

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

Annual General Meeting Announcement

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 11 June 2016, at 12:00 p.m. at first summons, and if required, the meeting will be held at second summons on the following day 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 Management Report of the consolidated group of companies for year 2015, as well as the performance of the Board of Directors.

Second: Approval of the proposed distribution of earnings for year 2015, with a gross dividend payment per share of €5.25.

Third: Re-election of auditors.

Fourth: Ratification and appointment of Directors.

- 4.1. Ratification of Mr. José Antonio Mutiloa Izaguirre as Proprietary Director.
- 4.2. Ratification of Ms. Marta Baztarrica Lizarbe as Executive Director.
- 4.3. Appointment of Ms. Carmen Allo Pérez as Independent Director.

Fifth: Split of the Share capital by the reduction of their nominal value from € 3.01 to € 0.301 per share, with a ratio of ten new shares for each old share, with no variation in the share capital. The subsequent modification of articles 5, 7 and 21 of the Articles of Association and delegation of executive powers upon the board of directors with express power of substitution.

Sixth: Modification of article 9 of the Rules of the General Shareholders' Meeting to adapt it in line with the Articles of Association modifications submitted to the General Shareholders' Meeting's consideration under Item Five of the agenda, should these be finally approved.

Seventh: Advisory vote on the Annual Report on Directors' Remuneration.

Eighth: To inform the Meeting on amendments to the Board Regulations approved by CAF's Board of Directors.

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

Right to Information.

The Shareholders may exercise their right to information as of the call for the General Meeting, according to provisions in articles 197 and 520 of the Capital 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 Distribution 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 Item Four of the Agenda, any shareholder can immediately obtain from the Company free of charge the information on the identity, résumé and category of each of the Directors which are proposed for appointment or ratification, as well as the relevant reports and proposals of the Nomination and Remuneration Commission; regarding Item Six, the Board report on the proposed modification and its full text; and, regarding Item Eight, the Board's report with the relevant comments thereon.

In addition, all shareholders of the Company have the right to examine at the corporate seat the full text of the modifications of the Articles of Association proposed under Item Five of the Agenda about the split of the number of shares of the Company with the ensuing modification of articles 5, 7 and 21 of the Articles of Association, and the report associated therewith, as well as to request that such documents be delivered or sent free of charge according to Art. 287 of the Capital Companies Law.

In addition to all the above mentioned information, the announcement of the Annual General Meeting, the total number of shares and the rights to vote as of the date of issuing of the call announcement, the proposals for resolution approved by the Board of Directors about the various items in the Agenda to be submitted to the General Meeting, as well as the Annual Corporate Governance Report for 2015, the Annual Report on Directors' Remuneration submitted to advisory vote under Item Seven of the Agenda, 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 Annual 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 articles 7 and 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 group themselves 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 registered in their name in book entry form 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 company Sociedad de Gestión de los Sistemas de Registro, Compensación y Liquidación de Valores, S.A. Unipersonal (Iberclear) or as 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 with the exceptions stipulated in the Capital Companies Law.

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 the announcement of the Annual General Meeting, to add one or more items to the agenda, provided that the new items are backed-up with supporting reasons, or else, with 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 this announcement is published.

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

Shareholders representing the above mentioned 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 this announcement and the General Meeting, Shareholders can refer to the Shareholders and Investor Relations Office on:
 1. Tel. No.: +34 943.18.92.62, on business days and times
 2. Fax: 943.18.92.26
 3. E-mail address: accionistas@caf.net

Beasain, 06 May 2016.

**Ms. Marta Baztarrica Lizarbe
Member and Secretary of the Board of Directors.**