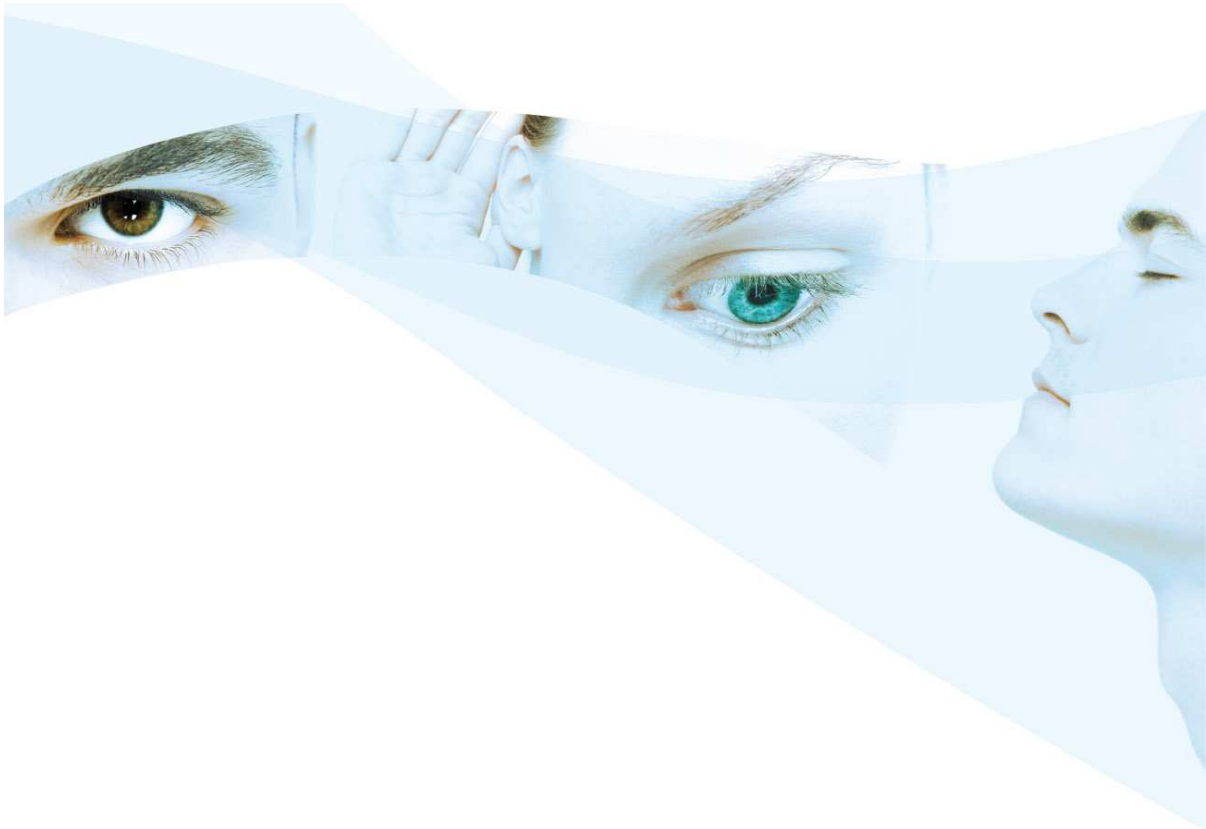


# vocento



**Vocento, S.A. and Subsidiaries**

**Results January-March 2011**

**13 May 2011**

## Breakdown of VOCENTO business areas

PRINT MEDIA			
REGIONAL PRESS	NATIONAL PRESS	FREE PRESS	SUPPLEMENTS & MAGAZINES
<ul style="list-style-type: none"> <li>▪ El Correo</li> <li>▪ El Diario Vasco</li> <li>▪ El Diario Montañés</li> <li>▪ La Verdad</li> <li>▪ Ideal</li> <li>▪ Hoy</li> </ul>	<ul style="list-style-type: none"> <li>▪ Sur</li> <li>▪ La Rioja</li> <li>▪ El Norte de Castilla</li> <li>▪ El Comercio</li> <li>▪ Las Provincias</li> <li>▪ La Voz de Cádiz</li> </ul>	<ul style="list-style-type: none"> <li>▪ ABC</li> <li>▪ Qué!</li> </ul>	<ul style="list-style-type: none"> <li>▪ XL Semanal</li> <li>▪ Mujer Hoy</li> <li>▪ Hoy Corazón</li> <li>▪ Pantalla Semanal</li> <li>▪ Inversión y Finanzas</li> </ul>
▪ Colpisa			
AUDIOVISUAL			
TDT	RADIO	CONTENT	
<ul style="list-style-type: none"> <li>▪ National DTT – Net TV</li> </ul>	<ul style="list-style-type: none"> <li>▪ Regional DTT</li> <li>▪ Punto Radio</li> <li>▪ 2 digital radio licenses</li> </ul>	<ul style="list-style-type: none"> <li>▪ Veralia</li> </ul>	<p>Production:</p> <ul style="list-style-type: none"> <li>▪ BocaBoca</li> <li>▪ Europroducciones</li> <li>▪ Hill Valley</li> <li>▪ Videomedia (30%)</li> </ul> <p>Distribution:</p> <ul style="list-style-type: none"> <li>▪ Tripictures</li> </ul>
INTERNET			
DIGITAL EDITIONS	VERTICAL PORTALS	CLASSIFIED & DIRECTORIES	B2B
<ul style="list-style-type: none"> <li>▪ 12 Local Portals</li> <li>▪ ABC.es</li> <li>▪ Que.es</li> </ul>	<ul style="list-style-type: none"> <li>▪ Mujerhoy.com</li> <li>▪ Finanzas..com</li> <li>▪ Hoy Cinema</li> </ul>	<p>Classified:</p> <ul style="list-style-type: none"> <li>▪ Pisos.com</li> <li>▪ Infoempleo</li> <li>▪ Autocasión</li> <li>▪ Tus anuncios</li> </ul>	<p>Directories:</p> <ul style="list-style-type: none"> <li>▪ 11870 (33%)</li> </ul> <p>▪ Sarenet</p>
OTHER BUSINESSES			
PRINTING	DISTRIBUTION	OTHER	
<ul style="list-style-type: none"> <li>▪ Comeco Impresión</li> </ul>	<ul style="list-style-type: none"> <li>▪ Distribuciones Comecosa</li> </ul>	<ul style="list-style-type: none"> <li>▪ Other regional multimedia companies</li> </ul>	

## Highlights of the financial performance of the businesses

**Strategy based on leadership of the brands: ABC continues to increase share, and Internet- Audiovisual represents a 25.8% of VOC revenues**

**Operational gearing: improved EBITDA in Print Media and Internet**

**Controlled approach to Audiovisual: investment in "La 10" and seasonality of Content in 1Q11**

**Improved net financial position Q11: -99,524 vs. -120,628 thousand euros in 2010**

- **The brand-based strategy of VOC has enabled an improved advertising performance, an increase in market share, and progress in Internet-Audiovisual convergence:**
  - (i) ABC: continued improvement in results, reflected in both market share of circulation as in advertising (ABC+ABC.es 1Q11 -0.7%). Closing the circulation gap vs. El Mundo to <14 thousand copies<sup>1</sup>. Printed media outperformed the market in advertising in 1Q11, -2.5% vs. market -10.2%<sup>2</sup> and Internet, ABC.es +23.0% vs. market +18.5%<sup>2</sup>.
  - (ii) Regional Press, Qué! and Supplements and Magazines, outperform their markets in advertising terms, and VOC consolidates its leadership of the press market, with 4.5m<sup>3</sup> contacts.
  - (iii) Audiovisual and Internet revenues represent 25.8% of VOC total revenues (+2.3 p.p. vs. 1Q10). Internet advertising revenues contribute 12.5% of VOC total (+1.6 p.p. vs. 1Q10).
- **Investment in value creation, and impact of operational gearing: adjusted 1Q11 EBITDA 8,099 thousand euros:**
  - (i) Improvement in adjusted EBITDA of Print Media 1Q11 +2,751 thousand euros<sup>4</sup> to 9,760 thousand euros and profitability (adjusted EBITDA margin 8.6%<sup>4</sup>, +2.7 p.p. vs. 1Q10).
  - (ii) Internet reaches break even, with adjusted 1Q11 EBITDA margin 3.0%.
  - (iii) Audiovisual: controlled approach to DTT (NET TV aggregated audience 4.1%, according to Kantar Media Apr11) and 1Q11 impacted by seasonality in content (EBITDA variation 1Q11/10 -3,015 thousand euros).
  - (iv) Investment in restructuring 1Q11 (-6,641 thousand euros), inherent to sector transformation.

<b>ADJUSTED EBITDA (IFRS thousand euros)</b>	<b>1Q11 <sup>4</sup></b>	<b>1Q10 <sup>4</sup></b>	<b>Var Abs</b>
Print Media	9,760	7,008	2,751
Audiovisual	(303)	4,473	(4,777)
Internet	407	(243)	650
Other Businesses	3,363	3,478	(115)
Corporate and Other	(5,127)	(5,086)	(41)
<b>ADJUSTED EBITDA</b>	<b>8,099</b>	<b>9,631</b>	<b>(1,532)</b>

- **Solid financial position for cyclical uncertainty. Net financial debt -99,524 thousand euros and cash and cash equivalents 65,156 thousand euros:**
  - (i) Cash entry from third phase of sale of ABC land in January 2011: +20,183 thousand euros.
  - (ii) Cash exits in 1Q11: payments for restructuring and Capex.

<sup>1</sup> Source: OJD March 2011.

<sup>2</sup> Source: InfoAdex 1Q11.

<sup>3</sup> Source: EGM 1<sup>st</sup> accumulated survey 2011.

<sup>4</sup> Adjusted for investment in restructuring, total amount of -6,641 thousand euros in 1Q11 and -174 thousand euros in 1Q10. Most concentrated in Print Media, -5,448 thousand euros in 1Q11 and zero in 1Q10.

## Main financial data

### Consolidated Profit and Loss Account

Thousand Euro	IFRS			
	1Q11 <sup>1</sup>	1Q10 <sup>1</sup>	Var Abs	Var %
Circulation revenues	65,491	67,922	(2,431)	(3.6%)
Advertising revenues	60,244	62,381	(2,138)	(3.4%)
Other revenues	48,280	45,329	2,951	6.5%
<b>Total Revenue</b>	<b>174,015</b>	<b>175,632</b>	<b>(1,618)</b>	<b>(0.9%)</b>
Staff costs	(59,486)	(56,869)	2,618	4.6%
Procurements	(30,428)	(32,935)	(2,508)	(7.6%)
External Services	(81,888)	(75,737)	6,151	8.1%
Provisions	(755)	(635)	120	18.9%
Operating Expenses (without D&A)	(172,557)	(166,176)	6,381	3.8%
<b>EBITDA</b>	<b>1,458</b>	<b>9,457</b>	<b>(7,998)</b>	<b>(84.6%)</b>
Depreciation and amortization	(10,272)	(11,843)	(1,571)	(13.3%)
Gains on disposal of tangible & intangible assets	12,943	(89)	13,032	n.r.
<b>EBIT</b>	<b>4,129</b>	<b>(2,475)</b>	<b>6,604</b>	<b>266.8%</b>
Profit of companies acc. equity method	(284)	(46)	(238)	(518.3%)
Net financial income	(1,610)	(1,734)	123	7.1%
Net gains on disposal of non- current assets	0	(3)	3	100.0%
<b>Profit Before Taxes</b>	<b>2,234</b>	<b>(4,258)</b>	<b>6,492</b>	<b>152.5%</b>
Corporation tax	(602)	478	(1,081)	(225.9%)
<b>Net profit for the year</b>	<b>1,632</b>	<b>(3,780)</b>	<b>5,411</b>	<b>143.2%</b>
Minority interests	(1,373)	(1,425)	52	3.7%
<b>Net profit attributable to the parent</b>	<b>259</b>	<b>(5,204)</b>	<b>5,464</b>	<b>105.0%</b>
EBITDA adjusted	8,099	9,631	(1,532)	(15.9%)

n.r.: the change in absolute terms is over >1.000%

n.a.: not applicable as one of the values is zero

Note 1: includes investment in restructuring 1Q11 -6,641 and 1Q10 -174 thousand euros.

### Operating revenues

Revenues in the first quarter of 2011 were 174,015 thousand euros, -0.9% compared with the first quarter of 2010:

- (i) Circulation revenues, -3.6%, with a stabilisation of revenues at Regional Press (+0.1%), and declines at ABC (-9.4%, due to a -11.0% decline in non-kiosk sales) and Supplements and Magazines (-12.3%). In the first quarter of 2011, ABC recorded average circulation of 247,534 daily copies, reducing the gap to El Mundo to -13,795 copies in March 2011, according to OJD data.
- (ii) Advertising revenues, -3.4%, have recorded a divergent performance between ABC brand (-0.7% print and digital editions) and the regional media (-6.6% print and digital editions), although in both cases they have outperformed the press market, which declined by -10.2% in 1Q11<sup>5</sup>. The Supplements advertising revenues outperform its market as well: 0.0% vs. -2.9%<sup>5</sup>. In 1Q11, revenues from the Free Press increased +1.5% (print edition and digital).  
Advertising revenues from Internet continued to grow (+10.4%), and at the close of the first quarter of 2011 represented 12.5% of the advertising revenues of VOCENTO (+1.6 p.p. vs. the first quarter of 2010).
- (iii) Growth in Other Revenues +6.5% due, among others, to the growth of revenues at DTT (+44.8%) after the beginning of the full operation of the multiplex in National DTT at the end of last year.

<sup>5</sup> Source: InfoAdex first quarter 2011.

## Operating expenses

The restructuring measures implemented in recent years have been reflected in a decline in personnel costs, down -6.8% when adjusted for the investment in restructuring in the first quarter of 2011.

The investment in restructuring in the first quarter of 2011 was -6,641 thousand euros vs. -174 thousand euros in the first quarter of 2010, and is inherent in the transformation of the business. This restructuring will reinforce the operational gearing that has enabled, during the first quarter of 2011, to absorb the decline in revenues that has resulted from the weak economic environment.

Costs in the first quarter of 2011 were maintained flat at -165,916 thousand euros, -0.1% excluding the investment in restructuring in the first quarter of 2011 and 2010. The investment in "La 10" and the seasonality of Content that has impacted the first quarter of 2011, has been offset by the cost control measures and the effort made in restructuring across all areas.

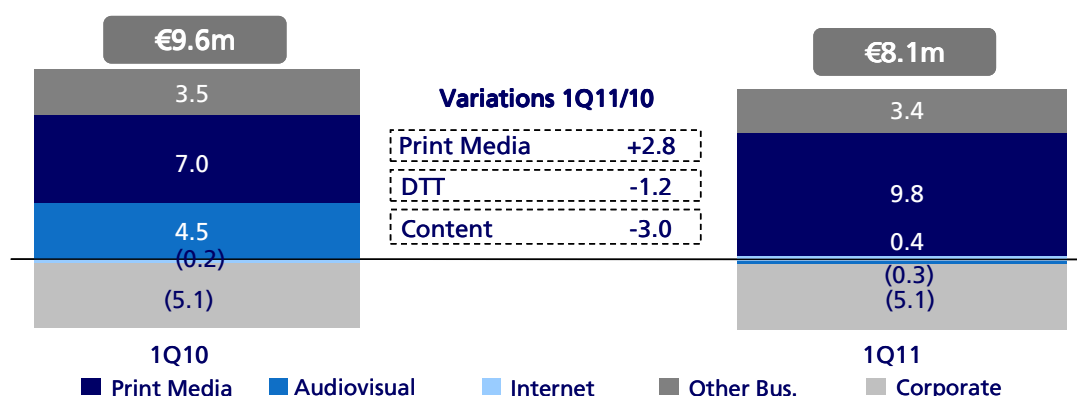
## EBITDA

Adjusted EBITDA<sup>6</sup> in the first quarter of 2011 (8,099 thousand euros vs. 9,631 thousand euros in the first quarter of 2010) reflects the balance between investments in value creation in the Audiovisual area and the operational gearing generated at the Company.

The operational gearing is reflected in the improvement in the adjusted EBITDA in the areas of: a) Print Media (+2,751 thousand euros), with profitability increasing and the EBITDA margin expanding to 8.6% in the first quarter of 2011, up +2.7 p.p. from the first quarter of 2010, and b) Internet, which reached break even in the first quarter of 2011 with an EBITDA margin of 3.0%.

A controlled approach to the Audiovisual area included: a) an increased investment in "La 10" with DTT EBITDA €-1,445 thousand euros and a niche positioning, and b) the impact of seasonality at Content, with EBITDA reduced by -3,015 thousand euros. The EBITDA margin of Content in the first quarter of 2011 was 15.6% vs. 33.5% in the first quarter of 2010, reflecting the volatility to which this area is exposed. However, over the year margins tend to normalise (i.e. average EBITDA margin 2008/10 21.9%).

### Adjusted EBITDA<sup>6</sup> by area and absolute variation (€m)



## Operating result (EBIT)

The operating result in the first quarter of 2011 was positive, at 4,129 thousand euros, compared to -2,475 thousand euros in the first quarter of 2010.

Depreciation in the period was reduced by -1,571 thousand euros in comparison with the first quarter of 2010, at -10,272 thousand euros (from -11,843 thousand euros in the first quarter of 2010), due to

<sup>6</sup> Adjusted for investment in restructuring in 1Q10 -174 thousand euros and 1Q11 -6,641 thousand euros.

the decline at the Content area (-3,452 thousand euros vs. -4,950 thousand euros in the first quarter of 2010), following the activation of formats during the first quarter of 2010.

Gains on the disposal of tangible and intangible assets include the net capital gains generated from the third phase of the sale of the land of ABC (relevant fact of 10 July 2008), of 16,353 thousand euros. In addition, write down of -3,173 thousand euros have been booked, related to the printing plants, with no effect on cash.

## **Net financial income**

Net financial income of -1,610 thousand euros in the first quarter of 2011, is an improvement from the level of -1,734 thousand euros in the first quarter of 2010, due to the lower level of gross debt in the period (164,679 thousand euros in the first quarter of 2011 vs. 180,694 thousand euros in the first quarter of 2010).

## **Corporation tax**

The improved operating performance is the reason for the tax expense of -602 thousand euros in the first quarter of 2011, compared with income of 478 thousand euros in the first quarter of 2010.

## **Minority interests**

Minority interests (-1,373 thousand euros) have remained at the same levels as the first quarter of 2010 (-1,425 thousand euros).

## **Net profit attributable to parent company**

The consolidated net result of the first quarter of 2011 was a positive 259 thousand euros, a significant improvement of +5,464 thousand euros from the result of the first quarter of 2010.

## Consolidated balance sheet

Thousand Euro	IFRS			
	1Q11	2010	Var abs	% Var
<b>Non current assets</b>	<b>692,260</b>	<b>703,844</b>	<b>(11,584)</b>	<b>(1.6%)</b>
Intangible assets	261,613	264,962	(3,349)	(1.3%)
Property, plant and equipment	232,373	239,644	(7,271)	(3.0%)
Investments accounted using equity method	18,824	19,109	(284)	(1.5%)
Other non current assets	179,449	180,130	(681)	(0.4%)
<b>Current assets</b>	<b>256,887</b>	<b>284,392</b>	<b>(27,505)</b>	<b>(9.7%)</b>
Cash and cash equivalents	65,156	68,975	(3,819)	(5.5%)
Other current assets	191,732	215,418	(23,686)	(11.0%)
Assets held for sale	193	3,885	(3,691)	(95.0%)
<b>TOTAL ASSETS</b>	<b>949,341</b>	<b>992,121</b>	<b>(42,781)</b>	<b>(4.3%)</b>
Equity	489,194	489,240	(47)	(0.0%)
Bank borrowings and other fin.liabilities	164,679	189,603	(24,924)	(13.1%)
Other liabilities	295,468	313,278	(17,810)	(5.7%)
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>949,341</b>	<b>992,121</b>	<b>(42,781)</b>	<b>(4.3%)</b>

n.r.: the change in absolute terms is over >1.000%.

n.a.: not applicable as one of the values is zero.

Significant variations are analysed in addition to the activity impact.

### Net financial position

The net financial position in the period was -99,524 thousand euros, including cash and cash equivalents of 65,156 thousand euros. The most significant variations were due to:

- (i) Cash entry of 20,183 thousand euros from third phase of sale of ABC land.
- (ii) Improvement in working capital of 13,419 thousand euros.
- (iii) Investment in restructuring: cash exit in the first quarter of 2011 of -12,050 thousand euros.
- (iv) Investments in fixed and intangible assets: cash exit of -4,925 thousand euros, related mainly to Internet and to the acquisition of film distribution rights.

Thousand Euro	IFRS			
	1Q11	2010	Var Abs	Var %
Bank borrowings and other financial liabilities (short term)	54,543	55,151	(608)	(1.1%)
Bank borrowings and other financial liabilities (long term)	110,136	134,452	(24,315)	(18.1%)
<b>Gross Debt</b>	<b>164,679</b>	<b>189,603</b>	<b>(24,924)</b>	<b>(13.1%)</b>
Cash and cash equivalents	65,156	68,975	(3,819)	(5.5%)
<b>Net cash position/ (net debt)</b>	<b>(99,524)</b>	<b>(120,628)</b>	<b>21,105</b>	<b>17.5%</b>

Short term bank borrowings and other financial liabilities include debt with credit institutions of 48,524 thousand euros, and other liabilities with a current financial cost of 6,019 thousand euros, including pension plans.

Long term bank borrowings and other financial liabilities include debt with credit institutions of 91,126 thousand euros, and other liabilities with non-current financial cost of 19,011 thousand euros, including mainly pension plans and compensation pending payment, related to the ABC restructuring plan in 2009.

## Other liabilities

The variation in Other Liabilities is due mainly to the use of provisions corresponding to the restructuring measures that have been implemented.

## Other current assets

The decline reflects the lower balance from clients, as a result of both seasonality and the management of the client portfolio.

## Cash flow statement

Thousand Euro	IFRS			
	1Q11	1T10	Var Abs	% Var
<b>Net profit attributable to the parent</b>	<b>259</b>	<b>(5,204)</b>	<b>5,463</b>	<b>(105.0%)</b>
Adjustments to net profit	2,234	14,763	(12,529)	(84.9%)
<b>Cash flows from ordinary operating activities before changes in working capital</b>	<b>2,493</b>	<b>9,559</b>	<b>(7,066)</b>	<b>(73.9%)</b>
Changes in working capital	13,419	5,084	8,335	163.9%
Other payables	(8,777)	(24,250)	15,473	63.8%
Income tax paid	0	0	n.a	n.a
<b>Net cash flow from operating activities (I)</b>	<b>7,135</b>	<b>(9,607)</b>	<b>16,742</b>	<b>(174.3%)</b>
Acquisitions of intangible and property, plan and equipment	(4,925)	(15,222)	10,297	67.6%
Net proceed on disposal of financial assets	0	148	n.a	n.a
Interests and dividends received	549	338	211	62.4%
Other receivables and payables (investing)	20,416	0	n.a	n.a
<b>Net cash flow from investing activities (II)</b>	<b>16,040</b>	<b>(14,736)</b>	<b>30,776</b>	<b>(208.8%)</b>
Interests and dividends paid	(5,693)	(3,191)	(2,502)	(78.4%)
Cash inflows/ (outflows) relating to bank borrowings	(21,214)	(4,308)	(16,906)	(392.4%)
Other receivables and payables (financing)	(225)	(7,042)	6,817	96.8%
Equity related instruments	138	0	n.a	n.a
<b>Net cash flows from financing activities (III)</b>	<b>(26,994)</b>	<b>(14,541)</b>	<b>(12,453)</b>	<b>(85.6%)</b>
<b>Net increase in cash and cash equivalents (I + II + III)</b>	<b>(3,819)</b>	<b>(38,884)</b>	<b>35,065</b>	<b>90.2%</b>
<b>Cash and cash equivalents at beginning of the year</b>	<b>68,975</b>	<b>125,517</b>	<b>(56,542)</b>	<b>(45.0%)</b>
<b>Cash and cash equivalents at end of year</b>	<b>65,156</b>	<b>86,633</b>	<b>(21,477)</b>	<b>(24.8%)</b>

*n.r.: the change in absolute terms is over >1.000%*

*n.a.: not applicable as one of the values is zero.*

Net cash flow from operating activities was 7,135 thousand euros, due mainly to the positive net income and to the variation in working capital and other payables, which is composed of: a) a positive variation in working capital of 13,419 thousand euros, due to the recovery of balances from clients, and b) payments associated with the investment in restructuring of -12,050 thousand euros, among others.

Net cash flow from investing activities was 16,040 thousand euros, due mainly to: i) the investment in fixed assets (see Capex section), and ii) the cash entry from the third phase from the sale of ABC land (20,183 thousand euros).

Net cash flow from financing activity was -26,994 thousand euros, including interest payments and dividends paid by the subsidiaries of VOCENTO, as well as the repayment of debt in the period.



## Capex

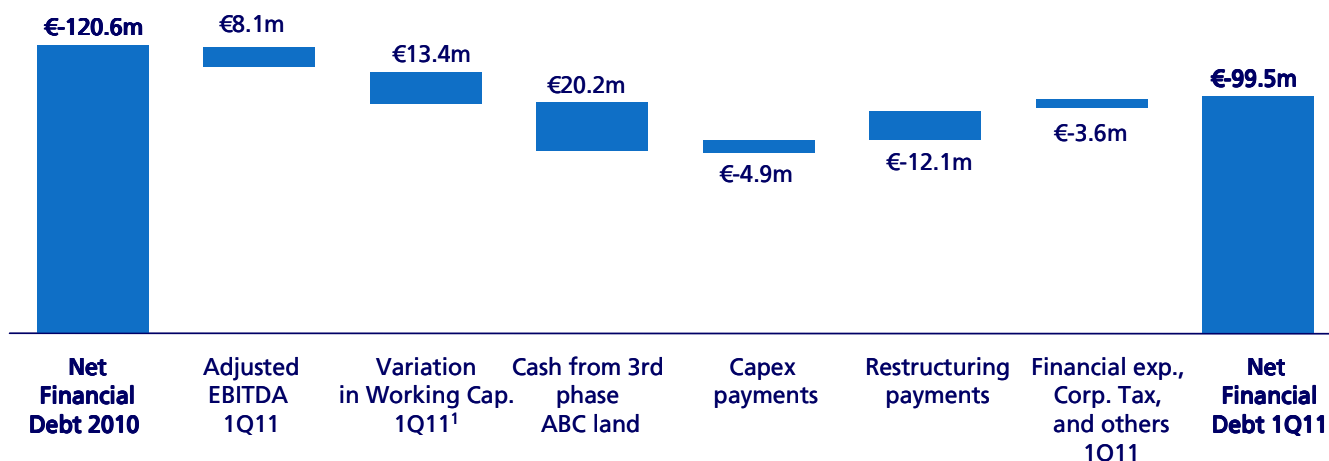
The difference between the exit of cash due to investments in fixed assets and the Capex reported in accounts (-1,310 thousand euros) reflects mainly payments pending for the investments related to the print plants that were made in the first quarter of 2011.

It should be noted that in the first quarter of 2011 there was a reduction in capital expenditure in the Other Businesses area, due to the lower level of investments needed in the print plants. Reflecting the gradual transformation of the business, investment is being transferred to the Audiovisual and Internet areas.

	IFRS (Thousand Euro)								
	1Q11			1Q10			Var abs.		
	Intang.	Tang.	Total	Intang.	Tang.	Total	Intang.	Tang.	Total
Print Media	67	717	784	135	2,158	2,293	(67)	(1,441)	(1,509)
Audiovisual	484	455	939	198	409	607	286	46	332
Internet	528	360	889	942	311	1,254	(414)	49	(365)
Other Businesses	23	837	859	14	6,116	6,130	8	(5,279)	(5,271)
Corporate and Others	63	81	144	41	440	481	23	(359)	(337)
<b>TOTAL</b>	<b>1,166</b>	<b>2,449</b>	<b>3,615</b>	<b>1,330</b>	<b>9,434</b>	<b>10,764</b>	<b>(164)</b>	<b>(6,985)</b>	<b>(7,149)</b>

## Analysis of variation in Net Financial Debt December 31<sup>st</sup>, 2010- march 31<sup>st</sup>, 2011

Data in €m



Note 1: variation in inventories, clients, suppliers and current taxes (VAT).

## Information by business area

This section provides an analysis of the revenues, EBITDA and operating profit of each business area.

Thousand Euro	IFRS			
	1Q11	1Q10	Var Abs	Var %
<b>Total Revenues</b>				
Print Media	113,161	117,949	(4,788)	(4.1%)
Audiovisual	31,220	27,820	3,400	12.2%
Internet	13,593	13,315	278	2.1%
Other Businesses	47,610	51,598	(3,988)	(7.7%)
Corporate and Other	(31,569)	(35,049)	3,480	9.9%
<b>Total Revenues</b>	<b>174,015</b>	<b>175,632</b>	<b>(1,618)</b>	<b>(0.9%)</b>
<b>EBITDA</b>				
Print Media	4,311	7,008	(2,697)	(38.5%)
Audiovisual	(765)	4,478	(5,243)	(117.1%)
Internet	153	(269)	422	156.8%
Other Businesses	3,331	3,478	(147)	(4.2%)
Corporate and Other	(5,572)	(5,238)	(334)	(6.4%)
<b>Total EBITDA</b>	<b>1,458</b>	<b>9,457</b>	<b>(7,998)</b>	<b>(84.6%)</b>
<b>EBITDA ex non recurring</b>				
Print Media	9,760	7,008	2,751	39.3%
Audiovisual	(303)	4,473	(4,777)	(106.8%)
Internet	407	(243)	650	267.9%
Other Businesses	3,363	3,478	(115)	(3.3%)
Corporate and Other	(5,127)	(5,086)	(41)	(0.8%)
<b>Total EBITDA ex non recurring</b>	<b>8,099</b>	<b>9,631</b>	<b>(1,532)</b>	<b>(15.9%)</b>
<b>EBIT</b>				
Print Media	14,801	3,998	10,804	270.2%
Audiovisual	(4,576)	(1,165)	(3,411)	(292.8%)
Internet	(933)	(1,350)	417	30.9%
Other Businesses	810	1,618	(808)	(49.9%)
Corporate and Other	(5,973)	(5,576)	(397)	(7.1%)
<b>Total EBIT</b>	<b>4,129</b>	<b>(2,475)</b>	<b>6,604</b>	<b>266.8%</b>

*n.r.: the change in absolute terms is over >1.000%*

*n.a.: not applicable as one of the values is zero.*

*Note 1: includes investment in restructuring 1Q11 -6,641 thousand euros and 1Q10 -174 thousand euros.*

## Print Media

Thousand Euro	IFRS			
	1Q11	1Q10	Var Abs	Var %
<b>Total Revenues</b>				
Regional Press	70,892	74,216	(3,324)	(4.5%)
National Press	35,972	37,292	(1,319)	(3.5%)
Supplements & Magazines	11,344	12,567	(1,223)	(9.7%)
Free Press	2,863	2,845	17	0.6%
Adjustments Intersegment	(7,911)	(8,972)	1,061	11.8%
<b>Total Revenues</b>	<b>113,161</b>	<b>117,949</b>	<b>(4,788)</b>	<b>(4.1%)</b>
<b>EBITDA</b>				
Regional Press	11,762	12,553	(792)	(6.3%)
National Press	(7,468)	(5,694)	(1,774)	(31.2%)
Supplements & Magazines	810	1,105	(295)	(26.7%)
Free Press	(792)	(956)	164	17.2%
<b>Total EBITDA</b>	<b>4,311</b>	<b>7,008</b>	<b>(2,697)</b>	<b>(38.5%)</b>
<b>Adjusted EBITDA</b>				
Regional Press	12,251	12,553	(302)	(2.4%)
National Press	(2,749)	(5,694)	2,945	51.7%
Supplements & Magazines	1,036	1,105	(69)	(6.2%)
Free Press	(779)	(956)	177	18.5%
<b>Total Adjusted EBITDA</b>	<b>9,760</b>	<b>7,008</b>	<b>2,751</b>	<b>39.3%</b>
<b>EBIT</b>				
Regional Press	10,046	10,938	(892)	(8.2%)
National Press	4,852	(7,025)	11,877	169.1%
Supplements & Magazines	748	1,031	(284)	(27.5%)
Free Press	(844)	(947)	103	10.8%
<b>Total EBIT</b>	<b>14,801</b>	<b>3,998</b>	<b>10,804</b>	<b>270.2%</b>

*n.r.: the change in absolute terms is over >1.000%*

*n.a.: not applicable as one of the values is zero.*

*Note: The main principal eliminations are due to: a) the supplement revenues (XL Semanal, Pantalla Semanal, Mujer Hoy and Mujer Hoy Corazón) that TESA makes to the Regional Press and ABC, and b) revenues from the sale and distribution of subscriptions to the different newspapers of VOCENTO.*

*Note 1: adjusted for investment in restructuring of -5,448 thousand euros in 1Q11.*

**Operating Revenues:** 113,161 thousand euros (-4.1%).

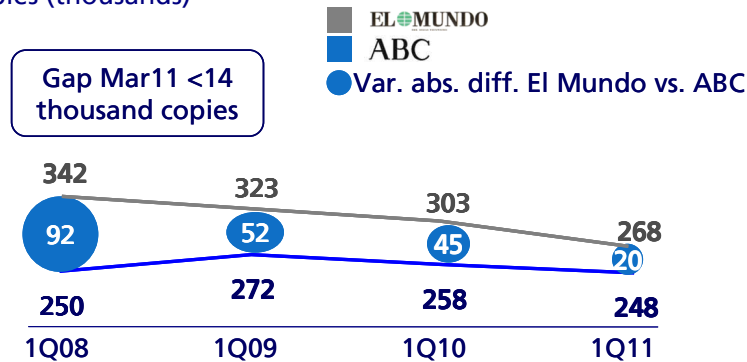
**Circulation Revenues:** 53,861 thousand euros (-4.5%). The Regional Press maintains its circulation revenues of 34,656 thousand euros, +0,1%, with the fall in circulation (-5.9%) offset by an increase in cover price. The aggregate readership of the regional titles of VOCENTO, according to the 1<sup>st</sup> EGM accumulated survey, is 2,265 thousand readers, about one million readers more than the next regional press group.

ABC contributed 18,806 thousand euros (-9.4%) due to a -11.0% fall in non ordinary circulation (block sales and group subscriptions). Nonetheless, total circulation, down -4.1%, compares positively with a decline in the first quarter of 2011 of -11.8% and -16.9% of El Mundo and La Razón respectively. The kiosk sales of ABC fell by -2.4% in the first quarter of 2011, compared with -14.1% for El Mundo and -20.0% for La Razón. This performance confirms that ABC is gaining market share from its competitors.

ABC is maintaining the trend of closing the gap with El Mundo, which has reduced by 72,068 copies in the last three years: gap in the first quarter of 2011 of 20,178 copies vs. 92,246 copies in the first quarter of 2008. In March 2011, this gap had narrowed to 13,795 copies.

## Circulation performance of El Mundo vs. ABC

Copies (thousands)



Source: OJD average circulation (2011 data not audited).

ABC has 733 thousand readers, according to the 1<sup>st</sup> EGM accumulated survey. ABC has consolidated its Sunday strategy, winning more than 250 thousand readers since 2007. As a result, ABC is the only nationwide daily to increase its readership on Sundays, in comparison with El Mundo which has lost over 290 thousand readers in the same period, and the overall national market (including El País and La Razón) which has lost over 575 thousand readers in this time.

Supplements and Magazines contributed 6,287 thousand euros (-12.3%) due to the lower circulation of the newspapers with which the supplements are distributed. The Supplements have an aggregate audience of 5,834 thousand readers, according to the 1<sup>st</sup> EGM accumulated survey, consolidating their position as the absolute leaders in their niches, which is reflected in their advertising outperformance vs. their markets.

**Advertising Revenues:** 46,672 thousand euros, -5.6%. The performance of the advertising revenues reflects an improvement in market share, as VOC media have outperformed the -10.2% decline of the market<sup>7</sup>: Regional Press, 27,508 thousand euros -8.4%, ABC, 11,631 thousand euros, -2.5% and Qué!, 2,818 thousand euros +1.2%, while Supplements and Magazines recorded 4,716 thousand euros, +0.0%, vs. -2.9% for the market<sup>6</sup>.

**Other Revenues:** increased to 12,628 thousand euros, +4.3%, mainly due to the contribution of add-ons at ABC, which, additionally, had a higher margin than in the previous year.

**EBITDA:** improved to 9,760 thousand euros in the first quarter of 2011, when adjusted for the investment in restructuring, up +2,751 thousand euros from the first quarter of 2010. All segments in the business area improved, thanks to a reduction in costs of -6.8%, -7,539 thousand euros when adjusted for the investment in restructuring of -5,488 thousand euros in the first quarter of 2011, mainly at ABC and Regional Press.

- (i) **Regional Press:** a stabilisation of adjusted EBITDA at the level of the first quarter of 2010, with 12,251 thousand euros recorded in the first quarter of 2011. Despite the fall in revenues of -3,324 thousand euros, profitability has been improved: adjusted EBITDA margin 17.3%, +0.4 p.p. from the first quarter of 2010.

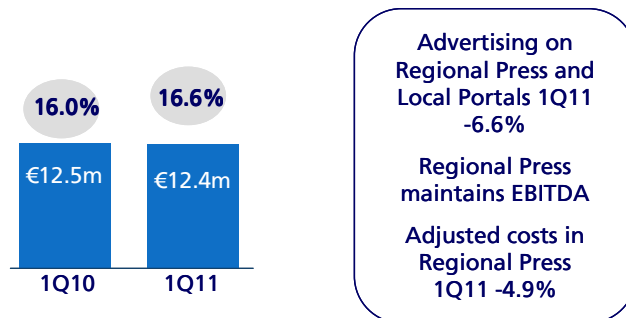
The cost control and restructuring measures that have been implemented are reflected in a cost reduction of -4.9% (costs improved by -3,022 thousand euros, adjusted for the

<sup>7</sup> Source: InfoAdex 1Q11.

investment in restructuring). A highlight has been the -9.8% reduction in personnel costs, adjusted for restructuring costs, from the first quarter of 2010.

The regional brands (print and digital editions) have improved their profitability (EBITDA margin 16.6%) thanks to cost discipline and reductions, despite of the decline in advertising revenues, -6.6% in the first quarter of 2011. The Local Portals are increasing its share of advertising revenues (11.2% of the total, +1.8 p.p. vs. first quarter of 2010), as a result of the strategy for migrating the strength of the brands from offline to online.

### Adjusted EBITDA<sup>1</sup> (€m) and EBITDA margin<sup>1</sup> (%) of Regional Press + Local Portals

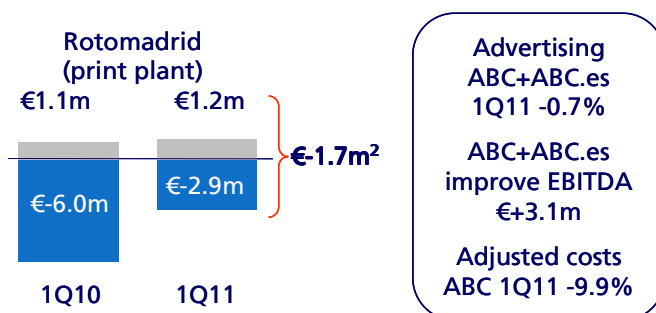


Note 1: adjusted for restructuring in 2011 €-0.5m.

- (ii) ABC: during the first quarter of 2011 the negative adjusted EBITDA is reduced by +2,945 thousand euros (investment in restructuring in the first quarter of 2011 of -4,720 thousand euros) to -2,749 thousand euros thanks to the positive impact of cost reduction measures and improved market share both in circulation and advertising.

A combined analysis of the ABC brand (print and digital) shows flat advertising revenues (-0.7%) and an improvement in adjusted EBITDA of +3,214<sup>2</sup> thousand euros to -1,686 thousand euros.

### Adjusted EBITDA<sup>1</sup> (€m) of ABC + ABC.es



Note 1: adjusted for restructuring in 1Q11 €-4.8m. Note 2: includes EBITDA from Rotomadrid that is reported in "Other Businesses".

- (iii) Supplements and Magazines: recorded adjusted EBITDA of 1,036 thousand euros, maintains similar levels than the first quarter of 2010.
- (iv) Free Press: the improvement in advertising revenues, combined with cost discipline, enabled an improvement in adjusted EBITDA to -779 thousand euros (+177 thousand euros).

## Audiovisual

Thousand Euro	IFRS			
	1Q11	1T10	Var Abs	Var %
<b>Total Revenues</b>				
DTT	11,658	7,866	3,791	48.2%
Radio	3,947	4,587	(640)	(13.9%)
Content	17,490	17,146	344	2.0%
Adjustments Intersegment	(1,875)	(1,779)	(96)	(5.4%)
<b>Total Revenues</b>	<b>31,220</b>	<b>27,820</b>	<b>3,400</b>	<b>12.2%</b>
<b>EBITDA</b>				
DTT	(1,445)	(214)	(1,231)	575.3%
Radio	(1,831)	(1,056)	(775)	(73.4%)
Content	2,511	5,748	(3,237)	(56.3%)
<b>Total EBITDA</b>	<b>(765)</b>	<b>4,478</b>	<b>(5,243)</b>	<b>(117.1%)</b>
<b>Adjusted EBITDA</b>				
DTT	(1,437)	(231)	(1,207)	522.7%
Radio	(1,599)	(1,044)	(555)	(53.2%)
Content	2,733	5,748	(3,015)	(52.5%)
<b>Total adjusted EBITDA</b>	<b>(303)</b>	<b>4,473</b>	<b>(4,777)</b>	<b>(106.8%)</b>
<b>EBIT</b>				
DTT	(1,730)	(643)	(1,086)	168.8%
Radio	(1,907)	(1,320)	(587)	(44.5%)
Content	(940)	798	(1,738)	(217.8%)
<b>Total EBIT</b>	<b>(4,576)</b>	<b>(1,165)</b>	<b>(3,411)</b>	<b>(292.8%)</b>

n.r.: the change in absolute terms is over >1.000%

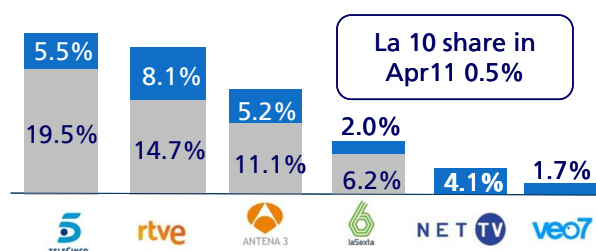
n.a.: not applicable as one of the values is zero.

Note: Eliminations are due to the sale of programs by the production companies to National DTT and to Radio.

Note 1: adjusted for investment in restructuring of -462 thousand euros in 1Q11.

**Operating revenues:** rose to 31,220 thousand euros, +12.2% due to the positive performance of DTT following the launch of two new channels, "La 10" and MTV, at the end of last year, completing the multiplex strategy of Net TV.

### Audience share by family of channels, April 2011 (%)



### Variation of audience share by mux 2009-April 2011 (p.p.)

<b>Core</b>	(3.8)	(1.7)	(3.6)	(0.6)	n.a.	n.a.
<b>Thematic</b>	4.1	1.9	3.3	2.0	2.1	1.3

Source: Kantar Media. Note 1: Thematic and core channels are split. Pay DTT channels not included.

Radio revenues were 3,947 thousand euros (-13.9%) in a difficult competitive environment in the market where Punto Radio consolidates its audience over 500 thousand listeners according to the latest 2011 EGM survey (Monday- Friday).

Content revenues rose to 17,490 thousand euros (+2.0%), with a slight increase both at the production companies, especially in their international activity, and at the film distribution company.

**EBITDA:** -303 thousand euros, when adjusted for restructuring, influenced mainly by the investment in DTT and by seasonality in Content:

- (i) **DTT:** adjusted EBITDA of -1,437 thousand euros in the first quarter of 2011, following the launch of "La 10". The DTT project is now focused on nationwide, after the closure of regional operations of its own at the end of last year.
- (ii) **Radio:** adjusted EBITDA of -1,599 thousand euros, due to the impact of lower advertising revenues.
- (iii) **Content:** adjusted EBITDA of 2,733 thousand euros, a decrease of -3,015 thousand euros from the first quarter of 2010. In the first quarter of 2011, the business was impacted by the seasonality of the Tripictures DVD window, as well as the activation of formats (with no impact on EBIT) and delays in the schedules of the production companies. These factors have had a temporary effect on margins: adjusted EBITDA margin in the first quarter of 2011 of 15.6% vs. 33.5% in the first quarter of 2010, reflecting the volatility to which this area is exposed. However, over the course of the year average margins tend to normalise (i.e. average EBITDA margin 2008/10 21.9%).

**Operating Result:** *(this line is commented on, due to the level of depreciation in this area)* was -4,576 thousand euros, including depreciation of -3,452 thousand euros in the Content segment, which decreased due to the activations of formats made in the first quarter of 2010.

## Internet

Thousand Euro	IFRS			
	1Q11	1Q10	Var Abs	Var %
<b>Total Revenues</b>				
Digital Editions	5,195	4,463	732	16.4%
Vertical Portals & Others	834	820	14	1.8%
Classified	3,789	3,448	340	9.9%
B2B	3,977	4,934	(957)	(19.4%)
Adjustments Intersegment	(202)	(350)	148	42.3%
<b>Total Revenues</b>	<b>13,593</b>	<b>13,315</b>	<b>278</b>	<b>2.1%</b>
<b>EBITDA</b>				
Digital Editions	(175)	(626)	451	72.1%
Vertical Portals & Others	(127)	(167)	40	24.0%
Classified	(719)	(708)	(11)	(1.6%)
B2B	1,174	1,231	(58)	(4.7%)
<b>Total EBITDA</b>	<b>153</b>	<b>(269)</b>	<b>422</b>	<b>156.8%</b>
<b>Adjusted EBITDA</b>				
Digital Editions	(124)	(620)	496	80.1%
Vertical Portals & Others	(78)	(167)	89	53.1%
Classified	(564)	(687)	123	17.9%
B2B	1,174	1,231	(58)	(4.7%)
<b>Total adjusted EBITDA</b>	<b>407</b>	<b>(243)</b>	<b>650</b>	<b>267.9%</b>
<b>EBIT</b>				
Digital Editions	(400)	(882)	482	54.6%
Vertical Portals & Others	(231)	(320)	89	27.8%
Classified	(1,243)	(1,113)	(129)	(11.6%)
B2B	941	966	(25)	(2.5%)
<b>Total EBIT</b>	<b>(933)</b>	<b>(1,350)</b>	<b>417</b>	<b>30.9%</b>

*n.r.:* the change in absolute terms is over >1.000%

*n.a.:* not applicable as one of the values is zero.

*Note:* The main eliminations are due to the connectivity service, mainly between Sarnet (B2B) and the rest of companies in the Internet business area.

*Note 1:* adjusted for investment in restructuring of -254 thousand euros in 1Q11.

**Operating Revenues:** increased to 13,593 thousand euros (+2.1%), impacted by changes to the consolidation perimeter in B2B (pro forma revenues +12.4%).

**Advertising Sales:** increased by +10.4% to 7,522 thousand euros, as a result of the growth in unique monthly users and the monetization of the gradual migration of users and advertisers from offline to online.

Advertising revenues from Internet now represent 12.5% of the total advertising revenues of VOCENTO (+1.6 p.p. vs. first quarter of 2010), with growth at Digital Editions of +13.7% (ABC.es +23.0% vs. +18.5% for the market<sup>8</sup>).

<sup>8</sup> Source: InfoAdex 1Q11.

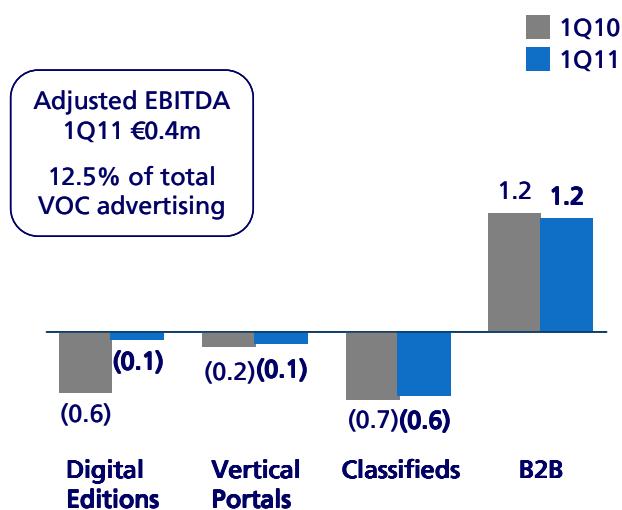


**Other Revenues:** 6,059 thousand euros due to the perimeter effect in B2B (Other revenues -6.7%, pro forma +14.9%), following the divestment of Communica Mediatrader, reflecting the strategic focus on B2C.

**EBITDA:** the rise in advertising revenues, and cost controls (B2C costs +3.7%), have enabled an improvement in adjusted EBITDA of +650 thousand euros, to a positive level of 407 thousand euros.

In the first quarter of 2011, there was an improvement in nearly all areas of the business, with both the Digital Editions and the Vertical Portals near to the break even level (see chart).

### Adjusted EBITDA (€m) of Internet area



Note 1: adjusted for investment in restructuring of €-0.3m in 1Q11.

## Other Businesses

Thousand Euro	IFRS			
	1Q11	1Q10	Var Abs	Var %
<b>Total Revenues</b>				
Distribution	35,544	39,921	(4,377)	(11.0%)
Printing	10,655	10,222	433	4.2%
Others	1,504	1,535	(31)	(2.0%)
Adjustments Intersegment	(93)	(81)	(13)	(15.6%)
<b>Total Revenues</b>	<b>47,610</b>	<b>51,598</b>	<b>(3,988)</b>	<b>(7.7%)</b>
<b>EBITDA</b>				
Distribution	497	636	(139)	(21.9%)
Printing	2,831	2,885	(54)	(1.9%)
Others	4	(43)	47	108.7%
<b>Total EBITDA</b>	<b>3,331</b>	<b>3,478</b>	<b>(147)</b>	<b>(4.2%)</b>
<b>Adjusted EBITDA</b>				
Printing	528	636	(108)	(16.9%)
Distribution	2,831	2,885	(54)	(1.9%)
Others	4	(43)	47	108.7%
<b>Total adjusted EBITDA</b>	<b>3,363</b>	<b>3,478</b>	<b>(115)</b>	<b>(3.3%)</b>
<b>EBIT</b>				
Distribution	408	530	(122)	(23.0%)
Printing	409	1,157	(747)	(64.6%)
Others	(7)	(68)	61	89.4%
<b>Total EBIT</b>	<b>810</b>	<b>1,618</b>	<b>(808)</b>	<b>(49.9%)</b>

*n.r.: the change in absolute terms is over >1.000%*

*n.a.: not applicable as one of the values is zero.*

*Note: Eliminations are due to: a) the distribution of free dailies by the distribution companies, and b) the elimination of printing of free dailies.*

*Note 1: adjusted for investment in restructuring of -32 thousand euros in 1Q11.*

**Operating Revenues:** fell to 47,610 thousand euros, -7.7%, due to the impact of exits from the consolidation perimeter in the Distribution and Other subsidiaries areas, and the incorporation in the Printing area (Andaluprint, externalisation of the printing activity of ABC Sevilla). Excluding these perimeter effects, revenues would have remained stable (pro forma revenues +0.3%).

**EBITDA:** totalled 3,331 thousand euros. In the Printing area, EBITDA was 2,831 thousand euros, with a contribution from Rotomadrid (the ABC printing plant in Madrid) of 1,235 thousand euros. EBITDA at Distribution was 497 thousand euros, with the lower level of activity in the distribution of the daily press partly offset by diversification in the distribution of products (magazines).

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