

REPORT ISSUED BY THE BOARD OF DIRECTORS OF PROMOTORA DE INFORMACIONES, S.A. CONCERNING THE PROPOSED RESOLUTION APPEARING AS ITEM TWO ON THE AGENDA OF THE EXTRAORDINARY SHAREHOLDERS MEETING TO BE INITIALLY HELD IN MADRID ON DECEMBER 5, 2008 OR, IF A SUFFICIENT QUORUM IS NOT PRESENT AT THAT TIME, ON DECEMBER 6, 2008, AT THE SAME PLACE

This report concerns the proposed resolution to delegate powers to the Board of Directors to increase the share capital of Promotora de Informaciones, S.A. (hereinafter, “**Prisa**” or the “**Company**”), which shall be submitted for approval as Item Two on the Agenda of the Extraordinary Shareholders Meeting to initially be held on December 5, 2008 or, if a sufficient quorum is not present at that time, on the next day at the same time and same place as initially announced.

This report is issued in compliance with the requisites set forth in Article 144.1.a) of the Corporations Law (“**LSA**” or “**Corporations Law**”), as it relates to Articles 152.1 and 153.1, as well as in compliance with Article 159.2 LSA.

The Board of Directors’ resolution proposes delegating to the Board the power to increase share capital one or several times, in the terms set forth in Article 153.1. b) of the Corporations Law, with the power to exclude preemptive rights pursuant to Article 159 of that same law.

The volume of resources that Prisa needs for its investments and/or for implementing the present process of restructuring its liabilities requires having access of all available financial sources on the market and using, when warranted, those that are most advantageous for the Company. In that regard, the Company intends to capture external financial resources, preferably in the debt market. However, access to that market is occasionally subject to temporary limitations derived from economic policy measures, which at a given time may reduce or halt the increase of monetary or credit variables and even the very evolution of financial markets. For that reason, Prisa desires to have the option of implementing capital increases, to be effected when market conditions make them advisable.

In addition and without prejudice to the foregoing, the Board of Directors deems it advisable to provide the Board with an instrument authorized under current legislation which, without the need to hold a new shareholders meeting, would empower the Board to implement the capital increases it deems in the Company's interest, within the limits, terms, timeframe and conditions set forth by the shareholders. The dynamics of any for-profit company, and especially large enterprises, require that their management and governing boards have access at all times to the most appropriate instruments for responding to the company's needs at any given moment and in view of the circumstances of the markets. Those circumstances may require providing the company with capital resources from new contributions.

It is not generally possible to forecast the company's capital requirements and, moreover, having to resort to a shareholders meeting to approve capital increases, with the corresponding delay and additional costs, may in certain circumstances prevent the Company from responding rapidly and effectively to the needs of the market. In that regard, the delegation of powers set forth in Article 153.1.b) of the Corporations Law practically precludes such difficulties while providing the Board of Directors with an adequate degree of flexibility to, according to the circumstances, meet the Company's needs.

Thus, and for these reasons, a proposal shall be submitted at the Shareholders Meeting to delegate to the Board of Directors the power to approve a capital increase for a maximum of 10,956,775 euro, which includes the revocation of any unexercised powers granted to the Board of Directors to increase capital, approved as Item Six on the Agenda of the Shareholders Meeting held on March 17, 2005. This authorization may likewise be used to cover the compensation package granting stock options to the Company's executive directors and managers, approved as Item Five on the Agenda of the Annual Shareholders Meeting held on March 13, 2008 and by virtue of which pursuant to Article 153.1 b) LSA the Board was granted the power to increase the Company's share capital.

Under this proposal and if warranted, the corresponding capital increase would be implemented within a maximum term of five years from the date the resolution is passed at the Shareholders' Meeting, either once or several times, and up to the legally-authorized nominal amount, that is, half of the share capital on the date authorized, which as indicated above, is 10,956,775 euro. This is to be effected through an issue of new ordinary shares, with or without share premiums, in exchange for cash contributions, and the Board of Directors

may determine the terms and conditions of the capital increase in accordance with the provisions of Article 153.1 b) of the Corporations Law. The proposal expressly provides for the possibility of a partial subscription of the shares issued, as provided in Article 161.1 of that same law.

The powers to be granted to the Board include determining the terms and conditions of each capital increase and the characteristics of the shares, as well as to freely offer the non-subscribed new shares within the term or terms for exercising preemptive rights, to amend the article in the bylaws concerning share capital, and to take all measures to ensure that the new shares issued under the capital increase are admitted to trading on the stock exchanges on which the Company's shares are listed, in accordance with the procedures of each of those stock exchanges. It is likewise proposed to empower the Board to delegate to the Executive Committee, the Chairman, or the Chief Executive Officer the delegable powers approved at the Shareholders Meeting. Also, in order to adequately coordinate the foregoing with the resolution proposed as Item Three on the Agenda concerning the delegation of powers with regard to issuing convertible securities, the proposal addressed in this report specifies that the maximum 10,956,775 euro limit available at any time shall be deemed to include the amounts of any capital increases that, if warranted to cover the conversion of bonds or the exercise of newly-issued share warrants, may be implemented according to the provisions of the aforementioned Item Three on the Agenda.

In addition, and as provided in Article 159.2 of the Corporations Law with respect to listed companies, when the shareholders delegate in the directors the power to increase share capital pursuant to the aforementioned Article 153.1.b), they may also grant them the power to exclude preemptive rights with respect to the shares issued pursuant to those delegated powers when it is in the interest of the Company, although the proposal to exclude preemptive rights must be included in the notice of the shareholders meeting and a directors' report justifying the proposal must be made available to shareholders.

In that regard, it should be noted that the proposal addressed in this report to delegate powers to the Board of Directors to increase share capital also includes, pursuant to Article 159.2 of the Corporations Law, the right to exclude all or part of the preemptive rights of shareholders and holders of bonds or other convertible securities, when warranted in the interest of the Company and in the terms of the aforementioned Article 159.

The Board of Directors considers that this possibility, which notably increases the scope of action and the capacity of response afforded by the simple delegation of the power to increase share capital pursuant to Article 153.1.b) of the Corporations Law, is justified by the flexibility and agility with which it is often necessary to act on current financial markets, in order to take advantage of those moments when market conditions are favorable. Moreover, the exclusion of preemptive rights normally reduces costs associated with the operation (particularly commissions charged by the financial entities participating in the issue) compared to issues with preemptive rights, while at the same time having less of a distorting effect on the trading of company shares during the issue period, which is usually shorter than in an issue with preemptive rights. Moreover, exclusion of preemptive rights may be necessary when financial resources are sought on international markets or when bookbuilding is used.

In any case, it should be noted that the total or partial exclusion of preemptive rights is merely a power that the shareholders grant to the Board and will only be exercised if the Board of Directors decides to do so, taking into account the existing circumstances in each case and in compliance with all legal requisites. If in exercising that power the Board should decide to exclude preemptive rights for a specific capital increase that it may approve by virtue of the authorization granted by the shareholders at the Shareholders Meeting, when approving the capital increase the Board will issue a report explaining the specific corporate interests justifying that measure, which shall likewise be subject to a report from the company auditors referred to in Article 159.2 of the Corporations Law. Both reports will be made available to shareholders and announced at the first Shareholders Meeting held after the capital increase has been approved, in accordance with the provisions of the aforementioned legal precept.

PROPOSED RESOLUTION TO BE SUBMITTED AT THE SHAREHOLDERS MEETING AS ITEM TWO ON THE AGENDA:

“I) To revoke any unexercised powers granted in the resolution passed as Item Six on the agenda of the Shareholders Meeting held on March 17, 2005, concerning delegation to the Board of Directors the power to increase share capital in accordance with the provisions of Article 153.1.b) of the Corporations Law.

II) To grant the Board of Directors the broadest and most sufficient powers provided for by law and in compliance with Article 153.1.b) of the Corporations Law, so that within a maximum term of five years from the date of the Shareholders Meeting, and without the need to call any additional meeting or seek additional authorization, the Board may implement one or various capital increases when the Board deems them warranted in the interest of the Company. The capital increase(s) shall be limited to a maximum of 10,956,775 euro, equivalent to one half of the Company's present share capital, and in order to do so the Board shall issue the corresponding new ordinary shares or any other type of shares permitted by law, with or without a share premium, in exchange for cash contributions and expressly admitting the possibility of a partial subscription of the shares as provided for in Article 161.1 of the Corporations Law. The authorization granted herein includes the power to determine the terms and conditions of each capital increase and the characteristics of the shares, as well as the power to freely offer non-subscribed new shares within the term or terms for exercising preemptive rights, to amend the article in the Bylaws concerning share capital, and to take all measures to ensure that the new shares issued under the capital increase are admitted to trading on the stock exchanges on which the Company's shares are listed, in accordance with the procedures of each of those stock exchanges. The maximum limit available at any time shall be deemed to include the amounts of any capital increases that, if warranted to cover the conversion of bonds or the exercise of newly-issued share warrants, may be implemented according to the resolution submitted at this same Shareholders Meeting as Item Three on the Agenda, or any future resolution that may replace it. The Board is likewise empowered to totally or partially exclude preemption rights in the terms set forth in Article 159.2 of the Corporations Law. This authorization may likewise be used to cover the compensation package granting stock options to the Company's executive directors and managers, approved as Item Five on the Agenda of the Annual Shareholders Meeting held on March 13, 2008. The Board of Directors is likewise empowered grant to the Executive Committee, the Chairman, or the Chief Executive Officer the delegable powers approved by virtue of this resolution."

Madrid, October 3, 2008

