



Quarter results - First semester 2016
PROMOTORA DE INFORMACIONES S.A.

22nd July, 2016



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GENERAL OVERVIEW

Adjusted EBITDA in 1H reaches 97 million and euros (-10.8%), (+10.4% in constant currency)

- **Spain advertising** revenues grow due to online advertising and events.
- LatAm activities show growth in constant currency in **Education** (+12.1%).
- **Radio shows difficulties** in LatAm due to macroeconomic weakness that the most important countries in which the group operates are facing.
- In Portugal, **Media Capital** shows operational improvement helped by growth in advertising revenue and sales of channels to third parties.
- **The evolution of the exchange rate** in the first half impacts negatively on revenues and EBITDA, maintaining a similar impact to already registered in 1Q.
- The issue of **mandatorily convertible bonds** into ordinary shares of PRISA announced in 1Q has been registered, reducing the debt in 100.7 million euros.
- **Net bank debt** stand at 1562M€ in the first semester of 2016. Decline of 18 M€ in financial expenses in the period due to debt reduction.

BUSINESS UNITS

EDUCATION

- **During 1H South Area campaigns are practically finished.** All campaigns have increased in constant currency, except for Brazil. These fall is offset by the growth in Peru by institutional bidding for primary and secondary.
- **North Area campaigns** (Spain and Mexico mainly), take place during 3Q. In 1H, figures corresponding to the beginning of the campaigns under placement are collected.
- **Digital Education Systems (UNO and COMPARTIR) continue their expansion** in Latin America, growing in number of students till reach 863,136. **UNO and Compartir revenues** grow by +15.8% in constant currency. Significant margin improvement of UNO.
- **Adjusted revenues** in constant currency grow by +12.1% and **adjusted EBITDA grows by +28% in local currency** (-4.4% in euros).
- **Negative FX impact of 57million euros** on revenues and 21.3 million euros on EBITDA in line with the impact registered in 1Q.

RADIO

- **Advertising in Spain** falls by -4% in 1S reducing its drop in the second quarter, maintaining growth in national market (+2.5%) and a fall in the local of -5.9%, which moderates its trend in 2Q (-1.5%).
- **According to the latest EGM**, Radio in Spain **remains the clear leader** in both in generalist and musical.
- **In LatAm**, adjusted revenues fall in local currency, with drops of -9.1% in Colombia and of -1.7% in Chile, reflection of the macroeconomic and specific difficulties of the advertising sector faced by both countries.
- **Adjusted EBITDA** in constant currency falls in 6.9 M€ to 22.7 million mainly due to LatAm performance.
- **Negative FX impact is -12.5 million euros** on revenues and -2.2 million on EBITDA (-6.9 M€ in revenue and -1.5 M€ in EBITDA in 2Q).

PRESS

- **Press revenues grew 4.3% in the period.** The increase in digital advertising, events and promotions offset the decline of traditional advertising and circulation.
- **Advertising revenues** in 1S 2016 increase by +8.6%.
 - **Digital advertising** increases by +20.4% (representing already 39% of total advertising revenues of the press) offsetting the fall in **traditional advertising** (-5%).
- **Circulation revenues** moderate their drop (-2.8%) helped by the price raise.
- **Operating improvement of As**, which consolidates its global branding strategy, with significantly growth of unique users in the different countries in which it operates.
- **As of June 2016**, an average of 89 million of **unique browsers** and 19.5 millions of **unique users (as of May)** has been registered.
- **Press adjusted EBITDA** increased by +16.8% over the same period last year to reach 7.4 million euros.

MEDIA CAPITAL

- **Total advertising revenues** of Media capital **increase** by +5.6%.
- **TVI shows a revenue increase of 3.4%.** The growth of advertising revenue and channels sale to third parties continue offsetting the fall in added value calls:
 - **Advertising** grows by + 5.5% in TVI.
 - **Added value calls** continue with significant falls - 2.9 million euros.
 - The **distribution of TVI channels** in different pay platforms has a growth of 3.4 million euros.
- **Radio** improves its EBITDA by +10.9% (0.3M€)
- **Adjusted EBITDA** grows by +3% (+0.6 million euros), versus same period last year.



CONSOLIDATED P&L

Eur Million	JANUARY - JUNE			APRIL - JUNE		
	2016	2015	% Chg.	2016	2015	% Chg.
Operating adjusted results						
Adjusted Operating Revenues	634.2	661.0	(4.0)	305.1	319.1	(4.4)
Adjusted EBITDA	97.0	108.7	(10.8)	37.3	40.8	(8.4)
Adjusted EBITDA Margin	15.3%	16.5%		12.2%	12.8%	
Adjusted EBIT	55.0	56.8	(3.1)	11.5	12.1	(4.5)
Adjusted EBIT Margin	8.7%	8.6%		3.8%	3.8%	
Adjusted Operating results at constant currency						
Operating revenues	705.3	661.0	6.7	327.3	319.1	2.6
EBITDA at constant currency	120.0	108.7	10.4	38.4	40.8	(5.8)
Adjusted EBITDA Margin	17.0%	16.5%		11.7%	12.8%	
EBIT at constant currency	72.7	56.8	28.0	9.8	12.1	(18.8)
Adjusted EBIT Margin	10.3%	8.6%		3.0%	3.8%	
Reported Results						
Operating Revenues	624.5	650.0	(3.9)	299.9	313.6	(4.4)
EBITDA	86.5	85.2	1.6	31.5	29.3	7.3
EBITDA Margin	13.8%	13.1%		10.5%	9.4%	0.0
EBIT	44.9	33.8	33.0	5.9	0.9	-
EBIT Margin	7.2%	5.2%		2.0%	0.3%	
Net financial result	(26.0)	(63.5)	59.0	(18.5)	(50.2)	63.1
Interest on debt	(31.3)	(49.2)	36.2	(14.5)	(21.6)	32.8
Other financial results	5.4	(14.3)	137.5	(4.0)	(28.5)	86.1
Result from associates	2.0	2.1	(8.2)	1.3	1.3	(1.5)
Profit before tax	20.9	(27.5)	175.9	(11.3)	(47.9)	76.4
Income tax expense	17.8	(54.5)	132.5	4.1	(60.1)	106.8
Results from discontinued activities	(0.3)	(0.3)	(2.5)	(0.3)	(0.9)	62.9
Minority interest	13.3	15.9	(16.2)	7.7	9.2	(16.0)
Net profit	(10.5)	10.8	-	(23.4)	2.1	-

During 1H 2016, excluding extraordinary items and exchange rate impact:

- Operating revenue at constant currency revenues grow by 6.7%
- Adjusted EBITDA grow by 10.4%.



EDUCATION

A_MARKET POSITION

Santillana, PRISA's education business, maintains a leading position in practically all countries where it operates.

We detail below the market share and position of Santillana in its main markets, according to the latest data available.

Market share and position of K-12 education

Country	Market share	Market position
Spain	19.0%	1
Brasil	22.2%	2
Mexico	15.5%	1
Argentina	30.5%	1
Chile	36.7%	1
Colombia	18.2%	1
Portugal	6.1%	3

Source: PRISA internal estimates as of December 2015, last available.

B_OPERATING REVENUES

In the revenues evolution of 1H 2016 there is to highlight:

- a) **The evolution of the South Area campaigns:** Brazil, Colombia, Costa Rica, Central America, Uruguay, Chile, Bolivia, Argentina, Paraguay, Peru and Ecuador. Altogether show a good performance in local currency:
- o **Highlights Peru**, explained by an institutional bidding for primary and secondary, showing a growth of 169% in local currency; + 143% in euro (+26,4 million).
 - o **Brazil** shows a drop in revenues of -9.1% in local currency (-33.7% in euros) in the regular campaign of private sales, affected by the transfer of students from private school to public. It remains for the 3Q and 4Q the institutional sales and regular sales start of the campaign the following school year.
- b) **North area campaigns:** Spain and Mexico have more impact in 3Q of the year. Sales registered so far show the start of the campaign, showing some anticipation over the same period last year in both countries.
- c) **Digital Education Systems (UNO and COMPARTIR)** continue their expansion in Latin America, growing by 6.8% the number of students to 863,136. Total revenues of UNO and Compartir have reached 58.6 million euros (-8.8%); +15.8% in constant currency. Highlights the operational result of UNO with EBITDA growth of 3.3M€.
- d) **Negative FX impact** of 57 million euros on Santillana revenues and 21.3 million euros on EBITDA during 1H 2016. If exchange rates remain at current levels, this impact should moderate in H2.

Excluding the exchange impact, adjusted for extraordinary items, adjusted earnings increased by 12.1% and EBITDA +28%.

Split of revenue

Adjusted revenues	JANUARY - JUNE		
	2016	2015	Var. %
Total Santillana	279.6	300.3	-6.9%
Traditional Education and Compartir	249.4	265.2	-5.9%
South Campaign	161.5	171.8	-6.0%
North Campaign	88.0	93.4	-5.8%
UNO System	30.1	35.1	-14.3%

Adjusted Revenue at constant fx rate

Adjusted revenues	JANUARY - JUNE		
	2016	2015	Var. %
Total Santillana	336.6	300.3	12.1%
Traditional Education and Compartir	299.9	265.2	13.1%
South Campaign	203.2	171.8	18.3%
North Campaign	96.7	93.4	3.5%
UNO System	36.7	35.1	4.6%

Split of EBITDA

Adjusted EBITDA	JANUARY - JUNE		
	2016	2015	Var. %
Total Santillana	62.8	65.7	-4.4%
Traditional Education and Compartir	53.0	59.2	-10.5%
South Campaign	55.7	63.1	-11.6%
North Campaign	(2.7)	(3.8)	28.8%
UNO System	9.8	6.5	50.2%

Adjusted EBITDA at constant ccy

Adjusted EBITDA	JANUARY - JUNE		
	2016	2015	Var. %
Total Santillana	84.1	65.7	28.0%
Traditional Education and Compartir	72.4	59.2	22.3%
South Campaign	74.0	63.1	17.4%
North Campaign	(1.6)	(3.8)	57.8%
UNO System	11.7	6.5	79.8%



RADIO

RADIO Eur Million	JANUARY-JUNE			APRIL-JUNE		
	2016	2015	% Chg.	2016	2015	% Chg.
Adjusted Operating results						
Adjusted Revenues	147.6	161.0	(8.4%)	83.2	89.9	(7.5%)
Spain	90.0	93.9	(4.2%)	49.9	51.2	(2.5%)
Latam	54.1	67.0	(19.2%)	29.8	38.0	(21.6%)
Adjustments & others	3.5	0.41	---	3.5	0.76	---
Adjusted EBITDA	20.5	29.6	(30.7%)	15.4	22.2	(30.4%)
Spain	10.6	12.1	(12.7%)	8.5	9.7	(12.1%)
Latam	10.6	18.3	(41.9%)	7.1	12.6	(44.2%)
Adjustments & others	(0.7)	(0.7)	(7.9%)	(0.2)	(0.2)	6.1%
% adjusted Margin	13.9%	18.4%		18.6%	24.7%	
Adjusted EBIT	14.7	22.6	(34.8%)	12.0	18.3	(34.2%)
% adjusted Margin	10.0%	14.0%		14.5%	20.3%	
Adjusted Operating results at constant currency						
	2016	2015	% Chg.	2016	2015	% Chg.
Adjusted Revenues at constant fx rate	160.0	161.0	(0.6%)	90.1	89.9	0.2%
Spain	90.0	93.9	(4.2%)	49.9	51.2	(2.5%)
Latam	66.2	67.0	(1.2%)	36.3	38.0	(4.4%)
Adjustments & others	3.9	0.15	---	3.9	0.76	---
Adjusted EBITDA at constant fx rate	22.7	29.6	(23.3%)	17.0	22.2	(23.5%)
Spain	10.6	12.1	(12.7%)	8.5	9.7	(12.1%)
Latam	13.0	18.3	(29.3%)	8.7	12.6	(31.5%)
Adjustments & others	(0.8)	(0.8)	0.3%	(0.2)	(0.2)	(35.7%)
% adjusted Margin	14.2%	18.4%		18.8%	24.7%	
Adjusted EBIT	16.5	22.6	(26.9%)	13.3	18.3	(26.9%)
% adjusted Margin	10.3%	14.0%		14.8%	20.3%	
Reported Results						
	2016	2015	% Chg.	2016	2015	% Chg.
Revenues	137.8	150.1	(8.2%)	77.9	84.4	(7.7%)
Advertising	121.9	137.3	(11.2%)	67.4	76.6	(12.0%)
Spain	81.0	84.4	(4.0%)	45.5	46.2	(1.5%)
International	40.9	52.9	(22.7%)	21.9	30.3	(27.8%)
Other*	(0.0)	0.0	---	(0.0)	(0.0)	(170.9%)
Others	15.9	12.7	24.5%	10.5	7.9	33.2%
Operating expenses	124.4	131.0	(5.0%)	67.2	67.0	0.4%
EBITDA	13.4	19.1	(30.1%)	10.7	17.5	(38.8%)
% Margin	9.7%	12.7%		13.7%	20.7%	
EBIT	8.1	12.70	(36.6%)	7.5	13.87	(45.8%)
% Margin	5.8%	8.5%		9.6%	16.4%	
* Includes Music & Consolidation adjustments						
	2016	2015	% Chg.	2016	2015	% Chg.
One-offs in Operating revenues	9.8	11.0		5.2	5.5	
Consolidation Perimeter Adjustment - Mx & CR	9.8	11.0		5.2	5.5	
One-offs in Operating expenses	2.6	0.45		0.5	0.7	
Redundancies	(3.6)	(6.4)		(2.7)	(2.6)	
Consolidation Perimeter Adjustment - Mx & CR	6.2	6.9		3.2	3.1	
One-offs in Amort. & Provisions	0.5	0.6		0.2	0.3	
Consolidation Perimeter Adjustment - Mx & CR	0.5	0.6		0.2	0.3	

In order to give a complete vision of the business, Mexico and Costa Rica are included in the adjusted accounts despite being consolidated by the equity method.



RADIO

A_MARKET POSITION

In Spain, we highlight the competitive strength of PRISA's radio business through its stations (Cadena Ser, 40 Principales, Cadena Dial, M-80, Radiolé and Máxima FM). According to the latest EGM survey, **Cadena Ser maintains absolute leadership in the market with 4,353 thousand listeners** (market share of 36% of Spain's generalist radio). **Cadena 40 and Cadena Dial hold first and second place in the music radio market in Spain with audience shares of 21% and 15% respectively.**

We detail below the number of listeners of PRISA in Spain:

Thsd. Listeners	Listeners		
	2nd report 2016	Rank	Share
Talk Radio	4,353	1	36%
Cadena SER	4,353		36%
Music Radio	6,788	1	47%
40 Principales	2,975		21%
Dial	2,211		15%
Máxima FM	571		4%
M80	448		3%
Radiolé	583		4%
Total	11,141		

Source: EGM second report 2016

Regarding international radio,

Thsd. Listeners	Listeners		
	Moving Average '16	Rank	Share
Colombia	8,191	1	29%
Chile	2,145	1	41%
Mexico	1,418	2	15%

Source: ECAR (Colombia), IPSOS (Chile), INRA (Mexico), latest available information as of 1H 2016

B_OPERATING REVENUES

In 1H 2016, **Radio Revenues reached 147 million euros**, which means a decrease of -8.4% compared with same period of 2015. This drop is due to the underperformance of Spain (which moderates its drop in 2Q) and the fall in revenues in LatAm.

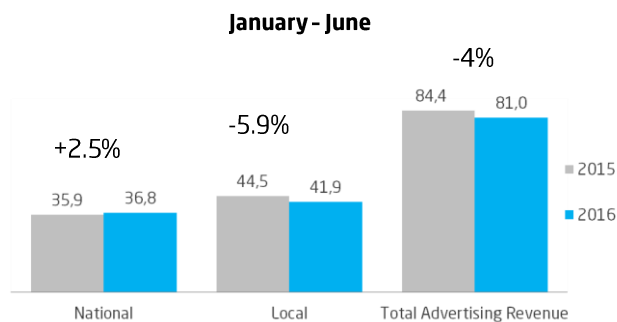
FX impact has been negative by -12.5 million euros in revenues and -2.2 million euros in EBITDA.

Adjusted EBITDA at constant currency in Prisa Radio decreases 6.9 million euros (-23.3%), mainly explained by the evolution in LatAm.

Radio Revenues by geographical origin:

Spain: Radio Spain adjusted revenues (without Music and Central Services) reach 90 million euros in 1H 2016 (-4.2% versus 1H 2015). **Advertising revenues** represent 81 million euros, decreasing by -4%. National advertising revenue grows (+2.5%). Local advertising revenue fall by -5.9%.

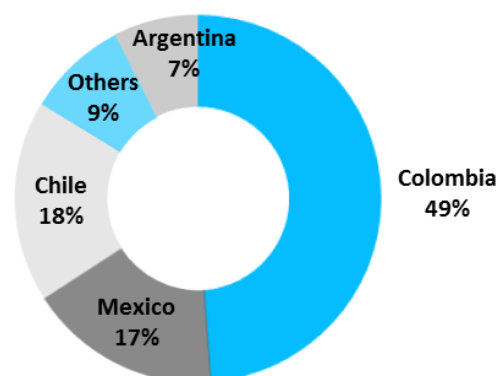
In 2Q it has been an improvement in the trend, with national advertising growing by + 2.2% and local showing a fall of -5.9%.



International: International radio adjusted Revenues, including Mexico and Costa Rica, reach **54.1 million euros** in 1H 2016 (-19.2% versus 1H 2015).

Colombia and Chile show a fall in constant currency of -9.1 and -1.7% respectively, due to a drop because of difficulties in the advertising market related to the economic situation in these markets.

January-June 2016: International contribution of the revenues by area (%)





PRESS

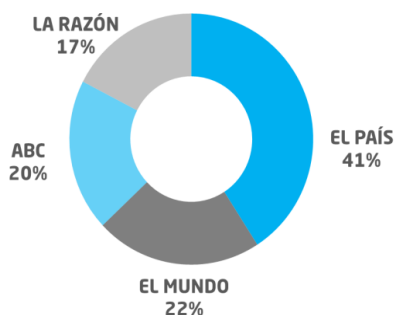
PRESS Eur Million	JANUARY-JUNE			APRIL-JUNE		
	2016	2015	% Chg.	2016	2015	% Chg.
Adjusted Operating results						
Adjusted Revenues	122.0	117.0	4.3%	64.8	61.0	6.2%
<i>Advertising</i>	56.6	52.1	8.6%	32.8	29.2	12.4%
<i>Circulation</i>	46.8	48.1	(2.8%)	23.4	23.8	(1.4%)
<i>Add-ons and others</i>	18.6	16.8	11.2%	8.6	8.1	6.4%
Adjusted EBITDA	7.4	6.3	16.8%	6.0	7.07	(15.2%)
<i>% adjusted Margin</i>	6.0%	5.4%		9.2%	11.6%	
Adjusted EBIT	3.54	2.5	39.9%	4.52	6.2	(27.0%)
<i>% adjusted Margin</i>	2.9%	2.2%		7.0%	10.1%	
Reported Results						
Revenues	122.0	117.0	4.3%	64.8	61.0	6.2%
<i>Advertising</i>	56.6	52.1	8.6%	32.8	29.2	12.4%
<i>Circulation</i>	46.8	48.1	(2.8%)	23.4	23.8	(1.4%)
<i>Add-ons and others</i>	18.6	16.8	11.2%	8.6	8.1	6.4%
Operating expenses	114.9	119.5	(3.8%)	58.2	59.5	(2.2%)
EBITDA	7.1	(2.5)	---	6.6	1.5	---
<i>% Margin</i>	5.8%	-2.1%		10.2%	2.4%	
EBIT	3.28	(6.3)	152.4%	5.11	0.59	---
<i>% Margin</i>	2.7%	-5.3%		7.9%	1.0%	
	2016	2015	% Chg.	2016	2015	% Chg.
One-offs in Operating revenues	0.0	0.0		0.0	0.0	
One-offs in Operating expenses	-0.3	-8.8		0.6	-5.6	
Redundancies	-0.3	-8.8		0.6	-5.6	
One-offs in Amort. & Provisions	0.0	0.0		0.0	0.0	

PRESS

A_MARKET POSITION

El País maintains its absolute leading position in Spain, with an average market share in the year of 41% according to the latest OJD available data (May 2016).

January-May 2016: Market position of Press business in Spain



Source: OJD May 2016, last data available

Table of on-line and off-line advertising revenues is shown below:

Eur million	JANUARY - JUNE		
	2016	2015	% Chg.
Advertising	56.6	52.1	8.6%
Off-line	30.3	31.9	-5.0%
On-line	22.3	18.5	20.4%
Events	4.0	1.7	135.3%

Circulation revenues reach 46.8 million, registering a minor drop of -2.8% explained by the price increase which positively affects the comparative.

Regarding the circulation of printed copies, evolution by newspaper according to the latest available data (OJD May 2016) it is as follows:

	JANUARY- MAY		
	2016	2015	% Chg.
El País	208,651	231,713	(10.0%)
As	127,900	133,496	(4.2%)

Digital Market position of Press business

In terms of unique users, according to comScore press in 1H 2016 has reached 19.5 million users (May 2016, latest data available), El País maintains a leading position reaching 13 million monthly average users. In addition, in sport press, AS holds second position against Marca reaching 6.5 million monthly average users.

Regarding Comscore El País is in the position ranking number 4 in Spain in terms of unique users (after Google and Youtube and before El Mundo and Yahoo).

Regarding media worldwide ranking it is in number 15 being the first positions occupied by Chinese and British and American newspapers.

The videos played in Prisa News in the semester (June, 2016, latest data available), reach 39M (+39.1%).

"El País" increases its played videos in 12.3M (+ 327%) and "Huffington Post" grows by +209%.

B_OPERATING REVENUES

Revenues in Press business grow by +4.3% in 1H 2016, reaching 122 million euros. The increase in on-line advertising (+20.4%), events growth (+222%) and the improvement of promotions revenues (+15.4%) offset the fall in off-line advertising (-5%) and circulation revenues (-2.8%).

Advertising Revenues reach 56.6 million euros, growing by +8.6% (El País, +9.5%; AS, 23.9%);

- On-line advertising revenue grow by +20.4% in the period and already represent 39% of total adjusted advertising revenues.
- Off-line advertising revenues decline by -5%.
- Events continue their growth reaching 4M€ in the period.

Promotions and others have grown by 11.2% due mainly to the growth improvement in promotions.

Highlights the **operational improvement of As** which increases its EBTIDA by +33.3% (+0.8M€) and consolidates its global brand strategy, with significant growth in unique users in different countries in which it operates (Spain, Chile, Colombia and Mexico)

As for adjusted **EBITDA**, reached 7.4 M€ increasing +16.8% compared to the first half of 2015, with a slight improvement in margins.



MEDIA CAPITAL

MEDIA CAPITAL Eur Million	JANUARY-JUNE			APRIL-JUNE		
	2016	2015	% Chg.	2016	2015	% Chg.
Adjusted Operating results						
Adjusted Revenues	85.3	82.3	3.6%	46.2	44.4	4.1%
Adjusted EBITDA	17.7	17.1	3.2%	11.5	10.9	5.3%
<i>% adjusted Margin</i>	20.7%	20.8%		24.9%	24.6%	
Adjusted EBIT	13.4	13.2	1.9%	9.3	8.8	5.7%
<i>% adjusted Margin</i>	15.8%	16.0%		20.1%	19.8%	
Reported Results						
Revenues	85.3	82.3	3.6%	46.2	44.4	4.1%
Advertising	60.1	56.9	5.6%	34.3	33.2	3.4%
Other	25.2	25.4	(1.0%)	11.9	11.2	6.1%
Operating expenses	68.0	65.9	3.2%	34.7	33.6	3.5%
EBITDA	17.3	16.4	5.1%	11.5	10.8	6.1%
<i>% Margin</i>	20.2%	19.9%		24.9%	24.4%	
EBIT	13.0	12.5	4.3%	9.3	8.7	6.7%
<i>% Margin</i>	15.3%	15.2%		20.1%	19.6%	
One- offs in Operating expenses						
Redundancies	(0.4)	(0.7)		(0.0)	(0.1)	



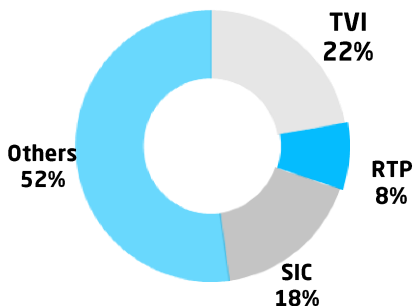
MEDIA CAPITAL

A_MARKET POSITION

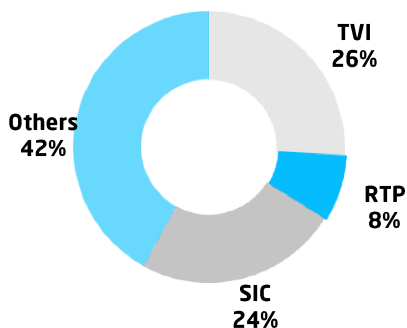
TVI maintains market leadership in 24 hours and prime time, reaching a daily audience share of 22% and 26% respectively.

Audiencia de Media Capital

January-June 2016 (24hrs)



January-June 2016 (Prime Time)



GfK June 2016 // *RTP Includes RTP1 y RTP2 // * Others include PayTV

Media Capital's consolidated radio audience share reaches 34.6%, considering the average in 1H 2016 of the audience measurement.

Media Capital Radio remains number one in the ranking. The second wave of 2016 shows an improvement over the previous broken down by stations shows the following audiences:

- **Radio Comercial** maintains its market leadership with an audience share of 24.8%.
- **M80**, music radio, improves its audience share to 6.2%.
- **Cidade FM** maintains its leadership amongst radio stations for youngsters, with a 3.3% audience share.

B_OPERATING REVENUES

- ✓ **Advertising** in the semester shows an increase of 5.6% (+3.3% in 2Q).
- ✓ **Other revenues** maintain practically flat comparing to the same period last year. The increase of distribution channels in pay platforms (3M€) has compensated the drop of value-added calls.

By businesses,

- ✓ **TVI**, reached in 1H 2016 revenue of 70.3 million euros compared to 67.9 million in 1H 2015 (+3.4%). 5.5% growth in advertising revenues and higher distribution channels to third offset the decline of value added calls.
- ✓ **Media Capital Radio** business shows a growth of +6.6% in revenues (+5.5% in advertising).

Adjusted EBITDA shows an improvement of +0.6 million euros (+3.2%).

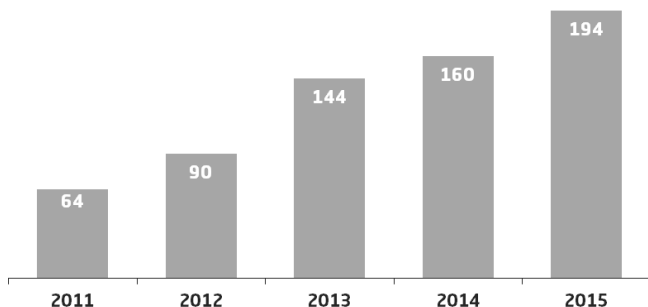


DIGITAL TRANSFORMATION

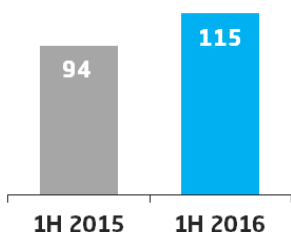
A_TRANSFORMATION REVENUES

Digital transformation revenues increase by 3.6% and reach 98 million euros in 1H 2016 (115 million in constant currency).

Its growth since 2007 showed below:

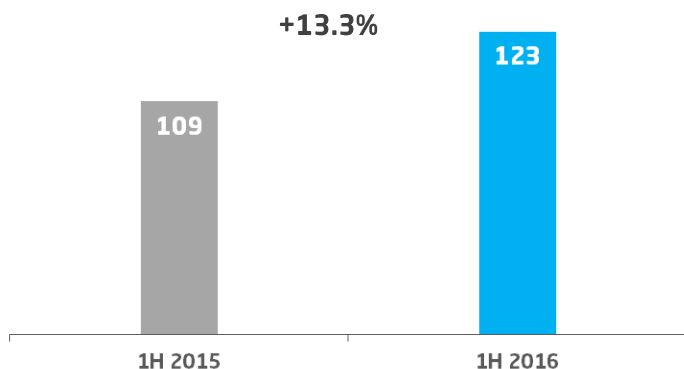


+22 % at constant FX

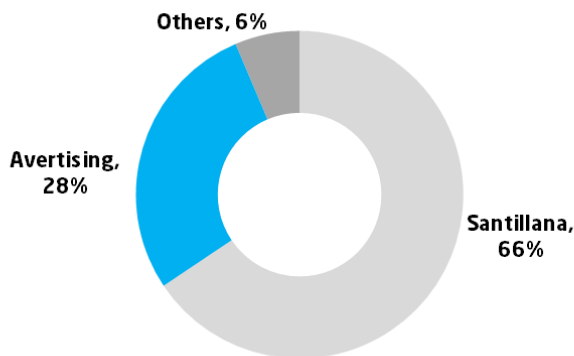


B_UNIQUE BROWSERS

Average unique browsers of the Group's web sites grow by 13.3% reaching 123 million.



C_TRANSFORMATION REVENUES SPLIT



D_EDUCATION

Digital education systems (UNO and Compartir) continue their development in Latin America reaching 863,136 students (+6.8%). Its revenues in local currency grow by +15.8%.

E_RADIO

In 1H 2016, the strong growth of unique browsers of the international radio websites of the Group has continued (June 2016 data, the latest available); the unique browsers to the website of Radio in Spain reached 11.5 million medium. As for the International Radio, the only browsers according Omniture reach 19.5 million average. In total, the only browsers Prisa Radio reach 31 million and grew by 6%.

F_PRESS

Digital advertising revenues grow by +21% and represent 39% of the division's ad Revenues.

Unique browsers to El País.com in 2016 (as of June 2016 latest data available) grow by +18 reaching 56 million on average.

G_MEDIA CAPITAL

Digital advertising revenues reached 1.7 million euros in 1H 2016, being the 3% of the advertising revenues.

Unique browsers of the web pages of Media Capital grew +24%, reaching 7.3million on average as of June 2016 (latest data available according to Netscope).



FROM EBIT TO NET RESULT

Eur Million	JANUARY-JUNE			APRIL-JUNE		
	2016	2015	% Chg.	2016	2015	% Chg.
EBIT	44.9	33.8	33.0	5.9	0.9	-
EBIT Margin	7.2%	5.2%		2.0%	0.3%	
Net financial result	(26.0)	(63.5)	59.0	(18.5)	(50.2)	63.1
Interest on debt	(31.3)	(49.2)	36.2	(14.5)	(21.6)	32.8
Other financial results	5.4	(14.3)	137.5	(4.0)	(28.5)	86.1
Result from associates	2.0	2.1	(8.2)	1.3	1.3	(1.5)
Profit before tax	20.9	(27.5)	175.9	(11.3)	(47.9)	76.4
Income tax expense	17.8	(54.5)	132.5	4.1	(60.1)	106.8
Results from discontinued activities	(0.3)	(0.3)	(2.5)	(0.3)	(0.9)	62.9
Minority interest	13.3	15.9	(16.2)	7.7	9.2	(16.0)
Net profit	(10.5)	10.8	-	(23.4)	2.1	-

A_NET FINANCIAL RESULT

During 1S 2016, “**interests on debt expenses**” have been reduced by 19 million as a result of the debt reduction.

“**Other financial results**” improve by 19.6million euros. The lower debt arrangement expenses and lower spending by updating the dividend of DLJ compared to 1S 2015 (due to the evolution of the euro / dollar) offset the lower discounts on debt buyback compared to 1H 2015 and the lower revenues from the sale of Mediaset.

B_EQUITY CONSOLIDATED RESULTS

Equity consolidated results include the results of Radio Mexico and Costa Rica in both 2016 and 2015.

C_CORPORATE TAX

Corporate tax registers an income tax expense of 17.8 million euros compared to -54.5 million in 2015. The increase is mainly In 1H 2015 the corporate tax showed the registration of a tax credit resulting from the sale of the participation of Canal + amounting to 54 million.

D_MINORITY RESULTS

Correspond to minority interests in Prisa Radio and Santillana.



FINANCIAL POSITION

A_Cash flow statement

Millones de €	Jun 2016	Jun 2015	Chg. 16/15	
			Abs.	%
EBITDA (excluding redundancies) - provisions	89.2	97.2	-8.0	-8.2%
Change in working capital	-15.6	-11.5	-4.2	-36.2%
Redundancies paid	-10.2	-17.4	7.2	41.6%
Taxes paid	-18.7	-25.3	6.6	26.2%
Other cash flows and adjustments from operations	0.3	2.5	-2.2	-87.3%
OPERATING CASH FLOW	45.1	45.6	-0.5	-1.1%
Capex (investments/divestments)	-26.7	-31.9	5.2	16.2%
Capex	-32.9	-31.9	-1.0	-3.3%
Disinvestments	6.2	0.0	6.2	---
CASH FLOW BEFORE FINANCING ACTIVITIES	18.4	13.7	4.7	33.9%

A1_CAPEX

€ Million	Jun 2016	Jun 2015	Chg. 16/15
Santillana	-25.9	-25.8	-0.1
Radio	-2.7	-2.8	0.1
Press	-3.1	-1.0	-2.1
Media Capital	-1.0	-2.2	1.2
Others	-0.3	-0.1	-0.1
Capex (investment)	-33.0	-31.9	-1.1
Capex (disinvestment)	6.2	0.0	6.2
Total PRISA Group	-26.8	-31.9	5.1



FINANCIAL POSITION

B_Net financial position

The "costs of formalization" of financial debt are presented in the balance sheet as a reduction of debt to credit institutions. These expenses are charged to the income statement on a similar maturity term of the underlying debt.

Millones de €	Jun 2016	Dic. 2015	Chg 16/15 Rel.
- Financial debt	1,770.5	2,008.5	-11.8%
- Non-current financial debt	1,697.2	1,907.8	-11.0%
- Current financial debt	73.4	100.8	-27.2%
Short term financial investments	-20.2	-78.1	74.1%
Cash & cash equivalents	-223.9	-319.0	29.8%
Loan arrangement costs	35.5	48.3	-26.4%
TOTAL BANK DEBT	1,561.9	1,659.7	-5.9%

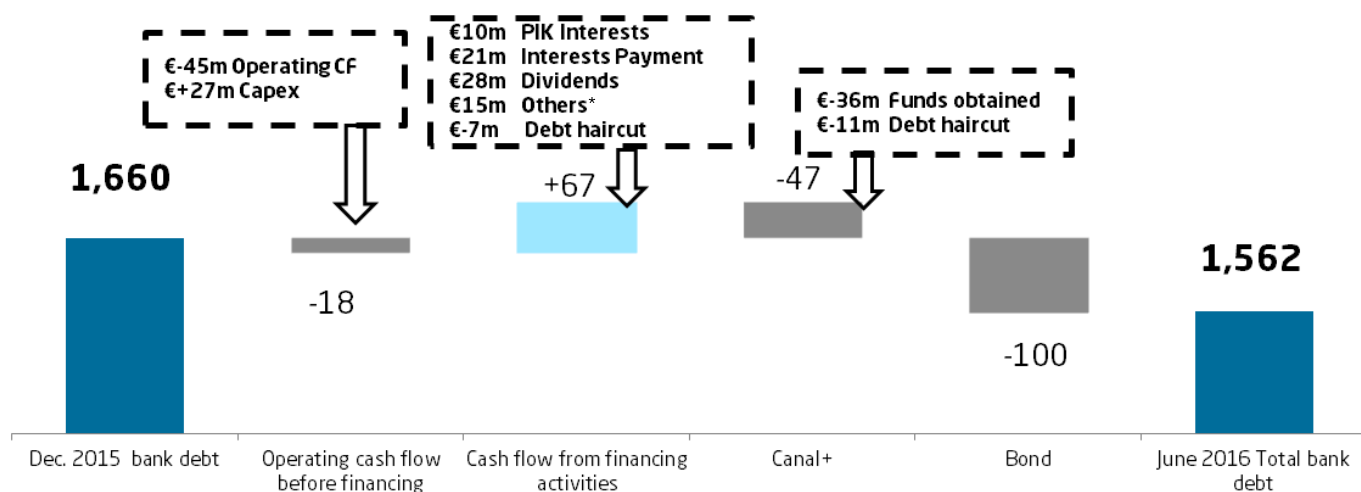
€ Million	June 2016	Dic. 2015	Chg 16/15 Rel.
Prisa Holding	1,403.6	1,483.6	-5.4%
- Financial debt	1,591.9	1,800.0	-11.6%
Tranche 2	956.5	956.5	0.0%
Tranche 3	191.3	275.4	-30.5%
PPL	433.3	534.4	-18.9%
Subordinated loan	0.0	31.1	-100.0%
Others	10.8	2.5	333.4%
- Cash and Short term financial investments	-188.3	-316.4	40.5%
Santillana	49.9	64.3	-22.3%
Radio	-2.1	-2.8	24.5%
Press	-12.4	-13.0	4.7%
Media Capital	107.8	112.7	-4.3%
Other	15.1	15.0	0.7%
TOTAL BANK DEBT	1,561.9	1,659.7	-5.9%

During 1S the issue of mandatorily convertible bonds has been registered. It reduces the debt in 100M€ (68.6 million of PPL and 32.1 million in subordinated debt).

With the funds from the sale of Canal+, it's been canceled 65 million through auction with an average discount of 16.2% and 18 million at par.

In addition, it's been carried out a debt buy back of PPL canceling 33M€ with part of fund from the capital increase of IMG, with an average discount of 23.2%.

The evolution of **Grupo Prisa total adjusted net debt** is as follows:



*Other mainly includes the variation in net debt due to exchange differences.



APPENDIX

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EXTRAORDINARY IMPACTS AND CHANGES IN THE CONSOLIDATION PERIMETER

Extraordinary Items	JANUARY - JUNE		APRIL-JUNE	
	2016	2015	2016	2015
One-offs in Operating revenues	9.8	11.0	5.2	5.5
Consolidation perimeter adjustment - Mx & CR	9.8	11.0	5.2	5.5
One-offs in operating expenses	(0.8)	(12.6)	0.0	0.0
Redundancies and other non-recurrent	(7.0)	(19.5)	0.0	0.0
Consolidation perimeter adjustment - Mx & CR	6.2	6.9	(0.6)	(6.0)
One-offs in amortization & provisions	0.5	0.6	(3.8)	(9.3)
Consolidation perimeter adjustment - Mx & CR	0.5	0.6	0.0	0.0

- a) **Change in the consolidation perimeter:** Since 2013, the Group accounts the results of Prisa Radio holdings Mexico and Costa Rica using the equity method. The adjusted data results include Mexico and Costa Rica weighted by part of the capital of Prisa
- b) **Redundancies and other non-recurrent:** The extraordinary expenses from redundancies **fall compared to 1S 2015**. In 1S 2016 redundancies have reached 7 million euros compared to the 19.5 million euros during the same period in 2015.



BALANCE SHEET

€ Million	ASSETS	
	30/06/2016	12/31/2015
FIXED ASSETS	1,344.7	1,336.7
Property, plant and equipment	125.7	127.9
Goodwill	589.9	577.3
Intangible assets	133.1	129.1
Long term financial investments	30.7	30.9
Investment in associates	41.6	42.8
Deferred tax assets	420.6	425.2
Other non current assets	3.2	3.6
CURRENT ASSETS	798.7	1,026.6
Inventories	170.2	153.5
Accounts receivable	384.4	439.6
Short term financial investments	20.2	114.5
Cash & cash equivalents	223.9	319.0
TOTAL ASSETS	2,143.4	2,363.4
€ Million	LIABILITIES	
	30/06/2016	12/31/2015
SHAREHOLDERS EQUITY	(295.2)	(394.6)
Issued capital	235.0	235.0
Reserves	(587.7)	(701.8)
Income attributable to the parent company	(10.5)	5.3
Minority interest	67.9	66.9
NON CURRENT LIABILITIES	1,943.3	2,176.5
Long term financial debt	1,697.2	1,907.8
Other long term financial liabilities	129.3	131.8
Deferred tax liabilities	26.5	36.5
Provisions	49.9	59.7
Other non current liabilities	40.5	40.7
CURRENT LIABILITIES	495.3	581.5
Short term financial debt	73.4	100.8
Other current financial liabilities	11.4	23.1
Trade accounts payable	265.1	296.1
Other short term liabilities	131.0	138.8
Accrual accounts	14.4	22.8
TOTAL LIABILITIES	2,143.4	2,363.4



EQUITY SITUATION

At June 30, 2016, the equity of the parent company with respect to the cause of dissolution and/or reduction of capital stipulated in Spain's Corporate Enterprises Act (including participating loans outstanding at year end) stood at EUR 161,078 thousand, more than two thirds of total share capital.



OTHER RELEVANT FACTS

a_ Discounted debt buyback

On 1st February 2016, PRISA announces that a Dutch auction process aimed at its creditors was completed, having agreed to buy back a total of € 65,944,698.40 of debt, at an average discount of € 0.1602 per euro (i.e., at an average price of 83.98%) and a total discount of € 10,564,037.9.

The funds used for this auction arise from the sales of shares of DTS, Distribuidora de Televisión Digital, S.A., completed on April 30, 2015.

This buy-back is added to the announced since last year 2015, so PRISA has amortized debt for a total of € 1,676,674,645 since the signing of Prisa's refinancing agreement in December 2013.

b_ Acquisition of NORMA (Education)

As on 2nd March, 2016, Grupo Santillana Educación Global, S.L. (Santillana), entity belonging to the PRISA group dedicated to the educational area, signed an agreement with Carvajal, S.A. for the acquisition of the educational business of the latter for a price of COP 60,0000,000,0000 (equivalent to around EUR 16,800,000 according to the yesterday exchanges rates), subject to the usual adjustments in this type of transactions).

The closing of the transaction is subject, among others, to the prescriptive authorization of the anti-trust authorities.

The transaction consists on the acquisition of the shares owned by Carvajal S.A. in the companies engaged in the educational business in Colombia, Argentina, Chile, Guatemala, México, Peru, Puerto Rico and Ecuador, as well as the transfer of certain trademarks linked to the business and the granting of a license over trademarks associated to the NORMA name of Grupo Carvajal.

d_ Changes in the Board of Directors

As on 1st April 2016, The Board of Directors in Prisa has resolved the following:

1. The Board has acknowledged the resignation of the director Mr. Claudio Boada Pallerés due to professional reasons. The Board thanks Mr. Boada his personal and professional dedication to the Company since he joined the Board and the Audit Committee in which he also was member.
2. After the re-election of the President of the Board, Mr. Juan Luis Cebrián Echarri, as director of the Company, he has been delegated all powers of the Board of Directors, except those that cannot be delegated by Law or by the Bylaws, remaining so as Executive President of the Company.
3. Following the resolutions passed at the General Shareholders Meeting at the fifth item on the agenda and after the resolutions of the Board of Directors mentioned in this communication, the composition of the Board is as follows:

Executive President: Juan Luis Cebrián Echarri
 Deputy Chairman: Manuel Polanco Moreno
 CEO: José Luis Sainz Díaz
 Members: Roberto Alcántara Rojas
 Blanca Hernández Rodríguez
 José Luis Leal Maldonado
 Gregorio Marañón y Bertrán de Lis
 Alain Minc
 Glen Moreno
 Joseph Oughourlian
 John Paton
 Elena Pisonero Ruiz
 Alfonso Ruiz de Assin Chico de Guzmán
 Shk. Dr. Khalid Bin Thani Bin Abdullah Al-Thani
 Ernesto Zedillo Ponce de León

Likewise the composition of the Delegated Commission and of the other committees of the Board has been resolved as follows:

Delegated Commission

Chairman: D. Juan Luis Cebrián Echarri
 Members: D. Manuel Polanco Moreno
 D. José Luis Sainz Díaz
 D. Gregorio Marañón y Bertrán de Lis
 D. Alain Minc
 D^a Elena Pisonero Ruiz
 D. Roberto Alcántara Rojas

Audit Committee

Chairman: D. Glen Moreno
 Members: D. José Luis Leal Maldonado
 D^a Elena Pisonero Ruiz

Appointments and Remunerations Committee

Chairman: D. Alan Minc
 Members: D. Alfonso Ruiz de Assin Chico de Guzmán
 D. Gregorio Marañón y Bertrán de Lis
 D. Joseph Oughourlian

Corporate Governance Committee

Chairman: D. Ernesto Zedillo Ponce de León
 Members: D. John Paton
 D^a Blanca Hernández Rodríguez
 Shk. Dr. Khalid Bin Thani Bin Abdullah Al-Thani

Committee for Strategic Digital Change

Chairman: D. John Paton
 Members: D. Juan Luis Cebrián Echarri
 D. José Luis Sainz Díaz.

5. The Secretary of the Board of Directors, Mr. Antonio Garcia-Mon Marañés, is secretary of the Delegated Commission, the Audit Committee, the Appointments and Remunerations Committee and the Corporate Governance Committee, and the Deputy Secretary of the Board, Mr. Xavier Pujol Tobeña, is secretary of the Committee for Strategic Digital Change, in accordance with articles 27, 28, 29 and 30 of the Board of Directors Regulation.



OTHER RELEVANT FACTS

6. Lastly, on a proposal of the Corporate Governance Committee, and for the purposes of Article 529 septies of the Capital Companies Act, the Board has appointed Mr. Jose Luis Leal Maldonado as Coordinating Director for a period of two years.
7. At the meeting of the Board of Directors held on 6th May, on proposal of the Appointments and Compensations Committee and the Corporate Governance Committee, each acting within the scope of their respective responsibilities, the appointment by cooptation of Mr. Waleed AlSa'di and Mr. Dominique D'Hinnin was unanimously approved in order to cover the two Board of Directors' existing vacancies. Mr. Waleed AlSa'di will have the qualification of proprietary Director, representing International Media Group, S.à.r.l. and Mr. Dominique D'Hinnin will have the qualification of independent director.

d_Canal+ sale

As of May 13, 2016, remained unresolved two price adjustments amounting to 36 million euros.

Both adjustments have been resolved in favor of Prisa, so the total price of the transaction has finally amounted to 724 million euros.

e_Registration of the issue of mandatory convertible bonds

As of April 1st of 2016, the general meeting of PRISA and several of its main creditors have approved an agreement to perform a bonds issue, mandatorily convertible into ordinary shares of PRISA.

On June 22nd, 2016, such issuance formalized in public deed on April 7, has been registered in the trade register of Madrid.

The amount of that issue finally amounts to 100,742,090 euros, divided into 32,112,350 euros Tranche A, underwritten by HSBC Bank Plc., Several entities of Santander and CaixaBank Group, SA redeemed all of its participation in the PIK loan and 68,629,740 Tranche B, fully subscribed by HSBC Bank Plc. redeeming part of its shareholder loan.



GROUP STRUCTURE

Education	Radio	Press	Audiovisual
Education	Radio in Spain	El País	Free-Tv
Formation	International Radio	As	Audiovisual Production
Learning Systems	Music and events	Cinco Días	Video
		Magazines	

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

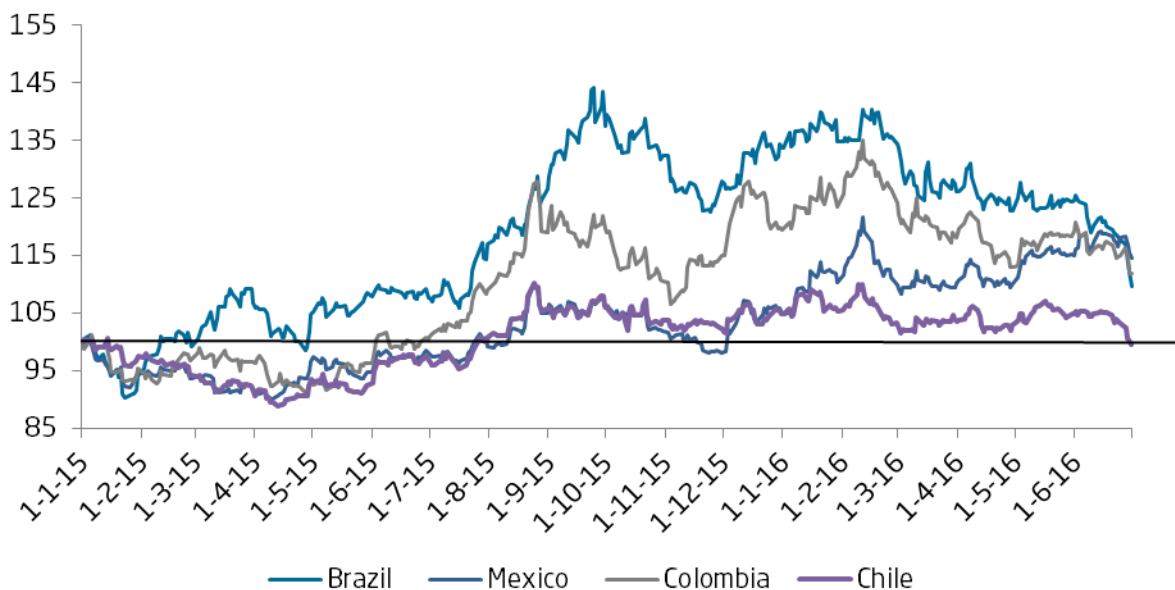


FX EVOLUTION

Group's results in Latin America are impacted by **exchange rates** in the region as a consequence of the economic cycle. High volatility in exchange rates for the main LatAm currencies has been the dominant factor during 1H 2016.

The FX impact has been negative on Group, 71million euros in revenues and 23 million euros in EBITDA.

FX Evolution vs. Euro in 1H 2016



	Brazil	Mexico	Colombia	Chile
1Q 2014	3.24	18.13	2,747.88	756.11
2Q 2014	3.06	17.83	2,624.31	760.69
3Q 2014	3.01	17.38	2,531.21	764.94
4Q 2014	3.18	17.34	2,720.13	747.23
1Q 2015	3.22	16.84	2,782.63	703.37
2Q 2015	3.40	16.96	2,766.99	684.08
3Q 2015	3.94	18.28	3,278.24	752.61
4Q 2015	4.21	18.36	3,356.73	763.97
1Q 2016	4.30	19.89	3,587.01	773.27
2Q 2016	3.96	20.45	3,379.47	765.13

Fuente: Bloomberg



BREAKDOWN OF ADJ. OPERATING REVENUES AND EBITDA BY B.L.

ADJUSTED OPERATING REVENUES	JANUARY-JUNE			APRIL-JUNE		
	2016	2015	Var. %	2016	2015	Var. %
GROUP	634.2	661.0	(4.0)	305.1	319.1	(4.4)
EDUCATION	279.6	300.3	(6.9)	111.2	123.2	(9.7)
RADIO	147.6	161.0	(8.4)	83.2	89.9	(7.5)
PRESS	122.0	117.0	4.3	64.8	61.0	6.2
MEDIA CAPITAL	85.3	82.3	3.6	46.2	44.4	4.1
OTHERS	(0.2)	0.3	(160.0)	(0.3)	0.6	(148.4)

ADJUSTED EBITDA	JANUARY-JUNE			APRIL-JUNE		
	2016	2015	Var. %	2016	2015	Var. %
GROUP	97.0	108.7	(10.8)	37.3	40.8	(8.4)
EDUCATION	62.8	65.7	(4.4)	9.9	7.8	27.1
RADIO	20.5	29.6	(30.7)	15.4	22.2	(30.4)
PRESS	7.4	6.3	16.8	6.0	7.1	(15.2)
MEDIA CAPITAL	17.7	17.1	3.2	11.5	10.9	5.3
OTHERS	(11.4)	(10.0)	(13.3)	(5.5)	(7.2)	23.3



BRIDGE FROM OPERATING PROFIT TO ADJUSTED EBITDA AND EBITDA

GROUP	JANUARY-JUNE			APRIL-JUNE		
	2016	2015	Chg.%	2016	2015	Chg.%
EBITDA	90.0	89.2	0.9	33.5	31.5	6.4
Redundancies	7.0	19.5	(64.2)	3.9	9.3	(58.5)
Adjusted EBITDA	97.0	108.7	(10.8)	37.3	40.8	(8.4)
Amortizations	36.7	44.3	(17.2)	16.9	22.9	(25.9)
Provisions	4.5	7.7	(41.9)	8.1	6.1	32.2
Impairment	0.8	(0.0)	---	0.8	(0.3)	---
Operating Result	55.0	56.8	(3.1)	11.5	12.1	(4.5)

EDUCATION	JANUARY-JUNE			APRIL-JUNE		
	2016	2015	Var. %	2016	2015	Var. %
EBITDA	60.7	64.4	(5.7)	8.5	7.1	19.3
Redundancies	2.1	6.5	(67.8)	1.4	2.6	(44.1)
Adjusted EBITDA	20.5	29.6	(30.7)	15.4	22.2	(30.4)
Amortizations	3.9	5.2	(24.7)	2.0	2.6	(24.1)
Provisions	2.0	2.5	(21.2)	1.5	2.0	(25.7)
Impairment	(0.1)	(0.7)	85.8	(0.0)	(0.7)	93.9
Operating Result	14.7	22.6	(34.8)	12.0	18.3	(34.2)

RADIO	JANUARY-JUNE			APRIL-JUNE		
	2016	2015	Var. %	2016	2015	Var. %
EBITDA	16.9	23.2	(27.0)	12.7	19.6	(35.2)
Redundancies	3.6	6.5	(43.9)	2.7	2.6	6.0
Adjusted EBITDA	20.5	29.6	(30.7)	15.4	22.2	(30.4)
Amortizations	3.9	5.2	(24.7)	2.0	2.6	(24.1)
Provisions	2.0	2.5	(21.2)	1.5	2.0	(25.7)
Impairment	(0.1)	(0.7)	85.8	(0.0)	(0.7)	93.9
Operating Result	14.7	22.6	(34.8)	12.0	18.3	(34.2)

PRESS	JANUARY-JUNE			APRIL-JUNE		
	2016	2015	Var. %	2016	2015	Var. %
EBITDA	7.1	(2.5)	---	6.6	1.5	-
Redundancies	0.3	8.8	(97.1)	(0.6)	5.6	(110.6)
Adjusted EBITDA	7.4	6.3	16.8	6.0	7.1	(15.2)
Amortizations	3.6	3.5	3.5	1.8	1.7	5.1
Provisions	0.2	0.3	(24.4)	(0.4)	(0.9)	58.2
Impairment	0.0	0.0	---	0.0	0.0	---
Operating Result	3.5	2.5	39.9	4.5	6.2	(27.0)

MEDIA CAPITAL	JANUARY-JUNE			APRIL-JUNE		
	2016	2015	Var. %	2016	2015	Var. %
EBITDA	17.3	16.4	5.1	11.5	10.8	6.1
Redundancies	0.4	0.7	(40.0)	0.0	0.1	(79.3)
Adjusted EBITDA	17.7	17.1	3.2	11.5	10.9	5.3
Amortizations	4.1	3.7	12.1	2.2	2.0	9.3
Provisions	0.1	0.2	(65.0)	0.0	0.2	(69.3)
Impairment	0.0	0.0	---	0.0	0.0	---
Operating Result	13.4	13.2	1.9	9.3	8.8	5.7

OTHERS	JANUARY-JUNE			APRIL-JUNE		
	2016	2015	Var. %	2016	2015	Var. %
EBITDA	(12.0)	(12.4)	2.8	(5.8)	(7.6)	23.3
Redundancies	0.6	(2.8)	122.3	0.3	(1.5)	116.9
Adjusted EBITDA	30.9	26.1	18.6	(11.0)	(21.6)	48.9
Amortizations	21.0	26.6	(21.0)	9.0	13.9	(35.5)
Provisions	0.3	2.2	(88.5)	5.5	2.9	89.4
Impairment	1.0	1.3	(22.3)	0.9	1.1	(20.3)
Operating Result	8.6	(4.1)	---	(26.3)	(39.5)	33.3