



1Q 2016 RESULTS

May 2016

Adjusted EBITDA in Q1 reaches 60 million euros (-12%) (+ 20% at constant exchange rates)

- **Main Highlights:**

1. The positive development of business in local currency in Santillana.
2. The worst evolution of advertising in Spain by the unfavorable comparative due to the Easter effect.
3. The growth of advertising in Portugal.
4. The digital growth of the press business.
5. The strong negative impact of FX in the quarter.
7. The maintenance of cost control.
7. The lower financing interest.
8. Net income for the quarter reaches 13 million euros.

- Net bank debt has been reduced by 48 million euros in the first quarter of 2016.
- In April 2016 PRISA has approved an agreement with some of its major creditors to carry out an issue of mandatorily convertible bonds into PRISA shares at 10 euros/share by swapping debt. This conversion will reduce debt and strengthen the capital in the amount of 100 million euros in the second quarter.

MAIN HIGHLIGHTS

Advertising in Spain shows a drop during 1Q 2016, affected by the worst comparative by the Easter effect. In April, this effect reverses.

- Advertising revenues of the Group in Spain fall by -3% in 1Q:
 - Radio in Spain falls by -6.9%.
 - Press grows by +3.8%, (-5.6% offline; +26.1% online).
- In Portugal, advertising has started the year with growth in the 1Q of +8.6%; (TVI +8.2% y Radio +13%).

LatAm activities show growth in local currency

- In Education, South Area Campaigns showed a positive evolution, showing growth in revenues in constant currency (+19%).
- In Radio LatAm, adjusted revenues grow by +3% in local currency, highlighting the growth of Colombia and Chile (+4.1% and +2.9 respectively).
- FX during 1Q 2016 has had a significant negative impact of 49 million euros (42.6 in Santillana, 5.5 in Radio) on adjusted revenues and of 22 in EBITDA (21.6 in Santillana, 0.7 in Radio). Exchange rates Q1 2016 of the most impacted countries have been: Brazilian Real 4.34 vs 3.16 in 1Q2015; Argentine Peso 16.48 vs 9.66 in 1Q2015; Peruvian Sol 3.83 vs 3.43 in 1Q2015.

The Group continues its digital transformation

- Digital transformation revenues reach 56.7 million euros (+0.7% in euros; +12% at constant currency)
- Digital education systems (UNO and Compartir) continue their development in Latin America reaching 873,064 students (+8%). Its revenues in local currency grow by +15.3%.
- Adjusted Digital advertising grows by 26.7%, reaching 12.2 million euros:
 - In Press, digital advertising continues growing and already represents 40% of advertising revenues.
- Average unique browsers of the Group's grow by 16.7% reaching 121 million.

Financial deleverage continues

- Total Group net debt reduced by 48 million to 1,612 M€ as of March 31st 2016, comparing to 1,660 million as of December 2015.
- In February 2016 debt reduction has continued by canceling 65 million euros debt through auction at a discount of 16.02%, with the remaining funds from the sale of Canal +.
- In April 2016, a mandatory convertible bond issuance has been approved at 10 euros per share by swapping debt for 100 million euros.

Results by business division

Education

- **During 1Q South Area campaigns are under way:** Brazil, Colombia, Costa Rica, North Central America, Uruguay, Chile, Bolivia, Argentina, Paraguay, Peru and Ecuador. All campaigns have increased in constant currency, except for Brazil and Chile.
 - **Highlights Peru**, which shows a growth in revenues of + 125% (17 million euros), by an institutional bidding for primary and secondary, which compensates the worst season in Brazil and Chile compared to 1Q 2015.
 - **Brazil** falls by -7.4% in local currency (-33.3% in euros).
- **North Area campaigns** (Spain and Mexico mainly), take place during 2H every year, and therefore 1Q 2016 results are not representative in 1Q.
- **Digital Education Systems (UNO and COMPARTIR) continue their expansion** in Latin America, growing by +8% in number of students till surpassing the 873,000. **UNO and Compartir revenues** grow by +15.3% in constant currency. Highlights the positive operational result of UNO 5.6M€; +158%.
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- In total, **adjusted revenues** in constant currency grow by +19% and **adjusted EBITDA grows by +28.6% in local currency (-8.7% in euros).**
- **Negative FX impact of 42.6 million euros** on revenues and 21.6 million euros on EBITDA.

Radio

- **Advertising** in Spain falls by **-6.9%**, showing growth in national (+2.9%) and fall in local (-10.4%).
- According to the latest report of the **EGM**, radio remains the leader both in generalist and musical.
- In **LatAm**, adjusted revenues grow of +3% in local currency.
- **Adjusted EBITDA** in constant currency falls by 2.3 million euros (-23%).
- **Negative FX impact is -5.5 million euros** on revenues and -0.7 million on EBITDA.

Press

- **Advertising revenues** in 1Q 2016 increase by +3.8%.
- **Digital advertising** increases by +26.1% (representing already 40% of total advertising revenues of the press) offsetting the fall in **traditional advertising** (-5.6%).
- **Circulation revenues** moderate their fall till -4.1% due to the comparative effect with price increase that took place in 1Q 2015.
- **As of March 2016**, an average of 86.6 million of **unique browsers** and 19.1 millions of **unique users** has been registered.
- **Cost control is maintained** (-1.5% in adjusted terms)
- **Press adjusted EBITDA** becomes positive reaching 1.4 million euros vs -0.7 million in 1Q 2015.

Media Capital

- **Total advertising revenues** of Media capital **increase** by +8.6%.
- **TVI shows a revenue increase of 3.7%**. The growth of advertising revenue and channels sale to third parties offset the fall in calls:
 - **Advertising** grows by + 8.2% in TVI.
 - **Added value calls** continue with significant falls -1.7 million euros.
 - The **distribution of TVI channels** in different pay platforms has a growth of 1.9 million euros.
- **Radio** improves its EBITDA by 0.4 million euros.
- **Adjusted EBITDA** maintains at 6.2 million euros.

Consolidated P&L

Eur Million	JANUARY - MARCH		
	2016	2015	% Chg.
Operating adjusted results			
Adjusted Operating Revenues	329.1	341.9	(3.8)
Adjusted EBITDA	59.7	68.0	(12.2)
Adjusted EBITDA Margin	18.1%	19.9%	
Adjusted EBIT	43.5	44.7	(2.7)
Adjusted EBIT Margin	13.2%	13.1%	
Adjusted Operating results at constant currency			
Operating revenues	378.0	341.9	10.6
EBITDA at constant currency	81.6	68.0	20.1
Adjusted EBITDA Margin	21.6%	19.9%	
EBIT at constant currency	62.9	44.7	40.7
Adjusted EBIT Margin	16.6%	13.1%	
Reported Results			
Operating Revenues	324.5	336.4	(3.5)
EBITDA	55.0	55.8	(1.5)
EBITDA Margin	16.9%	16.6%	
EBIT	39.0	32.9	18.8
EBIT Margin	12.0%	9.8%	
Net financial result	(7.5)	(13.3)	43.6
Interest on debt	(16.8)	(27.5)	38.9
Other financial results	9.3	14.3	(34.6)
Result from associates	0.7	0.8	(19.0)
Profit before tax	32.2	20.4	57.9
Income tax expense	13.7	5.6	144.4
Results from discontinued activities	0.1	0.6	(91.3)
Minority interest	5.6	6.8	(16.6)
Net profit	13.0	8.7	-

During 1Q 2016, excluding extraordinary items and exchange rate impact:

- Operating revenue at constant revenues grow by 10.6%
- Adjusted EBITDA grow by 20.1%.

Index

- 1. Main operating indicators**
 - a_ Adjusted results of the Group
 - b_ Adjusted results of the Group in constant currency
 - c_ Reported results of the Group
 - d_ Extraordinary impacts and changes in the consolidation perimeter

- 2. Education business**

- 3. Radio business**

- 4. Press business**

- 5. Media Capital**

- 6. Digital Transformation Revenues**

- 7. From EBIT to net profit**
 - a_ Financial result
 - b_ Equity consolidated results
 - c_ Minority results

- 8. Group financial position**
 - a_ Group financial position
 - b_ Cash flow statement

- 9. Appendix**

1_ Main operating indicators of the Group

a_ Adjusted operating results

Eur Million	JANUARY - MARCH		
	2016	2015	% Chg.
Adjusted operating results			
Adjusted Operating Revenues	329.1	341.9	(3.8%)
Spain	97.5	97.6	(0.1%)
International	231.6	244.3	(5.2%)
Portugal	38.5	37.0	3.9%
Latam	193.1	207.3	(6.9%)
Adjusted EBITDA	59.7	68.0	(12.2%)
Spain	(17.9)	(17.8)	(0.7%)
International	77.6	85.7	(9.5%)
Portugal	5.2	5.2	1.4%
Latam	72.3	80.6	(10.2%)
<i>Adjusted EBITDA Margin</i>	<i>18.1%</i>	<i>19.9%</i>	
Adjusted EBIT	43.5	44.7	(2.7%)
Spain	(24.0)	(12.3)	(95.5%)
International	67.4	56.9	18.4%
Portugal	3.5	(9.4)	---
Latam	64.0	66.4	(3.6%)
<i>Adjusted EBIT Margin</i>	<i>13.2%</i>	<i>13.1%</i>	

b_ Adjusted operating results in constant currency

Eur Million	JANUARY - MARCH		
	2016	2015	% Chg.
Adjusted Operating results at constant currency			
Operating Revenues	378.0	341.9	10.6%
Spain	97.5	97.6	(0.1%)
International	280.5	244.3	14.8%
Portugal	38.5	37.0	3.9%
Latam	242.1	207.3	16.8%
EBITDA	81.6	68.0	20.1%
Spain	(17.9)	(17.8)	(0.7%)
International	99.5	85.7	16.1%
Portugal	5.2	5.2	1.4%
Latam	94.3	80.6	17.0%
<i>Adjusted EBITDA Margin</i>	<i>18.1%</i>	<i>19.9%</i>	
EBIT	62.9	44.7	40.7%
Spain	(24.0)	(12.3)	(95.5%)
International	86.8	56.9	52.5%
Portugal	3.5	(9.4)	---
Latam	83.4	66.4	25.6%
<i>Adjusted EBIT Margin</i>	<i>13.2%</i>	<i>13.1%</i>	

c_ Reported results of the Group

Group Operating Results	JANUARY - MARCH		
	2016	2015	% Chg.
Eur Million			
Operating Revenues	324.5	336.4	(3.5)
Spain	97.5	97.6	(0.1)
Portugal	38.5	37.0	3.9
Latam	188.6	201.8	(6.6)
Operating expenses	269.5	280.6	(3.9)
Spain	117.0	122.9	(4.7)
Portugal	33.6	32.4	3.9
Latam	118.9	125.4	(5.2)
EBITDA	55.0	55.8	(1.5)
<i>EBITDA Margin</i>	16.9%	16.6%	-
Spain	-19.6	(25.3)	22.6
Portugal	4.8	4.7	4.0
Latam	69.7	76.5	(8.8)
EBIT	39.0	32.9	18.8
<i>EBIT Margin</i>	12.0%	9.8%	
Spain	(25.6)	(19.8)	-29.6
Portugal	3.1	-9.9	130.9
Latam	61.6	62.6	-1.6

d_ Extraordinary impact and changes in consolidation perimeter

We show below the main extraordinary impacts:

Extraordinary Items	JANUARY - MARCH	
	2016	2015
Eur Million		
One-offs in operating revenues	4.5	5.5
Consolidation perimeter adjustment - Mx & CR	4.5	5.5
One-offs in operating expenses	(0.1)	(6.6)
Redundancies and other non-recurrent	(3.1)	(10.2)
Consolidation perimeter adjustment - Mx & CR	3.0	3.6
One-offs in amortization & provisions	0.2	0.3
Consolidation perimeter adjustment - Mx & CR	0.2	0.3

- a) **Change in the consolidation perimeter:** Since 2013, the Group accounts the results of Prisa Radio holdings Mexico and Costa Rica using the equity method. The adjusted data results include Mexico and Costa Rica weighted by part of the capital of Prisa
- b) **Redundancies and other non-recurrent:** The extraordinary expenses from redundancies **fall compared to 1Q 2015**. In 1Q 2016 redundancies have reached 3.1 million euros compared to the 10.2 million euros during the same period in 2015.

2_ Education business

EDUCATION Eur Million	JANUARY - MARCH		
	2016	2015	% Chg.
Adjusted operating results			
Adjusted Revenue	168.3	177.1	(5.0%)
Spain	1.6	1.3	25.7%
International	166.7	175.8	(5.2%)
Adjusted EBITDA	52.9	57.9	(8.7%)
Spain	(16)	(17)	4.7%
International	69.2	75.0	(7.8%)
<i>% adjusted margin</i>	31.4%	32.7%	
Adjusted EBIT	45.0	44.5	1.1%
<i>% adjusted margin</i>	26.8%	25.2%	
Adjusted Operating results at constant currency			
Adjusted Revenue at constant fx rate	210.9	177.1	19.1%
Spain	1.6	1.3	25.7%
International	209.3	175.8	19.0%
Adjusted EBITDA	74.5	57.9	28.6%
Spain	(16)	(17)	4.7%
International	90.8	75.0	21.0%
<i>% adjusted margin</i>	35.3%	32.7%	
Adjusted EBIT	64.3	44.5	44.4%
<i>% adjusted margin</i>	30.5%	25.2%	
Reported Results			
Revenues	168.3	177.1	(5.0%)
Spain	1.6	1.3	25.7%
International	166.7	175.8	(5.2%)
Operating expenses	116.1	119.8	(3.1%)
EBITDA	52.2	57.3	(8.9%)
<i>% margin</i>	31.0%	32.4%	
EBIT	44.4	43.9	1.1%
<i>% margin</i>	26.4%	24.8%	
One-offs			
One-offs in operating revenues	0.0	0.0	
One-offs in operating expenses	-0.6	-0.6	
Redundancies	-0.6	-0.6	
One-offs in Amort. & Provisions	0.0	0.0	

a_ Market position

Santillana, PRISA's education business, maintains a leading position in practically all countries where it operates. In Spain, Santillana has a market share of 19% (datos a fin de la anterior Campaña).

We detail below the market share and position of Santillana in its main markets, according to the latest data available:

Market share and position of PRISA's education business

Country	Market Share	Market Position
Spain	19%	1
Brazil	22,2%	2
Mexico	15,5%	1
Argentina	30,5%	1
Chile	36,7%	1
Colombia	18,2%	1
Portugal	6,1%	3

Source: PRISA internal estimates as of December 2015, last available.

b_ Operating revenues

In the revenues evolution of 2015 there is to highlight:

- a) **The evolution of the South Area campaigns:** Brazil, Colombia, costa Rica, Central America, Uruguay, Chile, Bolivia, Argentina, Paraguay, Peru and Ecuador. Altogether show a good performance in local currency:
 - i. **Highlights Peru**, explained by an institutional bidding for primary and secondary, showing a growth of 17 million euros (+ 125%).
 - ii. **Brazil** shows a fall of -33.3% in euros and -7.4% in constant currency.
- b) **Digital Education Systems (UNO and COMPARTIR)** continue their expansion in Latin America, growing by 8% the number of students to 873,064. Total revenues of UNO and Compartir have reached 38.7 million euros (-11.6%); +15.3% in constant currency. Highlights the operational result of UNO in every country till reach 5.6M€, mainly due to margin improvement and despite the devaluation suffered in that countries.
- c) **Negative FX impact** of 42.6 million euros on Santillana revenues and 21.6 million euros on EBITDA during 2015.

Excluding this effect and adjusted for extraordinary items, adjusted earnings increased by 19.1%.

The contribution to the division's Revenues of the different countries where Santillana is present, separating the contribution of traditional Education (including education system Compartir) and education Sistema UNO is as follows:

	2016	2015	% Chg.
	JANUARY-MARCH	JANUARY-MARCH	
REVENUES			
Total Santillana	168.3	177.1	-5.0%
Traditional Education and Compartir	152.5	159.4	-4.3%
Spain*	1.6	1.3	21.9%
Brazil	41.6	62.3	-33.3%
Mexico	0.9	1.4	-33.0%
Other Countries	108.5	94.5	14.9%
System UNO	15.8	17.7	-10.8%

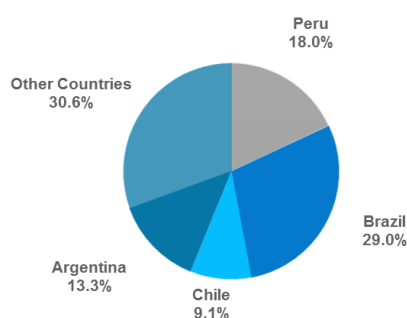
Adjusted Revenue at constant fx rate

	2016	2015	% Chg.
Total Santillana	210.9	177.1	19.1%
Traditional Education and Compartir	191.0	159.4	19.8%
Spain*	1.6	1.3	21.9%
Brazil	57.7	62.3	-7.4%
Mexico	1.1	1.4	-21.2%
Other Countries	130.6	94.5	38.3%
System UNO	20.0	17.7	12.7%

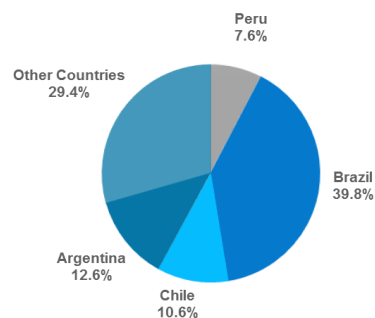
*Spain includes Corporate Center.

Geographical split of education revenues (%)

January – March 2016



January – March 2015



c_ Operating expenses and capex

Adjusted **operating expenses** decrease -3.1% reaching 115.5 million euros. At constant exchange rates, expenses increased by + 14.5%.

Capex in Santillana amounted to 13.9 million euros in 1Q 2016 versus 12.2 million euros in 1Q 2015 (-13.7% in euros or -37% in constant currency).

d_ EBITDA

Adjusted Education EBITDA reached 52.9 million euros in 1Q 2016 (-8.7%).

The FX has impacted negatively in -21.6 million euros. At constant FX rates, education business would have reached 74.5 million euros, a growth in its adjusted EBITDA by +28.6%.

The adjusted EBITDA contribution of the different countries where Santillana is present, separating the contribution of the different business lines (traditional education and Compartir, UNO system and other) is as follows:

	2016	2015	% Chg.
	JANUARY-MARCH	JANUARY-MARCH	
EBITDA			
Total Santillana	52.9	57.9	-8.7%
Traditional Education and Compartir	47.3	55.8	-15.1%
Spain*	-16.2	-16.0	-1.5%
Brazil	19.3	33.5	-42.4%
Mexico	-6.6	-7.5	11.9%
Other Countries	50.9	45.7	11.3%
System UNO	5.6	2.2	158.5%
Adjusted EBITDA at constant fx rate			
Total Santillana	74.5	57.9	28.6%
Traditional Education and Compartir	67.6	55.8	21.2%
Spain*	-16.2	-16.0	-1.5%
Brazil	27.6	33.5	-17.7%
Mexico	-7.5	-7.5	-1.0%
Other Countries	63.8	45.7	39.5%
System UNO	6.9	2.2	222.2%

*Spain includes Corporate Center.

3_ Radio business

RADIO Eur Million	JANUARY - MARCH		
	2016	2015	% Chg.
Adjusted operating results			
Adjusted Revenues	64.4	71.1	(9.4%)
Spain	40.1	42.7	(6.2%)
Latam	24.3	29.0	(16.1%)
Adjustments & others	0.0	(0.3)	
Adjusted EBITDA	5.1	7.4	(31.5%)
Spain	2.1	2.4	(15.2%)
Latam	3.6	5.7	(36.9%)
Adjustments & others	(0.6)	(0.5)	
<i>% adjusted margin</i>	7.9%	10.5%	
Adjusted EBIT	2.7	4.3	(37.2%)
<i>% adjusted margin</i>	4.2%	6.1%	
Adjusted Operating results at constant currency			
Adjusted Revenues at constant fx rate	69.9	71.1	(1.7%)
Spain	40.1	42.7	(6.2%)
Latam	29.9	29.0	3.0%
Adjustments & others	(0.0)	(0.6)	
Adjusted EBITDA at constant fx rate	5.8	7.4	(22.8%)
Spain	2.1	2.4	(15.2%)
Latam	4.3	5.7	(24.4%)
Adjustments & others	(0.6)	(0.7)	
<i>% adjusted margin</i>	8.2%	10.5%	
Adjusted EBIT	3.2	4.3	(26.5%)
<i>% adjusted margin</i>	4.5%	6.1%	
Reported Results			
Revenues	59.9	65.6	(8.8%)
Advertising	54.5	60.8	(10.3%)
<i>Spain</i>	35.5	38.2	(6.9%)
<i>International</i>	19.0	22.6	(15.9%)
<i>Other*</i>	0.0	0.0	(71.5%)
Others	5.4	4.9	10.5%
Operating expenses	57.2	64.0	(10.6%)
EBITDA	2.7	1.7	61.8%
<i>% margin</i>	4.5%	2.5%	
EBIT	0.5	(1.2)	145.8%
<i>% margin</i>	0.9%	-1.8%	
<i>* Includes Music & Consolidation adjustments</i>			
One-offs in operating revenues			
Consolidation Perimeter Adjustment - Mx & CR	4.5	5.5	
One-offs in operating expenses			
Redundancies	(0.9)	(3.9)	
Consolidation Perimeter Adjustment - Mx & CR	3.0	3.6	
One-offs in Amort. & Provisions			
Consolidation Perimeter Adjustment - Mx & CR	0.2	0.3	

In order to give a complete vision of the business, Mexico and Costa Rica are included in the adjusted accounts despite being consolidated by the equity method.

a_ Market position

In Spain, we highlight the competitive strength of PRISA's radio business through its stations (Cadena Ser, 40 Principales, Cadena Dial, M-80, Radiolé and Máxima FM). According to the latest EGM survey, **Cadena Ser maintains absolute leadership in the market with 4.808 thousand listeners** (market share of 40% of Spain's generalist radio). **Cadena 40 and Cadena Dial hold first and second place in the music radio market in Spain with audience shares of 20% and 16% respectively.**

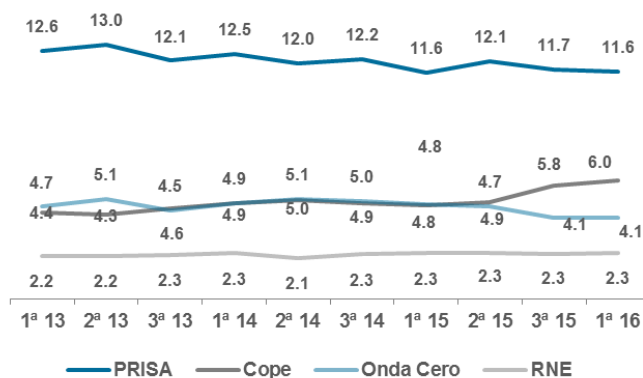
We detail below the number of listeners of PRISA in Spain:

Thsd. Listeners	Listeners		
	1st report 2016	Rank	Share
Talk Radio	4,808	1	40%
Cadena SER	4,808		40%
Music Radio	6,794	1	47%
40 Principales	2,900		20%
Dial	2,305		16%
Máxima FM	539		4%
M80	505		4%
Radiolé	545		4%
Total	11,602		

Source: EGM first report 2016

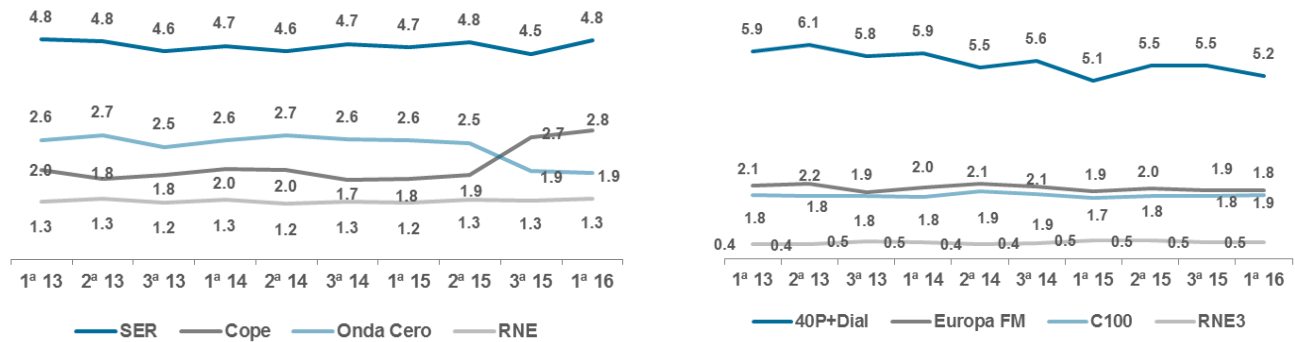
The leading position held by PRISA radio in Spain has been recurrent over time. We show below the evolution of the audience share of radio stations in Spain according to EGM.

Audience share evolution in Spain (thousand listeners)



Cadena Ser

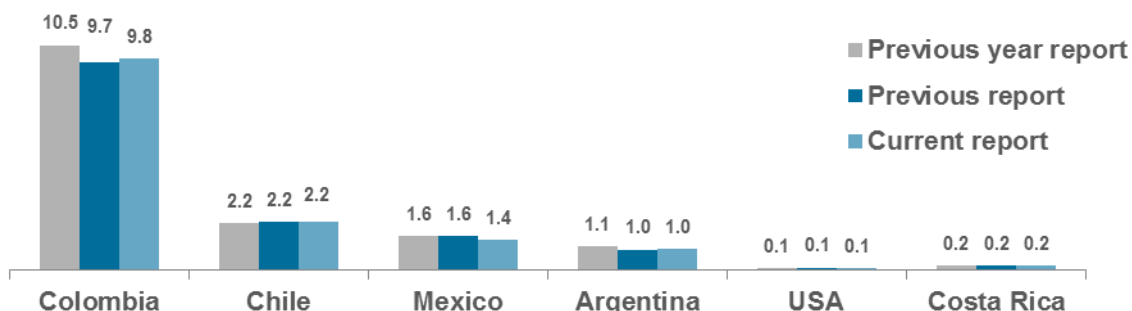
40 principales + Dial



As for international radio, Prisa Radio maintains a leading position in Colombia and Chile (with respective market share of 35% and 47%) and second position in Mexico (14.5%). We detail below the market position of PRISA’s international radio stations as of the latest information available (January-March 2016):

Thsd. Listeners	Listeners		
	1st report 2016	Rank	Share
Colombia	9,839	1	35%
Chile	2,241	1	47%
Mexico	1,343	2	14.5%

International radio audience (thousand listeners)



Source: ECAR (Colombia), IPSOS (Chile), INRA (Mexico), IBOPE (Argentina), latest available information as of January-March 2016

b_ Operating revenues

In 1Q 2016, **Radio Revenues reached 64.4 million euros**, which means a decrease of -9.4% compared with same period of 2015. This drop is due to the underperformance of Spain affected by Easter and the fall in revenues in LatAm affected by exchange rate but **showing growth in local currency**.

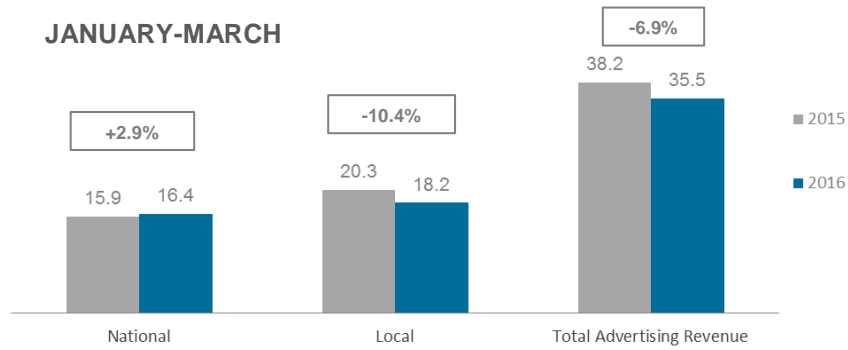
Colombia accounts for 50% of the revenue of the unit in Latin America and nearly 20% of total revenues and it has recorded a growth of 4.1% in constant currency in 1Q 2016.

FX impact has been negative by -5.5 million euros in revenues and -0.7 million euros in EBITDA.

Radio Revenues by geographical origin:

a) **Spain:** Radio Spain adjusted revenues (without Music and Central Services) reach 40.1 million euros in 1Q 2016 (-6.2% versus 1Q 2015).

- **Spanish total advertising revenues** reach 35.5 million euros, decreasing by -6.9%. National advertising revenue grows (+2.9%). Local advertising revenue fall by -10.4%. This quarter has been affected by Easter. In April, this effect will reverse.



b) **International:** International radio adjusted Revenues, including Mexico and Costa Rica, reach **24.3 million euros** in 1Q 2016 (-16.1% versus 1T 2015), affected by FX volatility and growing (+3%) in local currency.

International contribution of the different countries (%)



c_ Operating expenses and Capex

Total adjusted operating expenses in 1Q 2016 have been reduced compared to 1Q 2015 (-6.9%); -0.8% in constant currency.

Capex has reached 0.9 million compared to 0.7 million in 1Q 2015.

d_ EBITDA

Adjusted EBITDA was positive in **5.1 million euros** in 1Q 2016 compared to 7.4 million in 1Q 2015 (-23%).

e_ Digital development

During 1Q 2016 it has continued the strong growth of unique browsers to the radio web sites (as of March 2016, latest data available): unique browsers to Radio Spain websites reach 11.9 million on average. As for international radio, unique browsers according to Omniture grow by +26% and reach 19 million on average. Overall Prisa radio browsers reach 31 million users, growing by 13.4%.

4_ Press business

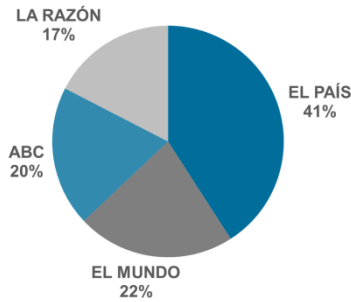
PRESS Eur Million	JANUARY - MARCH		
	2016	2015	% Chg.
Adjusted operating results			
Adjusted Revenues	57.2	56.0	2.3%
<i>Advertising</i>	23.8	22.9	3.8%
<i>Circulation</i>	23.4	24.4	(4.1%)
<i>Add-ons and others</i>	10.1	8.7	15.8%
Adjusted EBITDA	1.4	(0.7)	---
<i>% adjusted margin</i>	2.4%	-1.3%	
Adjusted EBIT	(1.0)	(3.7)	73.2%
<i>% adjusted margin</i>	-1.7%	-6.5%	
Adjusted Operating results at constant currency			
Adjusted Revenues at constant currency	57.5	56.0	2.7%
Adjusted EBITDA	1.1	(0.7)	---
<i>% adjusted margin</i>	1.9%	-1.3%	
Adjusted EBIT	(1.3)	(3.7)	64.3%
<i>% adjusted margin</i>	-2.3%	-6.5%	
Reported Results			
Revenues	57.2	56.0	2.3%
<i>Advertising</i>	23.8	22.9	3.8%
<i>Circulation</i>	23.4	24.4	(4.1%)
<i>Add-ons and others</i>	10.1	8.7	15.8%
Operating expenses	56.7	59.9	(5.4%)
EBITDA	0.5	(3.9)	113.6%
<i>% margin</i>	0.9%	-7.0%	
EBIT	(1.8)	(6.9)	73.2%
<i>% margin</i>	-3.2%	-12.2%	
	2016	2015	% Chg.
One-offs in operating revenues	0.0	0.0	
One-offs in operating expenses	-0.8	-3.2	
Redundancies	-0.8	-3.2	
One-offs in Amort. & Provisions	0.0	0.0	

a_ Market position

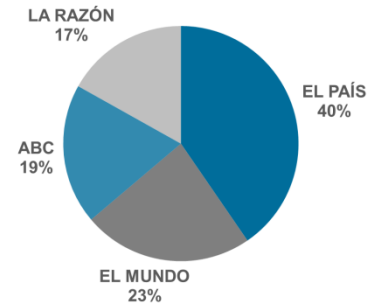
El País maintains its absolute leading position in Spain, with an average market share in the year of 41% according to the latest OJD available data (March 2016).

Market position of Press business in Spain

January – March 2016



January – March 2016



Source: OJD March 2016, last data available

Digital Market position of Press business

- In terms of unique users, according to comScore press in Q1 2016 has reached 19.1 million users (March 2016, latest data available), El País maintains a leading position reaching 12.9 million monthly average users. In addition, in sport press, AS holds second position to Marca reaching 5.9 million monthly average users.

Regarding Comscore El País is in the position ranking number 6 in Spain in terms of unique users (after Google and Youtube and before Yahoo or El Mundo).

Regarding worldwide ranking it is in number 17 being the first positions occupied by Chinese and British and American newspapers.

Spain PC+ Mobile March 2016		Unique Users	YoY	Reach %	YoY p.p.
Ranking	Total Internet- PC+Mobile	30,386	5%	100%	
1	Google	26,419	22%	87%	12 p.p.
2	YOUTUBE.COM	23,722	12%	78%	5 p.p.
3	FACEBOOK.COM	20,755	20%	68%	9 p.p.
4	ANDROID.COM	17,809	31702%	59%	58 p.p.
5	MSN	15,721	0%	52%	-2 p.p.
6	ELPAIS.COM	15,081	5%	50%	0 p.p.
7	Yahoo	14,948	6%	49%	1 p.p.
8	BLOGSPOT.COM.ES	14,447	23%	48%	7 p.p.
9	ELMUNDO.ES	14,151	5%	47%	0 p.p.
10	LIVE.COM*	12,581	19%	41%	5 p.p.

WW PC March 2016		Unique Users	YoY	Reach %	YoY p.p.
Ranking	Total Internet- PC	1.911.665	5%		
	Total Periódicos	753,248	-2%	39%	-3 p.p.
1	XINHUANET.COM	90,362	0%	5%	0 p.p.
2	PEOPLE.COM.CN	66,253	-15%	3%	-1 p.p.
3	CANKAOXIAOXI.COM	55,769	254%	3%	2 p.p.
4	DAILYMAIL.CO.UK	47,362	-16%	2%	-1 p.p.
5	CHINADAILY.COM.CN	45,579	-37%	2%	-2 p.p.
6	NYTIMES.COM*	43,528	-2%	2%	0 p.p.
7	THEGUARDIAN.COM	39,624	-9%	2%	0 p.p.
8	WASHINGTONPOST.COM	31,303	11%	2%	0 p.p.
9	TELEGRAPH.CO.UK	26,290	-12%	1%	0 p.p.
10	INDEPENDENT.CO.UK	16,556	-6%	1%	0 p.p.
17	ELPAIS.COM	13,452	-12%	1%	0 p.p.
>23	ELMUNDO.ES	10,394	-14%	1%	0 p.p.
	ABC.ES	7,504	-20%	0%	0 p.p.

b_ Operating revenues

Revenues in Press business grow by +2.3% in 1Q 2016, reaching 57.2 million euros. Growth in advertising and promotions offsets the fall in circulation.

Advertising Revenues reach 23.8 million euros, growing by +3.8% (El País, +4%; AS, 17.8%):

- On-line advertising revenue grow by +26.1 % in the period and already represent 40.4% of total adjusted advertising revenues.
- Off-line advertising revenues fall by -5.6%.
- Events during the period decrease by 0.3 million euros.

Eur million	JANUARY - MARCH		
	2016	2015	% Chg.
Advertising	23.8	22.9	3.8%
Off-line	13.7	14.5	(5.6%)
On-line	9.6	7.6	26.1%
Event management	0.5	0.8	(36.2%)
<i>Sponsorship adjusted</i>			

Circulation revenues reach 23.4 million, falling by -11.8%. Fall in circulation moderates (-4.1%) explained by the price increase that took place in 1Q 2015 which positively affects the comparative.

Regarding the circulation of printed copies, evolution by newspaper according to the latest available data (OJD March 2016) it is as follows:

	JANUARY - MARCH		
	2016	2015	Var. %
El País	212,997	234,572	-9%
As	125,104	132,842	-6%

Promotions and others have grown by 15.8% due mainly to the improved sales promotions and collections.

c_ Operating expenses and Capex

OPEX decreases by -1.5% during 1Q 2016. Severance payments reach 0.8 million euros compared to 3.2 million euros of 1Q 2015.

Capex amounted to 0.8 million in 1Q 2016 compared to 0.4 million in 1Q 2015.

d_ EBITDA

Adjusted EBITDA improved substantially explained by the marked improvement in revenue and cost control. In 1Q 2015 it was negative at -0.7 million euros in 1Q 2016 amounts to 1.4 million.

e_ Digital development

- Digital advertising revenues grow by +26.1% and represent 40% of the division's ad Revenues.
- Unique browsers to El País.com in 2015 (as of march 2015 latest data available) grow by +11 reaching 56.7 million on average.

5_ Media Capital

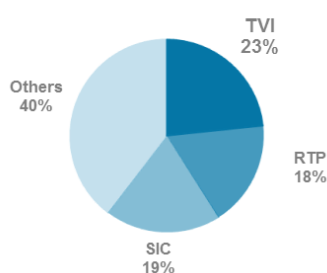
MEDIA CAPITAL Eur Million	JANUARY - MARCH		
	2016	2015	% Chg.
Adjusted operating results			
Adjusted Revenues	39.0	37.9	2.9%
Adjusted EBITDA	6.2	6.2	(0.3%)
% adjusted margin	15.8%	16.3%	
Adjusted EBIT	4.1	4.4	(5.6%)
% adjusted margin	10.6%	11.6%	
Reported Results			
Revenues	39.0	37.9	2.9%
Advertising	25.8	23.7	8.6%
Other	13.3	14.2	(6.6%)
Operating expenses	33.3	32.4	2.9%
EBITDA	5.8	5.6	3.2%
% margin	14.8%	14.7%	
EBIT	3.7	3.8	(1.3%)
% margin	9.6%	10.0%	
One-offs in operating expenses			
Redundancies	(0.4)	(0.6)	

a_ Market position

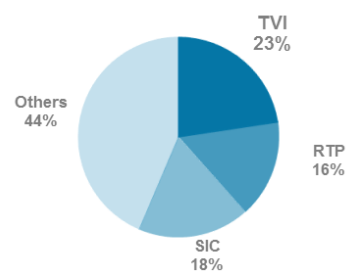
TVI maintains market leadership in 24 hours and prime time, reaching a daily audience share of 23% and 26% respectively.

Media Capital Audience

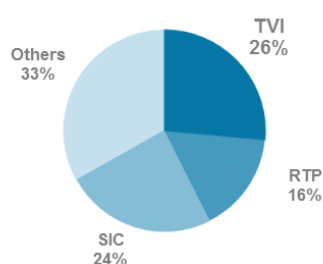
January – March 2015 (24hrs)



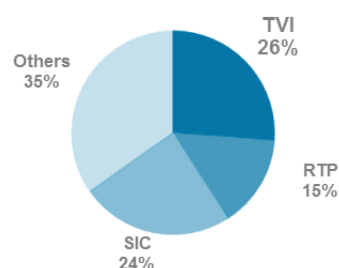
January – March 2016 (24hrs)



January – March 2015 (prime time)



January – March 2016 (prime time)



Source: Gfk March 2016
 Note: *RTP includes RTP1 and RTP2
 *Others includes Pay TV

Media Capital's consolidated radio audience share reaches 33.4% (22.9% in commercial radio) considering the average in 1Q 2016 of the audience measurement. This average measurement per station:

- **Radio Comercial** maintains its market leadership with an audience share of 22.9%.
- **M80**, music radio, improves its audience share to 6.1%.
- **Cidade FM** maintains its leadership amongst radio stations for youngsters, with a 3% audience share.

b_ Operating revenues

Media Capital showed a revenue of 39 million euros in 1Q 2016 (+3% compared to 1Q 2015).

- ✓ **Advertising** in the year show an increase of 8.6%.
- ✓ **Other revenues** fall by -6.6%. The drop of called value-added has been partially offset by the increase of distribution channels in pay platforms. **TVI** launched, already in October, the channels **TVI Africa** (Multichoice – Angola and Mozambique) and **TVI Reality** (NOS – Portugal), thus increasing the Group's presence in pay TV in Portugal and international platforms.

By businesses,

- ✓ **TVI**, reached in 1Q 2016 revenue of 32.4 million euros compared to 31.3 million in 1Q 2015 (+3.7%). 8.2% growth in advertising revenues and higher distribution channels to third offset the continued decline of value added calls.
- ✓ **Media Capital Radio** business shows a growth of +14.7% in revenues (+13% in advertising).

c_ Operating expenses and Capex

Adjusted operating expenses were reduced by -4.6% in 1Q 2016. Media Capital capex was euro 0.3 million in 1Q 2016 compared to 1 million in 1Q 2015.

d_ EBITDA

Adjusted EBITDA maintains at 6.2 million euros.

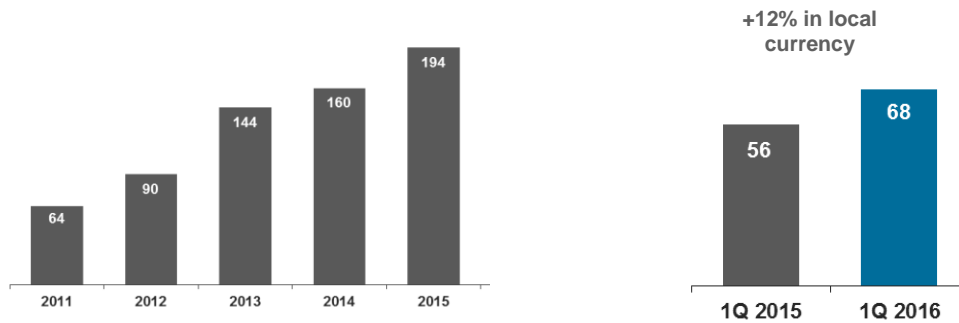
e_ Digital Development

- Digital advertising revenues reached 0.8 million euros in 1Q 2016, being the 2.5% of the digital revenues.
- Unique browsers of the web pages of Media Capital grew +13%, reaching 7 million on average as of March 2016 (latest data available according to Netscope).

6_Digital Transformation Revenues

Digital transformation revenues increase by 0.7% and reach 56.7 million euros in 1Q 2016 (68 million in constant currency)

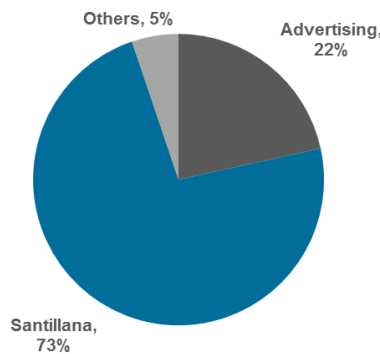
Its growth since 2011 showed below:



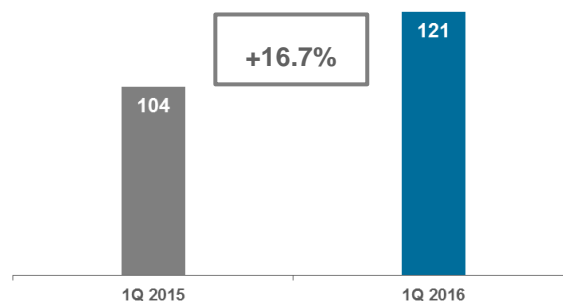
Digital education systems (UNO and Compartir) continue their development in Latin America reaching 873,064 students (8%). Its revenues in local currency grow by +15.3%.

Adjusted Digital advertising grows by 26.7% in 1Q 2016, reaching 12.2 million euros in the quarter: In Press, digital advertising continues growing and already represents 40% of advertising revenues.

The breakdown of transformation revenues is:



Average unique browsers of the Group's web sites grow by 16.7 % reaching more than 121.3 million.



7_From EBIT to Net Profit

Eur Million	JANUARY - MARCH		
	2016	2015	% Chg.
EBIT	39.0	32.9	18.8
EBIT Margin	12.0%	9.8%	
Net financial result	(7.5)	(13.3)	43.6
Interest on debt	(16.8)	(27.5)	38.9
Other financial results	9.3	14.3	(34.6)
Result from associates	0.7	0.8	(19.0)
Profit before tax	32.2	20.4	57.9
Income tax expense	13.7	5.6	144.4
Results from discontinued activities	0.1	0.6	(91.3)
Minority interest	5.6	6.8	(16.6)
Net profit	13.0	8.7	n.a

a_ Net financial result:

During 1Q 2016, “**interests on debt expenses**” have been reduced by 10.7 million as a result of the debt reduction.

“**Other financial results**” improve by 6 million euros. The lower debt arrangement expenses and lower spending by updating the dividend of DLJ compared to 1Q 2015 (due to the evolution of the euro / dollar) offset the lower discounts on debt buyback compared to Q1 2015 and the lower revenues from the sale of Mediaset.

b_Equity consolidated results

Equity consolidated results include the results of Radio Mexico and Costa Rica in both 2016 and 2015.

c_ Corporate tax

Corporate tax registers an income tax expense of 13.7 million euros compared to 5.6 million in 2015. The increase is mainly explained due to the seasonality of Santillana.

d_ Result from discontinued operations

This line includes the result from DTS (Canal+) operations up to the 56% stake sale administrative approval.

e_ Minority results

Correspond to minority interests in Prisa radio and Santillana.

8_Financial Position

a_Cash flow statement

€ Million	Mar 2016	Mar 2015	Chg. 16/15	
			Abs.	%
CASH AND CASH EQUIVALENT AT THE BEGINNING	319.0	152.4	166.6	109.3%
EBITDA (excluding redundancies) - provisions	61.8	64.2	-2.4	-3.7%
EBITDA (excluding redundancies)	58.1	65.7	-7.6	-11.5%
Provisions	3.7	-1.5	5.2	---
Change in working capital	9.9	-6.1	16.0	---
Redundancies paid	-3.6	-9.2	5.6	60.7%
Taxes paid	-5.7	-13.4	7.7	57.3%
Other cash flows from operations	-0.4	1.9	-2.3	---
OPERATING CASH FLOW	62.0	37.4	24.6	65.7%
Capex (investments/divestments)	-10.7	-14.3	3.6	25.1%
Capex	-16.0	-14.3	-1.7	-11.6%
Disinvestments	5.3	0.0	5.3	---
CASH FLOW BEFORE FINANCING ACTIVITIES	51.3	23.1	28.2	122.0%
Financial investments	68.7	182.8	-114.2	-62.4%
CASH FLOW FROM INVESTING ACTIVITIES	68.7	182.8	-114.2	-62.4%
Capital operations and other emissions	-0.5	0.0	-0.5	---
Interests paid	-12.5	-16.0	3.6	22.3%
Dividends paid	0.0	-0.8	0.8	100.0%
Dividends received	0.0	5.7	-5.7	-100.0%
Increase/amortization of bank debt	-88.6	-44.6	-44.0	-98.5%
Other cash flow from financing activities	-0.1	0.6	-0.7	---
CASH FLOW FROM FINANCING ACTIVITIES	-101.6	-55.3	-46.4	-83.9%
Fx impact, perimeter effect and others	-2.5	-2.7	0.1	4.9%
CASH GENERATION CAPACITY/NECESSITY (CASH FLOW)	15.8	148.0	-132.2	-89.3%
CASH AND CASH EQUIVALENT AT THE END	334.8	300.4	34.4	11.4%

Capex

€ Million	Mar 2016	Mar 2015	Chg. 16/15
Santillana	-13.9	-12.2	-1.7
Radio	-0.9	-0.7	-0.2
Press	-0.8	-0.4	-0.4
Media Capital	-0.3	-1.0	0.7
Others	-0.1	-0.1	-0.1
Capex (investment)	-16.0	-14.3	-1.7
Capex (disinvestment)*	5.3	0.0	5.3
Total PRISA Group	-10.7	-14.3	3.6

* Sale of Nova / Lyrics catalog.

Cash flow from financing activities

Financial investments in 1Q 2016 includes 65 million for the cancellation of deposits and 7 million related to the favorable resolution of one of the pending adjustments from Canal + sale.

In 2015, this item included 162 million from the sale of Mediaset and 20 million of cancellation of deposits.

Interest payment

The variation of interest payments in Prisa related to 2015 is a result of lower debt level due to debt repayments carried out from assets sales and capital increase.

Cancellation of Debt/ Debt repayment

In 2016 it includes, among others, the amortization of debt with the funds from the Canal+ sale and in 2015 the amortization of debt from the funds of Mediaset sale.

b_ Net financial position

€ Million	Mar 2016	Dec. 2015	Chg. 16/15 Abs.	Dec. 2014
- Financial debt	1,920.7	2,008.5	-87.8	2,754.3
Short term financial investments	-16.3	-78.1	61.8	-127.9
Cash & cash equivalents	-334.8	-319.0	-15.8	-152.4
Loan arrangement costs	42.0	48.3	-6.3	108.3
TOTAL BANK DEBT	1,611.6	1,659.7	-48.1	2,582.2

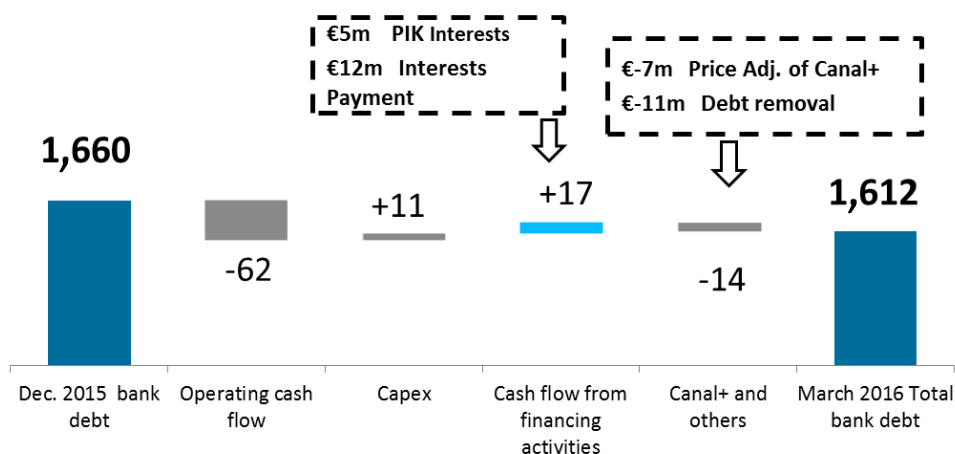
The "costs of formalization" of financial debt are presented in the balance sheet as a reduction of debt to credit institutions. These expenses are charged to the income statement on a similar maturity term of the underlying debt.

The detail of net bank debt by 31st March 2016 by business line is as follows:

€ Million	Mar 2016	Dec. 2015	Chg. 16/15 Abs.
Prisa Holding	1,458.4	1,483.6	-25.2
- Financial debt	1,732.8	1,800.0	-67.3
Tranche 2	956.5	956.5	0.0
Tranche 3	205.9	275.4	-69.5
PPL	531.3	534.4	-3.1
Subordinated loan	31.9	31.1	0.8
Others	7.1	2.5	4.6
- Cash and Short term financial investments*	-274.3	-316.4	42.1
Santillana	44.9	64.3	-19.3
Radio	-5.7	-2.8	-2.8
Press	-13.8	-13.0	-0.7
Media Capital	112.3	112.7	-0.4
Other	15.3	15.0	0.4
TOTAL BANK DEBT	1,611.6	1,659.7	-48.1

* The pending account for the sale of Canal + is excluded (36.3 M € as of 31 December 2015 and 29.2 M € as of March 31, 2016).

The evolution of **Grupo Prisa total adjusted net debt** is as follows:



9_Appendix

1_ Balance sheet

2_ Accumulated financial data by business line

- a_ Operating revenues
- b_ Advertising revenues
- c_ Operating expenses
- d_ EBITDA
- e_ EBIT

3_ Accumulated financial data by concept

- a_ Operating revenues
- b_ Operating expenses

4_ Other relevant events

5_ Group structure

6_ Market environment

1_ Balance Sheet

	ASSETS	
€ Million	03/31/2016	12/31/2015
FIXED ASSETS	1,341.2	1,336.7
Property, plant and equipment	125.3	127.9
Goodwill	580.0	577.3
Intangible assets	127.0	129.1
Long term financial investments	31.1	30.9
Investment in associates	40.1	42.8
Deferred tax assets	434.2	425.2
Other non current assets	3.5	3.6
CURRENT ASSETS	936.6	1,026.6
Inventories	149.9	153.5
Accounts receivable	406.4	439.6
Short term financial investments	45.6	114.5
Cash & cash equivalents	334.8	319.0
TOTAL ASSETS	2,277.9	2,363.4
	LIABILITIES	
€ Million	03/31/2016	12/31/2015
SHAREHOLDERS EQUITY	(382.1)	(394.6)
Issued capital	235.0	235.0
Reserves	(696.8)	(701.8)
Income attributable to the parent company	13.0	5.3
Minority interest	66.8	66.9
NON CURRENT LIABILITIES	2,093.9	2,176.5
Long term financial debt	1,836.4	1,907.8
Other long term financial liabilities	126.1	131.8
Deferred tax liabilities	32.6	36.5
Provisions	58.0	59.7
Other non current liabilities	40.8	40.7
CURRENT LIABILITIES	566.1	581.5
Short term financial debt	84.3	100.8
Other current financial liabilities	28.8	23.1
Trade accounts payable	265.1	296.1
Other short term liabilities	148.8	138.8
Accrual accounts	39.2	22.8
TOTAL LIABILITIES	2,277.9	2,363.4

2_ Accumulated Financial Data by Business Line

a_ Adjusted revenues

a1_ Adjusted revenues by B.L

ADJUSTED OPERATING REVENUES	JANUARY - MARCH		
	2016	2015	% Chg.
Millones de euros			
Media Capital	39.0	37.9	2.9
Education - Publishing	168.3	177.1	(5.0)
Spain & Portugal	1.6	1.3	25.7
Latam & USA	166.7	175.8	(5.2)
Radio	64.4	71.1	(9.4)
Radio in Spain	40.1	42.7	(6.2)
International Radio	24.3	29.0	(16.1)
Music	2.2	1.6	35.2
Consolidation Adjustments	(2.2)	(2.2)	1.6
Press	57.2	56.0	2.3
El Pais	42.0	40.0	5.2
AS	11.5	11.5	(0.2)
Others	3.7	4.5	(17.3)
Other and Consolidation Adjustments	0.1	(0.2)	129.4
Prisa Brand Solutions	5.1	4.9	5.1
Others***	(5.1)	(5.1)	0.4
TOTAL	329.1	341.9	(3.8)

*** Others include mainly the activities from Head Quarters.
International Radio includes Mexico and Costa Rica.

a2_ Adjusted revenues by concept

Eur Million	JANUARY - MARCH		
	2016	2015	% Chg.
Total adjusted operating revenues	329.1	341.9	(3.8)
Advertising	102.5	105.8	(3.1)
Books and training	164.3	174.5	(5.8)
Newspapers and magazine sales	23.4	24.4	(4.1)
Other revenues	38.8	37.3	4.1
Add Ons	6.5	5.8	11.4
Audiovisual production revenues	7.7	5.9	31.7
Other revenues and adjustments	24.9	25.6	(2.7)
One-offs in operating revenues	(4.5)	(5.5)	
Radio Mexico & Costa Rica adjustment	(4.5)	(5.5)	

b_ Adjusted Advertising revenues

b1_ Adjusted advertising by Geographical Area

ADJUSTED ADVERTISING	JANUARY - MARCH		
	2016	2015	% Chg.
Eur Million			
Media Capital	25.8	23.7	8.6
Radio*	58.9	66.2	(11.0)
Radio in Spain	35.5	38.2	(6.9)
International Radio	23.4	28.0	(16.4)
Music	0.0	0.0	(6.9)
Consolidation Adjustments	(0.0)	(0.0)	-
Press	23.8	22.9	3.8
El Pais	17.1	16.4	4.0
AS	4.7	4.0	17.8
Others	2.0	2.5	(20.1)
Other & Consolidation Adjustments	(1.6)	(1.7)	4.9
TOTAL	106.9	111.1	(3.8)

* In Radio Advertising Revenues, has taken place a reclasification of Event Advertising Revenues, previously included as Other Revenues.
International Radio includes Mexico and Costa Rica.

c_ Adjusted Operating expenses
c1_ Adjusted Operating expenses by B.L.

ADJUSTED OPERATING EXPENSES	JANUARY - MARCH		
	2016	2015	% Chg.
Eur Million			
Media Capital	32.9	31.8	3.5
Education - Publishing	115.5	119.2	(3.1)
Spain & Portugal	17.9	18.4	(2.6)
Latam & USA	97.5	100.8	(3.2)
Radio	59.3	63.7	(6.9)
Radio in Spain	38.0	40.3	(5.7)
International Radio	20.7	23.3	(11.1)
Music and others	2.8	2.3	19.8
Consolidation Adjustments	(2.2)	(2.2)	1.6
Press	55.9	56.7	(1.5)
El Pais	42.0	41.8	0.5
AS	10.9	11.0	(0.9)
Others	2.9	3.9	(25.6)
Other and Consolidation Adjustments	5.9	2.6	125.6
Prisa Brand Solutions	4.9	4.3	13.9
Others***	1.0	(1.7)	161.1
TOTAL	269.4	274.0	(1.7)

*** Others include mainly the activities from Head Quarters.

International Radio includes Mexico and Costa Rica.

*** Others include mainly the activities from Head Quarters.

c2_ Adjusted Operating expenses by concept

Eur Million	JANUARY - MARCH		
	2016	2015	% Chg.
Total adjusted operating expenses	269.4	274.0	(1.7)
Purchases	54.0	51.5	4.9
Outside services	118.2	121.8	(2.9)
Staff costs	94.3	96.9	(2.7)
Other operating expenses	(3.1)	(3.3)	6.5
One-offs in operating expenses	6.1	13.8	
Redundancies contractors	3.0	9.9	
Redundancies	0.2	0.3	
Radio Mexico & Costa Rica adjustment	3.0	3.6	

d_Adjusted EBITDA

ADJUSTED EBITDA	JANUARY - MARCH			MARGIN	
	2016	2015	% Chg.	2016	2015
Eur Million					
Media Capital	6.2	6.2	(0.3)	15.8%	16.3%
Education - Publishing	52.9	57.9	(8.7)	31.4%	32.7%
Spain & Portugal	(16.3)	(17.1)	4.7		
Latam & USA	69.2	75.0	(7.8)		
Radio	5.1	7.4	(31.5)	7.9%	10.5%
Radio in Spain	2.1	2.4	(15.2)		
International Radio	3.6	5.7	(36.9)		
Music and others	(0.6)	(0.7)	17.7		
Press	1.4	(0.7)	-	2.4%	(1.3%)
El Pais	0.0	(1.8)	100.2		
AS	0.5	0.4	16.9		
Others	0.9	0.7	32.3		
Other and Consolidation Adjustments	(5.8)	(2.8)	(106.8)	(9543.1%)	1355.1%
Prisa Brand Solutions	0.2	0.6	(59.0)		
Others***	(6.1)	(3.4)	(78.3)		
TOTAL	59.7	68.0	(12.19)	18.1%	19.9%

*** Others include mainly the activities from Head Quarters.

International Radio includes Mexico and Costa Rica.

e_Adjusted EBIT

ADJUSTED EBIT	JANUARY - MARCH			MARGIN	
	2016	2015	% Chg.	2016	2015
Eur Million					
Media Capital	4.1	4.4	(5.6)	10.6%	11.6%
Education - Publishing	45.0	44.5	1.1	26.8%	25.2%
Spain & Portugal	(16.7)	(17.5)	4.8		
Latam & USA	61.7	62.0	(0.5)		
Radio	2.7	4.3	(37.2)	4.2%	6.1%
Radio in Spain	0.5	0.5	(12.8)		
International Radio	2.8	4.6	(38.2)		
Music and others	(0.6)	(0.8)	26.5		
Press	(1.0)	(3.7)	73.2	(1.7%)	(6.5%)
El Pais	(1.3)	(3.6)	63.6		
AS	0.1	0.0	-		
Others	0.2	(0.0)	-		
Other and Consolidation Adjustments	(7.4)	(4.9)	(51.9)	(12146.0%)	2348.1%
Prisa Brand Solutions	0.2	0.6	(66.4)		
Others***	(7.6)	(5.4)	(39.9)		
TOTAL	43.5	44.7	(2.70)	13.2%	13.1%

*** Others include mainly the activities from Head Quarters.

International Radio includes Mexico and Costa Rica.

4_ Other Relevant Facts

a_ Issuance of mandatory convertible bonds

As of April 1st of 2016, the general meeting of PRISA and several of its main creditors have approved an agreement to perform a bonds issue, mandatorily convertible into ordinary shares of PRISA (the “Issue”), through the conversion of financial debt of the Company for a minimum amount of €100,185,050 and a maximum amount of €150,000,000. The bonds will mature in two years and have a unit conversion price of €10 per PRISA’s share.

The proceedings must be carried out prior to the day April 30, 2016. The Issue of the bonds, which must be approved by the Shareholders’ General Meeting, will be divided in two tranches:

- “Tranche A”, amounting to €32,099,050, addressed exclusively to the Creditors Banks, which undertake its subscription by means of the set off-of credits in the amounts of €12,878,070 in the case of HSBC, €9.610.480 in the case of Subsidiaries of Banco Santander and €9.610.500 in the case of Caixabank.
- “Tranch B”, amounting to €117.900.950, addressed to the holders of profit participating loans (“PPLs”) of the Company by virtue of the syndicate financing agreement entered into by PRISA on December 11, 2013. The subscription of the referred tranche is undertaken by HSBC in an amount of €68,086,000, although the amount to be subscribed by the referred entity will be reduced in case that there were other PPL holders interested in converting their respective loans in the Issue for an aggregated amount higher than €49.814.950 (in such case, the issued bonds of Tranche B will be distributed on a pro-rata basis among the subscribers).
- As of today, these agreements are in the process of implementing, they will be completed in the second quarter of the year.

b_ Discounted debt buyback

On 1st February 2016, PRISA announces that a Dutch auction process aimed at its creditors was completed, having agreed to buy back a total of € 65,944,698.40 of debt, at an average discount of € 0.1602 per euro (i.e., at an average price of 83.98%) and a total discount of € 10,564,037.9.

The funds used for this auction arise from the sales of shares of DTS, Distribuidora de Televisión Digital, S.A., completed on April 30, 2015.

This buy-back is added to the announced since last year 2015, so PRISA has amortized debt for a total of € 1,676,674,645 since the signing of Prisa’s refinancing agreement in December 2013.

c_ Acquisition of NORMA (Education)

As on 2nd March, 2016, Grupo Santillana Educación Global, S.L. (Santillana), entity belonging to the PRISA group dedicated to the educational area, signed an agreement with Carvajal, S.A. for the acquisition of the educational business of the latter for a price of COP 60,000,000,000 (equivalent to around EUR 16,800,000 according to the yesterday exchanges rates), subject to the usual adjustments in this type of transactions).

The closing of the transaction is subject, among others, to the prescriptive authorization of the anti-trust authorities.

The transaction consists on the acquisition of the shares owned by Carvajal S.A. in the companies engaged in the educational business in Colombia, Argentina, Chile, Guatemala, México, Peru, Puerto Rico and Ecuador, as well as the transfer of certain trademarks linked to the business and the granting of a license over trademarks associated to the NORMA name of Grupo Carvajal.

d_ Changes in the Board of Directors

As on 1st April 2016, The Board of Directors in Prisa has resolved the following:

1. The Board has acknowledged the resignation of the director Mr. Claudio Boada Pallerés due to professional reasons. The Board thanks Mr. Boada his personal and professional dedication to the Company since he joined the Board and the Audit Committee in which he also was member.

2. After the re-election of the President of the Board, Mr. Juan Luis Cebrián Echarri, as director of the Company, he has been delegated all powers of the Board of Directors, except those that cannot be delegated by Law or by the Bylaws, remaining so as Executive President of the Company.
3. Following the resolutions passed at the General Shareholders Meeting at the fifth item on the agenda and after the resolutions of the Board of Directors mentioned in this communication, the composition of the Board is as follows:

Executive President: Juan Luis Cebrián Echarri
 Deputy Chairman: Manuel Polanco Moreno
 CEO: Jose Luis Sainz Díaz
 Members: Roberto Alcántara Rojas
 Blanca Hernández Rodríguez
 José Luis Leal Maldonado
 Gregorio Marañón y Bertrán de Lis
 Alain Minc
 Glen Moreno
 Joseph Oughourlian
 John Paton
 Elena Pisonero Ruiz
 Alfonso Ruiz de Assin Chico de Guzmán
 Shk. Dr. Khalid Bin Thani Bin Abdullah Al-Thani
 Ernesto Zedillo Ponce de León

4. Likewise the composition of the Delegated Commission and of the other committees of the Board has been resolved as follows:

Delegated Commission:
 Chairman: Juan Luis Cebrián Echarri
 Members: Manuel Polanco Moreno
 José Luis Sainz Díaz
 Gregorio Marañón y Bertrán de Lis
 Alain Minc
 Elena Pisonero Ruiz
 Roberto Alcántara Rojas

Audit Committee
 Chairman: Glen Moreno
 Members: José Luis Leal Maldonado
 Elena Pisonero Ruiz

Appointments and Remunerations Committee
 Chairman: Alain Minc
 Members: Alfonso Ruiz de Assin Chico de Guzmán
 Gregorio Marañón y Bertrán de Lis
 Joseph Oughourlian

Corporate Governance Committee
 Chairman: Ernesto Zedillo Ponce de León
 Members: John Paton
 Blanca Hernández Rodríguez
 Shk. Dr. Khalid Bin Thani Bin Abdullah Al-Thani

Committee for Strategic Digital Change
 Chairman: John Paton
 Members: Juan Luis Cebrián Echarri
 José Luis Sainz Díaz.

5. The Secretary of the Board of Directors, Mr. Antonio Garcia-Mon Marañés, is secretary of the Delegated Commission, the Audit Committee, the Appointments and Remunerations Committee and the Corporate Governance Committee, and the Deputy Secretary of the Board, Mr Xavier Pujol Tobeña, is secretary of the Committee for Strategic Digital Change, in accordance with articles 27, 28, 29 and 30 of the Board of Directors Regulation.
6. Lastly, on a proposal of the Corporate Governance Committee, and for the purposes of Article 529 septies of the Capital Companies Act, the Board has appointed Mr. Jose Luis Leal Maldonado as Coordinating Director for a period of two years.

7. At the meeting of the Board of Directors held on 6th May, on proposal of the Appointments and Compensations Committee and the Corporate Governance Committee, each acting within the scope of their respective responsibilities, the appointment by cooptation of Mr. Waleed AlSa'di and Mr. Dominique D'Hinnin was unanimously approved in order to cover the two Board of Directors' existing vacancies.

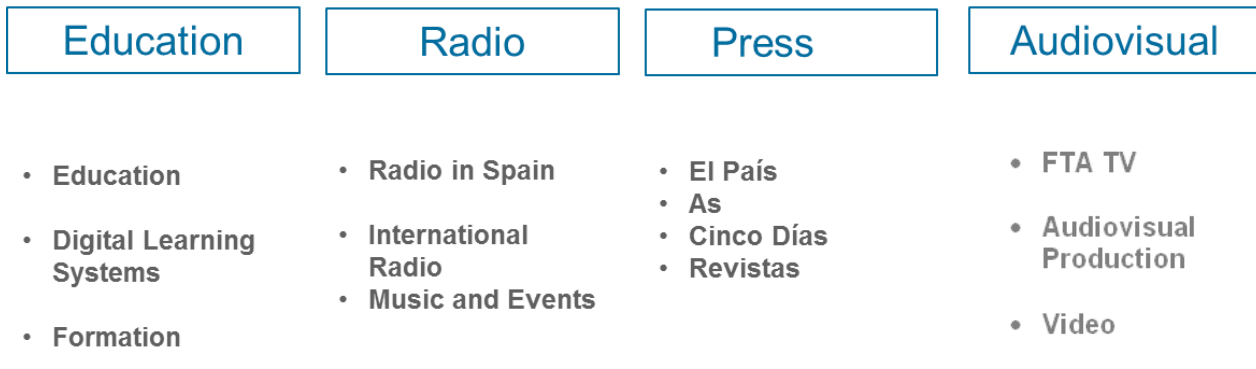
Mr. Waleed AlSa'di will have the qualification of proprietary Director, representing International Media Group, S.à.r.l. and Mr. Dominique D'Hinnin will have the qualification of independent director.

e_ Canal+ sale

During 2015, Telefonica had paid to Prisa a total amount of 688 million euros. As of December 2015, there were 2 adjustments to final price pending to be resolved amounting to 36 million euros.

As of today, both adjustments have been resolved in favor of Prisa. Therefore, total final price of the transaction amounted to 724 million euros

5_ Group Structure



The PRISA Group's business activities are organized into the following groupings: **Education, Radio, Press and Audiovisual**. Its Digital activity operates across all of these areas and supports this structure:

6_ Market environment

a_ Advertising Market Evolution

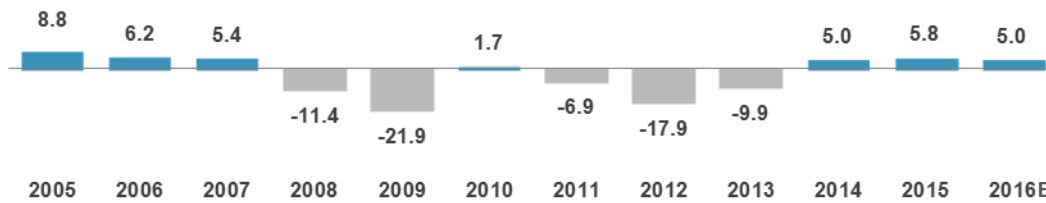
The Group’s divisions are directly exposed to the Spanish advertising market through Radio, Press and Digital, as well as Pay TV, though less so. In addition the Group is also exposed to the Portuguese advertising market through its FTA TV (TVI) and Radio businesses.

During 2013, advertising investment showed a change in trend, in line with that of the economic environment. According to public sources (i2p) **advertising investment in Spain fell by -9.9% in 2013** compared to a fall of -17.9% in 2012.

This positive trend has continued until closing 2015 with 5.8% growth.

Last data published by i2p in April of the current year, estimate a growth of 5% for 2016.

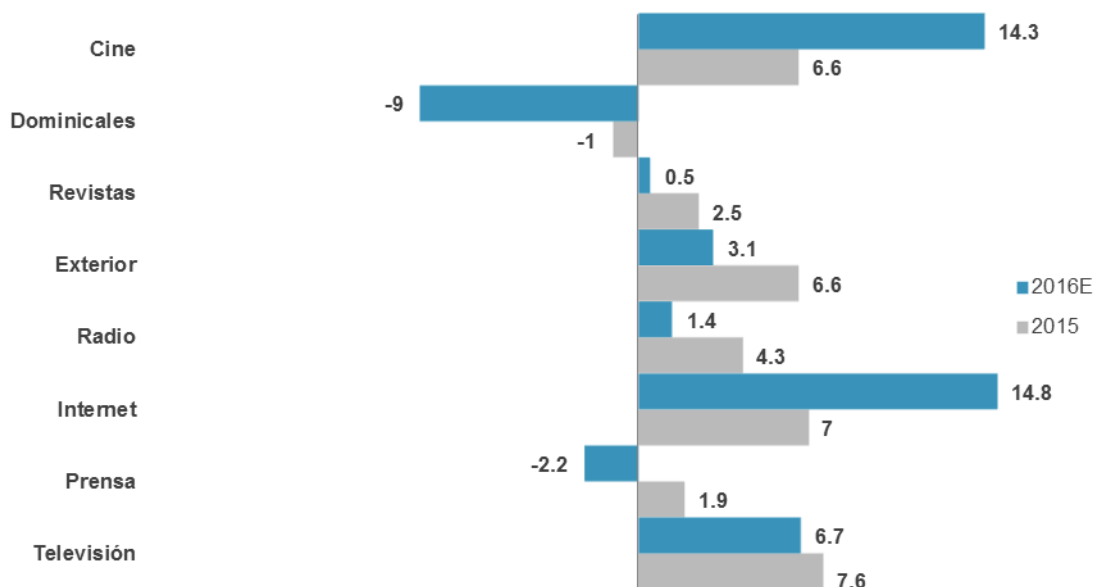
Annual growth of advertising investment in Spain (%)



Source: i2p (April 2016)

The evolution by sectors shows an improvement in all sectors but **Sunday supplements** and press.

Advertising investment in Spain (%)



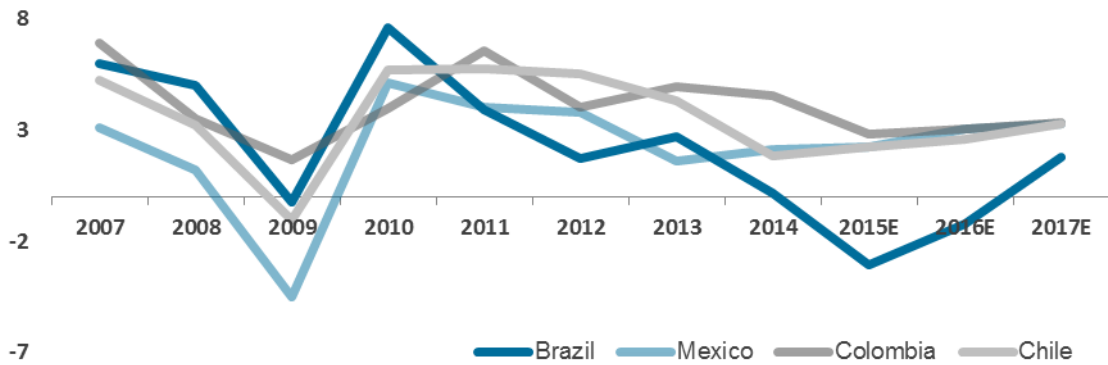
Source: i2p (April 2016)

b_ Economic environment in Latin America

Economic growth in the countries in which the Group is exposed has been unequal in 2015, with worsening conditions in some countries, especially Brazil. The forecast is that the growth trend will recover in almost all countries during 2016 according to IMF.

On the other hand, Brazil shows worst scenario during the year, in the last estimate continues in recession. It will begin to show growth of 1.8% in 2017, according to the latest IMF data (April 2016).

LatAm GDP growth (%)



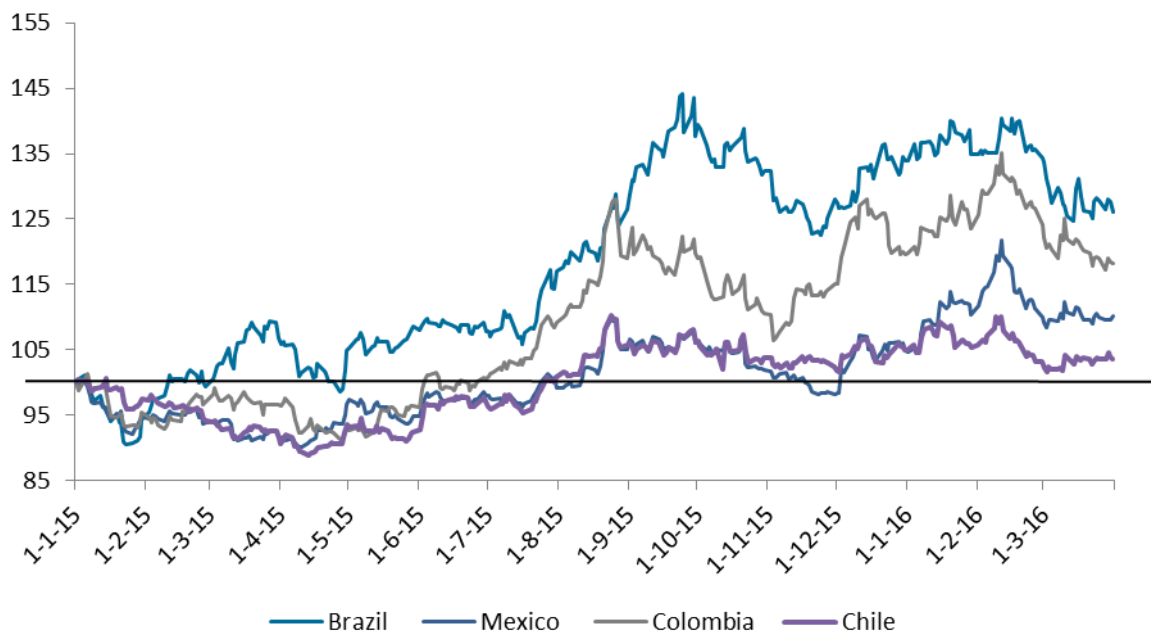
Source: (OECD April 2016)

Group's results in Latin America are impacted by **exchange rates** in the region as a consequence of the economic cycle.

High volatility in exchange rates for the main LatAm currencies has been the dominant factor during 1Q 2016

The FX impact has been negative on Group, 48.9 million euros in revenues and 22 million euros in EBITDA.

FX Evolution vs. Euro in 1Q 2016



	Brazil	Mexico	Colombia	Chile
1Q 2014	3.24	18.13	2,747.88	756.11
2Q 2014	3.06	17.83	2,624.31	760.69
3Q 2014	3.01	17.38	2,531.21	764.94
4Q 2014	3.18	17.34	2,720.13	747.23
1Q 2015	3.22	16.84	2,782.63	703.37
2Q 2015	3.40	16.96	2,766.99	684.08
3Q 2015	3.94	18.28	3,278.24	752.61
4Q 2015	4.21	18.36	3,356.73	763.97
1Q 2016	4.30	19.89	3,587.01	773.27

Source: Bloomberg