

EXPLANATORY REPORT OF AUDIT COMMITTEE ON PROPOSED AMENDMENT OF BOARD OF DIRECTORS REGULATIONS

In accordance with the provisions of article 3 of the Board of Directors Regulations of ZINKIA ENTERTAINMENT, S.A., the Board of Directors is to introduce amendments of the aforesaid Regulations on initiative of the Chairman, one third of the Directors or the Audit Committee, being required to attach an explanatory report thereof to the proposed amendment.

In accordance with the aforesaid regulatory provision, the Audit Committee has resolved, by unanimous decision of its members, to propose an amendment of the Board of Directors Regulations to the Board of Directors, attaching the corresponding explanatory report to its proposal.

1. EXPLANATORY REPORT

This explanatory report is attached to the proposed amendment of the Board of Directors Regulations that, in accordance with article 3 thereof, is presented by the Audit Committee to the Board of Directors for its approval.

The purpose of the amendment of the Board Regulations the approval of which is proposed to the Board of Directors is to adapt article 15 of the Board Regulations, regarding Board of Directors Meetings, to the provisions of the current version of the Capital Companies Act after the amendments introduced by Act 25/2011 of 1 August 2011, partially amending the Capital Companies Act and incorporating Directive 2007/36/EC of the European Parliament and of the Council of 11 July 2007 on the exercise of certain rights of shareholders in listed companies.

2. PROPOSED AMENDMENT

Attached to this explanatory memorandum, for comparative purposes, are the current version and the proposed new version of article 15 of the Board of Directors Regulations.

CURRENT TEXT	PROPOSED AMENDMENT
<p>Article 15. Meetings of Board of Directors</p> <p>1. The Board of Directors will meet in ordinary session at least once every two (2) months and, on the Chairman's initiative, whenever he/she considers it to be appropriate for the proper functioning of the Company. The Board of Directors also must meet when so requested by at least three (3) of its members or the independent Vice Chairman, in which case it will be called by the Chairman to be held within the fifteen days following the request.</p> <p>2. The meetings of the Board of Directors will be called by the Secretary, on initiative of the Chairman or, in the event of absence or incapacity</p>	<p>Article 15. Meetings of Board of Directors</p> <p>1. The Board of Directors will meet in ordinary session at least once every two (2) months and, on the Chairman's initiative, whenever he/she considers it to be appropriate for the proper functioning of the Company. The Board of Directors also must meet when so requested by at least three (3) of its members or the independent Vice Chairman or at least one third of its members, in which case it will be called by the Chairman to be held within the fifteen days following the request. In the latter case, if the Chairman, without just cause, has not made the call within the term of one month, the Board may be called by the administrators that requested the meeting, to be held in the location of the registered office.</p> <p>2. The meetings of the Board of Directors will be called by the Secretary, on initiative of the Chairman or, in the event of absence or incapacity</p>

<p>of the latter, on initiative of the First Vice Chairman, the Second Vice Chairman, and so on successively.</p> <p>3. The call of ordinary meetings will be made personally, by letter, fax or e-mail, and will be authorised with the signature of the Chairman or, if applicable, that of the Secretary or Assistant Secretary by order of the Chairman. The call will be sent at least five (5) days in advance.</p> <p>The call always will include the agenda for the meeting and the relevant information will be attached, duly summarised and prepared.</p> <p>4. The Chairman of the Board of Directors may call extraordinary meetings of the Board by telephone when, in his/her judgment, circumstances justify doing so. Notwithstanding the foregoing, such documentation, if any, as must be provided to the Directors will be delivered sufficiently in advance. The Board also may validly meet without need of a call if the holding of the meeting is unanimously accepted by those present in person or by proxy.</p> <p>5. The Board also may adopt written resolutions without a meeting if no Director opposes so proceeding, in accordance with the provisions of the Capital Companies Act.</p> <p>6. The Board will prepare an annual schedule of its ordinary meetings.</p>	<p>of the latter, on initiative of the First Vice Chairman, the Second Vice Chairman, and so on successively.</p> <p>3. The call of ordinary meetings will be made personally, by letter, fax or e-mail, and will be authorised with the signature of the Chairman or, if applicable, that of the Secretary or Assistant Secretary by order of the Chairman. The call will be sent at least five (5) days in advance.</p> <p>The call always will include the agenda for the meeting and the relevant information will be attached, duly summarised and prepared.</p> <p>4. The Chairman of the Board of Directors may call extraordinary meetings of the Board by telephone when, in his/her judgment, circumstances justify doing so. Notwithstanding the foregoing, such documentation, if any, as must be provided to the Directors will be delivered sufficiently in advance. The Board also may validly meet without need of a call if the holding of the meeting is unanimously accepted by those present in person or by proxy.</p> <p>5. The Board also may adopt written resolutions without a meeting if no Director opposes so proceeding, in accordance with the provisions of the Capital Companies Act.</p> <p>6. The Board will prepare an annual schedule of its ordinary meetings.</p>
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Madrid, 23 April 2012.