



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 21 APRIL 2016, ON FIRST CALL, AND OTHERWISE ON 22 APRIL 2016, 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:

ITEM ONE ON THE AGENDA

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

PROPOSED RESOLUTIONS REGARDING ITEM ONE

- 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 2015**

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 2015, and which were formulated by the Board of Directors at its meeting held on 23 February 2016.

- 1.2. Proposed allocation of the results of the Company for the financial year ended 31 December 2015**

Pursuant to the proposal made by the Board of Directors at the meeting held on 23 February 2016, it is proposed to approve the allocation of the results of the Company described below: to distribute all if the positive individual results from financial year 2015, in the amount of TWO HUNDRED SIXTEEN MILLION NINE HUNDRED SEVENTY FIVE THOUSAND TWO HUNDRED AND FIFTY FOUR AND FIFTY NINE EURO CENTS (216,975,254.59 Euros), as follows:

- To dividends for distribution among the shareholders: amount corresponding to a gross fixed cash dividend of TWENTY EURO CENTS (0.20 Euro) 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 the date of formulation of the annual accounts 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 TWO MILLION EIGHT HUNDRED FIFTY



FOUR THOUSAND FIVE HUNDRED FORTY SIX EUROS AND TWENTY EURO CENTS (122,854,546.20 Euros).

- To the goodwill reserve: TWO MILLION THREE HUNDRED FORTY THOUSAND SIX HUNDRED NINETY EUROS AND SIX EURO CENTS (2,340,690.06 Euros).
- To other reserves: the remaining amount. For indicative purposes, at the date of formulation of the annual accounts, the remainder was a total of NINETY ONE MILLION SEVEN HUNDRED EIGHT THOUSAND AND EIGHTEEN EUROS AND THIRTY THREE EURO CENTS (91,780,018.33 Euros).

Therefore, it is proposed to pay the gross amount of TWENTY EURO CENTS (€0.20) for each of the ordinary shares with the right to receive it. Such amount shall be paid on 14 July 2016 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 2015

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 2015.



ITEM TWO ON THE AGENDA

Ratification and re-election of members of the Board of Directors

PROPOSED RESOLUTIONS REGARDING ITEM TWO

2.1 Re-election of Ms Ana María Llopis Rivas as a Director of the Company

It is proposed to re-elect for the three-year term provided for in the articles of association, the Director Ms. Ana María Llopis Riva, whose classification is that of “other external director”, after a report from the Appointments and Remuneration Committee.

2.2 Re-election of Mr Ricardo Currás de Don Pablos as a Director of the Company

It is proposed to re-elect for the three-year term provided for in the articles of association, the Director Mr. Ricardo Currás de Don Pablos, whose classification is that of “executive director”, after a report from the Appointments and Remuneration Committee.

2.3 Re-election of Mr Julián Díaz González as a Director of the Company

It is proposed to re-elect for the three-year term provided for in the articles of association, the Director Mr. Julián Díaz González, whose classification is that of “independent director”, upon a proposal of the Appointments and Remuneration Committee.

2.4 Re-election of Ms Rosalía Portela de Pablo as a Director of the Company

It is proposed to re-elect for the three-year term provided for in the articles of association, the Director Ms. Rosalía Portela de Pablo, whose classification is that of “independent director”, upon a proposal of the Appointments and Remuneration Committee.

2.5 Ratification and re-election of Mr Juan María Nin Génova as a Director of the Company

It is proposed to ratify and re-elect for the three-year term provided for in the articles of association, the Director Mr. Juan María Nin Génova, whose classification is that of “independent director”, upon a proposal of the Appointments and Remuneration Committee. Mr. Juan María Nin Génova was appointed as a Director on an interim basis (co-option) by means of a resolution of the Board of Directors dated 15 October 2015.

2.6 Ratification and re-election of Ms Angela Lesley Spindler as a Director of the Company

It is proposed to ratify and re-elect for the three-year term provided for in the articles of association, the Director Ms. Angela Lesley Spindler, whose classification is that of “independent director”, upon a proposal of the Appointments and Remuneration Committee. Ms. Angela Lesley Spindler was appointed as a Director on an interim basis (co-option) by means of a resolution of the Board of Directors dated 8 February 2016.



ITEM THREE ON THE AGENDA

Amendment of the following articles of the Articles of Association of the Company in order to conform them to the amendments introduced by recently approved legal provisions and to make certain technical improvements:

- 3.1 Proposed amendment of the following articles in “Title I. Chapter I.– General provisions”: article 2 (“Corporate object”) and article 3 (“Registered address”)**
- 3.2 Proposed amendment of the following article in “Title II.- The Company’s governance. Chapter I.– The general meeting”: article 19 (“Right of information”)**
- 3.3 Proposed amendment of the following article in “Title II.– The Company’s governance. Chapter II.– Company management. Section 1.– The board of directors”: article 34 (“Term”)**
- 3.4 Proposed amendment of the following article in “Title II.– The Company’s governance. Chapter II.– Company management. Section 2.– Delegated bodies of the board of directors”: article 41 (“The audit and compliance committee”)**
- 3.5 Proposed amendment of the following article in “Title II.– The Company’s governance. Chapter II.– Company management. Section 3.– Annual corporate governance report and website”: article 44 (“Website”)**

PROPOSED RESOLUTIONS REGARDING ITEM THREE

It is proposed to the shareholders at the General Meeting to approve the amendments of the articles of the Articles of Association upon the terms of the proposal included in the Directors’ Report prepared for such purpose and made available to the shareholders as from the call to this General Meeting.

The amendments to the articles are intended (i) to include the legal changes made in the Companies Act after the approval of Law 9/2015 of 25 May on Urgent Measures in Bankruptcy and Law 22/2015 of 20 July on Auditing; and (ii) to make certain technical improvements in order to clarify certain issues, to improve the text thereof, and to facilitate a better understanding thereof.

Specifically, it is proposed to amend the following articles of the Articles of Association, grouped by each Title of such Articles of Association that make up a group of articles deemed to be substantially independent, all upon the terms of the Directors’ Report prepared for such purpose:

3.1 Proposed amendment of the following articles in “Title I. Chapter I.– General provisions”: article 2 (“Corporate object”) and article 3 (“Registered address”)

- Amendment of section 1 of article 2 (“Corporate object”), which shall hereafter read as follows:

“Article 2.- Corporate object

1. The object of the Company is to execute the following activities, both in Spain and abroad:

- (a) The wholesale and retail commercialisation in the internal and external market of food products and any other products for consumer use; domestic health, healthcare/beauty, homoeopathy, optical, cosmetic, jewellery, household goods,***

perfume and personal hygiene products; and nutrition, health and insecticide products and any other consumer products for animals.

- (b) The execution of asset transactions; the acquisition, sale and lease of real and personal property; and the execution of financial transactions to the extent allowed by applicable law.*
- (c) The provision of business collaboration services of all kinds for the commercialisation of telecommunications products and services, including telephony in particular, by executing the relevant agreements with companies entitled to supply and distribute all of these products and services. This collaboration, in any case and to the extent allowed by applicable law, will include the commercialisation of said telecommunications products and services.*
- (d) The provision of business assistance services of all kinds for the commercialisation of the products and services of financial institutions, payment institutions, electronic funds institutions and currency-exchange bureaux, in accordance with the corporate object and the management approval of these institutions. This collaboration, to the extent allowed by applicable law and, subject, if any, to the prior administrative authorisation that may be necessary, will include the provision, commercialisation and distribution of the products and services of these institutions.*
- (e) The execution of activities related to the commercialisation and/or sale through the Internet or any other telematic means of all type of products and services that are legally traded, including in particular food and household products and small appliances, multimedia and computer products, photography items, telephony and image or sound products, including the provision of all types of services through the Internet or any other telematic means.*
- (f) The execution of activities inherent to wholesale and retail travel agencies, including amongst others the organisation and sale of package holidays.*
- (g) The retail distribution of oil products and the exploitation of service stations and retail trade of gasoline and fuels sold to the public.*
- (h) The purchase, holding, enjoyment, management, administration and disposal of securities representing the capital stock of Spanish resident and non-resident entities, through the necessary arrangement of material and human resources.*
- (i) The management, coordination, advice and support provided to investee companies or other collaborating companies by virtue of contractual relations, e.g. franchise agreements and others.*
- (j) The deposit and storage of all types of merchandise and products, both for the Company and other enterprises.*

[...]”

- Amendment of section 2 of article 3 (“Registered address”), which shall hereafter read as follows:

“Article 3.- Registered address

[...]

2. *The registered address may be transferred elsewhere within Spain further to a resolution adopted by the board of directors. In order to be transferred abroad the agreement of the general shareholders’ meeting will be necessary.*

[...]”

3.2 Proposed amendment of the following article in “Title II.- The Company’s governance. Chapter I.– The general meeting”: article 19 (“Right of information”)

- Amendment of section 2, letter b) of article 19 (“Right of information”), which shall hereafter read as follows:

“Article 19.- Right of information

[...]

a) [...]

- b) *the request for information or clarification requested does not refer to matters included in the agenda, to information accessible to the public provided by the Company to the CNMV since the last general meeting was held, or to the auditor’s report;*

[...]”

3.3 Proposed amendment of the following article in “Title II.– The Company’s governance. Chapter II.– Company management. Section 1.– The board of directors”: article 34 (“Term”)

- Amendment of section 1 of article 34 (“Term”), which shall hereafter read as follows:

“Article 34.- Term

1. *Directors will hold their post for a three (3) year term, unless they resign or are removed, and may be re-elected once or several times for periods of equal duration, except as regards independent directors, who may only hold their post for a maximum of twelve (12) years.*

2. [...]

3.4 Proposed amendment of the following article in “Title II.– The Company’s governance. Chapter II.– Company management. Section 2.– Delegated bodies of the board of directors”: article 41 (“The audit and compliance committee”)

- Amendment of sections 1 and 2 of article 41 (“The Audit and Compliance Committee”), which shall hereafter read as follows:

“Article 41.- The audit and compliance committee

1. *The board of directors will establish an audit and compliance committee, of a permanent nature, which will be comprised of a minimum of three (3) directors and a maximum of five (5), appointed by the board of directors itself from among its outside or non-inside directors. The majority of the members of the audit and compliance committee will be independent and, at least, one (1) of them will be*

appointed based on his knowledge and experience in accounting or auditing matters, or both.

As a group, the members of the audit and compliance committee shall have pertinent technical knowledge relating to the industry to which the Company belongs.

2. *Without prejudice to such other tasks as may be assigned to it from time to time by the board of directors, the audit and compliance committee in any event will have the following authority:*
 - (a) *reporting to the general shareholders meeting in answer to questions related to issues within the scope of its responsibilities, and particularly regarding the results of the audit, explaining how it has contributed to the integrity of the financial information, and the role that the committee has played in such process;*
 - (b) *supervise the process of preparing and presenting mandatory financial information and submit recommendations or proposals to the board of directors to protect the integrity thereof;*
 - (c) *supervising the effectiveness of the Company's internal control, internal audit and risk management systems; and discussing with the Company's auditors such significant weaknesses in the internal control system as may be discovered in the conduct of the audit, all without infringing upon the independence thereof; To this end, and if appropriate, they may submit recommendations or proposals to the board of directors and the corresponding follow-up period.*
 - (d) *submitting to the board of directors the proposal for the selection, appointment, re-election and removal of the auditors, taking charge of the selection process as well as the conditions for hiring them and the scope of their professional assignment, and receiving information about the audit plan and its execution, as well as ensuring the auditors' independence;*
 - (e) *establishing the appropriate relationships with the outside auditors to receive information regarding such questions as may entail a threat to their independence, for examination by the committee, and any other questions related to the process of auditing accounts, and, if appropriate, the approval of services other than those prohibited by applicable legal provisions, and such other communications as may be contemplated in the accounting and auditing legislation and audit standards.*

In any event, they must annually receive from the outside auditors a statement of their independence as regards the entity or directly or indirectly related entities, and detailed and individualised information on additional services of any kind and the relevant retribution received from these entities by the aforesaid outside, or by the persons or entities related thereto, in accordance with the legal provisions governing the activity of auditing accounts.
 - (f) *annually, prior to the issue of the audit report, issuing a report stating an opinion regarding whether or not the independence of the auditors or audit*

firms is compromised. This report must comprise, in any event, a reasoned assessment of the provision of each and every one of the additional services referred to in the point above, individually and globally considered, different from the legal audit and in relation to the independence system or the legal provisions on the activity of auditing accounts;

- (g) prior reporting to the board regarding any matters foreseen by the Act, these articles of association, the board of directors regulation, and, in particular:
 - *the financial information that the Company must periodically disclose,*
 - *the creation or acquisition of shares in entities with special purposes or domiciled in countries or territories that are considered as tax havens;**
- (h) supervising compliance with the rules regarding related party transactions with directors or major shareholders or shareholders represented on the board; in particular, it will report to the board regarding such related party transactions and, in general, regarding transactions that imply or may imply conflicts of interest, for their approval, and will see to it that information in respect thereof is communicated to the market as required by law;*
- (i) supervising compliance with internal codes of conduct, in particular the code of conduct for the securities market;*
- (j) any such others as may be attributed to it by the Act and other regulations applicable to the Company.*

[...]”

3.5 Proposed amendment of the following article in “Title II.– The Company’s governance. Chapter II.– Company management. Section 3.– Annual corporate governance report and website”: article 44 (“Website”)

- Amendment of article 44 (“Website”), which shall hereafter read as follows:

“Article 44.- Website

- 1. The Company will maintain a website (www.diacorporate.com)) to facilitate the exercise of the shareholders' right of information and to disseminate the material information of the Company to investors. The website will include the documents and information contemplated by the Act, otherwise required by the CNMV and any others determined by the board of directors.*
- 2. The board of directors may agree to modify, remove or transfer the website. This resolution will be recorded at the Commercial Registry or will be notified to all the shareholders and, in any case, will be published in the Official Gazette of the Commercial Registry and the website itself will announce a resolution to modify, remove or transfer within thirty (30) days following the insertion of the resolution.”*



ITEM FOUR ON THE AGENDA

Authorisation to the Board of Directors, with express power of further delegation, for a maximum period of five years, to increase the share capital pursuant to the provisions of in section 297.1.b) of the Companies Act (*Ley de Sociedades de Capital*), by up to one-half of the share capital on the date of the authorisation. Delegation of the power to exclude pre-emption rights in relation to increases in capital that may be approved pursuant to this authorisation, which power, along with the same power provided for in item five on the Agenda, shall be limited to a maximum aggregate nominal amount equal to 20% of the share capital on the date of the authorisation

PROPOSED RESOLUTIONS REGARDING ITEM FOUR

To authorise the Board of Directors, as broadly as required under law, so that it may increase the share capital on one or more occasions and at any time under the provisions of section 297.1.b) of the Companies Act, within a term of five years from the date of approval of this resolution, by up to one-half of the current share capital, i.e. up to a maximum par value of 31,122,825.65 euros. Any capital increases made for the purpose of covering the conversion of debentures that are approved by the Board of Directors in the exercise of the powers delegated by the Company's shareholders shall be deemed to be included within this limit.

Increases in share capital under this authorisation shall be carried out through the issuance and flotation of new shares (with or without a premium), the consideration for which shall be cash contributions. In each increase, the Board of Directors shall decide whether the new shares to be issued are ordinary, preferred, redeemable, non-voting or any other kinds of shares among those permitted by law. Furthermore, as to all matters not otherwise contemplated, the Board of Directors may establish the terms and conditions of the share capital increases and the characteristics of the shares, and may also freely offer the new shares that are not subscribed within the period or periods for the exercise of pre-emption rights. The Board of Directors may also resolve that, in the event of incomplete subscription, the share capital shall be increased only by the amount of the subscriptions made and amend the article of the By-Laws relating to share capital and number of shares.

Furthermore, in connection with the increases in share capital that may be carried out under this authorisation, the Board of Directors is authorised to totally or partially exclude pre-emption rights as permitted by section 506 of the Companies Act. This power shall in any event be limited to capital increases carried out pursuant to this authorisation and to those increases made under the authorisation contemplated in item five of the Agenda up to a maximum amount equal, in the aggregate, to 20% of the share capital on the date of adoption of this resolution.

The Company shall, when appropriate, make application for trading of the shares issued under this authorisation on Spanish or foreign, official or unofficial, organised or other secondary markets, and the Board of Directors shall be authorised to carry out all acts and formalities that may be required for admission to listing with the appropriate authorities of the various Spanish or foreign securities markets.

The delegation to the Board of Directors includes the broadest powers 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, and 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, officials 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 corresponding capital increase to the oral or written assessment of the Mercantile Registry, in general, of any other competent Spanish or foreign authorities, officials or institutions.

Pursuant to the provisions of section 249.bis.1) of the Companies Act, the Board of Directors is expressly authorised to further delegate the delegated powers contemplated in this resolution.

Pursuant to the provisions of sections 286, 297.1.b) and 506 of the Companies Act, the directors have prepared a report providing a rationale for the proposal presented herein.

Finally, it is proposed to deprive of effect Resolution Seven adopted by the shareholders at the General Shareholders' Meeting of the Company held on 13 June 2012 authorising the Company's Board of Directors to increase the share capital.



ITEM FIVE ON THE AGENDA

Authorisation to the Board of Directors, with express power of further delegation, for a maximum period of five years, to issue debentures or bonds that are exchangeable for and/or convertible into shares of the Company or other companies either within or outside of its Group, and warrants on newly-issued or outstanding shares of the Company or of other companies either within or outside of its Group, with a maximum limit of 480,000,000 euros. Setting of standards for the determination of the terms and conditions applicable to the conversion, exchange or exercise. Delegation to the Board of Directors, with express power of further delegation, of the powers needed to establish the terms and conditions applicable to the conversion, exchange or exercise, and in the case of convertible debentures and bonds and warrants on newly-issued shares, to increase capital in the amount necessary to accommodate requests for conversion of debentures or the exercise of the warrants, with the power to exclude the pre-emption rights of the Company's shareholders in the case of issues of convertible and/or exchangeable securities, which power, along with the same power provided for in item four on the Agenda, shall be limited to a maximum nominal amount equal to 20% of the share capital on the date of the authorisation

PROPOSED RESOLUTIONS REGARDING ITEM FIVE

To authorise the Board of Directors, under the general rules on issues of debentures and pursuant to the provisions of sections 286, 297, 417 and 511 of the Companies Act and article 319 of the Regulations of the Mercantile Registry, as well as to articles 14.2, 14.3 and 16.1.e) of DIA's Articles of Association, to issue negotiable securities in accordance with the following conditions:

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 either within or outside its Group, and/or convertible into shares of the Company, as well as warrants (options to subscribe for newly-issued shares of the Company or to acquire outstanding shares of the Company or of any other company either within or outside its Group).
2. Period of the delegation.- The issue of the securities covered by the authorisation may be effected on one or more occasions within a maximum period of five years following the date of approval of this resolution.
3. Maximum amount of the delegation.- The maximum aggregate amount of the issue(s) of securities approved under this authorisation shall be 480,000,000 euros 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 on issues approved under this authorisation shall be taken into account.
4. Scope of the delegation.- In using the delegation of powers herein approved, the Board of Directors shall determine for each issue, among other things, the amount thereof, always within the aforementioned overall quantitative limit, the place of issue (in Spain or abroad) and the domestic or foreign currency and, in the case of foreign currency, the equivalent thereof in euros; the denomination or form, whether bonds or debentures, including subordinated bonds or debentures, warrants (which may in turn be settled by means of the physical delivery of the shares or, if applicable, through the payment of differences in price), or any other form permitted by law; the date or dates of issue; the number of securities and the nominal 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), dates and procedures for payment of the coupon; whether the instrument issued is perpetual or subject to repayment and in the latter case the period for repayment and the maturity date or dates; guarantees, reimbursement rate, premiums, and lots; the form of representation, as securities or book entries; the rules applicable to subscription; the rank of the securities and the subordination clauses, if any; the law applicable to the issue; the power to make application, where appropriate, for the admission to trading of the securities to be issued on Spanish or foreign, official or unofficial, organised or other secondary markets, subject to the requirements established by applicable regulations in each case and, in general, any other terms of the issue, 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 relations between the Company and the syndicate of holders of the securities to be issued in the event that such syndicate must be or is decided to be created.

In addition, the Board of Directors is authorised such that, when it deems it appropriate and subject, if applicable, to any appropriate authorisations being secured and to the consent of security-holders coming together at a meeting of the corresponding security-holders' syndicates, 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 issues effected under this authorisation.

5. Basis for and terms and conditions applicable to the conversion and/or exchange.- In the case of the issue 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 exchangeable for shares of the Company or of any other company either within or outside its Group and/or convertible into shares of the Company, in accordance with a fixed or variable conversion and/or exchange ratio (determined or determinable), with the Board of Directors being authorised to determine 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 issue, which may not exceed 30 years from the date of issue.
 - b) In the event that the issue is convertible and exchangeable, the Board of Directors may also provide that the issuer reserves the right at any time to elect between conversion into newly-issued 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 may also elect to deliver 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 that convert and/or exchange their securities on the same date.



- c) For purposes of the conversion and/or exchange, the securities shall be valued at their nominal amount and the shares to be issued for their conversion, or the outstanding shares to be exchanged, shall be valued in accordance with a fixed conversion and/or exchange ratio established in the resolution of the Board of Directors making use of this authorisation, or at the variable ratio to be determined on the date or dates specified in the 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 ratio thus determined may not be less than the average exchange ratio for the shares on the Continuous Market on the Spanish Stock Exchanges on which the shares of the Company are admitted for trading, 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 months nor less than 15 calendar days prior to the date of approval by the Board of Directors of the resolution providing for the issue of the fixed-income securities or the date of payment of the securities by the subscribers, at a premium or, as the case may be, at a discount on such price per share, provided that if a discount on the price per share is established, it shall not be greater than 30% of the value of the shares used as a reference 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 shares of the Company on the Continuous Market during a period to be determined by the Board of Directors, which shall not be greater than three months nor less than 15 calendar days prior to the date of conversion and/or exchange, at a premium or, as the case may be, a discount on such price per share. The premium or discount may be different for each date of conversion and/or exchange of each issue (or for each tranche of an issue, if any), provided that if a discount is established on the price per share, it shall not be greater than 30% of the value of the shares used as a reference 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 issue, any difference that may arise in such case.
- f) In no event may the value of the shares for purposes of the ratio for conversion of debentures into shares be less than the par value thereof. Furthermore, in accordance with the provisions of section 415 of the Companies Act, debentures may not be converted into shares if the nominal value of the former is less than that of the latter.

When approving an issue of convertible and/or exchangeable debentures or bonds under the authorisation granted in this resolution, the Board of Directors shall issue a directors' report elaborating 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 issue. This report shall be accompanied by the corresponding audit report by an auditor appointed by the Mercantile Registry



that is not the Company's auditor, as contemplated in section 414 of the Companies Act.

6. Basis for and terms and conditions applicable to the exercise of warrants and other similar securities.- In the case of issues of warrants, it is resolved to establish the following standards:
 - a) In the case of issues of warrants, to which the provisions of the Companies Act on convertible debentures shall apply by analogy, the Board of Directors is authorised 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 acquire shares of the Company or of another company either within or outside the Group, or to a combination thereof, arising from the securities of this kind issued under the delegation granted herein. The standards set forth in section 5 above shall apply to such issues with such adjustments as may be necessary for purposes of making them consistent with the legal and financial rules governing this kind of security.
 - b) The preceding standards shall apply, to the extent applicable, with relation to the issue of fixed-income securities (or warrants) that are exchangeable for shares of other companies. Where appropriate, references to the Spanish Stock Exchanges shall be deemed to be made to the markets, if any, on which the respective shares are listed.
7. This authorisation to the Board of Directors also includes, without limitation, the delegation thereto of the following powers:
 - a) The power of the Board of Directors, pursuant to the provisions of section 511 of the Companies Act read in conjunction with section 417 of such Act, to totally or partially exclude the pre-emption rights of the shareholders. In any event, if the Board of Directors decides to exclude the pre-emption rights of the shareholders in connection with a specific issue of convertible debentures or bonds, warrants, and other similar securities that it ultimately decides to effect under this authorisation, it shall issue, at the time of approving the issue and pursuant to applicable law, a report describing the specific reasons based on the corporate interest that justify such measure, on which a corresponding report shall also be prepared by an auditor appointed by the Mercantile Registry that is not the Company's auditor, as contemplated in sections 414 and 511 of the Companies Act. Such reports shall be made available to the shareholders and disclosed at the first General Shareholders' Meeting held after approval of the resolution approving the issue.

This power shall in any event be limited to those increases in share capital carried out pursuant to this authorisation, as well as to those that are carried out pursuant to the authorisation established under item four on the Agenda, up to a nominal maximum amount equal, in the aggregate, to 20% of the share capital on the date of adoption of this resolution.
 - 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, adding the increase in capital effected to accommodate the issue of convertible debentures, warrants, and other similar securities and the other increases in capital approved under authorisations granted by the shareholders at this General Shareholders'

Meeting, does not exceed the limit of one-half of the amount of the share capital established in section 297.1.b) of the Companies Act. This authorisation to increase share capital includes the authorisation 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 Articles of Association relating to the amount of the share capital and, if appropriate, to cancel the portion of such increase in capital that was not required for the conversion 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 required under law for the interpretation, application, implementation and development of the resolutions providing for the issue of securities that are convertible into or exchangeable for shares of the Company, on one or more occasions, and to carry out the corresponding increase in capital, as well as the powers 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, officials, or bodies, and may also adopt such resolutions and execute such public or private documents as it may deem necessary or appropriate in order to adjust the preceding resolutions for the issue of convertible or exchangeable securities and the corresponding increase in capital to the oral or written assessment of the Mercantile Registrar or, in general, of any other competent Spanish or foreign authorities, officials, or entities.
8. Admission to trading.- The Company shall, when appropriate, make application for admission to trading of the convertible and/or exchangeable debentures and/or bonds or warrants issued by the Company under this authorisation on Spanish or foreign, official or unofficial, organised or other secondary markets, and the Board of Directors shall be authorised as broadly as required to carry out 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, to the extent that they are applicable, 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 abide by Stock Market regulations, whether now existing or as may hereafter be issued, particularly as regards trading, continued listing and delisting.

9. Guarantee in support of issues of convertible and/or exchangeable fixed-income securities or warrants by subsidiaries.- The Board of Directors is also authorised to guarantee, on behalf of the Company and within the limits set forth above, new issues of convertible and/or exchangeable fixed-income securities or warrants carried out by subsidiaries during the effective period of this resolution.



10. Power of further delegation.- The Board of Directors is expressly authorised to further delegate the powers contemplated in this resolution, pursuant to the provisions of section 249.bis.1) of the Companies Act.

In accordance with the provisions of section 511 of the Companies Act and article 319 of the Regulations of the Mercantile Registry, applying by analogy the provisions of section 297.1.b) of the Companies Act, the directors have prepared a report providing the rationale for the proposal submitted herein.

Finally, it is proposed to deprive of effect Resolution Nine adopted by the shareholders at the Annual General Shareholders' Meeting held on 13 June 2012, pursuant to which the Board of Directors of the Company was authorised to issue debentures or bonds, warrants and other similar securities that are exchangeable for and/or convertible into shares.



ITEM SIX ON THE AGENDA

Authorisation to the Board of Directors, with express power of further delegation, for a maximum term of five years, to issue: a) ordinary bonds or debentures and other fixed-income securities (except for notes) with a maximum limit of 1,200,000,000 euros, and b) notes with a maximum limit at any time of 480,000,000 euros, although the total debt at any time represented by the securities issued pursuant to sub-sections (a) and (b) above may not exceed an overall limit of 1,200,000,000 euros. Authorisation for the Company to guarantee new issues of securities by subsidiaries, within the limits set out above

PROPOSED RESOLUTIONS REGARDING ITEM SIX

To delegate to the Board of Directors, as permitted by section 319 of the Regulations of the Mercantile Registry and the general provisions governing the issuance of debentures, as well as pursuant to the Articles of Association, the power to issue negotiable securities in accordance with the following terms and conditions:

1. Securities to be Issued.- The negotiable securities contemplated in this delegation may be simple bonds or debentures, notes, and other fixed-income securities.
2. Period of the Delegation.- The issuance of the securities covered by the delegation may be effected on one or more occasions within a maximum period of five years following the date of approval of this resolution.
3. Maximum amount under the delegation:-
 - a) The maximum aggregate amount of the issuance(s) of ordinary bonds or debentures and other fixed-income securities (other than the notes) approved under this delegation shall be 1,200,000,000 euros or the equivalent thereof in another currency.
 - b) The outstanding balance of the notes that are issued under this delegation may not at any time exceed the sum of 480,000,000 euros or the equivalent thereof in another currency. This limit is independent of the limit established in sub-section a) above.
 - c) In no event may the total debt at any time represented by the securities issued pursuant to sub-sections (a) and (b) above exceed an overall limit of 1,200,000,000 euros.
4. Scope of the Delegation.- The delegation of powers to issue the securities contemplated in this resolution shall extend, as broadly as required by law, to the establishment of the different terms and conditions applicable to each issue (par value, issue price, redemption price, domestic or foreign currency of the issuance, form of representation, interest rate, amortisation, subordination clauses, guarantees supporting the issuance, place of issuance, applicable law, if appropriate, establishment of the internal regulations of the bondholders' syndicate and appointment of the bondholders' syndicate representative (*comisario*) in the case of the issuance of ordinary debentures or bonds, if required, admission to trading, etc.) and to the conduct of any and all formalities that may be necessary for the implementation of the specific issues approved under this delegation.



5. Admission to trading.- The Company shall, when appropriate, make application for trading of the securities issued by the Company under this authorisation on official or unofficial, organised or other, and Spanish or foreign secondary markets, and the Board of Directors shall be authorised as broadly as required by law to carry out all acts and formalities that may be required for admission to listing with the appropriate bodies 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, to the extent any such formalities are required, 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 abide by stock market regulations, whether now existing or as may hereafter be issued, particularly as regards trading, continued listing, and delisting.

6. Guarantee in support of issues of securities by subsidiaries.- The Board of Directors is also authorised to guarantee on behalf of the Company, and within the limits set forth above, new issuances of securities by subsidiaries during the effective period of this resolution.
7. Power of substitution.- Pursuant to the provisions of section 249.bis.1) of the Companies Act, the Board of Directors is expressly authorised to further delegate the powers contemplated in this resolution.

Finally, it is proposed to deprive of effect Resolution Eight adopted by the shareholders at the General Shareholders' Meeting of the Company held on 13 June 2012 authorising the Company's Board of Directors to issue ordinary bonds or debentures and other fixed-income securities, as well as notes.

It is stated for the record that the directors have prepared a report providing a rationale for the proposal presented herein.



ITEM SEVEN ON THE AGENDA

Approval of the Long-Term Incentive Plan (2016-2018) consisting of the delivery of shares to the executive officers of the Company (including the Executive Director)

PROPOSED RESOLUTIONS REGARDING ITEM SEVEN

Pursuant to the provisions of section 219 of the consolidated text of the Companies Act approved by Royal Legislative Decree 1/2010 of 2 July, as well as article 39.4 of the Articles of Association, it is proposed to approve the establishment of a Long-Term Incentive Plan 2016-2018 (the “**Incentive Plan**” or the “**Plan**”), which shall be paid by the delivery of DIA shares, and which has been approved by the Board of Directors of DIA, after a proposal from the Appointments and Remuneration Committee, in accordance with the following terms and conditions:

Beneficiaries: current and future executive directors, senior executive officers and other key employees of DIA and its subsidiaries, as determined by the Board of Directors, who meet the requirements set out in the general terms and conditions thereof and who voluntarily decide to join the Plan. It is estimated that the group currently consists of approximately 220 people. The Board of Directors, upon a proposal of the Appointments and Remuneration Committee, may decide in the future to include other officers as beneficiaries of the Plan.

Object: The Plan is intended to provide and pay variable remuneration in shares of DIA, based on compliance with a number of business goals of the Company and of its Group, linked to the performance of the “Cumulated Organic Cash From Operations” and of the “Relative Organic Sales Average Growth” resulting from the annual accounts for the period 2016-2018, and the changes in the Company’s Total shareholder return (“TSR”), as well as the beneficiaries maintaining their labour or commercial relationship with DIA or one of its subsidiaries on the dates provided in the Plan.

TSR shall be measured using the average weighted daily volume of the average weighted listing prices of DIA shares for the 15 trading sessions prior to the date of the approval by the Board of Directors of the call of the General Shareholders’ Meeting at which the Plan is, if such be the case, approved (i.e. prior to 11 March 2016), as well as the average weighted daily volume of the average weighted listing prices of DIA shares for the 15 trading sessions after the date of publication of the results for financial year 2018.

If there is a termination of the relationship between the Plan beneficiaries and DIA or one of its subsidiaries, the beneficiaries shall lose the right to receive shares under this Plan, except in certain instances that may be established by the Board of Directors.



Maximum number of shares allocated to the Plan

The total number of DIA shares to be delivered to the group of Plan beneficiaries (including the executive directors) shall be a maximum of 10,400,000 shares of the same class and series as those currently outstanding (which figure may be subject to customary adjustments in the event of changes in the capital structure of the Company – such as in the case of changes in the par value of the shares) and from which must be deducted the relevant taxes or withholding), of which 787,000 shares shall correspond to the executive directors. The allocations of the shares to the beneficiaries of the Plan can take place anytime within its term. Save for those cases of early settlement, the shares shall be delivered, once the Plan is terminated, in two phases, the first of which (50%) will take place in 2019, while the second one (50%) will occur in 2020.

The reference value of the DIA shares for purposes of the Plan shall be the average listing prices weighted by trading volume of the shares for the 15 trading sessions prior to 11 March 2016, the date of approval by the Board of Directors of the call of the General Shareholders' Meeting at which the Plan is, if such be the case, approved.

Term of the Plan: From the date of approval thereof by the shareholders at the General Shareholders' Meeting to 30 April 2019, without prejudice to the period of time necessary to deliver the shares, all upon the terms and conditions established by the Board of Directors.

Other terms and conditions:

- The Board of Directors, upon a proposal of the Appointments and Remuneration Committee, shall determine the indicators, and the level of achievement thereof, upon which the delivery of the shares to the Plan beneficiaries will depend.
- If necessary or appropriate for legal, regulatory or other similar reasons, the delivery mechanisms provided for may be adjusted in specific cases, without changing the maximum amounts of the Plan or the basic terms upon which delivery depends.
- The shares to be delivered shall be owned by the Company, and may be newly-issued shares or shares of third parties with which agreements have been signed to ensure compliance with the commitments made.

Delegation of powers: It is hereby resolved to authorise the Board of Directors, with express power of further delegation, to implement, develop, formalise, execute and pay the Plan, adopting any resolutions and signing any public or private documents as may be necessary or appropriate for the full effectiveness hereof, including the power to correct, rectify, amend or supplement this resolution, and particularly, and only by way of example, with the following powers:

- a. To designate the beneficiaries, whether at the time of establishment thereof or subsequent thereto, to determine the initial allocations, to establish any additional conditions to be met by any or all of the beneficiaries, and to revoke, if and when appropriate, any designations or allocations previously made.



- b. To establish the terms and conditions of the Plan as to all matters not provided for in this resolution, and particularly but without limitation, to establish the indicators and corresponding ratios upon which the delivery of the shares will depend, among other aspects, the events of early settlement of the Plan, and to declare compliance with any conditions to which such early settlement is subject.
- c. To adjust the content of the Plan to the circumstances and corporate transactions that might occur during the effectiveness thereof, both with respect to DIA and the companies forming part of the comparison group at any particular time, upon the terms and conditions deemed necessary or appropriate from time to time to maintain the purpose of the Plan. Specifically, to change the composition of the comparison group of companies as a result of corporate transactions that entail modifications to or removals of said companies, and to establish and adjust the corresponding metrics and their corresponding scales for achieving targets according to the status of the Company at any particular time.
- d. To formalize and implement the Plan in the manner it deems appropriate, taking all actions as are necessary or appropriate for the best implementation thereof;
- e. To draft, sign and submit whatsoever public or private communications and documents as are necessary or appropriate to any public or private body for the implementation and execution of the Plan.
- f. To take any action, make any statement or carry out any procedure before any public or private agency, entity or registry to secure any authorisation or verification required for the implementation and execution of the Plan.
- g. To appoint any bank institution or institutions to provide their services to the Company in respect of the formalisation and administration of the Plan and negotiate, agree to and sign the corresponding contracts with the banking institution or institutions thus selected as well as such other contracts or agreements as are appropriate with any other institutions and, if applicable, with the beneficiaries, for the execution of the plan, upon the terms and conditions deemed appropriate.
- h. To evaluate the level of achievement of the goals with which Plan compliance is linked and to proceed with the settlement thereof, for which purpose it may rely on the advice of an independent expert.
- i. And generally, to take any actions and execute all such documents as may be necessary or appropriate for the validity, effectiveness, implementation, development, execution, settlement and successful outcome of the Plan.

For purposes of clarification, it is stated for the record that the Plan so approved shall be deemed to be approved and granted based on the executive work of the beneficiaries (including the Executive Directors of DIA or those with powers delegated by the Board of DIA, pursuant to the provisions of art. 39.3 of the Articles of Association), and are therefore independent and apart from the annual remuneration to be paid to the members of the Board of Directors.



ITEM EIGHT 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

PROPOSED RESOLUTIONS REGARDING ITEM EIGHT

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 2016 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 2016 (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 2016 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 2016, shall be the volume weighted average price (VWAP) of the closing prices for DIA shares during the 15 trading days prior to 23 February (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.



ITEM NINE 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

PROPOSED RESOLUTIONS REGARDING ITEM NINE

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
ITEM TEN ON THE AGENDA

Annual Director Remuneration Report for financial year 2015

PROPOSED RESOLUTIONS REGARDING ITEM TEN

In compliance with the provisions of section 541 of the Companies Act, the Board of Directors has prepared an annual report on the remuneration of the Directors for financial year 2015, which has been made available to the shareholders as from the call to this General Meeting, and which after a favourable report from the Appointments 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 2015.