

GRUSAMAR INGENIERIA Y CONSULTING, S.L.U.

FINANCIAL STATEMENT

2014

INDEPENDENT AUDIT REPORT OF FINANCIAL STATEMENTS

To the Sole Shareholder of GRUSAMAR INGENIERIA Y CONSULTING, S.L.U.

REPORT ON THE FINANCIAL STATEMENTS

We have audited the Financial Statements of the Company GRUSAMAR INGENIERIA Y CONSULTING, S.L.U., which include the balance sheet as of 31st December 2014, the profit and loss account, the statement of changes in the equity, the statement of cash flow and the notes of the financial year ended on said date.

Responsibility of the Directors with regards to the financial statements

The Directors of the Company are responsible for the preparation of the attached Financial Statements so as to faithfully express the assets, the financial status and the profit and loss account of GRUSAMAR INGENIERIA Y CONSULTING, S.L.U., in compliance with the Regulatory Framework for financial reporting applicable to the Company in Spain, as indicated in Note 2.1 of the attached notes. They are also responsible for the internal control considered necessary to enable the preparation of the Financial Statements free of material inaccuracy due to fraud or mistake.

Responsibility of the auditor

Our responsibility is to express an opinion regarding the attached Financial Statements based on our audit report. We have audited in compliance with the Spanish accounts auditing regulations in force. Said regulations require ethics compliance, as well as planning and performance of the audit so as to reasonably ensure that the Financial Statements are free of material inaccuracy.

An audit report requires implementing the procedures to obtain audit evidence regarding the amounts and the information in the annual accounts. The chosen procedures depend on the Auditor's decision, including the material inaccuracy risk assessment for the annual accounts, due to fraud or mistake. When performing said risk assessments, the Auditor takes into consideration the internal control for the preparation of the Financial Statements by the Directors of the Company, with the goal of designing adequate auditing procedures depending on the circumstances, and not with the goal of expressing an opinion regarding the efficiency of the internal control of the Company. An audit report also includes the assessment of the suitability of the accounting policies applied and the reasonableness of the accounting estimations made by the management, as well as the assessment of the overall presentation of the annual accounts.

We consider that the audit evidence obtained is enough reason for our audit opinion.

Opinion

In our opinion, the attached Financial Statements faithfully express, in all significant aspects, the assets, the financial status of the Company GRUSAMAR INGENIERIA Y CONSULTING, S.L.U. as of 31st December 2014, as well as its profit and loss account and cash flows corresponding to the financial year ending on said date, in compliance with the applicable Regulatory Framework for financial reporting and, in particular, with the accounting principles and criteria therein.



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Miembro nº 4.925

Highlighted paragraph

The Company GRUSAMAR INGENIERIA Y CONSULTING, S.L.U. is a company belonging to the Group "Elsamex" and, depending on the policy of the Group cash-pooling, the Company provides and receives financial support from those companies of the group that require to the extent and period necessary. At December 31st, 2014 the balance presented by the financial statements in respect of credit lines delivered and / or received is classified in the balance sheet items denominated "*Short-term investments with group companies*" or "*Current Payable to Group Companies*" as appropriate.

Paragraph regarding other issues

The comparative figures of financial year 2013 were audited by the previous auditor, who issued her audit report and expressed her favourable opinion on 31 March 2014.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

The attached management report of financial year 2014 includes the explanations that the Directors of the Company consider appropriate regarding the situation of the Company GRUSAMAR INGENIERIA Y CONSULTING, S.L.U. the evolution of their business and other matters, and it is not an integral part of the annual accounts. We have verified that the accounting information therein is consistent with the financial statements of financial year 2014. Our work as auditors is limited to the verification of the management report with the scope mentioned in this paragraph and does not include any review of information other than the information obtained from the accounting records of the Company GRUSAMAR INGENIERIA Y CONSULTING, S.L.U

May 14th 2015

CABALLERO AUDITORES, S.L.
R.O.A.C. n° S-2265

Angel Caballero
Partner



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Grusamar Ingeniería y Consulting, S.L.U.

Financial statements for the
year ending
31 December 2014
and Management Report, along with the
Independent Auditor's Report

GRUSAMAR INGENIERIA Y CONSULTING S.L.U.

BALANCE SHEETS AT DECEMBER 31ST, 2014

(Euros)

ASSETS	Notes of the Report	Year 2014	Year 2013	PASIVO	Notes of the Report	Year 2014	Year 2013
NON-CURRENT ASSETS		3.897.574	4.158.312	EQUITY	Note 11	4.583.755	4.264.676
Intangible fixed assets	Note 5	1.651.354	1.499.992	OWN FUNDS-		4.567.729	4.273.649
Goodwill		850.010	850.010	Capital		3.494.897	3.494.897
Computer software		-	156	Subscribed capital		3.494.897	3.494.897
Research and Development		801.344	649.826	Reserves		1.450.457	1.378.534
Property, plant and equipment	Note 6	111.980	541.046	Legal and statutory		175.699	146.277
Technical installations and other items		111.980	148.803	Other reserves		1.274.758	1.232.257
Under construction and advances		-	392.242	Prior period's losses		(626.576)	(894.004)
Non-current investments in group companies and associates		1.599.382	1.599.382	Profit/(loss) for the year		248.950	294.223
Equity instruments	Note 8.1	454.455	454.455	GRANTS, DONATIONS AND LEGACIES RECEIVED		16.026	(8.973)
Loans to companies	Note 8.2	1.144.927	1.144.927	Foreign Exchange Fluctuation Reserve		16.026	(8.973)
Non-current investments	Note 9.1	7.260	15.272				
Other financial assets		7.260	15.272				
Deferred tax asset	Note 14	527.598	502.622	NON-CURRENT LIABILITY		1.142.500	1.915.964
				Non-current payables		25.614	54.488
				Debts with credit entities	Note 13	8.567	31.134
				Finance lease payables	Note 7.1	17.047	23.355
				Group companies and associates, non-current	Note 13	1.116.886	1.861.476
CURRENT ASSETS		5.364.934	11.652.483				
Inventories		11.801	10.635	CURRENT LIABILITIES		3.536.253	9.630.155
Advances to suppliers		11.801	10.635	Current provisions	Note 12	91.243	337.384
Trade and other receivables	Note 9.2	3.077.578	3.851.278	Current payables	Note 13	63.801	121.927
Trade receivables		2.474.496	2.856.222	Debt with financial institutions		26.619	29.205
Trade receivables from group companies and associates	Note 9.2 y 18	93.531	684.132	Finance lease payables	Note 7.1	5.881	6.318
Other receivables	Note 9.2	11.720	18.315	Other financial liabilities		31.301	86.404
Personnel	Note 9.2	5.123	6.908	Group companies and associates, current	Note 13	1.486.161	6.766.819
Current tax assets	Note 13	434.259	24.381	Trade and other payables		1.895.048	2.404.025
Other credits with Public Administration	Note 13	58.451	261.320	Suppliers	Note 13	1.348.965	1.423.897
Current investments in group companies and associates	Note 18	1.705.895	6.915.310	Suppliers, group companies and partners	Notes 13 y 18	-	113.256
Other financial assets		1.705.895	6.915.310	Sundry creditors	Note 13	23.696	57.104
Current investments	Note 9.2	229.211	287.497	Personnel(salaries payable)	Note 13	102.201	79.428
Equity instruments		998	998	Public entities, other	Note 14	195.624	333.203
Other financial assets		228.213	286.499	Advances from customers	Note 13	224.561	397.136
Prepayments for current assets		18.994	53.855				
Cash and cash equivalents		321.456	533.909				
Treasury		321.456	533.909				
TOTAL ASSETS		9.262.508	15.810.796	TOTAL EQUITY AND LIABILITIES		9.262.508	15.810.796

The Notes 1 to 22 described in the attached Report form an integral part of the balance sheet at 31st December 2014

GRUSAMAR INGENIERIA Y CONSULTING S.L.U.

INCOME STATEMENT FOR THE PERIOD ENDED DECEMBER 31ST, 2014

(Euros)

	Notes of the Report	Year 2014	Year 2013
CONTINUED OPERATIONS			
Turnover	Note 16.a	7.216.481	11.624.987
Provision of services		7.216.481	11.624.987
Works performed by the company for its assets	Note 6	-	227.456
Supplies	Note 16.b	(1.413.481)	(6.177.016)
Consumption of raw materials and other consumables		(95.166)	(81.714)
Works carried out by other companies		(1.318.315)	(6.095.302)
Other income		10	3.268
Accessory incomes and other of current management		10	50
Operating subsidies included in the year result		-	3.218
Personnel expenses	Note 16.c	(3.649.210)	(3.581.025)
Wages, salaries and similar		(3.030.951)	(3.040.584)
Social charges		(618.258)	(744.265)
Provisions	Note 12	-	203.824
Other exploitation expenses	Note 16.d	(1.371.588)	(1.486.326)
Outside services		(1.294.702)	(1.467.401)
Taxes		(21.230)	(19.203)
Losses, impairment and variation of provision for trade operations	Note 9.2	-	278
Other operating expenses		(55.655)	-
Amortization of fixed assets	Note 5 y 6	(277.517)	(196.993)
Other income/(losses)		(665)	25.974
EXPLOITATION RESULT		504.031	440.325
Financial income		313.690	268.019
From shares in equity instruments		46.901	208.922
-In group companies and partners	Note 18	46.901	208.922
From negotiable values and other financial instruments		266.789	59.097
- From group companies and partners	Note 18	264.294	29.717
- From third parties	Note 18	2.495	29.380
Financial expenses		(423.810)	(235.664)
For debt with group companies and partners		(408.374)	(207.197)
For debts with third parties		(15.436)	(28.467)
Exchange differences		(12.281)	(24.231)
FINANCIAL RESULT		(122.401)	8.125
RESULT BEFORE TAXES		381.630	448.450
Income tax	Note 14	(132.680)	(154.227)
RESULT OF THE YEAR FROM CONTINUED OPERATIONS		248.950	294.223
YEAR RESULT		248.950	294.223

The Notes 1 to 22 described in the attached Report form an integral part of the loss and profit account corresponding to year 2014

GRUSAMAR INGENIERIA Y CONSULTING S.L.U.

STATEMENT OF CHANGES IN EQUITY FOR THE PERIOD ENDED DECEMBER 31ST, 2014

A) STATEMENT OF RECOGNIZED INCOME AND EXPENSE FOR THE PERIOD ENDED DECEMBER 31ST, 2014

(Euros)

	Notes of the Report	Year 2014	Year 2013
RESULT OF THE LOSS AND PROFIT ACCOUNT (I)		248.950	294.223
Foreing exchange variances		24.999	(8.973)
TOTAL INCOMES AND EXPENSES DIRECTLY CHARGED ON NET EQUITY (II)		45.129	-
TOTAL TRANSFERS TO LOSS AND PROFIT ACCOUNT (III)		-	-
TOTAL RECOGNIZED INCOMES AND EXPENSES (I+II+III)		319.079	285.250

The Notes 1 to 22 described in the attached Report form an integral part of the statement of recognized incomes and expenses corresponding to year 2014

GRUSAMAR INGENIERIA Y CONSULTING S.L.U.

STATEMENT OF CHANGE IN NET WORTH OF THE YEAR ENDED DECEMBER 31ST, 2014

B) STATEMENT OF CHANGES IN TOTAL NET WORTH

(Euros)

	Notes of the Report	Capital	Reserves	Neg. results Previous year	Result of the year	Adjustments for changes in value	TOTAL
FINAL BALANCE OF YEAR 2012		3.494.897	915.447	(894.004)	463.088	(216)	3.979.212
Application of profit 2012		-	463.088	-	(463.088)	-	-
Total recognized incomes and expenses		-	-	-	294.223	(8.757)	285.466
FINAL BALANCE OF YEAR 2013		3.494.897	1.378.535	(894.004)	294.223	(8.973)	4.264.676
Application of profit 2013		-	294.223	-	(294.223)	-	-
Total recognized incomes and expenses		-	-	45.129	248.950	24.999	319.079
FINAL BALANCE OF YEAR 2014		3.494.897	1.672.758	(848.875)	248.950	16.026	4.583.754

The Notes 1 to 22 described in the attached Report form an integral part of the statement of changes in net equity corresponding to year 2014

GRUSAMAR INGENIERIA Y CONSULTING S.L.U.

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED DECEMBER 31ST, 2014

(Euros)

	Notes of the Report	Year 2014	Year 2013
CASH FLOW OF EXPLOITATION ACTIVITIES (I)		540.811	661.777
Result of the year before taxes		381.630	448.450
Adjustments to result:		399.918	188.589
- Amortization of fixed assets	Note 5	277.517	196.993
- Accumulated impairment losses	Note 9.2	-	(278)
- Financial income		(313.690)	(268.019)
- Financial expenses		423.810	235.664
- Other Incomes and expenses		12.281	24.231
Changes in current capital		14.344	170.840
- Stocks		(1.166)	5.512
- Debtors and other receivables		773.700	416.681
- Other current assets		5.302.562	(3.477.662)
- Creditors and other payables		(5.789.635)	3.361.708
- Other current liabilities		(246.141)	(203.824)
- Other non-current assets and liabilities		(24.977)	68.425
Other cash flows of the exploitation activities		(255.081)	(146.102)
- Interests payments		(436.091)	(259.895)
- Interest accruals		313.690	268.019
- Accruals (payments) for profit tax		(132.680)	(154.227)
CASH FLOWS OF THE INVESTMENT ACTIVITIES (II)		(736.393)	(301.712)
EXPLOITATION RESULT			
Payments for investments		(736.393)	(301.712)
- Group companies and partners	Note 9.2	(744.590)	(8.590)
- Tangible fixed assets	Note 5	151.549	357.868
- Other financial assets	Note 9.2	8.011	(1.388)
- Other assets		(151.362)	(649.603)
CASH FLOWS OF THE FINANCIAL ACTIVITIES (III)		(41.871)	(94.002)
Accruals and payments for equity instruments		45.129	(8.757)
- Emission of equity instruments			
- Amortization of equity instruments		45.129	(8.757)
Collection and payments for financial liability instruments		(87.000)	(85.244)
- Debt emission with credit entities		(86.563)	(91.563)
- Devolution and amortization of debts with credit entities		(437)	6.318
EFFECT OF THE VARIATION OF EXCHANGE RATES (IV)		24.999	
INCREASE/DECREASE OF CASH FLOWS OR EQUIVALENTS (I+II+III+IV)		(212.453)	266.064
Cash flow or equivalents at start of year		533.909	267.845
Cash flow or equivalents at end of year		321.456	533.909

The Notes 1 to 21 described in the attached Report form an integral part of the statement of cash flow corresponding to year 2014

Grusamar Ingeniería y Consulting, S.L.U.

Notes for the
year ending
31 December 2014

1. Incorporation and activity

Incorporation

Grusamar Ingeniería y Consulting S.L. (hereinafter the Company), was incorporated on 11 June 2002 under the name Grusamar Ingeniería y Consulting S.L., as limited company for an indefinite period of time. Its corporate offices are in calle San Severo 18, Madrid, Spain.

On 22 June 2011, Grusamar Ingeniería y Consulting was declared an individual company with Elsamex S.A. as the only partner.

Corporate Purpose

The purpose of the Company is:

- a. The preparation and follow-up of studies and projects, quality control, and technical management of all types of public or private works, including industrial, agricultural, civil engineering, hydraulic, railway, airports, road and environmental projects.
- b. Technical assistance in general and especially in matters of management and protection of the environment, including inspection, testing, surveillance and diagnostics in issues concerning environmental quality, business advice and management and administration of all types of businesses, companies or ventures; the transfer of technology of all types of construction products and systems, transport and management of hazardous waste, excluding all activities for which special requirements are required by Law and are not fulfilled by the Company.
- c. Technical assistance and consulting for those Companies or Public or Private Entities which so require, concerning business technical organization systems, technical situation and research and laboratory works for new industrial products, quality controls, both for raw materials and finished products and for works of any nature.
- d. To issue research and technical reports on projects, construction, conservation and operation works, safety in roads, airports, railway, urban routes and communication roads, environment, as well as to provide arbitration for any kind of subject that may arise in these activities.
- e. To promote and settle cooperation agreements in any type of entities and bodies, either public or private, aiming at the development and improvement on roads, urban routes, airports, railway, communication roads and environmental technology.
- f. To provide to natural and legal persons all kind of services related to systems audit for labour risk prevention.
- g. To carry out training, education and rehabilitation courses concerning labour risks prevention.
- h. To carry out research and issue technical reports concerning labour risks prevention.
- i. To perform research, development and innovation works of all kinds in the field of labour health and safety.
- j. The purchase, sale and hiring of construction or works materials, vehicles and equipment.

These activities could also be indirectly performed by the Company, totally or partially, through the holding of shares in other company or companies engaging in analogous activities. All activities for which special requirements are required by Law and not fulfilled by the Company shall be excluded.

The Company is part of Elsamex Group, whose parent company is Elsamex, S.A., with corporate address in calle San Severo, 18, Madrid; this is the company that prepares the consolidated financial statements. The consolidated financial statements of Elsamex Group for period 2014 have been prepared by the Directors in the meeting of the Board of Directors held on 31st March 2015. The consolidated financial statements for period 2013 were approved at the General Shareholders' Meeting of Elsamex, S.A., held on 31st March 2014, and they were deposited in the Companies Registry of Madrid. In turn, Elsamex Group is controlled by an international group whose controlling company is "Infrastructure Leasing & Financial Services Limited (IL&FS)", with business address in Bombay [Mumbai] (India) Bandra – Kurla Complex.

2. Presentation principles for the financial statements

2.1 Financial Information Framework applicable to the Company

These financial statements have been carried out by the Directors in accordance with the financial information framework applicable to the Company, established in:

- a) Code of Commerce and other additional mercantile legislation.
- b) General Accounting Plan, approved by Royal Decree 1514/2007, and sector adaptations.
- c) Mandatory regulations approved by the Institute of Accounting and Accounts Auditing in the development of the General Accounting Plan and complementary rules.
- d) Other applicable Spanish accounting regulations.

2.2 True and fair view

The attached financial statements have been obtained from the Company's account registers and are presented in accordance with the financial information framework described in Note 2.1, so as to show a true view of the assets, the financial situation, the results of the Company and the cash flows during the corresponding period. These financial statements, which have been prepared by the Company Directors, will be submitted for the approval of the sole shareholder, and are expected to be approved without any amendment. The financial statements for period 2013 were approved by the Sole Shareholder on 5th June 2013.

2.3 Non-obligatory accounting principles applied

Non-obligatory accounting principles have not been applied. In addition, the Directors have prepared these financial statements taking into consideration all the obligatory accounting principles and standards of application that have a significant effect on said financial statements. There is not any obligatory accounting principle that has not been applied.

2.4 Critical aspects of valuation and estimation of uncertainty

In preparing the attached abridged financial statements estimates were made by the Company's Directors in order to measure certain of the assets, liabilities, income, expenses and obligations reported herein. Basically these estimations refer to:

The evaluation of possible losses by impairment of certain assets (see Notes 4.1, 4.2, 4.4 and 4.5).

The useful life of the intangible and tangible assets (see Notes 4.1 and 4.2)

The calculation of supplies (see Note s 4.11 and 12).

The calculation of executed works pending invoicing and works certified in advance (See Note 4.10).

Although these estimates were made on the basis of the best information available at 2013 year-end, events that take place in the future might make it necessary to change these estimates (upwards or downwards) in coming years. Changes in accounting estimates would be applied prospectively.

2.5 Comparative information

The information contained in these notes to the financial statements referring to the financial year 2014 is presented alongside the information for the financial year 2013 for comparative purposes.

2.6 Grouping of entries

Certain items in the balance sheet, income statement, statement of changes in equity and statement of cash flows are grouped together to facilitate their understanding; however, whenever the amounts involved are significant, the information is broken down in the related notes to the financial statements. There are not any equity items entered in two or more entries.

2.7 Change in accounting policies

During the accounting period 2014 no changes in accounting principles have arisen with regards to the principles applied in the accounting period 2013.

2.8 Correction of errors

In the preparation of the attached financial statements no significant error has been detected that might involve the recalculation of the amounts included in the financial statements of the accounting period 2013.

3. Distribution of profits

The proposal for the application of the results of the period prepared by the Company's Directors, to be submitted for the approval of the General Shareholders' Meeting, is the following:

	Euros
Distribution basis:	
Profit and loss (Profit)	248,950
	248,950
Distribution:	
To legal reserve	24,895
To goodwill reserve	42,501
To offsetting of losses from previous years	181,554
	248,950

The Company is required to assign 10% of the profits of the period to legal reserve, until this reaches, at least, 20% of the share capital. Until it reaches 20% of the share capital, this reserve is not distributable to the shareholders (see note 11 on Own Funds).

Once the provisions established by Law or by the by-laws are fulfilled, dividends will only be distributed charged to the income of the financial year or to unrestricted reserves, if:

- The provisions established by Law or by the by-laws are fulfilled.

- Net equity is not below share capital, or is not below share capital as a consequence of the distribution. For these purposes, the profits taken directly to equity shall not be directly or indirectly distributed. If there are losses from previous years which lower the value of the Company's net worth below the social capital, the income shall be used to offset those losses.

It is equally forbidden all distribution of profits unless the worth of the available reserves is, as a minimum, equal to the expenses of investigation and development and there are no available reserves for an amount equal to the amounts pending of repaying of the previous accounts.

In any case, a restricted reserve equal to the goodwill that appears on the assets of the balance must be made available, using to that end a part of the profit representing, at least, five percent of said goodwill. If there was no profit, or this was insufficient, unrestricted reserves will be used.

4. Accounting standards and measurement bases

The principal accounting standards and measurement bases used by the Company in the preparation of their financial statements, in accordance with those set out by the General Accounting Plan, were the following:

4.1 Intangible assets

The Company recognises in this heading a goodwill already existing at the date of transition to the General Accounting Plan, approved by Royal Decree 1514/2007. The goodwill is recognized at its net accounting value at 1st January 2008, that is, at its cost less the accumulated amortization and impairment recognized at said date, according to accounting standards in force at that moment.

The amount of the goodwill is the excess of the cost of the business combination over the fair value of the identifiable assets acquired less the fair value of the liabilities assumed.

The goodwill, pursuant to accounting standards and measurement bases of the General Accounting Plan approved by Royal Decree 1514/2007, is not subject to amortization. Cash-generating units or cash-generating groups of units to which goodwill has been allocated will be subject, at least once a year, to the impairment test. The book value of said units will be compared with their recoverable amount, which is the highest of either the net fair value of cost to sell or the use value. When appropriate, value adjustments for impairment will be recognized.

If an impairment loss has to be recognised for a cash-generating unit to which all or part of an item of goodwill has been allocated, the carrying amount of the goodwill relating to that unit is written down first. If the loss exceeds the carrying amount of this goodwill, the carrying amount of the other assets of the cash-generating unit is then reduced, on the basis of their carrying amount, down to the limit of the highest of the following values: fair value less costs to sell; value in use; and zero.

The aforementioned use value has been calculated by deducting the updated margins expected for consulting and technical assistance upon closure of 2014 from each cash-generating unit and applying a discount rate before tax reflecting the value of the money in time and considering the specific risks linked to the asset, according to the financial year of the generation. The applied discount rates are as follows:

	2014	2015	2016	2017
Discount Rate	5.5%	5.5%	5.5%	5.5%

During 2014 there have not been any value adjustments for impairment.

Any value adjustments for impairment acknowledged as goodwill may not revert in subsequent years.

4.2 Property, plant and equipment

The assets grouped under this heading are valued by their acquisition price or cost of production and subsequently reduced by the corresponding accrued amortization and losses through impairment, should there be any.

If there are indications of loss of value, the Company estimates by means of the "Impairment test" the possible losses of value that reduce the redeemable value of said assets to an amount below their book value.

The Company amortizes property, plant and equipment following the linear method, applying annual amortization percentages calculated depending on the estimated years of useful life of the respective assets, in accordance with the following detail:

	Percentage
Other installations, tools and furniture	10-15
Computer equipment	25
Transport items	15

The expenses for conservation and maintenance of property, plant and equipment elements are allocated to the profit and loss account of the period in which they are incurred. However, the amounts invested in improvements that contribute to increasing the capacity or efficiency or to expanding the useful life of said assets are registered as a higher cost.

4.3 Leasing

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards incidental to ownership of the leased asset to the lessee. The rest of leases are classified as operating leases.

When the Company is the lessee – Finance lease

In finance leases in which the Company acts as the lessee, the cost of the leased assets is presented in the balance sheet, based on the nature of the leased asset, and, simultaneously, a liability is recognised for the same amount. This amount will be the lower of the fair value of the leased asset and the present value, at the inception of the lease, of the agreed minimum lease payments, including the price of the purchase option, when it is reasonably certain that it will be exercised. The minimum lease payments do not include contingent rent, costs for services and taxes to be paid by and reimbursed to the lessor. The total capital charge of the contract is allocated to the profit and loss account for the period in which it is accrued, the effective interest rate method being applied. Contingent rent is recognised as an expense for the period in which it is incurred.

Leased assets are depreciated, based on their nature, using similar criteria to those applied to the items of property, plant and equipment.

When the Company is the lessee – Operating lease

Expenditure arising from operating lease agreements is charged on the profit and loss statement in the year in which they accrue.

Any collection or payment that might be made when arranging an operating lease will be treated as a prepaid lease collection or payment which will be allocated to profit or loss over the lease term in accordance with the time pattern in which the benefits of the leased asset are provided or received.

4.4 Financial Instruments

4.4.1 Financial assets

Classification –

Financial assets of the Company are classified in the following categories:

- a) Loans and items receivable: financial assets originating in the sale of goods or in the provision of services through the Company's trading operations, or those that do not have a commercial origin, are not equity instruments or derivatives and the charges of which are a fixed or specific amount and are not negotiated in an active market.
- b) Financial assets held for negotiation: those that are acquired with the objective of transferring them in the short-term or those that form part of a portfolio for which there is evidence of recent activity with the said objective. This category also includes those derivative instruments that may not be contracted from capital guarantees (e.g. bank guarantees) and have not been designated coverage instruments.
- c) Investments in the equity of the companies of the group, associates and multi-group: those companies considered to be part of the group are those connected to the Company through a relationship of control, and associated companies are those over which the Company exerts significant influence. In addition, within the multi-group category those companies are included over which, under an agreement, control is exercised in conjunction with one or more partners.

Initial recognition-

The financial assets are entered initially at the fair value of the consideration delivered plus the transaction costs that may be directly attributable, unless they are financial assets for negotiation, in which case, the transaction costs that may be directly attributable to them are to appear in the profit and loss account for the period.

Subsequent measurement –

Loans and receivables are measured at amortized cost

Financial assets held for negotiation are valued at their reasonable value, the result of the variations in the said reasonable value being entered in the profit and loss account.

Investments in the group's companies, associates and multi-group are valued by their cost, reduced, if required, by the amount accrued from the corrections to value through impairment. These corrections are calculated as the difference between their book value and the amount redeemable, this being understood as the larger amount between their reasonable value minus the costs of sale and the actual value of the future cash flow resulting from the investment. Unless there is better evidence of the amount redeemable, the net equity of the participating entity is taken into consideration, corrected by the capital gains implied on the date of valuation (including any goodwill there may be).

At least at the close of each period the Company tests financial assets not measured at fair value through profit or loss for impairment. Objective evidence of impairment is considered to exist when the recoverable amount of the financial asset is lower than its carrying amount. When it occurs, this impairment is entered in the profit and loss account.

The Company derecognises a financial asset when it expires or when the rights to the cash flows from the financial asset have been transferred and substantially all the risks and rewards of ownership of the financial asset have been transferred.

However, the Company does not derecognise financial assets, and recognises a financial liability for an amount equal to the consideration received, in transfers of financial assets in which substantially all the risks and rewards of ownership are retained.

4.4.2 Financial liabilities

Financial liabilities are those debits and items payable that the Company has and which originate in the purchase of goods and services through the Company's trading operations, and also those which do not have a commercial origin and cannot be considered as derivative financial instruments.

Accounts payable are initially recognised at the fair value of the consideration received, adjusted by the directly attributable transaction costs. These liabilities are subsequently measured at amortised cost.

The Company derecognises financial liabilities when the obligations giving rise to them cease to exist.

4.4.3 Equity instruments

An equity instrument represents a residual sharing in the Company Equity once all liabilities have been deducted.

Capital instruments issued by the Company are entered in the net equity for the amount received, net of issuing costs.

4.4.4 Cash Flow Hedge

The Company uses derivative financial instruments in order to guarantee the risks to which it is exposed through its activities, operations and future cash flows. Fundamentally, these risks are variations in interest rates. In the context of said operations the Company contracts hedging financial instruments.

In order to classify these financial instruments as hedge book, they are initially designated as such, recording the hedge relationship. Similarly, the Company checks initially and periodically throughout their life (at least at the end of every period) that the hedge relation is effective, i.e. that it is expected, prospectively, that the changes in the reasonable value or in the cash flow of the item (attributable to the risk covered) are compensated almost completely by those of the hedging instrument and that, retrospectively, the hedge results have ranged between 80 and 125% in relation to the result of the item covered.

The Company applies cash flow hedge. In this type of hedge, the part of the gain or loss of the hedging instrument that has been determined as effective hedging instrument is temporarily included in the net equity, being allocated to the profit and loss account in the same accounting period in which the item that is hedged affects the result, unless the hedge relates to an anticipated transaction that might terminate in the entry of a non-financial asset or liability, in which case the amounts entered in the net equity are to be included in the cost of the asset or liability when acquired or assumed.

Accounting of hedging is suspended when the hedging instrument matures, or is sold, terminated or used, or fails to fulfil the accounting principles for hedging. At that time, any accrued profit or loss corresponding to the hedging instrument that has been entered in the net equity is held within the net equity until the expected operation occurs. When the operation that is being hedged is not expected to occur, the accrued net profits or losses accounted for in the net equity are transferred to the net results for the period.

4.5 Stock

Inventories are measured at the lower of acquisition or production cost and net realisable value. Trade discounts, rebates, other similar items and interest included in the face value of the related payables are deducted in determining the costs of purchase.

Production cost includes the costs of direct materials and, where applicable, direct labour and production overheads.

Net realisable value is the estimated selling price less the estimated costs of completion and costs to be incurred in marketing, selling and distribution.

The cost of inventories is assigned by using the weighted average cost formula.

The Company makes the appropriate value corrections, entering them as a cost in the profit and loss account when the net realisable value of the stock is lower than its acquisition price (or than its cost of production).

Also grouped under this heading are advance payments to suppliers for services to be received.

4.6 Transactions in currency other than Euro

The Company's functional currency is the Euro. Consequently, operations in currencies other than Euro are considered as foreign currency and entered in accordance with the exchange rates prevailing on the dates of the operations.

At the close of the period, monetary assets and liabilities denominated in foreign currency are converted by applying the exchange rate on the date of the consolidated balance sheet. The profits or losses shown are directly allocated to the profit and loss account for the period in which they occur.

4.7 Corporate tax

Tax expense (tax on profits) comprises current tax expense (current tax income) and deferred tax expense (deferred tax income).

The current tax expense is the amount payable by the Company as a result of tax on profits settlements for a given year. Tax credits and other tax benefits, excluding tax withholdings and pre-payments, as well as tax loss carryforwards from prior years effectively offset in the current year, reduce the current income tax expense.

The deferred tax expense or income relates to the recognition and derecognition of deferred tax assets and liabilities. These include temporary differences measured at the amount expected to be payable or recoverable on differences between the carrying amounts of assets and liabilities and their tax bases, as well as the negative tax bases pending compensation and the credits for tax credit not fiscally applied. These amounts are measured at the tax rates that are expected to apply in the period when the asset is realised or the liability is settled.

Deferred tax liabilities are recognised for all taxable temporary differences, except for those arising from the initial recognition of goodwill or of other assets and liabilities in a transaction that is not a business combination and affects neither accounting profit nor taxable profit, and except for those associated with investments in subsidiaries, associates and joint ventures in which the Company is able to control the timing of the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future.

Deferred tax assets, on the other hand, are only recognised to the extent that it is considered probable that the Company will have sufficient taxable profits in the future against which it will be possible to recover them.

Deferred tax assets and liabilities arising from transactions charged or credited directly to equity are also recognised directly in net equity.

By decision of the General Shareholder's Meeting on December 26th 2011, it was chosen to tax in the Corporate Tax through the tax consolidation regime in accordance with Chapter VII of Title VII of the Corporate Tax Act since October 1st 2007; the parent Company Elsamex S.A. is responsible for filing and paying the Corporate Tax of the tax group. For this reason, at the end of the financial year the payable or receivable balances for the Corporate Tax are included classified in current accounts with the parent company at short term.

4.8 Environment

Assets of environmental nature are those used long-term in the Company's activity. Their main purpose is the minimization of environmental impact and the protection and improvement of the environment, including the reduction or elimination of future pollution.

Due to its nature, the Company's activity does not have a significant environmental impact.

4.9 Joint ventures (Joint business)

The Company's financial statements include the effect of the proportional integration of the Joint Ventures in which it participates.

Temporary joint ventures (UTE's) have been incorporated under each heading of the balance sheet, the profit and loss account and the statement of cash flows, using the method of proportional consolidation, according to the percentage of participation of the Company.

The main figures that the Joint Venture contributes to the balance sheet and the profit and loss account for the accounting periods ending on 31st December 2014 and 2013 are:

Concepts	Euros	
	2014	2013
Total Assets	631,129	722,618
Non-current assets	(43,217)	(43,484)
Current assets	674,346	766,102
Net amount turnover	1,407,487	1,522,726
Services rendered	2,221,132	2,541,726
Elimination of consolidation	(813,645)	(1,019,000)

4.10 Revenue and expenditure

Revenue and expenses are recognised on an accrual basis, i.e. when the actual flow of the related goods and services occurs, regardless of when the resulting monetary or financial flow arises. Revenue is measured at the fair value of the consideration received, net of discounts and taxes, incorporated interests or similar items.

In order to adjust revenues in the period in which they are accrued, the Company adopts the principle of provisioning the revenues of projects in progress at year-end, in accordance with their level of advancement, notwithstanding the date of issue of the invoice.

The estimations used in calculating the level of advancement include the effect that the margin of certain liquidations under process might have, and that the Company estimates at the moment as reasonably achievable.

The account "Clients by works or services pending certification or invoice", included in the heading "Clients by sales and provision of services" of the asset of the balance sheet, represents the difference between the amount of the contract work executed, including the adjustment to registered margin by applying the level of advancement, and that certified until the date of the balance sheet.

If the amount of the production at origin of a work is below the amount of the certifications issued, the difference is contained in heading "Advances Clients" of liabilities in the balance sheet.

The interest received from financial assets is included using the effective interest rate method. In any case, the interest on financial assets accrued after the date of acquisition are recognized as income on the profit and loss account.

The rest of the revenues are accounted for at the time of transfer of the ownership of the goods or services provided to the customer.

4.11 Provisions and contingencies

In preparing the financial statements, the Company Directors differentiate between:

- a) Provisions: credit balances covering present obligations arising from past events, whose cancellation will probably cause an outflow of resources, although they are uncertain in their amount and/or timing of cancellation.
- b) Contingent liabilities: possible obligations arising as a consequence of past events, whose existence will be confirmed only by the occurrence or non-occurrence of one or more future events, not wholly within the Company's control and which are not reasonably calculable.

The financial statements include all the provisions regarding which it is considered that the probability of having to meet the obligation is very high. Contingent liabilities are not included in the financial statements, but the information about them can be found in the report notes, provided they are not considered as very unlikely.

Provisions are measured at the present value of the best possible estimate of the amount required to settle or transfer the obligation, taking into account the information available on the event and its consequences; adjustments made to provisions are recognised as a financial cost on an accrual basis.

The compensation to be received from a third party on settlement of the obligation is recognised as an asset, provided that there are no doubts that the reimbursement will take place, unless there is a legal relationship whereby a portion of the risk has been externalised as a result of which the Company is not liable. In this situation, the compensation will be taken into account for the purpose of estimating the amount of the related provision that should be recognised.

4.12 Termination Benefits

Under current legislation, the Company is required to pay termination benefits to employees terminated under certain conditions. Therefore, termination benefits that can be reasonably quantified are recognised as an expense in the year in which the decision to terminate the employment relationship is taken. The accompanying financial statements do not include any provision in this connection, since no situations of this nature are expected to arise.

4.13 Principles used in transactions between related parties

One party is considered linked to another when one of them or a group acting together exercises or has the power to exercise, directly or indirectly or in accordance with agreements between shareholders or participants, control over another or has significant influence over the other in the making of financial or operational decisions.

In any case, related parties are:

- a) Companies which are considered to be a company of the group, associate or multi-group, in accordance with article 42 of the Commercial Code.
- b) Natural persons who, directly or indirectly, hold participation in the voting rights of the Company, or in its dominant entity, to enable them to exercise a significant influence over one or another. Close relatives of these natural persons are also included.
- c) The key staff of the Company or of its dominant entity, understood as the natural persons with authority and responsibility over the planning, management and control of the Company's activities, either directly or indirectly, including the directors and executive managers. Close relatives of these natural persons are also included.
- d) Companies over which any of the persons mentioned in b) and c) above can exercise a significant influence.

e) Companies that share any director or manager with the Company; except in case this person does not have any significant influence in the financial and management policies of the Company.

f) Persons who are considered as close relatives of the Company administration's agent, if this person is a legal person.

g) The pension plans for the employees of the Company or of any other which is a party linked to this.

For the purposes of this rule, close relatives are understood to be those who could exercise influence in, or be influenced by, this person in his/her decisions relating to the Company. These include:

a) The spouse or person with an analogous relationship;

b) The ascendants, descendants and siblings and the respective spouses or persons with an analogous relationship;

c) The ascendants, descendants and siblings of the spouse or persons with an analogous relationship;

d) Persons for whom the spouse or person with an analogous relationship is responsible for or persons with an analogous relationship;

The Company carries out all its operations with entities linked to market values. In addition, transfer prices are adequately supported so that the Company Directors consider that there are not any significant risks related to this aspect from which liabilities for future consideration could be derived.

4.14 Subsidies, donations and legacies

The Company accounts for subsidies, donations and legacies received as follows:

a) Non-refundable subsidies, donations and legacies related to assets: these are measured at the fair value of the amount or the asset received, based on whether or not they are monetary, and they are taken to income in proportion to the period depreciation taken on the assets for which the subsidies were received or, where appropriate, on disposal of the asset or on the recognition of an impairment loss except for subsidies received from shareholders or owners, which are recognised directly in equity and do not give rise to the recognition of any income.

b) Refundable subsidies: while they are refundable, they are recognised as a liability.

c) Operational subsidies: they are credited to income when granted, unless their purpose is to finance losses from operations in future years, in which case they are allocated to income in those years. If subsidies are received to finance specific expenses, they are allocated to income as the related expenses are incurred.

5. Intangible assets

The movements occurring under this heading of the balance sheet during periods 2014 and 2013, as well as the most significant information affecting this section are as follows:

Financial Year 2014:

	Euros				
	31/12/2013	Additions	Transfers	Exchange difference	31/12/2014
Cost:					
Goodwill	850,010	-	-	-	850,010
Computer software	253,737	-	-	84	253,821
Research	812,283	-	392,242	-	1,204,525
	1,916,030	-	392,242	84	2,308,356
Accumulated Amortization:					
Computer software	(253,581)	(177)	-	(63)	(253,821)
Research	(162,457)	(240,724)	-	-	(403,181)
	(416,038)	(240,901)	-	(63)	(657,002)
Net value	1,499,992	(240,901)	392,242	21	1,651,354

Financial Year 2013:

	Euros				
	31-12-12	Additions	Transfers	Exchange difference	31/12/2013
Cost:					
Goodwill	850,010	-	-	-	850,010
Computer software	253,764	-	-	(27)	253,737
Research	-	-	812,283	-	812,283
	1,103,774	-	812,283	(27)	1,916,030
Accumulated Amortization:					
Computer software	(253,385)	(207)	-	11	(253,581)
Research	-	(162,457)	-	-	(162,457)
	(253,385)	(162,664)	-	11	(416,038)
Net value	850,389	(162,664)	812,283	(16)	1,499,992

The impairment test performed on the Goodwill has been explained further in Note 4.1.

During financial year 2014 the company has performed several works for its intangible fixed assets included in a biannual RDI Project. Different Group companies have taken part in this project. The project is as follows:

- a) The purpose of the "Enredetran" Project is to integrate in a single test all the variables that can impact on the value of the skid resistance coefficient and its evolution.

The Enredetran project was successfully finished and was activated in 2014 for an amount of €392,242.

At the close of periods 2014 and 2013 the Company had fully amortized intangible fixed assets still in use to the value of 253,115 Euros.

6. Property, plant and equipment

The movements occurring under this heading of the balance sheet during periods 2014 and 2013, as well as the most significant information affecting this section are as follows:

Financial Year 2014

	Euros				
	31/12/2013	Additions	Transfers	Exchange difference	31/12/2014
Cost:					
Machinery	67,375	-	-	2,588	69,964
Other installations, tools and furniture	72,126	155	-	(1,471)	70,810
Equipment for information processing	30,684	2,247	-	121	33,052
Transport items	143,734	-	-	(3,690)	140,044
Plant, property and equipment in progress	392,242	-	(392,242)	-	-
	706,162	2,402	(392,242)	(2,452)	313,869
Accumulated Amortization:					
Machinery	(43,358)	(5,658)	-	(463)	(49,479)
Other installations, tools and furniture	(51,822)	(2,018)	-	114	(53,725)
Equipment for information processing	(27,378)	(2,488)	-	(74)	(29,939)
Transport items	(42,558)	(26,453)	-	264	(68,747)
	(165,116)	(36,616)	-	(159)	(201,891)
Net value	541,046	(34,214)	(392,242)	(2,611)	111,980

Financial Year 2013

	Euros					
	31-12-12	Additions	Deductions	Transfers	Exchange difference	31/12/2013
Cost:						
Machinery	68,890	-	-	-	(1,515)	67,375
Other installations, tools and furniture	52,748	21,094	(1,601)	-	(115)	72,126
Equipment for information processing	28,254	2,575	-	-	(145)	30,684
Transport items	102,143	45,132	-	-	(3,540)	143,735
Plant, property and equipment in progress	977,069	227,456	-	(812,283)	-	392,242
	1,229,104	296,257	(1,601)	(812,283)	(5,315)	706,162
Accumulated Amortization:						
Machinery	(36,832)	(6,869)	-	-	343	(43,358)
Other installations, tools and furniture	(52,350)	(1,166)	1,601	-	93	(51,822)
Equipment for information processing	(23,173)	(4,262)	-	-	57	(27,378)
Transport items	(20,843)	(22,032)	-	-	317	(42,558)
	(133,198)	(34,329)	1,601	-	810	(165,116)
Net value	1,095,906	261,928	-	(812,283)	(4,505)	541,046

In Section "Fixed assets in progress" there is an ongoing RDI assignment, the Enredetran Project, amounting to €392,242, which was started in January 2014 (See Note 5).

The Company takes out insurance policies to cover the possible risks to which its property, plant and equipment elements are subject. The Company Directors consider that the coverage of these risks on 31 December 2014 and 2013 is the appropriate.

At the close of year 2014 and 2013 the Company had property, plant and equipment elements completely amortized which were still in use to the value of 101,225 Euros and 56,988 Euros respectively.

At 31 December 2014 the Company had the following investments in tangible fixed assets located abroad:

Description	Country	Book Value (gross)	Accumulated depreciation	Net
Machinery	Ecuador	24,153	(6,645)	17,507
Software	Ecuador	1,933	(1,825)	108
Furniture	Ecuador	344.22	(107)	238
Transport items	Ecuador	8,861	(5,564)	3,297
Computer software	Ecuador	706.25	(706)	-
Machinery	Colombia	3,926	(949)	2,977
Furniture	Colombia	733.76	(689)	44
Software	Colombia	3,725	(1,802)	1,923
Electrical installations	Colombia	19,593	(2,944)	16,649
Transport items	Colombia	63,834	(21,987)	41,847
Total		127,809	(43,218)	84,591

7. Leasing

7.1 Financial leasing

The details for the financial leasing contracted by the Company, as of 31 December 2014, is the following:

	Contract initiation date	Number of instalments	Euros		
			Asset value	Call option	2014
					Amortised capital
Transport items	11/06/2013	60 months	42,008	316	19,079

It has been contracted by the Grusamar Colombia Branch.

The detail for the pending instalments at 31 December 2014 is the following:

	2014		2013	
	Nominal value	Current value	Nominal value	Current value
Less than one year	8,945	5,881	8,611	6,318
Between one and five years	19,718	17,047	30,813	23,355
Total	28,663	22,929	39,424	29,673

7.2 Operative leasing

At the close of accounting periods 2014 and 2013 the Company has contracted the following minimum leasing quotas with the lessors, in accordance with the current contracts in force, and not taking into account implications of common expenses, future increases due to the CPI or future updates in income agreed under contract:

Operating leases Minimum quotas	2014 Nominal value	2013 Nominal value
Less than one year	142,069	194,558
Between one and five years	522	1,148
Total	142,591	195,706

In their capacity of lessor, the most significant operating leasing contracts that the Company has at the close of period 2014 are the following:

- Lease of an office on the first floor in calle Verónicas, in Murcia. The lease contract started on 1 September 2011, with a duration until 31 August 2012. Since then, it has been renewed annually. With regard to the contingent rent, the contract is referenced to annual increases as a function of the CPI.
- Lease of two apartments in Cartagena. The lease contract started on 3 September 2007 for a period of 1 year, having been renewed annually since then until the termination on 31 December 2013.
- Nevertheless, most of the accrued expenditure under this heading corresponds to the rental of vehicles and machinery for the contracts.

8. Group, multi-group and associated companies

8.1 Equity instruments

Financial Year 2014

Investee	Address	Activity	% Partici pation	Euros			
				Amount	Equity		
					Capital Company	Reserves	Result
Grusamar India LTD	The IL&FS Financial Centre, Plot No. C-22, G Block, Bandra Kurla Complex, Bandra (E), Mumbai, 400051, Maharashtra, India	Consultancy	100%	7,073	7,073	68,713	23,406
Grusamar Albania SHPK	Rr. Hik Kolli 26, Tirana (Albania)	Consultancy	51,00%	430	826	(42,972)	-
ESM Mantenimiento Integral de S.A. de CV	Presidente Masaryk,61 piso 7 Colo.Chapultepec Morales CP 11570 deleg.Miguel Hidalgo (Mexico)	Maintenance	70,00%	211,608	345,689	25,916	31,894
Sociedad Concesionaria A4 Madrid, S.A. (2)	C/ Caballero Andante, nº 8 Madrid Spain	Services	2,25%	235,344	9,413,370	(15,261,304)	725,037
				454,454			

Financial Year 2013

Investee	Address	Activity	% Partici pation	Euros			
				Amount	Equity		
					Capital Company	Reserves	Result
Grusamar India LTD	The IL&FS Financial Centre, Plot No. C-22, G Block, Bandra Kurla Complex, Bandra (E), Mumbai, 400051, Maharashtra, India	Consultancy	100%	7,073	7,073	-	68,713
Grusamar Albania SHPK	Rr. Hik Kolli 26, Tirana (Albania)	Consultancy	51,00%	430	826	(38,851)	(4,120)
ESM Mantenimiento Integral de S.A. de CV	Presidente Masaryk, 61 piso 7 Colo. Chapultepec Morales CP 11570 deleg. Miguel Hidalgo (Mexico)	Maintenance	70,00%	211,608	345,689	31,872	(5,956)
Sociedad Concesionaria A4 Madrid, S.A. (2)	C/ Caballero Andante, n° 8 Madrid Spain	Services	2.25%	235,344	9,413,370	440,948	908,463
				454,455			

8.2 Credits to businesses

The Company participates together with two other partners in the Highway A-4 Concessionary Company, the successful bidder in 2007 for a contract for the construction and operation as an administrative concession for the stretch of highway A-4 from P.K. 3.78 to P.K. 67.5 (R4) in the province of Madrid. During accounting period 2008 the concessionary company for Highway A-4 took out a syndicated loan for the financing of the construction works deriving from the concession contract, conditional upon the fulfilment of specific ratios of financial autonomy. Specifically, this syndicated loan requires the partners of the concessionary company to pay out in the manner of a participative loan or by means of the issue of new shares in the concessionary company, for an amount equivalent to 29.4% of the amount provided by the said loan.

In this section, the Company registers the participating loan granted to the Concessionaire Company of Autovía A-4 in accordance with the previous paragraph, amounting to a total of €435,745. The interest accrued amounted to €28,038 in 2014, and €28,469 in 2013.

In 2011 the Company concluded a participating loan contract with a subsidiary of the Group of Señalización, Viales e Imagen, SAU amounting to €700,000, which accrues a fixed annual interest of Euribor plus 1.75%. In 2014 and 2013 the interest accrued was 26,460 Euros, respectively.

8.3 Joint ventures

The details for the turnover of the Joint Venture businesses in which the Company participates are as follows:

Grusamar Ingeniería y Consulting, S.L.U.:

Name of Temporary Union of Company:	Percentage participation	Euros Sales
Grusamar – Progescan Ute Areas de Servicio	70%	-
Grusamar- Ineco- Inastecan Ute Arucas	40%	116,862
Betancourt –Grusamar Ute Rio Alhama	50%	948
Ute Grusamar – OHS Ingeniería y Urbanismo Ute Travesía de Hermigua	50%	53,384
Betancourt – Grusamar Ute Linares	50%	118,026
Grusamar- Elsamex – Atenea Ute seguridad vial Murcia	50%	138,586
Intevia-Grusamar-Dair Ute Seguridad Vial Bizkaia	10%	-
Ute Almanzora	65%	-
Ute Autovía de Santiago	50%	185,292
Ute Tren Mallorca	80%	123,865
Ute Grusamar-Eyser	50%	212,730
Ute Inserco Rambla de Retamar	50%	20,000
Ute Dallas	50%	819,188
Ute Grusamar-Intecsa-Inarsa-Atenea	30%	34,583
Ute Asistencia Molinar	52%	44,990
Consorcio Epsilon	35%	220,732
Consorcio Grusamar-Elsamex Ecuador	50%	131,946
Grusamar Total		2,221,132

9. Financial assets with third parties (long and short-term)

9.1 Long-term financial assets

The balance of the account in the heading “Long-term Financial Assets” at the close of accounting period 2013 groups the bonds given in consequence of operating lease contracts signed with third parties, as described in Note 7.

9.2 Short-term financial assets

The breakdown of the Company's financial assets is the following at the close of the periods 2014 and 2013:

	Euros	
	2014	2013
Customers by sales and provision of services:		
Customers	2,474,496	2,856,222
Delinquent Customers	266,151	266,151
Impairment of value of credits for commercial operations	(266,151)	(266,151)
	2,474,496	2,856,222
Customers and Group businesses current accounts (Note 18):		
Group companies clients	93,531	684,132
Other financial assets	1,705,895	6,915,310
	1,799,426	7,599,442
Sundry debtors	11,720	18,315
Personnel	5,123	6,908
Short-term financial investments		
Equity instruments	998	998
Other financial assets	228,213	286,499
	229,211	287,497
Total	4,519,976	10,768,384

The difference in section "Other financial assets" is due to the fact that in September 2014 the current accounts of the different group companies were compensated by means of a debt assignment.

10. Information on the nature and level of risk of financial instruments

The management of the financial risks of the Company is centralized in Financial Management, which has established the necessary mechanisms to control exposure to variations in the interest rates, as well as to the credit and liquidity risks. The main financial risks that impact on the Company are mentioned below:

a) Credit risk:

In general, the Company holds its treasury and equivalent liquid assets in financial bodies with a high credit level.

In addition, it must be pointed out that, despite the fact that it maintains a significant volume of operations with a significant number of customers, the solvency of the majority of them is guaranteed as they are largely Public Bodies and so there is no significant credit risk with third parties.

b) Liquidity risk:

In order to guarantee the liquidity and to be able to fulfil all the payment commitments deriving from its activity, the Company relies on the Treasury shown in its balance, as well as on short-term financial investments which are detailed in Note 9.2.

c) Market risk:

Both the Treasury and the short-term financial investments of the Company are exposed to the interest rate risk, which could have an adverse effect on the financial results and on the cash flow. Therefore, the Company has a policy of investing in financial assets which are almost not exposed to interest rate risks. On the other hand, the financial instruments used have been chosen for the solidity of their financial worth and the issuing institutions.

11. Own funds

11.1 Share capital

At the close of period 2014 the share capital amounted to €3,494,897, represented by 29,246 shares which individual nominal value amounts to €119.5. They are all of the same class, with equal rights, fully subscribed and they are not quoted on the stock exchange, in accordance with the following details:

	% Participation
Elsamex, S.A.	100.00%
	100.00%

11.2 Legal reserve

Under the Consolidated Corporate Law, 10% of net profit for each year must be transferred to the legal reserve until the balance of this reserve reaches at least 20% of the share capital. Such reserve can be used to increase capital provided that the remaining reserve balance does not fall below 10% of the increased share capital amount. Otherwise, until the legal reserve exceeds 20% of share capital, it can only be used to offset losses, provided that sufficient other reserves are not available for that purpose.

11.3 Voluntary reserves

These are unrestricted reserves.

11.4 Conversion differences

The conversion differences for the period 2014 are brought about integrally by the impact of the inclusion in the Company's balance sheet in this period of balances coming from subsidiaries that the Company has abroad.

The Company applies the rate of exchange at close to the assets of the subsidiary located abroad expressed in an operating currency other than the Euro. The difference that arises with respect to the amount by which they are included in the Company's equity, is accounted directly against the net equity, given that the entries denominated in operating currency are not converted into Euros in the short term and, consequently, will not affect the Company's cash flow.

11.5. Goodwill Reserves

Pursuant to article 213.4 of the Consolidated Text of the Spanish Corporations Law, in the distribution of the results of each period a restricted reserve consequence of the goodwill that appears on the assets of the balance must be made available, using to that end a part of the profit representing, at least, five percent of said goodwill. If there was no profit, or this was insufficient, unrestricted reserves will be used.

12. Provisions

The detail for provisions of the balance sheet at the closing of year 2014 and 2013, as well as the main movements registered during the year are the following:

Year 2014

	Euros				
	31/12/2013	Additions	Adjustments	Write-offs	31/12/2014
Variable remuneration	337,384	78,501	(84,487)	(240,155)	91,243
	337,384	78,501	(84,487)	(240,155)	91,243

Year 2013

	Euros				31/12/2013
	31-12-12	Additions	Adjustments	Write-offs	
Variable remuneration	541,208	84,486	(288,310)	-	337,384
	541,208	84,486	(288,310)	-	337,384

13. Financial liabilities

The Company's financial liabilities are itemized as follows at close of years 2014 and 2013:

	Euros	
	2014	2013
Long-term financial liabilities:		
Debts with credit institutions	8,567	31,134
Debts with Group companies and associates	1,116,886	1,861,476
Financial leasing creditors (Note 7)	17,047	23,355
Total long-term financial liabilities	1,142,500	1,915,964
Short-term financial liabilities:		
Short-term debts:		
Debts with credit institutions	26,619	29,205
Financial leasing creditors (Note 7)	5,881	6,318
Other financial liabilities	31,301	86,404
	63,801	121,927
Debts with group companies (Note 18):	1,486,161	6,766,819
Trade creditors and other accounts payable:		
Suppliers	1,348,965	1,423,897
Suppliers, Group companies (Note 18)	-	113,256
Sundry creditors	23,696	57,104
Advances Clients	224,561	397,136
Personnel	102,201	79,428
	1,699,423	2,070,821
Total short-term financial liabilities	3,249,385	10,875,531

Section "Debts with Group companies and associates" includes, as of 31 December 2014 and 2013, a loan granted by the Group Elsamex company Ciesm-Intevia, S.A.U. Said loan dates from 31 December 2012.

14. Public Administrations and fiscal situation

The composition of this section of the attached balance sheet at 31 December 2014 and 2013 is as follows:

	Euros			
	2014		2013	
	Balances Debtors	Balances Creditors	Balances Debtors	Balances Creditors
Deferred tax assets	527,598	-	502,622	-
Deferred tax liabilities	-	-	-	-
Long-term balances with Public Administrations	527,598	-	502,622	-
Public Treasury, debtor for VAT, IGIC, IPSI	58,451	-	29,247	-
Public Treasury, debtor for Corporate Tax	116,645	-	24,381	-
Public Treasury, withholdings and pre-payments	317,614	-	232,074	-
Public Treasury, creditor Joint Ventures	-	17,323	-	5,977
Public Treasury, creditor for VAT, IGIC	-	13,204	-	53,890
Public Treasury, withholdings Income Tax (IRPF)	-	79,967	-	118,827
Tax payable, Corporate Tax	-	8,640	-	80,735
Social Security institutions payable	-	76,490	-	73,775
Short-term balances with Public Administrations	492,709	195,624	285,701	333,203

From 2010, the Company taxes in tax consolidation regime, and the head of the group is Elsamex S.A., therefore the amount to be charged by the Public Treasury for the Corporation Tax and for VAT correspond to the consolidated amount. This regime means that the Company has accounts receivable and payable with the dependant companies, according to the corresponding individual settlement.

Deferred tax assets

The movement of assets due to deferred taxes in financial year 2014 has been as follows:

	Euros			
	Balance at 31-12-2013	Increase	Decrease	Balance at 31-12-2013
Negative tax bases	74,953	-	-	74,953
Assets due to limited deductibility of amortisations	17,729	24,977	-	42,706
R&D deduction	395,646	-	-	395,646
Other assets due to temporary differences	14,293	-	-	14,293
	502,622	79,733	-	527,598

Increases are due to deferred assets generated by the limit on amortization applied as expense of the period.

Tax on Profits

By decision of the Sole Shareholder on 26th December 2011, it was chosen to tax in the Corporate Tax through the tax consolidation regime in accordance with Chapter VII of Title VII of the Corporate Tax Act since 1st October 2007; the parent Company, Elsamex, S.A., is responsible for filing and paying the Corporate Tax of the tax group. For this reason, at the end of the financial year the payable or receivable balances for the Corporate Tax are included classified in current accounts with group companies.

The detail of the negative tax bases pending enjoyment as of 31 December 2014 is as follows:

	Amount	Maturity date:
Year 2007	161,106	Year 2023
Year 2009	44,861	Year 2025
Year 2010	70,727	Year 2026
	276,594	

Accounting reconciliation and taxable base result

The reconciliation between accounting result and taxable base of the Corporate Tax is as follows:

Financial Year 2014:

	Euros	
	Share Payable	Expense
Earnings before taxes	381,630	114,489
Temporary differences:		
Amortization limit	83,255	
Permanent differences:		
Non-tax deductible expenses	3,089	928
Adjustment due to permanent establishments abroad	(72,984)	(21,895)
Adjustments previous years	150,555	39,158
Taxable base (Tax result)	545,545	
Gross tax accrued (30% of the taxable base)		
Corporate tax receivables of Consolidated Group		
Corporate tax expenses		132,680

Financial Year 2013:

	Euros	
	Share Payable	Expense
Earnings before taxes	448,450	134,535
Permanent differences:		
Non-tax deductible expenses	67,845	20,353
Taxable base (Tax result)	516,295	154,888
Gross tax accrued (30% of the taxable base)	154,888	-
Deductions	(66,462)	(66,462)
Branch tax expenses	65,800	65,800
Corporate tax receivables of Consolidated Group	-	-
Corporate tax expenses	-	154,227

Temporary differences, both positive and negative, arise as a result of the different consideration, for accounting and tax purposes, of the expenditure recorded by the Company during the period of technical amortization of the properties and rights of use from financial leases, by application of Royal Decree 4/2004 of 5 March, of Corporate Tax. Royal Decree 4/2004, of 5 March, regarding Corporate Tax.

Under current legislation, taxes cannot be deemed to have been definitively settled until the tax returns filed have been reviewed by the tax authorities or until the four-year statute-of-limitations period has expired. At close of period 2014 the Company has not any ongoing inspection. The Company's directors consider that the aforementioned taxes have been settled correctly and that, therefore, even if discrepancies arose with respect to its interpretation of current legislation in its tax treatment of transactions, any potential liabilities, should they arise, would not have a material effect on the accompanying financial statements.

15. Contingent Liabilities

At 31st December 2014, the Company has been granted several guarantees demanded in order to contract with Public Bodies for an amount of 945,496 Euros. The amount granted under this heading during 2013 amounted to 1,159,806 euros.

16. Revenue and expenditure

a) Net turnover amount

The detail for this section in the profit and loss account at 31st December 2014 and 2013 is as follows:

	Euros	
	2014	2013
Services to third parties	7,216,481	11,624,987
	7,216,481	11,624,987

The net amount of the turnover entered by the Company corresponds to the revenues obtained through the activity considered in their Corporate purpose.

The distribution of net turnover for periods 2014 and 2013 by geographical markets is as follows:

	Euros	
	2014	2013
National	6,134,102	5,437,080
International-		
Asia	70,920	4,615,338
America	1,011,459	1,572,569
	7,216,481	11,624,987

b) Purchases

The breakdown of this section of the profit and loss account for the accounting period ending on 31th December 2014 and 2013 is as follows:

	Euros	
	2014	2013
Purchase of other materials	95,166	81,714
Works carried out by other companies	1,318,315	6,095,302
	1,413,481	6,177,016

The distribution of this section of the profit and loss account for financial years 2014 and 2013 by geographical markets is as follows:

	Euros	
	2014	2013
National	1,118,184	5,200,600
International-		
Asia	(150,345)	369,540
America	445,642	606,876
Total	1,413,481	6,177,016

c) Personnel expenditure

The breakdown of the "Personnel expenditure" entry in the profit and loss account at 31st December 2014 and 2013 is as follows:

	Euros	
	2014	2013
Wages, salaries and similar expenses	3,030,951	3,040,584
Employer social security costs	618,258	744,265
Provisions (see Note 12)	-	(203,824)
Total	3,649,210	3,581,025

The average number of persons employed during accounting periods 2014 and 2013, broken down into categories, is as follows:

Categories	2014	2013
Management	2	1
Intermediate management	76	83
Administration personnel	16	20
Unqualified personnel	5	5
Total	99	109

The average number of persons employed by the Group during 2014, with a disability equal or greater than 33% by category, broken down into categories, is as follows:

Categories	2014
Administration personnel	6
Work force	2
Total	8

In accordance with the requirements of Art. 260, 8th of the Corporate Law, distribution by gender is shown for the end of the period for the Company's personnel, broken down by category for the accounting periods 2014 and 2013:

Categories	2014		2013	
	Men	Men	Men	Women
Management	2	0	1	-
Technical personnel and middle management	49	27	55	23
Administration personnel	4	12	5	12
Unqualified personnel	3	2	3	4
Total	58	41	64	39

During the period, no amount has been incurred for allowances or remunerations of any kind in favour of the Company's Directors. Also, there is not any kind of loan advance, life insurance, pension plan or benefit for any other concept.

Data relating to senior management personnel:

In financial years 2014 and 2013 as Senior Management Staff Expenses

Name	Responsibilities or duties that they hold or carry out in the company	Remuneration period 2014	Remuneration period 2013
Managers	Management	203,786	90,293

d) Other operating expenses

The detail for this section of the attached profit and loss account for accounting periods 2014 and 2013 is as follows:

	Euros	
	2014	2013
Leases and royalties	143,143	174,231
Repairs and maintenance	6,724	20,489
Independent professional services	267,402	205,201
Transport	3,934	6,824
Insurance premiums	28,934	74,389
Bank services and other similar	11,106	16,069
Advertising and PR	1,521	-
Supplies	13,009	(13,203)
Other services	818,930	983,401
Other taxes	21,230	19,203
Other current management expenses	55,655	-
Losses, impairment and provision changes	-	(278)
	1,371,588	1,486,326

During financial years 2014 and 2013, the fees for account auditing services and other services provided by the auditor of the Company, Ms. Laura Tahoces, have been as follows (in euros):

Description	2014	2013
Auditing Services	14,202	5,196
Other services	2,000	
Total professional services	16,202	5,196

During 2014, the fees for other serviced provided by the auditor Angel Caballero S.L. have been as follows (in Euros):

Description	2014
Other services	250
Total professional services	250

17. Environmental aspects

In view of the main business activities carried out by the Company, it does not have any significant responsibilities, expenses, assets or provisions or contingencies of an environmental nature in relation to the equity, financial situation and results. For this reason, they are not included in the specific breakdowns in this report.

The Company's Directors consider that there are no contingencies related to the protection and improvement of the environment and do not consider it necessary to enter any resource to the provision for risks and expenses of an environmental nature as at 31 December 2014 and 2013 in the financial statements.

18. Operations with related parties

The detail of the balances and transactions made during accounting periods 2014 and 2013 between the Company and Elsamex Group companies and other binding parties is as follows:

Financial Year 2014:

2014	Euros						
	Accounts receivable		Accounts payable	Income	Expenditure	Interests Group	
	For services rendered	Credits	Loans	Services provided	Services received	Expenditure	Income
CIESM-INTEVIA, S.A.U.	-	-	-	-	-	-	-
Señalización, Viales e Imagen, SAU	-	115,395	958,668	-	52,809	204,364	-
CGI-8, S.A.	-	-	-	-	-	-	1,652
CONTROL 7, S.A.	-	-	-	1,845	-	8,810	-
ELSAMEX, S.A.	-	1,022,666	6,578	1,823,380	749,443	-	234,712
Elsamex Portugal Engenharia e Sistemas	57,000	-	-	57,000	-	-	-
Elsamex Internacional SLU	-	-	80,020	-	-	80,020	-
Atenea Seguridad y Medio Ambiente, SAU	-	-	119,204	72,372	72,183	115,179	-
Alcantarilla Fotovoltaica, S.L.	-	3,365	-	2,741	-	-	48
Beasolarta, S.L.U.	-	3,365	-	2,741	-	-	48
Grusamar Albania, SHPK	-	64,930	-	-	-	-	-
Grusamar Macedonia	-	5,241	-	-	-	-	-
Elsamex Consolidated Colombia Branch	-	-	60,459	-	-	-	-
International Consolidated	-	-	13,207	-	-	-	-
Elsamex INTL-JV Bostswana	-	-	217,597	-	-	-	-
Soc. Concesionaria Autovia A-4 Madrid, SA	36,531	-	-	63,717	-	-	-
IL&FS Transportation Network	-	-	-	-54,791	-	-	-
Els. Int. Consolidated Colombia	-	488,462	-	-	-	-	-
Grusamar Consolidated Ecuador Branch	-	-	26,985	-	-	-	-
Elsamex Consolidated Grusamar Ecuador	-	1,647	-	-	-	-	-
Inter.Cons.Elsamex-Grusamar. Consorc	-	-	3,443	-	-	-	-
Elsamex.Cons.Elsamex-Grusamar. Consorc	-	824	-	-	-	-	-
TOTAL	93,531	1,705,895	1,486,161	1,969,005	874,435	408,364	236,460

Financial Year 2013:

	Euros								
	Accounts receivable		Accounts payable		Expenditure		Income		
	For services rendered	Credits	For services rendered	Loans	Services received	Interests	Dividends	Services provided	Interests
CIESM-INTEVIA, S.A.U.	-	-	-	1,369,726	1,303,500	50,534	-	101	-
Señalización, Viales e Imagen, SAU	-	34,364	-	-	-	-	-	-	28,075
CGI-8, S.A.	-	-	-	-	2,394	-	-	-	-
CONTROL 7, S.A.U	-	-	113,256	226,168	93,600	11,395	-	-	-
ELSAMEX, S.A.	-	6,243,994	-	-	1,436,772	-	-	632,923	144,140
Elsamex Portugal Engenharia e Sistemas	41,760	-	-	-	-	-	-	-	-
Elsamex Internacional SLU	-	-	-	2,054,006	2,100,132	-	-	-	8,239
Atenea Seguridad y Medio Ambiente, SAU	-	-	-	3,001,266	128,169	145,267	-	70,536	-
Soc. Concesionaria Autovia A-4 Madrid, SA	-	-	-	-	-	-	29,717	22,490	28,469
Participating loan interest Sevimagén S.AU	-	52,920	-	-	-	-	-	-	-
IL&FS Transportation Network	642,372	-	-	-	-	-	-	4,644,710	-
Consolidated liabilities Colombia and Ecuador	-	-	-	115,652	-	-	-	-	-
Consolidated Colombia branch	-	1,451	-	-	-	-	-	-	-
Consolidated Ecuador Branch	-	512,267	-	-	-	-	-	-	-
Grusamar Macedonia	-	5,384	-	-	-	-	-	-	-
Peru Branch	-	64,930	-	-	-	-	-	-	-
Cican	-	-	-	-	780	-	-	-	-
Elsamex ABU DAHABI	-	-	-	-	-	-	-	21,711	-
TOTAL	684,132	6,915,310	113,256	6,766,819	5,065,346	207,197	29,717	5,392,472	208,922

The Company has included in its accounts throughout period 2014 the amount of 420,455 EUR and in 2013 the amount of 529,356 EUR for structure expenses allocated by the parent company.

The Company received from the subsidiary Sociedad Concesionaria Autovía A-4 Madrid, S.A. dividends amounting to €20,441 in 2014, and to €29,717 in 2013.

19. Detail of shares in companies with similar activities and performance of the Administrative Body of similar activities on their own or another's behalf

In compliance with the provisions of Article 231.1 d) of the Capital Corporations Act, introduced by Law 26/2003 of 17th July, by which is amended Law 24/1988 of 28th July, of the Securities Market, and the Revised Corporation Act, for the purpose of reinforcing corporate transparency, it is advised that at the close of accounting periods 2013 and 2012 the members of the Elsamex S,A, board have not held shares in the capital of companies with the same, analogous or complementary type of activity to that constituting the corporate objective of the companies that make up the Elsamex Group. Similarly, no activities have been carried out or are being carried out, on their own or another's behalf, with the same, analogous or complementary type of activity of the Company's corporate purpose.

During accounting periods 2014 and 2013 the members of the Company's Board of Directors did not receive any remuneration in consideration of their responsibility.

The Company has not contracted any obligation related to pensions, bonds, guarantees, life insurance or of any other type in favour of the members of the Company's Board of Directors.

There are no advance payments, credits or any obligations assumed by the Company on behalf of the members of the Company's Board of Directors.

20. Information on the postponement of payments to suppliers. Additional third disposition. "Duty of information" of Law 15/2010, of 5th July.

Below, the information required by the Additional Third Disposition of Law 15/2010 of 5 July is detailed:

	Payments made and pending payment at the closing date of the period.			
	Financial Year 2014		Financial Year 2013	
	Euros	% (a)	Euros	% (a)
Within the maximum legal term (b)	338,006	40.08%	369,818	48.02%
Rest	505,387	59.92%	400,354	51.98%
Total payments of the year	843,393		770,172	
PMPE (days) of payments	55		73	
Postponements that at closing date exceed the maximum legal term	54,999		62,717	

21. Segment information

The Company considers that the best segmental information which represents the different business areas is the following:

	Projects	Special studies	Technical assistance for Execution of Works
Sales	2,127,167	226,145	4,863,169
EBITDA	89,834	29,584	662,131
Depreciation	-77,844	-8,210	-191,464
EBIT	11,990	21,374	470,667

22. Subsequent Events

After the close of the period, and until the date of preparation of these financial statements, no significant subsequent events have occurred that should be mentioned.

Grusamar Ingeniería y Consulting, S.L.U.

Management Report for the
Financial year ending on
31 December 2014

Development of business and Company situation

GRUSAMAR INGENIERIA Y CONSULTING, S.L.U., (GRUSAMAR) was incorporated in June 2002 and is currently completely consolidated as an engineering consulting company of Group Elsamex.

During 2014, GRUSAMAR has submitted offers to several calls for tenders to provide Technical Assistance for the Preparation of Projects and Surveys, for the Control and Surveillance, and for the Management of Works to various Autonomous Administrations, the Ministry of Public Works and the Ministry of Environment, as well as domestic and international private clients.

The service provision turnover of the Company for this financial year amounts to €7,216,481, 74.80 % of which corresponds to Control and Surveillance of Works and 25.20 % to Preparation of Projects and Surveys of different kinds.

Throughout this year, the relative position of GRUSAMAR in the domestic market has improved, which is remarkable due to the hardships of this market. The company has new contracts amounting to €5.3 Mn, which ensure that the 2015 sales will be higher than those of 2014. Of the aforementioned total amount of the new contracts, €4.1 Mn correspond to the Preparation of Projects and Surveys, which will enable balancing the portfolio and sales in 2015 between Projects and Surveys, and Control and Surveillance, an essential factor for the long-term stability of GRUSAMAR.

Regarding the international market, the basis for the short and medium-term growth of the company have been established through a strengthening of the commercial means and the creation of commercial alliances, specifically in the Regions of Latin America and Eurasia (CIS Countries). Moreover, the creation of new branches of GRUSAMAR in Bolivia and Colombia in 2015 has been authorised, and this will increase in both the current and provisioned competitiveness in infrastructure investment in those growing markets in the years to come. All this revolves around our most important areas: Control and Surveillance of Works and Project Management of road concession projects. We would like to highlight the awarding of a hydraulic engineering and sanitation contract in Peru which also paves the way for diversifying activities in the international market, which traditionally revolved around linear infrastructure (roads and railway).

The production goals provisioned for 2015 amount to €7.4 Mn, and although this is a slight increase compared to 2014, the contracts registered for the first quarter of 2015 will undoubtedly allow us to exceed said figure.

Subsequent Events

At the date of preparation of this Management Report, there have not been any significant subsequent facts which may affect the Financial Statements for year 2014.

Operations with Company shares

During the year there has not been any sale or purchase of Company shares.

Company use of financial instruments

The management of the financial risks of the Company is centralized in Financial Management, which has established the necessary mechanisms to control exposure to variations in the interest rates, as well as to the credit and liquidity risks. The main financial risks that impact on the Company are mentioned below:

a) Credit risk:

In general, the Company holds its treasury and equivalent liquid assets in financial bodies with a high credit level.

In addition, it must be pointed out that, despite the fact that it maintains a significant volume of operations with a significant number of customers, the solvency of the majority of them is guaranteed as they are largely Public Bodies and so there is no significant credit risk with third parties.

b) Liquidity risk:

In order to guarantee the liquidity and to be able to fulfil all the payment commitments deriving from its activity, the Company relies on the Treasury shown in its balance, as well as on short-term financial investments which are detailed in Note 9.2.

c) Market risk:

Both the Treasury and the short-term financial investments of the Company are exposed to the interest rate risk, which could have an adverse effect on the financial results and on the cash flow. Therefore, the Company has a policy of investing in financial assets which are almost not exposed to interest rate risks. On the other hand, the financial instruments used have been chosen for the solidity of their financial worth and the issuing institutions.

Declaration of Submission of Annual Accounts and Management Report

In compliance with the provisions established in the Corporations Act, the Board of Directors of Grusamar Ingeniería y Consulting S.L.U prepared on 31 March 2015 the financial statements for accounting period 2014, which shall be submitted for the approval of the General Shareholders' Meeting.

Mr. Fernando Bardisa Jorda

Mr. Enrique Pérez Rebanal

Mr. Harish Chandra Mathur

Mr. Suresh Chand Mittal