



TALGO, S.A. in accordance with the provisions of Section 82 of the Spanish Securities Market Act, hereby states the following:

Relevant Fact:

Los Angeles County Metropolitan Transportation Authority (LACMTA) approves the option to overhaul 36 additional heavy rail vehicles for a total consideration of \$18.3 million.

On the 26th of October 2017, On October 26, 2017, the LACMTA Board decided to exercise the option to increase the scope of the program awarded to Talgo in September 2016. This program included an initial order of 38 vehicles and an option for 36 additional vehicles. As a result, the project will consider the overhaul of a total of 74 Heavy Rail Vehicles, aimed to improve the performance of the Red Line of the Los Angeles Metro A650.

The scope of the project includes the replacement of critical systems and components of vehicles as well as their technological updating.

The exercise of the option allows Talgo to expand production in the United States, providing the client with economies of scale for the A650 fleet.

Madrid, October 31st, 2017

Talgo, S.A.

Jose Maria Oriol Fabra
Chief Executive Officer