

ANNUAL CORPORATE GOVERNANCE REPORT

YEAR ENDED ON DECEMBER 31, 2010

COMPANY IDENTIFICATION
NUMBER: A-79075438

CIF: A-79075438

Company Name:

Gestevisión Telecinco, S.A

Translation from the original in Spanish. In the case of any discrepancy the Spanish version prevails.

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ANNUAL CORPORATE GOVERNANCE REPORT FORM FOR PUBLICLY LISTED COMPANIES

A SHAREHOLDER STRUCTURE

A.1 Fill in the following table on the company's share capital:

Date of last increase/reduction	Share capital (€)	Number of shares	Number of voting rights
29-12-2010	203,430,713	406,861,426	406,861,426

Indicate if there are different classes of shares with different associated rights:

NO

A.2 Give the breakdown of those - other than directors - who directly or indirectly owned major shareholdings in the company at the close of the business year

Shareholder's name or company name	Number of voting rights held directly	Number of voting rights held indirectly(*)	% of total voting rights
Mr. Silvio Berlusconi	0	169,058,846	41,552
Promotora de Informaciones, S.A.	0	70,534,898	17,336
Tweedy Browne C. LLC	0	17,932,868	4,408
FMR LLC	0	10,120,011	2,487

Name of the individual or company indirectly holding the shares	Name of the individual or company directly holding the shares	Number of voting rights held directly	% of total voting rights
Mr. Silvio Berlusconi	Mediaset Investimenti SPA	167,701,706	41,218

Indicate the main changes in the shareholder structure seen during the year:

Shareholder's name or company name	Date of the transaction	Type of the transaction
Tweedy Browne LLC	29/12/2010	Its shareholding fell below 5% of the share capital.
Don Silvio Berlusconi	29/12/2010	Its shareholding fell below 45% of the share capital.
Promotora de Informaciones, S.A.	29/12/2010	Its shareholding surpassed 15% of the share capital

Translation from the original in Spanish. In the case of any discrepancy the Spanish version prevails.

A.3 Fill in the following tables on the members of the company's board of directors who hold voting rights on company shares:

Name or company name of the director	Number of voting rights held directly	Number of voting rights held indirectly(*)	% of total voting rights
Mr. Alejandro Echevarría Busquet	47,023	0	0.012
Mr. Paolo Vasile	8,426	0	0.002
Mr. Ángel Durández Adeva	4,237	0	0.001
Mr. Francisco Borja de Prado Eulate	670	6,885	0.002
Mr. Jose Ramon Alvarez Rendueles	17,640	654	0.004
Mr. Massimo Musolino	7,494	10	0.002

Name of the individual or the company indirectly holding the shares	Name of the individual or company directly holding the shares	Number of voting rights held directly	% of total voting rights
Mr. Francisco de Borja Prado Eulate	Bopreu, S.L.	6,885	0.002
Mr. Massimo Musolino	Mrs. Alicia Díaz Villanueva	10	0.000
Mr. Jose Ramón Alvarez Rendueles	Alvarvil, SA	654	0.000

% of total voting rights held by directors	0.023
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Fill in the following tables on the members of the Board of Directors who hold options on company shares:

Name or company name of the director	Number of options held directly	Number of options held indirectly	Equivalent number of shares	% of total voting rights
Mr. Alejandro Echevarría Busquet	238,937	0	306,187	0.059
Mr. Guiseppe Tringali	477,875	0	612,375	0.117
Mr. Paolo Vasile	477,875	0	612,375	0.117
Mr. Massimo Musolino	225,750	0	286,750	0.055

A.4 Mention any family, commercial, contractual or corporate links of which the company is aware between major shareholders, other than those which are immaterial or are part of their ordinary business or trade:

A.5 Mention any commercial, contractual or corporate links between major shareholders and the company and/or their group, other than those which are immaterial or are part of their ordinary business or trade:

A.6 State whether the Company has been informed of any Shareholders' Agreements affecting it pursuant to Section 112 of the Stock Exchange Act. If yes, describe these Shareholders' Agreements briefly as well as the shareholders related there under:

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Translation from the original in Spanish. In the case of any discrepancy the Spanish version prevails.

% of share capital affected

17,336

Brief description of agreement:

Integration Contract

In accordance with Clause 3.4 of the Integration Agreement and as described in the Prospectus dated 18 November 2010, Prisa Televisión (formerly Sogecable) is entitled to appoint two members to Telecinco's Board of Directors (at the same time as Mediaset will have eight) and will be entitled to appoint one director for as long as it holds a minimum of 5% of Telecinco's share capital. In addition, while Prisa Televisión 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 Telecinco, and in particular, the following rights in relation to corporate governance of Telecinco: (i) Sogecable has the right to appoint 2 of the 15 members that make up the Board of Directors of Telecinco (and without prejudice to the said right of Sogecable, the directors appointed by Mediaset will be reduced to 8);

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

Parties to the shareholder agreement
MEDIASET SPA
PROMOTORA DE INFORMACIONES, S.A.
GESTEVISION TELECINCO, S.A.
SOGECABLE, S.A.U.

% of share capital

affected: 17.336

Brief description of agreement:

Option Agreement

Translation from the original in Spanish. In the case of any discrepancy the Spanish version prevails.

Pursuant to clause 4.4 of the Option Agreement and as described in the Prospectus, Prisa Televisión (formerly Sogecable) has committed to the Company not to transfer the New Telecinco's Shares subscribed in exchange of the contribution of Sociedad General de Televisión Cuatro, S.A. Unipersonal (representing 17.336% of the Telecinco's share capital after the adjustment contractually agreed in the deal), shares that, for this purpose, have been pledged in favour of Telecinco. This commitment will remain in effect until March 28, 2012 or, if the option is exercised as per the Option Agreement, as set out in paragraph 5.2.3. (F.6) of the Registration Document of the Prospectus approved and registered as of November 18, 2010 (the "Prospectus"), until it gets: (i) the unconditional authorization or subject to no substantial conditions of the antitrust authorities; and if necessary ruled by an independent expert or experts designated for that purpose by the parties, or (ii) an agreement between the parties on the conditions imposed by competition authorities. Therefore, it will remain in effect as long as Telecinco does not obtain the additional corporate rights granted by the sale agreement and shareholders agreement in Digital+ as described in paragraph 5.2.3 of the Prospectus (the "Additional Corporate Rights"). If not, or if it is impossible to apply the Additional Corporate Rights, there would be, among other things, the cancellation of the New Shares owned by Prisa Televisión, as indicated in the mentioned paragraph 5.2.3. (F.6) of the Pre-prospectus.

The following is the transcript of, limited to pledges of non-availability of shares to Prisa Televisión (formerly Sogecable), clause 4.4 of the Option Agreement:

Parties to the shareholder agreement
MEDIASET SPA
PROMOTORA DE INFORMACIONES, S.A.
GESTEVISION TELECINCO, S.A.
SOGECABLE, S.A.U.

Indicate whether the company is aware of any concerted actions among its shareholders. If so, briefly describe them:

NO

Mention any of the above pacts, agreements or concerted actions that have been altered or cancelled during the year:

A.7 Mention any individual or corporate person who controls or may control the company pursuant to Section 4 of the Spanish Securities Market Law. If such a person exists, identify them:

YES

Name or company name
Mediaset Investimenti SpA

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Comments
<p>Fininvest SPA (owned by Silvio Berlusconi) holds 38.98% (38.62% directly and 0.36% indirectly) of the voting rights and appoints the majority of the directors of Mediaset SPA, which owns 41.552% of the voting rights of Gestevisión Telecinco, S.A., (i) 0.333% directly and (ii) 41.218% indirectly through Mediaset Investimenti SpA (a wholly owned subsidiary of Mediaset, SpA).</p>

A.8 Fill in the following tables regarding treasury stock of the company:

At year-end:

Number of shares held directly	Number of shares held indirectly (*)	% of total share capital
6,419,259	0	1,557

(*)Held through:

Name of the individual or company directly holding the shares	Number of shares held directly
-	-
Total:	-

Details of any material changes, pursuant to Royal Decree 1362/2007, which have taken place during the year:

Capital gains/losses on own shares disposed of during the period	-
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A.9. Describe the requirements and deadlines fixed by the Annual General Meeting in any resolutions authorizing the Board to acquire or transfer company shares.

The Annual General Meeting held on 14 April 2010, under item 5 of the agenda, authorized the Board of Directors to acquire and transfer own shares, with a total of 167,346,012 votes representing 99.793% of share capital in favour, 218,533 votes representing 0.130% of share capital against, 120,129 abstentions representing 0.072% of share capital and 8,616 blank votes representing 0.005% of share capital. This mandate shall remain effective until the next Annual General Meeting, slated for 2011.

Below is the exact text of the proposed resolutions:

1. To grant the Board of Directors authority for the derivative acquisition of the Company's own shares, according to the provisions of Section 75 and following of the Companies Act, in any way, whether directly or through companies under its control, subject to the following restrictions and requirements:

- The shares may be acquired by sale-and-purchase or any other form of transfer for valuable consideration.

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- The maximum number of shares to be perceived in addition to those owned by GESTEVISION TELECINCO, S.A. or any of the companies under its control shall not exceed five per cent (10%) of the Company's share capital.
- The acquired shares shall be free of burden or lien, fully paid up, and not tied to meeting any commitment or liability.
- The shares may neither be acquired for less than their nominal value nor for a price in excess of one hundred and twenty per cent (120%) of their quoted price on the date of acquisition.
- Duration of this authority: five (5) years from the date of this resolution.
- Besides, these operations shall be carried out according to the relevant rules contained in the Company's Internal Code of Conduct.

2. To cancel the authority granted on this matter at the General Meeting of 1st April 2009.

3. To authorize the Board of Directors to use all or some of the own shares acquired by the Company for implementing remuneration plans that consist of or involve awarding shares or share options, or are based in any way on the stock market performance of Company shares, according to the provisions of Article 1, Section 75 of the Companies Act.

4. To authorize the Board of Directors to fund, upon resolving to acquire own shares, a non-distributable reserve for an amount equal to the acquisition cost of the shares.

A.10 Mention any legal or statutory restrictions or restrictions foreseen in the Articles of Association for exercising voting rights, as well as any statutory restrictions on acquiring or transferring shares in the company.

State whether there are legal restrictions on the exercise of voting rights:

NO

Maximum percentage of voting rights which a shareholder maybe entitled to exercise under a legal restriction	0
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State whether there are restrictions established in the Articles of Association on the exercise of voting rights

NO

Maximum percentage of voting rights which a shareholder maybe entitled exercise under a restriction established in the Articles of Association	0
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State whether there are legal restrictions on the acquisition or transfers of shareholdings:

YES

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Description of legal restrictions on the acquisition or transfer of shareholdings
Legal restrictions on the acquisition or transfer of holdings in the company's share capital are as follows:
Articles of the General Law on Audiovisual Communication 7/2010 of 31 March.
Article 29. Legal transactions on audiovisual media licenses.
1. The conclusion of legal transactions whose object is an audiovisual media licence requires prior authorisation from the competent audiovisual authority and shall be subject to the payment of a fee determined by the government for licenses with national coverage, or by the regional governments in all other cases.
This authorisation may be refused only when the applicant does not comply with all the conditions legally established to obtain the licence, or is not substituted on the obligations of the previous licensee.

Description of Legal restrictions on the acquisition or transfer or share holding
2. In addition, rental and broadcast shall be subject to the following conditions:
a) At least two years should have passed since the initial award of the license in order for legal transactions to be concluded.
b) When undertaken by natural or legal persons from countries that are not members of the European Economic Area, they shall be subject to the principal of reciprocity and shall accrue the payment of the legally established fee. In compliance with the provisions in the International Treaties and Conventions to which Spain is party, and having submitted a report to the competent audiovisual authority, the Council of Ministers or the competent body of the Autonomous Community may authorise an operation by way of exception and on grounds of public interest when this term has not been met.
c) When the license entails the award of a full multiplex or of two or more channels, no more than 50% of the license capacity may be leased. The lease must comply with the provisions of Article 24.3 concerning the occupation of the multiplex radioelectric spectrum and the use of channels with total or partial pay content.
Lease of channels shall only be authorised if the holder certifies compliance with all the legally established conditions for obtaining the license.
d) Sublease is prohibited under any circumstances.
e) Compliance with the offer through which the award of the license was obtained.
Article 36. Pluralism in the Television Audiovisual Market.
1. Natural and legal persons may hold shares or voting rights simultaneously in different television audiovisual service providers.

<p>2. However, no natural or legal person may acquire significant holdings in more than one television audiovisual media service provider with national coverage when the average audience of all the channels of the considered providers with national coverage exceeds 27% of the total audience for the 12 consecutive months prior to the acquisition.</p>
<p>3. If the average audience exceeds 27% of the total audience after the acquisition of new significant holdings, this shall have no effect on the holder.</p>
<p>4. The shares or voting rights of natural or legal persons from countries that are not members of the European Economic Area are subject to compliance with the principle of reciprocity. In the event of an increase in the shares held by natural and legal persons from countries that are not members of the European Economic Area, on the entry into force of this Act, the total percentage held in the share capital of the television audiovisual media service provider must be less than 50% at all times.</p>
<p>5. No natural or legal person may acquire significant holdings or voting rights in more than one television audiovisual media service provider.</p>
<p>a) When national audiovisual media service providers accumulate rights of use over the radioelectric public domain which together are greater than the technical capacity of two multiplex channels.</p>
<p>b) When regional audiovisual media service providers accumulate rights of use over radioelectric public domain which together are greater than the technical capacity of a multiplex channel.</p>
<p>c) No natural or legal person or participant in the share capital of a national television audiovisual media service provider may acquire significant holdings or voting rights in the capital of another provider of the same service, where this would prevent the existence of at least three different private national television audiovisual media service providers, thus ensuring respect for pluralism of information.</p>
<p>Article 25. Requirements to hold an audiovisual media license.</p>
<p>The following requirements must be met in order to hold a license:</p>
<p>1. Natural persons must be from a Member State of the European Economic Area or any State which recognise this right for Spanish citizens, in accordance with its internal regulations.</p>
<p>2. Legal persons must have their registered address in a Member State of the European Economic Area or in any State which recognises this right for Spanish citizens, in accordance with its internal regulations.</p>
<p>3. The licensee must have a representative domiciled in Spain for notification purposes.</p>
<p>4. In the case of legal persons, the participation in their share capital of natural or legal persons from countries that are not members of the European Economic Area must comply with the principle of reciprocity.</p>
<p>In addition, the individual participation of a natural or legal person from a country that is not a member of the European Economic Area should not directly or indirectly exceed 25% of the share capital. Furthermore, the total holdings of a legal entity made up of natural or legal persons from countries that are not members of the European Economic Area should be less than 50% of the share capital.</p>

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Article 26. Limitations on audiovisual media on grounds of public order.
1. In no event shall natural or legal persons in the following circumstances be entitled to a license:
a) Those who, having been licensees or given prior notice for any area of coverage, have had their licenses revoked or been deprived of their effects through final administrative decision in the last two years preceding the application.
b) Those companies in whose share capital persons in the abovementioned situation have significant holdings or, where appropriate, direct or indirect control.
c) Those who, having provided audiovisual services in another Member State of the European Economic Area, have had their activities prohibited in the last two years for violating the values and principles of the European Convention on Human Rights or the provisions in European and Spanish legislation on the protection of minors.
d) Those persons subject to any of the prohibitions against contracting set forth in Article 49 of Act 30/2007 of 30 October, on Public Sector Contracts.
2. Prior notice for audiovisual media service provision shall have no effect when it has been presented by a natural or legal person who is in any of the circumstances stated in paragraph 1.

A.11 State if at the Annual General Meeting it was agreed that neutralization measures would be taken up on a takeover bid under Law 6/2007.

NO

If applicable, explain the measures approved and the terms under which the restrictions shall not apply:

B COMPANY GOVERNING BODIES

B.1 Board of Directors

B.1.1 Maximum and minimum number of directors according to the articles of association:

Maximum number of directors	19
Minimum number of directors	11

Translation from the original in Spanish. In the case of any discrepancy the Spanish version prevails.

B.1.2 Fill in the following table on Board members:

Name or company name of the director	Proxy	Position on the Board	Date when first appointed	Date when last appointed	Method of appointment
Mr. Alejandro Echevarría Busquet		Chairman	15/05/1996	01/04/2009	General Meeting
Mr. Fedele Confalonieri		Director	21/12/2000	01/04/2009	General Meeting
Mr. Manuel Polanco		Director	24/12/2010	24/12/2010	General Meeting
Mr. Giuseppe Tringali		Chief Executive Officer	29/03/2004	01/04/2009	General Meeting
Mr. Paolo Vasile		Chief Executive Officer	29/03/1999	01/04/2009	
Mr. Alfredo Messina		Director	30/06/1995	01/04/2009	General Meeting
Mr. Angel Durandez Adeva		Director	20/05/2004	14/04/2010	General Meeting
Mr. Francisco de Borja Prado Eulate		Director	28/07/2004	14/04/2010	General Meeting
Mr. Giuliano Adreani		Director	26/09/2001	01/04/2009	General Meeting
Mrs. Helena Revoredo Delvecchio		Director	01/04/2009	01/04/2009	General Meeting
Mr. José Ramón Álvarez-Rendueles		Director	28/07/2004	14/04/2010	General Meeting
Mr. Juan Luis Cebrian Echarri		Director	24/12/2010	24/12/2010	General Meeting
Mr. Marco Giordani		Director	07/05/2003	01/04/2009	General Meeting
Mr. Massimo Musolino		Director	09/04/2008	09/04/2008	General Meeting
Mr. Pier Silvio Berlusconi		Director	07/05/2003	01/04/2009	General Meeting

Total number of directors	15
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Mention any directors who have stepped down from the Board of Directors during the period:

Name or company name of the director	Status of director upon resignation	Date of departure
Mr. Mario Rodríguez Valderas	Executive	12/03/2010

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B.1.3 Fill in the following tables on the members of the Board and the different capacities in which they serve:

EXECUTIVE DIRECTORS

Name or company name of the director	Committee that proposed appointing the director	Position within the organization
Mr. Giuseppe Tringali	Appointments and Remuneration Committee	Chief Executive Officer
Mr. Paolo Vasile	Appointments and Remuneration Committee	Chief Executive Officer
Mr. Massimo Musolino	Appointments and Remuneration Committee	General and Transaction Manager

Total number of executive directors	3
Total % of the Board	20.000

OUTSIDE PROPRIETARY DIRECTORS

Name or company name of the director	Committee that proposed appointing the director	Name of the individual or company who is a major shareholder and is represented by or has proposed the appointment of the outside director
Mr. Alfredo Messina	Appointments Remuneration Committee	Mediaset Investimenti SPA
Mr. Fedele Confalonieri	Appointments and Remuneration Committee	Mediaset Investimenti SPA
Mr. Giuliano Adreani	Appointments and Remuneration Committee	Mediaset Investimenti SPA
Mr. Juan Luis Cebrian Echarri	-	Promotora de Informaciones S.A.
Don Manuel Polanco Moreno	-	Promotora de Informaciones S.A.
Mr. Marco Giordani	Appointments and Remuneration Committee	Mediaset Investimenti SPA
Mr. Pier Silvio Berlusconi	Appointments Remuneration Committee	Mediaset Investimenti SPA

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Total number of proprietary directors	7
Total % of the Board	46.667

INDEPENDENT OUTSIDE DIRECTORS

Name or company name of the director	Profile
Mr. Alejandro Echevarría Busquet	Member of the Board of Directors of Consulnor, CVNE, Endesa, and the Diario Vasco, El Diario Montañés and El Correo newspapers; Chairman of Uteca, Vice-chairman of Deusto Business School and Council of the Novia Salcedo Foundations, Plan España and FAD.
Mr. Ángel Durández Adeva	Member of the Board of Directors of Repsol YPF, SA; Executive Chairman of Información y Control de Publicaciones, SA (OJD); Executive Chairman of ARCADIA Capital S.L, SL; member of the advisory Boards of FRIDE, (Foundation for the International relations and external development) Member of the Council of the Germán Sánchez Rupérez and Euroamérica.
Mr. Francisco de Borja Prado Eulate	President of Endesa SA, President of MedioBanca SpA branch in Spain, responsible for Iberia and South America, President of the Executive Committee and member of the Audit Committee of Endesa SA, Chairman of Almagro Asesoramiento e Inversores, SA.
Mrs. Helena Revoredo Delvecchio	President of Prosegur, SA, President of Foundation and Euroforum Prosegur, independent director of Banco Popular, a member of the Council of the Escuela Superior de Música Reina Sofía, of the Príncipe de Asturias Foundation and the International Advisory Committee of IESE.
Mr. José Ramón Álvarez-Rendueles	Chairman of Peugeot España S.A., Chairman of Peugeot Citroën Automóviles España S.A. and Chairman of Sanitas, Member of the Board of Directors of Arcelor Mittal, Asturiana de Zinc, Holcim España y Assicurazioni Generali España.

Total number of independent directors	5
Total % of the Board	33.333

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OTHER OUTSIDE DIRECTORS

Explain why these cannot be considered independent directors or proprietary directors and their links, whether with the company and its senior management or with its shareholders.

Mention any changes that have taken place in the status of individual directors during the period:

B.1.4 Explain, where applicable, the reasons why proprietary directors have been appointed upon request by shareholders whose shareholdings are lower than 5% of the share capital

State whether formal requests to be part of the Board of Directors filed by shareholders whose shareholding is equal to or greater than that of others upon whose request proprietary directors have been appointed have not been met. If applicable, explain the reasons why they have not been met:

NO

B.1.5 State whether a director has ceased to hold office before completion of the term of office, whether it has provided reasons to the Board of Directors and, if applicable, what means it has used to do so, and, in the event of having provided reasons to the Board of Directors in writing, explain these reasons below:

YES

Name of director

MARIO RODRIGUEZ VALDERAS

Reason for resignation

Voluntary resignation to prevent the size of the Board of Directors from being larger than the number included in good governance recommendations.

B.1.6 Mention the powers, if any, delegated in the chief executive officer(s):

Name or company name of the director	Brief outline
Mr. Giuseppe Tringali	Delegation of all legally and statutorily delegable powers.
Mr. Paolo Vasile	Delegation of all legally and statutorily delegable powers.

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B.1.7 Mention any members of the Board who hold the position of directors or senior managers of other companies that form part of the same group as the listed company:

Name or company name of the director	Company name of the group member company	Position
Mr. Alejandro Echevarría Busquet	Agencia de Televisión Latino-Americana de Servicios y Noticias España, S.A.U.	Chairman
Mr. Alejandro Echevarría Busquet	Publiespaña, S.A.U.	Chairman
Mr. Giuseppe Tringali	Sogecable Media, S.L.U	Joint and several director
Mr. Giuseppe Tringali	Publiespaña, S.A.U.	Chief Executive Officer
Mr. Giuseppe Tringali	Publimedia Gestión, S.A.U.	Chairman/Chief Executive Officer
Mr. Paolo Vasile	Agencia de Televisión Latino-Americana de Servicios y Noticias España, S.A.U.	Director
Mr. Paolo Vasile	Canal Factoría de Ficción, S.A.U.	Director
Mr. Paolo Vasile	Conecta 5 Telecinco, S.A.U.	Chairman
Mr. Paolo Vasile	Grupo Editorial Tele5, S.A.U.	Chairman
Mr. Paolo Vasile	Sociedad General de Televisión Cuatro, SAU	Joint and several director
Mr. Paolo Vasile	Publiespaña, S.A.U.	Director
Mr. Paolo Vasile	Telecinco Cinema, S.A.U.	Chairman
Mr. Fedele Confalonieri	Publiespaña, S.A.U.	Director
Mr. Giuliano Adreani	Publiespaña, S.A.U.	Director
Mr. Massimo Musolino	Agencia de Televisión Latino-Americana de Servicios y Noticias España, S.A.U.	Director
Mr. Massimo Musolino	Canal Factoría de Ficción, S.A.U.	Chairman/Chief Executive Officer
Mr. Massimo Musolino	Conecta 5 Telecinco, S.A.U.	Director
Mr. Massimo Musolino	Corporación de medios radiofónicos digitales, S.A.	Director
Mr. Massimo Musolino	Grupo Editorial Telecinco, S.A.U.	Chief Executive Officer
Mr. Massimo Musolino	Mediacinco Cartera, S.L.	Chairman
Mr. Massimo Musolino	Premiere Megaplex, S.A.	Director
Mr. Massimo Musolino	DTS Distribuidora de Televisión Digital, S.A.	Vice-president
Mr. Massimo Musolino	Publiespaña, S.A.U.	Director
Mr. Massimo Musolino	Telecinco Cinema, S.A.U.	Chief Executive Officer
Mr. Pier Silvio Berlusconi	Publiespaña, S.A.U.	Director

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B.1.8 Mention any directors of the company of who the company is aware of being members of the Boards of Directors of non-Group companies listed on official Spanish stock markets:

Name or company name of the director	Company name of the listed company	Position
Mr. Alejandro Echevarría Busquet	Endesa, S.A.	Director
Mr. Alejandro Echevarría Busquet	Compañía Vinícola del Norte de España., S.A.	Director
Mr. Ángel Duráñez Adeva	Repsol YPF, S.A.	Director
Mr. Francisco de Borja Prado Eulate	Endesa	Chairman
Mrs. Helena Revoredo Delvecchio	Banco Popular, S.A.	Director
Mrs. Helena Revoredo Delvecchio	Prosegur, S.A	Chairman
Mr. Juan Luis Cebrian Echarri	Promotora de informaciones S.A.	Chief Executive Officer
Mr. Manuel Polanco Moreno	Promotora de infromaciones S.A.	Director

B.1.9 State and explain whether the company has established rules on the number of Boards of Directors in which its directors may participate:

NO

B.1.10 In connection with recommendation no. 8 of the Unified Code, state the general policies and strategies of the company which the Board of Directors is entitled to approve:

	Yes
Investment and financing policy	Yes
Definition of the group of companies' structure	Yes
Corporate governance policy	Yes
Corporate social responsibility policy	Yes
Strategic or business plan, as well as the annual management and budget objectives	Yes
Senior Management's remuneration and performance assessment policy	Yes
Risk control and management policy, as well as periodic follow up of the internal information and control systems	Yes
Dividend policy, as well as treasury stock policy, and particularly, the limits thereof.	Yes

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B.1.11 Fill in the following tables on the aggregate emoluments earned by the directors during the year:

In the company filing this report

Pay item	Figures in thousands of euros
Fixed remuneration	2,073
Variable remuneration	967
Per diems	459
Statutory amounts	0
Options on shares and/or other financial instruments	0
Other s	48
TOTAL:	3,547

Other benefits	Figures in thousands of euros
Advances	0
Loans granted	0
Retirement Plans and Funds: Contributions	0
Retirement Plans and Funds: Obligations undertaken	0
Life insurance premiums	12
Guarantees constituted by the company in favour of directors	0

b) By company directors belonging to other boards of directors and/or to the senior management of group member companies:

Pay item	Figures in thousands of euros
Fixed remuneration	695
Variable remuneration	711
Per diems	0
Statutory amounts	0
Options on shares and/or other financial instruments	0
Other	37
TOTAL:	1,443

Translation from the original in Spanish. In the case of any discrepancy the Spanish version prevails.

Other benefits	Figures in thousands of euros
Advances	0
Loans granted	0
Retirement Plans and Funds: Contributions	0
Retirement Plans and Funds: Obligations undertaken	0
Life insurance premiums	13
Guarantees constituted by the company in favour of directors	0

c) Total remuneration paid by type of Director:

Type of director	By company	By group
Top management	1,770	1,443
Outside proprietary directors	459	0
Independent outside directors	1,318	0
Other outside directors	0	0
Total	3,547	1,443

d) With respect to the part of the company's profit allocated to the controlling company:

Total remuneration of the directors (in thousands of euros)	4,990
Total remuneration of the directors/company's profit allocated to controlling company(%)	4.3

Translation from the original in Spanish. In the case of any discrepancy the Spanish version prevails.

B.1.12 Mention any senior managers who are not also executive directors and the total remuneration they have earned during the year:

Name or company name	Position
Mrs. PATRICIA MARCO	Managing Director of Televisión Telecinco and TDT
Mr. LEONARDO BALTANAS	Managing Director of contents production
Mr. GHISLAIN BARROIS	Director, Cinema Division and Acquisition of Rights
Mrs. MIRTA DRAGOEVICH	Managing Director of Communications and External Relations
Mrs. CRISTINA PANIZZA	Operational and Sales Services Director Publiespaña
Mr. JULIO MADRID	Central Director
Mr. GASPAR MAYOR	Commercial Director of PUBLIMEDIA GESTION
Mr. PEDRO PIQUERAS GOMEZ	Managing Director, News Programmes
Mr. JESUS MARIA BAUTISTA PEREZ	Managing Director, Business Development and Multi-Platform
Mr. LÁZARO GARCÍA HERRERO	Director, Corporate Marketing Publiespaña
Mr. LUIS EXPÓSITO RODRIGUEZ	Managing Director, HR and Services Division
Mr. MIGUEL ANGEL JIMÉNEZ GONZÁLEZ	Commercial Director, Special Initiatives Publiespaña
Mr. MANUEL VILLANUEVA DE CASTRO	Managing Director, Contents
Mr. ALVARO AGUSTÍN REGAÑÓN	Managing Director, Telecinco Cinema
Mr. JAVIER URÍA IGLESIAS	Managing Director, Economic and Finance Division
Mr. JOSÉ LUIS VILLA ALEGRE	Director, Media Buyers Commercial director Publiespaña
Mr. FRANCISCO ALUM LÓPEZ	Managing Director, Marketing and Operation Publiespaña
Mr. MARIO RODRIGUEZ VALDERAS	Secretary General
Mr. EUGENIO FERNÁNDEZ ARANDA	Managing Director, Technology Division
Mr. SALVATORE CHIRIATTI	Managing Director of Publimedia Gestión
Mr. GIUSEPPE SILVESTRON	Managing Director, Commercial Publiespaña

Total remuneration of Senior Executives (in thousands of euros)	6.757.429
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B.1.13 Mention the aggregate number of guarantee or golden parachute clauses agreed in benefit of senior management, including the executive directors, of the company or Group. Mention if these agreements are required to be reported to and/or approved by the governing bodies of the company or Group:

Number of beneficiaries	5
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	Board of Directors	Annual General Meeting
Governing body that approves such arrangements	YES	NO

Are such arrangements reported to the Annual General Meeting?	NO
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B.1.14 Describe the process used for establishing the remuneration of the directors and the main provisions of the Articles of Association on the subject:

Process used for establishing the remuneration of the directors and the main provisions of the Articles of Association
<p>Article 56 of the Articles of Association and Article 28 of the Regulations of the Board of Directors describe the process to set the directors' remunerations and conditions to be met.</p> <p>Description</p> <p>Article 56 of the Articles of Association determines the manner in which the system of remuneration to directors is established, differentiating between executive directors and all other directors.</p> <p>In this way the members of the Board of Directors who are executive directors shall receive, in addition to the remuneration corresponding to them as directors, remuneration comprised of:</p> <ul style="list-style-type: none">(a) a fixed part, appropriate to the services and responsibilities assumed by them;(b) a variable part correlated to some indicator of performance of the director or the company;(c) a benefit-related amount for welfare and insurance purposes.(d) It may also include the delivery of shares or options over them. <p>The Board of Directors shall be responsible for determining the amount of the remuneration concepts integrating the fixed part, configuration modalities and indicators for calculating the variable part (which in no case may consist of an interest in Telecinco's profits) and benefits, upon report to the Appointments and Remuneration Committee.</p> <p>The variable component of the remuneration is related to the director's or company's performance indicators (in the case of the company's performance indicators, the qualifications appearing on the Audit Report and reducing results, if any, should be considered).</p> <p>In any event, directors' remuneration is granted based on their degree of dedication and without comprising their independence whatsoever.</p> <p>The Annual General Meeting of Shareholders shall have jurisdiction over the decision whether the remuneration is to be complemented with the delivery of shares of Telecinco or options over shares. The agreement will, as applicable, state the number of shares to be delivered, the strike price for exercising the option rights, the value of the shares taken as reference and the duration of his form of remuneration.</p> <p>In addition, Telecinco is authorized to take out civil liability insurance for its directors.</p> <p>Competent Bodies</p> <p>The process starts with the Appointments and Remuneration Committee, which is responsible for preparing the proposed remuneration policy for directors and senior managers of the Telecinco Group. Approval of legally required aspects falls to the Board of Directors and the Annual General Meeting.</p> <p>The Annual General Meeting is responsible for fixing the maximum amounts that the company can pay to directors as and for fixed remuneration and per diems for their attendance, as well as for approving the delivery of options on the company's shares. Once the maximum amount has been determined, the Board of Directors is responsible for deciding how to share out the amount among the directors based on their dedication</p>

throughout the financial year.

The maximum amount of fixed remuneration and per diems for attendance approved by the Annual General Meeting in 2005 (the first meeting held after the stock market listing), 2006, 2007, 2008 and 2009 and 2010 was the same: 1,800,000 euros. Once these limits were established, the actual amounts paid to directors in fixed remuneration and per diems for attendance in 2007, 2008, 2009 and 2010 were 1,214,500, 1,244,500 and 1,308,000 euros, and 1,266,883 respectively.

Information on share price options granted in 2010 is included in section A.3 and detailed further in section G.

Transparency

For greater disclosure and transparency in the process of establishing the directors' remuneration policy, article 56 of the Bylaws and article 28 of the Regulations of the Board of Directors establish the obligation to include an itemized list of the remuneration received in the notes to the annual financial statements, explaining all items for which directors have received any amounts.

As in previous years, section G provides a breakdown of amounts received by each director for all items. The information is also included in Telecinco's Annual Accounts. Similarly, at the 2011 Annual General Meeting, shareholders will be provided the Report on the Directors' Remuneration Policy as a separate item on the agenda for consultation. This information could be accessible through the Web Page

Like last year, in addition to the usual information on the directors, the Report includes information on the remuneration paid to senior management of Telecinco and the main Group companies, on golden-parachute clauses and on the parameters used to calculate senior management's remuneration.

State whether the Board meeting has reserved the right to approve the following decisions:

Upon request by the Company's chief executive officer, the appointment and termination of the senior managers as well as the compensation clauses.	Yes
The directors' remuneration and, in the case of executives, additional remuneration for their executive functions and other conditions to be met by their agreements.	Yes

Translation from the original in Spanish. In the case of any discrepancy the Spanish version prevails.

B.1.15 State whether the Board of Directors approves a detailed remuneration policy and specify the items covered by it:

YES

Amount of the fixed components, including a breakdown, if any, of the per diem allowances for participating in the Board of Directors and Committees thereof and an estimate of the fixed annual remuneration they originate.	Yes
Variable remuneration items	Yes
Main characteristics of the benefits systems, including an estimate of their amounts or equivalent annual costs.	Yes
Conditions to be met by the agreements of those holding senior management positions such as executive directors, including:	Yes

B.1.16 State whether the Board of Directors puts to vote at the Annual General Meeting, as a separate item in the agenda, and for consultation purposes, a report on the directors' remuneration policy. If applicable, explain the aspects of the report regarding the remuneration policy approved by the Board of Directors for future years, the most significant changes of these policies to that applied during the year and a global summary of how the remuneration policy was applied during the year. Detail the role played by the Remuneration Committee and whether external consultancy services have been used and, in that event, the identity of the external consultants:

YES

Items covered by the report on the remunerations policy
As in prior year the report on the directors' remuneration policy includes a detailed and itemized description of all the amounts earned during year 2010 and all the items generating that right. The following information is included: <ul style="list-style-type: none"> (i) the individual remuneration earned by each of the directors (ii) the amounts of the per diem allowances for attendance (iii) the additional remuneration earned in the capacity as chairman or member of some committee of the Board of Directors (iv) the amount of any remuneration for participation in profits or premiums and there as on for their grant (v) the amount of contributions to fixed-contribution pension plans (vi) the amount of any compensation agreed upon or paid in the event of termination of office (vii) the amount of the remunerations earned as directors for other companies in the group (viii) the amount of the remuneration for holding senior management offices by executive directors (ix) any other remuneration item different from those mentioned above, irrespectively of the nature or entity of the group paying them, particularly where it is considered a related-party transaction or where its omission distorts the true image of the total remunerations perceived

Translation from the original in Spanish. In the case of any discrepancy the Spanish version prevails.

The Report also contains information on the remuneration system which shall determine the directors' remuneration in 2011 and data corresponding to 2008 and 2009.

This year, for the first time, the Report includes information on the remuneration policy, the structure and number of senior executives at Telecinco and the main Group companies.

The Report is made available to the shareholders on the date the General Shareholders' Meeting is convened and is presented at the General Meeting.

Role played by the Remuneration Committee

As established in its Regulations, the Appointments and Remuneration Committee has participated in the preparation of the Report on the Directors' Remuneration Policy before submitting it for approval by the Board of Directors and at the Annual General Meeting.

	Yes	No
Have external consultancy services been used?		
Identity of external consultants		

B.1.17 Mention any directors who, at the same time, are members of boards of directors or senior managers or employees of companies that hold material shareholdings in the listed company and/or in Group member companies:

Name or company name of the director	Company name of the major shareholder	Position
Mr. Juan Luis Cebrián Echarri	Prisa Televisión SAU	Vice President
Mr. Manuel Polanco Moreno	Prisa Televisión SAU	Chairman
Mr. Marco Giordani	Mediaset Investimenti SPA	Chairman

Mention any significant links other than those foreseen in the previous point between members of the Board of Directors and major shareholders and/or with member companies of their groups:

Translation from the original in Spanish. In the case of any discrepancy the Spanish version prevails.

B.1.18 State whether there has been any modification to the Regulations of the Board of Directors during the year:

YES

Description of amendments
<p>Following the amendment to article 55 of the Company Bylaws agreed at the Annual General Meeting, the Board of Directors, at its meeting of 24 December 2010, agreed unanimously to amend article 14-3.a) of its Regulations and establish eighty (80) as the age at which directors must offer to resign from the Board of Directors and, if deemed appropriate, formalize their resignation.</p>
<p>The amended article now reads as follows:</p>
<p>Article 14.- Termination of Directors' Office</p>
<p>1. Directors shall terminate their office upon decision at the Annual General Meeting, upon notice of termination or resignation to the Company and upon completion of the term for which they were appointed. In the last case, the termination shall become effective on the date on which the first Annual General Meeting is held.</p>
<p>2. In the event of termination of any Director prior to the expiration of his tenure, the Company shall publicly inform the reasons giving rise to that decision.</p>
<p>3. A Director shall submit his resignation to the Board of Directors, and formalise it if the Board of Directors considers it convenient, in the following cases:</p>
<p>a. When they reach 80 years of age. Their removal as director and resignation from their position shall occur during the first meeting of the Board of Directors held after the Annual General Meeting which approves the financial records for the financial year in which the director reaches said age.</p>
<p>Should any legal entity be appointed, acceptance of this provision shall affect individuals appointed as representatives.</p>
<p>b. Upon termination of the executive positions to which its appointment as Director was associated.</p>
<p>c. When the Director is covered by one of the applicable incompatibility or prohibition events.</p>
<p>d. Upon being seriously sanctioned by the Appointments and Remuneration Committee for failure to comply with their duties as Directors.</p>
<p>e. Where their permanence in the Board may threaten the interests of the Company or adversely affect its credibility and reputation or where the reasons for which they were appointed cease to exist (for example, when a director representing substantial shareholders disposes of such holdings in the company);</p>
<p>f. Where the represented shareholder wholly sells or reduces its participation in the company below the relevant threshold; in this case, the number of resignations shall be proportional to the reduction of the shareholding.</p>
<p>4. The Board of Directors may not propose the termination of any independent director before expiration of the term of office established under the Articles of Association except where there exists a reasonable cause at the Board of Directors' discretion upon a report by the Appointments and Remuneration Committee. Particularly, reasonable cause shall be deemed to exist where the director has breached the duties inherent to its position or falls within the circumstances in 9.2 b) of these Regulations preventing its appointment as independent Director.</p>

Translation from the original in Spanish. In the case of any discrepancy the Spanish version prevails.

B.1.19 Describe the procedures for appointing, re-electing, evaluating and dismissing directors. Mention the responsible governing bodies, the procedure to be followed and the criteria to be used in each case.

In the procedures for appointing, re-electing, evaluating and removing directors established in the Bylaws, the Regulations of the Board of Directors and the Rules of the Appointments and Remuneration Committee, the competent bodies are:

- The Annual General Meeting.
- The Board of Directors.
- The Appointments and Remuneration Committee.

Appointment and re-election:

- A director need not be a shareholder of Telecinco.
- Directors, including independent directors, are appointed for a maximum term of 12 years. The Chairman of the Audit Committee and of the Appointments and Remuneration Committee may hold office for a maximum of four (4) years.
- The number of board members is determined at the Annual General Meeting and currently stands at 15.

In order not to exceed the maximum number of directors composing the Board of Directors established in the CNMV recommendations, one director resigned in 2010 and another was not reappointed upon expiration of the term. See section G of this report for more details.

- The following may not be appointed directors: (i) companies, either foreign or domestic, in the audiovisual sector competing with the Company and their administrators or senior managers, except where such companies are part of the same group to which Telecinco belongs, (ii) any person falling under any other incompatibility or prohibition regulated under general provisions.
- The appointment and termination of the Secretary and Vice-secretary shall be informed by the Appointments and Remuneration Committee and approved by the Board of Directors.
- The inclusion of new directors in a category must be preceded by the corresponding report from the Appointments and Remuneration Committee. The new director must be included in one of the categories contemplated in the Bylaws and the Regulations of the Board of Directors.
- The Appointments and Remuneration Committee is required to ensure that the selection procedures for filling new vacancies do not result in an obstacle for the selection of female directors.

Accordingly, the Committee proposed that Ms. Helena Revoredo Delvecchio be named a director as she met the established requirements on equal terms.

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The procedure for the appointment, selection, re-election and removal of Telecinco's directors is initiated in the Appointments and Remuneration Committee.

Article 5 of the Regulations establishes the obligation by the Appointments and Remuneration Committee to:

- Protect the integrity of the selection process for directors and senior executives, defining the profile (knowledge, experience and skills) of the candidates and in particular, making proposals to the Board with regard to the appointment and removal of Directors, either by co-optation, at the proposal of the Board to the Annual General Meeting, and proposing to the Board which members should belong to each of the Committees. In the case of independent directors, the appointment shall be made upon proposal by the Committee.
- Advise the Board of Directors on the succession of the Chairman and Chief Executives of the company, formulating the suggestions it deems pertinent.
- Inform the Board of Directors of the appointment and termination of Telecinco's senior managers.
- Inform the Board of Directors of matters of gender diversity, assuring that new selection procedures initiated upon the event of new vacancies do not hinder the selection of female directors. The Committee shall furthermore motivate the company to search for and include in the list of candidates women who meet the professional profile sought.
- Advise the Board of Directors on the removal and propose the appointment of the Secretary and, if applicable, the Vice Secretary.

Once the report is prepared, the Appointments and Remuneration Committee submits its proposals to the Board of Directors. As such, proposed appointments of directors submitted to the Annual General Meeting by the Board of Directors and decisions adopted by the Board with regard to appointment, by virtue of its powers of co-optation, shall be preceded by the corresponding report from the Appointments and Remuneration Committee. The report shall assign the new director to one of the categories contemplated in the Regulations of the Board of Directors. In the event the Board decides not to follow the recommendations of the Appointments and Remuneration Committee, it shall state its reasons for this decision, leaving them recorded in the minutes.

In this regard, the Board of Directors and the Appointments and Remuneration Committee, to the extent of its competencies, shall ensure that candidates proposed to the Annual General Meeting are individuals of recognized solvency, competence and experience, especially in the case of independent directors. Likewise any members appointed directly to cover vacancies when exercising co-optation powers. In any event, a description of the professional experience of the candidates is required, emphasizing the circumstances that justify their appointment as independent.

The Board of Directors shall assure that outside or non-executive directors represent a majority over executive directors, and further that the Board includes a reasonable number of independent directors. The Board shall likewise assure that the majority group of outside directors includes independent directors and proprietary directors.

The final decision to appoint and remove directors rests with the Annual General Meeting, ensuring appointment by the proportional system described in the Limited Companies Act, at the proposal of the Board of Directors and subject to a report and advice from the Appointments and Remuneration Committee. Telecinco's Bylaws do not envisage qualified majorities that

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Termination of directors:

In addition to cases set by law, directors shall tender their resignation to the Board of Directors in the cases listed in section B.1.20 below of this report.

In this case, the competent bodies and procedures are similar: removal begins with the Appointments and Remuneration Committee, then the Board of Directors steps in and finally the matter is taken to the Annual General Meeting.

Proposals to remove independent directors before their tenure expires may only be made when the directors fail to meet the requirements of the Unified Code to act as such. When this occurs their office should be terminated.

Where directors are removed before their tenure expires, Telecinco shall publicly state the reasons for the removal.

Evaluation of directors:

The Appointments and Remuneration Committee initiates and coordinates the evaluation of directors; hence all pertinent requests and comments should be directed to the Committee (article 5 of the Rules of the Appointments and Remuneration Committee).

B.1.20 Mention the circumstances in which directors are required to resign.

According to the rule established in article 14 of the Board of Directors' regulations, directors must leave office when the General Shareholders' Meeting so decides, when they notify the Company of their decision to step down or resign and when they have served the term for which they were appointed, as set out in article 13. 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 80 years of age. Their removal as director and resignation from their position shall occur during the first meeting of the Board of Directors held after the Annual General Meeting which approves the financial records for the financial year in which the director reaches said age;

(b) When they have been removed from the executive positions associated with his appointment as director;

(c) When they are affected by any of the applicable conflicts of interest or prohibitions

(d) When the Appointments and Remuneration Committee issues a serious warning for infringing their obligations as directors;

(e) When remaining on the Board may endanger the interests of Telecinco or when the reasons for which he was appointed (for example when a proprietary director disposes of his shareholding in the company disappear);

(f) Where the shareholder represented by them wholly sells or reduces its shareholding in Telecinco below the relevant threshold; in this case, the number of resignations shall be proportional to the reduction in the shareholding;

The Board of Directors may propose the termination of any independent director before expiration of the term of office established under the Articles of Association only where there exists reasonable cause; reasonable cause shall be deemed to exist where a director fails to comply with the duties inherent to its position or falls under any of the grounds contemplated in the Regulations which prevent it from being appointed independent director.

Translation from the original in Spanish. In the case of any discrepancy the Spanish version prevails.

In 2010, Mario Rodríguez Valderas tendered his resignation as director. The Board of Directors was informed of the reasons for the decision, which was also notified to the National Securities Market Commission through a significant event notice filed on 12 March 2010.

Mr. Rodríguez still holds the position of Secretary and non-board member.
Section G provides the reasons for this resignation.

B.1.21 Explain whether the chairman of the board also performs the duties of chief executive officer. If so, mention the measures taken to limit the risk of accumulation of power in a single person:

NO

State and, where applicable, explain whether regulations have been established to allow one of the independent directors to call a Board of Directors' meeting or include new items in the agenda, to coordinate and get involved in the concerns of the outside directors and to direct the evaluation by the Board of Directors.

YES

Explanation of regulations
Article 24 of the Board of Directors' Regulations provides that not only independent directors but any of the members of the Board of Directors may call for a meeting or include new items in the Agenda. The Chairman is required to call a board meeting when so requested by at least three directors.
Petitions shall be made in writing, electronically or by fax, and shall be addressed to the Secretary and the Chairman of the Board of Directors. The reasons for the petition shall be filed accompanied by a brief explanation. Immediately afterwards, notice shall be given to the remaining directors and a date for the meeting shall be set.
In 2010, no director exercised this right.
With respect to the process for the evaluation of the directors, including the obligation in Article 23 of the Regulations, as amended, is commenced and coordinated from the Appointments and Remuneration Committee, to which any relevant petition and comment shall be made (Article 5 of the Appointments and Remuneration Committee's Regulations).

B.1.22 Is there any type of decision for which a special majority is required, other than those foreseen by law?

NO

Translation from the original in Spanish. In the case of any discrepancy the Spanish version prevails.

Describe how resolutions are approved by the Board of Directors, mentioning at least the quorum required to hold the meeting and the type of majority required for approving resolutions:

Approving resolutions		
Type of resolution	Quorum	Type of majority
Ordinary	Board of Directors will be validly constituted when the majority of its members attend, present either personally or through a representative: 54%	Absolute majority of the directors who are present personally or by proxy.

B.1.23 State whether there are any special requirements to be met to be appointed chairman, other than those for directors.

NO

B.1.24 State whether the chairman has a casting vote:

NO

B.1.25 State whether there is any age limit for directors under the articles of association or Board Regulations:

YES

Age limit for Chairman: 80 years

Age Limit for Chief Executive Officer: 80 years

Age limit for Directors: 80 years

B.1.26 Mention whether the articles of association or the regulations of the Board provide for any limit on the term in office of independent directors

YES

Maximum number of years in office	12 years
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Translation from the original in Spanish. In the case of any discrepancy the Spanish version prevails.

B.1.27 Should the number of female directors be scarce or null, explain the reasons and initiatives adopted to correct this situation.

Explanation of reasons and initiatives
Since 2009 women presence represent 6.666% of all the directors on the board.

Particularly, state whether the Appointments and Remuneration Committee has established procedures so that the selection processes lack implied slants hindering the selection of female directors and deliberately search for female candidates meeting the profile sought:

YES

State main procedures
In accordance with Article 5 of the Rules of the Appointments and Remuneration Committee, this committee must: <ul style="list-style-type: none"> (i) inform the Board of Directors about questions relating to gender diversity; (ii) ensure that the selection procedures for filling new vacancies do not result an obstacle for the selection of female directors; (iii) encourage Telecinco to search for and include women in the list of candidates meeting the required professional profile.

B.1.28 State whether there are any formal procedures for granting proxies for voting in the Board of Directors. If so, briefly describe them.

The Regulations of the Board of Directors provide that the directors shall do their best to attend board meetings personally. If they cannot attend, they may grant proxies only to other directors. The proxies must be in writing and specifically for each meeting. A director may hold proxies for several other directors at the same time.

B.1.29 Mention the number of meetings held during the year by the Board of Directors. Also indicate, if relevant, the times that the Board has met without the presence of the Chairman:

Number of Board meetings	9
Number of Board meetings from which the Chairman has been absent	0

Mention the number of meetings held during the year by the various Board committees:

Number of meetings of the Executive or Delegate Committee	5
Number of meetings of the Audit Committee	5
Number of meetings of the Appointments and Remuneration Committee	3
Number of meetings of the Appointments Committee	0
Number of meetings of the Remuneration Committee	0

Translation from the original in Spanish. In the case of any discrepancy the Spanish version prevails.

B.1.30 State the number of meetings held by the Board of Directors during the year without all its members being present. For the purposes of calculation, any proxy which fails to meet specific instructions shall be considered as nonattendance:

Number of times directors have not attended during the year	7
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% of non-attendance out of total votes during the year	5.000%
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B.1.31 State whether the individual and consolidated financial statements are certified prior to being submitted for approval by the Board:

NO

Mention the person or persons who have certified the individual and consolidated financial statements of the Company prior to being submitted for approval by the Board:

Name	Position
-	-

B.1.32 Describe any procedures instituted by the Board of Directors to prevent an audit report with qualifications from being submitted to the Annual General Meeting concerning the individual and consolidated accounts.

To the current date since the company became listed in the Spanish stock exchange market, Telecinco's Financial statements, both individual and consolidated, have never been presented with qualifications. In any event, there are mechanisms to prevent this from happening:

The individual and consolidated financial statements, as well as the financial statements, disclosures and additional information are prepared by the Financial Division of the Company and are examined by the Audit and Compliance Committee to ensure compliance with the statutory requirements and that the accounting principles applying in Spain as well as International Financial Reporting Standards (IFRS) are applied correctly and to detect in advance any discrepancy with the auditor.

As indicated in this Report, the Audit and Compliance Committee has met on five occasions in 2010, at least once a quarter. The first meeting is held to coincide with the preparation of the financial statements for the year and the second with the half-yearly financial statements which are presented to the CNMV (Spanish Securities Exchange Commission).

Prior to the aforementioned Committee meetings, preparatory meetings are arranged with Telecinco's external auditor, Ernst & Young, to obtain information regarding their review, scope, incidents, etc. The General Manager, Secretary General, Finance Director, Director of Consolidation, Reporting and Investees, and the Director of Internal Audit all attend the meetings together with the two independent directors: Mr. Alvarez-Rendueles and Mr. Durandez. In 2010, two of these preparatory meetings were held.

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The Regulations of the Audit and Compliance Committee in article 5.1.b) includes the following among its functions. To: "Act as a communications channel between the Board of Directors and the Auditor, evaluate the results of each audit and response of the Telecinco management staff to its recommendations, and mediate and act as arbiter in the event of discrepancies between Telecinco management and the auditor with regard to the principles and criteria applicable in preparing the financial statements. It shall see that the accounts prepared by the Board of Directors are not subject to any qualifications by the auditor."

Besides, the Committee acts as a channel of communication between the Board of Directors and the Auditors, evaluating the results of each audit and the management response to their recommendations, as well as mediating as an arbitrator, if necessary, when there is any disagreement between management and auditors on the criteria applying to the financial statements. In 2010 there were no differences between the management and the auditor.

B.1.33 Does the Secretary of the Board have the status of director?

NO

B.1.34 Explain the procedures for the appointment and termination of the Secretary of the Board, stating whether its appointment and termination have been informed by the Appointments Committee and approved by the meeting of the Board.

Appointment and termination procedure

Notwithstanding the above, article 18 of the Regulations of the Board of Directors states that the appointment to and termination of the Secretary shall be informed by the Appointments and Remuneration Committee.

In 2009, after the Appointments and Remuneration Committee's favourable report, the appointment of the former Secretary (as such not a member of the board) as a new board member was submitted to the General Shareholders' Meeting to obtain their approval.

In 2010, in keeping with the recommendations of good governance regarding the size of the Board of Directors, with the addition of two new members following the non-monetary capital increase carried out consisting of the contribution of the business of Sociedad General de Televisión Cuatro, manager of the Cuatro television channel, the Secretary stepped down voluntarily from his position, while retaining his duties as secretary and non-board member.

See section G of this report for more details.

Translation from the original in Spanish. In the case of any discrepancy the Spanish version prevails.

Did the Appointments Committee announce the appointment?	Yes
Did the Appointments Committee announce the termination?	Yes
Did the Board meeting approve the appointment?	Yes
Did the Board meeting approve the termination?	Yes

Is the secretary of the Board entrusted with specifically monitoring good governance recommendations?

Comments
Article 18 of the Regulations of the Board of Directors, modified in the year 2007, include among the Secretary's obligations monitoring to ensure that the actions of the Board follow the letter and spirit of the Law and the Regulations, conform to Telecinco's Articles of Association and Regulations and have present the good governance recommendations contained in the Unified Code or in any other code approved by the CNMV (Spanish stock market regulatory body).

B.135 Describe any procedures implemented by the Company to protect the independence of the auditors, financial analysts, investment bankers and rating agencies.

The independence of Telecinco and its Group's auditor is guaranteed by means of the control and follow-up conducted by the Audit and Compliance Committee and ultimately by the Board of Directors.

According to the Audit and Compliance Committee's Regulations, one of the functions of the Committee is that of being in charge of any matters related to the Group's external auditor. Apart from proposing to the Board of Directors the auditor's appointment, hiring conditions, duration of professional activities and termination or non-renewal of its appointment.

The Committee is also the communications channel between the auditor and Telecinco. If necessary, it shall be in charge of receiving information on issues which may endanger its independence, though this has not occurred to date.

The Committee is also in charge of authorizing any contracts between the auditor and Telecinco outside the scope of accounts auditing and shall not propose the appointment of any auditing firm when fees payable by Telecinco to the auditor exceed 5% of its total revenues for the previous fiscal year.

Investment bankers, financial analysts and rating agencies.

Publication of results

The company publishes its results quarterly. The publication consists of a detailed release with key highlights and events for the period, along with a graphic presentation of the company's main activities and areas of interest. First, the release in Spanish is filed with the Spanish National Securities Market Commission (CNMV) for subsequent distribution via its website. Then, when the release is posted on the CNMV's website, the company posts the same information, both in Spanish and English, on its own website (www.inversores.telecinco.es) in the Investor Relations section, where it is kept indefinitely. Additionally, and in parallel to publication on Telecinco's website, the presentations in Spanish and English are e-mailed to those shareholders, institutional investors and analysts who request it.

Translation from the original in Spanish. In the case of any discrepancy the Spanish version prevails.

After publication, results are usually presented through a conference call and webcast so that shareholders, institutional investors, and analysts so requiring may have precise information on the activities and results, as well as the opportunity to pose questions to the Company's management team for it to clarify doubts not explained during the presentations. This conference call shall be recorded and published on the Company's website in the investor relations section for a term of three months following the event.

Publication of significant events

In the case of communication of any relevant event related to the company's activity, this event if first published on the CNMV's website and then on Telecinco's website, where it shall remain indefinitely. It shall be simultaneously sent by e-mail to all shareholders, institutional investors, and analysts that request it.

All information is published in Spanish and English.

B.1.36 State whether, during the year, the Company has changed its external auditor. If yes, identify the outgoing and incoming auditor:

NO

Outgoing auditor	Incoming auditor

In the event of disagreements with the outgoing auditor, explain them:

NO

B.1.37 State whether the audit firm performs non-audit work for the Company and/or its Group and, if so, mention the fees paid for such work in absolute figures and as a percentage of the total fees charged to the Company and/or its Group:

YES

	Company	Group	Total
Fees paid for non-audit work (in thousands of euros)	570	5	575
Fees paid for non-audit work as a percentage of the total fees charged by the audit firm (%)	86.630	5.490	76.760

B.1.38 State whether the audit report on the financial statements for the previous year shows reservations or qualifications. If yes, state the reasons provided by the Chairman of the Audit Committee explaining the contents and scope of these reservations or qualifications.

NO

Translation from the original in Spanish. In the case of any discrepancy the Spanish version prevails.

B.1.39 For how many years has the current auditor been continuously auditing the financial statements of the Company and/or its Group? Also give the number of years that the Company has been audited by the current auditor as a percentage of the total number of years since the Company's financial statements are being audited:

	Company	Group
Unbroken number of years	3	3

	Company	Group
Number of years audited by the current audit firm as a percentage of the total number of years since the Company is being audited	0.2	0.2

B.1.40 List the shareholdings of Company directors in companies engaging in a similar, analogous or comparable business as that which is the corporate purpose of the Company and its Group, which have been reported to the Company. Also mention the positions or duties they have in those companies:

Name or company name of the director	Name of the company in question	% shareholding	Position or duties
Mr. Alejandro Echevarría Busquet	Vocento, S.A.	0.009%	None
Mr. Alejandro Echevarría Busquet	Diario ABC, S.L.	0.000%	None

B.1.41 State whether there is any procedure for directors to receive external advice and, if so, describe it:

YES

Explanation of the procedure
<p>The Board of Directors' Regulations (art. 30) and the Audit and Compliance Committee's Regulations (art. 6) establish the mechanisms for any director to call for external audit services.</p> <p>Thus, the director willing to be assisted in the exercise of its functions may request the hire of legal, accounting, technical, financial, commercial or any other kind of consultancy service at Telecinco's cost.</p> <p>The assistance requested shall only deal with specific problems of a given relevance and complexity.</p> <p>The mechanism set for this started upon an application by the director filed through the Board of Directors' Chairman or Secretary. This request may only be rejected on reasonable grounds, including:</p> <p>(a) If the request for and assistance from experts are not necessary for the proper performance of duties entrusted to directors.</p> <p>(b) If the associated cost of expert assistance is unreasonable considering the importance of the problem and Telecinco's financial situation.</p> <p>(c) If the technical assistance which could be offered can be adequately provided by experts and specialists within Telecinco.</p>

(d) If for reasons of confidentiality it is not advisable that the expert in question have access to sensitive information.

In 2010, the Board of Directors required external advice on the acquisition of a holding in the share capital of Digital+ and the free-to-air television business of Cuatro.

B.1.42 State whether there is any procedure for directors to receive the information they need to prepare for meetings of the Board and its committees in good time:

YES

Explanation of the procedure

During the second half of the year, the Secretary sends a calendar to directors along with a list of the issues to be addressed at the Board of Directors and Board Committee meetings held the following year. The directors then initiate the procedure described in articles 16 and 29 of the Regulations of the Board of Directors. In addition, the Secretary sends the agenda with the items to the directors by e-mail.

The procedure, now guaranteed by the direct oversight of the Chairman, begins with the meeting notice itself: Article 24 establishes that the notice will always include the agenda for the meeting with the relevant information attached, duly prepared and summarized. The notice and relevant information will be sent at least five (5) days prior to the date of the meeting. In discharging his duties, the Chairman shall coordinate with the Secretary the preparation and dispatch of the agenda to all directors.

Article 29 further amplifies the directors' right to receive not just information referring to the agenda of the meeting of the board, but any aspect of Telecinco, including examining its books, records, documents and other background to corporate operations. The possibility of inspecting the facilities, as well as communicating with Telecinco's management at any time is also included.

The mechanism to exercise the said powers shall be channelled through the chairman, the chief executive officer, or the Secretary to the Board of Directors, who shall satisfy the requests by directly providing the information, offering the appropriate interlocutors at the organizational level or arbitrating the measures, so that the desired examination and inspection can be performed in situ.

The procedures intended to guarantee that the directors receive information on a timely manner are clearly established in the Regulations, but, apart from these mechanisms, the directors' general obligations include that of being aware of Telecinco's performance and adequately prepare the Board of Directors' meetings and the meetings of the committees in which they participate.

In 2010, independent directors of the Audit and Compliance Committee held four preparatory meetings with company managers to analyze the issues to be debated at the Committee meetings. Telecinco's external auditor also attended three of these meetings.

Translation from the original in Spanish. In the case of any discrepancy the Spanish version prevails.

The independent directors on the Appointments and Remuneration Committee have likewise held four preparatory meetings with the General Secretary and the Company's Director of Internal Audit.

B.1.43 State and, if applicable, detail whether the Company has established rules forcing its directors to inform of and, if applicable, resign upon, events which may adversely affect the Company's credit and reputation:

YES

Explanation of the rules
Among the causes for termination, article 14 of the Regulations of the Board of Directors states that directors shall submit their resignation when their permanence on the Board may threaten the interests of Telecinco or adversely affect its credibility and reputation.
Regarding the question of this section, we would highlight that while it does not constitute grounds for termination, the general obligations of directors include informing of any lawsuits in which they are involved and their developments (article 31 of the Regulations of the Board of Directors) due to the potential implications for the Company and its shareholders.

B.1.44 State whether any member of the Board of Directors has advised the Company of legal action or the commencement of oral proceedings against him/her for any of the crimes mentioned in Section 124 of the Limited Companies Act:

NO

State whether the Board of Directors analyzed the case. If yes, explain in a reasonable manner the decision made on whether it is convenient or not for the director to remaining office.

NO

Decision made	Reasonable explanation
-	-

B.2. Board committees

Translation from the original in Spanish. In the case of any discrepancy the Spanish version prevails.

B.2.1 Provide details of all the Committees of the Board of Directors:

EXECUTIVE OR DELEGATE COMMITTEE

Name	Position	Type
Mr. Alejandro Echevarría Busquet	Chairman	Independent director
Mr. Fedele Confalonieri	Director	Proprietary Director
Mr. Francisco de Borja Prado Eulate	Director	Independent director
Mr. Giuliano Adreani	Director	Proprietary Director
Mr. Giuseppe Tringali	Director	Executive director
Mr. José Ramón Álvarez Rendueles	Director	Independent director
Mr. Paolo Vasile	Director	Executive director

AUDIT COMMITTEE

Name	Position	Type
Mr. José Ramón Álvarez Rendueles	Chairman	Independent director
Mr. Alfredo Messina	Director	Proprietary Director
Mr. Ángel Durández Adeva	Director	Independent director
Mr. Fedele Confalonieri	Director	Proprietary Director
Mr. Giuliano Adreani	Director	Proprietary Director
Mr. Marco Giordani	Director	Proprietary Director

APPOINTMENTS AND REMUNERATION COMMITTEE

Name	Position	Type
Mr. Francisco de Borja Prado Eulate	Chairman	Independent director
Mr. Ángel Durández Adeva	Director	Independent director
Mr. Fedele Confalonieri	Director	Proprietary Director
Mr. Giuliano Adreani	Director	Proprietary Director

Translation from the original in Spanish. In the case of any discrepancy the Spanish version prevails.

B.2.2 State whether the following functions are the Audit Committee's remit:

Supervise the process for the preparation and integrity of financial information on the Company and the Group and, if applicable, review compliance with statutory requirements, adequate limitation of the scope of consolidation and proper application of accounting criteria.	Yes
Periodically review internal risk management and control systems so as to identify, manage and properly inform the main risks.	Yes
See to the independence and effectiveness of the internal audit functions; Propose the selection, appointment, re-election and dismissal of the head of the Internal Audit Department; propose a budget for that service; receive period information on its activities; and verify that the senior management considers the conclusions and recommendations of its reports.	Yes
Establish and supervise a mechanism allowing employees to communicate, in a confidential manner and, if applicable, anonymously, any potentially important irregularities, particularly financial and accounting irregularities, detected in the Company.	Yes
File with the Board of Directors any proposal for the selection, appointment, re-election, and replacement of the external auditor as well as the hire conditions thereof.	Yes
Regularly receive from the external auditor information on the audit plan and the results for the year and verify that the senior management considers its recommendations.	Yes
Ensure the independence of the external auditor.	Yes
In the case of groups, cause the group's auditor to assume liability on the audits of the companies which make it up.	Yes

B.2.3 Describe the organization and operating rules as well as the responsibilities allocated to each of the committees of the Board of Directors.

APPOINTMENTS AND REMUNERATION COMMITTEE

Since its creation, the Appointments and Remuneration Committee has been composed of four (4) members, who are also members of the Board of Directors. All are outside directors and have been appointed by the Board of Directors. In addition, as provided for in the Company Bylaws and the Regulations of the Board of Directors, and in keeping with corporate governance recommendations, the committee's Chairman has been an Independent Director since the date shares in Gestevisión Telecinco, S.A. were admitted to trading.

Translation from the original in Spanish. In the case of any discrepancy the Spanish version prevails.

As with the Audit and Compliance Committee, in addition to the Regulations of the Board of Directors, there exists a specific Set of Regulations governing this Committee which includes all the existing recommendation as well as the new recommendations following the publication of the Unified Code.

Composition:

Members of the Appointments and Remuneration Committee will be appointed by the Board of Directors from among members with the knowledge and experience necessary.

The Appointments and Remuneration Committee shall be comprised of four (4) outside directors, and the Board of Directors will see that a balance will be maintained between proprietary directors and independent directors. Without prejudice to the above, the executive directors and senior management shall attend the meetings if expressly requested to do so by the Committee.

The Chairman of the Appointments and Remuneration Committee shall be appointed by the Board of Directors from among its independent members, and shall be substituted every four years. He may be re-elected after one year has passed from his removal.

The Appointments and Remuneration Committee shall have a Secretary, who is not necessarily a member of it, but who may not been executive director.

Members of the Appointments and Remuneration Committee shall be appointed and removed by the Board of Directors, and in any case shall resign simultaneous with their resignation as directors.

In the event of his vacancy, absence, or illness, the Chairman shall be substituted by the oldest member present; and the Secretary, as required, shall be substituted by the youngest member.

Functioning:

The Appointments and Remuneration Committee shall meet whenever deemed appropriate, upon notice from the Chairman, its own decision, or in response to three (3) of its members, members of the Executive Committee or the Board of Directors. In any event, the Committee shall meet twice (2) per year to prepare the information regarding directors' remuneration, to be approved by the Board of Directors and included within the annual public documentation.

Notice shall be provided at least forty eight (48) hours in advance.

Without prejudice to the foregoing, the Appointments and Remuneration Committee shall be constituted with no need for notice if all the members are present either personally or by representation, and unanimously accept that the meeting beheld and the points listed on the agenda.

When circumstances justify, the Chairman may call a meeting of the Appointments and Remuneration Committee by telephone and the advance notice and other requirements indicated above shall not apply

Meetings of the Appointments and Remuneration Committee shall be held in the registered offices of the company, and in any other place decided on by the Chairman and stated in the notice.

Constitution and adoption of resolutions

The Appointments and Remuneration Committee shall be validly constituted with the attendance, either personal or through representative, of at least half plus one of its members; and resolutions shall be adopted by a majority vote of those attending.

In case of tie, the Chairman shall have the deciding vote. The members of the Committee may grant proxies to other members, with a maximum of two (2) proxies being held by any one member.

Translation from the original in Spanish. In the case of any discrepancy the Spanish version prevails.

A members of the management team or the company's staff shall be required to attend the meetings of the Appointments and Remuneration Committee and to collaborate and provide access to information in their power, if requested. Any person not a member of Telecinco may also attend meetings of the Committee when considered appropriate.

The Secretary of the Appointments and Remuneration Committee shall take the minutes of each meeting, which shall then be reported to the Board of Directors.

Sphere of influence:

The spheres of influence of the Committee, of a consultative nature, are as the following:

a) Protect the integrity of the selection process for directors and senior executives, defining the profile (knowledge, experience and skills) of the candidates and in particular, making proposals to the Board with regard to the appointment and removal of Directors, either by co-optation, at the proposal of the Board to the Annual General Meeting, and proposing to the Board which members should belong to each of the Committees.

b) To advise on the dedication required from the directors in carrying out their duties.

c) Advise on the number of directors who may form part of the Board of Directors. A report shall be issued by the Committee on members of the Board of Directors before they join the boards of directors of other companies.

d) Collect information regarding other professional obligations of the Directors.

e) Advise the Board of Directors of the succession of the chairman and top executives of the company, formulating the suggestions it deems pertinent.

f) Inform the Board of Directors of the appointment and removal of members of senior management occurred within the company.

g) To inform the Board of Directors about questions relating to gender diversity, ensuring that the selection procedures for filling new vacancies do not result an obstacle for the selection of female directors. The Committee shall further more motivate the company to search for and include in the list of candidates, women who meet the professional profile sought.

h) Oversee compliance with rules regarding conflict of interest.

i) Advise the Board of Directors on the removal and appointment of the Secretary.

j) Oversee the compliance of the Directors with the obligations and duties established in the Regulations and in the Articles of Association.

k) Oversee the transparency of remunerations and inclusion of information regarding remunerations to Directors in the Annual Report and Annual Corporate Governance Report, submitting all the information appropriate to the Board for said effect.

l) Assist the Board of Directors in evaluating the Chairman of the Board and the top executives of the company, and specifically in setting and supervising the remuneration policy for directors and senior management, proposing the modality, procedures and amounts of annual remuneration to the Directors (including, as appropriate, proposed incentives such as stock option plans), periodically reviewing the remuneration programmes and seeing that remunerations paid to Directors comply with the criteria of moderation and are in accordance with the results of the company.

m) Draft a report on Directors' Remuneration Policy, to be approved by the Board of Directors and presented to the Annual General Meeting.

Translation from the original in Spanish. In the case of any discrepancy the Spanish version prevails.

n) Advise the Board of Directors in assigning the deserved status to each director at the time of his appointment or renewal and review the said status on an annual basis at the time of preparing the Annual Corporate Governance Report.

The Appointments and Remuneration Committee met three (3) times in 2010.

1. Meeting held 23 February 2010.

- 1) Approval of the 2009 Annual Report of the Appointments and Remuneration Committee.
- 2) The 2009 Report on the Board of Director's Remuneration Policy.
- 3) Remuneration of the Board of Directors in 2010: Chairman, Chief Executives and Members.
- 4) Composition of the Board of Directors: Reappointments.

2. Meeting held 3 March 2010.

- 1) Reappointment of members of the Board of Directors whose term of appointment had expired.

3. Meeting held 28 July 2010.

- 1) Proposal for 2010 Share Option Plan for Directors.

VI.- Activities Report:

For a better understanding of the activities of the Appointments and Remuneration Committee in 2010, these have been divided into two large groups:

- A. Remuneration
- B. Corporate governance

A. Remuneration:

In 2010, Telecinco's Appointments and Remuneration Committee carried out the following:

It advised the Board of Directors on the definition and establishment of the remuneration policy for Executive Directors.

It advised the Board of Directors on the review of its remuneration.

It advised the Board of Directors on the definition and establishment of the Share Option Plan for Company and Group employees.

To carry out these activities, the Committee was in permanent contact with the Company's Chairman, Chief Executives and Directors.

Translation from the original in Spanish. In the case of any discrepancy the Spanish version prevails.

EXECUTIVE COMMITTEE

Composition:

Despite its nature, endeavours were made to maintain the composition of the Executive Committee so that the majority would be outside directors. Consequently, seven of the present members are independent and two are proprietary directors (compared to three in previous years).

It must be highlighted that the Chairman is an independent director.

There are seven (7) members of the Committee, all Telecinco directors appointed by the Board of Directors with a favourable vote of two-thirds of its members.

In any case, the chairman of the Board of Directors and the chief executive officers shall be members of the Committee, being the Secretary to the Board of Directors. Members shall be renewed in the time, form and number decided on by the Board.

Functioning:

The Committee shall meet at least four (4) times per year and as many other times as the chairman considers appropriate. The chairman may also decide to suspend any of the ordinary meetings when he considers it appropriate. The Executive Committee shall have the powers inherent to the Board, except those which cannot be delegated. Resolutions adopted by the Executive Committee are referred to the Board of Directors at its first meeting. The Articles of Association and the Regulations of the Board shall apply to the Executive Committee, insofar as they are not incompatible with its specific nature.

Sphere of influence:

The Executive Committees shall have at the powers inherent to the Board, except those which pursuant to law or the bylaws cannot be delegated.

Minutes of all Executive Committee meetings 5 held in 2010 were drawn up and reported to the Board of Directors in a timely manner.

AUDIT COMMITTEE

The Audit and Compliance Committee is governed by the Regulations of the Board of Directors and its own rules, which include the recommendations of the Unified Code.

Noteworthy were the efforts made to reduce the number of proprietary directors and increase that of independent directors.

This, too, complies with good governance recommendations, with the Chairman also an independent director.

How the Committee functions, its organization and responsibilities are outlined below:

Composition:

The Committee is comprised of six(6) outside directors, all appointed by the Board of Directors.

The Chairman of the Committee is appointed by the Board from among its independent members, and shall be substituted every four years. He may be re-elected after one year has passed from his removal.

Translation from the original in Spanish. In the case of any discrepancy the Spanish version prevails.

The independent director acting as chairman shall be an accredited expert in accounting, auditing and risk management.

The Committee also has a secretary who is not a member, appointed by the Committee.

Functioning:

The Audit and Compliance Committee shall meet at least once per quarter and whenever deemed appropriate, upon notice from the Chairman, on its own decision, or in response to three (3) of its members, members of the Executive Committee or the Board of Directors. It shall in any case meet when the Board of Directors requires it to do so to issue reports, present proposals or adopt agreements.

One of its meetings shall be dedicated to evaluating the efficiency of and compliance with the Telecinco rules of governance and procedures, and to prepare the information to be approved by the Board of Directors and included as part of the annual public documentation.

Notice shall be given maximum seven (7) days in advance, and in any case minimum forty eight (48) hours in advance, and may be sent by fax, telegram, or e-mail.

Without prejudice to the foregoing, the Audit and Compliance Committee shall be constituted with no need for notice if all the members are present either personally or by representation, and unanimously accept that the meeting beheld and the points listed on the agenda heard.

When circumstances justify, the Chairman may call a meeting of the Audit and Compliance Committee by telephone and the advance notice and other requirements indicated above shall not apply. Meetings of the Audit and Compliance Committee shall be held in the legal offices of the company, or in any other place decided on by the Chairman and stated in the notice.

Sphere of influence:

Regarding the external auditor:

The Audit and Compliance Committee shall be responsible for all matters related to the external auditor of the Telecinco Group, and specifically shall:

a) Propose that the Board of Directors appoint an accounts auditor, specifying the conditions for his hiring, length of his professional duties, and if applicable, the cancellation or non-renewal of the appointment. The Audit Committee shall abstain from proposing the appointment of any audit firm when it is aware (i) that it is incompatible pursuant to current audit legislation, or (ii) that the fees anticipated to be paid by the Company for all concepts exceed five percent (5%) of its total income during the financial year.

The Audit and Compliance Committee shall propose the same accounts auditor for Telecinco and for companies in the Telecinco Group.

In the event the auditor resigns, the Committee shall examine the reasons for it.

b) Act as a communications channel between the Board of Directors and the Auditor, evaluate the results of each audit and response of the Telecinco management staff to its recommendations, and mediate and act as arbitrator in the event of discrepancies between Telecinco's management and the auditor with regard to the principles and criteria applicable in preparing the financial statements. It shall see that the accounts prepared by the Board of Directors are not subject to any qualifications by the auditor.

Translation from the original in Spanish. In the case of any discrepancy the Spanish version prevails.

- c) Propose any follow up on their commendations issued by the auditor, unless the Committee considers that it should keep its own criteria, in which case it shall explain the content and scope of its discrepancy.
- d) Supervise compliance with the auditors' contract and see that the auditor's opinion on a financial statements and principal contents of the auditor's report are drafted clearly and precisely
- e) Maintain contact with the accounts auditor to receive information on any matters that may place the auditor's independence at risk, and any other matters related to the account auditing process, as well as receive information and maintain with the accounts auditor the communications specified in audit law and technical audit standards
- f) Supervise the independence of the accounts auditor, paying special attention to circumstances or matters that may present a risk to said independence and to any others related to the process carried out by the accounts auditor.
- g) Verify that the accounts auditor respects current legislation regarding the provision of services other than audit service, the limits to the concentration of the auditor's business and any other standard that may represent a risk to his independence.
- h) Verify that Telecinco reports the change of the accounts auditor to the CNMV as a relevant fact, accompanying, as applicable, a declaration with any possible discrepancies with the existing auditor and their content.
- i) The Audit and Compliance Committee shall authorize contracts between the company and the accounts auditor for any activities outside those of account auditing.

Regarding the financial information:

The Audit and Compliance Committee shall see that the financial information, both periodic and annual, complies with legal requirements, and is responsible for and shall:

- a) Supervise the accounts of Telecinco and its Group, in compliance with legal requirements and the correct application of accounting principles used in Spain and International Accounting Standards (IAS), and issuing opinions on management proposals to modify accounting principles and criteria
- b) Supervise periodic as well as annual financial information prior to its publication, to ensure that it is provided to the markets and their supervising bodies, and see that it is prepared in accordance with the same principles and practices as the financial statements
- c) Supervise the correct delimitation of the scope of consolidation of the Telecinco Group.

With regard to internal control and relations with the Internal Audit Department:

The Audit and Compliance Committee shall oversee the correct functioning of the internal control and information systems, and shall supervise the functioning of the Internal Audit Department of Telecinco. In connection with this, it shall:

- a) Propose the selection, appointment and re-election and removal of the person responsible for the Telecinco Internal Audit Department.
- b) Oversee that the Internal Audit Department performs its functions with full freedom and independence, assuring that the Telecinco management takes its recommendations into account.
- c) Periodically learn of the actions and studies performed by the Internal Audit Department and propose its budget.

Translation from the original in Spanish. In the case of any discrepancy the Spanish version prevails.

d) Approve the Annual Internal Audit Plan as well as any other additional plan required in response to the needs of the organization. The person responsible for the Internal Audit Department shall inform the Committee of the development and possible incidents regarding its execution, and shall present a report of its activities at the end of each financial year. The Annual Plan shall be submitted to the Board of Directors for approval, with appropriate publicity.

e) Be informed of the extent to which the different departments comply with the recommendations of the Internal Audit Department, informing the Board of Directors of cases which may present a risk to Telecinco or its Group.

f) Review compliance with the actions and measures resulting from the reports or in section activities of the supervisory and control administrative authorities.

With regard to risk management and control policy:

The Audit and Compliance Committee is the body responsible for supervising and controlling Telecinco policy regarding the identification, management and reporting of any possible risks.

B.2.4 Mention any advisory and consulting powers of the individual committees, and any authorities delegated in them:

Name of the committee	Brief outline
Appointments and Remuneration Committee	See section B.2.3 above.
Executive Committee	See section B.2.3 above.
Audit Committee	See section B.2.3 above.

B.2.5 State whether the Committees of the Board of Directors have any regulations, where these may be consulted, and any changes made in the regulations during the year. Also state whether any annual reports have been voluntarily drawn up on the activities of the individual committees.

APPOINTMENTS AND REMUNERATION COMMITTEE

The Audit and Compliance Committee and the Appointments and Remuneration Committee are governed by the Regulations of the Board of Directors and their own rules and regulations, which include the amendments made following the publication of the Unified Code.

No articles were amended in 2010.

Both sets of regulations are available for consultation on the Telecinco website at <http://www.telecinco.es/inversores/es>.

As in every year, each committee prepared a report discussing the meetings held, the resolutions adopted and attendance figures.

AUDIT COMMITTEE

The Audit and Compliance Committee and the Appointments and Remuneration Committee are governed by the Regulations of the Board of Directors, as well as their own regulations, which include the amendments made following the publication of the Unified Code.

Translation from the original in Spanish. In the case of any discrepancy the Spanish version prevails.

No articles were amended in 2010.

Both sets of regulations are available for consultation on the Telecinco website at <http://www.telecinco.es/inversores/es>.

As in every year, each committee prepared a report discussing the meetings held, the resolutions adopted and attendance figures.

B.2.6 State whether the composition of the executive committee reflects the participation of the various directors in the Board according to their status:

YES

C TRANSACTIONS WITH RELATED PARTIES

C.1 State whether the Board of Directors has reserved the power to approve, upon favourable report from the Audit Committee or any other committee entrusted with the task, the transactions the company may conduct with directors, significant shareholders, shareholders represented on the Board or with people linked to these shareholders:

YES

C.2 Give details of any material transactions involving the transfer of resources or liabilities between the company or Group member companies and major shareholders of the company:

Name of the individual or company who is a major shareholder	Name of the company or Group member company	Nature of the relation	Type of transaction	Amount (thousands of euros)
MEDIASET INVESTMENTI SPA	MEDIASET INVESTMENT SARL	Contract	Other expenses	497
MEDIASET INVESTMENTI SPA	MEDIASET SPA	Business	Receipt of services	3
MEDIASET INVESTMENTI SPA	PUBLIEUROPE INTERNACIONAL LTD	Business	Provision of services	228
MEDIASET INVESTMENTI SPA	PUBLIEUROPE INTERNACIONAL LTD	Business	Receipt of services	29
MEDIASET INVESTMENTI SPA	RETI TELEVISIVE ITALIANE SPA	Business	Provision of services	98
MEDIASET INVESTMENTI SPA	RETI TELEVISIVE ITALIANE SPA	Contract	Other expenses	994
MEDIASET INVESTMENTI SPA	RETI TELEVISIVE ITALIANE SPA	Business	Receipt of services	221
MEDIASET INVESTMENTI SPA	RETI TELEVISIVE ITALIANE SPA	Contract	Purchase of goods (finished or in progress)	5
MEDIASET INVESTMENTI SPA	TAODUE	Contract	Receipt of services	27

Translation from the original in Spanish. In the case of any discrepancy the Spanish version prevails.

C.3 Mention any material transactions involving a transfer of resources or liabilities between the company or Group member companies and directors or senior managers of the company:

C.4 Mention any material transactions between the company and other Group member companies which are not written off in drawing up the consolidated financial statements and do not form part of the company's ordinary business because of their scope or terms:

C.5 State whether the members of the Board of Directors have been involved, throughout the year, in some conflict of interest, as provided for in Section 127 of the Limited Companies Act.

NO

C.6 Describe the arrangements in force for discovering, determining and settling possible conflicts of interest between the company and/or the Group and their directors, senior managers or major shareholders.

The mechanisms established to detect and solve any possible conflict of interest are governed by the Board of Directors' Regulations and the Appointments and Remuneration Committee's Regulations. The Appointments and Remuneration Committee is the body in charge of guaranteeing compliance with the provisions governing these cases. The directors shall avoid getting involved in conflicts of interest and, should they fail to do so, they shall communicate such situation to the Board of Directors' Secretary.

Based on the foregoing, the directors undergoing this situation shall refrain from attending and participating in discussions which may interfere with their personal interests.

The Regulations extend the cases where a director may get involved in a conflict of interest to include not only the existence of a personal interest but also situations in which the person affected is related to a director.

Once the situation is detected, the director affected may not conduct any type of operations with Telecinco, neither directly nor through persons related there to it, unless it notifies the Board of Directors of such situation and the Board of Directors, upon a report by the Appointments and Remuneration Committee, approves the operation.

C.7 Is more than one company in the Group listed in Spain?

NO

Identify the affiliates listed in Spain:

Translation from the original in Spanish. In the case of any discrepancy the Spanish version prevails.

D RISK CONTROL SYSTEMS

D.1 General description of the risk policy of the company and/or its group, detailing and evaluating the risks covered by the system, and showing that the systems are well-suited to the profile of each type of risk.

In 2007, the Telecinco Group implemented a Corporate Risk Management System based on the Enterprise Risk Management (ERM) framework of the Committee of Sponsoring Organizations of the Treadway Commission (COSO II).

In general, the primary aim of the Telecinco Group's Corporate Risk Management System is to control and manage risks in order to ensure the maximum guarantees and safety to our shareholders, regulators (e.g. the CNMV, CMT), other stakeholders and the financial markets in general, as well as to create value for the company by adequately managing risks and tapping opportunities that arise.

As part of this process, the Integral Corporate Risk Management Policy was developed and implemented. This policy provides the framework for action in which the Telecinco Group's Integral Corporate Risk Management Model is carried out.

This policy provides the action framework on which the Integral Corporate Risk Model (ERM) is developed and is based on compliance with the following principles within the COSO II framework:

- Oversee the effectiveness and efficiency of its operations.
- Safeguard the assets owned by the Group.
- Guarantee the reliability and integrity of financial reporting.
- Comply with applicable laws, regulations and contracts.

As part of the Integral Risk Management Policies, Telecinco Group has set the following principles:

- Establish the degree of risk accepted by the management in line with Telecinco Group's objectives.
- Strictly identify potential responses to risks and selection thereof.
- Increase the capacity to identify potential events, evaluate risks and establish responses there to.
- Identify and manage the risks in all companies in the Group, profiting from any opportunity which may arise.

In 2010, Telecinco made a more in-depth analysis of the potential risks to the Company meeting its stated targets. The Internal Audit Department oversaw the review and update of the risks.

The most important conclusions from the risk analyses performed are as follows:

Telecinco increased its risk acceptance level compared to 2009 due to the ongoing global crisis and the excessive reliance on government decisions.

Telecinco's ability to offer competitive television services in 2010 was linked directly to the commercial success of its programming.

The television industry in Spain is highly competitive in respect of both audience and advertising revenue.

The main business risks managed by Telecinco are credit risk, liquidity risk and market risk.

There are also risks related to its investment in Endemol and the purchase of this producer's debt.

In the wake of technological advances, the risk of pirating increased in 2010 after allowing illicit distribution, public communication and the offering on Internet of televised content and film production over which the Telecinco Group has the operating licenses.

Translation from the original in Spanish. In the case of any discrepancy the Spanish version prevails.

During the year, Telecinco identified the risks related to the acquisitions of free-to-air television broadcaster Cuatro and the 22% stake in DTS Distribuidora de Televisión Digital, S.A. (Digital+).

Among the Telecinco Group's management bodies, the Board of Directors is in charge of identifying the Group's main risks, as well as implementing and monitoring internal information and control systems.

In addition, among the main responsibilities of the Audit and Compliance Committee are to know and verify the appropriateness of the financial reporting process and internal control systems.

Telecinco's Internal Audit Department is tasked with promoting and supporting risk management. The Internal Audit Department is responsible for the evaluation, control and follow-up of the business risks identified and managed by the various areas and departments of Telecinco Group companies.

As part of its functions, in 2010 the department carried out a risk assessment in order to provide management with an independent evaluation of the risks in Telecinco's main business areas from an internal control standpoint.

As a tool to discharge its duties, the Internal Audit Department draws up an Annual Audit Plan, which is submitted for approval by the chief executives and then explained to and submitted for approval by the Audit Committee.

The Audit and Compliance Committee met five times in 2010, coinciding with the publication and communication of the Telecinco Group's financial information to the CNMV and financial markets. Attending these meetings were the General and Transaction Manager, the Chief Financial Officer, the Secretary General, the Board Secretary, and the Internal Audit Director.

In 2010, the Internal Audit Department spent 45% of its time working on operational audits, 30% on compliance audits and 25% evaluating and reviewing risks.

To support the audit of the Telecinco Group's 2010 financial statements, in the second half of the year the Internal Audit Director and a team of audit specialists reviewed the IT control and security systems related to financial processes, as well as the computer programs used. As part of this work, the level of control and security procedures applied to each of the business cycles was reviewed.

In its commitment to continuous improvement and best practices, one of Telecinco's people in the Internal Audit Department was awarded the Certified in Risk and Information Systems Control (CRISC) certification. This certification is designed for IT and business professionals with experience in identifying and managing risks by preparing, implementing and maintaining appropriate control information systems (IS).

In 2010, as per instructions from its main shareholder, Mediaset, and in compliance with Italian law 262/05 on the protection of savings, Telecinco reviewed its financial reporting processes. The aim was to analyse and guarantee the correct operation of the controls applied in the financial reporting processes related to annual financial statements (31/12/09) and half-yearly financial statements (30/06/10).

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The Internal Audit Department held three meetings in 2010 with the Internal Control Committee and the Audit Committee of Mediaset, Telecinco's largest shareholder, to present the Annual Audit Plan and the results of tests carried out regarding compliance with Law 262/05 on savings protection.

Telecinco remains highly committed to adopting best corporate governance practices, including the latest innovations and recommendations.

In 2010, Telecinco embarked on a project designed to be compliant with the Internal Control over Financial Reporting in Listed Companies (ICFR) recommendations issued by the CNMV for the transposition in Spain of the following legal initiatives:

EU Directive 2006/43 on statutory audits of annual accounts and consolidated accounts. This Directive establishes that the audit committees of listed companies should monitor the financial reporting process, and the effectiveness of internal control, internal audit and risk management systems.

EU Directive 2006/46, which requires financial institutions to provide the market with a description of the main features of any existing risk management systems and internal controls in relation to the financial reporting process.

The project, spearheaded by the Audit and Compliance Committee, is divided up into the following three phases:

- Phase 1: Diagnosis of the current situation.
- Phase 11: Design and development of the ICFR model.
- Phase 111: Implementation of the model.

In addition to the established controls in each of the financial reporting and operational processes, the Telecinco Group has the following control units:

The Internal Audit department, supervising all the activities conducted by the Telecinco Group and developing its functions pursuant to the best practices and professional criteria and standards set forth by the Internal Auditors Institute. The internal audit is an independent and objective safeguard and consulting activity that adds value to the Group's operations. It also helps the Telecinco Group meet its targets through a systematic and disciplined approach to measuring and enhancing the efficiency of the risk management, control and corporate governance procedures.

The Internal Audit Department supervises and coordinates IT security-related activities and initiatives designed to improve them and increase their stability and reliability.

In compliance with Italian law 262 on the protection of savings, the Internal Audit Department performs an evaluation every six months to ensure that the financial reporting procedures are being applied effectively.

The Risk Committee, which acts as a forum designed to provide responses to management teams, using existing synergies for efficient performance, as well as to minimize and control the Group's risks. It aids in the implementation of procedures involving various corporate departments and helps them in their daily risk management. Lastly, the Risk Committee is in charge of informing the Internal Audit Department of the processes required to control risks in its unit.

Telecinco, based on the separation of functions and responsibilities assigned and supervision and authorization levels, as well as the related IT system. The internal procedures developed for all processes help the Organisation to define and design the risk controls in different value added activities.

The Group has an IT security department that performs audits and regular controls of IT systems and applications at Telecinco Group companies.

The annual financial statements of all significant Group companies are subject to review by a recognised external auditor.

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The periodic financial reports sent by the Telecinco Group to the CNMV and disclosed to the financial markets are reviewed by a recognized external auditor.

Furthermore, Telecinco continues conducting controls relating to the budget management, expenses, compliance with objectives and performance through the Control Units under the charge of the Management and Operations General Office.

The Acquisitions and Sales Committee supervises purchase and sales transactions of over EUR 20,000. In 2010, this Committee met 37 times.

D.2 State whether any of the different types of risk (operative, technological, financial, legal, reputation, fiscal) affecting the company and/or its group has materialized during the year:

YES

If yes, state the circumstances motivating them and whether the control systems established have worked.

Risk materialized during the year

Risks related to the Telecinco's industry.

Circumstances motivating it

Exposure to the economic environment, reliance on governmental decisions, stiff competition, piracy risk.

Functioning of the control system

Telecinco's Risk Management and Integral Corporate Risk Management control systems have performed adequately in the face of risks which materialized during 2010.

Risks materialized in the year

Risks related to Telecinco's business.

Circumstances motivating the risks

Credit risk, liquidity risk and market risk, risk relating to the investment in content producer Endemol, risks derived from the acquisition of Endemol debt, risk of concentration of revenue in the advertising business and cyclical nature of the advertising industry, product risk and risk of profitability of cinema projects.

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Functioning of control systems

Gestevisión Telecinco, S.A.'s Risk Management and Integral Corporate Risk Management control systems have performed adequately in the face of risks which materialized during 2010.

Risks materialized in the year

Audience fragmentation and competition increase.

Circumstances motivating the risks

Implementation of DTT and competition increase.

Functioning of the control system

Gestevisión Telecinco, S.A.'s Risk Management and Integral Corporate Risk Management control systems have performed adequately in the face of risks which materialized during 2010.

D.3 Mention any committee or other governing body responsible for implementing and monitoring these control arrangements:

YES

If yes, describe its functions.

Name of committee or body	Description of functions
Audit and Compliance Committee	Among the functions introduced in the Committee's Regulations, inspired by the recommendations of the Unified Code, is to supervise and control Telecinco's risk policy in order to adequately identify, manage and report any possible risks, and in terms of said policy it is responsible for: a) Determine the types of risk for Telecinco, whether operating technological, financial, legal, and any other, including contingent liabilities and other economic and financial risks. b) Set a risk level acceptable for Telecinco. c) If risks materialize, set mechanisms to precisely determine the measures to mitigate the impact of the risks identified. d) Establish internal communication and control measures to control and manage any risk. The Audit and Compliance Committee is responsible for proposing a policy regarding this type of transactions and reporting them to the Board of Directors.

Translation from the original in Spanish. In the case of any discrepancy the Spanish version prevails.

Risk Committee	This is comprised of the General Secretary, as well as the General Managers of Gestevisión Telecinco, Publiespaña, and Publimedia. The Internal Audit Director's role is to present the results from the management model. This Committee acts as a forum designed to provide responses to management teams, using existing synergies for efficient performance, as well as to minimize and control the Group's risks. The Risk Committee is a bi-directional communication tool which allows the General Managers to express their needs regarding processes to improve risk control in each of their areas of responsibility.
Board of Directors	This body is entitled to approve, upon favorable report from the Audit and Compliance Committee, the related-party transactions which Telecinco may conduct with directors or people linked to them or with significant shareholders.
Internal Audit Office	The Internal Audit Director reports to the General Secretary, who in turn reports to the Board of Directors' Audit and Compliance Commission, and is responsible for establishing and supervising risk control systems. Another responsibility is the coordination of the Group's Aggregated Risk Map. This requires supervising and following up the Risk Map, and coordinating action plans established to minimize risks in specific areas, as well as the preparation of status reports which include, among other things, activity indicators. The Internal Audit Director is at the same time responsible for updating the Risk Committee regarding the status of the Risk Map of each of the Areas, using the information gleaned as the IT system administrator.

D.4 Mention and describe the process of compliance of the various regulations applying to your company and/or group.

The processes of complying with the regulations affecting the Telecinco Group are included in the "Internal Code of Conduct of Gestevisión Telecinco S.A. and subsidiaries with respect to its actions in securities markets apply to all departments that have access to privileged information. This was modified by the Board of Directors, and approved in 2009 by the Audit and Compliance Committee in order to adapt it to the "Guide to transmission of insider information to third parties" published by the CNMV on March 9, 2009, as stated in Ministerial Order EHA/1421/200, dated June 1, relevant to the CNMV's Circular 4/2009, dated November 4, regarding the communication of relevant information.

Translation from the original in Spanish. In the case of any discrepancy the Spanish version prevails.

E ANNUAL GENERAL MEETING

E.1 State and, if applicable, detail whether there are any differences from the regulations on the minimum provided for by the Limited Companies Act regarding the quorum necessary to hold the Annual General Meeting.

YES

	% of quorum different from that established in Section 102 of the Limited Companies Act for general cases	% of quorum different from that established in Section 103 of the Limited Companies Act for special cases under Section 103
Quorum required on 1st call	50%	0%
Quorum required on 2nd call	0%	0%

Description of differences
<p>The only difference between the provisions of Sections 193 and 194 of the Limited Companies Act and the Articles of Association (before were sections 102 and 103) is the need for present shareholders or shareholders represented by a proxy to hold at least 50% of the share capital entitled to vote, instead of holding the 25% required under the law, for the Annual General Meeting to be validly held on the first call. The percentages required by the Articles of Association for a validly held meeting on a second call coincide with those set for thin the Limited Companies Act.</p> <p>The quorum at the Shareholders' 2010 General Meeting was 61.765% of share capital present, and 12.889% in representation.</p> <p>The quorum required on the first and second call for the Annual General Meeting to validly agree on the issuance of obligations, a capital increase or reduction, transformation, merger or spin off the Company and, in general, any modification to the Articles of Association (Section 194 of the Limited Companies Act, before was section 103) coincides with that established in Article 25 of the Articles of Association.</p> <p>To date no agreement has been reached regard the issuance of bonds or obligations or resolution adopted as those described.</p>

E.2 State and, if applicable, detail whether there exist differences form the provisions set forth in the Limited Companies Act for the adoption of company's agreements:

NO

Describe any differences from the provisions set forth in the Spanish Corporations Law.

Translation from the original in Spanish. In the case of any discrepancy the Spanish version prevails.

E.3 Mention any rights of shareholders concerning the Annual General Meeting which are different from those foreseen in the Limited Companies Act.

As mentioned in previous reports, the rights of Telecinco's shareholders stated in its bylaws and the Board of Directors' regulations have a wider scope than those regulated by Spanish Corporation Law. This year has been more transparent, as reflected in the inclusion in this section of data and percentages indicating our shareholders' performance and trends.

Right to information prior to the Annual General Meeting

The call for the Annual General Meeting is published pursuant to legal requirements and requirements set forth in the Articles of Association one month in advance of the date scheduled for the meeting on first call. The call is sent to the Spanish Stock Exchange Commission and published in national media and is also included on Telecinco's website.

The notice informs shareholders of the possibility of consulting the website or requesting a free copy of the documents to be discussed at the Annual General Meeting:

1.-Documents related to the items included in the agenda (annual reports, management report for Telecinco and its group corresponding to the financial year, auditor's report, management report and any other document related to the items included in the agenda)

2.-Full text of the proposed resolutions corresponding to the items included in the agenda, submitted by the Board of Directors

3.-The Annual Corporate Governance Report

4.-Explanatory report in accordance with the provisions of Section 116 of the Securities Market Act

6.-Report on the directors' remuneration policy

In 2010, shareholders were provided documentation regarding Telecinco's planned capital increase for cash proceeds and the non-monetary capital increase to acquire TV network manager Cuatro and a 22% shareholding in Digital Plus, including the Prospectus deposited with the CNMV.

A telephone number was set up to provide specialized attention to the shareholders attending the meeting.

The call informs shareholders of their right to request clarifications or to ask questions in writing regarding matters included in the agenda provided by Telecinco to the Spanish Stock Exchange Commission from the date of the last Annual General Meeting. Responses are published on the Telecinco website.

To date, no shareholder has exercised this right.

The notice shall also include the right of shareholders representing at least 5% (five percent) of share capital to request that a complementary notice be published, including one or more points in the agenda.

To date, no shareholder or group of shareholders has requested that a complementary notice be published.

Translation from the original in Spanish. In the case of any discrepancy the Spanish version prevails.

Telecinco shall also make the following information available to its shareholders through the website, on the date of publication of the notice:

- (i) Attendance forms and proxy cards and, as applicable, the remaining documents to be used to delegate the vote, with an explanation of the procedure to obtain the corresponding originals.
- (ii) Information about the site or sites where the meeting is to take place, describing where relevant how to access the venue.
- (iii) Description of proxy or remote voting mechanisms available for use.
- (iv) Information on systems or procedures selected to facilitate following the meeting, such as simultaneous interpreting, broadcasting through audiovisual media, information in other languages, etc.

Information is available in English and in Spanish.

Right to information during the Annual General Meeting

Upon arriving at the venue, shareholders receive the documentation to be debated during the meeting, together with the Annual Corporate Governance Report, the Corporate Social Responsibility Report, and all the documentation available to them shareholders since the publication date of the notice.

Shareholders may request to speak during the meeting to raise issues for clarifications, pose questions, or request information they consider appropriate. Article 22 of the Regulations for the Annual General Meeting broadly regulates this right to intervene during the Annual General Meeting.

To facilitate the exercise of this right, the Secretary-General of the Meeting will provide an area where shareholders who wish to intervene may identify themselves at the time indicated. Interventions shall be made in the order in which they are called by the Secretary.

Responses to the interventions shall be provided by the members of the Board of Directors, the Secretary, or any director expert in the matter.

The policy to date is that interventions are replied to, except those which fall under the terms of Article 21 of Regulations. However, it must be noted that until now, all interventions during these meetings have been dealt with.

In the event that it is not possible to reply to shareholders immediately, directors shall provide the information requested in writing within 7 (seven) days following the conclusion of the meeting.

At the General Meeting in April 14, 2010, three questions were posed to the CEOs which none of the shareholders wanted recorded in the minutes.

Topic: The capital increase included in the agenda.
- Answered by General Secretary Mario Rodríguez Valderas

Topic: The possibility of carrying out more capital increases in the short or medium term.
- Answered by General Secretary Mario Rodríguez Valderas

Topic: The reduction in advertising on public TV
- Answered by CEO Giuseppe Tringali

During the Extraordinary Shareholders' Meeting of 24 December there were two replies that did not require a notary for recording in the minutes.

Translation from the original in Spanish. In the case of any discrepancy the Spanish version prevails.

In 2009, 2008 and 2007, four, three and two questions, respectively, were posed that none of the shareholders wanted recorded in the minutes. In 2007, the minutes included two questions and a reply.

Right to attend

There are no restrictions: shareholders holding at least one share and whose shareholding is registered in the accounting record at least five (5) days in advance of the date for the Meeting shall be entitled to attend.

The right of share pooling to be entitled to attend is then eliminated.

The members of the Board of Directors as well as its Secretary may also attend. The managers, technicians, and other individuals with an interest in the correct advance of corporate matters shall also attend the Annual General Meeting. In no case shall the failure of any of these individuals to attend affect the valid constitution of the Annual General Meeting. Access shall also be facilitated to the economic press and analysts.

Attendance figures for the last four Annual Meetings are as follows

2010: Meeting April 14 67.991%; Meeting December 24 70,985%
2009: 61.765%
2008: 63.235%
2007: 64.584%

Attendance figures for 2010 are as follows:

Meeting April 14: 1,195 shareholders representing 52.285% of share capital social. Present via remote communications: 2,729 shareholders representing 17.086% of share capital, of which 1,141 by mail and ten by e-mail. Treasury shares represented 1.440% of share capital.

Meeting December 24: 1,120 shareholders representing 51.918% of share capital social. Present via remote communications: 1,092 shareholders representing 0.541% of share capital, of which 1,083 by mail and nine by e-mail. Treasury shares represented 1.440% of share capital.

Right to representation

Representation of the shareholders in the Annual General Meeting is regulated in Article 27 of the Articles of Association and 10 of the Regulations.

Since 2006, shareholders who cannot attend and wish to be represented by another person are allowed to proxy their vote through remote communications means, either by post or by e-mail.

Proxies in favor of third parties, not necessarily shareholders, may be granted as follows:

(i) By notarized document containing the agenda, the request for instructions to exercise the right to vote, and indicating the vote to be cast by the representative. In the event no precise instructions are given, then this shall be subject to law.

In the event that instructions cannot be given as the matters are not included in the agenda, the representative shall vote in the way he deems most appropriate in accordance with the interests of the company and client.

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The requirements to be fulfilled, if representation is granted to a third-party, shall not apply when the representative is a spouse, defendant, or ascendant; or when the representation was granted in a notarized document with a general power of attorney for broad powers to administer the property of the party represented.

(ii) By remote communications means: mail or e-mail.

By mail:

-Shareholders wishing to proxy their vote shall complete the attendance and proxy card sent by Telecinco to their domicile.

Powers of representation may be granted to the Chairman of the Board of Directors or to a third party. In both cases, any proxy not expressly stating the name of the shareholder to whom the vote is proxied shall be understood as conferred to the Chairman of the Board of Directors.

If the representative incurs in a conflict of interest with regard to the vote on any of the proposals submitted to the meeting either as part of or outside of the agenda, then the representation will be understood as granted to the Secretary of the Board of Directors.

To give their instructions, shareholders proxying their vote must put an X in the box corresponding to each of the points of the agenda that appear on the attendance card and indicate the vote to be cast.

In the event there is a vote on matters not listed in the agenda sent with the notice, then the proxy will also be understood to extend to these matters unless the shareholder proxying his vote states otherwise by marking the corresponding cell. In this case, the representative to shall vote in the form he deems the most convenient.

Once he has granted his representation as stated above, the attendance and proxy card shall be sent to the General Secretary of Telecinco either by mail, using the stamped prepaid envelope attached and personally delivered to shareholders, or delivered to the corporate offices.

In order to be considered valid, the proxy shall be received at least twenty four (24) hours prior to the day preceding the date scheduled for the meeting in the first notice.

By remote communications means:

-A section of the corporate website will be prepared so that shareholders who have identified themselves by certified electronic signature can delegate their representation.

In either case, personal attendance of the shareholder will revoke the representation.

At the two general meetings held in 2010, shareholders exercising proxy rights were as follows:

2010: (i) Meeting April 14, 2,753 shareholders representing 17.146% of share capital (ii) Meeting December 24, 2,282 shareholders representing 20.131% of share capital.

2009: 3,678 shareholders representing 12,889% of share capital.

Data on proxies through remote communications means in the last few years are as follows:

2010: (i) Meeting April 14, 2,728 shareholders (17.086%) exercised their right to vote by mail and 1 (0.0005%) by electronic means (ii) Meeting December 24, 2,275 shareholders (20,116%) exercised their right to vote by mail and 2 (0.000%) by electronic means.

2009: 3,646 (12.359%); electronic means 5 (0,000%)

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To exercise proxy rights, shareholders may grant proxies to the Chairman or the Secretary of the Board of Directors. Proxies granted are as follows:

In favour of the Chairman: 2.665 (Meeting April 14) - 2.222 (Meeting December 24)

In favour of the chief executive: 2 (Meeting April 14) - 1 (Meeting December 24)

In favour of the Secretary: 62 (Meeting April 14) - 54 (Meeting December 24)

Right to vote

Neither the Articles of Association nor the Annual General Meeting's Regulations contain any limitations on the exercise of voting rights. Each share grants its owner the right to one vote. The exercise of this right is regulated in Articles 32-33 and 25-26 of the Articles of Association and the Regulations of the Annual General Meeting, respectively.

Proposed resolutions will be voted on separately during the Annual General Meeting, following the agenda provided in the notice. The Chairman shall decide the order of voting on resolutions not included in the agenda. The Secretary shall indicate each of the items in the agenda referring to the proposed resolution submitted for vote. It is therefore not necessary to read the proposed resolutions, as the texts have been provided to the shareholders upon their entry into the place where the Annual General Meeting is held.

In 2010, separate and individual votes were taken on the appointment of the two new directors, Mr. Polanco and Mr. Cebrián.

Generally speaking, resolutions included in the agenda shall be voted on using the negative deduction system, i.e. considering the votes corresponding to each of the shares present or represented to be in favor, and deducting from them votes against, blank votes and abstentions of the shareholders who so stated before the notary public present during the meeting or included in the attendance and proxy card. The procedure for voting on resolutions not included in the agenda shall be the opposite: Votes for the shares present or represented shall be computed as against, except for those of shareholders expressly stating otherwise.

As in the case of the representation during the Annual General Meeting of 2010, in addition to the vote of those present, mechanisms were provided to facilitate a vote prior to holding the meeting, using remote communications means: mail or electronic means.

General Meeting April 14: 1,151 shareholders owning 1,750,628 shares representing 0.710% of share capital exercised their right to vote using remote means, of which 1,923 were sent electronically.

General Meeting December 24: 1,092 shareholders owning 1,804,992 shares representing 0.541% of share capital exercised their right to vote using remote means, of which 11,396 were sent electronically.

In 2009 1,706 shareholders owning 24,899,178 shares representing 10.095% of share capital exercised their right to vote using remote means, of which 13,344 were sent electronically.

The form of remote voting by sending the attendance and proxy card by mail to Telecinco, or via electronic means is similar to the process already described for the right to representation.

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All the rights mentioned above have been adopted by the Articles of Association and the Annual General Meeting's Regulations available on our website (www.telecinco.es/inversores/es/).

Information related to attendance, representation and remote voting at Annual General Meetings held in prior years is provided below:

	2007	2008	2009	2010
Present shareholders	63.239%	64.584%	61.765%	52.285%
Represented shareholders	10.900%	12.670%	12.889%	17.146%
Remote voting	0.108%	0.139%	0.529%	0.710%

A total of 56,000 letters, attendance, and proxy cards were sent.

After the Annual General Meeting, Telecinco publishes information regarding the quorum requirements, resolutions passed, percentage of votes and speeches given by the Chairman and the two CEOs on its web page (<http://www.telecinco.es/inversores/es/>).

Lastly, noteworthy was the activation of the Electronic Forum Meeting on our website, which shareholders could access prior to the General Meeting of 24 December. With this, Telecinco complies with a prevailing regulation which, while pending enactment, facilitates and expands on the means of communications and information media of the company's small and large investors.

E.4 Mention any steps taken to encourage shareholders to take part in Annual General Meetings.

The measures adopted to encourage the participation of the shareholders at the Annual General Meeting are included in the paragraphs above; among them, the elimination of the need to hold a certain number of shares to attend a meeting should be noted and the possibility of proxies or votes through remote communications means, as well as the activation in 2010 of the Electronic Forum Meeting.

Apart from the increased dissemination of the call for the Annual General Meeting through publications on major media, publications of information on our website, a phone number for shareholders to call and ask for additional information, ask questions, and request clarifications, etc., Telecinco shall send through ordinary mail to each of its shareholders a letter informing them of the date, place and time of the Annual General Meeting on first and second call, the possibility of voting and arranging representations through remote means of communication, and attach an attendance and proxy card should shareholders not be able to attend. A stamped prepaid envelope is also included so that in the event they decide to exercise their right to remote or proxy vote by regular mail, they may easily send the card to the company at no additional cost.

The number of letters sent in 2010 per meeting was 56,000.

As regards the premises where the Annual General Meetings are to be held, as in prior year, meetings have been held in the Telecinco premises, with easily accessed for the handicapped, where specific technical means were installed to ensure the proper follow-up of the meeting by the shareholders present. The website includes information and a plan indicating how to access the precinct where the meeting shall be held.

Translation from the original in Spanish. In the case of any discrepancy the Spanish version prevails.

E.5 State whether the positions of chairman of the Annual General Meeting and of Chairman of the Board of Directors are held by the same person. If so, mention any measures taken to assure the independence and sound performance of the Annual General Meeting:

YES

Detail of measures
<p>As explained above, the Chairman of the Board of Directors is not an Executive Director.</p> <p>The Chairman of the Board of Directors presides over the meetings of the Annual General Meeting in compliance with Article 15 of the Annual General Meeting's Regulations.</p> <p>This does not preclude the ordinary development or independence of the Annual General Meeting. However, to reinforce the guarantees of proper operation and independence, have remained the measures incorporated last year:</p> <p>1.-The participation of a specialized entity totally independent from the Board of Directors and Telecinco in the preparation of the attendance list and the calculation of the quorum, thus avoiding the intervention of the Chairman and Secretary of the Board of Directors.</p> <p>2.-The presence of a Notary Public to draft the Minutes of the meeting and record interventions.</p> <p>3.- The absence of the casting vote by the Chairman</p>

E.6 Mention any amendments made in the regulations of the Annual General Meeting during the year.

No amendments have been made since the regulations were adapted in 2007 to the text of the Conthe Code.

E.7 Provide the following figures on attendance to the annual general meetings held during the year covered by this report:

Date of the Annual General Meeting	Attendance figures				
	Attended Personally (%)	Attended by Proxy (%)	Remote voting (%)	Other	Total
14/04/2010	50.134	17.146	0.001	0.709	67.990
24/12/2010	51.918	20.131	0.003	0.441	72.493

Translation from the original in Spanish. In the case of any discrepancy the Spanish version prevails.

E.8 Briefly describe the resolutions approved at the annual general meetings held during the year covered by this report and the percentage of the votes by which each resolution was approved.

During the year covered by this report, there were two annual general meetings, at which the following resolutions were adopted:

Annual General Meeting of 14 April 2010

Item one.- Approval of the Financial Statements (Balance Sheet, Profit and Loss Account, as well as the Notes to the Annual Financial Statements) and of the Management Report of both GESTEVISIÓN TELECINCO, S.A. and its Consolidated Group of Companies for the year to 31st December 2009. Approved by 167,628,623 vote for, representing 99.962%,

Item two.- Approval of the distribution of profit for 2009. The distribution of the profit for 2009, amounting to 68,461 thousand Euros was approved as follows:

To establish the dividend to be received at 0.199270 euros per share, after discounting the amount that would correspond to the Company's treasury shares.

Approved by 167,177,207 votes for, (99.692%)

Item three.- Approval of the management of the company's business by the Board of Directors during 2009.

Approved by 167,009,701 votes for, (99.593 %)

Item four.- Determination of the maximum over a annual remuneration payable to the Company's Directors.

In accordance with Article 56 of the Articles of Association, the maximum amount that may be paid by the Company in 2009 to its Directors as (i) fixed annual remuneration and (ii) per diem allowances is established at €1,800,000.

Approved by 167,146,738 for, (99.674%)

Item five.- Delivery of company shares to Directors with executive functions and members of the senior management of the company, as part of their remuneration.

The shareholders in general meeting approved the Chief Executive Officer and Managing Directors of "Gestevisión Telecinco, S.A." and the subsidiaries of the consolidated Group may receive part of the variable remuneration for 2009 in the form of share-based payments as per the following terms and conditions:

- Eligible persons: the Executive Officers and Managing Directors of GESTEVISIÓN TELECINCO, S.A. or of member companies of its Consolidated Group.
- Voluntary nature: Receipt of variable remuneration in the form of shares is voluntary on the part of the beneficiaries.
- Maximum amount: The maximum amount of shares to be received by each beneficiary is the result of applying EUR 12,000 to the average listing price of the share on the date of delivery.
- Date of delivery: The date initially planned for delivery of the shares is 30 April 2010.
- Origin of the shares: The shares shall come from treasury stock.
- Maximum number of shares to be delivered: The number which results from dividing EUR 12,000 by the average listing price of the share on the date of delivery.
- Value of the shares: The average listing price of the share on the date of delivery.
- Effective term: This remuneration system will apply to the date of delivery, which shall be verified in any case within one month of the date of approval by the Annual General Meeting.

Translation from the original in Spanish. In the case of any discrepancy the Spanish version prevails.

Approved by 167,346,012 votes for, (99.793%)

Item six.- Approval of the implementation of a remuneration scheme for Executive Directors and Senior Managers of the Company and Group member companies

The Annual General Meeting resolved to approve the creation of a remuneration scheme (the "Remuneration Scheme") for Executive Directors and Senior Managers of the Consolidated Group, tied to the value of the Company's shares as well as to the Group's results and to such specific objectives as may be fixed for each participant. The basic features of the proposed Remuneration Scheme are as follows:

-Recipients: Executive directors and managers of the Group determined in each case by the Board of Directors.

-Purpose: To grant an incentive consisting of the payment of a variable remuneration with reference to the value of the company's shares.

-Number of shares: The maximum number of shares to be used as reference in setting the amount of the incentive to be paid to beneficiaries of the Remuneration Scheme shall be the equivalent of 1% of the company's share capital; up to a maximum of 25% of said 1% shall correspond to the executive directors of the company. The Company may not increase its share capital to meet payments under this Remuneration Scheme.

-Date of delivery: Any date agreed upon by the Board of Directors, which shall be within 6 months of the date that the Remuneration Scheme was approved by the Annual General Meeting.

-Strike price: The value of the shares to be used as reference shall be equivalent to the average list price of the shares during the thirty days prior to the date of granting the incentive.

-Duration: Up to five (5) years from the date that they are granted; the incentives may be made effective when determined by the Board of Directors.

Approved by 149,256,241 votes for, (89.006%)

Item seven.- Authorization so that the company may buy back shares directly or through Group member companies, according to the provisions of Section 75 and related provisions of the Limited Companies Act, cancelling similar authorizations previously granted by the General Meeting, as well as granting authority for using treasury stock in implementing remuneration plans.

Approved by 153,009,532 votes for, (91.244 %)

Item eight.- Determination of the number of members comprising the Board of Directors

Re-election of the following as members of the Company's Board of Directors for a five-year term:

8.1. D. Angel Durández Adeva.

Approved by 166,027,290 votes for, (99.006%)

8.2. D. José Ramón Alvarez-Rendueles.

Approved by 165,494,170 votes for (98,689%)

8.3. D. Francisco de Borja Prado Eulate.

Approved by 166,510,985 votes for (99,295%)

Translation from the original in Spanish. In the case of any discrepancy the Spanish version prevails.

Item nine. Approval of the number of Board Members.

To fix the number of members comprising the Board of Directors at 13.

Approved by 167,311,767 votes for, (99.773%)

Item ten. Authorisation of the Board of Directors to increase share capital, one or more times, by means of cash, for a period of five years and in a maximum nominal amount of sixty-one million six hundred and sixty thousand four hundred and sixty four Euros (€61,660,464), under the terms and conditions it deems necessary. Delegation of the exclusion of pre-emptive subscription rights, in accordance with the provisions of Section 159.2 of the Public Limited Companies Act.

Approved by 164,712,083 votes for, (98.223%)

Item eleven. Capital increase, with a right to pre-emptive subscription, for an amount of sixty-one million six hundred and sixty thousand four hundred and sixty four Euros (€61,660,464), by means of the issue and circulation of one hundred and twenty-three million three hundred and twenty thousand nine hundred and twenty-eight (123,320,928) ordinary shares with a nominal value of €0.50 each, to be paid in cash. Authorisation of the Board of Directors to execute the capital increase resolution which has been submitted for approval to the AGM, in accordance with Section 153.1.a) of the Public Limited Companies Act, determining the exact date on which it must be executed and the conditions not dealt with at the Annual General Meeting, including the amendment of Article 5 of the Articles of Association.

Approved by 163,809,593 votes for, (97.684%)

Item twelve. Amendment to Article 55 of the Articles of Association.

Approval was given to amend section 2.- c) raising to 80 the maximum age at which directors must offer to resign from the Board of Directors.

Approved by 151,965,659 votes for, (90.621%)

Item thirteen. Delegation of powers to sign, interpret, correct and execute the previous resolutions, as well as to substitute the powers received by the Board of Directors from the Annual Meeting.

Approved by 167,544,694 votes for, (99.912%)

Extraordinary General Shareholders' Meeting of 24 December 2010

One.- Share capital increase through non-monetary contribution consisting of the total share capital of "Sociedad General de Televisión Cuatro, S.A. Unipersonal" for a face value of thirty six million seven hundred thousand nine hundred and thirty five Euros (€36,700,935), by issuing and putting into circulation seventy three million four hundred one thousand eight hundred and seventy (73,401,870) ordinary shares with a face value of 0.50 Euros each. Delegation of powers to the Board of Directors, also authorising them to delegate powers in favour of the Executive Committee or any of its Chief Executive Officers, to establish the conditions for the increase in any aspect not foreseen by the General Shareholders' Meeting, to adapt the text of subsections 1 and 2 of Section 5 of the Bylaws and to execute, in general, any documents deemed necessary or advisable for executing the increase. Admission to trading of the new shares.

Votes in favour: 235,609,909 – 99.537%

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Two.- Authorisation so that, pursuant to the provisions set forth in Section 149 of the Capital Companies Law, the Company may accept its treasury shares as guarantee, either directly or through Group companies.

Votes in favour: 235,602,701 – 99.535%

Three.- Number of Board Members.

Establish the number of members making up the Board of Directors at fifteen (15).

Votes in favour: 235,614,512 – 99.540%

Four.- Board of Directors: Appointment, re-election and ratification of directors:

4.1 Appointment of Mr. Manuel Polanco Moreno for a tenure of five years.

Votes in favour: 233,441,541 – 98.621%

4.2 Appointment of Mr. Juan Luis Cebrian for a tenure of five years.

Votes in favour: 233,397,534 – 98.603%

Five.- Delegation of powers to formalise, construe, rectify and execute the foregoing resolutions, as well as to subrogate the powers conferred upon the Board of Directors by the General Shareholders' Meeting.

Votes in favour: 235,575,876 – 99.523%

Note: All the voter data is available on our website: <http://www.telecinco.es/inversores/es/>

E.9 Indicate whether there is any restriction in the Articles of Association establishing a minimum number of shares necessary to attend the Annual General Meeting:

NO

Number of shares necessary to attend the annual General Meeting	-
-----------------------------------------------------------------	---

E.10 Describe the company's policy on the granting of proxies for voting at the Annual General Meeting and the reasons for such policy.

In accordance with the Articles of Association and the Annual General Meeting's Regulations, any shareholder may delegate its voting rights upon a third party which shall not necessarily be a shareholder.

Votes by proxies may be sent by mail or the remote communication means established each year on the web page.

For votes sent by mail, the attendance cards issued to shareholders allow them to grant a proxy to a third party, the Chairman and/or Secretary of the Board of Directors. For this, they must fill in the section related to proxy voting and send in the signed proxy card to the Company's offices under the established terms and conditions. To facilitate this process, Telecinco provides self-stamped envelopes at no cost to shareholders.

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More information in E.3.

E.11 State whether institutional investors have a policy of taking part or not taking part in company decisions, as far as the company is aware:

NO

E.12 Mention the URL and way of accessing the corporate governance pages on your website.

Corporate governance materials are available at <http://www.telecinco.es/inversores/es/>

F DEGREE OF ADHERENCE TO THE RECOMMENDATIONS ON CORPORATE GOVERNANCE

State the company's degree of adherence to the recommendations on good governance included in the Unified Code.

If the company does not comply with any of the recommendations, explain the recommendations, standards, practices or criteria applied by the company.

1. That the Articles of Association of listed companies not limit the maximum number of votes to be issued by a single share holder or contain other restrictions hindering the takeover of the company through the acquisition of its shares in the market.

See: A.9, B.1.22, B.1.23, and E.1, E.2.

COMPLIES

2. That where the main offices and a dependant company are listed, they both accurately define:

a) The relevant areas of activities and business relations between them and between the dependent listed company and the other companies of the group;

b) The mechanisms provided for to solve any conflict of interest which may arise.

See: C.4 and C.7

NOT APPLICABLE

3. That, although not expressly required under the business Laws, the operations involving a structural modification to the company and, particularly, the following modifications be subject to the approval by the Annual General Meeting:

a) The transformation of listed companies into holding companies by way of "affiliation" or incorporation to entities depending on essential activities conducted up to that moment by the company itself, even where they are fully owned by the company;

b) The acquisition or sale of essential operating assets when involving an actual modification to the corporate purpose;

c) Any operations whose effect is equivalent to the liquidation of the company.

COMPLIES

Translation from the original in Spanish. In the case of any discrepancy the Spanish version prevails.

4. That the proposals detailed in the agreements to be adopted at the Annual General Meeting including the information referred to in Recommendation 28 be made public upon publication of the notice of the call for the Meeting.

COMPLIES

5. That at the Annual General Meeting, any substantially independent matters be voted separately so that shareholders may separately exercise their voting preferences. This regulation shall apply, particularly, to:

a) The appointment or confirmation of directors, which shall be voted individually;

b) In the case of modifications to the Articles of Association, each article or set of articles which are substantially independent.

See: E.8

COMPLIES

6. That the companies allow the fractioning of votes so that the financial intermediaries authorized as shareholders but acting on behalf of different clients may issue their votes pursuant to their instructions.

See: E.4

COMPLIES

7. That the Board of Directors conduct its operations for a single purpose and using independent criterion, provide the same treatment to all shareholders and follow the interest of the company which is understood as a maximization of the company's sustained economic value.

Moreover, it shall see that, in its relations with the stakeholders, the company abides by the laws and regulations, complies in good faith with its obligations and agreements, adheres to the uses and good practices of the sectors and territories where it does business and observes any additional principles on corporate responsibility voluntarily accepted by it.

COMPLIES

8. That the Board of Directors assume, as the core of its mission, the approval of the company's strategy and accurate organization for its implementation and supervise and control compliance by the Board of Directors with the objectives established and observe the corporate purpose and interest of the company. For this purpose, the Board of Directors reserves the right to approve:

a) The company's general policies and strategies and, particularly:

The strategic or business plan as well as the management and annual budget objectives; investment and financing policy;

i) The strategic or business plan, management objectives and annual budgets.

ii) The investment and financing policy.

iii) The definition of the structure of the group of companies

iv) The corporate governance policy

v) The corporate social responsibility policy

vi) Senior management remuneration and performance evaluation policies

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vii) The risk management and control policy, as well as the periodic follow up of information and control internal systems

vii) The dividends policy, as well as the treasury stock policy and, particularly, their limits

See: B.1.10, B.1.13, B.1.14 and D.3

b) The following decisions:

i) Upon request by the Company's chief executive officer, the appointment and termination of the senior managers as well as the compensation clauses.

See: B.1.14.

ii) The directors' remuneration and, in the case of executives, additional remuneration for their executive functions and other conditions to be met by their agreements.

See: B.1.14.

iii) The financial information that the company must publish on a periodic basis given its condition as listed company.

iv) Any kind of investments or operations which, given their great amount or special features, are strategic in nature, except approval thereof by the Annual General Meeting;

v) The creation or acquisition of shareholdings in entities having a special purpose or domiciled in tax haven countries and territories, as well as any other similar transaction or operation which, given its complexity, may impair the transparency of the group.

c) Any transactions between the company and its directors, significant shareholders or shareholders represented in the Board of Directors or related entities ("related-party transactions").

This authorization by the Board of Directors shall not be construed, however, as accurate in related operations simultaneously complying with the following three conditions:

1st To be executed under the agreements whose conditions are standardized and to be applied massively to many clients;

2nd To be executed at prices or rates established as general by anyone acting as supplier of the good or service in question.

3rd Their amount must not exceed 1% of the company's annual income.

It is advisable that the Board of Directors approve the related operations upon a favorable report by the Audit Committee or, as the case may be, by any other body entrusted with this task, and that the directors affected do not exercise or delegate their voting rights and leave the meeting room during the deliberations and voting thereon by the Board of Directors.

It is advisable that the powers here by granted to the Board of Directors may not be delegated except those mentioned in b) and c), which may be adopted upon emergencies by the Delegate Committee followed by ratification of the Board of Directors.

See: C.1 and C.6

COMPLIES

Translation from the original in Spanish. In the case of any discrepancy the Spanish version prevails.

9. That the Board of Directors have the proper number of members to achieve an effective and participating operation; it is advisable that it be made up of no less than five members and no more than fifteen.

See: B.1.1

COMPLIES

10. That the outside directors, the proprietary directors and the independent directors constitute a vast majority in the Board of Directors and that the number of executive directors be the necessary minimum, considering the complexity of the group of companies and the shareholding percentage of executive directors in the company's share capital.

See: A.2, A.3, B.1.3 and B.1.14.

COMPLIES

11. That should there be any outside director who may not be considered a proprietary director or an independent director, the company explain this circumstance and its relations whether with the company or with its directors or shareholders.

See: B.1.3

NOT APPLICABLE

12. That, within the group of outside directors, the relation between the number of proprietary directors and the number of independent directors reflects the existing proportion between the company's share capital represented by proprietary directors and the remaining share capital.

This strict proportion criterion maybe reduced so that the relevance of proprietary directors is greater than the relevance that would correspond to the total percentage of the company's share capital represented in:

1st Highly capitalized companies in which there are scarce or no shareholdings legally considered significant but there are shareholders holding shares of stock of high absolute value.

2nd Companies where there is plurality of shareholders represented in the Board of Directors not related to each other.

See: B.1.3, A.2 and A.3

13. The number of independent directors shall account for less than one third of the total directors.

See: B.1.3

COMPLIES

14. That the capacity of each director be explained by the Board of Directors before the Annual General Meeting which shall effect or ratify its appointment, and be confirmed, or, as the case may be, annually reviewed in the Annual Corporate Governance Report upon verification by the Appointments and Remuneration Committee. Likewise, the Annual Corporate Governance Report shall explain the reasons why proprietary directors have been appointed upon request by shareholders whose share holding is lower than 5% of the share capital; the Annual Corporate Governance Report shall also state the reasons why, as the case may be, formal requests to be part of the Board of Directors filed by shareholders whose share holding is equal to or greater than that of others upon whose request proprietary directors were appointed have not been met.

Translation from the original in Spanish. In the case of any discrepancy the Spanish version prevails.

See: B.1.3 and B.1.4

COMPLIES

15. That, should the number of female directors be scarce or null, the Board of Directors explain the reasons and initiatives adopted to correct this situation, particularly, the Appointments Committee shall see that, upon the opening of new vacancies:

- a) The selection procedures lack implied slants hindering the selection of female directors;
- b) The company deliberately searches for and includes among the potential female candidates meeting the professional profile sought.

See: B.1.2, B.1.27 and B.2.3.

PARTIALLY COMPLIES

After taking the necessary internal measures (see article 3 of the Nomination and Remuneration Committee. the number of women on the Board of Directors is still limited, which is why we consider compliance with this recommendation to be partial. We underscore that in 2010, two new Board members were appointed which, as they were proprietary board members, were designated by the shareholder they represent, the Prisa Group, on the Board of Directors, which appointment them, Accordingly, the percentage of women directors is unchanged.

16. That the Chairman responsible for the effective operation of the Board of Directors make sure that directors receive in advance sufficient information, encourage the discussion and active participation of directors during the sessions of the Board of Directors meetings safe guarding their capacity and right to speak and organize and coordinate together with the chairmen of the relevant Committees the periodic valuation of the Board of Directors as well as of the managing director or chief executive.

See: B.1. 42

COMPLIES

17. That, where the Chairman of the Board of Directors is also the company's chief executive, one of the independent directors be authorized to call for a meeting of the Board of Directors or include new items in the agenda, coordinate and get involved in any concerns by outside directors and direct the evaluation of the Chairman by the Board of Directors.

See: B.1.21

NOT APPLICABLE

18. That the Secretary of the Board of Directors ensures that the acts by the Board:

- a) Conform to the provisions and spirit of the Laws and their regulations, including those passed by the regulatory entities;
- b) Are consistent with the company's Articles of Association and the Annual General Meeting's Regulations, the Board of Directors' Regulations and other regulations in the company;
- c) Consider the recommendations on good governance included in the Unified Code accepted by the company.

Translation from the original in Spanish. In the case of any discrepancy the Spanish version prevails.

That in order to safeguard the Secretary's independence, impartiality, and professionalism, its appointment and removal be informed by the Appointments Committee and approved by the Board of Directors; this appointment and removal procedure shall be recorded in the Board of Directors' Regulations;

See: B.1.34

COMPLIES

19. That the Board of Directors meets frequently enough to effectively perform its functions following the schedule and items established by it at the commencement of the year; each Director may propose other items in the agenda not originally included.

See: B.1.29

COMPLIES

20. That non-attendances by directors be reduced to essential cases and be quantified in the Annual Corporate Governance Report and that if proxy is essential, it be made under instructions.

See: B.1.28 and B.1.30

COMPLIES

21. That where the directors or the Secretary express their concern about any proposal or, in the case of directors, about the operation of the company and these concerns are not solved in the Board, upon request by the person who expressed them, these concerns must be recorded in the minutes.

NOT APPLICABLE

22. That once a year, the Board of Directors evaluates:

a) The quality and efficiency of their operation.

b) Based on the report sent by the Appointments Committee, the performance of functions by the Chairman of the Board of Directors and the company's chief executive.

c) The operation of its Committees, based on the report the Committees may send.

See: B.1.19

PARTIALLY COMPLIES

In 2010, the performances of the two chief executives were evaluated.

23. That all directors exercise their right to collect any additional information they deem necessary on matters affecting the Board of Directors. Unless the Articles of Association or the Board of Directors' Regulations establish otherwise, this request shall be sent to the Chairman of the Board or its Secretary.

See: B.1.42

COMPLIES

Translation from the original in Spanish. In the case of any discrepancy the Spanish version prevails.

24. That all directors be entitled to obtain from the company the necessary advice to comply with their duties. The company shall arbitrate the suitable means for the exercise of this right which, in special circumstances, may include external advice charged to the company.

See: B.1.41

COMPLIES

25. That the companies establish an orientation program providing new directors with fast and sufficient knowledge of the company as well as of its rules of corporate governance. This program shall also provide directors with knowledge update programs where the circumstances so require.

COMPLIES

26. That the companies require directors to devote the time and efforts to their duties necessary to perform them efficiently, and therefore:

a) That directors inform the Appointments Committee of the rest of their professional duties in case these may interfere with the dedication required.

b) That the companies establish rules regarding the number of boards of directors in which directors may participate.

See: B.1.8, B.1.9 and B.1.17

PARTIALLY COMPLIES

Partially complies. All directors report their remaining professional obligations, with this information (see section B.1.9) published on the Telecinco web page.

27. That the appointment and re-election proposal filed with the Annual General Meeting by the Board of Directors, as well as their temporary appointment be approved by the Board of Directors:

a) Upon proposal filed by the Appointments Committee in the case of independent directors.

b) Upon report by the Appointments Committee in the case of the remaining directors.

See: B.1.2

COMPLIES

28. That the companies publish and update the following information regarding their directors on their websites:

a) Professional profile and biography

b) Other Boards of Directors in which they participate, whether in listed companies or not

c) Category of director, stating the percentage of share capital their holdings represent, and where applicable, in the case of proprietary directors

d) Date of their first appointment as director in the company as well as any subsequent appointment, and

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e) Company shares and related share options

COMPLIES

29. That independent directors remain as such for a maximum of 12 consecutive years.

See: B.1.2

COMPLIES

30. That the proprietary directors resign where the shareholder they represent sells all their shares. This shall also be the case when shareholders reduce the number of shares to a level requiring a reduction in the number of proprietary directors.

See: A.2, A.3 and B.1.2

COMPLIES

31. That the Board of Directors not propose the termination of any independent director before the term of office established under the Articles of Association expires, based on when reasonable cause and at the discretion of the Board of Directors based on reports from the Appointments Committee. Reasonable cause shall be deemed to exist where a director fails to comply with the duties inherent in its position, or under grounds described in 5 of paragraph III of the definitions in this Code.

Furthermore, the termination of independent directors resulting from takeover bids, mergers, or other similar company-related operations implying a change in the company's capital structure may also be proposed where these changes in the structure of the Board of Directors are favored by the proportion criteria set forth in Recommendation 12.

See: B.1.2, B.1.5 and B.1.26

COMPLIES

32. That the companies establish rules requiring directors to inform and, if applicable, resign upon occurrence of events that may adversely affect the credit and reputation of the company and, particularly, requiring directors to inform the Board of Directors of any criminal cases in which they are the accused party as well as any subsequent procedural events.

If a director is prosecuted or if an order for the opening of oral proceedings is issued against it due to any of the crimes detailed in section 124 of the Limited Companies Act, the Board of Directors shall review the case as soon as possible and, in view of the particular circumstances, decide whether it is convenient for the director to continue holding office. The Board shall reasonably record all these proceedings in the Annual Corporate Governance Report.

See: B.1.43, B.1.44

COMPLIES

33. That all directors clearly express their opposition where they consider that any proposal for decision submitted to the Board of Directors maybe contrary to the interest of the company. The same applies to independent directors and directors not affected by the potential conflict of interest where the decisions in question may cause a detriment to the shareholders not represented in the Board of Directors.

Where the Board makes significant or repeated decisions which have been challenged by the director, the director shall draw relevant conclusions and, should he/she choose to resign, the reasons thereof will be explained in writing as expressed in the following recommendation.

Translation from the original in Spanish. In the case of any discrepancy the Spanish version prevails.

This recommendation also covers the Secretary of the Board even in the case that this individual is not a director.

NOT APPLICABLE

34. That where, due to resignation or due to any other reason, a director ceases to hold office before the expiration thereof, the reasons for this be explained in a letter to be sent to all the members of the Board of Directors. Even where this termination is communicated as a relevant event, the reason for it shall be accounted for in the Annual Corporate Governance Report.

See: B.1.5

COMPLIES

35. That the remuneration policy approved by the Board of Directors be passed, at least, regarding the following matters:

- a) Amount of the fixed components, including a breakdown, if any, of the per diem allowances for participating in the Board of Directors and Committees thereof and an estimate of the fixed annual remuneration they originate.
- b) Variable remuneration items, including, particularly:
 - i) Types of directors to which they apply, as well as an explanation of the relative relevance of the variable remuneration items with respect to fixed remuneration items.
 - ii) Criteria for the evaluation of results on which any right to remuneration in shares, share options or any variable component is based.
 - iii) Main parameters and grounds for any annual premium system (bonus) or for any other benefits not paid in cash.
 - iv) An estimate of the absolute amount of variable remunerations to which the remuneration plan proposed shall give origin based on the level of compliance with the hypotheses or objectives taken as reference.
- c) Main characteristics of the employee benefits (such as, supplementary pensions, life insurance, and the like) with an estimate of their value or equivalent annual cost.
- d) Conditions to be met by the agreements of senior managers such as executive directors, including:
 - i) Duration
 - ii) Pre-notice terms
 - iii) Any other clause relating to hiring premiums as well as compensations or golden parachutes upon early dissolution or termination of the contractual relation between the company and the executive director.

See: B.1.15

COMPLIES

Translation from the original in Spanish. In the case of any discrepancy the Spanish version prevails.

36. That the remunerations be limited to the executive directors through the delivery of company shares or shares of the group of companies, share options, or instruments referring to the share value, variable remunerations related to the company's performance or social security systems.

This recommendation does not cover the delivery of shares where directors are required to keep them until they cease to act as directors.

See: A.3, B.1.3

EXPLAIN

The delivery of share option rights is limited to the two executive directors of the Board of Directors. However, and following the provisions of Article 56 of the Articles of Association, based on the special dedication demanded by the office of Chairman of the Board of Directors without any executive powers, the Board of Directors approved the delivery of a certain number of Telecinco share option rights detailed in paragraph G of this report.

37. That the remuneration of outside directors be commensurate to the dedication, qualification and responsibility required by the office in question without being as high as to compromise its independence.

COMPLIES

38. That the remuneration linked to the company's results include exceptions included in the external auditor's report and reduce these results.

COMPLIES

39. That in the case of variable remuneration, policies include specific technical measures to ensure that it is commensurate with the professional performance of its beneficiaries, and not based on market performance, the company's sector, or similar circumstances.

COMPLIES

40. That the Board vote on a report regarding the remuneration policy for directors during its General Meeting, as a separate item in the agenda. This report shall be made available to the shareholders whether separately or in any other manner the company deems convenient.

This report shall primarily focus on the remuneration policy approved by the Board of Directors for the current year and for future years, where applicable. It shall contemplate all matters relating to Recommendation 35, except in situations involving the disclosure of commercially sensitive information. It shall stress the most significant policy changes since the prior year, mentioned at the Annual General Meeting. It shall also include a global summary of how the remuneration policy was applied during the previous year.

Likewise, the Board shall report the role played by the Remuneration Committee in the preparation of the remuneration policy and, if external consultancy services were used, the identity of the external consultants providing such services.

See: B.1.16

COMPLIES

Translation from the original in Spanish. In the case of any discrepancy the Spanish version prevails.

41. That the Annual Report detail the individual remunerations of directors during the year, including:

a) The itemized breakdown of the remuneration of each director including, if applicable:

- i) The per diem allowances for attendance or other fixed remuneration as director.
- ii) Any additional remuneration as chairman or member of any committee of the Board.
- iii) Any remuneration for participating in profits or premiums and the reasons justifying them.
- iv) The contributions made in favor of the director to defined contribution pension plans or the increase of consolidated rights of director in the case of contributions to defined social security plans.
- v) Any compensation agreed upon or paid in the case of termination of office.
- vi) Remuneration received from serving as a director of other companies within the group.
- vii) Remuneration from the positions of management held by executive directors
- viii) Any other remuneration item different from the aforementioned, irrespective of the nature or entity of the group paying them, particularly where it is considered a related transaction or where its omission distorts the true image of the total remunerations received by director.

b) An itemized breakdown of deliveries of shares, share option rights, or any other instrument referring to the value of shares to directors, including details on:

- i) The number of shares or share options granted during the year and conditions for their exercise.
- ii) The number of share option rights exercised during the year indicating the number of shares affected and the exercise price.
- iii) The number of options whose exercise is still pending at the end of the year indicating price, date and other exercise requirements thereof.
- iv) Any modification made throughout the year to the conditions to exercise options already granted.

c) Information on the relationship between the remuneration obtained by the executive directors and the results or other benchmarks of company performance.

COMPLIES

42. That where there is a Delegate or Executive Committee (hereinafter, "Delegate Committee"), the shareholding structure of the different categories of directors be similar to that of the Board of Directors itself and the Secretary be that of the Board of Directors.

See: B.2.1 and B.2.6

COMPLIES

43. That the Board of Directors be always aware of the items and decisions discussed by the Managing Committee, and that all its members receive a copy of the minutes of the Managing Committee sessions.

COMPLIES

Translation from the original in Spanish. In the case of any discrepancy the Spanish version prevails.

44. That the Board of Directors create an Audit Committee from among its members as required by the Stock Exchange Act and the and Appointments and Remuneration Committee (or two separate Committees).

The rules governing the composition and operation of the Audit Committee and the Appointments and Remuneration Committee or Committees shall appear in the Board of Director Regulations and include the following:

a) The Board of Directors shall appoint the members of these Committees considering the knowledge, skills and experience of directors and the goals of each Committee, decide on their proposals and reports; directors shall report to the entire Board of Directors regarding their activities and the work performed.

b) These Committees shall be exclusively made up of outside directors (at least three). The foregoing applies notwithstanding the attendance by executive directors or senior managers upon express agreement by the members of a Committee.

c) The Chairmen of these Committees shall be independent directors.

d) They may call for external counseling where they deem it necessary for the performance of their duties.

e) Their meetings shall be recorded in minutes, a copy of which shall be sent to all members of the Board of Directors.

See: B.2.1 and B.2.3

COMPLIES

45. That the supervision of compliance with the internal codes of conduct and the rules of corporate governance be entrusted to the Audit Committee, the Appointments Committee or, if separate from the latter, the Corporate Governance or Compliance Committee.

COMPLIES

46. That the members of the Audit Committee and, particularly, its chairman, be appointed considering their knowledge and experience in terms of accounting, auditing or risk management.

COMPLIES

47. That the listed companies have an internal auditing body which, under the supervision of the Audit Committee, sees to the proper operation of the internal information and control systems.

COMPLIES

48. That the individuals in charge of the internal audit file its annual working plan with the Audit Committee and directly inform the Committee of any problems found in its preparation and submission.

COMPLIES

Translation from the original in Spanish. In the case of any discrepancy the Spanish version prevails.

49. That the risk management and control policy identify, at least, the following:

- a) The different types of risks (operating, technological, financial, legal, reputation, etc.) faced by the company, including, among the financial or economic risks, any contingent liabilities and other off-balance risks.
- b) The establishment of the level of risk considered acceptable by the company.
- c) The measures provided for to mitigate the impact of the risks identified in case they materialize.
- d) The internal information and control systems to be used to control and manage the risks mentioned, including any contingent liabilities or off-balance risks.

See: D

COMPLIES

50. That the Audit Committee:

1- As to the internal information and control systems:

- a) Supervise the preparation process and the integrity of the financial information regarding the company and, if applicable, the group, reviewing compliance with the regulatory requirements, the proper limitation of the consolidation perimeter and the proper application of the accounting criteria.
- b) Periodically review internal risk management and control systems so as to identify, manage and properly inform the main risks.
- c) See to the independence and effectiveness of the internal auditing function; propose the selection, appointment, re-election and dismissal of the head of the Internal Audit Department; propose a budget for that service; receive periodic information on its activities; and verify that the senior management considers the conclusions and recommendations of its reports.
- d) Establish and supervise a mechanism that allows employees to communicate, on a confidential basis and, if deemed appropriate, anonymously, any potentially significant irregularities, particularly financial and accounting irregularities noted within the company.

2-As to the external auditors:

- a) File with the Board of Directors any proposal for the selection, appointment, re-election, and replacement of the external auditor as well as the hiring conditions.
- b) Receive information from the external auditor on a regular basis regarding the audit plan and the results delivered from its execution, and verify that the senior management considers its recommendations.
- c) Ensure the independence of the external auditor and, for such purpose:
 - i) That, as a relevant event, the company inform the Spanish Stock Exchange Commission of any change of audit, including a declaration on the existence of disagreements with the outgoing auditor and, if any, its content.
 - ii) That it make sure that the company and the auditor abide by the applicable regulations on the provision of services other than the auditing services, the limits to the concentration of the auditor's business and, In general, any other regulation established to ensure the independence of auditors.

Translation from the original in Spanish. In the case of any discrepancy the Spanish version prevails.

iii) That, should the external auditor resign, it must review all circumstances giving rise to this resignation.

d) In the case of groups, cause the auditor of the group to assume responsibility for the audits to the companies that make up this group.

See: B.1.35, B.2.2, B.2.3 and D.3

COMPLIES

51. That the Audit Committee be authorized to call any employee or director of the company and even order their appearance without the presence of any other manager.

COMPLIES

52. That the Audit Committee inform the Board of Directors, before the adoption by the Board of the relevant decisions, of the following issues mentioned in Recommendation No. 8:

a) The financial information which, given its status as a listed company, the company shall make public periodically. The Committee must make sure that the intermediate accounts are calculated based on the same accounting criteria as the financial statements and, for this purpose, it shall consider whether it is proper to conduct a limited review by the external auditor.

b) The creation or acquisition of shareholdings in special-purpose entities or in entities whose domicile is established in tax haven countries and territories as well as any other transaction or dealing of similar nature which, given its complexity, may impair the transparency of the group.

c) The related dealings, except where the duty of prior report has been entrusted to a Committee other than the Supervision and Control Committee.

See: B.2.2 and B.2.3

COMPLIES

53. That the Board of Directors file the accounts with the Annual General Meeting without reservations or exceptions in the audit report; should there be any reservation or exception, both the Audit Committee's Chairman and the auditors shall clearly explain to shareholders the contents and scope of these reservations or exceptions.

See: B.1.38

COMPLIES

54. That the majority of the members of the Appointments Committee (or Appointments and Remuneration Committee, if only one) be independent directors.

See: B.2.1

EXPLAIN

Explain. The Appointments and Remuneration Committee is composed of four members, with an equal number of proprietary and independent directors. The Chairman is an independent director.

Translation from the original in Spanish. In the case of any discrepancy the Spanish version prevails.

55. That the following duties, apart from those set forth in the preceding Recommendations, be met by the Appointments Committee:

a) Evaluate the necessary powers, knowledge and experience of the Board of Directors and define the necessary functions and skills of candidates to fill in each position and evaluate the time and dedication necessary for them to properly perform these duties.

b) Review or organize, as the case may be, the succession of the Chairman and chief executive and, if applicable, file proposals with the Board of Directors so that this succession is conducted in an orderly and planned manner.

c) Inform the appointments and terminations of senior managers proposed by the chief executive to the Board of Directors.

d) Inform the Board of Directors of gender diversity matters as set forth in Recommendation No. 14 of this Code.

See: B.2.3
COMPLIES

56. That the Appointments Committee consults the Chairman and the company's chief executive, particularly regarding issues affecting the executive directors.

Any director may request the Appointments Committee to consider, if suitable, potential candidates to fill in vacancies of directors.

COMPLIES

57. Apart from the duties set forth in the Recommendations above, the Remuneration Committee shall:

a) Propose to the Board of Directors:

- i) The remuneration policy for directors and senior managers
- ii) The individual remuneration of executive directors and other conditions of their agreements
- iii) Basic conditions in the agreements of senior managers

b) See to the observance of the remuneration policy set forth by the company

See: B.1.14, B.2.3

COMPLIES

58. That the Remuneration Committee consults the Chairman and the company's chief executive, particularly regarding issues affecting executive directors and senior managers.

COMPLIES

G OTHER INFORMATION OF INTEREST

List and explain below the contents of any relevant principles or aspects of corporate governance applied by the Company that have not been covered by this report.

Translation from the original in Spanish. In the case of any discrepancy the Spanish version prevails.

Telecinco still considers compliance with good governance recommendations a priority. Therefore, once again this year we have wanted to detail and explain in this report how and to what extent we have attempted to comply with the greatest number of recommendations. In this respect, this year we must note the efforts made by the company to comply with the recommendation regarding the size of the Board of Directors (maximum 15 members), especially considering the events surrounding its corporate structure explained below:

As is well known, in 2010 Telecinco embarked on an initiative to expand and grow, adding Digital as a shareholder and acquiring the company that managed the free-to-air television channel 'Cuatro', owned until then by the PRISA group. As consideration, the PRISA group received, *inter alia*, newly issued shares of Telecinco representing 17.336% of its share capital and the right to appoint two members of its Board of Directors.

Considering that Telecinco's Board of Directors was composed of 15 members, the addition of two members jeopardised compliance with the recommendation regarding the size of the board. Therefore, following recommendations by the Appointments and Remuneration Committee, in March 2010 one executive director stepped down, as explained in this report. This resignation complied with all the related notification requirements. At the same time, seeing that several directors' terms had expired, the Appointments and Remuneration Committee decided that the best move would be not to reappoint directors who did not belong to any board committee. The Annual General Meeting held in April was informed of this decision. Following these steps, shareholders at the Extraordinary General Shareholders' Meeting of 24 December agreed to increase by two the number of directors, fixing the maximum number for the Board of Directors at 15.

This was the only way to comply with the recommendation and the obligations imposed by the transaction and still have the appropriate number of directors, as well as the appropriate balance between classes of director, as currently 33.33% of Telecinco's directors are independent directors. The Chairman is also an independent director.

Regarding gender diversity, we would note that the two new proprietary directors were appointed by the Prisa Group. Accordingly, the percentage of women directors is unchanged.

In keeping with the good governance recommendations, individual and split votes were taken on the appointment of two new directors Mr. Polanco and Mr. Cebrián.

In respect of remuneration, in 2010 detailed information on remuneration paid to directors was disclosed, including the information in the annual financial statements and in the Report on the Directors' Remuneration Policy given to shareholders at the Annual General Meeting.

The Electronic Forum Meeting was enabled on the Telecinco website from the call notice of the Extraordinary Shareholders' Meeting until the meeting. There were no new proposals to the agenda and no questions were posed.

As in 2008, to ensure the veracity of the information included in this Report, in 2009 the report was also submitted for verification of its content by an independent auditor, PriceWaterhouseCoopers.

SECTION A.2.- As explained above, one of the main changes in Telecinco's shareholder structure was the addition of the Prisa Group, with an ownership interest of 17.336%. The investment also changed of Mediaset Investimenti, SPA, which went from being a majority shareholder to owning shares representing 41.552% of the share capital of Telecinco.

Translation from the original in Spanish. In the case of any discrepancy the Spanish version prevails.

SECTION A.3.-The share options and features are as follows:

- a) Alejandro Echevarría (Chairman): in 2010 he was granted 67,250 share options, equivalent to 67,250 shares.
- b) Paolo Vasile (CEO): in 2010 he was granted 134,500 share options, equivalent to 134,500 shares.
- c) Giuseppe Tringali (CEO): In 2010, he was granted 134,500 share options equivalent to 134,500 shares.
- d) Massimo Musolino: in 2010 he was granted 61,000 share options equivalent to 61,000 shares.

All of the options have the same features and may be exercised from July 28, 2013 until July 27, 2015. The options will be equity-settled after the payment of a set price of 8.08 euros per share. No options were exercised in 2010. See section B-1.11 for more information on the remuneration paid in 2010.

SECTION A4/A5

As indicated in the 2008 report, Mr. Pier Silvio Berlusconi, son of Mr. Silvio Berlusconi, indirect holder of 41.552% of Telecinco's share capital, has a seat on the Board of Directors. He has a seat on the Board of Directors as an external proprietary director, but he has not been granted any powers or authority to act and that there are no commercial, contractual, or corporate links between he and Telecinco.

SECTION A.6.- Clause 4.4 of the Option Contract reads as follows: Prohibition of disposal of New Shares and Participation.- SOGECABLE agrees not to offer, sell, convey any title, neither directly nor indirectly to place any liens and encumbrances on, the New Telecinco's Shares, until the effect of this Clause 4 will be extinguished, all without prejudice to the events arising from the Pledge and NAT Pledge and other security referred to in paragraph (i) of Clause 4.6 below. Accordingly, clause 13.2 of the Integration Agreement shall be void.

SECTION B.1.2 - At the Annual General Meeting held April 14, 2010, the following directors were re-elected: Mr. Ángel Durández Adeva (99.006% votes in favor), Mr. José Ramón Álvarez-Rendueles (98.689% votes in favor), Mr. Borja Prado Eulate (99.925% votes in favor). Individual votes were taken on the re-elections.

Mr. Polanco and Mr. Cebrián accepted their appointments on 2 February 2011, while Mr. Confalonieri and Mr. Polanco were appointed Vice Chairmen of the Board of Directors.

Translation from the original in Spanish. In the case of any discrepancy the Spanish version prevails.

SECTION B.1.11

To complement the information contained in this section, following is a breakdown of remuneration paid to each of the directors in 2009:

Mr. Alejandro Echevarría Busquet

	2009	2010
Fixed Remuneration for the Board:	60,000	60,000
Per diems:	54,000	60,000
Complementary remuneration:	695,604.56	784,499.30
Total	809,604.56	904,499.30
Option rights granted:	16,812	67,250
Option rights exercised:	0	0

The total remuneration paid in 2008 was 808,302.56 euros, broken down as follows: 60,000 euros of fixed remuneration for the Board, 60,000 euros of per diems and 688,302.56 euros of complementary remuneration. 33,625 share options were granted, none of which were exercised.

Mr. Paolo Vasile

	2009	2010
Fixed Remuneration for the Board:	60,000	60,000
Per diems:	27,000	30,000
Fixed remuneration:	729,694.50	735,876.48
Variable remuneration:	333,460	511,249.50
Bonus:	0	200,000
Remuneration in kind:	45,770.13	48,018.62
Total:	1,195,924.63	1,585,144.60
Option rights granted:	33,625	134,500
Option rights exercised:	0	0

The total remuneration paid in 2008 was 1,183,160.96 euros, broken down as follows: 60,000 euros of fixed remuneration for the Board, 30,000 euros of per diems, 719,386.86 euros of fixed remuneration, 333,460 euros of variable remuneration, 40,314.10 euros of remuneration in kind. 67,250 share options were granted, none of which were exercised.

Translation from the original in Spanish. In the case of any discrepancy the Spanish version prevails.

Mr. Giuseppe Tringali

	2009	2010
Fixed Remuneration for the Board:	60,000	60,000
Per diems:	27,000	30,000
Fixed remuneration:	689,388.87	694,933.89
Variable remuneration:	333,460	511,249.50
Bonus:	0	200,000
Remuneration in kind:	39,183.17	37,531.42
Total:	1,149,043.04	1,533,714.81
Option rights granted:	33,625	134,500
Option rights exercised:	0	0

The total remuneration paid in 2008 was 1,144,026.79 euros, broken down as follows: 60,000 euros of fixed remuneration for the Board, 30,000 euros of per diems, 680,005.85 euros of fixed remuneration, 333,460 euros of variable remuneration, 40,560.64 euros of remuneration in kind. 67,250 share options were granted, none of which were exercised.

Mr. Massimo Musolino

	2009	2010
Fixed Remuneration for the Board:	60,000	60,000
Per diems:	18,000	21,000
Total:	78,000	81,000
Option rights granted:	15,250	61,000
Option rights exercised:	0	0

The total remuneration paid in 2008 was 52,000 euros, broken down as follows: 40,000 euros of fixed remuneration for the Board, 12,000 euros of per diems, 30,500 share options were granted, none of which were exercised.

Mr. Alfredo Messina

	2009	2010
Fixed Remuneration for the Board:	60,000	60,000
Per diems:	27,000	30,000
Total:	87,000	90,000

Translation from the original in Spanish. In the case of any discrepancy the Spanish version prevails.

The total remuneration paid in 2008 was 84,000 euros, broken down as follows: 60,000 euros of fixed remuneration for the Board, 24,000 euros of per diems.

Mr. Fedele Confalonieri

	2008	2009
Fixed Remuneration for the Board:	60,000	60,000
Per diems:	42,000	42,000
Total:	102,000	102,000

The total remuneration paid in 2008 was 117,000 euros, broken down as follows: 60,000 euros of fixed remuneration for the Board, 57,000 euros of per diems.

Mr. Marco Giordani

	2009	2010
Fixed Remuneration for the Board:	60,000	60,000
Per diems:	33,000	33,000
Total:	93,000	93,000

The total remuneration paid in 2008 was 90,000 euros, broken down as follows: 60,000 euros of fixed remuneration for the Board, 30,000 euros of per diems.

Mr. Pier Silvio Berlusconi

	2009	2010
Fixed Remuneration for the Board:	60,000	60,000
Per diems:	0	0
Total:	60,000	60,000

The total remuneration paid in 2008 was 60,000 euros, broken down as follows: 60,000 euros of fixed remuneration for the Board, 0 euros of per diems.

Mr. Giuliano Adreani

	2009	2010
Fixed Remuneration for the Board:	60,000	60,000
Per diems:	51,000	48,000
Total:	111,000	108,000

The total remuneration paid in 2008 was 117,000 euros, broken down as follows: 60,000 euros of fixed remuneration for the Board, 57,000 euros of per diems.

Translation from the original in Spanish. In the case of any discrepancy the Spanish version prevails.

Mr. Ángel Durández Adeva

	2009	2010
Fixed Remuneration for the Board:	60,000	60,000
Per diems:	33,000	39,000
Total:	93,000	99,000

The total remuneration paid in 2008 was 90,000 euros, broken down as follows: 60,000 euros of fixed remuneration for the Board, 30,000 euros of per diems.

Mr. Miguel Iraburu Elizondo

	2009	2010
Fixed Remuneration for the Board:	60,000	17,333.33
Per diems:	15,000	6,000
Total:	75,000	23,333.33

The total remuneration paid in 2008 was 78,000 euros, broken down as follows: 60,000 euros of fixed remuneration for the Board, 18,000 euros of per diems.

Mr. Borja de Prado Eulate - Chairman of the Appointments and Remuneration Committee

	2009	2010
Fixed Remuneration for the Board:	60,000	60,000
Per diems:	39,000	39,000
Total:	99,000	99,000

The total remuneration paid in 2008 was 102,000 euros, broken down as follows: 60,000 euros of fixed remuneration for the Board, 42,000 euros of per diems.

Mr. José Ramón Álvarez-Rendueles - Chairman of the Appointments and Remuneration Committee

	2009	2010
Fixed Remuneration for the Board:	60,000	60,000
Per diems:	48,000	54,000
Total:	108,000	114,000

The total remuneration paid in 2008 was 111,000 euros, broken down as follows: 60,000 euros of fixed remuneration for the Board, 51,000 euros of per diems.

Translation from the original in Spanish. In the case of any discrepancy the Spanish version prevails.

Mrs. Helena Revoredo Delvecchio ()

	2009	2010
Fixed Remuneration for the Board:	45,000	60,000
Per diems:	12,000	18,000
Total:	57,000	78,000

Mrs. Revoredo has been member of the Board Directors since April 1, 2009

Mr. Mario Rodríguez

	2009	2010
Fixed Remuneration for the Board:	45,000	10,500
Per diems:	12,000	3,000
Total:	57,000	13,500
Option rights granted:	9,000	36,000
Option rights exercised:	0	0

Mr. Mario Rodríguez Valderas resigned from the Board of Directors on 12 March 2010, retaining his post as Secretary non-board member.

For the record, Mr. Cebrián and Mr. Polanco were appointed members of the Board of Directors at the Extraordinary General Shareholders' Meeting of 24 December 2010. No amount accrued to them in respect of remuneration in 2010.

None of the directors received any remuneration for their sitting on other Boards of Directors of the Group companies.

As during the previous year, as of the closing date of the 2010 financial year the company had not granted any advance or loan to any of its directors.

With regard to employee benefits, the company has hired life insurance, coverage against illness or death, and medical insurance only for the two Chief Executive Officers, with an annual cost of €39,478.94, €39,966.78 in 2009. The items were included as part of the amount corresponding to remuneration in kind.

As during the previous year, no contributions were made for pension funds or plans in favor of any of the members of the Board of Directors.

Translation from the original in Spanish. In the case of any discrepancy the Spanish version prevails.

SECTION B.1.12

SECTION B.1.12.- The amounts shown in this section include aggregate remuneration paid to managers of Telecinco and Group companies. For greater transparency, the report this year includes the breakdown of remuneration paid to Telecinco managers in 2010.

Mr. Manuel Villanueva de Castro Managing Director, Contents
Mr. Massimo Musolino Chief Operating Officer
Mr. Luis Expósito Rodríguez Managing Director, HR and Services Division
Mr. Eugenio Fernández Aranda Managing Director, Technology Division
Mr. Mario Rodríguez Valderas Secretary General
Mr. Javier Uria Iglesias Managing Director, Economic and Finance Division
Mrs. Patricia Marco Jorge Managing Director of Televisión Telecinco and TDT
Mr. Leonardo Baltanás Ramírez Managing Director of Contents Production
Mr. Ghislain Barrois Managing Cinema Division and Acquisition of Rights
Mrs. Mirta Dragoevich Fraermanm Managing Director of Communications and External Relations

Total: €4,559,851.

Total (2009): €5,551,028.

Senior managers' remuneration comprises (i) fixed remuneration, (ii) variable annual remuneration, (iii) deferred bonuses and (iv) remuneration in kind.

Fixed remuneration: corresponds to the amount agreed in each individual employee contract. Increases are approved each year. In the last few years, the normal increase has been the CPI rate of the preceding year. In other words, the increase in remuneration is at the end of the year, with no back pay.

Variable annual remuneration: comprises a bonuses target based on a percentage of the fixed remuneration, which ranges in accordance with professional level. The final amount receivable may increase or decrease, or no amount may be received depending on the degree of compliance with the stated targets. The targets may be:

1. Company targets, representing between 50% and 80% of the total depending on the position.
2. Individual targets (corporate or department), representing between 20% and 50%.
3. At least one of the two corporate objectives must be met to be eligible for annual variable remuneration.
4. The final bonus may be increased depending on the performance assessment.

Deferred bonuses: In 2010 deferred bonuses were not paid

Remuneration in kind: corresponds to the assessment of the following items:

1. Corporate vehicle, with certain parameters or cost levels depending on the position held.
2. Medical insurance, for managers, their spouses, and children.
3. Life and disability insurance, with different guaranteed capital amounts depending on the position held.
4. Personal income tax withholding payments on account in respect of remuneration in kind items not charged (e.g. company vehicle, life insurance).

Translation from the original in Spanish. In the case of any discrepancy the Spanish version prevails.

SECTION B.1.13

In order to further clarify the information provided, there follows a summary of the main characteristics of the guarantee and golden parachute clauses not included in the former Reports:

Position	Clause, guarantee or parachute
Managing director	Termination of Contract at the request of the Company (except in case off air dismissal): (replacing the legal compensation applicable, unless such compensation is higher) Termination 24-04-02 to 31-12-07: 24 months of salary Termination 2008 to 2011: 18 months of salary Termination afterwards: 12 months of salary
Managing director	Compensation system: a) Voluntary termination: accrued amount per year: fixed salary per year + bonus per year/13.5; the total compensation is the sum of the years of work. Fair or Unfair Dismissal: legal compensation + compensation fixed in a)
Managing director	Termination of the Contract for reason attributable to the Company or suspension, modification or limitation of duties on the part of the Company, the officer will receive the higher of the following options: a) Compensation starting on €1,020,000, decreasing on a monthly basis by €34,000, during the 30 months following the signature (30-01-2006) until reaching zero. b) Compensation equivalent to 12 months of salary in effect.
Division director	Termination of the Contract at the request of the Company (except in case of dismissal declared fair): compensation will consist of one year of fixed salary in addition to the corresponding legal compensation.
Director	Termination of the Contract at the request of the Company (except in case of dismissal declared fair): 18 months of fixed salary.

Translation from the original in Spanish. In the case of any discrepancy the Spanish version prevails.

SECTION B.1.30

In all cases where not all members were present at the board meeting, proxy rights were exercised.

SECTION B.2.3

The text of the powers granted to the Committee in respect of related-party transactions, relations with shareholders and corporate governance is supplemented with the provisions of Article 5.4 of the Rules of the Audit and Compliance Committee.

(http://www.telecinco.es/inversores/es/download/reglamento_comision_nombramientos_y_retribuciones.shtml)

SECTION C

All transactions included in this section stem from the Company's ordinary business, were carried out on an arm's length basis and are of minor importance, as their disclosure is not required to give a true and fair view of the equity, financial position or results of operations of Telecinco and its Group. Accordingly, as provided for in article 3, 4) of Ministerial Order EHA/3050/2004, they are not considered related party transactions. Nevertheless, to provide more information in section C.2., all business conducted with significant shareholders in 2010 has been described.

This section may include any other information, clarification or detail related to previous sections of the report provided it is relevant and not repetitive.

In particular, indicate if the company is subject to legislation not applicable in Spain with regards to corporate governance and provide, if applicable, with the information requested according to that legislation and not included in this report.

Definition of Independent Director:

Indicate whether any of the independent directors has or has had any relationship with the company, its significant shareholders or managers which, if sufficiently meaningful or important, would have prevented the director from being considered as independent director pursuant to the provision of paragraph 5 of the Unified Code on proper governance:

NO

This annual corporate governance report has been approved by the Company's Board of Directors at a meeting held on 23th February 2011.

Indicate if any of the directors has voted against or has refrained from voting the approval of this Report.

NO