

A large, stylized letter 'R' in a dark red color. The 'R' is composed of a solid dark red shape and a lighter, semi-transparent version of the same shape, creating a layered or shadow effect. The solid 'R' is on the left, and the lighter one is on the right, slightly offset and overlapping it.

R

RECOLETOS

Preliminary Results
First Half 2004
(January-June)



Consolidated Profit and Loss Account

€Millions	1H2004	1H2003	% Var.
Advertising	61,43	53,91	13,9%
Circulation	55,58	54,13	2,7%
Other	16,59	11,78	40,8%
Total Revenues	133,59	119,83	11,5%
Direct Costs	98,51	87,03	13,2%
Gross Profit	35,08	32,79	7,0%
Central Costs	12,85	12,27	4,7%
EBIT	22,24	20,52	8,4%
Interest Income	2,33	1,94	20,2%
Goodwill Amortization	(0,55)	(0,75)	(26,8)%
Associated Undertakings	1,39	0,99	40,1%
Profit on Ordinary Activities	25,40	22,70	11,9%
Extraordinary Results	0,05	46,73	(99,9)%
Consolidated Result Before Taxes	25,45	69,43	N/A
Taxes	(7,37)	(27,92)	(73,6)%
Consolidated Result	18,08	41,51	(56,4)%
Depreciation	5,21	5,26	(1,0)%
EBITDA	27,45	25,78	6,5%
Gross Profit Margins (%)	26,3%	27,4%	
EBITDA Margins (%)	20,5%	21,5%	
EBIT Margins (%)	16,6%	17,1%	



Consolidated Profit and Loss Account- Comments

- Advertising Revenues: Overall (+13,9%). We highlight extraordinary performance of Sports (+16.2%), another excellent semester for the Women's Interest Division (+35.9%), and a recovery of Business and Finance (+4.9%).
- Circulation: Overall (+2.7%) Expansión's circulation increases (+2,9%) and its cover price increased to 1.50€ on February 26th. Marca's circulation falls (-4,9%) and its price increased to €0,95 on June 9th. Telva circulation continues to grow (+8,4%). Consolidation of new launches (Marca Motor, NBA and Única).
- Other revenues: Include Last Lap and good performance of the Conference and Training division as well as Recoprint (third party printing) and Novomedia (advertising agency).
- Increase in Direct Costs (+13.2%) and Central Costs (+4.7%) due primarily to new launches and re-launch of Expansión.



Consolidated Cash Flow Statement

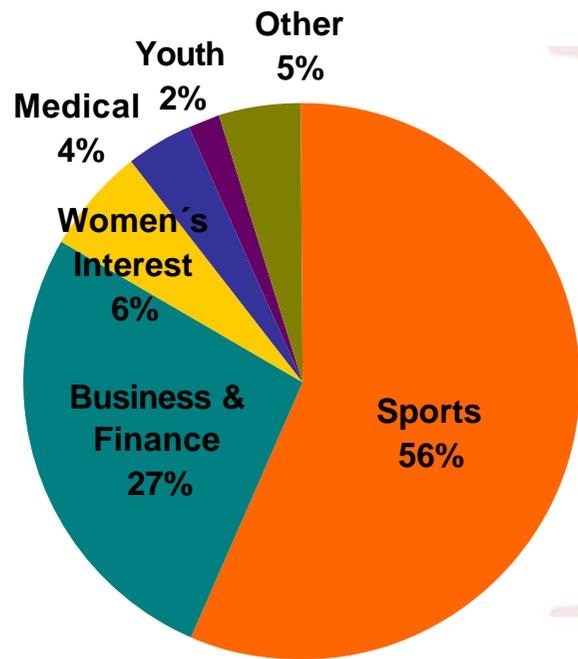
€Millions	1H2004	1H2003	% Var.
Net income before minorities	18,08	41,51	-56%
Depreciation	5,21	5,26	-1%
Goodwill Amortisation	0,55	0,75	-26%
Provisions related to fixed Assets	1,25	0,23	N/A
Other adjustments	(1,04)	(48,20)	N/A
<i>Net cash provided by Operating Activities</i>	<i>24,05</i>	<i>(0,45)</i>	<i>N/A</i>
Change in Working Capital	(15,24)	17,48	N/A
Net Capex	(14,11)	69,04	N/A
<i>Net cash used in Investment Activities</i>	<i>(29,35)</i>	<i>86,52</i>	<i>N/A</i>
Dividend Payment	(8,74)	(5,87)	49%
Other movements	1,27	0,66	N/A
<i>Net Cash provided by Financing Activities</i>	<i>(7,47)</i>	<i>(5,21)</i>	<i>N/A</i>
<i>Net Increase in Cash and Cash Equivalents</i>	<i>(12,77)</i>	<i>80,85</i>	<i>N/A</i>



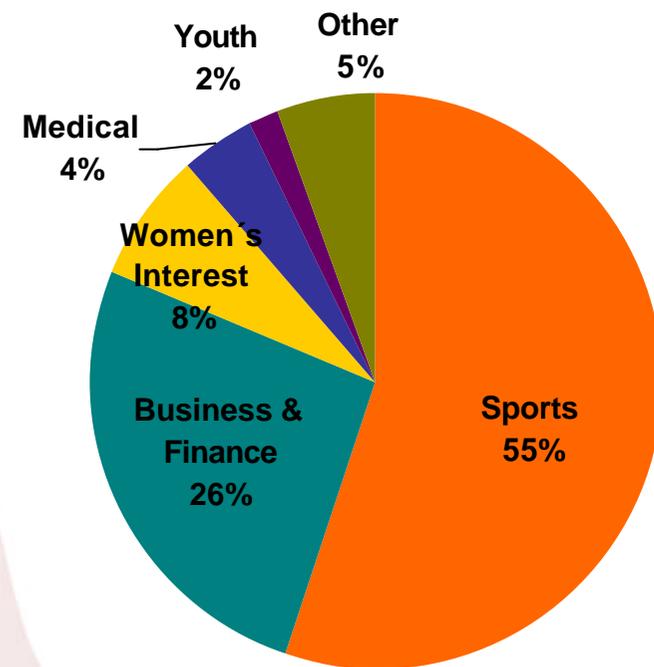
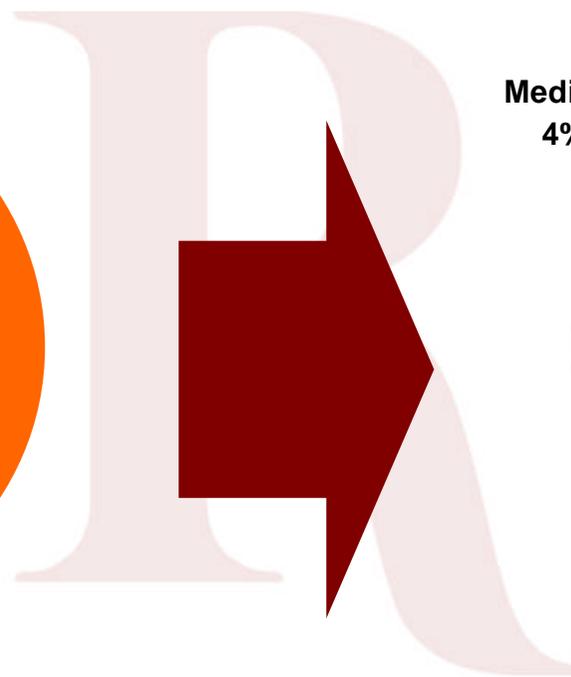
Consolidated Balance Sheet

€ Millions	2003 December	2004 June
Fixed Assets	94,48	102,41
- Tangible Assets	63,93	61,36
- Intangible Assets	4,49	5,48
- Financial Investments	26,06	35,57
Goodwill on consolidation	19,27	19,91
Accounts Receivable	54,52	72,73
Stocks	5,09	6,07
Cash and Cash Equivalents *	196,29	183,52
Other Assets	2,75	0,43
<i>Total Assets</i>	<i>372,41</i>	<i>385,06</i>
Shareholders' Equity	270,41	280,73
Minority Shareholders	1,47	1,29
Provisions	11,58	12,55
Long-term Liabilities	2,56	2,47
Short-term Liabilities	86,39	88,02
<i>Total Equity and Liabilities</i>	<i>372,41</i>	<i>385,06</i>

•Includes SIMCAV (Investment Trust) investment of €33.66 MM on December 2003 and €33.92 MM on June 2004



Revenues 1H2003



Revenues 1H2004

COMMENTS:

- Remarkable increase in advertising
- Increase in Marca cover price from €0,90 to €0,95
- Decrease in Marca copy sales
- Increase in costs due to new launches (Marca Motor and NBA Magazine)

€Millions	1H2004	1H2003	% Var.
Advertising	26,22	22,57	16,2%
Circulation	42,98	43,61	(1,4)%
Other	4,20	1,33	N/A
Total Revenues	73,39	67,50	8,7%
Direct Costs	48,16	43,36	11,1%
Gross Profit	25,23	24,14	4,5%
Gross Profit	34,4%	35,8%	(3,9)%

Acumulated Marca Copy Sales	360.348	378.882	(4,9)%
Acumulated Golf Digest Copy Sales	14.632	14.668	(0,2)%
Acumulated Marca Motor Copy Sales	68,721	N/A	N/A
Acumulated NBA Magazine Copy Sales	18,821	N/A	N/A
Last month marca.com unique users(000s)	2.475	N/A	N/A

COMMENTS:

- Noticeable recovery in advertising revenues
- Increase in Expansión copy sales
- Increase in costs due to re-launch of Expansión

€Millions	1H2004	1H2003	% Var.
Advertising	19,88	18,95	4,9%
Circulation	9,91	8,72	13,6%
Other	5,04	4,60	9,5%
Total Revenues	34,82	32,27	7,9%
Direct Costs	30,89	29,23	5,7%
Gross Profit	3,94	3,03	29,8%
Gross Profit	11,3%	9,4%	20,3%
Acumulated Expansión Copy Sales	48.186	46.826	2,9%
Acumulated Actualidad Económica Copy Sales	19.149	18.169	5,4%
Last month expansión.com unique users	272.000	N/A	N/A
Last month expansión&empleo.com unique users	178.000	N/A	N/A

COMMENTS:

- Remarkable increase in advertising
- Successful Launch of Única in April
- Increase in Telva copy sales
- Higher costs due to Única launch

€Millions	1H2004	1H2003	% Var.
Advertising	7,59	5,59	35,9%
Circulation	2,61	1,69	53,8%
Other	0,07	0,13	(48,1)%
Total Revenues	10,26	7,41	38,6%
Direct Costs	9,11	5,42	68,0%
Gross Profit	1,15	1,98	(41,9)%
Gross Profit	11,2%	26,8%	(58,1)%
Acumulated Telva Copy Sales	153.119	141.237	8,4%
Acumulated Única Copy Sales	272.573	NA	NA
Unique users last month estarGuapa.com (000)	285	NA	NA

COMMENTS:

- Excellent performance of advertising in Medical
- Advertising growth in Youth

MEDICAL

€Millions	1H2004	1H2003	% Var.
Advertising	5,59	4,73	18,2%
Circulation	0,04	0,04	(1,7)%
Other	0,01	0,00	N/A
<i>Total Revenues</i>	<i>5,64</i>	<i>4,77</i>	<i>18,4%</i>
Direct Costs	4,14	3,74	10,8%
<i>Gross Profit</i>	<i>1,50</i>	<i>1,03</i>	<i>45,9%</i>
Gross Profit	26,6%	21,6%	23,3%

YOUTH

€Millions	1H2004	1H2003	% Var.
Advertising	2,14	2,08	3,0%
Circulation	0,05	0,07	(33,6)%
Other	0,01	0,01	(22,4)%
<i>Total Revenues</i>	<i>2,20</i>	<i>2,16</i>	<i>1,7%</i>
Direct Costs	1,75	1,80	(3,0)%
<i>Gross Profit</i>	<i>0,45</i>	<i>0,36</i>	<i>25,3%</i>
Gross Profit	20,5%	16,6%	23,2%



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