

ANNUAL REPORT ON CORPORATE GOVERNANCE

LISTED COMPANIES

DATA IDENTIFYING ISSUER

FINANCIAL YEAR 31.12.2008

TAX ID CODE: A-28297059

Corporate Name:

PROMOTORA DE INFORMACIONES, S.A.

A OWNERSHIP STRUCTURE

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

Date Last Modified	Share Capital (€)	Number of Shares	Number of Voting Rights
14-03-2008	21,913,550	219,135,500	219,135,500

Indicate whether there are different classes of shares having different rights:

NO

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 Voting Rights	Number of Indirect Voting Rights (*)	Total % of Voting Rights
RUCANDIO, S.A.	0	150,200,832	68.542
PROMOTORA DE PUBLICACIONES, S.L.	86,076,108	0	39.280
ASGARD INVERSIONES, SLU	35,487,164	0	16.194
SABARA INVESTMENT, S.L.	20,709,420	0	9.451

Indirect Shareholder's Name	Through: direct Shareholder's Name	Number of direct Voting Rights	Total % of Voting Rights
RUCANDIO, S.A.	ASGARD INVERSIONES, SLU	35,487,164	16.194
RUCANDIO, S.A.	PROMOTORA DE PUBLICACIONES, S.L.	86,076,108	39.280
RUCANDIO, S.A.	SABARA INVESTMENT, S.L.	20,709,420	9.451

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

Shareholder's Name	Date of Transaction	Description of Transaction
ASGARD INVERSIONES, SLU	29/12/2008	has acquired over 15% of share capital
SABARA INVESTMENT, S.L.	01/08/2008	has acquired over 5% of share capital

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

Name or Corporate Name of Board Member	Number of Direct Voting Rights	Number of Indirect Voting Rights (*)	Total % of Voting Rights
IGNACIO POLANCO MORENO	93,041	39,012	0.060
JUAN LUIS CEBRIÁN ECHARRI	1,000,000	241,034	0.556
ADOLFO VALERO CASCANTE	47,716	72,246	0.055
AGNES NOGUERA BOREL	100	500	0.000
ALFONSO LOPEZ CASAS	22,120	0	0.010
BORJA JESÚS PÉREZ ARAUNA	8,000	40,350	0.022
DIEGO HIDALGO SCHNUR	150	0	0.000
EMILIANO MARTINEZ RODRIGUEZ	31,067	0	0.014
FRANCISCO JAVIER DIEZ DE POLANCO	16,500	120	0.008
FRANCISCO PÉREZ GONZÁLEZ	175	269,100	0.123
GREGORIO MARAÑÓN BERTRÁN DE LIS	75	83,225	0.038
JESÚS DE LA SERNA GUTIÉRREZ REPIDE	525	0	0.000
JOSÉ BUENAVENTURA TERCEIRO LOMBA	300	0	0.000
JUAN SALVAT DALMAU	425	115,553	0.053
MANUEL POLANCO MORENO	2,863	65,266	0.031
MANUEL VARELA UÑA	250	13,000	0.006
MATÍAS CORTÉS DOMÍNGUEZ	75	0	0.000
RAMÓN MENDOZA SOLANO	120	0	0.000

Total % of Voting Rights controlled by the Board of Directors	0,987
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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 Voting Rights
IGNACIO POLANCO MORENO	60,000	0	60,000	0.027
JUAN LUIS CEBRIÁN ECHARRI	60,000	0	60,000	0.027
ALFINSO LOPEZ CASAS	7,500		7,500	0.003
FRANCISCO JAVIER DIEZ DE POLANCO	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:

Type of Relationship

Corporate

Brief Description:

Rucandio, S.A. controls direct and indirectly 53.56% of the share capital of Promotora de Publicaciones, S.L., through its interest in Timón, S.A. (48.59%) and through a direct 4.9706% interest in Promotora de Publicaciones, S.L.

Names of the Related Persons or Entities
PROMOTORA DE PUBLICACIONES, S.L.

Type of Relationship

Corporate

Brief Description:

Promotora de Publicaciones, S.L. controls directly 99.99% of the share capital of Sabara Investment, S.L.

Names of the Related Persons or Entities
SABARA INVESTMENT, S.L.

Type of Relationship

Corporate

Brief Description:

Rucandio, S.A. controls indirectly 100% of the share capital of Sabara Investment, S.L.

Names of the Related Persons or Entities
SABARA INVESTMENT, S.L.

Type of Relationship

Corporate

Brief Description:

Rucandio, S.A. directly controls 56.53% of Timón, S.A., which, in turn controls 100% of Asgard Inversiones, S.L.U.

Names of the Related Persons or Entities
ASGARD INVERSIONES, SLU

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

A.6. Indicate whether relevant shareholders agreements have been disclosed to the company pursuant to Article 112 of the Securities Market Law. If applicable, describe briefly and list the shareholders bound by those agreements:

YES

% of share capital

100

Brief Description of the Agreement

Shareholders' Agreement in Rucandio, S.A. (See the note in section G)

Parties to the Shareholders' Agreement
IGNACIO POLANCO MORENO
ISABEL MORENO PUNCEL
MARIA JESÚS POLANCO MORENO
MARTA LOPEZ POLANCO
ISABEL LOPEZ POLANCO
MANUEL POLANCO MORENO
JAIME LOPEZ POLANCO
LUCIA LOPEZ POLANCO

% of share capital

85.709

Brief Description of the Agreement

Shareholders' Agreement in Promotora de Publicaciones, S.L. (See the note in section G)

Parties to the Shareholders' Agreement
EVIEND SARL
MANUEL VARELA UÑA
MANUEL VARELA ENTRECANALES
ISABEL VARELA ENTRECANALES
MARTA VARELA ENTRECANALES
Mª CRUZ VARELA ENTRECANALES
ANDRÉS VARELA ENTRECANALES
ANA VARELA ENTRECANALES
CARMEN DEL MORAL RUIZ
RUCANDIO, S.A.
TIMÓN, S.A.
LIBERTAS 7, S.A.
INVERSIONES MENDOZA SOLANO, S.L.

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

NO

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

There has been a novation with regard to the parties to the Rucandio, S.A. shareholders agreement since, due to the death of Ms. Isabel Polanco Moreno on March 29, 2008, her children Jaime, Lucía, Isabel and Marta López Polanco have assumed her position in this agreement.

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

YES

Name
RUCANDIO, S.A.

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	4.990

(*) Through:

Total:	0
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Indicate any significant variations during the financial year with respect to the provisions of Royal Decree 1362/2007:

Gains/(losses) of sales of treasury stock during the financial year	0
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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 treasury stock.

The Annual Shareholders' Meeting held on March 13, 2008 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 inter vivos 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 March 22, 2007.

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.

Express authorization is hereby granted to use all or part of the shares acquired by the Company or its subsidiaries by virtue of this power, as well as the shares that already belong to the Company on the date the Shareholders' Meeting is held for:

i) the Option Plan to deliver stock options, approved in the previous item on the agenda of the Shareholders Meeting;

ii) a plan to grant shares during the 2009 financial year which, as part of the Company's remuneration policy and up to a maximum of 0.5% of the present share capital, is intended for the following personnel categories: executive directors, directors general, communications media directors, secretaries of the boards of directors and other directors of the company and its group who carry out similar functions, and who meet the conditions set forth by the Board of Directors. The shares granted to each person in question shall be free-of-charge and shall not exceed 12,000 € annually, based on the average value of the shares on the Continuous Market during the seven trading days prior to their delivery. The Board of Directors is granted broad powers to further define and implement this share plan."

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:

NO

Maximum percent of voting rights that a shareholder may exercise pursuant to legal restrictions	0
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Indicate any restrictions in the bylaws on the exercise of voting rights:

NO

Maximum percent of voting rights that a shareholder may exercise pursuant to restrictions in the bylaws	0
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Indicate whether there are legal restrictions on the acquisition or transfer of shares:

NO

A.11 Indicate whether shareholders at the Annual Meeting have resolved to adopt any anti-takeover measures pursuant to Law 6/2007.

NO

If applicable, explain the measures passed and the terms in which restrictions would not apply:

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
IGNACIO POLANCO MORENO		CHAIRMAN	18 Mar 93	13 March 08	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
ADOLFO VALERO CASCANTE		DIRECTOR	20 Oct 88	15 Apr 04	APPOINTED AT THE ANNUAL SHAREHOLDERS' MEETING
AGNES NOGUERA BOREL		DIRECTOR	20 Apr 06	22 March 07	APPOINTED AT THE ANNUAL SHAREHOLDERS' MEETING
ALFONSO LOPEZ CASAS		DIRECTOR	17 Apr 08	5 Dec 08	APPOINTED AT THE ANNUAL SHAREHOLDERS' MEETING
BORJA JESÚS PÉREZ ARAUNA		DIRECTOR	18 May 00	17 March 05	APPOINTED AT THE ANNUAL SHAREHOLDERS' MEETING

DIEGO HIDALGO SCHNUR		DIRECTOR	17 Jun 82	13 March 08	APPOINTED AT THE ANNUAL SHAREHOLDERS' MEETING
EMILIANO MARTINEZ RODRIGUEZ		DIRECTOR	15 Jun 89	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
FRANCISCO PÉREZ GONZÁLEZ		DIRECTOR	25 Mar 77	15 Apr 04	APPOINTED AT THE ANNUAL SHAREHOLDERS' MEETING
GREGORIO MARAÑÓN BERTRÁN DE LIS		DIRECTOR	15 Jun 83	15 Apr 04	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
JUAN SALVAT DALMAU		DIRECTOR	25 May 79	23 March 06	APPOINTED AT THE ANNUAL SHAREHOLDERS' MEETING
MANUEL POLANCO MORENO		DIRECTOR	19 Apr 01	23 March 06	APPOINTED AT THE ANNUAL SHAREHOLDERS' MEETING
MANUEL VARELA UÑA		DIRECTOR	25 Mar 77	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
RAMÓN MENDOZA SOLANO		DIRECTOR	19 Apr 01	23 March 06	APPOINTED AT THE ANNUAL SHAREHOLDERS' MEETING

Total Number of Board Members	18
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Indicate any Members retiring from the Board of Directors during the financial year

Board Member	Board member status upon retirement	Retirement Date
ISABEL POLANCO MORENO	EXECUTIVE	29/03/2008

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. IGNACIO POLANCO MORENO	CORPORATE GOVERNANCE, APPOINTMENTS AND REMUNERATION COMMITTEE	CHAIRMAN
MR. JUAN LUIS CEBRIÁN ECHARRI	CORPORATE GOVERNANCE, APPOINTMENTS AND REMUNERATION COMMITTEE	CEO
MR. ALFONSO LOPEZ CASAS	CORPORATE GOVERNANCE, APPOINTMENTS AND REMUNERATION COMMITTEE	DIRECTOR
MR. EMILIANO MARTÍNEZ RODRÍGUEZ	CORPORATE GOVERNANCE, APPOINTMENTS AND REMUNERATION COMMITTEE	DIRECTOR
MR. FRANCISCO JAVIER DIEZ DE POLANCO	CORPORATE GOVERNANCE, APPOINTMENTS AND REMUNERATION COMMITTEE	DIRECTOR
MR. MANUEL POLANCO MORENO	CORPORATE GOVERNANCE, APPOINTMENTS AND REMUNERATION COMMITTEE	DIRECTOR

Total Number of Executive Directors	6
% of the Board	33.33

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. ADOLFO VALERO CASCANTE	CORPORATE GOVERNANCE, APPOINTMENTS AND REMUNERATION COMMITTEE	TIMÓN, S.A.
MRS. AGNES NOGUERA BOREL	CORPORATE GOVERNANCE, APPOINTMENTS AND REMUNERATION COMMITTEE	PROMOTORA DE PUBLICACIONES, S.L.
MR. BORJA JESÚS PÉREZ ARAUNA	CORPORATE GOVERNANCE, APPOINTMENTS AND REMUNERATION COMMITTEE	TIMÓN, S.A.
MR. DIEGO HIDALGO SCHNUR	CORPORATE GOVERNANCE, APPOINTMENTS AND REMUNERATION COMMITTEE	PROMOTORA DE PUBLICACIONES, S.L.
MR. FRANCISCO PÉREZ GONZÁLEZ	CORPORATE GOVERNANCE, APPOINTMENTS AND REMUNERATION COMMITTEE	TIMÓN, S.A.
MR. MANUEL VARELA UÑA	CORPORATE GOVERNANCE, APPOINTMENTS AND REMUNERATION COMMITTEE	PROMOTORA DE PUBLICACIONES, S.L.
MR. RAMÓN MENDOZA SOLANO	CORPORATE GOVERNANCE, APPOINTMENTS AND REMUNERATION COMMITTEE	PROMOTORA DE PUBLICACIONES, S.L.

Total number of external directors representing significant shareholdings	7
% of the Board	38.889

INDEPENDENT EXTERNAL DIRECTORS

Director's Name	Profession
MR. GREGORIO MARAÑÓN	

Y BERTRÁN DE LIS	LAWYER
MR. JESÚS DE LA SERNA Y GUTIÉRREZ-RÉPIDE	JOURNALIST
MR. JOSÉ BUENAVENTURA TERCEIRO LOMBA	PROFESSOR OF APPLIED ECONOMICS
MR. JUAN SALVAT DALMAU	PUBLISHER
MR. MATÍAS CORTÉS DOMÍNGUEZ	LAWYER

Total number of independent external directors	5
% of the Board	27,778

OTHER EXTERNAL DIRECTORS

Explain why they may not be considered significant shareholders or independent and their relationships with the company, its directors or shareholders:

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

B.1.4 Explain, if applicable, why directors representing significant shareholdings have been appointed at the request of shareholders whose stake is less than 5% of share capital:

Indicate whether formal requests for representation on the board have been denied shareholders whose stake is equal or higher than others whose requests to appoint a director to represent a significant shareholding was granted. If so, explain why such requests were denied:

NO

B.1.5 Indicate whether any board member has left his post before the end of his mandate, whether he explained his reasons to the board and by what means, and if expressed in writing to the entire board, provide the reasons given:

NO

B.1.6. If applicable, indicate the powers delegated to members of the Board of Directors:

Board Member's Name	Brief Description
IGNACIO POLANCO MORENO	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.1.7. 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 the Group Company	Position
IGNACIO POLANCO MORENO	DIARIO EL PAIS, S.L.	CHAIRMAN
IGNACIO POLANCO MORENO	SOCIEDAD DE SERVICIOS RADIOFÓNICOS UNIÓN RADIO, S.L.	CHAIRMAN
IGNACIO POLANCO MORENO	SOCIEDAD ESPAÑOLA DE RADIODIFUSIÓN, S.A.	CHAIRMAN
IGNACIO POLANCO MORENO	SOGEABLE, S.A.	DIRECTOR
JUAN LUIS CEBRIAN ECHARRI	DIARIO EL PAIS, S.L.	CHIEF EXECUTIVE OFFICER
JUAN LUIS CEBRIAN ECHARRI	GRUPO MEDIA CAPITAL, SGPS, S.A.	DIRECTOR
JUAN LUIS CEBRIAN ECHARRI	PRISA DIVISION INTERNACIONAL, S.L.	DIRECTOR (REPRESENTATIVE OF PROMOTORA DE INFORMACIONES, S.A.)
JUAN LUIS CEBRIAN ECHARRI	PROMOTORA DE ACTIVIDADES AMERICA 2010 COLOMBIA LTDA.	CHAIRMAN
JUAN LUIS CEBRIAN ECHARRI	PROMOTORA DE ACTIVIDADES AMERICA 2010 MEXICO, S.A. DE CV.	CHAIRMAN
JUAN LUIS CEBRIAN ECHARRI	PROMOTORA DE ACTIVIDADES AMERICA 2010, S.L.	CHAIRMAN
JUAN LUIS CEBRIAN ECHARRI	SOCIEDAD DE SERVICIOS RADIOFÓNICOS UNIÓN RADIO, S.L.	DIRECTOR
JUAN LUIS CEBRIAN ECHARRI	SOCIEDAD ESPAÑOLA DE RADIODIFUSIÓN, S.A.	DIRECTOR EXERCISING DELEGATED POWERS
JUAN LUIS CEBRIAN ECHARRI	SOGEABLE, S.A.	DEPUTY CHAIRMAN
ADOLFO VALERO CASCANTE	DIARIO EL PAIS, S.L.	DIRECTOR
ADOLFO VALERO CASCANTE	GRUPO SANTILLANA DE EDICIONES, S.L.	DIRECTOR
ADOLFO VALERO CASCANTE	SOCIEDAD DE SERVICIOS RADIOFONICOS UNION RADIO, S.L.	DIRECTOR
ADOLFO VALERO CASCANTE	SOCIEDAD ESPAÑOLA DE RADIODIFUSIÓN, S.A.	DIRECTOR
AGNES NOGUERA BOREL	DIARIO EL PAÍS, S.L.	DIRECTOR
AGNES NOGUERA BOREL	SOCIEDAD DE SERVICIOS RADIOFONICOS	DIRECTOR

	UNION RADIO, S.L.	
AGNES NOGUERA BOREL	SOCIEDAD ESPAÑOLA DE RADIODIFUSIÓN, SA.	DIRECTOR
AGNES NOGUERA BOREL	SOGECABLE, S.A.	DIRECTOR
ALFONSO LOPEZ CASAS	CANTABRIA COMUNICACIONES, S.L.	JOINT DIRECTOR
ALFONSO LOPEZ CASAS	CANTABRIA RADIO, S.L.	JOINT DIRECTOR
ALFONSO LOPEZ CASAS	COMPAÑÍA ARAGONESA DE RADIODIFUSIÓN, S.A.	JOINT DIRECTOR
ALFONSO LOPEZ CASAS	CORPORACION CANARIA DE INFORMACION Y RADIO, S.A.	SECRETARY DIRECTOR
ALFONSO LOPEZ CASAS	DIARIO AS, S.L.	DIRECTOR
ALFONSO LOPEZ CASAS	GESTION DE MARCAS AUDIOVISUALES, S.A.	JOINT DIRECTOR
ALFONSO LOPEZ CASAS	GRUPO LATINO DE RADIO, S.L.	JOINT DIRECTOR
ALFONSO LOPEZ CASAS	INICIATIVAS RADIOFONICAS DE CASTILLA LA MANCHA, S.A.	SECRETARY DIRECTOR
ALFONSO LOPEZ CASAS	INVERSIONES GODÓ, S.A.U	SECRETARY DIRECTOR
ALFONSO LOPEZ CASAS	ONDAS GALICIA, S.A.	SECRETARY DIRECTOR
ALFONSO LOPEZ CASAS	PLURAL ENTERTAINMENT INC	DIRECTOR
ALFONSO LOPEZ CASAS	PROMOTORA DE EMISORAS DE TELEVISION, S.A.	DIRECTOR
ALFONSO LOPEZ CASAS	PROMOTORA DE EMISORAS, S.L.	SECRETARY DIRECTOR
ALFONSO LOPEZ CASAS	RADIO 30, S.A.	JOINT DIRECTOR
ALFONSO LOPEZ CASAS	RADIO CLUB CANARIAS, S.A.	JOINT DIRECTOR
ALFONSO LOPEZ CASAS	RADIO MURCIA, S.A.	SECRETARY DIRECTOR
ALFONSO LOPEZ CASAS	RADIO ZARAGOZA, S.A.	SECRETARY DIRECTOR
ALFONSO LOPEZ CASAS	SOCIEDAD CANARIA DE TELEVISION REGIONAL, S.A.	DIRECTOR
ALFONSO LOPEZ CASAS	SOCIEDAD DE SERVICIOS RADIOFONICOS UNION RADIO, S.L.	GENERAL SECRETARY AND SECRETARY OF THE BOARD
ALFONSO LOPEZ CASAS	SOCIEDAD ESPAÑOLA DE RADIODIFUSION, S.A.	GENERAL SECRETARY AND SECRETARY OF THE BOARD
ALFONSO LOPEZ CASAS	TESELA PRODUCCIONES CINEMATOGRAFICAS, S.L.	SECRETARY DIRECTOR
ALFONSO LOPEZ CASAS	UNION RADIO DIGITAL, S.A.	JOINT DIRECTOR
ALFONSO LOPEZ CASAS	UNION RADIO SERVICIOS CORPORATIVOS, S.A.	SECRETARY DIRECTOR

BORJA PEREZ ARAUNA	SOCIEDAD ESPAÑOLA DE RADIODIFUSION, S.A.	CONSEJERO
DIEGO HIDALGO SCHNUR	DIARIO EL PAIS, S.L.	DIRECTOR
DIEGO HIDALGO SCHNUR	SOCIEDAD ESPAÑOLA DE RADIODIFUSIÓN, S.A.	DIRECTOR
DIEGO HIDALGO SCHNUR	SOGECABLE, S.A.	DIRECTOR
EMILIANO MARTINEZ RODRIGUEZ	CANAL DE EDITORIALES, S.A.	JOINT DIRECTOR
EMILIANO MARTINEZ RODRIGUEZ	CONSTANCIA EDITORES, S.A.- PORTUGAL	CHAIRMAN
EMILIANO MARTINEZ RODRIGUEZ	DIARIO EL PAÍS, S.L.	DIRECTOR
EMILIANO MARTINEZ RODRIGUEZ	EDICIONES SANTILLANA, S.A. – ARGENTINA-	CHAIRMAN
EMILIANO MARTINEZ RODRIGUEZ	EDITORA MODERNA LTDA.- BRASIL	DIRECTOR
EMILIANO MARTINEZ RODRIGUEZ	EDITORA SANTILLANA, S.A.- COLOMBIA	CHAIRMAN
EMILIANO MARTINEZ RODRIGUEZ	EDITORIAL NUEVO MÉXICO, S.A. DE CV.- MÉXICO	CHAIRMAN
EMILIANO MARTINEZ RODRIGUEZ	EDITORIAL SANTILLANA, S.A. DE C.V.- MÉXICO	CHAIRMAN
EMILIANO MARTINEZ RODRIGUEZ	EDITORIAL SANTILLANA, S.A.- VENEZUELA	CHAIRMAN
EMILIANO MARTINEZ RODRIGUEZ	GRUPO SANTILLANA DE EDICIONES, S.L.	CHAIRMAN
EMILIANO MARTINEZ RODRIGUEZ	INSTITUTO UNIVERSITARIO DE POSGRADO, S.A.	DEPUTY CHAIRMAN
EMILIANO MARTINEZ RODRIGUEZ	ITACA, S.L.	JOINT DIRECTOR
EMILIANO MARTINEZ RODRIGUEZ	LANZA, S.A. DE C.V.- MÉXICO	CHAIRMAN
EMILIANO MARTINEZ RODRIGUEZ	RICHMOND PUBLISHING, S.A. DE CV – MÉXICO-	CHAIRMAN
EMILIANO MARTINEZ RODRIGUEZ	SANTILLANA DEL PACÍFICO, S.A. DE EDICIONES-CHILE	CHAIRMAN
EMILIANO MARTINEZ RODRIGUEZ	SANTILLANA EDICIONES GENERALES, S.A. DE CV- MÉXICO-	DIRECTOR
EMILIANO MARTINEZ RODRIGUEZ	SANTILLANA EDICIONES GENERALES, S.L.	JOINT DIRECTOR
EMILIANO MARTINEZ RODRIGUEZ	SANTILLANA EDUCACION, S.L.	JOINT DIRECTOR
EMILIANO MARTINEZ RODRIGUEZ	SANTILLANA USA PUBLISHING COMPANY INC	CHAIRMAN
EMILIANO MARTINEZ RODRIGUEZ	SANTILLANA, S.A.- ECUADOR	CHAIRMAN
EMILIANO MARTINEZ RODRIGUEZ	SANTILLANA, SA. — PERÚ	CHAIRMAN
FRANCISCO JAVIER DIEZ DE POLANCO	CANAL CLUB DE DISTRIBUCION DE OCIO Y CULTURA, S.A.	DIRECTOR
FRANCISCO JAVIER DIEZ DE POLANCO	CANAL SATELITE DIGITAL, S.L.	CHAIRMAN AND CHIEF EXECUTIVE OFFICER
FRANCISCO JAVIER DIEZ DE POLANCO	COMPAÑÍA INDEPENDIENTE DE TELEVISION, S.L.	CHAIRMAN AND CHIEF EXECUTIVE OFFICER
FRANCISCO JAVIER DIEZ DE POLANCO	DTS DISTRIBUIDORA DE TELEVISION	CHAIRMAN AND CHIEF EXECUTIVE

	DIGITAL, S.A.	OFFICER
FRANCISCO JAVIER DIEZ DE POLANCO	PRISA DIVISION INTERNACIONAL, S.L.	DIRECTOR
FRANCISCO JAVIER DIEZ DE POLANCO	SOCIEDAD DE SERVICIOS RADIOFÓNICOS UNIÓN RADIO, S.L.	DIRECTOR
FRANCISCO JAVIER DIEZ DE POLANCO	SOCIEDAD ESPAÑOLA DE RADIODIFUSIÓN, S.A.	DIRECTOR
FRANCISCO JAVIER DIEZ DE POLANCO	SOCIEDAD GENERAL DE CINE, S.A.	CHAIRMAN AND CHIEF EXECUTIVE OFFICER
FRANCISCO JAVIER DIEZ DE POLANCO	SOGEABLE, S.A.	CHIEF EXECUTIVE OFFICER
FRANCISCO JAVIER DIEZ DE POLANCO	SOGEPAQ, S.A.	CHAIRMAN AND CHIEF EXECUTIVE OFFICER
FRANCISCO PEREZ GONZALEZ	DIARIO EL PAÍS, S.L	DIRECTOR
FRANCISCO PEREZ GONZALEZ	SOCIEDAD ESPAÑOLA DE RADIODIFUSION, S.A.	DIRECTOR
FRANCISCO PEREZ GONZALEZ	SOGEABLE, S.A.	DIRECTOR
GREGORIO MARAÑÓN BERTRÁN DE LIS	SOCIEDAD DE SERVICIOS RADIOFÓNICOS UNIÓN RADIO, S.L.	DIRECTOR
GREGORIO MARAÑÓN BERTRÁN DE LIS	SOCIEDAD ESPAÑOLA DE RADIODIFUSIÓN, S.A.	DIRECTOR
GREGORIO MARAÑÓN BERTRÁN DE LIS	SOGEABLE, S.A.	DIRECTOR
JUAN SALVAT DALMAU	DIARIO EL PAIS, S.L.	DIRECTOR
JUAN SALVAT DALMAU	SOCIEDAD ESPAÑOLA DE RADIODIFUSIÓN, SA.	DIRECTOR
MANUEL POLANCO MORENO	CLMC - MULTIMEDIA, SA	DIRECTOR
MANUEL POLANCO MORENO	DIARIO AS, S.L.	DIRECTOR
MANUEL POLANCO MORENO	FAROL MÚSICA - SOCIEDADE DE PRODUÇÃO E EDIÇÃO AUDIOVISUAL, LDª	DIRECTOR
MANUEL POLANCO MORENO	FEALMAR - EMPRESA DE TEATRO ESTUDIO DE LISBOA, SA	CHAIRMAN
MANUEL POLANCO MORENO	GRUPO MEDIA CAPITAL, SGPS, S.A.	CHIEF EXECUTIVE OFFICER
MANUEL POLANCO MORENO	KIMBERLEY TRADING, SA	CHAIRMAN
MANUEL POLANCO MORENO	MCE - MEDIA CAPITAL EDIÇÕES, LDª	DIRECTOR
MANUEL POLANCO MORENO	MCP MEDIA CAPITAL PRODUcoes, S.A	CHAIRMAN
MANUEL POLANCO MORENO	MED CAP TECHNOLOGIES - DESENVOLVIMENTO ECOMERCIALIZAÇÃO E SISTEMAS DE COMUNICAÇÃO, SA.	CHAIRMAN
MANUEL POLANCO MORENO	MEDIA CAPITAL ENTERTAINMENT-PRODUCAO E EDICAO AUDIOVISUAL, LD	DIRECTOR
MANUEL POLANCO MORENO	MEDIA CAPITAL INTERNET, S.A.	CHAIRMAN
MANUEL POLANCO MORENO	MEDIA CAPITAL PRODUcoes INVESTIMENTOS SGPS, S.A.	CHAIRMAN

MANUEL POLANCO MORENO	MEDIA CAPITAL - EDITORA MULTIMEDIA, SA	CHAIRMAN
MANUEL POLANCO MORENO	MEDIA CAPITAL - SERVIÇOS DE CONSULTORIA E GESTAO, S.A.	CHAIRMAN
MANUEL POLANCO MORENO	MEDIA CAPITAL - TELECOMUNICAÇÕES, SA	CHAIRMAN
MANUEL POLANCO MORENO	MEGLO MEDIA GLOBAL, SGPS, SA	CHAIRMAN
MANUEL POLANCO MORENO	MULTICENA - EQUIPAMENTO DE SOM E IMAGEM, SA	CHAIRMAN
MANUEL POLANCO MORENO	PLURAL ENTERTAINMENT PORTUGAL, S.A.	CHAIRMAN
MANUEL POLANCO MORENO	RETI- REDE TELEDIFUSORA INDEPENDENTE, S.A.	CHAIRMAN
MANUEL POLANCO MORENO	SOGECABLE, S.A.	DIRECTOR
MANUEL POLANCO MORENO	TVI - TELEVISÃO INDEPENDENTE, SA	CHAIRMAN
MANUEL POLANCO MORENO	UNIDIVISA - PROMOÇÃO DE PROJECTOS DE MEDIA, SA	CHAIRMAN
MANUEL POLANCO MORENO	VERTIX, SGPS, S.A.	CHAIRMAN
MANUEL VARELA UÑA	DIARIO EL PAIS, S.L.	DIRECTOR
RAMÓN MENDOZA SOLANO	DIARIO EL PAÍS, S.L.	DIRECTOR
RAMÓN MENDOZA SOLANO	SOGECABLE, S.A.	DIRECTOR

B.1.8. 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	Name of Listed Company	Position
IGNACIO POLANCO MORENO	RUCANDIO INVERSIONES SICAV, S.A.	CHAIRMAN
IGNACIO POLANCO MORENO	NOMIT INVERSIONES SICAV, S.A	CHAIRMAN
IGNACIO POLANCO MORENO	EURE K INVERSIONES SICAV, S.A.	CHAIRMAN
IGNACIO POLANCO MORENO	NOMIT IV GLOBAL SICAV, S.A.	CHAIRMAN
IGNACIO POLANCO MORENO	NOMIT III INTERNACIONAL SICAV,S.A	CHAIRMAN
JUAN LUIS CEBRIAN ECHARRI	SAPRI INVERSIONES 2000 SICAV, S.A	CHAIRMAN
ADOLFO VALERO CASCANTE	RUCANDIO INVERSIONES SICAV, S.A.	DIRECTOR
ADOLFO VALERO CASCANTE	NOMIT INVERSIONES	DIRECTOR

	SICAV, S.A	
ADOLFO VALERO CASCANTE	NOMIT IV GLOBAL SICAV, S.A.	DIRECTOR
ADOLFO VALERO CASCANTE	NOMIT III INTERNACIONAL SICAV,S.A	DIRECTOR
ADOLFO VALERO CASCANTE	EURE K INVERSIONES SICAV, S.A.	DIRECTOR
ADOLFO VALERO CASCANTE	INVERSIONES BANIAR SICAV, S.A.	CHAIRMAN
AGNES NOGUERA BOREL	LIBERTAS 7, S.A.	CHIEF EXECUTIVE OFFICER
BORJA JESUS PEREZ ARAUNA	NOMIT III INTERNACIONAL SICAV,S.A	DIRECTOR
BORJA JESUS PEREZ ARAUNA	NOMIT IV GLOBAL SICAV, S.A.	DIRECTOR
BORJA JESUS PEREZ ARAUNA	EURE K INVERSIONES SICAV, S.A.	DIRECTOR
BORJA JESUS PEREZ ARAUNA	NOMIT INVERSIONES SICAV, S.A	DIRECTOR
BORJA JESUS PEREZ ARAUNA	VALSEL INVERSIONES SICAV, S.A.	DIRECTOR
BORJA JESUS PEREZ ARAUNA	CARAUNA INVERSIONES SICAV, S.A.	CHAIRMAN
FRANCISCO PÉREZ GONZÁLEZ	VALSEL INVERSIONES SICAV, S.A.	CHAIRMAN
GREGORIO MARAÑÓN Y BERTRÁN DE LIS	VISCOFAN, S.A.	DIRECTOR
JOSÉ BUENAVENTURA TERCEIRO LOMBA	IBERIA LINEAS AEREAS DE ESPAÑA, S.A.	DIRECTOR
JOSÉ BUENAVENTURA TERCEIRO LOMBA	EFFICIENT ASSET ALLOCATION INVESTMENTS, SICAV, S.A	DIRECTOR
JUAN SALVAT DALMAU	STOCK INVERSIONES SICAV, S.A.	CHAIRMAN
JUAN SALVAT DALMAU	INTERLAKEN INVERSIONES SICAV, S.A.	CHAIRMAN
MANUEL VARELA UÑA	MAIVAREN INVERSIONES SICAV SA	CHAIRMAN
MANUEL VARELA UÑA	MAIVAREN, SICAV, S.A.	CHAIRMAN
MATIAS CORTES DOMINGUEZ	SACYR VALLEHERMOSO	DIRECTOR

B.1.9 Indicate, and if applicable explain, whether the company has established rules regarding the number of boards on which its directors may sit:

NO

B.1.10 In accordance with Recommendation 8 of the Unified Code, indicate the general company policies and strategies that must be approved by the board in full:

Investment and financing policy	YES
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Definition of group company structure	YES
Corporate governance policy	YES
Corporate social responsibility policy	YES
Strategic or business plan, as well as management goals and annual budgets	YES
Remuneration policy and assessment of performance of senior management	YES
Risk management and control policy, as well as periodic monitoring of internal information and control systems	YES
Dividends policy, and treasury stock policy, particularly with regard to limitations thereon	YES

B.1.11. 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	1,700
Variable Salaries	3,490
Allowances	2,176
Remuneration Stipulated in the Bylaws	1,386
Stock Options and/or Options in Other Financial Instruments	0
Others	83
Total:	8,835

Other Benefits	Euros 000
Advances	0
Loans	0
Pension Funds and Plans: Contributions	0
Pension Funds and Plans: Obligations Assumed	0
Life Insurance Premiums	20
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	1,962
Variable Salaries	2,199
Allowances	661
Remuneration Stipulated in the Bylaws	420
Stock Options and/or Options in Other Financial Instruments	0
Others	70
Total:	5,312

Other Benefits	Euros 000
Advances	0
Loans	0
Pension Funds and Plans: Contributions	0
Pension Funds and Plans: Obligations Assumed	0
Life Insurance Premiums	12
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	6,754	4,869
External Directors Representing Significant Shareholdings	1,197	336
Independent External Directors	884	107
Other External Directors	0	0
Total	8,835	5,312

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

Total Directors' Remunerations (in Euros 000)	14,147
Total Directors' Remunerations/Profits Attributed to the Parent Company (in %)	17%

B.1.12. 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
MIGUEL ANGEL CAYUELA SEBASTIAN	CHIEF EXECUTIVE OFFICER OF GRUPO SANTILLANA
IGNACIO SANTILLANA DEL BARRIO	CHIEF OPERATING OFFICER
MIGUEL SATRÚSTEGUI GIL- DELGADO	GENERAL SECRETARY AND SECRETARY OF THE BOARD OF DIRECTORS
PEDRO GARCÍA GUILLÉN	GENERAL DIRECTOR OF EL PAÍS
MANUEL MIRAT SANTIAGO	CHIEF EXECUTIVE OFFICER OF PRISACOM
AUGUSTO DELKADER TEIG	CHIEF EXECUTIVE OFFICER OF UNION RADIO
MATILDE CASADO MORENO	CHIEF FINANCIAL OFFICER
JOSE LUIS SAINZ DIAZ	CHIEF EXECUTIVE OFFICER OF PRETESA AND PLURAL
JOSÉ CARLOS HERREROS DIAZ-BERRIO	COMERCIAL MANAGER
JAIME DE POLANCO SOUTULLO	MANAGING DIRECTOR STRATEGY PLANNING AND CORPORATE VEVELOPMENT
JESUS CEBERIO GALARDI	GENERAL PRESS DIRECTOR AND GENERAL DIRECTOR OF EL PAIS
VIRGINIA FERNANDEZ IRIBARNEGARAY	INTERNAL AUDIT DIRECTOR

Total Senior Management Salaries (in Euros 000)	11,111
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B.1.13. 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	
	Board of Directors	Shareholders' Meeting
Body authorizing these clauses	YES	NO
Are the participants at the Shareholders' Meeting informed of these clauses?	YES	

B.1.14. Indicate the process for determining the remuneration of members of the Board of Directors and any relevant clauses in the bylaws.

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.

Indicate whether the full board has reserved the right to approve the following decisions:

At the proposal of the chief executive officer of the company, the appointment and possible termination of senior managers, as well as their compensation clauses.	NO
Remuneration of directors as well as in the case of executive directors, additional remuneration for those duties and other conditions provided for in their contracts.	YES

B.1.15 Indicate whether the board of directors approves a detailed remuneration policy and specify the matters on which it issues an opinion:

YES

Amount of fixed remuneration with a breakdown, if applicable, of per diem allowances for serving on the board and board committees, and an estimate of the resulting fixed annual remuneration	YES
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Variable remuneration	YES
Main features of benefits system, with an estimate of its annual cost or equivalent	NO
Conditions that must be respected in the contracts of executive directors who perform senior management duties	YES

B.1.16. Indicate whether the board issues a report on the remuneration policy of directors as a separate item on the agenda, to be submitted to a non-binding vote at the shareholders meeting. If so, explain aspects of the report describing the remuneration policy approved by the board for the following years, the most significant changes in that policy vis-à-vis the policy applied this year, and a summary of how this year's policy was applied. Describe the role played by the Remuneration Committee and, if external advice was sought, the names of the external consultants who provided such advice:

YES

Issues Addressed in the Remuneration Policy Report		
<p>The report on remuneration policy included in the Management Report addresses the following issues: 1.-Remuneration policy for the board of directors (Article 19); 2.- Remuneration policy with respect to the management team: fixed salary; Variable short-term remuneration; Stock plan; Remuneration in kind plan; Stock option plan; 3.- Other aspects of management remuneration; Long-term incentives; Guarantee clauses; 4.-Summary of the application of the remuneration policy in 2008 and the most significant changes in remuneration policy for 2009 vs. the policy applied in 2008. The latter includes:</p> <ul style="list-style-type: none"> • Summary of the application of the remuneration policy in 2008 <p>The comparisons made in this section do not include compensation for executive directors who performed executive functions in Sogecable, SA. and Grupo Media Capital S.G.P.S., S.A. during the 2008 financial year, which were approved by the boards of directors of those companies and were not included in the 2008 Remuneration Policy Report. In contrast, and as underscored above, the 2009 Remuneration Policy Report includes compensation given members of the management team who perform executive duties in other group companies.</p> <p>The forecasts included in last year's Management Report have generally been met. The differences shown below reflect changes in management due to the death of Ms. Isabel Polanco Moreno in March, which resulted in a decrease in compensation for executive directors, as well as the appointment of Mr. Miguel Angel Cayuela Sebastián as CEO of Grupo Santillana de Ediciones, S.L., which resulted in an increase in compensation for senior management:</p>		
	2008 Forecast Fixed Remuneration	2008 Actual Fixed Remuneration
Executive Directors	2,970,000 €	2,389,849 €
Senior Managers	4,356,300 €	4,415,541 €
	7,326,300 €	6,805,390 €

	2008 Reference Bonuses	Actual 2008 Bonuses
Executive Directors	1,890,081 €	1,882,866€
Senior Managers	2,100,000 €	1,955,848 €
	3,990,081 €	3,838,714 €

• The most significant changes in remuneration policy for 2009 vs. the policy applied in 2008:

To facilitate comparison with the 2009 remuneration policy, this section includes compensation for executive directors performing executive duties in Sogecable, SA. and in Grupo Media Capital S.G.P.S., S.A. during 2008.

	2008	2009
Remuneration for the Board	1,386,000 €	1,386,000 €
Per diem allowances	2,176,000 €	1,758,000 €
	3,562,000 €	3,144,000 €

	2008 Actual Fixed Remuneration	2009 Fixed Remuneration
Executive Directors	3,662,308 €	3,576,535 €
Senior Managers	4,415,541 €	3,926,201€
	8,077,849 €	7,502,736 €

	Actual 2008 Bonuses	2009 Reference Bonuses
Executive Directors	2,708,766 €	2,660,081 €
Senior Managers	1,955,848 €	1,835,828 €
	4,664,614 €	4,495,909 €

Other aspects of the remuneration policy are similar to last year's, taking into account the observations in paragraphs 2 and 3 of this section concerning the new stock option plan and the new long-term incentives plan.

Decreases in actual remuneration 2008 vs. 2009 forecasts are due to the new composition of the senior management team for 2009.

Role of the Remuneration Committee
The committee prepared the remuneration policy and proposed the corresponding resolutions to the board of directors in all cases in which this is required under the Bylaws and Board of Directors' Regulation.

Was outside advice sought?	
Name of external consultants	

B.1.17. If applicable, identify the members of the Board of Directors who are likewise members of the boards of directors, managers or employees 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
IGNACIO POLANCO MORENO	RUCANDIO, S.A.	CHAIRMAN
IGNACIO POLANCO MORENO	PROMOTORA DE PUBLICACIONES, S.L.	CHAIRMAN
IGNACIO POLANCO MORENO	ASGARD INVERSIONES, SLU	JOINT DIRECTOR
IGNACIO POLANCO MORENO	TIMÓN, S.A.	CHAIRMAN
JUAN LUIS CEBRIÁN ECHARRI	PROMOTORA DE PUBLICACIONES, S.L.	CHIEF EXECUTIVE OFFICER
JUAN LUIS CEBRIÁN ECHARRI	TIMÓN, S.A.	DIRECTOR
ADOLFO VALERO CASCANTE	RUCANDIO, S.A.	DIRECTOR
ADOLFO VALERO CASCANTE	PROMOTORA DE PUBLICACIONES, S.L.	CHIEF EXECUTIVE OFFICER
ADOLFO VALERO CASCANTE	ASGARD INVERSIONES, SLU	JOINT DIRECTOR
ADOLFO VALERO CASCANTE	SABARA INVESTMENT, S.L.	JOINT DIRECTOR
ADOLFO VALERO CASCANTE	TIMÓN, S.A.	CHIEF EXECUTIVE OFFICER
AGNES NOGUERA BOREL	PROMOTORA DE PUBLICACIONES, S.L.	DIRECTOR (REPRESENTATIVE OF LIBERTAS 7, S.A.)
ALFONSO LOPEZ CASAS	TIMON, S.A.	DIRECTOR
BORJA PÉREZ ARAUNA	ASGARD INVERSIONES, SLU	JOINT DIRECTOR
BORJA PÉREZ ARAUNA	TIMÓN, S.A.	DEPUTY CHAIRMAN
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
FRANCISCO JAVIER DIEZ DE POLANCO	TIMÓN, S.A.	DIRECTOR
FRANCISCO PÉREZ GONZÁLEZ	PROMOTORA DE PUBLICACIONES, S.L.	DIRECTOR
FRANCISCO PÉREZ GONZÁLEZ	TIMÓN, S.A.	DIRECTOR
MANUEL POLANCO MORENO	RUCANDIO, S.A.	DIRECTOR
MANUEL POLANCO MORENO	PROMOTORA DE PUBLICACIONES, S.L.	DIRECTOR
MANUEL POLANCO MORENO	TIMÓN, S.A.	DEPUTY CHAIRMAN
MANUEL VARELA UÑA	PROMOTORA DE PUBLICACIONES, S.L.	DIRECTOR
RAMON MENDOZA SOLANO	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
IGNACIO POLANCO MORENO	RUCANDIO, S.A.	THE DIRECTOR OWNS 13.5519% OUTRIGHT AND IS THE NAKED OWNER OF 11.4480% OF THE SHARE CAPITAL OF RUCANDIO, S.A.
JUAN LUIS CEBRIÁN ECHARRI	PROMOTORA DE PUBLICACIONES, S.L.	THE DIRECTOR HAS DIRECT (0.034%) AND INDIRECT (0.251%) HOLDINGS IN THE SHARE CAPITAL OF PROMOTORA DE PUBLICACIONES, S.L.
ADOLFO VALERO CASCANTE	PROMOTORA DE PUBLICACIONES, S.L. DE	THE DIRECTOR HAS DIRECT (0.0048%) HOLDINGS IN THE SHARE CAPITAL OF PROMOTORA DE PUBLICACIONES, S.L.
ADOLFO VALERO CASCANTE	TIMÓN, S.A.	THE DIRECTOR HAS INDIRECT (0.5898%) 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.
AGNES NOGUERA BOREL	PROMOTORA DE PUBLICACIONES, S.L.	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. LIBERTAS 7, S.A. HAS DIRECT HOLDINGS (10.75%) IN THE SHARE CAPITAL OF PROMOTORA DE PUBLICACIONES, S.L.
BORJA JESÚS PÉREZ ARAUNA	PROMOTORA DE PUBLICACIONES, S.L. DE	THE DIRECTOR HAS DIRECT HOLDINGS (0.0048%) 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.
DIEGO HIDALGO SCHNUR	PROMOTORA DE PUBLICACIONES, S.L.	THE DIRECTOR HAS INDIRECT HOLDINGS (11.5632%) IN THE SHARE CAPITAL OF PROMOTORA DE PUBLICACIONES, S.L.
DIEGO HIDALGO SCHNUR	PROMOTORA DE PUBLICACIONES, S.L.	THE DIRECTOR CONTROLS EVIEND SARL, A COMPANY BOUND BY THE SHAREHOLDERS AGREEMENT IN PROMOTORA DE PUBLICACIONES, S.L. DESCRIBED IN SECTION A.6.
EMILIANO MARTÍNEZ RODRIGUEZ	PROMOTORA DE PUBLICACIONES, S.L.	THE DIRECTOR HAS DIRECT (0.0845%) AND INDIRECT (0.3086%) HOLDINGS IN THE SHARE CAPITAL OF PROMOTORA DE PUBLICACIONES, S.L.
EMILIANO MARTÍNEZ RODRIGUEZ	TIMÓN, S.A.	THE DIRECTOR HAS INDIRECT HOLDINGS (6.1237%) IN THE SHARE CAPITAL OF TIMÓN, S.A.
FRANCISCO JAVIER DIEZ POLANCO	TIMÓN, S.A.	THE DIRECTOR HAS INDIRECT HOLDINGS (1%) IN THE SHARE CAPITAL OF TIMÓN, S.A.
FRANCISCO PÉREZ GONZÁLEZ	PROMOTORA DE PUBLICACIONES, S.L. DE	THE DIRECTOR HAS DIRECT (0.0048%) AND INDIRECT (1.6529%) HOLDINGS IN THE SHARE CAPITAL OF PROMOTORA DE PUBLICACIONES, S.L.
FRANCISCO PÉREZ GONZÁLEZ	TIMÓN, S.A.	THE DIRECTOR HAS INDIRECT HOLDINGS (33.6268%) IN THE SHARE CAPITAL OF TIMÓN, S.A.
GREGORIO MARAÑÓN Y BERTRÁN DE LIS	PROMOTORA DE PUBLICACIONES, S.L.	THE DIRECTOR HAS INDIRECT HOLDINGS (0.4379%) IN THE SHARE CAPITAL OF PROMOTORA DE

		PUBLICACIONES, S.L.
JESÚS DE LA SERNA GUTIERREZ REPIDE	PROMOTORA DE PUBLICACIONES, S.L.	THE DIRECTOR HAS DIRECT HOLDINGS (0.1962%) IN THE SHARE CAPITAL OF PROMOTORA DE PUBLICACIONES, S.L.
JOSÉ BUENAVENTURA TERCEIRO LOMBA	PROMOTORA DE PUBLICACIONES, S.L.	THE DIRECTOR HAS DIRECT HOLDINGS (0.2482%) IN THE SHARE CAPITAL OF PROMOTORA DE PUBLICACIONES, S.L.
JUAN SALVAT DALMAU	PROMOTORA DE PUBLICACIONES, S.L.	THE DIRECTOR HAS INDIRECT HOLDINGS (2.5775%) IN THE SHARE CAPITAL OF PROMOTORA DE PUBLICACIONES, S.L.
MANUEL POLANCO MORENO	RUCANDIO, S.A.	THE DIRECTOR OWNS 13.5519% OUTRIGHT AND IS THE NAKED OWNER OF 11.4480% OF THE SHARE CAPITAL OF RUCANDIO, S.A.
MANUEL VARELA UÑA	PROMOTORA DE PUBLICACIONES, S.L.	THE DIRECTOR HAS DIRECT HOLDINGS (0.2097%) IN THE SHARE CAPITAL OF PROMOTORA DE PUBLICACIONES, S.L.
MATÍAS CORTÉS DOMINGUEZ	PROMOTORA DE PUBLICACIONES, S.L. DE	THE DIRECTOR HAS DIRECT HOLDINGS (0.0621%) IN THE SHARE CAPITAL OF PROMOTORA DE PUBLICACIONES, S.L.
RAMÓN MENDOZA SOLANO	RUCANDIO, S.A.	THE DIRECTOR IS THE CHAIRMAN OF INVERSIONES MENDOZA SOLANO, S.L., A COMPANY BOUND BY THE SHAREHOLDER'S AGREEMENT IN PROMOTORA DE PUBLICACIONES, S.L. DESCRIBED IN PARAGRAPH A.6. INVERSIONES MENDOZA SOLANO, S.L. HAS DIRECT SHAREHOLDINGS (6.393%) IN THE SHARE CAPITAL OF PROMOTORA DE PUBLICACIONES, S.L.

B.1.18. Indicate if the Board Regulation has been amended during the year.

YES

Description of Amendments
<p>At its meeting held on December 5, 2008 and after having received the favorable opinion of the Corporate Governance, Appointments and Remuneration Committee, the Board of Directors resolved to reorganize the company's corporate governance structure to reinforce management capabilities and likewise the Board of Directors Regulation was modified to adapt it to said reorganization.</p> <p>In that regard it was determined that the Chief Executive Officer shall be company's top executive and shall chair the Executive Committee.</p> <p>The post of Chairman of the Board was redefined to distinguish it from the management team, in order for the Chairman to be able to concentrate on his functions of controlling and supervising management, this reorganization having been implemented to provide greater operativity for the Board's committees.</p>

B.1.19. 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.1.20 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.1.20. 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 Board of Directors 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.1.21. 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:

NO

Risk-Limiting Measures

Subsequent to the reorganization of the corporate governance structure approved by the Board of Directors on December 5, 2008, the CEO bears ultimate responsibility for the management of the company and chairs the Executive Committee. The Chairman of the Board monitors and supervises management, defining strategies and promoting corporate governance. The Chairman likewise has the power to propose appointments and changes in board membership, including the chief executive.

Indicate, and if so explain, whether rules have been passed to enable an independent director to request that a board meeting be held or that new items be included on the agenda, to coordinate and reflect the concerns of external directors and to direct assessment by the board of directors.

NO

B.1.22. Are reinforced majorities required for taking certain types of decisions, other than those required by law?

NO

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

Type of Resolution:

Any type

Quorum	%
Attendance at the meeting, either in person or by proxy, of half plus one of the board members	55.55

Majority Required	%
An absolute majority of the votes of all directors in attendance or represented by proxy, unless a reinforced majority is required by law.	55.55

B.1.23. Indicate whether the requirements for being elected Chairman differ from those required for election to the Board:

NO

B.1.24. Indicate whether the Chairman may exercise a casting vote:

YES

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

NO

Age limit for the Chairman	0
Age limit for the Chief Executive Officer	0
Age limit for Directors	0

B.1.26. Indicate whether the Bylaws or Board Regulations limit the term of office of independent directors:

NO

Maximum Term of Office	0
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B.1.27. If there are few or no female directors, explain the reasons and the measures adopted to correct this situation.

Explanation of reasons and measures
Article 8.2 of the Board Regulation provides that as vacancies arise, the Board shall ensure that the majority group of external directors includes both those proposed by owners of significant stable shareholdings (owner-directors) and professionals of recognized prestige who have no links to the executive team or significant shareholders that would compromise their independence (independent directors).

Specifically indicate whether the Appointments and Remuneration Committee has established procedures to ensure that selection processes are not implicitly biased against the selection of female directors and that they deliberately seek female candidates the meet the required profile:

YES

Description of the principal procedures
The selection process is based solely on the suitability and prestige of the candidates. No ad hoc procedure for selecting female directors has been implemented, precisely due to the non-sexist nature of the company's procedures.

B.1.28. 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.1.29. 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	10
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	8
Number of meetings of the Audit Committee	5
Number of meetings of the Remuneration and Appointments Committee	6
Number of meetings of the Strategy and Investments Committee	0
Number of meetings of the ____ Committee	0

B.1.30. Indicate the number of meetings held by the Board of Directors during the financial year in which all members were not in attendance. Proxies in attendance without specific instructions should be counted as absent:

Number of absences of board members during the year	3
% of absences with respect to the total number of votes during the year	1.660

B.1.31. Indicate whether the individual and consolidated annual accounts submitted to the Board for its approval are previously certified:

NO

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

B.1.32. 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.1.33. Is the Secretary of the Board of Directors likewise a Director?

NO

B.1.34 Explain the procedures for the appointment and removal of the Secretary to the Board, indicating whether the Appointments Committee issued an opinion and the Board approved his appointment and removal.

Procedure for appointment and removal
Pursuant to Article 13 of the Board of Directors Regulation, the Board of Directors appoints a secretary, who must be a lawyer and need not be a member of the Board. The Board of Directors may appoint a Deputy Secretary, who need not be a director, to assist the Secretary to the Board of Directors. Likewise, and in accordance with Article 25.b.2 of the Board of Directors Regulation, one of the main responsibilities of the Corporate Governance, Appointments and Remuneration Committee is to issue an opinion concerning the Board of Directors' proposal for the appointment of the secretary to the board.

Does the Appointments Committee issue an opinion concerning the appointment?	YES
Does the Appointments Committee issue an opinion concerning the removal?	NO
Is the appointment approved by the full Board?	YES
Is the removal approved by the full Board?	YES

Is the Secretary to the Board specifically responsible for overseeing compliance with good governance recommendations?

YES

Observations
Yes, with regard to the recommendations accepted by the Company and including in its internal regulations.

B.1.35. 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.1.36 Indicate whether during the financial year the company has changed external auditors. If so, specify the former and present auditors:

NO

Former auditor	Current auditor

In the event there were discrepancies with the former auditor, explain the nature of those discrepancies:

NO

B.1.37. 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

	Company	Group	Total
Amount paid for non-auditing services (Euros 000)	231	1,252	1,483
Amount paid for non-auditing services / Total amount invoiced by the auditing firm (%)	35	56	51.210

B.1.38 Indicate whether the report on the audit of the annual accounts for the previous year contained any reservations or qualifications. If so, indicate the reasons provided by the chairman of the Audit Committee to explain the content and scope of those reservations or qualifications.

YES

Explanation of the reasons
The chairman of the Audit Committee presented the Audit Committee's Report for 2007 to the Board of Directors, indicating the following: The external auditor presented his final conclusions concerning the most significant aspects of the accounts audit for 2007, reporting at that time the following reservation that will be included concerning Promotora de Informaciones,

S.A.'s individual accounts:

“As parent of the Group, PROMOTORA DE INFORMACIONES, S.A. (PRISA) submits annual consolidated accounts in accordance with the International Financial Reporting Standards adopted by the European Union (IFRS-EU). On this same date we are issuing our audit report concerning the aforementioned annual consolidated accounts for 2007 for which we express a favorable opinion. In accordance with the content of those consolidated annual accounts prepared pursuant to IFRS-EU, total net consolidated assets amount to 1,353,547,000 euro, the consolidated profit for the year is 191,973,000 euro and the total volume of assets and sales amounts to 6,526,360,000 euro and 3,696,028,000 euro, respectively. In other respects and as is explained in Note 4-d of the attached report, company directors value holdings in the capital of the group and its subsidiaries as the lesser of their acquisition cost and their corrected theoretical book value, if warranted, for the amounts assigned goodwill subsisting at December 31, 2007 in the Group’s annual consolidated accounts prepared in accordance with the International Financial Reporting Standards adopted by the European Union, considering that in both the individual and the consolidated financial statements of this Group this affords a more accurate reflection of the value of the capital holdings. However, the Company should have valued those holdings in accordance with the criteria set forth in the General Accounting Plan and in specific Spanish accounting rules to reflect in the valuation of holdings recorded under the heading “Financial Fixed Assets” the effect of the amortization of goodwill remaining at the end of the financial year. If those criteria had been followed, the balance in the profit and loss account for 2007 under the heading “Variation in Provisions for Securities” would have been increased by 59,122,000 euro and the heading in that same account “Extraordinary Expenses—Expenses and Losses from Previous Years” would have increased by 82,799,000 euro.”

However, the Audit Committee believes that the sole objective of the criterion adopted by the Company is to reflect the value of those holdings in both the individual and consolidated financial statements of the Group in an accurate and consistent manner. The discrepancies existing in 2007 between the Spanish General Accounting Plan and International Financial Reporting Standards with respect to goodwill will be corrected in the new General Accounting Plan, whose application is mandatory commencing on January 1, 2008 pursuant to Law 16/2007 of July 4 on the reform and adaptation of corporate accounting legislation and its international harmonization based on European Union legislation. This new law allows the same valuation criterion to be applied in consolidated and individual financial statements, according to which the amounts reflecting goodwill are not amortized, without prejudice, if applicable, to the evaluation of impairment in its impact at the end of each financial year. Thus, it is the opinion of the Committee that this new legislation supports the criterion applied by the Company in its 2005 and 2006 accounts, and deems that it should continue to be applied in 2007, since in addition to providing a consistent valuation of its holdings in the individual and consolidated financial statements, it reflects the true value of those holdings in the Group and its subsidiaries.

B.1.39. 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	18	17

	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.1.40. 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
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JUAN LUIS CEBRIÁN ECHARRI	LE MONDE, S.A.	0.000	DIRECTOR
BORJA JESUS PEREZ ARAUNA	TUENTI TECHNOLOGIES, S.L.	0.000	DIRECTOR
GREGORIO MARAÑÓN Y BERTRÁN DE LIS	UNIVERSAL MUSIC SPAIN, S.L.	0.000	CHAIRMAN

B.1.41. Indicate whether there is a procedure for Directors to obtain outside counsel and, if so, describe that procedure.

YES

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 articles 14 and 23 of said Regulation respectively establish that the Executive Commission and the Committees may seek outside advice when they deem it necessary for the fulfillment of their obligations.

B.1.42. 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

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 and Executive Commission 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.1.43. Indicate whether the company has rules (and if so, describe those rules) compelling directors to inform and, if warranted, resign in circumstances that may damage the prestige and reputation of the company:

YES

Description of the Procedure

As established in section 21.2. of the Rules of the Board of Directors, Directors shall offer their resignations to the Board of Directors and, if deemed appropriate, formally resign in the following cases:

- a) When they are subject to any of the legally-established prohibitions or grounds for disqualification.
- b) When based on a criminal offense they are indicted in ordinary felony proceedings or have been convicted in a misdemeanor proceeding.
- c) When they have received a serious reprimand from the Board of Directors for failure to fulfill their obligations as Directors.
- d) When the reasons for which they were appointed have ceased to exist and, in particular, when an independent director or an owner-director loses his respective status as such.
- e) When in the course of a year they fail to attend more than three meetings of the Board of Directors without just cause.

B.1.44. Indicate whether any member of the Board of Directors has informed the company that he has been prosecuted or that proceedings have been brought against him for any of the offenses listed in Article 124 of the Corporations Law:

NO

Indicate whether the Board of Directors has analyzed the case. If so, explain the grounds for the decision as to whether the director should continue in his post.

NO

Decision adopted	Grounds for the decision
May continue/May not continue	

B.2. Committees of the Board of Directors

B.2.1. List all Committees of the Board of Directors and their members:

EXECUTIVE COMMITTEE

Name	Position	Classification
JUAN LUIS CEBRIÁN ECHARRI	CHAIRMAN	EXECUTIVE DIRECTOR
ADOLFO VALERO CASCANTE	MEMBER	EXTERNAL DIRECTOR REPRESENTING SIGNIFICANT SHAREHOLDINGS
AGNES NOGUERA BOREL	MEMBER	EXTERNAL DIRECTOR REPRESENTING SIGNIFICANT SHAREHOLDINGS
DIEGO HIDALGO SCHNUR	MEMBER	EXTERNAL DIRECTOR REPRESENTING SIGNIFICANT

		SHAREHOLDINGS
GREGORIO MARAÑON Y BERTRAN DE LIS	MEMBER	INDEPENDENT EXTERNAL DIRECTOR
MANUEL POLANCO MORENO	MEMBER	EXECUTIVE DIRECTOR
MATIAS CORTES DOMINGUEZ	MEMBER	INDEPENDENT EXTERNAL DIRECTOR

AUDIT COMMITTEE

Name	Position	Classification
MR.MATÍAS CORTÉS DOMÍNGUEZ	CHAIRMAN	INDEPENDENT EXTERNAL DIRECTOR
MRS. AGNES NOGUERA BOREL	MEMBER	EXTERNAL DIRECTOR REPRESENTING SIGNIFICANT SHAREHOLDINGS
MR. BORJA JESÚS PÉREZ ARAUNA	MEMBER	EXTERNAL DIRECTOR REPRESENTING SIGNIFICANT SHAREHOLDINGS
MR. JUAN SALVAT DALMAU	MEMBER	INDEPENDENT EXTERNAL DIRECTOR
MR. RAMON MENDOZA SOLANO	MEMBER	EXTERNAL DIRECTOR REPRESENTING SIGNIFICANT SHAREHOLDINGS

REMUNERATION AND APPOINTMENTS COMMITTEE

Name	Position	Classification
MR. GREGORIO MARAÑÓN Y BERTRÁN DE LIS	CHAIRMAN	INDEPENDENT EXTERNAL DIRECTOR
MR. ADOLFO VALERO CASCANTE	MEMBER	EXTERNAL DIRECTOR REPRESENTING SIGNIFICANT SHAREHOLDINGS
MR. DIEGO HIDALGO SCHNUR	MEMBER	EXTERNAL DIRECTOR REPRESENTING SIGNIFICANT SHAREHOLDINGS
MR. JOSE BUENAVENTURA TERCEIRO LOMBA	MEMBER	INDEPENDENT EXTERNAL DIRECTOR

B.2.2 Indicate whether the Audit Committee performs the following duties:

Supervision of the preparation and integrity of the company's, and if applicable, the group's financial information, monitoring compliance with regulatory requirements, the appropriate composition of the consolidation perimeter and the correct application of accounting rules	YES
Periodic review of internal control and risk management systems, so that	YES

the main risks are adequately identified, managed and notified	
Ensuring the independence and accuracy of the operations of the internal audit department; proposing the selection, appointment, reelection and removal of the head of the internal audit department; receiving periodic information concerning audit activities; and verifying that senior managers take into account the conclusions and recommendations contained its reports	YES
Setting up and supervising a mechanism whereby employees may confidentially and, if deemed appropriate, anonymously notify the company of any potentially relevant irregularities within the company, particularly financial or accounting irregularities, of which they may be aware	NO
Submission to the Board of Directors of proposals for the selection, appointment, reelection and substitution of the external auditor, as well as the conditions of its contract	YES
Receiving regularly from the external auditor information concerning the audit plan and the results of its application, and verifying that senior managers take its recommendations into account	YES
Ensuring the independence of the external auditor	YES
In the case of group companies, encouraging the group auditor to assume responsibility for auditing group companies.	YES

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

Executive Committee

The rules governing the organization and operations of the Executive Committee that are described below are contained in articles 5 and 14 of the Board of Directors Regulations:

The Executive Committee shall comprise seven board members, which shall always include the Chief Executive Officer, that shall preside this Commission, Chairman of the Audit Committee and Chairman of the Corporate Governance, Appointments and Remuneration Committee. Appointment of the members of the Executive Commission shall be made upon a proposal from the Chairman of the Board of Directors and a two-thirds favorable vote of board members.

The composition of the Executive Committee with regard to the type of directors shall be similar to that of the Board of Directors.

Members of the Executive Committee shall cease in their functions when they cease to be board members or upon a decision of the Board of Directors.

Without prejudice to the powers vested in the Chairman of the Board and the Chief Executive Officer, all powers of the Board of Directors that may legally be delegated shall be delegated to the Executive Committee.

Likewise, and without prejudice to the decisions vested in the Board of Directors pursuant to Article 5 of the Board of Directors Regulation, some of them may be adopted for reasons of urgency by the Executive Committee. These are: i) Financial information related to listed securities that the Company must disclose periodically, ii) The undertaking of investments, assumption of financial obligations or the granting of any financial commitments that derive, among others, from loans, credits, sureties or other guarantees, as well as entering into contracts that are of significant importance to the

Company or its subsidiary and/or controlled companies, except for cases of extreme urgency in which it is impossible for the Board of Directors to meet, iii) Any transfer or encumbrance of assets relating to the Company or its subsidiary or controlled companies, iv) Strategic alliances of the Company or its controlled companies, v) The creation or acquisition of interests in entities domiciled in countries or territories considered tax havens and iv) Authorization of linked transactions in the terms provide for in the Regulation of The Board of Directors.

The Secretary of the Board of Directors shall serve as Secretary of the Executive Committee, and the provisions of Article 13 above shall likewise apply to the procedures of the Executive Committee.

The Executive Commission shall meet at least six times a year and at anytime that, in the opinion of the Chief Executive Officer, company interests warrant a meeting or when two or more members of the Executive Commission request that a meeting be called, the Chairman being obliged to give notice of meetings sufficiently in advance.

A Committee meeting may be validly held when a majority of the directors on the committee are present or represented by proxy, and members not in attendance may give their proxies to another director who is a committee member.

Resolutions shall be passed by an absolute majority vote of the Executive Committee members present or represented by proxy.

When there are no specific procedures, those set forth in this Regulation for the Board of Directors shall apply to the Executive Committee, provided that they are compatible with the Committee's nature and functions.

When requested to do so, other directors who are not committee members, as well as managers whose reports are necessary for company operations, may attend committee meetings, having voice but no vote.

The Executive Committee shall keep minutes of its meetings in the terms provided for the Board of Directors.

The Executive Committee shall report on its activities at the first full board meeting following its sessions, and shall be accountable for the work it undertakes. The Board shall always be informed of all matters discussed and all resolutions adopted by the Executive Committee. All board members shall receive a copy of the minutes of the Executive Committee's meetings.

The Executive Committee may seek outside expert advice when it is deemed necessary for the fulfillment of its functions.

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.

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 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.

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
EXECUTIVE COMMISSION	HAS BEEN DELEGATED ALL BOARD POWERS THAT MAY LEGALLY BE DELEGATED
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:

Committee Name
EXECUTIVE COMMISSION
Brief Description

Its composition, operations and powers are set forth in the Board of Directors Regulation, which is available on the company website (www.prisa.com).

Amendments to the Board of Directors Regulation implemented in 2008 that affect this committee are detailed in section B.1.18 above.

Committee Name

CORPORATE GOVERNANCE, APPOINTMENTS AND REMUNERATION COMMITTEE

Brief Description

Its composition, operations and powers are set forth in the Board of Directors Regulation, which is available on the company website (www.prisa.com).

On February 2008 the Corporate Governance, Appointments and Remuneration Committee published a report on compliance with the company's rules of corporate governance during the 2007 financial year and also concerning the functions and activities of the Committee during said financial year.

Committee Name

AUDIT COMMITTEE

Brief Description

Its composition, operations and powers are set forth in the Board of Directors Regulation, which is available on the company website (www.prisa.com).

On February 2008 the Audit Committee published a report on its functions and activities during the 2007 financial year.

B.2.6. Indicate whether the composition of the Executive Committee reflects the Board Member's holdings within their category:

YES

C. RELATED-PARTY TRANSACTIONS

C.1 Indicate whether the Board in full has reserved the right to approve the company's transactions with directors, significant shareholders or those represented on the Board, or persons related thereto, after having received the favorable opinion of the Audit Committee or any other committee performing that function:

YES

C.2. 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)
RUCANDIO, S.A.	PROMOTORA DE INFORMACIONES, S.A	Corporate	PAYMENT OF DIVIDENDS	25,914

C.3. 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 BERTRAN DE LIS	SOGECABLE, S.A.	Contractual	PROVISION OF SERVICES	60
MATIAS CORTES DOMINGUEZ	DIARIO AS, S.L.	Contractual	PROVISION OF SERVICES	174
MATIAS CORTES DOMINGUEZ	SOGECABLE, S.A.	Contractual	PROVISION OF SERVICES	4,362

C.4. 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)
CANAL CLUB DE DISTRIBUCION DE OCIO Y CULTURA, S.A.	PROVISION OF SERVICES BY SUBSIDIARIES OF SOGECABLE, S.A.	4,487
COMPAÑIA INDEPENDIENTE DE NOTICIAS DE TELEVISION, S.L.	LOAN GRANTED BY SOGECABLE IN THE AMOUNT OF 4,792,000 EUROS PLUS INTEREST ACCRUED DURING 2008 IN THE AMOUNT OF 282,000 EUROS	5,074
COMPAÑIA INDEPENDIENTE DE NOTICIAS DE TELEVISION, S.L.	PROVISION OF SERVICES BY SUBSIDIARIES OF SOGECABLE, S.A.	12,959
COMPAÑIA INDEPENDIENTE DE NOTICIAS DE TELEVISION, S.L.	PROVISION OF SERVICES TO SEVERAL SUBSIDIARIES OF SOGECABLE, S.A.	37,478
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	34,137
DÉDALO GRUPO GRAFICO, S.L.	SEVERAL PRISA INVESTEE COMPANIES HAVE LOANS AGAINST DEDALO GRUPO GRAFICO, S.L. OR COMPANIES IN WHICH IT HOLDS INTERESTS FOR A TOTAL OF 92,400,000 EUROS, AS A RESULT OF DIFFERENT FINANCING OPERATIONS. INTEREST ON THOSE OPERATIONS ACCRUED DURING 2008 AMOUNTS TO 1,749,000 EUROS.	94,149

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 FEBRUARY 8, 2008, FOR A MAXIMUM OF 70,000,000 EUROS.	70,000
DÉDALO GRUPO GRAFICO, S.L.	IN FEBRUARY 2008 THE SYNDICATED LOAN CONTRACT ENTERED INTO BY DEDALO GRUPO GRAFICO, S.L. IN DECEMBER 2003 (AND RENEWED IN FEBRUARY 2005 AND MAY 2006) WAS CANCELLED. UNDER THAT CONTRACT PRISA UNDERTOOK A JOINT AND SEVERAL GUARANTEE WITH DEDALO GRUPO GRAFICO, S.L. FOR A MAXIMUM OF 15,000,000 EUROS WITH RESPECT TO THE BANK SYNDICATE PROVIDED FOR IN THAT CONTRACT.	15,000
EJE DE EDITORES MEDIA, S.L.	NET ADVERTISING SALES INVOICED TO DIARIO EL PAIS, S.L. FOR ADS PUBLISHED IN THE "DOMINICAL" SUNDAY SUPPLEMENT, WHICH IS DISTRIBUTED WITH REGIONAL NEWSPAPERS.	7,013
IBERBANDA, S.A.	GUARANTEES GRANTED BY PRISA	35,688

C.5. 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.

YES

Director's name	Description of the conflict of interest
DIEGO HIDALGO SCHNUR	REELECTION OF MR. DIEGO HIDALGO SCHNUR AS MEMBER OF THE EXECUTIVE COMMISSION, BY THE BOARD OF DIRECTORS ON APRIL 17, 2008
IGNACIO POLANCO MORENO	REELECTION OF MR. IGNACIO POLANCO MORENO AS CHAIRMAN OF THE EXECUTIVE COMMISSION, BY THE BOARD OF DIRECTORS ON APRIL 17, 2008

C.6. 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.

C.7 Are more than one of the group companies listed in Spain?

NO

Specify the subsidiary companies that are listed:

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 Group continuously monitors the most significant risks that may affect the principal business units. To do so it uses a risk map as a tool that graphically represents the risks inherent in the Group, which is used to identify and assess risks that affect the development of the different business units comprising the Group. The parameters evaluated in each risk to define their location on the risk map are the impact and the probability of occurrence of that risk. The identification of these risks and the operative processes in which each of the risks considered are managed are carried out by the Group's Internal Audit Office, which periodically reports the results of its work to the Audit Committee.

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. Control of Risks Derived from the Reliability of Financial Information
- e. Information, infrastructures and technology risks

Control systems in place to evaluate, mitigate or reduce the principal risks of the Company and its group:

a. Control of Strategic Risks

The CEO is responsible for the day-to-day management of the company, without prejudice to the general supervisory functions of the Board of Directors and its Executive Committee, to which all powers that may legally be delegated have been granted.

By authority of the CEO, Group management determines the Group's strategic plan, defining the objectives to be met for each business area, developmental goals and growth rates, based on both national and international market conditions, taking into consideration in those plans the appropriate risk levels for each business and market. The Company's general policies and strategies require the Board of Directors' prior authorization. In that regard, the strategic or business plan, as well as management objectives, the annual budgets and investment policies are approved by the Board of Directors.

Compliance with the Strategic Plan and budgets are review periodically, analyzing the degree in which they are being fulfilled, evaluating deviations and proposing corrective measures. Managers from all business units are involved in this process, as are the general and functional committees that issue their reports to senior group management.

b. Control of Business Process Risks

To develop and supervise business activity, the Group relies on a decentralized organization divided into specialized business units with coordinating entities such as the Management Committee, the Business Committee and the Corporate Committee, which carry out analysis and supervisory functions with respect to both the evolution of business activities, as well as the operational environment and problems of the business units.

Transactional business risks, as well as operational, commercial, legal, fiscal and other types of risks are monitored by their respective organizations, with supervisory mechanisms in place for each at the corporate level. For example, the Group's fiscal management unit monitors compliance with current tax legislation in each of the geographic and business segments in which it carries out its activity, and manages risks arising from different interpretation of rules that the competent tax authorities may offer in each case. In other respects, risks inherent in radio and television, which are generally regulated activities subject to temporary administrative concessions or licensing, are evaluated by the general management of their respective business units and supervised at the corporate level by the Secretary General. Likewise, new investment and divestment risks are evaluated by the Investments, Debt and Profitability Committee, while commercial risks related to advertising and matching services and products offered to customer needs are continuously monitored by the Group's Commercial Management Department, the Content Committee, a committee specialized in promotional policies, and an Advertising Observatory. In that regard it should be underscored that Group turnover is less dependant on advertising trade cycles than other companies in the sector, due to Santillana's publishing business and, especially, the audiovisual pay TV business, in which cycles are periodic and recurrent. In effect, the Group's top-line activities are based on turnover from subscribers to its digital television platform, which generated 38.7% of the Group's operating turnover in 2008. In other respects, the organization of different business units engaged in analyzing business opportunities and coordinating joint efforts is achieved by creating specific committees to monitor those activities and projects.

c. Control of Financial Management Risks

- Financing Risks

During 2008 the Group boosted its presence in the audiovisual area basically through the acquisition of 100% of Sogecable stock and developing its audiovisual production business. These operations have a significant impact on the dimension of the Group and its financial structure.

The Group's financial obligations at December 31, 2008 are described in Note 12, "Financial Debt" in Prisa's 2008 Consolidated Annual Report.

In that regard, the Group's debt level involves certain payment obligations, interest payments and amortization of principal, as well as certain operational limits derived from the financing contracts undertaken. To fulfill these obligations the Group has a centralized assets management system, as well as periodic consolidated assets projections that enable us to optimize available resources and meet our debt servicing obligations.

In addition, by virtue of powers delegated to the Board at Prisa's extraordinary shareholders meeting on December 5, 2008, in order to meet or renew financial obligations, the Board of Directors is empowered to obtain new financial resources through capital increases or through the issue of convertible and/or exchangeable fixed-interest securities, warrants, notes, preference interests and other capital-backed financial instruments.

- 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 exchange rate risks

The Group is exposed to exchange rate fluctuations, basically due to financial investments in Latin American companies, as well as income and profit from those investments. During 2008, income and consolidated profit from Latin America represented 12.03% and 18.86% of the Group's income and consolidated profit, respectively.

In that regard, the Group is exposed to potential variations in the exchange rates of the different currencies in which it holds debt with financial institutions. At December 31, 2008 the weight of non-euro currencies with respect to total Group debt was less than 1%.

In this context, and with a view to lessening this risk, based on its forecasts and budgets the Group maintains risk-coverage contracts to offset exchange rate variations (basically exchange risk insurance, forwards and currency options).

- 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.

- Permanent updating of financial information rules and systems

In that regard, mention should be made of the project underway to integrate and standardize information systems by implementing a single system of financial information for all group business units. During 2008 Group companies in Spain, Argentina and the US have operated under this system and, moreover, in 2008 this system of shared information was successfully implemented in Group companies in Colombia. Plans are underway to continue to implement the system in the remaining Group companies over the next few years.

In other respects, in 2008 Group companies domiciled in Spain converted to the new General Accounting Plan and new business reform provisions.

- A system for reviewing economic and financial information, regulated in manuals, instructions and internal rules (accounting policy and valuation manual, instructions for closing accounts, annual calendar of economic and financial information, corporate accounting plan, operational rules and intra-group adjustments) and for verifying compliance with internal control systems by means of internal and external audits. In that regard and jointly with the implementation of a single system of financial information, the implementation of a unified chart of accounts for all Group companies is underway, both in Spain and internationally, with the training needed to guarantee the accurate application of a common chart of accounts.

The objective of the adoption of the same chart of accounts by all companies is to facilitate consolidation and reporting, analysis and monitoring of financial information, as well as to provide all Group companies with a common financial language.

e. Risk control in information systems, infrastructures and technology

During 2008 the Corporate Security Department managed Grupo Prisa's overall security, integrating different security aspects –particularly hardware and software– and collaborating in data protection security and occupational safety, in cooperation with the Group's Secretary General and the Human Resources Department, respectively.

This overall security management includes advising on hardware and software security matters and adopting coordinated measures to reinforce protection of the confidentiality, integrity and availability of information and information systems, as well as the safety of the Group's personnel, assets and installations, thanks to having established a framework of rules, continuous risk management processes, and the implementation of safety surveillance and control systems, seeking to reach the appropriate quality levels in processes relating to Group security that would enable us to achieve certification

according to international standards. Risk prevention programs include supporting Group decision-making in matters concerning competitive intelligence.

In 2008 several programs were developed to increase security levels both in the Group's shared infrastructures and in those belonging to each business unit. Foremost among them was the creation of a "Corporate Security Management System" that implements the convergence of security areas (software, hardware, personnel, environmental), contributing to Group security and enabling security management to be more efficiently addressed at the corporate level. The Corporate Security Management System will continue in 2009 and in subsequent years, with the development of other programs to supplement and improve the system: management tools, metrics generation, management scorecard and integrated control center.

From a technological standpoint, projects implemented include communications security, incident management, security audits, IT contingency plans, vulnerability analysis and alert systems. Programs scheduled to be implemented in 2009 include a security scorecard, an automated alert system and a security audit. Concerning hardware security, an analysis of risks with respect to certain assets was carried out and a contingency plan for hardware risks based on the previous project is planned for 2009.

In addition, Grupo Prisa has a Technological Observatory to identify risks and business opportunities afforded the Group as a result of technological developments.

D.2 Indicate whether during the financial year any of the different types of risks affecting the company or its group (operational, technological, financial, legal, reputational, fiscal ...) have actually materialized:

NO

If so, indicate the circumstances that prompted the risk and whether established control systems were effective.

D.3. Indicate whether there is a committee or other governing body in charge of establishing and supervising those control mechanisms:

SI

If so, explain its duties.

Name of committee or body	Description of its duties
Audit Committee	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.4. 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).

E. SHAREHOLDERS MEETING

E.1 Concerning the quorum required at Shareholders Meetings, indicate whether there are differences with respect to the minimum stipulated in the Corporations Law, and if so, explain.

NO

	% difference vs. quorum required pursuant to Article 102 LSA of the Corporations Law (general)	% difference vs. quorum required pursuant to Article 103 of the Corporations Law (special cases provided in Article 103)
Quorum required at initial meeting	0	0
Quorum required at adjourned meeting	0	0

E.2 Concerning rules for adopting corporate resolutions, explain whether there are differences with respect to those provided in the Corporations Law and, if so, explain:

NO

Describe differences vs. provisions of 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

Description of Measures
<p>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.</p> <p>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.</p> <p>Measures to guarantee the independence and proper conduct of shareholders' meetings:</p> <p>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.</p>

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

The Shareholders' Meeting Regulations have not been modified during 2008.

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

Date of Shareholders' Meeting	Attendance Statistics				Total
	% physically present	% represented by proxy	% distance voting		
			Vote by electronic means	Others	
13 March 08	69.761	6.825	0.006	0.000	76.592
5 December 08	72.750	5.931	0.002	0.000	78.683

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 13, 2008:

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 2007 financial year, as well as the proposal for distribution of profits.

Two.- Approval of the Board of Directors' management of the Company during the 2007 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, 2008.

Fourth. – The number of members of the Board of Directors was set at eighteen and in view of the fact that the terms of office of Mr. Ignacio Polanco Moreno and Mr. Diego Hidalgo Schnur were to expire on April 10, 2008, 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.- Approval of a compensation plan providing stock options for executive directors and managers of the company, authorizing and delegating powers to the Board of Directors with respect to this matter, including powers to increase share capital pursuant to the provisions of Article 153.1.b) of the Corporations Law, with the power to exclude preemptive subscription rights.

Sixth.- 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 22, 2007 were revoked.

Seventh.- It was resolved to delegate powers to the Board of Directors, the Chairman of the Board of Directors Mr. Ignacio Polanco Moreno, the Chief Executive Officer Mr. Juan Luis Cebrián Echarri and the Secretary Mr. Miguel Sarrústegui Gil- Delgado, in relation to the above resolutions.

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

Agenda/	Votes in favor/	Votes against/	Abstaining
Item 1	99.806	0.010	0.186
Item 2	99.989	0.010	0.001
Item 3	99.989	0.011	0.000
Item 4.1	96.137	3.863	0.000
Item 4.2	96.277	3.723	0.000
Item 4.3	95.808	4.192	0.000
Item 5	99.987	0.012	0.001
Item 6	99.990	0.010	0.000
Item 7	99.990	0.010	0.000

The following resolutions were adopted at the Shareholders' Meeting held on December 5, 2008:

First.- Ratification of the appointment by cooptation and election of Director Mr Alfonso López Casas for the five-year term set forth in the Bylaws.

Second.- Delegation of powers to the Board of Directors to increase share capital one or several times, with or without issue premiums, with powers to exclude preemptive rights if deemed warranted, in the terms and conditions and within the time limits set forth in Article 153.1 b) of the Corporations Law. Revocation of any unexercised powers granted in that regard as resolution six at the General Shareholders' Meeting on March 17, 2005.

Third.- . Delegation of powers to the Board of Directors to issue fixed-income securities, either regular, convertible into newly-issued shares and/or exchangeable for outstanding stock in Prisa or other companies, warrants (options to subscribe new shares or to acquire outstanding stock in Prisa or other companies), promissory notes and preference shares. With respect to convertible and/or exchangeable securities or warrants, this includes the power to establish the criteria for determining the bases and types of conversion, exchange or exercise. Delegation of powers to the Board of Directors to increase capital as required in order to cover conversion of the bonds or exercise of the warrants, as well as the power to exclude the preferential subscription rights of shareholders and holders of convertible bonds or warrants with respect to newly-issued shares. Revocation of any unexercised powers to issue convertible and/or exchangeable bonds granted at the Annual Shareholders' Meeting held on March 17, 2005 as item no. 7 on the agenda.

Fourth.- Regarding the merger of SOGECABLE, S.A. Unipersonal into PROMOTORA DE INFORMACIONES, S.A., the following was approved: i) the merger proposal , ii) the merger balance sheet, iii) the merger of SOGECABLE, S.A. Unipersonal (merged company) into PROMOTORA DE INFORMACIONES, S.A. (surviving company) in accordance with the Merger Proposal, iv) Amendment of article 2 (Object) of the company bylaws, v) Amendment of article 6 (Share Capital) of the company bylaws and vi) Delegation of powers to implement the merger.

Fifth.- Amendment of the resolution adopted under item five on the agenda of the Annual Shareholders Meeting of March 13, 2008 concerning the compensation package involving the grant of stock options to executive directors and managers of the company.

Sixth.- Grant of authorization to the Board of Directors to interpret, amend, complement, execute and implement the resolutions passed at the Shareholders' Meeting, as well as to substitute the powers granted thereat, and authorization to have those resolutions recorded in a notarial instrument.

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

Agenda/	Votes in favor/	Votes against/	Abstaining
Item 1.1	95.0330	4.9670	0.000
Item 2	99.7057	0.2942	0.0001
Item 3	99.9044	0.0932	0.0024
Item 4.1	99.9887	0.0090	0.0023
Item 4.2	99.9887	0.0090	0.0023
Item 4.3	99.9887	0.0090	0.0023
Item 4.4	99.9887	0.0090	0.0023
Item 4.5	99.9887	0.0090	0.0023
Item 4.6	99.9887	0.0090	0.0023
Item 5	95.4963	4.5012	0.0025
Item 6	99.6607	0.3392	0.0001

E.9 Indicate whether there are any restrictions in the company bylaws with respect to the minimum number of shares required to attend the Annual Shareholders Meeting:

YES

Number of shares required to attend the Annual Shareholders Meeting	60
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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.1.28 of this Report.

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

NO

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

www.prisa.com / Shareholders and Investors

F DEGREE OF COMPLIANCE WITH CORPORATE GOVERNANCE RECOMMENDATIONS

Indicate the company's degree of compliance with the recommendations of the Unified Code of Corporate Governance.

In the event of noncompliance with any of them, explain the recommendations, rules, practices or criteria that the company applies.

- 1. The bylaws of listed companies shall not limit the number of votes cast by a single shareholder nor contain other restrictions that preclude taking control of a company by acquiring its shares on the market.**

See sections: A.9, B.1.22, B.1.23 and E.1, E.2

Complies

- 2. When both the parent company and a subsidiary are listed companies, both shall publicly and accurately define:**

- a) Their respective areas of activity and the business dealings between them, as well the listed subsidiary's business dealings with the other group companies;**
- b) The mechanisms in place to resolve possible conflicts of interest that may arise.**

See sections: C.4 and C.7

Not applicable

- 3. Although not expressly required under company law, operations that result in a modification of company structure shall be submitted for approval at the annual shareholders meeting, especially the following:**

- a) conversion of listed companies into holding companies through "subsidiarization" or reallocating to dependent companies core activities**

previously carried out by the originating company, even when the latter retains full control of the former;

- b) acquisition or disposal of key operating assets that would effectively alter the company's corporate purpose;
- c) operations that effectively result in the company's liquidation.

Complies

4. Detailed explanation of the resolutions to be adopted at the Annual Shareholders Meeting, including the information referred to in Recommendation 28 shall be made public when the Notice of Meeting is issued.

Complies

5. Separate votes shall be taken at annual shareholders meeting on matters that are materially different, so that shareholders may express their voting preferences separately. This rule is applied specifically to:

- a) Appointment and ratification of directors, which shall be voted on individually;
- b) With reference to amendments of the bylaws, votes shall be taken on each article or articles that are substantially independent.

See section: E.8

Complies

6. Companies shall allow split votes so that financial intermediaries who are the shareholders of record acting on behalf of different clients may cast their votes according to their clients' instructions.

See section: E.4

Complies

7. The Board of Directors shall perform its duties with unity of purpose and independent criteria, afford all shareholders equal treatment, and be guided by the best interests of the company, which may be defined as constantly seeking to maximize the company's value over time.

The Board shall ensure that in its relationships with stakeholders, the company abides by all laws and regulations, fulfills its obligations and contracts in good faith, respects the customs and good practices of the sectors and territories in which it does business, and observes any additional principles of social responsibility that it has voluntarily accepted.

Complies

8. The core components of the Board's mission shall be to approve the company's strategy and organize its implementation, as well as to supervise and ensure that management meets its objectives and pursues the company's interests and corporate purpose. In that regard, the Board in full shall approve:

- a) The company's general policies and strategies, and in particular:**
 - i) The strategic or business plan, management targets and annual budgets;**
 - ii) Investment and financing policy;**
 - iii) Design of the structure of the corporate group;**
 - iv) Corporate governance policy;**
 - v) Corporate social responsibility policy;**
 - vi) Remuneration and evaluation of the performance of senior management;**
 - vii) Risk control and management policy, as well as periodic monitoring of internal information and control systems.**
 - viii) Policy on dividends and treasury shares, and the limits applied thereto.**

See sections: B.1.10, B.1.13, B.1.14 and D.3

b) The following decisions:

- i) At the proposal of the company's chief executive, the appointment and removal of senior managers, as well as their compensation clauses.**

See section: B.1.14.

- ii) Remuneration of directors, as well as in the case of executive directors, additional compensation for their executive duties and other conditions that must be respected in their contracts.**

See section: B.1.14.

- iii) Financial information that listed companies must periodically disclose.**
- iv) Investments or operations of any nature, which due to the amount involved or their characteristics are considered as strategic, unless they require the approval of the shareholders at the annual meeting;**

- v) **The incorporation or acquisition of interest in special-purpose entities or those domiciled in countries or territories considered tax havens, as well as any similar transactions or operations, which due to their complexity may impair the group’s transparency.**
- c) **Operations that the company conducts with directors, significant shareholders, shareholders represented on the board, or with persons related thereto (“related-party transactions”).**

However, board authorization shall not be required for related-party transactions that simultaneously meet the following three conditions:

- 1. Those governed by standard-form contracts applied equally to a large number of clients;**
- 2. Those made at prices or rates generally set by the supplier of the goods or services in question;**
- 3. Those whose value does not exceed 1% of the company’s annual revenue.**

It is recommended that the Board approve related-party transactions only after having received a favorable opinion from the Audit Committee or, if applicable, any other committee exercising that function; and that directors affected by the transactions should neither vote nor be present at the meetings in which the Board deliberates and votes thereon.

It is recommended that the Board not be allowed to delegate the powers attributed to it herein, with the exception of those mentioned in sections b) and c), which for reasons of urgency may be exercised by a delegated committee, and subsequently ratified by the board in full.

See sections: C.1 and C.6

Partially complies

The company complies with all points with the exception of b) i), which is not deemed necessary.

- 9. In order to achieve effectiveness and full participation, it is recommended that the Board have no fewer than five and no more than fifteen members.**

See section: B.1.1

Explain

Although the company does not comply with this recommendation, the size of the board has progressively been reduced from 21 to 18 directors, which is its present number. It is not deemed that limiting the Board to 15 members would ensure its effective operations.

- 10. External directors representing significant shareholdings and independent directors should constitute a broad majority of the Board, while the number of executive directors should be kept at a necessary minimum, taking into account**

the complexity of the corporate group and the percent of the executive directors' interests in the company's share capital.

See sections: A.2, A.3, B.1.3 and B.1.14.

Complies

11. If there is any external director who cannot be considered as either independent or representing a significant shareholding, the company shall explain that circumstance and his relationships either with the company, management, or its shareholders.

See section: B.1.3

Not applicable

12. Among external directors, the relationship between the number of directors representing significant shareholdings and independent directors shall reflect the proportion existing between share capital represented by directors representing significant shareholdings and the rest of the company's capital.

This criterion of strict proportionality may be relaxed so that the weight of significant shareholdings may be greater than the percentage of the total capital that they actually represent in the following cases:

- 1. In large cap companies where few or no equity stakes meet the legal threshold to be considered significant shareholdings, but where there are shareholders with share packages having a high absolute value.**
- 2. In companies in which many shareholders are represented on the board, and who are not otherwise related.**

See sections: B.1.3, A.2 and A.3

Complies

13. Independent directors should comprise at least one third of all board members.

See section: B.1.3

Explain

The Board of Directors Regulation does not require a specific number of independent directors on the board. Article 8 provides as follows:

"In exercising its right to fill vacancies and to propose appointments at Annual Shareholders Meetings concerning the composition of the Board, the Board of Directors shall ensure a majority of external or non-executive directors with respect to executive directors."

..... As vacancies arise, the Board shall ensure that the majority group of external directors includes both those proposed by owners of significant stable shareholdings (owner-directors) and professionals of recognized prestige who have no links to the executive team or significant shareholders that would

compromise their independence (independent directors).

For the purposes of the foregoing paragraph, the Board shall take into account the ownership of the Company, the importance in absolute and comparative terms of the significant shareholders' stakes, as well as the degree of permanence and the strategic association of the owners of those significant shareholdings with the Company.....”

At present there are five independent directors on the Board, a number that is deemed reasonable and which, in any case, complies with the provisions of the Board of Directors Regulation in that regard.

- 14. The Board shall explain the nature of each director to the shareholders at the Annual Shareholders Meeting that is to ratify his/her appointment, and confirm or, if applicable, review that status annually in the Annual Report on Corporate Governance, after having verified it with the Appointments Committee. That report should likewise explain the reasons for appointing directors representing significant shareholdings at the request of shareholders holding less than 5% of capital stock; and explain the reasons, if applicable, for having denied formal requests for representation on the board from shareholders whose stake is equal to or higher than the stake of others whose requests to appoint directors representing significant shareholdings were granted.**

See sections: B.1.3 and B.1.4

Complies

- 15. When there are few or no female directors on the Board, explain the reasons and the measures adopted to correct that situation, and, specifically, those that the Appointments Committee takes when filling new vacancies to ensure that:**
- a) Selection procedures are not implicitly biased against the selection of female directors; and**
 - b) The company deliberately seeks and includes among potential candidates women who meet the required profile.**

See sections: B.1.2, B.1.27 and B.2.3.

Complies

- 16. The Chairman, as the person responsible for the efficient operations of the Board, shall ensure that all directors receive in advance sufficient information, stimulate debate and the active participation of board members at board meetings, ensure that they can freely take sides and express their opinions, and organize and coordinate with the chairmen of the relevant committees periodic evaluations of the board, as well as, when applicable, the chief executive officer.**

See section: B.1.42

Partially complies

There is compliance with the first part of this recommendation, that is, the Chairman ensures that directors receive sufficient information prior to board meetings, and stimulates debate and active participation on the part of the directors, ensuring that they can freely express their positions and opinions.

With respect to the last part of this recommendation, it is considered sufficient in accordance with Article 5 of the Board of Directors Regulation that the board carry out a periodic evaluation of its operations and composition, after having received the opinion of the Corporate Governance, Appointments and Remuneration Committee (Article 25 of the Board of Directors Regulation). The evaluation considers the board's functions as a whole, and not each individual member or the chairman or chief executive officer in particular.

17. When the Chairman of the Board is also the company's Chief Executive Officer, one of the independent directors should be empowered to request that a meeting of the board be called or that new items be included on the agenda, to coordinate and reflect the concerns of external directors and to direct the board's evaluation of the Chairman.

See section: B.1.21

Not applicable

18. The Secretary to the Board shall take special steps to ensure that the Board's actions:

- a) Adhere to the spirit and letter of the laws and their implementing regulations, including those issued by regulatory bodies;**
- b) Conform to the provisions of the Company Bylaws, Shareholders Meeting Regulation, Board of Directors Regulation and other company regulations;**
- c) Take into account the corporate governance recommendations contained in the Unified Code that the company has accepted.**

And to ensure the Secretary's independence, impartiality and professionalism, his/her appointment and removal shall be submitted to the Appointments Committee for its opinion and approved at a meeting of the full board; and this procedure for appointment and removal should be set forth in the Board of Directors Regulation.

See section: B.1.34

Partially complies

The opinion of the Corporate Governance, Appointments and Remuneration Committee is not required with respect to the removal of the Secretary.

19. The Board shall meet with the frequency required to enable it to efficiently perform its functions, following a schedule of dates and matters to be determined at the beginning of the year, and each director shall be allowed to propose additional items on the agenda not initially included.

See section: B.1.29

Complies

20. Directors' absences from board meetings shall be kept to a minimum and shall be quantified in the Annual Report on Corporate Governance. Directors who have no choice but to appoint a proxy shall issue proxy voting instructions.

See sections: B.1.28 and B.1.30

Partially complies

Proxies may be appointed without instructions.

21. When directors or the Secretary express concerns about a given proposal, or in the case of directors, about the performance of the company, and these concerns are not addressed by the Board, the person expressing those concerns may request that they be recorded in the minutes.

Not applicable

22. The Board shall evaluate annually:

- a) The quality and efficiency of the Board's operations;**
- b) The performance of the Chairman of the Board and the Chief Executive Officer, based on the Appointments Committee report;**
- c) The performance of the board committees, based on the reports they submit.**

See section: B.1.19

Partially complies

As indicated previously, an evaluation is made of the board's performance as a whole, and not of each individual member or the chairman or chief executive officer in particular.

23. All directors shall be able to exercise their right to receive the additional information they deem warranted concerning matters of the Board's

competence. Unless otherwise stipulated in the Bylaws or the Board of Directors Regulation, they should make such requests to the Chairman or Board Secretary.

See section: B.1.42

Complies

24. All directors shall have the right to obtain from the company the guidance they require in the performance of their duties. The company shall establish suitable channels for the exercise of this right, which in special circumstances may include outside assistance provided at the company's expense.

See section: B.1.41

Complies

25. Companies shall set up an orientation program to promptly provide new directors with sufficient knowledge of the company and its rules of corporate governance, while likewise offering directors ongoing training programs when circumstances so warrant.

Partially complies

In practice this information is provided without a formal program.

26. Companies shall demand that directors devote the time and effort necessary to efficiently perform their duties, and in that regard:

- a) Require directors to inform the Appointments Committee of other professional obligations they have, in the event that they might interfere with the dedication their directorships require;**
- b) Establish limits as to the number of boards of directors on which their directors may sit.**

See sections: B.1.8, B.1.9 and B.1.17

Partially complies

Article 30 of the Board of Directors Regulation sets forth the general obligations of directors and Article 31 the rules concerning conflicts of interest of which the company must be notified through the Corporate Governance, Appointments and Remuneration Committee. However the number of boards on which directors may sit is not limited.

27. The proposed appointment or reelection of directors that the Board submits at the Annual Shareholders Meeting, as well as their provisional appointment by cooptation, shall be approved by the Board:

- a) **At the proposal of the Appointments Committee in the case of independent directors.**
- b) **After receiving the prior opinion of the Appointments Committee in the case of all other directors.**

See section: B.1.2

Complies

28. Companies shall provide on their websites and maintain updated the following information concerning their directors:

- a) **Professional profile and biography;**
- b) **Other boards of directors on which they sit, whether listed companies or otherwise;**
- c) **Indication of the type of director, and in the case of directors representing significant shareholdings, the identity of the shareholders whom they represent or with whom they maintain business relations.**
- d) **Dates of first and subsequent appointments as director, and;**
- e) **Shares in the company or stock options that the director holds.**

Complies

29. Independent directors shall not remain as such for a continuous period exceeding twelve years.

See section: B.1.2

Explain

It has not been considered necessary to establish a limit, since it is not clear why after twelve years a director would lose his independence.

30. Directors representing significant shareholdings shall resign when the shareholders they represent sell all of their interests in the company. They shall also do so when the shareholders in question reduce their shareholdings to the extent that would require a reduction in the number of directors representing those shareholders.

See sections: A.2, A.3 and B.1.2

Complies

- 31. The Board of Directors shall not propose the removal of any independent director before he concludes the term in office mandated in the bylaws for which he was appointed, unless after receiving the opinion of the Appointments Committee, the Board deems that there is just cause to do so. In particular, just cause shall be deemed to exist when the director has failed to fulfill the duties inherent in his post or incurs in any of the circumstances described in paragraph 5 of Section III of the definitions contained in the Code.**

The removal of independent directors may also be proposed when a takeover bid, merger or similar corporate operation resulting in changes in the company's capital structure warrant changes in the Board based on the proportionality criterion set forth in Recommendation 12.

See sections: B.1.2, B.1.5 and B.1.26

Complies

- 32. Companies shall establish rules that oblige directors to inform and, if warranted, to resign in situations that may impair the credit and reputation of the company, and specifically, rules that oblige them to inform the Board of any criminal process in which they are indicted, as well as the progress of any subsequent proceedings.**

If a director is indicted or legal proceedings are commenced against him for any of the offenses set forth in Article 124 of the Corporations Law, the Board shall examine his case as soon as possible and, in view of the specific circumstances, decide whether the director should continue in his post. The Board shall provide details of the foregoing in the Annual Corporate Governance Report.

See sections: B.1.43, B.1.44

Partially complies

Article 21.2.b) of the Board of Directors Regulation provides that directors shall offer their resignations to the Board of Directors and, if the Board deems it warranted, effectively resign "when based on a criminal offense they are indicted in ordinary felony proceedings or have been convicted in a fast-track criminal proceeding."

- 33. All directors shall clearly express their opposition when they consider any proposed decision submitted to the Board to be contrary to the company's interests. Independent directors and others not affected by a conflict of interest shall do likewise when the decision in question could prejudice shareholders not represented on the Board.**

When the Board adopts significant or reiterated decisions about which a director has expressed serious reservations, he shall draw the pertinent conclusions and, if he chooses to resign, explain his motives in the letter referred to in the following recommendation.

This Recommendation shall also apply to the Secretary to the Board, whether a board member or not.

Complies

- 34. Any director who resigns or otherwise leaves his post before the end of his tenure shall explain his motives in a letter addressed to all of the members of the Board. Regardless of whether the resignation is disclosed as relevant information, the reasons therefore shall be set forth in the Annual Corporate Governance Report.**

See section: B.1.5

Not applicable

- 35. The remuneration policy approved by the Board shall as a minimum include the following points:**

- a) Amount of fixed sums, detailing, if applicable, allowances for participating on the Board and its committees, and an estimate of the resulting annual fixed remuneration;**
- b) Variable remuneration, including in particular:**
 - i) The type of directorships to which it applies, as well as an explanation of the relative weight of variable remuneration vis-à-vis fixed remuneration.**
 - ii) Criteria for evaluating performance on which the right to perceive remuneration in shares, stock options or other variable compensation is based;**
 - iii) Parameters and justification for any annual bonus system or other non-cash benefits; and**
 - iv) An estimate of the total amount of variable remuneration in the proposed remuneration plan, based on performance or fulfillment of the objectives taken as a reference.**
- c) Principal characteristics of any benefits systems (such as supplementary pensions, life insurance and similar arrangements) with an estimate of their equivalent annual cost.**
- d) Conditions that must be respected in the contracts of those exercising senior management duties such as executive directors, among which should be included:**
 - i) the duration;**
 - ii) terms for notices of termination; and**

- iii) **any other clauses covering hiring bonuses, as well as compensation or golden parachutes in the event of early termination of the executive director's contractual relationship with the company.**

See section: B.1.15

Complies

- 36. Any remuneration that includes stock in the company or group companies, stock options or instruments pegged to stock prices, variable retribution linked to company performance or benefit plans shall be limited to executive directors.**

This recommendation shall not include delivery of stock when it is contingent upon the directors' holding the stock until the end of their tenure as director.

See sections: A.3 , B.1.3

Complies

- 37. Remuneration of external directors shall be sufficient to compensate them for their commitment, qualifications and the responsibility that the post entails, but not so high as to compromise their independence.**

Complies

- 38. Remuneration linked to company performance shall take into account any possible qualifications stated in the external auditor's Audit Report that may reduce those results.**

Explain

This hypothesis has not been considered.

- 39. In the case of variable remuneration, remuneration policies shall include precise technical safeguards to ensure that that remuneration actually reflects the professional performance of the beneficiaries and is not simply derived from the general evolution of the markets or the company's sector of activities or other similar circumstances.**

Complies

- 40. As a separate item on the agenda, the Board shall submit to a non-binding vote at the Annual Shareholders Meeting a report on the remuneration policy for directors. That report shall be made available to shareholders, either separately or in any other form the company considers appropriate.**

The report shall focus specifically on the remuneration policy approved by the Board for the current year as well as, if applicable, the policy for future years. It shall include all matters addressed in Recommendation 35, except those which would require the disclosure of sensitive commercial information. It shall underscore the most significant changes in the policies applied during the past year for which a shareholders meeting was held, and shall likewise include an overall summary of how the remuneration policy was applied over the last year.

The Board shall also review the role played by the Remuneration Committee in the preparation of the remuneration policy and, if external advice was sought, disclose the identity of the consultants who provided that advice.

See section: B.1.16

Partially complies

The Board of Directors submits its annual remuneration policy for the Board of Directors and management team to the shareholders for their approval at the Annual Shareholders Meeting, as an integral part of the Management Report submitted with the annual accounts (and not as a separate non-binding item on the agenda), which is one of the solutions suggested in the Recommendation of the European Commission of December 14, 2004 concerning promoting an adequate remuneration system for directors of listed companies.

41. The Annual Report shall itemize the individual remuneration of the director for the year and include:

- a) An individualized breakdown of each director's remuneration, including, if applicable:
 - i) Allowances for attending meetings or other fixed remuneration as director;**
 - ii) Additional remuneration for chairing or serving as a member of a board committee;**
 - iii) Any remuneration that includes a share in profits or bonuses, and the reasons why it was awarded;**
 - iv) Contributions on behalf of the director to defined-contribution pension plans; or any increase in the director's vested rights with respect to defined-benefit schemes;**
 - v) Any compensation agreed or paid in the event of termination of his duties;**
 - vi) Remuneration perceived as director from other group companies;**
 - vii) Remuneration of executive directors who perform senior management duties;**
 - viii) Any other remuneration in addition to the above, whatever its nature or the group company from which it originates, especially when it may****

be considered a related-party transaction or when its omission would distort the fair view of the total remuneration received by the director.

- b) An individualized breakdown of any stock, stock option or any other instrument pegged to share prices granted directors, including:
 - i) The number of shares or options granted during the year, and the conditions for exercising them;**
 - ii) The number of options exercised during the year, indicating the number of shares affected and the exercise price;**
 - iii) The number of shares pending exercise at the end of the year, indicating the price, date and other requirements for exercising them;**
 - iv) Any change during the year in the conditions for exercising options already granted.****
- c) Information concerning the relationship during the past year between the remuneration obtained by executive directors and profits, or other means for measuring the company's performance.**

Explain

The Company complies with the provisions of Article 200 of the Corporations Law that provides that the Annual Report must state the amount of remuneration paid directors "globally and by type of remuneration." No legal provision provides for reporting the director's remuneration individually, and the Company does not deem it appropriate to do so.

42. When there is a Delegated or Executive Committee (hereinafter, the "Delegated Committee"), its structure and composition with respect to the different categories of directors shall be similar to the Board's, and its secretary shall be the Secretary to the Board.

See sections: B.2.1 and B.2.6

Complies

43. The Board shall always be informed of the matters discussed and decisions adopted by the Delegated Committee and all board members shall receive a copy of the minutes of the meeting of the Delegated Committee.

Complies

44. In addition to the Audit Committee provided for in the Securities Market Law, the Board of Directors shall form one or two separate committees for appointments and remuneration.

The rules governing the composition and operations of the Audit Committee or the Appointments and Remuneration Committee (or committees) shall be included in the Board of Directors Regulation and stipulate the following:

- a) **The Board shall designate the members of those committees, taking into account the knowledge, skills and experience of the directors and members of each committee; shall deliberate on their proposals and opinions; and the committees shall report on their activities and work at the first full board session following their meetings;**
- b) **These committees shall be composed exclusively of a minimum of three external directors. The foregoing is without prejudice to the fact that executive directors or senior managers may attend committee meetings when expressly agreed by the committee members.**
- c) **The committees shall be chaired by independent directors.**
- d) **Committees may seek external advice when it is deemed necessary for the performance of their duties.**
- e) **Minutes shall be taken of committee meetings, and copies thereof shall be sent to all board members.**

See sections: B.2.1 y B.2.3

Partially complies

The only aspect of this recommendation with which the company is not in compliance is providing board members with copies of the minutes of committee meetings. However, their respective chairpersons report to the Board all matters discussed at the meetings and, when applicable, present proposed resolutions for the Board's approval.

- 45. Supervision of compliance with internal codes of conduct and rules of corporate governance shall be vested in the Audit Committee, or if there is a separate committee, in the Corporate Governance Committee.**

Complies

- 46. The members of the Audit Committee and especially its chairman shall be appointed taking into account their knowledge and experience in the area of accounting, audits and risk management.**

Complies

- 47. Listed companies shall have an internal audit department which, under the supervision of the Audit Committee shall ensure the proper functioning of internal information and control systems.**

Complies

- 48. The person in charge of the internal audit shall present to the Audit Committee his/her annual work plan; inform the committee directly of any incidents that**

may arise when conducting the audit; and shall submit a report of its activities at the end of each financial year.

Complies

49. The risk management and control policy shall identify at least the following:

- a) Different types of risks (operational, technological, financial, legal, reputational ...) which the company may encounter, including among the financial or economic risks contingent liabilities and off-balance sheet risks;
- b) Establishing the level of risk that the company deems acceptable;
- c) Measures to mitigate the impact of identified risks, in the event they materialize;
- d) Information and internal control systems to be used to control and manage those risks, including contingent liabilities and off-balance sheet risks.

See section: D

Complies

50. The Audit Committee shall:

1 With respect to information and internal control systems:

- a) Supervise the preparation and integrity of the company's, and if applicable, the group's financial information, monitoring compliance with regulatory requirements, the appropriate composition of the consolidation perimeter and the correct application of accounting rules
- b) Periodically review internal control and risk management systems, so that the main risks are adequately identified, managed and reported.
- c) Ensure the independence and accuracy of the operations of the internal audit department; propose the selection, appointment, reelection and removal of the head of the internal audit department; receive periodic information concerning audit activities; and verify that senior managers take into account the conclusions and recommendations contained in its reports.
- d) Set up and supervise a mechanism whereby employees may confidentially and, if deemed appropriate, anonymously notify the company of any potentially relevant irregularities within the company of which they may be aware, particularly financial or accounting irregularities.

2 With regard to the external auditor:

- a) **Submit to the Board of Directors proposals for the selection, appointment, reelection and substitution of the external auditor, as well as the conditions of the auditor's contract.**
- b) **Receive regularly from the external auditor information concerning the audit plan and the results of its application, and verify that senior managers take its recommendations into account.**
- c) **Ensure the independence of the external auditor, and in that regard ensure that:**
 - i) **The company discloses to the National Securities Market Commission as an announcement of relevant information any change of auditor and attaches a declaration with respect to any discrepancies with the former auditor, if applicable, and the nature of those discrepancies.**
 - ii) **Measures are be taken to ensure that the company and the auditor abide by regulations concerning the provision of services other than auditing services, limits on the concentration of the auditor's business and, in general, all other rules designed to ensure the auditor's independence;**
 - iii) **In the event of the resignation of the external auditor, the circumstances motivating that resignation shall be examined.**
- d) **In the case of groups, encourage the group's auditor to assume responsibility for auditing group companies.**

See sections: B.1.35, B.2.2, B.2.3 y D.3

Partially complies

The company does not deem it necessary to set up and regulate a mechanism whereby employees may anonymously report to the Audit Committee irregularities detected within the company. Without the need to formally implement such a procedure, any employee can notify the Audit Committee or any other management or supervisory department in the company of concerns of any nature that he deems warranted.

- 51. The Audit Committee shall be able to meet with any employee or manager of the company, and may even require that they appear without the presence of another manager.**

Complies

- 52. The Audit Committee shall issue an opinion to the Board before the Board adopts any decisions concerning the following matters listed in Recommendation 8:**

- a) **Financial information that a listed company must disclose periodically. The committee shall ensure that the interim accounts are prepared using the**

same accounting criteria as the annual accounts and, to that end, consider a limited review by the external auditor.

- b) **The creation or acquisition of interests in special-purpose entities or those domiciled in countries or territories considered tax havens, as well as any other similar transactions or operations, which due to their complexity may impair the group's transparency.**
- c) **Related-party transactions, unless the function of issuing an advisory opinion has been attributed to another supervision and control committee.**

See sections: B.2.2 and B.2.3

Complies

53. The Board of Directors shall endeavor to present the accounts at the Shareholders Meeting without reservations or qualifications in the audit report and, in exceptional circumstances where they exist, both the Chairman of the Audit Committee and the auditors shall clearly explain to the shareholders the content and scope of those reservations or qualifications.

See section: B.1.38

Complies

54. The majority of the members of the Appointments Committee (or the Appointments and Remuneration Committee, if they form a single committee) shall be independent directors.

See section: B.2.1

Explain

Two members of the Corporate Governance, Appointments and Remuneration Committee are independent directors (its chairman, Mr. Gregorio Marañón y Bertrán de Lis and a member, Mr. José Buenaventura Terceiro Lomba), and the other two (Mr. Diego Hidalgo Schnur and Mr. Adolfo Valero Cascante) represent significant shareholdings, since the presence of such representatives is deemed essential on this committee.

55. In addition to the functions indicated in the preceding Recommendations, the Appointments Committee shall perform the following:

- a) **Evaluate the skills, knowledge and experience needed on the Board, and in consequence define the functions and aptitudes required of the candidates to fill each vacancy, and evaluate the time and devotion required to enable them to properly perform their duties.**
- b) **Examine and organize in the manner deemed appropriate the succession to the Chairman and Chief Executive and, if warranted, make proposals to**

the Board, so that succession may take place in a ordered and well-planned manner.

- c) Issue opinions concerning the appointments and removal of senior managers that the Chief Executive proposes to the Board.**
- d) Issue opinions to the Board concerning matters of gender diversity set forth in Recommendation 14 of the Code.**

See section: B.2.3

Partially complies

The Corporate Governance, Appointments and Remuneration Committee does not have the powers set forth in point c) of this recommendation.

56. The Appointments Committee shall consult the Chairman and the Chief Executive, especially with regard to matters concerning executive directors.

Any director may ask the Appointments Committee to consider potential candidates to cover vacant directorships considered to meet the required profile.

Complies

57. In addition to the functions indicated in the preceding Recommendations, the Remuneration Committee shall have the following duties:

- a) To propose to the Board of Directors:**
 - i) The remuneration policy for directors and senior management;**
 - ii) The individual remuneration of executive directors and the other conditions of their contracts.**
 - iii) The standard conditions of the contracts of senior managers.**
- b) To ensure that the company's remuneration policy is observed.**

See sections: B.1.14, B.2.3

Complies

58. The Remuneration Committee shall consult with the Chairman and Chief Executive, especially with regard to matters concerning directors and senior managers.

Complies

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.

-With regard to **Section A.1** of this report it should be underscored that:

By virtue of the powers conferred on PRISA's Board of Directors at the annual shareholders meeting on March 23, 2006 (concerning the implementation of a capital increase by issuing redeemable shares to provide coverage for a stock option plan for Grupo PRISA executive directors and managers, approved at the annual shareholders meeting on April 15, 2004), the Board approved the following resolutions effective March 14, 2008:

- i) to convert into ordinary Class A shares the 323,000 redeemable Class B shares numbered consecutively from 1,220,001B through 1,543,000B
- ii) to redeem the remaining 1,220,000 Class B shares of the company, numbered consecutively from 1B through 1,220,000B, thus totally extinguishing all Class B shares.

As a result of the above, share capital from that moment consists of 219,135,500 ordinary shares, each having a par value of 0.10€, all being of the same class and numbered consecutively from 1 through 219,135,500.

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

- i) On December 29, 2008 Timón, S.A. transferred to Asgard Inversiones, S.L.U. 35,487,164 shares/voting rights in PRISA, representing 16.194% of PRISA share capital.
- ii) On August 1, 2008 Promotora de Publicaciones, S.L. transferred to Sabara Investment, S.L. 20,709,420 shares/voting rights in PRISA, representing 9.451% of PRISA share capital.

-With regard to **Section A.3** of this report it should be underscored that the total share capital held by members of the Board of Directors is 0.987% if calculated with regard to the total number of shares held by the Company's directors.

-With regard to **Section A.6** of this report it should be underscored that:

Shareholder Agreement in Rucandio, S.A.

i) the percent of share capital involved is the share capital of Rucandio, S.A., a company that indirectly holds 68.542% of the stock in Promotora de Informaciones, S.A.

ii) On December 23, 2003 in a private document Mr. Ignacio Polanco Moreno, Ms. Isabel Polanco Moreno—deceased—(whose children have succeeded to her position in this agreement), Mr. Manuel Polanco Moreno, Ms. M^a Jesús Polanco Moreno and their now deceased father Mr. Jesús de Polanco Gutiérrez and mother Ms. Isabel Moreno Puncel signed a Family Protocol, to which a Shareholder Syndicate Agreement was annexed concerning shares in Rucandio, S.A. and whose object is to preclude the entry of third parties outside the Polanco Family in Rucandio, S.A. in the following terms: (i) the syndicated shareholders and directors must meet prior to any shareholder or board meeting to determine how they will vote their syndicated shares, and are obliged to vote together at shareholder meetings in the manner determined by the syndicated shareholders; (ii) if an express agreement is not achieved among the syndicated shareholders with respect to any of the proposals made at a shareholder meeting, it will be understood that sufficient agreement does not exist to bind the syndicate and, in consequence, each syndicated shareholder may freely cast his vote; (iii) members of the syndicate are obliged to attend syndicate meetings personally or to grant proxy to a person determined by the syndicate, unless the syndicate expressly agrees otherwise, and to vote in accordance with the instructions determined by the syndicate, as well as to refrain from exercising any rights individually unless they have been previously discussed and agreed at a meeting of the syndicate.; (iv) members of the syndicate are precluded from transferring or otherwise disposing of shares in Rucandio, S.A until 10 years following the death of Mr. Jesús de Polanco Gutiérrez, requiring in any case the consensus of all shareholders for any type of transfer to a third party. An exception to the aforementioned term can be made upon the unanimous agreement of the shareholders. This limitation likewise applied specifically to the shares that Rucandio, S.A. holds directly or indirectly in Promotora de Informaciones, S.A.

Shareholder Agreement in Promotora de Publicaciones, S.L.:

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 it should be underscored that, no operations involving sale of treasury stock were carried out in 2008.

-With regard to **Section B.1.2** of this report it should be underscored that:

- i) The first appointment of Mr. Ignacio Polanco Moreno as Chairman of the Board of Directors was 23 July 2007 and the first appointment of Mr. Juan Luis Cebrian Echarri as Managing Director was 20 Oct 88.
- ii) the director Ms. Isabel Polanco Moreno died on March 29, 2008.

- With regard to **Section B.1.3** of this report it should be underscored that:

i) Executive directors may qualify as external directors representing significant shareholdings pursuant to the instructions for completing this report (National Securities Market Commission Circular 4/2007 of December 27 amending the Model Annual Corporate Governance Report for Listed Corporations, but are considered executives pursuant to Definition 3 (Executive Directors) of the Unified Code of Good Governance approved by the Commission on May 22, 2006 that states that “when a director performs senior management duties and at the same time represents a significant shareholder on the Board, he shall be considered as “executive” or “internal” for the exclusive effects of this Code.”

ii) 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:

i) Company director Mr. Alfonso López Casas represents the director Promoción Actividades Audiovisuales Canarias, S.A. on the board of directors of Productora Canaria de Programas, S.A.

ii) Company director Mr. Francisco Javier Díez de Polanco, holds the following posts on the board of directors of the following companies:

- Sogecable Media, S.L.: representing the Chairman and Chief Executive Officer Sogecable, S.A.
- Audiovisual Sport, S.L.: representing the Chairman Sogecable, S.A.
- Cinemanía, S.L.: representing the Chairman Sogecable, S.A.
- Compañía Independiente de Noticias de Televisión, S.L.: representing the Chairman Sogecable, S.A.
- Sogecable Editorial, S.L.: representing the Chairman and Chief Executive Officer Sogecable, S.A.

- With regard to **section B.1.8.** of this report it should be underscored that:

i) company director Ms. Agnès Noguera Borel holds the following posts on the boards of directors of the following companies:

- Banco de Valencia, S.A.: representing the director Libertas 7, S.A
- Bodegas Riojanas, S.A.: representing the director Premier Mix, S.A.
- Adolfo Domínguez, S.A.: representing the director Luxury Liberty, S.A.
- Compañía Levantina de Edificación y Obras Públicas: representing the director Libertas 7, S.A.

ii) on the Board of Directors of Abengoa, S.A., the director of the Company Mr. José Buenaventura Terceiro Lomba, represents the Vice President Aplicaciones Digitales, S.L.

- With regard to **section B.1.10** of this report it should be underscored that in Article 5 of the Board of Directors Regulation, the Board is vested with the power to approve the general remuneration policy for directors and senior management, as well as to periodically evaluate the operations and composition of the Board of Directors, but not the performance of senior managers.

- With regard to **sections B.1.11.** and **B.1.12** of this report it should be underscored that:

i) In 2008 the Company implemented a Compensation Plan granting shares to Grupo Prisa executive directors and managers in order to facilitate or increase their participation in the company's capital stock, pursuant to the authorization granted at the annual shareholders meeting on March 13, 2008, with the amendment passed at the extraordinary shareholders meeting on December 5, 2008. Of the 1,550,000 options granted, 177,500 were for executive directors and 230,000 for members of senior management.

The options may be exercised from December 31, 2009 through December 31, 2010, at an exercise price of 2.94 € for each option, i.e., the simple average of the closing prices of company stock traded on the continuous market during the 30 trading days immediately prior to the date that the December 5, 2008 extraordinary shareholders meeting was held.

ii) Included in variable compensation for directors and the total compensation for senior managers are amounts perceived as "long term incentives" (ILP). Those incentives, which were paid once the 2007 accounts had been drawn up and those amounts provided for, are linked to achieving the objectives of the Group's Strategic Plan for 2005-2007, and affect managers most closely responsible for meeting those goals.

- With regard to **section B.1.12** of this report it should be underscored that:

i) senior managers are those who report directly to the chief executive (members of the Management Committee and Business Committee who are not executive directors) as well as the Internal Audit Manager of Promotora de Informaciones, S.A.

ii) the offices of the senior management members are those they held on December 31, 2008.

iii) on the date that this report was approved, Mr. Miguel Satrustegui Gil-Delgado was no longer Secretary General and Secretary to the Board, having tendered his resignation at the board meeting held on February 19, 2009.

-With regard to **Section B.1.13** of this report it should be underscored that:

i) the beneficiaries are part of the group of executive directors and managers referred to previously in Section B.1.12.

ii) the body that has authorized ironclad or golden handshake clauses is the Corporate Governance, Appointments and Remunerations 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.1.15** of this report it should be underscored that as per December 31, 2008 there is no benefits system for members of the Board of Directors or senior managers.

- With regard to **Section B.1.16** of this report it should be underscored that the Board of Directors submits its annual remuneration policy for the Board of Directors and management team to the shareholders for their approval at the Annual Shareholders Meeting, as an integral part of the Management Report submitted with the annual accounts (and not as a separate non-binding item on the agenda), which is one of the solutions suggested in the Recommendation of the European Commission of December 14, 2004 concerning promoting an adequate remuneration system for directors of listed companies.

- With regard to **Section B.1.17** of this report it should be underscored that Timón, S.A. controls 100% of PRISA's significant shareholder Asgard Inversiones Inversiones, S.L., which was reported under section A.4 of this report.

- With regard to **Section B.1.34** of this report it should be underscored that at December 31, 2008 the Secretary to the Board was Mr. Miguel Satrustegui Gil- Delgado. When he was appointed by the Board of Directors in December, 2000, the Board of Directors Regulation had not been approved nor did the Corporate Governance, Appointments and Remuneration Committee exist.

On February 19, 2009 Mr. Iñigo Dago Elorza was appointed secretary to the Board, after receiving a favorable report in that regard from the Corporate Governance, Appointments and Remuneration Committee.

- With regard to **Section C.1** of this report it should be underscored that in accordance with the provisions of the Board of Directors Regulation, related-party transactions will be submitted to the Board of Directors for approval (and for reasons of urgency may be approved by the Executive Committee) under the following terms:

i) 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. 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.

ii) The Board of Directors formally reserves the right to oversee any Company transaction with a significant shareholder. 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 conditions mentioned in the preceding paragraph.

- With regard to **section C.2** of this report it should be underscored that Rucandio, S.A. has indirectly received 25.914,000 as dividends, through the following companies:

- Promotora de Publicaciones, S.L.: 17.930.656 €
- Timón, S.A. 7.440.029 €
- Nomit Inversiones SICAV: 99.388 €
- Nomit III Internacional SICAV: 201.200 €
- Nomit IV Global SICAV: 217.219 €
- Eure K Inversiones SICAV: 26.003 €

- With regard to **section C.3** of this report it should be underscored that compensation to Prisa directors and senior management is detailed in Sections B.1.11 and B.1.12 of this report.

Likewise it should be underscored that the following services were rendered during 2008 directly or indirectly by Prisa directors to other companies of Grupo Prisa:

i) Services provided to Sogecable, S.A. for 60,000 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, April, 2006, April, 2007 and May, 2008.

ii) Services provided to Sogecable, S.A. for 4,362,000 euro refers to legal counsel and defense provided by Cortés Abogados y Cía S.R.C in a series of proceedings in several jurisdictions (administrative, civil, commercial and arbitral) and legal advice rendered in various matters.

ii) Services provided to Diario As, S.L. for 174,000 euro refers to legal counsel provided by Luis Cortés Dominguez in a series of proceedings.

With regard to **section C.4** of this report it should be underscored that of the aggregate amount of 94,149,000 euros for operations with Dédalo Grupo Gráfico, S.L., 92,400,000 euros are for loans that Prisa investee companies have with Dédalo Grupo Gráfico, S.L. or with companies in which Dédalo has interests, as a consequence of the following financing operations:

- 32,000,000 euros represent a loan granted by Prisaprint, S.L (a Prisa investee company) to Dédalo Grupo Gráfico, S.L. during the first semester of 2008.
- 41,000,000 euros represent loans granted by Prisaprint, S.L (a Prisa investee company) to Dédalo Grupo Gráfico, S.L. in December, 2007.
- 2,490,000 euros represent loans granted by Diario El Pais, S.L. (a Prisa investee company) to Distribuciones Aliadas y Norprensa (companies in which Dédalo Grupo Gráfico, S.L. holds interests) in October, 2007.

- 15,000,000 euros represent loans granted by Prisaprint, S.L (a Prisa investee company) to Dédalo Grupo Gráfico, S.L. in June, 2006.

For the 2008 fiscal year interest in the amount of 1,919,000 euros, which accrued on the loans granted by Prisaprint, S.L. to Dédalo Grupo Gráfico, was added to the principal, after having deducted the corresponding withholding taxes.

- With regard to **section C.7 and F.2** of this report it should be underscored that PRISA does not have any dependent company that is listed in Spain, but its Portuguese subsidiary Grupo Media Capital, S.G.P.S, S.A. is listed on the Portuguese securities market.

- With respect to the binding definition of an independent director, the answer states that none of the independent directors has or has had a relationship with the company, its significant shareholders or its management that contravenes the provisions of Section 5 of the Unified Code of Good Governance, since the consulting services provided directly or indirectly to Sogecable, S.A. and Diario As, S.L. by two Prisa directors (see the corresponding description in the observations provided under C.3-in Section G of this Report) does not prejudice the independence of those directors.

-Lastly, and generally applicable throughout the report, it should be underscored that, the Tax Identification Numbers attributed to the non-Spanish companies are fictitious and were provided as required in this computerized form.

Binding definition of independent director:

Indicate whether any of the independent directors maintains or has maintained any relationship with the company, its significant shareholders or its managers which, had it been sufficiently relevant or important, would have determined that the director could not be considered independent as defined in section 5 of the Unified Code of Good Governance:

NO

This Annual Report on Corporate Governance was approved by the Board of Directors of the Company at its meeting on March 31, 2009.

Indicate whether any directors voted against or abstained in the vote taken to approve this report.

NO