



2015 ANNUAL RESULTS

February 2016

PRISA RETURNS TO PROFITABILITY. 5.3 MILLION EUROS NET PROFIT

Adjusted EBITDA of 288.7 million (+10.3%)

- This operating growth is driven by:
 - The growth of the business in Spain driven by the recovery of the advertising market and a greater education campaign.
 - The favorable evolution of education campaigns in LatAm in local currencies.
 - The digital transformation growth.
 - The cost control.
 - Negative FX impact, mainly in 4Q.

These factors offset the drop in the performance of Radio LatAm (affected by evolution of currencies but remaining stable in local currency) and the fall of Media capital added value calls.

- Net bank debt has been reduced by 922 million euros in 2015 and the capital increase of 64 million euros subscribed by IMG is completed.
- In January 2016 PRISA has reached an agreement with some of its major creditors to carry out an issue of mandatorily convertible bonds into PRISA shares at 10 euros/share by swapping debt. This conversion will reduce debt and strengthen the capital for a minimum of 100 and a maximum of 150 million euros.

MAIN HIGHLIGHTS

Advertising in Spain shows recovery during 2015

- Advertising revenues of the Group in Spain increase by +6.4% in 2015 (+3.9% in 4Q)
 - Radio in Spain grows by +8.1%.
 - Press grows by +6.7%, (-4% offline; +27.1% online).
- In Portugal, Media Capital registers a minor growth in a context of a shrinking market. Advertising revenues grow by (+2.1%); (TVI +1.4% y Radio +9.1%).

LatAm activities show growth in local currency

- In Education, sales in LatAm, grow in local currency in the most important countries except in Brazil for being a low cycle year in institutional sales.
- In Radio LatAm, adjusted revenues remain flat by +0.3% in local currency, highlighting the improvement of Colombia during the last quarter (+8% in 4Q).
- FX evolution during 2015 has had a negative impact of -38.6 million euros on adjusted revenues and of -8.6 in EBITDA, mainly explained by the strong volatility of currencies in 4Q, in which FX has had a negative impact of 28 million in revenue and 9.3 in EBITDA.

The Group continues its digital transformation

- Digital transformation revenues increase by 20.7% and reach 193.5 million euros.
- Digital education systems (UNO and Compartir) continue their development in Latin America reaching 813,752 students (+28.8% YoY). Its revenues in local currency grow by +16.5%.
- Adjusted Digital advertising grows by 22% in 2015, reaching 51 million euros in the year:
 - In Press, digital advertising continues growing and already represents 36.4% of advertising revenues.
- Average unique browsers of the Group's web sites grow by 33.5% reaching more than 112 million.

Financial deleverage continues

- Canal+ sale was closed on April 30, 2015;
 - Cancels 621 million with the funds received.
 - Agreement for a resolution procedure related to 36 additional million.
 - The final acquisition price amounts to 724 million euros, subjected to resolution of differences amounting to 29 million euros.
- 201 million euros debt reduction with a c. 22% discount with funds coming from Mediaset Spain stake sale.
- Capital increase of 64 million Euros fully subscribed by International Media Group at 10 euros per share.
- Total Group net debt reduced by 922 million to 1,660 M€ as of December 31st 2015, comparing to 2,582 million as of December 2014, fulfilling in advance the debt reduction commitments (€ 1,500 million) until 2018.
- In January 2016, a mandatory convertible bond issuance is agreed at 10 euros per share by swapping debt for a minimum of 100 and a maximum of 150 million euros.
- In February 2016 debt reduction has continued by canceling 65 million euros by auction at a discount of 16.02%..

Results by business division

Education

- **In Spain, the 2015 Campaign has grown significantly** explained by the grade of the adoption of the new law and a good commercial development. Revenues grow by 20% and EBITDA by 54%.
- **In LatAm, Campaigns have had a positive evolution in the majority of countries in local currency. It is noted that:**
 - **Brazil**, whose revenues fall by -8% in local currency due to the low cycle year in institutional sales but with a good performance in the regular campaign.
 - **Argentina**, which has grown by +56.7% driven by the institutional sales.
 - **Mexico**, which grows 1.5% in local currency despite the lack of renewal of its programs
- **Digital Education Systems (UNO and COMPARTIR) continue their expansion** in Latin America, growing by +28.8% the number of students to 813,752. **UNO System** reaches **EBITDA** of 20.6 million euros in 2015.
- **In total, adjusted revenues in local currency have increased by +3%.**
- **Adjusted EBITDA grows by +10.9% in local currency (+8.6% in euros).**
- **Negative FX impact of 28.6 million euros** on Santillana revenues and 3.5 million euros on EBITDA during 2015.

Radio

- **Advertising** in Spain grows by **+8.1% (6.4% in local and 9.3% in national)**.
- Strong **operational improvement in Spain**, which increased its adjusted EBITDA by +72.4% in 2015 reaching 29 million euros.
- **Radio LatAm adjusted revenues** in local currency remain practically flat (+0.3%) in 2015 versus 2014. Colombia accounts for 54% of adjusted revenues from international radio and has had a growth of + 8% (local currency) in 4Q of the year.
- **Adjusted EBITDA** in Radio in 2015 reached 80 million euros at constant currency (+21% compared to 2014) or + 13.8% in euros
- **Negative FX impact** (-8.4 million euros on revenues and in -4.8 million on EBITDA), mainly in Colombia.

Press

- **Advertising revenues** in 2015 increase by +6.7%.
- **Digital advertising increases by +27.1%** (representing already 36% of total advertising revenues of the press) offsetting the fall in **traditional advertising** (-4%).
- **As of December 2015**, an average of 81.7 million of **unique browsers** and 20.7 million of **unique users** has been registered.
- **Cost control is maintained** (-6.5% in adjusted terms)
- **Press adjusted EBITDA** reaches 16.5 million euros in 2015 (+12.8%).

Media Capital

- **Advertising revenues increase** in 2015 by +2.1% (+5.1% in 4Q) despite a market a contraction of the market that Portugal is going through. Tv maintains a growth of +1.4% and Radio registers an improvement of +9.1%.
- **Added value calls registered a significant drop** (-38.1%) down to 2011 level.
- The distribution of TVI channels in different pay platforms have had a growth of + 33.8% as of December 2015.
- **Adjusted EBITDA** reaches 42 million euros (-3.8%)

Consolidated P&L

Eur Million	JANUARY - DECEMBER			OCTOBER - DECEMBER		
	2015	2014	% Chg.	2015	2014	% Chg.
Operating adjusted results						
Adjusted Operating Revenues	1,397.6	1,412.9	(1.1)	319.5	395.9	(19.3)
Adjusted EBITDA	288.7	261.8	10.3	54.0	69.5	(22.3)
Adjusted EBITDA Margin	20.7%	18.5%		16.9%	17.6%	
Adjusted EBIT	173.5	134.1	29.4	44.7	54.1	(17.4)
Adjusted EBIT Margin	12.4%	9.5%		14.0%	13.7%	
Adjusted Operating results at constant currency						
Operating revenues	1,436.1	1,412.9	1.6	347.3	395.9	(12.3)
EBITDA at constant currency	297.4	261.8	13.6	63.3	69.5	(8.9)
Adjusted EBITDA Margin	20.7%	18.5%		18.2%	17.6%	
EBIT at constant currency	179.7	134.1	34.1	51.5	54.1	(4.8)
Adjusted EBIT Margin	12.5%	9.5%		14.8%	13.7%	
Reported Results						
Operating Revenues	1,374.1	1,454.7	(5.5)	312.3	386.0	(19.1)
EBITDA	248.4	183.4	35.5	46.4	4.0	-
EBITDA Margin	18.1%	12.6%		14.9%	1.0%	
EBIT	120.8	28.7	-	23.9	(24.7)	196.6
EBIT Margin	8.8%	2.0%		7.6%	-6.4%	
Net financial result	(108.8)	(39.1)	(178.5)	(34.2)	(70.5)	51.5
Interest on debt	(81.9)	(114.7)	28.6	(17.5)	(29.7)	41.1
Other financial results	(26.9)	75.6	(135.6)	(16.7)	(40.9)	59.1
Result from associates	4.2	36.0	(88.5)	1.8	(1.1)	-
Profit before tax	16.2	25.7	(37.0)	(8.6)	(96.4)	91.1
Income tax expense	25.3	(132.6)	119.1	(15.6)	(31.1)	49.8
Results from discontinued activities	(2.7)	(2,203.0)	99.9	(2.6)	(86.9)	97.0
Minority interest	(33.5)	73.1	(145.9)	(11.5)	61.8	(118.6)
Net profit	5.3	(2,236.8)	n.a	(38.3)	(152.5)	74.9

During 2015, excluding extraordinary items and exchange rate impact:

- Operating revenue at constant revenues grow by 1.6%
- Adjusted EBITDA grow by 13.6%.
- Substantial improvement of margins.

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1_ Main operating indicators of the Group

a_ Adjusted operating results

Eur Million	JANUARY - DECEMBER			OCTOBER - DECEMBER		
	2015	2014	% Chg.	2015	2014	% Chg.
Adjusted operating results						
Adjusted Operating Revenues	1,397.6	1,412.9	(1.1)	319.5	395.9	(19.3)
Spain	573.9	545.8	5.2	108.8	108.1	0.7
International	823.7	867.1	(5.0)	210.7	287.8	(26.8)
Portugal	176.7	182.4	(3.1)	52.2	50.3	3.7
Latam	646.9	684.7	(5.5)	158.5	237.5	(33.3)
Adjusted EBITDA	288.7	261.8	10.3	54.0	69.5	(22.3)
Spain	64.6	30.7	110.4	(13.4)	(21.2)	36.9
International	224.1	231.1	(3.0)	67.4	90.7	(25.7)
Portugal	42.5	46.9	(9.4)	18.4	18.6	(1.3)
Latam	181.6	184.2	(1.4)	49.0	72.1	(32.0)
<i>Adjusted EBITDA Margin</i>	20.7%	18.5%		16.9%	17.6%	
Adjusted EBIT	173.5	134.1	29.4	44.7	54.1	(17.4)
Spain	24.8	(17.2)	-	(9.2)	(12.9)	28.6
International	148.7	151.3	(1.8)	53.9	67.0	(19.5)
Portugal	32.7	37.7	(13.3)	21.8	18.2	19.3
Latam	115.9	113.6	2.1	32.2	48.8	(34.1)
<i>Adjusted EBIT Margin</i>	12.4%	9.5%		14.0%	13.7%	

b_ Adjusted operating results at constant currency

Eur Million	JANUARY - DECEMBER			OCTOBER - DECEMBER		
	2015	2014	% Chg.	2015	2014	% Chg.
Adjusted Operating results at constant currency						
Operating Revenues	1,436.1	1,412.9	1.6	347.3	395.9	(12.3)
Spain	573.9	545.8	5.2	108.8	108.1	0.7
International	862.2	867.1	(0.6)	238.4	287.8	(17.2)
Portugal	176.7	182.4	(3.1)	52.2	50.3	3.7
Latam	685.5	684.7	0.1	186.3	237.5	(21.6)
EBITDA	297.4	261.8	13.6	63.3	69.5	(8.9)
Spain	64.6	30.7	110.4	(13.4)	(21.2)	36.9
International	232.8	231.1	0.7	76.7	90.7	(15.5)
Portugal	42.5	46.9	(9.4)	18.4	18.6	(1.3)
Latam	190.3	184.2	3.3	58.3	72.1	(19.1)
<i>Adjusted EBITDA Margin</i>	20.7%	18.5%		18.2%	17.6%	
EBIT	179.7	134.1	34.1	51.5	54.1	(4.8)
Spain	24.8	(17.2)	-	(9.2)	(12.9)	28.6
International	154.9	151.3	2.4	60.7	67.0	(9.3)
Portugal	32.7	37.7	(13.3)	21.8	18.2	19.3
Latam	122.2	113.6	7.6	39.0	48.8	(20.1)
<i>Adjusted EBIT Margin</i>	12.5%	9.5%		14.8%	13.7%	

c_ Reported results of the Group

Group Operating Results	JANUARY - DECEMBER			OCTOBER - DECEMBER		
	2015	2014	% Chg.	2015	2014	% Chg.
Eur Million						
Operating Revenues	1,374.1	1,454.7	(5.5)	312.3	386.0	(19.1)
Spain	573.9	580.0	(1.0)	108.8	104.2	4.5
Portugal	176.7	183.0	(3.4)	52.2	50.9	2.5
Latam	623.4	691.7	(9.9)	151.3	230.9	(34.5)
Operating expenses	1,125.6	1,271.3	(11.5)	265.9	382.0	(30.4)
Spain	533.1	614.9	(13.3)	124.8	180.9	(31.0)
Portugal	134.8	137.8	(2.1)	33.8	32.7	3.5
Latam	457.7	518.6	(11.7)	107.3	168.4	(36.3)
EBITDA	248.4	183.4	35.5	46.4	4.0	-
<i>EBITDA Margin</i>	18.1%	12.6%	-	14.9%	1.0%	-
Spain	40.8	(34.9)	-	(16.0)	(76.7)	79.2
Portugal	41.9	45.2	(7.4)	18.4	18.3	0.6
Latam	165.7	173.1	(4.3)	44.0	62.5	(29.6)
EBIT	120.8	28.7	-	23.9	-24.7	196.6
<i>EBIT Margin</i>	8.8%	2.0%		7.6%	-6.4%	
Spain	(12.4)	(106.9)	88.4	(25.1)	(77.8)	67.7
Portugal	32.1	36.1	(11.0)	21.7	17.9	21.7
Latam	101.1	99.5	1.6	27.3	35.3	(22.6)

d_ Extraordinary impact and changes in consolidation perimeter

We show below the main extraordinary impacts:

Extraordinary Items	JANUARY - DECEMBER		OCTOBER - DECEMBER	
	2015	2014	2015	2014
Eur Million				
One-offs in operating revenues	23.5	(41.9)	7.2	9.9
Advertising sponsorship adjustment	0.0	(5.2)	0.0	(1.8)
Consolidation perimeter adjustment - Mx & CR	23.5	25.1	7.2	10.1
Digital R&D deductions	0.0	3.3	0.0	3.3
Trade Publishing	0.0	(65.0)	0.0	(1.6)
One-offs in operating expenses	(16.8)	(120.2)	(0.4)	(55.6)
Redundancies and other non-recurrent	(30.9)	(45.9)	(4.5)	(7.1)
Advertising sponsorship adjustment	0.0	(5.2)	0.0	(1.8)
Consolidation perimeter adjustment - Mx & CR	14.2	13.2	4.1	3.8
MediaPro Ruling	0.0	(45.0)	0.0	(45.0)
Trade Publishing	0.0	(37.3)	0.0	(5.5)
One-offs in amortization & provisions	(12.4)	(27.0)	(13.3)	(13.3)
Goodwill	(0.4)	(7.0)	(0.4)	(0.3)
Trade Publishing	0.0	(7.7)	0.0	0.0
Consolidation perimeter adjustment - Mx & CR	1.0	1.1	0.1	0.2
Other Impairments	(13.0)	(13.3)	(13.0)	(13.3)

- a) **Advertising sponsorships:** Revenues and expenses from the sponsorship of certain events which were considered extraordinary in 2014, though they had no impact at EBITDA level.
- b) **Change in the consolidation perimeter:** Since 2013, the Group accounts the results of Prisa Radio holdings Mexico and Costa Rica using the equity method. Adjusted data includes the impact of these results.

- c) In June 2014, the **Trade Publishing business was sold**, and no longer consolidates within Grupo PRISA (previously was part of Santillana).

- d) **Redundancies and other non-recurrent:** The extraordinary expenses from redundancies **falls compared to** 2014. In 2015 redundancies have reached 31 million euros compared to the 46 million euros during the same period in 2014.

- e) **Other fiscal impairments:** this amount corresponds to an expense of 13.0 million euros due to the write down of fiscal deductions as a result of the actualization of the fiscal plan of the Group

2_ Education business

EDUCATION Eur Million	JANUARY - DECEMBER			OCTOBER - DECEMBER		
	2015	2014	% Chg.	2015	2014	% Chg.
Adjusted operating results						
Adjusted Revenue	642.8	651.6	(1.4%)	97.7	173.1	(43.5%)
Spain	139.6	116.4	19.9%	(20)	(18)	(11.9%)
International	503.2	535.2	(6.0%)	117.5	190.7	(38.4%)
Portugal	5.8	7.2	(18.7%)	0.3	0.8	(65.1%)
Latam	497.3	528.0	(5.8%)	117.3	190.0	(38.3%)
Adjusted EBITDA	171.7	158.0	8.6%	(4.2)	21.6	(119.5%)
Spain	31.4	20.4	53.9%	(38)	(33)	(17.3%)
International	140.3	137.6	1.9%	34.1	54.3	(37.1%)
Portugal	1.0	1.1	(8.8%)	(0.7)	(0.6)	(16.3%)
Latam	139.3	136.6	2.0%	34.8	54.9	(36.6%)
<i>% adjusted margin</i>	26.7%	24.3%		-4.3%	12.5%	
Adjusted EBIT	95.2	87.0	9.4%	(3.7)	16.8	(122.3%)
<i>% adjusted margin</i>	14.8%	13.4%		(3.8%)	9.7%	
Adjusted Operating results at constant currency						
	2015	2014	% Chg.	2015	2014	% Chg.
Adjusted Revenue at constant fx rate	671.4	651.6	3.0%	119.7	173.1	(30.8%)
Spain	139.6	116.4	19.9%	(20)	(17.7)	(11.9%)
International	531.8	535.2	(0.6%)	139.5	190.7	(26.9%)
Portugal	5.8	7.2	(18.7%)	0.3	0.8	(65.1%)
Latam	525.9	528.0	(0.4%)	139.2	190.0	(26.7%)
Adjusted EBITDA	175.2	158.0	10.9%	2.4	21.6	(88.7%)
Spain	31.4	20.4	53.9%	(38)	(33)	(17.3%)
International	143.8	137.6	4.5%	40.8	54.3	(24.9%)
Portugal	1.0	1.1	(8.8%)	(0.7)	(0.6)	(16.3%)
Latam	142.8	136.6	4.6%	41.4	54.9	(24.5%)
<i>% adjusted margin</i>	26.1%	24.3%		2.0%	12.5%	
Adjusted EBIT	96.0	87.0	10.3%	0.11	16.8	(99.3%)
<i>% adjusted margin</i>	14.3%	13.4%		0.1%	9.7%	
Reported Results						
	2015	2014	% Chg.	2015	2014	% Chg.
Revenues	642.8	716.6	(10.3%)	97.7	174.6	(44.0%)
Spain	139.6	148.7	(6.1%)	(19.8)	(20.2)	1.9%
International	503.2	567.9	(11.4%)	117.5	194.8	(39.7%)
Operating expenses	475.7	545.9	(12.9%)	103.8	159.6	(35.0%)
EBITDA	167.2	170.7	(2.1%)	(6.0)	15.0	(140.3%)
<i>% margin</i>	26.0%	23.8%		(6.2%)	8.6%	
EBIT	88.7	85.1	4.2%	(7.5)	10.1	(174.5%)
<i>% margin</i>	13.8%	11.9%		(7.7%)	5.8%	
	2015	2014	% Chg.	2015	2014	% Chg.
One-offs in operating revenues	0.0	65.0		0.0	1.6	
Trade Publishing	0.0	43.4		0.0	4.0	
Trade Publishing gain on disposal	0.0	21.6		0.0	(2.5)	
One-offs in operating expenses	4.5	52.4		1.8	8.2	
Redundancies	4.5	14.7		1.8	2.3	
Trade Publishing	0.0	36.9		0.0	5.7	
Trade Publishing	0.0	0.8		0.0	0.2	
One-offs in Amort. & Provisions	2.0	14.5		2.0	0.0	
* Other impairments	2.0	6.8		2.0	0.0	
Trade Publishing	0.0	7.7		0.0	0.0	

* In 2014 "Other impairments" corresponds to the goodwill.

In 4Q 2015, the growth in revenues has been affected by the advancement of the institutional sales in Brazil which took place in the third quarter in 2015 and which in 2014 and previous years occurred in Q4 and by the strong FX volatility in 4Q versus full year, and by higher returns in Spain due to a greater campaign.

In 2014, PRISA **sold the Trade Publishing division** and therefore it has left its consolidation perimeter. From July 2014 onwards, this activity is **not part of the results** of the Education business of Prisa.

The impact of this transaction is included in the extraordinary items table above as Trade Publishing which belonged to Education business. This implies adjusted figures for the year 2014, eliminating such activity of education accounts. These items affect revenues and expenses and include the gain on sale and the goodwill impairment of the Trade Publishing activity in Brazil.

a_ Market position

Santillana, PRISA's education business, maintains a leading position in practically all countries where it operates. In Spain, Santillana has a market share of 19% (datos a fin de la anterior Campaña).

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 PRISA's education business

Country	Market Share	Market Position
Spain	19%	1
Brazil	22,2%	1
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, except for Mexico and Spain

b_ Operating revenues

Operating Revenues in 2015 have been impacted by the following elements:

- The **low cycle year** in institutional sales in **Brazil**.
- **High grade of adoption** of the educational reform in Spain.
- **The FX evolution**, which has impacted negatively in revenues in 28.6 million euros and in 3,5 million in EBITDA.
- The **sale of Trade Publishing Division** in June 2014 impacts cumulative results of 2014 and are included in adjoining tables and as adjustments to that period.

In the revenues evolution of 2015 there is to highlight:

- a) **The Campaign in Spain** which has completed the adoption of the new law on primary and secondary with a high adoption rate. All this coupled with a good commercial performance has led to a growth of +20% in revenues and +54% in EBITDA.
- b) **The operational result in LatAm**, which campaigns have had a positive evolution in the majority of countries in local currency. It is noted that:
 - **Brazil**, whose revenues fall by -8% in local currency due to the low cycle year in institutional sales but with a good performance in the regular campaign.
 - **Argentina**, which has grown by +56.7% with a good performance in the institutional sales.
 - **Mexico**, which grows 1.5% in local currency despite the lack of renewals of its programs.

Digital Education Systems (UNO and COMPARTIR) continue their expansion in Latin America, growing by +28.8% the number of students to 813,752. Total revenues of Uno and Compartir have reached 120 million euros growing by 10%; +16.5% at constant currency.

Negative FX impact of 28.6 million euros on Santillana revenues and 3.5 million euros on EBITDA during 2015.

Excluding this effect and adjusted for extraordinary items, adjusted earnings increased by 3%.

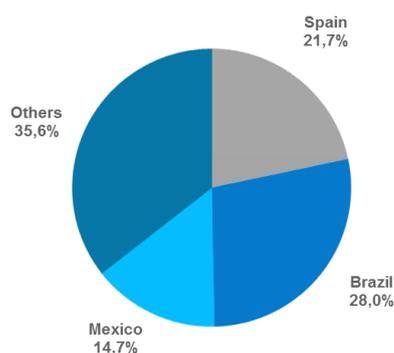
The contribution to the division's Revenues of the different countries where Santillana is present, separating the contribution of traditional Education (including education system Compartir) and education Sistema UNO is as follows:

	JANUARY - DECEMBER			OCTOBER - DECEMBER		
	2015	2014	% Chg.	2015	2014	% Chg.
Total Santillana	642.8	651.6	-1.4%	97.7	173.1	-43.5%
Traditional Education and Compartir	570.7	577.8	-1.2%	77.5	150.4	-48.5%
Spain	139.6	116.4	19.9%	-19.8	-17.7	-11.9%
Brazil	148.0	191.6	-22.8%	51.7	119.6	-56.8%
Mexico	64.6	62.6	3.2%	0.6	-1.0	153.9%
Other Countries	218.5	207.2	5.5%	44.9	49.4	-9.2%
System UNO	72.1	73.8	-2.4%	20.3	22.6	-10.4%

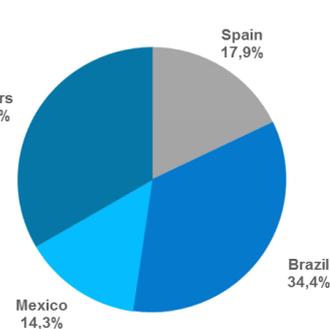
	JANUARY - DECEMBER			OCTOBER - DECEMBER		
	2015	2014	% Chg.	2015	2014	% Chg.
Adjusted Revenue at constant fx rate						
Total Santillana	671.4	651.6	3.0%	119.7	173.1	-30.8%
Traditional Education and Compartir	592.4	577.8	2.5%	95.8	150.4	-36.3%
Spain	139.6	116.4	19.9%	-19.8	-17.7	-11.9%
Brazil	169.2	191.6	-11.7%	67.2	119.6	-43.9%
Mexico	64.2	62.6	2.6%	0.6	-1.0	154.1%
Other Countries	219.4	207.2	5.9%	47.8	49.4	-3.3%
System UNO	79.0	73.8	7.0%	23.9	22.6	5.5%

Geographical split of education revenues (%)

January – December 2015



January –December 2014



c_ Operating expenses and capex

Adjusted **operating expenses decrease in 2015 by -4.6% reaching 471 million euros. (+0.5% at constant currency)**

Capex in Santillana amounted to 59.2 million euros in 2015 versus 55.7 million euros in 2014 (+6.2% in euros or + 11.7% at constant currency).

d_ EBITDA

Adjusted Education EBITDA reached 171.7 million euros in 2015 (+8.6%). The Fx has impacted negatively in - 3.5 million euros.

At constant FX rates, education business would have reached 175.2 million euros, a growth in its adjusted EBITDA by +10.9%.

The **adjusted EBITDA contribution of the different countries** where Santillana is present, separating the contribution of the different business lines (traditional education and Compartir, UNO system and other) is as follows:

	JANUARY - DECEMBER			OCTOBER - DECEMBER		
	2015	2014	% Chg.	2015	2014	% Chg.
Total Santillana	171.7	158.0	8.6%	-4.2	21.5	-119.5%
Traditional Education and Compartir	151.1	136.8	10.5%	-12.7	14.1	-190.2%
* Spain	31.4	20.4	53.9%	-38.3	-32.7	-17.3%
Brazil	45.9	53.0	-13.4%	26.2	49.6	-47.1%
Mexico	14.5	15.0	-3.8%	-5.3	-7.7	32.0%
Other Countries	59.3	48.3	22.8%	5.3	5.9	-9.8%
System UNO	20.6	21.3	-3.0%	8.5	7.5	13.8%
Adjusted EBITDA at constant fx rate	2015	2014	% Chg.	2015	2014	% Chg.
Total Santillana	175.2	158.0	10.9%	2.4	21.5	-88.7%
Traditional Education and Compartir	151.8	136.8	11.0%	-7.5	14.1	-153.0%
* Spain	31.4	20.4	53.9%	-38.3	-32.7	-17.3%
Brazil	49.6	53.0	-6.4%	34.1	49.6	-31.2%
Mexico	14.4	15.0	-3.9%	-5.6	-7.7	27.4%
Other Countries	56.4	48.3	16.6%	3.0	5.9	-48.7%
System UNO	23.4	21.3	10.0%	9.9	7.5	32.6%

*Spain includes the expenses of the Corporate Center.

3_ Radio business

RADIO Eur Million	JANUARY - DECEMBER			OCTOBER - DECEMBER		
	2015	2014	% Chg.	2015	2014	% Chg.
Adjusted operating results						
Adjusted Revenues	338.3	330.2	2.4%	98.4	102.2	(3.7%)
Spain	189.8	175.5	8.2%	56.0	53.5	4.7%
Latam	138.0	145.9	(5.4%)	37.8	44.6	(15.2%)
Adjustments & others	10.5	8.8		4.5	4.0	
Adjusted EBITDA	74.8	65.8	13.8%	31.5	28.8	9.5%
Spain	29.1	16.9	72.4%	14.6	10.8	35.2%
Latam	44.2	47.5	(7.0%)	14.9	16.9	(11.9%)
Adjustments & others	1.5	1.4		2.0	1.1	
<i>% adjusted margin</i>	22.1%	19.9%		32.0%	28.1%	
Adjusted EBIT	62.6	52.8	18.7%	30.0	27.6	8.9%
<i>% adjusted margin</i>	18.5%	16.0%		30.5%	27.0%	
Adjusted Operating results at constant currency						
Adjusted Revenues at constant fx rate	346.7	330.2	5.0%	103.5	102.2	1.3%
Spain	189.8	175.5	8.2%	56.0	53.5	4.7%
Latam	146.4	145.9	0.3%	42.9	44.6	(3.7%)
Adjustments & others	10.5	8.8		4.5	4.0	
Adjusted EBITDA at constant fx rate	79.6	65.8	21.0%	33.9	28.8	17.9%
Spain	29.1	16.9	72.4%	14.6	10.8	35.2%
Latam	49.0	47.5	3.0%	17.3	16.9	2.3%
Adjustments & others	1.5	1.4		2.0	1.1	
<i>% adjusted margin</i>	23.0%	19.9%		32.8%	28.1%	
Adjusted EBIT	67.7	52.8	28.4%	32.7	27.6	18.6%
<i>% adjusted margin</i>	19.5%	16.0%		31.6%	27.0%	
Reported Results						
Revenues	314.8	305.1	3.2%	91.1	91.8	(0.7%)
Advertising	278.5	272.9	2.1%	79.0	80.2	(1.4%)
<i>Spain</i>	170.0	157.3	8.1%	50.0	47.8	4.6%
<i>International</i>	108.5	115.3	(5.9%)	29.0	32.3	(10.0%)
<i>Other*</i>	0.0	0.3	(93.6%)	0.0	0.1	(92.3%)
Others	36.2	32.2	12.5%	12.1	11.6	4.2%
Operating expenses	260.1	259.4	0.3%	64.2	72.1	(11.0%)
EBITDA	54.7	45.7	19.6%	26.9	19.7	37.0%
<i>% margin</i>	17.4%	15.0%		29.6%	21.4%	
EBIT	42.3	24.8	0.7	24.4	9.7	1.5
<i>% margin</i>	13.4%	8.1%		26.7%	10.6%	
<i>* Includes Music & Consolidation adjustments</i>						
One-offs in operating revenues	(23.5)	(25.1)		(7.2)	(10.4)	
Consolidation Perimeter Adjustment - Mx & CR	(23.5)	(25.1)		(7.2)	(10.4)	
One-offs in operating expenses	(3.4)	(5.1)		(2.7)	(1.3)	
Redundancies	9.6	6.5		1.1	2.4	
Contractors Redundancies	1.2	1.6		0.4	0.3	
Consolidation Perimeter Adjustment - Mx & CR	(14.2)	(13.2)		(4.1)	(4.0)	
One-offs in Amort. & Provisions	0.2	7.9		1.1	8.8	
Consolidation Perimeter Adjustment - Mx & CR	(1.0)	(1.1)		(0.1)	(0.2)	
Impairment & Losses on Assets	1.2	9.0		1.2	9.0	

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

a_ Market position

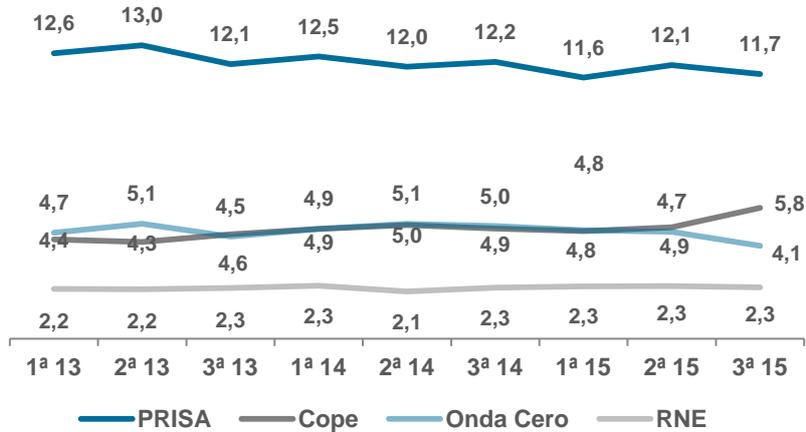
In Spain, we highlight the competitive strength of PRISA’s radio business through its stations (Cadena Ser, 40 Principales, Cadena Dial, M-80, Radiolé and Máxima FM). According to the latest EGM survey, **Cadena Ser maintains absolute leadership in the market with 4.512 thousand listeners** (market share of 38% 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 17% respectively.** We detail below the number of listeners of PRISA in Spain:

Thsd. Listeners	Listeners		
	3rd report 2015	Rank	Share
Talk Radio	4,512	1	38%
Cadena SER	4,512		38%
Music Radio	7,198	1	50%
40 Principales	3,079		21%
Dial	2,421		17%
Máxima FM	623		4%
M80	560		4%
Radiolé	515		4%
Total	11,710		

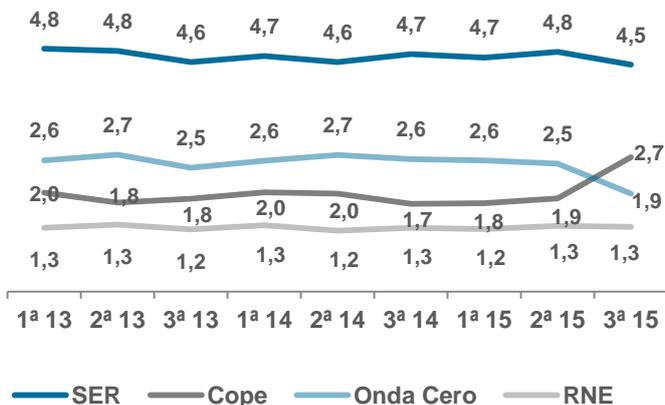
Source: EGM third report 2015

The leading position held by PRISA radio in Spain has been recurrent over time. We show below the evolution of the audience share of radio stations in Spain according to EGM.

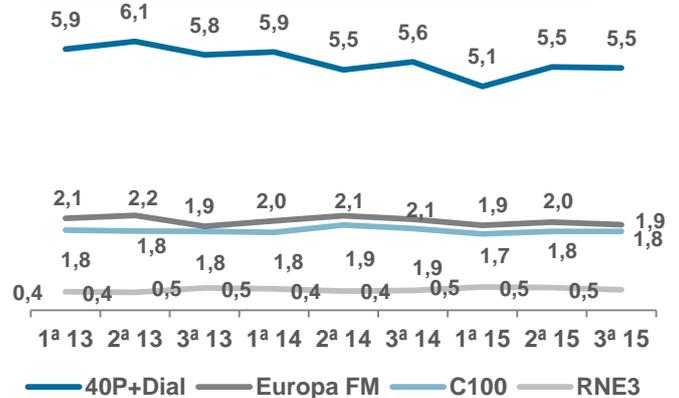
Audience share evolution in Spain (thousand listeners)



Cadena Ser



40 principales + Dial

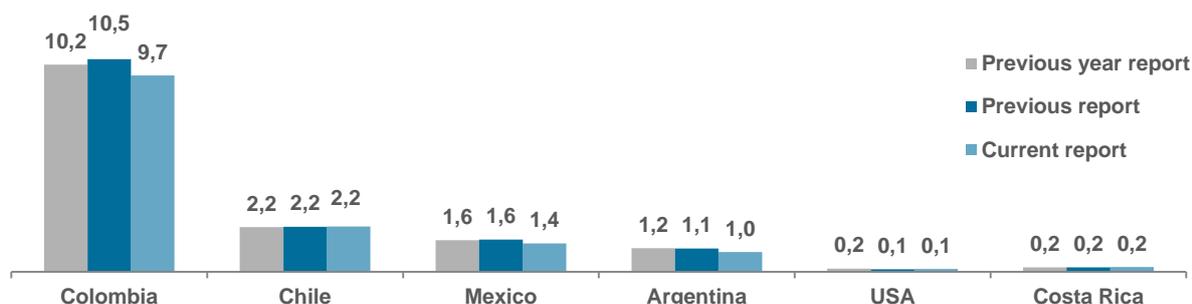


As for international radio, Prisa Radio maintains a leading position in Chile and Colombia (with respective

market share of 48% and 35%) and second position in Mexico (15%). We detail below the market position of PRISA's international radio stations as of the latest information available (January-December 2015):

Thsd. Listeners	Listeners		
	3rd report 2015	Rank	Share
Colombia	9,684	1	35%
Chile	2,231	1	48%
Mexico	1,385	2	15%

International radio audience (thousand listeners)



Source: ECAR (Colombia), IPSOS (Chile), INRA (Mexico), IBOPE (Argentina), latest available information as of January-December 2015

b_ Operating revenues

In 2015, **Radio Revenues** reached **338 million euros**, which means an increase of +2.4% compared with 2014. This increase is due to the **increase in advertising revenues in Spain (+8.1%) and the decline in Latam revenues (-5.4%)**

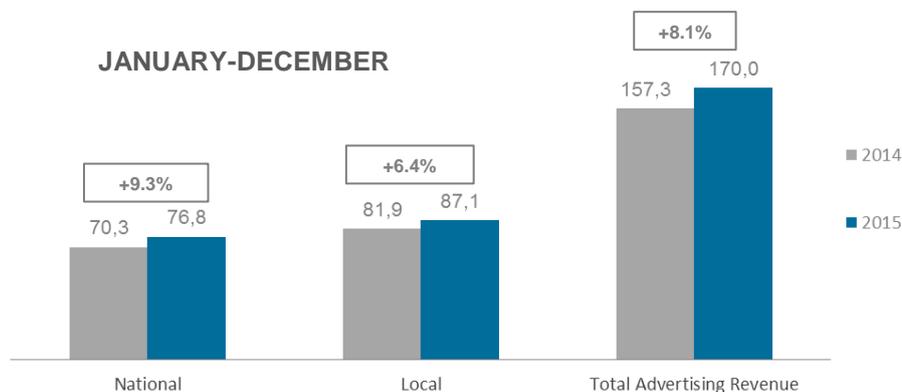
Nevertheless LatAm revenues remain practically flat (+0.3%) in the period. Colombia represents 54% of total Latam revenues and has grown by 8% in local currency in the 4Q.

This FX impact has been negative by -8.4 million euros in revenues and -4.8 million euros in EBITDA.

Radio Revenues by geographical origin:

a) **Spain:** Radio Spain adjusted revenues (without Music) reach 190 million euros in 2015 (+8.2% versus 2014).

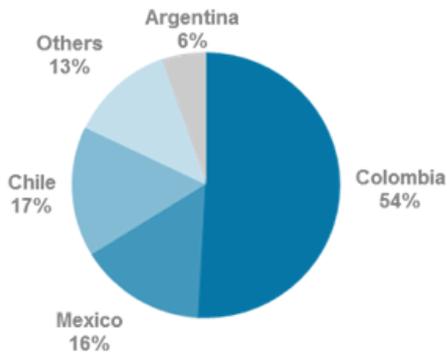
- **Spanish total advertising revenues** reach 170 million euros, increasing by +8.1. Local advertising revenue consolidates its growth trend in 2015 (+6.4%, with 18 consecutive months growing). National advertising revenue shows clear improvement (+9.3%) versus 2014.



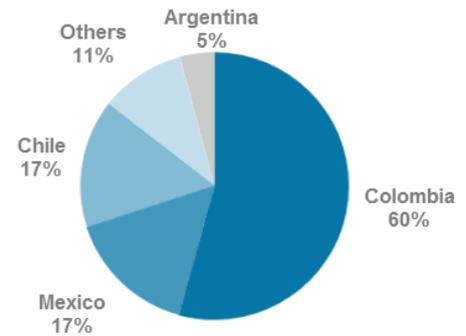
b) **International:** International radio adjusted Revenues, including Mexico and Costa Rica, reach **138 million euros** in 2015 (-5.4% versus 2014), affected by FX volatility and remaining flat (+0,3%) in local currency

International contribution of the different countries (%)

January – December 2015



January – December 2014



c_ Operating expenses and Capex

Total adjusted operating expenses in 2015 have remained practically flat compared to 2014 (-0.4%); +1% at constant currency

Capex has reached 13.04 million compared to 7.47 million in 2014.

d_ EBITDA

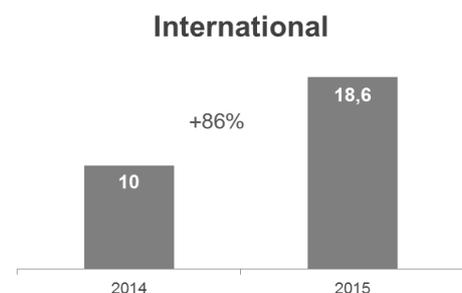
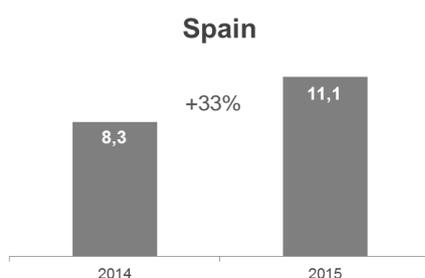
Adjusted EBITDA was positive in **74.8 million euros** in 2015, which compares with 65.75 million in 2014 (+ 13.8% growth in euros or +21% in local currency)

We highlight the ebitda **improvement in Spain** that grows by **72.4%** in 2015 reaching 29 million euros compared to 16.9 million euros in same period 2014.

e_ Digital development

In 2015 it has continued the strong growth of unique browsers to the radio web sites (as of December 2015, latest data available): unique browsers to Radio Spain web sites grew by +33% and reach 11.1 million on average. As for international radio, unique browsers according to Omniture grow by +86% and reach 18.6 million on average. Overall Prisa radio browsers reach 29.7 million users, growing by 61.6%.

Unique Browsers (million)



4_ Press business

Eur Million

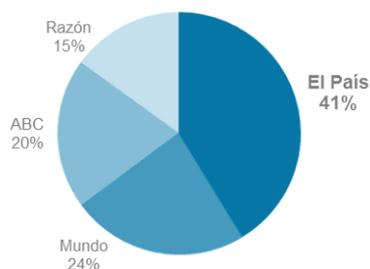
	2015	2014	% Chg.	2015	2014	% Chg.
Adjusted operating results						
Adjusted Revenues	241.3	255.0	(5.4%)	70.7	70.5	0.3%
<i>Advertising</i>	111.1	104.2	6.7%	37.0	34.7	6.9%
<i>Circulation</i>	96.1	109.0	(11.8%)	23.8	26.3	(9.3%)
<i>Add-ons and others</i>	34.0	41.9	(18.8%)	9.9	9.6	3.1%
Adjusted EBITDA	16.5	14.6	12.8%	10.1	9.4	7.6%
<i>% adjusted margin</i>	6.8%	5.7%		14.2%	13.3%	
Adjusted EBIT	8.3	(3.9)	---	7.7	5.3	44.2%
<i>% adjusted margin</i>	3.4%	-1.5%		10.8%	7.5%	
Adjusted Operating results at constant currency						
Adjusted Revenues at constant currency	241.3	255.0	(5.4%)	70.7	70.5	0.3%
Adjusted EBITDA	16.5	14.6	12.8%	10.1	9.4	7.6%
<i>% adjusted margin</i>	6.8%	5.7%		14.2%	13.3%	
Adjusted EBIT	8.3	(3.9)	---	7.7	5.3	44.2%
<i>% adjusted margin</i>	3.4%	-1.5%		10.8%	7.5%	
Reported Results						
Revenues	241.3	260.2	(7.3%)	70.7	72.3	(2.2%)
<i>Advertising</i>	111.1	109.4	1.6%	37.0	36.5	1.5%
<i>Circulation</i>	96.1	109.0	(11.8%)	23.8	26.3	(9.3%)
<i>Add-ons and others</i>	34.0	41.9	(18.8%)	9.9	9.6	3.1%
Operating expenses	234.9	258.8	(9.2%)	61.0	63.9	(4.4%)
EBITDA	6.4	1.5	---	9.7	8.5	14.9%
<i>% margin</i>	2.7%	0.6%		13.7%	11.7%	
EBIT	(6.5)	(21.6)	70.1%	2.6	(0.1)	---
<i>% margin</i>	-2.7%	-8.3%		3.7%	-0.2%	
One-offs in operating revenues						
Advertising sponsorship adjustment	0.0	5.2		0.0	1.8	
One-offs in operating expenses						
Redundancies	10.1	18.4		0.4	2.7	
Advertising sponsorship adjustment	0.0	5.2		0.0	1.8	
One-offs in Amort. & Provisions						
Other Impairments	4.7	4.6		4.7	4.6	

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 (December 2015).

Market position of Press business in Spain

January – December 2015



January – December 2014



Source: OJD December 2015, last data available

b_ Operating revenues

Revenues in Press business fall by -7.3% in 2015, reaching 241.3 million euros. Even so, it's worth to highlight the improvement in 4Q include the improvement in Q4 where advertising continues to show recovery, decrease in circulation moderates and events show a better performance.

Advertising Revenues reach 111 million euros, growing by +6.7% (El País, +11.9%; AS, 6.7%; Cinco Días +7.6%). The growth of digital advertising and the growth of events more than offset the decline in traditional advertising. Here the breakdown:

- On-line advertising revenue, grow by +27.1 % in the period and already represent 36% of total adjusted advertising revenues.
- Events during the year increase by +21.3%.
- Off-line advertising Revenues fall by -4%.

Eur million	JANUARY - DECEMBER			OCTOBER-DECEMBER		
	2015	2014	% Chg.	2015	2014	% Chg.
Advertising	111.1	104.2	6.7%	37.0	34.7	6.9%
Off-line	64.9	67.6	(4.0%)	20.6	23.0	(10.7%)
On-line	40.5	31.8	27.1%	13.7	10.0	37.4%
Event management	5.8	4.7	21.3%	2.7	1.6	66.7%
<i>Sponsorship adjusted</i>						

Circulation revenues reach 96 million, falling by -11.8%. Fall in circulation moderates in 4Q compared to the months of the year.

Regarding the circulation of printed copies, evolution by newspaper according to the latest available data (OJD December 2015) it is as follows:

	2015	2014	% Chg.
El País	221,389	259,775	-15%
As	133,503	149,004	-10%
Cinco Días	23,207	26,655	-13%

c_ Operating expenses and Capex

OPEX decreases during 2015 by -9.2%. Cost restructuring continues where severance payments reach 10 million euros compared to 13.2 million euros of 2014. **Excluding non-recurrent impacts, OPEX would have fallen by 15.6 million (-6.5%).**

Capex amounted to 3.4 million in 2015 compared to 3 million in 2014.

d_ EBITDA

As a result of the lower redundancies registered in the period, the reported **EBITDA** in 2015 tripled 2014 number, reaching 6.4 million euros versus 1.45 million in 2014. It is the first ebitda growth in Prisa Noticias since 2010

The adjusted EBITDA for 2015 shows an improvement of 12.8% to 16.5 million euros in 2015.

e_ Digital development

- **Digital advertising Revenues grow by +27.1%** and represent 36.4% of the division's ad Revenues
- **Unique browsers to El País.com** in 2015 (as of December 2015 latest data available) grow by +43.6 reaching 51 million on average.

- In terms of unique users, according to comScore in generalist press in 2015 grow +15.3% as of December 2015 (latest data available), El País maintains a leading position reaching 13.5 million monthly average users. In addition, in sport press, AS holds second position to Marca reaching 6.3 million monthly average users.

Regarding Comscore El País maintains a unique position ranking number 3 in Spain in terms of unique users (after Google and Youtube and before Facebook).

Regarding worldwide ranking it is in number 17 being the first positions occupied by Chinese and British newspapers.

Spain PC+ Mobile Nov		Unique Users	YoY	%PC	Mobile	Mobile Only	Reach %	YoY p.p.
Ranking	Total Internet- PC+Mobile	29,930	0%	N/A	N/A	N/A	100%	
1	Google.es	21,170	-14%	N/A	N/A	N/A	71%	11.8
2	Youtube.com	21,007	-3%	N/A	N/A	N/A	70%	2.6
● 3	EPAÍS.com →	16,189	35%	44%	75%	56%	54%	14
4	Facebook.com	15,984	-14%	N/A	N/A	N/A	53%	8.5
5	ELMUNDO.es	14,009	22%	50%	73%	49%	47%	8.4
6	Live.com	11,874	-13%	N/A	N/A	N/A	40%	5.9
7	MARCA.com	11,069	15%	45%	74%	55%	37%	4.7
8	Yahoo.es	10,814	-17%	73%	55%	27%	36%	7.2
9	Blogspot.com.es	10,757	-15%	N/A	N/A	N/A	36%	6.6
10	ABC.es	10,724	8%	41%	74%	59%	36%	2.6

WW PC December-15		Unique Users	YoY	Reach %	YoY p.p.
Ranking	Total Internet- PC	1,868,557	1%		
	Total Periódicos	711,286	-3%	38%	-3
1	XINHUANET.COM	74,176	-17%	4%	-1
2	PEOPLE.COM.CN	58,888	-33%	3%	-2
● 3	DAILYMAIL.COM.UK	44,678	-18%	2%	-1
● 4	CANKAOXIAOXI.COM	44,639	207%	2%	2
● 5	NYTIMES.COM	39,355	-7%	2%	0
6	THEGUARDIAN.COM	36,634	-4%	2%	0
7	CHINADAILY.COM.CON	36,454	-33%	2%	-1
8	WASHINGTONPOST.COM	24,976	6%	1%	0
9	TELEGRAPH.CO.UK	24,618	-4%	1%	0
10	CRI.CN	18,068	-15%	1%	0
● 17	ELPAIS.COM →	12,958	16%	1%	0
>25	ELMUNDO.ES	9,897	1%	1%	0
>25	ABC.ES	7,429	-15%	0%	0

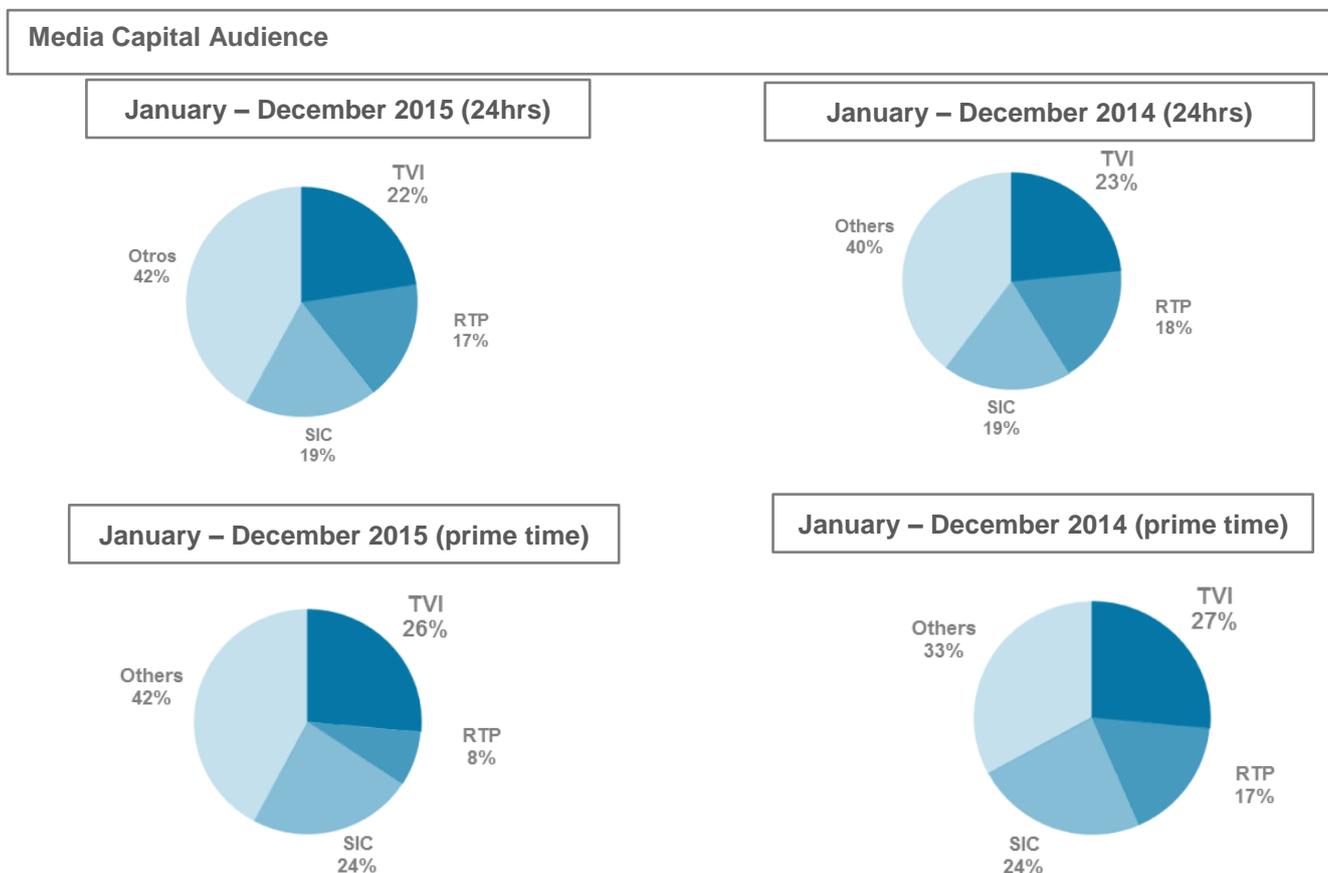
- In 2015 the Company has launched the online edition of As in Mexico.

5_ Media Capital

MEDIA CAPITAL Eur Million	JANUARY - DECEMBER			OCTOBER - DECEMBER		
	2015	2014	% Chg.	2015	2014	% Chg.
Adjusted operating results						
Adjusted EBITDA	42.2	43.8	(3.8%)	19.2	18.4	4.3%
<i>% adjusted margin</i>	24.2%	24.4%		36.1%	35.8%	
Adjusted EBIT	32.1	34.1	(5.9%)	15.3	15.4	(0.8%)
<i>% adjusted margin</i>	18.4%	19.0%		28.7%	29.9%	
Reported Results						
Revenues	174.4	179.8	(3.0%)	53.2	51.4	3.5%
Advertising	116.6	114.1	2.1%	34.4	32.7	5.1%
Other	57.8	65.6	(11.9%)	18.8	18.7	0.7%
Operating expenses	133.0	137.7	(3.4%)	34.0	33.3	2.1%
EBITDA	41.4	42.1	(1.7%)	19.2	18.1	6.0%
<i>% margin</i>	23.7%	23.4%		36.0%	35.2%	
EBIT	31.0	32.4	(4.6%)	14.9	15.1	(1.5%)
<i>% margin</i>	17.8%	18.0%		27.9%	29.3%	
One- offs in operating expenses	0.8	1.7		0.0	0.3	
Redundancies	0.8	1.7		0.0	0.3	

a_ Market position

TVI maintains market leadership in 24 hours and prime time, reaching a daily audience share of 22.5% and 26.5% respectively.



Source: Gfk December 2015

Note: *RTP includes RTP1 and RTP2

*Others includes Pay TV

Media Capital's consolidated radio audience share reaches 34.7% considering the average in 2015 of the audience measurement. This average measurement per station:

- **Radio Comercial** maintains its market leadership with an audience share of 24.4%.
- **M80**, music radio, improves its audience share to 5.9%.
- **Cidade FM** maintains its leadership amongst radio stations for youngsters, with a 3% audience share.

b_ Operating revenues

Media Capital showed a revenue of 174.4 million euros in 2015 (-3% compared to 2014).

- ✓ **Advertising** in the year show an increase of 2.1% with a substantial improvement in 4Q (+5%).
- ✓ **Other revenues** fall by -11.9%. The drop of called value-added has been partially offset by the increase of distribution channels in pay platforms. TVI launched, already in October, the channels TVI Africa (Multichoice – Angola and Mozambique) and TVI Reality (NOS – Portugal), thus increasing the Group's presence in various critical dimensions and reinforcing its strategic advantages.

By businesses,

- ✓ **TVI**, reached in 2015 revenue of 141.6 million euros compared to 147.3 million in 2014. Despite the growth in advertising (+1.4%) it has not been able to compensate the fall of added value calls (-38.1%) which have reached 2011 level.
- ✓ **Media Capital Radio** business continues growing its revenues

c_ Operating expenses and Capex

Adjusted operating expenses were reduced by -2.8% in 2015. Media Capital capex was euro 5.5 million in 2015 compared to 5.2 million in 2014.

d_ EBITDA

Adjusted EBITDA amounted to 42 million euros. The moderate growth in advertising, the increased revenues coming from agreements to third parties and the cost control efforts have compensated the major part of the impact from the fall in added value calls.

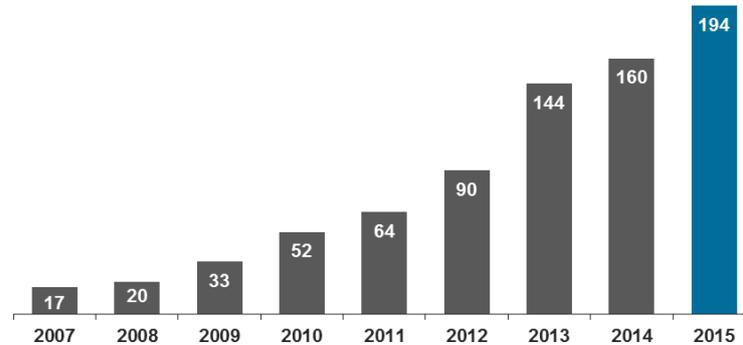
e_ Digital Development

- Digital advertising revenues reached 3 million euros in 2015, being the 90% of the total digital revenues.
- Unique browsers of the web pages of Media Capital grew +10.1%, reaching 5.7 million on average as of December 2015 (latest data available according to Netscope).
- 2015 was also marked by the launching of TVI Player, a service that consists of an own platform optimized for the visualization of programs and videos of the TVI universe in a digital environment

6_Digital Transformation Revenues

Digital transformation revenues increase by 20.7% and reach 193.5 million euros.

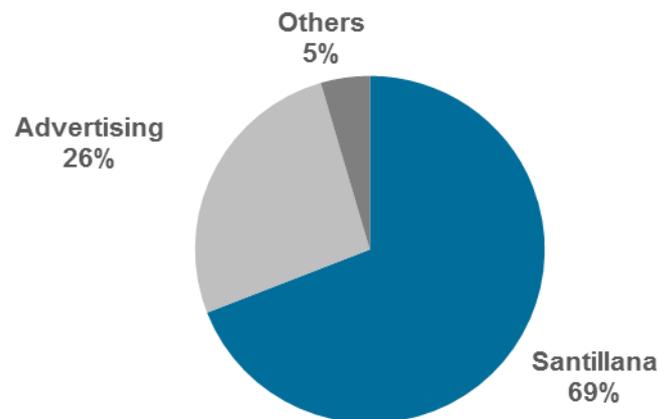
Its evolution is shown in the table below:



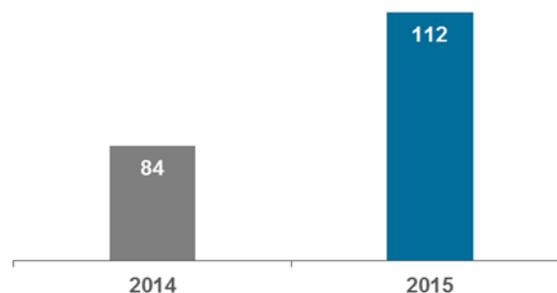
Digital education systems (UNO and Compartir) continue their development in Latin America reaching 813,752 students (+28.8% YoY). Its revenues in local currency grow by +16.5%.

Adjusted Digital advertising grows by 22% in 2015, reaching 51 million euros in the year: In Press, digital advertising continues growing and already represents 36.4% of advertising revenues.

The breakdown of transformation revenues is:



Average unique browsers of the Group's web sites grow by 33.5% reaching more than 112 million.



7_From EBIT to Net Profit

Eur Million	JANUARY - DECEMBER			OCTOBER - DECEMBER		
	2015	2014	% Chg.	2015	2014	% Chg.
EBIT	120.8	28.7	-	23.9	(24.7)	196.6
EBIT Margin	8.8%	2.0%		7.6%	0.0%	
Net financial result	(108.8)	(39.1)	(178.5)	(34.2)	(70.5)	51.5
Interest on debt	(81.9)	(114.7)	28.6	(17.5)	(29.7)	41.1
Other financial results	(26.9)	75.6	(135.6)	(16.7)	(40.9)	59.1
Result from associates	4.2	36.0	(88.5)	1.8	(1.1)	-
Profit before tax	16.2	25.7	(37.0)	(8.6)	(96.4)	91.1
Income tax expense	25.3	(132.6)	119.1	(15.6)	(31.1)	49.8
Results from discontinued activities	(2.7)	(2,203.0)	99.9	(2.6)	(86.9)	97.0
Minority interest	(33.5)	73.1	(145.9)	(11.5)	61.8	(118.6)
Net profit	5.3	(2,236.8)	n.a	(38.3)	(152.5)	74.9

a_ Net financial result:

During 2015, “interests on debt expenses” have been reduced by 28.6 million as a result of the debt reduction.

“Other financial results” includes in 2015 lower profits from debt buy backs in the amount of 153.5 million (45.2 profit in 2015 compared to 198.7 in 2014) and higher debt formalization expenses (amortization of 2013 refinancing costs) as a result of debt repayments.

b_ Equity consolidated results

Equity consolidated results include the results of Radio Mexico and Costa Rica in both 2015 and 2014. 2014 included 27.4 million euros from Mediaset

c_ Corporate tax

Corporate tax recorded a tax income of 25.3 million euros, which includes a tax credit resulting from the sale of the participation of Canal + amounting to 54 million.

d_ Result from discontinued operations

This line includes the result from DTS operations up to the 56% stake sale administrative approval.

e_ Minority results

Correspond to minority interests in Prisa radio and Santillana. 2014 included 92 million from DTS

8_Financial Position

a_Cash flow statement

€ Million	2015	2014	Var.
Financial investments & cash equivalents at beginning of the period	152.4	139.3	13.1
EBITDA (excluding redundancies) - provisions	257.8	201.9	55.8
Change in working capital	-24.3	-11.4	-12.9
Redundancies	-28.2	-34.3	6.1
Corporate Tax	-36.8	-33.6	-3.1
Other cash flow and adjustments from operating activities	-0.4	-23.9	23.5
Operating cash flow	168.1	98.7	69.4
Disinvestments (Capex)	-78.8	-72.5	-6.2
Cash flow from financing activities (I)	89.3	26.2	63.1
Financial investment	883.3	543.2	340.1
Cash flow from investing activities (II)	883.3	543.2	340.1
Capital operations and other emissions	61.6	99.6	-37.9
Interests paid	-49.4	-50.2	0.9
Dividends paid	-4.3	-25.8	21.5
Receipt of Dividends	8.1	4.5	3.5
Increase/amortization of debt	-786.3	-544.4	-241.9
Other cash flow from financing activities	-15.0	-17.8	2.8
Cash flow from financing activities (III)	-785.2	-534.1	-251.1
Fx impact, perimeter effect and others (IV)	-20.8	-19.0	-1.8
Cash flow from discontinued operations (V)	0.0	-3.2	3.2
Cash generation capacity/necessity (CASH FLOW) (I)+ (II)+ (III)+ (IV)+ (V)	166.6	13.1	153.4
Cash and other liquid assets	319.0	152.4	166.6

Cash flow from investing activities

Capex by business line:

€ Million	2015	2014	Var. 2015/2014
Education	-59.2	-59.6	0.4
Radio	-12.0	-6.5	-5.6
Press	-3.4	-3.0	-0.4
Media Capital	-5.5	-5.2	-0.3
Others	-0.4	0.0	-0.4
Capex (investment)	-80.5	-74.2	-6.3
Capex (disinvestment)	1.7	1.6	0.1
Total PRISA Group	-78.8	-72.5	-6.2

Cash flow from financing activities

2015 primarily includes the divestments made by Prisa.

- Mediaset Spain: sale in 2015 of 3.63% (162.2M€). 2014 includes the sale of 13.68% of the company in the amount of 481,93M€.
- DTS: in May of 2015, the 80% of the initial sale price agreed (565, 45M€) is received and in November 2015 an additional 122.76 € million, net of the payment for certain costs associated with the transaction of 6.55 million euros.

Cash flow de financiación

In 2015 the funds from the **capital increase** subscribed in November by International Media Group S.A.R.L., for 64.0 million euros, net of costs are included. In 2014 funds were fully subscribed by the Consortium Carrier Occher, amounting to 100.0 million euros, net of costs and the cash inflow from the issuance of warrants are included.

In dividends payments it is included the dividends paid to minority interests in Santillana (DLJ), Media capital, Diario As and Radio in Colombia.

2014 includes the payment of the preferential dividend to DLJ; the one corresponding to 2015 has been registered as "other non-current and current liabilities" of the balance sheet as of December 2015.

The **collection of dividends** includes the amount received from Radio in Mexico.

Within **disposal / amortization of debt**, 784 correspond to the debt repayment made with the proceeds from the sale of Mediaset, Canal + and General Publishing.

b_ Net financial position

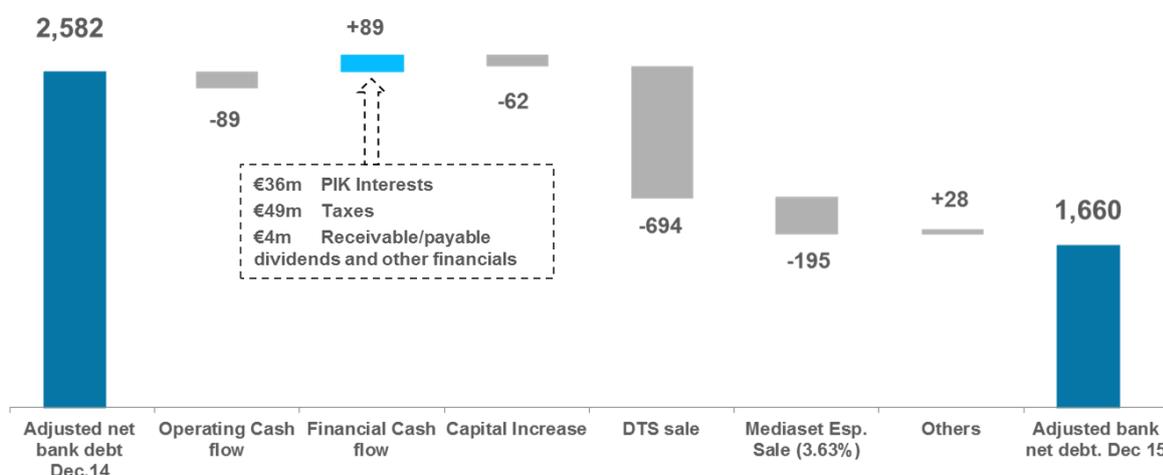
€ Million	2015	2014	Var.
Financial debt	2,008.5	2,754.3	-745.7
Cash & cash equivalents	-319.0	-152.4	-166.6
Short term financial investments	-78.1	-127.9	49.8
Net financial debt	1,611.4	2,473.9	-862.5
Loan arrangement costs	48.3	108.3	-60.0
Total bank debt	1,659.7	2,582.2	-922.6

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.

The detail of net bank debt by December 2015 by business line is as follows:

(€ Million)	2015	2014	Var.
Prisa Holding	1,483.6	2,419.8	-936.2
-Debt from financial entities	1,800.0	2,600.7	-800.7
<i>Tranch 1</i>	0.0	371.8	-371.8
<i>Tranch 2</i>	956.5	646.7	309.8
<i>Tranch 3</i>	275.4	1,029.4	-754.0
<i>PPL</i>	534.4	509.9	24.5
<i>Subordinated Debt</i>	31.1	31.1	0.0
<i>Others</i>	2.5	11.7	-9.2
-Cash + STF	-316.4	-180.9	-135.5
Education	64.3	47.6	16.7
Radio	-2.8	-7.3	4.5
Press	-13.0	-12.5	-0.6
Media Capital	112.7	114.8	-2.2
Others	15.0	19.8	-4.8
Total Adjusted Net Bank Debt	1,659.7	2,582.2	-922.6

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



9_Assets sale operations

a_ Mediaset Spain sale

During 9M 2015, PRISA proceeded to place a pack of shares of Mediaset España, representing 3.63% (14,787,426 shares) of the share capital of that company.

b_DTS Sale operation

On 30 April 2015, the selling of DTS to Telefónica was closed.

During 2015, Telefonica has paid to Prisa a total amount of 688 million euros. As of December 2015, there were 2 adjustments to final price pending to be resolved amounting to 36 million euros

In February 2016, the first adjustment amounting to 7 million euros has been resolved in favor of Prisa. The second adjustment (29 million euros) will be resolved in 2Q 2016.

If second adjustment is also resolved in favor of Prisa, it will be completed the total cash in of 724 million euros price registered by Prisa.

10_BALANCE SHEET SITUATION

During the year 2015 the Group has continued to strengthen its capital structure by increasing capital subscribed and fully paid in November by International Media Group S.A.R.L., amounting to 64,000 thousand euros.

This transaction made a significant contribution to re-establishing Prisa's equity on December 31, 2015, which had in the past been affected by losses from registering the sales agreement of 56% of DTS which automatically converted Tranche 3 debt into participating loans, as shown in the Group's financing agreements (

At December 31, 2015, 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 166,886 thousand, more than two thirds of total share capital.

Additionally, in January 2016 Prisa has reached an agreement with some of its major creditors to carry out an issue of mandatory convertible bonds into ordinary shares by swapping debt for the company for a minimum amount of 100,185 thousand euros, for that there is an irrevocable commitment to subscribe, and up to 150,000 thousand euros.

This agreement is subject to the approval of the Annual General Meeting, and to obtaining certification issued as a special report for the Company's Auditor pursuant to the Corporate Enterprises Act and the mandatory report from an Auditor other than the company Auditor and appointed for that purpose by the Registry of Companies and the provision that there should be no material change in the financial situation of Prisa nor any suspension of or material change in the company's share price. The approval from company's creditors under existing financial commitments was obtained as of February, 2016.

11_Appendix

- 1_ **Balance sheet**

- 2_ **Accumulated financial data by business line**
 - a_ Operating revenues.
 - b_ Advertising revenues.
 - c_ Operating expenses.
 - d_ EBITDA.
 - e_ EBIT

- 3_ **Accumulated financial data by concept**
 - a_ Operating revenues.
 - b_ Operating expenses

- 4_ **Other relevant events**

- 5_ **Group structure**

- 6_ **Market environment**

1_ Balance Sheet

	ASSETS	
€ Million	12/31/2015	12/31/2014
FIXED ASSETS	1,336.7	1,536.7
Property, plant and equipment	127.9	142.7
Goodwill	577.3	600.0
Intangible assets	129.1	137.2
Long term financial investments	30.9	185.6
Investment in associates	42.8	46.1
Deferred tax assets	425.2	421.3
Other non current assets	3.6	3.8
CURRENT ASSETS	1,026.6	936.0
Inventories	153.5	159.2
Accounts receivable	439.6	496.5
Short term financial investments	114.5	127.9
Cash & cash equivalents	319.0	152.4
ASSETS HELD FOR SALE	0.0	1,118.8
TOTAL ASSETS	2,363.4	3,591.6
	LIABILITIES	
€ Million	12/31/2015	12/31/2014
SHAREHOLDERS EQUITY	(394.6)	(617.8)
Issued capital	235.0	215.8
Reserves	(701.8)	1,544.6
Income attributable to the parent company	5.3	(2,236.8)
Minority interest	66.9	(141.3)
NON CURRENT LIABILITIES	2,176.5	2,984.5
Long term financial debt	1,907.8	2,645.5
Other long term financial liabilities	131.8	118.4
Deferred tax liabilities	36.5	60.0
Provisions	59.7	116.0
Other non current liabilities	40.7	44.7
CURRENT LIABILITIES	581.5	606.3
Short term financial debt	100.8	108.8
Other current financial liabilities	23.1	0.9
Trade accounts payable	296.1	317.5
Other short term liabilities	138.8	133.5
Accrual accounts	22.8	45.7
LIABILITIES HELD FOR SALE	0.0	618.5
TOTAL LIABILITIES	2,363.4	3,591.6

Assets and Liabilities held for sale includes the reclassification of the assets and liabilities of Canal +.

2_ Accumulated Financial Data by Business Line

a_ Adjusted revenues

a1_ Adjusted revenues by B.L

ADJUSTED OPERATING REVENUES	JANUARY - DECEMBER			% OF TOTAL		OCTOBER - DECEMBER			% OF TOTAL	
	2015	2014	% Chg.	2015	2014	2015	2014	% Chg.	2015	2014
Millones de euros										
Media Capital	174.4	179.8	(3.0)	12.5%	12.7%	53.2	51.4	3.5	16.7%	13.0%
Education - Publishing	642.8	651.6	(1.4)	46.0%	46.1%	97.7	173.1	(43.5)	30.6%	43.7%
Spain & Portugal	145.2	123.0	18.0			(19.8)	(17.5)	(13.0)		
Latam & USA	497.6	528.6	(5.9)			117.5	190.6	(38.3)		
Radio	338.3	330.2	2.4	24.2%	23.4%	98.4	315.2	(68.8)	30.8%	79.6%
Radio in Spain	189.8	175.5	8.2			56.0	53.5	4.7		
International Radio	138.0	146.0	(5.5)			37.8	44.6	(15.3)		
Music	20.5	20.3	1.0			7.9	7.0	12.1		
Consolidation Adjustments	(10.1)	(11.5)	12.8			(3.3)	210.0	(101.6)		
Press	241.3	255.0	(5.4)	17.3%	18.0%	70.7	70.5	0.3	22.1%	17.8%
El Pais	171.0	176.7	(3.2)			51.9	49.5	4.9		
AS	50.1	55.1	(9.1)			13.6	13.6	(0.1)		
Others	20.1	23.2	(13.0)			5.2	7.4	(29.8)		
Other and Consolidation Adjustments	0.8	(3.8)	121.9	0.1%	(0.3%)	(0.5)	(214.3)	99.8	(0.2%)	(54.1%)
Prisa Brand Solutions	19.3	19.0	1.4			4.9	4.7	4.0		
Others***	(18.4)	(22.8)	19.1			(5.4)	(219.0)	97.5		
TOTAL	1,397.6	1,412.9	(1.1)	100%	100%	319.5	395.9	(19.3)	100%	100%

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

International Radio includes Mexico and Costa Rica.

a2_ Adjusted revenues by concept

Eur Million	JANUARY - DECEMBER			% OF TOTAL		OCTOBER - DECEMBER			% OF TOTAL	
	2015	2014	% Chg.	2015	2014	2015	2014	% Chg.	2015	2014
Total adjusted operating revenues	1,397.6	1,412.9	(1.1)	100%	100%	319.5	395.9	(19.3)	100.0%	100.0%
Advertising	520.7	506.4	2.8	37.3%	35.8%	154.3	152.0	1.5	48.3%	38.4%
Books and training	630.7	630.2	0.1	45.1%	44.6%	94.6	166.8	(43.3)	29.6%	42.1%
Newspapers and magazine sales	96.1	106.8	(10.0)	6.9%	7.6%	23.8	25.8	(7.7)	7.5%	6.5%
Other revenues	150.0	169.5	(11.5)	10.7%	12.0%	46.8	51.3	(8.9)	14.6%	13.0%
Add Ons	18.6	28.2	(34.1)	1.3%	2.0%	5.8	5.9	(1.3)	1.8%	1.5%
Audiovisual production revenues	28.4	24.2	17.3	2.0%	1.7%	9.3	6.6	42.7	2.9%	1.7%
Other revenues and adjustments	103.3	117.0	(11.7)	7.4%	8.3%	31.9	38.9	(18.0)	10.0%	9.8%
One-offs in operating revenues	(23.5)	41.9				(7.2)	(9.9)			
Advertising sponsorship adjustment	0.0	5.2				0.0	1.8			
Radio Mexico & Costa Rica adjustment	(23.5)	(25.1)				(7.2)	(10.1)			
Trade Publishing	0.0	(3.3)				0.0	(3.3)			
Trade Publishing	0.0	65.0				0.0	1.6			

b_ Adjusted Advertising revenues

b1_ Adjusted advertising by Geographical Area

ADJUSTED ADVERTISING	JANUARY - DECEMBER			% OF TOTAL		OCTOBER - DECEMBER			% OF TOTAL	
	2015	2014	% Chg.	2015	2014	2015	2014	% Chg.	2015	2014
Eur Million										
TOTAL	520.7	506.4	2.8	100.0%	100.0%	154.3	152.0	1.5	100%	100.0%
Spain	271.7	255.4	6.4			83.8	80.6	3.9		
International	249.0	251.0	(0.8)			70.6	71.3	(1.1)		
Portugal	116.6	114.1	2.2			34.4	32.7	5.1		
Latam	132.5	136.9	(3.3)			36.2	38.6	(6.3)		
	0.0	0.0	-							
Spain	271.7	255.4	6.4	52.2%	50.4%	83.8	80.6	3.9	54.3%	53.1%
Press	111.1	104.2	6.7			37.0	34.7	6.9		
Radio	170.0	157.3	8.1			50.0	47.8	4.6		
Consolidation Adjustments	(9.5)	(6.1)	(55.0)			(3.3)	(1.8)			
International	249.0	251.0	(0.8)	47.8%	49.6%	70.6	69.3	1.7	45.7%	45.6%
Portugal	116.6	114.1	2.2			34.4	32.7	5.1		
Media Capital	116.6	114.1	2.1			34.4	32.7	5.1		
Latam	132.5	136.9	(3.3)			36.2	38.6	(6.3)		
Press	1.6	0.9	91.5			0.5	0.3	60.7		
Radio	131.6	136.5	(3.6)			36.1	38.7	(6.6)		
Other & Consolidation Adjustments	(0.8)	(0.5)	(80.4)			15.2	14.3	6.4		

* In Radio Advertising Revenues, has taken place a reclassification of Event Advertising Revenues, previously included as Other Revenues.

c_ Adjusted Operating expenses

c1_ Adjusted Operating expenses by B.L.

Operating expenses includes only OPEX, excluding amortizations and provisions

ADJUSTED OPERATING EXPENSES	JANUARY - DECEMBER			% OF TOTAL		OCTOBER - DECEMBER			% OF TOTAL	
	2015	2014	% Chg.	2015	2014	2015	2014	% Chg.	2015	2014
Eur Million										
Media Capital	132.2	136.0	(2.8)	11.9%	11.8%	34.0	33.0	3.0	12.8%	10.1%
Education - Publishing	471.1	493.6	(4.6)	42.5%	42.9%	101.9	151.4	(32.7)	38.4%	46.4%
Spain & Portugal	112.0	102.7	9.0			19.0	17.8	6.8		
Latam & USA	359.1	390.9	(8.1)			83.0	133.7	(37.9)		
Radio	263.5	264.5	(0.4)	23.8%	23.0%	66.9	286.6	(76.7)	25.2%	87.8%
Radio in Spain	160.7	158.6	1.3			41.4	42.7	(3.0)		
International Radio	93.8	98.3	(4.6)			22.9	27.7	(17.2)		
Music and others	19.0	19.1	(0.7)			5.8	6.1	(4.8)		
Consolidation Adjustments	(10.1)	(11.5)	12.8			(3.3)	210.0	(101.6)		
Press	224.8	240.4	(6.5)	20.3%	20.9%	60.7	61.1	(0.8)	22.8%	18.7%
El Pais	164.9	172.3	(4.3)			45.6	43.8	4.3		
AS	43.3	47.8	(9.4)			11.0	11.4	(3.5)		
Others	16.6	20.3	(18.2)			4.0	5.9	(33.0)		
Other and Consolidation Adjustments	17.3	16.7	3.8	1.6%	1.4%	2.0	(205.8)	101.0	0.8%	(63.0%)
Prisa Brand Solutions	17.6	17.9	(1.4)			4.7	4.6	1.7		
Others***	(0.3)	(1.2)	75.0			(2.7)	(210.4)	98.7		
TOTAL	1,108.9	1,151.1	(3.7)	100%	100%	265.5	326.4	(18.7)	100%	100%

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

International Radio includes Mexico and Costa Rica.

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

c2_ Adjusted Operating expenses by concept

Eur Million	JANUARY - DECEMBER			% OF TOTAL		OCTOBER - DECEMBER			% OF TOTAL	
	2015	2014	% Chg.	2015	2014	2015	2014	% Chg.	2015	2014
Total adjusted operating expenses	1,108.9	1,151.1	(3.7)	100.0%	100.0%	265.5	326.4	(18.65)	100.0%	100.0%
Purchases	212.8	245.8	(13.4)	19.2%	21.4%	43.8	74.8	(41.4)	16.5%	22.9%
Outside services	498.4	502.5	(0.8)	44.9%	43.7%	124.7	141.5	(11.9)	47.0%	43.4%
Staff costs	383.0	388.8	(1.5)	34.5%	33.8%	92.6	105.9	(12.6)	34.9%	32.4%
Other operating expenses	14.7	14.1	4.3	1.3%	1.2%	4.4	4.2	4.0	1.7%	1.3%
One-offs in operating expenses	16.8	120.2				0.4	55.6			
Redundancies contractors	29.8	38.3				4.1	6.7			
Redundancies	1.2	1.6				0.4	0.3			
Advertising sponsorship adjustment	0.0	5.2				0.0	1.8			
Radio Mexico & Costa Rica adjustment	(14.2)	(13.2)				(4.1)	(3.8)			
Non recurrent retirement complement	0.0	6.0				0.0	0.0			
General Editions	0.0	37.3				0.0	5.5			

d_ Adjusted EBITDA

ADJUSTED EBITDA	JANUARY - DECEMBER			MARGIN		% OF TOTAL		OCTOBER - DECEMBER			% OF TOTAL	
	2015	2014	% Chg.	2015	2014	2015	2014	2015	2014	% Chg.	2015	2014
Eur Million												
Media Capital	42.2	43.8	(3.8)	24.2%	24.4%	14.6%	16.7%	19.2	18.4	4.3	35.6%	26.5%
Education - Publishing	171.7	158.0	8.6	26.7%	24.3%	59.5%	60.4%	(4.2)	21.6	(119.5)	(7.8%)	31.1%
Spain & Portugal	33.2	20.3	63.4					(38.7)	(35.3)	(9.9)		
Latam & USA	138.5	137.7	0.6					34.5	56.9	(39.3)		
Radio	74.8	65.8	13.8	22.1%	19.9%	25.9%	25.1%	31.5	28.6	10.1	58.3%	41.2%
Radio in Spain	29.1	16.9	72.4					14.6	10.8	35.2		
International Radio	44.2	47.7	(7.3)					14.9	16.9	(12.2)		
Music and others	1.5	1.2	27.8					2.0	0.9	127.4		
Press	16.5	14.6	12.8	6.8%	5.7%	5.7%	5.6%	10.1	9.4	7.6	18.6%	13.5%
El Pais	6.1	4.4	37.7					6.3	5.7	9.9		
AS	6.8	7.3	(6.7)					2.6	2.2	18.2		
Others	3.5	2.8	24.4					1.2	1.5	(16.8)		
Other and Consolidation Adjustments	(16.5)	(20.5)	19.5	(1982.0%)	539.0%	(5.7%)	(7.8%)	(2.5)	(8.5)	69.9	(4.7%)	(12.2%)
Prisa Brand Solutions	1.7	1.1	46.5					0.2	0.1	147.8		
Others***	(18.1)	(21.6)	16.0					(2.7)	(8.6)	68.1		
TOTAL	288.7	261.8	10.29	20.7%	18.5%	100.0%	100.0%	54.0	69.5	(22.30)	100.0%	100.0%

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

International Radio includes Mexico and Costa Rica.

e_Adjusted EBIT

ADJUSTED EBIT	JANUARY - DECEMBER			MARGIN		% OF TOTAL		OCTOBER - DECEMBER			% OF TOTAL	
	2015	2014	% Chg.	2015	2014	2015	2014	2015	2014	% Chg.	2015	2014
Eur Million												
Media Capital	32.1	34.1	(5.9)	18.4%	19.0%	18.5%	25.5%	15.3	15.4	(0.8)	34.2%	28.4%
Education - Publishing	95.2	87.0	9.4	14.8%	13.4%	54.9%	64.9%	(3.7)	16.8	(122.3)	(8.4%)	31.0%
Spain & Portugal	23.7	7.0	-					(26.6)	(22.2)	(20.1)		
Latam & USA	71.5	80.0	(10.6)					22.9	39.0	(41.3)		
Radio	62.6	52.8	18.7	18.5%	16.0%	36.1%	39.3%	30.0	27.5	9.4	67.1%	50.7%
Radio in Spain	22.3	9.1	144.7					13.7	9.8	39.8		
International Radio	40.6	43.1	(5.7)					15.8	17.0	(7.1)		
Music and others	(0.4)	0.5	(169.4)					0.5	0.7	(19.6)		
Press	8.3	(3.9)	-	3.4%	(1.5%)	4.8%	(2.9%)	7.7	5.3	44.2	17.2%	9.8%
El Pais	1.2	(9.5)	112.7					4.9	2.2	121.3		
AS	6.0	6.5	(7.5)					2.3	2.1	6.1		
Others	1.1	(0.9)	-					0.5	0.9	(50.5)		
Other and Consolidation Adjustments	(24.8)	(36.0)	31.2	(2978.5%)	947.2%	(14.3%)	(26.8%)	(4.5)	(10.8)	58.4	(10.1%)	(20.0%)
Prisa Brand Solutions	1.3	0.9	46.3					(0.0)	(0.0)	(79.6)		
Others***	(26.1)	(36.9)	29.3					(4.5)	(10.8)	58.5		
TOTAL	173.5	134.1	29.40	12.4%	9.5%	100%	100%	44.7	54.1	(17.37)	100%	100%

*** Others include mainly the activities from Head Quarters.
International Radio includes Mexico and Costa Rica.

4_ Other Relevant Facts

a_ Shares Centralization and exchange

On May 22, 2015, took effect the pooling and exchange of PRISA shares agreed upon at the ordinary General meeting of shareholders held on April 20, 2015.

According to this agreement and at the same General Meeting agreed capital reduction, PRISA social capital was established in the sum of 215.807.874 EUR represented by 71.935.958 shares of three euro of nominal value each. The national agency of encoding of values assigned to PRISA actions resulting from the grouping Code ISIN ES0171743901. They are entitled to one new share for each thirty old shares that appear eligible as PRISA shareholders at the close of the markets as of 21st may 2015. The new shares have been admitted to trading on the stock exchanges of Madrid, Barcelona, Bilbao and Valencia, through the system of interconnection market (Mercado Continuo) on 22 may 2015.

The public deed of capital reduction and share consolidation and exchange has been registered on May 12th, 2015 in the Registro Mercantil de Madrid, Tomo 31513, Folio 91, section 8, sheet M7674, inscription 627.

b_Registration of shares from the capital increase

On 28th December 2015 PRISA announced that the public deed formalizing the capital increase for a total value of Euro 64,000,000 approved by the Board of Directors held on November 14, 2015 has been filed. This capital increase has been fully subscribed and paid by International Media Group, S.à.r.l.

This public deed has been recorded in the Madrid Commercial Registry, on December 23, 2015, with the Volume 31,513, Sheet 111, Section 8, page M-7674 and inscription number 650.

PRISA' share capital, after this operation amounts up to €235,007,874 € represented by 78,335,958 ordinary shares, of €3 par value each, numbered consecutively from 1 to 78,335,958.

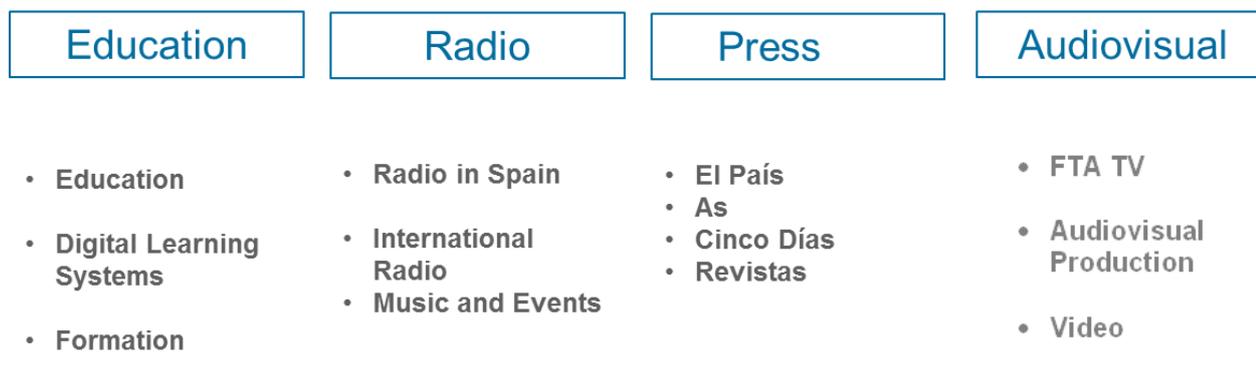
The admission to trading of the new ordinary shares will be applied on the Stock Exchange of Madrid, Barcelona, Bilbao and Valencia through the Automated Quotation System ("Sistema de Interconexión Bursátil" - Mercado Continuo-).

c_Changes in the Board of Directors

At the meeting of the Board of Directors held on 18th December, the following resolutions passed, with the previous reports issued by the Appointments and Compensations Committee and the Corporate Governance Committee within the scope of their respective responsibilities:

- i. Appointment by cooption ("cooptación") of Dr. Khalid Thani Abdullah Al Thani's as director of the Company, with the qualification of proprietary Director, representing International Media Group, S.à.r.l. that has subscribed a recent capital increase that is now pending to be filed with the Commercial Registry of Madrid.
- ii. Appointment by cooption ("cooptación") of Mr. Joseph Oughourlian as director of the Company, with the qualification of proprietary Director, representing the shareholder Amber Active Investors Limited.
- iii. Appointment of the director Mr. Jose Luis Leal Maldonado as member of the Audit Committee.

5_ Group Structure



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:

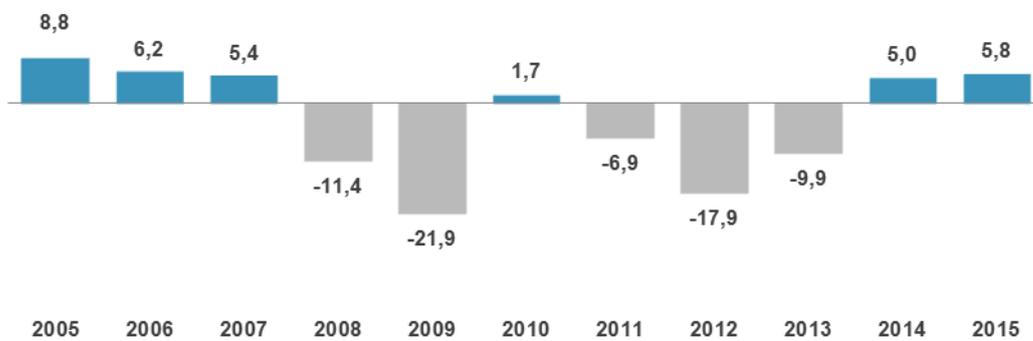
6_ Market environment

a_ Advertising Market Evolution

The Group's divisions are directly exposed to the Spanish advertising market through Radio, Press and Digital, as well as Pay TV, though less so. In addition the Group is also exposed to the Portuguese advertising market through its FTA TV (TVI) and Radio businesses.

During 2013, advertising investment showed a change in trend, in line with that of the economic environment. According to public sources (i2p) **advertising investment in Spain fell by -9.9% in 2013** compared to a fall of -17.9% in 2012. This consecutive trend is confirmed in 2014, year in which advertising market has recorded a total growth of +5.8%.

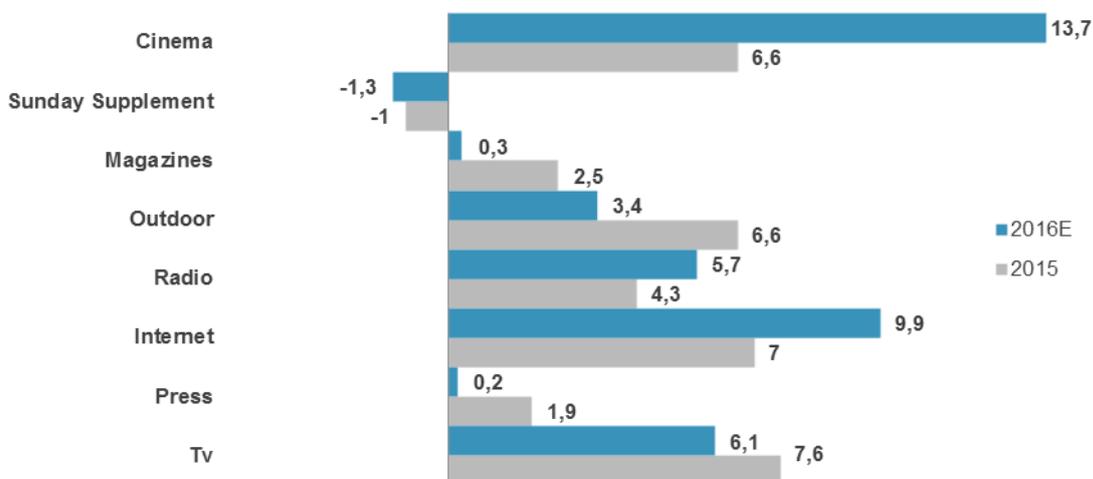
Annual growth of advertising investment in Spain (%)



Source: i2p (January 2016)

The evolution by sectors shows an improvement in all sectors but Sunday supplements

Advertising investment in Spain (%)

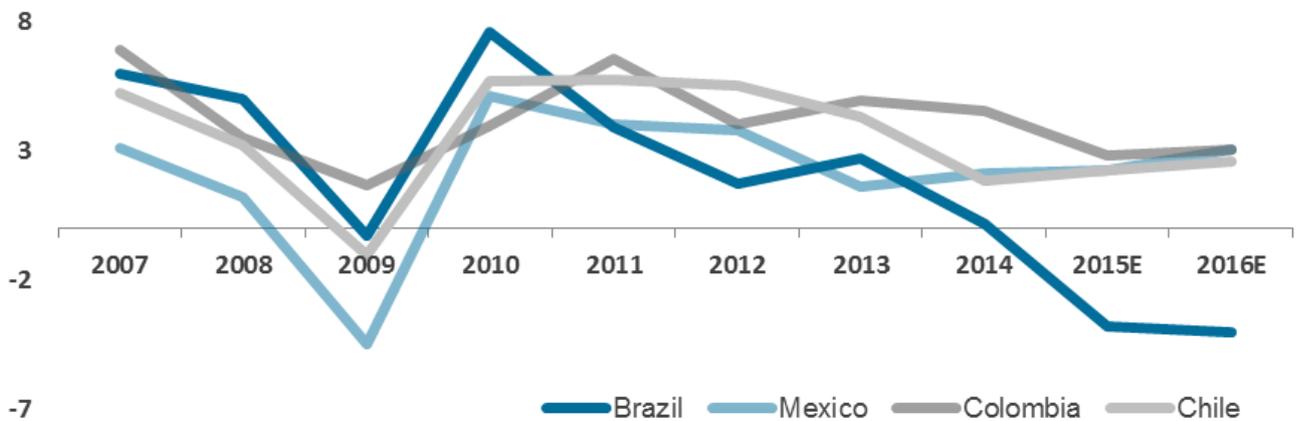


Source: i2p (January 2016)

b_ Economic environment in Latin America

Economic growth in the countries in which the Group is exposed in 2014 has been uneven, with worsening conditions in some countries, especially Brazil. Meanwhile, other countries like Mexico show further growth. The growth path is recovered in almost all countries in 2015 and 2016 according to IMF estimates, except Brazil, which in the last estimate to January 2016 shows a continued recession. It will begin to show growth of 0.5% in 2017, according to the latest data (IMF January 2016).

LatAm GDP growth (%)



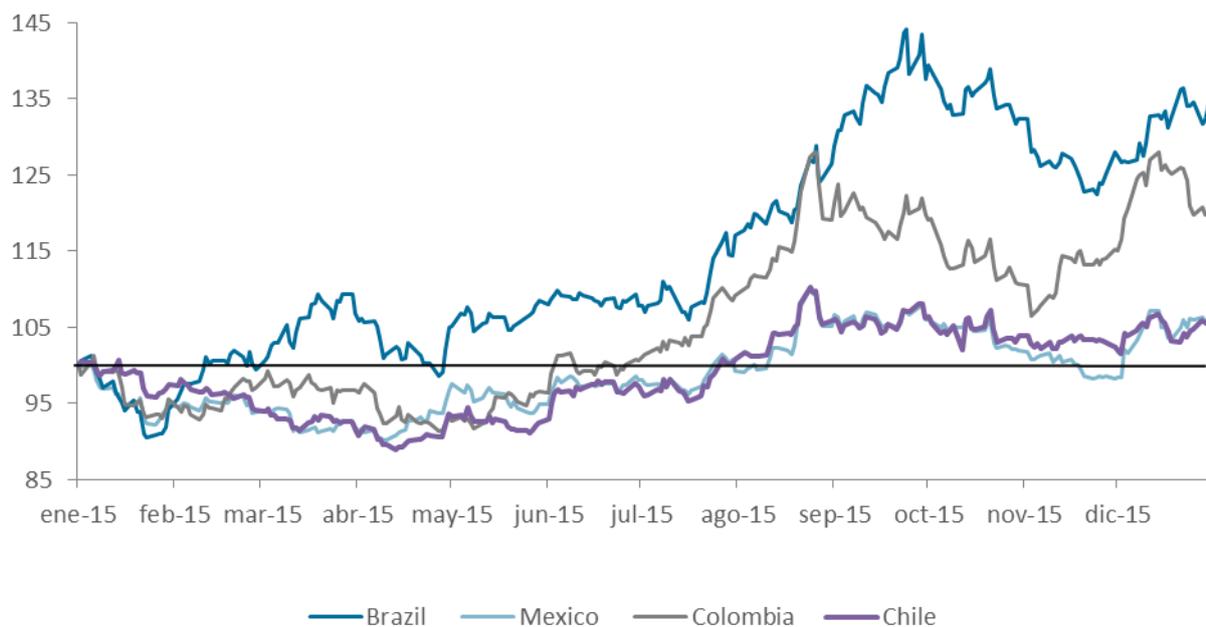
Source: (OECD February 2016)

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 2015.

During 3Q and 4Q 2015, currencies show depreciation being Brazil and Colombia the most affected countries. The FX impact has been negative on Group, 38.6 million euros in revenues and 8.6 million euros in EBITDA.

FX Evolution vs. Euro 2014 - 2015



	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

Source: Bloomberg