



First nine months 2011 results

Grupo Media Capital, SGPS, S.A.

NOTE:

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- 62 consecutive months of leadership
- Granted FTA transmission rights of the Champions League in Portugal (seasons 2012-2015)



- Best nine months ever on its prime time audiences



- Improving audience share and advertising market share by the second most listened to radio station in Portugal, which shortened its distance from the audience leader



- 162 million monthly pageviews. "Incrível Porto" – first digital book launched in Portugal (print copy followed). "Maisfutebol" app
- 3 million monthly vídeo views (3Q)



- Opening of "Cidade dos Sonhos" (Quinta dos Melos)
- Award for "Best Producer" (Meios & Publicidade)



- Major summer event in Algarve: Spot Summer Sessions

Media Capital's brands and contents have a strong presence on the internet and on social networks

- TVI is the leading TV channel online with more than 7 million visitors and 48.4 million page views
- "Secret Story": 72.650.000 views and 435.000 active users on facebook in september
- "Morangos com Açúcar": 7.405.000 views and 193.450 active users on facebook
- Rádio Comercial: more than 400 thousand fans on facebook

GRUPO MEDIA CAPITAL SGPS, SA

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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

FIRST NINE MONTHS 2011 RESULTS

For the first nine months of 2011 Media Capital reports an EBITDA of € 27.2 million, 1% above the comparable period.

- Operating revenues reached € 167.3 million (3% below the comparable period)
- **Advertising revenues** reached € 99.7 million, corresponding to a 5% reduction on a YoY basis.
- **TVI** led audience shares yet again by a strong margin, with FTA shares of 34.1% in all day and 37.9% in prime time. In turn, **TVI24** attained its best first nine months ever. Non-advertising operating revenues of the TV segment grew markedly, almost offsetting the reduction in advertising. As a result, total profits for this segment decreased 1% YoY, and the EBITDA margin was 20.9% (24.4% in the comparable period).
- **Audiovisual Production** segment saw a 3% in its operating revenues. EBITDA margin decreased 0,3pp to 7.0%.
- In **Radio**, the advertising revenues increased 11%, with a clear outperformance versus the market. EBITDA margin was 15.4%, with EBITDA improving € 2.0 million YoY, reaching € 1.7 million. Once again, **Radio Comercial** and **m80** increased their audience share on Q3'11, growing 1.7pp and 0.3pp, respectively, YoY.
- In the **Entertainment** segment, EBITDA was € -0.7 million, thus reducing substantially its negative contribution versus the first nine months 2010, despite the deterioration observed in the sector.
- In **Internet**, IOL and MCM's network of sites continue to grow in volume indicators. During the Q3'11 an average of 3 million videos/month were viewed amongst all MCM's websites, which reflects Media Capital's capacity in what relates content production. On the first half of 2011 MCM launched the apps TVI24 for iPad and other platforms and interfaces, with sizable levels of usage by consumers, thus putting Media Capital in the pole position of mobile platforms. The presence in e-commerce was also boosted in Q2'11 through the Project **Planeo**.

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1. Consolidated P&L

€ thousand	9M 2011	9M 2010	% Var	Q3 2011	Q3 2010	% Var
Total operating revenue	167,275	172,820	-3%	49,268	52,367	-6%
Television	109,946	110,690	-1%	32,331	34,478	-6%
Audiovisual Production	61,863	63,767	-3%	19,815	19,516	2%
Entertainment	10,195	13,040	-22%	2,892	3,246	-11%
Radio	10,953	9,632	14%	3,449	3,257	6%
Others	12,727	12,010	6%	4,159	4,298	-3%
Cons. Adjustments	(38,409)	(36,318)	6%	(13,378)	(12,427)	8%
Total operating expenses ex-D&A	140,044	145,759	-4%	44,389	45,948	-3%
EBITDA	27,231	27,061	1%	4,879	6,419	-24%
EBITDA Margin	16.3%	15.7%	0.6pp	9.9%	12.3%	-2.4pp
Television	22,955	27,012	-15%	4,521	7,379	-39%
Audiovisual Production	4,356	4,677	-7%	879	1,458	-40%
Entertainment	(570)	(2,674)	-79%	(345)	(1,271)	-73%
Radio	1,691	(313)	n.a.	257	(489)	n.a.
Others	(162)	(835)	-81%	32	(290)	n.a.
Cons. Adjustments	(1,039)	(805)	29%	(464)	(367)	26%
Depreciation and amortisation	8,790	9,054	-3%	3,032	3,091	-2%
Operating income (EBIT)	18,441	18,007	2%	1,847	3,329	-45%
Financial results	(4,450)	(3,877)	15%	(2,394)	(974)	146%
Profit / (Loss) before inc. tax/ no contrl. In	13,991	14,130	-1%	(546)	2,355	n.a.
Income tax	(4,223)	(3,502)	21%	84	(764)	n.a.
Profit / (Loss) from continued operations	9,768	10,628	-8%	(463)	1,591	n.a.
No Controlling interests	(642)	(938)	-32%	(170)	(188)	-9%
Net profit / (loss) for the period	9,125	9,689	-6%	(633)	1,403	n.a.

In the first nine months of 2011 (9M11), Media Capital reports **consolidated revenues** of € 167.3 million, down 3% over the comparable period. In 3Q'11, the YoY variation was -6%.

Consolidated EBITDA was up 1% to € 27.2 million, with a margin of 16%. In the quarter,

EBITDA reached € 4.9 million, i.e. 24% above last year, with a 9.9% margin.

EBIT also increased (2%), reaching € 18.4 million, whereas **net profit** was € 9.1 million (€ -0.6 million in 3Q'11), penalized by higher financial costs and a higher effective tax rate.



€ thousand	9M 2011	9M 2010	% Var	Q3 2011	Q3 2010	% Var
Operating revenue	167,275	172,820	-3%	49,268	52,367	-6%
Advertising	99,703	105,152	-5%	29,033	31,847	-9%
Other revenues	67,572	67,668	0%	20,235	20,521	-1%

Concerning operating revenues, **advertising** was down 5%, due to the weight of the TV segment, with a -7% performance. In Radio, the YoY variation was a positive one (+11%), while the Others segment was in line with the previous year. In quarterly terms, 3Q'11

registered a 9% decrease (-11% in TV, +6% in Radio and +7% in Others segment).

As far as the **Advertising Market** is concerned, there is no YoY data available for comparison. However, Media Capital estimates

to have improved its market share, namely in FTA Television and Radio.

Consolidated **other revenues** remained slightly at the same level of the comparable period, having the increase in Television, Radio and Others been offset by the decrease in Audiovisual Production, Music & Events and Cinema & Video. This effect was also responsible for the -1% evolution in the 3Q'11, when compared with 3Q'10, with the exception of the Audiovisual Production segment, that registered a 2% YoY variations in operating revenues.

In what regards **consolidated operating costs**, these were down 4% YoY as a result of lower activity in the Audiovisual Production and

Entertainment segments and efficiency gains achieved all across the organisation. In 3Q'11 consolidated operating cost were down by 3%.

In the first nine months of 2011, **net financial results** went from € -3.9 million to € -4.4 million. The interest rate swap had a contribution of € -0.1 million vs. € -1.2 million in 2010. Net financial results in Q3'11 reached € -2.4 million, improving € 1.4 million YoY, due to higher interest costs and the mark-to-market of the interest rate swap.

Consolidated Net Profit was € 9.1 million, which compares to € 9.7 million YoY, whilst 3Q'11 compares unfavourably with 3Q'10 (€ -0.6 million vs. € 1.4 million).



2. Television

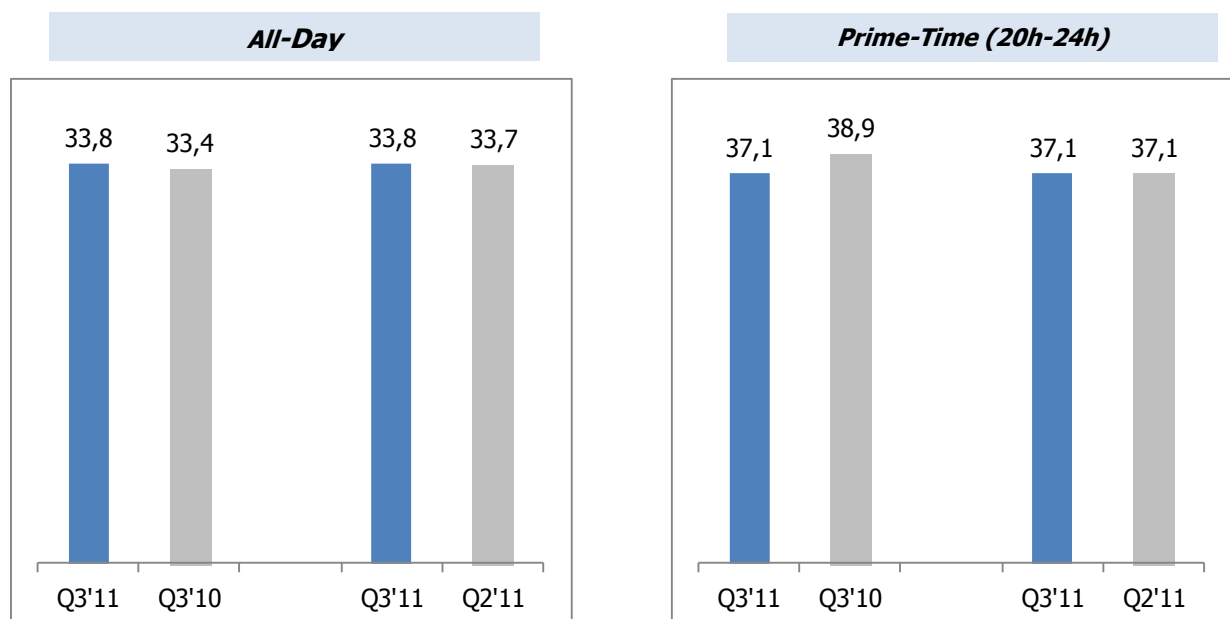


€ thousand	9M 2011	9M 2010	Var %	Q3 2011	Q3 2010	Var %
Operating revenue	109,946	110,690	-1%	32,331	34,478	-6%
Advertising	88,283	94,502	-7%	25,363	28,352	-11%
Other revenues	21,663	16,188	34%	6,968	6,126	14%
Operating Expenses, ex D&A	86,991	83,677	4%	27,810	27,099	3%
EBITDA	22,955	27,012	-15%	4,521	7,379	-39%
EBITDA margin	20.9%	24.4%	-3.5pp	14.0%	21.4%	-7.4pp
Depreciation and amortisation	4,530	4,533	0%	1,529	1,538	-1%
Operating income (EBIT)	18,425	22,479	-18%	2,992	5,840	-49%

The Television segment includes the activities of both TVI and Publipartner, the latter being 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 are lower (although by a small amount) than TVI's alone.

Quarterly audience share (FTA channels, %)



Source: Marktest

In the first nine months of 2011, TVI has once again led FTA audience shares in Portugal leading in all day with a share of 43.1%, being now close to lead annual audiences for the seventh consecutive year (2005-2011). The second position among the generalist channels achieved a share of 30.8% and the third position 28.8%.

In prime time, running from 8pm to 12am, TVI recorded a share of 37.9% (5,8pp above that

of the next player and 12,9pp above the third one).

These audience shares are the result of TVI's continuous effort to grant the best Portuguese drama, news programming and entertainment.

Regarding **Portuguese Drama**, the successful soaps "**Espírito Indomável**" and "**Mar de Paixão**", premiered in 2010, came to an end during the first half of 2011. "**Espírito Indomável**" had an average share of 45.6% and a daily audience of 1.2 million viewers. As

for **"Mar de Paixão"**, it achieved an overall share of 44.6%, with 1 million regular viewers. Broadcasted in late prime time, the soap **"Sedução"** came to an end in September. It had an overall share of 41.3% and more than 600 thousand viewers. Also ending during this period, season eight of **"Morangos com Açúcar"** had an average share of 60.4% in its core target (4 to 24 years old) and 32.5% for the whole market.

Premiered in march 2011, **"Anjo Meu"**, which main action takes place in the 80's, registers a leading audience share of 41.8% (more than 1 million regular viewers). Also premiered in 2011 and targeting all audiences, **"Remédio Santo"**, registers a share of 40.1%, with 1.1 million regular viewers. António Barreira, the only Portuguese author awarded with an Emmy, coordinates the script of this soap.

The summer season of **"Morangos com Açúcar"** (under the name "Morangos com Açúcar – Vive o Teu Verão") had an overall audience share of 37% (67.9% in its core target: 4-24 age group). In September the ninth season started, registering until the end of the month a 65.1% average share in its core target and an overall share of 35.3%.

Still on local drama, TVI diversified its programming with three **miniseries** produced by Plural Entertainment: **"O Amor é Um Sonho"**, **"Redenção"** and **"O Dom"**, all with good acceptance from the audience with shares of 45.2%, 34% and 40.2% respectively.

In **news**, the major highlight refers to the reinforced value proposal offered by TVI, which in a short period has already generated a quite positive reaction in ratings and audience.

The main daily news program **"Jornal das 8"** (starting at 8pm), first aired on may 6, was audience leader in September reaching an audience of 9.3% on FTA (9.7% TTV) and shares of 32.4% in FTA and 26.5% regarding TTV.

During September, **"Jornal das 8"** granted a wide coverage of the major national and international events, as well as interviews and reports by journalist Judite de Sousa and aired **"Repórter TVI"**, a reference of the investigative reporting programs in TVI. Furthermore, TVI broadcasted the first interview with re-elected President Cavaco Silva, which had relevant political and social repercussions.

It is worth mentioning that **"Jornal das 8"** obtained an average audience of 800 thousand daily viewers, corresponding to 31.7% share. Its Sunday edition (with Marcelo Rebelo de Sousa) gets a boost, with 36.1% share and more than 1 million regular viewers.

On lunch time (1pm) **"Jornal da Uma"** achieves a share of 30.8% from Monday to Friday, registering an average audience of 509 thousand viewers.

TVI also set up several special emissions regarding both the Presidential elections (January) and general elections (June), which generated shares of 34% and 32.5% respectively.

Regarding **sports**, the matches of the Liga Portuguesa de Futebol (Portuguese Football League) achieved an average audience of 1.2 million viewers – 49.2% share from the total audience and 59.8% in the Male target. Overall, the 2010/2011 football season that ended in 1H11, achieved an average audience of 1.1 million viewers – 43.2% share from the total audience and 53% in the Male target.

In October, TVI granted the broadcasting rights in FTA in Portugal of the **Champions League (CL)**, for the season 2012/2015. This agreement, includes the final and the European Super league. Furthermore, TVI and TVI24 will also air special programs dedicated to these competitions, in a multiplatform basis.

In **entertainment**, TVI aired two successful programs, the reality-doc **"Perdidos na Tribo"** and reality show **"Casa dos Segredos"**, premiered in May and on September 18th, respectively. The two special editions of "Casa dos Segredos" aired on Sundays achieved a share of 56% (1.2 million viewers). The dailies "Diario" and "Extra" were also leaders on their timeslot, with shares of 42.5% and 42.3%.

The reality-doc "Perdidos na Tribo" obtained an average audience above 1.2 million viewers (42.2% share).

Still on entertainment, Cristina Ferreira and Manuel Luís Goucha lead their timeslot with the talk show **"Você na TV"**, reaching a share of 37.5% (in September, 38.8% for the total audience and 41.6% in housewives). The two professionals also presented **"Uma Canção para Ti"**, which lead Sunday nights with an

average share of 41.1%, corresponding to almost 1 million viewers.

On weekdays afternoons, Fátima Lopes presented **"A Tarde é Sua"**, leading its timeslot with a share of 33.4% (34.5% in housewives target). Fátima Lopes also presented two specials, **"Juntos por Si"** (38.6% share) and **"Madeira em Flor"** (35.3%). During the summer, TVI aired some of the major traditional events throughout the country. Overall, these events registered an average share of 36.8% (more than 400 thousand viewers per program).

As regards **international drama**, TVI premiered two mini-series: **"Pilares da Terra"** (35.4% share) and **"O Rosto da Mentira"** (32.8%). On weekends the action series **"Havai: Força Especial"** achieved a share of 30.8%. **"Dr. House"**, aired late night, also showed a good performance, with a share of 32.4%.

In **cinema** the weekend afternoon programming observed an average share of 30.7% on Saturdays and 32% on Sundays.

As in previous years, TVI broadcasted the **Oscar ceremony**, achieving a 39.2% share (48.1% among the ABC1 / 25 to 54 years-old target).

CONSOLIDATION OF TVI24

The first nine months of 2011 were the best ever to TVI24, that continued to invest on the best news programming and on the analysis of the most relevant issues to Portuguese viewers.

Among the three news channels, TVI24 obtained an audience share of 16.7% all day and 19,2% in prime time.

Focusing on the main issues concerning Portuguese politics, the daily program **"Política Mesmo"**, premiered on June 6th, registers an average audience of 31 thousand viewers (173 thousand viewers contacted daily).

It is worth mentioning the premier of **"Olhos nos Olhos"** a debate program, centered on Portuguese economic situation. The first two editions achieved a total audience of 178 thousand viewers.

Still in September, the three reference daily news programs **"Edição da Sete"**, **"Jornal do Dia"** and **"Última Edição"** registered total audiences of 90 thousand, 121 thousand and 100 thousand viewers respectively. Also **"Mais Futebol"** and **"Prolongamento"**, two reference sports programmes, achieved 293 thousand and 324 thousand viewers, respectively, in august and September.

FINANCIAL PERFORMANCE

In terms of **financial performance**, and notwithstanding the poor macro environment, the Television segment total operation revenues were down by only 1%. Advertising revenues were down 5% YoY. Media Capital estimates that the FTA advertising market has decreased by approximately 10% versus the comparable period, thus meaning a gain in the market share. As for Q3'11, advertising revenues fell 11%, whereas the FTA should have decreased by 14%, again meaning an outperformance by TVI.

Other operating revenues were up 34% (14% in Q3'11), representing now 20% of the segments total revenues (15% in 9M10), with such performance offsetting the reduction registered in advertising. The main contribution to this evolution comes from the tremendous growth seen in multimedia services.

Operating costs were up 4% vs. 9M10. However, excluding the impact from the growth of other revenues as well as intra-group transactions related to management fees, the evolution would have been an upward increase of 1%. These 1% are justified with programming costs, which have also gone up by 2% both in 9M11 and in Q3'11. Such performance was possible due to a programming strategy that allowed to almost compensate the cost increase derived from (i) the acquisition by TVI of the Superliga football rights (which did not happen in the previous season); (ii) the coverage of the presidential and general elections and (iii) entertainment formats. This evolution was partially offset but a cut in the remaining parts of the programming grid. As for the quarter, opex grew 3% (2% with similar adjustments).

It should be noted that a key component of the schedule costs – national drama – is from in-house Group productions (via Plural), which therefore retains added value from it.

The combination of the revenue and cost performance resulted in an **EBITDA** of € 23.0 million in 9M11, which compares to € 27.0 million in 9M10. The EBITDA margin went from

24.4% to 20.9%. In Q3'11 EBITDA fell 39% to € 4.5 million, with the margin going from 21.4% to 14.0%.



3. Audiovisual Production

€ thousand	9M 2011	9M 2010	Var %	Q3 2011	Q3 2010	Var %
Operating revenue	61,863	63,767	-3%	19,815	19,516	2%
Advertising	0	0	n.a.	0	0	n.a.
Other revenues	61,863	63,767	-3%	19,815	19,516	2%
Operating Expenses, ex D&A	57,507	59,091	-3%	18,936	18,058	5%
EBITDA	4,356	4,677	-7%	879	1,458	-40%
EBITDA margin	7.0%	7.3%	-0.3pp	4.4%	7.5%	-3.0pp
Depreciation and amortisation	2,319	2,157	8%	866	753	15%
Operating income (EBIT)	2,037	2,520	-19%	13	704	-98%

The audiovisual production segment achieved total operating revenues of € 61.9 million, 3% less YoY. In Q3'11, the increase was 2%, towards a value of € 19.8 million.

Regarding **operating revenues**, the activity in Spain showed a reduction, mainly in terms of production to generalist and autonomic TV's, as well as management for the latter. This situation was not compensated by the higher income generated with cinema (sale of catalogue and subsidies) and international sales. In the third quarter, and for the same reasons, the activity in Spain decreased by 10% YoY.

As for the operations in Portugal, overall operating revenues increased 4% YoY, due to higher revenues from television productions, production services, technical support and scenarios, that compensated the revenue reduction in other areas. In Q3'11, operating revenues were down by 13%, which is justified by the same reasons given above.

Lower activity led to a 7% decrease in **EBITDA**, thus reducing it to € 4.4 million, whilst its margin went down by 0.3pp to 7.0%. In Q3'11, the 40% reduction in EBITDA and the contraction of the margin to 4.4%, find justification in the same arguments.



4. Entertainment

€ thousand	9M 2011	9M 2010	Var %	Q3 2011	Q3 2010	Var %
Operating revenue	10,195	13,040	-22%	2,892	3,246	-11%
Music & Events	3,130	5,377	-42%	1,573	1,645	-4%
Cinema & Video	7,065	7,663	-8%	1,319	1,601	-18%
Operating Expenses, ex D&A	10,765	15,714	-31%	3,238	4,517	-28%
EBITDA	(570)	(2,674)	-79%	(345)	(1,271)	-73%
EBITDA margin	-5.6%	-20.5%	14.9pp	-11.9%	-39.2%	27.2pp
Depreciation and amortisation	95	116	-19%	31	39	-21%
Operating income (EBIT)	(665)	(2,791)	-76%	(377)	(1,310)	-71%

The entertainment segment 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 – Multimédia.

Operating revenues for the 9M11 fell 22%, 42% in the case of Music & Events and 8% in Cinema & Video. In Q3'11, the aggregate revenues was down 11% (-4% in Music & Events and -18% in Cinema & Video).

In the **Music & Events** business, following the structural fall in the physical market (no final data available, but estimated at a relevant two digit fall), CD sales fell 63%, mainly due to product devolutions. It is worth highlighting the increase of other revenues, due to the growth in events, namely "Meo Spot Summer Sessions".

In **Cinema**, the market saw a YoY decrease of 4% in box office revenues (BOR), resulting from a combined 7% decrease in the number of spectators and a 3% increase of the average selling ticket price. Such evolution was not linear between the three quarters, as the type and number of releases was diverse. In the first quarter, the BOR fell 20% due to "Avatar". As for the second quarter, BOR was up 25% YoY, with some strong titles, one of them being "Rio", distributed by CLMC. In Q3'11 BOR fell by 7%, despite the launch of movies such as "Harry Potter and the deathly hallows, Part II", "Pirates of the Caribbean: on strange tides" and "The Smurfs". On this period, the number of spectators decreased 10%. The average ticket price rose 1.3% in Q1'11, 6.6% in Q2'11 and

3.3% in Q3'11, as some of the biggest hits were 3D.

Using BOR as a reference, CLMC posted a 12.2% market share in movie distribution from January to September, which compares to 14.2% in 9M10. The negative variation stems essentially from the "Avatar" effect, as referred. The movie distribution agreement with Fox came to an end in August, which also contributed to the negative variation referred above. In 2011, CLMC's main titles were "Rio", "Black Swan", "Planet of the Apes: The Origin"; "X-Men: First Class", among others.

In **Video**, the market maintained its decrease tendency. In this environment, CLMC's revenues fell 19% in 9M11 and 28% in Q3'11, despite the effort in special sales, which grew substantially.

Still on CLMC, the sale of independent titles to pay-tv platforms and video-on-demand related revenues had a positive contribution to the overall YoY evolution.

Operational costs of the Entertainment segment fell 31%, as a result of both the decrease in sales and the adaptation of the business unit's structure to the current market conditions.

Consolidated **EBITDA** for this segment was € -0.6 million for the 9M11 vs. € -2.7 million in the comparable period. In Q3'11, the YoY improvement is also noteworthy, with EBITDA coming from € -1.3 million to € -0.3 million.



5. Radio

€ thousand	9M 2011	9M 2010	Var %	Q3 2011	Q3 2010	Var %
Operating revenue	10,953	9,632	14%	3,449	3,257	6%
Advertising	9,919	8,972	11%	3,232	3,057	6%
Other revenues	1,033	660	57%	217	200	8%
Operating Expenses, ex D&A	9,262	9,945	-7%	3,192	3,745	-15%
EBITDA	1,691	(313)	n.a.	257	(489)	n.a.
EBITDA margin	15.4%	-3.3%	18.7pp	7.4%	-15.0%	22.4pp
Depreciation and amortisation	1,448	1,722	-16%	480	588	-18%
Operating income (EBIT)	243	(2,035)	n.a.	(224)	(1,077)	-79%

The data on radio audiences, measured through Bareme, kept showing an outstanding performance for MCR's radio formats.

The formats explored by MCR had an **aggregate audience share of 28.2%** in Q3'11, with Radio Comercial reducing once again its difference towards the number one player to the lowest value in 10 years time.

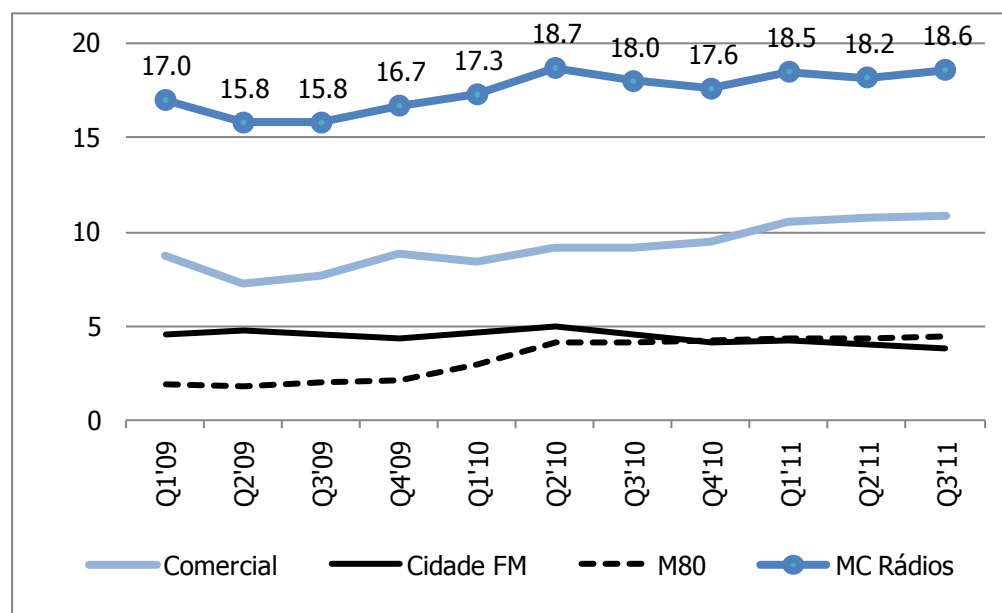
In terms of **audience reach (AAV)**, a more interesting metric as it reflects radio consumption, the data was equally encouraging, with MCR going from 18.0% in Q3'10 to **18.6% in Q3'11**.

Radio consumption as a whole increased 1.9pp on a YoY comparison. Radio Comercial stands out in this indicator as, after posting an AAV of 10.7% in 1H'11, it managed to actually improve in Q3'11 to 10.9%. It is worth highlighting the good performance of Radio Comercial in Oporto Region, as it increased its audience share by 20% on a YoY basis.

As for m80, it continued its growth path by reaching an AAV of 4.4% in Q3'11, its best performance ever, and comparing with 4.1% in the 9M10. It is worth mentioning that, of the 5 most listened to radios in Portugal, m80 (the 4th most listened to, ex aequo with Antena 1) is the only one with no national coverage.

Following its structure and portfolio reorganisation, MCR launched Vodafone Fm, shortly after in November it launched Star Fm. In September MCR launched its most recent music project, Smooth Fm.

MCR will keep on betting in the development of new and innovative formats and projects, which create and add value to shareholders, such as the association and creation of partnerships with the most relevant music festivals and events during the summer season and with "Meo Spot Summer Sessions".

Audience reach (%)


Source: Marktest. The quarterly evolution for the aggregate of MC Rádios is not fully comparable, given the changes made in the radio formats.

MCR's **advertising revenues** increased 11% when comparing to 9M10 (+6% in Q3'11). Although there is no available information on the market performance yet, MCR estimates to have once again improved its market share among advertisers.

Total **cost expenses** decreased 7% (-15% YoY in Q3'11), as a result of a lighter structure that derives mostly from the type of radio formats adopted.

As a consequence, **EBITDA** for this segment registered a slight YoY increase of € -0.3

million in 9M10 to € 1.7 million in 9M11 (EBITDA margin was 15%). In Q3'11, EBITDA went from € -0.5 million to € 0.3 million, corresponding to a 7% margin.

Regarding the radio's presence on the internet, the MCR online performance improved in the 9M11 by 46% YoY in terms of page views, with the number of unique users above 2.3 million monthly average. Cotonete, the leading site for online music, posted monthly average page views of 4.9 million, together with more than 900 thousand unique users every month.

6. Other


€ thousand	9M 2011	9M 2010	Var %	Q3 2011	Q3 2010	Var %
Operating revenue	12,727	12,010	6%	4,159	4,298	-3%
Advertising	2,491	2,480	0%	782	733	7%
Other revenues	10,236	9,529	7%	3,377	3,564	-5%
Operating Expenses, ex D&A	12,889	12,845	0%	4,128	4,588	-10%
EBITDA	(162)	(835)	-81%	32	(290)	n.a.
EBITDA margin	-1.3%	-7.0%	5.7pp	0.8%	-6.8%	7.5pp
Depreciation and amortisation	399	526	-24%	125	171	-27%
Operating income (EBIT)	(561)	(1,361)	-59%	(94)	(461)	-80%

Internet operations, shared services, central holding costs and consolidation adjustments are included in this segment.

IOL and MCM's network of sites registered their best performance ever on a nine months basis, with a monthly average of 167 million page views, representing an increase of 12% on a YoY comparison. Average monthly unique users were 3.5 million. Key projects contributing to this performance were:

- **"TVI24"**: +90% in page views (PV);
- **"TVI"**: +72% in PV;
- **"Lux"**: +87% in PV;
- **"Autoportal"**: +32% in PV;
- **"Agência Financeira"**: +32% in PV.

During the Q3'11 an average of 3 million videos/month were viewed amongst all MCM's websites, which reflects Media Capital's capacity in what relates content production.

During the first six months of 2011, it is worth highlighting the two MySpace OK Telesseguros tours with Tiago Bettencourt. A new partnership was announced with Adidas – entitled MySpace Adidas trends, whereby two concerts were made, one in Lisbon and the other in Oporto.

Regarding e-commerce, Media Capital launched the group buying site Planeo, which positions itself distinctively from the competition due to the unique communication capabilities that derive from Media Capital's strong presence in TV, Radio and Internet.

New websites were created aiming to support TVI's contents – as the entertainment shows "Uma Canção para Ti" and "Perdidos na Tribo", and the soaps "Anjo Meu" and "Remédio

Santo" – and to explore relevant events, such as the Oscars and Valentine's Day. Also relevant is the "Secret Story" ("Casa dos Segredos") website, launched with a 24hrs streaming service and pay subscription (26 million PV and 2.7 million visitors on the first 10 days).

In this period, Media Capital also launched "e-golo" (a recreation football game on-line) to follow the football season, with a premium version that registered remarkable adhesion levels.

On the first half of 2011, several apps for iPad and other platforms/interfaces were launched, all of them being an immediate success, with dozens of thousands of downloads short after their release, reaching many times a relevant position in the iTunes Appstore (in the case of TVI24 the 1st place in the national ranking and news apps ranking). Other successful apps launched were "Marcelo", "MaisFutebol", "Bola na Barra" and "Estrada Nacional". Overall, MCM already achieved more than 120 thousand apps downloads.

Advertising revenues were in line with the previous year, registering an increase of 7% on a 3Q comparison. TVI and TVI24 both had very positive performances.

Intra-group transactions justify not only the variation of **other revenues**, but also the 7% increase in **operating costs**, when comparing to 9M10.

EBITDA for this segment was negative by € 0.2 million, which compares favourably with € -0.8 million in 9M10. In Q3'11 EBITDA was slightly positive (€ 32 thousand), vs. € -0.3 million in Q3'10.



7. Consolidation Adjustments

€ thousand	9M 2011	9M 2010	Var %	Q3 2011	Q3 2010	Var %
Operating revenue	(38,409)	(36,318)	6%	(13,378)	(12,427)	8%
Advertising	(990)	(802)	23%	(344)	(296)	16%
Other revenues	(37,419)	(35,516)	5%	(13,035)	(12,131)	7%
Operating Expenses, ex D&A	(37,370)	(35,513)	5%	(12,915)	(12,059)	7%
EBITDA	(1,039)	(805)	29%	(464)	(367)	26%
EBITDA margin	2.7%	2.2%	0.5pp	3.5%	3.0%	0.5pp
Depreciation and amortisation	0	0	n.m.	0	0	n.m.
Operating income (EBIT)	(1,039)	(805)	29%	(464)	(367)	26%

Concerning **consolidation adjustments**, the values above reflect, to a large extent, the intra-group activity between TVI (Television) and Plural (Audiovisual Production).

The EBITDA figure results from the margin adjustments between, on one hand, TVI and, on the other hand, Plural and CLMC.



8. Cash Flow

€ thousand	9M 2011	9M 2010	Var %	Q3 2011	Q3 2010	Var %
Receipts	204,211	208,498	-2%	65,525	67,112	-2%
Payments	(204,848)	(213,545)	-4%	(67,982)	(68,865)	-1%
Cash flows op. activities (1)	-637	-5,047	-87%	-2,457	-1,753	40%
Receipts	1,971	36,809	-95%	399	3,413	-88%
Payments	(9,521)	(26,185)	-64%	(1,068)	(1,781)	-40%
Cash flows inv. activities (2)	-7,549	10,624	n.a.	-669	1,631	n.a.
Receipts	182,869	93,561	95%	52,985	53,503	-1%
Payments	(189,859)	(115,026)	65%	(54,730)	(55,049)	-1%
Cash flows fin. activities (3)	-6,990	-21,465	-67%	-1,745	-1,546	13%
Variation of cash (4) = (1) + (2) + (3)	(15,177)	(15,888)	-4%	(4,870)	(1,667)	192%
Cash at the beginning of the period	23,579	20,556	15%	13,273	6,336	109%
Cash at the end of the period	8,402	4,669	80%	8,402	4,669	80%

The **cash flow from operating activities** reached € -0.6 million, which compares with € -5.0 million in 9M10. This improvement is due to a better performance of the Audiovisual Production, Entertainment and Radio segments.

Cash flow from investing activities went from € 10.6 million to € -7.5 million. The cash outflow related with tangible and intangible

was € -4.5 million, thus better than the € -6.0 million observed in 9M10.

Cash flow from financing activities came in at € -7.0 million, resulting directly from the operational and investing cash flows and the payment of dividend in the global amount of € 7.2 million.



9. Financial Net Debt

€ thousands	Sep-11	Dec-10	Abs Var.	Var %
Group financial debt	115,393	113,729	1,663	1%
Bank loans / Commercial paper	110,674	109,543	1,131	1%
Other debt	4,719	4,186	533	13%
Cash & equivalents	8,402	23,579	(15,177)	-64%
Net debt	106,991	90,150	16,840	19%

As a result of the movements described above, Media Capital's **total financial net debt** was up 19% or € 16.8 million vs. the end of last year, totalling € 107 million at the end of September. Such evolution results, to a large extent, of seasonal issues, as cash generation in concentrated mostly in the last quarter. It is worth mentioning the payment of dividends in the global amount of € 7.2 million and that, as always, the financial debt figure includes the

fair value of the derivatives, as well as leasing, in a global amount of € 4.7 million at the end of the period under analysis. Financial debt **adjusted for the loans** to Promotora de Informaciones, S.A. **reached € 90.1 million** at the end of September, which compares with € 73.1 million at the end of 2010, thus putting Media Capital in a comfortable capital structure.

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

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

AS OF 30 SEPTEMBRE 2011 AND 31 DECEMBER 2010

(Amounts stated in Euro thousand)

<u>ASSETS</u>	<u>30.09.2011</u>	<u>31.12.2010</u>
NON-CURRENT ASSETS:		
Goodwill	167,113	167,113
Intangible assets	19,267	20,320
Tangible assets	27,669	30,645
Investments in associates	53	66
Assets held for sale	8	8
Transmission rights and TV programs	60,273	54,593
Other non-current assets	2,612	1,448
Deferred income tax assets	5,726	5,543
	<u>282,720</u>	<u>279,737</u>
CURRENT ASSETS:		
Transmission rights and TV programs	12,892	12,168
Inventories	463	1,047
Trade and other account receivable	52,667	53,328
Current tax assets	1,454	758
Other current assets	36,521	36,197
Cash and cash equivalents	8,402	23,579
	<u>112,400</u>	<u>127,077</u>
TOTAL ASSETS	<u><u>395,120</u></u>	<u><u>406,814</u></u>
<u>EQUITY AND LIABILITIES</u>		
EQUITY:		
Share capital	89,584	89,584
Reserves	29,228	23,124
Profit for the period	9,125	12,400
Equity attributable to controlling interests	<u>127,938</u>	<u>125,107</u>
Equity attributable to non-controlling interests	<u>3,487</u>	<u>4,023</u>
Total Equity	<u>131,425</u>	<u>129,130</u>
LIABILITIES:		
NON-CURRENT LIABILITIES:		
Borrowings	78,505	32,668
Provisions	7,862	7,868
Other non-current liabilities	-	13,555
Deferred income tax liabilities	1,612	1,612
Derivative financial instruments	1,399	2,083
	<u>89,379</u>	<u>57,786</u>
CURRENT LIABILITIES:		
Borrowings	35,488	78,978
Trade and other payables	73,325	73,179
Current tax liabilities	972	905
Other current liabilities	64,532	66,836
	<u>174,317</u>	<u>219,898</u>
Total liabilities	<u>263,695</u>	<u>277,684</u>
TOTAL EQUITY AND LIABILITIES	<u><u>395,120</u></u>	<u><u>406,814</u></u>

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

 CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
 FOR THE PERIOD ENDED 30 SEPTEMBRE 2011 AND 2010

(Amounts stated in Euro thousand)

	9 months ended		3 months ended	
	30.09.2011	30.09.2010	30.09.2011	30.09.2010
OPERATING REVENUES:				
Services rendered	140,377	148,014	41,201	43,882
Sales	4,508	7,515	898	1,668
Other operating revenue	22,390	17,291	7,168	6,818
Total operating revenue	<u>167,275</u>	<u>172,820</u>	<u>49,268</u>	<u>52,367</u>
OPERATING EXPENSES:				
Cost of programs broadcasted and goods sold	(19,472)	(18,396)	(4,742)	(4,995)
Subcontrats and third party supplies	(68,937)	(74,056)	(21,870)	(23,114)
Payroll expenses	(50,171)	(50,899)	(17,461)	(17,557)
Depreciation and amortization	(8,790)	(9,054)	(3,032)	(3,091)
Provisions and impairment losses	(631)	(789)	(203)	(369)
Other operating expenses	(834)	(1,620)	(113)	86
Total operating expenses	<u>(148,834)</u>	<u>(154,813)</u>	<u>(47,421)</u>	<u>(49,039)</u>
Net operating profit	<u>18,441</u>	<u>18,007</u>	<u>1,847</u>	<u>3,329</u>
FINANCIAL EXPENSES:				
Financial expense	(4,907)	(4,684)	(2,485)	(1,061)
Financial income	471	875	101	111
Finance costs, net	(4,436)	(3,808)	(2,384)	(951)
Losses on associated companies, net	(13)	(69)	(10)	(23)
Profit before tax	<u>13,991</u>	<u>14,130</u>	<u>(546)</u>	<u>2,355</u>
Income tax expense	(4,223)	(3,502)	84	(764)
Consolidated net profit for continued operations	<u>9,768</u>	<u>10,628</u>	<u>(463)</u>	<u>1,591</u>
Attributable to:				
Equity holders of the parent	9,125	9,689	(633)	1,403
Non-controlling interests	642	938	170	188
	<u>9,768</u>	<u>10,628</u>	<u>(463)</u>	<u>1,591</u>
Earnings per share (Euros)				
Basic	0.1080	0.1147	(0.0075)	0.0166
Diluted	<u>0.1080</u>	<u>0.1147</u>	<u>(0.0075)</u>	<u>0.0166</u>

GRUPO MEDIA CAPITAL, SGPS, S.A.
CONDENSED CONSOLIDATED CASH FLOW STATEMENTS
FOR THE PERIOD ENDED 30 SEPTEMBER 2011 AND 2010
(Amounts stated in Euro thousand)

	<u>30.09.2011</u>	<u>30.09.2010</u>
<u>OPERATING ACTIVITIES:</u>		
Cash receipts from customers	204,211	208,498
Cash paid to suppliers	(114,614)	(129,245)
Cash paid to employees	<u>(51,025)</u>	<u>(48,804)</u>
Cash generated from operations	38,572	30,449
Other cash received/(paid) relating to operating activities	<u>(39,209)</u>	<u>(35,496)</u>
Net cash from operating activities (1)	<u>(637)</u>	<u>(5,047)</u>
<u>INVESTING ACTIVITIES:</u>		
Cash received relating to:		
Disposal of tangible assets	325	129
Disposal of intangible assets	220	200
Investment subsidies	27	-
Dividends	-	663
Interest and similar income	107	1,246
Loans granted	<u>1,293</u>	<u>34,571</u>
	<u>1,971</u>	<u>36,809</u>
Payments resulting from:		
Business concentrations	(150)	(9,834)
Acquisition of tangible assets	(4,086)	(5,669)
Acquisition of intangible assets	(439)	(307)
Loans granted	<u>(4,847)</u>	<u>(10,375)</u>
	<u>(9,521)</u>	<u>(26,185)</u>
Net cash from /(used in) investing activities (2)	<u>(7,549)</u>	<u>10,624</u>
<u>FINANCING ACTIVITIES:</u>		
Cash received relating to:		
Borrowings	<u>182,869</u>	<u>93,561</u>
Cash paid relating to:		
Borrowings	(176,304)	(93,707)
Leases	(1,585)	(896)
Interest and other similar expenses	(3,280)	(1,714)
Dividends	(7,277)	(17,329)
Other financial expenses	<u>(1,414)</u>	<u>(1,381)</u>
	<u>(189,859)</u>	<u>(115,026)</u>
Net cash from/(used in) financing activities (3)	<u>(6,990)</u>	<u>(21,465)</u>
Net increase in cash and cash equivalents (4) = (1) + (2) + (3)	(15,177)	(15,888)
Cash and equivalents at the beginning of the period	23,579	20,556
Cash and equivalents at the end of the period	8,402	4,669