



RELEVANT FACT

CARBURES EUROPE, S.A.

July 30, 2014

In compliance with the provisions of Circular 9/2010 of the Alternative Stock Market (*Circular 9/2010 del Mercado Alternativo Bursátil*), we hereby place the following information regarding CARBURES EUROPE, S.A. ("CARBURES" or the "Company") at the disposal of the market.

Carbures has signed an agreement for the acquisition of the Mexican engineering company PYPASA, which specializes in the development and management of industrial and civil projects for different sectors, including the industrial, tourism and port, infrastructure, pharmaceutical, construction and agricultural sectors, as well as the petroleum industry. PYPASA has a staff of 160 engineers and has generated revenue of USD 8 million at the closing of 2013. Carbures acquires PYPASA to MISAPRE, a Mexican company owned by the Group BBVA, having to provide around EUR 5.7 million (MXN 100 million) with own resources to PYPASA within one year. The acquisition resulting from this agreement is subject to obtaining all the necessary governmental, corporate and third parties approvals to be carried out.

The acquisition of PYPASA, a local leader in the engineering field, allows Carbures to grow and to consolidate its position within a geographically strategic market as relevant as the Mexican, the second largest economy in Latin America, with a stable risk profile and valuable macroeconomic perspectives. Mexico is the fifth largest vehicle producer and an interesting location for the main global manufacturers due to its growth potential and export volume, both to the North, United States and Canada, its partners in the North American Free Trade Agreement (NAFTA) and to the South, throughout all Latin America.

The Mexican market growth has been consolidated in the last four years due to the opening of six new plants for the manufacture of vehicles for brands such as Audi, Mazda, Honda, Mercedes Benz and Nissan-Renault. BMW has been the latest large manufacturer to announce, in this month, an investment of USD 1,000 million (EUR 735 million) in the construction of a vehicle assembly plant in the San Luis Potosí State (at the North of the country), which will begin operating in 2019, will have a production capacity of 150,000 units and will create 1,500 direct jobs. Carbures is already working with BMW, as well as with Jaguar, Land Rover or Pininfarina through one of its automotive subsidiaries, the German engineering company aXcep GMBH, which specializes in the development of official and security vehicles for the main luxury cars manufacturers, and whose acquisition was completed the last April. In addition, Carbures is already present in the Mexican automotive sector through its Spanish subsidiary Mapro, which was acquired in February. Mapro manufactures production linears for the

automotive industry, a technology to which Carbures transfers and applies its RMCP (Rapid Multi-Injection Compress Process), a multi-injection press that allows manufacturing long series of parts for cars in competitive lead times compared to the traditional manufacturing processes of metal components. The current trend in the industry is to manufacture more efficient cars by reducing their weight. In this regard, carbon fiber is 4.5 times lighter and 3 times stronger and flexible than steel. In addition, it does not suffer from corrosion problems.

Five of the twelve plants owned by the Company throughout four continents are dedicated to the automotive industry: Spain (Burgo de Osma and Manresa), Germany (Munich), Mexico and Poland. In addition, Carbures has a commercial technical office in Detroit, United States, to commercialize its production lines.

The acquisition of PYPASA complements the agreement to acquire the Australian civil engineering company Capital House Australasia (CHA). The Group expects an increase in production capacity in this sector since the companies that will be acquired have a broad experience in civil projects managements in several different sectors such as the infrastructure, industrial, tourism, port, pharmaceutical, petroleum, agricultural and construction sectors. Therefore, with the acquisition of PYPASA, Carbures has an engineering company that allows the Group to access technological programs with high added value. Carbures, instead, provides its industrial capacity and technology for the manufacture of carbon fiber structures.

Jerez de la Frontera, July 30, 2014

CARBURES EUROPE, S.A.

Mr. Rafael Contreras Chamorro
On behalf of Rafcon Economist, S.L. as
Chief Executive Officer of CARBURES EUROPE, S.A.