



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 Euros

Annual financial information - FY18
(Unaudited)

This document is a translation of a document originally issued in Portuguese, prepared using accounting policies consistent with the International Financial Reporting Standards, 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 in 2018, prepared in accordance with the recognition and measurement principles of the International Financial Reporting Standards (IFRS), can be presented as follows:

(Thousand Euro)	2018	2017 (restated)	Var (%) 2018/2017
Operational revenues	89,293	89,715	-0.5%
Circulation	43,059	45,844	-6.1%
Advertising	28,115	29,674	-5.3%
Alternative marketing products and others	18,119	14,197	27.6%
Operational costs (a)	74,366	76,412	-2.7%
Consolidated EBITDA (b)	14,927	13,303	12.2%
EBITDA Margin	16.7%	14.8%	+1.9 p.p.
Restructuring costs	-	(2,450)	-
Goodwill impairment	(800)	-	-
Consolidated adjusted EBITDA (b)	14,127	10,853	30.2%
Amortization	1,288	1,511	-14.8%
EBIT (c)	12,839	9,342	37.4%
EBIT Margin	14.4%	10.4%	+4.0 pp
Net financial income / (loss)	(2,726)	(3,072)	-11.3%
Profit before taxes of discontinuing operations	10,113	6,270	61.3%
Income taxes	3,914	1,448	170.3%
Profit after taxes of continuing operations	6,199	4,822	28.6%
Profit of descontinuing operations	454	246	84.6%
Net consolidated profit (d)	6,653	5,068	31.3%

(a) Operational costs excluding amortization

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

(c) EBIT = earnings before interest and taxes

(d) Net Profit attributable to the parent company

EBITDA recorded a 12% increase to 14.9 M€

Cofina's consolidated total revenues in 2018 amounted to 89.3 million Euro, which corresponds to a slight decrease of 1% over 2017. This reduction is due to decreases recorded in circulation (-6%) and advertising (-5%) revenues. The revenues from alternative marketing products and others, where the transmission fees of the channel "Correio da Manhã TV" (CMTV) in all cable television platforms are included, recorded a 28% increase.

In terms of portfolio, it should be noted that, in September 2017, the monthly fashion magazine Vogue left Cofina's portfolio, which affects the comparability with 2018.

In 2018, Cofina recorded an impairment loss of 0.8 million Euro related with the goodwill associated to the magazines' portfolio owned by the Group.



Therefore, consolidated EBITDA, excluding impairment losses, amounted to about 14.9 million Euro, which reflects a 12% increase over EBITDA recorded in 2017 (excluding restructuring costs). Considering the impairment losses in 2018 and the restructuring costs in 2017, EBITDA recorded a 30% increase.

The profit of discontinuing operations in 2018 refers to the impact of the disposal of the operation that Cofina held in Brazil, through its subsidiary AdCommedia and its associated Destak Brasil. Those investments were sold in the end of 2018. The income statement of 2017 was restated in order to segregate into an independent line the profit attributable to those discontinuing units.

Consolidated net profit reached 6.7 million Euro, a 31% increase when compared to the previous year.

Net debt reduced 10 million Euros to 39.7 million Euro

As of 31 December 2018, Cofina's nominal net debt was 39.7 million Euro, which corresponds to a 9.9 million Euro decrease relatively to the nominal net debt of 49.6 million Euro, recorded in the end of 2017.

In terms of segments' information release, in order to reflect the economic and finance performance, as a consequence of the success of CMTV channel audiences, Cofina will start to present key indicators detailed by television and press segments.

TV Segment

CMTV channel has been recording a very positive performance, being consistently beating audience records. Hence, during 2018, CMTV recorded a 3.61% average annual share (2.41% in 2017), being the channel with the highest audience in the cable and the fourth largest portuguese channel, behind the Free to Air.

(Thousand Euro)	2018	2017	Var (%) 2018/2017
Operational Revenues	12,367	8,656	42.9%
Advertising	4,066	2,797	45.4%
Alternative marketing products and others	8,301	5,859	41.7%
Operational Expenses (a)	9,315	7,804	19.4%
EBITDA (b)	3,052	852	258.2%
EBITDA margin	24.7%	9.8%	+14.9 p.p.

(a) Operational costs excluding amortization

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

CMTV total revenues amounted to approximately 12.4 million Euro, a 43% increase. Advertising revenues amounted to 4 million Euro (+45%) and revenues from transmission fees and others recorded 8.3 million Euro (+42%).

EBITDA recorded was around 3.1 million Euro, a 258% increase over the EBITDA recorded in the previous year.

EBITDA Margin of the segment achieved 24.7%.

Press Segment

(Thousand Euro)	2018	2017 (restated)	Var (%) 2018/2017
Operational Revenues	76,926	81,059	-5.1%
Circulation	43,059	45,844	-6.1%
Advertising	24,049	26,877	-10.5%
Alternative marketing products and others	9,818	8,338	17.8%
Operational Expenses (a)	65,051	68,608	-5.2%
EBITDA (b)	11,875	12,451	-4.6%
EBITDA margin	15.5%	15.4%	+0.1 p.p.

(a) Operational costs excluding amortization

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

Press segment contains all paper publications owned by Cofina and the revenues from digital market. Hence, in 2018, total revenues amounted to 77 million Euro, a 5% decrease over the previous year. Revenues from circulation recorded a 6% decrease into 43 million Euro while the revenues from advertising recorded a 11% decrease, having reached around 24 million Euros. Revenues from alternative marketing products and others recorded a 18% increase, reaching 10 million Euro.

Operational expenses recorded a decrease around 5%. Hence, EBITDA of this segment reached 11.9 million Euro, a 5% decrease over the previous year. EBITDA margin amounted to 15.5%. It should be noted that the 2017 figures for this segment were restated because Brazil operations used to be included in this segment.

Total revenues of the online platforms have been increasing, being Cofina the group within the media sector with the highest market share.

Oporto, March 13, 2019