

**Justified proposal for a resolution by Control Empresarial de Capitales, S.A. de C.V. (“CEC”) regarding the inclusion of point 5.3 in the Agenda of the FCC Ordinary General Meeting of Shareholders: “Amendment of Article 23 (Adoption of Resolutions and announcement of the outcome)”.**

## **1. INTRODUCTION**

This justified proposal for a resolution is formulated by CEC in compliance with the provisions of Article 519 of the Spanish Capital Company Law (LSC), regarding new point 5.3, the inclusion of which is requested in the Agenda of the FCC Ordinary General Meeting of Shareholders convened for 28 June 2016 at 4 p.m., in the first call, and 29 June at the same time in the second call.

## **2. JUSTIFICATION AND PROPOSED AMENDMENT**

Notwithstanding the fact that this proposal is made in accordance with the resolutions contained in the document entitled "Modificatory and Non-Extinctive Novation regarding the Investment Agreement signed in FCC on 27 November 2014" in a meeting held on 5 February 2016 between shareholders Dominum Dirección y Gestión, S.A. (“**DDG**”), Nueva Samede 2016, S.L.U. (“**Nueva Samede**”), CEC, Inversora Carso, S.A. de C.V. (“**IC**”), Bankia, S.A. (“**Bankia**”) and Banco Bilbao Vizcaya Argentaria, S.A. (“**BBVA**”), and communicated to the market by means of a Relevant Fact dated 5 February 2016 with record number 234682 (the, “**Investment Agreement Novation**”), this request proposes, in accordance with the amendment proposed regarding Clause 26 of the Articles of Association, the removal from Article 23 of the Rules of the General Meeting of the enhanced majorities regarding the voting quorum in the General Meeting of Shareholders, establishing the general regime of Article 201 LSC, with the exception of the event established in section 1 of Article 23 regarding the issuance of shares or bonds or securities that can be converted into shares with exclusion of the pre-emptive subscription right in favour of the Company shareholders, which must be adopted with the favourable vote of over fifty percent of the subscribed share capital with the right to vote.

In this regard, the Investment Agreement Novation, specifically Clause 4 thereof (“Corporate Governance of FCC”) establishes, among other aspects, (i) *“In the Articles of Association of FCC and in the Rules of the Board of Directors, set the number of members of the FCC Board of Directors at fifteen (15), (ii) “Remove from the Articles of Association of FCC the provision of present qualified majorities in the favourable vote of, at least, 50% of the share capital in order for the shareholders' meeting to adopt decisions on the following subject matters; (a) Amendment of the company purpose, (b) Transferring the registered address to a location abroad, (c) Issuance or creation of classes or series of shares other than those currently in circulation, (d) Any remuneration or incentive system for board directors or senior executives consisting of the provision of shares, share options or any other kind of share-based remuneration, (e) the dissolution, winding-up, merger, de-merger, overall transfer of assets and liabilities, transformation, or bankruptcy proceedings, and (f) The amendment of the articles governing the aforementioned issues”, it also highlights the need to maintain the “the favourable vote of, at least, 50% of the share capital in order for the shareholders' meeting to adopt decisions on the issuance of shares or bonds or securities that can be converted into shares with exclusion of the pre-emptive subscription right in favour of the FCC shareholders”, all of which are aspects which, in addition to amending the Articles of Association, require the corresponding adaptation of Article 23 of the Rules of the General Meeting of the Company that CEC requests.*

Consequently, it is proposed to submit the amendment of the aforementioned Article pertaining to the Rules of the General Meeting to the General Meeting of Shareholders in the terms indicated below.

<b>Current wording</b>	<b>Proposed wording</b>
<p><b>Article 23. Adoption of resolutions and announcement of the outcome</b></p> <p>1. Resolutions will be adopted by a simple majority of shares present and represented in the General Meeting of Shareholders, with a resolution understood to be adopted when there are more votes in favour than against from the capital present or represented, except for those cases where the Law or Articles of Association require a qualified majority.</p> <p>In particular, the resolutions shown below must be adopted with the favourable vote of the shares present or represented in the General Meeting of Shareholders, with over fifty percent (50%) of the subscribed share capital with the right to vote.</p> <p>(i) Amendment of the company purpose.</p> <p>(ii) Transferring the registered address to a location abroad.</p> <p>(iii) Issuance of shares or bonds or securities that can be converted into shares with exclusion of the pre-emptive subscription right in favour of Company shareholders.</p> <p>(iv) Issuance or creation of new classes or series of shares other than those currently in circulation.</p> <p>(v) Introduction and/or amendment of any nature of any remuneration system and/or provision of incentives for board directors or senior executives consisting of the provision of shares, share options or any other kind of share-based remuneration.</p> <p>(vi) Dissolution, winding-up, merger, de-merger, overall transfer of assets and liabilities,</p>	<p><b>Article 23. Adoption of resolutions and announcement of the outcome</b></p> <p>1. Resolutions will be adopted by a simple majority of shares present and represented in the General Meeting of Shareholders, with a resolution understood to be adopted when there are more votes in favour than against from the capital present or represented, except for those cases where the Law or Articles of Association require a qualified majority.</p> <p>In particular, it must be adopted with the favourable vote of the shares present or represented in the General Meeting, with over fifty percent (50%) of the subscribed share capital with the right to vote <del>los el siguientes acuerdos:</del></p> <p><del>(i) Amendment of the company purpose.</del></p> <p><del>(ii) Transferring the registered address to a location abroad.</del></p> <p><del>(iii) The issuance of shares or bonds or securities that can be converted into shares with exclusion of the pre-emptive subscription right in favour of Company shareholders.</del></p> <p><del>(iv) Issuance or creation of new classes or series of shares other than those currently in circulation.</del></p> <p><del>(v) Introduction and/or amendment of any nature of any remuneration system and/or provision of incentives for board directors or senior executives consisting of the provision of shares, share options or any other kind of share based remuneration.</del></p> <p><del>(vi) Dissolution, winding up, merger, de merger, overall transfer of assets and liabilities,</del></p>

<p style="text-align: center;">transformation.</p> <p>(vii) Amendment of the Clauses of these Articles of Association that govern the subject matters above.</p> <ol style="list-style-type: none"> <li>2. Every share with the right to vote that is present or represented in the General Meeting of Shareholders shall grant the right to one vote.</li> <li>3. The Chairman shall declare the resolutions approved when he has confirmation of sufficient votes in favour, notwithstanding any signals that the shareholders present may make to the Notary Public or the Secretary regarding this issue.</li> <li>4. For each resolution put to vote in the General Meeting of Shareholders, the following shall be determined, at least: the number of shares compared with those that issued valid votes, the proportion of the share capital represented by these votes, the total number of valid votes, the number of votes in favour and against each resolution and, if applicable, the number of abstentions.</li> <li>5. In any case, once a proposal for resolution is approved, all others relating to the same issue that are incompatible with it shall automatically be dismissed, and thus without being put to the vote again.</li> <li>6. If any proposals are formulated relating to issues the General Meeting can resolve without the need for them to appear in the Agenda, the Chairman shall decide upon the order in which they will be put to vote.</li> <li>7. For the adoption of any of the resolutions referred to in Article 526 LSC, any shares that do not entitle the right to vote, due to application of the aforementioned provision, shall not be considered as represented or present except when a person who does have the right to vote has been sub-delegated or alternatively delegated.</li> </ol>	<p style="text-align: center;"><del>transformation.</del></p> <p><del>(vii) Amendment of the Clauses of these Articles of Association that govern the subject matters above.</del></p> <ol style="list-style-type: none"> <li>2. Every share with the right to vote that is present or represented in the General Meeting of Shareholders shall grant the right to one vote.</li> <li>3. The Chairman shall declare the resolutions approved when he has confirmation of sufficient votes in favour, notwithstanding any signals that the shareholders present may make to the Notary Public or the Secretary regarding this issue.</li> <li>4. For each resolution put to vote in the General Meeting of Shareholders, the following shall be determined, at least: the number of shares compared with those that issued valid votes, the proportion of the share capital represented by these votes, the total number of valid votes, the number of votes in favour and against each resolution and, if applicable, the number of abstentions.</li> <li>5. In any case, once a proposal for resolution is approved, all others relating to the same issue that are incompatible with it shall automatically be dismissed, and thus without being put to the vote again.</li> <li>6. If any proposals are formulated relating to issues the General Meeting can resolve without the need for them to appear in the Agenda, the Chairman shall decide upon the order in which they will be put to vote.</li> <li>7. For the adoption of any of the resolutions referred to in Article 526 LSC, any shares that do not entitle the right to vote, due to application of the aforementioned provision, shall not be considered as represented or present except when a person who does have the right to vote has been sub-delegated or alternatively delegated.</li> </ol>
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