

ENCE ENERGÍA Y CELULOSA, S.A. (the “Company”), pursuant to article 228 of the Securities Market Act, proceeds under this letter to communicate the following:

RELEVANT EVENT

At its meeting held today 26 July 2017, the Board of Directors of the Company has approved the dividend policy that will be applicable from the current fiscal year and whose main characteristics are as follows:

- The Board of Directors will propose a dividend per share against each fiscal year results equivalent to approximately 50% of the earnings per share obtained;
- The payment of said dividends will be agreed according to the following schedule:
 - Two interim dividends: one agreed upon at the end of the first semester and another agreed in November of each year;
 - A final dividend to be proposed to the Ordinary General Shareholders' Meeting of the Company;
- The dividend policy is subject to compliance with the criteria of financial discipline established in the Strategic Plan and the legal and contractual obligations of the Company.

Within this new policy, the Board of Directors has agreed to distribute an interim dividend for the fiscal year 2017 of € 0.061 gross per share, in cash, representing a gross amount of approximately € 14.9 million.

The payment of the interim dividend will be made through Banco Santander, S.A. being the relevant dates to this effect the following:

- Payment date: September 6, 2017.
- The last contracting date in which the Company's shares are traded with the right to receive the dividend: September 1, 2017.
- Date from which the shares of the Company will be traded without the right to receive the dividend: September 4, 2017.
- Date on which the registered holders who are able to demand the benefit of the Company are confirmed: September 5, 2017.