

COFINA, SGPS, S.A.

Share capital: 25,641,459 Euros

Rua General Norton de Matos, nr. 68, Porto

Fiscal number 502 293 225

COFINA, S.G.P.S., S.A.
(OPEN CAPITAL COMPANY)

Director's report

CONSOLIDATED ACCOUNTS

30 June 2010

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DAILY GENERALIST NEWSPAPERS SEGMENT PRESENTED A DECREASE OF 12% BETWEEN JANUARY AND APRIL 2010. HOWEVER, "CORREIO DA MANHÃ" MAINTAINED, DURING THIS PERIOD, THE LEADERSHIP IN PAID CIRCULATION, PRESENTING AN INCREASE OF 7.7%, WHILE ALL ITS COMPETITORS SUFFERED DECREASES ABOVE 10%.....	8
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To the Shareholders

Pursuant to the legal requirements, the Board of Directors of Cofina, S.G.P.S., S.A. (Open capital company) hereby presents its Directors' Report for the first semester of 2010.

INTRODUCTION

The first semester of 2010 was marked by a slight recovery of Portuguese economy, after the deep economic and financial crisis that characterized 2009. This tenuous recovery, however, was not sufficient to bring advertising revenue of the media sector to the levels presented in previous periods.

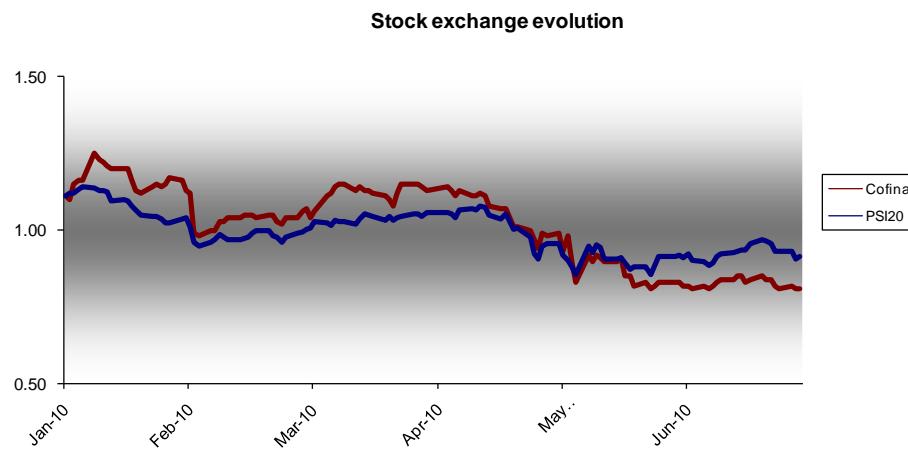
The competition amongst the main market players kept high due to this economic context of stagnation.

In spite of all this, Cofina Media – the subsidiary that detains the investments of Cofina within this sector – has accomplished a remarkable performance, especially on the newspapers' segment. This performance was enhanced by the continuing cost reduction strategy adopted by the Group.

STOCK EXCHANGE EVOLUTION

(Note: in order to enable a better comparison between the stock price variation and PSI 20, the index has been considered as being equal in value to the opening price of the shares in question.)

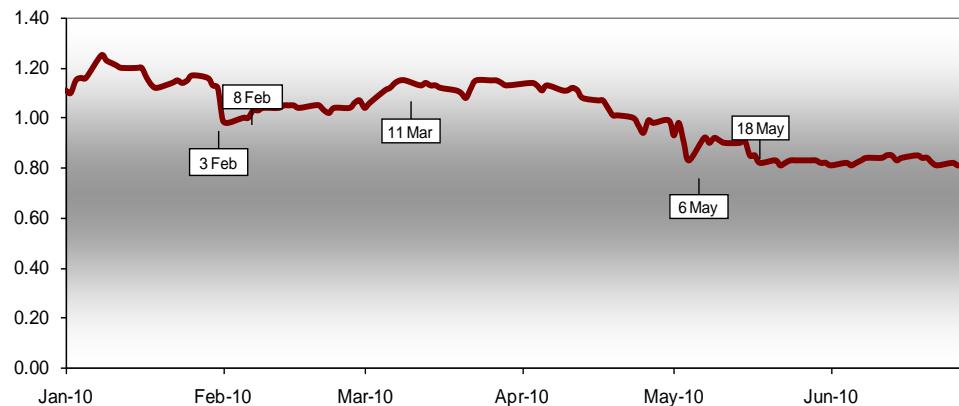
The recovery trend of 2009 was reversed as PSI-20 dropped approximately 17% on the first semester of 2010, along with the main European stock markets. This downward evolution was stimulated by factors like the crisis on the European Zone's public debt, the continuing falls of debt ratings and the austerity measures taken by governments in general; Portugal, Spain and Greece were the countries that have suffered the most due to this situation.



Cofina's shares have followed this downward trend but with an even more highlighted tone and closed the semester at a minimum of 0.81 Euro per share. During the semester, around 7.5 million of Cofina's shares were traded, representing 7% of the company's share capital, period in which a maximum of 1.25 Euro per share was reached.

The most significant events that, during the first semester 2010, affected the share price evolution were as follows:

Cofina's shares stock exchange evolution



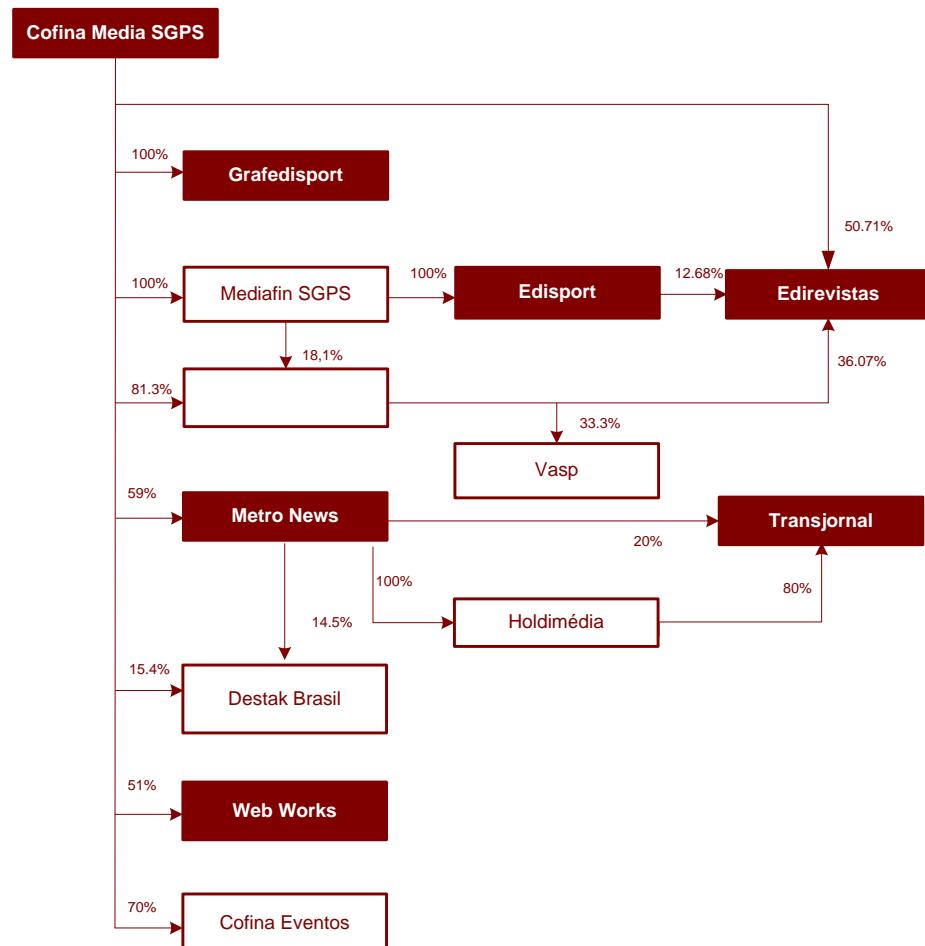
- 3 February 2010 – announcement of the decrease of the percentage participation held by UBS AG to less than 5% of Cofina SGPS's share capital and voting rights, with the disposal of 955,474 shares and maintenance of 4,462,037 shares, corresponding to 4.35% of its share capital and voting rights.
- 8 February 2010 – announcement of the transmission of 1,222,000 shares of Promendo – Promoções Empresariais S.A. to Promendo SGPS, S.A., due to the split and merger of these two companies.
- 11 March 2010 – announcement of the Group's performance for the year ended 31 December 2009, in which Cofina disclosed a net consolidated profit of 17 million Euro. Operating income decreased 7% to 134 million Euro. At this date, Cofina's shares closed at 1.15 Euro per share.
- 6 May 2010 – announcement of the financial performance for the quarter ended 31 March 2010. A net consolidated loss of 6.7 million Euro was disclosed and EBITDA increased 7% when comparing with the homologous period. As of this date, Cofina's shares closed at 0.9 Euro per share.
- 18 May 2010 – announcement of the decisions taken on the Annual Shareholders' Meeting which took place on the 17 May, where a dividend distribution of 1,025,658.36 Euro was approved – corresponding to a dividend of 0.01 Euro per share.

GROUP'S ACTIVITY

Cofina Group currently develops its operations mainly in the media and contents segment.

The key company in this area is Cofina Media, S.G.P.S., S.A. which owns leading products in their respective segments such as the daily newspaper "Correio da Manhã", the daily sports newspaper "Record", the free newspapers "Destak" and "Metro", the newsmagazine "Sábado" as well as other titles such as "Jornal de Negócios", "Máxima", "TV Guia", "Flash!", "Vogue", "GQ", "Rotas e Destinos", "PC Guia" and "Automotor".

Currently, Cofina Media Group's structure is as follows:



As in previous periods, the first semester of 2010 was characterized by the pressure on traditional media, threatened by the access to on-line newspapers. However, this is not a vulnerable area for the Group: on one hand, Cofina has a consistent base of readers in its main newspapers; on the other hand, its presence in the areas that will potentially benefit from this change in the readers habits will allow the Group to easily replace the circulation revenues that could be lost by advertising income.

The first semester of 2010 was also marked by an adverse international economic environment, with impacts on domestic demand and on the Portuguese economic recovery. Still, Cofina managed to maintain the leadership on its main media, particularly in the daily newspaper "Correio da Manhã" and gaining market share in other headings, namely in the weekly information magazine "Sábado".

As far as it concerns the advertising market, the Group managed to keep the leadership among the main media groups:

	Advertising investment in 2010	Share	Advertising investment in 2009	Share
Cofina Media	93,950,026	26%	84,036,090	24%
Controlinveste	64,123,012	18%	66,538,738	19%
Impresa	53,578,256	15%	51,763,408	15%
Impala	25,195,241	7%	21,618,101	6%

Source: Mediamonitor

(standard prices in Euro accumulated as of 30 June 2010)

During the first semester of 2010 the advertising investment in Cofina Media group companies has partially recovered from an abrupt decrease that they suffered in the previous semester (an increase of 12% has been recorded after a breakdown of 19% in the previous semester). This comparison is influenced by FIFA World Cup 2010, a sports event that had a significant impact in advertising revenue in the second quarter of 2010.

In which concerns the paid circulation market, the Group reinforced the leadership that had accomplished in 2009, and was also able to increase the total number of copies sold – unlike most of the other important players who suffered significant reductions.

Media Group	Paid circulation		Paid circulation	
	2010	Share	2009	Share
Cofina Media	27,893,168	31%	27,054,831	28%
Controlinveste	21,108,657	24%	26,558,840	28%
Impala	9,899,193	11%	10,442,301	11%
Impresa	9,207,153	10%	9,440,987	10%

Source: APCT

Average number of copies sold by edition from January to April 2010

	Paid circulation			Share	
	2010	2009	Δ 2010/2009	2010	2009
Correio da manhã	123,352	114,525	7.7%	43.2%	35.3%
Jornal de Notícias	83,381	99,044	-15.8%	29.2%	30.5%
24 Horas	16,069	32,913	-51.2%	5.6%	10.1%
Público	32,981	37,530	-12.1%	11.6%	11.6%
Diário de Notícias	29,555	40,374	-26.8%	10.4%	12.4%
Market	285,338	324,387	-12.0%		

Source: APCT

Average number of copies sold by edition from January to April 2010

Daily generalist newspapers segment presented a decrease of 12% between January and April 2010. However, "Correio da Manhã" maintained, during this period, the leadership in paid circulation, presenting an increase of 7.7%, while all its competitors suffered decreases above 10%.

According to APCT (from January to April 2010), "Correio da Manhã" is the market leader with average daily sales of 123 thousand newspapers. The daily sports newspaper "Record" sold, in average, approximately 69 thousand copies per day.

On the magazines segment, weekly information magazine "Sábado" recorded weekly average sales of approximately 73 thousand copies; the TV and social life magazine "TV Guia" sold, in average, more than 73 thousand copies per week; and fashion magazine "Máxima" recorded average monthly paid circulation of 52 thousand copies.

Regarding the generalist magazines segment, there was a 2.9% decrease from January to April 2010 when compared to the homologous period of 2009. "Sábado" paid circulation decreased 8.2% but kept its second place in the segment ranking.

	Paid circulation		
	2010	2009	Δ 2010/2009
Sábado	72,998	79,551	-8.2%
Visão	103,754	103,000	0.7%
Focus	9,705	9,406	3.2%
Market	186,458	191,957	-2.9%

Source: APCT

Average number of copies sold by edition from January to April 2010

FINANCIAL REVIEW

Main indicators for the 1st semester of 2010

The consolidated financial information of Cofina for the 1st semester of 2010, prepared in accordance with the recognition and measurement principles of International Financial Reporting Standards (IFRS), can be presented as follows:

	30.06.2010	30.06.2009	A 2010 / 2009
Operating income	66,780	64,756	3.1%
Operating profit (EBIT)	8,010	7,543	6.2%
EBITDA	9,932	9,230	7.6%
Net profit / (loss) (a)	(10,926)	5,468	-

(amounts expressed in thousand Euro)
 EBITDA = Earnings before interest, taxes, depreciation and amortization
 (a) - Net profit / (loss) attributable to the parent company shareholders

Operating income recorded an increase of 3.1% when compared with the homologous period, showing a slight recovery from the reduction of advertising investment suffered in 2009, due to the economic crisis. Due to the cost reduction strategy adopted by the Group in the first semester of 2009, operating profit increased more than proportionally by 6.2%. This strategy also had impact on EBITDA, which showed an increase of 7.6% when comparing with the first semester of 2009 and reached 9.9 million Euro as of 30 June 2010.

Cofina's Group nominal gross debt as of 30 June 2010 amounted to 210 million Euro, which corresponds to nominal net debt of 97.5 million Euro.

The accompanying consolidated financial statements as of 30 June 2010 present a negative consolidated equity. This is due solely to the Group's exposure to ZON Multimédia - Serviços de Telecomunicações e Multimedia, SGPS, SA ("Zon Multimedia") through the holding of 15,190,000 shares recorded at their market value.

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 the Board of Directors expects that, by the end of 2010, the consolidated equity will no longer be negative.

In more detail, the main indicators of consolidated financial statements can be detailed as follows:

(amounts in thousand Euro)	1H 2010	1H 2009	Var (%)
Consolidated operating income	66,780	64,756	3.1%
Circulation	31,565	30,831	2.4%
Advertising	27,144	24,801	9.4%
Alternative marketing products and others	8,071	9,124	-11.5%
Operating income by segments	66,780	64,756	3.1%
Newspapers	50,032	48,092	4.0%
Magazines	16,748	16,664	0.5%
Operating expenses (a)	56,848	55,527	2.4%
Consolidated EBITDA (b)	9,932	9,229	7.6%
EBITDA margin	14.9%	14.1%	+ 1.2 p.p.
Newspapers	10,331	9,594	7.7%
Newspapers EBITDA margin	20.6%	19.8%	+ 1.6 p.p.
Magazines	-399	-365	-9.3%
Magazines EBITDA margin	-2.4%	-2.2%	-0.8 p.p.
Amortisation and depreciation (-)	1,922	1,686	14.0%
EBIT	8,010	7,543	6.2%
EBIT margin	12.0%	11.3%	+ 1.1 pp
Financial profit / (loss)	(17,370)	516	-
Income before taxes and minority interests	-9,360	8,059	-
Income taxes	1,617	2,493	-35.1%
Minority interests	(51)	98	-152.0%
Net consolidated profit / (loss) (c)	-10,926	5,041	-

(a) Operating expenses excluding amortisation

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

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

Operating income of the first semester presented an increase of 3%, amounting the advertising revenue increase to 9.4% and the circulation revenue increase to 2.4%, which represents a significant recovery from the severe reduction in the same period of 2009 (14%), due to the economical and financial international crisis, which lead to a decrease on demand of advertising market.

Operating expenses reached 57 million Euro, which represents an increase of 2.4% when compared to the homologous period. This less than proportional increase (when compared to operating income) is due to the cost reduction strategy adopted in previous years in order to adapt the cost structure to the context of crisis, having these measures been deepened in the first semester.

Therefore, EBITDA presented an increase of 7.6%, amounting to 9.9 million Euro. EBITDA margin increased 0.6 percentage points from 14.3% in 2009 to 14.9% in 2010.

Earnings before interest and taxes (EBIT) amounted to 8 million Euro, which corresponds to an increase of 6.2% when compared to the homologous period. EBIT margin, following the trend set by EBITDA, increased 0.4 percentage points when compared to the first semester of 2009, amounting to 12%.

Net consolidated loss amounted to 10.9 million Euro, in comparison to the profit of 5.5 million Euro recorded in the first semester of 2009. This is due solely to the Group's exposure to ZON Multimédia - Serviços de Telecomunicações e Multimedia, SGPS, SA ("Zon Multimedia") through the holding of 15,190,000 shares recorded at their market value.

Main indicators for the 2nd quarter of 2010

Operating income for the second quarter of 2010 reached 34.6 million Euro, an increase of 1.7% comparing with the homologous period of 2009 and an increase of 7.7% in comparison with the first quarter of 2010.

(amounts in thousand Euro)	2Q 2010	2Q 2009	Δ (%)
Consolidated operating income	34,625	34,062	1.7%
Circulation	15,909	15,604	2.0%
Advertising	15,098	13,595	11.1%
Alternative marketing products and others	3,618	4,863	-25.6%
Operating income by segments	34,625	34,062	1.7%
Newspapers	25,951	25,366	2.3%
Magazines	8,674	8,696	-0.3%
Operating expenses (a)	29,338	29,159	0.6%
Consolidated EBITDA (b)	5,287	4,903	7.8%
EBITDA margin	15.3%	14.4%	+ 0.9 p.p.
Newspapers	5,543	5,093	8.8%
Newspapers EBITDA margin	21.4%	20.1%	+ 1.3 p.p.
Magazines	-256	-190	34.7%
Magazines EBITDA margin	-3.0%	-2.2%	- 0.8 p.p.
Amortisation and depreciation (-)	963	841	14.5%
EBIT	4,324	4,062	6.5%
EBIT margin	12.5%	11.9%	+ 0.6 pp
Financial profit / (loss)	(8,048)	(2,014)	-
Income before taxes and minority interests	-3,724	2,048	-
Income taxes	485	1,502	-67.7%
Minority interests	12	118	-89.8%
Net consolidated profit / (loss) (c)	-4,221	428	-

(a) Operating expenses excluding amortisation

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

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

Circulation revenues increased 2% comparing with the homologous period of 2009 and 1.6% comparing with the first quarter. Advertising revenue presented an increase of 11% year on year and an increase of 25% quarter on quarter. The revenue related to alternative marketing products and others reached 3.6 million Euro, presenting a decrease of 26% year on year and 19% quarter on quarter.

Operating expenses during the second quarter of 2010 reached 29.3 million Euro, which corresponds to an increase of 0.6% in comparison to the homologous period of the previous year.

EBITDA recorded in the second quarter of 2010 reached 5.3 million Euro, an increase of 7.8% year on year and 13.8% quarter on quarter. EBITDA margin shows this optimization strategy achieving 15.3% in this quarter, a 0.9 percent points increase when comparing with the second quarter of 2009.

Newspapers segment

This segment includes the following: "Correio da Manhã", "Record", "Jornal de Negócios", "Destak" and "Metro".

	1H 2010	1H 2009	Δ 2010 / 2009	
			Amount	%
Operating income	50,032	48,092	1,940	4.0%
Circulation	23,519	22,070	1,449	6.6%
Advertising	20,795	19,199	1,596	8.3%
Alternative marketing products and others	5,718	6,823	(1,105)	-16.2%
Operating expenses (a)	39,701	38,498	1,203	3.1%
EBITDA (b)	10,331	9,594	737	7.7%
EBITDA margin	20.6%	19.9%		+ 0.7 pp

(amounts in thousand Euro)

(a) Operating expenses excluding amortisations

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

During the first semester of 2010, operating income of the newspapers segment reached 50 million Euro, an increase of 4% compared with the first semester of 2009. Advertising and circulation income increased 6.6% and 8.3%, respectively. On the other hand, alternative marketing products revenue dropped 16%.

Operating expenses presented an increase of 3.1%, reaching 39.7 million Euro as of 30 June 2010.

EBITDA amounted to 10.3 million Euro, increasing 3.1% in comparison with the first semester of 2009. EBITDA margin reached 20.6%, an increase of 0.7 percent points year on year.

In the second quarter of 2010, operating income amounted to 25.9 million Euro, an increase of 2.3% year on year and an increase of 7.8% quarter on quarter.

	2Q 2010	2Q 2009	Δ 2T10 / 2T09		1Q 2010	Δ 2Q10 / 1Q10
			Amount	%		
Operating Income	25,952	25,367	2.3%		24,081	7.8%
Circulation	11,907	11,234	6.0%		11,612	2.5%
Advertising	11,369	10,501	8.3%		9,426	20.6%
Alternative marketing products and others	2,676	3,632	-26.3%		3,043	-12.1%
Operating expenses (a)	20,409	20,274	0.7%		19,293	5.8%
EBITDA (b)	5,543	5,093	8.8%		4,788	15.8%
EBITDA margin	21.4%	20.1%	+ 1.3 pp		19.9%	+ 1.5 pp

(amounts in thousand Euro)

(a) Operating expenses excluding amortisations

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

Circulation income reached, approximately, 12 million Euro, growing 6% when compared with the homologous period of 2009 and 2.5% comparing with the first quarter of 2010. On the other hand, advertising income reached 11.3 million Euro (+8.3% year on year and +20.6% quarter on quarter). Revenue from alternative marketing products and others amounted to 2.7 million Euro, presenting a decrease of 26% in comparison with the second quarter of 2009 and a decrease of 12.1% in comparison with the first quarter of 2010.

In the second quarter of 2010, EBITDA of the newspapers segment amounted to 5.5 million Euro, presenting an increase of 8.8%, in comparison with 5.1 million Euro recorded in the second quarter of 2009, and an increase of 15.8%, comparing to the first quarter of 2010. EBITDA margin overcame 21%.

Magazines segment

This segment includes the following: "Sábado", "Tv Guia", "Flash", "Máxima", "Vogue", "Máxima Interiores", "GQ", "Automotor", "Rotas&Destinos", "PC Guia" and "Semana Informática".

	1H 2010	1H 2009	Δ 2010 / 2009	
			Amount	%
Operating income	16,748	16,664	84	0.5%
Circulation	8,046	8,761	(715)	-8.2%
Advertising	6,349	5,602	747	13.3%
Alternative marketing products and others	2,353	2,301	52	2.3%
Operating expenses (a)	17,147	17,029	118	0.7%
EBITDA (b)	(399)	(365)	(34)	9.3%
EBITDA margin	-2.4%	-2.2%		-0.2 pp

(amounts in thousand Euro)

(a) Operating expenses excluding amortisations

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

Operating revenue in magazines segment amounted to 16.7 million Euro (a slight increase of 0.5%). The negative evolution of circulation income (-8.2%) was balanced by the growth of advertising income (13.3%) and alternative market products and others (2.3%), which have achieved 6.3 and 2.3 million Euro, respectively.

Operating expenses amounted to 17.1 million Euro, which represents an increase of 0.7% when compared to the homologous period of 2009.

EBITDA for this segment was negative of approximately 339 thousand Euro in this semester and EBITDA margin was negative of 2.4%.

SECOND SEMESTER 2010 OUTLOOK

Regarding the uncertainty and difficulties predicted to the second half of 2009 to national economy as well as to international economy, and the retraction of demand in advertising market, the Group will adopt a prudent management without forgetting the effort to keep the leadership of its headings and the opportunities to strengthen its results.

The Group is confident and foresees the maintenance of the positive performance presented. The Group remains confident about its ability to maintain and consolidate the leading position of its publications, as well as the strengthening of the newest publications.

CORPORATE GOVERNANCE

In compliance with the legal dispositions in force, the Company is exempt from presenting information related with Corporate Governance, once this information is only compulsory upon the presentation of the Annual Directors' Report.

LEGAL MATTERS

Own shares

Pursuant to the requirements of article 66 of the Commercial Companies Code ("Código das Sociedades Comerciais"), the Directors inform that as of 30 June 2010 Cofina had no own shares and did not acquire or sell own shares during the semester then ended.

Shares held by Cofina's corporate board members

Pursuant to the requirements of article 447 of the Commercial Companies Code the Directors inform that, as of 30 June 2010, the held shares were as follows:

Paulo Jorge dos Santos Fernandes	7,165,746
Ana Rebelo Mendonça Fernandes (a)	15,385,276
João Manuel Matos Borges de Oliveira (b)	10,264,014
Domingos José Vieira de Matos	7,296,112
Pedro Miguel Matos Borges de Oliveira	4,928,291
Pedro Mamede Pinto de Mendonça	854,500

(a) Ana Rebelo Mendonça Fernandes holds, individually, 6,377,840 shares of Cofina S.G.P.S., S.A.; it is also attributable to this Board member 9,007,436 shares of COFINA – SGPS, S.A. held by PROMENDO – SGPS, S.A., of which she is manager and shareholder, holding 59.6% of the share capital. Thus, in legal terms, a total of 15,385,276 shares, representing 15% of the capital and voting rights of COFINA - SGPS, S.A. are considered attributable to Ana Rebelo Fernandes Mendonça.

(b) 10,264,014 shares represent the total shares of Cofina S.G.P.S., S.A. held by Caderno Azul – S.G.P.S., S.A., company managed by the Board member, João Manuel Matos Borges de Oliveira, holder of 50% of this entity's share capital.

As of 30 June 2010 the Statutory Auditor and the members of the Shareholders' Meeting and of the Statutory Audit Board held no shares of the Company.

Participation in the Company's share capital

Pursuant to the requirements of articles 16 and 20 of the Securities Code ("Código dos Valores Mobiliários") and article 448 of the Commercial Companies Code, the Directors inform that, in accordance with the notifications received by the Company, the companies and/or individuals that hold qualified participations exceeding 2%, 5%, 10%, 20%, 33% and 50% of the voting rights, are as follows:

Exceeding 2% of the voting rights	Held shares at 30.06.2010	Direct % of voting rights
Pedro Miguel Matos Borges de Oliveira	4,928,291	4.81%
UBS AG, Zurique	4,462,037	4.35%
Banco BPI, S.A. (a)	3,200,000	3.12%
Millenium BCP – Gestão de Fundos de Investimento, S.A.	2,085,568	2.03%

(a) 3,200,000 shares are held by the Pension Fund of Banco BPI. This participation is attributable to Banco BPI under Article 20 of the Securities Code.

Exceeding 5% of the voting rights	Held shares at 30.06.2010	Direct % of voting rights
Promendo, SGPS, S.A. (a)	9,007,436	8.78%
Domingos José Vieira de Matos	7,296,112	7.11%
Paulo Jorge dos Santos Fernandes	6,165,746	6.99%
Ana Rebelo Mendonça Fernandes (b)	6,377,840	6.22%
Santander Asset Management – Sociedade Gestora de Fundos de Investimento Mobiliário, S.A.	5,147,981	5.02%

(a) 9,007,436 shares of COFINA – SGPS, S.A. held by PROMENDO – SGPS, S.A., are attributable to Ana Rebelo Mendonça Fernandes, manager and shareholder of Promendo and holder of 59.6% of this company's share capital.

(b) it is also, attributable to Ana Rebelo Fernandes Mendonça, in addition to the 9,007,436 shares of COFINA - SGPS, S.A. held by the company Promendo - SGPS, SA mentioned in (a) 1,222,000 shares of COFINA - SGPS, S.A. held by the company Promendo – Promações Empresariais SA, of which she is manager and shareholder, holder of 68% of its capital. Thus, in legal terms, are considered attributable to Ana Rebelo Fernandes Mendonça, a total of 15,385,276 shares, representing 15% of the capital and voting rights of COFINA - SGPS, S.A..

Exceeding 10% of the voting rights	Held shares at 30.06.2010	Direct % of voting rights
Caderno Azul, SGPS, S.A. (a)	10,264,014	10.01%

(a) 10,264,014 shares represent the total shares of Cofina S.G.P.S., S.A. held by Caderno Azul – S.G.P.S., S.A., company managed by the Board member, João Manuel Matos Borges de Oliveira, holder of 50% of the capital.

DECLARATION OF RESPONSABILITY

The members of the Board of Directors of Cofina, S.G.P.S., S.A. declare to assume responsibility for the information hereby presented and assure that the items included herein are true and that, to the best of their knowledge, there are no omissions.

As required by article 8, nr. 3, of the Securities Code, the Board of Directors declares that the accounts that integrate this report were not object of a limited review.

As required by article 21 of Decree-Law 411/91 of 17 October, the Board of Directors informs that there are no overdue debts to the State, namely with respect to Social Security.

CLOSING REMARKS

The Board of Directors concludes by expressing a vote of gratitude to the personnel of Cofina Group for their dedication and effort, and also to the other Corporate Boards and to the Financial Institutions that co-operated with the Group.

Porto, 25 August 2010

The Board of Directors

Paulo Jorge dos Santos Fernandes – President

João Manuel Matos Borges de Oliveira - Member

Pedro Macedo Pinto de Mendonça - Member

Domingos José Vieira de Matos - Member

Ana Rebelo Mendonça Fernandes - Member

Pedro Miguel Matos Borges de Oliveira - Member

**Article 447 of the Portuguese Companies Act and of Article 14, paragraph 7
of Portuguese Securities Regulator (CMVM) Regulation nr. 05/2008**

Disclosure of shares and other securities held by members of the Board of Directors and by those discharging managerial responsibilities, as well as by people closely connected with them (article 248 B of the Portuguese Securities Code), and disclosure of the respective transactions during the period involving such shares and other securities

COFINA - SGPS, S.A.

Paulo Jorge dos Santos Fernandes

Date	Nature	Quantity	Price (€)	Place	Number of shares	
31-Dec-09	-	-	-	-	7,165,746	30-Jun-10

Pedro Macedo Pinto de Mendonça

Date	Nature	Quantity	Price (€)	Place	Number of shares	
31-Dec-09	-	-	-	-	854,500	30-Jun-10

Domingos José Vieira de Matos

Date	Nature	Quantity	Price (€)	Place	Number of shares	
31-Dec-09	-	-	-	-	7,296,112	30-Jun-10

João Manuel Matos Borges de Oliveira (attribution through CADERNO AZUL - SGPS, S.A.)

Date	Nature	Quantity	Price (€)	Place	Number of shares	
31-Dec-09	-	-	-	-	10,264,014	30-Jun-10

Pedro Miguel Matos Borges de Oliveira

Date	Nature	Quantity	Price (€)	Place	Number of shares	
31-Dec-09	-	-	-	-	4,928,291	30-Jun-10

Ana Rebelo Mendonça Fernandes

Date	Nature	Quantity	Price (€)	Place	Number of shares	
31-Dec-09	-	-	-	-	6,377,840	30-Jun-10

Ana Rebelo Mendonça Fernandes (attribution through PROMENDO - SGPS, S.A.)

Date	Nature	Quantity	Price (€)	Place	Number of shares	
31-Dec-09	-	-	-	-	9,007,436	30-Jun-10

Statement under the terms of the Article 246, paragraph 1, al. c) of the Securities Code

The signatories individually declare that, to their knowledge, the Management Report, the Individual and Consolidated Financial Statements prepared in accordance with the International Financial Reporting Standards as adopted by the European Union, and in accordance with the International Accounting Standard 34 – Interim Financial Reporting, and other accounting documents required by law or regulation, giving a truthful (fairly) and appropriate image, in all material respects, of the assets and liabilities, financial position and the consolidated and individual results of Cofina, SGPS, S.A. (“Cofina”) as of 30 June 2010 and that the Interim Management Report faithfully describes the business evolution, performance and position of Cofina and of the companies included in the consolidation perimeter and contains a description of the major risks and uncertainties that they face for the following six months.

Porto, 25 August 2010

Paulo Jorge dos Santos Fernandes
President of the Board of Directors

João Manuel Matos Borges de Oliveira
Member of the Board of Directors

Pedro Macedo Pinto de Mendonça
Member of the Board of Directors

Domingos José Vieira de Matos
Member of the Board of Directors

Pedro Miguel Matos Borges de Oliveira
Member of the Board of Directors

Ana Rebelo Mendonça Fernandes
Member of the Board of Directors

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

CONSOLIDATED BALANCE SHEETS FOR THE PERIODS ENDED 30 JUNE 2010, 31 DECEMBER 2009 AND 30 JUNE 2009

(Translation of financial statements originally issued in Portuguese - Note 20)

(Amounts expressed in Euro)

ACTIVO	Notes	30.06.2010	31.12.2009	30.06.2009
NON CURRENT ASSETS				
Tangible assets		8.537.336	9.927.157	10.386.586
Goodwill	6	91.996.994	91.996.994	90.566.766
Intangible assets		644.343	527.038	482.988
Investments in associated companies	4	5.075.751	4.733.946	4.795.449
Investments held for sale	4	5.000	-	-
Deferred tax assets	7	4.033.519	3.723.053	6.515.918
Total non current assets		110.292.943	110.908.188	112.747.707
CURRENT ASSETS				
Inventories		2.510.151	3.129.658	1.945.277
Customers		12.774.106	11.384.331	10.370.024
State and other public entities		855.626	522.914	1.915.776
Other current debtors		2.403.045	713.565	2.028.297
Other current assets		7.562.602	8.617.438	7.334.768
Investments recorded at fair value through profit and loss	8	48.342.078	65.901.718	57.766.251
Cash and cash equivalents		64.128.152	46.315.859	42.475.519
Total current assets		138.575.760	136.585.483	123.835.912
TOTAL ASSETS		248.868.703	247.493.671	236.583.619
EQUITY AND LIABILITIES				
SHAREHOLDERS' FUNDS				
Share capital	17	25.641.459	25.641.459	25.641.459
Share premium account		15.874.835	15.874.835	15.874.835
Legal reserve		5.409.144	5.409.144	5.409.144
Other reserves		(44.975.433)	(60.362.753)	(60.182.316)
Consolidated net profit/(loss) for the period attributable to the parent		(10.926.391)	17.091.529	5.468.404
Equity attributable to equity holder of the parent		(8.976.386)	3.654.214	(7.788.474)
Non-controlling interests		470.556	591.835	940.752
TOTAL EQUITY		(8.505.830)	4.246.049	(6.847.722)
LIABILITIES				
NON CURRENT LIABILITIES				
Other loans	10	20.000.000	49.720.203	99.605.148
Pension liabilities		691.357	691.357	708.863
Other non current creditors	9	2.760.725	3.469.794	4.596.959
Provisions	11	1.075.567	1.076.423	993.421
Total non current liabilities		24.527.649	54.957.777	105.904.391
CURRENT LIABILITIES				
Bank loans	10	21.018.498	2.418.284	1.539.951
Other loans - short term	10	168.128.752	143.299.505	99.358.054
Derivatives	12	1.284.633	245.439	-
Suppliers		12.050.536	12.804.434	10.136.785
State and other public entities		4.455.953	4.888.406	4.171.055
Other current creditors	9	7.839.249	8.464.087	4.375.718
Other current liabilities		18.069.263	16.169.690	17.945.387
Total de passivos correntes		232.846.884	188.289.845	137.526.950
TOTAL LIABILITIES		257.374.533	243.247.622	243.431.341
TOTAL EQUITY AND LIABILITIES		248.868.703	247.493.671	236.583.619

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 BY NATURE
FOR THE SIX AND THREE MONTHS PERIODS ENDED 30 JUNE 2010 AND 2009

(Translation of financial statements originally issued in Portuguese - Note 20)

(Amounts expressed in Euro)

	Notes	30.06.2010	30.06.2009	2nd quarter 2010	2nd quarter 2009
Sales		31.463.649	30.744.300	15.852.839	15.610.516
Services rendered		27.133.701	25.612.139	15.630.755	14.006.230
Other income		8.183.065	8.399.933	3.142.171	4.445.907
Cost of sales		(9.198.475)	(9.499.254)	(4.658.231)	(4.861.808)
External supplies and services		(26.936.516)	(26.512.225)	(14.135.118)	(14.641.324)
Payroll expenses		(19.819.049)	(18.897.085)	(10.051.063)	(9.469.837)
Amortisation and depreciation		(1.921.554)	(1.686.484)	(961.804)	(841.571)
Provisions and impairment losses	11	(597.036)	(325.352)	(352.452)	(80.919)
Other expenses		(297.373)	(292.317)	(142.340)	(104.572)
Gains and losses in associated companies	13	41.805	128.574	37.899	151.689
Gains and losses in other investments	13	(15.129.240)	3.708.664	(6.896.260)	(851.696)
Financial expenses	13	(2.960.705)	(4.005.081)	(1.574.996)	(1.563.108)
Financial income	13	677.870	683.381	385.058	248.842
Net profit / (Loss) before income tax		(9.359.858)	8.059.193	(3.723.542)	2.048.349
Income tax	7	(1.617.034)	(2.493.060)	(484.977)	(1.502.428)
Net consolidated profit / (loss) for the period		(10.976.892)	5.566.133	(4.208.519)	545.921
Attributable to:					
Shareholders of the parent company		(10.926.391)	5.468.404	(4.221.285)	428.448
Non-controlling interests		(50.501)	97.729	12.766	117.473
Earnings per share:					
Basic	16	(0,11)	0,05	(0,04)	0,00
Diluted	16	(0,09)	0,04	(0,03)	0,00

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

The Board of Directors

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

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE SIX AND THREE MONTHS PERIODS ENDED 30 JUNE 2010 AND 2009

(Translation of financial statements originally issued in Portuguese - Note 20)
(Amounts expressed in Euro)

	30.06.2010	30.06.2009	2nd quarter 2010	2nd quarter 2009
Profit / (loss) for the period	(10.976.892)	5.566.133	(4.208.519)	545.921
Exchange differences arising on translation of foreign operations	-	-	-	-
Changes in available-for-sale financial assets' fair value	-	-	-	-
Changes in cash-flows hedges' fair value	(676.310)	-	(176.087)	-
Total comprehensive income for the period	<u>(11.653.202)</u>	<u>5.566.133</u>	<u>(4.384.606)</u>	<u>545.921</u>
Attributable to:				
Shareholders of the parent company	(11.602.701)	5.468.404	(4.397.372)	428.448
Non-controlling interests	<u>(50.501)</u>	<u>97.729</u>	<u>12.766</u>	<u>117.473</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 CHANGES IN EQUITY
FOR THE SIX MONTHS PERIODS ENDED 30 JUNE 2010 AND 2009

(Translation of financial statements originally issued in Portuguese - Note 20)
 (Amounts expressed in Euro)

	Attributable to equity holders of the parent							
	Share capital	Share premium account	Legal reserve	Other reserves	Net profit / (loss)	Total	Non-controlling 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)
Changes in the consolidation perimeter (Note 5)	-	-	-	-	-	-	141.904	141.904
Appropriation of consolidated net loss for 2008:								
Transfer to legal reserve and retained earnings	-	-	-	(73.272.795)	73.272.795	-	-	-
Dividends distributed	-	-	-	-	-	-	(64.800)	(64.800)
Changes in reserves and non-controlling interests:								
Other changes	-	-	-	1.019	-	1.019	(1.102)	(83)
Total comprehensive income for the period	-	-	-	-	5.468.404	5.468.404	97.729	5.566.133
Balance as of 30 June 2009	25.641.459	15.874.835	5.409.144	(60.182.316)	5.468.404	(7.788.474)	940.752	(6.847.722)
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)	-	-	-
Dividends distributed	-	-	-	(1.025.659)	-	(1.025.659)	(69.660)	(1.095.319)
Changes in reserves and non-controlling interests:								
Other changes	-	-	-	(2.240)	-	(2.240)	(1.118)	(3.358)
Total comprehensive income for the period	-	-	-	(676.310)	(10.926.391)	(11.602.701)	(50.501)	(11.653.202)
Balance as of 30 June 2010	25.641.459	15.874.835	5.409.144	(44.975.433)	(10.926.391)	(8.976.386)	470.556	(8.505.830)

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

The Board of Directors

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

CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
FOR THE SIX AND THREE MONTHS PERIODS ENDED 30 JUNE 2010 AND 2009
 (Translation of financial statements originally issued in Portuguese - Note 20)
 (Amounts expressed in Euro)

	Notes	30.06.2010	30.06.2009	2 nd quarter 2010	2 nd quarter 2009
Operating activities					
<i>Cash flow from operating activities (1)</i>		<u>5.485.716</u>	<u>7.978.376</u>	<u>1.609.427</u>	<u>6.105.841</u>
Investment activities					
Collections relating to:					
Investments		-	841.695	-	741.695
Tangible assets		-	70.794	-	70.794
Interest and similar income		603.802	331.112	240.551	(183.350)
Dividends		<u>2.430.400</u>	<u>3.034.202</u>	<u>2.430.400</u>	<u>2.437.002</u>
Payments relating to:					
Investments	1	(125.000)	(1.665.240)	(108.000)	(147.000)
Tangible assets		(295.492)	(447.993)	(217.519)	(447.993)
Intangible assets		(35.574)	(456.066)	(2.205.481)	(25.401)
<i>Cash flow from investment activities (2)</i>		<u>2.578.136</u>	<u>1.475.122</u>	<u>2.320.031</u>	<u>2.378.900</u>
Financing activities					
Collections relating to:					
Loans obtained		-	1.483.390	1.483.390	-
Payments relating to:					
Interest and similar costs		(1.672.105)	(2.887.850)	(879.488)	(204.642)
Lease contracts		(1.154.009)	(1.118.729)	(567.189)	(757.153)
Dividends		(1.025.659)	-	(1.025.659)	-
Loans obtained		(5.000.000)	(8.851.773)	(5.000.000)	(7.472.336)
<i>Cash flow from financing activities (3)</i>		<u>(8.851.773)</u>	<u>(773.533)</u>	<u>(3.296.722)</u>	<u>(773.533)</u>
Cash and its equivalents at the beginning of the period	2	43.897.575	35.322.431	46.652.532	34.729.794
Variation in consolidation perimeter		-	198.056	-	198.056
Variation of cash and its equivalents: (1)+(2)+(3)		<u>(787.921)</u>	<u>6.156.776</u>	<u>(3.542.878)</u>	<u>6.749.413</u>
Cash and its equivalents at the end of the period	2	<u>43.109.654</u>	<u>41.677.263</u>	<u>43.109.654</u>	<u>41.677.263</u>

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

The Board of Directors

(Translation of notes originally issued in Portuguese – Note 20)

(Amounts expressed in Euro)

1. PAYMENTS/COLLECTIONS RELATING TO INVESTMENTS

During the six months period ended 30 June 2010, the payments / collections relating to investments were as follows:

<u>Acquisitions</u>	<u>Transaction amount</u>	<u>Amount paid/collected</u>
Advances relating to investments	300,000	100,000
Visapress – Gestão de Conteúdos dos Media, CRL	5,000	5,000
Mercados Globais – Publicação de Conteúdos, Lda. – acquired in previous years	72,000	20,000
	-----	-----
	377,000	125,000
	=====	=====

2. BREAKDOWN OF CASH AND CASH EQUIVALENTS

Cash and its equivalents for the year ended 31 December 2009 and the six months periods ended 30 June 2010 and 2009, and the reconciliation between those amounts and the amounts shown in the balance sheets as of those dates, are as follows:

	<u>30.06.2010</u>	<u>31.12.2009</u>	<u>30.06.2009</u>
Cash	89,333	89,555	105,145
Bank deposits repayable on demand	7,111,819	2,281,304	8,970,374
Bank deposits convertible within 3 months	56,927,000	43,945,000	33,400,000
Cash and cash equivalents shown in the balance sheet	64,128,152	46,315,859	42,475,519
Bank overdrafts	(21,018,498)	(2,418,284)	(798,256)
	<u>43,109,654</u>	<u>43,897,575</u>	<u>41,677,263</u>

(Translation of notes originally issued in Portuguese – Note 20)

(Amounts expressed in Euro)

1. NOTA INTRODUTÓRIA

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 newspapers 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 semester ended 30 June 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 total equity as of 30 June 2010 is negative. This is due solely to the Group's exposure to ZON Multimédia - Serviços de Telecomunicações e Multimedia, SGPS, SA ("Zon Multimedia") through the holding of 15,190,000 shares recorded at their market value (Note 8). It is the Board of Directors' belief that the price of Zon Multimédia as of that date does not reflect the fair value of this share and the Board of Directors expects that the consolidated equity recovers by 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 translated to Euro using the exchange rates in force at the balance sheet date. Profit and loss and cash flows are converted to Euro using the average exchange rate for the period. The exchange rate differences originated are recorded in equity captions.

2. BASIS OF PRESENTATION AND PRINCIPAL ACCOUNTING POLICIES

The financial statements as of 30 June 2010 were prepared in accordance with the International Financial Reporting Standards ("IFRS") as adopted by European Union. The financial statements as of 30 June 2010 were prepared in accordance with the International Accounting Standard 34 – Interim Financial Reporting and include the statement of financial position, the statement of profit and loss, the statement of comprehensive income, the statement of changes in shareholder's funds and the statement of cash flows, as well as the selected explanatory notes.

The accounting policies adopted in Cofina's consolidated financial statements are consistent with those used in the preparation of the financial statements for the year ended 31 December 2009.

3. CHANGES IN ACCOUNTING POLICIES AND CORRECTION OF MISTAKES

During the period it has been adopted for the first time the revised version of IFRS 3 – Business Combinations (revised 2008) and IAS 27 – Consolidated and separate financial statements (revised 2008).

These changes brought some modifications in the accounting policies of recording business combinations, in particular:

- a) the calculation of goodwill and the measurement of non-controlling interests (previously referred to as minority interests): introduced the option, on transaction-by-transaction basis, of calculating the value of non-controlling interests at fair value of assets and liabilities acquired, or their share of the identifiable net assets of the acquire. Additionally, goodwill is now calculated as the difference between the acquisition price of the participation plus the non-controlling interests and the fair value of the assets and liabilities acquired;
- b) the recognition and subsequent accounting requirements for contingent consideration: whereas, under the previous version of the Standard, contingent consideration was recognized at the acquisition date only if it met probability and reliably measurable criteria, under the revised Standard that consideration for the acquisition always includes the fair value of any contingent consideration. Once the fair value of the contingent consideration for the acquisition date has been determined, subsequent adjustments are made against goodwill only to the extent that they reflect fair value at the acquisition date, and they occur within the 'measurement period' (a maximum of 12 months from the

(Translation of notes originally issued in Portuguese – Note 20)

(Amounts expressed in Euro)

acquisition date). Under the previous version of the Standard, adjustments to consideration were always made against goodwill;

- c) the accounting treatment of acquisition-related costs: they are generally recorded as expenses in the periods in which they are incurred, and don't influence the acquisition price;
- d) the accounting of purchase transactions of entities already controlled by the entity and sale transactions that don't imply the loss of control: until the adoption of the revised version of IAS 27 an increase in equity interests in a subsidiary implied the calculation of goodwill, and a loss on the percentage of control would give rise to a profit or loss in that period. With this new standard, transactions whereby the parent entity acquires further equity interests or disposes of equity interest but without losing control, are accounted for as equity transactions and only affect the company's equity, there is no recognition of goodwill or profit or loss in the period;
- e) the calculation of the profit or loss associated with disposal of equity interests in a subsidiary with loss of control and subsequent accounting for a residual interest: according to the new version of the standard as a result of the loss of control, the assets and liabilities of the disposed subsidiary should be derecognised and any interest retained on the entity should be remeasured at fair value. The value received as a result of the sale plus the effect of remeasurement is registered as profit or loss of the period.

4. INVESTMENTS

Consolidation perimeter

The companies included in the consolidated financial statements by the full consolidation method, their headquarters, percentage participation held and activity developed as of 30 June 2010 are as follows:

Designation	Headquarters	Percentage participation held	Activity
Parent company:			
Cofina, SGPS, S.A.	Porto		Investment management
Cofina B.V. ("Cofina BV")	Amsterdam (Netherlands)	100.00%	Investment management
Efe Erre Participações, SGPS, S.A. ("FR")	Ovar	100.00%	Investment management
Cofina Media Group			
Cofina Media, SGPS, S.A. ("Cofina Media")	Lisbon	100.00%	Investment management
Presselivre – Imprensa Livre, S.A. ("Presselivre")	Lisbon	99.37%	Newspapers and magazine publication
Edisport – Sociedade de Publicações, S.A. ("Edisport")	Lisbon	100.00%	Newspapers publication
Edirevistas – Sociedade Editorial, S.A. ("Edirevistas")	Lisbon	99.46%	Magazines publication
Mediafin, SGPS, S.A. ("Mediafin")	Lisbon	100.00%	Investment management
Metronews – Publicações, S.A. ("Metronews")	Carnaxide	59.00%	Newspapers publication
Grafedisport – Impressão e Artes Gráficas, S.A. ("Grafedisport")	Queluz	100.00%	Newspapers print
Web Works – Desenvolvimento de Aplicações para Internet, S.A. ("Web Works")	Lisbon	51%	Production and creation of websites to the development of online business
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.

(Translation of notes originally issued in Portuguese – Note 20)

(Amounts expressed in Euro)

The associated companies, their headquarters, percentage participation held and activity developed as of 30 June 2010 are as follows:

Designation	Headquarters	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%	-	Investment management
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.

Investments in associated companies

The acquisition cost of the associated companies and their book value as of 30 June 2010 are as follows:

Designation	Acquisition cost	Book value	Equity	Net profit / (loss)
VASP – Sociedade de Transportes e Distribuições, Lda. (b)	6,234	3,136,398	9,393,786	125,416
AdCom Media Anúncios e Publicidade, S.A. (a) (b)	-	-	R\$ (14,652,078)	R\$ 518,836
Destak Brasil – Editora, S.A. (a) (b)	-	-	R\$ (1,615,364)	R\$ (1,374,880)
Destak Brasil – Empreendimentos e Participações, S.A. (b)	299,064	-	R\$ 2,020,612	R\$ (47,998)
Mercados Globais – Publicação de Conteúdos, Lda.	72,000	-	(c)	(c)

(a) – investment held by the subsidiary Destak Brasil – Empreendimentos e Participações, S.A..
 (b) – non audited financial information.
 (c) – non available financial information.

As of 30 June 2010 and 31 December 2009 the caption "Investments in associated companies" can be detailed as follows:

	30.06.2010	31.12.2009
Financial investment		
VASP – Sociedade de Transportes e Distribuições, Lda. – equity method	3,136,398	3,094,593
Destak Brasil – Empreendimentos e Participações, S.A.	299,064	299,064
Mercados Globais - Publicação de Conteúdos, Lda.	72,000	72,000
Advances related to investments	300,000	-
	<u>3,807,462</u>	<u>3,465,657</u>
Accumulated impairment losses on investments in associated	(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>5,075,751</u>	<u>4,733,946</u>

As of 30 June 2010 and 31 December 2009 the Group has available for sale investments corresponding to minority investments. The Group has recorded impairment losses in previous periods.

(Translation of notes originally issued in Portuguese – Note 20)

(Amounts expressed in Euro)

5. CHANGES IN THE CONSOLIDATION PERIMETER

During the six months period ended 30 June 2010 there have been no changes in the consolidation perimeter of Cofina Group.

The facts generating changes in the consolidation perimeter of Cofina during the period ended 30 June 2009 were as follows:

I. During the first semester of 2009 the Group, through its subsidiary Cofina Media, SGPS, S.A., acquired an investment of 51% of the share capital of Web Works – Desenvolvimento de Aplicações para Internet, S.A. (Note 4). The Group has control over its operations as well as holds more than 50% of the share capital of this company. Therefore, this company was included in the consolidated financial statements by the full consolidation method.

Assets and liabilities as of the date of the inclusion in the consolidation (1 January 2009) as well as the computation of goodwill generated, are as follows:

	<u>Web Works</u>
<u>Assets</u>	
Intangible assets	286
Tangible assets	58,486
Accounts receivable	198,645
Cash and cash equivalents	198,056
Other assets	17,586
<u>Liabilities</u>	
Short term debts	(173,682)
Other liabilities	(9,776)
Net assets	<u>289,601</u>
Percentage acquired	51%
Acquired equity	<u>147,697</u>
Financial investments	1,660,740
Goodwill on the acquisition (Note 6)	1,513,043
Assets and liabilities attributable to minority interests	<u>141,904</u>
Net cash flows arising from the change in the consolidation perimeter	
Payments	(1,593,240)
Cash and cash equivalents acquired	<u>198,056</u>
	<u>(1,395,184)</u>

Goodwill arising from this acquisition was computed based in the acquired company's financial statements as of 31 December 2008. In the purchase price allocation process, Cofina identified no relevant differences between the fair value of assets and liabilities acquired and its carrying amount. The difference between the acquisition cost and the carrying amount of assets and liabilities acquired was recorded as goodwill (Note 6).

Net profit and total income attributable to this subsidiary from the date of the first application of the full consolidation method and included in the Group's consolidated financial statements of the semester ended 30 June 2009 amount to, approximately, 128,000 and 278,000 Euro, respectively.

II. As of 13 January 2009, the Group sold the investment held in the company "O Sol é Essencial, S.A.", owner of the weekly newspaper "Sol", by the amount of 1,583,390 Euro. This operation had no impact in the consolidated statements of profit and loss for the period ended 30 June 2009 due to the fact that the investment was recorded in accordance with its net realizable value.

(Translation of notes originally issued in Portuguese – Note 20)

(Amounts expressed in Euro)

6. GOODWILL

During the six months periods ended 30 June 2010 and 2009, the movement in the caption "Goodwill" was as follows:

	30.06.2010	30.06.2009
Opening balance as of 1 st January	91,996,994	89,053,723
Increases (Note 5)	-	1,513,043
Closing balance	91,996,994	90,566,766

The movement occurred during the first half of 2009 refers to the acquisition of the subsidiary "Web Works – Desenvolvimento de Aplicações para Internet, S.A." (Note 5).

7. CURRENT AND DEFERRED INCOME TAXES

Deferred taxes

The movement occurred in deferred tax assets and liabilities in the six months periods ended 30 June 2010 and 2009 was as follows:

	Deferred tax assets		Deferred tax liabilities	
	30.06.2010	30.06.2009	30.06.2010	30.06.2009
Opening balance	3,723,053	8,681,501	-	-
Effects on the income statement:				
Increase / (decrease) in tax losses carried forward	37,484	(2,061,248)	-	-
Increase / (decrease) in provisions and impairment losses	(1,628)	(106,000)	-	-
Other effects	(777)	1,665	-	-
Effects on shareholder's funds:				
Fair value of derivative financial instruments	275,387	-	-	-
Closing balance	4,033,519	6,515,918	-	-

The detail of the deferred tax assets as of 30 June 2010 and 31 December 2009, in accordance with the nature of timing differences that generated them, is as follows:

	30.06.2010	31.12.2009
Temporary differences between the accounting value and the taxable value of assets	-	777
Fair value of derivative financial instruments	340,428	65,041
Provisions and impairment losses not accepted for tax purposes	1,867,416	1,869,044
Tax losses carried forward	1,825,675	1,788,191
Closing balance	4,033,519	3,723,053

In accordance with the tax returns of the companies that record deferred tax assets related with tax losses carried forward, as of 30 June 2010 these may be detailed as follows:

	Tax losses	Deferred tax assets	Expiry date
Generated in 2007	6,376,820	1,594,205	2013
Generated in 2008	925,880	231,470	2014
	7,302,700	1,825,675	

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Current taxes

Income taxes recorded in the profit and loss statements for the six months periods ended in 30 June 2010 and 2009 are detailed as follows:

	<u>30.06.2010</u>	<u>30.06.2009</u>
Current taxes		
Income tax for the period	502,020	359,872
Excess of prior years income tax	(74,181)	(98,491)
Insufficiency of prior periods income tax	7,127	66,096
Additional payment	1,219,552	-
Deferred taxes	(37,484)	2,165,583
	<u>1,617,034</u>	<u>2,493,060</u>

The caption "Additional payment" refers to a correction to the computed taxable income of the year ended 31 December 2006.

As confirmed by our lawyers, there are no material assets or liabilities associated with probable or possible tax contingencies that should be subject to disclosure in the accompanying notes to the consolidated financial statements as of 30 June 2010.

8. INVESTMENTS RECORDED AT FAIR VALUE THROUGH PROFIT AND LOSS

The amount included in the caption "Investments recorded at fair value through profit and loss" relate to shares traded in stock markets and are recorded at their market value as of the balance sheet date (Note 13).

As of 30 June 2010, the book value can be detailed as follows:

	<u>Number of shares</u>	<u>Share price</u>	<u>Market value</u>
Zon Multimédia	15,190,000	3.182	48,334,580
Other shares			7,498

			48,342,078
			=====

9. LEASE CONTRACTS

As of 30 June 2010 and 31 December 2009, the amounts payable to fixed asset suppliers related 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>30.06.2010</u>	<u>31.12.2009</u>
Year n+1	1,012,835	1,360,573
Year n+2	988,404	1,014,012
Year n+3	515,481	692,577
Year n+4	109,709	363,930
Year n+5 and following years	34,296	38,702
	<u>2,660,725</u>	<u>3,469,794</u>
Short term	1,979,416	2,345,411
	<u>4,640,141</u>	<u>5,815,205</u>

10. BANK AND OTHER LOANS

The current liabilities caption "Bank loans" refers to bank overdrafts reimbursable in the short term which bear market interest rates.

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As of 30 June 2010 and 31 December 2009, the caption "Other loans" was made up as follows:

	30.06.2010			
	Book value		Nominal value	
	Current	Non-current	Current	Non-current
Bond loans	93,182,346	-	94,000,000	-
Commercial paper	74,946,406	20,000,000	75,000,000	20,000,000
	<u>168,128,752</u>	<u>20,000,000</u>	<u>169,000,000</u>	<u>20,000,000</u>

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

The non-current liabilities caption "Commercial paper" relates to commercial paper programs with guaranteed subscription by the banks until 2012.

The current liabilities caption "Commercial Paper" relates to commercial paper programs with repayment in the short term which bear interest at market rates.

In addition to the amounts included in the balance sheet as of 30 June 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 balance sheet net of a bank deposit in the same amount since these financial instruments fulfil the requirements for their compensation.

11. MOVEMENT IN PROVISIONS AND IMPAIRMENT LOSSES

The movements occurred in provisions and impairment losses for the six months periods ended 30 June 2010 and 2009 may be detailed as follows:

	30.06.2010			
	Provisions	Impairment losses in investments	Impairment losses in inventories	Impairment losses in accounts receivable
Opening balance	1,076,423	4,130,379	248,185	7,580,412
Increases	-	-	-	856,402
Reversals	-	-	-	(259,366)
Utilizations	(856)	-	-	(182,648)
Closing balance	<u>1,075,567</u>	<u>4,130,379</u>	<u>248,185</u>	<u>7,994,800</u>

	30.06.2009			
	Provisions	Impairment losses in investments	Impairment losses in inventories	Impairment losses in accounts receivable
Opening balance	1,014,909	4,943,160	260,852	8,083,751
Increases	-	698,556	-	325,352
Reversals	-	-	-	-
Utilizations	(21,488)	(1,583,306)	-	(11,465)
Closing balance	<u>993,421</u>	<u>4,058,410</u>	<u>260,852</u>	<u>8,397,638</u>

(Translation of notes originally issued in Portuguese – Note 20)

(Amounts expressed in Euro)

The increases of impairment losses in the first semester of 2010 were recorded , net from reversals, in the following captions of the profit and loss statement:

Provisions and impairment losses	856,402
=====	

The amount recorded in the caption "Provisions" as of 30 June 2010 relates to the Board of Directors' best estimate to cover possible losses arising from legal actions in progress.

12. DERIVATIVE FINANCIAL INSTRUMENTS

As of 30 June 2010, this caption is made of interest rates swaps related to the Group's financing loans. Once these derivatives fulfil the requirements of IAS 39 – Financial Instruments: Recognition and Measurement in order to be classified as hedging instruments, their fair value has been recorded under the shareholder's funds' caption "Other reserves", net of deferred taxes.

These financial instruments are recorded in accordance with their fair value at balance sheet date, based in computations made by the banks. The movement in these derivatives for the six months periods ended 30 June 2010 and 2009 can be presented as follows:

	<u>30.06.2010</u>	<u>30.06.2009</u>
<u>Opening balance</u>	245,439	-
<u>Increases / (decreases)</u>	1,039,194	-
<u>Closing balance</u>	<u>1,284,633</u>	<u>-</u>

As of 30 June 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 share split, occurred in 2006). As of 30 June 2010 and 31 December 2009, its fair value is null.

13. FINANCIAL INCOME AND EXPENSES

The financial income and expenses for the six months periods ended 30 June 2010 and 2009 are made up as follows:

	<u>30.06.2010</u>	<u>30.06.2009</u>
<u>Financial expenses</u>		
Interests	2,503,178	3,747,044
Comissions	366,970	214,655
Other financial expenses	90,557	43,382
	<u>2,960,705</u>	<u>4,005,081</u>
<u>Financial income</u>		
Interest received	677,850	683,214
Other financial income	20	167
	<u>677,870</u>	<u>683,381</u>

The caption "Gains and losses in associated companies" for the semesters and quarters ended 30 June 2010 and 2009 refer mainly to the Group's appropriation of its share of the results in associate companies.

(Translation of notes originally issued in Portuguese – Note 20)

(Amounts expressed in Euro)

The caption "Gains and losses in other investments" as of 30 June 2010 and 2009 can be detailed as follows:

	30.06.2010	30.06.2009
Gains in investments recorded at fair value through profit and loss (Introduction and Note 8)	(17,559,640)	1,271,662
Dividends	2,430,400	2,437,002
	<u><u>(15,129,240)</u></u>	<u><u>3,708,664</u></u>

The caption "Investments recorded at fair value through profit and loss" refers mainly to the adjustment to fair value of Zon Multimédia – Serviços de Telecomunicações e Multimédia, S.G.P.S., S.A. in accordance with the shares' market value.

14. RELATED PARTIES

The main balances with related parties as of 30 June 2010 and 2009 and the main transactions with those entities during the period then ended may be detailed as follows:

<u><u>30.06.2010</u></u>			
Transactions	<u><u>Sales and services rendered</u></u>	<u><u>Other income</u></u>	<u><u>Goods and services acquisitions</u></u>
Associated companies	28,953,597	7,610,111	46,858
	<u><u>28,953,597</u></u>	<u><u>7,610,111</u></u>	<u><u>46,858</u></u>
Balances			
	<u><u>Accounts receivable</u></u>	<u><u>Accounts payable</u></u>	<u><u>Accrued income</u></u>
Associated companies	121,936	166,942	5,982,784
	<u><u>121,936</u></u>	<u><u>166,942</u></u>	<u><u>5,982,784</u></u>
<u><u>30.06.2009</u></u>			
Transactions	<u><u>Sales and services rendered</u></u>	<u><u>Other income</u></u>	<u><u>Goods and services acquisitions</u></u>
Associated companies	28,250,932	7,472,426	237,422
	<u><u>28,250,932</u></u>	<u><u>7,472,426</u></u>	<u><u>237,422</u></u>
Balances			
	<u><u>Accounts receivable</u></u>	<u><u>Accounts payable</u></u>	<u><u>Accrued income</u></u>
Associated companies	115,359	426,440	6,173,672
	<u><u>115,359</u></u>	<u><u>426,440</u></u>	<u><u>6,173,672</u></u>

Sales and services rendered to associated companies and other income during the periods ended 30 June 2010 and 2009 relate to sales of newspapers and magazines and alternative marketing products to VASP (Note 4), which handles the corresponding distribution to the sales points. These transactions are carried out under the normal activity of the Group.

Related parties

Apart from companies included in the consolidation (Note 4), the parties considered to be related companies as of 30 June 2010, can be presented as follows:

- Altri, SGPS, S.A.
- Alteria, SGPS, S.A.
- Altri - Energias Renováveis, SGPS, S.A.
- Altri, Participaciones Y Trading, S.L.
- Altri Sales, S.A.
- BPS – Equipements, S.A.

(Translation of notes originally issued in Portuguese – Note 20)

(Amounts expressed in Euro)

- 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.
- Captaraíz 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 Furdouro Unipessoal, Lda.

Board of Directors

Cofina SGPS, S.A. Board of Directors was made up as follows as of 30 June 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

15. RESPONSIBILITIES FOR GUARANTEES PROVIDED

As of 30 June 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, to a maximum of 8,000,000 Euro, granted by Banco BPI, S.A., which, as of 30 June 2010, was not in use;
- b) Promise of 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 30 June 2010 (Note 10);
- c) Promise of 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

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programs structured by Caixa - Banco de Investimento and Caixa Geral de Depósitos, amounting to 50,000,000 Euro as of 30 June 2010 (Note 10).

As of 30 June 2010 Cofina Media group companies had assumed responsibilities for guarantees granted amounting to, approximately, 1,800,000 Euro, mainly related to advertising contests. These companies had also given promissory notes to guarantee credit facilities amounting to 26,000,000 Euro.

16. EARNINGS PER SHARE

Earnings per share for the six months periods ended 30 June 2010 and 2009 were determined taking into consideration the following amounts:

	30.06.2010	30.06.2009
Net profit / (loss) considered for the computation of basic and diluted earning	(10,926,391)	5,468,404
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 used to compute the diluted earnings per share	124,134,460	127,075,636
 Earnings per share:		
Basic	(0.11)	0.05
Diluted	(0.09)	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.

17. SHARE CAPITAL

As of 30 June 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.

18. SEGMENTAL INFORMATION

The segments considered by the Group are based on the financial information internally reported to the Board of Directors and that supports their evaluation of the businesses' performance and their business decisions. The segments identified by the Group are, therefore, consistent with the manner in which the Board of Directors analyses operations.

Since the Group only operates in the domestic market, geographic segments are not presented.

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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

AS OF 30 JUNE 2010

(Translation of notes originally issued in Portuguese – Note 20)

(Amounts expressed in Euro)

The information for the periods ended 30 June 2010 and 2009 is detailed as follows:

30.06.2010	Newspapers	Magazines	Eliminations and consolidation adjustments	Total
Net operating income	50,032,115	16,748,300	-	66,780,415
Operating cash-flow - EBITDA (a)	10,330,996	(399,030)	-	9,931,966
Earning before interest and taxes	8,574,011	(563,599)	-	8,010,412

30.06.2009	Newspapers	Magazines	Eliminations and consolidation adjustments	Total
Net operating income	48,092,492	16,663,880	-	64,756,372
Operating cash-flow - EBITDA (a)	9,594,494	(364,355)	-	9,230,139
Earning before interest and taxes	8,065,336	(521,681)	-	7,543,655

(a) - Earnings before interest, taxes, depreciation and amortisation

19. FINANCIAL STATEMENTS APPROVAL

The interim financial statements as of 30 June 2010 were approved by the Board of Directors for issuance in 25 August 2010.

20. 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 (IFRS/IAS) and in accordance with the International Accounting Standard 34 – Interim Financial Reporting, some of which may not conform or be required to 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.

BALANCE SHEETS FOR THE PERIODS ENDED 30 JUNE 2010 AND 31 DECEMBER 2009

(Translation of financial statements originally issued in Portuguese)

(Amounts expressed in Euro)

ASSETS	30.06.2010	31.12.2009
NON CURRENT ASSETS:		
Tangible fixed assets	50.678	10.647
Financial investments	222.000.260	222.000.260
Deferred tax assets	340.428	65.818
Total non current assets	222.391.366	222.076.725
CURRENT ASSETS:		
State and other public entities	517.011	256.712
Other debtors	3.077.885	2.303.390
Other current assets	164.803	218.968
Investments recorded at fair value through profit and loss	48.342.078	65.901.718
Cash and cash equivalents	39.942.323	26.186.339
Total current assets	92.044.100	94.867.127
TOTAL ASSETS	314.435.466	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	25.760.037	26.550.224
Net profit / (loss) for the period	(8.044.497)	912.558
TOTAL EQUITY	64.640.978	74.388.220
LIABILITIES		
NON CURRENT LIABILITIES		
Other loans	20.000.000	49.720.203
Total non current liabilities	20.000.000	49.720.203
CURRENT LIABILITIES		
Bank loans	5.130.000	23.092
Other loans	174.173.796	149.518.014
Derivatives	1.284.633	245.439
Suppliers	2.855	1.821
State and other public entities	1.664.927	1.700.530
Other current creditors	45.033.980	39.946.191
Other current liabilities	2.504.297	1.400.342
Total current liabilities	229.794.488	192.835.429
TOTAL LIABILITIES	249.794.488	242.555.632
TOTAL EQUITY AND LIABILITIES	314.435.466	316.943.852

The Board of Directors

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

STATEMENTS OF PROFIT AND LOSS BY NATURE
FOR THE SIX MONTHS PERIODS ENDED 30 JUNE 2010 AND 2009

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

	<u>30.06.2010</u>	<u>30.06.2009</u>
Other income	2.089	10
External supplies and services	(152.239)	(167.619)
Payroll expenses	(169.137)	(121.092)
Amortisation and depreciation	(5.667)	(8.613)
Other expenses	(24.911)	(62.172)
Gains and losses in other investments	(15.129.240)	3.708.665
Gains and losses in group companies	7.858.771	-
Financial expenses	(3.238.885)	(4.511.305)
Financial income	381.216	552.007
Net profit / (loss) before income tax	(10.478.003)	(610.119)
Income tax	2.433.506	(23.711)
Net profit / (loss) for the period	<u>(8.044.497)</u>	<u>(633.830)</u>

Earnings per share:

Basic	(0,08)	(0,01)
Diluted	(0,06)	(0,00)

The Board of Directors