



# 1Q 2017 RESULTS PRESENTATION

Madrid, May 3<sup>rd</sup> 2017

The information contained in this presentation has not been independently verified and is, in any case, subject to negotiation, changes and modifications.

None of the Company, its shareholders or any of their respective affiliates shall be liable for the accuracy or completeness of the information or statements included in this presentation, and in no event may its content be construed as any type of explicit or implicit representation or warranty made by the Company, its shareholders or any other such person. Likewise, none of the Company, its shareholders or any of their respective affiliates shall be liable in any respect whatsoever (whether in negligence or otherwise) for any loss or damage that may arise from the use of this presentation or of any content therein or otherwise arising in connection with the information contained in this presentation. You may not copy or distribute this presentation to any person.

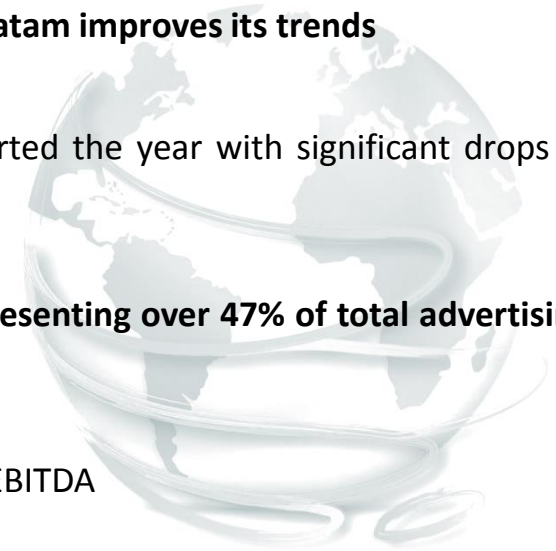
The Company does not undertake to publish any possible modifications or revisions of the information, data or statements contained herein should there be any change in the strategy or intentions of the Company, or occurrence of unforeseeable facts or events that affect the Company's strategy or intentions.

This presentation may contain forward-looking statements with respect to the business, investments, financial condition, results of operations, dividends, strategy, plans and objectives of the Company. By their nature, forward-looking statements involve risk and uncertainty because they reflect the Company's current expectations and assumptions as to future events and circumstances that may not prove accurate. A number of factors, including political, economic and regulatory developments in Spain and the European Union, could cause actual results and developments to differ materially from those expressed or implied in any forward-looking statements contained herein.

The information contained in this presentation does not constitute an offer or invitation to purchase or subscribe for any ordinary shares, and neither it nor any part of it shall form the basis of or be relied upon in connection with any contract or commitment whatsoever.

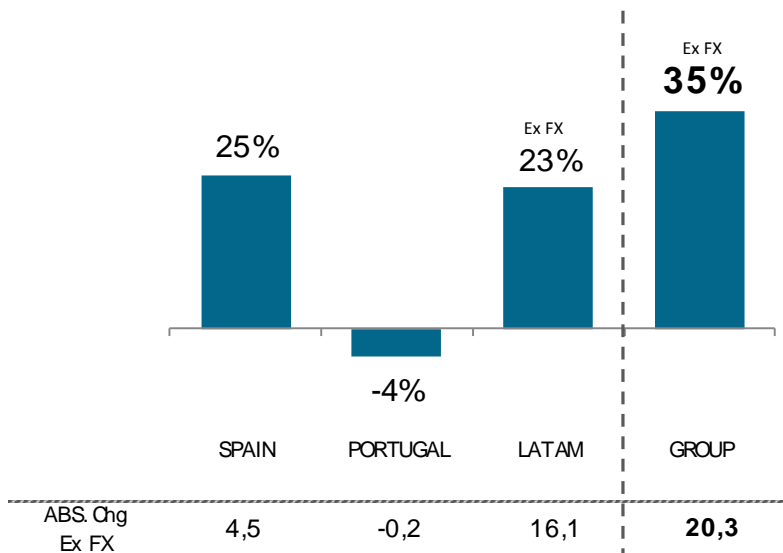
## Strong set of results supported by outstanding performance of Santillana and Radio Recovery

- 1** Santillana grows in local currency by 15% in revenues and by 33.7% in EBITDA. Highlights the performance of Brazil
- 2** Radio shows recovery in Spain with advertising revenues growing and Latam improves its trends
- 3** In Portugal, MediaCapital falls in revenues in a market which has started the year with significant drops in advertising but is expected to stabilize through the year
- 4** Press continues growing in Digital (+9.6%) with online advertising representing over 47% of total advertising revenues
- 5** Positive FX impact of 23.9 million euros in revenues and 12.3 million in EBITDA
- 6** Net bank debt is reduced to €1,481Mn

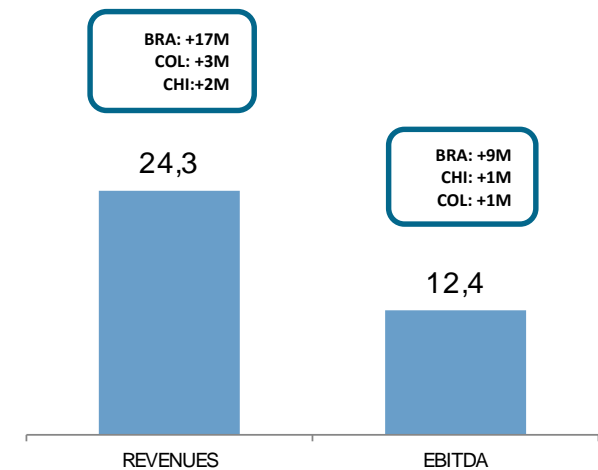


| Million €            | JAN - MAR<br>2017 | Chg. 17/16      |               | Chg at Ont Coy 17/16 |               |
|----------------------|-------------------|-----------------|---------------|----------------------|---------------|
| <b>REVENUES</b>      | <b>367</b>        | <b>11,6%</b>    | <b>38,1M€</b> | <b>4,3%</b>          | <b>14,2M€</b> |
| <b>EBITDA</b>        | <b>92</b>         | <b>55,0%</b>    | <b>32,8M€</b> | <b>34,4%</b>         | <b>20,5M€</b> |
| <i>EBITDA Margin</i> | <i>25,2%</i>      | <i>7,1 p.p.</i> |               | <i>5,2 p.p.</i>      |               |
| <b>EBIT</b>          | <b>73</b>         | <b>66,9%</b>    | <b>29,1M€</b> | <b>42,1%</b>         | <b>18,3M€</b> |
| <i>EBIT Margin</i>   | <i>19,8%</i>      | <i>6,6 p.p.</i> |               | <i>4,8 p.p.</i>      |               |

## EBITDA

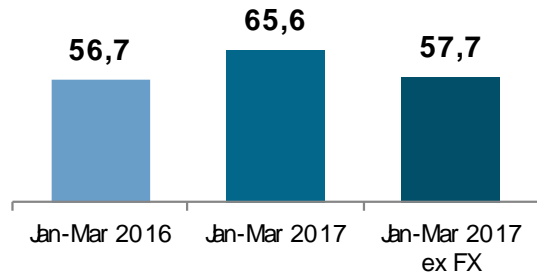


## FX Effect (m€)



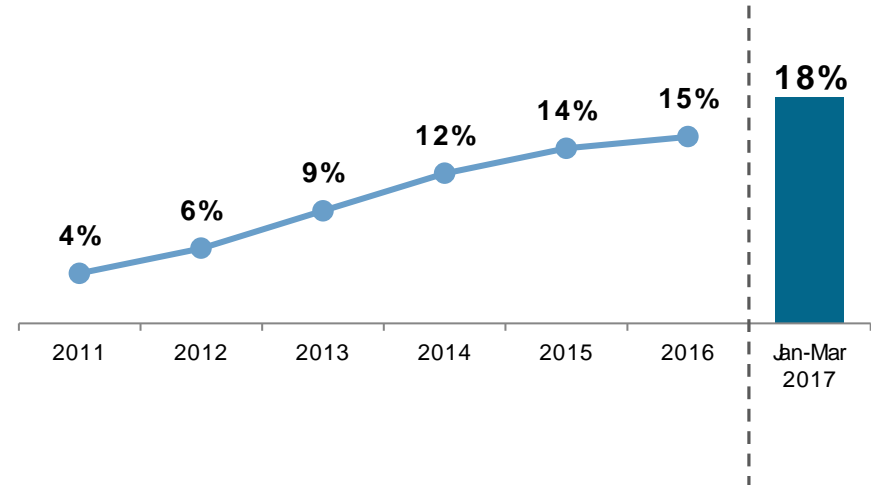
## Transformation revenues

M€

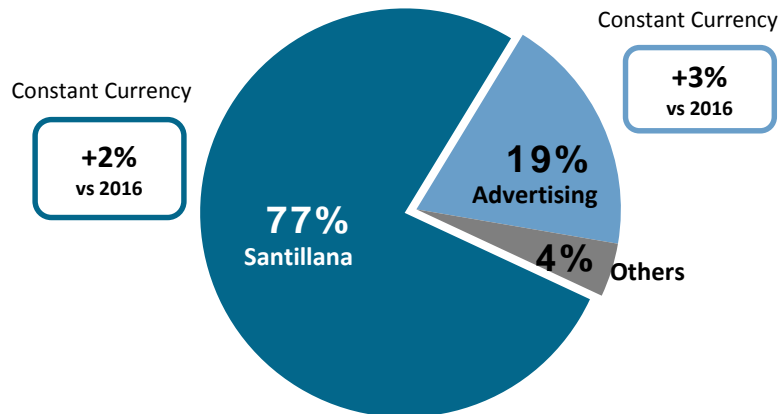


|               |       |
|---------------|-------|
| Chg (%)       | 15,7% |
| Chg ex FX (%) | 1,7%  |

## Contribution to Group's Total Revenues

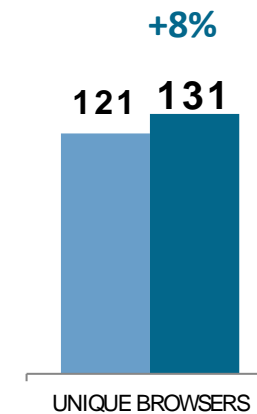


## Revenues breakdown in 2017

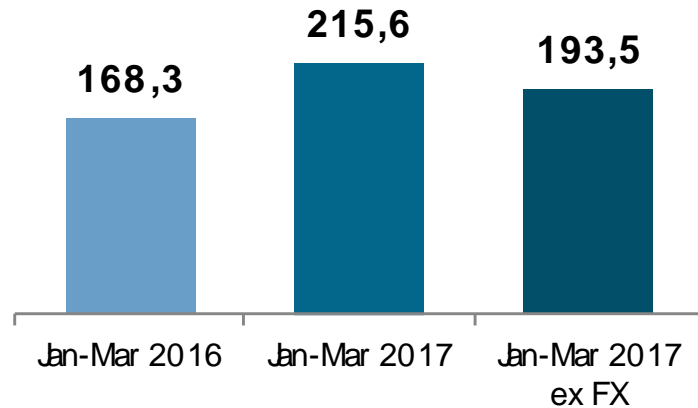


## Audience

■ 2017  
■ 2016

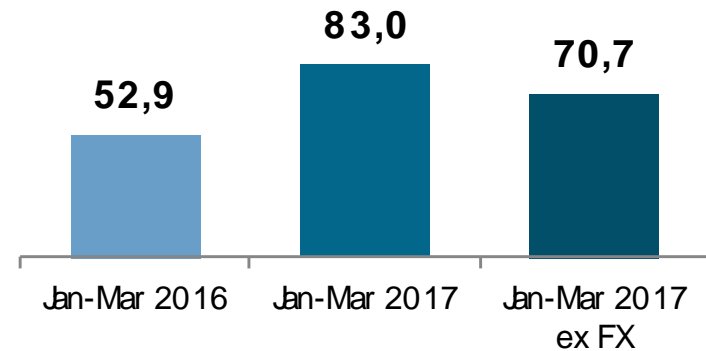


## Revenues



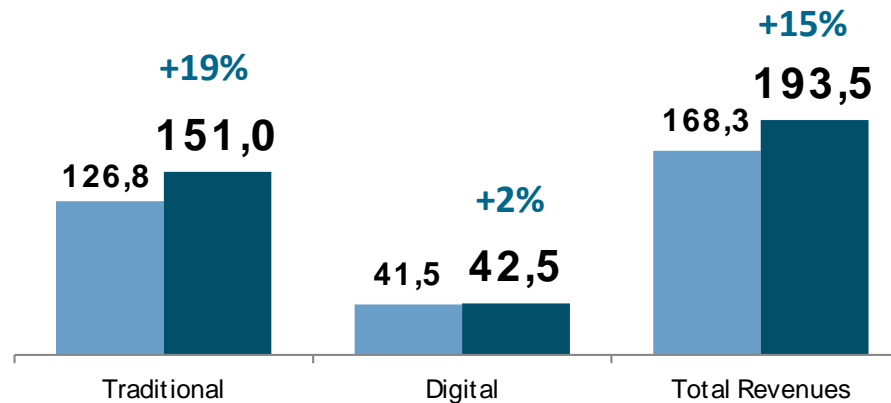
|               |       |
|---------------|-------|
| Chg (%)       | 28,1% |
| Chg ex FX (%) | 15,0% |

## Adjusted EBITDA



|               |       |
|---------------|-------|
| Chg (%)       | 57,0% |
| Chg ex FX (%) | 33,7% |

## Revenues by Business at Constant Currency



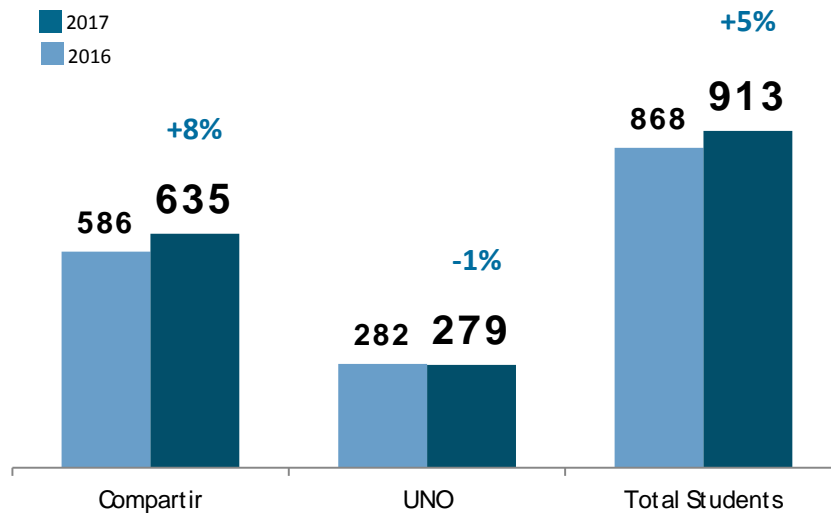
## Operating performance by Business & main countries

| € Millions                          | Revenues        |              |             | Adjusted EBITDA |             |             |
|-------------------------------------|-----------------|--------------|-------------|-----------------|-------------|-------------|
|                                     | JANUARY - MARCH |              |             | JANUARY - MARCH |             |             |
|                                     | 2017            | 2016         | % Chg.      | 2017            | 2016        | % Chg.      |
| <b>Total Santillana</b>             | <b>215,6</b>    | <b>168,3</b> | <b>28,1</b> | <b>83,0</b>     | <b>52,9</b> | <b>57,0</b> |
| Traditional Education and Compartir | 197,4           | 152,5        | 29,4        | 76,1            | 47,4        | 60,5        |
| South Campaign                      | 183,0           | 142,4        | 28,5        | 100,6           | 73,1        | 37,7        |
| North Campaign                      | 14,3            | 10,1         | 42,1        | (24,5)          | (25,7)      | 4,8         |
| UNO System                          | 18,2            | 15,8         | 15,4        | 6,9             | 5,4         | 26,6        |

|                                     | Revenues at constant currency |              |             | Adjusted EBITDA at constant currency |             |             |
|-------------------------------------|-------------------------------|--------------|-------------|--------------------------------------|-------------|-------------|
|                                     | JANUARY - MARCH               |              |             | JANUARY - MARCH                      |             |             |
|                                     | 2017                          | 2016         | % Chg.      | 2017                                 | 2016        | % Chg.      |
| <b>Total Santillana</b>             | <b>193,5</b>                  | <b>168,3</b> | <b>15,0</b> | <b>70,7</b>                          | <b>52,9</b> | <b>33,7</b> |
| Traditional Education and Compartir | 177,5                         | 152,5        | 16,4        | 64,9                                 | 47,4        | 36,8        |
| South Campaign                      | 163,5                         | 142,4        | 14,8        | 90,0                                 | 73,1        | 23,2        |
| North Campaign                      | 14,1                          | 10,1         | 39,3        | (25,1)                               | (25,7)      | 2,5         |
| UNO System                          | 16,0                          | 15,8         | 1,1         | 5,8                                  | 5,4         | 6,7         |

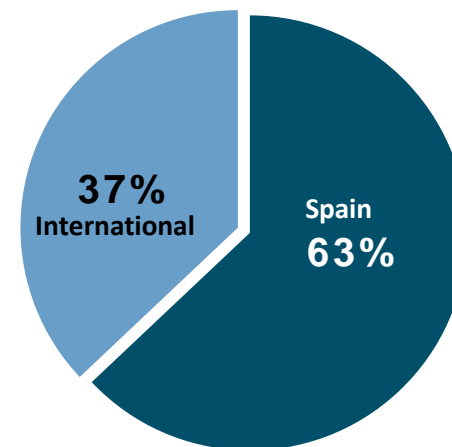
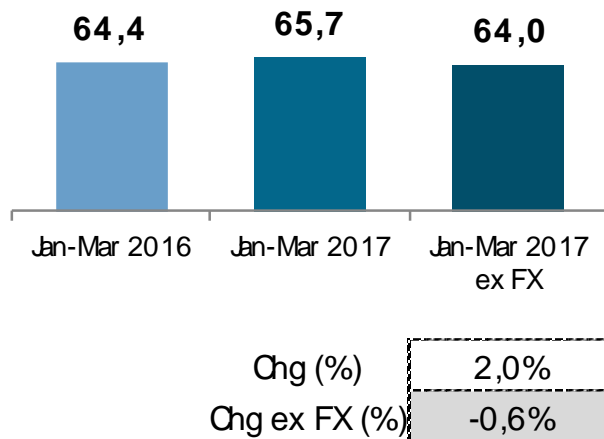


NUMBER OF STUDENTS (Thousands)

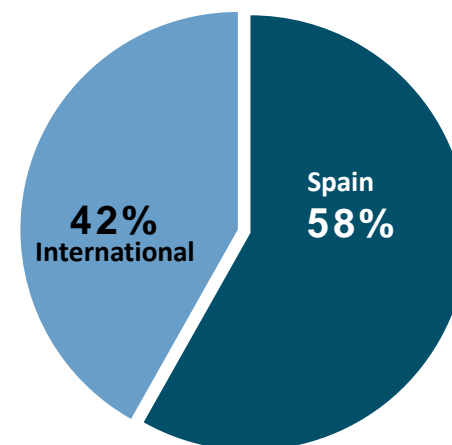
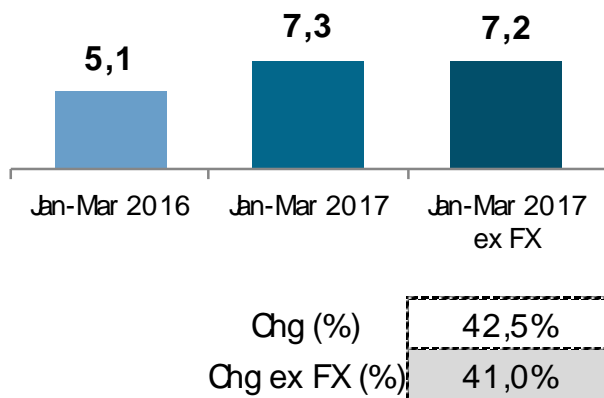




## Revenues evolution



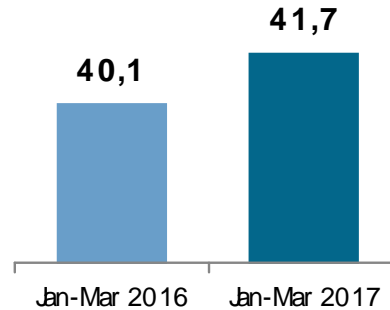
## EBITDA evolution



## RADIO SPAIN

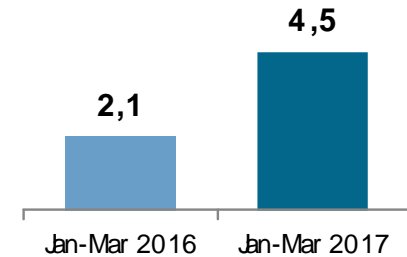


### Revenues



Chg (%) **4,0%**

### EBITDA

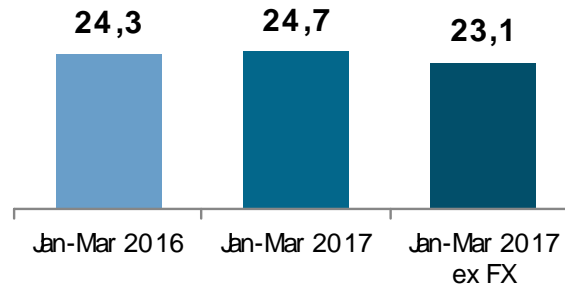


Chg (%) **116,5%**

## RADIO LATAM

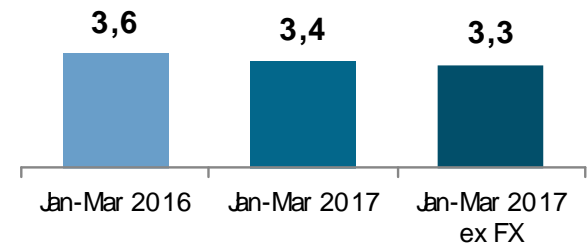


### Revenues



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

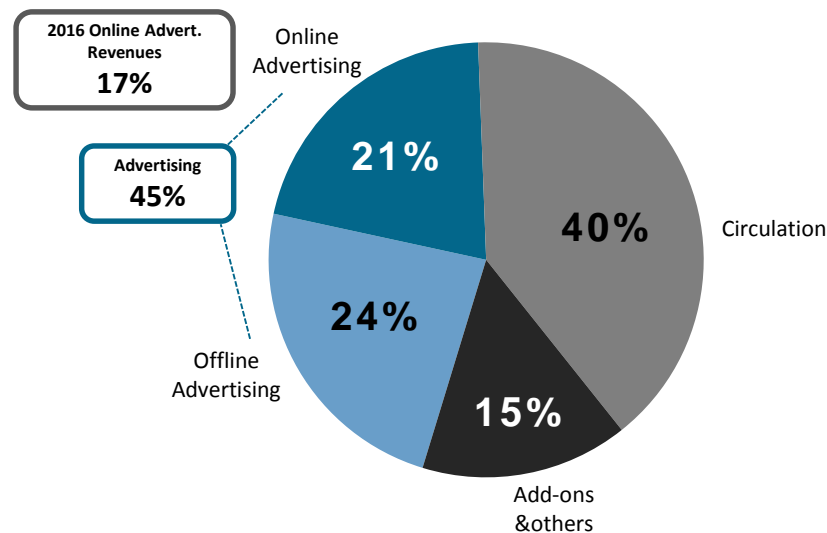
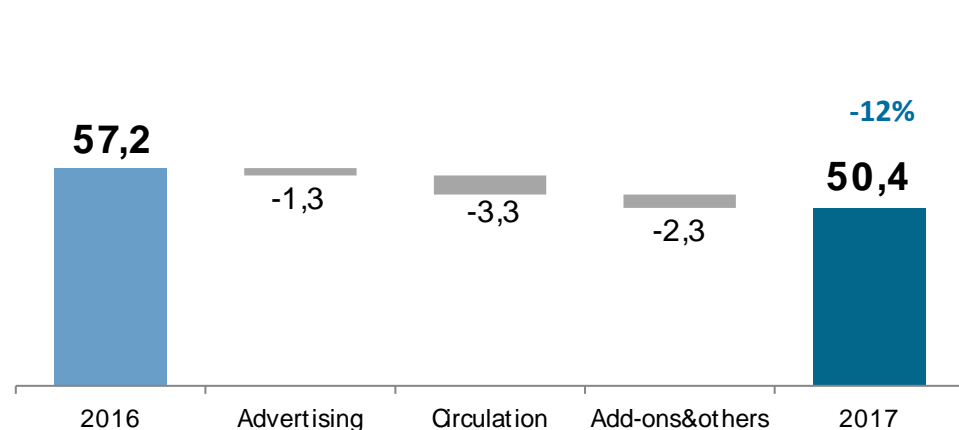
### EBITDA



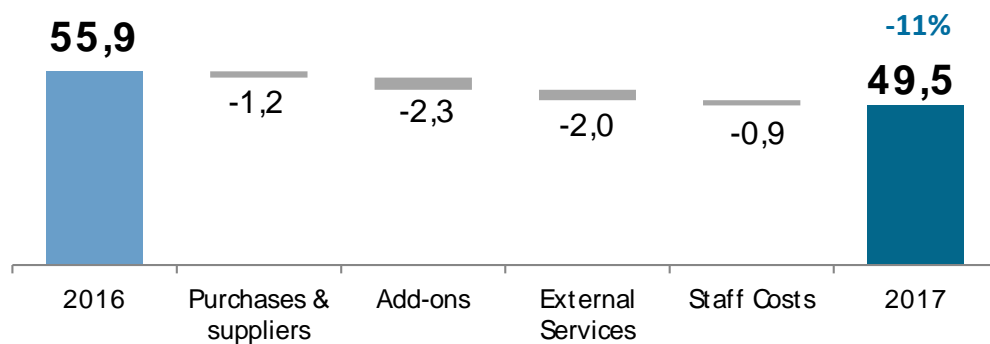
Chg (%) **-6,3%**  
Chg ex FX (%) **-9,3%**

\* Figures include 50% of Radio Mexico & Radio Costa Rica

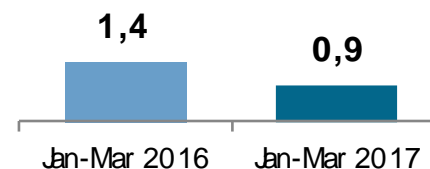
## Revenues



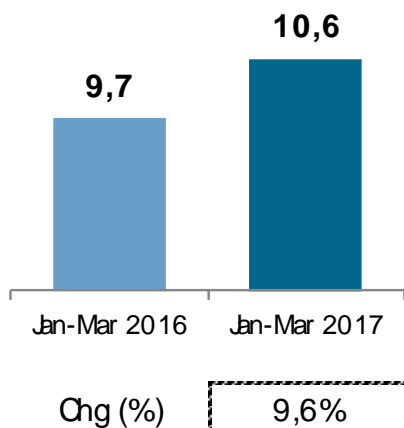
## Adjusted Expenses



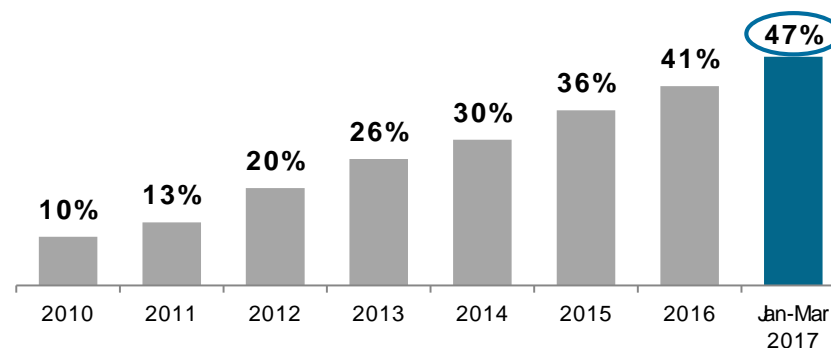
## Ajusted EBITDA



## Online Advertising Revenues

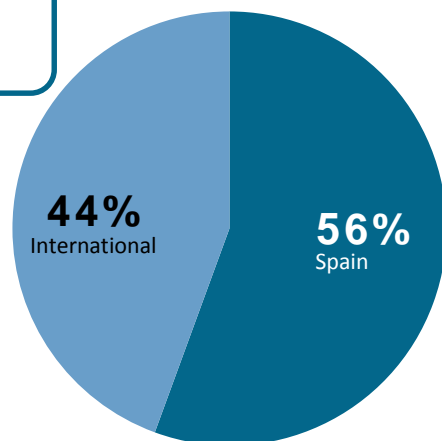


## Online Advertising contribution



## Worldwide audience El País.com (YTD)

**11M\*** Unique Users (Pc)  
**69M** Unique Browsers  
**14M** Videos

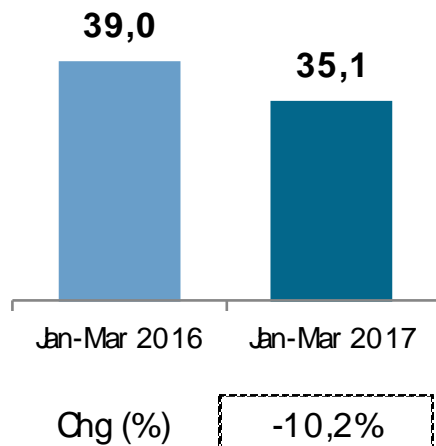


## Spain Audience (PC+mobile)

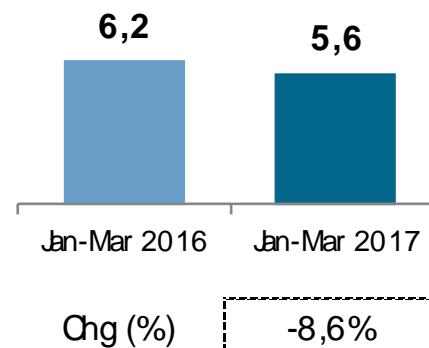
| Ranking  | PC+Mobile Spain (Mar'17) | Unique Users (M) | YoY        | Feb'17      | MoM        |
|----------|--------------------------|------------------|------------|-------------|------------|
| 1        | GOOGLE                   | 27,0             | 13%        | 26,3        | 3%         |
| 2        | YOUTUBE                  | 26,9             | 13%        | 27,8        | -3%        |
| 3        | FACEBOOK                 | 23,3             | 12%        | 22,9        | 1%         |
| <b>4</b> | <b>EL PAÍS</b>           | <b>17,9</b>      | <b>19%</b> | <b>15,5</b> | <b>16%</b> |
| 5        | ELMUNDO                  | 16,8             | 19%        | 15,8        | 6%         |
| 6        | YAHOO                    | 15,2             | 2%         | 15,4        | -1%        |

Spain figures: Spain unique users (Pc+mobile).

## Revenues



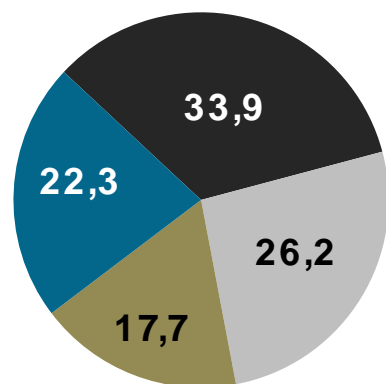
## Adjusted EBITDA



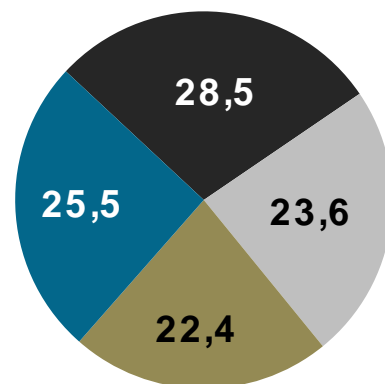
## TVI Audience (%YTD)

- TVI
- Pay TV
- SIC
- Others

24hours

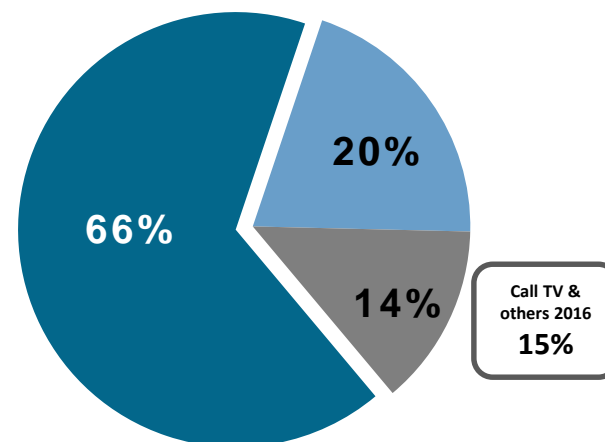


Prime Time

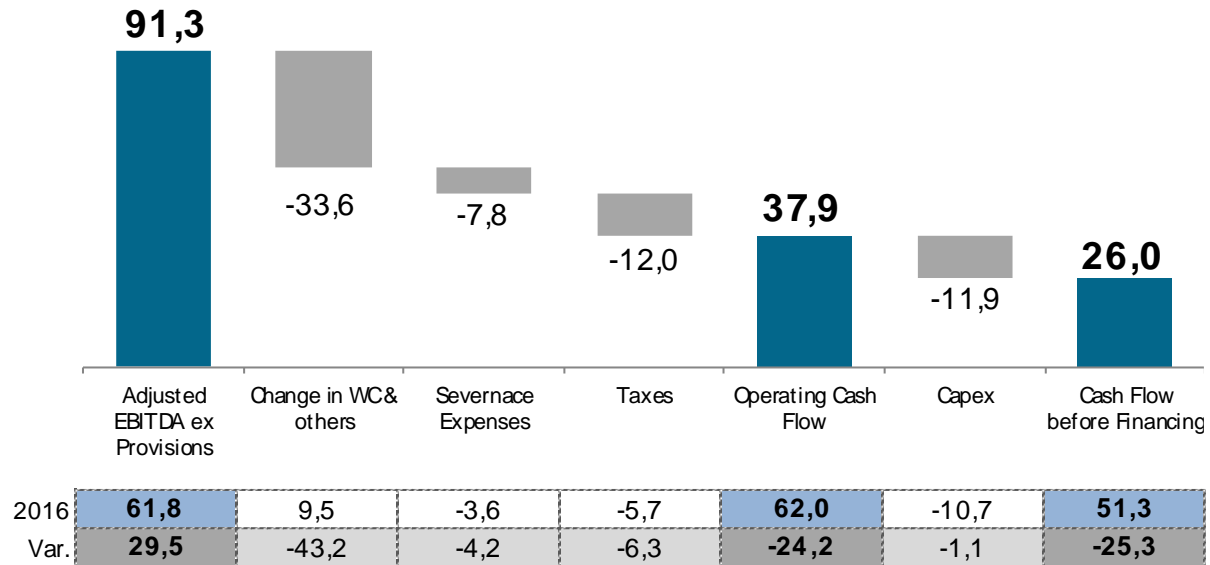


## Revenues Breakdown 2017

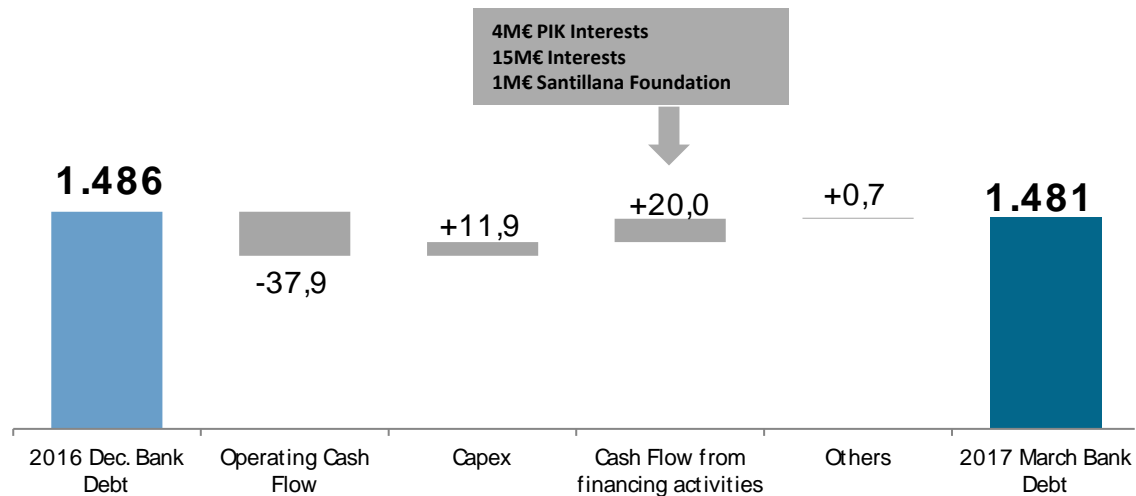
- Advertising
- Audiovisual Production
- Call Tv and others



| € Millions                                  | JANUARY - MARCH |              |                |
|---|-----------------|--------------|----------------|
|   | 2017            | 2016         | % Chg.         |
| <b>EBIT</b>                                 | <b>61,9</b>     | <b>39,0</b>  | <b>58,6</b>    |
| <i>EBIT Margin</i>                          | 17,1%           | 12,0%        |                |
| <b>Financial Result</b>                     | <b>(17,3)</b>   | <b>(7,5)</b> | <b>(132,0)</b> |
| Interests on debt                           | (14,4)          | (16,8)       | 14,3           |
| Other financial results                     | (2,9)           | 9,3          | ---            |
| <b>Result from associates</b>               | <b>0,3</b>      | <b>0,7</b>   | <b>(59,1)</b>  |
| <b>Profit before tax</b>                    | <b>44,9</b>     | <b>32,2</b>  | <b>39,2</b>    |
| Income tax expense                          | 16,4            | 13,7         | 19,7           |
| <b>Results from discontinued activities</b> | <b>(1,0)</b>    | <b>0,1</b>   | <b>---</b>     |
| <b>Minority interest</b>                    | <b>(5,6)</b>    | <b>(5,6)</b> | <b>1,1</b>     |
| <b>Net Profit</b>                           | <b>21,9</b>     | <b>13,0</b>  | <b>69,3</b>    |



## Net Bank Debt Evolution



**1** Santillana has reported a strong set of results with strong growth and margin improvement

**2** The radio in Spain grows again with Latam trends improving

**3** In Portugal, Mediacapital has started the year with falls in the advertising market

**4** Cost Control in all business areas

**5** Cashflow generation of the company remains in line with plan

**6** Deleveraging and strengthening balance sheet continues to be a priority

