



FOR IMMEDIATE RELEASE
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Media General Presents at UBS Global Media & Communications Conference

RICHMOND, Va. — Media General, Inc. (NYSE: MEG) will update investors today on the company's business strategy at the 37th Annual UBS Global Media & Communications Conference in New York at 1:30 p.m. ET.

Company speakers will be Marshall N. Morton, president and chief executive officer; Reid Ashe, executive vice president and chief operating officer, and John A. Schauss, vice president-finance and chief financial officer.

Mr. Morton said, "Advertiser spending patterns have firmed in the fourth quarter. We expect total revenues to be down 14-16 percent from last year, which compares sequentially with an 18 percent decrease in the third quarter of this year. Last year's fourth quarter included \$23 million of Political revenues and the third quarter of last year included \$7.5 million of Political revenues. The improvement we've seen is primarily in the automotive and Retail categories. On the television side, higher automotive spending is mostly coming from the manufacturers, although we've seen an uptick in local dealer advertising in some markets. On the newspaper side, we've seen positive signs with local dealers in some markets, including Tampa and Richmond. Within the Classified category, auto has been declining at a much lower rate than employment or real estate. The preprints placed in our newspapers over the Thanksgiving holiday met or exceeded last year's levels in several markets, and this has continued. Digital Media advertising revenues continue to increase, most notably in the Local and advertising services categories.

"Through the first nine months of this year, our total operating costs were down 19 percent compared with last year. We expect to end the year at that same level. Our 2008 total operating costs were 6 percent below 2007," he said.

In 2009, Media General eliminated across-the-board salary increases, suspended the company match for the 401(k) plan, implemented 15 furlough days for essentially all employees, froze retirement plan benefits and suspended the dividend. Workforce reductions have been accomplished through streamlining, consolidating, centralizing and outsourcing.

Today, Media General has nine newspaper printing facilities, down from 25 facilities 10 years ago. "To further leverage our printing assets, early this year, we set up a new group to run our printing and distribution operations and focus on outside sales. This approach has freed our Publishers to focus on content and advertising sales and has generated more than \$5.5 million in annualized outside revenues," Mr. Morton said.

"During the difficult operating environment of the past three years, we've reduced our debt by nearly \$200 million, or 22 percent, using free cash flow and proceeds from asset sales. At the end of the third quarter, our debt was \$706 million. We expect to reduce debt an additional \$6-\$10 million by the end of the year," he said. Media General has pared back capital spending to an expected \$20 million in 2009, and the 2010 spending level is expected to be \$28-29 million.

"Tough times also have inspired us to stretch in new directions and with great urgency. We've continued to embrace all the new opportunities provided by advancing technologies and changing consumer preferences. We've placed tremendous emphasis on strengthening our sales culture to drive new revenues, especially for online and mobile platforms. We greatly heightened our focus on innovation throughout the company. All properties have innovation teams in place to drive new ideas that meet customer and local market needs. We quickly identify high-potential new products and services that can be scaled across the enterprise," Mr. Morton said.

Reid Ashe, executive vice president and chief operating officer, reviewed the company's digital strategy. "We're building new services customized for mobility and tailored to the specific devices people carry. Strategic partnerships, notably with Yahoo!, are also an important part of our digital strategy. We combine our deep customer relationships and local credibility with other's global scale and best-of-class technology."

Mr. Ashe said, "Our digital strategies continue to drive double-digit audience growth. This year, our unique visitors are on track to increase more than 30 percent. Our total digital revenues this year are expected to reach \$42 million,

up 8 percent from last year. This will account for 6 percent of our total revenues, up from 4.7 percent last year. According to Borrell's, we're among the top performers in our industry for this metric. Online Classifieds no longer dominate as they once did when we were almost exclusively reliant on upsells to the Web from ads placed in our newspapers. Today, our direct-to-the-Internet Help Wanted sales outpace newspaper upsells. Through our Yahoo! HotJobs partnership, we provide more job listings in most of our markets than either Monster or Careerbuilder."

Local direct-billed revenue is Media General's largest and fastest growing category. "This year it's up nearly 30 percent. Many of our online customers are brand new to us," Mr. Ashe said. Revenues from Yahoo! online products will be \$7 million in 2009 with two-thirds from HotJobs ads. More than 8 million visitors year-to-date have come to Media General's Web sites as a result of local news headlines on Yahoo! pages, an increase from 5 million in 2008.

"Mobile versions of our local Web sites draw about 2 million page views a month from more than 400,000 unique visitors. Our mobile Web sites are designed for display on any mobile device, and they all provide mobile video," Mr. Ashe said.

Media General is part of a broadcast industry partnership to define standards and explore business models for digital mobile television. "We foresee expanded viewership through mobile and hand-held devices, and we believe the revenue model has potential to include both advertising and subscriptions," he said.

"Our newest interactive service, DealTaker.com, finds the best prices on the Web for a wide variety of consumer items. DealTaker is one of the top ten sites of its kind, and it averages more than 60,000 unique visitors a day. It's highly profitable and growing fast. DealTaker's Black Friday revenues were ahead of last year by 50 percent, and Cyber Monday was 75 percent ahead of last year," Mr. Ashe said.

Media General's newspaper circulation revenue is up 8.5 percent in 2009. "We've aggressively raised prices. We're finding a stable base of loyal readers who value the content and service we provide. After slowing our subscription sales pressure earlier in the year for cost reasons, we've now picked up the pace and circulation is growing again. Nine of our newspapers offer e-editions, which are exact online replicas of the print versions. E-editions count as paid circulation and include all our ROP ads. We can price them attractively because they require no manufacturing or materials cost," Mr. Ashe said.

John Schauss, vice president-finance and chief financial officer, said, "As we near the close of the fourth quarter, we are encouraged by the firming of advertiser spending we've seen, although we do not expect to fully replace the \$23 million of Political revenues that we garnered in last year's fourth quarter. Nonetheless, our lower cost structure will more than offset the impact of lower revenues. In the fourth quarter, we will recognize a tax benefit of \$25-30 million, for which we will also receive a cash refund next year. We will use the tax refund for debt reduction. This came about as a result of Congressional carry-back legislation."

Mr. Schauss said, "While visibility for 2010 is limited, our view at this point is that total revenues will be flat to slightly up. We expect a low-to-mid single digit increase in broadcast revenues. Key drivers will be Political and Olympics revenues, stronger transactional business, and growth in cable retransmission fees." Media General projects Political revenues in 2010 next year of \$32-34 million. Key election races will be in Alabama, Florida, Georgia, Ohio, Rhode Island, South Carolina and Virginia.

The Winter Olympics are projected to generate \$7 million in revenues for its eight NBC stations. Cable retransmission fees next year will be \$18-19 million, compared to \$16 million in 2009.

Mr. Schauss said, "Newspaper revenues are expected to be flat to down slightly compared with this year. Our newspaper business will benefit from the incremental revenues from new outside printing and distribution customers, and also from growing circulation revenues.

"On the expense side, until market conditions allow, we will hold in place our programs for controlling employee compensation expense, except that we plan to enter 2010 with the expectation that furlough days are behind us. We expect the Board will revisit the dividend at the appropriate time. Currently, we're benefiting from significantly lower newsprint expense. While newsprint prices are expected to increase next year, our overall newsprint expense is expected to be down as a result of lower consumption. We expect a low-to-mid single-digit increase in total operating costs next year, before interest expense," Mr. Schauss said.

"While our bank facilities do not mature until mid-2011, we're encouraged by the recently completed and pending refinancing activity in our space. We're evaluating refinancing opportunities in the bank, public, and institutional

markets, and we are optimistic about the options that will be available to us. Our refinance package will carry higher interest expense over the current one but will provide us with greater flexibility. We expect the increase will be \$25-30 million over this year's projected \$42 million in interest expense," Mr. Schauss said.

Mr. Morton concluded, "As we look to the New Year, we believe we've reached equilibrium between revenues and expenses. We're in a strong position to benefit from a recovery. We look forward to next year's Political and Olympics revenues, and we expect a lift from an improving economy. However, we're not just going to ride those waves. The future that will sustain us is going to be one of our own making in our own markets. With our market focus, our sales culture transformation, and our success with new products and services, Media General is executing on a strategy that is designed to control our own destiny for the long run.

"We also will continue to draw profitable growth from all the positives that drive us. We're deeply embedded as a leading media company in the Southeastern United States, which, despite the recession, remains one of the nation's strongest regions. We own outstanding assets in highly attractive markets. Our lower cost base greatly increases our flexibility to do new things. In the digital world, the new things that we can do don't cost a lot on an incremental basis. With all the opportunities available for growth via digital and electronic means, we no longer have to buy into new markets, or make significant acquisitions, to realize meaningful growth over the long term," Mr. Morton said.

"Our customer- and market-focused company is ahead of the game in transforming itself in a rapidly changing industry. We believe our financial results will improve over time, based on the clear and consistent initiatives we're executing and on the fundamental strengths of our assets and our region. We are committed to increasing long-term shareholder value," Mr. Morton said.

Following today's presentation, a full text and slides from the presentation will be available on Media General's Web site, www.mediageneral.com. An audio replay will be available on Wednesday, December 9, 2009. Click on the link on the Media General Home Page.

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 news, information and entertainment across multiple media platforms, serving consumers and advertisers in strong local markets, primarily in the Southeastern United States. Media General's operations are organized in five geographic market segments and a sixth segment that includes the company's interactive advertising services and certain other operations. The company's operations include 18 network-affiliated television stations and associated Web sites, 21 daily newspapers and associated Web sites, more than 200 specialty publications that include weekly newspapers, and niche publications targeted to various demographic, geographic and topical communities of interest. Many of the company's specialty publications have associated Web sites. Media General operates three interactive advertising services companies: Blockdot, which specializes in interactive entertainment and advergames technologies; DealTaker.com, a coupon and shopping Web site; and NetInformer, a leading provider of wireless media and mobile marketing services.

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