



NATIONAL SECURITIES MARKET COMMISSION

In compliance with the reporting requirements under article 228 of the Royal Legislative Decree 4/2015, of 23 October, approving the consolidated text of the Securities Market Act, Lar España Real Estate SOCIMI, S.A. ("Lar España" or the "Company") hereby informs the National Securities Market Commission of the following

MATERIAL FACT

Lar España informs that the Board of Directors of the Company resolved to call an extraordinary general shareholders' meeting, which will be held in Madrid, Palacio de la Bolsa, Salón de Actos Antonio Maura, at Plaza de la Lealtad, 1, on 17 December 2015, at 12:00 on first call, or, if the required quorum is not met, on second call, on 18 December 2015, at the same place and time. It is expected that the extraordinary general shareholders' meeting will be held on second call, on 18 December 2015.

For the purposes of the above paragraph, the following documents are attached to this material fact: complete text of the shareholders' meeting call and agenda published today in "Cinco Días" newspaper, resolution proposals and Board of Directors' reports on the items of the agenda that require it.

Madrid, 16 November 2015

Lar España Real Estate SOCIMI, S.A.
Mr. José Luis del Valle Doblado,
Chairman of the Board of Directors



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LAR ESPAÑA REAL ESTATE SOCIMI, S.A.

2015 EXTRAORDINARY GENERAL SHAREHOLDERS' MEETING

PLACE, DATE AND TIME OF THE MEETING

The Board of Directors of Lar España Real Estate SOCIMI, S.A. has resolved to call the extraordinary general shareholders' meeting, which will be held in Madrid, Palacio de la Bolsa, Salón de Actos Antonio Maura, placed in Plaza de la Lealtad, 1, on 17 December 2015, at 12:00 on first call, or, if the required quorum is not met, on second call, on 18 December 2015, at the same place and time. Shareholder registration desks will be open as from 10:00.

It is expected that the extraordinary general shareholders' meeting will be held on second call, on 18 December 2015, at the indicated place and time, unless shareholders are otherwise informed through announcements published in the same newspaper in which this announcement is published, on the company's website (www.larespana.com), as well as through the corresponding material fact sent to the National Securities Market Commission (*Comisión Nacional del Mercado de Valores*).

AGENDA

- One.-** Approval of the acquisition by the Company of 41.22% of the shares of Puerta Marítima Ondara, S.L., held by the investment manager Grupo Lar Inversiones Inmobiliarias, S.A.
- Two.-** Delegation in the Board of Directors, with the express power of substitution, for a term of five years, the power to increase the share capital pursuant to the provisions of Article 297.1.b) of the Spanish Companies Act, by up to one-half of the share capital on the date of the delegation. Delegation of the power to exclude pre-emptive rights in connection with the capital increases that the Board may approve under this authorisation, provided, however, that this power shall be limited to an aggregate maximum nominal amount equal to 20% of the share capital on the date of this authorisation.
- Three.-** Delegation of powers to formalize and implement all resolutions adopted by the extraordinary general shareholders' meeting, to convert them into public instruments, and to interpret, correct, supplement, elaborate upon and register such resolutions.

PARTICIPATION: ATTENDANCE, PROXY REPRESENTATION AND ABSENTEE VOTING

All holders of voting shares who have caused such shares to be registered in their name in the corresponding book-entry register not later than 12 December or 13 December 2015, depending on whether it is held on first or second call, respectively, may attend and participate in the extraordinary general shareholders' meeting, with the rights to be heard and to vote.

All shareholders having the right to attend may be represented at the extraordinary general shareholders' meeting by another person, even though not a shareholder.



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Shareholders having the right to attend may grant a proxy or cast an absentee vote on the proposals relating to items included in the agenda of the call to meeting, which they may do in writing by presenting a duly completed attendance, proxy, and absentee voting card at the offices of the Company, by sending the card to the Company via postal correspondence (to the address C/ Rosario Pino 14-16, 8th floor, CP 28020 Madrid, Spain), or by electronic correspondence through the Company's corporate website (www.larespana.com).

Proxies and absentee votes cast by postal or electronic correspondence must, as a general rule, be received by the Company before 24:00 on 16 December.

AVAILABLE INFORMATION AND DOCUMENTATION

Until the fifth day prior to the date that the General Meeting is scheduled to be held, inclusive, shareholders may request in writing the information or clarifications that they deem are required, or ask the written questions they deem relevant, regarding the matters included in the agenda of the call to meeting and the information accessible to the public that has been provided by the Company to the National Securities Market Commission (*Comisión Nacional del Mercado de Valores*).

As from the date of publication of this announcement of the call to meeting, the following documents and information are made continuously available to the shareholders on the Company's corporate website (www.larespana.com): (1) this announcement of the call to meeting; (2) the form of attendance, proxy, and absentee voting card; (3) the full text of the proposed resolutions corresponding to the items included in the agenda of the call to meeting, together with the respective reports of the Board of Directors required by Law; (4) information regarding the total number of shares and voting rights on the date of publication of this announcement of call to meeting; (5) the operating rules of the Electronic Shareholders Forum; and (6) the rules regarding proxies, voting and request for information prior to the extraordinary General Meeting of Shareholders using remote means of communication.

Furthermore, the shareholders have the right to examine at the Company's registered office and to request the immediate delivery or shipping without charge (which may be carried out by e-mail, with confirmation of receipt, if the shareholder accepts this form of delivery) of a copy of the proposed resolutions, and of the of the mandatory directors' report, as well as the other documents that must be made available to the shareholders in connection with the holding of this extraordinary general shareholders' meeting.

WELL-FOUNDED PROPOSED RESOLUTIONS

Until 21 November 2015, inclusive, shareholders representing at least 3% of the share capital may submit well-founded proposed resolutions on matters already included or that must be included in the agenda of the call to meeting. Such rights must be exercised by duly authenticated notice that must be received at the registered office of the Company.

COMMON PROVISIONS APPLICABLE TO THE RIGHTS OF THE SHAREHOLDERS

The rights to receive information, to attend, to proxy representation, and to absentee voting shall be exercised as provided by Law and the documents making up the Company's corporate governance system,



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available on the Company's corporate website (www.larespana.com).

SPECIAL INFORMATION TOOLS

In accordance with article 539.2 of the Companies Act, and on the terms referred to therein, in order to facilitate communication between shareholders prior to the holding of the General Meeting, an Electronic Shareholders Forum will be established on the Company's website, which may be accessed both by individual shareholders and such voluntary associations as, under the provisions of that article, may be set up.

Well-founded proposed resolutions on matters already included or that must be included in the agenda of the call of the General Meeting may be posted on the Forum, together with requests for support for such proposals, initiatives to reach the percentage required to exercise statutory non-controlling shareholder rights and any offers or requests to act as a voluntary proxy.

Access to the Forum and the terms and conditions for its use and operation will be governed by the provisions in this notice and in the operating rules for the Electronic Shareholders Forum, which may be consulted on the Company's website.

PARTICIPATION OF A NOTARY AT THE MEETING

The Board of Directors has resolved to request the presence of a Notary Public to record the minutes of the extraordinary general shareholders' meeting pursuant to section 203 of the Companies Act (*Ley de Sociedades de Capital*), read together with article 101 of the Regulations of the Commercial Registry (*Reglamento del Registro Mercantil*).

PERSONAL DATA PROTECTION

The personal data that shareholders provide to the Company (upon the exercise or delegation of their rights to receive information, to attend, to proxy representation, and to vote) or that are provided by the financial institutions and by the investment services companies that are depositaries or custodians of the shares held by such shareholders, as well as by the entities in charge of the book-entry registers pursuant to Law, will be processed by the Company in order to manage the shareholding relationship. To such end, the data will be kept in computer files for which the Company is responsible. Such data will be provided to the Notary Public solely in connection with the drawing-up of the notarial minutes of the General Shareholders' Meeting.

The owner of the data will be entitled to exercise the rights of access, rectification, objection, or erasure of the data collected by the Company. Such rights may be exercised in accordance with the provisions of Law by means of a letter addressed to Lar España Real Estate SOCIMI, S.A. (to the address C/ Rosario Pino 14-16, 8th floor, CP 28020 Madrid, Spain).

If the shareholder includes personal data of other individuals on the attendance, proxy, and absentee voting card, such shareholder must advise them of the details set forth in the preceding paragraphs and comply with any other requirements that may apply for the provision of the personal data to the Company, without the Company having to take any additional action.



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In Madrid, on 16 November 2015

The Secretary of the Board of Directors



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EXTRAORDINARY GENERAL SHAREHOLDERS' MEETING PROPOSED RESOLUTIONS FOR LAR ESPAÑA REAL ESTATE SOCIMI, S.A. 2015

ITEM ONE ON THE AGENDA

Approval of the acquisition by the Company of 41.22% of the shares of Puerta Marítima Ondara, S.L., held by the investment manager Grupo Lar Inversiones Inmobiliarias, S.A.

RESOLUTION

To approve the acquisition by the Company of 41.22% of the shares of Puerta Marítima Ondara, S.L. ("PMO"), held by the investment manager Grupo Lar Inversores Inmobiliarias, S.L. (the "Investment Manager") through one of its subsidiaries (the "Transaction").

The present resolution must be approved in order to exceptionally authorise the lifting of the restrictions established in Clause 6.3 of the Investment Management Agreement entered into between the Company and the Investment Manager, regarding the possible conflicts of interest that may arise between the parties, and the text of which is hereto attached as **Annex** of the present resolution proposal.

Currently, PMO is 41.22% owned by the Investment Manager, and the remaining 58.78% of the share capital by the Company. PMO's main corporate purpose is the acquisition, selling, leasing, and any other form of exploitation of any type of real estate asset; the development, mediation, management and consulting services regarding such assets and real estate and development projects; the construction, reform and extension of any type of building, whether for industrial, commercial, residential or parking purposes; and is the owner of Portal de la Marina Shopping Centre, located in Ondara, Alicante.

Portal de la Marina Shopping Centre has had a very positive performance during the first 9 months of the year 2015. The number of visitors has increased 6% during this period and sales have grown over 15%, both magnitudes are significantly above market average. This improvement is based on the general recovery within the Spanish market and a successful management that have resulted in the opening and extension of important retailers like Cortefiel and H&M. In addition, the shopping centre does not have ordinary debt.

This Transaction, together with the acquisition of the hypermarket carried out in June 2015, allows the Company to consolidate the ownership of Portal de la Marina Shopping Centre, granting full control, more flexibility in decision-making and a greater potential. This is an essential benefit that will boost the implementation of ambitious management plans for the improvement of the asset in the near future, in addition to synergies that will provide higher value and greater liquidity at exit

The Transaction is expected to be executed under the following terms:

1. **Valuation of the asset and share quotas.**- Given the existing conflict of interests situation between the Company and the Investment Manager, both parties have agreed to appoint three renowned and specialised independent experts in the real estate sector and share quotas valuation. The referred experts have carried out, on one hand, the asset valuation and, on the other hand, the total share capital valuation of PMO and, in particular, the Investment Manager's stake valuation in PMO —41.22%— taking into account factors such as the shareholders agreement between the parties, the marketability restrictions of the share quotas and the impact that the selling of the minority stake would imply.



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2. Price.- Based on the valuations carried out by the independent experts, the Board of Directors has decided that, with regards to the Transaction, the value of the Investment Manager's stake in PMO is worth approximately Euro 14,373,000.

3. Maximum term.- The Transaction must be carried out as soon as possible, ideally before the end of 2015, and, in any case, without delaying the execution of the Transaction beyond the first quarter of 2016.

The execution of the Transaction will allow PMO to comply with all the corporate requirements in order to implement the SOCIMI regime, with the subsequent tax benefit that it entails for the Company, given the fact that the dividends distributed by PMO to its sole shareholder - Lar España - will be deemed in the calculation of the 80% net annual income derived from dividends or benefits distributed by qualifying subsidiaries, in accordance with Law 11/2009, of 26 October, of *Sociedades Anónimas Cotizadas de Inversión en el Mercado Inmobiliario* ("**SOCIMIS' Law**").

Once the transaction is completed, PMO will be wholly owned by the Company and will comply with all the legal requirements of the SOCIMI regimen, in accordance with Article 2.1.c) of the SOCIMIS' Law.

Therefore, PMO will be able to enter de SOCIMI regime without having to transform its corporate form into a *Sociedad Anónima* (stock company), as legally required by the SOCIMIS' Law, and without having to request the admission to trading of its shares on a regulated stock exchange or on a multilateral trading facility, as required by Article 4 of the SOCIMIS' Law. These circumstances translate into the elimination of the costs that PMO would have to incur if it were a listed stock company.

The Board of Directors is authorised, as broadly as may be required by Law, to carry out such acts as may be necessary or convenient to execute the Transaction. The Board of Directors is also authorised to delegate in favour of any director or directors it deems appropriate the powers delegated thereto under this resolution.

Likewise, the General Shareholders' Meeting of Lar España expressly authorises the Board of Directors to void the execution of the Transaction if, at the time of the implementation of the transaction, there are causes or facts that, in its opinion, advice against the implementation of the Transaction for efficiency, organizational, or any other reason related to the Company's interest.



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Annex - Clause 6.3 of the Investment Management Agreement

6.3. Conflicts of interest

The Investment Manager shall not (and shall procure that no Investment Manager Affiliate shall), during the term of this Agreement, (i) sell, transfer or lease assets or properties to the Company, or (ii) launch or invest in a property investment/real estate listed or unlisted fund or a property investment/real estate investment trust carrying on business in Spain to invest in Commercial Property.

Likewise, the Company shall not, during the term of this Agreement, sell, transfer or lease assets or properties to the Investment Manager, unless otherwise approved by the Board of Directors.

The Investment Manager shall disclose (in good faith) in writing to the Company any actual or potential conflicts of interests (as contemplated by this Clause which it and/or any of the Investment Manager Affiliates have or may have from time to time, subject to any obligations of confidentiality to which the Investment Manager is contractually bound but provided that the Investment Manager acknowledges that the intent of this Clause is to make available to the Company information concerning any such actual or potential conflicts of interest and, accordingly, the Investment Manger shall use all reasonable endeavours to work around such obligations of confidentiality to make available as match information as it reasonably can.

For the avoidance of doubt, nothing in this Clause 6.3 shall prevent the Investment Manager from carrying out the projects referred to in Clause 6.1(i).



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ITEM TWO ON THE AGENDA

Delegation in the Board of Directors, with the express power of substitution, for a term of five years, the power to increase the share capital pursuant to the provisions of Article 297.1.b) of the Spanish Companies Act, by up to one-half of the share capital on the date of the delegation. Delegation of the power to exclude pre-emptive rights in connection with the capital increases that the Board may approve under this authorisation, provided, however, that this power shall be limited to an aggregate maximum nominal amount equal to 20% of the share capital on the date of this authorisation.

RESOLUTION

To authorise the Board of Directors, as broadly as may be required by Law, so that, as permitted by Article 297.1.b) of the Spanish Companies Act, it may increase the share capital on one or more occasions and at any time within a term of five years from the date of approval of this resolution, by up to one-half of the current share capital.

Said share capital increase or increases may be carried out with or without a premium, either by increasing the par value of the outstanding shares with the requirements set forth in the Law, or by issuing new ordinary or privileged shares (with or without voting rights), or redeemable shares, or any other type of shares valid under the applicable Laws, or different types of shares at one time, the consideration for which shall be cash contributions.

The Board of Directors shall decide, in connection with each increase, whether the new shares to be issued are common, preferred, redeemable, non-voting or any other kinds of shares among those permitted by Law. In addition, the Board of Directors may establish, as to all matters not otherwise contemplated, the terms and conditions of the share capital increase and the characteristics of the shares, and may also freely offer the new shares that are not subscribed for within the period or periods for the exercise of pre-emptive rights. The Board of Directors may also resolve that, in the event of incomplete subscription, the share capital shall be increased only by the amount of the subscriptions made and amend the article of the By-Laws relating to share capital and number of shares.

Furthermore, in connection with the share capital increases that may be carried out under this authorisation, the Board of Directors is authorised to totally or partially exclude pre-emptive rights as permitted by Article 506 of the Spanish Companies Act, provided, however, that such power shall be limited to share capital increases carried out pursuant to this authorisation up to a maximum amount equal, in the aggregate, to 20% of the current share capital of the Company.

In any event, if the Board of Directors elects to exclude pre-emptive rights in any or all the referred share capital increases, they will draft a detailed report explaining the purpose of such exclusion based on the Company's interest, along with the relevant Board's resolution and the corresponding from an account auditor other than the Company's auditor according to Article 506 of the Spanish Companies Act. Said reports will immediately be delivered in the Company's website and made available to all shareholders and communicated at the first General Shareholders Meeting after the issuance resolution.

By virtue of this authorisation, the Board of Directors is also empowered to make application for listing of the shares issued under this authorisation on Spanish or foreign, official or unofficial, organized or other secondary markets, and to carry out all acts and formalities that may be required for admission to listing with the appropriate authorities of the securities markets.



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The Board of Directors is also authorised to delegate in favour of any director or directors it deems appropriate the powers delegated thereto under this resolution.

Likewise, the Board of Directors is authorised, as broadly as may be required by Law, with substitution powers in any of the Company's directors, such that any of them, may carry out such acts as may be necessary and execute such public or private documents or agreements as may be necessary or convenient for the full effectiveness of the above resolution in any aspect and, in particular, to elaborate on, clarify, make more specific, interpret, complete, and correct it; also, to correct the defects, errors or omissions which may be observed in the oral or written assessment of the Commercial Registrar, as broadly as possible.

The present delegation of powers to the Board of Directors replaces the one granted by the Shareholders' Meeting on 28 April 2015, which will therefore be rendered void.



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ITEM THREE ON THE AGENDA

Delegation of powers to formalise and implement all resolutions adopted by the shareholders at the General Shareholders' Meeting, for conversion thereof into a public instrument, and for the interpretation, correction, supplementation thereof, further elaboration thereon, and registration thereof.

RESOLUTION

Without prejudice to the powers delegated in the preceding resolutions, to jointly and severally authorise the Board of Directors, the Executive Committee, the chairman & CEO, and the general secretary and secretary of the Board of Directors, such that any of them, to the fullest extent permitted by law, may implement the resolutions adopted by the shareholders acting at this General Shareholders' Meeting, for which purpose they may:

- (a) Elaborate on, clarify, make more specific, interpret, complete, and correct them.
- (b) Carry out such acts or legal transactions as may be necessary or appropriate for the implementation of the resolutions, execute such public or private documents as they deem necessary or appropriate for the full effectiveness thereof, and correct all omissions, defects, or errors, whether substantive or otherwise, that might prevent the recording thereof with the Commercial Registry.
- (c) Delegate to one or more of its members all or part of the powers of the Board of Directors that they deem appropriate, including those corresponding to the Board of Directors and all that have been expressly allocated to them by the shareholders acting at this General Shareholders' Meeting, whether jointly or severally.
- (d) Determine all other circumstances that may be required, adopt and implement the necessary resolutions, publish the notices, and provide the guarantees that may be required for the purposes established by law, formalise the required documents, and carry out all necessary proceedings and comply with all requirements under the law for the full effectiveness of the resolutions adopted by the shareholders at this General Shareholders' Meeting.



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REPORT SUBMITTED BY THE BOARD OF DIRECTORS OF LAR ESPAÑA REAL ESTATE SOCIMI, S.A. IN CONNECTION WITH THE PROPOSED AUTHORISED CAPITAL RESOLUTION SET OUT IN ITEM TWO ON THE AGENDA FOR THE GENERAL SHAREHOLDERS' MEETING CALLED TO BE HELD ON DECEMBER 17 AND 18, 2015, ON FIRST AND SECOND CALL, RESPECTIVELY

1. INTRODUCTION

This report has been prepared by the Board of Directors of Lar España Real Estate SOCIMI, S.A. (the "**Company**") pursuant to articles 286, 297.1.b) and 506 of the consolidated text of the Companies Law (*Ley de Sociedades de Capital*), approved by Royal Legislative Decree 1/2010 of 2 July (the "**Companies Law**"), to explain the proposal submitted for approval by the General Shareholders' Meeting of the Company called for December 17 and 18, 2015, on first and second call, respectively, under item two on the agenda, in connection with the authorisation to the Board of Directors of the Company to increase the share capital, within five years, by up to one-half of the share capital existing at the time of the authorisation, on one or more occasions and at the time and in the amount it deems appropriate, with the power to exclude pre-emptive rights as established in article 506 of the Companies Law.

2. GENERAL REASONS FOR THE PROPOSAL

According to article 297.1.b) of the Companies Law, the shareholders at the General Shareholders' Meeting may, by complying with the requirements established for the amendment of the By-Laws, delegate to the Board of Directors the power to resolve, on one or more occasions, to increase the share capital up to a given amount, at the time and in the amount the Board decides, without first consulting with the shareholders at the General Shareholders' Meeting. This provision establishes that the amount of such capital increases may under no circumstances exceed one-half of the share capital of the Company at the time of the authorisation and that they must be made by cash contributions within a maximum period of five years following the date on which the resolution is adopted at the General Shareholders' Meeting.

The Board of Directors understands that the proposed resolution submitted for approval by the shareholders at the General Shareholders' Meeting is justified by the advisability of making use of the mechanism contemplated by current corporate laws and regulations whereby one or more increases in share capital may be approved without calling or holding a new General Shareholders' Meeting, though subject to the limits, terms and conditions that it decides. Therefore, the aim is to give the Board of Directors the responsiveness required to operate in an environment in which the success of a strategic initiative often depends on the ability to undertake it rapidly, without sustaining the delays and costs associated with holding General Shareholders' Meetings.

In addition, article 506 of the Companies Law states that, in listed companies, when the shareholders at the General Shareholders' Meeting delegate the power to increase the share capital, the Board of Directors may also be given the power to exclude pre-emptive rights when the circumstances set out in this provision are present, provided that the par value of the shares to be issued plus the issue premium, if any, is equal to the fair value of the shares of the Company as set out in the report to be prepared, at the request of the Board of Directors, by an auditor other than the Company's auditor, appointed for this purpose by the Commercial Registry each time the Board exercises the power to exclude pre-emptive rights.



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This possibility of excluding pre-emptive rights is also expressly provided for in article 13 of the Company's current By-Laws.

The Board of Directors understands that the power to exclude pre-emptive rights, as a supplement to the power to increase share capital, is justified for several reasons. First, the exclusion of pre-emptive rights often makes it possible to relatively reduce the costs associated with the transaction (including, in particular, the fees of the financial institutions participating in the issuance) as compared to an issuance made with pre-emptive rights. Second, the power to exclude pre-emptive rights enables the directors to significantly increase speed and responsiveness occasionally required in today's financial markets, such that the Company may take advantage of the moments when market conditions are more favourable. In addition, the exclusion of pre-emptive rights may allow the Company to optimize the financial conditions of the transaction and, in particular, the issue price of the new shares, as it may align it to the expectations of the qualified investors to whom such capital increases are customarily addressed, while reducing execution risks through a lower exposure of the transaction to changes in market conditions. Finally, the exclusion of pre-emptive rights mitigates the effect of distortion in the trading of the Company's shares during the issuance period, which is normally shorter than in the case of an issuance with pre-emptive rights.

In any event, the ability to exclude pre-emptive rights is a power that the shareholders acting at the General Shareholders' Meeting delegate to the Board of Directors, and it is within the purview of the Board to decide in each case, in view of the specific circumstances and in compliance with legal requirements, whether or not such rights should effectively be excluded. If the Board of Directors decides to make use of the power to exclude pre-emptive rights in connection with a specific capital increase that it may ultimately approve exercising the authorisation granted by the shareholders at the General Shareholders' Meeting, a directors' report and an auditor's report must be prepared pursuant to article 308 of the Companies Law. As provided for by article 506 of the Companies Law, both of these reports must be made available to the shareholders and disclosed at the first General Shareholders' Meeting held after the capital increase resolution is adopted.

Likewise, the proposal also contemplates applying, where appropriate, for the listing of the shares to be issued by the Company pursuant to delegation of powers on the Spanish or foreign, official or unofficial, organized or other secondary markets, authorising the Board of Directors to carry out all acts and formalities necessary with the appropriate authorities of the various Spanish or foreign securities markets for the shares to be admitted to listing.

Finally, it is proposed to expressly authorise the Board of Directors to delegate the powers contemplated in the proposed resolution to which this report refers.

The delegation of powers to which this report refers substitutes that granted by the Shareholders' Meeting on 28 April 2015, which, consequently, is deprived of effect.



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In particular, the proposed resolution submitted for approval by the shareholders at the General Shareholders' Meeting reads as follows:

ITEM TWO ON THE AGENDA

Delegation in the Board of Directors, with the express power of substitution, for a term of five years, the power to increase the share capital pursuant to the provisions of Article 297.1.b) of the Spanish Companies Act, by up to one-half of the share capital on the date of the delegation. Delegation of the power to exclude pre-emptive rights in connection with the capital increases that the Board may approve under this authorisation, provided, however, that this power shall be limited to an aggregate maximum nominal amount equal to 20% of the share capital on the date of this authorisation.

RESOLUTION

To authorise the Board of Directors, as broadly as may be required by Law, so that, as permitted by Article 297.1.b) of the Spanish Companies Act, it may increase the share capital on one or more occasions and at any time within a term of five years from the date of approval of this resolution, by up to one-half of the current share capital.

Said share capital increase or increases may be carried out with or without a premium, either by increasing the par value of the outstanding shares with the requirements set forth in the Law, or by issuing new ordinary or privileged shares (with or without voting rights), or redeemable shares, or any other type of shares valid under the applicable Laws, or different types of shares at one time, the consideration for which shall be cash contributions.

The Board of Directors shall decide, in connection with each increase, whether the new shares to be issued are common, preferred, redeemable, non-voting or any other kinds of shares among those permitted by Law. In addition, the Board of Directors may establish, as to all matters not otherwise contemplated, the terms and conditions of the share capital increase and the characteristics of the shares, and may also freely offer the new shares that are not subscribed for within the period or periods for the exercise of pre-emptive rights. The Board of Directors may also resolve that, in the event of incomplete subscription, the share capital shall be increased only by the amount of the subscriptions made and amend the article of the By-Laws relating to share capital and number of shares.

Furthermore, in connection with the share capital increases that may be carried out under this authorisation, the Board of Directors is authorised to totally or partially exclude pre-emptive rights as permitted by Article 506 of the Spanish Companies Act, provided, however, that such power shall be limited to share capital increases carried out pursuant to this authorisation up to a maximum amount equal, in the aggregate, to 20% of the current share capital of the Company.

In any event, if the Board of Directors elects to exclude pre-emptive rights in any or all the referred share capital increases, they will draft a detailed report explaining the purpose of such exclusion based on the Company's interest, along with the relevant Board's resolution and the corresponding from an account auditor other than the Company's auditor according to Article 506 of the Spanish Companies Act. Said reports will immediately be delivered in the Company's website and made available to all shareholders and communicated at the first General Shareholders Meeting after the issuance resolution.

By virtue of this authorisation, the Board of Directors is also empowered to make application for listing of the shares issued under this authorisation on Spanish or foreign, official or unofficial, organized or



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other secondary markets, and to carry out all acts and formalities that may be required for admission to listing with the appropriate authorities of the securities markets.

The Board of Directors is also authorised to delegate in favour of any director or directors it deems appropriate the powers delegated thereto under this resolution.

Likewise, the Board of Directors is authorised, as broadly as may be required by Law, with substitution powers in any of the Company's directors, such that any of them, may carry out such acts as may be necessary and execute such public or private documents or agreements as may be necessary or convenient for the full effectiveness of the above resolution in any aspect and, in particular, to elaborate on, clarify, make more specific, interpret, complete, and correct it; also, to correct the defects, errors or omissions which may be observed in the oral or written assessment of the Commercial Registrar, as broadly as possible.

The present delegation of powers to the Board of Directors replaces the one granted by the Shareholders' Meeting on 28 April 2015, which will therefore be rendered void.

Madrid, 12 November 2015