

In accordance with the provisions of article 228 of Royal Legislative Decree 4/2015, of October 23, which approves the revised text of the Securities Market Law, Ercros, S.A. (hereinafter “Ercros” or “the Company”), and in relation to relevant events No. 255034, on July 26, 2017, No. 262474, on March 1, 2018, and No. 266853, on May 9, 2018, by means of this letter, communicates the following:

RELEVANT EVENT

On June 15, 2018, a reduction of share capital by the amount of 930,897 euros was approved by the annual general meeting (“AGM”) of the Company, through the amortization of the 3,102,990 shares held by the Company in treasury, of a nominal value of 0.30 euros each, representing 2.796% of the share capital.

The board of directors of the Company held on June 15, 2018, after the AGM, agreed, in compliance with the agreement of the AGM in item two of the agenda, to execute the reduction of social capital by the amount of 930,897 euros. After this transaction, the share capital of Ercros will be fixed at 32,362,986.30 euros, corresponding to 107,876,621 ordinary shares, of a nominal value of 0.30 euros each.

The shares to be amortized were acquired by the Company in the framework of the shareholder remuneration policy for the period 2017-2020. Through the amortization of the shares that Ercros owns in treasury, the shareholders automatically increase their percentage of participation in the share capital.

This capital reduction will be carried out with a charge to voluntary or freely available reserves, making the corresponding provision of a reserve for amortized capital by an amount equal to the nominal value of the treasury shares effectively amortized, from which it will only be possible to own by complying with the requirements for reducing the share capital, in accordance with the provisions of article 335 c) of the Capital Companies Act. According to the aforementioned article, the creditors of Ercros will not have the right of opposition foreseen in article 334 of the aforementioned law.

Also, since the shares to be amortized are owned by the Company at the time of the reduction, this will not imply the return of contributions.

The mandatory capital reduction announcements are published today in the Official Bulletin of the Mercantile Registry (“Borme”) and on the corporate website of Ercros (www.ercros.es). Subsequently, the corresponding public deed of capital reduction and modification of the Bylaws and its registration in the Mercantile Registry of Barcelona will be granted, which will be subject to the communication of relevant information.

Barcelona, July 4, 2018