

ENCE ENERGÍA Y CELULOSA, S.A.

ANNOUNCEMENT OF THE ANNUAL GENERAL SHAREHOLDERS' MEETING

The board of directors of ENCE ENERGÍA Y CELULOSA, S.A. hereby calls shareholders to attend the annual general meeting, which will be held at Hotel Wellington, calle Velázquez, 8, 28001 Madrid, on 15 March 2016, at 12:30 pm, on first call, or on the following day, that is 16 March 2016, at the same time and venue, on second call. The agenda for the meeting will be as follows:

AGENDA

- First.** Examination and, as the case may be, approval of the financial statements and directors' report of both ENCE ENERGÍA Y CELULOSA, S.A. and its consolidated group for the financial year ending 31 December 2015.
- Second.** Examination and, as the case may be, approval of the proposed appropriation of profit or loss for the accounting period ended 31 December 2015 for ENCE ENERGÍA Y CELULOSA, S.A.
- Third.** Examination and, as the case may be, approval of the work carried out by the board of directors of ENCE ENERGÍA Y CELULOSA, S.A. during the year ended 31 December 2015.
- Fourth.** Reappointment and appointment of board members:
- Four A:** Reappointment of Fernando Abril-Martorell Hernández as other non-executive director, upon the proposal of the board of directors.
- Four B:** Reappointment of José Guillermo Zubía Guinea as independent director, upon the proposal of the appointments and remuneration committee.
- Four C:** Reappointment of Isabel Tocino Biscarolasaga as independent director, upon the proposal of the appointments and remuneration committee.
- Four D:** Appointment of Mr. Luis Lada Díaz as independent director, upon the proposal of the appointments and remuneration committee.
- Fifth.** Re-election of auditors of the Company and of its consolidated group.
- Sixth.** Approval, as the case may be, of the amendments to certain articles of the Company's bylaws.
- Six A:** Approval of the amendment of article 43 of the bylaws (insurance and pension schemes) in relation to long-term savings schemes intended for board members.

Six B: Approval of the amendment of article 49 of the bylaws (delegated and consultative bodies of the Board of Directors), in relation to focal points of the action plan intended to correct deficiencies detected from assessments of the board of directors.

Six C: Approval of the amendment of article 51 of the bylaws (Audit Committee) in relation to the membership and functions of the audit committee.

Six D: Approval of the amendment of article 51 bis of the bylaws (Appointments and Remuneration Committee) in relation to the membership and functions of the appointments and remuneration committee.

Seventh. Approval, where applicable, of the long-term incentives plan for the period 2016-2018.

Eighth. Delegation of powers to interpret, further specify, rectify, implement and formalise the resolutions adopted at the general shareholders' meeting.

Ninth. Consultative vote on the 2015 annual report on board member remuneration.

Tenth. Information concerning the amendments made to the regulations of the Company's board of directors since the last general shareholders' meeting, pursuant to article 528 of the Spanish Capital Enterprises Act.

ADDENDUM TO THE NOTICE OF MEETING AND PRESENTATION OF MOTIONS

In accordance with the Spanish Capital Enterprises Act, shareholders accounting for at least three per cent of share capital may request the publication of an addendum to this notice of a general meeting in order to include one or more additional agenda items (provided the new items are accompanied by grounds or, as the case may be, a motion); and present grounded motions on items already included on the agenda or that should be added to the agenda. This right must be exercised by service of notification by a reliable method received at the registered office (Calle de Beatriz de Bobadilla, No 14, Planta 4ª, 28040, Madrid) within five days of the date of publication of this notice, with an indication of the names of the shareholders exercising the right and the number of shares they own, in addition to the items to be added to the agenda or the content of the proposed resolutions, accompanied by any other relevant documentation.

The supplementary notice will be published at least fifteen days before the date set for the meeting.

The foregoing shall be without prejudice to the right of any shareholder to present, during the general meeting, alternative proposals or proposals on matters that need not be included in the agenda, pursuant to the Capital Enterprises Act.

RIGHT TO INFORMATION

In accordance with the provisions of the Spanish Capital Enterprises Act, the Company's bylaws and the general meeting regulations, it is hereby stated that from the date this notice is published, shareholders will have immediate and free access to the following documents, which may be obtained from the Company's Investor Relations Department (located at the Company's registered office at Calle de Beatriz de Bobadilla nº 14, Planta 4ª, 28040), or from the Company's web page (www.ence.es), or which shareholders may request the Company to send them by post to the aforementioned address:

1. This notice of meeting.
2. Full text of the proposed resolutions to be submitted to the shareholders at the general meeting.
3. The complete text of the financial statements and directors' report for the year ended 31 December 2015, both for the Company and its consolidated Group, together with the corresponding auditors' report.
4. In respect of the proposed re-election and appointments of directors:
 - (i) report of the board of directors appraising the competencies, experience and merits of the board members proposed for re-election or appointment; and
 - (ii) report of the appointments and remuneration committee in relation to the proposal to re-elect José Guillermo Zubía Guinea and Isabel Tocino Biscarolasaga and to appoint Mr. Luis Lada Díaz, as independent directors, and in relation to the re-election of Fernando Abril-Martorell Hernández as other non-executive director.

5. Board of Directors report on the proposed modification of certain articles of Company's bylaws, with respect to item six on the agenda.
6. 2015 annual report on directors' remuneration.
7. Audit Committee report on proposed modification of Company board of directors regulations with respect to item ten on the agenda.
8. Board of directors report on the independence of the auditor.
9. Annual corporate social responsibility report.
10. Card for attendance, proxy and postal voting

The 2015 annual corporate governance report will be made permanently available to shareholders from the date of the notice of meeting through to the scheduled date of the general meeting, and may be consulted at the Company's registered office (Calle de Beatriz de Bobadilla nº 14, Planta 4ª, Madrid 28040) and on the Company's website (www.ence.es).

Furthermore, and from the call date onward, the total number of shares and voting rights existing as of that date will be published without interruption on the Company's website (www.ence.es), as will the motions submitted by shareholders in accordance with the procedure prescribed by law and the bylaws, which will be published as and when they are received.

For the purposes of exercising the right to obtain information prior to the general meeting pursuant to articles 197 and 520 of the Spanish Capital Enterprises Act, and in accordance with article 34 of the bylaws and article 8 of the regulations of the general meeting, shareholders may, up until the fifth day before the date the general meeting is to be held and in addition to their right to obtain information on the items included on the agenda, request further information or clarifications or raise questions in writing regarding the public information that the Company has provided to the Spanish CNMV from the date the last general meeting was held and also in relation to the auditors' report. Requests for information may be made by delivering the request to the Company's aforementioned registered office or by sending it by post to the same address (Calle de Beatriz de Bobadilla nº 14, Planta 4ª, 28040, Madrid). The petitioner must accredit his or her identity and his or her shareholder status. The shareholder will be responsible for sending the request in due form and time. The Company's web page contains the relevant explanations for shareholders to exercise their right to information in accordance with applicable law.

For any doubts regarding the delivery of documentation or other matters related to this call, shareholders may approach the Investor Relations Department at the aforementioned address or by calling the shareholder information service on (+34) 91 312 86 38 from 09:00 through to 13:00, Monday to Friday.

RIGHT TO ATTEND

Pursuant to article 30 of the Company's bylaws and article 11 of the general meeting regulations, all Company shareholders whose shares appear registered under their name in the corresponding accounting records five days ahead of the date on which the meeting is to be held may attend the general meeting. In order to exercise their right to attend

shareholders must obtain the corresponding attendance card no later than two days ahead of the date of the meeting. The card is issued by the entities participating in Sociedad de Gestión de los Sistemas de Registro, Compensación y Liquidación de Valores, S.A. (depository entities). As an alternative, they may attend the general meeting by presenting the attendance card available on the Company's website, which can be printed and used by those who so wish. The depository entities must send a list of the cards they have issued upon the request of their clients to the Legal Services department of ENCE ENERGÍA Y CELULOSA, S.A. (Madrid, Calle de Beatriz de Bobadilla nº 14, Planta 4ª, 28040) before the scheduled date of the general meeting.

Within the period mentioned above, shareholders may also obtain the aforementioned card at the Company's registered office (Calle de Beatriz de Bobadilla nº 14, Planta 4ª, 28040 Madrid), depositing the certificate of the custodians accrediting the registration of their shares in the corresponding Book Entry Register. The attendance card provided by the Company also provides for the possibility of appointing the shareholder's proxy for the purposes indicated below.

Registration of attendance and voting cards will commence at 11:30 am and accreditations will be accepted until 12:30 pm, the specified starting time of the meeting. Shareholders are kindly asked to attend with sufficient lead time to facilitate the process of registration and organisation of the meeting.

RIGHT TO A PROXY

Under the terms of article 31 of the Company bylaws and 10 of the general meeting regulations, shareholders that do not attend the meeting may empower another person, whether a shareholder or not, to represent them.

Without prejudice to that established under the law for cases of family acting as proxies and for granting general powers, the proxy must be appointed in writing and especially for this meeting by duly completing and affixing the original handwritten signature of the shareholder to the attendance card and proxy form provided by the custodian or by the Company itself, which is available on the Company's web page and ready for printing and use by persons who so wish.

Proxies can also be appointed or communicated to the Company by sending the duly completed attendance card and proxy form provided by the custodian or the Company itself affixed with the original handwritten signature of the shareholder to the Company's registered office by post (Calle de Beatriz de Bobadilla nº 14, Planta 4ª, 28040, Madrid). The proxy appointed or communicated by these means must be received by the Company by 12 am of the day prior to the date the meeting is to be held on first call. Otherwise, the proxy will not be valid and will be deemed as not having been appointed. The person to whom the vote is delegated may only exercise it by personally attending the general meeting. In the event that voting instructions are not given for the matters not included on the agenda, the proxy may vote in the manner they deem best suits the interests of their principal. The proxy is always revocable. Attendance by the proxy at the meeting, whether in person or having voted remotely, entails the revocation of any delegation, no matter the date thereof.

VOTING BY REMOTE MEANS

Pursuant to article 36 of the Company's bylaws and article 25 of the general meeting regulations, shareholders entitled to attend the general meeting may cast their vote on motions relating to items on the agenda via post, by sending the attendance card and ballot provided by the custodian, duly completed and bearing the shareholder's handwritten signature, to the Company's registered office (Calle de Beatriz de Bobadilla nº 14, Planta 4ª, 28040, Madrid).

In the event that the ballots issued by the aforementioned entities do not provide for the possibility of casting the vote remotely via post and, shareholders with the right to attend the general meeting who wish to cast their vote by such means may obtain the aforementioned ballot at the Company's registered office (Calle de Beatriz de Bobadilla nº 14, Planta 4ª, 28040, Madrid) and, likewise, it is available on the Company's web page ready for printing and use by persons who so wish. This ballot, duly completed and affixed with the shareholders handwritten signature must be sent to the Company at the address indicated together with the attendance card provided by the custodian or that provided by the Company itself under the terms mentioned above.

The vote cast by post must be received by the Company 24 hours prior to the day the meeting is to be held. Otherwise, the vote will not be valid and will be deemed as not having been cast.

Shareholders with the right to attend who cast their vote under the terms indicated will be considered to be in attendance for the purposes of convening the meeting and, consequently, any delegation of powers made previously will be deemed revoked and those made subsequently will be understood as not to have been made. Votes cast by post will be voided due to subsequent and express revocation carried out by the same means within the period established for such revocation to be issued, attendance in person at the meeting of the shareholder who had cast it and due to the disposal of the shares in relation to which the right to vote was exercised, regarding which the Company has prior knowledge.

SHAREHOLDERS' ELECTRONIC FORUM

In accordance with article 539.2 of the Spanish Companies Law from the publication of this call, an electronic forum for shareholders will be set up on the Company's web page which can be accessed by shareholders and voluntary associations incorporated and registered in the special register established for such purposes by the Spanish National Securities Market Commission (Comisión Nacional del Mercado de Valores – CNMV).

Proposals intended to be presented as a supplement to the agenda announced in the call, requests for accession to such proposals, initiatives to reach the necessary percentage to exercise a non-controlling right envisaged under the law, as well as offers or requests for voluntary proxies may be published in the forum.

The forum does not constitute a channel of communication between the Company and its shareholders and is set up for the sole purpose of facilitating communication between the shareholders of ENCE ENERGÍA Y CELULOSA, S.A. for the purposes of the general meeting being held.

Access to the forum and its terms of use and operation will be governed by the provisions of this notice of meeting and by the rules of the forum, which can be consulted on the Company's website (www.ence.es).

PRESENCE OF A NOTARY AT THE MEETING

The board of directors has decided to request the attendance of a notary at the meeting to draw up the minutes in accordance with article 203 of the Spanish Capital Enterprises Act.

PERSONAL DATA PROTECTION

The personal data that the shareholders provide the Company in order to exercise or delegate their rights to access the electronic forum, and to attend and vote at the general meeting or which are furnished for these purposes by banks and companies and securities dealers in which the aforementioned shareholders have deposited their shares or in which they are being held, shall be processed by the Company for the purpose of managing the development, compliance and control of the existing shareholder relationship with regard to the calling and holding the general meeting. The information will be added to data files in relation to which **ENCE ENERGÍA Y CELULOSA, S.A.** is the data controller.

In all cases and insofar as legally admissible, the data subject will be entitled to access, rectify, block and erase his or her data compiled by **ENCE ENERGÍA Y CELULOSA, S.A.** These rights may be exercised by writing to **ENCE ENERGÍA Y CELULOSA, S.A, Investor Relations Department**, , Calle de Beatriz de Bobadilla nº 14, Planta 4ª, Madrid 28040, enclosing a photocopy of the subject's national identity card or passport. In the event that the attendance card, proxy form and ballot includes personal data regarding individuals other than the owner, the shareholder must inform them of the information contained in the previous paragraphs and comply with any other requirements which may be applicable for the proper transfer of the personal data to the Company without requiring that the Company carry out any additional actions.

ADDITIONAL INFORMATION
HOLDING OF MEETING ON SECOND CALL

Shareholders are reminded that unless stated otherwise in the daily press, the meeting is expected to be held on second call on 16 March 2016, at 12:30 at the venue stated above.

From one hour before the start of the meeting and at the meeting venue, shareholders or their representatives may submit to the staff responsible for registering shareholders their respective attendance cards and proxy forms and, as the case may be, the documents accrediting their legal representation.

Madrid, 12 February 2016
Secretary to the board of directors
José Antonio Escalona de Molina