



1Q2020 Results

PROMOTORA DE INFORMACIONES, S.A.

May 27th, 2020



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GENERAL OVERVIEW

**The Group's EBITDA on 1Q2020 reaches EUR 56 million vs. EUR 69 million in the same period of the previous year (-19% in euros/-6.6% in constant currency)
Results affected by COVID-19**

Focus on growth and expansion of digital subscription models, and on the boost of digital advertising and audio

The company's digital revenue now represent 31% of the total, increasing its contribution by 20%.

The company sells 30% stake of Media Capital to Pluris Investments S.A

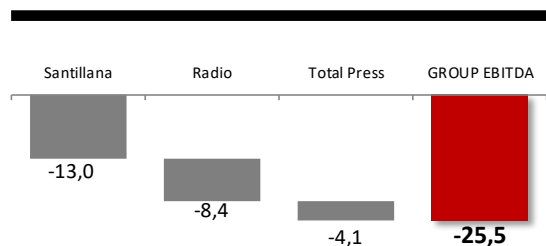
- ❑ **The Education business shows strength with revenue growth of 5% in euros (15% in local currency) representing digital revenues a 36% of total revenue.** The number of students on subscription models grew by 25% in the quarter to reach 1,716,000. The good performance of Subscription model and public sales, mainly in Brazil, offsets the behavior of the traditional business affected (due to the exceptional circumstances caused by the coronavirus) by the look down of the supply chain in some countries of the southern area where campaigns were not concluded (mainly Argentina, Chile, Ecuador and Peru).
- ❑ **Media businesses have been particularly affected by the COVID-19 crisis, showing falls in revenue over the period of 15% in News and 21% in Radio** mainly affected by the declines in the advertising market and circulation
 - **Radio makes progress in its strategy of creating new digital audio content, multichannel distribution and product innovation** that is reflected in the growth of the consumption of streaming hours and podcast downloads that have reached 61.5 million and 25.5 million respectively in March.
 - **A step forward in the News business model with the launch in early May of El PAÍS paywall, with focus on the growth of subscription revenue that will allow to consolidate the digital business developed in recent years, making it more robust and scalable. News's digital revenue reaches 37% of total.**
- ❑ **Media Capital remains as a discontinuity operation.** The Company materializes the sale of 30.22% stake to Pluris Investments S.A. for a price of 10.5 Million Euros, being the first step in the divestment of the asset that remains non-strategic for the Company and allows it to focus on its roadmap of crystalizing the value of Education and Spanish Media.
- ❑ **FX has had a negative effect on revenues of €-18.2 million and on EBITDA of €-8.4 million** mainly from devaluations in Argentina, Brazil and Chile.
- ❑ **Debt at the end of the period stands at 1,067 million compared to 1,161 as of December 2019. The Company has taken measures to fully preserve its liquidity.** At the end of March Company's cash balance amounts 265 million euros after having drawn 99 million euros on revolving lines.
- ❑ **Company has implemented a contingency plan to adapt the cost structures of its business to the foreseeable circumstances in the coming months, that includes a cost reduction plan of euros 40 million (expected cost savings in the period March-December).**



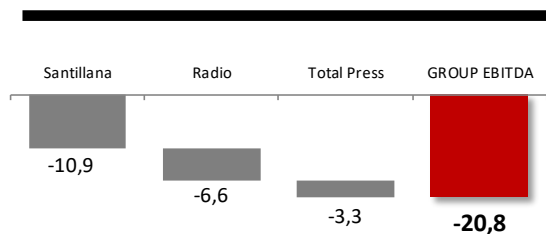
COVID-19 IMPACT ON 1Q2020 RESULTS

- ❑ **COVID-19 is having an unprecedented impact on the economy and society, harming industries and businesses around the world.** The virus has already spread to more than 180 countries, having severely affected the countries and geographies in which PRISA Group is present, particularly in Spain.
- ❑ **In PRISA Group, Media industry is one of the units that is suffering the most, while the education business is, at the moment, proving to be more resilient, even though the look down of the supply chain has affected the traditional business of some countries in the South area whose campaigns were not completed.**
- ❑ **Since the crisis began, PRISA, as a business group focused on two sectors as essential as education and the media, has given the highest priority to the continuity of its activities, taking the necessary measures to protect the health and safety of its employees, suppliers and customers; and, at the time, reaffirm their social commitment by offering access to comprehensive and rigorous information, quality entertainment and online educational services in support of families and schools in Spain and Latin America.**
- ❑ **In January-March period, COVID-19 has had an estimated negative impact on revenues of 25.5 million euros and on EBITDA of 20.8 million euros.**
- ❑ **The Company has put in place a 40 million contingency plan (March-December) to reduce the negative impacts of COVID-19, which includes cost reductions in all items. The company has closed, with broad support from employees, the agreements to reduce staff salaries.**
- ❑ **Consequences for the Group's future operations are uncertain and will depend to a large extent on the evolution and spread of the pandemic in the coming months, as well as on the responsiveness and adaptation of all impacted economic agents.**
- ❑ **Given the uncertainty that exists to date, the company invalidates the 2020 Outlook communicated to the market at the end of February.** It is not yet possible to estimate impacts, and it is premature to carry out a detailed assessment or quantification of the possible impacts that COVID-19 will have on the Group in the coming months, due to the uncertainty of its consequences in the short, medium and long term, and especially with regard to the risk of changes in certain financial aggregates and the risk of valuation of the assets and liabilities on the balance sheet. The company expects a worse advertising performance in Media and resilience in Education. With the results of the 2nd quarter expected for September, greater visibility will be provided.

IMPACT ON 1Q20 REVENUE



IMPACT ON 1Q20 EBITDA





EDUCATION

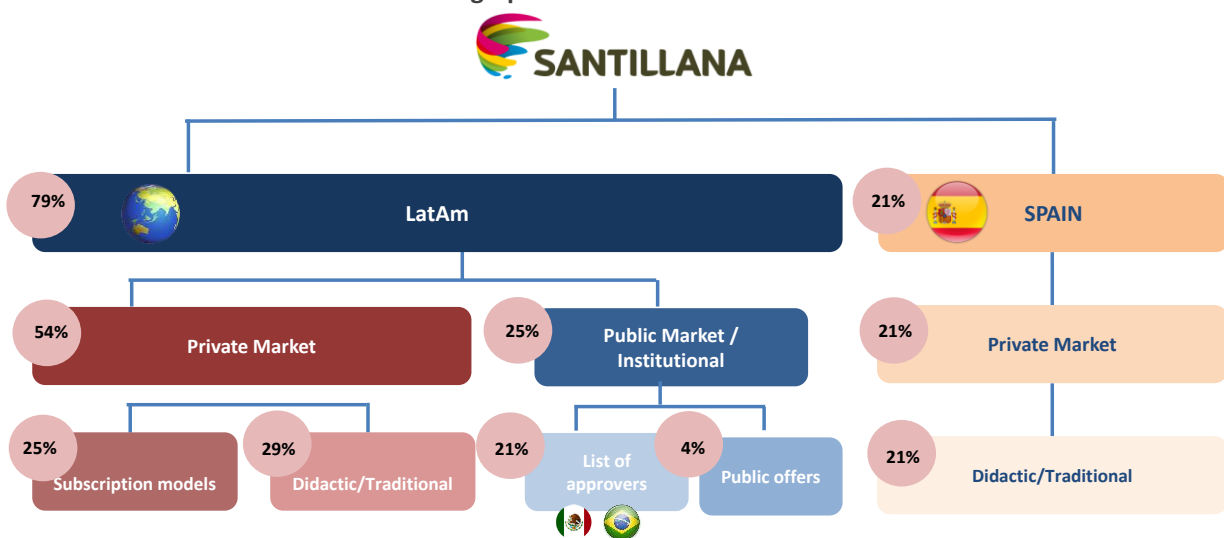
Business description and market position

In education, Santillana, is the leading company in Spain and Latin America with focus on the growth and development of subscription models. With 1,716,000 students in subscription models Santillana has the competitive advantage of being the only global operator in all markets. Santillana is focused on the K-12 educational market, which is the largest education market in size, more attractive and more resilient because of its compulsory education nature, with special focus in subscription model's growth.

Within the K-12 market, Santillana develops its activities in 3 areas with different market dynamics

- A** LatAm's Private Market : 54%* of total Santillana sales. Focused on transformation into subscription model.
- B** LatAm's Public / Institutional Market : 25%* of total Santillana sales. With established programs in Brazil and Mexico and share growth.
- C** Spain: 21%* of total Santillana sales. High profitability market subject to novelties cycle.

Geographical sales distribution



Leadership in the K-12, with special focus on subscription models and with the opportunity to transform students of traditional education (didactic) into subscription models

* Data for LTM March 2020.



EDUCATION

Business description and market position

A LatAm's private Market K-12

A 54%* of Santillana's revenue are generated on LatAm's private market.

In the LatAm's private market within the K-12, there are 18 million students of which approximately 11.4 million study through didactic methodology and 6.6 million through subscription models.

A big transformation in the educational development of all Latin American countries is taking place, education is being transformed from a didactic/traditional book sales model to a contents and services sale through improve technology (subscription model). This model provides business improvement to Schools and companies, as well as educational improvement to students.

LatAm's private market sharing between didactic/traditional education and subscription model and Santillana's global positioning is shown below:

Leading Market Positioned Across LatAm...

		Addressable Market	Santillana (% Market Share)
Private Students	Traditional	~11.4m ⁽¹⁾	~3.4m ⁽¹⁾ (~30%)
	Subscription	~6.6m	~1.7m (~24%)
# Schools		120,000	16,800 (~14%)

...Underpinned by Rooted Presence Across Countries



Relevant Data by Country (Students)

		Addressable Market	Santillana	Market Share %
Brazil (~8.0m Students)	Traditional	~3.3m	~0.8m	22% (2)
	Subscription	~4.7m	~0.6m	12.6% (3)
Mexico (~3.5m Students)	Traditional	~3.0m	~0.4m	15%
	Subscription	~0.5m	~0.2m	49%
Colombia (~1.8m Students)	Traditional	~1.2m	~0.4m	37%
	Subscription	~0.6m	~0.5m	80%

Santillana is the only global education operator present in all Latin American countries with an undisputed leadership position in most of the countries where it is present and is the only global operator that has developed subscription models outside Brazil.

Santillana develops a key role in the technological development of educational systems of the countries in which it operates through the implementation and development of the technology in the educational learning system. Santillana has created a scalable technological platform for any user in any region. Its offer includes a comprehensive service aimed at schools, teachers and students, which incorporates technology, training and counseling. Subscription models (UNO, Compartir, Farias Brito, Educa and English subscription model) accounted for 25%* of Santillana's total revenues and 46%* of total private education revenue in LatAm. Santillana's subscription models are present in 15 Latin America countries.

Santillana today has its full focus on the transformation and growth of subscription models based. Its leadership and undisputed positioning in the didactic business in most Latin American countries and its achievements in positioning its subscription models, provides Santillana a privileged position to successfully accelerate this transformation.

* Data for LTM March 2020.



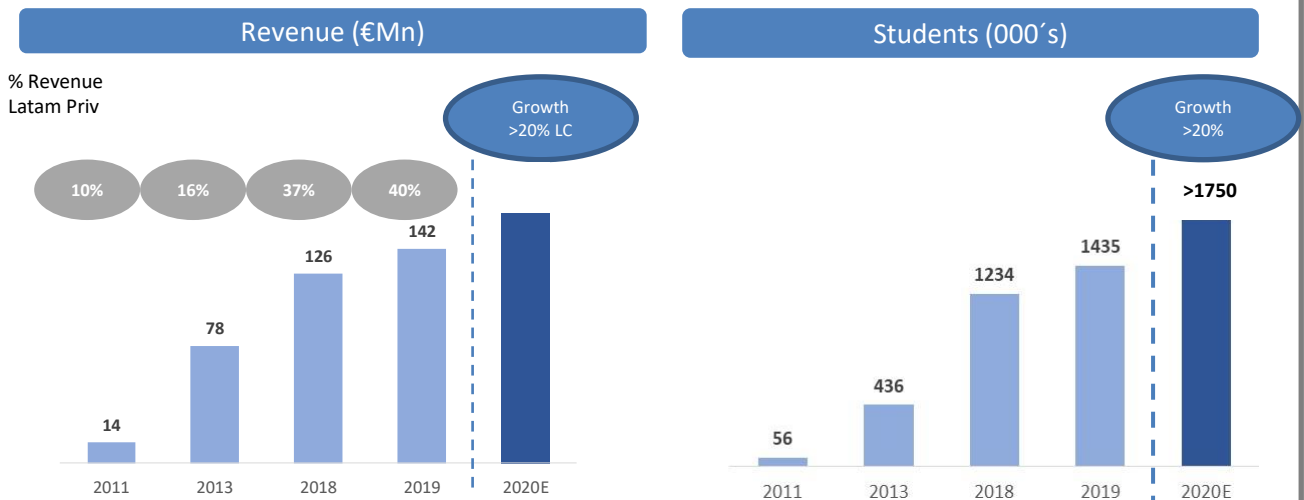
EDUCATION

Business description and market position

SUBSCRIPTION MODELS

This new business model is a subscription model which offers more revenue visibility vs. didactic model, with signed contracts for 3 - 4 years period with an average revenue per student higher than the average price per student of the didactic model. **The average renewal rate on such systems is close to 90% with an EBITDA margin over 30%.**

The evolution of subscription models since its launching has been as follows:



By 2020, the southern campaigns have already been closed, been northern campaigns still pending of register. **Santillana has achieved in the 1Q2020 a growth in number of students over 25% to surpass 1,716,000 students. In Brazil, Santillana has been the company achieving the highest growth in number of students for 2020 compared to the main competitors growing from 427,000 students in 2019 to 590,000 by 2020 (+38%).**

In the context of the exceptional circumstances caused by COVID-19, with the temporary closure of schools, SANTILLANA has guaranteed its customers the school activity in total normality, through its platforms and digital resources. Interactions in its education systems have increased by more than 482%.

In the subscription models Compartir and UNO, present in Latin America, 29.5M of content have been served between March and April.

COVID-19 is representing a fundamental change in education, accelerating the digital transformation of both students and teachers



EDUCATION

Business description and market position

B LatAm's Public/Institutional Market K-12

Santillana participates in LatAm's Public Market through different governments tenders where Brazil and Mexico are the most relevant countries. Revenue coming from Public Sales accounts for 25%* of Santillana's total sales.

In Brazil, which is the most relevant country, government purchases through PNLD** program following a purchasing schedule of Fundamental I (low cycle), Fundamental II (medium cycle) and Ensino Medio (high cycle), whereby the first year buy new books of Fundamental I (FI), the second year they buy new books of Fundamental II (FII) and the third year buy new books from Ensino Medio. Each year of new purchase of a cycle, they make repositions of the previous cycles. i.e. The first year of buying new FI books, they make repositions of FII and Ensino Medio.

Santillana has managed in recent years to significantly increase its share in Brazilian government orders thanks to the commercial effort and its product offering. In 2019, the share achieved in FII stood at 32.5%, leading the program and doubling the share compared to previous cycle.

Government buying dynamics, especially in Brazil, often generate variations between years depending on the corresponding cycle, but it is a very profitable business with growth prospects with long-term inflation.

In 2020, the public purchase of novelty of Ensino Medio is divided into interdisciplinary books and subject books (representing the greatest weight), been effective in 2020 the interdisciplinary books purchase and in 2021 the subject books purchase. Therefore, by 2020, the following is expected: i) repositions of FI, FII and subject books of Ensino Medio and ii) novelties of interdisciplinary books of Ensino Medio. For 2021, novelties of subject books are expected.

C Spain

Santillana generates 21%* of its total revenue in Spain.

In Spain, approximately 90% of schools are public or chartered although follow private market dynamics where it is families who buy the books at the same market price.

There are 17 different autonomous communities for which the content of the books is different having to adjust each curriculum for each autonomous community. **Santillana is the absolute leader in Spain with a combined share of 20.4%.**

In Spain, books are usually renewed every 4 years or when educational reform occurs. The results each year are conditioned by the number of novelties adopted by each autonomous community.

All Santillana Spain's educational materials incorporate a high digital content in its offer

Spain is a very profitable business with 2019 revenue of 131 million euros and an EBITDA of 53.8. Which means margins above 40%. **In 1Q2020, Spain's figures are not representative as the campaign has not started yet. No significant novelties are expected in 2020 in the face of an education reform which is currently on the parliament process.**

In Spain, in the first weeks of confinement, 315,386 new digital licenses were provided to access the platform "Aula Virtual" (Virtual Classroom), 36% of those served since the beginning of the course.

In addition, Santillana has provided free access to different platforms and educational resources for teachers and students, and has made available to parents "Compartir en familia" website, with content of interest that help and advise to manage this time of confinement.

* Data for LTM March 2020.

** PNLD refers to *Programa nacional do Livro Didático* in Brazil.



EDUCATION

1Q2020 Main Headlines

- ❑ Education sales grows by 5% (15% local currency) driven by strong growth in subscription models and the good performance of public sales. Digital revenue in the quarter accounted for 36%* of the total
 - ❑ Subscription models grow in revenue by 23% (33% in local currency) to reach 64 million euros with a growth in students of 25% to surpass 1,716,000 students. Santillana's technology platform has achieved a record of connectivity and content usage since the beginning of confinement by guaranteeing its customers the school activity normally. During this period, Santillana wanted to open its technology platforms to all its students in Spain and Latin America in order to help and support the continuity of the educational process of all its students.
 - ❑ Public sales reach 38 million euros with growth of 151% (174% in local currency) that mainly reflects the outstanding sales of Brazil's 2019 PNL that have been recorded in 1Q 2020 according to expectations.
 - ❑ Didactic sales show a 25% fall (18% in local currency) explained by the transition of students to subscription models and by the sales of some countries in the South area (mainly Argentina, Chile, Ecuador and Peru) that have been affected by the closure of the supply chain before the campaigns were completed.
- ❑ Negative FX impact on revenues of €-16.5 Mn and €-8.5 Mn on EBITDA by currency devaluation mainly in Argentina, Brazil and Chile.
- ❑ COVID-19 impact on Santillana's quarter results has had an estimated negative impact on revenues of €13Mn and on EBITDA of €10.9 Mn.
- ❑ EBITDA reaches EUR 62 million compared to EUR 66 million in the same period of 2019. Growth in local currency of 7% (-6% in euros).

* % on total revenue taking into account that the 1Q includes the South Area campaigns.

Revenue Breakdown

€ Millions	JANUARY - MARCH		
	2020	2019	% Chg.
Operating Revenues: breakdown			
Education sales	177,2	168,0	5,5
Private Latam	137,7	150,4	(8,4)
Traditional/Didactic	73,3	97,9	(25,1)
Subscription model	64,4	52,5	22,7
Public sales	38,1	15,2	150,9
Spain*	1,4	2,5	(42,9)
Other revenues	0,8	0,9	(12,0)
Operating Revenues	178,0	168,9	5,4
Operating Revenues at constant currency: breakdown			
Education sales	193,6	168,0	15,2
Private Latam	150,5	150,4	0,1
Traditional/Didactic	80,6	97,9	(17,7)
Subscription model	69,9	52,5	33,2
Public sales	41,6	15,2	174,4
Spain*	1,4	2,5	(42,9)
Other revenues	0,9	0,9	(0,2)
Operating Revenues	194,5	168,9	15,1

* Spain's figure includes €0.1Mn in 2020 and €0.3Mn in 2019 corresponding Portugal and others.



EDUCATION

P&L

€ Millions	JANUARY - MARCH		
	2020	2019	% Chg.
Reported Results			
Operating Revenues	178,0	168,9	5,4
Spain business	1,4	2,2	(37,1)
International business	176,3	166,5	5,9
Global Educational IT & HQ	0,3	0,2	23,4
Expenses	115,8	102,7	12,8
Spain business	10,8	11,0	(1,8)
International business	98,9	85,3	15,9
Global Educational IT & HQ	6,2	6,4	(3,7)
EBITDA	62,2	66,2	(6,2)
Spain business	(9,4)	(8,7)	(7,2)
International business	77,4	81,2	(4,6)
Global Educational IT & HQ	(5,9)	(6,2)	4,7
<i>EBITDA Margin</i>	34,9%	39,2%	
EBIT	46,2	51,5	(10,4)
<i>EBIT Margin</i>	25,9%	30,5%	
	2020	2019	% Chg.
Results at constant currency			
Operating Revenues on constant currency	194,5	168,9	15,1
Spain business	1,4	2,2	(37,1)
International business	192,8	166,5	15,8
Global Educational IT & HQ	0,3	0,2	23,4
EBITDA on constant currency	70,7	66,2	6,7
Spain business	(9,4)	(8,7)	(7,2)
International business	85,9	81,2	5,9
Global Educational IT & HQ	(5,9)	(6,2)	4,7
<i>EBITDA Margin</i>	36,3%	39,2%	
EBIT on constant currency	53,5	51,5	3,9
<i>EBIT Margin</i>	27,5%	30,5%	



RADIO

Business description and market position

Prisa Radio is the largest Spanish language radio platform. As of March 2020 it has presence in 10 countries, over 21 million listeners, 62 million of streaming hours consumption, 26 million Podcasts download and with excellent market positioning in the main Spanish-speaking radio markets. PRISA Radio is the absolute leader in Spain, Colombia and Chile.

In Spain, we highlight the competitive strength of radio business through its brands (Cadena Ser, Los40, Cadena Dial, Los40Classic and Radiolé). According to the latest EGM survey, **Cadena Ser maintains absolute leadership in the market with 4.113 thousand listeners** (market share of 34% of Spain’s generalist radio). **Los40 ranks 2nd position in Spain after SER and holds first place in the music radio market with audience shares of 22%**.

In Chile and Colombia, the group’s radios are leaders with respective audience share of 40% y 25%, respectively, and in Mexico (equity accounted), we hold the third position with an audience share of 18%. In Colombia an events new business line has been successfully launched.

Prisa Radio Market Positioning by Region

Spain (Revenue/EBITDA 1Q20: €34.5m/€1.4m)

71%



Selected Brands	Genre	Market Position	Audience Market Share, 2020
SER	Talk	#1	34%
Los40	Music	#1	22%
Dial	Music	#2	15%

International (Revenue/EBITDA 1Q20: €13,8m/€-1m)

29%

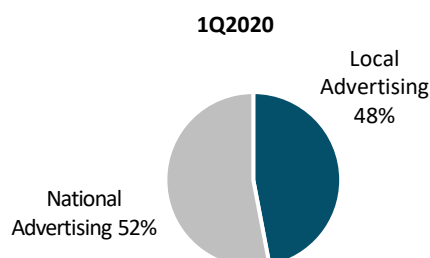


% of Total Radio Revenues 1Q20

Country	Market Position	Audience Market Share, 2020
	#1	25%
	#1	40%
	#3	18%

Diversified business portfolio by geography and nature

Advertising revenues split





RADIO

Business description and market position

DIGITAL POSITIONING

PRISA radio is the leading global platform in Spanish with a focus on becoming the largest producer and distributor of audio in Spanish.

Advances in its strategy of creating new digital audio content, multichannel distribution, and product innovation are reflecting the growth of streaming hours and podcast downloads that reached 61.5 million and 24.1 million respectively in March. Additionally, Podium Podcast, our leading platform with unique sound catalog in Spain and LatAm has reached 1.4 million downloads.

TLH			
Mn	mar-20	mar-19	%Var
Spain	29,1	24,0	21%
International	3,4	30,3	7%
TOTAL	61,50	54,3	13%

PODCAST DOWNLOADS			
Mn	mar-20	mar-19	%Var
Spain	17,8	7,8	130%
International	6,2	5,7	9%
TOTAL	24,1	13,5	78%

PODIUM PODCAST			
Mn	mar-20	mar-19	%Var
TOTAL	1.4	1.2	17%

During the exceptional circumstances caused by COVID-19, radio has performed an essential public information task at all times. Highlight the growths experienced in streaming hours consumption especially in our spoken radios where the increases in Spain (+67% with 14.2 million), Colombia (+20% with 8.3 million), Chile (+44% with 1.1 million) and Mexico (+68% with 3 million) stand out.

TLH Spoken Radio			
Mn	mar-20	mar-19	%Var
Spain	14,2	8,5	67%
Colombia	8,30	6,9	20%
Chile	1,10	0,8	44%
Mexico	3,00	1,8	68%



RADIO

1Q2020 Main Headlines

- ❑ Radio results in Q1 2020 have been affected by COVID-19 impact, as there have been significant drops in the advertising market following the declaration of the “state of alarm” and being the advertising its main source of revenue both in Spain and LatAm. Revenues in the period amount to €47.7 Mn vs. €60.1 Mn in the same period of the previous year, a fall of 21.2% (18.2% in local currency).
- ❑ Advertising both national and local has experienced similar declines in the period. Local advertising is expected to improve in the following months on the back of lockdown measures being eased
- ❑ Advances in its strategy of creating new digital audio content, multichannel distribution and product innovation that is having its reflection in the growth of the consumption of streaming hours and podcast downloads that have reached the figure of 61.5 million and 25.5 million respectively in March.
- ❑ Leadership maintenance in Spain, Colombia and Chile.
- ❑ FX has had an impact on revenues of -1.8 Mn and on EBITDA of +0.1Mn.
- ❑ COVID-19 has had an estimated negative impact on revenues of 8.4 Mn and 6.6 Mn on EBITDA.
- ❑ EBITDA reaches 0.7 Mn vs 8 Mn in the same period of the previous year, fall of 91.6% (93.3% in local currency).

P&L

€ Millions	JANUARY - MARCH		
	2020	2019	% Chg.
Reported Results			
Operating Revenues	47,4	60,1	(21,2)
Spain	34,5	43,1	(19,9)
Latam	13,8	17,9	(22,6)
Adjustments & others	(1,0)	(0,9)	(6,3)
Reported Expenses	46,7	52,0	(10,3)
Spain	33,1	36,9	(10,1)
Latam	14,9	16,1	(7,3)
Adjustments & others	(1,4)	(0,9)	(49,1)
EBITDA	0,7	8,0	(91,6)
Spain	1,4	6,3	(78,0)
Latam	(1,0)	1,8	---
Adjustments & others	0,3	(0,0)	---
<i>EBITDA Margin</i>	<i>1,4%</i>	<i>13,4%</i>	
EBIT	(4,1)	3,6	---
Spain	(1,6)	3,3	---
Latam	(2,8)	0,3	---
Adjustments & others	0,3	(0,0)	---
<i>EBIT Margin</i>	<i>-8,6%</i>	<i>6,0%</i>	
Results at constant currency			
Operating Revenues on constant currency	49,1	60,1	(18,2)
Spain	34,5	43,1	(19,9)
Latam	15,6	17,9	(12,8)
Adjustments & others	(1,0)	(0,9)	(5,8)
EBITDA on constant currency	0,5	8,0	(93,3)
Spain	1,4	6,3	(78,0)
Latam	(1,2)	1,8	---
Adjustments & others	0,3	(0,0)	---
<i>EBITDA Margin</i>	<i>1,1%</i>	<i>13,4%</i>	
EBIT on constant currency	(4,4)	3,6	---
Spain	(1,6)	3,3	---
Latam	(3,1)	0,3	---
Adjustments & others	0,3	(0,0)	---
<i>EBIT Margin</i>	<i>-9,0%</i>	<i>6,0%</i>	



NEWS

Business description and market position

EL PAÍS

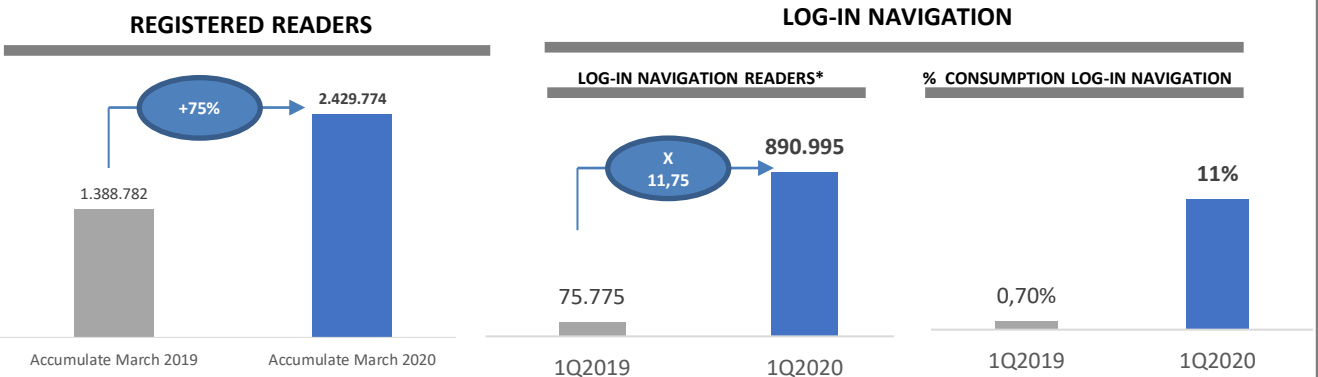
EL PAÍS is the largest global news platform in Spanish and continues to advance its strategic roadmap of growth and consolidation

Having successfully completed a first stage of geographical expansion and strong global growth, in July 2019 the company ushered in a new era with the implementation of a new "Customer Strategy" where the following important milestones have been met:

- Read under log-on launch on July 24, 2019
- Activation of the digital subscription model on May 1, 2020

REGISTRATION MODEL

Navigation under logging is the cornerstone on which the customer strategy is built. Through it, it is possible (i) extract knowledge from readers, to rely on it, develop models of propensity for registration and subscription, among other use cases and (ii) to obtain first-party data, essential for the development of the advertising model especially in a context aimed at the disappearance of cookies. It is to highlight since the reading-under-registration initiative, the number of registered readers has experienced strong growth reaching 2,429,774 readers in March 2020. During the first quarter of 2020, 890,995 people have navigated EL PAÍS in an identified way consuming 11% of the total pageviews on a monthly average.



* Number of different readers who have navigate in El País in the period excluding duplicities

SUBSCRIPTION MODEL

The most relevant milestones in the launch of El País subscription model have been the following:

- Launch of the communication campaign occurred on 1st March 2020 "Suscríbete a los hechos" as a preview of the activation of the payment model initially planned for 15 March.
- In the exceptional circumstances caused by the coronavirus, EL PAÍS decided to continue to offer its readers free digital access according to its public service mission. For this reason, activation of the subscription model was postponed to May 1st.
- Finally, the launch of the subscription model occurred on May 1, 2020, while essential information from the coronavirus is freely accessible

El País has opted for the launch of a metered subscription model, more flexible than a hard paywall model, where unlike this, the site is left open for all users until they have read 10 free articles per month.

The launch price is 10 euros per month, with a promotion of the first month at 1€ for the monthly format and with a 20% discount for annual subscriptions.



NEWS

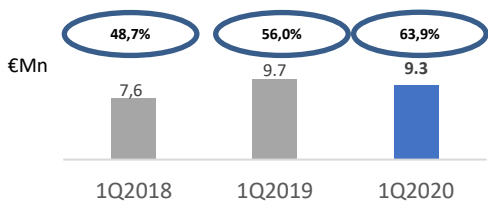
Business description and market position

DIGITAL ADVERTISEMENT

EL PAÍS's digital advertising has been experiencing a strong growth in recent years to represent in the 1Q2020, 63.9% of its total advertising. The greatest weight on EL PAÍS digital advertising comes from branded content and direct advertising whose revenue is not affected by the launch of the payment model, since the determinant factor of advertising investment is marked by the strength of the El País brand and the positioning of the product. The remaining advertising corresponding to the indirect one will be affected in part mainly by the disappearance of certain formats. Therefore, the % of advertising affected by the launch of the payment model is estimated to be less than 5% of the total.

DIGITAL ADVERTISING* EL PAIS

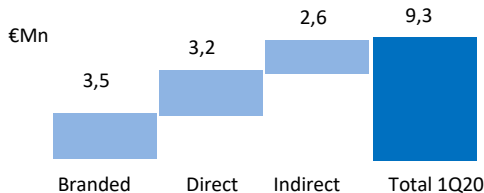
% Digital AD / Total AD



* Data for gross advertising

** The estimate of advertising affected includes the following assumptions: 1) Branded content does not close; 2) direct advertising has great cover weight that does not close; 3) indirect advertising will be affected by the disappearance of certain formats and smaller print copies by the abandonment of non-subscribers once the paywall appears to them

DIGITAL ADVERTISING* EL PAIS BY CONCEPT



Company's focus is on the development of digital advertising products of differential value and compatible with the digital subscription model enhancing (i) the branded content that is experiencing strong growth as differential content, (ii) direct agreements with leveraged advertisers on the brand safety of the site and the data itself (iii) the joint reach of the WEMASS market place to develop and offer advertisers direct agreements based on audiences (and later on own data).

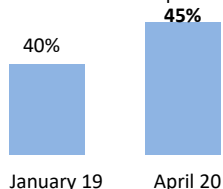
BRAND STRENGTH

EL PAÍS leadership and the growth of its audiences has been built in recent years around a brand strength whose recognition and prestige globally represents a solid foundation for the future development of the digital model.

The latest data on a study of brand indicators conducted to press readers in Spain after the campaigns carried out in 2019 "Y tú qué piensas" and in 2020 "Suscríbete a los hechos", show very positive results that recognize the strength and loyalty of the brand

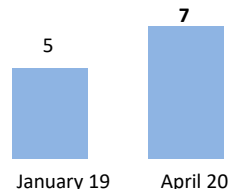
TOP OF MIND

% of people who name the brand spontaneously in the first place



NET PROMOTER SCORE

Reader loyalty and degree of recommendation on a scale of 0 to 10

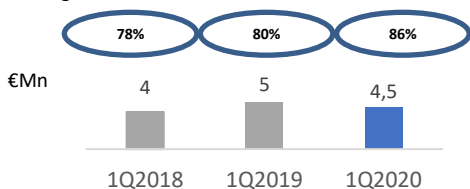


AS

Diario As, the sports newspaper almost 100% digital, strengthens its growth and international expansion with the achievement of leadership as a Spanish-speaking sports newspaper worldwide according to comscore as of March 2020, where it has reached 69 million unique browsers. The sports newspaper already has 86% digital advertising with a large international presence

AS DIGITAL ADVERTISING *

% Digital AD / Total AD



* Data for gross advertising, with 1Q2020's impact affected by COVID-19 impact

AS GLOBAL PRESENCE



As Arabia is also present in countries in the Middle East and North Africa



NEWS

1Q2020 Main Headlines

- ❑ News results affected by COVID-19 crisis, conditioning both advertising revenues that fall 18% and circulation revenues falling by 13%.
- ❑ Digital revenue already represent 37%* of News' total revenue, growing its contribution by 9%.
- ❑ A step forward in the new model on News business with the launch in early May of EL PAÍS paywall, with a focus on the growth of subscription revenue that will allow to consolidate the digital business developed in recent years, making it more robust and scalable.
- ❑ COVID-19 has had an estimated negative impact in revenues of EUR-4.1 million and EUR-3.3 million in EBITDA.
- ❑ EBITDA in the period reaches EUR-6 Mn vs. EUR-3 Mn in the same period of the previous financial year, which is a drop of 94.3%.

* Excludes PBS&IT

P&L

€ Millions	JANUARY - MARCH		
	2020	2019	% Chg.
Reported Results			
Total Press Operating Revenues	41,7	49,1	(15,0)
PRESS Operating Revenues	37,2	43,8	(15,2)
<i>Advertising</i>	19,3	23,6	(18,3)
<i>Digital</i>	12,8	13,7	(6,9)
<i>Print</i>	6,5	9,9	(34,1)
<i>Circulation</i>	13,2	15,2	(13,1)
<i>Add-ons and Others</i>	4,7	5,0	(7,1)
PBS & IT	4,5	5,2	(13,2)
Total Press Reported Expenses	47,7	52,1	(8,6)
PRESS Reported Expenses	42,7	45,9	(7,0)
PBS & IT Reported Expenses	4,9	6,2	(20,2)
Total Press Reported EBITDA	(6,0)	(3,1)	(94,3)
PRESS Reported EBITDA	(5,5)	(2,1)	(166,0)
<i>EBITDA Margin</i>	-14,9%	-4,8%	
PBS & IT	(0,4)	(1,0)	57,1
Total Press Reported EBIT	(8,4)	(5,4)	(55,5)
PRESS Reported EBIT	(7,5)	(4,0)	(87,9)
<i>EBIT Margin</i>	-20,2%	-9,1%	
PBS & IT	(0,9)	(1,4)	35,8

Advertising breakdown

€ Millions	JANUARY - MARCH		
	2020	2019	% Chg.
Reported Results			
<i>Advertising</i>	19,3	23,6	(18,3)
<i>Digital</i>	12,8	13,7	(6,9)
<i>El País</i>	8,0	8,4	(4,7)
<i>As</i>	4,3	4,7	(7,1)
<i>Others</i>	0,4	0,6	(35,8)
<i>Print</i>	6,5	9,9	(34,1)
<i>El País</i>	5,1	7,9	(35,9)
<i>As</i>	0,8	1,4	(41,4)
<i>Others</i>	0,6	0,5	11,9



TOTAL GROUP

1Q2020 Main Operating Headlines

- ❑ 1Q Operating results conditioned by COVID-19 that has had an estimated negative impact on revenues of 25.5 million and on EBITDA of 20.8 million (see page 4). Santillana shows strength despite being affected the didactic business by the lock down of the distribution chain and the media assets have been impacted by significant declines in the advertising market. The company has put in place a contingency plan to reduce the negative impacts that COVID-19 crisis may have on the business.
- ❑ Focus on the growth and expansion of digital subscription models and on the boost of digital advertising and audio.
- ❑ The group's digital revenues account for 31% of the total, growing its contribution by 20%.
- ❑ Media Capital is recorded as discontinuity operation. Sale of the 30,22% stake of Media Capital to Pluris Investment, S.A., being the first step in the divestment of the asset that remains non-strategic for the Company and allows to focus on its Santillana value roadmap and Media.
- ❑ Comparable results excluding Mediapro's negative ruling of EUR 51 million in 2019 are shown.
- ❑ Negative FX impact on revenues of -18.2 million and -8.4 million on EBITDA mainly due to devaluations in Argentina, Brazil and Chile.
- ❑ EBITDA reaches EUR 55.8 million versus EUR 68.8 million in the same period of the previous year, a fall of 18.8% (-6.6% in local currency).

P&L

€ Millions	JANUARY - MARCH		
	2020	2019	% Chg.
Reported Results			
Operating Revenues	262,5	273,0	(3,8)
Reported Expenses	206,7	255,3	(19,0)
Reported EBITDA	55,8	17,7	---
EBITDA Margin	21,3%	6,5%	
Reported EBIT	32,2	(4,1)	---
EBIT Margin	12,3%	-1,5%	
Financial Result	(15,7)	(19,7)	20,4
Interests on debt	(14,8)	(14,2)	(4,6)
Other financial results	(0,9)	(5,6)	84,0
Result from associates	1,5	0,3	---
Profit before tax	18,0	(23,5)	---
Income tax expense	20,4	21,1	(3,6)
Results from discontinued activities	(25,0)	(0,7)	---
Minority interest	(1,2)	(4,8)	74,0
Net Profit	(26,1)	(40,6)	35,6
MC impairment	28,8		
Mediapro ruling		40,8	
Comparable Net Profit	2,6	0,2	---
Comparable Results			
Operating Revenues	262,5	273,0	(3,8)
EBITDA	55,8	68,8	(18,8)
EBITDA Margin	21,3%	25,2%	
EBIT	32,2	46,9	(31,4)
EBIT Margin	12,3%	17,2%	
Comparable Results at constant currency			
Operating Revenues on constant currency	280,8	273,0	2,8
EBITDA on constant currency	64,2	68,8	(6,6)
EBITDA Margin	22,9%	25,2%	
EBIT on constant currency	39,2	46,9	(16,4)
EBIT Margin	14,0%	17,2%	

* Adjustments between reported results and comparable results are due to the 2019 adjustment on Mediapro ruling, described on page 24



TOTAL GROUP

Cash Flow Statement

€ Million	MAR. 2020	MAR. 2019	Chg. 20/19	
			Abs.	%
EBITDA	55,8	68,8	-12,9	-18,8%
Redundancies expenses	2,2	4,2	-2,0	-47,2%
EBITDA (excluding redundancies)	58,0	72,9	-14,9	-20,4%
Change in working capital	-3,2	-14,8	11,6	78,2%
Redundancies paid	-2,0	-6,0	4,0	66,7%
Taxes paid	-5,8	-9,2	3,4	36,6%
Other cash flows and adjustments from operations	-4,3	-1,5	-2,8	-179,4%
Capex	-18,1	-16,4	-1,8	-10,7%
Financial investments	-0,1	0,3	-0,4	---
CASH FLOW BEFORE FINANCING ACTIVITIES	24,4	25,3	-0,9	-3,6%
Interests paid	-14,7	-12,8	-1,9	-14,8%
Dividends received	0,0	0,0	0,0	-97,4%
Dividends paid	-0,5	-3,2	2,7	83,0%
Other cash flows from financing activities	-9,6	-9,3	-0,3	-3,0%
- NIIF 16	-8,0	-8,3	0,3	3,1%
-Others	-1,6	-1,0	-0,5	-51,9%
CASH FLOW FROM FINANCING ACTIVITIES	-24,9	-25,4	0,5	2,0%
Perimeter effect and others	0,5	0,1	0,4	415,7%
CASH FLOW BEFORE DIVESTMENTS	0,0	0,0	0,0	-17,4%
Divestments	1,2	0,8	0,4	44,5%
CASH FLOW BEFORE OPERATIONS	1,2	0,8	0,4	44,4%
CASH FLOW BEFORE OPERATIONS EX. WK	4,5	15,7	-11,2	-71,6%
Media Capital sale	-2,3	0,0	-2,3	---
3iAcquisition	0,0	-36,1	36,1	1,0
Cash flow from discontinued operations (Media Capital)	0,0	2,3	-2,3	---
CASH FLOW	-1,1	-32,9	31,8	96,7%

* Cash Flow excludes FX effect in Cash of Balance Sheet



TOTAL GROUP

Financial Net Debt

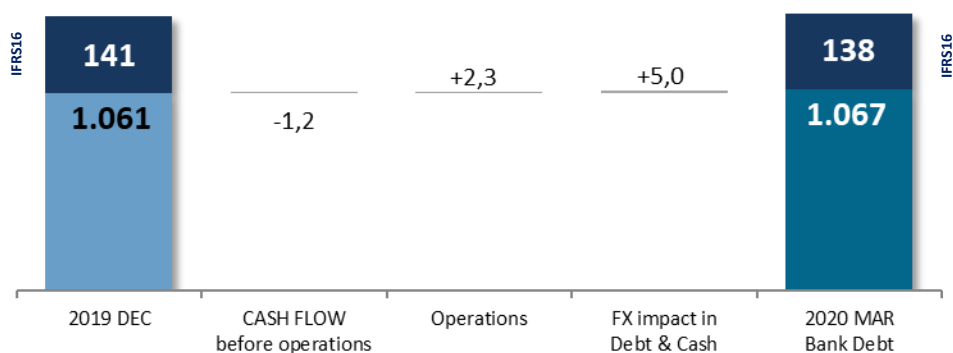
TOTAL BANK DEBT

€ Million	MAR. 2020	Dec. 2019	Chg. 20/19	
			Abs.	%
- Financial debt	1.320,6	1.215,1	105,5	8,7%
- Non- current financial debt	1.166,1	1.164,9	1,2	0,1%
- Current financial debt	154,5	50,2	104,3	207,8%
Short term financial investments	-4,7	-4,7	0,1	1,5%
Cash & cash equivalents	-264,7	-166,6	-98,1	-58,9%
Fair value/ Loan arrangement costs	16,0	17,4	-1,4	-8,0%
TOTAL BANK DEBT EXCLUDING MEDIA CAPITAL	1.067,2	1.061,1	6,1	0,6%
IFRS 16 liabilities	138,4	140,7	-2,3	-1,6%
TOTAL BANK DEBT w/IFRS16	1.205,7	1.201,8	3,8	0,3%

TOTAL BANK DEBT BY BUSINESS UNIT

€ Million	MAR. 2020	Dec. 2019	Chg. 20/19	
			Abs.	%
Prisa Holding+ Prisa Gestión Financiera+PAE+Otros	1.084,7	1.067,0	17,6	1,7%
- Financial debt	1.273,3	1.193,6	79,7	6,7%
- Cash, Short term financial investments and interco debt	-188,6	-126,6	-62,0	-49,0%
Santillana	-30,5	-38,4	7,9	20,6%
Radio	-8,2	3,8	-11,9	---
Press	21,2	28,7	-7,5	-26,1%
Media Capital	0,0	0,0	0,0	---
TOTAL BANK DEBT	1.067,2	1.061,1	6,1	0,6%

1Q2020 Bank net debt evolution is shown below:





TOTAL GROUP

Balance

€ Million	ASSETS	
	03/31/2020 (*)	12/31/2019
FIXED ASSETS	605,07	652,46
Property, plant and equipment	182,94	190,73
Goodwill	136,10	151,07
Intangible assets	115,97	125,01
Long term financial investments	20,77	20,67
Investment in associates	41,75	48,71
Deferred tax assets	107,51	116,25
Other non current assets	0,02	0,03
CURRENT ASSETS	924,02	919,70
Inventories	64,49	84,42
Accounts receivable	329,42	383,35
Short term financial investments	4,67	4,74
Cash & cash equivalents	264,67	166,58
Assets held for sale	260,77	280,61
TOTAL ASSETS	1.529,08	1.572,16
€ Million	LIABILITIES	
	03/31/2020 (*)	12/31/2019
SHAREHOLDERS EQUITY	-498,95	-411,60
Issued capital	666,13	666,13
Reserves	-1.202,64	-965,19
Income attributable to the parent company	-26,14	-182,30
Minority interest	63,69	69,76
NON CURRENT LIABILITIES	1.328,71	1.331,84
Long term financial debt	1.166,06	1.164,87
Other long term financial liabilities	118,54	117,21
Deferred tax liabilities	19,88	24,99
Provisions	21,63	22,14
Other non current liabilities	2,61	2,64
CURRENT LIABILITIES	699,33	651,92
Short term financial debt	154,50	50,19
Other current financial liabilities	20,14	23,75
Trade accounts payable	219,28	270,52
Other short term liabilities	109,60	107,42
Accrual accounts	34,79	35,77
Liabilities held for sale	161,02	164,28
TOTAL LIABILITIES	1.529,08	1.572,16

*Media Capital's assets and liabilities have been reclassified as assets and liabilities held for sale

As of March 30, 2019, the parent company's net worth (including equity loans in force at the closure) is less than two-thirds of the share capital figure, although it is above half of the share capital, so the Company is in a situation of equity imbalance for the purposes of the obligation to reduce equity within one year, in accordance with section 327 of the Corporations Act. In this regard, the Board of Directors of the Company has agreed to propose to the Ordinary General Meeting of Shareholders a reduction in the share capital to restore the financial balance of the dominant company within the established legal period.

Impact IFRS16

As of March 2020, the financial liability derived from the application of the rule amounts to 138.4 million euros.



OTHER RELEVANT FACT ON THE PERIOD

MEDIA CAPITAL SALE

As of May 14th 2020, PRISA and Pluris Investments, S.A. ("Pluris") a Portuguese company whose ultimate beneficial owner is Mr. Mario Ferreira, have executed the acquisition by Pluris of shares amounting to 30.22% of the issued share capital of Prisa's Portuguese listed subsidiary Grupo Media Capital SGPS, S.A. ("Media Capital") (the "Transaction").

The Transaction has been carried out through a block trade transfer of the shares for a price of EUR 10,500,000.

The implicit valuation of the Transaction is of an enterprise value of EUR 130Mn, based on the financial position of Media Capital as of closing of the first quarter of the year. This valuation is above the last market estimates made by analysts, which include considerations on the potential impact of Covid-19 on media assets. Likewise, it implies higher multiples than those of FTA companies, which are trading at around 6x/7x.

This transaction will result in an accounting loss in Prisa's individual and consolidated accounts of approximately EUR 29Mn euros.

The Transaction is part of the divestment policy initiated by Prisa, to which end, it has been undertaken by the Parties to seek, in a coordinated manner, for new potential investors that could facilitate Prisa's additional divestment in Media Capital, and to this end the Parties have agreed on certain conditions for the transfer of its shares

Prisa reiterates that it considers Pluris a suitable investor for Media Capital, considering its commitment to promote a forward-looking project that strengthens Media Capital's position in the market, as well as its competitiveness and efficiency, providing financial support, if needed, and supporting the management team with its experience.

AGREEMENT WITH LENDERS

In April 2020 Prisa agreed with the financial creditors of the Override Agreement and the Super Senior Credit Policy, among other aspects, a flexibility in compliance with the financial ratios (covenants) to which the Group is subject and for a period that runs until March 2021. Therefore, this agreement gives Prisa greater flexibility in the fulfilment of its financial obligations.



APPENDIX

1. FX Evolution	23
2. Revenue breakdown and adjustments	24

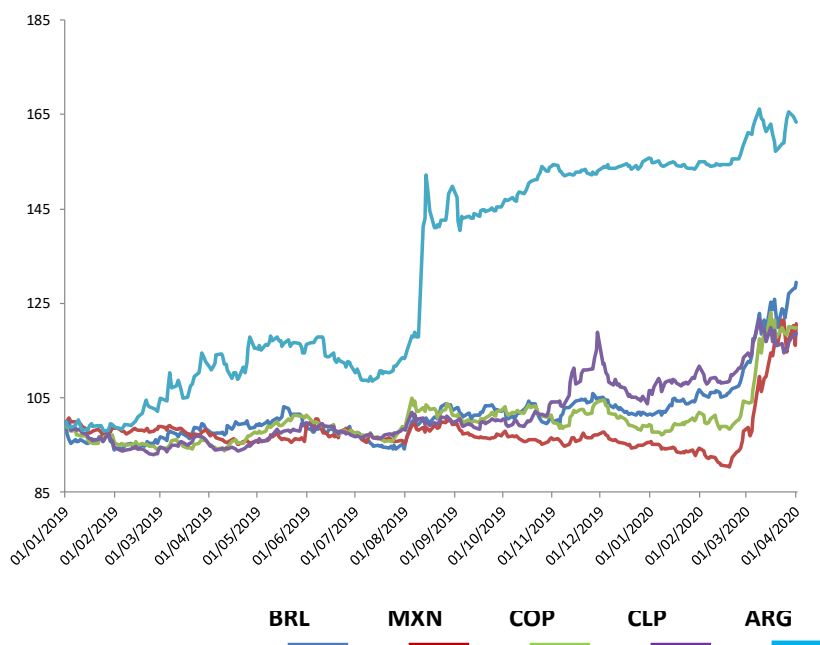


TOTAL GROUP

FX Evolution

The Group's results in Latin America have been affected by **FX Evolution in the region**, mainly in Argentina, Brazil and Chile.

FX impact on the Group's revenue and EBITDA in 1Q2020 has been negative. **The impact has been of -18.2 million euros on revenue and of -8.4 million euros on EBITDA**



	BRL	MXN	COP	CLP	ARG
1Q2019	4,28	21,81	3.560,74	758,39	44,29
2Q2019	4,40	21,47	3.642,38	767,90	49,36
3Q2019	4,41	21,61	3.718,19	785,13	55,95
4Q2019	4,56	21,32	3.768,78	836,72	65,70
1Q2020	4,91	22,06	3907,73	886,42	67,82

Source: Bloomberg



TOTAL GROUP

Breakdown of operating revenue and comparable EBITDA by B.U.

€ Millions	JANUARY - MARCH		
	2020	2019	% Chg.
Operating Revenues			
GROUP	262,5	273,0	(3,8)
Education	178,0	168,9	5,4
Radio	47,4	60,1	(21,2)
Press Total - includes PBS&IT	41,7	49,1	(15,0)
Others	(4,5)	(5,0)	10,0
Comparable EBITDA			
GROUP	55,8	68,8	(18,8)
Education	62,2	66,2	(6,2)
Radio	0,7	8,0	(91,6)
Press Total - includes PBS&IT	(6,0)	(3,1)	(94,3)
Others	(1,0)	(2,5)	57,5
Comparable EBITDA excluding severance expenses			
GROUP	58,0	72,9	(20,4)
Education	62,9	66,7	(5,7)
Radio	0,9	9,3	(90,4)
Press Total - includes PBS&IT	(5,2)	(0,8)	---
Others	(0,6)	(2,3)	74,2

Adjustments between reported EBITDA and EBIT and comparable EBITDA and EBIT

€ Millions	JANUARY - MARCH		
	2020	2019	% Chg.
Mediapro sentence			
Effect in Expenses	0,0	51,0	(100,0)
Mediapro Rulling		51,0	(100,0)

To the reported results, the extraordinary expenditure of 51 million Mediapro is adjusted in 2019 to show the comparable evolution of the business



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