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2000 Preliminary Results

Consolidated Profit and Loss Account



(€m)	2000	1999	% Growth
Advertising	111.5	81.5	36.8%
Circulation	110.4	102.7	7.5%
Other	23.4	19.7	18.9%
Total Revenues	245.3	203.8	20.3%
Direct Costs	(168.4)	(136.2)	23.7%
Gross Profit	76.9	67.6	13.7%
Central Costs	(22.3)	(18.0)	23.9%
EBIT	54.6	49.6	10.0%
Interest Income (Expense) ^(a)	(4.7)	(5.6)	16.6%
Goodwill Amortisation	(11.3)	(11.2)	0.9%
Associated Undertakings	3.1	3.7	(18.0)%
Profit on Ordinary Activities	41.7	36.5	14.2%
Extraordinary Results	4.5	(2.8)	NA
Profit before Taxes	46.2	33.7	36.9%
Income Taxes	(10.8)	(11.7)	
Consolidated Net Income	35.4	22.0	60.8%
Cons. Net Income after Minority Interests	35.1	21.9	60.3%
Depreciation	9.7	8.0	21.3%
EBITDA	64.3	57.6	11.6%
Margins (%)			
Gross Profit	31.3%	33.2%	
EBITDA	26.2%	28.3%	
EBIT	22.2%	24.3%	

(a) Write-offs in value of minority stakes have been reclassified in 1999 from extraordinary items to interest income (expense)

Consolidated Profit and Loss Account - Comments



Revenues

- **Spectacular growth of advertising: 36.8% vs. approx. 10% average Spanish market**
 - Business & Finance at 69.3%
 - New Ventures (TV at over 350% and Internet at over 230%) show fast growth
- **Circulation**
 - Strong growth in copy sales in business and finance publications and women's interests publications
 - Slight increase in Marca copy sales
 - Price increases in Marca and Expansión, our main newspapers
- **Other revenues show strong performance, particularly Conferencias y Formación, Expansión TV subscribers and third party printing**
- **Income from associated undertakings reflects a decline in Unedisa's profitability**
- **Included last quarter of Sadei and Mind Opener, in both revenues and costs**

Costs

- **Direct costs continue to grow at a slightly higher pace than revenues due to new ventures in:**
 - New digital technologies (Internet, Radio Digital and Expansión TV)
 - New publications (Ganar.com and Expansión y Empleo)
 - Higher marketing costs due to last quarter Marca promotion
- **Central costs include one-off consulting fees related with the IPO and incremental bonus plan**
- **In 2000, interest income includes a provision of €5.1 million due to the decrease of market value of the stock options plan. Additionally, there is a higher extraordinary result of €3.3 million and lower income tax of €1.8 million**
- **In 1999, €9.2 million provision for financial losses related to Vía Digital (no longer in 2000 due to the asset exchange with RTL completed on September 4, 2000)**
- **Lower tax rate due to deductible IPO costs**

Consolidated Underlying Profit and Loss Account



(€m)	2000	1999	% Growth	Comments
Advertising	97.1	79.0	23.0 %	■ Advertising drives growth in revenues
Circulation	107.3	100.8	6.4 %	
Other	21.6	18.7	15.2 %	■ Circulation revenues show a positive trend
Total Revenues	226.0	198.5	13.8 %	
Direct Costs	143.2	125.9	13.7 %	■ Higher marketing costs due to last quarter Marca promotion
Gross profit	83.0	72.6	14.1%	
Central costs	21.3	17.5	21.9 %	■ Central costs continue to grow strongly as the Company adapts to its new public status and reaches full implementation of variable personnel costs system
EBIT	61.6	55.1	11.7 %	
Depreciation	7.6	6.5	16.1 %	■ Sustainable underlying Gross Profit, EBITDA and EBIT margins
EBITDA	69.1	61.7	12.1 %	
Margins (%)				
Gross Profit	36.7%	36.6%		
EBITDA	30.6%	31.1%		
EBIT	27.3%	27.8%		

Note: Excludes Golf Digest, Radio Marca, Estadio Deportivo, Expansión TV, Expansión y Empleo, Sadei & Mind Opener, Ganar.com and internet activities

Consolidated Cash Flow Statement



(€m)	2000	1999	% Growth
Net Income	35.1	21.9	60.3%
Depreciation	9.7	8.0	21.3%
Amortisation	11.3	11.2	0.9%
Other Adjustments	(1.2)	1.7	NA
Net cash provided by Operating Activities	54.9	42.8	28.3%
Change in Working Capital	(9.4)	14.6	NA
Net Capex	(64.9)	(94.5)	31.3%
Net cash used in Investment Activities	(74.3)	(79.9)	7.0%
Equity Financing	92.6	-	
Net Debt Financing	-	(1.0)	
Dividend Payment	(55.4)	(7.2)	
Net cash provided by Financing Activities	37.2	(8.2)	
Net Increase in Cash and Cash Equivalents	17.8	(45.3)	

Consolidated Balance Sheet



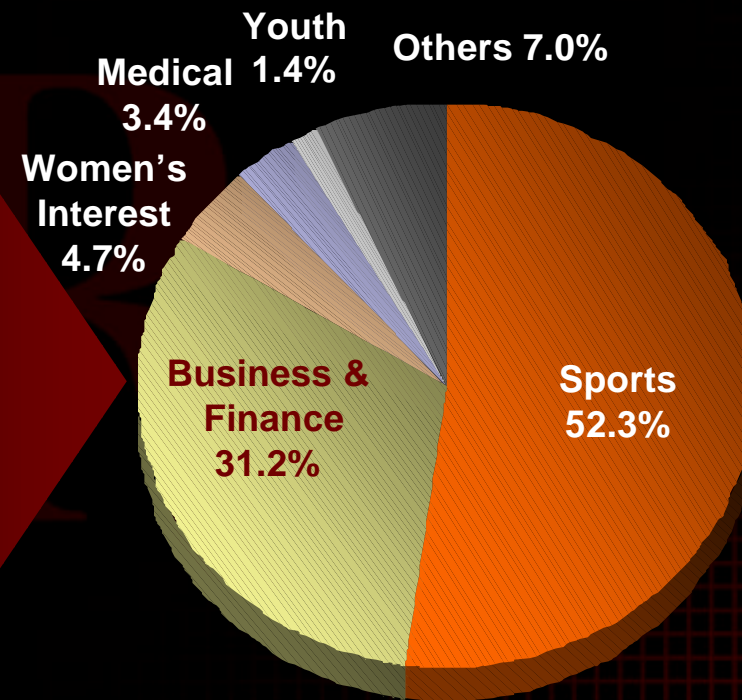
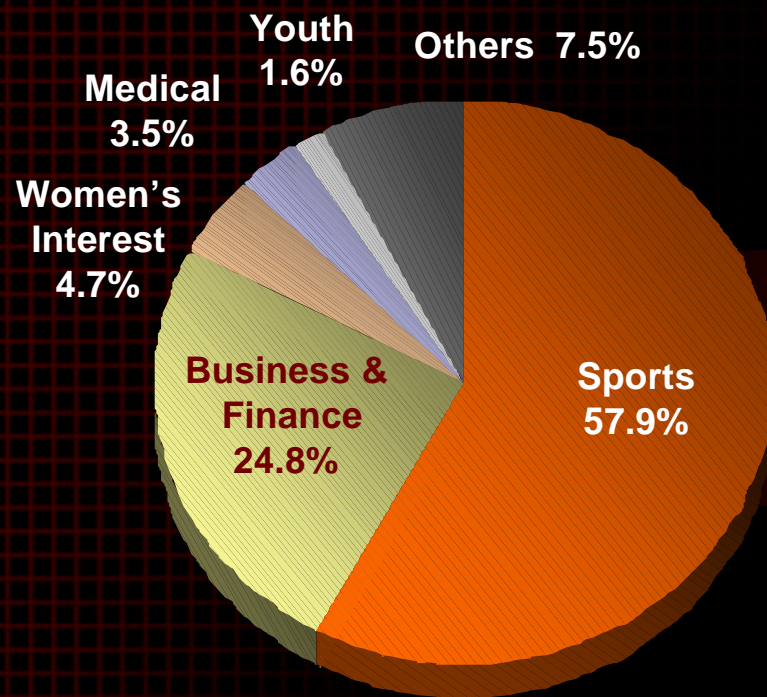
(€m)	2000	1999	% Growth
Fixed assets			
<i>Tangible assets</i>	63.3	58.2	8.8%
<i>Intangible assets</i>	7.1	5.8	22.3%
<i>Financial investments</i>	130.2	91.7	42.0%
Goodwill on consolidation	54.1	42.4	27.6%
Accounts receivable	53.9	42.3	24.9%
Stocks	4.5	4.9	(7.4)%
Cash and cash equivalents	60.3	42.5	42.0%
Other assets	0.9	0.8	25.3%
Total Assets	374.4	288.6	29.7%
Shareholders' Equity	300.5	228.2	31.7%
Minority Shareholders	0.8	0.2	296.9%
Loans	0.0	0.1	(22.6)%
Accounts payable	34.1	23.5	45.1%
Other liabilities	39.0	36.6	6.4%
Total Equity and Liabilities	374.4	288.6	29.7%

Revenue Breakdown



1999 Revenues

2000 Revenues

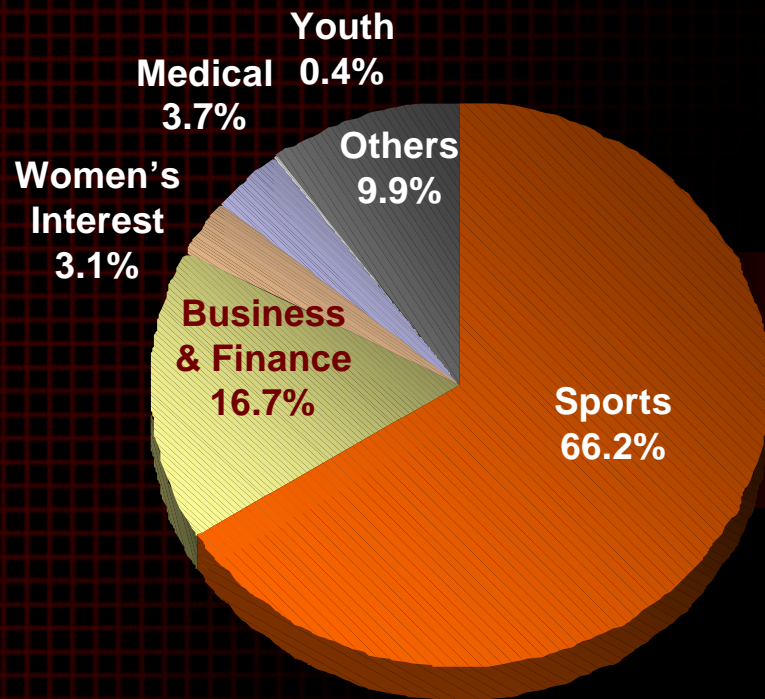


Increasing diversification both in terms of Revenues ...

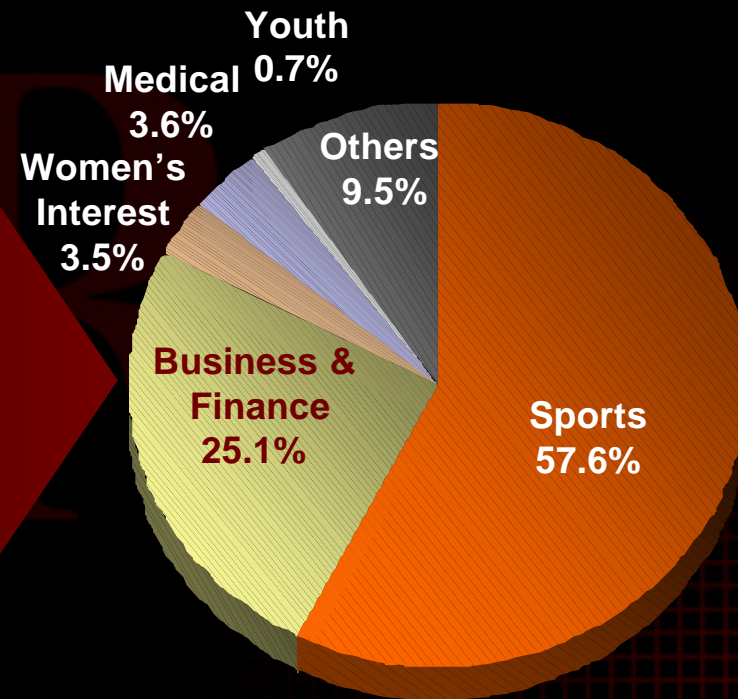
Gross Profit Breakdown



1999 Gross Profit



2000 Gross Profit



... and in terms of Gross Profit

Sports Area



(€m)	2000	1999	% Growth	Comments
Advertising	42.2	35.4	19.2%	■ Advertising revenues are the main drivers of growth
Circulation	84.9	81.5	4.2%	
Other	1.3	1.1	17.6%	■ Increase of Marca circulation reversing trend last 3 years
Revenues	128.4	117.9	8.8%	
Direct Costs	84.0	73.2	14.8%	■ 20% increase in Marca cover price on 20th October 2000
Gross Profit	44.3	44.7	(0.9)%	
% Gross Margin	34.5%	37.9%		■ Increase in expenses due to additional promotion effort
Underlying Gross Profit	46.2	45.0	2.6%	
% Underlying Gross Margin	37.3%	39.3%		■ Internet activities continue to grow fast
Average Marca Copy Sales ^(a)	403,049	396,749	1.6%	
Monthly Page Views ('000) ^(b)	53,000	14,437	267.1%	■ Additional costs associated to launching of Marca Digital and Radio Marca Digital

- Source: OJD for 1999 and Recoletos for 2000
- Source: data for December of stated period. OJD for 1999 and Recoletos for 2000. Data for Marca Digital

Business and Finance Area



(€m)	2000	1999	% Growth	Comments
Advertising	49.3	29.1	69.3%	■ Spectacular growth in advertising revenues
Circulation	20.9	18.0	16.4%	■ Remarkable growth in circulation revenues
Other	6.3	3.5	81.4%	■ Includes last quarter of Sadei & Mind Opener ^(c)
Revenues	76.5	50.5	51.3%	■ Other revenues include mainly revenues from Conferencias & Formación activities
Direct Costs	57.2	39.3	45.6%	■ Significant improvement in gross margins as some of the new businesses (Expansión TV, Ganar.com) develop
Gross Profit	19.3	11.3	71.2%	■ 14% increase in Expansión cover price on October 20, 2000
% Gross Margin	25.3%	22.3%		■ Strong growth in operating statistics
Underlying Gross Profit	22.9	16.1	42.1%	■ Record copy sales of Expansión
% Underlying Gross Margin	37.0%	33.1%		■ Page views
Average Copy Sales ^(a)				
Expansión (daily)	63,050	59,334	6.3%	
A. Económica (monthly)	23,890	22,697	5.3%	
Ganar.com (monthly)	15,579	NA	NA	
Monthly Page Views ('000) ^(b)				
Expansión Directo	11,460	4,866	134.6%	
Ganar.com	1,435	NA		
Expansión&Empleo	1,057	NA		
Total page views	13,952	4,866		

- Source: OJD for 1999 and Recoletos for 2000.
- Source: data for December of stated period. OJD for 1999 and Recoletos for 2000
- Revenues: €6.4 m (advertising €5.3 m and circulation €1.1m) and costs €6.2 m

General Interest Area – Profit and Loss Account of Unedisa



(€m)	2000	1999	% Growth	Comments
Revenues	244.0	203.7	19.8%	<ul style="list-style-type: none"> ■ Strong growth in sales driven by growth in advertising and other revenues
Operating expenses	229.6	186.3	23.2%	
EBIT	14.4	17.4	(16.8)%	
Margins (%)	5.9	8.5		<ul style="list-style-type: none"> ■ Fast growth of internet traffic
Interest Income (Expense)	(0.5)	(0.3)	(78.3)%	
Goodwill Amortisation	(0.9)	(0.5)	(71.7)%	<ul style="list-style-type: none"> ■ Decrease in margins due to growth effort
Profit on Ordinary Activities	13.0	16.6	(21.2)%	
Extraordinary Results	1.0	0.1	1210.1%	<ul style="list-style-type: none"> ■ Improvement of editorial contents ■ Significant costs in Internet and new ventures
Profit before Taxes	14.0	16.7	(15.8)%	
Income Taxes	(5.1)	(5.9)		
Consolidated Net Income	9.0	10.8	(16.7)%	
Depreciation	(9.2)	(8.0)	14.8%	
EBITDA	23.6	25.3	(6.9)%	
EBITDA Margin (%)	9.7	12.4		
Average Daily Copy Sales ^(a)	291,961	285,417	2.3%	
Monthly Page Views ('000) ^(b)				
El Mundo.es	43,000	19,174	124.3%	

- Source: OJD for 1999 and Recoletos for 2000
- Source: data for December of stated period. OJD for 1999 and Recoletos for 2000

Women's Interest Area



(€m)	2000	1999	% Growth	Comments
Advertising	8.3	6.5	27.0%	<ul style="list-style-type: none"> ■ Extraordinary growth both in advertising and circulation revenues
Circulation	3.2	2.9	9.9%	
Other	0.0	0.0		<ul style="list-style-type: none"> ■ Increase in gross margins
Revenues	11.5	9.5	21.8%	
Direct Costs	8.9	7.4	20.5%	
Gross Profit	2.7	2.1	26.5%	
% Gross Margin	23.2%	22.3%		
Underlying Gross Profit	3.0	2.1	40.7%	
% Underlying Gross Margin	26.0%	22.3%		
Average Telva Copy Sales ^(a)	132,842	122,707	8.3%	
Monthly Page Views ('000) ^(b)	858	NA		

- Source: OJD for 1999 and Recoletos for 2000
- Source: data for December of stated period. OJD for 1999 and Recoletos for 2000

Medical and Youth Areas



	2000	1999	% Growth	Comments	
	(€m)				
Medical	Advertising	8.1	7.1	15.4%	<ul style="list-style-type: none"> Continued new ventures in the Internet medical initiatives have resulted in a slight decrease of gross margins in the medical area
	Circulation	0.1	0.1	2.7%	
	Other	0.0	0.0		
	Revenues	8.2	7.1	15.4%	
	Direct Costs	5.4	4.7	16.8%	
	Gross Profit	2.8	2.5	12.9%	
	% Gross Margin	34.0%	34.7%		
	Underlying Gross Profit	3.1	2.4	28.9%	
	% Underlying Gross Margin	38.2%	33.8%		
	Monthly Page Views ('000) ^(a)	1,476	1,128	31%	
Youth	Advertising	3.6	3.3	7.8%	<ul style="list-style-type: none"> The redesigning of Gaceta Universitaria is successfully attracting more advertising revenues and quickly improving gross margins in the youth area
	Other	0.0	0.0		
	Revenues	3.6	3.3	7.6%	
	Direct Costs	3.1	3.0	1.6%	
	Gross Profit	0.5	0.3	66.8%	
	% Gross Margin	14.4%	9.2%		
	Underlying Gross Profit	0.6	0.3	81.6%	
% Underlying Gross Margin	15.6%	9.2%			

• Source: data for December of stated period. OJD for Dec 1999 and Recoletos for 2000

Recent events



- **Acquisitions of Sadei, S.A. and Mind Opener, S.A. successfully completed after approval from the Argentinian anti-trust authorities on October 18, 2000.**
- **Significant cover price increases of main publications**
 - **Marca increased its cover price from €0.75 to €0.90 (20%) on October 20, 2000**
 - Supported by substantial additional promotional activities
 - Marca circulation has shown a positive trend
 - **Expansión increased its cover price from €1.05 to €1.20 (14%) on October 20, 2000**
 - Followed by competitors. No significant effects in circulation market share
 - **El Mundo increased its cover price from €0.75 to €0.90 (20%) on October 11, 2000**
- **Digital TV license awarded to Veo Televisión, 25.5% directly owned by Recoletos and 25.5% owned by Unedisa, on November 24, 2000**
- **Agreement with Onda Cero (Telefónica Media). Launch of Radio Marca Madrid on February 1, 2001**



Outlook 2001



Advertising Outlook



Spain

- Spanish advertising market structurally underdeveloped (\$126 advertising spend per capita 1999 vs. \$240 average Europe)
- Spectacular growth in the period 2000-1998: 11,5% CAGR
- Solid growth forecast year 2001: 5%-8%, based on structural gap and healthy macroeconomic outlook (GDP 2001 expected growth: 3,6%)

Recoletos

- Recoletos is set to outperform the market, as it has in the past, thanks to:
 - multiplying effect of leadership
 - tariff increases
 - colour printing
 - new ventures
 - new markets
- Limited visibility: yearly contracts with top advertisers, but subject to adjustments

Circulation and Expense Outlook



Circulation

Recoletos

- Stable levels of circulation (Marca, Expansión and El Mundo). Slight increase for Telva and Actualidad Económica.
- Growing circulation of new products or new markets: El Cronista, Ganar.Com.
- Cover price increases made in late 2000 will have full effect in margins and profitability in 2001.

Expense

Recoletos

- Paper prices increase at around 25%.
- Continued investments in marketing and promotional activities to support our brands.
- Tight control of central expenses

International Expansion



Portugal

- Consolidation of leadership in Business & Finance market
- Launch in 2001 of new projects

Chile

- El Diario Financiero has reached first position in 2000
- Profitability expected 2001

Argentina

- Restructuring of management team
- Complete repositioning of the product: new contents and design to be launched May 2001

New Markets

- Top priority: Brasil, Mexico, US
- Currently analysing investment opportunities

TV Strategy



- 24 hrs business and financial information, broadcast through digital platform + cable (1,000,000 households potential audience)
- Development in Interactive TV and increasing content sales through the Internet
- Leader in Spain
- Profitable in 2001 (2 years ahead of business plan)



- Digital license (free, one of two new licenses) awarded 24 November 2000
- Partners: Unedisa, Iberdrola
- New executive team being appointed
- Business plan currently under revision:
 - programming: alternative to existing channels (using Recoletos' + Unedisa's content production capacity)
 - initiating broadcast expected February 2002
 - expected market share: 5-7%
 - investment plan to be revised by new executive team



- Leading Pan-European broadcasting and production group
- Strong support to develop Recoletos TV strategy

Radio Strategy



- Radio Marca Digital: digital license awarded March 2000^(a)
- Currently broadcasting through the internet and digital frequency
- Leveraging Marca's capacity to produce high quality contents: same journalists as newspaper and website
- Advantages of new technology:
 - higher sound quality
 - one frequency for 100% Spanish territory
 - capacity to send more info



- Radio Marca Madrid: local contents for Madrid region
- Agreement between Recoletos + Telefónica Media to develop local sports + entertainment programming through 50-50% joint ventures
- Local focus complementary with RMD
- Agreement to be extended to other regions
- Agreement to be extended to other content areas

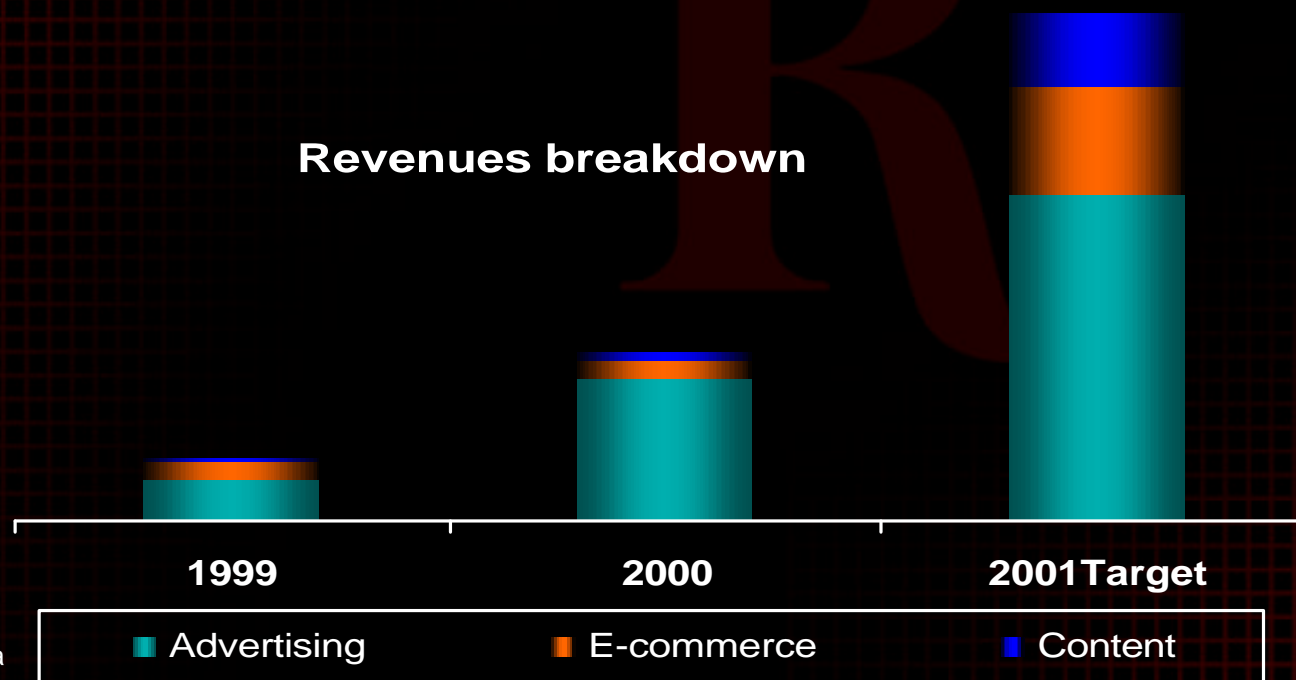
^(a)Also Unedisa

Internet Strategy



- Spectacular growth of Recoletos sites: 9.1% monthly CAGR average growth (Dec.99/Dec.00), up to 112,5 million page views (Dec 00) ^(a)
- Year 2000 revenues €3,6 MM, Gross profit €(3,1) MM. Capex €3,8
- Revenue model based on :
 - advertising: main source of revenues
 - sale of contents: increasing importance
 - e-commerce : increasingly as platform for 3rd parties

Revenues breakdown



^(a)Includes Unedisa

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