



**REPORT SUBMITTED BY THE BOARD OF DIRECTORS OF THE COMPANY
DISTRIBUIDORA INTERNACIONAL DE ALIMENTACIÓN, S.A. (“DIA”) IN
CONNECTION WITH THE PROPOSED AUTHORIZATION TO THE BOARD OF
DIRECTORS TO ISSUE CONVERTIBLE OR EXCHANGEABLE DEBENTURES
AND BONDS UNDER ITEM NINTH ON THE AGENDA FOR THE GENERAL
SHAREHOLDERS’ MEETING CALLED TO BE HELD ON JUNE 12 AND 13, 2012
UPON FIRST CALL AND SECOND CALL, RESPECTIVELY**

I. Purpose of the report

This report has been drawn up by the Board of Directors of Distribuidora Internacional de Alimentación, S.A. (hereinafter, “DIA” or the “Company”) pursuant to the provisions of Section 511 of the restated text of the Spanish Companies Law (*Ley de Sociedades de Capital*), approved by Royal Legislative Decree 1/2010 of July 2, and Section 319 of the Regulations of the Commercial Registry applying the provisions of Section 297.1.b) of the Spanish Companies Law by analogy, to support the proposal -which is submitted for approval of the shareholders at the General Shareholders’ Meeting of the Company called to be held on June 12, 2012, at 12:00 a.m. upon first call, and the next day, June 13, 2012, at the same time, upon second call, under item ninth on the Agenda, relating to the authorization to the Board of Directors, with express power of substitution, to issue debentures or bonds that are convertible into and/or exchangeable for shares of the Company, and warrants on newly-issued shares or outstanding shares of the Company or other companies within or outside of its group.

II. Rationale for the proposal

The Board of Directors believes that the proposed resolution submitted for approval by the shareholders at the General Shareholders’ Meeting is justified by the advisability of making use of the mechanism contemplated by current corporate laws and regulations whereby the Board is given an instrument which allows it to be at all times, in order to secure the most advantageous financial conditions, in a position to raise, on the primary securities market, a significant volume of funds required for appropriate financing of the corporate business, within the limits and subject to the periods, terms and conditions decided by the shareholders at the General Meeting.

The purpose of this delegation is to provide the Board of Directors of the Company with the flexibility and responsiveness required by today’s competitive environment, in which the success of many strategies frequently depends on the ability of the Company to deal with them quickly, without incurring the delays and costs that inevitably ensue from calling and holding a General Shareholders’ Meeting.

The issuance of debentures or bonds that are convertible into and/or exchangeable for shares is one of the instruments for the financing of companies by raising third-party funds. These securities have, on the one hand, the advantage that they offer investors the possibility of converting their receivables from the Company into shares of the Company, receiving a potential return in excess of that offered by other debt instruments and, on the other, they may allow the Company to increase its equity. As a consequence of these characteristics, the



coupon of convertible and/or exchangeable debentures may be generally lower than the cost of simple fixed-income securities and of bank debt, because the interest rate of the debentures reflects the value of the option investors have to convert them into shares of the Company.

For such purpose, pursuant to the provisions of Section 319 of the Regulations of the Commercial Registry and of the general rules regarding issuance of debentures, and pursuant to Articles 14.2, 14.3 and 16.1.e) of the Company's By-Laws -which authorize the shareholders at the General Shareholders' Meeting to delegate to the Board of Directors the power to issue the negotiable securities covered by the proposal and to exclude the preemptive rights, when appropriate, corresponding to holders of the convertible and/or exchangeable debentures-, the resolution proposed under item ninth of the agenda is submitted to the shareholders at the General Shareholders' Meeting for its consideration. As long as warrants are concerned, it is specifically provided that the legal and contractual provisions applicable to convertible and/or exchangeable debentures shall apply to warrants to the extent that they are compatible with the specific nature thereof.

Volume of the issuances

The proposal specifically grants the Board of Directors the power to issue, on one or more occasions, convertible and/or exchangeable bonds and warrants entitling the holders thereof to subscribe for newly-issued shares of the Company or to acquire outstanding shares of the Company and to resolve, when appropriate, to effect the capital increase required to accommodate the conversion or the exercise of the option to subscribe for the shares, provided such increase, individually or added to any increases resolved to be made pursuant to other authorizations proposed by the Board of Directors to the shareholders at a General Shareholders' Meeting pursuant to the provisions of Section 297.1.b) of the Spanish Companies Law, does not exceed one-half (1/2) of the share capital on the date of the resolution. The amount of the capital increases, if any, necessary to convert the debentures, warrants or other securities pursuant to this delegation will be deemed to be included within the limit available at any time to increase the share capital.

Exchange ratio for conversion and/or exchange purposes

The proposed resolution submitted to the shareholders for approval at the General Shareholders' Meeting also establishes the standards to determine the terms and conditions for the conversion and/or exchange, although it entrusts to the Board of Directors, in the event that it resolves to use this authorization, the specific determination of some of such terms and conditions in respect of each specific issuance within the limits and in accordance with the standards established by the shareholders at the General Shareholders' Meeting. The Board of Directors shall thus be responsible for determining the specific ratio for conversion and, for such purpose, upon approving an issuance of convertible and/or exchangeable securities delegated under the authorization granted by the shareholders at the General Shareholders' Meeting, it shall draw up a directors' report describing the specific terms and conditions for conversion applicable to such issuance, on which the related mandatory report of an auditor, other than the Company's auditor, appointed by the Commercial Registry, mentioned in Sections 414 and 511 of the Spanish Companies Law, shall be prepared.

Specifically, the proposed resolution submitted by the Board for approval of the shareholders at the General Shareholders' Meeting provides that the securities issued thereunder shall be



valued at their nominal amount and the shares at the fixed (determined or to be determined) or variable ratio as agreed in the respective resolution of the Board of Directors.

Thus, for purposes of the conversion and/or exchange, fixed-income securities shall be valued at the nominal amount thereof and the shares at the fixed exchange ratio established by the Board of Directors in the resolution whereby the delegated powers are exercised, be such ratio fixed in advanced or to be determined on the date or dates specified in the resolution of the Board of Directors. The exchange ratio shall be based on the listing price of the Company's shares on the date/s or during the period/s used as a reference in such resolution, which shall in no event be lower than the average price of the shares on the Continuous Market of the Spanish Stock Exchange (*Mercado Continuo*), in accordance with closing listing prices during a period to be determined by the Board of Directors and which shall not be greater than three (3) months or less than fifteen (15) calendar days, prior to the date of approval by the Board of Directors of the resolution providing for the issuance of the fixed income securities, or prior to the date of payment of such securities by subscribers. A premium or discount, as appropriate, on such price per share may also be set.

It may also be resolved that the convertible and/or exchangeable fixed-income securities be issued at a variable conversion and/or exchange ratio. In such case, the price of the shares for purposes of the conversion and/or exchange shall be the arithmetic mean of the closing prices of the shares of the Company on the Continuous Market of the Spanish Stock Exchange (*Mercado Continuo*) during a period to be determined by the Board of Directors, which shall not be greater than three (3) months or less than fifteen (15) calendar days, prior to the date of conversion and/or exchange. A premium or discount, as appropriate, may also be set on such price per share in this case.

In any of the cases described in the two preceding paragraphs, it is provided that, if a discount on the price per share is established, such discount may not exceed thirty percent (30%).

Thus, the Board of Directors considers it is given an adequate degree of flexibility to set the value of the shares for purposes of the conversion on the basis of market conditions and other applicable considerations.

In the case of warrants on newly-issued shares, the rules on convertible debentures set forth in the proposed resolution shall apply, to the extent that they are consistent with the nature thereof.

Furthermore, and as provided in Section 415.2 of the Spanish Companies Law, the resolution delegating to the Board the power to issue convertible securities provides, for purposes of the conversion thereof, that the nominal value of the debentures may not be less than the par value of the shares. Convertible debentures may also not be issued for an amount lower than the nominal value thereof.

Exclusion of pre-emptive rights

In accordance with the provisions of Section 417.1 of the Spanish Companies Law, the General Shareholders' Meeting of the Company may, when issuing convertible securities, exclude the pre-emptive rights of the shareholders, in whole or in part, when said exclusion be justified by the corporate interest. In this regard, it is stated for the record that the authorization to issue the convertible and/or exchangeable securities, as well as the warrants



or similar securities that may carry the right, directly or indirectly, to subscribe for or acquire shares of the Company include, in accordance with the provisions of Section 511 of the Spanish Companies Law, the granting to the Board of Directors of the power to exclude the pre-emptive rights of the shareholders, in whole or in part, when so required to raise funds on the markets or otherwise justified by the corporate interest.

The Board believes that the exclusion of pre-emptive rights allows for a relative reduction in the financial cost and the costs associated with the transaction (including, in particular, the fees of the financial institutions participating in the issuance), as compared with an issuance with pre-emptive rights, while causing less distortion in the trading of the shares of the Company during the issuance period. In any event, pursuant to the provisions of Section 511 of the Spanish Companies Law, in the event that the Board decides to exclude the pre-emptive rights of the shareholders in connection with one or all of the issuances it may decide to effect in reliance on such delegated powers, it shall, when adopting the respective resolution to effect the issuance, issue a report specifying the reasons of corporate interest that justify such measure, on which there shall also be prepared the respective report of an auditor other than the Company's auditor appointed by the Commercial Registry, mentioned in Section 414 of the Spanish Companies Law. Both such reports shall be made available to the shareholders and disclosed at the first General Shareholders' Meeting that is held following approval of the resolution providing for the issuance.

Despite the fact that there are no limits imposed neither by the Companies Law nor by the By-Laws of the Company on the right of the shareholders acting at the General Shareholders' Meeting to delegate to the Board of Directors the power to exclude pre-emptive rights, other than the restriction indirectly imposed through the maximum amount of half (1/2) of the share capital that is authorized to be increased by means of the delegation under item seventh of the agenda, the Board of Directors has believed it more appropriate, in line with international trends and recommendations on good market practices, to limit the use of such power to a maximum of twenty percent (20%) of the share capital at the time of the authorization, in conjunction with the power contemplated in item seventh on the agenda.

Listing

Additionally, it is provided that the securities issued pursuant to the powers delegated hereby may be admitted to trading on the appropriate Spanish or foreign, official or unofficial, organized or other secondary market.

Issuances by subsidiaries

Furthermore, it may sometimes be desirable to issue the securities under this proposed resolution through a subsidiary and guaranteed by the Company. Accordingly, it is deemed to be of interest for the shareholders at the General Shareholders' Meeting to authorize the Board of Directors to guarantee, in the name of the Company, within the limits describe above, such new issuances of convertible and/or exchangeable fixed-income securities or warrants as may be made by subsidiaries during the effective period of this resolution, in order that the Board of Directors may be granted the utmost degree of flexibility in structuring the issuances of securities in such manner as may be most appropriate in the circumstances.

Delegation



All the powers to be granted to the Board of Directors, if the resolution proposed herein is adopted, shall be granted with the express power of substitution, so as to further contribute to achieving the purpose of expediting the proposed transactions.

The full text of the proposed resolution regarding delegation of the power to issue debentures or bonds that may be exchanged for and/or converted into shares of the Company and warrants on newly-issued shares or shares of the Company that may then be outstanding reads as follows:

ITEM NINTH ON THE AGENDA

Authorization to the Board of Directors, with the express power of substitution, for a term of five (5) years, of the power to issue debentures or bonds that are exchangeable for and/or convertible into shares of the Company and warrants on newly-issued or outstanding shares of the Company, up to a maximum limit of Euro four hundred and eighty million (€480,000,000). Establishment of the standards for determining the basis for and terms and conditions applicable to the conversion, exchange or exercise. Delegation to the Board of Directors, with the express power of substitution, of the powers required to establish the basis for and terms and conditions applicable to the conversion, exchange or exercise, as well as, in the case of convertible debentures and bonds and warrants on newly-issued shares, of the power to increase share capital to the extent required to accommodate requests for the conversion of debentures or for the exercise of warrants, with the power in the case of issues of convertible and/or exchangeable securities to exclude the pre-emptive rights of the Company's shareholders, provided, however, that this power, together with the power contemplated in item seven, shall be limited to an aggregate maximum nominal amount equal to twenty percent (20%) of the share capital on the date of the authorization.

PROPOSED RESOLUTION RELATING TO ITEM NINTH

“To authorize the Board of Directors, pursuant to the general provisions governing the issuance of debentures and the provisions of Sections 286, 297, 417 and 511 of the Spanish Companies Law (Ley de Sociedades de Capital), Section 319 of the Regulations of the Commercial Registry, and Articles 14.2, 14.3 and 16.1.e) of DIA's By-Laws, to issue negotiable securities under the following terms:

- 1. Securities to be issued.- The negotiable securities contemplated in this delegation may be debentures and bonds that are exchangeable for shares of the Company or of any other company within or outside of its Group and/or convertible into shares of the Company, as well as warrants (options to subscribe for new shares of the Company or to acquire existing shares of the Company).*
- 2. Period of the delegation.- The issuance of the securities covered by this delegation may be effected on one or more occasions within a maximum period of five (5) years following the date of adoption of this resolution.*
- 3. Maximum amount under this delegation.- The aggregate maximum amount of the issuance or issuances of securities approved under this delegation shall be Euro FOUR HUNDRED AND EIGHTY MILLION (€480,000,000) or the equivalent thereof in*

another currency. For purposes of calculation of the aforementioned limit, in the case of warrants, the sum of the premiums and exercise prices of the warrants under the issuances resolved to be made in exercise of the powers delegated hereby shall be taken into account.

4. Scope of the delegation.- In exercise of the delegation of powers approved hereby, the Board of Directors shall be authorized to do the following, by way of example and not of limitation, with respect to each issuance: determine the amount thereof, always within the aforementioned overall quantitative limit, the place of issuance (in Spain or abroad), and the domestic or foreign currency, and in the case of a foreign currency, its equivalence in euros; the name or form of the securities, whether they be bonds (bonos) or debentures (obligaciones), including subordinated debentures (obligaciones subordinadas), warrants (which may in turn be paid by means of the physical delivery of the shares or, if applicable, through the payment of differences in price), or any other name or form permitted by Law; the date or dates of issuance; the number of securities and the par value thereof, which, in the case of convertible and/or exchangeable bonds or debentures, shall not be less than the par value of the shares; in the case of warrants and similar securities, the issue price and/or premium, the exercise price (which may be fixed or variable) and the procedure, period and other terms and conditions applicable to the exercise of the right to subscribe for the underlying shares or, if applicable, the exclusion of such right; the interest rate (whether fixed or variable), and the dates and procedures for payment of the coupon; whether the issuance is perpetual or subject to repayment and, in the latter case, the repayment period and the maturity date or dates; guarantees, reimbursement rate, premiums and lots; the form of representation, as securities or book entries; antidilution provisions; the rules applicable to subscription; the rank of the securities and the subordination clauses, if any; the law applicable to the issuance; the power to make application, where appropriate, for the listing of the securities to be issued on Spanish or foreign, official or unofficial, organized or other secondary markets, subject to the requirements established by applicable regulations in each case; and, in general, any other terms of the issuance as well as, if applicable, the appointment of the security-holders' syndicate representative (comisario) and the approval of the basic rules that are to govern the legal relationships between the Company and the syndicate of holders of the securities to be issued, in the event that such syndicate must or is decided to be created.

In addition, the Board of Directors is authorized such that, when it deems it appropriate and subject, if applicable, to any appropriate authorizations being secured and to the consent of the security-holders coming together at a meeting of the corresponding syndicates of security-holders, it may modify the terms and conditions applicable to the repayment of the fixed-income securities issued, as well as the respective period thereof and the rate of interest, if any, accrued by the securities included in each of the issuances effected under this authorization.

5. Basis for and terms and conditions applicable to the conversion and/or exchange.- In the case of issuance of convertible and/or exchangeable debentures or bonds, and for purposes of determining the basis for and terms and conditions applicable to the conversion and/or exchange, it is resolved to establish the following standards:

- a) *The securities issued pursuant to this resolution shall be convertible into shares of the Company or of any other company, within or outside of its Group and/or exchangeable into shares of the Company, in accordance with a fixed or variable conversion and/or exchange ratio determined or to be determined, with the Board of Directors being authorized to decide whether they are convertible and/or exchangeable, as well as to determine whether they are mandatorily or voluntarily convertible and/or exchangeable, and if voluntarily, at the option of the holder thereof or of the Company, at the intervals and during the period established in the resolution providing for the issuance, which may not exceed thirty(30) years from the date of issuance.*
- b) *In the event that the issuance is convertible and exchangeable, the Board may also provide that the issuer reserves the right at any time to elect between (i) conversion into new shares or the exchange thereof for outstanding shares of the Company, with the nature of the shares to be delivered being determined at the time of conversion or exchange, and (ii) a combination of newly-issued shares and existing shares of the Company and even to pay the difference in cash. In any event, the issuer shall afford equal treatment to all holders of fixed-income securities converting and/or exchanging their securities on the same date.*
- c) *For purposes of the conversion and/or exchange, the securities shall be valued at the nominal amount thereof, and the shares at the fixed exchange ratio established in the resolution of the Board of Directors whereby this delegation of powers is exercised, or at a variable ratio to be determined on the date or dates specified in such resolution of the Board, based on the listing price of the Company's shares on the date(s) or during the period(s) used as a reference in such resolution. In any event, the fixed exchange ratio so determined may not be less than the average exchange ratio for the shares on the Continuous Market of the Spanish Stock Exchange (Mercado Continuo) on which the Company's shares are admitted to listing, in accordance with closing listing prices during a period to be set by the Board of Directors and which shall not be greater than three (3) months or less than fifteen (15) calendar days prior to the date of approval by the Board of Directors of the resolution providing for the issuance of the fixed-income securities or prior to the date of payment of such securities by the subscribers, at a premium or at a discount, as the case may be, on such price per share, provided, however, that if a discount on the price per share is established, it shall not be greater than thirty percent (30%) of the value of the shares used as a reference value as set forth above.*
- d) *It may also be resolved that the convertible and/or exchangeable fixed-income securities be issued at a variable conversion and/or exchange ratio. In such case, the price of the shares for purposes of the conversion and/or exchange shall be the arithmetic mean of the closing prices of the Company's shares on the Continuous Market of the Spanish Stock Exchange (Mercado Continuo) during a period to be set by the Board of Directors, which shall not be greater than three (3) months nor less than fifteen (15) calendar days prior to the date of conversion and/or exchange, at a premium or at a discount, as the case may be, on such price per share. The premium or discount may be different for each date of conversion*

and/or exchange of each issuance (or for each tranche of an issuance, if any), provided, however, that if a discount is established on the price per share, it shall not be greater than thirty percent (30%) of the value of the shares used as a reference value as set forth above.

- e) Whenever a conversion and/or exchange is admissible, any fractional shares to be delivered to the holder of the debentures shall be rounded downwards by default to the immediately lower integer, and each holder shall receive in cash, if so provided in the terms of the issuance, any difference that may arise in such case.*
- f) In no event may the value of the share for purposes of the ratio for conversion of debentures into shares be less than the par value thereof. In addition, pursuant to the provisions of Section 415 of the Spanish Companies Law, debentures may not be converted into shares when the nominal value of the former is less than the par value of the latter.*

When approving an issuance of convertible and/or exchangeable debentures or bonds under the authorization granted in this resolution, the Board of Directors shall issue a directors' report, elaborating on and specifying, on the basis of the standards described above, the basis and terms and conditions for conversion that are specifically applicable to the respective issuance. Such report shall be accompanied by the corresponding auditor's report mentioned in Section 414 of the Spanish Companies Law.

6. Basis for and terms and conditions for the exercise of warrants and other similar securities.- In the event of issuances of warrants, it is resolved to establish the following standards:

- a) In the case of issuances of warrants, to which the provisions of the Spanish Companies Law on convertible debentures shall apply by analogy, the Board of Directors is authorized to determine, in the broadest terms, in connection with the basis for and terms and conditions applicable to the exercise of such warrants, the standards applicable to the exercise of rights to subscribe for or of rights to acquire shares of the Company or of another company within or outside of the Group, or to a combination thereof, arising from the securities of this kind issued under the delegation granted hereby. The standards set forth in section 5 above shall apply to such issuances, with such adjustments as may be necessary in order to bring them into compliance with the legal and financial rules governing these kinds of securities.*
- b) The preceding standards shall apply, with any changes that may be required and to the extent applicable, to the issuance of fixed-income securities (or warrants) that are exchangeable for shares of other companies. Where appropriate, all references to the Spanish Stock Exchanges shall be deemed made to the markets, if any, on which the respective shares are listed.*

7. This authorization to the Board of Directors also includes, without limitation, the delegation thereto of the following powers:

- a) *The power of the Board of Directors, as permitted by Section 511 of the Spanish Companies Law, in relation to Section 417 of such Law, to totally or partially exclude the pre-emptive rights of the shareholders. In any event, if the Board of Directors decides to exclude the pre-emptive rights of the shareholders in connection with any specific issuance of convertible bonds or debentures, warrants and other securities similar thereto that it ultimately decides to effect under this authorization, the Board shall issue, at the time of approval of the issuance and pursuant to applicable laws and regulations, a report setting forth the specific reasons based on the corporate interest that justify such measure, on which there shall be prepared the corresponding report of an auditor, other than the Company's auditor and appointed by the Commercial Registry, mentioned in Sections 414 and 511 of the Spanish Companies Law. Both such reports shall be made available to the shareholders and disclosed at the first General Shareholders' Meeting that is held following approval of the resolution providing for the issuance, provided, however, that such power shall be limited to share capital increases carried out pursuant to this authorization and to the authorization contemplated in item seven on the agenda up to a maximum amount equal, in the aggregate, to twenty percent (20%) of the current share capital of the Company.*
- b) *The power to increase share capital to the extent required to accommodate requests for conversion and/or for exercise of the right to subscribe for shares. Such power may only be exercised to the extent that the Board of Directors, adding the capital increase effected to accommodate the issuance of convertible debentures, warrants and other similar securities and the other capital increases approved under authorizations granted by the shareholders at this General Shareholders' Meeting, does not exceed the limit of one-half (1/2) of the amount of the share capital provided by Section 297.1 b) of the Spanish Companies Law. This authorization to increase capital includes the authorization to issue and float, on one or more occasions, the shares representing such capital that are necessary to carry out the conversion and/or to exercise the right to subscribe for shares, as well as the power to amend the article of the Company's By-Laws relating to the amount of the share capital and, if appropriate, to cancel the portion of such capital increase that was not required for the conversion of shares and/or the exercise of the right to subscribe for shares.*
- c) *The power to elaborate on and specify the basis for and terms and conditions applicable to the conversion, exchange and/or exercise of the rights to subscribe for and/or acquire shares arising from the securities to be issued, taking into account the standards set out in sections 5 and 6 above.*
- d) *The delegation to the Board of Directors includes the broadest powers that may be required by Law in order to interpret, apply, implement and develop the resolutions providing for the issuance of securities that are convertible into or exchangeable for shares of the Company, on one or more occasions, and to carry out the corresponding capital increase, as well as the power to correct and supplement such resolutions as to all matters that may be necessary and to comply with all legal requirements for the successful implementation thereof. To*

such end, the Board of Directors may correct any omissions or defects in the aforementioned resolutions that may be identified by any Spanish or foreign authorities, officers or bodies, and may also adopt all such resolutions and execute all such public or private documents as it may deem necessary or appropriate in order to adjust the preceding resolutions for the issuance of convertible or exchangeable securities and the corresponding capital increase to the oral or written assessment of the Commercial Registrar or, in general, of any other Spanish or foreign competent authorities, officers or entities.

8. *Listing of securities.*- *Whenever appropriate, the Company shall make application for listing on Spanish or foreign, official or unofficial, organized or other secondary markets of the convertible and/or exchangeable debentures and/or bonds or of the warrants issued by the Company exercising the powers delegated hereby, and the Board of Directors is authorized, as broad as is required by Law, to conduct all acts and formalities that may be required for admission to listing with the appropriate authorities of the various Spanish or foreign securities markets.*

It is expressly stated for the record that if application is subsequently made for delisting, it shall be made in compliance with the same formalities as the application for listing, and, in such case, the interests of the shareholders or debenture holders opposing or not voting on the resolution shall be safeguarded as provided by applicable law. In addition, it is expressly stated that the Company undertakes to comply with all current or future Stock Market laws or regulations and, particularly, by those governing trading, continued listing and delisting of securities.

9. *Guarantee in support of issuances of convertible and/or exchangeable fixed-income securities or warrants by subsidiaries.* *The Board of Directors is hereby also authorize to guarantee, on behalf of the Company and within the limits provided above, new issuances of convertible and/or exchangeable fixed-income securities or warrants by its subsidiaries during the effective period of this resolution.*
10. *Power of substitution.*- *The Board of Directors is hereby expressly authorized to delegate the powers contemplated in this resolution, as permitted by Section 249 of the Spanish Companies Law.*

In accordance with the provisions of Section 511 of the Spanish Companies Law and Section 319 of the Regulations of the Commercial Registry applying the provisions of Section 297.1.b) of the Spanish Companies Law, a report has been drawn up by the directors of DIA in order to support the proposal presented hereby.”

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Madrid, May 9, 2012