FY18 RESULTS PRESENTATION

February 26th, 2019

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Agenda

1 2018 key corporate events

2018 Key Corporate events

2018

Corporate Governance

- New reduced board composition with a positive balance in its overall structure according to best corporate governance practices.

New management team

- Renewed management team
- Leaner organization
- Internal control increased

Stabilization of Balance sheet, refinancing & increased transparency

- Cash capital increase amounting €563 Mn strongly supported by existing shareholders
- 5 years refinancing until 2022
- Public credit ratings: Fitch (B) and S&P (B-) both with stable outlook

Efficiency plan & capital discipline

- €40 Mn cost savings plan to be achieved in 3 years
- Disposal of non core non profitable assets
- Net Debt / Consolidated adj ebitda < 3x by 2020

Delivery

- Solid underlying business performance
- Efficiency plan acomplished 2 years ahead of schedule
- 1/3 of non core non profitable disposal plan accomplished
- 2018 Outlook fullfilled

Building the pillars for profitable growth and value creation

2 2018 Results

2018FY Key Highlights

1. Activity growth in all businesses partially offset by FX as anticipated
2. Accomplishment of efficiency plan 2 years ahead of schedule: **€49Mn** costs savings in 2018
3. 1/3 of non core non profitable assets disposal plan accomplished
4. Positive cashflow generation amounting **€42 Mn** despite one offs
5. Net debt reduced to **€929Mn**
6. Adjusted positive net profit +**€45Mn;** €281 Mn impairments non cash
7. 2018 outlook fullfilled

2018 KEY FIGURES

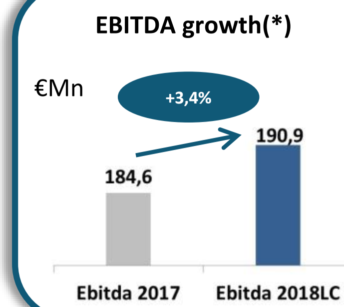
Adj.EBITDA	€276 Mn	+10% cc excluding IRFS15
FCF	*€42 Mn	vs -€16Mn in 2017
Net Debt	€929Mn	vs €1.5bn in 2017 proforma MCP
Adj. Net Profit	€45 Mn	+ 56%vs 2017

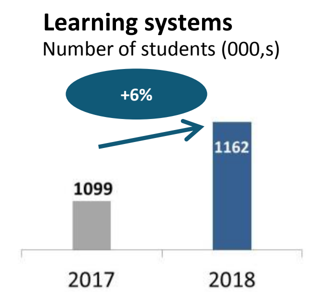
Solid underlying business performance

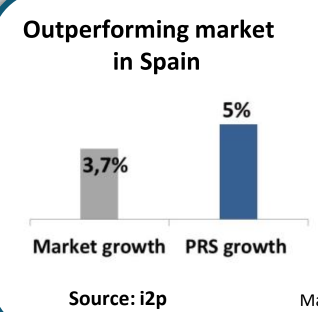
** FCF after refinancing and succession plan costs and before capital increase net proceeds*

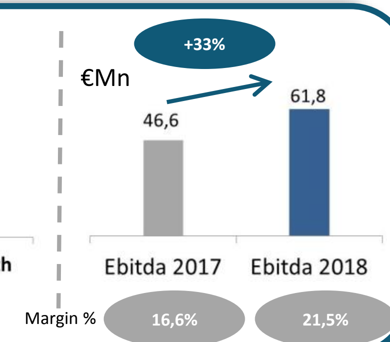
Outlook metrics for 2018 fullfilled

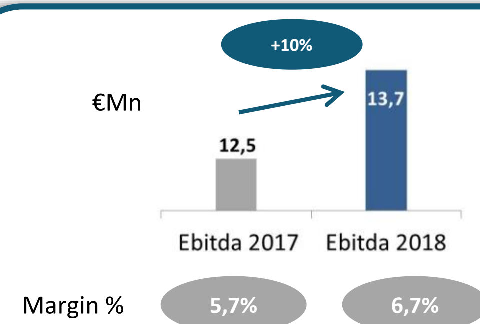
	2018 Outlook	FY 2018 Results
Education	• 2018 adjusted EBITDA in line with 2017 in LC due to lack of novelties in Spain and low year cycle for institutional sales in Brazil • Digital learning systems will continue delivering solid growth	See charts below
Radio	• Advertising growth in line with market, positive impact from special events (world cup and elections in Latam) • Operating improvement both in Spain and Latam	See charts below
Press	• Margin enhancement despite revenue decline	See chart below











Full delivery on complying with 2018 Outlook

** Adjusted ebitda growth in local currency excluding IFRS15*

Outlook metrics for 2018 fullfilled (Cont)

	2018 Outlook	FY 2018 Results
Efficiency Plan	• **40 million euros savings targeted to be achieved in the next 3 years, the majority to be implemented in 2018**	• **€49 Million cost savings achieved in 2018, over target and 2 years ahead of schedule**
Fx* evolution	• **Negative impact expected mainly from Brazil and Argentina**	• **FX impact in Renevue: -81Mn (BRZ -29; ARG -28)** • **FX impact in Ebitda: -19,6 Mn (BRZ -6; ARG -5)**

Breakdown of savings by concept	Amount
Personnel reduction	4,6
Closing of non profitable operations	11,3
Transformation operations in press	11,5
Corporate structures simpplification	15,9
Other savings	5,2
Total	**48,5**

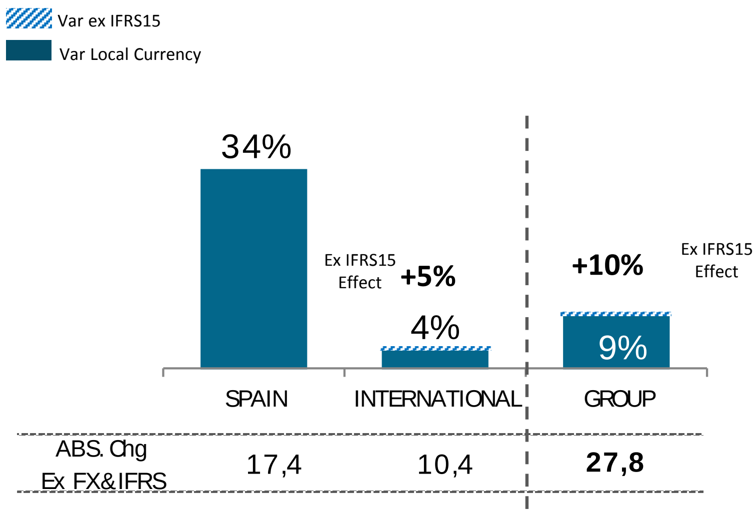
Full delivery on complying with 2018 Outlook

**Hyperinflation in Argentina* had an additional negative impact on the reported results of-7 million euros in revenues and 4 million in EBITDA.

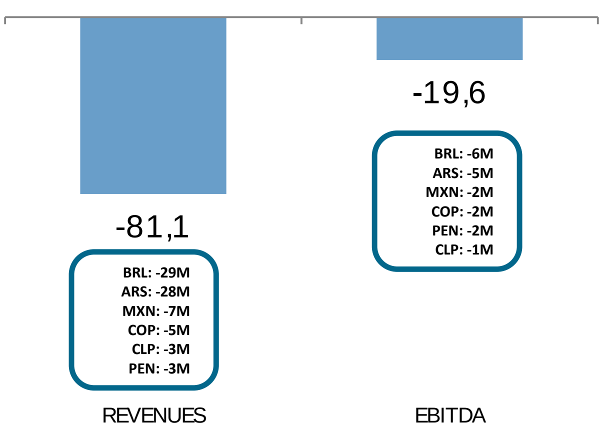
2018FY Operating Overview

€ Millions	2018	Var. 18/17 on constant ccy & excluding IFRS effect		Var. 18/17	
REVENUES	**1.280**	**2,3%**	**30M€**	**-3,0%**	**-40M€**
EXPENSES	**1.004**	**0,2%**	**3M€**	**-4,3%**	**-45M€**
EBITDA	**276**	**10,3%**	**28M€**	**2,2%**	**6M€**
EBITDA Margin	*21,6%*	*1,6 p.p.*		*1,1 p.p.*	
EBIT	**188**	**16,2%**	**28M€**	**7,5%**	**13M€**
EBIT Margin	*14,7%*	*1,8 p.p.*		*1,4 p.p.*	

EBITDA Variation (%) at constant currency



FX Effect (m€)



Note: All figures refer to adjusted numbers : Adjustments include redundancies, Hyperinflation in Argentina and Santillana USA disposal.

2018FY Operating Overview – Net Profit

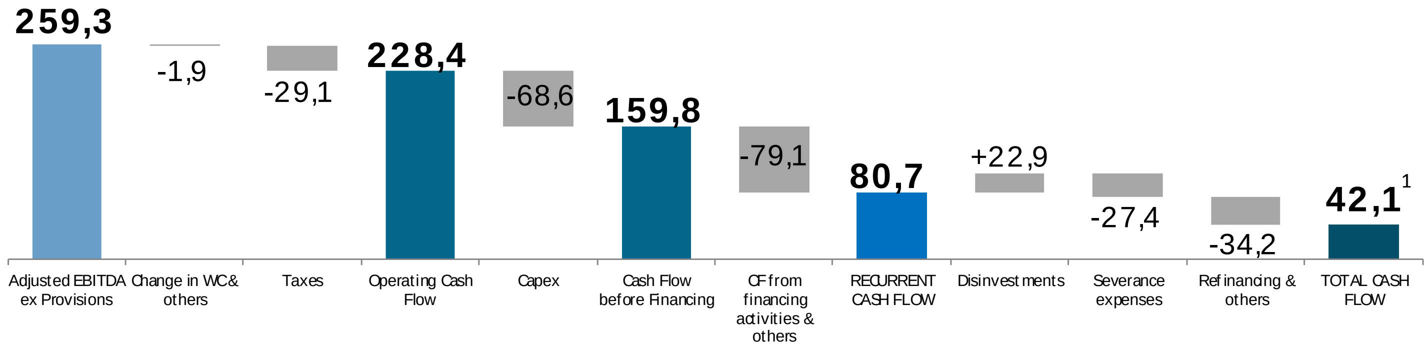
€ Millions	JANUARY - DECEMBER 2018	2017	% Chg.
Adjusted Results			
Adjusted EBIT	**188,0**	**174,9**	**7,5**
EBIT Margin	*14,7%*	*13,3%*	
Adjusted Financial Result	**(61,2)**	**(74,7)**	**18,1**
Interests on debt	(53,0)	(52,8)	(0,4)
Other financial results	(8,2)	(21,9)	62,6
Adjusted Result from associates	**3,8**	**4,8**	**(20,5)**
Profit before tax	**130,7**	**105,1**	**24,4**
Adjusted Income tax expense	52,6	47,0	11,9
Results from discontinued activities	**0,0**	**(1,0)**	**100,0**
Minority interest	**33,0**	**28,1**	**17,2**
Adjusted Net Profit	**45,2**	**29,0**	**55,9**
Operating adjustments	(102,7)	(122,3)	16,0
Goodwill	*(79,0)*	*(86,8)*	*9,0*
Other operating adjustments	*(23,7)*	*(35,5)*	*33,2*
Financial adjustments	(24,4)	5,5	---
Tax Income adjustments	(187,4)	(14,8)	---
Net Profit	**(269,3)**	**(102,6)**	**(162,6)**

- **Adjusted 2018 Net Profit excluding one-off expenses would have been a positive result of €45Mn despite negative FX impact at ebit level of €13 Mn**
- **Operating adjustments:** include i) goodwill impairments mainly related to MCP. The discount rate and long term growth rate for the FTA business have been amended following the increased volatility suffered in Europe on the back of geopolitical instability and European FTA industry valuations being negatively impacted, especially in 2H2018, resulting in a **non cash** goodwill impairment of **€76.1 Mn** ;ii) redundancies **(€23.7Mn).**
- **Financial adjustments:** include i) debt refinancing impact (€17.3 Mn); ii) Non cash Fx impact (€6.3Mn) related to Santillana perpetual dividend liability.
- **Tax income adjustments:** include i) tax income impact from operating and financial adjustments **(€14.6Mn)** and ii) tax impairments amounting **€201.8Mn**. At the end of fiscal year 2018, a review of the accounting value of the group's assets has been performed, on the back of a) cash optimization aligned with company´s long term projections b) refinancing agreement reached in 2018 and c) the reallocation of tax credits following the 2012-2015 Tax Inspection.
    - This process has implied accounting losses (impairments) in its Tax Credits of **€202Mn**
    - This reduction in DTAs has an impact in P&L but **does not represent any cash outflow**
    - Despite the impairment Tax losses are fully recognized in front of Tax Authorities

A solid adjusted net profit amounting €45.2 million positive

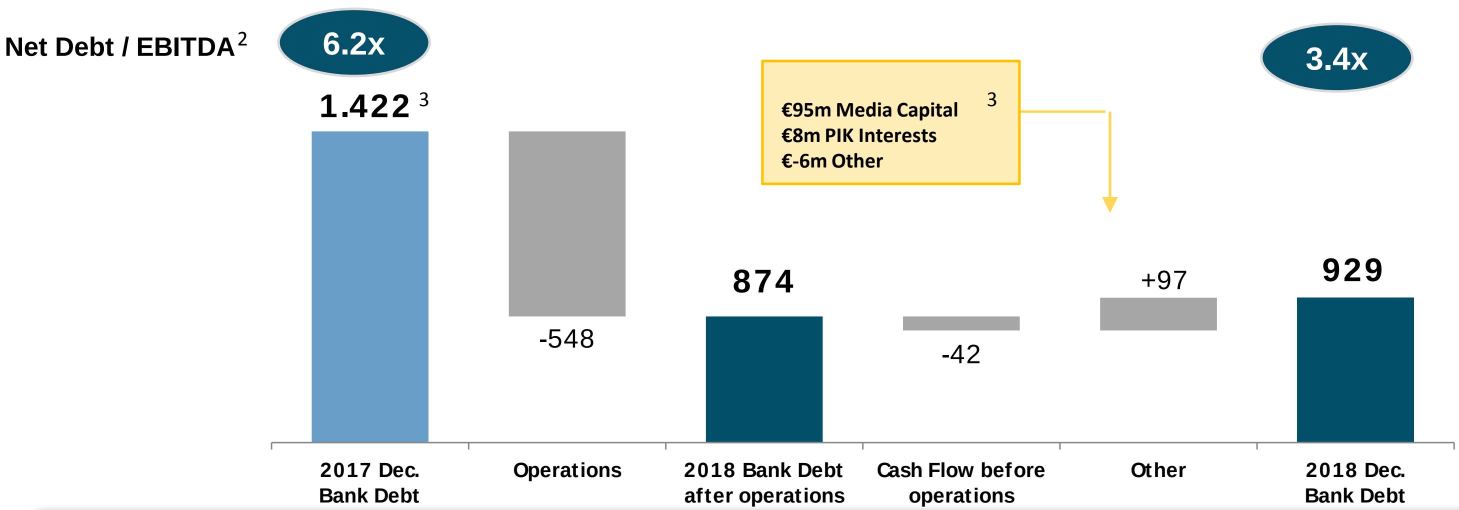
2018FY Operating Overview – Cash Flow Generation

Cash Flow Generation (m€)



	Adjusted EBITDA ex Provisions	Change in WC& others	Taxes	Operating Cash Flow	Capex	Cash Flow before Financing	CF from financing activities & others	RECURRENT CASH FLOW	Disinvestments	Severance expenses	Refinancing & others	TOTAL CASH FLOW
2017	**256,7**	-61,3	-37,2	**158,2**	-67,4	**90,8**	-83,9	**6,9**	3,3	-25,9	0,0	**-15,8**
Var.	**2,6**	59,5	8,1	**70,2**	-1,2	**69,0**	4,8	**73,9**	19,7	-1,5	-34,2	**57,9**

Net Bank Debt Evolution (m€)



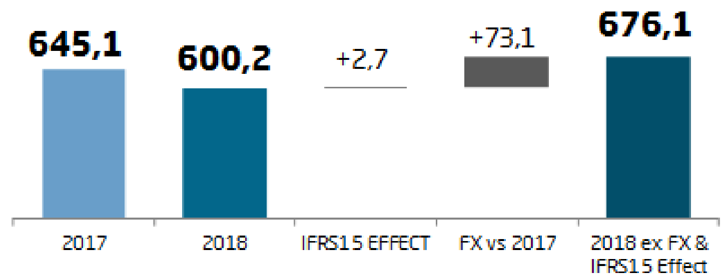
Positive recurrent cashflow generation in the period despite extraordinaries

1. Includes €26 Mn of 2017 PNLD campaign collected in Q1 2018
2. Consolidated adjusted EBITDA
3. Proforma 2017 Net Bank debt including MCP amounts 1.5Bn (1,422+95). Proforma leverage 5.6x

3 FY2018 results by business unit

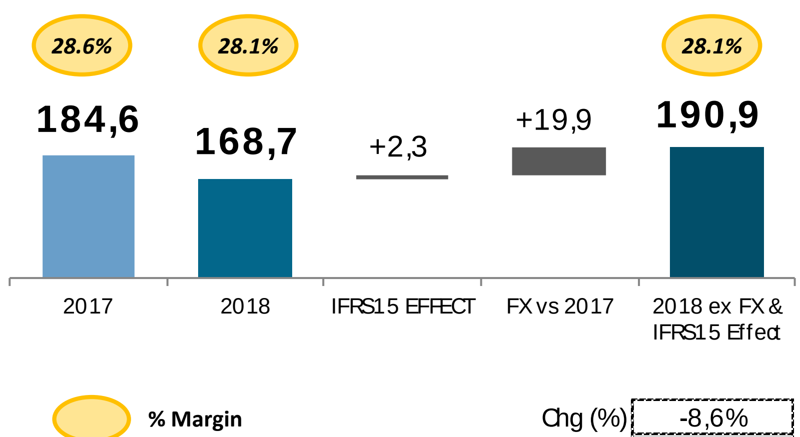
2018FY Operating Overview – Santillana

Adjusted Revenue (m€)



Chg (%)	-7,0%
Chg ex FX & IAS (%)	4,8%

Adjusted EBITDA (€m)



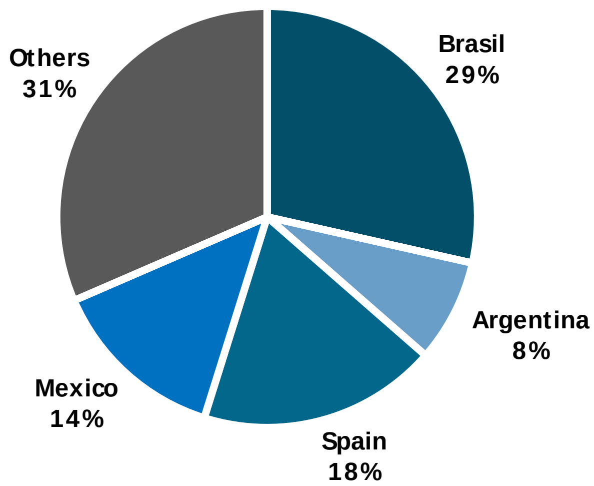
Chg (%)	-8,6%
Chg ex FX & IAS (%)	3,4%

Ebitda growth in local currency despite lack of novelties in Spain and low year cycle in public sales in Brasil. Results affected by FX

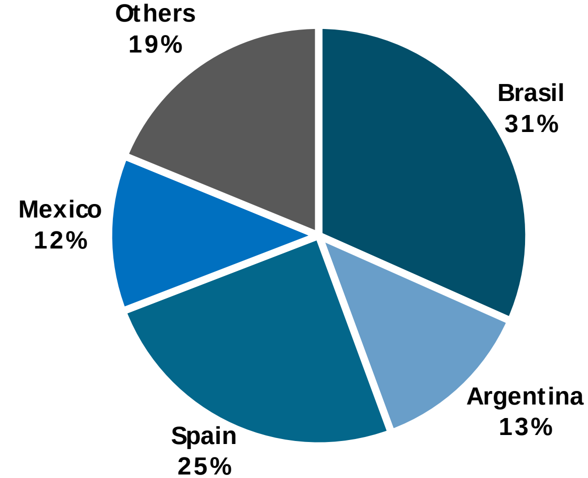
Note: All figures refer to adjusted numbers : Adjustments include redundancies, Hyperinflation in Argentina and Santillana USA.

2018FY Operating Overview – Santillana (Cont'd)

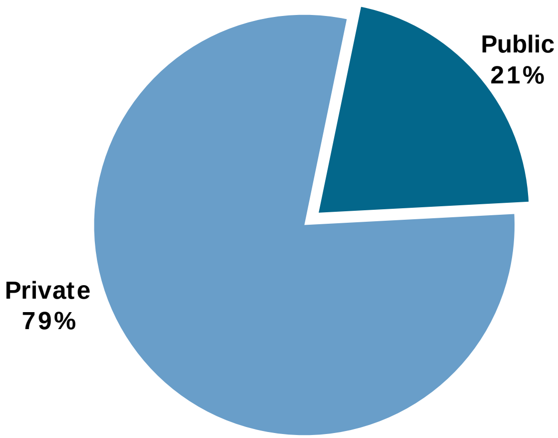
2018 Revenue Split by Geography



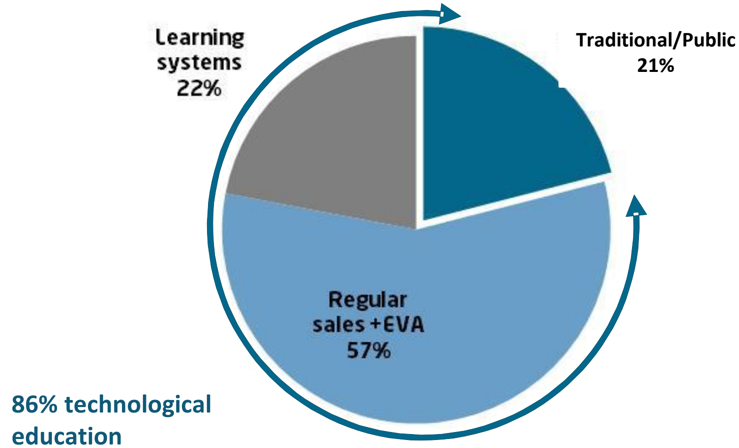
2018 EBITDA Split by Geography



Revenue Split (Public vs. Private)



Revenue Split (Digital vs. Traditional)



Note: All figures refer to adjusted numbers : Adjustments include redundancies, Hyperinflation in Argentina and Santillana USA.

2018FY Operating Overview – Santillana (Cont'd)

Operating Performance by Business & Regions

€ Millions	Adjusted Revenue			Adjusted EBITDA		
	JANUARY - DECEMBER			JANUARY - DECEMBER		
	2018	2017	% Chg.	2018	2017	% Chg.
Total Santillana	**600,2**	**645,1**	**(7,0)**	**168,7**	**184,6**	**(8,6)**
South Campaign	355,6	387,1	(8,1)	114,7	126,2	(9,1)
North Campaign	244,6	258,0	(5,2)	54,0	58,3	(7,5)

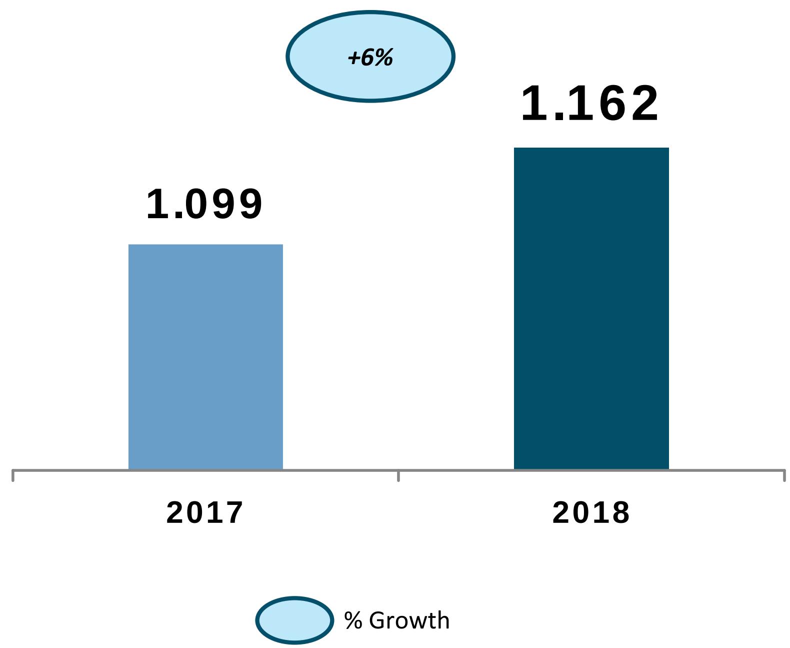
	Adjusted Revenue at Constant Currency & excluding IFRS effect			Adjusted EBITDA at Constant Currency & excluding IFRS effect		
	JANUARY - DECEMBER			JANUARY - DECEMBER		
	2018	2017	% Chg.	2018	2017	% Chg.
Total Santillana	**676,1**	**645,1**	**4,8**	**190,9**	**184,6**	**3,4**
South Campaign	420,6	387,1	8,7	133,1	126,2	5,5
North Campaign	255,5	258,0	(1,0)	57,7	58,3	(1,1)

Educational campaigns showed good performance with growth in South area and decline in North area due to lack of novelties in Spain as expected

Note: All figures refer to adjusted numbers : Adjustments include redundancies, Hyperinflation in Argentina and Santillana USA disposal.

2018FY Operating Overview – Santillana (Cont'd). Learning systems and Public sales in BRZ

Learning systems
Number of Students (000's)



Public sales in BRZ (2018 PNLD F1) main figures versus 2015

Market share	PNLD 4T2018	PNLD 2015
Market share	33,4%	16,1%
Books (Million)	25,8	7,7
Revenues (BRL Mn)	156,4	51,1

Historical Total PNLD + Prefeituras revenue evolution in LC (BRZ)

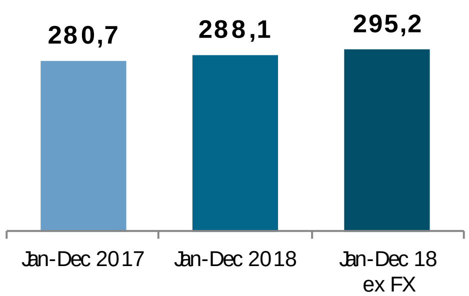
Mn BRL	Real 2015 Low	Real 2016 Mid	Real 2017 High	Real 2018 Low
Total PNLD	215	216	321	324

Learning systems expansion and outstanding market share achieved in public sales (PNLD F1) registered in 4Q

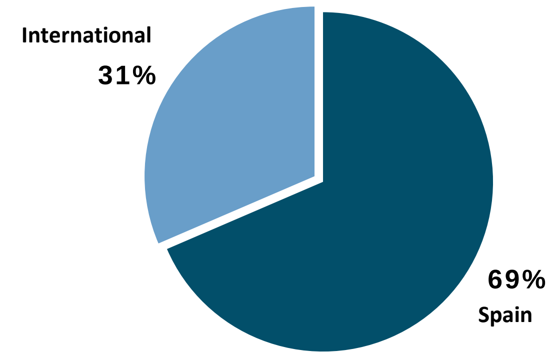
Source: Company information.
Note: All figures refer to adjusted numbers (excluding mainly redundancies).

2018FY Operating Overview – Radio

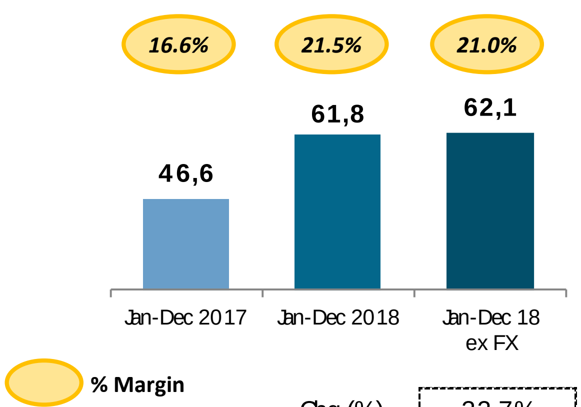
Adjusted Revenue Evolution (m€)[1]



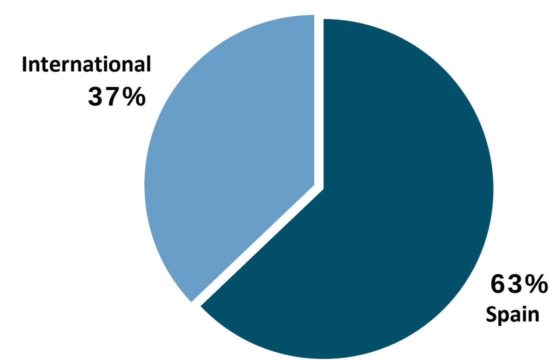
Chg (%)	2,6%
Chg ex FX (%)	5,2%



Adjusted EBITDA Evolution (m€)[1]



Chg (%)	32,7%
Chg ex FX (%)	33,5%



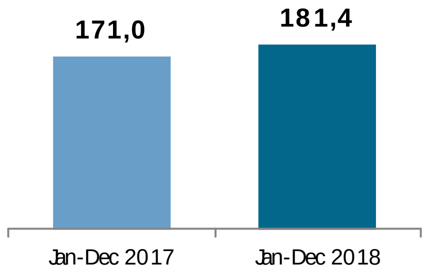
Strong operational leverage with EBITDA growing by 33%

Note: All figures refer to adjusted numbers : Adjustments include redundancies and Hyperinflation in Argentina. Figures exclude 50% of Radio Mexico & Radio Costa Rica.

2018FY Operating Overview – Radio Spain & Radio LatAm

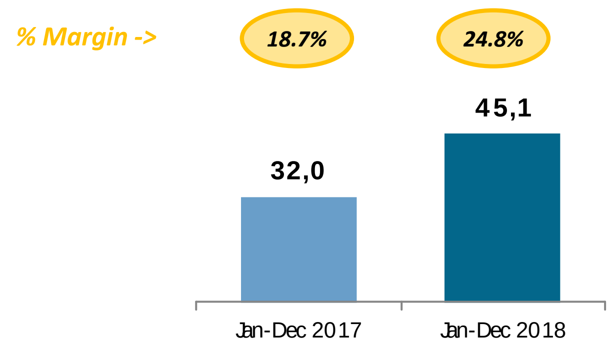
Radio Spain

Adjusted Revenue (m€)



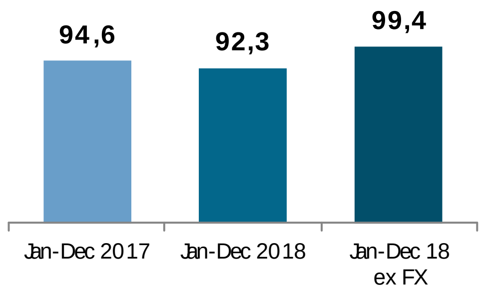
Chg (%) 6,1%

Adjusted EBITDA (m€)



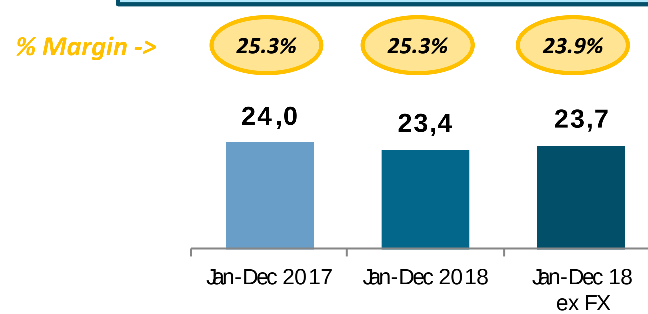
Chg (%) 41,0%

Adjusted Revenue (m€)



Chg (%)	-2,4%
Chg ex FX (%)	5,1%

Adjusted EBITDA (m€)



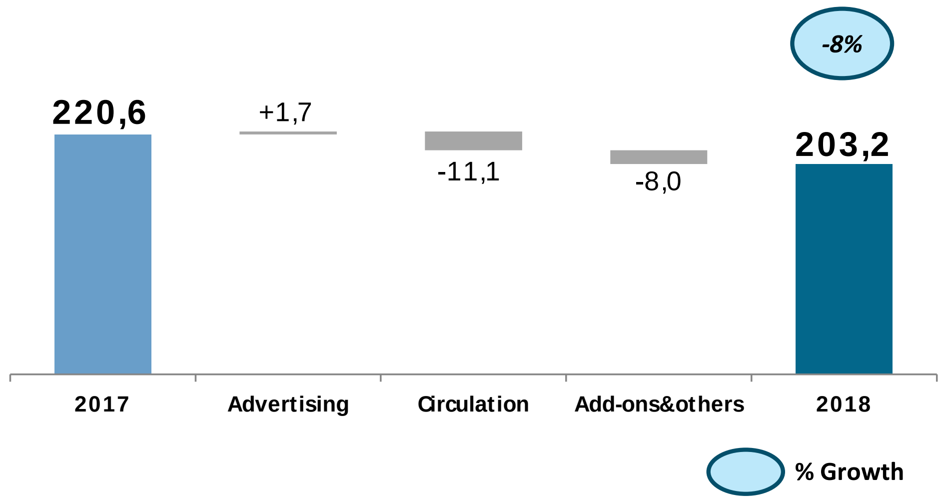
Chg (%)	-2,4%
Chg ex FX (%)	-1,0%

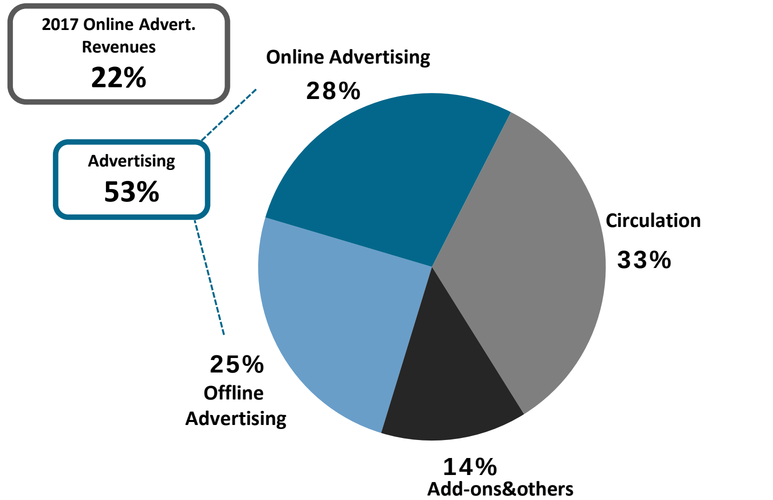
Margins improvement driven by revenue growth supported by good advertising performance both in Spain and LatAm and operational leverage on the back of cost control initiatives

Note: All figures refer to adjusted numbers : Adjustments include redundancies, and Hyperinflation in Argentina. Figures exclude 50% of Radio Mexico & Radio Costa Rica. Spain figures exclude HQ expenses

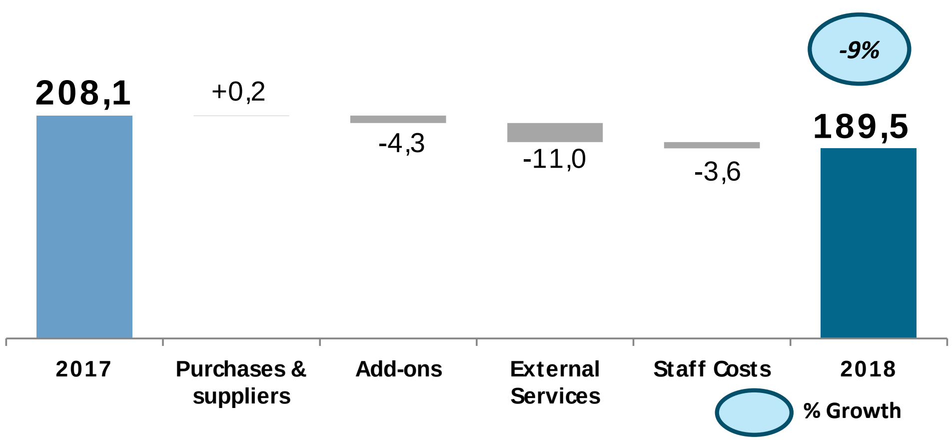
2018FY Operating Overview – Press

Revenue (m€)

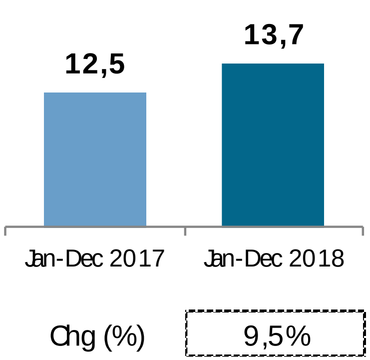




Adjusted Expenses (m€)



Adjusted EBITDA (€m)



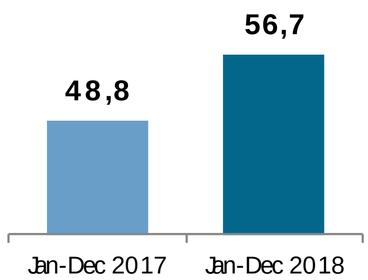
Operating trends improved with digital advertising increasing its weight and growing by +16% and strong efficiency measures in place

Note: All figures refer to adjusted numbers : Adjustments include redundancies.

2018FY Operating Overview – Press

Online Advertising Revenue (m€)

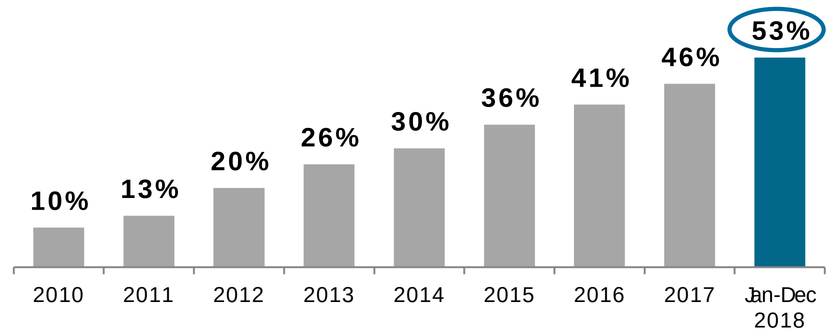
**Includes events*



Chg (%) 16,3%

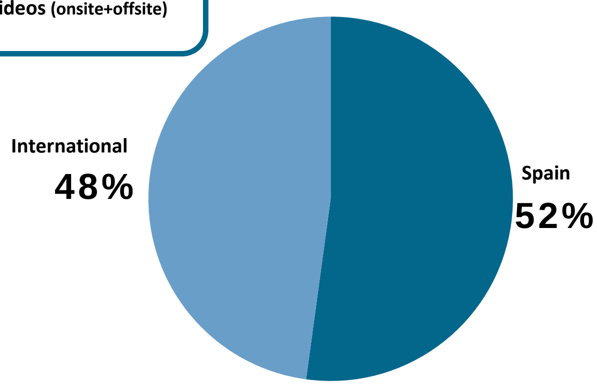
Online Advertising Contribution

**Includes events*



Worldwide Audience El País.com (YTD)

83M Unique Browsers
86M Videos (onsite+offsite)



Worldwide Newspapers Audience

Millions, Worldwide figures

1 THE GUARDIAN
2 NYTIMES
3 DAILYMAIL
4 WASHINGTON POST
5 TELEGRAPH
6 EL PAÍS
...
10 EL MUNDO

Ranking Spain Total
(Pc+Mobile, DIC)
#6 (above El Mundo)

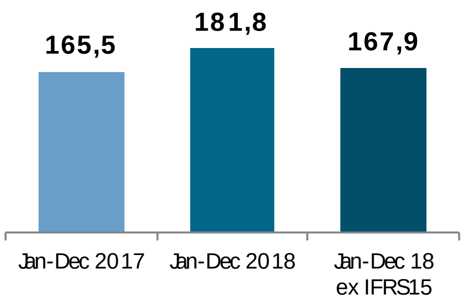
Worldwide figures: unique users (Pc). Source: Comscore
Spain figures: unique users (Pc+mobile). Source: Comscore

Progress towards a growing and scalable digital model with online advertising representing already 53% of total advertising

Note: All figures refer to adjusted numbers : Adjustments include redundancies.

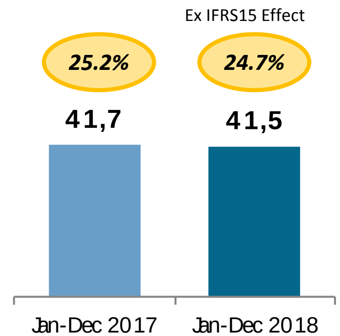
2018FY Operating Overview – Media Capital

Revenue



Chg (%)	9,9%
Chg ex IFRS (%)	1,5%

Adjusted EBITDA

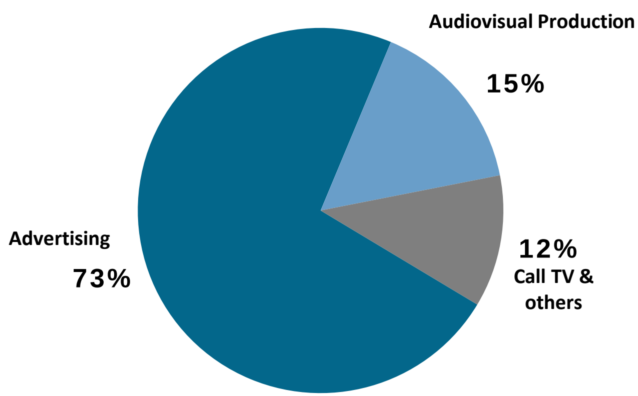


% Margin

Chg (%)	-0,7%

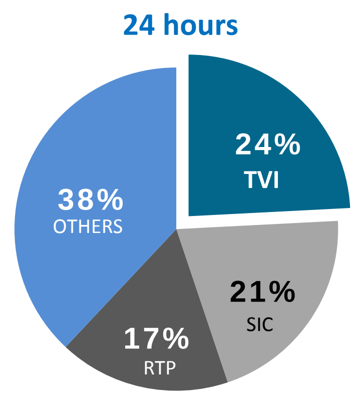
Revenue Breakdown YTD

**Excluding IFRS15 effect*

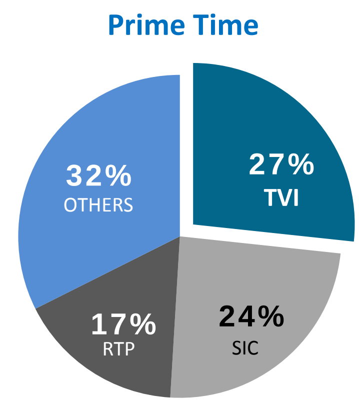


TV Audience by Group (average YTD)

24 hours



Prime Time



Media Capital reinforces its leadership in terms of market share and maintains profitability despite reinforcing its programming during H2.Strong cashflow generation and debt reduction

Note: All figures refer to adjusted numbers : Adjustments include redundancies.

4 2018 Summary and 2019 outlook

2018 Summary

1. Key corporate events building the pillars for profitable growth and value creation
2. Solid underlying business performance fullfilling 2018 outlook
3. Accomplishment of efficiency plan& focus on capital discipline
4. Positive cashflow generation and debt reduction

Outlook metrics for 2019

Positive evolution in all businesses with margin improvement supported by efficiency measures of 2018 with focus on value and cash generation

	KEY DRIVERS

Education	• Positive evolution supported by Spain and Brazil
	  • Novelties in Spain
	  • Public sales improvement in BRZ as a result of 2018 PNLD F1 renewals and 2019 being medium year cycle
	• 1H expected to be weaker than 2018 as a result of Spain seasonality, BRZ&MXN public sales seasonality and Hyperinflation impact, with stronger 2H on the back of Spain and Brazil

Radio	• Advertising growth in Spain, Chile and Colombia outperforming market leveraging on product offering and audience shares, despite extraordinary events related to world cup and elections contributing positively in 2018 • Operating improvement both in Spain and Latam
Press	• Digital growth benefiting from advertising market growth and creation of a Private Market Place • Transition to a variable cost structure: printing, distribution and technology • Margin enhancement supported by the implementation of efficiencies on the legacy business& digital growth
MCP	• Advertising growth in line with market • Highly competitive market to impact programming costs • Maintain freecash flow generation and debt reduction performance
FX	• Negative impact expected, mainly from BRZ and ARG (bellow 2018 negative impact)
FCF	• Recurrent FCF in line with or above 2018: Improving along the quarters due to seasonality of the businesses, likely to be negative in 1H • Deferred payment to 3i (non-recurrent) amounting €36.5 million by end of February

Full Focus on maximizing Prisa's value