

ZARDOYA OTIS, S.A.
Lorea García Jáuregui
Secretary of the Board of Directors

National Securities Market Commission
Markets Area Division
Edison, 4
28006 Madrid

Madrid, January 31, 2019

For the attention of the Director General of the Markets Area

Pursuant to the provisions of article 228 of Royal Legislative Decree 4/2015 of October 23, whereby the revised text of the Securities Markets Law was approved, ZARDOYA OTIS S. A. (the "Company") hereby informs the National Securities Market Commission ("CNMV") of the following

RELEVANT EVENT

I inform you that on December 27th. 2018, the Company has acquired the shares representing 100% of the share capital of Otis Lliset, S.L.U. ("Otis Andorra"), a company located in Andorra, from the entity United Technologies Holding SAS, with a purchase price of 4,280,000 euros. The Board, at its meeting of July 27, 2018, passed the resolution of approving said acquisition (after having received a report in favour from the Audit Committee). At the moment the deliberations took place, the proprietary directors appointed at the request of the majority shareholder (United Technologies Holdings, S.A.S.) were absent from the meeting and abstained from voting on the resolution, in compliance with the applicable legislation.

Otis Andorra is a company located in Andorra, engaged principally in elevator maintenance in Andorra, with revenue of approximately 1.4 million euros in 2017 and 12 employees.

At the request of the Company's Board of Directors, an independent advisor prepared (prior to the acquisition) a valuation of Otis Andorra, which confirmed that the price is within the range estimated by said advisor.

The acquisition of Otis Andorra is considered a good business opportunity that will allow the Zardoya Otis Group to increase its international presence, expanding the business in Andorra.

Yours faithfully,
Lorea García Jáuregui
Secretary of the Board of Directors of Zardoya Otis, S.A.