



## **COMMUNICATION OF RELEVANT INFORMATION**

Promotora de Informaciones, S.A. (PRISA) announces the following relevant information under the provisions of article 82 of Act 24/1988 of July 28 on the Securities Market (*Ley del Mercado de Valores*).

In order to implement the resolutions adopted by the Annual General Meeting held on April 20, 2015 under items 9.1 and 9.2 of the agenda relating to the share capital reduction and the contrasplit, and as agreed by the Board of Directors held after the General Meeting, PRISA announces that today it has executed the public deed formalizing the corporate resolutions by means of which:

- (i) Its share capital is reduced by EUR 1.30, i.e. from the current amount of EUR 215,807,875.30 to EUR 215,807,874, by redeeming 13 treasury shares with a par value of EUR 0.10, the proceeds of which will be contributed to the statutory reserve. Accordingly, and pursuant to Section 335.b) of the Companies Act, no creditors of the Company shall have a right to object to this transaction.
- (ii) The 2,158,078,740 shares in which the share capital is divided further to the aforementioned reduction are grouped, cancelled and exchanged for 71,935,958 newly issued shares in the proportion of one new share for 30 old shares. The par value of the shares is increased from EUR 0.10 to EUR 3.00, without this entailing a change in the share capital, which remains at EUR 215,807,874, and the number of outstanding shares is reduced.

The exchange of shares will take effect from May 22, 2015, provided that the contrasplit and the consequent amendment of the Company's by-laws have been registered in the Company's records at the Commercial Registry.

All PRISA shareholders who are recorded as such at the closing of the market session the day before that on which the share grouping is to take effect (i.e. shareholders recorded as such at the close of the markets on May 21, 2015), as per the book-entry registries of Iberclear and its

participating entities, will be entitled to one new share for every thirty old shares and this exchange will take place automatically.

Shareholders with a number of shares that is not a multiple of thirty can opt to acquire or transfer any number of shares necessary to own a multiple of the number fixed in the exchange ratio, or to join other shareholders to reach a number of shares that is a multiple of the number fixed in the exchange ratio.

Banco Santander, S.A., as the agent, will acquire the rest of the shares if, at the closing of the market session on May 21, 2015, there are shareholders with a number of shares that is not a multiple of thirty. The acquisition price will be the closing trading price of the share on that day.

A copy is attached of the announcement of the share capital reduction and the contrasplit and exchange of shares, which PRISA has published today in the Commercial Registry Official Gazette, on the Company's website and in the newspapers "El País" and "Cinco Días".

Madrid, April 29, 2015.

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

### **Announcement of capital reduction and reverse share split and exchange (contrasplit)**

#### **Capital reduction**

Shareholders voted at the General Shareholders' Meeting of Promotora de Informaciones, S.A. ("Prisa" or the "Company"), held 20 April 2015, to approve the capital reduction proposed under point 9.1 of the agenda. This capital reduction, due to its nature, took immediate effect in an amount of one euro and thirty euro cents (€1.30), i.e. capital was reduced from its previous amount of €215,807,875.30 to €215,807,874, via the cancellation of thirteen (13) ten euro cent (€0.10) shares from the treasury stock.

This was a technical adjustment required to facilitate the reverse share split and share exchange (contrasplit) approved at the Ordinary General Shareholders' Meeting of 20 April 2015, as point 9.2 of the agenda, for the purpose of increasing the legal reserve. Accordingly, pursuant to Article 335.b) of the Spanish Capital Companies Law, the Company's creditors have no right to challenge this action in law.

The Company's balance sheet at 31 December 2014 formed the basis for the capital reduction's approval, having been previously audited by the Company's statutory auditors, Deloitte, S.L., on 2 March 2015, and approved at the General Shareholders' Meeting held 20 April 2015 as point 1 of the agenda.

The condition precedent for this resolution, that the General Shareholders' Meeting should approve the reverse share split or contrasplit proposed by point 9.2 of the agenda, was met.

Following the reduction, the share capital consists of €215,807,874 represented by 2,158,078,740 shares with a nominal value of €0.10 each, all fully subscribed and paid.

#### **Reverse share split (contrasplit)**

Prisa's Board of Directors agreed, at its meeting of 20 April 2015, to carry out the reverse share split and exchange approved as point 9.2 of the agenda of the Ordinary General Shareholders' Meeting held 20 April 2015.

Specifically, it agreed to cancel the 2,158,078,740 shares that comprise the share capital, following the capital reduction described above, and replace them with 71,935,958 shares to be newly issued in a proportion of one new share for each 30 old shares, the nominal value of each share being raised from ten euro cents (€0.10) to three euros (€3.00), with the total share

capital remaining unaffected at €215,807,874, accompanied by the corresponding reduction in the number of shares outstanding.

The new shares will be held as registered shares, the register being kept by Sociedad de Gestión de los Sistemas de Registro, Compensación y Liquidación de Valores, S.A.U. (Iberclear) and its member companies. Banco Santander, S.A. will act as agent bank for the reverse share split, cancellation and share exchange.

Exchange ratio: Prisa shareholders will receive one new share, with a nominal value of three euros (€3) each. The current 2,158,078,740 shares outstanding with nominal value of ten euro cents (€0.10) will become, as a result of the reverse split and exchange, 71,935,958 new shares, with nominal value of three euros (€3.00) each, recorded as registered shares.

Effective date of reverse share split. The share exchange will take effect as from 22 May 2015, once the reverse split resolution and corresponding changes to the Bylaws have been recorded in the Company's share register.

Fractional shares procedure: all Prisa shareholders recognised as such in the registers of Iberclear and its member companies at the close of the last trading day preceding the effective date of the share split (i.e. close of trading on 21 May 2015) shall receive one new share for each thirty old shares held. The exchange shall take place automatically. The share exchange will be conducted in accordance with the procedures established for registered shares through participating correspondent entities and with the instructions issued by Iberclear and the agent bank, Banco Santander, S.A..

Shareholders holding a number of shares not divisible by thirty (30) can opt to acquire or sell the shares necessary to make up a whole number of new shares after the exchange or join with other shareholders such to create such a whole number of new shares.

Banco Santander S.A., as agent bank, shall acquire any remainder of shares if at the close of trading on the day before the effective date of the share exchange, any shareholders should remain whose holdings are not exactly divisible by thirty. The acquisition price shall be the closing price of the share on that day and the sale shall be free of charge to the holders of such fractional shareholdings, except for any costs and brokerage fees that their custodians may charge.

The amount required to purchase such fractional shareholdings shall be paid by the Company to the Iberclear member companies and credited to the accounts of shareholders whose shares are held in custody with these member companies. These payments shall be coordinated by the agent bank, Banco Santander, S.A. and take effect between the effective date of the exchange and the third working day following.

Amendment of Bylaws: As a result of this transaction, in accordance with the authorisation granted at the General Shareholders' Meeting of 20 April 2015, once the reverse share split has been completed, Article 6.1 of the Bylaws shall be amended to reflect the new nominal value and number of shares outstanding to read as follows:

"The share capital is two hundred and fifteen million eight hundred and seven thousand eight hundred and seventy-four euros (€215,807,874) represented by:

seventy-one million, nine hundred and thirty-five thousand, nine hundred and fifty-eight (71,935,958) ordinary shares of the same class and series, with a nominal value of three euros (€3.00) each numbered sequentially from 1 to 71,935,958."