



NOT FOR RELEASE, PUBLICATION OR DISTRIBUTION IN WHOLE OR IN PART IN OR INTO THE UNITED STATES, CANADA, JAPAN, AUSTRALIA, NEW ZEALAND OR SOUTH AFRICA.

**Notice to the Noteholders of the**

**Fomento de Construcciones y Contratas, S.A. (the "Issuer")  
EUR 450,000,000 6.50 per cent. Unsecured Convertible Notes due 2020 (the "Notes")  
(ISIN: XS0457172913)**

**Approaching end of the Put Period and Issuer Conversion Right**

*Capitalised terms that are not defined in this notice shall have the meanings given to them in the terms and conditions of the Notes (the "Conditions").*

Pursuant to a communication dated 30 June 2016, the Issuer notified Noteholders that a Triggering Event had occurred and set out the consequences of such Triggering Event.

The last day of the Put Period (which began on and included 30 June 2016) will be: 29 August 2016.

An appeal is pending over declarations made by the English High Court in April 2015 thus this decision it is not final.

As such, following the expiry of the Put Period, the Issuer currently intends to exercise the Issuer's Conversion Right pursuant to Condition 6 (a) (ii) (C) and in accordance with its rights under the terms and conditions of the Notes.

The Conversion Price immediately prior to the occurrence of the Triggering Event was EUR 21.50.

25 August 2016