



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 inte	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.

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CONSOLIDATED STATEMENTS OF FINANCIAL POSITION FOR THE PERIODS ENDED 31 MARCH 2016 AND 31 DECEMBER 2015
(Amounts expressed in Euro)

ASSETS	31.03.2016	31.12.2015
NON CURRENT ASSETS		
Tangible assets	4,241,438	4,466,425
Goodwill	88,863,007	88,789,577
Intangible assets	2,668	191,706
Investments in associated companies	3,252,320	3,141,284
Investments held for sale	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	7,540,553	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	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 reserves	(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	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	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

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

CONSOLIDATED STATEMENTS OF PROFIT AND LOSS BY NATURES
FOR THE THREE MONTH PERIODS ENDED 31 MARCH 2016 AND 2015

(Amounts expressed in Euro)

	31.03.2016	31.03.2015
Sales	12,644,935	12,675,295
Services rendered	6,411,363	7,185,627
Other operating income	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	(754,764)	(847,314)
Financial income	38,578	2,100
Profit before income tax	1,534,388	1,553,555
Income tax	(531,727)	(544,581)
Net consolidated profit / (loss) †	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	0.01	0.01
Diluted	0.01	0.01

Porto, May 5, 2016

The Board of Directors