



Media Capital

2009 Half Year Results



GRUPO MÉDIA CAPITAL SGPS, SA
Sociedade Aberta
Sede: Rua Mário Castelhana, n.º 40, Barcarena, Oeiras
Matriculada na Conservatória do Registo Comercial de Cascais sob o n.º 17831 (Oeiras)
Pessoa Colectiva n.º 502 816 481
Capital Social: 89.583.970,80 euros

2009 HALF YEAR RESULTS

For the first half of 2009 Grupo Media Capital reports an EBITDA of € 24.1 million.

- For the first half of 2009 Media Capital reports consolidated operating revenues of € 134.8 million, a 1% decrease over the comparable period.
- An EBITDA of € 24.1 million, down 11%, and an Operating Income (EBIT) of € 18 million, a 14% year on year drop.
- Total advertising revenues of € 72.4 million, down 20% on a comparable basis, and outperforming estimates for the local advertising market.
- TVI maintained a solid lead in audience shares in the first half of the year, with FTA shares of 35.9% in all day and 41.1% in prime time.
- Highlighting the growing relevance of contents as a differentiating element, the Audiovisual Production segment has continued to grow at a significant pace, gaining 14% in revenues and 36% in EBITDA on a comparable basis.
- In the radio segment, the combined impact of both outperforming the advertising segment market and the improvement in operational efficiency allowed for a 14% EBITDA margin in the second quarter of the year.
- In February, TVI launched its new 24h news channel, TVI24.

Queluz de Baixo, July 23, 2009

Grupo Media Capital

Investor Relations
Pedro Mendes, Head
Bruno Rodrigues

Contacts
e-mail: ir@mediacapital.pt
Phone: +351 21 434 76 03



Relevant notes for the first half of 2009:

- In May 2008, Media Capital acquired the total shares representing the share capital of Plural Entertainment España SL (Plural) and has since fully consolidated its operations. For this reason, all tables and financial statements presented hereinafter, do not include the activities of Plural España from January to April 2008. However, comments on the operational performance for the Audiovisual Production segment include pro-forma analysis, i.e. including the activities of Plural España for the full semester in both 2008 and 2009.
 - In September 2008, Media Capital's Board of Directors approved the sale of MCE - Média Capital Edições and Edições Expansão Económica Lda., companies that developed the group's magazine editing and publishing business. For consolidation purposes, the sale of these companies took effect on July 31, 2008.
 - In June 2009, Media Capital announced the sale to Metro Internacional, S.A. of its 35% stake in TRANSJORNAL - Edições de Publicações, S.A, the local editor of free daily newspaper Metro, for a global amount of € 200.000, which included all outstanding balances between Transjornal and Meglo - Média Global, SGPS, S.A. (a wholly owned subsidiary of Media Capital). The stake in Transjornal was accounted under the equity method and all impacts of this transaction have been accounted for under the Other reporting segment.
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1. Analysis of consolidated income statement

€ thousand	1 st Half 2009	1 st Half 2008	Var %	2 nd Q 2009	2 nd Q 2008	Var %
Total operating revenue	134,863	136,555	-1%	76,212	84,079	-9%
Television	77,283	90,394	-15%	43,416	53,251	-18%
Audiovisual Production	55,227	32,384	71%	31,391	21,988	43%
Entertainment	14,969	16,848	-11%	7,532	9,384	-20%
Radio	6,440	7,165	-10%	3,956	3,922	1%
Others	(19,057)	(10,236)	86%	(10,083)	(4,466)	126%
Total operating expenses	110,744	109,447	1%	57,995	65,214	-11%
EBITDA	24,119	27,108	-11%	18,217	18,865	-3%
EBITDA margin	17.9%	19.9%	-2.0pp	23.9%	22.4%	1.5pp
Television	18,514	26,847	-31%	13,886	17,130	-19%
Audiovisual Production	5,788	2,967	95%	3,620	1,901	90%
Entertainment	(630)	311	n.a.	(188)	375	n.a.
Radio	(110)	(764)	-86%	560	170	229%
Others	558	(2,253)	n.a.	340	(711)	n.a.
Depreciation and amortisation	6,062	6,179	-2%	3,102	3,476	-11%
Operating income (EBIT)	18,057	20,929	-14%	15,115	15,389	-2%
Financial expenses, net	3,683	2,086	77%	1,091	953	14%
Profit / (Loss) before inc. tax/ min.	14,374	18,843	-24%	14,025	14,436	-3%
Income tax	(5,187)	(5,749)	-10%	(5,086)	(4,408)	15%
Profit / (Loss) from continued operations	9,186	13,094	-30%	8,938	10,028	-11%
Profit / (Loss) from disc. operations	0	945	-100%	0	0	n.a.
Minority interests	(568)	(173)	228%	(326)	(156)	109%
Net profit / (loss) for the period	8,618	13,866	-38%	8,613	9,873	-13%

For the period ended June 30, 2009, Grupo Media Capital reports **consolidated revenues** of € 134.9 million, down 1% over the comparable period, and an **EBITDA** of € 24.1 million, down 11% year on year.

Operating income (EBIT) was also down over the comparable period, decreasing to € 18.1 million, while **net profit** was down 38% to € 8.6 million.

€ thousand	1st Half 2009	1st Half 2008	Var %	2nd Q 2009	2nd Q 2008	Var %
Operating revenue	134,863	136,555	-1%	76,212	84,079	-9%
Advertising	72,403	92,758	-22%	42,411	55,519	-24%
Audiovisual Production	31,290	11,602	170%	18,978	11,102	71%
Other revenues	31,169	32,195	-3%	14,823	17,458	-15%

In total consolidated revenues, **advertising revenues** were down 22% year on year (or 20% on a comparable basis), with decreases in all segments including a drop of 22% in the TV segment and 14% in the Radio segment. In the Other segment, advertising revenues were down 66% mostly due to the sale of the press business (which was consolidated until the end of July 2008), while advertising revenues in the internet activity were down 14%.

Although according to the most recent estimates available, the Group has outperformed the local advertising market, we note that TVI faced a tough year on year comparable, given the broadcast by TVI in June 2008 of 20 matches of the UEFA Euro 2008 championship.

Audiovisual Production revenues include not only the impact of consolidation of Plural España as of May 2008, but also a strong organic growth in sales. Total revenues presented in the Audiovisual Production reporting segment differ from those here presented as the former include

all intra-group sales, which are eliminated in the consolidated figures presented in the table above.

Consolidated **Other revenues**, were down 3%, mostly impacted by the sale of the press activities, which accounted for a total of € 5.2 million of revenues for the first half of the previous year. Such an impact was however mostly offset by revenues from both the launch of cable news channel TVI24 and from technical services rendered to companies outside the group.

Consolidated **Operating costs** were up 1% over the previous year, also reflecting the impact of the consolidation of Plural España and the new cost structure of the new cable channel TVI24, mostly offset by lower programming costs in TV (Euro 2008 impact) and the press business sale. Excluding the impact of both Plural España and TVI24, operating cost would have been down 10%, also reflecting improvements the Group's effort in improving operational efficiency.

Net financial expenses increased by 77% year on year to € 2.9 million, mostly due to the exceptional variance in the first quarter, in costs with the interest rate swap contract, following the steep decline in interest rates towards the end of the last year. This effect was not observed in the second quarter leading to a more normalised year on year variance in the period from April to June.

As referred in previous quarters, the amount of € 0.9 million, booked under profit from discontinued operations in 2008, corresponds to a final adjustment, booked in the 1st quarter of the year, to the total amount paid for the sale of the Outdoor advertising business, according to the terms and conditions set out in the Sale Agreement.

Consolidated **Net Profit** reached € 8.6 million, a 38% decrease over the comparable period. Excluding the impact of discontinued operations, net profit would have been down 30% in this first half of the year.

2. Television

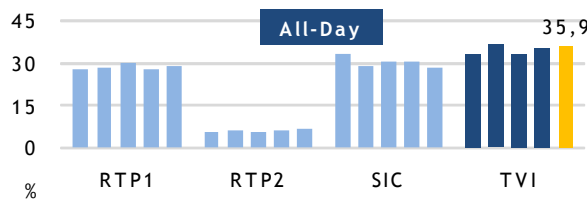
€ thousand	1st Half 2009	1st Half 2008	Var %	2nd Q 2009	2nd Q 2008	Var %
Operating revenue	77,283	90,394	-15%	43,416	53,251	-18%
Advertising	65,811	82,322	-20%	38,398	49,311	-22%
Other revenues	11,473	8,072	42%	5,018	3,940	27%
Operating Expenses	58,770	63,546	-8%	29,531	36,121	-18%
EBITDA	18,514	26,847	-31%	13,886	17,130	-19%
EBITDA margin	24.0%	29.7%	-5.7pp	32.0%	32.2%	-0.2pp
Depreciation and amortisation	2,876	2,591	11%	1,444	1,293	12%
Operating income (EBIT)	15,638	24,256	-36%	12,442	15,837	-21%

The Television segment includes both the activities of TVI, with both its generalist FTA channel and the recently launched cable news channel TVI24, and the activity of Publipartner, a marketing management group company created to develop advertising related revenue sources. As a significant part of Publipartner's activity is directly related to TVI and the use of its advertising inventory, consolidated advertising revenues for the segment differ slightly from those of TVI alone.

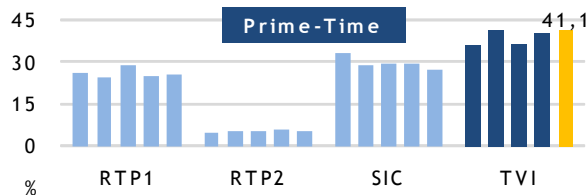
Following the agreement signed between TVI and ZON TV Cabo, the leading cable platform in Portugal, on February 26th, TVI launched its first cable channel TVI24, a round-the-clock news channel. This launch has an impact on all comparisons with the first half of last year.



Half Year Audiences



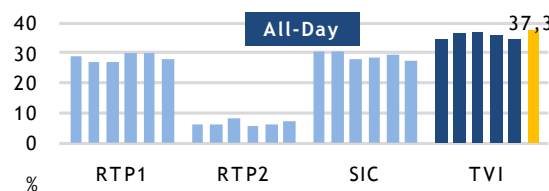
All-Day	1H05	1H06	1H07	1H08	1H09
RTP1	27.7	28.4	30.3	27.8	29.1
RTP2	5.5	6.0	5.7	6.2	6.7
SIC	33.3	28.9	30.5	30.4	28.4
TVI	33.5	36.7	33.4	35.6	35.9



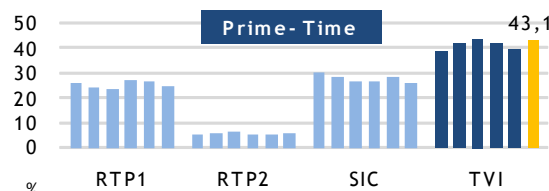
Prime-Time	1H05	1H06	1H07	1H08	1H09
RTP1	26.0	24.5	28.6	25.0	25.8
RTP2	5.0	5.3	5.2	5.7	5.6
SIC	33.2	28.6	29.6	29.3	27.5
TVI	35.8	41.6	36.6	40.1	41.1

Source: Marktest

Quarterly Audiences



All-Day	1Q08	2Q08	3Q08	4Q08	1Q09	2Q09
RTP1	28.8	26.8	26.7	29.9	29.9	28.1
RTP2	6.1	6.3	8.3	6.0	6.3	7.1
SIC	30.5	30.3	28.1	28.3	29.2	27.6
TVI	34.6	36.6	37.0	35.9	34.6	37.3



Prime-Time	1Q08	2Q08	3Q08	4Q08	1Q09	2Q09
RTP1	26.0	23.9	23.7	26.9	26.6	25.0
RTP2	5.4	5.9	6.3	5.1	5.4	5.8
SIC	30.1	28.4	26.4	26.5	28.7	26.1
TVI	38.5	41.7	43.6	41.5	39.4	43.1

Source: Marktest

Quarterly evolution

In this first half of the year, TVI has once again led FTA audience shares in Portugal, leading both in **all day with a share of 35.9%**, and in **prime time with 41.1%**.

In this period, TVI has reached a daily average of 6.2 million viewers, leading every month and every week of the year.

Throughout the first six months of the year, TVI maintained its usual programming structure, anchored on local fiction programming, entertainment, news and sports, including the Portuguese national team qualifying matches for the FIFA 2010 World Cup and the Portuguese Cup.

In local fiction, the very successful prime time soap opera **“Feitiço de Amor”** reached its final episode in May, averaging 1.4 million daily viewers and a share of 47% throughout its broadcast, with its final episode reaching over 2 million viewers and an audience share of 73.7%. Currently on air soap opera **“Flor do Mar”** has been broadcasted in two different slots as of May, with good performances in both access to prime time with an average share of 45.3% corresponding to an average viewing audience of 1.4 million. New prime time soap opera **“Deixa que te Leve”**, premiered last May has also proven successful with an average 47% share and also 1.4 million daily viewers.

In access to prime time, the sixth year of youth long series **“Morangos com Açúcar”** came to an end in June, maintaining its outstanding track record with an average share of 36.3%, but most of all among its core younger audiences with a 62.5% average share in the 4/24 age group. As usual

this series has been replaced with the sixth season of “**Morangos com Açúcar - The Summer edition**”, which has been equally successful so far, with an average share of 47.6% in the episodes broadcasted up until the end of June.

Still in local fiction, a special note for the Sunday prime time weekly broadcast of “**Equador**”, the largest TV production ever in Portugal, which has throughout the 27 episodes aired up until the end of June reached an average share of 43% representing an average of 1.3 million viewers.

In Entertainment programming we highlight the second series of “**Uma Canção para Ti**”, a musical contest broadcasted on Sunday evenings which averaged 1.4 million viewers and an audience share of 60.5% throughout its eleven shows.

In information programming, prime time news by “**Jornal Nacional**” continues to be one of the most watched news information programs, with a daily reach of over 1 million viewers and an audience share of 33.6%, with the Friday edition “**Jornal Nacional de 6ª**” going just above 1.2 million viewers. Lunchtime news program “**Jornal da Uma**” maintained an average audience of half a million viewers with an average audience share of 29.2%.

In sports TVI broadcasted several rounds of the Portuguese Cup averaging over 1 million viewers, and also several football matches, including friendly and qualifying, featuring the Portuguese national team which reached more than 1.1 million viewers on average.

For the first six months of the year, **total revenues** for the Television segment decreased 15% over the comparable period, with **advertising revenues** dropping 20% and yet still outperforming a TV advertising market, which according to most recent estimates may have dropped around 22%, and despite the difficult comparable given the broadcast by TVI of the UEFA Euro 2008. If the Euro 2008 impact were to be excluded the outperformance would have been even more significant, reflecting the success of TVI in content management and an effective commercial policy.

Other revenues were up 42% year on year, adding up to 15% of total revenues in the segment, benefiting both from the launch in February of news channel TVI24 and increased revenues from the rendering of technical support services.

Operating costs were down 8% over the comparable period, reflecting lower programming costs not only due to the Euro 2008 impact but also relevant savings in other sports and international programming, with such savings allowing to make up for the cost structure supporting the new cable channel TVI24. We note that a significant part of the contents broadcast by TVI are produced in-house by Plural Portugal, this allowing the group to retain its relevant added value.

Following the significant drop in advertising revenues, and despite the relevant cost savings, the Television segment **EBITDA** was down 31% over the first six months of the year to **€ 18.5 million**, with an **EBITDA margin** of 24.7%, down from 30% in comparable period.

3. Audiovisual Production

€ thousand	1st Half 2009	1st Half 2008	Var %	2nd Q 2009	2nd Q 2008	Var %
Operating revenue	55,227	32,384	71%	31,391	21,988	43%
Advertising	0	250	-100%	0	250	-100%
Audiovisual production	52,684	31,064	70%	30,722	20,970	47%
Other revenues	2,543	1,069	138%	669	768	-13%
Operating Expenses	49,439	29,417	68%	27,771	20,087	38%
EBITDA	5,788	2,967	95%	3,620	1,901	90%
EBITDA margin	10.5%	9.2%	1.3pp	11.5%	8.6%	2.9pp
Depreciation and amortisation	1,392	1,582	-12%	743	1,175	-37%
Operating income (EBIT)	4,396	1,385	217%	2,877	726	296%



The “Audiovisual Production” business segment was reported for the first time in the second quarter of 2008, following the acquisition of Plural Entertainment España in May 2008. The figures presented for the first four months of 2008 only include the activities of Plural Portugal (formerly named NBP).

In the first semester of the year revenues for the segment totalled € 55.2 million, with EBITDA at € 5.8 million, an EBITDA margin of 10.5%.

On a pro-forma basis, considering 100% of Plural in both years, operating revenues would have increased by 14% over the comparable period and EBITDA up36% and EBITDA margin up 1.7 pp.

We highlight the contribution of Plural España for such a performance, namely in content production and sales to FTA channels (namely to Antena 3 and Cuatro). Also with a marginal contribution to the increase in revenues was the gain registered with the acquisition of minorities in the movie production company Tesela (19% stake) that is now wholly owned by the Group.

The activity of Plural Portugal also improved significantly over the first six months of the year, with increases of 6% in revenues and 19% in EBITDA, following an increase in local fiction production.

4. Entertainment

€ thousand	1st Half 2009	1st Half 2008	Var %	2nd Q 2009	2nd Q 2008	Var %
Operating revenue	14,969	16,848	-11%	7,532	9,384	-20%
Music & Event production	5,953	6,727	-12%	2,918	3,785	-23%
Cinema & Video	9,016	10,122	-11%	4,613	5,599	-18%
Operating Expenses	15,599	16,537	-6%	7,719	9,009	-14%
EBITDA	(630)	311	n.a.	(188)	375	n.a.
EBITDA margin	-4.2%	1.8%	-6.1pp	-2.5%	4.0%	-6.5pp
Depreciation and amortisation	95	81	17%	47	41	15%
Operating income (EBIT)	(725)	230	n.a.	(235)	334	n.a.

The Entertainment includes the music edition and distribution, music publishing, artists booking and event production activities, as well as the cinema and video distribution business of CLMC - Multimedia.

Revenues for the first six months of the year were down 11% year on year, with decreases of 12% in **Music & Events** and 11% in the **Cinema & Video** activity.

In the **Music & Events** business the 12% drop in revenues is mostly due to the 15% decrease in **CD music sales**, a performance that still fares better than the Portuguese recorded music market which is estimated to have dropped 17% year on year. The remaining revenues in this business unit had a significantly less steep decline dropping 3%, with the drop in revenues from artists booking and management being mostly offset by growth in the event production business. The extensive national catalogue of Farol Música has made it possible for Farol to be the only label with a 5x Platinum record in the year, with “O Homem que sou” by Tony Carreira.

In the **Cinema & Video** business, movie distribution saw its revenues fall by 11%. Movie distribution gained 22% year on year, benefiting from stronger revenues from the Fox and independent movie catalogues. This increase was however offset by a 14% decline in video distribution, with worse performances from both the Warner and independent producers video catalogues, the latter as a result of slower DVDs in promotional sales entered into with several press titles.

Operating costs were down 6% over the comparable period, including a decrease of 3% in Cinema & Video, a combination of higher variable costs due to the extended activity in movie distribution, counterbalanced by the reduction in video distribution, mostly due to lower costs



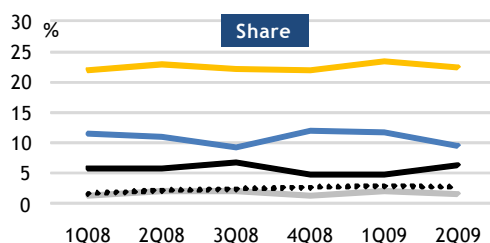
associated with promotional DVD sales. In Music & Events, operating costs were down 10% mostly due to the decrease in variable costs directly related with CD sales.

Consolidated EBITDA for the Entertainment segment was of € -0.6 million for the first six months, down from € 0.3 in the comparable period of last year.

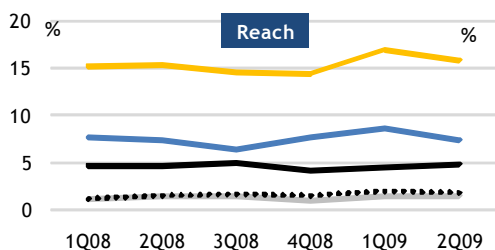
5. Radio

€ thousand	1st Half 2009	1st Half 2008	Var %	2nd Q 2009	2nd Q 2008	Var %
Operating revenue	6,440	7,165	-10%	3,956	3,922	1%
Advertising	5,851	6,797	-14%	3,570	3,748	-5%
Other revenues	589	368	60%	386	174	122%
Operating Expenses	6,550	7,930	-17%	3,397	3,752	-9%
EBITDA	(110)	(764)	-86%	560	170	229%
EBITDA margin	-1.7%	-10.7%	9.0pp	14.1%	4.3%	9.8pp
Depreciation and amortisation	1,157	1,108	4%	595	555	7%
Operating income (EBIT)	(1,267)	(1,872)	-32%	(36)	(385)	-91%

In the **second quarter of 2009**, Media Capital Radios (MCR) reached an **audience share of 22.3%**, both down 0.5 pp over the comparable period, and 1 pp over the previous quarter. However in the average results of the first two quarters, gains were achieved over the comparable period both in terms of audiences and in number of listeners (reach), with a total of 96.000 new listeners spread across MCR's radios, with the exception of Cidade FM which has remained flat year on year.



Audience Share (%)	1Q08	2Q08	3Q08	4Q08	1Q09	2Q09
Comercial	11.4	11.1	9.2	12.1	11.7	9.6
Cidade FM	5.8	5.7	6.9	4.8	4.8	6.2
RCP	1.4	2.0	2.2	1.4	2.0	1.7
M80	1.7	2.1	2.3	2.5	2.9	2.6
MC Rádios	21.9	22.8	22.2	22.0	23.3	22.3



Audience Reach (%)	1Q08	2Q08	3Q08	4Q08	1Q09	2Q09
Comercial	7.7	7.4	6.4	7.6	8.7	7.3
Cidade FM	4.7	4.6	4.9	4.1	4.5	4.8
RCP	1.1	1.4	1.4	1.0	1.5	1.4
M80	1.1	1.4	1.6	1.5	1.9	1.8
MC Rádios	15.1	15.4	14.6	14.4	17.0	15.8
Mercado Rádio	56.8	56.5	53.9	52.8	58.1	57.3

Source: Marktest; Quarterly Evolution

MCR's total **advertising revenues** were down 14% in the first six months of the year, accompanying the trend for the radio advertising market which has also suffered a significant decline in the first semester of 2009. We do however highlight the performance achieved by the group's radio stations in the second quarter, where the steep decline trend of previous quarters was substantially reversed, with the drop in revenues pulling back to 5%, and clearly outperforming current estimates for the radio advertising market.

Total **operating expenses** in the segment were down a significant 17%, as a consequence of a significant effort to reduce cost and improve operational efficiency across the entire structure of

the group's radio stations. Reductions were especially meaningful in marketing costs and from the adjustments to its staff structure that have taken place as of the final months of last year. The ongoing effort to rationalise its operational structure, will allow MCR to not only adapt its cost base to current market conditions, but also allow it to develop its activities in a competitive manner for a foreseeable future.

Consolidated EBITDA for the Radio segment, although still in negative ground for the first six months of the year at € -0.1 million, has improved considerably over the comparable period, achieving a positive result of € 0.6 million in the second quarter of the year.

6. Others

€ thousand	1st Half 2009	1st Half 2008	Var %	2nd Q 2009	2nd Q 2008	Var %
Operating revenue	(19,057)	(10,236)	86%	(10,083)	(4,466)	126%
Advertising	1,549	4,551	-66%	864	2,615	-67%
Subscription & newstand revenues	0	2,755	-100%	0	1,355	-100%
Other revenues	8,459	8,606	-2%	4,773	4,404	8%
Consolidation adjustments	(29,064)	(26,148)	11%	(15,720)	(12,841)	22%
Operating Expenses	(19,614)	(7,983)	146%	(10,423)	(3,755)	178%
Other expenses	8,663	17,942	-52%	4,764	9,044	-47%
Consolidation adjustments	(28,277)	(25,925)	9%	(15,186)	(12,799)	19%
EBITDA	558	(2,253)	n.a.	340	(711)	n.a.
Depreciation and amortisation	542	818	-34%	273	412	-34%
Operating income (EBIT)	15	(3,070)	n.a.	67	(1,123)	n.a.

Internet operations, shared services, central holding costs and consolidation adjustments are included in this segment. The figures presented also include the magazine publishing business up until the end of the month of July of 2008.

The first six months of the year proved to be quite lively in the internet business, and we highlight the following events:

- The launch of the renewed Autoportal, the group website for all matters related to the auto industry, including classifieds;
- The partnership with MySpace, under which the Media capital Multimedia will run the MySpace Portugal website and its commercial operation, and that is expected to allow for significant growth in traffic for the Group's network and attract new advertisers;
- The deployment of the news site for TVI24, integrating both the TV and Internet newsrooms;
- The development of sites under new partnerships, namely "Superstars" for children, "Rituais" for healthy lifestyle, "leiloes.iol.pt" an auction site in a partnership with Sonaecom;
- The launch in June of the renewed sports site MaisFutebol, in the month when it completed its ninth year online.

These events have decisively contributed to a 9% year on year increase in the IOL network number of page views, with a monthly average in 2009 of 115 million page views. We also point out the success of TVI's new online approach with its presence online through www.tvi.iol.pt and www.tvi24.iol.pt leading online audiences in the month of April among the websites of FTA channels.

In early July, MC Multimedia launched its new music channel www.musica.iol.pt, a website that aims to become an online reference and complement the incorporation of MySpace and the portfolio of the group's radios under the IOL network, and making MC Multimedia the strongest player in online music in Portugal.



Advertising revenues in were down 66% year on year, justified mostly by the impact of the sale of the magazine business, which also affects the comparison in **Other Revenues**. Advertising revenues in the group's Internet sites network IOL were down 14% in the first half of the year.

As in the several revenue captions, most of the variance in **Operating Costs** is also directly related with sale of the press business, although relevant savings have also been achieved in both the Internet operation and in central costs.

In the **consolidation adjustments** heading the greater part of these adjustments are due to the sale of audiovisual contents produced by Plural (Audiovisual segment) to TVI (TV segment).

The Others segment reports an **EBITDA** of € 0.6 million, a € 2.8 million improvement over the previous year.



7. Cash flow

€ thousand	1st Half 2009	1st Half 2008	Var %	2nd Q 2009	2nd Q 2008	Var %
Operating activities						
Receipts	163,959	152,258	8%	95,615	86,813	10%
Payments	(150,981)	(140,405)	8%	(76,795)	(80,250)	-4%
Cash flows op. activities (1)	12,978	11,853	9%	18,820	6,563	187%
Investing activities						
Receipts	69,157	111,126	-38%	62,074	91,088	-32%
Payments	(79,910)	(59,262)	35%	(58,893)	(35,485)	66%
Cash flows inv. activities (2)	(10,752)	51,864	n.a.	3,181	55,603	-94%
Financing activities						
Receipts	46,642	62,043	-25%	11,590	28,541	-59%
Payments	(48,283)	(126,309)	-62%	(32,660)	(89,376)	-63%
Cash flows fin. activities (3)	(1,641)	(64,266)	-97%	(21,070)	(60,835)	-65%
Variation of cash (4) = (1) + (2) + (3)	584	(550)	n.a.	931	1,331	-30%
Cash at the beginning of the period	7,172	5,017	43%	6,824	3,136	118%
Cash at the end of the period	7,756	4,467	74%	7,756	4,467	74%

The **Cash flow from operating activities** registered a positive variation of € 1.1 million in 1H09 vs. 1H08, thus totalling € 13 million. The increase in both inflows and outflows was due to the consolidation of Plural Entertainment España, S.L. and its subsidiaries in Media Capital's perimeter, as a result of the acquisition that took place in May 2008. This effect was partially offset by the negative impact stemming from a faster settlement of the volume rebates in 1H09 vs. the comparable period of last year, due to the current economic environment.

Cash flows from investing activities went from € 51.9 million to a negative figure of € 10.8 million. Excluding the movements between Grupo Media Capital and Grupo Prisa in both years, the investment in tangible and intangible assets was € 5.5 million in 1H09, which compares favourably with the € 6.5 million registered in the first half of 2008.

The **cash flow from financing activities** came in at € -1.6 million, resulting not only from the operational and investing cash-flows, but also from the payment of dividends that occurred in 2Q09, the latter in a global amount of € 20.2 million.

8. Financial Debt

€ thousands	Jun 09	Dec 08	Change	Var %
Group financial debt	150,078	130,076	20,003	15%
Bank loans / Commercial paper	144,713	125,359	19,355	15%
Other debt	5,365	4,717	648	14%
Cash & equivalents	7,756	7,172	584	8%
Net debt	142,323	122,904	19,418	16%

Media Capital total net debt was up 16% or € 19.4 million from YE08 to the end of June 2009, hence reaching € 142.3 million. **The adjusted net debt**, i.e. excluding the net loans to Grupo Prisa, **stood at € 97.6 million at the end of June** (€ 99.9 million at the end of 2008), thus confirming the comfortable capital structure of the group.

GRUPO MEDIA CAPITAL, S.G.P.S, S.A.
CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS OF 30 JUNE 2009 AND 31 DECEMBER 2008

(Amounts stated in Euro thousand)

ASSETS	30.06.2009	31.12.2008
NON-CURRENT ASSETS:		
Goodwill	172.741	176.547
Intangible assets	19.227	10.964
Tangible assets	36.251	39.135
Assets held for sale	3.689	8.905
Transmission rights and TV programs	49.720	47.046
Other non-current assets	4.027	4.143
Deferred income tax assets	4.555	3.653
	<u>290.210</u>	<u>290.393</u>
CURRENT ASSETS:		
Transmission rights and TV programs	5.783	8.842
Inventories	4.571	4.535
Trade and other account receivable	61.714	81.503
Other current assets	63.550	55.679
Cash and cash equivalents	7.756	7.172
	<u>143.374</u>	<u>157.731</u>
TOTAL ASSETS	<u><u>433.584</u></u>	<u><u>448.124</u></u>
EQUITY AND LIABILITIES		
EQUITY:		
Share capital	89.584	89.584
Reserves	22.384	22.333
Profit for the period	8.618	19.831
Equity attributable to equity holders	<u>120.586</u>	<u>131.748</u>
Equity attributable to minority interest	4.354	5.807
Total Equity	<u>124.940</u>	<u>137.555</u>
LIABILITIES:		
NON-CURRENT LIABILITIES:		
Borrowings	126.879	112.597
Provisions for other risks and charges	6.707	7.308
Other non-current liabilities	17.271	30.682
Deferred income tax liabilities	1.613	23
	<u>152.470</u>	<u>150.610</u>
CURRENT LIABILITIES:		
Borrowings	20.807	15.659
Trade and other payables	69.778	80.786
Other current liabilities	63.451	62.053
Derivative financial instruments	2.138	1.461
	<u>156.174</u>	<u>159.959</u>
Total liabilities	<u>308.644</u>	<u>310.569</u>
TOTAL EQUITY AND LIABILITIES	<u><u>433.584</u></u>	<u><u>448.124</u></u>



GRUPO MEDIA CAPITAL, S.G.P.S, S.A.

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME FOR THE PERIOD ENDED 30 JUNE 2009 AND 2008

(Amounts stated in Euro thousand)

	6 months ended		3 months ended	
	30.06.2009	30.06.2008	30.06.2009	30.06.2008
CONSOLIDATED STATEMENT OF PROFIT AND LOSS				
CONTINUED OPERATIONS				
OPERATING REVENUES:				
Advertising revenues	72.403	92.758	42.410	55.519
Subscriptions and newsstand revenue	-	2.755	-	1.355
Other operating revenue	62.460	41.042	33.802	27.205
Total operating revenue	<u>134.863</u>	<u>136.555</u>	<u>76.212</u>	<u>84.079</u>
OPERATING EXPENSES:				
Broadcasting costs and cost of good sold	(15.557)	(25.392)	(6.505)	(17.547)
Subcontrats and third party supplies	(55.214)	(51.406)	(28.528)	(29.674)
Payroll expenses	(38.317)	(31.399)	(22.270)	(17.407)
Depreciation and amortization	(6.062)	(6.179)	(3.102)	(3.476)
Provisions and impairment losses	(563)	(357)	(370)	(139)
Other operating expenses	(1.093)	(893)	(322)	(447)
Total operating expenses	<u>(116.806)</u>	<u>(115.626)</u>	<u>(61.097)</u>	<u>(68.690)</u>
Net operating profit	<u>18.057</u>	<u>20.929</u>	<u>15.115</u>	<u>15.389</u>
FINANCIAL EXPENSES:				
Financial expenses, net	(3.518)	(1.813)	(908)	(716)
Losses on associated companies, net	(165)	(273)	(182)	(237)
Profit before tax	<u>14.374</u>	<u>18.843</u>	<u>14.025</u>	<u>14.436</u>
Income tax expense	(5.188)	(5.749)	(5.086)	(4.408)
Consolidated net profit for continued operations	<u>9.186</u>	<u>13.094</u>	<u>8.939</u>	<u>10.028</u>
Result for discontinued operations	-	945	-	-
Profit result for the period	<u>9.186</u>	<u>14.039</u>	<u>8.939</u>	<u>10.028</u>
Attributable to:				
Equity holders of the parent	8.618	13.866	8.613	9.873
Minority interest	<u>568</u>	<u>173</u>	<u>326</u>	<u>155</u>
CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME				
Profit result for the period	9.186	14.039	8.939	10.028
Exchange differences arising on translation of foreign operations	7	5	72	-
Total comprehensive income for the period	<u>9.193</u>	<u>14.044</u>	<u>9.011</u>	<u>10.028</u>

GRUPO MEDIA CAPITAL, SGPS, S.A.

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

FOR THE PERIOD ENDED 30 JUNE 2009 AND 2008

(Amounts stated in Euro thousand)

	<u>30.06.2009</u>	<u>30.06.2008</u>
<u>OPERATING ACTIVITIES:</u>		
Collections from clients	163.959	152.258
Payments to suppliers	(88.177)	(79.653)
Payments to employees	(33.266)	(27.604)
Cash flow from operations	<u>42.516</u>	<u>45.001</u>
Other payments relating to operating activities, net	(29.538)	(33.148)
Cash flows from operating activities (1)	<u>12.978</u>	<u>11.853</u>
<u>INVESTING ACTIVITIES:</u>		
Receipts resulting from:		
Financial investments	8.750	-
Intangible assets	17.352	-
Fixed assets	105	126
Loan to affiliated companies	42.950	111.000
	<u>69.157</u>	<u>111.126</u>
Payments resulting from:		
Financial investments	(9.812)	(12.717)
Fixed assets	(5.213)	(6.545)
Intangible assets	(313)	-
Loans to affiliated companies	(64.572)	(40.000)
	<u>(79.910)</u>	<u>(59.262)</u>
Cash flows from investing activities (2)	<u>(10.753)</u>	<u>51.864</u>
<u>FINANCIAL ACTIVITIES:</u>		
Receipts resulting from:		
Loans obtained	43.979	61.010
Interest and similar income	2.663	1.033
	<u>46.642</u>	<u>62.043</u>
Payments resulting from:		
Loans repaid	(24.974)	(61.533)
Leases	(767)	(568)
Interest and related expenses	(1.545)	(2.745)
Dividends	(20.158)	(61.000)
Other financial expenses	(839)	(464)
	<u>(48.283)</u>	<u>(126.310)</u>
Cash flows from financing activities (3)	<u>(1.641)</u>	<u>(64.267)</u>
Variation of cash and equivalents (4) = (1) + (2) + (3)	584	(550)
Cash and equivalents at the beginning of the year	7.172	5.017
Cash and equivalents at the end of the period	7.756	4.467