



**COFINA, SGPS, S.A.**  
Public Company

Head Office: Rua do General Norton de Matos, 68, r/c – Porto  
Fiscal Number 502 293 225  
Share Capital: 25.641.459 Euro

**3<sup>rd</sup> quarter '11 FINANCIAL INFORMATION**  
(Non audited)

### Net consolidated profit reaches 5.4 million Euro

The consolidated financial information of Cofina for the 3rd quarter 2011, prepared in accordance with the recognition and measurement principles of the International Financial Reporting Standards (IFRS), can be presented as follows:

(amounts in thousand Euro)	9M 2011	9M 2010	Var (%) 9M11/9M10
<b>Operating income</b>	<b>94,357</b>	<b>100,446</b>	<b>-6.1%</b>
Circulation	49,635	49,609	0.1%
Advertising	36,082	39,163	-7.9%
Alternative marketing products and others	8,640	11,674	-26.0%
<b>Operating income by segments</b>	<b>94,357</b>	<b>100,446</b>	<b>-6.1%</b>
Newspapers	71,651	75,069	-4.6%
Magazines	22,706	25,377	-10.5%
<b>Operating expenses (a)</b>	<b>79,987</b>	<b>84,549</b>	<b>-5.4%</b>
<b>Consolidated EBITDA (b)</b>	<b>14,370</b>	<b>15,897</b>	<b>-9.6%</b>
EBITDA margin	15.2%	15.8%	- 0.6 p.p.
Newspapers EBITDA	15,097	16,125	-6.4%
Newspapers EBITDA margin	21.1%	21.5%	- 0.4 p.p.
Magazines EBITDA	-727	-228	-
Magazines EBITDA margin	-3.2%	-0.9%	- 2.3 p.p.
Amortisation and depreciation (-)	2,806	2,888	<b>-2.8%</b>
<b>EBIT</b>	<b>11,564</b>	<b>13,009</b>	<b>-11.1%</b>
EBIT margin	12.3%	13.0%	- 0.7 pp
Net financial income	(2,190)	(22,643)	-
<b>Income before taxes and minority interests</b>	<b>9,374</b>	<b>-9,634</b>	-
Income taxes	3,998	2,602	53.7%
Minority interests	(6)	(43)	-87.2%
<b>Net consolidated profit / loss (c)</b>	<b>5,381</b>	<b>-12,193</b>	-

(a) Operating expenses excluding amortisation

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

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

The first nine months of 2011 were influenced by a recessive macroeconomic context that was strongly felt in a private consumption contraction; this trend has been deteriorating throughout the year. Therefore, the advertising investment recorded significant decreases, with the advertisers postponing and reducing their investment decisions.

Total operating income reached 94.4 million Euro, which corresponded to a decrease of 6% when comparing with the prior year homologous period. This decrease was motivated by the reduction in advertising income (-7.9%) and in alternative marketing products (-26%).

Circulation income recorded a slight increase of 0.1% in relation to the first nine months of 2010, reaching over 49.6 million Euro.

EBITDA recorded in this period amounted to approximately 14.4 million Euro, which corresponds to a decrease of 9.6% year on year. EBITDA margin reached 15.2%.

Consolidated net income recorded in the nine months period ended as of 30 September 2011 amounted to 5.4 million Euro, comparing to -12.2 million Euro in the previous year.

The consolidated net income of the third quarter of 2011 includes -0.8 million Euro related to the loss recorded with the disposal, in July 2011, of the remaining shares in ZON Multimédia (1.3%).

The total impact of the stake in ZON Multimedia in the profit and loss statement for the nine months period ended as of 30 September 2011 amounted to, approximately, 1.6 million Euro.

As of 30 September 2011, the nominal net debt of Cofina was, approximately, 85.9 million Euro.

#### **Newspaper Segment: Circulation income increases 1.7% in the third quarter of 2011**

(amounts in thousand Euro)	9M 2011	9M 2010	Var (%) 9M11/9M10	3Q 2011	3Q 2010	Var (%) 3Q11/3Q10
<b>Consolidated operating income</b>	<b>71,651</b>	<b>75,069</b>	<b>-4.6%</b>	<b>24,446</b>	<b>25,037</b>	<b>-2.4%</b>
Circulation	37,272	36,720	1.5%	13,426	13,201	1.7%
Advertising	27,823	29,807	-6.7%	8,615	9,012	-4.4%
Alternative marketing products and others	6,556	8,542	-23.2%	2,405	2,824	-14.8%
<b>Operating expenses (a)</b>	<b>56,554</b>	<b>58,944</b>	<b>-4.1%</b>	<b>19,381</b>	<b>19,243</b>	<b>0.7%</b>
<b>Consolidated EBITDA (b)</b>	<b>15,097</b>	<b>16,125</b>	<b>-6.4%</b>	<b>5,065</b>	<b>5,794</b>	<b>-12.6%</b>
EBITDA margin	21.1%	21.5%	-0.4 p.p.	20.7%	23.1%	-2.4 p.p.

(a) Operating expenses excluding amortisation

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

During the third quarter of 2011, consolidated income of the newspapers segment reached 24.4 million Euro, a decrease of, approximately, 2.4% when compared to the homologous period of 2010. Advertising income decreased over 4%, while revenue related to alternative marketing products decreased about 15%.

Circulation income increased 1.7%, reaching, approximately, 13.4 million Euro.

Therefore, the EBITDA in this segment amounted to, approximately, 5.1 million Euro, a decrease of, approximately, 12.6% comparing with the homologous period of 2010. EBITDA margin reached 20.7%.

**Magazines Segment: Positive EBITDA in the 3<sup>rd</sup> quarter of 2011**

Total revenue of this segment, in this period, reached, approximately, 7.7 million Euro, reflecting a decrease of about 11% when compared to the homologous period of 2010.

(amounts in thousand Euro)	9M 2011	9M 2010	Var (%) 9M11/9M10	3Q 2011	3Q 2010	Var (%) 3Q11/3Q10
<b>Consolidated operating income</b>	<b>22,706</b>	<b>25,377</b>	<b>-10.5%</b>	<b>7,692</b>	<b>8,629</b>	<b>-10.9%</b>
Circulation	12,363	12,889	-4.1%	4,382	4,843	-9.5%
Advertising	8,259	9,356	-11.7%	2,608	3,007	-13.3%
Alternative marketing products and others	2,084	3,132	-33.5%	702	779	-9.9%
<b>Operating expenses (a)</b>	<b>23,433</b>	<b>25,605</b>	<b>-8.5%</b>	<b>7,440</b>	<b>8,458</b>	<b>-12.0%</b>
<b>Consolidated EBITDA (b)</b>	<b>-727</b>	<b>-228</b>	<b>218.9%</b>	<b>252</b>	<b>171</b>	<b>47.4%</b>
EBITDA margin	-3.2%	-0.9%	-2.3 p.p.	3.3%	2.0%	+1.3 p.p.

(a) Operating expenses excluding amortisation

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

Circulation income recorded a decrease (-9.5%) reaching about 4.4 million Euro. Advertising income and alternative marketing products income recorded decreases of 13% and 10%, respectively.

As a result of the cost reduction strategy that is being implemented, operational expenses have reduced by 12% when comparing with the 3<sup>rd</sup> quarter of 2010.

Therefore, EBITDA of magazines segment recorded in the third quarter of 2011 was 252 thousand Euro, which represents an increase over 47% when compared to the homologous period of 2010.

Porto, November 3<sup>rd</sup>, 2011

# CONSOLIDATED FINANCIAL STATEMENTS

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

**CONSOLIDATED BALANCE SHEETS FOR THE PERIODS ENDED 30 SEPTEMBER 2011 AND 31 DECEMBER 2010**

(Translation of financial statements originally issued in Portuguese - Note 19)

(Amounts expressed in Euro)

ACTIVO	Notes	30.09.2011	31.12.2010
<b>NON CURRENT ASSETS</b>			
Tangible assets		9.176.730	10.755.915
Goodwill	5	94.649.014	94.992.223
Intangible assets		529.667	512.688
Investments in associated companies	4	3.418.729	3.393.399
Investments held for sale	4	8.570	5.000
Deferred tax assets		7.107.742	8.782.149
<b>Total non current assets</b>		<b>114.890.452</b>	<b>118.441.374</b>
<b>CURRENT ASSETS</b>			
Inventories		3.332.457	3.983.702
Customers		11.551.977	12.596.832
State and other public entities		271.078	283.439
Other current debtors		1.082.468	1.574.833
Other current assets		7.130.516	6.181.610
Investments recorded at fair value through profit and loss	7	7.498	51.501.598
Cash and cash equivalents	8	38.477.205	25.179.147
<b>Total current assets</b>		<b>61.853.199</b>	<b>101.301.161</b>
<b>TOTAL ASSETS</b>		<b>176.743.651</b>	<b>219.742.535</b>
<b>EQUITY AND LIABILITIES</b>			
<b>SHAREHOLDERS' FUNDS</b>			
Share capital	16	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		(40.537.241)	(44.757.422)
Consolidated net profit/(loss) for the period attributable to the parent		5.381.480	5.018.193
Equity attributable to equity holder of the parent		11.769.677	7.186.209
Non controlling interests		644.360	735.909
<b>TOTAL EQUITY</b>		<b>12.414.037</b>	<b>7.922.118</b>
<b>LIABILITIES</b>			
<b>NON CURRENT LIABILITIES</b>			
Other loans	10	20.209.839	19.985.593
Pension liabilities		701.190	701.190
Other non current creditors	9	1.495.583	2.456.506
Provisions		1.274.741	2.547.778
<b>Total non current liabilities</b>		<b>23.681.353</b>	<b>25.691.067</b>
<b>CURRENT LIABILITIES</b>			
Bank loans	8 and 10	32.343.585	21.309.474
Other loans	10	71.341.816	123.996.995
Derivatives	11	893.488	930.601
Suppliers		8.734.504	11.523.113
State and other public entities		3.685.081	3.677.939
Other current creditors	9	8.637.223	9.746.715
Other current liabilities		15.012.564	14.944.513
<b>Total de passivos correntes</b>		<b>140.648.261</b>	<b>186.129.350</b>
<b>TOTAL LIABILITIES</b>		<b>164.329.614</b>	<b>211.820.417</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>176.743.651</b>	<b>219.742.535</b>

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

The Chartered Accountant

The Board of Directors

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

**CONSOLIDATED STATEMENTS OF PROFIT AND LOSS BY NATURES**  
**FOR THE NINE AND THREE MONTH PERIODS ENDED 30 SEPTEMBER 2011 AND 2010**

(Translation of financial statements originally issued in Portuguese - Note 19)  
 (Amounts expressed in Euro)

	<u>Notes</u>	<u>30.09.2011</u>	<u>30.09.2010</u>	<u>3<sup>rd</sup> quarter 2011</u>	<u>3<sup>rd</sup> quarter 2010</u>
Sales		49.341.968	49.677.915	17.514.791	18.214.266
Services rendered		35.169.850	39.422.023	10.311.287	12.288.322
Other operating income		9.845.124	11.346.374	4.311.667	3.163.309
Cost of sales		(14.670.290)	(13.975.344)	(5.324.855)	(4.776.869)
External supplies and services		(35.636.103)	(39.477.879)	(11.905.053)	(12.541.363)
Payroll expenses		(28.406.380)	(29.771.557)	(9.185.768)	(9.952.508)
Amortisation and depreciation		(2.805.944)	(2.888.091)	(933.395)	(966.537)
Provisions and impairment losses		(840.075)	(878.699)	(237.960)	(281.663)
Other operating expenses		(434.036)	(445.928)	(166.863)	(148.555)
Gains and losses in derivatives	11	(432.370)	(278.338)	(122.701)	(278.338)
Gains and losses in associated companies	12	122.230	111.331	105.678	69.526
Gains and losses in other investments	7 and 12	1.619.940	(19.412.820)	(803.598)	(4.283.580)
Financial expenses	12	(4.527.726)	(4.232.699)	(1.778.530)	(1.271.994)
Financial income	12	1.028.158	1.169.644	446.965	491.774
Loss before income tax		9.374.346	(9.634.068)	2.231.665	(274.210)
Income tax	6	(3.998.417)	(2.601.760)	(1.264.284)	(984.726)
Net consolidated profit / (loss) for the period		<b>5.375.929</b>	<b>(12.235.828)</b>	<b>967.381</b>	<b>(1.258.936)</b>
Attributable to:					
Shareholders of the parent company		5.381.480	(12.192.856)	962.508	(1.266.465)
Non-controlling interests		(5.551)	(42.972)	4.873	7.529
Earnings per share:					
Basic	15	0,05	(0,12)	0,01	(0,01)
Diluted	15	0,05	(0,12)	0,01	(0,01)

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

The Chartered Accountant

The Board of Directors

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

**CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY**  
**FOR THE NINE MONTH PERIODS ENDED 30 SEPTEMBER 2011 AND 2010**

(Translation of financial statements originally issued in Portuguese - Note 19)  
 (Amounts expressed in Euro)

	Attributable to equity holders of the parent						Non controlling interests	Total equity
	Share capital	Share premium account	Legal reserve	Other reserves	Net profit / (loss)	Total		
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 result for 2009:								
Transfer to legal reserve and 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	-	-	-	(1.464)	-	(1.464)	(1.119)	(2.583)
Total comprehensive income for the period	-	-	-	(751.036)	(12.192.856)	(12.943.892)	(42.972)	(12.986.864)
Balance as of 30 September 2010	<b>25.641.459</b>	<b>15.874.835</b>	<b>5.409.144</b>	<b>(45.049.383)</b>	<b>(12.192.856)</b>	<b>(10.316.801)</b>	<b>478.084</b>	<b>(9.838.717)</b>
Balance as of 1 January 2011	25.641.459	15.874.835	5.409.144	(44.757.422)	5.018.193	7.186.209	735.909	7.922.118
Appropriation of consolidated net result for 2010:								
Transfer to retained earnings	-	-	-	5.018.193	(5.018.193)	-		-
Dividends distributed	-	-	-	(1.025.658)	-	(1.025.658)	(88.500)	(1.114.158)
Changes in reserves and non-controlling interests:								
Other changes	-	-	-	(47.824)	-	(47.824)	2.502	(45.322)
Total comprehensive income for the period	-	-	-	275.470	5.381.480	5.656.950	(5.551)	5.651.399
Balance as of 30 September 2011	<b>25.641.459</b>	<b>15.874.835</b>	<b>5.409.144</b>	<b>(40.537.241)</b>	<b>5.381.480</b>	<b>11.769.677</b>	<b>644.360</b>	<b>12.414.037</b>

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

The Chartered Accountant

The Board of Directors

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

**CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME**  
**FOR THE NINE AND THREE MONTH PERIODS ENDED 30 SEPTEMBER 2011 AND 2010**

(Translation of financial statements originally issued in Portuguese - Note 19)  
(Amounts expressed in Euro)

	<b>30.09.2011</b>	<b>30.09.2010</b>	<b>3<sup>rd</sup> quarter 2011</b>	<b>3<sup>rd</sup> quarter 2010</b>
Profit / (loss) for the period	5.375.929	(12.235.828)	967.381	(1.258.936)
Exchange differences arising on translation of foreign operations	246.593	-	212.851	-
Changes in cash-flows hedges' fair value	28.877	(751.036)	(359.108)	(74.726)
Total comprehensive income for the period	<b>5.651.399</b>	<b>(12.986.864)</b>	<b>821.124</b>	<b>(1.333.662)</b>
Attributable to:				
Shareholders of the parent company	5.656.950	(12.943.892)	816.251	(1.341.191)
Non-controlling interests	<b>(5.551)</b>	<b>(42.972)</b>	<b>4.873</b>	<b>7.529</b>

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

The Chartered Accountant

The Board of Directors

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

**CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS**  
**FOR THE NINE AND THREE MONTH PERIODS ENDED 30 SEPTEMBER 2011 AND 2010**  
 (Translation of financial statements originally issued in Portuguese - Note 19)  
 (Amounts expressed in Euro)

	Notes	30.09.2011	30.09.2010	3 <sup>rd</sup> quarter 2011	3 <sup>rd</sup> quarter 2010
<b>Operating activities</b>					
<i>Cash flow from operating activities (1)</i>		<u>9.467.056</u>	<u>11.026.719</u>	<u>1.881.413</u>	<u>5.541.003</u>
<b>Investment activities</b>					
Collections relating to:					
Investments	8	51.627.640	28.250	11.994.000	28.250
Tangible assets		25.884	6.350		
Interest and similar income		887.947	3.701.248	382.356	3.097.446
Dividends		<u>1.486.400</u>	<u>54.027.871</u>	<u>2.430.400</u>	<u>6.159.898</u>
Payments relating to:					
Investments	8	(160.000)	(125.000)		
Tangible assets		(1.157.466)	(991.984)	(561.284)	(696.492)
Intangible assets		<u>(397.507)</u>	<u>(1.714.973)</u>	<u>(68.689)</u>	<u>(1.185.673)</u>
<i>Cash flow from investment activities (2)</i>		<u>52.312.898</u>	<u>4.974.225</u>	<u>(212.277)</u>	<u>(773.561)</u>
<i>Cash flow from financing activities (3)</i>		<u>(59.516.007)</u>	<u>(58.626.166)</u>	<u>(12.500.000)</u>	<u>(44.000.000)</u>
Cash and its equivalents at the beginning of the period	8	3.869.673	43.897.575	6.331.789	43.109.654
Variation of cash and its equivalents: (1)+(2)+(3)		<u>2.263.947</u>	<u>(42.625.222)</u>	<u>(198.169)</u>	<u>(41.837.301)</u>
Cash and its equivalents at the end of the period	8	<u>6.133.620</u>	<u>1.272.353</u>	<u>6.133.620</u>	<u>1.272.353</u>

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

The Chartered Accountant

The Board of Directors

**1. INTRODUCTION**

Cofina, SGPS, S.A. ("Cofina" or "Company"), is an open capital company, with headquarters located at Rua General Norton de Matos, 68, r/c in Porto and has its shares listed in the NYSE Euronext Lisbon 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 in the Media sector (written press).

The Group owns headings of reference in the respective segments, publishing titles like newspapers "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 nine month period ended as of 30 Setember 2011, the Group developed its activity mainly in Portugal, having also some interests in Brazil through the investment in Destak Brasil and in the subsidiary Adcom Media (Note 4).

The accompanying consolidated financial statements have been prepared under the going concern assumption, although the consolidated total equity as of 30 September 2011 is slightly less than half of its share capital. This is due solely to the Group's past exposure to ZON Multimédia - Serviços de Telecomunicações e Multimedia, SGPS, S.A. ("Zon Multimedia") until July 2011 through the holding of 15,190,000 shares recorded at their market value; these shares were totally disposed during the nine month period ended as of 30 September 2011 (Note 7).

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 such, 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. Income and expenses 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 MAIN ACCOUNTING POLICIES**

Annual financial statements were prepared in accordance with the International Financial Reporting Standards ("IFRS") as adopted by the European Union. The financial statements as of 30 September 2011 were prepared in accordance with the International Accounting Standard 34 – Interim Financial Reporting.

The accounting policies adopted in Cofina's consolidated financial statements are consistent with those used in the preparation of the consolidated financial statements for the year ended as of 31 December 2010.

**3. CHANGES IN ACCOUNTING POLICIES AND CORRECTION OF MISTAKES**

During this period there were no changes in accounting policies nor were detected any material errors relating to previous periods.

**4. INVESTMENTS**

Consolidation perimeter

The companies included in the consolidated financial statements by the full consolidation method, their headquarters, percentage of participation held and activity developed as of 30 September 2011 are as follows:

Designation	Headquarters	Percentage participation held	Activity
<b>Parent Company:</b>			
Cofina, SGPS, S.A.	Porto		Investment management
Cofina B.V. ("Cofina BV")	Amsterdam (The Netherlands)	100.00%	Investment management
Efe Erre Participações, SGPS, S.A. ("FR")	Ovar	100.00%	Investment management
<b>Cofina Media Group</b>			
Cofina Media, SGPS, S.A. ("Cofina Media")	Lisbon	100.00%	Investment management
Presselivre – Imprensa Livre, S.A. ("Presselivre")	Lisbon	99.44%	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 for online business development
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
Adcom Media – Anúncios e Publicidade S.A. ("Adcom Media") (a)	São Paulo, Brazil	100%	Communication and advertising services
(a) former associated company acquired during the year ended as of 31 December 2010. (Note 5).			

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

The associated companies, their headquarters, percentage of participation held and activity developed as of 30 September 2011 are as follows:

Designation	Headquarters	Percentage Participation held		Activity
		Direct	Indirect	
VASP – Sociedade de Transportes e Distribuições, Lda.	Lisbon	33.33%	-	Publications distribution
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 of 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 September 2011 are as follows:

Designation	Acquisition cost	Book value
VASP – Sociedade de Transportes e Distribuições, Lda.	6,234	3,315,730
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 30 September 2011 and 31 December 2010 the caption "Investments in associated companies" can be detailed as follows:

	30.09.2011	31.12.2010
Financial investment		
VASP – Sociedade de Transportes e Distribuições, Lda. – equity method	3,315,730	3,195,500
Destak Brasil – Empreendimentos e Participações, S.A.	299,064	299,064
Mercados Globais - Publicação de Conteúdos, Lda.	72,000	72,000
	<u>3,581,116</u>	<u>3,564,564</u>
Accumulated impairment losses on investments in associates	(371,064)	(371,064)
Loans to associated companies		
Gross amount	193,846	290,746
Accumulated impairment losses	(90,847)	(90,847)
	<u>3,418,729</u>	<u>3,393,399</u>

As of 30 September 2011 and 31 December 2010 the Group has available for sale investments corresponding to minority investments, for which the Group has recorded impairment losses in previous periods.

**5. GOODWILL**

During the nine month period ended as of 30 September 2011, the movement in the caption "Goodwill" fully refers to the changes in exchange rates in the nine month period then ended of the computed Goodwill of the subsidiary Adcom Media.

During the nine month period ended as of 30 September 2010, there were no movements in the caption "Goodwill".

6. INCOME TAXES

Tax expenses recorded in the income and expenses statements for the nine month periods ended as of 30 September 2011 and 2010 are detailed as follows:

	30.09.2011	30.09.2010
Current Tax		
Income tax for the period	2,207,986	787,067
(Excess)/Insufficiency of prior years income tax	126,436	4,257
Additional tax assessments	-	1,219,552
Deferred taxes	1,663,995	590,884
	<u>3,998,417</u>	<u>2,601,760</u>

In the nine month period ended as of 30 September 2010, the caption "Additional tax assessments" refers to a correction to the computed taxable income of the year ended as of 31 December 2006.

As of 30 September 2011, a dispute with the Portuguese tax authorities ("Direcção Geral de Contribuições e Impostos") was still in progress following a Corporate Income Tax inspection regarding year 2007, with an amount of, approximately, 16 million Euro being challenged by the tax authorities. The consolidated financial statements as of 30 September 2011 and as of 31 December 2010 do not include any provision regarding this situation, as the Board of Directors, supported by its tax and legal advisors, believes that the outcome of this process will not represent any material impact for the Group.

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 30 September 2011 and 31 December 2010 relate to shares traded in stock markets and are recorded at their market value as of those dates.

As of 30 September 2011, the book value can be detailed as follows:

	<u>Number of shares</u>	<u>Share price</u>	<u>Market value</u>
Zon Multimédia	-	N/A	-
Other shares	7,498	-----	7,498
	-----	-----	-----
	7,498	-----	7,498
	=====	=====	=====

During the nine month period ended as of 30 September 2011, the Group disposed all of the shares held in Zon Multimédia. The movement associated to this share in the nine month period ended as of 30 September 2011 was as follows:

Description	Date	Quantity	Price	Amount	Impact
Opening balance	31/12/2010	15,190,000	3.39	51,494,100	
Sale	Apr/11	(5,900,000)	3.65	(21,535,000)	1,534,000
Sale	Jun/11	(5,292,000)	3.42	(18,098,640)	158,760
Sale	Jul/11	(3,998,000)	3.00	(11,994,000)	(1,559,220)
Closing balance	30/09/2011	-	-	-	-
Effect of valuation and disposal of ZON Multimédia (Note 12)					133,540
Dividends received ZON Multimédia 2011 (Note 12)					1,486,400
Gains and losses in other investments					<u>1,619,940</u>
Total collections					<u>51,627,640</u>

8. CASH AND CASH EQUIVALENTS

As of 31 December 2010 and as of 30 September 2011 and 2010, the caption "Cash and cash equivalents" can be detailed as follows:

	30.09.2011	31.12.2010	30.09.2010
Cash	112,845	90,289	98,265
Bank deposits repayable on demand	23,462,360	7,438,858	14,484,744
Bank deposits repayable in less than 3 months	14,902,000	17,650,000	8,100,000
Cash and cash equivalents in accordance with the balance sheet	<u>38,477,205</u>	<u>25,179,147</u>	<u>22,683,009</u>
Bank overdrafts (Note 10)	(32,343,585)	(21,309,474)	(21,410,656)
	<u>6,133,620</u>	<u>3,869,673</u>	<u>1,272,353</u>

During the nine month period ended as of 30 September 2011, the payments / collections relating to financial investments were as follows:

<u>Acquisitions</u>	Transaction	Amount
	amount	paid
Presselivre – Imprensa Livre, S.A.	60,000	60,000
Adcom Media – Anúncios e Publicidade S.A. (*)	300,000	100,000
	<u>360,000</u>	<u>160,000</u>
<u>Disposals</u>	Transaction	Amount
	amount	received
ZON Multimédia	51,627,640	51,627,640

(\*) acquired in previous periods

During the nine month period ended as of 30 September 2010, the payments relating to financial investments were as follows:

<u>Acquisitions</u>	Transaction	Amount
	amount	paid
Adcom Media – Anúncios e Publicidade S.A.	300,000	100,000
Visapress – Gestão de Conteúdos dos Media, CRL	5,000	5,000
Mercados Globais – Publicação de Conteúdos, Lda. (*)	72,000	20,000
	<u>377,000</u>	<u>125,000</u>

(\*) acquired in previous periods

9. LEASING

As of 30 September 2011 and 31 December 2010, 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 reimbursement plan:

	30.09.2011	31.12.2010
Year n+1	948,264	1,112,573
Year n+2	482,954	749,853
Year n+3	33,198	455,102
Year n+4	9,889	9,776
Year n+5 and subsequent years	21,278	29,202
	1,495,583	2,356,506
Short term	1,130,534	1,497,881
	<u>2,626,117</u>	<u>3,854,387</u>

As of 31 December 2010, the caption "Other non-current creditors" includes an amount of 100,000 Euro that refers to an outstanding balance related to the acquisition of Adcom Media.

10. BANK AND OTHER LOANS

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

As of 30 September 2011 and 31 December 2010, the caption "Other loans" was made up as follows:

	30.09.2011			
	Book value		Nominal Value	
	Current	Non Current	Current	Non Current
Bond loans	49,671,895	-	50,000,000	-
Commercial paper	21,669,921	20,209,839	22,000,000	20,000,000
	<u>71,341,816</u>	<u>20,209,839</u>	<u>72,000,000</u>	<u>20,000,000</u>

  

	31.12.2010			
	Book value		Nominal Value	
	Current	Non Current	Current	Non Current
Bond loans	49,601,908	-	50,000,000	-
Commercial paper	74,395,087	19,985,593	75,000,000	20,000,000
	<u>123,996,995</u>	<u>19,985,593</u>	<u>125,000,000</u>	<u>20,000,000</u>

The non-current liabilities caption "Commercial paper" relates to commercial paper programs, in the amount of 20,000,000 Euro, with guaranteed subscription by the banks until October 2012.

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

11. DERIVATIVE FINANCIAL INSTRUMENTS

As of 30 September 2011, this caption is made of interest rate swaps related to the Group's financing loans. As these derivatives fulfill 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 valuations prepared by financial institutions. The movement in these derivatives for the nine month period ended as of 30 September 2011 and 2010 can be presented as follows:

	30.09.2011	30.09.2010
Opening balance	930,601	245,439
Increases / (decreases)	(37,113)	1,021,817
Closing balance	<u><u>893,488</u></u>	<u><u>1,267,256</u></u>

During the nine month periods ended as of 30 September 2011 and 2010 the amount of 432,370 and 278,338 Euro related with accrued interests that result from the difference between the hedged fixed interest rate and the index base engaged were recorded under the caption "Results related with derivative instruments".

## 12. FINANCIAL RESULTS

The financial income and expenses for the nine month periods ended as of 30 September 2011 and 2010 are made up as follows:

	30.09.2011	30.09.2010
<b>Financial expenses</b>		
Interest paid	3,335,310	3,653,596
Commissions	689,708	507,600
Financial exchange rate differences	426,900	-
Other financial expenses	<u>75,818</u>	<u>71,503</u>
	<u><u>4,527,736</u></u>	<u><u>4,232,699</u></u>
<b>Financial income</b>		
Interest received	1,025,137	877,098
Other financial income	<u>3,021</u>	<u>292,546</u>
	<u><u>1,028,158</u></u>	<u><u>1,169,644</u></u>

The caption "Gains and losses in associated companies" as of 30 September 2011 and 2010 are mainly due to the Group's appropriation of its share of the results in associated companies.

The caption "Gains and losses in other investments" as of 30 September 2011 and 2010 can be detailed as follows:

	30.09.2011	30.09.2010
Gains in investments measured at fair value through profit and loss (Introductory Note and Note 7)	133,540	(21,843,220)
Dividends (Note 7)	<u>1,486,400</u>	<u>2,430,400</u>
	<u><u>1,619,940</u></u>	<u><u>(19,412,820)</u></u>

The caption "Gains in investments measured 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, as well as with the gain that resulted from the disposal of shares that occurred between April and July of 2011 (Note 7).

**13. RELATED PARTIES**

The main balances with related parties as of 30 September 2011 and 2010 and the main transactions with related entities during the period then ended may be detailed as follows:

<b>Transactions</b>	30.09.2011		
	Sales and services rendered	Other income	Acquisition of goods and services
Associated companies	45,567,218	8,545,245	69,972
<b>Balances</b>			
	Accounts receivable	Accounts payable	Sales to invoice
Associated companies	90,932	40,193	6,072,084
<b>Transactions</b>	30.09.2010		
	Sales and services rendered	Other income	Acquisition of goods and services
Associated companies	45,673,007	11,013,199	70,227
<b>Balances</b>			
	Accounts receivable	Accounts payable	Sales to invoice
Associated companies	117,830	139,691	6,212,958

Sales and services rendered to associated companies during the nine month periods ended as of 30 September 2011 and 2010 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 (Note 4), the parties considered to be related companies as of 30 September 2011, 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.
- 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.
- 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.
- Invescaina – 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.
- Altri Florestal, S.A.
- Socasca – Recolha e Comércio de Recicláveis, S.A.
- Sociedade Imobiliária Porto Seguro – Investimentos Imobiliários, S.A.
- Storax Benelux
- Storax – Equipements, S.A.
- 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 composed as follows as of 30 September 2011:

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

**14. RESPONSIBILITIES FOR GUARANTEES PROVIDED**

As of 30 September 2011, Cofina had provided guarantees as follows:

- a) Pledge over 88,883,450 shares of Cofina Media, SGPS, S.A. as a guarantee for an authorized overdraft, up to a maximum of 8,000,000 Euro, granted by Banco BPI, S.A., which, as of 30 September 2011, was not in use;
- b) Pledge with irrevocable powers of attorney over 88,883,450 shares of Cofina Media, SGPS, S.A. as a guarantee for a Commercial Paper Program structured by Banco BPI, S.A., amounting to 22,000,000 Euro as of 30 September 2011 (Note 10);

As of 30 September 2011 Cofina Media group companies had assumed responsibilities for guarantees granted amounting to 1,500,000 Euro, mainly related with advertising contests. These companies had also given promissory notes to guarantee credit facilities amounting to 26,000,000 Euro.

**15. EARNINGS PER SHARE**

Earnings per share for the nine months periods ended as of 30 September 2011 and 2010 were determined taking into consideration the following amounts:

	<u>30.09.2011</u>	<u>30.09.2010</u>
Net profit / (loss) considered for the computation of basic and diluted earning	5,381,480	(12,192,856)
Weighted average number of shares used to compute the basic earnings per share	102,565,836	102,565,836
Earnings per share:		
Basic	0.05	(0.12)
Diluted	0.05	(0.12)

**16. SHARE CAPITAL**

As of 30 September 2011, 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.

**17. SEGMENT INFORMATION**

According to the source and nature of the income generated by the Group, the following segments were considered:

- Newspapers
- Magazines

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

The information for the nine month periods ended as of 30 September 2011 and 2010 is detailed as follows:

<b>30.09.2011</b>	Newspapers	Magazines	Eliminations and	Total
			consolidations	
Net operating income	71,651,056	22,705,886	-	94,356,942
Operating Cash-flow - EBITDA (a)	15,097,079	(727,021)	-	14,370,058
Operating profit (EBIT)	12,474,186	(910,072)	-	11,564,114

  

<b>30.09.2010</b>	Newspapers	Magazines	Eliminations and	Total
			consolidations	
Net operating income	75,069,112	25,377,200	-	100,446,312
Operating Cash-flow - EBITDA (a)	16,125,014	(228,109)	-	15,896,905
Operating profit (EBIT)	14,679,074	(1,670,260)	-	13,008,814

(a) - Operating profit + amortisation and depreciation

**18. FINANCIAL STATEMENTS APPROVAL**

The interim financial statements as of 30 September 2011 were approved by the Board of Directors for issuance on 2 November 2011.

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

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

AS OF 30 SEPTEMBER 2011

(Amounts expressed in Euro)

**19. 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.

THE CHARTERED ACCOUNTANT

THE BOARD OF DIRECTORS