

2000 ANNUAL RESULTS:

FINANCIAL FIGURES YEAR 2000

	Million pesetas			Million euros		
	2000	1999	Var. %	2000	1999	Var. %
Revenues	184,399	94,710	94.7%	1.108	569	94.7%
Ebit	24,428	16,260	50.2%	147	98	50.2%
Earnings before taxes	21,892	23,878	(8.3)%	132	144	(8.3)%
Net Income	15,413	14,241	8.2%	93	86	8.2%

Grupo Prisa posted consolidated net income of Pts 15,413 million (€93 million) in 2000, compared to net profit of Pts 14,241 million (€86 million) in the same period of 1999, an increase of 8.2%.

If year 1999 were adjusted with some extraordinary factors, Grupo Prisa increased net profit by Pts 4,220 million (€25 million), an increase of 37.7 % year on year.

Extraordinary factors are the following:

- 1999 net profit includes Capital gains resulting from the Sogecable IPO in June 1999 and Accelerated extraordinary goodwill amortization from the acquisition of certain Latin American subsidiaries. The total impact on net results coming from both extraordinaries was Pts 5,282 million (€32 million).
- Year 2000 figures include for the first time the results from Santillana, Mateu Cromo and GDM. If these business unit's figures were included in 1999, total impact on 1999 net profit would be Pts 2,234 million (€13 million).

	Million pesetas		Million euros		Variación
	2000	1999	2000	1999	
Net Profit	15,413	14,241	93	86	8.2%
Extraordinary adjustments	-	(5,282)	-	(32)	-
New activities	-	2,234	-	13	-
Adjusted net profit	15,413	11,193	93	67	37.7%

Total revenues increased by 94.7% from Pts 94,710 million to Pts 184,399 million. Strength was seen in all business units with noteworthy performance from E1 Pais and Radio. New business units contributed strongly (Santillana revenues Pts 51,942 million).

Outperformance by the different business units in 2000 confirm the importance of the operating synergies within the group, and the leadership position the group has across media categories.

Within our new business, we would highlight music which generated revenues of approximately Pts 4,000 million (€24mm).

During 2000 the different business units have continued to outperform, which confirms once more the important synergies existing between all business units in the group and their leadership position in all media. Regarding new business, there is to remark MUSIC, which in the first year of operation has reached revenues of around Pts 4,000 million (24 million euros).

Year 2000 has seen the beginning of the internationalisation of some activities of the group:

- Radio has started its international expansion through GRUPO LATINO DE RADIODIFUSIÓN (G.L.R), already generating positive operating profits
- Music has signed a joint-venture with UNIVERSAL MUSIC GROUP to develop latin music
- Grupo Prisa has acquired GARAFULIC, the leadership media group in Bolivia with presence in press, radio, TV and Internet

YEAR 2000 FIGURES INCLUDING IN 1999 SANTILLANA, MATEU CROMO AND GDM

Including in 1999 figures the results of Santillana, Mateu Cromo and GDM for that year, total results would have been as follows:

	2000	1999	2000	1999	Var%
	Million pesetas		Million euros		
Operating revenues	184,399	159,645	1,108	959	15,5%
Operating expenses	159,971	136,904	961	823	16,8%
Operating profit (ebit)	24.428	22.741	147	136	7,4%
EBITDA	34.415	32.454	207	195	6%
Financial income	3,122	1,647	19	10	89,5%
Financial loss	4,025	2,985	24	18	34,8%
Financial result	(903)	(1,338)	(5)	(8)	(32,5%)
Income of companies carried by equity method	1,536	1,587	9	10	(3,2%)
Looses of companies carried by equity meted	644	461	4	3	39,9%
Goodwill amortization	3,035	1,048	18	6	-
Income before extraordinary items	21,382	21,481	129	129	(0,4%)
Extraordinary income	4,346	17,281	26	104	-
Extraordinary loss	3,836	10,874	23	65	-
Net income before taxes	21,892	27,888	132	168	(21,5%)
Corporate income tax	5,998	10,608	36	64	(43,4%)
Minority interest	481	805	3	5	(40,2%)
Net profit	15,413	16,475	93	99	(6,4%)

- If year 1999 figures were adjusted with the extraordinaries coming from Sogecable IPO and Goodwill amortization (Total impact on net results coming from both extraordinaries was Pts 5,282 million (€32 million), total net profit would have grown by 37,7%.

BREAKDOWN OF REVENUES

	Million pesetas		Million euros		
	Sept. 2000	Sept. 99	Sept. 2000	Sept. 99	Var. %
Newspaper and Magazine sales	42,361	39,076	255	235	8.4%
Book sales and rights	51,621	44,592	310	268	15.8%
Advertising revenues	81,196	69,750	488	419	16.4%
Other	33,039	25,807	199	155	28%
Inter-company eliminations	(23,817)	(19,581)	(143)	(118)	21.6%
Total revenues	184,399	159,645	1,108	959	15.5%

This significant increase of +15.5% is due to the excellent performance of all line of activities:

- Newspaper and magazine sales rose by 8.4% coming mainly from Specialized press: Outperforming performance of Diario As and local press contribution
- Book sales and rights mainly generated by Santillana shows a 15.8% increase
- Advertising revenues grew by 16.4% versus a very strong 1999 . El País grew + 20.1% .
- Other revenues rose by 28% mainly due to the first time contribution of Music figures as well as the income coming from promotions held by El Pais

Operating Profit

Year 2000 figures include for the first time the results coming from Music, Internet and regional press. This has negatively contributed to total operating profit by approximately Pts 3,125 million (€19 million)

Operating profit (EBIT) increased by 7,4% to Pts 24,428 million (€147 million) giving an ebit margin of 13.2%. If the effect of the new activities were discounted from year 2000 results, ebit margin would have been 15.5%, and the growth would have been + 21,16%.

Financial Results

The improvement in the financial results comes mainly from some capital gains obtained from the sale of investments funds (Pts 1,442 million) partly off-set by higher financial expenses due to levels of debt

Extraordinary results

1999 figures were affected by some extraordinary results:

- Capital gains in the amount of Pts 16,168 million (€7.17 million) from the Sogecable IPO in June 1999
- Accelerated extraordinary goodwill amortization from the acquisition of certain Latin American subsidiaries, amounting to Pts 6,856 million (€1.20 million).

Goodwill amortization

The increase in the goodwill amortization is mainly due to the acquisition of 1.53% stake in Sogecable (Pts 14,782 million) and 100% acquisition of GDM (Pts 7,452 million)

Financial position

Total net debt as of December 2000 is Pts 33,953 million (€204 million) compared to a positive cash position of Pts 8,197 million (€49 million) at the end of 1999.

Total capital expenditure during year 2000 has been of Pts 57,156 million (€344 million). The breakdown by business unit is as follows:

	CAPEX 2000	
	Million pesetas	Million euros
El Pais	4,367	26
Specialized and local press	2,619	16
Radio and local TV	4,123	25
Publishing	4,943	30
Internet	904	5
Music	487	3
Printing	4,019	24
Media advertising sales	113	1
Prisa Holding	35,580	214
Total	57,156	344

In Prisa Holding, the most important investments are the following:

- 1,53% stake in Sogecable: Pts 15,705 million (€94 million)
- GDM acquisition: Pts 8,000 million (€48 million)
- Firsmark : Pts 2,091 million (€13 million)
- Grupo Caracol: Pts 2,060 million (€12 million)
- Garafulic: Pts 1,845 million (€1million)

EVOLUTION BY BUSINESS UNITS

The evolution of the different Business Units during year 2000 compared to same period previous year is as follows:

	REVENUES				
	Million pesetas		Million euros		Var (%)
	2000	1999	2000	1999	
El Pais	53.715	45.963	323	276	16,9%
Specialized Press	35.285	29.278	212	176	20,5%
Radio and local Tv	30.724	27.230	185	164	12,8%
Publishing	51.942	45.304	312	272	14,7%
Internet	913	139	5	1	-
Music	3.910	764	23	5	-
Printing	15.008	15.451	90	93	-3%
Media advertising sales	14.279	13.148	86	79	8,6%
Prisa Holding	2.440	1.959	15	12	24,2%
Intercompany adjustments	(23,250)	(19,581)	140	(118)	21,6%
Total	184.399	159.645	1.108	959	15,4%

	OPERATING PROFIT(EBIT)				
	Million pesetas		Million euros		Var (%)
	2000	1999	2000	1999	
El Pais	12,231	9,907	74	60	23.46%
Ebit Margin	22.8%	21.6%	22.8%	21.6%	5.6%
Specialized Press	(196)	1,180	(1)	7	-
Ebit Margin	(0.6%)	4%	(0.6%)	4%	-
Radio	5,704	5,083	34	31	12.2%
Ebit Margin	18.6%	18.7%	18.6%	18.7%	(0.5%)
Publishing	5,549	4,201	33	25	32.1%
Ebit Margin	10.7%	9.3%	10.7%	9.3%	15.2%
Internet	(1,945)	(151)	(12)	(1)	-
Ebit Margin	-	-	-	-	-
Music	(128)	(20)	0,7	0,1	-
Ebit Margin	(3.3%)	(2.7%)	(3,3%)	-	23.4%
Printing	2,440	2,077	15	12	17.5%
Ebit Margin	16.3%	13.4%	16,3%	13,4%	20.9%
GDM	1,327	1,111	8	7	19.5%
Ebit Margin	9.3%	8.4%	9.3%	8.4%	10%
Other	(554)	(646)	(3)	(4)	(14.3%)
Total	24,428	22,741	147	137	7.4%

EL PAIS

	Million pesetas			Million euros		
	2000	1999	Var (%)	2000	1999	Var (%)
Newspaper and Magazine sales	18.349	17.745	3,4%	110	107	3,4%
Book sales and rights	194	156	23,7%	1	1	23,7%
Advertising revenues	33.190	27.627	20,1%	199	166	20,1%
Other	1.983	434	-	12	3	-
Total Operating revenues	53.715	45.962	16,9%	323	277	16,9%
Supplies	18.016	16.350	10,2%	108	98	10,2%
External services	3.856	3.196	20,6%	23	19	20,6%
Personnel expenses	10.309	9.510	8,4%	62	57	8,4%
Depreciation and provisions	1.714	1.617	6%	10	10	6%
Other operating expenses	7.589	5.383	41%	46	32	41%
Total operating expenses	41.484	36.056	15,1%	249	216	15,1%
EBIT	12.231	9.906	23,5%	74	61	23,5%
EBITDA	13.945	11.523	21%	84	69	21%

During year 2000, Total revenues in El Pais rose to Pts 53,715 million, +16.9% compared to the same period previous year

Total advertising revenues grew by 20.1%. Its leadership position advertising tariffs to increase by 9% in year 2000

Regarding circulation, total revenues grew by 3.4% taking into account that circulation was as follows:

- Average daily circulation during 2000 was 436,302 copies compared to 435,433 copies during the same period in 1999
- Average sunday circulation reached 709,244 copies compared to 721,569 copies.

In September, Grupo Prisa raised the cover price of El Pais by 20%, from Pts 125 (€0.75) to Pts 150 (€0.90), the first price increase since 1996.

Specialized Press

	Million pesetas			Million euros		
	2000	1999	Var (%)	2000	1999	Var (%)
Newspaper and Magazine sales	24.012	21.331	12,6%	144	128	12,6%
Book sales and rights	820	526	55,9%	5	3	55,9%
Advertising revenues	5.306	3.449	53,8%	32	21	53,8%
Other	5.148	3.971	29,6%	31	24	29,6%
Total Operating revenues	35.285	29.277	20,5%	212	176	20,5%
Supplies	20.347	17.927	13,5%	122	108	13,5%
External services	4.617	3.488	32,4%	28	21	32,4%
Personnel expenses	4.195	2.448	71,3%	25	15	71,3%
Depreciation and provisions	760	383	98,4%	5	2	98,4%
Other operating expenses	5.563	3.852	44,4%	33	23	44,4%
Total operating expenses	35.481	28.098	26,3%	213	169	26,3%
EBIT	(196)	1.180	-	(1,2)	7	-
EBITDA	564	1.562	(63,9%)	3	9	(63,9%)

Advertising revenues rose by 53.8% and circulation by 12.6% largely as a result of new product launches, improvements in others and the purchase of four local papers in Andalusia.

Diario As was relaunched in early 2000. Average daily circulation at Diario As was 158,730 daily copies, an increase of 11% over the same period in 1999.

Average daily circulation of Cinco Días was 28,361 copies compared to 28,274 copies during same period the previous year.

The decrease in operating profit compared to same period in 1999 is mainly due to the launching of new products (Día de Valladolid and La Mirada) and the initial contribution of the local press in the South of Andalusia.

This business unit also includes the distribution activity, which is a save cost centre and contributes revenues but with relatively low margins.

Find enclosed the contribution of the distribution activity to total Specialized Press figures:

	Million pesetas			Million euros		
	2000	1999	Var (%)	2000	1999	Var (%)
Newspapers and magazine sales	16.076	15.064	6,7%	97	91	6,7%
Other operating revenues	1.020	987	3,3%	6	6	3,3%
Supplies	(14.966)	(14.097)	6,16%	(90)	(85)	6,16%
Other expenses	(2.748)	(1.931)	42,3%	(17)	(12)	42,3%
Operating profit (EBIT)	12	24	(50%)	0,07	0,14	(50%)

RADIO AND LOCAL TV

	Million pesetas		Million euros		Var (%)
	2000	1999	2000	1999	
Newspaper and Magazine sales	-	-	-	-	-
Book sales and rights	-	-	-	-	-
Advertising revenues	28,281	25.526	170	153	10.8%
Other	2,443	1.704	15	10	43.4%
Total Operating revenues	30,724	27.230	185	164	12.8%
Supplies	-	-	-	-	-
External services	12,190	11,079	73	67	10%
Personnel expenses	8,148	6,907	49	42	18%
Depreciation and provisions	904	687	5	4	31.5%
Other operating expenses	3,777	3,474	23	21	8.7%
Total operating expenses	25,019	22,148	150	133	13%
EBIT	5,704	5,083	34	31	12.2%
EBITDA	6,608	5,770	40	35	14.5%

Total revenues grew from Pts 27,230 million to Pts 30,724 million, +12.8% increase.

This performance was due not only to the excellent development of the Spanish market, but also to the first time contribution of the international activities through GRUPO LATINO DE RADIODIFUSIÓN (GLR), already reaching positive operating profit.

The business unit commenced activity in local TV during 2000, with stakes in 14 local TV companies and producing programming for 22 local TV companies around Spain.

PUBLISHING (SANTILLANA)

	Million pesetas		Million euros		Var (%)
	2000	1999	2000	1999	
Newspaper and Magazine sales		-		-	-
Book sales and rights	50,607	43,910	304	264	15.3%
Advertising revenues	-	-	-	-	-
Other	1,335	1,394	8	8	(4.2%)
Total Operating revenues	51,942	45,304	312	272	14.7%
Supplies	13,797	11,675	83	70	18.2%
External services	7,897	6,652	47	40	18.7%
Personnel expenses	14,532	12,907	87	78	12.6%
Depreciation and provisions	4,195	4,676	25	28	(10.3%)
Other operating expenses	5,971	5,192	36	31	15%
Total operating expenses	46,392	41,103	279	247	12.9%
EBIT	5,549	4,201	33	25	32.1%
EBITDA	9,744	8,877	59	53	9.8%

Total revenues grew by 14.7% to Pts 51,942 million (€312 million).

Text books activity which grew by 15%.

The international activity shows an excellent performance in all countries where Santillana is located.

Operating profit reached Pts 5.549 million, an increase of +32,1% over the same period last year.

Internet

Total revenues reached Pts 912 million (€5 million), 15% coming from advertising.

Investments in the launching of Inicia and personnel expenses have been the main cause of losses of Pts 1.945 million (€12 million) during this period.

The number of subscribers as of December 31th was 200,198.

Music

During the first year of activity, total revenues reached Pts 3,910 million (€23 million)

With an operating profit of Pts -128 million. This figure does not include the joint-venture with Universal Music Group, which will start contributing by 2001.

Printing

	Million pesetas		Million euros		Var (%)
	2000	1999	2000	1999	
Newspaper and Magazine sales	-	-	-	-	-
Book sales and rights	-	-	-	-	-
Advertising revenues	-	-	-	-	-
Other	15,008	15,451	90	93	(2.9%)
Total Operating revenues	15,008	15,451	90	93	(2.9%)
Supplies	6,632	7,370	40	44	(10%)
External services	992	925	6	6	7.2%
Personnel expenses	3,196	3,233	19	19	(1.1%)
Depreciation and provisions	1,460	1,487	9	9	(1.9%)
Other operating expenses	289	360	2	2	(19.5%)
Total operating expenses	12,569	13,374	76	80	(6%)
EBIT	2,440	2,077	15	12	17.5%
EBITDA	3,899	3,564	23	21	9.4%

Total revenues reached Pts 15,008 million (€90 million) a 3% decrease compared to the same period previous year mainly due to Fiel Mateu (division former globally consolidated and now equity accounted. Discounting this effect, revenues grew by 8%.