

COFINA, S.G.P.S., S.A. (PUBLIC COMPANY)

DIRECTORS' REPORT

Consolidated accounts

1st semester 2013

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DIRECTORS' REPORT

To the Shareholders

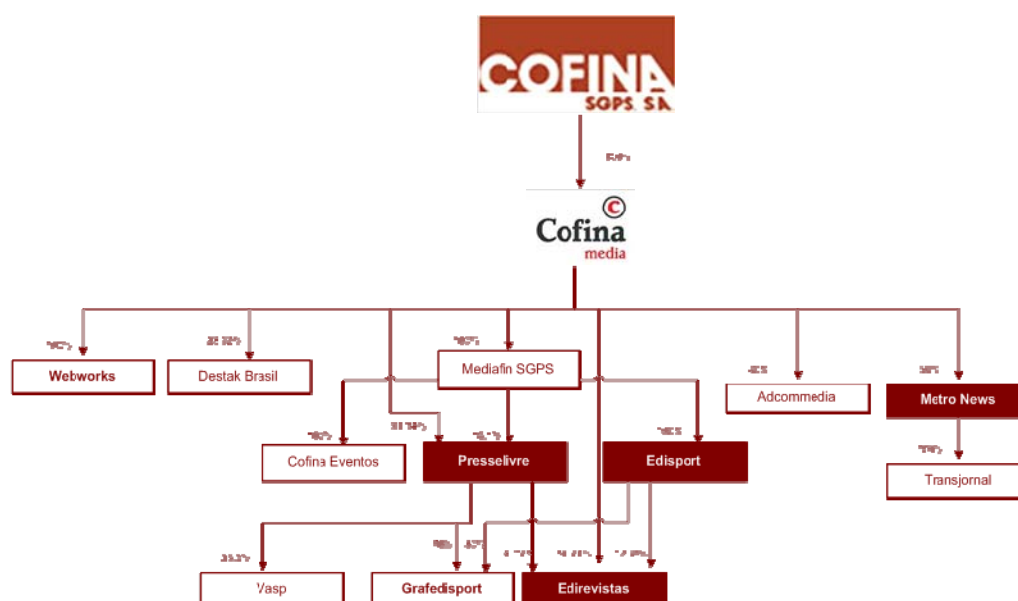
Pursuant to the legal requirements, the Board of Directors of Cofina, S.G.P.S., S.A. (Public Company) hereby presents its Directors' Report for the first semester of 2013.

INTRODUCTION

Cofina Group develops its activity in the Media sector and contents.

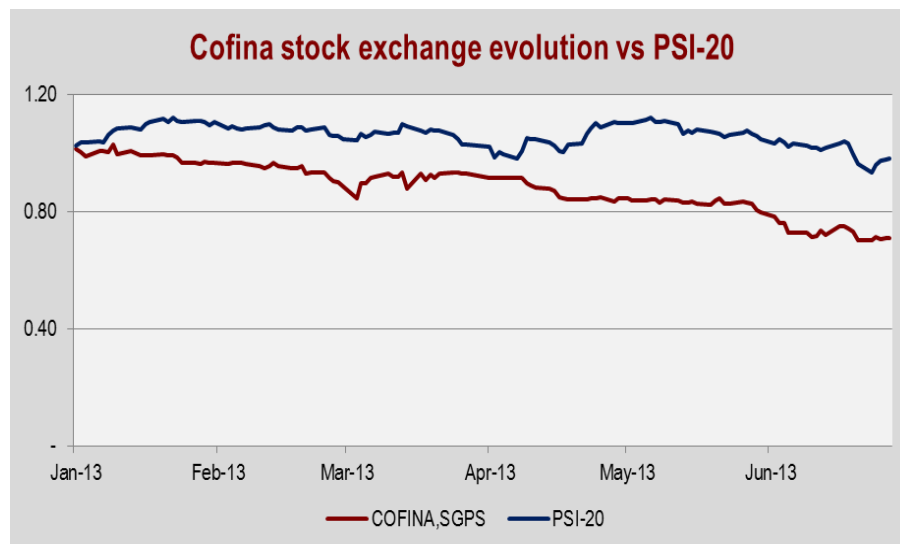
The key Group Company in this sector is Cofina Media, S.G.P.S., S.A., which owns headings of reference, leaders in their respective segments. In the Group's publishing portfolio the daily newspaper "Correio da Manhã", the daily sports newspaper "Record", the economic information newspaper "Jornal de Negócios", the free newspapers "Destak" and "Metro", the information magazine "Sábado" as well as other titles, such as "TV Guia", "Flash!", "Vogue" and "GQ" should be highlighted. The Company also owns the new cable TV channel "Correio da Manhã TV" ("CMTV"), which started broadcasting on March 17, 2013.

Therefore, as of 30 June 2013, the structure of the Cofina Group was as follows:



According to "APCT - Associação Portuguesa para o Controlo de Tiragem e Circulação" for the year 2013 (January to April), "Correio da Manhã" newspaper is the best-seller in Portugal with average daily sales exceeding 114,000 copies. "Correio da Manhã" has a market share of 45.8% (daily paid generalist newspaper segment). In 2012 this newspaper had a market share of 44.5% and in the first months of 2013, despite the adverse market conditions, continued to strengthen its leadership.

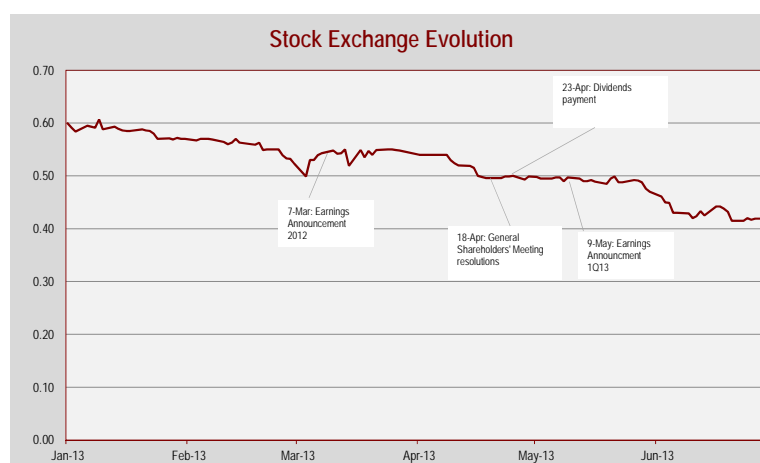
STOCK EXCHANGE EVOLUTION



In the first semester of 2013, Cofina's shares declined about 29% over the closing price of the end of the previous year, while the Portuguese market index, PSI-20, declined 2% in the same period.

In the first half of 2013, Cofina's shares were traded at the highest price of 0.607 Euro, and at the lowest price of 0.42 Euro. In total, 19,047,022 shares were traded in the first six months of 2013.

The most significant events that affected Cofina's shares in the first semester of 2013 can be detailed as follows:



- In the announcement relating to the Group's performance in 2012, disclosed on 7 March 2013, Cofina presented a net consolidated profit of 4 million Euro. Operating income decreased 10.5% amounting to 113.3 million Euro and EBITDA (earnings before interests, taxes, depreciation and amortization) decreased 16.3% when compared with 2011.
- In the announcement disclosed as of 18 April, Cofina informed the market about the resolutions of the

DIRECTORS' REPORT

Annual Shareholders Meeting in which was approved, among other proposals, a dividend distribution of 0.01 Euro per share.

- In 23 April 2013, Cofina informed the market that the dividend for the year 2012 would be paid from 8 May onwards.
- In the announcement relating to the presentation of the first quarter of 2013 financial statements, disclosed on 9 May, Cofina SGPS, S.A. presented operating income of 24.6 million Euro, with a reduction in EBITDA of 6.7% when compared to the homologous period, and net consolidated profit of 0.3 million Euro.

DIRECTORS' REPORT

FINANCIAL REVIEW

The consolidated financial information of Cofina for the 1st half of 2013, prepared in accordance with the recognition and measurement principles of International Financial Reporting Standards (IFRS), can be presented as follows:

(amounts in thousand Euro)	1H 2013	1H 2012	Var (%) 1H13/1H12
Operating income	51,032	56,054	-9.0%
Circulation	27,702	29,700	-6.7%
Advertising	16,654	20,001	-16.7%
Alternative marketing products and others	6,676	6,353	5.1%
Operating income by segments	51,032	56,054	-9.0%
Newspapers	40,608	43,673	-7.0%
Magazines	10,424	12,381	-15.8%
Operating expenses (a)	45,285	49,093	-7.8%
Consolidated EBITDA (b)	5,747	6,961	-17.4%
EBITDA margin	11.3%	12.4%	- 1.2 p.p.
Newspapers EBITDA	6,695	7,780	-13.9%
Newspapers EBITDA margin	16.5%	17.8%	- 1.3 p.p.
Magazines EBITDA	-948	-819	-
Magazines EBITDA margin	-9.1%	-6.6%	-
Amortisation and depreciation (-)	1,800	1,598	12.6%
EBIT	3,947	5,363	-26.4%
EBIT margin	7.7%	9.6%	- 1.8 pp
Net financial income	(1,629)	(2,230)	-
Income before taxes and non-controlling interests	2,318	3,133	-26.0%
Income taxes	1,857	2,440	-23.9%
Non-controlling interests	(39)	47	-183.0%
Net consolidated profit / loss (c)	500	646	-22.6%

(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 half of 2013 was characterized by the maintenance of the economic crisis' environment in Portugal, which led to a contraction in the advertising investment and a decrease in circulation income. Regarding Cofina, this period was marked by the launch of the TV project "Correio da Manhã TV", beginning on March 17th.

Therefore, in this context, the total operating income reached approximately 51 million Euro, corresponding to a decrease of 9% in comparison with the homologous period. This decrease was motivated by the reduction in advertising income (-17%) and circulation income (-7%), having the alternative marketing products income recorded an increase of approximately 5%.

EBITDA recorded in this period amounts to approximately 5.7 million Euro, which corresponds to a decrease of 17% year on year. EBITDA margin reached 11.3%.

The net consolidated profit recorded in the end of the first half of 2013 amounted to 500 thousand Euro.

As of June 30, 2013, the nominal net debt of Cofina amounted to 74.5 million Euro.

DIRECTORS' REPORT

Newspaper Segment:

(amounts in thousand Euro)	1H 2013	1H 2012	Var (%) 1H13/1H12
Consolidated operating income	40,608	43,673	-7.0%
Circulation	21,416	22,628	-5.4%
Advertising	13,531	15,770	-14.2%
Alternative marketing products and others	5,661	5,275	7.3%
Operating expenses (a)	33,913	35,893	-5.5%
Consolidated EBITDA (b)	6,695	7,780	-13.9%
EBITDA margin	16.5%	17.8%	- 1.3 p.p.

(a) Operating expenses excluding amortisation

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

The newspaper segment of Cofina recorded, in the first half of 2013, a total income of 40.6 million Euro, which represents a decrease of 7% when compared with the homologous period. The advertising income recorded a decrease of approximately 14%, reaching 13.5 million Euro; whilst the circulation income dropped approximately 5%, having reached 21.4 million Euro.

The alternative marketing products income recorded a growth of 7.3%, reaching approximately 5.7 million Euro.

Therefore, EBITDA reached in the period under analysis amounted to approximately 6.7 million Euro, a decrease of approximately 14%, when compared with the homologous period. EBITDA margin amounted to 16.5%.

During this period, the newspaper segment includes the results of the new cable TV channel "Correio da Manhã TV".

Magazines Segment:

(amounts in thousand Euro)	1H 2013	1H 2012	Var (%) 1H13/1H12
Consolidated operating income	10,424	12,381	-15.8%
Circulation	6,286	7,072	-11.1%
Advertising	3,123	4,231	-26.2%
Alternative marketing products and others	1,015	1,078	-5.8%
Operating expenses (a)	11,372	13,200	-13.8%
Consolidated EBITDA (b)	-948	-819	-
EBITDA margin	-9.1%	-6.6%	-

(a) Operating expenses excluding amortisation

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

The total income of this segment reached approximately 10.4 million Euro, reflecting a decrease of approximately 16% when compared to the homologous period of 2012.

Circulation income recorded a decrease of 11%, reaching approximately 6.3 million Euro, while the

DIRECTORS' REPORT

advertising revenue decreased approximately 26%. The alternative marketing products income recorded a decrease of 5.8%.

As a result of the strengthening of the costs reduction strategy, operational costs were reduced by, approximately, 1.8 million Euro, amount that was lower than the reduction recorded in revenue, which was nearly 2 million Euro. Thus, EBITDA of the magazines segment, recorded in the first half of 2013 was -948 thousand Euro.

DIRECTORS' REPORT

SECOND SEMESTER OUTLOOK

The macroeconomic environment remains instable although it is possible to anticipate signals indicating a moderate recovery of the economy during the second semester of the year. Therefore, in this context, it is anticipated the maintenance of the recession environment in terms of advertising investment, but may be expected a reversal of this trend during this period, particularly during the fourth quarter.

Cofina is alert to the market reality, implementing a set of measures to control and reduce costs, seeking to adapt the Company to the tough market conditions in which it operates. However, as showed by economic results, the reach of these policies has been limited by the magnitude of the decreases recorded in revenues.

The Board of Directors will continue to develop and implement appropriate policies to maintain a minimum level of profitability required to the assets under management.

CORPORATE GOVERNANCE

In compliance with the legal requirements in force, the Company is exempted from presenting information regarding Corporate Governance, once this information is only mandatory upon presentation with the Annual Directors' Report. The Annual Report about Corporate Governance is an integral part of Cofina Annual Financial Statements for year 2012 and it is available on our website (www.cofina.pt).

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 2013 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 ("Código das Sociedades Comerciais"), the Directors inform that, as of 30 June 2013, the shares held were as follows:

Paulo Jorge dos Santos Fernandes ^(a)	10,901,582
João Manuel Matos Borges de Oliveira ^(b)	14,784,857
Domingos José Vieira de Matos ^(c)	10,262,115
Pedro Macedo Pinto de Mendonça	854,500
Pedro Miguel Matos Borges de Oliveira	5,628,291
Ana Rebelo de Carvalho Menéres de Mendonça ^(d)	15,385,276

^(a) – Paulo Jorge dos Santos Fernandes holds, individually, 3,785,746 shares of Cofina, and are also attributable to this Board member, 7,115,836 shares of Cofina held by Actium Capital – SGPS, S.A., of which he is director and dominant shareholder. Thus, in legal terms, are considered attributable to Paulo Jorge dos Santos Fernandes a total of 10,901,582 shares, representing 10.63% of the capital and voting rights of Cofina.

^(b) – 14,784,857 shares represent the total shares of Cofina held by Caderno Azul – SGPS, S.A., of which the Director João Manuel Matos Borges de Oliveira is also director and shareholder.

^(c) – 10,262,115 shares represent the total shares of Cofina held by Livre Fluxo – SGPS, S.A., of which the Director Domingos José Vieira de Matos is also director and dominant shareholder.

^(d) – 15,385,276 shares represent the total shares of Cofina held by Promendo – SGPS, S.A., of which the Director Ana Rebelo de Carvalho Menéres de Mendonça is director and holder of 59.6% of the share capital.

As of 30 June 2013 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 Company informs that, in accordance with the notifications received, the companies and/or individuals that hold qualified holdings exceeding 2%, 5%, 10%, 15%, 20%, 33% and 50% of the voting rights, are as follows:

Exceeding 2% of the voting rights	Shares held at 30.06.2013	Direct % of voting rights
Credit Suisse Group AG	5,039,060	4.91%
Paulo Jorge dos Santos Fernandes ^(a)	3,785,746	3.69%
Maria João Fernandes Vieira de Matos	2,051,500	2.00%

^(a) – It is also attributable to Paulo Jorge dos Santos Fernandes, 7,115,836 shares of Cofina held by Actium Capital – SGPS, S.A., of which he is also director and dominant shareholder.

DIRECTORS' REPORT

Exceeding 5% of the voting rights	Shares held at 30.06.2013	Direct % of voting rights
Actium Capital – SGPS, S.A. ^(a)	7,115,836	6.94%
Pedro Miguel Matos Borges de Oliveira	5,628,291	5.49%

^(a) 7,115,836 shares of Cofina held by Actium Capital – SGPS, S.A., are attributable to Paulo Jorge dos Santos Fernandes, of which he is also director and dominant shareholder.

Exceeding 10% of the voting rights	Shares held at 30.06.2013	Direct % of voting rights
Caderno Azul – SGPS, S.A. ^(a)	14,784,857	14.41%
Livre Fluxo – SGPS, S.A. ^(b)	10,262,115	10.01%

^(a) 14,784,857 shares held by Caderno Azul – SGPS, S.A., are attributable to João Manuel Matos Borges de Oliveira, of which he is also director and shareholder.

^(b) 10,262,115 shares held by Livre Fluxo – SGPS, S.A., are attributable to Domingos José Vieira de Matos, of which he is also director and dominant shareholder.

Exceeding 15% of the voting rights	Share held at 30.06.2013	Direct % of voting rights
Newshold, SGPS, S.A.	15,464,528	15.08%
Promendo – SGPS, S.A. ^(a)	15,385,276	15.00%

^(a) –15,385,276 shares held by Promendo – SGPS, S.A., are attributable to Ana Rebelo de Carvalho Menéres de Mendonça, of which she is a director and holder of 59.6% of the share capital.

Cofina was not notified of any participation exceeding 20% of the voting rights.

DIRECTORS' REPORT

DECLARATION OF RESPONSIBILITY

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

As a required by article 8, no. 3, of the Securities Code, the Board of Directors of Cofina, S.G.P.S., S.A. declares that the accounts that integrate this report were not subject to 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 cooperated with the Group.

Oporto, 1 August 2013

The Board of Directors

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 de Carvalho Menéres de Mendonça
Member of the Board of Directors

**Article 447 of the Securities Code and Article 14 no 7 of the Securities and Exchange Commission
Regulation no 05/2008**

Disclosure of shares and other securities owned by Directors and members of the Board, as well as by other people with whom they close relate to, under the terms of Article 248 B of the Securities Code, and transactions over these shares that took place on the period under analysis.

Member of the Board of Directors	Shares held as of				Shares held as of
	31-Dec-2012	Acquisitions	Disposals	Other	30-Jun-2013
Paulo Jorge dos Santos Fernandes	3,785,746	-	-	-	3,785,746
Paulo Jorge dos Santos Fernandes (allocation via ACTIUM CAPITAL - SGPS, S.A)	5,415,836	1,700,000	-	-	7,115,836
João Manuel Matos Borges de Oliveira (allocation via CADERNO AZUL - SGPS, S.A)	14,784,857	-	-	-	14,784,857
Domingos José Vieira de Matos	7,381,112	-	(7,381,112)	-	-
Domingos José Vieira de Matos (allocation via LIVRE FLUXO - SGPS, S.A)	-	10,262,115	-	-	10,262,115
Pedro Miguel Matos Borges de Oliveira	5,628,291	-	-	-	5,628,291
Ana Rebelo Mendonça	6,377,840	-	-	(6,377,840)	-
Ana Rebelo Mendonça (allocation via PROMENDO - SGPS, S.A)	9,007,436	-	-	6,377,840	15,385,276
Pedro Macedo Pinto de Mendonça	854,500	-	-	-	854,500

Paulo Jorge dos Santos Fernandes

Date	Description	Volume	Price (€)	Local	Nº of shares
31 December 2012	-	-	-	-	3,785,746
30 June 2013	-	-	-	-	3,785,746

Paulo Jorge dos Santos Fernandes (allocation via ACTIUM CAPITAL - SGPS, S.A.)

Date	Description	Volume	Price (€)	Local	Nº of shares
31 December 2012	-	-	-	-	5,415,836
05 April 2013	Buy	1,700,000	0.540000	NYSE Euronext Lisbon	7,115,836
30 June 2013	-	-	-	-	7,115,836

Pedro Macedo Pinto de Mendonça

Date	Description	Volume	Price (€)	Local	Nº of shares
31 December 2012	-	-	-	-	854,500
30 June 2013	-	-	-	-	854,500

Domingos José Vieira de Matos

Date	Description	Volume	Price (€)	Local	Nº of shares
31 December 2012	-	-	-	-	7,381,112
18 February 2013	Sale	7,381,112	0.560000	NYSE Euronext Lisbon	-
30 June 2013	-	-	-	-	-

APPENDIX

Domingos José Vieira de Matos (allocation via LIVRE FLUXO - SGPS, S.A.)

Date	Description	Volume	Price (€)	Local	Nº of shares
31 December 2012	-	-	-	-	-
18 February 2013	Buy	7,381,112	0.560000	NYSE Euronext Lisbon	7,381,112
30 April 2013	Buy	250,000	0.494657	NYSE Euronext Lisbon	7,631,112
02 May 2013	Buy	150,000	0.495000	NYSE Euronext Lisbon	7,781,112
03 May 2013	Buy	200,000	0.495000	NYSE Euronext Lisbon	7,981,112
13 May 2013	Buy	300,000	0.494973	NYSE Euronext Lisbon	8,281,112
14 May 2013	Buy	450,000	0.494444	NYSE Euronext Lisbon	8,731,112
17 May 2013	Buy	98,161	0.492453	NYSE Euronext Lisbon	8,829,273
20 May 2013	Buy	100,000	0.485000	NYSE Euronext Lisbon	8,929,273
21 May 2013	Buy	190,000	0.495000	NYSE Euronext Lisbon	9,119,273
22 May 2013	Buy	200,000	0.499000	NYSE Euronext Lisbon	9,319,273
23 May 2013	Buy	441,925	0.487377	NYSE Euronext Lisbon	9,761,198
24 May 2013	Buy	213,717	0.487679	NYSE Euronext Lisbon	9,974,915
27 May 2013	Buy	285,000	0.491789	NYSE Euronext Lisbon	10,259,915
28 May 2013	Buy	2,200	0.491455	NYSE Euronext Lisbon	10,262,115
30 June 2013	-	-	-	-	10,262,115

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

Date	Description	Volume	Price (€)	Local	Nº of shares
31 December 2012	-	-	-	-	14,784,857
30 June 2013	-	-	-	-	14,784,857

Pedro Miguel Matos Borges de Oliveira

Date	Description	Volume	Price (€)	Local	Nº of shares
31 December 2012	-	-	-	-	5,628,291
30 June 2013	-	-	-	-	5,628,291

Ana Rebelo Mendonça

Date	Description	Volume	Price (€)	Local	Nº of shares
31 December 2012	-	-	-	-	6,377,840
09 April 2013	Allocation change	6,377,840	-----	-----	-
30 June 2013	-	-	-	-	-

Ana Rebelo Mendonça (allocation via PROMENDO - SGPS, S.A.)

Date	Description	Volume	Price (€)	Local	Nº of shares
31 December 2012	-	-	-	-	9,007,436
09 April 2013	Allocation change	6,377,840	-----	-----	15,385,276
30 June 2013	-	-	-	-	15,385,276

APPENDIX

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

The signatories individually declare that, to their knowledge, the Financial Statements prepared meeting the standards of the applicable International Financial Accounting ("IFRS") as adopted by the European Union, for Interim Financial Reporting, give a truthful and appropriate image of the assets and liabilities, financial position and the consolidate results of Cofina, S.G.P.S., S.A. and of the companies included in the consolidation, and that the Interim Management Report describes the evolution of business, the performance and the financial position of Cofina, S.G.P.S., S.A. and companies of the companies included in the consolidation, and contains a description of the major risks and uncertainties that they face.

Oporto, 1 August 2013

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 de Carvalho Menéres de Mendonça
Member of the Board of Directors

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

CONSOLIDATED STATEMENTS OF FINANCIAL POSITION FOR THE PERIODS ENDED 30 JUNE 2013 AND 31 DECEMBER 2012

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

(Amounts expressed in Euro)

ASSETS	Notes	30.06.2013	31.12.2012
NON CURRENT ASSETS			
Tangible assets		8,939,947	8,176,586
Goodwill	5	93,244,107	93,404,086
Intangible assets		257,796	482,911
Investments in associated companies	4	3,498,526	3,426,665
Investments held for sale	4	8,570	8,570
Deferred tax assets	6	4,905,733	5,588,538
Total non current assets		110,854,679	111,087,356
CURRENT ASSETS			
Inventories		1,464,100	2,076,687
Customers		8,655,984	7,104,462
State and other public entities		179,091	329,043
Other current debtors		627,396	387,951
Other current assets		6,827,108	5,681,196
Investments recorded at fair value through profit and loss		9,066	9,066
Cash and cash equivalents	7	8,618,488	15,741,207
Total current assets		26,381,233	31,329,612
TOTAL ASSETS		137,235,912	142,416,968
EQUITY AND LIABILITIES			
SHAREHOLDERS' FUNDS			
Share capital	8	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		(34,194,161)	(36,913,812)
Consolidated net profit/(loss) for the period attributable to the parent company		500,310	3,986,740
Equity attributable to equity holder of the parent company		13,231,587	13,998,366
Non controlling interests		608,075	739,995
TOTAL EQUITY		13,839,662	14,738,361
LIABILITIES			
NON CURRENT LIABILITIES			
Other loans	9	11,000,000	13,000,000
Pension liabilities		434,562	434,562
Other non current creditors	10	180,269	483,843
Provisions		7,914,483	6,429,560
Total non current liabilities		19,529,314	20,347,965
CURRENT LIABILITIES			
Bank loans	7 e 9	9,995,775	9,855,532
Other loans	9	62,159,605	66,033,119
Derivatives	11	725,359	992,890
Suppliers		8,221,289	8,716,589
State and other public entities		3,479,264	2,637,194
Other current creditors	8	7,816,536	8,025,213
Other current liabilities		11,469,108	11,070,105
Total current liabilities		103,866,936	107,330,642
TOTAL LIABILITIES		123,396,250	127,678,607
TOTAL EQUITY AND LIABILITIES		137,235,912	142,416,968

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 SIX AND THREE MONTHS PERIODS ENDED 30 JUNE 2013 AND 2012

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

	Notes	30.06.2013	30.06.2012	2nd quarter 2013	2nd quarter 2012
Sales		27,702,232	29,519,350	13,788,335	14,723,323
Services rendered		16,653,924	20,121,457	8,701,351	10,749,785
Other operating income		6,676,144	6,413,485	3,942,941	4,209,667
Cost of sales		(7,697,136)	(8,892,310)	(3,774,086)	(4,529,762)
External supplies and services		(20,631,368)	(22,982,081)	(11,370,828)	(13,207,504)
Payroll expenses		(16,541,229)	(16,559,820)	(8,264,520)	(7,862,850)
Amortisation and depreciation		(1,799,603)	(1,598,175)	(899,785)	(799,025)
Provisions and impairment losses		(279,005)	(489,835)	(110,931)	(229,291)
Other operating expenses		(136,867)	(169,521)	(71,272)	(109,708)
Financial expenses	11	(1,881,859)	(3,048,537)	(935,515)	(1,603,940)
Financial income	11	252,575	818,940	202,077	433,746
Profit / loss before income tax		2,317,808	3,132,953	1,207,767	1,774,441
Income tax	6	(1,856,848)	(2,439,683)	(992,897)	(1,355,606)
Net consolidated profit / (loss) for the period		460,960	693,270	214,870	418,835
Attributable to:					
Shareholders of the parent company		500,310	646,054	223,284	333,172
Non-controlling interests		(39,350)	47,216	(8,414)	85,663
Earnings per share:					
Basic	14	0.00	0.01	0.00	0.00
Diluted	14	0.00	0.01	0.00	0.00

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 SIX MONTHS PERIODS ENDED 30 JUNE 2013 AND 2012

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

	Attributable to equity holders of the parent company						Non controlling	Total
	Share capital	Share premium account	Legal reserve	Other reserves	Net profit / (loss)	Total	interests	equity
Balance as of 1 January 2012	25,641,459	15,874,835	5,409,144	(40,629,854)	4,812,155	11,107,739	787,811	11,895,550
Appropriation of consolidated net result for 2011:								
Transfer to retained earnings	-	-	-	4,812,155	(4,812,155)	-	-	-
Dividends distributed	-	-	-	(1,025,658)	-	(1,025,658)	(57,750)	(1,083,408)
Changes in reserves and non-controlling interests:								
Other changes	-	-	-	(430)	-	(430)	81	(349)
Total comprehensive income for the period of six month's ending at 30 June 2012	-	-	-	57,229	646,054	703,283	47,216	750,499
Balance as of 30 June 2012	<u>25,641,459</u>	<u>15,874,835</u>	<u>5,409,144</u>	<u>(36,786,558)</u>	<u>646,054</u>	<u>10,784,934</u>	<u>777,358</u>	<u>11,562,292</u>
Balance as of 1 January 2013	25,641,459	15,874,835	5,409,144	(36,913,812)	3,986,740	13,998,366	739,995	14,738,361
Appropriation of consolidated net result for 2012:								
Transfer to retained earnings	-	-	-	3,986,740	(3,986,740)	-	-	-
Dividends distributed	-	-	-	(1,025,658)	-	(1,025,658)	(39,375)	(1,065,033)
Changes in reserves and non-controlling interests:								
Business Acquisition	-	-	-	(264,073)	-	(264,073)	(55,927)	(320,000)
Other changes	-	-	-	(10,925)	-	(10,925)	2,732	(8,193)
Total comprehensive income for the period of six month's ending at 30 June 2013	-	-	-	33,567	500,310	533,877	(39,350)	494,527
Balance as of 30 June 2013	<u>25,641,459</u>	<u>15,874,835</u>	<u>5,409,144</u>	<u>(34,194,161)</u>	<u>500,310</u>	<u>13,231,587</u>	<u>608,075</u>	<u>13,839,662</u>

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 COMPREHENSIVE INCOME
FOR THE SIX AND THREE MONTHS PERIODS ENDED 30 JUNE 2013 AND 2012

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

	30.06.2013	30.06.2012	2nd quarter 2013	2nd quarter 2012
Profit / (loss) for the period	460,960	693,270	214,870	418,835
Other comprehensive income:				
Items that will not be reclassified to net income	-	-	-	-
Items that will be reclassified to net income				
Exchange differences arising on translation of foreign operations	(167,297)	64,556	(270,737)	93,006
Changes in cash-flows hedges' fair value	200,864	(7,327)	97,944	27,208
	<u>33,567</u>	<u>57,229</u>	<u>(172,793)</u>	<u>120,214</u>
Total comprehensive income for the period	<u>494,527</u>	<u>750,499</u>	<u>42,077</u>	<u>539,049</u>
Attributable to:				
Shareholders of the parent company	533,877	703,283	50,491	453,386
Non-controlling interests	<u>(39,350)</u>	<u>47,216</u>	<u>(8,414)</u>	<u>85,663</u>

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 SIX AND THREE MONTHS PERIODS ENDED 30 JUNE 2013 AND 2012
(Translation of financial statements originally issued in Portuguese - Note 19)
(Amounts expressed in Euro)

	Notes	30.06.2013	30.06.2012	2 nd quarter 2013	2 nd quarter 2012
Operating activities					
<i>Cash flow from operating activities (1)</i>		<u>4,703,518</u>	<u>3,897,089</u>	<u>3,689,955</u>	<u>3,176,793</u>
Investment activities					
Collections relating to:					
Interest and similar income		139,480	975,589	58,815	565,050
Loans granted		-	197,400	-	-
Dividends		<u>100,000</u>	<u>-</u>	<u>100,000</u>	<u>-</u>
Payments relating to:					
Investments	7	(240,000)	(100,000)	(240,000)	(100,000)
Tangible assets		(2,561,573)	(575,174)	(780,314)	(134,481)
Intangible assets		<u>(320,132)</u>	<u>(202,091)</u>	<u>(56,592)</u>	<u>(125,350)</u>
<i>Cash flow from investment activities (2)</i>		<u>(2,882,225)</u>	<u>295,724</u>	<u>(918,091)</u>	<u>205,219</u>
Financing activities					
Collections relating to:					
Loans obtained		<u>-</u>	<u>20,000,000</u>	<u>-</u>	<u>-</u>
Payments relating to:					
Interest and similar costs		(1,565,782)	(2,785,750)	(654,207)	(933,575)
Lease contracts		(585,678)	(608,298)	(272,639)	(280,689)
Dividends		(1,025,658)	(1,025,658)	(1,025,658)	(1,025,658)
Loans obtained		(5,400,000)	(22,213,395)	(5,050,000)	-
Supplementary capital		<u>-</u>	<u>(26,633,101)</u>	<u>-</u>	<u>(2,239,922)</u>
<i>Cash flow from financing activities (3)</i>		<u>(8,577,118)</u>	<u>(6,633,101)</u>	<u>(7,002,504)</u>	<u>(2,239,922)</u>
Cash and its equivalents at the beginning of the period	7	9,002,300	12,203,133	6,477,115	8,620,755
Changes in exchange rates		-	54,454	-	54,454
Variation of cash and its equivalents: (1)+(2)+(3)		<u>(6,755,825)</u>	<u>(2,440,288)</u>	<u>(4,230,640)</u>	<u>1,142,090</u>
Cash and its equivalents at the end of the period	7	<u>2,246,475</u>	<u>9,817,299</u>	<u>2,246,475</u>	<u>9,817,299</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 a public capital company, with headquarters located at Rua General Norton de Matos, 68, r/c, in Porto, and is the Parent company of a group of companies detailed in Note 4, commonly designated as "Cofina Group" which develop their activity in the media sector, mainly dedicated to written press. Its shares are listed in the NYSE Euronext Lisbon Stock Exchange.

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", "TV Guia", "Flash!" and "GQ", among others.

During the semester ended as of 30 June 2013, 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).

Cofina Group 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. 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.

The accompanying consolidated financial statements have been prepared under the going concern assumption.

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 June 2013 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 2012.

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.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

AS OF 30 JUNE 2013

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

(Amounts expressed in Euro)

4. INVESTMENTSConsolidation 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 June 2013 are as follows:

Designation	Headquarters	Percentage participation held	Activity
<u>Parent Company:</u>			
Cofina, SGPS, S.A.	Porto		Investment management
Cofina B.V. ("Cofina BV")	Amsterdam (The Netherlands)	100%	Investment management
Efe Erre Participações, SGPS, S.A. ("FR")	Porto	100%	Investment management
<u>Cofina Media Group</u>			
Cofina Media, SGPS, S.A. ("Cofina Media")	Lisbon	100%	Investment management
Presselivre – Imprensa Livre, S.A. ("Presselivre")	Lisbon	99.44%	Newspapers and magazine publication
Edisport – Sociedade de Publicações, S.A. ("Edisport")	Lisbon	100%	Newspapers publication
Edirevistas – Sociedade Editorial, S.A. ("Edirevistas")	Lisbon	99.46%	Magazines publication
Mediafin, SGPS, S.A. ("Mediafin")	Lisbon	100%	Investment management
Metronews – Publicações, S.A. ("Metronews")	Lisbon	59%	Newspapers publication
Grafedisport – Impressão e Artes Gráficas, S.A. ("Grafedisport")	Queluz	100%	Newspapers print
Web Works – Desenvolvimento de Aplicações para Internet, S.A. ("Web Works")	Lisbon	100%	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") (a)	Lisbon	100%	Events promotion and organization
Adcom Media – Anúncios e Publicidade S.A. ("Adcom Media")	São Paulo, Brazil	80%	Communication and advertising services

(a) During the six months' period ended as of June 30, 2013, Cofina Group acquired an additional percentage of 30% in Cofina Eventos share capital.

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 June 2013 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	23.92%	-	Investment management
Mercados Globais – Publicação de Conteúdos, Lda.	V.N.Gaia	50%	-	Management of services and promotion of a financial forum on the internet

The associated company VASP was included in the consolidated financial statements in accordance with the equity method. The other companies are recorded at cost less accumulated impairment losses.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTSAS OF 30 JUNE 2013

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

(Amounts expressed in Euro)

Investments in associated companies

The acquisition cost of the associated companies and their book value as of 30 June 2013 are as follows:

Designation	Acquisition cost	Book value	Equity	Net result
VASP – Sociedade de Transportes e Distribuições, Lda.	€ 6,234	€ 3,498,026	€ 10,494,078	€ 305,900
Destak Brasil – Editora, S.A. (a)	-	-	R\$ (1,741,562)	R\$ (43,937)
Destak Brasil – Empreendimentos e Participações, S.A.	€ 299,064	€ 500	R\$ 196,322	R\$ (89,519)
Mercados Globais – Publicação de Conteúdos, Lda.	€ 72,000	-	(b)	(b)

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

(b) – financial information not available.

As of 30 June 2013 and 31 December 2012 the caption “Investments in associated companies” can be detailed as follows:

	30.06.2013	31.12.2012
Financial Investment		
VASP – Sociedade de Transportes e Distribuições, Lda.	3,498,026	3,426,165
Destak Brasil – Empreendimentos e Participações, S.A.	154,535	154,535
Mercados Globais - Publicação de Conteúdos, Lda.	72,000	72,000
	<u>3,724,561</u>	<u>3,652,700</u>
Impairment losses on investments in associated companies	(226,035)	(226,035)
Loans to associated companies	-	-
	<u>3,498,526</u>	<u>3,426,665</u>

Investments available for sale

As of 30 June 2013 and 31 December 2012 the Group has available for sale investments corresponding to minority investments, for which the Group has recorded impairment losses in previous periods, showing on those dates a net amount of 8,570 Euro. As of 30 June 2013 and 31 December 2012, the total value of investments for which impairments of the same amount were recorded amounts to 877,942 Euro.

5. GOODWILL

During the six months period ended as of 30 June 2013 and 2012, the movement in the caption “Goodwill” fully refers to the changes in exchange rates in the semester then ended of the Goodwill of the subsidiary Adcom Media.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTSAS OF 30 JUNE 2013

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

(Amounts expressed in Euro)

6. INCOME TAXESDeferred taxes

The movement occurred in deferred tax assets in the six months periods ended as of 30 June 2013 and 2012 was as follows:

	Deferred tax assets	
	30.06.2013	30.06.2012
Opening balance	5,588,538	7,512,008
Effects in the income statement:		
Increase/(Decrease) in tax losses carried forward	932,444	15,526
Prior year tax correction following changes in tax rules	(1,542,829)	(1,542,829)
Effects in equity:		
Fair value of derivate instruments	(72,420)	2,642
Closing balance	<u>4,905,733</u>	<u>5,987,347</u>

Tax expenses

Tax expenses recorded in the income statements for the six months period ended as of 30 June 2013 and 2012 are detailed as follows:

	30.06.2013	30.06.2012
Current Tax		
Income tax for the period	412,663	480,273
Excess/(Insufficiency) of prior years income tax	3,980	(167,892)
Additional assessment tax	785,000	600,000
Deferred taxes	655,205	1,527,302
	<u>1,856,848</u>	<u>2,439,683</u>

As of 30 June 2013, disputes with the Portuguese tax authorities ("Autoridade Tributária e Aduaneira") were still in progress following a Corporate Income Tax inspection with an amount of, approximately, 13 million Euro being challenged by the tax authorities. In order to cope with these disputes, the Group recorded provisions in the amount of 6,085,000 Euro (785,000 Euro in the first half of 2013), which correspond to the best estimate made by the Board of Directors, supported by their legal and tax advisers, of the impact that might outcome from the ongoing tax claims.

7. CASH AND CASH EQUIVALENTS

As of 31 December 2012 and as of 30 June 2013 and 2012, the caption "Cash and cash equivalents" can be detailed as follows:

	30.06.2013	31.12.2012	30.06.2012
Cash	71,736	70,108	91,667
Bank deposits repayable on demand	8,194,752	13,910,726	22,386,504
Bank deposits repayable in less than 3 months	352,000	1,760,373	6,352,000
Cash and cash equivalents in accordance with the balance sheet	<u>8,618,488</u>	<u>15,741,207</u>	<u>28,830,171</u>
Bank overdrafts (Note 9)	(6,372,013)	(6,738,907)	(19,012,872)
Cash and cash equivalents	<u>2,246,475</u>	<u>9,002,300</u>	<u>9,817,299</u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTSAS OF 30 JUNE 2013

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

(Amounts expressed in Euro)

During the six months period ended as of 30 June 2013, payments relating to investments were as follows:

<u>Acquisitions</u>	<u>Transaction amount</u>	<u>Amount paid</u>
Cofina - Eventos e Comunicação S.A. (*)	320,000	240,000
	<u>320,000</u>	<u>240,000</u>

(*) acquisition of an additional investment of 30% in share capital

During the six months period ended as of 30 June 2012, payments relating to investments were as follows:

<u>Acquisitions</u>	<u>Transaction amount</u>	<u>Amount paid</u>
Adcom Media – Anúncios e Publicidade S.A. (*)	300,000	100,000
	<u>300,000</u>	<u>100,000</u>

(*) acquired in previous periods

8. SHARE CAPITAL

As of 30 June 2013, 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.

9. BANK AND OTHER LOANS

As of 30 June 2013 and 31 December 2012, the caption "Bank loans" was made up as follows:

30.06.2013				
	<u>Book value</u>		<u>Nominal Value</u>	
	<u>Current</u>	<u>Non Current</u>	<u>Current</u>	<u>Non Current</u>
Bank overdrafts (Note 7)	6,372,013	-	6,372,013	-
Bank loans	3,623,762	11,000,000	3,500,000	11,000,000
	<u>9,995,775</u>	<u>11,000,000</u>	<u>9,872,013</u>	<u>11,000,000</u>
31.12.2012				
	<u>Book value</u>		<u>Nominal Value</u>	
	<u>Current</u>	<u>Non Current</u>	<u>Current</u>	<u>Non Current</u>
Bank overdrafts (Note 7)	6,738,907	-	6,738,907	-
Bank loans	3,116,625	13,000,000	3,000,000	13,000,000
	<u>9,855,532</u>	<u>13,000,000</u>	<u>9,738,907</u>	<u>13,000,000</u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTSAS OF 30 JUNE 2013

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

(Amounts expressed in Euro)

As of 30 June 2013 and 31 December 2012, the caption "Other loans" was made up as follows:

	30.06.2013			
	Book value		Nominal Value	
	Current	Non Current	Current	Non Current
Bond loans	49,967,566	-	50,000,000	-
Commercial paper	12,192,039	-	12,200,000	-
	<u>62,159,605</u>	<u>-</u>	<u>62,200,000</u>	<u>-</u>

	31.12.2012			
	Book value		Nominal Value	
	Current	Non Current	Current	Non Current
Bond loans	49,947,225	-	50,000,000	-
Commercial paper	16,085,894	-	16,100,000	-
	<u>66,033,119</u>	<u>-</u>	<u>66,100,000</u>	<u>-</u>

Bond loans

As of 30 June 2013 this caption was made up of a loan called "Bonds Cofina - 2007/2015", whose nominal value amounts to 50 million Euro, issued by Cofina SGPS, SA and which book value, valued in accordance with the effective interest rate method, amounts to 49,967,566 Euro. This loan, according to its terms, matures on September 28, 2015. However, according to the initial agreement, the holders of the bonds may request, in their sole initiative, early repayment, without any penalties, of the bonds they hold. In this sense, although the Board of Directors believes that the holders of these bonds will not request early repayment and, consequently, its term will be as initially targeted contractually (28 September 2015), the Company, in light of the accounting standards and since the ability to request this refund is in exclusive possession of the holder and not the issuer of the bonds, classified this loan as current.

The main features of this loan are as follows:

- Issuer – Cofina, SGPS, S.A.;
- Nominal value – 50,000,000 Euro;
- Maturity – September 28, 2015;
- Interest – postponed, corresponding to 6 month Euribor plus a spread of 0.875%.

Commercial paper

The liability caption "Commercial paper" relates to a commercial paper program, in the maximum amount of 18,000,000 Euro, with guaranteed subscription by the banks until January 2014, which bears interest at market rates.

Bank loans

The liability caption "Bank loans" corresponds to a loan agreement celebrated in March 2012 which bears interest quarterly at market rates and has its maturity on 15 October 2016.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTSAS OF 30 JUNE 2013

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

(Amounts expressed in Euro)

The reimbursement of the nominal value of this bank loan is as follows:

	<u>30.06.2013</u>
2014	2,000,000
2015	4,000,000
2016	<u>5,000,000</u>
	11,000,000
Short term	3,500,000
	<u><u>14,500,000</u></u>

10. LEASING

As of 30 June 2013 and 31 December 2012, 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:

	<u>30.06.2013</u>	<u>31.12.2012</u>
Year n+1	150,998	446,079
Year n+2	21,084	10,294
Year n+3	8,187	22,993
Year n+4	-	4,477
Year n+5 and subsequent years	-	-
	<u>180,269</u>	<u>483,843</u>
Short term	637,744	914,240
	<u><u>818,013</u></u>	<u><u>1,398,083</u></u>

11. DERIVATIVE FINANCIAL INSTRUMENTS

As of 30 June 2013, this caption is made of interest rate swaps related to the Group's financing loans. As 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.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

AS OF 30 JUNE 2013

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

(Amounts expressed in Euro)

The movement in these derivatives for the six months period ended as of 30 June 2013 and 2012 can be presented as follows:

30.06.2013					
	"Market-to-market"	Accrued interest	Market-to-market net of accrued interest	Deferred tax assets	Net Value
Opening balance	992,890	(126,878)	866,012	229,493	636,519
Increases / (decreases)	(267,531)	N/A	(273,284)	(72,419)	(200,864)
Closing balance	725,359	(132,631)	592,728	157,074	435,654

30.06.2012					
	"Market-to-market"	Accrued interest	Market-to-market net of accrued interest	Deferred tax assets	Net Value
Opening balance	1,001,831	(104,453)	897,378	237,805	659,573
Increases / (decreases)	41,711	N/A	9,968	2,642	7,326
Closing balance	1,043,542	(136,196)	907,346	240,447	666,899

As of 30 June 2013, the Company had contracted interest rate hedging instruments which fair value, calculated by the discounted cash flow method, was as follows:

Company	Funding covered	Start date	Maturity	Index	Notional	Fair value of financial instruments
Cofina SGPS, S.A.	Bond loan	28/09/2010	29/09/2014	Euribor 6M	20,000,000	(725,359)
					20,000,000	(725,359)

12. FINANCIAL RESULTS

The financial income and expenses for the six months period ended as of 30 June 2013 and 2012 are made up as follows:

	30.06.2013	30.06.2012
<u>Financial expenses</u>		
Interest paid	(1,320,918)	(2,372,098)
Interests related with derivatives	(247,505)	(229,768)
Commissions	(268,338)	(209,391)
Other financial expenses	(45,098)	(237,280)
	<u>(1,881,859)</u>	<u>(3,048,537)</u>
<u>Financial income</u>		
Interest received	80,714	795,230
Gains and losses in associated companies		
Application of the Equity Method	171,861	23,710
	<u>252,575</u>	<u>818,940</u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTSAS OF 30 JUNE 2013

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

(Amounts expressed in Euro)

13. RELATED PARTIES

The main balances with related parties as of 30 June 2013 and 2012 and the main transactions with related entities during the period then ended may be detailed as follows:

30.06.2013			
Transactions	Sales and other income	Services rendered	Acquisition of goods and services
VASP – Sociedade de Transportes e Distribuições, Lda.	28,761,453	-	282,067
Destak Brasil Editora, S.A.	-	812,103	-
	<u>28,761,453</u>	<u>812,103</u>	<u>282,067</u>
Balances	Accounts receivable	Accounts payable	Sales to invoice
VASP – Sociedade de Transportes e Distribuições, Lda.	114,656	101,240	5,235,885
Destak Brasil Editora, S.A.	1,247,467	-	-
Destak Brasil - Empreendimentos e Participações, S.A.	-	568,784	-
	<u>1,362,123</u>	<u>670,024</u>	<u>5,235,885</u>
30.06.2012			
Transactions	Sales and other income	Services rendered	Acquisition of goods and services
VASP – Sociedade de Transportes e Distribuições, Lda.	31,468,550	-	39,537
Destak Brasil Editora, S.A.	-	1,537,529	-
	<u>31,468,550</u>	<u>1,537,529</u>	<u>39,537</u>
Balances	Accounts receivable	Accounts payable	Sales to invoice
VASP – Sociedade de Transportes e Distribuições, Lda.	(22,795)	123,358	5,952,996
Destak Brasil Editora, S.A.	772,172	-	-
Destak Brasil - Empreendimentos e Participações, S.A.	-	748,586	-
	<u>749,377</u>	<u>871,944</u>	<u>5,952,996</u>

Sales and services rendered to associated companies during the period ended as of 30 June 2013 and 2012 relate mainly 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.

The services rendered to associated companies during the periods ended June 30, 2013 and 2012 correspond to the sale of advertising of the subsidiary Adcom Media (Note 4).

Related parties

Apart from companies included in the consolidation (Note 4), the parties considered to be related companies as of 30 June 2013, 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.
- Storax - Equipements, S.A.
- Caderno Azul, SGPS, S.A.

- Caima Energia – Empresa de Gestão e Exploração de Energia, S.A.
- Caima Indústria de Celulose, S.A.
- Actium Capital, SGPS, S.A.
- Captaraiz Unipessoal, Lda.
- Celbi – Celulose da Beira Industrial, S.A.
- Celbinave – Tráfego e Estiva SGPS, Unipessoal, Lda.
- Celtejo – Empresa de Celulose do Tejo, S.A.
- Celulose do Caima, SGPS, S.A.
- Cofihold, SGPS, S.A.
- 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.
- Jardins de França, S.A.
- Livre Fluxo, SGPS, S.A.
- Malva – Gestão Imobiliária, S.A.
- Pedro Frutícola, Sociedade Frutícola, S.A.
- Prestimo – Prestígio Imobiliário, S.A.
- Promendo, SGPS, S.A.
- Altri Florestal, S.A.
- Sociedade Imobiliária Porto Seguro – Investimentos Imobiliários, S.A.
- Storax Benelux
- Storax Racking Systems, Ltd.
- Torres da Luz – Investimentos imobiliários, S.A.
- Universal Afir – Aços, Máquinas e Ferramentas, S.A.
- Valor Autêntico, SGPS, S.A.
- Viveiros do Furadouro Unipessoal, Lda.

Board of Directors

Cofina SGPS, S.A. Board of Directors was composed as follows as of 30 June 2013:

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

14. RESPONSIBILITIES FOR GUARANTEES PROVIDED

As of 30 June 2013, 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, to a maximum of 8,000,000 Euro, granted by Banco BPI, S.A., which outstanding debt, as of June 30, 2013 amounts to 4,209,185 Euro.
- 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 12,200,000 Euro as of 30 June 2013 (Note 9);
- c) Pledge of 14,850 shares of Edisport – Sociedade de Publicações, S.A., in favour of Portuguese tax authorities (“Autoridade Tributária e Aduaneira”), as a guarantee for tax claims.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTSAS OF 30 JUNE 2013

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

(Amounts expressed in Euro)

As of 30 June 2013 Cofina Media group companies had assumed responsibilities for guarantees granted amounting to 880,000 Euro, mainly in relation to advertising contests. These companies had also given promissory notes to guarantee credit facilities amounting to 32,500,000 Euro.

15. EARNINGS PER SHARE

Earnings per share for the six months period ended as of 30 June 2013 and 2012 were determined taking into consideration the following amounts:

	<u>30.06.2013</u>	<u>30.06.2012</u>
Net profit taken into consideration to calculate basic and diluted earnings per share	500,310	646,054
Weighted average number of shares used to calculate basic earnings per share	102,565,836	102,565,836
Earnings per share:		
Basic	0.00	0.01
Diluted	0.00	0.01

16. 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 reported.

The information for the six months periods ended as of 30 June 2013 and 2012 is detailed as follows:

	<u>Newspapers</u>	<u>Magazines</u>	<u>Eliminations and consolidations adjustments</u>	<u>Total</u>
30.06.2013				
Net operating income	40,608,300	10,424,000	-	51,032,300
Operating Cash-flow - EBITDA (a)	6,694,751	(948,056)	-	5,746,695
Operating profit	4,915,842	(968,750)	-	3,947,092

	<u>Newspapers</u>	<u>Magazines</u>	<u>Eliminations and consolidations adjustments</u>	<u>Total</u>
30.06.2012				
Net operating income	43,673,146	12,381,146	-	56,054,292
Operating Cash-flow - EBITDA (a)	7,779,863	(819,138)	-	6,960,725
Operating profit	6,216,305	(853,755)	-	5,362,550

(a) - Operating profit + amortisation and depreciation

17. NET PROFIT / (LOSS) APPROPRIATION

Relating to the year ended 31 December 2012, the Board of Directors proposed, in its annual report, that the net individual loss of Cofina, S.G.P.S., S.A., in the amount of 23,920,619.90 Euro would be transferred to caption "Retained earnings", having that proposal been approved in the General Shareholders' Meeting held as of 18 April 2013.

Furthermore, the Board of Directors, proposed the distribution of dividends amounting to 1,025,658.36 Euro relating to the year ended as of 31 December 2012, which corresponds to a dividend of 0.01 Euro per share. This dividend was also approved in the General Shareholders Meeting of 18 April 2013.

18. FINANCIAL STATEMENTS APPROVAL

The interim financial statements as of June 30, 2013 were approved by the Board of Directors and authorized for issue on July, 31 2013.

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