



PROPOSED RESOLUTIONS FORMULATED BY THE BOARD OF DIRECTORS TO THE GENERAL SHAREHOLDERS' MEETING OF DISTRIBUIDORA INTERNACIONAL DE ALIMENTACIÓN, S.A. CALLED TO BE HELD ON 27 APRIL 2017, ON FIRST CALL, AND OTHERWISE ON 28 APRIL 2017, ON SECOND CALL

The resolutions that the Board of Directors of Distribuidora Internacional de Alimentación, S.A. ("DIA" or the "Company") proposes for approval by the shareholders at the General Meeting are as follows:

PROPOSED RESOLUTION REGARDING ITEM ONE ON THE AGENDA

Examination and approval, if appropriate, of the annual accounts, allocation of results and corporate management

- 1.1. **Examination and approval of the Company's individual annual accounts (balance sheet, income statement, statement of changes in equity, statements of cash flows, and notes) and the individual annual accounts of the Company consolidated with those of its subsidiaries (statements of financial position, income statement, statement of comprehensive income, statement of changes in equity, statement of cash flows, and notes, all consolidated), as well as the Company's individual management report and the management report of the Company consolidated with that of its subsidiaries, for the financial year ended 31 December 2016**

It is proposed to approve the individual annual accounts of Distribuidora Internacional de Alimentación, S.A. (balance sheet, income statement, statement of changes in equity, statements of cash flows, and notes) and the individual annual accounts of the Distribuidora Internacional de Alimentación, S.A. consolidated with those of its subsidiaries (statement of financial position, income statement, statement of comprehensive income, statement of changes in equity, statement of cash flows, and notes, all consolidated), as well as the Company's individual management report and the management report of the Company consolidated with that of its subsidiaries, for the financial year ended 31 December 2016, and which were formulated by the Board of Directors at its meeting held on 22 February 2017.

- 1.2. **Proposed allocation of the results of the Company for the financial year ended 31 December 2016**

Pursuant to the proposal made by the Board of Directors at the meeting held on 22 February 2017, it is proposed to approve the allocation of the results of the Company described below: to distribute all of the positive individual results from financial year 2016, in the amount of TWO HUNDRED SEVEN MILLION THREE HUNDRED EIGHTY FOUR THOUSAND NINE HUNDRED EIGHTY TWO EUROS AND FIFTY SIX EURO CENTS (207,384,982.56 Euros), as follows:

- **To dividends for distribution among the shareholders:** amount corresponding to a gross fixed cash dividend of TWENTY ONE EURO CENTS (0.21 Euros) per share of the Company with the right to receive it on the date of the corresponding payment, from which amount there shall be deducted any applicable withholding tax. Solely for informational purposes, on 31 December 2016 and in light of the level of the Company's treasury position on such date, the above amount per share represented a total of ONE HUNDRED TWENTY EIGHT MILLION THREE HUNDRED EIGHTY



THREE THOUSAND SIX HUNDRED FIFTY FIVE EUROS AND NINETEEN EURO CENTS (128,383,655.19 Euros).

- To other reserves: the remaining amount. For indicative purposes, as the date of the formulation of the annual accounts, the remainder was a total of SEVENTY NINE MILLION ONE THOUSAND THREE HUNDRED TWENTY SEVEN EUROS AND THIRTY SEVEN EURO CENTS (79,001,327.37 Euros).

Therefore, it is proposed to pay the gross amount of TWENTY ONE EURO CENTS (€0.21) for each of the ordinary shares with the right to receive it. Such amount shall be paid on 18 July 2017 through the participants in Sociedad de Gestión de los Sistemas de Registro, Compensación y Liquidación de Valores, S.A.U. (IBERCLEAR).

1.3. Examination and approval of the management and activity of the Board of Directors during the financial year ended 31 December 2016

It is proposed to approve the corporate management and the activities performed by the Board of Directors of the Company during the financial year ended on 31 December 2016.



PROPOSED RESOLUTION REGARDING ITEM TWO ON THE AGENDA

Ratification and/or re-election, if appropriate, of the following members of the Board of Directors, for the term provided for in the Articles of Association

2.1 Re-election of Mr Richard Golding as independent Director

It is proposed to re-elect for the three-year term provided for in the Articles of Association, the Director Mr Richard Golding, whose classification is that of “independent director”, upon a proposal from the Nomination and Remuneration Committee.

2.2 Re-election of Mr Mariano Martín Mampaso as independent Director

It is proposed to re-elect for the three-year term provided for in the Articles of Association, the Director Mr Mariano Martín Mampaso, whose classification is that of “independent director”, upon a proposal from the Nomination and Remuneration Committee.

2.3 Re-election of Mr Antonio Urcelay Alonso as other external Director

It is proposed to re-elect for the three-year term provided for in the Articles of Association, the Director Mr Antonio Urcelay Alonso, whose classification is that of “other external”, after a report of the Nomination and Remuneration Committee.

2.4 Ratification and re-election of Mr Borja de la Cierva Álvarez de Sotomayor as independent Director

It is proposed to ratify and re-elect for the three-year term provided for in the Articles of Association, the Director Mr Borja de la Cierva Álvarez de Sotomayor, whose classification is that of “independent director”, upon a proposal of the Nomination and Remuneration Committee. Mr Borja de la Cierva Álvarez de Sotomayor was appointed Director on an interim basis (co-option) by means of a resolution of the Board of Directors dated 5 September 2016.

2.5 Ratification and re-election of Ms María Luisa Garaña Corces as independent Director

It is proposed to ratify and re-elect for the three-year term provided for in the Articles of Association, the Director Ms María Luisa Garaña Corces, whose classification is that of “independent director”, upon a proposal of the Nomination and Remuneration Committee. Ms María Luisa Garaña Corces was appointed as Director on an interim basis (co-option) by means of a resolution of the Board of Directors dated 14 December 2016.



PROPOSED RESOLUTION REGARDING ITEM THREE ON THE AGENDA

Re-election, if appropriate, of KPMG Auditores, S.L. as statutory auditors of the Company and of its group for the financial year 2017

In order to comply with the legal obligation to verify the annual accounts of the Company by auditors and, upon proposal of the Audit and Compliance Committee, it is agreed to re-elect KPMG Auditores, S.L. as auditors of the Company and of its group, which will audit for a period of one year, in accordance with article 22 of Law 22/2015, of 20 July, on Account Auditing, in its current wording, for the individual annual accounts of the Company and the individual annual accounts of the Company consolidated with those of its subsidiaries for the financial year ended 31 December 2017.

It is recorded that KPMG Auditores, S.L. has its corporate domicile in Madrid, Paseo de la Castellana, 95, with Fiscal Identity Number B-78510153, being registered in the Madrid Mercantile Registry, in Volume 11,961, Sheet 90, Section 8, Page M-188.007, Entry No. 9, as well as in the Official Registry of Accounting Auditors under number S0702.



PROPOSED RESOLUTION REGARDING ITEM FOUR ON THE AGENDA

Approval, if appropriate, of the delivery of all or part of the remuneration of the Company's Board of Directors, in their capacity as board members, in the form of Company shares

A proposal is made to the shareholders at the General Meeting, pursuant to article 39.4 of the Articles of Association, to deliver 50% of the gross annual remuneration of the members of the Board of Directors for financial year 2017 in shares of the Company, thus delivering the remaining 50% in cash.

Both the cash as well as the shares corresponding to each of the Directors for performing their duties as such Directors, shall be delivered as from 15 December 2017 (in this case including the remuneration for the month of December).

The maximum number of shares to be delivered as remuneration for the position of Director for financial year 2017 shall be calculated by reference to the result of dividing 50% of the remuneration of each Director by a benchmark listing price, which, for financial year 2017, shall be the volume weighted average price (VWAP) of the closing prices for DIA shares during the 15 trading days prior to 22 February 2017 (inclusive).

The Directors must maintain ownership of these shares until the time they cease to be a director.

It is reminded that the maximum remuneration of the Company's Board of Directors, in their capacity as board members, already approved by the shareholders at the General Meeting held on 24 April 2015, amounts to 1,500,000 euros per year.



PROPOSED RESOLUTION REGARDING ITEM FIVE ON THE AGENDA

Delegation of powers to amend, supplement, execute and implement the resolutions adopted by the shareholders acting at the General Meeting, to formalise and record such resolutions, and to make the required deposit of accounts

Without prejudice to the delegations already approved by the shareholders at the Meeting, it is proposed to approve the delegation to the Board of Directors, on the broadest of terms, with powers to further delegate to any of its members, to the non-member Secretary of the Board of Directors and to the non-member Deputy Secretary of the Board of Directors, all of them jointly and severally, all powers as are required to interpret, execute and carry into effect the resolutions adopted at this General Meeting, including the execution of such public or private documents as may be required, the publication of any such announcements as are legally required, the registration with any registers as may be appropriate, and the performance of any such acts and procedures as may be necessary for such purpose; this includes the power to correct any defects, omissions or errors that may be found, including those noted in the verbal or written assessment by the Mercantile Registry, that might prevent the effectiveness of the resolutions, as well as making the required deposit of accounts with the Mercantile Registry.



CONSULTATIVE ITEM

PROPOSED RESOLUTION REGARDING ITEM SIX ON THE AGENDA

Annual Director Remuneration Report for financial year 2016

In compliance with the provisions of section 541 of the Spanish Companies Act, the Board of Directors has prepared an annual report on the remuneration of the Directors for financial year 2016, which has been made available to the shareholders, and which after a favourable report from the Nomination and Remuneration Committee, is presented to the shareholders at the General Shareholders' Meeting and submitted for their consultative vote as a separate item on the Agenda.

It is therefore proposed to approve on a consultative basis the annual report on remuneration of the Directors for financial year 2016.