



COFINA, SGPS, S.A.
Open Capital Company

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

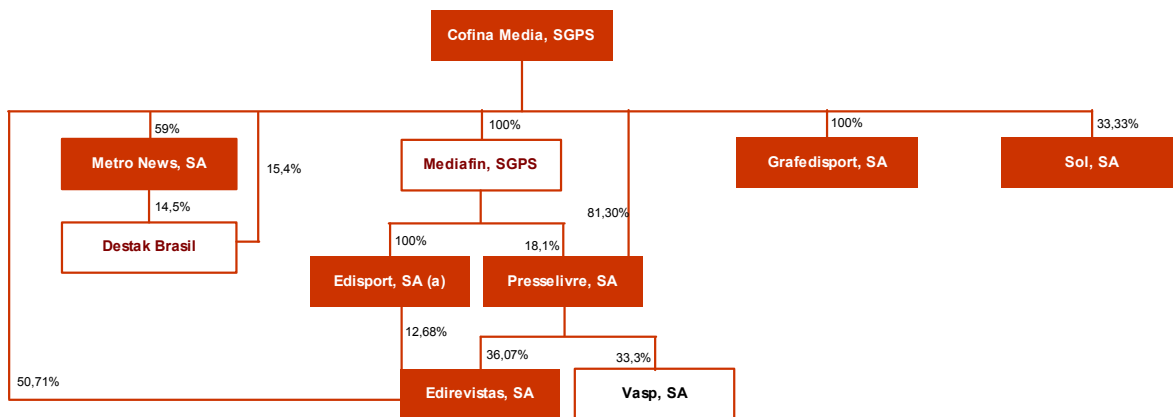
BUSINESS EVOLUTION FOR THE YEAR 2007

After the demerger of its industrial operations as of March 2005, Cofina’s activity is now focused in media operations, namely daily and non-daily press.

The Group’s most significant changes in the year 2007 can be summarized as follows:

- Launching of the generalist daily free newspaper “Meia-Hora” in June 2007;
- In October 2007, and assuming accounting effects reported to 1 January 2007, several mergers by incorporation took place in order to structure the Group’s investments by segments of activity with the purpose of adapting the companies to the growing demands of the editorial Portuguese market. In the sequence of this operations the following companies were extinguished:
 - TVG – Editora de Publicações e Multimédia, Lda.
 - Edisport – Sociedade de Publicações Desportivas, S.A.
 - Investec II SGPS, S.A.
 - Cofina.Com II SGPS, S.A.
- In December 2007 Cofina Media acquired 33.33% of the share-capital of “O Sol é Essencial, S.A.”, company which owns the weekly newspaper “Sol”.

Therefore, Cofina Media Group’s structure as of 31 December 2007 can be presented as follows:



(a) – Company previously designated “Canal de Negócios – Edição de Publicações, Lda.”

The year 2007 was highlighted by an adverse macroeconomic environment which impacted the domestic demand. Nonetheless Cofina was able to reinforce its market leadership in its main titles, namely the daily newspaper “Correio da Manhã”, and gain market share in other publications, with special regard to the weekly newsmagazine “Sábado”.

In which concerns to paid circulation, Cofina Group was able to maintain its leadership among the main Portuguese media groups, with a share of 27% in accumulated paid circulation in the first 9 months of the year (latest available information).

Editorial Group	Paid Circulation 2007		Paid Circulation 2006	
		Share		Share
Cofina	64,218,293	27%	64,039,599	27%
Global Notícias	52,398,529	22%	54,225,903	23%
Impala	28,714,176	12%	30,726,817	13%
Impresa	23,341,961	10%	23,673,733	10%

Source: APCT

Number of copies sold in the first 3 quarters of the year

It is important to highlight the performance of the news magazine “Sábado”, which has consistently grown above the market average and of its competitors. “Sábado” current market share is 36%, 2 percentage points above the 34% share in 2006, which means a reinforced position in paid publications of over 18% in comparison with the preceding year.

Weekly generalist magazines	Paid circulation		Evolution paid circulation	Shares of paid circulation	
	2007	2006		2007	2006
Sábado	66,103	55,887	18.3%	36%	34%
Visão	102,673	93,761	9.5%	56%	57%
Focus	15,534	15,357	1.2%	8%	9%
Market	184,310	165,005	11.7%		

Source: APCT

Average number of copies sold by edition in the first 3 quarters of the year

Sábado: Began in May 2004

Concerning the advertising market, Cofina was able to perform above its main competitors increasing its share from 20% to 21%.

Editorial Group	Advertising investment 2007		Advertising investment 2006	
		Share		Share
Cofina	174,151,312	21%	149,345,713	20%
Impresa	146,101,222	18%	131,702,359	18%
Global Notícias	131,316,306	16%	125,379,779	17%
Impala	58,882,428	7%	54,058,306	7%

Source: Mediamonitor

Amounts in tabled prices in Euro

CONSOLIDATED INFORMATION

The consolidated financial information for the year of 2007 was prepared in accordance with the recognition and measurement principles of International Financial Reporting Standards (IFRS) as adopted by the European Union, and can be presented as follows:

(thousands in Euro)	2007	2006	Var (%)
Consolidated Operating Income	134,635	131,325	2.5%
Consolidated EBITDA (a)	20,549	17,779	15.6%
EBITDA margin	15.3%	13.5%	+1,8 pp
Consolidated EBIT	16,935	14,661	15.5%
Net consolidated profit (b)	10,121	9,687	4.5%

(a) EBITDA = operating net profit + amortisation and depreciation

(b) Net profit attributable to the parent company's shareholders

The operating income reached approximately 135 million Euro in the year ended 31 December 2007, representing a growth of 3% in comparison with the homologous period.

Operating cash-flow (EBITDA) amounted to 20.5 million Euro, increasing 16% in comparison with 2006. The EBITDA margin reached 15.3% (13.5% in 2006) reflecting a 1.8 percentage points growth.

The consolidated net profit amounted to 10.1 million Euro, increasing 5% towards the homologous period of 2006.

The Group's nominal bank debt amounted to 237.5 million Euro, corresponding to a nominal net debt of 13.4 million Euro.

In a more detailed way the Group's performance may be presented as follows:

(amounts in thousand Euro)	2007	2006	Var (%)
Operating Income	134,635	131,325	2.5%
Circulation	58,842	57,167	2.9%
Advertising	61,860	55,121	12.2%
Alternative marketing products and others	13,933	19,037	-26.8%
Operating income by segments	134,635	131,325	2.5%
Newspapers	94,807	91,633	3.5%
Magazines	39,828	39,692	0.3%
Operating Expenses (a)	114,086	113,546	0.5%
Consolidated EBITDA (b)	20,549	17,779	15.6%
EBITDA margin	15.3%	13.5%	+1,8 p.p.
Newspapers	18,354	17,087	7.4%
Newspapers EBITDA margin	19.4%	18.6%	+0,8 p.p.
Magazines	2,195	692	217.2%
Magazines EBITDA margin	5.5%	1.7%	+3,8 p.p.
Amortisation and depreciation (-)	3,614	3,118	15.9%
EBIT	16,935	14,661	15.5%
EBIT margin	12.6%	11.2%	+1,4 p.p.
Net financial expenses	(13,051)	(1,765)	639.4%
Income before taxes and minority interests	3,884	12,896	-69.9%
Income taxes	(6,250)	3,194	ss
Minority interests (-)	13	15	-13.3%
Net consolidated profit (c)	10,121	9,687	4.5%

(a) Operating expenses excluding amortisation and depreciation

(b) EBITDA = operating net profit + amortisation and depreciation

(c) Net profit attributable to the parent company's shareholders

The operating income for 2007 increased 3%, standing out the 12% growth in the advertising income. The alternative marketing products income pursued the market trend felt since 2005, due to some consumption retraction in this kind of products, presenting a reduction of 27% in comparison with the homologous period of 2006.

The increase in operating income was stronger than the increase in operating expenses leading to an EBITDA growth of 16%, reaching 20.5 million Euro. The EBITDA margin grew 1.8 percentage points from 13.5% in 2006 to 15.3% in 2007.

EBIT overcame 16.9 million Euro increasing 16% in comparison with 2006.

The caption "Net financial expenses" includes the effect of the valuation of the investments held in listed shares at its market value.

On the other hand, the caption "Income taxes" includes the positive effect related to tax losses carried forward generated during 2007 by the companies included in the Special Regimen of Taxation of Groups of Companies, dominated by Cofina, S.G.P.S., S.A., which are expected to be used during the period predicted in the applicable law.

Newspapers segment

(amounts in thousand Euro)	2007	2006	Var (%)
Consolidated operating income	94,807	91,633	3.5%
Circulation	42,678	41,059	3.9%
Advertising	43,992	40,123	9.6%
Alternative marketing products and others	8,137	10,451	-22.1%
Operating expenses (a)	76,453	74,546	2.6%
Consolidated EBITDA (b)	18,354	17,087	7.4%
EBITDA margin	19.4%	18.6%	+0,8 p.p.

(a) Operating expenses excluding amortisation and depreciation

(b) EBITDA = operating net profit + amortisation and depreciation

Operating income for the newspapers segment during the period grew around 4%, mostly remarking the increase of 10% in the advertising income in comparison with the homologous period of 2006. Circulation income grew 4%, reaching approximately 43 million Euro during the year.

The 2.6% growth recorded in the operating expenses was lead by costs incurred with promotional activities within this segment.

EBITDA reached over 18.4 million Euro, having grown 7% in comparison with the year 2006. The EBITDA margin was 19.4% (18.6% in the year 2006).



Magazines segment

(amounts in thousand Euro)	2007	2006	Var (%)
Consolidated operating income	39,828	39,692	0.3%
Circulation	16,164	16,108	0.3%
Advertising	17,868	14,998	19.1%
Alternative marketing products and others	5,796	8,586	-32.5%
Operating expenses (a)	37,633	39,000	-3.5%
Consolidated EBITDA (b)	2,195	692	217.2%
EBITDA margin	5.5%	1.7%	+3,8 p.p.

(a) Custos operacionais excluindo amortizações

(b) EBITDA = resultados operacionais + amortizações

For the year 2007, operating income in Cofina's magazines segment recorded a slight increase (+0.3%) in comparison with 2006, reaching 39.8 million Euro. Nevertheless, it should be highlighted the increase of 19% and 217% in advertising income and in EBITDA, respectively.

The operating expenses component recorded a decrease of 3.5%, allowing EBITDA margin to reach 5.5% in the end of 2007, which represents a growth of 3.8 percentage point.

Also to be remarked is the performance of the weekly newsmagazine "Sábado" which, in comparison with the homologous period of the preceding year, noted a significant growth both in circulation income as well as in advertising income.

Porto, March 13th, 2008

João Borges de Oliveira
Director

Alfredo Portocarrero
Controller