

ZARDOYA OTIS, S.A.
Alberto Fernández- Ibarburu Arocena
Secretary of the Board of Directors

Comisión Nacional del Mercado de Valores
División del Área de Mercados
Edison, 4
28006 Madrid

Madrid, March 22, 2017

For the attention of the Director General of the Markets Area Division

RELEVANT EVENT

In compliance with article 228 of the Securities Markets Law, we inform you that, at its meeting held on March 21, 2017, the Board of Directors of Zardoya Otis, S.A. (the "**Company**") unanimously passed a resolution to distribute the first interim dividend charged to the profit for the period running from December 1, 2016 to November 30, 2017, for a gross amount of 0.08 euros per share, to all outstanding shares, subject to the withholdings and taxes payable by the recipient in accordance with the law.

Thus, the Company will pay up to a maximum sum of 37,637,144.88 euros, which is the result of multiplying the dividend per share by the total number of shares into which the Company's capital is divided (i.e. 470,464,311). The amount resulting from multiplying the aforementioned sum of 0.08 euros by the number of treasury shares held at the time the shareholders become entitled to receive payment of the dividend will be deducted from said maximum amount.

This interim dividend will be paid through the agent entity BBVAESMMBAG and the relevant dates of this corporate transaction will be as follows:

Date as from which the Company's shares will be traded without the right to receive the dividend (ex date): April 6, 2017

Date on which the shareholders of record that are eligible to receive payment of the dividend from ZARDOYA OTIS are determined (record date): April 7, 2017

Payment date: the dividend will be paid out on April 10, 2017.

We inform you of the foregoing for the appropriate legal purposes.

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Yours faithfully,

Alberto Fernández-Ibarburu Arocena
Secretary of the Board of Directors of Zardoya Otis, S.A.