



**Quarterly results - 9M 2016**  
**PROMOTORA DE INFORMACIONES, S.A.**

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## GENERAL OVERVIEW

**Adjusted EBITDA in 9M reaches 215 million euros (-8.6%)**

**(+2.2% in constant currency)**

3Q consolidates 1H trends:

- **Spain advertising** revenues grow due to digital develop and to events.
- LatAm activities show growth in local currency in **Education** (+9.2%)
- **Radio still shows weakness** in LatAm mainly in **Colombia and Chile**.
- In Portugal, **Media Capital shows** operational improvement helped by growth in advertising revenue (+5.2%) and the sale of channels to third parties.
- **The evolution of the exchange rate** in 9M impacts negatively on revenues (-74M€) and EBITDA (-25M€).
- **Net bank debt** stand at **1,587M€** as for September 30, 2016. Decline of 19M€ in financial expenses in the period due to debt reduction.

## BUSINESS UNITS

### EDUCATION

- **During 9M South Area campaigns are totally finished.** All campaigns have increased in constant currency, except for Brazil. These fall is offset by the growth in Peru by institutional bidding for primary and secondary.
- **North Area campaigns** (mainly Spain and Mexico) have occurred during 3Q, with sales returns still expected to be registered in 4Q. Spain's campaign has performed in line with expectations showing a slight drop compared to previous year due to minor novelties in 2016. Mexico shows growth in local currency
- Part of the **institutional sales in Brazil** are pending to be registered in 4Q.
- **Digital Education Systems (UNO and COMPARTIR) continue their expansion** in Latin America, growing in number of students till reach 870,482. **UNO and Compartir revenues** grow by **+10%** in constant currency. Significant margin improvement of UNO.
- **Adjusted revenues** in constant currency grow by +5% and **adjusted EBITDA grows by +8.3% in local currency** (-4.9% in euros).
- **Negative FX impact of 58 million euros on revenues and 23 million euros on EBITDA**

### RADIO

- **Advertising in Spain** falls by -2.9% in **9M2016**, moderating its drop in Q3 (-0.4%). Local market continues to be the most affected market showing declines of 3% in the period
- **According to the latest EGM**, Radio in Spain **remains the clear leader** in both generalist and musical.
- **In LatAm**, adjusted revenues fall in local currency, with drops of -11.1% in Colombia and of -2.3% in Chile, reflection of the macroeconomic and specific difficulties of the advertising sector faced by both countries.
- **Adjusted EBITDA** in constant currency falls by 11.2M€ to reach **32.1 million** mainly explained by the LatAm performance.
- **Negative FX impact is -14.5 million euros on revenues and -2.6 million on EBITDA.**

### PRESS

- **Press revenues grew by +2.1% in the period.** The increase in digital advertising, events and promotions offset the decline of traditional advertising and circulation.
- **Advertising revenues** in 9M 2016 increase by +6.5%.
  - **Digital advertising** increases by **+20.2%** (representing already 41% of total advertising revenues of the press) offsetting the fall in **traditional advertising**
- **Circulation revenues** moderate their drop (-3.4%) helped by the price raise.
- It is to highlight the **operating improvement of As**, which increases its EBITDA +9.5% (+0.4M€) consolidating its global branding strategy, with significantly growth of unique users in the different countries in which it operates.
- **As of September 2016**, an average of **88 million of unique browsers** and **19.2 millions of unique users (as of August 2016, latest data available)** has been registered.
- **Press adjusted EBITDA** increase by +16.6% over the same period last year to reach 7.5 million euros.

### MEDIA CAPITAL

- **Total advertising revenues** of Media capital **increase** by +5.2%.
- **TVI shows a revenue increase of 1%.** The growth of advertising revenue and channels sale to third parties offset the fall in added value calls:
  - **Advertising** grows by +4.8% in TVI.
  - **Added value calls** continue with significant falls (-4.2 million euros).
  - The **distribution of TVI channels** in different pay platforms has a growth of 2.2 million euros.
- **Radio improves its revenues 5.1% and EBITDA by +3%** (+0.1M€).
- **Adjusted EBITDA** grows by +2.5% (+0.6 million euros), versus same period last year.



## CONSOLIDATED P&L

Eur Million	JANUARY-SEPTEMBER			JULY-SEPTEMBER		
	2016	2015	% Chg.	2016	2015	% Chg.
<b>Operating adjusted results</b>						
Adjusted Operating Revenues	1.036,0	1.078,0	(3,9)	401,8	417,1	(3,7)
Adjusted EBITDA	214,6	234,7	(8,6)	117,5	126,0	(6,7)
Adjusted EBITDA Margin	20,7%	21,8%		29,3%	30,2%	
Adjusted EBIT	121,5	128,8	(5,6)	66,5	72,0	(7,6)
Adjusted EBIT Margin	11,7%	11,9%		16,6%	17,3%	
<b>Adjusted Operating results at constant currency</b>						
Operating revenues	1.110,4	1.078,0	3,0	405,1	417,1	(2,9)
EBITDA at constant currency	239,8	234,7	2,2	119,8	126,0	(4,9)
Adjusted EBITDA Margin	21,6%	21,8%		29,6%	30,2%	
EBIT at constant currency	141,2	128,8	9,6	68,5	72,0	(4,9)
Adjusted EBIT Margin	12,7%	11,9%		16,9%	17,3%	
<b>Reported Results</b>						
Operating Revenues	1.021,5	1.061,8	(3,8)	397,0	411,7	(3,6)
EBITDA	198,8	202,0	(1,6)	112,4	116,9	(3,8)
EBITDA Margin	19,5%	19,0%		28,3%	28,4%	0,0
EBIT	106,9	97,0	10,2	61,9	63,2	(2,0)
EBIT Margin	10,5%	9,1%		15,6%	15,3%	
Net financial result	(45,3)	(74,6)	39,3	(19,3)	(11,2)	(73,2)
Interest on debt	(45,6)	(64,4)	29,2	(14,2)	(15,2)	6,7
Other financial results	0,2	(10,2)	102,3	(5,1)	4,1	-
Result from associates	2,8	2,4	16,9	0,8	0,3	-
Profit before tax	64,3	24,7	160,2	43,4	52,3	(16,9)
Income tax expense	29,6	(40,9)	172,4	11,9	13,6	(12,8)
Results from discontinued activities	(0,3)	(0,1)	-	(0,0)	0,2	(104,2)
Minority interest	20,5	22,0	(7,0)	7,1	6,1	17,1
Net profit	14,0	43,6	-	24,4	32,8	(25,4)

During 9M2016, excluding extraordinary items and exchange rate impact:

- Operating revenues grows by 3%
- Adjusted EBITDA grows by 2,2%.



## EDUCATION

EDUCATION Eur Million	JANUARY-SEPTEMBER			JULY-SEPTEMBER		
	2016	2015	% Chg.	2016	2015	% Chg.
<b>Adjusted Operating results</b>						
<b>Adjusted Revenue</b>	<b>513,5</b>	<b>545,1</b>	<b>(5,8%)</b>	<b>234,0</b>	<b>244,8</b>	<b>(4,4%)</b>
Spain	151,9	159,4	(4,7%)	111,8	122,7	(8,9%)
International	361,7	385,7	(6,2%)	122,2	122,1	0,1%
Portugal	4,7	5,6	(15,5%)	4,6	4,8	(3,9%)
Latam	357,0	380,1	(6,1%)	117,6	117,2	0,3%
<b>Adjusted EBITDA</b>	<b>167,2</b>	<b>175,9</b>	<b>(4,9%)</b>	<b>104,4</b>	<b>110,2</b>	<b>(5,2%)</b>
Spain	68,4	69,7	(1,9%)	74,0	80,2	(7,8%)
International	98,8	106,2	(6,9%)	30,45	30,0	1,7%
Portugal	0,73	1,63	(55,4%)	2,93	3,10	(5,4%)
Latam	98,1	104,5	(6,2%)	27,5	26,9	2,5%
<i>% adjusted Margin</i>	<i>32,6%</i>	<i>32,3%</i>		<i>44,6%</i>	<i>45,0%</i>	
<b>Adjusted EBIT</b>	<b>99,0</b>	<b>99,0</b>	<b>0,0%</b>	<b>61,55</b>	<b>66,05</b>	<b>(6,8%)</b>
<i>% adjusted Margin</i>	<i>19,3%</i>	<i>18,2%</i>		<i>26,3%</i>	<i>27,0%</i>	
<b>Adjusted Operating results at constant currency</b>						
<b>Adjusted Revenue at constant fx rate</b>	<b>571,5</b>	<b>545,1</b>	<b>4,9%</b>	<b>234,9</b>	<b>244,8</b>	<b>(4,0%)</b>
Spain	151,9	159,4	(4,7%)	111,8	122,7	(8,9%)
International	419,6	385,7	8,8%	123,1	122,1	0,9%
Portugal	4,7	5,6	(15,5%)	4,64	4,83	(3,9%)
Latam	414,9	380,1	9,2%	118,5	117,2	1,1%
<b>Adjusted EBITDA</b>	<b>190,5</b>	<b>175,9</b>	<b>8,3%</b>	<b>106,3</b>	<b>110,2</b>	<b>(3,5%)</b>
Spain	68,44	69,74	(1,9%)	74,0	80,2	(7,8%)
International	122,0	106,2	14,9%	32,34	30,0	8,0%
Portugal	0,7	1,6	(55,4%)	2,9	3,1	(5,4%)
Latam	121,3	104,5	16,0%	29,4	26,9	9,5%
<i>% adjusted Margin</i>	<i>33,3%</i>	<i>32,3%</i>		<i>45,3%</i>	<i>45,0%</i>	
<b>Adjusted EBIT</b>	<b>117,1</b>	<b>99,0</b>	<b>18,4%</b>	<b>63,31</b>	<b>66,05</b>	<b>(4,1%)</b>
<i>% adjusted Margin</i>	<i>20,5%</i>	<i>18,2%</i>		<i>26,9%</i>	<i>27,0%</i>	
<b>Reported Results</b>						
<b>Revenues</b>	<b>513,5</b>	<b>545,1</b>	<b>(5,8%)</b>	<b>234,0</b>	<b>244,8</b>	<b>(4,4%)</b>
Spain	151,9	159,4	(4,7%)	111,8	122,7	(8,9%)
International	361,7	385,7	(6,2%)	122,2	122,1	0,1%
<b>Operating expenses</b>	<b>349,7</b>	<b>371,9</b>	<b>(6,0%)</b>	<b>130,9</b>	<b>136,0</b>	<b>(3,8%)</b>
<b>EBITDA</b>	<b>163,8</b>	<b>173,2</b>	<b>(5,4%)</b>	<b>103,1</b>	<b>108,8</b>	<b>(5,2%)</b>
<i>% Margin</i>	<i>31,9%</i>	<i>31,8%</i>		<i>44,1%</i>	<i>44,4%</i>	
<b>EBIT</b>	<b>95,9</b>	<b>96,2</b>	<b>(0,3%)</b>	<b>60,6</b>	<b>64,6</b>	<b>(6,2%)</b>
<i>% Margin</i>	<i>18,7%</i>	<i>17,7%</i>		<i>25,9%</i>	<i>26,4%</i>	
	<b>2016</b>	<b>2015</b>	<b>% Chg.</b>	<b>2016</b>	<b>2015</b>	<b>% Chg.</b>
<b>One-offs in Operating revenues</b>	<b>0,0</b>	<b>0,0</b>		<b>0,0</b>	<b>0,0</b>	
<b>One-offs in Operating expenses</b>	<b>-3,4</b>	<b>-2,7</b>		<b>-1,3</b>	<b>-1,4</b>	
Redundancies	-3,4	-2,7		-1,3	-1,4	
<b>One-offs in Amort. &amp; Provisions</b>	<b>0,4</b>	<b>0,0</b>		<b>0,4</b>	<b>0,0</b>	



## EDUCATION

### A\_MARKET POSITION

**Santillana, PRISA's education business, maintains a leading position in practically all countries where it operates.** 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 K-12 education

Country	Market share	Market position
Spain	19.0%	1
Brasil	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 3Q 2016 there is to highlight:

- a) **The evolution of the South Area campaigns:** Brazil, Colombia, Costa Rica, Central America, Uruguay, Chile, Bolivia, Argentina, Paraguay, and Peru. All this campaigns are closed showing altogether a good performance in local currency. (+15.0%)
- o **Highlights Peru**, explained by an institutional bidding for primary and secondary, showing a growth of 166% in local currency.
  - o **Brazil** shows a drop in revenues of -8.4% in local currency (-23.5% in euros) in the regular campaign of private sales, affected by the transfer of students from private school to public. It remains for the 4Q the institutional sales and regular sales start of the campaign the following school year.
- b) **North area campaigns: Mainly** Spain and Mexico campaigns which have taken place in 3Q of the year, with sales devolution pending to be registered in 4Q. Sales registered so far show a slight drop in Spain (in line with expectations) explained by lower novelties over the previous year and Mexico shows growth in local currency of 2%
- c) **Digital Education Systems (UNO and COMPARTIR)** continue their expansion in Latin America, growing by 7.7% the number of students to 870,482. Total revenues of UNO and Compartir have reached at constant currency 100 million euros (+10%). Highlights the operational result of UNO with EBITDA growth of 14.3% in local currency.
- d) **Negative FX impact** of 58 million euros on Santillana revenues and 23 million euros on EBITDA during 9M 2016. If exchange rates remain at current levels, this impact should moderate in 4Q.

Excluding the exchange impact, adjusted for extraordinary items, adjusted revenues increased by 5% and EBITDA +8.3%.

Since September, Norma is integrated by global consolidation in the Group. The contribution of Norma to total net assets of the group reaches 16 million euros

### Split of revenue

	Adjusted revenues		
	JANUARY-SEPTEMBER		
	2016	2015	Var. %
<b>Total Santillana</b>	<b>513,5</b>	<b>545,1</b>	<b>-5,8%</b>
<b>Traditional Education and Compartir</b>	<b>470,5</b>	<b>493,3</b>	<b>-4,6%</b>
South Campaign	198,6	208,1	-4,6%
North Campaign	272,0	285,2	-4,6%
<b>UNO System</b>	<b>43,0</b>	<b>51,8</b>	<b>-17,0%</b>

#### Adjusted Revenue at constant fx rate

	JANUARY-SEPTEMBER		
	2016	2015	Var. %
<b>Total Santillana</b>	<b>571,5</b>	<b>545,1</b>	<b>4,9%</b>
<b>Traditional Education and Compartir</b>	<b>522,0</b>	<b>493,3</b>	<b>5,8%</b>
South Campaign	239,4	208,1	15,0%
North Campaign	282,6	285,2	-0,9%
<b>UNO System</b>	<b>49,6</b>	<b>51,8</b>	<b>-4,3%</b>

### Split of EBITDA

	Adjusted EBITDA		
	JANUARY-SEPTEMBER		
	2016	2015	Var. %
<b>Total Santillana</b>	<b>167,2</b>	<b>175,9</b>	<b>-4,9%</b>
<b>Traditional Education and Compartir</b>	<b>154,8</b>	<b>163,8</b>	<b>-5,5%</b>
South Campaign	47,1	53,3	-11,5%
North Campaign	107,7	110,6	-2,6%
<b>UNO System</b>	<b>12,4</b>	<b>12,1</b>	<b>2,8%</b>

#### Adjusted EBITDA at constant ccy

	JANUARY-SEPTEMBER		
	2016	2015	Var. %
<b>Total Santillana</b>	<b>190,5</b>	<b>175,9</b>	<b>8,3%</b>
<b>Traditional Education and Compartir</b>	<b>176,6</b>	<b>163,8</b>	<b>7,8%</b>
South Campaign	64,7	53,3	21,5%
North Campaign	111,9	110,6	1,2%
<b>UNO System</b>	<b>13,8</b>	<b>12,1</b>	<b>14,3%</b>



## RADIO

RADIO Eur Million	JANUARY-SEPTEMBER			JULY-SEPTEMBER		
	2016	2015	% Chg.	2016	2015	% Chg.
<b>Adjusted Operating results</b>						
<b>Adjusted Revenues</b>	<b>222,3</b>	<b>239,9</b>	<b>(7,4%)</b>	<b>74,7</b>	<b>78,9</b>	<b>(5,3%)</b>
Spain	129,5	133,8	(3,2%)	39,5	39,9	(0,9%)
Latam	84,0	100,2	(16,2%)	29,9	33,2	(10,1%)
Adjustments & others	8,8	5,9	48,4%	5,3	5,52	(3,8%)
<b>Adjusted EBITDA</b>	<b>29,5</b>	<b>43,3</b>	<b>(32,0%)</b>	<b>8,9</b>	<b>13,7</b>	<b>(34,8%)</b>
Spain	12,1	14,5	(16,7%)	1,5	2,4	(37,2%)
Latam	18,5	29,3	(36,9%)	7,9	11,0	(28,4%)
Adjustments & others	(1,1)	(0,5)	(122,0%)	(0,4)	0,14	---
% adjusted Margin	13,3%	18,1%		11,9%	17,4%	
<b>Adjusted EBIT</b>	<b>20,5</b>	<b>32,6</b>	<b>(37,0%)</b>	<b>5,8</b>	<b>10,0</b>	<b>(42,2%)</b>
% adjusted Margin	9,2%	13,6%		7,7%	12,7%	
<b>Adjusted Operating results at constant currency</b>						
<b>Adjusted Revenues at constant fx rate</b>	<b>236,8</b>	<b>239,9</b>	<b>(1,3%)</b>	<b>76,8</b>	<b>78,9</b>	<b>(2,6%)</b>
Spain	129,5	133,8	(3,2%)	39,5	39,9	(0,9%)
Latam	98,3	100,2	(1,9%)	32,1	33,2	(3,4%)
Adjustments & others	9,0	5,94	52,4%	5,2	5,78	(10,3%)
<b>Adjusted EBITDA at constant fx rate</b>	<b>32,1</b>	<b>43,3</b>	<b>(25,9%)</b>	<b>9,4</b>	<b>13,7</b>	<b>(31,7%)</b>
Spain	12,1	14,5	(16,7%)	1,5	2,4	(37,2%)
Latam	21,3	29,3	(27,4%)	8,3	11,0	(24,4%)
Adjustments & others	(1,3)	(0,5)	(148,5%)	(0,5)	0,32	---
% adjusted Margin	13,5%	18,1%		12,2%	17,4%	
<b>Adjusted EBIT</b>	<b>22,6</b>	<b>32,6</b>	<b>(30,7%)</b>	<b>6,1</b>	<b>10,0</b>	<b>(39,2%)</b>
% adjusted Margin	9,5%	13,6%		7,9%	12,7%	
<b>Reported Results</b>						
<b>Revenues</b>	<b>207,7</b>	<b>223,6</b>	<b>(7,1%)</b>	<b>69,9</b>	<b>73,5</b>	<b>(4,9%)</b>
Advertising	180,9	199,5	(9,3%)	58,9	62,1	(5,2%)
Spain	116,5	120,0	(2,9%)	35,5	35,6	(0,4%)
International	64,4	79,5	(19,0%)	23,5	26,5	(11,5%)
Other*	(0,0)	0,0	---	(0,0)	0,00	---
Others	26,9	24,2	11,3%	11,0	11,4	(3,5%)
<b>Operating expenses</b>	<b>187,7</b>	<b>195,9</b>	<b>(4,2%)</b>	<b>63,3</b>	<b>64,9</b>	<b>(2,5%)</b>
<b>EBITDA</b>	<b>20,0</b>	<b>27,8</b>	<b>(27,9%)</b>	<b>6,7</b>	<b>8,6</b>	<b>(23,0%)</b>
% Margin	9,6%	12,4%		9,5%	11,7%	
<b>EBIT</b>	<b>11,7</b>	<b>17,91</b>	<b>(34,4%)</b>	<b>3,7</b>	<b>5,21</b>	<b>(29,1%)</b>
% Margin	5,7%	8,0%		5,3%	7,1%	
* Includes Music & Consolidation adjustments						
<b>One-offs in Operating revenues</b>	<b>14,5</b>	<b>16,3</b>		<b>4,8</b>	<b>5,3</b>	
Consolidation Perimeter Adjustment - Mx & CR	14,5	16,3		4,8	5,3	
<b>One-offs in Operating expenses</b>	<b>5,1</b>	<b>0,8</b>		<b>2,5</b>	<b>0,3</b>	
Redundancies	(4,1)	(9,3)		(0,5)	(2,9)	
Consolidation Perimeter Adjustment - Mx & CR	9,2	10,1		3,0	3,2	
<b>One-offs in Amort. &amp; Provisions</b>	<b>0,7</b>	<b>0,9</b>		<b>0,2</b>	<b>0,3</b>	
Consolidation Perimeter Adjustment - Mx & CR	0,7	0,9		0,2	0,3	
Impairment & Losses on Assets	0,0	0,0		0,0	0,0	

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



# RADIO

## 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 4,353 thousand listeners** (market share of 37% 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 15% respectively.**

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

Thsd. Listeners	Listeners		
	2nd report 2016	Rank	Share
<b>Talk Radio</b>	<b>4.353</b>	<b>1</b>	<b>37%</b>
Cadena SER	4.353		37%
<b>Music Radio</b>	<b>6.788</b>	<b>1</b>	<b>47%</b>
40 Principales	2.975		20%
Dial	2.211		15%
Máxima FM	571		4%
M80	448		3%
Radiolé	583		4%
<b>Total</b>	<b>10.326</b>		

Source: EGM second report 2016 (eliminates duplications)

Regarding international radio,

Thsd. Listeners	Listeners		
	Moving Average '16	Rank	Share
Colombia	8.027	<b>1</b>	29%
Chile	2.172	<b>1</b>	41%
Mexico	1.395	<b>2</b>	15%

Source: ECAR (Colombia), IPSOS (Chile), INRA (Mexico), latest available information as of 9M 2016

## B OPERATING REVENUES

In 9M 2016, adjusted **Radio Revenues reached 222.3 million euros**, which means a decrease of -7.4% compared with same period of 2015. This drop is due to the underperformance of Spain (which moderates its drop in 3Q) and mainly to the fall in revenues in LatAm, affected by FX.

**FX impact** has been negative by -14.5 million euros in revenues and -2.6 million euros in EBITDA.

**Adjusted EBITDA** at constant currency in **Prisa Radio decreases 11.2 million euros (-25.9%)**, mainly explained by the evolution in LatAm.

### Radio Revenues by geographical origin:

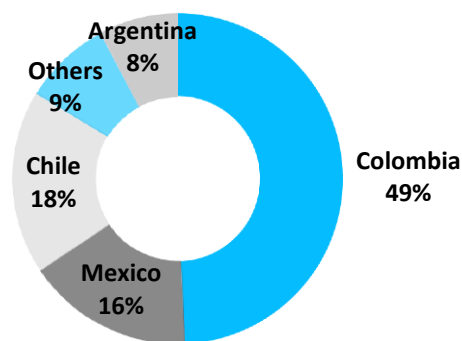
**Spain:** Radio Spain adjusted revenues reach 129.5 million euros in 3Q 2016 (-3.2% versus 3Q2015). **Advertising revenues** represent 116.5 million euros, decreasing by -2.9%. slightly improving trend of the first six months (-4%).

Local market continues to be the most affected showing declines in the period of 3%.

**International:** International radio adjusted Revenues, including Mexico and Costa Rica, reach 84 **million euros** in 3Q 2016 (-16.2% versus 3Q 2015).

**Colombia and Chile** show a fall in constant currency of -11.2% and -2.3% respectively, due to a drop because of difficulties in the advertising market related to the economic situation in these markets.

January-September 2016: International contribution of the revenues by area (%)







## PRESS

PRESS Eur Million	JANUARY-SEPTEMBER			JULY-SEPTEMBER		
	2016	2015	% Chg.	2016	2015	% Chg.
<b>Adjusted Operating results</b>						
<b>Adjusted Revenues</b>	<b>174,1</b>	<b>170,5</b>	<b>2,1%</b>	<b>52,0</b>	<b>53,6</b>	<b>(2,8%)</b>
Advertising	78,9	74,1	6,5%	22,4	22,0	1,6%
Circulation	69,9	72,3	(3,4%)	23,1	24,2	(4,5%)
Add-ons and others	25,2	24,1	4,6%	6,6	7,4	(10,4%)
<b>Adjusted EBITDA</b>	<b>7,5</b>	<b>6,4</b>	<b>16,6%</b>	<b>0,1</b>	<b>0,10</b>	<b>6,1%</b>
% adjusted Margin	4,3%	3,8%		0,2%	0,2%	
<b>Adjusted EBIT</b>	<b>1,74</b>	<b>0,6</b>	<b>179,2%</b>	<b>(1,8)</b>	<b>(1,9)</b>	<b>5,8%</b>
% adjusted Margin	1,0%	0,4%		-3,4%	-3,6%	
<b>Reported Results</b>						
<b>Revenues</b>	<b>174,1</b>	<b>170,5</b>	<b>2,1%</b>	<b>52,0</b>	<b>53,6</b>	<b>(2,8%)</b>
Advertising	78,9	74,1	6,5%	22,4	22,0	1,6%
Circulation	69,9	72,3	(3,4%)	23,1	24,2	(4,5%)
Add-ons and others	25,2	24,1	4,6%	6,6	7,4	(10,4%)
<b>Operating expenses</b>	<b>167,0</b>	<b>173,9</b>	<b>(4,0%)</b>	<b>52,1</b>	<b>54,4</b>	<b>(4,3%)</b>
<b>EBITDA</b>	<b>7,1</b>	<b>(3,3)</b>	<b>---</b>	<b>(0,0)</b>	<b>(0,8)</b>	<b>96,2%</b>
% Margin	4,1%	-1,9%		-0,1%	-1,6%	
<b>EBIT</b>	<b>1,35</b>	<b>(9,1)</b>	<b>114,8%</b>	<b>(1,9)</b>	<b>(2,8)</b>	<b>32,1%</b>
% Margin	0,8%	-5,3%		-3,7%	-5,3%	
	<b>2016</b>	<b>2015</b>	<b>% Chg.</b>	<b>2016</b>	<b>2015</b>	<b>% Chg.</b>
<b>One-offs in Operating revenues</b>	<b>0,0</b>	<b>0,0</b>		<b>0,0</b>	<b>0,0</b>	
<b>One-offs in Operating expenses</b>	<b>-0,4</b>	<b>-9,7</b>		<b>-0,1</b>	<b>-0,9</b>	
Redundancies	-0,4	-9,7		-0,1	-0,9	
<b>One-offs in Amort. &amp; Provisions</b>	<b>0,0</b>	<b>0,0</b>		<b>0,0</b>	<b>0,0</b>	



## PRESS

### 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 (August 2016).

#### January-August 2016: Market position of Press business in Spain



Source: OJD august 2016, latest data available

### Digital Market position of Press business

**In terms of unique users**, according to comScore press in 9M 2016 has reached 19.2 million users (August 2016, latest data available), El País maintains a leading position reaching 13 million monthly average users. In addition, in sport press, AS holds second position against Marca reaching 6.5 million monthly average users.

**According to Comscore** El País is in the position ranking number 4 in Spain in terms of unique users (after Google, Youtube and Facebook and before El Mundo and Yahoo).

Regarding media worldwide ranking it is in number 16 being the first positions occupied by Chinese, British and American newspapers.

### B\_OPERATING REVENUES

**Revenues in Press business grow by +2.1% in 3Q 2016**, reaching 174 million euros. The increase in on-line advertising (+20.2%), events growth (+83.5%) and the improvement of promotions revenues (+10.1%) offset the fall in off-line advertising (-6.4%) and circulation revenues (-3.4%).

**Advertising Revenues reach 78.9 million euros**, growing by +6.5%

- On-line advertising revenue grow by +20.2% in the period already representing 41% of total advertising revenues.
- Off-line advertising revenues decline by -6.4%.
- Events continue their growth reaching 5M€ in the period.

Table of on-line, off-line advertising revenues and events is shown below:

Eur million	JANUARY - SEPTEMBER		
	2016	2015	% Chg.
<b>Advertising</b>	78,9	74,1	6,5%
Off-line	41,8	44,6	-6,4%
On-line	32,1	26,7	20,2%
Events	5,0	2,7	83,5%

**Circulation revenues reach 69.9 million**, moderating its drop to -3.4% explained by the price increase which positively affects the comparative.

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

	JANUARY - AUGUST		
	2016	2015	% Chg.
El País	200.065	225.520	<b>(11,3%)</b>
As	128.385	135.003	<b>(4,9%)</b>

**Promotions** have grown by 4.6% due mainly to the growth improvement in promotions.

Highlights the **operational improvement of As** which increases its EBTIDA by +9.5% (+0.4M€) and consolidates its global brand strategy, with significant growth in unique users in different countries in which it operates (Spain, Chile, Colombia and Mexico)

As for adjusted **EBITDA**, reached 7.5M€ increasing +16.6% compared to same period 2015, with a slight improvement in margins.



## MEDIA CAPITAL

MEDIA CAPITAL Eur Million	JANUARY-SEPTEMBER			JULY-SEPTEMBER		
	2016	2015	% Chg.	2016	2015	% Chg.
<b>Adjusted Operating results</b>						
<b>Adjusted Revenues</b>	<b>124,3</b>	<b>121,2</b>	<b>2,6%</b>	<b>39,0</b>	<b>38,8</b>	<b>0,5%</b>
<b>Adjusted EBITDA</b>	<b>23,5</b>	<b>23,0</b>	<b>2,5%</b>	<b>5,9</b>	<b>5,9</b>	<b>0,1%</b>
<i>% adjusted Margin</i>	18,9%	19,0%		15,0%	15,1%	
<b>Adjusted EBIT</b>	<b>17,3</b>	<b>16,8</b>	<b>2,5%</b>	<b>3,8</b>	<b>3,7</b>	<b>4,6%</b>
<i>% adjusted Margin</i>	13,9%	13,9%		9,8%	9,4%	
<b>Reported Results</b>						
<b>Revenues</b>	<b>124,3</b>	<b>121,2</b>	<b>2,6%</b>	<b>39,0</b>	<b>38,8</b>	<b>0,5%</b>
Advertising	86,5	82,2	5,2%	26,4	25,3	4,3%
Other	37,8	39,0	(2,9%)	12,7	13,5	(6,6%)
<b>Operating expenses</b>	<b>101,6</b>	<b>99,0</b>	<b>2,7%</b>	<b>33,6</b>	<b>33,0</b>	<b>1,6%</b>
<b>EBITDA</b>	<b>22,7</b>	<b>22,2</b>	<b>2,3%</b>	<b>5,5</b>	<b>5,8</b>	<b>(5,7%)</b>
<i>% Margin</i>	18,3%	18,3%		14,0%	14,9%	
<b>EBIT</b>	<b>16,5</b>	<b>16,1</b>	<b>2,3%</b>	<b>3,4</b>	<b>3,6</b>	<b>(4,7%)</b>
<i>% Margin</i>	13,2%	13,3%		8,8%	9,3%	
<b>One- offs in Operating expenses</b>						
Redundancies	(0,8)	(0,8)		(0,4)	(0,1)	



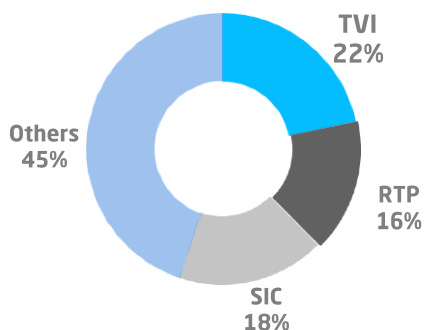
## MEDIA CAPITAL

### A\_MARKET POSITION

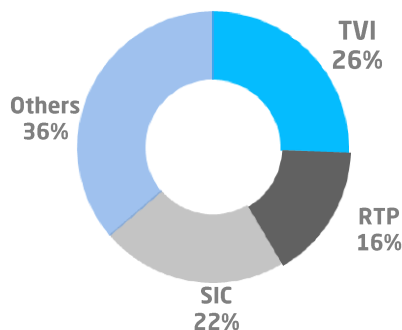
TVI maintains market leadership in 24 hours and prime time, reaching a daily audience share of 22% and 26% respectively.

#### Media Capital Audience figures

January - September 2016 (24hrs)



January -September2016 (Prime Time)



Gfk september 2016 // \*RTP Includes RTP1 y RTP2 // \* Others include PayTV

**Media Capital's aggregate group of radios** had an audience share of 35.5% (according to the fourth audience reading)

Media Capital Radio remains number one in the ranking. The fourth wave split by stations shows the following audiences:

- **Radio Comercial** maintains its market leadership with an audience share of 23.8%.
- **M80**, music radio, improves its audience share to 7.6%.
- **Cidade FM** maintains its leadership amongst radio stations for youngsters, with a 2.9% audience share.

### B\_OPERATING REVENUES

- ✓ **Advertising** in the semester shows an increase of 5.2%.
- ✓ **Other revenues** shows a drop of 2.9% (1.1M€). The increase of the sell to third parties has compensated the continued drop of value-added calls.

By businesses,

- ✓ **TVI**, reached in 9M 2016 revenues of 101 million euros compared to 100.6 million in 9M 2015 (+1%). The growth in advertising revenues (+5.2%) and higher distribution channels to third offset the decline of value added calls.
- ✓ **Media Capital Radio** business shows a growth of +5.1% in revenues (+5.5 % in advertising).

**Adjusted EBITDA reaches 23.5 million euros** showing an improvement of +0.6 million euros (+2.5%).

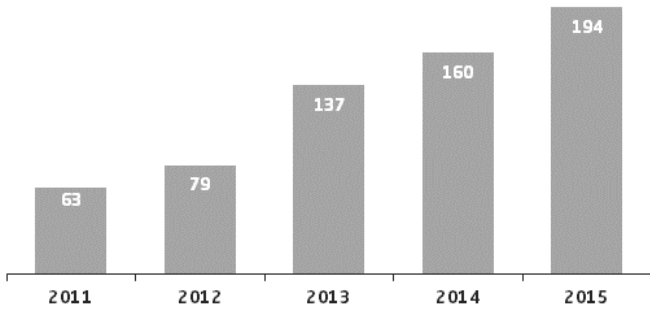


## DIGITAL TRANSFORMATION

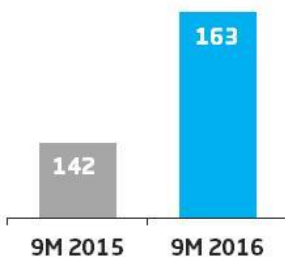
### A\_TRANSFORMATION REVENUES

Digital transformation revenues compared to 3Q2015 increased by 3.7% in the year to reach 147 million euros ( 162.7million at constant Fx).

Its growth since 2011 is showed below:



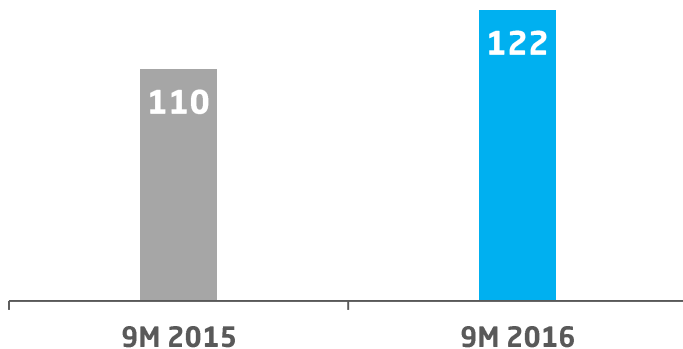
+14.7% at constant FX



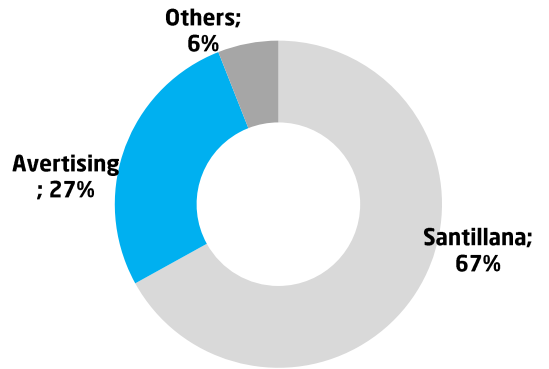
### B\_UNIQUE BROWSERS

Average unique browsers of the Group's web sites grow during 9M2016 by 11.5% reaching 122 million.

+11.5%



### C\_TRANSFORMATION REVENUES SPLIT



### D\_EDUCATION

Digital education systems (UNO and Compartir) continue their development in Latin America reaching 870,472 students (+8%). Its revenues in local currency grow by +10%.

### E\_RADIO

In 3Q2016, the strong growth of unique browsers of the international radio websites of the Group has continued (September 2016 data): the unique browsers to the website of Radio in Spain reached 11 million average. As for the International Radio, the unique browsers according Omniture reach 20 million average. In total, the unique browsers Prisa Radio reach 31 million and grew by 6%.

### F\_PRESS

Digital advertising revenues grow by +20% and represent 41% of the division's ad Revenues.

Unique browsers in Press in 2016 (as of september 2016 latest data available) grow by 11% reaching 88 million on average.

### G\_MEDIA CAPITAL

Digital advertising revenues reached 2.5 million euros in 9M 2016, being the 3% of the advertising revenues.

Unique browsers of the web pages of Media Capital grew +34%, reaching 7.6 million on average as of September 2016 (l according to Netscope).



## FROM EBIT TO NET RESULT

Eur Million	JANUARY-SEPTEMBER			JULY-SEPTEMBER		
	2016	2015	% Chg.	2016	2015	% Chg.
<b>EBIT</b>	<b>106,9</b>	<b>97,0</b>	<b>10,2</b>	<b>61,9</b>	<b>63,2</b>	<b>(2,0)</b>
EBIT Margin	10,5%	9,1%		15,6%	15,3%	
<b>Net financial result</b>	<b>(45,3)</b>	<b>(74,6)</b>	<b>39,3</b>	<b>(19,3)</b>	<b>(11,2)</b>	<b>(73,2)</b>
Interest on debt	(45,6)	(64,4)	29,2	(14,2)	(15,2)	6,7
Other financial results	0,2	(10,2)	102,3	(5,1)	4,1	-
<b>Result from associates</b>	<b>2,8</b>	<b>2,4</b>	<b>16,9</b>	<b>0,8</b>	<b>0,3</b>	<b>-</b>
<b>Profit before tax</b>	<b>64,3</b>	<b>24,7</b>	<b>160,2</b>	<b>43,4</b>	<b>52,3</b>	<b>(16,9)</b>
Income tax expense	29,6	(40,9)	172,4	11,9	13,6	(12,8)
<b>Results from discontinued activities</b>	<b>(0,3)</b>	<b>(0,1)</b>	<b>-</b>	<b>(0,0)</b>	<b>0,2</b>	<b>(104,2)</b>
<b>Minority interest</b>	<b>20,5</b>	<b>22,0</b>	<b>(7,0)</b>	<b>7,1</b>	<b>6,1</b>	<b>17,1</b>
<b>Net profit</b>	<b>14,0</b>	<b>43,6</b>	<b>(68,0)</b>	<b>24,4</b>	<b>32,8</b>	<b>(25,4)</b>

### A\_NET FINANCIAL RESULT

During 9M 2016, **“interests on debt expenses”** have been reduced by 18.8 million as a result of the debt reduction.

**“Other financial results”** improve by 10.4 million euros. The lower debt arrangement expenses and lower spending by updating the dividend of DLJ compared to 9M 2015 (due to the evolution of the Euro/Dollar) offset the lower discounts on debt buyback compared to 9M 2015 and the lower revenues from the sale of Mediaset in 2015.

### 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 29.6 million euros compared to -40.9 million in 2015.

In 9M 2015 the corporate tax showed the registration of a tax credit resulting from the sale of the participation of Canal+ amounting to 54 million.

### D\_MINORITY RESULTS

Correspond to minority interests in Prisa Radio and Santillana.



## FINANCIAL POSITION

### A\_Cash flow statement

€ Million	September	September	Chg. 16/15	
	2016	2015	Abs.	%
EBITDA (excluding redundancies) - provisions	180,3	193,3	-12,9	-6,7%
EBITDA (excluding redundancies)	209,2	228,3	-19,1	-8,4%
Provisions	-28,9	-35,1	6,2	17,7%
Change in working capital	-73,0	-64,2	-8,9	-13,8%
Redundancies paid	-13,5	-26,1	12,7	48,5%
Taxes paid	-25,0	-31,1	6,1	19,6%
Other cash flows and adjustments from operations	-10,5	0,2	-10,8	---
<b>OPERATING CASH FLOW</b>	<b>58,3</b>	<b>72,0</b>	<b>-13,8</b>	<b>-19,1%</b>
Capex (investments/divestments)	-41,2	-53,8	12,6	23,4%
Capex	-48,0	-53,8	5,8	10,8%
Disinvestments	6,8	0,0	6,8	---
<b>CASH FLOW BEFORE FINANCING ACTIVITIES</b>	<b>17,1</b>	<b>18,3</b>	<b>-1,2</b>	<b>-6,7%</b>

### A1\_CAPEX

€ Million	Sep. 2016	Sep. 2015	Chg. 16/15
<b>Santillana</b>	<b>-36,8</b>	<b>-39,9</b>	<b>3,1</b>
<b>Radio</b>	<b>-4,5</b>	<b>-9,2</b>	<b>4,7</b>
<b>Press</b>	<b>-3,9</b>	<b>-1,5</b>	<b>-2,5</b>
<b>Media Capital</b>	<b>-2,3</b>	<b>-3,0</b>	<b>0,7</b>
<b>Others</b>	<b>-0,3</b>	<b>-0,2</b>	<b>-0,2</b>
Capex (investment)	-48,0	-53,8	5,8
Capex (disinvestment)	6,8	0,0	6,8
<b>Total PRISA Group</b>	<b>-41,2</b>	<b>-53,8</b>	<b>12,6</b>



## FINANCIAL POSITION

### B\_Net financial position

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.

<b>Total net Bank debt</b>	Sep. 2016	Dic. 2015	Var. 16/15 Rel.
Million euros			
<b>- Financial debt</b>	<b>1.758,7</b>	<b>2.008,5</b>	<b>-12,4%</b>
- Non- current financial debt	1.663,4	1.907,8	-12,8%
- Current financial debt	95,3	100,8	-5,4%
<b>Short term financial investments</b>	<b>-24,9</b>	<b>-78,1</b>	<b>68,1%</b>
<b>Cash &amp; cash equivalents</b>	<b>-176,1</b>	<b>-319,0</b>	<b>44,8%</b>
<b>Loan arrangement costs</b>	<b>29,7</b>	<b>48,3</b>	<b>-38,4%</b>
<b>TOTAL NET BANK DEBT</b>	<b>1.587,4</b>	<b>1.659,7</b>	<b>-4,4%</b>

<b>Total net bank debt by Business unit</b>	Sep. 2016	Dec. 2015	Chg. 16/15 %
Million euros			
<b>Prisa Holding</b>	<b>1.432,2</b>	<b>1.483,6</b>	<b>-3,5%</b>
- Financial debt	1.572,0	1.800,0	-12,7%
Tranche 2	956,5	956,5	0,0%
Tranche 3	172,2	275,4	-37,5%
PPL	428,9	534,4	-19,8%
Subordinated loan	0,0	31,1	-100,0%
Others	14,5	2,5	480,3%
- Cash and Short term financial investments (*)	-139,9	-316,4	55,8%
<b>Santillana</b>	<b>45,5</b>	<b>64,3</b>	<b>-29,3%</b>
<b>Radio</b>	<b>-3,5</b>	<b>-2,8</b>	<b>-23,0%</b>
<b>Press</b>	<b>-12,0</b>	<b>-13,0</b>	<b>7,6%</b>
<b>Media Capital</b>	<b>115,2</b>	<b>112,7</b>	<b>2,2%</b>
<b>Other</b>	<b>10,1</b>	<b>15,0</b>	<b>-32,4%</b>
<b>TOTAL BANK DEBT</b>	<b>1.587,4</b>	<b>1.659,7</b>	<b>-4,4%</b>

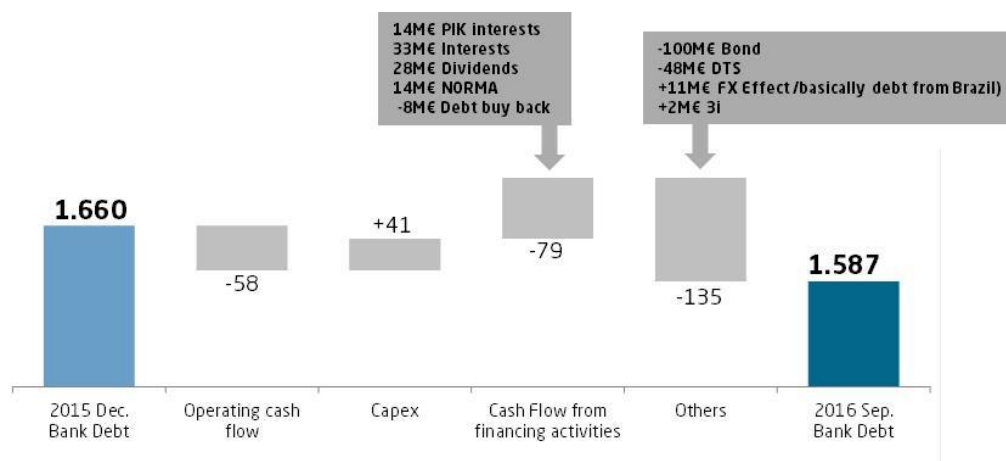
\* December 2015 excluded the 36.3 million euros pending from DTS transaction

During the period the issue of mandatorily convertible bonds has been registered. It reduces the debt in 100M€ (68.6 million of PPL and 32.1 million in subordinated debt).

With the funds from the sale of Canal+, it's been canceled 88 million through auction with an average discount of 14.8% and 19.7 million at par.

In addition, it's been carried out a debt buy back of PPL canceling 33M€ with part of fund from the capital increase of IMG, with an average discount of 23.2%.

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



\*Other mainly includes the variation in net debt due to exchange differences.





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## EXTRAORDINARY IMPACTS AND CHANGES IN THE CONSOLIDATION PERIMETER

Extraordinary Items	JANUARY-SEPTEMBER		JULY-SEPTEMBER	
	2016	2015	2016	2015
<b>One-offs in Operating revenues</b>	<b>14,5</b>	<b>16,3</b>	<b>4,8</b>	<b>5,3</b>
Ajuste perímetro de consolidación - Mx & CR	14,5	16,3	4,8	5,3
<b>Efectos extraordinarios en gastos</b>	<b>(1,2)</b>	<b>(16,4)</b>	<b>(0,4)</b>	<b>(3,8)</b>
Indemnizaciones y otros no recurrentes	(10,4)	(26,5)	(3,4)	(7,0)
Ajuste perímetro de consolidación - Mx & CR	9,2	10,1	3,0	3,2
<b>Efectos extraordinarios en amort. y provisiones</b>	<b>0,3</b>	<b>0,9</b>	<b>(0,2)</b>	<b>0,3</b>
Ajuste perímetro de consolidación - Mx & CR	0,7	0,9	0,2	0,3
Others	(0,4)	0,0	(0,4)	0,0

**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. Since September, Norma is integrated by global consolidation in the Group. The contribution of Norma to total net assets of the group reaches 16 million euros

**b) Redundancies and other non-recurrent:** The extraordinary expenses from redundancies **fall compared to 9M 2015**. In 9M 2016 redundancies have reached 10.4 million euros compared to the 26.5 million euros during the same period in 2015.



## BALANCE SHEET

€ Million	ASSETS	
	09/30/2016	12/31/2015
<b>FIXED ASSETS</b>	<b>1.336,2</b>	<b>1.336,7</b>
Property, plan and equipment	122,7	127,9
Goodwill	588,8	577,3
Intangible assets	128,1	129,1
Long term financial investments	30,7	30,9
Investment in associates	40,3	42,8
Deferred tax assets	422,5	425,2
Other non current assets	3,1	3,6
<b>CURRENT ASSETS</b>	<b>868,0</b>	<b>1.026,6</b>
Inventories	155,5	153,5
Accounts receivable	511,4	439,6
Short term financial investments	25,0	114,5
Cash & cash equivalents	176,1	319,0
<b>ASSETS HELD FOR SALE</b>	<b>0,0</b>	<b>0,0</b>
<b>TOTAL ASSETS</b>	<b>2.204,2</b>	<b>2.363,4</b>
	LIABILITIES	
	09/30/2016	12/31/2015
<b>SHAREHOLDERS EQUITY</b>	<b>-275,8</b>	<b>-394,6</b>
Issued capital	235,0	235,0
Reserves	-592,7	-701,8
Income attributable to the parent company	14,0	5,3
Minority interest	68,0	66,9
<b>NON CURRENT LIABILITIES</b>	<b>1.913,0</b>	<b>2.176,5</b>
Long term financial debt	1.663,4	1.907,8
Other long term financial liabilities	128,6	131,8
Deferred tax liabilities	31,2	36,5
Provisions	48,8	59,7
Other non current liabilities	41,0	40,7
<b>CURRENT LIABILITIES</b>	<b>567,0</b>	<b>581,5</b>
Short term financial debt	95,3	100,8
Other current financial liabilities	17,0	23,1
Trade accounts payable	276,6	296,1
Other short term liabilities	147,2	138,8
Accrual accounts	30,9	22,8
<b>TOTAL LIABILITIES</b>	<b>2.204,2</b>	<b>2.363,4</b>



## EQUITY SITUATION

As of September 2016, the equity of the parent company with respect to the cause of dissolution and/or reduction of capital stipulated in Spain's Corporate Act ( including participating loans outstanding) stood at 148,572 thousand, below two thirds of total share capital, although it is above half of the share capital.



## OTHER RELEVANT FACTS

### a\_ Discounted debt buyback

On 1<sup>st</sup> 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.

### b\_ 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.

### Closing of the transaction

As of September 10<sup>th</sup> once satisfactorily fulfilled the conditions precedent set forth in the acquisition agreement, the transaction was completed with the acquisition of the shares held by Carvajal S.A. in companies that are in the business of education in Colombia, Argentina, Chile, Guatemala, Mexico, Peru and Puerto Rico, as well as the acquisition of certain brands linked to the business and the licensing of the trademark associated with NORMA.

The final price of the transaction, once applied the usual adjustments for this kind of transactions amounts COP \$ 51,880,276,089 and the buyer has paid 14,347,421 euros.

Finally, note that in the deal were not transferred the shares of Grupo Editorial Norma S.A. (Ecuador) since in that country have not yet obtained the necessary authorizations from the competition authorities.

### d\_ Changes in the Board of Directors

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

- 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.

- 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.

- 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: José 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

### Delegated Commission

Chairman: D. Juan Luis Cebrián Echarri

Members: D. Manuel Polanco Moreno  
D. José Luis Sainz Díaz  
D. Gregorio Marañón y Bertrán de Lis  
D. Alain Minc  
D<sup>a</sup> Elena Pisonero Ruiz  
D. Roberto Alcántara Rojas

### Audit Committee

Chairman: D. Glen Moreno

Members: D. José Luis Leal Maldonado  
D<sup>a</sup> Elena Pisonero Ruiz

### Appointments and Remunerations Committee

Chairman: D. Alan Minc

Members: D. Alfonso Ruiz de Assin Chico de Guzmán  
D. Gregorio Marañón y Bertrán de Lis  
D. Joseph Oughourlian

### Corporate Governance Committee

Chairman: D. Ernesto Zedillo Ponce de León

Members: D. John Paton  
D<sup>a</sup> Blanca Hernández Rodríguez  
Shk. Dr. Khalid Bin Thani Bin Abdullah Al-Thani



## OTHER RELEVANT FACTS

### **Committee for Strategic Digital Change**

Chairman: D. John Paton

Members: D. Juan Luis Cebrián Echarrri  
D. 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 Tobefia, 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 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 6<sup>th</sup> 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 AISa'di and Mr. Dominique D'Hinnin was unanimously approved in order to cover the two Board of Directors' existing vacancies. Mr. Waleed AISa'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.
8. At the meeting of the board of directors held the 22th of July, and with the previous reports issued by the Appointments and Compensations Committee and the Corporate Governance Committee, the director Waleed AISa'di has been appointed as member of the Audit Committee.

### **d\_Canal+ sale**

As of May 13, 2016, remained unresolved two price adjustments amounting to 36 million euros.

Both adjustments have been resolved in favor of Prisa, so the total price of the transaction has finally amounted to 724 million euros.

### **e\_Registration of the issue of mandatory convertible bonds**

As of April 1<sup>st</sup> 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.

On June 22<sup>nd</sup>, 2016, such issuance formalized in public deed on April 7, has been registered in the trade register of Madrid.

The amount of that issue finally amounts to 100,742,090 euros, divided into 32,112,350 euros Tranche A, underwritten by HSBC Bank Plc., Several entities of Santander and CaixaBank Group, SA redeemed all of its participation in the PIK loan and 68,629,740 Tranche B, fully subscribed by HSBC Bank Plc. redeeming part of its shareholder loan.



## GROUP STRUCTURE

Education	Radio	Press	Audiovisual
Education	Radio in Spain	El País	Free-Tv
Formation	International Radio	As	Audiovisual Production
Learning Systems	Music and events	Cinco Días	Video
		Magazines	

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.



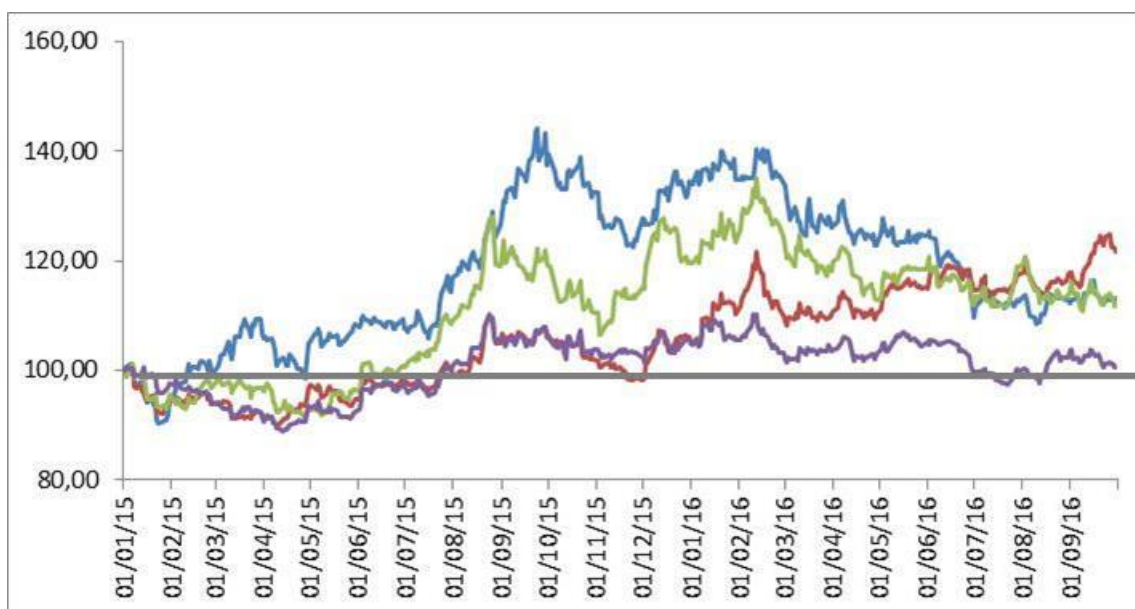
## FX EVOLUTION

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 9M 2016.

The FX impact has been negative on Group, reaching 74 million euros in revenues and 25 million euros in EBITDA.

FX Evolution vs. Euro in 9M 2016



Brazil — Mexico — Colombia — Chile —

	Brazil	Mexico	Colombia	Chile
<b>1Q 2014</b>	3,24	18,13	2.747,88	756,11
<b>2Q 2014</b>	3,06	17,83	2.624,31	760,69
<b>3Q 2014</b>	3,01	17,38	2.531,21	764,94
<b>4Q 2014</b>	3,18	17,34	2.720,13	747,23
<b>1Q 2015</b>	3,22	16,84	2.782,63	703,37
<b>2Q 2015</b>	3,40	16,96	2.766,99	684,08
<b>3Q 2015</b>	3,94	18,28	3.278,24	752,61
<b>4Q 2015</b>	4,21	18,36	3.356,73	763,97
<b>1Q 2016</b>	4,30	19,89	3.587,01	773,27
<b>2Q 2016</b>	3,96	20,45	3.379,47	765,13
<b>3Q 2016</b>	3,62	20,94	3.289,51	738,46

Source: Bloomberg





## BREAKDOWN OF ADJ. OPERATING REVENUES AND EBITDA BY B.L.

ADJUSTED OPERATING REVENUES	JANUARY-SEPTEMBER			JULY-SEPTEMBER		
	2016	2015	Var. %	2016	2015	Var. %
<b>GROUP</b>	<b>1.036,0</b>	<b>1.078,0</b>	<b>(3,9)</b>	<b>401,8</b>	<b>417,1</b>	<b>(3,7)</b>
EDUCATION	513,5	545,1	(5,8)	234,0	244,8	(4,4)
RADIO	222,3	239,9	(7,4)	74,7	78,9	(5,3)
PRESS	174,1	170,5	2,1	52,0	53,6	(2,8)
MEDIA CAPITAL	124,3	121,2	2,6	39,0	38,8	0,5
OTHERS	1,8	1,3	34,7	2,0	1,0	101,5

ADJUSTED EBITDA	JANUARY-SEPTEMBER			JULY-SEPTEMBER		
	2016	2015	Var. %	2016	2015	Var. %
<b>GROUP</b>	<b>214,6</b>	<b>234,7</b>	<b>(8,6)</b>	<b>117,5</b>	<b>126,0</b>	<b>(6,7)</b>
EDUCATION	167,2	175,9	(4,9)	104,4	110,2	(5,2)
RADIO	29,5	43,3	(32,0)	8,9	13,7	(34,8)
PRESS	7,5	6,4	16,6	0,1	0,1	6,1
MEDIA CAPITAL	23,5	23,0	2,5	5,9	5,9	0,1
OTHERS	(13,2)	(13,9)	5,5	(1,8)	(3,9)	54,0



## BRIDGE FROM OPERATING PROFIT TO ADJUSTED EBITDA AND EBITDA

GROUP	ENERO-SEPTIEMBRE			JULIO-SEPTIEMBRE		
	2016	2015	Chg. %	2016	2015	Chg. %
<b>EBITDA</b>	<b>204,1</b>	<b>208,2</b>	<b>(1,9)</b>	<b>114,1</b>	<b>119,0</b>	<b>(4,1)</b>
Redundancies	10,4	26,5	(60,7)	3,4	7,0	(51,1)
<b>Adjusted EBITDA</b>	<b>214,6</b>	<b>234,7</b>	<b>(8,6)</b>	<b>117,5</b>	<b>126,0</b>	<b>(6,7)</b>
Amortizations	63,0	70,1	(10,0)	26,4	25,8	2,3
Provisions	29,2	35,6	(17,7)	24,8	27,8	(11,0)
Impairment	0,7	0,3	122,6	(0,1)	0,4	(132,5)
<b>Operating Result</b>	<b>121,5</b>	<b>128,8</b>	<b>(5,6)</b>	<b>66,5</b>	<b>72,0</b>	<b>(7,6)</b>

EDUCATION	ENERO-SEPTIEMBRE			JULIO-SEPTIEMBRE		
	2016	2015	Var. %	2016	2015	Var. %
<b>EBITDA</b>	<b>163,8</b>	<b>173,2</b>	<b>(5,4)</b>	<b>103,1</b>	<b>108,8</b>	<b>(5,2)</b>
Redundancies	3,4	2,7	25,5	1,3	1,4	(6,5)
<b>Adjusted EBITDA</b>	<b>167,2</b>	<b>175,9</b>	<b>(4,9)</b>	<b>104,4</b>	<b>110,2</b>	<b>(5,2)</b>
Amortizations	41,5	45,4	(8,4)	19,2	17,7	8,7
Provisions	25,9	30,7	(15,6)	23,7	26,2	(9,4)
Impairment	0,9	0,9	(7,3)	(0,1)	0,3	(129,0)
<b>Operating Result</b>	<b>99,0</b>	<b>99,0</b>	<b>0,0</b>	<b>61,6</b>	<b>66,0</b>	<b>(6,8)</b>

RADIO	ENERO-SEPTIEMBRE			JULIO-SEPTIEMBRE		
	2016	2015	Var. %	2016	2015	Var. %
<b>EBITDA</b>	<b>25,3</b>	<b>33,9</b>	<b>(25,4)</b>	<b>8,4</b>	<b>10,8</b>	<b>(21,8)</b>
Redundancies	4,1	9,4	(56,0)	0,5	2,9	(82,7)
<b>Adjusted EBITDA</b>	<b>29,5</b>	<b>43,3</b>	<b>(32,0)</b>	<b>8,9</b>	<b>13,7</b>	<b>(34,8)</b>
Amortizations	6,1	7,3	(17,1)	2,1	2,1	1,8
Provisions	3,0	4,0	(24,1)	1,1	1,5	(28,9)
Impairment	(0,2)	(0,6)	72,2	(0,1)	0,1	(184,0)
<b>Operating Result</b>	<b>20,5</b>	<b>32,6</b>	<b>(37,0)</b>	<b>5,8</b>	<b>10,0</b>	<b>(42,2)</b>

PRESS	ENERO-SEPTIEMBRE			JULIO-SEPTIEMBRE		
	2016	2015	Var. %	2016	2015	Var. %
<b>EBITDA</b>	<b>7,1</b>	<b>(3,3)</b>	<b>---</b>	<b>(,0)</b>	<b>(,8)</b>	<b>96,2</b>
Redundancies	0,4	9,7	(95,9)	0,1	0,9	(85,0)
<b>Adjusted EBITDA</b>	<b>7,5</b>	<b>6,4</b>	<b>16,6</b>	<b>0,1</b>	<b>0,1</b>	<b>6,1</b>
Amortizations	5,5	5,3	3,7	1,8	1,8	3,9
Provisions	0,2	0,5	(53,0)	0,0	0,2	(89,6)
Impairment	0,0	0,0	---	0,0	0,0	---
<b>Operating Result</b>	<b>1,7</b>	<b>0,6</b>	<b>179,2</b>	<b>(1,8)</b>	<b>(1,9)</b>	<b>5,8</b>

MEDIA CAPITAL	ENERO-SEPTIEMBRE			JULIO-SEPTIEMBRE		
	2016	2015	Var. %	2016	2015	Var. %
<b>EBITDA</b>	<b>22,7</b>	<b>22,2</b>	<b>2,3</b>	<b>5,5</b>	<b>5,8</b>	<b>(5,7)</b>
Redundancies	0,8	0,8	7,9	0,4	0,1	-
<b>Adjusted EBITDA</b>	<b>23,5</b>	<b>23,0</b>	<b>2,5</b>	<b>5,9</b>	<b>5,9</b>	<b>0,1</b>
Amortizations	6,3	5,9	6,9	2,1	2,2	(1,9)
Provisions	(,0)	0,2	(110,1)	(,1)	0,0	-
Impairment	0,0	0,0	---	0,0	0,0	---
<b>Operating Result</b>	<b>17,3</b>	<b>16,8</b>	<b>2,5</b>	<b>3,8</b>	<b>3,7</b>	<b>4,6</b>

OTHERS	ENERO-SEPTIEMBRE			JULIO-SEPTIEMBRE		
	2016	2015	Var. %	2016	2015	Var. %
<b>EBITDA</b>	<b>(14,8)</b>	<b>(17,9)</b>	<b>17,0</b>	<b>(2,8)</b>	<b>(5,5)</b>	<b>48,8</b>
Redundancies	1,7	3,9	(57,7)	1,0	1,6	(36,3)
<b>Adjusted EBITDA</b>	<b>(13,2)</b>	<b>(13,9)</b>	<b>5,5</b>	<b>(1,8)</b>	<b>(3,9)</b>	<b>54,0</b>
Amortizations	3,7	6,2	(40,5)	1,0	2,0	(49,9)
Provisions	0,1	0,1	0,2	0,0	(1,1)	-
Impairment	(0,0)	0,0	(140,0)	0,0	0,0	-
<b>Operating Result</b>	<b>(17,0)</b>	<b>(20,2)</b>	<b>16,2</b>	<b>(2,8)</b>	<b>(5,8)</b>	<b>51,0</b>