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REPORT OF THE BOARD OF DIRECTORS OF PROMOTORA DE INFORMACIONES, S.A. ("Prisa" or the "Company") REQUESTED BY THE SHAREHOLDER PROMOTORA DE PUBLICACIONES, S.L. REGARDING THE PROPOSED RESOLUTION TO BE INCLUDED UNDER THE NINTH POINT OF THE AGENDA FOR THE ORDINARY GENERAL MEETING OF SHAREHOLDERS CALLED TO BE HELD ON 29 JUNE 2012, ON FIRST CALL, AND ON 30 JUNE 2012 ON SECOND CALL.

1. INTRODUCTION

This report is prepared regarding the proposal for amendment of the Bylaws of the Company that has been requested to be included, under article 519.1 of the Companies Law, by the Promotora de Publicaciones, S.L., shareholder with over 5% of the share capital of Prisa (the "**Applicant Shareholder**"). Such proposal is included under point Ninth of the Agenda of the Ordinary General Meeting of Shareholders called for 29 June 2012, at 12:30, on first call, or if a sufficient quorum is not achieved on that call, on 30 June 2012, at the same time and place, on second call.

This report is prepared by the Board of Director of Prisa at the request of the Applicant Shareholder in accordance of provided in article 519.1 in relation to article 286 of the Capital Companies Law. In particular, the proposed resolution contains the amendment of the article 15 bis of the Bylaws regarding the necessary majority to approve certain matters by the General Shareholders Meeting and subsequent amendment of the Regulations of the General Shareholders Meeting.

It is deemed that point Ninth of the Agenda in relation to amendment of article 15 bis of the Company's Bylaws is strictly related to points Seventh, Eighth and Tenth of the Agenda, in respect of which the Applicant Shareholder has requested the Board of Directors to issue corresponding reports. In summary, the purpose thereof is the amendment of the system for payment of the preferred dividend of Class B shares in a manner allowing that dividend to be paid in cash, in Class A shares or using a combination of both, the payment of the Class B shares minimum annual dividend corresponding to the financial year 2011 and payment of the dividend that may accrue by reason of voluntary conversion of Class B shares into Class A shares during the 12 months following the General Meeting and the amendment of the Bylaws to modify article 15 bis on the required majority to approve certain matters by the General Shareholders Meeting.

Such interrelationship is the result of the aforesaid resolutions being included within an overall transaction the purpose of which is to strengthen the Company's own funds and cash position, thereby improving its capital structure and financial ratios. Therefore, the corporate resolutions in question have been made interdependent on each other, since the viability of each of them depends on the approval and implementation of the others.

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Based on the interdependence of the aforesaid resolutions, it has been decided to submit the effectiveness of each of the resolutions to approval of each and every of them. For the same reason, it is recommended that this report be read together with the reports prepared by the Board of Directors at request of the Applicant Shareholder regarding the aforesaid points.

Set forth below for the shareholders an explanation of the Bylaws amendment that is proposed to the General Meeting and the reasons justifying it for the purposes of article 286 of the Capital Companies Law.

2. BACKGROUND

As has been indicated in the report regarding point Seventh of the Agenda, it is proposed to the General Shareholders Meeting to modify the system of preferred minimum dividend of non-voting Class B shares, so that the Company may freely determine whether payment of that minimum dividend is to be made in cash, in Class A shares or using a combination of both.

Payment of the aforesaid minimum dividend by way of delivery of Class A shares may result in a need to increase the capital of Prisa, if there is not a sufficient number of treasury shares. If so, the decision, in accordance with current article 15 bis of the Bylaws, would require the favourable vote of 75 percent of the voting shares present or represented at the General Shareholders Meeting.

3. DESCRIPTION OF THE PROPOSAL

If the proposed amendment of the system for the preferred minimum dividend of Class B shares is approved by the General Shareholders Meeting by way of the system of separate voting explained in the corresponding report, with the majority required by article 15 bis (i.e., with the favourable vote of 75 percent of the shares with voting rights present or represented), it is believed that it is not necessary and would be particularly burdensome to maintain the qualified majority established in current article 15 bis for capital increases, if any, implemented as a result of the Company's decision to pay the minimum dividend on Class B shares in Class A shares.

As a result, it is believed that it would be appropriate to exclude the qualified majority system contemplated in article 15 bis of the Bylaws for such capital increases as are based on payment of the preferred minimum dividend of Class B shares in Class A shares.

4. AMENDMENT OF BYLAWS AND THE REGULATIONS OF THE GENERAL SHAREHOLDERS MEETING

It therefore is necessary to amend article 15 bis of the Bylaws to exclude capital increases of the Company adopted after the holding of this General Meeting, that are the result of resolutions adopted for purposes of implementing the payment of the minimum dividend corresponding to the Class B convertible non-voting shares, from the system of majorities contemplated in that article. They instead will be subject to the approval requirements contemplated in the Capital Companies Law.

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Subsequently, it is also necessary to modify the article 21.2.a) of the Regulations of the General Shareholders Meeting in order to reflect the removal of such majority in the cases explained above.

5. CONDITION PRECEDENT

The effectiveness of the resolution proposed to the General Shareholders Meeting covered by this Report will be subject to the condition precedent that the resolutions proposed by the Board of Directors under points Seventh, Eighth and Tenth of the agenda for this Ordinary General Meeting of Shareholders be adopted. Thus, if the General Meeting does not adopt each and every one of the aforesaid resolutions, this resolution will be of no legal effect whatever.

6. SEPARATE VOTING

Given its relationship to the Seventh resolution on the Agenda, and in accordance with the requirements imposed for adoption of that resolution under the provisions of Bylaws 103 and 293 of the Capital Companies Law, this proposed resolution also will be submitted for approval by a double majority in a separate voting by the holders of Class A shares and the holders of Class B shares.

In both cases a qualified attendance quorum will be required (50% on first call and 25% on second call), and the resolution must be approved by a favourable qualified majority of 75% of the shares present or represented (on first or second call), as contemplated in article 15 bis of the Bylaws.

7. PROPOSED RESOLUTION

Based on all of the foregoing, at the request of the Applicant Shareholder, the following proposal to the Ordinary General Meeting of Shareholders is presented under point Ninth of the Agenda:

***“Amendment to the bylaws so as to modify article 15 bis on the required majority to approve specific matters by the General Shareholders Meeting and subsequent amendment to the General Meeting Regulations.*”**

1. Amendment of article 15 bis of the Bylaws and subsequent amendment of the Regulations of the General Shareholders Meeting

It is resolved to amend section a) of article 15 bis of the Company's Bylaws to exclude capital increases of the Company adopted after the holding of this General Meeting that are the result of resolutions adopted for purposes of implementing the distribution of the minimum dividend corresponding to the Class B convertible non-voting shares from the system of majorities contemplated in that article. Such share capital increases will instead be subject to the approval requirements contemplated by law.

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Thus, the current version of section a) of article 15 bis of the Bylaws is repealed. After approval and entry into effect of this resolution, it will read as follows:

"a) Bylaws' amendments including, among others, change of the corporate purpose and increase or reduction of share capital, except for such transactions as are imposed by mandate of law or, in the case of capital increases, are the result of resolutions adopted for purposes of undertaking distribution of the minimum dividend corresponding to the non-voting convertible Class B shares."

As a result, article 15 bis of the Bylaws will read as follows:

"Article 15 bis. Special resolutions.

Without prejudice to the provisions of law, the favorable vote of 75 percent of the voting shares present or represented at a General Shareholders' Meeting will be required for approval of the following matters:

a) Bylaws' amendments including, among others, change of the corporate purpose and increase or reduction of share capital, except for such transactions as are imposed by mandate of law or, in the case of capital increases, are the result of resolutions adopted for purposes of undertaking distribution of the minimum dividend corresponding to the non-voting convertible Class B shares.

b) Any form of transformation, merger or splitup, as well as bulk assignment of assets and liabilities.

c) Winding-up and liquidation of the Company.

d) Suppression of preemption rights in monetary share capital increases.

e) Change of the management body of the Company.

f) Appointment of directors by the General Shareholders' Meetings, except when the nomination is by the Board of Directors."

Subsequently, it is resolved to amend the article 21 of the Regulations of the General Shareholders Meeting in order to reflect the removal of the qualified majority in the cases abovementioned. Thus, the article 21.2.a) will read as follows:

21.2.

(...)

"a) Bylaws' amendments including, among others, change of the corporate purpose and increase or reduction of share capital, except for such transactions as are imposed by mandate of law or, in the case of capital increases, are the result of resolutions adopted for purposes of undertaking distribution of the minimum dividend corresponding to the non-voting convertible Class B shares".

2. Condition precedent

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The effectiveness of this resolution is subject to adoption of the resolutions constituting points Seventh, Eighth and Tenth of the Agenda for this Ordinary General Shareholders' Meeting. Thus, if the General Meeting does not adopt each and every one of the aforesaid resolutions, this resolution will be of no legal effect whatever.

3. Separate voting

Since point Ninth of the Agenda is linked to point Seventh of the Agenda and under requirements for the approval of such resolution, in accordance with the provisions of articles 103 and 293 of the Capital Companies Law, this resolution proposal will be subject to approval by a double majority in a separate voting of the Class A shareholders and the Class B shareholders.

In both cases a qualified attendance quorum will be required (50% on first call and 25% on second call) and the resolution must be approved by a favorable qualified majority of 75% of the shares present or represented (on first or second call), as contemplated in article 15 bis of the Prisa's Bylaws."

Based on the foregoing, the shareholders are asked to approve the proposal made.

Madrid, 13 June 2012