



ANNEX IV AND V

THE BOARD OF DIRECTORS OF COMMUNICATION MEDIASET ESPAÑA, S.A. REPORT JUSTIFYING THE PROPOSED AMENDMENT OF THE ARTICLES OF ASSOCIATION

1. INTRODUCTION AND OBJECT OF THE REPORT

Due to the approval of the Law 31/2014, of December 3rd, which amends the Corporations Act for the improvement of corporate governance, which entered into force, on the twentieth day following its publication in the "Official Gazette", i.e., December 24th, 2014, it is necessary to adapt the wording of the existing Articles of Association of Mediaset España Comunicación S.A. to the mandatory rules introduced by the Law.

Furthermore, this statutory adaptation for regulatory reform has been complemented by the introduction of certain technical or drafting improvements.

In this regard, this report is prepared by the Board of Directors of Mediaset, pursuant to the provisions of Article 286 of the Corporations Act, which requires the formulation of a written report justifying the reasons for the proposed statutory amendment submitted for the approval of the Company's Shareholders General Meeting convened on 15th April 2015, on first call, and April 16th, 2015 on second call, under the eleventh item on the Agenda.

This report prepared by the Board of Directors with the aim of explaining:

- (i) The amendment of Articles 1 ("Name"), 5 (Share Capital), 6 (Representation of Shares), 7 (Shareholders rights), 8 (Multiple Ownership), 11 (Capital Increase), 12 (Authorized Capital), 13 (Pre-emptive rights and their elimination), 15 (Forced Cancellation), 16 (Issue of bonds), 19 (Distribution of Responsibilities), 21 (General Meeting Regulations), 22 (Types of General Meeting), 23 (Convening the General Meeting), 24 (Time and Location of the Meeting), 25 (Constitution), 26 (Right to attend), 27 (Representation), 28 (General Meeting Board), 30 (General Meeting Discussions), 31 (Right to Information), 32 (Voting), 33 (Distance Voting), 34 (Adopting Resolutions), 35 (Minutes of the General Meeting) Articles 36 (Board of Directors Regulations), 37 (Administrative and Supervisory Powers), 39 (Number of Members on the Board of Directors), 40

(Qualitative Structure of the Board of Directors), 41 (Appointment of Directors), 42 (Board of Directors Positions), 43 (Convening the Board of Directors), 44 (Board of Directors Meetings), 45 (Conduct of the Meetings), 46 (Adoption of Resolutions in the Board of Directors Meeting), 47 (Minutes of the Board Meeting) 48 (Delegates and Advisory Bodies of the Board), 49 (Executive Committee), 50 (Audit and Compliance Committee) and 51 (Appointments and Remuneration Committee) 52 (General Duties of Directors), 53 (Information and Inspection Powers), 54 (Directors Term of Office), 55 (Removal of Directors), 56 (Directors Remuneration) 67 ("Jurisdiction").

- (ii) As well as the approval of a consolidated text of the Company's Articles of Association which incorporates the proposed amendments

2. JUSTIFICATION AND PROPOSED AMENDMENTS

2.1 CHANGES RESULTING FROM THE REFORM OF THE CORPORATIONS ACT

The entry into force of Law 31/2014, of December 3rd, amending the Corporations Act to improve the corporate governance, has introduced numerous changes in the regulation of company law and, in particular, with respect to listed companies.

As a result of regulatory changes, the amendment of the following Articles of Association is proposed to the General Meeting of Shareholders:

Article 6 (Representation of Shares), article 23 (Convening the General Meeting), article 19 (Distribution of Responsibilities) article 21 (General Meeting Regulations), article 27 (Representation), article 31 (Right to Information), article 32 (Voting), article 34 (Adopting Resolutions), article 37 (Administrative and Supervisory Powers), article 40 (Qualitative Structure of the Board of Directors), article 41 (Appointment of Directors), article 42 (Board of Directors Positions), article 44 (Board of Directors Meetings), article 45 (Conduct of the Meetings), article 46 (Adoption of Resolutions in the Board of Directors Meeting), article 48 (Delegates and Advisory Bodies of the Board), article 50 (Audit and Compliance Committee), article 56 (Directors Remuneration), article 51 (Appointments and Remuneration Committee) article 52 (General Duties of Directors), article 53 (Information and Inspection Powers), article 54 (Directors Term of Office), article 56 (Directors Remuneration).

- a) First, with respect to share capital and the shares, adaptation of certain articles of the Law on Corporations Statutes proposed, and in this area the right of the Company is expressly incorporated in Article 6 and associations of shareholders to know the identity of shareholders (Article 497 of the Corporations Act).

b) Secondly regarding the **General Shareholders Meeting Regulations and the rights of shareholders** to amend certain articles of the Articles of Association is proposed and in this area the following materials are located:

- Regarding the powers of the Board, Article 19 is amended to expressly incorporate the powers legally conferred (Articles 160, 219 and 511 bis of the Corporations Act).
- In relation to the formal and procedural aspects of the General Meeting:
 - Regarding the notice of the Meeting, in Article 23, the percentages are reduced, from 5 to 3 percent for exercising minority rights to call General meetings, complete the agenda and submit new proposed resolutions (Articles 495.2.a) and 519 of the Corporations Act).
 - The concept of a simple majority is expressly incorporated in Articles 21 and 34 (Article 201 of the Corporations Act).
 - Article 32 is introduced, regarding voting agreements, separate voting for substantially independent matters, and the regime regarding conflicts of interests of shareholders in the General Meeting (Articles 197 bis and 190 Corporations Act, respectively).
- In relation to shareholders rights in relation to the General Meeting:
 - Article 27 of the Articles is modified to incorporate the provisions relating to the procedure for the appointment of proxies (Article 524 of the Corporations Act).
 - Regarding the right to information, the points in Article 31 are amended, in which administrators can deny the information requested by shareholders in relation to the General Meeting (Articles 197.3 and 520.3 of the Corporations Act), the information to be published on the website regarding the General Meeting (Article 518 of the Corporations Act) is completed, extending the deadline to exercise the right to information (Article 520.1 Corporations Act).

c) Thirdly, in connection with the functioning of the Board of Directors and the legal status of its members, the amendment of certain articles of the Articles is proposed:

- In relation with the composition, powers and functioning of the Board:
 - A catalogue of the Board of Directors delegated powers is incorporated in Article 37 (Article 249 bis and 529 ter of the Corporations Act) and the Boards obligation to annually evaluate its

performance and that of its Committees (Article 529 nonies of the Corporations Act).

- There is a generic mention in Article 40, with reference to current legislation regarding the different types of Directors (Article 529 duodecies of the Corporations Act).
 - In Article 42, the functions of the President and Secretary of the Board are specified, as well as the need for a prior report of the Appointments Committee for the appointment and removal of the President, the Vice President, the Secretary and Deputy Secretary, also incorporating the figure of the independent coordinator director (articles 529 quinquies, 529 sexies, 529 septies and 529 octies of the Corporations Act).
 - Article 44 incorporates, inter alia, the minimum frequency of Board meetings (Article 245.3 Corporations Act).
 - The requirement that directors personally attend board meetings to be held, and the prohibition, if any, that the non-executive may delegate representation to an Executive Director (Article 529 quater is established in Article 45 of the Corporations Act).
 - Article 46 incorporates the necessary majorities for the delegation of powers, the appointment of the members of the Executive Committee, the appointment of the President where executive and the approval of contracts for executive directors (Articles 249 and 529 septies are incorporated from the Corporations Act).
 - In Article 48 includes the Board's power to establish one or more specialized committees, regarding the composition and functions it determines (Article 529 terdecies of the Corporations Act), and Article 50, adapts the composition and functions of the Audit and Compliance Committee (Article 529 quaterdecies of the Corporations Act); Also, the system of the Appointments and Remuneration Committee is incorporated in Article 51, regarding their composition and powers (Article 529 quindecies of the Corporations Act).
- In relation to the duties of the Director, the content of Articles 52 and 53 is adapted, incorporating the general duty of care and duty of loyalty of Directors (Articles 225, 227 and 529 quinquies of the Corporations Act).
 - As for the term of office of a Director, Article 54 the term is reduced from 6 to 4 years, Article 41 incorporates the points regarding coverage by cooptation of the vacancies occurring between the calling and the holding

of the General Meeting (articles 529 undecies and 529 decies of the Corporations Act, respectively).

- Regarding Directors remuneration (Article 56 of the Articles), the provisions of the Corporations Act includes, among other things, regarding the determination by the General Meeting of the maximum amount that Board members may receive as members and the distribution criteria including the Board; adaptation of the terms of the regulations concerning the remuneration in the form of shares, options thereon or linked to the value of the shares of the Company; the obligation to conclude a contract with the executive Directors are also introduced; and certain details about the vote of the Annual Remuneration of Directors Report and 'Remuneration Policy (Articles 217, 219, 249, 529 septdecies, 529 octodecies, 529 novodecies and 541 of the Corporations Act.)

2.2. AMENDMENTS DERIVED FROM TECHNICAL AND DRAFTING IMPROVEMENTS

The adaptation of the Articles to include the amendments introduced by the Corporations Act is complemented by the introduction of certain technical or editorial improvements.

In this regard, the modification of the following articles is proposed to the General Meeting: articles on the name of the Company (article 1), Share Capital and Representation of Shares (article 5 and 6) , Shareholders rights (article 7), Multiple Ownership (article 8), Capital Increase and Authorized Capital (articles 11and 12), Pre-emptive rights and their elimination (article 13), Forced Cancellation (article 15), Issue of bonds (article 16), Distribution of Responsibilities (article 19), General Meeting Regulations (article 21), Types of General Meeting (article 22), Convening the General Meetingand Time and Location of the Meeting (articles 23 and 24), Constitution (article 25), Right to attend(article 26), Representation (article 27), General Meeting Board (article 28), General Meeting Discussions (article 30), Right to Information (article 31), Voting and Distance Voting (articles 32 and 33), Minutes of the General Meeting (articles 35), Board of Directors Regulations (article 36), Number of Members on the Board of Directors (article 39), Convening the Board of Directors (article 41), Appointment of Directors and Conduct of the Meetings (articles 43 and 45), Minutes of the Board Meeting (article 47), Executive Committee (article 49), Audit and Compliance Committee (article 50), General Duties of Directors (article 52), Removal of Directors (article 55), Annual Corporate Governance Report (article 57) and Website (article 58) financial year, the annual accounts and the liquidation, (articles 60, 62, 63, 65) and Jurisdiction (article 67).

3. ANNEXES

The text compared between the existing Articles and the new wording thereof and the consolidated text of the new Articles are attached to this report.

In Madrid on February 25th 2015.