GRUPO MÉDIA CAPITAL SGPS, SA
Sociedade Aberta
Sede: Rua Mário Castelhano, 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: 7.606.186,20 euros

RESULTS FOR THE 9 MONTHS ENDED 30 SEPTEMBER 2006

Media Capital's Net profit increased 8% year on year to €10.9 million.

§ In the first 9 months of 2006, consolidated revenues increased 4% to €165.5 million, with the TV segment up 10%.

§ Advertising revenues were up 6% over the comparable period to €129.1 million, mostly due the increase of 8% in TV.

§ Consolidated EBITDA was up 8% year on year to €32.5 million.

§ EBITDA margin reached 19.6% in the first nine months of 2006, up 0.7 p.p. over the comparable period, with the margin in the TV segment reaching 30.0% vs. 28.4% in the comparable period of 2005.

§ Operating Income increased 11% to €24.0 million, following the improvement in operational performance.

§ TVI led both all day and prime time audiences for the first nine months of 2006, with audience shares of 35.6% and 40.1% respectively, both above last year's audience shares for the comparable period.

Queluz de Baixo, 25 October, 2006

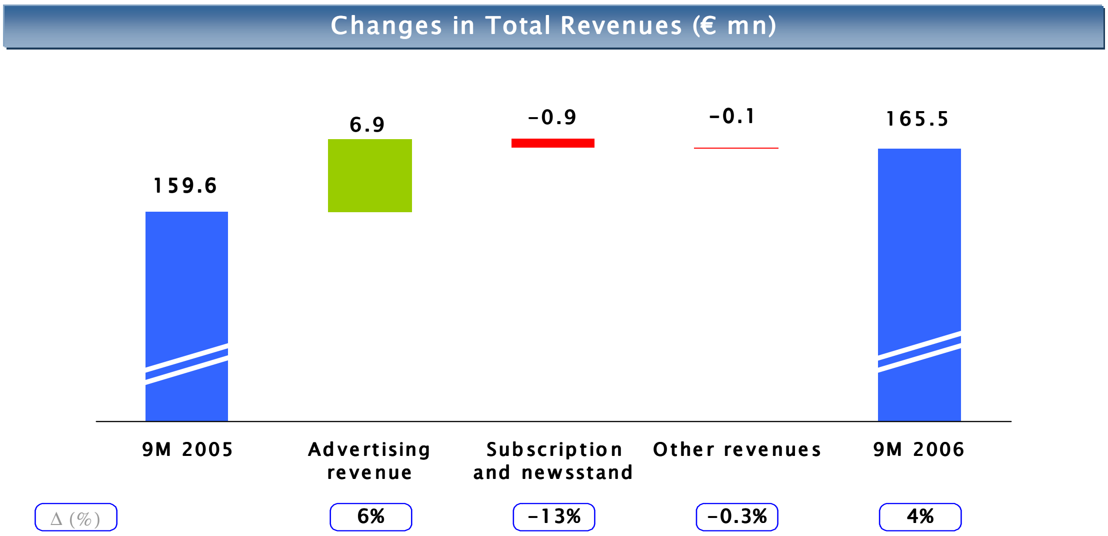
Grupo Media Capital
Susana Gomes da Costa
Investor Relations Officer

1. Analysis of consolidated income statement

(€ thousands)	9M 06	9M 05	Var %	Q3 06	Q3 05	Var %
Total operating revenue	**165,537**	**159,600**	**4%**	**48,616**	**48,970**	**-1%**
Television	123,798	112,609	10%	36,550	34,561	6%
Radio	9,860	10,987	-10%	2,600	3,531	-26%
Outdoor	12,513	12,182	3%	3,680	3,654	1%
Others	19,366	23,823	-19%	5,785	7,223	-20%
Total operating expenses	133,024	129,424	3%	42,057	41,493	1%
EBITDA	**32,513**	**30,176**	**8%**	**6,558**	**7,477**	**-12%**
EBITDA margin	**19.6%**	**18.9%**	**0.7 pp**	**13.5%**	**15.3%**	**-1.8 pp**
Television	37,146	31,948	16%	8,502	8,258	3%
Radio	(472)	1,069	N/A	(479)	97	N/A
Outdoor	1,223	871	40%	218	301	-28%
Others	(5,383)	(3,711)	-45%	(1,682)	(1,179)	-43%
Depreciation and amortisation	8,513	8,634	-1%	2,815	2,971	-5%
Operating income (EBIT)	**24,000**	**21,543**	**11%**	**3,743**	**4,506**	**-17%**
Financial expenses, net	7,003	6,359	10%	2,511	2,050	23%
Profit / (Loss) before inc. tax/ min.	**16,997**	**15,183**	**12%**	**1,233**	**2,457**	**-50%**
Income tax for the period	(5,943)	(5,298)	-12%	(413)	(1,068)	61%
Minority interests	(144)	223	N/A	66	(27)	N/A
Net profit / (loss) for the period	**10,910**	**10,108**	**8%**	**886**	**1,362**	**-35%**

For the period ended 30 September, 2006, Grupo Media Capital reported **consolidated revenues** of €165.5 million, a 4% YoY increase and **EBITDA** (net of all provisions) of €32.5 million, up 8% over the same period of last year.

Operating income (EBIT) was up 11% to €24.0 million in the first nine months (9M) of 2006, while **Net profit** increased to €10.9 million up 15% over the same period last year.



The increase in consolidated revenues was based on the **6% increase in advertising revenues** with TV up 8%, the segment Others up 21%, Outdoors nearly flat and Radios down 15%.

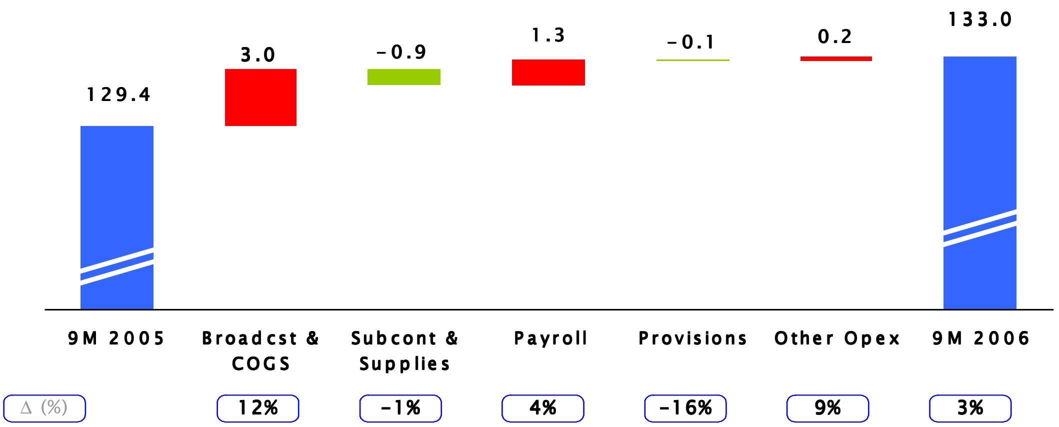
Total advertising spend in Portugal was marginally positive, on the back of Q3 growth, driven mostly by the increase in the TV market.

The performance obtained by the Group in advertising revenues remains based on the improvement in TV audiences in 9M 2006, with TVI leading average audience shares both in prime time and in all day.

The 13% decrease in newsstand revenues follows a generalized drop in the print market, with magazines managing to somewhat soften the decline with the positive impact of new titles recently launched.

Other revenues were nearly flat year on year, with improvements in TV, Radio and Outdoor offsetting the expected decrease in the internet service provider activity and the reduction in add-on product sales from the Group's magazine operations

Changes in Operating Costs (€ mn)



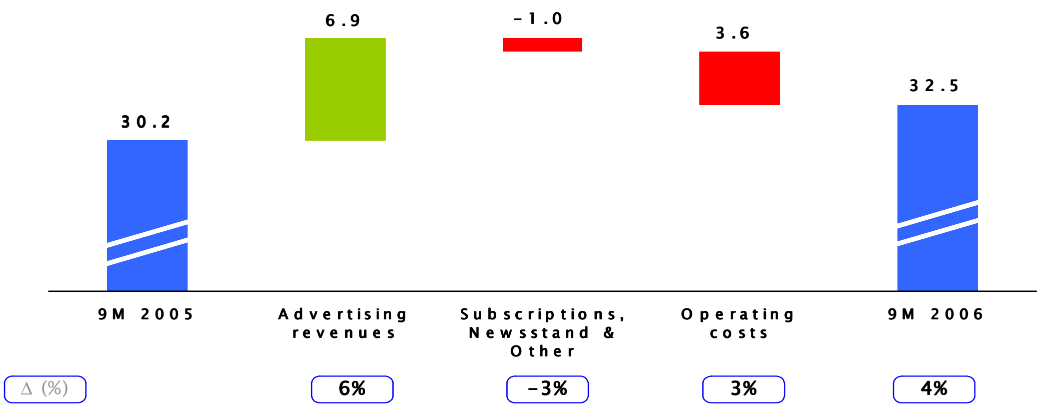
Operating expenses increased by 3%, mostly due to:

- higher TV programming costs (€4.8 million), mostly due to higher costs with in-house productions, and to a lesser extent to cost associated with the broadcast and coverage of a number of events during the summer, and
- the increase in Radio marketing costs,

being partially offset by:

- the reduction of costs in the Internet Service Provider activity, and
- the reduction in costs associated with add-ons sales in the Group's magazines operations.

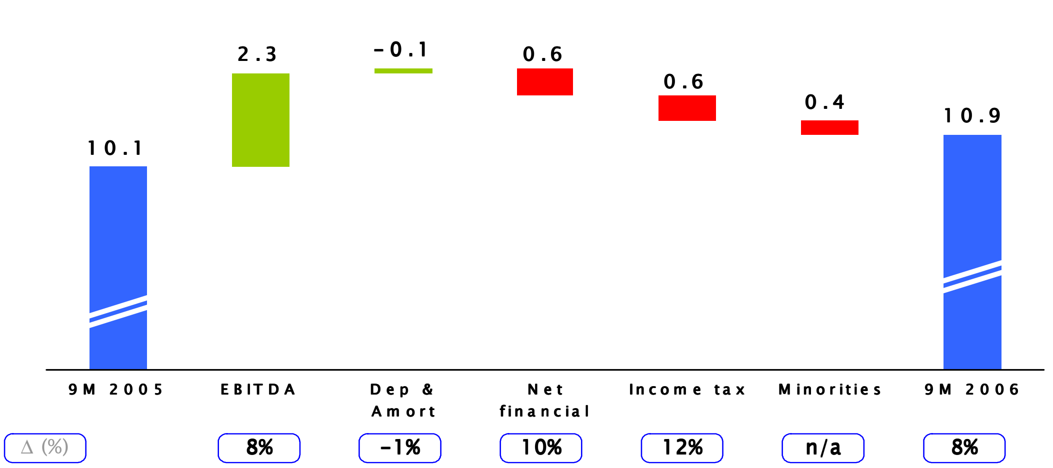
Changes in EBITDA (€ mn)



Net Financial expenses were up 10% to €7.0 million, with the reduction in interest expenses (down 33% on lower average debt in the period), and in expenses with interest rate swaps, being offset by costs with the equity swap over own shares contracted by the company, whereas this item represented a financial income of €1.8 million in the same period of last year.

Income tax (mostly non cash) was up following the increase in pre-tax gains.

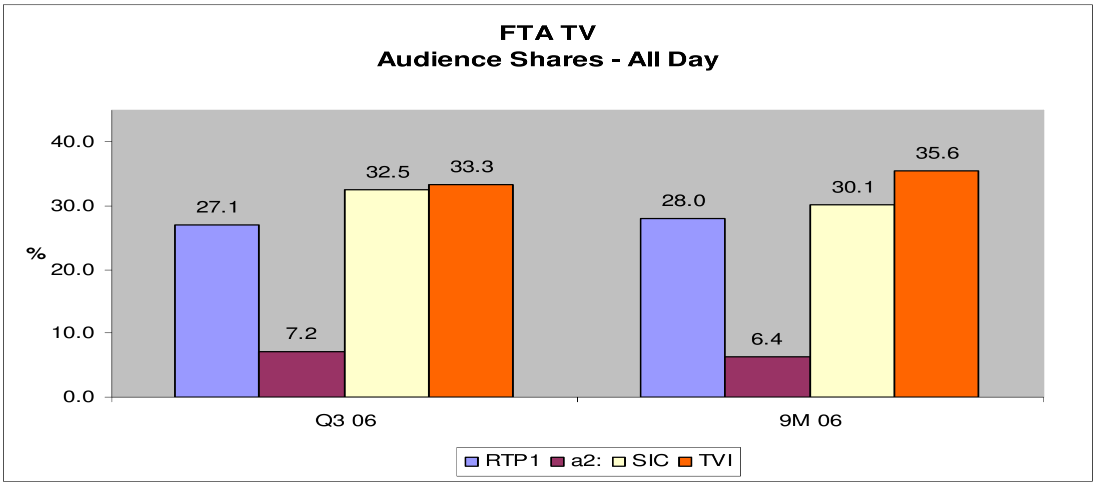
Changes in Net Profit (€ mn)



2. Television

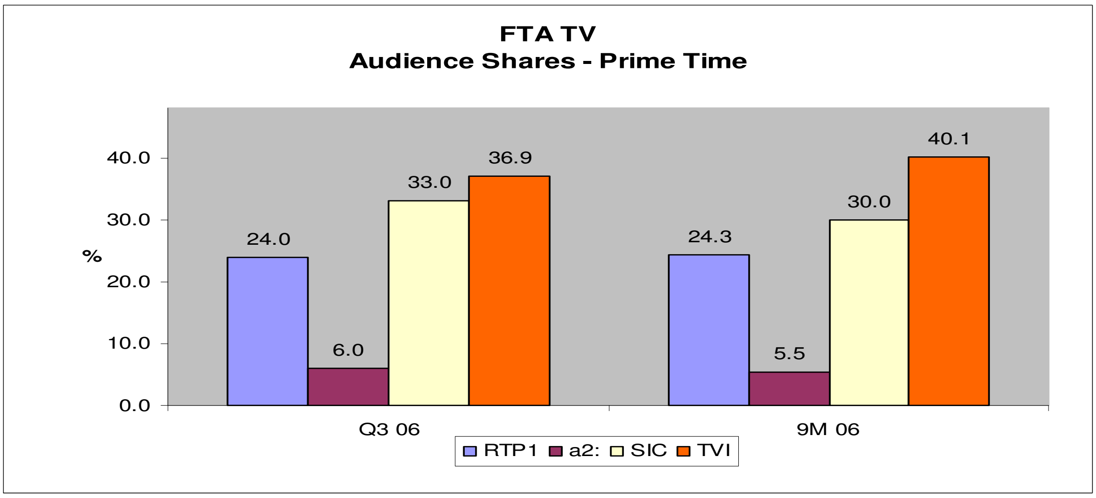
(€ thousands)	9M 06	9M 05	Var %	Q3 06	Q3 05	Var %
Operating revenue	**123,798**	**112,609**	**10%**	**36,550**	**34,561**	**6%**
Advertising	103,630	95,858	8%	29,690	27,991	6%
Other revenues	20,168	16,751	20%	6,860	6,571	4%
Operating Expenses	**86,652**	**80,662**	**7%**	**28,048**	**26,303**	**7%**
EBITDA	**37,146**	**31,948**	**16%**	**8,502**	**8,258**	**3%**
EBITDA margin	30.0%	28.4%	1.6 pp	23.3%	23.9%	-0.6 pp
Depreciation and amortisation	4,582	4,869	-6%	1,514	1,619	-7%
Operating income (EBIT)	**32,564**	**27,079**	**20%**	**6,989**	**6,639**	**5%**

The TV segment includes TV broadcasting, TV production and non-advertising TV associated activities (including sales of music CD's).



Source: Marktest

According to Marktest data, TVI led Portuguese television **audiences in 9M 2006**, both in all-day and prime time with audience shares of **35.6%** and **40.1%** respectively. These shares compare with 34.2% in all day and 37.1% in prime time in 2005.



Source: Marktest

In Q3 and after a month of July influenced by the final stages of the FIFA World Cup, and the strong performance of the Portuguese team, TVI recovered audience leadership in August and September and ended up leading Q3 audience shares in both all day with **33.3%** and in prime time with **36.9%**. Leadership in 9M was also maintained in other important timeslots such as access to prime time (18-20h) and late night (24h – 2h30), with 39.1% and 39.9% audience shares.

TVI's strong audience performance remains founded in its regular programming contents with the popular in-house productions of Portuguese fiction as the main contributor to TVI's continued audience share success.

In Portuguese fiction, TVI premiered in June its new in-house produced soap opera **"Tempo de Viver"**, which has reached a firm lead in its timeslot with an average audience of 44.0% and nearly 1.3 million daily viewers. Other prime time soap opera **"Fala-me de Amor",** now into its last episodes has also delivered strong results with an average share of 46.4% throughout its broadcast in 2006.

In September, the longest running Portuguese fiction project in Portuguese television entered its fourth year of broadcast: "Morangos com Açucar IV" premiered on 18 September in prime time, with the first two weeks reaching an average 1.2 million viewers and maintaining a strong penetration in its core targets. For the duration of the summer, TVI aired the 3rd series of "**Morangos com Açucar** - **summer edition**", which achieved an average share of 35.1% in its prime time programs, reaching an average of over 1 million daily viewers.

September also saw the full return of the Portuguese Football League, with the 3 matches broadcasted by TVI reaching an average of 1.1 million viewers, corresponding to an average share of 41.7% and over 50% in the Men target.

TVI's "**Jornal Nacional**" continues to be the leading daily news program in Portuguese television, with an average audience share of 32.5% and the only news program to reach over 1 million daily viewers.

With an 8% increase, Media Capital's television **advertising revenues** outperformed the TV advertising market (with the TV market now growing between 1% to 2% according to our estimates) in the first nine months of the year, and were the main driving force backing market growth.

Other revenues were up by 20% in the period, mostly due to the growth in call-TV and merchandising revenues.

Sales of music CDs were down by 2% in the period, beating the strongly negative trend of the sector. Highlights in the Q3 were records by local artists D'ZRT, FF e André Sardet and the sound tracks from TVI programs. In total, Farol/Warner managed to place:

- 45 of its CDs in the national Top 30 (with 4 #1 titles, during 15 weeks)
- 21 DVDs in the respective national Top 30 (with 3 #1 titles during 24 weeks) and an average 4 CDs in its top 10 and 3 records in the compilations top 10.

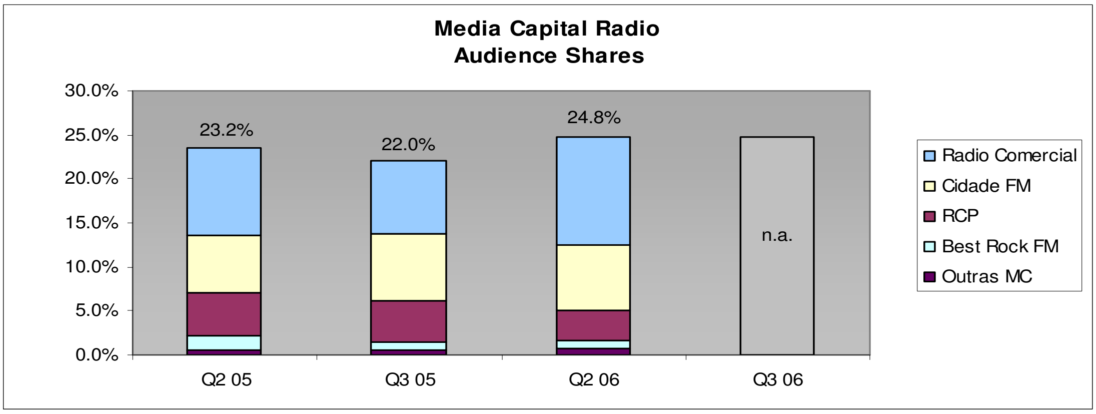
Other revenues contribution to total TV revenues was up from 15% to 16% in 9M 2006.

Operating expenses in the TV segment were up 7% on the comparable period, on higher TV programming costs (€4.8 million), due to higher costs with in-house productions, as well as to those associated with the broadcast and coverage of a number of events during the summer.

Consolidated EBITDA of the TV segment was up 16% on the comparable period to €37.1 million with **EBITDA margin up to 30.0%**, up 1.6 pp over the same period of last year. **Consolidated EBIT** of the TV segment improved 20% to €32.6 million.

3. Radio

(€ thousands)	9M 06	9M 05	Var %	Q3 06	Q3 05	Var %
Operating revenue	**9,860**	**10,987**	**-10%**	**2,600**	**3,531**	**-26%**
Advertising	9,043	10,684	-15%	2,343	3,423	-32%
Other revenues	817	303	170%	257	108	138%
Operating Expenses	**10,332**	**9,918**	**4%**	**3,079**	**3,434**	**-10%**
EBITDA	**(472)**	**1,069**	**N/A**	**(479)**	**97**	**N/A**
EBITDA margin	-4.8%	9.7%	-14.5 pp	-18.4%	2.8%	-21.2 pp
Depreciation and amortisation	1,344	944	42%	435	322	35%
Operating income (EBIT)	**(1,817)**	**125**	**N/A**	**(915)**	**(224)**	**-308%**



Source: Marktest

Audiences for the Q3 were not available at the date of disclosure of this report.

In the Q2 of 2006 Media Capital Radios (MCR) reached an audience share of 24.8%, which compares to 23.2% in the same quarter of 2005, and maintained the Group's radio audiences at its best results since the beginning of 2002.

Rádio Comercial kept (and except for the previous quarter) an audience share above those registered in any quarter of the last five years, as well as the shortest distance to its immediately above competitor, and plans to keep a significant effort in entertainment, a strong drive time period and new programming features and promotions.

Rádio Clube (RCP) initiated a migration process to a more generalist and informational format. The development of this format, which will fully in place early in January 2007, is part of the 75th anniversary of RCP and has the potential to deliver more revenues, both thanks to new sponsored advertising spaces for specific programs, and to the improvement in audience profile towards more upscale, urban listeners.

Cidade FM kept its leadership among the younger radio listeners, reaching 24% of listeners between the age of 15 and 24 in the most significant urban centers, being the Portuguese radio station with the most significant increase in its audience shares.

MCR's online format, **Cotonete,** celebrated its 5th anniversary, having undergone a website renewal, increased its contents offer and is placing a growing effort in bringing technology and end users ever more closer. Cotonete is currently enjoying its best results ever, with an average 6 million monthly page views and approximately 800 thousand unique users, having already established itself as an autonomous reference brand in Portuguese online radio.

Despite the positive results in terms of audience shares, MCR's total **advertising revenues** declined 15% in 9M 2006, following the trend of the radio advertising market that, according to our estimates, worsened in Q3. This decline was driven by the impact of the football World Cup in June and July, which caused local advertisers to concentrate their investment in television, but also by a particularly difficult Q3, given the non structural reduction observed in some of the main advertising sectors. MCR should have been more affected than other radio groups, since it holds significant market shares in some of these sectors or with direct clients.

Total operating expenses were up 4%, mainly due to the increase in marketing costs (although mostly incurred for in the first half of 2006) with advertising campaigns rolled out to support the changes performed in Rádio Comercial and Rádio Clube, and to a lesser extent to increased retransmission related costs supporting the Group's strategy of expanding its existing geographical coverage of non-national networks (Rádio Clube and Cidade FM), with the latter being offset by a decrease in payroll expenses.

Consolidated EBITDA in the Radio decreased to €-0.5 in 9M 2006, while **Consolidated EBIT** which was just above break even in 9M 2005 has now decreased to €-1.8 in 9M 2006.

4. Outdoor

(€ thousands)	9M 06	9M 05	Var %	Q3 06	Q3 05	Var %
Operating revenue	**12,513**	**12,182**	**3%**	**3,680**	**3,654**	**1%**
Advertising	12,155	12,144	0%	3,569	3,639	-2%
Other revenues	358	38	840%	112	15	647%
Operating Expenses	**11,291**	**11,311**	**0%**	**3,463**	**3,354**	**3%**
EBITDA	**1,223**	**871**	**40%**	**218**	**301**	**-28%**
EBITDA margin	9.8%	7.2%	2.6 pp	5.9%	8.2%	-2.3 pp
Depreciation and amortisation	908	947	-4%	304	365	-17%
Operating income (EBIT)	**314**	**(76)**	**N/A**	**(86)**	**(64)**	**-35%**

Media Capital Outdoor (MCO)'s **operating revenues** were up 3% YoY. Although advertising revenues remained flat over the comparable period, the comparison is hindered by the change in allocation criteria for some revenue items, now being accounted for as other revenues. On a comparable basis MCO's advertising revenues would have been up by approximately 3%. MCO benefited from the positive trend in the Outdoor market and was, along with TVI, one of the few main media players to have increased their advertising revenues in 9M 2006.

MCO is keeping its focus on cost control namely through the optimization of the present network, and through selective growth capex investments. **Operating costs** were flat YoY, with the increase in costs with rents and concession contracts being offset by lower payroll costs and lower local taxes, following the optimisation of the billboard network that took place late in 2005.

Consolidated EBITDA in MCO increased 40% in 9M 2006, to €1.2 million and an **EBITDA margin** of nearly 10%, supported by both the slight gain in revenues and the ongoing cost management effort, while **Consolidated EBIT** improved by nearly the same amount reaching €0.3 million in this period.

5. Others

(€ thousands)	9M 06	9M 05	Var %	Q3 06	Q3 05	Var %
Operating revenue	**19,366**	**23,823**	**-19%**	**5,785**	**7,223**	**-20%**
Advertising	4,262	3,515	21%	1,452	866	68%
Subscriptions and newsstand	5,675	6,544	-13%	1,906	1,960	-3%
Other revenues	9,429	13,765	-32%	2,427	4,398	-45%
Operating Expenses	**24,749**	**27,534**	**-10%**	**7,467**	**8,402**	**-11%**
EBITDA	**(5,383)**	**(3,711)**	**-45%**	**(1,682)**	**(1,179)**	**-43%**
Depreciation and amortisation	1,678	1,874	-10%	562	665	-16%
Operating income (EBIT)	**(7,060)**	**(5,586)**	**-26%**	**(2,244)**	**(1,844)**	**-22%**

Internet operations, magazine publishing, central holding costs and consolidation adjustments are included in this segment.

Advertising revenues were up 21% by the end of September, with gains both in the Group's magazine operations, where new magazine *Grazia* offset decreases in other titles, and also in the Group's Internet sites network which had a favourable performance in advertising revenues.

Subscriptions and newsstand revenues dropped by 13% YoY in 9M 2006, with the new titles *Grazia* and *Auto Comércio*, not being enough to even out the decrease in circulation in the Group's other main magazines and the impact of the closedown of Revista Choque late in 2005.

According to the information available, newsstand sales in general should have declined yet again in Q3 2006, following a trend that has been consistent throughout this year. Nearly all publications from most segments have been through declines in their total circulation figures when compared to last year, which in turn hampers the maintenance of advertising revenues. On top of this negative trend, the market has suffered with the decline of the add-on product sales, with some titles actually returning to promotional gifts.

Other revenues were down 32% mainly due to the **continued decrease in active users and minutes of usage in the narrowband Internet Service Provider** business, as well as due to a reduction in the sales of add-ons in the Group's main magazines, namely in *Lux* magazine.

Media Capital is increasingly focusing on the development of its online content, which has begun in Q1 with the redesign and improvement of the IOL portal and main sites. In the months leading up to and during the World Cup period, IOL put up Maismundial2006, a new site entirely dedicated to covering the World Cup, which at the time contributed to a new record high in page views for the IOL network.

Audiences in September were the best ever for two of the information sites on the IOL network:

- Agência Financeira (financial news) surpassed the 2 million monthly banner views, with a total of 2.2 million banner views, up 15% form its previous record in August, and reaching 42.000 unique users;
- Portugal Diário (general news) also registered its highest figures ever with 7.6 million banner views, up 18% form its previous best in July, and reaches 177.000 unique users
- Maisfutebol (sports news) kept its August average, achieving its best results in months without any major international tournament, and currently reaches over 400.000 unique users.

Operating Costs were down 10% in 9M 2006 on the back of the reduction in marketing costs and lower variable costs from lower add-ons sales in the Group's magazines, and also on the decrease in the Internet business variable costs.

EBITDA decreased to a negative €5.4 million with the **EBIT** of the segment down to a negative €7.1 million over the same period.

6. Cash movements

(€ thousand)	9M 06	9M 05	Var %	Q3 06	Q3 05	Var %
Operating activities						
Receipts	211,589	194,304	9%	62,248	64,199	-3%
Payments	(178,593)	(174,173)	3%	(56,534)	(57,306)	-1%
Cash flows op. activities (1)	**32,996**	**20,132**	**64%**	**5,714**	**6,893**	**-17%**
Investing activities						
Receipts	209	637	-67%	127	570	-78%
Payments	(10,026)	(12,526)	-20%	(2,817)	(4,260)	-34%
Cash flows inv. activities (2)	**(9,818)**	**(11,890)**	**17%**	**(2,690)**	**(3,689)**	**27%**
Financing activities						
Receipts	341	7,090	-95%	77	2,104	-96%
Payments	(23,297)	(13,669)	70%	(2,330)	(2,374)	-2%
Cash flows fin. activities (3)	**(22,956)**	**(6,579)**	**-249%**	**(2,254)**	**(270)**	**-736%**
Variation of cash (4) = (1) + (2) + (3)	222	1,663		770	2,934	
Cash at the begining of the period	3,608	5,329		3,059	4,057	
Cash at the end of the period	**3,830**	**6,991**		**3,830**	**6,991**	

Cash flow from operating activities increased 64% YoY to €33.0 million in 9M 2006. The 9% increase in operating receipts was a combined result of a growth of 4% in operational revenues and increased collections from previous year sales as a result of the increase in operational activity by the end of 2005 when compared to the end of the previous year. Operational payments were up 3% mostly due to the 3% increase in operational.

Cash flows from investing activities were down to €9.8 million in 9M 2006, mostly due to lower payments related with investments in radio expansion projects and the Internet Service Provider activity.

Cash outflows include a total of €2.1 million related with payments of previous financial investments (radio expansion, TCS and other acquisitions) as well as €7.2 million for tangible assets.

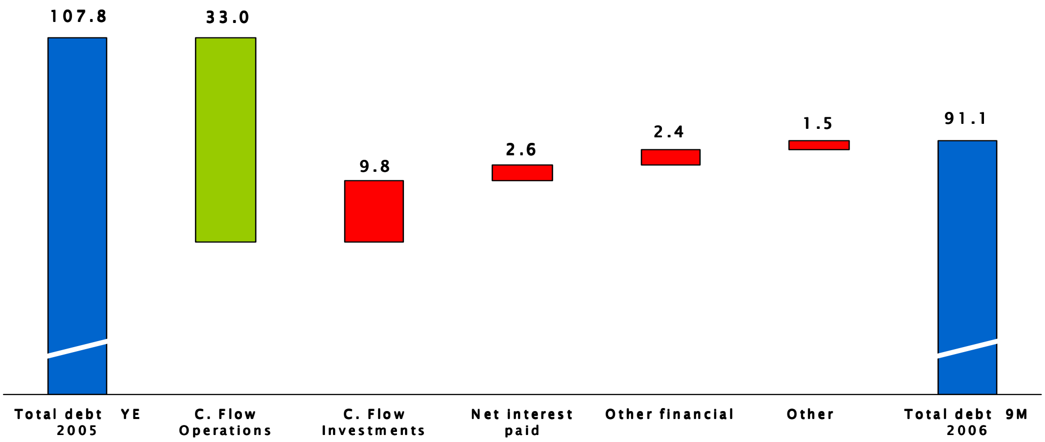
The **Cash flow from financing activities** is a result of the continued decrease in the Group's debt. In the first nine months of 2006, the Group repaid a total of €17.0 million from its senior facility and other loans. Additionally there was a reduction of approximately €1.0 million in interest and other payments related to financial charges following the aforementioned reduction in the Group's debt.

7. Debt

(€ thousands)	Sep-06	Dec-05	Change	Var %
Total Group debt	**91,128**	**107,760**	**(16,632)**	**-15%**
Senior facility	84,889	98,019	(13,130)	-13%
Other debt	6,238	9,741	(3,503)	-36%

Media Capital debt was down by €16.6 million in 9M 2006 using the cash flow generated in the business during the period. **Net debt was €87.3million** at the end of September 2006, which compares to €104.2 million at the end of 2005, and represents a decrease of 16% in the Group's net debt

Change in Total Debt (€ mn)



Media Capital

CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE NINE MONTHS ENDED 30 SEPTEMBER 2006 AND 30 SEPTEMBER 2005

(Amounts stated in Euro thousand)

	September 2006	September 2005
Advertising revenue	129,090	122,200
Subscriptions and newsstand revenue	5,675	6,543
Other operating revenue	30,772	30,857
Total operating revenue	165,537	159,600
Cost of goods sold	27,160	24,196
Subcontracts and third party supplies	65,461	66,310
Payroll expenses	37,303	35,972
Depreciation	8,513	8,634
Provisions	357	426
Other operating expenses	2,743	2,519
	141,537	138,057
Net operating profit (loss)	24,000	21,543
Financial expenses, net	7,003	6,359
Profit (loss) before income tax	16,997	15,184
Income tax expenses	5,943	5,298
Profit (loss) for the period	11,054	9,886
Attributable to:		
Equity holders of the Company	10,910	10,108
Minority interest	144	(222)
	11,054	9,886

CONSOLIDATED BALANCE SHEET AS OF 30 SEPTEMBER 2006 AND 31 DECEMBER 2005

(Amounts stated in Euro thousand)

	September 2006	December 2005
ASSETS		
Non-Current Assets:		
Goodwill	174,373	174,373
Intangible assets	11,760	12,930
Tangible assets	34,209	34,726
Investments in associates	280	575
Transmission rights and TV programs	39,312	47,719
Other non-current assets	2,215	2,545
Deferred income tax assets	7,700	13,691
	269,849	286,559
Current Assets:		
Transmission rights and TV programs	5,909	-
Inventories	1,588	1,990
Trade and other account receivable	36,497	42,241
Other current assets	15,556	14,213
Cash and cash equivalents	3,830	3,608
Derivative financial instruments	1,796	1,786
	65,176	63,838
Total Assets	335,025	350,397
EQUITY, MINORITY INTEREST AND LIABILITIES		
EQUITY:		
Share Capital	7,606	7,606
Share premium	81,709	82,035
Reserves	10,979	10,603
Retained earnings	28,538	15,254
Profit for the period	10,910	13,013
Equity attributable to equity holders	139,742	128,511
Equity attributable to minority interest	2,997	2,858
Total Equity	142,739	131,369
LIABILITIES:		
Non-Current Liabilities:		
Borrowings	70,985	83,890
Provisions for other risks and charges	6,245	7,019
Other non-current liabilities	3,199	6,390
Derivative financial instruments	396	1,102
Deferred income tax liabilities	1,036	1,277
	81,861	99,678
Current Liabilities:		
Borrowings	18,995	21,885
Trade and other payables	70,975	68,112
Other current liabilities	20,455	29,353
	110,425	119,350
Total Liabilities	192,286	219,028
Total Equity and Liabilities	335,025	350,397

CONSOLIDATED STATEMENT OF CASH FLOW FOR THE NINE MONTHS ENDED 30 SEPTEMBER 2006 AND 30 SEPTEMBER 2005

(Amounts stated in Euro thousand)

	September 2006	September 2005
Collections from clients	211,588	194,304
Payments to suppliers	(101,588)	(101,580)
Payments to employees	(38,822)	(36,274)
Cash flow from operations	71,178	56,450
Other payments relating to operating activities, net	(38,182)	(36,318)
Cash flow before extraordinary items	32,996	20,132
Cash flows from operating activities (1)	32,996	20,132
INVESTING ACTIVITIES:		
Receipts resulting from:		
Financial investments	-	372
Fixed assets	156	66
Dividends	53	198
	209	636
Payments resulting from:		
Financial investments	(2,124)	(3,493)
Fixed assets	(7,224)	(5,131)
Intangible assets	-	(1,620)
Loans to affiliated companies	(678)	(2,282)
	(10,026)	(12,526)
Cash flows from investing activities (2)	(9,817)	(11,890)
FINANCING ACTIVITIES:		
Receipts resulting from:		
Loans obtained	-	2,000
Capital increase / Supplementary capital contributions	-	4,914
Interest and similar income	340	176
	340	7,090
Payments resulting from:		
Loans repaid	(17,044)	(6,001)
Leases	(863)	(1,237)
Interest and related expenses	(2,941)	(3,590)
Dividends	-	-
Other financial expenses	(2,449)	(2,842)
	(23,297)	(13,670)
Cash flows from financing activities (3)	(22,957)	(6,580)
Variation of cash and equivalents (4) = (1) + (2) + (3)	222	1,662
Cash and equivalents at the begining of the year	3,608	5,329
Cash and equivalents at the end of the year	3,830	6,991