



COFINA, SGPS, S.A.
Public Company

Head Office: Rua do General Norton de Matos, 68, r/c – Oporto
Fiscal Number 502 293 225
Share Capital: 25,641,459 Euro

**Financial Information – 1st Quarter of 2018
(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 in 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 prevails.

The consolidated financial information of Cofina for the first quarter of 2018, prepared in accordance with the recognition and measurement principles of the International Financial Reporting Standards (IFRS), can be presented as follows:

(thousand Euro)	1Q 2018	1Q 2017	Var (%)
Operational Revenues	21,012	20,554	2.2%
Circulation	10,392	11,106	-6.4%
Advertising	5,791	6,384	-9.3%
Alternative marketing products and others	4,829	3,064	57.6%
Operational Revenues by Segment	21,012	20,554	2.2%
Newspapers	18,254	17,330	5.3%
Magazines	2,758	3,224	-14.5%
Operational Costs (a)	18,606	18,217	2.1%
Consolidated EBITDA (b)	2,406	2,337	3.0%
EBITDA Margin	11.5%	11.4%	
Amortization and Depreciation (-)	420	462	-9.1%
EBIT	1,986	1,875	5.9%
EBIT Margin	9.5%	9.1%	
Net Financial income / (loss)	-734	-991	-25.9%
Income before taxes	1,252	884	41.6%
Income taxes (-)	504	236	
Net Consolidated Profit / (loss) (c)	748	648	15.4%

(a) Operational Costs excluding amortization

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

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

Increase in revenues, EBITDA and consolidated net profit

The first quarter of 2018 was characterized by an increase of operational revenues, essentially motivated by the contribution of CMTV, which resulted into a growth in EBITDA.

Hence, the quarter in analysis, recorded total revenues around 21 million Euro, an increase of 2.2% when compared to the level of total revenues recorded in the first quarter of 2017. In terms of captions, circulation and advertising revenues recorded a decrease of 6.4% and 9.3%, respectively. On the other hand, alternative marketing products and other revenues, where the fees regarding CMTV presence in cable platforms are included, recorded an increase of 58%, reaching approximately 4.8 million Euro.

Regarding “Correio da Manhã TV” channel, it should be highlighted its performance in terms of audience which has systematically beaten records. Therefore, during the first quarter of 2018,



CMTV recorded an average share of 3.15%, being the channel with the highest audience in the cable and the fourth largest Portuguese channel, behind the three main Free to Air channels.

On the other hand, the comparison between quarters is affected by the discontinuity of the magazine “*Vogue*”, which occurred in 2017.

Operational costs reached 18.6 million Euro, having recorded an increase of about 2.1%. The increase of costs was essentially due to the reinforcement of Cofina’s investment in growing business areas, such as TV.

Hence, EBITDA reached 2.4 million Euro, which corresponds to an increase of 3% when compared to the same period of 2017. EBITDA margin reached 11.5%.

Cofina will continue to invest in growth business areas which may enhance potential synergies within the existing businesses. Hence, it is important to refer that, in March 2018, the online gaming platform www.nossaaposta.pt, 40% owned by Cofina, obtained the licence to explore the sports odd-bets, where the player bets against the explorer entity.

The above-mentioned licence is valid for three years, expiring in March 2021 if not extended, according to the terms and conditions of the Online Gaming Regulation (“*Regulamento do Jogo Online*” (RJO)).

It should be noted that *A Nossa Aposta* is consolidated under the equity method, thus does not have any impact in Cofina’s operational revenues neither in consolidated EBITDA.

Consolidated net profit reached 748 thousand Euro, an increase of 15% in relation to the first quarter of 2017.

As of 31 March 2018, Cofina’s nominal net debt was 50.0 million Euro, in line with the nominal net debt recorded at the end of 2017.

Oporto, May 11, 2018