



Interim Results  
**2Q 2012**

23<sup>rd</sup> July 2012

**PRISA REACHED IN THE FIRST HALF OF 2012 AN EBITDA OF 208.09 MILLION EUROS (-5.1%)**  
(Recurrent EBITDA was 213.41 million Euros)

*Like in the first quarter of the year, the strength of the Pay TV business, together with the growth from Latin America in both Education and Radio, allow to partly compensate for the weakness resulting from the economic crisis in both Spain and Portugal, which is reflected in the advertising sector of both countries.*

- **The Pay TV business continues to demonstrate its operating strength:** stable revenues with an 8.8% growth in recurring EBITDA. **Subscribers** (Satellite, OTT and those from other operators) grow by 40,968 since June 2011, Satellite **ARPU** stands at 41.7 Euros on average in the second quarter of the year.
- **Santillana increases its EBITDA by 5.6%** adjusted by non-recurring items. We highlight the strong growth of its LatAm revenues (+8,2%).
- **The company maintains its effort in the Digital development. Digital advertising revenues grow by 14.4%.** We highlight the growth of the Press division (+24.1%) which accounts for 18.1% of total advertising revenues for this division. El País increases in June its leadership position in Spanish internet, reaching 7.6 million average users.
- **Advertising revenues in Spain and Portugal** fall by 15.7% and reach 220.45 million Euros, accounting for 17.3% of the total Group revenues.
- **LatAm revenues grow by 10.0% and represent already 26.8% of the Group's revenues, compared to the 23% of the first half of 2011.** Recurring EBITDA from this region grows by 11.5% and reaches 48.2% of total Group EBITDA.
- **Good cost control is maintained,** and excluding Amortisations and Provisions, costs are reduced by 5.5% in the first half of this year (4.2% adjusted by extraordinary items).
- **The group generated Operating Cash Flow of 187.42 million Euros in the first half of 2012 vs the 11.1 million Euros of the first half of 2011.** Capex has been cut by 46.11 million Euros vs 1H 2011.
- **Two important recapitalisation deals have been approved by the Company in its Annual Shareholders' Meeting on June 30<sup>th</sup> 2012:** the change in the conditions of the minimum preferred dividend for non-voting convertible B shares, and the issue of 2 mandatory convertible bonds into A shares.  
These deals **reduce the Company's leverage** by some 650 million Euros in 2014 compared to what it would have been without these deals, **relieve its liquidity situation** short term, **limit dilution in the recapitalisation** as the deals have been done above market prices, **and demonstrate the support of both the Company's creditor entities and strategic partner.**  
All of the above contribute to **reduce the risk premium** attached to PRISA's shares, which is very positive for B shareholders as it provides certainty about the payment of the rest of dividends attached to the B shares and increases the fundamental value of the A shares which eventually will be given as part of the dividend payment.

## 1H 2012 Highlights:

- **The growth of the Pay TV business in Spain, as well as that of the Company's Latin American operations, especially in Education and Radio**, compensate the weakness of the advertising sector in Spain and Portugal (in Radio, TV and written Press), that today represent 17.3% of total revenues.
- **Strong effort in cost control:** In the first half of 2012, operating expenses, excluding amortisation and provisions, have fallen by 5.5% (4.2% adjusted by extraordinary items).
- **Pay TV: EBITDA growth and improving performance indicators:** In the Audiovisual division, revenues reach 594.00 million Euros and EBITDA 103.37 million Euros, with a strong growth in Pay TV (+8.8%, adjusted by extraordinary items)  
The first half of 2012 shows important improvements in its Key Performance Indicators despite the second quarter being seasonally weak given the end of the Spanish football league competition (May):
  - **1.831 million Pay TV subscribers**, with 100,209 from other operators and OTT.
  - **Net adds in subscribers from other operators** grow by 17,962 (+11,388 in 1H 2011).
  - **Satellite ARPU stands at 41.71 Euros** on average in the second quarter (41.2 Euros in 2Q 2011).
  - **Churn stands at 14.0%** (14.2% at June 2011).
  - **iPlus subscribers already reach 33.2% or 574,440 subscribers** (415,735 at June 2011).
- **Education: Strong growth in Latin America:** Revenues (335.31 million Euros) grow by 5.1% with **strong growth in Latin America (+8.2%)**. We highlight the growth of Mexico (+9.4%), Argentina (+13.1%), Chile (+6.4%), USA (+28.6%), Uruguay (+28.7%) or Peru (+109.2%) and the lower contribution of Brazil on the back of its cycle (-5.5%). Recurring EBITDA reaches 84.44 million Euros (+5.6%), with a slight improvement of **10 basis points in its EBITDA margin** which reaches 25.2% (compared to the 25.1% of the first half of 2011).
- **Radio: Strong growth in Latin America partly compensates the weakness in Spain.** Revenues (169.55 million Euros) fall by 8.4% versus the first half of 2011 given mainly the lower advertising revenues in Spain (-15.8%, where local advertising maintains its weakness, -25.2% and we see a deterioration of national advertising, -6.4%) and despite the **strong growth in Latin American advertising (+13.5%)** with a strong performance in Colombia (+14.6%), Chile (+9.2%), Mexico (+20.6%) and Argentina (+34.4%).
- **Press: Weakness in the advertising market and harder comps.** Press revenues stand at 169.03 million Euros, 20.7% lower than the first half of 2011. This is explained by the weakness in advertising (-15.3%), the lower circulation numbers (-12.2%), as well as the positive impact that promotions and fiscal deductions had in the first half of 2011 (which amounted to 14.51 million Euros in 1H 2011 and 0.31 million Euros in 1H 2012). Recurring EBITDA reaches 13.40 million Euros.
- **Digital Area: Solid growth.** Digital advertising shows a growth of 14.4% in the first half of 2012. The digital area received a monthly average number of daily browsers of 71.1 million, which **represents a growth of 8.2% versus the first half of 2011. This is thanks to the strong growth in Prisa Television, El Pais.com and Cinco Días.com.**
- **Advertising: lower weight.** Advertising revenues reached 282.21 million Euros, a 10.7% fall compared to the first half of 2011, and account for 22% of total group revenues (compared to the 23.4% of the first half of 2011). We highlight the **growth in Latin American advertising of +13.5%, which represent 21.9% of all advertising revenues** (17.2% in 1H 2011).
- **Operating Cash Flow generation:** The Group has generated Operating Cash Flow of 187.42 million Euros in the first half of 2012 mainly on the back of lower Working Capital investment.

- Important Recapitalisation Deals approved:** In its Annual Shareholders Meeting (June 30<sup>th</sup> 2012), the Company has approved two important recapitalization deals consisting on:
  - Modification of the conditions of the minimum preferred dividend of the non-voting convertible B shares:**
    - Possibility of paying the dividend in cash, in shares (valued at 1 euro per share) or in a combination of both, at the Company's decision
    - Payment of the 2011 dividend in A shares (valued at 1 euro per share)
    - Possibility of paying the accrued dividend in case of early conversion of B shares in cash, in shares (valued at 1 Euro per share) or in a combination of both, at the Company's decision, during the following 12 months.
  - Issue of a mandatory convertible bond, into A shares, in two tranches, with a 2 year maturity:**
    - TRANCHE A: 334 million Euros, directed at creditor entities, with a commitment of full subscription of the bond by HSBC Bank, Santander and Caixabank.
    - TRANCHE B: 100 million Euros, directed at Telefónica, with a commitment of full subscription by the latter.

The calendar of the approved recapitalization deals is the following:

2012		2013		2014	
Jun/Jul	Sep	May/Jun	Sep	May/Jun	Jun/Jul
<ul style="list-style-type: none"> <li>Approval</li> <li>Convertible bond issue</li> <li>Cash inflow (€100m)</li> </ul>	<ul style="list-style-type: none"> <li>Minimum preferred non voting B share dividend payment in shares</li> </ul>	<ul style="list-style-type: none"> <li>PRISA AGM: The method of payment of preferred minimum non voting B share dividend is decided: cash, shares or a combination of both</li> <li>Simple majority of A shareholders</li> </ul>	<ul style="list-style-type: none"> <li>Minimum preferred non voting B share dividend payment in cash, shares or a combination of both</li> </ul>	<ul style="list-style-type: none"> <li>PRISA AGM: The method of payment of preferred minimum non voting B share dividend is decided: cash, shares or a combination of both</li> <li>Minimum preferred non voting B share dividend payment</li> <li>Mandatory conversion of B shares</li> </ul>	<ul style="list-style-type: none"> <li>Mandatory conversion of convertible bonds into A shares</li> </ul>

**These approved deals will have a very positive impact for the Company:**

- Net debt for the Company will be, ceteris paribus, 650 million Euros lower** in 2014 than what it would have been had these deals not been approved: 230 million Euros less if the payment of all dividends is done hereon in shares, 434 million Euros less on the back of the mandatory convertible bonds issued, and 15 million Euros higher from the increased financial expenses that arise from these deals.
- These deals will also:**
  - Relieve the liquidity situation of the company** short term.
  - Limit dilution in the recapitalization** as both deals are done above market prices.
  - Demonstrate the support in the Company** of its creditor entities, which will become important shareholders in it, and of its strategic partner (Telefónica) which already holds 22% of Canal+.
  - All of the above should contribute to reduce the risk premium attached to PRISA's shares**, which is **very positive for B shareholders** as it provides certainty about the payment of the rest of dividends attached to the B shares and increases the fundamental value of the A shares which eventually will be given as part of the dividend payment.

## I. Consolidated Results

The comparison of 2012 and 2011 results is affected by **extraordinary items recorded under both revenues and expenses**:

- Consolidation of Dédalo which from April 1<sup>st</sup> 2012 is included through global consolidation instead of equity consolidated,
- Redundancy expenses on the back of the efficiency plan undertaken since December 2010
- The 54.37 million Euro provision recorded on the back of the agreement with ONO (further explanation below)

To conduct a homogeneous comparison, we are presenting a profit and loss account adjusting these extraordinary items.

€ Million	JANUARY - JUNE			APRIL- JUNE		
	2012	2011	Chg. %	2012	2011	Chg. %
<b>Operating Revenues</b>	<b>1.277,59</b>	<b>1.350,77</b>	<b>(5,4)</b>	<b>626,03</b>	<b>659,84</b>	<b>(5,1)</b>
<b>EBITDA</b>	<b>209,08</b>	<b>220,21</b>	<b>(5,1)</b>	<b>103,94</b>	<b>119,78</b>	<b>(13,2)</b>
<b>EBIT</b>	<b>48,36</b>	<b>117,23</b>	<b>(58,7)</b>	<b>(6,84)</b>	<b>63,85</b>	<b>(110,7)</b>
<b>Net financial result</b>	<b>(99,46)</b>	<b>(79,83)</b>	<b>(24,6)</b>	<b>(54,86)</b>	<b>(45,44)</b>	<b>(20,7)</b>
Interest on debt	(59,29)	(58,09)	(2,1)	(29,04)	(30,88)	5,9
Other financial results	(40,17)	(21,74)	(84,8)	(25,82)	(14,57)	(77,3)
<b>Result from associates</b>	<b>(0,63)</b>	<b>5,05</b>	<b>(112,4)</b>	<b>1,46</b>	<b>1,90</b>	<b>(22,9)</b>
<b>Profit before tax</b>	<b>(51,73)</b>	<b>42,45</b>	<b>-</b>	<b>(60,24)</b>	<b>20,31</b>	<b>-</b>
Income tax expense	12,97	(0,47)	-	21,78	1,88	-
Results from discontinued activities	(1,33)	(2,13)	<b>37,5</b>	(0,61)	(1,90)	67,6
Minority interest	(21,04)	(28,75)	26,8	(14,02)	(20,66)	32,1
<b>Net profit</b>	<b>(61,14)</b>	<b>11,10</b>	<b>-</b>	<b>(53,09)</b>	<b>(0,37)</b>	<b>-</b>
<b>EBITDA Margin</b>	<b>16,4%</b>	<b>16,3%</b>		<b>16,6%</b>	<b>18,2%</b>	
<b>EBIT Margin</b>	<b>3,8%</b>	<b>8,7%</b>		<b>(1,1%)</b>	<b>9,7%</b>	
<b>One-offs in operating revenues</b>	<b>10,26</b>	<b>-</b>		<b>10,26</b>	<b>-</b>	
Dédalo full consolidation	10,26	-		10,26	-	
<b>One-offs in operating expenses*</b>	<b>71,45</b>	<b>30,24</b>		<b>68,77</b>	<b>13,51</b>	
Dédalo full consolidation	12,28	-		12,28	-	
Redundancies	4,81	30,24		2,12	13,51	
Provisions- ONO (Prisa TV)	54,37	-		54,37	-	
<b>Adjusted Operating Revenues</b>	<b>1.267,33</b>	<b>1.350,77</b>	<b>(6,2)</b>	<b>615,77</b>	<b>659,84</b>	<b>(6,7)</b>
<b>Adjusted EBITDA</b>	<b>213,41</b>	<b>250,45</b>	<b>(14,8)</b>	<b>105,58</b>	<b>133,29</b>	<b>(20,8)</b>
<b>Adjusted EBITDA Margin</b>	<b>16,8%</b>	<b>18,5%</b>		<b>17,1%</b>	<b>20,2%</b>	
<b>Adjusted EBIT</b>	<b>109,56</b>	<b>147,47</b>	<b>(25,7)</b>	<b>51,67</b>	<b>77,36</b>	<b>(33,2)</b>
<b>Adjusted EBIT Margin</b>	<b>8,6%</b>	<b>10,9%</b>		<b>8,4%</b>	<b>11,7%</b>	
<b>Adjusted Net Profit</b>	<b>(25,19)</b>	<b>32,27</b>	<b>(178,1)</b>	<b>(19,02)</b>	<b>9,09</b>	<b>-</b>

As has been the case in previous quarters, revenues from Education and Canal+ Subscriber revenues (especially those from Other Platforms) have shown a very positive behaviour, as well as the revenues from international advertising (mainly in Radio). This has managed to partly compensate the weakness shown by advertising revenues (in Spain and Portugal) and circulation (in Press).

€ Million	JANUARY - JUNE			APRIL- JUNE		
	2012	2011	Chg.%	2012	2011	Chg.%
Advertising	282,21	315,87	(10,7)	152,14	171,86	(11,5)
Books and training	329,21	309,62	6,3	139,29	125,25	11,2
Newspapers and magazine sales	76,00	87,20	(12,8)	36,10	40,95	(11,8)
Subscriber revenues	452,80	448,20	1,0	224,09	223,32	0,3
Subscriber revenues from other platforms	15,51	8,70	78,3	7,09	4,16	70,4
Audiovisual production revenues	14,34	43,94	(67,4)	7,19	21,51	(66,6)
Other revenues	107,52	137,24	(21,7)	60,13	72,79	(17,4)
<b>Total operating revenues</b>	<b>1.277,59</b>	<b>1.350,76</b>	<b>(5,4)</b>	<b>626,03</b>	<b>659,84</b>	<b>(5,1)</b>
<b>One-offs in operating revenues</b>	<b>10,26</b>	<b>-</b>		<b>10,26</b>	<b>-</b>	
Dédalo full consolidation	10,26	-		10,26	-	
<b>Adjusted Operating Revenues</b>	<b>1.267,33</b>	<b>1.350,76</b>	<b>(6,2)</b>	<b>615,77</b>	<b>659,84</b>	<b>(6,7)</b>
Adjusted Other revenues	97,26	137,24	(29,13)	49,87	72,79	(31,49)

The company maintains its **strict cost control** policy given the weakness of the macro-economic environment. Operating expenses in the first half of the year, including amortizations and provisions, reached 1,229.22 million Euros. Excluding amortizations and provisions, costs fell by 5.5%.

**Adjusted by non-recurring items, operating expenses fell by 3.8% in the first half of the year** (compared to the 4.4% fall of the first quarter), especially on the back of lower external services and personnel expenses. Excluding Amortizations and Provisions, the fall in operating expenses was of 4.2%.

The detail is as follows:

€ Million	JANUARY - JUNE			APRIL- JUNE		
	2012	2011	Chg.%	2012	2011	Chg.%
Purchases	426,21	422,30	0,9	198,05	188,02	5,3
Outside services	362,77	389,69	(6,9)	184,28	200,50	(8,1)
Staff costs	279,08	318,34	(12,3)	139,40	151,36	(7,9)
Other operating expenses	0,45	0,23	93,2	0,35	0,18	92,9
Amortization and depreciation	160,72	102,98	56,1	110,79	55,92	98,1
<b>Total operating expenses</b>	<b>1.229,22</b>	<b>1.233,54</b>	<b>(0,3)</b>	<b>632,87</b>	<b>595,99</b>	<b>6,2</b>
<b>One-offs in operating expenses</b>	<b>71,46</b>	<b>30,24</b>		<b>68,77</b>	<b>13,51</b>	
Dédalo full consolidation	12,28	-		12,28	-	
Redundancies (staff costs)	4,81	30,24		2,12	13,51	
ONO- Prisa TV (provisions)	54,37	-		54,37	-	
<b>Total adjusted operating expenses</b>	<b>1.157,77</b>	<b>1.203,29</b>	<b>(3,8)</b>	<b>564,10</b>	<b>582,48</b>	<b>(3,2)</b>
Adjusted Purchases	425,80	422,30	0,8	197,64	188,02	5,1
Adjusted outside services	360,25	389,69	(7,6)	181,76	200,50	(9,3)
Adjusted staff costs	267,74	288,10	(7,1)	130,75	137,85	(5,1)
Adjusted other operating expenses	0,13	0,23	(43,6)	0,03	0,18	(82,0)
Adjusted amortization and depreciation	103,85	102,98	0,8	53,91	55,92	(3,6)

**EBITDA reached 209.08 million Euros** (a 5.1% fall compared to the first half of 2011) given especially the impact of the non/recurring items in the first half of 2011 (essentially the expenses for redundancies) but also impacted by extraordinary items in the first half of 2012 (redundancies and Dédalo integration). **Excluding these**



items, EBITDA would have fallen by 14.8% in the semester to 213.41 million Euros, with a reduction in margins from 18.5% to 16.8%).

**Concerning the extraordinary items that impact the consolidated accounts of Grupo PRISA** (redundancy expenses, Dédalo and ONO provision) **we highlight:**

**1. Redundancy Expenses:** The extraordinary expenses for the redundancies amount, in the first half of 2012, to 4.81 million Euros, compared to the 30.24 million of the first half of 2011.

**2. Dédalo:** Until March 31<sup>st</sup> 2012, Dédalo was integrated through equity consolidation and its financial debt was being guaranteed by Prisa, with payments for the amortization and interests of this debt included in the Cash Flow statement under “Financing of Associates”.

**PRISA then reached an agreement to sell the commercial printing division of Dédalo to Sherpa Capital.** Of the remaining business of Dédalo, PRISA exercised a call option it had over the stake it still did not hold. The exercise of this option led to the Global consolidation of Dédalo and its subsidiaries as from April 1st of this year.

The impact of the Global consolidation in the Group’s first half 2012 accounts was of 10.26 million Euros at revenue level, a contribution of 0.48 million Euros to its EBITDA, and the consolidation of Dédalo’s debt (92.8 million Euros).

**3. ONO agreement Provision:** During 2009, 2010 and 2012, PRISA paid some 108.75 million Euros to ONO as a result of several lawsuits that were taking place between them. During the second quarter of 2012, **the Company has reached an agreement with ONO** following which some 54.37 million Euros have been recovered by the Company (half of the total 108.75 million paid), which ends the lawsuits that PRISA had with ONO. As a consequence of this deal, the Company has registered **an extraordinary 54.37 million Euro provision in its P&L** for the amount which has not been recovered.

Financial results have increased by 19.64 million Euros (+24.6%), mainly on the back of the increase of “**Other Financial Expenses**” (interests on debt have increased by only 2.1%), where the major differences appear in FX changes and mark to market of financial instruments, which as at June 2011 had a positive impact of nearly 6 million Euros and as at June 2012 they have had a negative impact of 2.76 million Euros.

**Equity consolidated results** include the estimate of the 17.336% net result of Mediaset España, as well as the results of V-Me, Le Monde and others. Until April 2012, Dédalo was also included.

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

**Adjusted Net profit** (excluding the impact of extraordinary expenses and the ONO Provision) reaches a net loss of 25.19 million Euros compared to the reported net loss of 61.14 million Euros.

**Audiovisual**

AUDIOVISUAL*	JANUARY - JUNE			APRIL - JUNE		
	2012	2011	% Chg.	2012	2011	% Chg.
<b>Revenues</b>	<b>594,00</b>	<b>632,91</b>	<b>(6,1%)</b>	<b>299,47</b>	<b>319,24</b>	<b>(6,2%)</b>
Prisa TV*	505,79	506,21	(0,1%)	249,75	252,00	(0,9%)
Media Capital	90,92	118,01	(23,0%)	50,87	64,46	(21,1%)
Consolidation adjustments	(2,71)	8,69	(131,2%)	(1,16)	2,78	(141,7%)
<b>EBITDA</b>	<b>103,37</b>	<b>109,28</b>	<b>(5,4%)</b>	<b>72,46</b>	<b>74,36</b>	<b>(2,6%)</b>
<b>% margin</b>	<b>17,4%</b>	<b>17,3%</b>		<b>24,2%</b>	<b>23,3%</b>	
Prisa TV*	86,67	77,69	11,6%	60,07	55,83	7,6%
% margin	17,1%	15,3%		24,1%	22,2%	
Media Capital	16,69	22,61	(26,2%)	12,38	15,66	(20,9%)
% margin	18,4%	19,2%		24,3%	24,3%	
Consolidation adjustments	0,00	8,98	(100,0%)	0,00	2,88	(100,0%)
<b>EBIT</b>	<b>(6,08)</b>	<b>59,17</b>	<b>(110,3%)</b>	<b>(10,24)</b>	<b>49,05</b>	<b>(120,9%)</b>
<b>% margin</b>	<b>(1,0%)</b>	<b>9,3%</b>		<b>(3,4%)</b>	<b>15,4%</b>	
Prisa TV*	(16,97)	33,60	(150,5%)	(19,75)	33,55	(158,9%)
% margin	(3,4%)	6,6%		(7,9%)	13,3%	
Media Capital	10,89	16,59	(34,3%)	9,51	12,62	(24,7%)
% margin	12,0%	14,1%		18,7%	19,6%	
Consolidation adjustments	0,00	8,98	(100,0%)	0,00	2,88	(100,0%)
<b>One- offs in operating expenses</b>	<b>54,73</b>	<b>2,43</b>		<b>54,70</b>	<b>0,72</b>	
Redundancies	0,36	2,43		0,33	0,72	
Prisa TV	(0,16)	1,81		0,07	0,13	
Media Capital	0,51	0,62		0,26	0,59	
ONO (Prisa TV)	54,37	0,00		54,37	0,00	
<b>Adjusted EBITDA</b>	<b>103,72</b>	<b>111,70</b>	<b>(7,1%)</b>	<b>72,78</b>	<b>75,08</b>	<b>(3,1%)</b>
<b>% adjusted margin</b>	<b>17,5%</b>	<b>17,6%</b>		<b>24,3%</b>	<b>23,5%</b>	
Prisa TV*	86,52	79,50	8,8%	60,15	55,95	7,5%
% margin	17,1%	15,7%		24,1%	22,2%	
Media Capital	17,20	23,23	(25,9%)	12,64	16,25	(22,2%)
% margin	18,9%	19,7%		24,8%	25,2%	
Consolidation adjustments	0,00	8,98	(100,0%)	0,00	2,88	(100,0%)
<b>Adjusted EBIT</b>	<b>48,65</b>	<b>61,59</b>	<b>(21,0%)</b>	<b>44,46</b>	<b>49,77</b>	<b>(10,7%)</b>
<b>% adjusted margin</b>	<b>8,2%</b>	<b>9,7%</b>		<b>14,8%</b>	<b>15,6%</b>	
Prisa TV*	37,24	35,41	5,2%	34,70	33,68	3,0%
% margin	7,4%	7,0%		13,9%	13,4%	
Media Capital	11,41	17,21	(33,7%)	9,76	13,21	(26,1%)
% margin	12,5%	14,6%		19,2%	20,5%	
Consolidation adjustments	0,00	8,98	(100,0%)	0,00	2,88	(100,0%)

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

**In Prisa TV (Canal+), revenues have remained stable in the first half of the year (-0.1%).** This is explained mainly by a combination of growth in subscriber revenues (both in Satellite and those from other platforms), growth in advertising (+4.1%), a fall in the sale of audiovisual rights, lower services to third parties, and lower fiscal deductions (some 3.6 million Euros).

**EBITDA reaches 86.67 million Euros in the first half of the year or an increase of 11.6%** versus the first half in 2011. Adjusted for the impact of non-recurring items, EBITDA reached 86.52 million Euros, an 8.8% growth compared to the first half of 2011.

**Key performance indicators of Canal+ in the first half of 2012 also show important improvements compared to the first half of 2011:**

**Starting with the number of subscribers, net additions increased by 40,968 compared to the first half of 2011,** mainly in subscribers from Other Platforms/OTT (+77,103), whilst satellite subscribers fell by 36,135. Year to date, the total number of subscribers has fallen by 7,083, with a fall in satellite subscribers (-25,045) and an increase in those from other operators and OTT (17,962). As in previous quarters, the absolute number



of subscribers has benefited from the Canal+ multi-distribution agreements signed by the Company with Telefónica, Orange, ONO and Jazztel.

The **total number of subscribers** in June 2012 has reached 1,831,349. The detail is as follows:

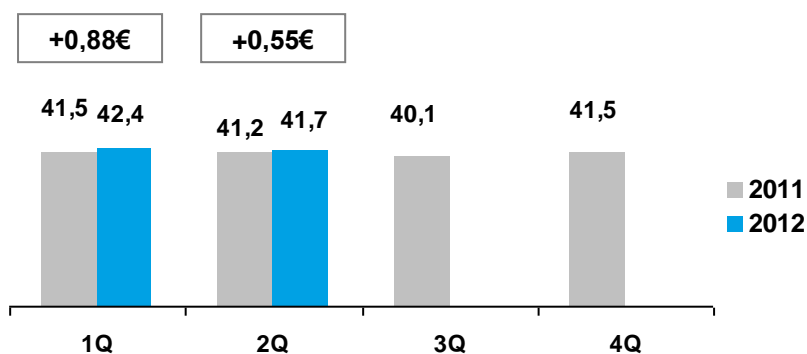
Subscribers breakdown	Jun 2012	Jun 2011	Chg. Abs	Dec 2011	Chg. Abs
Satélite (DTH)	1.731.140	1.767.275	(36.135)	1.756.185	(25.045)
Other Platforms (*)	100.209	23.106	77.103	82.247	17.962
<b>Total</b>	<b>1.831.349</b>	<b>1.790.381</b>	<b>40.968</b>	<b>1.838.432</b>	<b>-7.083</b>

(\*) Includes subscribers from agreements with telecom operators (wholesale) and OTT subscribers. In June 2011 it also includes DTT subscribers.

**The second quarter standalone** is normally seasonally weak given the end of sports events (the Spanish football league tournament ends in May) and 2012 has been no exception. In the second quarter of 2012 standalone, the number of subscribers has fallen by 46,904 (-40,096 satellite subscribers and -6,808 from other platforms and OTT).

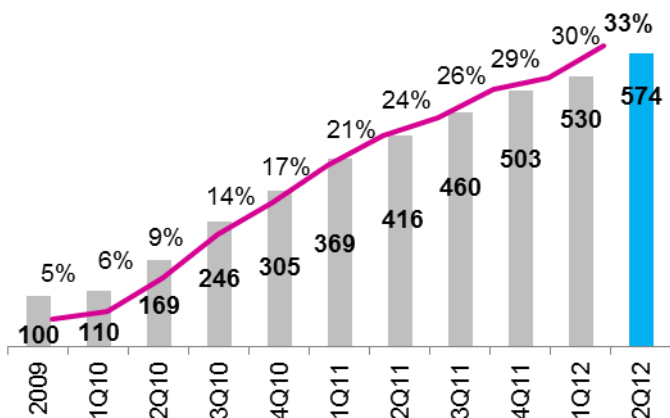
**Satellite ARPU** in the second quarter of the year stands at 41.71 Euros on average, above the 41.2 Euros on average of the same quarter of 2011. As for the first half of the year, the average satellite ARPU stands at 42.0 Euros, above the 41.3 Euros of the first half of 2011. The evolution of satellite ARPU by quarters is the following:

**CANAL+ Satellite ARPU by quarters (Euros)**

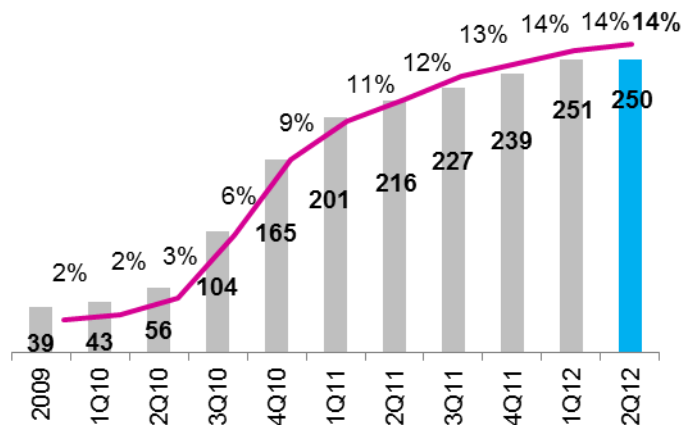


The number of subscribers with **iPlus** and **Multiplus** grows at a good pace: as at June 2012 the number of subscribers with **iPlus** is close to 575,000 and stands at 574,440, which implies a growth of 158,705 compared to June 2011, and a penetration of 33.2% (compared to the 23.5% as of June 2011 and 28.7% as of December 2011). As for **Multiplus** subscribers, in June 2012 they reached 250,279, which implies a penetration of 14.5%, above the 12.2% as at June 2011 and the 13.6% of December 2011.

**iPlus: Abonados (en miles) y penetración**



**Multi+: Abonados (en miles) y penetración**



**Churn stays around 14.0%**, below the 14.2% of June 2011 and compared to the 13.2% as at March 2012. Throughout the first half of 2012, the average Churn has been of 13.4%, well below the 14.9% on average of the first half of 2011.

**Media Capital** reached in the first half of 2012 revenues of 90.92 million Euros (-23.0%) and a recurring EBITDA of 17.20 million Euros (-25.9%) given the weak economic environment and advertising market in Portugal, but showing an important improvement in the revenues of the second quarter (-21.1% compared to the -25.2% of the first quarter of 2012).

Given the difficult economic environment, Media Capital has undertaken a **strong cost control** effort. As a result, operating expenses, excluding amortization and provisions, have fallen by 22.2% in the first half of 2012. EBITDA for Media Capital fell by 26.2% in the first half of this year (-29.5% adjusted by extraordinary items).

During the first half of 2012, Media Capital has suffered the negative impact of the **deconsolidation of Productora Canaria de Programación (PCP) and Socater**, which now contribute through equity consolidation (versus Global consolidation before). Excluding this impact, revenues for the division would have fallen by 17.4% and EBITDA by 23.5%.

**TVI**, leader in FTA television in Portugal, has reached revenues of 69.25 million Euros, which implies a fall of 10.6% compared to the first half of 2011, which also shows an important improvement in the second quarter of the year. This fall is a result of the weakness in advertising revenues (-21.4%), which compares to the (estimated) fall of the Portuguese FTA advertising market of 22%. Additionally, the sale of programs and audiovisual rights falls by 10.1% versus the first half of 2011.

TVI maintains its leadership in the market and even gains in audience share both in 24 hrs (27.1% in 2Q 2012 compared to 26.3% in the first quarter of 2012 or 26.4% in the first half of 2011), and in Prime (31.0% in 2Q 2012 compared to 29.2% in the first quarter of 2012 or with 30.5% in the first half of 2011).

## Education

EDUCATION- PUBLISHING	JANUARY - JUNE			APRIL - JUNE		
	2012	2011	% Chg.	2012	2011	% Chg.
Revenues	335,31	319,01	5,1%	142,87	133,23	7,2%
EBITDA	82,92	78,04	6,2%	13,36	15,23	(12,3%)
% margin	24,7%	24,5%		9,4%	11,4%	
EBIT	53,29	45,54	17,0%	(2,73)	(4,25)	35,8%
% margin	15,9%	14,3%		(1,9%)	(3,2%)	
<b>One-offs in operating expenses</b>	<b>1,52</b>	<b>1,93</b>		<b>0,41</b>	<b>1,09</b>	
Redundancies	1,52	1,93		0,41	1,09	
<b>Adjusted EBITDA</b>	<b>84,44</b>	<b>79,97</b>	<b>5,6%</b>	<b>13,78</b>	<b>16,32</b>	<b>(15,6%)</b>
% adjusted margin	25,2%	25,1%		9,6%	12,3%	
<b>Adjusted EBIT</b>	<b>54,81</b>	<b>47,47</b>	<b>15,5%</b>	<b>(2,3)</b>	<b>(3,16)</b>	<b>26,7%</b>
% adjusted margin	16,3%	14,9%		(1,6%)	(2,4%)	

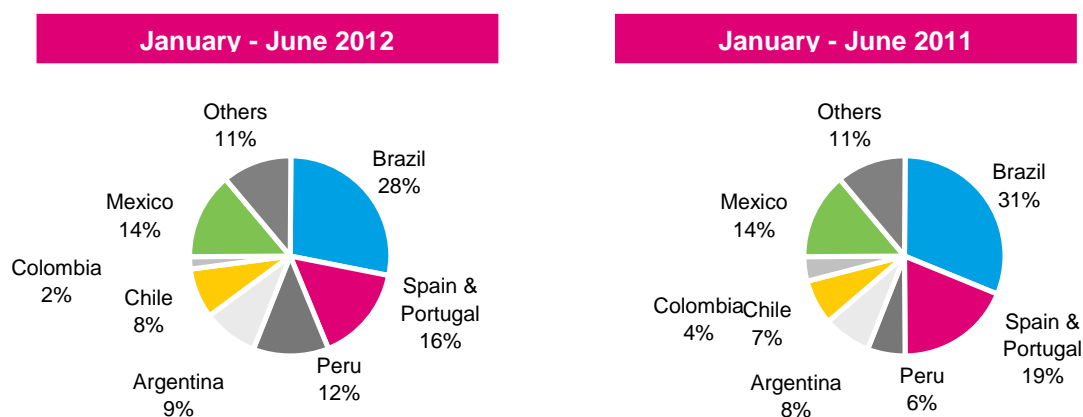
Education revenues reached 335.31 million Euros in the first half of 2012; a 5.1% growth versus the first half of 2011. Recurring EBITDA reached 84.44 million Euros (+5.6%) implying an increase in margins from 25.1% to 25.2%.

As for the **geographical contribution**, we would highlight:

- **Growth in the Northern Area (+8.1%)**, with strong improvements in **Mexico (+9.4%)** on the back of the good performance of Education Systems and **USA (+28.6%)**, and weakness in Venezuela (-23.6%) where in 2011 part of the campaign was advanced and where in 2012 there is still an important part of the campaign to be registered.
- **Growth in the Southern Area of Latin America (+8.6%)** despite the negative consequences of the cycle in **Brazil (-5.5%)**, with a solid performance of most countries: **Argentina (+13.1%)**, **Chile (+6.4%)**, **Peru (+109.2%)**, **Bolivia (+20.2%)** or **Uruguay (+28.7%)**.
- **Spain** sees its revenues fall by 8.3%, including a fall of 5.7% in Education (where the campaign is only starting and where there is an important part of it still to take place) and of 6.5% in Ediciones Generales (General Publishing).

The **FX change** has had a positive impact of 4.12 million Euros in revenues (excluding this impact, revenues would have grown by 3.8% instead of by 5.1%) and of 0.69 million Euros at EBITDA (excluding this impact, EBITDA would have grown by 5.4% instead of by 6.2%). In **Brazil** the impact on revenues has been negative (at constant currency, revenues in Brazil would have fallen by 3.2% instead of by 5.5%) and positive at EBITDA (without the FX impact, EBITDA would have grown by 9.9% instead of by 11.3%).

The geographical split of revenues in the Education division has been as follows::



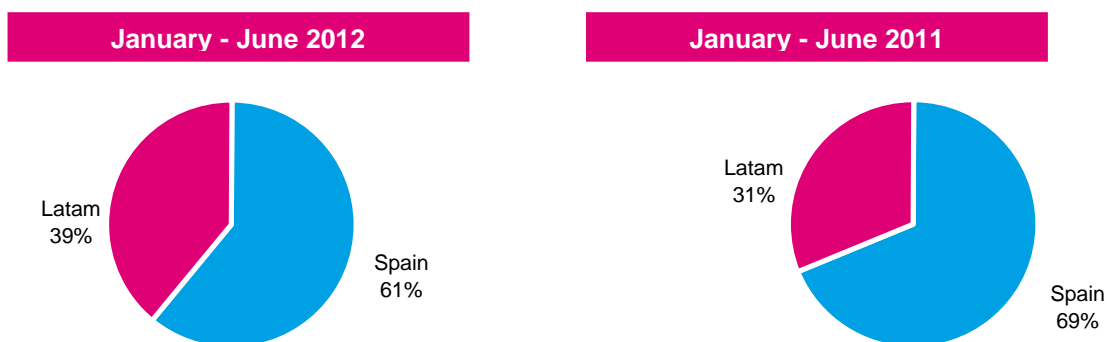
**Radio**

RADIO	JANUARY - JUNE			APRIL - JUNE		
	2012	2011	% Chg.	2012	2011	% Chg.
<b>Revenues</b>	<b>169,55</b>	<b>185,05</b>	<b>(8,4%)</b>	<b>88,77</b>	<b>101,63</b>	<b>(12,7%)</b>
<i>Advertising</i>	152,32	161,79	(5,9%)	79,63	87,67	(9,2%)
<i>Others</i>	17,23	23,26	(25,9%)	9,14	13,97	(34,6%)
<b>EBITDA</b>	<b>30,01</b>	<b>37,42</b>	<b>(19,8%)</b>	<b>17,81</b>	<b>22,81</b>	<b>(21,9%)</b>
% margin	17,7%	20,2%		20,1%	22,4%	
<b>EBIT</b>	<b>21,05</b>	<b>26,46</b>	<b>(20,4%)</b>	<b>13,26</b>	<b>16,62</b>	<b>(20,2%)</b>
% margin	12,4%	14,3%		14,9%	16,3%	
<b>One-offs in operating expenses</b>	<b>0,48</b>	<b>9,14</b>		<b>0,16</b>	<b>6,89</b>	
Redundancies	0,48	9,14		0,16	6,89	
<b>Adjusted EBITDA</b>	<b>30,49</b>	<b>46,56</b>	<b>(34,5%)</b>	<b>17,97</b>	<b>29,69</b>	<b>(39,5%)</b>
% adjusted margin	18,0%	25,2%		20,2%	29,2%	
<b>Adjusted EBIT</b>	<b>21,54</b>	<b>35,60</b>	<b>(39,5%)</b>	<b>13,42</b>	<b>23,50</b>	<b>(42,9%)</b>
% adjusted margin	12,7%	19,2%		15,1%	23,1%	

In the first half of 2012 **revenues in Radio** reached 169.55 million Euros, which implies a fall of 8.4%.

This fall comes mainly on the back of **lower advertising revenues in Spain** (-15.8%) where local advertising has fallen by 25.2% (in line with the 24.4% fall of the first quarter of 2012) and national advertising, which had remained stable during the first quarter of 2012, shows for the first half a fall of 6.4%. **Latin American advertising has shown strong growth** (+13.5%), especially on the back of the growth in Colombia (+14.6%), Chile (+9.2%), Mexico (+20.6%) and Argentina (+34.4%).

The geographical contribution of the Radio division is as follows:



**EBITDA** in Radio reached 30.01 million Euros in the first half of 2012, which implies a fall of 19.8%. Excluding the impact of the redundancies made on the back of the efficiency plan, EBITDA would have fallen by 34.5%.

**Press**

	JANUARY - JUNE			APRIL - JUNE		
	2012	2011	% Chg.	2012	2011	% Chg.
<b>PRESS*</b>						
<b>Revenues</b>	<b>169,03</b>	<b>213,03</b>	<b>(20,7%)</b>	<b>82,87</b>	<b>103,28</b>	<b>(19,8%)</b>
Advertising	66,16	78,08	(15,3%)	35,24	41,72	(15,5%)
Circulation	78,03	88,85	(12,2%)	37,15	41,82	(11,2%)
Add-ons and others	24,84	46,09	(46,1%)	10,48	19,74	(46,9%)
<b>EBITDA</b>	<b>13,01</b>	<b>18,34</b>	<b>(29,0%)</b>	<b>7,85</b>	<b>15,93</b>	<b>(50,7%)</b>
% margin	7,7%	8,6%		9,5%	15,4%	
<b>EBIT</b>	<b>6,11</b>	<b>12,43</b>	<b>(50,9%)</b>	<b>4,34</b>	<b>12,98</b>	<b>(66,5%)</b>
% margin	3,6%	5,8%		5,2%	12,6%	
<b>One-offs in operating expenses</b>	<b>0,39</b>	<b>14,03</b>		<b>0,19</b>	<b>3,30</b>	
Redundancies	0,39	14,03		0,19	3,30	
<b>Adjusted EBITDA</b>	<b>13,40</b>	<b>32,36</b>	<b>(58,6%)</b>	<b>8,04</b>	<b>19,23</b>	<b>(58,2%)</b>
% adjusted margin	7,9%	15,2%		9,7%	18,6%	
<b>Adjusted EBIT</b>	<b>6,49</b>	<b>26,46</b>	<b>(75,5%)</b>	<b>4,53</b>	<b>16,28</b>	<b>(72,1%)</b>
% adjusted margin	3,8%	12,4%		5,5%	15,8%	

\* Includes distribution.

The Press division reduces its **revenues** by 20.7% in the first half of 2012, reaching 169.03 million Euros. This is due to the weakness of the written press advertising market in Spain, to the fall in circulation numbers and to the positive impact that fiscal deductions had in the first half of 2011 (14.51 million Euros). Without these, revenues would have fallen by 15%.

**Advertising revenues** fall by 15.3% (El País -18% and As +5.6%), in line with the fall shown in the first quarter of the year. It is worth highlighting the **good performance of digital advertising revenues in Press** which have grown by 24.1% and represent 18.1% of total advertising revenues in this division

**Circulation revenues** fall by 12.2%. Contribution to this fall is explained in the following table:

	January- June 2012	January- June 2011	Chg. %
El País	343.156	382.908	(10,4%)
AS	183.334	194.639	(5,8%)
Cinco Días	30.932	32.316	(4,3%)

Fuente: Unaudited OJD as of May 2012 and internal sources

Circulation in **El País** falls by 10.4%, **As** falls by 5.8% and **Cinco Días** by 4.3%. In addition to the weakness in circulation shown by the written press sector, circulation at El País during the first half of 2011 was supported by a promotion which has not taken place in 2012. Promotions had a positive impact of 27.7 million Euros during the first half of 2011, whilst in the first half of 2012 this impact has been 10 million Euros lower.

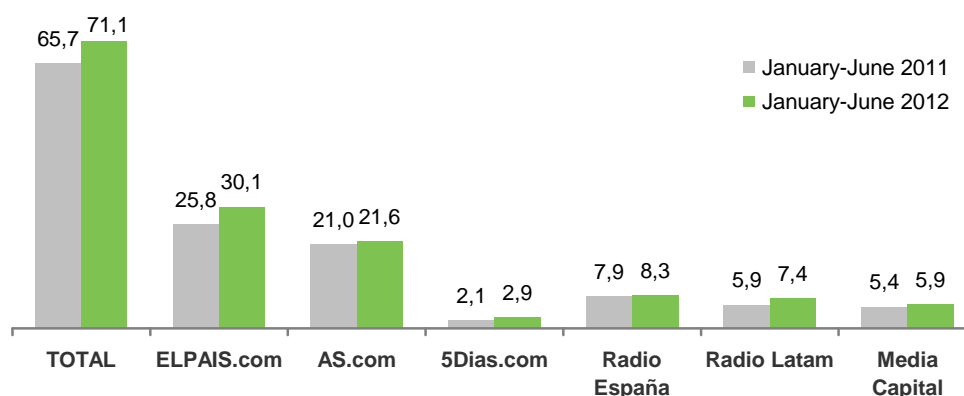
**EBITDA** has reached 13.01 million Euros, a fall of 29.0% vs the first half of 2011. Excluding the impact of extraordinary redundancy expenses (0.39 million Euros in 2012 versus 14.03 million Euros in the first half of 2011) EBITDA would have fallen by 58.6%.

## Digital Area

The digital activities of the Group reached revenues of 25.04 million Euros, a fall of 7.0% compared to the first half of 2011, due mainly to the fall in subsidies and fiscal deductions (from 5.10 million Euros to 78 thousand Euros), and despite the growth in advertising revenues and digital products.

Digital advertising revenues reached 17.24 million Euros (+14.4%).

The impetus of the Group on the digital transformation of its businesses is clearly reflected in **increased traffic**, which has risen by 8.2% in the first half of the year, mainly on the back of Prisa Television, Elpais.com and Cincodias.com. The monthly average number of unique browsers of the Group's sites, in millions, changed as follows:



Fuente: *Omniture site catalyst, Netscope y Certifica.com.*

The Group continues with its digital development in all its units with a very consumer-oriented model.

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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:

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## **APPENDIX**

### **I. Balance sheet**

### **II. Total net financial position**

### **III. Breakdown of Investments**

### **IV. Cash flow statement**

### **V. Breakdown of operating revenue**

- V.I. By business line
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- VII.III Breakdown of operating expenses
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- VII.V Breakdown of EBIT

### **VIII. Other significant events**

### **IX. Structure of the Group**

### **X. Reconciliation between EBITDA and EBIT**

**Appendix I. BALANCE SHEET**

€ Million	ASSETS	
	06/30/2012	12/31/2011
<b>FIXED ASSETS</b>	<b>6.188,38</b>	<b>6.178,70</b>
Property, plant and equipment	321,64	307,44
Goodwill	3.643,51	3.645,08
Intangible assets	335,72	331,26
Long term financial investments	64,94	121,69
Investment in associates	619,66	604,08
Deferred tax assets	1.200,65	1.166,69
Other non current assets	2,28	2,46
<b>CURRENT ASSETS</b>	<b>1.606,83</b>	<b>1.699,70</b>
Inventories	296,75	275,40
Accounts receivable	1.139,26	1.269,64
Short term financial investments	68,16	56,49
Cash & cash equivalents	102,66	98,16
<b>ASSETS HELD FOR SALE</b>	<b>3,27</b>	<b>0,13</b>
<b>TOTAL ASSETS</b>	<b>7.798,48</b>	<b>7.878,52</b>

€ Million	LIABILITIES	
	06/30/2012	12/31/2011
<b>SHAREHOLDERS EQUITY</b>	<b>2.491,24</b>	<b>2.218,04</b>
Issued capital	92,29	84,79
Reserves	1.899,49	1.991,39
Income attributable to the parent company	(61,14)	(451,22)
Minority interest	560,60	593,08
<b>NON CURRENT LIABILITIES</b>	<b>3.698,03</b>	<b>3.882,33</b>
Long term financial debt	3.220,78	3.176,49
Other long term financial liabilities	167,22	302,86
Deferred tax liabilities	29,91	30,41
Provisions	261,62	356,52
Other non current liabilities	18,51	16,05
<b>CURRENT LIABILITIES</b>	<b>1.609,21</b>	<b>1.778,16</b>
Short term financial debt	192,76	223,63
Other current financial liabilities	38,85	88,85
Trade accounts payable	1.082,36	1.180,07
Other short term liabilities	268,76	253,24
Accrual accounts	26,49	32,37
<b>TOTAL LIABILITIES</b>	<b>7.798,48</b>	<b>7.878,52</b>

## Appendix II. TOTAL NET FINANCIAL POSITION

€ Million		
NET DEBT	06/30/2012	12/31/2011
Prisa (includes Media Capital)	3.255,63	3.200,93
Prisa TV	(12,92)	44,53
<b>Net financial debt</b>	<b>3.242,72</b>	<b>3.245,46</b>
Other financial debt	127,61	288,11
<b>Total net debt</b>	<b>3.370,33</b>	<b>3.533,58</b>

“Other Financial Debt” includes:

- The 124.25 million Euro liability from the obligation generated by the annual preferred dividend commitment to DLJ on the back of its 25% stake in Santillana, and
- The 2.93 million Euro liability from the preferred dividend to be paid in July 2012 on the back of the early conversion of non voting B shares during June 2012.

On June 30<sup>th</sup> 2012, the annual General Shareholders Meeting approved a modification in the conditions of the minimum preferred dividend of the non voting convertible B shares, through which this dividend can be paid in cash, in A shares (at a fixed conversion ratio of 1 Euro – 1 share) or a combination of both. This has resulted in the reclassification of the B share dividend liability (191.53 million Euros) against Reserves.

The evolution of the Net Financial Debt in the first half of 2012 is as follows:

Million Euros	06/30/2012	12/31/2011
Gross Financial Debt	3.413,53	3.400,12
Gross Cash	(170,82)	(154,65)
<b>Net Financial Debt</b>	<b>3.242,72</b>	<b>3.245,46</b>
<b>Change in Net Financial Debt</b>	<b>(2,75)</b>	
Cash Flow Generation	0,44	
Dédalo Net Debt	90,48	
Debt Ammortisation (Warrants)	(100,00)	
Other	6,33	

The exercise of the 75 million Warrants which took place in January 2012 (at two Euros per share) implied the issue of 75 million new ordinary shares, a cash inflow of 50 million Euros (more details in Appendix IV, Cash Flow Statement) and the amortization of 100 million Euros of debt, which lead to the total proceeds of 150 million Euros.

The deal with Dédalo implied the consolidation of its debt (92.8 million Euros), which in any case was already guaranteed by Grupo Prisa before the deal took place. The impact on the Company's net financial debt of the integration of Dédalo's debt is 90.48 million Euros.

“Other” includes elements such as FX impacts, debt formalization costs, refinancing costs etc.

### Appendix III. BREAKDOWN OF INVESTMENTS

€ Million	CAPEX	Long term financial investments	TOTAL 2012
<b>Audiovisual</b>	<b>27,70</b>	<b>3,28</b>	<b>30,98</b>
Prisa TV	25,38	3,28	28,66
Media Capital	2,32	---	2,32
<b>Education- Publishing</b>	<b>29,53</b>	<b>---</b>	<b>29,53</b>
<b>Radio</b>	<b>2,16</b>	<b>---</b>	<b>2,16</b>
Radio in Spain	1,25	---	1,25
International Radio	0,87	---	0,87
Music	0,04	---	0,04
<b>Press</b>	<b>1,15</b>	<b>0,47</b>	<b>1,62</b>
El País	0,84	---	0,84
AS	0,17	---	0,17
Cinco Días	0,03	---	0,03
Others	0,12	0,47	0,59
<b>Others</b>	<b>8,04</b>	<b>0,03</b>	<b>8,07</b>
Digital	7,82	---	7,82
Prisa	0,04	0,03	0,08
Other	0,18	---	0,18
<b>Total</b>	<b>68,59</b>	<b>3,78</b>	<b>72,37</b>

**Prisa TV's Capex** includes the acquisition of digital cards and decoders as well as 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 Euros	30/06/2012	30/06/2011
<b>EBITDA</b>	<b>209,08</b>	<b>220,21</b>
Provisions	(14,85)	(17,12)
Change in working capital	(6,82)	(191,99)
<b>cash flow from operating activitiers</b>	<b>187,42</b>	<b>11,10</b>
Capex	(68,59)	(114,70)
Financial investments	2,27	(16,35)
Disinvestments	0,40	5,25
<b>Cash flow from investing activities</b>	<b>(65,92)</b>	<b>(125,80)</b>
Interests paid	(58,14)	(57,93)
Dividends paid	(26,30)	(28,11)
Dividends recieved	9,77	25,25
Financing of associates (Dédalo debt Repayment)	(15,62)	(22,47)
Warrants exercise	50,02	1,76
Other	(6,13)	(12,48)
<b>Cash flow from financing activities</b>	<b>(46,40)</b>	<b>(93,98)</b>
Taxes paid	(33,33)	(28,08)
Other	(42,20)	(25,66)
<b>Cash flow</b>	<b>(0,44)</b>	<b>(262,41)</b>
Sale of 10% of Media Capital	0,00	23,74
<b>Cash flow from special operations</b>	<b>0,00</b>	<b>23,74</b>
<b>Cash flow after special operations</b>	<b>(0,44)</b>	<b>(238,66)</b>

The investment in Working Capital is due mainly to:

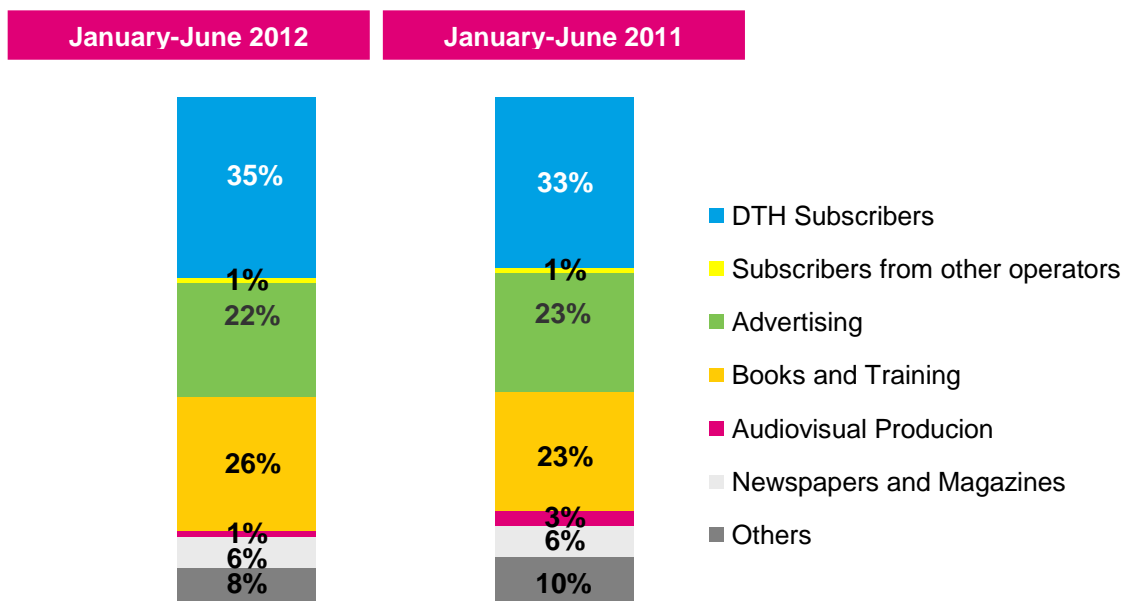
- Prisa Education where several pending payments from 2011 have been made and given that the education campaign of Brazil has been larger than that of other years
- Prisa TV which:
  - a) Has not had to face extraordinaries like in 2011 such as the ONO sentence payment and that of Espanyol
  - b) The positive impact of the ONO agreement which has ended the lawsuits with this company (as explained before (page 7), and
  - c) Part of the payments for the football audiovisual rights has not yet been made for the 2012-2013 championship.

The **warrants** exercise (which took place in the first quarter of 2012) does not include the full proceeds (150 million Euros) as 100 million Euros have been directly applied to debt amortization, and only 50 million Euros are considered as cash inflow.

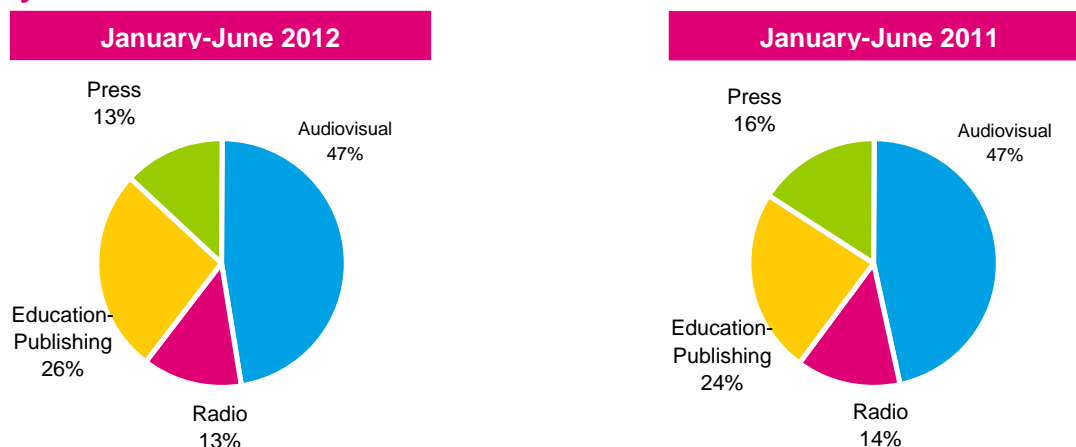
## Appendix V. BREAKDOWN OF OPERATING REVENUE

Below is a breakdown of operating revenue by business line, business unit and geographical origin:

### V.I. By business line



### V.II. By business unit

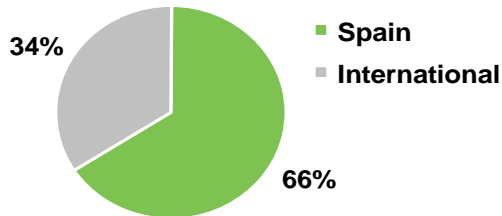


Note. Most of the revenues in "Others" is compensated by the consolidation adjustments at Group level

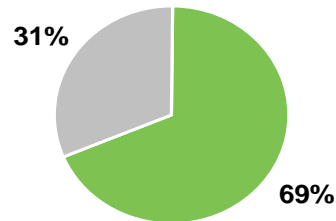


V.III. By geographical origin

January-June 2012



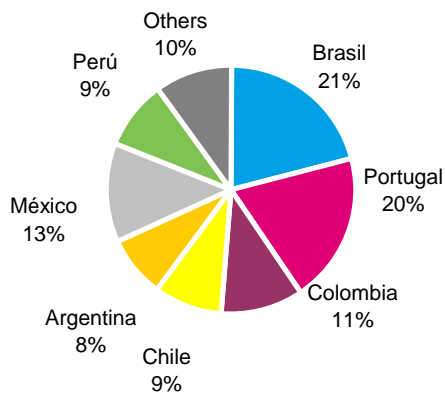
January-June 2011



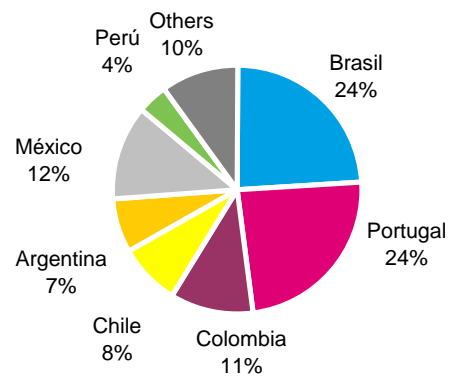
In the first half of 2012, 34.2% of revenue came from the international area (compared to 30.9% in the same period of 2011), of which 64.3% came from Santillana, 19.1% from Media Capital and the rest mostly from international radio.

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

January-June 2012



January-June 2011



Revenue from the international area includes a noteworthy contribution by Brazil and Portugal (41% of the total international). The growth in revenues from Latin America remains strong (+10.0%).

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

OPERATING REVENUES	JANUARY - JUNE		
	2012	2011	% Chg.
<b>€ Million</b>			
<b>Audiovisual</b>	<b>594,00</b>	<b>632,91</b>	<b>(6,1%)</b>
Prisa TV *	505,79	506,21	(0,1%)
Subscribers	452,80	448,20	1,0%
Advertising	8,87	8,52	4,1%
Others	44,12	49,49	(10,8%)
Media Capital	90,92	118,01	(23,0%)
Consolidation Adjustments	(2,71)	8,69	(131,2%)
<b>Education - Publishing</b>	<b>335,31</b>	<b>319,01</b>	<b>5,1%</b>
Spain & Portugal	54,80	60,38	(9,2%)
Latam & USA	280,51	258,63	8,5%
<b>Radio</b>	<b>169,55</b>	<b>185,05</b>	<b>(8,4%)</b>
Radio in Spain	101,06	124,08	(18,6%)
International Radio	66,15	57,79	14,5%
Music	5,85	7,80	(25,0%)
Consolidation Adjustments	(3,51)	(4,62)	24,1%
<b>Press</b>	<b>169,03</b>	<b>213,03</b>	<b>(20,7%)</b>
El País	111,98	141,18	(20,7%)
AS	34,07	39,78	(14,4%)
Cinco Días	7,20	9,07	(20,6%)
Magazines	11,55	16,44	(29,8%)
Distribution	8,44	9,37	(10,0%)
Consolidation Adjustments	(4,21)	(2,83)	(49,1%)
<b>Other Revenues</b>	<b>62,95</b>	<b>52,16</b>	<b>20,7%</b>
Prisa Brand Solutions	13,11	12,37	6,0%
Printing**	13,70	---	---
Others***	36,15	39,79	(9,2%)
<b>Consolidation Adjustments</b>	<b>(53,24)</b>	<b>(51,39)</b>	<b>(3,6%)</b>
<b>TOTAL</b>	<b>1.277,59</b>	<b>1.350,77</b>	<b>(5,4%)</b>

\*Prisa TV includes the Pay TV and other related activities

\*\* The printing business is being fully integrated since April, 2012.

\*\*\* Others include mainly the activities from Head Quarters.

**VI.II. Advertising**

ADVERTISING	JANUARY - JUNE		
	2012	2011	% Chg.
<b>€ Million</b>			
<b>Audiovisual</b>	<b>66,47</b>	<b>79,19</b>	<b>(16,1%)</b>
Prisa TV	8,87	8,52	4,1%
Media Capital	57,60	70,67	(18,5%)
<b>Radio</b>	<b>152,32</b>	<b>161,79</b>	<b>(5,9%)</b>
Radio in Spain	91,10	107,90	(15,6%)
International Radio	61,20	53,64	14,1%
Music	0,09	0,39	(77,4%)
Consolidation Adjustments	(0,07)	(0,14)	54,5%
<b>Press</b>	<b>66,16</b>	<b>78,08</b>	<b>(15,3%)</b>
El Pais	46,79	57,03	(18,0%)
AS	10,83	10,26	5,6%
Cinco Días	4,17	4,67	(10,8%)
Magazines	4,50	6,24	(27,9%)
Consolidation Adjustments	(0,12)	(0,12)	(6,9%)
<b>Others</b>	<b>0,62</b>	<b>1,23</b>	<b>(49,2%)</b>
<b>Consolidation Adjustments</b>	<b>(3,36)</b>	<b>(4,43)</b>	<b>24,2%</b>
<b>TOTAL</b>	<b>282,21</b>	<b>315,87</b>	<b>(10,7%)</b>

**VI.III. Operating Expenses**

OPERATING EXPENSES	JANUARY - JUNE		
	2012	2011	% Chg.
<b>€ Million</b>			
<b>Audiovisual</b>	<b>600,08</b>	<b>573,74</b>	<b>4,6%</b>
Prisa TV*	522,77	472,62	10,6%
Media Capital	80,03	101,41	(21,1%)
Consolidation Adjustments	(2,71)	(0,29)	---
<b>Education - Publishing</b>	<b>282,02</b>	<b>273,47</b>	<b>3,1%</b>
Spain & Portugal	64,53	70,76	(8,8%)
Latam & USA	217,49	202,71	7,3%
<b>Radio</b>	<b>148,49</b>	<b>158,59</b>	<b>(6,4%)</b>
Radio in Spain	92,23	107,15	(13,9%)
International Radio	53,41	46,48	14,9%
Music	6,36	9,58	(33,6%)
Consolidation adjustments	(3,51)	(4,62)	24,1%
<b>Press</b>	<b>162,92</b>	<b>200,60</b>	<b>(18,8%)</b>
El Pais	111,17	137,72	(19,3%)
AS	28,30	31,73	(10,8%)
Cinco Dias	7,00	8,77	(20,2%)
Magazines	12,64	15,75	(19,7%)
Distribution	8,23	8,86	(7,1%)
Consolidation Adjustments	(4,41)	(2,23)	(97,9%)
<b>Other Expenses</b>	<b>90,87</b>	<b>80,04</b>	<b>13,5%</b>
Prisa Brand Solutions	14,16	12,80	10,6%
Printing**	15,72	---	---
Others***	61,00	67,23	(9,3%)
<b>Consolidation Adjustments</b>	<b>(55,16)</b>	<b>(52,89)</b>	<b>(4,3%)</b>
<b>TOTAL</b>	<b>1.229,22</b>	<b>1.233,54</b>	<b>(0,3%)</b>

\* Prisa TV includes the Pay TV and other related activities

\*\* The printing business is being fully integrated since April, 2012.

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

**VI.IV. EBITDA**

EBITDA	JANUARY - JUNE			
	€ Million	2012	2011	% Chg.
<b>Audiovisual</b>		<b>103,37</b>	<b>109,28</b>	<b>(5,4%)</b>
<b>% margin</b>		<b>17,4%</b>	<b>17,3%</b>	
Prisa TV*		86,67	77,69	11,6%
% margin		17,1%	15,3%	
Media Capital		16,69	22,61	(26,2%)
% margin		18,4%	19,2%	
Consolidation Adjustments		0,00	8,98	(100,0%)
<b>Education - Publishing</b>		<b>82,92</b>	<b>78,04</b>	<b>6,2%</b>
<b>% margin</b>		<b>24,7%</b>	<b>24,5%</b>	
Spain&Portugal		(3,59)	0,03	---
% margin		(6,5%)	0,0%	
Latam & USA		86,50	78,01	10,9%
% margin		30,8%	30,2%	
<b>Radio</b>		<b>30,01</b>	<b>37,42</b>	<b>(19,8%)</b>
<b>% margin</b>		<b>17,7%</b>	<b>20,2%</b>	
Radio in Spain		14,04	24,21	(42,0%)
% margin		13,9%	19,5%	
International Radio		16,30	14,40	13,2%
% margin		24,6%	24,9%	
Music		(0,33)	(1,20)	72,5%
% margin		(5,6%)	(15,3%)	
<b>Press</b>		<b>13,01</b>	<b>18,34</b>	<b>(29,0%)</b>
<b>% margin</b>		<b>7,7%</b>	<b>8,6%</b>	
El Pais		6,29	8,10	(22,3%)
% margin		5,6%	5,7%	
AS		6,55	8,70	(24,8%)
% margin		19,2%	21,9%	
Cinco Dias		0,39	0,49	(20,2%)
% margin		5,4%	5,3%	
Magazines		(0,9)	0,84	---
% margin		(8,0%)	5,1%	
Distribution		0,50	0,80	(37,7%)
% margin		5,9%	8,5%	
<b>Others</b>		<b>(20,21)</b>	<b>(22,87)</b>	<b>11,6%</b>
Prisa Brand Solutions		(0,81)	(0,16)	---
% margin		(6,2%)	(1,3%)	
Printing**		0,48	---	---
% margin		0,0%		
Others***		(19,88)	(22,71)	12,5%
<b>TOTAL</b>		<b>209,08</b>	<b>220,21</b>	<b>(5,1%)</b>
<b>% margin</b>		<b>16,4%</b>	<b>16,3%</b>	

\* Prisa TV includes the Pay TV and other related activities

\*\* The printing business is being fully integrated since April, 2012.

\*\*\* Others include mainly Head Quarters.

**VI.V. EBIT**

EBIT € Million	JANUARY - JUNE		
	2012	2011	% Chg.
<b>Audiovisual</b>	<b>(6,08)</b>	<b>59,17</b>	<b>(110,3%)</b>
<b>% margin</b>	<b>(1,0%)</b>	<b>9,3%</b>	
Prisa TV*	(16,97)	33,60	(150,5%)
% margin	(3,4%)	6,6%	
Media Capital	10,89	16,59	(34,3%)
% margin	12,0%	14,1%	
Consolidation Adjustments	0,00	8,98	(100,0%)
<b>Education - Publishing</b>	<b>53,29</b>	<b>45,54</b>	<b>17,0%</b>
<b>% margin</b>	<b>15,9%</b>	<b>14,3%</b>	
Spain&Portugal	(9,73)	(10,38)	6,3%
% margin	(17,8%)	(17,2%)	
Latam&USA	63,02	55,92	12,7%
% margin	22,5%	21,6%	
<b>Radio</b>	<b>21,05</b>	<b>26,46</b>	<b>(20,4%)</b>
<b>% margin</b>	<b>12,4%</b>	<b>14,3%</b>	
Radio in Spain	8,83	16,93	(47,9%)
% margin	8,7%	13,6%	
International Radio	12,73	11,30	12,7%
% margin	19,3%	19,6%	
Music	(0,51)	(1,78)	71,5%
% margin	(8,7%)	(22,8%)	
<b>Press</b>	<b>6,11</b>	<b>12,43</b>	<b>(50,9%)</b>
<b>% margin</b>	<b>3,6%</b>	<b>5,8%</b>	
El Pais	0,82	3,46	(76,4%)
% margin	0,7%	2,5%	
AS	5,77	8,06	(28,4%)
% margin	16,9%	20,3%	
Cinco Dias	0,20	0,30	(32,2%)
% margin	2,8%	3,3%	
Magazines	(1,11)	0,70	---
% margin	(9,6%)	4,2%	
Distribution	0,22	0,52	(58,4%)
% margin	2,5%	5,5%	
<b>Others</b>	<b>(26,00)</b>	<b>(26,38)</b>	<b>1,4%</b>
Prisa Brand Solutions	(1,05)	(0,44)	(140,7%)
% margin	(8,0%)	(3,5%)	
Printing**	(2,02)	---	---
% margin	(14,7%)		
Others***	(22,94)	(25,94)	11,6%
<b>TOTAL</b>	<b>48,36</b>	<b>117,23</b>	<b>(58,7%)</b>
<b>% margin</b>	<b>3,8%</b>	<b>8,7%</b>	

\* Prisa TV includes the Pay TV and other related activities

\*\* The printing business is being fully integrated since April, 2012.

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



**Appendix VII. QUARTERLY DATA BY BUSINESS UNIT**
**VII.I. Operating Revenues**

OPERATING REVENUES	2012**		2011*		%Chg.2012/2011	
	Q1	Q2	Q1	Q2	Q1	Q2
<b>€ Million</b>						
<b>Audiovisual</b>	<b>294,53</b>	<b>299,47</b>	<b>313,67</b>	<b>319,24</b>	<b>(6,1%)</b>	<b>(6,2%)</b>
Prisa TV	256,04	249,75	254,21	252,00	0,7%	(0,9%)
Subscribers	228,71	224,09	224,88	223,32	1,7%	0,3%
Advertising	4,33	4,55	4,20	4,32	2,9%	5,3%
Others	23,01	21,12	25,13	24,36	(8,4%)	(13,3%)
Media Capital	40,05	50,87	53,55	64,46	(25,2%)	(21,1%)
Consolidation Adjustments	(1,55)	(1,16)	5,91	2,78	(126,3%)	(141,6%)
<b>Education - Publishing</b>	<b>192,44</b>	<b>142,87</b>	<b>185,78</b>	<b>133,23</b>	<b>3,6%</b>	<b>7,2%</b>
Spain & Portugal	7,31	47,49	6,09	54,29	19,9%	(12,5%)
Latam & USA	185,13	95,38	179,69	78,94	3,0%	20,8%
<b>Radio</b>	<b>78,97</b>	<b>90,58</b>	<b>83,42</b>	<b>101,63</b>	<b>(5,3%)</b>	<b>(10,9%)</b>
Radio in Spain	48,86	52,20	56,89	67,19	(14,1%)	(22,3%)
International Radio	29,97	36,17	26,29	31,50	14,0%	14,8%
Music	1,79	4,06	2,89	4,91	(38,0%)	(17,3%)
Consolidation Adjustments	(1,66)	(1,85)	(2,65)	(1,97)	37,5%	5,9%
<b>Press</b>	<b>86,15</b>	<b>82,87</b>	<b>109,75</b>	<b>103,28</b>	<b>(21,5%)</b>	<b>(19,8%)</b>
El Pais	58,61	53,38	75,53	65,65	(22,4%)	(18,7%)
AS	16,34	17,72	18,85	20,93	(13,3%)	(15,3%)
Cinco Días	3,54	3,66	4,27	4,80	(17,2%)	(23,7%)
Magazines	5,52	6,03	8,02	8,43	(31,1%)	(28,5%)
Distribution	4,13	4,31	4,49	4,89	(7,9%)	(11,9%)
Consolidation Adjustments	(1,99)	(2,22)	(1,41)	(1,42)	(41,8%)	(56,6%)
<b>Other Revenues</b>	<b>24,02</b>	<b>38,94</b>	<b>25,60</b>	<b>26,55</b>	<b>(6,2%)</b>	<b>46,6%</b>
Prisa Brand Solutions	6,54	6,56	6,30	6,07	3,9%	8,2%
Printing**	---	13,70	---	---	---	---
Others***	17,48	18,67	19,30	20,49	(9,5%)	(8,9%)
<b>Consolidation adjustments</b>	<b>(24,55)</b>	<b>(28,70)</b>	<b>(27,30)</b>	<b>(24,37)</b>	<b>10,1%</b>	<b>(17,8%)</b>
<b>TOTAL</b>	<b>651,56</b>	<b>626,03</b>	<b>690,93</b>	<b>659,84</b>	<b>(5,7%)</b>	<b>(5,1%)</b>

\*Distribution has been consolidated into Press.

\*\* The printing business is being fully integrated since April, 2012.

\*\*\* Others include mainly Head Quarters.

**VII.II. Advertising**

ADVERTISING € Million	2012**		2011*		%Chg.2012/2011	
	Q1	Q2	Q1	Q2	Q1	Q2
<b>Audiovisual</b>	<b>29,62</b>	<b>36,85</b>	<b>35,32</b>	<b>43,87</b>	<b>(16,2%)</b>	<b>(16,0%)</b>
Prisa TV	4,33	4,55	4,20	4,32	2,9%	5,3%
Media Capital	25,29	32,31	31,12	39,55	(18,7%)	(18,3%)
<b>Radio</b>	<b>70,88</b>	<b>81,44</b>	<b>74,13</b>	<b>87,67</b>	<b>(4,4%)</b>	<b>(7,1%)</b>
Radio in Spain	43,55	47,55	49,54	58,37	(12,1%)	(18,5%)
International Radio	27,36	33,85	24,50	29,14	11,6%	16,1%
Music	0,04	0,05	0,12	0,27	(70,2%)	(80,8%)
Consolidation adjustments	(0,06)	(0,01)	(0,04)	(0,10)	(55,3%)	94,3%
<b>Press</b>	<b>30,92</b>	<b>35,24</b>	<b>36,36</b>	<b>41,72</b>	<b>(15,0%)</b>	<b>(15,5%)</b>
El Pais	22,47	24,32	26,51	30,53	(15,2%)	(20,3%)
AS	4,54	6,29	4,66	5,59	(2,7%)	12,5%
Cinco Días	2,02	2,15	2,31	2,37	(12,4%)	(9,2%)
Magazines	1,96	2,54	2,98	3,26	(34,3%)	(22,0%)
Consolidation adjustments	(0,07)	(0,05)	(0,10)	(0,02)	26,3%	(157,1%)
<b>Others***</b>	<b>0,24</b>	<b>0,39</b>	<b>0,59</b>	<b>0,63</b>	<b>(60,0%)</b>	<b>(39,1%)</b>
<b>Consolidation adjustments</b>	<b>(1,58)</b>	<b>(1,78)</b>	<b>(2,39)</b>	<b>(2,04)</b>	<b>33,9%</b>	<b>12,7%</b>
<b>TOTAL</b>	<b>130,07</b>	<b>152,14</b>	<b>144,01</b>	<b>171,86</b>	<b>(9,7%)</b>	<b>(11,5%)</b>

\*Distribution has been consolidated into Press.

\*\* The printing business is being fully integrated since April, 2012.

\*\*\* Others include mainly Head Quarters.

**VII.III. Operating Expenses**

OPERATING EXPENSES	2012**		2011*		%Chg.2012/2011	
	Q1	Q2	Q1	T2	Q1	Q2
<b>€ Million</b>						
<b>Audiovisual</b>	<b>290,38</b>	<b>309,71</b>	<b>303,55</b>	<b>270,19</b>	<b>(4,3%)</b>	<b>14,6%</b>
Prisa TV	253,27	269,50	254,16	218,45	(0,4%)	23,4%
Media Capital	38,66	41,37	49,58	51,84	(22,0%)	(20,2%)
Consolidation adjustments	(1,55)	(1,16)	(0,19)	(0,10)	---	---
<b>Education - Publishing</b>	<b>136,42</b>	<b>145,60</b>	<b>135,99</b>	<b>137,48</b>	<b>0,3%</b>	<b>5,9%</b>
Spain & Portugal	27,36	37,18	26,91	43,85	1,6%	(15,2%)
Latam & USA	109,06	108,43	109,07	93,64	(0,0%)	15,8%
<b>Radio</b>	<b>71,18</b>	<b>77,32</b>	<b>73,57</b>	<b>85,02</b>	<b>(3,3%)</b>	<b>(11,2%)</b>
Radio in Spain	44,72	47,51	49,31	57,84	(9,3%)	(30,0%)
International Radio	25,71	27,71	23,49	22,99	9,4%	20,5%
Music	2,41	3,95	3,41	6,16	(29,4%)	(35,9%)
Consolidation adjustments	(1,66)	(1,85)	(2,65)	(1,97)	37,4%	---
<b>Press</b>	<b>84,39</b>	<b>78,53</b>	<b>110,30</b>	<b>90,30</b>	<b>(23,5%)</b>	<b>(13,0%)</b>
El Pais	58,68	52,49	78,04	59,69	(24,8%)	(12,1%)
AS	13,96	14,33	15,86	15,87	(12,0%)	(9,7%)
Cinco Dias	3,45	3,55	4,91	3,86	(29,9%)	(8,0%)
Magazines	6,32	6,32	8,45	7,30	(25,2%)	(13,3%)
Distribution	4,10	4,13	4,42	4,44	(7,2%)	(7,0%)
Consolidation adjustments	(2,11)	(2,30)	(1,38)	(0,85)	(52,8%)	(171,6%)
<b>Other Expenses</b>	<b>37,46</b>	<b>53,41</b>	<b>40,90</b>	<b>39,14</b>	<b>(8,4%)</b>	<b>36,5%</b>
Prisa Brand Solutions	7,20	6,96	6,54	6,26	10,1%	11,1%
Printing**	---	15,72	---	---		
Others***	30,26	30,74	34,36	32,88	(11,9%)	(6,5%)
<b>Consolidation adjustments</b>	<b>(23,47)</b>	<b>(31,70)</b>	<b>(26,76)</b>	<b>(26,14)</b>	<b>12,3%</b>	<b>(21,3%)</b>
<b>TOTAL</b>	<b>596,36</b>	<b>632,87</b>	<b>637,55</b>	<b>595,99</b>	<b>(6,5%)</b>	<b>6,2%</b>

\*Distribution has been consolidated into Press

\*\* The printing business is being fully integrated since April, 2012.

\*\*\* Others include mainly Head Quarters.

**VII.IV. EBITDA**

EBITDA	2012**		2011*		%Chg.2012/2011	
	Q1	Q2	Q1	Q2	Q1	Q2
€ Million						
<b>Audiovisual</b>	<b>30,91</b>	<b>72,46</b>	<b>34,92</b>	<b>74,36</b>	<b>(11,5%)</b>	<b>(2,6%)</b>
<b>% margin</b>	<b>10,5%</b>	<b>24,2%</b>	<b>11,1%</b>	<b>23,3%</b>		
Prisa TV	26,60	60,07	21,86	55,83	21,7%	7,6%
% margin	10,4%	24,1%	8,6%	22,2%		
Media Capital	4,31	12,38	6,96	15,65	(38,1%)	(20,9%)
% margin	10,8%	24,3%	13,0%	24,3%		
Consolidation Adjustments	0,00	0,00	6,10	2,88		
<b>Education - Publishing</b>	<b>69,55</b>	<b>13,36</b>	<b>62,81</b>	<b>15,23</b>	<b>10,7%</b>	<b>(12,3%)</b>
<b>% margin</b>	<b>36,1%</b>	<b>9,4%</b>	<b>33,8%</b>	<b>11,4%</b>		
Spain&Portugal	(18,18)	14,59	(18,20)	18,23	0,1%	(20,0%)
% margin	(248,7%)	30,7%	(298,7%)	33,6%		
Latam&USA	87,73	(1,23)	81,01	(3,00)	8,3%	59,1%
% margin	47,4%	(1,3%)	45,1%	(3,8%)		
<b>Radio</b>	<b>12,20</b>	<b>17,81</b>	<b>14,62</b>	<b>22,80</b>	<b>(16,6%)</b>	<b>(21,9%)</b>
<b>% margin</b>	<b>15,4%</b>	<b>19,7%</b>	<b>17,5%</b>	<b>22,4%</b>		
Radio in Spain	6,77	7,27	10,64	13,57	(36,4%)	(46,4%)
% margin	13,9%	13,9%	18,7%	20,2%		
International Radio	5,97	10,33	4,18	10,22	42,6%	1,1%
% margin	19,9%	28,6%	15,9%	32,4%		
Music	(0,5)	0,19	(0,21)	(0,99)	(151,0%)	119,0%
% margin	(28,8%)	4,6%	(7,1%)	(20,2%)		
<b>Press</b>	<b>5,16</b>	<b>7,85</b>	<b>2,41</b>	<b>15,93</b>	<b>114,3%</b>	<b>(50,7%)</b>
<b>% margin</b>	<b>6,0%</b>	<b>9,5%</b>	<b>2,2%</b>	<b>14,8%</b>		
El Pais	2,66	3,63	(0,16)	8,26	---	(56,0%)
% margin	4,5%	6,8%	(0,2%)	12,6%		
AS	2,75	3,80	3,32	5,38	(17,3%)	(29,4%)
% margin	16,8%	21,4%	17,6%	25,7%		
Cinco Dias	0,19	0,20	(0,56)	1,04	133,3%	(80,7%)
% margin	5,3%	5,5%	(13,1%)	21,8%		
Magazines	(0,7)	(0,21)	(0,38)	1,224	(86,7%)	(117,0%)
% margin	(12,9%)	(3,5%)	(4,8%)	14,5%		
Distribution	0,16	0,33	0,21	0,59	(22,4%)	(43,6%)
% margin	3,9%	7,7%	4,7%	12,1%		
<b>Others</b>	<b>(12,68)</b>	<b>(7,53)</b>	<b>(14,32)</b>	<b>(8,55)</b>	<b>11,5%</b>	<b>12,0%</b>
Prisa Brand Solutions	(0,53)	(0,28)	(0,10)	(0,06)	---	---
% margin	(8,2%)	(4,3%)	(1,7%)	(0,9%)		
Printing**	---	0,483	---	---		
% margin	---	3,5%	---	---		
Others***	(12,15)	(7,73)	(14,22)	(8,50)	14,6%	9,0%
<b>TOTAL</b>	<b>105,14</b>	<b>103,95</b>	<b>100,43</b>	<b>119,78</b>	<b>4,7%</b>	<b>(13,2%)</b>
<b>% margin</b>	<b>16,1%</b>	<b>16,6%</b>	<b>14,5%</b>	<b>18,2%</b>		

\*Distribution has been consolidated into Press.

\*\* The printing business is being fully integrated since April, 2012.

\*\*\* Others include mainly Head Quarters.

**VII.V. EBIT**

EBIT	2012**		2011*		%Chg.2012/2011	
	Q1	Q2	Q1	Q2	Q1	Q2
<b>€ Million</b>						
<b>Audiovisual</b>	<b>4,16</b>	<b>(10,2)</b>	<b>10,11</b>	<b>49,05</b>	<b>(58,9%)</b>	<b>(120,9%)</b>
<b>% margin</b>	<b>1,4%</b>	<b>(3,4%)</b>	<b>3,2%</b>	<b>15,4%</b>		
Prisa TV	2,77	(19,75)	0,05	33,55	---	(158,9%)
% margin	1,1%	(7,9%)	0,0%	13,3%		
Media Capital	1,38	9,51	3,97	12,62	(65,2%)	(24,7%)
% margin	3,5%	18,7%	7,4%	19,6%		
Consolidation Adjustments	0,00	0,00	6,10	2,88		
<b>Education - Publishing</b>	<b>56,02</b>	<b>(2,73)</b>	<b>49,80</b>	<b>(4,25)</b>	<b>12,5%</b>	<b>35,8%</b>
<b>% margin</b>	<b>29,1%</b>	<b>(1,9%)</b>	<b>26,8%</b>	<b>(3,2%)</b>		
Spain&Portugal	(20,05)	10,32	(20,82)	10,44	3,7%	(1,2%)
% margin	(274,3%)	21,7%	(341,6%)	19,2%		
Latam&USA	76,06	(13,05)	70,62	(14,69)	7,7%	11,2%
% margin	41,1%	(13,7%)	39,3%	(18,6%)		
<b>Radio</b>	<b>7,79</b>	<b>13,26</b>	<b>9,85</b>	<b>16,62</b>	<b>(20,9%)</b>	<b>(20,2%)</b>
<b>% margin</b>	<b>9,9%</b>	<b>14,6%</b>	<b>11,8%</b>	<b>16,3%</b>		
Radio in Spain	4,14	4,69	7,58	9,36	(45,4%)	(49,9%)
% margin	8,5%	9,0%	13,3%	13,9%		
International Radio	4,27	8,47	2,79	8,51	52,9%	(0,6%)
% margin	14,2%	23,4%	10,6%	27,0%		
Music	(0,61)	0,11	(0,52)	(1,26)	(18,1%)	108,5%
% margin	(34,2%)	2,6%	(18,0%)	(25,6%)		
<b>Press</b>	<b>1,76</b>	<b>4,34</b>	<b>(0,54)</b>	<b>12,98</b>	<b>---</b>	<b>(66,5%)</b>
<b>% margin</b>	<b>2,0%</b>	<b>5,2%</b>	<b>(0,6%)</b>	<b>12,1%</b>		
El Pais	(0,07)	0,89	(2,51)	5,97	97,3%	(85,2%)
% margin	(0,1%)	1,7%	(3,3%)	9,1%		
AS	2,38	3,39	2,99	5,07	(20,3%)	(33,2%)
% margin	14,6%	19,1%	15,8%	24,2%		
Cinco Dias	0,10	0,11	(0,64)	0,94	114,9%	(88,6%)
% margin	2,7%	2,9%	(14,9%)	19,5%		
Magazines	(0,81)	(0,30)	(0,43)	1,13	(87,1%)	(126,1%)
% margin	(14,7%)	(4,9%)	(5,4%)	13,4%		
Distribution	0,04	0,18	0,07	0,45	(50,0%)	(60,0%)
% margin	0,8%	4,2%	1,5%	9,2%		
<b>Others</b>	<b>(14,53)</b>	<b>(11,48)</b>	<b>(15,84)</b>	<b>(10,54)</b>	<b>8,3%</b>	<b>(8,9%)</b>
Prisa Brand Solutions	(0,66)	(0,39)	(0,24)	(0,20)	(172,7%)	(101,0%)
% margin	(10,1%)	(6,0%)	(3,8%)	(3,2%)		
Printing**	---	(2,02)	---	---	---	---
% margin	---	(14,7%)	---	---		
Others***	(13,87)	(9,07)	(15,60)	(10,34)	11,1%	12,3%
<b>TOTAL</b>	<b>55,20</b>	<b>(6,84)</b>	<b>53,38</b>	<b>63,85</b>	<b>3,4%</b>	<b>(110,7%)</b>
<b>% margin</b>	<b>8,5%</b>	<b>(1,1%)</b>	<b>7,7%</b>	<b>9,7%</b>		

\*Distribution has been consolidated into Press.

\*\* The printing business is being fully integrated since April, 2012.

\*\*\* Others include mainly Head Quarters.

## Appendix VIII. OTHER SIGNIFICANT EVENTS

- 1) Canal+ acquired the broadcast rights to the **UEFA Champions League** and **UEFA Super Cup** for three seasons starting in August 2012.
- 2) With the approval of the refinancing process announced in December 2011, 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, were activated, and with the formalization and exercise of the warrants on January 3<sup>rd</sup> 2012, the new terms of PRISA's debt come into effect.
- 3) During the first quarter of 2012, as a result of the partial implementation of **the monetary capital increase**, PRISA increased its capital with 75,009,704 shares of class A common stock, corresponding to the thirteenth to the fifteenth PRISA warrant exercise periods (exercise of 75,009,704 warrants at a price of 2 euros per share).

Also in 2011, **conversion rights** were exercised to convert a total of 11,365,992 class B shares into an equal number of class A shares.

- 4) In relation to the fiscal treatment of the deductibility of financial expenses (limitation included in the Real Decreto-Ley 12/2012, of March 30<sup>th</sup> 2012, published in the BOE on March 31<sup>st</sup>), PRISA published a "relevant event" note, specifying the following:
  - a) the measure does not imply an additional cash outflow in the consolidated fiscal group of PRISA in 2012, nor is it expected to have any impact in terms of cash flow in the coming fiscal years.
  - b) the financial expenses which are non-deductible, according to the Real Decreto, will be deductible with the same limit in the coming 18 financial years. Therefore this measure is also not expected to have any impact in the P&L of the coming years.<sup>o</sup>
- 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 23<sup>rd</sup> 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.

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

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 the first half of 2012 and 2011.**

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-JUNE	
<b>GRUPO PRISA</b>	<b>2012</b>	<b>2011</b>
<b>Adjusted EBITDA</b>	<b>209.084</b>	<b>220.205</b>
Depreciation and amortization charge	(90.198)	(82.243)
Variation in operating allowances	(69.224)	(17.120)
Impairment losses of assets	(1.299)	(3.613)
Impairment losses of goodwill	0	0
<b>Profit from operations</b>	<b>48.363</b>	<b>117.229</b>
<b>AUDIOVISUAL</b>	<b>2012</b>	<b>2011</b>
<b>Adjusted EBITDA</b>	<b>103.365</b>	<b>109.278</b>
Depreciation and amortization charge	(49.734)	(46.579)
Variation in operating allowances	(59.709)	(3.532)
Impairment losses of assets	(2)	0
Impairment losses of goodwill	0	0
<b>Profit from operations</b>	<b>(6.079)</b>	<b>59.167</b>
<b>Prisa TV</b>	<b>2012</b>	<b>2011</b>
<b>Adjusted EBITDA</b>	<b>86.674</b>	<b>77.689</b>
Depreciation and amortization charge	(44.050)	(40.822)
Variation in operating allowances	(59.597)	(3.271)
Impairment losses of assets	0	0
Impairment losses of goodwill	0	0
<b>Profit from operations</b>	<b>(16.973)</b>	<b>33.596</b>
<b>Media Capital</b>	<b>2012</b>	<b>2011</b>
<b>Adjusted EBITDA</b>	<b>16.691</b>	<b>22.612</b>
Depreciation and amortization charge	(5.684)	(5.757)
Variation in operating allowances	(112)	(261)
Impairment losses of assets	(2)	0
Impairment losses of goodwill	0	0
<b>Profit from operations</b>	<b>10.894</b>	<b>16.594</b>
<b>Other</b>	<b>2012</b>	<b>2011</b>
<b>Adjusted EBITDA</b>	<b>0</b>	<b>8.977</b>
Depreciation and amortization charge	0	0
Variation in operating allowances	0	0
Impairment losses of assets	0	0
Impairment losses of goodwill	0	0
<b>Profit from operations</b>	<b>0</b>	<b>8.977</b>



(Thousands of euros)

**JANUARY-JUNE**

<b>EDUCATION</b>	<b>2012</b>	<b>2011</b>
<b>Adjusted EBITDA</b>	<b>82.916</b>	<b>78.043</b>
Depreciation and amortization charge	(22.646)	(20.033)
Variation in operating allowances	(5.688)	(8.854)
Impairment losses of assets	(1.295)	(3.612)
Impairment losses of goodwill	0	0
<b>Profit from operations</b>	<b>53.287</b>	<b>45.544</b>

<b>RADIO</b>	<b>2012</b>	<b>2011</b>
<b>Adjusted EBITDA</b>	<b>30.008</b>	<b>37.421</b>
Depreciation and amortization charge	(6.860)	(7.663)
Variation in operating allowances	(2.092)	(3.295)
Impairment losses of assets	(1)	0
Impairment losses of goodwill	0	0
<b>Profit from operations</b>	<b>21.055</b>	<b>26.463</b>

<b>Radio in Spain</b>	<b>2012</b>	<b>2011</b>
<b>Adjusted EBITDA</b>	<b>14.037</b>	<b>24.212</b>
Depreciation and amortization charge	(4.201)	(4.750)
Variation in operating allowances	(1.008)	(2.528)
Impairment losses of assets	0	0
Impairment losses of goodwill	0	0
<b>Profit from operations</b>	<b>8.828</b>	<b>16.934</b>

<b>International Radio</b>	<b>2012</b>	<b>2011</b>
<b>Adjusted EBITDA</b>	<b>16.299</b>	<b>14.404</b>
Depreciation and amortization charge	(2.472)	(2.307)
Variation in operating allowances	(1.093)	(792)
Impairment losses of assets	(1)	0
Impairment losses of goodwill	0	0
<b>Profit from operations</b>	<b>12.733</b>	<b>11.305</b>

<b>Other</b>	<b>2012</b>	<b>2011</b>
<b>Adjusted EBITDA</b>	<b>(328)</b>	<b>(1.195)</b>
Depreciation and amortization charge	(187)	(606)
Variation in operating allowances	9	25
Impairment losses of assets	0	0
Impairment losses of goodwill	0	0
<b>Profit from operations</b>	<b>(506)</b>	<b>(1.776)</b>

(Thousands of euros)

**JANUARY-JUNE**

<b>PRESS</b>	<b>2012</b>	<b>2011</b>
<b>Adjusted EBITDA</b>	<b>13.011</b>	<b>18.336</b>
Depreciation and amortization charge	(5.004)	(4.920)
Variation in operating allowances	(1.901)	(985)
Impairment losses of assets	0	0
Impairment losses of goodwill	0	0
<b>Profit from operations</b>	<b>6.106</b>	<b>12.431</b>

<b>El País</b>	<b>2012</b>	<b>2011</b>
<b>Adjusted EBITDA</b>	<b>6.292</b>	<b>8.096</b>
Depreciation and amortization charge	(4.210)	(4.149)
Variation in operating allowances	(1.264)	(486)
Impairment losses of assets	0	0
Impairment losses of goodwill	0	0
<b>Profit from operations</b>	<b>818</b>	<b>3.461</b>

<b>AS</b>	<b>2012</b>	<b>2011</b>
<b>Adjusted EBITDA</b>	<b>6.545</b>	<b>8.701</b>
Depreciation and amortization charge	(340)	(315)
Variation in operating allowances	(434)	(329)
Impairment losses of assets	0	0
Impairment losses of goodwill	0	0
<b>Profit from operations</b>	<b>5.771</b>	<b>8.057</b>

<b>Cinco Días</b>	<b>2012</b>	<b>2011</b>
<b>Adjusted EBITDA</b>	<b>387</b>	<b>485</b>
Depreciation and amortization charge	(155)	(145)
Variation in operating allowances	(30)	(42)
Impairment losses of assets	0	0
Impairment losses of goodwill	0	0
<b>Profit from operations</b>	<b>202</b>	<b>298</b>

<b>Distribution</b>	<b>2012</b>	<b>2011</b>
<b>Adjusted EBITDA</b>	<b>496</b>	<b>796</b>
Depreciation and amortization charge	(226)	(219)
Variation in operating allowances	(55)	(60)
Impairment losses of assets	0	0
Impairment losses of goodwill	0	0
<b>Profit from operations</b>	<b>215</b>	<b>517</b>

<b>Other</b>	<b>2012</b>	<b>2011</b>
<b>Adjusted EBITDA</b>	<b>(709)</b>	<b>258</b>
Depreciation and amortization charge	(73)	(92)
Variation in operating allowances	(118)	(68)
Impairment losses of assets	0	0
Impairment losses of goodwill	0	0
<b>Profit from operations</b>	<b>(900)</b>	<b>98</b>

<b>OTHER</b>	<b>2012</b>	<b>2011</b>
<b>Adjusted EBITDA</b>	<b>(20.216)</b>	<b>(22.873)</b>
Depreciation and amortization charge	(5.954)	(3.048)
Variation in operating allowances	166	(454)
Impairment losses of assets	(1)	(1)
Impairment losses of goodwill	0	0
<b>Profit from operations</b>	<b>(26.005)</b>	<b>(26.376)</b>