



**PRISA**

**InvestorPresentation**



September 7, 2010

# SafeHarborStatement

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## Forward-Looking Statements

This document may include “forward looking statements” within the meaning of the “safe harbor” provisions of the United States Private Securities Litigation Reform Act of 1995. Forward-looking statements may be identified by the use of words such as “anticipate”, “believe”, “expect”, “estimate”, “plan”, “outlook”, and “project” and other similar expressions that predict or indicate future events or trends or that are not statements of historical matters. Investors are cautioned that such forward looking statements with respect to revenues, earnings, performance, strategies, prospects and other aspects of the businesses of Prisa, Liberty and the combined group after completion of the proposed business combination are based on current expectations that are subject to risks and uncertainties. A number of factors could cause actual results or outcomes to differ materially from those indicated by such forward looking statements. These factors include, but are not limited to: (1) the occurrence of any event, change or other circumstances that could give rise to the termination of the Amended and Restated Business Combination Agreement between Prisa and Liberty (the “Amended and Restated Business Combination Agreement”); (2) the outcome of any legal proceedings that may be instituted against Prisa and others following announcement of the Amended and Restated Business Combination Agreement and transactions contemplated therein; (3) the inability to complete the transactions contemplated by the Amended and Restated Business Combination Agreement due to the failure to obtain Liberty stockholder approval, Liberty warrant holder approval or Prisa shareholder approval; (4) delays in obtaining, adverse conditions contained in, or the inability to obtain necessary regulatory approvals required to complete the transactions contemplated by the Amended and Restated Business Combination Agreement; (5) the risks that Prisa’s planned asset dispositions and/or restructuring of its credit facilities will fail to be completed or fail to be completed on the terms currently anticipated or that Prisa will not receive the necessary consents under its Refinancing Master Agreement to the terms of the business combination; (6) the risk that holders of more than 80 million shares of Liberty common stock will elect to receive cash or will elect to redeem their shares; (7) the risk that other conditions to closing may not be satisfied; (8) the risk that securities markets will react negatively to the business combination or other actions by Prisa and the holders of Liberty common stock will not find this to be more attractive than the former terms of the business combination or have a different view of the value and long-term prospects of Prisa; (9) the risk that the proposed transaction disrupts current plans and operations as a result of the announcement and consummation of the transactions described herein; (10) the ability to recognize the anticipated benefits of the combination of Prisa and Liberty and of Prisa to take advantage of strategic opportunities; (11) costs related to the proposed business combination; (12) the limited liquidity and trading of Liberty’s securities; (13) changes in applicable laws or regulations; (14) the possibility that Prisa may be adversely affected by other economic, business, and/or competitive factors; and (15) other risks and uncertainties indicated from time to time in Prisa’s or Liberty’s filings with the SEC.

Readers are referred to Liberty’s most recent reports filed with the SEC. Readers are cautioned not to place undue reliance upon any forward-looking statements, which speak only as of the date made, and we undertake no obligation to update or revise the forward-looking statements, whether as a result of new information, future events or otherwise.

## Additional Information and Where to Find It

This document may be deemed to be solicitation material in respect of the proposed business combination involving Prisa and Liberty.

On August 19, 2010, in connection with the proposed business combination, Prisa filed an amended registration statement on Form F-4 (the “Registration Statement”) with the SEC that includes a preliminary proxy statement of Liberty for the proposed business combination and proposed warrant amendment that will also constitute a prospectus of Prisa. Prisa expects to file an amendment to its Registration Statement which will, among other things, reflect the terms of the Amended and Restated Business Combination Agreement. Liberty intends to mail a definitive proxy statement/prospectus for the proposed business combination and proposed warrant amendment to its stockholders and warrant holders as of a record date to be established for voting on the proposed business combination. Liberty stockholders and warrant holders are urged to read the preliminary proxy statement/prospectus, and the definitive proxy statement/prospectus when it becomes available, because these documents contain or will contain important information regarding Liberty, Prisa, the proposed business combination, the proposed warrant amendment and related matters. Stockholders and warrant holders may obtain a copy of the preliminary proxy statement/prospectus, the definitive proxy statement/prospectus when it becomes available, and any other documents filed by Liberty or Prisa with the SEC, free of charge, at the SEC’s website ([www.sec.gov](http://www.sec.gov)) or by sending a request to Liberty, 1114 Avenue of the Americas, 41st floor, New York, New York 10036, or by calling Liberty at (212) 380-2230. Prisa will also file certain documents with the Spanish Comisión Nacional del Mercado de Valores (the “CNMV”) in connection with its shareholders’ meeting to be held in connection with the proposed business combination, which will be available on the CNMV’s website at [www.cnmv.es](http://www.cnmv.es).

## Participants in the Business Combination

Prisa and its directors and executive officers may be deemed to be participants in the solicitation of proxies from the stockholders of Liberty in connection with the proposed business combination and from the warrant holders of Liberty in connection with the proposed warrant amendment. Information regarding the special interests of these directors and executive officers in the merger will be included in the Registration Statement on Form F-4 (and will be included in the definitive proxy statement/prospectus for the proposed business combination) and the other relevant documents filed with the SEC.

Liberty and its directors and officers may be deemed to be participants in the solicitation of proxies from Liberty’s stockholders in respect of the proposed business combination and from the warrant holders of Liberty in connection with the proposed warrant amendment. Information regarding the officers and directors of Liberty is available in Liberty’s annual report on Form 10-K for the year ended December 31, 2009, which has been filed with the SEC. Additional information regarding the interests of such potential participants will also be included in the Registration Statement on Form F-4 (and will be included in the definitive proxy statement/prospectus for the proposed business combination) and the other relevant documents filed with the SEC.

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Prisa Current Performance



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# ExecutiveSummary



# Grupo Prisa Overview

Among the leading entertainment and education companies in the Spanish and Portuguese speaking world



LTM €M <sup>1</sup>	Audiovisual	Education	Radio	Press	Grupo Prisa
<b>REVENUES</b>	<b>1,644</b>	<b>639</b>	<b>392</b>	<b>409</b>	<b>3,108<sup>2</sup></b>
<i>% of Total</i>	53%	21%	13%	13%	100%
<b>EBITDA</b>	<b>318</b>	<b>160</b>	<b>108</b>	<b>53</b>	<b>619<sup>3</sup></b>
<i>Margin %</i>	19%	25%	28%	13%	20%

- ✓ # 1 Free-to Air (“FTA”) TV in Portugal
- ✓ # 1 FTA TV in Spain
- ✓ One of the largest television and film producers in Spain & Portugal

- ✓ # 1 in textbooks in Spain
- ✓ #1 in textbooks in Brazil

- ✓ # 1 radio in Spain, Colombia and Chile
- ✓ #3 radio in Mexico

- ✓ # 1 daily newspaper in Spain
- ✓ #2 daily sports newspaper in Spain
- ✓ #2 economic newspaper in Spain

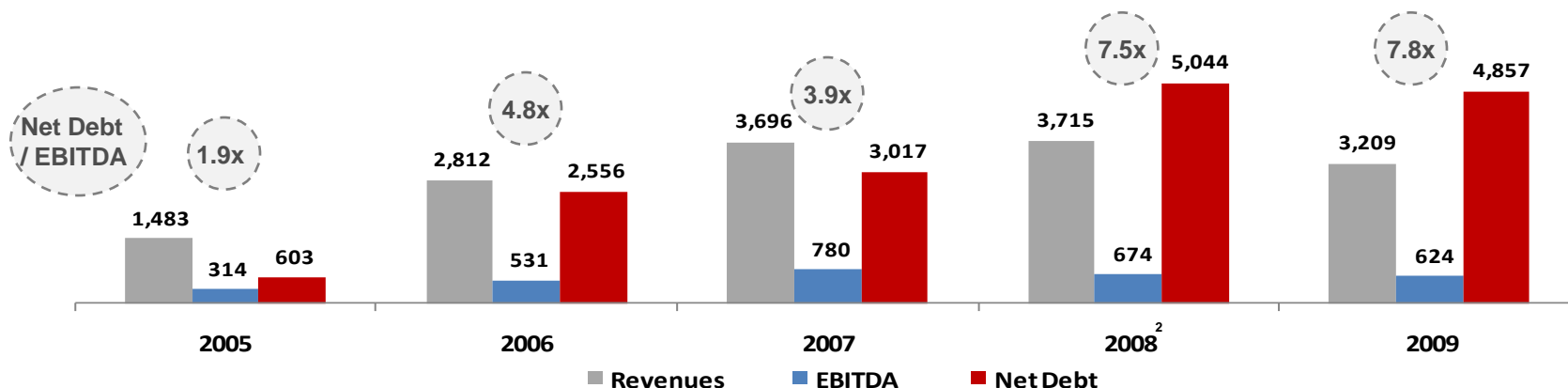


Note:

- 1 As of June 30, 2010
- 2 Includes €4m of other revenues and consolidation adjustments not attributable to any segment
- 3 Includes (€23)m of distribution, advertising, and corporate charges not attributable to any segment

# Aggressive Growth Through Leverage

During the last 5 years Prisa expanded its portfolio through significant use of financing<sup>1</sup>



Prisa's current average cost of senior debt is Euribor+2.25%

	2006	2007	2008	2009
<b>Main Acquisitions</b>	<ul style="list-style-type: none"> <li>20% of Sogecable reaching 44.5% for <b>€1,000m</b></li> </ul>	<ul style="list-style-type: none"> <li>61.7% of Media Capital reaching 94.4% for <b>€403m</b></li> <li>4.15% of Sogecable reaching 47.1% for <b>€152m</b></li> </ul>	<ul style="list-style-type: none"> <li>Increase in Sogecable stake to 100% for <b>€2,057m</b></li> <li>Settlement of the exchangeable bond in cash for <b>€162m</b></li> </ul>	
<b>Other</b>	<ul style="list-style-type: none"> <li>Consolidation of Sogecable with a syndicated loan of <b>€982m</b></li> </ul>	<ul style="list-style-type: none"> <li>Consolidation of Media Capital with a debt of <b>€97m</b></li> </ul>		<ul style="list-style-type: none"> <li>Change in soccer rights model affected revenues and EBITDA</li> </ul>

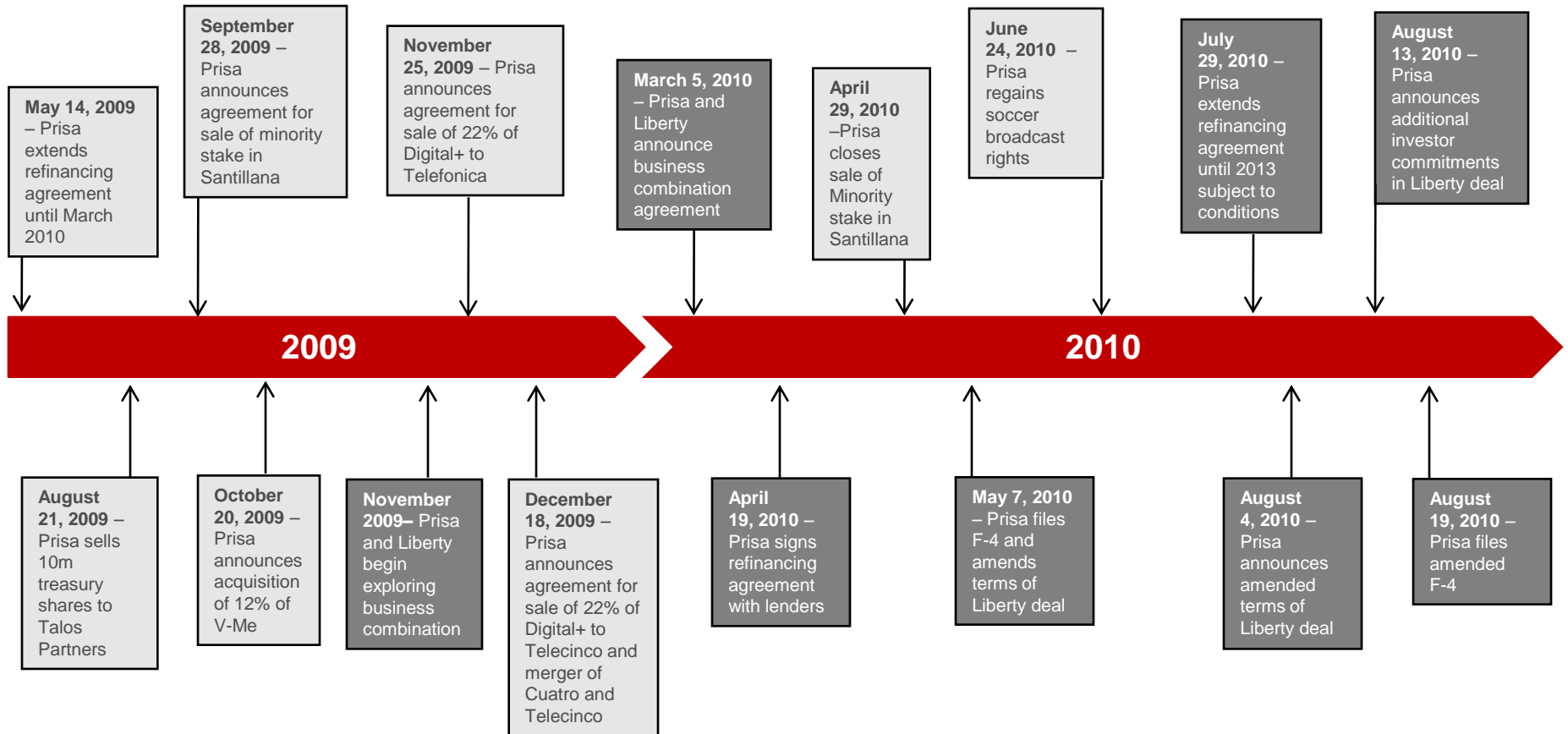


Note:

- Historical EBITDA/Interest levels were: 18.5x in 2005, 5.5x in 2006, 4.3x in 2007, 2.5x in 2008, and 4.0x in 2009
- 2008 figures exclude real estate disposal (€227 m Revenues; €215 m EBITDA) and sale of 8.14% of Unión Radio to 3i (€ 60m Revenues, € 60m EBITDA)

# Grupo Prisa Restructuring Events To Date

Since 2009 Prisa has taken a number of steps aimed towards transforming capital structure and improving competitive positioning



Source: Prisa

**Legend:**  Related to Liberty transaction  
 Other events

# Grupo Prisa Investment Rationale

## Leading Market Position in Spanish Portuguese Speaking World

- Audiovisual: **#1 FTA TV** (18.4% of TVI/Telecinco-Cuatro, pro forma merger) and **among the largest audiovisual production** companies in the Iberian Peninsula
- Education: **#1 textbook publisher** in Spain and Brazil; Market leader in textbooks and trade publishing in Latin America (Santillana)
- Press: **#1 daily newspaper** (El Pais), **#2 daily sports newspaper** (AS) and **#2 economic newspaper** (CincoDias) in Spain
- Radio: **#1 radio** in Spain, Colombia, and Chile, **#3 radio** in Mexico; **Largest Spanish speaking news network in the world**

## Portfolio of Premium Brands

- Recognized as the **local leader across verticals** in a number of Spanish and Portuguese language markets
- El Pais, Santillana, 40 Principales, Digital+, Canal+, Cadena Ser and TVI are among the most recognized and well-regarded brands in their respective verticals

## Diversified Revenue Streams

- 31% of revenue from subscribers, 28% from advertising and 19% from books and training in 2009
- **Resilience** of education and subscription businesses in terms of growth and profitability balances out cyclicity of advertising markets

## Robust Growth Potential

- Traditional business: **all businesses are profitable**; growth based on geographic expansion, new products and exploiting cross-business synergies
- Digital business: **accelerate** current penetration in the digital market; extract value from underutilized digital assets; migrate towards device-agnostic business model





# Revised Transaction Structure

## Consideration to Liberty Shareholders

Each Liberty Shareholder receives:

- 1.500 Prisa Class A ordinary shares<sup>1</sup>
- 3.000 Prisa Class B Non-Voting Convertible Shares (“NVCS”)<sup>1</sup>

Each NVCS:

- Mandatory conversion in 3.5 years
- Receives €0.175 minimum dividend per annum out of available distributable profits and some distributable reserves<sup>2</sup>
- Converts after 3.5 years into:
  - i. 1 Prisa ordinary share if the Prisa average ordinary share price at the time<sup>3</sup> is at or above €2.00, or
  - ii. up to 1.333 Prisa ordinary shares if the Prisa average ordinary share price at the time<sup>3</sup> is less than €2.00<sup>4</sup>
- Provides for optional conversion into 1 Prisa ordinary share at any time during monthly exchange periods
- \$0.50 in cash

## Consideration to Liberty Warrantheolders

Each Liberty Warrantheolder receives:

- 0.450 Prisa Class A ordinary shares
- \$0.90 in cash

## New Equity to Prisa Shareholders

Each existing Prisa Shareholder receives:

- 1.100 new Prisa warrants<sup>5</sup>
- Each new Prisa warrant:
- Is exercisable for 1 Prisa ordinary share
  - Has a strike price of €2.00
  - Expires in 3.5 years

## Increased Liberty Capitalization Structure

- Agreements with prominent banks and institutional investors (“Increased Capitalization Investors”), who, along with Liberty’s Sponsors<sup>6</sup>, committed to **invest an aggregate of \$500 million** which will be used to fund a **\$10.00 per share cash alternative** available to Liberty Shareholders who would rather receive all cash than shares in Prisa
- In order to facilitate the Increased Liberty Capitalization structure, Liberty’s Sponsors have committed to invest an additional \$50 million and agreed to surrender for nominal consideration 24.8 million of their Liberty warrants and up to 6.4 million<sup>7</sup> of their Liberty common shares, depending upon the number of Liberty Shareholders electing to receive the cash alternative

Note:

1 All Class A ordinary shares and Class B NVCSs will be represented by Prisa American Depositary Shares

2 Dividends are cumulative until mandatory conversion. Please refer to page 13 for more detail

3 Prisa volume-weighted average share price for 20 trading days before the mandatory conversion date

4 Prisa has the option to settle the amount in excess of 1 Prisa ordinary share in cash. Please refer to page 12 for more detail

5 To be issued unless Prisa is required to conduct a rights offering in connection with the transaction, in which case either no warrants would be issued or the warrant issuance would be adjusted, in either case so as to result in the same level of dilution and increased capital to Prisa

6 Marlin Equities II, LLC and Berggruen Acquisition Holdings Ltd.

7 Based on commitment of \$500 million from Increased Capitalization Investors and Liberty Sponsors



# Increased **Certainty of Execution**

- **Compelling value proposition to Liberty Shareholders and Warrantholders**
  - Revised structure adjusted to reflect changes in Prisa share price and FX environment
  - Convertible securities consideration with value protection and increased yield for Liberty Shareholders
  - Cash component
- **Increased value protection through Non-Voting Convertible Shares**
  - Allows Liberty Shareholders to retain Prisa stock upside while providing an attractive yield
  - Provides downside protection below €2.00 per Prisa ordinary share<sup>1</sup>
  - Liquid instrument expected to be traded on the NYSE
- **Agreements with institutional investors substantially increase likelihood of Liberty Shareholder approval**
  - Strong commitment from various institutional investors, banks and Liberty Sponsors: \$500 million
  - Increased Liberty Capitalization Structure provides funds to allow for a \$10.00 per share cash alternative (\$0.13 above approximate redemption value of \$9.87) to Liberty Shareholders who would rather receive all cash than Prisa securities<sup>2</sup>
  - Significant commitment from Liberty's Sponsors, who have committed to contribute \$50 million to the Increased Liberty Capitalization Structure and to surrender for nominal consideration 24.8m of their Liberty warrants and up to 6.4m<sup>3</sup> of their Liberty common shares
- **Increased protection for Prisa Shareholders**
  - Anticipated new Prisa warrants<sup>4</sup> allow current Prisa Shareholders to participate in share upside (strike price of €2.00)
  - Provides some protection against dilution for existing Prisa Shareholders
  - Clear path to accelerated deleveraging, if fully exercised

Note:

1 Please refer to page 12 for more detail

2 It is a condition to closing that no more than 80 million Liberty common shares elect to receive cash

3 Based on commitment of \$500 million from Increased Capitalization Investors and Liberty Sponsors

4 To be issued unless Prisa is required to conduct a rights offering in connection with the transaction, in which case either no warrants would be issued or the warrant issuance would be adjusted, in either case so as to result in the same level of dilution and increased capital to Prisa



# Transaction **Merits**

## Reduces Leverage

- **Liberty transaction intended to return leverage to sustainable levels**
  - Permits restructuring of current €5 billion of total debt
  - Enables extension of €1.8 billion bridge facility to May 2013
  - Leverage reduction of 2.4x LTM EBITDA<sup>1</sup>
  - If fully exercised, anticipated new Prisa warrants would raise cash and further reduce debt by 0.8x LTM EBITDA<sup>1</sup>

## Shifts Focus to Growth Strategy

- **Allows management to focus on growth strategy**
  - Servicing debt and asset sales no longer the priority
  - Transaction provides capital and liquidity to support ongoing strategic initiatives

## Reinforces Governance Structure

- **Prisa will expand its Board as well as the number of independent Board members in order to comply with CNMV regulations and NYSE listing rules**
- **Martin Franklin and Nicolas Berggruen have been invited to join Prisa's Board**
  - Bring significant financial experience (involvement in over 75 completed transactions across multiple industries)
  - Deep knowledge of US market, one of the key pillars of Prisa's growth strategy<sup>2</sup>

## Expands Investor Base

- **Increases free float<sup>3</sup> and market cap and diversifies investor base**
  - Free float<sup>3</sup> to rise from approximately ~€110 million to over €1.2 billion<sup>4</sup>
  - Diversification of investor base toward key US market
  - Non-Voting Convertible Shares are expected to further expand addressable investor base

## Compelling Valuation

- **Attractive entry valuation**
  - Prisa is currently trading at a discount to its peers on a TEV/LTM EBITDA and P/E basis



Note:

1 Based on LTM EBITDA as of June 30, 2010. Please refer to page 16 for more detail

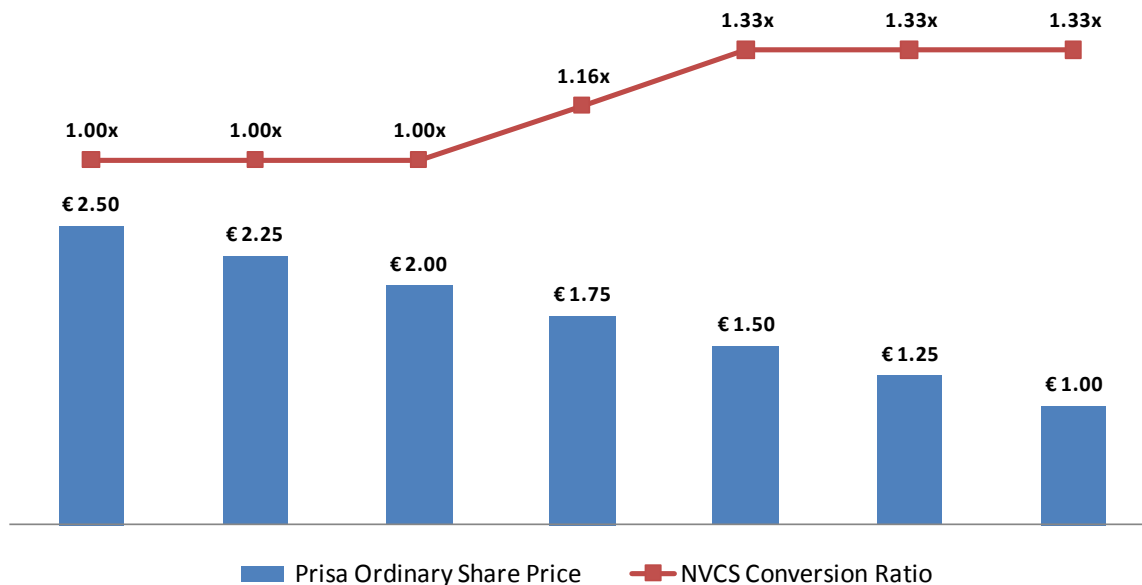
2 Primarily in the US Latin and Hispanic markets

3 Represents all shares not held by Prisa historical holders of ordinary shares

4 Based on fully diluted ordinary shares outstanding, post conversion of NVCSs and post-exercise of anticipated new Prisa warrants

# Summary of NVCS Downside Protection

The value of NVCS is protected under a maximum conversion ratio of 1.33



- Each NVCS converts at the end of 3.5 years into:
  - **1 Prisa ordinary share** if the Prisa average ordinary share price at the time<sup>1</sup> is at or above €2.00;
  - **Up to 1.333 Prisa ordinary shares** if the Prisa average ordinary share price at the time<sup>1</sup> is between €1.50 and €2.00<sup>2</sup>
  - **1.333 Prisa ordinary shares** if the Prisa average ordinary share price at the time<sup>1</sup> is below €1.50
- Prisa has option to settle the protection in cash
- Freely convertible for 1 Prisa ordinary share at any time during monthly exchange periods



Note:

<sup>1</sup> Prisa volume-weighted average share price for 20 trading days before the mandatory conversion date

<sup>2</sup> At Prisa average stock price between €2.00 and €1.50, each NVCS will convert into approximately  $(2.33 - (2 * P) / 3)$ , where P is the volume-weighted average price of Prisa ordinary shares for 20 trading days before mandatory conversion date

# Summary of NVCS Dividend Structure

## NVCS dividend payment is backed by distributable profits and a premium reserve

- Each NVCS to receive €0.175 annual dividend
- Prisa may pay the minimum annual dividend from two sources: distributable profits, as defined by Section 273 of the Spanish Companies Law of 2010, and from the premium reserve created in connection with the issuance of the NVCSs
  - If, in a given financial year, Prisa earns sufficient distributable profits to pay the full amount of the minimum dividend due to the holders of NVCSs, then Prisa must submit this payment out of distributable profits to shareholders for approval
  - If distributable profits in a given financial year are insufficient to pay the full amount of the minimum dividend due to the holders of the NVCSs, then any shortfall would be paid from the premium reserve in respect of the NVCSs
- Partial dividends are payable and any shortfalls may be made up in subsequent years prior to conversion<sup>1</sup>
- The premium reserve may only be used for dividend payments on NVCSs or upon mandatory conversion<sup>2</sup>
- The premium reserve is the difference between stated value and nominal value (€0.10) of NVCSs
- The stated value per NVCS will be calculated as the market value of Liberty at that time (based on the average closing prices of Liberty's common stock and warrants during the last full three-month period ending prior to the closing date) divided by the aggregate number of ordinary shares and NVCSs issued to Liberty stockholders and warrant holders in the business combination

## Illustrative Net Present Value Sensitivity of NVCS Dividends

	Discount Rate				
	0.0%	5.0%	10.0%	15.0%	20.0%
NPV per NVCS of 3.5 years of Dividends	€ 0.61	€ 0.55	€ 0.49	€ 0.45	€ 0.41
NPV per Liberty Share <sup>3</sup> of 3.5 years of Dividends	\$2.36	\$2.12	\$1.91	\$1.74	\$1.59

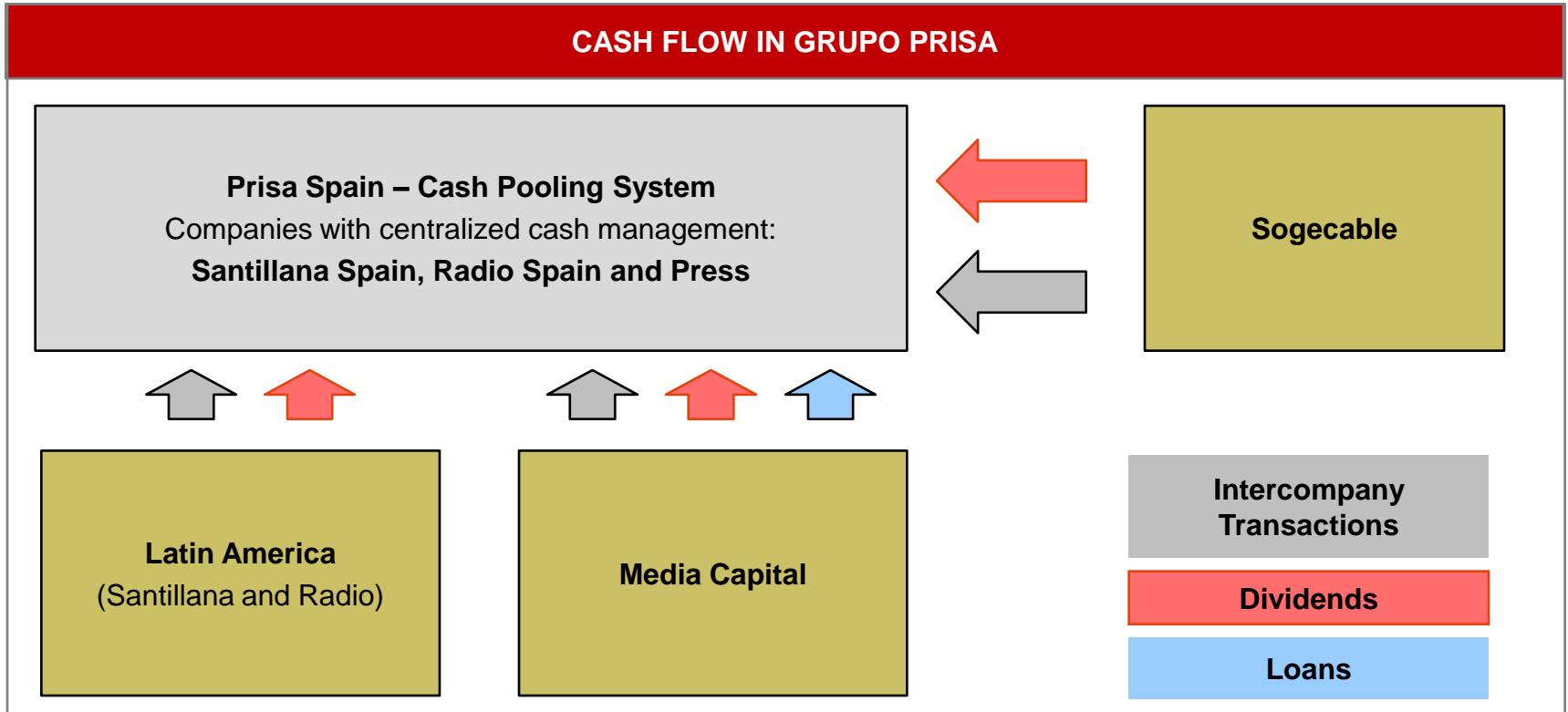
Note:

1. If the minimum dividend payable in respect of a given financial year exceeds the sum of distributable profits in that year and the then-existing balance of the premium reserve in respect of the NVCSs, then a partial dividend will be paid for such year, up to the amount of such distributable profits plus the then-existing balance of the premium reserve in respect of the NVCSs, pro rata in respect of the NVCSs. Any remaining shortfall would be added to the minimum dividend payable in respect of the NVCSs in the following year
2. The premium reserve will be non-distributable for so long as any NVCSs remain outstanding, other than for the payment of the minimum dividend on the NVCSs in the event that there are insufficient distributable profits to pay the full amount of such dividend. The premium reserve may also be distributed in connection with mandatory conversion of the NVCSs
3. Based on 3 NVCSs issued per Liberty share and €/€ exchange rate of 1.287 as of September 3, 2010



# PrisaCashFlowManagement

Cash from all subsidiary companies should be fully available to Prisa upon payment of all Sogecable debt



After the sales of minority stakes in Santillana and Digital+ are completed, Prisa expects to continue its current cash management practices, which should allow it to access cash flows from all companies after payment of dividends to minorities



# Taxes and Minority Dividends Summary

## Prisa and Sogecable Benefit From Tax Credits

- As of June 30, 2010, Prisa has tax assets for a total amount of € 1,317.8 million of which €1,003.5 million are in Sogecable

### Prisa Tax Groups

Sogecable
Radio Spain
Companies outside Spain: Media Capital, Santillana and Radio in each country pay taxes individually
Prisa and all other subsidiaries

## Ownership and Dividends<sup>1</sup>

<b>Prisa</b>	<ul style="list-style-type: none"> <li>Preferred dividend to NVCS for €0.175 per share</li> </ul>
<b>Sogecable</b>	<ul style="list-style-type: none"> <li>56% Prisa</li> <li>22% Telecinco</li> <li>22% Telefonica</li> </ul>
<b>Telecinco</b>	<ul style="list-style-type: none"> <li>Prisa entitled to receive dividends on its 18.4% stake</li> </ul>
<b>Media Capital</b>	<ul style="list-style-type: none"> <li>65% Prisa</li> <li>Currently 4.5% other</li> </ul>
<b>Santillana</b>	<ul style="list-style-type: none"> <li>75% Prisa</li> <li>25% DLJ, preferred dividend of €19m per year</li> </ul>
<b>Radio</b>	<ul style="list-style-type: none"> <li>73.5% Prisa</li> <li>18.4% Grupo Godo</li> <li>8.1% 3i</li> </ul>
<b>Press</b>	<ul style="list-style-type: none"> <li>Minority interest in Diario As</li> </ul>

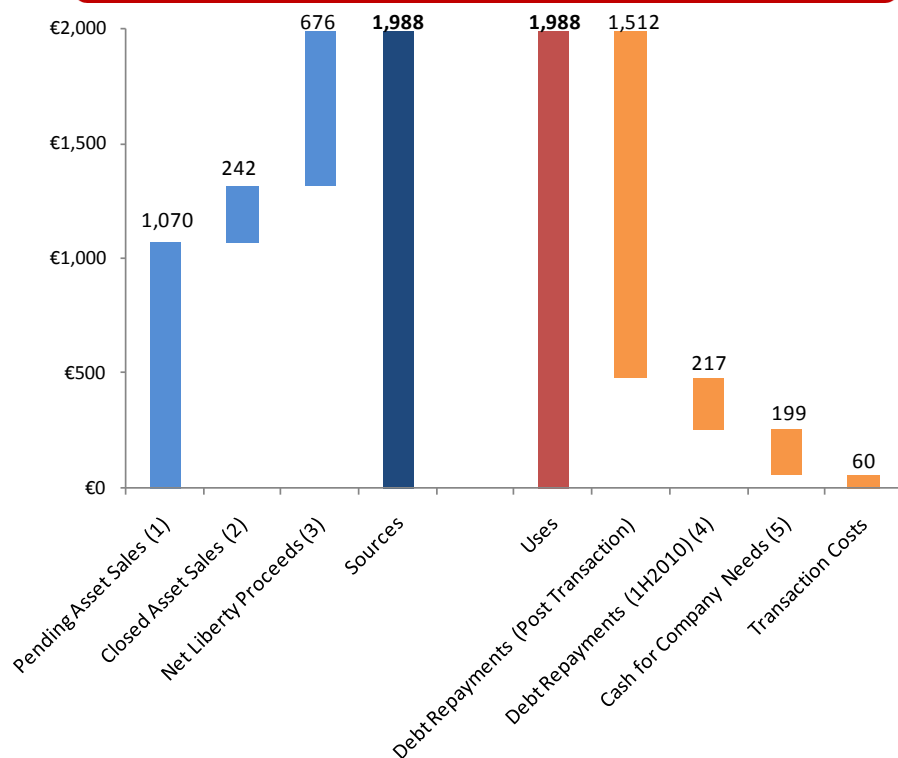


Note:

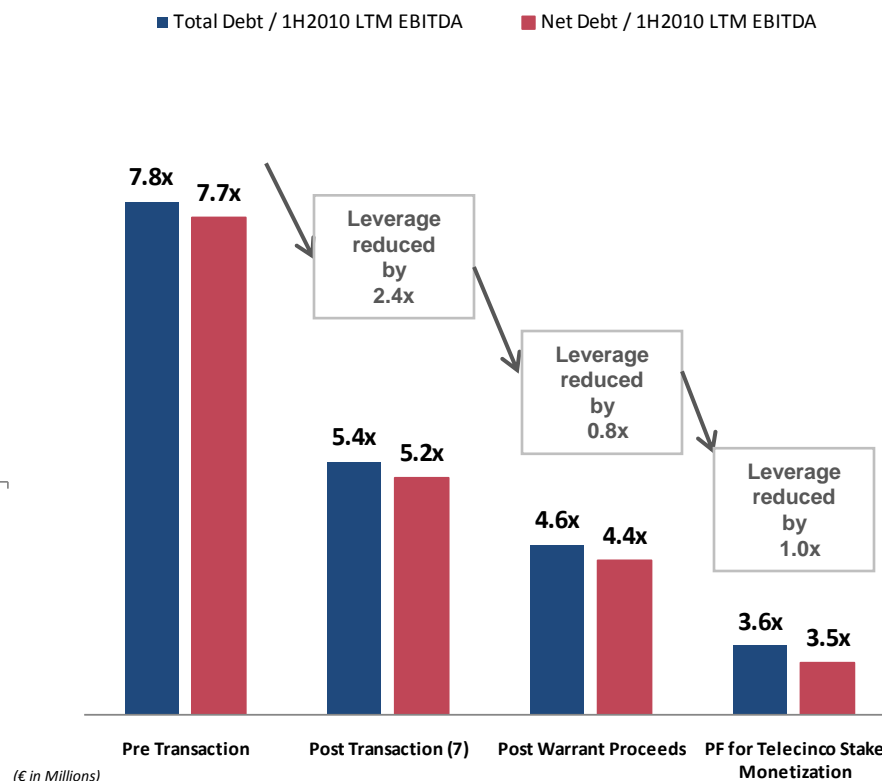
1. Pro forma closing of announced transactions

# Liberty-Backed De-Leveraging of Prisa

## Anticipated Cash Sources & Uses



## Prisa De-Leveraging<sup>6</sup>



	Prisa De-Leveraging <sup>6</sup>			
(€ in Millions)	Pre Transaction	Post Transaction (7)	Post Warrant Proceeds	PF for Telecinco Stake Monetization
Total Debt	€ 4,842	€ 3,330	€ 2,847	€ 2,254
Net Debt	€ 4,748	€ 3,236	€ 2,753	€ 2,160

Note:

- 1 Estimated proceeds from minority stake sales of Digital+ and Media Capital (subject to antitrust clearance and other closing conditions)
- 2 Net proceeds from Santillana minority stake sale
- 3 Illustrative proceeds assume no trust cash used to fund cash elections or redemptions. Based on €/€ exchange rate of 1.287 as of September 3, 2010
- 4 €217m of Santillana minority stake sale proceeds were used to pay down debt in 1H2010
- 5 Prisa expects to redeploy cash over the next 12 months toward operational efficiency plans and working capital. This cash is excluded from Prisa's net debt calculation
- 6 Based on debt balances and LTM EBITDA as of June 30, 2010
- 7 Including net proceeds from closed and pending asset sales

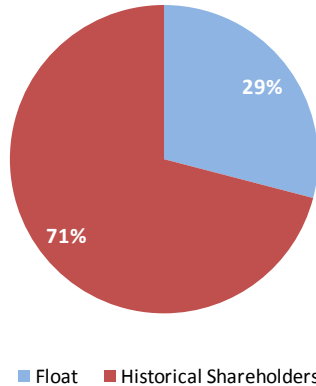
Source: Prisa, Capital IQ



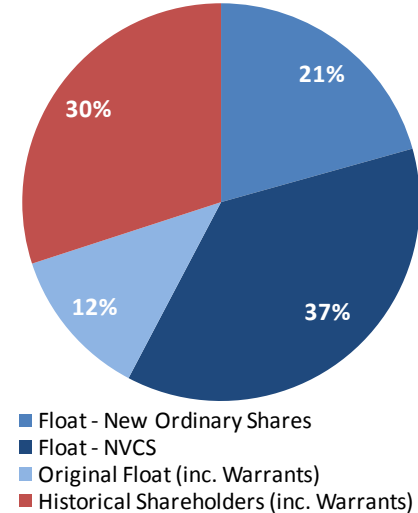


# Expansion of Investor Base

## Pre-Transaction



## Post-NVCS Conversion and Exercise of Anticipated New Prisa Warrants



## Enhanced Stock Liquidity

Listing	Spain only	Spain + NYSE
Investor Base	Mostly Spanish/European	Global
Market Cap <sup>1</sup>	~€370m (219m shares)	~€1,840m (1,088m shares) <sup>2</sup>
Free Float <sup>1,3</sup>	~€110m (64m shares)	~€1,290m (760m shares)



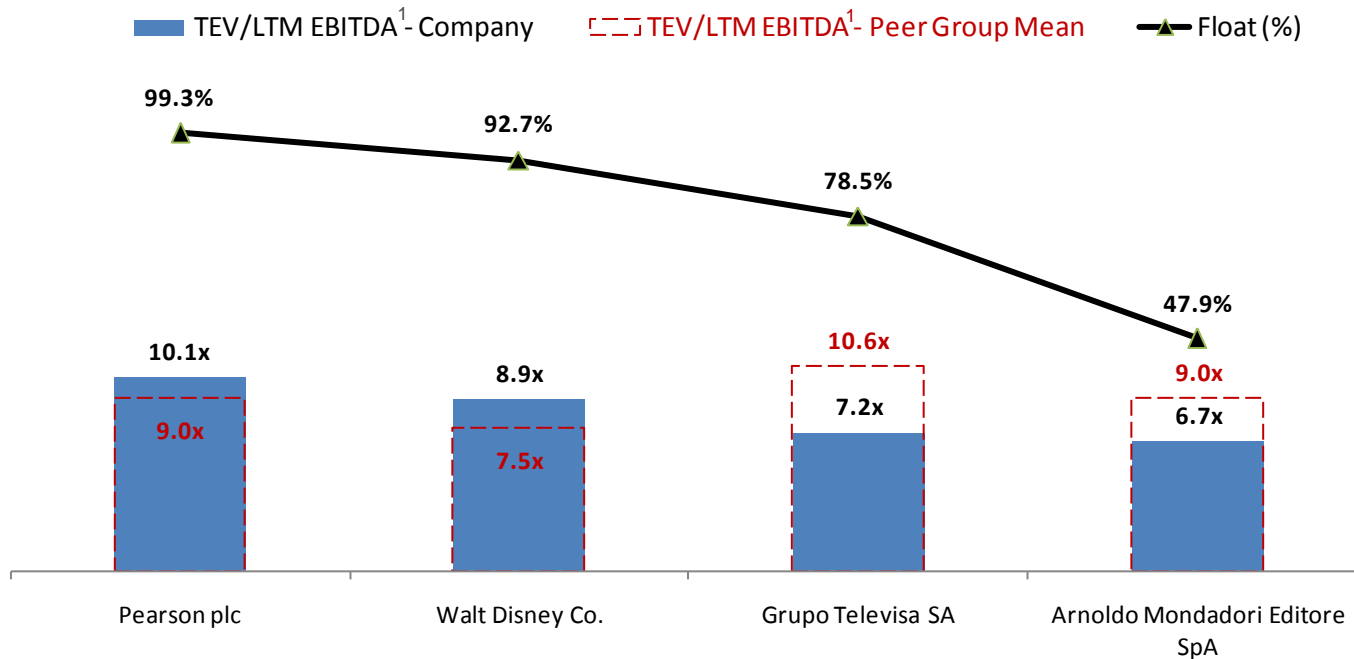
Note:

- 1 Illustrative, approximate, and based on Prisa share price of €1.69 as of September 3, 2010
- 2 Based on 1-for-1 conversion of Prisa Class B NVCSs into Prisa Class A ordinary shares and exercise of all anticipated new Prisa warrants
- 3 Represents all shares not held by Prisa historical holders of ordinary shares

Source: Prisa, Capital IQ

# Free Float and Multiple Expansion

Among selected Prisa comparables, companies with higher floats are valued at a premium to peers; inversely, companies with lower floats are valued at a discount to peers



Note:  
 1 As of June 30, 2010

Source: Capital IQ

# ProFormaEnterpriseValue

## Implied Pro Forma Enterprise Value at Various Prisa Share Prices

Prisa Share Price <sup>1</sup>	€ 1.25	€ 1.50	€ 1.75	€ 2.00	€ 2.25	€ 2.50
PF Shares Outstanding, fully diluted	1,088.0	1,088.0	1,088.0	1,088.0	1,088.0	1,088.0
<b>Implied Equity Value</b>	<b>1,360.0</b>	<b>1,632.0</b>	<b>1,904.0</b>	<b>2,176.0</b>	<b>2,448.0</b>	<b>2,720.0</b>
Add: PF Net Debt <sup>2</sup>	2,753.5	2,753.5	2,753.5	2,753.5	2,753.5	2,753.5
Add: PF Minority interest						
Digital+ (44%) <sup>3</sup>	1,034.0	1,034.0	1,034.0	1,034.0	1,034.0	1,034.0
Santillana (25%) <sup>4</sup>	205.0	205.0	205.0	205.0	205.0	205.0
Balance Sheet — 6/30/2010 <sup>5</sup>	202.9	202.9	202.9	202.9	202.9	202.9
Total PF Minority Interest	1,441.9	1,441.9	1,441.9	1,441.9	1,441.9	1,441.9
Less: Investment in Telecinco Stake (18.4%) <sup>6</sup>	(593.5)	(593.5)	(593.5)	(593.5)	(593.5)	(593.5)
<b>Implied Enterprise Value</b>	<b>€ 4,961.9</b>	<b>€ 5,233.9</b>	<b>€ 5,505.9</b>	<b>€ 5,777.9</b>	<b>€ 6,049.9</b>	<b>€ 6,321.9</b>

Note:

- 1 More than 3/4 of Prisa research analysts who have published research updates since the August 4, 2010 transaction update have not included any discussion of the current value of the new Prisa warrants expected to be issued at closing
- 2 Net of cash infusion from Liberty and €482m of proceeds from full exercise of new Prisa warrants
- 3 Based on EV of transaction with Telefonica and Mediaset (2009 Annual Report)
- 4 Aggregate Santillana stake of €279m reduced by €74m already on the balance sheet as of June 30, 2010
- 5 Includes €74m of aggregate Santillana stake (€279m)
- 6 Based on market value of Telecinco stake shares as of September 3, 2010. Telecinco stake shares represent 18.4% of the sum of the market value of Telecinco (30 days before transaction announcement) and the agreed valuation of Cuatro and Digital+



# Market Multiples of Prisa Comparables

	Total Debt/ LTM EBITDA	TEV/Revenue		TEV/EBITDA		P/E		
		2010E	2011E	2010E	2011E	2010E	2011E	
Audiovisual	British Sky Broadcasting Group <sup>1</sup>	1.4x	2.3x	2.2x	9.0x	9.0x	19.8x	15.5x
	Grupo Televisa SA	2.1x	2.7x	2.5x	7.2x	6.6x	18.3x	15.6x
	Cyfrowy Polsat S.A.	0.1x	2.6x	2.4x	9.6x	8.0x	14.4x	12.3x
	ITV plc	3.8x	1.5x	1.5x	8.2x	7.4x	15.3x	12.3x
	TF1 Group	2.0x	1.1x	1.0x	10.1x	7.5x	nm	14.9x
	Metropole Television M6	0.0x	1.3x	1.3x	6.6x	6.3x	15.4x	14.4x
	Gestevisión Telecinco, S.A.	1.1x	2.6x	2.0x	12.0x	7.9x	nm	12.7x
	Antena 3 de Televisión SA	0.9x	1.6x	1.5x	8.6x	7.4x	11.8x	10.1x
	RTL Group SA	0.1x	1.9x	1.8x	9.1x	8.6x	17.3x	15.4x
	Mediaset SpA	1.3x	1.7x	1.6x	5.8x	5.4x	14.5x	12.4x
	ProSiebenSat.1 Media AG	6.0x	2.3x	2.2x	8.1x	7.6x	12.7x	10.0x
	Median	1.2x	1.8x	1.7x	8.4x	7.4x	14.9x	12.6
Mean	1.7x	1.9x	1.8x	8.5x	7.3x	15.0x	13.0	
Publishing	Reed Elsevier plc	2.3x	2.6x	2.5x	9.6x	9.0x	15.4x	13.9x
	RCS MediaGroup S.p.A	6.8x	1.0x	0.9x	10.9x	9.5x	nm	16.6x
	Lagardere SCA	4.3x	0.8x	0.7x	8.7x	7.7x	nm	9.7x
	Arnoldo Mondadori Editore SpA	3.2x	0.6x	0.6x	6.5x	5.7x	10.3x	8.0x
	John Wiley & Sons Inc.	1.9x	1.7x	na	8.2x	na	14.2x	na
	The McGraw-Hill Companies, Inc.	0.8x	1.5x	1.4x	5.7x	5.3x	11.5x	10.5x
	Pearson plc	2.6x	1.8x	1.8x	10.4x	10.5x	14.1x	13.5x
	Median	2.6x	1.5x	1.2x	8.7x	8.4x	14.1x	12.0
Mean	3.1x	1.4x	1.3x	8.6x	7.9x	13.1x	12.0	
Diversified <sup>2</sup>	Walt Disney Co.	1.4x	2.0x	1.9x	8.5x	7.6x	16.0x	14.0x
	Time Warner Inc.	2.8x	1.8x	1.7x	7.8x	7.2x	14.1x	12.4x
	News Corp.	2.3x	1.2x	1.2x	6.8x	6.2x	10.5x	11.2x
	Viacom, Inc.	2.0x	2.0x	1.8x	7.3x	6.5x	11.6x	9.6x
	Median	2.1x	1.9x	1.7x	7.5x	6.9x	12.8x	11.8
Mean	2.1x	1.8x	1.6x	7.6x	6.9x	13.0x	11.8	

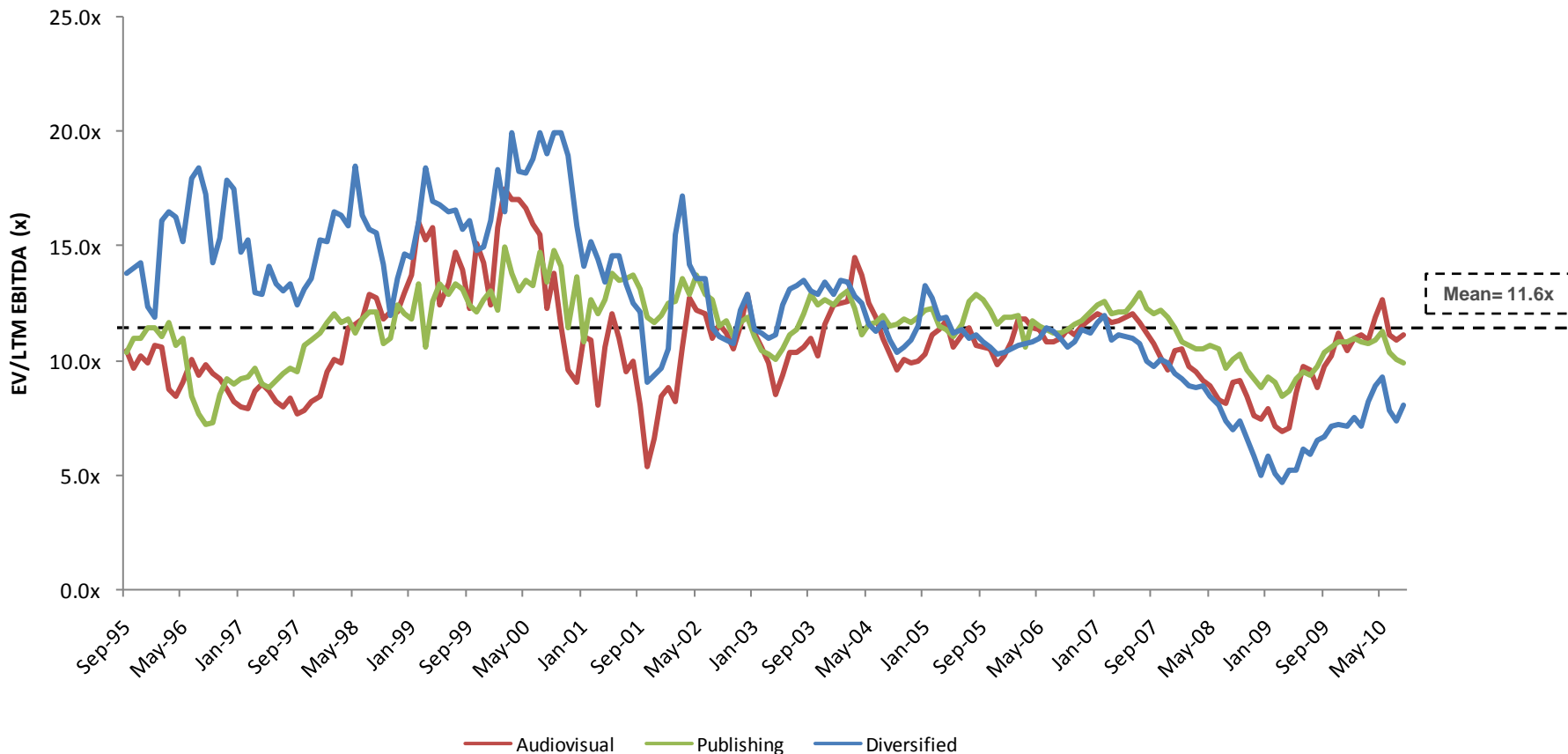


1 Not pro forma for News Corp. transaction. Excluded from median/mean calculations

2 Diversified media companies trade at lower multiples due to lower growth rates, lower margins, and limited expansion prospects

# Historical Valuation Against Industry Cycles

Current TEV/LTM EBITDA valuations for media companies are near the trough of the industry cycle



Note: TEV/LTM EBITDA multiples in excess of 20.0x have been excluded from the analysis

Source: Capital IQ

Diversified includes: Walt Disney, Time Warner, News Corp, Viacom. Audiovisual includes: BSkyB, Televisia, Polsat, ITV, TF1, Metropole, Telecinco, Antena 3, RTL, Mediaset, ProSiebenSat.1. Publishing includes: Reed Elsevier, RCS, Lagardere, Andoldo Mondadori, John Wiley & Sons, McGraw-Hill, Pearson

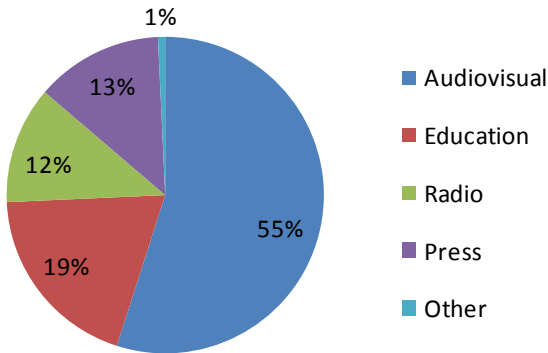
# Overview of Corporate Strategy



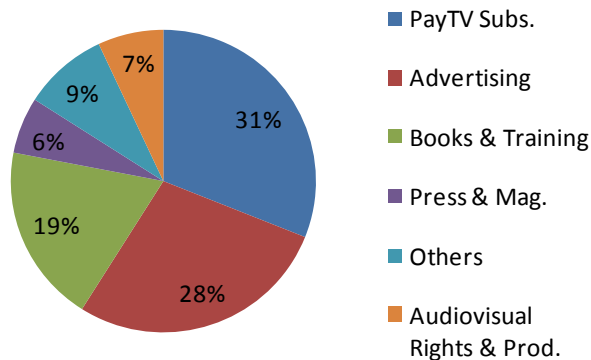
# Diversified Player of Scale

AMONG THE LARGEST DIVERSIFIED ENTERTAINMENT AND EDUCATION GROUPS IN EUROPE WITH REVENUES DISTRIBUTED ACROSS BUSINESSES, MARKETS AND GEOGRAPHIES

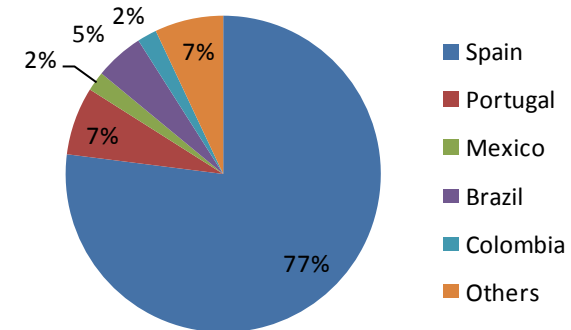
% REVENUE 2009 by SEGMENT



% REVENUE 2009 by REVENUE STREAM



% REVENUE 2009 by COUNTRY



- Presence in more than 20 countries, reaching approximately 50 million daily users through global brands
- Prisa has 27 million daily radio listeners - 16 million daily television viewers - 3 million daily readers - 3 million daily internet users and sells more than 117 million books
- Audience growth of approximately 19% over the five-year period from 2004 through 2009
- Presence in Brazil and Portugal and among the growing Hispanic community in the United States provides opportunities for expansion and further capitalization on Prisa's brands, contents and creative talent in a global market of over 700 million people



# Global Strategy: Platform For Accelerated Future Growth

## Transform traditional media businesses

- Adjust business model to extract maximum value from existing assets
  - Leverage key strategic partnerships
- 

## Integrate business units

- Extract synergies from transversal initiatives
  - Leverage resources and capabilities across business units
  - Transversal initiatives already identified and commencing
- 

## Focus on key international growth markets

- Brazil / Latin America: Publishing and Audiovisual Production
  - US / Mexico: Publishing, Radio and Audiovisual
- 

## Accelerate Digital Growth

- Accelerate penetration in the digital market utilizing a consumer oriented strategy
  - Grow and monetize the digital communities and products
- 

## Streamline Cost Structure

- Past efficiency programs successful; new plans in place
- 15.3% decline in operating expenses in 2009 compared to 2008 (excluding depreciation and amortization)
- 8% reduction in management salaries in 2009



# Key Strategic Initiatives per Business Unit

## DIGITAL+

### Multi-distribution strategy of Canal+

- Agreements with other telecommunications operators to bundle and/or wholesale distribution of product offerings: Jazztel (May 2010), Telecable (May 2010), Orange (Aug 2010). Further agreements in negotiation
- Canal+Dos in TDT launched in August 2010

### Broaden distribution of PVR/iPlus, HD, Multiroom, VOD and 3D to drive loyalty and subscription ARPU

- New iPlus pricing model since May 2010 (lease versus sale) has resulted in an increase of new iPlus users for a total of more than 200,000 by August 2010
- HD channels increase. 14 HD channel line-up as of August 2010
- First Spain's 3D broadcasts in June 2010, showing eight live World Cup 2010 matches as well as concerts and other events
- VoD expected to start in early 2011

## Cuatro/ T5

### Leverage Telecinco/CUATRO merger

- Expand current online presence with better offering and monetization strategy
- Streamline operations and eliminate redundancies

## Media Capital

### Expand and Improve Media Capital

- Expand content sales international (Brazil, Angola)
- Consolidate production operations with "one-stop shop" audiovisual city in Lisbon

# Key Strategic Initiatives per Business Unit (con't)

## Santillana

### Continue to Grow and Expand Scholarly Textbook Leadership Position

- Continue to develop integrated educational systems in which content is provided by digital media as well as in books
- Continue expansion to learning systems (teaching services, technology model and ebooks)
- Currently growing its digital content catalogue

### Increase Language Learning Presence

- Develop US Languages market

### Focus on Growing Trade Publishing Division

- In 2010, Santillana launched, in partnership with six other publishers, Libranda, the biggest Spanish distribution platform for books

## Press

### Lead Industry Transformation

- Concentrate on content creation rather than distribution
- Generate new revenue by participating in new distribution platforms - Become device agnostic
  - El País instituted an online edition in 1996
  - El País was the first Spanish daily to launch a native application for the iPhone and to sign an agreement with Amazon to offer a Kindle edition
  - In 2009, El País launched El País Plus, a service for mobile phone news alerts
  - AS website accounted for 25% of advertising revenue in 2009
- Generate new revenue from current website with +30m unique viewers

### International Expansion

- Increase circulation in new markets and diversify risk
- Leverage 30% penetration of internet viewers coming from outside of Spain to continue to increase online traffic

# Key Strategic Initiatives per Business Unit (con't)

## Radio

### Digital Expansion

- Use radio broadcasting to continue to direct audience to digital media
- Use digital to foster client loyalty with current 10m unique monthly online visitors across its 42 internet portals
- Develop segmented content exclusively for digital media
- Build strategic partnerships with key players
- Continue to become device agnostic, distributing through numerous platforms

### Expand Brand Development / Talent Management

- Expand use of successful brands across platforms (40 Principales with 1.2m subscribers to TV channel)
- Continued vertical integration of music industry by expanding artist management, promotion, and distribution to add 120+ events per year

### Geographic Expansion

- Geographical extension of business: Improve present position in those markets where Unión Radio is not yet operating or has an opportunity to grow.
- To increase presence in the underpenetrated US Hispanic market with a population of over 40 million



# Accelerated **Digital** Growth

- Digital strategy is focused on centralizing customer information and content across divisions and external distribution platforms to drive revenues with low marginal cost

## **Customer Marketing Database:**

Creation of a single Marketing Database for all of Prisa's customers across the Group's divisions

## **New Sources of Revenue:**

Better understanding of customers will generate new business models based on segmentation, relevance and communities

## **Content and Customer Data Management Platforms:**

Integration of content data management platforms across divisions and external distribution platforms

## **Technology Partnerships:**

Implementation of partnerships to maximize online interactivity with the Spanish speaking communities worldwide

## • **Measures implemented to date:**

- Hired a Chief Digital Officer
- Created customer marketing database with over 4 million records
- Appointed new Director of Corporate Development
- Created of system to identify transversal opportunities across businesses and countries

## • **Successes to date:**

- 46 million unique users per month in all segments
- Over 18 million songs streamed per month from 40 Principales and Cadena Ser
- El País.com reaches +17 million readers per month
- More than 12 million videos streamed monthly through all of Prisa's websites

**Prisa is becoming an integrated content and customer-centric Company focusing on mobile, video, and social media**

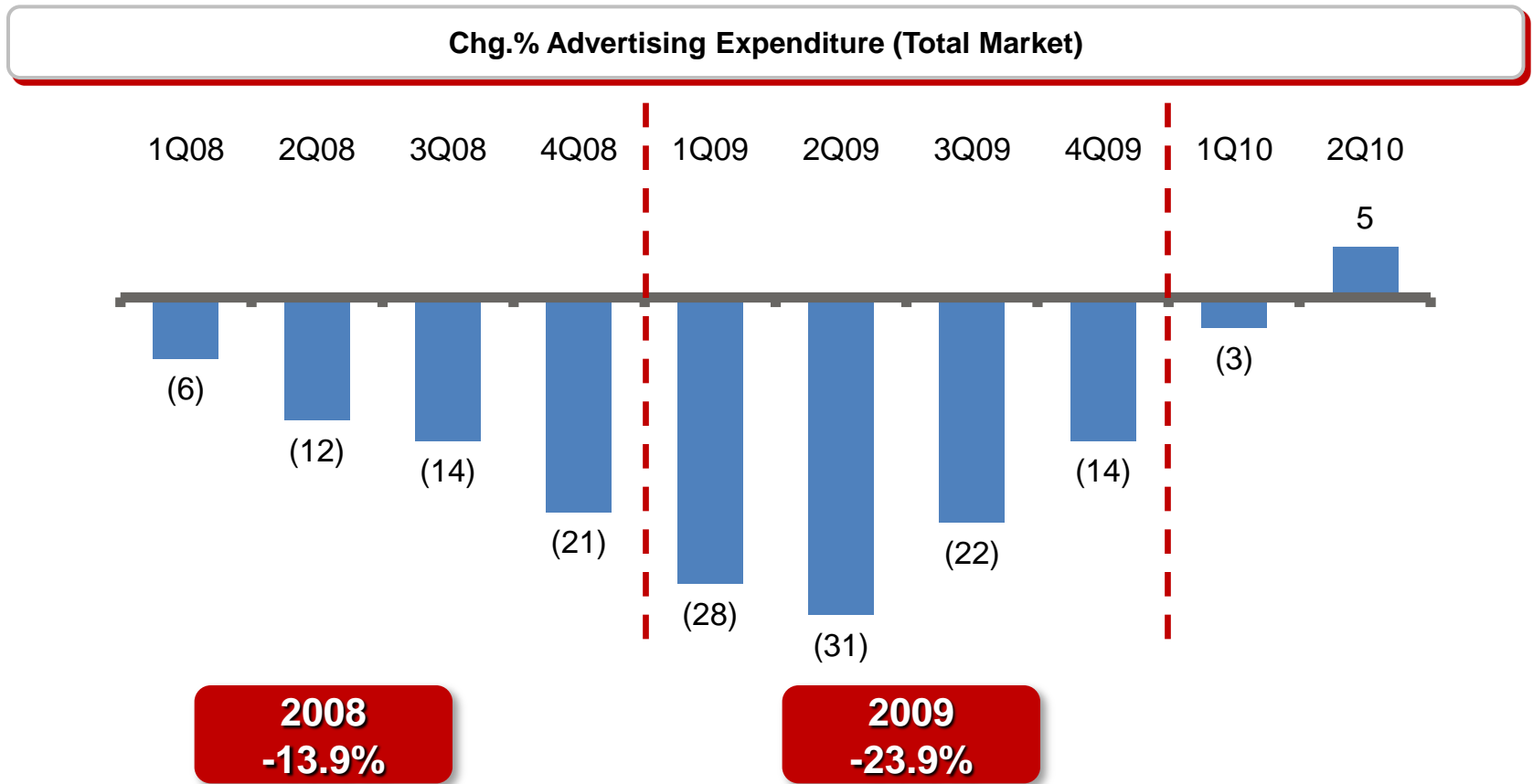


# PrisaCurrentPerformance



# Advertising Market Evolution

- 2009 represented the bottom of the advertising expenditure in Spain



# January-August 2010 Results Main Highlights

(€ million)	JANUARY - AUGUST		
	2010	2009	Var %
Revenues	€ 2,064	€ 2,182	(5.4%)
EBITDA	€ 420	€ 455	(7.7%)
EBIT	€ 285	€ 294	(2.9%)
<b>Net Profit</b>	<b>€ 97</b>	<b>€ 63</b>	<b>54.0%</b>
EBITDA Margin	20.4%	20.9%	
EBIT Margin	13.8%	13.5%	
Net Margin	4.7%	2.9%	
Net Debt	€ 4,735	€ 4,986	

- Excluding the impact of the change in the commercialization model of the football rights, the revenues of the group would have increased by 0.4%
- Advertising revenues increased by 9.1%.
- All business units posted positive results.
- Interest on debt decreased by 34.8%.
- January-August 2010 EBITDA includes €(21) million of Cuatro and €(44) million of the World Cup results



# January-August 2010 Results Main Highlights

- **Audiovisual** revenues reached €1,083 million and an EBITDA of €191 million
- Positive evolution on **Digital+ subscribers** in both gross additions (+23%) and cancellation (-13%) metrics (as of August 2010 year-on-year). August 2010 is the fifth consecutive month of decline in cancellations and churn rate improvement
- **Santillana** increased its revenues by 2.7% and its EBITDA reached €148.82 million. Significant year-on-year growth was seen in Brazil (37%), Peru (22%) and Mexico (17%)
- **Radio** revenues increased by 7.6% and EBITDA increased 16.3% with margin improving from 21.5% to 23.3% year-on-year. International revenues increased by 33.5% year-on-year
- **Press** division increased its EBITDA by 4.3% with margins improving from 9.4% to 10.1% year-on-year
- **El País** achieved an EBITDA of €18 million (10% EBITDA margin) and net profit of €8 million
- **Diario AS** revenues increased by 22.6% year-on-year
- In the **Digital area**, advertising revenues increased 38.1% year-on-year. Prisa reached 46 million monthly unique users: AS.com (+41.2%), EIPais.com (+10.5%) with approximately 30% international unique users, Los40.com (+21.6%) and Cuatro.com (16.6%) and Media Capital (16.6%)

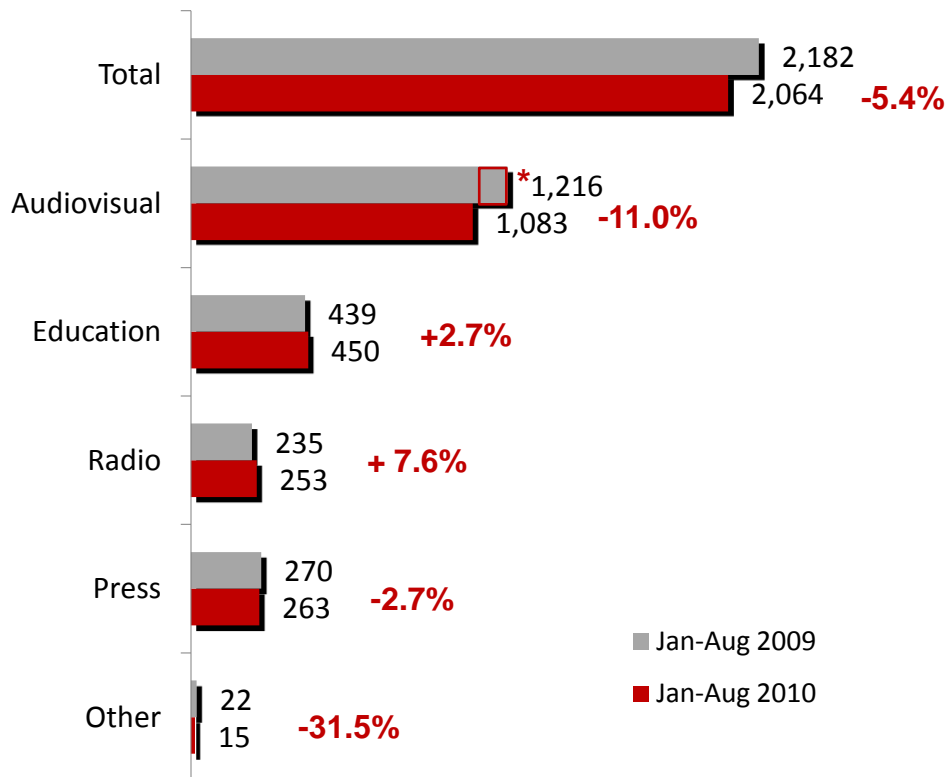




# January-August 2010 Revenues Highlights

## Total Revenues breakdown by business unit

(€ million)



Note:

\* Impact from the change in the football exploitation model

### Audiovisual:

- This decrease was due in part to the negative impact of a change in the soccer marketing model at Sogecable, since 2009 results included €125 million revenue from the sale of audiovisual soccer rights
- Excluding this effect, audiovisual revenues decreased by 0.7%

### Press:

- Prisa sold its press operation in Bolivia in 2009, with revenues by August 2009 of €6.4 million, which explains 91% of the decrease

### Education:

- Strong education campaigns take place on the 3<sup>rd</sup> quarter of the year in Spain and Portugal

### Other:

- Decrease in other business is primarily the result of Prisa's reclassification of advertising revenue from EIPaís.com, los40.com, Cuatro.com and Plus.es to those websites' respective business units

### Total Prisa Revenues:

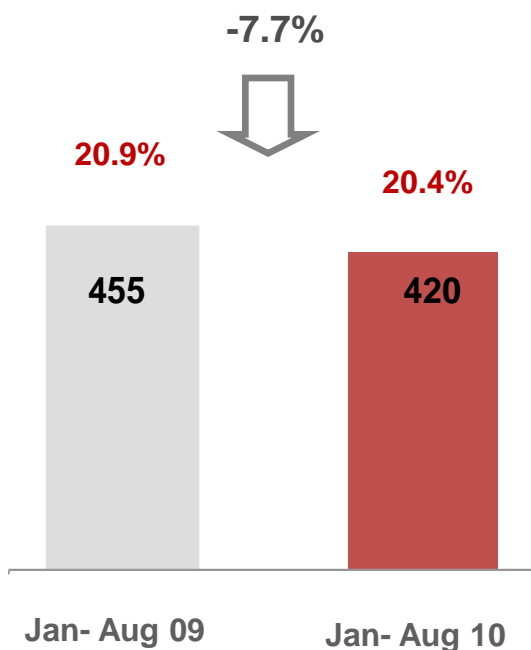
- Excluding the impacts mentioned on the audiovisual and press division the revenues increased 0.6% from the 1H2009

# January-August 2010 EBITDA Summary

## TOTAL EBITDA

(€ million)

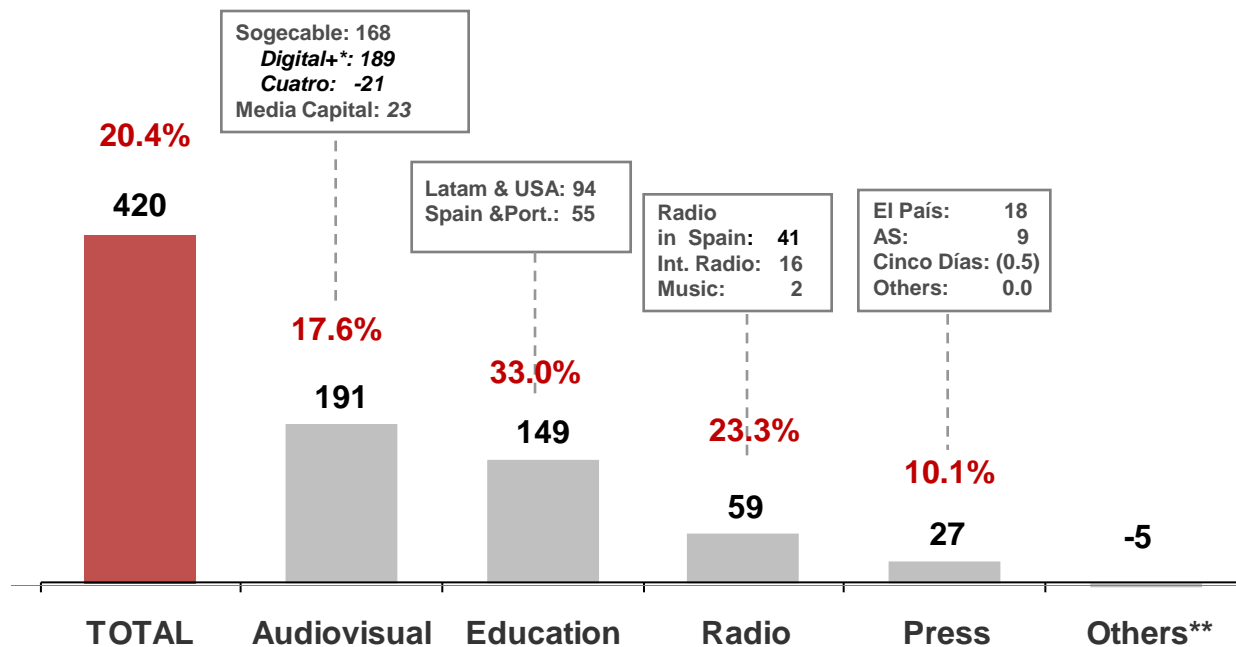
EBITDA Margin %



## EBITDA by business unit

(€ million)

EBITDA Margin %



Note:

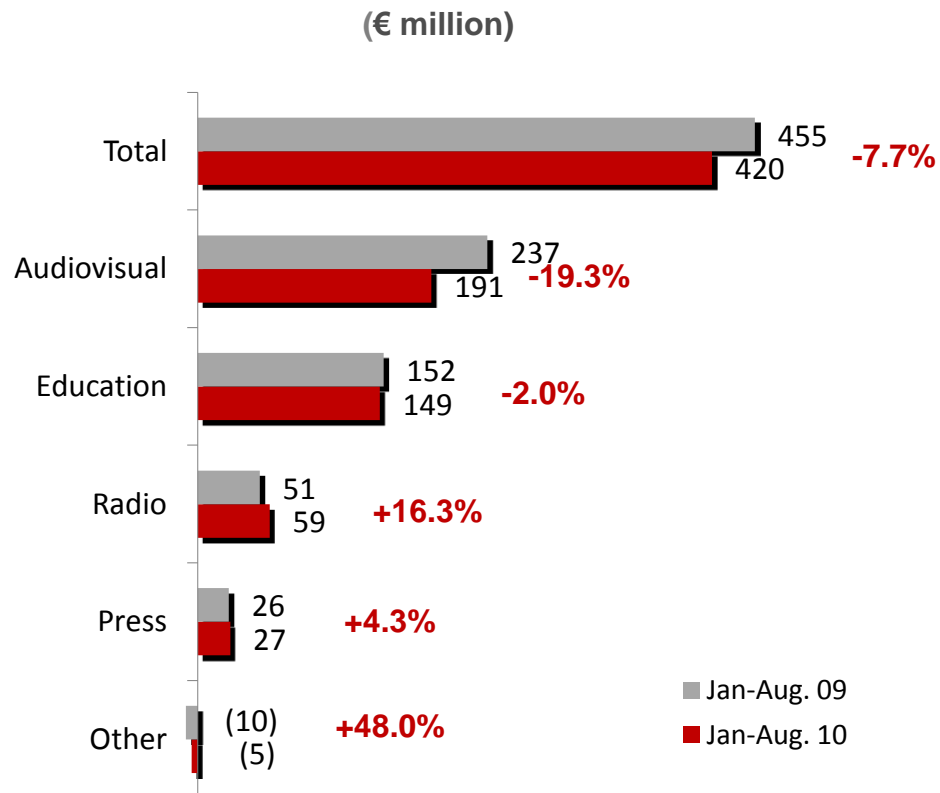
\* Digital+ includes the pay TV business and other related activities

\*\* "Others" mainly includes the activities from Prisacom, Distribution, Advertising commercialization, Prisa Innova, Real Estate and Headquarters

Source: Prisa

# January-August 2010 EBITDA Highlights

## Total EBITDA breakdown by business unit



### Audiovisual:

- Temporary negative effects seen from the implementation of changed business model
- January-August 2010 EBITDA includes €(21) million of Cuatro and €(44) million of the World Cup results

### Press:

- Circulation decreases were offset by cost-efficiency program and increases in advertising revenues

### Radio:

- Strong advertising growth in LATAM and Spain as well as cost-efficiency programs

### Publishing:

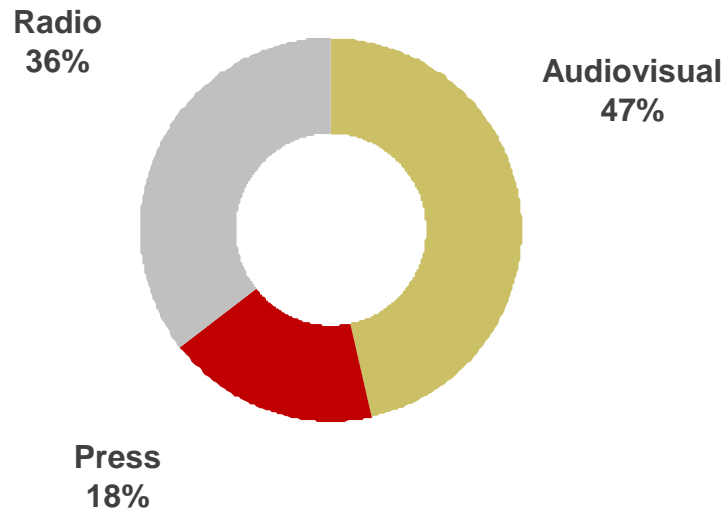
- Relevant campaigns expected for final months of the year



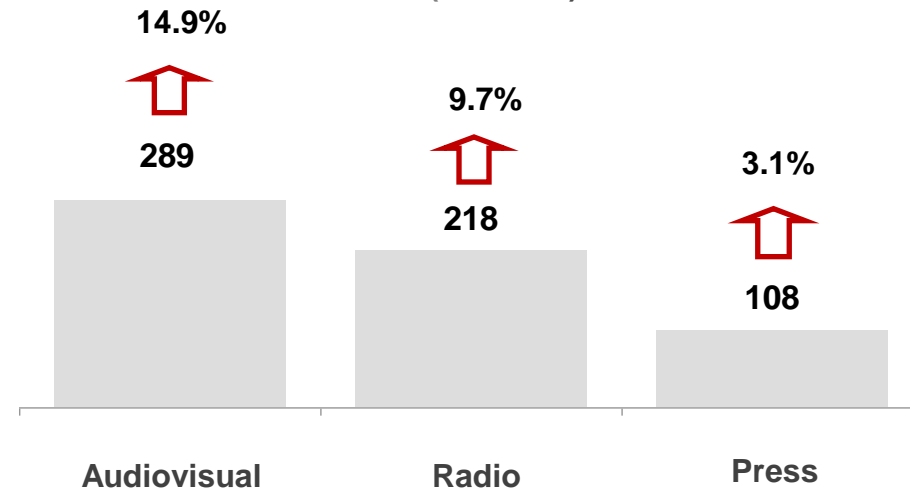
# January-August 2010 Advertising Revenues

January-August 2010 ADVERTISING REVENUES:  
€608 MILLION (+9.1%)

Advertising Revenues by business unit  
(% of Total Ad Revenue)



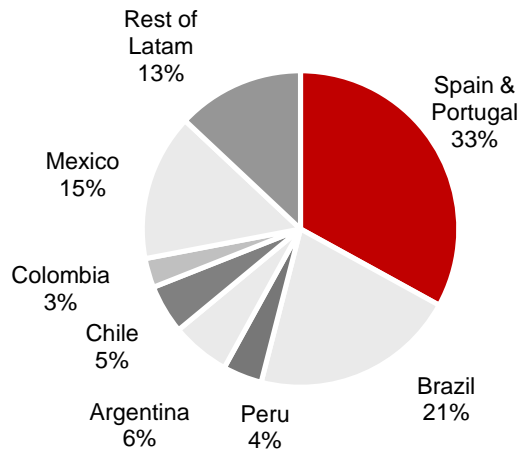
Advertising Revenues breakdown by unit  
(€ million)



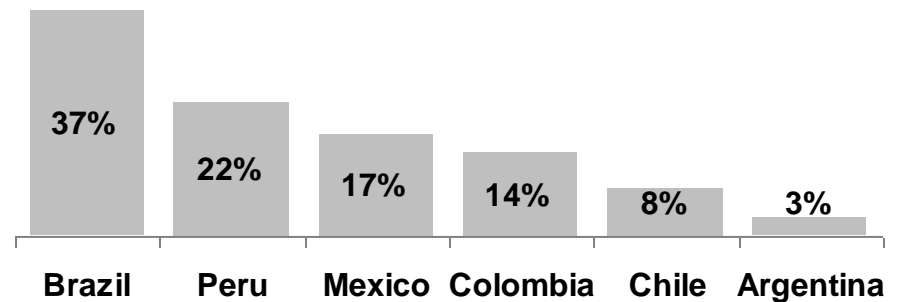
# January-August Books and Training Summary

**JANUARY-AUGUST 2010 BOOKS AND TRAINING REVENUES:  
€441 MILLION (+3.1%)**

Geographic revenue breakdown



Revenue growth by countries



# January-August Circulation Summary

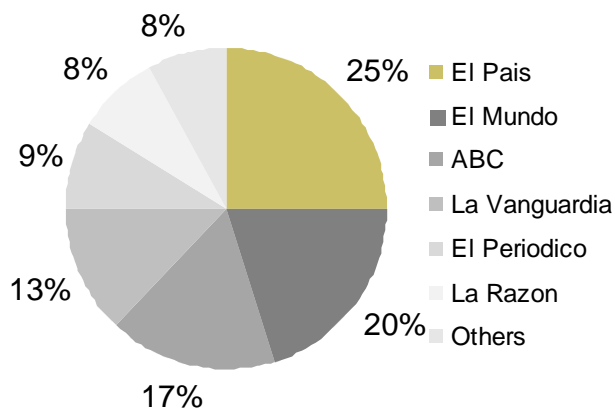
January-August 2010 CIRCULATION REVENUES: €122 MILLION (-5.9%)

## Average Daily Circulation

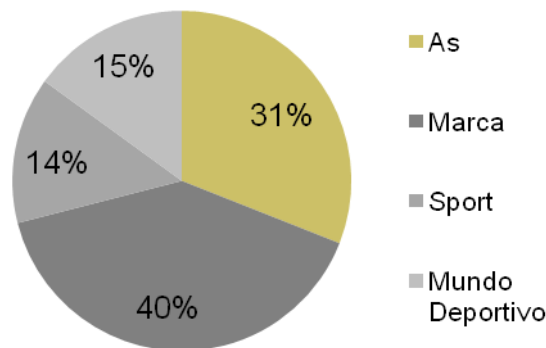
	January-August 2010	January-August 2009	Chg. %
El País	375,043	391,853	(4.3)
AS	219,582	219,461	0.1

## Market Share (% Total Circulation)

### General Press



### Sport Press



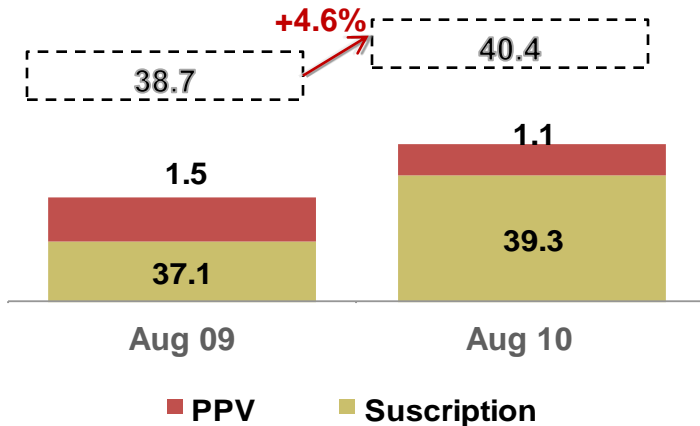
Source: OJD. 2010 figures are not audited.

Source: Prisa

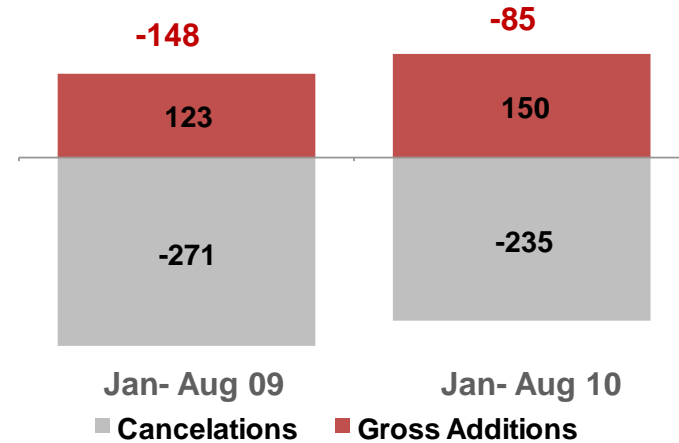
# January-August PayTV Subscribers Evolution

January-August 2010 PAY-TV SUBSCRIBER REVENUES:  
**€614 MILLION (-9.9%)**

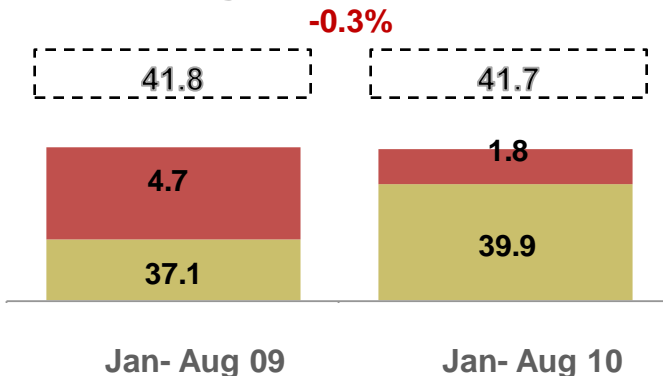
Monthly ARPU



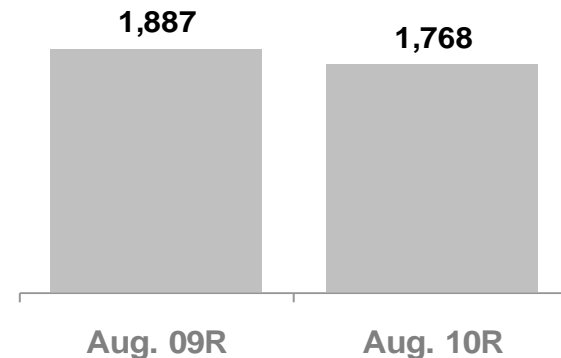
Net Additions (000)



August YTD ARPU

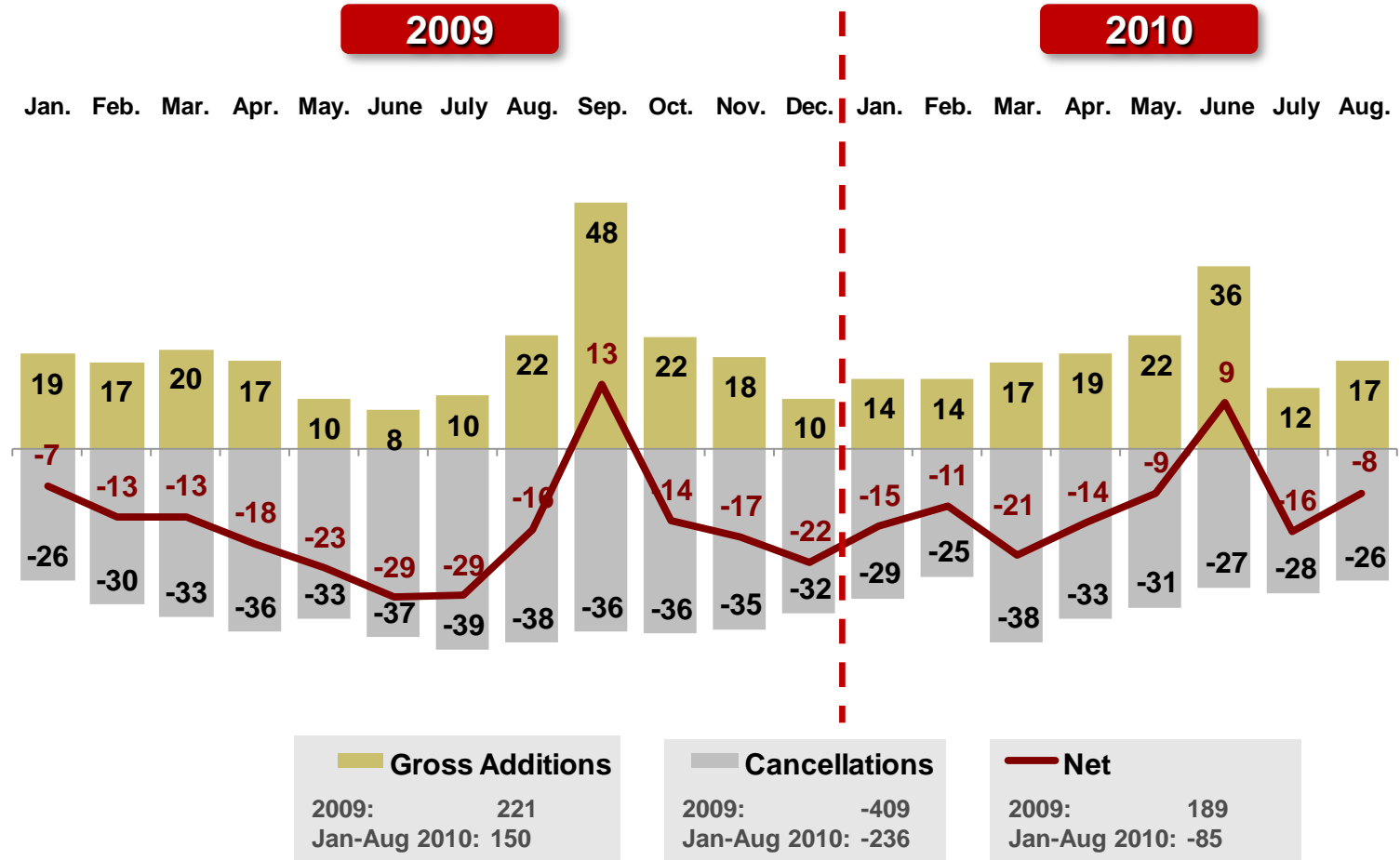


Subscribers (000)



# Digital+Subscribers Evolution

(‘000)





# Appendice **A**: Key **Structure** Changes



# Summary of Key Structure Changes

## Revised Deal Announced – May 7

## New Structure – August 4

### Liberty Share Count

- 126.4m shares, reflecting Liberty's Sponsors cancelling 3m of their Liberty common shares

- 129.4m shares<sup>1</sup>
- Liberty's Sponsors have agreed to surrender for nominal consideration 24.8m<sup>2</sup> of their Liberty warrants and up to 6.4m<sup>3</sup> of their Liberty common shares, depending upon the number of Liberty Shareholders electing to receive the cash alternative. The transaction consideration for the shares cancelled as a result of cash elections will be transferred to the Increased Capitalization Investors

### Consideration to Liberty Equityholders Per Share/Warrant

#### Shareholders

- Ords.: 1.173 Ords./Liberty share
- NVCS: 0.563 NVCS/Liberty share

#### Warrantheolders

- Ords.: 0.115 Ords./Liberty warrant
- NVCS: 0.055 NVCS/Liberty warrant
- Cash: \$1.04/Liberty warrant

#### Shareholders

- Ords.: 1.500 Ords./Liberty share
- NVCS: 3.000 NVCS/Liberty share
- Cash: \$0.50/Liberty share

#### Warrantheolders

- Ords.: 0.450 Ords./Liberty warrant
- Cash: \$0.90/Liberty warrant

### Total Consideration to Liberty Equityholders

#### Shareholders

- Ords.: 148.3m
- NVCS: 71.2m

#### Warrantheolders

- Ords.: 8.8m
- NVCS: 4.2m
- Cash: \$80m

#### Shareholders

- Ords.: 201.5m
- NVCS: 403.0m
- Cash: \$67m

#### Warrantheolders

- Ords.: 23.4m
- Cash: \$47m

### Total New Equity to Prisa Equityholders

- None

- New Prisa warrants: 241.0m<sup>4</sup>
  - Exchange Ratio: 1.100 new Prisa warrants/Prisa share
  - Strike Price: €2.00
  - Expiration: 3.5 years



Abbreviations – Ords.: Prisa Class A Ordinary Shares. NVCS: Prisa Class B Non-Voting Convertible Shares. Note: Assumes no trust cash used to fund cash elections or redemptions

- Total Liberty shares outstanding before the effect of the surrender of 24.8m of Sponsor Liberty warrants to support the Increased Liberty Capitalization Structure
- Equivalent to approximately 5m Liberty common shares
- Based on commitment of \$500 million from Increased Capitalization Investors and Liberty Sponsors
- To be issued unless Prisa is required to conduct a rights offering in connection with the transaction, in which case either no warrants would be issued or the warrant issuance would be adjusted, in either case so as to result in the same level of dilution and increased capital to Prisa

# Summary of Key Structure Changes (cont'd)

## Revised Deal Announced – May 7

## New Structure – August 4

### Change in Non-Voting Shares

- Conversion Price of NVCS: €3.75
  - Initial Yield: 7.0%
  - Prisa will be able to force conversion of the NVCS if and when the share price of Ords. has stayed above a certain price level for at least 20 trading days:
    - During the first 2 years after the closing, the price level is €7.50
    - During years 3 through 5, the price level is €4.875
    - Following year 5, the price level is €3.75
- Dividend rate step up to 9% from year 5 to year 7
- After year 5, Prisa may redeem in cash provided the 20-day average closing price is below €3.75

- Conversion Price of NVCS: €2.00
  - Minimum dividend: €0.175 per annum
  - Mandatory conversion in 3.5 years
  - Each NVCS converts at the end of 3.5 years into:
    - 1 Ords. if the Prisa average stock price at the time<sup>1</sup> is at or above €2.00; or
    - Up to 1.333 Ords. if the Prisa average stock price at the time<sup>1</sup> is between €1.50 and €2.00<sup>2</sup>
    - 1.333 Ords. if the Prisa average stock price at the time<sup>1</sup> is below €1.50
- Prisa has option to settle the protection in cash
- Freely convertible for 1 Ords. at any time

### Pro Forma Prisa Share Count

- At close: 376.3m
- Post-conversion of NVCS: 523.7m

- At close: 444.0m
- Post-conversion of NVCS: 847.0m
- Post-exercise of anticipated new Prisa warrants: 1,088.0m



Abbreviations – Ords.: Prisa Class A Ordinary Shares; NVCS: Prisa Class B Non-Voting Convertible Shares

Note: Assumes no trust cash used to fund cash elections or redemptions

<sup>1</sup> Prisa volume-weighted average share price for 20 trading days before the mandatory conversion date

<sup>2</sup> At Prisa average stock price between €2.00 and €1.50, each NVCSs will convert into approximately  $(2.33 - (2^*P)/3)$ , where P is the volume-weighted average price of Prisa ordinary shares for 20 trading days before mandatory conversion date

# Summary of Key Structure Changes (cont'd)

## Revised Deal Announced – May 7

## New Structure – August 4

### Pro Forma Prisa Ownership

- Ownership, at close: Liberty equityholders 41.8%, Prisa controlling Shareholders 41.2%, Prisa minorities 17.0%
- Ownership, fully diluted<sup>1</sup>: Liberty equityholders 58.2%, Prisa controlling Shareholders 29.6%, Prisa minorities 12.2%

- Ownership, at close: Liberty equityholders 50.6%, Prisa controlling Shareholders 35.0%, Prisa minorities 14.3%
- Ownership, fully diluted<sup>2</sup>: Liberty equityholders 57.7%, Prisa controlling Shareholders 30.0%, Prisa minorities 12.3%

### Cash to Prisa (with no Liberty redemptions)

▪ \$903m

▪ \$870m

### Ownership Threshold of Prisa Controlling Shareholders

▪ The final mechanism to maintain a 30% ownership was to be determined at a later date

▪ Upon closing, Prisa controlling Shareholders remain largest shareholders in Prisa, pre- and post- conversion of NVCS



Abbreviations – Ords.: Prisa Class A Ordinary Shares; NVCS: Prisa Class B Non-Voting Convertible Shares

Note: Assumes no trust cash used to fund cash elections or redemptions

1. Post-conversion of NVCSs

2. Post-conversion of NVCSs and post-exercise of anticipated new Prisa warrants

# Appendice **B**: Prisa **Business** Overview



# Leader In Spanish and Portuguese Speaking World

EXTENSIVE FOOTPRINT IN THE SPANISH AND PORTUGUESE SPEAKING WORLD WITH LEADING MARKET POSITIONS

	Audiovisual		Publishing		Radio <sup>3</sup>		Press	
	Market: Pos.	Market: Share	Market: Pos.	Market: Share	Market: Pos.	Market: Share	Market: Pos.	Market: Share
Spain	1	44%	1	22%	1	52%	1	49%
Portugal	1	36%	2	35%	2	23%		
Mexico			1	14%	3	12%		
Colombia			1	28%	1	39%		
Chile			2	36%	1	47%		
Argentina			1	25%	3	12%		
Brazil			1	14%				



Note:  
 (1) PayTV  
 (2) FTA  
 (3) Audience share. Source:EGM

Covering a Spanish/Portuguese speaking population surpassing 700 million people



# Leader **Across Businesses and Geographies**

## PUBLISHING <sup>1</sup>

### Santillana (75% ownership as of April 2010)

- Market leader in editorial and educational content in Spanish and Portuguese speaking countries
- More than 117million books sold in 2009
- Leadership in LATAM across all segments: Textbooks, Language and Trade Publishing
- Over 4 decades of experience in many of the 22 countries in which it operates
- 65% of revenue derived from LATAM markets
- Strong relationships with government agencies
- Markets with high barriers to entry and growth potential
- Trade publishing brands include: Alfaguara, Aguilar, Taurus and Suma
- Leadership in digital products in scholar textbooks. In trade publishing Santillana participates in the digital platform leader in Spain and Brazil (Librandia)

## AUDIOVISUAL <sup>1,2</sup>

### Digital + (56% ownership)

- #1 PayTV operator in Spain reaching 1.8 million subscribers
- 44% subscriber market share; 70% revenue market share
- Highest ARPU in Western Europe
- Premium content: sports, films, series and in-house content

### Telecinco / Cuatro (18.3% ownership)

- #1 FTA TV operator in Spain
- 24% audience share; 48% revenue market share

### Media Capital (64.7% ownership)

- TVI #1 free-to-air (FTA) TV operator in Portugal (TVI)
- 35% audience share; 49% revenue market share

### Plural (100% ownership)

- Among the largest audiovisual production company in Spain/Portugal with over 4,800 hours of production in 2009

### VME (30.9% ownership)<sup>3</sup>

- **One of the largest network in the US Hispanic TV market**

## EDUCATION



## PAY TV



## FREE-to-AIR



## GENERAL TRADE



## AUDIOVISUAL PRODUCTION / DISTRIBUTION



Note:

1. Information as of December 2009; (2) Assumes all Audiovisual Transactions are Completed; (3) 2Q-2010. With an option to get control

# Leader **Across Businesses and Geographies**

## RADIO <sup>1</sup>

### Union Radio (73.5% Ownership)

- Largest Spanish speaking news network in the world with 1,270 radio stations across 10 countries and over 26 million listeners
- Undisputed leadership in Spain, Chile, and Colombia
- A total of 30 formats/brands:
  - 8 Talk Radio Brands (Cadena SER)
  - 22 Music (Los 40 Principales)
- Strong brands with strong brand extensions
- Global, national and local markets
- Talent management representing top Latin artists like Alejandro Sanz & Miguel Bose
- Digital edge:
  - 41 web sites with +10m unique users
  - 100% of content digitalized & available
- Unión Radio produces content for two theme-based music television channels: 40TV and 40 Latino.

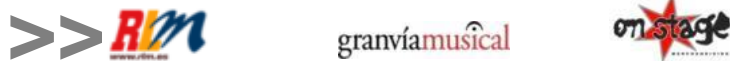
### TALK RADIO



### MUSIC RADIO



### TALENT MANAGEMENT



## PRESS <sup>1</sup>

### El Pais (100% Ownership)

- # 1 daily newspaper in Spain: 391,816 daily copies
- 16 million monthly unique internet users
- Global reach: Presence in Spain, Europe, and Latin America
- Specialized supplements
- 69% of revenues and 75% of EBITDA of the Press Division
- One of only a few major global papers with positive results

### As (75% Ownership)

- # 1 daily sports newspaper in Madrid and #2 in Spain: 215,297 daily copies and 14.4 million unique internet users monthly
- 30% of total revenues come from As.com

### Cinco Dias (100% Ownership)

- 5 Dias # 2 economic newspaper in Spain: 33,300 daily copies sold and 1,1 million monthly unique internet users

### Progres Magazine (100% Ownership)

- Broad magazine portfolio: Over 30 Magazines, with some in the top 10 ranking of circulation

### Le Monde (15% Ownership)

- World's largest French Newspaper in 120 countries

### GENERALIST



### SPECIALIST



### MAGAZINES



Note:

1. Information as of December 2009

Source: Prisa



# Transform and Integrate Business Units

- Prisa's objective is to evolve into an integrated company providing relevant content across multiple distribution channels

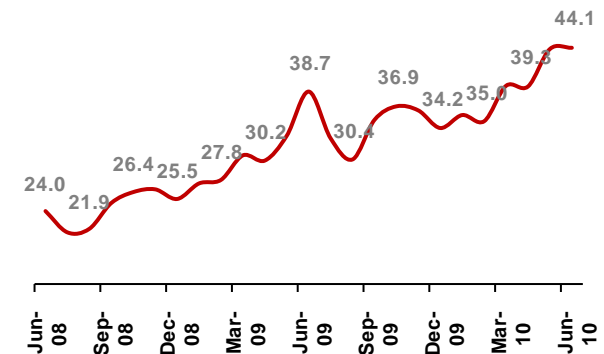


# Digital Business Overview

## 46m users and over 300 websites on the forefront of Digital Transformation

- Unique content and direct customer relationship
- Ability to digitalize group's existing content and monetize it
- Considerable reach and growth:
  - More than 15m songs streamed per month from los40.com
  - More than 3m songs streamed per month from CadenaSer.com
- Newspapers successfully go digital:
  - EIPais.com reaches more than 17m unique users per month
  - As.com reaches more than 14m unique users per month
- Publishing business has the ability to create powerful and active online communities:
  - More than 200,000 users registered to participate in game for “El Laberinto de la Felicidad”
  - More than 30,000 followers of twilight in Santillana’s group on Facebook
- Prisa is the leading provider of audiovisual content over the internet in Spain:
  - More than 1,300 published videos and 6.2m streams per month on Cuatro and 6.1m streams per month on youtube.com/cuatro
  - More than 250,000 premium videos streamed per month from digitalplus.es

### Unique Users on Prisa's Websites in Spain (Million per Month)



### Selected Brands



Source: Prisa

# Grupo Prisa Historical Results

Revenues	2007	2008	2009	YTD Aug-09	YTD Aug-10
Audiovisual	2,106	2,169	1,771	1,216	1,083
Santillana	560	608	617	439	450
Radio	423	415	377	235	253
Press	572	504	416	270	263
Other	35	19	28	22	15
<b>Total Revenues</b>	<b>3,696</b>	<b>3,715</b>	<b>3,209</b>	<b>2,182</b>	<b>2,064</b>

EBITDA	2007	2008	2009	YTD Aug-09	YTD Aug-10
Audiovisual	398	382	343	237	191
Santillana	120	134	152	152	149
Radio	116	102	100	51	59
Press	137	67	53	26	27
Other	9	-12	-24	-9	-5
<b>Total Adjusted EBITDA</b>	<b>780</b>	<b>674</b>	<b>624</b>	<b>455</b>	<b>420</b>

EBITDA Margin %	2007	2008	2009	YTD Aug-09	YTD Aug-10
Audiovisual	18.9%	17.6%	19.4%	19.5%	17.6%
Santillana	21.4%	22.1%	24.7%	34.6%	33.0%
Radio	27.3%	24.7%	26.5%	21.5%	23.3%
Press	23.9%	13.3%	12.7%	9.4%	10.1%
Other	25.8%	-62.0%	-85.9%	-42.4%	-33.3%
<b>Total Adjusted EBITDA Margin</b>	<b>21.1%</b>	<b>18.1%</b>	<b>19.4%</b>	<b>20.9%</b>	<b>20.4%</b>



Note:

1. 2008 figures exclude real estate disposal (€227 m Revenues; €215 m EBITDA) and Sale of 8.14% of Unión Radio to 3i (€ 60 m Revenues, € 60 m EBITDA)

2. "Other" includes Prisa's digital platform and Prisa's distribution, advertising, real estate and corporate activities, and the eliminations and adjustments on consolidation

# Grupo Prisa Historical Cash Flow Summary

Historical cash flows have been sufficient to meet interest and dividend payments

€ Million	2007	2008	2009	1H2009	1H2010
EBITDA	780	948	624	299	292
Change in Working Capital	(31)	(2)	(84)	(110)	(169)
Recurrent Investments	(213)	(190)	(128)	(55)	(67)
<b>Operating Cash Flow</b>	<b>536</b>	<b>756</b>	<b>412</b>	<b>133</b>	<b>57</b>
Interest Paid	(180)	(269)	(159)	(89)	(61)
Dividends Paid	(47)	(49)	(5)	(2)	(2)
Taxes Paid	10	(32)	(31)	(10)	(15)
Financial liability instruments	(1)	1,623	(166)	(36)	(218)
Proceeds from sales of minority interests					279
Other <sup>1</sup>	(779)	(2,053)	(18)	(8)	(31)
<b>Change in cash flows in the year</b>	<b>(462)</b>	<b>(23)</b>	<b>33</b>	<b>(12)</b>	<b>8</b>
Cash and cash equivalents at beginning of year	535	73	49	49	83
<b>Cash and cash equivalents at end of period</b>	<b>73</b>	<b>49</b>	<b>83</b>	<b>37</b>	<b>91</b>

**Expect reduced levels of interest payments due to anticipated deleveraging post closing of Liberty transaction and asset sales**

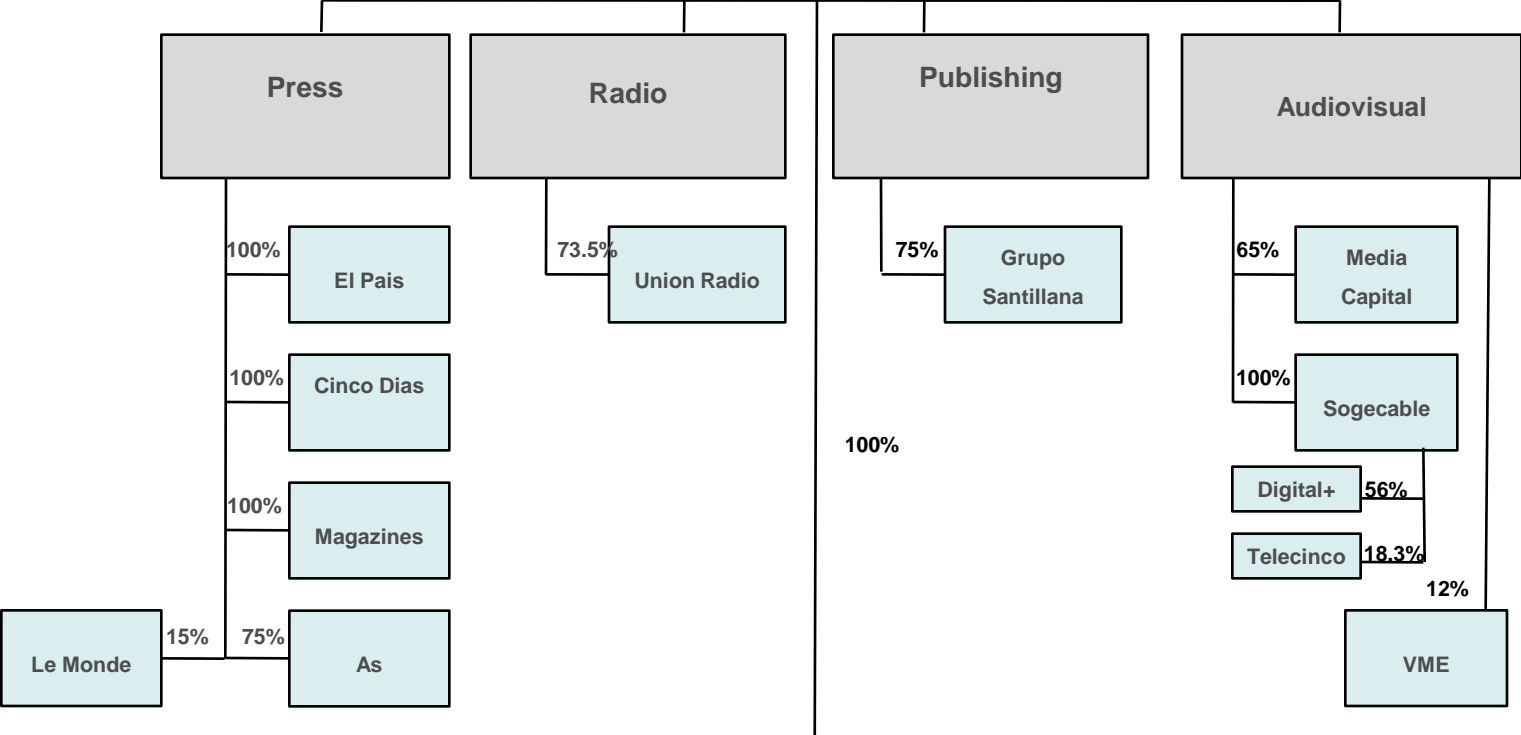


Note:

1 . Other include the acquisition of Sogecable and Media Capital in 2008 and 2007

# Group Structure

Corporate Structure — Pro Forma for Pending Minority Sales



Digital



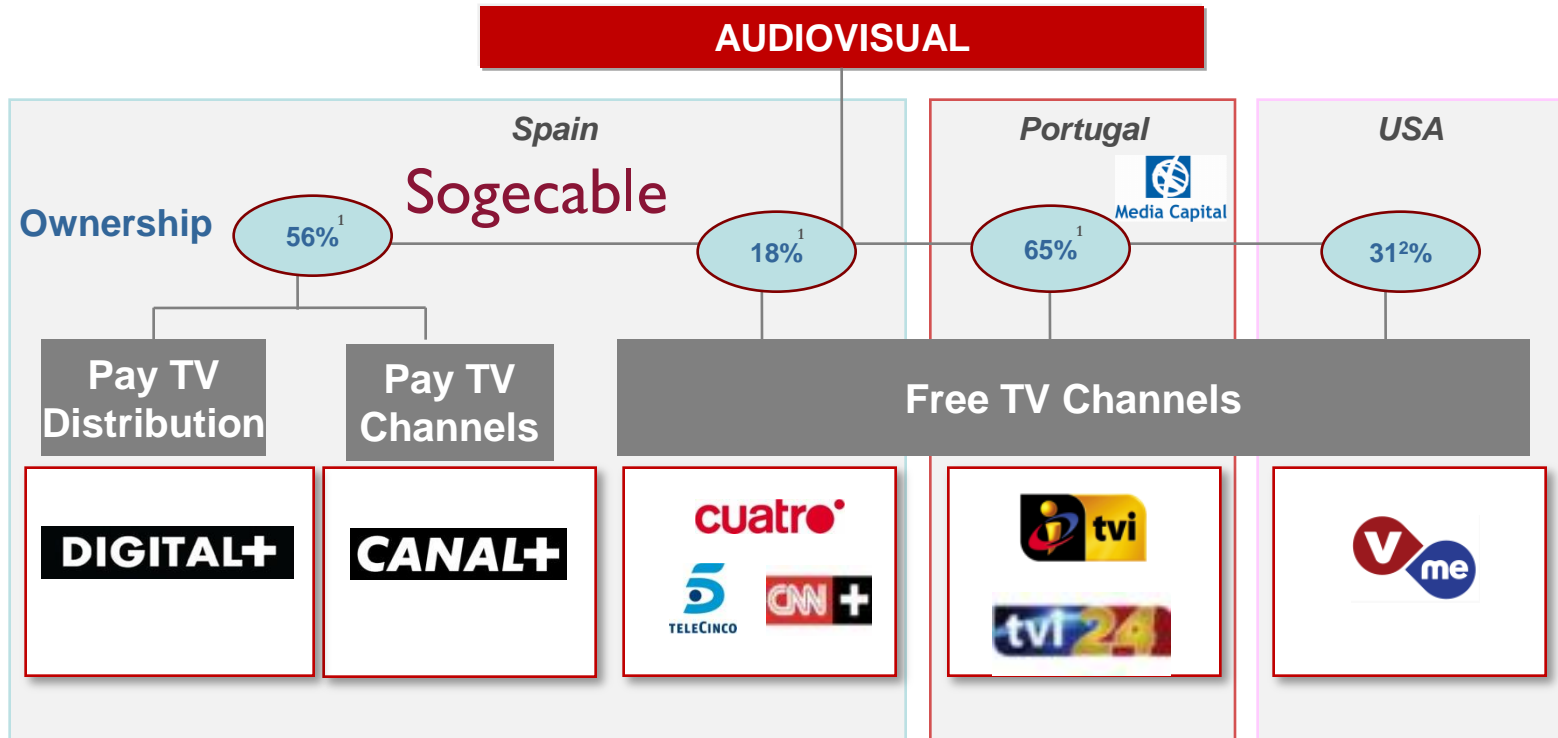
# Appendice **C: Digital+** in Depth







# Business Overview

>> THE LEADING TV MEDIA GROUP IN SPAIN AND PORTUGAL





 One of the main production companies in Spain/Portugal (100% MediaCapital)

Mobile () Internet (plus.es, cuatro.com, tvi.iol.pt, telecinco.es...)



Note:

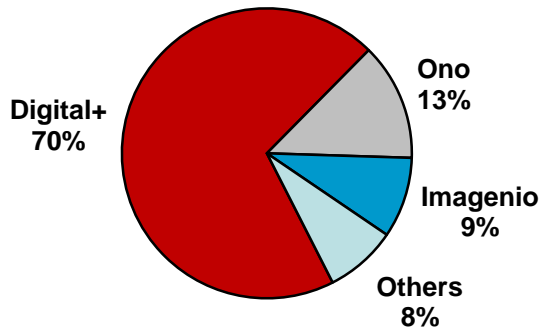
1. Once announced transactions are closed
2. As of June 2010

# Market Leader with Large Growth Potential

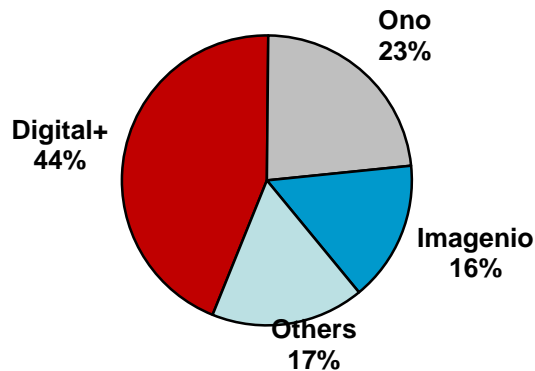
Market Leader...

...In an Under-penetrated Pay TV Market

Pay TV Revenue Market Share



Pay TV Subscriber Market Share



- Pay TV in Spain remains significantly under-penetrated (27%) compared to the US and other European peers
- Considerable growth potential in value added services such as PVR, HD and Multiroom
- Strong differentiation through exclusive content both in Exclusive Premium Sports and Hollywood films
- Full coverage of Spanish football tournaments
- Unique platform with national reach and In-house production of programmes and channels

Exclusive Sports



Exclusive pay-TV blockbusters and series



Source: Spanish Telecommunication Market Commission (CMT) and Prisa Annual report 2009.



# Value Added Services Penetration Strategy

Increasing Customer Retention through Improved Offerings and Pricing Model

## Drive PVR Penetration

- iPlus marketing started in 2007
- **New iPlus pricing model:** monthly lease versus sale
  - Since May 2010, users pay €5 or €10 instead of buying the iPlusbox for more than €150. iPlus users have increased more than 90,000 in 4 months (May to August 2010)
  - Additional benefits from multi-room STB penetration linked to iPlus distribution (70,000 as of August 2010)
- **Entry gate for value added services: VoD, HD and 3D**
  - HD channels increase. 14 HD channels line-up as of August 2010
  - VoD to start in early 2011
  - First Spain's 3D broadcasts in June 2010, showing eight live World Cup 2010 matches as well as concerts and other events

## HD Rollout Strategy

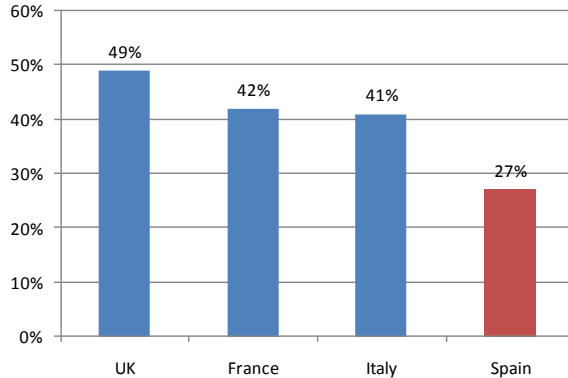
- Started high-definition broadcasts at the beginning of 2008 through Canal+HD, the first HD channel in Spain
- **Only platform in Spain capable of delivering HD broadcast to all its customers**
- Room to grow as compared to more advanced markets
- New repackaging process already under way to increase subscribers, penetration of new services and ARPU
- Increase customer loyalty and satisfaction.

**Broaden distribution of PVR/iPlus, HD, Multiroom, VOD and 3D to drive loyalty and subscription ARPU**

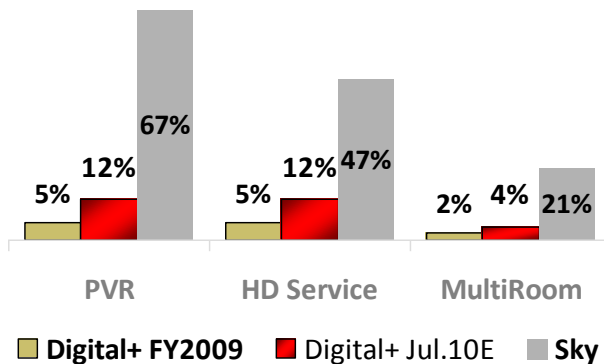


# Market Penetration Potential

## Market Penetration Upside

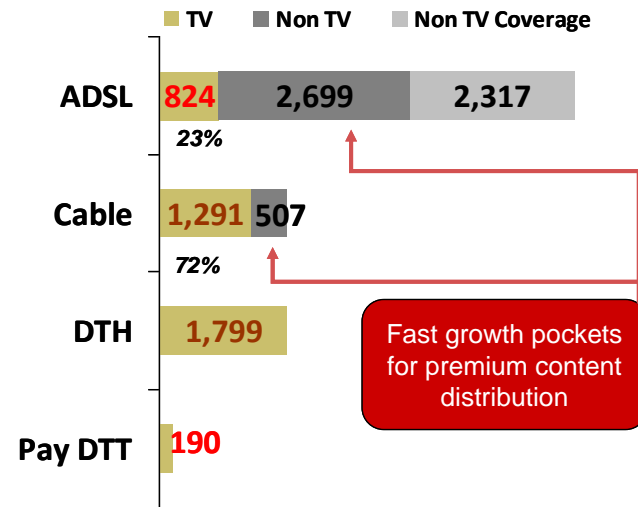


## Service Penetration Upside



## Additional Addressable Markets

### Platforms Subscribers (1Q10)



Source: CMT and GFK




- Outstanding content and production provides distribution opportunities in current and future telecom's subscriber base
- Relevant growth potential in value added services for DTH customers such as 3D and HD offers as well as PVR and Multi-room STB.
- Achievements in both strategies being made already



Source: BskyB results Dec.09 / Digital+ Dec.09 & Aug.10

# Accelerated **Strategy** Implementation

## Multidistribution

Agreements with Telco Operators	Date	Type
	May 2010	Bundle (DTH)
	May 2010	Wholesale Agreement (cable)
	August 2010	Bundle and wholesale Agreement (DTH)

### Digital Terrestrial Television Channels

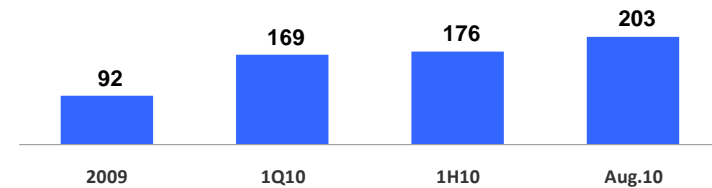


(Since August 2010)

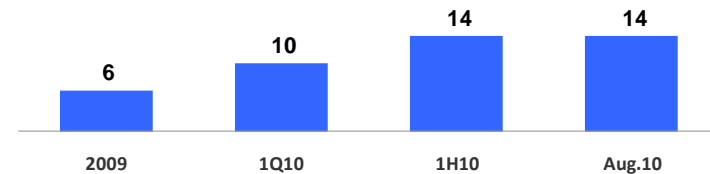
- Multi-distribution strategy still in early stages
- these relationships have so far been successful
- Further deals already in negotiations with other telecom operators

## Strategy Results

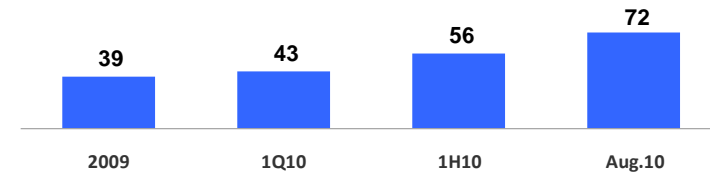
### iPlus penetration (000's)



### HD channel line-up



### Multiroom penetration (000's)

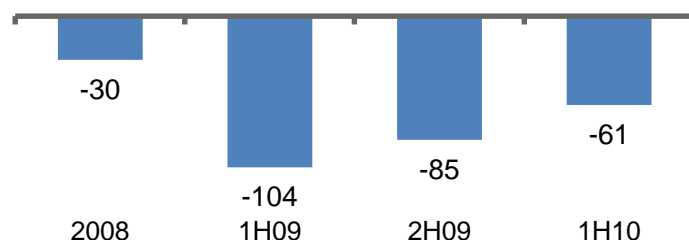


Source: CMT 2009

# Strategy Impact: Customer and ARPU Growth

## Addressing Customer Churn

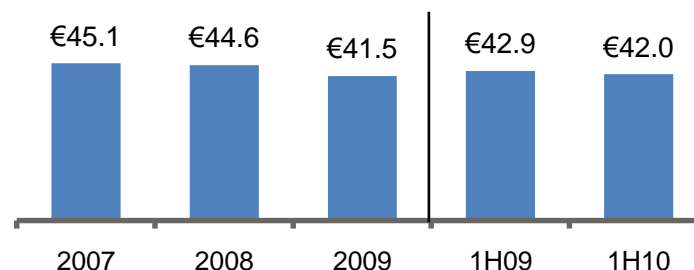
Net Subscribers Additions (000's) <sup>1</sup>



- Subscribers in 1H2009 were impacted in part because of the confusion with regards to the broadcasting of soccer matches created by the legal dispute between AVS and Mediapro regarding Spanish League Soccer Broadcast Rights
- 2H09 showed improvements despite full football coverage only resumed in 4Q09
- Trends in 1H10 show recovery
- August 2010 is the fifth consecutive month of decline in cancellations and churn rate improvement (year-on-year).

## Sustaining ARPU

ARPU



- Soccer war had significant impact on ARPU mix.
- Income is now transitioning from PPV into subscription revenue, as (Canal+ Liga channel replaces main PPV fixtures).
  - Launched in 2010, Canal Liga already has 800,000 subscribers (1H 2010)
- In the second quarter of 2010, the ARPU amounted to €42.2, which was an increase of 1.6% compared to the same period the previous year
- The implementation of PVR, HD and 3D is expected to drive subscription ARPU

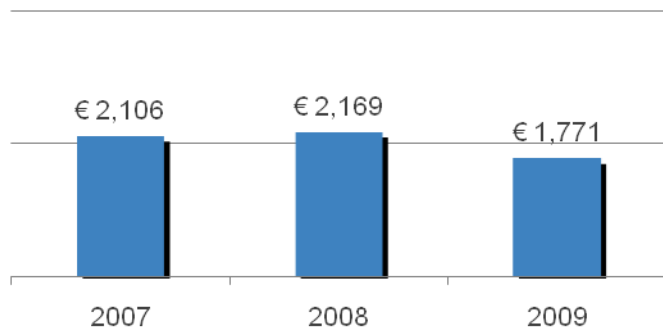


Note:

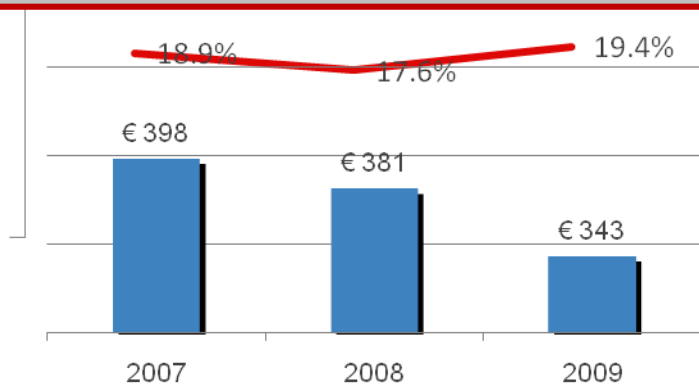
1. 2.065 million subscribers by December 2007

# Audiovisual Results

## Revenue



## EBITDA



- Revenue from the sale of audiovisual rights and programs decreased by 33.4% from 2008 to 2009, from €347.8 million to €231.7 million. This decrease was due primarily to the negative impact of a change in the soccer marketing model at Sogecable
- Until June 2009, Sogecable consolidated all revenues received from cable operators and all costs payable to the Spanish League and for the Cup football rights
- As of September 2009, Sogecable no longer accounted for 100% of the costs of these rights. Sogecable signed an agreement with Mediapro for the media exploitation of soccer games, which provided for Digital+ and Canal+Liga subscribers to receive all the Spanish League and Cup broadcasts for the next three seasons.



# Spanish Liga Soccer Rights in Depth

## SOCCKER RIGHTS TIMELINE

	Before 2007	Soccer War 2007 – Jun 209	Jun 2009
<b>Overview</b>	<ul style="list-style-type: none"> <li>• 2006. Mediapro and Audivisual Sport (AVS) (owned by Sogecable 75% and Mediapro 25%), reached an agreement to deploy soccer rights</li> </ul>	<ul style="list-style-type: none"> <li>• AVS claims Mediapro breached the agreement</li> <li>• Mediapro blocked access to certain matches</li> </ul>	<ul style="list-style-type: none"> <li>• End of the soccer war</li> <li>• Sogecable and Mediapro reached an agreement</li> <li>• <b>D+ has rights of the matchs transmission until 2012</b></li> </ul>
<b>Matches available per distribution channel per week</b>	Since 2003: <ul style="list-style-type: none"> <li>• 1 in FTA</li> <li>• 1 exclusive in D+ on Sundays</li> <li>• 8 in PPV available for all platforms</li> </ul>	<ul style="list-style-type: none"> <li>• Uncertainty in programming:</li> <li>• Programming was planned few days ahead</li> <li>• Up to 3 matches were shown in FTA per week reducing PPV revenues</li> </ul>	<ul style="list-style-type: none"> <li>• 3 in payTV channels</li> <li>• 1 in FTA (Sexta and TV3)</li> <li>• 1 exclusive in D+ on Sundays</li> <li>• 5 in PPV available on cable, DSL and DTH</li> </ul>
<b>Commercialization model of the soccer rights</b>	<ul style="list-style-type: none"> <li>• AVS paid for the soccer rights and resold them to other platforms</li> </ul>	<ul style="list-style-type: none"> <li>• AVS paid for the soccer rights and resold them to other platforms</li> </ul>	<ul style="list-style-type: none"> <li>• Sogecable pays to Mediapro the rights to show the content only in its own platform</li> </ul>

### Recent Developments

- On March 15<sup>th</sup>, 2010, Madrid's court No. 36 ruled in favor of the claim of AVS against Mediapro: ruling that Mediapro must pay €105 million and must return football-broadcast rights to AVS
- Barcelona's Mercantile Court No. 7 approved Mediapro's filling for insolvency. This court has to enforce the judgment of the Madrid's court No. 36
- On June 30<sup>th</sup>, Sogecable deposited the first payment for the 2010/2011 season (€90million), therefore Sogecable is assured of the soccer games transmission for that season

