



TALGO, S.A. (“**Talgo**” or the “**Company**”) pursuant to the article 226 of the restated Spanish Securities Market Act (*Ley del Mercado de Valores*) approved by *Real Decreto Legislativo 4/2015, de 23 de octubre*, hereby discloses the following

RELEVANT FACT:

**The Southern California Regional Rail Authority (SCRRA) awards the Talgo-SYSTRA joint venture a contract to rebuild up to 121 rail vehicles for 138.9 million dollars.**

On May 10, 2019, the Board of SCRRA approved the award to the joint venture formed by the companies Talgo Inc. and SYSTRA Consulting Inc. of a contract for the execution of a program to rebuild up to 121 rail vehicles, out of which 50 will be part of an initial phase and additional 71 coaches will be subject to options to be executed by the client. The scope of the project includes improving the appearance and reliability of rail vehicles, complying with current standards and regulations.

The works will be undertaken at the Talgo facilities in Milwaukee (Wisconsin) where is currently performing overhaul activities and the first units are expected to be delivered within 450 days from the official notice to proceed, according to the contract terms.

In accordance with the established process, after the notice of award the contract will be signed in the following weeks. On that date, Talgo will disclose by means of a Relevant Fact a greater detail of the contract.

This award follows the strategic lines of the company in the area of diversification of products and services, contributes to Talgo growth in this new segment of activity within the rolling stock sector, and consolidates the presence of Talgo in the United States.

Madrid, May 13<sup>th</sup>, 2019

Talgo, S.A.

José María Oriol Fabra  
Consejero Delegado