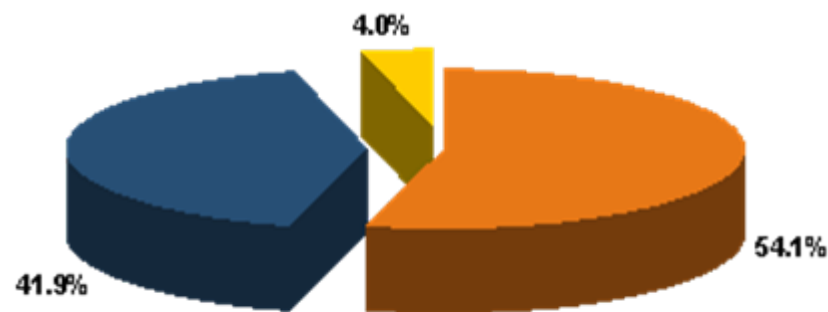


The **Infrastructure and Software** segment contributed strongly to the final EBITDA result. This segment continues to grow substantially even after the consolidation of Officer's results, with **Padtec's** results playing an important role.

### EBITDA Proporcional 9M06



### EBITDA Proporcional 9M07



- E-Commerce e Conteúdo
- Infra e Software
- Wireless
- IdeiasVentures



## **OFFICER** - *Distribution of IT products* – % IDNT: 100,0%

- In July, Ideiasnet acquired the total capital of Officer Distribuidora. Consequent to this, Ideiasnet now owns the total capital stock of the distributor.
- In August, Officer was elected by the magazine Exame's "*Melhores e Maiores*" (Best and Biggest) list as the **best in the wholesale segment** in Brazil for the year 2006 and the **largest company in the distribution** segment by the Info 200 edition of the magazine Info Exame.
- Officer posted a **22.9% growth** in gross revenue between the 9M06 and 9M07.

## **SOFTCORP** - *Reseller of IT products to the corporate market* - % IDNT: 97.0%

- One of the largest resellers of IT products and associated services to the corporate market in Brazil.
- Focus on both hardware and software. It has five branches in Brazil, employs more than 250, and has been consolidating the segment. It has business and technical certifications that enable it to enter into strategic alliances with the world's leading manufacturers.
- Softcorp follows the model implemented by CDW Corporation (NASDAQ: CDWC).



## **PADTEC** - *Network structure solutions* – % IDNT: **34,2%**

- Posted a **49.1%** growth in its revenue in comparison with the 9M06.
- Signed an agreement with Eletronorte to explore the know-how and apply for patenting the methodology of using the passive optic regeneration devices. This is the first time that agreements of this type are signed by a company in the Brazilian power sector.
- The company has been performing outstandingly in the segment since 2004. Its gross annual revenue **grew 8.5x between 2004 and 2006**, and the company is already the biggest “contributor” to proportional EBITDA in the combined portfolio.

## **AUTOMATOS** - *IT infrastructure management* - %IDNT: **19.0%**

- Focused on solutions for corporate and domestic IT management, it has been growing at around 40% per year.
- Solutions for domestic IT management are provided by the subsidiary Voki, which entered into an exclusive partnership with Telefônica for this segment. With this alliance, Voki has become the exclusive service and technology provider for Telefônica’s offering “TecTotal”.
- Voki offers solutions based on “help desk” services and remote access mechanisms covering all aspects relating to the concept of “digital home” (IT, audio, video and security).



## **IMUSICA** - *Digital media distribution and management* – % IDNT: 93,0%

- Claro, the Brazilian mobile telephone operator controlled by América Móvil, and Nokia, the world leader in mobile technology, joined hands with **iMusica** to launch *Idéias Music Store*.
- iMusica is **the first company** to sign an agreement with América Móvil to serve all of its 15 operators at the same time and sell content to its more than 137 million subscribers.

## **NETMOVIES** - *Online DVD rentals* – % IDNT: 35.0%

- In the 3T07 Ideiasnet increased its share in NetMovies from 25% to **35%**.
- Expanded its rentals operation to Santos and São Vicente, coastal cities in São Paulo, Belo Horizonte and Niterói.
- Entered into a partnership with Hands and is now the only on-line rental in the world to offer DVD rental services through mobile phones.
- Netmovies follows the model of the American company NetFlix (NASDAQ:NFLX).

## **HANDS** - *Wireless solutions and services for end consumers* – % IDNT 49.0%

- Provides content for mobile phones, enabling daily access of information through mobile phone, without the need for a wireless connection. The Hands Portal brings together the best content and service providers like Abril.com, NET, Globo Online, Folha Online, Climatempo and Bolsa de Mulher in a single location.
- The first company in Brazil to focus on mobile marketing, develops mobile sites, especially those for mobile phones, and has now partnered NetMovies to provide DVD rental services through mobile phones.



## **ZURA** - *Price comparison and opinions service* - %IDNT: 60.0%

- Resulting from the merger of the comparison site Emconta and the opinions site iVox,
- The model is mainly based on on-line advertising, with revenues coming mainly from advertisements made by the stores listed on its site and also from the banners and marketing e-mails sent to its registered user base.
- Zura follows the model implemented by the American site Shopping.com, result of the merger of Epinions and Dealtime, which was purchased by eBay for US\$ 620 million in June 2005.

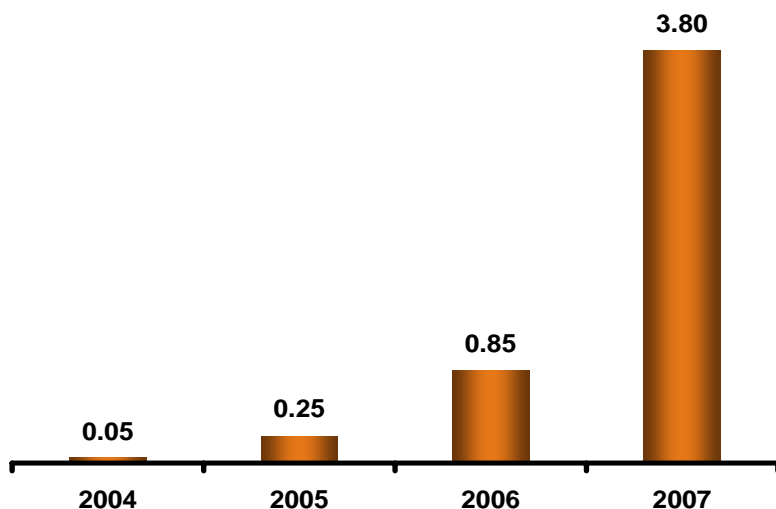
## **BOLSA DE MULHER** - *Solutions for the female market* - % IDNT: 93.0%

- Launched the Bolsa de Bebê portal aimed at mothers-to-be and mothers with kids up to three years old, a segment that has been growing significantly on the internet. According to the Brazilian market research firm Ibope, 51% of the Brazilian women are mothers and 67% of them work and use mass media like internet and movies almost twice as housewives do.
- Another novelty is MakeUp, a virtual tool that helps users to produce thousands of visual options. The portal will also sell sponsorship quotas in makeup and accessories within the MakeUp tool.
- The company's benchmarks are: iVillage (NY), Sugar Publishing (San Francisco), Glam Media (Brisbane - California).



## The long-term IT investment in Brazil

**IDNT3 Average Volume of Transactions\***  
(in R\$ million)



In the **9M07**, IDNT3 shares registered a financial volume of R\$ 786.3 million, a **312.6%** increase when compared to the traded volume in the 9M06.

The **average daily volume** of transactions in the 9M07 was approximately **R\$ 3.80 million**.

• **Net Income** in the 9M07 reached R\$ 3.48 million, an impressive growth compared to the R\$ 557,000 registered in the same period last year.

\*Until September 30, 2007



## THE HOLDING COMPANY'S INVESTMENTS

In the 9M07, Ideiasnet invested R\$ 29.3 million in the investee companies:

- **Infrastructure & Software: Padtec** received R\$ 20.0 million, which corresponds to 68.3% of the total investment.
- **IdeiasVentures:** This sector received 13.7% of the total investment in the 9M07, a sum of R\$ 4.0 million, allocated as follows: **iMúsica** received R\$ 2.4 million (8.2%) and **Visionnaire** R\$ 1.6 million (5.5%)
- **E-commerce: Softcorp** received R\$ 2.5 million, which is 8.5% of the total investment in this period.
- **Other Companies:** Received a total of approximately R\$ 2.8 million, which is 9.4% of the total investment in the period.

## SUBSEQUENT EVENTS

### Alteration of Standard Trading Lot

Since November 1, 2007, the standard trading unit of IDNT3 has been changed from 1,000 (one thousand) to 100 (one hundred) shares.

## NET DEBIT

At the end of the **3Q07**, the holding company had a cash balance of **R\$ 4.06 million**. Net debt proportion to its stake in the investee companies was **R\$ 62.28 million**.

Comparative Portfolio Results	Quarterly		Up-to-date	
	3Q07	3Q06	9M07	9M06
<b>GROSS REVENUE</b>	242,526	202,876	701,925	563,755
<b>NET REVENUES</b>	196,543	158,177	566,122	440,575
<b>(=) EBITDA</b>	4,504	6,372	15,054	14,310
Ebitda margin	2.3%	4.0%	2.7%	3.2%
<b>(=) Net Income</b>	1,070	1,641	5,908	5,234

Holding Financial Statement	3Q07	3Q06	9M07	9M06
<b>Gross Revenues</b>	193,269	-	405,938	-
( - ) Deductions	(39,050)	-	(81,048)	-
<b>Net Operating Revenues</b>	154,219	-	324,890	-
( - ) Cost of goods sold	(130,225)	-	(275,193)	-
<b>Gross Operating Profit</b>	23,994	-	49,697	-
<b>Operating Expenses</b>	-	-	-	-
General and Administrative	(22,362)	(694)	(47,190)	(2,208)
Financial	(1,394)	141	(1,340)	869
Financial Revenues	1,827	175	3,398	994
Financial Expenses*	(1,612)	(35)	(2,809)	(126)
Non-Recurring Financial Expenses**	(1,609)	-	(1,930)	-
Other Operating Revenues/Expenses	163	-	2,060	-
Depreciation and Amortization	(1,787)	(301)	(2,558)	(1,053)
Equity Income	1,857	1,252	2,727	2,945
<b>Operating Results</b>	471	398	3,396	553
<b>Non-Operating Results</b>	(127)	-	504	4
<b>Earning before taxes</b>	344	398	3,900	557
Income Tax and Social Contribution	(1,212)	-	(2,485)	-
<b>Result</b>	(868)	398	1,415	557
<b>Adjusted Result***</b>	741	398	3,345	557

## EQUITY INCOME OF THE HOLDING COMPANY

	9M07
(+) Proportional Portfolio Results	5,908
(-) Non-considered Results	(1,632)
(-) Consolidated Companies Results	4,630
<b>(=) Equity Income</b>	3,111
(+) Equity Income	3,111
(+) Provisions	307
(+) Foreign Exchange	(691)
<b>(=) Accounting Equity Income</b>	2,727

- \* Ideiasnet's, Officer's and Softcorp's Financial Operating Expenses.
- \*\* Specific Financial Expenses to acquire interest in Padtec and Officer.
- \*\*\*Results excluding financial expenses incurred from loans contracted to increase our interest in Padtec and Officer.



## 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.*

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