



REPORT ISSUED BY THE BOARD OF DIRECTORS OF PROMOTORA DE INFORMACIONES, S.A. CONCERNING THE PROPOSED AMENDMENTS TO THE BYLAWS REFERRED TO AS ITEM FIVE ON THE AGENDA OF THE GENERAL ORDINARY SHAREHOLDERS MEETING TO BE HELD ON JUNE 29, 2012 AND JUNE 30, 2012, IN AN INITIAL AND SECOND QUORUM CALL, RESPECTIVELY.

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 286 of the Capital Corporations Act, the proposed amendments to the Company Bylaws included as item five on the Agenda, to be submitted for approval at the General Ordinary Shareholders Meeting to be held on June 29, 2012 at 12.30 p.m in an initial quorum call, or on June 30, 2012 at the same time, in a second quorum call.

II. Objective and justification for the proposal

The proposed amendments to the Company Bylaws to be submitted for approval at the General Ordinary Shareholders Meeting, seeks to adapt the Bylaws to the Capital Companies Act modified by Law 25/2011¹, approved by Parliament and published in BOE after the holding of the last general shareholders meeting. Likewise, the Board of Directors considers appropriate to take advantage of the aforesaid amendments to the Bylaws to correct some wording deficiencies.

The amendments referred to are the following:

- Article 12, correcting the wording of paragraph h) in the sense that deleting the reference made to a second paragraph of Article 19.
- Article 13, extending from one to two months the period of notice of certain Shareholders Meetings, also specifying the matters to be included in the agenda.
- Article 14, by completing the information which must be included in the notice of the Board, and incorporating certain rights by law to shareholders representing more than 5% of the capital.
- Article 15, specifying that the representation may be granted to a person that does not attend the status of shareholder, providing different types of documents where can be stated the proxy and picking up the legal process of communication to the Company of the shareholder representative.

¹ “Ley 25/2011 de reforma parcial de la Ley de Sociedades de Capital y de incorporación de la Directiva 2007/36/CE del Parlamento Europeo y del Consejo sobre el ejercicio de determinados derechos de los accionistas de sociedades cotizadas”

- Article 17, using the new name of Delegated Committee (“*Comisión Delegada*”)
- Article 20, adapting the reference in Article 129 of the former Corporations Law to Article 234 of the Capital Companies Act and providing that the Board may decide to exercise administrative and judicial actions at all instances.
- Article 22, specifying the possibility that at least one third of the directors to convene the Board of Directors.
- Article 29 ter, indicating the URL of the corporate website of the Company.

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

“Amendment of the following articles of the Bylaws, which shall read as follows:

Article 12. Powers

Shareholders at General Shareholders’ Meetings comprise the highest sovereign body of the Company. The General Meeting shall decide all matters attributed it in these Bylaws, in its own Regulation or by Law, and particularly the following matters:

- a) Approval of the annual accounts, the consolidated annual accounts, the Board of Directors’ management, and the proposed distribution of profits.*
- b) Determination of the number of members on the Board of Directors.*
- c) Appointment and removal of Directors, as well as the ratification or revocation of the Board of Directors’ provisional appointment of Directors.*
- d) Appointment and re-election of Auditors.*
- e) Capital increases or reductions; bonds issues and, in general, any type of securities issues, including preference interests; conversion; merger; spin-off or dissolution of the Company; and any amendment of the Bylaws.*
- f) Authorization of the Board of Directors to approve a capital increase pursuant to the Companies Act and to issue bonds of any class and to delegate to the Board of Directors any other powers pursuant to the Law and the Bylaws.*
- g) Approval and amendment of the General Shareholders’ Meeting Regulation, in accordance with the Law and the Bylaws.*
- h) Annual approval of the Board of Directors’ remuneration, pursuant to Article 19 of the Bylaws.*
- i) Authorization of Directors’ remuneration consisting in granting shares or stock options, or remuneration pegged to share value.*

(Free translation from the original in Spanish language)

j) The exercise of any other powers attributed to the Shareholders' Meeting by Law or in the Bylaws, and examining and deciding any other matter that the Board of Directors deems should be considered or resolved at a Shareholders' Meeting that is considered to be especially relevant in the interests of the Company.

Article 13.- Types of Shareholders' Meetings

General Shareholders' Meetings may be ordinary or extraordinary. They shall be called and shall be held in the manner determined by Law, in these Bylaws and in the internal regulations of the Company. It is mandatory to hold an Ordinary General Shareholders Meeting on the date set by the Board of Directors and within the term set forth in Article 164 of the Law.

Extraordinary General Shareholders Meetings shall be held when the Board of Directors deems one warranted or at the request of shareholders representing at least 5% of share capital, expressing in their request the matters to be discussed at the meeting. In such case the meeting called shall be held within two months after a notarized request for a meeting has been submitted to the directors, and the agenda must include the matters specified in that request.

Article 14.- Preparation of the General Shareholders' Meeting

All General Shareholders' Meetings shall be called within the time periods and in the manner set forth in the Law, the Bylaws and the General Shareholders' Meeting Regulation.

The notice of meeting shall state the Company's name, the place, date and time that the meeting is to be held, the agenda listing the items to be discussed, the office or offices held by the person or persons convening the meeting and other legally required mentions.

Shareholders representing a minimum of 5% percent of the total share capital may request that a supplement to the notice of an Ordinary Shareholders Meeting be issued to include one or more additional items on the agenda, provided that the new items are accompanied by the pertinent reasoning or a reasoned proposal for decision. This right cannot be exercised in connection with a call for an extraordinary general meeting. This right shall be exercised through a notice issued by any reliable means, received at the company's registered offices within five days following publication of the initial notice of meeting. The supplement to the notice of meeting must be published at least fifteen days prior to the date on which the meeting is to be held.

Within the same term stipulated in the preceding paragraph, shareholders representing at least 5% of share capital may submit grounded proposals for decision on items that are already included or that need to be included on the agenda for the general meeting that has been called. The Company must ensure disclosure of those proposals for decision and any attached documents to all the shareholders, in accordance with the provisions of article 19 of the Companies Act and with the General Shareholders' Meeting Regulation.

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Prior to or during the meeting, shareholders may request the reports, documents or clarification that they deem warranted, as provided in the Law.

Nevertheless, the meeting shall be deemed to have been validly convened and called to order to discuss any matter, provided that shareholders representing all of the share capital are present and the attendees unanimously agree to hold the meeting, pursuant to Article 178 of the Companies Act.

Article 15.- Holding General Shareholders' Meetings

a) Place. Meetings shall be held at the venue indicated in the notice within the city in which the Company has its registered offices or elsewhere, on the stipulated day and time, unless it is a Universal Meeting.

b) All shareholders holding a minimum of 60 shares, registered on the corresponding stock ledger five days prior to the meeting, and who have obtained the corresponding attendance card may attend a General Meeting.

The Board of Directors shall attend the meeting. The Chairman of a General Meeting may authorize the attendance of any person he deems warranted; however shareholders at the meeting may revoke that authorization.

c) Proxies: Shareholders may authorize another person to act for them as proxies, complying with the requisites and formalities required in these Bylaws, the General Shareholders' Meeting Regulation and the Law. Grant of proxy shall be valid for a specific General Shareholders' Meeting. This requisite shall not apply when the proxy holds a notarized power of attorney to manage all of the shareholder's assets located in Spain. Grant of proxy must be indicated in writing on any of the following documents that in any case shall bear the grantor's signature: i) the attendance card issued by any of the entities participating in Iberclear, ii) a letter or iii) the standard form that for that purpose the company makes available to shareholders, and can also be conferred by any electronic means of communication. In that case, the requisites for electronic voting shall be applicable, provided it is not incompatible with the type of proxy.

The shareholder's appointment of the proxy and notice to the company of that appointment may be done in accordance with the provisions of the General Shareholders' Meeting Regulation.

d) Quorum. Without prejudice to the procedures set forth in the Law for special cases, a General Shareholders' Meeting may be held on the initial date and time stated in the notice when shareholders or proxies representing at least 25% of the subscribed shares having voting rights are present. On the second date and time stated in the notice, a General Shareholders' Meeting may be validly held regardless of capital in attendance.

e) Chairing the meeting. The Chairman of the Board of Directors shall chair shareholders meetings and, in his absence, the Vice Chairman, if any, shall preside and, in the absence

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of both of them, the director who is present and has the most seniority. In the absence of all of the foregoing, the shareholders shall designate a shareholder to preside at the meeting.

The person presiding at the meeting shall submit all items on the agenda for deliberation and shall direct the debates so that the meeting transpires in an orderly fashion. In that regard he shall enjoy the appropriate powers of order and discipline.

The person presiding at the meeting shall be assisted by a secretary, who shall be the Secretary to the Board of Directors or, if absent, the Deputy Secretary to the Board, if any, and if not, a person designated by the shareholders at the meeting.

The Presiding Board shall consist of the person presiding at the meeting, the secretary and all other members of the Board of Directors in attendance.

f) Voting by mail or electronic means. Shareholders may vote by post or by electronic means on the proposed resolutions appearing as items on the Agenda at any type of shareholder meeting. The identity of the party exercising voting rights must be ensured in accordance with the requirements set forth in the General Shareholders' Meeting Regulation. Electronic votes shall be cast using a recognized electronic signature or any type of guarantee that the Board of Directors deems appropriate to ensure the authenticity and identification of the shareholder exercising his voting rights. Shareholders using distance voting shall be deemed present when determining whether a quorum for the meeting exists. Votes cast using such methods must have been received at the Company's registered offices at least twenty-four hours prior to the initial day and time on which the meeting is to be held. If not, the vote shall be deemed as not having been cast. The Board of Directors may set an earlier deadline on the notice announcing the shareholders' meeting.

The Board of Directors is empowered to implement the foregoing provisions, setting forth the appropriate rules, means and procedures according to available technology, in order to enable voting and appointment of proxies by electronic means. Specifically, among others, the Board of Directors may regulate the use of guarantees other than electronic signatures in the casting of electronic votes.

The rules implemented by the Board of Directors pursuant to this section shall be published on the company webpage.

g) Voting. The person presiding at the meeting shall announce the voting results, summarizing the number of votes in favor and against the proposed resolution by reading the results aloud.

The General Shareholders' Meeting Regulation shall set forth the procedures and systems for counting the votes cast on the proposed resolutions.

h) Resolutions. Resolutions shall be adopted by vote of the majority of shares represented as required in these Bylaws or in the Companies Act. Each share having voting rights, present or represented by proxy at the General Meeting, shall be entitled to one vote.

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The adoption of resolutions shall require the favorable vote of half plus one of the shares having voting rights, present or represented by proxy at the General Meeting, except in the cases in which these Bylaws or the Law require a reinforced majority.

Article 17.- Nature, number of members and officers

The Board of Directors shall manage, direct and represent the Company, without prejudice to the powers that pursuant to the Law or the Bylaws shall be exercised by shareholders at General Shareholders' Meetings.

The Board shall have a minimum of three and a maximum of seventeen members, who shall be appointed by and whose number shall be determined at the Shareholders' Meeting. In that regard, the shareholders may expressly determine the number at a Meeting, or may do so indirectly by choosing to fill or not to fill vacancies or to appoint or not to appoint new Directors within the aforementioned minimum and maximum number of members.

The Board of Directors shall appoint a Chairman from among its members and may likewise appoint one or several deputy chairmen. It may also appoint a Delegated Committee from one of its members, or one or several Chief Executive Officers, to whom the Board may grant joint or joint and several powers to represent the Company.

The Board shall also appoint a secretary, who need not be a board member, and may appoint a deputy secretary, who likewise need not be a board member.

The Board of Directors shall approve the Regulations governing its organization and procedures.

Article 20. Representation of the Company

In accordance with Article 234 of the Companies Act, the Board of Directors shall represent the Company, whether in court or otherwise. Thus it is granted broad powers to manage, direct, administer assets and represent the Company, with the capacity to enter into all types of transactions and contracts to dispose of or acquire absolute ownership of all types of personal or real property, securities, currencies or negotiable instruments. These broad powers of representation shall consequently extend to mercantile, commercial, or banking transactions, including those generally requiring express power of attorney, and shall suffice to encumber or mortgage property, reach settlements, acquire interests in other companies, decide to exercise administrative and judicial actions at all instances, file appeals at both the Supreme Court and Constitutional Court, testify in court as a party to the proceedings, or guarantee third-party transactions, with no limitations other than those set forth in the Law.

The Board of Directors may, even when exercising delegated powers, grant and withdraw general or special powers of attorney with the powers it determines, including the power to totally or partially substitute or limit those powers in accordance with the Law.

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The Board of Directors may not delegate its obligation to render accounts, present balance sheets at General Shareholders' Meetings nor any powers that the shareholders may have granted it without being expressly authorized to do so.

Article 22. Board Meetings

The Board shall meet at least once every quarter and whenever the Chairman deems it warranted, or when requested by two or more directors or by the Chief Executive Officer. In the latter two cases, the Chairman shall not delay issuing a notice of meeting more than five days from the date that the request is received.

Notice of board meetings including the agenda for the meeting shall be issued by the Chairman or his substitute, by fax, telegram, e-mail, or registered mail to each and all of the directors at least seven days prior to the date of the meeting.

Under urgent circumstances and at the Chairman's discretion, a board meeting may be called without the aforementioned prior notice, indicating the matters to be discussed.

Directors making up at least one-third of the members of the board of directors may call a board meeting, stating the agenda for the meeting to be held in the place where the company has its registered office, if the chairperson fails, without justification, to call a meeting within one month from being requested to do so.

Article 29 ter.- Web Page

The Company shall maintain a web page to provide information to shareholders and investors (www.prisa.com), which shall include the documents and information required under the Law, including at least the following:

a) Current Bylaws

b) General Shareholders' Meeting Regulation

c) Board of Directors Regulation

d) Annual financial report and all other financial statements that the Company issues and releases periodically.

e) Internal Code of Conduct for Securities Markets

f) Corporate governance reports

g) Documents concerning ordinary and extraordinary shareholders' meetings, with information concerning the agenda, the Board of Directors' proposals, as well as any other relevant information that shareholders may require in order to cast their votes.

h) Information concerning the content of shareholders meetings previously held, and especially concerning the composition of the meeting when called to order, the resolutions adopted, and the number of votes cast for and against each of the proposed resolutions on the agenda.

i) The means of communication existing between the Company and shareholders and, especially, information to enable shareholders to exercise their right of information, indicating postal and email addresses to which shareholders may send queries.

j) The means and procedures for appointing proxies at shareholders' meetings.

k) The means and procedures for exercising distance voting including, when applicable, those implemented to verify attendance and voting by electronic means at shareholders' meetings.

l) Relevant events disclosed to the National Securities Market Commission."

February 24, 2012