



COFINA, SGPS, S.A.
Open Capital Company

Headquarters: Rua do General Norton de Matos, 68, r/c – Porto
Fiscal number: 502 293 225
Share Capital: 25,641,459 Euros

FINANCIAL INFORMATION 1Q 2010

Main operating indicators for the 1st quarter of 2010

Cofina's consolidated financial information for the first quarter of 2010, prepared in accordance with recognition and measurement principles of International Financial Reporting Standards, may be presented as follows:

(amounts in thousand Euro)	1Q 10	1Q 09	Var (%)
Consolidated operating income	32.155	30.694	4,8%
Circulation	15.656	15.227	2,8%
Advertising	12.046	11.206	7,5%
Alternative marketing products and others	4.453	4.261	4,5%
Operating income by segments	32.155	30.694	4,8%
Newspapers	24.081	22.726	6,0%
Magazines	8.074	7.968	1,3%
Operating expenses (a)	27.510	26.367	4,3%
Consolidated EBITDA (b)	4.645	4.327	7,3%
EBITDA margin	14,4%	14,1%	+ 0.3 p.p.
Newspapers	4.788	4.502	6,4%
Newspapers EBITDA margin	19,9%	19,8%	+ 0.1 p.p.
Magazines	-143	-175	-18,3%
Magazines EBITDA margin	-1,8%	-2,2%	+ 0.4 p.p.
Amortisation and depreciation (-)	959	845	13,5%
EBIT	3.686	3.481	5,9%
EBIT margin	11,5%	11,3%	+ 0.2 pp
Financial profit / (loss)	(9.322)	2.530	-
Income before taxes and minority interests	-5.636	6.012	-
Income taxes	1.132	991	14,2%
Minority interests	(63)	(20)	215,0%
Net consolidated profit / (loss) (c)	-6.705	5.041	-

(a) Operating expenses excluding amortisations

(b) EBITDA = Earnings before interest, taxes, depreciation and amortisation

(c) Net profit/(loss) attributable to shareholders of parent company

Consolidated operating income for the first quarter of 2010 reached, approximately, 32.2 million Euro, a 5% increase in comparison to the homologous period of 2009. Circulation revenues increased 3% to 15.7 million Euro, advertising revenue presented an 8% increase to approximately 12 million Euro and revenue related to alternative marketing products and others reached 4.5 million Euro, presenting an increase of 5%. The first quarter of 2010 includes the newspaper "Metro" in the consolidation perimeter.

The consolidated operating cash flow (EBITDA) recorded in the first quarter of 2010 reached 4.6 million Euro, an increase of 7.3% when compared to the first quarter of 2009. EBITDA margin reached 14.4% in this period.

Consolidated net loss of the first quarter of 2010 reached -6.7 million Euro was affected by the recording at fair value of investments measured at fair value through profit and loss. Investments measured at fair value through profit and loss, namely the shares held by the Group in ZON Multimédia, are recorded at their market value, based in its share price as of 31 March 2010.

The total impact of this valuation amounting to, approximately, -8.2 million Euro, has been recorded entirely under the caption “Gains and losses in other investments” of the consolidated income statement.

As of 31 March 2010, Cofina’s nominal net debt amounted to, approximately, 89.7 million Euro.

Newspapers: advertising increases mores than 8%

(amounts in thousand Euro)	1Q 10	1Q 09	Var (%)
Consolidated operating income	24.081	22.726	6,0%
Circulation	11.612	10.836	7,2%
Advertising	9.426	8.698	8,4%
Alternative marketing products and others	3.043	3.192	-4,7%
Operating expenses (a)	19.293	18.224	5,9%
Consolidated EBITDA (b)	4.788	4.502	6,4%
EBITDA margin	19,9%	19,8%	+ 0.1 p.p.

(a) Operating expenses excluding amortisations

(b) EBITDA = Earnings before interest, taxes, depreciation and amortisation

During the first quarter of 2010, total revenue of the newspapers’ segment reached 24.1 million Euro, which represents an increase of 6% in comparison with the first quarter of 2009.

Circulation revenue recorded a 7% increase reaching 11.6 million Euro; revenue from alternative marketing products and others amounted to 3 million Euro, presenting a decrease of 5%; advertising revenue amounted to 9.4 million Euro (8.4%).

This segment’s EBITDA amounted to 4.8 million Euro, presenting an increase of 6.4%, when compared with the homologous period. EBITDA margin reached 19.9%.

According to the last data provided by APCT (regarding the period between January and February 2010), “Correio da Manhã” reinforced its leadership selling an average of more than 125 thousand copies. According to the data provided by that entity, “Correio da Manhã” has a market share of 40% (within the segment of paid daily newspapers), while in the homologous period of 2009 this quota was 34%.

During the same period daily sports newspaper “Record” sold a daily average of 68.2 thousand copies and it is the leader in its segment. Daily economics newspaper “Jornal de Negócios” sold a daily average of 10 thousand copies.

In the first quarter of 2010 the free distribution newspaper “Metro” is included in the consolidated financial statements, as it was acquired during the fourth quarter of 2009.

Magazines segment: advertising increases 4.5%

(amounts in thousand Euro)	1Q 10	1Q 09	Var (%)
Consolidated operating income	8.074	7.968	1,3%
Circulation	4.044	4.391	-7,9%
Advertising	2.620	2.508	4,5%
Alternative marketing products and others	1.410	1.069	31,9%
Operating expenses (a)	8.217	8.143	0,9%
Consolidated EBITDA (b)	-143	-175	-18,3%
EBITDA margin	-1,8%	-2,2%	+ 0.4 p.p.

(a) Operating expenses excluding amortisations

(b) EBITDA = Earnings before interest, taxes, depreciation and amortisation

The magazines segment continues to be significantly affected by economics environment, namely the private consumption contraction. Advertising revenue reached 2.6 million Euro (4.5%) and revenue from alternative marketing products and others increased more than 32%, to 1.4 million Euro. Circulation revenue decreased 7.9%, to approximately 4 million Euro in comparison with 4.4 million Euro in 2009.

In this segment, a strong seasonal component is present. Usually the first quarter is negatively affected by a lower level of sales in January and February. On the other hand the fourth quarter usually presents a positive seasonal performance.



In the first quarter of 2010, EBITDA of the magazines' segment was negative of approximately 0.1 million Euro.

According to the last data provided by APCT (regarding the period between January and February 2010), the weekly newsmagazine "Sábado" recorded weekly average sales of approximately 71.8 thousand copies; the TV and social life magazine "TV Guia" sold, on average, more than 75.5 thousand copies per week; and society magazine "Flash" recorded an average weekly paid circulation of 39.7 thousand copies. Regarding the monthly magazines, the fashion magazine "Máxima" recorded an average monthly paid circulation of 51.9 thousand copies.

Porto, 6 May 2010

COFINA, S.G.P.S., S.A.

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

(Translation of financial statements originally issued in Portuguese - Note 18)

(Amounts expressed in Euro)

ASSETS	Notes	31.03.2010	31.12.2009
NON CURRENT ASSETS:			
Tangible assets		9,286,155	9,927,157
Goodwill	5	91,996,994	91,996,994
Intangible assets		502,709	527,038
Investments in associated companies	4	4,742,852	4,733,946
Investments available for sale	4	-	-
Deferred tax assets		2,894,510	3,723,053
Total non current assets		109,423,220	110,908,188
CURRENT ASSETS:			
Inventories		1,460,077	3,129,658
Customers		10,974,317	11,384,331
State and other public entities		1,278,078	522,914
Other current debtors		826,759	713,565
Other current assets		7,849,599	8,617,438
Investments measured at fair value through profit and loss	7	57,668,738	65,901,718
Cash and cash equivalents		54,201,270	46,315,859
Total current assets		134,258,838	136,585,483
TOTAL ASSETS		243,682,058	247,493,671
EQUITY AND LIABILITIES			
SHAREHOLDERS' FUNDS:			
Share capital	15	25,641,459	25,641,459
Share premium account		15,874,835	15,874,835
Legal reserve		5,409,144	5,409,144
Other reserves		(43,772,871)	(60,362,753)
Consolidated net profit / (loss) attributable to equity holder of the parent		(6,705,106)	17,091,529
Equity attributable to equity holder of the parent		(3,552,539)	3,654,214
Minority interests		547,166	591,835
TOTAL EQUITY		(3,005,373)	4,246,049
LIABILITIES:			
NON CURRENT LIABILITIES:			
Other loans	9	49,873,636	49,720,203
Pension liabilities		691,357	691,357
Other non current creditors	8	2,910,791	3,469,794
Provisions		1,075,567	1,076,423
Total non current liabilities		54,551,351	54,957,777
CURRENT LIABILITIES:			
Bank loans	9	7,548,738	2,418,284
Other loans	9	143,406,443	143,299,505
Derivative financial instruments	10	926,015	245,439
Suppliers		12,820,328	12,804,434
State and other public entities		3,737,014	4,888,406
Other current creditors	8	9,041,305	8,464,087
Other current liabilities		14,656,237	16,169,690
Total current liabilities		192,136,080	188,289,845
TOTAL LIABILITIES		246,687,431	243,247,622
TOTAL EQUITY AND LIABILITIES		243,682,058	247,493,671

The accompanying notes form an integral part of the consolidated financial statements.

The Board of Directors

COFINA, S.G.P.S., S.A.

CONSOLIDATED STATEMENTS OF PROFIT AND LOSS
FOR THE THREE MONTHS PERIODS ENDED 31 MARCH 2010 AND 2009

(Translation of financial statements originally issued in Portuguese - Note 18)
(Amounts expressed in Euro)

	<u>Notes</u>	<u>31.03.2010</u>	<u>31.03.2009</u>
Sales		15,610,810	15,133,784
Services rendered		11,502,946	11,605,908
Other income		5,040,894	3,954,026
Cost of sales		(4,540,244)	(4,637,446)
External supplies and services		(12,801,398)	(11,870,901)
Payroll expenses		(9,767,986)	(9,427,248)
Amortisation and depreciation		(959,750)	(844,914)
Provisions and impairment losses		(244,584)	(244,433)
Other expenses		(155,033)	(187,743)
Gains and losses in derivatives	10	-	-
Gains and losses in associated companies	11	3,906	(23,118)
Gains and losses in other investments	11	(8,232,980)	4,560,360
Financial expenses	11	(1,385,709)	(2,441,970)
Financial income	11	<u>292,812</u>	<u>434,539</u>
Profit / (loss) before income tax		(5,636,316)	6,010,844
Income tax	6	<u>(1,132,057)</u>	<u>(990,632)</u>
Net profit / (loss) for the period		(6,768,373)	5,020,212
Attributable to:			
Parent company's shareholders		(6,705,106)	5,039,956
Minority interests		(63,267)	(19,744)
Earnings per share:			
Basic	14	(0.07)	0.05
Diluted	14	(0.05)	0.04

The accompanying notes form an integral part of the consolidated financial statements.

The Board of Directors

COFINA, S.G.P.S., S.A.

CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
FOR THE THREE MONTHS PERIODS ENDED 31 MARCH 2010 AND 2009

(Translation of financial statements originally issued in Portuguese - Note 18)
(Amounts expressed in Euro)

	Attributable to equity holders of the parent							
	Share capital	Share premium account	Legal reserve	Other reserves	Net profit / (loss)	Total	Minority interests	Total Equity
Balance as of 1 January 2009	25,641,459	15,874,835	5,409,144	13,089,460	(73,272,795)	(13,257,897)	767,021	(12,490,876)
Appropriation of consolidated net loss for 2008:								
Transfer to legal reserve and retained earnings	-	-	-	(73,272,795)	73,272,795	-	-	-
Change in reserves and minority interests:								
Other changes	-	-	-	816	-	816	(901)	(85)
Net consolidated profit for the three months period ended 31 March 2009	-	-	-	-	5,039,956	5,039,956	(19,744)	5,020,212
Balance as of 31 March 2009	25,641,459	15,874,835	5,409,144	(60,182,519)	5,039,956	(8,217,125)	746,376	(7,470,749)
Balance as of 1 January 2010	25,641,459	15,874,835	5,409,144	(60,362,753)	17,091,529	3,654,214	591,835	4,246,049
Appropriation of consolidated net profit for 2009:								
Transfer to retained earnings	-	-	-	17,091,529	(17,091,529)	-	-	-
Change in reserves and minority interests:	-	-	-	-	-	-	-	-
Hedging Instruments	-	-	-	(500,223)	-	(500,223)	-	(500,223)
Capital inflows from minority shareholders	-	-	-	-	-	-	19,500	19,500
Other changes	-	-	-	(1,424)	-	(1,424)	(902)	(2,326)
Net consolidated loss for the three months period ended 31 March 2010	-	-	-	-	(6,705,106)	(6,705,106)	(63,267)	(6,768,373)
Balance as of 31 March 2010	25,641,459	15,874,835	5,409,144	(43,772,871)	(6,705,106)	(3,552,539)	547,166	(3,005,373)

The accompanying notes form an integral part of the consolidated financial statements.

The Board of Directors

COFINA, S.G.P.S., S.A.

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
FOR THE THREE MONTHS PERIODS ENDED 31 MARCH 2010 AND 2009

(Translation of financial statements originally issued in Portuguese - Note 18)
(Amounts expressed in Euro)

	<u>31.03.2010</u>	<u>31.03.2009</u>
Net consolidated profit for the period	(6,768,373)	5,020,212
Exchange differences arising on translation of foreign operations	-	-
Variation in fair value of assets held for sale	-	-
Variation on fair value of cash flow hedging derivatives	(500,223)	-
Total comprehensive income for the period	<u>(7,268,596)</u>	<u>5,020,212</u>
Attributable to:		
Parent company's shareholders	(7,205,329)	5,039,956
Minority interests	<u>(63,267)</u>	<u>(19,744)</u>

The accompanying notes form an integral part of the consolidated financial statements.

The Board of Directors

COFINA, S.G.P.S., S.A.

CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
FOR THE THREE MONTHS PERIODS ENDED 31 MARCH 2010 AND 2009
(Translation of financial statements originally issued in Portuguese - Note 18)
(Amounts expressed in Euro)

	Notes	31.03.2010		31.03.2009	
Operating activities:					
<i>Cash flow from operating activities (1)</i>			<u>3,876,289</u>		<u>1,872,535</u>
Investment activities:					
Collections relating to:					
Investments		-		100,000	
Interest and similar income		<u>363,251</u>	363,251	<u>514,462</u>	614,462
Payments relating to:					
Investments	1	(17,000)		(1,518,240)	
Tangible assets		<u>(77,973)</u>		-	
Intangible assets		<u>(10,173)</u>	<u>(105,146)</u>	-	<u>(1,518,240)</u>
<i>Cash flow from investment activities (2)</i>			<u>258,105</u>		<u>(903,778)</u>
Financing activities:					
Collections relating to:					
Loans obtained		<u>-</u>	-	<u>1,483,390</u>	1,483,390
Payments relating to:					
Interest and similar costs		<u>(792,617)</u>		<u>(2,683,208)</u>	
Lease contracts		<u>(586,820)</u>	<u>(1,379,437)</u>	<u>(361,576)</u>	<u>(3,044,784)</u>
<i>Cash flow from financing activities (3)</i>			<u>(1,379,437)</u>		<u>(1,561,394)</u>
Cash and cash equivalents at the beginning of the period	2		43,897,575		35,322,431
Variation of cash and cash equivalents: (1)+(2)+(3)			<u>2,754,957</u>		<u>(592,637)</u>
Cash and cash equivalents at the end of the period	2		<u><u>46,652,532</u></u>		<u><u>34,729,794</u></u>

The accompanying notes form an integral part of the consolidated financial statements.

The Board of Directors

NOTES TO THE CONSOLIDATED STATEMENTS OF CASH FLOWSFOR THE THREE MONTHS PERIOD ENDED 31 MARCH 2010

(Translation of notes originally issued in Portuguese – Note 18)

(Amounts expressed in Euro)

1. PAYMENTS/COLLECTIONS RELATING TO INVESTMENTS

During the three months period ended 31 March 2010, payments / collections relating to investments were as follows:

<u>Acquisitions</u>	<u>Transaction amount</u>	<u>Amount paid</u>
Advances related to the acquisition of investments	5,000	5,000
Mercados Globais – Publicação de Conteúdos, Lda. – acquired in previous years	72,000	12,000
	-----	-----
	77,000	17,000
	=====	=====

2. BREAKDOWN OF CASH AND CASH EQUIVALENTS

Cash and cash equivalents as of 31 December 2009 and as of 31 March 2010 and 2009, and the reconciliation between those amounts and the amounts shown in the balance sheets as for those dates, are as follows:

	<u>31.03.2010</u>	<u>31.12.2009</u>	<u>31.03.2009</u>
Cash	85,704	89,555	94,364
Bank deposits repayable on demand	6,048,066	2,281,304	15,500,360
Bank deposits convertible within 3 months	48,067,500	43,945,000	25,700,000
Cash and cash equivalents shown in the balance sheet	54,201,270	46,315,859	41,294,724
Bank overdrafts	(7,548,738)	(2,418,284)	(6,564,930)
	<u>46,652,532</u>	<u>43,897,575</u>	<u>34,729,794</u>

1. INTRODUCTION

Cofina, SGPS, S.A. ("Cofina" or "Company"), an open capital company, has its head-office located at Rua General Norton de Matos, 68, r/c in Porto and has its shares listed in the Lisbon Euronext Stock Exchange. Cofina is the parent company of a group of companies detailed in Note 4 commonly designated as Cofina Group, and its main activity is the management of investments mainly in the Media sector.

The Group owns headings of reference in the respective segments, editing titles like "Correio da Manhã", "Record", "Jornal de Negócios", "Destak" and "Metro", as well as the magazines "Sábado", "Automotor", "TV Guia", "Flash!", "Rotas e Destinos", "Máxima" and "GQ", among others.

During the quarters ended 31 March 2010, the Group developed its activity mainly in Portugal, having also some interests in Brazil through the investment in Destak Brasil (Note 4).

The accompanying consolidated financial statements have been prepared under the going concern assumption, although the Group's total equity as of 31 March 2010 is negative. This is due solely to the Group's exposure to ZON Multimédia - Serviços de Telecomunicações e Multimédia, SGPS, SA ("Zon Multimédia") through the holding of 15,190,000 shares recorded at their market value (Note 7). It is the Board of Directors' belief that the price of Zon Multimédia at that date does not reflect the fair value of this share and that the consolidated equity will improve until the end of 2010.

Cofina's consolidated financial statements are expressed in Euro (rounded to the nearest unit). This is the currency used by the Group in its operations and as so, considered the functional currency. The operations of the foreign group companies whose functional currency is not the Euro are converted to Euro using the balance sheet date exchange rate; the profits and losses, as well as the cash flows, are converted to Euro using the average exchange rate of the year. The resulting exchange difference is recorded under the Equity captions.

2. BASIS OF PRESENTATION AND MAIN ACCOUNTING POLICIES

The annual financial statements were presented accordingly to International Financial Reporting Standards as approved by the European Union. The interim financial statements as of 31 March 2010 are presented accordingly to IAS 34 –Interim Financial Reporting.

The adopted accounting policies are consistent with the ones used by the Group on the preparation of consolidated financial statements for the year ended 31 December 2009.

3. CHANGES IN ACCOUNTING POLICIES AND CORRECTIONS OF MISTAKES

There were no changes in accounting policies and were identified no material mistakes related with previous periods.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

AS OF 31 MARCH 2010

(Translation of a report originally issued in Portuguese – Note 18)

(Amounts expressed in Euro)

4. INVESTMENTS

Consolidation perimeter

The companies included in the consolidation by the full consolidation method, its headquarters, percentage participation held and activity developed as of 31 March 2010, are as follows:

Name	Headquarters	Effective percentage participation held	Activity
<u>Parent company:</u>			
Cofina, SGPS, S.A.	Porto		Investment management
Cofina B.V. ("Cofina BV")	Amsterdam (Netherlands)	100%	Investment management
Efe Erre Participações, SGPS, S.A. ("FR")	Ovar	100%	Investment management
<u>Cofina Media Group</u>			
Cofina Media, SGPS, S.A. ("Cofina Media")	Lisbon	100%	Investment management
Presselivre – Imprensa Livre, S.A. ("Presselivre")	Lisbon	99.37%	Newspapers and magazine publication
Edisport – Sociedade de Publicações, S.A. ("Edisport")	Lisbon	100%	Newspapers publication
Edirevistas – Sociedade Editorial, S.A. ("Edirevistas")	Lisbon	99.46%	Magazine publication
Mediafin, SGPS, S.A. ("Mediafin")	Lisbon	100%	Investment management
Metronews – Publicações, S.A. ("Metronews")	Carnaxide	59%	Newspapers publication
Grafedisport – Impressão e Artes Gráficas, S.A. ("Grafedisport")	Queluz	100%	Newspapers print
Web Works – Desenvolvimento de Aplicações para Internet, S.A. ("Web Works")	Lisbon	51%	Production and creation of websites for online business development
Holdimédia SGPS, S.A. ("Holdimédia")	Lisbon	59%	Investment management
Transjornal – Edição de Publicações, S.A. ("Transjornal")	Lisbon	59%	Newspapers publication
Cofina - Eventos e Comunicação S.A. ("Cofina Eventos")	Lisbon	70%	Events promotion and organization

All the above companies were included in the consolidated financial statements in accordance with the full consolidation method.

The associated companies, its headquarters, the percentage participation held and activity developed as of 31 March 2010 are as follows:

Name	Headquarters	Effective percentage participation held		Activity
		Direct	Indirect	
VASP – Sociedade de Transportes e Distribuições, Lda.	Lisbon	33.33%	-	Publications distribution
AdCom Media Anúncios e Publicidade, S.A.	São Paulo, Brazil	-	23.96%	Communication and advertising services
Destak Brasil – Editora, S.A.	São Paulo, Brazil	-	23.96%	Newspapers publication
Destak Brasil – Empreendimentos e Participações, S.A.	São Paulo, Brazil	23.96%	-	Holding company
Mercados Globais – Publicação de Conteúdos, Lda.	V.N.Gaia	50%	-	Management services and promotion of a financial forum on the internet

These associated companies were included in the consolidated financial statements in accordance with the equity method.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTSAS OF 31 MARCH 2010

(Translation of a report originally issued in Portuguese – Note 18)

(Amounts expressed in Euro)

Investments in associated companies

The acquisition cost of the associated companies and their book value as of 31 March 2010 are as follows:

Designation	Acquisition cost	Book value
VASP – Sociedade de Transportes e Distribuições, Lda.	6,234	3,098,499
AdCom Media Anúncios e Publicidade, S.A. (a)	-	-
Destak Brasil – Editora, S.A. (a)	-	-
Destak Brasil – Empreendimentos e Participações, S.A.	299,064	-
Mercados Globais – Publicação de Conteúdos, Lda.	72,000	-

(a) – investment held by the subsidiary Destak Brasil – Empreendimentos e Participações, S.A.

As of 31 March 2010 and 31 December 2009 the caption “Investments in associated companies” can be detailed as follows:

	31.03.2010	31.12.2009
Financial investment		
VASP – Sociedade de Transportes e Distribuições, Lda. – equity method	3,098,499	3,094,593
Destak Brasil – Empreendimentos e Participações, S.A.	299,064	299,064
Mercados Globais - Publicação de Conteúdos, Lda.	72,000	72,000
Advance payments related to investments	5,000	-
	<u>3,474,563</u>	<u>3,465,657</u>
Accumulated impairment losses on investments	(371,064)	(371,064)
Loans to associated companies		
Gross amount	3,697,878	3,697,878
Accumulated impairment losses	(2,058,525)	(2,058,525)
	<u>4,742,852</u>	<u>4,733,946</u>

As of 31 March 2010 and 31 December 2009 the Group has investments available for sale corresponding to minority investments for which impairment losses have been recorded in previous years, presenting this caption a null net book value as of those dates.

5. GOODWILL

During the three months periods ended 31 March 2010 and 2009, no changes have occurred in goodwill.

6. CURRENT TAXES

Income taxes recorded in the income statements in the periods ended 31 March 2010 and 2009 are as follows:

	31.03.2010	31.03.2009
Current tax		
Income tax for the period	124.787	26.023
Deferred tax assets	1.007.270	964.609
	<u>1.132.057</u>	<u>990.632</u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTSAS OF 31 MARCH 2010

(Translation of a report originally issued in Portuguese – Note 18)

(Amounts expressed in Euro)

7. INVESTMENTS MEASURED AT FAIR VALUE THROUGH PROFIT AND LOSS

The amount included in the caption “Investments measured at fair value through profit and loss” as of 31 March 2010 and 31 December 2009 relates to shares traded in stock markets and are recorded at their market value as of those dates (Note 11).

The book value of these investments as of 31 March 2010 can be detailed as follows:

	<u>Number of shares</u>	<u>Quote</u>	<u>Market value</u>
Zon Multimédia	15,190,000	3.796	57,661,240
Other traded shares			7,498

			57,668,738
			=====

8. LEASE CONTRACTS

As of 31 March 2010 and 31 December 2009, the amounts payable to fixed asset suppliers in relation to financial lease contracts were classified in the captions “Other non-current creditors” and “Other current creditors” and had the following predicted reimbursement plan:

	<u>31.03.2010</u>	<u>31.12.2009</u>
Year n+1	1,011,806	1,360,573
Year n+2	1,019,173	1,014,012
Year n+3	605,605	692,577
Year n+4	237,670	363,930
Year n+5 and following	36,537	38,702
	-----	-----
	2,910,791	3,469,794
Short term	2,317,594	2,345,411
	-----	-----
	5,228,385	5,815,205
	=====	=====

9. BANK LOANS AND OTHER LOANS

The current liabilities' caption “Bank loans” relates to short term bank overdrafts which bear interests at market rates.

As of 31 March 2010 and 31 December 2009, the caption “Other loans” was made up as follows:

	<u>31.03.2010</u>			
	<u>Book value</u>		<u>Nominal value</u>	
	<u>Current</u>	<u>Non-current</u>	<u>Current</u>	<u>Non-current</u>
Bond loans	93,406,443	-	94,000,000	-
Commercial paper	50,000,000	49,873,636	50,000,000	50,000,000
	-----	-----	-----	-----
	143,406,443	49,873,636	144,000,000	50,000,000
	=====	=====	=====	=====

	<u>31.12.2009</u>			
	<u>Book value</u>		<u>Nominal value</u>	
	<u>Current</u>	<u>Non-current</u>	<u>Current</u>	<u>Non-current</u>
Bond loans	93,299,505	-	94,000,000	-
Commercial paper	50,000,000	49,720,203	50,000,000	50,000,000
	-----	-----	-----	-----
	143,299,505	49,720,203	144,000,000	50,000,000
	=====	=====	=====	=====

The non-current liabilities caption “Commercial paper” relates to two commercial paper programs with guaranteed subscription by the banks until 2011 and 2012.

The current liabilities caption “Commercial paper” refers to commercial paper programs due in the short term and that bear interests at market rates.

In addition to the amounts included in the statement of financial position as of 31 March 2010 and 31 December 2009, Cofina, SGPS, S.A. had issued a commercial paper program amounting to 50,000,000 Euro which is presented in the statement of financial position net of a bank deposit in the same amount since these financial instruments fulfil the requirements for their compensation.

10. DERIVATIVE FINANCIAL INSTRUMENTS

Derivative financial instruments recorded in the financial statements as of 31 March 2010 refer to interest rate swaps related with the financing loans of the Group. Since these derivatives satisfy the requirements set by IAS 39 - Financial Instruments: Recognition and Measurement, to be classified as hedges, their fair value was recorded under the equity caption “Other reserves”, net of deferred taxes.

As of 31 March 2010 and 2009, this caption also includes call warrants, which entitle the bondholders the right to subscribe Cofina, SGPS, S.A. shares at a variable exchange price, initially fixed at 4.08 Euro per share (before the stock split occurred in 2006). As of 31 March 2010 and 31 December 2009, the fair value is null.

At the balance sheet date, these warrants are recorded in accordance with their fair value, based in evaluations of financial institutions. The movement in these derivatives for the three months periods ended 31 March 2010 and 2009 can be presented as follows:

	<u>31.03.2010</u>	<u>31.03.2009</u>
<u>Opening balance</u>	245,439	-
<u>Increases / (decreases)</u>	680,576	-
<u>Closing balance</u>	<u>926,015</u>	<u>-</u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTSAS OF 31 MARCH 2010

(Translation of a report originally issued in Portuguese – Note 18)

(Amounts expressed in Euro)

11. NET FINANCIAL LOSS

The financial income and expenses for the three months periods ended 31 March 2010 and 2009 are made up as follows:

	<u>31.03.2010</u>	<u>31.03.2009</u>
<u>Financial expenses</u>		
Interest paid	1,113,593	2,289,369
Commissions	186,265	105,176
Other financial expenses	85,851	47,425
	<u>1,385,709</u>	<u>2,441,970</u>
<u>Financial income</u>		
Interest obtained	292,812	434,539
	<u>292,812</u>	<u>434,539</u>

The caption “Gains and losses in associated companies” shown in the profit and loss statements for the quarters ended 31 March 2010 and 2009 includes, mainly, the appropriation of the Group's share over the net income / (loss) of the associated companies.

The caption “Gains and losses in other investments” as of 31 March 2010 and 2009 can be detailed as follows:

	<u>31.03.2010</u>	<u>31.03.2009</u>
Gains / (losses) in investments measured at fair value through profit and loss (Introductory Note and Note 7)	(8,332,890)	4,557,000
Dividends	-	3,360
	<u>(8,332,890)</u>	<u>4,560,360</u>

The caption “Gains / (losses) in investments measured at fair value through profit and loss” is mainly due to the adjustment of the investment in Zon Multimédia to its fair value, according to its market price.

12. RELATED PARTIES

The main balances with related parties as of 31 March 2010 and 2009 and the main transactions with those entities during the periods then ended may be detailed as follows:

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

AS OF 31 MARCH 2010

(Translation of a report originally issued in Portuguese – Note 18)

(Amounts expressed in Euro)

31.03.2010			
Transactions	Sales and services rendered	Supplementary income	Acquisition of goods and services
Associated companies	14.360.009	4.275.887	23.361
	<u>14.360.009</u>	<u>4.275.887</u>	<u>23.361</u>
Balances	Accounts receivable	Accounts payable	Sales pending invoice
Associated companies	83.964	88.394	6.518.210
	<u>83.964</u>	<u>88.394</u>	<u>6.518.210</u>
31.03.2009			
Transactions	Sales and services rendered	Supplementary income	Acquisition of goods and services
Associated companies	13.352.760	3.906.264	8.693
	<u>13.352.760</u>	<u>3.906.264</u>	<u>8.693</u>
Balances	Accounts receivable	Accounts payable	Sales pending invoice
Associated companies	136.342	41.206	6.156.178
	<u>136.342</u>	<u>41.206</u>	<u>6.156.178</u>

Sales and services rendered to associate companies, as well as supplementary income, during the periods ended 31 March 2010 and 2009, relate to sales of publications (newspapers and magazines) and alternative marketing products to VASP (Note 4), which handles the corresponding distribution to the points of sale. These transactions are carried out under the normal activity of the Group.

Related parties

Apart from companies included in the consolidation perimeter (Note 4), the parties considered to be related companies as of 31 March 2010, can be presented as follows:

- Altri, SGPS, S.A.
- Alteria, SGPS, S.A.
- Altri - Energias Renováveis, SGPS, S.A.
- Altri, Participações Y Trading, S.L.
- Altri Sales, S.A.
- BPS – Equipamentos, S.A.
- Caderno Azul, SGPS, S.A.
- Caima Energia – Empresa de Gestão e Exploração de Energia, S.A.
- Caima Indústria de Celulose, S.A.
- Caminho Aberto, SGPS, S.A.
- Captaraiz Unipessoal, Lda.
- Celbi – Celulose da Beira Industrial, S.A.
- Celbinave – Tráfego e Estiva SGPS, Unipessoal, Lda.
- Celtejo – Empresa de Celulose do Tejo, S.A.

- Celulose do Caima, SGPS, S.A.
- Cofihold, SGPS, S.A.
- CPK – Companhia Produtora de Papel Kraftsack, S.A.
- CPK II – Comércio e Indústria, S.A.
- Elege Valor, SGPS, S.A.
- F. Ramada – Aços e Indústrias, S.A.
- F. Ramada Investimentos, SGPS, S.A.
- F. Ramada – Produção e Comercialização de Estruturas Metálicas de Armazenagem, S.A.
- F. Ramada II, Imobiliária, S.A.
- F. Ramada, Serviços de Gestão, Lda.
- Inflora – Sociedade de Investimentos Florestais, S.A.
- Invescaima – Investimentos e Participações, SGPS, S.A.
- Livre Fluxo, SGPS, S.A.
- Malva – Gestão Imobiliária, S.A.
- Pedro Frutícola, Sociedade Frutícola, Lda.
- Prestimo – Prestígio Imobiliário, S.A.
- Ródão Power, S.A. - Energia e Biomassa do Ródão, S.A.
- Silvicaima – Sociedade Silvícola do Caima, S.A.
- Socasca – Recolha e Comércio de Recicláveis, S.A.
- Sociedade Imobiliária Porto Seguro – Investimentos Imobiliários, S.A.
- Sosapel – Sociedade Comercial de Sacos de Papel, Lda.
- Storax Benelux
- Storax Racking Systems, Ltd.
- Torres da Luz – Investimentos imobiliários, S.A.
- Universal Afir – Aços, Máquinas e Ferramentas, S.A.
- Valor Autêntico, SGPS, S.A.
- Viveiros do Furadouro Unipessoal, Lda.

Board of Directors

Cofina's Board of Directors was made up as follows as of 31 March 2010:

Paulo Jorge dos Santos Fernandes
João Manuel Matos Borges de Oliveira
Pedro Macedo Pinto de Mendonça
Domingos José Vieira de Matos
Ana Rebelo Mendonça Fernandes
Pedro Miguel Matos Borges de Oliveira

13. RESPONSIBILITIES FOR GUARANTEES PROVIDED

As of 31 March 2010, Cofina had provided guarantees as follows:

- a) Pledge over 88,883,450 shares of Cofina Media, SGPS, S.A. as a guarantee for authorized overdraft granted by Banco BPI, S.A., amounting to 8,000,000 Euro which, as of 31 March 2010, was not in use;
- b) Pledge with irrevocable power of attorney over 88,883,450 shares of Cofina Media, SGPS, S.A. as a guarantee for commercial paper programs structured by Banco BPI, S.A., amounting to 50,000,000 Euro as of 31 March 2010 (Note 9);
- c) Pledge with irrevocable power of attorney over 15,190,000 shares of ZON MULTIMÉDIA - Serviços de Telecomunicações e Multimédia, S.G.P.S, S.A. as a guarantee for commercial paper programs structured by Caixa Banco de Investimento, S.A. and Caixa Geral de Depósitos, S.A., amounting to 50,000,000 Euro as of 31 March 2010 (Note 9).

As of 31 March 2010 Cofina Media group companies had assumed responsibilities for guarantees granted amounting to 1,700,000 Euro related to advertising contests. These companies had also given promissory notes to guarantee credit facilities amounting to 26,000,000 Euro.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTSAS OF 31 MARCH 2010

(Translation of a report originally issued in Portuguese – Note 18)

(Amounts expressed in Euro)

14. EARNINGS PER SHARE

Earnings per share for the three months periods ended 31 March 2010 and 2009 were determined taking into consideration the following amounts:

	<u>31.03.2010</u>	<u>31.03.2009</u>
Net profit / (loss) considered for the computation of basic and diluted earning	(6,705,106)	5,039,956
Weighted average number of shares used to compute the basic earnings per share	102,565,836	102,565,836
Warrants dilution effect (a)	21,568,624	24,509,800
Weighted average number of shares to compute the diluted earnings per share	<u>124,134,460</u>	<u>127,075,636</u>
Earnings per share:		
Basic	(0.07)	0.05
Diluted	(0.05)	0.04

(a) – The “Warrants dilution effect” refers to the option granted to the bondholders associated to the bond loan issued by the Group in the amount of 44,000,000 Euro that entitles them the right to convert the bonds in 4,901.96 common shares, for each bond held in the amount of 10,000 Euro.

15. SHARE CAPITAL

As of 31 March 2010, the Company's fully subscribed and paid up capital consisted of 102,565,836 shares with a nominal value of 25 cents of a Euro each. As of that date, Cofina and the group companies did not hold own shares.

16. SEGMENT REPORTING

According to the source and nature of income generated by the Group, the main segments have been defined as follows:

- Newspapers
- Magazines

Since Cofina Group's activity is being carried out mainly within national market, no geographical segments will be disclosed.

The segment information as of 31 March 2010 and 2009 can be outlined as follows:

	Newspapers	Magazines	Eliminations and consolidation adjustments	Total
31.03.2010				
Net operating income	26.456.819	5.697.831	-	32.154.650
Earnings before interest, taxes, depreciation and amortization	4.797.495	(152.090)	-	4.645.405
Earnings before interest and taxes (EBIT)	3.920.050	(234.395)	-	3.685.655
31.03.2009				
Net operating income	22.726.165	7.967.553	-	30.693.718
Earnings before interest, taxes, depreciation and amortization	4.501.181	(175.234)	-	4.325.947
Earnings before interest and taxes (EBIT)	3.750.872	(269.839)	-	3.481.033

COFINA, S.G.P.S., S.A.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

AS OF 31 MARCH 2010

(Translation of a report originally issued in Portuguese – Note 18)

(Amounts expressed in Euro)

17. FINANCIAL STATEMENTS APPROVAL

These interim consolidated financial statements as of 31 March 2010 were approved by the Board of Directors and authorized for issuance in 5 May 2010.

18. EXPLANATION ADDED FOR TRANSLATION

These consolidated financial statements are a translation of financial statements originally issued in Portuguese in accordance with International Financial Reporting Standards as adopted in the European Union, some of which may not conform or be required be generally accepted accounting principles in other countries. In the event of discrepancies, the Portuguese language version prevails.

COFINA, S.G.P.S., S.A.

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

(Translation of financial statements originally issued in Portuguese)

(Amounts expressed in Euro)

ASSETS	Notes	31.03.2010	31.12.2009
NON CURRENT ASSETS:			
Tangible assets		10,549	10,647
Investments		222,000,260	222,000,260
Deferred tax assets		297,777	65,818
Total non current assets		222,308,586	222,076,725
CURRENT ASSETS:			
State and other public entities		958,840	256,712
Other current debtors		2,345,352	2,303,390
Other current assets		152,788	218,968
Investments measured at fair value through profit and loss		57,668,738	65,901,718
Cash and cash equivalents		24,508,528	26,186,339
Total current assets		85,634,246	94,867,127
TOTAL ASSETS		307,942,832	316,943,852
EQUITY AND LIABILITIES			
SHAREHOLDERS' FUNDS:			
Share capital		25,641,459	25,641,459
Share premium account		15,874,835	15,874,835
Legal reserve		5,409,144	5,409,144
Other reserves		26,962,557	26,550,224
Net profit / (loss)		(9,658,280)	912,558
TOTAL EQUITY		64,229,715	74,388,220
LIABILITIES:			
NON CURRENT LIABILITIES:			
Other loans		49,873,636	49,720,203
Total non current liabilities		49,873,636	49,720,203
CURRENT LIABILITIES:			
Bank loans		645,107	23,092
Other loans		149,538,700	149,518,014
Derivative financial instruments		926,015	245,439
Suppliers		3,190	1,821
State and other public entities		612,883	1,700,530
Other current creditors		40,328,803	39,946,191
Other current liabilities		1,784,783	1,400,342
Total current liabilities		193,839,481	192,835,429
TOTAL LIABILITIES		243,713,117	242,555,632
TOTAL EQUITY AND LIABILITIES		307,942,832	316,943,852

The Board of Directors

COFINA, S.G.P.S., S.A.

STATEMENTS OF PROFIT AND LOSS
FOR THE THREE MONTHS PERIODS ENDED 31 MARCH 2010 AND 2009

(Translation of financial statements originally issued in Portuguese)
(Amounts expressed in Euro)

	<u>Notes</u>	<u>31.03.2010</u>	<u>31.03.2009</u>
Other income		-	10
External supplies and services		(76,610)	(73,191)
Payroll expenses		(81,136)	(58,298)
Amortisation and depreciation		(1,795)	(4,405)
Other expenses		(13,359)	(55,227)
Gains and losses in other investments		(8,232,980)	4,560,360
Financial expenses		(1,563,871)	(2,649,761)
Financial income		188,554	370,182
Profit / (loss) before income tax		(9,781,197)	2,089,670
Income tax		122,917	968,474
Net profit / (loss) for the period		(9,658,280)	3,058,144
Earnings per share:			
Basic		(0.09)	0.03
Diluted		(0.08)	0.02

COFINA, S.G.P.S., S.A.

STATEMENTS OF CHANGES IN EQUITY
FOR THE THREE MONTHS PERIODS ENDED 31 MARCH 2010 AND 2009

(Translation of financial statements originally issued in Portuguese)
(Amounts expressed in Euro)

	Attributable to equity holders of the parent					
	Share capital	Share premium account	Legal reserve	Other reserves	Net profit/(loss)	Total Equity
Balance as of 1 January 2009	25,641,459	15,874,835	5,409,144	92,443,135	(65,303,366)	74,065,207
Appropriation of consolidated net loss for 2008:						
Transfer to legal reserve and retained earnings	-	-	-	(65,303,366)	65,303,366	-
Net consolidated profit for the						
three months period ended 31 March 2009	-	-	-	-	3,058,144	3,058,144
Balance as of 31 March 2009	<u>25,641,459</u>	<u>15,874,835</u>	<u>5,409,144</u>	<u>27,139,769</u>	<u>3,058,144</u>	<u>77,123,351</u>
Balance as of 1 January 2010	25,641,459	15,874,835	5,409,144	26,550,224	912,558	74,388,220
Appropriation of consolidated net profit for 2009:						
Transfer to legal reserve and retained earnings	-	-	-	912,558	(912,558)	-
Change in reserves:	-	-	-	-	-	-
Hedging instruments	-	-	-	(500,225)	-	(500,225)
Net consolidated loss for the						
three months period ended 31 March 2010	-	-	-	-	(9,658,280)	(9,658,280)
Balance as of 31 March 2010	<u>25,641,459</u>	<u>15,874,835</u>	<u>5,409,144</u>	<u>26,962,557</u>	<u>(9,658,280)</u>	<u>64,229,715</u>

The Board of Directors

COFINA, S.G.P.S., S.A.

STATEMENTS OF COMPREHENSIVE INCOME
FOR THE THREE MONTHS PERIODS ENDED 31 MARCH 2010 AND 2009

(Translation of financial statements originally issued in Portuguese)
(Amounts expressed in Euro)

	<u>31.03.2010</u>	<u>31.03.2009</u>
Net consolidated profit / (loss) for the period	(9,658,280)	3,058,144
Exchange differences arising on translation of foreign operations	-	-
Variation in fair value of assets held for sale	-	-
Variation on fair value of cash flow hedging derivatives	(500,225)	-
Total comprehensive income for the period	<u>(10,158,505)</u>	<u>3,058,144</u>

The Board of Directors