



*The following English translation is provided by the Company for information purposes only, based on the original and official document in Spanish available on the Company's web site (www.caf.net). In the event of any discrepancy between the English version and the Spanish original document, the latter will prevail.*

## **CONSTRUCCIONES Y AUXILIAR DE FERROCARRILES, S.A.**

### **NOTICE OF SIGNIFICANT EVENT**

Pursuant to the provisions of article 17 of Regulation (EU) No 596/2014, of 16 April 2014, on Market Abuse, and article 228 of the consolidated text of the Securities Market Act, approved by Legislative Royal Decree 4/2015, of October 23, and supplementary regulations, the company Construcciones y Auxiliar de Ferrocarriles, S.A., (“**CAF**” or “**the Company**”), hereby reports the following Notice of Significant Event:

The Company's Board of Directors has agreed to call the Annual General Shareholders' Meeting for 2 June 2018, at 12.00 am on first call, and if required, on second call on the following day at the same venue and time.

The full text of the aforementioned call is annexed to the present Notice of Significant Event.

In Beasain on 26 April 2018

**CONSTRUCCIONES Y AUXILIAR DE FERROCARRILES, S.A. (CAF)**  
**Notice of Annual General Meeting**

By agreement of the Board of Directors of Construcciones y Auxiliar de Ferrocarriles, SA (“CAF” or the “Company”), the Shareholders are convened to the Annual General Meeting, which shall take place at the registered office in Beasain, Guipuzkoa, on 2 June 2018, at 12.00 am on first call and, if required, on the following day at the same venue and time on second call, to deliberate and resolve on the matters included in the following

**AGENDA**

**First:** Examination and , if appropriate, approval of the Annual Accounts and the Directors’ Report of Construcciones y Auxiliar de Ferrocarriles, S.A. and the Annual Accounts and Directors’ Report of the consolidated group of companies for year 2017, as well as the management of the Board of Directors.

**Second:** Approval of the proposed distribution of earnings for year 2017, with a gross dividend payment of € 0.66 per share.

**Third:** Re-election of auditors.

**Fourth:** Re-election and ratification of Directors:

4.1 Re-election of Mr. Andrés Arizkorreta García as Executive Director.

4.2 Re-election of Mr. Luis Miguel Arconada Echarri as a Director with the category of “Other External Directors”.

4.3 Re-election of Mr. Juan José Arrieta Sudupe as Independent Director.

4.4 Ratification of Ms. Ane Agirre Romarate as Independent Director.

**Fifth:** Amendment to the Articles of Association:

5.1. Amendment of Article 16 of the Articles of Association and insertion of a new article 22 bis, in order to regulate remote attendance at the General Shareholders' Meeting, in accordance with the provisions of Articles 182, 184, 189, 515, and 521 of the Corporate Enterprises Act.

5.2. Amendment of Article 34 of the Articles of Association in order to adjust the non-delegable powers of the Board of Directors to the lists provided for in articles 249 bis and 529 ter of the Corporate Enterprises Act.

5.3. Amendment of Article 37 bis of the Articles of Association in order to adapt it to the new provisions introduced in Article 529 quaterdecies of the Corporate Enterprises Act, by Law 22/2015, 20 July, on Auditing of Accounts.

**Sixth:** Amendment to the General Meeting Regulations:

6.1. If the resolution submitted for the consideration of the General Shareholders’ Meeting under Item 5.1 of the Agenda is approved, then amendment of Ar-

article 6 and insertion of a new Article 9 bis in the General Meeting Regulations in order to regulate and develop remote participation in the General Meeting.

6.2. Amendment of Articles 12 and 13 of the General Meeting Regulations in order to introduce improvements referred to the compilation of the list of attendees and the constitution of the Meeting.

6.3. Amendment of Article 15 of the General Meeting Regulations in order to allow the delegation of certain faculties related to the development of the Meeting.

6.4 Amendment of Article 16 of the General Meeting Regulations in order to facilitate the processes preceding the voting on the resolutions.

**Seventh:** Delegation to the Board of Directors of the power to increase the share capital under the limits and terms established by Article 297.1.b) of Corporate Enterprises Act.

**Eighth:** Consultive vote on the Annual Report on Directors' Remuneration regarding FY 2017.

**Ninth:** Delegation of powers to the Board of Directors for the formalization and implementation of the aforementioned resolutions.

**Tenth:** Reading and approval, if appropriate, of the Minutes of the meeting.

### **Right of information**

The Shareholders may exercise their right to information as of the announcement of the Meeting, according to provisions in articles 197 and 520 of the Spanish Corporate Enterprises Act.

Pursuant to articles 272, 287 and 297 and according to the Spanish Corporate Enterprises Act, it is hereby stated that, from the moment this announcement of meeting is published, the shareholders have the right to obtain and review, immediately and free of charge, at the registered address, or to request free deliverance or remittance (on telephone number 943.18.92.62 or on the email address ( [www.caf.net](http://www.caf.net) ) of the following documentation that must be submitted to the General Shareholders' Meeting:

- Relating First and Second Items on the Agenda: The Financial Statements (balance sheet, income statement, statement of changes in over the net worth for the financial year, cash flow statement, and the respective notes), the proposal for the distribution of earnings of the Company, as well as the management report and the audit report, relating to financial year 2017. Shareholders of companies belonging to the CAF Group may also obtain the documents of the Consolidated Financial Statements, as well as the management report and the audit report of the Group.
- Regarding Fifth and Sixth Items on the Agenda: The supporting report of the Board of Directors relating to the amendments to the Articles of Association and of the Regulations of the General Shareholders' Meeting of the Company, as well as the complete text of the proposed amendments.

- Regarding Item Seven on the Agenda: The Board of Directors report relating to the proposed delegation to the Board included in this item of the Agenda, as well as the complete text of such proposal.

All the above documents, as well as all other information relating to the General Shareholders' Meeting can also be checked on the Company website ( [www.caf.net](http://www.caf.net) ), fully and uninterruptedly until the General Meeting is held and, more specifically:

- The present call notice.
- The full text of the agreement proposals which shall be submitted to the General Shareholders' Meeting for approval in relation to each of the items on the Agenda.
- Regarding Item Four of the Agenda: The appointment proposals issued by the Nominations and Remunerations Committee or by the Board of Directors, as appropriate, as well as the previous reports from the Nominations and Remunerations Committee or supporting reports from the Board of Directors, which contain the information about those Directors to be appointed or ratified by the Shareholders' Meeting, that is their identification details, c.v. and category, and which assess the competence, experience and merits of the candidate proposed in each case.
- Regarding the Item Eight of the Agenda: The Annual Report on Directors' Remuneration regarding FY 2017, which is submitted to consultive vote.
- The information relating to the total number of shares and voting rights on the date of the call of the meeting.
- The Annual Corporate Governance Report for FY 2017.
- The Auditor Independence Report for FY 2017.
- The Corporate Social Responsibility Report for FY 2017.
- The Operating Reports of the Board of Directors' Committees for FY 2017.
- The attendance card model and proxy vote form.

The shareholders may request the information or clarifications they deem necessary regarding matters included in the General Meeting Agenda, or formulate the questions they consider appropriate in writing, up to 5 days before the scheduled meeting date. In addition, shareholders may request clarifications as they may deem necessary from the Directors in writing within the same period, or verbally during the Meeting, about the information publicly available that the Company has provided to the National Securities Market Commission since the last general meeting took place and about the auditor's report. To this regard, all requests for information must be addressed to the Shareholder and Investor Helpdesk, at the registered address, via fax (on the number 943.18.92.26), or via email addressed to [accionistas@caf.net](mailto:accionistas@caf.net).

In order to safeguard the appropriate shareholder identification guarantees, shareholders must specify their name and surnames in their information request which must be accompanied with a copy of the documentation which certifies the shareholder status of the requesting party. Should such request be placed by a legal person, the applica-

tion must also be accompanied by the documentation which certifies the representative powers of the natural person who, as representative of the shareholder, is exercising their right to information.

### **Right to attend the General Meeting**

For the purposes of exercising the right of attendance, the Shareholders are reminded that only those who provide proof of ownership of at least one thousand (1,000) shares shall be entitled to attend in the manner required by law, in accordance with the provisions of articles 7 and 21 of the Articles of Association. Shareholders holding fewer shares may combine their shares or delegate their right to representation to another shareholder to jointly combine one thousand (1,000) or more shares.

Also in accordance with the Articles of Association and the General Shareholders Meeting Regulations, only shareholders with shares recorded in their names in the accounting record of book entries at least five (5) days prior to the Meeting shall be entitled to attend the Meeting.

To be able to attend the Meeting, the shareholders must have the appropriate attendance card issued by the depository entity of their shares or that made available to the shareholders by the Company itself. A certificate issued by any of the participating entities in the “Sociedad de Gestión de los Sistemas de Registro, Compensación y Liquidación de Valores, S.A. Unipersonal” (Iberclear) may also be used.

The attendance card made available to Shareholders by the Company contains the applicable standards and instructions for use, and shall be published continuously on the corporate website ( [www.caf.net](http://www.caf.net) ), from the date of publication of this notice, as well as the rest of the rules and regulations which apply to the Right to attend the General Meeting .

### **Right of representation**

Those shareholders unable to attend the Meeting, or those who so require, can be represented by another person, even if that person is not a shareholder, in the terms provided for by the Corporate Enterprises Act, in articles 21 and 22 of the Articles of Association, in articles 9 and 12 of the General Shareholders' Assembly Regulations, as well as in the voting delegation form provided by the Company.

The representation must be arranged through the vote delegation form issued by the share depository entity or as made available to the shareholders by the Company itself, which contains the applicable standards and instructions for use including, among others, the request for voting instructions, the indication of the vote to be casted by the representative in case no precise instructions are provided, and applicable rules in case of proxy given to a Director under conflict of interest.

The voting delegation form made available to Shareholders by the Company shall be published continuously on the corporate website ([www.caf.net](http://www.caf.net)), from the date of publication of this notice, as well as the rest of the rules and regulations which apply to the Right of Representation at the General Meeting.

### **Right to add items to the agenda and to submit resolution proposals**

Shareholders who represent at least three percent (3%) of the share capital, may request the publication of a supplementary notice of the Ordinary General Meeting which shall include one or more additional agenda items, assuming that they are accompanied by a justification and, as the case may be, justification for any proposed agreements. This right must be exercised with due notification, addressed to the attention of the Secretary of the Board of Directors, which must be received at the registered office within five (5) days of the date this notice is published.

The supplementary notice of meeting will be published at least fifteen (15) days prior to the date established for the Ordinary General Meeting on first call.

Shareholders representing the above mentioned percentage are also entitled, within the same period above, and via a communication delivered at the registered office, to submit resolution proposals on the items already included or that should be included in the Agenda Items of the General Meeting called.

### **Shareholders' Forum**

An Electronic Shareholders' Forum is available on the corporate website ([www.caf.net](http://www.caf.net)) which can be accessed, with all applicable guarantees, by individual shareholders and any voluntary associations that may be incorporated with the purpose of facilitating the communication between them prior to the General Shareholders' Meeting. The Electronic Shareholder's Forum regulation is available to shareholders at the Company website ([www.caf.net](http://www.caf.net)).

### **General information**

- It is expected that the Meeting will be held on first call.
- For clarifications about the examination, delivery, free shipping of the documentation, additional information, as well as any other issue related to this notice and the General Meeting, Shareholders can refer to the Shareholders and Investors Service Office on:
  1. Tel. No.: +34 943.18.92.62, on business hours.
  2. Fax: 943.18.92.26
  3. E-mail address: [accionistas@caf.net](mailto:accionistas@caf.net)

**Beasain on 26 April 2018.**

**Ms. Marta Baztarrica Lizarbe  
Director and Secretary of the Board**