

ANNUAL REPORT ON CORPORATE GOVERNANCE

LISTED COMPANIES

DATA IDENTIFYING ISSUER

FINANCIAL YEAR 2006

TAX ID CODE: A-28297059

Corporate Name:

PROMOTORA DE INFORMACIONES, S.A.

Corporate Address:

**GRAN VIA, 32,
MADRID.
28013
ESPAÑA**

A OWNERSHIP STRUCTURE

A.1. Complete the following table concerning the company's share capital:

Date Last Modified	Share Capital (€)	Number of Shares
18/05/00	21,881,250	218,812,500

If applicable, indicate in the following table whether there are different classes of shares:

Class	Number of Shares	Nominal Unit Value

A.2. Indicate the direct or indirect owners of significant holdings in your organization at the end of the financial year, excluding Board Members:

Shareholder's Name	Number of Direct Shares	Number of Indirect Shares (*)	Total % of Share Capital
PROMOTORA DE PUBLICACIONES, S.L.	97,449,219	0	44.535
TIMÓN, S.A.	40,434,942	0	18.479

(*) Through:

Direct Shareholder's Name	Number of Direct Shares	% of Share Capital
Total:		

Indicate the most significant changes in shareholder structure during the financial year:

Shareholder's Name	Date of Transaction	Description of Transaction

A.3. Complete the following tables concerning members of the Board of Directors who hold shares in the Company:

Name or Corporate Name of Board Member	Date of First Appointment	Date of Last Appointment	Number of Direct Shares	Number of Indirect Shares (*)	Total % of Share Capital
JESÚS DE POLANCO GUTIERREZ	19 Jun 73	15 Apr 04	100	140,839,650	64.365
IGNACIO POLANCO MORENO	18 Mar 93	10 Apr 03	475	1,312	0.001
JUAN LUIS CEBRIÁN ECHARRI	15 Jun 83	15 Apr 04	1,139,115	85,100	0.559
MATÍAS CORTÉS DOMÍNGUEZ	25 Mar 77	15 Apr 04	75	0	0.000
FRANCISCO JAVIER DIEZ DE POLANCO	18 May 00	17 March 05	2,890	13,400	0.007
DIEGO HIDALGO SCHNUR	17 Jun 82	10 Apr 03	150	--	0.000
GREGORIO MARAÑÓN BERTRÁN DE LIS	15 Jun 83	15 Apr 04	75	30,225	0.014
EMILIANO MARTINEZ RODRIGUEZ	15 Jun 89	15 Apr 04	3,868	0	0.002
RAMÓN MENDOZA SOLANO	19 Apr 01	23 March 06	120	0	0.000
AGNES NOGUERA BOREL	29 Apr 06	29 Apr 06	100	500	0.000
BORJA JESÚS PÉREZ ARAUNA	18 May 00	17 March 05	8,000	5,950	0.006
FRANCISCO PÉREZ GONZÁLEZ	25 Mar 77	15 Apr 04	175	18,000	0.008
ISABEL POLANCO MORENO	19 Jun 97	18 Apr 02	9,645	0	0.004
MANUEL POLANCO MORENO	19 Apr 01	23 March 06	2,863	0	0.001
JUAN SALVAT DALMAU	25 May 79	23 March 06	425	0	0.000
JESÚS DE LA SERNA GUTIÉRREZ REPIDE	19 Jun 84	17 March 05	525	0	0.000
JOSÉ BUENAVENTURA TERCEIRO LOMBA	15 Nov 90	23 March 06	300	0	0.000
ADOLFO VALERO CASCANTE	20 Oct 88	15 Apr 04	350	0	0.000
MANUEL VARELA UÑA	25 Mar 77	15 Apr 04	250	13,000	0.006

(*) Through:

Direct Shareholder's Name	Number of Direct Shares
PROMOTORA DE PUBLICACIONES, S.L.	97,449,219
TIMÓN, S.A.	40,434,942
NOMIT INVERSIONES SICAV, S.A	540,150
NOMIT III INTERNACIONAL SICAV,S.A	1,093,480
NOMIT IV GLOBAL SICAV, S.A.	1,180,540
EURE K INVERSIONES SICAV, S.A.	141,319
JURATE INVERSIONES, S.L.	70,500
SAPRI INVERSIÓNES 2000 SICAV, S.A.	14,600
INDEX RATIO, S.L.	13,400
EDICIONES MONTE ANETO, S.L.	225
CIGARRAL DE INVERSIONES SICAV, S.A.	30.000

CORPORACIÓN BORSON, S.L.	5,950
VALSEL INVERSIONES SICAV S.A.	18,000
MAIVAREN SICAV, S.A.	3,000
MAIVAREN INVERSIONES SICAV, S.A.	10,000
DON JOSE TORMO LOPEZ	500
Total:	141,007,137

Total % of Share Capital controlled by the Board of Directors	64.973
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Complete the following table concerning Members of the Board of Directors holding stock options in the Company:

Director's Name	Number of Direct Stock Options	Number of Indirect Stock Options	Number of Equivalent Shares	Total % of Share Capital
JESUS DE POLANCO GUTIERREZ	0	5,000,000	5,000,000	2.285
IGNACIO POLANCO MORENO	25,000	0	25,000	0.011
JUAN LUIS CEBRIÁN ECHARRI	60,000	0	60,000	0.027
FRANCISCO JAVIER DIEZ DE POLANCO	25,000	0	25,000	0.011
EMILIANO MARTINEZ RODRIGUEZ	25,000	0	25,000	0.011
ISABEL POLANCO MORENO	25,000	0	25,000	0.011
MANUEL POLANCO MORENO	25,000	0	25,000	0.011

A.4. Indicate, if applicable, any family, commercial, contractual or corporate relationships existing between the owners of significant shareholdings that are known to the Company, unless they are irrelevant or derive from ordinary commercial transactions:

Names of the Related Persons or Entities	Type of Relationship	Brief Description
PROMOTORA DE PUBLICACIONES, S.L.	Corporate	JESÚS DE POLANCO GUTIERREZ CONTROLS PROMOTORA DE PUBLICACIONES, S.L. AND IS THE CHAIRMAN OF ITS BOARD OF DIRECTORS.
TIMÓN, S.A.	Corporate	JESÚS DE POLANCO GUTIERREZ CONTROLS TIMÓN, S.A. AND IS CHAIRMAN OF ITS BOARD OF DIRECTORS.
TIMÓN, S.A.	Corporate	TIMÓN, S.A. HOLDS 343,412 SHARES IN PROMOTORA DE PUBLICACIONES, S.L. (REPRESENTING 48.5889% OF ITS SHARE CAPITAL)

A.5. Indicate, if applicable, any commercial, contractual or corporate relationships existing between significant shareholders and the Company, unless they are of little relevance or derive from ordinary commercial transactions:

Names of the Related Persons or	Type of	Brief Description
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Entities	Relationship	
JESÚS DE POLANCO GUTIERREZ	Corporate	MR. JESÚS DE POLANCO GUTIÉRREZ IS CHAIRMAN OF THE BOARD OF DIRECTORS OF PROMOTORA DE INFORMACIONES, S.A.

A.6. Indicate the shareholders' agreements subscribed by shareholders that are known to the Company:

Parties to the Shareholders' Agreement	% of share capital	Brief Description of the Agreement
TIMÓN, S.A.	85.709	See the note in Section G
RUCANDIO, S.A.	85.709	See the note in Section G
LIBERTAS 7, S.A.	85.709	See the note in Section G
INVERSIONES MENDOZA SOLANO, S.L.	85.709	See the note in Section G
MR. MANUEL VARELA UÑA	85.709	See the note in Section G
MS. CARMEN DEL MORAL RUIZ	85.709	See the note in Section G
MR. MANUEL VARELA ENTRECANALES	85.709	See the note in Section G
MS. ANA VARELA ENTRECANALES	85.709	See the note in Section G
MR. ANDRÉS VARELA ENTRECANALES	85.709	See the note in Section G
MS. ISABEL VARELA ENTRECANALES	85.709	See the note in Section G
EVIEND SARL	85.709	See the note in Section G

Indicate, if applicable, any concerted actions among company shareholders that are known to the Company:

Parties to the Concerted Action	% of Share Capital Affected	Brief Description of the Concerted Action

Expressly indicate any change or breach of those agreements or concerted actions during the financial year.

A.7. Indicate whether any individual or corporate entity controls or may control the Company pursuant to Article 4 of the Securities Market Law:

Name
JESÚS DE POLANCO GUTIERREZ

Observations

A.8. Complete the following tables concerning the Company's treasury stock:

At year's end:

Number of Direct Shares	Number of Indirect Shares (*)	Total % of Share Capital
10,940,625	0	5.000

(*) Through:

Direct Shareholder's Name	Number of Direct Shares
Total:	

Indicate any significant variations during the financial year with respect to the provisions of Royal Decree 377/1991:

Date	Number of Direct Shares	Number of Indirect Shares	% of Total Share Capital

Earnings from Treasury Stock Operations during the Financial Year (Euros 000)	5,810
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A.9. Indicate the conditions and terms of any powers conferred upon the Board of Directors at the Shareholders' Meeting to purchase or transfer the treasury stock described in A.8 above.

The Annual Shareholders' Meeting held on April 19, 2001 passed the following resolution:

“To authorize the Board of Directors to make a derivative acquisition of the Company's treasury stock, either directly or through any of its subsidiaries, by means of purchase or through any other intervivos act for valuable consideration, during a maximum term of eighteen months from the date on which the Shareholders' Meeting is held, as well as to subsequently convey or redeem those shares, pursuant to Article 75 and other related provisions of the Corporations Law.

To revoke the powers conferred at the Shareholders' Meeting on May 18, 2000.

To approve the limitations and requisites applicable to these acquisitions in the following terms:

- The face value of the acquired shares when added to those that the Company and its subsidiaries already possess, shall at no time exceed the maximum permitted by law.
- The shares acquired shall be free of all charges and encumbrances, fully paid up and not subject to any obligation of any nature.
- A restricted reserve shall be provided for under the liabilities column of the Company's balance sheet that is equivalent to the sum of the treasury stock entered under assets. This reserve shall be maintained as long as the shares are not transferred or redeemed.
- The acquisition price shall not be lower than the nominal value and no more than 20% higher than the listed price. Treasury stock purchase transactions must conform to stock market rules and practices.

- Maximum daily trading volume may not exceed 25% of the average total volume of Company shares traded in the last ten trading sessions.

It is expressly authorized to give a part or all of the shares acquired by the Company or its subsidiaries to the participants in the Stock Option Plan passed at the Company's Annual Shareholders' Meeting on May 18, 2000, as a consequence of exercising the option rights that they hold, pursuant to the provisions of the final paragraph of Article 75, Section 1 of the Corporations Law".

This authorization has been extended in subsequent financial years, basically in similar terms.

Likewise, at the Shareholders Meeting held on April 15, 2004 express authorization was granted for the shares acquired by the Company to be used, in addition to the aforementioned Stock Option Plan approved at the Shareholders Meeting on May 18, 2000, for the participants in the Stock Option Plan approved at the Shareholders Meeting on April 15, 2004. Moreover, authorization was granted for company shares to be used, in consonance with the company's incentives policy, for a Stock Option Plan in 2005.

At the Shareholders Meetings held on March 17, 2005, and March 23, 2006, express authorization was granted for the shares acquired by the Company to be used in the Stock Option Plan approved at the General Shareholders Meeting on April 15, 2004, as well as for a Stock Option Plan for 2006 and 2007, respectively.

A.10. Indicate, if applicable, any legal restrictions or limitations in the Company bylaws on voting rights, or any legal restrictions on the acquisition or transfer of share capital holdings:

There are no specific restrictions. Legal provisions relating to shares represented by the book-entry system are applied.

There are no restrictions in the Company bylaws limiting voting rights or the acquisition or transfer of shares.

B COMPANY MANAGEMENT STRUCTURE

B.1 Board of Directors

B.1.1. Indicate the maximum and minimum number of directors provided for in the Bylaws:

Maximum Number of Directors	21
Minimum Number of Directors	3

B.1.2. Complete the following table providing information concerning Board Members:

Director's Name	Representative	Position on the Board	Date of First Appointment	Date of Last Appointment	How Elected
JESÚS DE POLANCO GUTIERREZ		CHAIRMAN	19 Jun 73	15 Apr 04	APPOINTED AT THE ANNUAL SHAREHOLDERS' MEETING
IGNACIO POLANCO MORENO		DEPUTY CHAIRMAN	18 Mar 93	10 Apr 03	APPOINTED AT THE ANNUAL SHAREHOLDERS' MEETING
JUAN LUIS CEBRIÁN ECHARRI		CHIEF EXECUTIVE OFFICER	15 Jun 83	15 Apr 04	APPOINTED AT THE ANNUAL SHAREHOLDERS' MEETING
MATÍAS CORTÉS DOMÍNGUEZ		DIRECTOR	25 Mar 77	15 Apr 04	APPOINTED AT THE ANNUAL SHAREHOLDERS' MEETING
FRANCISCO JAVIER DIEZ DE POLANCO		DIRECTOR	18 May 00	17 March 05	APPOINTED AT THE ANNUAL SHAREHOLDERS' MEETING
DIEGO HIDALGO SCHNUR		DIRECTOR	17 Jun 82	10 Apr 03	APPOINTED AT THE ANNUAL SHAREHOLDERS' MEETING
GREGORIO MARAÑÓN BERTRÁN DE LIS		DIRECTOR	15 Jun 83	15 Apr 04	APPOINTED AT THE ANNUAL SHAREHOLDERS' MEETING
EMILIANO MARTINEZ RODRIGUEZ		DIRECTOR	15 Jun 89	15 Apr 04	APPOINTED AT THE ANNUAL SHAREHOLDERS' MEETING
RAMÓN MENDOZA SOLANO		DIRECTOR	19 Apr 01	23 March 06	APPOINTED AT THE ANNUAL SHAREHOLDERS' MEETING
AGNES NOGUERA BOREL		DIRECTOR	20 Apr 06	20 Apr 06	APPOINTED BY THE BOARD OF DIRECTORS BY COOPTATION
BORJA JESÚS PÉREZ ARAUNA		DIRECTOR	18 May 00	17 March 05	APPOINTED AT THE ANNUAL SHAREHOLDERS' MEETING
FRANCISCO PÉREZ GONZÁLEZ		DIRECTOR	25 Mar 77	15 Apr 04	APPOINTED AT THE ANNUAL SHAREHOLDERS' MEETING
ISABEL POLANCO MORENO		DIRECTOR	19 Jun 97	18 Apr 02	APPOINTED AT THE ANNUAL SHAREHOLDERS' MEETING
MANUEL POLANCO MORENO		DIRECTOR	19 Apr 01	23 March 06	APPOINTED AT THE ANNUAL SHAREHOLDERS' MEETING
JUAN SALVAT DALMAU		DIRECTOR	25 May 79	23 March 06	APPOINTED AT THE ANNUAL SHAREHOLDERS' MEETING
JESÚS DE LA SERNA GUTIÉRREZ REPIDE		DIRECTOR	19 Jun 84	17 March 05	APPOINTED AT THE ANNUAL SHAREHOLDERS' MEETING
JOSÉ BUENAVENTURA TERCEIRO LOMBA		DIRECTOR	15 Nov 90	23 March 06	APPOINTED AT THE ANNUAL SHAREHOLDERS' MEETING
ADOLFO VALERO CASCANTE		DIRECTOR	20 Oct 88	15 Apr 04	APPOINTED AT THE ANNUAL SHAREHOLDERS' MEETING
MANUEL VARELA UÑA		DIRECTOR	25 Mar 77	15 Apr 04	APPOINTED AT THE ANNUAL SHAREHOLDERS' MEETING

Total Number of Board Members	19
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Indicate any Members retiring from the Board of Directors during the financial year

Board Member	Retirement Date
ALVARO NOGUERA GIMENEZ	25 March 2006

B.1.3 Complete the following tables concerning the Members of the Board and their functions:

EXECUTIVE DIRECTORS

Director's Name	Committee Proposing His/Her Appointment	Post or Functions
MR. JESÚS POLANCO GUTIÉRREZ	REMUNERATION AND APPOINTMENTS COMMITTEE	CHAIRMAN
MR. IGNACIO POLANCO MORENO	REMUNERATION AND APPOINTMENTS COMMITTEE	DEPUTY CHAIRMAN
MR. JUAN LUIS CEBRIÁN ECHARRI	REMUNERATION AND APPOINTMENTS COMMITTEE	CEO
MR. FRANCISCO JAVIER DIEZ DE POLANCO	REMUNERATION AND APPOINTMENTS COMMITTEE	DIRECTOR
MR. EMILIANO MARTÍNEZ RODRÍGUEZ	REMUNERATION AND APPOINTMENTS COMMITTEE	DIRECTOR
MRS. ISABEL POLANCO MORENO	REMUNERATION AND APPOINTMENTS COMMITTEE	DIRECTOR
MR. MANUEL POLANCO MORENO	REMUNERATION AND APPOINTMENTS COMMITTEE	DIRECTOR

EXTERNAL DIRECTORS REPRESENTING SIGNIFICANT SHAREHOLDINGS

Director's Name	Committee that Proposed His/Her Appointment	Name of Significant Shareholder Who He/She Represents or Who Proposed His/Her Appointment
MR. DIEGO HIDALGO SCHNUR	REMUNERATION AND APPOINTMENTS COMMITTEE	PROMOTORA DE PUBLICACIONES, S.L.
MR. RAMÓN MENDOZA SOLANO	REMUNERATION AND APPOINTMENTS COMMITTEE	PROMOTORA DE PUBLICACIONES, S.L.
MRS. AGNES NOGUERA BOREL	REMUNERATION AND APPOINTMENTS COMMITTEE	PROMOTORA DE PUBLICACIONES, S.L.
MR. BORJA JESÚS PÉREZ ARAUNA	REMUNERATION AND APPOINTMENTS COMMITTEE	TIMÓN, S.A.
MR. FRANCISCO PÉREZ GONZÁLEZ	REMUNERATION AND APPOINTMENTS COMMITTEE	TIMÓN, S.A.
MR. ADOLFO VALERO CASCANTE	REMUNERATION AND APPOINTMENTS COMMITTEE	TIMÓN, S.A.
MR. MANUEL VARELA UÑA	REMUNERATION AND APPOINTMENTS COMMITTEE	PROMOTORA DE PUBLICACIONES, S.L.

INDEPENDENT EXTERNAL DIRECTORS

Director's Name	Committee that Proposed His/Her Appointment	Profession
MR. MATÍAS CORTÉS	REMUNERATION AND	LAWYER

DOMÍNGUEZ	APPOINTMENTS COMMITTEE	
MR. GREGORIO MARAÑÓN Y BERTRÁN DE LIS	REMUNERATION AND APPOINTMENTS COMMITTEE	LAWYER
MR. JUAN SALVAT DALMAU	REMUNERATION AND APPOINTMENTS COMMITTEE	PUBLISHER
MR. JESÚS DE LA SERNA Y GUTIÉRREZ-RÉPIDE	REMUNERATION AND APPOINTMENTS COMMITTEE	JOURNALIST
MR. JOSÉ BUENAVENTURA TERCEIRO LOMBA	REMUNERATION AND APPOINTMENTS COMMITTEE	PROFESSOR OF APPLIED ECONOMICS

OTHER EXTERNAL DIRECTORS

Director's Name	Committee that Proposed His/Her Appointment

Explain why they cannot be considered as representing either significant or minority shareholdings:

If applicable, indicate any changes that have occurred during the year in each director's status:

Director's Name	Date of Change	Previous Status	Present Status

B.1.4. Indicate whether the classification of directors above corresponds to the distribution established in the Board Regulations.

Yes. The classification of directors corresponds to the provisions of Article 8 of the Regulation of the Board of Directors.

B.1.5. If applicable, indicate the powers delegated to members of the Board of Directors:

Board Member's Name	Brief Description
JESÚS DE POLANCO GUTIERREZ	HE HAS BEEN DELEGATED ALL POWERS OF THE BOARD OF DIRECTORS EXCEPT THOSE THAT CANNOT BE DELEGATED BY LAW
JUAN LUIS CEBRIÁN ECHARRI	HE HAS BEEN DELEGATED ALL POWERS OF THE BOARD OF DIRECTORS EXCEPT THOSE THAT CANNOT BE DELEGATED BY LAW

B.1.6. If applicable, identify board members who hold posts as directors or officers in subsidiary companies within the listed company's group:

Director's Name	Name of Subsidiary Company	Position

JESÚS DE POLANCO GUTIÉRREZ	DIARIO EL PAIS, S.L.	CHAIRMAN
JESÚS DE POLANCO GUTIÉRREZ	PALTRIEVA, SA.	CHAIRMAN
JESÚS DE POLANCO GUTIÉRREZ	SOCIEDAD ESPAÑOLA DE RADIODIFUSIÓN, S.A.	CHAIRMAN AND CHIEF EXECUTIVE OFFICER
JESÚS DE POLANCO GUTIÉRREZ	SOCIEDAD DE SERVICIOS RADIOFONICOS UNIÓN RADIO, S.L.	CHAIRMAN AND CHIEF EXECUTIVE OFFICER
IGNACIO POLANCO MORENO	SOCIEDAD DE SERVICIOS RADIOFÓNICOS UNIÓN RADIO, S.L.	DIRECTOR
IGNACIO POLANCO MORENO	SOCIEDAD ESPAÑOLA DE RADIODIFUSIÓN, S.A.	DIRECTOR
IGNACIO POLANCO MORENO	GRUPO SANTILLANA DE EDICIONES, S.L.	DIRECTOR
IGNACIO POLANCO MORENO	PRISAPRINT, S.L.	DIRECTOR
IGNACIO POLANCO MORENO	PALTRIEVA, S.A.	DIRECTOR
IGNACIO POLANCO MORENO	DIARIO EL PAÍS, S.L.	DIRECTOR
JUAN LUIS CEBRIÁN ECHARRI	DIARIO EL PAIS, S.L.	CHIEF EXECUTIVE OFFICER
JUAN LUIS CEBRIÁN ECHARRI	SOCIEDAD ESPAÑOLA DE RADIODIFUSIÓN, SA.	CHIEF EXECUTIVE OFFICER
JUAN LUIS CEBRIÁN ECHARRI	SOCIEDAD DE SERVICIOS RADIOFÓNICOS UNIÓN RADIO, S.L.	DIRECTOR
JUAN LUIS CEBRIÁN ECHARRI	PALTRIEVA, S.A.	DIRECTOR
JUAN LUIS CEBRIÁN ECHARRI	PRISA DIVISIÓN INTERNACIONAL,S.L.	REPRESENTATIVE OF THE DIRECTOR PROMOTORA DE INFORMACIONES,S.A.
FRANCISCO JAVIER DIEZ DE POLANCO	SOCIEDAD ESPAÑOLA DE RADIODIFUSIÓN, SA.	DIRECTOR
FRANCISCO JAVIER DIEZ DE POLANCO	SOCIEDAD DE SERVICIOS RADIOFÓNICOS UNIÓN RADIO, S.L.	DIRECTOR
FRANCISCO JAVIER DIEZ DE POLANCO	PRISA DIVISIÓN INTERNACIONAL, S.L.	REPRESENTATIVE OF THE DIRECTOR PROMOTORA DE PUBLICACIONES, S.L.
FRANCISCO JAVIER DIEZ DE POLANCO	PALTRIEVA, S.A.	DIRECTOR
DIEGO HIDALGO SCHNUR	DIARIO EL PAÍS, S.L.	DIRECTOR
DIEGO HIDALGO SCHNUR	SOCIEDAD ESPAÑOLA DE RADIODIFUSIÓN, SA.	DIRECTOR
GREGORIO MARAÑÓN Y BERTRÁN DE LIS	SOCIEDAD ESPAÑOLA DE RADIODIFUSIÓN, S.A.	DIRECTOR
GREGORIO MARAÑÓN Y BERTRÁN DE LIS	SOCIEDAD DE SERVICIOS RADIOFÓNICOS UNIÓN RADIO, S.L.	DIRECTOR
EMILIANO MARTÍNEZ RODRÍGUEZ	RICHMOND PUBLISHING, S.A. DE CV – MÉXICO-	CHAIRMAN
EMILIANO MARTÍNEZ RODRÍGUEZ	SANTILLANA, S.A. – COSTA RICA-	CHAIRMAN
EMILIANO MARTÍNEZ RODRÍGUEZ	EDITORIAL SANTILLANA, S.A.- GUATEMALA-	CHAIRMAN
EMILIANO MARTÍNEZ RODRÍGUEZ	SANTILLANA, S.A.- ECUADOR	CHAIRMAN

EMILIANO MARTÍNEZ RODRÍGUEZ	SANTILLANA, SA. — PERÚ	CHAIRMAN
EMILIANO MARTÍNEZ RODRÍGUEZ	EDICIONES SANTILLANA, INC- PUERTO RICO	CHAIRMAN
EMILIANO MARTÍNEZ RODRÍGUEZ	EDITORIAL SANTILLANA, S.A.- VENEZUELA	CHAIRMAN
EMILIANO MARTÍNEZ RODRÍGUEZ	SANTILLANA DE EDICIONES, S.A.- BOLIVIA	CHAIRMAN
EMILIANO MARTÍNEZ RODRÍGUEZ	CONSTANCIA EDITORES, S.A.- PORTUGAL	CHAIRMAN
EMILIANO MARTÍNEZ RODRÍGUEZ	EDITORIAL NUEVO MÉXICO, S.A. DE CV.- MÉXICO	CHAIRMAN
EMILIANO MARTÍNEZ RODRÍGUEZ	EDITORIAL SANTILLANA, S.A. DE C.V.- MÉXICO	CHAIRMAN
EMILIANO MARTÍNEZ RODRÍGUEZ	LANZA, S.A. DE C.V.- MÉXICO	CHAIRMAN
EMILIANO MARTÍNEZ RODRÍGUEZ	AGUILAR CHILENA DE EDICIONES, S.A.-CHILE-	CHAIRMAN
EMILIANO MARTÍNEZ RODRÍGUEZ	SANTILLANA DEL PACÍDICO, S.A. DE EDICIONES-CHILE	CHAIRMAN
EMILIANO MARTÍNEZ RODRÍGUEZ	EDICIONES SANTILLANA, S.A.- URUGUAY	CHAIRMAN
EMILIANO MARTÍNEZ RODRÍGUEZ	GRUPO SANTILLANA DE EDICIONES, S.L.	CHAIRMAN
EMILIANO MARTÍNEZ RODRÍGUEZ	SANTILLANA SOCIEDAD ANÓNIMA – PARAGUAY-	CHAIRMAN
EMILIANO MARTÍNEZ RODRÍGUEZ	EDICIONES SANTILLANA, S.A. – REPÚBLICA DOMINICANA-	CHAIRMAN
EMILIANO MARTÍNEZ RODRÍGUEZ	AGUILAR, ALTEA, TAURUS, ALFAGUARA, S.A. DE EDICIONES- ARGENTINA-	CHAIRMAN
EMILIANO MARTÍNEZ RODRÍGUEZ	EDICIONES SANTILLANA, S.A. – ARGENTINA-	CHAIRMAN
EMILIANO MARTÍNEZ RODRÍGUEZ	INSTITUTO UNIVERSITARIO DE POSGRADO, S.A.	DEPUTY CHAIRMAN
EMILIANO MARTÍNEZ RODRÍGUEZ	SANTILLANA EDICIONES GENERALES, S.A. DE CV- MÉXICO-	DIRECTOR
EMILIANO MARTÍNEZ RODRÍGUEZ	EDITORIAL SANTILLANA, S.A.- HONDURAS-	DIRECTOR
EMILIANO MARTÍNEZ RODRÍGUEZ	PUNTO DE LECTURA, S.L.	DIRECTOR
EMILIANO MARTÍNEZ RODRÍGUEZ	EDITORA MODERNA LTDA..- BRASIL	DIRECTOR
EMILIANO MARTÍNEZ RODRÍGUEZ	EDITORIAL SANTILLANA, S.A. DE CV- EL SALVADOR-	DIRECTOR
EMILIANO MARTÍNEZ RODRÍGUEZ	DIARIO EL PAÍS, S.L.	DIRECTOR
BORJA JESUS PEREZ ARAUNA	SOCIEDAD DE SERVICIOS RADIOFONICOS UNION RADIO, S.L.	DIRECTOR
FRANCISCO PÉREZ GONZÁLEZ	DIARIO EL PAIS, S.L.	DIRECTOR

FRANCISCO PÉREZ GONZÁLEZ	SOCIEDAD ESPAÑOLA DE RADIODIFUSIÓN, S.A.	DIRECTOR
ISABEL POLANCO MORENO	EDITORIAL SANTILLANA, S.A.- HONDURAS-	CHAIRMAN
ISABEL POLANCO MORENO	SANTILLANA FORMACION, S.L. (COLOMBIA)	CHAIRMAN
ISABEL POLANCO MORENO	EDITORA MODERNA LTDA-BRASIL	CHAIRMAN
ISABEL POLANCO MORENO	EDITORA OBJETIVA LTDA-BRASIL	CHAIRMAN
ISABEL POLANCO MORENO	SANTILLANA USA PUBLISHING COMPANY INC	CHAIRMAN
ISABEL POLANCO MORENO	SANTILLANA EDICIONES GENERALES, S.A. DE CV – MÉXICO-	CHAIRMAN
ISABEL POLANCO MORENO	PUNTO DE LECTURA, S.A. DE CV- MÉXICO-	CHAIRMAN
ISABEL POLANCO MORENO	DISTRIBUIDORA Y EDITORA AGUILAR, ALTEA, TAURUS, ALFAGUARA, SA.- COLOMBIA	CHAIRMAN
ISABEL POLANCO MORENO	EDITORA SANTILLANA, SA.- COLOMBIA	CHAIRMAN
ISABEL POLANCO MORENO	DISTRIBUIDORA Y EDITORA RICHMOND, S.A.- COLOMBIA	CHAIRMAN
ISABEL POLANCO MORENO	EDITORIAL SANTILLANA SA DE CV-EL SALVADOR-	CHAIRMAN
ISABEL POLANCO MORENO	PUNTO DE LECTURA, S.L.	CHAIRMAN
ISABEL POLANCO MORENO	AGUILAR CHILENA DE EDICIONES, S.A.-CHILE-	DEPUTY CHAIRMAN
ISABEL POLANCO MORENO	SANTILLANA DEL PACÍFICO, S.A. DE EDICIONES- CHILE-	DEPUTY CHAIRMAN
ISABEL POLANCO MORENO	SANTILLANA, SA.- PARAGUAY	DEPUTY CHAIRMAN
ISABEL POLANCO MORENO	SANTILLANA EDICIONES, S.A.- BOLIVIA-	DEPUTY CHAIRMAN
ISABEL POLANCO MORENO	EDICIONES SANTILLANA, S.A. – REPÚBLICA DOMINICANA-	DEPUTY CHAIRMAN
ISABEL POLANCO MORENO	EDICIONES SANTILLANA, S.A.- GUATEMALA-	DEPUTY CHAIRMAN
ISABEL POLANCO MORENO	AGUILAR, ALTEA, TAURUS, ALFAGUARA, S.A. DE EDICIONES, S.A. –ARGENTINA-	DEPUTY CHAIRMAN
ISABEL POLANCO MORENO	EDICIONES SANTILLANA, S.A. URUGUAY	DEPUTY CHAIRMAN
ISABEL POLANCO MORENO	EDICIONES SANTILLANA, SA.- ARGENTINA	DEPUTY CHAIRMAN
ISABEL POLANCO MORENO	SANTILLANA, SA.- PERÚ	DEPUTY CHAIRMAN
ISABEL POLANCO MORENO	EDICIONES SANTILLANA, INC PUERTO RICO	DEPUTY CHAIRMAN
ISABEL POLANCO MORENO	GRUPO SANTILLANA DE EDICIONES, S.L.	CHIEF EXECUTIVE OFFICER

ISABEL POLANCO MORENO	INSTITUTO UNIVERSITARIO DE POSGRADO, SA.	CHIEF EXECUTIVE OFFICER
ISABEL POLANCO MORENO	DIARIO EL PAÍS, S.L.	DIRECTOR
ISABEL POLANCO MORENO	LANZA, S.A. DE C.V.- MÉXICO	DIRECTOR
ISABEL POLANCO MORENO	EDITORIAL NUEVO MÉXICO, SA. DE C.V.- MÉXICO	DIRECTOR
ISABEL POLANCO MORENO	EDITORIAL SANTILLANA, S.A. DE C.V.- MÉXICO	DIRECTOR
ISABEL POLANCO MORENO	RICHMOND PUBLISHING, S.A. DE CV- MÉXICO-	DIRECTOR
ISABEL POLANCO MORENO	EDITORIAL SANTILLANA, SA.- VENEZUELA	DIRECTOR
ISABEL POLANCO MORENO	PUNTO DE LECTURA, S.A.- ARGENTINA-	DIRECTOR
ISABEL POLANCO MORENO	SANTILLANA, S.A. – COSTA RICA-	DIRECTOR
ISABEL POLANCO MORENO	SANTILLANA, S.A. – ECUADOR-	DIRECTOR
ISABEL POLANCO MORENO	CONSTANCIA EDITORA, S.A. – PORTUGAL-	DIRECTOR
ISABEL POLANCO MORENO	CANAL DE EDITORIALES, S.A.	JOINT ADMINISTRATOR
ISABEL POLANCO MORENO	OFICINA DEL AUTOR, S.L	JOINT ADMINISTRATOR
ISABEL POLANCO MORENO	SANTILLANA EDICIONES GENERALES, S.L.	JOINT ADMINISTRATOR
ISABEL POLANCO MORENO	SANTILLANA EDUCACIÓN, S.L.	JOINT ADMINISTRATOR
ISABEL POLANCO MORENO	SANTILLANA EN RED, S.L.	JOINT ADMINISTRATOR
ISABEL POLANCO MORENO	SANTILLANA FORMACIÓN, S.L.	JOINT ADMINISTRATOR
ISABEL POLANCO MORENO	ITACA, S.L.	JOINT ADMINISTRATOR
ISABEL POLANCO MORENO	N. EDITORIAL, S.L	JOINT ADMINISTRATOR
ISABEL POLANCO MORENO	PRISACOM, S.A.	REPRESENTATIVE OF THE DIRECTOR GRUPO SANTILLANA DE EDICIONES, S.L.
MANUEL POLANCO MORENO	VERTIX, SGPS, S.A.	CHAIRMAN
MANUEL POLANCO MORENO	PROMOTORA DE EMISORAS DE TELEVISIÓN, S.A.	DIRECTOR
MANUEL POLANCO MORENO	PRISAPRINT, S.L.	DIRECTOR
MANUEL POLANCO MORENO	DIARIO AS, S.L.	DIRECTOR
MANUEL POLANCO MORENO	DIARIO EL PAÍS MÉXICO, S.A. DE C.V.	SOLE ADMINISTRATOR
JUAN SALVAT DALMAU	DIARIO EL PAIS, S.L.	DIRECTOR
JUAN SALVAT DALMAU	SOCIEDAD ESPAÑOLA DE RADIODIFUSIÓN, SA.	DIRECTOR
ADOLFO VALERO CASCANTE	PRISAPRINT, S.L.	CHAIRMAN
ADOLFO VALERO CASCANTE	DIARIO EL PAIS, S.L.	DIRECTOR
ADOLFO VALERO CASCANTE	GRUPO SANTILLANA DE EDICIONES, S.L.	DIRECTOR

ADOLFO VALERO CASCANTE	SOCIEDAD ESPAÑOLA DE RADIODIFUSIÓN, S.A.	DIRECTOR
MANUEL VARELA UÑA	DIARIO EL PAÍS, S.L.	DIRECTOR
RAMÓN MENDOZA SOLANO	DIARIO EL PAÍS, S.L.	DIRECTOR
AGNES NOGUERA BOREL	SOCIEDAD ESPAÑOLA DE RADIODIFUSIÓN, SA.	DIRECTOR
AGNES NOGUERA BOREL	SOCIEDAD DE SERVICIOS RADIOFONICOS UNION RADIO, S.L.	DIRECTOR
AGNES NOGUERA BOREL	DIARIO EL PAÍS, S.L.	DIRECTOR

B.1.7. If applicable, indicate the directors of your company who are members of the boards of directors of other companies listed on official Spanish securities markets, other than companies in your own group, which have been reported to the company:

Director's Name	Listed Company	Position
IGNACIO POLANCO MORENO	RUCANDIO INVERSIONES SICAV, S.A.	CHAIRMAN
IGNACIO POLANCO MORENO	NOMIT III INTERNACIONAL SICAV,S.A	CHAIRMAN
IGNACIO POLANCO MORENO	EURE K INVERSIONES SICAV, S.A.	CHAIRMAN
IGNACIO POLANCO MORENO	NOMIT INVERSIONES SICAV, S.A	CHAIRMAN
IGNACIO POLANCO MORENO	NOMIT IV GLOBAL SICAV, S.A.	CHAIRMAN
IGNACIO POLANCO MORENO	ABENGOA, S.A.	DIRECTOR
IGNACIO POLANCO MORENO	SOGECABLE, S.A.	DIRECTOR
JUAN LUIS CEBRIÁN ECHARRI	SAPRI INVERSIONES 2000 SICAV, S.A	CHAIRMAN
JUAN LUIS CEBRIÁN ECHARRI	SOGECABLE, S.A.	DEPUTY CHAIRMAN
MATÍAS CORTÉS DOMINGUEZ	SACYR VALLEHERMOSO	DIRECTOR
FRANCISCO JAVIER DÍEZ DE POLANCO	SOGECABLE, S.A.	CHIEF EXECUTIVE OFFICER
DIEGO HIDALGO SCHNUR	SOGECABLE, S.A.	DIRECTOR
GREGORIO MARAÑÓN Y BERTRÁN DE LIS	COMPANÍA DE DISTRIBUCION INTEGRAL LOGISTA, S.A.	DIRECTOR
GREGORIO MARAÑÓN Y BERTRÁN DE LIS	SOGECABLE, S.A.	DIRECTOR
GREGORIO MARAÑÓN Y BERTRÁN DE LIS	ALTADIS, S.A.	DIRECTOR
GREGORIO MARAÑÓN Y BERTRÁN DE LIS	VISCOFAN, S.A.	DIRECTOR
AGNES NOGUERA BOREL	SOGECABLE, S.A.	DIRECTOR
AGNES NOGUERA BOREL	LIBERTAS 7, S.A.	CHIEF EXECUTIVE OFFICER
AGNES NOGUERA BOREL	VALENCIANA DE NEGOCIOS, S.A.	CHIEF EXECUTIVE OFFICER
BORJA PÉREZ ARAUNA	CARAUNA INVERSIONES SICAV, S.A.	CHAIRMAN
BORJA PÉREZ ARAUNA	VALSEL INVERSIONES SICAV, S.A.	DIRECTOR
FRANCISCO PÉREZ GONZÁLEZ	SOGECABLE, S.A.	DIRECTOR
FRANCISCO PÉREZ GONZÁLEZ	VALSEL INVERSIONES SICAV, S.A.	CHAIRMAN
ISABEL POLANCO MORENO	BANCO ESPAÑOL DE CRÉDITO	DIRECTOR
MANUEL POLANCO MORENO	SOGECABLE, S.A.	DIRECTOR
JOSÉ BUENAVENTURA TERCEIRO LOMBA	UNIÓN FENOSA, S.A.	DIRECTOR
JOSÉ BUENAVENTURA TERCEIRO LOMBA	ABENGOA, S.A.	DIRECTOR
JOSÉ BUENAVENTURA	EFFICIENT ASSET ALLOCATION	DIRECTOR

TERCEIRO LOMBA	INVESTMENTS, SICAV, S.A	
JOSÉ BUENAVENTURA TERCEIRO LOMBA	IBERIA LINEAS AEREAS DE ESPAÑA, S.A.	DIRECTOR
ADOLFO VALERO CASCANTE	RUCANDIO INVERSIONES SICAV, S.A.	DIRECTOR
ADOLFO VALERO CASCANTE	NOMIT III INTERNACIONAL SICAV,S.A	DIRECTOR
ADOLFO VALERO CASCANTE	NOMIT IV GLOBAL SICAV, S.A.	DIRECTOR
ADOLFO VALERO CASCANTE	NOMIT INVERSIONES SICAV, S.A	DIRECTOR
ADOLFO VALERO CASCANTE	EURE K INVERSIONES SICAV, S.A.	DIRECTOR
ADOLFO VALERO CASCANTE	INVERSIONES BANIAR SICAV, S.A.	CHAIRMAN
MANUEL VARELA UÑA	MAIVAREN, SICAV, S.A.	CHAIRMAN
MANUEL VARELA UÑA	MAIVAREN INVERSIONES SICAV SA	CHAIRMAN

B.1.8. Complete the following tables concerning the aggregate remuneration of directors paid during the financial year:

a) In the Company that is the subject of this report:

Payments	Euros 000
Fixed Salaries	1,993
Variable Salaries	1,490
Allowances	858
Remuneration Stipulated in the Bylaws	1,322
Stock Options and/or Options in Other Financial Instruments	0
Others	56
Total:	5,719

Other Benefits	Euros 000
Advances	0
Loans	0
Pension Funds and Plans: Contributions	0
Pension Funds and Plans: Obligations Assumed	0
Life Insurance Premiums	21
Guarantees assumed by the Company in the benefit of Directors	0

b) To Company Board Members for serving on the boards of directors and/or exercising management functions in the Group's subsidiary companies:

Payments	Euros 000
Fixed Salaries	1,371
Variable Salaries	510
Allowances	372
Remuneration Stipulated in the Bylaws	0
Stock Options and/or Options in Other Financial Instruments	0
Others	14
Total:	2,267

Other Benefits	Euros 000
Advances	0
Loans	0

Pension Funds and Plans: Contributions	0
Pension Funds and Plans: Obligations Assumed	0
Life Insurance Premiums	2
Guarantees assumed by the Company to benefit the Directors	0

c) Total Remuneration for Each Category of Director:

Category	By Company	By Group
Executive Directors	4,461	2,108
External Directors Representing Significant Shareholdings	724	108
Independent External Directors	534	51
Other External Directors	0	0
Total	5,719	2,267

d) In relation to Profits Attributed to the Parent Company:

Total Directors' Remunerations (in Euros 000)	7,986
Total Directors' Remunerations/Profits Attributed to the Parent Company (in %)	3.489

B.1.9. Identify members of senior management who are not executive directors and indicate the total remunerations paid in their favor during the financial year:

Name	Position
IGNACIO SANTILLANA DEL BARRIO	CHIEF OPERATING OFFICER
MIGUEL SATRÚSTEGUI GIL- DELGADO	GENERAL SECRETARY AND SECRETARY OF THE BOARD OF DIRECTORS
JAIME DE POLANCO SOUTULLO	MANAGING DIRECTOR STRATEGY PLANNING AND CORPORATE VEVELOPMENT
AUGUSTO DELKADER TEIG	CHIEF EXECUTIVE OFFICER OF UNION RADIO
JESUS CEBERIO GALARDI	GENERAL PRESS DIRECTOR AND GENERAL DIRECTOR OF EL PAIS
PEDRO GARCÍA GUILLÉN	GENERAL DIRECTOR OF EL PAÍS
JOSE LUIS SAINZ DIAZ	CHIEF EXECUTIVE OFFICER OF PRETESA
MATILDE CASADO MORENO	CHIEF FINANCIAL OFFICER
JOSÉ CARLOS HERREROS	COMERCIAL MANAGER
MANUEL MIRAT SANTIAGO	CHIEF EXECUTIVE OFFICER OF PRISACOM

Total Senior Management Salaries (in Euros 000)	5,273
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B.1.10. Indicate in general terms if there are any guarantee or “golden parachute” clauses benefiting senior managers (including executive directors) of the Company and its Group in the event of dismissal or changes in control. Indicate whether such contracts must be reported and/or approved by the governing bodies of the Company or Group:

Number of Beneficiaries	9
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	Board of Directors	Shareholders' Meeting
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Body authorizing these clauses	X	
	YES	NO
Are the participants at the Shareholders' Meeting informed of these clauses?	x	

B.1.11. Indicate the process for determining the remuneration of members of the Board of Directors and the relevant clauses in the Bylaws in that regard.

In accordance with the provisions of Article 19 of the Company Bylaws, remuneration for board members, which is compatible with the payment of allowances when they attend board meetings, shall be a maximum of 10% of after-tax profits, as proposed by the Board at the Annual Shareholders' Meeting, provided that the provisions of Article 130 of the Corporations Law have been observed. The Board shall determine the remuneration for each director, based on his functions. Board Members may likewise be remunerated with stock in the Company, stock options, or by means of any other remuneration system linked to share prices, in the terms set forth in Article 130 of the Corporations Law.

According to the provisions of Article 28 of the Company Bylaws, the Chairman's remuneration and, if applicable, the remuneration of the Deputy Chairmen and Chief Executive Officer shall be determined by the Board of Directors, without prejudice to any amounts that may be due them pursuant to Article 19 of the Company Bylaws.

Likewise and as set forth in Article 25 of the Company Bylaws, the remuneration for directors provided for in the bylaws is compatible with and independent of any salaries, payments, indemnification, pensions or compensation of any nature established either generally or individually for members of the Board of Directors who hold a paid post or position of responsibility (whether under a contract of employment or otherwise) in the Company or the companies within its Group, i.e., those defined as such within the scope of Article 42 of the Commercial Code.

B.1.12. If applicable, identify the members of the Board of Directors who are likewise members of the boards of directors or management of companies that have significant shareholdings in the listed company and/or in companies within its group:

Director's Name	Significant Shareholder's Corporate Name	Position
JESÚS DE POLANCO GUTIÉRREZ	TIMÓN, S.A.	CHAIRMAN
JESÚS DE POLANCO GUTIÉRREZ	PROMOTORA DE PUBLICACIONES, S.L.	CHAIRMAN
IGNACIO POLANCO MORENO	TIMÓN, S.A.	DEPUTY CHAIRMAN
IGNACIO POLANCO MORENO	PROMOTORA DE PUBLICACIONES, S.L.	DEPUTY CHAIRMAN
JUAN LUIS CEBRIÁN ECHARRI	TIMÓN, S.A.	DIRECTOR
JUAN LUIS CEBRIÁN ECHARRI	PROMOTORA DE PUBLICACIONES, S.L.	CHIEF EXECUTIVE OFFICER
FRANCISCO JAVIER DIEZ DE POLANCO	TIMÓN, S.A.	DIRECTOR

DIEGO HIDALGO SCHNUR	PROMOTORA DE PUBLICACIONES, S.L.	DIRECTOR
EMILIANO MARTINEZ RODRIGUEZ	PROMOTORA DE PUBLICACIONES, S.L.	DIRECTOR
EMILIANO MARTINEZ RODRIGUEZ	TIMÓN, S.A.	DIRECTOR
RAMÓN MENDOZA SOLANO	PROMOTORA DE PUBLICACIONES, S.L.	DIRECTOR
BORJA PÉREZ ARAUNA	TIMÓN, S.A.	DIRECTOR
FRANCISCO PÉREZ GONZÁLEZ	PROMOTORA DE PUBLICACIONES, S.L.	DIRECTOR
FRANCISCO PÉREZ GONZÁLEZ	TIMÓN, S.A.	DEPUTY CHAIRMAN
ISABEL DE POLANCO MORENO	PROMOTORA DE PUBLICACIONES, S.L.	DIRECTOR
ISABEL DE POLANCO MORENO	TIMÓN, S.A.	DIRECTOR
MANUEL POLANCO MORENO	TIMÓN, S.A.	DIRECTOR
ADOLFO VALERO CASCANTE	TIMÓN, S.A.	DIRECTOR
ADOLFO VALERO CASCANTE	PROMOTORA DE PUBLICACIONES, S.L.	DIRECTOR
MANUEL VARELA UÑA	PROMOTORA DE PUBLICACIONES, S.L.	DIRECTOR

If applicable, indicate the relevant relationships (other than those listed in the previous table) existing between members of the Board of Directors and significant shareholders and/or companies in the group:

Director's Name	Significant Shareholder's Name	Description of the Relationship
JESÚS DE POLANCO GUTIERREZ	TIMÓN, S.A.	THE DIRECTOR INDIRECTLY CONTROLS THE SHARE CAPITAL OF TIMÓN, S.A.
JESÚS DE POLANCO GUTIERREZ	PROMOTORA DE PUBLICACIONES, S.L.	THE DIRECTOR INDIRECTLY CONTROLS THE SHARE CAPITAL OF PROMOTORA DE PUBLICACIONES, S.L.
IGNACIO POLANCO MORENO	JESÚS DE POLANCO GUTIERREZ	DIRECT FIRST-DEGREE FAMILY RELATIONSHIP
JUAN LUIS CEBRIÁN ECHARRI	PROMOTORA DE PUBLICACIONES, S.L.	THE DIRECTOR HAS DIRECT HOLDINGS IN THE SHARE CAPITAL OF PROMOTORA DE PUBLICACIONES, S.L.
DIEGO HIDALGO SCHNUR	JESÚS DE POLANCO GUTIERREZ	THE DIRECTOR CONTROLS EVIEND SARL, A COMPANY BOUND BY THE SHAREHOLDERS AGREEMENT IN PROMOTORA DE PUBLICACIONES, S.L. DESCRIBED IN SECTION A.6.
DIEGO HIDALGO SCHNUR	PROMOTORA DE PUBLICACIONES, S.L.	THE DIRECTOR HAS INDIRECT HOLDINGS IN THE SHARE CAPITAL OF PROMOTORA DE PUBLICACIONES, S.L.
GREGORIO MARAÑÓN Y BERTRÁN DE LIS	PROMOTORA DE PUBLICACIONES, S.L.	THE DIRECTOR HAS INDIRECT HOLDINGS IN THE SHARE CAPITAL OF PROMOTORA DE PUBLICACIONES, S.L.
EMILIANO MARTÍNEZ RODRIGUEZ	TIMÓN, S.A.	THE DIRECTOR HAS INDIRECT HOLDINGS IN THE SHARE CAPITAL OF TIMÓN, S.A.
EMILIANO MARTÍNEZ RODRIGUEZ	PROMOTORA DE PUBLICACIONES, S.L.	THE DIRECTOR HAS DIRECT AND INDIRECT HOLDINGS IN THE SHARE CAPITAL OF PROMOTORA DE PUBLICACIONES, S.L.
RAMÓN MENDOZA	JESÚS DE POLANCO	THE DIRECTOR IS THE CHAIRMAN OF

SOLANO	GUTIERREZ		INVERSIONES MENDOZA SOLANO, S.L., A COMPANY BOUND BY THE SHAREHOLDER'S AGREEMENT IN PROMOTORA DE PUBLICACIONES, S.L. DESCRIBED IN PARAGRAPH A.6.
AGNES NOGUERA BOREL	JESÚS DE POLANCO GUTIERREZ		THE DIRECTOR IS THE CHIEF EXECUTIVE OFFICER OF LIBERTAS 7, S.A., A COMPANY BOUND BY THE SHAREHOLDERS' AGREEMENT IN PROMOTORA DE PUBLICACIONES, S.L. DESCRIBED IN PARAGRAPH A.6.
BORJA JESÚS PÉREZ ARAUNA	PROMOTORA DE PUBLICACIONES, S.L.	DE	THE DIRECTOR HAS DIRECT HOLDINGS IN THE SHARE CAPITAL OF PROMOTORA DE PUBLICACIONES, S.L.
BORJA JESÚS PÉREZ ARAUNA	TIMÓN, S.A.		THE DIRECTOR HAS AN EMPLOYMENT RELATIONSHIP WITH TIMÓN, S.A.
FRANCISCO PÉREZ GONZÁLEZ	TIMÓN, S.A.		THE DIRECTOR HAS INDIRECT HOLDINGS IN THE SHARE CAPITAL OF TIMÓN, S.A.
FRANCISCO PÉREZ GONZÁLEZ	PROMOTORA DE PUBLICACIONES, S.L.	DE	THE DIRECTOR HAS DIRECT AND INDIRECT HOLDINGS IN THE SHARE CAPITAL OF PROMOTORA DE PUBLICACIONES, S.L.
ISABEL POLANCO MORENO	JESÚS DE POLANCO GUTIERREZ		DIRECT FIRST-DEGREE FAMILY RELATIONSHIP.
MANUEL POLANCO MORENO	JESÚS DE POLANCO GUTIERREZ		DIRECT FIRST-DEGREE FAMILY RELATIONSHIP.
JUAN SALVAT DALMAU	PROMOTORA DE PUBLICACIONES, S.L.		THE DIRECTOR HAS INDIRECT HOLDINGS IN THE SHARE CAPITAL OF PROMOTORA DE PUBLICACIONES, S.L.
JESÚS DE LA SERNA	PROMOTORA DE PUBLICACIONES, S.L.		THE DIRECTOR HAS DIRECT HOLDINGS IN THE SHARE CAPITAL OF PROMOTORA DE PUBLICACIONES, S.L.
JOSÉ BUENAVENTURA TERCEIRO LOMBA	PROMOTORA DE PUBLICACIONES, S.L.		THE DIRECTOR HAS DIRECT HOLDINGS IN THE SHARE CAPITAL OF PROMOTORA DE PUBLICACIONES, S.L.
MATÍAS CORTÉS DOMINGUEZ	PROMOTORA DE PUBLICACIONES, S.L.	DE	THE DIRECTOR HAS DIRECT HOLDINGS IN THE SHARE CAPITAL OF PROMOTORA DE PUBLICACIONES, S.L.
ADOLFO VALERO CASCANTE	TIMÓN, S.A.		THE DIRECTOR HAS INDIRECT HOLDINGS IN THE SHARE CAPITAL OF TIMÓN, S.A.
ADOLFO VALERO CASCANTE	TIMÓN, S.A.		THE DIRECTOR HAS AN EMPLOYMENT RELATIONSHIP WITH TIMÓN, S.A.
ADOLFO VALERO CASCANTE	PROMOTORA DE PUBLICACIONES, S.L.	DE	THE DIRECTOR HAS DIRECT HOLDINGS IN THE SHARE CAPITAL OF PROMOTORA DE PUBLICACIONES, S.L.
MANUEL VARELA UÑA	JESÚS DE POLANCO GUTIERREZ		BOUND BY THE SHAREHOLDERS' AGREEMENT IN PROMOTORA DE PUBLICACIONES, S.L. DESCRIBED IN PARAGRAPH A.6.
MANUEL VARELA UÑA	PROMOTORA DE PUBLICACIONES, S.L.		THE DIRECTOR HAS DIRECT HOLDINGS IN THE SHARE CAPITAL OF PROMOTORA DE PUBLICACIONES, S.L.
FRANCISCO JAVIER DIEZ POLANCO	JESÚS DE POLANCO GUTIERREZ		COLLATERAL THIRD-DEGREE FAMILY RELATIONSHIP
FRANCISCO JAVIER DIEZ POLANCO	TIMÓN, S.A.		THE DIRECTOR HAS INDIRECT HOLDINGS IN THE SHARE CAPITAL OF TIMÓN, S.A.

B.1.13. If applicable, indicate any amendments made to the Board Regulations during the year.

B.1.14. Indicate the procedures for the appointment, reelection, evaluation and removal of directors. Describe the bodies empowered to do so, the steps to be taken and the criteria to be applied in each of those procedures.

According to Article 17 of the Company Bylaws, the Board of Directors shall consist of a minimum of three and a maximum of twenty-one Directors, and the participants at the Shareholders' Meetings are empowered to appoint and determine the number of Directors. The Directors will appoint a Chairman from among them, and may also appoint one or several Deputy Chairmen. They may likewise appoint from among their members an executive committee or one or more chief executive officers. The Board will also appoint a secretary, who may or not be a board member, and may also appoint a vice secretary, who likewise may or may not be a board member.

Chapter VI of the Board Regulations provides for the following procedures for appointing, reelection, evaluating and removing Directors:

- Appointment of Directors: Directors shall be appointed by the participants at the Shareholders' Meeting or, provisionally, by the Board of Directors in accordance with the provisions of the Corporations Law and the Company Bylaws.

Proposed appointments submitted by the Board of Directors at the Shareholders' Meeting and board appointments made by virtue of its legally-attributed powers to do so should comply with the provisions of the Board Regulations and be accompanied by the corresponding report from the Corporate Governance, Appointments and Remuneration Committee, which is nevertheless not binding. The appointment of Independent Directors must be necessarily proposed by the Corporate Governance, Appointments and Remuneration Committee.

Within the scope of their respective powers, the Board of Directors and the Corporate Governance, Appointments and Remuneration Committee shall endeavor to ensure that the candidates elected are persons of recognized capacity and experience.

- Reelection and Evaluation of Directors: Proposals for the reelection of Directors that the Board of Directors decides to submit at the Shareholders' Meeting shall be subject to a formal procedure which shall include a report issued by the Corporate Governance, Appointments and Remuneration Committee, which shall evaluate the diligence and commitment of the Directors to their duties during their previous term.

- Term of Office: The Directors will serve for a term of five (5) years, and may be reelected. Directors designated by the Board may exercise their duties until the date of the next Shareholders' Meeting.

- Termination of Directors: Directors will cease in their functions when the term for which they have been appointed expires or when the participants at the Shareholders' Meeting so decide, by virtue of the powers conferred upon them in that regard by law or in the Company Bylaws.

Directors must tender their resignation to the Board of Directors and formally resign if the Board deems it warranted, in the circumstances provided for in Article 21.2 of the Board Regulations, which are described in paragraph B.1.15 below.

- **Objectivity and Secrecy of the Voting Process:** In compliance with the Board Regulations with respect to possible conflicts of interest, the Directors proposed for reelection or removal shall absent themselves from any deliberations or voting that directly affect them.

B.1.15. Indicate under what circumstances Directors are obliged to resign.

As set forth in Article 21.2 of the Board Regulations, Directors must tender their resignation to the Board of Directors and formally resign if the Board deems their resignation warranted in the following circumstances:

- a) When they incur in circumstances legally defined as incompatible or prohibited.
- b) When in relation to an accusation of criminal offense they have been formally indicted in ordinary felony proceedings or have been adjudged guilty in summary criminal proceedings.
- c) When they have been seriously reprimanded by the Audit and Compliance Committee for having breached their obligations as Directors.
- d) When the reasons for their appointments have ceased to exist and, specifically, when an independent director or a director representing a significant shareholding no longer represents those interests.
- e) When for the period of a year they fail to attend more than three board meetings without justification.

B.1.16. Indicate whether the functions of Chief Executive Officer of the Company are also performed by the Chairman of the Board of Directors. If so, explain the measures adopted to limit the risks of conferring those powers upon a single person:

YES NO

Risk-Limiting Measures
The Chairman of the Board of Directors is ultimately responsible for managing the Company. His main assistant is the Chief Executive Officer who manages the Company’s daily affairs, always in accordance with the decisions and criteria adopted at the Shareholders’ Meeting and by the Board of Directors and the Chairman. There is likewise an Audit Committee and a Corporate Governance, Appointments and Remuneration Committee, and neither the Chairman nor any of the Executive Directors are members of those committees.

B.1.17. Are reinforced majorities required for taking certain types of decisions, other than those required by law?

YES NO

Describe how board decisions are taken, indicating at least the minimum attendance quorum required and the types of majorities required to pass resolutions:

Adoption of Resolutions

Type of Resolution	Quorum	Majority Required
Any type	Attendance at the meeting, either in person or by proxy, of half plus one of the board members	An absolute majority of the votes of all directors in attendance or represented by proxy, unless a reinforced majority is required by law.

B.1.18. Indicate whether the requirements for being elected Chairman differ from those required for election to the Board:

YES NO

Description of the Requirements

B.1.19. Indicate whether the Chairman may exercise a casting vote:

YES NO

Matters in which the Chairman has a Casting Vote
Pursuant to Article 23 of the Company Bylaws and Article 16.2 of the Board Regulations, the Chairman may exercise a casting vote to break any possible ties that may arise concerning any matter.

B.1.20. Indicate whether the Bylaws of the Board Regulations set an age limit for Directors:

YES NO

Age limit for the Chairman	
Age limit for the Chief Executive Officer	
Age limit for Directors	

B.1.21. Indicate whether the Bylaws or Board Regulations limit the term of office of independent directors:

YES NO

Maximum Term of	0
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Office	
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B.1.22. Indicate whether there are formal procedures for delegating votes on the Board of Directors. If so, describe them briefly:

Article 23 of the Company Bylaws and Article 16 of the Board Regulations provide that directors may delegate their votes to another director. In that regard, proxies must be in writing and are valid only for the specific board meeting in question.

B.1.23. Indicate the number of meetings that were held by the Board of Directors during the financial year. Likewise indicate, if applicable, the number of meetings held in the absence of the Board's President:

Number of Board Meetings	11
Number of Meetings That the President Did Not Attend	0

Indicate the number of meetings held by the Board's committees:

Number of meetings of the Executive or Delegated Committee	0
Number of meetings of the Audit Committee	7
Number of meetings of the Remuneration and Appointments Committee	5
Number of meetings of the Strategy and Investments Committee	0
Number of meetings of the ____ Committee	0

B.1.24. Indicate whether the individual and consolidated annual accounts submitted to the Board for its approval are previously certified:

YES NO

Identify, if applicable, the person or persons who certified the individual and consolidated annual accounts of the Company, for submission to the Board:

Name	Position

B.1.25. Explain, if they exist, the mechanisms established by the Board of Directors to prevent the annual and consolidated accounts from being submitted at the Shareholders' Meeting with provisos in the Auditor's Report.

In accordance with the provisions of Article 24.4.c) of the Board Regulations, the Audit Committee reviews the company accounts, and ensures compliance with legal requirements and the correct application of generally-accepted accounting practices.

B.1.26. Describe the measures in place to ensure that the information communicated to the securities markets is transmitted fairly and objectively.

Pursuant to the provisions of Article 37 of the Board Regulations, the Board will ensure prompt compliance with the instructions in force with respect to the communication of relevant information, in accordance with the Company's Internal Code of Conduct.

In that regard, Section Four of the Company's Internal Code of Conduct sets forth the following rules of conduct with respect to relevant information:

4.1. The General Secretary of the Prisa Group shall communicate relevant information to the Nacional Stock Exchange Commission (NSEC), following consultation with the Chairman or Chief Executive Officer immediately and prior to its disclosure by any other means and as soon as the event is known, the decision is made, or the agreement or contract in question is signed with third parties. The content of the communication shall be truthful, clear, complete and quantified, when the nature of the information so requires, so as not to be misleading or deceptive, without prejudice to the possible dispensation provided in Section 82.4 of the Securities Market Law. This Information shall likewise be made public the PRISA webpage.

The CNMV shall be notified of Relevant Information in the terms set forth in articles 82 and 83 bis of the Stock Exchange Act and its implementing regulation.

4.2. The Secretary General and the DFA of the GRUPO PRISA will closely monitor the quotation of the Securities during the phases of study or negotiation of any type of legal or financial transaction that may have a noticeable effect on the quotation of the Securities. If any abnormal variation occurs in the quotation or in the contracted volume of the Securities, they will notify the Chairman immediately of this, and if there are reasonable indications that such evolution is taking place as a result of a premature, partial or distorted disclosure of such actions or circumstances, Relevant Information will be disclosed immediately to clearly and precisely inform the status of the transaction underway or containing advance notice on the information to be supplied, without prejudice to the possible dispensation envisaged in section 82.4 of the Stock Exchange Act.

4.3. The Secretary General or DFA of the GRUPO PRISA will monitor the news issued by professional sources of financial information and the media that may affect the evolution of the Securities in the market and, following consultation with the Chairman or the Chief Executive Officer, will confirm or deny, as the case may be, the public information on circumstances deemed as Relevant Information.

4.4. All those persons subject to this Internal Code of Conduct will abstain from providing analysts, shareholders, investors or the press with any Relevant Information that has not been previously or simultaneously provided to the Market in general.

The foregoing shall specifically be taken into account at informative meetings held with securities market professionals.

B.1.27. Is the Secretary of the Board of Directors likewise a Director?

YES

NO

B.1.28. Indicate, if applicable, the mechanisms established by the Company to preserve the independence of auditors, financial analysts, investment banks and rating agencies.

Article 38 of the Board Regulations stipulates that:

1. The Board of Directors shall refrain from proposing the appointment or renewal of a firm of auditors when the fees paid by the Company for all of its services represent more than 5% of the annual income of that auditing firm, based on the average for the last five years.
2. The Board of Directors shall publicize the total fees that the Company has paid to the auditors, differentiating between fees for auditing company accounts and those paid for other services rendered. The Annual Report of company accounts must likewise include a breakdown of the fees paid to auditors, as well as those paid to any company belonging to the firm of auditor's corporate group or to any company sharing common property, management or control with the Company's auditors.

In other respects, paragraph 4a) of Article 24 of the Board Regulations stipulates that the Audit and Compliance Committee is responsible for providing the Board of Directors with information and proposals concerning contract terms, the scope of appointment and, when applicable, the revocation or non-renewal of external auditors, as well as supervising compliance with the terms of the audit contract.

Paragraph 3e) of the aforementioned Article 24 likewise provides that the Audit and Compliance Committee shall be responsible for maintaining contact with the external auditors, in order to receive information concerning issues that could jeopardize their independence or other information related to the progress of the account auditing process, as well as other communications provided for in legislation governing audits and in technical auditing practices.

B.1.29. Indicate whether the auditing firm renders other non-auditing services to the Company and/or its corporate group and, if so, state the amount of fees paid for those services and the percent that this represents of the total fees invoiced to the Company and/or its group.

YES

NO

	Company	Group	Total
Amount paid for non-auditing services (Euros 000)	38	363	401
Amount paid for non-auditing services / Total amount invoiced by the auditing firm (%)	26.000	23.000	23.254

B.1.30. Indicate the number of consecutive years that the present auditing firm has audited the annual accounts of the Company and/or its group. Likewise indicate the percent that the number of years with this auditing firm represents with respect to the total number of years that the annual accounts have actually been audited.

	Company	Group
Number of consecutive years	16	15

	Company	Group
Number of years audited by the present auditing firm / Number of years that the Company has been audited (%)	100.000	100.000

B.1.31. Indicate the shareholdings that members of the Board of Directors of the Company have in entities engaged in the same, similar or complementary activities as those comprising the Company or the Company's group's corporate purpose, of which the Company has been informed. Likewise indicate the positions that they hold or functions that they perform in those entities:

Director's Name	Name of the entity in question	% Share	Position or functions
JESÚS DE POLANCO GUTIERREZ	SOGECABLE, S.A.	42.936	
JESÚS DE POLANCO GUTIERREZ	LE MONDE, S.A	0.000	DIRECTOR
IGNACIO POLANCO MORENO	SOGECABLE, S.A.	0.014	DIRECTOR
IGNACIO POLANCO MORENO	CADENA RADIODIFUSORA MEXICANA, S.A. DE C.V.	0.000	DIRECTOR
IGNACIO POLANCO MORENO	RADIO COMERCIALES, S.A. DE C.V.	0.000	DIRECTOR
IGNACIO POLANCO MORENO	RADIO MELODÍA, S.A. DE C.V.	0.000	DIRECTOR
IGNACIO POLANCO MORENO	RADIO TELEVISORA DE MEXICALI, S.A. DE C.V.	0.000	DIRECTOR
IGNACIO POLANCO MORENO	RADIO TAPATIA, S.A. DE C.V.	0.000	DIRECTOR
IGNACIO POLANCO MORENO	XEZZ, S.A. DE C.V.	0.000	DIRECTOR

IGNACIO POLANCO MORENO	SISTEMA RADIOPOLIS, S.A. DE C.V.	0.000	DIRECTOR
JUAN LUIS CEBRIÁN ECHARRI	SOGECABLE, S.A.	0.002	VICE PRESIDENT
JUAN LUIS CEBRIÁN ECHARRI	GRUPO MEDIA CAPITAL SGPS, S.A.	0.00	DIRECTOR
JUAN LUIS CEBRIÁN ECHARRI	CADENA RADIODIFUSORA MEXICANA, S.A. DE C.V.	0.000	DIRECTOR
JUAN LUIS CEBRIÁN ECHARRI	RADIO COMERCIALES, S.A. DE C.V.	0.000	DIRECTOR
JUAN LUIS CEBRIÁN ECHARRI	RADIO MELODÍA, S.A. DE C.V.	0.000	DIRECTOR
JUAN LUIS CEBRIÁN ECHARRI	RADIO TELEVISORA DE MEXICALI, S.A. DE C.V.	0.000	DIRECTOR
JUAN LUIS CEBRIÁN ECHARRI	RADIO TAPATIA, S.A. DE C.V.	0.000	DIRECTOR
JUAN LUIS CEBRIÁN ECHARRI	XEZZ, S.A DE C.V.	0.000	DIRECTOR
JUAN LUIS CEBRIÁN ECHARRI	LE MONDE EUROPE, S.A.	0.000	REPRESENTATIVE OF THE MEMBER OF THE MANAGEMENT COMMITTEE, PROMOTORA DE INFORMACIONES, S.A.
JUAN LUIS CEBRIÁN ECHARRI	LE MONDE, S.A.	0.000	DIRECTOR
FRANCISCO JAVIER DIEZ DE POLANCO	CANAL CLUB DE DISTRIBUCIÓN DE OCIO Y CULTURA, S.A.	0.000	DIRECTOR
FRANCISCO JAVIER DIEZ DE POLANCO	CANAL SATÉLITE DIGITAL, S.L.	0.000	CHAIRMAN AND CHIEF EXECUTIVE OFFICER
FRANCISCO JAVIER DIEZ DE POLANCO	COMPAÑÍA INDEPENDIENTE DE TELEVISIÓN, S.L	0.000	CHAIRMAN AND CHIEF EXECUTIVE OFFICER
FRANCISCO JAVIER DIEZ DE POLANCO	DTS DISTRIBUIDORA DE TV DIGITAL, S.A	0.000	CHAIRMAN AND CHIEF EXECUTIVE OFFICER
FRANCISCO JAVIER DIEZ DE POLANCO	SOCIEDAD GENERAL DE CINE, S.A.	0.000	CHAIRMAN AND CHIEF EXECUTIVE OFFICER
FRANCISCO JAVIER DIEZ DE POLANCO	SOGEPAQ, S.A.	0.000	CHAIRMAN AND CHIEF EXECUTIVE OFFICER
FRANCISCO JAVIER DIEZ DE POLANCO	SOGECABLE, S.A.	0.043	CHIEF EXECUTIVE OFFICER
FRANCISCO JAVIER DIEZ DE POLANCO	SOGECABLE MEDIA, S.L.	0.000	CHAIRMAN AND CHIEF EXECUTIVE OFFICER (REPRESENTATIVE OF SOGECABLE, S.A.)
FRANCISCO JAVIER DIEZ DE POLANCO	AUDIOVISUAL SPORT, S.L.	0.000	CHAIRMAN (REPRESENTATIVE OF SOGECABLE, S.A.)
FRANCISCO JAVIER DIEZ DE POLANCO	CINEMANIA, S.L.	0.000	CHAIRMAN (REPRESENTATIVE OF SOGECABLE, S.A.)
FRANCISCO JAVIER DIEZ DE POLANCO	COMPAÑÍA INDEPENDIENTE DE NOTICIAS DE TELEVISIÓN, S.L.	0.000	CHAIRMAN (REPRESENTATIVE OF COMPAÑÍA INDEPENDIENTE DE TELEVISIÓN, S.L.)
FRANCISCO JAVIER DIEZ DE POLANCO	SOGECABLE EDITORIAL, S.L.	0.000	CHAIRMAN AND CHIEF EXECUTIVE OFFICER (REPRESENTATIVE OF SOGECABLE, S.A.)
DIEGO HIDALGO SCHNUR	SOGECABLE, S.A.	0.000	DIRECTOR
GREGORIO MARAÑÓN Y BERTRÁN DE LIS	SOGECABLE, S.A.	0.000	DIRECTOR

GREGORIO MARAÑÓN Y BERTRÁN DE LIS	UNIVERSAL MUSIC SPAIN, S.L.	0.000	CHAIRMAN
EMILIANO MARTINEZ RODRIGUEZ	SOGECABLE, S.A.	0.011	
AGNES NOGUERA BOREL	SOGECABLE, S.A.	0.000	DIRECTOR
BORJA JESÚS PÉREZ DE ARAUNA	SOGECABLE, S.A.	0.005	
FRANCISCO PÉREZ GONZÁLEZ	SOGECABLE, S.A.	0.000	DIRECTOR
ISABEL POLANCO MORENO	SOGECABLE, S.A.	0.000	
MANUEL POLANCO MORENO	SOGECABLE, S.A.	0.000	DIRECTOR
MANUEL POLANCO MORENO	PRODUCTORA DE TELEVISIÓN DE ALMERÍA, S.A.	0.000	DEPUTY CHAIRMAN
MANUEL POLANCO MORENO	GRUPO MEDIA CAPITAL SGPS, S.A.	0.000	CHIEF EXECUTIVE OFFICER
JUAN SALVAT DALMAU	SOGECABLE, S.A.	0.012	
JESÚS DE LA SERNA Y GUTIERREZ- RÉPIDE	SOGECABLE, S.A.	0.000	
ADOLFO VALERO CASCANTE	SOGECABLE, S.A.	0.011	
MANUEL VARELA UÑA	SOGECABLE, S.A.	0.008	

B.1.32. Indicate whether there is a procedure for Directors to obtain outside counsel and, if so, describe that procedure.

YES NO

Description of the Procedure
The Board Regulations incorporate this principle in the following terms: “Directors shall have broad powers to obtain information and counsel that they may need with regard to any aspect of the Company, provided that it is required in the fulfillment of their duties.” (Article 26). Likewise article 23 of said Regulation establishes that “Committees may seek outside advice when they deem it necessary for the fulfillment of their obligations.”

B.1.33. Indicate whether there is a procedure for Directors to obtain the information they need in sufficient time to enable them to prepare for the meetings of the governing bodies and, if so, describe that procedure:

YES NO

Description of the Procedure
Pursuant to Article 13 of the Board Regulations, the Secretary of the Board of Directors must ensure that the Board functions properly, and must specifically provide the necessary counsel and information required by the Directors.
Article 15 of the Regulations likewise provides that the announcement of board meetings, which must be made at least seven days in advance, shall always include an agenda for the meeting. It is the responsibility of the Chief Executive Officer to prepare and provide the rest of the Directors with information concerning the progress of the Company and that which is necessary to adopt the resolutions proposed on the agenda of each board meeting.
In other respects, Article 26 of the Regulations provides that Directors shall have broad powers to seek the

information and counsel they may require concerning any aspect of the Company, provided that such information is required in the course of fulfilling their duties. The right to information extends to subsidiary companies, whether domestic or foreign, and shall be channeled through the President, who will respond to the Director's requests, providing them with information directly, referring them to the appropriate sources, or arbitrating in the measures necessary to examine the documents requested. Among the general obligations of Directors, Article 30 of the Board Regulations includes the duty to inform themselves and adequately prepare for Board Meetings and the meetings of the committees of which they are members.

B.1.34. Indicate whether the directors of the Company are covered by a Directors' Liability Insurance policy.

YES NO

B.2. Committees of the Board of Directors

B.2.1. List the governing bodies:

Name	No. of Members	Functions
BOARD OF DIRECTORS	19	WITH THE EXCEPTION OF MATTERS RESERVED EXCLUSIVELY FOR DECISION AT THE SHAREHOLDERS' MEETING, THIS IS THE COMPANY'S HIGHEST-LEVEL DECISION-MAKING BODY.
AUDIT COMMITTEE	5	SEE PARAGRAPH B.2.3 BELOW
CORPORATE GOVERNANCE, APPOINTMENTS AND REMUNERATIONS COMMITTEE	4	SEE PARAGRAPH B.2.3 BELOW

B.2.2. List all Committees of the Board of Directors and their members:

EXECUTIVE COMMITTEE

Name	Position

AUDIT COMMITTEE

Name	Position
MR. JOSÉ BUENAVENTURA TERCEIRO LOMBA	CHAIRMAN
MR. MATÍAS CORTÉS DOMÍNGUEZ	MEMBER
MR. BORJA JESÚS PÉREZ ARAUNA	MEMBER
MR. JUAN SALVAT DALMAU	MEMBER
MR. ADOLFO VALERO CASCANTE	MEMBER
MR. MIGUEL SATRÚSTEGUI GIL-DELGADO	NON-MEMBER SECRETARY

REMUNERATION AND APPOINTMENTS COMMITTEE

Name	Position
MR. GREGORIO MARAÑÓN Y BERTRÁN DE LIS	CHAIRMAN

MR. DIEGO HIDALGO SCHNUR	MEMBER
MR. AGNES NOGUERA BOREL	MEMBER
MR. ADOLFO VALERO CASCANTE	MEMBER
MR. MIGUEL SATRÚSTEGUI GIL-DELGADO	NON-MEMBER SECRETARY

STRATEGY AND INVESTMENTS COMMITTEE

Name	Position

_____ COMMITTEE

Name	Position

B.2.3. Describe the rules governing the organization and functions, as well as the responsibilities attributed to each of the board committees.

Audit Committee:

The rules governing the organization and operations of the Audit Committee that are described below are contained in article 21bis of the Company Bylaws and Article 24 of the Board of Directors Regulations:

The number of directors on the Audit and Compliance Committee shall be determined by the Board of Directors from time to time, having a minimum of three (3) and a maximum of five (5) members. The majority of members shall be non-executive Directors who shall not have any other contractual relationship with the Company other than the position for which they are appointed. The Committee shall provide for appropriate representation of independent directors, which shall at least be proportional to their representation on the Board of Directors.

Committee members shall be appointed and removed by the Board of Directors as proposed by the Chairman.

Members shall cease to belong to the Committee when they are no longer directors or when the Board of Directors so decides.

The Chairman of the Committee shall be selected by the Board of Directors from among board members who are independent directors and who do not maintain any contractual relationship with the Company other than the position to which they were appointed. The Chairman of the Committee shall be replaced every four years, and may be reelected after he has ceased in his functions for one year.

The Audit Committee shall perform the tasks attributed to it by law, without prejudice to any other functions that the Board of Directors may determine. The primary function of the Audit Committee is to support the Board of Directors in its task of overseeing the management of the Company.

The Audit Committee has the following basic responsibilities:

- a) Within the scope of its powers, to report at annual shareholders meetings on issues raised by shareholders, pursuant to the provisions of the Law and the Shareholders Meeting Regulation.
- b) To propose to the Board of Directors the appointment of external account auditors pursuant to Section 204 of the consolidated text of the Corporations Law, to be submitted at the annual shareholders meeting.
- c) To supervise internal auditing services.
- d) To supervise the Company's financial information process and internal monitoring systems.
- e) To maintain contact with the external auditors in order to receive information on those issues that could compromise their independence and any others related to the accounts auditing process, together with any other communication provided for in accounts auditing legislation and rules.

In addition, and regardless of other tasks that may be assigned it by the Board of Directors, the Audit Committee shall have the following powers:

- a) To advise and make proposals to the Board of Directors concerning the auditors contract conditions, scope of professional mandate and, if warranted, the revocation or non-renewal of the external auditors, as well as supervising their performance of audit contract obligations;
- b) To propose the selection, appointment, reappointment or removal of the person in charge of the company's internal audit service.
- c) To review the company accounts, oversee compliance with the legal requirements and the proper application of generally accepted accounting principles, as well as to issue opinions on proposals to amend accounting principles and criteria suggested by the management;
- d) To review the issue prospectuses and information concerning the quarterly and half-yearly financial statements that the Board must provide the markets and their supervisory bodies;
- e) To analyze and issue opinions concerning specific investment transactions when, owing to their importance, the Board so requests;

f) To issue opinions concerning the creation or acquisition of interests in entities domiciled in countries or territories considered as tax havens.

g) To exercise all other powers granted the committee in this Regulation.

The Audit Committee shall meet periodically as warranted, and at least four (4) times a year.

Any member of the company management team or staff who may be required for such purpose shall be compelled to attend committee meetings and to provide it with assistance and access to any information at his disposal. The committee may likewise request the attendance of the accounts auditors at its meetings.

Corporate Governance, Appointments and Remuneration Committee:

The rules governing the organization and operations of the Remuneration and Appointments Committee that are described below are contained in Article 25 of the Board Regulations.

The Corporate Governance, Appointments and Remuneration Committee shall consist of a minimum of three (3) and a maximum of (5) external directors to be determined in a resolution of the Board of Directors upon nomination by its Chairman.

The Corporate Governance, Appointments and Remuneration Committee is empowered to request the assistance at its meetings of the Chief Executive Officer of the Company.

Members of the Corporate Governance, Appointments and Remuneration Committee shall cease to be committee members when they cease in their functions as Directors or if the Board of Directors so decides.

The Chairman of the Committee shall be selected by the Board of Directors from among its independent directors.

In addition to any other tasks that may be assigned to it by the Board of Directors, the Corporate Governance, Appointments and Remuneration Committee has the following basic responsibilities:

- 1) To issue opinions concerning proposals for the appointment of directors and to propose the appointment of independent directors.
- 2) To issue opinions on the proposal for the appointment of the Secretary to the Board.
- 3) To make proposals to the Board concerning: i) the general remuneration policies affecting directors and senior management and ii) the individual remuneration of executive directors and other conditions set forth in their contracts.

- 4) To ensure compliance with the company's remuneration policies
- 5) To approve standard senior management contracts.
- 6) To issue opinions on the proposals for the appointment of the members of the other committees of the Board of Directors.
- 7) To propose the Annual Report on Corporate Governance to the Board of Directors.
- 8) To present a report to the Board of Directors, evaluating the performance and composition of the Board.
- 9) To verify compliance with the Internal Code of Conduct concerning securities markets, this Regulation and, in general, the Company's rules of governance, and to make the proposals required to ensure such compliance. In that regard it shall be the duty of the Corporate Governance, Appointments and Remuneration Committee to receive information and, if warranted, issue reports concerning disciplinary measures taken with respect to senior management.
- 10) To exercise such other powers granted to the committee in this Regulation.

The Corporate Governance, Appointments and Remuneration Committee shall meet whenever the Board of Directors of the Company or its Chairman requests that that it issue a report or approve proposals within the scope of its powers, provided that the Chairman of the Committee deems it warranted in order to adequately carry out their duties.

B.2.4. Indicate, if applicable, the advisory powers and, if applicable, powers that have been delegated to each of the committees:

Committee Name	Brief Description
AUDIT COMMITTEE	FOR ADVISORY POWERS, SEE B.2.3 ABOVE. NO DELEGATED POWERS HAVE BEEN ATTRIBUTED TO THIS COMMITTEE.
CORPORATE GOVERNANCE, APPOINTMENTS AND REMUNERATION COMMITTEE	FOR ADVISORY POWERS, SEE B.2.3 ABOVE. NO DELEGATED POWERS HAVE BEEN ATTRIBUTED TO THIS COMMITTEE.

B.2.5. Indicate, if applicable, whether there are board committee regulations, and if so, where they are available for consultation and any amendments made to them during the financial year. Likewise indicate whether any non-mandatory annual reports are issued concerning the activities of each committee:

Although the Audit Committee and the Corporate Governance, Appointments and Remuneration Committee do not have their own internal regulations, the Board of Directors Regulation contains an entire chapter exclusively devoted to setting forth the composition, functions and powers of those committees. The Board of Directors Regulation was not amended during the 2006 financial year, but amendments were made at the Board's meeting on January 18, 2007. Among other aspects, the names of board committees have

been changed: the Audit and Compliance Committee is now called Audit Committee, while the Appointments and Remuneration Committee has been changed to Corporate Governance, Appointments and Remuneration Committee. Nevertheless, the name of the Audit Committee will become effective when Article 21bis of the Bylaws is amended at the next shareholders meeting.

Likewise, Article 21bis of the Company Bylaws specifically regulates the Audit Committee.

The Company’s Bylaws and the Board of Directors Regulation are available for consultation on the Company’s webpage (www.prisa.es), as well as on the webpage of the National Stock Exchange Commission.

On January 19, 2006 the Audit Committee prepared and approved a report on its activities during the 2005 financial year. Likewise, on February 15, 2007 that Committee prepared and approved a report on its activities for the 2006 financial year.

B.2.6. If the Company has an Executive Committee, explain the extent of its delegated powers and the autonomy it has to carry out its functions to adopt resolutions concerning the administration and management of the company.

There is no Executive Committee.

B.2.7. Indicate whether the composition of the Executive Committee reflects the Board Member’s holdings within their category:

YES

NO X

If not, explain the composition of the Executive Committee
There is no Executive Committee.

B.2.8. If there is an Appointments Committee, indicate whether all of its members are external directors:

YES

NO

C. LINKED TRANSACTIONS

C.1. Describe relevant transactions that entail a transfer of resources or obligations between the Company or its subsidiaries and the Company’s significant shareholders:

Significant Shareholder's Name	Name of the Company or Entity in its Group	Nature of the Relationship	Type of Transaction	Amount (Euros 000)
TIMON, S.A.	PROMOTORA DE INFORMACIONES, S.A	Corporate	PAYMENT OF DIVIDENDS	6,074
PROMOTORA DE PUBLICACIONES, S.L.	PROMOTORA DE INFORMACIONES, S.A	Corporate	PAYMENT OF DIVIDENDS	13,643

C.2. Describe relevant transactions that entail a transfer of resources or obligations between the Company or its subsidiaries and the managers or directors of the Company.

Manager's or Director's Name	Name of the Company or Entity in its Group	Nature of the Relationship	Type of Transaction	Amount (Euros 000)
GREGORIO MARAÑON Y BERTRAN DE LIS	SOGECABLE, S.A.	Contractual	Rendering of services	100
MATIAS CORTES DOMINGUEZ	SOGECABLE, S.A.	Contractual	Rendering of services	1,966

C.3. Describe any relevant transactions between the Company and other of its group entities that are not compensated in the consolidated financial statements and whose objectives and conditions are not a part of the Company's normal operations:

Name of the Group Entity	Brief Description of the Transaction	Amount (Euros 000)
DÉDALO GRUPO GRAFICO, S.L.	PROVISION OF SERVICES BY SEVERAL COMPANIES IN WHICH DEDALO GRUPO GRAFICOS, S.L. HAS HOLDINGS, TO SEVERAL GRUPO PRISA COMPANIES	34,969
DÉDALO GRUPO GRAFICO, S.L.	PRISA PROVIDED A JOINT AND SEVERAL GUARANTEE TO DÉDALO GRUPO GRÁFICO, S.L. WITH RESPECT TO THE BANKING SYNDICATE CREATED BY VIRTUE OF THE SYNDICATED CREDIT AND LOAN AGREEMENT SIGNED ON DECEMBER 23, 2003, AND RENEWED ON FEBRUARY 24, 2005 AND MAY 10, 2006, FOR A MAXIMUM OF 15,000,000 EUROS.	15,000
DÉDALO GRUPO GRAFICO, S.L.	PRISAPRINT, S.L., A SUBSIDIARY OF PRISA, SIGNED THREE SUBORDINATED LOAN AGREEMENTS WITH DÉDALO GRUPO GRÁFICO, S.L, PURSUANT TO WHICH IT CONTRIBUTED TO THE LATTER 16,600,000 EUROS.	16,600
IBERBANDA, S.A.	PRISA CAPITALIZED THREE LOANS IN IBERBANDA FOR A TOTAL OF 9,704,000 EUROS AND MADE A CASH CONTRIBUTION IN THE AMOUNT OF 2,675,000 EUROS.	

C.4. Identify, if applicable, any circumstances in which company directors are involved that may constitute a conflict of interest, pursuant to the provisions of Article 127ter of the Corporations Law.

C.5. Describe the mechanisms in place to detect, determine and resolve possible conflicts of interest between the Company and/or its group and its directors, managers and significant shareholders.

Pursuant to Article 31 of the Board of Directors Regulations:

1.- Directors shall inform the Company of any situation that may involve a conflict of interest as defined in Chapter V of “Promotora de Informaciones, S.A. and its Group Companies’ Internal Code of Conduct Concerning Securities Market Transactions.”

2.- Direct or indirect professional or commercial transactions of directors (or of persons related to them if they involve operations in excess of 60,000 euro) with the Company or any of its subsidiaries must be authorized by the Board of Directors after it has considered the opinion of the Corporate Governance, Appointments and Remuneration Committee.

Transactions carried out by persons related to directors and which do not exceed 60,000 euro must be authorized by the Corporate Governance, Appointments and Remuneration Committee.

3.- Directors shall refrain from intervening in deliberations concerning matters in which they have direct or indirect interests. In addition to not exercising their voting rights, directors affected by a linked operation must absent themselves from the boardroom during deliberations and voting on such matters.

4.- Authorization of the Board of Directors shall not be required for linked operations that fulfill the following conditions:

- a) Those involving compliance with standard contract conditions applied extensively to multiple customers;
- b) Those involving predetermined prices or fees carried out by the suppliers of the goods and services in question;
- c) Those which amount to less than 1% of the annual income of the person or entity receiving the service.

Likewise, Article 33 of the Board Regulations provides that Directors may not provide their professional services to competitors of the Company, its subsidiaries or companies in which it has holdings. This excludes holding posts in companies that have a significant stable stake in the Company’s shareholdings.

In other respects, Article 34 of the Board of Directors Regulations states that:

1. The Board of Directors formally reserves the right to oversee any Company transaction with a significant shareholder.
2. Under no circumstances shall a transaction be authorized if an opinion of the Corporate Governance, Appointments and Remuneration Committee assessing the operation from the point of view of market conditions has not been issued.
3. Nevertheless, authorization of the Board of Directors shall not be required for those transactions that fulfill all of the conditions set forth in Article 31.4 above.

With respect to the above and to ensure transparency, Article 35 of the Board of Directors Regulations provides that the Board of Directors shall include in its annual public reports a summary of the transactions carried out by the Company with its Directors and significant shareholders. This information shall detail the overall volume of the operations and the nature of the most relevant.

In addition, section V of the “Internal Code of Conduct of Promotora de Informaciones, S.A. and its Corporate Group Concerning Matters Involving Securities Markets” provides the following rules for the conflicts of interest:

5.1. All persons subject to this Internal Code of Conduct must promptly inform the Secretary General of any situations in which a conflict of interests may exist.

In that respect, notification must be made of any situations derived from their activities outside of GRUPO PRISA or those of related persons (to the extent defined in paragraph 5.2. below) that may conflict with the interests of GRUPO PRISA with regard to any specific action, service or operation with

- i) financial intermediaries
- ii) professional investors
- iii) suppliers
- iv) clients
- v) competitors

5.2. With respect to paragraph 5.1 above, the following shall be considered related persons:

- (i) a spouse or any person in a relationship that can be equated to marriage;
- (ii) the ascendants, descendants and siblings of the person subject to this Code of Conduct or of his/her spouse;
- (iii) the spouses of the ascendants, descendants and siblings of the person subject to this Code of Conduct;

(iv) the companies in which the persons subject to this Code of Conduct, either personally or through an intermediary, fall within any of the categories set forth in article 4 of Law 24/1988, of July 28, governing the Securities Market.

5.3. Those persons affected by a conflict of interest shall refrain from deciding, intervening or influencing decisions taken with respect to those actions, services or operations.

D. RISK CONTROL SYSTEMS

D.1. General description of the Company and/or its Group's risk policy, detailing and evaluating the risks covered by the system, together with the justification as to why these systems are deemed adequate for each type of risk.

GRUPO PRISA's organizational structure and management processes are designed to compensate for the different risks that are inherent in its activities. Risk analysis and control are framed within the Group's management processes and, as such, involve all of the members of the organization in a supervisory environment that is complemented with preventive measures intended to ensure that Group objectives are fulfilled.

The principal risks considered within the framework of the Group's risk management policy can be classified in the following categories:

- a. Strategic risks
- b. Business process risks
- c. Financial management risks
- d. Risks derived from the reliability of financial information
- e. Technological risks

The Group has at its disposal a Risk Map, a graphic tool representing the risks inherent in the Group, which is used to identify and evaluate risks affecting the development of the activities carried out by the different business units within the Group. The identification of these risks and the operative processes for managing each of the risks in question is performed by Group's Internal Audit Management, which periodically reports on the results of its work to the Audit Committee.

D.2. Indicate the control systems in place to evaluate, mitigate or reduce the principal risks of the Company and its group.

- a. Control of Strategic Risks

Pursuant to the provisions of the Board Regulations (Article 5), the policy of the Board of Directors is to delegate the day-to-day management of the Company to the President, with

the assistance of the Chief Executive Officer and management staff, without prejudice to the supervisory functions of the Board, which likewise reserves for itself the powers to make the principal strategic decisions affecting business growth and development and general policy procedures.

The Executive Committee advises the Chief Executive Officer in the preparation of the Group's strategic plans in a process which, based on the circumstances of the markets, establishes the objectives to be achieved in each of the areas of business growth and development, both at the national and international level, considering acceptable risk levels. The Strategic Plan and the annual budget are approved by the Board of Directors.

Compliance with the Strategic Plan and the budget are reviewed periodically, analyzing the extent to which they are being achieved, while evaluating deviations and imposing corrective measures. This process involves managers from all business units, as well as the general and functional committees that forward their reports to the Executive Committee.

b. Control of Business Process Risks

For business development and control the Group has a decentralized organization with coordinating bodies such as the Executive Committee, and the Management Committee, which carry out tasks of analyzing and monitoring both business evolution and the environment and operational problems of the business units.

Risks in business transactions (operational, commercial, legal, fiscal and others) are monitored by their respective organizations, by means of supervisory mechanisms at the Group level. For example, there is a group tax department that supervises compliance with current tax legislation in each of the geographic and business areas in which it is present, and manages potential risks derived from different interpretations of tax law that the competent tax authorities may have in each case. Risks involved in new investments are likewise evaluated by an Investments Committee and commercial risks, related to advertising and to the adaptation of our offer of services and products, are continuously monitored by the Group's Sales Management Department, by a Commercial Committee and by another committee specialized in promotional policy. In that regard, it should be noted that Group income is less dependent on advertising sales cycles due to the fact that Sogecable has been included in the consolidation perimeter and, thus, in 2006 subscriber income had already become part of the front line of the Group's activities.

c. Control of Financial Management Risks

Exposure to exchange rate risks

During 2006 almost 85 % of the Prisa Group's consolidated income came from domestic markets, while 15% was from international markets, principally Latin America.

In that context, the Group is exposed to exchange rate fluctuations in the many countries in which it operates. With a view to mitigating this risk, based on its forecasts and budgets the Prisa Group follows the practice of taking out contracts to cover exchange rate risks (principally exchange rate insurance, forward contracts and currency options).

The Group is likewise exposed to exchange rate risks due to the potential variations that may arise in the different currencies in which it has debts with financial entities. At December 31, 2006 the weight of currencies other than the Euro in the Group's debts amounted to 1.56%. Based on its forecasts and budgets, the Group takes out coverage annually for this type of operations, basically through exchange rate insurance contracts.

Exposure to Interest Rate Risks

The Group is exposed to interest rate fluctuations, since all of its debt with financial entities is at variable interest rates. In that regard, the Company takes out contracts to cover interest rate risk, basically by means of contracts that ensure maximum rates of interest.

Exposure to Risks Related to the Price of Paper

The Group is exposed to the possibility of variations in its results due to fluctuations in the price of paper, the essential raw material in some of its production processes. The Group has set up a strategic coverage program through which, by means of long-term contracts, it can cover the price of a given percentage of the volume of paper to be consumed in the mid term.

d. Control of Risks Derived from the Reliability of Financial Information

The process implemented to manage and control financial and accounting information is based on:

- An adequate organizational structure that maintains a separation of functions in administrative and accounting procedures, which provide the basis for preparing financial and accounting information, as a means to mitigate risks of manipulation or fraud. In that regard, mention should be made of the function of the Group's Financial Management, which assigns responsibilities and authority in the different areas involved in generating this type of information.
- A system to review economic and financial information regulated by manuals, instructions and internal rules (manual for valuation and accounting policies, instructions concerning procedures for closing accounts, annual calendar of economic and financial information, corporate accounting plan, rules for intra-group operations and consolidation), and compliance with internal control systems through in-house and external audits.
- Continual updating of financial information rules and systems. In that regard it should be noted that efforts are being made to integrate and standardize information systems via a project to implement a single financial information system in all of the Group's business units under the supervision of the Executive Committee.

e. Control of Technological Risks

The Information Technology Committee is responsible for implementing, monitoring and reviewing the Group Technology Plan. The reliability of information systems is essential

for the development of group activities. In other respects, the objective of the Group's Technology Management Department is to achieve maximum simplification of technological diversity (derived from the complexity of operations and geographical distances among business units) and share all resources and services susceptible to being used by more than one business unit, particularly in the areas of security, support and maintenance.

The systems deemed most critical, due to their close links to the production systems of the different communications media, have plans and procedures in place to deal with contingencies, which will be continually modified based on the projects and directives set forth by the Security Office.

Availability of information is at all times guaranteed backup systems and copies.

Those Group activities that are based on third-party technological infrastructures are backed up by service-level agreements that guarantee minimum impact of any possible failures.

During the 2006 financial year the Security Office has managed projects intended to increase security levels in both shared group infrastructures and the individual infrastructures in each business unit (the Identity Management and New Communications Network Managed Security Projects).

The Security Office provides advice in matters concerning security and the adoption of coordinated measures to reinforce protection of the confidentiality, integrity and availability of information and information systems, thanks to having established a normative framework, continuous risk management processes and implemented systems for monitoring and reviewing security procedures.

An additional objective for 2007 is to publicize and raise personnel awareness of the need for information security so that they may understand the necessity of implementing countermeasures in the workplace.

Lastly, it should be noted that Grupo Prisa has created a Technology Observatory with prospective functions with regard to risks and business opportunities that may arise for the Group as a result of technological developments.

f. Insurance and Insurance Policy

All Group companies are protected by insurance that reasonably covers possible risks of damage and contingencies arising from their business activities. The policies taken out may be classified as followed:

- All-risk insurance covering material damage to tangible operational assets
- Insurance covering the transportation of goods
- Insurance against loss of profits
- Liability insurance covering operations, employment and products
- Directors' and officers' liability insurance

- Life and accident insurance
- Liability and contingency insurance covering risks in the organization of events
- Credit and surety insurance.

The Group's insurance policy is reviewed and monitored annually by the different business units in consultation with an external company, in order to update existing insurance coverage and subscribe new policies.

D.3. In the event that any risk-related incidents were sustained by the Company and/or its Group, describe the circumstances that prompted them and whether the established control systems worked.

No risk-related incidents occurred.

D.4. Indicate whether there is a committee or other governing body in charge of establishing and supervising those control mechanisms and describe their functions.

One of the main responsibilities of the Audit Committee is to “supervise the financial information process and the Company's internal control systems.” (Article 24.3.d of the Board of Directors Regulations).

D.5. Identify and describe the compliance processes for the different regulations governing your Company and/or its Group.

The Board of Directors Regulations state that:

- The Directors and senior management have the obligation to be informed of, and comply with and compel compliance with these Regulations (Article 4).
- In any event, the Secretary of the Board of Directors shall ensure the formal and material lawfulness of all Board activities and that its procedures and rules of governance are obeyed (Article 13).
- Among the powers of the Corporate Governance, Appointments and Remunerations Committee is the power to verify compliance with the Internal Code of Conduct with respect to securities markets, Board Regulations and, in general, all rules governing the Company, and to propose changes for their improvement. In particular, Corporate Governance, Appointments and Remunerations Committee shall receive information and, when warranted, issue reports to the senior company management concerning any disciplinary. (Article 25, paragraph b) 9).

Section 10 of the Internal Code of Conduct provides for the following:

10.1. In order to ensure compliance with the provisions of this Code, the Secretary General of GRUPO PRISA will have the following responsibilities and powers:

(i) To maintain, in coordination with the Director of Human Resources, an updated list of those persons subject to this Internal Code.

(ii) To receive and preserve communications reflecting transactions with respect to the Securities and to the securities of other companies included within the accounts consolidation perimeter of Promotora de Informaciones, S.A., from the persons subject to this Internal Code, and to annually request the interested parties to confirm the balances of the securities included in the corresponding file.

(iii) To bring any Relevant Information to the attention of the CNMV, following consultation with the Chairman or Chief Executive Officer.

(iv) To pay particular attention to the quotation of the Securities during the review or negotiation phases of any type of legal or financial transaction that could have a noticeable effect on the quotation of the Securities.

(v) To monitor news that the professional sources of financial information and the media issue and which could affect the evolution on the market of the Securities and, following consultation with the Chairman or Chief Executive Officer, to confirm or deny as the case may be, any public information on circumstances deemed to be relevant information.

(vi) To maintain a Central Register of Privileged Information.

(vii) Following consultation with the Chairman or Chief Executive Officer and pursuant to the provision of sections II and IX herein, to determine those who shall be subject to the Internal Code of Conduct.

10.2. In order to ensure compliance with this Code, the Director of Finances and Administration of GRUPO PRISA shall have the following responsibilities and powers:

(i) To have access to the communications referred to in section 10.1. ii) of this Code.

(ii) To bring any Relevant Information to the attention of the CNMV, following consultation with the Chairman or Chief Executive Officer.

(iii) To closely monitor the quotation of the Securities during the phases of review or negotiation of any type of legal or financial transaction that could have a noticeable effect on the quotation of the Securities.

(iv) To monitor the news issued by the professional sources of financial information and the media that may affect the evolution of the Securities in the market and, following consultation with the Chairman or Chief Executive Officer thereof, to confirm or deny as the case may be, any public information on circumstances deemed as Relevant Information.

(v) To execute, following consultation with the Chairman or Chief Executive Officer, the specific plans for the acquisition or transfer of its own Securities or those of the dominant company and to order and supervise the development of ordinary transactions on Securities, in accordance with the contents of Internal Code, and to make the official communications on the transactions on Securities undertaken pursuant to provisions currently in force.

(vi) To determine, following consultation with the Chairman or the Chief Executive Officer, those persons that are assigned to the Department of Finances and Administration and should be subject to this Internal Code.

The Regulation governing Shareholders' Meetings provides that:

- The Board of Directors shall take the measures necessary to ensure the distribution of the Shareholders' Meeting Regulations to shareholders by making them known to the National Stock Exchange Commission as relevant information, recording them on the Companies Register and publishing them on the Company's webpage (Article 25).

- The Shareholders' Meeting Regulations complement and define the provisions of the Company Bylaws with respect to Shareholders' Meetings, and should be interpreted by the Board of Directors in consonance with the Bylaws and any applicable legal provisions. Any doubts that may arise during the course of a Shareholders' Meeting concerning the interpretation of the Shareholders' Meeting Regulations shall be resolved by the President of the meeting, assisted by the Secretary (Article 26).

E. SHAREHOLDERS MEETING

E.1. Indicate the quorum required to hold a general meeting as provided in the Company Bylaws. Describe any differences existing with respect to the minimum quorum required in the Corporations Law.

Article 15.d) of the Company Bylaws states that, without prejudice to the provisions that the Law establishes for special cases, the General Shareholders' Meeting shall be opened when first convened if the shareholders who are present or represented by proxy possess at least 25% of the paid-up capital with voting rights. If not, when convened in a second call, the Meeting shall be valid whatever the represented shares in attendance may be.

For the special cases addressed in Article 103 of the Corporations Law, the quorum required does not exceed the one provided for in that law (50% when first convened, and 25% for a second call).

There are no differences with respect to the legal minimums.

E.2. Explain the system for adopting corporate resolutions. Describe any differences with regard to the system provided for in the Corporations Law.

Under Article 15.h) of the Company Bylaws, Shareholder Meeting resolutions shall be passed by a majority of the shares represented, unless there is a legal provision to the

contrary. There are no differences with regard to the system provided for in the Corporations Law.

E.3. Describe shareholders' rights with respect to General Meetings that differ from those established in the Corporations Law.

Pursuant to Article 15.b.) of the Company Bylaws, all shareholders holding at least 60 shares recorded in the corresponding share ledger five days prior to the meeting and who obtain the corresponding attendance card may attend the Shareholders' Meeting.

Pursuant to Article 15.c.) of the Company Bylaws (and without prejudice to the provision for representation by a family member or by means of a general power of attorney), shareholders may delegate their vote to another shareholder.

According to Article 15.g.) of the Company Bylaws, each fully paid-up share represents one vote.

The Shareholders' Meeting Regulation likewise states that:

Shareholders or their representatives who arrive on the premises late, once admission to the Shareholders' Meeting has been closed in accordance with the time set for the commencement of the meeting, may enter the premises if the Company deems it warranted, but in no case may those shareholders be included in the list of attendees nor may they exercise the right to vote (Article 16.2).

The list of persons in attendance shall be made available to those shareholders who request it at the beginning of the Shareholders' Meeting (Article 16.6)

In order to be included in the minutes of the meeting, the shareholders present may express to the Notary any reservations or objections that they may have concerning whether the meeting is valid as held, or concerning the general numbers of the list of shareholders in attendance after it has been read aloud (Article 17.8).

Shareholders who wish their intervention at the meeting to be recorded verbatim in the minutes must simultaneously deliver it in writing to the Notary, so that he can compare the text to the shareholder's intervention, once it has concluded (Article 18.2).

E.4. Indicate, if applicable, the measures adopted to promote the participation of shareholders at the Shareholders' Meeting.

Those set forth in the Law.

E.5. Indicate whether the Shareholders' Meeting is presided by the Chairman of the Board of Directors. Explain, if applicable, the measures adopted to guarantee the independence and proper conduct of shareholders' meetings:

YES

NO

Description of Measures

As provided in Article 14.2 of the Shareholders' Meeting Regulations, Shareholders' Meetings are presided by the Chairman of the Board of Directors or by the person substituting for him pursuant to Article 26 of the Company Bylaws and, in their absence, by the shareholder elected in each case by those in attendance at the meeting.

In accordance with Article 26 of the Company Bylaws, in the event of the temporary absence or incapacity of the Chairman, the chair shall be assumed by the Deputy Chairman, if there is one, and if not, by a Director appointed by the Board.

Measures to guarantee the independence and proper conduct of shareholders' meetings:

The Shareholders' Meeting held on April 15, 2004 approved the "Regulations Governing the Shareholders' Meetings of Promotora de Informaciones, S.A. (Prisa)", which contains a series of measures to guarantee the independence and proper conduct of shareholders' meetings. These Regulations are available for consultation on the Company's webpage.

E.6. Indicate, if applicable, any amendments made to the Shareholders' Meeting Regulations during the financial year.

The General Shareholders Meeting held on March, 23, 2006 resolved to amend Article 5 of the General Shareholders Meeting Regulations concerning the preparation of the General meeting, to adapt it to the new wording of Article 97 of the Corporations Law (as reflected in Law 19/2005 of November 14, on European companies domiciled in Spain), which provides that general meetings must be called at least a month prior to the date they are to be held, and contemplates the possibility that shareholders representing at least five percent of the share capital may request that a supplement be published to the Notice of General Meeting.

E.7. Provide attendance statistics for the general shareholders' meetings held during the year to which the present report refers:

Attendance Statistics

Date of Shareholders' Meeting	% physically present	% represented by proxy	% voting by other means	Total
23 March 06	66.859	5.823	0.008	72.690

E.8. Briefly describe the resolutions adopted at the general shareholders' meetings held during the year to which this report refers, providing the percentage of votes cast to pass each resolution.

The following resolutions were adopted at the Shareholders' Meeting held on March 23, 2006:

First.- Approval of the Annual Accounts (Balance Sheet, Profit and Loss Account and Annual Report) and the Management Report, both for the Company and its consolidated group, for the 2005 financial year, as well as the proposal for distribution of profits.

Two.- Approval of the Board of Directors' management of the Company during the 2005 financial year.

Third.- In accordance with Article 204 of the Corporations Law and Article 153 ff. of the Companies Register Regulation, the appointment of DELOITTE S.L. as auditors of the accounts of the Company and its consolidated group was renewed for a term of one (1) year, in order to audit the financial statements that will be closed on December 31, 2006.

Fourth. –In view of the fact that the terms of office of Messrs. Ramón Mendoza Solano, Manuel Polanco Moreno, Juan Salvat Dalmau and José Buenaventura Terceiro Lomba were to expire on April 19, 2006, they were terminated in advance of that date and it was resolved to reelect them as Company Directors for the five-year term set forth in the Bylaws.

Fifth.- Article 6 (Share Capital) and Article 14 (Preparation of the General Shareholders Meeting) of the company bylaws, were amended.

Sixth.- Article 5 of the General Shareholders Meeting Regulations was amended

Seventh.- Authorization was granted for the direct or indirect derivative acquisition of treasury shares, within the legal limits and requirements. Likewise, any unexercised powers authorizing the derivative acquisition of treasury shares granted at the Annual Shareholders Meeting on March 17, 2005 were revoked.

Eighth.- Authorization was granted for a capital increase by means of an issue of redeemable shares excluding any preemptive rights, with the resulting amendment of Article 6 of the company bylaws, the Board of Directors being empowered within a maximum term of one year to fix the date on which this capital increase resolution will be made effective or waive its implementation.

Ninth.- It was resolved to delegate to the Board of Directors powers to develop, execute and interpret all previous resolutions including, if necessary, powers to interpret, rectify, and complement them, likewise agreeing to delegate the power in the Chairman of the Board of Directors Mr. Jesús de Polanco Gutierrez, the Chief Executive Officer Mr. Juan Luis Cebrián Echarri and the Secretary Mr. Miguel Satrustegui Gil- Delgado, so that any of them may appear before a Notary to formalize and reflect in a notarized instrument the resolutions passed at this Meeting, as well as to execute any notarized or private documents required to record the resolutions as approved in the Companies Register.

Percentage of votes cast (with respect to the quorum present) to adopt each one of the resolutions:

Agenda	Votes in Favor	Votes against	Abstaining	Treasury shares
Item 1	99.25	0.448	0.300	0.000
Item 2	99.88	0.000	0.119	0.000
Item 3	99.88	0.000	0.118	0.000
Item 4	99.87	0.008	0.118	0.000
Item 5	99.88	0.000	0.118	0.000
Item 6	99.88	0.000	0.118	0.000
Item 7	99.88	0.000	0.118	0.000
Item 8	99.87	0.011	0.118	0.000
Item 9	99.88	0,000	0,118	0,000

E.9. Indicate, if applicable, the number of shares that a shareholder must hold in order to attend the Shareholders' Meeting and if there is any restriction in that regard in the Company Bylaws.

Pursuant to Article 15.b.) of the Company Bylaws, all shareholders holding at least 60 shares recorded in the corresponding share ledger five days prior to the meeting and who obtain the corresponding attendance card may attend the Shareholders' Meeting.

E.10. Indicate and justify the policies followed by the Company with respect to proxy voting in shareholders' meetings.

Article 8 of the Shareholders' Meeting Regulations states that:

Shareholders may vote by proxy, delegating their votes in another shareholder for a specific shareholders' meeting. This requisite will not apply when the proxy holds a general power of attorney set forth in a notarial instrument, granting him power to administer all of the principal's assets within Spain. Representation by proxy shall be indicated on the attendance card or in a letter, in either case bearing an original signature.

The document designating a proxy must contain or be accompanied by the meeting agenda as well as a request for instructions as to how to exercise the right to vote and an indication as to how the proxy should vote if precise instructions are not provided. If the shareholder appointing a proxy fails to give him voting instructions, it is understood that he should vote in favor of the Board of Directors' proposals at each meeting.

A proxy granted to someone who cannot legally represent the shareholder or one granted by a fiduciary or similar representative shall not be valid.

A proxy may likewise be granted by electronic means, using procedures similar to those provided for in Article 11.2 of the Shareholders' Meeting Regulation and confirming the shareholder's identity with the same requirements of that Article 11.2., likewise applying the term established in Article 11.3 of the Regulation for the valid reception of proxies.

Proxies shall always be revocable, and shall be deemed to have been revoked by a shareholder who personally attends the Shareholders' Meeting.

Concerning public proxy solicitations, see section B.1.22 of this Report.

E.11. Indicate whether the Company is aware of the policy of institutional investors to participate or not in Company decisions:

YES NO

Describe the Policy

E.12. Indicate the address and means for accessing corporate governance content on the company webpage.

www.prisa.es / Information for Shareholders and Investors

F. EXTENT TO WHICH GOOD GOVERNANCE RECOMMENDATIONS ARE FOLLOWED

Indicate the degree of the Company's compliance with existing corporate governance recommendations and, if applicable, cases in which those recommendations were not followed.

In the event of non-compliance with some of them, explain the recommendations, rules, practices or criteria that the Company applies.

Until the single document referred to in ORDER ECO/3722/2003 of December 26 has been drafted, to complete this section the Olivencia and Aldama Reports should be taken as points of reference.

Given that until the 2007 Annual Report on Corporate Governance is presented in 2008 the Unified Code of Good Governance approved by the National Securities Market Commission on May 19, 2006 will not be used as a reference, the present section of the Annual Report on Corporate Governance has been prepared based on the most significant recommendations included in the Olivencia Code. In some questions reference is made separately to the recommendations of the Aldama Commission if they differ in content.

1. FUNCTIONS OF THE BOARD OF DIRECTORS

Recommendation 1

“The Board of Directors should expressly undertake, as a core aspect of its role, the general duty of supervision, bear the responsibilities that this involves without delegation and set up a formal catalogue of matters reserved for their knowledge.”

- This recommendation is followed.
- This recommendation is not followed.
- This recommendation is followed in part.

2. INDEPENDENT DIRECTORS

Recommendation 2

“The Board of Directors should include a reasonable number of independent Directors, whose profile is that of professionally reputable people who are not associated with the senior management and the major shareholders.”

- This recommendation is followed.
- This recommendation is not followed.
- This recommendation is followed in part.

Observations:

Independent directors in the company include: Mr. Matías Cortés Domínguez, Mr. Juan Salvat Dalmau, Mr. Jesús de la Serna y Gutierrez Répide, Mr. José Buenaventura Terceiro Lomba and Mr. Gregorio Marañón y Bertrán de Lis, all of whom are professionals of recognized prestige in areas related to the Group’s activities. These persons have small shareholdings in the share capital of a major shareholder, Promotora de Publicaciones, S.L., but they have not subscribed nor are they bound by the shareholders’ agreement with Timón, S.A. and Mr. Jesús de Polanco Gutierrez, described in A.6 of this Report, nor are they directors of Timón, S.A. or Promotora de Publicaciones, S.L.

3. COMPOSITION OF THE BOARD OF DIRECTORS

Recommendation 3

“The composition of the Board of Directors should be such that the external Directors (shareholders’ representatives and independents) are in a clear majority over the executive Directors and the proportion between shareholders’ representatives and independent Directors should be set taking into account the relationship between the major holdings in the capital and the rest.”

- This recommendation is followed.
- This recommendation is not followed.
- This recommendation is followed in part.

Recommendation 4

The Aldama Report recommends that there be:

“An ample majority of external directors on the Board and, among them, a very significant number of independent directors, considering the company's ownership structure and the capital represented on the Board.”

- This recommendation is followed.
-

This recommendation is not followed.

This recommendation is followed in part.

Observations

The Board of Directors of the Company consists of seven executive directors and twelve external directors, of which seven represent significant shareholders and five are independent.

4. NUMBER OF DIRECTORS

Recommendation 5

“The Board of Directors should be the right size to achieve more efficient and participatory operation. In theory, the right size could be between five and fifteen members.”

This recommendation is followed.

This recommendation is not followed.

This recommendation is followed in part.

Recommendation 6

Nevertheless, the Aldama Report refrains from recommending a maximum and minimum number of members for the Board and simply states that:

“the Board of Directors must have a reasonable number of members to ensure its viability and the work of each director, who must have access to the necessary resources to improve and make their functions more efficient, including the ability to communicate with the parties responsible for the different business and services areas and, if appropriate, to be assisted by professionals and external experts.”

This recommendation is followed.

This recommendation is not followed.

This recommendation is followed in part.

Observations:

The Board Regulations of the Company provide that the Board of Directors will consist of the number of directors determined at the Shareholders' Meeting within the limits set in the Company Bylaws (whose Article 17 states that the Board shall have a minimum of three and a maximum of twenty-one Directors) and that the Board will propose at the Shareholders' Meeting the number that, according to the changing circumstances of the Company, is deemed most appropriate to ensure adequate representation and the efficient operation of the Board.

At present, the Board of Directors of the Company is composed of nineteen Directors, a number that the Company deems appropriate to ensure adequate representation and the efficient operation of the Board.

5. CHAIRMAN OF THE BOARD OF DIRECTORS

Recommendation 7

“If the board chooses a formula whereby the Chairman is also the Company's CEO, it should take the necessary precautions to reduce the risks of power being concentrated in a single person.”

- This recommendation is followed.
- This recommendation is not followed.
- This recommendation is followed in part.

Observations:

As principal assistant to the Chairman there is a Chief Executive Officer who is responsible for the day-to-day management of the Company, in accordance with the decisions taken and criteria set forth at the Shareholders' Meeting and by the Board of Directors and Chairman. There is likewise and Audit Committee and a Corporate Governance, Appointments and Remuneration Committee, and neither the Chairman nor any of the Executive Directors are members of those committees.

6. SECRETARY OF THE BOARD OF DIRECTORS

Recommendation 8

“Major importance should be given to the Secretary of the Board, strengthening his/her independence and stability, and stressing his/her duty to safeguard the formal and material legality of the Board's actions.”

- This recommendation is followed.
- This recommendation is not followed.
- This recommendation is followed in part.

7. COMPOSITION OF THE EXECUTIVE COMMITTEE

Recommendation 9

“The composition of the executive Committee, when there is one, should have the same balance between the different classes of Directors as the Board, and the relations between

the two bodies should be based on the principle of transparency, so the Board is fully aware of the matters dealt with and the decisions adopted by the Committee.”

The Board of Directors of the Company does not have an Executive Committee.

8. DELEGATED CONTROL COMMITTEES

Recommendation 10

“The Board of Directors should set up delegated control Committees, made up exclusively of external Directors, covering information and accounting control (audit); recruitment of directors and senior managers (nomination); determining and reviewing the remuneration policy (compensation); and assessing the governance system (compliance).”

- This recommendation is followed.
- This recommendation is not followed.
- This recommendation is followed in part.

Observations:

The Board of Directors of the Company has set up an Audit Committee and a Corporate Governance, Appointment and Remuneration Committee, whose only members are external directors, but neither of these committees can be considered a delegated committee of the Board under the terms of Article 141 of the Corporations Law.

9. INFORMATION PROVIDED TO DIRECTORS

Recommendation 11

“The necessary measures should be taken to ensure that the Directors receive sufficient information, sufficiently in advance, specifically drawn up for preparing for board meetings, without the importance or reserved nature of information being a reason for excluding it, except in exceptional circumstances.”

- This recommendation is followed.
- This recommendation is not followed.
- This recommendation is followed in part.

Observations

There is no regulation establishing a minimum period prior to meetings in which information concerning each board meeting should be made available to Directors, but the Board Regulations state that “the Chairman shall ensure that the Chief Executive Officer prepares and provides the rest of the directors with information concerning the progress of the Company and those

matters necessary for adopting the items proposed on the agenda at each meeting of the Board of Directors.” Moreover, the Regulations state that the Secretary shall provide for the smooth functioning of the Board, particularly ensuring that the Directors receive the necessary counsel and information.

The draft minutes of the previous meeting and other documents are distributed with the notice of meeting (which always includes the agenda for the session), i.e., a minimum of seven days prior to the meeting. The remaining information is communicated to the Directors in the course of the Board meeting.

Likewise the Regulations provide that Directors have broad powers to seek the information and counsel they may require concerning any aspect of the Company, provided that such information is required in the course of fulfilling their duties. This right to information extends to subsidiary companies, whether domestic or foreign, and is channeled through the Chairman, who responds to the Director’s requests, providing them with information directly, referring them to the appropriate sources, or arbitrating in the measures necessary to examine the documents requested.

Among the general obligations of Directors, the Board Regulations include the duty to inform themselves and adequately prepare for the Board Meetings and the meetings of the committees of which they are members.

10. BOARD OPERATIONS

Recommendation 12

“In order to ensure the suitable operation of the Board, its meetings should be held as often as necessary to carry out its tasks; the Chairman should encourage all the Directors to contribute and freely take positions; particular care should be taken with the drawing up of the minutes and the quality and efficiency of their work should be assessed at least once a year”.

- This recommendation is followed.
- This recommendation is not followed.
- This recommendation is followed in part.

Observations:

As established by the Board Regulation, the Corporate Governance, Appointments and Remuneration Committee has to verify compliance with the Internal Code of Conduct concerning securities markets, the Board Regulation and, in general, the Company’s rules of governance.

Recommendation 13

In other respects the Aldama Report states that:

“The Boards of Directors of listed companies must hold ordinary meetings periodically, usually once per month, in order to monitor the actions of the executives and Delegate

Commission, if any, and adopt the appropriate decisions relating to same. Moreover, the Board should meet when the Chairman or a sufficient number of directors request this, in accordance with the Bylaws and Regulation. Throughout the year, the Board must specifically analyze the budget and the performance of the strategic plan, if any, and its degree of compliance, plus the quarterly accounts that the company must file with the markets' regulatory or supervisory bodies for publication.”

- This recommendation is followed.
- This recommendation is not followed.
- This recommendation is followed in part.

11. SELECTION AND REELECTION OF DIRECTORS

Recommendation 14

“The Board's involvement in the recruitment and reappointment of its members should follow a formal, transparent procedure, based on a reasoned proposal by the Nomination Committee.”

- This recommendation is followed.
- This recommendation is not followed.
- This recommendation is followed in part.

Observations:

Pursuant to the Board Regulations, proposed appointments submitted by the Board of Directors at the Shareholders' Meeting and board appointments made by virtue of its legally-attributed powers to do so must comply with the provisions of the Board Regulations and be accompanied by the corresponding report from the the Corporate Governance, Appointments and Remuneration Committee, which is nevertheless not binding, following the recommendations of the Aldama Report.

12. RESIGNATION OF DIRECTORS

Recommendation 15

“Companies' regulations should include an obligation on the directors to resign in cases that could have a negative effect on the operation of the Board or the Company's credit and reputation.”

- This recommendation is followed.
- This recommendation is not followed.

This recommendation is followed in part.

13. AGE OF DIRECTORS

Recommendation 16

“There should be an age limit on holding the position of Director, which could be sixty-five for executive Directors and the Chairman, and somewhat more flexible for the rest of the members.”

This recommendation is followed.

This recommendation is not followed.

This recommendation is followed in part.

Observations:

Nevertheless, on this point the Aldama Report has revised the criterion followed in the Olivencia Code and does not set an age limit, merely indicating that the company that adopts a policy in that regard should do so clearly in its internal rules.

14. ACCESS TO INFORMATION ON THE PART OF DIRECTORS

Recommendation 17

“The right of all Directors to gather and obtain the necessary information and advice to carry out their supervisory duties should be formally recognized, and suitable channels should be provided to exercise that right, with recourse to external experts in special circumstances.”

This recommendation is followed.

This recommendation is not followed.

This recommendation is followed in part.

Observations:

As indicated above in Recommendation 11, the Board Regulations provide that Directors have broad powers to seek the information and counsel they may require concerning any aspect of the Company, provided that such information is required in the course of fulfilling their duties. This right to information extends to subsidiary companies, whether domestic or foreign, and is channeled through the Chairman, who responds to the Director’s requests, providing them with information directly, referring them to the appropriate sources, or arbitrating in the measures necessary to examine the documents requested. The Board Regulations provides that the Committees may seek outside advice when they deem it necessary for the fulfillment of their obligations.

15. REMUNERATION OF DIRECTORS

Recommendation 18

“The Director compensation policy, which must be proposed, assessed and reviewed by the Compensation Committee, should follow the criteria of moderation, being related to the Company's profits and detailed and personalized information.”

- This recommendation is followed.
- This recommendation is not followed.
- This recommendation is followed in part.

Observations:

1. Article 27 of the Board Regulations establishes the principle that the Board shall endeavor that compensation to Directors be moderate with respect to the circumstances of the market.

2. Article 19 of the Bylaws sets a maximum limit for the remuneration of Directors stating that “Board members’ remuneration, which shall be compatible with the payment of allowances for attending meetings, shall consist of a maximum of 10% of reported net earnings, as proposed at the Annual Shareholders’ Meeting, provided that this complies with the provisions of Article 130 of the Law. The Board shall determine the amount corresponding to each Board member in accordance with his post.”

3. In compliance with the provisions of the aforementioned Article 19 of the Company Bylaws, the salaries of the Chairman and Chief Executive Officer of the Company shall be determined by the Board of Directors.

4. The Board Regulation likewise provides that in any case the following shall be submitted to the Board for approval: a) the general remuneration policy for directors and senior managers (at the proposal of the Corporate Governance, Appointments and Remuneration Committee) and b) remuneration for directors as well as, in the case of executive directors, additional compensation for their executive functions and other conditions set forth in their contracts (individual compensation for executive directors and their contract conditions likewise being at the proposal of the Corporate Governance, Appointments and Remuneration Committee).

In that regard, one of the essential responsibilities of the Corporate Governance, Appointments and Remuneration Committee is to ensure compliance with the company’s compensation policy.

5. Board Regulations provide for transparency in the compensation of Directors and that the Annual Report, as an integral part of the Annual Accounts, must contain both the legally-required information and other information deemed warranted concerning the remuneration received by members of the Board of Directors. The information provided by the company concerning the compensation of its Directors is general and not individualized.

Recommendation 19

In that regard the Aldama Report states that:

“It is recommended, in general, that remuneration comprising shares of the company or group companies, stock options or options referenced to the share price be limited to executive or internal directors.”

- This recommendation is followed.
- This recommendation is not followed.
- This recommendation is followed in part.

16. GENERAL DUTIES OF DIRECTORS AND CONFLICTS OF INTEREST

Recommendation 20

“The Company's internal regulations should set out the obligations resulting from the Directors general obligations of diligence and loyalty; in particular they should include the situation of conflicts of interest, the duty of confidentiality, taking advantage of business opportunities and the use of Company assets.”

- This recommendation is followed.
- This recommendation is not followed.
- This recommendation is followed in part.

17. TRANSACTIONS WITH SIGNIFICANT SHAREHOLDERS

Recommendation 21

“The Board of Directors should promote appropriate measures to extend the duties of loyalty to the major shareholders, in particular establishing cautions on the transactions carried out between them and the Company”.

- This recommendation is followed.
- This recommendation is not followed.
- This recommendation is followed in part.

Observations:

Article 34 of the Board regulations provides that the Board of Directors formally reserves the right to oversee any Company transaction with a significant shareholder and that under

no circumstances shall a transaction be authorized if an opinion of the Corporate Governance, Appointments and Remuneration Committee assessing the operation from the point of view of market conditions has not been issued. Nevertheless, authorization of the Board of Directors shall not be required for those transactions that fulfill all of the following conditions: i) those involving compliance with standard contract conditions applied extensively to multiple customers; ii) those involving predetermined prices or fees carried out by the suppliers of the goods and services in question; and iii) those which amount to less than 1% of the annual income of the person or entity receiving the service.

In other respects, mention should likewise be made of the principle of transparency applied to transactions with significant shareholders, as regulated in Article 35 of the Board of Directors Regulations that states that “the Board of Directors shall include in its annual public reports a summary of the transactions carried out by the Company with its Directors and significant shareholders. This information shall detail the overall volume of the operations and the nature of the most relevant.”

18. COMMUNICATION WITH SHAREHOLDERS

Recommendation 22

“Measures should be put in place to make the mechanism for delegating votes by proxy more transparent and to improve the Company's communication with its shareholders, in particular with institutional investors.”

- This recommendation is followed.
- This recommendation is not followed.
- This recommendation is followed in part.

19. TRANSPARENCY WITH RESPECT TO THE MARKETS

Recommendation 23

“The Board of Directors should go beyond the regulations in force in taking responsibility for providing the markets with fast, accurate and reliable information, especially concerning the shareholding structure, substantial changes to the governance regulations, particularly significant associated transactions and treasury stock.”

- This recommendation is followed.
- This recommendation is not followed.
- This recommendation is followed in part.

Observations:

Article 37.1 of the Board Regulations provides that the “Board of Directors shall ensure prompt compliance with the instructions in force with regard to the communication of relevant information, in conformance with the provisions of the Company’s Internal Code of Conduct”.

20. FINANCIAL INFORMATION

Recommendation 24

“All periodical financial information in addition to the annual information that the markets are provided with should be drawn up in accordance with the same professional practices and principles as the annual accounts and, before it is published, it should be checked by the Audit Committee.”

- This recommendation is followed.
- This recommendation is not followed.
- This recommendation is followed in part.

21. EXTERNAL AUDITORS

Recommendation 25

“The Board of Directors and the Audit Committee should monitor for situations that could imply a risk to the independence of the Company's external auditors. In particular they should verify the fees paid for all items as a proportion of the audit firm's total income, and publicly report the fees for non-audit professional services.”

- This recommendation is followed.
- This recommendation is not followed.
- This recommendation is followed in part.

22. AUDIT PROVISOS

Recommendation 26

“The Board of Directors should seek to prevent the accounts being submitted to the General Shareholders' Meeting with reservations and provisos in the Auditors' report and, when this is not possible, both the Board and the auditors should clearly explain the contents and scope of the discrepancies to the shareholders and the markets.”

- This recommendation is followed.

- This recommendation is not followed.
- This recommendation is followed in part.

Observations

In accordance with the provisions of Article 24.4.c) of the Board Regulations, the Audit Committee reviews the company accounts, and ensures compliance with legal requirements and the correct application of generally-accepted accounting practices.

23. ANNUAL REPORT ON CORPORATE GOVERNANCE

Recommendation 27

“The Board of Directors should include information about its rules of governance in the annual report, and justify any departures from the recommendations of this Code.”

- This recommendation is followed.
- This recommendation is not followed.
- This recommendation is followed in part.

24. BOARD OF DIRECTORS AND SHAREHOLDERS’ MEETING REGULATIONS

Recommendation 28

According to the Aldama Report “All companies should have a number of corporate governance rules or criteria that include at least the Regulations of the Shareholders' Meeting and of the Board of Directors.”

- This recommendation is followed.
- This recommendation is not followed.
- This recommendation is followed in part.

25. CORPORATE WEBPAGE

Recommendation 29

According to the Aldama Report “Every listed company should have a website through which it informs its shareholders, investors and the market in general about economic events and any other significant events that take place in connection with the company, as well as enabling shareholders to exercise their right to information and any other shareholder rights.”

- This recommendation is followed.
- This recommendation is not followed.
- This recommendation is followed in part.

G. OTHER INFORMATION OF INTEREST

If you believe there are relevant principles or aspects concerning the corporate governance practices applied by your company that have not been presented in this report, please identify and explain their content below.

In this section you may include any other information, clarification or detail with respect to the previous Sections of this report provided that it is relevant and not repetitive.

Specifically, indicate whether the company is subject to another law other than Spanish law with respect to corporate governance and, if so, include the mandatory information that differs with the information required herein.

-With regard to Section A.3 of this report:

i) the first appointment of Mr. Jesus de Polanco as Chairman of the Board of Directors was 19 Jun 84; the first appointment of Mr. Juan Luis Cebrian Echarri as Managing Director was 20 Oct 88 and the first appointment of Mr. Ignacio Polanco Moreno as Deputy Chairman was 16 Nov 06.

ii) the total share capital held by members of the Board of Directors is 64.973% if calculated by adding the individual percentages held by each director, but if calculated with regard to the total number of shares held by the Company's directors, the result would be 64.976%.

iii) the indirect option rights declared by Mr. Jesús de Polanco Gutierrez are the object of a forward shares purchase operation between Promotora de Publicaciones, S.L. (Propu), a company controlled by Mr. Jesús de Polanco Gutierrez, and Goldman Sachs Internacional (GSI), by virtue of which Propu has the right and obligation to purchase and GSI has the right and obligation to sell 5,000,000 ordinary shares in Promotora de Informaciones, S.A. on November 28, 2007.

-With regard to Section A.6 of this report:

i) the percentage of share capital affected is the percentage held by Promotora de Publicaciones, S.L., a company which holds 44.535% of the stock in Promotora de Informaciones, S.A.

ii) the shareholders agreement was signed on May 21, 1992 and in a notarial document certified by Madrid Notary Public Mr. Jose Aristonico Sanchez, Timon S.A. and a group of

shareholders of Promotora de Informaciones, S.A. entered into an agreement to govern the contribution of their shares in that company to Promotora de Publicaciones, S.L. (hereinafter, “Propu”) and their participation therein. Basically, the undertakings set forth in that agreement are as follows: a) each majority shareholder shall have at least one representative on the Board of Directors of Prisa and, to the extent possible, the governing body of Propu shall have the same composition as Prisa’s; b) Propu shares to be voted at Prisa’s General Shareholders Meetings will be previously determined by the majority members. Propu members who are likewise members of Prisa’s Board of Directors shall vote in the same manner, following instructions from the majority shareholders; c) in the event that Timon, S.A. sells its holdings in Propu, the remaining majority shareholders shall have the right to sell their holdings in Propu on the same terms to the same buyer, to the extent that the foregoing is possible.

-With regard to Section A.8 of this report:

i) in June, 2003, through its wholly-owned subsidiary Prisa Finance Netherlands, B.V., Prisa launched an issue of “bonds exchangeable for ordinary shares in Prisa,” guaranteed by Prisa and having a face value of 162,300,000 Euros. Prisa will cover the exchangeable bonds with its treasury shares. Notwithstanding the foregoing, at December 31, 2006 Prisa had loaned to the managing entities of the operation (Goldman Sachs and Morgan Stanley), as loans, 6,042,400 treasury shares, with a view to providing financial coverage to investors as may be required.

ii) in Prisa’s individual annual accounts prepared in accordance with the General Accounting Plan, the result of treasury share operations are reflected as profit in the profit and loss account for the year. Nevertheless, in the consolidated annual accounts prepared in accordance with the IFRS, the results of treasury share operations are registered against equity, pursuant to IAS 32, paragraph 33.

-With regard to Section B.1.2 of this report:

i) The first appointment of Mr. Jesus de Polanco as Chairman of the Board of Directors was 19 Jun 84, the first appointment of Mr. Juan Luis Cebrian Echarri as Managing Director was 20 Oct 88 and the first appointment of Mr. Ignacio Polanco Moreno as Deputy Chairman was 16 Nov 06.

ii) the director Mr. Alvaro Noguera Giménez died on March 24, 2006.

- With regard to section B.1.3. of this report, it should be underscored that the Appointments and Remuneration Committee did not “propose” the appointment of the directors, but rather issued a “favorable opinion” concerning those appointments, pursuant to the provisions of the Board of Directors Regulation in force when the appointments were made.

- With regard to section B.1.7. of this report it should be underscored that company director Ms. Agnès Noguera Borel holds the following posts on the boards of directors of the following companies:

- i) Banco de Valencia, S.A.: representing the director Valenciana de Negocios S.A
- ii) Bodegas Riojanas, S.A.: representing the director Premier Mix, S.A.
- iii) Adolfo Domínguez, S.A.: representing the director Luxury Liberty, S.A.
- iv) Compañía Levantina de Edificación y Obras Públicas: representing the director Valenciana de Negocios, S.A.

-With regard to Section B.1.9 of this report.: senior management includes members of the Executive Committee and the Management Committee who are not executive directors of Promotora de Informaciones, S.A.

-With regard to Section B.1.10:

i) the beneficiaries are part of the group of executive directors and managers referred to previously in Section B.1.9.

ii) the body that has authorized ironclad or golden handshake clauses is the Remuneration and Appointments Committee.

iii) the ironclad or golden handshake clauses are assessed in the report on remuneration policy submitted for approval at the Shareholders Meeting as part of the Management Report.

-With regard to Section B.1.31: The holding in Sogecable, S.A. declared by Mr. Jesus de Polanco Gutierrez corresponds to the participation in Promotora de Informaciones, S.A.

- With regard to section C.1 of this report it should be underscored that the aggregate amount of dividends received by Timón, S.A. includes those received from Prisa by that company (5,660,891.88 €) and those received by the following companies in which Timón has holdings: i) Nomit Inversiones SICAV: 75,621 € iii) Nomit III Internacional SICAV: 153,087 € iv) Nomit IV Global SICAV: 165,276 € and v) Eure K Inversiones SICAV: 19,785 €

- With regard to Section C.2 of this report it should be underscored that:

i) Services provided to Sogecable, S.A. for 100,000 euro refers to legal counsel provided by Prisa director Mr. Gregorio Marañón y Bertrán de Lis by virtue of a contract entered into on April 13, 2004 and extended for a year in April, 2005 and April, 2006.

ii) Services provided to Sogecable, S.A. for 1,966,000 euro refers to legal counsel and defense provided by Cortés Abogados y Cía S.R.C in a series of proceedings (33) in several jurisdictions (administrative, civil, commercial and arbitral) and legal advice rendered in various matters.

iii) Compensation to Prisa directors and senior management is detailed in Sections B.1.8 and B.1.9 of this report.

-Lastly, and generally applicable throughout the report:

i) As indicated in Section B.2.5 of this report, the board of directors amended its Regulation on January 18, 2007. In consequence, references made to that document throughout this report refer to the new amended version.

Likewise, and as indicated in Section B.2.5., at December 31, 2006 there was an Audit and Compliance Committee and an Appointments and Remuneration Committee which, after the aforementioned amendment of the Board of Directors Regulation are now called “Audit Committee” and “Corporate Governance, Appointments and Remuneration Committee”. Nevertheless, the new name of the Audit Committee will not be effective until Article 21bis of the bylaws is amended at the next shareholders meeting.

ii) the Tax Identification Numbers attributed to the non-Spanish companies are fictitious and were provided as required in this computerized form.

This Annual Report on Corporate Governance was approved by the Board of Directors of the Company at its meeting on February 15, 2007.