“MEDIASET ESPAÑA COMUNICACION, S.A.”, for the purposes contemplated in article 227 of the consolidated text of the Spanish Securities Market Act approved by Royal Legislative Decree 4/2015 of 23 October, Mediaset España Comunicación, S.A. announces to the *Comisión Nacional del Mercado de Valores* the following:

In connection with the relevant fact dated 18 June 2019 (official register number 279296) regarding the approval of the common cross-border merger plan regarding the merger by absorption of Mediaset España Comunicación, S.A. (“**Mediaset España**” or the “**Company**”) and Mediaset S.p.a. (“**Mediaset**”) by Mediaset Investment N.V. (−“**Mediaset N.V.**” − to be renamed as MFE – MEDIAFOREUROPE N.V.) (the “**Merger**”) by the Boards of Directors of the companies involved in the transaction, the following documentation is included below:

Report of the Board of Directors of Mediaset N.V. on the Common Cross-Border Merger Plan, enclosing, among others, the two reports issued by Deloitte Accountants B.V., at the request of Mediaset N.V., in accordance with Section 2:328, subsection 1, together with Section 2:333g of the Dutch Civil Code and with Section 2:328, subsection 2 of the Dutch Civil Code, respectively.

The following annexes to the above report of the Board of Directors of Mediaset N.V. have not been included to avoid duplicity as these have been made public under other relevant facts on this same date.

- Annex I.- Report of the board of directors of Mediaset on the Merger;
- Annex II.- Report of the board of directors of Mediaset España on the Merger; and
- Annex III.- The common cross-border merger plan

In Madrid, on 20 June 2019

Mr. Mario Rodríguez Valderas

Secretary of the Board of Directors

DATE: 7 June 2019

BOARD REPORT TO TRIPARTITE COMMON CROSS-BORDER MERGER TERMS DRAWN UP BY THE BOARD OF DIRECTORS OF:

MEDIASET INVESTMENT N.V., a public company (*naamloze vennootschap*) incorporated under the laws of the Netherlands, having its official seat in Amsterdam, the Netherlands, and having its office address at Viale Europa 46, 20093 Cologno Monzese, Italy, registered in the Dutch commercial register (*Kamer van Koophandel*) under number: 70347379 (**DutchCo**),

CONSIDERING THAT:

(A) This board report has been prepared by the board of directors of DutchCo (the **DutchCo Board of Directors**) in order to describe the tripartite cross-border merger by absorption of Mediaset S.p.A. (**Mediaset**) and Mediaset España Comunicación S.A. (**Mediaset España** and together with DutchCo and Mediaset referred to as the **Merging Companies**) with and into DutchCo (the **Merger**). Upon effectiveness of the Merger, DutchCo will be renamed "MFE - MEDIAFOREUROPE N.V.".

(B) The Merging Companies are part of the Mediaset group. More precisely, (i) DutchCo is a wholly-owned direct subsidiary of Mediaset and (ii) Mediaset España is a direct subsidiary of Mediaset, which currently owns shares representing approximately 51,63% of Mediaset España's share capital (and 53.98% of the voting rights, taking into account the treasury shares held by Mediaset España).

(C) The DutchCo Board of Directors and the boards of directors of Mediaset (the **Mediaset Board of Directors**) and of Mediaset España (the **Mediaset España Board of Directors** and together with the DutchCo Board of Directors and the Mediaset Board of Directors referred to as the **Boards of Directors**) have drawn up tripartite common cross-border merger terms (the **Common Cross-Border Merger Terms**) in order to establish a cross-border statutory merger within the meaning of the provisions of EU Directive 2017/1132 of the European Parliament and Council of 14 June 2017 on certain aspects of company law (the **Directive**), whereby the regulations on cross-border mergers of limited liability companies are in force for Dutch law purposes under Title 2.7 of the Dutch Civil Code (**DCC**), for Italian law purposes under Italian Legislative Decree no. 108 of May 30, 2008 and, for Spanish law purposes under Chapter II of Title II of Law 3/2009 of 3 April on structural modifications to business companies (**LME**), whereby Mediaset and Mediaset España will merge into DutchCo, which shall acquire all assets and assume all liabilities and other legal relationships of Mediaset and Mediaset España.

(D) The Merger is part of a single and broader transaction (the **Transaction**) which also envisages the following reorganizations, aimed at maintaining all the operations and business activities of Mediaset and Mediaset España, respectively, in Italy and Spain, to be completed prior to the effectiveness of the Merger:

   (i) the incorporation of an Italian wholly-owned direct subsidiary of Mediaset (**NewCo Italia**);

(ii) the transfer by Mediaset to NewCo Italia, by means of a contribution in-kind regulated by the Italian civil code, of substantially all of its business and certain shareholdings (the **Mediaset Reorganization**); and

(iii) the segregation (*segregación*) by Mediaset España, in accordance with Title III of the LME, of all its assets and liabilities, including its shareholdings in other companies, to Grupo Audiovisual Mediaset España Comunicación, S.A. (**GA Mediaset**) – a Spanish wholly-owned direct subsidiary of Mediaset España – in consideration for the allotment to Mediaset España of all the new shares in GA Mediaset that will be issued on the occasion of its share capital increase triggered by the segregation (the **Mediaset España Segregation** and, together with the Mediaset Reorganization, the **Preliminary Reorganizations**).

(E) Subject to the completion of the pre-merger formalities and the satisfaction (or the waiver, as the case may be) of the conditions precedent, as described in the Common Cross-Border Merger Terms, the Merger shall be executed in accordance with Section 2:318 of the DCC and, as such, will become effective at 00:00 am CET (*Central European Time*) on the day following the day on which the deed of merger (the **Merger Deed**) is executed before a Notary officiating in the Netherlands (the **Merger Effective Date**).

(F) This board report was prepared by the DutchCo Board of Directors having examined and reviewed the Merger and taking into consideration the overall impact on the Merging Companies (the **Report**).

1. PURPOSE OF THE TRANSACTION

In this respect reference is made to the Mediaset Board Report (as defined below) which forms an integral part of this Report and is attached hereto as <u>Annex I</u>.

2. EXPECTED CONSEQUENCES FOR THE ACTIVITIES

DutchCo is set up merely for the purpose of this Merger and thus does not conduct any business yet, however after the Merger it will carry out the activities of Mediaset and España Mediaset as follows:

- As explained above and in the Common Cross-Border Merger Terms, the Merger will take place only once the Preliminary Reorganizations are completed. The Mediaset Reorganization and the Mediaset España Segregation are aimed, among others, at allowing NewCo Italia and GA Mediaset to continue operating the businesses of Mediaset and Mediaset España, once the Transaction is completed, within the same legal and business framework as the one regulated by the laws currently applicable to the activities of Mediaset and Mediaset España, without prejudice to any potential cost efficiencies and savings that may be achieved within the framework of the Transaction.

- After the Merger Effective Date, the activities which will have been retained by Mediaset following the Mediaset Reorganization will be carried out by DutchCo.

3. COMMENTS ON THE LEGAL, ECONOMIC AND SOCIAL ASPECTS

3.1 *Legal aspects*

At the Merger Effective Date, (i) Mediaset and Mediaset España will (a) merge with and into DutchCo, and (b) cease to exist as standalone entities, and (ii) DutchCo will acquire all assets and assume all liabilities and other legal relationships of Mediaset and Mediaset España. Any legal relationships (including but not limited to receivables and debts) that may exist between the Merging Companies are cancelled upon the Merger. The Merger does not change the legal relationships between the Merging Companies and third parties, which after the Merger will be considered to be legal relationships between DutchCo and those third parties.

At the Merger Effective Date, all shares in the capital of Mediaset and Mediaset España will automatically be cancelled. DutchCo will allot to the shareholders of Mediaset and Mediaset España (other than Mediaset, as the shares held by Mediaset in Mediaset España will be cancelled by operation of law pursuant to Section 2:325(4) of the Dutch Civil Code) new ordinary shares on the basis of the Exchange Ratios (as defined in the Common Cross-Border Merger Terms), in addition to special voting shares, where applicable.

The Mediaset shares are currently listed on the Mercato Telematico Azionario organised and managed by Borsa Italiana S.p.A. (**Mercato Telematico Azionario**) and the Mediaset España shares are currently listed on the Spanish stock exchanges of Barcelona, Bilbao, Madrid and Valencia, which are organized and managed by their respective managing companies of the stock exchanges (*sociedades rectoras de las bolsas de valores*) (the **Spanish Stock Exchanges**) and are traded through the automated quotation system of the Spanish Stock Exchanges (*Sistema de Interconexión Bursátil Español* – the **SIBE**), organized and managed by Sociedad de Bolsas, S.A.U.

In the context of the Merger, DutchCo's ordinary shares will be listed on the Mercato Telematico Azionario and the Spanish Stock Exchanges. The completion of the Merger will be subject to, *inter alia*, the admission to listing of DutchCo's ordinary shares on the Mercato Telematico Azionario. Additionally, DutchCo will apply for admission to listing of the DutchCo's ordinary shares on the Spanish Stock Exchanges for trading through the SIBE.

Listing and trading of the DutchCo's ordinary shares on the Mercato Telematico Azionario and the Spanish Stock Exchanges (through the SIBE) is envisaged to occur on or about the Merger Effective Date.

3.2 *Economic aspects*

From a strategic, operational and industrial perspective, the transaction is aimed at creating a pan-European media and entertainment group, with a leading position in its local markets and greater scale to compete and potential to expand further in specific countries across Europe. Combined sustainable capital structure and strong cash flow generation profile provide MFE - MEDIAFOREUROPE with the required firepower to play a pivotal role in the context of a possible future consolidation scenario in the European video media industry.

The incorporation of a new holding company in the Netherlands represents the perfect and neutral ground for such an ambitious project (as proven by other companies that have adopted the same structure) and constitutes an important step in the development of a fully integrated media powerhouse, which would become a leader in linear and non-linear entertainment, leveraging tech and data to compete on an equal footing in the evolving media space.

3.3 *Social aspects*

The Merger is not expected to have any material impact on the employees of Mediaset and Mediaset España. Before the Merger Effective Date Mediaset and Mediaset España will not have any employees. Currently, DutchCo does not have any employees.

None of the Merging Companies applies an employee participation system within the meaning of the EU Directive 2017/1132/EC of June 14, 2017 relating to certain aspects of company law.

4. METHODOLOGIES FOR DETERMINING THE SHARE EXCHANGE RATIOS, APPLICABILITY OF THIS METHOD AS WELL AS THE RESULT OF THE VALUATION

4.1 *Methodologies used to determine the share Exchange Ratios*

The DutchCo Board of Directors used the methodologies as further explained in clauses 2 and 3 of the report of the Mediaset Board of Directors attached hereto as Annex I (the **Mediaset Board Report**) to determine the Exchange Ratios (as defined in Common Cross-Border Merger Terms).

The DutchCo Board of Directors agrees with the established exchange ratios as referred to in clause 3.3 of the Mediaset Board Report.

4.2 *Applicability of the method applied*

DutchCo considers the valuation methodologies used appropriate to determine the Exchange Ratios for the Merger.

4.3 *The method to determine the share exchange ratio has led to the following valuation*

In this respect reference is made to clause 3.2 of the Mediaset Board Report.

4.4 *No relative importance attributed to the different valuation methodologies*

DutchCo Board of Directors did not attribute any relative importance to the described valuation methodologies, but instead considered the outcomes of the valuation methodologies as a whole.

4.5 *The problems that have arisen with regard to the valuation and determination of the share Exchange Ratios*

In this respect reference is made to clause 3.4 of the Mediaset Board Report.

5. MISCELLANEOUS

5.1 The Mediaset Board Report and the report of the Mediaset España Board of Directors attached hereto as (the **Mediaset España Board Report**) form an integral part of this Report and are attached hereto as Annex I and Annex II respectively.

5.2 The Common Cross-Border Merger Terms and its annexes form an integral part of this Report and are attached hereto as Annex III.

5.3 Copies of the auditor reports as referred to in Section 2:328 (1) and (2) of the DCC are attached to this Report as Annex IV.

[*Signature page follows*]

BOARD REPORT TO TRIPARTITE COMMON CROSS-BORDER MERGER TERMS DRAWN UP BY THE BOARD OF DIRECTORS OF MEDIASET INVESTMENT N.V.

Name: M. Ballabio

Title: Managing director

BOARD REPORT TO TRIPARTITE COMMON CROSS-BORDER MERGER TERMS DRAWN UP BY THE BOARD OF DIRECTORS OF MEDIASET INVESTMENT N.V.

Name: M.A.E. Giordani

Title: Managing director

BOARD REPORT TO TRIPARTITE COMMON CROSS-BORDER MERGER TERMS DRAWN UP BY THE BOARD OF DIRECTORS OF MEDIASET INVESTMENT N.V.

Name: S. Sole

Title: Managing director

BOARD REPORT TO TRIPARTITE COMMON CROSS-BORDER MERGER TERMS DRAWN UP BY THE BOARD OF DIRECTORS OF MEDIASET INVESTMENT N.V.

Name: P. Straziota

Title: Managing director

BOARD REPORT TO TRIPARTITE COMMON CROSS-BORDER MERGER TERMS DRAWN UP BY THE BOARD OF DIRECTORS OF MEDIASET INVESTMENT N.V.

Name: L. Motta

Title: Managing director

ANNEX I

ANNEX II

ANNEX III

ANNEX IV

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Independent auditor's report pursuant to Section 2:328 subsection 1 in junction with Section 2:333g of the Dutch Civil Code

To the Boards of Directors of the companies mentioned below

Our opinion

We have read the proposal for legal merger dated June 7, 2019 between the following companies:

1. Mediaset S.p.A., a public joint stock company incorporated under the laws of the Republic of Italy, based in Milan, Italy ("the disappearing company").

2. Mediaset Espana Comunicacion S.A., a public joint stock company incorporated under the laws of the Kingdom of Spain based in Madrid, Spain ("the disappearing company").

3. Mediaset Investment N.V., a public limited liability company incorporated under the laws of the Netherlands, based in Amsterdam, the Netherlands ("the acquiring company").

We have audited the proposed share exchange ratio and the shareholders' equity of the companies ceasing to exist as included in the Board report to tripartite common cross-border merger terms drawn up by the Board of Directors ("proposal for legal merger").

In our opinion:

1 Having considered the documents attached to the proposal for legal merger, the proposed share exchange ratio as referred to in Section 2:326 of the Dutch Civil Code, is reasonable.

2 The sum of the shareholders' equity of the companies ceasing to exist, for each company as at the date of its latest adopted company financial statements being for all companies December 31, 2018, on the basis of valuation methods generally accepted in the Netherlands as specified in the proposal for merger, was at least equal to the nominal paid-up amount on the aggregate number of shares to be acquired by their shareholders under the legal merger.

Basis for our opinion

We conducted our audit in accordance with Dutch law, including the Dutch Standards on Auditing. Our responsibilities under those standards are further described in the 'Our responsibilities for the audit of the proposed share exchange ratio and the shareholders' equity of the companies ceasing to exist' section of our report.

We are independent of Mediaset Investment N.V., Mediaset S.p.A. and Mediaset Espana Comunicacion S.A. in accordance with the Verordening inzake de onafhankelijkheid van accountants bij assurance-opdrachten (ViO, Code of Ethics for Professional Accountants, a regulation with respect to independence) and other relevant independence regulations in the Netherlands. Furthermore, we have complied with the Verordening gedrags- en beroepsregels accountants (VGBA, Dutch Code of Ethics).

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

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Restriction on use

This auditor's report is solely issued in connection with the aforementioned proposal for legal merger and therefore cannot be used for other purposes.

Responsibilities of the Boards of Directors for the proposal for legal merger

The Boards of Directors are responsible for the preparation of the proposal for legal merger in accordance with Part 7 of Book 2 of the Dutch Civil Code. Furthermore, the Board of Directors of each of the afore-mentioned companies is responsible for such internal control as management determines is necessary to enable the preparation of the proposal for legal merger that is free from material misstatement, whether due to error or fraud.

As part of the preparation of the proposal for legal merger, the Boards of Directors are responsible for assessing the companies' ability to continue as a going concern. Based on the applicable financial reporting frameworks, the Boards of Directors should prepare the proposal for legal merger using the going concern basis of accounting unless the Boards of Directors either intend to liquidate the companies or to cease operations, or have no realistic alternative but to do so.

The Boards of Directors should disclose events and circumstances that may cast significant doubt on the companies' ability to continue as a going concern in the proposal for legal merger.

Our responsibilities for the audit of the proposed share exchange ratio and the shareholders' equity of the companies ceasing to exist

Our objective is to plan and perform the audit engagement in a manner that allows us to obtain sufficient and appropriate audit evidence for our opinion.

Our audit has been performed with a high, but not absolute, level of assurance, which means we may not detect all material errors and fraud during our audit. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this proposal for legal merger. The materiality affects the nature, timing and extent of our audit procedures and the evaluation of the effect of identified misstatements on our opinion.

We have exercised professional judgement and have maintained professional skepticism throughout the audit, in accordance with Dutch Standards on Auditing, ethical requirements and independence requirements.

Our audit included among others:

- Identifying and assessing the risks of material misstatement of the proposed share exchange ratio and the shareholders' equity of the companies ceasing to exist, whether due to error or fraud, designing and performing audit procedures responsive to those risks, and obtaining audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Otaining an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the companies' internal control. Evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Boards of Directors.

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- Concluding on the appropriateness of the Boards of Directors' use of the going concern basis of accounting, and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the companies' ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the proposal for legal merger or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause a company to cease to continue as a going concern.

- Evaluating the overall presentation, structure and content of the proposal for legal merger, including the disclosures.

- Evaluating whether the proposal for legal merger represent the underlying transactions and events free from material misstatement.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant findings in internal control that we identify during our audit.

Amsterdam, June 18, 2019

Deloitte Accountants B.V.

Signed on the original: B.J.C. Dielissen

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Assurance report of the independent auditor pursuant to Section 2:328, subsection 2 of the Dutch Civil Code

To the Boards of Directors of the companies mentioned below

Engagement and responsibilities

We have examined whether the statements with respect to the share exchange ratio included in the notes to the proposal for legal merger dated June 7, 2019 of the following companies:

1. Mediaset S.p.A., a public joint stock company incorporated under the laws of the Republic of Italy, based in Milan, Italy ("the disappearing company").

2. Mediaset Espana Comunicacion S.A., a public joint stock company incorporated under the laws of the Kingdom of Spain based in Madrid, Spain ("the disappearing company").

3. Mediaset Investment N.V., a public limited liability company incorporated under the laws of the Netherlands, based in Amsterdam, the Netherlands ("the acquiring company").

meet the requirements of Section 2:327 of the Dutch Civil Code.

The companies' Boards of Directors are responsible for the preparation of the notes including the aforementioned statements. Our responsibility is to issue an assurance report on these statements as referred to in Section 2:328, subsection 2 of the Dutch Civil Code.

Scope

We have conducted our examination in accordance with Dutch law, including the Dutch standard 3000A, 'Assurance-opdrachten anders dan het controleren of beoordelen van historische financiële informatie (attest-opdrachten)' (Assurance engagements other than audits or reviews of historical financial information (attestation engagements)). This requires that we plan and perform the examination to obtain reasonable assurance about whether the statements meet the requirements of Section 2:327 of the Dutch Civil Code. An assurance engagement includes examining appropriate evidence on a test basis.

We are independent of Mediaset Investment N.V., Mediaset S.p.A. and Mediaset Espana Comunicacion S.A in accordance with the Verordening inzake de onafhankelijkheid van accountants bij assurance-opdrachten (ViO, Code of Ethics for Professional Accountants, a regulation with respect to independence) and other relevant independence regulations in the Netherlands. Furthermore, we have complied with the Verordening gedrags- en beroepsregels accountants (VGBA, Dutch Code of Ethics).

We apply the 'Nadere voorschriften kwaliteitssystemen' (NVKS, regulations for quality management systems) and accordingly maintain a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

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Opinion

In our opinion the statements included in the notes to the proposal for legal merger meet the requirements of Section 2:327 of the Dutch Civil Code.

Restriction on use

This assurance report is exclusively intended for the Boards of Directors of the above mentioned companies and the persons as referred to in Section 2:314 subsection 2 of the Dutch Civil Code. It is solely issued in connection with the aforementioned mentioned proposal for legal merger and therefore cannot be used for other purposes.

Amsterdam, June 18, 2019

Deloitte Accountants B.V.

Signed on the original: B.C.J. Dielissen