



**REPORT ISSUED BY THE BOARD OF DIRECTORS OF PROMOTORA DE INFORMACIONES, S.A. CONCERNING THE PROPOSAL OF RATIFYING THE APPOINTMENT OF MR JOSE LUIS SAINZ DIAZ INCLUDED IN ITEM FOUR ON THE AGENDA OF THE GENERAL ORDINARY SHAREHOLDERS MEETING TO BE HELD ON APRIL 19 AND APRIL 20, 2015, IN AN INITIAL AND SECOND QUORUM CALL, RESPECTIVELY.**

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**I. Object of the Report**

The Board of Directors of PROMOTORA DE INFORMACIONES, S.A. (hereinafter, **PRISA** or the **Company**) is issuing this report to justify, pursuant to article 529 decies of the Capital Corporations Act, the proposal of ratifying the Board's appointment by cooptation of Mr. Jose Luis Sainz Díaz included as item four on the Agenda to be submitted for approval at the General Ordinary Shareholders Meeting to be held on April 19, 2015 on the initial call or, in the event that a sufficient quorum is not obtained, on April 20, 2015, in the same place on the second call.

**II. Justification for the proposal**

**Background: Mr Jose Luis Sainz's Professional Value and Experience. Appointment by Cooptation**

The Extraordinary General Meeting of Shareholders of PRISA held on 10 December 2013 set the number of directors of the Company at 16. Following the resignation of the director Mr Nicolas Berggruen on 18 March 2014, the Board of Directors was composed of 15 directors and a vacancy arose at that moment.

In order to fill the said vacancy and pursuant to Article 244 of the Capital Corporations Act, at the Board Meeting of 22 July 2014 Mr Jose Luis Sainz Díaz was appointed director of the Company by cooptation.

In addition, on 1 October 2014 Mr Sainz assumed the position of CEO of PRISA in replacement of Mr Fernando Abril-Martorell, who ceased to hold that position on 30 September 2014 but continued to be a director of the Company.

In order to fill the vacancy on the Board and, at the same time, to fill the position of CEO, after analysing the profiles of a number of candidates, the Board of Directors decided that Mr Sainz was the most appropriate candidate, taking into account both the details of the work to be carried out and his profile and career. At the time of his appointment as director of PRISA, Mr Sainz was CEO of the PRISA Group's press and radio units. In addition, he had worked in the PRISA Group for over 20 years, which means that he was a professional of proven worth and, in addition, that he was very familiar with the Group's business.

The Board resolution was given a favourable report by the Nomination and Compensation Committee and the Corporate Governance Committee.

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

José Luis Sainz has the following CV:

*“José Luis Sainz holds a degree in Law and Economics from Madrid’s Universidad Autónoma. He began his career at Arthur Andersen in 1985 as head of media consulting and distribution. In 1989 he joined El País, where he held various management positions including, in 1997, Deputy Managing Director with direct responsibility for the sales and marketing area.*

*Sainz has also headed Cadena Ser and the conglomerate Union Radio, the forerunner of today’s PRISA Radio. He was also CEO of Prisacom, a post he held until taking up the same position in Pretesa and Plural Entertainment, PRISA’s audiovisual production divisions for film and television. In 2008 he was appointed managing director of national media at Grupo Vocento, a position he held until his return to PRISA in 2011 as Executive President of PRISA Noticias and Chief Executive Officer of EL PAÍS. In October 2012 he was appointed CEO of PRISA Radio and SER, a position he combined with his responsibilities as head of PRISA Noticias. In October 2014, he was appointed CEO of PRISA.”*

#### Ratification of the Appointment and Re-election:

Appointments by cooptation are temporary and have to be ratified, where applicable, at the next General Meeting held by the Company after the appointment. The Board of Directors of PRISA, with the favourable report of the Nomination and Compensation Committee, and taking into account Mr Sainz’s aforementioned professional qualities as well as the dedication with which he has been fulfilling his role since his appointment, is therefore proposing to ratify Mr José Luis Sainz’s appointment by cooptation.

In view of Mr Sainz’s executive duties as CEO of PRISA, it is proposed that he should be appointed executive Director of the Company on the basis of the criteria laid down in Article 529 duodecies of the Capital Corporations Act for the qualification of directors and at the proposal of the Company’s Corporate Governance Committee.

It is also proposed that Mr Sainz should hold office for the maximum term of four years permitted by law (Article 529 undecies of the Capital Corporations Act).

#### III. Proposed resolution to be submitted for approval at the shareholders meeting

*“After having received the report of the Nomination and Compensation Committee, the Board of Directors proposes ratifying the Board’s appointment by cooptation of Mr. Jose Luis Sainz Díaz, made on July 22, 2014, to fill one of the vacancies in the Board resulting from the resignation of Mr Nicolas Berggruen and, at proposal of the Corporate Governance Committee, to appoint him as executive director of the Company, pursuant to article 529 duodecies of the Capital Corporations Act.*

*It is resolved that the Board’s appointment by cooptation of Mr. Mr. Jose Luis Sainz Díaz on July 22, 2014 be ratified and that he be reelected director of the Company for the legal four-year term, effective on the date this resolution is passed”.*

February 27, 2015

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