

MEDIASET ***españa.***

**BYLAWS
OF
MEDIASET ESPAÑA COMUNICACIÓN, S.A.**

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MEDIASET ESPAÑA COMUNICACIÓN, S.A.

TITLE ONE

IDENTIFICATION OF THE COMPANY

Article 1. Denomination

The Company's denomination is **MEDIASET ESPAÑA COMUNICACIÓN, S.A.**, and it is governed by these Bylaws, the Corporations Law and other applicable legislation.

Article 2. Corporate Aim

1. The aims of the company are:

- (a) Provision of radio and television audio-visual media services, whether on demand or not, paid or not, mobile or not, whatever the geographical area of coverage and broadcast medium, in accordance with the provisions of the Law 7/2010, on General Audio-visual Communication.
- (b) The management and operation of radio, television or any other media in any format, distribution or broadcasting, whether this is via land, satellite, cable or the Internet, with analogue and digital signals.
- (c) The creation, acquisition, production, co-production, editing, filming and/or recording, reproduction, broadcast, dissemination, distribution, sale and operation in any format of any works or recordings, irrespective of whether these are in audio, audiovisual, written or computer-based formats, as well as the rights pertaining to such works.
- (d) The organisation and production of cultural, sporting, music events and events of any other description, in any format and all manner of rights on such events and cultural, sporting, music events and events of any other description.
- (e) The creation, acquisition, sale and operation in any formats, directly or indirectly, of brands, patents, industrial, image or intellectual property rights, as well as any objects, models or methods which may serve as a support for the exploitation of the abovementioned rights
- (f) The performance and execution of advertising projects and the tasks relative to the hiring, intermediation and dissemination of advertising messages in any of their possible formats, through any dissemination or public communication media.
- (g) The development of related activities, directly or indirectly, with marketing, merchandising, and any other commercial activities.

(h) The rendering of advisory, consulting, research, management, administration, installation, agency, and representation services, as well as market studies related to the abovementioned activities, and the purchase, sale and exploitation of moveable and immovable assets.

2. Activities included in the corporate aim described in the section above may also be carried out indirectly, through stakes held in organisations or Companies with a similar or analogous corporate aims.

Article 3. Duration

The Company is incorporated for an indefinite period of time.

Article 4. Registered Office

1. The Company's registered address is located in Madrid, Carretera de Irún, Km 11.700.
2. The Board of Directors is entitled to transfer the corporate address to another location within the same municipality.
3. The Board of Directors is likewise entitled to decide or agree the creation, suppression or transfer of branches and offices both within the national territory as well as abroad.

TITLE TWO

SHARE CAPITAL AND SHARES

Article 5. Share Capital

1. The Company's share capital is set at TWO HUNDRED AND THREE MILLION, FOUR HUNDRED AND THIRTY THOUSAND, SEVEN HUNDRED AND THIRTEEN (203,430,713) euros.
2. Share capital is divided into four hundred and six million, eight hundred and sixty-one thousand, four hundred and twenty six (406,861,426) ordinary shares whose nominal value is 0.50 per share and which are numbered consecutively from one (1) to four hundred and six million, eight hundred and sixty-one thousand, four hundred and twenty six (406,861,426), both included.
3. All shares are entirely paid up.

Article 6. Representation of the Shares

1. Shares are represented by book entries, in accordance with the rules of the Security Markets' Law and other supplementary legislation. As long as the shares are not entirely paid up, this fact should be recorded in the accounting entries.
2. Responsibility for recording the registry of book entries of the Company has been entrusted to the firm "Sociedad de Gestión de los Sistemas de Registro, Compensación y Liquidación de Valores, S.A." (Iberclear) and its stakeholders.

Article 7. Shareholder Rights

1. The share grants its rightful owner the condition of shareholder including, at minimum, the rights detailed below, whose scope is defined in the Law and the Company's Bylaws:
 - (a) The right to take part in the distribution of company earnings and the equity resulting from liquidation
 - (b) Preferential subscription rights in the issue of new shares or share-convertible bonds
 - (c) The right to attend and vote at General Shareholders' Meetings
 - (d) The right to impeach company agreements
 - (e) The right to information
2. The shareholder will exercise these rights before the Company in good faith.

Article 8. Multiple Ownership

1. Share co-owners must appoint a single person for the exercise of shareholder rights.
2. In the case of usufruct, pledge or other limited rights on shares, political rights over shares are the property of the bare owner, the secured debtor, and the dominion directum owner, respectively.
3. The rules in the paragraphs above are only valid before the Company. As far as internal relations are concerned, parties may reach other agreements.

Article 9. Share Transfer

1. Shares and economic rights arising thereof, including preemptive, are transferable by all means admissible in Law, subject to the requirements, if any, established by legislation already in place.
2. Transfer of new shares will not be possible until the increase of share capital has been registered in the Commercial Registry.

Article 10. Pending Disbursements

1. In the case shares are partially paid up, the shareholder should pay the amount in the manner and within the deadline described by the Board of Directors.
2. The Board of Directors should agree payment of the amount of capital not paid up within the maximum deadline of five years. Calculation of the deadline will be carried out from the date the share capital increase is agreed.
3. Shareholders who default on payment of pending disbursements will not be entitled to vote. The amount of their shares will be deducted from the share capital for the purposes of calculating the quorum for the meeting. Such shareholders will also not be entitled to dividends or to preferential subscription of new shares or share-convertible bonds.

Once the sum of pending disbursements has been agreed together with interest accrued the shareholder may demand the pending disbursements payment of dividends not overdue, but s/he would not be entitled to demand preferential subscription, if the deadline to demand such a right had already elapsed.

Article 11. Capital Increase

1. Capital increase may be achieved by issuing new shares or raising the nominal value of pre-existing shares and, in both cases, the consideration may involve monetary contributions, including the compensation of credits, non-monetary contributions and the transformation into profits or available reserves. Capital increases may be partly charged to new contributions and partly to reserves.
2. If the capital increase were not entirely subscribed within the deadline indicated for this purpose, the capital would be increased by the amount effectively subscribed, except in the case the agreement stated otherwise.

Article 12. Authorised Capital

1. The General Shareholders' Meeting, in the terms established by Law, may delegate the Board the powers to agree capital increases one or several times up until the maximum allowed by law, with the time and amount being at its discretion. This delegation may include powers to suppress preferential subscription rights.
2. The General Shareholders' Meeting may also delegate the Board of Directors the powers to agree the date when the agreement to increase capital is to take effect and to set its conditions in any matters not agreed by the General Shareholders' Meeting.

Article 13. Preemptive Rights and their suppression

1. In the cases where share capital is increased with the issue of new shares, the previous shareholders and owners of share-convertible bonds may exercise the right to subscribe a new number of shares proportional to the nominal value of the shares they hold or, in the case of those holding share-convertible bonds, they may exercise their rights to conversion, within the deadline granted by the Board of Directors for this purpose, a deadline which will never be under fifteen days.
2. Preemptive Rights will not be applicable for previous shareholders and owners of share-convertible bonds when the extension is due to conversion of bonds or other fixed-income securities in shares or, in the case another Company is taken over or part of its assets are split, when the Company has made a tender offer whose consideration consists of securities to be issued by the Company, either partially or totally.
3. The General Shareholders' Meeting or, if applicable, the Board of Directors, may agree the total or partial suppression of the preemptive rights in the interest of the Company.

In particular, it may be understood that there are sufficient company interests to justify the suppression of the preemptive rights when this is necessary to facilitate (i) the acquisition of assets, including stakes in other Companies, when this were convenient for the development of the corporate aim; (ii) the placement of new shares on foreign markets; (iii) the raising of resources using placement techniques based on demand forecasts whose aim is to maximise the issue rate of the shares; (iv) new partnership with industry and/or technology partner; and (v), as a general rule, the completion of transactions which are convenient for Company interests.

Article 14. Capital Reduction

1. Capital reduction may be carried out by decreasing the nominal value of shares, their amortisation or clustering in order to exchange them and, in all cases, its aim will be goals such as the return of contributions, pardon of the obligation to make the outstanding contributions, the creation or increase of reserves, the re-establishment of the balance between capital and Company assets reduced as a result of losses or several of the aforementioned aims at the same time.
2. In the case capital is reduced to return contributions, payment to shareholders may be carried out in kind, either totally or partially, as long as the conditions scheduled in section 5 of Article 62 of the Bylaws are met.

Article 15. Forceful Amortisation

1. The General Shareholders' Meeting may agree, in accordance with the provisions of the Corporations Law, to reduce capital in order to amortise a certain group of shares, as long as such a group is defined in accordance with substantive and homogeneous conditions. In this case the measure must be approved by the General Meeting and with a majority both of the shares belonging to shareholders

from the group affected as well as the shares of the rest of the shareholders remaining in the Company.

2. The amount to be paid by the Company may not be under the mean average share prices at market close on the Stock Markets during the month prior to reaching the agreement to reduce share capital.

TITLE THREE

BONDS AND OTHER SECURITIES

Article 16. Issue of Bonds

1. The General Meeting may delegate the Board of Directors the power to issue simple or convertible and/or exchangeable shares. The Board of Directors may use such delegation on one or several occasions and for a minimum five-year term.
2. Likewise, the General Meeting may authorise the Board of Directors to determine the time at which the issue agreed is to take place, as well as set other conditions not scheduled in the General Meetings' agreement.

Article 17. Convertible and Exchangeable Bonds

1. Convertible and/or exchangeable bonds may be issued with fixed exchange ratio (determined or determinable) or at a variable exchange ratio. The issue agreement will determine if the ability to convert or exchange is the responsibility of the bondholder or the Company or, if applicable, the conversion is to occur forcefully at a given time.
2. Preferential rights in convertible bonds may be suppressed in agreement with the applicable legal and company bylaws' rules for the suppression of the right to preferential subscription of shares.

Article 18. Other Securities

1. The Company may issue promissory notes, warrants or other tradable securities which differ from those described above.
2. The General Meeting may delegate the Board of Directors the power to issue such securities. The Board of Directors may use such delegation on one or several occasions and during a maximum period of five years.
3. Likewise, the General Meeting may authorise the Board of Directors to determine the time at which the agreed issue is to take place, as well as set other conditions not included in the General Meeting's agreement, pursuant to legally established provisions.

4. The Company may also guarantee securities issues carried out by its affiliate companies.

TITLE FOUR

ON COMPANY GOVERNANCE AND ADMINISTRATION

Chapter One

Corporate Bodies

Article 19. Distribution of Responsibilities

1. The managing bodies of the Corporation are the Annual General Meeting, the Board of Directors and the executive bodies created within the Corporation.
2. The Annual General Meeting is responsible for decisions concerning those issues which have been attributed to them either legally or by the Company Bylaws. In particular and purely by way of example, it is their responsibility to appoint and remove directors and auditors; approve the management report and the annual accounts and decide upon the distribution of earnings; authorise those operations outside the scope of the corporate aim; and modify the Bylaws, deciding upon the transformation, merger or split of the Corporation; approve the incorporation of those essential activities carried out up until that time by the Corporation itself into dependent entities, even where the said Corporation maintains complete control of the activities; and approve those operations with effects equivalent to that of the liquidation of the Corporation.
3. Those responsibilities which are not attributed by law or the Company's Bylaws to the Annual General Meeting are tasked to the governing body.

Article 20. Procedure Principles

1. The aim of all Company bodies will be the protection of company interests, with this being understood as the common interest of shareholders.
2. The Company's bodies will respect a treatment parity principle in their relationship with shareholders.

Chapter Two

On General Meetings

Article 21. General Meeting Regulation

1. The General Meeting is the governing body of the Company and all shareholders, including absent, dissident and abstaining shareholders and those not entitled to vote, are obliged to comply with its agreements. The relevant impeachment rights are an exception to the above.
2. The General Meeting is governed by the provisions of the Bylaws and the Law. The legal and bylaw regulation of the General Meeting will be enforced and completed with the Regulation of the General Meeting, describing conditions for the summoning, preparation, information, attendance, development and exercise of political rights by shareholders. The General Meeting Regulations will be approved by the General Meeting, at the instance of the Board of Directors, will be inscribed in the Companies Registry and will be published by the National Stock Exchange Commission.
3. The General Shareholders' Meeting, convened in the regular manner, universally represents shareholders and it will decide by majority vote on the matters included within its scope of responsibilities.
4. In all matters relating to information, participation and exercise of voting rights at the General Meeting, the Company guarantees at all times, equal treatment of all shareholders who are in the same position.

Article 22. Types of General Meetings

1. The General Meeting may be ordinary or extraordinary.
2. The ordinary General Meeting, previously summoned to this effect, will necessarily meet within the first six months of each fiscal year, to approve the company's management, approve, if applicable, the accounts from the previous year and decide on the distribution of earnings.
3. Any General Meetings not fitting the description of the above paragraph will be considered an extraordinary General Meeting.

Article 23. Summoning the General Meeting

1. General Meetings of Shareholders must be formally called by the Board of Directors of the Company.
2. The Board of Directors may call the General Meeting whenever it considers this to be appropriate for the interests of the corporation and will be obliged to do so in the following cases: (a) in the event described in section two of the paragraph above; (b) when this is required by shareholders representing at least five per cent

of the share capital; and (c) when a public offer to acquire the Company's shares is made. In this last case, the call will have to be made as soon as possible in order to inform the shareholders of the circumstances of the transaction and to give them the opportunity to respond in a coordinated manner.

3. The notice convening the General Meeting, ordinary or extraordinary, shall be in such a way as to ensure that rapid and non discriminatory access to information is guaranteed between all the shareholders. To this end, the means of communication will ensure effective distribution of the public announcement and as well as free access for shareholders across the EU.
4. The distribution of the notice shall be made using at least the following means: (i) The Official Gazette of the Companies Registry or one of the most widely circulating daily newspapers in Spain, (ii) the website of the National Stock Exchange Commission (CNMV) and (iii) the Company's website, at least one month prior to the date fixed for the meeting, except in those cases where the law demands a different prior notice period.
5. The notice will indicate the name of the Company, date and time of the meeting in the first call, the agenda, the date in which the shareholder will have to have his shares registered in order to participate, will set out with appropriate clarity and concision, all of the matters to be dealt with as well as, how and where they can obtain the full text of the documents and proposed resolutions, including the web page address of the Company on which the information will be available.
6. The notice will contain clear and accurate information of the procedures that the shareholders must follow to participate and vote at the general meeting, including, the following points: (i) the right to request information, to put items on the agenda and to submit proposed resolutions, and the exercise period; (ii) the system for voting by proxy and (iii) the procedures established for voting by distance, either by mail or electronic means.
7. The announcement will indicate the date of the meeting in the first call and will set out, with appropriate clarity and concision, all of the matters to be dealt with. The date of the meeting at the second call, if scheduled, may also be stated. There should be a period of at least twenty-four hours between the first and second calls.
8. The announcement for the call will be signed by whoever holds the authority to certify the resolutions of the Corporation.
9. In the case of a Universal Meeting of Shareholders, the provisions detailed in Spanish Corporations Law will be followed.
10. Notwithstanding the foregoing, those shareholders who represent at least five per cent of the share capital, will be able to request the publication of a supplement to the call for the General Meeting of Shareholders, including one or more items on the Agenda whenever the new points go accompanied by a justification. Under no circumstances will they be able to exercise this right with regard to the calls of extraordinary meetings.

This right should be exercised through an irrefutable notification which should be received at the address of the Corporation within the first five days following the publication of the call. The supplement to the call should be published at least fifteen days before the date envisaged for the General Meeting.

11. The shareholders who represent at least five per cent of the share capital will be able, in the same period stated in the previous point, to submit resolutions for agreement regarding matters already included or to be included in the agenda. The Company will ensure the distribution of these proposed resolutions in accordance with the provisions established in the article 7 of the General Meeting Regulations.

Article 24. Time and Location of the Meeting

1. The General Meeting will be held at the location the announcement of the call indicates, within the municipality where the Company's registered headquarters is located (main location). If the advertisement does not include a location, it will be understood that the meeting is to take place at the Company's registered headquarters.
2. Next to the main location, where the General Meeting Board will be formed, there may be other incidental places for the meeting to be held outside or within the municipality where the corporation is registered, and which may be attended by interested shareholders. The validity of the General Meeting held in additional locations depends on the clear identification of such locations in the summons and that such places are interconnected with the main location via video-link which allows the recognition and identification of the attendees, communication and interaction in real time, as well as debate and vote issuing. Those attending in these places will be considered, for all purposes of the General Meeting, as attendees to the single meeting. The meeting will be considered to be convened at the location where the main location is situated.
3. The General Meeting may reach an agreement to delay the meeting one or several consecutive days, following the proposals of the directors and a number of shareholders representing, at minimum, a quarter of the share capital attending the meeting. Irrespective of the number of meetings held, the Meeting will be considered a single meeting, and a single minutes' document will be created to record all sessions. The General Meeting may, likewise, be suspended temporarily in the cases and manner described in its Regulation.

Article 25. Convention

1. The General Meeting shall be validly convened on the first call with the attendance, either personally or by proxy, of at least fifty per cent of share capital subscribed and with voting rights. Following a second call, the meeting will be validly convened irrespective of the amount of capital attending.

2. If the General Meeting were called to debate amendments to the bylaws, including capital increases and reductions, the transformation, merger and split of the global transfer of assets and liabilities of the Company or the issue of bonds, the elimination or limitation of the right of first refusal and the transfer of residence abroad it will be necessary, following a first call, that shareholders representing at least fifty per cent of the share capital with voting rights attend the meeting. Following a second call, the attendance of twenty-five per cent will be sufficient.
3. Shareholders issuing their votes by postal or electronic mail should be counted as attendees when the meeting is convened.
4. Absences occurring once the General Meeting has been convened will not affect its validity.

Article 26. Right to attend

1. Those shareholders registered as holding any number of shares with voting rights may attend the General Meeting with the right to speak and vote.
2. To take part in Meetings, shareholders must register ownership of shares in the relevant Share Registration Book at least five days before the meeting date. Compliance with this requirement will be confirmed by the presentation of a certificate to be issued by the body responsible for the Share Registration Book or, in accordance with current legislation, by any other possible means providing sufficient proof of such registration.
3. Members of the Board of Directors must attend General Meetings. Managers, Experts and other individuals who have an interest in the proper management of corporate affairs may be authorised to attend the General Meeting by the Board of Directors. Failure to attend by one or the other will not affect the validity of the General Meeting.
4. The Chair of the General Meeting may grant the financial press and financial analysts access to the General Meeting and may, in general, grant access to any individual he deems appropriate.

Article 27. Proxy

1. All shareholders with a right of attendance to the General Meeting may be represented by third parties, even when such a person is not a shareholder. Representation shall be granted in writing or using electronic media, separately for each meeting.
2. If representation has been granted following a public request, the power of attorney should include or append the agenda, application for instructions on how to vote and the voting directions for the proxy in the event no specific instructions have been provided, all of the above subject, if applicable, to the provisions of the Law.

The provisions in the paragraph above will not be applicable in the event the proxy is the spouse, ascendant or descendent of the represented party, nor when the proxy is empowered with a general power of attorney granted with powers to administer the estate the represented party may have in the national territory.

3. If representation was made by a public request, the proxy shall not have the right to vote corresponding to the represented shares in those items of the agenda in which there is a conflict of interest, unless they had received specific instructions of voting directions from the shareholders for each above mentioned items and without detriment to the possibility of designating another representative for the above mentioned items.
4. There will be a conflict of interest in the cases provided for in applicable legislation. In any case, it is understood that the members are in situation of conflict of interest in the cases set out in the Companies Act.
5. Unless otherwise stated, when the members prepare a public request of representation, the exercise of the rights to vote corresponding to the represented shares will be exercised by the Chairman. Unless otherwise stated, it will be considered that the shareholder gives precise instructions of affirmative votes to the proposed resolutions in the Board Meeting in every General Meeting.

The delegation may include those items that even though they not included on the Agenda of the notice, they are treated in the General Meeting, considering that unless otherwise stated, the shareholder provides specific instructions so that the proxy abstains. If the delegation had not included them, it will be considered that the represented shareholder instructs his proxy to abstain in the voting of these items.

6. Representation may also be granted using remote communication means. In order to be valid, this mode of representation will require that the Company is notified:
 - (a) when it is sent by mail, sending the Company a duly signed and filled out attendance and representation card, or it is sent by other written media which, in the opinion of the Board of Directors and following a previous agreement on this matter, allows the proper identification of the shareholder granting representation and the delegate appointed or;
 - (b) via electronic communication with the Company accompanied by a copy of the representation and attendance card in electronic format with details on the representation granted and the identity of the proxy, all of the above under the recognised electronic signature of the represented party or another form of identification considered appropriate by the Board of Directors following its agreement on these matters, and deemed to meet suitable authenticity guarantees and guarantees to identify the represented shareholder.

Representation granted or notified by any of the remote communication means described above will have to be received by the Company before midnight on the day prior to the date that the General Meeting is scheduled on the first call in order to be valid. The Board of Directors may establish a lower notification period by announcing this on its website.

7. Representation may always be withdrawn. Personal attendance by the shareholder represented will be equivalent to withdrawing representation granted.

Article 28. General Meeting Board

1. The General Meeting Board will be comprised of, at minimum, a Chair and a Secretary of the General Meeting. Likewise, members of the Company's Board of Directors may be part of it.
2. The General Meeting will be chaired by the Chair of the Board of Directors or, in his absence, inability to attend or illness, by the Vice-Chair of the Board, in the case a Vice-Chair has been appointed.
3. In the absence both of the above roles, the role of Chairman of the General Meeting will be performed by the oldest Board Member and, in his absence, the shareholder chosen by those attending.
4. The Chair will be assisted by the Secretary. The Secretary of the General Meeting is the Secretary of the Board of Directors and, in the case he is unable to attend personally, the Vice-Secretary. In the absence of the Secretary and Vice-Secretary of the Board, the role of Secretary of the General Meeting will be performed by the youngest Board Member and, in his absence, the shareholder chosen by those attending.

Article 29. Attendee List

1. Before starting the meeting's agenda, the Secretary of the General Meeting will create the list of attendees, describing the nature of the representation of each one of them and the corresponding number of own or represented shares. At the end of the list, the number of shareholders, either attending in person or by proxy, will be stated, and those who have issued their votes remotely will be stated separately, as well as the capital they own, specifying the amount which belongs to shareholders with a right to vote.
2. The list of attendees will appear at the beginning of the minutes of the meeting or will be attached by means of an annex signed by the Secretary of the General Meeting, with the approval of the Chairman. A list of attendees may also be created on a file or added to a computer-supported media. If this were the case, the media used will be noted in the minutes of the meeting and the appropriate procedure for identification will be attached to the sealed file or supporting media, signed by the Secretary of the General Meeting with the approval of the Chairman.

Article 30. General Meeting Discussions

1. Once the attendee list has been created the Chairman, if applicable, will declare the General Shareholders' Meeting as validly convened and determine if the meeting may discuss all matters included as items on the agenda or if, on the contrary, one of such items must be restricted.

2. The Chairman will submit all matters included in the agenda of the meeting to be debated and will direct debates with the aim of achieving the orderly development of the meeting. For this purpose, the Chairman will have the relevant powers of order and discipline and may expel those interrupting the normal development of the meeting and may even decide to temporarily interrupt the session. The Chair, even when attending the meeting, may delegate the management of discussions to the Board Member he deems appropriate or the Secretary.
3. Shareholders may request information under the terms described in the Article below.
4. Any shareholder may, likewise, take part, at least once, in the debate on the items of the agenda, although the Chairman, using his powers, is authorised to take order measures such as limiting time for speaking, setting turns or closing the list of speakers.
5. Once a matter has been sufficiently debated, the Chairman will submit it to voting.

Article 31. Right to information

1. From the date of publication of the summoning of the General Shareholders' Meeting and up until the seventh day prior to the meeting, shareholders may request any information and/or clarification they deem necessary on items included in the agenda of the meeting or write out the questions they deem pertinent.

In addition, shareholders may request clarification or ask questions in writing regarding publicly accessible information provided by the Company to the Spanish Stock Exchange Commission from the date of the last Annual General Meeting and also about the auditor's report.

2. During the General Meeting, all shareholders may verbally request the information or clarification s/he deems appropriate on the matters included in the meeting's agenda.
3. The Board of Directors is obliged to provide the information requested in accordance with the two paragraphs above in the manner and within the deadline agreed by Law, except (i) where the requested information was already clear and directly available for all shareholders on the web page of the Company in the question and answer format (ii) and in the case in which it were legally improper to do so and, in particular, when, in the Chairman's opinion, dissemination of this data would damage company interests. This last exception shall not apply when the request is supported by shareholders representing at least twenty five percent of capital.

Article 32. Voting

1. Every item on the agenda will be put to the vote individually. However, if deemed necessary, the Chair of the Meeting may resolve that all proposals corresponding

to some or all agenda items be put to the vote together. In such cases, the result of the vote will apply to each individual proposal as long as none of the persons attending expresses a wish to change his or her vote with respect to any of the items. On the contrary, all amendments expressed by each of the persons attending will be reflected in the minutes along with, consequently, the result for each vote corresponding to each proposal.

2. The Chair will be responsible for establishing the voting system considered most suitable and for managing the process, in this case, in accordance with procedural rules outlined in the General Meeting Regulations.
3. The shareholders or their representatives will be able to vote on the items included on the agenda by means of postal or electronic mail in accordance with the terms set forth in the following article.
4. Within the seven days prior to the date of the meeting, the broker will have to communicate to the Company a list in which they should indicate the identity of every client, the number of shares with regard to which the right to vote is exercised under their name, as well as the voting instructions, if any, that the intermediary has received. Those financial intermediaries lawfully empowered to represent various shareholders will be able to divide their votes in such a way that they will be able to vote according to the instructions conferred on them.

Article 33. Issue of Remote Votes

1. Shareholders with a right to attend and vote may issue their votes on proposals affecting items included in the agenda of any General Meeting via mail or electronic communication.
2. Postal votes will be issued by sending the Company a letter with the way the vote is cast, together with an attendance card issued by the organisation(s) in charge of the Shareholder Register Book.
3. Votes using electronic communication will be issued under an accepted electronic signature of another type of guarantee which the Board of Directors deems suitable in order to guarantee the authenticity and identification of the shareholder exercising voting rights.
4. In order to be valid, votes issued via any of the means described in the sections above must reach the Company before midnight on the day prior to the date scheduled for the meeting in the first call. The vote will not be considered as issued if requirements are not met.
5. The Board of Directors is entitled to enforce the provisions above, establishing suitable rules, means and technical procedures to procure issuance of votes by remote communication means, adjusted, if applicable to rules dictated to this effect. In particular, the Board of Directors may (i) regulate the use of alternative guarantees to electronic signatures recognised for the issuance of electronic votes in accordance with the provisions of section three above and (ii) reduce the prior

deadline established in section four above for the reception on the Company's behalf of votes issued by postal or electronic mail.

In any event, the Board of Directors will take the necessary measures to avoid any possible duplicate votes and ensure that those issuing votes or delegating votes via postal or electronic mail are duly legitimised for this purpose in accordance with the Article 26 of the Company's Bylaws.

The rules for enforcement adopted by the Board of Directors pursuant to the provisions of this section will be published on the Company's website.

6. Shareholders with a right to attend issuing remote votes under the terms described in this section will be considered in attendance for the purposes of convening the relevant Meeting.
7. Personal attendance by the shareholder or his/her representative to the General Meeting will be equivalent to revoking votes issued by mail or electronic mail.

Article 34. Approving Resolutions

1. The Bylaws establish that the Annual General Meeting, ordinary or extraordinary, shall adopt resolutions by the majority vote required by the Spanish Corporations Law. Each voting share, either present or through representation at the Annual General Meeting, shall have the right to one vote.
2. The majority necessary to adopt a resolution shall consist of one half plus one of the shares present with the right to vote, either personally or through a representative, except for cases for which the Law or these Bylaws establish a greater majority.

Article 35. Minutes of the General Meeting

1. The Secretary of the General Meeting will record the meeting and, once the minutes have been approved, these will be incorporated in the Minutes Register.
2. The minutes may be approved by the General Meeting at the end of the meeting or, in their absence, within fifteen days by the Chairman and two Auditors, one representing the majority and another the minority.

The minutes approved following any of the two methods described will be enforceable from the date of their approval and signed by the Secretary with the approval of the Chairman.

3. Notary's minutes will not need approval.
4. Resolutions of the Board shall be accredited by a certification issued by the Secretary of the Board, or as applicable, the Vice Secretary, with the approval of the Chairman or, as applicable, the Vice Chairman.

5. Any shareholder voting against a certain agreement has the right to request the recording of his/her opposition against the agreement reached.

Chapter Three

On the Board of Directors

Article 36. Regulations Governing the Board of Directors

1. The Company will be administered by a Board of Directors.
2. The Board of Directors will be regulated by applicable legislation and these Bylaws. The Board of Directors carry out and fulfil these duties following the relevant Board of Directors' Regulation, to be reported to shareholders in the first General Meeting which takes place after its adoption or amendment.

The Board of Directors' Regulation will take into consideration and adapt the most respected Good Governance principles and recommendations to the company's circumstances and needs. This indication serves merely as a guideline and, under no circumstance, will this deprive the Board of its self-regulation powers and responsibilities.

3. The Regulations will be registered in the Companies Registry and it will be published by the National Stock Exchange Commission (CNMW).

Article 37. Administration and Supervisory Powers

1. With the exception of items reserved for General Meetings, the Board of Directors is the highest corporate decision-making body.
2. The Board of Directors has all the necessary powers to manage the Corporation. Nonetheless, as a general rule, it will entrust the management of regular company activities to the appointed members and to the management team and will concentrate its efforts on determining the overall corporate strategy and general supervisory functions. In any case, decisions related to the following issues will fall under the scope of its responsibilities without the option of delegation:
 - i. Formulation of the annual financial statements, the management report and the profits distribution proposal as well as the consolidated financial and management reports.
 - ii. Appointment of co-opted directors and bringing forward to the General Meeting proposals in relation to the appointment, ratification, re-election or dismissal of directors.
 - iii. Designation and renewal of internal Board of Directors' positions

and Committee members.

- iv. Determination of Directors' remuneration in accordance with the proposal of the Appointments and Remuneration Committee.
- v. Interim dividend payments.
- vi. Any tender offer announcement regarding securities issued by the Corporation.
- vii. Approval and amendment of the Regulations of the Board of Directors governing its organization and internal operations.
- viii. Formulation of the Annual Corporate Governance Report.
- ix. Exercising the authorities delegated by the General Meeting when the option for delegation is not available and exercise any functions charged to it at the General Meeting.
- x. Entering into any contract or formation of any legal relationship between the Corporation and a shareholder (or corporation belonging to the same group as a shareholder) holding more than five per cent and that is valued at more than 13,000,000 euros.
- xi. Entering into any contract or formation of any legal relationship between the Corporation and a third party valued at more than 80,000,000 euros.
- xii. Approval of annual budgets and the strategic plan, if any.
- xiii. Approval of the investment and financing policy.
- xiv. Supervision of the Mediaset España Group corporate structure.
- xv. Approval of the Corporate Governance policy.
- xvi. Supervision of the Corporate Social Responsibility policy.
- xvii. Approval of the remuneration policy for Executive Directors depending on executive functions and their main contractual obligations.
- xviii. Performance evaluation of the Company's Executive Directors.
- xix. Compliance with risk control and management policies as well as internal information and control systems as stipulated by the Audit and Compliance Committee report.
- xx. Approval of the Company's treasury stock policy.
- xxi. Information about the removal and appointment of senior

management as well as their contractual terms.

- xxii. Approval of financial information that the corporation must periodically publish at the request of the Audit and Compliance Committee.
- xxiii. Approval of the creation or purchase of holdings for special purposes or located in countries or territories designated as tax havens, as well as any transaction or operation of a similar nature that, due to its complexity, may undermine the Group's transparency.
- xxiv. Authorisation, with approval from the Audit and Compliance Committee, of related-party transactions completed by the Company with directors or related individuals or majority shareholders with the exception of those who comply with the following conditions: (i) are wholly dedicated to a group of clients and effected according to standard conditions, (ii) are effected at prices established by the supplier of the service or at market prices, (iii) where the amount does not exceed 1% of the company annual revenues. Directors affected by related-party transactions that are subject to a vote by the Board of Directors because of their characteristics, will not attend the meeting and shall have no right to vote thereon nor to delegate their vote.
- xxv. Any other issues that the Regulations of the Board of Directors reserves for that body as a whole.

Article 38. Representation Powers

1. Representing the Company in and outside court is the responsibility of the Board of Directors, acting jointly.
2. The Secretary of the Board of Directors has the necessary representation powers to record General Meeting and Board of Directors' agreements as public documents and request their recording in the commercial registry.
3. Representation powers of delegate committees will be governed by the provisions of the relevant delegation agreement. In the absence of indications otherwise, it will be understood that representation powers are granted jointly to managing directors and, in the case the delegate body were an Executive Committee, to the Chairman of the committee.

Article 39. Number of Members of the Board of Directors

1. The Board of Directors will comprise a minimum of eleven and a maximum of nineteen members.
2. It is the responsibility of the General Meeting to determine the number of members of the Board. For these purposes, the board will proceed to set this number via a

concrete agreement or, indirectly, via the creation of vacancies or the appointment of new Board members, within the maximum limit established in the section above.

Article 40. Qualitative Make-up of the Board of Directors

1. The General Meeting will ensure that in the make-up of the Board of Directors the number of external or non-executive Directors is larger than the number of executive directors.
2. The Board of Directors shall also see that the majority group of external directors includes owners or representatives of significant stable shareholdings in the capital of the company (directors representing substantial shareholders) and professionals with recognised prestige who are not linked to the executive staff or significant shareholders (independent directors).
3. The provisions in the sections above do not affect the sovereignty of the General Meeting nor do they ameliorate the efficiency of the proportional system, which it is mandatory to follow in the event the share grouping described in the Corporations Law were to occur. Nevertheless, it is binding for the Board of Directors which, exercising its powers to make proposals to the General Shareholders' Meeting and to co-opt to fill vacancies, may not deviate from these guidelines.

Article 41. Appointment of Directors

1. Directors will be appointed following the agreement of the General Meeting, adopting the requirements established in Article 102 of the Corporations Law.
2. An exception to the above is the appointment of Directors using the proportional system which Article 237 of the Corporations Law refers to.
3. Should vacancies arise during the term of office the directors were appointed for, the Board may appoint persons for these posts from among the shareholders until the first General Meeting takes place.

Article 42. Board of Directors' Posts

1. The Board of Directors will appoint a Chairman and it is also entitled to appoint a Vice-Chairman. The Vice-Chairman will substitute the Chairman in the case of absence, inability to attend or illness.
2. The Board will also appoint a Secretary and it is entitled to appoint a Vice-Secretary. It is not necessary to be a Director to be appointed for the above posts.

The Secretary will assist the Chairman in his tasks and he should also ensure the proper operation of the Board taking care, in particular, of providing the necessary advice and information to Directors, maintaining company documents, reflecting the development of meetings suitably in the minutes book and attesting to the body's agreements.

The Secretary will take care of the formal and material legality of the Board's actions and guarantee that its procedures and the rules of governance of the Company are respected.

3. The Chairman, Vice-Chairman and, if applicable, the Secretary or Vice-Secretary of the Board of Directors who are re-elected as members of the Board of Directors following the agreement of the General Meeting will continue to exercise the roles that they held in the Board of Directors, without being elected again and notwithstanding the powers of revocation of these posts which the Board of Directors has itself.

Article 43. Summoning the Board of Directors

1. The Board will be summoned by the Chairman either at his own initiative, when considered convenient, or following the request of at least three board members. The board members who represent at least a third of the Board may convene the board without a previous request to the Chairman if he has not made the call within a month without justifications.
2. Notice of ordinary meetings shall be sent by fax, telegram or e-mail; it shall be signed by the Secretary or Vice-Secretary on order of the Chairman. The notice shall be sent minimum five days prior to the date of the meeting. However in extraordinary situations, the Board of Directors can meet immediately by telephone or by any other means.
3. The notice shall always include the agenda for the meeting, with all relevant information duly prepared and summarised.
4. Without prejudice to the foregoing, the Board of Directors shall be constituted without the need for notice if all the members are present either personally or by representation, and unanimously accept that the meeting be held and the points listed on the agenda.

Article 44. Board of Directors' Meetings

1. The Board of Directors will meet at least four times a year and on as many other occasions as deemed appropriate by the Chairman for optimal functioning of the body. An exception to the above is the Chairman's obligation to call meetings, as described in the previous article.
2. The Board meeting may be held simultaneously in various rooms, if and when audiovisual media or telephones assure their interactivity and intercommunication in real time, and as such, the unity of the act. In this case, the system of connectivity will be stated in the notice of the meeting and, as applicable, the places in which the technical media necessary is available to attend and participate in the meeting. Resolutions shall be considered adopted in the place where the Chairman is sitting.
3. The Board shall meet in the corporate offices or in the place or places indicated by the Chairman. On an exceptional basis, if no director objects, the session may be

held without a physical meeting and in writing. In this latter case, directors may submit their votes by email, as well as the considerations that they wish to have included in the minutes.

Article 45. Development of Sessions

1. Meetings of the Board of Directors will be validly convened when the majority of its members are present, either personally or through a representative.
2. Directors who cannot attend the meeting may be represented at the meeting by another director. Representation shall be granted in writing and specifically for each meeting.
3. Directors may intervene in the deliberations of the Board, speaking and making the proposals they deem convenient on the different matters included in the agenda.

Article 46. Agreement Adoption within the Board of Directors

1. Resolutions shall be adopted by an absolute majority of the directors attending.
2. Except when the Law, the Company Bylaws or, as applicable, Regulations of the Board of Directors require a greater majority.

Article 47. Minutes of the Board of Directors

1. Resolutions of the Board shall be recorded in the minutes, which shall be transcribed or recorded in the Corporate Minutes Book. Minutes shall be approved by the body at the end of the meeting or in the following meeting. The minutes shall also be approved by the Chairman and two directors named for said effect in the corresponding meeting.
2. Upon approval, the minutes shall be signed by the Secretary of the body or the meeting, with the approval of the person who chaired it. In the event that it is impossible for the individuals mentioned to attend the meeting, they shall be substituted by the individuals set by law, the Company's Bylaws or this Regulation.
3. Resolutions of the Board shall be accredited by certification issued by the Secretary of the Board, or as applicable, the Vice Secretary, with the approval of the Chairman or, as applicable, the Vice Chairman.

Chapter Four

On Executive and Consultation Bodies

Article 48. Board Executive and Consultation Bodies

1. The Board of Directors will elect an Executive Committee from among its members and appoint one or several executive directors, establishing which directors are to hold these posts. Likewise, the Board may appoint other Commissions to which it entrusts responsibilities concerning certain affairs or matters.
2. Notwithstanding the delegation of powers referred to in the section above, the Board will form two commissions of experts responsible for auditing and compliance and the appointment and remuneration of board members and senior managers.

Article 49. The Executive Committee

1. The Executive Committee shall be formed with the members of the Board of Directors, and except when the opposite is determined by the Board, it shall have all the powers inherent to the Board, except those which, pursuant to law or the bylaws, cannot be delegated.
2. The Executive Committee will be comprised of the Board Members that the Board itself appoints with the vote in favour of two-thirds of its members and it will be renewed within the deadline, in the manner and with the number of members determined by the Board of Directors.
3. The Executive Committee will be made up by seven members. In any case, the chairman of the Board of Directors will be a member of the Executive Committee and chair its meetings, and the Vice-Chairman, if applicable, and executive officers will also be members. The Executive Committee's Secretary will be the Secretary of the Board and, in his absence, the Vice-Secretary. In the absence of both of the above, the Secretary's duties will be performed by a member of the Executive Committee appointed by those attending the relevant Executive Committee's meeting.
4. The Executive Committee shall meet at least four times per year and as many other times as the chairman considers appropriate. The chairman may also decide to suspend any of the ordinary meetings when he considers it appropriate. The Executive Committee will deal with all matters the Board of Directors has powers over and which, in the opinion of the Committee, are to be solved without delay. Resolutions adopted by the Executive Committee will be reported to the Board of Directors at its first meeting.
5. The Company Bylaws and the Regulations of the Board shall apply to the Executive Committee, insofar as they are not incompatible with its specific nature.

Article 50. Audit and Compliance Committee

- 1.** The Audit and Compliance committee will be appointed from within the Board of Directors with the membership of a maximum of seven appointed by the Board. The majority of the members of this Commission should be non-executive directors.
- 2.** The Chairman of the Audit and Compliance Committee shall be appointed by the Board of Directors from among its independent directors and shall be replaced every four years. He may be re-elected after a period of one year has elapsed since he stepped down.

The Audit and Compliance Committee shall have a Secretary, who does not have to be a member of the Committee, and who will be appointed by the committee.

- 3.** The Audit and Control Committee will have, at a minimum, the following duties:
 - (a)** Proposing the appointment of auditors, the terms under which they are to be hired, the time period for which they are appointed, and, if necessary, the termination or non-renewal of their appointment.
 - (b)** Reviewing the Company's accounts, supervising compliance with legal requirements and the correct application of accounting standards applicable in Spain and the International Accounting Standards (IAS), and issuing opinions on any proposals by management to modify accounting standards and criteria.
 - (c)** Acting as a communication channel between the Board of Directors and the Auditors, evaluating the results of each audit and the response of the management team to Auditors' recommendations; and mediating, as well as acting as arbitrator, in the event of disagreement between management and the Auditors regarding the principles and policies to be applied in preparing the financial statements.
 - (d)** Gathering knowledge on the financial information process and internal Company control systems associated with relevant Company risks, as well as reviewing the appointment and replacement of managers.
 - (e)** Supervising compliance with the auditors' contract and seeing that the auditor's opinion on all financial statements and principal contents of the auditor's report are drafted clearly and precisely.
 - (f)** Following up on the observance of the rules on transparency and reporting to the Board of Directors on the subject.
 - (g)** Maintaining contact with the accounts auditor to receive information on any matters that may place the auditor's independence at risk, and any other matters related to the account auditing process, as well as receiving information about and maintaining the communications specified in audit law and technical audit standards with the accounts auditors.

- (h) Informing the General Meeting on the matters raised by the shareholders relating to the matters under its competence.
 - (i) Any other tasks entrusted to it by these Bylaws of the Board of Directors Regulation.
- 4. Except in the case described in Article 61.3 of these Bylaws, the responsibilities of the Audit and Compliance Committee merely involve consultative and proposal functions.
- 5. The Audit and Compliance Committee shall meet at least once every quarter, and as often as necessary, upon being convened by the Chairman, acting on his own initiative or in response to a request by three Committee members, the Executive Committee or the Board of Directors.
- 6. The Audit and Compliance Committee shall be deemed to be validly convened when at least one half plus one of its membership are present personally or by proxy. Its resolutions shall be approved when voted for by a majority of those attending. In the event of a tie, the Chairman has the casting vote.
- 7. The Audit and Compliance Committee will submit a Report of its yearly activities for the approval of the Board of Directors and this report will later be made available to shareholders and investors.
- 8. The Board of Directors may develop and complete the rules above in its Regulation, in agreement with the provisions of the Law and the Bylaws.

Article 51. Appointment and Remuneration Committee

- 1. The Appointment and Remuneration Committee will be appointed from within the Board of Directors with the membership of a maximum of five directors appointed by the Board of Directors. The majority of the members of this Commission should be non-executive directors.
- 2. The Chairman of the Appointment and Remuneration Committee shall be appointed by the Board of Directors from among its independent directors.

The Appointment and Remuneration Committee shall have a Secretary, who does not have to be a member of the Committee, and who will be appointed by such committee.

- 3. The Appointment and Remuneration Committee will have, at a minimum, the following responsibilities:
 - (a) Protecting the integrity of the selection process for directors and senior executives, ensuring that candidates meet the profile of the post and, in particular, making proposals to the Board with regard to the appointment and removal of Directors, either by co-optation, or at the proposal of the Board to the Annual General Meeting, and proposing to the Board which members should belong to each of the Committees.

- (b) Assisting the Board for the establishment and supervision of compensation policies for directors and senior managers.
 - (c) Overseeing compliance of rules concerning conflict of interest.
 - (d) Monitoring compensation transparency.
 - (e) Any other tasks entrusted to it by these Bylaws of the Board of Directors Regulation.
4. The responsibilities of the Appointment and Compensation Committee merely involve consultative and proposal functions.
 5. The Committee shall meet as often as necessary, upon being convened by the Chairman acting on his own initiative or in response to a request by three Committee members, the Executive Committee or the Board of Directors. In any case, it shall meet twice a year to prepare the information on directors' compensation that is to be approved by the Board of Directors and included in its annual disclosure documents.
 6. The Appointments and Remuneration Committee shall be deemed to be validly convened when at least one half plus one of its membership are present personally or by proxy. Its resolutions shall be approved when voted for by a majority of those present. In the event of a tie, the Chairman has the casting vote.
 7. The Board of Directors may develop and complete the rules above in its Regulation, in agreement with the provisions of the Law and the Bylaws.

Chapter Five

Directors' Bylaws

Article 52. General Duties of Directors

1. The function of directors is to guide and control the management of the Corporation with the objective of maximising its value to the benefit of its shareholders.
2. In carrying out their duties, directors have to act with the diligence of a prudent corporate agent. Specifically, they are obliged to: (a) Keep abreast of company operations and adequately prepare for Board meetings as well as meetings of committees to which they belong; (b) attend meetings of bodies to which they belong and participate in discussions; (c) carry out tasks assigned by the Board of Directors and related bodies, as long as they are reasonable within their commitments; (d) investigate any irregularity in the management of the Corporation of which they have been notified and monitor risk situations; (e) urge, if applicable, those persons with the capacity to call an extraordinary Board meeting or to include any points considered necessary for discussion at the

next meeting; and (f) oppose any resolutions not in line with current legislation, the Bylaws or the corporate interest and to request that their position be reflected on the minutes when considered suitable for the protection of the company's interests; (g) inform the Board of Directors of any lawsuits in which they are involved and their developments.

3. Directors are also obliged to conduct themselves in their relations with the Corporation with the demands of a loyal representative. The duty of loyalty obliges them to put the interests of the Corporation before their own and specifically, to comply with the regulations outlined in articles 225 and following of the Corporations Law.
4. The Regulations of the Board of Directors shall detail the specific obligations of directors derived from their commitment to confidentiality, no competition and loyalty, with particular attention being paid to situations of conflicts of interest.

Article 53. Information and Inspection Powers

1. Directors have the widest possible powers to gather information on any aspects concerning the Company, as well as to examine its books, registers, documents and any other precedents of company operations or to inspect all the company's premises and communicate with the Company's senior managers.
2. The exercise of information powers will be managed through the Chairman, the Chief Executive Officer or the Secretary of the Board of Directors.

Article 54. Term of Office of Directors

1. Each director will be elected for a five-year term, with the possibility of re-election one or more times for period(s) of like duration. Once the term concludes, the appointment will expire once the next General Meeting is held or the legal term for calling the next General Meeting has expired.
2. The appointment of co-opted directors will be considered in effect and they will exercise their obligations until the date of the first General Meeting, inclusive, without prejudice to the powers of ratification held by the General Meeting.
3. Independent directors will be able to hold their appointments for a maximum term of twelve (12) years, without the option for re-election upon completion of this term except with a reasoned report in favour of the same from the Appointments and Remuneration Committee.

Article 55. Removal of Directors

1. Directors will leave their positions when this has been so decided at a General Meeting, when they give notice of their termination or resignation to the Corporation and upon completing the term for which they were appointed. In

this last case, termination will become effective on the date of the first General Meeting.

2. Directors must offer to resign from the Board of Directors and if considered necessary, formalise their resignation in the following cases: (a) upon reaching 80 years of age; (b) upon termination of their appointments as executives in association with which they were appointed to the Board of Directors; (c) when affected by circumstances of disqualification or prohibited by law; (d) when the Appointments and Remuneration Committee issues a serious warning for infringing their duties as directors; and (e) when their presence in the Board may threaten the interests of the Corporation or negatively affect its credibility and reputation or when the reasons for which they were appointed cease to exist (for example, when a director representing substantial shareholders disposes of such holdings in the company).
3. When directors voluntarily renounce their post before completion of the term, they must send a letter to all the members of the Board of Directors setting out the reasons for this resignation. Similarly, the Corporation must communicate the resignation to the Spanish Stock Exchange Commission as a relevant event and explain the reasons behind the resignation in the Annual Corporate Governance Report.

Article 56. Directors' Remuneration

1. The directors, as members of the Board, shall be entitled to receive remuneration from the Corporation. Remuneration will consist of a fixed annual amount and per diem allowances. The value of these amounts to be paid by the Corporation shall be determined at the General Meeting. Said amount, unless modified at a General Meeting, will be incremented on an annual basis according to the Consumer Price Index. The determination of the exact amount to be paid out within this limit and its distribution amongst the various directors lies with the Board of Directors.
2. In addition, directors who carry out executive functions within the Corporation shall be entitled to receive, for this item, a remuneration made up of: (a) a fixed amount regarding the obligations and responsibilities assumed; (b) a variable amount in relation to an indicator of the directors' contributions to the company; and (c) a benefit-related amount for welfare and insurance purposes.

The value of the remuneration figures making up the fixed portion, the types and calculations of the variable component (that in no case may comprise shares in corporate earnings) and the benefits provisions shall be determined by the Board of Directors based on a report by the Appointments and Remuneration Committee. The affected directors will abstain from attending and participating in the corresponding deliberations.

3. The Board will ensure that the remunerations are guided by market conditions and take into consideration the responsibilities and level of commitment of each director. In this regard, the Chairman of the Corporation when not assigned executive functions, may receive complementary remuneration as approved by the Board of Directors due to the dedication of the post.
4. The remunerations in the financial year awarded under this paragraph will be reflected in the Annual Report to be approved by the Ordinary General Meeting as provided in the Law or the Company Bylaws.
5. The remuneration of all directors (both those who carry out executive functions and external directors) may include, in addition to the amounts determined in the preceding paragraphs 1 and 2, the granting of shares or stock-option rights or remunerations indexed to the value of the shares.

Decisions regarding whether the remuneration package will include corporate shares or option rights or remunerations indexed to the value of the shares will be adopted at the General Shareholders' Meeting. The agreement will, as applicable, state the number of shares to be delivered, the strike price for exercising the option rights, the value of the shares taken as reference and the duration of this form of remuneration.

6. The Corporation is authorised to contract liability insurance for its directors.
7. The remunerations of the directors will be individually reflected in the Annual Report endeavouring to include, in each case, information about their composition.

TITLE FIVE

CORPORATE GOVERNANCE REPORT AND WEBSITE

Article 57. Annual Corporate Governance Report

1. The Board of Directors, having regarded the report of the Audit and Compliance Committee, will approve an Annual Corporate Governance Report for the Company including the legally mandatory sections as well as any other information it deems necessary.
2. The Corporate Governance Report will be approved before the publication of the advertisement calling the Company's Ordinary Annual General Meeting and it will be put at the disposal of shareholders together with the rest of the documents of the General Meeting.
3. Additionally, the Annual General Governance Report will be advertised in accordance with the securities market regulations.

Article 58. Website

The Corporation will maintain a web page with shareholder information that will include, at least, the following documents:

- (a) The Bylaws
- (b) The General Meeting Regulations
- (c) Board of Directors' Regulations and, if applicable, the regulations of the Committees of the Board of Directors
- (d) The Annual Report and the Internal Code of Conduct on relations with the Stock Exchange
- (e) The Annual Corporate Governance Report
- (f) All documents pertaining to the Ordinary and Extraordinary General Meetings with information on agendas, the proposals of the Board of Directors, as well as any information that may be required by shareholders in adopting their voting decisions.
- (g) For each resolution put to the vote at the General Meeting it must be determined, at least the number of shares for which valid votes have been issued, the proportion of capital represented by those votes, the total number of valid votes, the number of votes in favor and against each resolution and, where applicable, the number of abstentions.
- (h) The existing channels of communication between the Corporation and its shareholders and, in particular, explanations concerning the shareholders' right to information with indication of postal and electronic addresses shareholders may contact.
- (i) The norms and procedures to confer representation at the General Meetings.
- (j) The norms and procedures for casting votes remotely, including all necessary forms to accredit attendance and voting by electronic means at General Meetings.
- (k) Relevant events communicated to the Spanish Stock Exchange Commission within the deadlines required by applicable norms.
- (l) Information about the directors including: (i) a brief professional and biographic profile; (ii) outline of all Boards to which they belong; (iii) indication of the type of director role; (iv) indication of the date of first or subsequent appointments; (v) number of shares and option

rights held.

- (m) An Electronic Shareholders Forum will be available for the shareholders before the General Meeting, with guaranteed access, either individually or the organizations they may represent, in order to facilitate communication. In the Forum they will be able to publish proposals that seek to complement the agenda announced in the notice of the meeting, requests of adherence to such proposals, initiatives to reach the sufficient percentage to exercise a right of minority provided for by the Law, as well as offers or requests of voluntary representation.

TITLE SIX

FISCAL YEAR AND ANNUAL FINANCIAL STATEMENTS

Article 59. Fiscal Year

The fiscal year will start on January first and end on December thirty-first.

Article 60. Formulation of the Annual Financial Statements

1. The Board of Directors is responsible for the formulation of the annual financial statements, the management report and the profits distribution proposal as well as the consolidated financial and management reports, within the legally established deadlines.
2. The abovementioned documents, accompanied by an auditors' report, will be submitted to the General Meeting for their approval. When the General Meeting is called any shareholder may freely and immediately be given the documents to be submitted to the meeting for approval and the auditor's report by the Company.

Article 61. Monitoring the Annual Financial Statements

1. The Company's annual financial statements, management report, as well as the consolidated financial statements and consolidated management reports must be reviewed by an account auditor pursuant to the terms described in the law.
2. The account auditor will be appointed by the General Meeting before the year to be audited finalises, for an initial period which may not be under three years or over nine years counting from the date the first year to audit starts, without detriment to the regulation of the auditory activity with regard to the possibility of extension.

3. The Audit and Compliance Committee shall authorise contracts between the Company and the accounts auditor for any activities outside those of account auditing.
4. The Board of Directors will include information in the annual report on services differing from account auditing rendered to the Company by the account auditor or by any company the auditor has a significant relationship with, as well as the global fees paid for these services.

Article 62. Account Approval and Distribution of Earnings

1. Annual financial statements will be submitted to the approval of the General Shareholders' Meeting.
2. Once the Annual Financial Statements have been approved, the General Meeting will decide on the distribution of earnings.
3. Dividends to be distributed may only be charged to the profit for the year or freely disposable reserves once the items provided for by the Law and the Bylaws have been covered and when the net asset value is not less than the share capital, or would not be lower than the share capital as a consequence of the distribution of dividends. If there were losses from prior years which made the Company's net asset value lower than share capital, profits would be devoted to compensate losses.
4. If the General Meeting agrees to distribute dividends, it will determine the manner and means of payment. The determination of these particulars may be delegated to the governing body as well as any other responsibilities deemed necessary or convenient for the agreement to be effective.
5. The General Meeting may agree that the dividend is paid totally or partially in kind, as long as:
 - (i) the goods or securities to be distributed are homogeneous;
 - (ii) they are listed on an official market - at the time the agreement takes effect - or the Company guarantees liquidity can be gained within a maximum period of one year; and
 - (iii) amounts to be distributed are not under the value stated in the Company's balance sheets

Article 63. Deposit of the Approved Annual Financial Statements

The Board of Directors shall deposit Annual Financial Statements and the Management Report as well as the Consolidated Annual Financial Statements and Consolidated Management Report together with the relevant reports for account auditors and other relevant documents under the terms and within the deadlines established by Law.

TITLE SEVEN

WINDING UP AND LIQUIDATION OF THE COMPANY

Article 64. Winding Up

The Company will be wound up in the cases and following the precepts laid down by the Law.

Article 65. Liquidation

1. Once the Company has been wound up, all members of the Board of Directors whose appointment is in force and registered in the Commercial Registry will become liquidators in fact. An exception to the above is the case in which the General Meeting appoints other liquidators in the winding up agreement.
2. Should the number of directors not be uneven, the youngest director will not take on the role of liquidator.

Article 66. Assets and Liabilities Past Due

1. Once the Company's accounting entries have been cancelled, if company assets were to emerge the liquidators must award the additional quota belonging to each shareholder, after converting the assets into cash in the case this were necessary. Should the additional quota not have been awarded by liquidators to former shareholders six months after the liquidators were required to comply with the provisions described in the paragraph above, or in the absence of liquidators, any interested party may request the appointment of a person to replace them in their duties at a Court of First Instance.
2. The former shareholders will be jointly responsible for company debts up until the limit of the sum they have received as a liquidation quota, notwithstanding the responsibility of the liquidators in the case of wilful misconduct or fraud.
3. In order for the formal requirements concerning previous legal business prior to the cancellation of the Company's accounts or, when necessary, the former liquidators may formalise legal business in the name of the Company extinguished after its registry cancellation. In the absence of liquidators, any interested party may request enforcement from the Judge of the First Instance Court of the address the Company had.

TITLE EIGHT

JURISDICTION

Article 67. Jurisdiction

Any controversies arising between the Company and its directors or shareholders will be submitted to the Courts and Tribunals of Madrid, expressly waiving any other jurisdiction the parties may be entitled to.