



Grupo PRISA

JANUARY-MARCH 2003 RESULTS

PRISA REVENUES AMOUNTED TO €304 MILLION, INCREASING BY 8.7% IN THE FIRST QUARTER OF THE YEAR

EBITDA came in at €40 million, a 0.4% increase over the same period of the previous year and Net income amounted to €5.9 million

During the first three months of 2003, the most remarkable aspects were the following:

- Substantial growth in the circulation figures of the main newspapers of the group, which led **newspaper and magazine sales** to increase by 15.7% up to €60 million.
- The **advertising revenues** of the Group outperformed the Spanish advertising market in every media channel Prisa operates. It is noteworthy the 2.4% increase at the Radio business division.
- **Significant operating improvements at El País and Radio business divisions.** EBIT of El País and Radio rose by 39% and 10% respectively.
- **Santillana Educational** sales in Latin America increased in local currency terms in most of the countries. The depreciation of the Latin American currencies and the dollar versus the euro impacted the comparison basis.
- Excellent performance of the **sport newspaper Diario As**, which increased its revenues and circulation figures by 33% and 34% respectively; In addition, the EBIT improved notably and even more, it gained market share.
- **Significant reduction of the operating losses at the Internet and Regional Press business divisions.**



GENERAL

The first quarter of 2003 elapsed within an environment of geopolitical uncertainties, where the military intervention of USA and UK in Iraq resulted in a complex panorama for the development of the managerial activity.

Once the war has ended, the questioning concerning the economies hold and markets are watchful of the evolution of the main economic indexes.

Within this so confused environment, during the first quarter of 2003, the performance of the Group was satisfactory: **revenues increased by 8.7%**, up to €304 million, EBITDA experienced a 0.4% increase and net income amounted to €5.9 million.

Grupo Prisa continues to implement a rigorous cost-cutting policy that has given rise to operating improvements achieved in most of the business divisions.

Top priorities for the Group include the control of the debt, the CAPEX rationalization as well as the disinvestments in non-core businesses that either are experiencing losses or are not expected to offer any grow opportunities.

ADVERTISING MARKET

In the first quarter of 2003, the Spanish advertising market experienced a slight upward trend as a result of the recovery of the advertising investment in the TV market. However, in general terms, it still continues to show signs of weakness. Press continued to be hit by the economic crisis, mainly in both national and financial newspapers.

When comparing figures, it is important to remind that Eastern Holiday took place in the second quarter of 2003, whereas in 2002 took place in the first quarter. The impact of this event on the advertising revenues is significant.

The **Group advertising revenues** experienced a **3.8% growth**, up to €105 million. Caracol was first time consolidated in April 2002 and during the first quarter of 2003 contributed €4.4 million in advertising revenues. Without the effect of this figure, the Group advertising revenues would have declined by 0.5% year-on-year.

The leadership and soundness of the Group in every media channel where it is present, allowed it to outperform the Spanish advertising market.



LATIN AMERICA

Outlook for Latin America is becoming more favourable, after several consecutive years of economic deceleration.

The warm welcome received by the new Brazilian government, the Mexican stability and the beginning of the Argentinean economy recovery resulted in positive growth rates of the GDP since the fourth quarter of 2002.

Santillana, the publishing business division of Prisa, focus its sales on the Southern cone of Latin America during the first quarter of the year, and **the educational campaigns had a very good performance**, with growths in local currency terms in most of the countries.

Nevertheless, the depreciation of the dollar and the Latin American currencies versus the euro impacted significantly the year-on-year comparison. The currency depreciations varied between 25% in Chile and Bolivia and 44% in Brazil.

The total impact of the aforementioned depreciations resulted in a decrease in the revenues and EBIT of the Group amounting to €6 million and €9.6 million respectively

INCOME STATEMENT

The main financial figures of Grupo Prisa's P&L account during the first quarter of 2003 can be summarized as follows:

€Million	CUMULATIVE TO MARCH		
	2003	2002	Var %
Revenues	303.84	279.47	8.7
EBITDA	40.22	40.07	0.4
EBIT	20.67	22.65	(8.7)
Financial Result	(5.54)	(5.45)	(1.7)
Equity Method Result	(4.32)	(1.16)	-
Goodwill Amortization	3.47	4.00	(13.3)
Income before extraordinary items	7.34	12.04	(39.0)
Extraordinary Result	2.37	(6.72)	-
Pre-Tax Profit	9.71	5.32	82.5
Taxes over profits	4.53	(27.57)	-
Minority Interest	(0.71)	0.13	-
Net Profit	5,89	32,76	(82.0)



Revenues increased by 8.7%, up to €304 million, as compared to €279 million reached during the first quarter of 2002.

By business line, revenue breakdown was as follows:

€Million	CUMULATIVE TO MARCH		
	2003	2002	Var %
Advertising Revenues	105.05	101.18	3.8
Book and Right Sales	74.25	84.11	(11.7)
Newspaper Sales	59.81	51.69	15.7
Printing Services Sales	20.26	17.54	15.5
Music Sales	6.11	2.15	184.2
Other revenues	38.36	22.80	68.3
Total revenues	303.84	279.47	8.7

Advertising revenues increased by 3.8% year-on-year. Caracol was first time consolidated in April 2002 and contributed €4.4 million in advertising revenues during the first three months of 2003. Without the effect of this figure, advertising revenues would have declined by 0.5% year-on-year, outperforming the Spanish advertising market in every media channel in which Prisa is present.

Regarding the advertising performance by divisions, it is worth mentioning the significant growths in Radio (+2.4%), Diario As (+21.3%), Regional Press (+62.5%), Cinco Días (+5.3%) and Localia TV (+48.0%). Advertising revenues of El País remained practically unchanged with regards to 1Q 2002.

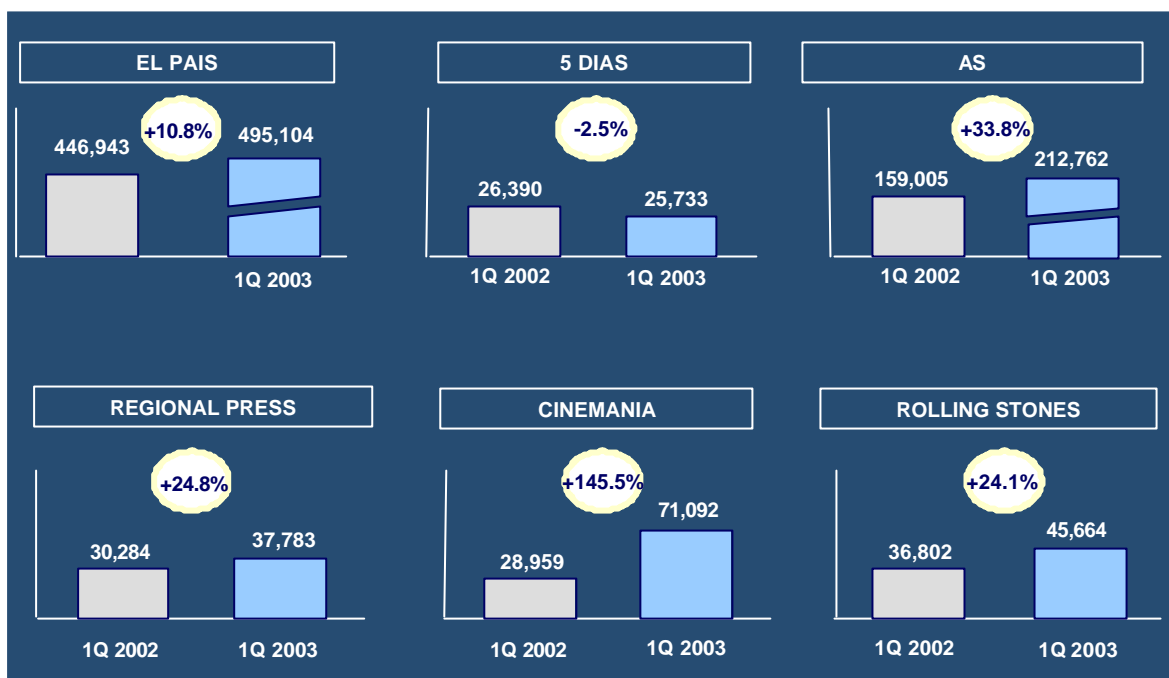
Book & Right sales dropped by 11.7%, down to €74.25 million.

The depreciation of the currencies of the Latin American countries where Santillana operates is reflected in these figures, and has conditioned the drop.

Stripping out the effect of the devaluations, which led book and right sales to decline by €24 million, book & right sales would have increased by 17%.

Magazine and Newspaper sales experienced an increase of 15.7% reaching €59.81million. Circulation figures of the main newspapers and magazines of the group increased notably as it can be seen below:



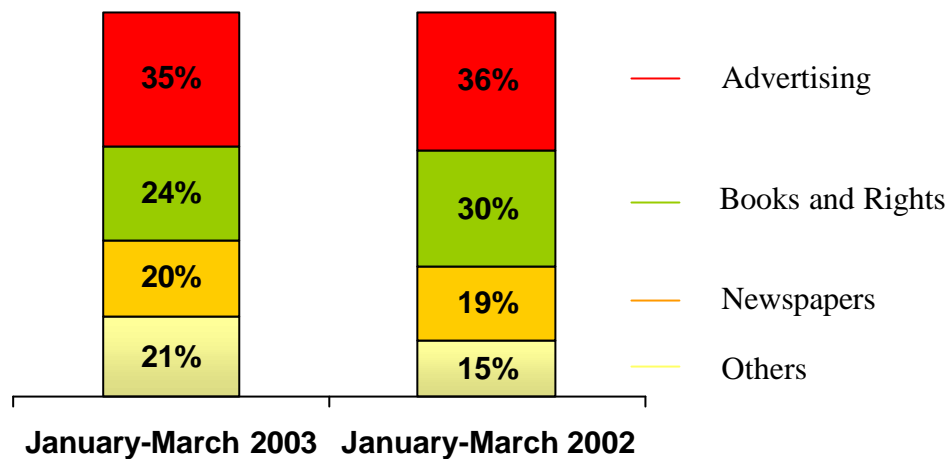


Despite the printing market continued to undergo a complex environment, with overall downfalls in both, activity and prices, **the printing services sales** rose by 15.5%, namely due to the gaining of new clients in Spain.

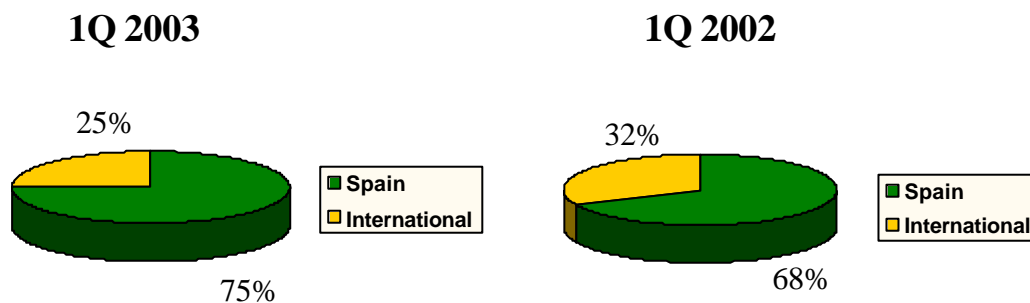
Music sales experienced an increase of 184.2%. In spite of the sluggishness of the music sales worldwide, singularly affected by the piracy phenomenon and the Internet downloading, the group activities related to the organization of events and concerts had a good performance.

Other operating revenues increased by 68.3% mainly due to the higher revenues coming from promotions. Additionally, the higher audiovisual rights and programming sales due to the first time consolidation of the audiovisual producer, Tesela, in September 2002, and the higher sales of content to mobile telephony companies contributed to this growth.

Revenue breakdown by business line could be depicted as follows:



Geographic distribution of revenues during the first quarter of 2003 and 2002 was the following:



The lower international contribution is explained by the negative differences of the exchange rate, which negatively impacted the revenues coming from Latin America.

Around 78% of the Group's international revenues came from the publishing business division, Santillana, 8% stemmed from the Printing unit, whereas the rest corresponded to the International Media business division.

EBITDA came in at €40.22 million, increasing by 0.4% with respect to the same period of the previous year.

EBIT amounted to €20.67 million, as compared to €22.65 million reached in the first quarter of 2002, which demonstrates a 8.7% decrease.

The significant operating improvement experienced by El País, Radio, Specialised Press, Prisacom and GDM was not able to offset the following:

- The impact of the depreciations of the Latin American currencies and the dollar versus the euro in the Santillana accounts, which led EBIT to decline by €9.6 million.
- The negative contribution of the new business divisions such as *Local TVs*, *Music* and the *International Media*, which was also affected by the depreciations of the Latin American currencies.
- The worse performance of the *printing* business, whose market continued to face a complex environment with overall downfalls in both activity and prices.

Without the effect of the currency depreciations, EBIT would have increased by 34%.

The equity method result, mainly included the stakes in Sogecable, Antena 3 Radio and Iberbanda, which was included in the scope of consolidation for the first time in 2003, contributing a €1.7 million loss.

The **goodwill amortization** declined by 13.3% due to the elimination of the goodwill generated in the purchase of Grupo Caracol and Participaciones de Radio Latinoamericanas, S.L as a consequence of the agreement reached with the Grupo Bavaria, where it was set an adjustment in the price of the investment carried out by Grupo Prisa in 1999 in those companies.

The **extraordinary result** included €9 million stemming from the reversion of the provision that took place in Iberbanda, as the Group increased its stake in it. As a result, Iberbanda, which was entered as a long term investment in Grupo Prisa accounts, was first time consolidated by the equity method. That figure explained the y-o-y variation.

During 2002 the Group recorded revenues derived from tax credits corresponding to the 25% of the investments carried out in 2001 in Moderna, in Brazil, and Radiopolis, in Mexico. As those tax credits finished in 2002 and no new tax credits have been applied during 2003, an income tax expense amounted to €4.53 million has arisen, in comparison to €27.57 million revenues registered in 1Q 2002.



Consequently, **net income** reached €5.89 million as opposed to €32.76 million recorded in the same period of the previous year, which demonstrates a 82% decrease. However, this figure is above the one included in the budget of the Group.

BALANCE SHEET

ASSETS	€Million	
	03/31/2003	12/31/2002
TOTAL FIXED ASSETS	686.14	695.59
Start-up expenses	18.79	20.40
Intangible assets	126.24	128.53
Tangible fixed assets	332.07	338.67
Long-term financial investments	181.33	180.28
Treasury stock	27.71	27.71
GOODWILL IN CONSOLIDATION	248.15	252.36
DEFERRED CHARGES	4.10	4.06
CURRENT ASSETS	572.02	549.69
Inventories	96.34	94.38
Accounts receivable	417.31	400.76
Short-term financial investments	24.99	27.10
Cash	16.82	15.81
Prepayments	14.70	9.75
Subscribed shares not paid-in	1.86	1.89
TOTAL ASSETS	1,510.41	1,501.70

LIABILITIES	€Million	
	03/31/2003	12/31/2002
TOTAL SHAREHOLDERS EQUITY	622.26	619.47
Capital Stock	21.88	21.88
Controlling company reserves	594.49	515.53
Income attributed to the controlling company	5.89	82.06
MINORITY INTEREST	29.34	31.91
DEFERRED REVENUES	22.87	20.56
PROVISIONS FOR CONTINGENCES & EXPENSES	21.75	21.39
LONG TERM LIABILITIES	338.11	343.49
Payable to credit entities	319.02	323.31
Other long-term debts	19.09	20.18
CURRENT LIABILITIES	476.08	464.88
Payable to credit entities	162.78	155.45
Trade accounts payable	171.16	168.49
Other short-term debts	136.06	136.17
Accrual accounts	6.08	4.77
TOTAL LIABILITIES	1,510.41	1,501.70



INVESTMENTS

The debt control policy carried out by the Group as well as the circumstances prevailing in the market, led to a rationalization of the investments - which include investments in tangible fixed assets and intangible assets as well as long-term financial investments-, during the first quarter of the year. Thereby, total investments amounted to €19.3 million as opposed to €32 million during the same period of the previous year.

Total investments, by business divisions, were the following:

INVESTMENTS 1Q 2003	€ Million
Publishing	10.14
El País	3.81
Leisure & Entertainment	1.51
Radio	1.35
Others	2.50
Total	19.31

NET DEBT

Net debt as of March 31, 2003 amounted to €440 million in comparison to €436 million as of December 31, 2002.

NET DEBT 1Q 2003	€ Million
Financial debt	
Long Term	319.02
Short Term	162.78
Cash and short term financial investments	41.81
Net debt	439.99

Long-term debt accounted for 66% of the total financial debt.
By currency, 65% of the debt was in euros and the rest in dollars.
The ratio net debt to equity as of March 31 2003 was 70.7%.

CASH FLOW STATEMENT

	03/31/2003
EBIT	20.67
Depreciation & Amortization	19.73
Change in Working capital items	-19.59
Investments	-19.31
Free Cash Flow	1.50
Financial Result	-5.54
Extraordinary result	2.72
Taxes	-4.53
Others	1.71
NET DEBT CHANGE	4.14



BUSINESS DIVISIONS PERFORMANCE

- EBIT of **El País** increased by 39.3% up to €18.2 million. Circulation figures increased substantially.
- **Radio** revenues and EBIT increased by 2.4% and 10.3% respectively.
- **Good performance of the schoolbook sales in Latin America** in local currency terms.
- **Specialised and Regional Press** reduced significantly its operating losses. The sport newspaper **Diario As** increased its average daily circulation by **33.8% up to 212,762 copies**.
- Operating losses of the **Internet division, Prisacom**, improved significantly.
- **The International Media** continued to consolidate, with revenues increasing by 32%, due to the contribution of Caracol.
- **The Printing business** continued to undergo a difficult environment, experiencing overall downfalls in activity and prices.



OPERATING REVENUES			
€Million	CUMULATIVE TO MARCH		
	2003	2002	Var %
El País	75.32	70.10	7.5
Spec. & Regional Press	29.21	23.27	25.5
Radio	41.96	40.98	2.4
Local TV	2.87	3.51	(18.2)
International Media	10.34	7.79	32.7
Education & General Editions	75.82	86.81	(12.7)
Prisacom	2.53	2.64	(4.2)
Leisure & entertainment	23.26	4.30	-
Printing	27.28	25.45	7.2
GDM	19.22	17.90	7.4
Distribution	52.77	41.20	28.1
Others	4.81	4.58	5.0
Consolidation Adjustments	(61.55)	(49.06)	23.9
TOTAL	303.84	279.47	8.7

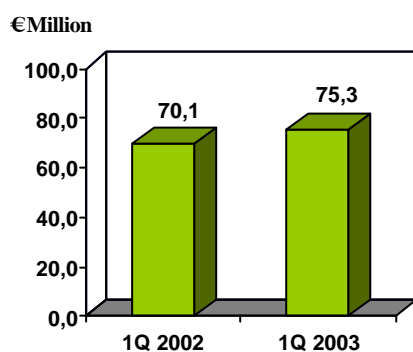
EBIT			
€Million	CUMULATIVE TO MARCH		
	2003	2002	Var %
El País	18.15	13.03	39.3
EBIT Margin	24.1%	18.6%	
Spec. & Regional Press	(0.94)	(2.68)	64.9
EBIT Margin	(3.2%)	(11.5%)	
Radio	5.37	4.87	10.3
EBIT Margin	12.8%	11.9%	
Local TV	(3.05)	(3.01)	(1.3)
EBIT Margin	-	(85.7%)	
International Media	(1.92)	(1.81)	(6.1)
EBIT Margin	(18.6%)	(23.2%)	
Education & General Edition	9.24	14.38	(35.7)
EBIT Margin	12.2%	16.6%	
Prisacom	(2.91)	(3.28)	11.3
EBIT Margin	-	-	
Leisure & Entertainment	(2.90)	(1.73)	(68.2)
EBIT Margin	(12.5%)	(40.2%)	
Printing	1.10	2.92	(62.3)
EBIT Margin	4.0%	11.5%	
GDM	0.75	0.67	11.9
EBIT Margin	3.9%	3.7%	
Distribution	0.14	0.07	100.0
EBIT Margin	0.3%	0.2%	
Others	(2.36)	(0.78)	
TOTAL	20.67	22.65	(8.7)



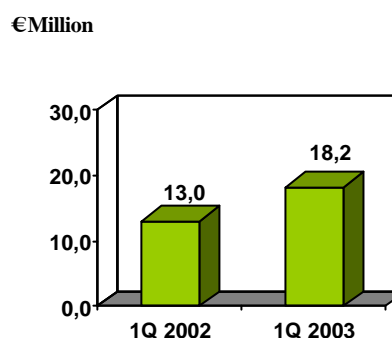
EL PAÍS

€Million	CUMULATIVE TO MARCH		
	2003	2002	Var %
Operating Revenues	75.32	70.10	7.5
Operating Expenses	57.17	57.07	0.2
EBIT	18.15	13.03	39.3
%/Sales	24.1%	18.6%	
EBITDA	21.57	15.77	36.8

Operating revenues



EBIT



El País improved its soundness and profitability during the first quarter of 2003. The excellent performance of revenues, which increased by 7.5%, together with the significant cost-cutting initiatives, resulted in an EBIT increase of 39%, reaching a margin EBIT of 24%.

- **Circulation revenues**, which represented 47% of total revenues, experienced a growth of 13.3%, due to the substantial increase in the circulation figures. The success of the promotions that took place during the first quarter of the year (“Un País de Cine – 45 DVD’s of Spanish movies- and “Los discos de tu vida” -25 CD’s of Music- and “España sello a sello”) contributed this performance.

Circulation of both the **daily newspaper** and the Sunday edition, **El País Semanal (EPS)**, during the first quarter of 2003 increased substantially as it can be seen below:

	January-March 2003	January-March 2002	Var %
Diarío El País	495,104	446,943	10.8
El País Semanal	874,242	779,288	12.2



Additionally, the cover price increase from €0.9 to €1 that took place as of March 4 2002 had a favourable effect on the comparison basis.

-Advertising Revenues, which accounted for 50% of total revenues, remained almost flat (-0.3%) with respect to the same period of the previous year, despite the negative impact that the war with Iraq had on the advertising market. The advertising revenues at El País outperformed the advertising market of the national press in Spain, which according to estimates of the industry, experienced a 8.5% drop.

Despite the increase in the number of copies printed, **the newsprint consumption**, which accounted for 20% of total operating expenses, experienced only a slight increase of 0.6% year-on-year, due to lower prices. In addition, external services and supply expenses declined notably.

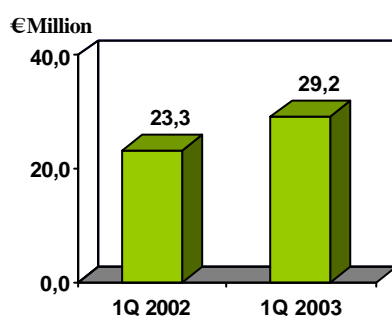
Profitability increased significantly, and **EBIT margin** came in at 24.1%, a notable improvement in relation to 18.6% posted in 1Q 2002.



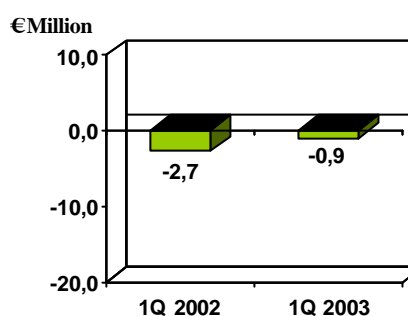
SPECIALISED AND REGIONAL PRESS

€Million	CUMULATIVE TO MARCH		
	2003	2002	Var %
Operating Revenues	29.21	23.27	25.5
Operating Expenses	30.15	25.95	16.2
EBIT	(0.94)	(2.68)	64.9
%/Sales	(3.2%)	(11.5%)	
EBITDA	(0.24)	(1.96)	87.8

Operating revenues



EBIT



The substantial increase in revenues experienced by the newspaper As, Regional Press, and Cinco Días, together with the effort made in the control of the expenses, led to a significant decline of the operating losses.

As figures remarkably improved, highlighting the following issues:

- **Circulation revenues** increased by 37.9%, namely due to the substantial increase in the average daily circulation. During the first quarter of 2003 the average daily circulation reached 212,762 copies, in comparison to 159,005 copies reached in the first quarter of 2002, a 33.8% increase.

In addition, the comparison basis was easier as the cover price was increased from €0.75 to €0.8 in March 2002.

- **Advertising revenues** increased by 21.3%.
- EBIT increased significantly, up to €0.76 million as compared to €0.13 million recorded in the same period of the previous year.



The average daily circulation obtained by **Cinco Días** was 25,733 newspapers, as compared to 26,390 copies reached in 2002, a 2.5% decline.

Advertising revenues increased by 5% year-on-year and revenues derived from promotions rose by 60%.

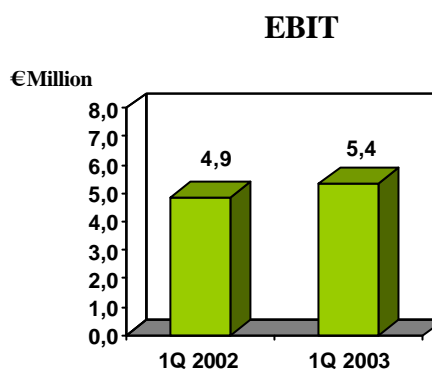
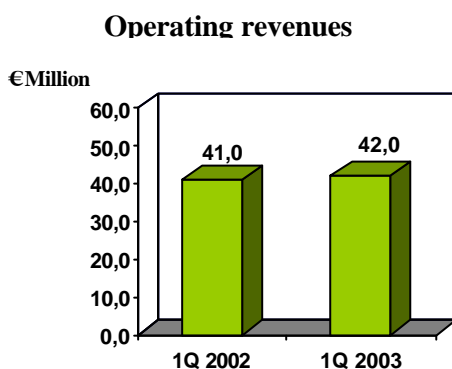
Regional Press reduced its losses notably, driving to a negative EBIT of €0.39 million in comparison to the negative €1.50 million registered in the previous year. This improvement is namely explained by higher advertising and circulation revenues, which increased by 62.5% and 49.7% respectively, and to the cost control initiatives.

The weekend supplement EL DOMINICAL, arisen from the agreement reached between Grupo Prisa and Grupo Zeta, began to be commercialized on September 22, 2002. Without its contribution, advertising and circulation revenues would have increased by 16% and 29% respectively.



RADIO

€Million	CUMULATIVE TO MARCH		
	2003	2002	Var %
Operating Revenues	41.96	40.98	2.4
Operating Expenses	36.59	36.12	1.3
EBIT	5.37	4.87	10.3
%/Sales	12.8%	11.9%	
EBITDA	6.60	5.99	10.2



During the first quarter of 2003, the **operating revenues** of the Radio business unit in Spain increased by 2.4%, in spite of the advertising market sluggishness. The indisputable leadership of Grupo Prisa in this industry allowed it to outperform the radio market, which, according to our estimates, experienced a 1% drop.

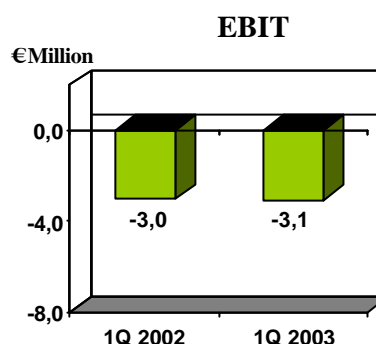
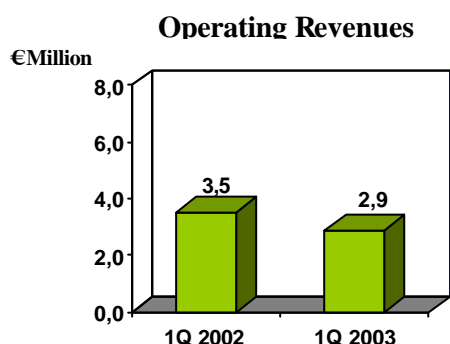
The increase in the advertising revenues, together with the cost control effort, led **EBIT** to **improve** by 10.3%. In addition, EBIT margin stood at 12.8%.

Regarding **audience**, EGM's first wave confirmed, once again, the leadership of SER, both in conventional radio and in radio formulas. It is worth mentioning that, in conventional radio, SER beat the record of audience within the Spanish radio industry, with 4,984,000 listeners, 553,000 more than in the third wave of 2002.



LOCAL TV

€Million	CUMULATIVE TO MARCH		
	2003	2002	Var %
Operating Revenues	2.87	3.51	(18.2)
Operating Expenses	5.92	6.52	(9.2)
EBIT	(3.05)	(3.01)	(1.3)
%/Sales	-	(85.7%)	
EBITDA	(2.59)	(2.47)	(4.9)



The local TV business continues to consolidate its position within the TV industry. Several legal initiatives suggest an improvement and consolidation of the regulatory framework that will make possible the development of the sector.

Currently, the number of TV broadcasters in Spain under the brand Localia amounts to 73.

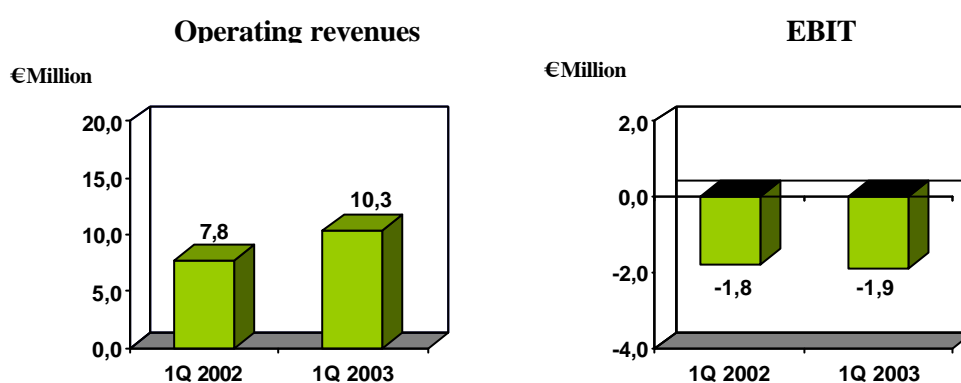
Despite the advertising revenues rose by 48% year-on-year, operating revenues declined by 18% due to the cancellation, in July 2002, of the Extremadura autonomous TV broadcasting, to whom Prisa supplied programming and contents.

The effort made in the control of the expenses, which decreased by 9.2% year-on-year, partly offset the revenues drop, thereby EBIT remaining almost flat with regards to the same period of the previous year.



INTERNATIONAL MEDIA

€Million	CUMULATIVE TO MARCH		
	2003	2002	Var %
Operating Revenues	10.34	7.79	32.7
Operating Expenses	12.26	9.60	27.7
EBIT	(1.92)	(1.81)	(6.1)
%/Sales	(18.6%)	(23.2%)	
EBITDA	(0.74)	(0.94)	21.3



This business division includes **Participaciones de Radio Latinoamericanas (PRL)** in Chile, Costa Rica, USA, France and Panama, **Grupo Caracol** in Colombia, **Radiópolis** in Mexico and **Garafulic** in Bolivia.

The increase in revenues and expenses with regards to 1Q 2002 was mainly due to the contribution of Caracol, which was fully consolidated for the first time in April 2002. During the first three months of the year, Caracol contributed €4.5 million in revenues and €0.3 million of operating losses to Grupo Prisa's income statement.

The currency depreciations also affected this business division, driving revenues to decline by €2 million.

Additionally, during the first quarter of 2003 the programming and contents of the broadcasters in Mexico and Panama were renewed. Furthermore, some changes were introduced in the broadcasters of Radio Caracol and Chile.

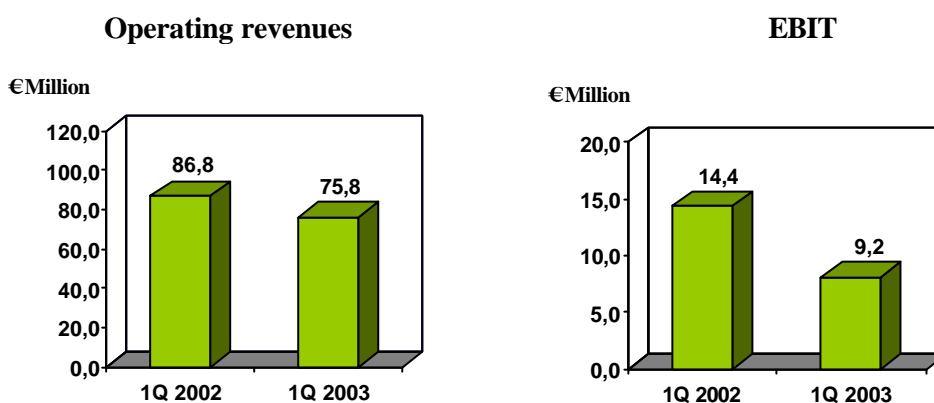
The Prisa project for its radio in America includes the export and adaptation to the American broadcasters of formats that have proved to be very successful in Spain because of its high quality. Currently, they are broadcasting in Mexico, Colombia and Chile and have been warmly welcomed.

The position of the Group in Bolivia is pending the resolution of the Arbitration Chamber of Paris regarding a litigious with the Group Garafulic.



EDUCATION AND TRAINING

€Million	CUMULATIVE TO MARCH		
	2003	2002	Var %
Operating Revenues	75.82	86.81	(12.7)
Operating Expenses	66.58	72.43	(8.1)
EBIT	9.24	14.38	(35.7)
%/Sales	12.2%	16.6%	
EBITDA	15.24	20.95	(27.3)



From an operating point of view, the **Education and Training** division had a good performance.

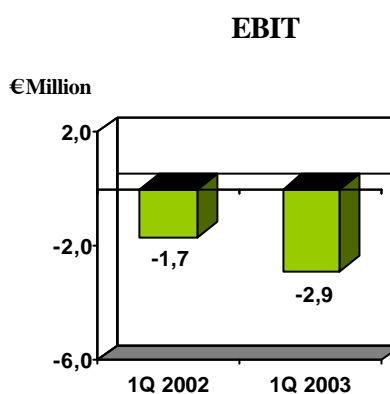
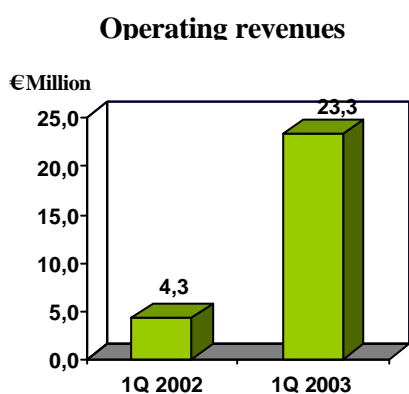
The schoolbook campaigns, which in the first quarter of the year take place in all the countries of Latin America excluding Mexico and Venezuela, recorded a good performance, and revenues in local currency terms increased notably in most of the countries.

The performance was conditioned by the currency depreciations of the Latin American countries where Santillana operates, what makes it difficult the y-o-y comparison. The total impact of the depreciations led Santillana's revenues and EBIT to decline by €24 million and €9.6 million respectively. Stripping out this effect, Santillana's revenues and EBIT would have increased by 15% and 31% respectively.



LEISURE & ENTERTAINMENT

€Million	CUMULATIVE TO MARCH		
	2003	2002	Var %
Operating Revenues	23.26	4.30	-
Operating Expenses	26.16	6.03	-
EBIT	(2.90)	(1.74)	(66.7)
%/Sales	(12.5%)	(40.2%)	
EBITDA	(1.35)	(1.37)	1.5



The remarkable increase in revenues and expenses was due to the promotions that the Music division carried out for El País.

Nevertheless, despite the sluggishness of the music market worldwide, the group activities related to the organization of events and concerts as well as the edition of records had a good performance.

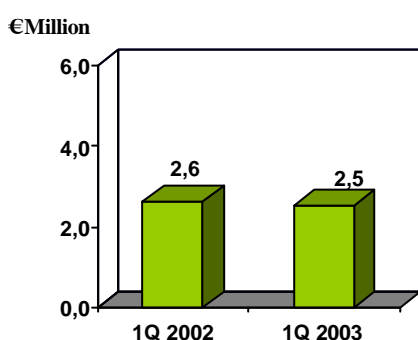
Additionally, the **audiovisual producer, Tesela**, which was first time consolidated in September 2002, also contributed to these figures.



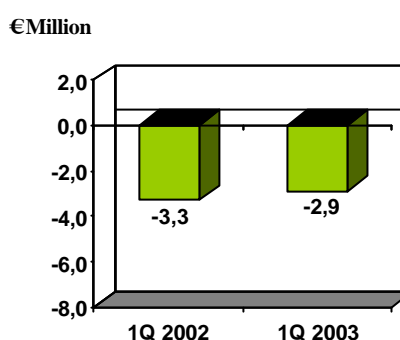
PRISACOM

€Million	CUMULATIVE TO MARCH		
	2003	2002	Var %
Operating Revenues	2.53	2.64	(4.2)
Operating Expenses	5.44	5.92	(8.1)
EBIT	(2.91)	(3.28)	11.3
%/Sales	-	-	
EBITDA	(2.31)	(2.76)	16.3

Operating revenues



EBIT



The main business lines focus on the content sale to mobile telephony companies, and advertising. The former represented 56% of total revenues, while the latter accounted for 12% of revenues.

Operating losses decreased by 11.3%, namely due to the meaningful cost-cutting measures.

As of November 2002, the site *El Pais.es* launched its new pay-per-view digital edition. This new version offers real time updated information, motion photos, multimedia elements and interactive quality for users.

Currently, the number of paid subscriptions amounts to 16,000. Besides, 6,000 more users are included in a promotion period, what enable them to have free access to a large variety of contents and exclusive services.



MEDIA ADVERTISING SALES (GDM)

€Million	CUMULATIVE TO MARCH		
	2003	2002	Var %
Operating Revenues	19.22	17.90	7.4
Operating Expenses	18.47	17.23	7.2
EBIT	0.75	0.67	11.9
%/Sales	3.9%	3.7%	
EBITDA	0.86	0.77	11.7

The Spanish advertising market continues to show signs of weakness, although during the first quarter of 2003 experienced a slight recovery fuelled by the good performance of TV. The local advertising in press and radio had a good performance.

On the contrary, press continued to be hit by the adverse economic situation, mainly in both national and financial press.

The Group leadership in every media channel has allowed it to outperform the market.

In order to analyze the performance of this business division in accordance with its nature, it is important to calculate the net operating revenues. These remained flat over the course of the year.

€Million	CUMULATIVE TO MARCH		
	2003	2002	Var %
Operating revenues	19.22	17.90	7.4
COGS	14.80	13.47	9.9
Net operating revenues	4.42	4.43	(0.2)

Nevertheless, the remarkable effort made in cost-cutting terms drove both EBITDA and EBIT to increase by 12% year-on-year.

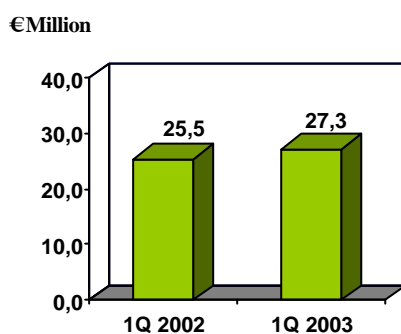
Approximately 42% of the total advertising managed by GDM related to non-Group media and associated companies.



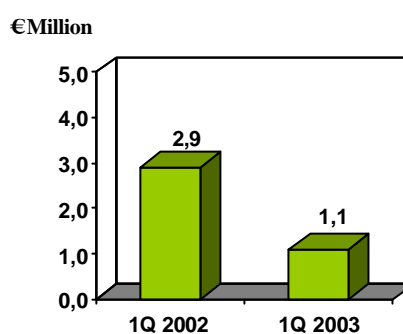
PRINTING

€Million	CUMULATIVE TO MARCH		
	2003	2002	Var %
Operating Revenues	27.28	25.45	7.2
Operating Expenses	26.18	22.53	16.2
EBIT	1.10	2.92	(62.3)
%/Sales	4.0%	11.5%	
EBITDA	3.86	5.46	(29.3)

Revenues



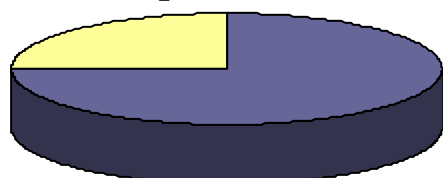
EBIT



Revenues increased by 7.2% mainly due to the gaining of new clients in Spain, despite the printing market continued to face a complex environment in terms of price and activity downfalls. Nevertheless, the growth in the variable costs together with an increase in the depreciation expenses derived from the acquisition of new machinery, led EBIT to decline.

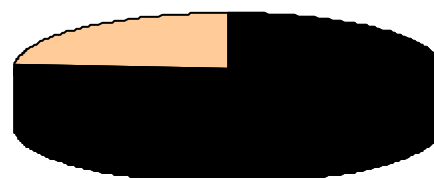
Revenue breakdown by geographic region (both national and exports) and kind of client (Clients of the Group and third parties) was as follows:

Clients of the Group: 25%



Third parties: 75%

Exports: 24%



National: 76%

