REPORT OF THE BOARD OF DIRECTORS OF PROMOTORA DE INFORMACIONES, S.A. REGARDING THE PROPOSED RESOLUTION INCLUDED IN THE NINE POINT OF THE AGENDA FOR THE ORDINARY GENERAL MEETING OF SHAREHOLDERS CALLED TO BE HELD ON MAY 7, 2013, ON FIRST CALL, AND ON MAY 8, 2013 ON SECOND CALL.

I. Object of the Report

This report is prepared regarding the proposed delegation of authority to the Board of Directors to issue fixed income securities, both straight and convertible into shares of new issuance and/or exchangeable for shares that have already been issued of Promotora de Informaciones, S.A., (“Prisa” or the “Company”) and other companies, warrants, promissory notes and preferred shares, including the authority to determine the basis of and the methods of conversion, exchange or exercise and, eventually, increase capital by the amount required for the conversion of securities or for the exercise of warrants, as well as for the exclusion of pre-emption rights, that will be submitted for approval of the General Shareholders Meeting of Promotora de Informaciones, S.A. (“Prisa” or the "Company") under point nine of the agenda for the Ordinary General Meeting of Shareholders, called for May 7, 2013, at 12:00 pm, on first call, or if a sufficient quorum is not achieved on that call, on May 8, 2013, at the same time and place, on second call.

This report is issued in compliance of articles 286, 297(1)(b) and 511 of the Capital Companies Act, by virtue of which, the Board of Directors must issue a report justifying the proposed delegation of authority to the Board of Directors to issue securities, with the power to exclude pre-emption rights, if any, that will be submitted for approval of the General Shareholders Meeting.

II. Objective and justification for the proposal

The Board of Directors of Prisa deems highly convenient to have available the authority admitted by the applicable legislation in order to be in a position to acquire in the primary markets the funds deemed necessary to assure an adequate management of the corporate interest, to invest and/or divest and to achieve the ongoing restructuring of its liabilities. The aim of the authority is, therefore, to provide the management body of the Company with the room for manoeuvre and the response capacity required by a competing environment in which it operates, in which very frequently the success of a certain transactions or of a strategic initiative depends on the possibility to accomplish it rapidly, without the delay and costs which inevitably implies a new calling and holding of a General Shareholders Meeting.

For such purposes, in accordance with the general regime of the issuance of fixed income securities contained in articles 401 and those following of the Capital Companies Act, as well as the special regime for listed companies foreseen in articles 510 and 511 of the same act, by virtue of the provision contained in article 319 of the Mercantile Registry Regulation and applying by analogy article 297(1)(b) of the Capital Companies Act, it is submitted to the
General Shareholders Meeting the proposed resolution under point nine of the agenda related to the delegation of authority to the Board of Directors to issue, on one or more occasions, within the maximum term of five (5) years, fixed income securities, both straight and convertible into shares of new issuance and/or exchangeable for shares, warrants, promissory notes and preferred shares.

The proposed resolution foresees to revoke the resolution passed under the third point of the agenda for the Extraordinary General Meeting of shareholders of 5 December 2008, regarding delegation of authority to issue convertible and/or exchangeable bonds, as well as warrants and other analogous securities.

The proposed resolution foresees that the total maximum amount of the issue or issues of securities resolved under this delegation will be two billion euros (€2,000,000,000) or its equivalent in another currency, amount which is deemed to be convenient in the light of the size of the Company and the current financial and market conditions.

It is noted that, in accordance with the provisions of article 510 of the Capital Companies Act, the limit set forth in article 405 of the aforesaid Act does not apply to Prisa.

Likewise, the proposed resolution foresees the authority of the Board of Directors, in the event that it decides to issue fixed income securities convertible into shares of new issuance of the Company (or warrants over shares of new issuance), it may approve the capital increase needed to the conversion, provided that adding the capital increases eventually passed under the authorisations granted by the Meeting, does not exceed the maximum of one half of capital contemplated in article 297(1)(b) of the Capital Companies Act. Therefore, the capital increases needed to cover the conversion of securities will be deemed to be included within the available limit at any time under, in the event it is approved, the eight point of the agenda for this Ordinary General Meeting related to the authority granted to the Board to increase the capital until one third of the capital designated. In the case of the warrants, it is expressly foreseen that legal rules on convertible securities will be applicable to the extent that such rules are compatible with the nature of the warrants.

In addition, in the event of issuance of bonds or other exchangeable and/or convertible securities or warrants, the resolution that is proposed includes the criteria to determine the bases for and forms of conversion and/or exchange and its exercise. However, it assigns the Board of Directors the responsibility to determine some of the bases and forms of each of the issuance within the limits and criteria set by the General Shareholders Meeting. Therefore, it will be the Board of Directors the one determining the specific conversion ratio, and for these purposes it will issue, by the time of approving the issuance of convertible securities (or warrants over shares of new issuance), on the ground of the authority granted by the General Shareholders Meeting, a report specifying the particular bases and forms of conversion applicable to the issuance, which will be the subject matter of the report of the auditors referred to in article 414(2) of the Capital Companies Act.

In particular and for the cases of issuance of bonds of exchangeable and/or convertible securities, the resolution that is submitted by the Board of Directors to the approval of the General Shareholders Meeting, foresees that the fixed income securities to be issued will be convertible into new shares and/or exchangeable for outstanding shares, at a determined or
determinable conversion and/or exchange ratio. For purposes of the conversion and/or exchange, the fixed income securities will be valued at their face amount, and shares at the price determined in the Board of Directors resolution making use of this delegation, or at the determinable price on the date or dates indicated in the Board resolution, based on the stock market price of the shares of Prisa on the date or dates or for the period or periods taken as the reference in that resolution, with or without a premium or discount by reference to that price, and in any event with a minimum of the greater of (a) the average of the weighted average price of a share of Prisa on the Continuous Market of the Spanish exchanges over a period to be determined by the Board of Directors, not greater than three months or less than fifteen calendar days prior to the date of adoption of the Board's resolution to issue the fixed income securities, and (b) the closing price of the share of Prisa on that Continuous Market on the trading day prior to adoption of the aforesaid issue resolution. The Board may determine that the valuation of the shares for purposes of conversion and/or exchange may be different for each conversion and/or exchange date. In the case of exchange for shares of another company (whether or not in the Group), to the extent required, and with the adaptations, if any, that are necessary, the same rules will be applied, although by reference to the share price of that company on the corresponding market.

The exercise price of the warrants may be fixed or variable based on the date or dates or period or periods taken as a reference, however, in any event, the share price to be taken into account may not be of less than the greater of the values referred to for the cases of issuance of convertible bonds or securities. In the case of a purchase option on outstanding shares of another company (whether or not in the Group), to the extent required, and with the adaptations, if any, that are necessary, the same rules will be applied, although by reference to the share price of that company on the corresponding market.

Accordingly, the Board considers that it is granted in its favour a room of manoeuvre sufficient for the purposes of determining the value of the shares for the purposes of conversion and/or exchange in the light of the market conditions and other applicable considerations, provided that the price must be, at least, substantially equivalent to its market price at the moment at which the Board approved the issuance of fixed income securities or of the warrants.

In addition, as its results from article 415(2) of the Capital Companies Act, the resolution foresees that, for the purposes of conversion, the face value of debentures must not be lower than the face value of the shares. Likewise, in the event of issuance of warrants, the resolution foresees that the aggregate of premium paid for each warrant and its exercise price must not be lower than the market price of the underlying share taking into account the criteria referred to above, nor lower that the face value of the shares at the time of their issuance.

On the other hand, it is noted that the authority to issue fixed income securities includes, by according to the provisions contained in articles 308, 417 and 511 of the Capital Companies Act and in the event that the issuance has as its object convertible securities and/or warrants on newly-issued shares, the authority of the Board of Directors to exclude, totally or partially, the pre-emptive rights of shareholders and holders of convertible securities and warrants on newly-issued shares, if such exclusion is required for the purposes of capturing the financial resources in the markets of in any other way justified by the corporate interests. The Board of Directors deems that this additional possibility, which extends significantly the room for
manoeuvre and the response capacity which grants the simple authority to issue convertible securities and/or warrants, it is justified due to the flexibility and agility necessary to operate in the current financial market to take advantage of the times in which the market conditions are more favourable. This justification applies also when the acquisition of financial resources takes place in international markets, in which the great number of resources negotiated and the agility and rapidness demanded by such markets, allow to acquire a substantial amount of funds in very favourable conditions, provided that the issuance takes place at the most convenient time, which cannot be identified in advance. Likewise, the exclusion of the pre-emptive rights might be necessary if the acquisition of resources is pretended to occur through prospecting demand techniques or book building. On the other hand, and if it is necessary or convenient, the exclusion is ideal for selling convertible securities and/or warrants on shares of new issuance amount one or various qualified investors (such as institutional investors), or, eventually, in order to facilitate the entry into Prisa of one or more industrial or financing shareholders which might contribute to the creation of value and the compliance of strategic targets of the Group. Finally, the exclusion of pre-emptive rights allows the reductions of associated financial costs (including, particularly, the fees of the financing entities taking part in the issuance) in comparison to an issuance with pre-emptive rights and, at the same time, it causes a lower distortion effect in the negotiation of the Company’s shares during the issuance process.

In any event, the exclusion of pre-emptive rights is an authority which the General Shareholders Meeting grants in favour of the Board of Directors and which correspond to the Board, on the basis of the particular circumstances and in accordance with the legal limitations, to decide in each case whether it is appropriate or not to exclude such rights. In this sense, if the Board of Directors decided to exclude the pre-emptive rights in relation to a particular issuance of convertible securities and/or warrants on shares of new issuance which eventually decided to perform in the light of the authority requested to the General Shareholders Meeting, it will issue, by the time of the approval of the issuance, a report detailing the particular reasons of the corporate interest which justify such measure, being such report the subject matter of the consequent report of the auditors referred to in article 511(3) of the Capital Companies Act. Both reports will be made available to the shareholders and holders of securities and other convertible securities and will be communicated at the first successive General Shareholder Meeting to be held after the approval of the issuance.

In addition, it is proposed the approval of the necessary agreements in order to facilitate the listing of the securities issued by virtue of this authority on any on official or unofficial secondary markets, organised or not, domestic or foreign.

Likewise, the proposal refers to the authority of the Board of Directors to guarantee fixed income securities, if applicable convertible and/or exchangeable, including warrants, as well as notes and preferred shares issued by companies in the Prisa Group.

Finally, the proposal refers to the express possibility that the Board of Directors may delegate in favour of the Delegated Committee, the Chairman or the Chief Executive Officer, the authority granted in its favour provided such delegation is possible.

Based on all of the foregoing, the Prisa Board of Directors under point nine of the Agenda presents the following proposal to the Ordinary General Meeting of Shareholders:
III. Proposed resolution to be submitted for approval at the shareholders meeting

“1. To revoke in the unused part the resolution passed under the third point of the agenda for the Extraordinary General Meeting of shareholders of 5 December 2008, regarding delegation of authority to issue convertible and/or exchangeable bonds, as well as warrants and other analogous securities.

2. To delegate to the Board of Directors of Promotora de Informaciones, S.A. (“Prisa” or the “Company”), in accordance with the general scheme for issue of bonds, under the provisions of article 319 of the Commercial Registry Regulations, applying the provisions of article 297(1)(b) of the Capital Companies Act, the authority to issue fixed income securities, straight, convertible and/or exchangeable into shares, and warrants, as well as notes and preferred shares, or any other debt instruments of a comparable kind, on the following terms:

1. **Securities covered by the issue.** The securities to which this delegation applies may be debentures, bonds and other fixed-income securities of a comparable kind, both straight and convertible into newly-issued shares of the Company and/or exchangeable for outstanding shares of the Company. This delegation also may be used to issue bonds exchangeable for outstanding shares of other companies, whether or not members of the Prisa Group (the “Group”), for the issue of warrants or any other analogous securities that entitles directly or indirectly to subscribe shares of the Company or to acquire shares of the Company or shares of another company, whether or not a member of the Group, to be settled by physical delivery of the shares or, if applicable, in cash for differences, which, eventually, may be linked to or otherwise related to each issue of debentures, bonds and other straight fixed income securities of an analogous nature made under this delegation or to other loans or financing documents through which the Company acknowledges or creates a debt. The delegation also may be used to issue promissory notes or preferred shares.

2. **Term.** The issue of the securities may be made on one or more occasions, at any time, within the maximum term of five (5) years after the date of adoption of this resolution.

3. **Maximum amount.** The total maximum aggregated amount of the issue or issues of securities resolved under this delegation will be two billion euros (€2,000,000,000) or its equivalent in another currency.

For purposes of calculation of the aforesaid maximum, in the case of warrants the sum of premiums and exercise prices of the warrants of each issue approved under this delegation will be taken into account. In turn, in the case of promissory notes the outstanding balance of the notes issued under the delegation will be taken into account for purposes of the aforesaid limit.

It is noted that, in accordance with the provisions of article 510 of the Capital Companies Act, the limit set forth in article 405(1) of the aforesaid Act does not apply to Prisa.
4. **Scope of the delegation.** In use of the delegation of authority here resolved, and merely by way of illustration, not limitation, the Board of Directors will have authority, in respect of each issue, to determine the amount, always within the stated overall quantitative limit; the place of issue (in Spain or abroad) and the currency, local or foreign, and if it is foreign, its equivalent in euros; the denomination, whether bonds or debentures (including subordinated debentures), warrants (which in turn may be settled by physical delivery of shares or, if applicable, in cash for differences), promissory notes, preferred shares or any others permitted by law; the issue date or dates; the circumstance of being voluntarily or compulsory convertible and/or exchangeable, whether contingent, and, if so voluntarily, at the option of the holder of the securities or the issuer; when the securities are not convertible, the possibility of being wholly or partially exchangeable into shares of the Company or shares of another company, whether or not a member of the Group, outstanding or newly issued; the number of securities and their face value, which in the case of convertible and/or exchangeable securities may not be less than the par value of the shares; the interest rate, dates and procedures for payment of coupons; their perpetual or amortisable nature and in the latter case the term for repayment and maturity date; the instalment rate, premium and lots, the guarantees; the manner of representation, by way of certificates or book entries; pre-emption rights, if any, and subscription scheme; antidilution clauses; rules of priority and, if applicable, subordination; applicable law; to request, if applicable, admission for trading on official or unofficial secondary markets, whether or not organised, domestic or foreign, of the securities issued, satisfying the requirements in each case imposed by applicable regulations, and, in general, any other term of the issue (including subsequent amendment thereof), as well as, if applicable, to appoint the Commissioner and approve the basic rules that are to govern legal relationships between the Company and the Syndicate of holders of the securities that are issued, if it is necessary or is decided to form such a Syndicate. Regarding each specific issue made under this delegation, the Board of Directors may determine all matters not contemplated in this resolution.

The delegation also includes the grant to the Board of Directors of the power to decide, in each case, on the conditions for repayment of the securities issued under this authorization, which may be used, to the extent applicable, to the collection means referred to in Article 430 of the Capital Companies Act or any other that may apply. Likewise, the Board of Directors is authorized to, when appropriate, and subject to obtaining the necessary official authorizations and, where appropriate, the conformity of the corresponding assemblies or representative bodies of the securities’ holders, modify the conditions for repayment of the securities issued and the maturity thereof and their interest rate, if any.

5. **Bases for and forms of conversion and/or exchange.** In the case of issue of convertible and/or exchangeable debentures or bonds, for purposes of determination of the bases for and forms of the conversion and/or exchange, it is resolved to establish the following criteria:

(i) The securities issued under this resolution may be convertible into new shares of Prisa and/or exchangeable for outstanding shares of the Company, any of the companies in the Group or any other company, at a fixed determined or determinable conversion and/or exchange ratio, the Board of Directors being
authorised to determine whether they are convertible and/or exchangeable, and to determine whether they are mandatorily or voluntarily convertible and/or exchangeable, and if they are voluntarily so, whether they are so at the option of the holder or the issuer, with the regularity and over the term established in the issue resolution, which may not exceed fifteen (15) years after the date of the issue.

(ii) The board also may, for cases in which the issue is convertible and exchangeable, establish that the issuer reserves the right at any time to deliver new shares or outstanding shares, specifying the nature of the shares to be delivered at the time of making the conversion or exchange, being entitled even to choose to deliver a combination of newly issued shares and pre-existing shares or an equivalent cash amount. In any event, the issuer must respect the principle of equal treatment among all fixed income securities holders who convert and/or exchange their securities on the same date.

(iii) For purposes of the conversion and/or exchange, the fixed income securities will be valued at their face amount, and shares at the price determined in the Board of Directors resolution making use of this delegation, or at the determinable price on the date or dates indicated in the Board resolution, based on the stock market price of the shares of Prisa on the date or dates or for the period or periods taken as the reference in that resolution, with or without a premium or discount by reference to that price, and in any event with a minimum of the greater of (a) the average of the weighted average price of a share of Prisa on the Continuous Market of the Spanish exchanges over a period to be determined by the Board of Directors, not greater than three months or less than fifteen calendar days prior to the date of adoption of the Board's resolution to issue the fixed income securities, and (b) the closing price of the share of Prisa on that Continuous Market on the trading day prior to adoption of the aforesaid issue resolution. The Board may determine that the valuation of the shares for purposes of conversion and/or exchange may be different for each conversion and/or exchange date. In the case of exchange for shares of another company (whether or not in the Group), to the extent required, and with the adaptations, if any, that are necessary, the same rules will be applied, although by reference to the share price of that company on the corresponding market.

(iv) The Board may, in the event of a convertible and exchangeable securities issue, decide that the issuer reserves the right to choose, at any time, between conversion into new shares or exchange for outstanding shares, specifying the nature of the shares to be delivered at the time of the conversion or exchange, and may choose to deliver a combination of newly issued shares and outstanding shares. In any case, the issuer must ensure equal treatment for all holders of debt securities that are converted and/or exchanged on the same date.

(v) At the time of the conversion and/or exchange, the fractions of shares payable to the holders of securities will by default be rounded down to the nearest
whole number. The Board may decide whether each holder will receive any resulting difference in cash.

(vi) Under no circumstances may the value of the share used to calculate the conversion of securities into shares be lower than its par value. As provided in article 415(2) of the Capital Companies Act, debentures may not be converted into shares when the face value of the former is less than the par value of the latter. Nor may convertible debentures be issued for an amount less than their face value.

At the time of approval of an issue of convertible debentures under the authorisation granted by the Meeting, the Board of Directors will issue an administrators report explaining and specifying, based on the aforesaid criteria, the bases for and manner of conversion specifically applicable to the indicated issue. This report will be accompanied by the corresponding report of the auditors referred to in article 414(2) of the Capital Companies Act.

6. Bases for and forms of exercise of warrants. In the case of issues of warrants convertible into and/or exchangeable for shares, to which the provisions of the Capital Companies Act for convertible debentures will be applied by analogy, for purposes of determination of the bases for and forms of their exercise it is resolved to establish the following criteria:

(i) The warrants issued under this resolution may give the right to subscribe new shares issued by the Company, or acquire outstanding shares of Prisa or another company, whether or not a member of the Group, or a combination of any of the foregoing. In any event, the Company may reserve the right to choose, at the time of exercise of the warrants, to deliver newly-issued shares, outstanding shares or a combination of the two, or to proceed by way of cash settlement for differences.

(ii) The term for exercise of the warrants will be determined by the Board of Directors, and may not exceed fifteen (15) years from the issue date.

(iii) The exercise price of the warrants may be fixed or variable based on the date or dates or period or periods taken as a reference. Thus, the price will be determined by the Board of Directors at the time of issue, or determinable at a later time in accordance with the criteria established in the resolution. In any event, the share price to be taken into account may not be of less than the greater of (i) the average of the weighted average price of the share of the Company on the Continuous Market of the Spanish exchanges over a term to be determined by the Board of Directors, not greater than three months or less than fifteen calendar days prior to the date of adoption of the issue resolution by the Board, and (ii) the closing price of the Company’s share on that Continuous Market on the trading day prior to adoption of the aforesaid issue resolution. In the case of a purchase option on outstanding shares of another company (whether or not in the Group), to the extent required, and with the adaptations, if any, that are necessary, the same rules will be applied, although by reference to the share price of that company on the corresponding market.
When the warrants are issued with straight or at par exchange ratios (that is, one share for each warrant) the sum of the premium or premiums paid for each warrant and the exercise price thereof in no case may be less than the value of the underlying share as determined in accordance with the provisions of section (iii) above, or its par value.

When the warrants are issued with multiple exchange ratios (that is, other than one share for each warrant), the sum of the premium or premiums paid for all warrants issued and their aggregate exercise price in no case may be less than the result of multiplying the number of shares underlying all of the warrants issued by the value of the underlying share calculated in accordance with the provisions of section (iii) above, or their aggregate par value at the time of the issue.

At the time of approving an issue of warrants under this authorisation, the Board of Directors will issue a report explaining and specifying, based on the criteria described in the foregoing sections, the bases for and forms of exercise specifically applicable to the indicated issue. This report will be accompanied by the corresponding auditor's report contemplated in article 414(2) of the Capital Companies Act.

7. Rights of holders of convertible securities. To the extent it is possible to convert and/or exchange such fixed income securities as may be issued into or for shares, or to exercise the warrants, their holders will have such rights as may be given to them by applicable legislation and especially, where appropriate, those relating to preferential subscription rights (in case of convertible bonds or warrants on newly-issued shares) and anti-dilution clause in legal cases, without prejudice to what is stated in paragraph 8 (i) below.

8. Capital increase and exclusion of pre-emption rights for convertible securities. The delegation to the Board of Directors also includes, by way of illustration and not limitation, the following authority:

(i) The authority of the Board of Directors, under the provisions of article 308, 417 and 511 of the Capital Companies Act, to exclude, in whole or in part, the pre-emption right of the shareholders and holders of convertible debentures and, if applicable, warrants on newly-issued shares when, in the context of a specific issue of convertible debentures or warrants on newly-issued shares, that is required in order to attract funds on the international markets, to use techniques for testing demand, to incorporate industrial or financial investors that may facilitate creation of value and achievement of the strategic objectives of the Group, or is in any other way in the Company's interest. In any event, if the Board resolves to eliminate pre-emption rights on a specific issue of convertible debentures or warrants it eventually decides to carry out under this authorisation, it will, at the time it approves the issue and pursuant to applicable legislation, issue a report detailing the specific reasons in the corporate interest that justify said measure, which will be the subject of the related report of the auditor referred to in articles 41(2) and 511(3) of the Capital Companies Act. The aforesaid reports will be made available to the shareholders and holders of
convertible debentures and warrants on newly-issued shares, and reported to the first General Meeting held after the issue resolution.

(ii) The authority to increase capital by the amount necessary to cover applications for conversion or exercise of warrants on newly-issued shares. The aforesaid authority may only be exercised to the extent that the Board, adding the capital increase to cover the issue of convertible debentures or exercise of warrants and other capital increases resolved under the authorisations granted by the Meeting, does not exceed the maximum of one half of capital contemplated in article 297(1)(b) of the Capital Companies Act. This authorisation to increase capital includes authorisation to issue and circulate, on one or more occasions, the shares representative thereof that are necessary to effectuate the conversion or exercise of the warrant, and authorisation to redraft the article of the Articles of Association related to capital and, if applicable, cancel the part of the capital increase that proves not to be necessary for conversion into shares or exercise of the warrant.

(iii) The authority to develop and specify the bases for and forms of conversion and/or exchange, taking account of the criteria established in sections 5 and 6 above including, inter alia, fixing the time for the conversion and/or exchange or exercise of the warrants and, in general and in the broadest terms, determination of such matters and conditions as are necessary or appropriate for the issue.

The Board of Directors, at the successive General Meetings held by the Company, will report to the shareholders on such use as it may have made up to that time of the delegations referred to in this resolution.

9. **Admission to trading.** The Company, when appropriate, will apply for admission to trading on official or unofficial secondary markets, organised or not, domestic or foreign, of the debentures, bonds, preferred shares, warrants and any other securities issued under this delegation, authorising the Board to take such steps and actions as may be necessary for admission to trading before the competent bodies of the various domestic and foreign securities markets.

10. **Guarantee of fixed income security issues** The Board of Directors also is authorised, for a term of five years, for and on behalf of the Company and within the limit indicated above, to guarantee fixed income securities, if applicable convertible and/or exchangeable, including warrants, as well as notes and preferred shares issued by companies in the Group.

11. **Subdelegation:** The Board of Directors is authorised to delegate the delegable authority received pursuant to this resolution to the Delegated Committee, the Chairman or the Chief Executive Officer.

Madrid, 20 March 2013