

Q3 operational trends similar to 1H

- **Spain advertising** revenues grow due to online and events.
- LatAm activities show growth in constant currency in **Education** (+9.2%).
- **Radio continues facing difficulties** due to advertising weakness mainly in Colombia, Chile and Spain.
- In Portugal, **Media Capital** shows operational improvement helped by growth in advertising revenue and sales of channels to third parties.
- **The evolution of the exchange rate** in first 9 months impacts negatively on revenues (-74M€) and EBITDA(-25M€)
- **Net bank debt** stand at 1587M€ as of September 2016. Decline of 19 M€ in financial expenses in the period due to debt reduction.

- **Education (in constant currency): revenues +5%. EBITDA +8.3%** with margins improvement. South area campaigns finished with solid growth in local currency, with north area campaigns pending to register returns in 4Q. Digital Education Systems (UNO and COMPARTIR) continue their expansion in LatAm (+10% revenues growth). Negative FX impact of -58 million euros in revenues and of -23million euros in EBITDA.
- **Radio (in constant currency): revenues -1.3%. EBITDA -25.9%.** Advertising in Spain falls by -2.9% slightly improving the trend (in 1H -4%). Radio LatAm falls in local currency, with drops of -11.2% in Colombia and of -2.3% in Chile, reflection of the macroeconomic difficulties faced by both countries. Negative FX impact (-14.5 million euros in revenues and -2.6 million in EBITDA).
- **Press: revenues +2.1%. EBITDA increases by +16.6%.** Online advertising increases by +20.2% (representing already 41% of total advertising revenues). Circulation revenues moderate their drop (-3.4%) helped by price increases.
- **Media Capital:** Advertising revenues increase in 9M 2016 by +5.2% (+5.2 TVI). Value added calls continue to decline. EBITDA grows by +2.5% (+0.6 million euros).

Consolidated performance

€mn

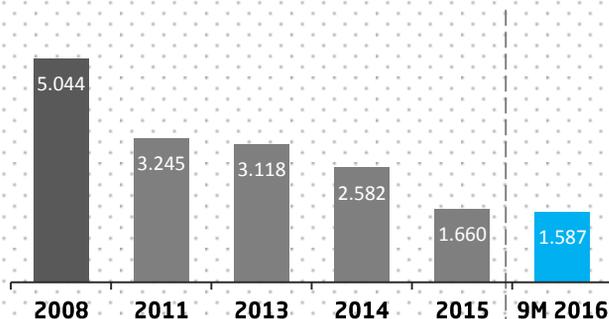
REVENUES **1,036** EBITDA **215** EBITDA (%Chg.) **-8.6% (+2.2% cst ccy)**

DIGITAL ADV. **+18%**

DEBT REDUCTION **-73€mn**

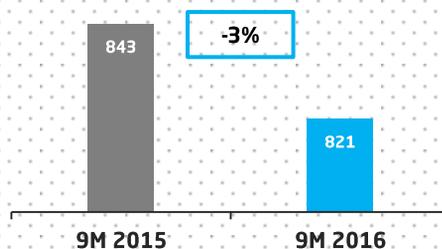
Net Debt evolution

€mn

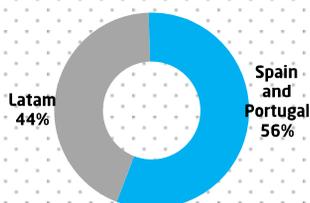
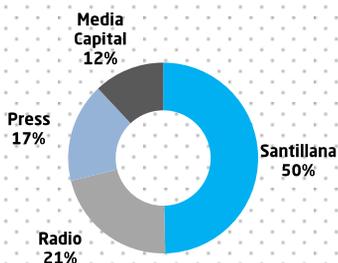


Operating costs

€mn

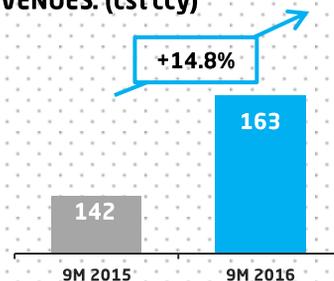


Revenues Breakdown



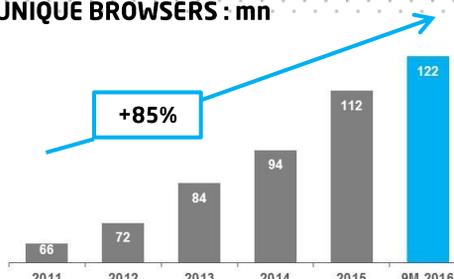
Digital Transformation

REVENUES: (cst ccy)



* Including FX impact from UNO and Compartir

UNIQUE BROWSERS : mn



Education

REVENUES

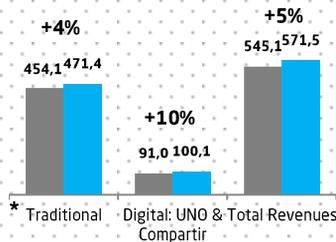
514 mn€ (-6%)
(+5% in cst ccy)

EBITDA

167 mn€ (-5%)
(+8% in cst ccy)

- In 9M 2016 South Area campaigns are totally finished. All campaigns have increased in constant currency, except for Brazil (which has faced transfer of students from private to public market). These fall is offset by the growth of institutional programs in Peru.
- North Area campaigns (Spain and Mexico mainly), took place during 3Q, with returns pending to be registered in 4Q. Spain performed in line with expectations showing a slight decline explained by less novelties in 2016. Mexico showed growth in local currency.
- Part of Institutional sales in Brazil pending to be registered in 4Q
- Digital Education Systems (UNO and COMPARTIR) continue their expansion in Latin America, growing in number of students by 8% till reach 870,482. UNO and Compartir revenues grew by +10% in constant currency.
- Adjusted revenues in constant currency grow by +5% and adjusted EBITDA grows by +8.3% in local currency (-5% in euros).
- Negative FX impact of 58 million euros on revenues and 23 million euros on EBITDA. This impact should be reduced in 4Q if currencies remain at current levels

Revenues split (local currency) (Pending)



* Traditional includes Private and Institutional.

Radio

REVENUES

222mn€ (-7%)
(-1% in cst ccy)

EBITDA

30 mn€ (-32%)
(-26% in cst ccy)

- Advertising in Spain falls by -2.9% in 9M 2016 reducing its drop in the second and third quarter, with local market being the most affected market with declines of -3%.
- According to the latest EGM, Prisa Radio in Spain remains the clear leader in both in generalist and musical.
- In LatAm, adjusted revenues continue to fall in local currency, with drops of -11.2% in Colombia and of -2.3% in Chile, reflection of the macroeconomic and specific difficulties of the advertising sector faced by both countries.
- Adjusted EBITDA in constant currency falls in 11.2 M€ to reach 32 million mainly due to LatAm performance.
- Negative FX impact is -14.5 million euros on revenues and -2.6 million on EBITDA.

Revenues split



EBITDA split



* International includes "Adjustments and others"

Press

REVENUES

174 mn€ (+2%)

EBITDA

7.5 mn€ (+17%)

- Press revenues grew 2.1% in the period. The increase in digital advertising, events and promotions offset the decline of traditional advertising and circulation.
- Advertising revenues in 9M 2016 increase by +6.5%.
 - Digital advertising increases by +20.5% (representing already 41% of total advertising revenues of the press) offsetting the fall in traditional advertising (-6.4%). Advertising from events continues to grow
- Circulation revenues moderate their drop (-3.4%) helped by price increases.
- Operating improvement of As, which consolidates its global branding strategy, with significantly growth of unique users in the different countries in which it operates.
- As of September 2016, an average of 88 million of unique browsers and 19.2 millions of unique users (as of August) have been registered.
- Press adjusted EBITDA increased by +16.6% over the same period last year to reach 7.5 million euros.

Elpais.com Unique Users split

13 M U. Users
56 M U. Browsers
15 M Videos



* Adjusted numbers excluding extraordinary disclosed on page 18 of 9M 2016 results release

Media Capital

REVENUES

124 mn€ (+3%)

EBITDA

24 mn€ (+3%)

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

TVI continues to hold the leading position in the Portuguese FTA TV market

Advertising revenues growth evolution (%)

