



First Quarter 2011 Results

Grupo Média Capital, SGPS, S.A.



57 consecutive months in leadership



Best quarter ever



25% increase in audience



More than 43% increase in audience



Leading TV in online



News app leader in Portugal



158 million monthly pageviews



36.1 million monthly pageviews

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

FIRST QUARTER 2011 RESULTS

For the first quarter of 2011 Media Capital reports an EBITDA of € 6.8 million, 12% above the comparable period.

- Operating revenues reached € 53.6 million, with total **advertising revenues** of € 31.1 million, 4% below Q1'10, whereas other operating revenues dropped 1%.
- **TVI** led audience shares yet again audiences by a strong margin, with FTA shares of 34.8% in all day and 39.2% in prime time. In turn, **TVI24** attained its best quarter ever. Non-advertising operating revenues of the TV segment grew markedly, which allowed for a 3% increase of the segment's overall revenues. As a result, profitability stayed at attractive levels, with an EBITDA margin of 15% for the segment.
- The **Audiovisual Production** segment saw a 6% reduction in its operating revenues, albeit maintaining an EBITDA at the same level of Q1'10 (7%).
- In **Radio**, the advertising revenues soared 16%, with a clear outperformance versus the market. EBITDA margin was 5%, with EBITDA improving € 0.6 million YoY. First quarter's audience figures were again quite good, with Rádio Comercial and M80 increasing their listeners base by 25% and 43% respectively when compared with Q1'10.
- In the **Entertainment** segment, EBITDA for the quarter was € -0.1 million, thus reducing substantially its negative contribution versus Q1'10, despite the deterioration observed in the sector.
- In **Internet**, IOL and MCM's network of sites continues to grow in page views, unique users and advertising. TVI consolidates its leadership position among the Portuguese sites of TV networks. The first quarter was also marked by the launching of the apps TVI24 for iPad, iPhone e iPod, all of which a success in terms of number of downloads, putting Media Capital also in the pole position of mobile platforms.

Queluz de Baixo, 28 April, 2011

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1. Consolidated P&L

€ thousand	Q1 2011	Q1 2010	% Var
Total operating revenue	53,550	55,216	-3%
Television	35,672	34,692	3%
Audiovisual Production	19,276	20,597	-6%
Entertainment	3,525	5,437	-35%
Radio	3,372	2,612	29%
Others	4,369	3,290	33%
Cons. Adjustments	(12,665)	(11,413)	11%
Total operating expenses ex-D&A	46,723	49,133	-5%
EBITDA	6,827	6,083	12%
EBITDA Margin	12.7%	11.0%	1.7pp
Television	5,400	6,337	-15%
Audiovisual Production	1,313	1,411	-7%
Entertainment	(93)	(552)	-83%
Radio	162	(468)	n.a.
Others	32	(476)	n.a.
Cons. Adjustments	12	(168)	n.a.
Depreciation and amortisation	2,855	2,837	1%
Operating income (EBIT)	3,972	3,246	22%
Financial results	(778)	(1,566)	-50%
Profit / (Loss) before inc. tax/ no contrl. Int.	3,194	1,679	90%
Income tax	(1,008)	(781)	29%
Profit / (Loss) from continued operations	2,185	899	143%
Profit / (Loss) from disc. operations	0	0	n.a.
No Controlling interests	(261)	(246)	6%
Net profit / (loss) for the period	1,924	652	195%

In the first quarter of 2011 (Q1'11) Media Capital reports **consolidated revenues** of € 53.6 million, down 3% over the comparable period.

Consolidated EBITDA was up 12% to € 6.8 million, with a margin of 13%.

EBIT also increased (+22%), reaching € 4.0 million, whereas **net profit** was € 1.9 million (€ 0.7 million in Q1'10), benefiting not only from the better operating performance, but also from the favourable evolution of net financial results (related with the mark-to-market of the interest rate swap).



€ thousand	Q1 2011	Q1 2010	% Var
Operating revenue	53,550	55,216	-3%
Advertising	31,120	32,512	-4%
Other revenues	22,429	22,704	-1%

Concerning operating revenues, **advertising** was down 4%, due to the weight of the TV segment, whose performance was -6%. In Radio, the YoY variation was a positive one

(+16%), while the Others segment progressed in the same direction (+3%).

As regards the **advertising market**, at this point in time there is no available information on the quarter.

Other operating revenues lost 1% YoY, due to the Audiovisual (AV) Production and Other segments, in spite of the positive contributions stemming from Television and Radio.

Total operating costs decreased by 5% YoY, as a result of both lower activity in AV Production and Entertainment, and efficiency gains accomplished all across the organisation.

In the first three months of 2011, **net financial results** improved from € -1.6 million to € -0.8 million, benefiting from the interest rate swap, which had a contribution of € 0.5 million vs. € -0.8 million in last year's first quarter.

Net profit reached € 1.9 million during the first three months of 2011, thus positively comparing with the € 0.7 million posted a year ago.

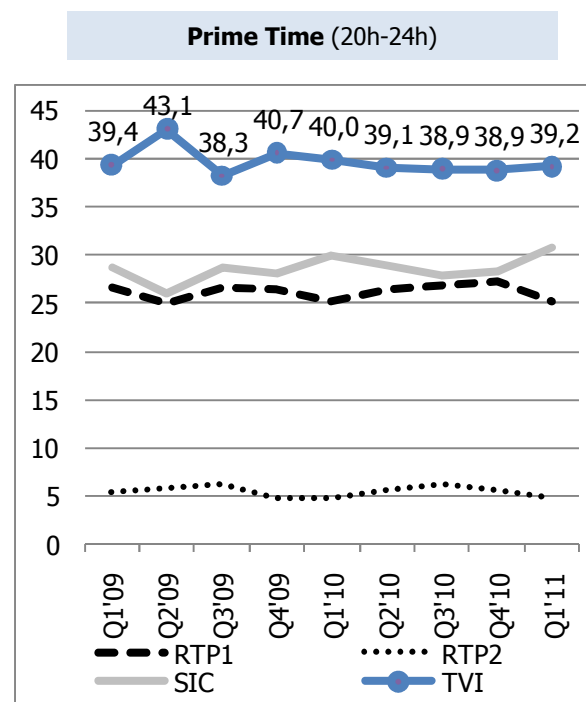
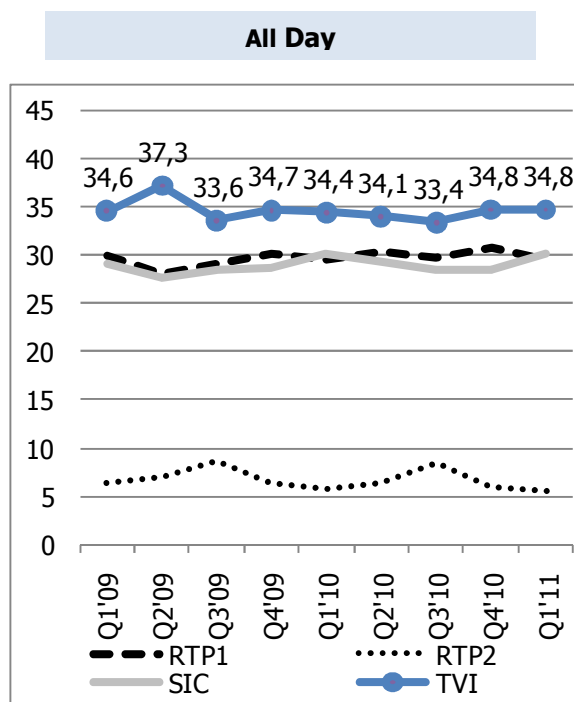
2. Television

€ thousand	Q1 2011	Q1 2010	Var %
Operating revenue	35,672	34,692	3%
Advertising	27,812	29,541	-6%
Other revenues	7,860	5,151	53%
Operating Expenses, ex D&A	30,272	28,355	7%
EBITDA	5,400	6,337	-15%
EBITDA margin	15.1%	18.3%	-3.1pp
Depreciation and amortisation	1,486	1,411	5%
Operating income (EBIT)	3,914	4,925	-21%

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 this first quarter of the year, TVI has once again led FTA audience shares in Portugal, leading both in all day with a share of 34.8%. The second position among the generalist channels achieved a share of 30.1% and the third position achieved 29.6% for the same metric.

In prime time, running from 8pm to 12am, TVI recorded a share of 39.2%, 8.4pp above that of

the next player and 14pp above the third position.

TVI records an increase in both all day and prime time shares, when comparing YoY or with the previous quarter.

Regarding **Portuguese drama**, the soap "**Mar de Paixão**" came to an end, having obtained a leading share of 44.6% (1 million spectators) in prime time for the available consumers in its timeslot (46.9% in housewives).

At that time, TVI unveiled "**Anjo Meu**", a drama where main action occurs in the 80's. The first 11 episodes registered an average share of 45.8%, 1.4 million faithful daily viewers across various social demographics.

Also in prime time, "**Espírito Indomável**" obtained a share of 47.6%, leading audiences at the start of prime time, while "**Sedução**" achieved a share of 41.6%. The youth series "**Morangos com Açúcar**" maintains the leadership on its target audience: 59.7% in the 4 to 24 years-old.

In **News**, TVI's main programmes kept a key position on their timeslots: at 1pm, "**Jornal da Uma**" achieved a share of 30.8% (32.3% on weekdays) and at 8pm "**Jornal Nacional**" recorded an average regular audience above 1 million viewers (32.2% share). On its Sunday edition (with Marcelo Rebelo de Sousa), "**Jornal Nacional**" has an average audience of 1.3 million viewers and 43.5% share in prime time.

In the field of investigative journalism, "**Repórter TVI**" was once again the most seen program, with an average audience above 1.3 million viewers and a share of 41.7%.

Regarding **Sports**, TVI broadcasted 10 games from the Liga Portuguesa de Futebol, achieving an average audience of 1.1 million viewers – 40.3% share from the total audience and 50.4% among the Male target.

In **Entertainment**, Cristina Ferreira and Manuel Luís Goucha lead their timeslot with the talk show "**Você na TV**", reaching a share of 37.8% (more than 300.000 viewers and 39.3% share among housewives target). The two professionals also presented "**Uma Canção para ti**", which lead Sunday nights on the 1Q11, with an average share of 41.1%, almost 1 million viewers per each of the 6 broadcasts.

On weekdays afternoons, Fátima Lopes presented "**A Tarde é Sua**", leading its timeslot with a share of 35.8% (37.8% in housewives target). Fátima Lopes also presented two specials, "**Juntos por Si**", (38.6% share) and "**Madeira em Flor**" (35.3%).

At night, TVI broadcasted a new season of "**Depois da Vida**", presented by Iva Domingues. The Friday edition achieved average audience shares of 47.8% (600.000 viewers).

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 29% (35.3% among the 4 to 245 year olds target).

In **cinema**, the weekend afternoon programming observed an average share of 29.5% on Saturdays and 32.7% 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).

TVI24

The news channel TVI24 continued to pay special attention to the most important national and international events. This was the best quarter ever for TVI24, which began broadcasting on February 2009.

On the Q1'11, Portuguese news channels achieved 14.9% share all day and 17.3% in prime time. TVI24 attracts a total audience of 720.000 viewers, 420.000 on prime time.

During the Q1'11, the following were the key programmes in regular programming: "Jornal de Domingo" (683.000 viewers), "Mais Futebol" (209.000), "Prolongamento" (207.000), "Jornal do Dia" (176.000), "Edição das Dez" (155.000), "Especiais de Informação" (113.000), and "Edição das Sete" and "Jornal da Tarde", both with an average of 104.000 viewers. In January, the specials on the presidential elections reached 671.000 viewers.

FINANCIAL PERFORMANCE

In terms of **financial performance**, and notwithstanding the poor macro environment, the Television segment total operating revenues were up 3%. **Advertising revenues** were down 6% YoY. Media Capital estimates that the FTA advertising market has decreased by approximately 8% versus the comparable quarter.

Other operating revenues were up 53%, representing now 22% of the segment's total revenues, with such performance offsetting the reduction registered in advertising. The main contribution to this evolution comes from the

tremendous growth seen in value added calls and, to a less extent, from higher transmission rights. The revenues with value added calls in 2011 include a gross-up component associated with certain costs incurred which in 2010 took place only as of June. Still, if one excludes this effect, other operating revenues would have grown by more than 40% YoY.

Operating costs were up 7% vs. Q1'10. However, taking into consideration the aforementioned gross-up issue, as well as intra-group transactions related to management fees, the evolution would have been an upward increase of 3%. These 3% are justified with programming costs, which have also gone up by 3%. 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); and (ii) the coverage of the presidential elections.

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 a quarterly **EBITDA** of € 5.4 million, which compares with € 6.3 million in Q1'10. The EBITDA margin went from 18.3% to 15.1%.



3. Audiovisual Production

€ thousand	Q1 2011	Q1 2010	Var %
Operating revenue	19,276	20,597	-6%
Advertising	0	0	n.a.
Other revenues	19,276	20,597	-6%
Operating Expenses, ex D&A	17,963	19,187	-6%
EBITDA	1,313	1,411	-7%
EBITDA margin	6.8%	6.8%	0.0pp
Depreciation and amortisation	708	658	8%
Operating income (EBIT)	605	752	-20%

The audiovisual production segment achieved total operating revenues of € 19.3 million.

Regarding **operating revenues**, the activity in Spain showed a reduction, chiefly in terms of production to generalist TV networks, with the exception of Telecinco. This situation was not compensated by the higher activity generated with (i) the management of autonomic channels; (ii) cinema and (iii) production to Vme, the fourth largest TV network in the U.S. dedicated to the Hispanic community.

As for the operations in Portugal, operating revenues increased, both in terms of content production and technical services.

As a result of the lower activity, and despite the cost reduction obtained, **EBITDA** ended up negatively affected, reaching € 1.3 million, although it is important to highlight that the margin was stable at 7%.



4. Entertainment



€ thousand	Q1 2011	Q1 2010	Var %
Operating revenue	3,525	5,437	-35%
Music & Events	753	1,746	-57%
Cinema & Video	2,773	3,692	-25%
Operating Expenses, ex D&A	3,618	5,990	-40%
EBITDA	(93)	(552)	-83%
EBITDA margin	-2.6%	-10.2%	7.5pp
Depreciation and amortisation	32	37	-14%
Operating income (EBIT)	(125)	(589)	-79%

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 quarter of the year fell 35%, 57% in the case of Music & Events and 25% in Cinema & Video.

In the **Music and Events** business, following the structural fall in the physical market (no final data available, but estimated at a two digit fall), CD sales fell 64%, mainly due to product devolutions. Key projects by Portuguese artists included "Memórias Esquecidas – Beto", "M80 – todos êxitos dos anos 70, 80 e 90 – Vários Artistas", "HIT Love – Vários Artistas" and "Pára, Escuta e Olha – André Sardet". Regarding other revenue sources, the increase in revenues generated by the associated rights didn't compensate the revenue reduction in artist representation.

In **Cinema**, the market saw a YoY decrease of 20% in box office revenues and 21% in spectator numbers, and an augment of 1% in the average ticket price.

This fall in sales volume is essentially due to the difference in the specific available movies. For example, "Avatar", the most seen movie in the Q1'10, represented a total of € 4.5M, the equivalent to a quarter of the gross box office revenue in the Q1'11.

The decline of CLMC's market share, from 27% in the Q1'10 to 15% in the Q1'11 is related to

the impact of the super-production "Avatar", which had a extraordinary effect in 2010 despite it premiered in 2009 (mid December). Key movies in the Q1'11 were "Black Swan", "Gulliver's Travels", "Love and other drugs" and "127 hrs".

In **Video**, the market maintained its decrease tendency, reducing 24% in the Q1'11. This fall is due to a reduction in the average unit price and in the number of copies sold. *Blu-ray* format had a positive contribution for the global market, however it only represents 3% of the total volume.

In spite of this context, CLMC had a good performance in video distribution. Its revenues increased 8%, mainly through direct sales resulting from special sales efforts amongst other media groups.

Sales from CLMC's independent movies catalogue for pay-tv channels and video-on-demand revenues, both had a positive contribution when compared to the Q1'10.

Operational costs of the Entertainment segment fell 40% as a result of both the reorganisation of the video business unit and the decrease in sales.

Consolidated **EBITDA** for the Entertainment segment was € -0.1 million for the first quarter, vs € -0.6 million in the comparable period of last year.



5. Radio

€ thousand	Q1 2011	Q1 2010	Var %
Operating revenue	3,372	2,612	29%
Advertising	2,803	2,423	16%
Other revenues	569	189	201%
Operating Expenses, ex D&A	3,210	3,080	4%
EBITDA	162	(468)	n.a.
EBITDA margin	4.8%	-17.9%	22.7pp
Depreciation and amortisation	488	556	-12%
Operating income (EBIT)	(327)	(1,024)	-68%

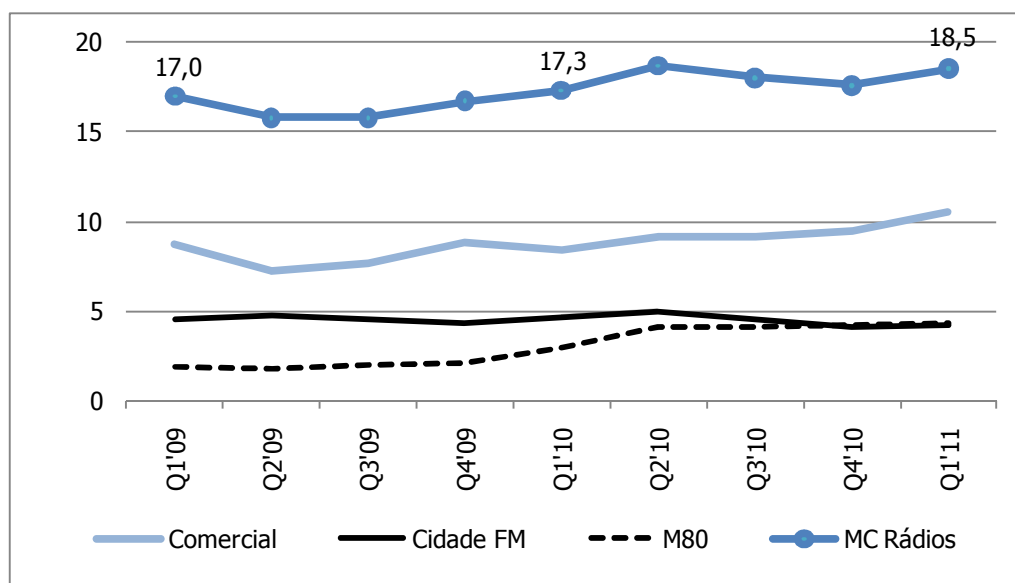
Following the trend observed in recent quarters, the audience figures for the first three months of this year were quite positive for MCR. Group Media Capital's radios had an **aggregate share of 25.7%**, the best performance ever of a first quarter, corresponding to a 24.6% YoY increase.

In terms of **audience reach (AAV)**, a more interesting metric as it reflects radio consumption, the data was equally encouraging, with MCR going from 17.3% in Q1'10 to **18.5% in Q1'11**, also the best performance ever for a first quarter.

Radio consumption as a whole increased 1% on a YoY comparison. Radio Comercial stands out in this indicator, as it achieved 10.5% of audience reach, corresponding to an increase of 25%. M80 once again augmented its listener's audience, achieving an AAV of 4.3%, its best AAV ever (corresponding to a 43% YoY increase).

Following its structure and portfolio reorganisation, MCR launched Vodafone FM, which benefits from the reallocation of the Romantica FM antennae. MCR will keep on betting in the development of new and innovative formats, which create and add value to shareholders.

Audience Reach (%)



Source: Marktest

MCR's **advertising profits** increased 16% when comparing with Q1'10. 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** raised 4%, due to an augment in advertising costs. This situation is expected to improve in the next quarters.

As a consequence, and following the efforts to optimize MCR's portfolio (in a profit vs cost perspective), **EBITDA** for this segment registered a significant YoY improvement, going from € -0.5 million to € 0.2 million in Q1'11. EBITDA margin was 5%.

Regarding the radio's presence on the internet, the MCR brand performance improved in the Q1'11 by over 180% in terms of page views (vs Q1'10), with the number of unique users staying above 2.5 million (monthly average). Cotonete, the leading site for online music, grew its number of page views, recording a monthly average of 6.7 million, together with more than a million unique users every month.

6. Other

€ thousand	Q1 2011	Q1 2010	Var %
Operating revenue	4,369	3,290	33%
Advertising	810	783	3%
Other revenues	3,559	2,507	42%
Operating Expenses, ex D&A	4,337	3,766	15%
EBITDA	32	(476)	n.a.
EBITDA margin	0.7%	-14.5%	15.2pp
Depreciation and amortisation	140	174	-20%
Operating income (EBIT)	(108)	(651)	-83%

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 first quarter, with a monthly average of 158 million page views, representing an increase of 7% on a YoY comparison. Average monthly unique users was of 3.5 million. Key projects contributing to this performance were:

- **"TVI24"**: +44% in pageviews (PV) and +69% in unique users (UU);
- **"TVI"**: +42% in PV and +51% in UU;
- **"Mais futebol"**: +23% in PV and +30% in UU;
- **"Lux"**: +62% in PV and +74% in UU;
- **"Agência Financeira"**: +35% in PV and 42% in UU.

MySpace OK Teleseguros Tour finished in the first quarter 2011, with two shows in Santarém and Coimbra. A new partnership was announced with Adidas, to promote MySpace Adidas Trends in April and September 2011.

Regarding e-commerce, the website www.euqueroumdestes.com held several

promotional campaigns, reinforcing its awareness in the market.

New websites were created, aiming to support TVI's contents – as the entertainment show "Uma Canção para Ti" and the soap "Anjo Meu" – and to explore relevant events, as the Oscars or Valentine's Day.

On this first quarter, TVI24 launched its apps for iPad, iPhone and iPod, which were an immediate success, with dozens of thousands of downloads short after their release, a relevant position in the iTunes Appstore and 1st place in the national ranking and news apps ranking. Media Capital is thus motivated to maintain its investment to enlarge the presence of its brand portfolio on mobile platforms.

Advertising revenues rose 3% YoY, due to the good performance mentioned above.

Intra-group transactions justify both the 15% **operating costs** increase as well as the variation in **other revenues**, when comparing to 1Q10.

Adjusted EBITDA for this segment was slightly positive (€ 32k), which compares with € -0.5 million in Q1'10.



7. Consolidation Adjustments

€ thousand	Q1 2011	Q1 2010	Var %
Operating revenue	(12,665)	(11,413)	11%
Advertising	(305)	(236)	29%
Other revenues	(12,360)	(11,177)	11%
Operating Expenses, ex D&A	(12,677)	(11,245)	13%
EBITDA	12	(168)	n.a.
EBITDA margin	-0.1%	1.5%	-1.6pp
Depreciation and amortisation	0	0	n.m.
Operating income (EBIT)	12	(168)	n.a.

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	Q1 2011	Q1 2010	Var %
Receipts	62,973	58,826	7%
Payments	(66,551)	(74,485)	-11%
Cash flows op. activities (1)	-3,578	-15,658	-77%
Receipts	1,172	6,520	-82%
Payments	(2,743)	(13,302)	-79%
Cash flows inv. activities (2)	-1,571	-6,782	-77%
Receipts	48,466	15,615	210%
Payments	(56,404)	(6,928)	n.m.
Cash flows fin. activities (3)	-7,938	8,687	n.a.
Variation of cash (4) = (1) + (2) + (3)	(13,087)	(13,753)	-5%
Cash at the beginning of the period	23,579	20,556	15%
Cash at the end of the period	10,492	6,803	54%

Cash flow from operating activities reached € -3.6 million, which compares with € -15.7 million in Q1'10. The most important contribution for this evolution was the performance of the Audiovisual Production segment, namely in its Spanish activities.

Cash flow from investing activities went from € -6.8 million to € -1.6 million. The cash

outflow related with tangible and intangible assets was € -2.1 million, thus better than the € -2.7 million registered in the comparable period.

Cash flow from financing activities came in at € - 7.9 million, reflecting the performance of operational and investing activities.



9. Financial Net Debt

€ thousands	Mar 2011	Dec 2010	Abs Var	% Var
Group financial debt	107,229	128,866	(21,637)	-17%
Bank loans / Commercial paper	103,474	124,096	(20,622)	-17%
Other debt	3,755	4,770	(1,015)	-21%
Cash & equivalents	10,492	20,556	(10,064)	-49%
Net debt	96,737	108,310	(11,572)	-11%

As a result of the movements described above, Media Capital's total **financial net debt** fell 11% or € 11.7 million vs. December 2010, staying at € 96.7 million at the end of March. It is worth mentioning that, as always, the financial debt figure includes the fair value of the derivatives, as well as leasing, in a global

amount of € 3.8 million at the end of the quarter. Financial net debt **adjusted for the loans to Promotora de Informaciones, S.A. reached € 78.1 million** at the end of March, 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 31 MARCH 2011 AND 31 DECEMBER 2010

(Amounts stated in Euro thousand)

ASSETS	31.03.2011	31.12.2010
NON-CURRENT ASSETS:		
Goodwill	167,113	167,113
Intangible assets	19,955	20,320
Tangible assets	29,588	30,645
Investments in associates	63	66
Assets held for sale	8	8
Transmission rights and TV programs	52,775	54,594
Other non-current assets	1,440	1,448
Deferred income tax assets	5,540	5,543
	<u>276,482</u>	<u>279,737</u>
CURRENT ASSETS:		
Transmission rights and TV programs	11,953	12,168
Inventories	1,175	1,047
Trade and other account receivable	52,847	53,328
Current income tax assets	1,369	758
Other current assets	39,587	36,197
Cash and cash equivalents	10,492	23,579
	<u>117,423</u>	<u>127,077</u>
TOTAL ASSETS	<u><u>393,905</u></u>	<u><u>406,814</u></u>
EQUITY AND LIABILITIES		
EQUITY:		
Share capital	89,584	89,584
Reserves	29,287	23,124
Profit for the period	1,924	12,400
Equity attributable to equity holders	<u>120,795</u>	<u>125,108</u>
Equity attributable to non-controlling interests	4,262	4,023
Total Equity	<u>125,057</u>	<u>129,131</u>
LIABILITIES:		
NON-CURRENT LIABILITIES:		
Borrowings	69,441	32,668
Provisions for other risks and charges	7,952	7,868
Other non-current liabilities	13,672	13,555
Deferred income tax liabilities	1,612	1,612
Derivative financial instruments	1,288	2,083
	<u>93,965</u>	<u>57,786</u>
CURRENT LIABILITIES:		
Borrowings	36,500	78,978
Trade and other payables	68,404	73,179
Current income tax liabilities	1,256	905
Other current liabilities	68,723	66,835
	<u>174,883</u>	<u>219,897</u>
Total liabilities	<u>268,848</u>	<u>277,683</u>
TOTAL EQUITY AND LIABILITIES	<u><u>393,905</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
31 MARCH 2011 AND 2010
(Amounts stated in Euro thousand)

	<u>31.03.2011</u>	<u>31.03.2010</u>
<u>OPERATING REVENUES:</u>		
Services rendered	43,361	47,393
Sales	1,907	2,648
Other operating revenue	8,281	5,175
Total operating revenue	<u>53,549</u>	<u>55,216</u>
<u>OPERATING EXPENSES:</u>		
Broadcasting costs and cost of good sold	(7,885)	(7,379)
Subcontrats and third party supplies	(22,005)	(25,123)
Payroll expenses	(16,398)	(15,857)
Depreciation and amortization	(2,855)	(2,837)
Provisions and impariment losses	(219)	(244)
Other operating expenses	(215)	(530)
Total operating expenses	<u>(49,577)</u>	<u>(51,970)</u>
Net operating profit	<u>3,972</u>	<u>3,246</u>
<u>FINANCIAL EXPENSES:</u>		
Financial expenses	(1,387)	(1,863)
Financial gains	611	318
Financial expenses, net	<u>(776)</u>	<u>(1,545)</u>
Losses on associated companies, net	(3)	(22)
Profit before tax	<u>3,193</u>	<u>1,678</u>
Income tax expense	(1,008)	(781)
Consolidated net profit for continued operations	<u>2,185</u>	<u>897</u>
Attributable to:		
Equity holders of the parent	1,924	651
Non-controlling interests	<u>261</u>	<u>246</u>
Earnings per share (€)		
Basic	0.0228	0.0077
Diluted	<u>0.0228</u>	<u>0.0077</u>

GRUPO MEDIA CAPITAL, SGPS, S.A.
CONDENSED CONSOLIDATED CASH FLOW STATEMENTS
FOR THE PERIOD ENDED 31 MARCH 2011 AND 2010

(Amounts stated in Euro thousand)

	31.03.2011	31.03.2010
<u>OPERATING ACTIVITIES:</u>		
Cash receipts from customers	62,973	58,826
Cash paid to suppliers	(38,865)	(46,605)
Cash paid to employees	(15,949)	(15,512)
Cash generated from operations	8,159	(3,291)
Other cash received/(paid) relating to operating activities	(11,737)	(12,367)
Net cash from operating activities (1)	(3,578)	(15,658)
<u>INVESTING ACTIVITIES:</u>		
Cash received relating to:		
Disposal of tangible assets	61	29
Disposal of intangible assets	-	200
Interest and other similar income	1,066	6,153
Repayment of loans granted	45	4
	1,172	6,386
Payments resulting from:		
Business concentrations	-	(584)
Acquisition of tangible assets	(2,012)	(2,438)
Acquisition of intangible assets	(72)	(280)
Loans granted	(659)	(10,000)
	(2,743)	(13,302)
Net cash from /(used in) investing activities (2)	(1,571)	(6,916)
<u>FINANCING ACTIVITIES:</u>		
Cash received relating to:		
Borrowings	48,466	15,615
Dividends	-	133
	48,466	15,748
Cash paid relating to:		
Borrowings	(54,791)	(5,621)
Leases	(334)	(237)
Interest and other similar expenses	(805)	(483)
Other financial expenses	(474)	(586)
	(56,404)	(6,927)
Net cash from/(used in) financing activities (3)	(7,938)	8,821
Net increase in cash and cash equivalents (4) = (1) + (2) + (3)	(13,087)	(13,753)
Cash and equivalents at the beginning of the period	23,579	20,556
Cash and equivalents at the end of the period	10,492	6,803