



Terra Lycos 3Q 2002 Results

Highlights

	Q3 2002	Q3 2002 Constant € (*)	Q2 2002	Q3 2001	D%	
					Quarterly	Annual
Total Revenue	145.8	168.8	161.7	170.1	-10%	-14%
Media	86.8	97.3	96.4	109.3	-10%	-21%
Access and Services	58.9	71.5	65.3	60.8	-10%	-3%
EBITDA	(26.5)	(29.3)	(32.3)	(48.8)		
EBITDA Margin	-18%	-17%	-20%	-29%	2 p.p.	11 p.p.
Total Subscribers (million)	5.3	5.3	5.0	n.a.	5%	n.a.
Access Subs	4.2	4.2	4.1	4.3	1%	-3%
CSP + Portal Subs	1.1	1.1	0.9	n.a.	24%	n.a.
Average daily page views (million)	390	390	416	481	-6%	-19%
Unique users (million)	118	118	116	109	2%	8%

	9m 2002	9m 2001	D%
Total Revenue	468.1	527.6	-11%
Media	273.4	342.6	-20%
Access and Services	194.7	185.0	5%
EBITDA	(99.7)	(190.3)	
EBITDA Margin	-21%	-36%	15 p.p.
Total Subscribers (million)	5.3	n.a.	n.a.
Access Subs	4.2	4.3	-3%
CSP + Portal Subs	1.1	n.a.	n.a.
Average daily page views (million)	390	481	-19%
Unique users (million)	118	109	8%

(*) 6m'02 average exchange rates

Consolidated Operating P&L

(in million of Euros - Spanish GAAP)

unaudited

	Three Months Ended Sept. 30		Nine Months Ended Sept. 30	
	2002	2001	2002	2001
Revenues:				
Media	86.8	109.3	273.4	342.6
Access and Services	58.9	60.8	194.7	185.0
Total revenues	145.8	170.1	468.1	527.6
Cost of revenues	(68.3)	(90.5)	(237.2)	(277.9)
Gross Profit	77.5	79.6	230.9	249.6
Operating expenses:				
Research and development	(26.9)	(31.3)	(83.2)	(102.7)
Sales and marketing	(54.0)	(62.0)	(164.0)	(236.6)
General and administrative	(23.0)	(35.1)	(83.4)	(100.6)
Total operating expenses	(103.9)	(128.4)	(330.6)	(439.9)
EBITDA (*)	(26.5)	(48.8)	(99.7)	(190.3)
<i>EBITDA Margin</i>	-18%	-29%	-21%	-36%
Depreciation / non-cash charges	(38.9)	(43.2)	(127.1)	(131.1)
Financial income (loss)	15.6	27.7	49.3	96.6
Share in gains (losses) by equity method	(21.2)	(46.7)	(60.3)	(173.0)
Amortization of goodwill	(62.2)	(51.3)	(191.1)	(320.2)
Extraordinaries and other	3.8	(22.6)	0.9	(31.4)
Income (loss) before taxes	(129.3)	(185.0)	(427.9)	(749.4)
Corporate income tax	30.4	101.7	92.7	275.0
Minority interest	0.2	0.4	3.0	1.1
Net Income (loss)	(98.7)	(82.9)	(332.2)	(473.3)
Shares Outstanding (' 000)	559,364	558,619	559,364	558,619

(*) What is excluded from EBITDA includes interest on our commercial paper, taxes on corporate income, depreciation on fixed assets (including lease expense on fixed assets), and amortization on intangible assets (primarily relating to goodwill).

Consolidated Balance Sheet

as of September 30, 2002

(in million of Euros - Spanish GAAP)

unaudited

ASSETS

Due from Shareholders for Uncalled Capital	322,5
Fixed Assets	1.359,9
Goodwill in Consolidation	1.570,9
Long-term deferred expenses	13,7
Current Assets	2.027,1
Cash and Short-term financial investments	1.825,1
Other current assets	202,0
TOTAL ASSETS	5.294,1

LIABILITIES AND SHAREHOLDERS' EQUITY

Shareholders' equity	4.906,4
Minority interests	0,0
Long-term liabilities	78,7
Current liabilities	309,0
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	5.294,1

Cash Flow

three months ended September 30, 2002

(in million of Euros - Spanish GAAP)

unaudited

Initial Balance	1,904 (*)
Cash flows from operating activities	-78
Cash flows from investing activities	-30
Cash flows from financing activities	11
Ending Balance	1,807

(*) Q2'02 ending balance expressed in Euros at Q3'02 closing exchange rates

