



PRESS RELEASE

Unedisa Group – First half results 2004

RCS MediaGroup – Unedisa: first half of 2004 is its best ever. EBIT practically quadruples to €27.6 million, up from €7 million in the same period of 2003. Half-year financial position is in the black to the tune of €18.6 million (+ €27,8 million on December 31, 2003). Vittorio Colao co-opted to the Board of Directors.

UNEDISA (El Mundo) announces its consolidated results for a much improved first half of 2004, confirming the positive trend already emerging in the second half of last year.

Three of its financial indicators have never been as high in the Spanish group's fifteen-year history: revenues (€170,9 million, +29,3% compared with the first half of 2003), EBIT (€27.6 million) and EBT (€25.1 million).

Contributing to the overall increase in revenues are not only circulation figures - up 49.1% thanks to a strong performance by El Mundo, book sales by La Esfera and associated product sales - but also advertising sales, which have risen by 8.4%, outperforming the market and reflecting contributions from all the group's various media.

The growth in revenues combined with strict control over costs has helped half-year EBIT to soar to €27.6 million, almost quadruple the figure of €7.3 million reported in the same period of 2003 and equating to an improvement in profit margin from 5.5% to 16.1%.

This improvement, achieved in a persistently difficult market, has been possible thanks to the highly competitive nature of the portfolio of publishing products and the beneficial effects of measures undertaken to boost operating efficiency.

The positive operating performance and the active policy of keeping working capital in check have helped to wipe out the group's debt and close the half-year financial position in the black to the tune of €18.6 million, compared with borrowings of €9 million at the end of last December.

The competitive importance of its publishing assets, along with the upturn in profitability and solid balance sheet, represent the basis for supporting the future development plans of Unedisa's multimedia activities in Spain.

All the group's business divisions have contributed to the improvement in the consolidated results.

El Mundo, with an average circulation of 319,000 copies (+25,000 copies compared with the first half of 2003) and a readership of over 1,251,000, has strengthened its position as the number two national newspaper.

Sales of associated products have also been positive, foremost of which the more than 180,000 copies sold on average per week of the “Gran Enciclopedia Universal” (Great Universal Encyclopedia). This confirms the strength of the brand name and the know-how of El Mundo in offering its readers high quality products.

Excellent results have also been had on the internet front: elmundo.es has strengthened its leadership with monthly peaks of traffic in excess of 330 million pages viewed and 43 million visitors. The growth in traffic and audience has benefited advertising revenue, which has increased by 28%.

El Mundo TV reported an increase in the volume of audiovisual information and entertainment made for television, producing over 254 programmes and 266 hours of transmission time during the half year.

The publishing house La Esfera de los Libros has reported better results with a 35% increase in revenues, confirming the competitive, quality nature of its range of authors and titles in the non-fiction sector.

In addition to approving the half-year report, Unedisa's Board of Directors has also co-opted Vittorio Colao to its ranks in replacement of Maurizio Romiti, who resigned.

The admission of Colao, Chief Executive Officer and General Manager of RCS MediaGroup since July, demonstrates Unedisa's strategic importance to RCS and confirms the Italian publishing group's commitment to supporting future plans for development in Spain.

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RCS MediaGroup

Communication Department