



**FOR IMMEDIATE RELEASE**  
**Wednesday, September 17, 2008**

## **Media General Reports August 2008 Revenues**

**RICHMOND, Va.** – Media General, Inc. (NYSE: MEG) today released its monthly revenues report for August 2008. Total company revenues of \$65.7 million compared with \$68.8 million in August 2007. The year-over-year decrease of 4.4 percent was the company's best monthly performance in 2008, a year that has been beset by the weak U.S. economy. Strong Political revenues in several states and robust Olympics advertising on the company's eight NBC stations contributed to an 11.7 percent increase in Broadcast Division revenues in August. In addition, Interactive Media revenues grew 13.7 percent. Conversely, Publishing Division revenues were down 16.6 percent, reflecting continued weak newspaper advertising.

"Our Broadcast Division generated Political revenues of nearly \$2 million in August, an amount that reflected stronger than expected spending by presidential and U.S. Congressional campaigns," said Marshall N. Morton, president and chief executive officer. "The Broadcast Division also generated \$12.5 million in Summer Olympics advertising and more than two-thirds of the total was generated by our four newest NBC stations.

"Interactive Media Division revenue growth in August was attributable to a 45 percent increase in Local advertising, driven by our focused sales initiatives, and an excellent performance by our new online shopping and coupon service, DealTaker.com. Our online audience growth continued in August, driven significantly by our continuous news offerings on all sites. Page views were up 17.3 percent and visitor sessions and unique visitors both rose 24 percent," Mr. Morton said.

"At the same time, the prolonged weakness in newspaper advertising continued. Unfortunately, we do not see an improvement in the Publishing business during the remainder of 2008, and Broadcast transactional advertising also continues to be weaker than previously expected," Mr. Morton said.

### **Publishing Division**

Publishing Division revenues declined 16.6 percent in August. Excluding Florida, where revenues decreased 25.3 percent, Publishing Division total revenues in August were down 12.6 percent. Revenues in Virginia and North Carolina decreased 15.3 percent and 11.8 percent, respectively. While revenues in South Carolina declined 5.2 percent, advertising from the company's new weekly newspaper partially offset lower overall Retail spending. Revenues rose 1.8 percent in Alabama, driven by higher Retail and National advertising, mostly due to the opening of several new department stores in 2008, including a large national sporting goods retailer in August.

Classified advertising revenues decreased \$4.3 million, or 31.8 percent, reflecting reductions in all markets, particularly in Tampa and Richmond. For the company's three metro markets combined, employment revenues decreased 47.8 percent, real estate advertising revenues decreased 45 percent, and automotive revenues declined 43.6 percent.

Retail advertising revenues declined \$2 million, or 11.6 percent, due to lower spending in Tampa and Richmond across many key categories. National advertising revenues decreased \$440,000, or 15.6 percent, as a result of lower telecommunications and national automotive advertising in the Tampa market.

Circulation revenues were about even with the prior year as Daily and Sunday volume declines were offset by home-delivery price increases in many markets. In August, The Tampa Tribune reported a Sunday net-paid circulation increase due to higher home-delivery volumes. Effective September 1, the majority of Media General's newspapers increased the Daily single-copy price to reflect higher production and distribution costs. For most of the company's papers, this was the first Daily single-copy price increase since the early-to-mid-1990s.

## **Broadcast Division**

Broadcast gross time sales increased \$3.4 million, or 12.1 percent, as a result of strong Olympics and Political advertising revenues.

Political revenues were generated from presidential campaign spending in Ohio and Florida, U.S. Congressional races in Florida, North Carolina, Ohio and Mississippi, and state office and issue spending in Florida, Ohio, North Carolina and Mississippi. Revenues from the Olympics were slightly below the company's expectations of \$13 million. Some anticipated National advertising packages were not placed and Local advertisers were not fully able to bridge the gap. In addition, the company experienced decreased transactional advertising at its non-NBC stations in markets where Local advertisers placed Olympics advertising on the competing NBC station.

Nevertheless, bolstered by Olympics advertising and effective efforts to sell packages to first-time Olympics advertisers, Local time sales increased \$2.1 million, or 13.1 percent, primarily from higher health care, fast food, telecommunications and services advertising, partially offset by lower spending in the furniture store and automotive categories. National time sales declined just \$375,000, or 3.2 percent, reflecting higher automotive advertising, which partially offset decreased spending in the telecommunications category.

## **Interactive Media Division**

In the Interactive Media Division, National/Regional advertising declined 3.5 percent, mostly due to lower spending in Florida. While online Classified advertising overall decreased 11 percent, the division generated an increase in employment liner advertising through its participation in the Yahoo!HotJobs partnership.

In the advertising services group, DealTaker.com generated strong revenues. Blockdot's advergaming revenues improved compared with July as a result of new customer projects, but finished down versus last year due to softer national market trends.

## **Forward-Looking Statements**

This news release contains forward-looking statements that are subject to various risks and uncertainties and should be understood in the context of the company's publicly available reports filed with the Securities and Exchange Commission. Media General's future performance could differ materially from its current expectations.

## **About Media General**

Media General is a leading provider of local news, information and entertainment over multiple media platforms. The company serves markets primarily in the Southeastern United States. Media General publishes 25 daily newspapers, including The Tampa Tribune, Richmond Times-Dispatch, and Winston-Salem Journal; and community newspapers in Virginia, North Carolina, Florida, Alabama and South Carolina; plus approximately 275 weekly newspapers and other targeted publications. The company owns and operates 20 network-affiliated television stations that reach approximately 30 percent of the television households in the Southeast and nearly 9 percent of those in the United States. The company's interactive media operations include Web sites and portals that are associated with each of its newspapers and television stations as well as with many specialty publications, and two growing interactive advertising services companies, Blockdot, Inc. and DealTaker.com.

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**MEDIA GENERAL, INC.**  
**Revenues and Page Views**

	August			Year-to-Date		
	2008	2007	% Change	2008	2007	% Change
<b>Revenues (000)</b>						
Publishing	\$ 33,271	\$ 39,896	(16.6)%	\$ 299,514	\$ 357,525	(16.2)%
Broadcast	29,579	26,469	11.7 %	212,852	217,684	(2.2)%
Interactive Media	3,421	3,008	13.7 %	25,383	23,755	6.9 %
Eliminations	(534)	(600)	11.0 %	(4,364)	(4,507)	3.2 %
Total Revenues	<u>\$ 65,737</u>	<u>\$ 68,773</u>	<u>(4.4)%</u>	<u>\$ 533,385</u>	<u>\$ 594,457</u>	<u>(10.3)%</u>
Discontinued Operations <sup>1</sup>	<u>\$ 802</u>	<u>\$ 3,000</u>	<u>(73.3)%</u>	<u>\$ 19,013</u>	<u>\$ 24,822</u>	<u>(23.4)%</u>

**Selected Publishing Revenues by Category (000)**

Classified	\$ 9,217	\$ 13,513	(31.8)%	\$ 90,316	\$ 128,132	(29.5)%
Retail	15,068	17,036	(11.6)%	131,361	144,878	(9.3)%
National	2,362	2,799	(15.6)%	20,590	25,816	(20.2)%
Other	548	556	(1.4)%	3,892	4,115	(5.4)%
Total Advertising	<u>\$ 27,195</u>	<u>\$ 33,904</u>	<u>(19.8)%</u>	<u>\$ 246,159</u>	<u>\$ 302,941</u>	<u>(18.7)%</u>
Circulation	<u>\$ 4,827</u>	<u>\$ 4,834</u>	<u>(0.1)%</u>	<u>\$ 42,469</u>	<u>\$ 44,033</u>	<u>(3.6)%</u>

**Broadcast Time Sales (gross) (000)**

Local	\$ 17,866	\$ 15,802	13.1 %	\$ 136,318	\$ 137,949	(1.2)%
National	11,156	11,529	(3.2)%	73,152	85,861	(14.8)%
Political	1,960	299	---	10,686	1,854	---
Total Time Sales	<u>\$ 30,982</u>	<u>\$ 27,630</u>	<u>12.1 %</u>	<u>\$ 220,156</u>	<u>\$ 225,664</u>	<u>(2.4)%</u>

**Online Total Page Views (000)**

Total Web Sites (Excluding Advertising Services)	65,581	55,931	17.3 %	510,444	463,118	10.2 %
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Notes: All data are subject to later adjustment.

<sup>1</sup> Discontinued operations include the following TV Stations: WMBB in Panama City, Florida; KALB/NALB in Alexandria, Louisiana; WNEG in Toccoa, Georgia; WTVQ in Lexington, Kentucky and WCWJ in Jacksonville, Florida.