

ENCE ENERGÍA Y CELULOSA, S.A. (the “**Company**”), pursuant to article 82 of the Securities Market Act, proceeds under this letter to communicate the following

RELEVANT EVENT

In relation to the communication of relevant event delivered to this Commission on 20 October 2015 (with number 229,871 of the official records), the Company advises that it has successfully completed the pricing of the issue of EUR 250 million senior notes due 2022 (the “**Notes**”) and targeted at national and international qualified investors, the launch of which was announced through the referred communication of relevant event.

The notes will bear an annual interest of 5.375 %. The closing and payment of the issue is expected to take place on or around 30 October, 2015, subject to compliance with certain conditions precedent customary for transactions of this type.

The main purpose of the issue of the Notes is to finance the redemption of the 7.25 % senior secured notes issued by the Company in February 2013 and still outstanding following the exercise by the Company of its right of redemption with respect to 10% of the notes, as announced by means of notice of relevant event dated 28 April 2015 (with number 221,888 of the official records).

Finally, it is hereby announced that the agencies “Standard & Poor’s” and “Moody’s” have confirmed their respective ratings with regard to the Company and the Notes:

- “Standard & Poor’s”: corporate rating (BB-) and Notes rating (BB-); and
- “Moody’s”: corporate rating (Ba3) and Notes rating (Ba3).

The Company also advises that today, in the framework of the issue, it has entered into a revolving credit facility for a period of five years (renewable under certain conditions, for an additional year) for an amount of 90 million euros, with a syndicate of banks formed by Banco Santander, S.A., Banco Bilbao Vizcaya Argentaria, S.A., Caixabank, S.A., Banco de Sabadell, S.A., Bankia, S.A. Bankinter, S.A. and Citibank International Limited. This facility replaces the revolving credit facility entered into in February 2013 in relation to the issuance of the 7.25 % senior secured notes issued by the Company in February 2013.

In Madrid, on 23 October 2015.

IMPORTANT INFORMATION

This announcement is not an offer of securities for sale in the United States or any other jurisdiction. Securities may not be offered or sold in the United States unless they are registered or are exempt from registration. The Company does not intend to register any portion of this offering in the United States or to conduct a public offering in the United States or any other jurisdiction. Any public offering of securities to be made in the United States would be made by means of a prospectus that would contain detailed information about the Company and its management, as well as financial statements. Copies of this announcement are not being, and should not be, distributed in or sent into the United States.

It may be unlawful to distribute this announcement in certain jurisdictions. This announcement is not for distribution in the United States, Japan or Australia. The information in this announcement does not constitute an offer of securities for sale in the United States, Canada, Japan or Australia.

In member states of the EEA, this announcement and any offer of securities if made subsequently is directed only at persons who are “qualified investors” within the meaning of Article 2(1)(e) of the Prospectus Directive (“Qualified Investors”). Any person in the EEA who acquires securities in any offer of securities (an “investor”) or to whom any offer of securities is made will be deemed to have represented and agreed that it is a Qualified Investor. Any investor will also be deemed to have represented and agreed that any securities acquired by it in the offer have not been acquired on behalf of persons in the EEA other than Qualified Investors or persons in the UK and other Member States (where equivalent legislation exists) for whom the investor has authority to make decisions on a wholly discretionary basis, nor have the securities been acquired with a view to their offer or resale in the EEA to persons where this would result in a requirement for publication by the Company of a prospectus pursuant to Article 3 of the Prospectus Directive. The Company and others will rely upon the truth and accuracy of the foregoing representations and agreements.

This communication is only directed at (i) persons who are outside the United Kingdom or (ii) investment professionals falling within Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005 (the “Order”) or (iii) the high net worth entities, and other persons to whom it may lawfully be communicated, falling within Article 49(2)(a) to (d) of the Order (all such persons together being referred to as “relevant persons”). The securities are only available to, and any invitation, offer or agreement to subscribe, purchase or otherwise acquire such securities will be engaged in only with relevant persons. Any person who is not a relevant person should not act or rely on this communication or any of its contents.

This communication contains forward-looking information and statements about ENCE ENERGÍA Y CELULOSA, S.A., including financial projections and estimates and their underlying assumptions, statements regarding plans, objectives and expectations with respect to future operations, capital expenditures, synergies, products and services, and statements regarding future performance. Forward-looking statements are statements that are not historical facts and are generally identified by the words “expects”, “anticipates”, “believes”, “intends”, “estimates” and similar expressions.

Although ENCE ENERGÍA Y CELULOSA, S.A. believes that the expectations reflected in such forward-looking statements are reasonable, investors and holders of ENCE ENERGÍA Y CELULOSA, S.A. shares are cautioned that forward-looking information and statements are subject to various risks and uncertainties, many of which are difficult to predict and generally beyond the control of ENCE ENERGÍA Y CELULOSA, S.A., that could cause actual results and developments to differ materially from those expressed in, or implied or projected by, the forward-looking information and statements. These risks and uncertainties include those discussed or identified in the public documents sent by ENCE ENERGÍA Y CELULOSA, S.A. to the *Comisión Nacional del Mercado de Valores*.

Forward-looking statements are not guarantees of future performance. They have not been reviewed by the auditors of ENCE ENERGÍA Y CELULOSA, S.A. You are cautioned not to place undue reliance on the forward-looking statements, which speak only as of the date they were made. All oral or written forward-looking statements hereby made or otherwise attributable to ENCE ENERGÍA Y CELULOSA, S.A. or any of its members, directors, officers, employees or any persons acting on its behalf are expressly qualified on its entirety by the cautionary statement above. All the forward-looking statements included herein are based on information available to ENCE ENERGÍA Y CELULOSA, S.A. on the date hereof.

Except as required by applicable law, ENCE ENERGÍA Y CELULOSA, S.A. does not undertake any obligation to publicly update or revise any forward-looking statements, whether as a result of new information, future events or otherwise.