

Madrid, 15th April 2015



General Shareholders' Meeting Speech by Alejandro Echevarría Chairman

Dear Shareholders,

We are gathered another year to analyse the results of the previous year, which we are submitting for your approval.

As you will see, the results obtained have been substantially better than those of the economy in general, which grew by 3.3% at a global level in 2014, a figure that—even though higher than that in 2013—is still expecting a full recovery of emerging countries. In the United States, there was a 2.4% increase in GDP, verifying a consistent recovery that, according to all estimates, will continue to improve in 2015. As for the Euro zone, GDP grew by 0.8%; such a figure shows that—notwithstanding the reversal of the negative trend in the last two years—recovery is not sufficiently consistent yet and that progress made by the different national economies is uneven, led by Germany and Spain.

With respect to Spain, according to the macroeconomic data published, GDP increased by 1.4%, thus improving the European Union's average, as previously mentioned.

In line with this positive progress, unemployment decreased by 2 percentage points, an improvement that still places us at unacceptable employment levels, very far from the rest of the countries within our sphere.

With respect to the fiscal year 2015, analysts agree on placing Spain at the top of the European economy, with an increase exceeding 2%, much higher than the European average. It seems that this increase will continue to rely on internal demand, especially in private consumption, thanks to the increase in available income, favoured by the positive context in general, less pressure arising from income tax on individuals, the decrease in household debt and more access to financing as a result of the expansive monetary policy implemented by the European Central Bank.

This positive context is not exempt from risks, mainly in the recovery of employment, as already mentioned, taking into account the fulfilment of budget stability goals or the outcome of the different elections to take place in the next few months.

THE TELEVISION BUSINESS IN 2014

In 2014, TV advertising investment increased by about 10.9%, catalysing the recovery of advertising in media once again, which shows the strength and reputation of our media for advertisers. Furthermore, 2014 was characterised by high television consumption, which continues to show figures that are certainly high in our environment.

With respect to the Mediaset Group, in 2014 we were able to grow well beyond the market thanks to the strength of our contents. Thus, at the end of the year we reached a 44.2% share in the advertising market.

As for audiences, data for the year shows unmistakably that our Group continues to be an undisputed leader; our channels as a whole reached 30.7% of the audience with an increase of 1.7 points vis-à-vis 2013, a historical record in Spain.

The data is equally positive if we refer to our main channel (Telecinco), whose audience increased by 1 point, from 13.5% to 14.5%, the highest figure since 2010.

Our CEO, Paolo Vasile, will give you detailed information in this regard.

ECONOMIC DATA

Comparing the Company's results in 2014 with those of 2013:

- Operating income increased from EUR 826,820,000 in 2013 to EUR 932,087,000 in 2014 due to the advertising revenues previously mentioned and the excellent performance of our feature films ("8 Apellidos Vascos", "El Niño"...).
- Operating expenses increased from EUR 756,648,000 in 2013 to EUR 787,333,000 in 2014, a slight increase basically due to the broadcasting of two important non-recurring sports events, such as the Football World Cup and the World Basketball Championship.
- The operating profit reached EUR 144,753,000, compared to the amount of EUR 70,173,000 booked in 2013, which implies an operating margin (computed as quotient between the operating profit and net operating income) equal to 15.5% with respect to 8.5% obtained in 2013.
- Finally, net income attributable to the controlling company Mediaset España amounted to EUR 59,492,000 as compared to the amount of EUR 4,161,000 obtained in 2013, a very significant improvement that is mainly due to the recovery of the operating margins during the year as a result of the increase in operating income.

DIVIDENDS

Last year, the Company decided not to distribute any dividends mainly due to the still impaired advertising market situation at the beginning of the year, as well as the existence of potential investment opportunities that, in the end, did not occur, and which would have required sufficient financial capacity.

This year we propose to the General Shareholders' meeting to distribute ordinary dividends for a total amount of EUR 36,970,000, i.e. the full profit earned by the Company, after offsetting prior-year profit (loss) and setting up the goodwill reserve.

In addition to this, given that in the fiscal year 2014, cash generated by the Company was higher than its net book profit (loss), we propose the payment of an extraordinary dividend for an amount of EUR 10,632,000, to be charged to disposable reserves. This dividend —along with the ordinary dividend— reaches EUR 47,602,000, which is consistent with the compensation policy traditionally followed by the Company.

CHANGES IN SHARE PRICE

At year-end, the best-performing European index was the IBEX 35, with a 3.7% increase driven by the Spanish economic situation and a good outlook for 2015. The stock exchange listed price of Mediaset España increased by 24.5%, which places it as the best within the media sector in Europe and eighth with respect to IBEX 35.

The maximum annual stock price of EUR 10.60 was reached on 24th December, while the minimum price of EUR 7.41 was reached on 15th May.

The total traded volume of Mediaset España amounted to EUR 4,822.4 million, with an increase of over 2,000 million with respect to the prior-year amount of EUR 2,747.2 million (a 76% increase).

Regarding capitalisation, there was an increase of EUR 837 million in 2014, thus reaching a value of EUR 4,250 million. In the media stock exchange capitalisation ranking, Mediaset España reached the number one position at a national level, with a capitalisation exceeding by EUR 1,600 million that of Atresmedia and surpassing the Spanish ones as a whole by almost EUR 900 million.

CORPORATE GOVERNANCE

In compliance with Recommendation 3 of the new 2015 Code of Good Governance, and as I have always done since the Company became listed on the stock exchange, I will now advise you on the most important aspects of the Company's corporate governance, particularly:

- a) Changes that have occurred since the previous Ordinary General Meeting.
- b) The specific reasons why the Company does not follow some of the recommendations under the Code of Good Governance.

In 2014, we kept our commitment to observe Good Governance standards and guarantees as part of company management. As last year, we are submitting to a binding vote the Annual Remuneration Report, which was verified by the firm PriceWaterhouseCoopers, once more in compliance with legal corporate requirements.

In addition, in 2014 the Prisa Group reduced its shareholding in the company to below 5%, thus extinguishing the shareholders' agreement that we had signed; therefore, they no longer have a representative on our Board of Directors. That is why we are proposing the General Meeting to reduce the structure of the Board by two members, from fifteen to thirteen.

To finish with the subject of the Board of Directors, we propose to re-appoint three of its members, all three of them being independent, as the term for which they were initially appointed has expired.

Moving on, I would like to highlight that, as a result of the approval of Law No. 31/2014 dated 3rd December, whereby The Corporations Act was amended in order to improve Corporate Governance, the Board of Directors of Mediaset España Comunicación S.A. has agreed to submit for approval of this General Meeting the proposed amendments to the Company's Articles of Association and General Meeting regulations in order to adapt the contents of these corporate texts to the abovementioned regulatory amendment, as well as certain technical improvements to them. For this purpose, the Company's Board of Directors' Regulations were amended, of which you will be informed during this General Meeting under item 13 of the Agenda.

Detailed information on the amendment of those corporate texts has been made available to the shareholders in the reports prepared for that purpose by the Board of Directors and published on the Company's website.

Regarding good governance recommendations, in 2014 the Unified Code of Good Governance approved by the National Securities Market Commission in May 2006, and updated in 2013, continued to be effective, providing detailed information on the level of compliance with recommendations included in the said Code in section G of the Annual Report on Corporate Governance of Mediaset España Comunicación S.A. for the fiscal year 2014, available on the Company's website.

In this sense, out of the 53 recommendations of the said Code, Mediaset España have failed to fulfil only one recommendation in the fiscal year 2014 —recommendation 49—, whereby the majority of the members of the Appointments and Remuneration Committee should be independent directors. In our case, such Committee is formed entirely of external directors, half of which are independent, while the other half are proprietary directors, which is justified by the presence of a benchmark shareholder holding over 42% of share capital.

In relation to the new Listed Companies Code of Good Governance, as approved last February by the National Securities Market Commission, even though the company already fulfils a significant part of its contents, in the next few months we will proceed to implement those changes into our corporate texts, of which we will provide complete information in due course.

With respect to the codes of ethics followed by Mediaset España, I would like to point out that:

- First of all, we adhered to the United Nations Global Compact in 2004, which we have complied with for ten years this fiscal year.
- We will soon celebrate the 20th anniversary as partners of Autocontrol, a non-profit association managing advertising self-regulation.
- Since 2010 we have participated in the Carbon Disclosure Project initiative aimed at disclosing climate change data.

As for our internal control systems, in 2014 all procedures established to reinforce transparency and control over the activities performed by Mediaset España and its group of companies have been reviewed and enhanced. In this regard, we should highlight that:

(i) A continuous management alert system has been implemented, based on 41 key performance indicators (KPIs) over the main group processes related to income, expenses and IT systems.

(ii) At present, all processes having an impact on Financial Reporting are identified and documented in order to evaluate them twice a year through testing control activities. In 2014 eight new processes were included, and four of the existing processes were expanded.

(iii) All current processes in Mediaset España have been reviewed and updated.

(iv) Entertainment expenses have been analysed, as well as the use of credit cards by the Group's executives and employees.

(v) Finally, we have continued to work on the implementation of the crime prevention and detection model by reviewing action protocols and beginning to include disciplinary measures in procedures upon failure to comply with them.

As in prior years, the Annual Corporate Governance Report was verified by the firm PriceWaterhouseCoopers.

CORPORATE RESPONSIBILITY

As part of the development of a committed audio-visual business and taking advantage of the Group's undisputed leadership in the audio-visual sector, not only has Mediaset España fulfilled its entertainment mission but it has also promoted the dissemination of contents with a high social impact through its networks and Internet platforms, thus addressing not only the demand for leisure of its audience but also the increasing requests to support different initiatives sharing the company's values.

Throughout these years, Mediaset España has maintained its commitment and efforts to allow access to its programming by people with visual or hearing disabilities. Thus, using its channels, it has broadcasted several series, films and programmes with subtitles, translated into sign language or containing audio description.

As a key element to the television business, advertising must be broadcasted and managed responsibly to guarantee Mediaset España's business sustainability. Therefore, the company's management follows the action guidelines set out by the Association for Business Communication Self-Regulation, thus becoming subject to its control processes.

Mediaset España acknowledges talent management as another fundamental element of business sustainability. For that purpose, they have implemented mechanisms to develop and promote internal training and have executed agreements with universities and training centres to attract talent.

Also within that sphere, Mediaset España promotes professional development and women's access to executive positions through the Executive Development Programme, which is specifically aimed at encouraging the role of women in the company's top positions.

In another sphere, even though we do not cause any material environmental impact, Mediaset España has adopted measures to achieve an effective use of natural resources, manage waste responsibly and minimise impact on the natural environments where the company carries out its activities. That is why the company has been issuing reports for several years pursuant to the Green House Gas Protocol Corporate Standard issued by the World Business Council for Sustainable Development (WBCSD) and the World Resources Institute (WRI).

Finally, Mediaset España continues to participate in different corporate responsibility initiatives to which it committed a long time ago, such as the Global Compact, Ftse4Good, the Global Reporting Initiative or the Spanish Broadcasters Association, among others.

REGULATORY CONTEXT

I. Last year I told you that while we are capable of achieving the best, showing the world our capacity to overcome serious crisis consequences, we are also capable of achieving the worst, showing an obvious lack of legal certainty due to the continuous and unexpected changes in standards and regulations. Unfortunately, this year I must reaffirm this reality.

In 2014, the television sector was forced to cancel nine free to air television channels, including two of our own, LaSiete and Nueve. This is a measure that could and should have been prevented by the current government which, however, preferred cancelling those channels for the benefit of, what we are not yet sure of, of course it is not the interests of television companies, which were forced to claim multimillion euro compensation from the State to make up for the disappearance of those channels.

According to the worst-case scenario, the same could happen in 2015 with another eight television channels, three of which are our own. Although we are not certain of whether the Supreme Court will dismiss this possibility, we cannot allow this risk because, if occurring, it would return the audio-visual sector to the same situation as ten years ago. How much money and efforts wasted during this whole time! However, the worst affected parties would not be television companies. Undoubtedly, the worst affected parties would be you, our shareholders—either small or large—, and the worldwide image of Spain from the perspective of legal certainty. Television viewers would be just as negatively affected because, in barely one year, they would see the television programme offering being reduced almost four fold due to the disappearance of 17 television channels, a situation never seen in any modern western democracy.

The recent approval of the Digital Terrestrial Television Plan and making all television viewers go through a second channel migration process that is burdensome and expensive would make little sense because now they would be left with a fifth of the television offering that they enjoyed one year ago. The government must stop this new attack on democracy, the freedom of speech, media freedom and legal certainty. We trust that they will become aware of the seriousness of this issue and will solve it as soon as possible.

This is all and, once again, this year I must congratulate all of Mediaset España staff and its group of companies because the results that we have presented would not have been possible without them.

I also thank the shareholders for their trust, which we hope to continue to deserve in the future.

Paolo Vasile will now take the floor.