

**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**

As of July 29<sup>th</sup>, 2016, Standard & Poor's has upgraded its outlook on Ence - Energía y Celulosa from stable to positive and maintains its BB- corporate credit rating.

Following we enclose the Company's press release on the matter.

Madrid, July 29<sup>th</sup> 2016.

### **Standard & Poor's upgrades its outlook on Ence**

**July 29, 2016.-** Standard & Poor's has upgraded its outlook on Ence - Energía y Celulosa from stable to positive and maintains its BB- corporate credit rating .

The outlook improvement reflects the potential for a credit rating upgrade in the next twelve months due to Ence's strong profitability and cash flow generation, along with its sustained low leverage, high credit ratios and liquidity position, even in lower pulp price scenarios.

Standard & Poors expects Ence's operating margins and return on capital to remain above the broader paper and forest products sector and acknowledges Ence's logistics and commercial advantages based on the strategic location of its mills, and its exposure to growing end-markets such us tissue.