

# 2Q09 Results



**UOL**

**O MELHOR CONTEÚDO**

August, 2009

## Highlights

- **Advertising and other revenues** totaled **R\$98.3 million in 2Q09** and **R\$186.7 million in 1H09**, up **42%** and **53%** respectively, on the same periods last year. The revenue growth was due to the increase in advertising revenues, revenues from products launched during the past two years and revenues from our recent acquisitions.
- **EBITDA totaled R\$33.6 million** in 2Q09, 5% down from 2Q08. EBITDA margin was 20% in 2Q09, 5 p.p. down in relation to the same period in 2008. Excluding non-recurring items in both the periods, EBITDA decreased 1% in relation to 2Q08.
- In 1H09, EBITDA totaled **R\$ 76.4 million**, a **9% increase over 1H08**. EBITDA margin was 24% in 1H09, 1 p.p. down from 1H08. Excluding non-recurring items in both the periods, EBITDA decreased 8% in relation to 1H08 to R\$ 64.8 million.

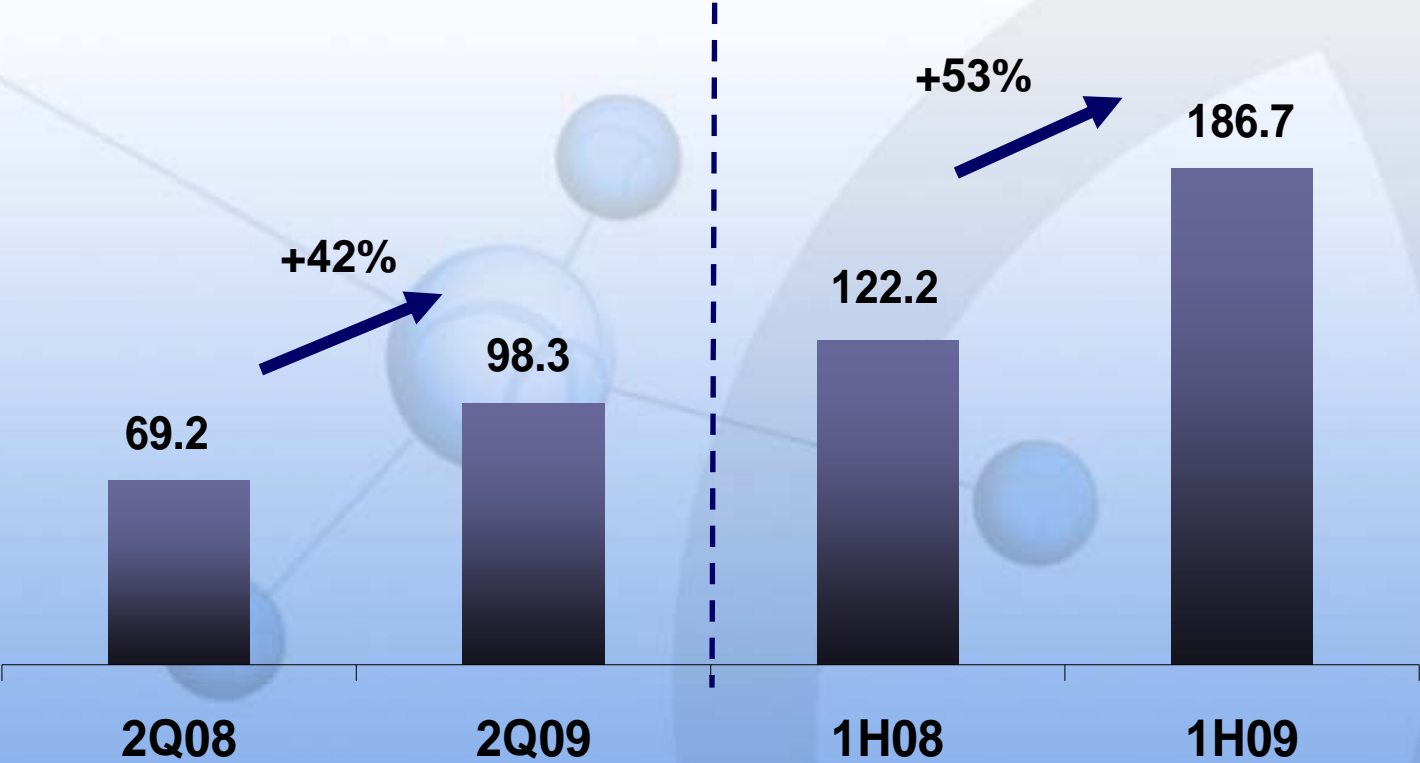
## Highlights

- Gross margin in 2Q09 was 65%, 7 p.p. up on 2Q08. In 1H09, gross profit reached R\$ 224.0 million.
- **Net income came to R\$23.8 million** in 2Q09, 10% down from 2Q08, and **to R\$60.6 million in 1H09, 19% up** on 1H08. Excluding the non-recurring items in 1H09, net income was 4% lower than in 1H08.
- The number of **paying broadband subscribers** reached **1.27 million** in June 2009, a **19% increase** over June 2008.

# Operating and Financial Performance

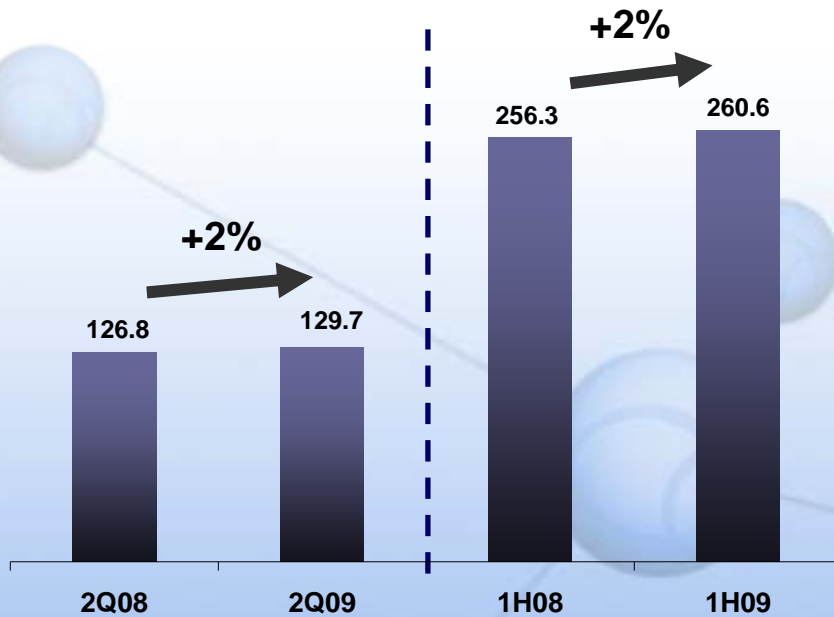
# Advertising & Other revenue grew 53% in the 1H09

Advertising & Other Revenues (R\$ million)

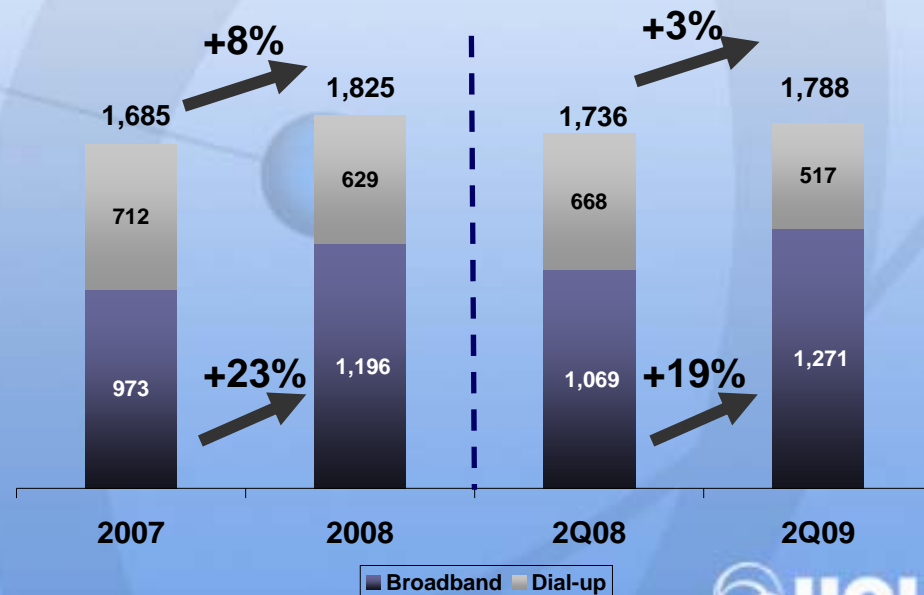


# Subscription Revenues Increased 2% in the 2Q09

## Subscription Revenues (R\$ million)

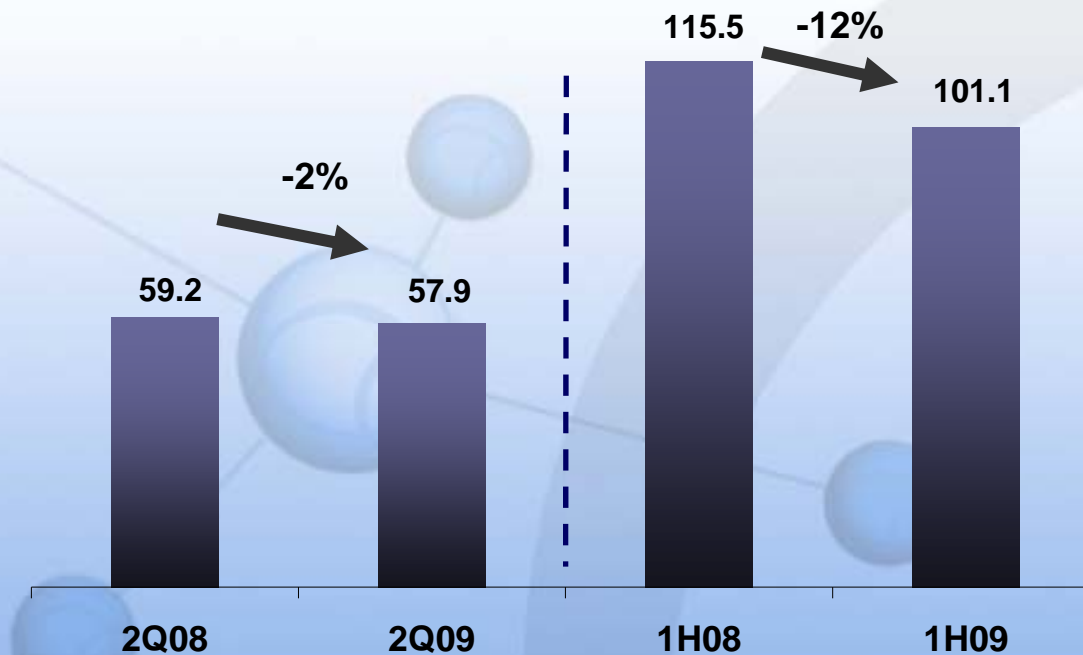


## Paying Subscribers (thousands)



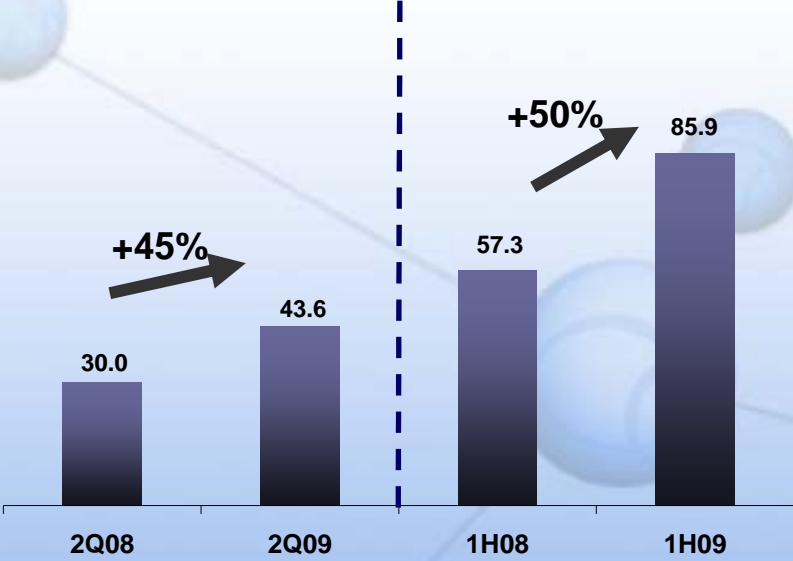
► Broadband is 71% of total paying subscriber base

## Cost of Services Rendered (R\$ million)

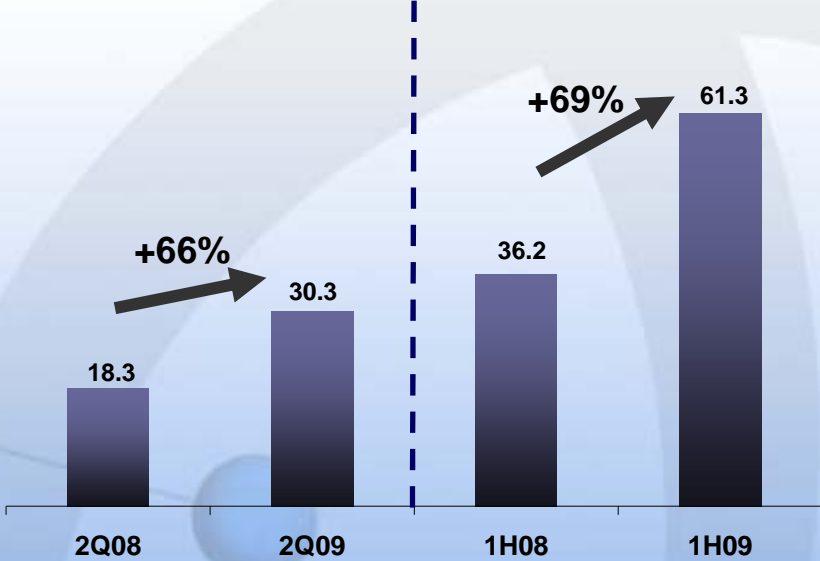


# Operating Expenses

## Selling Expenses (R\$ million)

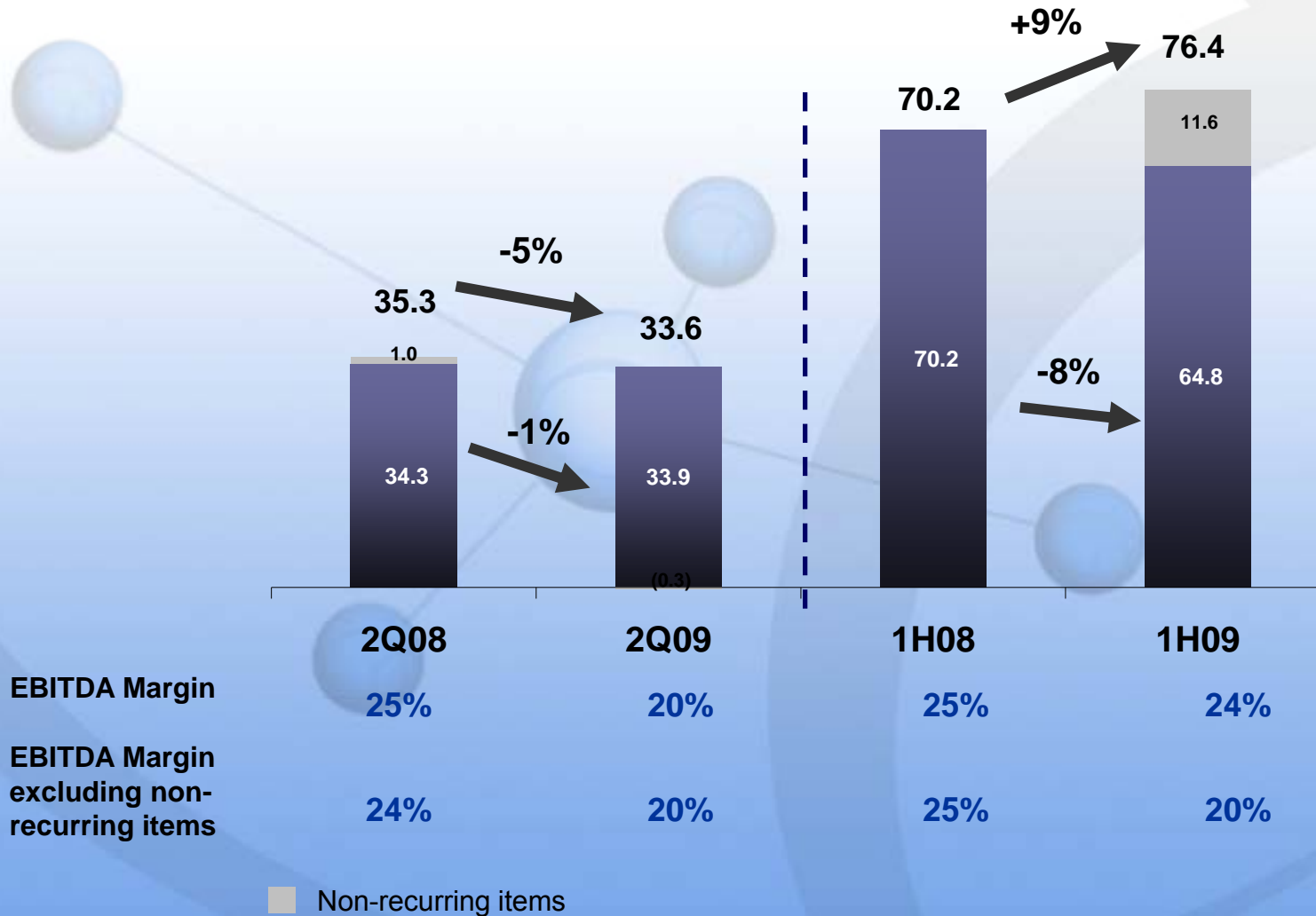


## G&A (R\$ million)



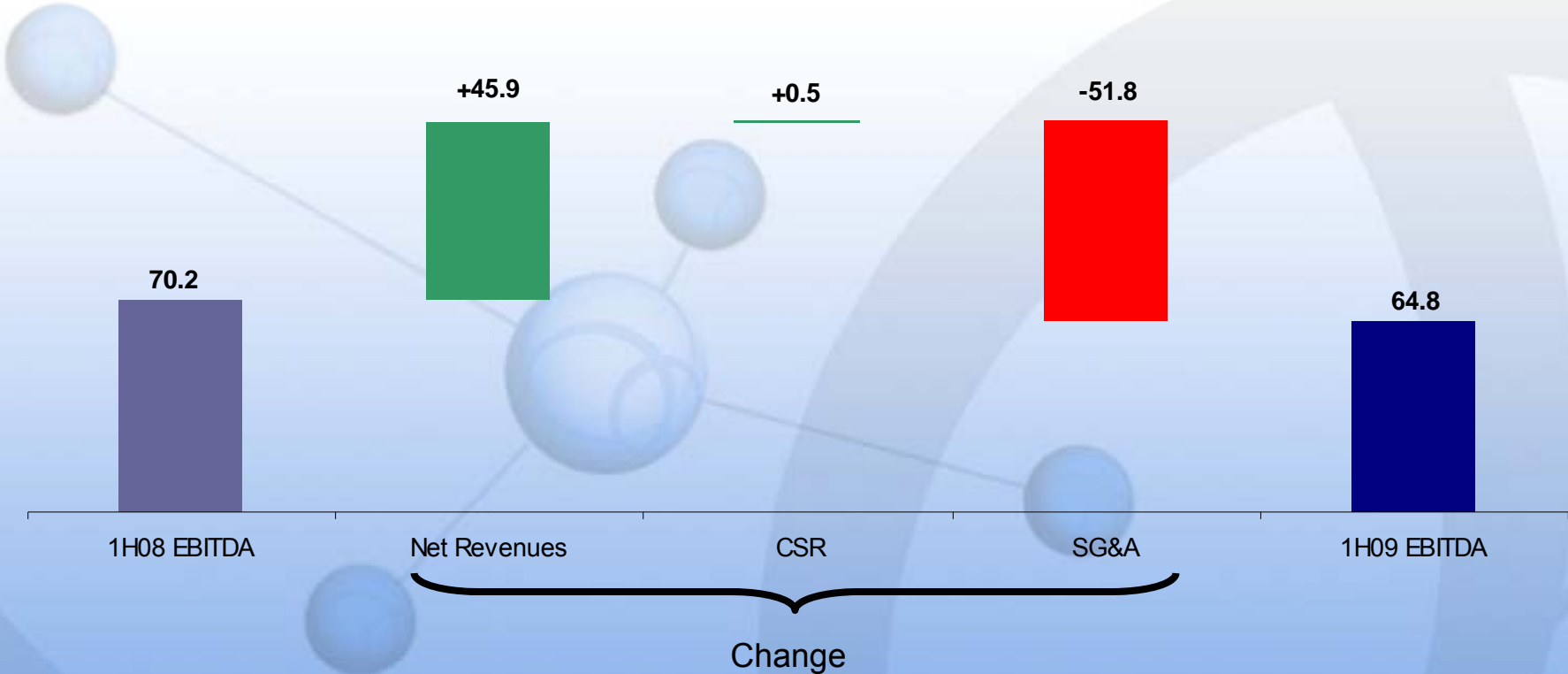
# EBITDA Margin reached 20% in the 2Q09

## EBITDA (R\$ million) and EBITDA Margin



# EBITDA Growth – Excluding non-recurring items

## EBITDA\* (R\$ million) – 1H09X1H08



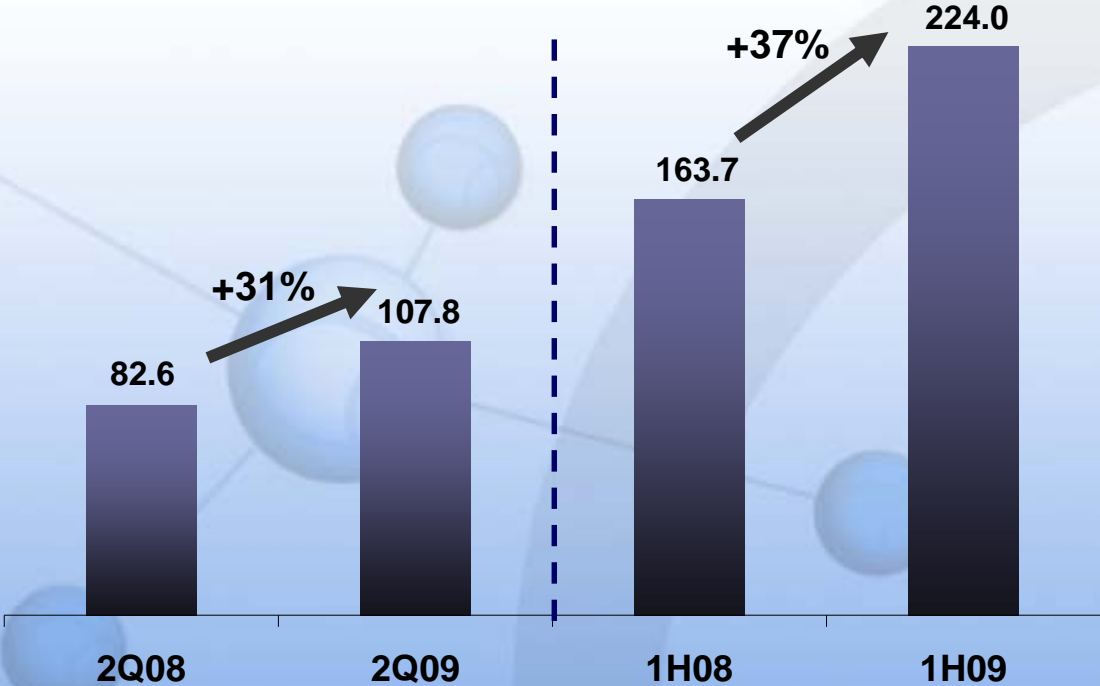
\* Excluding non-recurring items

## Financial Result ('000)

|                               | <u>1H09</u>       | <u>1H08</u>       |
|-------------------------------|-------------------|-------------------|
| ➤ <b>Financial Income</b>     | <b>R\$ 68,529</b> | <b>R\$ 57,691</b> |
| ➤ <b>Financial Expenses</b>   |                   |                   |
| - Interest Expenses           | R\$ 877           | R\$ 91            |
| - Monetary variation – taxes  | R\$ 552           | (R\$ 305)         |
| - Others                      | R\$ 1,502         | R\$ 127           |
| - Foreign exchange variation  | R\$ 41,641        | R\$ 36,968        |
|                               | <hr/>             | <hr/>             |
| ➤ <b>Net financial result</b> | <b>R\$ 23,957</b> | <b>R\$ 20,810</b> |

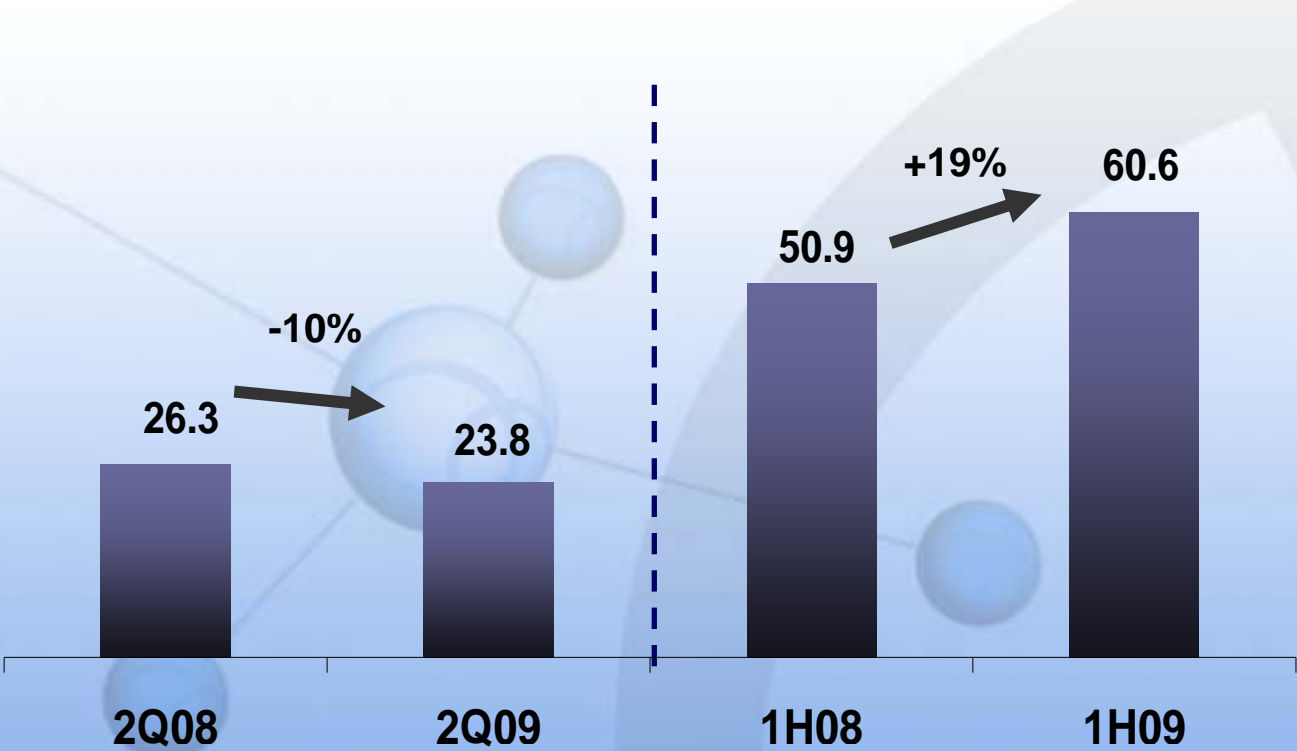
# Gross Result Grew 37% in the 1H09

Gross Result (R\$ million)



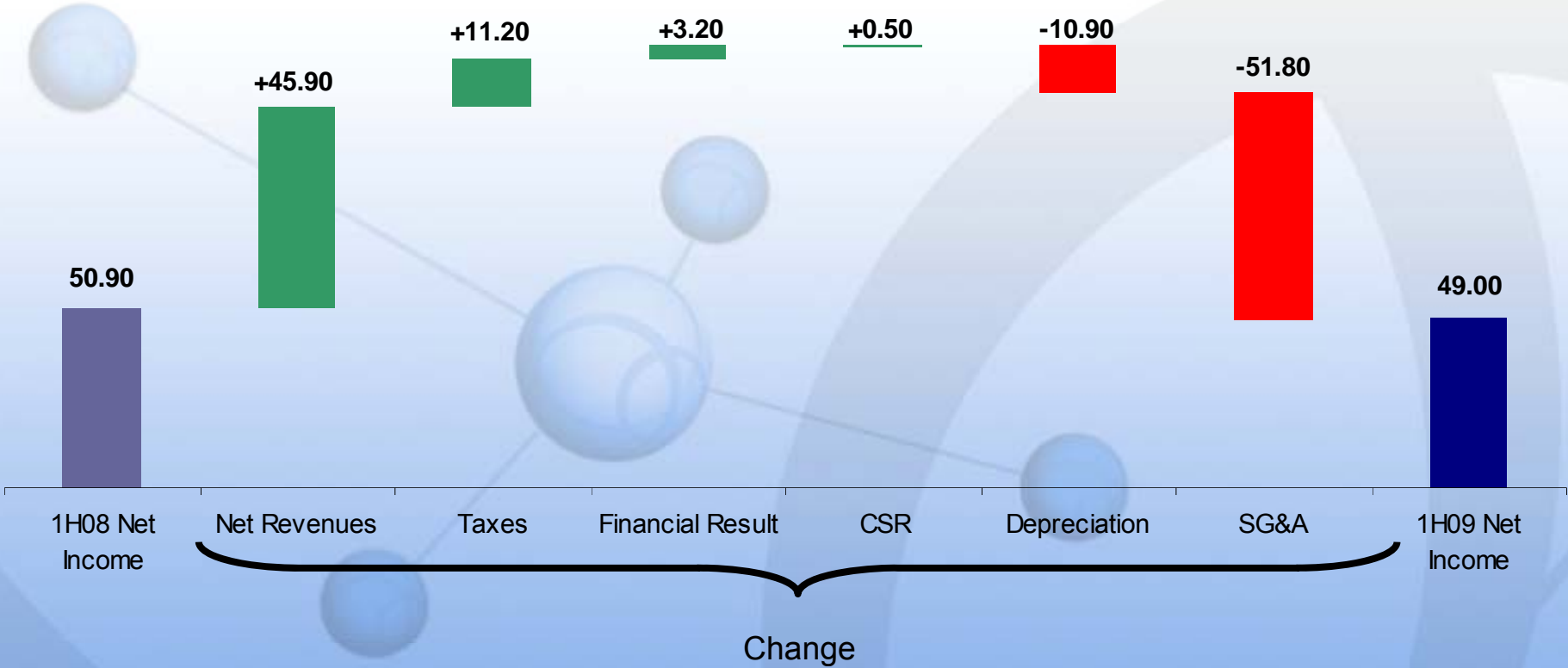
# Net Income Increased 19% in the 1H09

Net Income (R\$ million)



# Net Income Growth – Excluding non-recurring items

## Net Income\* (R\$ million) – 1H09X1H08



\* Excluding non-recurring items



## Disclaimer

This presentation contains future considerations referring to the business perspective, operating and financial estimated results, and to UOL's growth estimates. This are just projections and, as so, are based only on UOL's administrative expectations for the future of the business and its continuous access to capital to financing the Company's business plan. Such future considerations depend, substantially, on market conditions, governance rules, pressure of competition, of sector performance and the Brazilian economy, among other factors, besides the risks presented by UOL on shelved documents of disclosure and are, for that reason, subject to change with no previous notice.