



**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 '15 FINANCIAL INFORMATION**  
**(not audited)**

This document is a translation of a document originally issued in Portuguese, prepared using accounting policies consistent with the International Financial Reporting Standards and with accordance with the International Accounting Standard 34 – Interim Financial Reporting, some of which may not conform or be required by generally accepted accounting principles in other countries. In the event of discrepancies, the Portuguese language version prevails.

The consolidated financial information of Cofina for the 3<sup>rd</sup> quarter of 2015, prepared in accordance with the recognition and measurement principles of International Financial Reporting Standards (IFRS), can be presented as follows:

(amounts in thousand Euro)	3Q 2015	3Q 2014	Var (%) 3Q15/3Q14
<b>Operating income</b>	<b>25,368</b>	<b>26,948</b>	<b>-5.9%</b>
Circulation	14,741	14,891	-1.0%
Advertising	7,772	8,356	-7.0%
Alternative marketing products and others	2,855	3,701	-22.9%
<b>Operating income by segments</b>	<b>25,368</b>	<b>26,948</b>	<b>-5.9%</b>
Newspapers	20,279	21,117	-4.0%
Magazines	5,089	5,831	-12.7%
<b>Operating expenses (a)</b>	<b>21,478</b>	<b>23,099</b>	<b>-7.0%</b>
<b>Consolidated EBITDA (b)</b>	<b>3,890</b>	<b>3,849</b>	<b>1.1%</b>
EBITDA margin	15.3%	14.3%	+1.1 p.p.
Newspapers EBITDA	3,711	3,376	9.9%
Newspapers EBITDA margin	18.3%	16.0%	+2.3 p.p.
Magazines EBITDA	179	473	-
Magazines EBITDA margin	3.5%	8.1%	-4.6 p.p.
Amortisation and depreciation (-)	721	741	<b>-2.7%</b>
<b>EBIT</b>	<b>3,169</b>	<b>3,108</b>	<b>2.0%</b>
EBIT margin	12.5%	11.5%	+1.0 pp
Net financial income	(740)	(840)	-
<b>Income before taxes and non-controlling interests</b>	<b>2,429</b>	<b>2,268</b>	<b>7.1%</b>
Income taxes	914	698	30.9%
Non-controlling interests	-	34	-100.0%
<b>Net consolidated profit / loss (c)</b>	<b>1,515</b>	<b>1,536</b>	<b>-1.4%</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 third quarter of 2015 was characterized by a decrease of revenue, with special focus on the decline in advertising revenue, which was less than the decrease of costs. In absolute terms, revenues decreased by 1.58 million Euro, while costs were reduced by approximately 1.61 million Euro. Thus, in the third quarter of 2015, EBITDA registered an increase of 1.1%, reaching 3.9 million Euro.

Advertising revenue reached 7.8 million Euro which represents a decrease of 7%. Circulation revenue recorded a slight decline (-1%), to 14.7 million Euro. Revenue from alternative marketing products and other amounted to 2.9 million Euro recording a decrease of 23%.

Profit before tax registered a growth of 7%, reaching 2.4 million Euro. Net profit reached 1.5 million Euro.

## Newspapers Segment

(amounts in thousand Euro)	3Q 2015	3Q 2014	Var (%) 3Q15/3Q14
<b>Consolidated operating income</b>	<b>20,279</b>	<b>21,117</b>	<b>-4.0%</b>
Circulation	11,743	11,398	3.0%
Advertising	6,185	6,492	-4.7%
Alternative marketing products and others	2,351	3,227	-27.1%
<b>Operating expenses (a)</b>	<b>16,568</b>	<b>17,741</b>	<b>-6.6%</b>
<b>Consolidated EBITDA (b)</b>	<b>3,711</b>	<b>3,376</b>	<b>9.9%</b>
EBITDA margin	18.3%	16.0%	+2.3 p.p.

(a) Operating expenses excluding amortisation

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

The newspapers segment of Cofina recorded, in the third quarter of 2015, total revenues of 20.3 million Euro, which represents a decrease of 4% when compared with the last year's homologous period. The advertising income recorded a decrease of 5% reaching 6.2 million Euro and revenue related to alternative marketing products and others recorded a decrease of 27%, reaching approximately 2.4 million Euro.

Circulation revenue increased 3% reaching 11.7 million Euro.

The implemented policies of control and rationalization of costs led to a cost decrease of 1.2 million Euro (-6.6%) reaching 16.6 million Euro.

Therefore, the newspapers segment EBITDA reached in the quarter under analysis amounted to approximately 3.7 million Euro, which represents an increase of approximately 10%, when compared with the last year's homologous period. EBITDA margin amounted to 18.3% which represents an increase of 2.3 percentage points when compared with the third quarter of 2014.

## Magazines Segment

Total income from this segment reached approximately 5.1 million Euro reflecting a decrease of 13% when compared with the homologous period of 2014.

(amounts in thousand Euro)	3Q 2015	3Q 2014	Var (%) 3Q15/3Q14
<b>Consolidated operating income</b>	<b>5,089</b>	<b>5,831</b>	<b>-12.7%</b>
Circulation	2,998	3,493	-14.2%
Advertising	1,587	1,865	-14.9%
Alternative marketing products and others	504	473	6.6%
<b>Operating expenses (a)</b>	<b>4,910</b>	<b>5,358</b>	<b>-8.4%</b>
<b>Consolidated EBITDA (b)</b>	<b>179</b>	<b>473</b>	<b>-</b>
EBITDA margin	3.5%	8.1%	-4.6 p.p.

(a) Operating expenses excluding amortisation

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

Circulation income recorded a decrease of 14%, having reached approximately 3 million Euro, whilst the advertising revenue decreased 15% to 1.6 million Euro. Revenue related to alternative marketing products reached approximately 0.5 million Euro, having increased 6.6%.

Therefore, EBITDA recorded in the magazines segment, in the third quarter of 2015, was 179 thousand Euro, compared to an EBITDA of 473 thousand Euro recorded in the third quarter of 2014.

## Accumulated results as of September 2015

(amounts in thousand Euro)	9M 2015	9M 2014	Var (%) 9M15/9M14
<b>Operating Income</b>	<b>75,365</b>	<b>78,355</b>	<b>-3.8%</b>
Circulation	40,637	41,123	-1.2%
Advertising	24,126	26,551	-9.1%
Alternative marketing products and others	10,602	10,681	-0.7%
<b>Operating income by segments</b>	<b>75,365</b>	<b>78,355</b>	<b>-3.8%</b>
Newspapers	60,601	62,827	-3.5%
Magazines	14,764	15,528	-4.9%
<b>Operating expenses (a)</b>	<b>64,619</b>	<b>67,357</b>	<b>-4.1%</b>
<b>Consolidated EBITDA (b)</b>	<b>10,746</b>	<b>10,998</b>	<b>-2.3%</b>
EBITDA margin	14.3%	14.0%	+0.2 p.p.
Newspapers EBITDA	10,982	10,785	1.8%
Newspapers EBITDA margin	18.1%	17.2%	+1.0 p.p.
Magazines EBITDA	-236	213	-
Magazines EBITDA margin	-1.6%	1.4%	-3.0 p.p.
Amortizações Correntes (-)	2,163	2,221	<b>-2.6%</b>
<b>EBIT</b>	<b>8,583</b>	<b>8,777</b>	<b>-2.2%</b>
EBIT margin	11.4%	11.2%	+0.2 pp
Net financial income	(2,756)	(3,168)	-13.0%
<b>Income before taxes and non-controlling interests</b>	<b>5,827</b>	<b>5,609</b>	<b>3.9%</b>
Income taxes	2,009	851	136.1%
Non-controlling interests	-	55	-
<b>Net consolidated profit / loss (c)</b>	<b>3,818</b>	<b>4,703</b>	<b>-18.8%</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 accumulated profit for the first 9 months of 2015 was characterized by a decrease of revenue, with special focus on the decline in advertising revenue. Thus, in the period under analysis, EBITDA decreased 2% reaching 10.7 million Euro.

Net profit reached 3.8 million Euro.

As of September 30<sup>th</sup>, 2015 the nominal net debt of Cofina amounted 64.2 million Euro which corresponds to a decrease of 2.4 million Euro in relation to the net debt recorded on June 30<sup>th</sup>, 2015.

Oporto, October 30<sup>th</sup>, 2015

The Board of Directors

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

**CONSOLIDATED STATEMENTS OF FINANCIAL INFORMATION FOR THE PERIODS ENDED**  
**SEPTEMBER 30, 2015 AND DECEMBER 31, 2014**

(Translation of financial statements originally issued in Portuguese - Note 17)  
(Amounts expressed in Euro)

<b>ASSETS</b>	<b>Notes</b>	<b>30.09.2015</b>	<b>31.12.2014</b>
<b>NON CURRENT ASSETS</b>			
Tangible assets		4.908.502	5.883.466
Goodwill	5	88.730.854	89.316.685
Intangible assets		231.045	489.077
Investments in associated companies	4	2.902.006	3.860.407
Investments held for sale	4	9.080	29.498
Investments recorded at fair value through profit and loss		13.574	5.482
Other non current debtors		350.000	350.000
Deferred tax assets	6	1.482.641	2.578.268
<b>Total non current assets</b>		<b>98.627.702</b>	<b>102.512.883</b>
<b>CURRENT ASSETS</b>			
Inventories		1.456.399	1.872.891
Customers		8.551.437	9.088.161
State and other public entities		1.071.419	945.464
Other current debtors		1.638.746	312.548
Other current assets		9.284.758	7.115.217
Cash and cash equivalents	7	3.784.999	12.658.992
<b>Total current assets</b>		<b>25.787.758</b>	<b>31.993.273</b>
<b>TOTAL ASSETS</b>		<b>124.415.460</b>	<b>134.506.156</b>
<b>EQUITY AND LIABILITIES</b>			
<b>SHAREHOLDERS' FUNDS</b>			
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		(29.425.374)	(32.913.647)
Consolidated net profit/(loss) for the period attributable to the parent company		3.817.683	6.173.887
Equity attributable to equity holder of the parent company		21.317.747	20.185.678
Non controlling interests		-	90.981
<b>TOTAL EQUITY</b>		<b>21.317.747</b>	<b>20.276.659</b>
<b>LIABILITIES</b>			
<b>NON CURRENT LIABILITIES</b>			
Other loans	9	48.965.501	49.274.676
Other non current creditors	10	45.080	45.080
Provisions		10.695.265	10.320.480
<b>Total non current liabilities</b>		<b>59.705.846</b>	<b>59.640.236</b>
<b>CURRENT LIABILITIES</b>			
Bank loans	7 and 9	-	4.732.462
Other loans	9	17.922.295	23.496.752
Suppliers		9.670.799	9.158.181
State and other public entities		3.671.466	3.065.338
Other current creditors	10	4.195.206	5.346.958
Other current liabilities		7.932.101	8.789.570
<b>Total current liabilities</b>		<b>43.391.867</b>	<b>54.589.261</b>
<b>TOTAL LIABILITIES</b>		<b>103.097.713</b>	<b>114.229.497</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>124.415.460</b>	<b>134.506.156</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 MONTHS PERIODS ENDED SEPTEMBER 30, 2015 AND 2014**(Translation of financial statements originally issued in Portuguese - Note 17)  
(Amounts expressed in Euro)

	<b>Notes</b>	<b>30.09.2015</b>	<b>30.09.2014</b>	<b>3rd quarter 2015</b>	<b>3rd quarter 2014</b>
Sales		40.636.708	41.122.706	14.740.619	14.890.808
Services rendered		24.125.836	26.551.216	7.771.827	8.356.604
Other operating income		10.602.537	10.681.225	2.855.123	3.700.789
Cost of sales		(9.772.580)	(11.109.608)	(3.399.587)	(3.880.089)
External supplies and services		(29.775.923)	(31.496.232)	(9.391.932)	(11.054.058)
Payroll expenses		(24.475.772)	(23.909.343)	(8.446.719)	(7.855.254)
Amortisation and depreciation		(2.163.063)	(2.220.877)	(720.754)	(740.720)
Provisions and impairment losses		(356.531)	(546.528)	(162.241)	(199.077)
Other operating expenses		(238.435)	(295.263)	(77.657)	(111.005)
Financial expenses	11	(2.757.661)	(3.687.647)	(739.241)	(1.145.520)
Financial income	11	2.101	519.394	-	305.427
Profit / loss before income tax		5.827.217	5.609.043	2.429.438	2.267.905
Income tax	6	(2.009.534)	(850.353)	(914.535)	(697.431)
Net consolidated profit / (loss) for the period		<b>3.817.683</b>	<b>4.758.690</b>	<b>1.514.903</b>	<b>1.570.474</b>
Attributable to:					
Shareholders of the parent company		3.817.683	4.703.263	1.514.903	1.536.390
Non-controlling interests		-	55.427	-	34.084
Earnings per share:					
Basic	12	0,04	0,05	0,01	0,01
Diluted	12	0,04	0,05	0,01	0,01

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

The Chartered AccountantThe Board of Directors

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

**CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY**  
**FOR THE NINE MONTHS PERIODS ENDED SEPTEMBER 30, 2015 AND 2014**

(Translation of financial statements originally issued in Portuguese - Note 17)  
(Amounts expressed in Euro)

	Attributable to equity holders of the parent company							
	Share capital	Share premium account	Legal reserve	Other reserves	Net profit / (loss)	Total	Non controlling interests	Total equity
Balance as of 1 January 2014	25.641.459	15.874.835	5.409.144	(34.335.639)	4.681.002	17.270.801	767.940	18.038.741
Appropriation of consolidated net result for 2013:								
Transfer to retained earnings	-	-	-	4.681.002	(4.681.002)	-	-	-
Dividends distributed	-	-	-	(1.025.658)	-	(1.025.658)	(36.750)	(1.062.408)
Changes in reserves and non-controlling interests:								
Other changes	-	-	-	(3.826)	-	(3.826)	3.823	(3)
Total comprehensive income for the period								
of nine month's ending at 30 September 2014	-	-	-	397.616	4.703.263	5.100.879	55.427	5.156.306
Balance as of 30 September 2014	<u>25.641.459</u>	<u>15.874.835</u>	<u>5.409.144</u>	<u>(30.286.505)</u>	<u>4.703.263</u>	<u>21.342.196</u>	<u>790.440</u>	<u>22.132.636</u>
Balance as of 1 January 2015	25.641.459	15.874.835	5.409.144	(32.913.647)	6.173.887	20.185.678	90.981	20.276.659
Appropriation of consolidated net result for 2014:								
Transfer to retained earnings	-	-	-	6.173.887	(6.173.887)	-	-	-
Dividends distributed	-	-	-	(2.051.317)	-	(2.051.317)	-	(2.051.317)
Changes in reserves and non-controlling interests:								
Other changes	-	-	-	142.591	-	142.591	(90.981)	51.610
Total comprehensive income for the period								
of nine month's ending at 30 September 2015	-	-	-	(776.888)	3.817.683	3.040.795	-	3.040.795
Balance as of 30 September 2015	<u>25.641.459</u>	<u>15.874.835</u>	<u>5.409.144</u>	<u>(29.425.374)</u>	<u>3.817.683</u>	<u>21.317.747</u>	<u>-</u>	<u>21.317.747</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 STATEMENT OF COMPREHENSIVE INCOME**  
**FOR THE NINE AND THREE MONTHS PERIODS ENDED SEPTEMBER 30, 2015 AND 2014**

(Translation of financial statements originally issued in Portuguese - Note 17)  
(Amounts expressed in Euro)

	<b>30.09.2015</b>	<b>30.09.2014</b>	<b>3rd quarter 2015</b>	<b>3rd quarter 2014</b>
Profit / (loss) for the period	3.817.683	4.758.690	1.514.903	1.570.474
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	(776.888)	120.507	(583.292)	(89.890)
Changes in cash-flows hedges' fair value	-	277.109	-	91.674
	<u>(776.888)</u>	<u>397.616</u>	<u>(583.292)</u>	<u>1.784</u>
Total comprehensive income for the period	<u>3.040.795</u>	<u>5.156.306</u>	<u>931.611</u>	<u>1.572.258</u>
Attributable to:				
Shareholders of the parent company	3.040.795	5.100.879	931.611	1.538.174
Non-controlling interests	-	55.427	-	34.084

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 MONTHS PERIODS ENDED SEPTEMBER 30, 2015 AND 2014**

(Translation of financial statements originally issued in Portuguese - Note 17)  
(Amounts expressed in Euro)

	Notes	30.09.2015	30.09.2014	3rd quarter 2015	3rd quarter 2014
Operating activities					
Cash flow from operating activities (1)		<u>8.534.865</u>	<u>12.597.934</u>	<u>5.069.356</u>	<u>5.647.549</u>
Investment activities					
Collections relating to:					
Tangible assets		650	-	-	-
Interest and similar income		11.381	200.609	(10.547)	86.306
Financial investments	7	765.900	-	-	-
Dividends	7	<u>234.100</u>	<u>420.000</u>	<u>-</u>	<u>-</u>
Payments relating to:					
Financial investments	7	(1.575.000)	(1.472.560)	-	(1.425.000)
Tangible assets		(956.014)	(1.177.824)	(596.363)	(394.204)
Intangible assets		<u>(182.866)</u>	<u>(179.196)</u>	<u>(23.979)</u>	<u>(52.483)</u>
Cash flow from investment activities (2)		<u>(1.701.849)</u>	<u>(2.208.971)</u>	<u>(630.889)</u>	<u>(1.785.381)</u>
Financing activities					
Collections relating to:					
Loans obtained		<u>9.550.000</u>	<u>5.000.000</u>	<u>2.550.000</u>	<u>-</u>
Payments relating to:					
Interest and similar costs		(3.446.587)	(4.062.928)	(1.994.601)	(1.689.229)
Lease contracts amortisation		(26.012)	(447.325)	(8.670)	(135.279)
Dividends		(2.051.317)	(1.025.658)	-	-
Loans obtained		<u>(15.000.000)</u>	<u>(12.850.000)</u>	<u>(11.000.000)</u>	<u>(100.000)</u>
Cash flow from financing activities (3)		<u>(10.973.916)</u>	<u>(13.385.911)</u>	<u>(10.453.271)</u>	<u>(1.924.508)</u>
Cash and its equivalents at the beginning of the period	7	7.926.530	7.446.155	9.799.803	2.512.416
Changes in exchange rates		(631)	1.841	-	972
Variation of cash and its equivalents: (1)+(2)+(3)		<u>(4.140.900)</u>	<u>(2.996.948)</u>	<u>(6.014.804)</u>	<u>1.937.660</u>
Cash and its equivalents at the end of the period	7	<u>3.784.999</u>	<u>4.451.048</u>	<u>3.784.999</u>	<u>4.451.048</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 company, with head-office located at Rua General Norton de Matos, 68, r/c, in Oporto, 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 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" and "Flash!" among others.

During the nine month period ended as of September 30, 2015, 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 converted 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 September 2015 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 2014.

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 STATEMENTSAS OF SEPTEMBER 30, 2015

(Translation of financial statements originally issued in Portuguese - Note 17)

(Amounts expressed in Euro)

**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 September 30, 2015 are as follows:

Designation	Headquarters	Percentage of participation held	Activity
<u>Parent Company:</u>			
Cofina, SGPS, S.A.	Oporto		Investment management
<u>Cofina Media Group</u>			
Cofina Media, S.A. ("Cofina Media") (a)	Lisbon	100%	Newspapers and magazine publication, emission of TV broadcast, production and creation of websites for online business development and events promotion and organization.
Grafedisport – Impressão e Artes Gráficas, S.A. ("Grafedisport")	Lisbon	100%	Newspapers print
Adcom Media – Anúncios e Publicidade S.A. ("Adcom Media")	São Paulo, Brazil	100%	Communication and advertising services

- a) During the nine months period ended September 30, 2015, a merger by incorporation took place between the incorporating company Cofina Media, S.A. and the merged companies Metronews – Publicações, S.A., Transjornal – Edição de Publicações, S.A. and Gratuitadget – SGPS, Lda., having Cofina Media incorporated, with accounting effects as of 1 January 2015, all operating activities of these companies as well as the assets and liabilities of the merged companies at their book value. This merger did not produce any impact on the accompanying consolidated financial statements. Additionally, during that period, Cofina Group acquired stocks representing 0.10% of Cofina Media, S.A. equity, now owning 100% of the share capital and voting rights of the company.

During the nine months period ended September 30, 2015, the Group liquidated the subsidiary BUZ Participações Ltda. Since September 30, 2015, the company is no longer part of the consolidated perimeter.

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 September 30, 2015 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	29.90%	-	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 companies VASP and Destak Brasil were included in the consolidated financial statements in accordance with the equity method. The company Mercados Globais is recorded at cost less accumulated impairment losses.

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(Amounts expressed in Euro)

Investments in associated companies

The acquisition cost of the associated companies and their book value as of September 30, 2015 are as follows:

Designation	Acquisition cost	Book value	Equity	Net result
VASP – Sociedade de Transportes e Distribuições, Lda.	€ 6,234	€ 2,902,006	€ 8,706,052	€ 249,586
Destak Brasil – Empreendimentos e Participações, S.A.	€ 299,064	€ (335,720)	R\$ (5,031,099)	R\$ (5,761,846)
Mercados Globais – Publicação de Conteúdos, Lda.	€ 72,000	-	(a)	(a)

(a) – Financial information not available.

As of September 30, 2015 and December 31, 2014 the caption “Investments in associated companies” can be detailed as follows:

	30.09.2015	31.12.2014
Financial Investment		
VASP – Sociedade de Transportes e Distribuições, Lda.	2,902,006	3,792,565
Destak Brasil – Empreendimentos e Participações, S.A.	-	67,842
Mercados Globais - Publicação de Conteúdos, Lda.	72,000	72,000
	<u>2,974,006</u>	<u>3,932,407</u>
Impairment losses on investments in associated companies	(72,000)	(72,000)
	<u>2,902,006</u>	<u>3,860,407</u>

Investments available for sale

As of September 30, 2015 and December 31, 2014 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 9,080 Euro and 29,498 Euro, respectively. As of September 30, 2015 and December 31, 2014, the total value of investments for which impairments of the same amount were recorded amounts to 244,439 Euro.

5. GOODWILL

During the nine months period ended as of September 30, 2015 and 2014, the movement in the caption “Goodwill” fully refers to the effect of the exchange rates’ change in the Goodwill of the subsidiary Adcom Media.

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6. INCOME TAXESDeferred taxes

The movement occurred in deferred tax assets in the nine months periods ended as of September 30, 2015 and 2014 was as follows:

	<u>Deferred tax assets</u>	
	<u>30.09.2015</u>	<u>30.09.2014</u>
Opening balance	2,578,268	4,697,703
Effects in the income statement:		
Increase/(Decrease) in tax losses carried forward	(949,564)	2,545,654
Correction to the taxable income of prior years due to changes in tax legislation	-	(2,581,334)
Concession/(Use) of tax credits	(146,063)	-
Effects in equity:		
Fair value of derivate instruments	-	(89,923)
Closing balance	<u>1,482,641</u>	<u>4,572,100</u>

Tax expenses

Tax expenses recorded in the income statements for the period ended as of September 30, 2015 and 2014 are detailed as follows:

	<u>30.09.2015</u>	<u>30.09.2014</u>
Current Tax		
Income tax for the period	1,045,073	2,055,331
Insufficiency/(Excess) of prior years income tax	(131,166)	(135,234)
Restitution of income tax unduly collected in previous years	-	(1,105,424)
Concession/(Use) of tax credits	146,063	
Others	-	-
Deferred taxes	949,564	35,680
	<u>2,009,534</u>	<u>850,353</u>

As of September 30, 2015, 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, 20,200,000 Euro being challenged by the tax authorities. Under the adherence of the Group to the Tax and Social Security Debts' Regularization Exceptional Regime, approved by the Decree-Law no. 151-A/2013, of October 31 ("RERD"), the Group paid voluntarily, during the year ended as of 31 December 2013, an amount of 2,000,000 Euro, with the corresponding exemption of default and penalty interests and other costs of the tax process. Under that same regime the Group requested to the Tax Authorities the offset of part of the amounts challenged related with that inspection with credits that the Group had over the Tax Authorities (regarding Income Tax administrative and judicial appeals), having obtained, in the year ended as of December 31, 2014, the approval of the requirement in the amount of, approximately, 5,700,000 Euro. Consequently, the amount of the unresolved contingency, as of September 30, 2015, is, approximately 12,500,000 Euro.

In order to cope with these disputes, the Group recorded provisions, which correspond to the best estimate made by the Board of Directors, supported by their legal and tax advisors, of the impact that might outcome from the ongoing tax claims.

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**7. CASH AND CASH EQUIVALENTS**

As of September 30, 2015 and December 31, 2014, the caption "Cash and cash equivalents" can be detailed as follows:

	<u>30.09.2015</u>	<u>31.12.2014</u>
Cash	62,149	59,202
Bank deposits repayable on demand	3,722,850	9,299,790
Bank deposits repayable in less than 3 months	-	3,300,000
Cash and cash equivalents in accordance with the balance sheet	3,784,999	12,658,992
Bank overdrafts (Note 9)	-	(4,732,462)
Cash and cash equivalents	<u>3,784,999</u>	<u>7,926,530</u>

During the nine months period ended as of September 30, 2015, payments relating to investments were as follows:

<u>Acquisitions</u>	<u>% acquired</u>	<u>Transaction amount</u>	<u>Amount paid</u>
Adcom Media - Anúncios e Publicidade S.A.	20,00%	2.287.344	1.108.483
Metronews - Publicações, S.A.	41,00%	942.237	456.623
BUZ Participações Ltda.	100,00%	16.637	8.062
Gratuitgadget - SGPS, Lda.	100,00%	3.781	1.832
Destak Brasil - Empreendimentos e Participações, S.A.	5,98%	1	-
		<u>3.250.000</u>	<u>1.575.000</u>

During the nine months period ended as of September 30, 2014, payments relating to investments were as follows:

<u>Acquisitions</u>	<u>Transaction amount</u>	<u>Amount paid</u>
Cofina - Eventos e Comunicação S.A. (*)	317.560	47.560
Advances on account of financial investments	<u>1.425.000</u>	<u>1.425.000</u>
	<u>1.742.560</u>	<u>1.472.560</u>

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

During the nine months period ended as of September 30, 2015, the associated company VASP decreased its share capital in the amount of 2,297,700 Euro, distributing an additional amount of 702,300 Euro as dividends to its shareholders. As the Group holds a participation of 33% on this company, the Group received 765,900 Euro relating to the capital reduction and 234,100 Euro relating to dividends (420,000 Euro in the nine month period ended as of September 30, 2014).

**8. SHARE CAPITAL**

As of September 30, 2015, the Company's fully subscribed and paid up capital consisted of 102,565,836 shares without nominal value. As of that date, Cofina and the Group companies did not hold own shares.

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9. BANK AND OTHER LOANS

As of 31 December 2014 the caption "Bank loans" was made up exclusively of bank overdrafts (Note 7).

As of September 30, 2015 and December 31, 2014, the caption "Other loans" was made up as follows:

	30.09.2015			
	Book value		Nominal Value	
	Current	Non Current	Current	Non Current
Bond loans	-	48,965,501	-	50,000,000
Commercial paper	17,922,295	-	18,000,000	-
	<u>17,922,295</u>	<u>48,965,501</u>	<u>18,000,000</u>	<u>50,000,000</u>

  

	31.12.2014			
	Book value		Nominal Value	
	Current	Non Current	Current	Non Current
Bond loans	-	49,274,676	-	50,000,000
Commercial paper	23,496,752	-	23,500,000	-
	<u>23,496,752</u>	<u>49,274,676</u>	<u>23,500,000</u>	<u>50,000,000</u>

Bond loans

As of September 30, 2015, the non-current liability caption "Bond Loans" refers to a bond loan denominated "Obrigações Cofina SGPS – 2013/2019", amounting to 50,000,000 Euro, issued by Cofina SGPS, S.A. stated in accordance with the effective interest rate method, with a book value of 49,965,501 Euro. This loan, according to its terms, matures on September 28, 2019.

The main features of this loan are as follows:

- Issuer – Cofina, SGPS, S.A.;
- Nominal value – 50,000,000 Euro;
- Subscription date – September 27, 2013;
- Maturity – September 28, 2019;
- Reimbursement – at par, on interest payment dates, in three equal instalments, as of September 28, 2017, September 2018 and September 2019;
- Interest – postponed, corresponding to 6-month Euribor plus a spread of 3.8%.

Commercial paper

The liability caption "Commercial paper" relates to three commercial paper programs, in the maximum amounts of 15,000,000 Euro, 12,000,000 Euro, and 7,000,000 Euro, with guaranteed subscription by the banks and bear interests at market rates. These commercial paper programs mature in January 2016, September 2016 and April 2020, respectively.

Regarding these programs, as they can be terminated by any of the parts, in each annual/semiannual term date of the program, they were classified as current.



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**10. LEASING**

As of September 30, 2015 and December 31, 2014, 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>30.09.2015</u>	<u>31.12.2014</u>
Year n+1	30,844	30,844
Year n+2	14,236	14,236
	<u>45,080</u>	<u>45,080</u>
Short term	14,247	42,742
	<u>59,327</u>	<u>87,822</u>

**11. FINANCIAL RESULTS**

The financial income and expenses for the nine months period ended as of September 30, 2015 and 2014 are made up as follows:

	<u>30.09.2015</u>	<u>30.09.2014</u>
<u>Financial expenses</u>		
Interest paid	2,001,739	2,799,727
Interests related with derivatives	-	371,314
Bank commissions	320,032	486,584
Other financial expenses	49,993	30,022
Gains and losses in associated companies		
Application of the Equity Method	<u>385,897</u>	<u>-</u>
	<u>2,757,661</u>	<u>3,687,647</u>
<u>Financial income</u>		
Interest received	2,101	199,968
Gains and losses in associated companies		
Application of the Equity Method	<u>-</u>	<u>319,426</u>
	<u>2,101</u>	<u>519,394</u>

The amount reported as of September 30, 2014 as "Interests related with derivatives" regards to interests resulting of hedging interest-rate swap contracts associated to the Group loans that expired as of September 2014. As of September 30, 2015, there were no derivatives in force.

**12. RESPONSIBILITIES FOR GUARANTEES PROVIDED**

As of September 30, 2015, Cofina had provided guarantees as follows:

- a) Pledge of 112,268,150 shares of Cofina Media, S.A. in favour of the Portuguese Tax Authority ("Autoridade Tributária") as a guarantee for the ongoing income tax enforcement claims.

As of September 30, 2015, the Cofina Media group companies assumed responsibilities for guarantees granted amounting to 719,563 Euro, mainly in relation to advertising contests. These companies had also given promissory notes to guarantee credit facilities amounting to 68,500,000 Euro.

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**13. EARNINGS PER SHARE**

Earnings per share for the nine months period ended as of September 30, 2015 and 2014 were determined taking into consideration the following amounts:

	30.09.2015	30.09.2014
Net profit taken into consideration to calculate basic and diluted earnings per share	3,817,683	4,703,263
Weighted average number of shares used to calculate basic earnings per share	102,565,836	102,565,836
Earnings per share:		
Basic	0.04	0.05
Diluted	0.04	0.05

**14. 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 nine months periods ended as of September 30, 2015 and 2014 is detailed as follows:

	Newspapers	Magazines	Eliminations and consolidations adjustments	Total
<b>30.09.2015</b>				
Net operating income	60,601,000	14,764,081	-	75,365,081
Operating Cash-flow - EBITDA (a)	10,982,000	(236,160)	-	10,745,840
Operating profit	8,818,937	(236,160)	-	8,582,777
<b>30.09.2014</b>				
Net operating income	62,827,208	15,527,939	-	78,355,147
Operating Cash-flow - EBITDA (a)	10,785,160	213,013	-	10,998,173
Operating profit	8,593,965	183,331	-	8,777,296

(a) - Operating profit + amortisation and depreciation

**15. NET PROFIT / (LOSS) APPROPRIATION**

Relating to the year ended 31 December 2014, the Board of Directors proposed, in its annual report, that the net individual profit of Cofina, S.G.P.S., S.A., in the amount of 5,167,564.86 Euro would be distributed as dividends in the total amount of 2,051,316.72 Euro, and the remaining (3,116,248.14 Euro) transferred to "Other reserves", having that proposal been approved in the General Shareholders' Meeting held as of 14 April 2015.

**16. FINANCIAL STATEMENTS APPROVAL**

The interim financial statements as of September 30, 2015 were approved by the Board of Directors and authorized for issue on October 30, 2015.

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

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

AS OF SEPTEMBER 30, 2015

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17. EXPLANATION ADDED FOR TRANSLATION

These consolidated statements are a translation of financial statements originally issued in the International Accounting Standard 34 – Interim Financial Reporting, some of which may not confirm or be required to be accepted accounting principles in other countries. In the event of discrepancies, the Portuguese language version prevails.

THE CHARTERED ACCOUNTANT

THE BOARD OF DIRECTORS