

REASONED PROPOSAL BY THE BOARD OF DIRECTORS OF PARQUES REUNIDOS SERVICIOS SOCIALES, S.A. IN RELATION TO THE PROPOSED RESOLUTION TO MODIFY THE DIRECTORS REMUNERATION POLICY OF THE COMPANY, INCLUDED AS ITEM SEVEN ON THE AGENDA OF THE GENERAL MEETING OF SHAREHOLDERS CALLED FOR 16 MARCH 2017 AT THE FIRST CALL AND 17 MARCH AT THE SECOND CALL

1. INTRODUCTION

In accordance with the provisions of Article 529 *novodecies* of the consolidated text of the Spanish Companies Act (*Ley de Sociedades de Capital*), approved by Royal Legislative Decree 1/2010 of 2 July (the “**Spanish Companies Act**”), the Board of Directors of Parques Reunidos Servicios Centrales, S.A. (“**Parques Reunidos**” or the “**Company**”), based on the report issued by the Appointments and Remuneration Committee, has drawn up and approved this reasoned proposal to modify the Directors Remuneration Policy of Parques Reunidos, which will be submitted for approval to the General Shareholders Meeting, planned to be held on 16 March 2017.

If the General Shareholders Meeting of Parques Reunidos approves this resolution, this Remuneration Policy will substitute and replace the one in force until now and described in the last Directors Remuneration Annual Report and subjected to a consultative vote by the General Shareholders Meeting, i.e. the report corresponding to the fiscal year ended 30 September 2016.

2. PERIOD OF VALIDITY

In accordance with the provisions of Article 529 *novodecies* of the Spanish Companies Act, the Remuneration Policy will be applicable for the years ending 30 September 2017, 2018 and 2019, unless the Company's General Shareholders Meeting approves a resolution modifying or replacing it during this period.

3. PROPOSAL FOR MODIFICATION

The following amendment to section “5.3.2.1 Annual variable remuneration” (not altering or modifying the remaining sections of the Directors Remuneration Policy) is hereby proposed with the following text:

“Annual variable remuneration

The variable component or bonus will be linked to the achievement of the targets set for the executive officer each year, based on the proposal made by the Appointments and Remuneration Committee, taking into account the available historical information and future results. The variable remuneration, whose main purpose is to stimulate and reward the Company’s growth, allows the alignment of the total annual remuneration with the principles set forth in the Remuneration Policy.

Annual variable remuneration will be calculated as a reference to fixed remuneration in accordance to practices followed by the Company with its workforce.

In the specific of the Chief Executive Officer, the maximum amount he or she is entitled to receive as annual variable remuneration will be 120% of his or her fixed salary. Within this maximum, the final amount will be determined by the Appointments and Remuneration Committee.

Two thirds of the annual variable remuneration will be paid in cash and one third in Company shares. The delivery of the shares corresponding to the annual variable remuneration owed, where appropriate, to the Chief Executive Officer will take place within the three-year period from the closure of the fiscal year corresponding to the owed variable remuneration. The delivery of the shares may be carried out through the delivery of units granting their holders the right to receive the corresponding shares. These units will only be converted into shares if the executive officer maintains his or her position in the Company.

Specifically, the following objective targets will be taken into account for the payment of the annual variable remuneration:

- (a) A target based on the consolidated results of the business, measured in terms of earnings before interests, taxes, depreciation and amortization (EBITDA) each year. This target will represent 80% of the total PSUs granted each year.*
- (b) A target regarding the specific performance of the functions corresponding to each executive director which will be monitored by the Appointments and Remuneration Committee. This target will represent 20% of the total PSUs granted each year.”*

4. CONCLUSIONS

The Board of Directors of Parques Reunidos considers that the directors' remuneration provided for in this Remunerations Policy, following the amendment proposed to the General Shareholders Meeting, maintains a balance between the relevance of the Company, its current economic situation and the market standards applied by comparable companies. Likewise, the system of remuneration aims to promote the long-term growth, profitability and sustainability of the Company and includes the necessary precautions to prevent excessive assumptions of risks and the compensation of unfavourable results.

Madrid, 7 February 2017