



Press Release

Astral reports strong first quarter results for Fiscal 2012

- *5% increase in net earnings*
- *9% increase in diluted EPS*

Montréal, February 2, 2012 - Astral Media Inc. (TSX: ACM.A ACM.B) today reported its financial results for the first quarter ended November 30, 2011, which saw continued growth in revenues, EBITDA¹, net earnings, EPS, and cash flow from operations².

Consolidated revenues totalled \$271.1 million for the first quarter, an increase of 2% over the \$267.1 million recorded last year for the same period. EBITDA¹ for the first three months grew 1% to \$90.4 million from \$89.1 million for the same quarter last year. Consolidated net earnings for the first three months of Fiscal 2012 increased by 5%, rising to \$55.8 million from \$53.1 million last year. Diluted earnings per share for the first quarter increased by 9%, reaching \$1.00 from \$0.92 last year. Cash flow from operations² rose by 3% to \$69.0 million for the first quarter compared to \$66.7 million for the same period last year.

"I am pleased with our Company's overall growth in the first three months of Fiscal 2012. Once again, our balanced asset mix and geographical footprint enabled us to display continued consolidated growth at all levels, achieved in spite of the challenging economic and advertising conditions in which we operate," said Ian Greenberg, President and Chief Executive Officer. "While we remain in a low visibility environment, I am confident that the ongoing efforts to strengthen our multiplatform offering and presence in key markets, combined with new television distribution agreements and continued investments in our brands, provide us with the optimal conditions to achieve our goals."

SEGMENTED FINANCIAL AND OPERATIONAL HIGHLIGHTS

Television

- Revenue growth of 3%;
- Advertising and subscriber-related revenue increases of 1% and 3% respectively;
- EBITDA¹ growth of 2%;
- Sequential addition of 9,000 new pay-television subscribers for The Movie Network and Super Écran over the course of the first quarter;
- Announcement of a new distribution agreement with Shaw Cablesystems G.P. for Disney XD and Disney Junior;

1. EBITDA is defined as earnings before interest, taxes, depreciation and amortization. See the "Additional IFRS Measures" section in the Management's Discussion and Analysis.
2. See the "Additional IFRS Measures" section in the Management's Discussion and Analysis.

- Subsequent to the end of the first quarter, the Company announced that Disney XD and Disney Junior (French) are now available to Cogeco Cable subscribers.

Radio

- Revenue decline of 4%;
- EBITDA¹ decline of 7%;
- Subsequent to the end of the first quarter, the Company completed the acquisition of an FM radio station in Vancouver, CHHR-FM (Shore FM), bringing Astral Radio's number of stations to 84.

Out-of-Home

- Revenue growth of 13%;
- EBITDA¹ growth of 16%.

Corporate

Subsequent to quarter end, the Company announced on December 13, 2011:

- A 33.3% increase of its annual dividend from \$0.75 to \$1.00 per share, paid to holders of its Class A and Class B shares;
- The renewal of its normal course issuer bid to repurchase for cancellation, up to 5% of its outstanding shares, 2,630,137 Class A Shares and 137,708 Class B Shares over a maximum period of 12 months beginning on December 16, 2011.

Transition to International Financial Reporting Standards ("IFRS")

For fiscal years beginning on or after January 1, 2011, publicly accountably profit-oriented enterprises are to apply IFRS. The Company therefore issued its Fiscal 2012 First Quarter financial results in accordance with IFRS, including Fiscal 2011 comparative figures using the same reporting standards.

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

There will be a conference call with analysts and media at 10:30 a.m. ET on Thursday, February 2, 2012. To access the conference call dial 1-800-731-5319. The conference call will also be broadcast live and archived for a three-month period on the Astral website at astral.com.

Astral is one of Canada's largest media companies. It operates several of the country's most popular pay and specialty television, radio, out-of-home advertising and digital media properties. Astral plays a central role in community life across the country by offering diverse, rich and vibrant programming that meets the tastes and needs of consumers and advertisers. To learn more about Astral, visit astral.com.

1. EBITDA is defined as earnings before interest, taxes, depreciation and amortization. See the "Additional IFRS Measures" section in the Management's Discussion and Analysis.
2. See the "Additional IFRS Measures" section in the Management's Discussion and Analysis.

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.

- 30 -

Media:

Hugues Mousseau
Director, Corporate Communications
and Synergies
Astral Media Inc.
514-939-5000

Analysts :

Robert Fortier
Vice-President, Finance and
Chief Financial Officer
Astral Media Inc.
514-939-5000

ASTRAL MEDIA INC.
Interim Consolidated Statements of Earnings
for the three months ended

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

	November 30	
	2011	2010
Revenues	\$ 271,100	\$ 267,093
Operating expenses	180,699	177,987
EBITDA ⁽¹⁾	90,401	89,106
Depreciation of property, plant and equipment	7,506	6,840
Amortization of other intangible and non-current assets	1,962	2,213
Financial expense, net	3,953	5,695
Earnings before income taxes	76,980	74,358
Income tax provision	21,224	21,303
Net earnings	\$ 55,756	\$ 53,055
Earnings per share		
- Basic	\$ 1.01	\$ 0.93
- Diluted	\$ 1.00	\$ 0.92

Interim Consolidated Statements of Comprehensive Income
for the three months ended

(in thousands of Canadian dollars)
(unaudited)

	November 30	
	2011	2010
Net earnings	\$ 55,756	\$ 53,055
Other comprehensive income		
Actuarial gain (loss) on employee future benefit plans, net of income tax expense (recovery) of (\$2.4 million) and \$0.8 million respectively	(6,772)	2,262
Change in fair value of derivatives designated as cash flow hedges, net of income tax expense of \$0.1 million and \$0.9 million respectively	110	2,308
Comprehensive income	\$ 49,094	\$ 57,625

⁽¹⁾ See Appendix 1.

ASTRAL MEDIA INC.
Interim Consolidated Statements of Cash Flows
for the three months ended

(in thousands of Canadian dollars)

(unaudited)

	November 30	
	2011	2010
OPERATING ACTIVITIES		
Net earnings	\$ 55,756	\$ 53,055
Non-cash items:		
Stock-based compensation costs	2,152	2,493
Depreciation and amortization	9,468	9,053
Imputed interest, net	259	309
Amortization of deferred financing costs	205	171
Deferred tax expense	1,122	1,650
Cash flow from operations ⁽¹⁾	68,962	66,731
Net change in non-cash operating items	(45,111)	(30,541)
Cash provided by operating activities	23,851	36,190
INVESTING ACTIVITIES		
Additions to property, plant and equipment	(5,574)	(9,994)
Additions to other intangible and non-current assets	(952)	(2,788)
Cash used for investing activities	(6,526)	(12,782)
FINANCING ACTIVITIES		
Deferred financing costs	(2,011)	-
Repayment of long-term debt	(10,000)	(10,000)
Shares repurchased	(7,757)	-
Stock options exercised	3,110	4,816
Cash used for financing activities	(16,658)	(5,184)
Net change in cash	667	18,224
Cash – beginning of period	22,653	11,545
Cash – end of period	\$ 23,320	\$ 29,769

⁽¹⁾ See Appendix 1.

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

	November 30, 2011	August 31, 2011	September 1, 2010
ASSETS			
Current			
Cash	\$ 23,320	\$ 22,653	\$ 11,545
Accounts receivable	192,036	170,063	169,240
Program and film rights	119,256	105,385	106,723
Prepaid expenses and other current assets	42,975	29,096	29,451
	<u>377,587</u>	<u>327,197</u>	<u>316,959</u>
Program and film rights	54,609	51,058	41,640
Property, plant and equipment	193,539	195,508	180,616
Broadcast licences	1,639,785	1,639,785	1,661,949
Goodwill	116,016	116,016	116,016
Other intangible and non-current assets	64,814	70,543	64,162
Non-current financial assets	15,854	19,852	22,848
Deferred tax assets	62,638	60,747	64,683
	<u>\$ 2,524,842</u>	<u>\$ 2,480,706</u>	<u>\$ 2,468,873</u>
LIABILITIES			
Current			
Accounts payable and accrued liabilities	\$ 140,739	\$ 142,627	\$ 143,780
Provisions	3,561	4,621	3,380
Income taxes payable	11,919	13,560	16,654
Program and film rights payable	85,241	77,033	64,908
Other current financial liabilities	887	1,945	-
	<u>242,347</u>	<u>239,786</u>	<u>228,722</u>
Long-term debt	512,327	524,133	588,447
Deferred tax liabilities	153,096	152,455	144,424
Program and film rights payable	10,218	8,839	12,668
Provisions	5,408	5,453	5,244
Other non-current liabilities	62,071	57,124	63,820
Other non-current financial liabilities	10,370	10,116	20,311
	<u>995,837</u>	<u>997,906</u>	<u>1,063,636</u>
SHAREHOLDERS' EQUITY			
Capital stock	762,709	762,572	768,762
Contributed surplus	18,667	17,278	18,903
Retained earnings	757,008	705,667	624,609
Accumulated other comprehensive loss	(9,379)	(2,717)	(7,037)
	<u>747,629</u>	<u>702,950</u>	<u>617,572</u>
	<u>1,529,005</u>	<u>1,482,800</u>	<u>1,405,237</u>
	<u>\$ 2,524,842</u>	<u>\$ 2,480,706</u>	<u>\$ 2,468,873</u>

ASTRAL MEDIA INC.
Business Segments
for the three months ended November 30,
(in thousands of Canadian dollars)
(unaudited)

	2011	2010
REVENUES		
Television	\$ 153,552	\$ 149,684
Radio	88,291	91,631
Out-of-Home	29,257	25,778
	<u>\$ 271,100</u>	<u>\$ 267,093</u>
EBITDA⁽¹⁾		
Television	\$ 58,608	\$ 57,471
Radio	27,591	29,513
Out-of-Home	11,835	10,232
Corporate	(7,633)	(8,110)
	<u>\$ 90,401</u>	<u>\$ 89,106</u>

⁽¹⁾ See Appendix 1.

ASTRAL MEDIA INC.

Appendix 1

Additional IFRS Measures

for the three-month periods ended November 30, 2011 and 2010

(unaudited)

In addition to discussing earnings measures in accordance with International Financial Reporting Standards ("IFRS"), this Press Release provides the following additional IFRS measures which are also factors used by the Company's management and Board of Directors 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. EBITDA is also an indicator widely used for business valuation purposes. EBITDA margin is defined as the ratio obtained by dividing EBITDA by revenues.

Cash flow from operations is defined as cash provided by 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 above additional IFRS measures do not have a standardized meaning prescribed by IFRS and may not be comparable to similar measures presented by other companies.