

PROJECTED MERGER

OF

PROMOTORA DE INFORMACIONES, S.A.

AND

SOGECABLE, S.A. Unipersonal

Madrid, October 3, 2008

For the purposes envisioned in Articles 234, 235, 250 and related articles of the Corporations Law, passed as Royal Legislative Decree 1564/1989, of December 22 (hereinafter, the “**Corporations Law**”), the undersigned, as members of the boards of directors of PROMOTORA DE INFORMACIONES, S.A. (hereinafter, “**PRISA**” or the “**Surviving Company**”) and SOGECABLE, S.A. Unipersonal (hereinafter, “**SOGECABLE**” or the “**Merged Company**”) have drawn up this merger project (hereinafter, the “**Merger Project**” or the “**Project**”), which shall be submitted for approval at their respective shareholders meetings, in accordance with the provisions of Article 240 of the aforementioned Corporations Law. The content of the Project is as follows:

1. INTRODUCTION

1.1 Justification for the Merger

The projected merger is the result of a process in which PRISA has progressively acquired control over SOGECABLE. This process commenced with PRISA’s January 2006 takeover bid (the “2006 Takeover Bid”) to acquire 20% of SOGECABLE stock, which raised PRISA’s interest to a 42.94% stake in SOGECABLE. The results of the 2006 Takeover Bid enabled PRISA to consolidate SOGECABLE in its annual accounts using the full consolidation method.

The takeover process continued with a subsequent takeover bid in March, 2008 (the “2008 Takeover Bid”) to acquire 100% of SOGECABLE stock. At the end of the term for accepting the offer, PRISA had acquired 97.71% of SOGECABLE’s share capital, having thus met the legal requisites authorizing (i) PRISA to squeeze-out the remaining SOGECABLE shares and (ii) SOGECABLE shareholders to sell-out their remaining shares to PRISA. As a consequence of exercising those rights, by June, 2008 PRISA had acquired 100% of SOGECABLE stock.

In its 2008 Takeover Bid prospectus PRISA indicated that its goal was, among others, “*to carry out a strategic review of all of its activities, including those of SOGECABLE*”, and that “*it might adopt measures, including those of a structural nature, (...)*”, “*including, if warranted, a possible merger of SOGECABLE into PRISA, a possibility that would increase with an overwhelming acceptance of the takeover bid*”.

The goal of the projected merger is to strengthen GRUPO PRISA financially by enabling it to manage its resources as a whole. In addition, the merger would facilitate synergies of all types that result from processes of this nature (optimizing of resources, simplifying structures, reducing expenses, etc.)

1.2 Structure of the operation

The legal vehicle for integrating PRISA and SOGECABLE is the merger defined in Articles 233 ff. of the Corporations Law. Specifically, the projected merger will be implemented pursuant to the provisions of Article 250 of the Corporations Law concerning simplified mergers, since PRISA owns 100% of SOGECABLE stock. In the operation, SOGECABLE will merge into PRISA and cease to exist, with the dissolution and liquidation of SOGECABLE and the transfer of all of its assets to PRISA, which will acquire all of SOGECABLE's rights and obligations. The effectiveness of the merger will be subject to obtaining any pertinent authorizations.

2. IDENTITY OF THE COMPANIES PARTICIPATING IN THE MERGER

2.1 PRISA (Surviving Company)

PRISA, domiciled in Madrid at 32 Gran Vía and having perpetual existence, was incorporated in a notarial instrument in the presence of Madrid Notary Public Mr. Felipe Gómez-Acebo Santos on January 18, 1972, as number 119 in his notarial records.

The company's bylaws were adapted to conform to the Corporations Law in a notarial instrument executed on July 31, 1990 in the presence of the Madrid Notary Public Mr. José Aristónico García Sánchez, as number 2411 in his notarial records.

PRISA is registered at the Madrid Companies Registry in General Volume 2836 as number 2159 of Section 3 of the Companies Book, on folio 54, page 19511, entry number 1.

PRISA's Tax ID Number is A-28297059.

2.2 SOGECABLE (Merged Company)

SOGECABLE, S.A. Unipersonal, domiciled in Tres Cantos (Madrid) at 6 Avenida de los Artesanos and having perpetual existence, was incorporated in a notarial instrument in the presence of Madrid Notary Public Mr. José Aristónico García Sánchez on April 12, 1989 as number 1385 in his notarial records.

SOGECABLE is registered at the Madrid Companies Register on General Volume 9458 as number 8201 of Section 3 of the Companies Book, folio 122, page 87787, entry number 1.

SOGECABLE's Tax ID Number is A-79114815.

3. TYPE AND PROCEDURES FOR SHARE EXCHANGE

Since the Surviving Company PRISA owns 100% of SOGECABLE stock, pursuant to Article 250 of the Corporations Law no capital increase in PRISA is required, nor must any procedure for exchange of the Merged Company's shares be provided in the merger project nor any date be set after which new stock shall include rights to share in corporate profits.

Likewise pursuant to Article 250 of the Corporations Law, there are no requirements to issue reports from the directors of the companies intervening in the merger or independent expert opinions with respect to the Merger Project.

Upon entry of the merger on the Companies Register, all shares in the Merged Company shall be fully cancelled.

4. DATE OF THE MERGER FOR ACCOUNTING PURPOSES

Commencing on January 1, 2009 (inclusive) all SOGECABLE transactions shall for accounting purposes be deemed to have been carried out by PRISA.

5. SPECIAL RIGHTS

In SOGECABLE and PRISA there are no special shares or special rights other than those represented by their stock and, thus, no grant of special rights or offer of any type of options is warranted.

6. DIRECTORS' PRIVILEGES

No privileges of any class shall be granted to the directors of either of the companies participating in the merger.

7. AMENDMENT OF BYLAWS

Given that Sogecable holds a public service license to provide private television broadcasts, the directors of the companies participating in the merger deem it necessary to amend Article 2 of the bylaws of the Surviving Company ("Corporate Objective") to expressly reflect the provisions of Article 18 of Law 10/1988, of May 3, on Private Television, concerning the indirect management of the public service of providing private television broadcasts.

The directors of the companies participating in the merger likewise deem it necessary to amend Article 6 of the Surviving Company's bylaws so that all PRISA shares may subsequently be registered shares, the foregoing likewise being a consequence of compliance with Article 18 of the aforementioned Law 10/1988.

8. TAX REGIME

The tax regime envisioned Chapter VIII of Title VII and the Second Additional Provision of the Consolidated Text of the Corporate Tax Law, passed under Royal Legislative Decree 4/2004, shall be applied to the projected merger.

In that regard and pursuant to Article 96 of that Consolidated Text, the Ministry of Economy and Finance shall be notified of the merger as legally required.

Pursuant to the provisions of Article 234 of the Corporations Law, the directors of PRISA and SOGECABLE whose names appear below hereby execute and ratify with their signatures this Merger Project in three (3) counterparts, each being identical in content and form, one for each of the companies and a third to be placed on file at the Madrid Companies Registry, having been respectively approved by the boards of directors of PRISA and SOGECABLE on October 3 and 7, 2008.

BOARD OF DIRECTORS OF
PROMOTORA DE INFORMACIONES, S.A.

Mr. Ignacio Polanco Moreno

Mr. Juan Luis Cebrián Echarri

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BOARD OF DIRECTORS OF
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Mr. Diego Hidalgo Schnur

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Mr. Jaime Terceiro Lomba

Mr. Ramón Mendoza Solano