

**ADVERTISING AND OTHER REVENUES INCREASED 28%
BROADBAND SUBSCRIBER BASE GREW 23%**

São Paulo, Brazil, February 22, 2008 – UOL S.A. [BOVESPA: UOLL4] announces its consolidated results for 2007 and fourth quarter of 2007 (2007 and 4Q07). The Company's quarterly and annual financial statements are prepared in accordance with the Brazilian Corporate Law, the rules and regulations of the Brazilian Securities and Exchange Commission ("CVM") and the accounting standards issued by the Brazilian Institute of Accountants ("BR GAAP").

**4Q07 and 2007 Results:****Conference Calls:****February 25, 2008****English**

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ir@uolinc.com**FINANCIAL AND OPERATING HIGHLIGHTS**

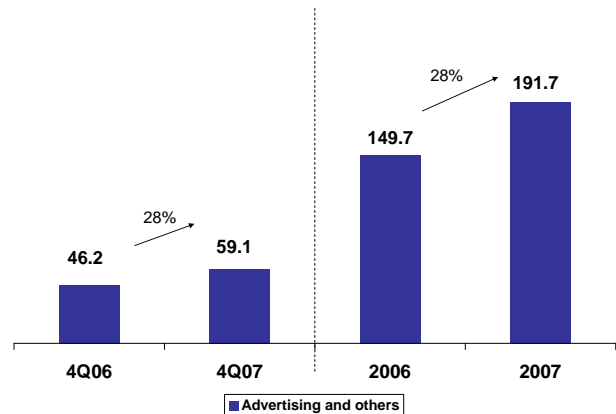
- **Advertising and other revenues** totaled **R\$59.1 million in the 4Q07 and R\$191.7 million in 2007, 28% up** on the 4Q06 and 2006, respectively, as a consequence of the increase in cash advertising revenues and new products launched during the year.
- **EBITDA** totaled **R\$153.3 million** in 2007, **12% higher than in 2006**, accompanied by an EBITDA margin of 29%, in line with the previous year. Excluding non-recurring items in both years, 2007 EBITDA increased by 19% over 2006.
- **Net income** totaled **R\$17.5 million** in the 4Q07, **38% down year-on-year**, and **R\$109.4 million** in 2007, **18% higher** than the previous year.
- The number of **paying broadband subscribers** reached **973,000** in December 2007, **an increase of 23% over** December 2006.
- Aiming to strengthen its presence in the online relationships segment, in October, UOL launched **UOL Namoro**, a dating service using the technology of the website "**metadeideal**", which has an innovative approach towards people seeking long-lasting relationships and also offers a free Behavior Test to reveal the users' psychological profile, helping people who are looking for a serious relationship.
- In December, aiming to reinforce its position in the hosting market, UOL established a strategic partnership with **Plug In**, by means of which UOL became responsible for **Plug In's** website hosting services and data centers, while Plug In continued to attend UOL's clients and operate UOL's services.

Gross Revenues

Gross revenues totaled R\$191.4 million in the 4Q07 and R\$716.2 million in 2007, up by 11% and 13%, respectively, over the 4Q06 and 2006.

Subscription revenues reached R\$132.3 million in the 4Q07 and R\$524.5 million in 2007, representing an increase of 5% and 8% respectively, over the same periods in 2006. This growth was primarily related to the increase in the subscriber base, which reached 1.69 million in December 2007, 6% higher than in December 2006. Out of this total, 973,000 were broadband subscribers, up by 23% over the same period, in 2006.

Advertising and other revenues reached R\$59.1 million in the 4Q07 and R\$191.7 million in 2007, 28% year-on-year growth in both periods, primarily reflecting the increase in the number of brand advertisers and increased revenues from new products.



Deductions from Gross Revenues

In the 4Q07, deductions accounted for 24% of gross revenues, in line with the 25% registered in the 4Q06. In 2007, deductions accounted for 27% of gross revenues, a 3 p.p. increase compared to the 24% recorded in 2006.

Net Revenues

Net revenues totaled R\$146.4 million in the 4Q07 and R\$525.1 million in 2007, up by 13% in the quarter and 9% in the year.

Cost of Services

The cost of services totaled R\$62.1 million in the 4Q07, 9% up year-on-year due to the increase in costs related to new products and broadband connections, and R\$216.5 million in 2007, 1% up from the R\$ 215.4 million recorded the previous before.

Gross Profit

Gross profit totaled R\$84.3 million in the 4Q07 and R\$ 308.6 million in 2007, 16% up in both periods, respectively, over the 4Q06 and 2006. The gross margin (gross profit divided by net revenues) was 58% in the 4Q07 and 59% in 2007, showing a growth of 2 p.p. and 4 p.p., respectively, over the same periods in the previous year.

Selling Expenses

Selling expenses amounted to R\$29.9 million in the 4Q07 and R\$ 105.5 million in 2007, an increase of 9% and 20%, respectively, over the same periods in 2006, mainly due to expenses related to the increase in the sales force, necessary owing to new products launching.

General and Administrative Expenses

G&A expenses totaled R\$18.7 million in the 4Q07, 5% up year-on-year, and R\$66.8 million in 2007, 8% more than in 2006, as a result of increased expenses related to third-party.

Depreciation and Amortization

Depreciation and amortization expenses grew from R\$8.8 million in the 4Q06 to R\$12.1 million in the 4Q07; and from R\$ 32.7 million in 2006 to R\$ 44.0 million in 2007. As of January 2006, we adopted the accelerated depreciation of our IT equipment based on the intense usage of these assets.

Net Financial Income (Expenses)

Net financial income stepped down from R\$8.1 million in the 4Q06 to R\$5.2 million in the 4Q07, primarily due to the decrease in domestic interest rates in 2007, and also related to expenses with tax provisions. Net financial income totaled R\$30.5 million in 2007, 13% up on 2006, primarily due to non-recurring expenses in the previous year.

Other Income from Investments

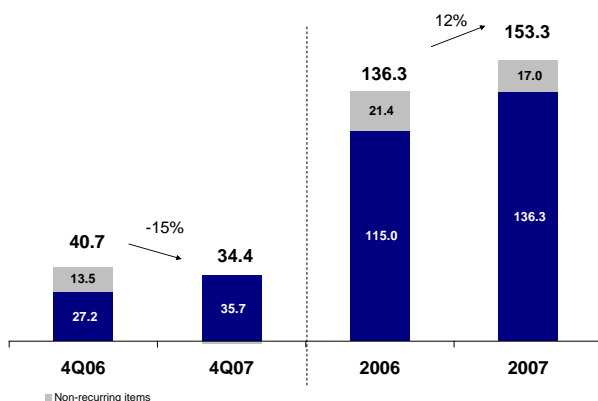
Equity expense amounted to R\$0.2 million in the 4Q07, derived from our operations in Argentina and related to right-off of goodwill.

Other Operating Income (Expenses)

The other operating income (expenses) line totaled an expense of R\$1.1 million in the 4Q07 and income of R\$14.7 million in 2007, mostly due to the reversal of provisions for contingencies. In the same periods in 2006, other operating income totaled R\$13.5 million and R\$ 19.8 million, respectively, and resulted mainly from the reversal of provisions for contingencies and suppliers in Argentina.

Income and Social Contribution Taxes

Income tax and social contribution on net income are calculated as a percentage of pre-tax income and levied at 25% and 9%, respectively. Brazilian legislation allows fiscal losses to be carried forward. The amount of current income tax and social contribution in the 4Q07 totaled R\$3.5 million, while the constituted deferred income tax and social contribution, net of compensation, amounted to R\$0.8 million. In 2007, the amount of current income tax and social contribution totaled R\$10.4 million and deferred income tax and social contribution amounted to R\$12.9 million.

EBITDA


EBITDA totaled R\$34.4 million in the 4Q07, 15% down year-on-year, with an EBITDA margin of 24%, 7 p.p. lower than the 4Q06 margin. Excluding non-recurring items in both periods, 4Q07 EBITDA increased by 31% year-on-year. These items led to an impact of R\$13.5 million in the 4Q06 and resulted mainly from the reversal of tax provisions, and R\$1.3 million in the 4Q07, primarily resulted from the updating of various provisions.

In 2007, EBITDA totaled R\$153.3 million, up 12% over 2006, accompanied by an EBITDA margin of 29%, in line with the previous year. Excluding non-recurring items in both periods, EBITDA grew by 19% over the year before. These non-recurring items were: R\$21.4 million in 2006 due to the reversal of provisions from indirect taxes in Brazil and suppliers in Argentina, and R\$17.0 million in 2007, chiefly reflecting the reversal of provisions for contingencies.

The main reason for the reduction in EBITDA was the growth in operating expenses related to new products.

The table below shows the EBITDA calculation:

(R\$ million)	4Q06	4Q07	Change 07x06	2006	2007	Change 07x06
Net Income	28.1	17.5	-38%	92.5	109.4	18%
Financial Results.....	(8.1)	(5.2)	-36%	(26.9)	(30.5)	13%
Depreciation & amortization	8.8	12.1	38%	32.7	44.0	35%
Non-operating net income	-	7.5	n.a.	(0.7)	7.8	n.a.
Provision for income and social contribution taxes.....	(0.7)	3.5	n.a.	1.5	10.4	593%
Deferred income and social contribution taxes	12.4	(0.8)	n.a.	36.3	12.9	-64%
Minority interest.....	0.2	(0.2)	n.a.	0.9	(0.7)	n.a.
EBITDA	40.7	34.4	-15%	136.3	153.3	12%
EBITDA Margin	31%	24%	-7p.p.	28%	29%	+1p.p.

1 EBITDA is net income (loss) plus income and social contribution taxes, non-operating result, net financial income, depreciation and amortization, and minority interest according to CVM Official Letter 01/2007. EBITDA is not a measure used by the accounting practices adopted in Brazil or the generally accepted accounting practices in the United States of America (USGAAP); it does not represent the cash flow for the periods presented and should not be considered as an indicator of our operating performance or as an alternative for cash flow as an indicator of liquidity. EBITDA does not have a standardized meaning and our calculation of EBITDA may not be comparable to the EBITDA or adjusted EBITDA of other companies. Even though EBITDA does not provide a measure of operating cash flow in accordance with Brazilian GAAP or U.S. GAAP, our management uses EBITDA to measure the Company's operating performance. Additionally, we understand certain investors and financial analysts use EBITDA as an indicator of operating performance of a company and/or its cash flow.

The table below shows the EBITDA calculation excluding non-recurring items:

(R\$ million)	4Q06	4Q07	Change 07x06	2006	2007	Change 07x06
Net Income	28.1	17.5	-38%	92.5	109.4	18%
Financial Results.....	(8.1)	(5.2)	-36%	(26.9)	(30.5)	13%
Depreciation & amortization	8.8	12.1	38%	32.7	44.0	35%
Non-operating income, net	-	7.5	n.a.	(0.7)	7.8	n.a.
Provision for income and social contribution taxes.....	(0.7)	3.5	n.a.	1.5	10.4	593%
Deferred income and social contribution taxes	12.4	(0.8)	n.a.	36.3	12.9	-64%
Minority interest.....	0.2	(0.2)	n.a.	0.9	(0.7)	n.a.
EBITDA	40.7	34.4	-15%	136.3	153.3	12%
Non-recurring expenses	(13.5)	1.3	n.a.	(21.4)	(17.0)	-21%
EBITDA	27.2	35.7	31%	115.0	136.3	19%
EBITDA Margin	21%	24%	+3p.p.	24%	26%	+2p.p.

Net Income and Earnings per Share

Net income reached R\$17.5 million in the 4Q07 and R\$109.4 million in 2007, 38% down and 18% up, respectively, over the same periods in 2006. Earnings per share totaled R\$0.15 in the 4Q07.

Liquidity and Capital Resources

Operating Activities

In the 4Q07, cash flow from operating activities totaled R\$24.2 million, mainly due to the increase in the Company's depreciation and amortization, and suppliers expenses. In 2007, cash flow from operating activities reached R\$109.4 million, primarily, due to the increase in the Company's net income.

Investing Activities

In the 4Q07, cash used in investing activities amounted to R\$64.9 million, mainly due to the R\$48.1 million increase in financial investments and the R\$18.7 million growth in fixed and intangible assets. In 2007, net cash used in investing activities amounted to R\$462.9 million, due to the increase in financial investments, as well as in fixed and intangible assets.

Financing Activities

In the 4Q07, net cash used in financing activities totaled R\$0.5 million, due to the payment of ICMS and CPMF taxes of R\$0.3 million and R\$0.2 million, respectively. In 2007, net cash used in financing activities totaled R\$3.8 million, also due to the payment of ICMS and CPMF taxes.

Balance Sheet

The Company had no outstanding loans or financings at the end of the 4Q07. On the same date, cash, bank and financial investments totaled R\$474.6 million.

Shareholders' equity rose from R\$530.6 million in December, 2006 to R\$638.9 million in December 2007, due to the generation of net income.

Audience

We maintained our leadership in page views and time spent online among content portals in Brazil with 1,666 million page views and an average time spent online of 1h:04min:15sec in December 2007, according to IBOPE//NetRatings.

In December 2007, also according to IBOPE//NetRatings, we recorded a 45% increase in unique visitors over December 2006, in line with market growth.

UOL Busca ended December 2007 with more than 5.0 million unique domestic search visitors per month, taking UOL to the third position in the IBOPE//NetRatings ranking.

	December 2006	December 2007	Change % 07x06
Page views (million)	1,395	1,666	19%
Unique visitors (thousand)	9,509	13,799	45%
Unique visitors - search ¹ (thousand)	3,896	5,019	29%
Reach (% of Brazilian Internet users)	66%	65%	-1p.p.
Time spent online (hours:min:sec)	1:13:53	1:04:15	-13%

Source: Ibope//NetRatings (Ibope//NetRatings (portal audience, home panel, brand, excluding Internet applications)).



4Q07 and 2007 Results

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EXHIBIT I – INCOME STATEMENT

Universo Online S.A. Consolidated Income Statement

(R\$ million)

	Change			Change		
	4Q06	4Q07	4Q07 x 4Q06	2006	2007	2007 x 2006
Gross revenues	171.8	191.4	11%	634.3	716.2	13%
Subscriptions	125.6	132.3	5%	484.6	524.5	8%
Advertising and other	46.2	59.1	28%	149.7	191.7	28%
Gross revenues deductions	(42.4)	(45.0)	6%	(153.6)	(191.1)	24%
Net revenues	129.4	146.4	13%	480.7	525.1	9%
Cost of Services	(57.0)	(62.1)	9%	(215.4)	(216.5)	1%
Gross profit	72.4	84.3	16%	265.3	308.6	16%
Operating (expenses) income	(40.5)	(62.0)	53%	(161.7)	(199.3)	23%
Selling	(27.4)	(29.9)	9%	(88.3)	(105.5)	20%
General and administrative	(17.8)	(18.7)	5%	(62.1)	(66.8)	8%
Depreciation and amortization	(8.8)	(12.1)	38%	(32.7)	(44.0)	35%
Equity Income						
Right-off of goodwill	-	(0.6)	n.a.	-	(0.6)	n.a.
Other Results on Investments	-	0.4	n.a.	1.6	2.9	81%
Other operating revenues	13.5	(1.1)	n.a.	19.8	14.7	-26%
Operating Income (loss) before financial results	31.9	22.3	-30%	103.6	109.3	6%
Financial Results	8.1	5.2	-36%	26.9	30.5	13%
Financial expenses	(3.3)	(4.2)	27%	(15.3)	(7.9)	-48%
Financial income	11.4	10.3	-10%	48.1	43.1	-10%
Net foreign exchange variation	(0.1)	(0.9)	800%	(5.9)	(4.7)	-20%
Operating Income	40.0	27.5	-31%	130.5	139.8	7%
Non-operating net income	-	(7.5)	n.a.	0.7	(7.8)	n.a.
Income before income and social contribution taxes	40.0	20.0	-50%	131.2	132.0	1%
Provision for income and social contribution taxes	0.7	(3.5)	n.a.	(1.5)	(10.4)	593%
Deferred income and social contribution taxes	(12.4)	0.8	n.a.	(36.3)	(12.9)	-64%
Income before minority interest	28.3	17.3	-39%	93.4	108.7	16%
Minority interest	(0.2)	0.2	n.a.	(0.9)	0.7	n.a.
Net income	28.1	17.5	-38%	92.5	109.4	18%



EXHIBIT II – BALANCE SHEET

Universo Online S.A. Consolidated Balance Sheet

(in R\$ thousand)

	<u>12/31/2006</u>	<u>12/31/2007</u>
Assets		
Current Assets		
Cash and banks	3,687	5,036
Temporary Cash investments.....	391,097	469,521
Unrealized gain on swap transaction	-	1,750
Trade accounts receivable	54,316	73,646
Recoverable taxes.....	5,588	11,499
Deferred taxes.....	30,990	18,436
Advances for suppliers	1,352	2,462
Prepaid expenses	2,064	2,834
Other receivables	1,233	3,217
Total Current Assets.....	490,327	588,401
Non-current Assets		
Long-Term Assets:		
Escrow deposits	3,722	4,585
Recoverable taxes	3,076	360
Deferred income taxes	107,328	106,985
Intercompany receivables.....	456	3
Other receivables	248	1,796
Total Long-term assets.....	114,830	113,729
Permanent Assets:		
Property and equipment	54,472	64,657
Intangible	20,137	31,469
Total Permanent Assets	74,609	96,126
Total Non current assets	189,439	209,855
Total Assets	679,766	798,256
Liabilities and Shareholders' Equity		
Current Liabilities		
Trade accounts payable	50,489	58,951
Payroll and related charges.....	17,435	20,075
Taxes, charges and contributions.....	16,140	19,225
Reserve for contingencies	17,495	4,960
Dividends payable	-	1,039
Advances from customers	28,856	36,618
Other payables.....	711	1,123
Total Current liabilities	131,126	141,991
Non-current Liabilities		
Long-term Liabilities:		
Taxes and contributions	6,024	5,262
Reserve for contingencies	9,480	10,167
Other provisions	3	2
Total Long-term liabilities	15,507	15,431
Minority interest	2,512	1,874
Shareholders' Equity		
Capital.....	908,029	530,621
Legal reserve	-	5,469
Retained earnings (losses)	(377,048)	102,870
Total Shareholders' Equity	530,621	638,960
Total Liabilities and Shareholders' Equity	679,766	798,256



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EXHIBIT III – CASH FLOW

Universo Online S.A. Consolidated Cash Flow

(in R\$ thousand)

	4Q06	4Q07	2006	2007
Cash Flow from Operating activities				
Net Income for the period	28,117	17,471	92,509	109,378
Items not requiring cash outlay				
Depreciation and amortization	8,795	12,213	32,731	44,064
Gain (loss) on sale of property and equipment	(14)	(1)	(47)	71
Other income from investments	(48)	(459)	(1,594)	(2,932)
Current Income and social contribution taxes	(761)	3,415	1,469	10,358
Deferred income and social contribution taxes	12,374	(809)	36,291	12,897
Increase in (reversal of) allowance for doubtful accounts	1,136	1,582	2,753	2,796
Minority interest	264	(162)	919	(667)
Right-off of goodwill	-	557	-	557
Reversal of balances payables	(2,260)	-	(7,527)	-
Loss (gain) on capitalization of investment by minority shareholder	-	29	-	29
Capital loss on sale from investment	-	-	347	-
Increase in (reversal of) reserve for contingencies	(7,017)	3,775	(221)	(7,716)
Unrealized gain on swap transaction	-	(1,750)	-	(1,750)
Interest, income from temporary cash investments and exchange variation, net	(7,576)	(7,397)	(32,454)	(34,075)
Others	-	-	(565)	-
Changes in assets and liabilities				
Trade accounts receivables	(1,719)	(13,356)	(9,537)	(22,127)
Recoverable taxes	335	222	2,249	1,366
Advances to suppliers	1,943	(1,428)	4,772	(1,111)
Escrow deposits	(2,982)	(308)	(27,252)	(4,947)
Prepaid expenses	3,061	(2,247)	116	(2,342)
Other receivables	70	(864)	(499)	(1,959)
Other payables	119	(86)	(8,345)	408
Suppliers	4,347	13,038	(4,118)	6,694
Payroll and related charges	555	637	(21)	2,640
Taxes payable	619	1,325	357	47
Advances from customers	(12,473)	1,982	(14,545)	7,762
Cash provided by operating activities	26,885	27,379	67,788	119,441
Income and social contribution paid	(30)	(2,535)	(3,904)	(4,561)
Interest paid	(1,342)	(685)	(3,885)	(5,468)
Net cash provided by operating activities	25,513	24,159	59,999	109,412
Cash flow from investing activities				
Investments:				
Goodwill on acquisition	-	-	-	(557)
Property and equipment	(8,640)	(12,386)	(25,058)	(43,432)
Proceeds from sale of property and equipment	258	(1)	329	11
Intangible assets	(5,096)	(6,325)	(13,457)	(20,782)
Intercompany receivables (payables)	(174)	1,914	1,480	453
Increase in temporary cash investment	(13,501)	(459,458)	(362,245)	(851,146)
Redemption of temporary cash investment	331,889	411,322	646,378	452,588
Cash used by investing activities	304,736	(64,934)	247,427	(462,865)
Cash flow from financing activities				
Installment payment of ICMS (principal)	(908)	(310)	(3,490)	(3,027)
PAES (tax debt refinancing program) Payment /Installment (CPMF)	(198)	(198)	(792)	(792)
Net cash provided by financing activities	(1,106)	(508)	(4,282)	(3,819)
Increase in cash and cash equivalents	329,143	(41,283)	303,144	(357,272)
At Beginning of the year	42,705	55,859	68,704	371,848
At End of the year	371,848	14,576	371,848	14,576
Net increase (decrease) in cash and cash equivalents	329,143	(41,283)	303,144	(357,272)
Transactions occurred during the period that did not affect cash:				
Purchase of property and equipment	6,273	1,721	6,734	1,768

Note: The tax installments were classified as financing activities as they refer to specific long-term contracts.