THE SPANISH ECONOMY IN 2013

Data on the Spanish economy during 2013 indicates that Spain emerged from the recession during the second part of the year, accumulating slight GDP increases during two consecutive quarters (+0.1% in 3Q2013 and +0.3% in 4Q2013), after a total of nine consecutive quarters of contractions. Such moderate growth rates evidently are not worthy of overoptimism, as basic economic indicators (most notably, unemployment) are disproportionately negative. Although the GDP posted a year-on-year drop of 1.2%, as discussed in the Management Report corresponding to the consolidated interim financial statements at June 30, 2013, a slight relative indication of improvement in basic economic data was noted. After such a dire 2012 (arguably the worst year of the crisis), a plateau growth trend arose, which is a "sine qua non" condition making it possible that, through the progression of time, the negative trend gradually transforms to positive, which seems to have finally occurred during the second half of the year.

Although definite data is not available, the 2013 global GDP is expected to be around 2.9%, which is the fourth consecutive year of fall, mainly due to the fact that the growth rates of emerging economies have halved over the past five years. The following situations prevail in developed economies:

Although 2013 forecasts for the US economy were a point lower than 2012 (1.8% vs. 2.8%), the tendency towards a sustainable cruising growth rate seemed confirmed during the last two quarters, and became clearer once the two main political parties reached a tax agreement at year end, which points to a 3% growth rate in 2014.

With respect to the Eurozone, the drop in the GDP during the year was approximately 0.4%, which is not only lower than 2012, but is also indicative that things are looking up.

As mentioned previously, data for Spain at the date of preparation of these financial statements indicates that the GDP dropped 1.2% in 2013, with a clear indication that as the year progresses things are heading towards a new cycle of expansion. In this regard, with a 2.8% drop in internal demand, all the components have improved throughout the year, with slight quarter-on-quarter steps forward starting in the summer; this has not been the case since 2010. Private consumption is of key importance to our business, as it is directly linked to advertising; it showed several positive changes during the third quarter.

Unemployment data also seems indicative of a change in the cycle when considering 4Q2013 and January 2014; for the year as a whole, joblessness rose 1.3 points to an overall 26.4%. Without a doubt, reducing unemployment to more tolerable levels is definitely one of the greatest hurdles for this changing cycle.

Against this backdrop, it is also important to note that the inevitable financial deleveraging of Spanish households, which may be seen from contradictory points of view (a lessened burden of debt, which is positive, which also slows down short-term consumption), seems to be a necessary condition to head in the direction of growth to reaching solid ground. It is also worth noting that in recent months new credit transactions have increased substantially, including those granted by our financial system to companies as well as consumers, which illustrates a trend towards credit normalization.

Based on the above, the obvious question would be: What is the macroeconomic scenario facing Spain in 2014, and what is the general backdrop against which our TV business will move forward? Based on events during 2013 (confirmation that Spain began emerging from the recession during the second half of the year), as well as tendencies pointing to a slow revival of economic activity, there is a widespread consensus that the GDP will grow 1%. This takes into account that contribution from the external sector will continue to be of paramount importance, indicating that the weight of national demand will be roughly half, with unemployment slightly decreasing although still around 25%. This modest growth scenario is not without certain risks and threats which still have not completely dissipated, including tax adjustment and budgetary processes in Europe as well as Spain, financial upheaval, slower growth rates in emerging economies, and the sustainability of expansive tax and monetary policies in the US.

THE TELEVISION INDUSTRY IN 2013: THE YEAR THE SECTOR WAS CONSOLIDATED

As reflected in the Management Report corresponding to the interim consolidated financial statements for for the first half of 2013, the TV advertising market showed a trend to gradual improvement from drop heights close to 20% (last quarter of 2012). These negative growth rates gradually decreased throughout the year, to finally become positive during the last quarter, riding the wave of the abovementioned incipient economic recovery.

During the year, overall advertising investment declined in line with the past six years, with the exception of 2010, which pushed the TV advertising market over the edge into a 50% drop since its peak in 2007.

It is not all bad news in the advertising sector, however, thanks to the positive trend during the final months of 2013, which was confirmed by the market during the first months of 2014. The weight of the TV advertising market with respect to the market in general rose in 2013, while consumption of TV measured by number of minutes per person and day has increased during the year; therefore, ignoring the impact of the crisis on viewing habits, the communications and entertainment is robust, with great potential. For the first time in three years, ad sales prices remained stable after a continual decline commencing the second half of 2008.

At the date of preparation of these financial statements, the data estimates (as of yet unconfirmed by Infoadex data), indicate that the TV advertising market will have ended 2013 with a drop of 6.2%.

Turning to audience figures, after the integration of Cuatro in 2011 and the launch of the new "Divinity" channel the same year, the Company moved forward with its diversification and complementation strategies by launching "Energy" in 2012, which mainly addresses the male population via the sporting events to which the Company bought the rights, as well as content specifically acquired for the channel, and "La Nueve" at the beginning of 2013. Thus, along with its more consolidated channels, such as Factoría de Ficción, La Siete, and Boing, and its driving force, Telecinco, the Company has managed to consolidate the overall audience of its family of channels as well as each of them individually. It has avoided cannibalization within an environment in which TV consumption has reached its maximum records.

Audience data indicate that Mediaset España was the absolute leader during 2013, with a 29% share, representing a 0.9 point increase as compared to 2012, and a 0.2 point advantage with respect to Grupo Atresmedia. Our year-end 2013 data is 12.3% over RTVE's.

Telecinco reached 13.5% during the year, which is 0.1 points over its main competitor and 3.3 points ahead of "La Primera" (RTVE) while Cuatro's 6% share is identical to that of "La Sexta". Finally, as regards the newer- generation digital channels, those comprising the Company´s registered an 9.4% audience share, which matches its main competitor's group of channels, with a 1.1 point increase with respect to the prior year; this all attests to the competitiveness of the market as well as the merit inherent in once again being leaders in audience levels.

Comparing the Company's results in 2013 with those of 2012, the following is evident:

- Total operating income dropped from 715,808 thousand euros in 2012 to 658,249 thousand euros in 2013 as a result of a drop in ad revenue.

- On a year-to-year basis, operating expenses went from 747,903 thousand euros to 666.337 thousand euros, representing a 11% decrease, which can be explained by the Company's ongoing cost-saving strategy designed to adapt to different advertising market circumstances, as well as by the decrease of sporting events during the year.

- Lastly, profit for 2013 amounted to (8,594) thousand euros, compared to 64,492 thousand euros in 2012. This decrease is the result of an impairment write-down for the investment in D+ due to the performance of an impairment test at year end 2013.

DIVIDENDS

During 2013, no dividends were distributed against results, due to the exceptionally negative conditions of the audiovisual sector in general, as well as the advertising market during the first part of the year.

INVESTMENT IN RIGHTS AND FILM PRODUCTION

The Mediaset España Group maintained its policy of investing in audiovisual broadcasting rights, carefully selecting the type of rights and content in order to maintain audience figures in the future and provide the most fertile ground for the advertising business. The Group placed special emphasis once again on investment in Spanish series.

Worth highlighting were the activities undertaken by Telecinco Cinema, S.A.U., a wholly owned subsidiary of the Company charged with film production under the legal requirement of TV concessionaires to earmark 3% of operating revenue for Spanish and European film production.

As investment in film production arises from a legal obligation and not a decision made freely by the network, the Company has opted for quality and ambitious projects based on global strategic criteria guiding its activity in this field. Where possible, it opts for productions of a certain size and scope that are apt for international showing bearing in mind market conditions and the Company's financing capacity, as this obligation outweighs the revenues generated, regardless of the trend and without any consideration to costs incurred or margins commanded.

In short, the aim is to combine financial wherewithal, talent, profitability, and opportunities efficiently for our brightest and most promising professionals in order to maximize the return on investment –in light of global conditions, maximum importance is attached to this– considering that the activity is not voluntary, and to produce films that bring together quality and commercial appeal under the network's logo.

After a very successful 2012, this was a year of transition for Telecinco Cinema, focused on developing highly ambitious projects which will be launched during the upcoming two years. Also, three new films were premiered: "Volver a Nacer"., "Afterparty", and "Séptimo". They earned more than 4.5 million euros at the box office. Four new films began filming during the year, with a projected 2014 debut, as well as another ambitious animation project which should be ready for the public in 2015.

It is also worth noting that in 2013, the economy caused a swath of destruction in the Spanish film sector: box office takings decreased 17%, and market share went down 14% vs. 19% in 2012. The Group nonetheless carries on with diligent efforts to produce quality movies aimed at all segments of the public

INTERNET

The Group considers Internet a strategically important current and future activity.

In 2012, the Group broke even in this segment.

According to OJD data, Telecinco was the television website with the highest traffic during the year. The Mediaset.es website also led communication groups operating in Spain.

The Group's MiTele website encompasses all its audiovisual content. It bolstered its contents while becoming more available through its specific areas devoted to film (movies in their original version, i.e., not dubbed) for children's programming.

TREASURY SHARES

At December 31, 2013, the Company held 5,563,223 of its own shares, representing 1.37% of share capital.

MEDIASET ESPAÑA SHARE PRICE PERFORMANCE

In 2013, stock exchanges performed positively, with upward swings in main markets such as S&P (US), Dax (Germany), and Nikkei (Japan), with the first two having reached historical levels. The IBEX 35 trend was positive, reflecting a 21% revaluation, which is a clear indication of the improved perception equity market investors have of the trend of Spain's economy.

Mediaset España's share price behaved positively in 2013, growing 64.8%: at December 31 it was 8.39 euros (2012: 5.09 euros).

During 2013, Mediaset España's market capitalization was 3,414 million euros, which means it still leads the sector well ahead of its nearest competitors: it is well over the all the other Spanish companies in its sector and the fourth-ranked communication group in Europe.

The average volume of shares traded during the year was 1,552 thousand, equivalent to 10,773 thousand euros, which is substantially higher than 2012.

Once again, it is especially noteworthy that Mediaset España's share price reached a yearly high of 9.40 euros on October 21, with its minimum registered on February 7 (5.03 euros).

CORPORATE GOVERNANCE

Good practice in corporate governance means establishing rules, principles, and incentives at companies that help safeguard the interests of the company and its shareholders, and guarantee greater transparency in management.

Mediaset España's commitment to the regulations and principles of good government have been evident since it first was listed on the market in 2004. Since then, our focus has been on adapting our different regulating bodies to the

Code of Good Governance as well as others inexistent until now: our Code of Ethics is obligatory for any natural or legal person collaborating in any and all capacities with us, as well as the Rules of Internal Conduct of Mediaset España Comunicación, S.A. and subsidiaries with regards to the securities market.

This also contemplates a review of the quantitative and qualitative composition of the Board of Directors and the Commissions in order to comply with recommendations in this regard.

Mediaset España Comunicación, S.A. and subsidiaries' Corporate Governance Report, Report on Corporate Responsibility, and Remuneration Policy are approved at its General Shareholders' Meeting, and were verified by independent auditors (PricewaterhouseCoopers) which rated it top among IBEX-35 companies in a study of Corporate Governance compliance, as do other specialized institutions.

HEDGING

The Company uses financial instruments to hedge the impact of foreign exchange differences in connection with transactions (primarily the acquisition of external production rights) denominated in foreign currency. These hedges are designed to offset the impact on the income statement of exchange-rate fluctuations in outstanding amounts payable on these transactions. Specifically, the Company buys foreign currency forward for the amounts payable so as to match the forecast payment dates.

RISK CONTROL

The Company's risk management policies are described in Note 8.3 of the accompanying financial statements.

RESEARCH AND DEVELOPMENT COSTS

The Company's biggest investments go to the current and future content broadcast by the Group. It does not have a specific R&D department, although innovation is still a crucial area of future development.

EVENTS AFTER THE REPORTING PERIOD

At the date of preparation of these financial statements, no significant events have occurred.

CAPITAL STRUCTURE

The Company's share capital before the capital increases carried out to acquire Cuatro and 22% of Digital+ amounted to 123,320,928.00 euros, made up of 246,641,856 shares of the same class represented by book entries and with a par value of 0.50 euros each. As a result of the capital increases, the number of shares increased to 406,861,426 of 0.50 euros par value each, taking the total to 203,430,713 euros. All the shares are of the same class and represented by book entries.

The Company's shares are listed on the Madrid, Barcelona, Bilbao, and Valencia stock exchanges. The ISIN code is ES0152503035.

Mediaset España Comunicación, S.A. is a member of the IBEX 35 since January 3, 2005.

BUSINESS OUTLOOK

Our business is mainly dependent on advertising, which in turn is closely and directly linked to private consumption trends, as well as employment. Considering this, the Group's activity in 2014 cannot be considered outside the prevailing macro-economic context in which it carries out its business; as discussed in the Management Report, economic data for the last two quarters of 2013 indicate the end of the recession and the beginning of recovery which, based on estimates and projections, may very well lead to moderate growth.

As regards free-to-air television wee believe that the consolidation process of the last year in which the Group was pioneer is going to posively mark its evolution forging a strong presence based on a more rational use and transparency, making it more easily adaptable to the changing economic cycle; this includes strategies aimed at the recovery of advertising rates which went into free fall from 2007 to 2012.

Available data on TV consumption and its share of the total advertising income pie indicate that the sector has undergone a crisis brought on by the economic recession; however, structural factors remain solid.

Within this context of the concentration and consolidation of operators, the Company's business strategy will be focused on how to maintain its strong lead, in both terms of audience as well as advertising market, while being fully-adapted to the environment which affects cash generation as well as its cost structure, in order to protect its financial margins as well as foster growth if indeed income improves as indicated over recent months.

As far as its programming lineup is concerned, the Company will continue to support genres which have traditionally been popular, thereby making it the indisputable leader of the market; it will also continue with its strategy of diversification, focusing on the different audience to which the family of channels is tailored. Also, it will endeavor to better position each channel in advertising terms, while remaining cognizant of sporting events which, in an increasingly-fragmented market, are very popular and attract large audiences. All this will take place with close supervision of acquisition costs and attention to advertising opportunities, which are key to obtaining economic benefits, as well as a relevant goal within our programming strategy and commercial operations.

A final first-line goal is to maintain a solid financial and equity position (while remaining virtually debt-free and with positive cash-flow), thereby making it possible to objectively and independently consider operational and business opportunities as they arise within the context of the current ever-changing environment, while bolstering the Company's competitive edge in the face of the high financial leverage which affects the majority of the companies competing in its sector.

RESTRICCIONES EN LOS DERECHOS DE VOTO

There are no legal or bylaw stipulated restrictions on exercising voting rights. Each share carries one vote.

SHAREHOLDER AGREEMENTS

Shareholder agreements in force are those included in the "Significant event" notice filed by the Company with the National Securities Exchange Commission (CNMV) on February 8, 2011, reproduced below:

Through this communication we inform of the clauses restricting the transfer of shares or relating to the exercise of the right to vote at the General Meetings that are included in the Integration Agreement and the Option Agreement entered into between Mediaset España Comunicación, S.A., Prisa Televisión, S.A.U. ("Prisa Televisión") and Promotora de Informaciones, S.A. ("Prisa"), as listed and described in Telecinco Prospectus approved and registered by the National Securities Market dated November 18, 2010 and January 25, 2011 (the "Prospectus"):

1. Integration Contract

Subject to Clause 3.4 of the Integration Agreement and as described in the Prospectus dated November 18, 2010, Prisa TV (formerly Sogecable) is entitled to appoint two of the eight members of the Board of Directors of Mediaset and will be entitled to appoint one director for as long as it holds a minimum of 5% of Mediaset's share capital. In addition, whilst Prisa TV holds 10% of Telecinco's share capital, it will be entitled to appoint, among the directors it has appointed, a non-executive Vice-president, a member of the Executive Committee, a member of the Audit and Control Committee, and a member of the Remuneration and Nomination Committee. Mediaset S.p.A. has expressed its agreement with the contents of the indicated clause.

The following is the transcription of the clause 3.4 of the Integration Agreement:

"(3.4.) Telecinco Government

Following the integration, when it becomes effective, Sogecable will have a proportional representation on the board of Mediaset España and in particular, the following rights in relation to corporate governance of Telecinco:

(i) Sogecable has the right to appoint two of the 15 members that make up the Board of Directors of Mediaset (and without prejudice to said right of Prisa Televisión, the directors appointed by Mediaset will be reduced to eight);

(ii) the rules of proportional representation will be taken into account for purposes of giving rights to appoint directors of Prisa Televisión if a change occurs in (a) the total number of board members specified in paragraph (i) above, or (b) the participation of Sogecable in Telecinco; all without prejudice to the right granted to Sogecable under the following paragraph;

(iii) the extent to which Sogecable maintains a share of at least 5% of the share capital of Mediaset España, Prisa Televisión has the right to retain one board member, and

(iv) while Sogecable has an ownership interest in more than 10% of the share capital of Mediaset España, Prisa Televisión has the right to appoint, among its representatives on the board of Mediaset España,

- *a non-executive vice president;*
- *a member of the executive committee;*
- *a member of the audit and control, and*
- *a member of the remuneration and nomination committee".*

RULES GOVERNING THE APPOINTMENT AND REPLACEMENT OF DIRECTORS AND THE AMENDMENT OF THE COMPANY´S BYLAWS

A. Appointment and removal of directors

Article 41 of the Company bylaws:

1. Directors shall be appointed pursuant to a resolution of the shareholders at the General Meeting, adopted in accordance with the requirements of article 102 of the Spanish Corporation Law.
2. Notwithstanding the foregoing, the designation of directors through the proportional system referred to in article 137 of the Spanish Corporation Law is duly safeguarded.
3. In the event of a vacancy during the term for which the directors were appointed, the Board may co-opt a shareholder to occupy the position until the earliest General Meetingl.

Article 54 of the Company bylaws:

1. Directors shall be appointed for a period of five years and may be re-elected for one or more subsequent terms of equal length. The appointment shall lapse at the end of the term once the subsequent General Meeting has been held or at the end of the legal term established for calling the Annual General Meeting.
2. The appointment of directors designated by cooptation shall be deemed to have been made and the directors shall exercise their functions up to and including the date of the next General Meeting, without prejudice to the shareholders' powers of ratification at the General Meeting.
3. Independent directors may exercise their functions for a maximum period of twelve (12) years and may not be re-elected after such period except subject to a favourable report by the Appointments and Remuneration Committee.

Article 55.– Removal of directors

1. Directors shall cease to hold office when so determined at the General Meeting, when they notify the Company of their resignation or decision to stand down or when the term for which they were appointed elapses. In the latter case, the resignation shall be effective from the date of the earliest General Meeting.
2. Directors shall tender their resignation to the Board of Directors and the Board shall accept their resignation if deemed appropriate in the following situations: (a) when they reach the age of 70; (b) when they retire from the executive positions to which their appointment as directors was associated; (c) when they are involved in any applicable situations of incompatibility or prohibition; (d) when they have been seriously reprimanded by the Appointments and Remuneration Committee for having infringed their duties as directors; and (e) when their continuity as directors jeopardises the Company's interests or adversely affects its prestige and reputation or when the reasons for which they were appointed cease to exist (e.g. when proprietary directors dispose of their ownership interest in the company).
3. Directors who stand down from the Board prior to the end of their mandate must submit a letter to all the members of the Board explaining the reasons for vacating office. The Company shall also notify the Spanish National Securities Market Commission (CNMV) of the resignation in a significant event filing and explain the reasons in the annual Corporate Governance Report.

B. Amendments to the Company's bylaws

Article 34.– Adoption of resolutions

1. Resolutions shall be adopted at Annual General Meetings or at Extraordinary General Meetings with the majorities required under the Spanish Corporation Law. Every voting share present or duly represented at the General Meeting shall carry one vote.

2. The majority required to approve resolutions shall be one half plus one of the voting shares present or duly represented at the General Meeting, except for the instances stipulating larger majorities, provided for in Law or these bylaws.

POWERS OF DIRECTORS AND, SPECIFICALLY, POWERS TO ISSUE OR BUY BACK SHARES

These powers are regulated firstly in the Company's bylaws and secondly in the internal code of conduct.

A. Article 37 of the bylaws regulates management and supervisory powers as follows:

1. Except for matters reserved solely to General Meeting, the Board of Directors is the Company's highest decision-making body.

2. The Board of Directors has all the powers required to manage the Company. However, the management of the Company's ordinary business shall generally be entrusted to the steering committees and to the management team and the Board of Directors shall focus on establishing the Company's general strategy and exercising general supervisory functions. In any case, decisions on the following matters are the exclusive reserve of the Board of Directors and may not be delegated:

   a) Authorization for issue of the financial statements, management report, and proposed distribution of profit, and the consolidated financial statements and Group management report.

   b) Appointment of directors by co-optation and proposals to the General Meeting for the appointment, ratification, re-election, or removal of directors.

   c) Designation and re-election of internal positions on the Board of Directors and members of committees.

   d) Establishment of the remuneration of the members of the Board of Directors, to be proposed by the Appointments and Remuneration Committee.

   e) Payment of interim dividends.

   f) Announcements relating to any takeover bids launched for the securities issued by the Company.

   g) Approval and amendment of the Board of Directors' Regulations governing internal organization and functions.

   h) Authorization for issuance of the annual Corporate Governance Report.

   i) Exercise of the powers delegated by the shareholders in general meeting when powers of substitution have not been established and the performance of any duties entrusted by the shareholders in general meeting.

j) Conclusion of any agreement or establishment of any legal relationship between the Company and any shareholders (or companies belonging to the same group as the shareholder) with ownership interests of over five per cent and of an amount in excess of 13,000,000 euros.

k) Conclusion of any agreement or establishment of any legal relationship between the Company and any third party valued at over 80,000,000 euros.

l) Approval of annual budgets and, if applicable, strategic plans.

m) Oversight of investing and financing policy.

n) Oversight of the shareholder structure of the Mediaset España Group.

o) Approval of corporate governance policy

p) Oversight of corporate social responsibility policy.

q) Approval of the remuneration policy for executive directors for their executive functions and the main terms that their contracts must fulfil.

r) Performance evaluation of the Company's executive directors.

s) Monitoring, following a prior report of the Audit and Compliance Committee, of the risk control and management policy, and the internal information and control systems.

t) Approval of Company policy on treasury shares.

u) Staying abreast of the removal and appointment of senior executives, and their contract terms.

v) Approval at the proposal of the Audit and Compliance Committee, of the financial information that the Company must publish periodically.

w) Approval of the creation or acquisition of ownership interests in special-purpose entities or companies domiciled in countries or territories considered to be tax havens and any transactions or operations of a similar nature which, due to the complexity thereof, may adversely affect the Group's transparency.

x) Authorization, following a favourable report of the Audit and Compliance Committee, of the related-party transactions that Mediaset España Comunicación, S.A. may perform with directors or persons related to the directors or to significant shareholders, except for those which fulfil the following conditions: (i) they are applied en masse to a group of customers and in accordance with standard terms and conditions, (ii) they are performed at prices established in general terms by the supplier of the service or on an arm's length basis, (iii) the related amount does not exceed 1% of Mediaset España Comunicación's annual revenue. The directors affected by related-party transactions which, due to the nature thereof, are subject to vote by the Board of Directors, shall not attend the meeting and may not vote or delegate their vote.

y) Any other matters that the Board of Directors Regulations reserve for handling by the Board in full.

The powers reserved for the Board of Directors, except those that legally or statutorily cannot be delegated, are vested in the Executive Committee and the two chief executive officers, Paolo Vasile and Giuseppe Tringali.

B. Section 9 of the in-house Code of Conduct of Mediaset España Comunicación, S.A. and its Group governing its dealings in the securities markets sets out the rules applicable to transactions in treasury shares, specifically providing the following:

9.1. *Definition of treasury share transactions falling under the remit of the securities market code of conduct*

Transactions with treasury shares shall be deemed to be those engaged in with shares issued by Telecinco Group companies and derivative instruments whose underlying is the aforementioned shares.

These transactions may be undertaken:

a) Directly by the Company or by other Telecinco Group companies.

b) Indirectly, through third parties with an explicit or implicit mandate.

c) By third parties without a mandate but acting to the same end.

9.2. *Policy on treasures shares*

Within the scope of the authorization given at the General Meeting, the Company's Board of Directors shall be responsible for drawing up specific plans for the acquisition or disposal of treasury shares.

9.3. *General principles guiding trading in treasury shares*

Trading in treasury shares shall conform to the following principles:

9.3.1. Compliance with regulations

All Affected Persons are obliged to know and comply with the applicable internal regulations and procedures.

9.3.2. Purpose

The overriding objective of trading in treasury shares is to provide investors with the adequate market liquidity and depth for its securities, and to minimise any possible temporary imbalances arising between market demand and supply. Under no circumstances shall trading be engaged in with a view to intervening in the free formation of prices.

9.3.3. Transparency

Transparency in dealings with the stock exchange supervisory and regulatory bodies in connection with treasury share transactions shall be monitored.

9.3.4. Inisider information

Under no circumstances may persons who have had access to insider information on the related securities and instruments trade in treasury shares.

9.3.5. Neutrality in price formation

Intervention shall be neutral and under no circumstances may a dominant position be held in the market.

9.3.6. Brokerage

The Telecinco Group companies shall channel all trading in Company shares through a limited number of market members. Prior to any trading the Company shall inform the CNMV in a confidential manner of the designated member and also of any replacement thereof. In the event that a framework agreement is executed with any market member governing treasury share dealing, a confidential copy thereof shall be furnished to the CNMV and to the stock exchange governing bodies.

9.3.7. Counterparty

The Telecinco Group companies shall refrain from buying or selling Company shares where the counterparty is any of the following persons or entities: (i) Telecinco Group companies, (ii) the directors thereof, (iii) their significant shareholders, or (iv) interposed persons of any of the above. Similarly, the Telecinco Group companies may not simultaneously hold purchase and sale orders for Company shares.

9.3.8. Restrictions

Trading in Company shares shall not be engaged in during processes related to public offerings, takeover bids, mergers or other similar corporate operations unless expressly provided for in the prospectus for the transaction in question. The Company shall also refrain from trading in treasury shares during the closed periods established in article 4.3.4 of the Code of Conduct.

9.3.9. Amendment

In the event of the urgent need to protect the interests of the Telecinco Group and its shareholders, the chief executive officer or the director of regulatory compliance may agree to temporarily amend or suspend the application of the foregoing regulations, of which the Board of Directors and the CNMV shall be informed.

9.4. *Stock options plans*

Notwithstanding the foregoing, the rules established in articles 9.1 to 9.3 of the Code shall not apply with respect to the acquisition of treasury shares to be subsequently granted to the beneficiaries of the Company's stock option plans approved by the Board of Directors, or to the other trading in treasury shares entered into by the Company within the framework of a share buyback program. The aforementioned transactions shall be executed taking into account the particular characteristics thereof, the manner and the specific features established by the Board of Directors when approving the plans, which shall comply with the conditions established in the regulations implementing article 81.4 of the Securities Market Law.

9.5. *Designation and functions of the department responsible for the management of treasury shares*

The Management Control Department shall be responsible for managing treasury shares.

9.5.1. Special duty of confidentiality

The persons that form part of the Management Control Department assume special confidentiality commitments with respect to treasury share strategy and trading.

9.5.2. Duties

The Department shall be responsible for:

a) Managing the treasury shares in accordance with the general principles established in the Code of Conduct and those determined by the Telecinco Group's managing bodies.

(Thousands of euros)

b) Overseeing the performance of the Telecinco's shares and informing the director of regulatory compliance of any significant changes in the share price which cannot reasonably be attributed to market movements.

c) Keeping a record of all treasury share trades ordered and executed for consultation by the director of regulatory compliance, the Board of Directors or any other persons designated by the Board.

d) Establishing relationships with any supervisory bodies as necessary to correctly comply with the provisions of this Code.

e) Preparing a report on the Department's activities quarterly or whenever so required.

f) Notifying the director of regulatory compliance of any significant incident arising from the management of the treasury shares.

SIGNIFICANT AGREEMENTS THAT WOULD COME INTO FORCE, BE AMENDED OR EXPIRE IN THE EVENT OF A CHANGE OF CONTROL AT THE COMPANY

There are no significant agreements subject to a change in control at the Company.

AGREEMENTS BETWEEN THE COMPANY AND ITS DIRECTORS AND MANAGERS THAT PROVIDE FOR SPECIAL INDEMNITIES

The following table itemises the only instances of special indemnification schemes outstanding between the Company and its directors and managers.

Position	Guarantee or golden parachute clause
General Manager	**Termination of contract by the Company (except for just cause):** (in replacement of legally prescribed severance, unless the latter is higher) Termination between 04/24/02 and 12/31/07: 24 months' salary. Termination between 2008 and 2011: 18 months' salary. Termination thereafter: 12 months' salary.
General Manager	**Severance scheme:** a) Voluntary redundancy: accrual per annum: fixed annual salary + annual bonus/13,5, so that total compensation is equivalent to the total years worked. b) Justified or unjustified dismissal: legally prescribed severance + severance set out in a) above.
Division Manager	**Termination of contract by the Company (except in case of just cause):** An indemnity of one year of gross fixed salary plus legally prescribed severance.
Manager	**Termination of contract for reason attributable to the Company (except in case of just cause):** 18 months of fixed salary (including legally prescribed severance).