



Annual Results
2012

February 28th, 2012

PRISA REACHED IN 2012 AN EBITDA OF 427 MILLION EUROS (-2.3%)**Recurrent EBITDA was 476.76 million Euros (-3.3%)****45% of this result comes from Latin America.*****The Group showed a net loss of 255.03 million Euros after having provisioned 305.28 million Euros for goodwill and fixed asset impairments******Education and Radio businesses in Latam show double digit growth while the advertising market in Spain and Portugal continued with significant falls.***

- **Press results were very impacted by the decrease of the advertising market in Spain.** Throughout 2012, advertising revenues in this division fell by 20.6% (by 30.6% in Q4 standalone).
- **The Radio business showed an divergent behaviour between Spain and Latam:** In Spain advertising fell in 2012 by 17.1% (-20.9% in Q4 standalone), while Latam grew by 15.2% (+13.9% in Q4 standalone).
- **The Pay TV business** increased its revenues by 6,8% and its recurring EBITDA by 11.3%. The number of **Satellite Subscribers** fell by 36,374 since December 2011, given the negative impact of weak consumption and the VAT increase. Canal+ increased its market share by more than 2 percentage points, reaching 42%^(*). Satellite subscribers **ARPU** stood at 44.2 Euros on average in Q4 and **churn** stood at 15.4% as of December 2012.

Following the new agreement signed in August 2012, Canal+ offers the best football content of its history.

- **Santillana increased its revenues by 1.8%.** We highlight the strong growth in Latam revenues (+5.4%) despite that in Brazil 2012 was the lowest year in the education cycle. Revenues in Spain fell by 8.9%, due to General Publishing development and the smaller education campaign. **Santillana's EBITDA grew by 7.7%** adjusted by non-recurring items.
- **Total Latam revenues grew by 7.7% representing 26.7% of the Group's revenues** (24.3% in 2011). EBITDA from this region grew by 12.8% reaching 45.0% of total Group EBITDA (38.6% in 2011).
- **The effort in Digital development was maintained during 2012. Digital advertising revenues grew by 15.1%.** We highlight Press (+17.9%); which accounted for 19.8% of total advertising revenues for this division. As of December, total number of unique browsers reached 72 million (+9.4%).
- **The company continued with a strong cost control effort in all cost lines and business units.** In 2012, total expenses (excluding amortizations and provisions) were reduced by 2.2%, by -7.5% adjusted by one-offs and the impact of the new agreement on football rights.
- **Net debt stood at 3,083.37 million Euros, which implies a reduction of 450.21 million Euros** since December 2011. Net financial debt stood at 2,938.93 million Euros.

(*): internal estimates

2012 Highlights:

- The advertising market in Spain and Portugal (in Radio, TV and written press) continued showing significant falls during 2012, in a negative economic environment in which consumption decreases continued accelerating.** Advertising revenues in Iberia fell by 17.1% year on year and accounted for 15.5% of total Group revenues.
- Advertising revenues reached 553.4 million Euros, implying a 10.8% fall compared to 2011, and accounted for 20.8% of total Group revenues (compared to the 22.8% of 2011). We highlight the **growth in Latin American advertising of +14.9%** (25.4% of all advertising revenues).
- Strong effort in cost control:** In 2012, operating expenses, excluding amortisation and provisions, fell by 2.2%. Excluding the impact of the football costs, costs would have fallen by 7.5% (143.58 million Euros).
- Pay TV: Strong growth in revenues and EBITDA:** revenues reached 1,079.92 million Euros and recurring EBITDA 192.35 million Euros, with implied a growth of 6.8% and 11.3% respectively. Key Performance Indicators were impacted by the increase in VAT (in a very difficult economic environment) by the new commercialisation of football content and the increased prices in Canal+ Liga, following the Mediapro agreement.

 - **Net adds in satellite subscribers** fell by 36,374
 - **Net adds in subscribers from other operators of Canal+1 (including OTT)** grew by 38,888.
 - **Satellite ARPU stood at 44.2 Euros** on average in the 4th quarter (41.5 in 4Q 2011)
 - **Churn stood at 15.4%** (vs 14.7% in September 2012)
 - **iPlus subscribers reached 34.2% or 587,331** (vs 33.5% in September 2012)
 - **In September, the Group signed agreements with all the Pay TV operators** to distribute Canal+ Liga through them.
- Media Capital: EBITDA growth thanks to cost control:** Revenues (184.3 million Euros) fell by 17.8%. Recurring EBITDA (42.7 million Euros) remained stable (+0.3%), which shows the strong effort in cost control that was undertaken.
- Education: Strong growth in Latin America:** Revenues (733.7 million Euros) grew by 1.8% with Latin America up by +5.4%. We highlight the growth of Mexico (+17.6%), Ecuador (+23.3%), Puerto Rico (+35.4%), Dominican Republic (+43.3%) and USA (+41%), as well as Argentina (+20.6%), Central America (+27.3%), Colombia (+3.4%), Peru (+129.4%), Bolivia (+16.1%), Uruguay (+22.2%) or Chile (+16.5%), and the lower contribution of Brazil on the back of its education cycle (-17.0%). **Spain saw its revenues fall by 8.9%**. Recurring EBITDA reached 187.1 million Euros (+7.7%).
- Radio: Strong growth in Latin America and weakness in Spain.** Revenues (342.4 million Euros) fell by 9.1% versus the last period given mainly **the lower advertising in Spain** (-17.1%). **Strong growth in Latin American advertising** (+15.2%) with a strong performance in Colombia (+19.6%), Chile (+11.7%) and Mexico (+12.3%).
- Press: Weakness in the advertising market.** Press revenues stood at 314.6 million Euros, 19.3% lower than in 2011. This is explained by the weakness in advertising (-20.6%), the lower circulation numbers (down by -12.7%), as well as the positive impact that promotions and fiscal deductions had in 2011. Recurring EBITDA reached 15.5 million Euros (-71.8%).
- Digital Area: Solid growth.** Digital advertising showed a growth of 15.1% in 2012. The digital area received a monthly average number of daily browsers of 72 million (December 2012), which **represents a growth of 9.4% versus 2011. This is thanks to the strong growth in Prisa Television, El Pais sites and CincoDías.com, as well as International Radio.**

I. Consolidated Results

The comparison of 2012 and 2011 results is affected by several **extraordinary items recorded under both revenues and expenses** such as the consolidation of Dédalo through Global Consolidation since April 1st 2012 (instead of equity consolidated), redundancy expenses on the back of the efficiency plan undertaken since December 2010, the provision on the back of the ONO agreement of the goodwill impairment charges (see further explanation on page 6)

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

€ Million	JANUARY - DECEMBER			SEPTIEMBRE-DICIEMBRE		
	2012	2011	Chg.%	2012	2011	Chg.%
Operating Revenues	2.664,69	2.724,45	(2,2)	667,15	685,93	(2,7)
EBITDA*	427,00	436,91	(2,3)	23,71	57,22	(58,6)
EBIT	(175,05)	(35,74)	-	(330,86)	(246,40)	(34,3)
Net financial result	(174,09)	(195,15)	10,8	(40,73)	(61,50)	33,8
Interest on debt	(113,64)	(124,65)	8,8	(28,64)	(33,23)	13,8
Other financial results	(60,46)	(70,50)	14,2	(12,09)	(28,27)	57,2
Result from associates	(6,27)	(13,83)	54,6	(1,43)	(18,19)	92,2
Profit before tax	(355,42)	(244,71)	(45,2)	(373,01)	(326,09)	(14,4)
Income tax expense	20,44	(147,97)	113,8	22,12	(134,05)	116,5
Results from discontinued activities	(3,50)	(2,65)	(32,1)	(1,20)	(1,61)	25,8
Minority interest	83,45	(55,88)	-	128,50	(7,40)	-
Net profit	(255,03)	(451,22)	43,5	(223,59)	(469,14)	52,3
EBITDA Margin	16,0%	16,0%		3,6%	8,3%	
EBIT Margin	(6,6%)	(1,3%)		(49,6%)	(35,9%)	
One-offs in operating revenues	12,41	10,29		0,68	(2,00)	
Dédalo full consolidation	12,41	-		0,68	-	
Others	-	10,29		-	(2,00)	
One-offs in operating expenses*	428,75	319,48		352,71	263,89	
Dédalo full consolidation	18,02	-		3,00	-	
Redundancies	51,08	77,21		44,42	21,62	
Provisions- ONO (Prisa TV)	54,37	-		-	-	
Deterioros fondo de comercio y otros deterioros	305,28	252,94		305,28	252,94	
Otros	-	(10,68)		-	(10,68)	
Adjusted Operating Revenues	2.652,28	2.714,16	(2,3)	666,48	687,93	(3,1)
Adjusted EBITDA	476,76	493,16	(3,3)	68,00	70,17	(3,1)
Adjusted EBITDA Margin	18,0%	18,2%		10,2%	10,2%	
Adjusted EBIT	241,28	273,47	(11,8)	21,18	19,49	8,6
Adjusted EBIT Margin	9,1%	10,1%		3,2%	2,8%	
Adjusted Profit Before tax	56,47	77,53	(27,2)	(23,91)	(47,15)	49,3
Efectos extraordinarios en impuesto de sociedades	(3,14)	147,48		(1,90)	147,48	
Provisión impuesto de sociedades	10,70	183,00		4,00	183,00	
Deducción por reinversión de beneficios extraordinarios y otros	(13,84)	(35,52)		(5,90)	(35,52)	
Adjusted Net Profit	(12,82)	1,62	-	(18,61)	(49,88)	62,7

* The new agreement on football rights lead to the allocation of revenues and expenses from these in 12 months (see further information in the appendix). Compared to the previous situation, this implies a positive impact at EBITDA level of 54 million Euros (EBITDA would have fallen by 14.6% instead of by 2.3% in 2012).

As has been the case in previous quarters, revenues from Education (+3.0%) and Canal+ subscriber revenues (10.6%), led by the growth in subscribers from Other Platforms, showed a very positive behaviour, as well as the revenues from international advertising (mainly in Radio, +15.2%). This managed to partly compensate the weakness shown by advertising revenues (in Spain and Portugal) and circulation (in Press).

€ Million	JANUARY - DECEMBER			SEPTIEMBRE-DICIEMBRE		
	2012	2011	Chg.%	2012	2011	Chg.%
Advertising	553,37	620,06	(10,8)	153,62	176,38	(12,9)
Books and training	718,78	697,88	3,0	146,52	165,19	(11,3)
Newspapers and magazine sales	146,22	168,74	(13,3)	33,50	39,21	(14,6)
Subscriber revenues	906,84	887,09	2,2	233,55	223,76	4,4
Subscriber revenues from other platforms	97,82	21,69	-	57,46	7,46	-
Audiovisual production revenues	27,78	66,55	(58,3)	-14,72	11,83	-
Other revenues	213,89	262,45	(18,5)	57,23	62,11	(7,8)
Total operating revenues	2.664,69	2.724,46	(2,2)	667,15	685,93	(2,7)
Efectos extraordinarios en ingresos	12,41	10,29		0,68	(2,00)	
Dédalo full consolidation	12,41			0,68		
Others	-	10,29		-	(2,00)	
Total ingresos de explotación ajustados	2.652,28	2.714,17	(2,3)	666,48	687,93	(3,1)
Otros ingresos ajustados	201,48	252,16	(20,1)	56,56	62,11	(8,9)

The company maintained during 2012 its **strict cost control** policy given the weakness of the macro-economic environment. Operating expenses in 2012, including amortizations and provisions, reached 2,839.75 million Euros. Excluding amortizations and provisions, costs fell by 2.2%.

Adjusted by non-recurring items, operating expenses fell (-1.2%) in 2012, with lower external services and personnel expenses. Excluding Amortizations and Provisions, the fall in adjusted operating expenses was of 2.0%.

The detail is as follows:

€ Million	ENERO - DICIEMBRE			SEPTEMBER-DECEMBER		
	2012	2011	Chg.%	2012	2011	Chg.%
Purchases	889,35	824,12	7,9	257,21	237,55	8,3
Outside services	742,98	788,81	(5,8)	199,66	203,98	(2,1)
Staff costs	604,96	674,32	(10,3)	186,60	187,36	(0,4)
Other operating expenses	0,40	0,28	43,8	(0,03)	(0,18)	82,9
Amortization and depreciation	602,06	472,65	27,4	354,57	303,62	16,8
Total operating expenses	2.839,75	2.760,19	2,9	998,01	932,33	7,0
One-offs in operating expenses	428,75	319,48		352,71	263,89	
Integración de Dédalo	18,02	-		3,00	-	
Redundancias (staff costs)	51,08	77,21		44,42	21,62	
ONO- Prisa TV (provisions)	54,37	-		-	-	
Deterioros fondo de comercio y otros deterioros	305,28	252,94		305,28	252,94	
Otros	-	(10,68)		-	(10,68)	
Total adjusted operating expenses	2.411,00	2.440,70	(1,2)	645,30	668,44	(3,5)
Purchases	890,66	824,12	8,1	258,10	237,55	8,7
Outside services	739,25	805,70	(8,2)	199,08	220,87	(9,9)
Staff costs	545,21	590,90	(7,7)	141,33	159,52	(11,4)
Other operating expenses	0,40	0,28	43,8	(0,03)	(0,18)	82,9
Amortization and depreciation	235,48	219,71	7,2	46,82	50,67	(7,6)

Staff costs, adjusted by non-recurring items fell in 2012 by 7.7% or 45.68 million Euros. This reduction took place mainly in **Spain, where staff costs fell by 12.9%** or 49.75 million Euros, whilst in Latin America, staff costs grew by 2% or 4.07 million Euros.

€ Million	JANUARY - DECEMBER			
	2012	2011	Chg.%	Var. €m
Spain	336,03	385,78	(12,9)	(49,75)
International	209,19	205,12	2,0	4,07
Total Staff Costs	545,21	590,90	(7,7)	(45,68)

Excluding the impact of the increased football rights costs, adjusted operating expenses would have fallen by 7.5% or 143.58 million Euros, with Purchases down by 6%, External Services down by 8.2% and Staff Costs down by 7.7%.

EBITDA reached 427.0 million Euros in 2012 (a 2.3% fall compared to 2011) given the non/recurring items registered in 2011 (essentially the expenses for redundancies which reached 77.2 million Euros, and other extraordinary item as FC Barcelona conflict) but also other extraordinary accounted for in 2012 (redundancies of 51.08 million Euros and Dédalo integration). **Excluding these items, EBITDA would have fallen by 3.3% in the period to 476.76 million Euros (with a slight reduction in margins from 18.2% to 18.0%).**

Regarding the extraordinary items impacting the consolidated accounts of Grupo PRISA we highlight:

1. Redundancy Expenses: The extraordinary expenses for the redundancies amount reached 51.08 million Euros in 2012, compared to the 77.2 million Euros of 2011.

2. Dédalo: Until March 31st 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 2012.

The **impact of the Global consolidation in the Group's accounts of 2012** was of 12.4 million Euros at revenue level, a contribution of 1.3 million Euros to its EBITDA, and the consolidation of Dédalo's debt (which stood at 92.8 million Euros in April, which at December 2012 was reduced to 80.4 million Euros).

3. ONO agreement Provision (already included in the first half results): During 2009, 2010 and 2011, 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 reached an agreement with ONO following which some 54.37 million Euros were recovered by the Company** (half of the total 108.75 million paid), which ended the lawsuits that PRISA had with ONO. As a consequence of this deal, the Company registered **an extraordinary 54.37 million Euro provision in its P&L** for the amount which has not been recovered.

4. Goodwill and other impairments reached 305.28 million Euros, of which 294 million Euros corresponded to the Goodwill impairment of DTS, 6 million Euros of the deterioration of the Music industry in general (impairment of the investment in RCM Música in Spain) and the rest to fixed asset value deterioration in International Radio.

With regard to the DTS goodwill impairment, the worse economic environment, the decrease in the Pay TV market in general (despite the increase in market share of DTS), the VAT increase, and the change in the commercialization model of football (who's incremental costs should be compensated with revenues from multi-distribution agreements and market growth), imply that more time will be necessary to reach the targeted level of subscriber base implicit in the profitability plan of the company.

Financial results have fallen by 21.06 million Euros (-10.8%), mainly on the back of the fall of "**Interest on debt**" of 11.02 million Euros (8.8%) and the decrease of "**Other Financial Expenses**" (of 14.2%) mainly because of the liabilities update expenses, where the major differences appear in FX changes and mark to market of financial instruments

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.

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 extraordinary provisions) reached a loss of 12.82 million Euros compared to the reported net loss of 255.03 million Euros.

Audiovisual

AUDIOVISUAL*	JANUARY - DECEMBER			OCTOBER-DECEMBER		
	2012	2011	% Chg.	2012	2011	% Chg.
Revenues	1.259,85	1.241,19	1,5%	342,85	310,79	10,3%
Prisa TV*	1.079,92	1.011,28	6,8%	291,81	255,05	14,4%
Media Capital	184,32	224,36	(17,8%)	52,18	57,08	(8,6%)
Consolidation adjustments	(4,40)	5,55	(179,2%)	(1,14)	(1,33)	14,7%
EBITDA**	233,17	234,69	(0,7%)	36,81	49,66	(25,9%)
% margin	18,5%	18,9%		10,7%	16,0%	
Prisa TV*	191,34	186,77	2,4%	18,88	38,57	(51,0%)
% margin	17,7%	18,5%		6,5%	15,1%	
Media Capital	41,83	38,95	7,4%	17,93	11,09	61,7%
% margin	22,7%	17,4%		34,4%	19,4%	
Consolidation adjustments	(0,0)	8,98	(100,0%)	(0,0)	0,00	---
EBIT	65,22	121,39	(46,3%)	6,33	12,28	(48,5%)
% margin	5,2%	9,8%		1,8%	4,0%	
Prisa TV*	35,53	95,57	(62,8%)	(8,31)	13,88	(159,9%)
% margin	3,3%	9,5%		(2,8%)	5,4%	
Media Capital	29,69	16,84	76,3%	14,64	(1,60)	---
% margin	16,1%	7,5%		28,1%	(2,8%)	
Consolidation adjustments	0,00	8,98	(100,0%)	0,00	0,00	---
One-offs in operating revenues	-	12,29		-	-	
Others (Prisa TV)	-	12,29		-	-	
One-offs in operating expenses	56,27	11,75		0,85	(4,85)	
Redundancies	1,90	18,89		0,85	2,29	
Prisa TV	1,01	15,23		0,77	0,05	
Media Capital	0,89	3,66		0,08	2,24	
ONO (Prisa TV)	54,37	0,00		0,00	0,00	
Others (Prisa TV)	--	(16,89)		--	(16,89)	
Goodwill impairment (Media Capital)	--	9,75		--	9,75	
Adjusted revenues	1.259,85	1.228,90	2,5%	342,85	310,79	10,3%
Prisa TV*	1.079,92	998,99	8,1%	291,81	255,05	14,4%
Media Capital	184,32	224,36	(17,8%)	52,18	57,08	(8,6%)
Consolidation adjustments	(4,40)	5,55	(179,2%)	(1,14)	(1,3)	
Adjusted EBITDA	235,07	224,40	4,8%	37,66	35,06	7,4%
% adjusted margin	18,7%	18,3%		11,0%	11,3%	
Prisa TV*	192,35	172,82	11,3%	19,65	21,73	(9,6%)
% margin	17,8%	17,3%		6,7%	8,5%	
Media Capital	42,72	42,61	0,3%	18,01	13,33	35,1%
% margin	23,2%	19,0%		34,5%	23,3%	
Consolidation adjustments	(0,0)	8,98	(100,0%)	(0,0)	0,00	---
Adjusted EBIT	121,49	120,85	0,5%	7,18	7,43	(3,3%)
% adjusted margin	9,6%	9,8%		2,1%	2,4%	
Prisa TV*	90,91	81,63	11,4%	(7,5)	(2,96)	(154,7%)
% margin	8,4%	8,2%		(2,6%)	(1,2%)	
Media Capital	30,58	30,25	1,1%	14,72	10,39	41,7%
% margin	16,6%	13,5%		28,2%	18,2%	
Consolidation adjustments	0,00	8,98	(100,0%)	0,00	0,00	---

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

** The new agreement on football rights lead to the allocation of revenues and expenses from these in 12 months (see further information on appendix). Compared to the previous situation, this implies a positive impact at EBITDA level of 54 million Euros (EBITDA would have fallen by 26.5% instead of growing by 2.4% on 2012).

In Prisa TV (Canal+), revenues grew by 6.8% during 2012. This is explained mainly by a combination of growth in subscriber revenues, both in Satellite which grew by 2.2% (led by the increase on public premises by +38.7%) and above all in those from other platforms (which have grown by 361% thanks to football rights multi-distribution agreement) and growth in advertising (by +34.9%), and lower services to third parties and fiscal deductions (the latter were reduced some 1.66 million Euros).

EBITDA reached 191.34 million Euros in the 2012 period or an increase of 2.4% compared to the previous year. Adjusted for the impact of non-recurring items (mainly redundancies), EBITDA reached 192.35 million Euros, a 11.3% growth compared to 2011.

The evolution of satellite subscribers is as follows:

	Dec 2012	Dec 2011	Chg. Abs
Satélite (DTH)	1.719.811	1.756.185	(36.374)

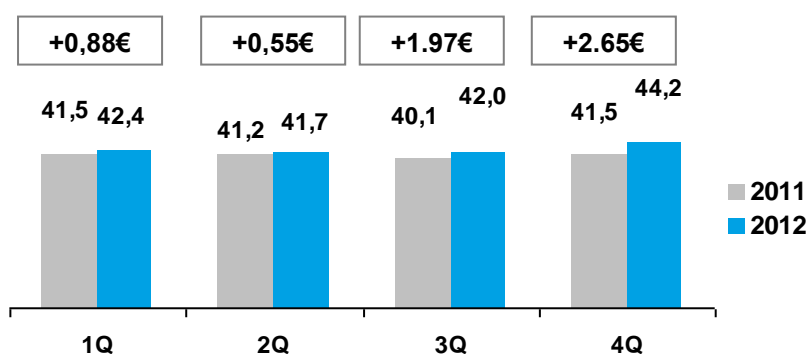
The performance in subscribers in 2012 is the result of:

- **A strong first quarter**, with a growth of satellite subscribers for a total of 15,051.
- **A seasonally weak second quarter**, mainly on the back of the end of Sports competitions in Spain (the football league finished in May), with satellite subscribers falling by 40,096.
- **A third Quarter** in which satellite subscribers fell by 7,610. This fall is explained by the seasonally weak July, by the fact that Prisa was unable to do premarketing of the Spanish football League (as the exploitation agreement for the rights with Mediapro was signed on the same day that the beginning of the championship took place) and by the confusion generated over subscribers in August, as well as by a complicated economic environment.
- **During the fourth quarter of 2012**, October showed 8,686 net adds, followed by November and December, with negative net subscriptions of 6,361 and 6,044 respectively. The worsening of the economic situation, unemployment growth, and the VAT increase are the main factors of the damage.

Satellite ARPU in the fourth quarter of 2012 stood at 44.2 Euros on average, above the 41.5 Euros on average of the same quarter of 2011. In 2012, the average satellite ARPU stood at 42.6 Euros, above the 41.1 Euros of 2011. **The growth in ARPU in the year** is mainly due to the new sports content offer which has started in September.

The evolution of satellite ARPU by quarters is the following:

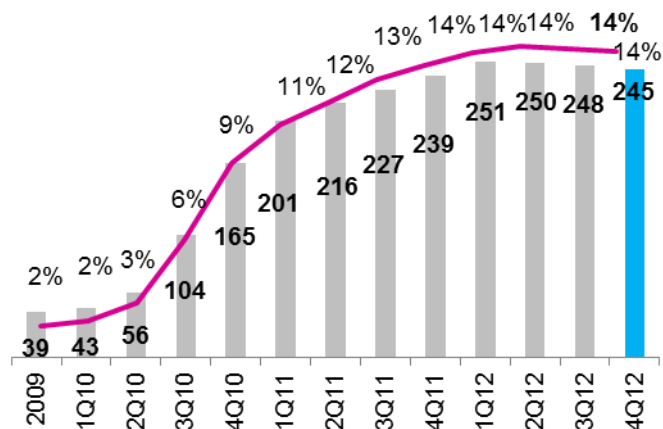
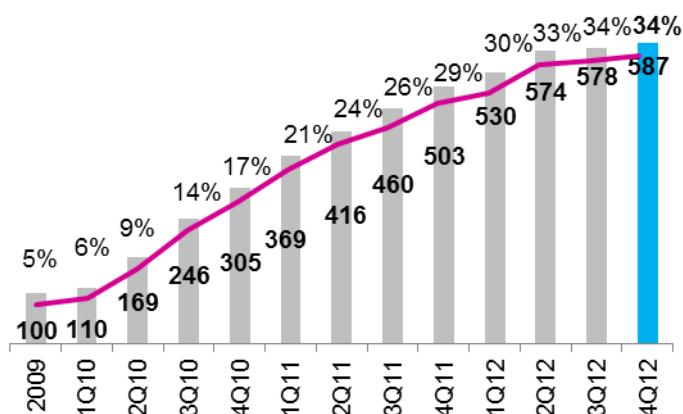
CANAL+ Satellite ARPU by quarters (Euros)



The number of subscribers with **iPlus and Multiplus** grew at a good pace: as at December 2012 the number of subscribers with **iPlus** stood at 587,331, which implies a growth of 84,129 compared to December 2011, and a penetration of 34.2% (compared to the 28.7% as of December 2011 and 33.5% as of September 2012). As for **Multiplus** subscribers, in December 2012 they reached 244,851, which implies a penetration of 14.2%, above the 13.6% as at December 2011 and practically in line with the 14.4% of September 2012.

iPlus: Subscribers (thousands) and pace

Multi+: Subscribers (thousands) and pace



Churn stood at 15.4%, slightly above the 14.7% of September 2012 and compared to the 13.6% as at December 2011. During 2012, the average churn has been of 14.1%, well below the 14.2% on average of 2011.

- **The evolution of subscribers from other platforms / OTT to Canal+1 is as follows:**

	Dec 2012	Dec 2011	Chg. Abs
Other Platforms (*)	120.619	81.731	38.888

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

In addition to the above subscribers of **Canal+1**, during the month of September of 2012, agreements for the distribution of **Canal+ Liga** were signed with the rest of pay TV operators (Telefónica, Ono, Orange, Telecable, Euskaltel and R).

On the 3Q Results publication we advanced the **change on the commercialization model of Canal+ Liga** (as GoIT disappeared except for pay DTT) through other operators which occurred on September. According to this change, the types of multidistribution agreements throughout other operators are: "Flexible" distribution, and "A la carte" distribution. (explanation in Appendix).

Media Capital registered in 2012 revenues of 184.3 million Euros (-17.8%) and a recurring EBITDA of 42.7 million Euros (+0.3%) given the weak economic environment and advertising market in Portugal, but showing an important improvement in the revenues of the fourth quarter compared to the first nine months of 2012 (-8.6% compared to the -21% of the first nine months of this year) thanks mainly to the improvement in "Other services" (Call TV), which have contributed 36 million Euros in 2012 (compared to 23 million in 2011)

Given the difficult economic environment, Media Capital undertook a **strong cost control effort**. As a result, operating expenses, excluding amortization and provisions, fell by 23.1% in 2012. EBITDA for Media Capital grew by 7.4% in 2012, compared to a fall of 14.2% in the first nine months of the year (+0.3% in 2012, and -15.6% in the first nine months of 2012 adjusted by extraordinary items).

During 2012, Media Capital suffered the negative impact of the **deconsolidation of Productora Canaria de Programación (PCP), Socater and Chip y Factoría**, which now contribute through equity consolidation. Excluding this impact, revenues for the division would have fallen by 13.3% and EBITDA have growth by 11.2%. This deconsolidation had a positive impact on the cost reduction. Excluding it, costs would have fallen by 18.6% (instead of by 23.1%).

TVI, leader in FTA television in Portugal, reached recurring revenues of 141.67 million Euros (-6.3% compared to 2011). This fall is a result of the weakness in advertising revenues (-22.3% compared to -21.8% during the first nine months), which compares to the (estimated) fall of the Portuguese FTA advertising market of 19.8%.

TVI continued its strong cost control in the second half of the year, which led its EBITDA to grow by 1.5%.

TVI maintained its leadership in the market during the 4Q of 2012. Its audience share for 24hrs grew by 0,6percentage points (27.0% on average compared to 26.4% in 3Q and in line with the 27.1% of 2Q of 2012), and in Prime Time it fell by just 1.2 percentage points, reaching an average of 29.5% compared to 30.7% in 3Q and 31.0% in 2Q of 2012).

Education

EDUCATION- PUBLISHING	JANUARY - DECEMBER			OCTOBER-DECEMBER		
	2012	2011	% Chg.	2012	2011	% Chg.
Revenues	733,65	720,39	1,8%	151,82	171,56	(11,5%)
EBITDA	184,19	170,20	8,2%	2,18	5,65	(61,4%)
% margin	25,1%	23,6%		1,4%	3,3%	
EBIT	107,89	103,99	3,8%	1,82	2,29	(20,6%)
% margin	14,7%	14,4%		1,2%	1,3%	
One-offs in operating expenses	2,93	3,50		1,14	0,93	
Redundancies	2,93	3,50		1,14	0,93	
Adjusted EBITDA	187,12	173,70	7,7%	3,31	6,58	(49,7%)
% adjusted margin	25,5%	24,1%		2,2%	3,8%	
Adjusted EBIT	110,82	107,49	3,1%	2,95	3,22	(8,3%)
% adjusted margin	15,1%	14,9%		1,9%	1,9%	

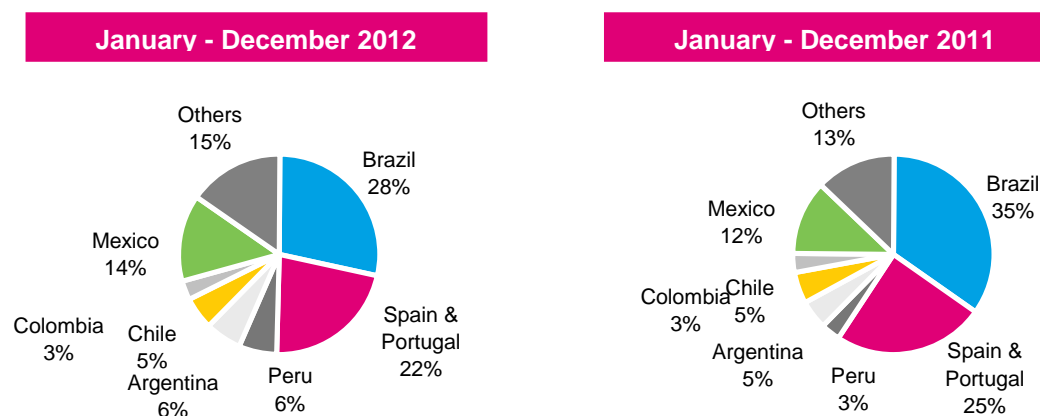
Education revenues reached 733.7 million Euros in 2012; a 1.8% growth versus 2011. Recurring EBITDA reached 187.1 million Euros (+7.7%) with an increase in margins from 24.1% to 25.5% (with a growth in Latin America of 219 basis points and a margin fall in Spain of 126 basis points).

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

- **Growth in the Northern Area (+18.1%)**, with strong improvements in practically all the countries where Santillana is present: **Mexico** (+17.6%) on the back of the good performance of Education Systems (+123.1%), **Ecuador** (+23.3%), **Puerto Rico** (+35.4%), **Dominican Republic** (+43.3%) and **USA** (+41%). Venezuela showed some signs of weakness but stood flat compared to 2011 (0.9%), but an important improvement in the fourth quarter stand-alone.
- **Southern Area of Latin America remained flat (+0.6%)** been compensated the negative consequences of the Education cycle in **Brazil** (-17.0%), with a solid performance of most countries: **Argentina** (+20.6%), **Central America** (+27.3%), **Colombia** (+3.4%), **Peru** (+129.4%), **Bolivia** (+16.1%), **Uruguay** (+22.2%) or **Chile** (+16.5%).
- **Spain** saw its revenues fall by 8.9%, including a fall of revenues in Education (-5.4%) and a fall of 23.6% in Ediciones Generales (General Publishing).

The **FX change** had a small impact in 2012: positive impact of 0.84 million Euros in revenues (excluding this impact, revenues would have grown by 1.7% instead of by 1.8%) and negative of 0.59 million Euros at EBITDA (excluding this impact, EBITDA would have grown by 8.6% instead of by 8.2%). In **Brazil** the impact on revenues has been negative (at constant currency, revenues in Brazil would have fallen by 11% instead of by 17%) and at EBITDA (without the FX impact, EBITDA would have grown by 9.7% instead of by 13.9% in 2012).

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



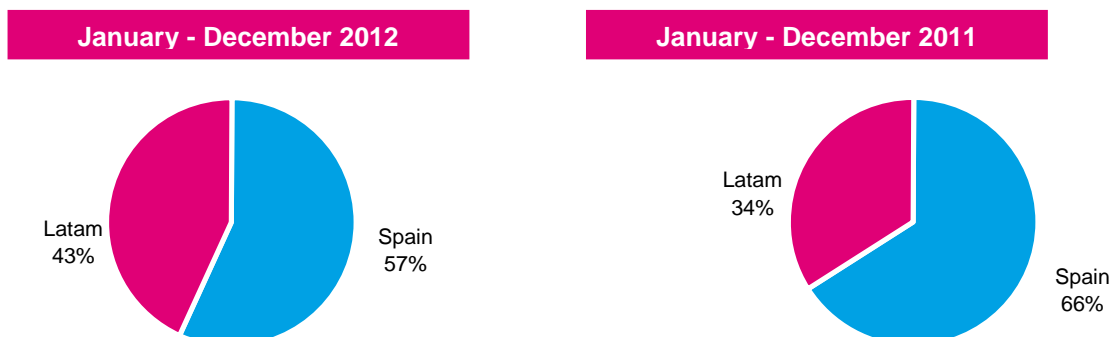
Radio

RADIO	JANUARY - DECEMBER			OCTOBER-DECEMBER		
	2012	2011	% Chg.	2012	2011	% Chg.
Revenues	342,42	376,77	(9,1%)	94,69	107,30	(11,8%)
<i>Advertising</i>	308,98	325,61	(5,1%)	85,14	91,74	(7,2%)
<i>Others</i>	33,44	51,16	(34,6%)	9,54	15,56	(38,7%)
EBITDA	54,32	51,61	5,3%	13,93	9,10	53,1%
% margin	15,9%	13,7%		14,7%	8,5%	
EBIT	23,43	25,18	(7,0%)	(3,17)	(1,99)	(59,8%)
% margin	6,8%	6,7%		(3,4%)	(1,9%)	
One-offs in operating expenses	20,65	35,42		20,14	17,92	
Redundancies	8,76	35,42		8,25	17,92	
Goodwill and other impairments	11,89	0,00		11,89	0,00	
Adjusted EBITDA	63,08	87,02	(27,5%)	22,18	27,02	(17,9%)
% adjusted margin	18,4%	23,1%		23,4%	25,2%	
Adjusted EBIT	44,08	60,60	(27,3%)	16,97	15,93	6,5%
% adjusted margin	12,9%	16,1%		17,9%	14,9%	

In 2012 **revenues in Radio** reached 342.4 million Euros, which implies a fall of 9.1%.

This fall comes mainly on the back of **lower advertising revenues in Spain** (-17.1%) which has been partly compensated with the strong growth of advertising revenues in LatAm (+15.2%). We highlight the growth in Colombia (+19.6%), Chile (+11.7%), and Mexico (+12.3%).

The geographical contribution of the Radio division is as follows:



EBITDA in Radio reached 54.3 million Euros in 2012, which implies a growth of 5.3%. Excluding the impact of the redundancies made on the back of the efficiency plan, EBITDA would have fallen by 27.5%, a slight improvement from the fall of the first nine months of the year (-31.8%).

The **goodwill and other impairments** of 11.89 million Euros are due to the deterioration of the Music market and recording industry in general (RCM Música de España goodwill deterioration) and a loss of fix assets value in USA, GVM and Argentina's business. Excluding the impact of these impairments (and of redundancies during the restructuring process), Prisa Radio's EBIT would be positive by 44.08 million Euros instead of by 23.43 million Euros.

Press

	JANUARY - DECEMBER			OCTOBER-DECEMBER		
	2012	2011	% Chg.	2012	2011	% Chg.
PRESS*						
Revenues	314,59	390,01	(19,3%)	75,13	96,95	(22,5%)
Advertising	117,41	147,85	(20,6%)	30,68	44,23	(30,6%)
Circulation	150,45	172,37	(12,7%)	34,60	40,22	(14,0%)
Add-ons and others	46,74	69,80	(33,0%)	9,85	12,51	(21,2%)
EBITDA	(13,8)	40,05	(134,4%)	(24,6)	17,73	---
% margin	-4,4%	10,3%		-32,8%	18,3%	
EBIT	(52,65)	16,48	---	(52,91)	3,29	---
% margin	(16,7%)	4,2%		(70,4%)	3,4%	
One-offs in operating expenses	48,92	22,54		48,15	8,06	
Redundancies	29,25	14,79		28,48	0,31	
Goodwill impairment	19,67	7,75		19,67	7,75	
Adjusted EBITDA	15,49	54,84	(71,8%)	3,87	18,04	(78,6%)
% adjusted margin	4,9%	14,1%		5,1%	18,6%	
Adjusted EBIT	(3,72)	39,02	(109,5%)	(4,8)	11,35	(141,9%)
% adjusted margin	-1,2%	10,0%		-6,3%	11,7%	

* Includes distribution.

The Press division reduced its **revenues** by 19.3% in 2012, reaching 314.6 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 2011 (15.49 million Euros compared to the 457 thousand Euros in 2012). Without these, revenues would have fallen by 16.1%.

Advertising revenues fell by 20.6% (El País -22.7% and As -6.2%). Advertising in written press fell by 26.5%. Revenues on digital advertising grew by 17.9% in 2012 and represented 19.8% of total advertising revenues in this division

Circulation revenues fell by 12.7% (remains flat compared with the first nine months of 2012). The detail of this fall is explained in the following table:

	Jan- Dec 2012	Jan- Dec 2011	Chg. %
El País	324.814	365.118	(11,0%)
AS	180.014	198.758	(9,4%)
Cinco Días	31.120	31.304	(0,6%)

Fuente: Unaudited OJD as of November 2012 and internal sources

Circulation in **El País** fell by 11.0%, **As** fell by 9.4% and **Cinco Días** by 0.6%. In addition to the weakness in circulation shown by the written press sector, circulation at El País during 2011 was supported by a promotion which has not taken place in 2012. Promotions had a positive impact of 39.24 million Euros during 2011, whilst in 2012 this impact has been 10 million Euros lower.

2012 EBITDA was negative by 13.8 million Euros. Excluding the impact of extraordinary redundancy expenses (29.25 million Euros in 2012, versus 14.79 million Euros in 2011) EBITDA would have been positive in 15.5 million Euros.

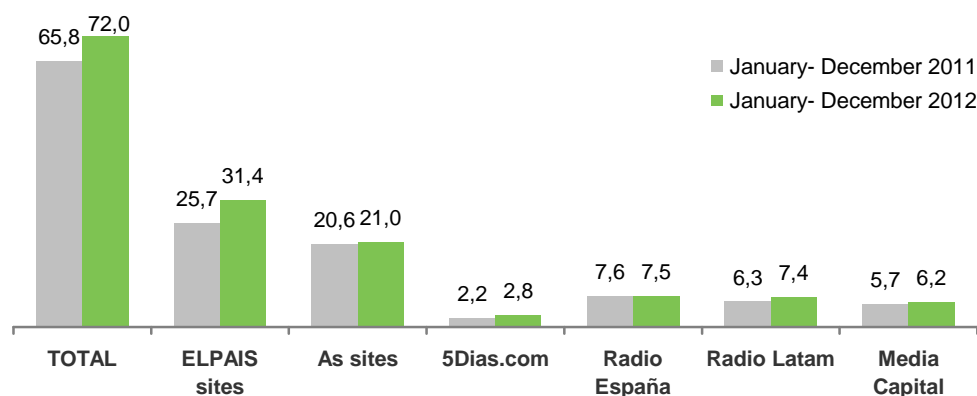
The **asset value deterioration** of 19.67 million Euros corresponds to Pressprint (Barcelona) fix assets. This deterioration does not impact as it has been registered against a provision made in 2010. Excluding the impact of this impairment (and of redundancies during the restructuring process), EBIT would have been negative by 3.72 million Euros instead of by -52.6 million Euros.

Digital Area

The digital activities of the Group reached revenues of 60.3 million Euros, an 18.7% increase compared to 2011.

This growth is due to the **increase in digital advertising revenues** (which reached 34.52 million Euros or a 15.1% increase) and the growth of **digital products** (+128.2%), both of which compensate the fall in **services** and in subsidies and fiscal deductions (from 6.96 million Euros to 2.48 million Euros in 2012)

The focus of the Group on the digital transformation of its businesses is clearly reflected in **increased traffic**, which has risen by 9.4% in 2012, mainly on the back of Prisa Television, Elpais.com and Cincodias.com as well as international Radio and Media Capital. The monthly average number of unique browsers of the Group's sites, in millions, changed as follows:



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

Note: since 2011, includes web, mobile & app browsers

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

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

For further information:

Grupo Prisa Investor Relations Department

Avenida de los Artesanos, 6
28760, Tres Cantos, Madrid
Telephone: +34- 91-330-10-85
Fax: +34- 91-330-10-88
E-mail: ir@prisa.com
www.prisa.com

APPENDIX

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Appendix I. BALANCE SHEET

€ Million	ASSETS	
	09/30/2012	12/31/2011
FIXED ASSETS	6.003,10	6.178,70
Property, plant and equipment	296,42	307,44
Goodwill	3.359,72	3.645,08
Intangible assets	320,23	331,26
Long term financial investments	64,64	121,69
Investment in associates	612,21	604,08
Deferred tax assets	1.343,87	1.166,69
Other non current assets	6,01	2,46
CURRENT ASSETS	1.655,65	1.699,70
Inventories	270,31	275,40
Accounts receivable	1.252,02	1.269,64
Short term financial investments	20,06	56,49
Cash & cash equivalents	113,26	98,16
ASSETS HELD FOR SALE	3,27	0,13
TOTAL ASSETS	7.662,01	7.878,52

€ Million	LIABILITIES	
	09/30/2012	12/31/2011
SHAREHOLDERS EQUITY	2.611,63	2.218,04
Issued capital	99,13	84,79
Reserves	2.341,57	1.991,39
Income attributable to the parent company	(255,03)	(451,22)
Minority interest	425,95	593,08
NON CURRENT LIABILITIES	3.331,78	3.882,33
Long term financial debt	2.866,79	3.176,49
Other long term financial liabilities	158,66	302,86
Deferred tax liabilities	22,18	30,41
Provisions	254,02	356,52
Other non current liabilities	30,15	16,05
CURRENT LIABILITIES	1.718,61	1.778,16
Short term financial debt	205,47	223,63
Other current financial liabilities	43,29	88,85
Trade accounts payable	1.151,74	1.180,07
Other short term liabilities	244,90	253,24
Accrual accounts	73,21	32,37
TOTAL LIABILITIES	7.662,01	7.878,52

Appendix II. TOTAL NET FINANCIAL POSITION

€ Million

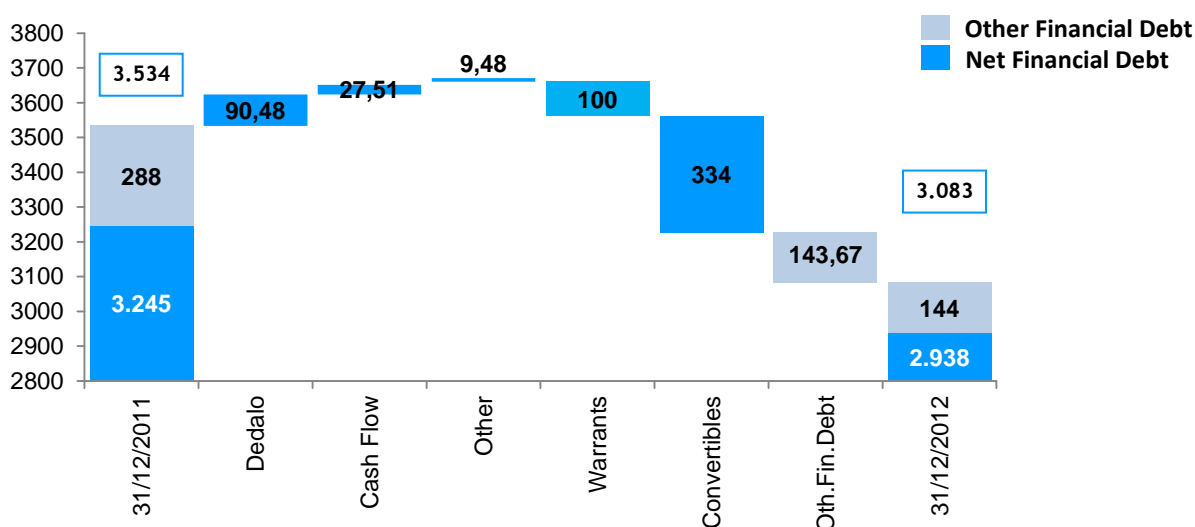
NET DEBT	09/30/2012	12/31/2011
Prisa (includes Media Capital)	2.860,24	3.200,93
Prisa TV	78,69	44,53
Net financial debt	2.938,93	3.245,46
Other financial debt	144,44	288,11
Total net debt	3.083,37	3.533,58

“Other Financial Debt” includes:

- 108.77 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
- 35.38 million Euro liability from the coupon for the holders of the convertible bonds issued in July 2012.

On June 30th 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 (183 million Euros) against Reserves.

The evolution of Grupo Prisa’s total Net Debt in 2012 is as follows:



The exercise of the 75 million Warrants (January 2012, at 2 Euros per share) implied the issue of 75 million new ordinary shares, a cash inflow of 50 million Euros (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 issue of two convertible bonds approved in Prisa’s 2012 AGM includes an issue of 100 million Euros, fully subscribed by Telefónica, which have been considered Cash inflow (Appendix IV, Cash Flow Statement) and an issue of 334 million Euros, fully subscribed by three financial entities, which has been directly applied to debt amortization.

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. As of September 2012, Dédalo’s debt still included in Grupo PRISA’s Balance Sheet is 80.4 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	TOTAL 2011	% Ch.
Audiovisual	64,44	6,64	71,08	126,75	(43,92)
Prisa TV	60,30	6,64	66,94	114,94	(41,77)
Media Capital	4,15	---	4,15	11,81	(64,89)
Education- Publishing	78,36	---	78,36	67,45	16,17
Radio	7,27	---	7,27	8,56	(15,12)
Radio in Spain	2,60	---	2,60	3,29	(21,06)
International Radio	4,39	---	4,39	5,11	(14,03)
Music	0,28	---	0,28	0,16	72,50
Press	3,28	0,47	3,75	4,04	(7,18)
El País	1,40	---	1,40	2,26	(38,27)
AS	1,17	---	1,17	0,72	61,81
Cinco Días	0,30	---	0,30	0,17	73,53
Others	0,43	0,47	0,90	0,90	(0,56)
Others	15,41	0,03	15,45	23,14	(33,25)
Digital	13,46	---	13,46	19,51	(31,02)
Prisa	1,58	0,03	1,62	2,09	(22,73)
Other	0,37	---	0,37	1,54	(75,84)
Total	168,76	7,14	175,90	229,93	(23,50)

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	31/12/2012	31/12/2011
EBITDA	427,00	436,91
Provisions	(45,82)	(45,17)
Change in Working Capital	(76,31)	(136,45)
Cash flow from operating activities	304,87	255,29
Capex	(168,76)	(217,98)
Financial investments	(0,92)	(11,95)
Disinvestments	0,43	5,71
Cash flow from investing activities	(169,25)	(224,22)
Interests paid	(105,19)	(124,39)
Dividends Paid	(80,72)	(83,03)
Dividends Received	10,98	26,46
Financing of associates (Dédalo debt repayment)	(17,54)	(46,89)
Warrants exercise ⁽¹⁾	50,02	1,77
Convertible bond issue ⁽²⁾	100,00	
Other	(16,88)	(24,71)
Cash flow from financing activities	(59,34)	(250,80)
Taxed paid	(39,21)	(52,99)
Other ⁽³⁾	(64,58)	(37,44)
Cash flow	(27,51)	(310,16)
Sale of 10% of Media Capital	0,00	23,74
Cash flow from special operations	0,00	23,74
Cash flow after special operations	(27,51)	(286,42)

Working Capital investment as of December 2012 is due mainly to Santillana (on the back of Education campaigns) and Canal+ (mainly on the back of the new football agreements, both for the Spanish Liga and the Champions League), compensated with the positive impact of the ONO agreement.

1. 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.

2. During the 2012 AGM, the issue of two convertible bonds was approved. The size of these convertible bonds was 100 and 334 million Euros. The former was fully subscribed by Telefónica and has been considered cash inflow. The latter was fully subscribed by three financial entities and the funds have been directly applied to debt amortisation.

3. Other includes mainly 30 million Euros for fiscal acts corresponding to prior exercises which have had to be paid in 2012 and that are still pending a final resolution, 18 million Euros from refinancing costs and 15 million Euros from the Dédalo deal.

Appendix V. NEW AGREEMENT FOR THE EXPLOITATION OF FOOTBALL RIGHTS DETAIL

New agreement for the exploitation of football rights in the coming 3 seasons

Signed In August 2012, between Canal+ and Mediapro

Description of the agreement:

According to the agreement, Canal+ acquires

- **Exclusive audiovisual rights for pay TV** (except in DTT) for Spain, of the Spanish Liga championship (first and second divisions) as well as the Copa del Rey championship.
- **Distribution to other pay TV operators:** Telefónica, Ono, Orange...
- **Exclusive rights on pay TV through all available technologies:** satellite, internet, cable, mobile
- **Exclusive rights for public spaces:** bars, hotels...

Through this agreement, Mediapro acquires:

- **Audiovisual rights to distribute GolTV in pay DTT.** Gol-T will broadcast the same 8 matches as Canal+ Liga (for these rights, Mediapro pays Canal+ a variable amount with a guaranteed minimum)
- **Commercialisation of international rights**
- **Commercialisation of the FTA match and summaries**

All of the above in the context of FTA TV matches of lower quality due to economic reasons.

Broadcasting and commercialization: As a result of the restructuring in the commercialization of the recently acquired football rights, Canal+ distributes the football content through the following packages:

- 1) **In Canal+ 1**, the following will be broadcasted:
 - a. The best match of each match day of the first division Liga championship (Liga BBVA), exclusively
 - b. 28 match days to include a Real Madrid or Barcelona match (vs 22 before).
 - c. The best match of the second division Liga championship (Liga Adelante)
 - d. The best match of each match day of the Copa del Rey
- 2) **In Canal+ Liga**, the following will be broadcasted:
 - a. 8 matches per match day
 - b. Always a match with Real Madrid or Barcelona, with an increase in the amount of Real Madrid or Barcelona matches (from 37 to 46)
 - c. The rest of the Copa del Rey
- 3) **Canal+ Yomvi:** exclusive distribution through internet of the Liga championship matches (except the FTA match and summaries, which in any case has seen its quality fall and its broadcast limited to Mondays)

The Champions for free: given the little visibility and the uncertainty on the evolution of the Spanish payTV market, given the fall in consumption and the potential negative impact of the VAT increase on payTV (from 8% to 21%), Canal+ has made a strong commercialization effort:

- **Offering for free** the Champions League to all Canal+ subscribers for the season 2012/2013
- **Auctioning the Champions League rights to a third party** to compensate for part of the cost increase.

Impacts of the new agreement:

- 1) **With this new agreement, Canal+ will have the best football content offer of its history**, which will lead it to a unique strategic positioning. The content offered improves qualitatively as all the games of Real Madrid and FC Barcelona (as well as those from all teams participating in European championships) will now be broadcast through pay TV.
- 2) **There is an increase in the cost of football rights for Canal+** mainly on the back of the inflation derived from the agreements signed with the football clubs for the coming three seasons, and on the back of the different commercialization which includes distribution to third parties and higher exclusivity. To compensate this increase, together with a growth on the subscriber base along the time, the agreement includes several elements which should help compensate this increase in cost through:

- **Guaranteed revenues from the multi-distribution to third parties.** Canal+ has signed agreements with most pay TV operators (Telefónica, Ono, Orange, Telecable, Euskaltel and R) to distribute Canal+ Liga through their platforms. These agreements include guaranteed minimums for Canal+.
 - **Additional revenues from GoTV subscribers (DTT)** based on a variable amount with a minimum guaranteed
 - **Additional revenues from the price increases** from the new commercial offer
 - **Additional revenues from advertising and internet**
 - **Exclusive revenues from public spaces**
- 3) **Allocation of revenues and expenses:** The new agreement implies the broadcasting of football content through all the months in the year. Revenues coming from both subscribers and third parties are also generated during 12 months and as a result, the allocation of revenues and expenses has been distributed throughout these same 12 months (correlation between revenues and expenses).

Impacts of the new agreement for other operators – changes on C+ Liga commercialisation model

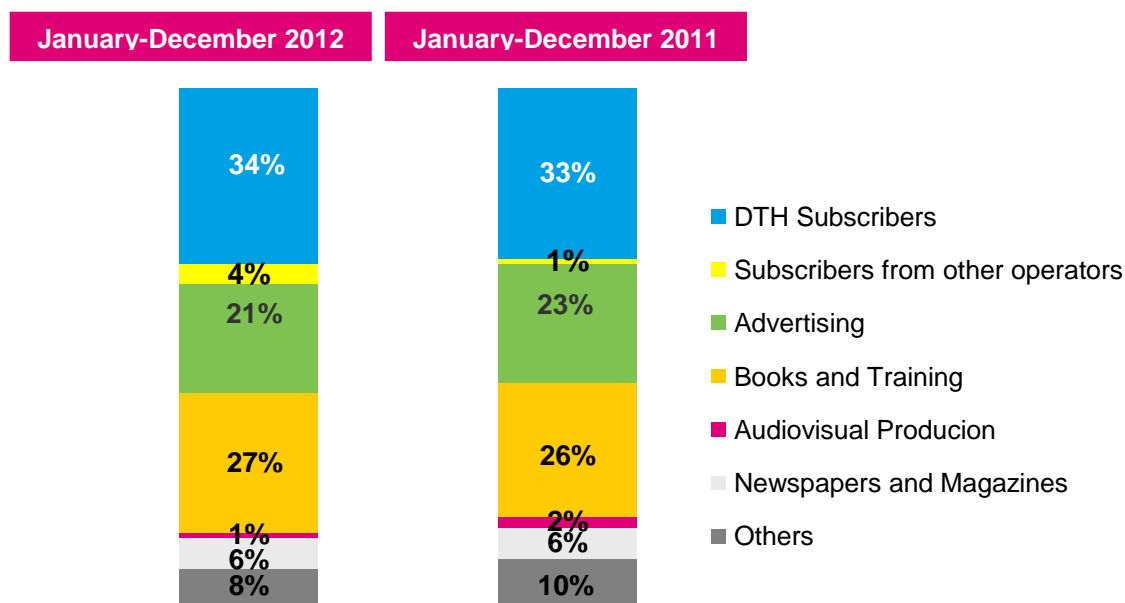
On 3Q Results publication we advanced **the commercialisation model of Canal+ Liga through other operators has changed (as GoTV disappeared except in pay DTT)**. There are two types of agreements:

- **“Flexible” distribution:** the other operator has full freedom to commercialise the channel as part of its commercial offer, in the form that it considers most appropriate. Canal+ will have 100% of the subscriber base of the operator’s pay TV as of September 31st 2011 (according to the data published by the CMT), at a specific cost per subscriber, guaranteed. Telefónica has adopted this type of agreement.
- **“A la carte” distribution:** the operator will distribute the channel exclusively to residential subscribers as an option “*a la carte*”, only acquirable through the basic package offered to its subscribers, as of the date that the offer was accepted. Canal+ will have a penetration of 15% of the subscriber base to the operator’s pay TV offer as of December 31st 2011, guaranteed (according to the data published by the CMT) at a specific cost per subscriber.

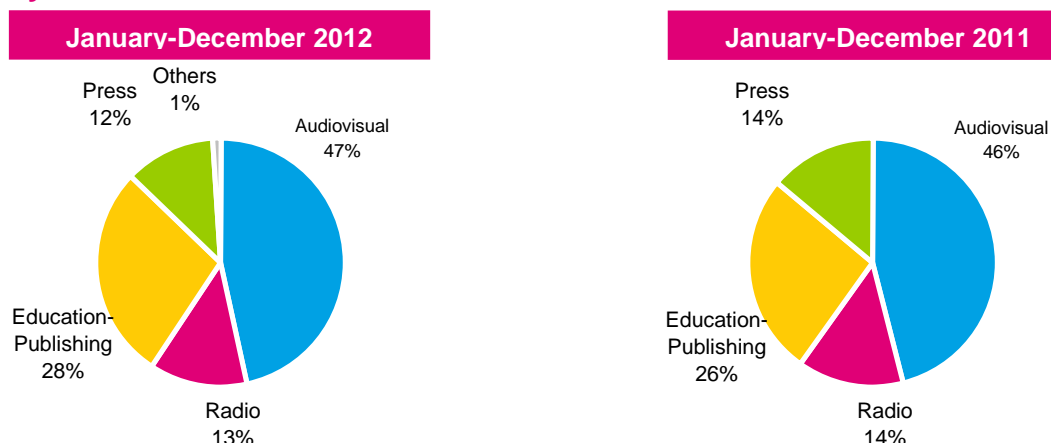
Appendix VI. BREAKDOWN OF OPERATING REVENUE

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

VI.I. By business line



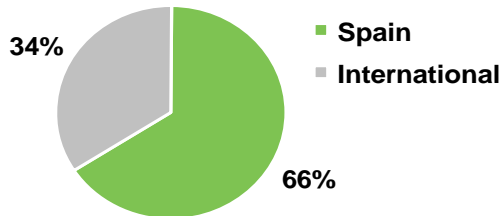
VI.II. By business unit



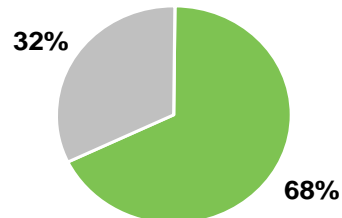
Note. Most of the revenues in "Others" is compensated by the consolidation adjustments at Group level

VI.III. By geographical origin

January-December 2012



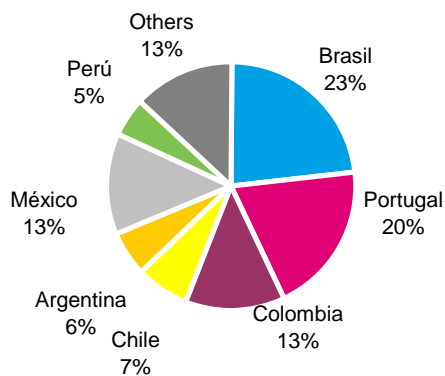
January-December 2011



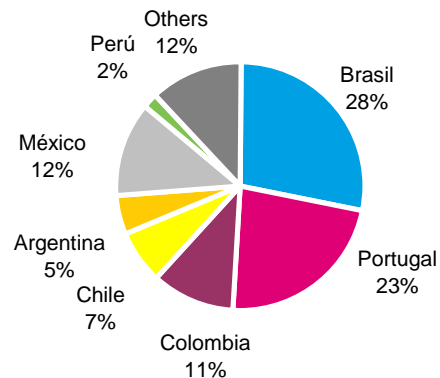
In 2012, 34.0% of revenue came from the international area (compared to 32% in 2011), of which 63.2% came from Santillana, 18.6% from Media Capital and the rest mostly from international radio.

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

January-December 2012



January-December 2011



Revenue from the international area includes a noteworthy contribution by Brazil and Portugal (42.8% of the total international). Growth in revenues from Latin America remained strong (+7.7%).

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

OPERATING REVENUES	JANUARY - DECEMBER		
	2012	2011	% Chg.
€ Million			
Audiovisual	1.259,85	1.241,19	1,5%
Prisa TV *	1.079,92	1.011,28	6,8%
Subscribers	906,84	887,09	2,2%
Advertising	22,23	16,48	34,9%
Others	150,85	107,71	40,1%
Media Capital	184,32	224,36	(17,8%)
Consolidation Adjustments	(4,40)	5,55	(179,2%)
Education - Publishing	733,65	720,39	1,8%
Spain & Portugal	162,74	178,95	(9,1%)
Latam & USA	570,92	541,45	5,4%
Radio	342,42	376,77	(9,1%)
Radio in Spain	186,66	230,80	(19,1%)
International Radio	148,06	128,32	15,4%
Music	15,19	26,97	(43,7%)
Consolidation Adjustments	(7,50)	(9,32)	19,5%
Press	314,59	390,01	(19,3%)
El Pais	205,06	255,27	(19,7%)
AS	65,81	75,15	(12,4%)
Cinco Días	12,61	15,45	(18,4%)
Magazines	23,05	32,01	(28,0%)
Distribution	15,88	19,06	(16,7%)
Consolidation Adjustments	(7,81)	(6,92)	(12,9%)
Other Revenues	119,97	101,60	18,1%
Prisa Brand Solutions	25,90	22,78	13,7%
Printing**	18,63	---	---
Others***	75,45	78,82	(4,3%)
Consolidation Adjustments	(105,79)	(105,51)	(0,3%)
TOTAL	2.664,69	2.724,45	(2,2%)

*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.

VII.II. Advertising

ADVERTISING	JANUARY - DECEMBER		
	2012	2011	% Chg.
€ Million			
Audiovisual	133,10	153,55	(13,3%)
Prisa TV	22,23	16,48	34,9%
Media Capital	110,87	137,08	(19,1%)
Radio	308,98	325,61	(5,1%)
Radio in Spain	169,66	204,37	(17,0%)
International Radio	139,17	120,84	15,2%
Music	0,23	0,63	(64,3%)
Consolidation Adjustments	(0,08)	(0,23)	66,2%
Press	117,41	147,85	(20,6%)
El Pais	82,95	107,56	(22,9%)
AS	19,10	20,36	(6,2%)
Cinco Días	6,71	8,11	(17,3%)
Magazines	8,79	12,23	(28,1%)
Consolidation Adjustments	(0,15)	(0,41)	63,7%
Others	0,79	2,26	(65,1%)
Consolidation Adjustments	(6,90)	(9,20)	25,0%
TOTAL	553,37	620,06	(10,8%)

VII.III. Operating Expenses

OPERATING EXPENSES € Million	JANUARY - DECEMBER		
	2012	2011	% Chg.
Audiovisual	1.194,62	1.119,80	6,7%
Prisa TV*	1.044,39	915,71	14,1%
Media Capital	154,63	207,52	(25,5%)
Consolidation Adjustments	(4,40)	(3,43)	(28,3%)
Education - Publishing	625,77	616,41	1,5%
Spain & Portugal	150,97	159,98	(5,6%)
Latam & USA	474,80	456,43	4,0%
Radio	318,99	351,59	(9,3%)
Radio in Spain	188,97	233,38	(19,0%)
International Radio	116,48	98,73	18,0%
Music	21,68	28,80	(24,7%)
Consolidation adjustments	(8,14)	(9,32)	12,6%
Press	367,24	373,53	(1,7%)
El Pais	259,60	246,34	5,4%
AS	57,69	60,88	(5,2%)
Cinco Dias	15,47	15,99	(3,3%)
Magazines	26,01	38,37	(32,2%)
Distribution	15,97	18,77	(14,9%)
Consolidation Adjustments	(7,48)	(6,81)	(9,9%)
Other Expenses	173,73	169,88	2,3%
Prisa Brand Solutions	26,05	25,56	1,9%
Printing**	33,10	---	---
Others***	114,57	144,32	(20,6%)
Consolidation Adjustments	159,41	128,98	23,6%
TOTAL	2.839,75	2.760,19	2,9%

* 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.

VII.IV. EBITDA

EBITDA € Million	JANUARY - DECEMBER		
	2012	2011	% Chg.
Audiovisual	233,17	234,69	(0,7%)
% margin	18,5%	18,9%	
Prisa TV*	191,34	186,77	2,4%
% margin	17,7%	18,5%	
Media Capital	41,83	38,95	7,4%
% margin	22,7%	17,4%	
Consolidation Adjustments	(0,0)	8,98	(100,0%)
Education - Publishing	184,19	170,20	8,2%
% margin	25,1%	23,6%	
Spain&Portugal	36,65	42,71	(14,2%)
% margin	22,5%	23,9%	
Latam & USA	147,54	127,49	15,7%
% margin	25,8%	23,5%	
Radio	54,32	51,61	5,3%
% margin	15,9%	13,7%	
Radio in Spain	8,16	16,17	(49,6%)
% margin	4,4%	7,0%	
International Radio	45,13	36,14	24,9%
% margin	30,5%	28,2%	
Music	1,034	(0,71)	---
% margin	6,8%	(2,6%)	
Press	(13,8)	40,05	(134,4%)
% margin	(4,4%)	10,3%	
El Pais	(21,8)	20,55	---
% margin	(10,6%)	8,1%	
AS	11,83	16,26	(27,3%)
% margin	18,0%	21,6%	
Cinco Dias	(1,8)	0,06	---
% margin	(14,2%)	0,4%	
Magazines	(2,3)	2,21	---
% margin	(10,2%)	6,9%	
Distribution	0,64	1,05	(38,9%)
% margin	4,0%	5,5%	
Others	(30,91)	(59,63)	48,2%
Prisa Brand Solutions	0,282	(2,23)	112,7%
% margin	1,1%	(9,8%)	
Printing**	1,32	---	---
% margin	0,0%		
Others***	(32,51)	(57,40)	43,4%
TOTAL	427,00	436,91	(2,3%)
% margin	16,0%	16,0%	

* 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.

VII.V. EBIT

EBIT Millones de euros	JANUARY - DECEMBER		
	2012	2011	Var. %
Audiovisual	65,22	121,39	(46,3%)
% margen	5,2%	9,8%	
Prisa TV*	35,53	95,57	(62,8%)
% margen	3,3%	9,5%	
Media Capital	29,69	16,84	76,3%
% margen	16,1%	7,5%	
Ajustes de consolidación	0,00	8,98	(100,0%)
Educación - Editorial	107,89	103,99	3,8%
% margen	14,7%	14,4%	
España y Portugal	11,77	18,97	(38,0%)
% margen	7,2%	10,6%	
Latam y USA	96,12	85,02	13,1%
% margen	16,8%	15,7%	
Radio	23,43	25,18	(7,0%)
% margen	6,8%	6,7%	
Radio España	(2,31)	(2,58)	10,5%
% margen	(1,2%)	(1,1%)	
Radio Internacional	32,23	29,59	8,9%
% margen	21,8%	23,1%	
Música	(6,49)	(1,83)	---
% margen	(42,7%)	(6,8%)	
Prensa	(52,65)	16,48	---
% margen	(16,7%)	4,2%	
El País	(54,54)	8,93	---
% margen	(26,6%)	3,5%	
AS	8,12	14,28	(43,1%)
% margen	12,3%	19,0%	
Cinco Días	(2,86)	(0,54)	---
% margen	(22,7%)	(3,5%)	
Revistas	(2,96)	(6,35)	53,4%
% margen	(12,9%)	(19,8%)	
Distribución	(0,09)	0,30	(129,4%)
% margen	(0,5%)	1,6%	
Otros	(318,98)	(302,77)	(5,4%)
Prisa Brand Solutions	(0,15)	(2,78)	94,6%
% margen	(0,6%)	(12,2%)	
Impresión**	(14,48)	---	---
% margen	(77,7%)	---	
Otros***	(304,35)	(299,99)	(1,5%)
TOTAL	(175,05)	(35,74)	---
% margen	-6,6%	-1,3%	

* Prisa TV incluye los datos procedentes tanto del negocio de TV de Pago como de otras actividades relacionadas.

** Impresión se consolida por integración global desde el mes de abril de 2012. Incluye además un deterioro de activos de 8,9 millones de euros que no impactan a nivel grupo por haberse registrado contra una provisión dotada en 2010

*** Incluye fundamentalmente los negocios de Prisa Innova, Inmobiliaria y Corporativo. No se incluyen las provisiones de cartera.

Appendix VIII. QUARTERLY DATA BY BUSINESS UNIT
VIII.I. Operating Revenues

OPERATING REVENUES	2012**				2011*				%Chg.2012/2011			
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
€ Million												
Audiovisual	294,53	299,47	322,99	342,85	313,67	319,24	297,49	310,79	(6,1%)	(6,2%)	8,6%	10,3%
Prisa TV	256,04	249,75	282,32	291,81	254,21	252,00	250,02	255,05	0,7%	(0,9%)	12,9%	14,4%
Subscribers	228,71	224,09	220,50	233,55	224,88	223,32	215,14	223,76	1,7%	0,3%	2,5%	4,4%
Advertising	4,33	4,55	4,67	8,69	4,20	4,32	2,86	5,10	2,9%	5,3%	63,4%	70,5%
Others	23,01	21,12	57,16	49,56	25,13	24,36	32,03	26,19	(8,4%)	(13,3%)	78,5%	89,2%
Media Capital	40,05	50,87	41,22	52,19	53,55	64,46	49,27	57,08	(25,2%)	(21,1%)	(16,3%)	(8,6%)
Consolidation Adjustments	(1,55)	(1,16)	(0,55)	(1,14)	5,91	2,78	(1,80)	(1,33)	(126,3%)	(141,6%)	69,6%	14,6%
Education - Publishing	192,44	142,87	246,53	151,82	185,78	133,23	229,82	171,56	3,6%	7,2%	7,3%	(11,5%)
Spain & Portugal	7,31	47,49	116,42	(8,48)	6,09	54,29	117,81	0,76	19,9%	(12,5%)	(1,2%)	---
Latam & USA	185,13	95,38	130,12	160,30	179,69	78,94	112,02	170,80	3,0%	20,8%	16,2%	(6,1%)
Radio	78,97	90,58	78,19	94,69	83,42	101,63	84,43	107,30	(5,3%)	(10,9%)	(7,4%)	(11,8%)
Radio in Spain	48,86	52,20	36,88	48,73	56,89	67,19	45,02	61,70	(14,1%)	(22,3%)	(18,1%)	(21,0%)
International Radio	29,97	36,17	39,40	42,52	26,29	31,50	33,13	37,40	14,0%	14,8%	18,9%	13,7%
Music	1,79	4,06	3,53	5,81	2,89	4,91	8,19	10,98	(38,0%)	(17,3%)	(56,9%)	(47,1%)
Consolidation Adjustments	(1,66)	(1,85)	(1,63)	(2,37)	(2,65)	(1,97)	(1,91)	(2,78)	37,5%	5,9%	14,9%	14,9%
Press	86,15	82,87	70,43	75,13	109,75	103,28	80,03	96,95	(21,5%)	(19,8%)	(12,0%)	(22,5%)
El País	58,61	53,38	44,81	48,26	75,53	65,65	50,18	63,91	(22,4%)	(18,7%)	(10,7%)	(24,5%)
AS	16,34	17,72	16,31	15,43	18,85	20,93	17,66	17,71	(13,3%)	(15,3%)	(7,6%)	(12,9%)
Cinco Días	3,54	3,66	2,33	3,08	4,27	4,80	2,80	3,58	(17,2%)	(23,7%)	(16,9%)	(13,9%)
Magazines	5,52	6,03	5,08	6,42	8,02	8,43	6,40	9,17	(31,1%)	(28,5%)	(20,6%)	(29,9%)
Distribution	4,13	4,31	3,93	3,51	4,49	4,89	4,76	4,92	(7,9%)	(11,9%)	(17,5%)	(28,7%)
Consolidation Adjustments	(1,99)	(2,22)	(2,03)	(1,57)	(1,41)	(1,42)	(1,77)	(2,33)	(41,8%)	(56,6%)	(14,7%)	32,6%
Other Revenues	24,02	38,94	29,19	27,83	25,60	26,55	25,60	23,84	(6,2%)	46,6%	14,0%	16,7%
Prisa Brand Solutions	6,54	6,56	6,44	6,36	6,30	6,07	6,03	4,38	3,9%	8,2%	6,7%	45,1%
Printing**	---	13,70	2,81	2,12	---	---	---	---	---	---	---	---
Others***	17,48	18,67	19,94	19,36	19,30	20,49	19,57	19,46	(9,5%)	(8,9%)	1,9%	(0,5%)
Consolidation adjustments	(24,55)	(28,70)	(27,38)	(25,17)	(27,30)	(24,37)	(29,11)	(24,51)	10,1%	(17,8%)	5,9%	(2,7%)
TOTAL	651,56	626,03	719,95	667,15	690,93	659,84	687,75	685,93	(5,7%)	(5,1%)	4,7%	(2,7%)

*Distribution has been consolidated into Press.

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

*** Others include mainly Head Quarters.

VIII.II. Advertising

ADVERTISING € Million	2012**				2011*				%Chg.2012/2011			
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
Audiovisual	29,62	36,85	27,53	39,10	35,32	43,87	31,89	42,47	(16,2%)	(16,0%)	(13,7%)	(7,9%)
Prisa TV	4,33	4,55	4,67	8,69	4,20	4,32	2,86	5,10	2,9%	5,3%	63,4%	70,5%
Media Capital	25,29	32,31	22,86	30,41	31,12	39,55	29,03	37,37	(18,7%)	(18,3%)	(21,3%)	(18,6%)
Radio	70,88	81,44	71,51	85,14	74,13	87,67	72,08	91,74	(4,4%)	(7,1%)	(0,8%)	(7,2%)
Radio in Spain	43,55	47,55	34,11	44,46	49,54	58,37	40,58	55,89	(12,1%)	(18,5%)	(15,9%)	(20,5%)
International Radio	27,36	33,85	37,37	40,60	24,50	29,14	31,54	35,65	11,6%	16,1%	18,5%	13,9%
Music	0,04	0,05	0,04	0,10	0,12	0,27	0,05	0,19	(70,2%)	(80,8%)	(25,9%)	(48,4%)
Consolidation adjustments	(0,06)	(0,01)	(0,01)	(0,01)	(0,04)	(0,10)	(0,09)	0,01	(55,3%)	94,3%	93,6%	(170,0%)
Press	30,92	35,24	20,56	30,68	36,36	41,72	25,53	44,23	(15,0%)	(15,5%)	(19,5%)	(30,6%)
El País	22,47	24,32	14,47	21,70	26,51	30,53	18,47	32,06	(15,2%)	(20,3%)	(21,7%)	(32,3%)
AS	4,54	6,29	3,63	4,64	4,66	5,59	4,04	6,06	(2,7%)	12,5%	(10,1%)	(23,4%)
Cinco Días	2,02	2,15	0,91	1,63	2,31	2,37	1,35	2,09	(12,4%)	(9,2%)	(32,5%)	(22,0%)
Magazines	1,96	2,54	1,56	2,73	2,98	3,26	1,83	4,16	(34,3%)	(22,0%)	(14,6%)	(34,4%)
Consolidation adjustments	(0,07)	(0,05)	(0,01)	(0,02)	(0,10)	(0,02)	(0,15)	(0,14)	26,3%	(157,1%)	94,2%	88,6%
Others***	0,24	0,39	(0,04)	0,20	0,59	0,63	0,55	0,49	(60,0%)	(39,1%)	(107,0%)	(58,4%)
Consolidation adjustments	(1,58)	(1,78)	(2,02)	(1,52)	(2,39)	(2,04)	(2,22)	(2,55)	33,9%	12,7%	9,0%	40,4%
TOTAL	130,07	152,14	117,54	153,61	144,01	171,86	127,82	176,38	(9,7%)	(11,5%)	(8,0%)	(12,9%)

*Distribution has been consolidated into Press.

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

*** Others include mainly Head Quarters.

VIII.III. Operating Expenses

OPERATING EXPENSES	2012**				2011*				%Chg.2012/2011			
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
€ Million												
Audiovisual	290,38	309,71	258,01	336,53	303,55	270,19	247,54	298,52	(4,3%)	14,6%	4,2%	12,7%
Prisa TV	253,27	269,50	221,51	300,12	254,16	218,45	201,92	241,17	(0,4%)	23,4%	9,7%	24,4%
Media Capital	38,66	41,37	37,06	37,55	49,58	51,84	47,42	58,68	(22,0%)	(20,2%)	(21,9%)	(36,0%)
Consolidation adjustments	(1,55)	(1,16)	(0,55)	(1,14)	(0,19)	(0,10)	(1,80)	(1,33)	---	---	69,6%	14,6%
Education - Publishing	136,42	145,60	193,75	150,00	135,99	137,48	173,67	169,27	0,3%	5,9%	11,6%	(11,4%)
Spain & Portugal	27,36	37,18	70,40	16,04	26,91	43,85	70,76	18,46	1,6%	(15,2%)	(0,5%)	(13,1%)
Latam & USA	109,06	108,43	123,35	133,96	109,07	93,64	102,91	150,81	(0,0%)	15,8%	19,9%	(11,2%)
Radio	71,18	77,32	72,64	97,86	73,57	85,02	83,72	109,28	(3,3%)	(11,2%)	(13,2%)	(10,5%)
Radio in Spain	44,72	47,51	42,13	54,61	49,31	57,84	52,00	74,23	(9,3%)	(30,0%)	(19,0%)	(26,4%)
International Radio	25,71	27,71	28,66	34,41	23,49	22,99	25,38	26,87	9,4%	20,5%	12,9%	28,1%
Music	2,41	3,95	3,48	11,85	3,41	6,16	8,26	10,97	(29,4%)	(35,9%)	(57,9%)	8,0%
Consolidation adjustments	(1,66)	(1,85)	(1,63)	(3,01)	(2,65)	(1,97)	(1,91)	(2,78)	37,4%	---	14,9%	(8,1%)
Press	84,39	78,53	76,28	128,04	110,30	90,30	79,28	93,66	(23,5%)	(13,0%)	(3,8%)	36,7%
El Pais	58,68	52,49	51,06	97,37	78,04	59,69	52,39	56,23	(24,8%)	(12,1%)	(2,5%)	73,2%
AS	13,96	14,33	14,13	15,26	15,86	15,87	14,20	14,95	(12,0%)	(9,7%)	(0,5%)	2,1%
Cinco Dias	3,45	3,55	3,27	5,20	4,91	3,86	3,40	3,82	(29,9%)	(8,0%)	(3,8%)	36,1%
Magazines	6,32	6,32	5,84	7,53	8,45	7,30	6,57	16,05	(25,2%)	(13,3%)	(11,2%)	(53,1%)
Distribution	4,10	4,13	4,00	3,74	4,42	4,44	4,75	5,16	(7,2%)	(7,0%)	(15,8%)	(27,4%)
Consolidation adjustments	(2,11)	(2,30)	(2,02)	(1,05)	(1,38)	(0,85)	(2,04)	(2,54)	(52,8%)	(171,6%)	0,6%	58,6%
Other Expenses	37,46	53,41	34,90	47,96	40,90	39,14	38,88	50,97	(8,4%)	36,5%	(10,2%)	(5,9%)
Prisa Brand Solutions	7,20	6,96	5,05	6,85	6,54	6,26	6,55	6,21	10,1%	11,1%	(23,0%)	10,3%
Printing**	---	15,72	4,08	13,31	---	---	---	---	---	---	---	---
Others***	30,26	30,74	25,77	27,80	34,36	32,88	32,33	44,76	(11,9%)	(6,5%)	(20,3%)	(37,9%)
Consolidation adjustments	(23,47)	(31,70)	(23,06)	237,62	(26,76)	(26,14)	(28,26)	210,63	12,3%	(21,3%)	18,4%	12,8%
TOTAL	596,36	632,87	612,52	998,01	637,55	595,99	594,32	932,33	(6,5%)	6,2%	3,1%	7,0%

*Distribution has been consolidated into Press

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

*** Others include mainly Head Quarters.

VIII.IV. EBITDA

EBITDA	2012**				2011*				%Chg.2012/2011			
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
€ Million												
Audiovisual	30,91	72,46	92,99	36,81	34,92	74,36	75,75	49,66	(11,5%)	(2,6%)	22,8%	(25,9%)
% margin	10,5%	24,2%	28,8%	10,7%	11,1%	23,3%	25,5%	16,0%				
Prisa TV	26,60	60,07	85,78	18,88	21,86	55,83	70,50	38,57	21,7%	7,6%	21,7%	(51,0%)
% margin	10,4%	24,1%	30,4%	6,5%	8,6%	22,2%	28,2%	15,1%				
Media Capital	4,31	12,38	7,21	17,93	6,96	15,65	5,25	11,09	(38,1%)	(20,9%)	37,3%	61,7%
% margin	10,8%	24,3%	17,5%	34,4%	13,0%	24,3%	10,7%	19,4%				
Consolidation Adjustments	0,00	0,00	0,000	(0,00)	6,10	2,88	(0,00)	(0,00)				
Education - Publishing	69,55	13,36	99,10	2,18	62,81	15,23	86,51	5,65	10,7%	(12,3%)	14,6%	(61,4%)
% margin	36,1%	9,4%	40,2%	1,4%	33,8%	11,4%	37,6%	3,3%				
Spain&Portugal	(18,18)	14,59	74,04	(33,8)	(18,20)	18,23	65,82	(23,14)	0,1%	(20,0%)	12,5%	(46,0%)
% margin	(248,7%)	30,7%	63,6%	398,4%	(298,7%)	33,6%	55,9%	(3054,4%)				
Latam&USA	87,73	(1,23)	25,06	35,98	81,01	(3,00)	20,69	28,792	8,3%	59,1%	21,1%	24,9%
% margin	47,4%	(1,3%)	19,3%	22,4%	45,1%	(3,8%)	18,5%	16,9%				
Radio	12,20	17,81	10,38	13,93	14,62	22,80	5,09	9,10	(16,6%)	(21,9%)	104,1%	53,1%
% margin	15,4%	19,7%	13,3%	14,7%	17,5%	22,4%	6,0%	8,5%				
Radio in Spain	6,77	7,27	(2,7)	(3,2)	10,64	13,57	(4,35)	(3,7)	(36,4%)	(46,4%)	37,4%	14,4%
% margin	13,9%	13,9%	(7,4%)	(6,5%)	18,7%	20,2%	(9,7%)	(6,0%)				
International Radio	5,97	10,33	12,95	15,88	4,18	10,22	9,39	12,35	42,6%	1,1%	37,9%	28,6%
% margin	19,9%	28,6%	32,9%	37,4%	15,9%	32,4%	28,3%	33,0%				
Music	(0,5)	0,19	0,15	1,21	(0,21)	(0,99)	0,05	0,44	(151,0%)	119,0%	---	176,0%
% margin	(28,8%)	4,6%	4,4%	20,8%	(7,1%)	(20,2%)	0,6%	4,0%				
Press	5,16	7,85	(2,2)	(24,6)	2,41	15,93	3,98	17,73	114,3%	(50,7%)	(154,2%)	---
% margin	6,0%	9,5%	(3,1%)	(32,8%)	2,2%	14,8%	5,0%	18,3%				
El Pais	2,66	3,63	(3,3)	(24,8)	(0,16)	8,26	0,41	12,05	---	(56,0%)	---	---
% margin	4,5%	6,8%	(7,3%)	(51,4%)	(0,2%)	12,6%	0,8%	18,9%				
AS	2,75	3,80	2,55	2,73	3,32	5,38	3,78	3,79	(17,3%)	(29,4%)	(32,5%)	(27,8%)
% margin	16,8%	21,4%	15,6%	17,7%	17,6%	25,7%	21,4%	21,4%				
Cinco Dias	0,19	0,20	(0,8)	(1,3)	(0,56)	1,04	(0,5)	0,09	133,3%	(80,7%)	(63,9%)	---
% margin	5,3%	5,5%	(36,5%)	(43,1%)	(13,1%)	21,8%	(18,5%)	2,5%				
Magazines	(0,7)	(0,21)	(0,67)	(0,76)	(0,38)	1,224	(0,12)	1,48	(86,7%)	(117,0%)	---	(151,0%)
% margin	(12,9%)	(3,5%)	(13,1%)	(11,8%)	(4,8%)	14,5%	(1,8%)	16,2%				
Distribution	0,16	0,33	0,09	0,05	0,21	0,59	0,15	0,10	(22,4%)	(43,6%)	(38,4%)	(47,4%)
% margin	3,9%	7,7%	2,4%	1,5%	4,7%	12,1%	3,2%	2,0%				
Others	(12,68)	(7,53)	(6,11)	(4,59)	(14,32)	(8,55)	(11,83)	(24,92)	11,5%	12,0%	48,4%	81,6%
Prisa Brand Solutions	(0,53)	(0,28)	1,489	(0,39)	(0,10)	(0,06)	(0,38)	(1,69)	---	---	---	76,7%
% margin	(8,2%)	(4,3%)	23,1%	(6,2%)	(1,7%)	(0,9%)	(6,2%)	(38,5%)				
Printing**	---	0,48	0,69	0,14	---	---	---	---				
% margin	---	3,5%	24,7%	6,5%	---	---	---	---				
Others***	(12,15)	(7,73)	(8,29)	(4,34)	(14,22)	(8,50)	(11,46)	(23,23)	14,6%	9,0%	27,6%	81,3%
TOTAL	105,14	103,95	194,21	23,71	100,43	119,78	159,49	57,22	4,7%	(13,2%)	21,8%	(58,6%)
% margin	16,1%	16,6%	27,0%	27,0%	14,5%	18,2%	23,2%	8,3%				

*Distribution has been consolidated into Press.

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

*** Others include mainly Head Quarters.

VIII.V. EBIT

EBIT	2012**				2011*				%Chg.2012/2011			
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
€ Million												
Audiovisual	4,16	(10,2)	64,98	6,32	10,11	49,05	49,95	12,28	(58,9%)	(120,9%)	30,1%	(48,5%)
% margin	1,4%	(3,4%)	20,1%	1,8%	3,2%	15,4%	16,8%	4,0%				
Prisa TV	2,77	(19,75)	60,82	(8,31)	0,05	33,55	48,10	13,88	---	(158,9%)	26,4%	(159,9%)
% margin	1,1%	(7,9%)	21,5%	(2,8%)	0,0%	13,3%	19,2%	5,4%				
Media Capital	1,38	9,51	4,16	14,64	3,97	12,62	1,85	(1,60)	(65,2%)	(24,7%)	125,2%	---
% margin	3,5%	18,7%	10,1%	28,1%	7,4%	19,6%	3,7%	(2,8%)				
Consolidation Adjustments	0,00	0,00	0,00	0,00	6,10	2,88	(0,0)	0,00				
Education - Publishing	56,02	(2,73)	52,79	1,82	49,80	(4,25)	56,15	2,29	12,5%	35,8%	(6,0%)	(20,6%)
% margin	29,1%	(1,9%)	21,4%	1,2%	26,8%	(3,2%)	24,4%	1,3%				
Spain&Portugal	(20,05)	10,32	46,02	(24,52)	(20,82)	10,44	47,05	(17,70)	3,7%	(1,2%)	(2,2%)	(38,5%)
% margin	(27,4%)	21,7%	39,5%	(28,9%)	(34,1%)	19,2%	39,9%	(23,3%)				
Latam&USA	76,06	(13,05)	6,77	26,34	70,62	(14,69)	9,11	19,99	7,7%	11,2%	(25,7%)	31,8%
% margin	41,1%	(13,7%)	5,2%	16,4%	39,3%	(18,6%)	8,1%	11,7%				
Radio	7,79	13,26	5,55	(3,2)	9,85	16,62	0,71	(1,99)	(20,9%)	(20,2%)	---	(59,8%)
% margin	9,9%	14,6%	7,1%	(3,4%)	11,8%	16,3%	0,8%	(1,9%)				
Radio in Spain	4,14	4,69	(5,25)	(5,89)	7,58	9,36	(6,98)	(12,53)	(45,4%)	(49,9%)	24,8%	53,0%
% margin	8,5%	9,0%	(14,2%)	(12,1%)	13,3%	13,9%	(15,5%)	(20,3%)				
International Radio	4,27	8,47	10,74	8,75	2,79	8,51	7,76	10,53	52,9%	(0,6%)	38,5%	(16,9%)
% margin	14,2%	23,4%	27,3%	20,6%	10,6%	27,0%	23,4%	28,2%				
Music	(0,61)	0,11	0,05	(6,03)	(0,52)	(1,26)	(0,07)	0,01	(18,1%)	108,5%	177,9%	---
% margin	(34,2%)	2,6%	1,5%	(103,9%)	(18,0%)	(25,6%)	(0,8%)	0,1%				
Press	1,76	4,34	(5,8)	(52,9)	(0,54)	12,98	0,76	3,29	---	(66,5%)	---	---
% margin	2,0%	5,2%	(8,3%)	(70,4%)	(0,6%)	12,1%	0,9%	3,4%				
El Pais	(0,07)	0,89	(6,25)	(49,11)	(2,51)	5,97	(2,21)	7,67	97,3%	(85,2%)	(182,9%)	---
% margin	(0,1%)	1,7%	(13,9%)	(101,8%)	(3,3%)	9,1%	(4,4%)	12,0%				
AS	2,38	3,39	2,18	0,17	2,99	5,07	3,46	2,76	(20,3%)	(33,2%)	(36,9%)	(93,9%)
% margin	14,6%	19,1%	13,4%	1,1%	15,8%	24,2%	19,6%	15,6%				
Cinco Dias	0,10	0,11	(0,94)	(2,12)	(0,64)	0,94	(0,60)	(0,24)	114,9%	(88,6%)	(57,9%)	---
% margin	2,7%	2,9%	(40,6%)	(68,7%)	(14,9%)	19,5%	(21,4%)	(6,8%)				
Magazines	(0,81)	(0,30)	(0,76)	(1,10)	(0,43)	1,13	(0,17)	(6,88)	(87,1%)	(126,1%)	---	84,0%
% margin	(14,7%)	(4,9%)	(14,9%)	(17,1%)	(5,4%)	13,4%	(2,7%)	(75,0%)				
Distribution	0,04	0,18	(0,07)	(0,23)	0,07	0,45	0,01	(0,23)	(50,0%)	(60,0%)	---	0,9%
% margin	0,8%	4,2%	(1,8%)	(6,6%)	1,5%	9,2%	0,2%	(4,8%)				
Others	(14,53)	(11,48)	(10,03)	(282,94)	(15,84)	(10,54)	(14,13)	(262,27)	8,3%	(8,9%)	29,0%	(7,9%)
Prisa Brand Solutions	(0,66)	(0,39)	1,39	(0,49)	(0,24)	(0,20)	(0,52)	(1,83)	(172,7%)	(101,0%)	---	73,2%
% margin	(10,1%)	(6,0%)	21,6%	(7,7%)	(3,8%)	(3,2%)	(8,6%)	(41,7%)				
Printing**	---	(2,02)	(1,27)	(11,19)	---	---	---	---	---	---	---	---
% margin	---	(14,7%)	(45,1%)	(528,9%)	---	---	---	---				
Others***	(13,87)	(9,07)	(10,15)	(271,26)	(15,60)	(10,34)	(13,61)	(260,44)	11,1%	12,3%	25,4%	(4,2%)
TOTAL	55,20	(6,84)	107,44	(330,86)	53,38	63,85	93,43	(246,40)	3,4%	(110,7%)	15,0%	(34,3%)
% margin	8,5%	(1,1%)	14,9%	(49,6%)	7,7%	9,7%	13,6%	(35,9%)				

* Distribution has been consolidated into Press.

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

*** Others include mainly Head Quarters.

Appendix IX. OTHER SIGNIFICANT EVENTS

- 1) Canal+ has reached an agreement with Mediapro for the peaceful exploitation of broadcasting rights for the Spanish national Liga championship of both first and second divisions (**Liga BBVA & Liga Adelante**) as well as the Copa del Rey championship, for the coming seasons 2012/2013, 2013/2014, 2014/2015.

According to this agreement, Canal+ will exclusively have the pay-TV rights of the matches of the three abovementioned championships in through all technologies (except DTT). Canal+ will exploit these rights through its own platform (Through Canal+1 and Canal+Liga) and through other platforms with which it has reached different agreements.

- 2) Canal+ acquired the broadcast rights to the **UEFA Champions League** and **UEFA Super Cup** for three seasons starting in August 2012.
- 3) 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 3rd 2012, the new terms of PRISA's debt come into effect.
- 4) During the first nine months of 2012, as a result of the partial implementation of **the monetary capital increase**, PRISA increased its capital with 75,010,109 shares of class A common stock, corresponding to the thirteenth to the twenty third PRISA warrant exercise periods (exercise of 75,010,109 warrants at a price of 2 euros per share).

Also in 2012, **conversion rights** were exercised to convert a total of 49.545.431 class B shares into an equal number of class A shares.

- 5) In relation to the fiscal treatment of the deductibility of financial expenses (limitation included in the Real Decreto-Ley 12/2012, of March 30th 2012, published in the BOE on March 31st), 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.^o
- 6) **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 represented to the Judge in charge of the process, who also rejected the request. AVS has lodged a notice of appeal which is pending resolution before the Provincial Courts of Barcelona. Simultaneously, AVS has subsidiarily reported the pecuniary equivalent credit of the refund in the amount of 122 million euros which the insolvency administrators have recognized so far with contingent character. The Court has rejected AVS petition of considering them as ordinary being pending the resolution by the Provincial Court of Barcelona.

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

On **December 23rd 2011**, the Mercantile Court num.7 of Barcelona pronounced a sentence rejecting the opposition formulated by AVS, and approved the advanced proposal of agreement and ceasing the effects of insolvency. AVS has presented an appeal against the sentence of the Mercantile Court Num.7 of Barcelona, and simultaneously against all the resolutions issued during the Agreement, which according to the Solvency Law , are appealable in the current procedural phase, and which have rejected the incidents issued by AVS and destined to the correct integration of the asset and liability masses in the Insolvency process. These appeals are currently pending a solution by the Provincial Court of Barcelona.

In November 2012, the Provincial Court of Madrid partially confirmed the sentence passed by the No.36 First instance Court of Madrid, promoted by Audiovisual Sport S.L. (AVS) against Mediaproducción S.L. (Mediapro). **The sentence declares that Mediapro failed to comply with the contract signed on July 24th 2006** with VS, Sogecable (today Prisa TV) and TV de Cataluña, **and sentences Mediapro to pay 105 million Euros to AVS**. The sentence also declares that the aforementioned contract is in force until its resolution at the end of the 2008/2009 season.

In this process only the claim for the damages caused during the 2006/2007 season and part of the 2007/2008 season (until February). The claim for the damages caused in the rest of the 2007/2008 season and the 2008/2009 season is substantiated in the Mercantile Court number 7 in Barcelona, in the context of the insolvency process of Mediapro.

Appendix X. GROUP STRUCTURE

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

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

As of 3Q 2011, the Distribution business is included in the Press division. In addition, the Group has other business activities such as Ad Sales and Printing (Dédalo) since in April 2012 it was integrated by Global consolidation (compared to equity consolidation before April 2012)

* 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 XI. Pro forma reconciliation between EBITDA and EBIT for 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-DECEMBER	
	2012	2011
GRUPO PRISA		
Adjusted EBITDA	427.002	436.914
Depreciation and amortization charge	(187.998)	(171.331)
Variation in operating allowances	(100.196)	(45.171)
Impairment losses of assets	(12.580)	(3.204)
Impairment losses of goodwill	(301.282)	(252.944)
Profit from operations	(175.054)	(35.736)
AUDIOVISUAL		
Adjusted EBITDA	233.167	234.694
Depreciation and amortization charge	(100.537)	(95.515)
Variation in operating allowances	(67.575)	(8.036)
Impairment losses of assets	168	(4)
Impairment losses of goodwill	0	(9.750)
Profit from operations	65.223	121.389
Prisa TV		
Adjusted EBITDA	191.337	186.765
Depreciation and amortization charge	(89.041)	(83.715)
Variation in operating allowances	(66.967)	(7.478)
Impairment losses of assets	202	0
Impairment losses of goodwill	0	0
Profit from operations	35.531	95.572
Media Capital		
Adjusted EBITDA	41.831	38.952
Depreciation and amortization charge	(11.496)	(11.800)
Variation in operating allowances	(608)	(558)
Impairment losses of assets	(34)	(4)
Impairment losses of goodwill	0	(9.750)
Profit from operations	29.693	16.840
Other		
Adjusted EBITDA	(1)	8.977
Depreciation and amortization charge	0	0
Variation in operating allowances	0	0
Impairment losses of assets	0	0
Impairment losses of goodwill	0	0
Profit from operations	(1)	8.977

(Thousands of euros)	JANUARY-DECEMBER	
EDUCATION	2012	2011
Adjusted EBITDA	184.190	170.198
Depreciation and amortization charge	(51.426)	(44.816)
Variation in operating allowances	(21.493)	(18.205)
Impairment losses of assets	(3.381)	(3.191)
Impairment losses of goodwill	0	0
Profit from operations	107.890	103.986
RADIO	2012	2011
Adjusted EBITDA	54.319	51.605
Depreciation and amortization charge	(13.856)	(14.664)
Variation in operating allowances	(5.023)	(11.757)
Impairment losses of assets	(4.120)	(1)
Impairment losses of goodwill	(7.893)	0
Profit from operations	23.427	25.183
Radio in Spain	2012	2011
Adjusted EBITDA	8.157	16.173
Depreciation and amortization charge	(8.209)	(8.905)
Variation in operating allowances	(2.258)	(9.848)
Impairment losses of assets	0	0
Impairment losses of goodwill	0	0
Profit from operations	(2.310)	(2.580)
International Radio	2012	2011
Adjusted EBITDA	45.129	36.142
Depreciation and amortization charge	(5.303)	(4.658)
Variation in operating allowances	(2.600)	(1.889)
Impairment losses of assets	(4.000)	(1)
Impairment losses of goodwill	(1.000)	0
Profit from operations	32.226	29.594
Other	2012	2011
Adjusted EBITDA	1.033	(710)
Depreciation and amortization charge	(344)	(1.101)
Variation in operating allowances	(165)	(20)
Impairment losses of assets	(120)	0
Impairment losses of goodwill	(6.893)	0
Profit from operations	(6.489)	(1.831)

(Thousands of euros)	JANUARY-DECEMBER	
PRESS	2012	2011
Adjusted EBITDA	(13.763)	40.047
Depreciation and amortization charge	(10.216)	(9.915)
Variation in operating allowances	(6.133)	(5.907)
Impairment losses of assets	(22.535)	(7.745)
Impairment losses of goodwill	0	0
Profit from operations	(52.647)	16.480
El País	2012	2011
Adjusted EBITDA	(21.797)	20.551
Depreciation and amortization charge	(8.615)	(8.213)
Variation in operating allowances	(3.578)	(3.413)
Impairment losses of assets	(20.551)	0
Impairment losses of goodwill	0	0
Profit from operations	(54.541)	8.925
AS	2012	2011
Adjusted EBITDA	11.829	16.264
Depreciation and amortization charge	(698)	(608)
Variation in operating allowances	(1.399)	(1.379)
Impairment losses of assets	(1.609)	0
Impairment losses of goodwill	0	0
Profit from operations	8.123	14.277
Cinco Días	2012	2011
Adjusted EBITDA	(1.789)	58
Depreciation and amortization charge	(310)	(285)
Variation in operating allowances	(384)	(315)
Impairment losses of assets	(375)	0
Impairment losses of goodwill	0	0
Profit from operations	(2.858)	(542)
Distribution	2012	2011
Adjusted EBITDA	640	1.048
Depreciation and amortization charge	(444)	(631)
Variation in operating allowances	(283)	(121)
Impairment losses of assets	0	0
Impairment losses of goodwill	0	0
Profit from operations	(87)	296
Other	2012	2011
Adjusted EBITDA	(2.646)	2.126
Depreciation and amortization charge	(149)	(178)
Variation in operating allowances	(489)	(679)
Impairment losses of assets	0	(7.745)
Impairment losses of goodwill	0	0
Profit from operations	(3.284)	(6.476)
OTHER	2012	2011
Adjusted EBITDA	(30.911)	(59.630)
Depreciation and amortization charge	(11.963)	(6.421)
Variation in operating allowances	28	(1.266)
Impairment losses of assets	17.288	7.737
Impairment losses of goodwill	(293.389)	(243.194)
Profit from operations	(318.947)	(302.774)