

ZARDOYA OTIS S. A. (the “**Company**”), in accordance with article 228 of Royal Legislative Decree 4/2015 of October 23, whereby the revised text of the Securities Market Law was approved, hereby notifies the National Securities Market Commission of the following

RELEVANT EVENT

RE: Changes in the Board of Directors – appointment of non-director Secretary of the Board of Directors and its committees.

Dear Sirs,

On yesterday’s date (December 12, 2017), the Company’s Board of Directors took note of the resignation tendered by the non-director Secretary of the Board of Directors, Mr Alberto Fernández-Ibarburu, who likewise resigned from his positions as Secretary of the Audit Committee and Nominating and Compensation Commission.

To fill this vacancy, the Company’s Board of Directors, subsequent to a report in favour from the Nominating and Compensation Commission, passed a resolution appointing Ms Lorea García Jáuregui as the new non-director Secretary of the Board of Directors.

Likewise, the Board of Directors decided to appoint Ms Lorea García Jáuregui as the new non-director Secretary of the Nominating and Compensation Commission and the Audit Committee, replacing Mr Alberto Fernández-Ibarburu.

We hereby inform you of the foregoing.

Yours faithfully,

Lorea Garcia Jauregui
Secretary of the Board of Directors of Zardoya Otis, S.A.