

MODEL ANNEX I

ANNUAL REPORT ON COMPENSATION OF DIRECTORS OF LISTED COMPANIES

PARTICULARS OF ISSUER

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Company Name: PROMOTORA DE INFORMACIONES, S.A.

Registered Address: GRAN VIA 32 MADRID

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ANNUAL REPORT ON COMPENSATION OF DIRECTORS OF LISTED COMPANIES

A COMPENSATION POLICY OF THE COMPANY FOR THE YEAR IN COURSE

A.1 Explain the company's compensation policy. Within this section include information regarding:

- General bases for and principles of the compensation policy.
- Most significant changes made to the compensation policy by reference to the policy used during the prior period, and the changes that have been made during the year in the terms for exercise of options already granted.
- Criteria used to establish the company's compensation policy.
- Relative importance of the variable compensation categories by reference to the fixed categories, and criteria used to determine the various components of the compensation package of the directors (compensation mix).

Explain the compensation policy

This report refers to PROMOTORA DE INFORMACIONES, S.A. (hereinafter "PRISA" or the "Company").

1. General bases for and principles of the compensation policy.

The Articles of Association (articles 19 and 25) and the Board of Directors Regulations of PRISA (articles 33, 34 y 35) contain the general scheme applicable to director compensation.

The Board of Directors of PRISA approved the compensation policy for 2015, within the general framework and taking account of the following principles:

- External directors must be compensated based on their actual time commitments.
- The amount of independent directors' compensation must be calculated so that it offers incentives for time commitment, but at the same time does not undermine their independence.

The Board of Directors also took account of the following compensation principles that, on proposal of the Corporate Governance and Nominating and Compensation Committees, are to be incorporated in the Board of Directors Regulations currently being reviewed by the board:

- The compensation of the directors in any event must be in reasonable proportion to the size of the Company, the economic situation existing from time to time and the market standards of comparable undertakings. Also, the established compensation scheme must be aimed at promoting the profitability and long-term sustainability of the Company, and must incorporate the safeguards necessary to prevent excessive risk assumption and reward of unfavourable results.
- In any event, compensation linked to Company earnings must take account of any qualifications stated in the audit report that reduce those earnings.

The compensation of directors is compatible with and independent of the salaries, compensation, indemnifications, pensions or remuneration of any kind, established generally or individually for those members of the Board of Directors that serve in any compensated office or position of responsibility, whether or not of an employment nature, with PRISA or its controlled companies. As a result, the compensation policy for 2015, as for prior years, varies depending upon whether it applies to inside or external directors.

The Board of Directors has 13 external directors and 3 executive directors (the Chairman of the Board of Directors and of the Delegated Commission, Mr. Juan Luis Cebrián Echarri, the CEO, Mr. Jose Luis Sainz Díaz, and the Deputy Chairman of PRISA and Chairman of DTS, Distribuidora de Televisión Digital, S.A., Mr. Manuel Polanco Moreno).

As described below, the directors may receive a part of their compensation by way of delivery of shares of the Company. The PRISA rules of conduct establish an obligation to advise the Office of the General Secretary of any transaction in the shares of the Company. Also, there are restrictions on engaging in transactions in such securities for all directors and executives that may have inside information.

Deliveries of shares made during 2014 and those to be made until April 2019 are covered by a resolution adopted by the ordinary shareholders meeting held on 28 April 2014, authorising the delivery of shares of the Company in payment

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of compensation of directors of the Company and a defined group of executives of Prisa Group.

2. Categories of compensation of for external directors:

The general shareholders meeting held on 27 November 2010 established maximum fixed compensation for the Board of Directors of 2,000,000 euros. That maximum will remain in effect until the general meeting approves an amendment thereof.

On proposal of the Nominating and Compensation Committee, this maximum has not been adjusted since it was originally fixed. Nor will it be adjusted for 2015.

Also, within the limits on that maximum compensation fixed by the general meeting, the Board of Directors has authority to resolve the terms upon which compensation will be distributed to the various directors. As provided in article 19 of the Articles of Association, the compensation of the various directors may vary based on their positions and their services on board committees, and will be compatible with payment of per diems for attendance at meetings.

The compensation policy for external directors for 2015 has been fixed on the following categories of compensation, with the changes that also are described, by comparison with 2014:

i. Fixed annual compensation for membership on the Board of Directors, which is paid to each of the external directors, at their election, either fully in cash or 60% in cash and 40% in PRISA shares.

The Board of Directors de PRISA, on proposal of the Corporate Governance Committee after a favourable report from the Nominating and Compensation Committee, within the framework of the Company's compensation policy and in order to comply with a recommendation of the CNMV's Uniform Good Governance Code, has resolved to establish, for external directors receiving shares in payment of their fixed compensation, the obligation to hold them until they leave their positions as directors. This obligation will be applicable to deliveries of shares accruing from January 2015.

ii. Fixed annual compensation for membership on various board committees (Delegated Commission, Audit Committee, Nominating and Compensation Committee, Corporate Governance Committee), paid in cash. The amount is different for chairmen and members of the committees.

The Committee for Digital Change, formed in October 2014, has two inside and two external directors as members. None of the directors receives fixed annual compensation for such membership.

iii. Per diems for attendance at meetings of the Board of Directors and its committees (Delegated Commission, Audit Committee, Nominating and Compensation Committee, Corporate Governance Committee and Committee for Digital Change), also paid in cash to External directors.

In addition to the aforesaid compensation, External directors of PRISA may earn other fees for their participation on the boards of directors of other companies in the PRISA Group, in accordance with their respective articles of association, as in fact occurs.

3. Categories of compensation of executive directors:

Executive directors receive no amount in the categories set forth in the preceding section (fixed compensation for membership on the board and its committees and per diems for attending meetings thereof).

The compensation of the executive directors is determined by the respective contracts of each of them with the Company, which are analysed in greater detail in the following sections.

In general terms, the categories of compensation corresponding to the executive directors are as follows:

- i. Fixed salary.
- ii. Variable compensation (annual and multi-year).
- iii. In-kind compensation
- iv. Indemnification for termination of contract
- v. Compensation for post-contractual noncompete

4. Compensation mix for executive directors:

The relative importance of the variable compensation categories by comparison with the fixed categories (the "compensation mix", in the determination of which fixed compensation for 2015, annual target variable compensation for 2015 and annualised target long-term variable compensation for 2015 have been taken into account), is as follows for each of the executive directors:

i. The compensation mix of Mr. Juan Luis Cebrián Echarri (Executive Chairman) is 40% fixed compensation, 40% variable compensation and 20% long-term variable compensation.

ii. The compensation mix of Mr. Manuel Polanco Moreno (Deputy Chairman of PRISA and Chairman of DTS, Distribuidora de Televisión Digital, S.A.) is 52% fixed compensation, 31% annual variable compensation and 17% long-term variable compensation.

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iii. The compensation mix of Mr. Jose Luis Sainz Díaz (CEO) is 41% fixed compensation, 41% variable compensation and 18% long-term variable compensation.

In the compensation report for the prior year the compensation policy for 2014 was explained. It was applicable to the then CEO of the Company, Mr. Fernando Abril-Martorell Hernández, who left that office on 30 September 2014.

The Board of Directors, on proposal of the Nominating and Compensation Committee, reviews the compensation policy annually. The criteria that are used in determining the various components of the compensation package are defined by virtue of the strategic objectives set by the Board of Directors, best market practices and the legislation in effect from time to time.

A.2 Information on preparatory work and the decision-making process that has been used to determine the compensation policy and the role, if any, played by the compensation committee and other supervisory bodies in setting the compensation policy. This information if appropriate will include the mandate of the compensation committee, its composition and the identity of the outside advisors the services of which have been used in the determination of the compensation policy. It will also state the nature of the directors, if any, that have participated in determination of the compensation policy.

Explain the process for determination of the compensation policy

1. Preliminary work:

The compensation policy is posed, in the first instance, by a working group comprised of professionals from the Human Resources Department and the Office of the General Secretary of PRISA. They study and take into consideration the applicable legal framework, articles regulation and internal regulations, recommendations and best practices regarding the matter, the structure of the management body, the contractual conditions of executive directors and the needs and economic situation of the business.

Definition and proposal of the compensation policy by the Nominating and Compensation Committee:

Based on the aforesaid preliminary work, the Nominating and Compensation Committee defined and proposed the 2015 compensation policy.

The functions of the Nominating and Compensation Committee in this regard are defined in the Board of Directors Regulations of PRISA, the current version of article 25 of which gives it the following responsibilities:

i."Proposing to the Board of Directors (i) the scheme of director compensation, (ii) the amounts and/or maximums for each category of compensation of directors, based on their time commitment to the board and the committees thereof, (iii) the individual compensation of executive directors and the other conditions of their contracts and (iv) the report on compensation policy for directors and senior executives.

ii.Approving the objectives associated with variable compensation of executive Directors and/or managers.

iii.Proposing to the Board of Directors the compensation scheme for senior executives of PRISA and its subsidiaries, and reporting to the board on calculation of the variable compensation thereof, as well as calculation of other incentive plans destined thereto.

iv.Ensuring compliance with the compensation policy established by the Company."

The Nominating and Compensation Committee in addition has the authority given to it by art. 529 quincecies of the Capital Companies Act (recently approved by Act 31/2014 amending the Capital Companies Act to improve corporate governance).

The Nominating and Compensation Committee is comprised of two independent external directors (its Chairman, Mr. Gregorio Marañón y Bertrán de Lis, and Mr. Alain Minc) and two proprietary external directors (Mr. Borja Pérez Arauna and Ms. Agnès Noguera Borel).

2. Approval of the compensation policy by the Board of Directors:

The 2015 compensation policy was approved by the Board of Directors, with the active participation of all of its members, on proposal of the Nominating and Compensation Committee.

The board in addition has approved the individual compensation for executive directors and any other conditions pertaining to their contracts.

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The authority of the board in this regard is set forth in article 5 of the PRISA Board of Directors Regulations.

3. Approval on an advisory basis by the general shareholders meeting:

In accordance with the provisions of article 541 of the Capital Companies Act and other related regulations (article 61 ter of the Securities Market Act and article 12.2 of Order ECC/461/2013), this compensation policy report will be submitted for approval, on an advisory basis, of the ordinary general shareholders meeting held in 2015. The complete text thereof will be made available to the shareholders. Under section 2 of the transitional provision of Act 31/2014 amending the Capital Companies Act to improve corporate governance, if the ordinary general meeting held in 2015 on an advisory basis approves this compensation policy report, the compensation policy contained herein will also be deemed to have been approved for purposes of the provisions of article 529 novodecies of the Capital Companies Act, that article being applicable to the Company from that point forward.

4. Outside Advice

To define the compensation scheme for the CEO the outside advice of the Towers Watson consulting firm was used. For the drafting of this report, the Company had the collaboration of KPMG Abogados.

The process that was used ensures proper alignment of the Company's compensation policy with the principles determined by the Board of Directors, and the long-term sustainability of the business, satisfying the formal requirements established by applicable rules. Based on this entire process, the Company will have a sound compensation policy, endorsed by the Company's various governance bodies, which protects the interests of the Company and seeks alignment with the interests of its shareholders.

A.3 Indicate the amount and nature of the fixed components, broken down, if applicable, of the compensation for performance of duties of senior management of the executive directors, the additional compensation as chairman or a member of any board committee, of the per diems for participation on the board and its committees or other fixed compensation as a director, as well as an estimate of the fixed annual compensation resulting therefrom. Identify other benefits that are not paid in cash and the basic parameters on the basis of which they are granted.

Explain the fixed components of compensation

As already was indicated in section A.1. above, the categories of compensation received by directors are different depending on whether they are inside or external directors:

1. Fixed components of the compensation of external directors:

i. Compensation for membership on Board of Directors: compensation in this category amounts to 75,000 euros per annum. This amount is paid to each of the external directors, at their election, either fully in cash or 60% in cash and 40% in PRISA shares. When a director chooses partial payment in shares of PRISA, they are delivered quarterly on a prorated basis, taking as the reference the average closing price of the share on the Continuous Market over the thirty business days immediately preceding the last day of each calendar quarter, included. Cash contribution is paid monthly, also on a prorated basis.

As already indicated in section A.1 above, the external directors that receive shares in payment of their fixed compensation are required to hold them until leaving their positions as directors. This obligation will be applicable to deliveries of shares accruing from January 2015.

ii. Compensation for membership on the Delegated Commission: the compensation in this category also amounts to 75,000 euros per annum and is paid on a prorated basis, monthly in cash.

iii. Compensation for membership on the Audit Committee, Nominating and Compensation Committee and Corporate Governance Committee: the compensation in this category amounts to 19,000 euros per annum for their chairmen and 9,500 euros per annum for members, and is paid monthly in cash, on a prorated basis.

As already indicated in section A.1 above, the members of the Committee for Digital Change receive no fixed annual compensation for membership on that committee.

The estimated total amount for 2015, in the three preceding categories, is approximately 1,353,000 euros, for which reason it does not exceed the 2,000,000 euros maximum established by the general shareholders meeting held on 27 November 2010 (see section A.1 of this report). The Board of Directors, on proposal of the Nominating and Compensation Committee, may, if applicable, adjust this compensation, within the limits authorised by the board.

iv. Per diems for attendance at meetings of the Board of Directors and its committees (Audit Committee, Nominating and Compensation Committee, Corporate Governance Committee and Committee for Digital Change): the amount of the per diems for attendance at meetings of board committees is different for their chairmen and for their

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members, and is paid fully in cash.

The estimated total amount in this category, for 2015, is approximately 428,000 euros, which also may be adjusted by the Board of Directors, on proposal of the Nominating and Compensation Committee.

2. Fixed components of the compensation of executive directors:

As already has been indicated, the executive directors receive no compensation for membership on the Board of Directors and its committees. They receive, exclusively for their executive and senior management functions, fixed annual compensation in cash, which is determined by their respective contracts, and in 2015 will be in the following maximum amounts:

- i. Mr. Juan Luis Cebrián Echarri (Executive Chairman): 1,000,000 euros.
- ii. Mr. Manuel Polanco Moreno (Deputy Chairman of PRISA and Chairman of DTS, Distribuidora de Televisión Digital, S.A.): 460,420 euros

The fixed compensation of Mr. Manuel Polanco Moreno is paid by DTS, Distribuidora de Televisión Digital, S.A. ("DTS"), for his service as Chairman of the Board of Directors of that company.
- iii. Mr. Jose Luis Sainz Díaz (CEO): 750,000 euros.

A.4 Explain the amount, nature and main features of the variable components of the compensation schemes.

In particular:

- Identify each of the compensation plans of which the directors are beneficiaries, the scope thereof, the date of approval, the date of implementation, the term of validity and the main features. In the case of option plans on shares and other financial instruments, the general features of the plan are to include information regarding the conditions for exercise of the options or financial instruments for each plan.
- Indicate any compensation under profit-sharing or bonus plans, and the reason it is paid.
- Explain the basic parameters and basis for any annual bonus system.
- The classes of directors (executive directors, proprietary external directors, independent external directors and other external directors) that are beneficiaries of compensation schemes or plans that incorporate variable compensation
- The underlying basis of such variable compensation schemes or plans, the criteria for evaluation of performance that are used, as well as the components of and methods for evaluation to determine whether or not the evaluation criteria have been met, and an estimate of the absolute amount of the variable compensation resulting from the current compensation plan, based on the degree of fulfilment of the hypotheses or objectives taken as a reference.
- If applicable, the information is to include a report on the payment deferral periods that have been established and/or the periods for retaining shares or other financial instruments, if any.

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Explain the variable components of the compensation schemes

Only the compensation policy for executive directors includes variable categories in addition to fixed compensation. They are as follows:

1. Short-term variable compensation (annual):

The annual variable compensation consists of a bonus scheme related to 100% fulfilment of management objectives. These objectives are approved annually by the Nominating and Compensation Committee for the management team. In the case of executive directors, the approval corresponds to the Board of Directors, on proposal of that committee. The target bonus, in the case of executive directors, is the one agreed in their respective contracts.

100% of the amount fixed as the target bonus for each beneficiary is earned in the event of achievement of 100% of the established objectives.

The quantitative objectives refer to the consolidated group and, if applicable, to the business unit in which the beneficiary of the scheme performs his duties. The reference metrics for determination of the quantitative objectives are different depending on whether the beneficiary provides his services at corporate headquarters or within a business unit, although they have different weightings and are interrelated.

For 2015, the quantitative and qualitative objectives are weighted as follows:

Inside Director	Quantitative objectives	Qualitative objectives
Mr. Juan Luis Cebrián Echarri (Executive Chairman)	60%	40%
Mr. Manuel Polanco Moreno (Deputy Chairman)	80%	20%
Mr. Jose Luis Sainz Díaz (CEO)	70%	30%

The quantitative objectives for the annual bonus are directly tied to a scale of achievement that relates the degree of achievement of the objectives with the percentage of incentive to be applied to the minimum amount of the variable bonus established at the outset. Scales have been established with independent metrics, requiring minimum achievement of each of the metrics in order to receive the annual bonus. The maximum payment is 120% of all of the metrics with the exception of transformation revenue (digital revenue, new business....), the maximum payment level of which is 130%.

The qualitative part of the annual bonus allows the evaluators to assess performance negatively when it is concluded that the inside director assumed excessive risk, and evaluate the level of fulfilment of strategic plans, objectives of the company digital transformation, budgets, refinancing and, in particular, the contemplated milestones and debt reduction.

The 2015 bonus will be determined using a scheme of independent metrics, with certain indicators and quantitative objectives, to each of which a scale of achievement of objectives will be applied. The annual quantitative objectives are established on an annual basis. For 2015 they are as follows:

Objective	Mr. Juan Luis Cebrián Echarri (Executive Chairman)	Mr. Manuel Polanco Moreno (Deputy Chairman)	Mr. Jose Luis Sainz Díaz (CEO):
1	EBITDA of the Group	EBITDA of the Group	EBITDA of the Group
2	Transformation revenue of the Group	Transformation revenue of the Group	Transformation revenue of the Group
3		EBITDA of Canal +	
4		Subscription revenues. Provision for bad debts	

Payment of the annual bonus is made after the end of the year. For this reason the bonuses earned in 2015 by the executive directors, in accordance with the aforesaid rules and approved by the Board of Directors, on proposal of the Nominating and Compensation Committee, will be paid in all cases totally in cash in the first semester of 2016.

The determination of the target variable compensation of the executive directors is in accordance with the terms of their respective contracts.

In 2015 the amounts of the target variable compensation will be as follows:

- i) Mr. Juan Luis Cebrián Echarri (Executive Chairman): 1,000,000 euros.
- ii) Mr. Manuel Polanco Moreno (Deputy Chairman of PRISA and Chairman of DTS, Distribuidora de Televisión Digital, S.A.): 275,000 euros.
- iii) Mr. Jose Luis Sainz Díaz (CEO): 750,000 euros

2. Multi-year variable compensation:

- i) Executive Chairman (Mr. Juan Luis Cebrián Echarri):

In accordance with the terms of his contract with the Company, Mr. Cebrián in January 2016 will be entitled to receive

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a variable multi-year incentive, payable in shares of PRISA, with a value of up to 1,000,000 euros, subject to (i) his remaining as Executive Chairman of PRISA until 1 January 2016 and (ii) his achievement of strategic objectives of the Company fixed by the Board of Directors. The objectives of this multi-year incentive will be the Basic Cash Flow of the group and transformation revenue of the group, cumulative for 2014 and 2015, with a weighting of 60% and, on the other hand, fulfilment of the strategic plans, budgets and refinancing of the company, with a weighting of 40%. Achievement of milestone 1 for the refinancing of the Company will be an essential requirement for earning 40% of multi-year variable compensation.

ii) CEO (Mr. Jose Luis Sainz Díaz):

Settlement of Cycle II, for the 2012-2014 period, of the Long-Term Incentive Plan (Plan de Incentivos a Largo Plazo, or "ILP") for 2011, of which Mr. Sainz is beneficiary based on the performance of his executive functions within Prisa Noticias and Prisa Radio, will occur in 2015. The compensation corresponding to Mr. Sainz amounts to €183,981 (675,904 theoretical shares of PRISA). The number of theoretical shares to be allocated to Mr. Sainz, convertible into shares upon conclusion of the plan, was determined taking account of a reference price of the average closing price of the shares of Prisa on the Madrid Exchange on the 30 trading days prior to 31 December 2012 (included), this value being 0.2722 cents on the euro.

The shares are delivered net of taxes, for which reason the difference between the gross amount and the amount that will be delivered in shares corresponds to the withholding deposit that will apply upon delivery of the shares.

It is noted that although the aforesaid compensation was earned by Mr. Sainz for the duties performed up to September 2014, as an executive of Prisa Noticias and Prisa Radio, the full amount (€183,981) is included in the tables in section D of this report.

Also, in accordance with the terms of his contract with the Company, Mr. Sainz will be entitled to receive a variable multi-year incentive, payable in shares of PRISA, subject to fulfilment of the Company's strategic plans:

- For 2014-2016, in line with the terms of the Long-Term Incentive Plan (ILP) approved by the ordinary general meeting held on 28 April 2014, the term for the generation of that incentive will be three years (2014, 2015 and 2016), the target amount to be received will be up to one million euros in shares and the reference value of a share for purposes of calculation will be 0.4193 euros (2,384,927 shares of the Company), pursuant to the resolution of the aforesaid general shareholders meeting, the maximum number of shares to be delivered will be 110% of the incentive for 110% achievement of objectives, with the minimum required achievement of objectives being 80%, corresponding to 50% of the incentive based on achievement of objectives.

The parameters for evaluation of the degree of achievement of the objectives will be determined based on the Basic Cash Flow of the group EBITDA, minus provisions, minus CAPEX), weighted at 100%, and remaining until 31 December 2016.

- For the 2017-2018 period, the target amount will be up to one million euros (in shares, and the reference price of a share will be the weighted average price on the thirty days prior to 1 January 2017).

The quantitative and qualitative objectives for that period will be fixed by the Board of Directors on proposal of the Nominating and Compensation Committee, which must take account of fulfilment of the strategic plans of the Company and personal performance.

iii) Deputy Chairman (Mr. Manuel Polanco Moreno):

Mr. Polanco is a beneficiary of the ILP that, within the compensation policy of the Company, for the purpose of aligning the interests of the management team of Prisa Group with those of its shareholders, and to incentivise and encourage loyalty among the members of the Management Team, was approved by the PRISA shareholders meeting held on 28 April 2014. The ILP is for a total term of three years, from 1 January 2014 to 31 December 2016. By virtue thereof a given number of ordinary Class A shares of the Company and a given amount of cash may be delivered to executive directors of the Company and a specific group of key executives of the group, based on their level of responsibility and contribution to the results of the group, as variable compensation tied to achievement of long-term objectives.

Calculation of the ILP settlement and payment in cash and delivery of shares will occur in 2017, on the terms and conditions established, on proposal of the Nominating and Compensation Committee, by the Board of Directors, which will determine the specific date of delivery of the shares and payment of the cash amount.

Of the three executive directors, only Mr. Manuel Polanco Moreno is a current beneficiary of the ILP.

Within the ILP, the target amount to be received by Mr. Polanco will be up to 450,000 euros, payable 80% in cash and 20% in shares. The reference value of a share for these purposes will be 0.4193 euros, pursuant to the resolution of the general shareholders meeting of 28 April 2014 that approved the ILP. The maximum number of shares to be delivered will be 110% of the incentive for 110% achievement of objectives, with a minimum achievement of 80% required, corresponding to 50% of the incentive based on achievement of objectives.

The parameters for evaluation of the degree of achievement of the objectives will be determined based on the Basic Cash Flow of the group EBITDA, minus provisions, minus CAPEX), weighted at 100%, and remaining with the group until 31 December 2016.

3. Coverage for delivery of shares in payment of multi-year variable compensation:

As already indicated in section A.1 of this report, the ordinary shareholders meeting held on 28 April 2014 authorised delivery of shares of the Company in payment of compensation of directors of the Company and a defined group of

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Prisa Group executives. Within the cases covered by that resolution delivery of shares to executive directors and payment of long-term variable compensation (long-term incentive) was included, for these purposes expressly including the aforesaid ILP, also approved at that meeting, when it resolved that it was to be paid in whole or in part in the form of shares of PRISA.

4. Early termination and variable compensation:

i) Contract of the Executive Chairman (Mr. Juan Luis Cebrián Echarrí):

In the event of early termination of the contract between the Company and Mr. Cebrián, except when termination thereof is decided by the Company by reason of the Executive Chairman's having engaged in any of the conduct that current labour legislation considers to be just cause for dismissal, he will receive the part of the annual bonus accruing in proportion to the time worked during the year, provided that the objectives contemplated in each case are achieved.

As has been stated, it is an essential requirement for earning the multi-year variable compensation that Mr. Cebrián remain as Executive Chairman of PRISA until 1 January 2016.

ii) Contract of the CEO (Mr. Jose Luis Sainz Diaz):

In the event of termination of the contract between the Company and Mr. Sainz for any reason not attributable to the CEO, he will receive the part of the annual bonus and the multi-year compensation earned in proportion to the time worked during the year or relevant multi-year period, respectively, provided that the objectives contemplated in each case are achieved.

In any event, the multi-year compensation corresponding to the year of departure will not be paid if it results from a decision of the company based on breach of his obligations, or by resignation or voluntary departure of the CEO, unless in the latter case the resignation or departure occurs during the last two months of the year, in which case he will receive the proportional part of the corresponding variable compensation, provided that the contemplated annual objectives are achieved.

In no case will the annual variable compensation corresponding to the year in which the contract is terminated, or the multi-year variable compensation corresponding to the relevant period, be paid if the termination of the contract is decided upon by the Company by reason of the CEO engaging in any of the conduct that current labour legislation deems to be just cause for dismissal.

iii) Contract of the Deputy Chairman (Mr. Manuel Polanco Moreno):

In the event of loss or suspension of the rights under the annual variable compensation plan, he will not be entitled to any compensation whatever as indemnification of damages.

The rights to the annual variable compensation will be lost only in the following cases:

- a) Resignation before 31 December of the year in course.
- b) Dismissal for any reason held to be a proper by judicial authority. If the dismissal is held to be improper, the annual variable compensation will be settled in proportion to the time elapsed in the fiscal year, on the value of his "reference bonus" and actual achievement of objectives

The multi-year variable compensation will not be paid when he voluntarily leaves the position. The aforesaid loss of rights will occur at the time of notice of the resignation or termination of his contract, or when he is properly dismissed or his contract is terminated for just cause. The aforesaid loss of rights will occur from the day of notice of the dismissal or termination of the contract, and he will not be entitled to receive any compensation whatever by way of multi-year incentive.

In the event of death or disability requiring departure from office, temporary disability by reason of illness or accident, Mr. Polanco or his heirs will receive the proportional part of the incentive that has been generated. In this regard, the incentive will be prorated based on the time actually worked from the commencement date of the plan. In the event of forced leave, retirement, early retirement or similar circumstances under a company plan, improper dismissal or termination of the contract with a right of indemnification, he will not be entitled to receive the incentive. Nonetheless, in the foregoing cases the Nominating and Compensation Committee may establish whether Mr. Polanco will retain all or a part of the incentive, and on what conditions. When the termination of the labour relationship occurs by mutual agreement or by reason of a leave of absence not referred to in any of the preceding sections, the provisions of the termination or leave of absence agreement will apply.

A.5 Explain the principal features of the long-term savings schemes, including retirement and any other survival benefit, financed in whole or in part by the company, whether funded internally or externally, with an estimate of the amount thereof or the equivalent annual cost, indicating the type of plan, whether it is a defined contribution or defined benefit plan, the conditions for vesting of the economic rights in favour of directors and compatibility thereof with any kind of

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indemnification for early termination of the contractual relationship between the company and the director.

Also indicate the contributions on the director's behalf to defined-contribution pension plans, or any increase in the director's vested rights in the case of contributions to defined-benefit schemes.

Explain the long-term savings schemes

The contract signed with the Executive Chairman, Mr. Juan Luis Cebrián Echarri, which entered into effect on 1 January 2014 (see section A.7), provides that, from the 2014 financial year, he is entitled to an annual contribution of 1,200,000 euros, as retirement bonus. The company thereby funds an accelerated retirement scheme for its chief executive, in accordance with practice in the Spanish market, taking into account the dedication of a complete professional career within the group and the customary range of defined contribution plans.

The retirement bonus will be delivered to Mr. Cebrián in full upon conclusion of his contract, and will vest even in the event of early termination of the contract. In the event of early termination of his contract by the Company, Mr. Cebrián as indemnification will receive exclusively full settlement of the retirement bonus, which will not be compatible with any other kind of indemnification

As indicated in section A.7 below, in the event of breach of the noncompetition clause established in his contract, Mr. Cebrián will be required to repay such amount as he may have received as retirement bonus to the Company.

Since the Company, following prudent accounting criteria, in 2014 recorded a provision covering the full amount of the retirement bonus (€6,000,000), that full amount has been included in table c) in section D of this report.

A.6 Indicate any indemnification agreed or paid in the event of termination of a director's duties

Explain the indemnification

The Company's compensation policy includes recognition that executive directors are entitled to indemnification in certain cases of early termination of their executive functions. Their respective contracts set forth the agreements reached by the company and the executive directors:

1. As already indicated in section A.5 above, in the event of early termination of the contract of Mr. Juan Luis Cebrián Echarri by the Company, Mr. Cebrián as indemnification will receive exclusively the full amount of the retirement bonus, which will not be compatible with any other kind of indemnification.
2. The contract signed with the CEO, Mr. Jose Luis Sainz Díaz, provides that, in the event of unilateral resignation or by simple decision of the Company or its breach, Mr. Sainz will be entitled to indemnification equivalent to 15 months of fixed and annual variable compensation, as the reference using the last one paid.
3. The contract signed with the Deputy Chairman, Mr. Manuel Polanco, provides that in the case of unilateral resignation, simple decision of the Company or breach by it, Mr. Polanco will be entitled to payment of indemnification equivalent to twelve months of the most recent fixed and variable compensation. In any case of indemnification, the most recent fixed and variable compensation received by Mr. Polanco will be used.

A.7 Indicate the conditions to apply to the contracts of executive directors exercising senior management functions. The report is to include, inter alia, the duration, the limits on amounts of indemnification, minimum terms of employment (cláusulas de permanencia), terms of advance notice, as well as payment as a substitute for the aforesaid advance notice, and any other clauses related to hiring bonuses, indemnification or golden parachutes for early termination of the contractual relationship between the company and the inside director. Include, inter alia, noncompetition, exclusivity, minimum terms or loyalty and post-contractual noncompetition clauses or agreements.

(Free translation from the original in Spanish language)

Explain the terms of the contracts of the executive directors			
	Chairman Mr. Juan Luis Cebrián Echarri	Deputy Chairman Mr. Manuel Polanco Moreno	CEO Mr. Jose Luis Sainz Diaz
Term	Until 31 March 2018.	Indefinite.	Until 31 September 2019
Advance notice from the director	Three (3) months. Obligation to pay the Company the compensation corresponding to the period of advance notice not honoured. Receipt of the retirement bonus.	Three (3) months.	Three (3) months. Obligation to pay the fixed compensation corresponding to the period of advance notice not honoured.
Indemnification for termination of contract by the Company	Retirement bonus	Advance notice of three (3) months. Indemnification equivalent to twelve (12) months of the most recent fixed and variable compensation	Advance notice of three (3) months. Indemnification equivalent to fifteen (15) months of the most recent fixed and variable compensation paid.
Exclusivity and noncompetition clauses	Exclusivity while he is in the position of executive chairman (compatible with serving in other positions within the PRISA Group, activities of literary or artistic creation, teaching or academic endeavours (classes, conferences, etc.), management of his personal assets and responsibilities as an administrator of family undertakings or in non-profit organisations, in particular those deriving from his status as a member of the Real Academia Española. General prohibition of competition.	Exclusivity during the term of the contract and general prohibition of competition.	Exclusivity during the term of the contract, absent express authorisation of the Board of Directors, and specific prohibition of competition, except for companies identified in the contract.
Post-contractual noncompetition	Four (4) years Spanish or foreign undertakings the business of which is identical or similar to those of the companies in the PRISA Group, in particular those of PRISA. Commitment not to hire any person that is or during the twelve (12) months prior to the date of contracting was a member of PRISA Group staff; and not to contribute to any PRISA Group worker leaving it. Compensation: retirement bonus. Breach: obligation to return the amount received as retirement bonus.	One (1) year. Competing companies Breach: obligation to indemnify in an amount equal to six (6) months of salary received on the date of leaving office.	One (1) year Spanish or foreign undertakings the business of which is identical or similar to those of the companies in the PRISA Group. Commitment not to hire any person that is or during the twelve (12) months prior to the date of termination of the contract was a member of PRISA Group staff; and not to contribute to any PRISA Group worker leaving it. Compensation: six (6) months of the last fixed gross salary, payable in equal instalments over the term of the noncompetition agreement. Breach: obligation to repay the amount of the compensation and, in addition, indemnification in an amount equal to six (6) months of the fixed compensation received.

A.8 Explain any additional compensation accrued to directors as consideration for services rendered other than those inherent in the position.

Explain the additional compensation
Mr. Gregorio Marañón y Bertrán de Lis provides legal services to the Company in an annual amount of €90,000.

(Free translation from the original in Spanish language)

A.9 Indicate any compensation in the form of advances, loans and guarantees granted, indicating the interest rate, the essential features and the amounts eventually repaid, as well as the obligations assumed on their behalf by way of guarantee.

Explain the advances, loans and guarantees granted

Not applicable

A.10 Explain the main features of in-kind compensation

Explain the in-kind compensation

1. Life or Accident Insurance and Health Insurance:

PRISA has signed a policy with an insurance company that covers the contingencies of death for any reason, absolute disability and total permanent disability by reason of accident with a coverage amount equivalent to one year of total compensation of the beneficiary (compensation received in the prior year), additional coverage in the case of accidental death or absolute disability by reason of accident and further additional coverage in the event of death by traffic accident.

Within the Board of Directors of the Company the only beneficiaries of this policy are the executive directors Mr. Juan Luis Cebrián Echarri and Mr. Jose Luis Sainz Díaz. The death benefit has an age limit of 75 years, and the supplementary risk coverages also have an age limit of 65 years.

In addition, DTS, Distribuidora de Televisión Digital, S.A. has signed a policy with an insurance company that covers the contingencies of death for any reason and total permanent disability by reason of accident with a coverage amount equivalent to one year of total compensation of the beneficiary (compensation received in the prior year), with additional coverage in the case of accidental death and with further additional coverage in the event of death by traffic accident. The beneficiary of this policy is the PRISA inside director Mr. Manuel Polanco Moreno.

In addition the group within its policy applicable to all executives has private health insurance, in the form of reimbursement of expenses. Within the Board of Directors of the Company, the beneficiaries of this insurance are the executive directors Mr. Juan Luis Cebrián Echarri, Mr. Jose Luis Sainz Díaz, and Mr. Manuel Polanco Moreno, and the outside director Mr. Gregorio Marañón y Bertrán de Lis, as well as the family members thereof, respecting the age limits appearing in the corresponding policy.

2. Rental housing:

In the case of Mr. Juan Luis Cebrián Echarri, the customary place of providing services will be in Madrid, for which purpose the company makes an amount not in excess of 50,000 euros per annum available to him for rental housing.

A.11 Indicate the compensation earned by a director by virtue of payments made by the listed company to a third party entity within which the director serves, when the purpose of such payments is to compensate the director's services within the company.

Explain the compensation earned by the director by virtue of payments made by the listed company to a third party entity within which the director serves

Not applicable

A.12 Any category of compensation other than those listed above, of whatever nature and provenance within the group, especially when it may be considered to be a related party transaction or when payment thereof distorts the true and fair view of the total compensation received by the director.

Explain the other compensation categories

Not applicable

(Free translation from the original in Spanish language)

A.13 Explain the actions taken by the company regarding the compensation system to reduce exposure to excessive risk and to adapt it to the long-term interests, values and objectives of the company. This if applicable is to include reference to: measures contemplated to ensure that the compensation policy is responsive to the long-term results of the company, measures establishing appropriate balance between fixed and variable components of compensation, measures adopted regarding those categories of personnel the professional activities of which have a material impact on the company's risk profile, recovery clauses or formulas to allow claims for return of variable components of compensation based on results when those components of compensation have been paid based on data the inaccuracy of which is thereafter clearly demonstrated, and measures contemplated for the avoidance of conflicts of interest, if applicable.

Explain the actions taken to reduce risks

The Company has eliminated the right to obtain guaranteed annual variable compensation.

Also, as has already been stated in this report, the Board of Directors has resolved that compensation related to the results of the Company must take account of any possible qualifications appearing in the audit report that diminish those results (a provision that has been introduced into the Board Regulations).

In addition, a variable compensation scheme is defined annually on the basis of formal procedures for the determination of the amounts to be paid to executive directors. The objectives are fixed in writing in advance, on the basis of results adjusted for risk, audited and approved by the board.

Within the risk map of the company the percentage of digital transformation revenue over traditional revenue has been identified. It is for this reason that both for the current year and the following year greater importance will be given to the indicators related to the digital transformation in the annual variable compensation scheme.

All of the variable compensation has fixed maximum amounts to be paid.

Quantitative objectives tied to independently-measured objectives have been fixed, with a weighting of between 80% and 60%: (i) the Ebitda, with minimum achievement of 80% of the objective, to which a payment of 50% of the target amount will apply, and a maximum achievement level of 120% of the objective, to which a payment of 120% of the target amount will apply; (ii) the Transformation Revenue, with an achievement scale with a minimum achievement of 80% of the objective, to which a payment of 50% of the target amount will apply, and a maximum achievement level of 120% of the objective, to which a payment of 130% of the target amount will apply. For both indicators the intermediate points will be calculated by interpolation.

The evaluation of the qualitative objectives, with a weighting of between 40% and 20%, is tied to the evaluation of personal performance, undertaken by the Board of Directors on proposal of the Nominating and Compensation Committee. This qualitative evaluation allows the evaluators to assess performance negatively when it is concluded that the executive director assumed excessive risk, and evaluate the level of fulfilment of strategic plans, digital transformation objectives of the Company, budgets, refinancing and, in particular, the contemplated milestones and debt reduction.

The executive director Mr. Manuel Polanco Moreno has a model based on the same principles as the executive directors Mr. Juan Luis Cebrián Echarri and Mr. Jose Luis Sainz Díaz, the difference being that a part of the objectives is tied to the results of the group and the other to the business unit of which he is the chairman.

Also, as has already been stated in prior sections, the Board of Directors Regulations includes a provision to the effect that compensation related to the results of the Company must take account of any possible qualifications appearing in the audit report that diminish those results.

The right of Mr. Manuel Polanco Moreno and Mr. Jose Luis Sainz Díaz to receive the multi-year incentive will be deemed to be extinguished, regardless of whether the objectives have been achieved, under the following circumstances:

1. If on the date of payment thereof the group is in any of the insolvency situations governed by the Bankruptcy Act, for these purposes including the situation contemplated in article 5.bis of the aforesaid Act, as well as the situation in which the group has impaired capital.
2. If, during the term of the Plan, the participant breaches the code of conduct or the internal regulation of conduct in matters related to the securities markets of PRISA and its group of companies.

(Free translation from the original in Spanish language)

3. If at the end of the Plan the participant receives a deficient evaluation. That evaluation will be undertaken by the Board of Directors on proposal of the Nominating and Compensation Committee.

Performance is deficient if it results in material harm to the image or results of the Company.

Application by the Company of the indicated conditions subsequent will require preparation of a report by the Nominating and Compensation Committee appropriately explaining the breach, which must be approved by the Board of Directors and notified to the director.

B COMPENSATION POLICY CONTEMPLATED FOR FUTURE YEARS

B.1 Make a general forecast of the compensation policy for future years that describes that policy in respect of: fixed components and per diems and compensation of a variable nature, relationship between compensation and results, retirement schemes, terms of contracts of executive directors, and a forecast of the most significant changes in the compensation policy by comparison with preceding periods.

General forecast of compensation policy

The Board of Directors, on proposal of the Nominating and Compensation Committee, has approved the compensation policy for 2015. The plan for the compensation policy for subsequent years is to continue adapting the current variable compensation policy for executive directors to the strategic objectives defined by the Board of Directors, and to adapt the policy for all members of the board, in general, to best market practices and the legislation in effect from time to time. The Board of Directors Regulations of the Company are being reviewed and are to be amended to adapt them, inter alia, to the new rules introduced by the Capital Companies Act and the recommendations of the Uniform Good Governance Code of the CNMV, as regards compensation matters.

In addition, there also will be an effort to continue improving the compensation schemes tied to annual and multi-year performance, with special emphasis on long-term return of value for shareholders.

Another point that is considered to be very important to bear in mind for future adjustments to be made to the group's compensation policy is to continue improving and seek the balance deemed to be appropriate from time to time between short and long-term variable compensation. The criteria for determining this compensation mix will be both external (market practices) and internal (internal equity). The adjustments to the group's variable compensation models will seek to avoid payment thereof in cases of poor performance, in particular avoiding "pay for failure". In this way, executive directors will not have any contractually guaranteed variable compensation.

Together with the foregoing elements, there will be continuing analysis of the definition and determination of fixed compensation, in accordance with the aforesaid internal and external criteria, seeing to it that it is sufficiently competitive, inter alia, to avoid excessive risk-taking.

Also, the Company will continue working on formulas tending to reduce exposure to excessive risk and adjustment of variable compensation to the long-term objectives, values and interests of the Company, such as specific clauses for recovery of or reclaiming variable components of compensation based on inaccurate measurement of results.

Finally, it is intended to continue improving the clarity of information provided to shareholders, with the objective of making the compensation practices of the Company more understandable.

B.2 Explain the decision-making process for establishment of compensation policy contemplated for future years, and the role, if any, played by the compensation committee.

Explain the decision-making process for establishment of the compensation policy

The decision-making process as regards the future compensation policies will be identical to the one already explained in section A.2 of this report, the only exception being that the Company will seek outside advice only when it deems that to be appropriate.

B.3 Explain the incentives created by the company in the compensation scheme to reduce exposure to excessive risk and adapt it to the long-term interests, values and objectives of the company.

Explain the incentives created to reduce risks

As already has been indicated in other sections of this report, the Company has eliminated the right to obtain guaranteed annual variable compensation and, also, has resolved that compensation related to the results of the Company must take account of any possible qualifications appearing in the audit report that diminish results (a provision that has been introduced into the Board Regulations).

In addition, as already indicated in section A.4 above, within the compensation policy of the Company, for the purpose of aligning the interests of the management team of Prisa Group with those of its shareholders, and to incentivise and encourage loyalty among the members of the Management Team, the PRISA shareholders meeting held on 28 April 2014 approved a Long-Term Incentive Plan (ILP), with a total term of three years, from 1 January 2014 to 31 December 2016. By virtue thereof a given number of ordinary shares of the Company and a given amount of cash may be delivered to a specific group of executive directors of the Company and key executives of the group, based on their level of responsibility and contribution to the results of the group, as variable compensation tied to achievement of long-term objectives.

Calculation of the plan and payment in cash and delivery of shares will occur in 2017, on the terms and conditions established, on proposal of the Nominating and Compensation Committee, by the Board of Directors, which will determine the specific date of delivery of the shares and payment of the cash amount. The Board of Directors has approved the objectives of the multi-year variable compensation of Mr. Cebrián, subject to his remaining as Executive Chairman until 1 January 2016 (see sections A.4 and A.13 above).

Also, regarding the multi-year variable compensation of Mr. Sainz for the 2017-2018 period, the target amount will be up to one million euros (€500,000 on an annualised basis) in shares, and the reference price of a share will be the weighted average price on the thirty days prior to 1 January 2017. The quantitative and qualitative objectives for that period will be fixed by the Board of Directors on proposal of the Nominating and Compensation Committee, which must take account of fulfilment of the strategic plans of the Company and personal performance.

C OVERALL SUMMARY OF HOW THE COMPENSATION POLICY WAS APPLIED DURING THE MOST-RECENTLY CLOSED PERIOD

C.1 Explain in a summary manner the main features of the compensation categories and structure of the compensation policy applied during the most-recently closed period, which results in the details of individual compensation earned by each of the directors reflected in section D of this report, and summarise the decisions taken by the board for application of the aforesaid categories.

Explain the compensation categories and structure of the compensation policy applied during the period

The compensation policy actually applied during 2014 was in response to the one approved and contemplated for that year by the Board of Directors, on proposal of the Nominating and Compensation Committee, and submitted to advisory vote under point ten of the agenda of the ordinary shareholders meeting held on 28 April 2014.

As notable subsequent events, in October 2014 (i) Mr. Fernando Abril-Martorell resigned as CEO and was replaced in that position by Mr. Jose Luis Sainz Díaz (the compensation categories for whom obviously were not included in the compensation policy approved by the board for 2014); and (ii) the Committee for Digital Changee was established. Although it has not resulted in payment of annual fixed compensation to its members, it has resulted in payment to the external directors that are members thereof of per diems for attending the two meetings held in 2014 after its establishment.

Set forth below is a summary of the categories constituting the compensation package of the directors in 2014:

External directors:

The external directors earned annual fixed compensation, for membership on the Board of Directors and, depending on the case, compensation for membership on the various committees of the board (Delegated Commission, Audit Committee, Nominating and Compensation Committee and Corporate Governance Committee). Also, they received per diems for attendance at meetings of the Board of Directors and its committees. As has been indicated, the external directors that are members of the Committee for Digital Changee, although they have not received annual fixed compensation for their membership thereon, have received per diems for attending meetings held since its establishment.

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Also, Ms. Arianna Huffington and Mr. John Paton received 51,070.40 euros each as fixed allocation for their membership on the Board of Directors of Diario El País S.L.

Executive directors:

i. Compensation earned by the Chairman of the Board of Directors and Delegated Commission, Mr. Juan Luis Cebrián Echarrí:

Mr. Cebrián earned annual fixed compensation in cash and variable annual compensation (payable in cash in 2015). Also, as already indicated in section A.10 above, the Company paid 48,000 euros for rental housing of Mr. Cebrián.

ii. Compensation earned by the CEO, Mr. Jose Luis Sainz Díaz:

Mr. Sainz earned annual fixed compensation in cash, annual variable compensation based on objectives, payable in cash and, also, earned compensation corresponding to cycle II, for the 2012/2014 period, of the long-term incentive (ILP) approved by the board in June 2011, to be settled in 2015.

Since Mr. Sainz began providing his services as CEO of PRISA on 1 October 2014, and immediately before that date served as Chairman of Prisa Noticias, CEO of Diario El País and CEO of Prisa Radio, the annual variable compensation corresponding to him during 2014 was settled in accordance with the provisions of the services agreement he had in effect prior to 1 October 2014, together with a proportional part corresponding to him for serving as CEO of Prisa during the period from 1 October 2014 to 31 December 2014, taking as a reference the target bonus that will be applicable from 1 January 2015.

In addition, it is noted that Mr. Sainz in 2014 was paid the cycle I, 2011/2013 period, long-term incentive (ILP) approved by the board in June 2011. The compensation he has received in this category (149,156 shares of PRISA), was settled in 2014 and is not reflected in section D of this report. The report of this compensation was made in respect of 2011, 2012 and 2013, following provision accounting principles, not the accrual criterion set by the CNMV in its Circular 4/2013.

Section D of this report specifies the compensation earned by Mr. Sainz since he assumed his position as a director of PRISA, on 22 July 2014 (from that date to 30 September 2014 for his executive functions in Prisa Noticias and in Prisa Radio and, from 1 October 2014, as CEO of PRISA). The compensation earned by Mr. Sainz prior to 22 July 2014 (fixed compensation and annual variable compensation) will be included in the overall compensation of members of senior management of PRISA, which is covered by the Annual Corporate Governance Report and in the Company's financial information.

Notwithstanding the foregoing, as already indicated in section A.4 of this report, the compensation earned by Mr. Sainz through Cycle II (2012-2014) of the ILP, from performing his functions as an executive of Prisa Noticias and Prisa Radio, has been fully included in the tables in section D of this report.

iii. Compensation earned by the Deputy Chairman of PRISA and Chairman of DTS, Distribuidora de Televisión Digital, Mr. Manuel Polanco Moreno:

Mr. Polanco earned annual fixed compensation in cash and, in addition, variable annual compensation based on objectives (payable in cash in 2015).

In addition, and in line with what has already been explained for Mr. Sainz, is noted that Mr. Polanco in 2014 received the cycle I, 2011/2013 period, long-term incentive (ILP) approved by the board in June 2011. The compensation he has received in this category (208,673 shares of PRISA), was delivered in 2014 and is not reflected in section D of this report. The report of this compensation was made in respect of 2011, 2012 and 2013, following provision accounting principles, not the accrual criterion set by the CNMV in its Circular 4/2013.

iv) Compensation earned by Mr. Fernando Abril-Martorell (outside director) during the period in which he served as CEO of Prisa:

Between January and September 2014 Mr. Abril-Martorell earned annual fixed compensation in cash, variable annual compensation based on objectives, payable in cash and by delivery of shares of the Company and, in addition, compensation for the post-contractual noncompetition commitment activated after leaving his position as CEO of the Company, in the amount of 333,320.75 euros, to be paid in twelve equal instalments (in 2014 he was paid 83,330.25 euros in this category).

Payment of the variable annual compensation of the executive directors:

The annual variable compensation earned in 2014 and payable in 2015 has quantitative objectives weighted at between 60% and 80%, and qualitative objectives weighted at between 20% and 40%. The quantitative objectives refer to the consolidated group and, if applicable, to the business unit in which the beneficiary of the scheme performs his duties. The reference metrics for determination of the quantitative objectives are different depending on whether the beneficiary provides his services at corporate headquarters or within a business unit, although they are interrelated.

The amount of the annual bonus is directly tied to a scale of achievement that relates the degree of achievement of the objectives with the percentage of incentive to be applied to the minimum amount of the variable bonus established at the outset. Independent metrics scales have been established, requiring minimum achievement of each of the metrics in order to receive the annual bonus.

As for determination of the 2014 bonus, this scheme of independent metrics has been used, with a maximum of five indicators and quantitative objectives, to each of which a scale of achievement of objectives will be applied. The

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aggregate weighting of the aforesaid indicators is 60%-80% for achievement of 100% of the established objectives. In addition, there is a qualitative objective with a weighting of 20%-40%, which is determined by the Board of Directors on proposal of the Nominating and Compensation Committee.

Payment of the annual bonus is made after the end of the year. For this reason the bonus earned in 2014 by the executive directors, in accordance with the aforesaid rules and determined by the Board of Directors, on proposal of the Nominating and Compensation Committee, will be paid as follows:

i) The bonus of the Executive Chairman, Mr. Juan Luis Cebrián Echarri, will be paid entirely in cash in 2015.

The variable remuneration of the Chairman is divided into 60% for quantitative targets (80% basic cash flow 20% income group transformation group) and 40% qualitative objectives linked to the fulfillment of strategic plans, budgets and refinancing of the company and in particular the milestones included in refinancing and debt reduction.

The target was 1,000,000 euros, the aggregate amount of achievement being 809,935 euros.

The compensation accrued by Mr. Juan Luis Cebrián Echarri by achieving the objectives of the Company amounted to 809,935 euros: 40.99% for achievement of the quantitative objectives (that part is objective) and 40% regarding the qualitative evaluation (valuation of achieving goals previously established).

With regard to the qualitative assessment, the Nomination and Remuneration Committee and the Board of Directors have had sufficient criteria for assessing the professional performance of Mr Juan Luis Cebrian Echarri in 2014. Thus, Mr Juan Luis Cebrian Echarri had a key role in operations conducted by the company such as the sale of shares of Mediaset Spain for an amount of € 483 million used to repay debt at an average discount of 25%; the sale of the Ediciones Generales business amounting to 52 million euros; the increase of capital subscribed by Occher by 100 million euros at a significant premium and the sale of DTS to Telefónica, which was formalized in June 2014 subject to approval by competition authorities. These operations have reduced 777 million euros of debt in 2014 having achieved an average discount of 25% and, in the case of the sale of DTS, this was one of the key pillars for the refinancing structure approved by the banks in December 2013, as its sale was vital to ensure the viability and sustainability of the group in the long term and the fulfillment of the commitments entered into with the lenders.

ii) The bonus of the CEO, Mr. Jose Luis Sainz Díaz, will be paid entirely in cash in 2015, as follows:

- o As an executive of Prisa Noticias and Prisa Radio (for the period from 22 July to 30 September 2014: 100% of the annual variable compensation earned by Mr. Jose Luis Sainz Díaz is determined at 50%, respectively, for achievement of the 2014 objectives of PRISA NOTICIAS and PRISA RADIO. The achievement amounted to 62.98% for the part of achievement of quantitative objectives of PRISA NOTICIAS (including a 17.08% linked to objectives of the Group) and 56.33% for the part of achievement of the quantitative objectives of PRISA RADIO (including a 17.08% linked to objectives of the Group) and 20% regarding qualitative evaluation for both units.

The annual target amounts to 465,000 euros, being the amount accrued for this period of 53,434 euros.

- o As CEO of PRISA (for the period from 1 October to 31 December 2014): the compensation earned by Mr. Jose Luis Sainz Díaz for achievement of the objectives of the Company amounted to 54.66% for achievement of the quantitative objectives and 25% regarding qualitative evaluation. The target amounted to 750,000 euros, being the amount accrued for this period of 147,699 euros.

iii) The bonus of the Deputy Chairman, Mr. Manuel Polanco Moreno, will be paid entirely in cash in 2015.

The compensation earned by Mr. Manuel Polanco Moreno for achievement of the 2014 objectives based on the aggregate level of achievement of objectives of PRISA and DTS amounted to 98.48%: 13.67% for achievement of the group objectives, 64.81% for achievement of the objectives of DTS and 20% regarding the qualified evaluation.

The target was 275,000 euros, the aggregate amount of achievement being 270,810 euros.

iv) The bonus of the director Mr. Fernando Abril-Martorell Hernández (CEO of Prisa until 30 September 2014) will be paid in the following manner:

The Board of Directors of PRISA, on proposal of the Nominating and Compensation Committee, resolved to pay the target cash bonus contemplated in the contract of Mr. Abril-Martorell for 2014 (850,000 euros), immediately after his voluntary resignation from his position as CEO, in recognition of the work performed for the Company and his decisive contribution to its refinancing, modernisation of management and adaptation of its cost structure.

The bonus in shares (the target of which amounts to €2,125,000) will be paid in 2015 based on the degree of achievement of objectives.

The compensation accrued by Mr. Fernando Abril-Martorell Hernández for achievement of the objectives of the Company, which will be paid in shares, amounted to €759,257: 47.83% for achievement of the quantitative objectives, there being no percentage for qualitative achievement as he resigned during the year.

D DETAILS OF COMPENSATION INDIVIDUALLY EARNED BY EACH OF THE DIRECTORS

Name	Type	Period Accrued
JOSE LUIS SAINZ DIAZ	Executive	From 22/07/2014 to 31/12/2014
ROBERTO LAZARO ALCANTARA ROJAS	Representing Significant Shareholdings	From 24/02/2014 to 31/12/2014
JOHN PATON	Independent	From 24/02/2014 to 31/12/2014
ERNESTO ZEDILLO PONCE DE LEÓN	Independent	From 01/01/2014 to 31/12/2014
EMMANUEL ROMAN	Independent	From 01/01/2014 to 31/12/2014
JUAN LUIS CEBRIÁN ECHARRI	Executive	From 01/01/2014 to 31/12/2014
MANUEL POLANCO MORENO	Executive	From 01/01/2014 to 31/12/2014
FERNANDO ABRIL-MARTORELL HERNÁNDEZ	Other External	From 01/01/2014 to 31/12/2014
JUAN ARENA DE LA MORA	Independent	From 01/01/2014 to 31/12/2014
NICOLAS BERGGRUEN	Representing Significant Shareholdings	From 01/01/2014 to 18/03/2014
ARIANNA HUFFINGTON	Independent	From 01/01/2014 to 31/12/2014
JOSÉ LUIS LEAL MALDONADO	Independent	From 01/01/2014 to 31/12/2014
GREGORIO MARAÑÓN BERTRAN DE LIS	Independent	From 01/01/2014 to 31/12/2014
ALAIN MINC	Independent	From 01/01/2014 to 31/12/2014
AGNES NOGUERA BOREL	Representing Significant Shareholdings	From 01/01/2014 to 31/12/2014
BORJA JESÚS PEREZ ARAUNA	Representing Significant Shareholdings	From 01/01/2014 to 31/12/2014
CLAUDIO BOADA PALLERÉS	Other External	From 01/01/2014 to 31/12/2014

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D.1 Complete the following tables regarding the individual compensation of each of the directors (including compensation for performance of executive duties) earned during the period.

a) Compensation accrued within the reporting company:

i) Cash compensation (in thousands of euros)

NAME	SALARY	FIXED COMPENSATION	PER DIEMS	SHORT-TERM VARIABLE COMPENSATION	LONG-TERM VARIABLE COMPENSATION	COMPENSATION FOR MEMBERSHIP ON BOARD COMMITTEES	INDEMNIFICATION	OTHER CATEGORIES	TOTAL 2014	Total 2013
ALAIN MINC	0	45	55	0	0	96	0	0	196	174
JUAN ARENA DE LA MORA	0	75	60	0	0	17	0	0	152	154
ERNESTO ZEDILLO PONCE DE LEON	0	45	42	0	0	19	0	0	106	104
GREGORIO MARAÑON BERTRÁN DE LIS	0	45	60	0	0	94	0	1	200	230
NICOLAS BERGGRUEN	0	9	5	0	0	0	0	0	14	63
MANUEL POLANCO MORENO	0	0	0	0	0	0	0	0	0	194
CLAUDIO BOADA PALLARES	0	75	35	0	0	8	0	0	118	5
FERNANDO ABRIL-MARTORELL	500	0	0	850	0	0	0	92	1.442	950
JOSE LUIS LEAL MALDONADO	0	75	33	0	0	9	0	0	117	120
ROBERTO ALCANTARA ROJAS	0	38	30	0	0	64	0	0	132	0
JOHN PATON	0	64	27	0	0	0	0	0	91	0
JUAN LUIS CEBRIAN ECHARRI	1.000	0	0	810	0	0	0	68	1.878	1.573
JOSE LUIS SAINZ DÍAZ	187	0	0	148	0	0	0	1	336	0
AGNES NOGUERA BOREL	0	45	48	0	0	19	0	0	112	117
ARIANNA HUFFINGTON	0	45	15	0	0	10	0	0	70	65
BORJA PÉREZ ARAUNA	0	45	35	0	0	9	0	0	89	97
EMMANUEL ROMAN	0	45	40	0	0	9	0	0	94	97

ii) Compensation schemes based on shares

ALAIN MINC												
Fixed Annual Remuneration (40%) for participating in the Board												
Implement. Date	Ownership of Options beginning of 2014 FY						Assigned Options during 2014 FY					
	Nº Options	Shares Affected	Exercise Price (€)	Deadline for Exercise			Nº Options	Shares Affected	Exercise Price (€)	Deadline for Exercise		
27/11/2010	0	0	0.00	0			0	0	0.00	0		
Conditions: 0												
Shares delivered in the 2014 FY			Options Exercised in the 2014 FY				Options sold and not exercised	Operations at end of 2014 FY				
Nº of Shares	Price	Amount	Exercise Price (€)	Nº Options	Shares Affected	Gross Profit (M€)	Nº Options	Nº Options	Shares Affected	Exercise Price (€)	Deadline for Exercise	
77,338	0.00	30	0.00	0	0	0	0	0	0	0.00	0	
Other requirements to exercise: 0												

(Free translation from the original in Spanish language)

EMMANUEL ROMAN												
Fixed Annual Remuneration (40%) for participating in the Board												
Implement. Date	Ownership of Options beginning of 2014 FY						Assigned Options during 2014 FY					
	Nº Options	Shares Affected	Exercise Price (€)	Deadline for Exercise			Nº Options	Shares Affected	Exercise Price (€)	Deadline for Exercise		
27/11/2010	0	0	0.00	0			0	0	0.00	0		
Conditions: 0												
Shares delivered in the 2014 FY			Options Exercised in the 2014 FY				Options sold and not exercised	Operations at end of 2014 FY				
Nº of Shares	Price	Amount	Exercise Price (€)	Nª Options	Shares Affected	Gross Profit (M€)	Nº Options	Nº Options	Shares Affected	Exercise Price (€)	Deadline for Exercise	
77,338	0.00	30	0.00	0	0	0	0	0	0	0.00	0	
Other requirements to exercise: 0												

ERNESTO ZEDILLO PONCE DE LEÓN												
Fixed Annual Remuneration (40%) for participating in the Board												
Implement. Date	Ownership of Options beginning of 2014 FY						Assigned Options during 2014 FY					
	Nº Options	Shares Affected	Exercise Price (€)	Deadline for Exercise			Nº Options	Shares Affected	Exercise Price (€)	Deadline for Exercise		
27/11/2010	0	0	0.00	0			0	0	0.00	0		
Conditions: 0												
Shares delivered in the 2014 FY			Options Exercised in the 2014 FY				Options sold and not exercised	Operations at end of 2014 FY				
Nº of Shares	Price	Amount	Exercise Price (€)	Nª Options	Shares Affected	Gross Profit (M€)	Nº Options	Nº Options	Shares Affected	Exercise Price (€)	Deadline for Exercise	
76,547	0.00	30	0.00	0	0	0	0	0	0	0.00	0	
Other requirements to exercise: 0												

GREGORIO MARANON BERTRAN DE LIS												
Fixed Annual Remuneration (40%) for participating in the Board												
Implement. Date	Ownership of Options beginning of 2014 FY						Assigned Options during 2014 FY					
	Nº Options	Shares Affected	Exercise Price (€)	Deadline for Exercise			Nº Options	Shares Affected	Exercise Price (€)	Deadline for Exercise		
27/11/2010	0	0	0.00	0			0	0	0.00	0		
Conditions: 0												
Shares delivered in the 2014 FY			Options Exercised in the 2014 FY				Options sold and not exercised	Operations at end of 2014 FY				
Nº of Shares	Price	Amount	Exercise Price (€)	Nª Options	Shares Affected	Gross Profit (M€)	Nº Options	Nº Options	Shares Affected	Exercise Price (€)	Deadline for Exercise	
67,881	0.00	30	0.00	0	0	0	0	0	0	0.00	0	
Other requirements to exercise: 0												

AGNES NOGUERA BOREL												
Fixed Annual Remuneration (40%) for participating in the Board												
Implement. Date	Ownership of Options beginning of 2014 FY						Assigned Options during 2014 FY					
	Nº Options	Shares Affected	Exercise Price (€)	Deadline for Exercise			Nº Options	Shares Affected	Exercise Price (€)	Deadline for Exercise		
27/11/2010	0	0	0.00	0			0	0	0.00	0		
Conditions: 0												
Shares delivered in the 2014 FY			Options Exercised in the 2014 FY				Options sold and not exercised	Operations at end of 2014 FY				
Nº of Shares	Price	Amount	Exercise Price (€)	Nª Options	Shares Affected	Gross Profit (M€)	Nº Options	Nº Options	Shares Affected	Exercise Price (€)	Deadline for Exercise	
67,881	0.00	30	0.00	0	0	0	0	0	0	0.00	0	
Other requirements to exercise: 0												

(Free translation from the original in Spanish language)

BORJA JESUS PEREZ ARAUNA												
Fixed Annual Remuneration (40%) for participating in the Board												
Implement. Date	Ownership of Options beginning of 2014 FY						Assigned Options during 2014 FY					
	Nº Options	Shares Affected	Exercise Price (€)	Deadline for Exercise			Nº Options	Shares Affected	Exercise Price (€)	Deadline for Exercise		
27/11/2010	0	0	0.00	0			0	0	0.00	0		
Conditions: 0												
Shares delivered in the 2014 FY			Options Exercised in the 2014 FY				Options sold and not exercised	Operations at end of 2014 FY				
Nº of Shares	Price	Amount	Exercise Price (€)	Nº Options	Shares Affected	Gross Profit (M€)	Nº Options	Nº Options	Shares Affected	Exercise Price (€)	Deadline for Exercise	
67,881	0.00	30	0.00	0	0	0	0	0	0	0.00	0	
Other requirements to exercise: 0												

ARIANNA HUFFINGTON												
Fixed Annual Remuneration (40%) for participating in the Board												
Implement. Date	Ownership of Options beginning of 2014 FY						Assigned Options during 2014 FY					
	Nº Options	Shares Affected	Exercise Price (€)	Deadline for Exercise			Nº Options	Shares Affected	Exercise Price (€)	Deadline for Exercise		
27/11/2010	0	0	0.00	0			0	0	0.00	0		
Conditions: 0												
Shares delivered in the 2014 FY			Options Exercised in the 2014 FY				Options sold and not exercised	Operations at end of 2014 FY				
Nº of Shares	Price	Amount	Exercise Price (€)	Nº Options	Shares Affected	Gross Profit (M€)	Nº Options	Nº Options	Shares Affected	Exercise Price (€)	Deadline for Exercise	
76,547	0.00	30	0.00	0	0	0	0	0	0	0.00	0	
Other requirements to exercise: 0												

NICOLAS BERGGRUEN												
Fixed Annual Remuneration (40%) for participating in the Board												
Implement. Date	Ownership of Options beginning of 2014 FY						Assigned Options during 2014 FY					
	Nº Options	Shares Affected	Exercise Price (€)	Deadline for Exercise			Nº Options	Shares Affected	Exercise Price (€)	Deadline for Exercise		
27/11/2010	0	0	0.00	0			0	0	0.00	0		
Conditions: 0												
Shares delivered in the 2014 FY			Options Exercised in the 2014 FY				Options sold and not exercised	Operations at end of 2014 FY				
Nº of Shares	Price	Amount	Exercise Price (€)	Nº Options	Shares Affected	Gross Profit (M€)	Nº Options	Nº Options	Shares Affected	Exercise Price (€)	Deadline for Exercise	
12,338	0.00	7	0.00	0	0	0	0	0	0	0.00	0	
Other requirements to exercise: 0												

ROBERTO LAZARO ALCANTARA ROJAS												
Fixed Annual Remuneration (40%) for participating in the Board												
Implement. Date	Ownership of Options beginning of 2014 FY						Assigned Options during 2014 FY					
	Nº Options	Shares Affected	Exercise Price (€)	Deadline for Exercise			Nº Options	Shares Affected	Exercise Price (€)	Deadline for Exercise		
27/11/2010	0	0	0.00	0			0	0	0.00	0		
Conditions: 0												
Shares delivered in the 2014 FY			Options Exercised in the 2014 FY				Options sold and not exercised	Operations at end of 2014 FY				
Nº of Shares	Price	Amount	Exercise Price (€)	Nº Options	Shares Affected	Gross Profit (M€)	Nº Options	Nº Options	Shares Affected	Exercise Price (€)	Deadline for Exercise	
67,734	0.00	26	0.00	0	0	0	0	0	0	0.00	0	
Other requirements to exercise: 0												

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FERNANDO ABRIL-MARTORELL HERNÁNDEZ												
Variable Annual Remuneration in shares												
Implement. Date	Ownership of Options beginning of 2014 FY						Assigned Options during 2014 FY					
	Nº Options	Shares Affected	Exercise Price (€)	Deadline for Exercise			Nº Options	Shares Affected	Exercise Price (€)	Deadline for Exercise		
25/03/2011	0	0	0.00	0			0	0	0.00	0		
Conditions: 0												
Shares delivered in the 2014 FY			Options Exercised in the 2014 FY				Options sold and not exercised	Operations at end of 2014 FY				
Nº of Shares	Price	Amount	Exercise Price (€)	Nº Options	Shares Affected	Gross Profit (M€)	Nº Options	Nº Options	Shares Affected	Exercise Price (€)	Deadline for Exercise	
2,978,647	0.25	759	0.00	0	0	0	0	0	0	0.00	0	
Other requirements to exercise: 0												

ii) Long-term savings schemes

Not applicable

iv) Other benefits (€ 000s)

GREGORIO MARAÑÓN Y BERTRÁN DE LIS		
Remuneration in the form of advances, loans granted		
Transaction interest rate	Essential characteristics of the transaction	Amounts eventually returned
0,00	None	None
Life assurance premiums	Security given by the company in favour of the directors	
Year 2014	Year 2013	
1	1	

MANUEL POLANCO MORENO		
Remuneration in the form of advances, loans granted		
Transaction interest rate	Essential characteristics of the transaction	Amounts eventually returned
0,00	None	None
Life assurance premiums	Security given by the company in favour of the directors	
Year 2014	Year 2013	
0	3	

FERNANDO ABRIL –MARTORELL HERNANDEZ		
Remuneration in the form of advances, loans granted		
Transaction interest rate	Essential characteristics of the transaction	Amounts eventually returned
0,00	None	None
Life assurance premiums	Security given by the company in favour of the directors	
Year 2014	Year 2013	
9	15	

JUAN LUIS CEBRIAN ECHARRI		
Remuneration in the form of advances, loans granted		
Transaction interest rate	Essential characteristics of the transaction	Amounts eventually returned
0,00	None	None
Life assurance premiums	Security given by the company in favour of the directors	
Year 2014	Year 2013	
20	32	

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JOSE LUIS SAINZ DIAZ		
Remuneration in the form of advances, loans granted		
Transaction interest rate	Essential characteristics of the transaction	Amounts eventually returned
0,00	None	None
Life assurance premiums	Security given by the company in favour of the directors	
Year 2014	Year 2013	
1	0	

b) Compensation accrued by directors of the company for membership on boards of other group companies:

NAME	SALARY	FIXED COMPENSATION	PER DIEMS (Board and Committees)	SHORT-TERM VARIABLE COMPENSATION	LONG-TERM VARIABLE COMPENSATION	COMPENSATION FOR MEMBERSHIP ON BOARD COMMITTEES	INDEMNIFICATION	OTHER CATEGORIES	TOTAL 2014	Total 2013
Manuel Polanco	460	0	0	271	0	0	0	5	736	446
Arianna Huffington	0	51	0	0	0	0	0	0	51	49
John Paton	0	51	0	0	0	0	0	0	51	0
José Luis Sainz	88	0	0	53	0	0	0	1	142	0

i) Cash compensation (€ 000s):

ii) Compensation schemes based on shares:

JOSE LUIS SAINZ DIAZ												
Long -Term Remuneration in shares												
Implement. Date	Ownership of Options beginning of 2014 FY				Assigned Options during 2014 FY							
	Nº Options	Shares Affected	Exercise Price (€)	Deadline for Exercise	Nº Options	Shares Affected	Exercise Price (€)	Deadline for Exercise				
31/03/2011	0	0	0.00	0	0	0	0.00	0				
Conditions: 0												
Shares delivered in the 2014 FY			Options Exercised in the 2014 FY				Options sold and not exercised	Operations at end of 2014 FY				
Nº of Shares	Price	Amount	Exercise Price (€)	Nº Options	Shares Affected	Gross Profit (M€)	Nº Options	Nº Options	Shares Affected	Exercise Price (€)	Deadline for Exercise	
675,904	0.27	184	0.00	0	0	0	0	0	0	0.00	0	
Other requirements to exercise: 0												

ii) Long-term savings schemes

Not applicable

iv) Other benefits (€ 000s)

MANUEL POLANCO MORENO		
Remuneration in the form of advances, loans granted		
Transaction interest rate	Essential characteristics of the transaction	Amounts eventually returned
0,00	None	None
Life assurance premiums	Security given by the company in favour of the directors	
Year 2014	Year 2013	
5	4	

JOSE LUIS SAINZ DIAZ		
Remuneration in the form of advances, loans granted		
Transaction	Essential characteristics of the	Amounts eventually

(Free translation from the original in Spanish language)

interest rate	transaction	returned
0,00	None	None
Life assurance premiums	Security given by the company in favour of the directors	
Year 2014	Year 2013	
1	0	

c) Summary of compensation

NAME	Compensation accrued in the Company				Compensation accrued from group companies				TOTAL		Contribution to savings schemes during period
	CASH COMPENSATION	NUMBER OF SHARES GRANTED	GROSS PROFIT ON OPTIONS	TOTAL Company 2014	CASH COMPENSATION	NUMBER OF SHARES GRANTED	GROSS PROFIT ON OPTIONS	TOTAL Group Companies 2014	TOTAL 2014	TOTAL 2013	
ALAIN MINC	196	30	0	226	0	0	0	0	226	204	0
JUAN ARENA DE LA MORA	152	0	0	152	0	0	0	0	152	154	0
EMMANUEL ROMAN	94	30	0	124	0	0	0	0	124	127	0
ERNESTO ZEDILLO PONCE DE LEON	106	30	0	136	0	0	0	0	136	134	0
GREGORIO MARAÑON BERTRÁN DE LIS	200	30	0	230	0	0	0	0	230	260	0
AGNES NOGUERA BOREL	112	30	0	142	0	0	0	0	142	147	0
NICOLAS BERGGRUEN	14	7	0	21	0	0	0	0	21	93	0
MANUEL POLANCO MORENO	0	0	0	0	736	0	0	736	736	640	0
CLAUDIO BOADA PALLARES	118	0	0	118	0	0	0	0	118	5	0
FERNANDO ABRIL-MARTORELL	1.442	759	0	2.201	0	0	0	0	2.201	1.621	0
JOSE LUIS LEAL MALDONADO	117	0	0	117	0	0	0	0	117	120	0
BORJA PÉREZ ARAUNA	89	30	0	119	0	0	0	0	119	127	0
JUAN LUIS CEBRIAN ECHARRI	1.878	0	0	1.878	0	0	0	0	1.878	2.142	0
ARIANNA HUFFINGTON	70	30	0	100	51	0	0	51	151	144	0
JOSE LUIS SAINZ DÍAZ	336	0	0	336	142	184	0	326	662	0	0
ROBERTO ALCANTARA ROJAS	132	26	0	158	0	0	0	0	158	0	0
JOHN PATON	91	0	0	91	51	0	0	51	142	0	0
TOTAL	5.147	1.002	0	6.149	980	184	0	1,164	7.313	5.918	0

(Free translation from the original in Spanish language)

D.2 Report on the relationship between compensation obtained by directors and the results or other measures of profitability of the entity, if applicable explaining how the changes in profitability of the company may have influenced changes in compensation of directors.

The Company amends its variable compensation policy annually to adapt it to the results thereof

- i. The compensation accrued by the Chairman of the Board of Directors and the Delegated Commission, Mr. Juan Luis Cebrián Echarri, for achievement of the 2014 objectives amounted to 809,935 euros.
- ii. The compensation accrued by the CEO, Mr. Jose Luis Sainz Díaz, for achievement of 2014 objectives, amounted to 201,133 euros.
- iii. The compensation accrued by Mr. Fernando Abril-Martorell Hernández for achievement of 2014 objectives (part proportional to the January-September 2014 period during which he served as CEO of Prisa) amounted to 759,257 euros (in shares) and 850,000 euros in cash.
- iv. The compensation accrued by Mr. Manuel Polanco Moreno for achievement of 2014 objectives amounted to 270,810 euros.

D.3 Report on the result of the advisory vote of the general meeting on the annual report and compensation for the prior period, indicating the number of negative votes, if any:

	Number	% of total
Votes cast	438,515,424	100.00%

	Number	% of cast
Votes against	86,432,259	19.71%
Votes for	351,089,291	80.06%
Abstentions	993,874	0.23%

E OTHER INFORMATION OF INTEREST

If there is any relevant aspect of director compensation that it has not been possible to include in the other sections of this report, but that it is necessary to include in order to set forth more complete and reasoned information regarding the compensation practices and structure of the company as regards its directors, briefly explain.

-Regarding heading D of this report the following is noted:

i) Appointments and Resignations during 2014:

- Mr. Nicolás Berggruen resigned as a director of PRISA in March 2014. Also Mr. Fernando Abril-Martorell resigned his position of CEO effective 30 September 2014, although he remains as a director of the Company.
- Mr. Roberto Alcántara and Mr. John Paton were appointed as directors of PRISA at the board meeting held on 24 February 2014 (subsequently ratified by the shareholders meeting held on 28 April).
- Mr. Jose Luis Sainz Díaz was appointed as a director of PRISA on 22 July 2014 and assumed the position of CEO on 1 October 2014.

iii) Long-term compensation:

(Free translation from the original in Spanish language)

As indicated in section A.4 of this report, the executive directors have various kinds of long-term compensation. Since earning such compensation is conditioned on satisfaction of certain conditions there has been no accrual of any amount in some of those categories in 2014. Therefore they have not been reflected in the tables under heading D in this report, without prejudice to the accounting expenses recorded in the income statement. For this reason, the amount of the total compensation of directors appearing in section D of this report, which follows the accrual criterion fixed in "CNMV Circular 4/2013, establishing the model annual report of compensation of directors of listed public limited companies", differs from the total amount of compensation of directors appearing in the Notes to the Financial Statements and Semi-annual Financial Information for 2014, which correspond to accounting provisions:

- Multi-year incentive of Mr. Juan Luis Cebrián, to be received in January 2016, in shares, in an amount equivalent to €1,000,000. As it has not accrued, it is not included in the tables under heading D in this report.

In this regard it is noted that in the Financial Information corresponding to the first semester of 2014, which PRISA published in July 2014, it was explained that the income statement for the first semester of 2014 included an expense in the amount of 125,000 euros in this category.

- Variable multi-year incentive of Mr. Jose Luis Sainz Díaz, recognised in his contract with PRISA, for 2014-2016. As it has not accrued, it is not included in the tables under heading D in this report.
- The amount accrued for the second cycle, 2012-2014 period, of the 2011 Long-Term Incentive (ILP) that will be settled, in shares, in 2015, for the executive functions performed by Mr. Jose Luis Sainz Díaz in Prisa Noticias and Prisa Radio and that to date were reported following the accounting provision criterion, is included in the tables under heading D of this report (see sections A.4 and C.1). The shares are delivered net of taxes, for which reason the difference between the gross amount and the amount that will be delivered in shares corresponds to the withholding deposit that will apply upon delivery of the shares.
- Long-Term Incentive (ILP) of Mr. Manuel Polanco, approved at the shareholders meeting of April 2014, to be settled in 2017 by virtue of achievement of the approved objectives. As it has not accrued, it is not included in the tables under heading D in this report.

Also, regarding the compensation settled in shares in 2014 for the first cycle (2011-2013 period) of the Long-Term Incentive (ILP) approved at the shareholders meeting of June 2011, the beneficiaries being Mr. Manuel Polanco Moreno and Mr. Jose Luis Sainz (see heading C.1. of this report), it is noted that the information included in the compensation reports for 2011, 2012 and 2013 used the accounting provision criterion and not the accrual criterion fixed by the aforesaid Circular 4/2013. The aforesaid compensation is not included in the tables in section D of this report, because it was settled (not accrued) in 2014.

-Regarding the information contained in **table ii) under headings D.1.a)** of this report (Compensation schemes based on shares), the following is noted:

i) Although the compensation of external directors includes a fixed amount by way of delivery of shares, the gross amount of which is the same for all directors, the number of shares allotted varies because it depends on the withholding percentages applicable to each of them;

ii) Within "shares delivered during 2014" there are shares earned in 2014, although at 31 December 2014 they had not been delivered in full.

iii) The price of the "shares delivered during 2014" to external directors is not a single price. There are four prices, corresponding to each of the quarters of 2014 (€0.42, €0.36, €0.27 and €0.26).

iv) To calculate the number of shares earned by Mr. Fernando Abril-Martorell (CEO until September 2014) as annual variable compensation, the achievement of annual objectives was evaluated, which resulted in a gross amount of 759,000 euros of annual variable compensation in kind. The shares are delivered net of taxes, for which reason the difference between the gross amount and the amount that will be delivered in shares corresponds to the withholding deposit that will apply upon delivery of the shares.

v) To calculate the number of theoretical shares earned by Mr. Jose Luis Sainz through Cycle II of the ILP, a target amount of 275,000 euros was used, which resulted in a gross amount of 183,981 euros of in-kind variable compensation, corresponding to 675,904 theoretical shares. The shares are delivered net of taxes, for which reason the difference between the gross amount and the amount that will be delivered in shares corresponds to the withholding deposit that will apply upon delivery of the shares.

-Regarding the information contained in **table iv) under headings D.1.a) and D.1.b)** of this report (Other Benefits), the following is noted:

i) The figures indicated in the column called "Life Insurance Premiums" include not only the premiums paid in this category, but also those corresponding to the Health and Accident Policy, since there is no specific section of this report in which they can be declared.

ii) Also included is the amount of 83,320 euros that Mr. Fernando Abri-Martorell accrued in 2014, as compensation for the contractual noncompetition agreement, activated after resigning from his position as CEO of the Company. As already has been indicated in section C.1 of this report, the amount of €333,320 corresponding to this category will be paid in twelve equal instalments over the period for which the noncompetition undertaking was established.

This annual compensation report was approved unanimously by the Board of Directors of the Company at its meeting of February 27, 2015.

(Free translation from the original in Spanish language)

State whether there are any directors who voted against or abstained from voting to approve this report.

No

Names of the members of the Board of Directors not voting in favour of approval of this report	Reason (opposed, abstained, not in attendance)	Explain the reason

(Free translation from the original in Spanish language)