

Report of Organizational Actions Affecting Basis of Securities

▶ See separate instructions.

Part I Reporting Issuer

1 Issuer's name		2 Issuer's employer identification number (EIN)	
Promotora de Informaciones, S.A.			
3 Name of contact for additional information	4 Telephone No. of contact	5 Email address of contact	
Javier Lázaro	+34 (91) 330 10 00	javier.lazaro@prisa.com	
6 Number and street (or P.O. box if mail is not delivered to street address) of contact		7 City, town, or post office, state, and Zip code of contact	
Avenida de los Artesanos, 6		28760, Tres Cantos, Madrid, Spain	
8 Date of action		9 Classification and description	
July 17, 2014		Mandatory Conversion of Convertible Stock	
10 CUSIP number	11 Serial number(s)	12 Ticker symbol	13 Account number(s)
74343G 303	N/A	PRIS.B	N/A

Part II Organizational Action Attach additional statements if needed. See back of form for additional questions.

14 Describe the organizational action and, if applicable, the date of the action or the date against which shareholders' ownership is measured for the action ▶ **Immediately prior to July 17, 2014, Promotora de Informaciones, S.A., a Spanish Company ("Prisa") had outstanding Class A Ordinary Shares ("Class A Shares") and Class B convertible non-voting shares ("Class B Shares"). At that time, the Class A Shares and Class B Shares were quoted on the Stock Exchanges of Madrid, Barcelona, Bilbao and Valencia. The Class A Shares were listed on the New York Stock Exchange in the form of American Depositary Shares, each representing four (4) Class A Shares (the "Class A ADSs"), and the Class B Shares were listed on the New York Stock Exchange in the form of American Depositary Shares, each representing four (4) Class B Shares (the "Class B ADSs"). On July 17, pursuant to the mandatory conversion feature of the Class B Shares, each Class B Share was converted into 1.33 Class A Shares and each Class B ADS was converted into 1.33 Class A ADSs.**

15 Describe the quantitative effect of the organizational action on the basis of the security in the hands of a U.S. taxpayer as an adjustment per share or as a percentage of old basis ▶ **For the reasons stated in the response to Question 17, the mandatory conversion of the Class B Shares (the "Conversion") was not a taxable transaction for tax purposes. Accordingly, the holders of the Class B Shares are required to substitute their basis in the Class B Shares for the Class A Shares received in the Conversion. Each Class A Share received in the Conversion will receive a pro rata portion of the basis of the Class B Shares converted. Thus, each 1.33 Class A Shares will have a basis equal to the single Class B Share converted. Holders of the Class B ADSs are required to substitute their basis in the Class B ADSs for the Class A ADSs received in the Conversion. Each Class A ADS received in the Conversion will receive a pro rata portion of the basis in the Class B ADS converted. Thus, each 1.33 Class A ADSs received in the Conversion will have a basis equal to the single Class B ADS converted.**

16 Describe the calculation of the change in basis and the data that supports the calculation, such as the market values of securities and the valuation dates ▶ **N/A**

Part II Organizational Action (continued)

17 List the applicable Internal Revenue Code section(s) and subsection(s) upon which the tax treatment is based ▶ **The mandatory conversion of the Class B Shares and the Class B ADSs will be tax free under sections 368 (a)(1)(E) and 1036 of the Internal Revenue Code.**

Blank lines for providing details for question 17.

18 Can any resulting loss be recognized? ▶ **There is no resulting loss.**

Blank lines for providing details for question 18.

19 Provide any other information necessary to implement the adjustment, such as the reportable tax year ▶ **The adjustment is made in 2014.**

Blank lines for providing details for question 19.

Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than officer) is based on all information of which preparer has any knowledge.

Sign Here

Signature ▶  Date ▶ 08/21/2014

Print your name ▶ Javier Lázaró Title ▶ Chief Financial Officer

Paid Preparer Use Only

Print/Type preparer's name	Preparer's signature	Date	Check <input type="checkbox"/> if self-employed	PTIN
Firm's name ▶	Firm's EIN ▶		Phone no.	
Firm's address ▶				