

ZARDOYA OTIS S. A. (the “**Company**”), 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, hereby informs the National Securities Market Commission (“**CNMV**”) of the following

RELEVANT EVENT

Re: Treasury Share Purchase Plan

At its meeting of January 23, 2018, the Company’s Board of Directors has decided the acquisition of treasury shares by the Company, in order for them to be used in the company acquisition transactions that are frequently carried out by the Company and involve a share exchange.

Approval is given under the authorization granted by the General Shareholders’ Meeting of May 24, 2017 and is subject to the following conditions:

- up to a maximum of 1% of the Company’s shares;
- with an lower price limit of two (2) euros per share and an upper limit of twenty-five (25) euros per share; and
- during a term of one year as from the date on the present Board of Directors Meeting, until 23 January 2019.

The foregoing is subject to Regulation (EU) No 596/2014 of the European Parliament and of the Council of 16 April 2014, article 146 of the Capital Companies Law and other applicable legislation, as well as best market practices, including the Recommendations published by the CNMV on July 18, 2013.

We hereby inform you of the above.

Yours faithfully,

Lorea García Jauregui
Secretary of the Board of Directors