



3Q 2016 RESULTS PRESENTATION

Madrid, October 21th 2016

Disclaimer

The information contained in this presentation has not been independently verified and is, in any case, subject to negotiation, changes and modifications.

None of the Company, its shareholders or any of their respective affiliates shall be liable for the accuracy or completeness of the information or statements included in this presentation, and in no event may its content be construed as any type of explicit or implicit representation or warranty made by the Company, its shareholders or any other such person. Likewise, none of the Company, its shareholders or any of their respective affiliates shall be liable in any respect whatsoever (whether in negligence or otherwise) for any loss or damage that may arise from the use of this presentation or of any content therein or otherwise arising in connection with the information contained in this presentation. You may not copy or distribute this presentation to any person.

The Company does not undertake to publish any possible modifications or revisions of the information, data or statements contained herein should there be any change in the strategy or intentions of the Company, or occurrence of unforeseeable facts or events that affect the Company's strategy or intentions.

This presentation may contain forward-looking statements with respect to the business, investments, financial condition, results of operations, dividends, strategy, plans and objectives of the Company. By their nature, forward-looking statements involve risk and uncertainty because they reflect the Company's current expectations and assumptions as to future events and circumstances that may not prove accurate. A number of factors, including political, economic and regulatory developments in Spain and the European Union, could cause actual results and developments to differ materially from those expressed or implied in any forward-looking statements contained herein.

The information contained in this presentation does not constitute an offer or invitation to purchase or subscribe for any ordinary shares, and neither it nor any part of it shall form the basis of or be relied upon in connection with any contract or commitment whatsoever.

Highlights

3Q consolidates the trend of the year:

1

In Spain, advertising revenues grow by +1% due to online advertising and events, offsetting Radio and offline advertising Press decline.

2

In LatAm, Education shows growth in constant currency (+9% YTD)

3

Radio shows difficulties specially in Colombia, but also in Spain and Chile.

4

In Portugal, Media Capital shows operational improvement with growth in advertising revenues (+5%) and distribution channels revenues to third parties.

5

The evolution of the exchange rate in 9M impacts negatively on revenues (-72 M€) and EBITDA (-24M€). At current rates this impact will decline in 4Q

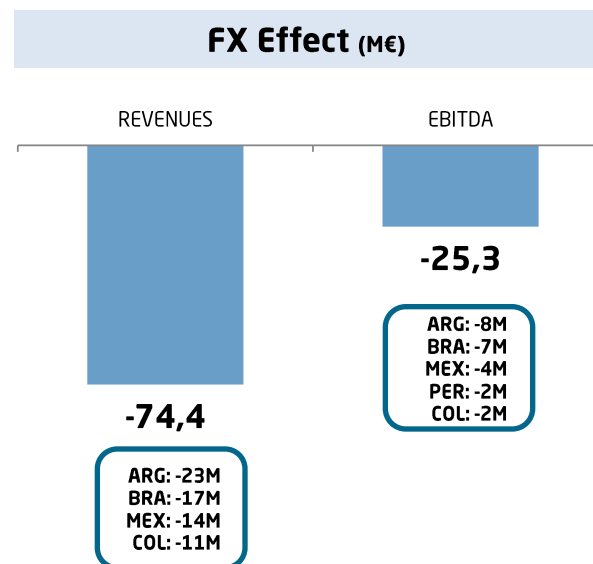
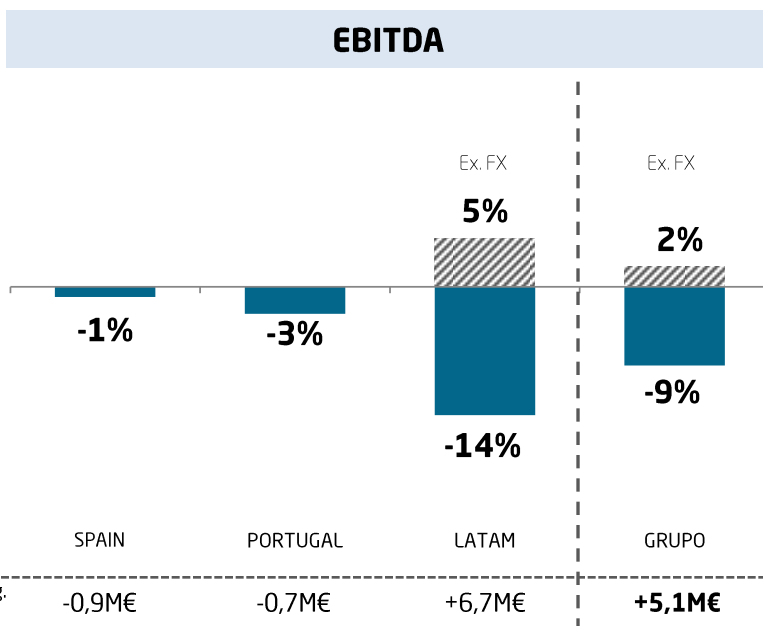
6

Consolidated Bank Debt has been reduced to 1.587M€.



Operating overview

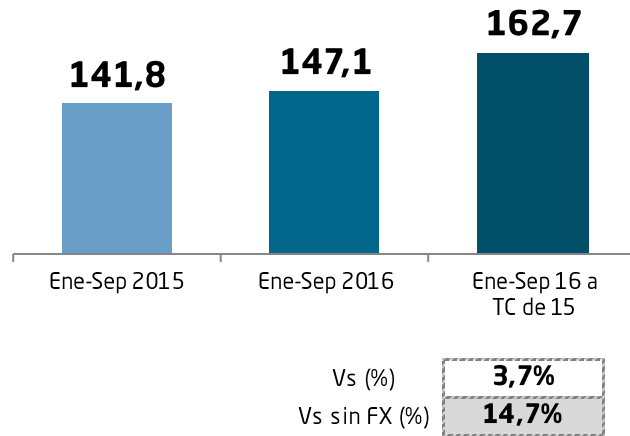
Million €	JAN-SEP 2016	Chg. 16/15		Chg at Cnt Ccy 16/15	
REVENUES	1.036	-3,9%	-42,1M€	3,0%	32,3M€
EBITDA	215	-8,6%	-20,1M€	2,2%	5,1M€
<i>EBITDA Margin</i>	<i>20,7%</i>	<i>-1,1 p.p.</i>	<i>-1%</i>	<i>-0,2 p.p.</i>	<i>-0,2%</i>
EBIT	122	-5,6%	-7,2M€	9,6%	12,4M€
<i>EBIT Margin</i>	<i>11,7%</i>	<i>-0,2 p.p.</i>	<i>0%</i>	<i>0,8 p.p.</i>	<i>0,8%</i>



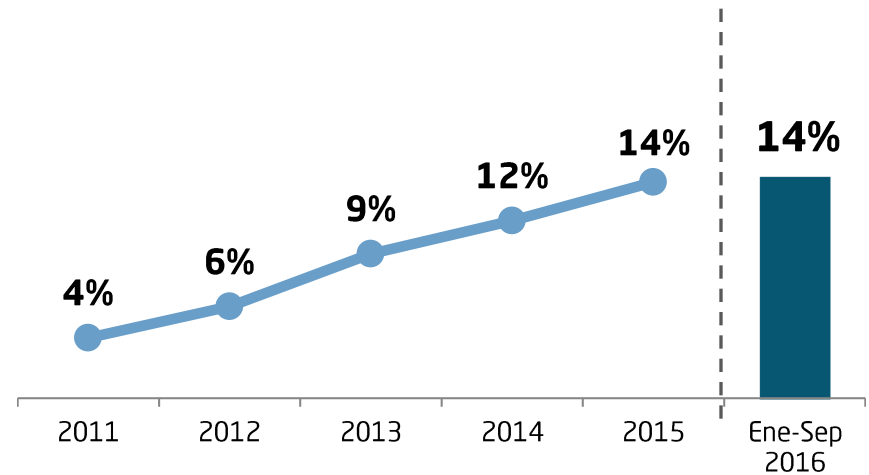
Digital Transformation

Transformation revenues

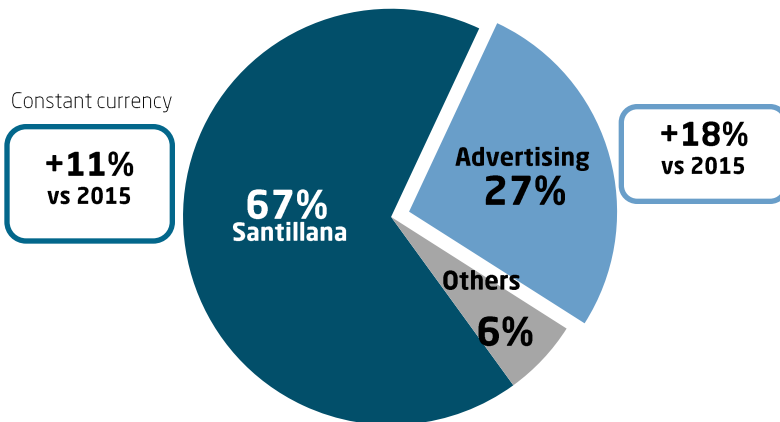
M€



Contribution to Group's Total Revenues

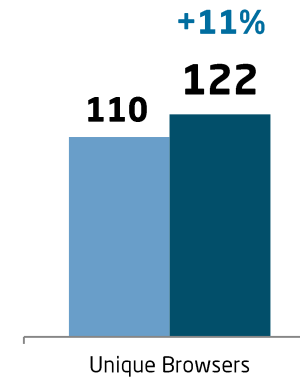


Revenues breakdown in 2016

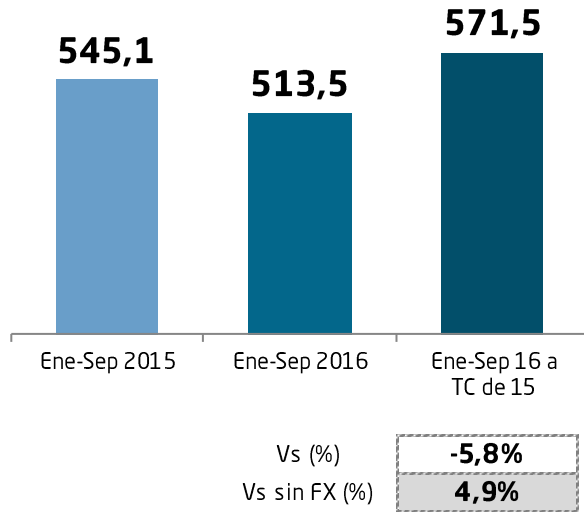


Audience

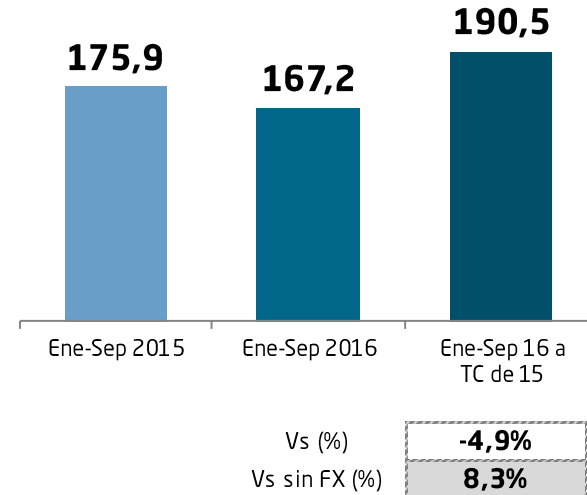
■ 2016
■ 2015



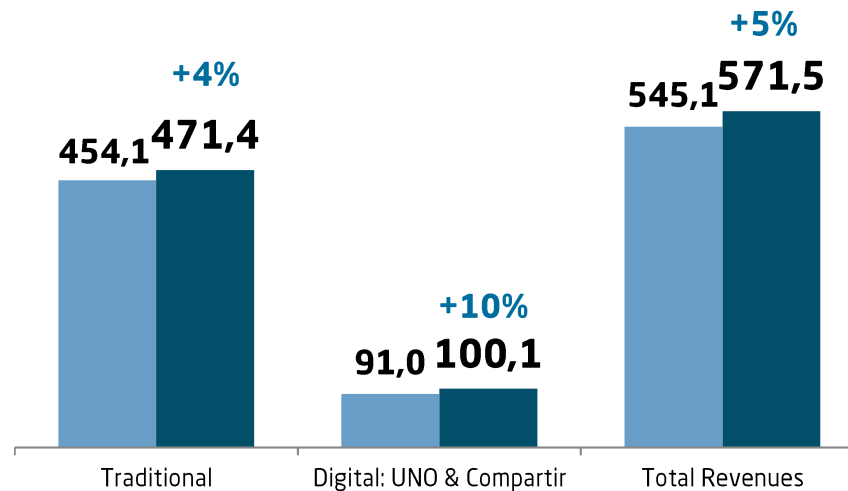
Revenues



Adjusted EBITDA



Revenues by Business at Constant Currency



Operating performance by business & main countries

Adjusted revenues

	JANUARY-SEPTEMBER		
	2016	2015	Var. %
Total Santillana	513,5	545,1	-5,8%
Traditional Education and Compartir	470,5	493,3	-4,6%
South Campaign	198,6	208,1	-4,6%
North Campaign	272,0	285,2	-4,6%
UNO System	43,0	51,8	-17,0%

Adjusted EBITDA

	JANUARY-SEPTEMBER		
	2016	2015	Var. %
	167,2	175,9	-4,9%
	154,8	163,8	-5,5%
	47,1	53,3	-11,5%
	107,7	110,6	-2,6%
	12,4	12,1	2,8%

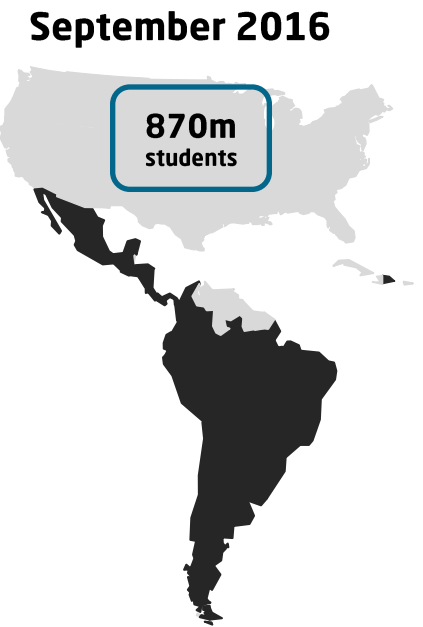
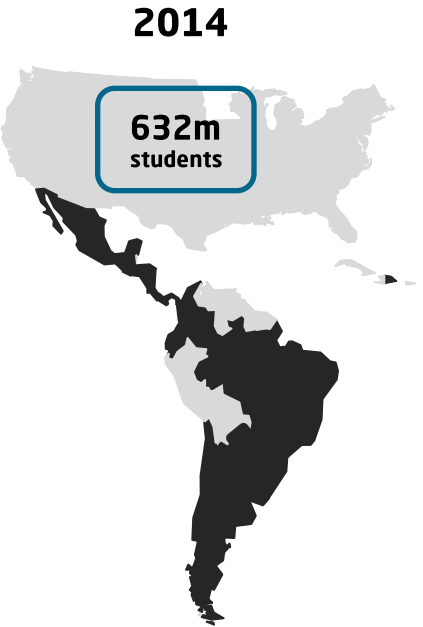
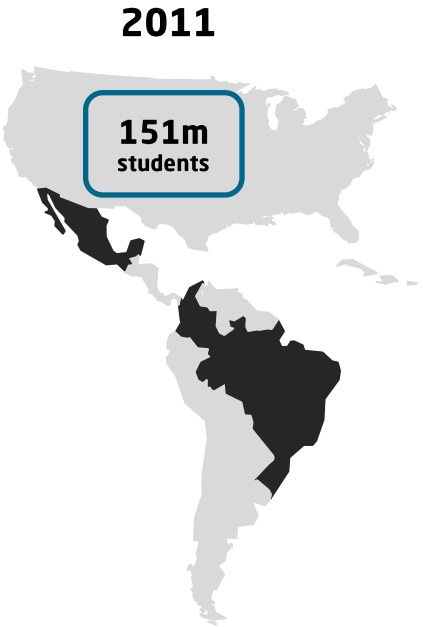
Adjusted Revenue at constant fx rate

	JANUARY-SEPTEMBER		
	2016	2015	Var. %
Total Santillana	571,5	545,1	4,9%
Traditional Education and Compartir	522,0	493,3	5,8%
South Campaign	239,4	208,1	15,0%
North Campaign	282,6	285,2	-0,9%
UNO System	49,6	51,8	-4,3%

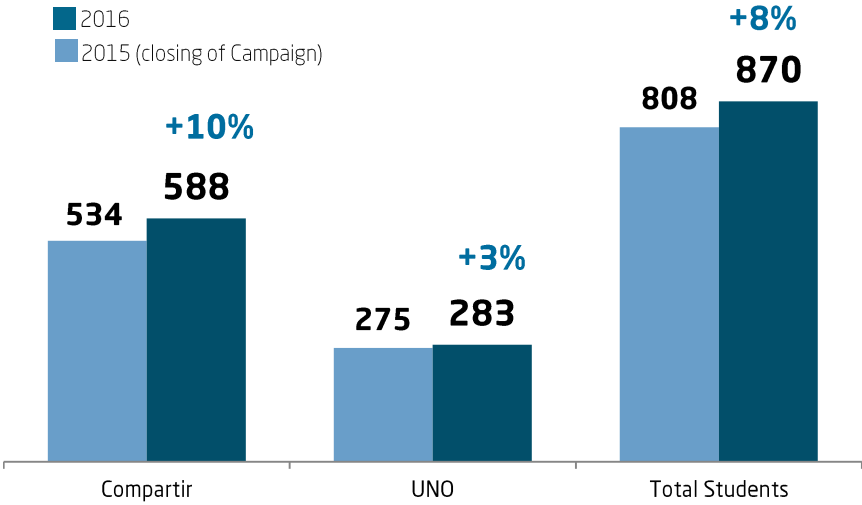
Adjusted EBITDA at constant ccy

	JANUARY-SEPTEMBER		
	2016	2015	Var. %
	190,5	175,9	8,3%
	176,6	163,8	7,8%
	64,7	53,3	21,5%
	111,9	110,6	1,2%
	13,8	12,1	14,3%

Expansion of Learning Systems

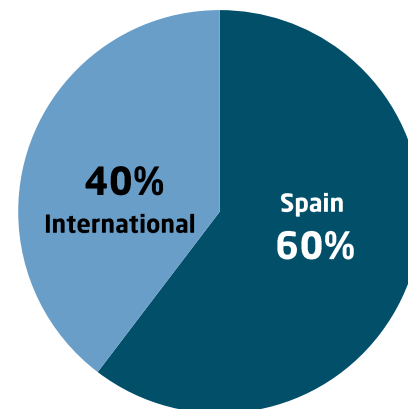
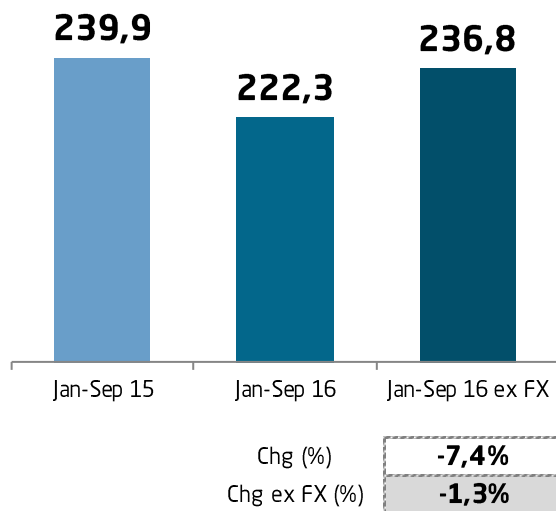


NUMBER OF STUDENTS (Thousands)

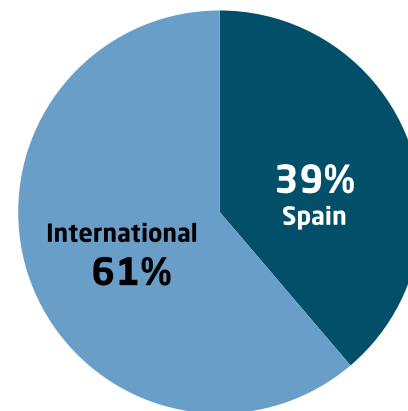
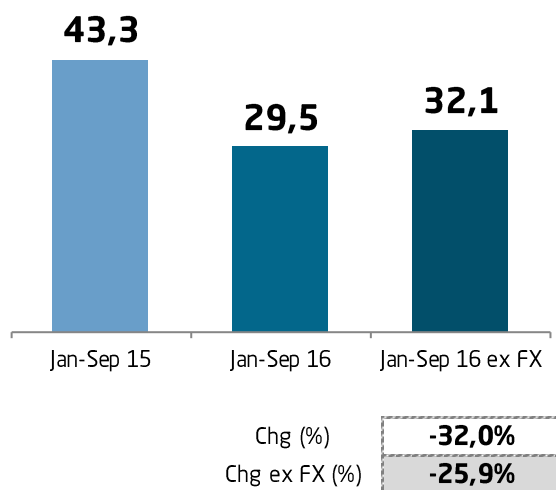


Prisa Radio affected by the situation in LatAm

Revenues affected by macroeconomic and specific difficulties in Colombia and Chile



EBITDA evolution



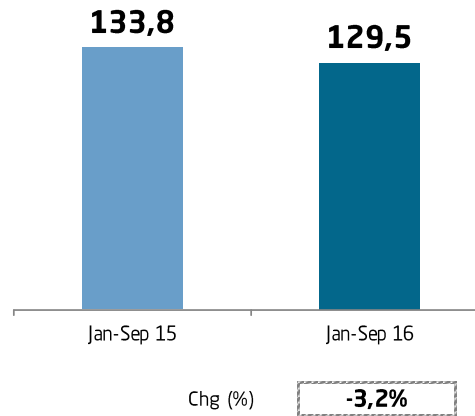
Radio Spain affected by local advertising

Radio Latam affected by Chile and Colombia

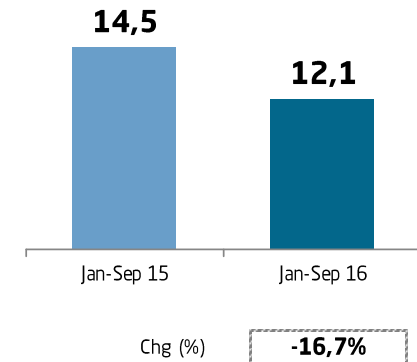
RADIO SPAIN



Revenues



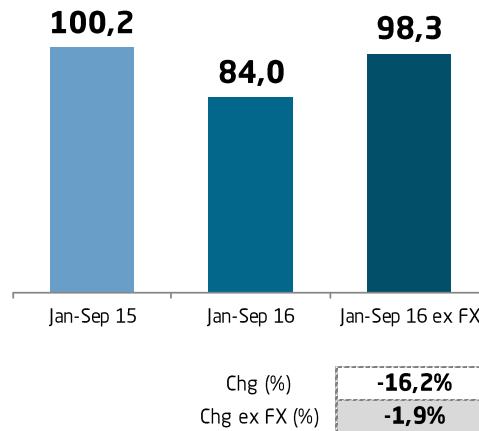
EBITDA



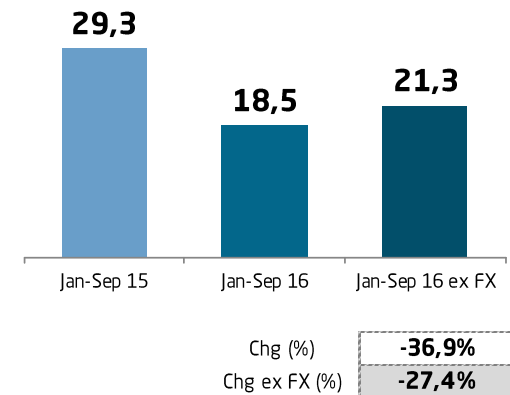
RADIO LATAM



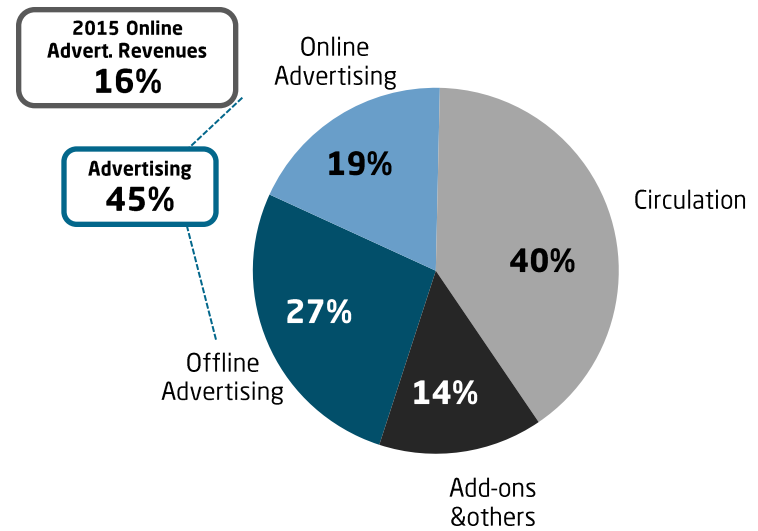
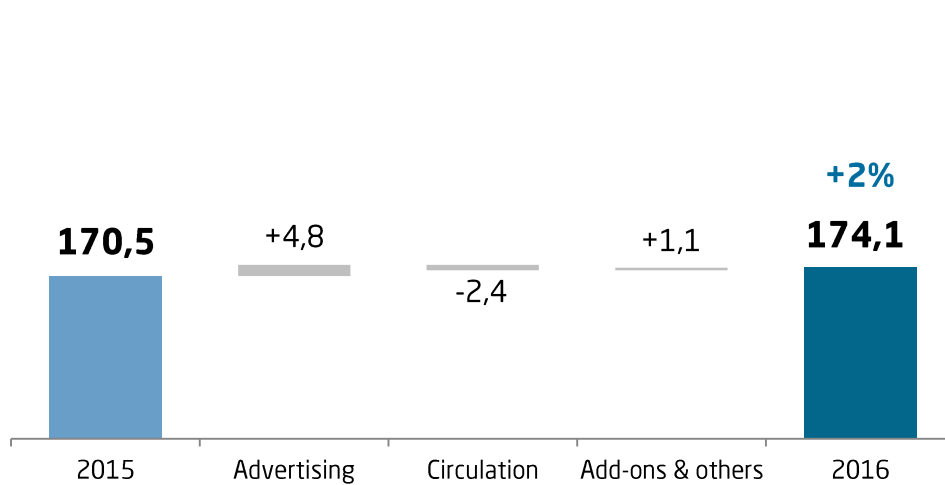
Revenues



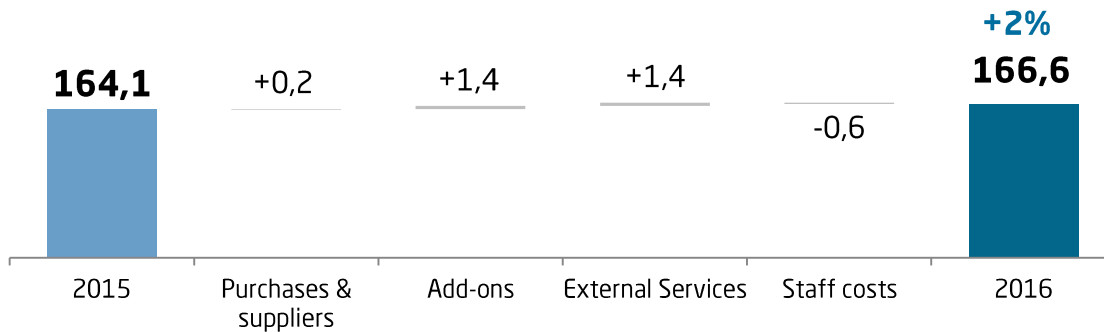
EBITDA



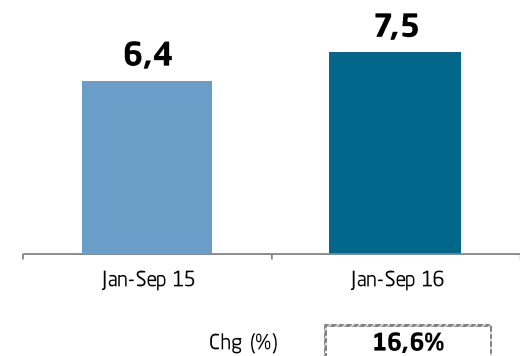
Revenues



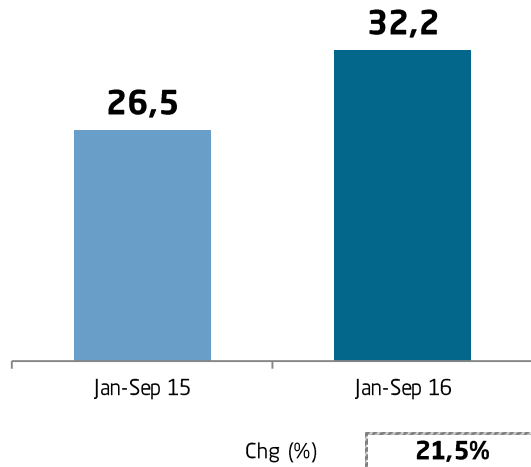
Adjusted Expenses



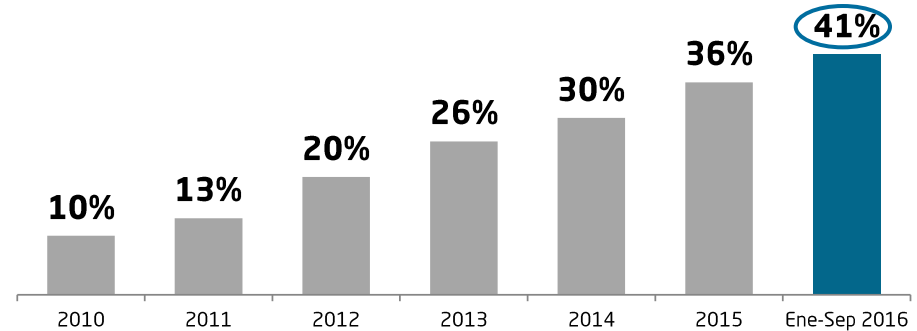
Ajusted EBITDA



Online Advertising Revenues



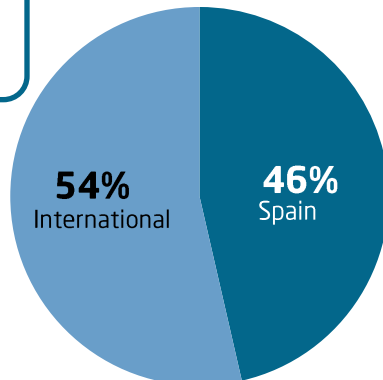
Online Advertising contribution



* Does not include events

Worldwide audience El Pais.com (YTD AVERAGE)

13M Unique Users (Pc)
56M Unique Browsers
15M Videos



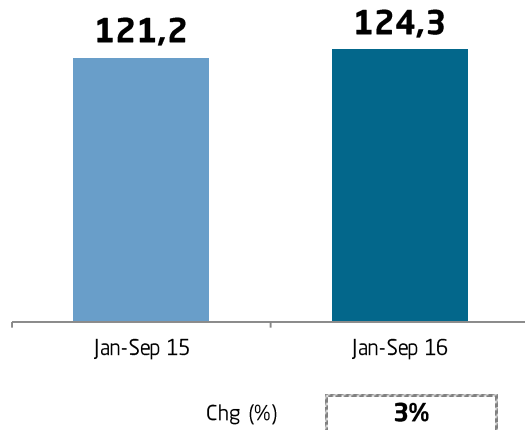
Spain PC+Mobile Unique Users

Ranking	Total Internet PC+Mobile (Ago'16)	Unique Users (M)	YoY
1	Google	25,3	13%
2	YouTube	24,4	38%
3	f	22,3	38%
4	EL PAÍS	14,0	7%

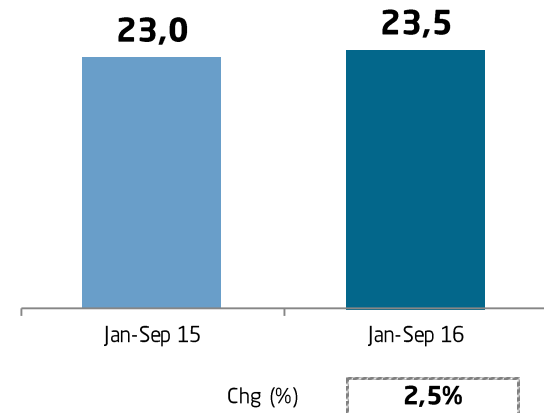
*Unique users (PC&Mobile) figure from August (last available information)

Media Capital

Revenues



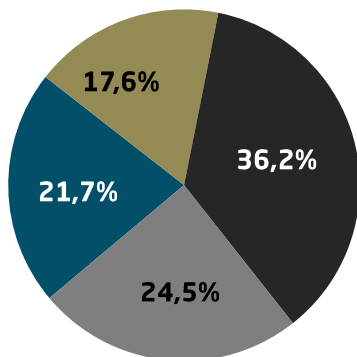
Adjusted EBITDA



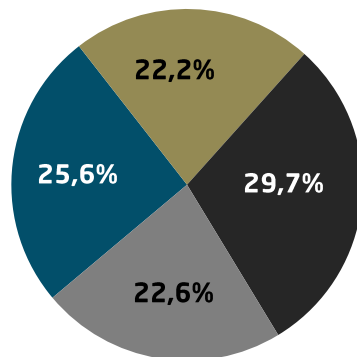
TVI Audience (Average 3Q 2016)

- TVI
- Pay TV
- SIC
- Others

24hours

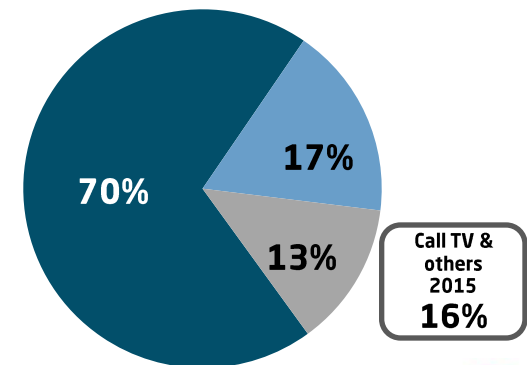


Prime Time

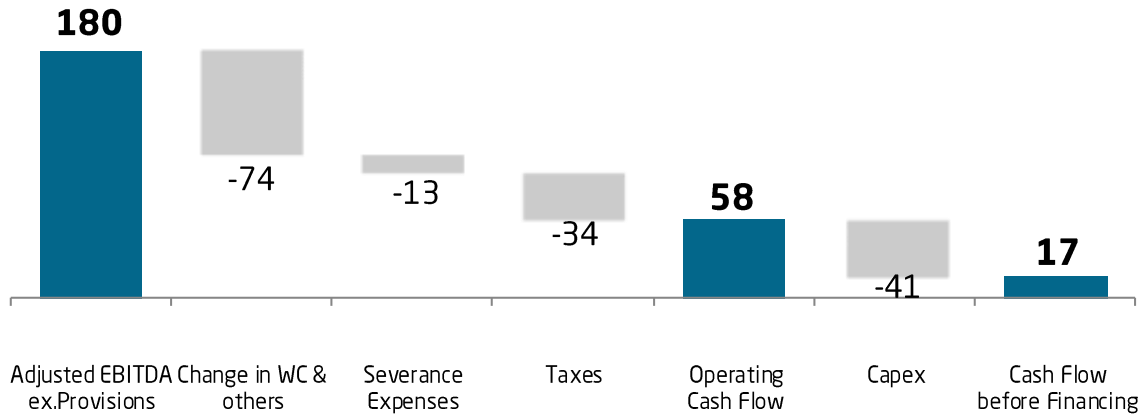


Revenues Breakdown Jan-September 2016

- Advertising
- Audiovisual Production
- Call Tv and others

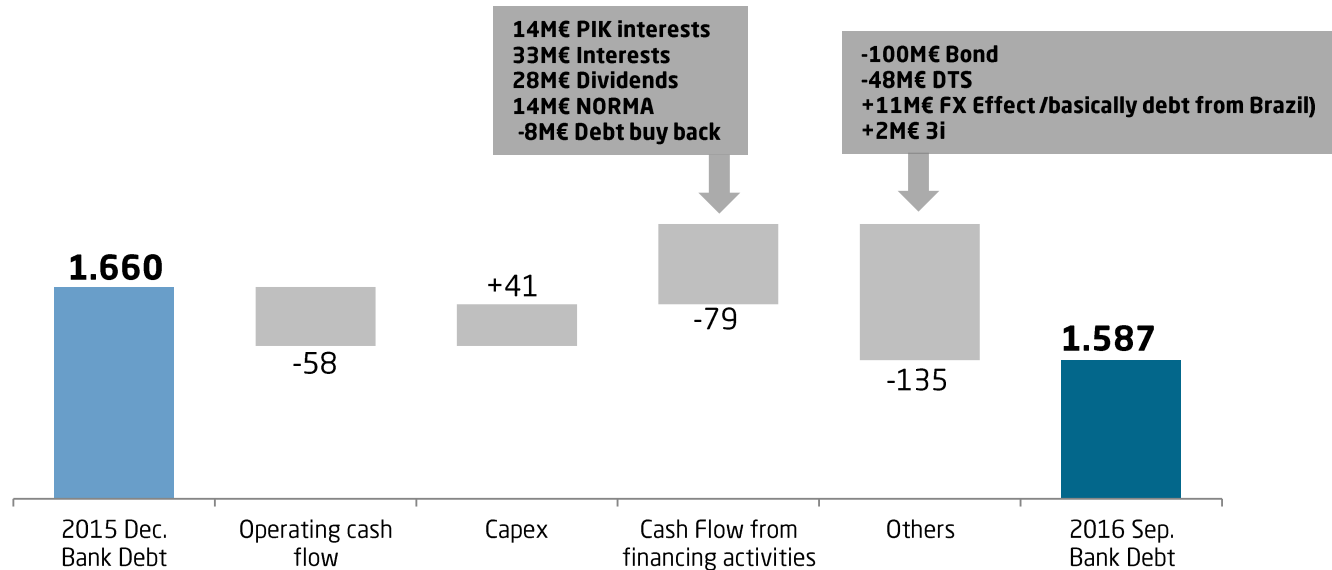


Cash Flow Generation



2015	193	-64	-26	-31	72	-54	18
Var.	-13	-10	13	-3	-14	13	-1

Net Bank Debt Evolution



CONCLUSIONS

- 1 All business are performing in line with expectations except for the Radio**
- 2 FX impact has been relevant in the period but if exchange rates remain at current levels, this impact will be reduced in 4Q**
- 3 Cashflow generation of the company remains in line with plan**
- 4 Deleveraging and strengthening balance sheet continues to be a priority**

