



**REPORT ISSUED BY THE BOARD OF DIRECTORS OF PROMOTORA DE INFORMACIONES, S.A. ON PROPOSED RESOLUTION OF RATIFICATION OF DIRECTOR INCLUDED IN POINT ONE OF THE AGENDA OF THE EXTRAORDINARY GENERAL SHAREHOLDERS MEETING CALLED TO BE HELD ON OCTOBER 30, 2017 AND OCTOBER 31, 2017, AT FIRST AND SECOND CALL, RESPECTIVELY.**

**I. Purpose of Report:**

The Board of Directors of PROMOTORA DE INFORMACIONES, S.A. ("**PRISA**" or the "**Company**") prepares this report to explain, in compliance with the provisions of article 529 of the Capital Companies Act, the proposed resolution of ratification of the appointment by cooptation of Director Mr. Manuel Mirat Santiago included as point one of the Agenda for the next Extraordinary General Shareholders Meeting called for October 30, 2017 on first call or, if the necessary quorum is not achieved on that call, on October 31, 2017, on second call.

**II. Justification for the proposal:**

**Background:**

Following the resignation of the director Ms Blanca Hernández Rodríguez and to fill that vacancy, the Board of Directors of PRISA held on June 30, 2017 appointed by co-optation Mr Manuel Mirat Santiago as director of the Company.

Likewise, at the same meeting of the Board, Mr. José Luis Sainz Díaz resigned as director and CEO, with effects from September 4, 2017. The Board, after following the formal internal process for the succession of the CEO, appointed Mr. Mirat as CEO of the Company, with effect from September 4.

**Internal procedure for preparing the proposed resolution:**

In accordance with articles 244 and 529 decies of the Capital Companies Act, appointments by co-option are of a provisional nature and must be ratified, if appropriate, at the next General Meeting held by the Company after the appointment.

Proposals for ratification of appointment by co-option that the Board of Directors submits for consideration to the General Meeting must be preceded, in the case of non-independent directors, by a report of the Appointments and Remuneration Committee, in accordance with the provisions of the Company's Board of Directors Regulations (article 20 and related provisions) and in article 529 decies of the Capital Companies Act.

*(Free translation from the original in Spanish language)*

Based on all of the foregoing, the Board of Directors of PRISA, based on a report from the Appointments and Remuneration Committee, which the Board adopts for all purposes and that is attached hereto as an Annex, proposes to ratify the appointment by co-option of Mr Manuel Mirat Santiago as an executive director.

Justification for the proposal to ratify the appointment of Mr. Manuel Mirat as Director:

By virtue of the provisions of article 529 decies of the Capital Companies Act and article 21 of the Company's Board of Directors Regulations, the Board of Directors justifies below the ratification of Mr. Manuel Mirat as director, evaluating his competence, experience and merits, according to the report of the Appointments and Remuneration Committee.

Mr Manuel Mirat has the following CV:

*“Mr Mirat holds a degree in Law, and completed the Senior Management Program (PADE) and the Management Development Program (PDD) at the IESE. Mirat began his career at Arthur Andersen and joined PRISA in 1997, where he held a range of corporate posts, including head of the Finance Department. In 2004, he was appointed CEO of PRISACOM to lead the digital development of the Group, overseeing transformation projects for the different brands: El País, Cadena SER, 40 Principales, As and Cinco Días.*

*In March 2009 he was appointed chief operating officer of Sogecable, and in December of that year he became Managing Director of CANAL +, in charge of sales, marketing and new business development. In 2014 he was appointed CEO of El País and PRISA Noticias.”*

Last June, in order to fill the vacancy on the Board and, at the same time, to fill the position of CEO, the Board analyzed its needs and considered that the candidate to director and CEO should come from within the company, given its ingrained business culture and the special moment of transformation that it lives. It was also considered that the candidate should also have a strong financial background and an explicitly digital profile that would allow him to implement and promote the digital transformation necessary for all businesses and vital to the future of the company.

Of all the candidates with these profiles, it was decided that the most appropriate candidate who meets all the described requirements was Mr Mirat, CEO of Prisa Noticias at the time of his appointment as a director of PRISA.

Manuel Mirat, Lawyer and economist by profession, he specializes in tax matters and has successfully and has successfully held many different positions in PRISA Group over the last twenty years (corporate center, Prisa Digital, Sogecable and Prisa Noticias). He has a very digital profile, overseeing the digital transformation of the newspaper El País and being the main coordinator of the Company with major technological. In short, Mr Mirat is a professional of proven worth and, in addition, he is very familiar with the Group's business.

With his appointment the principles and objectives established in the Directors Selection Policy, approved by the Company on 18 December 2015 are also met: Mr Mirat is a

*(Free translation from the original in Spanish language)*

professional with proven experience and professional and personal integrity who will bring diversity to the knowledge, experience and background of the Board of Directors, while also fulfilling the necessary competence and compatibility requirements to suit the particular business that develops the Company and the sectors in which it operates.

### III. Category of director to which he is to be assigned

The classification of Mr. Mirat in the categorie of executive director has been proposed by the Appointments and Remuneration Committee, in compliance with article 28.3.a) vi) of the Board of Directors Regulations, taking into account the executive functions performed by Mr. Mirat as CEO of PRISA and considering the definitions set forth for that purpose in article 529 duodecies of the Capital Companies Act.

### IV. Term of office:

Since this is a ratification of an appointment made by co-option, Manuel Mirat's term as director must be the same as that of the director whose vacancy on the Board he is covering (article 244 of the Capital Companies Act).

Therefore, the period for which Mr. Manuel Mirat has been appointed as director is until April 1, 2020, as long as Ms Blanca Rodriguez Hernandez was appointed as director by the General Shareholders' Meeting held on 1 April 2016 for a period of four (4) years.

### V. Proposed resolution submitted to approval of general shareholders meeting

*“Following a report from the Appointments and Remuneration Committee, the Board of Directors proposes the ratification of the appointment by co-option of Mr Manuel Mirat Santiago as executive director, issued by the Board of Directors’ meeting of 30 June 2017, to fill the vacancy generated on the Board following the resignation of the director Ms. Blanca Hernández Rodríguez, who had been appointed by the General Shareholders’ Meeting held on 1 April 2016 for a period of four (4) years.*

*It is resolved to ratify the appointment by co-option of Mr. Manuel Mirat Santiago as executive director, made by the Board of Directors meeting of 30 June 2017.”*

In Madrid, September 29, 2017

*(Free translation from the original in Spanish language)*



## **REPORT ISSUED BY THE APPOINTMENTS AND REMUNERATION COMMITTEE OF PROMOTORA DE INFORMACIONES, S.A. ON PROPOSED RESOLUTION OF RATIFICATION OF THE APPOINTMENT BY COOPTATION OF DIRECTOR MR. MANUEL MIRAT SANTIAGO AT THE NEXT EXTRAORDINARY GENERAL SHAREHOLDERS MEETING**

The Appointments and Remunerations Committee of PROMOTORA DE INFORMACIONES, S.A. ("PRISA" or the "Company") by virtue of article 28.3.a) iv) of the Board of Directors Regulations, issues this favourable report on the proposed resolution of ratification at the next Extraordinary General Shareholders Meeting of the appointment by cooptation of Director Mr. Manuel Mirat Santiago issued by the Board of Directors' meeting of 30 June 2017, to fill the vacancy generated on the Board following the resignation of the director Ms. Blanca Hernández Rodríguez, who had been appointed by the General Shareholders' Meeting held on 1 April 2016 for a period of four (4) years.

Likewise and in compliance with article 28.3.a) vi) of the Board of Directors Regulations, the Appointments and Remuneration Committee proposes the classification of Mr. Mirat in the category of executive director, taking into account the executive functions performed by Mr. Mirat as CEO of PRISA and considering the definitions set forth for that purpose in article 529 duodecies of the Capital Companies Act.

This report will be made available to shareholders at the time the Extraordinary General Shareholders Meeting is called, pursuant to articles 518 and 529 decies of the Capital Companies Act.

### Mr Manuel Mirat's CV and career:

Mr Manuel Mirat has the following CV:

*"Mr Mirat holds a degree in Law, and completed the Senior Management Program (PADE) and the Management Development Program (PDD) at the IESE. Mirat began his career at Arthur Andersen and joined PRISA in 1997, where he held a range of corporate posts, including head of the Finance Department. In 2004, he was appointed CEO of PRISACOM to lead the digital development of the Group, overseeing transformation projects for the different brands: El País, Cadena SER, 40 Principales, As and Cinco Días.*

*In March 2009 he was appointed chief operating officer of Sogecable, and in December of that year he became Managing Director of CANAL +, in charge of sales, marketing and new business development. In 2014 he was appointed CEO of El País and PRISA Noticias."*

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Background:

Last June, in order to fill the vacancy on the Board and, at the same time, to fill the position of CEO, the Board analyzed its needs and considered that the candidate to director and CEO should come from within the company, given its ingrained business culture and the special moment of transformation that it lives. It was also considered that the candidate should also have a strong financial background and an explicitly digital profile that would allow him to implement and promote the digital transformation necessary for all businesses and vital to the future of the company.

Of all the candidates with these profiles, it was decided that the most appropriate candidate who meets all the described requirements was Mr Mirat, CEO of Prisa Noticias at the time of his appointment as a director of PRISA.

Favorable report on the proposal to ratify the appointment of Mr. Manuel Mirat:

Manuel Mirat, Lawyer and economist by profession, he specializes in tax matters and has successfully and has successfully held many different positions in PRISA Group over the last twenty years (corporate center, Prisa Digital, Sogecable and Prisa Noticias). He has a very digital profile, overseeing the digital transformation of the newspaper El País and being the main coordinator of the Company with major technological.

The Appointments and Remunerations Committee believes that Mr Mirat is a professional of proven worth, he is very familiar with the Group's business and that with his appointment the principles and objectives established in the Directors Selection Policy, approved by the Company on 18 December 2015 are also met: Mr Mirat is a professional with proven experience and professional and personal integrity who will bring diversity to the knowledge, experience and background of the Board of Directors, while also fulfilling the necessary competence and compatibility requirements to suit the particular business that develops the Company and the sectors in which it operates.

In Madrid, September 29, 2017