



**Consolidated Statements of Operations**  
in millions of Euros (Spanish G.P.A.)

	<b>Three Months Ended December 31</b>		<b>Twelve Months Ended December 31</b>	
	<b>2001</b>	<b>2000 <sup>(1)</sup></b>	<b>2001</b>	<b>2000 <sup>(1)</sup></b>
<b>Revenues:</b>				
Media	105,6	140,0	448,1	431,4
Access and Services	60,4	48,4	245,4	139,7
<b>Total revenues</b>	<b>166,0</b>	<b>188,4</b>	<b>693,5</b>	<b>571,1</b>
Cost of revenues	(86,6)	(82,4)	(364,6)	(229,6)
<b>Gross Profit</b>	<b>79,4</b>	<b>106,0</b>	<b>328,9</b>	<b>341,5</b>
<b>Operating expenses:</b>				
Research and development	(24,8)	(43,5)	(127,6)	(137,4)
Sales and marketing	(68,5)	(116,6)	(305,1)	(398,4)
General and administrative	(27,7)	(48,2)	(128,3)	(128,5)
<b>Total operating expenses</b>	<b>(121,0)</b>	<b>(208,3)</b>	<b>(561,0)</b>	<b>(664,3)</b>
<b>EBITDA</b>	<b>(41,7)</b>	<b>(102,3)</b>	<b>(232,0)</b>	<b>(322,8)</b>
<b>EBITDA Margin</b>	<b>-25%</b>	<b>-54%</b>	<b>-33%</b>	<b>-57%</b>
Depreciation / non-cash charges	(54,5)		(185,5)	
Financial income (loss)	29,7		126,3	
Share in gains (losses) by equity method	(8,7)		(181,7)	
Amortization of goodwill	(63,2)		(383,5)	
Extraordinaries and other	(43,4)		(74,8)	
<b>Income (loss) before taxes</b>	<b>(181,9)</b>		<b>(931,3)</b>	
Corporate income tax	88,4		363,4	
Minority interest	0,5		1,6	
<b>Net Income (loss)</b>	<b>(93,0)</b>		<b>(566,3)</b>	
<b>Shares Outstanding (' 000)</b>	<b>558.835</b>	<b>552.709</b>	<b>558.013</b>	<b>518.034</b>

(1) Proforma figures for Terra Networks and Lycos Inc. through EBITDA, assuming Terra Networks had acquired Lycos on January 1, 2000.



**Consolidated Balance Sheet**  
**as of December 31, 2001**  
 (In millions of Euros - Spanish GAAP)

**ASSETS**

<b>Due from Shareholders for Uncalled Capital</b>	<b>367,0</b>
<b>Fixed Assets</b>	<b>1.499,9</b>
<b>Goodwill in Consolidation</b>	<b>1.819,2</b>
<b>Long-term deferred expenses</b>	<b>8,8</b>
<b>Current Assets</b>	<b>2.412,5</b>
Cash and Short-term financial investments	2.190,1
Other current assets	222,3
<b>TOTAL ASSETS</b>	<b>6.107,3</b>

**LIABILITIES AND SHAREHOLDERS' EQUITY**

<b>Shareholders' equity</b>	<b>5.556,8</b>
<b>Minority interests</b>	<b>3,5</b>
<b>Long-term liabilities</b>	<b>115,5</b>
<b>Current liabilities</b>	<b>431,5</b>
<b>TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY</b>	<b>6.107,3</b>



**Consolidated Statements of Operations**  
 Pro forma - in US\$ '000 (US GAAP)

	<b>Three Months Ended December 31</b>		<b>Twelve Months Ended December 31</b>	
	2001 (*)	2000 (1)	2001 (*)	2000 (1)
<b>Revenues:</b>				
Media	105,6	140,0	448,1	431,4
Access and Services	60,4	48,4	245,4	139,7
<b>Total revenues</b>	<b>166,0</b>	<b>188,4</b>	<b>693,5</b>	<b>571,0</b>
<b>Cost of revenues</b>	<b>(86,6)</b>	<b>(82,2)</b>	<b>(364,6)</b>	<b>(229,4)</b>
<b>Gross Profit</b>	<b>79,4</b>	<b>106,1</b>	<b>328,9</b>	<b>341,6</b>
<b>Operating expenses:</b>				
Research and development	(24,8)	(42,9)	(127,6)	(136,8)
Sales and marketing	(68,5)	(125,8)	(305,1)	(453,1)
General and administrative	(27,7)	(47,5)	(128,3)	(127,9)
<b>Total operating expenses</b>	<b>(121,0)</b>	<b>(216,1)</b>	<b>(561,0)</b>	<b>(717,8)</b>
<b>EBITDA</b>	<b>(41,7)</b>	<b>(110,0)</b>	<b>(232,0)</b>	<b>(376,2)</b>
<b>EBITDA Margin</b>	<b>-25%</b>	<b>-58%</b>	<b>-33%</b>	<b>-66%</b>
<b>Shares Outstanding (' 000)</b>	<b>558.835</b>	<b>552.709</b>	<b>558.013</b>	<b>518.034</b>

(1) Proforma figures for Terra Networks and Lycos Inc. through EBITDA, assuming Terra Networks had acquired Lycos on January 1, 2000.

(\*) We will report the full 2001 P&L account at the time we file the 20F with the SEC, before the end of June 2002.



**Consolidated Balance Sheet  
as of December 31, 2001**

(In millions of Euros & US \$/¥)

(\*) We will report the full 2001 Balance Sheet at the time we file the 20F with the SEC, before the end of June 2002.