



# **PROMOTORA DE INFORMACIONES, S.A.**

## **EXTRAORDINARY SHAREHOLDERS MEETING 2013**

**DECEMBER 10, 2013**

### **PROPOSED RESOLUTIONS**

*The Board of Directors of PROMOTORA DE INFORMACIONES, S.A. has resolved to submit the following PROPOSED RESOLUTIONS at the EXTRAORDINARY GENERAL SHAREHOLDERS' MEETING to be held on December 10, 2013.*

*The Board of Directors likewise passed a resolution to grant joint and several powers to the Chairman of the Board, the Chief Executive Officer and the Delegated Commission to add other proposed resolutions, as well as to delete, amend or alter any of the proposals set forth below.*

*(Free translation from the original in Spanish language)*

## ONE

Issue of warrants to certain of the Company's creditors giving them the right to subscribe for new Class A ordinary shares of Promotora de Informaciones, S.A. exclusively by way of the set-off of receivables, consequently, without pre-emption rights. Delegation of execution and specification, where not established at the general meeting of shareholders, of the warrant issue to the board of directors. Approval of the Company's capital increase in the amount necessary for the rights under the warrants to be exercised, through the set-off of receivables, and delegation to the board of directors of the power to execute the share issue agreed upon on one or more occasions as rights over the shares are exercised.

### I. ISSUE AND CHARACTERISTICS OF THE PRISA WARRANTS

#### (a) Issue

It is resolved to issue a number of warrants of Promotora de Informaciones, S.A. (the "**Company**" or "**Prisa**") that give holders the right to subscribe for new Class A ordinary shares of Prisa (the "**New Shares**"), exclusively through the set-off of receivables, consequently, without pre-emption rights, in accordance with the terms and conditions set out below (the "**Prisa Warrants**", and each of them, a "**Prisa Warrant**"). The necessary powers are delegated to the board of directors to execute the warrant issue (understood, on each occasion that powers are delegated under this resolution, that carried with these are express powers of substitution, under the applicable legislation, by the subcommittee, by the chairman and by the chief executive officer).

Based on the characteristics of the Issue and the increase in capital, detailed below, and in view of the provisions of article 304 LSC, no pre-emption rights will apply in favour of the current shareholders of the Company.

#### (b) Prisa Warrants Issue Price

In the framework of the Company's Refinancing, the Prisa Warrants will be issued in further exchange for an undertaking of the Institutional Investors at which they are directed to grant the Company a new facility for approximately three hundred and fifty-three million euros.

When the Prisa Warrants are exercised, holders must pay as a deferred consideration of the issue price 0.01 euros for each new Class A ordinary share of Prisa for which they subscribe (the "**Prisa Warrants Issue Price**").

#### (c) Rights attached to the Warrants

The Prisa Warrants shall confer on the holders the right, but not the obligation, to subscribe for the number of New Shares sufficient, in the event of full exercise of the rights arising from the Prisa Warrants, to represent 17 per cent. of the Company's share capital.

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It will be taken into account for these purposes solely (a) Prisa's share capital on the date that the proposal that is subject to this resolution is approved by the board of directors, i.e. on 23 October 2013; and (b) the resulting share capital after the increases that are to be made, as applicable, after the date hereof, in compliance with the terms and conditions of (i) the exercise of the warrants of Prisa issued by resolution of Prisa shareholders at the extraordinary general meeting held on 27 November 2010; (ii) the increase in capital derived from payment of the minimum dividend recognised to the Class B shares by means of the delivery of Class A shares, as well as the eventual adjustment of the conversion ratio in the necessary conversion of the the Class B convertible non-voting shares, the foregoing in accordance with the provisions of the Company's By-laws; or (iii) the exercise or conversion of the necessarily convertible bonds that convert to Class A shares of the Company issued by shareholders resolution at the ordinary general meeting held on 30 June 2012 (together, the "**Projected Capital Increases**").

At the date of the proposal that is subject to this resolution approval by the board of directors the share capital is 105,266,047.20 euros, therefore, the Prisa Warrants will confer on holders the right, but not the obligation, to subscribe in the first instance for up to 215,605,157 New Shares, corresponding to a maximum increase of up to 21,560,516 euros in the Company's capital. Furthermore and as and when the Company executes each of the Projected Capital Increases, which could increase the Company's share capital by up to a maximum of 76,680,355, the Prisa Warrants will confer on holders the right, but not the obligation, to subscribe for up to (including the initial and the additional shares) 372,661,305 New Shares with a nominal value of 0.10 euros and a share premium of 0.1673 each, corresponding to an overall maximum (including the first and additional increases) increase of up to 37,266,130 euros in the Company's capital. Upon the performance, as applicable, of each of the Projected Capital Increases, the holders of the Prisa Warrants will retain the same proportion (17%) of Prisa's share capital as mentioned above. In the case that between the date of the approval of the proposal that is subject of this resolution by the board of directors and the date of the approval of the resolution by the shareholders at the general meeting, the share capital of the Company is modified upon any of the Projected Capital Increases, the resulting share capital will be considered as if such modification had taken place after the Issue. However, this maximum number of New Shares which can be subscribed through the exercise of the Prisa Warrants and the maximum amount of the corresponding increase in capital are subject to the adjustments described in paragraph I (d) below as a result of potential adjustments to the Share Subscription Price.

(d) **Subscription Price of the Company's Class A ordinary shares upon exercising the Prisa Warrants. Adjustments**

The proposed subscription price of the Company's Class A ordinary shares upon exercising the rights attached to Prisa Warrants will be fixed and set at 0.2673 euros per share (the "**Share Subscription Price**"), comprising a nominal value of 0.10 euros and a share premium of 0.1673 euros. Such price corresponds to the volume weighted average price of the market price of Class A shares in the three month period previous to 22 October 2013 (i.e. since 22 July until 21 October).

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The Share Subscription Price will only be adjusted if the Company agrees to shares splits or consolidations or similar changes of the same nature in its share capital. In that event, the Company will make the corresponding adjustment to adapt the Share Subscription Price to the new nominal value of the Company's shares.

Finally, if the Company were to carry out (i) increases in capital charged to cash contributions and the issue of new shares, (ii) capital reductions through the reimbursement of shareholders' contributions, or (iii) any similar changes in its share capital in connection with the Class A ordinary shares (other than the Projected Capital Increases and the transactions foreseen in the preceding paragraph), no adjustments will be applicable to the Share Subscription Price. However, the intention will be announced sufficiently in advance for the holders of the Prisa Warrants to decide whether to exercise their rights under those warrants and thereby acquire New Shares.

**(e) Exercise Period of the Prisa Warrants and expiry of the Warrants**

The Prisa Warrants may be exercised by holders, in whole or in part, at any time within a maximum of five (5) years from the date of Issue, although the number of New Shares over which the rights can be exercised from time to time will depend on the previous performance of each of the Projected Capital Increases. Each individual holder can choose, but is not obliged, to exercise the rights attached to the Prisa Warrants, however, once the holder of the Prisa Warrant has notified the Company such choice, it will be irrevocable.

Accordingly, the different rights under the Prisa Warrants will expire when exercised or because they have not been exercised within the five (5) year period referred to above. If the Prisa Warrants were to expire because the rights are not exercised within five (5) years, the Receivables not set off will also expire.

**(f) Form of representation of the Prisa Warrants**

The Prisa Warrants will be represented in the form of registered certificates and the Company is required to keep a register of the warrant holders, that will include, apart from the identity of the holder, the total or partial exercise of the Prisa Warrants that may have been made and, consequently, the number of New Shares issued as a result of the same.

**(g) Recipients and holders of the Prisa Warrants**

The Prisa Warrants will be subscribed for by the following Institutional Investors that are involved in the Facility Agreement to which the Company's board of directors will deliver the corresponding Prisa Warrants.

<b>Subscribers of the Prisa Warrants</b>	<b>Amount of Receivables (euros)</b>
<b>Silver Point Luxembourg Platform S.à.r.l.</b>	€26,393,257
<b>Monarch Master Funding 2 (Luxembourg) S.à.r.l.</b>	€24,439,958
<b>Knighthead Capital Investments S.à.r.l.</b>	€4,442,429

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<b>CSCP II Acquisition Luxco S.à.r.l.</b>	€6,627,293
<b>CCP Credit Acquisition Holdings Luxco S.à.r.l.</b>	€14,632,998
<b>Barclays Bank Plc</b>	€2,602,793
<b>BlueBay Global Unconstrained High Yield Investments (Luxembourg) S.à.r.l.</b>	€2,613,194
<b>BlueBay High Income Loan Investments (Luxembourg) S.A.</b>	€1,306,597
<b>BlueBay Funds - BlueBay High Yield Bond Fund</b>	€3,919,791
<b>Burlington Loan Management Ltd</b>	€2,613,194
<b>Credit Suisse International</b>	€1,963,194
<b>Thracia LLC</b>	€783,958
<b>Merrill Lynch International</b>	€1,524,685
<b>Sculptor Holdings II, S.à.r.l.</b>	€1,306,597
<b>Standard Bank Plc</b>	€1,306,597
<b>Tompkins Square Park S.à.r.l.</b>	€3,135,833
<b>TOTAL</b>	<b>€99,612,367</b>

The Prisa Warrants will be freely transferable, as described in paragraph I (h) below. Therefore, the holder that ultimately exercises the rights attached to the Prisa Warrants may not be one of the Institutional Investors.

**(h) Transferability of the Prisa Warrants**

The Prisa Warrants are freely transferable although the proportion of the Receivable subject to set-off in the capital increase must be transferred together with the Prisa Warrant. This is to enable the new holder to exercise the right attached to the Prisa Warrant.

Transfers of Prisa Warrants must be reported to the Company, which will record the new holder in its register and, where applicable, cancel, replace and issue the corresponding registered certificates to the new holders.

**(i) No trading of the Prisa Warrants**

The Prisa Warrants will not be admitted to trading on any secondary market.

**(j) Guarantees for the Prisa Warrants**

The Prisa Warrants are not specifically guaranteed.

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(k) **Changes in the terms and conditions of the rights attached to the Prisa Warrants**

Changes to the terms and conditions of the Prisa Warrants (including subscription rights) will require the agreement of the Company and all of the holders of the Prisa Warrants.

However, any variation or change in the terms and conditions of the Prisa Warrants that is of a formal, minor or technical nature or to correct a manifest error (and which does not prejudice the rights of the holders of the Prisa Warrants) may be effected by the Company directly, after consultation with the holders.

(l) **Legislation applicable to the Warrants and jurisdiction**

The Prisa Warrants will be governed by the laws of Spain. By subscribing for the Prisa Warrants, the holders accept that any dispute between the holder of the Prisa Warrant and the Company will be resolved by the courts of the city of Madrid.

In accordance with article 414.2 of the Spanish Companies Act (*Ley de Sociedades de Capital*, “LSC”), application had been made to the Companies Registry (*Registro Mercantil*) of Madrid to appoint an auditor other than Prisa’s current auditor to issue the required report in which auditors other than the Company’s auditors publish their findings, based on the management report, in connection with the points specified in that legal provision. This report will be made available to the shareholders when the notice of the general meeting is published.

**II. INCREASE IN CAPITAL THROUGH THE SET-OFF OF RECEIVABLES IN THE AMOUNT NECESSARY TO COVER THE PRISA WARRANTS**

(a) **Increase in capital through set-off of Receivables**

It is resolved to increase the Company’s share capital on one or more occasions (depending on when the rights attached to the Prisa Warrants are exercised) in the amount necessary for the rights attached to the Prisa Warrants to be exercised and which will total a maximum foreseen increase in capital of 37,266,130 euros, through the issue of up to a maximum of 372,661,305 New Shares with a nominal value of 0.10 euros and with a share premium of 0.1673 euros, the exchange value of the increase being the receivables set off in accordance with article 301 LSC and providing for the possibility of under-subscription.

The maximum number of New Shares issued is subject to change as a result of the potential adjustments to the Share Subscription Price.

In accordance with article 297.1.a) LSC, it is resolved to delegate to the board of directors, (understood, on each occasion that powers are delegated under this resolution, that these carry with them express powers of substitution under applicable legislation, by the subcommittee, by the chairman and by the chief executive officer, the power to perform, in part or in whole on each occasion, the increase that is necessary for the rights attached to the Prisa Warrants to be exercised, through the issue of new Class A ordinary shares of the Company according to the characteristics detailed below.

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(b) **Nature and characteristics of the receivables to set off**

The receivables subject to set-off arise from the Structuring Commission that will be accrued through the involvement and support of the Institutional Investors in the refinancing of the existing debt of the Company and through the contribution of a new liquidity facility for an approximate amount of 353,000,000 euros and is expected to be entered into by the Company and the Institutional Investors before the general meeting of shareholders, at which a decision on this resolution has to be made (the “**Facility Agreement**”)

Under the Facility Agreement, which will be entered into as part of the refinancing of the entirety of the Company’s financial debt and which will provide the Company with a new liquidity facility, each of the Institutional Investors will have a balance receivable in the form of a commission for the structuring of and guarantee to provide the committed additional funds (the “**Structuring Commission**”). This commission which will also compensate the Institutional Investors for their undertaking to refinance the Company’s existing debt to them on the terms proposed for the rest of the creditors, in the context of the total amount of debt to be refinanced and with the amount of the additional liquidity facility that the Institutional Investors provide to the Company, is a common practice of these type of entities in this type of processes in which, by providing greater resources to the Company, the lenders aim to participate, in exchange, in the expected value recovery. The Structuring Commission will be accrued when the Facility Agreement takes effect, will be non-interest bearing and will be for a total of 99,612,367 euros (the “**Receivables**”).

The Facility Agreement is expected to come into force after this resolution is approved at the general meeting, as the case may be, and subsequently the relevant agreements by which the refinancing is to take place are executed as deeds (notarised), expected to be no later than the date following the date in which the shareholders meeting is held.

These Receivables may be settled at the Company’s choosing through payment in cash or through the delivery of Prisa Warrants issued in accordance with this resolution. Accordingly, the issue of Prisa Warrants will depend, among other things, on the Company’s decision, upon resolution of the board of directors, to settle the Receivables by way of the issue and subscription of New Shares upon the exercise of the Prisa Warrants. The board of directors will adopt such resolution after the general shareholders meeting that, may approve this proposal, taking into account the situation at the time of the meeting, of the Company’s cash position, as well as the foreseen future liquidity necessities and the additional indebtedness restrictions arising from the Facility Agreement. In the case that the board of directors decides the Structuring Commission payment is to be through the issue and delivery of Prisa Warrants, the Receivables will be contributed, when the Prisa Warrants are issued, on account of the future performance of the increase in capital in the case of exercise of the Prisa Warrants.

In accordance with article 301 LSC, together with the notice of the general meeting the shareholders will receive a certificate from the Company’s auditors stating that, based on the documents signed on that date by the Company, the Receivables will be, when contributed at the time that the Prisa Warrants are issued, of a fixed amount, due and payable as a whole and that the information provided in the report prepared by the

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directors on the Receivables to set off is, subject to subsequent performance and crystallisation, accurate.

The Company's auditor will issue, on the date that the Receivables are booked, a certificate stating that, according to the Company's accounting records, the Company has recognised the Receivables and that the amount of that record is the same as or higher than the actual amount (capital plus reserves) of the increase in capital to be made in the event of full exercise of the Prisa Warrants.

**(c) Share Subscription Price upon exercise of the Prisa Warrants**

The proposed Share Subscription Price will be fixed and total 0.2673 euros, comprising a nominal value of 0.10 euros and a share premium of 0.1673. This may be adjusted only in the circumstances and on the terms described in paragraph I (d) above.

If applying the Share Subscription Price results in decimal places, i.e., fractions of shares, holders of the Prisa Warrants may accumulate these fractions until these reach whole numbers and therefore becoming entitled to subscribe for an additional share for each whole number of shares that is accrued. If a holder of the Prisa Warrants fails to accumulate enough fractions to subscribe for additional shares, these fractions will be rounded by default and will not be applicable to the subscription of shares. The rounding by default of these fractions will not entitle the holder of the Prisa Warrants to receive cash compensation of any kind.

**(d) Rights attached to the new shares**

The New Shares will carry the same voting and dividend rights as the Company's currently issued Class A ordinary shares as of the date that the corresponding increase in capital is registered at the Companies Registry (*Registro Mercantil*).

**(e) Pre-emption rights**

In accordance with the provisions of article 304 LSC, no pre-emption rights will apply to the new shares.

**(f) Issue of the new shares**

Within a maximum of fifteen (15) business days from the end of each calendar month in which notices have been received of the exercise of the rights attached to the Prisa Warrants, the board of directors will take, and complete, all the necessary corporate and administrative actions and steps to issue the new ordinary Class A shares of the Company.

**(g) Admission to trading of the shares**

It is resolved to apply for the admission to trading of the Class A ordinary shares that are issued by the Company upon the exercise of the Prisa Warrants on the Madrid, Barcelona, Bilbao and Valencia stock exchanges, as well as on any other Spanish or foreign markets on which the Company's shares are traded.

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If application is subsequently made to delist the Company's shares, that resolution will be adopted according to the same applicable formalities and, in that event, the interests of those shareholders who oppose the delisting resolution or do not vote on it will be guaranteed.

The board of directors is authorised to apply, if considered appropriate, for the Class A ordinary shares, issued under this resolution, to be traded on the New York Stock Exchange, through the issue of the appropriate American Depositary Shares, or on any other foreign secondary markets considered appropriate or convenient.

**(h) Under-subscription**

For the purposes of article 311.1 LSC, the possibility of under-subscription to the increase in capital is expressly provided for. Consequently, if the new Class A ordinary shares of the Company were not all subscribed for, the increase in capital could be declared as fixed at the amount of the shares that have been subscribed and paid up.

**(i) Amendment of article 6 of the articles of association**

As a result of the increase in capital, it is resolved to amend article 6 of the By-laws, responsibility for the final drafting of which is delegated to the board of directors in accordance with paragraph IV below, once the new shares have definitely been issued and paid up.

**III. CONDITIONS FOR THE WARRANT ISSUE AND INCREASE IN CAPITAL**

The board's execution of this resolution to issue Prisa Warrants and increase capital is on conditional upon (i) the valid execution and the coming into force of the Facility Agreement; (ii) the Receivables having been created with the characteristics and in the way detailed in paragraph II (b) above and in the management report; (iii) and the Company having chosen, by decision of the board of directors, to settle the Receivables through the delivery of the Prisa Warrants to enable the holders to subscribe for Class A ordinary shares of Prisa.

**IV. DELEGATION OF POWERS**

Without limiting the specific powers delegated in the preceding sections, it is resolved to authorise the board of directors, as fully as legally necessary and with express powers of substitution by the delegated committee, by the chairman and by the chief executive officer, so that any of them, acting individually, may execute this resolution, being able in particular, by way of example and without limitation, to:

- (i) Assess and verify freely whether the conditions precedent to which this resolution is subject have been satisfied.
- (ii) Elect (where appropriate and taking into account the above circumstances) that the Company satisfies the Receivables either by cash or by the delivery of the Prisa Warrants, on the understanding that if the Company opts for this second

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option, the Receivables will be claimable by way of exercise of the Warrants Prisa.

- (iii) Extend and develop this resolution, setting the date or dates of issue, the terms and conditions of the issue where not provided for in this resolution and to take all the actions necessary for the best execution and operation of the delivery and functioning of the Prisa Warrants, including, as applicable, any publications that are necessary.
- (iv) Appear before a notary public and execute as a deed (notarise) the corresponding document for the issue of the Prisa Warrants subject to this resolution and request the filing of that deed at the Companies Registry (*Registro Mercantil*) and to make the required announcements of the issue and to execute the private and public documents necessary for subscription to the Prisa Warrants to be declared as closed.
- (v) Execute the resolution to increase the Company's capital, issuing and putting into circulation, on one or more occasions, the Class A ordinary shares representing the Company that are necessary for the holders of the Prisa Warrants to exercise their rights, and amend the article in the By-laws containing the statement of capital, cancelling the portion of that increase in capital that was not necessary for the holders of the Prisa Warrants to exercise their rights and apply for the admission to trading on Spanish or foreign stock exchanges and inclusion in the Spanish Stock Exchange Interconnection System (*Sistema de Interconexión Bursátil*, "SIBE") of the Class A ordinary shares issued.
- (vi) Apply for the admission to trading of the Class A shares issued as a result of resolutions to increase capital at the New York Stock Exchange, through the issue of the appropriate American Depositary Shares, or on any other foreign secondary markets considered appropriate or convenient.
- (vii) Draft, sign and submit, as applicable, to the Spanish securities market regulator (the "CNMV") or any other regulatory authorities as applicable, in connection with the issue and admission to trading of the new shares issued as a result of the exercise of the Prisa Warrants, the prospectus and prospectus supplements that are necessary, accepting the responsibility for these, and for the other documents and information required in accordance with the Spanish Securities Market Act 1988 (*Ley 24/1988, de 28 de julio, del Mercado de Valores*) and Royal Decree 1310/2005, of 4 November 2005 (amended by Royal Decree 1698/2012, of 21 December 2012), with regard to the admission to trading of securities on regulated secondary markets, public offerings and the required prospectuses for these purposes, where applicable. Further, to take any action or step or make any representation in the Company's name that is required by the CNMV, Iberclear, the companies running the Spanish stock exchanges and any other Spanish or foreign private or public registry or entity or body and to complete all the processes necessary for the new Class A ordinary shares resulting from the increase in capital to be recognised in the accounting records of Iberclear and admitted to trading on the stock exchanges on which the Company's currently issued shares are traded, and in the SIBE).

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- (viii) Negotiate and sign and endorse or ratify, as applicable, on the terms considered most appropriate, the required agreements with the financial institutions which, if necessary, are involved in the issue and placement of the Prisa Warrants.
- (ix) Clarify, interpret, specify, supplement or amend, as applicable, the resolutions adopted by the shareholders at the general meeting or those produced in all documents or deeds executed to implement those resolutions and, in particular, any and all flaws, omissions or errors, in form and substance, that prevent registration of the resolutions and their consequences at the Companies Registry, the CNMV or any other official registries.
- (x) Execute in the Company's name all private or public documents necessary or convenient for the issue of the Prisa Warrants subject to this resolution and, in general, complete all the steps necessary for this resolution to be implemented and the Prisa Warrants to be actually put into circulation, including the signature of registered certificates representing the Prisa Warrants.

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## TWO

### **Fixing the number of Directors.**

Pursuant to Article 17 of the Company Bylaws, the number of members on the Board of Directors is hereby set at sixteen.

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## THREE

### Delegation of Powers

Without prejudice to powers granted in other resolutions, it is hereby resolved to grant to the Board of Directors the broadest powers required by law to define, implement and interpret the preceding resolutions including, if necessary, powers to interpret, remedy and complete them, likewise delegating to the Chairman of the Board of Directors Mr. Mr. Juan Luis Cebrián Echarri, the Chief Executive Officer Mr Fernando Abril-Martorell Hernández, the Secretary Mr Antonio García-Mon Marañes and the Deputy Secretary Mrs. Maria Teresa Diez-Picazo Giménez joint and several powers for any of them to appear before a Notary Public to formalize and to reflect in a notarial document the resolutions adopted at the present Shareholders' Meeting, rectifying, if warranted, any material errors not requiring new resolutions that might preclude their being recorded in notarial instruments, and to issue the notarial or private documents necessary to record the adopted resolutions on the Companies Register, with powers to remedy or rectify them in view of the Registrar's written or oral comments and, in summary, to take any measures required to ensure that these resolutions are fully effective.

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