



Press Release

ASTRAL MEDIA RELEASES THIRD QUARTER RESULTS

Montreal, July 9, 2009 - Astral Media Inc. (TSX: ACM.A/ACM.B) today reported its financial results for the third quarter ended May 31, 2009, which saw continued growth in net earnings, EPS, revenues, EBITDA¹ and cash flow from continuing operations¹.

Consolidated net earnings from continuing operations for the third quarter increased by 3% over the same quarter last year, rising to \$44.3 million (\$0.79 per share) from \$43.2 million (\$0.76 per share). Consolidated net earnings from continuing operations for the first nine months of Fiscal 2009 increased by 5% over last year, to \$115.6 million (\$2.06 per share) from \$109.7 million² (\$1.94 per share²) last year.

Consolidated revenues for the third quarter of \$232.5 million grew slightly from the \$231.9 million reported last year for the same period. Consolidated revenues totalled \$686.3 million for the first nine months³ of the year, an increase of 8% over the \$635.5 million recorded last year for the same period. For the third quarter, EBITDA¹ grew slightly to \$82.3 million from \$82.0 million for the same period last year. EBITDA¹ for the first nine months³ increased by 7% to \$223.6 million from \$208.5 million for the same period last year.

Cash flow from continuing operations¹ for the third quarter increased 3% to \$59.0 million from \$57.2 million for the same period last year. Cash flow from continuing operations¹ rose 6% to \$154.6 million for the first nine months³ of the year compared to \$145.3 million for the same period last year.

"I am pleased by the resilience displayed by the Company and the continued growth of our results throughout the first nine months of a very challenging year for the Canadian economy," said Ian Greenberg, President and Chief Executive Officer. "While our subscriber revenues continued to rise, advertising sales were affected by the industry-wide decline in demand which continued to spread into all of our major markets in the third quarter. However, I am confident that our financial discipline, supported by a strong balance sheet and tight cost controls will help us emerge as an even stronger and more flexible organization when the economy turns around".

1. See Appendix 1.
2. Excluding the favourable impact of the non-cash future income tax recovery of \$28.3 million (\$0.51 per share) recorded in the second quarter of Fiscal 2008, resulting from enacted income tax rate changes (See Appendix 1).
3. The nine-month period of Fiscal 2009 includes nine months of operations of the assets acquired from Standard Radio as compared to seven months for Fiscal 2008.

FINANCIAL HIGHLIGHTS

Television

- Revenue growth of 3% for the third quarter (3% growth for the nine-month period);
- EBITDA¹ growth of 12% for the third quarter (6% growth for the nine-month period).

Radio

- Revenue decline of 4% for the third quarter (19% growth for the nine-month period³);
- EBITDA¹ decline of 17% for the third quarter (11% growth for the nine-month period³).

Outdoor Advertising

- Revenue growth of 1% for the third quarter (1% growth for the nine-month period);
- EBITDA¹ growth of 10% for the third quarter (4% growth for the nine-month period);
- Launch of the new Digital outdoor advertising network of 10 advertising faces in the Montréal market.

The unaudited interim consolidated financial statements with related notes and Management's Discussion and Analysis are available on the Company's website: www.astralmedia.com.

There will be a conference call with analysts and media at 10:30 a.m. on Thursday, July 9, 2009. To access the conference call dial 1-800-732-0232. The conference call will also be broadcast live and archived for a three-month period on the Astral Media website at www.astralmedia.com.

Astral Media is a leading Canadian media company, active in specialty and pay television, radio, outdoor advertising and interactive media. Astral Media's solid and dynamic presence in the country's major markets rests on its commitment to offer a unique combination of high-quality, targeted media for all its audiences.

This press release contains certain forward-looking statements concerning the future performance of the Company. These forward-looking statements are based on current expectations. We caution that all forward-looking information is inherently uncertain and actual results may differ materially from the assumptions, estimates or expectations reflected or contained in the forward-looking information, and that actual future performance will be affected by a number of factors, including technological change, economic conditions, regulatory change, competitive factors and changes in accounting rules or standards, many of which are beyond the Company's control. We disclaim any intention or obligation to update or revise any forward-looking statements.

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1. See Appendix 1.
2. Excluding the favourable impact of the non-cash future income tax recovery of \$28.3 million (\$0.51 per share) recorded in the second quarter of Fiscal 2008, resulting from enacted income tax rate changes (See Appendix 1).
3. The nine-month period of Fiscal 2009 includes nine months of operations of the assets acquired from Standard Radio as compared to seven months for Fiscal 2008.

ASTRAL MEDIA INC.
Interim Consolidated Statements of Earnings
for the periods ended May 31, 2009 and 2008

(in thousands of Canadian dollars except for per-share data)

(unaudited)

	3 months		9 months	
	2009	2008	2009	2008
Revenues	\$ 232,537	\$ 231,944	\$ 686,298	\$ 635,498
Operating expenses	150,273	149,934	462,655	426,974
EBITDA¹	82,264	82,010	223,643	208,524
Depreciation	6,461	5,335	18,823	15,549
Amortization of intangible assets	758	323	1,640	877
Interest expense, net	8,926	11,255	28,990	26,364
Restructuring charges	616	-	3,307	-
Earnings from continuing operations before income taxes	65,503	65,097	170,883	165,734
Income tax provision before undernoted	21,200	21,893	55,271	56,078
Future income tax recovery resulting from income tax rate changes	-	-	-	(28,259)
	21,200	21,893	55,271	27,819
Net earnings from continuing operations	44,303	43,204	115,612	137,915
Net earnings from discontinued operations	-	78	-	157
Net earnings	\$ 44,303	\$ 43,282	\$ 115,612	\$ 138,072
Earnings per share from continuing operations				
- Basic	\$ 0.79	\$ 0.76	\$ 2.06	\$ 2.45
- Diluted	\$ 0.78	\$ 0.75	\$ 2.05	\$ 2.41
Earnings per share				
- Basic	\$ 0.79	\$ 0.76	\$ 2.06	\$ 2.46
- Diluted	\$ 0.78	\$ 0.75	\$ 2.05	\$ 2.41
Weighted average number of shares outstanding – basic	56,118	57,039	56,077	56,224

¹ See Appendix 1

ASTRAL MEDIA INC.
Interim Consolidated Statements of Cash Flows
for the periods ended May 31, 2009 and 2008

(in thousands of Canadian dollars)

(unaudited)

	3 months		9 months	
	2009	2008	2009	2008
Cash and cash equivalents provided by (used for):				
OPERATING ACTIVITIES				
Net earnings from continuing operations	\$ 44,303	\$ 43,204	\$ 115,612	\$ 137,915
Non-cash charges (credits):				
Depreciation and amortization	7,219	5,658	20,463	16,426
Stock-based compensation	1,505	1,750	4,771	4,855
Future income tax expense relating to origination and reversal of temporary differences	5,240	5,702	11,293	12,182
Future income tax recovery resulting from income tax rate changes	-	-	-	(28,259)
Imputed interest on other non-current liabilities	584	733	1,903	1,764
Amortization of deferred financing costs	172	172	515	404
Cash flow from continuing operations¹	59,023	57,219	154,557	145,287
Net change in non-cash operating items	7,429	(11,782)	13,257	(52,089)
Cash flow from continuing operating activities	66,452	45,437	167,814	93,198
DISCONTINUED OPERATIONS	(239)	(151)	(1,614)	(354)
INVESTING ACTIVITIES				
Short-term investments - cashed	-	-	9,962	51,128
Additions to property, plant and equipment	(12,189)	(7,762)	(33,701)	(17,959)
Additions to other non-current assets	(3,561)	(900)	(10,032)	(1,952)
Business acquisition, net of cash acquired	-	-	(2,787)	(904,116)
	(15,750)	(8,662)	(36,558)	(872,899)
FINANCING ACTIVITIES				
Deferred financing costs	-	-	-	(2,835)
Increase in long-term debt	-	-	-	825,000
Repayment of long-term debt	(55,000)	-	(75,000)	-
Shares repurchased	-	(10,029)	-	(26,914)
Stock options exercised	1,338	1,261	1,503	2,956
Dividends	(4)	(4)	(14,038)	(14,397)
	(53,666)	(8,772)	(87,535)	783,810
Net change in cash and cash equivalents	(3,203)	27,852	42,107	3,755
Cash and cash equivalents (bank overdraft) - beginning of period	41,666	(2,860)	(3,644)	21,237
Cash and cash equivalents - end of period	\$ 38,463	\$ 24,992	\$ 38,463	\$ 24,992

¹ See Appendix 1

ASTRAL MEDIA INC.
Interim Consolidated Balance Sheets as at
(in thousands of Canadian dollars)

	May 31, 2009 <i>(unaudited)</i>	August 31, 2008
ASSETS		
Current		
Cash and cash equivalents	\$ 38,463	\$ -
Short-term investments	-	9,962
Accounts receivable	162,067	155,841
Income taxes receivable	-	919
Program and film rights	73,696	79,305
Prepaid expenses and other current assets	20,048	28,954
	<u>294,274</u>	<u>274,981</u>
Program and film rights	77,655	69,502
Other non-current assets	57,952	47,751
Property, plant and equipment	144,990	133,484
Broadcast licences	1,807,496	1,807,496
Goodwill	356,945	356,945
Future income tax assets	29,199	26,448
	<u>\$ 2,768,511</u>	<u>\$ 2,716,607</u>
LIABILITIES		
Current		
Bank overdraft	\$ -	\$ 3,644
Accounts payable and accrued liabilities	109,110	129,906
Income taxes payable	16,396	-
Program and film rights payable	72,719	64,060
Future income tax liabilities	2,467	5,951
	<u>200,692</u>	<u>203,561</u>
Long-term debt	737,589	812,074
Future income tax liabilities	269,940	254,912
Other non-current liabilities	83,941	78,445
Derivative financial instruments	27,318	18,374
Liabilities of discontinued operations	1,134	2,748
SHAREHOLDERS' EQUITY		
Capital stock	752,877	748,121
Contributed surplus	15,927	14,409
Retained earnings	698,762	597,188
Accumulated other comprehensive income	(19,669)	(13,225)
	<u>679,093</u>	<u>583,963</u>
	<u>1,447,897</u>	<u>1,346,493</u>
	<u>\$ 2,768,511</u>	<u>\$ 2,716,607</u>

ASTRAL MEDIA INC.
Business Segments
for the periods ended May 31
(in thousands)
(unaudited)

	3 months		9 months	
	2009	2008	2009	2008
REVENUES				
Television	\$ 133,150	\$ 128,995	\$ 388,367	\$ 377,221
Radio	81,630	85,440	246,822	207,582
Outdoor Advertising	17,757	17,509	51,109	50,695
	\$ 232,537	\$ 231,944	\$ 686,298	\$ 635,498
EBITDA¹				
Television	\$ 54,842	\$ 48,902	\$ 145,689	\$ 137,698
Radio	27,420	32,993	81,759	73,949
Outdoor Advertising	6,606	5,991	15,917	15,275
Corporate Costs	(6,604)	(5,876)	(19,722)	(18,398)
	\$ 82,264	\$ 82,010	\$ 223,643	\$ 208,524

¹ See Appendix 1

ASTRAL MEDIA INC.
Appendix 1
Supplementary Measures
for the periods ended May 31, 2009 and 2008
(unaudited)

In addition to discussing earnings measures in accordance with Canadian generally accepted accounting principles ("GAAP"), this Press Release provides the following supplementary measures which are also factors used by management in monitoring and evaluating the performance of the Company and its business segments:

EBITDA (earnings before interest, taxes, depreciation and amortization) is provided to assist investors in determining the ability of the Company to generate cash flow from operating activities and to cover financial charges. Other items such as restructuring charges are excluded from earnings in the determination of EBITDA as they are not considered to be in the ordinary course of business. EBITDA is also an indicator widely used for business valuation purposes. EBITDA margin is defined as the ratio obtained by dividing EBITDA by revenues.

The following table reconciles GAAP measures disclosed in the unaudited interim consolidated statements of earnings for the periods ended May 31, 2009 and 2008 to EBITDA:

<i>(in thousands of \$)</i>	3 months		9 months	
	2009	2008	2009	2008
Earnings from continuing operations before income taxes	65,503	65,097	170,883	165,734
Depreciation and amortization	7,219	5,658	20,463	16,426
Interest expense, net	8,926	11,255	28,990	26,364
Restructuring charges	616	—	3,307	—
EBITDA	82,264	82,010	223,643	208,524

Net earnings and basic earnings per share from continuing operations before the impact of future income tax rate changes. These measures provide an indication of the Company's ability to generate earnings and cash flows from its ongoing operations, by excluding the impact of the non-cash future income tax recovery or expense resulting from income tax rate changes over which the Company has no control.

ASTRAL MEDIA INC.
Appendix 1
Supplementary Measures
for the periods ended May 31, 2009 and 2008
(unaudited)

The following tables reconcile GAAP measures disclosed in the unaudited interim consolidated statements of earnings for the periods ended May 31, 2009 and 2008 to net earnings and basic earnings per share from continuing operations, before the impact of future income tax rate changes.

<i>(in thousands of \$)</i>	3 months		9 months	
	2009	2008	2009	2008
Net earnings from continuing operations	44,303	43,204	115,612	137,915
Future income tax recovery resulting from income tax rate changes	—	—	—	(28,259)
Net earnings from continuing operations before the impact of future income tax rate changes	44,303	43,204	115,612	109,656

<i>(in dollars)</i>	3 months		9 months	
	2009	2008	2009	2008
Basic earnings per share from continuing operations	0.79	0.76	2.06	2.45
Future income tax recovery resulting from income tax rate changes	—	—	—	(0.51)
Basic earnings per share from continuing operations before the impact of future income tax rate changes	0.79	0.76	2.06	1.94

Cash flow from continuing operations is defined as cash flow from continuing operating activities before the net change in non-cash operating items. This measure provides an indication of the Company's ability to generate cash flows without considering certain timing and other factors causing variations in non-cash operating items.

The following table reconciles GAAP measures disclosed in the unaudited interim consolidated statements of cash flows for the periods ended May 31, 2009 and 2008 to cash flow from continuing operations:

<i>(in thousands of \$)</i>	3 months		9 months	
	2009	2008	2009	2008
Cash flow from continuing operating activities	66,452	45,437	167,814	93,198
Net change in non-cash operating items	(7,429)	11,782	(13,257)	52,089
Cash flow from continuing operations	59,023	57,219	154,557	145,287

The above supplementary measures do not have a standardized meaning prescribed by GAAP and may not be comparable to similar measures presented by other companies.