

CIESM-Intevia, S.A.U

Abridged Financial Statements for
year ending
31 December 2015
along with the
Independent Auditor's Report

INDEPENDENT AUDIT REPORT OF FINANCIAL STATEMENTS

To the Sole Shareholder of CIESM-INTEVÍA, S.A. (Sole Shareholder Company)

AUDIT REPORT OF FINANCIAL STATEMENTS

We have audited the Financial Statements of the Company CIESM-INTEVÍA, S.A. (Sole Shareholder Company), which comprise the balance sheet as of December 31, 2015, the profit and loss account, the statement of changes in the equity and the notes of the financial year then ended.

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 to faithfully express the assets, the financial status and the profit and loss account of CIESM-INTEVÍA, S.A. (Sole Shareholder Company), 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 financial statements. The chosen procedures depend on the Auditor's decision, including the material inaccuracy risk assessment for the financial statements, 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 financial statements.

We consider that we have reached plenty audit evidence to express an opinion.

Opinion

In our opinion, the attached Financial Statements faithfully express, in all significant aspects, the assets, the financial status of the Company CIESM-INTEVÍA, S.A. (Sole Shareholder Company) as of December 31, 2015, as well as its profit and loss account corresponding to the financial year then ended, in compliance with the applicable Regulatory Framework for financial reporting and, in particular, with the accounting principles and criteria therein.



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economistas
Consejo General

Miembro nº 4.925

Highlighted paragraph

The Company CIESM-INTEVÍA, S.A. (Sole Shareholder Company) belongs to "Elsamex" Group and, depending on the policy of the Group cash-pooling, the Company receives financial support from the parent company of the group from the extent and period necessary. At December 31, 2015 the balance presented in respect of credit lines received is presented in the caption denominated "*Current liabilities with Group Companies*".

May 10, 2016

CABALLERO AUDITORES, S.L.
R.O.A.C. nº S-2265



economistas
Consejo General


Ángel Caballero
Miembro nº 4.925


Ángel Caballero Antón
Partner
Audidores



economistas
Consejo General

Miembro nº 4.925

REA
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Auditores

CIESM-INTEVIA, S.A.U
ABRIDGED BALANCE SHEET AS AT DECEMBER 31ST 2015
(Euros)

ASSETS	Notes	Year	EQUITY & LIABILITIES		Year	Year
		2015	2014	2015	2014	2015
NON-CURRENT ASSETS				EQUITY		
Intangible fixed assets	Note 5	980,391	3,830,650	OWN FUNDS-	1,145,422	1,141,105
Research and Development		368,436	724,838	Capital	1,146,807	1,141,197
Under construction and advances		611,954	366,900	Subscribed capital	60,000	60,000
Property, plant and equipment	Note 6	252,556	676,019	Share premium	598,200	598,200
Technical installations and other items		252,556	309,119	Reserves	482,996	118,531
Non-current investments in group companies and associates	Note 8	2,333,563	1,961,268	Legal and statutory	12,000	12,000
Equity instruments		844,382	844,382	Other reserves	470,996	106,531
Other financial assets		1,489,181	1,116,886	Profit/(loss) for the year	5,611	364,466
Non-current investments	Nota 9.1	3,623	3,623	VALUATION ADJUSTMENTS	(1,385)	(92)
Other financial assets		3,623	3,623	Foreign Exchange Fluctuation Reserve	(1,385)	(92)
Deferred tax asset	Note 15	703,240	464,902			
				NON-CURRENT LIABILITY		
CURRENT ASSETS				Non-current payables	3,209,098	1,097,091
Inventories	Note 11	7,025,946	5,840,467	Other financial liabilities	1,209,098	1,097,091
Advances to suppliers		3,398	11,456	Group companies and associates, non-current	2,000,000	
Trade and other receivables	Note 9	1,549,709	1,606,737			
Trade receivables	Nota 9.2	1,266,077	1,284,416			
Trade receivables from group companies and associates	Nota 9.2	265,414	279,409			
Other receivables	Nota 9.2	5,680	4,921	CURRENT LIABILITIES		
Personnel	Nota 15	7,105	10,526	Current provisions	18,711	52,349
Current tax assets		1,548	17,865	Current payables	207,050	159,219
Other credits with Public Administration	Nota 15	3,866	9,600	Debt with financial institutions	5,274	-
Current investments in group companies and associates	Nota 9.2	5,216,406	4,053,180	Other financial liabilities	201,776	159,219
Other financial assets		5,216,406	4,053,180	Group companies and associates, current	6,320,022	6,729,734
Current investments		140,467	52,825	Trade and other payables	298,079	318,446
Loans to companies		126,053	37,375	Suppliers	3,611	56,342
Other financial assets		14,414	15,450	Suppliers, group companies and partners	4,820	6,066
Accruals/Deferrals		4,878		Personnel(salaries payable)		
Cash and cash equivalents		111,288	116,269	Public entities, other		
Treasury		11,288	116,269	Advances from customers	76,837	101,383
					15,670	9,382
TOTAL ASSETS		11,299,319	9,671,117	TOTAL EQUITY AND LIABILITIES	11,299,319	9,671,117

The Notes 1 to 23 described in the attached Report form an integral part of the balance sheet at 31st December 2015

CIESM-INTEVIA, S.A.U
ABRIDGED INCOME STATEMENT FOR THE PERIOD ENDED DECEMBER 31ST, 2015
(Euros)

	Notes	Year 2015	Year 2014
CONTINUED OPERATIONS			
Turnover	Note 17.a)	2.337.313	2.817.793
Provision of services		2.337.313	2.817.793
Works performed by the company for its assets		496.929	173.384
Supplies	Note 17.b)	(335.341)	(280.289)
Consumption of raw materials and other consumables		(70.620)	(95.364)
Works carried out by other companies		(264.720)	(184.925)
Other Income		-	444
Operating subsidies included in the year result		-	444
Personnel expenses	Note 17.b)	(1.408.365)	(1.345.374)
Wages, salaries and similar		(1.119.175)	(1.044.985)
Social charges		(289.190)	(300.389)
Other exploitation expenses	Note 17.d)	(472.893)	(476.953)
Outside services		(466.731)	(469.104)
Taxes		(7.359)	(12.079)
Losses, impairment and variation of provision for trade operations	Note 9.2	1.197	4.242
Other operating expenses		-	(12)
Amortization of fixed assets	Note 5 y 6	(669.123)	(457.341)
Other results		14.154	(962)
RESULTS FROM OPERATING ACTIVITIES		(37.324)	430.702
Financial income		96.669	342.943
- From third parties		67	699
- From group companies and partners	Note 19	96.602	342.244
Financial expenses		(211.821)	(390.399)
For debts with third parties		(5.006)	(8.376)
For debt with group companies and partners	Note 19	(206.815)	(382.023)
Exchange differences		5.242	(541)
NET FINANCIAL GAINS/(LOSSES)		(109.910)	(47.997)
PROFIT BEFORE TAX		(147.235)	382.705
Income Tax	Note 15	152.846	(18.239)
PROFIT AFTER TAXES		5.611	364.466
PROFIT FOR THE YEAR		5.611	364.466

Notes 1 to 23 of the attached Notes to the Financial Statements form an integral part of the income statement for 2015

CIESM-INTEVIA, S.A.U

ABRIDGED STATEMENT OF CHANGES IN EQUITY FOR THE PERIOD ENDED DECEMBER 31ST, 2015 ABRIDGED STATEMENT OF RECOGNIZED INCOME AND EXPENSE FOR THE PERIOD ENDED DECEMBER 31ST, 2015 (Euros)

	Year 2015	Year 2014
PROFIT AND LOSS FOR THE PERIOD (I)	5.611	364.466
Foreign Exchange Fluctuation Reserve	(1.293)	(165)
TOTAL TRANSFERS TO THE PROFIT AND LOSS ACCOUNT (II)	4.318	364.301
TOTAL CONSOLIDATED RECOGNISED INCOME AND EXPENSES (I+II+III)	4.318	364.301

The Notes 1 to 23 described in the attached Report form an integral part of the statement of recognized incomes and expenses corresponding to year

2015

CIESM-INTEVIA, S.A.U
ABRIDGED STATEMENT OF CHANGES IN EQUITY FOR THE PERIOD ENDED DECEMBER 31ST, 2015
B) ABRIDGED STATEMENT OF CHANGES IN TOTAL NET WORTH

(Euros)

	Note	Capital	Share premium	Reserves	Prior period's losses	Profit/(loss) of the year	Foreign Exchange Fluctuation Reserve	TOTAL
BALANCE AT YEAR END 2013		60.000	598.200	(256.244)	(3.093)	377.867	73	776.803
Total recognized incomes and expenses		-	-	-	-	364.466	(165)	364.301
Application of profit 2013		-	-	374.774	3.093	(377.867)	-	-
ADJUSTED INITIAL BALANCE 2014	Nota 2.8	60.000	598.200	118.530	-	364.466	(92)	1.141.104
Total recognized incomes and expenses		-	-	-	-	5.611	(1.293)	4.318
Application of profit 2014		-	-	364.466	-	(364.466)	-	-
FINAL BALANCE OF YEAR 2015		60.000	598.200	482.996	-	5.611	(1.385)	1.145.422

The Notes 1 to 23 described in the attached Report form an integral part of the statement of changes in net equity corresponding to year 2015

CIESM-Intevia, S.A.U

Abridged Report for
year ending
31 December 2015

1. Incorporation and activity

Incorporation

Centro de Investigación Elpidio Sánchez Marcos, S.A. (hereinafter the Company) was incorporated as public limited company on 21 December 1990.

On 4 October 2010, the Company was renamed "CIESM-Intevia, S.A.U." after merging with subsidiary "Instituto Técnico de la Vialidad y del Transporte, S.A.U".

The corporate address of the Company and its facilities are located in Madrid, C/ San Severo 18, Parque Empresarial Barajas Park – 28042.

Corporate Purpose

The corporate purpose of the company is the following:

- a. Consulting services and drafting of technical studies and reports concerning public works, building, land planning, industry, mining, agriculture and environment. Analysis, testing and technical control of projects, materials, works and facilities, as well as construction quality control. Drafting of studies, reports and other technical works concerning cartography, geotechnology, ecology, hydrology and environment. Works management for any type of facilities, buildings, infrastructure and any type of properties in general. Research on building systems, products, environment, hydraulic works and recycling of materials.
- b. Rendering of all kinds of services to natural or legal persons, including consulting and commercial management services, assessment and auditing of labour risks, quality, safety and public relations.
- c. Organization of training, education and retraining courses for managers, technicians and workers, and generally for all people in both public administration and companies in the field of construction, maintenance, transport, environment, land planning and infrastructure, as well as in aspects related to technology.
- d. Consulting and technical assistance to Administrations and public or private entities in the areas of projects and studies, inventories, management and maintenance, pathology and rehabilitation and safety and risk prevention.
- e. Drafting of studies and technical reports in the fields of construction, maintenance, transport, environment, land and infrastructure planning, as well as auditing, arbitration and expert reports in the pathologies that may arise in these areas of activity.
- f. Carrying out of research, development and innovation works in the areas of civil engineering, transport, environment and land planning.
- g. Technology transfer in the areas of construction, maintenance, transport, environment and land and infrastructure planning, promoting their development and improvement, as well as promotion and establishment of cooperation agreements with any type of entities, institutions, universities, companies and professionals.
- h. Creation and update of a library fund, technical references and standards in the areas of civil engineering, transport, environment and land planning in order to establish an external enquiry service.
- i. Publishing of books and all kinds of publications in any type of format, and documents of scientific and technical interest for training in the areas of civil engineering, transport, environment and land planning.

- j. Conducting of economic and financial studies of organization, development and operation of road networks, infrastructure and land planning.
- k. Replacement, acquisition, holding and disposal of shares in other companies, either civil or commercial and regardless of their purpose or activity, all on their own and excluding the activities regulated by the Law on Collective Investment Undertaking and Share Market and without prejudice to obtaining the relevant administrative authorizations, if any, required by special legislation.

The activities included in the corporate purpose may be totally or partially developed by the company indirectly through the holding of shares or stakes in other companies engaging in identical or analogous activities.

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 Directors of Elsamex, S.A. prepared Group Elsamex, S.A.'s consolidated financial statements for 2015, at the meeting of its Board of Directors held on 16 March 2016. The consolidated financial statements for period 2014 were approved at the General Shareholders' Meeting of Elsamex, S.A., held on 30 June 2015, and they were deposited in the Business 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 abridged financial statements

2.1 Financial Information Framework applicable to the Company

The abridged financial statements have been prepared 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 accompanying abridged financial statements, which were prepared from the Company's accounting records, are presented in accordance with the Spanish General Accounting Plan approved by Royal Decree 1514/2007 and, accordingly, present fairly the Company's equity, financial position and results for the related year. These abridged 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.

In compliance with article 257 of the Corporations Law, approved by Royal Legislative Decree 1/2010, of 2nd July, in effect since 1st September 2010, the Company prepares abridged financial statements.

According to corporate legislation in force, the Company has no obligation to submit their abridged financial statements for auditing; however, and for the sole purposes of improving transparency in financial reporting, the Administrative Body has deemed appropriate to bring these abridged financial statements for year 2014 for verification of an external auditor. They will be subsequently submitted for approval of the Sole Shareholder, and expected to be approved without modification.

The abridged financial statements of period 2014 were approved by the Sole Shareholder on 30 June 2015.

2.3 Non-obligatory accounting principles applied

Non-obligatory accounting principles have not been applied. Also, the directors of the Company formally prepared these abridged financial statements by taking into account all the obligatory accounting principles and standards with a significant effect thereon. 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 accompanying 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 useful life of property, plant and equipment and intangible assets (see Notes 4.1 and 4.2).
- The appraisal of certain assets (see Notes 4.4, 4.5, 5 and 6).
- The calculation of provisions for creditor invoices pending receipt (see Note 4.11).
- The calculation of work in progress and works certified in advance.

Although these estimates were made on the basis of the best information available at 2015 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.

At 2015 and 2014 year-end, the Company has a negative working capital. This negative working capital is structural as it arises due to financing received by the parent company, Elsamex, S.A., and other Group companies, Atenea Seguridad y Medio Ambiente, S.A and Control 7, S.A.U (see Note 19) in order to make investments in fixed assets and financial investments in group companies. According to the directors, it does not involve a lesser capacity of the Company to settle its assets and liabilities for the amounts and according to the classification found on the attached abridged balance sheet, nor should this question the capacity of the Company to continue as going concern, as it is classified according to its current account nature as "Short-term debts with Group companies and associates", and it will not be required in period 2016.

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 2015 for comparative purposes.

2.6 Grouping of entries

Certain items in the abridged balance sheet, abridged income statement and abridged statement of changes in net equity 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 Changes in accounting principles

During the accounting period 2015 no changes in accounting principles have arisen with regards to the principles applied in the accounting period 2014.

2.8 Correction of errors

In preparing the accompanying abridged financial statements no significant errors were detected that would have made it necessary to restate the amounts included in the abridged financial statements for 2014.

3. Distribution of profits

The Company Directors shall propose to the Sole Shareholder the following distribution of profits or period 2015:

	Euros
Distribution basis:	
Profit and loss (Profit)	5,611
	5,611
Distribution:	
To legal reserve	561
To voluntary reserves	5,050
	5,611

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

4.1 Intangible assets

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.

a) Research and development expenditure:

With respect to the research and development expenditure, these are capitalized when they fulfil the following conditions:

- They are specifically itemised by project and the related costs can be clearly identified.
- There are sound reasons to foresee the technical success and economic and commercial profitability of the related projects.

The assets thus generated are amortized linearly over their years of useful life (over a maximum period of 5 years).

If there are doubts about the technical success or economic profitability of the project then the amounts entered in the assets are recognized directly in the profit and loss account for the period.

b) Industrial property:

Under this account the amounts paid for the acquisition of title to or the right to use the related items, or for the expenses incurred in registration of the rights developed by the Company are recognised.

c) Computer software:

The Company enters in this account the costs incurred in the acquisition and development of computer programs. Computer software maintenance costs are recognized with a charge to the abridged profit and loss account for the period in which they are incurred. Computer software is amortized by applying the linear method over a term between 4 and 5 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
Construction	2-7
Technical Installations-Machinery-Fixtures- Transport items	12-25
Other installations - Furniture	10
Equipment for information processing	25

The expenses for conservation and maintenance of property, plant and equipment elements are allocated to the abridged 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.

The company registered temporarily amounts which were R&D expenses as fixed assets in progress within section "Tangible fixed assets" until it was initiated.

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 abridged 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 finance charges arising under the lease are allocated to the abridged income statement for the year in which they are incurred using the effective interest method. 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

Expenses resulting from operating leases are charged to income in the year in which they are incurred.

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

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.
- 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 discharges the financial assets when they expire or their rights over the cash flow of the corresponding financial asset have been assigned and the risks and benefits inherent in their ownership have been substantially transferred, such as in firm sales of assets, assignment of commercial credit in "factoring" operations in which the Company does not retain any credit risk or interest, sales of financial assets with agreements to repurchase at their reasonable value or the securitization of financial assets in which the assigning Company does not retain subordinate financing nor assigns any type of guarantee or assumes any other type of risk.

On the other hand, the Company does not discharge the financial assets, and enters a financial debit for an amount equal to the consideration received, in assignments of financial assets in which the risks and benefits inherent in their ownership may be substantially retained, such as discount of effects, "factoring with recourse", sales of financial assets with agreements to repurchase at a fixed price or at the sale price plus interest or the securitization of financial assets in which the assigning Company does retain subordinate financing or other types of guarantees that substantially absorb all the expected losses.

4.4.2 Financial liabilities

Financial liabilities include accounts payable by the Company that have arisen from the purchase of goods or services in the normal course of the business and those which, not having commercial substance cannot be classed 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.

4.5 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 recognises the appropriate write-downs as an expense in the abridged income statement when the net realisable value of the inventories is lower than acquisition or production cost.

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

6.6 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, the monetary assets and liabilities denominated in foreign currency are converted by applying the exchange rate on the date of the 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 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 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 abridged 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 31 December 2015 and 2014 are:

Concepts	Euros	
	2015	2014
Total Assets	7,941	27,783
Fixed Asset	(9,019)	(9,217)
Current assets	16,960	37,000
Net amount turnover	92,488	53,244
Services rendered	117,981	96,468
Elimination of consolidation	(25,493)	(43,224)

Division into current and non-current assets and liabilities

Assets and liabilities are divided in the balance sheet into current and non-current. For this purpose, assets and liabilities are considered current when they are linked to the normal course of operation of the Company and they are expected to be sold, used, realised or liquidated in its course. Current assets are different to non-current assets and their maturity, disposition or realisation is expected within a maximum of one year. Non-current assets have a negotiating purpose or they are cash or other equivalent liquid assets which use is limited to a period longer than a year. Except for the current account with group companies (see Note 2.4)

The normal course of operation is under one year for all activities.

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 those projects in progress at the close of the period, 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 and services pending certification or invoice", included in the heading "Clients by sales and provision of services" of the Asset of the Abridged Consolidated 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 consolidated Abridged 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 abridged 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 abridged financial statements include all the provisions with respect to which it is considered that it is more likely than not that the obligation will have to be settled. Contingent liabilities are not included in the abridged financial statements, but the information about them can be found in the abridged report notes, provided they are not considered as remote.

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 as "invoices pending receipt" in section "Suppliers".

4.12 Compensation for dismissal

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 abridged 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 (see Note 5).

5. Intangible assets

The movements occurring under this heading of the balance sheet during periods 2015 and 2014, as well as the most significant information affecting this section are as follows:

Financial Year 2015

	Euros		
	31/12/2014	Additions	31/12/2015
Cost:			
Research and Development	1,710,555	251,875	1,962,430
Industrial property	142	-	142
Computer software	13,117	-	13,117
Plant, property and equipment in progress	366,900	245,054	611,954
	2,090,714	496,929	2,587,643
Amortizations:			
Research	(985,717)	(608,277)	(1,593,993)
Industrial property	(142)	-	(142)
Computer software	(13,117)	-	(13,117)
	(998,976)	(608,277)	(1,607,252)
Net	1,091,738	(111,346)	980,391

Financial Year 2014

	Euros			
	31/12/2013	Additions	Assignments (see Note 5)	31/12/2014
Cost:				
Research and Development	1,319,928	390,627	-	1,710,555
Industrial property	142	-	-	142
Computer software	13,117	-	-	13,117
Plant, property and equipment in progress	584,144	173,384	(390,627)	366,900
	1,917,331	564,011	(390,627)	2,090,714
Amortizations:				
Research	(616,732)	(368,985)	-	(985,717)
Industrial property	(142)	-	-	(142)
Computer software	(12,122)	(995)	-	(13,117)
	(628,996)	(369,980)	-	(998,977)
Net	1,288,335	194,031	(390,627)	1,091,738

The research works activated correspond to the expenses of a project carried out in previous financial years which was not capitalised: "NFU Via Seca". In financial year 2015 its cost has been capitalised for an amount of EUR 251,875, plus the pending amortisation accrued of EUR 235,083.

Other projects which have already been activated and are still being amortised are:

- Effect of ice and fluxing on bituminous mixes, recycling rate evaluation methods Its purpose is defining new design and assessment procedures for bituminous mixtures.
- Fenix Integrated project

At the close of the period, the Company had plant, property and equipment in progress amounting to 611,954 Euros, which correspond to research and development works currently ongoing. The purpose of the project is researching how high modulus asphalt mixes behave under extreme temperatures (FATE). It has been previously mentioned and it is financed by a loan granted by the Ministry of Economy and Competitiveness (see Note 5). And a new project of the CDTI "Polyphosphoric PPA (Study of the influence of polyphosphoric acid in the modification of asphalt bitumen)".

At the close of accounting period 2015 and 2014, the Company had intangible assets that were completely amortized and which continued in use for a value of 669,324 Euros and 13,259 Euros respectively.

6. Property, plant and equipment

The movements occurring under this heading of the balance sheet during periods 2015 and 2014, as well as the most significant information affecting this section are as follows:

Financial Year 2015

	Euros		
	31/12/2014	Additions	31/12/2015
Cost:			
Technical Installations-Machinery-Fixtures	3,040,095	4,284	3,044,379
Other installations - Furniture	253,749	-	253,749
Equipment for information processing	39,706	-	39,706
Transport items	69,243	-	69,243
	3,402,793	4,284	3,407,077
Amortizations:			
Technical Installations-Machinery-Fixtures	(2,739,207)	(57,071)	(2,796,278)
Other installations - Furniture	(246,304)	(3,020)	(249,324)
Equipment for information processing	(38,920)	(755)	(39,675)
Transport items	(69,243)	-	(69,243)
	(3,093,674)	(60,846)	(3,154,521)
Net	309,119	188,492	252,556

Financial Year 2014

	31/12/2013	Additions	31/12/2014
Cost:			
Technical Installations-Machinery-Fixtures	3,030,865	9,230	3,040,095
Other installations - Furniture	253,748	-	253,748
Equipment for information processing	39,706	-	39,706
Transport items	69,243	-	69,243
	3,393,563	9,230	3,402,793
Amortizations:			
Technical Installations-Machinery-Fixtures	(2,656,526)	(82,679)	(2,739,205)
Other installations - Furniture	(242,682)	(3,623)	(246,305)
Equipment for information processing	(37,862)	(1,059)	(38,921)
Transport items	(69,243)	-	(69,243)
	(3,006,313)	(87,361)	(3,093,674)
Net	387,250	(78,131)	309,119

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 2015 and 2014 is the appropriate.

At the close of periods 2015 and 2014 the Company had fully amortized property, plant and equipment elements still in use to the value of 2,940,655 Euros and 2,807,944 Euros, respectively.

7. Leasing

Operating leases

At the close of accounting periods 2015 and 2014 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	2015 Nominal value	2014 Nominal value
Less than one year	45,694	39,046
Total	45,964	39,046

8. Group, multi-group and associated companies

8.1 Equity instruments

Group Companies

Financial Year 2015

Investee	Address	Activity	% Participation	Euros			
				Equity			
				Shareholding net accounting value	Corporate Capital	Reserves	Result
Control 7,S.A.U	Polígono Malpica, Santa Isabel, C/E parcela 57-61, Nave 9, 50057 Zaragoza, España	Laboratory and geotechnical studies	100.00%	765,902	550,516	299,647	(91,793)

Financial Year 2014

Investee	Address	Activity	% Participation	Euros			
				Equity			
				Shareholding net accounting value	Corporate Capital	Reserves	Result
Control 7,S.A.U	Polígono Malpica, Santa Isabel, C/E parcela 57-61, Nave 9, 50057 Zaragoza, España	Laboratory and geotechnical studies	100,00%	765,902	550,516	537,987	(238,340)

Associate Companies

Financial Year 2015

Investee	Address	Activity	% Participation	Euros			
				Equity			
				Shareholding net accounting value	Corporate Capital	Reserves	Result
CGI-8, S.A.	Polígono de San Cipria de Viñas de Orense, 6 Parcela 33. Orense Spain	Laboratory	49.00%	78,480	160,140	(99,869)	7,921

Financial Year 2014

Investee	Address	Activity	% Participation	Euros			
				Equity			
				Shareholding net accounting value	Corporate Capital	Reserves	Result
CGI-8, S.A.	Polígono de San Cipria de Viñas de Orense, 6 Parcela 33. Orense Spain	Laboratory	49.00%	78,480	160,140	(136,727)	33,152

During financial years 2014 and 2015 no impairments in the value of the equity of the different group companies have been recorded, considering that the expected future cash flows with regards to the business plans of these Companies shall exceed the book value of said equity.

8.2 Other financial assets

At 2015 and 2014 year-end, the Company has recognized in heading "Other long-term financial assets - Investments in group companies and associated companies" of the attached abridged balance sheet a loan granted to Group company Grupo Grusamar Ingeniería y Consulting, S.L.U., amounting to 1,861,476 Euro. This loan was signed on 31 December 2012 for a term of 6 years; a period of one year of exemption of interests was established. In 2015 the credit was renewed for a total of EUR 1,489,181, setting the total amortisation of the credit upon maturity (that, is, on 31 December 2019). The interest rate set by the parties is Euribor + 3%.

8.3 Joint ventures

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

Name of Joint Venture:	Percentage participation	Euros Sales
Intevia-Grusamar-Dair Ute Seguridad Vial Bizkaia	60%	-
Dair -Intevia	50%	-
Geoteyco-Cgs-Ciesm-Enmacosa 2/2008	24%	-
Ute Cican Ciesm	50%	-
UTE Sg-2/2011	24%	10,071
Ute Ciesm-Intevia-Conurma-ES movilidad	40%	62,628
Ute Intevia-Getinsa-Ciesa	34%	-
Ute Ciesm-Intevia-Dair-Itsak	42,5%	44,282
UTE Auditorías Fis Granada	33,3%	-
		117,981

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

9.1 Long-term financial assets

The balance of the account in the heading "Other Financial Assets" at the close of periods 2015 and 2014 groups the bonds given for operating lease contracts signed with third parties.

9.2 Short-term financial assets

The breakdown of the Company's financial assets is the following at the close of the periods 2015 and 2014:

	Euros	
	2015	2014
Customers by sales and provision of services:	1,266,077	1,284,416
Customers	1,266,077	1,284,416
Delinquent Customers	1,460,768	1,462,511
Impairment of credit value for commercial operations	(1,460,768)	(1,462,511)
Clients, group companies and associate companies (Note 19)	265,414	279,409
Sundry debtors	5,680	4,921
Personnel	7,105	10,526
Short-term investments in Group companies and associates (see Note 19)	5,216,406	4,053,180
Short-term financial investments	140,467	52,825
Credit to businesses	126,053	37,375
Other financial assets	14,414	15,450
TOTAL	6,901,149	5,712,742

In 2015 there have been no contributions to the provision of "Credit value impairment due to commercial operations". On the contrary, it has been reverted by EUR 1,197 (see Note 17.d).

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.

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.

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.

11. Stocks

The Company has at 2015 and 2014 year-end a balance of 3,398 and 11,456 Euro, respectively, as "Prepaid Advances to Suppliers".

12. Stockholders' equity

12.1 Share capital

At the close of period 2015 the Company's share capital amounted to 60,000 Euros, represented by 6,000 registered shares of 10 Euros nominal value each, all of the same class, fully subscribed and paid in accordance with the following detail:

	% Participation
Elsamex, S.A.	100%
	100%

12.2 Legal reserve

In accordance with the Corporations Act, an amount equal to 10% of the period's profit must be allocated to the legal reserve until this 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. As of 31 December 2015 the Legal Reserves had already reached 20% of the Equity Capital.

12.3 Voluntary reserves

These are unrestricted reserves.

12.4 Conversion differences

The conversion differences for the period 2015 are brought about integrally by the impact of the inclusion in the Company's abridged balance sheet in this period of balances coming from the subsidiary that the Company has abroad (Dominican Republic).

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.

13. Provisions

The detail for provisions of the abridged balance sheet at the closing of financial years 2015 and 2014, as well as the main movements registered during the year are the following:

Year 2015

	Euros				
	31/12/2014	Additions	Adjustments	Write-offs	31/12/2015
Variable remuneration	52,349	-	-	(33,638)	18,711
	52,349	-	-	(33,638)	18,711

Year 2014

	Euros				
	31/12/2013	Additions	Adjustments	Write-offs	31/12/2014
Variable remuneration	164,353	32,851	(41,157)	(103,698)	52,349
	164,353	32,851	(41,157)	(103,698)	52,349

The allocation to this provision was recognized as expense in heading "Personnel Expenses" in the attached abridged profit and loss statement. The adjustments have been recorded with payments to the account of Staff Expenses and the removals have corresponded to applications for the purpose of the provision.

14. Financial liabilities

The Company's financial liabilities are itemized as follows at close of years 2015 and 2014:

14.1 Debit and items payable

	Euros	
	2015	2014
Long-term financial liabilities:		
Other financial liabilities (see Note 14.2)	1,209,098	1,097,091
Group companies and associates, non-current	2,000,000	
Total long-term financial liabilities	3,209,098	1,097,091
Short-term financial liabilities:		
Short-term debts:		
Debts with credit institutions	5,274	-
Other financial liabilities (see Note 14.2)	201,776	159,219
	207,050	159,219
Debts with group companies (Note 18):	6,308,673	6,729,734
Trade creditors and other accounts payable:		
Suppliers	298,079	318,446
Suppliers, Group companies (Note 18)	3,611	56,342
Personnel	4,820	6,066
Advances Clients	15,670	9,382
	306,510	390,236
Total short-term financial liabilities	6,822,233	8,376,280

14.2 Other financial liabilities

This heading includes different loans signed with non-bank entities. The details are as follows:

	Amount Granted	Date Contract	Date Expiration	Amounts pending payment (Euro)				
				2016	2017	2018	2019	2020 and beyond
CDTI	494,700	08/04/2010	29/10/2021	49,470	49,470	49,470	49,470	98,940
CDTI	541,197	21/07/2009	27/08/2020	57,792	57,792	57,792	57,792	57,797
CDTI	332,033	13/09/2012	06/10/2023	20,573	41,146	41,146	41,146	188,022
Min. Economy and Finance	165,144	12/02/2013	01/02/2023	27,329	52,039	74,295	75,038	217,743
Others				46,612	-	-	-	-
		TOTAL		201,776	200,447	222,703	223,446	562,502

The debts incurred with CDTI and the Ministry of Economy and Finance do not accrue any interest and they finance investments made in R&D projects.

15. Public Administrations and fiscal situation

The breakdown of these balances at 31st December 2015 and 2014 is as follows:

	Euros			
	2015		2014	
	Balances Debtors	Balances Creditors	Balances Debtors	Balances Creditors
Deferred tax assets	703,240	-	464,902	-
Long-term balances with Public Administrations	703,240	-	464,902	-
Public Treasury, debtor for VAT, IGIC, IPSI	3,886	336	9,600	44
Public Treasury, withholdings IRPF	1,548	57,603	17,865	80,397
Social Security institutions payable	-	18,898	-	20,942
Short-term balances with Public Administrations	5,434	76,837	27,465	101,383

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. The Parent Company has accounting periods 2011 to 2014 open to inspection.

The Directors consider that the above-mentioned tax obligations have been adequately settled. Therefore, in the event of a fiscal inspection and considering there were any disagreements in the usual prevailing interpretation because of the fiscal treatment granted to operations, future resulting liabilities, if any, would not significantly affect these abridged financial statements.

Deferred tax assets

The movement in the account corresponding to Assets for deferred tax on Profits has been as follows:

	Euros			
	Balance at 31/12/2014	Increase	Decrease	Balance at 31/12/2015
Tax credits for R+D+i	311,172	278,736	-	589,908
For amortization limit	72,710	56,206	-	128,916
For negative tax bases	81,020	-	(96,604)	(15,584)
Total	464,902	334,942	(96,604)	703,240

The increases are due to the tax credit for research and development pending to be used generated by projects in progress during this financial year and other previous ones and to the deferred assets generated by the limit in amortization applied as as expense of the year.

Value Added Taxes

By decision of the Sole Shareholder on 26th December 2011, it was chosen to tax in the Value Added Tax through the tax consolidation regime in accordance with Chapter IX of Title IX of the Value Added Tax Act since 1st January 2008; the parent Company, Elsamex S.A., is responsible for filing and paying the Value Added Tax of the tax group. For this reason, at the end of the period the payable or receivable balances for the Value Added Tax are included classified in current accounts with group companies.

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 Company does not have individual negative taxable bases to be compensated against possible future profits.

Accounting reconciliation and taxable base result

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

Financial Year 2015

	Euros	
	Share Payable	Expense
Turnover before tax (loss)	(147,235)	(41,226)
Tax adjustment previous financial year	(75,055)	35,191
Temporary differences:		
Amortization limit	200,736	-
Taxable base (Tax result)	(21,554)	6,035
Deductions pending application		146,811
Expense/(Income) for Corporate Tax		(152,846)

The deductions activated during this financial year correspond to R&D deductions. As of 31 December 2015, deductions pending applications amount to EUR 450,289 plus those activated in 2015 amounting to EUR 146,811.

Financial Year 2014

	Euros	
	Share Payable	Expense
Earnings before taxes	382,705	114,811
Adjustments	(148,918)	(44,675)
Temporary differences:		
Amortization limit	137,202	
Permanent differences: Non-tax deductible expenses	395	118
Taxable base (Tax result)	371,384	70,254
Deductions		(52,015)
Corporate tax expenses		18,239

16. Contingent Liabilities

At 31 December 2015 and 2014, the Company has been granted several guarantees demanded in order to contract with Public Entities for an amount of 56,266 and 56,266 Euros, respectively.

The Company is the corporate guarantor of a syndicated loan granted by credit entities to the parent company of Group Elsamex amounting to EUR 38 Mn.

17. Revenue and expenditure

a) Net turnover amount

The total net turnover for financial years 2015 and 2014 corresponds to provision of services. The distribution by geographical market is as follows:

Division	Euros	
	2015	2014
National	1,998,386	2,355,270
Portugal	251,723	191,364
Arab Countries	(1,374)	72,351
Africa	33,000	149,611
Rest of international market	55,578	49,196
	2,337,313	2,817,793

b) Purchases

The breakdown of this section of the profit and loss account for periods 2015 and 2014 is as follows:

	Euros	
	2015	2014
Purchase of other materials	70,621	95,364
Works carried out by other companies	264,720	184,925
	335,341	280,289

c) Personnel expenditure

The breakdown of the "Personnel expenditure" entry in the profit and loss account as of 31 December 2015 and 2014 is as follows:

	Euros	
	2015	2014
Wages, salaries and similar expenses	1,119,175	1,044,985
Employer social security costs	289,190	300,389
Provisions (see Note 13)	-	-
Total	1,408,365	1,345,374

The average number of persons employed during accounting periods 2015 and 2014, broken down into categories, is as follows:

Categories	2015	2014
Management	1	1
Technical personnel and middle management	30	33
Administration personnel	5	7
Total	36	41

There were not any employees during period 2015 in Ciesm - Intevia S.A.U with a disability equal to or greater than 33%.

In accordance with the requirements of Art. 260.9 of the Corporate Law, distribution by sex is shown for the end of the period for the Company's personnel, broken down by category for the accounting periods 2015 and 2014:

Categories	2015		2014	
	Men	Women	Men	Women
Senior Management	1	-	1	-
Technical personnel and middle management	20	10	23	10
Administration personnel	2	3	3	4
Total	23	13	27	14

d) Other operating expenses

The detail for this section of the attached profit and loss account for accounting periods 2015 and 2014 is as follows:

	Euros	
	2015	2014
Leases and royalties	45,964	39,046
Repairs and maintenance	17,660	18,037
Independent professional services	23,950	25,097
Transport	4,950	-
Insurance premiums	2,806	6,756
Bank services and other similar	15,129	11,380
Supplies	775	109
Other services	355,497	368,691
Other taxes	7,359	12,079
Losses, degradation and supplies variation (see Note 9.2).	(1,197)	(4,242)
	472,893	476,953

Auditing expenditure

During financial years 2014 and 2015, the fees accrued for account auditing services provided by the auditors of the Company, Caballero Auditores S.L., have been as follows (in Euro):

Description	2015	2014
Auditing Services	16,350	16,202
Total auditing and related services	16,350	16,202

Total professional services	16,350	16,202
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18. 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 2015 and 2014 in the abridged financial statements.

19. Operations with related parties

The detail of the balances and transactions made during accounting periods 2015 and 2014 between the Company and Elsamex Group companies is as follows:

Financial Year 2015:

	Euros											
	Assets					Liabilities			Income		Expenditure	
	Long-term credits to Group companies(see Note 8)	Clients, Group companies and associate companies (Note 9.2)	Short-term credits to Group companies (see Note 9.2)	Long-term debts with Group Companies	Short-term debts with Group companies	Suppliers, Group companies and associates	Services provided	Services received	Financial expenditure	Financial Income		
2015												
Control 7, S.A.	-	-	-	-	10,507	-	81,009	33,141	2,338	-		
Elsamex Portugal Engenharia e Sistema de Gestao, S.A.	-	26,844	-	-	-	-	26,844	22,128	-	-		
Elsamex, S.A.	-	32,140	606,426	1,000,000	4,807,881	-	273,278	331,987	137,076	-		
Elsamex India Private limited	-	58,886	-	-	-	-	-	-	-	-		
Elsamex Internacional, S.L	-	14,943	3,756,282	-	-	-	315,368	17,535	-	-		19,330
CGI8, S.L.	-	33,576	4,630	-	-	-	7,326	-	-	-		-
Grusamar Ingeniería y Consulting, S.L.	1,489,181	-	705,792	-	-	-	34,832	-	-	-		77,272
Yala Construction CO Private Ltd	-	2,733	-	-	-	-	-	-	-	-		-
Geotecnia y Control de Calidad,S.A	-	4,021	-	-	-	-	5,772	-	-	-		-
Atenea Seguridad y Medio Ambiente, S.A.	-	-	-	1,000,000	357,070	-	-	-	67,399	-		-
Sociedad Concesionaria Autovía A-4 Madrid S.A	-	24,183	-	-	-	-	36,915	-	-	-		-
Vías y Construcciones S.R.L	-	-	125,070	-	-	-	-	-	-	-		-
Consorcio de Obras Civiles, S.R.L.	-	-	-	-	1,130,299	-	-	-	-	-		-
Ciesm- Intevia, S.A.U- Kosovo Branch	-	-	-	-	14,265	-	-	-	-	-		-
Señalización, Viales e Imagen, S.A.	-	-	18,206	-	-	-	-	-	-	-		-
Elsamex, S.A- Abu Dhabi Branch	-	8,587	-	-	-	3,611	8,587	-	-	-		-
Elsamex ITNL JVCA	-	59,500	-	-	-	-	102,529	-	-	-		-
TOTAL	1,489,181	265,414	5,216,406	2,000,000	6,320,022	3,611	892,460	404,791	206,815	96,602		

Financial Year 2014:

	Euros									
	Accounts receivable		Accounts payable		Income		Expenditure		Interests Group	
	For services rendered	Credits	For services rendered	Loans	Services provided	Services received	Financial expenditure	Financial Income		
2014										
Control 7, S.A.	-	-	-	67,346	26,038	43,837	39,322	-	-	-
Elsamex Portugal Engenharia e Sistema de Gestao, S.A	-	-	2,684	-	15,000	2,684	-	-	-	-
Elsamex, S.A.	-	-	-	2,300,233	834,729	274,043	283,705	-	-	-
Elsamex India Private limited	58,886	-	-	-	-	-	-	-	-	-
Elsamex Internacional, S.L	-	126,228	-	-	142,759	31	-	-	119,674	-
Labetec Ensayos Técnicos Canarios, S.A.	-	-	-	-	-	-	-	-	-	-
CGI8	28,786	4,630	-	-	3,968	-	-	-	-	-
Grusamar Ingeniería y Consulting, S.L.	-	958,668	-	-	52,809	-	-	-	-	-
Yala Construction CO Private Ltd	2,733	-	-	-	-	-	-	-	-	-
Geotecnia y Control de Qualitat, S.A	1,784	-	-	-	5,034	-	-	-	-	-
Atenea Seguridad y Medio Ambiente, S.A.	-	-	-	1,289,587	1,500	-	58,996	-	-	-
Sociedad Concesionaria Autovia A-4 Madrid S.A	71,837	-	-	-	44,803	-	-	-	-	-
Elsamex, S.A.-Dominican Republic Branch	32,140	-	-	-	-	-	-	-	-	-
Ciesm Intevia, S.A.U., Dominican Republic Branch	14,943	2,389,717	-	-	-	-	-	-	-	-
Vías y Construcciones S.R.L	-	36,453	-	-	-	-	-	-	-	-
Consortio de Obras Civiles, S.R.L.	-	-	-	1,042,041	-	-	-	-	-	-
Elsamex Internacional, S.L.U.-Dominican Republic Branch	-	-	-	2,016,262	-	-	-	-	-	-
Ciesm- Intevia, S.A.U- Kosovo Branch	-	-	-	14,265	-	-	-	-	-	-
Señalización, Viales e Imagen, S.A.	-	18,206	-	-	-	-	-	-	-	18,206
Elsamex, S.A, Abu Dhabi Branch	68,300	-	3,611	-	76,734	3,611	-	-	-	-
Elsamex, S.A, Haiti Branch	-	519,279	-	-	-	-	-	-	-	-
Elsamex ITNL JVCA	-	-	50,047	-	119,611	-	-	-	-	-
TOTAL	279,409	4,053,180	56,342	6,729,734	1,322,985	324,205	382,023	342,244	382,023	342,244

The Company has included in its accounts throughout period 2015 the amount of 134,725 Euros for structure expenses allocated by the parent company.

The nature of transactions that occur between the different companies of Group Elsamex is the following:

- Services provided: CIESM provides engineering services in different projects of Group Elsamex companies both nationally and internationally using its own staff.

- Received services (subcontracting): certain Companies of Group Elsamex provide supplementary services to Ciesm - Intevia, S.A.U. for them to develop their activity.

- Financial operations: there are monetary transactions between the entities of Group Elsamex that occur insofar as the companies require liquidity. These intragroup transactions accrue interest of 5% for the amounts of the credit facilities and of Euribor + 3% for the loan granted (see Note 19). Also there are two long term loans with Group Companies, Elsamex S.A, and Atenea Seguridad y Medio Ambiente S.A. . This loans was signed on 1 March 2016. Its validity finished on 31 December 2019. It accrues an annual interest of the Euribor plus 3%. Both the capital and the interest accrued shall be paid upon

- Administration, financial and human resource services: Elsamex S.A., from its central offices in Madrid, provides administrative, legal and fiscal services to the rest of the group entities.

The method for setting the transfer pricing policy is different depending on the type of transaction made:

a) For transactions consisting of the provision of services (subcontracting) between the different entities of the group, the "resale price" method is used, by which from the sale price of the item is subtracted the usual margin in identical or similar operations with independent persons or entities or, failing this, the margin that independent persons or entities apply to similar operations, making, if required, the corrections necessary to obtain the equivalence and in consideration of the particularities of the operation.

b) For financial transactions and administrative services between the different group entities the "comparable free price" method is used, by which the price of the goods or service is compared in an operation between connected persons or entities with the price of identical goods or services or of similar nature in an operation between independent persons or entities in similar circumstances, making, if required, the corrections necessary to obtain the equivalence and in consideration of the particularities of the operation.

The totality of balances alive that exist between the connected entities at 31 December 2015 and 2014 are liquid, past due date and demandable.

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

Pursuant to Article 229.2 and 3 of the Spanish Corporate Law, in order to reinforce corporate transparency, it is advised that at the close of accounting periods 2015 and 2014 the members of the Board of Directors of Ciesm - Intevia, S.A.U. have not held shares in companies with the same, analogous or complementary type of activity of the corporate purpose of the company. 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, except for those activities which the company may carry out in other Group companies.

During accounting periods 2015 and 2014 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.

Information concerning senior management personnel:

Name	Positions or duties hold in the company	Remuneration period 2015
Senior management personnel and managing directors	Management	111,199

21. 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 CLOSE DATE OF THE BALANCE SHEET	
	Financial Year 2015	Financial Year 2014
PMP (days) of payments	43	89

Data contained in the chart above on payments to suppliers refer to those which, by nature, are commercial creditors by debts with suppliers of goods and services, so they include data related to the item "Suppliers" of the current liabilities of the balance sheet.

The excess pondered average term (PMPE) of payments has been calculated as the quotient formed in the numerator by adding the products of each payment to suppliers made in the period with a deferment above the legal term of payment and the number of days of deferment which exceeds the term, and in the denominator the total amount of payments made in the period with a deferment above the legal term of payment.

The maximum legal term of payment applicable to the Company for period 2015 according to Law 3/2004 of 29 December, which establishes measures against delinquency in commercial operations, is 60 days.

22. Segment information

The Company considers that the best segmentation is according to the different business areas.

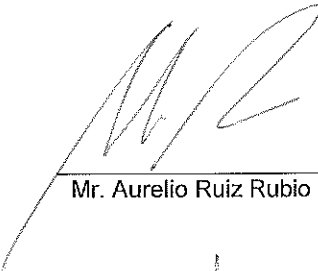
	Engineering and Consulting	Projects and Studies	Condition survey	Courses and Training	Tests	Technological transfer	Product Sales / others	Total
Sales	296,201	59,158	706,135	105,676	833,512	27,083	309,549	2,337,313
EBITDA	(57,801)	(22,002)	187,475	(65,809)	(43,083)	10,656	125,434	134,869
Depreciation	(77,899)	(15,485)	(196,628)	(28,824)	(262,171)	(7,089)	(81,026)	(669,123)
EBIT	(135,701)	(37,487)	(9,153)	(94,633)	(305,254)	3,566	44,408	(534,253)

23. Subsequent Events

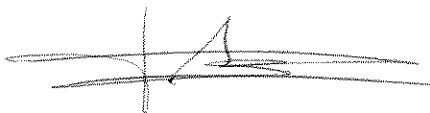
After the close of the period, and until the date of preparation of these abridged financial statements, no significant subsequent events have occurred that should be mentioned.

Procedure for Preparation of Financial Statements


In compliance with the provisions established in the Corporations Act, the Board of Directors of CIESM-Intevia, S.A.U. prepared on 16th March 2016 the Annual Accounts for accounting period 2015, which shall be submitted for the approval of the Sole Shareholder.



Mr. Aurelio Ruiz Rubio



Mr. Fernando Bardisa Jordá



Mr. David Rivas López



Mr. Jesús Rincón Jiménez
Momediano