



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)**

**Redemption at the Option of the Issuer
Optional Redemption 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").

Pursuant to Condition 7(e), notice is hereby given to Noteholders that the Issuer wishes to redeem all, but not some only, the Notes at their principal amount together with accrued and unpaid interest (since last April 2018) to (but excluding) the 30 October 2018, which is the date fixed for redemption.

We hereby inform Noteholders that:

- the Optional Redemption Date is next 30 October 2018;
- the Optional Redemption Price is at the Notes principal amount (EUR50,000) plus accrued and unpaid interest to (but excluding) the 30 October 2018;
- the applicable Record Date is 29 October 2018;
- the Conversion Price immediately prior to this Notice was EUR 21.50;
- the aggregate principal amount of the Notes outstanding is EUR30,250,000;
- the closing price on 9 October was EUR12.86; and
- the last day on which Conversion Rights may be exercised by Noteholders is 19 October 2018, which is the close of business on the date falling 7 (seven) Trading Days prior to the Optional Redemption Date.

Words and expressions defined in the Conditions shall have the same meaning when used in this announcement.

10 October 2018