

REGULATORY DISCLOSURE

Madrid, 2 December 2014. B1998, S.L. (hereinafter "**B1998**"), controlling shareholder of Fomento de Construcciones y Contratas, S.A. (hereinafter "**FCC**") has informed us that, as part of the reorganisation of its capital and refinancing of its debt, and on the occasion of the inclusion of a new reference shareholder in FCC, it has agreed for the current minority shareholders, namely the companies known as Larranza XXI, S.L. (hereinafter, "**Larranza**") and CaixaBank, S.A. (hereinafter "**CaixaBank**") to release their shares. The execution of the aforementioned divestment is planned for January 2015 and will take place through the acquisition by B-1998 of its own shares, which are owned by Larranza and CaixaBank, in execution of the respective agreement to reduce capital for immediate repayment (hereinafter the "**Divestment**"). During the execution of the Divestment and until its actual performance, the shareholders' agreements governing the corporate relations between Larranza and CaixaBank, individually, on one hand, and Dominum Dirección y Gestión, S.L., on the other, concerning B1998, notified on 26 May 2011 and 3 April 2014, respectively, have been partially suspended under the terms set out below.

Consequently, the corporate relations between Larranza and CaixaBank, individually, on the one hand, and Dominum Dirección y Gestión, S.L., on the other, concerning B1998 and FCC will be regulated, until the effective performance of the Divestment, pursuant to the contractual arrangements referred to below.

Regarding Larranza:

- (i) *"The Non-equity Partner agrees to the adoption by the governing bodies of B1998 of the above agreements arising from this Contract - namely, without limitation, any Conversion, modification of the form of representation of the B1998 shares, which will now take the form of securities to be represented by book entries, any Divestment, Capital Reduction, Increase of FCC Capital and any actions that may, in relation to the transfer of rights to subscribe the Increase of FCC Capital and the corporate governance thereof, be necessary to enable compliance by the Majority Shareholder, B 1998 and Azate with the stipulations contained in the contract signed on that date by said companies with the open-ended investment company Control Empresarial de Capitales S.A. de C.V., and waive their right to exercise the Put Option (as defined in the Shareholders' Agreement), both during the Transitional Period and at the end of it, on account of the execution of such agreements. Consequently, in the adoption and execution of previous agreements, the Put Option may not be exercised by the Non-equity Partner.*
- (ii) *In addition, the Non-equity Partner agrees to the adoption by the governing bodies of B1998 during the Transitional Period of any other company resolutions or agreements (other than those detailed in paragraph (i) above), provided that their effectiveness and execution remain subject to the Shareholding Transfer, to the payment of the Consideration (including the transfer of credit to the Variable Party) under the terms contained in Provision 2.3.4. above. Consequently, in the adoption of the foregoing resolutions or agreements, the Put Option will be suspended and may, therefore, not be exercised by the Non-equity Partner.*

Once the Transitional Period has ended without the Divestment having been performed in the terms provided for in this Contract, the Shareholders' Agreement will become fully effective again, notwithstanding the waiver of the Non-equity Partner to exercise the Put Option under the agreements referred to in paragraphs (i) and (ii) above.

After executing the Divestment in the terms provided for in this Contract, the Shareholders' Agreement will be permanently terminated and rendered ineffective, and the Non-equity Partner will waive their right to make any claim thereunder with respect to actions carried out by the Majority Shareholder during the Transitional Period or for any other reason or due to any other action prior to the Termination Date ".

Regarding CaixaBank:

"The effects of the Shareholders' Agreement will be suspended during the Transitional Period, with the exceptions noted below. Consequently, during the Transitional Period (with the exceptions noted below), the Shareholders' Agreement is suspended, giving rise to debentures, options and rights contained therein unenforceable between the Parties. The Non-equity Partner acknowledges and agrees, at the time of signature of this Contract, that there is no pending claim and that said party will not initiate any claim with respect to any prior action related to compliance with the Shareholders' Agreement to date.

Notwithstanding the foregoing, and in order to ensure that during the Transitional Period only decisions made by governing bodies of B 1998 are executed as part of the regular running of the company's business, the Non-equity Partner will maintain, during the Transitional Period, the veto rights thereof referred to in Clauses 7.1, paragraph (i) and 7.2 (ii) above ("Rights Applicable during the Transitional Period").

Following the suspension of the effects of the Shareholders' Agreement during the Transitional Period, the Options (as these are defined in the Shareholders' Agreement) will not be exercised by the parties to the Shareholders' Agreement during the Transitional Period.

Once the Transitional Period has ended without the Divestment having been performed in the terms provided for in this Contract, the Shareholders' Agreement will regain its effectiveness. In such case, without prejudice to the provisions of the following paragraph, any breach by the Majority Shareholder of the Rights Applicable during the Transitional Period will enable the Non-equity Partner to exercise the Option envisaged in the Shareholders' Agreement provided for under Clause Fifteen of the same.

To this effect, the Non-equity Partner declares, represents and agrees the following:

- (i) *All decisions and actions conducive to complying with the agreements referred to and stemming from this Contract during the Transitional Period –without limitation, any Conversion, Divestment, Capital Reduction, Increase of FCC Capital and any actions that may be necessary to enable compliance by the Majority Shareholder, B 1998 and Azate with the stipulations contained in the contract signed on that date by said companies with the open-ended investment company Control Empresarial de Capitales S.A. de C.V.–, to which the Non-equity Partner has agreed as a result of the signing of this Contract and the documents enclosed as annexes thereto, do not constitute a breach of the Rights Applicable during the Transitional Period. Accordingly, and in order to remove any uncertainty whatsoever, the execution of the above decisions and actions during the Transitional Period do not provide entitlement to exercise the Put Option (as it is defined in the Shareholders' Agreement) following the end of the Transitional Period.*
- (ii) *During the Transitional Period, the governing bodies of B 1998 may agree on decisions and actions, other than those referred to in paragraph (i) above, without observing the Rights Applicable during the Transitional Period, provided that it is agreed as a condition precedent to the effectiveness of those decisions and actions that the Non-equity Partner will previously release the company shares held in B 1998. In this case, the Majority Shareholder must notify the Non-equity Partner of this and give the latter access to the documents signed to verify the existence of such condition. Accordingly, and in order to remove any uncertainty whatsoever, the adoption of the above decisions and actions during the Transitional Period under the above-mentioned condition precedent will not provide entitlement to exercise the Put Option (as it is defined in the Shareholders' Agreement) following the end of the Transitional Period.*

Having performed the Divestment in the terms provided for in this Contract, the Shareholders' Agreement will be permanently terminated and rendered ineffective. If the termination occurs, the Majority Shareholder and Non-equity Partner declare that as from the date of such termination, (i) all rights and obligations under the Shareholders' Agreement will be terminated; (ii) the parties release each other from any liability in connection therewith; and (iii) waive any claim or legal action that may be appropriate against the other party under the Shareholders' Agreement, and the Non-equity Partner will waive their right to make any claim thereunder with respect to actions carried out by the Majority Shareholder during the Transitional Period."