

A large, stylized letter 'R' in a dark red color. The 'R' is composed of a solid dark red part on the left and a lighter, semi-transparent part on the right that overlaps with the text below. The word 'RECOLETOS' is written in a black, sans-serif font across the middle of the 'R'.

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RECOLETOS

Preliminary Results
Third Quarter 2003
(January - September)



Consolidated Profit and Loss Account

	9M2003	9M2002	%Var.
€ Million			
Advertising	70.53	69.69	1.2%
Circulation	85.94	87.53	(1.8)%
Others	16.88	14.76	14.4%
Total Revenues	173.36	171.98	0.8%
Direct Costs	130.03	123.32	5.4%
Gross Profit	43.33	48.66	(10.9)%
Central Costs	18.21	17.32	5.2%
EBIT	25.12	31.34	(19.8)%
Interest Income (Expense)	3.65	52.96	--
Goodwill Amortisation	(1.12)	(8.47)	--
Associated Undertakings	1.46	(0.91)	--
Profit on Ordinary Activities	29.11	74.92	(61.1)%
Extraordinary Results	46.77	(14.79)	--
Profit before Taxes	75.88	60.14	26.2%
Income Taxes	(27.87)	(15.99)	74.3%
Consolidated Net Income	48.00	44.14	8.7%
Depreciation	7.81	8.40	(7.1)%
EBITDA	32.93	39.75	(17.1)%
MARGIN GROSS PROFIT/REVENUES	25.0%	28.3%	
MARGIN EBITDA/REVENUES	19.0%	23.1%	
MARGIN EBIT/REVENUES	14.5%	18.2%	



Consolidated Profit and Loss Account- Comments

- Advertising Revenues: Difficult advertising market (+1.2%, -3.0% underlying). We highlight: Sports (-1.3%) outperforms Spanish advertising market. Remarkable evolution in Womens' Interest Division (+11.7%), Medical (+5,8%) and Youth (+2.9%). Business and Finance improves (consolidated +0.3%, underlying -12.9%).
- Circulation: Decrease (-1.8%) due mainly to Expansión and the unfavourable comparison with last year in Sports, which benefited from exceptional publications.
- Increase in Direct Costs (+5.4%) and Central Costs (+5.2%). Direct Costs at underlying increase by 1.3% and total costs (Direct + Central Costs) increase by 1.8%, well below inflation rate in Spain.
- Goodwill Amortisation: Includes € 0.15 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

	9M2003	9M2002	%Var.
€Million			
Advertising	63.81	65.79	(3.0)%
Circulation	83.35	86.04	(3.1)%
Others	15.22	14.26	6.7%
Total Revenues	162.37	166.10	(2.2)%
Direct Costs	116.15	114.68	1.3%
Gross Profit	46.22	51.42	(10.1)%
Central Costs	18.21	17.32	5.2%
EBIT	28.01	34.10	(17.9)%
Depreciation	7.67	8.27	(7.2)%
EBITDA	35.68	42.36	(15.8)%
MARGIN GROSS PROFIT/REVENUES	28.5%	31.0%	
MARGIN EBITDA/REVENUES	22.0%	25.5%	
MARGIN EBIT/REVENUES	17.3%	20.5%	

COMMENTS:

- Negative evolution in revenues due to advertising downturn
- Decrease in margins

*Excluding activities in Argentina, Chile, Portugal and Last Lap



Consolidated Cash Flow Statement

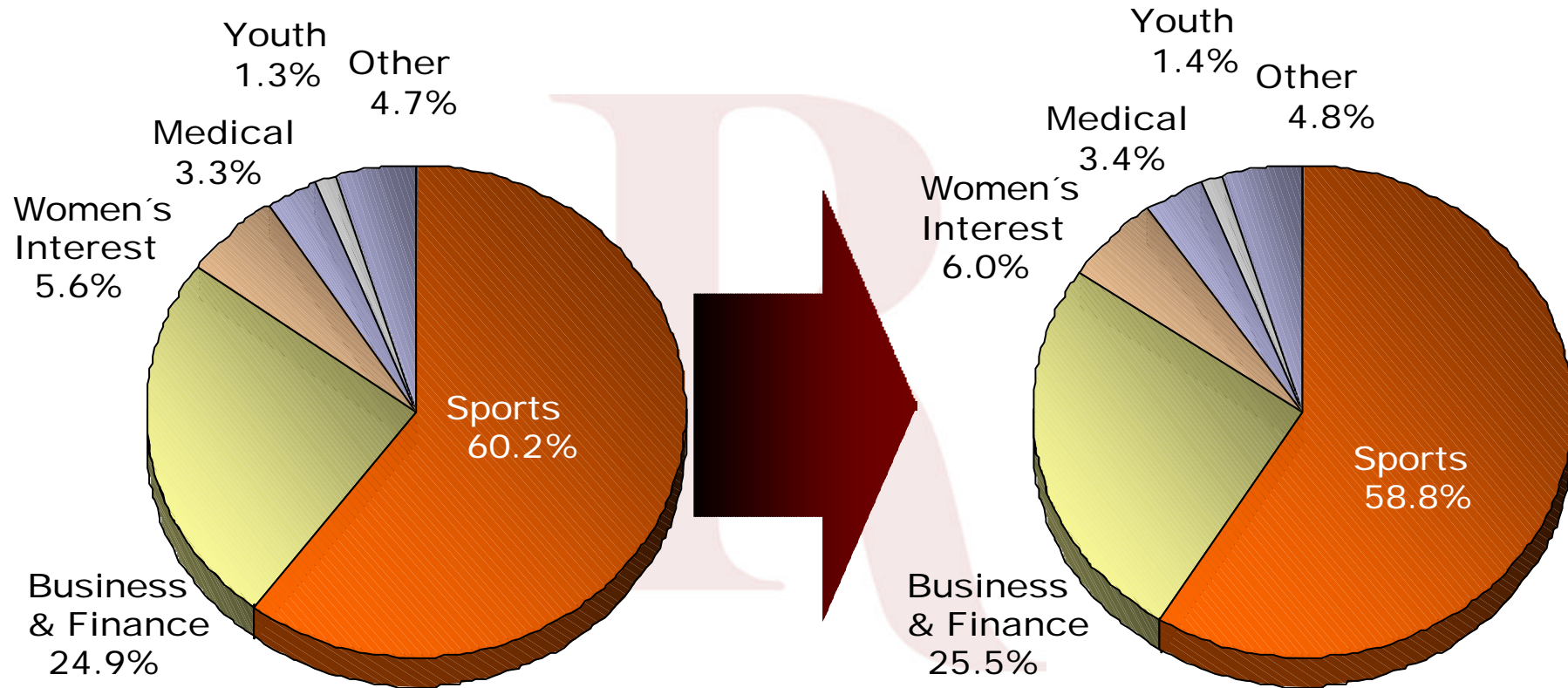
	9M2003	9M2002	%Var.
€Million			
Net Income after Minorities	47.69	43.69	9.2%
Depreciation	7.81	8.40	(7.1)%
Goodwill Amortisation	1.12	8.47	--
Extraord. Goodwill Amortisation Argentina	0.00	15.00	--
Provisions related to fixed Assets	(0.59)	2.37	(124.7)%
Other Adjustments	(48.36)	(48.97)	(1.2)%
Net cash provided by Operating Activities	7.68	28.97	(73.5)%
Change in Working Capital	19.07	25.21	(24.4)%
Net Capex	63.22	116.30	(45.6)%
Net cash used in Investment Activities	82.29	141.51	(41.8)%
Equity Financing	0.00	1.49	--
Net Debt Financing	0.00	0.00	--
Dividend Payment	(5.87)	(1.96)	200.0%
Others Shareholders' Equity	0.57	0.00	--
Net Cash provided by Financing Activities	(5.30)	(0.47)	--
Net Increase in Cash and Cash Equivalents	84.66	170.01	(50.2)%



Consolidated Balance Sheet

<u>€Million</u>	9M2003 September	2002 December
Fixed Assets	97.08	113.98
- Tangible Assets	64.90	58.08
- Intangible Assets	4.72	5.73
- Financial Investments	27.46	50.18
Goodwill on Consolidation	19.37	26.83
Accounts Receivable	51.51	47.12
Stocks	6.55	5.91
Cash and Cash Equivalents *	324.74	240.04
Other Assets	3.50	2.64
Total Assets	502.74	436.52
Shareholders' Equity	388.25	345.86
Minority Shareholders	1.06	1.10
Provisions	11.70	12.26
Long-term Liabilities	3.08	3.62
Short-term Liabilities	98.66	73.68
Total Equity and Liabilities	502.74	436.52

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



Revenues 9M2002

Revenues 9M2003

COMMENTS:

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

	9M2003	9M2002	%Var.
€Million			
Advertising	29.82	30.21	(1.3)%
Circulation	69.70	72.09	(3.3)%
Others	2.47	1.28	93.9%
Total Revenues	102.00	103.58	(1.5)%
Direct Costs	65.78	64.44	2.1%
Gross Profit	36.22	39.14	(7.5)%
Gross Margin	35.5%	37.8%	
Accum. Marca Copy Sales	390,460	381,110	2.5%
Accum. Golf Digest Copy Sales	14,293	13,577	5.3%
Last Month Page Views (000)	150,088	132,843	13.0%



Business and Finance Division

				UNDERLYING*		
	9M2003	9M2002	%Var.	9M2003	9M2002	% Var.
<u>€Million</u>						
Advertising	25.24	25.15	0.3%	18.51	21.26	(12.9)%
Circulation	13.11	12.39	5.8%	10.51	10.90	(3.5)%
Others	5.88	5.21	12.8%	4.82	4.68	2.9%
Total Revenues	44.22	42.74	3.5%	33.83	36.83	(8.1)%
Direct Costs	43.01	38.82	10.8%	29.72	29.80	(0.3)%
Gross Profit	1.21	3.93	(69.2)%	4.12	7.03	(41.4)%
Gross Margin	2.7%	9.2%		12.2%	19.1%	
Accum. Copy Sales Expansion	45,274	48,019	(5.7)%			
Accum. Copy Sales Act. Economica	20,859	20,402	2.2%			
Last month Pag. Views Expdire (000)	16,418	16,293	0.8%			
Last month Pag. Views Ex&Em. (000)	1,642	1,867	(12.0)%			

COMMENTS:

- Improvement in revenues due to the integration of additional activities

*Excluding activities in Argentina, Chile and Portugal

COMMENTS:

- Remarkable increase in advertising revenues
- Slight decrease in margins

	9M2003	9M2002	%Var.
€Million			
Advertising	7.26	6.50	11.7%
Circulation	2.99	3.00	(0.2)%
Others	0.15	0.06	142.6%
Total Revenues	10.40	9.56	8.8%
Direct Costs	7.97	7.09	12.5%
Gross Profit	2.43	2.47	(1.6)%
Gross Margin	23.3%	25.8%	
Accum. Copy Sales TELVA	160,835	162,104	(0.8)%
Last Month Page Views (000)	6,830	3,852	77.3%

Medical and Youth Divisions

COMMENTS:

- Improvement in advertising revenues
- Margins at good levels

	9M2003	9M2002	%Var.
€Million			
MEDICAL			
Advertising	5.85	5.53	5.8%
Circulation	0.05	0.05	0.0%
Others	0.02	0.11	(82.3)%
Total Revenues	5.92	5.70	4.0%
Direct Costs	5.14	5.33	(3.6)%
Gross Profit	0.78	0.37	113.8%
% Gross Margin	13.2%	6.4%	
	9M2003	9M2002	%Var.
€Million			
YOUTH			
Advertising	2.37	2.30	2.9%
Circulation	0.09	0.00	--
Others	0.03	0.01	213.7%
Total Revenues	2.49	2.31	7.7%
Direct Costs	2.34	2.13	9.8%
Gross Profit	0.15	0.18	(17.4)%
% Gross Margin	5.9%	7.8%	



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