**CONSTRUCCIONES Y AUXILIAR DE FERROCARRILES, S.A. (CAF)**

**Notice of the Annual General Meeting**

As agreed by the Board of Directors of Construcciones y Auxiliar de Ferrocarriles, S.A. ("**CAF**" or the "**Company**"), Shareholders are called to the Annual General Meeting, scheduled to take place at the corporate seat, in Beasain, Gipuzkoa, on 13 June 2015, at 12:30 p.m. at first summons and if required the meeting will be held at second summons on the following day and at the same time and venue with a view to discuss and resolve the matters included in the following

**AGENDA**

**First:** Discussion and eventual approval of Annual Accounts and Management Report of Construcciones y Auxiliar de Ferrocarriles, S.A., and Annual Accounts and Annual Report of the consolidated group of companies for year 2014, as well as the performance of the Board of Directors.

**Second:** Approval of the proposed distribution of earnings for year 2014, with a distribution of dividend in the gross amount of €5.25 per share.

**Third:** Re-election of auditors.

**Fourth:** Appointment and re-election of Directors.

4.1 Appointment of Mr. Javier Martínez Ojinaga

4.2 Appointment of Ms. María José de Larrea García-Morato

4.3. Re-election of Mr. José María Baztarrica Garijo

4.4. Re-election of Mr. Alejandro Legarda Zaragüeta

4.5. Re-election of Mr. Xabier Garaialde Maiztegi

**Fifth:** Amendment to the Articles of Association

5.1. Amendments to the rules and operation of the General Shareholders´ Meeting: amendment to articles 12, 13, 16, 18, 20, 22, 25 and 26 of the Articles of Association.

5.2. Amendments to the rules and operation of the Board of Directors: amendment to articles 28, 29, 31, 32, 33, 34, 35, 36, 38 and 39 of the Articles of Association.

5.3. Amendments to the Board of Directors Commissions: amendment to articles 37 and 37 bis of the Articles of Association and addition of new Article 37 ter.

5.4. Other amendments to the Articles of Association: amendment to Articles 2 (corporate purpose) and 42 (approval of the accounts) of the Articles of Association.

**Sixth**: Amendments to the General Meeting Regulations.

**Seventh:** Advisory vote on the annual report on Directors' Remuneration.

**Eighth:** Authorisation to the Board of Directors of the Company for the acquisition of own shares in the secondary market.

**Ninth:** Information to the Shareholders´ Meeting on amendments to the Board Regulations approved by CAF's Board of Directors.

**Tenth:** Delegation of powers to the Board of Directors for the execution of the aforementioned resolutions.

**Right to Information.**

Shareholders may exercise their right to information as of the call for the Meeting, according to provisions in Articles 197 and 520 of the Corporations Act.

With regards to the First and Second items in the Agenda, as of this date, any shareholders can immediately, and free of charge, obtain from the Company the documents which will be submitted to the General Meeting for approval (Balance Sheet, Profit and Loss Statement, Statement of changes in Shareholder’s Equity in the year, a Cash Flow Statement and the Annual Report), the Company’s Proposed Appropriation of Earnings, as well as the Management Report and the Auditors’ Report. The shareholders of companies belonging to the CAF Group may also obtain the documents of the Consolidated Accounts, as well as the Management Report and the Auditors' Report of the Group.

Regarding Agenda Items 5 and 6, any shareholder has the right to immediately, and free of charge, obtain the entire text of the proposed amendments and the relevant reports approved by the Board of Directors; regarding Item 4, the identity, curriculum and category of each of the Directors proposed for appointment or re-election, as well as the relevant proposals and reports of the Commission for Appointment and Remuneration and of the Board; and regarding Item 9, a report by the Board on this matter.

All the above mentioned documents, as well as the resolution proposals approved by the Board of Directors relative to the various items in the Agenda to be submitted to the General Meeting, the Annual Corporate Governance Report for 2014, the Annual Report on Directors' Remuneration, and the new Board Regulations approved by the Board of Directors of the Company, are also available to the shareholders at the corporate seat and can also be consulted (together with the rest of the General Meeting information) on the Company's website (www.caf.net), fully and permanently until the General Meeting is held.

**Right to attend the General Meeting.**

Regarding the right to attend, Shareholders are reminded that, pursuant to the provisions of art. 21 of the Articles of Association, only those persons holding at least one hundred (100) shares will have the right to attend, as stipulated by Law. Shareholders holding fewer shares may combine their shares or delegate their right to representation to another shareholder to jointly combine one hundred (100) or more shares.

Also in accordance with the Articles of Association and the General Shareholders Meeting Regulations, only shareholders with shares recorded in their names in the accounting record of book entries at least five (5) days prior to the Meeting will be entitled to attend the Meeting.

In order to attend the Meeting, Shareholders will need to accredit the appropriate "Attendance, Delegation and Vote Card", issued by the organization where the shares are deposited, or by the Company itself. It is also possible to use a certificate issued by any of the organizations which take part in the Stock Registry, Compensation and Settlement Management Company (Iberclear) or as per permitted by current legislation.

**Right to representation.**

Shareholders unable to attend the Meeting may be represented by another person, even if the representative is not a Shareholder, under the terms and exceptions stipulated in the Corporations Act.

**Right to add items to the agenda and to submit resolution proposals.**

Shareholders who represent at least three percent (3%) of the share capital, may request that a supplement be published to this notice for the General Shareholders Meeting, adding one or more items to the agenda, provided that the new items are backed-up with supporting reasons, or else a justified resolution proposal. This right must be exercised by means of a certified notice, addressed to the attention of the Secretary of the Board of Directors, to be received at the corporate seat within five (5) days of the date the notice is published.

The supplement to the notice will be published at least fifteen (15) days prior to the date set for the First Summons of the General Shareholders Meeting

Shareholders representing the same percentage are also entitled, within the same period above and via a communication delivered at the corporate seat, to submit resolution proposals for items already included in the Agenda or new items to be added to the Agenda of the Meeting.

**General information:**

* It is expected that the Meeting will be held at first summons.
* For clarifications about the examination, delivery or free forwarding of the documentation, additional information or any other fact related to the notice and the General Meeting, the Shareholders can address the Shareholders Service Office on:

1. Telephone: +34 943.18.92.62, on business days and times
2. Fax: +34 943.18.92.26
3. E-mail address: [accionistas@caf.net](mailto:accionistas@caf.net)

**Beasain, 08 May 2015.**

**The Chairman of the Board of Directors.**

**Mr. José María Baztarrica Garijo**