



Annual Results
4Q 2011

February 28th, 2012

PRISA REACHED IN 2011 A RECURRING EBITDA OF 493.16 MILLION EUROS

Reported EBITDA reached 437 million Euros given extraordinary expenses from the personnel restructuring (77.2 million Euros)

The Group reports net losses of 451 million Euros having provisioned 253 million Euros for goodwill impairments (mainly in Portugal) and 183 million for fiscal matters under discussion

The good performance of the Pay TV business and Education activities, together with the increasing presence in Latin America, partly compensate the weakness in the advertising markets of Spain and Portugal

- **Recurrent revenues** reached 2,714.16 million Euros (-1.3%)
- **Recurring EBITDA margin** reached 18.2%, in line with that of 2010
- **The Pay TV business** grows in net subscribers, with a stable ARPU (41.1 euros) and a lower churn ratio (13.6%). It reaches an EBITDA of 186.77 million Euros (+12.5% adjusted by non-recurring items)
- **Santillana** grows by +12.2%.
- The revenues in the **Digital** activity increase by 6.7%. 63.7 million average number of unique monthly browsers (+25.3% vs 2010).
- **Latin America revenues grow by 15.9%**, and account for 24.3% of those of the Group. EBITDA from this region accounts for 38.6% of EBITDA of the total.
- **Advertising revenues in Spain and Portugal** reach 498.1 million Euros and represent 18.3% of PRISA's revenues.
- **Cost restructuring:** The Group's management has accepted a reduction of 7% of its fixed salary.
- The **efficiency plan** has been completed: total investment of 94.8 million Euros for annualized savings of 64.5 million Euros.
- **The financial debt has been refinanced**, extending its maturity to 2014/15. The Group has now time and financial flexibility to focus on the improvement of its businesses. The refinancing agreement activated the mechanisms for the **conversion of 75 million warrants** by the Polanco family, Mr. Martin Franklin and Mr. Nicolas Berggruen, for a total amount of 150 million Euros (at a price of 2 Euros per share).

Madrid (28th February, 2012). Grupo PRISA (hereafter “PRISA” or the “Company”) (NYSE: PRIS), the world’s leading group in Spanish- and Portuguese-speaking markets in the fields of education, information and entertainment, today announced its financial and operational results for the year 2011. In the period, the Group achieved revenues of 2,724.45 million Euros and an EBITDA of 436.91 million Euros. Adjusted EBITDA margin was stable (18.2%)

The Chairman of the Executive committee of the Board and CEO Juan Luis Cebrián declared: “These results demonstrate the operating resilience of our businesses even in an environment with extreme economic cycle weakness. Santillana and the Pay TV business are examples of how it is possible to grow in the most adverse circumstances”. He added: “We have undertaken a strong cost reduction effort. This, together with our increasing presence in Latin America, has partly mitigated the fall in the advertising markets of Spain and Portugal. The international revenues of PRISA account already for more than 32% of the total”

“Following a basic prudence criterion and especially given the very difficult situation that Portugal is going through, in our 2011 results, we have registered a provision for goodwill impairments of 252.94 million Euros. We have also registered provisions in our Income tax for 183 million Euros, to face a potentially negative outcome of several fiscal matters still under discussion, relative to tax deductions on exporting activities. However, we are still confident that the court will rule in our favour”.

The Chairman of the Executive committee of the Board and CEO ended by highlighting that the agreement with the banks has provided PRISA with the financial flexibility which will allow it to focus its efforts on improving the operating performance of its businesses.

In line with the cost reduction efforts, 92% of the Group’s management has accepted, voluntary and indefinitely, a 7% reduction of its fixed salary.

2011 highlights

- Market conditions remain stable in all business areas except advertising and books consumption in general publishing (Ediciones Generales), which continue to be affected by weak macroeconomic conditions in Spain and Portugal.
- In the **Audiovisual division**, revenues total 1,241.19 million Euros, and EBITDA 234.69 million Euros. EBITDA margins, adjusted for extraordinary items increase by 3.2 percentage points to 18.3%. At the end of 2011 pay TV has 1.84 million subscribers, of which 82,247 come from other platforms (other to DTH). Net adds of DTH fall by 16,671 compared to a fall of 72,949 in 2010. ARPU remains above 41 Euros on average. Churn rates continue to fall to 13.6% compared to the 15.8% of 2010. iPlus subscribers increase in almost 65% in the year and reach 503,202.
- In **Education**, revenues (720.39 million Euros) grow by 12.2% given the strong performance of the education campaigns in Latin America (we highlight Brazil with a growth of 24.1%) and the education campaign in Spain, which grows by 8.6%. Adjusted EBITDA reaches 173.70 million Euros, 4.4% above the previous year.
- Revenue in the **Radio division** (376.77 million Euros) falls by 7.1% from 2010. International radio advertising grows by 5.4%, partly compensating worse performance in Spain, which falls by 10.3%. Adjusted EBITDA totals 87.02 million euros (-19.7% vs 2010) and the adjusted EBITDA margin is 23.1%.
- Revenue in **Press** reaches 390.01 million Euros, down by 7.2% from 2010. Adjusted EBITDA totaled 54.84 million Euros.
- The **Digital division** achieves a monthly average of 63.7 million unique browsers in 2011, a 25.3% increase vs 2010, thanks to strong growth recorded by As.com, El Pais.com and Cinco Días.com.
- **Total advertising revenues** reach 620.06 million Euros, down 8.0% from 2010 and represent just 22.8% of those of the Group.

Consolidated earnings

The comparison of 2011 and 2010 results is affected by **extraordinary items recorded under revenue and expenses** both in 2011 and 2010. Therefore, to conduct a homogeneous comparison, we are presenting a pro forma profit and loss account adjusting the extraordinary items.

As for the exclusion of **Cuatro** from the consolidation perimeter, 4Q2010 results were already presented with Cuatro included as a discontinued activity, so in this sense the results of both years are perfectly comparable.

€ Million	JANUARY - DECEMBER			OCTOBER-DECEMBER		
	2011	2010	Chg. %	2011	2010	Chg. %
Operating Revenues	2.724,45	2.822,73	(3,5)	685,93	734,68	(6,6)
EBITDA	436,91	596,33	(26,7)	57,22	122,07	(53,1)
EBIT	(35,74)	336,15	(110,6)	(246,40)	28,66	-
Net financial result	(195,15)	(159,21)	(22,6)	(61,50)	(46,78)	(31,5)
Interest on debt	(124,65)	(123,56)	(0,9)	(33,23)	(32,96)	(0,8)
Other financial results	(70,50)	(35,65)	(97,7)	(28,27)	(13,83)	(104,5)
Result from associates	(13,83)	(103,86)	86,7	(18,19)	(98,81)	81,6
Profit before tax	(244,71)	73,09	-	(326,09)	(116,93)	(178,9)
Income tax expense***	(147,97)	(73,02)	(102,6)	(134,05)	(14,76)	-
Results from discontinued activities	(2,65)	(35,01)	92,4	(1,61)	(18,93)	91,5
Minority interest	(55,88)	(37,92)	(47,4)	(7,40)	(13,79)	46,4
Net profit	(451,22)	(72,87)	-	(469,14)	(164,40)	(185,4)
EBITDA Margin	16,0%	21,1%		8,3%	16,6%	
EBIT Margin	(1,3%)	11,9%		(35,9%)	3,9%	
One-offs in operating revenues*	10,29	71,92		-2,00	30,67	
Mediapro sentence	-	33,00		-	-	
Sale of Tres Cantos Headquarters	-	19,93		-	19,93	
Others	10,29	18,99		(2,00)	10,74	
One-offs in operating expenses**	319,48	28,40		263,89	45,06	
Redundancies	77,21	1,06		21,62	(4,95)	
Renegotiation with suppliers	-	(23,83)		-	0,00	
Others	(10,68)	-		(10,68)	-	
Goodwill impairment	252,94	51,18		252,94	50,00	
One-offs in income tax***	147,48	15,00		147,48	15,00	
Income tax provision	183,00	15,00		183,00	15,00	
Tax credit on reinvestment of extraordinary revenues	(35,52)	-		(35,52)	-	
Adjusted Operating Revenues	2.714,16	2.750,81	(1,3)	687,93	704,01	(2,3)
Adjusted EBITDA	493,16	501,63	(1,7)	70,17	86,46	(18,8)
Adjusted EBITDA Margin	18,2%	18,2%		10,2%	12,3%	
Adjusted EBIT	273,46	292,63	(6,6)	19,49	43,06	(54,7)
Adjusted EBIT Margin	10,1%	10,6%		2,8%	6,1%	
Adjusted Net Profit	1,62	28,60	(94,3)	(49,9)	(12,9)	-

* Extraordinary items for revenues are recorded correspond in 2011 mainly to the sale of Canal Viajar, and are registered in the audiovisual division. In 2010 they correspond mainly to the Mediapro sentence and the sales of the Tres Cantos headquarters, Sogecine and Sogepaq.

** Extraordinary items for expenses correspond to redundancies from the efficiency plan which Prisa has undertaken since December 2010 as well as other items such as the FC Barcelona sentence. In 2010 they correspond to the redundancies from the efficiency plan and renegotiations with suppliers which are registered in the Audiovisual division.

In addition, although only impacting at EBIT level (not at EBITDA) there are impairments of the Media Capital goodwill (219 million Euros) and that of Prisa Brand Solutions, advertising marketer (33.34 million Euros), which are registered at group level.

*** Following a prudence criteria, Prisa has registered a provision of 183 million Euros to face a potentially unfavourable resolution in certain matters under discussion, mainly the tax deduction for exporting activities

The good performance in Education revenues, in pay TV subscribers from other platforms and the sale of audiovisual rights and programs has partially offset the drop in revenues from advertising, circulation and satellite subscribers. **Without the extraordinary items recorded in the audiovisual area**, revenues would be down 1.3%:

€ Million	JANUARY - DECEMBER			OCTOBER-DECEMBER		
	2011	2010	Chg.%	2011	2010	Chg.%
Advertising	620,06	673,70	(8,0)	176,38	195,43	(9,8)
Books and training	697,88	625,88	11,5	165,19	137,98	19,7
Newspapers and magazine sales	168,74	180,40	(6,5)	39,21	43,35	(9,5)
Subscriber revenues	887,09	913,11	(2,8)	223,76	224,44	(0,3)
Audiovisual production revenues	88,24	87,74	0,6	19,29	22,40	(13,9)
Other revenues	262,44	341,91	(23,2)	62,11	111,08	(44,1)
Total operating revenues	2.724,45	2.822,73	(3,5)	685,93	734,68	(6,6)
One-offs in operating revenues	10,29	71,92		(2,00)	30,67	
Mediapro sentence (other revenues)	-	33,00		-	-	
Sale of Tres Cantos Headquarters (other)	-	19,93		-	19,93	
Others (other revenues)	10,29	18,99		(2,00)	10,74	
Total adjusted operating revenues	2.714,16	2.750,81	(1,3)	687,93	704,01	(2,3)
Other revenues, adjusted	252,15	269,99	(6,6)	64,11	80,41	(20,3)

Operating expenses in 2011, including amortization, depreciation and provisions, reached 2,760.19 million Euros. **Total adjusted operating expenses declined by 0.7%** in 2011 (+1.1% in the fourth quarter standalone). The breakdown is as follows:

€ Million	JANUARY - DECEMBER			OCTOBER- DECEMBER		
	2011	2010	Chg.%	2011	2010	Chg.%
Purchases	824,12	839,22	(1,8)	237,55	232,25	2,3
Outside services	788,81	794,50	(0,7)	203,98	228,01	(10,5)
Staff costs	674,32	592,08	13,9	187,36	151,92	23,3
Other operating expenses	0,28	0,60	(52,9)	(0,18)	0,44	(140,1)
Amortization, depreciation and provisions	472,65	260,18	81,7	303,62	93,41	-
Total operating expenses	2.760,19	2.486,58	11,0	932,33	706,01	32,1
One-offs in operating expenses	319,48	28,40		263,89	45,06	
Redundancies (staff costs)	77,21	1,06		21,62	(4,95)	
Renegotiation with suppliers (outside services)	-	(23,83)		-	0,00	
Others	(10,68)	-		(10,68)	-	
Goodwill impairment	252,94	51,18		252,94	50,00	
Total adjusted operating expenses	2.440,70	2.458,18	(0,7)	668,44	660,96	1,1
Adjusted outside services	805,70	818,33	(1,5)	220,87	228,01	(3,1)
Adjusted staff costs	590,90	591,03	(0,0)	159,52	156,86	1,7
Adjusted amortization, depreciation and provisions	213,49	202,79	5,3	44,46	37,19	19,5

EBITDA was 436.91 million Euros, implying a decrease of 26.7% explained mostly by the extraordinary items recorded in both 2011 and 2010. **Excluding these extraordinary items, EBITDA would have shown a -1.7% decrease, with stable margins at 18.2%, despite the difficult macroeconomic environment.**

During 2011, the company has registered 252.94 million Euros for **goodwill impairments** which correspond mainly to an increase of country risk and decline of the advertising market of Media

Capital and changes in the management of the commercial activities re advertising in Prisa Brand Solutions.

Other Financial Results includes, among other concepts, the expenses generated from updating the liability registered for the present value of the dividend owed to holders of the convertible non-voting shares (further explained in the appendixes).

The **Income Tax Expense** includes a 183 million Euro provision, which has been registered following a prudence criteria, to face a potentially unfavorable resolution in certain fiscal matters still under discussion, mainly the tax deduction for exporting activities. All the necessary legal processes surrounding these claims still remain open.

Earnings, as calculated by the equity method, mainly included the 17.336% share in the result of Mediaset España, as well as the results of the Printing business and V-Me. In 2010, it includes a provision of €80 million to cover some risks and possible restructuring costs in associated companies.

Earnings attributable to minority interests are mainly explained by DLJ's 25% share in Santillana, the 44% minority interest in Canal+ and the 26.51% minority interests in the Radio business.

Net Profit, adjusted for extraordinary items (once we exclude the impact of the extraordinary revenues, the extraordinary operating expenses, the goodwill impairments and the provision on the income tax expense), has risen to a positive result of 1.62 million Euros, which compares to the 28.60 million Euros in 2010.

Audiovisual

AUDIOVISUAL*	JANUARY - DECEMBER			OCTOBER - DECEMBER		
	2011	2010	% Chg.	2011	2010	% Chg.
Revenues	1.241,19	1.372,40	(9,6%)	310,79	382,89	(18,8%)
Prisa TV**	1.011,28	1.133,99	(10,8%)	255,05	316,48	(19,4%)
Media Capital	224,36	249,01	(9,9%)	57,08	76,19	(25,1%)
EBITDA	234,69	308,78	(24,0%)	49,66	76,71	(35,3%)
% margin	18,9%	22,5%		16,0%	20,0%	
Prisa TV**	186,77	269,37	(30,7%)	38,57	64,71	(40,4%)
% margin	18,5%	23,8%		15,1%	20,4%	
Media Capital	38,95	48,04	(18,9%)	11,09	20,63	(46,3%)
% margin	17,4%	19,3%		19,4%	27,1%	
EBIT	121,39	194,44	(37,6%)	12,28	44,38	(72,3%)
% margin	9,8%	14,2%		4,0%	11,6%	
Prisa TV**	95,57	174,06	(45,1%)	13,88	42,01	(67,0%)
% margin	9,5%	15,3%		5,4%	13,3%	
Media Capital	16,84	29,01	(41,9%)	(1,60)	11,00	(114,6%)
% margin	7,5%	11,6%		(2,8%)	14,4%	
One-offs in operating revenues	12,29	91,90		-	50,64	
Mediapro sentence (Prisa TV)	-	33,00		-	-	
Sale of Tres Cantos headquarters, Sogecine & Sogepaq (Prisa TV)	-	50,64		-	50,64	
Others (Prisa TV)	12,29	8,26		-	0,00	
One-offs in operating expenses	11,75	(18,47)		(4,85)	2,53	
Redundancies	18,89	0,00		2,29	(2,84)	
Prisa TV	15,23	0,00		0,05	(1,81)	
Media Capital	3,66	0,00		2,24	(1,03)	
Renegotiation with suppliers (Prisa TV)	-	(23,83)		-	0,00	
Others (Prisa TV)	(16,89)	-		(16,89)	-	
Goodwill impairment (Media Capital)	9,75	5,37		9,75	5,37	
Adjusted revenues	1.228,90	1.280,50	(4,0%)	310,79	332,25	(6,5%)
Prisa TV**	998,99	1.042,09	(4,1%)	255,05	265,83	(4,1%)
Media Capital	224,36	249,01	(9,9%)	57,08	76,19	(25,1%)
Adjusted EBITDA	224,40	193,04	16,2%	35,06	23,23	50,9%
% adjusted margin	18,3%	15,1%		11,3%	7,0%	
Prisa TV**	172,82	153,64	12,5%	21,74	12,26	77,4%
% margin	17,3%	14,7%		8,5%	4,6%	
Media Capital	42,61	48,04	(11,3%)	13,33	19,61	(32,0%)
% margin	19,0%	19,3%		23,3%	25,7%	
Adjusted EBIT	120,85	84,07	43,8%	7,43	(3,7)	---
% adjusted margin	9,8%	6,6%		2,4%	-1,1%	
Prisa TV**	81,63	58,33	39,9%	(2,96)	(10,4)	71,7%
% margin	8,2%	5,6%		-1,2%	-3,9%	
Media Capital	30,25	34,37	(12,0%)	10,39	15,34	(32,3%)
% margin	13,5%	13,8%		18,2%	20,1%	

** Prisa TV includes the pay TV business and other related activities.

At Prisa TV (Canal+), adjusted revenues declined by 4.0%, which is slightly less than the decrease of 4.2% as at September 2011 . This fall is explained by a smaller number of satellite subscribers (especially in Q2 and Q4, in which there was a weaker Christmas campaign and Canal+ suffered the impact of the FTA broadcasting of football matches such as the Real Madrid-FC

Barcelona), by slight variations in ARPU and by the impact of changes in the commercial model of iPlus and Canal+ Toros.

However, **all key operating indicators have seen an improvement this quarter**: net adds have grown by 53,858 in the year (compared to a fall of -61,231 in 2010). Satellite net subscribers have fallen by -16,671 (compared to a fall of -72,949 in 2010) and net subscribers from other platforms have grown by 70,529 (compared to +11,718 in 2010). ARPU has remained on average above 41 Euros (41.1 Euros compared to the 41.7 Euros in 2010). Finally, penetration levels of iPlus continue to grow and reached 28.7% by the end of 2011 (compared with the 17.2% of December 2010).

In Q4 standalone, there are also improvements in operating indicators: the fall in net subscribers of satellite (-18,130 compared with the 7,040 growth of Q3 2011) has been compensated by the growth in subscribers from other platforms (+24,761, compared with +34.380 in Q3) thanks to agreements with the telecom operators. The ARPU reached 41.5 Euros (vs 40.1 Euros in Q3).

Adjusted operating expenses, excluding amortizations and provisions, are down by 7.6% (compared to a 6.6% fall as of September), mostly due to renegotiation of contracts and the inclusion of costs related to the World Cup in 2010, which had an impact of 29.77 million Euros in 2010. As a result, adjusted **EBITDA has increased by 16.2% (compared to the 11.5% growth as at September 2011)**.

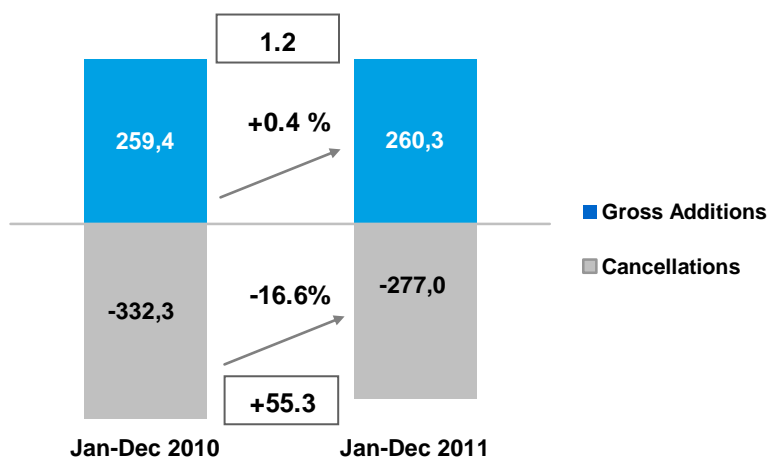
Key operating indicators are benefiting from the change in the commercial strategy which has been implemented in the last few months and by the Canal+ multi-distribution agreements which have been signed with other operators (Telefónica, Orange, ONO and Jazztel).

As at December, the total **number of subscribers** was 1,838,432, distributed as follows:

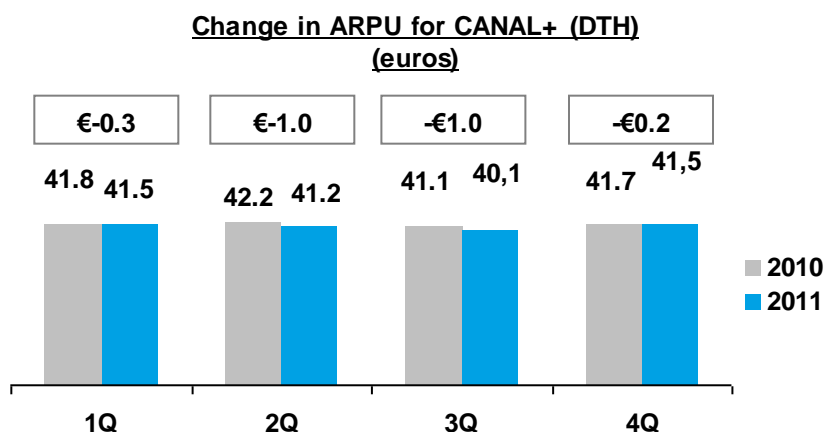
Subscribers breakdown	Dec 2011	Dec 2010	Chg. Abs
Satélite (DTH)	1.756.185	1.772.856	(16.671)
Other Platforms (*)	82.247	11.718	70.529
Total	1.838.432	1.784.574	53.858

(*) Includes subscribers from agreements with telecom operators (wholesale) and OTT subscribers

Like in the last few years, the change in trend for **DTH subscribers** is maintained in 2011, with net new subscriptions increasing 0.4% and cancellations falling -16.6% year on year:

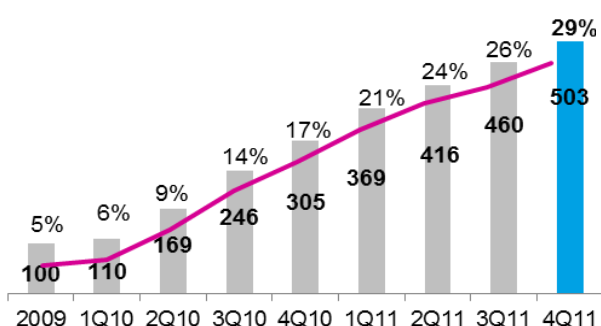


The ARPU for DTH subscribers as of 4Q 2011 was 41.5 Euros, in line with the 41.7 Euros of 2010. The average ARPU for 2010 stood at 41.1 Euros, compared with the 41.7 Euros of 2010 on average. Churn has continued to fall and stood at 13.6%, showing an important decrease compared to the 15.8% of the end of 2010. The change in ARPU by quarter is as follows:

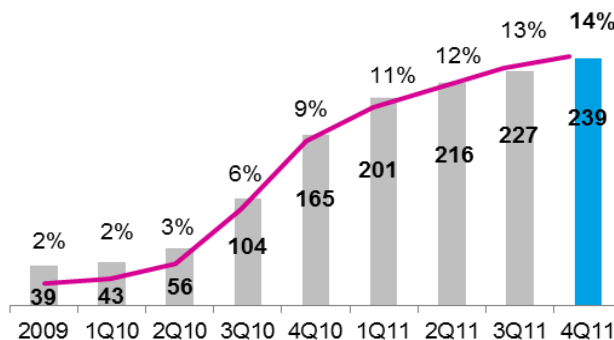


The number of subscribers and penetration of **iPlus** and **Multiplus** has continued to grow: as of December 2011 the number of **iPlus** subscribers was 503,202, up by 197,823 from December 2010, which implies a penetration of 28.7% (compared to the 17.2% penetration at December 2010 and the 25.9% on September 2011). As for **Multiplus**, as of December 2011 there were 238,772 customers subscribed to this service, which implies a penetration of 13.6%, above the 12.8% penetration observed in September 2011 and to the 12.2% penetration in June 2011.

iPlus: Subscribers (in thousands) and penetration



Multi+: Subscribers (in thousands) and penetration



Subscribers from other platforms totaled 82,247, on the back of the agreements which have been reached with other operators (Orange, ONO, Telecable, Jazztel and especially Telefónica) in the context of the Canal+ multi-distribution strategy in place.

Media Capital recorded in 2011 revenues of 224.36 million Euros and adjusted EBITDA of 42.61 million Euros (-11.3%). During 4Q 2011, there has been a further deterioration of the Portuguese advertising market, which has led to a weaker performance in Q4 standalone, with revenues which reached 57.08 million Euros and adjusted EBITDA of 13.33 million Euros (-32.0%)

Despite the weak macro-economic situation of Portugal, **TVI**, leading FTA operator in this country reached revenues of 151.43 million Euros (-4.4%, vs -0.6% in the first nine months of the year). Its advertising revenues have fallen by 10.1% compared to 2010 (vs -6.6% in the first nine months of the year), showing the deterioration which we already anticipated when we published Q3 2011 results, although managing to outperform the FTA advertising market which fell in Portugal by an estimated -13.5%. The increase in revenues from Call TV is still neutralizing the impact of the fall in advertising revenues.

TVI has maintained its leadership position, attaining an audience share of 34.5% for the full 24 hours (improving from the 34.1% of the first nine months of the year) and 38.1% in prime time (also improving slightly from the 37.9% of the first nine months of 2011).

Additionally the Audiovisual division has registered **an impairment of Goodwill** of 9.75 million Euros, which impacts Media Capital, which does not have an impact at Group level and which corresponds to the goodwill generated with the transfer of Plural.

Education

EDUCATION- PUBLISHING	JANUARY - DECEMBER			OCTOBER - DECEMBER		
	2011	2010	% Chg.	2011	2010	% Chg.
Revenues	720,39	642,25	12,2%	171,56	144,79	18,5%
EBITDA	170,20	166,35	2,3%	5,65	8,15	(30,6%)
% margin	23,6%	25,9%		3,3%	5,6%	
EBIT	103,99	105,46	(1,4%)	2,29	4,72	(51,5%)
% margin	14,4%	16,4%		1,3%	3,3%	
One-offs in operating expenses	3,50	0,00		0,93	(2,51)	
Redundancies	3,50	0,00		0,93	(2,51)	
Adjusted EBITDA	173,70	166,35	4,4%	6,58	5,64	16,8%
% adjusted margin	24,1%	25,9%		3,8%	3,9%	
Adjusted EBIT	107,49	105,46	1,9%	3,22	2,21	46,0%
% adjusted margin	14,9%	16,4%		1,9%	1,5%	

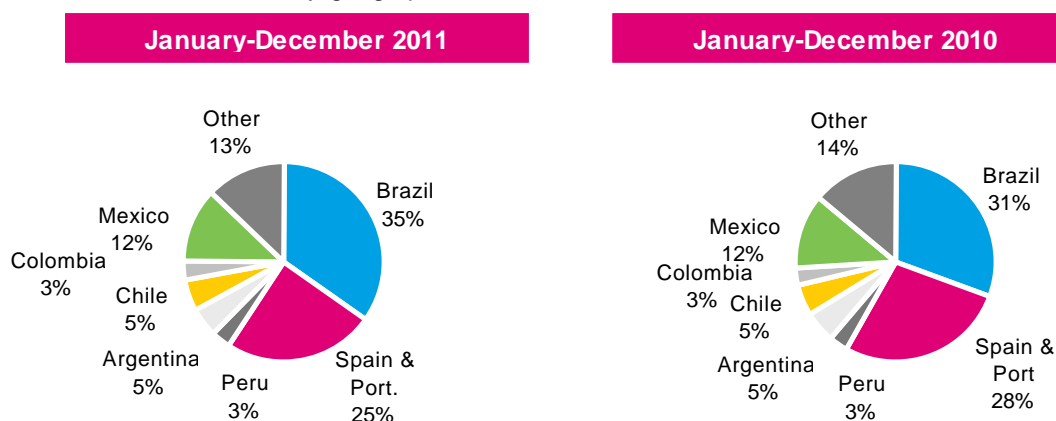
Revenue from Education reached 720.39 million Euros in 2011, showing a +12.2% increase vs the 2010, and EBITDA reached 173.70 million Euros, up 4.4% (vs the +4.0% as at September)

All the Southern Area countries (which has grown by +20.6%) registered strong growth in their campaigns: **Brazil** (24.1%), **Argentina** (+17.3%), **Chile** (+13.6%) and **Colombia** (+21.0%).

In the Northern Area, **Mexico** has increased its revenues by 18.1% and **Venezuela** by +27.5%. In **Spain**, revenues have fallen by -1.9% in 2011, which results from the weakness of Ediciones Generales (general publishing) down by -30.5%, mostly offset by the strong Education campaign in Spain (+8.6% in 2011).

In 2011 the **currency exchange rate** has had a negative impact of 4.83 million Euros in the division's revenues (excluding this impact revenues would have grown by 12.9%). In Brazil the currency exchange rate has had a positive impact (at constant currency, its revenues would have grown by 22.1%). In Q4 the currency exchange impact has been negative by 6.5 million Euros at revenue level (excluding this impact, revenues would have grown 23% vs Q4 2010)

The breakdown of revenue by geographic area was as follows:



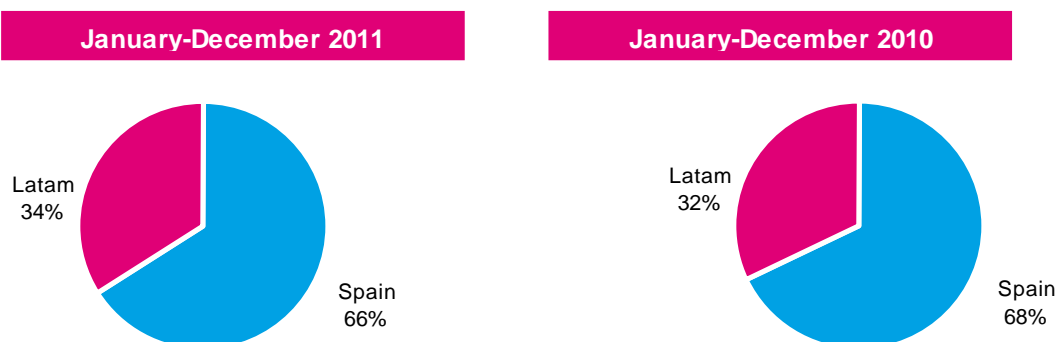
Radio

RADIO	JANUARY - DECEMBER			OCTOBER - DECEMBER		
	2011	2010	% Chg.	2011	2010	% Chg.
Revenues	376,77	405,52	(7,1%)	107,30	117,93	(9,0%)
<i>Advertising</i>	325,61	342,94	(5,1%)	91,74	96,87	(5,3%)
<i>Others</i>	51,16	62,59	(18,3%)	15,56	21,06	(26,1%)
EBITDA	51,61	108,07	(52,2%)	9,10	40,10	(77,3%)
% margin	13,7%	26,6%		8,5%	34,0%	
EBIT	25,18	90,06	(72,0%)	(1,99)	34,89	(105,7%)
% margin	6,7%	22,2%		(1,9%)	29,6%	
One-offs in operating expenses	35,42	0,25		17,92	0,25	
Redundancies	35,42	0,25		17,92	0,25	
Adjusted EBITDA	87,02	108,32	(19,7%)	27,02	40,35	(33,0%)
% adjusted margin	23,1%	26,7%		25,2%	34,2%	
Adjusted EBIT	60,60	90,32	(32,9%)	15,93	35,15	(54,7%)
% adjusted margin	16,1%	22,3%		14,8%	29,8%	

In 2011, **revenues from the Radio division** have reached 376.77 million Euros, down 7.1% vs 2010, mainly on the back of lower advertising revenues in **Spain** (-10.3%) and despite the improvement in LatAm (+5.4%), led by Colombia (+8.6%), and Chile (+7.8%).

2010 results were impacted by the football World Cup (until August 2010) and the Colombia general elections (in May and June 2010)

The breakdown of revenue by geographic area is as follows:



EBITDA was negatively impacted by the restructuring costs which reached 17.92 million Euros in the quarter (35.42 million Euros in the year). Excluding the restructuring costs impact, adjusted EBITDA would have fallen by 19.7%, a larger fall than the 11.7% observed as at September 2011.

Press

PRESS*	JANUARY - DECEMBER			OCTOBER - DECEMBER		
	2011	2010	% Chg.	2011	2010	% Chg.
Revenues	390,01	420,35	(7,2%)	96,95	112,84	(14,1%)
Advertising	147,85	172,77	(14,4%)	44,23	53,13	(16,8%)
Circulation	172,37	184,31	(6,5%)	40,22	44,18	(9,0%)
Add-ons and others	69,80	63,26	10,3%	12,51	15,53	(19,5%)
EBITDA	40,05	57,86	(30,8%)	17,73	26,58	(33,3%)
% margin	10,3%	13,8%		18,3%	23,6%	
EBIT	16,48	42,30	(61,0%)	3,29	20,98	(84,3%)
% margin	4,2%	10,1%		3,4%	18,6%	
One-offs in operating expenses	22,54	0,14		8,06	0,05	
Redundancies	14,79	0,14		0,31	0,05	
Goodwill impairment	7,75			7,75		
Adjusted EBITDA	54,84	58,00	(5,4%)	18,04	26,62	(32,2%)
% adjusted margin	14,1%	13,8%		18,6%	23,6%	
Adjusted EBIT	39,02	42,44	(8,0%)	11,35	21,02	(46,0%)
% adjusted margin	10,0%	10,1%		11,7%	18,6%	

* Includes distribution.

Press revenues fell by 7.2% in 2011 to 390.01 million Euros. Adjusting by the football World Cup impact, revenues would have fallen by 6.3%.

In 2011, in Spain's **advertising market**, Press has been the hardest-hit sector. As a reflection of this, advertising revenues for Press have fallen -14.4% in the year, (with El País -14.8% and As -14.3%). Revenue from **circulation** fell by 6.5%, and the circulation of the newspapers broke down as follows:

	January- Dec 2011	January- Dec 2010	Chg. %
El País	365.118	370.080	(1,3%)
AS	198.758	211.553	(6,0%)
Cinco Días	31.304	31.337	(0,1%)

Source: OJD. 2011 figures not audited.

El País reduced its circulation figures in 2011 by -1.3% (compared to the -5.5% fall in 2010), **AS'** circulation fell by -6.0% (compared to a -1.7% fall in 2010, but showing an improvement vs September, when it was falling by -7.6%), and **Cinco Días** saw its circulation fall by -0.1% (compared to a -6% fall in 2010).

Operating revenues also include 2011 revenues from tax deductions and subsidies for R&D and other special events, which offset the lower contribution of promotions, which have fallen by 15.3%.

EBITDA totaled 40.05 million Euros vs the 57.86 million of 2010. This is mainly due to the fall in the advertising market and circulation figures, as well as the restructuring costs, which have reached 14.79 million Euros in 2011 (although most of the restructuring effort took place in the first half of the year). Excluding the restructuring costs impact, Adjusted EBITDA would have fallen by 5.4%.

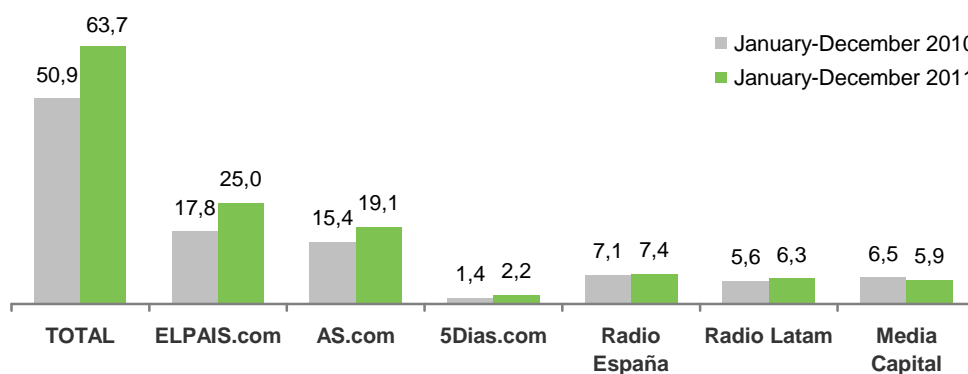
Additionally the Press division has registered **an impairment of Goodwill** of 7.75 million Euros, which do not have an impact at group level and which correspond to the goodwill generated with the transfer of the participation in Portuguese magazines.

Digital

The Group's digital business revenue for 2011 totaled 55.06 million Euros, a 6.7% increase over the same period last year (in line with the increase observed in the first nine months of the year)

Advertising revenue in this area totaled 31.01 million Euros, a 19.1% increase over last year, showing an improvement vs the +16.8% of the first nine months of the year. Within Spain's advertising market, the online segment is the only one to have recorded significant growth in 2011.

The impetus the Group is placing on the entire digital area of each of its businesses is clearly reflected in **increased traffic**, which rose 25.3% on the year. The monthly average number of unique browsers of the Group's sites, in millions, changed as follows:



Source: Omniture site catalyst, Netscope, and Certifica.com.

The Group continues to promote its digital development across business lines in all its units with a very consumer-oriented model to offer more appealing, valuable market options for advertisers and to sell products more suitably, besides seeking new business development lines.

Efficiency Plan

Since December 2010, Prisa has been undertaking an **efficiency plan** with the goal of right-sizing the company, rationalizing resources, and homogenizing and centralizing Group-wide processes. This restructuring plan involves a range of measures, such as outsourcing, a voluntary severance incentive program, and early retirements.

The restructuring plan has been completed in 2011, when the expenses registered for redundancies reached 77.2 million Euros.

Including the investments made on the back of reserves and from its inception, as of December 2011 the cost of redundancies has reached 94.8 million Euros, which should imply estimated annualized savings of 64.5 million Euros.

PRISA is the world's leading company in the cultural, educational, information and entertainment markets in Spanish and Portuguese, thanks to its multichannel offer of top quality products. It operates in 22 countries, reaching over 50 million users through its global brands, such as *El País*, 40 Principales, Canal+, Alfaguara and Santillana. As brand leader in mainstream press, free-to-air TV and pay TV, talk radio and music radio, education, and publishing, it is one of the most profitable media groups in the world, with an extraordinary range of assets.

For further information:

Grupo Prisa
Investor Relations Department
Gran Vía 32, 6ª Planta
Telephone: +34- 91-330-10-85
Fax: +34- 91-330-10-88
E-mail: ir@prisa.com
www.prisa.com

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Appendix I. BALANCE SHEET

€ Million	ASSETS	
	12/31/2011	12/31/2010
FIXED ASSETS	6.178,70	6.293,49
Property, plant and equipment	307,44	295,56
Goodwill	3.645,08	3.903,51
Intangible assets	331,26	360,51
Long term financial investments	121,69	70,61
Investment in associates	604,08	613,54
Deferred tax assets	1.166,69	1.046,03
Other non current assets	2,46	3,72
CURRENT ASSETS	1.699,70	1.854,31
Inventories	275,40	203,15
Accounts receivable	1.269,64	1.245,91
Short term financial investments	56,49	160,26
Cash & cash equivalents	98,16	244,99
ASSETS HELD FOR SALE	0,13	3,65
TOTAL ASSETS	7.878,52	8.151,45

€ Million	LIABILITIES	
	12/31/2011	12/31/2010
SHAREHOLDERS EQUITY	2.218,04	2.650,19
Issued capital	84,79	84,70
Reserves	1.991,39	2.007,70
Income attributable to the parent company	(451,22)	(72,87)
Minority interest	593,08	630,66
NON CURRENT LIABILITIES	3.882,33	3.526,50
Long term financial debt	3.176,49	2.931,19
Other long term financial liabilities	302,86	362,75
Deferred tax liabilities	30,41	28,56
Provisions	356,52	185,59
Other non current liabilities	16,05	18,41
CURRENT LIABILITIES	1.778,16	1.974,77
Short term financial debt	223,63	411,11
Other current financial liabilities	89,32	17,79
Trade accounts payable	1.180,07	1.234,85
Other short term liabilities	252,77	280,63
Accrual accounts	32,37	30,40
TOTAL LIABILITIES	7.878,52	8.151,45

Appendix II. TOTAL NET FINANCIAL POSITION

€ Million	12/31/2011	12/31/2010
NET DEBT		
Prisa (includes Media Capital)	3.200,93	3.069,14
Prisa TV	44,53	(132,09)
Net financial debt	3.245,46	2.937,05
Other financial debt	288,11	275,74
Total net debt	3.533,58	3.212,79

The “Other financial debt” item includes 110.916 million euros in liability from the obligation generated by the annual preferred dividend commitment to DLJ, as well as 177.197 million euros in liability for the present value of the dividend owed to holders of the convertible non-voting shares that the company issued as part of the operation to strengthen its capital base.

Appendix III. BREAKDOWN OF INVESTMENTS

€ Million	CAPEX 2011	Long term financial investments 2011	TOTAL 2011
Audiovisual	116,38	10,37	126,75
Prisa TV	107,82	7,12	114,94
Media Capital	8,56	3,25	11,81
Education- Publishing	67,45	---	67,45
Radio	8,13	0,43	8,56
Radio in Spain	2,86	0,43	3,29
International Radio	5,11	---	5,11
Music	0,16	---	0,16
Press	3,71	0,33	4,04
El País	2,26	---	2,26
AS	0,72	---	0,72
Cinco Días	0,17	---	0,17
Others	0,57	0,33	0,90
Others	22,31	0,83	23,14
Digital	19,38	0,13	19,51
Prisa	2,09	---	2,09
Other	0,85	0,70	1,54
Total	217,98	11,95	229,93

Prisa TV’s Capex includes the acquisition of digital cards and decoders because of a change in the iPlus marketing model, from a sales model to one in which it is made available in exchange for a periodic fee. It also includes costs incurred in the processes of installing and activating new

subscribers and investments in new IT projects for the rendering of TV services. The capex in the **Education** area corresponds, not only to the investment in the production of text books, but also to the investments made in the Education systems which Santillana is commercializing in Latin America. Of note in the **Digital** area is the CAPEX investment to create a new digital multimedia platform to integrate content from the various business units, get better information about our consumers, and create new business models based on segmentation and serving networked communities.

Appendix IV. CASH FLOW STATEMENT

€ Million	12/31/2011	12/31/2010
EBITDA	436,91	596,33
Provisions	(45,17)	(37,21)
Change in working capital	(136,45)	9,86
Cash flow from operating activities	255,29	568,98
Capex	(217,98)	(206,01)
Financial investments	(11,95)	(16,16)
Disinvestments	5,71	59,34
Cash flow from investing activities	(224,22)	(162,83)
Interests paid	(124,39)	(124,79)
Dividends paid	(83,03)	(25,67)
Dividends received	26,46	-
Financing to associates	(46,89)	-
Warrants exercise	1,77	-
Other	(24,71)	(19,67)
Cash flow from financing activities	(250,80)	(170,12)
Taxes paid	(52,99)	(31,54)
Other	(37,44)	(45,15)
Cash flow	(310,16)	159,33
Sale of 10% of Media Capital	23,74	-
Sale of 25% Santillana	-	278,62
Sale of Canal+ and Cuatro net of expenses	-	911,17
Capital increase net of expenses	-	575,83
Cash flow from special operations	23,74	1.765,62
Cash flow after special operations	(286,42)	1.924,95

The investment in working capital is due mainly to Prisa TV, and corresponds to extraordinary elements such as the sentences of ONO, Espanyol football club and Barcelona football club, the TVE canon, investment in decoders and payments of matured debt and promissory notes.

The increase in operating investments was mainly due to the fact that Canal+ changed the iPlus marketing model, to the investment in decoders, to investments in both text books and education systems in Santillana and to investment in creating a new digital platform.

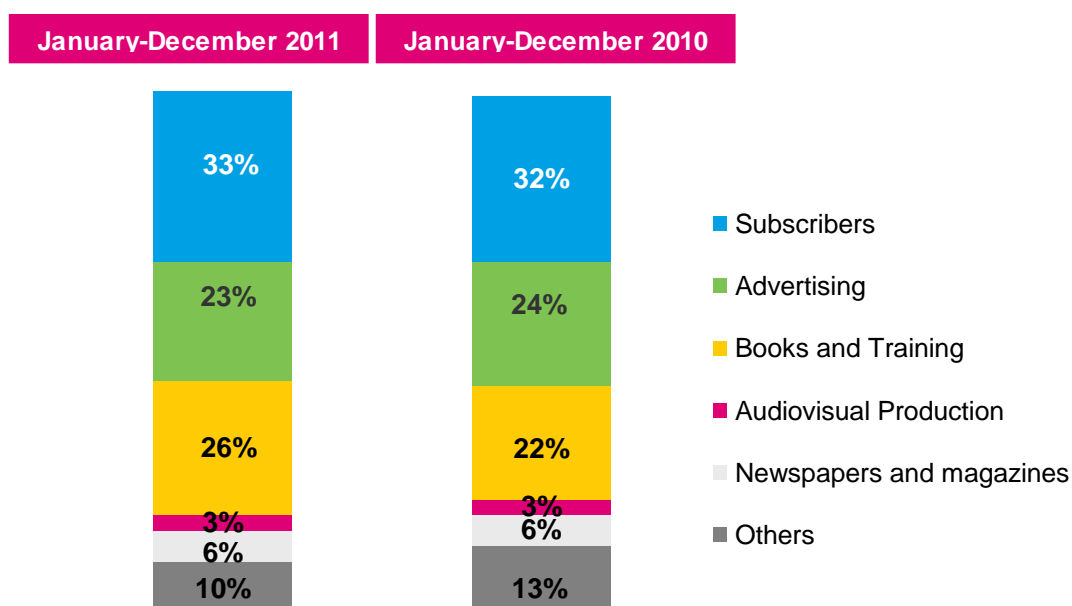
Dividend payments in 2011 basically reflect payments to third parties by the Canal+ business. On the flipside, dividend income corresponds mainly to the 17.336% stake in Mediaset España.

Financing for subsidiaries includes a loan granted to the printing business.

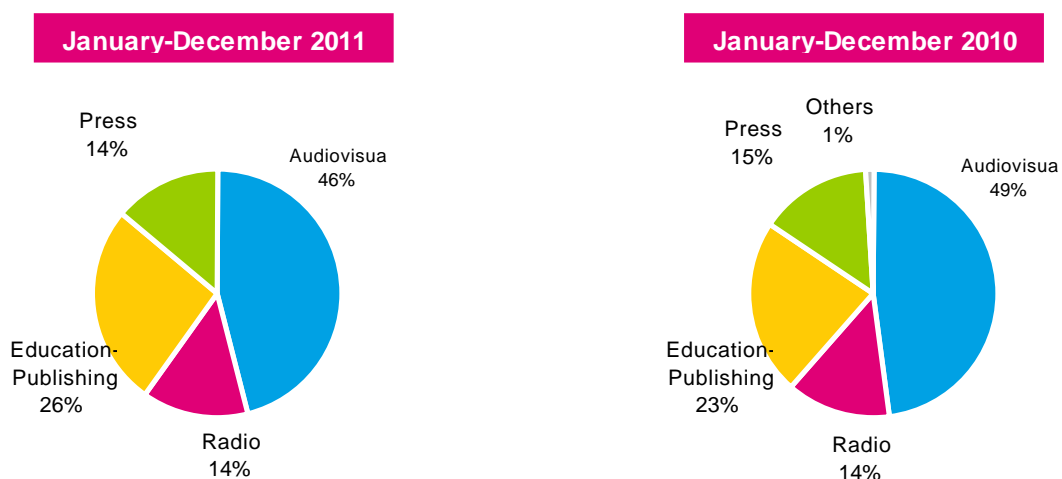
Appendix V. BREAKDOWN OF OPERATING REVENUE

Below is a breakdown of pro forma operating revenue (treating Cuatro as a discontinuing operation in 2010) by business line, business unit and geographical origin:

V.I. By business line



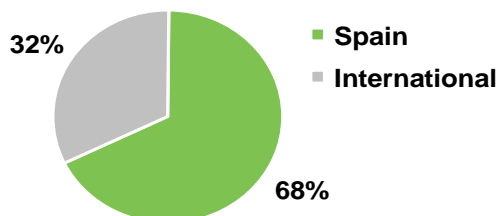
V.II. By business unit



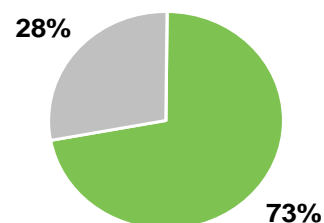
Note. Most of the revenues in "Others" is compensated by the consolidation adjustments at Group level

V.III. By geographical origin

January-December 2011



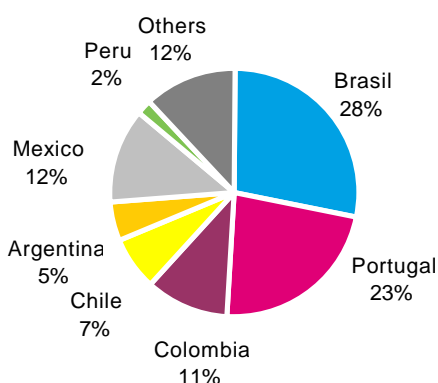
January-December 2010



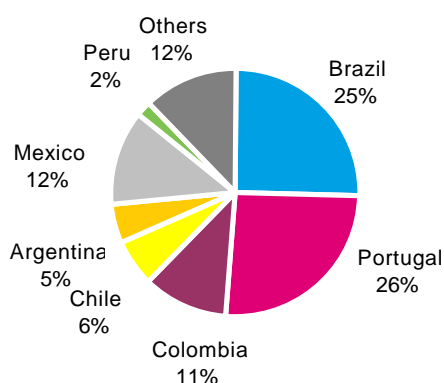
In 2011, 32.2% of revenue came from the international area (compared to 28.1% in 2010), of which 62.6% came from Santillana, 21.1% from Media Capital and the rest mostly from international radio.

In the international area, revenue by country was as follows:

January-December 2011



January-December 2010



Revenue from the international area includes a noteworthy contribution by Brazil and Portugal (51% of the total international). The international area as a whole maintained a strong growth rate, recording 10.8% growth in 2011, including strong growth in revenue from Latin America (up 15.9%).

Appendix VI. FINANCIAL DATA BY BUSINESS UNIT
VI.I. Operating revenue

OPERATING REVENUES	JANUARY - DECEMBER		
	2011	2010	% Chg.
€ Million			
Audiovisual	1.241,19	1.372,40	(9,6%)
Prisa TV *	1.011,28	1.133,99	(10,8%)
Subscribers	887,09	913,11	(2,8%)
Advertising	16,48	17,18	(4,1%)
Others	107,71	203,70	(47,1%)
Media Capital	224,36	249,01	(9,9%)
Consolidation Adjustments	5,55	(10,60)	152,4%
Education - Publishing	720,39	642,25	12,2%
Spain & Portugal	178,95	181,65	(1,5%)
Latam & USA	541,45	460,60	17,6%
Radio	376,77	405,52	(7,1%)
Radio in Spain	230,80	252,91	(8,7%)
International Radio	128,32	118,91	7,9%
Music	26,97	38,18	(29,4%)
Consolidation Adjustments	(9,31)	(4,48)	(107,8%)
Press	390,01	420,35	(7,2%)
El Pais	255,27	275,25	(7,3%)
AS	75,15	82,29	(8,7%)
Cinco Días	15,45	15,32	0,8%
Magazines	32,01	35,94	(10,9%)
Distribution	19,06	18,74	1,7%
Consolidation Adjustments	(6,92)	(7,20)	3,8%
Other Revenues	101,60	96,93	4,8%
Prisa Brand Solutions	22,78	21,21	7,4%
Others**	78,82	75,72	4,1%
Consolidation Adjustments	(105,51)	(114,72)	8,0%
TOTAL	2.724,45	2.822,73	(3,5%)

*Prisa TV includes the Pay TV and other related activities

** Others include mainly the activities from Head Quarters.

VI.II. Advertising

ADVERTISING	JANUARY - DECEMBER		
	2011	2010	% Chg.
€ Million			
Audiovisual	153,55	166,80	(7,9%)
Prisa TV	16,48	17,18	(4,1%)
Media Capital	137,08	149,62	(8,4%)
Radio	325,61	342,94	(5,1%)
Radio in Spain	204,37	225,04	(9,2%)
International Radio	120,84	114,61	5,4%
Music	0,63	3,45	(81,6%)
Consolidation Adjustments	(0,23)	(0,16)	(45,3%)
Press	147,85	172,77	(14,4%)
El Pais	107,56	126,27	(14,8%)
AS	20,36	23,75	(14,3%)
Cinco Días	8,11	8,74	(7,2%)
Magazines	12,23	14,28	(14,3%)
Consolidation Adjustments	(0,41)	(0,26)	(58,9%)
Others	2,26	1,18	91,2%
Consolidation Adjustments	(9,20)	(9,99)	7,9%
TOTAL	620,06	673,70	(8,0%)

VI.III. Operating expenses

OPERATING EXPENSES	JANUARY - DECEMBER		
	2011	2010	% Chg.
€ Million			
Audiovisual	1.119,80	1.177,96	(4,9%)
Prisa TV*	915,71	959,93	(4,6%)
Media Capital	207,52	220,00	(5,7%)
Consolidation Adjustments	(3,43)	(1,96)	(74,4%)
Education - Publishing	616,41	536,79	14,8%
Spain & Portugal	159,98	159,17	0,5%
Latam & USA	456,43	377,62	20,9%
Radio	351,59	315,46	11,5%
Radio in Spain	233,38	191,90	21,6%
International Radio	98,73	92,77	6,4%
Music	28,80	35,27	(18,4%)
Consolidation adjustments	(9,31)	(4,48)	(107,9%)
Press	373,53	378,05	(1,2%)
El Pais	246,34	247,03	(0,3%)
AS	60,88	68,23	(10,8%)
Cinco Dias	15,99	15,72	1,7%
Magazines	38,37	34,66	10,7%
Distribution	18,77	18,21	3,0%
Consolidation Adjustments	(6,81)	(5,81)	---
Other Expenses	169,88	128,10	32,6%
Prisa Brand Solutions	25,56	24,47	4,5%
Others**	144,32	103,63	39,3%
Consolidation Adjustments	128,98	(49,79)	---
TOTAL	2.760,19	2.486,58	11,0%

* Prisa TV includes the Pay TV and other related activities

** Others include mainly the activities from Head Quarters. Provisions for owned companies are excluded.

VI.IV. EBITDA

EBITDA € Million	JANUARY - DECEMBER		
	2011	2010	% Chg.
Audiovisual	234,69	308,78	(24,0%)
% margin	18,9%	22,5%	
Prisa TV*	186,77	269,37	(30,7%)
% margin	18,5%	23,8%	
Media Capital	38,95	48,04	(18,9%)
% margin	17,4%	19,3%	
Consolidation Adjustments	8,98	(8,63)	---
Education - Publishing	170,20	166,35	2,3%
% margin	23,6%	25,9%	
Spain&Portugal	42,71	47,97	(11,0%)
% margin	23,9%	26,4%	
Latam & USA	127,49	118,38	7,7%
% margin	23,5%	25,7%	
Radio	51,61	108,07	(52,2%)
% margin	13,7%	26,6%	
Radio in Spain	16,17	71,14	(77,3%)
% margin	7,0%	28,1%	
International Radio	36,14	32,35	11,7%
% margin	28,2%	27,2%	
Music	(0,71)	4,58	(115,5%)
% margin	(2,6%)	12,0%	
Press	40,05	57,86	(30,8%)
% margin	10,3%	13,8%	
El Pais	20,55	38,56	(46,7%)
% margin	8,1%	14,0%	
AS	16,26	15,87	2,5%
% margin	21,6%	19,3%	
Cinco Dias	0,06	0,05	16,0%
% margin	0,4%	0,3%	
Magazines	2,21	2,00	10,0%
% margin	6,9%	5,6%	
Distribution	1,05	1,38	(23,9%)
% margin	5,5%	7,4%	
Others	(59,63)	(44,71)	(33,3%)
Prisa Brand Solutions	(2,23)	(1,63)	(36,2%)
% margin	(9,8%)	(7,7%)	
Others**	(57,40)	(43,08)	(33,2%)
TOTAL	436,91	596,33	(26,7%)
% margin	16,0%	21,1%	

* Prisa TV includes the Pay TV and other related activities

** Others include mainly Head Quarters.

VI.V. EBIT

EBIT	ENERO - DICIEMBRE		
	2011	2010	% Chg.
€ Million			
Audiovisual	121,39	194,44	(37,6%)
% margin	9,8%	14,2%	
Prisa TV*	95,57	174,06	(45,1%)
% margin	9,5%	15,3%	
Media Capital	16,84	29,01	(41,9%)
% margin	7,5%	11,6%	
Consolidation Adjustments	8,98	(8,63)	---
Education - Publishing	103,99	105,46	(1,4%)
% margin	14,4%	16,4%	
Spain&Portugal	18,97	22,48	(15,6%)
% margin	10,6%	12,4%	
Latam&USA	85,02	82,98	2,5%
% margin	15,7%	18,0%	
Radio	25,18	90,06	(72,0%)
% margin	6,7%	22,2%	
Radio in Spain	(2,58)	61,01	(104,2%)
% margin	(1,1%)	24,1%	
International Radio	29,59	26,14	13,2%
% margin	23,1%	22,0%	
Music	(1,83)	2,92	(162,6%)
% margin	(6,8%)	7,6%	
Press	16,48	42,30	(61,0%)
% margin	4,2%	10,1%	
El Pais	8,93	28,22	(68,4%)
% margin	3,5%	10,3%	
AS	14,28	14,06	1,6%
% margin	19,0%	17,1%	
Cinco Dias	(0,54)	(0,40)	(35,8%)
% margin	(3,5%)	(2,6%)	
Magazines	(6,35)	1,27	---
% margin	(19,8%)	3,5%	
Distribution	0,30	0,53	(44,0%)
% margin	1,6%	2,8%	
Others	(302,77)	(96,11)	---
Prisa Brand Solutions	(2,78)	(3,26)	14,7%
% margin	(12,2%)	(15,4%)	
Others**	(299,99)	(92,85)	---
TOTAL	(35,74)	336,15	(110,6%)
% margin	(1,3%)	11,9%	

* Prisa TV includes the Pay TV and other related activities

** Others include mainly the activities from Prisa Innova, Real Estate and Head Quarters. Provisions for owned companies are excluded.

Appendix VII. QUARTERLY FINANCIAL DATA BY BUSINESS UNIT

VII.I. Operating revenue

OPERATING REVENUES	2011*				2010*				%Chg.2011/2010			
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
€ Million												
Audiovisual	313,67	319,24	297,49	310,79	356,07	331,14	302,30	382,89	(11,9%)	(3,6%)	(1,6%)	(18,8%)
Prisa TV	254,21	252,00	250,02	255,05	300,92	266,32	250,28	316,48	(15,5%)	(5,4%)	(0,1%)	(19,4%)
Subscribers	224,88	223,32	215,14	223,76	234,42	231,03	223,23	224,44	(4,1%)	(3,3%)	(3,6%)	(0,3%)
Advertising	4,20	4,32	2,86	5,10	3,96	5,15	3,18	4,90	6,3%	(16,2%)	(10,1%)	4,1%
Others	25,13	24,36	32,03	26,19	62,54	30,14	23,88	87,14	(59,8%)	(19,2%)	34,1%	(69,9%)
Media Capital	53,55	64,46	49,27	57,08	55,24	65,21	52,37	76,19	(3,1%)	(1,2%)	(5,9%)	(25,1%)
Consolidation Adjustments	5,91	2,78	(1,80)	(1,33)	(0,09)	(0,39)	(0,34)	(9,77)	---	---	---	86,4%
Education - Publishing	185,78	133,23	229,82	171,56	164,76	135,30	197,40	144,79	12,8%	(1,5%)	16,4%	18,5%
Spain & Portugal	6,09	54,29	117,81	0,76	16,07	53,22	107,35	5,01	(62,1%)	2,0%	9,7%	(84,9%)
Latam & USA	179,69	78,94	112,02	170,80	148,69	82,08	90,06	139,77	20,8%	(3,8%)	24,4%	22,2%
Radio	83,42	101,63	84,43	107,30	83,38	114,09	90,13	117,92	0,0%	(10,9%)	(6,3%)	(9,0%)
Radio in Spain	56,89	67,19	45,02	61,70	56,92	72,90	49,81	73,28	(0,1%)	(7,8%)	(9,6%)	(15,8%)
International Radio	26,29	31,50	33,13	37,40	21,99	31,28	30,27	35,37	19,5%	0,7%	9,5%	5,7%
Music	2,89	4,91	8,19	10,98	5,67	10,70	10,72	11,08	(49,0%)	(54,1%)	(23,7%)	(0,9%)
Consolidation Adjustments	(2,65)	(1,97)	(1,91)	(2,78)	(1,21)	(0,80)	(0,67)	(1,81)	(119,8%)	(146,7%)	(184,1%)	(54,1%)
Press	109,75	103,28	80,03	96,95	100,70	114,56	92,26	112,84	9,0%	(9,8%)	(13,3%)	(14,1%)
El Pais	75,53	65,65	50,18	63,91	67,05	76,65	54,95	76,61	12,6%	(14,3%)	(8,7%)	(16,6%)
AS	18,85	20,93	17,66	17,71	18,49	21,24	23,85	18,72	2,0%	(1,4%)	(26,0%)	(5,4%)
Cinco Días	4,27	4,80	2,80	3,58	3,92	4,31	3,03	4,06	8,9%	11,4%	(7,7%)	(11,8%)
Magazines	8,02	8,43	6,40	9,17	8,37	8,53	7,40	11,64	(4,2%)	(1,2%)	(13,5%)	(21,3%)
Distribution	4,49	4,89	4,76	4,92	4,26	5,07	4,44	4,97	5,2%	(3,6%)	7,3%	(0,9%)
Consolidation Adjustments	(1,41)	(1,42)	(1,77)	(2,33)	(1,40)	(1,23)	(1,41)	(3,16)	(0,5%)	(14,9%)	(25,6%)	26,1%
Other Revenues	25,60	26,55	25,60	23,84	16,12	27,20	22,87	30,75	58,9%	(2,4%)	11,9%	(22,5%)
Prisa Brand Solutions	6,30	6,07	6,03	4,38	2,97	9,21	3,72	5,31	112,5%	(34,2%)	62,3%	(17,5%)
Others	19,30	20,49	19,57	19,46	13,15	17,98	19,15	25,43	46,8%	13,9%	2,2%	(23,5%)
Consolidation adjustments	(27,52)	(24,37)	(29,11)	(24,51)	(12,80)	(21,81)	(25,60)	(54,51)	(115,1%)	(11,8%)	(13,7%)	55,0%
TOTAL	690,93	659,84	687,75	685,93	708,33	700,64	679,09	734,68	(2,5%)	(5,8%)	1,3%	(6,6%)

*Distribution has been consolidated into Press.

VII.II. Advertising

ADVERTISING	2011				2010				%Chg.2011/2010			
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
€ Million												
Audiovisual	35,32	43,87	31,89	42,47	36,47	45,95	35,03	49,36	(3,1%)	(4,5%)	(9,0%)	(14,0%)
Prisa TV	4,20	4,32	2,86	5,10	3,96	5,15	3,18	4,89	6,3%	(16,2%)	(10,2%)	4,2%
Media Capital	31,12	39,55	29,03	37,37	32,51	40,79	31,85	44,47	(4,3%)	(3,0%)	(8,8%)	(15,9%)
Radio	74,13	87,67	72,08	91,74	73,45	98,49	74,13	96,87	0,9%	(11,0%)	(2,8%)	(5,3%)
Radio in Spain	49,54	58,37	40,58	55,89	51,55	67,10	43,96	62,44	(3,9%)	(13,0%)	(7,7%)	(10,5%)
International Radio	24,50	29,14	31,54	35,65	21,27	30,23	29,39	33,72	15,2%	(3,6%)	7,3%	5,7%
Music	0,12	0,27	0,05	0,19	0,64	1,22	0,83	0,76	(80,7%)	(78,2%)	(93,5%)	(75,1%)
Consolidation adjustments	(0,04)	(0,10)	(0,09)	0,01	(0,00)	(0,06)	(0,05)	(0,05)	---	(72,1%)	(100,0%)	112,8%
Press	36,36	41,72	25,53	44,23	39,74	51,11	28,79	53,13	(8,5%)	(18,4%)	(11,3%)	(16,8%)
El Pais	26,51	30,53	18,47	32,06	30,27	37,11	20,15	38,74	(12,4%)	(17,7%)	(8,4%)	(17,3%)
AS	4,66	5,59	4,04	6,06	4,61	7,41	4,75	6,98	1,1%	(24,5%)	(15,0%)	(13,1%)
Cinco Días	2,31	2,37	1,35	2,09	2,23	2,59	1,44	2,47	3,5%	(8,7%)	(6,3%)	(15,6%)
Magazines	2,98	3,26	1,83	4,16	2,87	3,86	2,43	5,11	3,7%	(15,7%)	(24,6%)	(18,6%)
Consolidation adjustments	(0,10)	(0,02)	(0,15)	(0,14)	(0,24)	0,14	0,01	(0,17)	59,9%	(115,1%)	---	18,6%
Others	0,59	0,63	0,55	0,49	0,55	0,21	0,06	0,36	7,8%	---	---	35,7%
Consolidation adjustments	(2,39)	(2,04)	(2,22)	(2,55)	(1,70)	(1,64)	(2,36)	(4,29)	(40,6%)	(24,4%)	5,9%	40,6%
TOTAL	144,01	171,86	127,82	176,38	148,51	194,12	135,64	195,43	(3,0%)	(11,5%)	(5,8%)	(9,7%)

VII.III. Operating expenses

OPERATING EXPENSES	2011*				2010*				%Chg.2011/2010			
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
€ Million												
Audiovisual	303,55	270,19	247,54	298,52	305,69	284,66	249,09	338,52	(0,7%)	(5,1%)	(0,6%)	(11,8%)
Prisa TV	254,16	218,45	201,92	241,17	253,78	231,28	200,40	274,47	0,1%	(5,5%)	0,8%	(12,1%)
Media Capital	49,58	51,84	47,42	58,68	52,00	53,78	49,04	65,19	(4,7%)	(3,6%)	(3,3%)	(10,0%)
Consolidation adjustments	(0,19)	(0,10)	(1,80)	(1,33)	(0,09)	(0,39)	(0,34)	(1,14)	(101,1%)	73,7%	---	(17,2%)
Education - Publishing	135,99	137,48	173,67	169,27	117,54	132,19	147,00	140,07	15,7%	4,0%	18,1%	20,8%
Spain & Portugal	26,91	43,85	70,76	18,46	28,47	43,97	64,64	22,09	(5,5%)	(0,3%)	9,5%	(16,4%)
Latam & USA	109,07	93,63	102,91	150,81	89,07	88,21	82,36	117,98	22,5%	6,1%	25,0%	27,8%
Radio	73,57	85,02	83,72	109,28	70,45	83,86	78,12	83,03	4,4%	1,4%	7,2%	31,6%
Radio in Spain	49,31	57,83	52,00	74,23	45,02	51,50	43,95	51,43	9,5%	12,3%	18,3%	44,3%
International Radio	23,49	22,99	25,38	26,87	20,89	23,94	24,39	23,55	12,5%	(4,0%)	4,0%	14,1%
Music	3,41	6,16	8,26	10,97	5,75	9,22	10,45	9,85	(40,6%)	(33,1%)	(21,0%)	11,3%
Consolidation adjustments	(2,65)	(1,97)	(1,91)	(2,78)	(1,21)	(0,80)	(0,67)	(1,80)	(119,5%)	(147,2%)	(184,2%)	(54,1%)
Press	110,30	90,30	79,28	93,66	95,68	101,07	89,45	91,86	15,3%	(10,7%)	(11,4%)	2,0%
El Pais	78,04	59,69	52,39	56,23	62,75	66,47	56,62	61,19	24,4%	(10,2%)	(7,5%)	(8,1%)
AS	15,86	15,87	14,20	14,95	16,84	18,14	18,58	14,68	(5,8%)	(12,5%)	(23,5%)	1,8%
Cinco Días	4,91	3,86	3,40	3,82	4,08	4,12	3,70	3,83	20,5%	(6,3%)	(8,2%)	(0,1%)
Magazines	8,45	7,30	6,57	16,05	8,71	8,23	7,60	10,13	(2,9%)	(11,3%)	(13,5%)	58,4%
Distribution	4,42	4,44	4,75	5,16	4,14	4,66	4,44	4,98	6,8%	(4,7%)	7,1%	3,5%
Consolidation adjustments	(1,38)	(0,85)	(2,04)	(2,54)	(0,83)	(0,54)	(1,49)	(2,95)	(66,9%)	(57,8%)	(36,6%)	13,9%
Other Expenses	40,90	39,14	38,88	50,97	22,24	32,50	34,93	38,44	83,9%	20,4%	11,3%	32,6%
Prisa Brand Solutions	6,54	6,26	6,55	6,21	2,73	8,69	5,83	7,22	140,0%	(28,0%)	12,4%	(14,1%)
Others	34,36	32,88	32,33	44,76	19,51	23,81	29,10	31,21	76,1%	38,1%	11,1%	43,4%
Consolidation adjustments	(26,98)	(26,41)	(28,26)	210,63	(15,36)	(29,66)	(19,29)	14,52	(75,7%)	10,9%	(46,5%)	---
TOTAL	637,55	595,99	594,32	932,33	596,35	604,78	579,49	705,96	6,9%	(1,5%)	2,6%	32,1%

*Distribution has been consolidated into Press

VII.IV. EBITDA

EBITDA	2011*				2010*				%Chg.2011/2010			
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
€ Million												
Audiovisual	34,92	74,36	75,75	49,66	78,83	73,95	79,29	76,71	(55,7%)	0,6%	(4,5%)	(35,3%)
% margin	11,1%	23,3%	25,5%	16,0%	22,1%	22,3%	26,2%	20,0%				
Prisa TV	21,86	55,83	70,50	38,57	72,60	59,31	72,76	64,71	(69,9%)	(5,9%)	(3,1%)	(40,4%)
% margin	8,6%	22,2%	28,2%	15,1%	24,1%	22,3%	29,1%	20,4%				
Media Capital	6,96	15,65	5,25	11,09	6,23	14,64	6,53	20,63	11,6%	6,9%	(19,6%)	(46,3%)
% margin	13,0%	24,3%	10,7%	19,4%	11,3%	22,4%	12,5%	27,1%				
Consolidation Adjustments	6,10	2,88	(0,00)	(0,00)	0,00	0,00	(0,00)	(8,63)				
Education - Publishing	62,81	15,23	86,51	5,65	53,79	19,44	84,98	8,15	16,8%	(21,6%)	1,8%	(30,6%)
% margin	33,8%	11,4%	37,6%	3,3%	32,6%	14,4%	43,0%	5,6%				
Spain&Portugal	(18,20)	18,23	65,82	(23,14)	(12,54)	16,43	64,58	(20,50)	(45,2%)	11,0%	1,9%	(12,9%)
% margin	(298,7%)	33,6%	55,9%	(3054,4%)	(78,0%)	30,9%	60,2%	(408,9%)				
Latam&USA	81,01	(3,00)	20,69	28,792	66,33	3,01	20,40	28,65	22,1%	(199,9%)	1,4%	0,5%
% margin	45,1%	(3,8%)	18,5%	16,9%	44,6%	3,7%	22,7%	20,5%				
Radio	14,62	22,80	5,09	9,10	16,76	34,67	16,53	40,10	(12,8%)	(34,2%)	(69,2%)	(77,3%)
% margin	17,5%	22,4%	6,0%	8,5%	20,1%	30,4%	18,3%	34,0%				
Radio in Spain	10,64	13,57	(4,35)	(3,7)	13,97	23,85	8,42	24,90	(23,8%)	(43,1%)	(151,7%)	(114,8%)
% margin	18,7%	20,2%	(9,7%)	(6,0%)	24,5%	32,7%	16,9%	34,0%				
International Radio	4,18	10,22	9,39	12,35	2,50	8,95	7,42	13,48	67,3%	14,2%	26,5%	(8,4%)
% margin	15,9%	32,4%	28,3%	33,0%	11,4%	28,6%	24,5%	38,1%				
Music	(0,21)	(0,99)	0,05	0,44	0,29	1,87	0,692	1,722	(170,5%)	(152,8%)	(92,9%)	(74,6%)
% margin	(7,1%)	(20,2%)	0,6%	4,0%	5,1%	17,5%	6,5%	15,5%				
Press	2,41	15,93	3,98	17,73	7,75	17,63	5,90	26,58	(68,9%)	(9,7%)	(32,6%)	(33,3%)
% margin	2,2%	14,8%	5,0%	18,3%	7,7%	15,6%	6,6%	24,2%				
El Pais	(0,16)	8,26	0,41	12,05	6,47	12,45	0,74	18,90	(102,5%)	(33,7%)	(45,2%)	(36,3%)
% margin	(0,2%)	12,6%	0,8%	18,9%	9,6%	16,2%	1,4%	24,7%				
AS	3,32	5,38	3,78	3,79	1,84	3,38	5,62	5,03	80,6%	59,2%	(32,8%)	(24,6%)
% margin	17,6%	25,7%	21,4%	21,4%	9,9%	15,9%	23,6%	26,9%				
Cinco Dias	(0,56)	1,04	(0,5)	0,09	(0,11)	0,26	(0,57)	0,47	---	---	8,8%	(80,5%)
% margin	(13,1%)	21,8%	(18,5%)	2,5%	(2,7%)	6,0%	(18,7%)	11,5%				
Magazines	(0,38)	1,224	(0,12)	1,48	(0,27)	0,42	(0,12)	1,979	(39,8%)	193,5%	(0,0%)	(25,1%)
% margin	(4,8%)	14,5%	(1,8%)	16,2%	(3,3%)	4,9%	(1,6%)	17,0%				
Distribution	0,21	0,59	0,15	0,10	0,30	0,55	0,13	0,40	(30,0%)	7,3%	16,2%	(75,6%)
% margin	4,7%	12,1%	3,2%	2,0%	7,1%	10,8%	3,0%	8,0%				
Others	(14,32)	(8,55)	(11,83)	(24,92)	(2,37)	3,23	(16,12)	(29,46)	---	---	26,6%	15,4%
Prisa Brand Solutions	(0,10)	(0,06)	(0,38)	(1,69)	0,33	0,77	(1,73)	(1,00)	(132,0%)	(107,4%)	78,2%	(68,6%)
% margin	(1,7%)	(0,9%)	(6,2%)	(38,5%)	11,0%	8,4%	(46,6%)	(18,8%)				
Others	(14,22)	(8,50)	(11,46)	(23,23)	(2,69)	2,46	(14,4)	(28,5)	---	---	20,4%	18,4%
TOTAL	100,43	119,78	159,49	57,22	154,75	148,92	170,59	122,07	(35,1%)	(19,6%)	(6,5%)	(53,1%)
% margin	14,5%	18,2%	23,2%	8,3%	21,8%	21,3%	25,1%	16,6%				

*Distribution has been consolidated into Press.

VII.V. EBIT

EBIT	2011*				2010*				%Chg.2011/2010				
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	
€ Million													
Audiovisual	10,11	49,05	49,95	12,28	50,38	46,48	53,21	44,38	(79,9%)	5,5%	(6,1%)	(72,3%)	
% margin	3,2%	15,4%	16,8%	4,0%	14,1%	14,0%	17,6%	11,6%					
Prisa TV	0,05	33,55	48,10	13,88	47,13	35,04	49,88	42,01	(99,9%)	(4,3%)	(3,6%)	(67,0%)	
% margin	0,0%	13,3%	19,2%	5,4%	15,7%	13,2%	19,9%	13,3%					
Media Capital	3,97	12,62	1,85	(1,60)	3,25	11,43	3,33	11,00	22,4%	10,4%	(44,5%)	(114,6%)	
% margin	7,4%	19,6%	3,7%	(2,8%)	5,9%	17,5%	6,4%	14,4%					
Consolidation Adjustments	6,10	2,88	(0,0)	0,00	0,00	0,00	0,00	(8,6)					
Education - Publishing	49,80	(4,25)	56,15	2,29	47,22	3,12	50,41	4,72	5,5%	---	11,4%	(51,5%)	
% margin	26,8%	(3,2%)	24,4%	1,3%	28,7%	2,3%	25,5%	3,3%					
Spain&Portugal	(20,82)	10,44	47,05	(17,70)	(12,40)	9,25	42,71	(17,08)	(68,0%)	12,9%	10,2%	(3,7%)	
% margin	(341,6%)	19,2%	39,9%	(2336,4%)	(77,1%)	17,4%	39,8%	(340,6%)					
Latam&USA	70,62	(14,69)	9,11	19,99	59,62	(6,13)	7,70	21,79	18,5%	(139,6%)	18,2%	(8,3%)	
% margin	39,3%	(18,6%)	8,1%	11,7%	40,1%	(7,5%)	8,6%	15,6%					
Radio	9,85	16,62	0,71	(1,99)	12,93	30,23	12,01	34,89	(23,8%)	(45,0%)	(94,1%)	(105,7%)	
% margin	11,8%	16,3%	0,8%	(1,9%)	15,5%	26,5%	13,3%	29,6%					
Radio in Spain	7,58	9,36	(6,98)	(12,53)	11,90	21,40	5,86	21,84	(36,3%)	(56,3%)	---	(157,4%)	
% margin	13,3%	13,9%	(15,5%)	(20,3%)	20,9%	29,4%	11,8%	29,8%					
International Radio	2,79	8,51	7,76	10,53	1,11	7,34	5,88	11,81	151,5%	16,0%	32,0%	(10,9%)	
% margin	10,6%	27,0%	23,4%	28,2%	5,0%	23,5%	19,4%	33,4%					
Music	(0,52)	(1,26)	(0,07)	0,01	(0,08)	1,49	0,27	1,24	---	---	(124,9%)	(98,8%)	
% margin	(18,0%)	(25,6%)	(0,8%)	0,1%	(1,3%)	13,9%	2,5%	11,2%					
Press	(0,54)	12,98	0,76	3,29	5,02	13,49	2,81	20,98	(110,8%)	(3,8%)	(73,1%)	(84,3%)	
% margin	(0,6%)	12,1%	0,9%	3,4%	5,1%	11,9%	3,2%	19,4%					
El Pais	(2,51)	5,97	(2,21)	7,67	4,30	10,18	(1,68)	15,41	(158,2%)	(41,4%)	(31,7%)	(50,2%)	
% margin	(3,3%)	9,1%	(4,4%)	12,0%	6,4%	13,3%	(3,1%)	20,1%					
AS	2,99	5,07	3,46	2,76	1,65	3,11	5,27	4,03	81,4%	63,3%	(34,5%)	(31,5%)	
% margin	15,8%	24,2%	19,6%	15,6%	8,9%	14,6%	22,1%	21,6%					
Cinco Dias	(0,64)	0,94	(0,60)	(0,24)	(0,15)	0,19	(0,67)	0,24	---	---	10,6%	---	
% margin	(14,9%)	19,5%	(21,4%)	(6,8%)	(3,8%)	4,3%	(22,1%)	5,8%					
Magazines	(0,43)	1,13	(0,17)	(6,88)	(0,34)	0,30	(0,20)	1,51	(29,2%)	---	13,9%	---	
% margin	(5,4%)	13,4%	(2,7%)	(75,0%)	(4,0%)	3,5%	(2,7%)	13,0%					
Distribution	0,07	0,45	0,01	(0,23)	0,13	0,41	0,00	(0,01)	(45,0%)	8,5%	---	---	
% margin	1,5%	9,2%	0,2%	(4,8%)	3,0%	8,2%	0,0%	(0,3%)					
Others	(15,84)	(10,54)	(14,13)	(262,27)	(3,57)	2,55	(18,79)	(76,29)	---	---	24,8%	---	
Prisa Brand Solutions	(0,24)	(0,20)	(0,52)	(1,83)	0,24	0,52	(2,11)	(1,91)	---	(137,6%)	75,5%	4,3%	
% margin	(3,8%)	(3,2%)	(8,6%)	(41,7%)	8,1%	5,6%	(56,8%)	(35,9%)					
Others	(15,60)	(10,34)	(13,61)	(260,44)	(3,81)	2,03	(16,68)	(74,38)	---	---	18,4%	---	
TOTAL	53,38	63,85	93,43	(246,40)	111,98	95,86	99,65	28,66	(52,3%)	(33,4%)	(6,2%)	---	
% margin	7,7%	9,7%	13,6%	-35,9%	15,8%	13,7%	14,7%	9,6%					

*Distribution has been consolidated into Press.

Appendix VIII. OTHER SIGNIFICANT EVENTS

- 1) Prisa signed an agreement with PortQuay West I B.V., a company controlled by Miguel Paes do Amaral, for the **sale of 10% of Media Capital** for 34.99 million euros (4.14 euros per share), 70% of that sum having been paid and the other 30% to be paid at a later date. Miguel Paes can increase his stake in the company by an additional 19.69% at the same price within one year. If this option is not exercised, Prisa has the right to recover the currently sold shares.
- 2) Canal+ acquired the broadcast rights to the **UEFA Champions League** and **UEFA Super Cup** for three seasons starting in August 2012.
- 3) In 2011, as a result of the partial implementation of **the monetary capital increase**, Prisa increased its capital with 883,138 shares of class A common stock, corresponding to the first twelve Prisa warrant exercise periods (exercise of 883,138 warrants at a price of 2 euros per share).

Also in 2011, **conversion rights** were exercised to convert a total of 14,776,160 class B shares into an equal number of class A shares.

- 4) Prisa has paid a gross dividend of 0.014863 euros per non-voting convertible class B share corresponding to 2010 earnings. This gross total comes from a pro-rata of the minimum annual dividend (€0.175), bearing in mind the issue date of these shares (Dec 1, 2010). The corresponding taxes have been deducted from the dividend total and the payment has been made on September 29, 2011 to all holders of class B shares at close of session on September 28, 2011.
- 5) **The No. 36 First Instance Court of Madrid** submitted in June, 2010 the temporary execution of the sentence passed in March this year, currently pending appeal before the Provincial Courts of Madrid, obliging Mediapro to pay 105 million euros to AVS, a subsidiary of Sogecable, plus 31 million in interest and expenses of the process and to deliver the rights of football clubs in the First and Second division of the Spanish League to AVS.

Following the declaration of insolvency and bankruptcy proceedings by Mediapro, which suspended the execution of the aforementioned Judgement, AVS has called in insolvency proceedings the restitution of audiovisual rights for football clubs. Insolvency administrators rejected the request. The petition was re-presented to the Judge in charge of the process, who also rejected the request. AVS has lodged a notice of appeal which is pending resolution before the Provincial Courts of Barcelona. Simultaneously, AVS has subsidiarily reported the pecuniary equivalent credit of the refund in the amount of 122 million euros which the insolvency administrators have recognized so far with contingent character. The Court has rejected AVS petition of considering them as ordinary being pending the resolution by the Provincial Court of Barcelona.

Finally, the total amount of credits that the insolvency administrators have recognized to AVS stands at over 330 million euros (97.3 as ordinary credit, 7.6 as a subordinate and 225 as contingent loans - which includes, as well as the aforementioned 122 million, the total corresponding to the very claim that resulted in the sentence, for the period of February 2008 to June 2009). This recognition is not firm, because there are several unresolved bankruptcy incidents on the credit rating, which AVS claims as ordinary in front of the Provincial Court of Barcelona, once the Court has initially rejected AVS petition.

On December 23rd 2011, the Mercantile Court num.7 of Barcelona pronounced a sentence rejecting the opposition formulated by AVS, and approved the advanced proposal of agreement and ceasing the effects of insolvency. AVS has presented an appeal against the sentence of the Mercantile Court Num.7 of Barcelona, and simultaneously against all the

resolutions issued during the Agreement, which according to the Solvency Law , are appealable in the current procedural phase, and which have rejected the incidents issued by AVS and destined to the correct integration of the asset and liability masses in the Insolvency process. These appeals are currently pending a solution by the Provincial Court of Barcelona.

- 6) PRISA announced in December 2011 the successful completion of the refinancing agreements of its financial debt, including the Syndicated Loan of May 19th, 2006, the Bridge Loan of December 20th, 2007, the Subordinated debt of December 20th, 2007 and a series of bilateral loans, which finished its formalization on the first days of January 2012.

The conditions of this refinancing agreement were the following:

- a. The **Syndicated loan** was transformed into a *Bullet* loan, with maturity on March 19th, 2014. In addition, pending completion of certain actions, such as the issuance of a bond, the maturity could be further extended to December 19th, 2014.
 - b. The maturity of the **Bridge loan**, which counts with no partial amortizations, and the **bilateral loans**, extend their maturity to January 15th, 2015. Also pending the completion of the same actions as in the syndicated loan, the maturity can be extended to September 19th, 2015.
 - c. **The Subordinated loan** extends its maturity to January 16th, 2015 and September 20th, 2015, once the conditions to extend the other loans are met.
- 7) With the approval of the refinancing process, the mechanisms for the exercise of 75 million warrants by Timón, PRISA's reference shareholder, Mr. Martin Franklin, and Mr. Nicolas Berggruen, for the amount of 150,000,000 Euros into shares of Prisa, was activated. With the formalization and exercise of the warrants, the new terms of PRISA's debt come into effect.

Appendix IX. GROUP STRUCTURE

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

Audiovisual	Education	Radio	Press
<ul style="list-style-type: none">• Prisa TV• Media Capital*	<ul style="list-style-type: none">• Education• General Publishing	<ul style="list-style-type: none">• Radio in Spain• International Radio• Gran Vía Musical	<ul style="list-style-type: none">• El País• As• Cinco Días• Magazines• Distribution

As of 3Q 2011, the Distribution business is included in the Press division. In addition, the Group has other business activities such as Ad Sales and Printing (Dédalo).

* Media Capital is included in the Audiovisual division because, although it includes other activities, most of its revenue comes from TVI (free-to-air television) and Plural (audiovisual production).

Appendix X. Pro forma reconciliation between EBITDA and EBIT for 2011 and 2010.

EBITDA as presented herein is an additional measurement of earnings that is not required by IFRS and is not presented in accordance with those standards. For that reason, below is a reconciliation between the EBITDA and the EBIT as required by IFRS:

(Thousands of euros)	JANUARY-DECEMBER	
GRUPO PRISA	2011	2010
Adjusted EBITDA	436.914	596.331
Depreciation and amortization charge	(171.331)	(170.363)
Variation in operating allowances	(45.171)	(37.210)
Impairment losses of assets	(3.204)	(1.427)
Impairment losses of goodwill	(252.944)	(51.179)
Profit from operations	(35.736)	336.152
AUDIOVISUAL	2011	2010
Adjusted EBITDA	234.694	308.777
Depreciation and amortization charge	(95.515)	(100.112)
Variation in operating allowances	(8.036)	(11.095)
Impairment losses of assets	(4)	2.234
Impairment losses of goodwill	(9.750)	(5.367)
Profit from operations	121.389	194.437
Prisa TV	2011	2010
Adjusted EBITDA	186.765	269.372
Depreciation and amortization charge	(83.715)	(87.938)
Variation in operating allowances	(7.478)	(9.635)
Impairment losses of assets	0	2.265
Impairment losses of goodwill	0	0
Profit from operations	95.572	174.064
Media Capital	2011	2010
Adjusted EBITDA	38.952	48.037
Depreciation and amortization charge	(11.800)	(12.174)
Variation in operating allowances	(558)	(1.460)
Impairment losses of assets	(4)	(31)
Impairment losses of goodwill	(9.750)	(5.367)
Profit from operations	16.840	29.005
Other	2011	2010
Adjusted EBITDA	8.977	(8.632)
Depreciation and amortization charge	0	0
Variation in operating allowances	0	0
Impairment losses of assets	0	0
Impairment losses of goodwill	0	0
Profit from operations	8.977	(8.632)

(Thousands of euros)

JANUARY-DECEMBER

EDUCATION	2011	2010
Adjusted EBITDA	170.198	166.347
Depreciation and amortization charge	(44.816)	(41.714)
Variation in operating allowances	(18.205)	(15.844)
Impairment losses of assets	(3.191)	(3.329)
Impairment losses of goodwill	0	0
Profit from operations	103.986	105.460

RADIO	2011	2010
Adjusted EBITDA	51.605	108.065
Depreciation and amortization charge	(14.664)	(14.328)
Variation in operating allowances	(11.757)	(3.673)
Impairment losses of assets	(1)	0
Impairment losses of goodwill	0	0
Profit from operations	25.183	90.064

Radio in Spain	2011	2010
Adjusted EBITDA	16.173	71.137
Depreciation and amortization charge	(8.905)	(7.802)
Variation in operating allowances	(9.848)	(2.329)
Impairment losses of assets	0	0
Impairment losses of goodwill	0	0
Profit from operations	(2.580)	61.006

International Radio	2011	2010
Adjusted EBITDA	36.142	32.347
Depreciation and amortization charge	(4.658)	(4.868)
Variation in operating allowances	(1.889)	(1.340)
Impairment losses of assets	(1)	0
Impairment losses of goodwill	0	0
Profit from operations	29.594	26.139

Other	2011	2010
Adjusted EBITDA	(710)	4.581
Depreciation and amortization charge	(1.101)	(1.658)
Variation in operating allowances	(20)	(4)
Impairment losses of assets	0	0
Impairment losses of goodwill	0	0
Profit from operations	(1.831)	2.919

(Thousands of euros)

	JANUARY-DECEMBER	
PRESS	2011	2010
Adjusted EBITDA	40.047	57.859
Depreciation and amortization charge	(9.915)	(9.957)
Variation in operating allowances	(5.907)	(4.255)
Impairment losses of assets	(7.745)	0
Impairment losses of goodwill	0	(1.351)
Profit from operations	16.480	42.296
El País	2011	2010
Adjusted EBITDA	20.551	38.562
Depreciation and amortization charge	(8.213)	(8.443)
Variation in operating allowances	(3.413)	(1.898)
Impairment losses of assets	0	0
Impairment losses of goodwill	0	0
Profit from operations	8.925	28.221
AS	2011	2010
Adjusted EBITDA	16.264	15.865
Depreciation and amortization charge	(608)	(390)
Variation in operating allowances	(1.379)	(1.416)
Impairment losses of assets	0	0
Impairment losses of goodwill	0	0
Profit from operations	14.277	14.059
Cinco Días	2011	2010
Adjusted EBITDA	58	50
Depreciation and amortization charge	(285)	(228)
Variation in operating allowances	(315)	(221)
Impairment losses of assets	0	0
Impairment losses of goodwill	0	0
Profit from operations	(542)	(399)
Distribution	2011	2010
Adjusted EBITDA	1.048	1.378
Depreciation and amortization charge	(631)	(630)
Variation in operating allowances	(121)	(219)
Impairment losses of assets	0	0
Impairment losses of goodwill	0	0
Profit from operations	296	529
Other	2011	2010
Adjusted EBITDA	2.126	2.004
Depreciation and amortization charge	(178)	(266)
Variation in operating allowances	(679)	(501)
Impairment losses of assets	(7.745)	0
Impairment losses of goodwill	0	(1.351)
Profit from operations	(6.476)	(114)
OTHER	2011	2010
Adjusted EBITDA	(59.630)	(44.717)
Depreciation and amortization charge	(6.421)	(4.252)
Variation in operating allowances	(1.266)	(2.343)
Impairment losses of assets	7.737	(332)
Impairment losses of goodwill	(243.194)	(44.461)
Profit from operations	(302.774)	(96.105)

Disclaimer

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

This document may contain “forward-looking statements” as defined in Section 27A of the Securities Act and Section 21E of the Exchange Act, including statements about the financial conditions, results of operations, earnings outlook and prospects of the Company. In addition, any statements that refer to projections, forecasts or other characterizations of future events or circumstances, including any underlying assumptions, are forward-looking statements. Forward-looking statements are based on management’s current expectations and are inherently subject to uncertainties and changes in circumstance and their potential effects and each speaks only as of the date of such statement. There can be no assurance that future developments will be those that have been anticipated.

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