



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 36th Annual UBS Global Media & Communications Conference in New York at 2:30 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.

In opening remarks, Mr. Morton said, "We're aggressively building new audiences that advertisers want to reach, and we are doing so online, with new digital TV programming, and with new targeted print products. We also have taken a number of steps to reduce expenses and improve the overall efficiency of our operations. Total operating costs in 2008 will be down 7 percent compared with last year. Our goal is to reduce costs an additional 2 percent in 2009, compared to 2008."

Key performance improvement actions Media General has implemented:

- Divested several non-core assets, including its one-third interest in SP Newsprint; sold four television stations, and the sale of a fifth is progressing. Asset sales are being redeployed to reduce debt.
- Pared back capital spending to \$34 million in 2008, and the 2009 budget is \$30 million.
- Decreased the dividend in September from 23 cents per share to 12 cents, providing \$2.5 million for debt reduction in 2008 and \$10 million in 2009, compared to the prior level.
- No profit sharing or incentive compensation for 2008.
- Improved the overall efficiency and effectiveness of its operations, including outsourcing customer service and telemarketing at most of its newspapers, and centralized various advertising and production operations.
- Continued to consolidate printing facilities from 25 to 11 with eight consolidations in the last three years.
- Optimized carrier routes and joined forces with other national/local newspapers for printing and delivery.
- Reduced workforce across the company by 17 percent since the beginning of 2007.

"We began workforce reductions in early 2007 and have continued to take actions as recently as this week. Through station sales, elimination of positions following attrition, and work force reductions, our FTEs have gone from approximately 6,900 at the beginning of 2007 to an expected 5,750 at the end of 2008. This 17 percent reduction provides more than \$55 million of annualized savings. We realized some savings in 2007; we expect to net about 25 percent of that amount in 2008, and we will realize the full benefit in 2009," Mr. Morton said.

He said the Publishing Division expects to realize a 10 percent decrease in newsprint expense in 2008. "This reduction resulted, of course, from lower advertising volumes and lower circulation, but also from newsprint conservation efforts, including reducing our web-widths to 44 inches. All of our newspapers will be converted to this new 44 inch size by the end of the third quarter in 2009."

Reid Ashe, executive vice president and chief operating officer, reviewed the company's digital strategy. "We're attracting a lot of new users and advertisers through our growing online presence. Year to date, our page views are up 13 percent, and unique visitors are up 25 percent. Our local media Web sites are significantly expanding our total audience reach in our markets. In Tampa, we lead all our competitors in total market reach, while in Richmond we are among the leaders for all newspapers in the U.S. at 69 percent."

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Continuous News is a key driver of its audience growth, he said. "Using the Internet, we report news when it happens and update it frequently. Views of our local news pages are up 25 percent this year, and we expect growth in 2009."

Mr. Ashe said mobile delivery is "the next frontier" for Media General and that its Local mobile Web sites draw about 1 million page views a month. "More than 50,000 people have signed up to receive our text messages, and we expect to add many more next year." He said the company has expanded its online local entertainment content. "Local Entertainment is a hot topic for our Internet audience, and an area of high demand for advertisers, both local and national, as well. The changes quickly drove double-digit increases in page views and unique visitors, which translate to an increase in salable ad inventory."

He said partnerships are important to the company's online strategy and its most important is with Yahoo! For 2008, Media General expects more than \$7 million in revenues from its Yahoo! partnership, mostly from the HotJobs component. He said that in four markets the company is selling behaviorally targeted advertising for Yahoo!'s local audience. "So far in 2008, we've booked nearly \$1 million in revenue this way, exceeding expectations. Soon we'll be able to sell behaviorally targeted advertising on our own pages, as well, using Yahoo!'s 'APT' ad serving and management system. We'll start with a pilot site in April and complete the installation by the third quarter of 2009."

Revenues for the Interactive Media Division will represent 5 percent of Media General's total revenues in 2008 and are expected to account for 7 percent in 2009. He said that Local online advertising is up 40 percent year-to-date, driven by focused sales campaigns that have sold \$3 million in advertising and added 450 new local online customers this year.

Mr. Ashe said the acquisition of DealTaker.com on March 31, 2008 was timely. "This is Dealtaker's busy season, and we're working hard to take advantage. On Black Friday, our visitors were up 90 percent from last year, and commission revenue increased 167 percent. Traffic in November was up 80 percent. For the nine-months that we will own DealTaker.com this year, we expect revenues of \$6.5 million."

New products are generating increased revenue for Media General. In 2008, the Publishing Division will have revenues from new products launched since 2004 of \$40 million and \$50 million in 2009. In 2008, the Broadcast Division will have revenues from new products launched since 2004 of nearly \$20 million and \$30 million in 2009.

John Schauss, vice president-finance and chief financial officer, said, "As we approach the end of 2008, we expect free cash flow will be \$165-\$170 million. This amount will enable us to reduce debt from \$898 million at the end of 2007 to approximately \$730 million at the end of this year. We expect debt at the end of 2009 to be approximately \$710 million, not including any proceeds we may receive from asset sales. In 2008, proceeds from asset sales have contributed approximately \$135 million to this reduction, and the balance is from operating cash flow."

"We have agreed to terms with 100 percent of our lender banks to debt agreement modifications that will provide us with the flexibility we desire, and at cost that will be manageable. We will announce the terms of the modified agreements when the documentation is finalized next week," Mr. Schauss said.

"With the nation in recession, and our largest market, Florida, in a continuing depression, we obviously expect 2009 will be a difficult year," he said.

Mr. Schauss said the Interactive Media Division is focused on expanding its Web-First/Continuous News initiative; enhancing mobile delivery with new advertising applications, such as searchable databases for content and advertising; and cultivating its partnerships with Yahoo!, Zillow, and quadrantONE. "This gives us the ability to grow online advertising with major accounts, and broadens our interactive advertising services to provide a revenue stream outside of the traditional advertising model. These initiatives will help our Interactive Media Division achieve its 2009 profit goal of nearly \$5 million," he said.

In the Broadcast Division, he said initiatives to improve market share and drive new business development next year, will partially offset the absence of this year's Olympics and Political revenues. "The Super Bowl will be played in Tampa, and NBC will air the game. This event will benefit all eight of our NBC stations, especially WFLA." Media General has completed agreements on cable retransmission fees with a number of its providers, and the company expects revenues from this source in 2009 to be nearly \$13 million. "When the remaining contracts are completed – we have some that don't expire until various times next year – our annual revenues from this source will be \$18-19 million." He said in the future, DTV Mobile will provide the company with new revenue, extend its viewership and attract a younger demographic, and it anticipates a late-2009 or early-2010 launch.

“Our Publishing Division continues to look for new ways to reach audiences through both new print products and new products in partnership with our Interactive Media Division. This focus will expand our reach with existing and new audiences to provide new revenue opportunities in print and online. The division is also identifying additional opportunities to better utilize our printing assets and distribution networks to provide both print and distribution services to other newspaper and content providers,” Mr. Schauss said.

Mr. Morton concluded, “During this very challenging time in our industry, we’re determined to draw profitable growth from the long-term positives that drive us. We operate in growth markets, with strong assets and brands. We continue to generate strong cash flow. Our industry and our company are in a good position to rebound when the economy improves. For Media General, when Florida’s general economic climate improves, the impact will be significant. In the meantime, we’re successfully building new audiences that advertisers want to reach, and we are doing so online, with targeted print products, and with local television programming.”

We’re also fully leveraging our resources and maximizing efficiencies in a rapidly developing digital world, and we are monetizing our content across multiple distribution channels. We’ll continue to anticipate customer needs and provide solutions they haven’t yet thought possible. We’re research driven, we know our local markets, and our people are innovative. We believe that’s a winning combination for the long term,” Mr. Morton said.

Following today’s presentation, a full text and slides from the presentation will be available on the homepage of Media General’s Web site, www.mediageneral.com. An audio replay will be available on Thursday, December 11, 2008. 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 local news, information and entertainment over multiple media platforms. The company serves markets primarily in the Southeastern United States. Media General publishes 24 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 19 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 three growing interactive advertising services companies, Blockdot, Inc., DealTaker.com and NetInformer.

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