



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

**1st quarter '16 FINANCIAL INFORMATION
(Unaudited)**

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, 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)	1Q 2015	1Q 2016	Var (%) 1Q16/1Q15
Consolidated operating revenue	23,425	22,584	-3.6%
Circulation	12,675	12,645	-0.2%
Advertising	7,186	6,411	-10.8%
Alternative marketing products and others	3,564	3,528	-1.0%
Operating expenses (a)	20,305	19,701	-3.0%
Consolidated EBITDA (b)	3,120	2,883	-7.6%
EBITDA Margin	13.3%	12.8%	- 0.5 p.p.
Amortisation and depreciation (-)	721	632	-12.3%
EBIT	2,399	2,251	-6.2%
EBIT Margin	10.2%	10.0%	- 0.2 p.p.
Net financial income / (loss)	(845)	(716)	-15.3%
Income before taxes and non-controlling interests	1,554	1,535	-1.2%
Income taxes (-)	545	532	-2.4%
Minority interests (-)	1	-	-100.0%
Net consolidated profit / (loss) (c)	1,008	1,003	-0.5%

(a) Operating expenses excluding amortisation

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

(c) Net Profit / (Loss) attributable to the parent company shareholders

The current period was characterized by a decrease of total revenues in relation to the prior year homologous period (-4%), with a decrease in all its components: circulation revenues (-0.2%), advertising revenues (-10.8%) and alternative marketing products and other revenues (-1%). It should be highlighted the negative impact in the first quarter 2016 of the fact that the Easter period occurred in the first quarter in 2016, while in the prior year it was celebrated in the second quarter.

EBITDA recorded in this period was approximately 2.9 million Euro, which represented a decrease of approximately 8% in relation to the prior year.

Consolidated net profit recorded in the end of the 1st quarter 2016 was 1 million Euro, consistent with the prior year.

As of March 31, 2016, Cofina's nominal net debt was 60.6 million Euro.

Next some key financial figures of the main business segments are presented:

Newspapers Segment

(amounts in thousand Euro)	1Q 2015	1Q 2016	Var (%) 1Q16/1Q15
Consolidated operating income	19,159	18,457	-3.7%
Circulation	10,211	10,332	1.2%
Advertising	5,804	5,258	-9.4%
Alternative marketing products and others	3,144	2,867	-8.8%
Operating expenses (a)	15,698	15,201	-3.2%
Consolidated EBITDA (b)	3,461	3,256	-5.9%
EBITDA Margin	18.1%	17.6%	- 0.5 p.p.

(a) Operating expenses excluding amortisation

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

Cofina's newspapers segment recorded, in the first quarter of 2016, a total income of approximately 18.5 million Euro, a decrease of 4% when compared to the same period of the prior year.

Income from circulation recorded an increase of approximately 1.2%, reaching 10.3 million Euro. Advertising revenues recorded a decrease of 9.4%, reaching approximately 5.3 million Euro. Alternative marketing products income and other revenues income recorded a decrease of 9%, reaching 2.9 million Euro.

Therefore, EBITDA of the newspapers segment reached 3.3 million Euro, a decrease of 6% in relation to the prior year. EBITDA margin reached 17.6%.

The newspapers segment includes the results of the TV channel "Correio da Manhã TV", which, from January 2016 onwards, started being distributed in the two largest national television cable platforms: NOS and MEO.

The channel has been systematically beating audience records, closing the month of April with a 2.1% share, overcoming SIC Notícias (2%), TVI24 (1.8%) and RTP3 (0.7%). Currently, CMTV is already the market leader in the information segment of cable channels, being only present in 85% of the market (as the channel is still not present in Vodafone and Cabovisão platforms).

Magazines Segment

During the first quarter of 2016, total income of this segment reached approximately 4.1 million Euro, reflecting a decrease of approximately 3% when compared to prior year's homologous period.

(amounts in thousand Euro)	1Q 2015	1Q 2016	Var (%) 1Q16/1Q15
Consolidated operating income	4,266	4,127	-3.3%
Circulation	2,464	2,313	-6.1%
Advertising	1,382	1,153	-16.6%
Alternative marketing products and others	420	661	57.4%
Operating expenses (a)	4,607	4,500	-2.3%
Consolidated EBITDA (b)	-341	-373	9.4%
EBITDA Margin	-8.0%	-9.0%	- 1.0 p.p.

(a) Operating expenses excluding amortisation

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

Circulation income recorded a decrease of 6.1%, reaching approximately 2.3 million Euro, while advertising income recorded a decrease of 17%. Alternative marketing products income recorded an increase of 57%.

EBITDA of the magazines segment recorded in the first quarter of 2016 was of -373 thousand Euro.

CONSOLIDATED FINANCIAL STATEMENTS AND NOTES

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Consolidated financial statements and notes

(Translation of financial statements originally issued in Portuguese – Note 16)

(Amounts expressed in Euros)

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

CONSOLIDATED STATEMENTS OF FINANCIAL POSITION AS OF 31 MARCH 2016 AND 31 DECEMBER 2015

(Translation of financial statements originally issued in Portuguese - Note 16)

(Amounts expressed in Euro)

ASSETS	Notes	31.03.2016	31.12.2015
NON CURRENT ASSETS			
Tangible assets		4,241,438	4,466,425
Goodwill	5	88,863,00/	88,895,51/
Intangible assets		2,668	191,706
Investments in associated companies	4	3,252,320	3,141,284
Investments held for sale	4	199,030	9,080
Investments recorded at fair value through profit and loss		20,928	16,933
Other non current debtors		350,000	350,000
Other non current assets		1,194,507	1,592,676
Deferred tax assets		1,573,715	1,573,715
Total non current assets		99,697,613	100,131,396
CURRENT ASSETS			
Inventories		1,837,284	1,991,290
Customers		8,354,111	9,712,319
State and other public entities		1,131,284	905,275
Other current debtors		1,119,332	392,502
Other current assets		7,738,768	7,920,681
Cash and cash equivalents	7	7,540,553	8,193,580
Total current assets		27,721,332	29,115,647
TOTAL ASSETS		127,418,945	129,247,043
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
Exchange conversion reserve		(1,116,194)	(1,234,642)
Other reserves		(23,125,062)	(28,186,288)
Consolidated net profit/(loss) for the period attributable to the parent company		1,002,661	5,061,226
Equity attributable to equity holder of the parent company		23,686,843	22,565,734
Non-controlling interests		-	-
TOTAL EQUITY		23,686,843	22,565,734
LIABILITIES			
NON CURRENT LIABILITIES			
Other loans	9	49,080,564	49,521,018
Other non current creditors		15,090	15,090
Provisions		12,422,521	12,485,094
Total non current liabilities		61,518,175	62,021,202
CURRENT LIABILITIES			
Other loans	9	18,101,032	17,989,994
Suppliers		9,252,930	12,467,270
State and other public entities		3,415,267	3,292,142
Other current creditors		3,099,481	2,490,579
Other current liabilities		8,345,217	8,420,122
Total current liabilities		42,213,927	44,660,107
TOTAL LIABILITIES		103,732,102	106,681,309
TOTAL EQUITY AND LIABILITIES		127,418,945	129,247,043

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

The Chartered Accountant

The Board of Directors

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(Translation of financial statements originally issued in Portuguese – Note 16)

(Amounts expressed in Euros)

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

CONSOLIDATED STATEMENTS OF PROFIT AND LOSS BY NATURE

FOR THE THREE MONTH PERIOD ENDED 31 MARCH 2016 AND 2015

(Translation of financial statements originally issued in Portuguese - Note 16)

(Amounts expressed in Euro)

	Notes	31.03.2016	31.03.2015
Sales	13	12,644,935	12,675,295
Services rendered	13	6,411,363	7,185,627
Other operating income	13	3,528,097	3,564,057
Cost of sales		(2,905,508)	(3,192,110)
External supplies and services		(8,571,411)	(9,176,934)
Payroll expenses		(8,048,184)	(7,841,648)
Amortisation and depreciation		(632,510)	(721,162)
Provisions and impairment losses		(94,503)	(34,659)
Other operating expenses		(81,705)	(59,697)
Financial expenses	10	(754,764)	(847,314)
Financial income	10	38,578	2,100
Profit before income tax		1,534,388	1,553,555
Income tax	6	(531,727)	(544,581)
Net consolidated profit / (loss) for the period		1,002,661	1,008,974
Attributable to:			
Shareholders of the parent company		1,002,661	1,007,895
Non-controlling interests		-	1,079
Earnings per share:			
Basic	12	0.01	0.01
Diluted	12	0.01	0.01

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

CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY FOR THE THREE MONTH PERIODS ENDED AS OF 31 MARCH 2016 AND 2015

(Translation of financial statements originally issued in Portuguese - Note 16)

(Amounts expressed in Euro)

	Attributable to equity holders of the parent company								
	Share capital	Share premium account	Legal reserve	Exchange conversion rate	Other reserves	Net profit / (loss)	Total	Non controlling interests	Total equity
Balance as of 1 January 2015	25,641,459	15,874,835	5,409,144	(550,415)	(32,363,232)	6,173,887	20,185,678	90,981	20,276,699
Appropriation of consolidated net result for 2014:									
Transfer to legal reserve and retained earnings					6,173,887	(6,173,887)			
Changes in reserves and non-controlling interests:									
Other changes					128,954		128,954	5,165	134,119
Total comprehensive income for the period									
for the three month period ended 31 March 2015				(191,233)		1,007,895	816,662	1,079	817,741
Balance as of 31 March 2015	<u>25,641,459</u>	<u>15,874,835</u>	<u>5,409,144</u>	<u>(741,648)</u>	<u>(26,060,391)</u>	<u>1,007,895</u>	<u>21,131,294</u>	<u>97,225</u>	<u>21,228,519</u>
Balance as of 1 January 2016	25,641,459	15,874,835	5,409,144	(1,234,642)	(28,186,288)	5,061,226	22,565,734	-	22,565,734
Appropriation of consolidated net result for 2015:									
Transfer to legal reserve and retained earnings					5,061,226	(5,061,226)			
Distributed dividends									
Changes in reserves and non-controlling interests:									
Other changes									
Total comprehensive income for the period									
for the three month period ended 31 March 2016				118,448		1,002,661	1,121,109	-	1,121,109
Balance as of 31 March 2016	<u>25,641,459</u>	<u>15,874,835</u>	<u>5,409,144</u>	<u>(1,116,194)</u>	<u>(23,125,062)</u>	<u>1,002,661</u>	<u>23,666,843</u>	<u>-</u>	<u>23,666,843</u>

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(Amounts expressed in Euros)

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

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME

FOR THE THREE MONTH PERIODS ENDED 31 MARCH 2016 AND 2015

(Translation of financial statements originally issued in Portuguese - Note 16)

(Amounts expressed in Euro)

	31.03.2016	31.03.2015
Profit / (loss) for the period	1,002,661	1,008,974
Other comprehensive income:		
Items that will be reclassified to net income:		
Exchange differences on translation of foreign operations	118,448	(191,233)
Total comprehensive income for the period	<u>1,121,109</u>	<u>817,741</u>
Attributable to:		
Shareholders of the parent company	1,121,109	816,662
Non-controlling interests	<u>-</u>	<u>1,079</u>

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(Amounts expressed in Euros)

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

CONDENSED CONSOLIDATED STATEMENTS OF CASH-FLOWS
FOR THE THREE MONTH PERIODS ENDED 31 MARCH 2016 AND 2015
(Translation of financial statements originally issued in Portuguese - Note 16)
(Amounts expressed in Euro)

	Notes	31.03.2016	31.03.2015
Operating activities:			
<i>Cash flow from operating activities (1)</i>		<u>1,024,572</u>	<u>978,502</u>
Investment activities:			
Collections relating to:			
Interest and similar income	821	11,571	
Dividends	-	234,100	245,671
Payments relating to:			
Investments	(252,450)	(1,575,000)	
Tangible assets	(192,062)	(52,562)	
Intangible assets	(82,839)	(70,937)	
Loans conceded	(100,000)	(627,351)	-
<i>Cash flow from investment activities (2)</i>		<u>(626,529)</u>	<u>(1,452,828)</u>
Financing activities			
Collections relating to:			
Loans obtained	9,991,384	9,991,384	12,150,000
Payments relating to:			
Interest and similar costs	(674,491)	(1,140,998)	
Amortisation of leasing contracts	(15,353)	(3,926)	
Loans obtained	(10,352,610)	(11,042,454)	(12,644,924)
<i>Cash flow from financing activities (2)</i>		<u>(1,051,070)</u>	<u>(494,924)</u>
Cash and its equivalents at the beginning of the period	7	8,193,580	7,446,155
Variation of cash and its equivalents: (1)+(2)+(3)		<u>(653,027)</u>	<u>(969,250)</u>
Cash and its equivalents at the end of the period	7	<u>7,540,553</u>	<u>6,476,905</u>

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

The Chartered Accountant

The Board of Directors

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Consolidated financial statements and notes

(Translation of financial statements originally issued in Portuguese – Note 16)

(Amounts expressed in Euros)

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 has its shares listed in the Lisbon Euronext Stock Exchange ("Euronext Lisbon"). 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 Cofina Group owns headings of reference in their respective segments, editing 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. Additionally, since the year of 2013, the Cofina Group incorporated in its portfolio of activities the television channel "CMTV".

During the first quarter ended as of 31 March 2016, the Cofina Group developed its activity mainly in Portugal, having also some interests in Brazil, through the investment in the associated company Destak Brasil and in the subsidiary Adcom Media (Note 4).

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.

The accompanying consolidated financial statements have been prepared on a going concern basis.

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 31 March 2016 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 2015.

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.

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(Amounts expressed in Euros)

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 31 March 2016 are as follows:

Designation	Headquarters	Percentage participation held	Activity
<u>Parent company:</u>			
Cofina, SGPS, S.A.	Porto		Investment management
<u>Cofina Media Group:</u>			
Cofina Media, S.A. ("Cofina Media")	Lisbon	100.00%	Newspapers and magazine publication, television broadcast, production and creation of websites for online business development, events promotion and organization.
Grafedisport – Impressão e Artes Gráficas, S.A. ("Grafedisport")	Queluz	100.00%	Newspaper print
Adcom Media – Anúncios e Publicidade S.A. ("Adcom Media")	São Paulo, Brasil	100.00%	Communication and advertising services

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 31 March 2016 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, Brasil	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

Associated company VASP and Destak Brasil were included in the consolidated financial statements in accordance with the equity method. The company Mercados Globais is recorded at acquisition cost, less impairment losses.

During the year ended as of 31 December 2015, Cofina Group proceeded to the settlement of its subsidiary Buzz Participações Ltda.. Therefore, that company, as at that date, ceased to be part of the consolidation perimeter.

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(Amounts expressed in Euros)

Investments in associated companies

The acquisition cost of the associated companies and their book value as of 31 March 2016 are as follows:

Designation	Acquisition Cost	Book value
VASP – Sociedade de Transportes e Distribuições, Lda.	€ 6,234	€ 3,052,320
Destak Brasil – Empreendimentos e Participações, S.A.	€ 299,065	€ (176,558)
Mercados Globais – Publicação de Conteúdos, Lda.	€ 72,000	-

As of 31 March 2016 and 31 December 2015 the caption "Investments in associated companies" can be detailed as follows:

	31.03.2016	31.12.2015
Financial Investment		
VASP – Sociedade de Transportes e Distribuições, Lda.	3,052,320	3,041,284
Mercados Globais - Publicação de Conteúdos, Lda.	72,000	72,000
	3,124,320	3,113,284
Accumulated impairment losses on investments in associated companies	(72,000)	(72,000)
	3,052,320	3,041,284
Loans granted		
Destak Brasil Empreendimentos	200,000	100,000
	3,252,320	3,141,284

Investments available for sale

As of 31 March 2016 and 31 December 2015 the Group has investments available for sale corresponding to non-controlling investments in unlisted companies. The Group has recorded impairment losses to face differences to the net realizable amount, presenting this caption, as of those dates, a net book value of 199,030 Euro and 9,080 Euro, respectively. As of 31 March 2016 and as of 31 December 2015 the total investments for which adjustments were made in the same value amount to 306,939 Euro and 244,439 Euro, respectively.

5. GOODWILL

During the three months periods ended as of 31 March 2016 and 2015, the movement in the caption "Goodwill" fully refers to the changes in exchange rates in the period then ended of the computed Goodwill attributable to the subsidiary Adcom Media.

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6. INCOME TAX

As of 31 March 2016 and 2015, the caption "Income Tax" is made up as follows:

	31.03.2016	31.03.2015
Current tax		
Income tax for the period	531,727	106,925
Provision for taxes	-	231,818
Deferred tax	-	205,838
	531,727	544,581

As of 31 March 2016, 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 n.º 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 31 December 2014, the approval of the requirement in the amount of, approximately, 5,700,000 Euro. Consequently, the amount of the unresolved contingency, as of 31 March 2016, 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.

7. CASH AND CASH EQUIVALENTS

As of 31 March 2016 and 2015 and as of 31 December 2015, the caption "Cash and cash equivalents" can be detailed as follows:

	31.03.2016	31.12.2015	31.03.2015
Cash	69,071	66,058	60,350
Bank deposits repayable on demand	3,971,482	8,127,522	6,416,555
Bank deposits repayable in less than 3 months	3,500,000	-	-
Cash and cash equivalents	7,540,553	8,193,580	6,476,905

8. SHARE CAPITAL

As of 31 March 2016, 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 March 2016 and 31 December 2015, the caption "Other loans" was made up as follows:

	31.03.2016			
	Book value		Nominal value	
	Current	Non current	Current	Non current
Bond loans	-	49,080,564	-	50,000,000
Commercial paper	18,101,032	-	18,150,000	-
	<u>18,101,032</u>	<u>49,080,564</u>	<u>18,150,000</u>	<u>50,000,000</u>

	31.12.2015			
	Book value		Nominal value	
	Current	Non current	Current	Non current
Bond loans	-	49,521,018	-	50,000,000
Commercial paper	17,989,994	-	18,000,000	-
	<u>17,989,994</u>	<u>49,521,018</u>	<u>18,000,000</u>	<u>50,000,000</u>

Bond loans

As of 31 March 2016, 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. recorded in accordance with the effective interest rate method, with a book value of 49,080,564 Euro. This loan, according to its terms, matures on September 28, 2019.

The main features of this bond loan are as follows:

i) Cofina, SGPS, S.A.:

- Issuer – Cofina, SGPS, S.A.;
- Nominal value – 50,000,000 Euro;
- Subscription date – 27 de Setembro de 2013;
- Maturity – 28 de Setembro de 2019;
- Reimbursement – at par, on interest payment dates, in three equal instalments, as of 28 September 2017, 28 September 2018 and 28 September 2019;
- Interests – 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 12,000,000 Euro, 7,000,000 Euro and 5,000,000 Euro, with guaranteed subscription by the banks, which bear interest at market rates. These commercial paper programs mature in September 2016, April 2020 and November 2018, respectively.

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(Amounts expressed in Euros)

10. FINANCIAL RESULTS

The financial income and expenses for the three months periods ended as of 31 March 2016 and 2015 are made up as follows:

	31.03.2016	31.03.2015
<u>Financial expenses</u>		
Interest paid	(532,125)	(638,656)
Commissions	(153,875)	(161,568)
Other financial expenses	(68,764)	(5,492)
<u>Gains and Losses in associated companies</u>		
Application of the Equity Method	-	(41,598)
	<u>(754,764)</u>	<u>(847,314)</u>
<u>Financial income</u>		
Interest received	5,547	2,100
<u>Gains and Losses in associated companies</u>		
Application of the Equity Method	33,031	-
	<u>38,578</u>	<u>2,100</u>

11. RESPONSIBILITIES FOR GUARANTEES PROVIDED

As of 31 March 2016, Cofina had provided guarantees as follows:

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

As of 31 March 2016, Cofina Media group companies had assumed responsibilities for guarantees granted amounting to 578,553 Euro mainly related to its advertising activities (329,109 Euro) and ongoing tax and civil proceedings (249,791 Euro).

Additionally, as of 31 March 2016, the Group had also given promissory notes to guarantee credit facilities amounting to 68,500,000 Euro.

12. EARNINGS PER SHARE

Earnings per share for the three months periods ended as of 31 March 2016 and 2015 were determined taking into consideration the following amounts:

	31.03.2016	31.03.2015
Net profit / (loss) considered for the computation of basic and diluted earnings	1,002,661	1,007,895
Weighted average number for shares used to compute the basic earnings per share	102,565,836	102,565,836
Earnings per share:		
Basic	0.01	0.01
Diluted	0.01	0.01

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(Translation of financial statements originally issued in Portuguese – Note 16)

(Amounts expressed in Euros)

13. SEGMENT INFORMATION

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

- Newspaper;
- Magazines.

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

The information for the three months periods ended as of 31 March 2016 and 2015 is detailed as follows:

31.03.2016	Newspapers	Magazines	Consolidation adjustments and elimination	Total
			adjustments and elimination	
Net operating income	18,457,235	4,127,160	-	22,584,395
Operating cash-flow - EBITDA (a)	3,256,045	(372,961)	-	2,883,084
Operating profit (EBIT)	2,623,535	(372,961)	-	2,250,574

31.03.2015	Newspapers	Magazines	Consolidation adjustments and elimination	Total
			adjustments and elimination	
Net operating income	19,159,043	4,265,936	-	23,424,979
Operating cash-flow - EBITDA (a)	3,461,043	(341,112)	-	3,119,931
Operating profit (EBIT)	2,739,881	(341,112)	-	2,398,769

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

14. NET PROFIT APPROPRIATION

Relating to the year ended as of 31 December 2015, the Board of Directors proposed, in its annual report, that from the individual net profit of Cofina, S.G.P.S., S.A., in the amount of 6,472,693.96 Euro, 1,538,487.54 Euro, which corresponds to a dividend of 0.015 Euro per share, would be distributed as dividends and the remainder in the amount of 4,934,206.42 Euro would be transferred to caption "Other reserves", having that proposal been approved in the General Shareholders' Meeting held as of 21 April 2016.

15. FINANCIAL STATEMENTS APPROVAL

The interim financial statements as of 31 March 2016 were approved by the Board of Directors for issuance on 5 May 2016.

16. 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) as adopted by the European Union, 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.