The objective of the resolution proposed by the Board of Directors is to issue bonds convertible into newly-issued shares in the Company and/or exchangeable for already-issued shares in the Company, excluding the preemptive rights of shareholders and, if applicable, of the holders of other convertible securities, delegating to the Board the powers necessary to issue bonds for a maximum amount of THREE HUNDRED MILLION EUROS (300,000,000 €) or an equivalent amount in another currency. For that purpose, this report has been prepared in accordance with the provisions of Articles 144, 159 and 292 of the Corporations Law.

The volume of resources traded on domestic and international financial market affords a means for raising funds over a short period and in very favorable conditions, providing that there are adequate instruments, given the agility and speed with which they are traded.

In order to take advantage of the opportunities that these capital markets afford, due to several circumstances it is necessary to effect this bond issue as quickly as possible and to place it in the least possible time, without the limitation of preemptive rights, during a term that must last at least 15 days.
Therefore the issue of convertible and/or exchangeable bonds on the part of the Company is being considered, in which case and in order to provide the necessary agility for the placement as mentioned above, the shareholders will be asked to totally exclude any preemptive rights to subscribe the bonds in the issue to be submitted for approval at the Shareholders’ Meeting.

In other respects, given that when this proposal is submitted it will not be possible to know when market conditions will be most favorable, the proposal envisions delegating to the Board of Directors the power to determine within the period between the 2005 Annual Shareholders’ Meeting and the next Annual Meeting the dates of the issue agreement and other conditions thereof, defining the conditions and types of conversion approved at the Shareholders’ Meetings and any other details not determined at that time. After the time limit has expired, it is understood that this delegation of powers will no longer be in force, and the Board of Directors shall likewise be empowered to refrain from partially or totally implementing the agreement.

With regard to the exclusion of preemptive rights and the provisions of Article 159 of the Corporations Law, the value of shareholders’ equity shall be the figure shown in the consolidated financial statements at December 31, 2004, as prepared by the Board of Directors. The shareholders’ equity figure will be calculated by dividing total equity by the number of shares issued.

The identity of potential subscribers of the issue of convertible and/or exchangeable bonds is not known at this time, given that there is a possibility that the bonds will be placed in a public offering. There is also a possibility that the bonds may be issued through a subsidiary of PROMOTORA DE INFORMACIONES, S.A. resident in Spain or in a territory of the European Union that is not a tax haven.

The present bond issue agreement is shall be made according to the requirements and with the general guarantees prescribed by law, within the conditions and types approved at the Shareholders’ Meeting, implementing the conversion by means of capital
increases in the maximum amount approved at the Shareholders’ Meeting, as reflected in this agreement.

As required in the provisions of Articles 292.2 and 159 of the Corporations Law, the reports issued by the auditors appointed by the Companies Register, who are not the Company’s auditors, are attached hereto.

Likewise, and pursuant to the provisions of Articles 159 and 292 of the Corporations Law, the conditions and types of conversion for this issue, as well as the amount of capital increase required in that regard shall be set forth and submitted at the Meeting for the shareholder’s approval.

The resolutions to be submitted for approval at the General Shareholders’ Meeting are as follows:

“1. To issue, in one or several issues, bonds convertible into newly-issued shares in the Company and/or exchangeable for already-issued shares in the Company, within the term between the present Shareholders’ Meeting and the Annual Shareholders’ Meeting of 2006, for a maximum total of THREE HUNDRED MILLION EUROS (300,000,000 €) or the equivalent amount in another currency, in accordance with the conditions, types and other terms set forth below, and delegating to the Board the power to implement the bond issue:

- Face Value and Price of the Bond Issue

The bonds to be issued shall have a face value of no less than FIVE EUROS (5 €) each, and they shall be issued at least at par, that is, for 100% of their face value.

Subscribers may pay for the bonds in cash or in kind by delivering shares or other securities in other companies, as determined by the Board of Directors. In the case of non-cash contributions, the provisions of Article 38 of the Corporations Law shall apply.
- **Repayment Price**

The type of repayment shall be determined by the issuer’s Board of Directors when it decides to implement the present agreement.

- **Interest Rate**

The Board of Directors shall determine the nominal interest of the bonds, the interest accrual periods, and the payment of coupons based on market conditions.

- **Conversion and/or Exchange**

Bonds issued pursuant to the present agreement shall be convertible into new shares in “PROMOTORA DE INFORMACIONES, S.A.” and/or exchangeable for already-issued shares in the Company, the Board of Directors being empowered to determine whether they shall be convertible and/or exchangeable, as well as whether their being convertible and/or exchangeable is mandatory or voluntary and, if deemed voluntary whether they are so at the option of the bondholder or issuer, with the periodicity and during the term determined by the Board of Directors when implementing this agreement.

In the event that the issue is deemed convertible and/or exchangeable, the Board of Directors may decide that the issuer reserves the right to choose at any time between converting the bonds into new shares or exchanging them for shares already issued, determining the nature of the shares to be delivered when effecting the conversion or exchange, and likewise being empowered to deliver a combination of newly-issued shares and already-existing shares. In any case, the issuer shall dispense equal treatment to all bondholders who convert and/or exchange their bonds during the same conversion and/or exchange period.

- **Conversion and/or Exchange Price**

For purposes of conversion and/or exchange, the bonds shall be valued at their face value and shares at their reasonable value, at the fixed rate determined by the issuer’s
Board of Directors when executing the present agreement, or at the rate to be determined on the date or dates specified in a resolution of the Board of Directors, based on the company’s share quotation on the stock market on the date(s) or in the period(s) used as a reference in the agreement. In no event may the value of shares be lower than their face value or net worth based on the consolidated financial statements at December 31, 2004, as prepared by the Board of Directors and approved at the present Shareholders’ Meeting, nor lower than their average quotation at the close of trading on the Madrid Stock Exchange thirty days prior to the date of the resolution of the Board of Directors implementing this issue.

- Repayment

The issue or issues shall have a maximum duration of fifteen years. The issuer reserves the right to early redemption of the bonds in each issue at any time, in the terms agreed by the Board of Directors in each case.

- Bondholders’ Syndicate

In accordance with the current Corporations Law and the Companies Register Regulations, for each bond issue the Company shall form a bondholders’ syndicate, and the issuer’s Board of Directors shall appoint both a provisional trustee and a substitute trustee until the first meeting of the bondholders’ syndicate is held.

- Securing the Issue

The issue or issues shall be secured by the issuer’s global assets, as provided by law.

- Representation of the Bonds

The bonds issued by virtue of this agreement shall be represented by certificates or by book entries, in accordance with the laws in force at the time.

- Securities Exchange Listing
By resolution of the issuer’s Board of Directors, application may be made for the bond issue or issues to be listed on domestic or foreign securities markets.

2. Exclusion of Preemptive Rights

In the interest of the company and in view of the motives set forth in the Directors’ Report, the preemptive rights of shareholders and, where applicable, of holders of other convertible securities that may be issued, to subscribe the bond issue or issues described in the this agreement are hereby excluded.

3. Preemptive Rights in Capital Increases and in Convertible Bond Issues

If after the issue of the convertible and/or exchangeable bonds issued by virtue of this agreement capital increases are implemented by issuing new common or preferred stock, or issues of convertible bonds, the holders of convertible bonds shall have preemptive rights proportional to the face value of the shares to which they would be entitled if at that time they converted their bonds at the predetermined exchange rate, in accordance with current legislation, unless current legislation does not provide for preemptive rights, and unless in the terms and within the legal requisites the corporate governing body empowered to do so decides to totally or partially exclude the preemptive rights of those shareholders and holders of convertible bonds.

4. Pursuant to the provisions of Article 292 of the Restated Text of the Corporations Law, it is hereby resolved to increase the company’s share capital by a maximum of FIVE MILLION EUROS (5,000,000 €) to cover, if warranted, the conversion of bonds or other securities into shares in the company by issuing the number of ordinary shares of the same series and face value as those that are at that time outstanding, in the amount necessary to cover the applications for conversion. The new shares shall be issued in the amount required to cover applications to convert the company’s convertible bonds, as well as applications to convert bonds or debentures issued by any subsidiary of the company, provided that the conditions for conversion, set forth in the
corresponding issue agreement respect the conditions and types of conversion provided for in this agreement.

In accordance with the provisions of Article 159.4 of the Restated Text of the Corporations Law there will be no preemptive rights in the capital increase or increases resulting from the conversion of bonds into shares in each of the corresponding bond issues.

5. Within the period between the present Annual Shareholders’ Meeting and the next General Meeting, the Board of Directors is hereby empowered to proceed with the issue or issues of bonds convertible into newly-issued shares in “PROMOTORA DE INFORMACIONES, S.A.” and/or exchangeable for already-existing shares in “PROMOTORA DE INFORMACIONES, S.A.” in the maximum amount agreed and determining, if warranted and within the conditions and types of conversion agreed at the Shareholders’ Meeting, any others not yet decided, without any limitations whatsoever. Specifically, the Board of Directors shall have the following powers, including but not limited to the power:

a) To determine the value of the issue, within the maximum amount authorized, as well as the maximum amount per subscriber, if applicable, while the subscription period is open, if there is one;

b) To determine the place of the issue, which may be made through a subsidiary resident in Spain or in a territory of the European Union that is not a tax haven, the currency and the denomination, whether they be bonds, debentures or any other legally-recognized instruments;

c) To determine the subordination of the issue, if any, and the priority of the debt with respect to the rest of the company's obligations; and if so decided to incorporate warrants with the bonds;

d) To determine the number of securities, their face value and the type of issue which, in any case, shall at least be at par, i.e., at 100% of their face value;
e) To apply to redeem or repay the securities issued and to redeem them early;

f) To extend for the term it decides, the subscription period open to third parties or to reduce the amount of the issue to the amount subscribed at the end of that period;

g) To issue, up to the maximum amount agreed, the new shares necessary to cover the conversion of bonds, thereafter adapting Article 6 of the Company Bylaws concerning Share Capital;

h) To rectify, clarify and interpret, define or complement the resolutions adopted at the Shareholders’ Meeting with regard to the notarial instruments or documents issued to implement those resolutions, and especially to rectify or correct any defects, omissions or errors, whether in substance or in form, which could prevent those resolutions and the consequences thereof from being recorded on the Companies Register, the official registers of the National Securities Exchange Commission or any others;

i) To draft and to publicize as deemed warranted, the corresponding bond issue prospectus or prospectuses;

j) As required by applicable law, to designate the person or persons who on behalf of the company shall assume responsibility for the content of the prospectus or prospectuses in each of the bond issues, when applicable;

k) To modify the relation of the exchange of bonds for shares in the event that before conversion and/or exchange there is a capital increase charged to reserves or a capital reduction due to losses;

l) To refrain from totally or partially using any of the powers granted in the present agreement adopted at the Annual Shareholders’ meeting, as well as to refrain from effecting the agreed capital increase in any amount not absolutely necessary to cover the conversion of the issued convertible bonds into shares.”