

PROMOTORA DE INFORMACIONES, S.A.

Balance sheet as at 31 August 2017,
together with Independent Auditor's
Report

*Translation of a report originally issued
in Spanish based on our work
performed in accordance with the audit
regulations in force in Spain. In the
event of a discrepancy, the Spanish-
language version prevails.*

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INDEPENDENT AUDITOR'S REPORT ON BALANCE SHEET

To the Shareholders of
Promotora de Informaciones, S.A. at the request of the Board of Directors,

Report on the Balance Sheet

Opinion

We have audited the Balance sheet of Promotora de Informaciones, S.A. (the Company) as at 31 August 2017 and the explanatory notes thereto, including a summary of significant accounting policies (together "the Balance sheet").

In our opinion, the accompanying Balance sheet presents fairly, in all material respects, the equity and financial position of the Company as at 31 August 2017 in accordance with the regulatory financial reporting framework applicable to the preparation of such a financial statement (identified in accompanying explanatory note 2.a) and, in particular, with the accounting principles and rules contained therein.

Basis for Opinion

We conducted our audit in accordance with the audit regulations in force in Spain. Our responsibilities under those regulations are further described in the *Auditor's Responsibilities for the Audit of the Balance Sheet* section of our report.

We are independent of the Company in accordance with the ethical requirements, including those pertaining to independence that are relevant to our audit of the balance sheet in Spain pursuant to the audit regulations in force. In this regard, we have not provided any services other than those relating to the audit of financial statements and there have not been any situations or circumstances that, in accordance with the aforementioned audit regulations, might have affected the requisite independence in such a way as to compromise our independence.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the Balance sheet. These matters were addressed in the context of our audit of the Balance sheet as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on those matters.

Recoverability of deferred tax assets

The balance sheet as at 31 August 2017 includes a balance of EUR 282,541 thousand relating to deferred tax assets, with tax assets of EUR 279,053 thousand corresponding to the Spanish tax group of which the Company is the parent.

At 31 August 2017, the Company had an updated tax plan in order to assess the recoverability of the deferred tax assets recognised, taking into account new legislation and the most recent business plans approved for the distinct businesses. We identified this matter as key in our audit, since the preparation of this tax plan requires a significant level of judgement, largely in connection with the estimated projections of the performance of the Group's businesses affecting the estimate of the recoverability of the tax assets.

Our audit procedures included, inter alia, an evaluation of the controls established by the directors for valuing the recoverability of the deferred tax assets recognised, an assessment of the reasonableness of the criteria applied by management, including an analysis of the key assumptions used, an assessment of the consistency between the actual results obtained by the distinct business lines and those projected in the tax plan for the preceding year, the obtainment of evidence of the approval of the budgeted results included in the tax plan for the current year and an evaluation of the degree of compliance with the applicable tax legislation of the accounting for the tax assets included in the tax plan.

Also, we assessed the appropriateness of the disclosures provided in the explanatory notes to the Balance sheet (see explanatory note 8) required by the applicable regulatory financial reporting framework.

Maturity of bank borrowings

As indicated in explanatory note 6.3 to the accompanying Balance sheet, the Company's next significant financial obligation is scheduled to arise in December 2018, the month in which Tranche 2 of its bank borrowings amounting to EUR 956,512 thousand matures, and this amount is recognised under Non-Current "Bank Borrowings" in the balance sheet as at 31 August 2017.

The Company is studying various alternatives that will enable it to settle this debt on maturity, such as the refinancing of its loans, partial or total asset divestments, leveraging operating assets or other corporate transactions. We identified this matter as key in our audit in view of the significant volume of this debt with respect to the total equity and liabilities and the need to put into practice certain of the alternatives being considered by the Company in order to obtain the funds required to settle the debt on maturity.

The audit procedures performed in this regard included, inter alia, an assessment of the reasonableness of the aforementioned alternatives being considered by the Company and evaluating the probability of them being implemented by, among other tasks, verifying the minutes of the Board of Directors meetings held to date and other documents associated with the various alternatives being considered by management in conjunction with various liaisons, and checking them with senior executives of the Company through meetings with them.

Also, we assessed the appropriateness of the disclosures provided in the explanatory notes to the Balance sheet (see explanatory note 6.3) required by the applicable regulatory financial reporting framework.

Equity deficit and use of the going concern basis of accounting

As described in explanatory note 2.e to the accompanying Balance sheet, following the sale of the investment in Vertix S.G.P.S., S.A. (a company with an ownership interest in the Media Capital S.G.P.S., S.A. Group), for corporate law purposes the Company's equity, i.e., including the participating loans currently outstanding amounts to EUR 59,276 thousand, and this amount is lower than one-half of its share capital and, accordingly, at 31 August 2017 the Company was in a situation of mandatory dissolution pursuant to Article 363 of the Spanish Limited Liability Companies Law.

This circumstance is a factor that casts doubt on the use of the going concern basis of accounting when preparing the Balance sheet, therefore it was considered to be a key audit matter.

The audit procedures performed in this regard included, inter alia, an evaluation of the reasonableness of the estimates and assumptions used by the Company's directors to determine the amount of the capital reduction through which they intend to remedy this situation, including a specific analysis of the measures required, through meetings with management and verification of the minutes of the Board of Directors meetings held to date and other associated documents aimed at supporting the measure being considered by the Board of Directors to restore the equity position in the legally established periods.

In addition, we assessed the adequacy of the disclosures provided in the explanatory notes to the Balance sheet (see explanatory note 2.e) in relation to the assessment of the use of the going concern basis of accounting, in accordance with the applicable regulatory framework, and checked whether the information disclosed is consistent with the analyses performed by the directors and with their conclusion regarding the appropriateness of the use of the going concern basis of accounting.

Responsibilities of the Directors and of the Audit Committee for the Balance Sheet

The directors are responsible for preparing the Balance sheet so that it presents fairly the equity and financial position of Promotora de Informaciones, S.A. in accordance with the regulatory financial reporting framework applicable to the Company in Spain for the preparation of such a financial statement, and for such internal control as the directors determine is necessary to enable the preparation of a Balance sheet that is free from material misstatement, whether due to fraud or error.

In preparing the Balance sheet, the directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

The audit committee is responsible for overseeing the process involved in the preparation and presentation of the Balance sheet.

Auditor's Responsibilities for the Audit of the Balance Sheet

Our objectives are to obtain reasonable assurance about whether the Balance sheet as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the audit regulations in force in Spain will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this Balance sheet.

A further description of our responsibilities for the audit of the Balance sheet is included in Appendix I to this auditor's report. This description, which is located at page number 5, forms part of our auditor's report.

Report on Other Legal and Regulatory Requirements

Additional Report to the Audit Committee

The opinion expressed in this report is consistent with the content of our additional report to the Company's audit committee dated 29 September 2017.

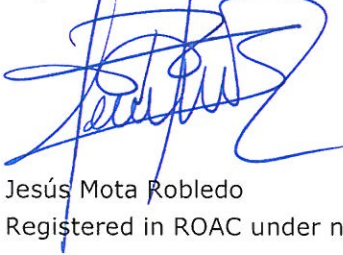
Engagement Period

The Annual General Meeting held on 30 June 2017 appointed us as auditors for a period of one year from the year ended 31 December 2016.

Previously, we were designated pursuant to a resolution/resolutions of the General Meeting for the period of one year and have been auditing the financial statements uninterruptedly since the year ended 31 December 1990.

DELOITTE, S.L.

Registered in ROAC under no. S0692



Jesús Mota Robledo

Registered in ROAC under no. 21342

29 September 2017

Appendix I to our auditor's report

Further to the information contained in our auditor's report, in this Appendix we include our responsibilities in relation to the audit of the Balance sheet.

Auditor's Responsibilities for the Audit of the Balance Sheet

As part of an audit in accordance with the audit regulations in force in Spain, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the Balance sheet, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the use by the directors of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Balance sheet or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Balance sheet and of the related explanatory notes, and whether the Balance sheet represents the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the entity's audit committee regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the entity's audit committee with a statement that we have complied with relevant ethical requirements, including those regarding independence, and we have communicated with it to report on all matters that may reasonably be thought to jeopardise our independence, and where applicable, on the related safeguards.

From the matters communicated with the entity's audit committee, we determine those matters that were of most significance in the audit of the Balance sheet and are therefore the key audit matters.

We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter.

**PROMOTORA DE INFORMACIONES,
S.A. (PRISA)**

Balance sheet and Explanatory Notes at
August, 31, 2017

Translation of a report originally issued in Spanish based on our work performed in accordance with generally accepted auditing standards in Spain and of financial statements originally issued in Spanish and prepared in accordance with generally accepted accounting principles in Spain (see Notes 2 and 17). In the event of a discrepancy, the Spanish-language version prevails.

PROMOTORA DE INFORMACIONES, S.A. (PRISA)
BALANCE SHEET AT AUGUST 31, 2017
(in thousands of euros)

ASSETS	08/31/17	12/31/16	EQUITY AND LIABILITIES	08/31/17	12/31/16
A) NON-CURRENT ASSETS	927,899	1,318,856	A) EQUITY (Note 7)	(443,992)	(343,091)
I. INTANGIBLE ASSETS (Note 4)			A-1) Shareholders' equity	(443,100)	(343,310)
1. Computer software	99	327	I. SHARE CAPITAL	235,008	235,008
	99	327	II. SHARE PREMIUM	1,371,299	1,371,299
II. PROPERTY, PLANT AND EQUIPMENT (Note 5)			III. OTHER EQUITY INSTRUMENTS	132,468	130,700
1. Other fixtures and furniture	836	862	IV. RESERVES	127,947	122,942
2. Other items of property, plant and equipment	171	193	1. Legal and bylaw reserves	17,220	17,220
	665	669	2. Other reserves	110,727	105,722
III. NON-CURRENT INVESTMENTS IN GROUP COMPANIES AND ASSOCIATES (Note 6.1)			V. LOSS FROM PREVIOUS YEARS	(2,201,524)	(2,200,226)
1. Equity instruments	643,395	1,033,891	VI. TREASURY SHARES	(804)	(1,735)
	643,395	1,033,891	VII. PROFIT (LOSS) FOR THE YEAR	(107,494)	(1,298)
IV. NON-CURRENT FINANCIAL ASSETS (Note 6.1)			A-2) Value adjustments	108	219
1. Equity instruments	1,028	1,175	I. AVAILABLE-FOR-SALE FINANCIAL ASSETS (Note 6.1)	108	219
2. Other financial assets	1,015	1,162	B) NON-CURRENT LIABILITIES	1,681,374	1,665,489
	13	13	I. LONG-TERM PROVISIONS (Note 9)	23,698	25,158
V. DEFERRED TAX ASSETS (Note 8)	282,541	282,601	II. NON-CURRENT PAYABLES (Note 6.3)	1,562,994	1,544,453
	282,541	282,601	1. Bank borrowings	1,562,994	1,544,453
B) CURRENT ASSETS	377,963	43,945	III. NON-CURRENT PAYABLES TO GROUP COMPANIES AND ASSOCIATES (Note 6.3 and 12)	94,646	94,171
I. NON-CURRENT ASSETS HELD FOR SALE (Note 6.2)	313,991	-	IV. DEFERRED TAX LIABILITIES (Note 8)	36	1,707
II. TRADE AND OTHER RECEIVABLES			C) CURRENT LIABILITIES	67,480	40,403
1. Trade receivables for services	5,870	2,563	I. SHORT-TERM PROVISIONS (Note 9)	2,156	-
2. Receivable from Group companies and associates (Note 12)	-	61	II. CURRENT PAYABLES (Note 6.3)	-	212
3. Employee receivables	3,821	2,260	1. Bank borrowings	-	212
4. Tax receivables (Note 8)	13	5	III. CURRENT PAYABLES TO GROUP COMPANIES AND ASSOCIATES (Note 6.3 and 12)	50,463	23,866
5. Other receivables	2,019	206	IV. TRADE AND OTHER PAYABLES	14,861	16,325
	17	31	1. Payable to suppliers	42	42
III. CURRENT INVESTMENTS IN GROUP COMPANIES AND ASSOCIATES (Note 6.1 and 12)			2. Payable to suppliers - Group companies and associates (Note 12)	331	310
1. Loans to companies	51,077	34,296	3. Sundry accounts payable	12,863	13,421
	51,077	34,296	4. Remuneration payable	1,297	1,901
IV. CURRENT FINANCIAL INVESTMENTS (Note 6.1)			5. Tax payables (Note 8)	328	651
1. Other financial assets	4,188	4,188	TOTAL EQUITY AND LIABILITIES	1,305,862	1,362,801
V. CURRENT PREPAYMENTS AND ACCRUED INCOME					
	1,135	1,189			
VI. CASH AND CASH EQUIVALENTS					
1. Cash	1,702	1,709			
	1,702	1,709			
TOTAL ASSETS	1,305,862	1,362,801			

The accompanying Notes 1 to 17 and Appendices I and II are an integral part of the balance sheet at 31 August 2017

PROMOTORA DE INFORMACIONES, S.A. (PRISA)

EXPLANATORY NOTES TO THE BALANCE AT AUGUST 31, 2017

1.- COMPANY ACTIVITIES AND PERFORMANCE

a) Company activities

Promotora de Informaciones, S.A. ("Prisa" or "the Company") was incorporated on January 18, 1972, and has its registered office in Madrid, at Gran Vía, 32. Its business activities include, *inter alia*, the exploitation of printed and audiovisual media, the holding of investments in companies and businesses and the provision of all manner of services.

In view of the business activity carried on by the Company, it does not have any environmental liabilities, expenses, assets, provisions or contingencies that might be material with respect to its equity, financial position or results. Therefore, no specific disclosures relating to environmental issues are included in these explanatory notes to the balance sheet.

In addition to the business activities carried on directly by it, the Company heads a group of subsidiaries, joint ventures and associates which engage in a variety of business activities and which compose the Group ("the Prisa Group" or "the Group"). Therefore, in addition to its own separate financial statements, Prisa is obliged to present consolidated financial statements for the Group.

The consolidated and individual financial statements for 2016 were approved by the shareholders at the Annual General Meeting held on June 30, 2017 and deposited in the Mercantile Register of Madrid.

This balance is presented in thousands of euros as this is the currency of the main economic area in which the Company operates.

Shares of Prisa are admitted to trading on the continuous market of the Spanish Stock Exchanges (Madrid, Barcelona, Bilbao and Valencia).

b) Evolution of the financial structure of the Company

In December 2013, the Company signed an agreement to refinance its financial debt which involved maturity date extensions.

Since the signature of the refinancing agreement, the company paid off a total of EUR 1,751,385 thousand using the funds primarily from the sale of 17.3% de Mediaset España Comunicación, S.A. ("Mediaset España"), the sale of 56% of Distribuidora de Televisión Digital, S.A. ("DTS") and the increase in capital subscribed by Consorcio Transportista Occher, S.A. de C.V. ("Occher") in 2014 and by International Media Group, S.à.r.l. in 2015.

Additionally, on April 1, 2016 the Shareholders' General Meeting of Prisa approved the bonds issue, mandatorily convertible into newly issued ordinary shares, through the conversion of financial debt of the Company. The issue of the bonds were subscribed in April 2016 through debt cancellation for an amount of EUR 100,742 thousand (*see note 7*).

These transactions made a significant contribution to reinforce Prisa's equity and to fulfil in advanced its commitments to reduce debt for 2015 and 2016.

The next relevant financial commitment is to fall due in December 2018, when Tranche 2 falls due (*see note 6.3*). The Company is studying several options to meet these objectives such as the total or partial sale of assets, leveraging operating assets and carrying out other corporate transactions.

At July 13, 2017 the Board of Directors of Prisa has accepted a binding offer submitted by Altice NV for the sale of Vertix S.G.P.S., S.A, owner of Grupo Media Capital, SGPS, S.A. ("Media Capital") for an approximate equity value of EUR 321,499 thousand according to the Company's best estimates. The final price will depend on the evolution of Media Capital until the date on which the sale is closed. Afterwards, the parties have executed a share purchase agreement, this transaction is subject to the obtaining of the required authorization of the antitrust and regulatory authorities in Portugal and to obtention of the waiver from certain lenders of Prisa, as well as the approval by the General Shareholders Meeting of Prisa (*See note 6.2*).

The agreement for the sale of Vertix S.G.P.S, S.A. has entailed the recording of an accounting loss in the Company of EUR 85,587 thousand.

At August 31, 2017, as a result of the transaction described in the preceding paragraph, the equity of the Company with respect to the cause of dissolution and/or reduction of capital stipulated in Spain's Corporate Enterprises Act (including participating loans outstanding at this date) stood at EUR 59,276 thousand. This amount is minor than half of the share capital, so the Company is in a situation of dissolution cause, unless the necessary measures are taken to solve the situation of equity imbalance. In this respect, today, as the date on which the Directors are to draw up the balance sheet at August 31, 2017, the Directors are going to lay a motion before the General Shareholders' Meeting seeking authorization to carry out a capital reduction due to losses in a bid to rebalance the Company's assets for the required amount and with the necessary support of that measure within the legal term for doing so.

2.- BASIS OF PRESENTATION OF THE BALANCE

a) Fair presentation

The balance sheet at August 31, 2017, which was obtained from the Company's accounting records, is presented in accordance with the regulatory framework for financial reporting applicable and, in particular, the accounting principles and criteria contained herein, presenting fairly the Company's equity and financial position. The regulatory framework for financial reporting applicable considered is:

1. The Commercial Code and other corporate legislation.
2. Royal Decree 1514/2007, of November 16, approving the Spanish National Chart of Accounts and the modifications subsequent to the same remaining the last to Royal Decree 602/2016 of December 2 and its sectoral adaptations.
3. The obligatory legislation approved by the Institute of Accounting and Auditors of Accounts in development of the Spanish General Chart of Accounts and its complementary norms.
4. Other applicable Spanish legislation.

This balance sheet, which was formally prepared by the Company's directors, will be submitted for approval by the shareholders to comply with the requirements of article 323 of the Capital Companies Law 1/2010, of July 2, for capital reduction for losses and is expected that it will be approved by the General Shareholders' Meeting without making any modifications.

b) Comparison of information

In accordance with company legislation, each item of the balance sheet at August 31, 2017 is shown with the figure at December 31, 2016 for comparison purposes. The explanatory notes to the balance sheet also include quantitative information of the previous year, unless an accounting standard specifically establishes otherwise.

c) Non-obligatory accounting principles

No non-obligatory accounting principles were applied. Also, all obligatory accounting principles were applied.

d) Key issues in the measurement and estimation of uncertainty

The information in the balance is the responsibility of the Company's directors.

In the balance sheet at August 31, 2017 estimates were occasionally made by management of the Company in order to quantify certain assets and liabilities, reported herein. These estimates relate basically to the following:

- The measurement of assets to determine the possible existence of impairment losses (*see Notes 3c, 3n and 6*).
- The useful life of property, plant, and equipment, and intangible assets (*see Notes 3a and 3b*).
- The hypotheses used to calculate the fair value of financial instruments (*see Note 6*).
- The assessment of the likelihood and amount of undetermined or contingent liabilities (*see Notes 3g and 9*).
- The recoverability of deferred tax assets (*see Note 8*).
- Provisions for unissued and outstanding invoices.

Although these estimates were made on the basis of the best information available at the date of preparation of these balance sheet on the events analysed, it is possible that events

that may take place in the future force them to modify them, upwards or downwards. Changes in accounting estimates would be applied prospectively, recognizing the effects of the change in estimates in the future related income statements, as well as in assets and liabilities.

At August 31, 2017, there were no significant changes in the accounting estimates made at the end of 2016.

e) Going Concern

At July 13, 2017 the Board of Directors of Prisa has accepted a binding offer submitted by Altice NV for the sale of Vertex S.G.P.S., S.A, owner of Grupo Media Capital, SGPS, S.A. ("Media Capital") for an approximate equity value of EUR 321,499 thousand according to the Company's best estimates. The final price will depend on the evolution of Media Capital until the date on which the sale is closed. Afterwards, the parties have executed a share purchase agreement, this transaction is subject to the obtaining of the required authorization of the antitrust and regulatory authorities in Portugal and to obtention of the waiver from certain lenders of Prisa, as well as the approval by the General Shareholders Meeting of Prisa (*See note 6.2*).

The agreement for the sale of Vertex S.G.P.S, S.A. has entailed the recording of an accounting loss in the Company of EUR 85,587 thousand.

At August 31, 2017, as a result of the transaction described in the preceding paragraph, the equity of the Company with respect to the cause of dissolution and/or reduction of capital stipulated in Spain's Corporate Enterprises Act (including participating loans outstanding at this date) stood at EUR 59,276 thousand. This amount is minor than half of the share capital, so the Company is in a situation of dissolution cause, unless the necessary measures are taken to solve the situation of equity imbalance. In this respect, today, as the date on which the Directors are to draw up the balance sheet at August 31, 2017, the Directors are going to lay a motion before the General Shareholders' Meeting seeking authorization to carry out a capital reduction due to losses in a bid to rebalance the Company's assets for the required amount and with the necessary support of that measure within the legal term for doing so.

As a result of the factors described above, the Company has applied the going concern basis.

3.- ACCOUNTING POLICIES

The principal accounting policies applied by the Company in the preparation of the accompanying balance at August 31, 2017 and December 31, 2016 were as follows:

a) Intangible assets

Intangible assets are recognized initially at acquisition or production cost and are subsequently measured at cost less any accumulated amortization and any accumulated impairment losses. Only assets whose cost can be estimated objectively and from which the Company considers it probable that future economic benefits will be generated are recognized. These assets are amortized over their years of useful life. When the useful lives

of these assets cannot be estimated reliably they are amortized over a period of ten years according to Royal Decree 602/2016 of December 2.

The “*Industrial property*” account includes the amounts paid for acquiring the right to use or register certain brands. These rights are amortized at a rate of 20% per year using the straight-line method.

“*Computer software*” includes the amounts paid to develop specific computer programs or the amounts incurred in acquiring from third parties the licenses to use programs. Computer software is amortized using the straight-line method over a period ranging from four to six years, depending on the type of program or development, from the date on which it is brought into service.

b) Property, plant and equipment

Property, plant and equipment are carried at cost, net of the related accumulated depreciation and of any impairment losses.

The costs of expansion, modernization or improvements leading to increased productivity, capacity or efficiency or to a lengthening of the useful lives of the assets are capitalized as a higher cost of the corresponding investment property.

Period upkeep and maintenance expenses are charged directly to the income statement for the year in which they are incurred.

Property, plant and equipment are depreciated by the straight-line method at annual rates based on the years of estimated useful life of the related assets, the detail being as follows:

	Years of estimated useful life
Other fixtures and furniture	10
Other items of property, plant and equipment	4-10

c) Impairment losses

At each reporting period, or whenever it is considered necessary, the Company reviews the carrying amounts of its assets to determine whether there is any indication that those assets might have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the amount of the impairment loss (if any).

Recoverable amount is the higher of fair value less costs to sell and value in use. Value in use is taken to be the present value of the estimated future cash flows to derive from the asset based on the most recent budgets approved by Directors.

If the recoverable amount is lower than the asset's carrying amount, the related impairment loss is recognized in the income statement for the difference.

Impairment losses recognized on an asset in previous years are reversed when there is a change in the estimate of its recoverable amount by increasing the carrying amount of the asset up to the limit of the carrying amount that would have been determined had no impairment loss been recognized for the asset. The reversal of the impairment loss is recognized immediately as income in the income statement.

d) Financial instruments

Financial assets-

Equity investments in Group companies, jointly controlled entities and associates

Group companies are those related to the Company by a control relationship and associated companies those on which the Company exercises a significant influence. Additionally, within the category of multi-group companies are included those over which, under an agreement, joint control is exercised with one or more partners.

Equity investments in Group companies, jointly controlled entities and associates are measured at cost, net, where appropriate, of any accumulated impairment losses. The amount of the adjustment for impairment is the difference between the carrying amount and recoverable amount, taken to be the higher of fair value less costs to sell and the present value of the estimated future cash flows from the investment. Unless there is a better evidence of the recoverable amount is taken in consideration the equity of the investee, adjusted by the amount of the unrealized gains existing at the measurement date (including any goodwill).

Loans and receivables

These are financial assets originating from the sale of goods or from the provision of services during the company's traffic operations or those that, not having have any commercial substance, are not equity instruments or derivatives and have fixed or determinable payments and are not traded in an active market.

These assets are recognized at amortized cost, i.e. cash delivered less principal repayments, plus accrued interest receivable, in the case of loans, and the present value of the related consideration in the case of receivables.

The Company recognizes the related impairment allowance for the difference between the recoverable amount of the receivables and their carrying amount.

Held-to-maturity investments

Investments that the Company has the positive intention and ability to hold to the date of maturity. They are carried at amortized cost.

Available-for-sale financial assets

The Company classifies in this category the debt securities and equity instruments of other companies that have not been classified in any of the above categories. Available-for-sale financial assets are recognized at fair value without deducting any transaction costs that might be incurred on disposal. Changes in the fair value are recognized directly in equity until the financial asset is derecognised or becomes impaired, at which time the amount thus recognised is allocated to the income statement. In this sense, there is a presumption that impairment exists if there has been a fall of more than 40 % of the value of the asset or if there has been a decrease of the same extended over a period of a year and a half without recover its value.

Cash and cash equivalents-

“Cash and cash equivalents” in the balance sheet includes cash on hand and at banks, demand deposits and other short-term highly liquid investments that are readily convertible into cash and are not subject to a risk of changes in value.

Financial liabilities-

Loans and payables

Loans, bonds and other similar liabilities are carried at the amount received, net of transaction costs. Interest expenses, including premiums payable on settlement or redemption and transaction costs, are recognized in the consolidated income statement on an accrual basis using the effective interest method. The amount accrued and not paid is added to the carrying amount of the instrument if settlement is not made in the accrual period.

Accounts payable are recognized initially at market value and are subsequently measured at amortized cost using the effective interest method.

The Company derecognizes financial liabilities when the obligations that generated them have been extinguished.

Compound financial instruments

Compound financial instruments are non-derivative instruments that have both a liability and an equity component.

The Company recognizes measures and presents separately the liability and equity components created by a single financial instrument.

The Company distributes the value of its instruments in accordance with the following criteria which, barring error, will not be subsequently reviewed:

- a. The liability component is recognized by measuring the fair value of a similar liability that does not have an associated equity component.

- b. The equity component is measured at the difference between the initial amount and the amount assigned to the liability component.
- c. The transaction costs are distributed in the same proportion.

Treasury shares-

Treasury shares are measured at acquisition cost with a debit balance under “*Equity*.” Gains and losses on the acquisition, sale, issue, retirement or impairment of treasury shares are recognized directly in equity in the accompanying balance sheet.

e) Foreign currency transactions

At the end of the reporting period, foreign currency on hand and the receivables and payables denominated in foreign currencies are translated to euros at the exchange rates then prevailing. Any gains or losses on such translation are recognized in the income statement.

f) Deferred tax assets and liabilities

Deferred tax assets and liabilities arise from temporary differences defined as the amounts expected to be payable or recoverable in the future which result from differences between the carrying amounts of assets and liabilities and their tax bases. Those amounts are measured at the tax rates that are expected to apply in the period when the asset is realized or the liability is settled.

Deferred tax assets may also arise from the carryforward of unused tax loss generated and unused tax credits and non-deductibles financial expenses.

Deferred tax assets are recognized to the extent that it is considered probable that the Company will have sufficient taxable profits in the future against which those assets can be utilized and the deferred tax assets do not arise from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither accounting profit (loss) nor taxable profit (loss).

The deferred tax assets recognized are reassessed at least annually and the appropriate adjustments are made to the extent that there are doubts as to their future recoverability. Also, unrecognized deferred tax assets are reassessed at the end of each reporting period and are recognized to the extent that it has become probable that they will be recovered through future taxable profits.

Deferred tax liabilities are recognized for all taxable temporary differences, except for those arising from the initial recognition of goodwill or of other assets and liabilities in a transaction that is not a business combination and affects neither accounting profit (loss) nor taxable profit (tax loss).

Current and deferred tax assets and liabilities arising from transactions charged or credited directly to equity are also recognized in equity.

Royal Decree-Law 3/2016, of 2 December, modified the transitional provision sixteenth (DT 16) of Law 27/2014, of November 27, on Corporate Income Tax, a provision that establishes the transitional regime applicable to the fiscal reversion of losses for impairment generated in periods before January 1, 2013. Under the new regulations, with effect for tax periods beginning on or after January 1, 2016, the reversal of said losses shall comprise at least equal parts in the tax base corresponding to each of the first five tax periods commencing from that date.

To the extent in which the values of the Company affected by this rule have no impediment, in practice, in order to be able to be transmitted before the end of the period of five years, as there are no severe restrictions on their transferability, whether legal, contractual or of other types, these fiscal adjustments have been considered as permanent differences in the Company and, consequently, one fifth annual of the corresponding Corporate Tax expense has been recognized as payable as a tax liability to the Treasury.

The Company files consolidated tax returns as Parent of tax group number 2/91 as permitted by the Consolidated Spanish Corporation Tax Law approved by Legislative Royal Decree 4/2004, of March 5.

As Parent of the group, the Company recognizes the adjustments relating to the consolidated tax group.

g) Provisions and contingencies

The present obligations at the balance sheet date arising from past events which could give rise to a loss for the Company, which is uncertain as to its amount and timing are recognized as provisions in the balance sheet at the present value of the most probable amount that it is considered that the Company will have to pay to settle the obligation (*see Note 9*).

Contingent liabilities are possible obligations that arise from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company. Unless considered as remote, contingent liabilities are not recognised in balance sheet, but are informed in the Explanatory Notes.

The "*Provision for taxes*" relates to the estimated amount of the tax debts whose exact amount or date of payment has not yet been determined, since they depend on the fulfillment of certain conditions.

The "*Provision for third-party liability*" relates to the estimated amount required to meet the Company's liability, as the majority shareholder, for the portion of the losses incurred at investees whose equity has become negative and which must be restored by their shareholders.

h) Current/non-current classification

Assets and liabilities maturing within twelve months from the balance sheet date are classified as current items and those maturing within more than twelve months are classified as non-current items.

i) Related party transactions

Related party transactions are a part of the Company's normal business activities (in terms of their purpose and terms and conditions). Sales to related parties are carried out on an arm's length basis. In addition, transfer prices are properly supported and, therefore, the Company's Directors consider that there are no significant risks in this item that may give rise to sizeable liabilities in the future. The most relevant related party transactions are of a financial nature.

j) Share-based payments

The Company recognises, on the one hand, goods and services received as an asset or as an expenditure, taking into account its nature at the time it is obtained and, on the other hand, the corresponding increase in equity in case the transaction is settled with an amount based on equity instruments value.

Those transactions settled with equity instruments that have counterpart goods or services other than those provided by employees shall be valued, where they may be reliably estimated, at the fair value of the goods or services on the date they are received. If the fair value of the goods or services received cannot be reliably estimated, the goods or services received and the increase in net worth will be valued at the fair value of the transferred equity instruments, referring to the date the company obtains the goods or the other party provides the services.

k) Provisions for severance payment

In accordance with the legislation in force, the Company is obliged to pay severance payments to those employees with whom, under certain conditions, it terminates their employment relationships. Therefore, severance payments that may be reasonably quantified are recorded as expenditure within the year in which the decision to dismiss is adopted. At August 31, 2017 the Company has a provision for the amount of EUR 2,156 thousand for this concept.

l) Equity instruments

An equity instrument is a contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities.

The bonds issue, mandatorily convertible into shares, approved by the Shareholders' General Meeting of Prisa on April 1, 2016 was registered as an equity instrument as it is mandatory convertible into a fixed number of shares and don't included any contractual obligation to deliver cash or another financial asset. The fair value of equity instruments to be issued was registered as an increase in equity in the line "*Other equity instruments*".

m) Intercompany operations

According to current legislation concerning non-monetary contributions to a group company, the contributor will evaluate the investment according to the book value of the

equity items delivered in the consolidated annual accounts on the date the transaction is carried out, according to the Rules for the Formulation of the Consolidated Annual Accounts, which develop the Commercial Code. The acquiring company will recognize them for the same amount.

n) Non-current Assets held for sale

The Company recognizes a non-current asset or disposal group as held for sale when it intends to sell it and it expects to realize the asset within twelve months.

These assets or disposal groups are measured at the lower of their carrying amount and fair value less costs to sell.

Non-current assets held for sale are not amortized, but at each balance sheet date the company re-measures the non-current asset so that the carrying amount does not exceed fair value less costs to sell.

Any gain or loss on the remeasurement of a non-current asset or disposal group classified as held for sale that does not meet the definition of a discontinued operation shall be included in profit or loss from continuing operations as appropriate.

4.- INTANGIBLE ASSETS

The transactions performed during the eight months period ending at August 31, 2017 in the various intangible asset accounts and the related accumulated amortization are summarized as follows (in thousands of euros):

2017

	Balance at 12/31/2016	Additions	Balance at 08/31/2017
Cost			
Concessions, patents and other	60	-	60
Computer software	21,003	-	21,003
Total cost	21,063	-	21,063
Accumulated depreciation			
Concessions, patents and other	(60)	-	(60)
Computer software	(20,676)	(228)	(20,904)
Total accumulated depreciation	(20,736)	(228)	(20,964)
Total intangible assets, net	327	(228)	99

At August 31, 2017, the Company's fully amortized intangible assets in use amounted to EUR 20,795 thousand (December 31, 2016: EUR 18,127 thousand)

There are no restrictions on title to or future purchase obligations for intangible assets.

2016

The transactions performed in 2016 in the various intangible asset accounts and the related accumulated amortization are summarized as follows (in thousands of euros):

	Balance at 12/31/2015	Additions	Transfers	Balance at 12/31/2016
Cost				
Concessions, patents and other	60	-	-	60
Computer software	20,910	16	77	21,003
Advances and intangible assets in progress	66	11	(77)	-
Total cost	21,036	27	-	21,063
Accumulated depreciation				
Concessions, patents and other	(60)	-	-	(60)
Computer software	(19,993)	(683)	-	(20,676)
Total accumulated depreciation	(20,053)	(683)	-	(20,736)
Total intangible assets, net	983	(656)	-	327

5.- PROPERTY, PLANT AND EQUIPMENT

The transactions performed during the eight months period ending at August 31, 2017 in the various property, plant and equipment accounts and the related accumulated depreciation are summarized as follows (in thousands of euros):

2017

	Balance at 12/31/2016	Additions	Disposals	Balance at 08/31/2017
Cost				
Other fixtures and furniture	493	-	(11)	482
Other items of property, plant and equipment	1,018	-	-	1,018
Total cost	1,511	-	(11)	1,500
Accumulated depreciation				
Other fixtures and furniture	(300)	(22)	11	(311)
Other items of property, plant and equipment	(349)	(4)	-	(353)
Total accumulated depreciation	(649)	(26)	11	(664)
Total property, plant and equipment, net	862	(26)	-	836

At August 31, 2017, the Company's fully depreciated property, plant and equipment in use amounted to EUR 507 thousand (December 31, 2016: EUR 499 thousand).

There are no restrictions on title to or future purchase obligations for property, plant and equipment.

The Company takes out insurance policies to adequately cover the value of its assets.

2016

The transactions performed in 2016 in the various property, plant and equipment accounts and the related accumulated depreciation are summarized as follows (in thousands of euros):

	Balance at 12/31/2015	Additions	Disposals	Balance at 12/31/2016
Cost				
Other fixtures and furniture	438	96	(41)	493
Other items of property, plant and equipment	1,023	3	(8)	1,018
Total cost	1,461	99	(49)	1,511
Accumulated depreciation				
Other fixtures and furniture	(295)	(33)	28	(300)
Other items of property, plant and equipment	(343)	(6)	-	(349)
Total accumulated depreciation	(638)	(39)	28	(649)
Total property, plant and equipment, net	823	60	(21)	862

6. FINANCIAL INSTRUMENTS

6.1- FINANCIAL ASSETS

The detail of “*Financial assets*” in the balance sheets at August 31, 2017 and December 31, 2016, based on the nature of the transactions, is as follows:

Classes	Thousands of euros							
	Non-current				Current			
	Equity instruments		Loans, derivatives and other		Loans, derivatives		Total	
	08/31/17	12/31/16	08/31/17	12/31/16	08/31/17	12/31/16	08/31/17	12/31/16
Categories								
Group companies and associates	643,395	1,033,891	-	-	51,077	34,296	694,472	1,068,187
Held-to-maturity investments	-	-	13	13	4,188	4,188	4,201	4,201
Loans and receivables	-	-	-	-	-	-	-	-
Financial assets available for sale	1,015	1,162	-	-	-	-	1,015	1,162
Total	644,410	1,035,053	13	13	55,265	38,484	699,688	1,073,550

Equity investments in Group companies and associates

The transactions performed during the eight months period ending at August 31, 2017, in this category of financial assets, are summarized as follows (in thousands of euros):

	Balance at 12/31/2016	Additions	Reversals	Transfers	Disposals	Balance at 08/31/2017
Cost						
Investments in Group companies	1,700,010	9,266	-	(639,061)	(248,062)	822,153
Prisa Brand Solutions, S.L.U.	48,080	-	-	-	-	48,080
Promotora de Emisoras, S.L.	52,242	-	-	-	-	52,242
Promotora de Emisoras de Televisión, S.A.	106,516	-	-	-	-	106,516
Diario El País México, S.A. de C.V.	898	-	-	-	-	898
Prisa Noticias, S.L.	96,126	-	-	-	-	96,126
Promotora General de Revistas, S.A.	3	-	-	-	-	3
Audiovisual Sport, S.L.	248,062	-	-	-	(248,062)	-
Prisa Audiovisual, S.L.U.	3	1,786	-	-	-	1,789
Prisa Gestión de Servicios, S.L.	3	-	-	-	-	3
Prisa Participadas, S.L.U.	508,908	7,480	-	-	-	516,388
Promotora Audiovisual de Colombia PACSA, S.A.	94	-	-	-	-	94
Promotora de Actividades América 2010, S.L.	10	-	-	-	-	10
Promotora de Actividades Audiovisuales de Colombia, Ltda.	4	-	-	-	-	4
Vertex SGPS, S.A.	639,061	-	-	(639,061)	-	-
Investments in associates	1,176	-	-	-	-	1,176
Total cost	1,701,186	9,266	-	(639,061)	(248,062)	823,329
Impairment losses						
In Group companies	(666,161)	(4,771)	447	243,614	248,062	(178,809)
Prisa Brand Solutions, S.L.U.	(38,293)	(437)	-	-	-	(38,730)
Promotora de Emisoras, S.L.	(28,907)	-	266	-	-	(28,641)
Promotora de Emisoras de Televisión, S.A.	(102,891)	-	181	-	-	(102,710)
Diario El País México, S.A. de C.V.	(898)	-	-	-	-	(898)
Promotora General de Revistas, S.A.	(2)	-	-	-	-	(2)
Audiovisual Sport, S.L.	(248,062)	-	-	-	248,062	-
Prisa Audiovisual, S.L.U.	(3)	-	-	(1,786)	-	(1,789)
Prisa Participadas, S.L.U.	(5,931)	-	-	-	-	(5,931)
Promotora Audiovisual de Colombia PACSA, S.A.	-	(94)	-	-	-	(94)
Promotora de Actividades América 2010, S.L.	(10)	-	-	-	-	(10)
Promotora de Actividades Audiovisuales de Colombia, Ltda.	(4)	-	-	-	-	(4)
Vertex SGPS, S.A.	(241,160)	(4,240)	-	245,400	-	-
In associates	(1,134)	-	9	-	-	(1,125)
Total impairment losses	(667,295)	(4,771)	456	243,614	248,062	(179,934)
Net Value	1,033,891	4,495	456	(395,447)	-	643,395

The main direct and indirect investments of Promotora de Informaciones, S.A. are listed in *Appendix I* and *Appendix II*, respectively.

The most significant operations that took place during the eight months period ending at August 31, 2017, which gave rise to the aforementioned movements, are as follows:

Additions

In June 2017, a partner contribution was made for the amount of EUR 1,786 thousand to Prisa Audiovisual, S.L. with the aim of re-establishing this company's equity balance, transferring the provision for third-party liability to the stake's impairment for the same amount.

In July 2017, a non-monetary contribution was made to the company Prisa Participadas, S.L.U. involving 100% of the shares owned by Prisa in the company Audiovisual Sport, S.L., with a carrying amount of EUR 0 thousand. This contribution has been posted at consolidated values, as set out in applicable accounting regulations, which has generated a positive impact of EUR 7,480 thousand to reserves (*see note 7*).

Transfers

In July 2017, as a result of the binding offer accepted for the sale of Vertix S.G.P.S., S.A, owner of Grupo Media Capital, SGPS, S.A. ("Media Capital") (*see note 1*), the Company has reclassified its share to the category of "Non-current assets held for sale", for the amount of EUR 393,661 thousand.

Available-for-sale financial assets

This heading includes Prisa's stake in Mediaset España Comunicación, S.A., which at August 31, 2017 represents 0.031% of this company's equity for a value of EUR 1,015 thousands.

The Company recognises its stake in Mediaset España Comunicación, S.A. at fair value. As the shares in Mediaset España Comunicación, S.A. are listed on the Madrid Stock Exchange, the Company used the listed price at month end (9.74 euros) to calculate the fair value of this investment at August 31, 2017. The decrease in fair value of EUR 110 thousand was recognised directly in the Company's equity net of tax.

2016

The operations performed in 2016, in this category of financial assets, were summarized as follows (in thousands of euros):

	Balance at 12/31/2015	Additions	Reversals	Transfers	Disposals	Balance at 12/31/2016
Cost						
Investments in Group companies	2,573,438	314,336	-	52,567	(1,240,331)	1,700,010
Prisaprint, S.L.	258,031	3	-	-	(258,034)	-
Prisa Brand Solutions, S.L.U.	48,080	-	-	-	-	48,080
Prisa Tecnología, S.L.	31,467	65,107	-	-	(96,574)	-
Promotora de Emisoras, S.L.	10,786	-	-	41,456	-	52,242
Promotora de Emisoras de Televisión, S.A.	95,405	-	-	11,111	-	106,516
Diario El País México, S.A. de C.V.	898	-	-	-	-	898
Prisa Noticias, S.L.	96,126	-	-	-	-	96,126
Promotora General de Revistas, S.A.	3	-	-	-	-	3
Grupo Santillana Educación Global, S.L.	65,826	-	-	-	(65,826)	-
Audiovisual Sport, S.L.	248,062	-	-	-	-	248,062
Liberty Acquisition Holdings Virginia, Inc.	649,540	-	-	-	(649,540)	-
Prisa Audiovisual, S.L.U.	3	-	-	-	-	3
Prisa División Internacional, S.L.	170,339	-	-	-	(170,339)	-
Prisa Finance (Netherlands) BV	18	-	-	-	(18)	-
Prisa Gestión de Servicios, S.L.	3	-	-	-	-	3
Prisa Participadas, S.L.	259,682	249,226	-	-	-	508,908
Promotora Audiovisual de Colombia PACSA, S.A.	94	-	-	-	-	94
Promotora de Actividades América 2010, S.L.	10	-	-	-	-	10
Promotora de Actividades Audiovisuales de Colombia, Ltda.	4	-	-	-	-	4
Vertex SGPS, S.A.	639,061	-	-	-	-	639,061
Investments in associates	1,176	-	-	-	-	1,176
Total cost	2,574,614	314,336	-	52,567	(1,240,331)	1,701,186
Impairment losses						
In Group companies	(987,767)	(5,668)	67,852	(91,802)	351,224	(666,161)
Prisaprint, S.L.	(254,958)	-	312	-	254,646	-
Prisa Brand Solutions, S.L.U.	(38,445)	-	152	-	-	(38,293)
Prisa Tecnología, S.L.	(31,467)	-	-	(65,107)	96,574	-
Promotora de Emisoras, S.L.	(10,786)	-	641	(18,762)	-	(28,907)
Promotora de Emisoras de Televisión, S.A.	(95,405)	-	389	(7,875)	-	(102,891)
Diario El País México, S.A. de C.V.	(793)	(47)	-	(58)	-	(898)
Prisa Noticias, S.L.	(53,661)	-	53,661	-	-	-
Promotora General de Revistas, S.A.	(3)	1	-	-	-	(2)
Grupo Santillana Educación Global, S.L.	-	-	-	-	-	-
Audiovisual Sport, S.L.	(242,443)	(5,619)	-	-	-	(248,062)
Liberty Acquisition Holdings Virginia, Inc.	-	-	-	-	-	-
Prisa Audiovisual, S.L.U.	-	(3)	-	-	-	(3)
Prisa División Internacional, S.L.	-	-	-	-	-	-
Prisa Finance (Netherlands) BV	(4)	-	-	-	4	-
Prisa Gestión de Servicios, S.L.	-	-	-	-	-	-
Prisa Participadas, S.L.	(11,485)	-	5,554	-	-	(5,931)
Promotora Audiovisual de Colombia PACSA, S.A.	-	-	-	-	-	-
Promotora de Actividades América 2010, S.L.	(10)	-	-	-	-	(10)
Promotora de Actividades Audiovisuales de Colombia, Ltda.	(4)	-	-	-	-	(4)
Vertex SGPS, S.A.	(248,303)	-	7,143	-	-	(241,160)
In associates	(1,130)	(4)	-	-	-	(1,134)
Total impairment losses	(988,897)	(5,672)	67,852	(91,802)	351,224	(667,295)
Net Value	1,585,717	308,664	67,852	(39,235)	(889,107)	1,033,891

The most significant operations that took place in 2016, which gave rise to the aforementioned movements are as follows:

Additions and transfers

In February 2016, a partner contribution was made for the amount of EUR 41,456 thousand to Promotora de Emisoras, S.L. with the aim of re-establishing this company's equity balance, through the offsetting of the participatory loan and transferring the provision for third-party liability to the stake's impairment (EUR 18,762 thousand).

In February 2016, a partner contribution was made for the amount of EUR 11,111 thousand to Promotora de Emisoras de Televisión, S.A. with the aim of re-establishing this company's equity balance, through the partial offsetting of the participatory loan and transferring the provision for third-party liability to the stake's impairment (EUR 7,875 thousand).

In June 2016, a partner contribution was made for the amount of EUR 65,107 thousand to Prisa Tecnología, S.L. with the aim of re-establishing this company's equity balance, partially with the amount obtained from the cancellation of the participating loan (EUR 57,631 thousand) and transferring the provision for third-party liability to the stake's impairment (EUR 65,107 thousand).

In addition, as a result of the non-monetary contributions explained in the following section, the value of the participation in Prisa Participadas, S.L.U. has increased in EUR 249,226 thousand.

Disposals

In November 2016, Prisa Finance (Netherlands) B.V., was liquidated, 100% owned by Promotora de Informaciones, S.A., retiring its carrying amount for EUR 18 thousand and no effect in the income statement.

In November 2016, Liberty Acquisition Holdings Virginia, Inc., was liquidated, 100% owned by Promotora de Informaciones, S.A. retiring its carrying amount for EUR 649,540 thousand and a positive effect of EUR 949 thousand in the income statement.

In November 2016, a non-monetary contribution was made to the company Prisa Participadas, S.L.U. involving 100% of the shares owned by Prisa in the company Prisa Tecnología, S.L., with a carrying amount of EUR 0 thousand, 100% of the shares owned by Prisa in the company Prisa División Internacional, S.L.U., with a carrying amount of EUR 170,339 thousand.

In December 2016, a non-monetary contribution was made to the company Prisa Participadas, S.L.U. involving 100% of the shares owned by Prisa in the company Prisaprint, S.L., with a carrying amount of EUR 3,388 thousand.

In December 2016, a non-monetary contribution was made to the company Prisa Participadas, S.L.U. involving 100% of the shares owned by Prisa in the company Grupo Santillana Educación Global, S.L., with a carrying amount of EUR 65,826 thousand.

The contributions have been posted at consolidated values, as set out in applicable accounting regulations, which has generated a positive impact of EUR 6,117 thousand to reserves.

Impairment tests

At the end of each period, or whenever there are indications of impairment, the Company tests goodwill for impairment to determine whether it has suffered any permanent loss in value that reduces its recoverable amount to below its carrying amount.

The recoverable amount of each stake is the higher of value in use and the net selling price that would be obtained from the asset.

Value in use was calculated on the basis of the estimated future cash flows based on the business plans most recently approved by management. These business plans include the best estimates available of income and costs of the cash-generating units using industry projections and future expectations.

These projections cover the following five years and include a residual value that is appropriate for each business. In order to calculate the present value of these flows, they are discounted at a rate that reflects the weighted average cost of capital employed adjusted for the country risk and business risk. The rate for the most relevant impairment test is from 7.5% to 10.5%.

An analysis of the sensitivity of the main hypotheses of the impairment test has been conducted, concluding that there is sufficient margin between the carrying amount and its recoverable amount in scenarios more pessimistic than those envisaged by the Company's Management in its estimates.

Prisa Noticias, S.L.-

The main variables used by management to determine the value in use of Prisa Noticias's business were as follows:

Evolution of offline advertising: the Management has considered falls in offline advertising in accordance with the existing market projections.

Evolution of online advertising: the Management has taken into account the forecasts for the digital advertising market that predict growth for the next years in Spain and Latin America.

Events: the Management has considered the growth of the events business in line with the business development that the unit has achieved in recent years.

Expenses: the Management has considered that it will continue with the adjustments made to business expenses reviewing the operations model and simplifying the structures.

The discount rate used is 10.25% and the growth rate used is 0.5%.

In accordance with these assumptions the recoverable value of Prisa Noticias was higher than its book price. In 2016 the impairment corresponding to this investment was totally cancelled for EUR 53,661 thousand.

Current credits in Group companies and associates

This epigraph includes the portion of the loans to companies of the Group and Associates with maturity within one year and interest accrued pending payment, being the sum of EUR 2,643 thousand (EUR 4,718 thousand at December 31, 2016). In addition, at August 31, 2017, this caption includes the tax account receivable with the Group companies for the sum of EUR 48,434 thousand (EUR 29,578 thousand at December 31, 2016).

Other current financial assets

At August 31, 2017 and December 31, 2016, Promotora de Informaciones, S.A. has recognised an amount of EUR 4,188 thousand under this heading corresponding mainly to deposit with reference to the dispute with Indra Sistemas, S.A. (*see note 14*).

6.2. NON-CURRENT ASSETS HELD FOR SALE

Under this heading is registered the participation of the Company in Vertix S.G.P.S., S.A. as a result of the purchase agreement signed between Prisa and Altice NV., described below, to met the requirements of the Spanish National Chart of Accounts that those assets are classified as non -current assets held for sale.

	In thousand of euros
Vertix S.G.P.S., S.A.	313,991
Total	313,991

On July 13, 2017, the Board of Directors of Prisa has agreed to accept the binding offer submitted by Altice NV for the whole stake that Prisa has in Vertix S.G.P.S., S.A. at an enterprise value of EUR 440,000 thousand.

Afterwards, the parties have executed a share purchase agreement by means of which Prisa will transfer to MEO - Serviços de Comunicação e Multimédia, S.A., Altice's affiliate, its entire stake in Vertix S.G.P.S., S.A., which represents 100% of its share capital and 94.69% of Media Capital Group.

The execution of the transaction is subject to the obtaining of the required authorization of the antitrust and regulatory authorities in Portugal and to the obtention of the waiver from certain lenders of Prisa, as well as the approval by the General Shareholders Meeting of Prisa.

The final price of the transaction is subject to the usual adjustments in this kind of operations. Prisa considers that, according to its most reasonable estimate, the price for Prisa's stake in Media Capital, after calculating those adjustments, would be around EUR 321,499 thousand ("equity value"). The final price will depend on the evolution of Media Capital until the date on which the sale is closed.

This transaction, net of the estimated costs to sell, has meant an accounting loss in July 2017 of EUR 85,587 thousand, which includes impairment of the participation amounting to EUR 4,240 thousand during the first few months of 2017 through to the signing of the agreement.

In July 2017, the Company has reclassified its share in Vertex SPGS, S.A. from the category of "Equity Instruments" to "Non-current assets held for sale", for the amount of EUR 313,991 thousand (see Note 6.1).

6.3. FINANCIAL LIABILITIES

Loans and payables

Classes	Thousands of euros									
	Non-current				Current				Total	
	Bank borrowings		Debts, derivatives and other		Bank borrowings		Loans, derivatives and other			
Categories	08/31/17	12/31/16	08/31/17	12/31/16	08/31/17	12/31/16	08/31/17	12/31/16	08/31/17	12/31/16
Loans and payables	1,562,994	1,544,453	94,646	94,171	-	212	50,463	23,866	1,708,103	1,662,702
Total	1,562,994	1,544,453	94,646	94,171	-	212	50,463	23,866	1,708,103	1,662,702

Bank borrowings

The Company's bank borrowings as well as the limits and expected maturities are as follows (in thousands of euros):

2017

	Maturity Date	Limit	Draw down amount maturing at long term
Syndicated Loan Tranche 2	Dec-2018	956,512	956,512
Syndicated Loan Tranche 3	Dec-2019	176,985	176,985
Participative Loan (PPL)	Dec-2019	439,775	439,775
Interest and others	Dec 2018-2019	-	11,220
Loan arrangement costs	Dec-2019	-	(21,498)
Total		1,573,272	1,562,994

2016

	Maturity Date	Limit	Draw down amount maturing at short term	Draw down amount maturing at long term
Syndicated Loan Tranche 2	Dec-2018	956,512	-	956,512
Syndicated Loan Tranche 3	Dec-2019	176,985	-	176,985
Participative Loan (PPL)	Dec-2019	439,775	-	439,775
Interest and others	Dec 2017-2019	-	212	810
Loan arrangement costs	Dec-2019	-	-	(29,629)
Total		1,573,272	212	1,544,453

Bank borrowings are presented sheet at amortized cost in the balance sheet, adjusted for the loan origination and arrangement costs.

To determine the theoretical calculation of the fair value of the financial debt, and in accordance with accounting standards we used the Euribor curve and the discount factor supplied by the bank and the actual credit risk arising from a report provided by an independent expert regarding the transactions made in the secondary debt market (level 2 variables, estimates based on other observable market methods). Therefore, the fair value of Prisa's financial debt amounts to EUR 1,496,314 thousand at August 31, 2017, according to this calculation.

The methodology followed to calculate the debt has used the secondary market value of Prisa's refinanced debt (composed of the three tranches). This way, the Group's debt is valued at a 5.57% average discount over the real principal payment obligation to the creditor entities.

In December 2013, as part of the refinancing of its financial debt, Prisa agreed to the renewal of its syndicated loan by structuring its debt in three tranches (Tranche 1, Tranche 2 and Tranche 3):

Tranche 1-

In May 2015, Prisa paid off Tranche 1 fully in the amount of EUR 385,542 thousand.

Tranche 2-

Tranche 2 of the debt, fixed at EUR 956,512 thousand at August 31, 2017 and December 31, 2016, has an interest rate referenced to the Euribor plus a margin negotiated with the lenders. Tranche 2 matures in December 2018.

During 2016 debt was cancelled in an amount of EUR 50,285 thousand with part of the proceeds from the sale of 56% of DTS and from the favourable resolution of the price

adjustment, at an average discount of 15.7%. This same amount was transferred from Tranche 3 to reach the debt level described above.

The Company studies several options to meet this maturity such as the total or partial sale of assets, leveraging operating assets and carrying out other corporate transactions (*see note 1*).

Tranche 3-

The Tranche 3 maturing in 2019 and its interest rate is a margin negotiated with the lenders, as well as, a capitalized fixed cost (PIK).

During 2016 debt was cancelled in an amount of EUR 57,414 thousand with the funds derived from part of the funds collected from the sale of DTS and the favourable resolution of price adjustments, of which EUR 37,751 thousand were cancelled at an average discount of 13.5% and the rest at par.

During 2016 debt increased for capitalization of the PIK by EUR 4,835 thousand.

Meanwhile, as provided for in the refinancing agreement, EUR 50,285 thousand were transferred to Tranche 2 during 2016.

In addition, EUR 4,406 thousands of PPLs were transferred to Tranche 3.

At August 31, 2017, and December 31, 2016, the amount of Tranche 3 stood at EUR 176,985 thousand.

Participating Loan (PPL)-

The participative loans originated in order to restore the equity balance of Prisa after registered the losses arising from the sale of DTS. As expected in financing agreements of the Group, the automatic mechanism was deployed to convert part of Tranche 3 of company debt into participating loans.

During 2016, EUR 68,630 thousand of participative loans were cancelled as a result of the subscription of the mandatory convertible bond (*see note 7*). In addition, EUR 33,096 thousand of participative loans were cancelled using part of the funds from the capital increase subscribed in 2015 by International Media Group, S.à.r.l. (for a total amount of EUR 64,000 thousand) at an average discount of 23.20%. In addition, EUR 4,406 thousand were transferred to Tranche 3.

During 2016 debt increased for capitalization of the PIK by EUR 10,924 thousand.

The participating loans at August 31, 2017 and December 31, 2016, amounted to EUR 439,775 thousand. Its financial cost is identical to that for Tranche 3.

Compliance with certain financial ratios is established in the financial agreements. The Group's directors consider that these ratios were fulfilled at August 31, 2017.

The refinancing agreement also includes causes for early termination as customary in this kind of agreements, including the acquisition of control of Prisa, acquisition being understood as by one or several persons together, with more than 30% of the capital with voting rights.

Interests and others-

This balance corresponds to the accrual of "PIK" interest that is capitalized in the month of December of each year mainly.

The guarantee structure for Tranches 2, 3 and PPL is as follows:

Personal guarantees-

Tranches 2, 3, and PPL of the Prisa debt corresponding to debt which was refinanced in December of 2013 are severally guaranteed by Grupo Bidasoa Press, S.L., Dédalo Grupo Gráfico, S.L., Diario El País, S.L., Distribuciones Aliadas, S.A., Grupo Empresarial de Medios Impresos, S.L., Norprensa, S.A. and Prisa Participadas, S.L.U.

Also, Prisa Radio, S.A. and Vertex, SGPS, S.A. guarantee Tranches 2, 3, and PPL, with the following limitations:

- The guarantee granted by Prisa Radio, S.A. will be limited to a maximum amount equal to the lesser of the following:
 - EUR 1,314,706 thousand; and
 - 73.49% of equity at any given moment; and
- The guarantee granted by Vertex SGPS, S.A. will be limited to a maximum amount of EUR 600,000 thousand.

Real Guarantees-

In December, 2013, resulting from a new syndicated loan which was repaid early in May, 2015, and the renewal of the remaining loans, Prisa pledged on certain owned bank accounts and, additionally, Bidasoa Press, S.L., Dédalo Grupo Gráfico, S.L. and Distribuciones Aliadas, S.A. constituted pledge on certain properties and receivables related to certain material contracts to guaranty the said creditors.

Also, on January 10, 2014, a pledge was granted for Prisa's shares in Audiovisual Sport, S.L. (80% share capital).

Part of the Prisa investment in Grupo Santillana Educación Global, S.L. (75% share capital), in Prisa Radio, S.A. (73.49% share capital) and Grupo Media Capital SGPS, S.A. (84.69% share capital) was also pledged, thereby insuring Tranches 2, 3, and PPL.

A pledge on certain properties and credit rights was also granted to the creditors of the financing granted to Dédalo Grupo Gráfico, S.L.

Payable to Group companies and associates

The detail of “*Payable to Group companies and associates*”, is as follows (in thousands of euros):

2017

	Non-current	Current
Investment tax credits	32,154	-
Other payables	62,492	12,639
Cash pooling	-	37,824
Total	94,646	50,463

2016

	Non-current	Current
Investment tax credits	31,679	-
Other payables	62,492	7,404
Cash pooling	-	16,462
Total	94,171	23,866

Other non-current payables-

Corresponds to the participating loan granted by its subsidiary Prisa Participadas, S.L.U. for EUR 62,492 thousand at August 31, 2017 and December 31, 2016.

Other current payables-

This account reflects the obligation assumed by Promotora de Informaciones, S.A. as before its subsidiaries to report the consolidated corporate income tax yet to be settled.

Investment tax credits-

“*Investment tax credits*” includes Promotora de Informaciones, S.A.’s obligation to its subsidiaries arising from investment tax credits earned by Group companies in prior years that were not used in the consolidated group’s income tax settlement.

Cash pooling-

At August 31, 2017, this heading included EUR 37,824 thousand of balances and interest payable to Prisa Participadas arising from the above-mentioned cash pooling (EUR 16,462 thousand at December 31, 2016).

6.4- NATURE AND RISK OF THE FINANCIAL INSTRUMENTS

Liquidity and Credit Risk-

The adverse macroeconomic situation, with significant drops in advertising and circulation has had a negative impact on the ability of the Company's cash generation through its subsidiaries in the last years, mainly in Spain. The advertising-dependent businesses have a high percentage of fixed costs and drop in advertising revenue significantly impact on margins and cash position, hindering the implementation of additional measures to improve the operational efficiency of the Company.

The Company thoroughly analyzes receivables and payments of its activities and maturity of financial and commercial debt. In relation with the commercial credit risk, the Company evaluates the aging of the debt and constantly manages receivables.

Additionally, the Company analyzes on a recurrent basis other financing sources to cover short and medium term liquidity needs. However, at August 31, 2017, the Company still maintains a net bank debt level of EUR 1,557.1 million.

Interest rates risk exposure-

Approximately 60.79% of its bank borrowings terms are at variable interest rates, and therefore the Group is exposed to fluctuations in interest rates. Currently the Group has no interest rate hedges arrangements.

Fluctuations in foreign exchange rates-

The Company is exposed to fluctuations in the exchange rates mainly in the financial investments in Latin American subsidiaries, and for the revenues and results from those investments.

In order to mitigate this risk, as far as there are available credit facilities, the Group arranges hedges to cover the risk of changes in exchange rates (mainly foreign currency hedges and forwards) on the basis of projections and budgets which are reviewed on a monthly basis, in order to reduce volatility in cash flows transferred to the Parent from foreign subsidiaries.

7- EQUITY

The detail of the movements recognized under “Equity” at August 31, 2017 and during year 2016 is as follows:

<i>(in thousands of euros)</i>	Share capital	Share premium	Other Equity Instruments	Reserves	Loss from previous years	Treasury shares	Profit (Loss) for the year	Reserves for variation in financial assets	Equity
Balance at December,31 2015	235,008	1,371,299	46,408	119,722	(2,195,064)	(2,386)	(5,162)	131	(430,044)
I. Total recognized income and expense									
1. Profit (Loss) for the year							(1,298)		(1,298)
2. Valuation of financial instruments								88	88
II. Transactions with shareholders or owners									
1. Conversion of financial liabilities into equity			84,292						84,292
2. Distribution of 2015 profit									
- Dividends									
- Reserves									
- Loss from previous years					(5,162)		5,162		
3. Treasury share transactions									
- Delivery of treasury shares						777			777
- Purchase of treasury shares									
- Sales of treasury shares									
- Provision for treasury shares				126		(126)			
III. Other changes in equity									
- Other				3,094					3,094
Balance at December,31 2016	235,008	1,371,299	130,700	122,942	(2,200,226)	(1,735)	(1,298)	219	(343,091)
I. Total recognized income and expense									
1. Profit (Loss) for the year							(107,494)		(107,494)
2. Valuation of financial instruments								(111)	(111)
II. Transactions with shareholders or owners									
1. Distribution of 2016 profit									
- Dividends									
- Reserves									
- Loss from previous years					(1,298)		1,298		
2. Treasury share transactions									
- Delivery of treasury shares						277			277
- Purchase of treasury shares									
- Sales of treasury shares									
- Provision for treasury shares				(654)		654			
III. Other changes in equity									
- Other			1,768	5,659					7,427
Balance at August, 31 2017	235,008	1,371,299	132,468	127,947	(2,201,524)	(804)	(107,494)	108	(442,992)

Share capital

From January 1 until August 31, 2017, the share capital of Prisa has not changed and neither "Warrants Prisa 2013" have been exercised by their holders. At August 31, 2017, 778,200 warrants were pending of exercise.

At August 31, 2017, the share capital of Prisa amounts to EUR 235,007,874 and is represented by 78,335,958 ordinary shares with a nominal value of EUR 3.00 each.

Share capital is fully subscribed and paid up.

Notwithstanding the above, Prisa issued bonds mandatorily convertible into newly-issued common shares of Prisa, in accordance with the terms and conditions approved by the Ordinary Shareholders Meeting and the Board of Directors, both held on April 1, 2016 (*see section Issuance of financial instrument*).

On August 31, 2017, the significant shareholders of Prisa, according to information published in the *Comisión Nacional del Mercado de Valores* ("CNMV") and in some cases, information that has been provided by the shareholders to the Company, are the following.

However since some shareholders have not updated in the CNMV the number of voting rights that they hold after the grouping and exchange of shares or reverse split carried out in

May 2015, the Company has calculated the estimate number of the voting rights that correspond to such shareholders (Nicolas Berggruen, Fundación Bancaria Caixa D'Estalvis I Pensions de Barcelona/ Caixabank, S.A, HSBC Holdings PLC, GHO Networks, S.A. de CV/ Consorcio Transportista Occher, S.A. de C.V.), dividing by 30 the number of old shares they declared (one new share for 30 old shares).

Shareholder's Name	Number of Direct Voting Rights	Number of Indirect Voting Rights	Total % of Voting Rights (1)
AMBER CAPITAL UK LLP (2)	-	15,107,838	19.29
RUCANDIO, S.A. (3)	-	13,729,811	17.53
TELEFONICA, S.A.	10,228,745	-	13.06
INTERNATIONAL MEDIA GROUP, S.A.R.L (4)	6,400,000	-	8.17
GHO NETWORKS, S.A. DE CV (5)	-	6,297,076	8.04
HSBC HOLDINGS PLC	-	5,845,758	7.46
BANCO SANTANDER, S.A. (6)	1,074,432	2,172,434	4.14
FUNDACION BANCARIA CAIXA D ESTALVIS I PENSIONS DE BARCELONA	-	2,997,879	3.83
ABANTE ASESORES, S.A. (7)	-	2,595,157	3.31
MR NICOLAS BERGGRUEN (8)	6,115	947,433	1.22

The aforementioned indirect shareholding is held as follows:

Indirect Shareholder's Name	Direct Shareholder's Name	Number of Direct Voting Rights
AMBER CAPITAL UK LLP	AMBER ACTIVE INVERSTORS LIMITED	11,841,366
AMBER CAPITAL UK LLP	AMBER GLOBAL OPPORTUNITIES LIMITED	2,770,893
AMBER CAPITAL UK LLP	AMBER SELECT OPPORTUNITIES LIMITED	495,579
RUCANDIO, S.A.	TIMON, S.A.	264,271
RUCANDIO, S.A.	RUCANDIO INVERSIONES, SICAV, S.A.	11,303
RUCANDIO, S.A.	PROMOTORA DE PUBLICACIONES, S.L.	2,574,964
RUCANDIO, S.A.	ASGARD INVERSIONES, SLU	922,069
RUCANDIO, S.A.	OTNAS INVERSIONES, S.L.	3,100,000
RUCANDIO, S.A.	CONTRATO ACCIONISTAS PRISA	6,857,204
GHO NETWORKS, S.A. DE CV	CONSORCIO TRANSPORTISTA OCCHER, S.A. DE C.V	6,297,076
HSBC HOLDINGS PLC	HSBC BANK PLC	5,845,758
BANCO SANTANDER, S.A.	SOCIEDADES GRUPO SANTANDER	2,172,434
FUNDACION BANCARIA CAIXA D ESTALVIS I PENSIONS DE BARCELONA	CAIXABANK, S.A.	2,997,879

Indirect Shareholder's Name	Direct Shareholder's Name	Number of Direct Voting Rights
ABANTE ASESORES, S.A.	See note (7) below	2,595,157
MR NICOLAS BERGGRUEN	BH STORES IV, B.V	947,433

(1) The percentages of voting rights have been calculated on the total voting rights in Prisa at August 31, 2017 (i.e. 78,335,958).

(2) Mr. Joseph Oughourlian, external director representing significant shareholdings, has stated to the Company that: i) the structure of his indirect stake in the share capital of the Company is as declared in the previous tables and ii) he controls Amber Capital UK, LLP, which acts as investment manager to Amber Active Investors Limited, Amber Global Opportunities Limited and Amber Select Opportunities Limited.

(3) Rucandio, S.A. indirectly holds the majority of votes in the Prisa Shareholders Agreement signed on April 24, 2014, whose terms were communicated to the CNMV.

Of the 6,297,076 (8.04%) voting rights held by Consorcio Transportista Occher, S.A. de C.V, 6,140,576 (7.84%) are linked to Prisa Shareholders Agreement and are already included in the 6,857,204 indirect voting rights declared by Rucandio through that Shareholders Agreement. Therefore the 17.53% over the total voting rights of the Company, which is indirectly held by Rucandio, includes the 7.84% held by Consorcio Transportista Occher, S.A. de C.V. which is bound by the Shareholders' Agreement.

(4) The voting rights held by International Media Group, SARL have been declared to the CNMV by Shk. Dr. Khalid bin Thani bin Abdullah Al-Thani, external director representing significant shareholdings, as an indirect stake.

International Media Group, S.A.R.L. is 100% owned by International Media Group Limited which in turn is 100% owned by Shk. Dr. Khalid bin Thani bin Abdullah Al-Thani.

(5) As of August 31, 2017, GRUPO HERRADURA OCCIDENTE, S.A. DE C.V. (GRUPO HERRADURA) appears on the CNMV's website as declarant and indirect holder of the shares of CONSORCIO TRANSPORTISTA OCCHER, S.A. DE C.V (OCCHER).

However, it is noted that, in August 2016, GRUPO HERRADURA has been split into two separate entities, one of which, GHO NETWORKS, S.A. DE CV is now the shareholder of OCCHER, replacing GRUPO HERRADURA.

(6) The holder of the indirect interest of Banco Santander, S.A. is held through the following entities of Grupo Santander: Cántabra de Inversiones, S.A., Cántabra Catalana de Inversiones, S.A., Fomento e Inversiones, S.A. and Suleyado 2003, S.L.

(7) ABANTE ASESORES, S.A. owns 99.99% of Abante Asesores Gestión SGIIC, S.A., management company of the IICs that hold the voting rights.

(8) BH Stores IV, B.V. is a subsidiary of Berggruen Holdings LTD, a 100% subsidiary of Nicolas Berggruen Charitable Trust. The ultimate beneficiary of the shares of BH Stores IV, B.V. is Nicolas Berggruen Charitable Trust. Mr. Nicolás Berggruen is a member of the Board of Directors of Berggruen Holdings.

Issuance of financial instrument (Other Equity Instruments)

On April 1, 2016 the Shareholders' General Meeting of Prisa approved a bonds issuance, mandatorily convertible into new issue ordinary shares of Prisa, through the conversion of financial debt of the Company. The issuance has been exclusively aimed to certain financial creditors of the Company that have subscribed a total of 10,074,209 bonds through the capitalization of some credits that amount a total of EUR 100,742 thousand. The issue of the bonds has been subscribed in April and it is divided in two tranches:

- Tranche A: amounting to EUR 32,112 thousand subscribed by HSBC Bank Plc., Caixabank, S.A. and several companies of Grupo Santander through the exchange of the total subordinated debt arising from capitalized interest associated with the bond issuance made in 2012.
- Tranche B: amounting to EUR 68,630 thousand subscribed by HSBC of part of the profit participative loans.

The maturity date of the bonds is April 7, 2018, without prejudice to the right of early conversion in certain circumstances as described in the resolution approving the issuance. The bonds have a unit conversion price of 10 euros per share, and will accrue an annual coupon payable in new shares of the company at the conversion date.

The issuance of the bond was registered as an equity instrument as it is mandatory convertible into a fixed number of shares and includes no contractual obligation to deliver cash or another financial asset. At June 30, 2016, there was an increase in shareholders' equity of EUR 82,342 thousand under "*Other equity instruments*" and a financial income of EUR 18,401 thousand in the accompanying income statement at the time of recording the operation at the fair value of the equity instruments to be issued, for which the average cost of the Company's debt was taken as a reference.

During 2017, the accrued annual coupon amounted to EUR 1,768 thousand, convertible into new shares (EUR 1,950 thousand during 2016).

Share premium

The Recast Text of the Capital Companies Act expressly allows use of issue premium to increase capital against reserves. It establishes no specific restriction whatever regarding the availability of the balance of this reserve.

The amount of the issue premium reserve at August 31, 2017 and December 31, 2016, is EUR 1,371,299 thousand and is available in full.

Reserves

Revaluation reserve 1983-

Pursuant to the legislation on the revaluation of property, plant and equipment and intangible assets published in 1983, the cost and accumulated depreciation and amortization of these assets were increased by a net amount of EUR 3,289 thousand at August 31, 2017

and December 31, 2016, recognized under "Revaluation Reserve 1983." This reserve is unrestricted.

Revaluation reserve Royal Decree-Law 7/1996-

Under Royal Decree 2607/1996, of December 20, approving the regulations for asset revaluations pursuant to Royal Decree-Law 7/1996, of June 7, the surpluses arising from the revaluations must be charged to "Revaluation reserve Royal Decree-Law 7/1996." The balance of this account at August 31, 2017 and December 31, 2016 amounts to EUR 10,650 thousand and has been unrestricted since January 1, 2007.

Legal reserve-

Under the Consolidated Text of the Corporate Enterprises Law, 10% of net profit for each year must be transferred to the legal reserve until the balance of this reserve reaches at least 20% of the share capital.

The legal reserve can be used to increase capital by the amount exceeding 10% of the new capital after the increase.

Except as indicated above, until the legal reserve exceeds 20% of share capital, it can only be used to offset losses, provided that sufficient other reserves are not available for this purpose.

The balance at August 31, 2017 and December 31, 2016 of this account amounts to EUR 5,335 thousand.

Reserve for treasury shares-

Article 142 of the Consolidated Text of the Corporate Enterprises Act states that when a company acquires treasury shares, it must record on the liability side of the balance sheet a restricted reserve equal to the carrying amount of the treasury shares. This reserve must be maintained until the shares are sold or canceled.

The balance of this account at August 31, 2017 amounts to EUR 804 thousand (at December 31, 2016, EUR 1,735 thousand).

Bylaw-stipulated reserves-

Under Article 32 of the Company's bylaws, at least 10% of the profit after tax must be transferred to a reserve each year until the balance of this reserve reaches at least 20% and does not exceed 50% of the paid-in share capital.

The balance of this account at August 31, 2017 and December 31, 2016 amounts to EUR 11,885 thousand.

Voluntary reserves-

The Company has recognized an increase in voluntary reserves for EUR 5,936 thousand, due mainly to the non-monetary contributions to Prisa Participadas, S.L.U. for the amount of

EUR 7,480 thousand (see note 6.1) compensated by the accrued annual coupon by the bond issue, mandatorily convertible into shares for EUR 1,768 thousand.

The balance of this account at August 31, 2017 amounts to EUR 173,203 thousand (EUR 167,267 thousand at December, 31, 2016).

Reserves due to merger-

These reserves arose as a result of the merger by absorption in 2013 between Prisa Televisión, S.A.U., as the absorbed company, and Promotora de Informaciones, S.A., as the absorbing company.

The balance of this account at August 31, 2017 and December 31, 2016 amounts to EUR 85,639 thousand negative.

Treasury shares

The changes in "Treasury shares" during the eight months period ending at August, 31 2017 and in 2016 were as follows:

	2017		2016	
	Number of shares	Amount (Thousand of euros)	Number of shares	Amount (Thousand of euros)
At beginning of year	330,407	1,735	457,037	2,386
Purchases	-	-	-	-
Deliveries	(50,717)	(311)	(126,630)	(777)
Reserve for treasury shares	-	(620)	-	126
At end of year	279,690	804	330,407	1,735

At August 31, 2017, Promotora de Informaciones, S.A. held a total of 279,690 treasury shares, representing 0.357% of its share capital.

Treasury shares are valued at market price at August 31, 2017 (EUR 2.875 per share). Their total cost is EUR 804 thousand.

At August 31, 2017, the Company did not hold any shares on loan.

Capital management policy

The principal objective of the Company's capital management policy is to achieve an appropriate capital structure that guarantees the sustainability of its business, aligning shareholder interests with those of its various financial creditors.

During recent financial years, considerable efforts have been made to maintain the level of the Company's equity, such as increasing capital by converting 75,000 thousand warrants into shares in January 2012 for EUR 150,000 thousand, issuing, during the same year, bonds

mandatorily converted into shares in July 2014 in an amount of EUR 434,000 thousand, issuing 315,421 thousand of shares to deal with the 202,292 thousand warrants issued as part of Prisa's bank debt refinancing in 2013 and capital increases subscribed by Consorcio Transportista Occher, S.A. de C.V. in 2014, and International Media Group S.à.r.l. in 2015, for EUR 100,000 thousand and EUR 64,000 thousand respectively. In addition during 2016, a bond issuance mandatorily convertible into new issue ordinary shares was subscribed through the conversion of financial debt for amount of EUR 100,742 thousand (*see note 7*).

Also, in 2015, Prisa consolidated and exchanged shares with the aim of limiting the volatility of the share on the market without its value losing liquidity.

In addition, in December 2013, the Company signed an agreement to refinance its financial debt which meant an extension of the maturities. This agreement established commitments to maintain leverage ratios and interest cover at specific levels.

Since the signing of the refinancing agreement, the Company has advanced in the debt reduction process using proceeds from the sale of 17.3% of Mediaset España, 56% of DTS and the trade publishing business, as well as with proceeds from the share capital increase subscribed by Occher and with part of proceeds from the capital increase subscribed by International Media Group, S.à.r.l. and with the bonds issuance, mandatorily convertible into shares, through the conversion of financial debt.

In addition, in 2017 Prisa's Board of Directors has accepted a binding offer for the sale of its subsidiary Vertix S.G.P.S., S.A. (*see Note 6.2*), whose funds will be used to repay debt.

At August 31, 2017, as a result of the transaction described in notes 1 and 2.e, the equity of the Company with respect to the cause of dissolution and/or reduction of capital stipulated in Spain's Corporate Enterprises Act (including participating loans outstanding at this date) stood at EUR 59,276 thousand. This amount is minor than half of the share capital, so the Company is in a situation of dissolution cause, unless the necessary measures are taken to solve the situation of equity imbalance. In this respect, today, as the date on which the Directors are to draw up the balance sheet at 31 August 2017, the Directors are going to lay a motion before the General Shareholders' Meeting seeking authorization to carry out a capital reduction due to losses in a bid to rebalance the Company's assets for the amount required and with the necessary support of that measure within the legal term for doing so.

8. TAX MATTERS

As indicated under "Accounting Policies," the Company files consolidated income tax returns in Spain, in accordance with the Spanish Corporation Tax Law, and is the Parent of consolidated tax group 2/91. The companies included in the consolidated tax group are detailed in Appendixes I and II.

As the parent of the aforementioned consolidated tax group, Promotora de Informaciones, S.A. recognises the Group's overall position vis-à-vis the tax authorities resulting from application of the consolidated tax regime, in accordance with the following table:

	Thousands of Euros	
	08/31/2017	12/31/2016
Sum of individual tax bases	26,784	95,675
Offset of tax losses arising prior to inclusion in the Group	-	(3,742)
Offset of Group tax losses	(6,696)	(65,013)
Consolidated taxable profits (tax loss)	20,088	26,920
Consolidated gross tax payable	5,022	6,730
Double taxation tax credits generated	(2,511)	(3,365)
Investment tax credits	(628)	(841)
Donation tax credits	(1,883)	(1,490)
Net tax payable	-	1,034
Whithholdings from tax Group	-	(85)
Advance payments	-	(949)
Income tax refundable	-	-

Tax receivables and tax payables

The detail of the balances with Tax receivables and payables at August 31, 2017 is as follows (in thousands of euros):

	Receivable		Payable	
	Current	Non-current	Current	Non-current
Income tax refundable/payable	1,842	-	-	-
Deferred tax assets arising from unused tax credits	-	65,503	-	-
Deferred tax assets arising from negative tax losses upon tax consolidation	-	87,247	-	-
Deferred tax assets arising from temporary differences	-	129,791	-	-
Deferred tax liabilities	-	-	-	36
VAT, personal income tax withholdings, social security taxes and other	177	-	328	-
Total	2,019	282,541	328	36

The detail of the balances with Tax Authorities at 31 of December of 2016 were as follows (in thousands of euros):

	Receivable		Payable	
	Current	Non-current	Current	Non-current
Deferred tax assets arising from unused tax credits	-	69,097	-	-
Deferred tax assets arising from negative tax losses upon tax consolidation	-	88,564	-	-
Deferred tax assets arising from temporary differences	-	124,940	-	-
Deferred tax liabilities	-	-	-	1,707
VAT, personal income tax withholdings, social security taxes and other	206	-	651	-
Total	206	282,601	651	1,707

Deferred tax assets and liabilities

Deferred tax assets-

The pending long-term credit vis-à-vis the Tax Authorities for an amount of EUR 282,541 thousand at August 31, 2017, recorded under "*Deferred tax assets*" corresponds mainly,

- (i) The amount of the deductions for double taxation and investments (other than deductions for export activities) generated by the tax Group which, even though they have not been applied, are registered in the accounting records. Net variation in this respect for the year has entailed a withdrawal of EUR 3,594 thousand.
 - (ii) The taxable losses of the Consolidated Tax Group for the financial years 2011, 2012, and 2013 (only partially), which are pending application. Net variation in this respect for the year has entailed a withdrawal of EUR 1,317 thousand.
 - (iii) The tax credit arising from the limitation of the deductibility of financial expenses, in accordance with the provisions of article 16 of the Corporation Tax Law, in the part corresponding to the Company. Net variation in this respect for the year has entailed an addition of EUR 4,882 thousand.
- (iv) The balance of the amount of the payment of certain tax assessments issued by the tax authorities, which are still the subject of an administrative, or where appropriate, judicial procedure, which the Company has not guaranteed but rather paid. At August 31, 2017 the balance of this concept amounts to EUR 3,488 thousand (EUR 3,488 at December 31, 2016).

The detail of the Tax Group's taxable losses, at August 31, 2017, is as follows:

	Activated	Non- activated
Year of generation	Amount (thousands of Euros)	Amount (thousands of Euros)
2011	101,357	516
2012	225,118	1,049
2013	22,514	32,992
2015	-	553,992
TOTAL	348,989	588,549

The companies' business plans allow for the recovery of deferred tax assets recorded in the balance sheet as of August 31, 2017 according to accounting standards criteria.

The detail of the maturity of the Tax Group's tax deductions, differentiating between activated and non-activated (except the balance of the export tax credit) is as follows:

Year of statute of limitation	ACTIVATED	NON-ACTIVATED
	Amount (Thousands of Euros)	Amount (Thousands of Euros)
2017	179	-
2018	-	-
2019	-	-
2020	-	-
2021	-	-
2022	389	2,213
2023	-	6,378
2024	202	7,602
2025	11,231	17,823
2026	4,483	6,473
2027	175	4,017
2028	6,502	3,139
2029	1,531	19,209
2030	1,216	3,581
2031	527	1,650
2032	37	45
2033	-	85
2034	-	1,164
No Limits	39,031	10,342
TOTAL	65,503	83,721

The recovery of deferred tax assets of the consolidated tax Group is based on the most recent business plans of its member companies, which have been approved by the Company's management. The tax plan considers the operational developments of these companies and the estimated future cash flows obtained from the remaining companies not members of the consolidated tax Group.

The companies' plans are based on the development of the Group's strategy in the long term and a series of macroeconomic, industry hypotheses for the overall business, in addition to maintaining the leadership position of the Group in the industries in which it operates. Forecasts and studies made by third parties were taken into account during approval.

Projections foresee increases within advertising market, in line with latest available studies and the leadership position of the Group in the different business where it operates. As long as businesses which rely heavily on advertising have a high percentage of fixed costs, an increase in advertising revenues shall have a positive impact on operating margins.

Additionally, projections include the development towards a fundamentally digital model with higher contribution margin. In addition, cost reductions are foreseen as a result of the adjustment plans that are being carried out in recent years.

Santillana in Spain and Latin America foresees an increase in revenue as a result of renewed educational contents, new digital developments and growth initiatives in extra-curricular activities, as well as maintaining institutional sales.

Finally, efficiency processes on corporate services will continue, which will be reduced in the next years.

Santillana and Radio operation's results in Latin America will contribute to generate future flows within the tax plan, in line with growth expectations foreseen for the countries in which the Group is present.

In addition, revenue is expected to increase due to repurchasing debt estimating an average discount in accordance with the debt contribution of Prisa at the end of the balance sheet. This debt repurchase will come from the remaining cash fund available in the Group at year end as well as from company operations.

Deferred tax liabilities-

The Deferred Tax Liability corresponds to the different accounting and tax treatment of the recognition in equity of the adjustment to fair value (listed price) of the share in Mediaset explained in Note 6.1 of the Report for an amount of EUR 36 thousand.

Years open to examination by the tax authorities

In 2006, the tax authorities completed their audit for income tax for 1999, 2000, 2001, and 2002 of consolidated tax group 2/91, that the Company is the Parent of this group.

Against the Settlement Agreements, relating to Corporate Income Tax, derived from the aforementioned inspections, the Company filed the pertinent appeals and claims, which have already been resolved by the competent jurisdictions, although, against derivative settlements of the execution by the Tax Administration of the partially estimative judgements of the Supreme Court, relating to the years 1999 and 2000 and of the writ of inadmissibility for 2001, the Company filed the corresponding appeals, which are pending resolution in The National Appellate Court.

In 2017, Prisa received notice of certain judgments delivered by the National Court dismissing its claim in relation to the tax settlements deriving from enforcement proceedings for corporate income tax for 1999 and 2000, which have now become final and binding. The Company posted provisions for the adjusted concepts in previous years.

The audit relating to VAT from June 2004 to December 2006 concluded with the issuance of a Notice signed on a contested basis amounting to EUR 5,416 thousand, against which the company filed the claims and corresponding appeals. In the year 2016, the entity received a firm judgement from the Supreme Court and its effect was recorded in the accounting year 2016 itself. The tax liability arising from this Notice, despite being appealed, was paid, and was recognized as a long-term credit vis-à-vis the Revenue Authorities, which in 2016 was discharged.

In the 2013 financial year, the tax audits at the consolidated tax Group relating to income tax for 2006 to 2008 were completed, with the issuance of a notice signed on a contested basis, amounting to EUR 9 thousand, which was paid by the Company. Since the Company did not agree with the criteria used in the tax audit relating to the proposed adjustment, it filed an appeal to the Board of Tax Appeals at the TEAC. In 2017, a resolution has been received from the TEAC partially upholding Prisa's claim, against which the corresponding administrative appeal has now been filed before the National Court (Audiencia Nacional). The determination agreement included an adjustment by the tax inspectors of all the tax credits for export activities arising in that period.

With regards to VAT for the period from June 2007 to December 2008, the tax audits concluded during the 2013 financial year with the issuance of two Notices, one for EUR 539 thousand, and the other for EUR 4,430 thousand, have both been the subject of appeal to the Board of Tax Appeals before the TEAC. In 2017, a resolution has been received from the TEAC partially upholding Prisa's claim, against which the corresponding administrative appeal has now been filed. The tax debt derived from these inspections was paid and recorded as a long-term payable to the tax authorities Treasury. The debt was derecognised in 2016 as its impact was fully reported in the accounts.

During 2011, verification and inquiry actions were initiated with regard to the tax on raffles, tombolas, wagers and promotional draws for 2007 to 2010 at Prisa Televisión, S.A.U. (a company taken over by Promotora de Informaciones, S.A.), which concluded with the issuance of a notice signed on a contested basis from which a determination of EUR 8,570 thousand arose (tax plus interest). The tax debt derived from these inspections was paid and recorded as a long-term payable to the tax authorities Treasury. In previous years, the Tax Authority executed the resolution partially upheld by the TEAC, and refunded the Company EUR 7,441 thousand, and the Company posted provisions for the remaining amount, setting it off against the credit. In the year 2017, the Company received a dismissal judgement from the Supreme Court that has acquired firmness.

In the fiscal year 2016, the inspections referred to the consolidated tax Group fiscal 2/91, of which Promotora de Informaciones, S.A. is the parent company, for income tax for the years 2009 to 2011. This audit also included VAT for the period from May 2010 to December 2011 of the consolidated tax Group 105/08, of which Promotora de Informaciones, S.A. is the parent company, and the personal income tax withholdings and repayments (employees

and professionals) corresponding to the period from May 2010 to December 2012 and non-resident income tax withholdings corresponding to the period 2011 were completed.

As regards these examinations, an Act of Compliance of VAT was signed for the sum of EUR 512 thousand, which was paid and registered in 2016 and another, in Non-compliance, for EUR 7,785 thousand, which, although appealed against, was also been paid and recorded as a credit in the form of an advance, although the debt was derecognised in 2016 as its impact was fully reported in the accounts. Similarly, the inspection actions corresponding to the Corporate Income Tax for the years 2009 to 2011 were completed, resulting, for the Company, in the signing of an Act of Non-Compliance with no result to be entered. The Company has filed a corresponding economic-administrative complaint with the TEAC disagreeing with these Assessments, which is pending resolution.

In 2017, inspection proceedings got under way at Tax Consolidation Group 2/91, of which Promotora de Informaciones, S.A. is the parent company, such proceedings concerning corporate income tax for the years 2012 to 2015 and value added tax, withholdings/payments on account of work-related and professional remuneration, and also non-resident income tax withholdings for the period spanning 02/2013 to 12/2015.

The provision for taxes (*see note 9*) includes an amount of EUR 20,610 thousand to cover potential unfavorable rulings upheld during the various tax proceedings described above.

The Company, subject to the provisions of these paragraphs, has all state taxes open to examination for the last four years. Additionally, the Company has the last four years open to examination for all non-state taxes. It is not expected that there will be accrued liabilities of consideration to the Company in addition to those already registered, as a result of these procedures or of a future and possible inspection.

Transactions under the special regime

The disclosures required by Article 86 of the Spanish Corporation Tax Law relating to corporate restructuring transactions under the special regime of Chapter VII of Title VII of the aforementioned legislation, made in previous years, are included in the notes to the financial statements of the years in which these transactions took place.

In addition, such information regarding the operation of a non-monetary contribution made by Promotora de Informaciones, S.A. to the company Prisa Participadas, S.L.U. involving 100% of the shares owned by Prisa in the company Audiovisual Sport, S.L. (*see note 6.1*) is shown in the table below:

	Thousands of Euros	
	Countable	Fiscal
Book and tax value of delivered securities:		
- Audiovisual Sport, S.L.	-	187.896
Value by which values received have been recorded:		
- Prisa Participadas, S.L.U.	7.480	187.896

9.- PROVISIONS AND CONTINGENCIES

The changes in “*Provisions and contingencies*” during the eight months period ending at August 31, 2017 and in 2016 are as follows (in thousands of euros):

2017

	Balance at 12/31/2016	Additions	Transfers	Disposals	Balance at 08/31/2017
Provision for taxes-	20,610	-	-	-	20,610
Provision for litigation in progress	985	-	-	(960)	25
Provisions for third-party liabilities-	3,563	1,294	(1,786)	(8)	3,063
Total long term provisions	25,158	1,294	(1,786)	(968)	23,698
Provisions for third-party liabilities-	-	2,156	-	-	2,156
Total short term provisions	-	2,156	-	-	2,156

2016

	Balance at 12/31/2015	Additions	Reversals	Transfers	Disposals	Balance at 12/31/2016
Provision for taxes-	17,800	29,996	-	-	(27,186)	20,610
Provision for litigation in progress	985	-	-	-	-	985
Provisions for third-party liability-	92,350	5,493	(91)	(91,802)	(2,387)	3,563
Total long term provisions	111,135	35,489	(91)	(91,802)	(29,573)	25,158

The change in “*Provisions for litigation in progress*” is down to the cancellation of EUR 960 thousand previously posted by the Company as a provision covering the judgment delivered by the Supreme Court (Tribunal Supremo) on 13 November 2015, confirming a fine imposed on Warner Sogefilms by the Spanish National Markets and Competition Commission (CNMC) (40% of that amount should have been covered by the Company on account of its merger with Sogecable S.A.). The provision was cancelled because it was effectively paid. The total amount of the fine eventually paid by the Company was EUR 620 thousand.

The additions under the heading “*Short-term Provisions for third-party liabilities*” correspond to the provision form several payments for the amount of EUR 2,156 thousand.

The additions under the heading “*Long-Term Provisions for third-party liabilities*” correspond to the increases in the provisions established to cover the negative equity of the subsidiary companies, mainly Prisa Audiovisual, S.L.U., as of August 31, 2017 (EUR 1,019 thousand).

The transfers under the heading “*Long-Term Provisions for third-party liabilities*” correspond to amounts that have been transferred at a lower value for the stake due to the contribution made to re-establish their balance in Prisa Audiovisual, S.L.U. (see note 6.1).

10.- SHARE-BASED PAYMENTS

The Ordinary Shareholders Meeting held on April 28, 2014 authorised delivery, over a term of five years, of shares of the Company as payment of compensation of directors of the Company and a defined group of executives of the Prisa Group. This authorisation may be used in particular, and without limitation, to make payment in shares in the following compensation categories:

i) Fixed remuneration for belonging to the Board is payable to each of the external directors, to be chosen by them, entirely in cash or 60% cash and 40% in shares of Prisa:

When the choice of director is partial payment in shares of Prisa, they are delivered quarterly.

At 31 August 2017, there were 25,568 shares worth 118 thousand euros outstanding in this regard that had yet to be delivered.

ii) Long term variable compensation (long term incentive) of executive directors of the Company and the Management team of Prisa Group.

At August 31, 2017 there is no accrued amount for this item in the balance sheet.

11.- GUARANTEE COMMITMENTS TO THIRD PARTIES

At August 31, 2017, Prisa had furnished bank guarantees amounting to EUR 1,311 thousand.

In the opinion of the Company's Directors, the possible effect on the balance sheet of the guarantees provided would not be significant.

Furthermore, and within the context of the legal proceedings currently under way between Audiovisual Sport S.L. ("AVS") and Mediapro concerning the agreement to exploit the rights relating to the "La Liga" football league for the 2006/07 and successive seasons, the Company is the counter-guarantor under the bank guarantee of EUR 50,000 thousand posted by AVS in compliance with the court ruling issued by Court of First Instance number 36 of Madrid, upholding the interim relief requested by the Company. This guarantee remains as security in relation to the process of determining the damage and loss resulting from the interim relief of 8 October 2017 currently being heard.

12.- RELATED PARTY TRANSACTIONS

The transactions performed with Group companies, associates and related parties at August 31, 2017 and December 31, 2016 are as follows in thousands of euros:

	08/31/2017		12/31/2016	
	Group companies or entities	Significant shareholders	Group companies or entities	Significant shareholders
Receivables	3,821	-	2,260	75
Financial credits	51,077	-	34,296	-
Total receivable accounts	54,898	-	36,556	75
Trade payables	331	649	310	548
Financial loans	145,109	527,724	118,037	514,305
Total payable accounts	145,440	528,373	118,347	514,853

The amount of EUR 527,724 thousand euros corresponds to the part of "Bank Borrowings" (see note 6.3) maintained by the Company with related companies.

Transactions with significant shareholders -

The detail of other transactions performed with related parties is as follows in thousands of euros:

2017

	08/31/2017
	Significant shareholders
Other operations (see note 7)	1,768

The sum of EUR 1,768 thousand corresponds to the remuneration accrued up to the issue of bonds that are necessarily convertible into shares made during the year.

2016

	12/31/2016
	Significant shareholders
Other operations (see note 7)	84,292

The sum of EUR 84,292 thousand corresponded to the issue of bonds that are necessarily convertible into shares made during the year, including the remuneration accrued up at year end.

13.- INFORMATION REGARDING CONFLICT OF INTEREST SITUATIONS OF DIRECTORS

For purposes of article 229 of the Capital Companies Act it is noted that, on August 31, 2017, the Board of Directors had not been advised of direct or indirect conflict situations that directors or persons related thereto (in accordance with article 231 of the aforesaid Act) might have had with the interests of the Company.

Notwithstanding the foregoing, the Board of Directors has been informed by the Directors of the following activities carried out by them or by certain persons related thereto, in companies engaged in activities of the same or an analogous or complementary kind as the one constituting the purpose of the Company or the companies in its Group:

Director	Activity	Person related to the Director	Activity
Juan Luis Cebrián Echarri	Director of the following companies: Le Monde, Le Monde Libre and Societe Editrice Du Monde.		
Manuel Polanco Moreno	Joint and Several Director of Canal Club de Distribución de Ocio y Cultura, S.A.		
Joseph Oughourlian	<i>See note below (*)</i>		
Gregorio Marañón	Chairman of Universal Music Spain, S.L.		
John Paton	Director of Guardian Media Group. Chairman of IVA Ventures LLC and Chairman of the Advisory Board of Cxense. IVA Ventures is an advisor to Cxense, a public company based in Norway specializing in data analysis. PRISA is a client of Cxense.		
José Luis Leal Maldonado	0.05% interest in the share capital of Punto y Seguido, S.A.		
Alain Minc	Director of Caixabank, S.A. (significant shareholder of Prisa and one of the Prisa creditor banking institutions with which the Company's refinancing was signed).	Son	Director of Development and Investments of the Lagardère Group's innovation network.
Shk. Dr. Khalid bin Thani bin Abdullah Al-Thani	Vice Chairman de Dar Al Sharq Printing Publishing & Distribution Co. Vice Chairman de Dar Al Arab Publishing & Distribution Co.		

Director	Activity	Person related to the Director	Activity
Glen Moreno	Holder of 30,000 ordinary shares (represented by ADRs) of Pearson Plc.		
Dominique D'Hinnin	0.1% interest in the share capital of Lagardère SCA.		
D. Alfonso Ruiz de Assin	Director of Telefónica Audiovisual Digital, S.L.U		

(*) Mr. Joseph Oughourlian controls Amber Capital, its affiliates and subsidiaries (together "Amber Capital"), which act as investment manager, general partners, managing members and managers to funds, accounts, and other investment vehicles (together, the "Amber Funds") that invest in public and private companies in Europe, North America and Latin America, which includes trading in entities with activities the same, similar or complementary to Prisa. Mr. Oughourlian also act as a managing partner to Amber Capital and as a portfolio manager to various Amber Funds.

The companies in the Prisa Group are not included in this list. The following Directors of Promotora de Informaciones, S.A. are members of management bodies of certain companies in the Prisa Group: Juan Luis Cebrián Echarri, José Luis Sainz Díaz (who has been Prisa's director until September 4), Manuel Polanco Moreno, Manuel Mirat Santiago and John Paton.

14.- LITIGATION AND ONGOING CLAIMS

The Company is engaged in a dispute with Indra Sistemas, S.A., ("Indra") as a consequence of Indra's attempt to unilaterally terminate the Framework Contract of 22 December 2009 to outsource all services related to information technology management and development of R&D+innovation projects (hereinafter, the "Contract"). With Prisa having obtained a precautionary measure prohibiting Indra from interrupting or ceasing to fulfil its obligations under the Agreement through to 31 December 2017, Prisa and Indra have sought the postponement of proceedings because they are attempting to negotiate an agreement that will effectively end their dispute. They expect to sign this settlement in the next few weeks.

The Company's Directors, internal and external legal advisors do not believe that resolution of this litigation will entail any relevant liabilities not registered by the Company.

In addition, the Company has other litigation for smaller amounts. The Directors, internal and external advisors do not consider that any relevant liabilities will arise from this litigation.

15.- DIFFERENT FEES PAID TO AUDITORS

At August, 31, 2017 the fees for other professional services different to financial audit services provided by the Company's principal auditor and others entities related to it amount to EUR 112 thousand (EUR 753 thousand during 2016).

16.- EVEN AFTER THE REPORTING PERIOD

No significant events have occurred since August 31, 2017 until the date of approval of this balance.

17.- EXPLANATION ADDED FOR TRANSLATION TO ENGLISH

These financial statements are presented on the basis of accounting principles generally accepted in Spain. Certain accounting practices applied by the Company that conform with generally accepted accounting principles in Spain may not conform with generally accepted accounting principles in other countries.

DIRECT HOLDINGS

APPENDIX I

		08-31-2017 (In thousands of euros)									
INVESTEE	REGISTERED OFFICE	LINE OF BUSINESS	CARRYING AMOUNT	% OF OWNERSHIP	TAX GROUP (*)	SHARE CAPITAL	RESERVES	NET RESULT	SHAREHOLDERS' EQUITY	EBIT	
Prisa Brand Solutions, S.L.U.	C/ Valentín Beato, 48, Madrid	Contracting of advertising exclusives	9,350	100.00%	2/91	150	9,291	(474)	8,966	(598)	
Promotora de Emisoras, S.L.	Gran Vía, 32, Madrid	Radio broadcasting services	23,601	100.00%	2/91	2,500	20,835	266	23,601	219	
Promotora de Emisoras de Televisión, S.A.	Gran Vía, 32, Madrid	Operation of television channels	3,807	25.00%	2/91	19,061	(4,558)	387	14,889	(141)	
Prisa Audiovisual, S.L.U.	Gran Vía, 32, Madrid	Holding company	-	100.00%	2/91	3	-	(1,022)	(1,019)	(982)	
Prisa Gestión de Servicios, S.L.	Gran Vía, 32, Madrid	Management and development of all types of administrative, accounting, financial, personnel selection, human resources and legal	3	100.00%	2/91	3	81	84	168	115	
Prisa Participadas, S.L.	Gran Vía, 32, Madrid	Rent of commercial and industrial premises and constitution and management of companies	510,457	100.00%	2/91	72,534	409,717	5,829	488,080	70	
Promotora Audiovisual de Colombia PACSA, S.A. (En liquidación)	Calle 70, N° 4-60, 11001, Bogotá, Colombia	Audiovisual and communication activities	-	53.00%	2/91	150	(658)	-	(508)	-	
Promotora de Actividades América 2010, S.L. (En liquidación)	Gran Vía, 32, Madrid	Production and organization of activities marking the bicentenary of American independence	-	100.00%	2/91	10	(1,782)	(3)	(1,775)	-	
Promotora de Actividades Audiovisuales de Colombia, Ltda.	Calle 80, 10 23, Bogotá, Colombia	Production and distribution of audiovisual content	-	1.00%	-	420	(351)	-	69	-	
Canal Club de Distribución de Ocio y Cultura, S.A. (*)	Calle Hermosilla, 112, Madrid	Catalogue sales	51	25.00%	-	60	112	33	205	33	
Promotora General de Revistas, S.A.	Valentín Beato, 48, Madrid	Publication production and operation of magazines	1	0.04%	2/91	1,500	1,346	319	3,165	427	
Prisa Noticias, S.L.	Gran Vía, 32, Madrid	Management and operation of the media	96,126	100.00%	2/91	38,596	45,637	8,865	93,099	(553)	
Diario El País México, S.A. de C.V.	Avenida Universidad 767, Colonia del Valle, México D.F. México	Operation of El País newspaper in Mexico	-	2.94%	-	10,043	(8,031)	(960)	1,053	(869)	

(*) Fiscal consolidation group Promotora de Informaciones, S.A. : 2/91

(†) Results on July 31, 2017

(‡) Results for the month of August 2017

INVESTE	REGISTERED OFFICE	LINE OF BUSINESS	08-31-2017 (In thousands of euros)				EBIT
			% OF OWNERSHIP	TAX GROUP (*)	SHARE CAPITAL	SHAREHOLDERS' EQUITY	
EDUCACIÓN							
Activa Educa, S.A. (Guatemala)	26 Avenida 2-20 zona 14 . Guatemala – Guatemala	Publishing	75.00%		623	117	390
Avalia Qualidade Educacional Ltda.	Rua Padre Adelino, 758. Belezinho, Sao Paulo, Brasil	Publishing	71.95%		1,958	1,168	(348)
Distribuidora y Editora Richmond, S.A.	Edificio Punto 99, Carrera 11ª N°98-50 Oficina 501. Bogotá. Colombia	Publishing	75.00%		113	974	451
Ediciones Grazaletma, S.L.	Rafael Ibea Mateos, 3. Sevilla	Publishing	75.00%	2/91	60	132	(4)
Ediciones Santillana Inc.	1506 Roosevelt Avenue. Guaynabo. Puerto Rico	Publishing	75.00%		1,065	9,543	2,715
Ediciones Santillana, S.A. (Argentina)	Leandro N. Alem. 720. Buenos Aires. 1001. Argentina	Publishing	75.00%		5,316	10,325	19,013
Ediciones Santillana, S.A. (Uruguay)	Juan Manuel Blanes 1132 Montevideo Uruguay	Publishing	75.00%		147	1,274	770
Edicions Obradoiro, S.L.	Ruela de Entrecercos, 2º B. 15705. Santiago de Compostela	Publishing	75.00%	2/91	60	76	(2)
Edicions Voramar, S.A.	Valencia, 44. 46210. Pineda. Valencia	Publishing	75.00%	2/91	60	92	(1)
Editora Moderna Ltda.	Rua Padre Adelino, 758. Belezinho. Sao Paulo. Brasil	Publishing	75.00%		20,587	46,935	8,968
Editora Pintangua, LTDA	Rua Urbano Santos. 755. Sala 4. Bairro Cumbica. Cidade de Guarulhos. Sao Paulo. Brasil	Publishing	75.00%		27	51	75
Editorial Nuevo México, S.A. de C.V.	Rua Avenida Rio Mixcoac 274 Col Acacias. México DF. México	Publishing	75.00%		1,287	978	574
Editorial Santillana, S.A. (Guatemala)	26 Avenida 2-20 zona 14 . Guatemala – Guatemala	Publishing	75.00%		72	4,880	1,705
Editorial Santillana, S.A. (Honduras)	Colonia los Profesionales Boulevard Suyapa, Metropolis Torre 2050L, Tegucigalpa Honduras	Publishing	75.00%		20	2,669	1,757
Editorial Santillana, S.A. (Rep. Dominicana)	Juan Sánchez Ramírez, 9. Gazuque. Santo Domingo. República Dominicana	Publishing	75.00%		118	9,480	51
Editorial Santillana, S.A. (Venezuela)	Avenida Romulo Gallegos. Edificio Zulia 1º. Caracas. Venezuela	Publishing	75.00%		2,679	2,059	513
Editorial Santillana, S.A. de C.V. (México)	Avenida Rio Mixcoac 274 Col Acacias. México DF. México	Publishing	75.00%		24,019	18,922	7,176
Editorial Santillana, S.A. de C.V. (El Salvador)	3a. Calle Pontente Y 87 Avenida Norte, No. 311, colonia Escalon San Salvador	Publishing	75.00%		18	2,290	11
Editorial Santillana, S.A.S (Colombia)	Edificio Punto 99, Carrera 11ª N°98-50 Oficina 501. Bogotá. Colombia	Publishing	75.00%		1,676	4,030	156
Educa Inventia, Inc. (Puerto Rico)	1506 Roosevelt Avenue. Guaynabo. Puerto Rico	Publishing	75.00%		755	(694)	350
Educa Inventia, S.A. de C.V. (México)	Avenida Rio Mixcoac 274 Col Acacias. México DF. México	Publishing	75.00%		4,882	2,081	252
Educativa Ediciones, S.A.S. (Colombia)	Avenida El Dorado No. 90 – 10 Bogotá. Colombia	Publishing	75.00%		113	(151)	(21)
Educativa, S.A. (Chile)	Avenida Andrés Bello 2299 Oficina 1001 Providencia. Santiago Chile	Publishing	75.00%		16,527	4	(9)
Educativa, S.A.C. (Perú)	Av. Manuel Olguin Nro. 215 Int. 501/ Los Granados/ Santiago de Surco/ Lima, Perú	Publishing	75.00%		974	1,758	1,174
Educativa, S.A.S. (Colombia)	Avenida El Dorado No. 90 – 10 Bogotá. Colombia	Publishing	75.00%		4,543	3,436	1,302
Grupo Pacifico, S.A. (Panamá)	Urbanización Industrial Orillac, Via Transistmica, Calle Segunda, Local No. 9, Rep. de Panamá.	Publishing	75.00%		37,959	24,372	-
Kapelusz Editora, S.A. (Argentina)	Leandro N. Alem. 720. Buenos Aires. 1001. Argentina	Publishing	75.00%		597	744	1,948

(*) Fiscal consolidation group Promotora de Informaciones, S.A. : 2/91

INDIRECT HOLDINGS

INVESTE	REGISTERED OFFICE	LINE OF BUSINESS	08-31-2017 (in thousands of euros)				
			% OF OWNERSHIP	TAX GROUP (%)	SHARE CAPITAL	SHAREHOLDERS' EQUITY	EBIT
Grup Promotor D'Ensenyament i Difusió en Català, S.L.	Frederic Mompou, 11. V. Olímpica. Barcelona	Publishing	75.00%	2/91	60	97	-
Grupo Santillana Educación Global, S.L.	Av. de los Artesanos, 6 Tres Cantos. Madrid	Publishing	75.00%	2/91	12,018	(24,598)	3,178
Inevery DPS, S.L.	Av. de los Artesanos, 6 Tres Cantos. Madrid	Editorial, cultural, educational, leisure and entertainment services; and development and commercialization of educational content	75.00%	2/91	250	517	-
Ílaca, S.L.	Av. de los Artesanos, 6 Tres Cantos. Madrid	Book distribution	75.00%	2/91	408	2,198	906
Lanza, S.A. de C.V.	Avenida Rio Mixcoac 274 Col Acacias. México DF. México	Creation, development and management of companies	75.00%		13,038	12,755	-
Pleno Internacional, SPA	Avenida Andres Bello N° 2299 Oficina 1001 Providencia - Santiago	Advice and consulting, development and sale of software	75.00%		1	(57)	222
Richmond Educação, Ltda.	Rua Padre Adelino, 758. Belezinho. Sao Paulo, Brasil	Publishing	75.00%		27	100	135
Richmond Publishing, S.A. de C.V.	Avenida Rio Mixcoac 274 Col Acacias. México DF. México	Publishing	75.00%		4	9,704	4,958
Salamandra Editorial, Ltda.	Rua Urbano Santos 755. Sala 2 - Sao Paulo. Brasil	Publishing	75.00%		27	26	48
Santillana Administração de Bens, LTDA	Rua Padre Adelino, 758. Belezinho. Sao Paulo (Brasil)	Property management	75.00%		1,370	2,354	472
Santillana Canarias, S.L.	Urbanización El Mayrazgo. Parcela 14, 2-7B. Santa Cruz de Tenerife	Publishing	75.00%	2/91	60	63	-
Santillana de Ediciones, S.A. (Bolivia)	Calle 13, N° 8078. Zona de Calacoto. La Paz. Bolivia	Publishing	75.00%		343	2,120	1,550
Santillana del Pacifico, S.A. de Ediciones.	Avenida Andres Bello 2299 Oficina 1001-1002 Providencia. Santiago Chile	Publishing	75.00%		427	8,099	4,351
Santillana Editores, S.A.	R. Mario Castelharo, 40 - Queluz de Baixo - 2734-502 Barcarena - Portugal	Publishing	75.00%		1,250	172	(575)
Santillana Educación, S.L.	Av. de los Artesanos, 6 Tres Cantos. Madrid	Publishing	75.00%	2/91	7,747	119,112	51,376
Santillana Formación, S.L.	Av. de los Artesanos, 6 Tres Cantos. Madrid	Complementary educational services	75.00%	2/91	300	(590)	(692)
Santillana Global, S.L.	Av. de los Artesanos, 6 Tres Cantos. Madrid	Publishing	75.00%	2/91	2,276	6,592	(18,716)
Santillana Infantil y Juvenil, S.L.	Av. de los Artesanos, 6 Tres Cantos. Madrid	Publishing	75.00%	2/91	65	3,807	1,063
Santillana Sistemas Educativos, Ltda. (Colombia)	Edificio Punto 99, Carrera 11ª N°98-50 Oficina 501. Bogotá. Colombia	Consultancy services for the obtainment of quality certification by schools	75.00%		63	2,333	972
Santillana Sistemas Educativos, S.L.	Av. de los Artesanos, 6 Tres Cantos. Madrid	Publishing	75.00%	2/91	220	24,955	(2)
Santillana USA Publishing Co. Inc.	2023 NIW 84th Avenue. Doral. Florida. EE.UU.	Publishing	75.00%		60,560	(153)	1,206
Santillana, S.A. (Costa Rica)	La Uruca, 200 m Oeste de Aviación Civil. San José. Costa Rica	Publishing	75.00%		465	3,318	3,159
Santillana, S.A. (Ecuador)	Calle De las Higueras 118 y Julio Arellano. Quito. Ecuador	Publishing	75.00%		978	6,760	8,263
Santillana, S.A. (Paraguay)	Avenida Venezuela. 276. Asunción. Paraguay	Publishing	75.00%		162	1,597	1,068
Santillana, S.A. (Perú)	Avenida Primavera 2160. Santiago de Surco. Lima. Perú	Publishing	71.25%		3,275	7,373	5,214
Sistemas Educativos de Enseñanza, S.A. de C.V.	Avenida Rio Mixcoac 274 Col Acacias. México DF. México	Publishing	75.00%		11,493	1,153	1,065
Soluções Inovadoras em Educação LTDA. (SIEDUC) (Antes Uno Educação Ltda.)	Rua Padre Adelino, 758. Belezinho. Sao Paulo. Brasil	Publishing	75.00%		30,885	12,890	2,416
Vanguardia Educativa Santillana Compartir, S.A. de C.V.	Avenida Rio Mixcoac 274 Col Acacias. México DF. México	Publishing	75.00%		3	688	1,048
Zubia Editoriala, S.L.	Poligono Lezama Leguizamón. Calle 31. Eibarri. Vizcaya	Publishing	75.00%	2/91	60	94	-

(*) Fiscal consolidation group Promotora de Informaciones, S.A. - 2/91

INDIRECT HOLDINGS

INVESTEES	REGISTERED OFFICE	LINE OF BUSINESS	08-31-2017 (In thousands of euros)			
			% OF OWNERSHIP	TAX GROUP (*)	SHARE CAPITAL	SHAREHOLDERS' EQUITY
RADIO						
RADIO ESPAÑA						
Antena 3 de Radio de León, S.A.	Gran Vía, 32. Madrid	Operation of radio broadcasting stations	79.64%		135	274
Compañía Aragonesa de Radiodifusión, S.A.	Paseo de la Constitución, 21. Zaragoza	Operation of radio broadcasting stations	77.62%		66	3,360
Ediciones LM, S.L.	Plaza de Cervantes, 6. Ciudad Real	Operation of radio broadcasting stations	40.01%		216	3,698
Gestión de Marcas Audiovisuales, S.A.	Gran Vía, 32. Madrid	Production and recording of sound media	80.00%	2/91	70	676
Iniciativas Radiofónicas de Castilla La Mancha, S.A.	Carreteros, 1. Toledo	Operation of radio broadcasting stations	56.01%		61	126
Iniciativas Radiofónicas, S.A.	Gran Vía, 32. Madrid	Operation of radio broadcasting stations	74.73%		228	443
Ondas Galicia, S.A.	San Pedro de Mezonzo, 3. Santiago de Compostela	Operation of radio broadcasting stations	37.00%		70	281
Prisa Radio, S.A.	Gran Vía, 32. Madrid	Operation of radio broadcasting stations	80.00%	2/91	2,036	139,181
Prisa Radio Perú, S.A.C.	Avda Primavera 2160	Publishing of periodicals and other periodicals	100.00%		4	-
Propulsora Montañesa, S.A.	Pasejo de Peña. Nº 2. Interior. 39008. Santander	Operation of radio broadcasting stations	79.90%		390	2,409
Radio Club Canarias, S.A.	Avenida Anaga, 35. Santa Cruz de Tenerife	Operation of radio broadcasting stations	76.00%		480	4,714
Radio España de Barcelona, S.A.	Caspe, 6. Barcelona	Operation of radio broadcasting stations	79.46%		364	638
Radio Lleida, S.L.	Calle Vila Antonia. Nº 5. Lleida	Operation of radio broadcasting stations	53.07%		300	400
Radio Murcia, S.A.	Radio Murcia, 4. Murcia	Operation of radio broadcasting stations	66.67%		120	1,388
Radio Zaragoza, S.A.	Paseo de la Constitución, 21. Zaragoza	Operation of radio broadcasting stations	70.42%		183	2,959
Sociedad de Estudios de Radio y Televisión, S.A.U. (SERTEL)	C/ Gran Vía, nº 32	Broadcasting services	100.00%	2/91	61	96
Sociedad Española de Radiodifusión, S.L.U.	Gran Vía, 32. Madrid	Operation of radio broadcasting stations	100.00%	2/91	6,959	142,799
Sociedad Independiente Comunicación Castilla La Mancha, S.A.	Avenida de la Estación, 5 Bajo. Albacete	Operation of radio broadcasting stations	59.33%		379	580
Societat de Comunicació i Publicitat S.L.	Parc. de la Mola, 10 Torre Caldea, 6ª Escalda. Engordany. Andorra	Operation of radio broadcasting stations	79.46%		30	(1,180)
Sogecable Música, S.L.	Gran Vía, 32. Madrid	Creation, broadcasting, distribution and exploitation of thematic TV channels	80.00%	2/91	1,202	1,231
Sonido e Imagen de Canarias, S.A.	Caldera de Bandama, 5. Arrecife. Lanzarote	Operation of radio broadcasting stations	40.00%		230	1,215
Teleradio Pres, S.L.	Avenida de la Estación, 5 Bajo. Albacete	Media management	60.08%		150	406
Teleser, S.A.	Gran Vía, 32. Madrid	Operation of radio broadcasting stations	63.29%		75	102
Radio Jaén, S.L.	Obispo Aguilar, 1. Jaén	Operation of radio broadcasting stations	28.79%		563	951
Unión Radio del Pirineu, S.A.	Carrer Prat del Creu, 32. Andorra	Operation of radio broadcasting stations	26.40%		249	306

(*) Fiscal consolidation group Promotora de Informaciones, S.A. : 2/91

INDIRECT HOLDINGS

INVESTE	REGISTERED OFFICE	LINE OF BUSINESS	08-31-2017 (in thousands of euros)				
			% OF OWNERSHIP	TAX GROUP (*)	SHARE CAPITAL	SHAREHOLDERS' EQUITY	EBIT
RADIO INTERNACIONAL							
Abrij, S.A.	Eliodoro Yañez, N° 1783, Comuna Providencia Santiago, Chile	Commercial radio broadcasting services and operation of radio stations	80,00%		849	2,525	(68)
Aurora, S.A.	Eliodoro Yañez, N° 1783, Comuna Providencia Santiago, Chile	Commercial radio broadcasting services and operation of radio stations	80,00%		410	2,972	(15)
Blaya y Vega, S.A.	Eliodoro Yañez, N° 1783, Comuna Providencia Santiago, Chile	Commercial radio broadcasting services and operation of radio stations	80,00%		1,952	20,431	(103)
Caracol Broadcasting Inc.	2100 Coral Way - Miami 33145 - Florida, EE.UU.	Operation of radio broadcasting stations	79,99%		215	956	(281)
Caracol Estéreo, S.A.	Calle 67 N° 7-37 Piso 7 Bogotá, Colombia	Commercial radio broadcasting services	61,63%		3	2,346	444
Caracol, S.A.	Calle 67 N° 7-37 Piso 7 Bogotá, Colombia	Commercial radio broadcasting services	61,64%		11	34,337	5,048
Comercializadora Iberoamericana Radio Chile, S.A.	Eliodoro Yañez, N° 1783, Comuna Providencia Santiago, Chile	Production and sale of CDs, advertising, promotions and events	79,99%		21,103	31,930	(1,486)
Compañía de Comunicaciones de Colombia C.C.C. Ltda.	Calle 67 N° 7-37 Piso 7 Bogotá, Colombia	Commercial radio broadcasting services	61,60%		25	2,317	87
Compañía de Radios, S.A.	Eliodoro Yañez, N° 1783, Comuna Providencia Santiago, Chile	Commercial radio broadcasting services	80,00%		296	2,120	(46)
Comunicaciones del Pacífico, S.A.	Eliodoro Yañez, N° 1783, Comuna Providencia Santiago, Chile	Operation and management of TV channels and radio stations	79,99%		454	3,644	140
Comunicaciones Santiago, S.A.	Eliodoro Yañez, N° 1783, Comuna Providencia Santiago, Chile	Operation and management of TV channels and radio stations	79,99%		452	2,759	(43)
Consorcio Radial de Panamá, S.A.	Urbanización Obarrío, Calle 54 Edificio Caracol, Panamá	Advisory services and commercialisation of services and products	79,99%		8	293	7
Corporación Argentina de Radiodifusión, S.A.	Beazley 3860, Buenos Aires, Argentina	Operation of radio broadcasting stations	79,91%		945	267	(805)
Ecos de la Montaña Cadena Radial Andina, S.A.	Calle 67, N° 7-37, Piso 7, Bogotá, Colombia	Commercial radio broadcasting services	61,44%		-	579	33
Emissora MHI Veinte, S.A.	Calle 67, N° 7-37, Piso 7, Bogotá, Colombia	Commercial radio broadcasting services	60,58%		-	422	196
Fast Net Comunicaciones, S.A.	Eliodoro Yañez, N° 1783, Comuna Providencia Santiago, Chile	Commercial radio broadcasting services and operation of radio stations	79,99%		2	(4,062)	(642)
GLR Colombia, Ltda.	Calle 67, N° 7-37, Piso 7, Bogotá, Colombia	Prestación de servicios a empresas de radiodifusión	80,19%		263	122	(15)
GLR Chile, Ltda.	Eliodoro Yañez, N° 1783, Comuna Providencia Santiago, Chile	Commercial radio broadcasting services	80,00%		39,261	83,897	3,624
GLR Services Inc.	Baypoint Office Tower, 4770 Biscayne Blvd, Suite 700 Miami, FL 33137, EE.UU.	Provision of services to radio broadcasting companies	79,99%		4	2,898	(20)
GLR Southern California, LLC	3500 Olive Avenue Suite 250 Burbank, CA 91505, EE.UU.	Provision of services to radio broadcasting companies	79,99%		22,855	(6,505)	(1,308)
Iberoamerican Radio Holding Chile, S.A.	Eliodoro Yañez, N° 1783, Comuna Providencia Santiago, Chile	Commercial radio broadcasting services and operation of radio stations	80,00%		3,601	(6,803)	(1,497)
Iberoamericana Radio Chile, S.A.	Eliodoro Yañez, N° 1783, Comuna Providencia Santiago, Chile	Commercial radio broadcasting services and operation of radio stations	80,00%		27,102	49,768	8,349
La Voz de Colombia, S.A.	Calle 67, N° 7-37, Piso 7, Bogotá, Colombia	Commercial radio broadcasting services	60,52%		1	531	10
LS4 Radio Continental, S.A.	Rivadavia 835, Ciudad Autónoma de Buenos Aires, Argentina	Explotación de servicios de radiodifusión y publicidad	79,97%		5,662	702	(124)
Promotora de Publicidad Radial, S.A.	Calle 67, N° 7-37, Piso 7, Bogotá, Colombia	Radio broadcasting and advertising services	61,63%		1	1,067	243
Publicitaria y Difusora del Norte Ltda.	Eliodoro Yañez, N° 1783, Comuna Providencia Santiago, Chile	Operation of radio broadcasting stations	79,99%		912	4,177	(477)
Radio Estéreo, S.A.	Rivadavia 835, Ciudad Autónoma de Buenos Aires, Argentina	Radio broadcasting and advertising services	79,97%		391	40	(74)
Radiodifusion Iberoamericana Chile S.A.	Eliodoro Yañez, N° 1783, Comuna Providencia Santiago, Chile	Holding	80,00%		11,895	29,554	(2)

INDIRECT HOLDINGS

APPENDIX II

INVESTE	REGISTERED OFFICE	LINE OF BUSINESS	08-31-2017 (In thousands of euros)			
			% OF OWNERSHIP	TAX GROUP (*)	SHARE CAPITAL	SHAREHOLDERS' EQUITY
Radio Mercadeo, Ltda.	Calle 67, N° 7-37, Piso 7, Bogotá, Colombia	Commercial radio broadcasting services	57.761%		298	347
Sociedad de Radiodifusión El Litoral, S.L.	Eliodoro Yahen, N° 1783, Comuna Providencia Santiago, Chile	Rental of equipment and advertising sales	80.001%		7	3,731 (24)
Sociedad Radiodifusora del Norte, Ltda.	Eliodoro Yahen, N° 1783, Comuna Providencia Santiago, Chile	Operation of radio broadcasting stations	79.990%		261	1,690 (7)
W3 Comm Inmobiliaria, S.A. de C.V.	Carretera Libre Tijuana, Enseñada 3100, Rancho Altamira Blvd Popotla y Camino al FRACC Misión del Mar, Playas de Rosarito, Baja California, EE.UU.	Real estate development services	80.001%		2,348	1,877 (2)
Cadena Radiodifusora Mexicana, S.A. de C.V.	Calzada de Tlalpan 3000 col Espartaco México D.F. 04870, México	Operation of radio broadcasting stations	40.000%		1,174	13,196 (6,343)
Cadena Radiópolis, S.A. de C.V.	Calzada de Tlalpan número 3000, Colonia Espartaco, Delegación Coyoacán, Código Postal 04870, Ciudad de México.	Provision of all types of public telecommunications and broadcasting services	40.000%		5,672	5,616 (57)
El Dorado Broadcasting Corporation	2100 Coral Way, Miami, Florida, EE.UU.	Development of the Latin radio market in the US	19.998%		196	(1,446)
GLR Costa Rica, S.A.	Llorente de Tibás, Edificio La Nación, San José, Costa Rica	Operation of radio broadcasting stations	39.995%		1,020	952 (4)
Green Emerald Business Inc.	Calle 54, Obarrio N° 4, Ciudad de Panamá, Panamá	Development of the Latin radio market in Panama	27.955%		3,986	(5,748) (404)
Multimedios GLP Chile SPA	Av. Andrés Bello 2325 Piso 9, Providencia	Commercial radio broadcasting services	19.260%		1,044	(1,227) (1,104)
Promotora Radial del Llano, LTDA	Calle 67 N° 7-37 Piso 7 Bogotá, Colombia	Commercial radio broadcasting services	19.260%		1	43 (16)
QHubo Radio, S.A.S	Cl. 57 No 17 - 48 Bogotá, Colombia	Operation of radio broadcasting stations	40.000%		120	(318) (115)
Radio Comerciales, S.A. de C.V.	Ruben Dario n° 158, Guadalajara, México	Operation of radio broadcasting stations	39.995%		1,044	1,170 (145)
Radio Melodia, S.A. de C.V.	Ruben Dario n° 158, Guadalajara, México	Operation of radio broadcasting stations	40.000%		23	310 (144)
Radio Tapatia, S.A. de C.V.	Ruben Dario n° 158, Guadalajara, México	Operation of radio broadcasting stations	39.592%		80	431 (211)
Radiotelevisora de Mexicali, S.A. de C.V.	Avenida Reforma 1270, Mexicali Baja California, México	Operation of radio broadcasting stations	39.995%		1,807	2,396 (279)
Servicios Radiópolis, S.A. de C.V.	Calzada de Tlalpan 3000 col Espartaco México D.F. 04870, México	Operation of radio broadcasting stations	39.995%		853	309 (93)
Servicios Xezz, S.A. de C.V.	Calzada de Tlalpan 3000 col Espartaco México D.F. 04870, México	Operation of radio broadcasting stations	39.592%		2	71 (43)
Sistema Radiópolis, S.A. de C.V.	Avenida Vasco de Quiroga 2000, México D.F. México	Operation of radio broadcasting stations	39.995%		9,393	36,723 (8,688)
W3 Comm Concesionaria, S.A. de C.V.	Carretera Libre Tijuana, Enseñada 3100, Rancho Altamira Blvd Popotla y Camino al FRACC Misión del Mar, Playas de Rosarito, Baja California, EE.UU.	Advisory services on business administration and organisation	79.588%		6	(607) (71)
WSUA Broadcasting Corporation	2100 Coral Way, Miami, Florida, EE.UU.	Radio broadcasting	19.998%		587	(4,451) (137)
Xezz, S.A. de C.V.	Ruben Dario n° 158, Guadalajara, México	Operation of radio broadcasting stations	39.590%		40	197 (34)
MÚSICA						
Gran Via Musical de Ediciones, S.L.	Gran Via, 32, Madrid	Provision of musical services	100.00%	2/91	3,000	1,441 (259)
Planet Events,S.A.	Gran Via, 32, Madrid	Production and organisation of shows and events	56.00%	2/91	120	25 (69)
Prisa Música, S.A.	Gran Via, 32, Madrid	Production and organisation of shows and events	75.51%	2/91	712	628 (828)
Prisa Música América, S.A.S.	CALLE 98 N° 18 - 71 OFICINA 401	Production and organisation of shows and events	75.51%		537	(830)

(*) Fiscal consolidation group Promotora de Informaciones, S.A. : 2/91

INDIRECT HOLDINGS

APPENDIX II

INVESTEE	REGISTERED OFFICE	LINE OF BUSINESS	08-31-2017 (in thousands of euros)			
			% OF OWNERSHIP	TAX GROUP (*)	SHARE CAPITAL	SHAREHOLDERS' EQUITY
PRENSA						
Agrupación de Servicios de Internet y Prensa, S.L.	Valentín Beato, 44. Madrid	Administrative, technological and legal services and the distribution of written and digital media	100.00%	2/91	1,726	837
As Chile SPA	Etiodoro Yáñez 1783, Providencia. Santiago. Chile	Publication and operation of As newspaper in Chile	75.00%		908	231
Diario AS Colombia, SAS	Cl 98, n° 1871 Of401. Bogotá D.C.	Publication and operation of As newspaper in Colombia	75.00%		537	(93)
Diario As USA, Inc	2100 Coral Way Suite 603. 33145 Miami, Florida	Publication and operation of As newspaper in USA	75.00%		-	465
Noticias AS México S.A. de C.V.	México DF	Publication and operation of As newspaper in Mexico	75.00%		655	(4)
Diario As, S.L.	Valentín Beato, 44. Madrid	Publication and operation of As newspaper	75.00%	2/91	1,400	45,779
Diario El País Argentina, S.A.	Leandro N. Alem. 720. Buenos Aires. 1001. Argentina	Operation of El País newspaper in Argentina	100.00%		1,164	(96)
Diario El País Do Brasil Distribuidora de Publicações, LTDA.	Rua Padre Adelino. 758 Belezinho. CEP 03303-904. Sao Paulo. Brasil	Operation of El País newspaper in Brazil	100.00%		6,931	524
Prisa Noticias de Colombia, SAS.	Calle 98 No 18- 71 oficinas 401 -402 del edificio Varese Bogotá	Operation of El País newspaper in Colombia	100.00%		1	1
Diario El País, S.L.	Miguel Yuste, 40. Madrid	Holding	100.00%	2/91	4,200	(352)
Ediciones El País, S.L.	Etiodoro Yáñez 1783, Providencia. Santiago. Chile	Publication, operation and sale of El País newspaper in Chile	100.00%		2,972	(187)
Espacio Digital Editorial, S.L.	Miguel Yuste, 40. Madrid	Publication, operation and sale of El País newspaper	99.99%	2/91	3,306	10,706
Estructura, Grupo de Estudios Económicos, S.A.	Gran Vía, 32. Madrid	Edition and exploitation of Hufimton Post digital for Spain	100.00%	2/91	8,501	10,414
Grupo de Medios Impresos y Digitales, S.L.	Miguel Yuste, 42. Madrid	Publication and operation of Cinco Días newspaper	100.00%	2/91	60	(401)
Meristation Magazine, S.L.	Gran Vía, 32. Madrid	Documentation services	100.00%	2/91	990	20,763
Pressprint, S.L.U.	Almogaveros 12. Llagostera. Girona	Documentation services	100.00%	2/91	6	(62)
Prisa Eventos, S.L.	Valentín Beato, 44. Madrid	Production, printing, publication and distribution of products format	100.00%	2/91	21,500	21,887
As Arabia For Marketing, W.L.L. (²)	Miguel Yuste, 40 Madrid	Operation of press media	100.00%	2/91	3	(30)
Betmedia Soluciones, S.L. (¹)	D' Ring Road, 3488, Doha, Qatar	Publication and operation of arabian on line As newspaper in countries of the Middle East and North Africa	36.75%		-	206
Kioskoymás, Sociedad Gestora de la Plataforma Tecnológica, S.L. (¹)	Rua de Garrucha, 8, Santa Cruz, 15179 A Coruña	Development, management and operation of websites, platforms and software to perform activities related to the game	25.00%		6	616
Le Monde Libre Societé Comandité Simple (²)	Juan Ignacio Luca de Tena, 7. Madrid	Publication and operation of newspapers, magazines in digital format	50.00%		53	(628)
	17, Place de la Madeleine. Paris	Holding	20.00%		38	(13,407)

(¹) Fiscal consolidation group Promotora de Informaciones, S.A. : 2/91

(¹) Results on July 31, 2017

(²) Results on December 31, 2016

(²) Results for the month of August 2017

INDIRECT HOLDINGS

APPENDIX II

INVESTE	REGISTERED OFFICE	LINE OF BUSINESS	08-31-2017 (in thousands of euros)				
			% OF OWNERSHIP	TAX GROUP (*)	SHARE CAPITAL	SHAREHOLDERS' EQUITY	EBIT
MEDIA CAPITAL							
Argumentos para Audiovisual, Lda. (CASA DA CRIAÇÃO)	Rua Mário Castelhano, n.º 40, Queluz de Baixo 2734 506 Barcarena. Portugal	Creation, development, translation and adaptation of texts and ideas for television programmes, films, entertainment, advertising and theatre	94,69%		20	(19)	(38)
COCO-Companhia de Comunicação, Unipessoal, Lda.	Rua Sampaio e Pina, n.ºs 24-26 1099 044 Lisboa. Portugal	Radio broadcasting	94,64%		50	110	62
DRUMS - Comunicações Sonoras, Unipessoal LDA	Rua Sampaio e Pina, n.ºs 24-26 1070 249 Lisboa. Portugal	Activity of radio broadcasting in the fields of production and broadcasting of programs	94,64%		5	10	4
Emissões de Radiodifusão, S.A. (RADIO REGIONAL DE LISBOA)	Rua Sampaio e Pina, 24/26, 1099-044, Lisboa, Portugal	Radio broadcasting	94,69%		110	(477)	38
Empresa de Meios Audiovisuais, Lda. (EMAV)	Rua Mário Castelhano, n.º 40, Queluz de Baixo 2734 502 Barcarena. Portugal	Purchase, sale and rental of audiovisual media (cameras, videos, special filming and lighting equipment, cranes, rails, etc.)	94,69%		50	379	374
Empresa Portuguesa de Cenários, Lda. (EPC)	Rua Mário Castelhano, n.º 40, Queluz de Baixo 2734 502 Barcarena. Portugal	Design, construction and installation of decorating accessories	94,69%		50	(366)	(276)
Grupo Media Capital, SGFS, S. A.	Rua Mário Castelhano n.º 40, Queluz de Baixo, Portugal	Holdings	94,69%		89,584	86,520	286
Leirimedia, Produções e Publicidade, LDA	Rua Sampaio e Pina, n.º 24-26 1070 249 Lisboa. Portugal	Production and realization of radio programs and shows, advertising, promotions and representations	94,69%		5	11	6
Media Capital Digital, S.A	Rua Mário Castelhano, N.º 40, 2734-502, Barcarena, Portugal	Publication, multimedia production, distribution, consultancy, sales (mail order, telephone and other) of goods and services as well as the acquisition, supply, preparation and dissemination of journalism by any means	94,69%		55	(2,765)	(581)
Media Capital Música e Entretenimento, S.A (MCMTE)	Rua Mário Castelhano, N.º 40, 2734-502, Barcarena, Portugal	Publication, graphic arts and the reproduction of recorded media: magazines, audio publication, video reproduction and the provision of services related to music, the radio, television, film, theatre and literary magazines	94,69%		3,050	(785)	(3)
Media Capital Produções, S.A. (MCP)	Rua Mário Castelhano, N.º 40, 2734-502, Barcarena, Portugal	Design, development, production, promotion, sale, acquisition, exploitation rights, recording, distribution and dissemination of audiovisual media	94,69%		45,050	8,357	(19)
Media Capital Rádios, S.A. (MCR II)	Rua Mário Castelhano, N.º 40, 2734-502, Barcarena, Portugal	Provision of services in the areas of accounting and financial consultancy; performance of radio broadcasting activities in the areas of the production and transmission of radio programmes	94,69%		192	(7,839)	(4)
Media Global, SGFS, S.A. (MEGLO)	Rua Mário Castelhano, N.º 40, 2734-502, Barcarena, Portugal	Holdings	94,69%		37,098	79,132	(63)
Moliceiro, Comunicação Social, Lda.	Rua Sampaio e Pina, 24/26, 1070 249, Lisboa, Portugal	Broadcasting activity	94,69%		5	18	4
CLMC-Multimedia, Unipessoal, Lda.	Rua Mário Castelhano, 40, Queluz de Baixo 2734 502 Barcarena, Portugal	Distribution of film activities, video, radio, television, audiovisual and multimedia	94,69%		5	166	(3)
NOTIMIA-Publicações e Comunicações, S.A.	Rua Sampaio e Pina, n.ºs 24/26 1099 044 Lisboa, Portugal	Radio broadcasting	94,69%		5	64	48
Penalva do Castelo FM Radiodifusão e Publicidade, Lda.	Rua Sampaio e Pina, n.ºs 24-26 1070 249 Lisboa, Portugal	Broadcasting in production areas and programs transmission	94,69%		15	(106)	40
Plural Entertainment España, S.L.	Gran Vía, 32, Madrid	Production and distribution of audiovisual content	94,69%	2/91	6,000	16,983	(1,182)
Plural Entertainment Inc.	1680 Michigan Avenue, Suite 730, Miami Beach, EE.UU.	Production and distribution of audiovisual content	94,69%		109	(3,370)	(20)
Plural Entertainment Portugal, S.A.	Rua Mário Castelhano, n.º 40, Queluz de Baixo 2730 120 Barcarena. Portugal	Production of video and film, organisation of shows, rental of sound and lighting, advertising, sales and representation of registered videos	94,69%		36,650	35,594	(2,916)
Polimedia - Publicidade e Publicações, Lda.	Rua Sampaio e Pina, n.º 24-26 1070 249 Lisboa, Portugal	Broadcasting in production areas and programs transmission	94,69%		5	(71)	7
PRC Produções Radiofónicas de Coimbra,Lda.	Rua Sampaio e Pina, n.ºs 24-26 1070 249 Lisboa, Portugal	Cinema production, video and television programs	94,69%		7	(27)	17
Produção de Eventos, Lda. (MEDIA CAPITAL ENTERTAINMENT)	Rua Mário Castelhano, N.º 40, 2734-502, Barcarena, Portugal	Publication, graphic art and reproduction of recorded media: magazines, audio publication, video reproduction; and provision of services related to music, radio, television, film, theatre and literary magazines	94,69%		5	(688)	(3)

(*) Fiscal consolidation group Promotora de Informaciones, S.A. : 2/91

INDIRECT HOLDINGS

APPENDIX II

INVESTEES	REGISTERED OFFICE	LINE OF BUSINESS	08-31-2017 (in thousands of euros)				
			% OF OWNERSHIP	TAX GROUP (*)	SHARE CAPITAL	SHAREHOLDERS' EQUITY	EBIT
Producciones Audiovisuales, S.A. (NBP IBÉRICA) Produções Audiovisuais, S.A. (RADIO CIDADADE)	Almagro 13, 1ª Izquierda. 28010. Madrid Rua Sampaio e Pina. 24/26. 1099-044. Lisboa. Portugal	Inactive Radio broadcasting, production of audio or video advertising spots. Advertising, production and recording of discs. Development and production of radio programmes	94,69% 94,69%		60 50	13 185	- 146
R 2000 - Comunicacao Social, Lda. Radio Comercial, S.A. (COMERCIAL) Rádio do Concelho de Cantanhede Lda. Rádio Litoral Centro, Empresa de Radiodifusao, Lda.	Rua Sampaio e Pina. 24/26. 1070-249. Lisboa. Portugal Rua Sampaio e Pina. 24/26. 1070-249. Lisboa. Portugal Rua Sampaio e Pina. n.ºs 24-26 1099 044 Lisboa. Portugal Rua Sampaio e Pina. 24-2.1099 044 Lisboa. Portugal	Radio broadcasting in the areas of programme production and transmission Radio broadcasting in the areas of programme production and transmission Radio broadcasting in the areas of programme production and transmission Radio broadcasting in the areas of programme production and transmission	94,69% 94,69% 94,69% 94,69%		5 500 5 5	16 3.316 21 16	10 1.700 17 10
Rádio Nacional - Emissões de Radiodifusao, Unipessoal Lda. Rádio Voz de Alcanena, Lda. (RVA) Rádio XXI, Lda. (XXI)	Rua Sampaio e Pina. n.ºs 24-26 1099 044 Lisboa. Portugal Rua Sampaio e Pina. n.ºs 24-26 1099 044 Lisboa. Portugal Rua Sampaio e Pina. 24/26. 1099-044. Lisboa. Portugal	Radio broadcasting in the areas of programme production and transmission Radio broadcasting in the areas of programme production and transmission Advisory services, guidance services and operational assistance to public relations companies and organisations	94,69% 94,69% 94,69%		5 5 5	16 18 (1,033)	9 10 47
Fior Do Éter Radiodifusão, Lda.	Rua Sampaio e Pina. n.ºs 24-26 1099 044 Lisboa. Portugal	Radio broadcasting in the areas of programme production and transmission	94,69%		5	10	2
R.C. - Empresa de Radiodifusão, Unipessoal, Lda. Serviços de Consultoria e Gestão, S.A. (MEDIA CAPITAL SERVIÇOS) Serviços de Internet, S.A. (IOL-NEGÓCIOS)	Rua Sampaio e Pina. n.ºs 24-26 1099 044 Lisboa. Portugal Rua Mário Castelhanho. N.º 40. 2734-502. Barcarena. Portugal Rua Mário Castelhanho, 40. Queluz de Baixo 2734 502 Barcarena. Portugal	Radio broadcasting in the areas of programme production and transmission Services, publication and sale of electronic goods and services Production of multimedia, audiovisual and phonogram storage media	94,69% 94,69% 94,69%		5 100 100	49 139 213	29 81 102
SIRPA, Sociedade de Imprensa Radio Paralelo, Lda. Sociedade de Produção e Edição Audiovisual, Lda (FAROL MÚSICA) Televisão Independente, S.A. (TVI)	Rua Sampaio e Pina. 24/26. 1099-044. Lisboa. Portugal Rua Mário Castelhanho. N.º 40. 2734-502. Barcarena. Portugal Rua Mário Castelhanho. N.º 40. 2734-502. Barcarena. Portugal	Broadcasting in production areas and programs transmission Production of multimedia, audiovisual and phonogram storage media Performance of any TV-related activity, such as the installation, management and operation of any TV channel or infrastructure	94,69% 94,69% 94,69%		5 5 15.926	147 (2,149) 45.006	5 (18) 15.919
Tesela Producciones Cineamatográficas, S.L. Plural Entertainment Canarias, S.L.	Gran Via, 32. Madrid Dársena Pesquera. Edificio Plató del Atlántico. San Andrés 38180. Santa Cruz de Tenerife	Production and distribution of audiovisual content Production and distribution of audiovisual content	94,69% 94,69%	2/91 2/91	1.034 75	5.720 23	(5) -
Chip Audiovisual, S.A. (†) Factoria Plural, S.L. (†) Productora Canaria de Programas, S.A. (†) Sociedad Canaria de Televisión Regional, S.A. (†)	Coso, 100. Planta 3ª puerta 4-50001. Zaragoza Calle Biarritz, 2. 50017 Zaragoza Enrique Wolfson, 17. Santa Cruz de Tenerife Avenida de Madrid s/n. Santa Cruz de Tenerife	Audiovisual productions for TV Production and distribution of audiovisual content Development of a promotional TV channel for the Canary Islands Audiovisual productions for TV	7,10% 14,20% 37,88% 37,88%		600 175 601 910	1.585 2.010 1.413 1.622	352 292 2 347

(*) Fiscal consolidation group Promotora de Informaciones, S.A. : 2/91

INDIRECT HOLDINGS

APPENDIX II

INVESTEES	REGISTERED OFFICE	LINE OF BUSINESS	08-31-2017 (In thousands of euros)				EBIT
			% OF OWNERSHIP	TAX GROUP (*)	SHARE CAPITAL	SHAREHOLDERS' EQUITY	
TELEVISIONES LOCALES Collserola Audiovisual, S.L. Málaga Altavisión, S.A. (En liquidación) Productora Audiovisual de Badajoz, S.A. Productora Extremeña de Televisión, S.A.	Plaza Narcís Oller, N° 6 1º, 1ª. 08006, Barcelona Paseo de Reding, 7. Málaga Ramón Albarrán, 2. Badajoz J. M. R. "Azorín". Edificio Zeus. Polígono La Corchera. Mérida. Badajoz	Provision of local television services Production and broadcasting of videos and TV programmes Provision of local television services Provision of local television services	99.95% 87.24% 61.45% 70.00%	2/91 2/91	85 3,465 498 1,202	(13,055) (2,142) (1,684) 777	- - - -

(*) Fiscal consolidation group Promotora de Informaciones, S.A. : 2/91

(†) Results on July 31, 2017

(‡) Results for the month of August 2017

INVESTEES	REGISTERED OFFICE	LINE OF BUSINESS	08-31-2017 (in thousands of euros)				
			% OF OWNERSHIP	TAX GROUP (*)	SHARE CAPITAL	SHAREHOLDERS' EQUITY	EBIT
DIGITAL							
Infotecnia 11824, S.L. Prisa Tecnología, S.L.	Ronda de Poniente 7, Tres Cantos, Madrid Gran Vía, 32, Madrid	Provision of telecommunications services Provision of internet services	60.00% 100.00%	2/91	40 1,260	54 622	8 (738)
IMPRESIÓN							
Bidasoa Press, S.L. Dédalo Grupo Gráfico, S.L. Distribuciones Aliadas, S.A. Norpremsa, S.A. Prisaprint, S.L.	Calle Maifilla N° 134, 46026, Valencia Carretera de Pinto a Fuencabada, Km. 20,8, Madrid Polígono Industrial La Isla, Parcela 53, 41700 Dos Hermanas, Sevilla Parque Empresarial IN-F, Calle Costureras, s/n 27003, Lugo Gran Vía, 32, Madrid	Printing Publishing Products Printing Publishing Products Printing Publishing Products Printing Publishing Products Management of printing companies	100.00% 100.00% 100.00% 100.00% 100.00%	2/91 2/91 2/91 2/91 2/91	2,047 3 2,100 270 3,000	4,087 1,138 8,932 94 3,854	268 41 (245) (36) 11
PRISA BRAND SOLUTIONS							
Eresmas Interactiva Inc. (?)	2600 Douglas Road Suite 502 Coral Gables Miami Florida USA 33134	Advertising management	100.00%		1,117	195	(30)
Fullscreen Solutions, S.A. de C.V. (?)	Montecito 38 Piso 6 Oficina 24 Col. Nápoles Del. Benito Juárez Ciudad de México 03100	Marketing of advertising in video	84.00%		-	(101)	(4)
Latam Digital Ventures, LLC (LDV)	2600 Douglas Road Suite 502 Coral Gables Miami Florida USA 33134	Holding	100.00%		-	-	-
Mobvious Corp. (?)	2600 Douglas Road Suite 502 Coral Gables Miami Florida USA 33134	Marketing of advertising in mobile phones	60.00%		137	179	164
Prisa Digital Inc.	2100 Coral Way, Suite 200, Miami, Florida, 33145, EE.UU.	Provision of internet services	100.00%		0	0	0
Starr Interactiva, S.A. de C.V. (?)	Montecito 38 Piso 6 Oficina 24 Col. Nápoles Del. Benito Juárez Ciudad de México 03100	Marketing of advertising in digital media	99.99%		77	619	(35)
OTROS							
Audiovisual Sport, S.L.	Calle Diagonal, 477, Barcelona	Management and distribution of audiovisual rights	80.00%	2/91	6,220	9,075	(251)
Grupo Latino de Publicidad Colombia, SAS	Carrera 9, 9907 Oficina 1200, Bogotá, Colombia	Operation and advertising marketing	100.00%		194	931	212
Prisa División Internacional, S.L.	Gran Vía, 32, Madrid	Holdings of foreign shares	100.00%	2/91	10,000	172,040	(1)
Prisa Inc.	2100 Coral Way Suite 200 Miami 33145 U.S.A.	Business Management in the USA and North America	100.00%		1,287	(387)	(1)
Prisa Inn, S.A. (Artes Solomáticas, S.A.)	C/ Valentín Beato, 48, Madrid	Advertising management	100.00%	2/91	180	66	(165)
Prisa Producciones de Video, S.L.	Gran Vía, 32, Madrid	Production, distribution and audiovisual marketing	100.00%	2/91	3	(989)	(1,276)
Promotora de Actividades América 2010 - México, S.A. de C.V.	Avenida Paseo de la Reforma 300, Piso 9, Col., Juárez, 06600, México, D.F. México	Production and organization of activities marking the bicentenary of American independence	100.00%		3	(665)	-
Vertix, SGPS, S.A.	Rua Mario Castelhanos, nº 40, Queluz de Baixo, Portugal	Holding company	100.00%		268,041	402,369	(71)

(*) Fiscal consolidation group Promotora de Informaciones, S.A. : 2/91

(?) Results on July 31, 2017

(*) Results for the month of August 2017