



First Quarter 2001 Preliminary Results



Consolidated Profit and Loss Account

	1Q2001	1Q2000	% Var.
<i>€ million</i>			
Advertising	27.3	22.6	20.9%
Circulation	29.0	23.4	24.0%
Others	5.5	5.3	4.6%
<i>Total Revenues</i>	61.8	51.2	20.6%
Direct Costs	47.1	36.8	28.1%
<i>Gross Profit</i>	14.6	14.4	1.6%
Central Costs	6.4	4.7	35.1%
<i>EBIT</i>	8.2	9.7	(14.8)%
Interest Income (Expense)	(0.1)	(2.3)	(97.1)%
Goodwill Amortisation	(3.0)	(2.8)	9.7%
Associated Undertakings	0.4	0.4	(1.9)%
<i>Profit on Ordinary Activities</i>	5.6	5.1	10.6%
Extraordinary Results	(0.4)	1.3	NA
<i>Profit before Taxes</i>	5.2	6.4	(18.3)%
Income Taxes	(1.7)	(2.2)	NA
<i>Consolidated Net Income</i>	3.5	4.1	(15.6)%
<i>Cons. Net Income after Minority</i>	3.45	4.07	(15.2)%
<i>Interests</i>			
Depreciation	2.7	2.1	28.1%
<i>EBITDA</i>	11.0	11.8	(7.1)%
MARGIN GROSS PROFIT/REVENUES	23.7%	28.2%	
MARGIN EBITDA/REVENUES	17.7%	23.0%	
MARGIN EBIT/REVENUES	13.4%	18.9%	



Consolidated Profit and Loss Account - Comments

RECOLETOS

- Solid growth in advertising revenues (+20,9%, +13,2% without Argentina, +9.8% underlying) despite a global slowdown in the sector.
- Circulation: impact of increase in cover price while maintaining stable circulation levels, slight downward trend in the market for Business and Finance.
- Increase in direct costs (+28,1%) due mainly to the restructuring and re-launch in Argentina (+15,5% without Argentina) and other new ventures (+9.8% underlying) and the increase in paper prices of 25%.
- Increase in central costs (+35,1%) due mainly to the implementation of a new corporate organisation as a listed company and the extension of the bonus plan to additional employees.
- Interest Income/Expense: in year 2001 includes € 0,69 million losses from the stake in Sky Point and in year 2000 € 2,25 million losses from the stake in Vía Digital.
- Goodwill Amortisation: includes € 0,29 million corresponding to Argentina.
- Extraordinary Results: in 2001 includes extraordinary losses from Argentina amounting to € 0.4 million. In 2000 included extraordinary gains of € 1,3 million from the sale of a stake in the holding company "Red de Distribución Editoriales" to Unedisa

Consolidated Profit and Loss Account excluding Argentina

	1Q2001	1Q2000	% Var.
<i>€ million</i>			
Advertising	25.6	22.6	13.2%
Circulation	28.2	23.4	20.5%
Others	5.5	5.3	4.2%
Total Revenues	59.2	51.2	15.6%
Direct Costs	42.5	36.8	15.5%
Gross Profit	16.7	14.4	16.0%
Central Costs	6.4	4.7	35.1%
EBIT	10.3	9.7	6.6%
Interest Income (Expense)	(0.0)	(2.3)	NA
Goodwill Amortisation	(2.7)	(2.8)	(0.9)%
Associated Undertakings	0.4	0.4	(1.9)%
Profit on Ordinary Activities	8.0	5.1	58.1%
Extraordinary Results	0.0	1.3	NA
Profit before Taxes	8.0	6.4	25.8%
Depreciation	2.6	2.1	24.8%
EBITDA	13.0	11.8	10.0%
MARGIN GR. PROFIT/REVENUES	28.3%	28.2%	
MARGIN EBITDA/REVENUES	21.9%	23.0%	
MARGIN EBIT/REVENUES	17.4%	18.9%	

COMMENTS:

- Outstanding performance in revenues and control of costs
- Solid growth of PBT, EBIT and EBITDA



Consolidated Underlying Profit and Loss Account

<u>€ million</u>	1Q2001	1Q2000	% Var.
Advertising	23.5	21.4	9.8%
Circulation	28.1	23.2	21.0%
Others	4.7	4.9	(4.4)%
<i>Total Revenues</i>	56.4	49.6	13.6%
Direct Costs	36.9	33.6	9.8%
<i>Gross Profit</i>	19.5	16.0	21.6%
Central Costs	6.1	4.6	31.9%
<i>EBIT</i>	13.4	11.4	17.5%
Interest Income (Expense)	(0.1)	(2.3)	NA
Goodwill Amortisation	(3.0)	(2.8)	9.7%
Associated Undertakings	0.4	0.4	(1.9)%
<i>Profit on Ordinary Activities</i>	10.8	6.8	58.4%
Extraordinary Results	(0.4)	1.3	NA
<i>Profit before Taxes</i>	10.4	8.1	27.9%
Depreciation	2.0	1.7	14.8%
<i>EBITDA</i>	15.4	13.2	17.1%
<i>MARGIN GROSS PROFIT/REVENUES</i>	34.6%	32.3%	
<i>MARGIN EBITDA/REVENUES</i>	27.4%	26.6%	
<i>MARGIN EBIT/REVENUES</i>	23.8%	23.0%	

COMMENTS:

- Strong growth in PBT, EBIT and EBITDA
- Control of direct costs
- Improvement in margins

Note: Excludes Radio Marca, Expansión TV, Expansión y Empleo, Ganar.Com, Sadei & Mind Opener, and Internet activities. For the very first time the "underlying" account includes Golf Digest and Estadio Deportivo



RECOLETOS

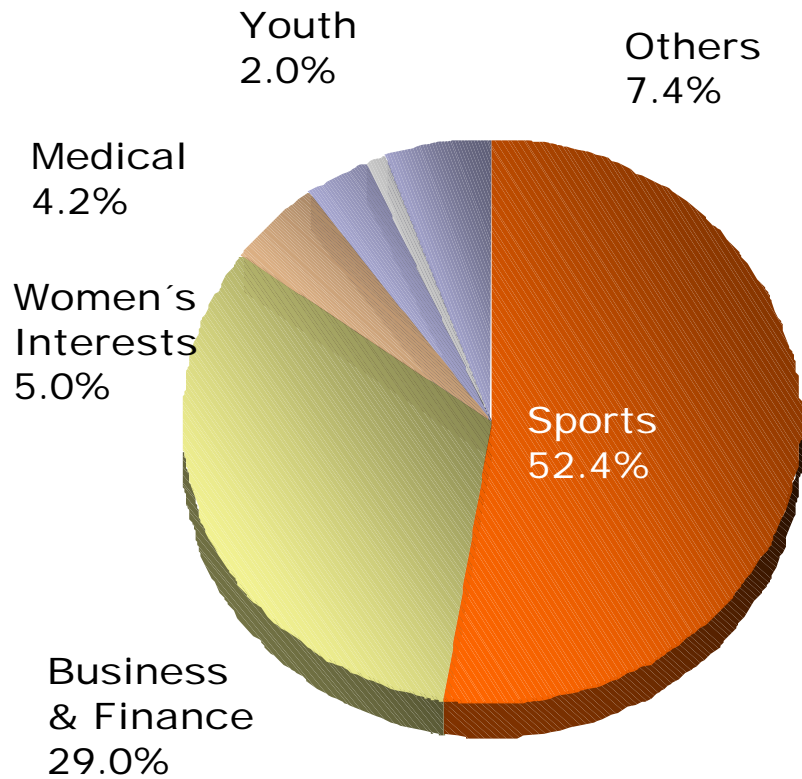
Consolidated Cash Flow Statement

<i>€ million</i>	<u>1Q2001</u>	<u>1Q2000</u>	<u>% Var.</u>
Net Income	3.5	4.1	(16 %)
Depreciation	2.7	2.1	28 %
Goodwill Amortisation	3.0	2.8	7 %
Other Adjustments	0.8	2.5	NA
<i>Net cash provided by Operating activities</i>	<i>9.9</i>	<i>11.5</i>	<i>(14 %)</i>
Change in Working Capital	(1.4)	(1.9)	NA
Net Capex	(5.4)	(12.9)	(58 %)
<i>Net cash used in Investment Activities</i>	<i>(6.8)</i>	<i>(14.8)</i>	<i>(54 %)</i>
Equity Financing	(1.7)	(1.6)	5 %
Net Debt Financing	-	-	
Dividend Payment	(10.5)	-	
<i>Net Cash provided by Financing Activities</i>	<i>(12.2)</i>	<i>(1.6)</i>	<i>NA</i>
<i>Net Increase in Cash and Cash Equivalents</i>	<i>(9.1)</i>	<i>(4.9)</i>	<i>NA</i>

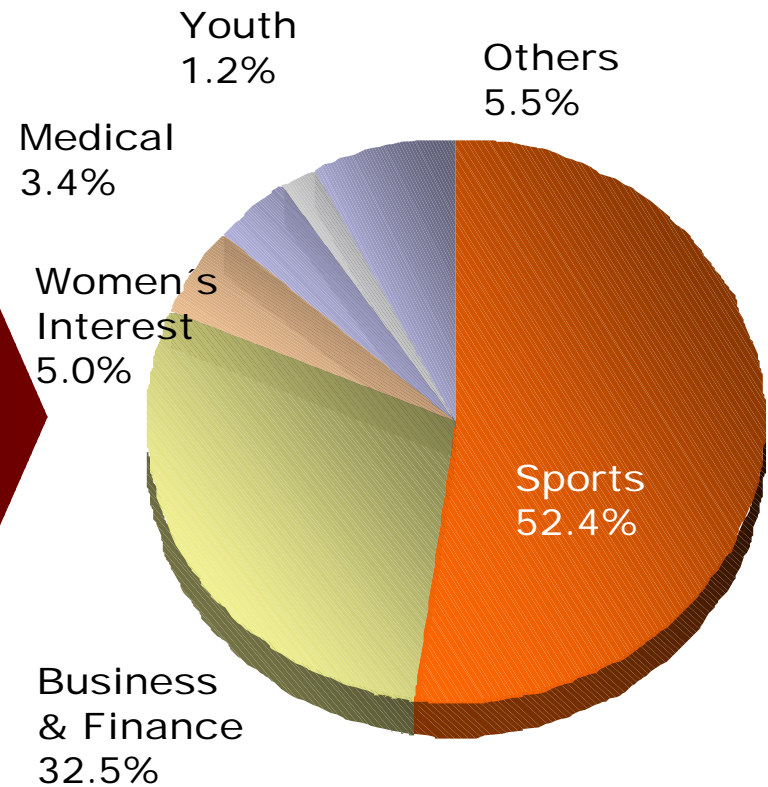
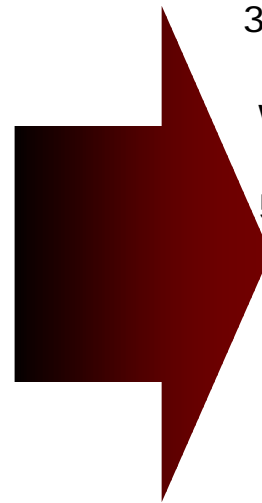


Consolidated Balance Sheet

<u>€ million</u>	2001 March	2000 December
Fixed Assets	198.1	200.7
<i>Tangible Assets</i>	62.9	63.3
<i>Intangible Assets</i>	8.4	7.1
Financial Investments	125.5	130.2
Goodwill on Consolidation	53.5	54.1
Accounts Receivable	47.5	53.9
Stocks	6.5	4.5
Cash and Cash Equivalents	51.2	60.3
Other Assets	3.7	0.9
<i>Total Assets</i>	360.5	374.4
Shareholders' Equity	291.7	300.5
Minority Shareholders	0.7	0.8
Provisions	8.4	8.4
Long-term Liabilities	4.1	6.0
Short-term Liabilities	55.5	58.7
<i>Total Equity and Liabilities</i>	360.5	374.4



Revenues 1Q2000



Revenues 1Q2001

COMMENTS:

- Solid growth in Advertising revenues
- Good performance of MARCA circulation
- Strong growth in margins due to cost control

<u>€ million</u>	1Q2001	1Q2000	% Var.
Advertising	10.3	9.2	11.9%
Circulation	21.7	17.3	25.5%
Otros	0.3	0.3	11.8%
Total Revenues	32.3	26.8	20.7%
Direct Costs	20.7	18.4	12.9%
Gross Profit	11.6	8.4	37.5%
Gross Margin	35.9%	31.5%	
Underlying* Gross Profit	12.8	8.6	48.3%
Underlying Gross Margin	40.2%	32.5%	
Accum. Marca Copy Sales	369,924	351,744	5.2%
Accum. Golf Digest Copy Sales	13,290	12,328	7.8%
Last Month Page Views (000)	62,660	26,137	139.7%

* Note: Excludes Radio Marca, and Marca.com

<i>€ million</i>				EXCLUDING ARGENTINA		
	1Q2001	1Q2000	% Var.	1Q2001	1Q2000	% Var.
Advertising	12.0	8.3	43.2%	10.2	8.3	22.5%
Circulation	6.0	5.2	15.5%	5.2	5.2	NA
Others	2.1	1.3	64.9%	2.1	1.3	63.0%
Total Revenues	20.1	14.8	35.4%	17.5	14.8	18.1%
Direct Costs	18.7	11.9	57.7%	14.1	11.9	18.7%
Gross Profit	1.3	3.0	(54.5)%	3.4	3.0	15.8%
Gross Margin	6.7%	19.9%		19.5%	19.9%	
Underlying* Gross Profit	4.5	4.3	5.4%			
Underlying Gross Margin	29.7%	31.8%				
Accum. Copy Sales Expansión	59,038	66,907	(11.8)%			
Accum. Copy Sales Act.Econ.	22,415	23,248	(3.6)%			
Accum. Copy Sales ganar.com	11,967	16,425	(27.1)%			
Last Mon. Pag. Views Expdir (000)	23,412	9,350	150.4%			
Last Mon. Pag.Views Ex& Em.(000)	2,370	NA	NA			

COMMENTS:

- Deterioration of Gross Margin due to Argentina and related cost increase

* Note: Excludes Expansión TV, Expansión y Empleo, Sadei & Mind Opener, Ganar.com and Expansiondirecto.com



General Interest Area – Profit and Loss Account of Unedisa

COMMENTS:

- Solid growth in advertising and circulation revenues despite adverse market conditions

<u>€ million</u>	1Q2001	1Q2000	% Var.
Revenues	57.3	50.7	13.0%
Operating Expenses	54.9	48.3	13.5%
EBIT	2.4	2.4	NA
Interest Income (Expense)	(0.2)	(0.1)	NA
Goodwill Amortisation	(0.1)	(0.1)	NA
Associated Undertakings	(0.7)	0.0	NA
Profit on Ordinary Activities	1.4	2.2	(35.4)%
Extraordinary Results	0.1	(0.1)	NA
Consolidated Profit before Taxes	1.5	2.1	(29.7)%
Depreciation	2.7	2.1	25.1%
EBITDA	5.1	4.5	13.0%
Aver. Daily Copy Sales El Mundo	308,696	282,922	9.1%
Last Month Page Views	55,000	24,243	126.9%



Women's Interest Area

COMMENTS:

- Strong Growth in Advertising and Circulation
- Improvement in Underlying Gross Margin
- Remarkable Increase in Copy Sales

<u>€ million</u>	1Q2001	1Q2000	% Var.
Advertising	2.2	1.8	21.8%
Circulation	0.9	0.8	12.0%
Others	0.0	0.0	NA
<i>Total Revenues</i>	3.1	2.6	20.6%
Direct Costs	2.5	2.0	27.0%
<i>Gross Profit</i>	0.6	0.6	0.4%
Gross Margin	20.1%	24.1%	
<i>Underlying* Gross Profit</i>	0.8	0.6	27.5%
Underlying Gross Margin	25.9%	24.2%	
Accum. Copy Sales TELVA	142,746	129,678	10,1%
Last Month Page Views (000)	1,874	NA	

*Note: Excludes Estarguapa.com

Medical and Youth Areas

MEDICAL, <u>€ million</u>	1Q2001	1Q2000	% Var.
Advertising	2.1	2.1	(2.7)%
Circulation	0.0	0.0	NA
Others	0.0	0.0	NA
Total Revenues	2.1	2.2	(2.6)%
Direct Costs	1.7	1.4	19.1%
Gross Profit	0.5	0.8	(41.4)%
Gross Margin	21.6%	37.0%	
Underlying* Gross Profit	0.7	0.8	(19.5)%
Underlying Gross Margin	32.6%	39.1%	

YOUTH, <u>€ million</u>	1Q2001	1Q2000	% Var.
Advertising	0.7	1.0	(27.6)%
Circulation	0.0	0.0	NA
Others	0.0	0.0	NA
Total Revenues	0.7	1.0	(27.6)%
Direct Costs	1.0	0.8	13.6%
Gross Profit	(0.2)	0.2	NA
Gross Margin	(31.8)%	16.0%	
Underlying* Gross Profit	(0.2)	0.2	NA
Underlying Gross Margin	(24.9)%	16.0%	

COMMENTS:

- Fall in advertising revenues
- Worsening of margins

*Nota: Excludes Onda Salud, Diario Médico and tuGUeb.com



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Advertising:

- Fast slowdown of the advertising market in Spain; if GDP growth estimates remain at approx. 3% we expect recovery in the sector
- Recoletos outperforms the advertising market due to leadership and specialisation of its products

Circulation:

- Impact of cover price increase over the entire year
- Achievement of Marca circulation objective
- Fall in circulation of Expansión, while maintaining market share, due to the negative performance of the financial markets

Costs:

- Lower increase in central costs (some were recorded in second half year of 2000)
- Control of direct costs (impact Argentina)
 - . Impact of paper price increase at least until third quarter of the year
 - . Cost cutting program.



RECOLETOS

Internet:

- Strong increase in internet traffic
 - Solid rise in revenues, but lower than estimated in budget
 - Cost cutting program as a result of lower than expected revenues
- Goal: Maintain losses according to budget

Argentina:

- Re-launch May 15th: Achievement of proposed goals according to budget in first quarter

NEW DEVELOPMENTS:

- Radio Marca Madrid: Successful launch in February 2001
Agreement between Recoletos and Telefónica Media (alliance 50/50):
Extension to other cities (Valencia began broadcast May 2) and content areas
- Veotv: Digital License awarded 24/11/2000, Partners: Iberdrola, Unedisa,
Business Plan currently under revision
- Sky Point (LMDS): Launch of commercial service expected in the first half of 2001. Goal: Coverage in Madrid, Barcelona and additional 15 cities in Spain

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www.recoletos.es