

REPORT OF THE BOARD OF DIRECTORS OF MEDIASET ESPAÑA COMUNICACIÓN, S.A REGARDING THE PROPOSED AUTHORIZATION FOR THE COMPANY TO ACQUIRE ITS OWN SHARES AND, REDUCE THE SHARE CAPITAL BY CANCELLING ITS OWN SHARES INCLUDED IN ITEM TEN ON THE AGENDA OF THE GENERAL SHAREHOLDERS 'MEETING TO BE HELD ON THE 15TH AND 16TH APRIL 2015 IN FIRST AND SECOND CALL RESPECTIVELY.

1. Purpose of the report

This report was prepared by the Board of Directors of Mediaset España Communication SA ("Mediaset" or the "Company") pursuant to the provisions of Articles 286 and 318 of the Corporations Act ("LSC"), to justify the proposed delegation to the Board of Directors the power to choose to reduce the share capital, in terms of own shares that the Company has become owners of, whose approval is submitted to the General Meeting of Shareholders of the Company due to be held on the 15th of April 2015 on first call and on April 16th, 2015 on second call.

Under these Articles, the Board of Directors must issue a report with a justification, to the extent that the capital reduction necessarily requires the amendment of Article of Association governing the capital.

2. Justification for the proposal

The law, which regulates business regarding own shares in Articles 144 *et seq* and Article 509, allows corporations, to acquire, with certain requirements, either directly or through subsidiaries, shares issued by the company itself and keep them in treasury stock.

Once the acquisition of own shares has been carried out, several legally established mechanisms can be used to reduce or eliminate the treasury stock of the Company. In this regard, you can opt for the cancellation of the aforementioned treasury stock, the sale of treasury stock on the market or in the context of corporate transactions, where appropriate, give them to employees or directors of the Company as part of their remuneration or upon exercise of option rights that they hold.

For the adoption of either of the above alternatives it is necessary to take market conditions into account at all times, and for this reason and, given the impossibility of determining a priori the factors which allow an insight into the market in order to make the most suitable decision it is, therefore, proposed to delegate to the Board of Directors (with express powers of substitution) the power to assess and decide these issues when they arise.

In the event that the cancellation of treasury stock is carried out, it implies the need for a resolution to reduce capital by the General Meeting, although, as the convenience and opportunity to carry out this operation is made in response to changing circumstances that influence the socioeconomic context, financial situation and the objectives and policies of the Company, the terms of such a reduction are unable to be determined a priori, all its terms should be construed broadly, granting the Board of Directors (with express powers of substitution) a number of powers that allow them to use this

procedure, referred to in the legislation.

Among the delegated powers the following are included: (i) establish the exact amount of the reduction, which can never exceed the amount of the nominal value of the shares acquired under the agreement to acquire own shares; (ii) determine the precise number of treasury shares that must be cancelled; (iii) implementing the capital reduction in the manner they deem most appropriate and establishing any requirements that may or may not apply excluding the right to oppose by creditors pursuant to Article 335 c) of the LSC; (iv) take the steps and actions that are required and submit the documents needed to the competent bodies once the cancellation of Company shares has taken place and the deed for the capital reduction has been executed and registered in the Commercial Register, the delisting of the cancelled shares in the Stock Exchanges where the shares are traded.

Finally, indicate that this agreement is intended to provide the Company with the most suitable instruments in the interests of itself and its shareholders.

In Madrid, on February 25th, 2015.