ANNUAL RESULTS PRESENTATION

Madrid, March 2015

Disclaimer

In addition to figures prepared in accordance with IFRS, PRISA presents non-GAAP financial performance measures, e.g., EBITDA, EBITDA margin, adjusted EBITDA, adjusted EBITDA margin, adjusted EBIT, adjusted net profit, free cash flow, gross debt and net debt, among others. These non-GAAP measures should be considered in addition to, but not as a substitute for, the information prepared in accordance with IFRS. Non-GAAP financial performance measures are not subject to IFRS or any other generally accepted accounting principles. For further information relevant to the interpretation of these terms, please refer to the “Reconciliation Section” of the 1Q 2014 earnings press release filed with the Securities and Exchange Commission and posted on prisa.com.

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

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

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

Main highlights 2014

Advertising improvement in 4Q

- **Spain shows signs of recovery** with a +4,3% growth in 4Q (-0,4% full year)
- **Portugal consolidates its recovery** with +11.1% growth in the year

LatAm mantains solid growth in Local currencies

- **Growth in local currencies** despite the slowdown in some economies. **(Santillana +12%; Radio +5,4%)**
- **In Santillana, Digital learning system UNO increases** significantly its contribution to profitability (21,3 million EBITDA in 2014 versus 2,9 in 2013).
- However, **FX evolution has negatively impacted** revenues in € 80 million and EBITDA in €23 million

Accelerating the Digital transformation of the Group

- **Total transformation revenues** in the group **increased by 20%** reaching already 164 million euros

Cost Control across all businesess continues to be a priority

- **Cost reduction and capex** continues under control in all business areas.

Focus on executing the refinancing plan

- **Cancellation of 780 million of debt** at circa 25% discount.
  - Proceeds from the **sale of 13.68%** stake in **Mediaset** and the **capital increase of 100 M€.**
- **Agreement to sell Canal +** to Telefonica for an initial amount of 750 M€.
- **Cancellation of 63 million euros (face value) in 2015** with proceeds of 47 million euros (25% discount)
- **Capital increase of 75M€** at 0.53€ per share

Consolidated Group Results

Group results (€m)

	2014	2013	% chg.
Revenues	**1.412,9**	**1.472,5**	**-4,0**
EBITDA	**261,8**	**266,3**	**-1,7**
EBITDA margin %	*18,5%*	*18,1%*	
EBIT	**134,1**	**132,0**	**1,5**
EBIT margin %	*9,5%*	*9,0%*	

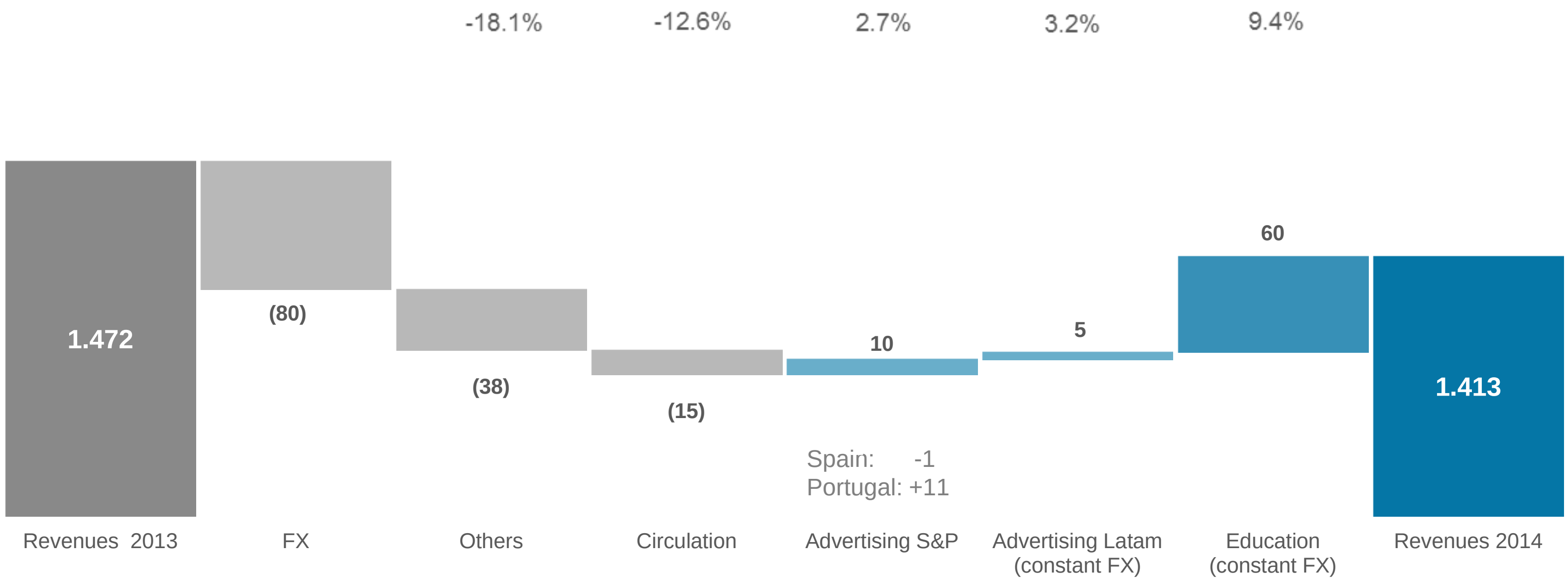
Group results at constant currency (€m)

	2014	2013	% chg.
Revenues	**1.493,0**	**1.472,5**	**1,4**
EBITDA	**284,6**	**266,3**	**6,9**
EBITDA margin %	*19,1%*	*18,1%*	
EBIT	**152,7**	**132,0**	**15,6**
EBIT margin %	*10,2%*	*9,0%*	

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

Revenue Evolution

Group results (€m)



2014*	**12.2%**	**7.6%**	**26.1%**	**10.5%**	**49.2%**
2013*	**14.3%**	**8.3%**	**24.4%**	**9.8%**	**43.1%**

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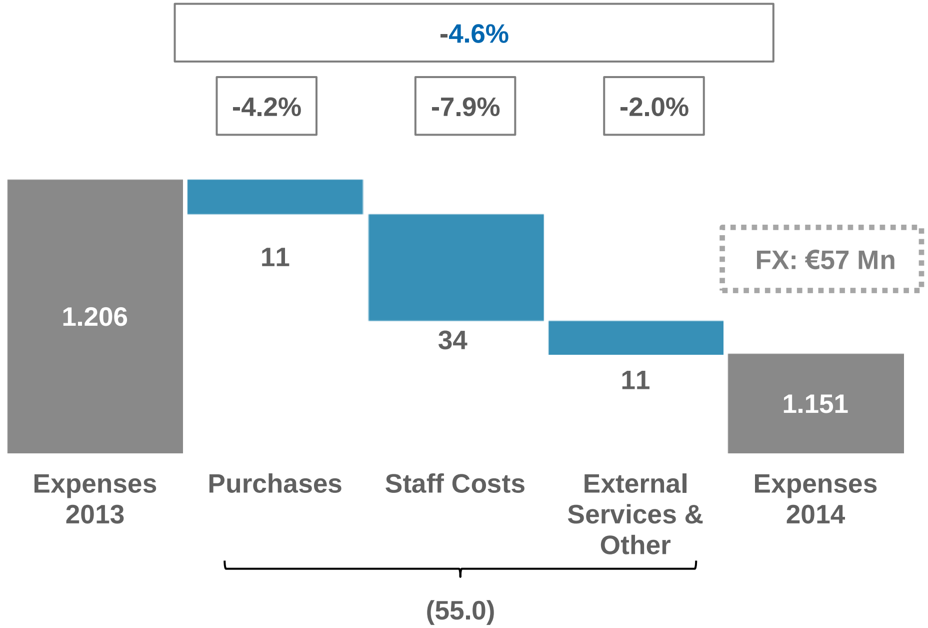
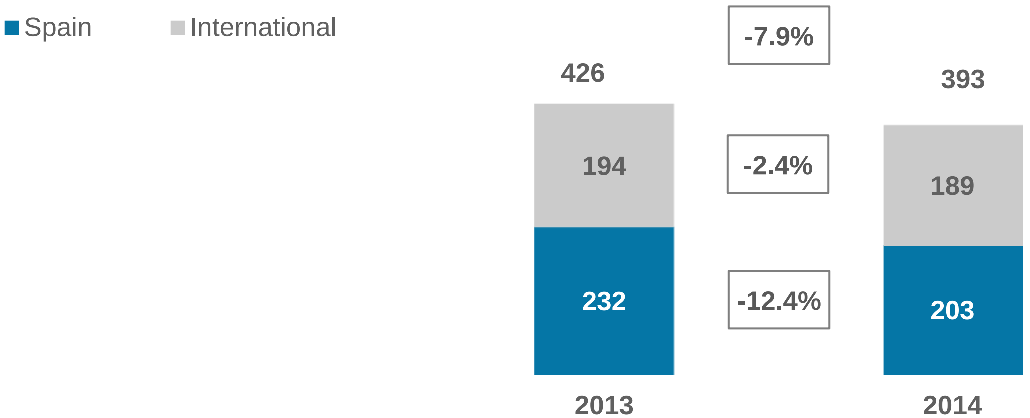
Focus on efficiency & cost control

Opex reduction (€m)



Staff costs (€m)



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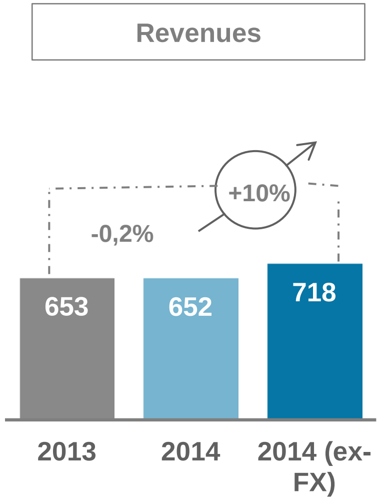
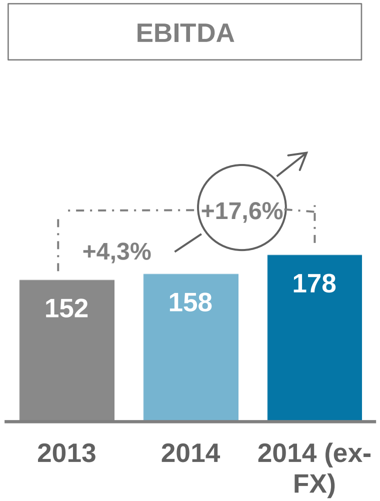
Santillana

Key highlights

- **Campaigns of traditional education** as a whole **have shown a positive evolution** in local currency.
- **Digital learning systems (UNO & Compartir)** continued its development **improving** its revenues and **profitability** significantly**.**
- **Negative FX impact** of 67 M€ in revenues and 20 M€ in EBITDA.

Operating performance (€m)





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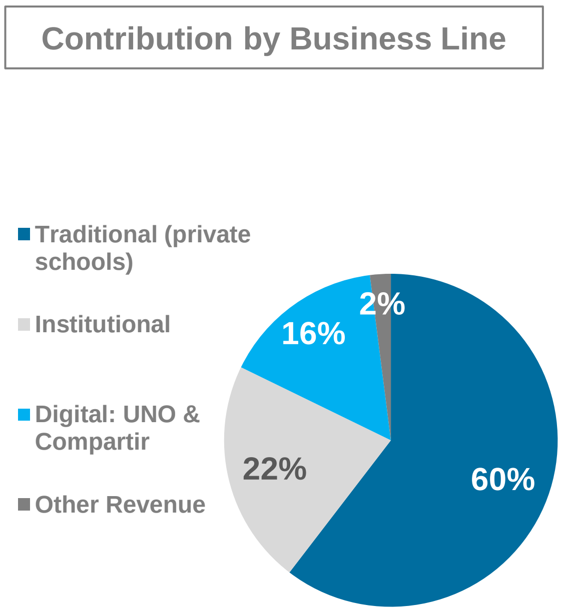
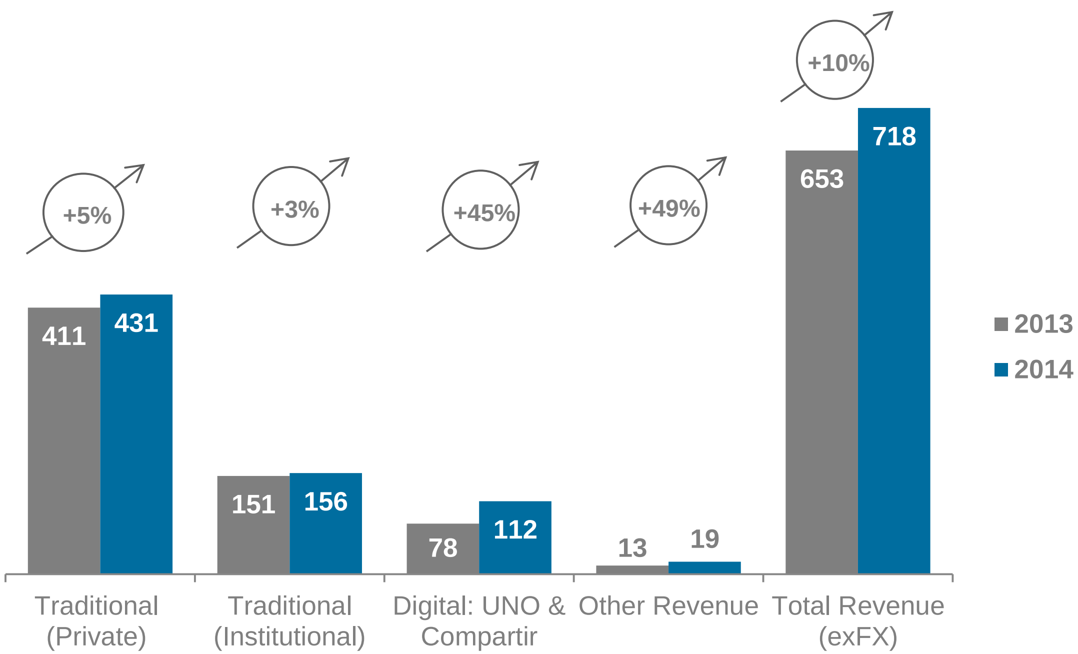
Santillana

Key highlights by Business Line (Local Currency)

- **Traditional education** sales grew by 5% and represented 60% of total
- **The institutional sales** increased by 3%. Despite being 2014 the highest year of the cycle in Brazil, the Government reduced its purchases.
- **New Digital learning systems** continued its growth (+45%) already representing 16% of total revenues.

Revenue performance by Business line at constant currency (€m)





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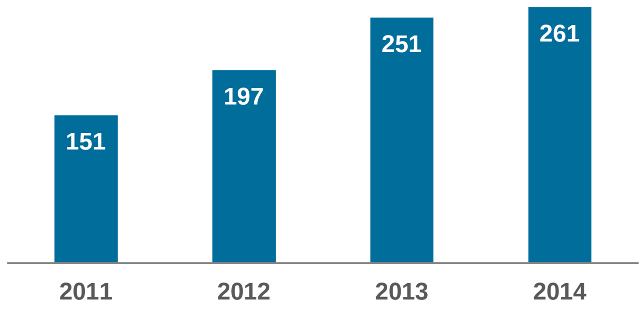
Santillana

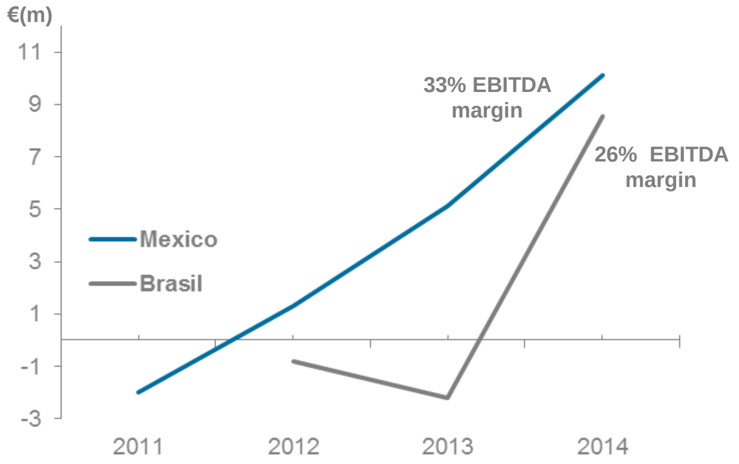
Digital learning systems | UNO & Compartir: over 630,000 students

UNO

Number of students evolution (thousands)

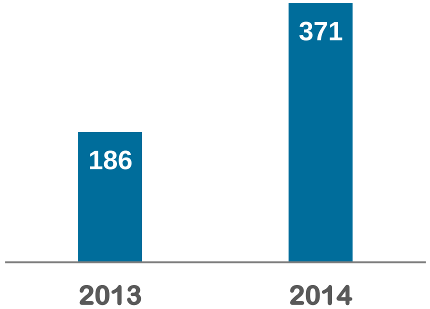


EBITDA evolution



COMPARTIR

Number of students evolution (thousands)



- **Combined paper/digital** offer launched in 2013
- Already present in **13 countries**
- **Strong growth** potential

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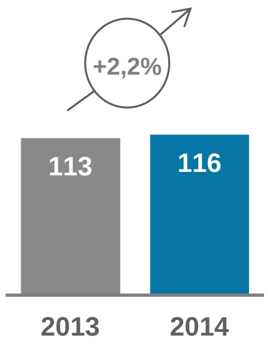
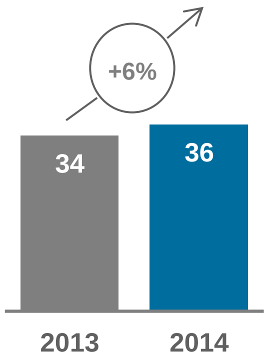
Santillana

Spanish Campaign

Revenues €m EBITDA





- **New Education law** implemented in 2014
- **Difficulties in the implementation** due to budget restrictions:(50% adoption rate in 2013/2014)
- **Good results** as a consecuence of a strong commercial campaign and cost control

Calendar of the new education law

	Primary						Secondary			
Academic Year	**1º**	**2º**	**3º**	**4º**	**5º**	**6º**	**1º**	**2º**	**3º**	**4º**
2013/2014	✓		✓		✓					
2014/2015		✓		✓		✓	✓		✓	
2015/2016								✓		✓

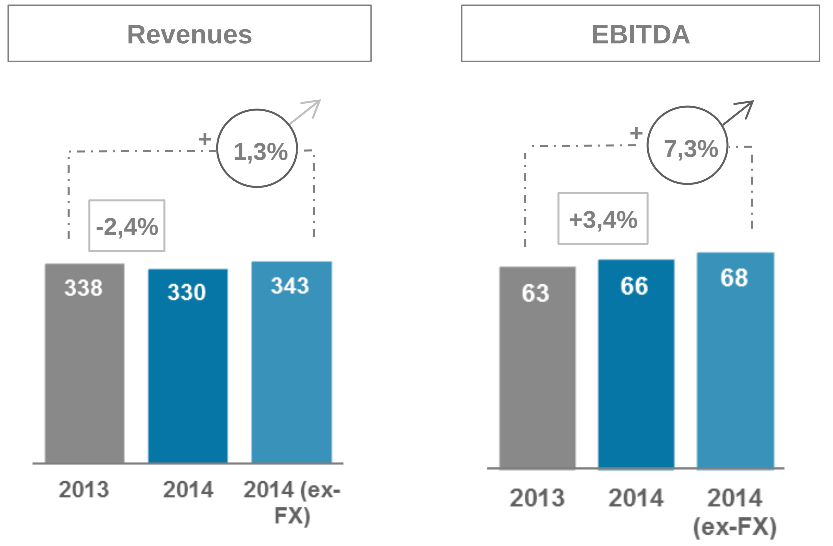
* All Group and business unit figures are Adjusted (exclude non-recurring items, detailed in the press release)

Radio

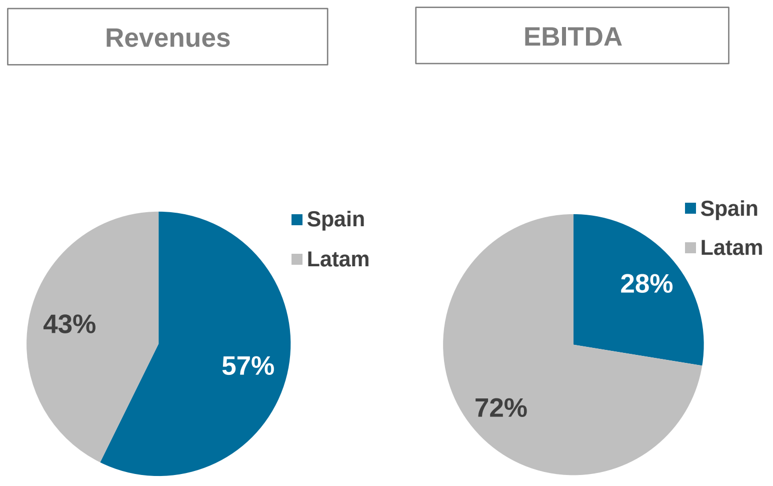
Key highlights

- **In Spain, Advertising grows** by 0.5% showing improvement in 4Q (+2,5%)
- **In LatAm, Advertising grows in local currency in all countries** despite the slowdown in some economies (Chile and Colombia).
- **FX has negatively affected revenues** in 12,6 M€ **and EBITDA** in 2,5 M€.
- **Mexico** (equity accounted**) show solid growth.**

Operating performance (€m)



Contribution by Geography (2014)



* Excludes Fx Impact and includes Mexico and Costa Rica results

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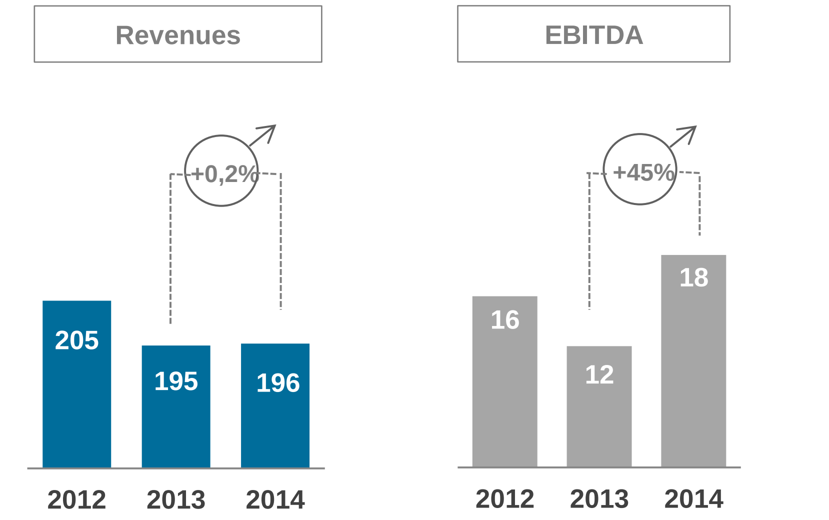
Radio

Key highlights in Spain

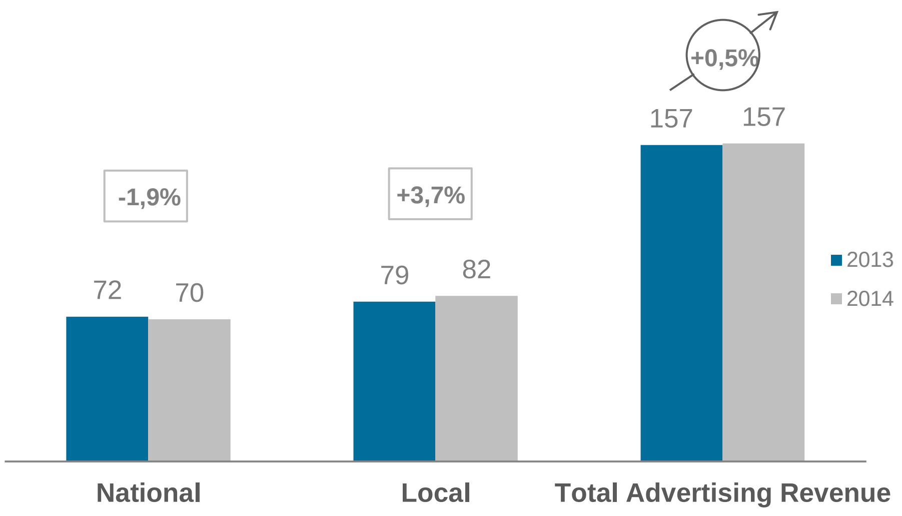
- **Advertising has** started to show signs of recovery (+2,5 4Q)
  - **Local advertising** consolidates its growth (52% of total)
  - **National advertising** improved significantly in 4Q despite the weaker performance in the first 9 months of the year

- **Strong operating improvement in Spain reflecting cost control measures despite flat revenues .**
  - **EBITDA grows** +45%, 18 million versus 12 in 2013.

Operating performance in Spain (€m)



Advertising evolution in Spain (€m)



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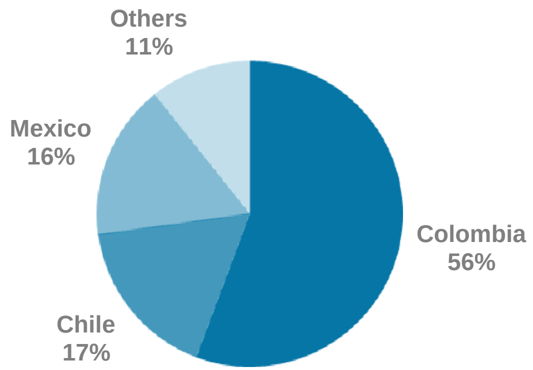
Radio

Key highlights in LatAm (at constant currency)

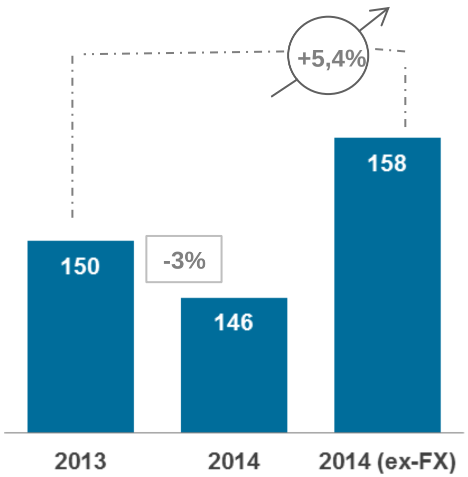
- **Colombia** revenues grew by 2,2 % in 2014, representing 56% of total.
- **Chile** decreased by 3,7% affected by macro and political environment
- **Mexico** has shown an outstanding performance growing at 25,5%.

Revenues contribution by Country

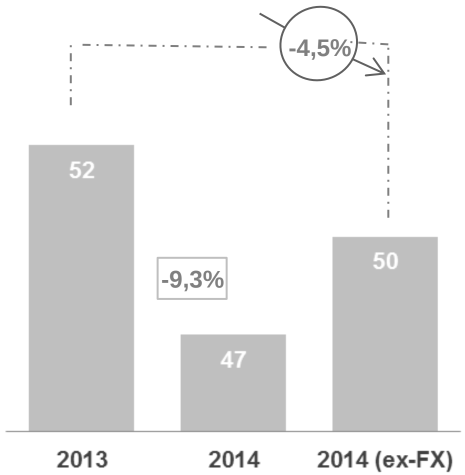


Operating performance in LatAm (€m)

Revenues



EBITDA



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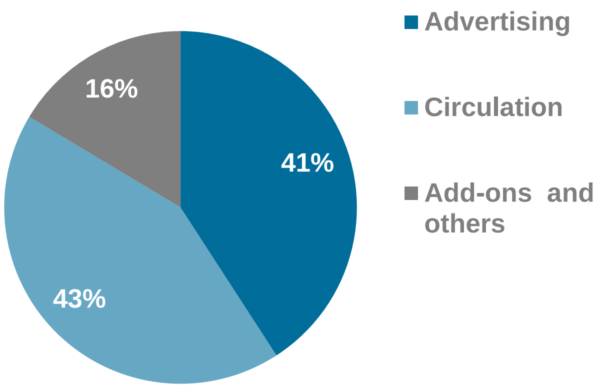
Press

Key highlights

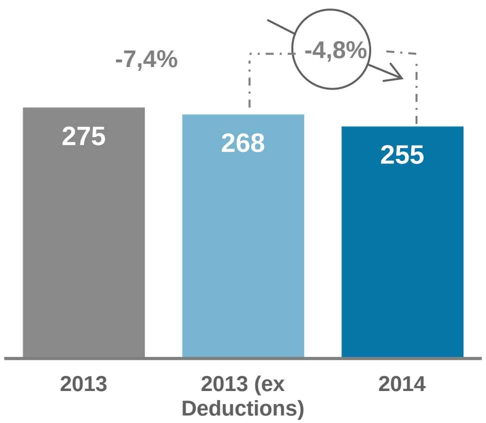
- **Circulation revenues** fall by -13,4%.
- **Advertising revenues** fall by -1,4 %, improving the trend in 4Q 2014 (+5,0%).
- **Online Advertising** has grown by **17,4%** representing **30% of total advertising.**
- **Event management has grown by** 22,2% to 7 million euro.

Revenues by Line (Contribution)

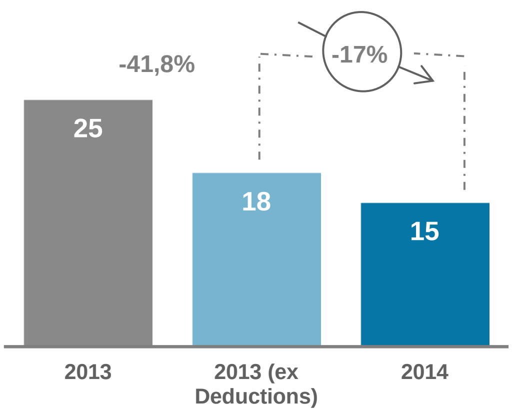


Operating Performance (€m)

Revenues



EBITDA



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Press

New business initiatives offsetting traditional performance

Eur-million	January - December 2014	2013	VAR %
Advertising	104.17	105.63	-1.4%
Off-line	65.58	73.02	-10.2%
On-line	31.29	26.65	17.4%
Event Management	7.29	5.97	22.2%

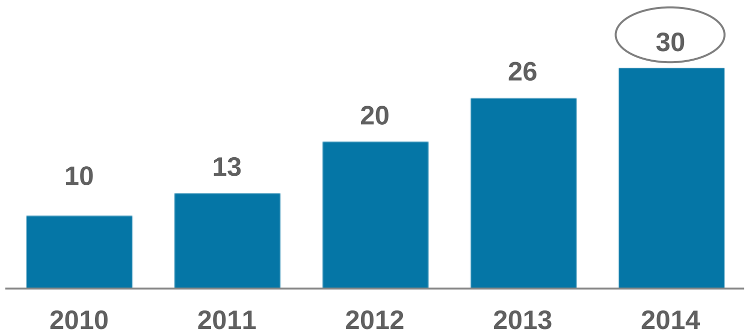
Leading the digital transformation

The solid growth in on-line and events management is compensating already the decline in the off-line

- **On-line** advertising represents already 30% of total advertising and grows by 17.4%
- **Event management** has grown by 22,2% in 2014.
- **In the sport newspaper As**, on-line advertising has grown by 19% and represents over 55% of total revenues

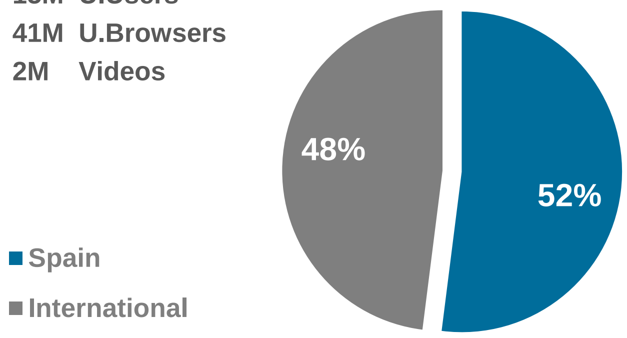
Digital KPI's

Digital advertising / total advertising (%)



Worldwide audience (2014)

15M U.Users
41M U.Browsers
2M Videos



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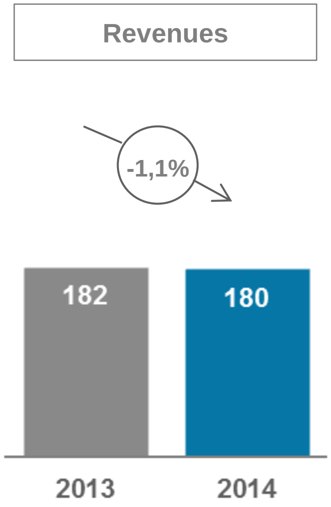
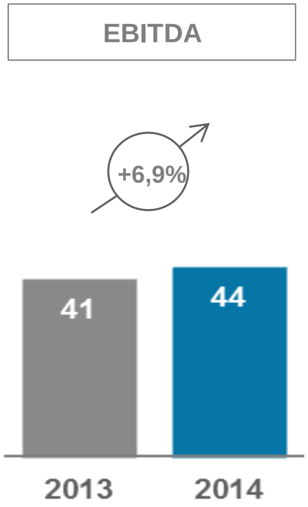
Media Capital

Key Highlights

- **Good perfomance** on both **TV** and **Radio.**
- **Consolidation of the advertising recovery in Portugal.** Revenues in advertising **increased by +11,1%** outperforming market performance
- Decline in **other revenues** due to the drop in value added calls. (-16,9%).
- Strong effort in **cost control** continues.
- **Adjusted EBITDA** reaches 43.8M€ and grows by 6.9%.

Operating performance (€m)





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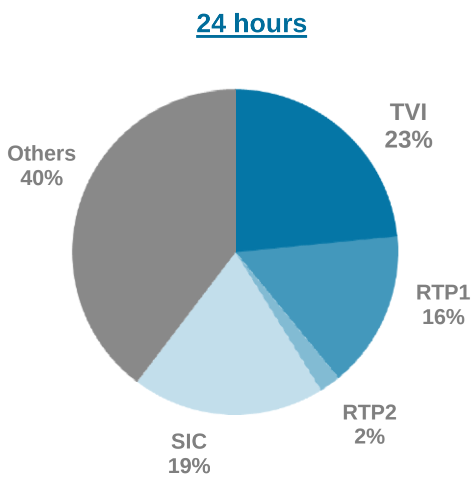
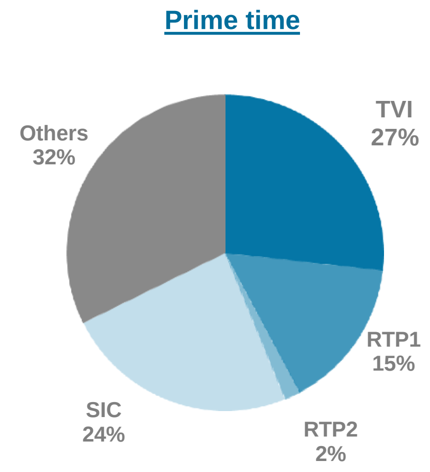
Media Capital

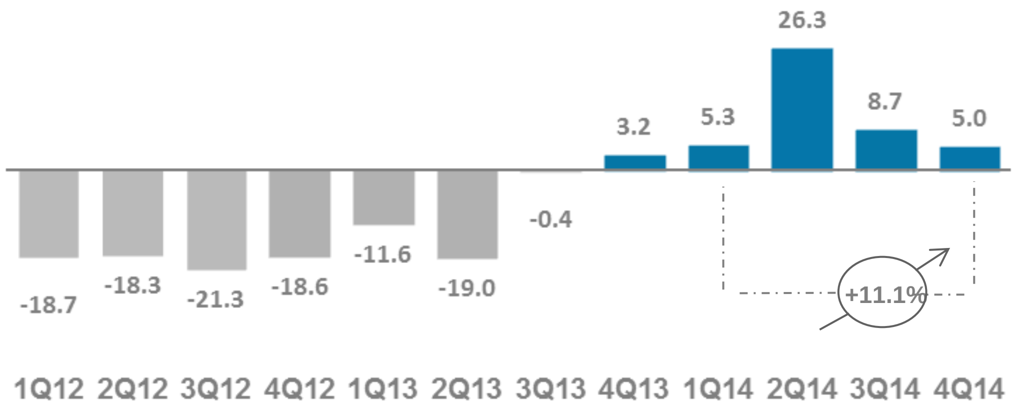
Market Position





Advertising revenues evolution (%)

Media Capital advertising



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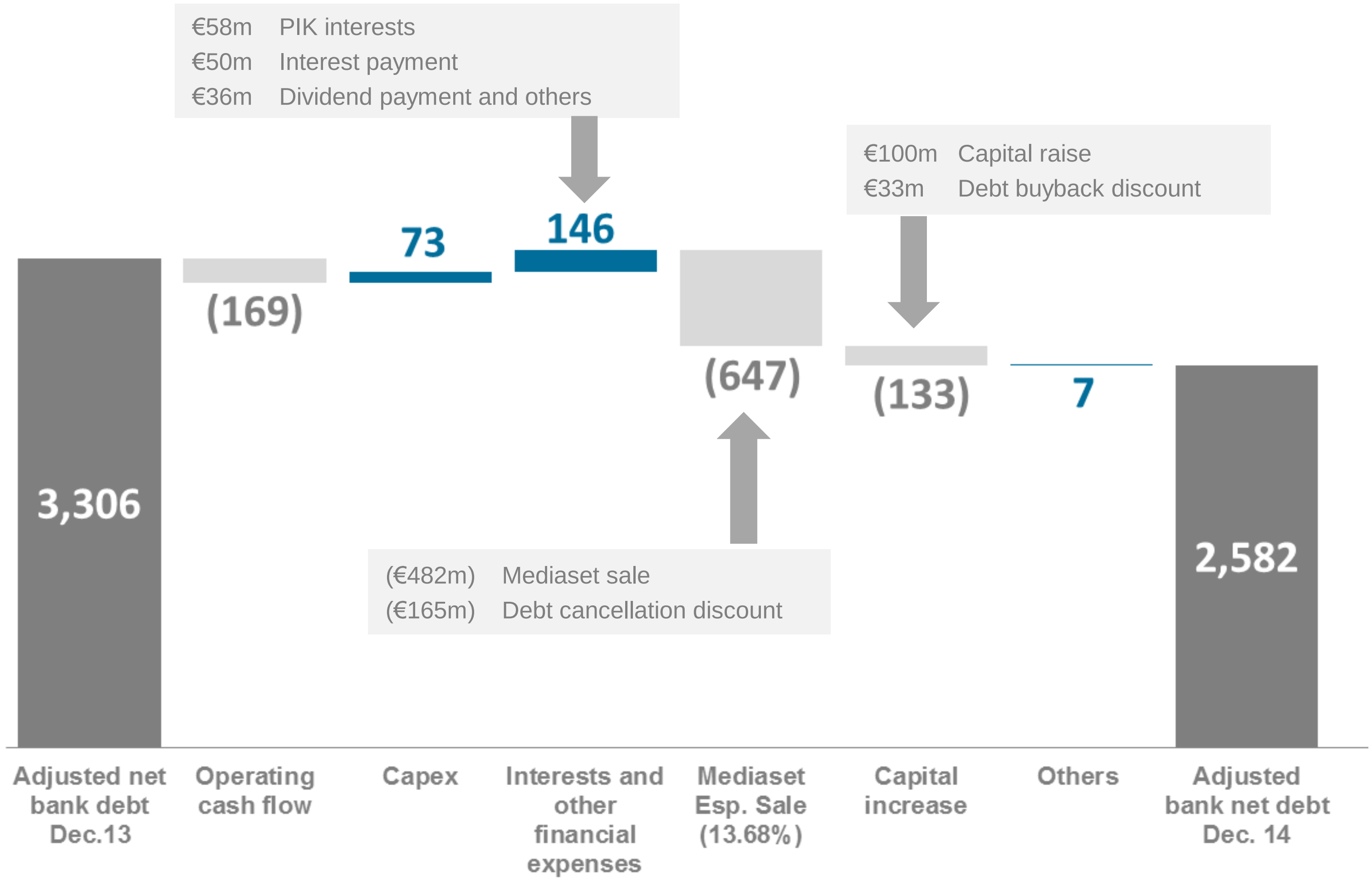
Evolution of consolidated net debt

Grupo Prisa Bank Net Debt (€m)



***Note**: The proceeds from general editions net to expenses will be used to repay debt

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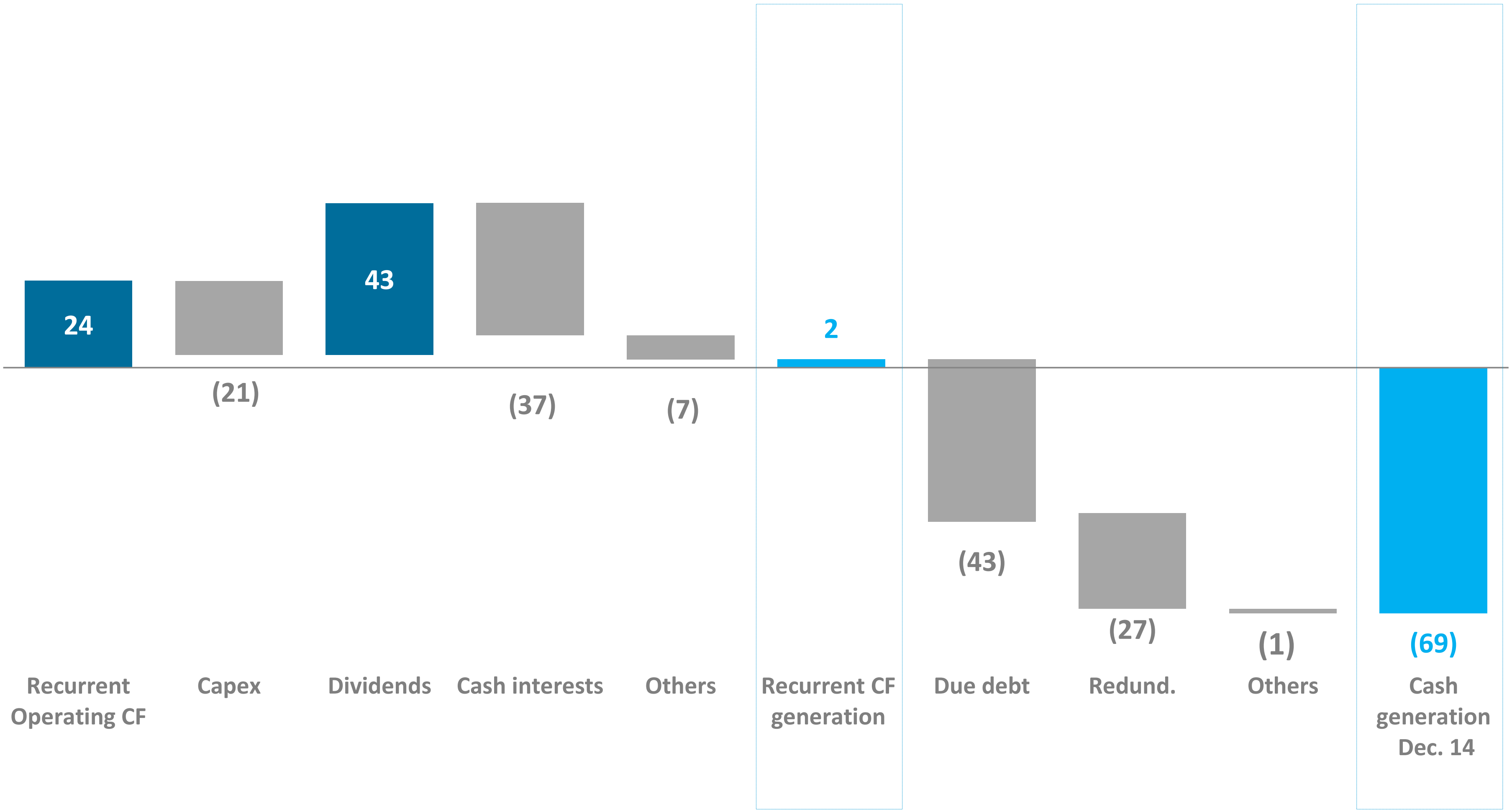
Cash generation at Holdco level - 2014

Cash generation at Holdco level 12M 2014 (€m)



Note: Excludes General Editions cash as it will be used (net of expenses) to reduce debt

Other issues to highlight

- **Supreme Court litigation with Mediapro**
  - Final sentence was ruled out in favor of Prisa amounting to 32 million € plus interest.

- **Paris Arbitration case**
  - Litigation with Mediapro in the arbitrage Court of Paris is still pending.

- **Canal+ Transaction**
  - Filing is currently under review by the anti-trust authorities.

- **75 million euros Capital Increase**
  - Capital increase in cash at € 0.53 per share
  - 141,509,433 new shares to be issued
  - Subject to independent expert report and legal and finance due diligence

Equity situation

- As of June 30th 2014, as a result of Canal+ transaction Prisa entered into an equity imbalance.
  - Automatic mechanism agreed in the refinancing agreement was launched to reestablish the equity imbalance.
  - As of September 2014, 507 million of Tranch 3 debt was converted into Profit Participative loans.

- On December 2014, the Group reviewed the value of the sale of DTS for the estimated impact of the evolution of the business of DTS until the close of the transaction (expected in 2Q)
  - Prisa has entered into an equity imbalance.
  - The Automatic mechanism agreed in the refinancing agreement has been launched to reestablish the equity position

Conclusions

- PRISA to benefit from the potential **consolidation of the advertising recovery in Spain and Portugal**

- **Santillana to maintain a positive trend,** with expected growth of Traditional (private) and Digital sales to offset the lower institutional sales due to the weakest year of the cycle.

- **In Radio LatAm,** given the recent difficulties in Chile and Colombia, the company is taking measures to sustain their market position

- The group will continue focused on **accelerating the transformation of its activities**

- **Cost Control** remains a priority.

- Focused on t**he execution of the refinancing plan.**

THANK YOU.