

**PROPOSED RESOLUTIONS TO BE SUBMITTED FOR DELIBERATION BY THE
ORDINARY AND EXTRAORDINARY GENERAL SHAREHOLDERS' MEETING OF DOGI
INTERNATIONAL FABRICS, S.A. TO BE HELD ON 10TH APRIL 2008 (FIRST CALL) AND
ON 11TH APRIL 2008 (SECOND CALL).**

FIRST PROPOSED RESOLUTION: Relating to Item **One** of the Agenda: Examination and approval, as the case may be, of the Company's Individual Financial Statements and Directors' Report for the year ended 31st December 2007, and the application of the result, as well as the Report of the Auditors.

The following is proposed for the approval of the shareholders:

To approve the Individual Financial Statements and Directors' Report of Dogi International Fabrics, S.A. and the proposed application of the result for 2007.

**PROPOSED APPLICATION OF THE RESULT OF DOGI INTERNATIONAL FABRICS, S.A.
(INDIVIDUAL)**

	Euros
Loss for the year	(30,141,588)
Distribution	
To Prior-year Losses	(30,141,588)

SECOND PROPOSED RESOLUTION: Relating to item **Two** of the Agenda: Examination and approval, as the case may be, of the Consolidated Financial Statements and Directors' Report for the year ended 31st December 2007, and the application of the result, as well as the Report of the Auditors.

The following is proposed for the approval of the shareholders:

To approve the Consolidated Financial Statements and Directors' Report for the year ended 31st December 2007 and the application of the result, as well as the Report of the Auditors.

THIRD PROPOSED RESOLUTION: Relating to item **Three** of the Agenda: Approval, as the case may be, of the management by the Board of Directors during the aforesaid year.

The following is proposed for the approval of the shareholders:

To approve the management by the Board of Directors during the year ended 31st December 2007.

FOURTH PROPOSED RESOLUTION: Relating to item **Four** of the Agenda: To delegate authority to the Board of Directors, with the faculty to substitute the faculties it receives from the Shareholders' Meeting, so that, within the term of five years of the date of approval, it may proceed on one or several occasions to resolve to increase the Company's share capital, up to a maximum of fifty per cent (50%) of the share capital at the time of the authorization, through cash contributions, with or without a premium, all the foregoing under the provisions of article 153 1.b) and concordant articles of the Companies Act.

The following is proposed for the approval of the shareholders:

To empower the Board of Directors, as amply as may be necessary in law, so that, in accordance with the provisions of article 153.1.b) of the Companies Act, it may increase the Company's share capital, on one or more occasions and at any time, within a maximum term of five years as of the date of passing this resolution, by the maximum amount of eighteen million ninety-eight thousand seven hundred and sixty euros (18,098,760.-€), a figure which is less than half of the share capital at the time of this authorization, with or without a premium, the consideration for the new shares issued to consist of cash contributions.

The Board of Directors may (i) establish the terms and conditions of the capital increase and the characteristics of the shares, (ii) offer freely the new shares not subscribed within the preferential subscription term or terms, (iii) establish that, in the event of incomplete subscription, the capital will be increased only by the amount of the subscriptions made and (iv) modify article 5 of the Company's Articles of Association, concerning the share capital.

When appropriate, the Company will apply for the new shares issued by virtue of this authorization to be accepted for trading on secondary markets, official or not official, organized or not, national or foreign, and the Board of Directors is also empowered, in that case, to carry out the steps and take any action necessary with the competent bodies of the different national or foreign securities markets for such acceptance for trading. The Board of Directors is also authorized to delegate to the Managing Director and the Secretary of the Board all or part of the faculties hereby conferred on the Board.

FIFTH PROPOSED RESOLUTION: Relating to Item **Five** of the Agenda: Delegation to the Board of Directors of the power to issue debentures, bonds and other fixed-income securities, both simple and exchangeable and/or convertible. Establishment of the criteria to determine the bases for and types of conversion and/or swap. Attribution to the Board of Directors of the faculty to increase the share capital by the amount necessary to cover the conversion.

The following is proposed for the approval of the Shareholders:

"To delegate to the Board of Directors, under the provisions of the general regime on the issue of debentures contained in article 319 of the Mercantile Registry Regulations, and applying the provisions of article 153.1 b), the faculty to issue fixed-income securities, both simple and exchangeable and/or convertible, in accordance with the following conditions:

1. **Securities to be issued:** The securities the Board is empowered to issue may be debentures, bonds and other similar fixed-income securities, both simple and, in the case of debentures and bonds, exchangeable for shares in the Company or in any of the companies of its Group and/or convertible into shares of the Company.
2. **Term of the delegation:** The issue of the securities may be carried out on one or more occasions, at any time, within a maximum term of five years as of the date of passing this resolution.
3. **Maximum amount of the delegation:** The total amount of the issue or issues of securities, both simple and convertible and/or exchangeable, resolved upon under this delegation of authority, may not exceed the maximum limit of fifty million euros (50,000,000-€).
4. **Scope of the delegation:** Making use of the delegation of faculties resolved upon hereby and by way of example, and without limitation, the Board of Directors may determine for each issue:
 - (i) the amount thereof, always within the above-mentioned overall limit.
 - (ii) the place of issue – in Spain or abroad – and the currency, and where a foreign currency is used, the equivalent value in euros;

- (iii) the name, whether bonds or debentures –including subordinated -, or any other admissible by law;
- (iv) the date or dates of issue; the number of securities and, as the case may be, their par value, which may not be less than the par value of the shares;
- (v) the interest rate, dates and procedures for payment of the coupon;
- (vi) whether perpetual or redeemable, and if redeemable, the term of redemption and the expiry date.
- (vii) anti-dilution mechanisms and clauses;
- (viii) subordination clauses;
- (ix) the type of reimbursement, premiums and batches;
- (x) guarantees of the issue;
- (xi) the form of representation, in certificate or by notes in account;
- (xii) preferential subscription right, as the case may be, and regime for subscription;
- (xiii) applicable legislation;
- (xiv) carry out as many steps as may be necessary, in accordance with the applicable securities market regulations, to carry out the specific issues resolved upon under this delegation of authority;
- (xv) apply, as the case may be, for admission to trade the securities issued on official or unofficial secondary markets, organized or not and national or foreign, with the requisites established in each case by ruling legislation and, in general, any other condition of the issue;
- (xvi) and, as the case may be, designate the Commissioner and approve the fundamental rules that are to govern the legal relations between the Company and the Syndicate of holders of the securities issued.

5. Bases for and types of conversion and/or swap of debentures and bonds: In the event of issue of convertible and/or exchangeable debentures or bonds, and for the purposes of determining the bases for and type of conversion and/or swap, it is resolved to establish the following criteria:

- (i) Any securities issued by virtue of this resolution will be convertible into new shares in the Company and/or exchangeable for existing shares in the Company, and the Board of Directors is empowered to determine whether they are convertible and/or exchangeable, and to determine whether they are compulsorily or voluntarily convertible and/or exchangeable, and if they are so voluntarily, whether at the option of the holder or the issuer, the frequency and the term or terms established in the issue resolution and which may not exceed ten (10) years starting from the date of issue.
- (ii) The Board may also establish, in the event that the issue is convertible and exchangeable, that the issuer reserves the right to opt at any time

to either convert them into new shares or swap them for existing shares, specifying the nature of the shares to be handed over upon conversion or swap, and may even opt to hand over a combination of newly issued shares and existing shares. In any case, the issuer must respect equality in the treatment of the holders of fixed-income securities being converted and/or swapped on the same date.

- (iii) Normally, the conversion and/or swap rate will be fixed and, for these purposes, the fixed-income securities will be valued at their par value (notwithstanding the provisions of paragraph (iv) below) and the shares at the fixed exchange rate determined in the resolution of the Board of Directors making use of this delegation of authority, or the rate to be determined on the date or dates indicated in the Board's resolution, and depending on the listed price of the Company's shares on the Stock Exchange on the date or periods used as a reference in the same resolution. In any case, the price of the share for the purposes of conversion or swap may not be less than the higher of (i) the average of the weighted average prices of the shares in the Company on the Continuous Market of the Spanish Stock Exchanges during the quarter immediately prior to the date on which the Board passes the resolution to issue the fixed-income securities, and (ii) the closing price of the shares on the same Continuous Market the day before the aforesaid issue resolution is passed.

Notwithstanding the provisions of the preceding paragraph, it may be resolved to issue the debentures or bonds with a variable conversion and/or swap rate. In this case, the price of the shares for the purposes of conversion and/or swap will be the average of the weighted average prices of the shares in the Company on the Continuous Market during the quarter immediately prior to the date of conversion and/or swap, with a premium or, as the case may be, a discount on the aforesaid price per share. The premium or discount may be different for each conversion and/or swap date, (or, as the case may be, each section of an issue), although if a discount is established on the price per share, it may not be more than 25%.

- (iv) Independently of the conversion option, whether fixed or variable, the valuation of each debenture for the purposes of the conversion and/or swap rate of the debentures for shares may include or exclude the interest accrued and outstanding at the time of conversion and/or swap.
- (v) When the conversion and/or swap is to go ahead, the fractions of shares to be handed over to the holder of debentures will be rounded down to the nearest whole number and each holder will receive in cash any difference that may arise in such cases.
- (vi) In accordance with the provisions of article 292.3 of the Companies Act, debentures may not be converted into shares when the par value of the debentures is lower than the par value of the shares. Furthermore, convertible debentures may not be issued for less than their par value.
- (vii) At the time of approving an issue of convertible and/or exchangeable debentures or bonds under the authorization contained in this resolution, the Board of Directors will issue a Directors' report developing and specifying, on the basis of the criteria described above, the bases for and types of conversion specifically applicable to that issue. This report will be accompanied by the corresponding auditor's report referred to in article 292 of the Companies Act. The auditor issuing this report will be a different

auditor to the company's auditor and will be designated for that purpose by the Mercantile Registry. Furthermore, such reports will be made available to the shareholders, and, as the case may be, holders of convertible and/or exchangeable fixed-income securities and/or warrants and reported to the first General Shareholders' Meeting held after the resolution to issue them.

6. Other faculties delegated to the Board: In any case, the delegation for the issue of convertible and/or exchangeable debenture or bonds will include, but not be limited to, the following faculties:

- a) The faculty to increase the capital by the amount necessary to cover the applications for conversion of convertible securities. This faculty may only be exercised to the extent that the Board, adding the capital it increases to cover the issue of convertible debentures or bonds to any other capital increases resolved upon under authorization granted by the General Shareholders' Meeting, does not exceed the limit of one half of the share capital at the time of the authorization, as set forth in article 153.1 b) of the Companies Act. This authorization to increase capital includes the authorization to issue and place into circulation, on one or more occasions, shares representing the capital as may be necessary to carry out the conversion or exercise, and the faculty to modify the article of the Company's Articles of Association relating to the amount of the share capital and, as the case may be, to cancel the part of any such increase that has not been necessary for the conversion into shares.
- b) The faculty to develop and specify the bases for and types of conversion and/or swap and/or exercise bearing in mind the criteria established above.

7. Rights of holders of the securities: The holders of the convertible and/or exchanges securities issued under the authorization contained in this resolution shall enjoy any and all rights as are acknowledged by ruling legislation, including, in particular, while the conversion and/or swap of the debentures is possible, rights relating to preferential subscription and anti-dilution clauses in the cases established by law.

8. Information to the shareholders: The Board of Directors, in the successive General Shareholders' Meetings held by the Company, shall inform the shareholders of any use they have made up to that time of the delegation of faculties this resolution refers to.

9. Listed price of the securities: The Company will apply for the debentures, bonds and other securities issued by virtue of this delegation to be admitted for trading on official or unofficial secondary markets, organized or not, whether national or foreign, and the Board is empowered, with express authorization of substitution in favour of the Managing Director, to carry out the steps necessary for the admission thereof for trading before the competent bodies of the different national or foreign securities markets.

For the purposes of the provisions of article 27 of the Trade Exchange Regulations, it is hereby expressly stated that, in the event of subsequently applying for exclusion of the securities issued by virtue of this delegation from trading, any such application shall be adopted with the same formalities as referred to in the aforesaid article and in that case, the interest of shareholders or debenture-holders who vote against the resolution shall be guaranteed, complying with the requisites established in the Companies Act and concordant legal provisions, all the foregoing in accordance with the provisions of the aforesaid Trade Exchange Regulations, in the Securities Market Act and in the provisions elaborating thereon.

10. Faculty of delegation to the Managing Director: To empower the Board of Directors so that, in accordance with the provisions of article 141 of the Companies Act, it may substitute the faculties delegated on it by the General Shareholders' Meeting in relation to the preceding resolutions in favour of the Managing Director in respect of the aspects or steps the Board of Directors considers appropriate for the corporate interest at the time use is made of the delegation hereby conferred.

SIXTH PROPOSED RESOLUTION: Relating to Item **Six** of the Agenda: Ratification and acceptance of the resignation of a Director, tendered to the Board of Directors.

The following is proposed for the approval of the shareholders:

To ratify and accept the resignation tendered from his post as Director by Mr Francesc Cunill Izquierdo, on 21st February 2008, thanking him for the services provided and approving in full of his management to date.

SEVENTH PROPOSED RESOLUTION: Relating to Item **Seven** of the Agenda: Ratification of the designation by the Board of Directors. Re-election and Appointment of Directors.

The following is proposed for the approval of the shareholders:

To ratify the appointment of Mr Gustavo Perez Carballo, of Spanish nationality, of legal age, residing in Barcelona, with address for these purposes in Calle Pintor Domenech Farré 13-15, El Masnou (Barcelona), as member of the Board of Directors, resolved by co-optation by the Board itself at its meeting of 21st February 2008, having accepted the post on 27th February 2008, for the term of five years established in the Articles of Association.

EIGHTH PROPOSED RESOLUTION: Relating to Item **Eight** of the Agenda: Appointment of the Company's Auditors.

The following is proposed for the approval of the shareholders:

To re-elect the firm BDO AUDIBERIA AUDITORES, S.L., with Tax Identification Number B-82387572, registered in the Mercantile Registry of Madrid, in Volume 14413, 8th Section, Folio 201, Page M-238188, 1st entry, and registered in the Official Register of Auditors of the Institution of Accounting and Auditing of the Ministry of Economy and Finance with number S1273, engaging the aforesaid firm to carry out the audit of the financial statements of the Company and of its Consolidated Group for the term of one year, corresponding to the 2008 financial year, and to empower the Board of Directors to agree with the aforesaid auditors the remuneration they are to receive from the company for performing their work.

NINTH PROPOSED RESOLUTION: Relating to Item **Nine** of the Agenda: Authorization to the Board of Directors so that it may proceed to the derivative acquisition of own shares, within the limits and subject to the requisites of Article 75 of the ruling Companies Act.

The following is proposed for the approval of the shareholders:

To authorize the company DOGI INTERNATIONAL FABRICS, S.A in the terms set forth in Article 75 of the Companies Act and in the First Additional Provision of the same Act, so that, by itself or through its subsidiaries, it may acquire own shares, which shall be fully paid up, subject to the following conditions:

- a. **Acquiring company:** DOGI INTERNATIONAL FABRICS, S.A. or any of the wholly owned subsidiaries of DOGI INTERNATIONAL FABRICS, S.A. whether directly or indirectly.

- b. **Maximum number of shares to be acquired:** 5% of the share capital of DOGI INTERNATIONAL FABRICS, S.A.
- c. **Minimum cost price:** Par value of the shares acquired.
- d. **Maximum cost price:** Listed price of the own shares at the time of acquisition.
- e. **Term of the authorization:** Eighteen months as of the date this resolution is passed.
- f. **Form of acquisition:** Purchase or any other type of acquisition for valuable consideration.
- g. **Appropriation to non-distributable reserve:** A non-distributable reserve will be established in the net equity of the balance sheet of the acquiring company and of the controlling company for an amount equal to the amount of the shares in the controlling company stated under assets. This reserve must be maintained until the assets acquired are disposed of, all the foregoing being in compliance with the provisions of Articles 75, 79 and other concordant articles of the Companies Act.

It is hereby stated, for the purposes of the provisions of Article 75 of the Companies Act, that the shares acquired, in full or in part, may be used for the purpose of delivering them to employees or directors of the company, directly, or as a result of exercising share purchase option rights they may hold.

TENTH PROPOSED RESOLUTION: Relating to Item **Ten** of the Agenda: Establishment of the remuneration to be received by the Board of Directors in 2008.

The following is proposed for the approval of the shareholders:

To establish the remuneration of the Directors, by virtue of their status as members of the Board of Directors of the company, for 2008, at a maximum of twenty-four thousand euros (24,000.-€).

ELEVENTH PROPOSED RESOLUTION: Relating to Item **Eleven** of the Agenda: Delegation of faculties to records any resolutions of the General Shareholders' Meeting that so require in a public instrument, or that have to be registered in the corresponding Public Registers, and to sign any amending and rectifying documents as may be necessary, and also to execute such resolutions.

The following is proposed for the approval of the shareholders:

To empower the Managing Director and the Secretary, so that either of them, indistinctly, acting on behalf of and representing the company, may appear before a Notary Public and record the preceding resolutions in a public instrument, by granting one or more public deeds encompassing them, including amending and rectifying deeds, and being also empowered to make any modifications to such deeds as are required on account of the verbal or written qualification of Mercantile Registrars, carrying out as many steps as may be necessary for that purpose to achieve the total or partial registration thereof in Public Registers.

El Masnou (Barcelona) ____ February 2008

The Chairman
Mr Josep Domenech Giménez

The Secretary
Mr Antonio Peñarroja Castell