

A large, stylized letter 'R' in a dark red color. The letter has a classic, slightly serifed font style. To its right, there is a faint, light-colored shadow or outline of the same letter 'R', creating a sense of depth and movement.

R

RECOLETOS

Preliminary Results
First Half 2003
(January - June)



Consolidated Profit and Loss Account

	1H2003	1H2002	%Var.
€ Million			
Advertising	53.91	53.62	0.5%
Circulation	54.13	55.24	(2.0)%
Others	11.78	10.40	13.3%
Total Revenues	119.83	119.26	0.5%
Direct Costs	87.03	83.38	4.4%
Gross Profit	32.79	35.88	(8.6)%
Central Costs	12.27	11.70	4.9%
EBIT	20.52	24.18	(15.2)%
Interest Income (Expense)	1.94	52.69	--
Goodwill Amortisation	(0.75)	(5.69)	--
Associated Undertakings	0.99	(0.18)	--
Profit on Ordinary Activities	22.70	70.99	(68.0)%
Extraordinary Results	46.73	(15.62)	--
Profit before Taxes	69.43	55.37	25.4%
Income Taxes	(27.92)	(14.09)	98.2%
Consolidated Net Income	41.51	41.29	0.5%
Depreciation	5.24	5.65	(7.2)%
EBITDA	25.76	29.83	(13.6)%
MARGIN GROSS PROFIT/REVENUES	27.4%	30.1%	
MARGIN EBITDA/REVENUES	21.5%	25.0%	
MARGIN EBIT/REVENUES	17.1%	20.3%	



Consolidated Profit and Loss Account- Comments

- Advertising Revenues: Difficult advertising market (+0.5%, -3.2% underlying). However remarkable evolution in Womens' Interest Division (+11.7%), but recession in Sports (-1.3%) and Business and Finance (-2.5%, -14.4% underlying).
- Circulation: Decrease (-2.0%) due mainly to the unfavourable comparative with last year, which benefited from exceptional sport events.
- Increase in Direct Costs (+4.4%) and cost control (+1.3%) at underlying. Central Costs increase by 4.9%.
- Goodwill Amortisation: Includes € 0.10 million corresponding to Argentina.
- Extraordinary Results: Includes € 46.89 million capital gains from the sale of our 30% stake in Unidad Editorial S.A. (Unedisa).



Consolidated underlying* Profit and Loss Account

	1H2003	1H2002	%Var.
€Million			
Advertising	49.27	50.89	(3.2)%
Circulation	52.44	54.21	(3.3)%
Others	11.00	10.09	9.0%
Total Revenues	112.71	115.19	(2.2)%
Direct Costs	78.19	77.21	1.3%
Gross Profit	34.52	37.98	(9.1)%
Central Costs	12.27	11.79	4.1%
EBIT	22.24	26.19	(15.1)%
Depreciation	5.15	5.55	(7.1)%
EBITDA	27.39	31.74	(13.7)%
MARGIN GROSS PROFIT/REVENUES	30.6%	33.0%	
MARGIN EBITDA/REVENUES	24.3%	27.6%	
MARGIN EBIT/REVENUES	19.7%	22.7 %	

COMMENTS:

- Negative evolution in revenues due to advertising downturn and unfavourable comparative
- Cost control
- Slight decrease in margins

*Excluding activities in Argentina, Chile and Portugal



Consolidated Cash Flow Statement

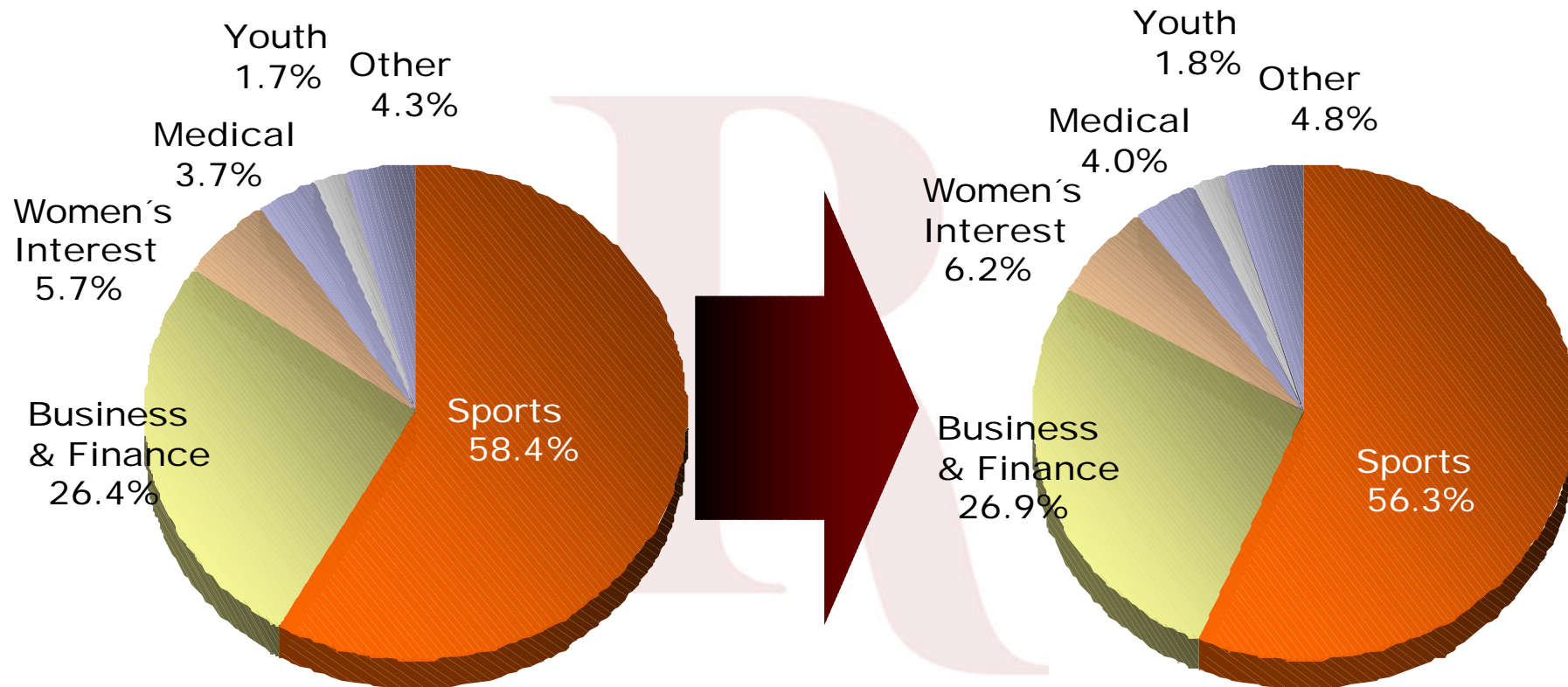
	1H2003	1H2002	%Var.
€ Million			
Net Income	41.25	41.15	0.2%
Depreciation	5.26	5.65	(6.8)%
Goodwill Amortisation	0.75	5.69	(86.9)%
Extraord. Goodwill Amortisation Argentina	0.00	15.00	--
Provisions related to fixed Assets	0.23	1.46	(84.5)%
Other Adjustments	(47.94)	(50.58)	(5.2)%
Net cash provided by Operating Activities	(0.46)	18.37	(102.5)%
Change in Working Capital	17.48	18.37	(4.9)%
Net Capex	69.04	117.46	(41.2)%
Net cash used in Investment Activities	86.52	135.83	(36.3)%
Equity Financing	0.00	0.00	--
Net Debt Financing	0.00	0.00	--
Dividend Payment	(5.87)	(1.96)	200.0%
Others Shareholders' Equity	0.66	0.64	(150.0)%
Net Cash provided by Financing Activities	(5.21)	(1.32)	294.5%
Net Increase in Cash and Cash Equivalents	80.85	152.87	(47.1)%



Consolidated Balance Sheet

	1H2003 June	2002 December
<u>€Million</u>		
Fixed Assets	95.23	113.98
- Tangible Assets	63.43	58.08
- Intangible Assets	4.07	5.73
- Financial Investments	27.73	50.18
Goodwill on Consolidation	17.40	26.83
Accounts Receivable	55.01	47.12
Stocks	5.26	5.91
Cash and Cash Equivalents *	320.92	240.04
Other Assets	4.51	2.64
<i>Total Assets</i>	<i>498.33</i>	<i>436.52</i>
Shareholders' Equity	381.89	345.86
Minority Shareholders	1.01	1.10
Provisions	12.02	12.26
Long-term Liabilities	3.13	3.62
Short-term Liabilities	100.27	73.68
<i>Total Equity and Liabilities</i>	<i>498.33</i>	<i>436.52</i>

•Includes for December 2002 and June 2003: 32,97 € mill SIMCAV investment



Revenues 1H2002

Revenues 1H2003

COMMENTS:

- Slight decrease in revenues
- Increase in MARCA copy sales
- Slight decrease in margins

	1H2003	1H2002	%Var.
€Million			
Advertising	22.57	22.87	(1.3)%
Circulation	43.61	45.13	(3.4)%
Others	1.33	1.59	(16.3)%
Total Revenues	67.50	69.59	(3.0)%
Direct Costs	43.36	42.91	1.0%
Gross Profit	24.14	26.68	(9.5)%
Gross Margin	35.8%	38.3%	
Accum. Marca Copy Sales	378,374	365,358	3.6%
Accum. Golf Digest Copy Sales	14,711	13,538	8.7%
Last Month Page Views (000)	145,174	197,000	(26.3)%



Business and Finance Division

	<u>€Million</u>				UNDERLYING*		
		1H2003	1H2002	%Var.	1H2003	1H2002	% Var.
Advertising		18.95	19.44	(2.5)%	14.31	16.71	(14.4)%
Circulation		8.72	8.37	4.2%	7.03	7.34	(4.3)%
Others		4.60	3.62	27.0%	3.81	3.29	15.9%
Total Revenues		32.27	31.43	2.6%	25.15	27.35	(8.0)%
Direct Costs		29.23	27.25	7.3%	20.39	20.95	(2.7)%
Gross Profit		3.03	4.18	(27.4)%	4.76	6.39	(25.6)%
Gross Margin		9.4%	13.3%		18.9%	23.4%	
Accum. Copy Sales Expansion		46,388	49,214	(5.7)%			
Accum. Copy Sales Act. Economica		18,120	19,992	(9.4)%			
Last month Pag. Views Expdir (000)		18,279	20,762	(12.0)%			
Last month Pag. Views Ex&Em. (000)		1,340	1,198	11.9%			

COMMENTS:

- Improvement in revenues due to the integration of additional activities

*Excluding activities in Argentina, Chile and Portugal

COMMENTS:

- Remarkable increase in advertising revenues and in gross margin

	1H2003	1H2002	%Var.
€Million			
Advertising	5.59	5.00	11.7%
Circulation	1.69	1.69	0.0%
Others	0.13	0.06	128.8%
Total Revenues	7.41	6.75	9.8%
Direct Costs	5.42	5.00	8.3%
Gross Profit	1.98	1.74	14.0%
Gross Margin	26.8%	25.8%	
Accum. Copy Sales TELVA	142,478	147,472	(3.4)%
Last Month Page Views (000)	5,075	2,871	76.8%

Medical and Youth Divisions

COMMENTS:

- Improvement in advertising revenues and gross margins

<u>€Million</u>		1H2003	1H2002	%Var.
	MEDICAL			
Advertising		4.73	4.33	9.3%
Circulation		0.04	0.04	0.0%
Others		0.00	0.05	--
Total Revenues		4.77	4.43	7.7%
Direct Costs		3.74	3.69	1.4%
Gross Profit		1.03	0.74	39.1%
% Gross Margin		21.6%	16.7%	
<u>€Million</u>		1H2003	1H2002	%Var.
	YOUTH			
Advertising		2.08	1.98	5.1%
Circulation		0.07	0.00	--
Others		0.01	0.01	0.0%
Total Revenues		2.16	1.99	8.7%
Direct Costs		1.80	1.65	9.1%
Gross Profit		0.36	0.34	6.9%
% Gross Margin		16.6%	16.9%	



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