(Free translation from the original in Spanish. In the event of discrepancy, the Spanish-language version prevails)

REPORT PREPARED BY THE BOARD OF DIRECTORS OF "VISCOFAN, SOCIEDAD ANÓNIMA" REGARDING THE AGREEMENT TO APPOINT Mr. JUAN MARCH DE LA LASTRA, AS A NOMINEE DIRECTOR, TO BE PROPOSED TO THE COMPANY'S GENERAL SHAREHOLDERS' MEETING TO BE HELD ON THE 6TH AND 7TH MAY 2015.

A) PURPOSE OF THE REPORT

Article 529 decies of the Spanish Corporation Law, as amended by Law 31/2014, of 3rd December, establishes that:

"1. The members of the board of directors of a listed company shall be appointed by the general shareholders meeting or, in the event of an early vacancy, by the board itself by co-option.
2. Co-option in listed companies shall be governed by the provisions of this Law, with the following exceptions:
a) The director appointed by the board need not necessarily be a company shareholder.
b) Should the vacancy arise once the general meeting has been called yet prior to holding the meeting, then the board of directors may appoint a director until the next general meeting is held.
3. For listed public limited companies, the appointment of substitutes is not admissible.
4. The proposal of the appointment or re-election of members of the board of directors is the responsibility of the Appointments and Remuneration Committee, in the case of independent directors, and of the Board of Directors itself, in all remaining cases. 5. Any proposals must be accompanied, in any case, by an explanatory report from the Board, assessing the competence, experience and merits of the candidate proposed, and shall be attached to the minutes of the general meeting or to those of the board meeting itself.
6. The proposal for the appointment or re-election of any non-independent director must also be preceded by a report from the Appointments and Remuneration Committee. [..]".

In order to comply with the provisions set out in section 5 of the aforementioned article, the Board of Directors of VISCOFAN S.A. has prepared this report, accompanying the proposal to appoint MR. JUAN MARCH DE LA LASTRA, as a voting member of the Company's Board of Directors, with the status of Nominee Director, to be submitted to the Company's Ordinary General Shareholders' Meeting.

Within the framework of improving the best Corporate Governance Practices, in a context of increased activity within the Board of Directors, and in the various Committees forming part of the same, and in keeping with the increased size of the Viscofan Group, a motion has been submitted for approval at the AGM for a change in the articles of incorporation to increase the maximum number of directors from 9 to 10.

From the information available to the Board, and in view of current legislation and the Rules governing the Board of Directors, it is proposed that this vacancy be filled by the natural person, MR. JUAN MARCH DE LA LASTRA, with the status of Nominee director, representing Corporación Financiera Alba S.A., a significant shareholder holding 6.79% of Viscofan. The Board much appreciates the contribution and commitment to value creation that the experience and standing of a long-term shareholder, such as Corporación Financiera Alba, can have on Viscofan.

Likewise, account has been taken of the fact that 50% of the resulting Board of Directors will be independent directors. Furthermore, as established in the aforementioned regulations, when issuing this report, the Board of Directors considered the competence, experience and merits of the candidate proposed, taking account of the proposal made by the Appointments and Remuneration Committee, in accordance with the provisions of article 529i. 4 of the Spanish Corporation Law,considering the conditions that the directors must meet in order to exercise their responsibilities, and the dedication required to suitably perform their duties.

As a result of the above and considering the proposal made by the Appointments and Remuneration Committee and its report which this Board is entirely in agreement with, it is considered that MR. JUAN MARCH DE LA LASTRA has the competence, experience and merits required, for the purpose of proposing to the Company's General Shareholders' Meeting, his appointment as a member of the Board of Directors of Viscofan S.A., with the status of Nominee director, for the statutory period of four years. This report is issued pursuant to the requirements set out in article 529i of the Spanish Corporation Law.

B) PROPOSAL FOR AGREEMENT

The Board proposes the appointment, for a period of four years as of the date on which the Shareholders' General Meeting is held, of MR.JUAN MARCH DE LA LASTRA as a nominee director.

C) APPROVAL OF THE REPORT

This report has been issued and unanimously approved by the Board of Directors at its meeting held on the 26th March 2015.