



1H 2016 RESULTS PRESENTATION

Madrid, 22nd July 2016

Disclaimer

In addition to figures prepared in accordance with IFRS, PRISA presents non-GAAP financial performance measures, e.g., EBITDA, EBITDA margin, adjusted EBITDA, adjusted EBITDA margin, adjusted EBIT, adjusted net profit, free cash flow, gross debt and net debt, among others. These non-GAAP measures should be considered in addition to, but not as a substitute for, the information prepared in accordance with IFRS. Non-GAAP financial performance measures are not subject to IFRS or any other generally accepted accounting principles. For further information relevant to the interpretation of these terms, please refer to the “Reconciliation Section” of the 1Q 2014 earnings press release filed with the Securities and Exchange Commission and posted on prisa.com.

This document may contain “forward-looking statements” as defined in Section 27A of the Securities Act and Section 21E of the Exchange Act, including statements about the financial conditions, results of operations, earnings outlook and prospects of the Company. In addition, any statements that refer to projections, forecasts or other characterizations of future events or circumstances, including any underlying assumptions, are forward-looking statements.

Forward-looking statements are based on management’s current expectations and are inherently subject to uncertainties and changes in circumstance and their potential effects and each speaks only as of the date of such statement. There can be no assurance that future developments will be those that have been anticipated.

These forward-looking statements are typically identified by words such as “plan,” “believe,” “expect,” “anticipate,” “intend,” “outlook,” “estimate,” “forecast,” “project,” “continue,” “could,” “may,” “might,” “possible,” “potential,” “predict,” “should,” “would” and other similar words and expressions, but the absence of these words does not mean that a statement is not forward-looking. These forward-looking statements involve a number of risks, uncertainties or other assumptions that may cause actual results or performance to be materially different from those expressed or implied by these forward-looking statements. These risks and uncertainties include, but are not limited to, those factors described in our filings with the Securities and Exchange Commission under “Risk Factors”.

Highlights

1

In Spain, advertising revenues grow by 1% due to online advertising and events, compensating the drop in radio.

2

In LatAm, Education shows growth in constant currency. Radio shows difficulties in Colombia and Chile.

3

In Portugal, Media Capital shows operational improvement helped by growth in advertising revenue and sales of channels to third parties.

4

The evolution of the exchange rate in the first half has affected negatively revenues and EBITDA, maintaining a similar impact to already registered in 1Q

5

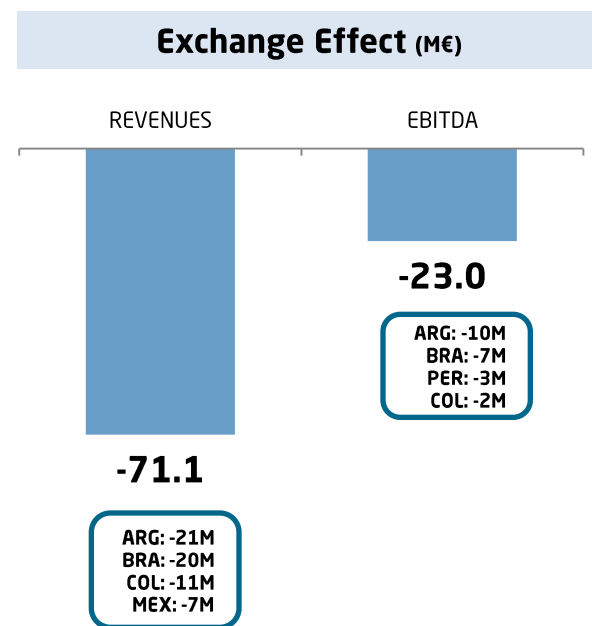
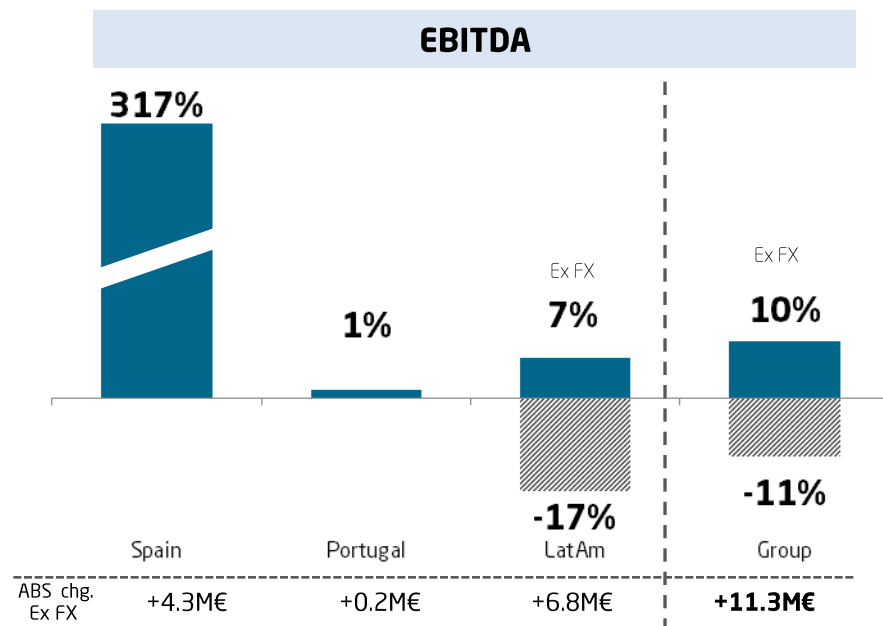
The strengthening of capital structure continues:

- **Debt is reduced until 1562M€.**
- **The bond issue mandatorily convertible into ordinary shares of PRISA has been registered.**



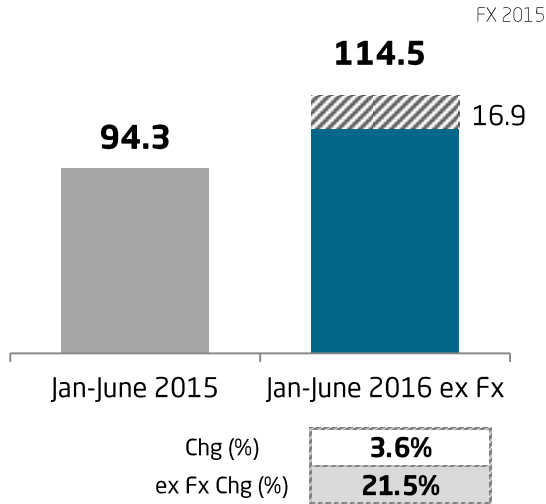
Operating overview

	JAN-JUNE 2016	Chg. 16/15		Chg at Cnt Ccy 16/15	
Million €					
REVENUES	634	-4.0%	-26.8M€	6.7%	44.3M€
EBITDA	97	-10.8%	-11.7M€	10.4%	11.3M€
<i>EBITDA Margin</i>	<i>15.3%</i>	<i>-1.2 p.p.</i>	<i>-1%</i>	<i>0.6 p.p.</i>	<i>0.6%</i>
EBIT	55	-3.1%	-1.8M€	28.0%	15.9M€
<i>EBIT Margin</i>	<i>8.7%</i>	<i>0.1 p.p.</i>	<i>0%</i>	<i>1.7 p.p.</i>	<i>1.7%</i>

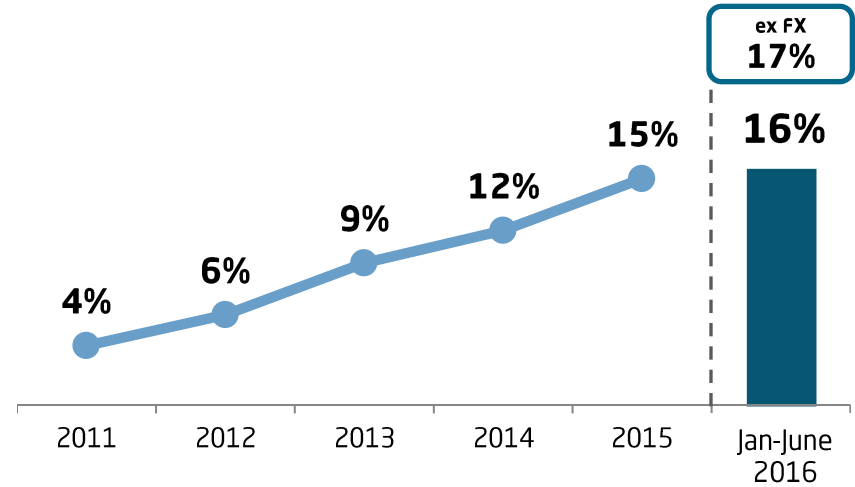


Digital Transformation

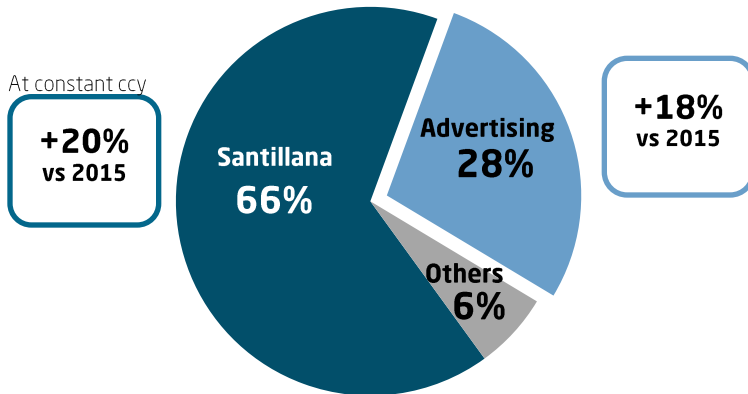
Transformation Revenues



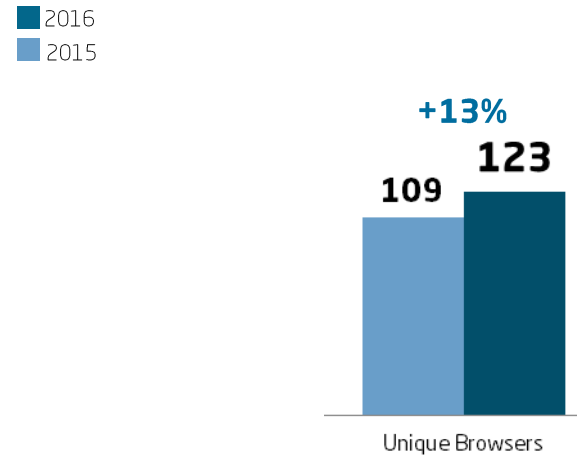
Contribution to total revenues



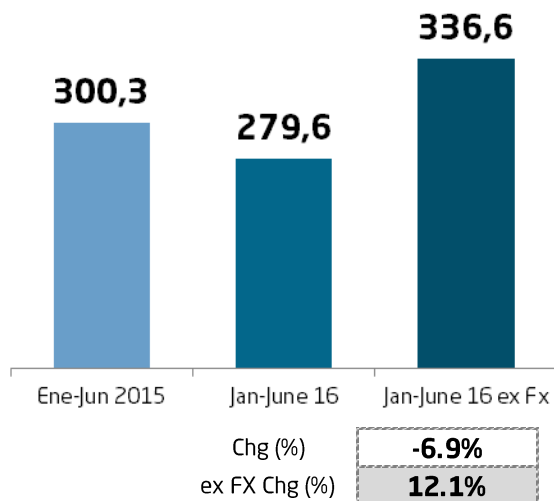
Revenues breakdown in 2016



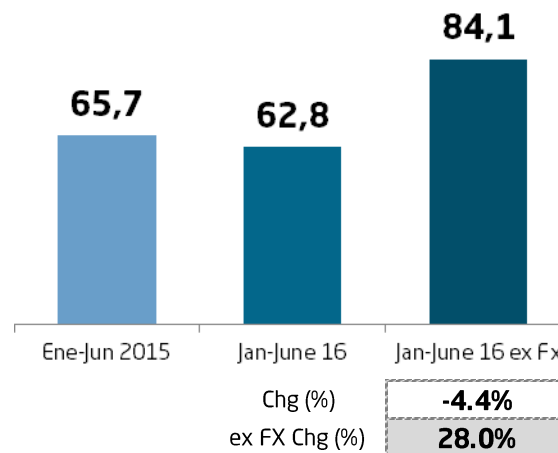
Audience



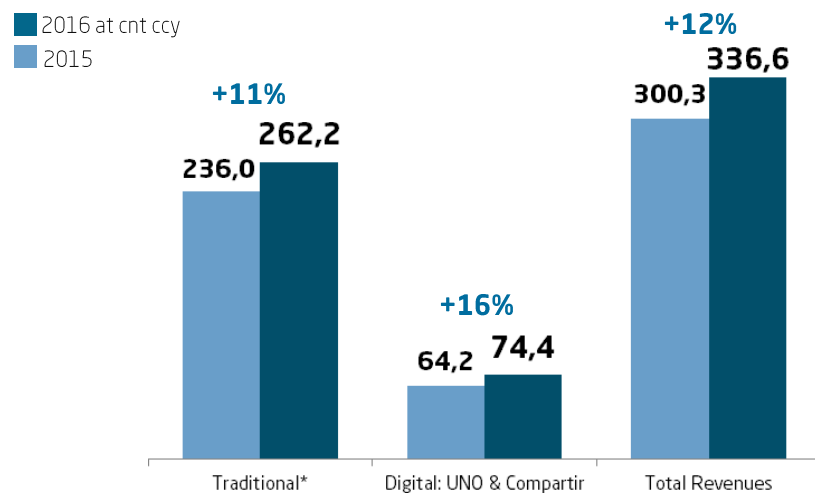
REVENUES



ADJUSTED EBITDA



REVENUES BY BUSINESS AT CONSTANT CCY



Results by business and main countries

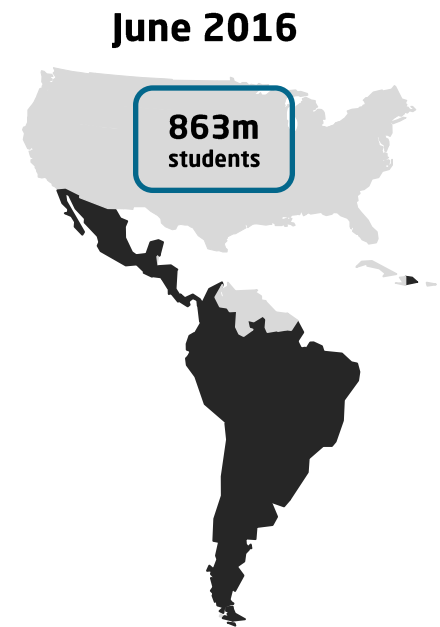
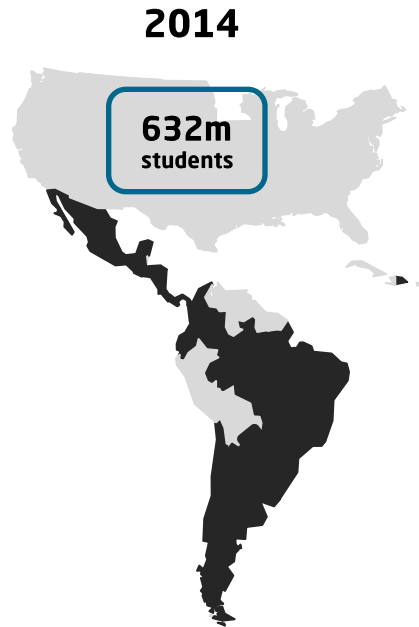
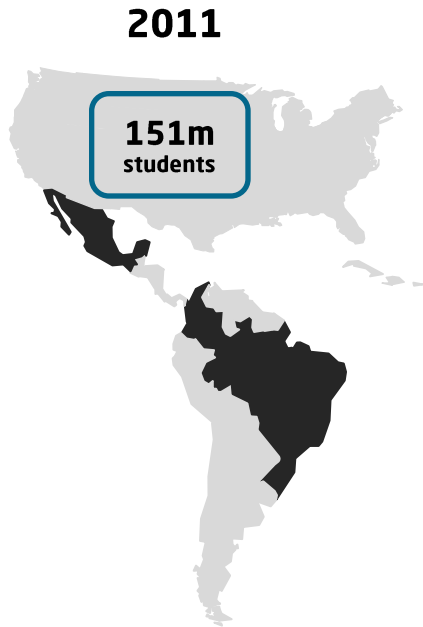
	Adjusted revenues		
	JANUARY - JUNE		
	2016	2015	Var. %
Total Santillana	279.6	300.3	-6.9%
Traditional Education and Compartir	249.4	265.2	-5.9%
South Campaign	161.5	171.8	-6.0%
North Campaign	88.0	93.4	-5.8%
UNO System	30.1	35.1	-14.3%

	Adjusted EBITDA		
	JANUARY - JUNE		
	2016	2015	Var. %
	62.8	65.7	-4.4%
	53.0	59.2	-10.5%
	55.7	63.1	-11.6%
	(2.7)	(3.8)	28.8%
	9.8	6.5	50.2%

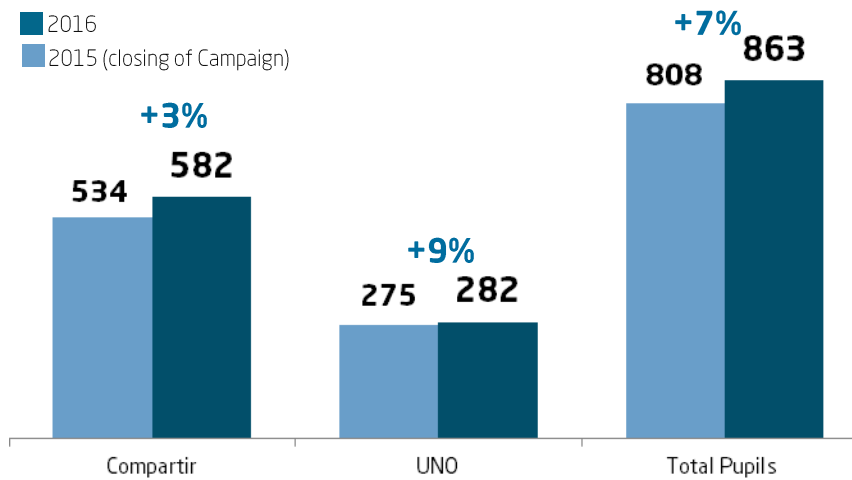
	Adjusted Revenue at constant fx rate		
	JANUARY - JUNE		
	2016	2015	Var. %
Total Santillana	336.6	300.3	12.1%
Traditional Education and Compartir	299.9	265.2	13.1%
South Campaign	203.2	171.8	18.3%
North Campaign	96.7	93.4	3.5%
UNO System	36.7	35.1	4.6%

	Adjusted EBITDA at constant ccy		
	JANUARY - JUNE		
	2016	2015	Var. %
	84.1	65.7	28.0%
	72.4	59.2	22.3%
	74.0	63.1	17.4%
	(1.6)	(3.8)	57.8%
	11.7	6.5	79.8%

Expansion of Learning Systems

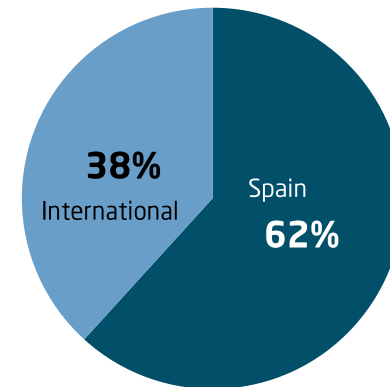
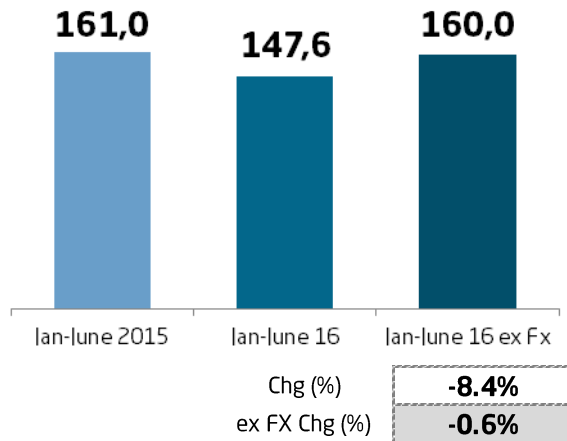


NUMBER OF STUDENTS (Thousands)

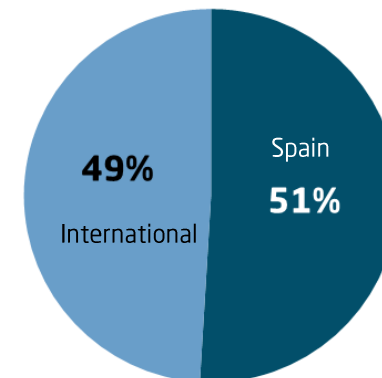
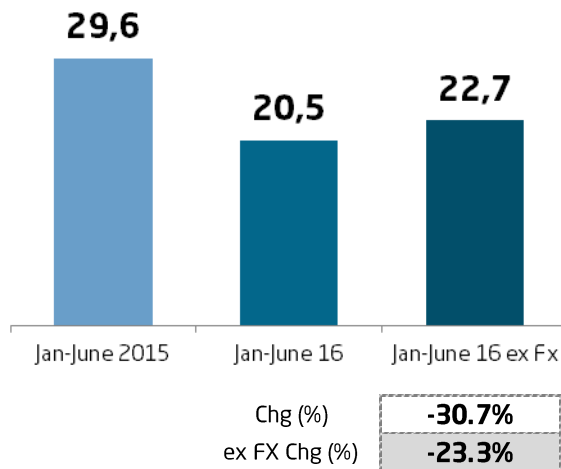


Prisa Radio affected by the situation in LatAm

Revenues affected by macroeconomic and specific difficulties in Colombia and Chile



EBITDA evolution



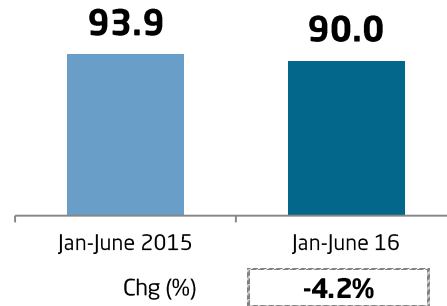
Radio Spain affected by local advertising

Radio Latam affected by Chile and Colombia

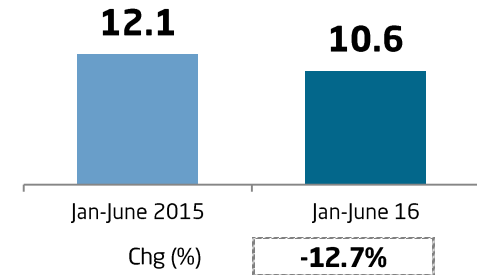
RADIO SPAIN



Revenues



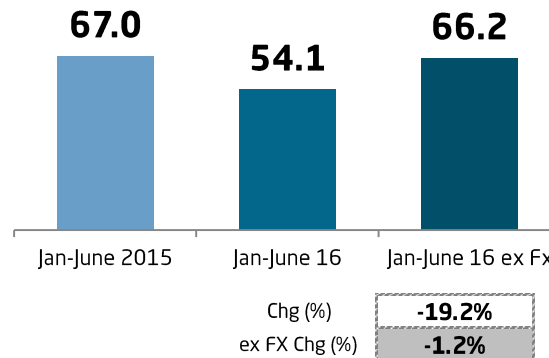
EBITDA



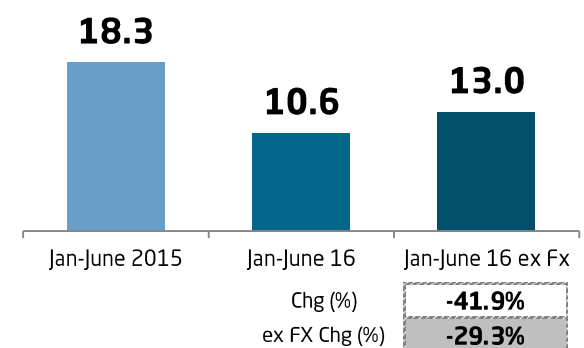
RADIO LATAM



Revenues

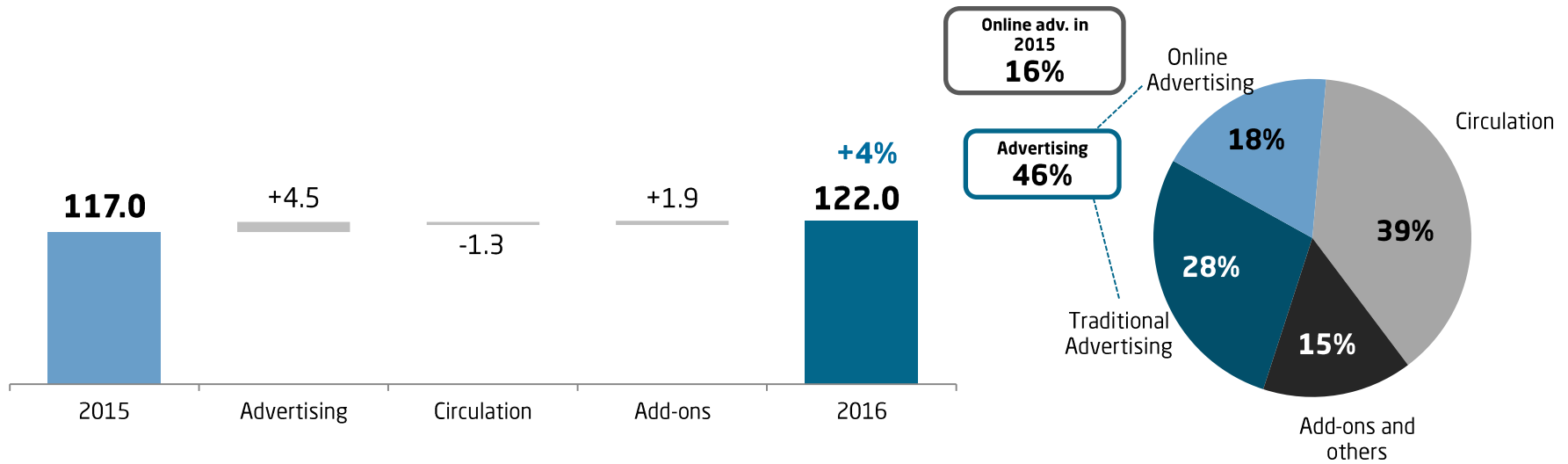


EBITDA

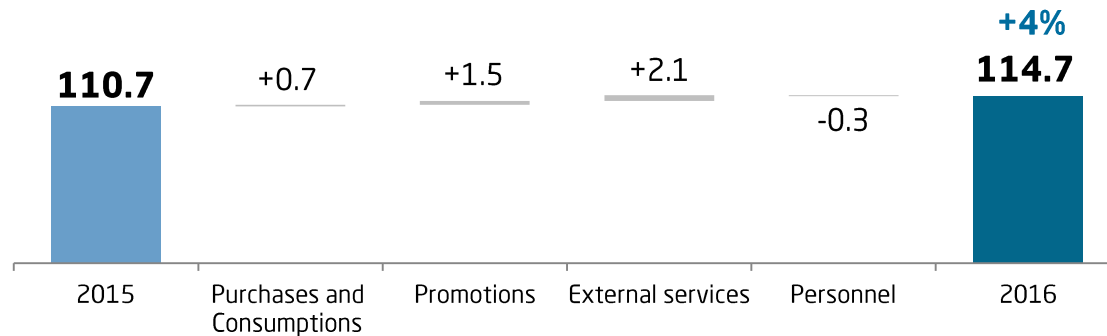


*All data includes Mexico and Costa Rica at 50%

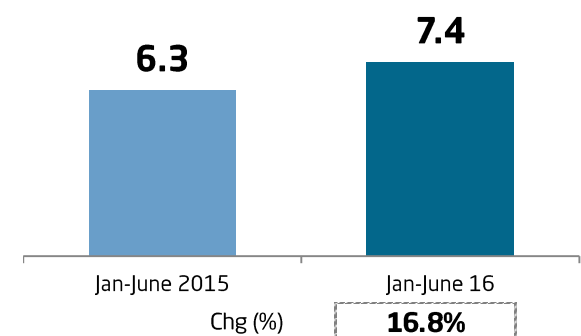
Revenues



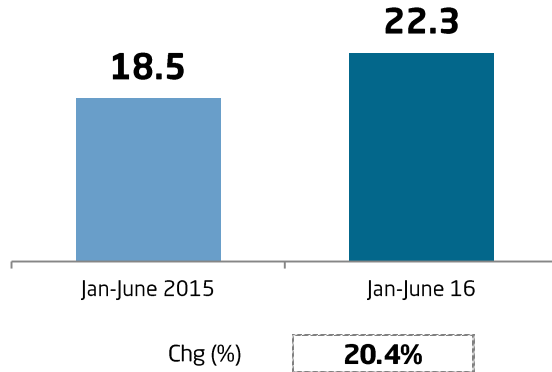
Adjusted Expenses



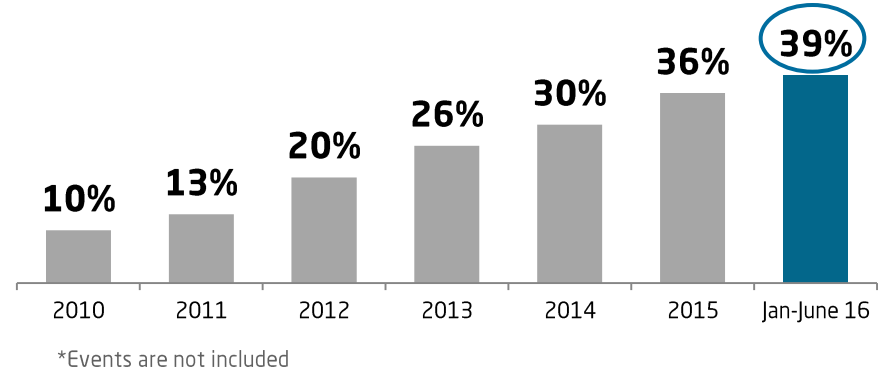
Adjusted EBITDA



Online Advertising

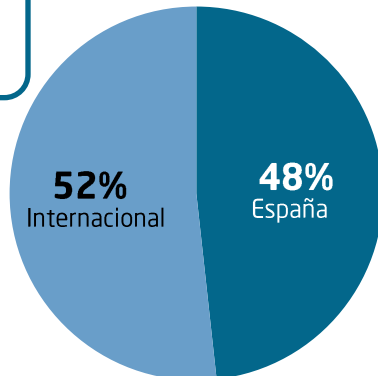


% Online advertising



Global Audience of El País.com (annual average)

13M Unique Users (Pc)
56M Unique Browsers
16M Vídeos

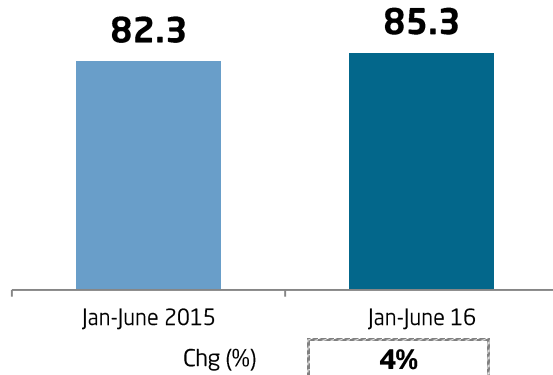


Audience in Spain of El País.com

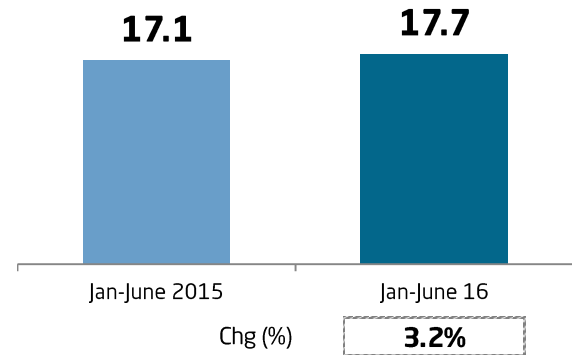
Ranking	Total Internet PC+Mobile (May'16)	Unique Users (M)	YoY
1	YouTube	24,3	18%
2	Google	23,9	15%
3	f	21,0	22%
4	EL PAÍS	14,6	-2%

Media Capital

Revenues

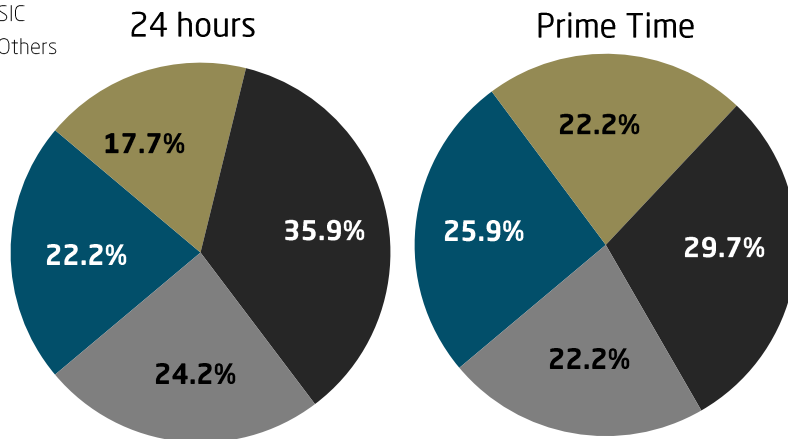


Adjusted EBITDA



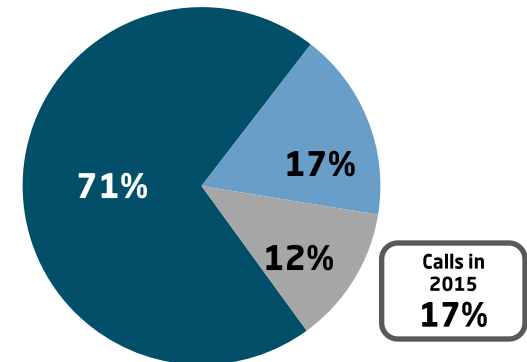
TVI audience (Average 1H 2016)

- TVI
- Pay TV
- SIC
- Others

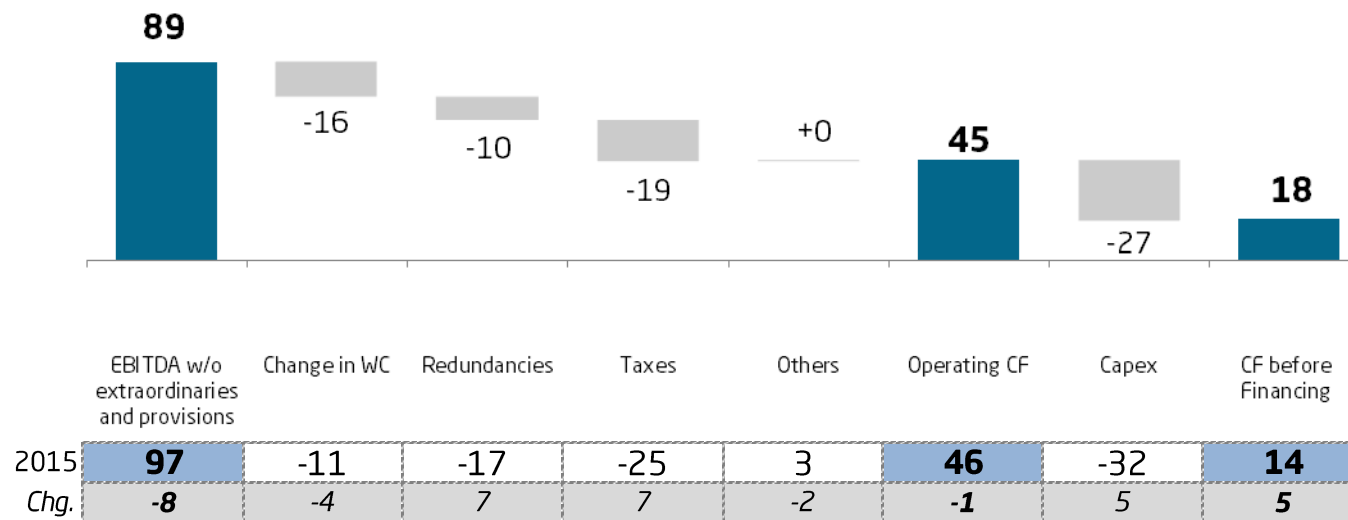


Revenues Breakdown January- June 2016

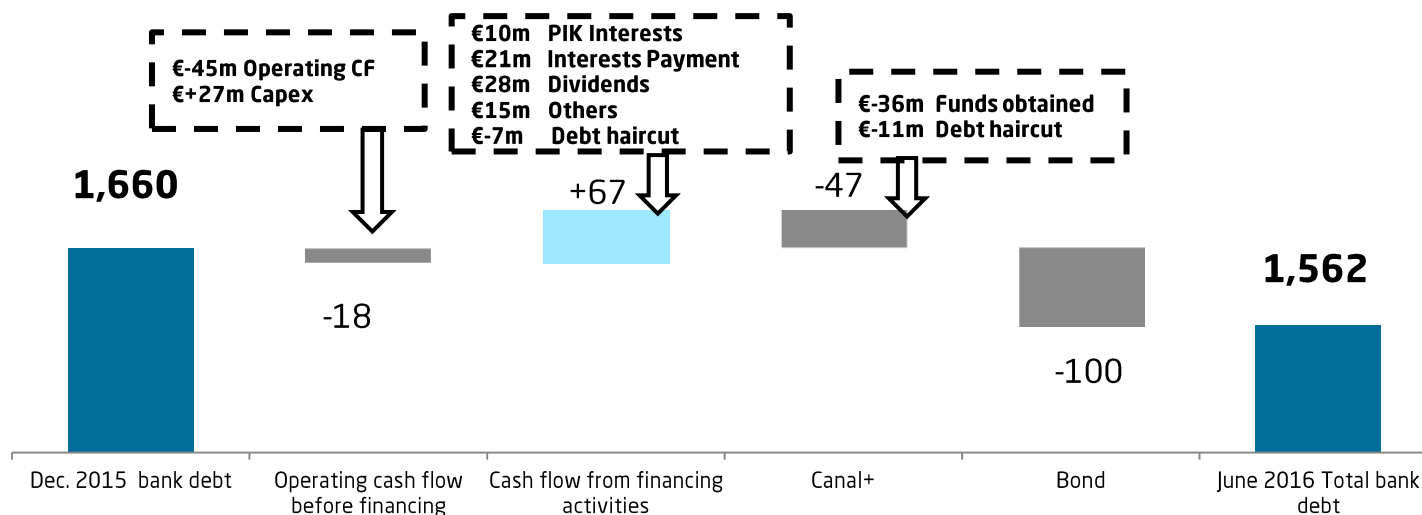
- Advertising
- Audiovisual Production
- Value added calls and others



Cash Flow Generation



Total Bank Debt evolution



Conclusions

1

Advertising in Spain should improve in radio, continue to grow in online and weaker on paper.

2

In Latam, Education performing strongly in local currency.

3

Difficulties in radio in Colombia and Chile to be closely monitored.

4

FX impact should be reduced in 2H if currencies remain at current levels.

5

Reinforcing the balance structure remains a priority.

