

RELEVANT FACT

El Prat de Llobregat, 28th March 2012

Pursuant to what has been set forth in article 82 of Law 24/1988, from 18th July, it is informed that the Board of Directors of La Seda de Barcelona, S.A., at its meeting held on 28th March 2012, has resolved to hold the Ordinary General Shareholders' Meeting, after previous timely notice in accordance with the Articles of Association, at the *Gran Hotel Princesa Sofía*, located at 08028 – Barcelona, plaza Pío XII número 4, on 2nd May at 11h00 a.m. on first call and at the same time on the following day, 3rd May 2012 on second call, to deliberate and resolve on the following

AGENDA

1. Chairman's Report.
2. Examination and approval, as the case may be, of the Annual Accounts and Directors' Report both of La Seda de Barcelona, S.A., and of its consolidated group, as well as the management by the Board of Directors, all the foregoing in relation to the business year 2011.
3. Examination and approval, as the case may be, of the proposed application of the result for 2011.
4. Modification of the Articles of Association and of the Regulations on the General Meeting:
 - 4.1. Modification of Article 14 of the Articles of Association concerning the convening of Shareholders' Meetings.
 - 4.2. Modification of Article 44 of the Articles of Association concerning the Nominations and Remuneration Committee.
 - 4.3. Modification of Article 11 of the Regulations on the General Meeting concerning publicity and form of notice.

(The above points will be voted on separately).
5. To submit the Annual Report on Directors' Remuneration to consultative vote of the General Meeting.
6. To approve the balance sheet as at 31st December 2011, verified by the Company's Auditors, which shall serve as the basis for the approval, as the case may be, of the following resolutions.

7. If the preceding item on the Agenda is passed, to offset the accumulated losses from prior years and up to 31st December 2011, as reflected in the balance sheet as at 31st December 2011, by the aggregate amount of the legal reserve and the non-distributable reserve, i.e. by a total of 94,578,562.45 euros, so that after the aforesaid offset the Company shall not have any type of reserves.
8. To approve the execution of the following capital decrease, grouping of shares and capital increase operations in the following terms:
 - 8.1. Subject to execution of the grouping, cancellation and swap of shares indicated below, and to reciprocal approval of all the reductions indicated herein:
 - 8.1.1. To reduce the share capital by the sum of 92,591,079.53 euros under article 320 of the Companies Act (Consolidating Act), for the purpose of restoring the balance between capital and equity, which has been reduced as a result of the accumulated losses to 31st December 2011, as reflected in the balance sheet as at that date. This capital decrease shall be carried out by reducing the par value of each share, which will be set at 0.0744708 (rounded up), and which will not generate any right of objection of creditors. Consequent modification of Article 5 of the Articles of Association. Delegation of faculties.
 - 8.1.2. To reduce the share capital by the sum of 233,827,526.56 euros for the purpose of setting up the legal reserve according to article 328 of the Companies Act (Consolidating Act), which shall be non-distributable in full. This capital decrease shall be carried out by reducing the par value of each share, which will be set at 0.01 euros, and which will not generate any right of objection of creditors. Consequent modification of Article 5 of the Articles of Association. Delegation of faculties; and
 - 8.1.3. To reduce the share capital by 0.01 euros, with no refund of contributions and for the purpose of setting up the legal reserve according to article 328 of the Companies Act (Consolidating Act), which shall be non-distributable in full, by redeeming one share, and without generating any right of objection of creditors. Consequent modification of Article 5 of the Articles of Association. Delegation of faculties.

The balance sheet approved, as the case may be, as item 6 of the Agenda shall serve as the basis for the aforesaid decreases.

- 8.2. To approve the grouping (contra-split) and cancellation of the 3,626,873,400 shares into which the share capital is divided, in order to swap them for new shares to be issued in a proportion to be determined by the Board of Directors out of the following: 1 new share for every 10 old shares, 1 new share for every 50 old shares or 1 new share for every 100 old shares. Delegation of

faculties for the execution of the resolution and to draft Article 5 of the Articles of Association.

- 8.3. Subject to approval of the capital decreases and the grouping, cancellation and swap of shares indicated in the preceding resolutions, to approve the increase of the Company's share capital by issuing and placing into circulation new ordinary shares, represented by book entries and issued, as the case may be, at a premium, so that the contribution in respect of nominal share value and share premium shall amount in total to a maximum of 40,000,000 euros.

To delegate to the Board of Directors, in accordance with the provisions of article 297.1.a) of the Companies Act (Consolidating Act), the faculty to establish the conditions of the capital increase in all matters not covered by this resolution, especially with regard to determining the subscription price – and by extension the premium per share-, and to carry out as many steps as may be necessary to achieve the admittance for trading of the new shares and in particular the faculty to draft Article 5 of the Articles of Association.

In any case, the new shares will be of the same class and series and will have the same economic and voting rights as the existing shares and will have the same par value as the shares resulting from the grouping, cancellation and swap operation indicated in the preceding item. This capital increase will be carried out with preferential subscription rights. Payment of the shares will be made through cash contributions. If the capital increase is not subscribed in full through the exercise of the subscription rights, those who subscribed shares during the preferential subscription period may apply to subscribe additional shares, which would be paid up through cash contributions. If the capital increase is not covered in full, the Board of Directors may offer whomever it considers appropriate the opportunity to subscribe the leftover shares. The possibility of incomplete subscription is expressly provided for.

(The above sections will be voted on separately, in accordance, as the case may be, with article 293 of the Companies Act (Consolidating Act)).

9. Contribution of the industrial business of PET manufacture carried on by the Company at the factory located in El Prat de Llobregat, Avenida Remolar, 2, as well as the assets and liabilities of the aforesaid business, to a newly incorporated subsidiary of the Company. To delegate to the Board of Directors the material execution of this resolution, the faculty of determining the assets and liabilities associated to the aforesaid businesses that will actually be contributed, and the faculty to establish the specific conditions of the contribution agreement.
10. Ratification of the corporate website.

11. Information on the evolution of the corporate social responsibility actions agreed on by the Shareholders at the Ordinary General Meeting held in August 2009.

Granting authorization to the Company's Board of Directors for the execution, development, interpretation and rectification of the resolutions passed by the Shareholders' Meeting, and to replace the faculties it receives from the Meeting and granting of powers to record these resolutions in a public instrument.

In addition, it is reported that notice shall be given in the coming days and that its full text as well as the attached documents shall be available to the shareholders no later than on 2nd April 2012, in accordance to the provisions of the law and, in any case, on the website of the Company, www.laseda.es.

Shareholders are advised that the **General Meeting will most probably be held on second call, that is on 3rd May 2012, at 11.00 a.m.**

Javier Fontcuberta Llanes
Secretary of the Board of Directors