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General Shareholders Meeting 2016

Paolo Vasile, CEO

MEDIASET ESPAÑA, LEADING TELEVISION GROUP

I have thought of a thousand ways to explain 2015, looking for a colour to define a year that has actually contained all the colours of the rainbow. In my 17 years of managing this television company, I have never experienced a year with so many changes, so contradictory and so complex.

On top of the already chronic uncertainty of the global economy there is an unusual and unstable local political picture. After three elections taking place in one year, Spain has encountered few stable points of reference, changing from the democratic system to alternating between the two parties that had taken turns in government since the transition, to a scenario where there are four political figures who are having enormous difficulty in reaching a coalition agreement that gives stability to the country.

With just a few days until the deadline to form a government expires, the possibility of voting again is becoming increasingly evident, adding uncertainty to uncertainty: that of the present, to that of the future.

Nevertheless, Mediaset España has also managed to make 2015 a year to remember, a year of success and satisfaction for all viewers, advertisers, shareholders and employees of the company.

Mediaset España has been the most watched television group in 2015 with a 31% share, the highest figure in its history after growing by 3 tenths with respect to 2014, an excellent improvement considering that the comparison was complicated because in 2014 we broadcast the Football World Cup, a one off event and, much to our regret we had to close down two of our channels.

The positioning of our television channels has revitalised our multichannel strategy as a unique model. Each of our brands has fulfilled its mission.

Telecinco has once again made history as the viewer's favourite and the only generalist first generation channel that has improved compared to 2014 with 14.8% share, its best figure in the last 6 years, and it has done so leading each and every month of the year, a milestone that has never been reached by any other commercial television in Spain. The prime time slot is also Telecinco territory, where it has distanced itself by 1.7 points from its competitor, with an extraordinary 15.2% share.

Cuatro has been the fastest growing channel, securing 7.2%, its best annual figure since 2009. Its core target of young audiences, has chosen the channel over its immediate competitor with 7.8% in viewers under 65 years old, reaching an outstanding 8.3% share among 13-34 year olds, two points ahead of its competitor. In commercial target, the channel's strong point, it has scored 8.2%.

Our thematic channels have also achieved excellent results in their target audiences. Factoría de Ficción has been leading the thematic channels for four consecutive years, far ahead of the rest, and with an extraordinary profile in 13 to 24 year old youngsters, where it stands out with an exceptional 9.3% share.

Divinity grows to 3.7% in its target audience of women aged 16 to 44 years old and reaches its highest record in total individuals.

Children have chosen Boing for the fourth consecutive year as their favorite children's commercial channel with 12.5% of the audience share among viewers aged 4 to 12 years old, 1.8 points ahead of its nearest competitor.

Energy has achieved its best data in its core target, men 25 to 54 years old with a 2.2% share and 1.5% in total individuals. This year, the channel has redefined its contents becoming a series and film channel for the male audience.

Our editorial staff have made an extraordinary effort in a year where we have seen a special demand from the public for News, which has once again chosen Telecinco's News programme as an absolute reference in current affairs on television. Impartiality, rigor and independence have also been applauded on Cuatro, with a general improvement in its results.

With 14.9%, Telecinco has increased the gap that separates it from its competitors: 1.6 points above Antena 3 and 2.2 points ahead of La 1. Pedro Piqueras' edition has won the absolute leadership of the News on television once again with its best historical record in audiences. Over 2.5

million viewers and a 17.5% share, and a 5.5 point lead over its nearest competitor.

In-house production has returned to be Telecinco's undisputed identity hallmark, with nearly 92% of its content independently produced, the result of a close collaboration with Mediaset España's external and affiliated producers, with which the company contributes to the growth of the audio-visual sector in our country by employing directly or indirectly many families who make a living from this activity.

This content production model has allowed us to take the utmost care with costs, saving when the market advised us to do so and presenting formats that compete with powerful programming at the first signs of recovery. This careful work, almost artisan in most cases, has enabled us to strategically manage timings, in order to offer content better tailored to the different market speeds, especially in prime time, where the bulk of investments are concentrated.

Telecinco has been the undisputed benchmark among all channels in entertainment spaces. Among the popular prime time formats "The Voice Kids" stood out, the most watched program of 2015 with more than four million viewers on average, nearly doubling its record in the youth target.

The reality genre has also been Telecinco's territory for yet another year. A circular content model that feeds day time programming and gives personality to the chain. 'GH VIP 3' has been ranked as the second most followed entertainment programme on television while 'Big Brother 16' has been the most competitive edition since the 2009/2010 season.

With regard to fiction, 'El Príncipe' has been the most watched series of the year on all channels with an average 24% share. Next week we will see the final of the series, an eagerly awaited event in the television calendar that the public will surely applaud.

'La que se avecina', an iconic national comedy on television, it has occupied third place in the national fiction ranking, becoming one of the most emblematic and well-known television series in our country.

With the recent release of its ninth season it has smashed its own audience records, surpassing 5 million viewers, shining among younger audiences. And it marked a milestone in television history by becoming the

most watched in the catch up category, since this type of measurement has existed.

Telecinco's undisputed strength in *daytime* has again been underpinned by solid foundations such as 'El programa de Ana Rosa', the most watched news and magazine reference in the morning slot with its best figure in the last 8 years.

'Sálvame diario' has prevailed for another year as leader of the afternoon slot with both its Lemon and Orange editions, which have the most attractive television audiences with a 17.2% share in this time slot, 4 points in front of its competitor.

It has also shone in the day time, with formats such as 'Pasapalabra' and the phenomenon that is 'Mujeres y Hombres y Viceversa', which has one of the best commercial targets day after day. Completing the offer with 'Cambíame', which is one of the most innovative spaces on Telecinco this season and one of its most competitive products.

In sport, Mediaset España has been a talisman once again. In football, it broadcast the Kings Cup final and the Spanish Supercup. Cuatro covered the third gold medal win for the Spanish team in the European Basketball championship, the final basketball game being the most watched in television history with more than 6 million viewers.

In motorcycling, this MotoGP World Championship has been the most watched in history, with the final in Valencia speeding into the record books as the most watched race of all time, and a Spanish hat-trick in all 3 categories.

The Cuatro channel, has stood out for its funny and provocative in house offer of entertainment formats with which it has won a younger audience, with a great commercial interest. '¿Quién Quiere Casarse con mi Hijo?' has beaten a record in its fourth season with more than two million followers, an excellent commercial target of almost 17% and over 25% of youngsters 13-24 years old. 'Los Gipsy Kings' have also been successful in all parameters, with almost 15% in youngsters. Cuatro's viewers have a restless travellers spirit, so we have offered adventure formats such as 'Planeta Calleja' or informative formats like 'Cuarto Milenio', both with a very good conversion rate in terms of audiences wanted by the advertiser. With regards to the News, 'Las Mañanas de Cuatro' has established itself as a reference for social and political analysis, while Deportes Cuatro, is about to celebrate its tenth anniversary, and has again

demonstrated its strength and its ability to attract young people with its incomparable style.

THE COMPANY WITH THE MOST PARTICIPATION ON THE INTERNET AND SOCIAL NETWORKS

Our TV lives very close to people, those people have come into our television with their active participation through the digital environment, and has placed Mediaset España as the Internet audio-visual company leader in 11 out of 12 months in 2015.

More than 11 million monthly unique users.

More than a billion videos, with a monthly average of 3 million viewers.

Pioneers in integrating interactivity with the viewers through mobile apps, with over 11 million downloads on smartphones and tablets, 42% more than the previous year.

In 2015 our online radio broadcasting the programmes "Morninglory", "Partido a Partido" and "Universo Iker" have placed Radioset in second position in Spain among the radio websites.

In social networks, Mediaset España is the group of channels with the most participation through their 550 official generic and corporate accounts, with nearly 32 million followers among all of them.

We have led the social impact every month of the year, accumulating 57% of the television impact on social networks with 58 million comments, almost double that of our competitor.

This resounding leadership on social networks validates our high degree of interaction with the public, who have adapted to participating through our content's different mechanisms, to form part of them.

By channels, Telecinco is unrivalled on the social networks with over 50 million comments in 2015 compared to only 15.2 million on Antena 3. Cuatro, meanwhile, obtained 6 million comments. Highly successful formats like 'Big Brother 16' have contributed to these figures, accumulating nearly 17 million comments in only 3 months of broadcasting.

Mediaset España's Communication Division is the most followed in the sector on all of the social networks, proof that our content crosses over to the small screen, accompanying the viewer on any device. Not surprisingly, according to the SocialBro study, through its Twitter @mediasetcom corporate account Mediaset España is the Ibex-35 company with the greatest impact on social networks.

TELECINCO CINEMA, MOTOR OF THE SPANISH CINEMA INDUSTRY, TAKES 50% OF THE BOX OFFICE

Mediaset España has fulfilled its obligations regarding cinema contribution, an industry that it has led for the second consecutive year with almost 50% of the Spanish cinema's turnover and 8.5 million viewers in total. 'Ocho Apellidos Catalanes', 'Catch the Flag' and 'Regression' have accumulated a total income of more than 52 million Euros.

With 35 million Euros at the box-office and 5.4 million viewers, "Ocho Apellidos Catalanes" was the third highest Spanish film in history, surpassed only by 'Ocho apellidos Vascos' and 'The Impossible', both from Telecinco Cinema. 'Catch the Flag' the second highest Spanish film of the year at the box-office taking more than 11 million Euros and nearly 2 million viewers, becoming part of the ranking for the 20 most watched Spanish films in history, while "Regression", directed by Alejandro Amenabar, with 9 million Euros taken and more than 1.4 million viewers, has been ranked as the fourth Spanish film in 2015.

Recently, Telecinco Cinema has released "Cien años de perdon" and "Kiki, el amor se hace" opting again for Paco León. In the autumn, we will present one of our treasured major projects: Bayonne's new film, "A Monster Calls."

12 MESES, A REFERENCE FOR CORPORATE SOCIAL RESPONSIBILITY

We have allocated part of our content and advertising slots, our most precious asset, to our social communication programme 12 meses, to initiatives for gender equality, health and the fight against child poverty.

The campaign "Doy la cara", hand in hand with the Ministry of Health, Social Services and Equality, has been directed along different phases to combat violence and trafficking in women for sexual exploitation. The

latter, in collaboration with the National Police, has managed to multiply the number of calls reporting incidents by 1000.

We have also assisted the dialogue on organ donation through our campaign with the National Transplant Organisation 'Eres perfecto para otros' and we have launched actions to raise awareness among viewers of the need to combat child poverty situations. With the creation of the 'Los Comprometidos' team, it has managed to raise 200,000 Euros to alleviate the shortage of resources suffered by one in three children. We have also continued with our commitment to the fight against AIDS.

All this effort has led to '12 Meses' receiving not only applause from society, but recognition of its communication work and the creativity of its projects, making Mediaset España the largest reference for social communication amongst the Spanish media companies.

MEDIASET ESPAÑA, ADVERTISING MARKET LEADER

In terms of investment, 2015 has shown a recovery in the advertising market. According to Infoadex the estimated real investment in conventional media reached 5,017 million Euros during 2015, representing a growth of 7.5% more than that recorded in 2014.

Television advertising has increased by around 6.4%, demonstrating its strength in the total global advertising market to reach 40.1% of total investment in conventional media, with a turnover of more than 2,000 million Euros.

The majority of advertisers and media agencies have once again relied on Mediaset España as the means for their campaigns, a milestone which has been repeated consecutively since 2004 in all television operators and, since 2000 among the private operators. Mediaset España is the communication company with the largest share of investment, reaching a market share of 43.4%, an improvement of 4.4% over last year and 1.3 points ahead of its main competitor.

The difference between the two companies has intensified in the latter part of the year, establishing a distance of 2.4 points between Mediaset España (43.4%) and Atresmedia's market share (41%) in the last quarter of 2015, according to internal estimates based on Infoadex data.

NEW TECHNOLOGICAL DEVELOPMENTS

In these last few months Mediaset España has made a significant effort, technologically speaking, to adapt its business strategies to the opportunities provided by the new scenarios. Our contents are present where there are sufficient audiences, the reason for Mitele's exclusive debut on SmartTVs, through a high definition application.

Mediaset España has opted for the latest technology to ensure the best quality video and audio for its viewers, adapting our facilities and technical equipment to the multimedia and multi-format content digital phase that we are living in. We have a greater capacity to produce content for both television and multimedia platforms, and through 4G technology, we are able to deliver in a faster and more efficient way. Additionally, new broadcast graphics system tools have allowed us to improve our workflows, creativity and operability.

Our commitment to international projects has materialized, with the launching of CincoMás, our new high definition channel in Latin America.

In commercial terms we have developed an online advertising integration system with traditional television to support the new multiplatform reality.

On a corporate level, we have implemented improvements such as the automation of the travel management system for the business trips of our professionals outside of our facilities; and, a Quality Control system for materials before they are broadcasted.

DIVIDEND DISTRIBUTION OF 100.7% OF 2015 NET PROFIT

In Mediaset España we have always considered shareholder remuneration as a priority. Our dividend policy has always aimed to distribute all the money that was not necessary for the management of the ordinary business of the company.

When the economic situation asked us to be careful and preserve the financial soundness of the company, we decided to suspend the dividend policy. In 2014, as soon as it was possible, we distributed 80% of our net profit.

Now that the Spanish economy has definitely taken off, we are again proudly proposing to the AGM, for its approval, the distribution of a dividend, both ordinary and extraordinary, amounting to 167 million Euros, i.e. € 0.50 per share and a pay-out of 100.7% of the net profit in 2015.

Since our IPO, and including this dividend payment, we have distributed to shareholders a total of 2,453.7 million Euros between dividends and share buyback plans executed worth 690 million Euros.

FINAL

Audience, turnover, net income, margins, dividends ... We led the sector in the five fundamental aspects of TV management. All that could, and should, go right, went very well. And this is because of the ladies and gentlemen of Mediaset España, nothing and no one is able to remove the enthusiasm to do, the enthusiasm to fight, the need to triumph.

To willingness and experience, we have always added a pinch of madness in everything we do, so that our dishes are tastier, unique and more appetising. That is why, in order to celebrate what we consider our greatest differentiating factor, we decided to call the new channel, which will begin broadcasting in a few days, Be Mad.

Mediaset España complements its robust offering of generalist and thematic channels with the first informative male free to air channel that broadcasts exclusively in high definition. A new opening for the brightest and most dynamic television audience, one of the most sought after by advertisers.

The first Spanish thematic channel which is launched with the 360 degrees goal, complementing television and Internet within the leading audio-visual group in the multimedia business. Since its creation, Mediaset España has always been a pioneer in the progress of the Spanish audio-visual market, and now we lead the digital change.

Adventure, science, history, gastronomy, nature and mystery. From metaphysics, represented on TV by our Iker Jimenez, to the world of adventure, where Jesus Calleja has been the protagonist and narrator for years; to the passion for books and to the world of motor racing.

A new channel dedicated to the great passions of men and women, to the big questions, and the tireless curiosity. Because not everything that is born from madness is good, but everything that is good has a drop of madness in it.