



1H 2011 Results

July 29th, 2011

Disclaimer



In addition to figures prepared in accordance with IFRS, PRISA presents non-GAAP financial performance measures, e.g., EBITDA, EBITDA margin, adjusted EBITDA, adjusted EBITDA margin, adjusted EBIT, adjusted net profit, free cash flow, gross debt and net debt, among others. These non-GAAP measures should be considered in addition to, but not as a substitute for, the information prepared in accordance with IFRS. Non-GAAP financial performance measures are not subject to IFRS or any other generally accepted accounting principles. For further information relevant to the interpretation of these terms, please refer to the “Reconciliation Section” of the 1H 2011 earnings press release filed with the Securities and Exchange Commission and posted on prisa.com.

This document may contain “forward-looking statements” as defined in Section 27A of the Securities Act and Section 21E of the Exchange Act, including statements about the financial conditions, results of operations, earnings outlook and prospects of the Company. In addition, any statements that refer to projections, forecasts or other characterizations of future events or circumstances, including any underlying assumptions, are forward-looking statements.

Forward-looking statements are based on management’s current expectations and are inherently subject to uncertainties and changes in circumstance and their potential effects and each speaks only as of the date of such statement. There can be no assurance that future developments will be those that have been anticipated.

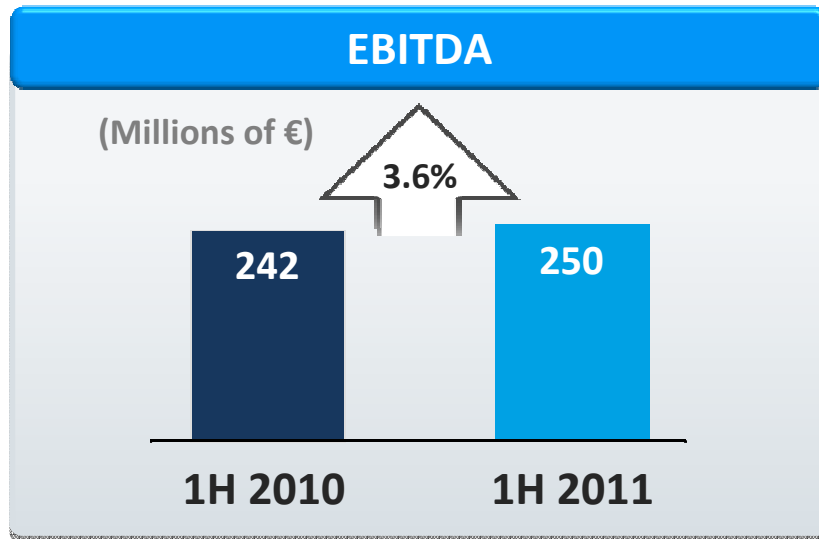
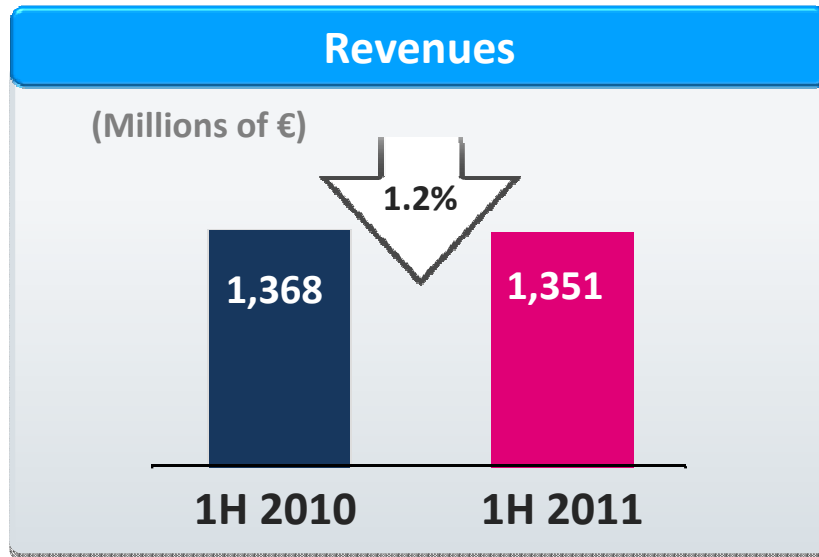
These forward-looking statements are typically identified by words such as “plan,” “believe,” “expect,” “anticipate,” “intend,” “outlook,” “estimate,” “forecast,” “project,” “continue,” “could,” “may,” “might,” “possible,” “potential,” “predict,” “should,” “would” and other similar words and expressions, but the absence of these words does not mean that a statement is not forward-looking. These forward-looking statements involve a number of risks, uncertainties or other assumptions that may cause actual results or performance to be materially different from those expressed or implied by these forward-looking statements. These risks and uncertainties include, but are not limited to, those factors described in our filings with the Securities and Exchange Commission under “Risk Factors”.

1H Highlights



- 1. Strong underlying performance**
- 2. Focus on cost control and efficiency**
- 3. Education and Pay TV remain robust**
- 4. Weakness on Advertising and Consumer books in Spain**

Underlying Group Performance



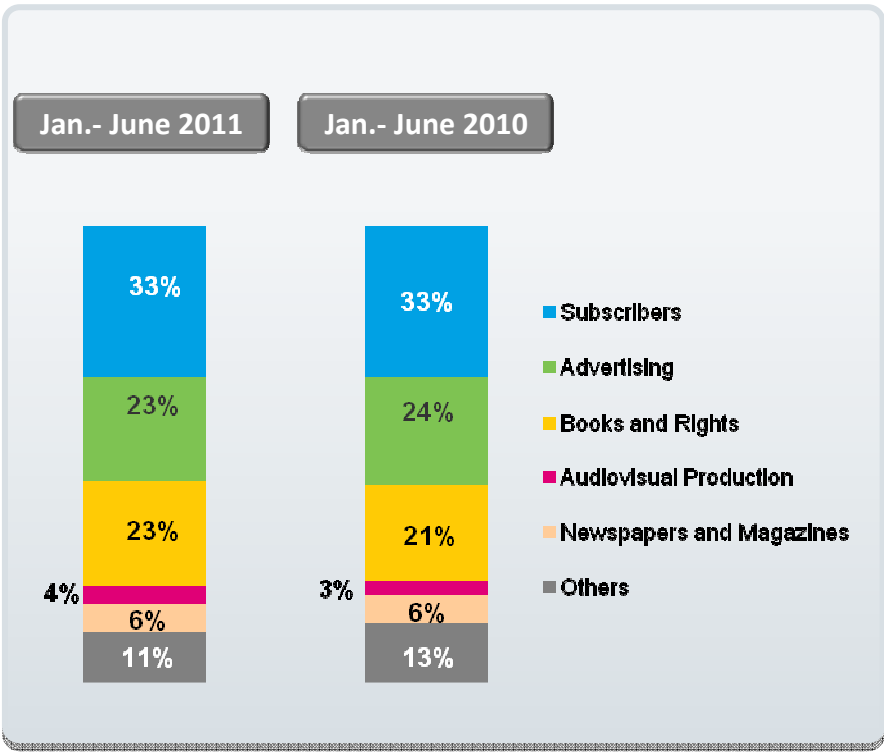
- **Pay TV EBITDA of €79.5M (+16.6%)**
 - Total net adds + 5,807 in 1H2011 versus -60,962 in 1H2010
- **Education continues strong**
 - Latin America revenues up 12.1%
 - Educational campaign in Spain started performing well
- **Digital revenues up over 20%**
 - Unique browsers to Prisa websites up 33.1%
- **SER remains absolute market leader** with audience of 4,038,000 and El País maintains its circulation numbers

* All Group and business unit figures are Proforma and Adjusted (exclude Cuatro and non-recurring items)

The environment



Diversified portfolio of assets compensates for weaker macro environment



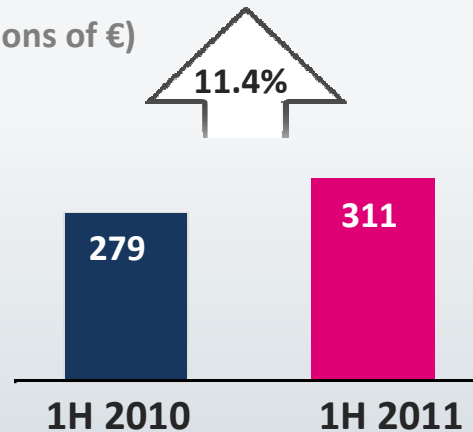
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- **Advertising** accounts for 23% of total revenues.
 - **Education** showing a strong growth.
 - **Pay TV** improving the Key Performance Indicators.
 - High exposure to fast growing economies in **Latam**.

Latin America Revenues Continue Growth Path



Latin American Revenues

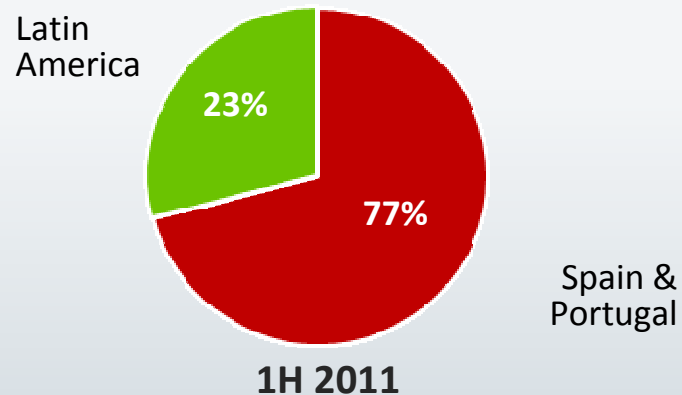
(Millions of €)



Latin America results

- EBITDA up 13.1%
- Education revenues up 12.1%
- Radio revenues up 8.5%

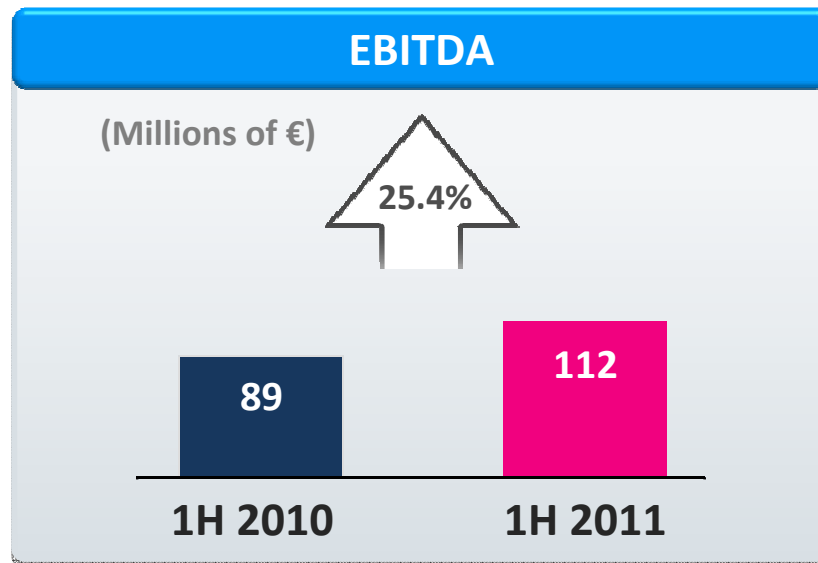
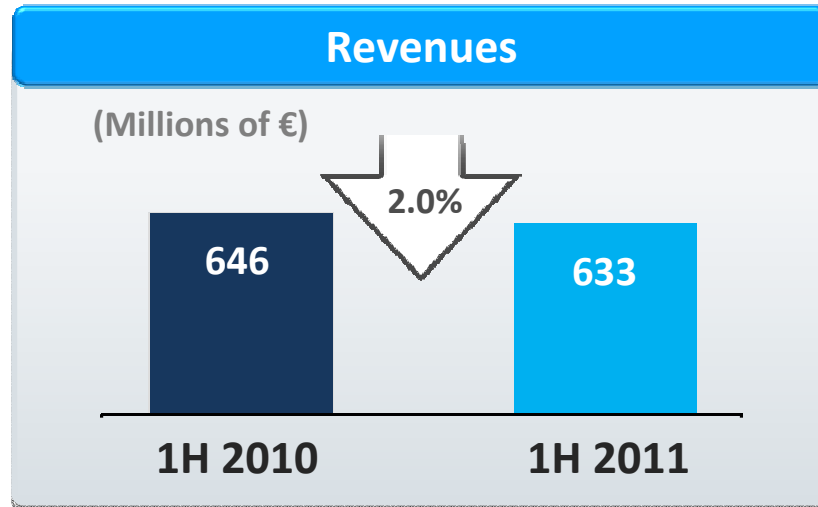
Revenues by Geography



Latin America share of total revenues up 300 BP

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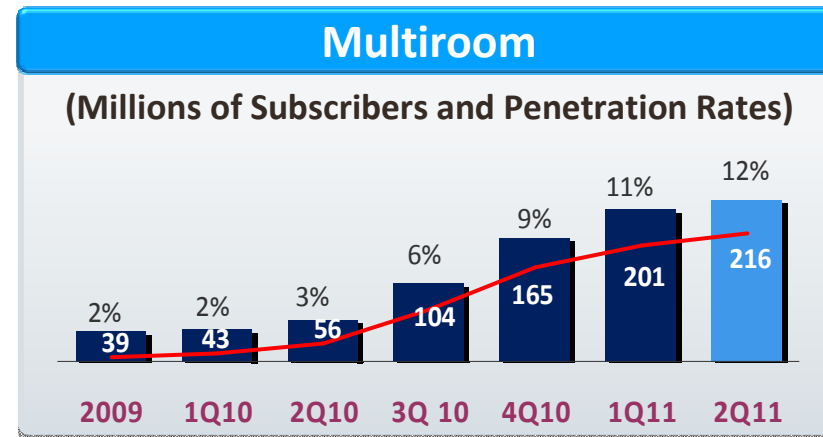
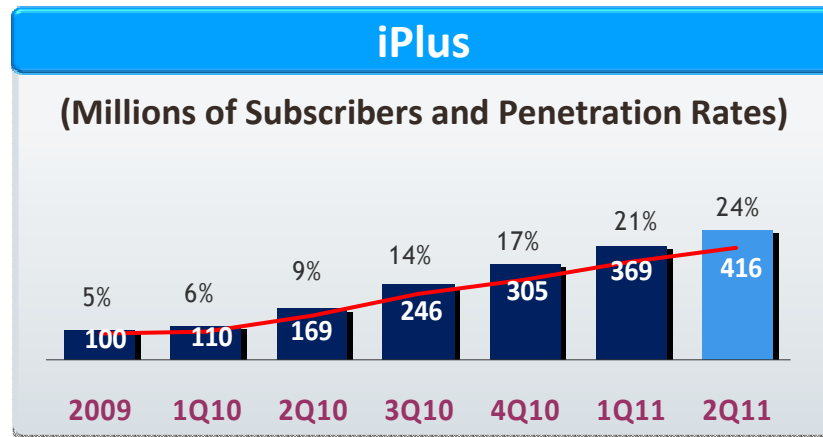
Audiovisual: Strategic Shifts Accelerating Profitability



- EBITDA margin up 380BP
- Digital+ revenues down 3.8% due to a drop in subscribers, variation in ARPU and changes to the models for iPlus and Canal+ toros
- Digital+ expenses down 6.8%
- Cisco agreement signed
 - to provide latest technology on iplus decoder
 - Line of finance

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Pay TV: Key Performance Indicators Show Progress



Total Subscribers

| Total Subscribers | June 2011 |
|-------------------|------------------|
| DTH | 1,767,275 |
| Other Platforms | 23,106 |
| TOTAL | 1,790,381 |

Evolution of Net Adds

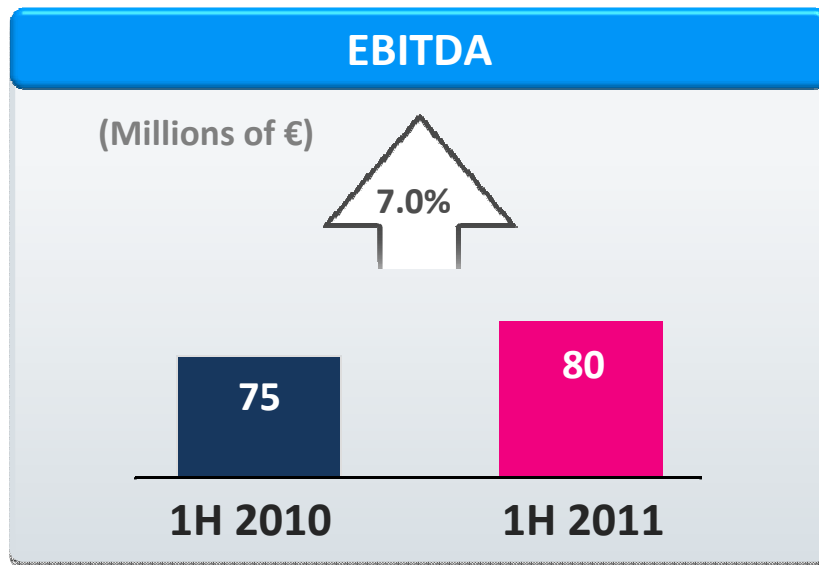
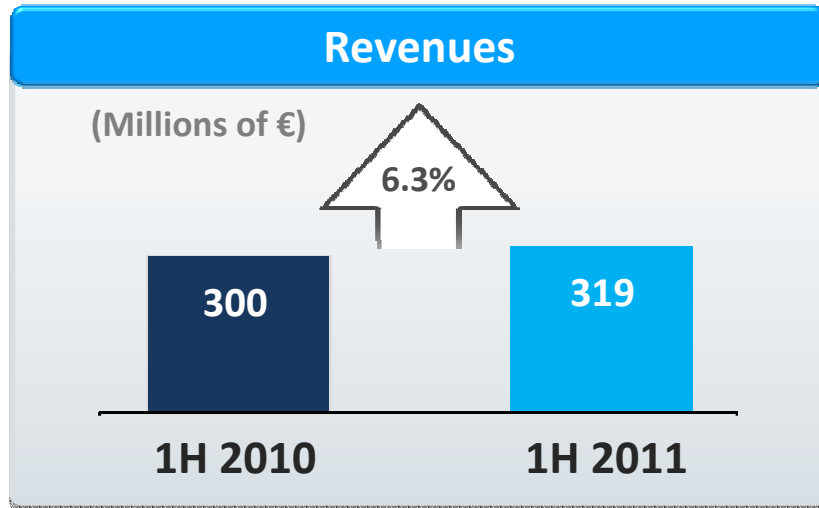
| YTD Net Add | June 2010 | June 2011 |
|-----------------|----------------|--------------|
| DTH | -60,962 | -5,581 |
| Other Platforms | - | 11,388 |
| TOTAL | -60,962 | 5,807 |

ARPU & Churn

| | 2Q 2010 | 2Q 2011 |
|-------|---------|---------|
| ARPU | 42.2 | 41.2 |
| CHURN | 18.2% | 14.2% |

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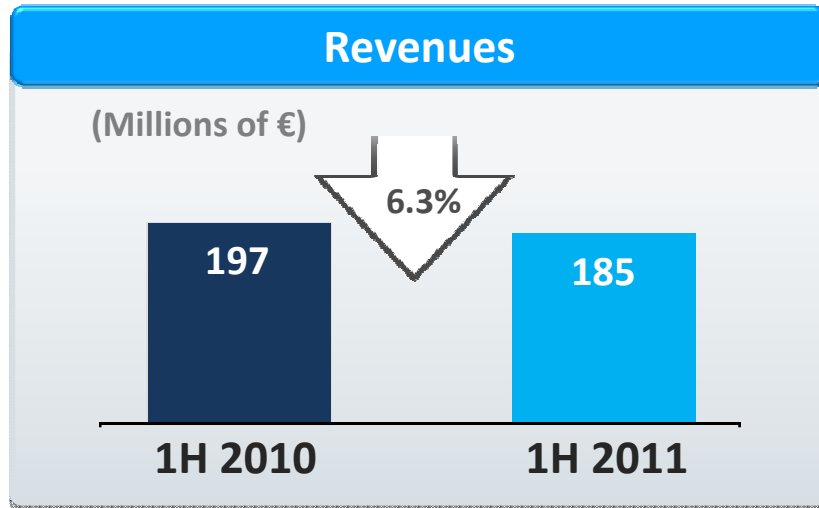
Education: Growth Continues to be Led by Latin America



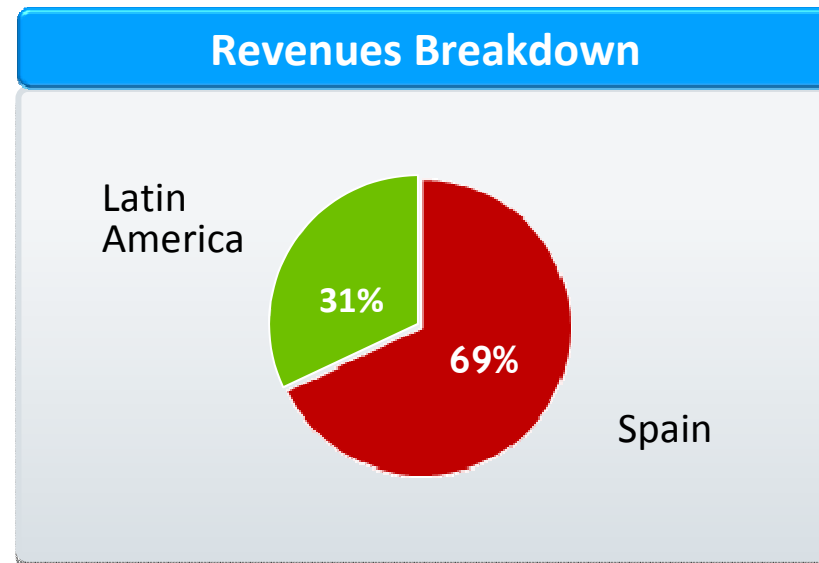
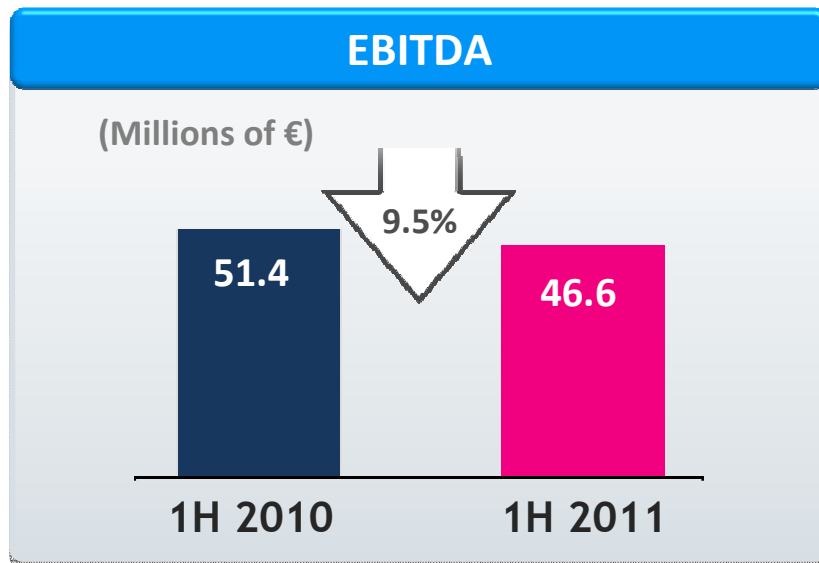
- EBITDA margin up to 25.1%
- Results were primarily driven by campaigns in South America
 - Brazil +12.7%
 - Argentina +13.9%
 - Chile +10.1%
 - Colombia +26.2%
 - Peru +7.4%
 - Mexico +4.8%
 - Spain -12.9% (+1.8% in 2Q11)

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Radio: Continued Outperformance in Latin America Offset Spanish Macroeconomic Weakness

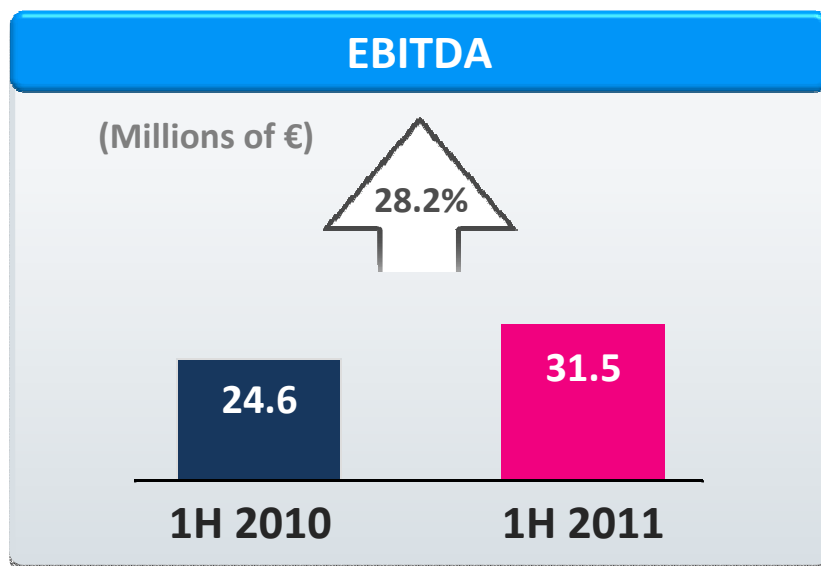
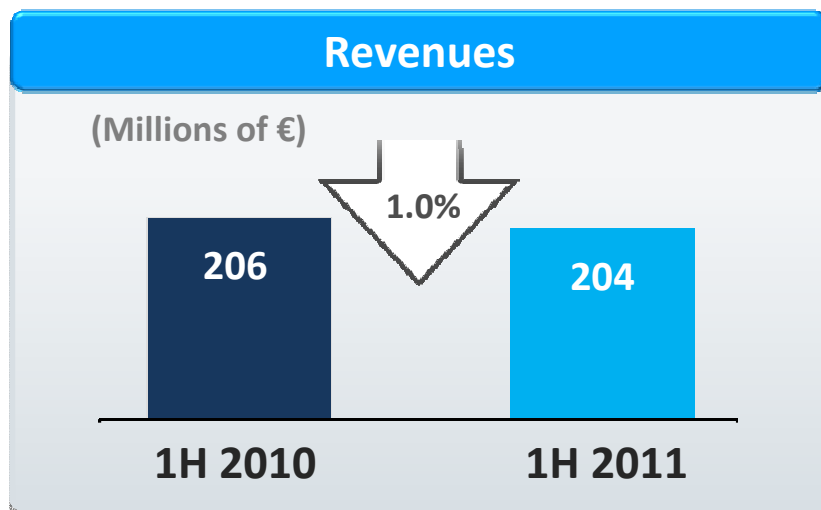


- Spain declined affected by macro
- Latin America revenue up 8.5%
 - Share in total revenues up 400 BP
- SER maintains absolute leadership with 4,038,000 listeners
- 40 Principales' ratings remain #1 with almost 4 million listeners



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Press: Strong underlying growth

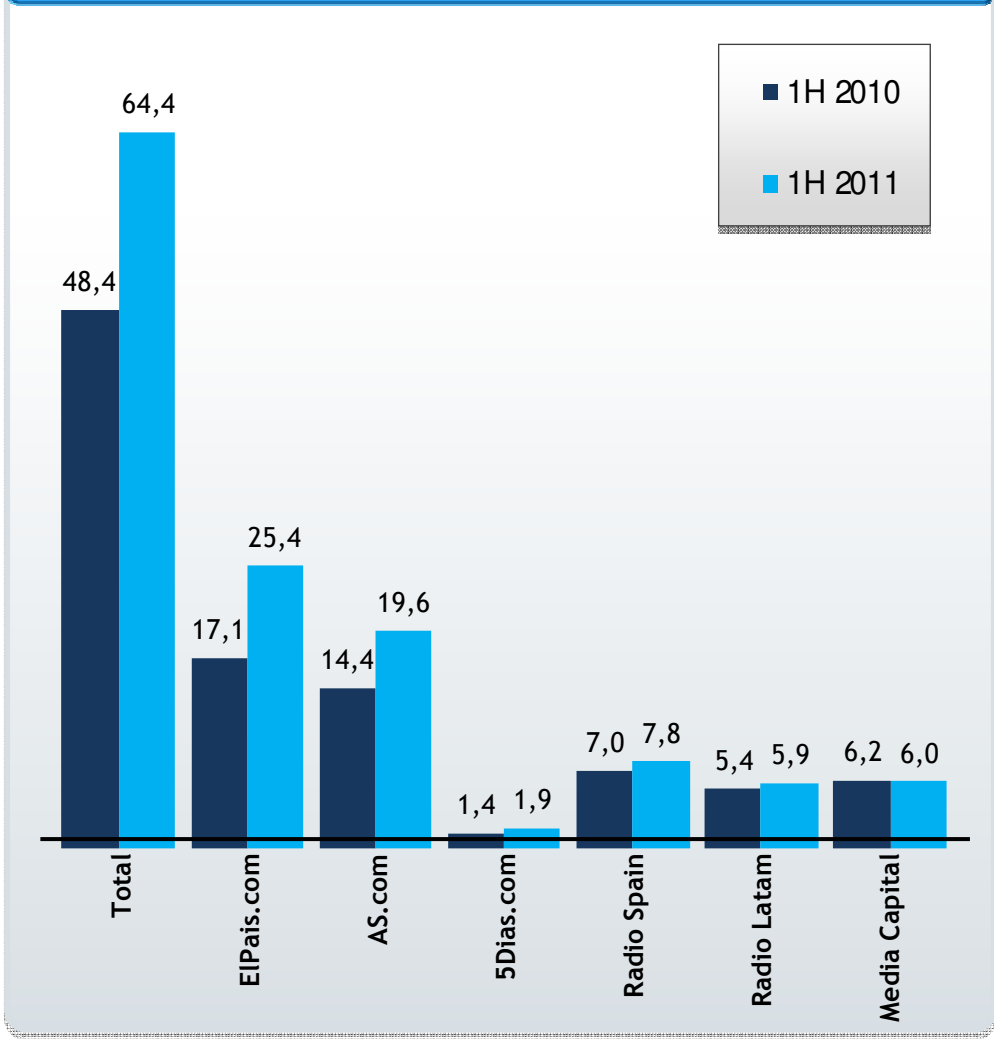


- Weak advertising market in Spain
- Circulation slipped 3.8%
 - El País maintained
 - Cinco Días up
 - AS down slightly
- EBITDA margin up 350BP to 15.4%
- El País #1 general paid newspaper in Spain

Digital: Strong Growth Continues Across Platforms



Millions of Unique Browsers



- Revenue grew over 20%
- Advertising revenue was up ~15%
- Average number of unique browsers grew 33.1%
- El País online #1 in Spanish market
- Planeo launched in May
- Digital development remains strategic priority

Source: Omniture

Cash Flow

| € Million | 06/30/2011 | 06/30/2010 PROFORMA* |
|--|-----------------|-------------------------|
| EBITDA | 220.21 | 303.67 |
| Change in working capital | (209.10) | (163.32) |
| Cash flow from operating activities | 11.10 | 140.35 |
| Capex | (114.70) | (66.57) |
| Financial investments | (16.35) | (12.18) |
| Cash flow from investing activities | (131.05) | (78.74) |
| Interests paid | (57.93) | (61.19) |
| Dividends paid | (28.11) | (1.83) |
| Dividends received | 25.25 | --- |
| Financing to associates | (22.47) | --- |
| Warrants exercise | 1.76 | --- |
| Other | (12.48) | (8.41) |
| Cash flow from financing activities | (93.98) | (71.43) |
| Taxes paid | (28.08) | (14.91) |
| Other | (20.41) | (16.91) |
| Cash flow | (262.41) | (41.64) |
| Sale of 10% Media Capital | 23.74 | --- |
| Sale of 25% Santillana | --- | 278.62 |
| Cash flow from special operations | 23.74 | 278.62 |
| Cash flow after special operations | (238.66) | 236.98 |

* Considering Cuatro as a discontinued operation

- 1H2011 **Working investment** of €209 million including
 - €62 million(€63 million in 1H2010) of normal investment in Santillana due to seasonality of campaigns
 - €149 million in Pay Tv (€ 70 million in 1H2010) which includes extra ordinaries of €50 million (Ono payment) and €82 million from delayed payments
- **Capex of €115 million** (Pay tv €63 million, Santillana €32million, Digital € 13)
- **Total net debt at the end of June of € 3,184 million**

Efficiency Plan Update



Efficiency plan accelerating

- Negotiations with unions completed successfully
- Final targets established
 - ✓ Expected plan costs of €114.7
 - ✓ Payback of 1.4
 - ✓ To be Completed by early 2012

Update on progress – 1H 2011

- € 30.2M were expended

Split of expected cost by business unit

