



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”)**  
**(currently outstanding EUR 32,750,000)**  
**(ISIN: XS0457172913)**

**Issuer Conversion Notice**

*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”).*

Notice is hereby given to Noteholders that on 5 October 2016 the Board of Directors of the Issuer resolved to exercise the Issuer Conversion Right pursuant to Condition 6(a)(ii).

The Issuer hereby further notifies Noteholders that:

- the Issuer Conversion Settlement Period, during which the date on which the Notes will be converted and Ordinary Shares of FCC delivered to the converting Noteholders will fall (Issuer Conversion Date), will begin on 26 October 2016 and will end on 31 October 2016, both dates inclusive;
- the Conversion Price is EUR 21.5;
- the aggregate principal amount of the Notes outstanding is EUR 32,750,000. On 12 September 2016 and 29 September 2016, a nominal amount of EUR 413,800,000 Notes and EUR 3,250,000 Notes, respectively, was cancelled as a result of the exercise of Noteholders’ right, during the Put Period ended on 29 August 2016, to redeem their Notes following the occurrence of the Triggering Event notified on 30 June 2016 and on May 2014 a nominal amount of EUR 200,000 Notes was cancelled as a result of the exercise of Noteholders’ conversion right;
- the closing price of the Ordinary Shares of the Issuer on the Spanish Stock Exchanges on 6 October 2016 (i.e., the latest practicable date prior to the publication of this notice) was EUR 8.474;
- the Issuer Conversion Settlement Notice Cut-off Date will be 21 October 2016.

In order to obtain delivery of the relevant Ordinary Shares, the relevant Noteholder must deliver a duly completed Issuer Conversion Settlement Notice on or before the Issuer Conversion Settlement Notice Cut-off Date. The form for the Issuer Conversion Settlement Notice may be obtained from the specified office of any Paying, Transfer and Conversion Agent by email to [Convtran@bnymellon.com](mailto:Convtran@bnymellon.com).



Failure to properly complete and deliver on or before the Issuer Conversion Settlement Notice Cut-off Date an Issuer Conversion Settlement Notice may result in such notice being treated as null and void. The Issuer shall in respect of the Notes the subject of such null and void Issuer Conversion Settlement Notice and in respect of the Notes which have not been the subject of any Conversion Settlement Notice effect settlement in accordance with Condition 6(a)(ii)(ii). Any determination as to whether any notice has been properly completed and delivered as provided in the Conditions shall be made by the Fiscal Agent in its sole and absolute discretion and shall be conclusive and binding on the relevant Noteholders.

7 October 2016

**Schedule 5**  
**Part B**  
**Form of Issuer Conversion Settlement Notice**

**FOMENTO DE CONSTRUCCIONES Y CONTRATAS, S.A.**

**6.50 per cent. Unsecured Convertible Notes due 2020**

(Please read the Notes overleaf before completing this Notice)

Name: ..... Date:.....

Address:

Euroclear/Clearstream, Luxembourg Account No: .....

Telephone No.: .....

Fax No.: .....

Signature\*:

\*Where the Notes in respect of which this Conversion Notice is given are evidenced by a Global Certificate, this Conversion Notice need not be signed. In such a case, delivery of the Conversion Notice will constitute confirmation by the beneficial owner of interests in the Notes to be converted that the information and the representations in the Conversion Notice are true and accurate on the date of delivery.

To: The Bank of New York Mellon (the "**Fiscal Agent**")

I/We, being the holder(s) of the Note(s)/interest in the Global Certificate [please delete as applicable] specified below, in the context of the exercise of the Issuer Conversion Right hereby provide the following information in respect of the principal amount of such Notes as specified below of which I/we am/are the holders(s) or in which I/we have an interest (as specified below) in accordance with the Conditions of the Notes (the "**Conditions**");

**1** Total principal amount and, where applicable, the certificate numbers of definitive registered Notes to which this notice applies:

Notes: .....

Global Certificate: .....

Total principal amount (must be a multiple of €50,000):.....

Certificate numbers of definitive registered Notes (if relevant)\*\*:

.....

N.B. If necessary, the certificate numbers of definitive registered Notes can be attached separately.

\*\*Not required for Notes evidenced by the Global Certificate

**2** I/We hereby request that:

2.1 The Ordinary Shares to be issued in pursuance of this Conversion Notice be credited to the account of a direct participant of Iberclear details of which are set out below:

Participant ID: .....

Account ID: .....

Name:.....

Reference:.....

2.2 Any cash payment payable on the exercise of the Issuer Conversion Rights shall be paid to the account, details of which are set out below:

Account no.: .....

Account name: .....

Bank: .....

Branch: .....

Sort Code: .....

**3** The relevant definitive registered certificate in respect of definitive registered Notes converted hereby accompanies this Conversion Notice\*\*

Dated: ..... Signature: .....

PRINT NAME(S)

**Notes**

- (i) This Issuer Conversion Settlement Notice will be void unless the introductory details and Sections 1, 2 and 3 are duly completed and Section 4 is complied with.
- (ii) Your attention is drawn to Condition 6 of the Notes with respect to the conditions relating to conversion.
- (iii) This Conversion Notice may be completed by or on behalf of an accountholder of Euroclear or Clearstream, Luxembourg or any clearing system in which the relevant Note is held at such time which has an interest in such Note.
- (iv) The holding of an interest in a Note by an accountholder of Euroclear or Clearstream, Luxembourg or any clearing system in which the relevant Note is held in respect of which Conversion Rights are being exercised will be confirmed by the Fiscal Agent with the relevant clearing system.
- (v) In order for the Ordinary Shares to be capable of trading on the Spanish Stock Exchanges, the relevant Noteholder must indicate an account with a direct participant in Iberclear and must instruct the relevant participant to accept the Ordinary Shares for the account of the relevant Noteholder.

- (vi) Terms used in this Conversion Notice and not otherwise defined have the meanings set forth in the Fiscal Agency Agreement, dated 30 October 2009, between, among others, the Issuer and The Bank of New York Mellon as Fiscal Agent.

For Paying, Transfer and Conversion Agent's use only:

**1.**

- (A) Note conversion identification reference: .....
- (B) Date of delivery of Issuer Conversion Settlement Notice to Paying, Transfer and Conversion Agent: .....
- (C) Issuer Conversion Date: .....

**2.**

- (A) Aggregate principal amount of Notes deposited for conversion/represented by the Global Certificate\* being converted: .....
- (B) Conversion Price on Issuer Conversion Date: .....
- (C) Number of Ordinary Shares to be issued (if any): ..... (disregard fractions)
- (D) Cash Amount Payable (if any): .....

N.B. The Paying, Transfer and Conversion Agent must complete items 1 and 2.

\* Delete as appropriate.