9M 2013 Results

November 14th, 2013

Disclaimer

In addition to figures prepared in accordance with IFRS, PRISA presents non-GAAP financial performance measures, e.g., EBITDA, EBITDA margin, adjusted EBITDA, adjusted EBITDA margin, adjusted EBIT, adjusted net profit, free cash flow, gross debt and net debt, among others. These non-GAAP measures should be considered in addition to, but not as a substitute for, the information prepared in accordance with IFRS. Non-GAAP financial performance measures are not subject to IFRS or any other generally accepted accounting principles. For further information relevant to the interpretation of these terms, please refer to the "Reconciliation Section" of the 2012 earnings press release filed with the Securities and Exchange Commission and posted on prisa.com.

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

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

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

9M 2013 Highlights

1. **Improvement in advertising trends in Iberia : 1Q (-15.2%); 2Q (-12.7%); 3Q (-4.17%)**

2. **Positive subscribers evolution in 3Q. Still bellow the required level to compensate the higher football cost**

   - **DTH subs** +7,818 & +15,087 (Aug & Sep). 3Q is first quarter with positive net adds since 1Q 2012.
   - **Pay TV revenues** +14.8%, but EBITDA -84.6%
   - **Market share moves from 41.4%** as of September 2012 **to 43.8% as of September 2013****.
   - Growth in both **iPlus & YOMVI** penetration.

3. **Santillana revenues +3.9% at constant currency** (-3.3% in Euros) due to significant negative FX impact & to lower sales in Spain due to the cycle.

4. **Digital advertising revenues +7.1%** (Press +8.0%). 82.5m unique browsers (+17%).

5. **Strong cost control**. Total Opex adjusted by football rights declined by €53 million (-4.1%) (Spain -7.7%, international +1.9%).

6. **Refinancing process**. Extraordinary AGM called for next December 10th to submit for approval the issuance of warrants as part of the refinancing process currently ongoing.

** All Group and business unit figures are Adjusted (exclude non-recurring items, detailed in the press release)*

*** According to internal estimates*

9M 2013 Results

In €m	9M 2013	9M 2012	% Ch.
Revenues	**2,004.35**	**1,974.26**	**+1.5%**
Revenues ex Canal+	1,137.14	1,218.54	-6.7%
EBITDA	**243.18**	**410.91**	**(40.8%)**
EBITDA margin	*12.1%*	*20.8%*	
EBITDA ex Canal+	217.96	247.42	(11.9%)
EBITDA ex Canal+ margin	19.2%	20.3%	
EBIT	**51.12**	**217.79**	**(76.5%)**
EBIT margin	*2.6%*	11.0%	
EBIT ex Canal+	95.84	126.13	(24.0 %)
EBIT ex Canal+ margin	8.4%	10,4.%	

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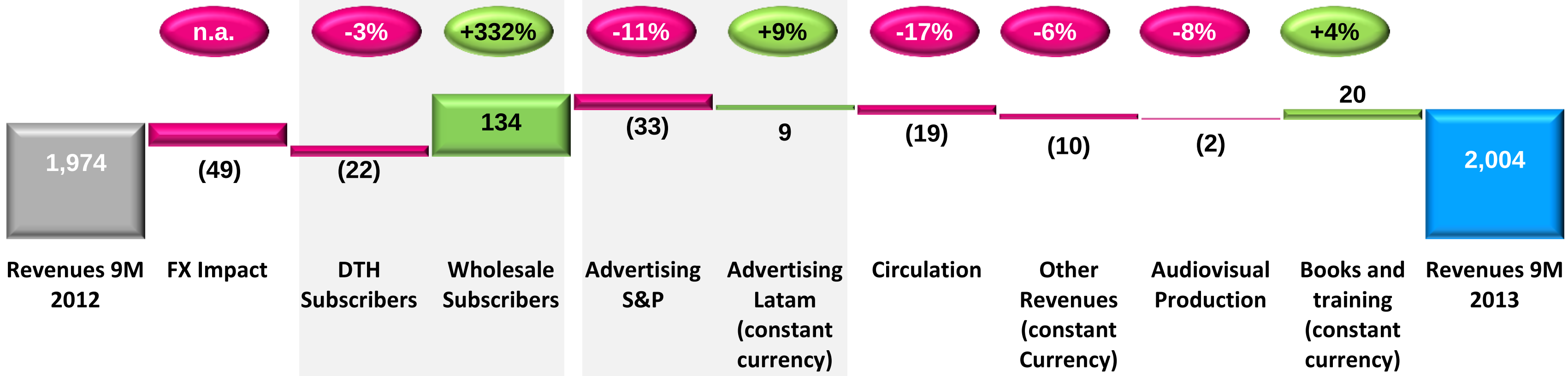
Revenue Diversification

Exposure to different businesses



	DTH Subscribers	Wholesale Subscribers	Advertising S&P	Advertising Latam (constant currency)	Circulation	Other Revenues (constant Currency)	Audiovisual Production	Books and training (constant currency)
9M 2013*	32.5%	8.7%	13.4%	5.4%	4.7%	7.2%	0.9%	29.6%
9M 2012*	34.1%	2.0%	5.3%	5.0%	5.7%	7.8%	1.0%	29.0%

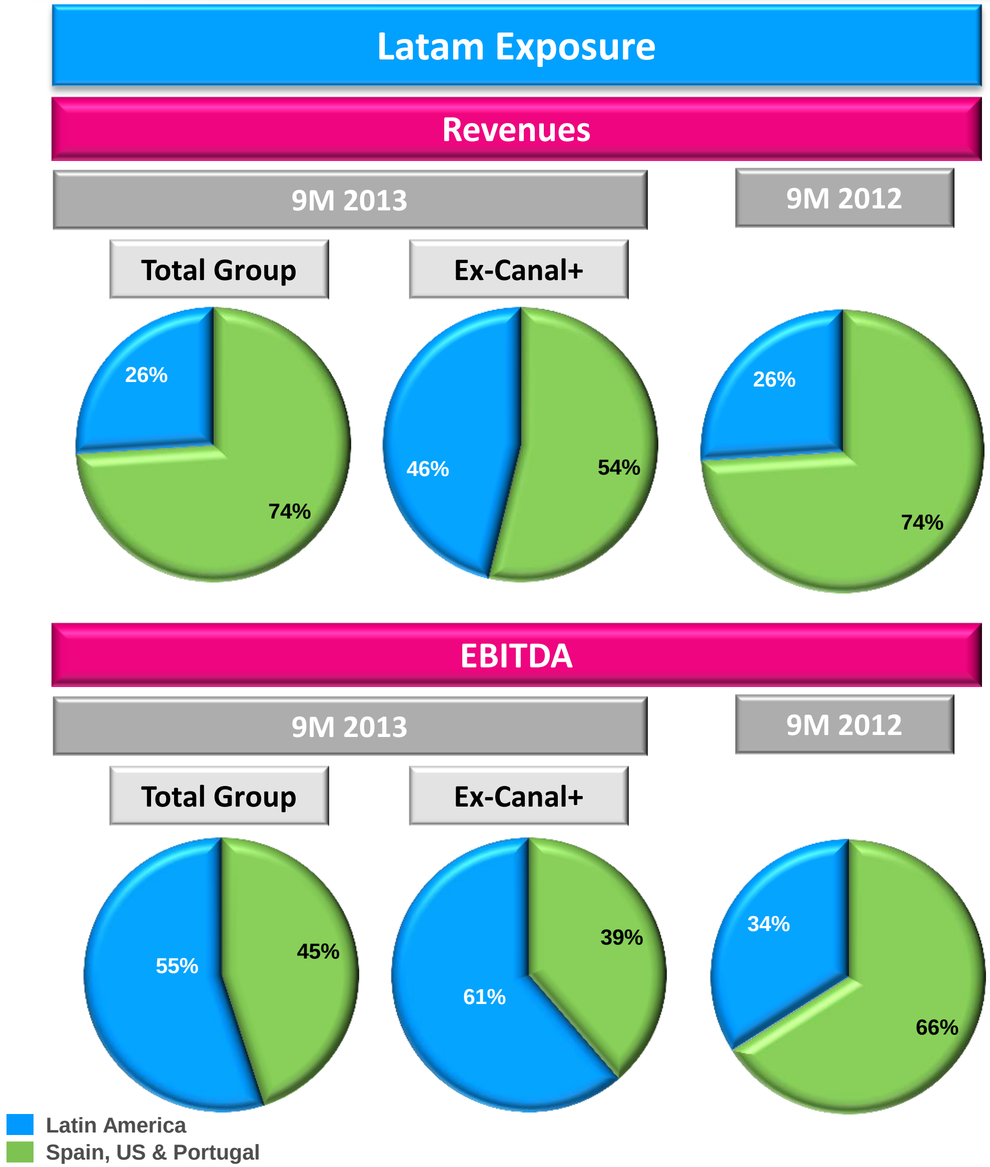
(*) As % of total revenues

Growth in Latam & wholesale subs compensate decline in the rest of business lines & negative FX:

- **Advertising** accounts for 18.8% of revenues (28.8% is LatAm)**
- **Subscribers** account for 41% of revenues, most from DTH (36% in 2012)
  Strong growth in wholesale subs (new football exploitation model)
- Strong contribution from **Education**, 30% of revenues **
  Strong performance in Latam & weak performance of Spain due to the cycle

** All Group and business unit figures are Adjusted (exclude non-recurring items, detailed in the press release)*
*** At constant currency*

Growing exposure to Latam

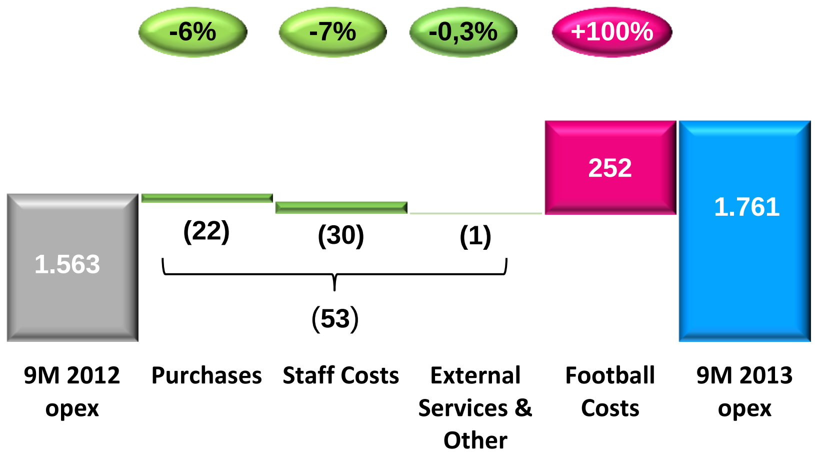


- **Latin America strong results with negative FX**:
  - **Revenues** +0.6% or +9.9% at constant currency (Radio +8.9%, Education +10.2%)
  - **EBITDA** -5.3% or +3.4% at constant currency mainly explained by anticipated expenses in Digital Learning systems.
- **Latin America share of total EBITDA 55.0**% in 9M 2013 & 34.4% in 9M 2012.
- **Excluding Canal+, Latin America represents:**
  - 46% of Revenues
  - 61% of EBITDA

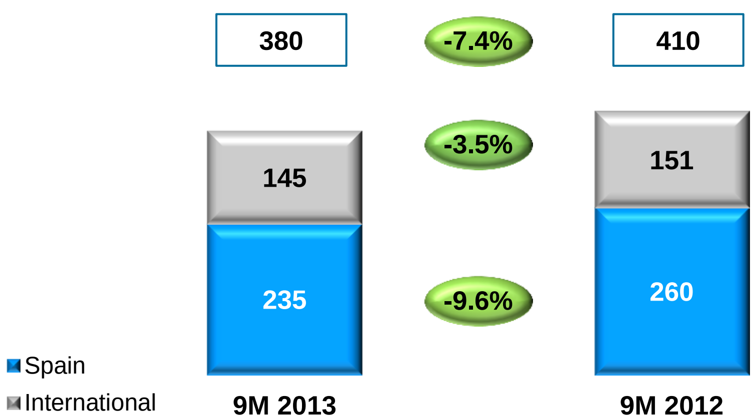
** All Group and business unit figures are Adjusted (exclude non-recurring items, detailed in the press release)*

Continued effort in Cost Control

Strong reduction in expenses



Staff Costs



- **Aside from increased football costs, the Group has undertaken a strong effort in cost reduction.**
- **Total expenses ex amortization & provisions, and football costs impact -4.1% (Spain -7.7%, Latam +1.9%).**
  - **Purchases** -€22m in 9M 2013 (-6.1%), Spain -€24.1m & international +€2.1m
  - **Staff costs** -€30.4m in 9M 2013 (-7.4%), I Spain -€25m & international -€5.3m.
  - **External services** -€1.8m in 9M2013 (-1.8%) Spain -€14.5m & international +€12.6m
- **Cost reduction effort to continue given** difficult economic environment

** All Group and business unit figures are Adjusted (exclude non-recurring items, detailed in the press release)*

Cash Flow generation

CF Generation

	30/09/2013	30/09/2012	VAR.
Financial investments and cash equivalents at beginning of period	133,32	154,65	
EBITDA	**227,77**	**403,29**	**(175,52)**
Provisions	(47,25)	(51,77)	4,52
Working Capital	(78,41)	(223,76)	145,35
Cash flow from operating activities	**102,11**	**127,76**	**(25,65)**
Capex	(105,62)	(104,48)	(1,14)
Disinvestments	0,27	0,43	(0,16)
Financial Investmens	2,41	0,62	1,79
Cash flow from investing activities	**(102,94)**	**(103,44)**	**0,50**
Warrants exercised	0,03	150,02	(149,99)
Convertible Bond issue	0,00	100,00	(100,00)
Increase/ammortization of debt with credit entities	145,53	(51,87)	197,41
Interests paid	(43,60)	(80,58)	36,98
Dividends paid	(3,80)	(35,66)	31,86
Dividends received	0,10	10,66	(10,56)
Other	(19,66)	(10,51)	(9,16)
Cash flow from financing activities	**78,60**	**82,06**	**(3,46)**
Taxes paid	(47,42)	(37,13)	(10,29)
Media Capital Put	(24,25)	0,00	(24,25)
Other	(39,26)	(63,83)	24,56
Variation of cash flows in the period (I)+(II)+(III)+(IV)+(V)+(VI)	**(33,15)**	**5,43**	**(38,58)**
Cash at end of period	100,16	160,08	

- **Working Capital improved by €145.4 million,** due to Santillana and Canal+

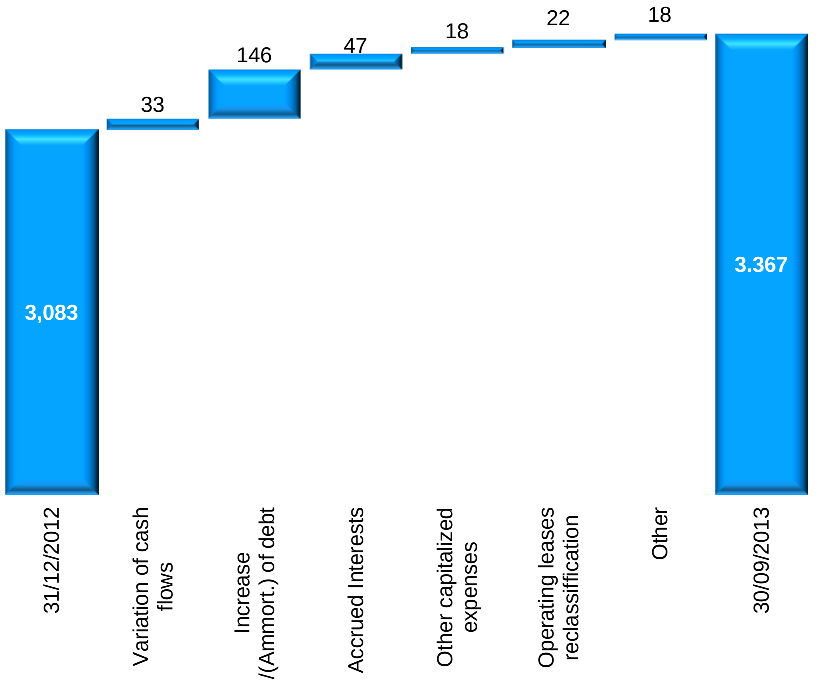
- Other relevant elements in the Cash Flow:

1. **€145m increase in debt** includes €101m at Santillana, and Media Capital Put (€24 million).
2. **Capex +€1.1m** on higher investments in learning systems at Santillana and lower in Canal+, Press and Digital.
3. **Interests payment -€37m.**
4. **Lower dividends paid & received.**
5. **"Other"** includes mainly redundancy expenses previously included in provisions, fiscal taxes payments and payments of Dédalo agreed in 2012.

** All Group and business unit figures are Adjusted (exclude non-recurring items, detailed in the press release)*

Total Net Debt position

Total Net Debt (€m)



- **Total net debt increases from €3,083m to €3,366m** on the back of:
  - **Cash Flow variation of** €33m
  - **Debt increase of €146m**.
  - **Interests accrued** as agreed in the current refinancing context
  - **Operating leasings reclassification** due to Digital learning systems
  - **Other elements** mainly including other capitalized expenses, the FX impact and DLJ.

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Refinancing Process

Process update

- **STEP 1: Initial proposal agreed with 72.9% of total debt (Jun 14th)**
  - **Additional liquidity line** of €80m

- **STEP 2: Complementary agreement with institutional investors (Oct 10th) taking support to 84% of total debt** (institutional investors 11% & financing banks 73%) and including:
  - **Additional credit facility of €353m** to cover for medium term financing needs of the Group
  - **Issue of warrants** representing 17% of Prisa's fully diluted shares outstanding
  - **Lock-up agreement** by institutional investors

- **STEP3: Documentation launched to rest of Banks and extraordinary AGM called for December 10th (Nov 8th) to**
  - Finalize refinancing process
  - Approve issue of warrants

Refinancing highlights

- **Extension of maturities ranging between 5 and 6 years**
- **Average Interest rates of Euribor+342bps** (including new money but excluding warrants) **with a significant amount PIK**
- **3 years time for the sale of non strategic assets**
- **New money facility of €353 million**
- **Ability to conduct debt buy-backs**
- **Change of voting thresholds from unanimity to majority**

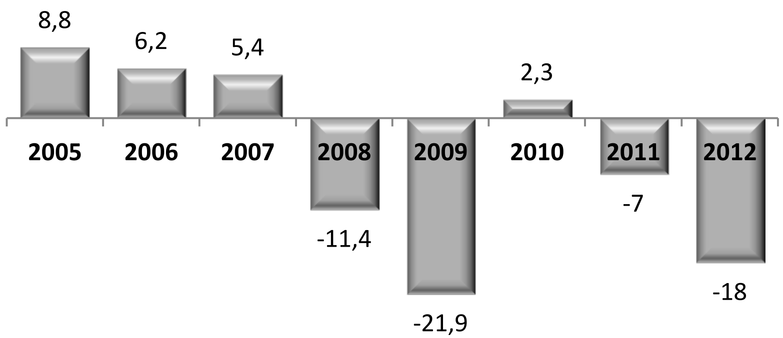
Conclusions

1. **Advertising trends in Spain & Portugal are showing gradual improvements throughout 2013.**
   - We expect the improving trends to continue in 4Q 2013
2. **Strong revenue performance in Latam +9.9% at constant currency**, but negative FX impact.
   - We expect similar trends for the rest of the year
3. **Positive subscriber evolution in 3Q, but still below required level to compensate for the increase in football costs.**
   - 4Q 2013 cost comparability normalized vs 2012
4. **Continued effort in cost control.**
   - More actions to come
5. **Refinancing process expected to conclude by December.**

Back up Information

Spanish Advertising sector: trend improvement in 2013

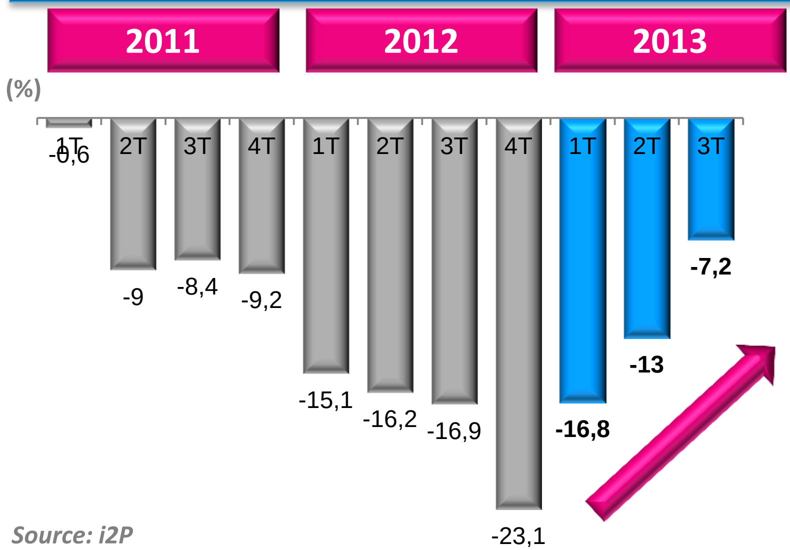
Annual Evolution



Source: i2P

- **Strong improvement in Spanish advertising sector in 2013**: -17% in 1Q to -13% in 2Q to -7,2% in 3Q
- **In 9M 2013, Spanish advertising -12.9%**
  - **Printed press is hardest hit sector**: -27% Sunday paper, -20% in Magazines & -18% in Press

Quarterly Evolution



Source: i2P

Ad Spending by Sector

(€m)	9M 2013	9M 2012	% Ch.
TV	1.212,5	1.365,5	-11,2
Press	437,3	533,3	-18,0
Internet	290,6	304,3	-4,5
Radio	237,7	273,6	-13,1
Outdoor	191,5	221,7	-13,6
Magazines	163,4	204,3	-20,0
Sunday Paper	32,1	43,7	-26,5
Cinema	10,5	12,1	-13,0
TOTAL	**2.575,8**	**2.958,4**	**-12,9**

Source: i2P

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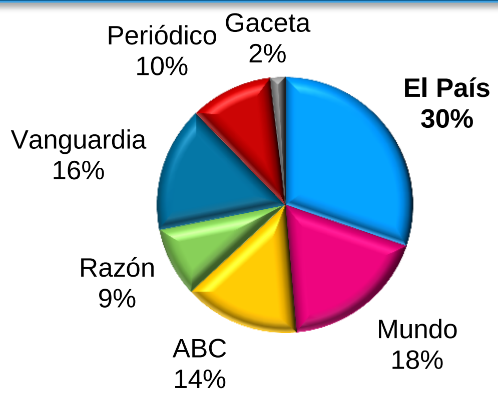
Press: Ad market improving in 3Q but still declining

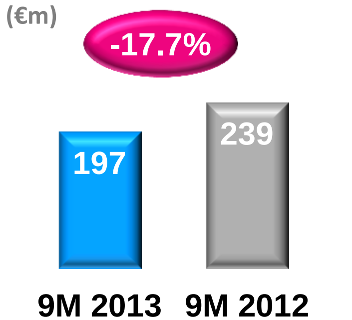
Market Position



Includes general newspaper market share for 9M 2013 (monthly average to September, Source: OJD)

Division Results

Revenues

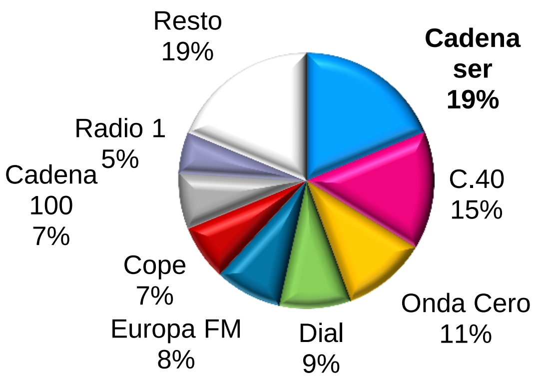


EBITDA

- **Press sector advertising -18% in 9M 2013**
- **Prisa ad revenues** (-16.3% in 9M2013) **show important improvement in 3Q 2013: -9.3**% vs -16.3% in 2Q & -20.8% in 1Q.
  - **Digital press advertising 9M 2013:** +8.0%, representing 24% of press ad revenues.
- **Circulation revenues** -16.6%
  Daily copies: El País (-11.4%), AS (-12.7%), Cinco Días (-5.9%)
- Focus **on cost control:** Purchases -28%, External services -7% & Personnel -23.1%
- **EBITDA +8.4**%.
- **El País remains market leader**

Radio: Better ad market in Spain, Latam still strong

Market Position



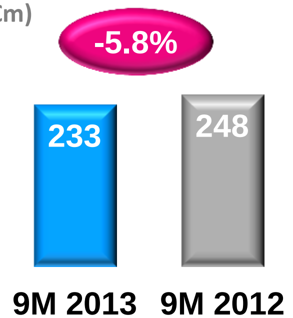
Source: EGM

- **Radio advertising sector in Spain -13.1% 9M 2013**
- **Spain advertising revenues** (-14.1%) **show strong improvement in 3Q** (-4.4% vs -12.3% in 2Q & -22.4% in 1Q)
- **Latam** ad revenues (+4.4%) represent 48% of revenues (44% in 9M 2012)
- **SER maintains absolute leadership** with almost 5 million listeners.

Division Results

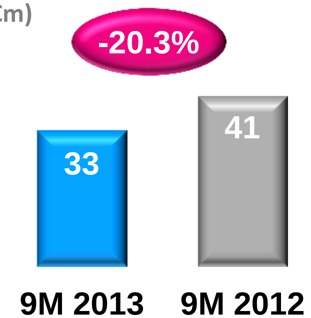
Revenues

(€m)

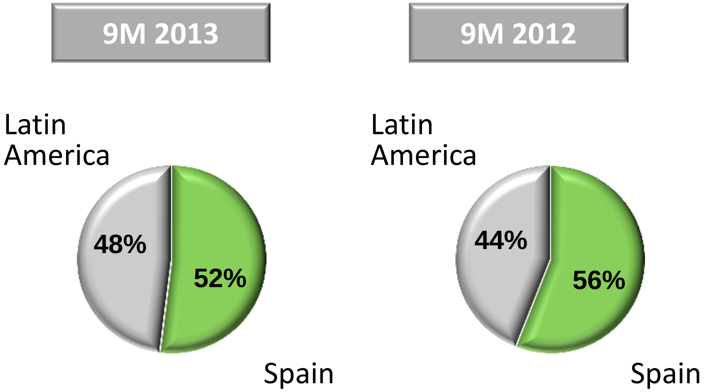


EBITDA

(€m)



LatAm weight in Revenues

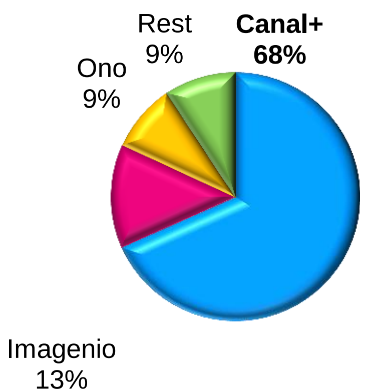


** All Group and business unit figures are Adjusted (exclude non-recurring items, detailed in the press release)*

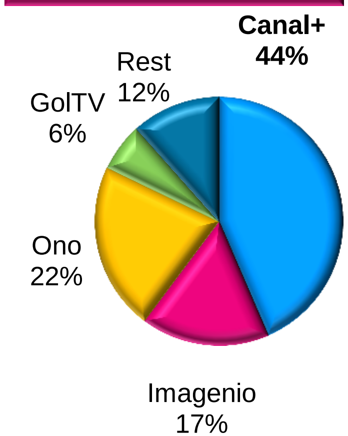
Pay TV: Good start of new football season in DTH subs

Market Position

Revenues



Subscribers

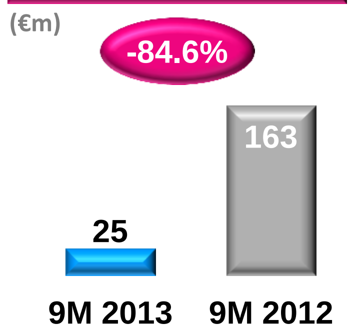


Source: CMT 1H 2013 (Latest Available data)

Division Results

Revenues

EBITDA



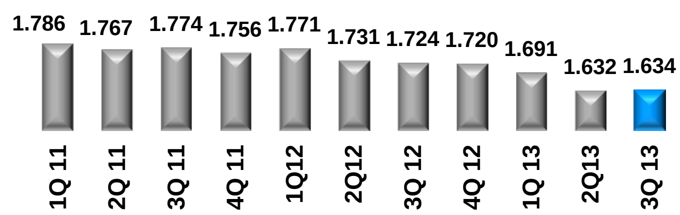
- **Canal+ revenues (+14.8%)** with strong growth in wholesale subscriber revenues (+330%) & lower revenues from DTH (-3.2%).
- **EBITDA -84.6% in 9M 2013**
  - Strong increase in football costs following agreement in 2012 and new rights exploitation model
- **Market share: Canal+** in 3Q 2013 has increased its market share in number of subscribers to 43.8%** (vs 43.5% in 1H 2013)
- **KPI´s**
  - Weakness in number of satellite subscribers but improving since the start of the new season.
  - increase in satellite subscriber ARPU
  - Increase in iPlus penetration
  - Increase in YOMVI penetration & activity

** All Group and business unit figures are Adjusted (exclude non-recurring items, detailed in the press release)*
*** Internal Company estimates*

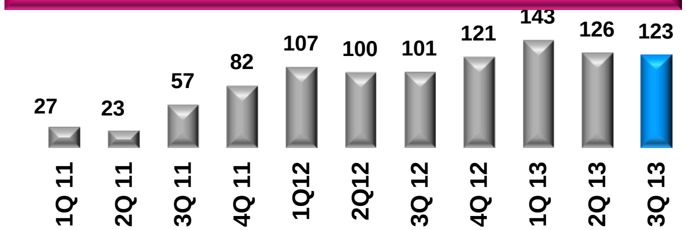
Pay TV: Main KPI´s evolution

Subscriber Evolution (´000s)

DTH Subscribers

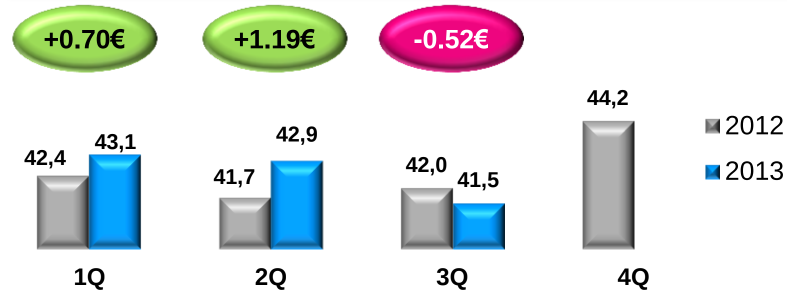


Subscribers (C+1) other platforms /OTT(*)

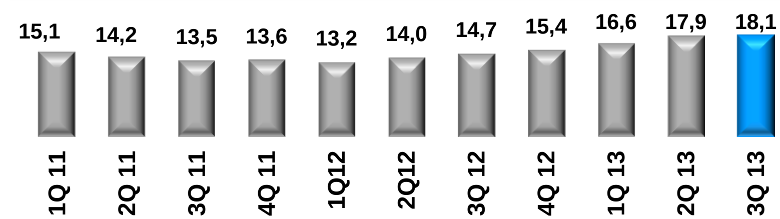


(*) Up to September 2011 In it also includes DTT subscribers

Higher Satellite ARPU (€)

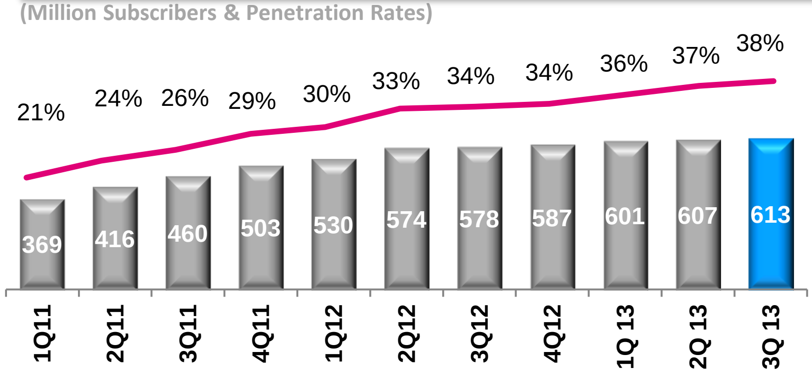


Churn (%)



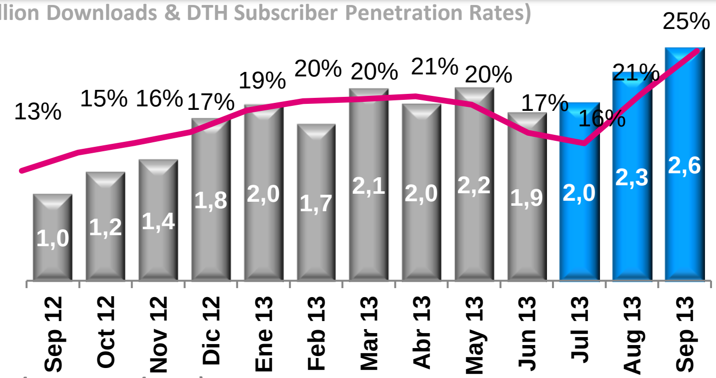
iPlus penetration growing

(Million Subscribers & Penetration Rates)



Yomvi Activity

(Million Downloads & DTH Subscriber Penetration Rates)



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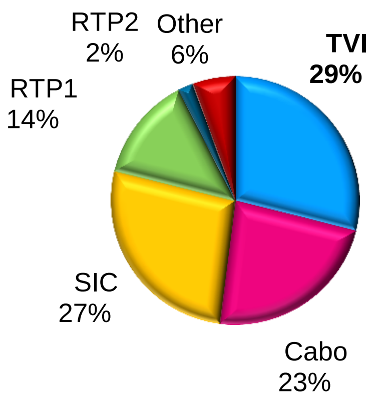
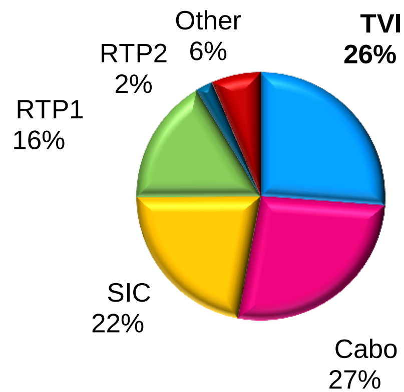
Media Capital: Good cost control effort

Market Position

Prime Time



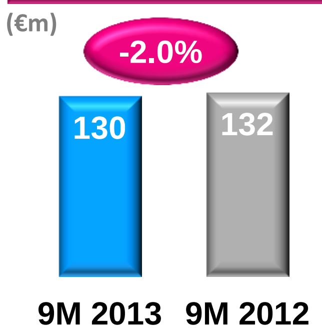
24 hrs



Source: Marktest / Kantar Media. Audience share for 9M 2013

Division Results

Revenues



EBITDA

- **Portugal FTA advertising market -12.6% in 9M 2013**
- Media Capital revenues -2.0% despite the weak advertising revenues, (-11.4%) and due to the development of additional revenues
- **TVI maintains audience leadership in Prime Time** in Portugal:
  - **24hrs**: average 9M 2013 of 26.2%
  - **Prime Time**: average 9M 2013 of 28.9%
- **Focus on cost control**: Costs down 1.8%, with
  - -7.7% in staff costs
  - -8.0% in external services, &

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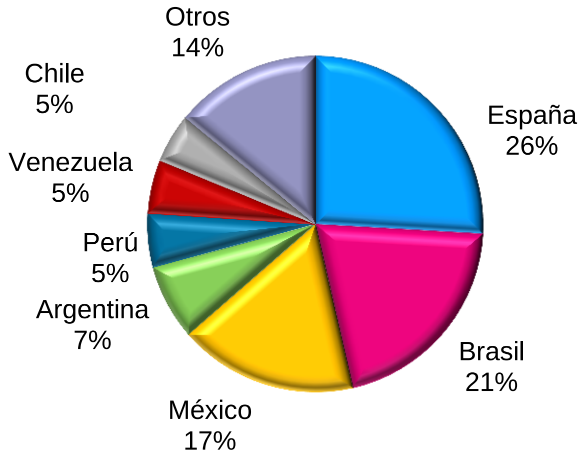
Education: Strong performance across most countries

Revenues by country



Source: Internal sources

Division Results

Revenues

EBITDA

- **Positive top line performance at constant currency +3.9%** (-3.3% in Euros)

- **Strong growth across most countries:**
  - **Colombia (+49%),** strong Learning Systems
  - **Mexico (+3.3%),** strong Learning Systems
  - **Argentina (+11%),** strong regular & institutional sales
  - **Ecuador (+12%)** strong regular sales
  - **Peru (-30%)** strong institutional sales in 2012
  - **Brazil (+1.9% or +17% at constant currency)**
  - **Spain (-11.3%)** as 2013 is low year in the cycle. Positive performance of General Trade Publishing (+3.8%)

- **EBITDA -16.6%, with EBITDA margin falling,** from 31.6% in 9M 2012 to 27.2% in 9M 2013

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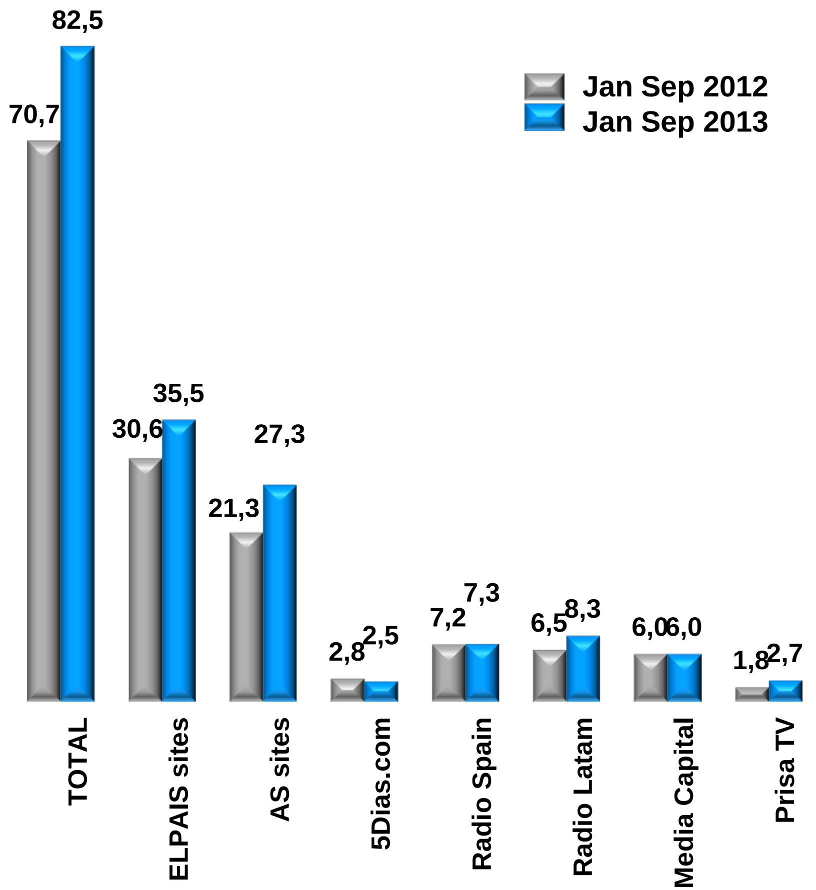
Digital: Strong Growth Continues Across Platforms

Millions of Unique Browsers



- **Digital advertising sector in Spain -4.5% in 9M 2013.**
- **Digital Revenues for Prisa +50%**
  Better online ad revenues (+7.1%)
  Better digital products (+90.8%).
- **Average** unique browsers (+17%) 82.5m
  Strong performance of PrisaTV, elpais.com, as.com & international Radio.
- Digital development remains **strategic priority for the company**

Source: Omniture, Netscope, and Certifica.com

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PRISA