



Grupo PRISA

JANUARY-SEPTEMBER 2001 RESULTS

PRISA INCREASES REVENUES BY 9.4%, REACHING AN EBITDA OF EUR 179.96 MILLION.

- **Revenues growth of 9.4%.**
- **Prisa keeps its leadership position in the press, radio, education and pay-TV segments.**
- **Santillana outperforms both in Latin America and Spain.**
- **International presence reinforcement through Televisa agreement.**
- **Prisa restructures its business units: costs centralization policy and creation of shared services.**

During 2001 first nine months, Prisa has increased revenues by 9.4% up to EUR 930.05 million.

EBITDA, during this period, reached EUR 179.96 million, a decrease of 8% over the same period prior year.

Uncertainties derived from changes in consumers' expectations have led to a complex economical environment since the beginning 2001, additionally aggravated since September 11th 2001. Despite this, Prisa's leadership position in most of the media channels where it operates, together with its costs control policy, have resulted in notable and proper-paced growths in all its main businesses.

Regarding the advertising market, the lack of visibility in the short term continues to be the main highlight. During 2001 nine first months, Prisa's advertising revenues have experienced a decrease of 3.4% compared to same period prior year, outperforming the market. Revenues growth coming from Santillana and Music divisions have diminished advertising revenues contribution from 38% to 33%.

In Latin America, despite adverse macroeconomic conditions, growths registered have been very positive. Currently, most of the revenues obtained in that geographical area come from Santillana (mainly schoolbooks). During the first nine months of 2001, Santillana revenues coming from Latin America increased by 31%. Excluding Editora Moderna contribution, which is consolidated for the first time in 2001, this growth would post 13.1%.

PRISA REINFORCES ITS INTERNATIONAL PRESENCE

Grupo Prisa and Televisa, the two largest media groups in the Spanish-speaking world, have reached an agreement to jointly develop the Mexican radio market, through the acquisition of 50% of Radiopolis with an investment of US\$ 50 million and a capital contribution of US\$ 10 million.

The agreement marks Prisa's entrance to the Mexican radio market- the largest in terms of size and growth in Latin America- with Televisa, the largest media group in the Spanish-speaking world in America.

The acquisition and agreement with Televisa strengthens Grupo Prisa's international expansion, one of its key strategic areas of focus. The expansion into Latin America and the development of its radio business are top priorities for Grupo Prisa.

SHARED SERVICES CREATION

Prisa has created a shared Resources General Management, which includes the Purchases Management and the Group Shared Resources Management, the strategic direction on the advertising revenues and the responsibility over the industrial and logistic areas of PRISA, such as printing and distribution.

The Resources Management will drive an integrated purchases policy, determine the proper orientation on management and advertising revenues of all the media channels of the Group and strengthen the synergies among the different business units and companies so as to reduce costs.

PRISA RESTRUCTURES ITS BUSINESS UNITS

Prisa has implemented a restructuring policy of its Business Units in order to create a more functional organization as well as to drive an overall policy of costs reduction.

The most important novelties involve the creation of an Education and Training Unit, two Media Units (Press, radio and Television), one in Spain and another International, and the Leisure and Entertainment Unit.

Together with them, SOGECABLE, EL PAIS and PRISACOM (digital businesses) will continue as independent units. With this new structure, synergies among the different companies of PRISA are expected to increase, improving its efficiency.

Main financial highlights

Consolidated P&L account

	Euro millions		
	Jan-Sep 2001	Jan-Sep 2000	Change %
Revenues	930.05	850.44	9.4
EBITDA	179.96	195.60	(8.0)
EBIT	108.90	126.95	(14.2)
Financial results	(21.30)	(2.80)	-
Equity method result	10.47	6.64	57.7
Goodwill amortization	18.07	12.98	39.2
Activities ordinary result	80.0	117.81	(32.1)
Extraordinary results	10.95	1.60	-
Results before taxes	90.95	119.40	(23.8)
Taxes over profits	27.3	35.86	(23.9)
Minority Interest	(0.54)	1.66	-
Consolidated net profit	64.19	81.86	(21.6)

BUSINESS EVOLUTION

Operating Revenues

Total revenues increase by 9.4% up to EUR 930.05 million, as compared to 00's same period EUR 850.44 million.

Revenues's breakdown by line of activity is as follows:

	EUR millions		
	Jan-Sep 2001	Jan-Sep 2000	Change %
Advertising revenues	330.52	342.13	(3.4%)
Book sales and rights	344.69	286.03	20.5%
Newspaper and Magazine sales	198.20	183.20	8.2%
Music revenues	17.00	7.08	140.3%
Other revenues	149.95	131.49	14.04%
Intercompany adjustments	(109.91)	(99.49)	10.5%
Total	930.05	850.44	9.4%

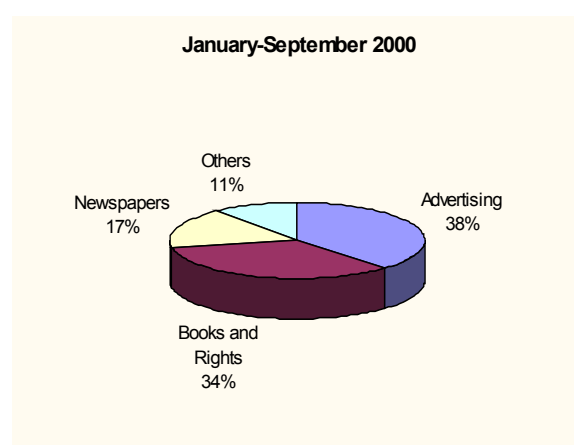
- **Advertising sales** decrease by 3.4%, although starting from 00's very high figures. In this sense, it is worth mentioning that advertising revenues during the first nine months of 2000 grew by 21.5% in relation to 1999. CAGR since 1999 has been 8.37%.

- **Book sales and rights** experience a growth of 20.5%. EDITORA MODERNA, which has been consolidated for the first time in year 2001, contributes with EUR 30.29 million revenues during these first nine months.
- **Newspaper and Magazine sales** grow by 8.2%. The average daily circulation of the main newspapers during the first nine months of the current year are the following:

	Jan-Sep 2001
El Pais	434,842
As	177,848
Cinco Días	25,510

- **Music revenues** show the excellent performance of the business, which is in an expansion phase. The substantial increase of 140.1% is due not only to Horus' incorporation to consolidated P&L account but also to the successful launching of new artists.
- **Other revenues** increase by 14.04%, due to the improvement registered in all the Business Units.

There has been a change in the revenues breakdown since advertising revenues account for 33% of total revenues, as compared to 38% in 2000 same period. This is also due to the improvement in books sale figures, to Editora Moderna contribution, and to the good performance of the music activity.



EBITDA reaches EUR 179.96 million, 8% lower as compared to same period previous year, although improving in relation to 2001 1H performance, where EBITDA declined by 17.9% over the same period prior year.

EBIT reaches EUR 108.9 million vs EUR 126.95 million registered during the same period previous year. This represent a 14.2% decrease and it is namely due to:

- Worse advertising revenues performance, with a 3.4% drop.
- Negative contribution to EBIT of new businesses, among others Local TV (-9.97 million euros), Internet (-8.77 million euros) and Other printed media (-8.99 million euros). These businesses are in the launching phase with good prospects on the medium term and losses in the short term.

Nevertheless, there has been an improvement with respect to 2001 H1 performance, where EBIT experienced a 27.9% fall.

Pre-tax profit decrease by 23.8% down to EUR 90.95 million. Higher goodwill amortization, due to the acquisition of EDITORA MODERNA and 1.53% of SOGECABLE and superior financial expenses as a result of a larger debt, have been offset by higher income coming from equity accounted companies and higher extraordinary results mostly coming from the sale assets of the high frequency radio net to MEDIALATINA.

Finally, net income reaches EUR 64.2 million as compared to EUR 81.9 million in the same period prior year, a 21.6% decrease.

INVESTMENTS

During the first nine months of 2001, the most important investments have been the following:

- Acquisition of a 100% stake in EDITORA MODERNA for a total amount of EUR 80 million.
- Purchase of a 60% stake in the record label HORUS by EUR 6 million.
- Capital increase in FIRSTMARK (telecommunications LMDS license) for a total amount of EUR 13 million.
- Investment in the building of El País for a total amount of EUR 14 million.
- Ediciones LM acquisition for EUR 4 million.

Total level of debt has increased as a result of the capital expenditure carried out during the first nine months of the year. The gearing of the company as of September 30th is 67.06%. Net debt/EBITDA ratio is 2.17X.

EVOLUTION BY BUSINESS UNITS

The evolution in revenues and EBIT by businesses during the first nine months of 2001, compared to the same period last year, has been the following:

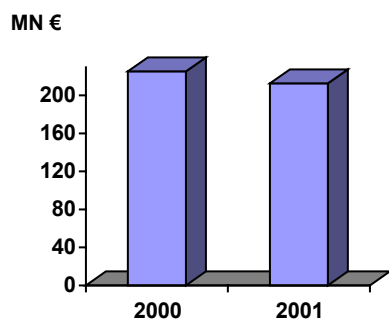
REVENUES			
	Million euros		
	Jan-Sep 2001	Jan-Sep 2000	Change (%)
El Pais	212.81	224.66	(5.3%)
Other Printed Media	161.42	147.33	9.6%
Radio	134.75	130.90	2.9%
Local TV	2.86	0.154	-
Santillana	350.79	290.33	20.8%
Internet	6.09	3.22	89.1%
Music	24.11	13.6	77.3%
Printing	72.69	68.50	6.1%
GDM	59.77	60.89	(1.8%)
Others	16.53	10.23	61.6%
Consolidated adjustments	(110.30)	(99.49)	10.9%
Total	930.05	850.44	9.4%

EBIT			
	Million euros		
	Jan-Sep 2001	Jan-Sep 2000	Change (%)
El Pais	35.65	48.02	(25.8%)
Margin s/sales	16.8%	21.4%	
Other Printed Media	(8.99)	(1.49)	-
Margin s/sales	(5.6%)	(1%)	
Radio	17.71	22.55	(21.5%)
Margin s/sales	13.1%	17.2%	
Local TV	(9.97)	(1.08)	
Margin s/sales	-	-	
Santillana	70.11	58.00	20.9%
Margin s/sales	20%	20%	
Internet	(8.77)	(10.14)	13.5%
Margin s/sales			
Music	0.21	(1.11)	
Margin s/sales	0.9%	(8.2%)	
Printing	11.45	11.70	(2.1%)
Margin s/sales	15.8%	17.1%	
GDM	4.21	4.28	(1.6%)
Margin s/sales	7%	7%	
Others	(1.77)	(3.77)	
Total	108.90	126.95	(14.2%)

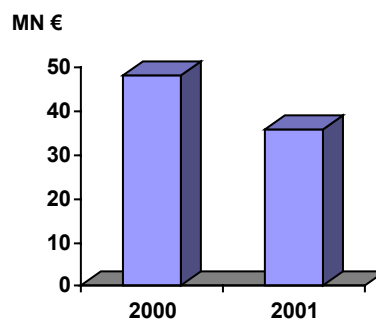
EL PAIS

	Million euros		Change (%)
	Jan-Sep 2001	Jan-Sep 2000	
Revenues	212.81	224.67	(5.3%)
Total operating expenses	177.160	176.64	0.3%
EBIT	35.65	48.02	(25.8%)
%/Sales	16.8%	21.4%	
EBITDA	42.89	55.49	(22.7%)

Operating Revenues



Operating Profit (Ebit)



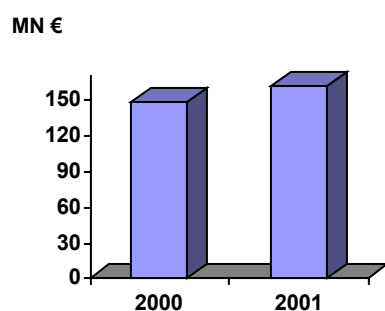
The most relevant highlights of El Pais during the first nine months of 2001 are the following:

- **Newspapers sales**, which accounts for 41% of total revenues, increase by 6.7%. During 2001 first nine months, the average daily circulation has reached 434,842 copies, a 1.25% decrease with regard to same period prior year. In September, the average daily circulation reached 480,784 copies.
- **Advertising sales** decrease by 14% compared to same period previous year, where advertising revenues increased 24.9% over 1999. Compound Annual Growth Rate is 4% since 1999.
- **Supplies**, which represent 42% of total expenses, decrease 4.7%.

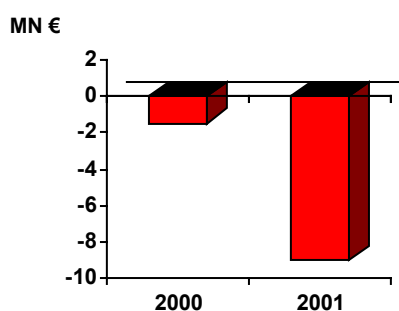
OTHER PRINTED MEDIA

	Million euros		Change (%)
	Jan-Sep 2001	Jan-Sep 2000	
Total operating revenues	161.42	147.33	9.6%
Total operating expenses	170.41	148.82	14.5%
EBIT	(8.99)	(1.49)	-
EBITDA	(5.13)	1.26	

Operating revenues



Operating Profit (Ebit)

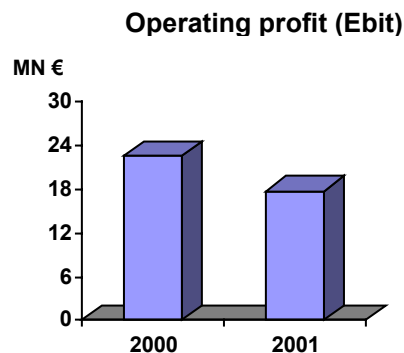
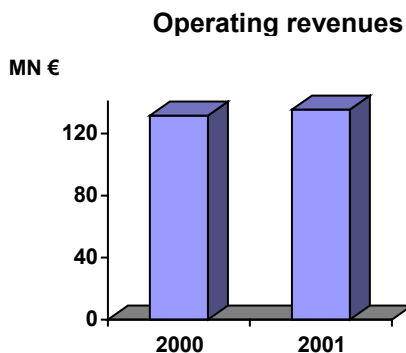


To make a thorough analysis between years 2000 and 2001 the following circumstances have to be taken into account:

- For the first time new businesses were incorporated into the consolidated perimeter, for example **GARAFULIC**, the multimedia Bolivian group.
- **The average daily circulation of Diario AS** during the first nine months of 2001 amounts to 177,848 copies, 10% higher over same period previous year. In September, average daily circulation has reached 184,320 copies.
- **Advertising sales** of Diario AS have remained practically flat compared to same period prior year, while Cinco Días has experienced a 23% drop.
- **Operating losses** during the first nine months of the year reach EUR 8.99 million compared to EUR 1.49 million during the same period prior year. These losses are conditioned by the contribution for first time of new businesses such as El Día de Valladolid or La Mirada.

RADIO/CADENA SER

	Million euros		Change (%)
	Jan-Sep 2001	Jan-Sep 2000	
Total Operating revenues	134.75	130.90	2.9%
Total Operating expenses	117.04	108.35	8%
EBIT	17.71	22.55	(21.5%)
%/sales	13.14	17.23	
EBITDA	22.45	26.69	(15.9%)

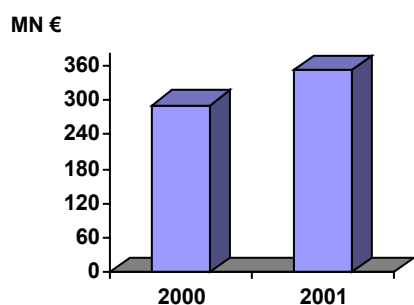


- **Operating revenues** increase by 3% over same period previous year.
- **ANTENA 3 Radio** reaches sales of EUR 19.26 million, with EBIT amounting to EUR 13.37 million. These figures are not reflected in this business unit since Prisa has a 49.29% stake in Antena 3 radio and is therefore consolidated through the equity method. The impact of considering these figures in the radio business unit as a whole, would represent an increase in 2001 EBIT of EUR 7 million.
- **EBIT** experiences a drop mostly due to higher operating expenses since some radio nets were sold to MediaLatina and latterly they had to be rented. It also contributes to this drop the international activity worse performance, which has contributed to EBIT with negative EUR 1.9 million during the first nine months of the year.

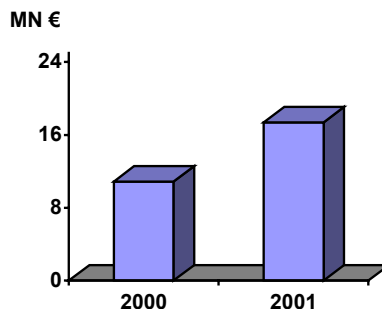
PUBLISHING

	Million euros		Change (%)
	Jan-Sep 2001	Jan-Sep 2000	
Total operating revenues	350.79	290.33	21%
Total operating expenses	280.68	232.33	21%
EBIT	70.11	58.00	21%
%/Sales	19.9%	19.9%	
EBITDA	113.38	101.23	12%

Operating revenues



Operating Profit (Ebit)



The most significant highlights in the publishing business during the first nine months of the year 2001 are the following:

- **EDITORA MODERNA has been fully consolidated for the first time in 2001.** MODERNA contributes during these first nine months of the year with 30.3 million euros in revenues.
- Excluding EDITORA MODERNA, **sales would have increased by 13.1%.**
- Excellent performance of Revenues coming from Latam that during first nine months grew by 31%.

MUSIC

	Million euros		
	Jan-Sep 2001	Jan-Sep 2000	Change (%)
Total operating revenues	24.11	13.67	76.4%
Total operating expenses	23.89	14.80	61.4%
EBIT	0.21	(1.11)	-
%/Sales	0.9%	(8.2%)	
EBITDA	0.5	(0.88)	

The most important highlights are the following:

- HORUS, the company acquired in February 2001, is consolidated for the first time in 2001, with a positive contribution of EUR 2.8 million in revenues.
- It is worth mentioning the sales records registered with the CD promotions of Tamara, Raul, Paulina Rubio and Papá Levante, among others.

PRISA.COM

	Million euros		
	Jan-Sep 2001	Jan-Sep 2000	Change (%)
Total operating revenues	6.09	3.22	89.1%
Total operating expenses	14.86	13.37	11.1%
EBIT	(8.77)	(10.14)	13.5%
EBITDA	(7.5)	(9.44)	20.6%

The most relevant highlights are the following:

- As of 31st July 2001, Prisa sold to Tiscali its ISP Inicia for a total amount of EUR 8.2 million.
- Prisacom is focused on the production, distribution and exploitation of higher added value contents.

ADVERTISING SALES AGENCY (GDM)

	Million euros		
	Jan-Sep 2001	Jan-Sep 2000	Change (%)
Total operating revenues	59.77	60.89	(1.9%)
Total operating expenses	55.56	56.60	(1.9%)
EBIT	4.21	4.29	(1.8%)
%/Sales	7.03%	6.9%	
EBITDA	4.5	4.56	(0.8%)

In order to analyse this business unit, it is important to calculate net operating revenues:

	Million euros		
	Jan-Sep 2001	Jan-Sep 2000	Change (%)
Advertising sales	59.77	60.89	(1.9%)
Supplies	44.72	46.63	(4.1%)
Total net revenues	15.04	14.27	5.4%

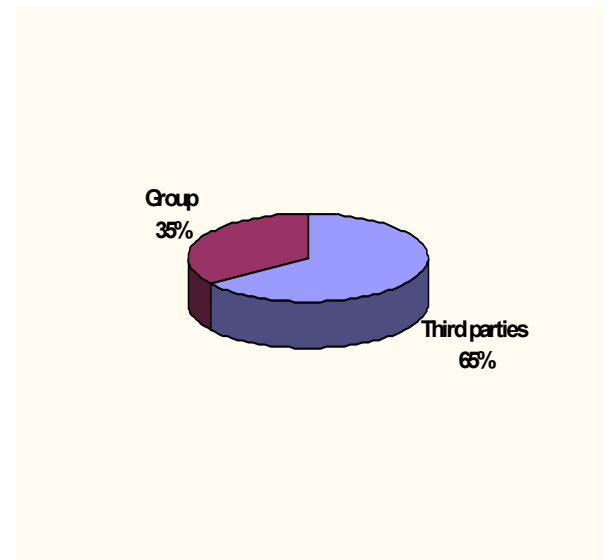
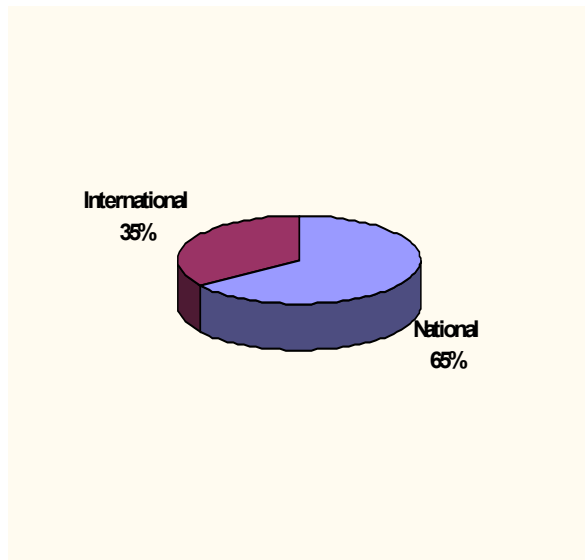
- Although total advertising managed by GDM has decreased over the period, total net operating revenues increases due to higher average profitability of the current clients portfolio in comparison to year 2000.

PRINTING

	Million euros		Change (%)
	Jan-Sep 2001	Jan-Sep 2000	
Total operating income	72.69	68.27	6.5%
Total operating expenses	61.24	56.57	8.3%
EBIT	11.45	11.70	(2.1%)
%/Sales	15.75%	17.14%	
EBITDA	17.60	18.12	(2.9%)

The most important highlights are the following:

- Prisaprint increases significantly its exporting activity specially in Europe and America. As of 30th September 2001, sales breakdown is as follows:



NEWS FROM THE GROUP DURING THE FIRST NINE MONTHS OF 2001

1/23/01 PRISA acquires Box News and increases its activity in the free publication sector

PRISA has acquired 57.5% of the company Box News Comunicación for a total amount of 1.03 million euros, which means that it has increased its shareholding in this company to 80%.

2/16/01 PRISA acquires the record label HORUS

PRISA has acquired 60% of the capital of the independent Record Label Horus, for a total amount of 5.88 million euros. PRISA has also covered a capital increase in that company of 1.65 million euros.

3/1/01 PRISA presents its results of year 2000

The Grupo PRISA obtained a consolidated net profit of 93 million euros (93 million euros) in 2000, compared with the 86 million euros recorded in the previous financial year, which is a rise of 8.2%.

3/8/01 PRISA creates the audiovisual production company Plural Entertainment.

PLURAL ENTERTAINMENT is the GRUPO PRISA's new audiovisual production company, founded with the aim of developing and producing audiovisual contents in all the production areas.

3/23/01 PRISA acquires the Brazilian publishing company Moderna.

PRISA has acquired 100% of the Brazilian publishing company MODERNA, dedicated to educational books, by means of the Publishing Group, SANTILLANA. With this purchase operation, PRISA is extending its international presence and promoting the development of its publishing activities in Latin America.

4/19/01 PRISA obtained a net profit of 15, 413 million pesetas.

The distribution of a dividend of 18 pesetas with 30 hundredths per share was approved

At the Annual General Meeting of the GRUPO PRISA, held today in Madrid, the Chairman of the company, Jesús de Polanco, emphasised the Group's excellent results in the financial year 2000, as a consolidated net profit of 93 million euros was obtained, which has led to the approval of a dividend of 23.08 million euros, equivalent to 0.11 euros per share.

6/15/01 Gran Vía Musical, Sony Music and Emilio Estefan Jr. have forged a new Latin music label

Gran Vía Musical, Sony Music Entertainment, and the discographic Crescent Moon, funded by Emilio Estefan Jr., have reached an agreement in order to create a new joint venture label to discover, develop and establish Latin music artists around the world.

6/27/01 La SER finishes the season with a total dominance of the radio panorama.

Cadena SER (www.cadenaser.com) ends the season with a total dominance of the

Spanish radio panorama. Its more than 4 million listeners and the leadership of all its programmes, certified in the latest study by the EGM (an Audit Bureau of Circulation), made public today, place la SER at a great distance from the other networks and from the rest of the competition's programmes (Onda Cero, Radio Nacional de España and COPE had 2.5 million, 1.79 million and 1.72 million listeners respectively).

7/31/01 - PRISA sells the ISP Inicia and signs a collaboration agreement for the Internet with Tiscali

- PRISA will receive 8.2 million euros for the ISP Inicia and will concentrate its Internet activity on the preparation, distribution and exploitation of contents with more added value. As part of the agreement, Tiscali will invest 1,663.8 million pesetas in advertising in PRISA's media.
- Tiscali significantly consolidates its presence in Spain and becomes one of the main ISPs due to the number of subscribers and services.

8/2/01 - The Grupo PRISA reaches an agreement with Amena to develop interactive services and contents.

The agreement will result in a 12 million euros investment in the next two years. The Grupo PRISA, through Prisacom, a company dedicated to the development of digital contents and services, and Amena, a mobile telephony operator from the Grupo Auna, have signed an agreement for the joint development of services associated with mobility and interactivity with users, in which differentiated contents and information are essential.

9/21/01 - Grupo Santillana signed an agreement with the Complutense university aimed at training teachers

The agreement foresees the creation of an educational distance centre for the Spanish and Latin American teachers.

The Grupo Santillana de Ediciones chairman, Jesús de Polanco, and the Complutense University rector, Rafael Puyol have signed a collaboration outline agreement aimed to train teachers constantly.

9/25/01 - PRISA restructures its Business Units

PRISA has carried out an important restructurisation process of its Business Units in order to have a more operative organization and to promote a general cost cutting policy. The most important new developments consist of creating an Education and Training Unit, two Media Units (Press, radio and Television), one in Spain and another International, and the Leisure and Entertainment Unit.