PROSPECTUS

CAPITAL INCREASE FOR

DINAMIA CAPITAL PRIVADO, SOCIEDAD DE CAPITAL RIESGO, S.A.

BY MEANS OF THE ISSUE OF 3,990,000 ORDINARY SHARES

This Prospectus has been recorded in the Official Spanish National Securities Market Commission Register on 19 November 2009.

Pursuant to Royal Decree 1310/2005 of 4 November, and Order EHA 3527/2005 of 10 November, this Prospectus has been drafted in accordance with the models established in Annexes I, II and III of EC Regulation number 809/2004, of the Commission dated 29 April 2004, regarding the application of Directive 2003/71/EC from the European Parliament and the Board with regard to the information contained in the prospectus, inclusion by reference, publication of said prospectus and publicity.

This document is an English loose and free translation of the information contained in the Complete Informative Prospectus in Spanish (the "Folleto") which has been approved and registered with the Spanish National Securities Market Commission (Comisión Nacional del Mercado de Valores or "CNMV") on 19 November 2009, which is free and available for any investor in DINAMIA CAPITAL PRIVADO, S.C.R., S.A.'s registered office ("DINAMIA" or the "Company") and in DINAMIA's and the CNMV's web sites. In case of discrepancies between this document and the original Folleto in Spanish, the Spanish version of the Folleto will prevail. The Spanish language Folleto is the only official informative document related to the Offering (the "Offering"), in which the Offering and the Company are fully described.

The attached document in English does not constitute or form part of any offer for sale or invitation to sell these securities or any solicitation of any offer to purchase these securities nor shall it or any part of it form the basis of or be relied on in connection with any contract or commitment to purchase shares in any jurisdiction where such offer or sale would be unlawful. DINAMIA does not intend to register the Offering in any jurisdiction other than in Spain. DINAMIA is conducting a public offering of shares in Spain by way of a Spanish language prospectus ("Folleto") which has been approved by and registered with the CNMV in Spain on 19 November 2009. Neither this information nor any copy of it may be taken, transmitted into, disclosed or distributed in the United States, Canada, Australia or Japan. The distribution of this information in other jurisdictions may also be restricted by law and persons into whose possession this information comes should inform themselves about and observe any such restrictions. Any failure to comply with such restrictions may constitute a breach of securities markets laws in the aforementioned jurisdictions. PLEASE NOTE that it is your responsibility to satisfy yourself as to the full observance of any relevant laws and regulatory requirements. If you are in any doubt, you should not continue to seek access to the information contained herein.

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I. SUMMARY

ADVANCE NOTICE

Notwithstanding the rest of the information contained in the Securities Note and in the Registration Document corresponding to the Capital Increase Offer by "DINAMIA CAPITAL PRIVADO, SOCIEDAD DE CAPITAL RIESGO, SOCIEDAD ANÓNIMA" (hereinafter "**DINAMIA**" or the "**Company**") referred to herein, this Summary describes the main circumstances which must be taken into consideration in order to suitably understand the same.

Together with the Securities Note and the Registration Document, this Summary will be referred to as the "**Prospectus**".

It is expressly stated that:

(i) This Summary must be read as an introduction to the Prospectus.

(ii) Any decision to invest in the securities must be based on the investor's consideration of the Prospectus in its entirety.

(iii) No person may be held civilly liable solely for the Summary (nor the translation of the same), unless it is misleading, inaccurate or inconsistent in relation to the other parts of the Prospectus.

1. DESCRIPTION OF THE ISSUER

DINAMIA is a General Regime Venture Capital Company, established as a Limited company on 11 November 1997 and recorded in the CNMV [*Spanish National Securities Market Commission*] Register of venture capital companies under number 21. On 24 November 1997, the Company entrusted the management of its assets to AB Asesores Electra Capital Privado, S.A. (currently Nmás1 Capital Privado, SGECR, S.A.), a company which has been carrying out this task since the aforementioned date to the present and which is part of the N+1 Group, specialists in high added value financial products and services (investment bank and asset management).

The company's shares are listed on the Madrid and Barcelona stock exchanges and are also traded on the continuous market (SIBE in Spanish).

DINAMIA's primary activity consists of the acquisition of temporary stakes (between 3 and 6 years) in the capital of non-financial and non-real estate companies which, at the time of acquisition of the interest, are not listed (unless it is invested for its exclusion) on a primary market of the stock exchange or any other equivalent regulated market in the European Union or other OECD countries, with the aim of obtaining capital gains upon their sale and, in the end, equity gains for its shareholders.

As explained below in section 6.1 of the Registration Document, DINAMIA, together with the Funds with whom they co-invest and, possibly, with other financial co-investors with whom they share the same temporary investment plan, usually acquire majority equity percentages in the investee companies. The aim of the majority interest is to facilitate the active participation in the decision-making bodies of the investee companies, as well as to facilitate future divestment.

DINAMIA, as a general rule, invests in medium sized companies, with enterprise values between 50 and 300 million Euros, which implies an equity investment per company, bearing in mind the Co-investment Agreement, of between 15 and 60 million Euros, approximately. DINAMIA investments are characterised as follows: (i) service sector focused, as opposed to sectors with a high industrial component, (ii) niche and dynamic fragmented markets with consolidation potential, (iii) companies with leveraging capability and leading management teams in their sector and (iv) high potential to undertake future divestments.

As of 30 June 2009, DINAMIA divested in twenty-three companies to the value of 364 million Euros, securing 199 million Euros in capital gains with an average period in the portfolio of 3.8 years, grossing 2.2 times the original investment (which equates to a 120% capital gain) and a weighted annual IRR of 25%.

The portfolio at 30 June for DINAMIA (hereinafter, the "**Investment Portfolio**") comprises the interests described in the following table:

figures in thousands of Euros

	Activity	Date of Acquisition	% DINAMIA	% DINAMIA and Funds	Total amount invested	Capital and share premium	Profit Participating Loan	Investee Valuation (1) at 30/06/2009
Bodegas Arco[(2)]	Wineries	Mar-99	8.00%	8.00%	**17,480**	17,480	0	**9,208**
Ydilo[(3)]	Voice recognition technologies	Apr-01	7.06%	7.06%	**1,470**	1,470	0	**1,364**
High Tech[(4)]	Hotel chain	Jan-03	26.00%	52.00%	**13,000**	13,000	0	**0**
Segur Ibérica[(5)]	Security services	Mar-04	17.86%	35.72%	**10,469**	10,267	202	**11,635**
Grupo Bodybell [(6)]	Perfumery chain	Apr-05	14.35%	28.55%	**21,500**	5,375	16,125	**0**
Grupo éMfasis [(7)]	Mailing and billing services	Apr-05	44.90%	89.15%	**8,113**	3,146	4,967	**7,491**
Holmes Place Iberia [(8)]	Fitness chain	Aug-05	20,61%	41,22%	**9.070**	1,814	7,256	**7,734**
Cristher [(9)]	External lighting	Sep-05	44.47%	88.94%	**12,025**	4,209	7,816	**6,256**
Serventa [(10)]	Vending services	Apr-06	46.66%	93.32%	**10,818**	3,154	7,664	**15,579**
Laude [(11)]	Private education	Jun-06	44.94%	89.88%	**17,542**	4,386	13,156	**0**
Alcad [(12)]	High frequency	Mar-07	37.68%	75.36%	**9,847**	9,847	0	**0**
ZIV [(13)]	Electrical services and products	Apr-07	37.25%	74.50%	**11,250**	3,937	7,313	**15,954**
Xanit [(14)]	Health	Dec-07	32.02%	64.04%	**22,308**	6,692	15,616	**19,167**
Bestin [(15)]	Logistical services	Apr-08	42.01%	84.02%	**13,400**	6,700	6,700	**0**
MBA [(16)]	Distribution of prosthesis	Jul-08	36.82%	73.64%	**31,066**	15,533	15,533	**32,588**
Total Unlisted shares					**209.358**	**107,010**	**102,348**	**126,976**
Nicolás Correa[(17)]	Manufacture of heavy machinery	sep-99	13.27%	13.27%	**7,033**	7,033	0	**3,680**
total Listed shares					**7,033**	**7,033**	**0**	**3,680**
Electra[(18)]	Venture capital	dec-07	10.00%	10.00%	**3,924**	3,924	0	**1,130**
Total Shares in Venture Capital Funds					**3,924**	**3,924**	**0**	**1,130**
TOTAL PORTFOLIO					**220,315**	**117,967**	**102,348**	**131,786**

(1) According to DINAMIA Capital Privado, S.C.R., S.A. Valuation Report at 30 June 2009, sent to the CNMV by means of Relevant Fact on 30 July 2009
(2) DINAMIA invests in Bodegas Arco through Arco Bodegas Unidas, S.A.
(3) DINAMIA invests in Ydilo through Ydilo Advanced Solutions, S.A.
(4) DINAMIA invests in High Tech through High Tech Hotels & Resorts, S.A.
(5) DINAMIA invests in Segur Ibérica through Segur Ibérica, S.A.
(6) DINAMIA holds an interest in the holding company that owns 100% of the Bodybell group, whose name is The Beauty Bell Chain, S.L.
(7) DINAMIA invests in the Émfasis group through Émfasis Billing & Marketing Services, S.L.
(8) DINAMIA invests in Holmes Place Iberia through HP Health Clubs Iberia, S.A.
(9) DINAMIA invests in Cristher through Grupo Internacional Novolux Internacional, S.L.
(10) DINAMIA invests in Serventa through Servicio de Venta Automática, S.A.
(11) DINAMIA invests in Laude through the companies Colegios Laude, S.L. and Colegios Laude II, S.L.
(12) DINAMIA invests in Alcad through Alcad, S.L.
(13) DINAMIA invests in ZIV through ZIV Aplicaciones y Tecnología, S.L.
(14) DINAMIA invests in Grupo Xanit through Leucorodia, S.L.
(15) DINAMIA invests in Bestin Supply Chain, S.L.
(16) DINAMIA invests in MBA through the company MBA Incorporado, S.L.
(17) DINAMIA invests in Nicolás Correa through the company Nicolás Correa, S.A.
(18) DINAMIA invests in Electra through Electra Partners Club 2007 LP

The valuation data included in the table above have been taken from the Valuation Report on 30 June 2009 drafted by the Management Company which have been revised by an independent third party and were published by means of their delivery to the CNMV.

On 7 October 2009, DINAMIA sold its interest in Ydilo for 1,377 thousand Euros, grossing 1.1 times the net acquisition cost.

According to the DINAMIA Valuation Report of 31 December 2008, the Net Asset Value ("**NAV**") per share ex dividend rose to 18.02 Euros derived from a total adjusted net assets per dividend of 215,663 thousand Euros against an ex dividend NAV per share at 30 June 2009 of 14.95 Euros derived from total adjusted net assets per dividend of 178,898 thousand Euros. The adjusted share per dividend (10.67 Euros) has a discount on the ex dividend NAV of 28.6% at 30 June 2009. This decrease is 52.8% at

31 December 2008 with the adjusted share per dividend standing at 8.5 Euros. The variation of this decrease corresponds both to the drop (-17%) in the NAV per share and the positive (+25%) growth of the share price.

In accordance with the DINAMIA Valuation Report of 30 September 2009 sent to the CNMV on 3 November 2009, the NAV value per share amounts to 14.86 Euros derived from total net assets of 177,827 thousand Euros. At 30 September, the share price registered a decrease with regard to the NAV per share of 23.7%. However, both the NAV and the market value include approximately 45 million Euros in cash to which the consideration of a decrease does not apply. Therefore, if the aforementioned cash is excluded from both amounts, the underlying decrease of the share price with regard to the valuation of the share portfolio amounts to 31.6%.

Despite the fact that, at 30 June 2009, the total value of the interests amounted to a total of 131,786 thousand Euros against a total invested amount of 220,315 thousand Euros and five of the portfolio companies at that date were valued at zero, this does not necessarily imply that, in the opinion of the Management Company, the majority of these investments are not going to be recovered in full or in part through the improvement of the economic climate.

It is important to point out that for a stakeholder in all the investee companies, apart from one case, that the positive operating profit (EBITDA), its enterprise value, which is the result of multiplying the operating profit by the multiple of comparable companies, is above zero. However, in some cases, the valuations have been affected by the fall in multiples of comparable listed companies that, as a result of current stock market volatility, have seen their values drastically reduced. Likewise, as a result of financial leverage, upon deduction of the bank debt derived from the acquisition, the equity value for the DINAMIA investments is reduced and in certain cases is nil. Finally, it is important to point out that the losses on the investee company income sheets are due, mainly, to the financial burden on the investee companies (as a result of the leverage) as well as expenditure recorded without effect on the company cash flow (the most relevant being the impairment of their stock in trade and the participating loan interest that DINAMIA grants to its investee companies, which are settled upon the divestment of DINAMIA).

For further information on the structure of the investments by means of participating loans and financial debt, with regard to each investee company and their valuation, see section 6 below of the Registration Document.

2. MOST RELEVANT FINANCIAL FIGURES FOR THE YEARS ENDED 31 DECEMBER 2008, 2007, 2006, FROM THE FIRST QUARTER OF 2009 AND THE THIRD QUARTER OF 2009

The independently audited financial statements are presented individually as, since there is no group, the Company does not compile consolidated financial statements.

Most relevant entries in Balance sheet at 31 December (thousands of Euros)

	Circular 11/2008			Circular 5/2000		% Var.	
	2008	2007 (unaudited)[1]	Adjustment[2]	2007	2006	2007-2008	2006-2007
Long-term investments in group companies and affiliates[3]	176,156	178,144	(8)	178,152	130,494	-1.12%	36.52%
Equity instruments	83,636	73,322	0	73,322	72,233	14.07%	1.51%
Loans and credit facilities to companies	92,520	104,822	(8)	104,830	58,261	-11.74%	79.93%
Long-term investments[4]	7,919	10,421	3,686	6,735	9,002	-24.01%	-25.18%
Cash and cash equivalents	44,547	91,955	0	91,955	98,088	-51.56%	-6.25%
Share Capital	35,910	35,910	0	35,910	35,910	0.00%	0.00%
Reimbursable Funds[5]	198,743	242,924	0	242,924	206,752	-18.19%	17.50%
Current liabilities	2,575	6,236	3	6,233	907	-58.71%	587.21%
Non-current liabilities[6]	30,715	32,212	1,105	31,107	32,950	-4.65%	-5.59%
Total balance	230,677	283,952	3,688	280,264	240,609	-18.76%	16.48%

[1] This is included solely for comparative purposes as it is not part of the 2007 or 2008 annual accounts
[2] Necessary adjustments to adapt financial information corresponding to the 2007 financial year to Circular 11/2008. The adjustments have been reviewed by company auditors
[3] Includes interest in the share capital and participating loan in unlisted companies.
[4] Includes interest in listed companies, venture capital funds and investment funds
[5] Includes Share Capital, Share Issue Premium, Reserves and Results
[6] Includes long-term provisions for management fees and deferred income

Most relevant entries in the Income Statement at 31 December (thousands of Euros)

	Circular 11/2008			Circular 5/2000		% Var.	
	2008	2007 (unaudited)1	Ajuste[2]	2007	2006	2007-2008	2006-2007
Financial Income[3]	16,322	13,418	0	13,418	7,217	21.64%	85.92%
Profit /(loss) on disposals (net) (+/-)	3,575	67,028	0	67,028	39,533	-94.67%	69.55%
Impairment and losses on financial investments (-/+)[4]	(50,090)	(7,439)	0	(7,439)	(2,016)	573.34%	n/a
Other operating results	(6,163)	(19,664)	0	(19,664)	(11,652)	-68.66%	68.76%
Net result	(35,803)	52,930	0	52,930	37,046	-167.64%	42.88%
Operating cash flow	(47,409)	(6,133)	0	(6,133)	45,589		

[1] This is included solely for comparative purposes as it is not part of the 2007 or 2008 annual accounts
[2] Necessary adjustments to adapt financial information la corresponding to the 2007 financial year to Circular 11/2008. The adjustments have been reviewed by company auditors.
[3] Comprises current account interests, asset repo interests, participating loan and dividend interests.
[4] Corrections in value of participating loans and interests

Main financial ratios at 31 December

	Circular 11/2008		Circular 5/2000	
	2008	2007 (unaudited)	2007	2006
Leverage Ratio (Total Assets / Equity)	1.16	1.17	1.15	1.16
ROE (Total Income / Equity)	-18.01%	21.79%	21.79%	17.92%
ROA (Total Income / Assets)	-15.52%	18.64%	18.89%	15.40%
Value of net assets per share (gross of performance fee[2])	18.72	27.65	27.65	26.38
Value of net assets per share (net of performance fee)	18.17	25.51	25.51	24.73
Market value[5]	9.20	20.98	20.98	23.49
PER	n/a	4.74	4.74	7.59
Decrease/NAV value	50.9%	24.1%	24.1%	11.0%
Dividend per share	0.70	0.70	0.70	1.40[1]
Dividends / Individual Result (Pay-out)[3]	n/a[4]	15.83%	15.83%	45.24%

[1] In 2006 an extraordinary dividend of 0.70 Euros was distributed per share due to the divestment of General de Alquiler de Maquinaria and for the tenth anniversary of DINAMIA's IPO
[2] Refers to the success fee for the Management Company, which is set at 20% on capital gains in divestments, and which is only effective once the acquisition costs of all the companies acquired are covered
[3] For all financial years the dividend is paid against the share premium. Dividends paid in the year following that referred to
[4] In 2008 a dividend of 8,379 thousand Euros was approved maintaining the shareholder remuneration policy
[5] At year end

Most relevant entries in Balance sheet at 30 September 2009, 30 June 2009 and 31 December 2008 (thousands of Euros)

	Circular 11/2008		Circular 11/2008
	30/09/2009	30/06/2009	31/12/2008
Long-term investments in group companies and affiliates[1]	158,581	156,615	176,156
Equity instruments	74,078	74,558	83,636
Loans and credit facilities to companies	84,502	82,057	92,521
Long-term investments[2]	6,329	5,467	7,919
Cash and cash equivalents	44,661	55,198	44,547
Share Capital	35,910	35,910	35,910
Reimbursable Funds[3]	181,680	181,234	198,743
Current liabilities	2,060	10,852	2,575
Non-current liabilities[4]	31,384	31,604	30,715
Total balance	212,578	220,541	230,677

[1] Includes interest in share capital and participating loan.
[2] Includes interest in listed companies, venture capital and investment funds
[3] Includes Share Capital, Share Premium, Reserves and Result
[4] Includes, among others, long term provisions for management fees and deferred income

Most relevant entries in the Income Statement at 30 September 2009, 30 June 2009 and 30 June 2008 (thousands of Euros)

	Circular 11/2008		Circular 5/2000
	30/09/2009	30/06/2009	30/06/2008
Financial Income	9,399	6,127	8,078
Profit /(loss) on disposals (net) (+/-)	6,007	6,007	2,969
Impairment and losses on financial investments (-/+)	(20,449)	(18,295)	(12,365)
Other operating results	(3,479)	(2,714)	(4,403)
Net result	(8,684)	(9,130)	(5,604)

Main financial ratios at 30 September 2009, 30 June 2009 and 30 June 2008

	30/09/2009	30/06/2009	30/06/2008
Leverage Ratio (Total Assets / Equity)	1,17	1,22	1,16
ROE (Total Income / Equity)	-4.78%	-5.04%	n/a
ROA (Total Income / Assets)	-4.09%	-4.14%	n/a
Value of net assets per share (gross of performance fee)	14.86	15.65	26.38
Value of net assets per share (net of performance fee)	14.16	14.98	24.57
Market value	11.34	11.37	18.79
Decrease/NAV value	23.7%	27.3%	28.8%

For the purpose of the correct understanding of the financial statements, as explained in detail in section 3.1 of the Registration Document, it should be noted that there are significant discrepancies between the financial statements and the Company cash flow. With regard to Company income, one of the most relevant items is the interest on participating loans that are granted to investee companies. Despite the fact that the interest accrues for accounting purposes in each financial year, these are not reflected in the Company cash funds as cash flow until divestment. Therefore, there is a temporary gap between the accrual and the payment of this interest that may become significant. Likewise, in terms of one of the most relevant cost items, the success fee that

DINAMIA pays the Management Company, there is a temporary gap between the accrual and the corresponding cash flow. This is due to what is stipulated in the Management contract which, as detailed below, specifies that this success fee shall only be paid once the cost is covered of the investment made in the investee company from which it is divesting with a minimum profitability equivalent to the average annual IRR of the Spanish Government Bonds at 3 years during the month of December prior to the commencement of each calendar year.

Furthermore, it should also be stated that the corrections made due to the depreciations suffered by the investee portfolio in its valuations explain the profit and loss account results. The amounts for the depreciation of the investment portfolio recorded for accounting purposes by the Company in its financial statements for the 2007 and 2008 financial years amounted to 7,439 thousand Euros and 50,090 thousand Euros. In the 2006 financial year no depreciation was recorded but rather a recovery of previous depreciations to the net amount of 2,016 thousand Euros.

3. BASIC CHARACTERISTICS OF THE OPERATION

a) Purpose of the Public Offer and allocation of the Funds

The capital increase subject of this Prospectus has the primary purpose of increasing the company cash funds to accommodate future investments in new companies in its area of activity.

DINAMIA, in accordance with the normal rate of business, continuously evaluates investment opportunities in new companies. Although a slowdown in the downturn is expected domestically in 2010 prior to the growth of the economy expected in the following years, beginning in 2011, it is expected that as of now and specifically throughout the next two years, investment opportunities will arise for DINAMIA as a result of the aforementioned recovery as well as the growth of acquisition multiples, which are currently more attractive than in the past. Similarly, the materialisation of said investment opportunities will depend upon the availability of bank finance and consequently on the improvement of the credit market.

With regard to the above, and given that the current general context does not favour the selling of the Company's investment portfolio, in order to be able to maintain DINAMIA's rate of investment the raising of the cash funds is required, so that DINAMIA may continue to make new investments which may generate value for the company and its shareholders.

The Company estimates that it will allocate practically all available funds to new investments, allocating 10% of the aforementioned funds to investments in companies currently in the portfolio.

b) Public Offer amount

The operation described in this Summary is a Public Offer for a capital increase with preferential rights to subscription for the effective amount of 39,900 thousand Euros. The nominal amount of the Public Offer is 11,970 thousand Euros. Since all the new shares are subscribed and fully paid out, these shall represent 33.3% of the Company share capital prior to the Public Offer and 25% of the Company share capital following the Public Offer.

c) Number of Shares subject of the Public Offer

The Public Offer shall be made through the issue and release of 3,990,000 new ordinary shares each with a par value of 3 Euros, of the same class and series as the ordinary company shares currently in circulation. The shares are offered in the proportion of 1 new share for each 3 old shares.

d) Issue price

The new shares issued in the Public Offer will be issued with a share premium of 7 Euros per share, which implies a single subscription price (par plus share premium) of 10 Euros per share. This price amounts to 333.33% above the par share value.

e) Decrease on share Premium on the Listed Price

The share premium shows a decrease of 8.26% on the listed price of the company share at close of market on 16 November 2009 and an 8.55% decrease on the average listed price of the company shares in the market sessions corresponding to the 6 months prior to 16 November 2009.

f) Group to which the Public Offer is intended

The shares issued by virtue of the Public Offer shall be offered for subscription during the Preferential Subscription Period for (i) ordinary shareholders in DINAMIA who at 11:59 pm on the date of publication of the capital increase notice in the Official Gazette of the Companies Register (that is, 20 November 2009) are recorded in the accounting entries of IBERCLEAR and its Participant Companies, in the proportion of 1 new share for each 3 old shares which are entered therein, as well as for (ii) third party investors who acquire preferential rights for subscription in the market in a sufficient proportion to subscribe new shares.

g) Public Offer periods

The Public Offer will have a Preferential Subscription Period of 17 calendar days beginning 21 November next and ending on 7 December during which shareholders and investors who purchase stock market rights may exercise their subscription rights which entitle them to receive new shares in the proportion of 1 new share for every 3 old shares, as well as to request unlimited additional shares in the event that surplus shares remain following the Preferential Subscription Period. In this event, an Additional Shares Allocation Period will be initiated (second round) during which those shareholders and investors who have exercised all their subscription rights and have requested additional shares during the preferential subscription period may obtain additional shares. Should the number of surplus shares be less than the additional shares requested, an allocation process proportional to the volume of shares corresponding to the total requests made for additional shares shall take place. In the event that, upon completion of the second round, unsubscribed shares remain, a period for the presentation of requests for all unsubscribed shares shall be initiated (the Discretional Assignment Period or third round) to which any Company shareholder or non-shareholder natural or legal person will have access, although they might not have exercised all their preferential prescription rights. The Company Board of Directors (or any person authorised to such effect) shall evaluate the requests received whilst applying quality and investment stability criteria and may permit, in full or in part, or reject any of these requests at their sole discretion, avoiding unjust discrimination between requests of the same priority and characteristics.

h) Paying up of subscribed shares

The full payment of the new subscribed shares in the Preferential Subscription Period must be carried out at the same time as their subscription. The full payment of each new share assigned in the second and third round (Additional Shares Allocation Period and Discretional Assignment Period) must be carried out by the investors awarded them on the day after the end of each of the periods, without prejudice to the fact that applicants may be required to provide funds to ensure payment of the price of the shares.

4. SCHEDULE FOR THE OPERATION

The estimated schedule for the operation is as follows:

Action	Date
Approval and registration of Prospectus by the CNMV.	19 November 2009
Publication of press release in the Official Gazette of the Companies Register.	20 November 2009
Start of Preferential Subscription Period and of additional requests. *	21 November 2009
End of Preferential Subscription Period and of additional requests.	7 December 2009
Sending of information regarding subscription applications during the Preferential Subscription Period by Participant Companies to Agent company (includes information required for the Additional Shares Allocation Period).	8 December 2009, before 10am
Conveyance of applications (preferential subscription period and additional shares period) by the Participant Companies (before 10am) Assigning of preferential subscription shares.	9 December 2009
Date for disbursement of shares awarded in the Preferential Subscription Period (by the Participant Companies to the Agent Company) (before 11am). End of Additional Shares Allocation Period (Second Round), as the case may be (maximum 3 stock market business days from the end of the Preferential Subscription Period). Assigning of Additional Shares and, as the case may be, the allocation process.	10 December 2009
Date for disbursement of shares awarded in the Additional Shares Allocation Period (by the Participant Companies to the Agent Company) (before 11am). Publication of the Relevant Fact on the result of the Preferential Subscription Period and the Additional Shares Allocation Period, and on the opening and maximum duration of the Discretional Assignment Period. Start of Discretional Assignment Period (maximum 2 stock market business days from the end of the Additional Shares Allocation Period).	11 December 2009
End of Discretional Assignment Period.	14 December 2009
Communication to investors in New Awarded Shares in the Discretional Assignment Period.	15 December 2009
Date for disbursement of New Awarded shares in the Discretional Assignment Period (before 10am). End of capital increase. Publication of the Relevant Fact on the level of subscription in the Discretional Assignment Period and the definitive capital increase amount.	16 December 2009
Granting of public instrument.	17 December 2009
Entry of capital increase in Companies Register.	18 December 2009
Assignment by Iberclear of the registry references for the new shares.	21 December 2009
The Participant Companies will provide information on the registry references for new shares.	22 December 2009
Official admission to trading for new shares.	28 December 2009

* During the Preferential Subscription Period the initial subscribers shall carry out new share subscription orders and additional share subscription requests.

5. DILUTION AND LIQUIDITY

At the date of registration of this Prospectus, shareholders and members of the Board of Directors of the company who are shareholders that, together, represent approximately 27% of the share capital prior to capital increase have verbally stated their intention to participate in the offer of this Prospectus and subscribe to their rights. However, the Company has no record that all of the members of the Board of the Company are going to subscribe.

In this regard, in the event that the above shareholders and members of the Board of the Company subscribe to new shares in exercise of their preferential subscription rights and the rest of them are subscribed by third party investors, the floating capital for DINAMIA will be approximately 51.33% following the capital increase as opposed to 44.16% at the date of registration of the Prospectus.

6. RISK FACTORS

Summary of the risk factors developed in the "Risk Factors" section of the Prospectus

RISK FACTORS LINKED TO THE ISSUER OR ITS ACTIVITY

<u>Specific risk factors for the venture capital sector</u>

<u>Investment / divestment risk</u>

i. <u>Divestment Risk</u>

DINAMIA makes capital gains on its investments upon divestment. Therefore, the economic climate, the ease in obtaining finance, the good running of DINAMIA investee companies, and the potential interest of third parties in the acquisition of these, are key in being able to make satisfactory capital gains in the divestment of these.

The current economic climate in Spain may have a negative influence on the achievement of divestment operations of DINAMIA, as well as on the conditions in which the Company may carry out such divestments, since the current uncertainty in financial markets along with the lack of liquidity and difficulties obtaining finance, have a negative effect on the interest of potential investors in the investee companies. Proof of this is the growth of the investee company divestments for venture capital funds in Spain in recent years, as detailed in section 6.2 below in the Registration Document, which has increased from 1.358 billion Euros in 2006 to 1.602 billion Euros in 2007 (17% growth) and finally to 711 million Euros in 2008 (a 55% decrease), according to www.webcapitalriesgo.com (hereinafter "**Webcapitalriesgo**") and the Spanish Venture Capital Association (hereinafter "**ASCRI**"). The volume divested at cost at 30 September 2009 was 325 million Euros, which is a 44% decrease on the same period in 2008.

The execution of divestments is fundamental to the Company. In the absence of divestments it does not obtain any significant income beyond that of the profit generated from the position of liquid assets, considering that even the profit participating loans and their interests are not charged until divestment. It is also worth noting that even the recoverability of the entire principal of the loan is not insured since, in cases where the investment is not recovered, loan would be cancelled by the amount for which the investment is liquidated, and, the principal and/or interest due shall not be enforceable in the future.

Similarly, the investee financial debt may imply a limitation to DINAMIA divestment, and specifically at times of credit market downturns, since part of the funds obtained through the sale of the investee must be allocated to the early amortization of the debt or else the purchaser would have to be subrogated to the debt, which would require the approval of the financing companies by virtue of the change of control clauses common to this type of finance.

ii. Investment opportunity risks

Circumstances in the financial markets in recent months have entailed the obtaining of lesser levels of bank finance to make new investments and at lower leverage levels, which has had a negative impact on the volume of investment by the entities that operate in the venture capital sector and, consequently, also on the volume of investment by the Company. According to Webcapitalriesgo, in the first nine months of 2009 the venture capital sector invested 1.041 billion Euros in the Spanish market, which represents a 49% decrease on the same period in 2008. The majority of the funds invested during this period were invested in defensive sectors and with greater visibility.

Consequently, a potential extension of the current economic climate would have an influence on the creation of new investment operations due, among other reasons, to the difficulty involved in obtaining finance to make new investments, to discrepancies in matters of valuation between vendors and purchasers, and to the current lack of clarity on the business plans of the target companies.

The economic environment has a relevant bearing on the Company's activity. The creation of new investment operations is a key factor in the DINAMIA business model, and consequently on its current dividend distribution policy. The rotation of the portfolio and the generation of value in the investee companies are essential elements in order to maintain the Company's rate of investment and divestment.

Although in accordance with the predictions by the International Monetary Fund and the Bank of Spain a slow-down in growth is expected in 2010 prior to the predicted growth in the economy during the following years, beginning in 2011, it is expected that as of now and specifically during the next two years, investment opportunities will arise for DINAMIA as a result of the aforementioned recovery as well as the growth of acquisition multiples, which are currently more attractive than in the past. Similarly, the materialisation of said investment opportunities will depend upon the availability of bank finance and consequently on the improvement of the credit market.

Similarly, the presence of new competitors poses an added difficulty in raising new funds from potential investors interested in investing in the venture capital sector, and in access by the Company to investment opportunities created in tender operations, in which, as a general rule, better acquisition prices are attained than in bilateral processes.

iii. Investment liquidity risks

The Company's investments are iliquid, given that they are generally made in unlisted companies and those for which there is no market available for swift conveyance. Furthermore, in cases in which the Company is not the majority shareholder in a company in its portfolio, DINAMIA may not impose the payment of dividends or force the sale of assets. However, at 30 June 2009, DINAMIA and the Funds with which it co-invests, have a majority holding of 71.3% of the amount invested in the DINAMIA share portfolio. Furthermore, if the shareholdings in which it co-invests with other financial investors with common interests through corresponding shareholder agreements are included, that percentage increases to 90.9% of the amount invested.

Risk of dependency on external finance

i. Risk of limitation of availability of finance. Business model based on profitability derived from leveraged operations

DINAMIA is a company that specialises in the leveraged acquisition of companies, co-investing, as a general rule, together with their management teams (operations known as Leveraged-buyouts and Management-buyouts). Therefore, DINAMIA and the rest of the investors who are going to invest look to external finance sources when acquiring target companies. The current credit market restrictions hinder the acquisition of external finance when making new operations.

Leveraging is a key factor for the profitability of investments and, if external finance cannot be secured, DINAMIA's profitability in its investments may diminish.

The limitation on the availability of external finance may hinder the acquisition of companies and, consequently, affect the development of DINAMIA's investment activities. In this sense, the raising of new funds by the companies which operate in the venture capital sector in Spain for their own activity, via capital increases or increased assets, up until 30 September 2009 amounted to 553 million Euros, which is a decrease of 73% on the same period of the previous year. During the last three years, that is 2006, 2007 and 2008, 3,909, 5,257 and 2,778 million Euros has been raised in funds, respectively, which is a 34% increase and 47% decrease in each case on the previous year.

ii. Risk of changes in interest rates

DINAMIA finances many of its investments with bank debt, hence changes in finance conditions and in interest rates and, more specifically, increases in these, would have a direct impact on the financial cost borne by the leveraged investee companies (although cover exists for interest rates associated with these acquisition loans in some investee companies which limits the potential increase of financial costs). Additionally, these changes would have a direct impact on the annual return ("**IRR**") of the aforementioned investee companies. In this way, future changes in interest rates and, specifically, increases, may have a direct impact on the valuation of the investee companies, insofar as access to bank finance by potential purchasers of these investee companies would become less attractive with the new interest rates. The above could involve a decrease in the sale price upon divestment.

Company portfolio valuation risk. Risk of consistency in valuation criteria

The diversity of the valuation criteria, in accordance with the recommendations of the European Venture Capital Association ("**EVCA**"), accepted by the international financial community, means that valuations of Company investees on the same date may be significantly different on the basis of the methods employed. Nevertheless, one must bear in mind that the valuation criteria employed by DINAMIA are consistent and conservative, and select the lowest possible value in accordance with the EVCA recommendations.

Specific risk factors for the issuer

Risk in relation to investments

i. Risk of loss in DINAMIA portfolio value

The current economic downturn faced by the international financial markets has caused a reduction in the valuation of some DINAMIA investments in investee companies, going as far as to issue a zero valuation. Although it is hoped that part or all of these investments will be recovered, in the majority of cases it cannot be ruled out that the investments made in such companies may not be recovered, or that recovery, due to the current economic situation, may occur later than originally anticipated.

Similarly, one must bear in mind that the level of leveraging and the high acquisition multiples used in the venture capital sector, when some of the company investee acquisitions were made, have had an influence on the depreciation of the portfolio. However, in the valuations of the DINAMIA portfolio by the company to which the management of the company equity is entrusted, Nmás1 Capital Privado SGECR, S.A.U. (hereinafter, the "**Management Company**"), the Company has chosen to use the most conservative valuation criteria. Therefore, the domestic economic recovery which will bring about increased investee company profits, together with the revaluation of securities markets will cause an increase in the company's investee valuations.

The decreased valuation of the company's investee portfolio has been influenced by (i) the change in their profits (ii) the change in the stock markets (and thus of multiples of comparable listed companies) and (iii) the leveraging with which such investments were made. In particular, the valuation of the DINAMIA portfolio at 30 September 2009 (according to NAV) shows a 40% decrease on the total amount invested in the portfolio.

Similarly, the loss in the value of the Company portfolio has a direct impact on DINAMIA's profits, since the decreased valuation of the investee companies, in the majority of cases, involves the corresponding allocation for impairment of investments in the company's profit and loss accounts (7,439 thousand Euros and 50,090 thousand Euros in 2007 and 2008, respectively and the recovery of previous losses to the net amount of 2,016 thousand Euros in 2006).

ii. Risk of maturity of the investee portfolio

The lack of liquidity caused by the current economic and credit situation creates greater difficulty when making divestments, which can mean that the maturity periods set for the investments in any of the DINAMIA investee companies may be extended due to circumstances beyond the Company's control. Should a majority share not be held it might also hinder the liquidity of investments. The average period DINAMIA kept investee companies in its portfolio at 30 June 2009 is 3.8 years, whilst the average duration of the portfolio at December 2007 was 3.1 years. At 30 June 2009, 45% of the portfolio investment was equal to or greater than four years and 18% of the investment was equal to or greater than six years, according to the volume of investment made.

The aforementioned economic climate, together with DINAMIA's debt policy, and the difficulty in repeatedly turning to the capital market to secure new funding, limits the rotation of the portfolio, a key factor in the business model under which the Company operates.

iii. Investment concentration risk

The risk accepted by the Company in each individual investment in companies in its portfolio may be very significant with regard to its equity. Although the Management Company carries out a review of the most significant aspects of each project, supported by independent experts, there is no guarantee that the investment will be recouped. The investment in the largest investee company, and in the second and fifth largest investee companies (of a total of sixteen investee companies), involves a level of concentration of the investment made by the Company of 14.1%, 24.2% and 49.9%, respectively.

Similarly, the concentration of the investments on the Iberian Peninsula, and specifically in Spain, may entail particular exposure to the economic situation of the country. In this sense, the fragile economic situation in Spain and the low predictions for growth in the next few years may affect the investee companies' activities thereby decreasing their valuation.

Despite the general investment policy carried out by the Company and the lack of legal restrictions on making investments by sectors, a possible risk of concentration of DINAMIA investments cannot be discounted in certain sectors. In this sense, the sectors in which the DINAMIA investee portfolio has the greatest concentration, based on the initial investment amount, are (i) consumer products (wine, external lighting, perfumery and household cleaning products and vending services), (ii) health (hospitals and orthopaedics), (iii) business services, and (iv) leisure and tourism, which comprise 28%, 24%, 23% and 10% of the amount invested, respectively.

Risk derived from the guarantees granted in the finance contracts of the investee companies and guarantee: Pledging shares, participating loans and portfolio shares.

As a general rule, external finance requires the pledging of shares or interests in investee companies, of participating loans where these exist, as well as the vehicles through which DINAMIA materialises its investments in these to the financial bodies. Therefore, if the investee company in question were unable to comply with the conditions agreed with the financial entities, the latter would be entitled to enforce the guarantees granted in their favour. Similarly, the financing credit entities typically rely on a mortgage commitment on the investee company assets, which may materialise in light of the breach of certain financial ratios or covenants related to the evolution of financial statements and investee debt.

The current adverse economic climate has caused some DINAMIA investee companies to be obligated, or possibly be obligated in the near future, to renegotiate the finance conditions or the aforementioned covenants with the credit entities in order to guarantee that they adapt to the economic environment and the reality of current markets.

In order to minimise the risks derived from breach of financial ratios or covenants or the inability to comply with payment obligations, talks have been initiated with the lending financial institutions with the aim of reaching an agreement with said institutions and to obtain appropriate waivers. Until the date of registration of this Prospectus, the negotiations have ended or it is expected that they will end satisfactorily, although, if no agreement is reached with the financial institutions or an alternative solution is not reached, including the renegotiation of the financing conditions, the creditor may demand the accelerated maturity of the debt. Despite the fact that the lenders are not obliged to inject funds into the investee companies by virtue of the finance contracts, it cannot be discounted that DINAMIA might consider the possibility of injecting additional funds into any investee company for the purpose of assisting compliance with its business plan or to resolve its financial situation, all of this in order to aid the future profitability of said investment.

Risks with regard to the Management Company

i. Risk of dependency on behalf of the Company and conflicts of interest

The company's equity management is entrusted to the Management Company by virtue of a management contract of open-ended duration, notwithstanding that this might be terminated by any of the parties under specific circumstances.

This management contract is designated to the Management Company as exclusive manager to DINAMIA, which together with the fact that DINAMIA has no employees or management team of its own, would prevent the Company, in an immediate manner, from managing its activities independently. Similarly, the delegation of the management to a specialist expert implies that DINAMIA does not adopt the majority of the investment and divestment decisions made, which implies a degree of dependency on the Management Company.

The parties have agreed a notice period of three years or two years in the event that the termination is agreed by two thirds of the company's voting stock for the unilateral termination of the management contract. In the event that DINAMIA were to decide to terminate the management contract it would have to compensate the Management company to an amount equal to three years fixed annual fee which would have been earned had the notice period been complied with, as well as an amount equal to the success fee theoretically due to date, as stipulated in section 6.4. of the Registration Document.

The management contract does not establish that the Company's equity management by the Management Company is under an exclusive system, which may give rise to a risk of conflict of interests in the event that the Management Company manages equity other than that of DINAMIA in similar sectors and in relation to the same type of operations. At the date of registration of this Prospectus, besides the management of DINAMIA's equity, the Management company is entrusted with the management of the N+1 Private Equity Fund II, composed of three simplified regime venture capital institutions.

Finally, the fact that the Management company is part of the N+1 Group, in which there are other companies which provide consultancy services to businesses regarding capital structure, industrial strategy and related matters, as well as consultancy and other services related to company mergers and acquisitions, conflicts of interest could arise between DINAMIA, the Management company and/or the aforementioned companies. However, the N+1 Group has regulation for the appropriate management of conflicts of interest which stop said companies from providing consultancy services to the DINAMIA investee companies, except in cases where DINAMIA has a minority share in the same, and provided that the offer of such consultancy services has the prior approval of the majority of the partners in the investee company in question.

Furthermore, within the N+1 Group there is another venture capital management company (Nmás1 Eolia, S.G.E.C.R., S.A.) whose activity consists of taking equity stakes in companies in the renewable energy sector. However, the N+1 Group has an organisational structure that establishes a separation between the different companies of which it is comprised, ensuring the functional and spatial separation of the different business areas, as well as an Internal Code of Conduct and a Procedures Manual with the necessary mechanisms to avoid conflicts of interest between the different N+1 group companies.

ii. Risk derived from management of investee companies

The Management Company does not intervene in the daily management of activity undertaken by investee companies. However, through its team of professionals, it has a presence on the board of directors of the investee companies. Similarly, the powers of the management team of the investee companies are limited, and there is also confidential material that requires consultation with the respective boards of directors.

Risk of conflict of interests derived from co-investment with the Funds

DINAMIA co-invests, generally 50%, on the basis of corresponding co-investment agreements, with N+1 Private Equity Fund I and N+1 Private Equity Fund II (hereinafter the "**Funds**"), which allows DINAMIA to access a larger group of companies, and of larger companies.

The fact that the Funds are entities with a specific duration and full committed equity fixed at the time of their constitution means that conflicts of interest could occur with regard to potential additional investments in the investee companies, for the purpose of providing these with greater financial support, or with potential divestment operations in times of economic downturn.

The co-investment regimes of DINAMIA with the Funds are subject to the coexistence of the investments for both entities, hence in the event that the Company is not interested in or is prejudiced by a specific investment it is not obligated to undertake it.

Similarly, the specific duration of the Funds implies that the constituent contract establishes a timeline for the realisation of the divestments, which could imply a conflict of interests between DINAMIA and the Funds when deciding whether to carry out the divestment operations. However, as stated in section 14.2 below of the Registration Document, in those circumstances in which the divestments entail a negative effect for DINAMIA or the Funds the DINAMIA Board of Directors will be informed in advance as will the respective Advisory Committee of the Funds.

Risk of not distributing dividends

There is a risk that the Company may not be able to maintain the quantity of the dividend per share distributed to the shareholders to date, or at worst the maintenance of the dividend, as a result of (i) the increase in the number of shares once the capital increase subject of this Prospectus takes place which would imply keeping the amount of the dividend per share constant, and therefore a greater disbursement for the Company by way of dividends, and (ii) a limited cash funds position that the Company could have, due to the investments which could take place on the back of interesting investment opportunities for the Company in 2010 and 2011, together with the impossibility or inconvenience of the materialisation of portfolio divestments.

Risk factors linked to offered securities

Preferential subscription rights market

DINAMIA cannot ensure that an active negotiation market will develop in the Madrid and Barcelona stock markets for preferential subscription rights from the capital increase or that there will be sufficient liquidity for these rights. Similarly, given that the negotiation price of the rights depends on the negotiation price of the ordinary shares, a possible significant fall in share price for DINAMIA might have a negative effect on the value of the subscription rights.

DINAMIA cannot ensure the owners of the preferential subscription rights that the share price for DINAMIA will not fall below the subscription price of the shares after the owners of preferential subscription rights have decided to exercise them. Should this occur, the owners of the preferential subscription rights will be obliged to acquire new issue shares at a higher price than the market price and, therefore, they will suffer a loss.

Irrevocability of subscriptions

Shareholders who exercise the subscription rights which they own and those investors who acquire them and exercise them during the Preferential subscription Period or make subscription orders for shares during the Additional Share Allocation and Discretional Assignment Periods may not revoke the subscriptions made.

Inexistence of lock-up obligations

There is no agreement for not transferring shares (*lock up*) by the significant shareholders of DINAMIA, no obligation for the maintenance of the investment nor any time limit on the sale by the recipients of the shares issued in this capital increase.

However, the company's Board of Directors has undertaken not to issue shares or other securities which give rights to subscription or acquisition of shares from DINAMIA nor propose their issue to the General Shareholders Meeting, until 180 days after the date of admission of the shares to negotiation on the Securities Market.

Market for the shares

It cannot be ensured that the issued shares are going to trade on the market, once the capital increase subject of this Prospectus is closed, at a price equal or similar to the subscription price (10 Euros per share), despite an 8.55% decrease on this subscription price with regard to the average share price of DINAMIA during the last 6 months since 16 November 2009 and that the theoretical value of the share post expansion will be 10.675 Euros per share (the price of the share at 16 November 2009 ex rights) or 10.9344 Euros per share (the average share price ex rights for the last 6 months) and therefore, the owners of ordinary shares who partake in the capital increase may incur a drop in value.

Stock Exchange volatility

The stock markets in Spain and throughout the world have experienced significant fluctuations in price and business volume in recent years and especially in recent months. This volatility may have adverse effects on the share price and, specifically, on DINAMIA, despite what the financial situation and the operation results of the Company may be. In particular, in the case of DINAMIA, the minimum and maximum share price during the twelve months prior to 16 November 2009 were 6.56 Euros and 11.79 Euros, respectively. Similarly, the average fluctuation of the company shares during this period was 39.6% in contrast to the IBEX-35 Index which was 28.4% and 20.2% for the IBEX-Small Caps Index.

Reduced market capitalization security

The market capitalization of DINAMIA at close of session on 16 November 2009 was 130.47 million Euros and the market value of the floating capital (free-float) of the company was 57.62 million Euros. The IBEX-Small Caps Index, which DINAMIA is part of, includes 30 companies with market capitalizations of between 80 and 728 million Euros and the capitaliztion of the smallest company of least IBEX-35 value at this date was 1,581 million Euros, hence DINAMIA may be considered of small value.

These values are often characterised by their higher sensitivity to the orders of operators, less depth and higher volatility.

<u>Dilution due to failure to exercise preferential subscription rights</u>

Shareholders who do not exercise their preferential subscription rights shall have their equity stake in DINAMIA diluted. Similarly, even in the event that shareholders were to transfer their unexercised preferential subscription rights, the price received in consideration would not be sufficient to completely compensate them for the dilution of their equity stake in DINAMIA as a result of the capital increase referred to in this Prospectus. Furthermore, upon termination of the Preferential Subscription Period, the preferential subscription rights that have not been exercised shall be extinguished and the shareholders that have not exercised their rights shall not be compensated in any way.

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II. RISK FACTORS

1. SPECIFIC RISK FACTORS OF THE ISSUER OR THEIR SECTOR OF ACTIVITY

1.1 SPECIFIC RISK FACTORS OF THE SECTOR OF ACTIVITY

Risk of investment and divestment

i. Risk of divestment

DINAMIA makes the capital gains from its investments at the time of divestment. Therefore, the economic situation, the ease of obtaining financing, the good performance of DINAMIA's investee companies and the potential interest of the parties in buying these investments are key to being able to carry out satisfactory capital gains in disinvesting them.

The current economic environment in Spain may negatively influence the achievement of divestment operations of the DINAMIA investee companies, and the conditions in which the Company might carry out these divestments, due to the current uncertainty of the financial markets together with the lack of liquidity and difficulties when looking for financing negatively affecting the interest of potential investors in the investee companies. This is shown by the evolution of the divestments in investee companies by venture capital funds in recent years, as described in the following section 6.2 of the Registry Document, evolving from 1,358 million Euros in 2006, to 1,602 million Euros in 2007 (a growth of 17%) and finally to 711 million Euros in 2008 (a fall of 55%), according to www.webcapitalriesgo.com (hereinafter "**Webcapitalriesgo**") and the Spanish Association of Venture Capital (hereinafter "**ASCRI**"). The volume of divestment at cost value at September 30, 2009 was 325 million Euros, representing a fall of 44% over the same period in 2008.

Similarly, these circumstances negatively affect the most profitable divestment processes such as, for example, the stock market floating and sale of investee companies to financial partners.

In addition to this, this risk particularly affects DINAMIA, as, bearing in mind this portfolio of investee companies, the performance of divestments is fundamental for the Company to be able to achieve new funds. If these divestments do not occur, it will not obtain any significant income beyond the yield generated by the cash funds, considering that even the profit participating loans given by the Company to its investee companies and the interests there from are not received until the time of the divestment. It must also be said that even the recovery of all of the principal of the loan and the interests is not assured, for in cases in which the investment is not recouped the loan is loan would be cancelled by the amount for which the investment is liquidated, and, initially, the principal and/or interest due shall not be enforceable in the future (according to market practices applied by the Company, although this condition is not, in principle, expressed in the DINAMIA profit participating loan contracts).

The financial debt of the investee companies might be a limitation on DINAMIA's divestment, and particularly at times of crisis in the credit markets, for part of the flows achieved from the sale of the investee company must be put into redeeming the debt in advance, otherwise, the purchaser of the investee company must be subrogated to this debt, thus bringing in the clauses of control exchange which are common in the syndicated financing contracts of DINAMIA's investee companies, by virtue of which the bank syndicate must approve the said control exchange.

ii. <u>Risk of investment opportunities</u>

The economic environment has a strong effect on the venture capital sector in which the Company operates, and particularly in generating investment opportunities. In adverse economic cycles, there is greater difficulty when materialising investment opportunities, so there is no guarantee regarding the capacity to find a sufficient number of investors in the future at attractive prices which allow the Company objectives to be met. As a result, a potential prolongation of the current economic situation would influence the generation of new investment operations due, amongst other reasons, to the difficulty of achieving financing for taking on new investments, to discrepancies concerning questions of the value between sellers and purchasers, and to the little present visibility of the business plans of the target companies.

The circumstances of the financial markets in recent months has led to the achievement of smaller volumes of bank financing to be able to make new investments and the performance of less leveraged investments, which has had a negative impact on the investment volume of the institutions operating in the venture capital sector and, as a result, on the Company's investment volume. As described in section 6.2 of the Registry Document, the funds invested by the venture capital sector in the Spanish market in the first nine months of 2009 were 1.041 billion Euros, which is a 49% fall over the same period in 2008. The majority of the volume invested in the first half of 2009 came in the defensive sectors and those of greatest visibility, as is shown by the fact that the health sector has the highest percentage investment in this first half of 2009 (21.3%). The number of operations in Spain fell by 13% to

576 in the first nine months of 2009, with 85% of the investments with a volume of over 2.5 million Euros. The investment in new companies and in investee companies accounted for 56% and 44% of the investment, respectively.

The aforementioned present economic environment has a particular effect on the Company's activity as it operates in a sector in which leveraged operations are commonplace, and in companies which are in a phase of consolidation, which require large investments and are highly dependent on obtaining external financing.

The generation of new investment operations is a key factor in DINAMIA's business model and in achieving its current policy of dividend distribution. The rotation of the portfolio and the generation of value in investee companies are essential elements to maintaining the Company's rate of investment and divestment.

Although according to the forecasts of the International Monetary Fund and the Bank of Spain, this fall is expected to slow down in the domestic market in 2010, prior to the growth of the economy expected for the following years starting in 2011, it is expected that from the present time and particularly in the coming two years, investment opportunities will be generated for DINAMIA due to this recovery and also due to the evolution of the multiples of purchase, more attractive now than at their historical levels. Likewise, the materialisation of the aforementioned investment opportunities will depend on the availability of cheap bank financing and the resulting improvement of the credit market.

It must also be stressed that in an economic environment such as the present one, the institutions operating in the venture capital sector which are best placed to face the economic crisis are those with the largest Treasury and the shortest time of investee companies in their portfolio.

Equally, the materialisation of investment opportunities has been affected in recent years by the appearance of competitors for DINAMIA, such as new Spanish venture capital institutions, the creation of which has been favoured by the new regulatory framework established by the 25/2005 Act of 24 November, regulating the venture capital entities and their management companies (hereinafter "**25/2005**"), Pan European and American venture capital foreign funds present in Spain, venture capital funds specialised in investing in specific sectors and public or industrial companies or companies dependent on financial institutions which have increased their presence in the investment opportunities usually accessed by DINAMIA. Section 5.2 and 6.2 of the Registry Document include illustrative documents on the evolution of DINAMIA's investment volume and the venture capital sector in recent years, respectively, and the evolution of the presence of new national or foreign venture capital funds in Spain.

The aforementioned presence of new competitors supposes an added difficulty for attracting new funds from potential investors interested in investing in the venture capital sector and for the Company to access investment operations generated in auction processes in which the resulting sale prices are higher than those obtained in a bilateral process.

iii. Risk of investment liquidity

The Company investments are not liquid as they are generally made in unlisted companies and for which there is no market for their rapid disposal. Furthermore, in the cases in which the participation of the Company in a company of its portfolio is not majority, albeit individually or together with the N+1 Private Equity Fund I and N+1 Private Equity Fund II (hereinafter "**the Funds**"), with which the Company joint invests as established in the following sections 5.1.5 and 6.4 of the Registry Document, DINAMIA may not impose the payment of dividends or force the sale of all of the capital.

However, at 30 June 2009, DINAMIA and the referred Funds with which it joint invests had a majority presence in 71.3% of the amount invested in DINAMIA's portfolio of investee companies. Furthermore, if the shareholdings are also considered in which it joint invests with other financial investors with common interests, specified through the corresponding shareholder pacts, this percentage increases to 90.9% of the invested amount.

The fact that DINAMIA's investee companies are not listed companies, save extraordinary exceptions, sometimes means that the discount between the quoting price of the Company and the periodical valuations made of it by the Management Company is more important in comparison with other listed holdings, the portfolio shareholdings of which also quote individually on the stock market. The present discount of the quotation price with respect to the last revised valuation of DINAMIA at 30 June 2009, was around 29%, against a discount of 53% at 31 December, 2008.

Risk of dependency on external financing

i. Risk of limitation of financing availability. Business model based on returns derived from leveraged operations.

The availability of external financing is important in optimising the yield of the capital invested by DINAMIA in the companies which are the object of purchase, as this is a company specialised in leveraged company purchase operations, generally joint investing along with its management teams, operations known as Leveraged Buyouts and Management Buyouts. Therefore, DINAMIA and the other investors which are going to make an investment, approach external sources of financing when purchasing the target companies. The current restrictions on the credit market hinder the obtaining of external financing when making new operations, as described in section 9.2.3 of the Registry Document.

As described in section 6.1 of the Registry Document in an illustrative example, leveraging is a key factor for investment yield and, if external financing cannot be obtained, DINAMIA's yield in its investments, assuming that the price of purchase, sale and the time in which the investment stayed in the portfolio were maintained, could be undermined.

The current restrictions of the credit market for carrying out new target company purchase operations have resulted in aspects such as (i) smaller financing volumes and, as a result, lower multiples of purchase, (ii) higher financing costs with less leveraged structures and (iii) investments in more defensive companies in the economic cycle and based on business plans with more conservative projections.

The limitation in the availability of external financing could hinder company purchases and thus affect the development of DINAMIA's investment activity as said before. In this sense, the obtaining of new funds by the institutions operating in the venture capital sector in Spain for their own activity, via capital increases or equity increases, until 30 September 2009 amounted to 553 million Euros, which is a fall of 73% over the same period last year. The evolution of financing in the last three years, that is 2006, 2007 and 2008, was 3,909, 5,257 and 2,778 million Euros, respectively, which represents an increase of 34% and a decrease of 47% in each case over the previous year.

ii. <u>Risk of interest rate evolution</u>

Changes in external factors and specifically higher interest rates will have a direct impact on the financial burden borne by leveraged investee companies (although there are interest rate covers associated with these purchase loans in some investee companies which limit the potential rise of the financial costs).

Additionally, they would have a direct impact on the annual yield (the "**IRR**") generated in their divestment. In this way, future changes in interest rates and specifically rises might have a direct impact on the valuation of the investee companies and the investment yields, insofar as access to bank financing by potential purchasers of these investee companies would be less attractive with the new interest rates. This might suppose a fall in sale prices at the time of divestment.

Valuation risk of the Company portfolio. Risk of uniformity of valuation criteria

The heterogeneity of the valuation criteria, in accordance with the recommendations of the European Venture Capital Association ("**EVCA**"), admitted by the international financial community, implies that the valuations of the Company's investee companies on the same date can have significant differences depending on the methods used to make them (such as multiples of purchases or comparable listed companies – which depend on the chosen listed companies, the geographical markets in which they operate and the volatility of the stock markets on which they are listed, cash flow decreases and net equity value, amongst others). However, it must be borne in mind that the valuation criteria applied by DINAMIA are consistent and conservative and choose the lesser value of those possible in accordance with the criteria recommended by the EVCA. Likewise, the quarterly valuations that DINAMIA publishes are the object of half-yearly revision (June and December) by an independent expert, and the valuation criteria used by the Company are specified in it.

1.2 SPECIFIC RISK FACTORS OF THE ISSUER

Risks related to the investments

i. <u>Risk of loss of value of the DINAMIA portfolio</u>

The present situation of economic crisis affecting the international financial markets has meant that the valuations of some of DINAMIA's investments in their investee companies have fallen, and have even reached a valuation equivalent to zero, as is the case of Laude, Alcad, Bestin, Bodybell and High Tech, with an aggregate cost representing a total 34% of the total investment of the portfolio. Although it is expected to recover part or all of these investments, in most cases it cannot be discounted that the investments made in the said companies might not be recouped, or that their recovery, in the terms in which they are described in section 6.1 of the Registry Document, might occur later than initially expected. Likewise, it must be borne in mind that the leverage level and the high multiples of purchase used in the venture capital sector when some of the purchases of the Company's investee companies were made, have influenced the depreciation of its portfolio. However, it should be stressed that in the valuations affecting the Management Company on the DINAMIA portfolio, it has been chosen to use the most conservative valuation criteria recommended by the EVCA, that is, those criteria which provide the least value among all those possible, so a recovery of the national economic situation leading to an increase in the results of the investee companies, together with the revaluation of the stock market, would cause an increase in the results of the investee companies of the Company (for companies valued by multiples of comparables).

The depreciation of the valuation of the investment of the Company in its portfolio of investee companies has been influenced by (i) the evolution of the results of the said companies; (ii) the evolution of the stock markets (and therefore of the multiples of comparables listed companies) and (iii) the leveraging with which the investments were made.

Proof of the impact of the present economic situation on the value of the DINAMIA portfolio is that its valuation at 30 September presents a decrease of 40% on the total amount invested, a figure that remains unaltered with respect to the valuation of the said portfolio at 30 June 2009.

Similarly, the loss of value of the Company's portfolio has a direct impact on DINAMIA's results, as the fall in the valuation of the investee companies, in the majority of cases, implies a corresponding provision for investment impairment in the Company's profit and loss account. The portfolio impairment investments recorded in accounting terms by the Company in its income statement at the close of 2007 and 2008 amounted to 7,439 and 50,090 thousand Euros, respectively, and was the main impact on the income statement. No impairment was registered in 2006, but rather a recovery of preceding deteriorations of a net amount of 2,016 thousand Euros.

ii. Risk of ageing of the portfolio of investee companies

The lack of liquidity caused by the present economic and credit environment implies greater difficulty when carrying out divestments, which might mean that the maturing periods of the investments expected for some of DINAMIA's investee companies are extended due to circumstances outside the Company's control. The fact of not having a majority shareholding may also hinder the liquidity of the investments. The aforementioned economic environment, together with DINAMIA's non-indebtedness policy and the difficulty of repeatedly approaching the capital market for new funds, limits the rotation of its portfolio, a factor which is key in the business model in which the Company operates. The average duration of DINAMIA in its portfolio of investee companies at 30 June 2009 is 3.8 years, whereas the average duration of the portfolio of investee companies in December 2007 was 3.1 years. At 30 June 2009, 45% of the investment of the portfolio had a duration of four years or more and 18% of the investment had a duration of six years or more, depending on the volume of investment made. These figures would be reduced to 36% and 11%, respectively, if making the calculation with a base in the Net Asset Value at 30 June 2009 ("**NAV**") of each company in the portfolio of investee companies. The following section 6 of the Prospectus Registry Document gives the purchase dates of each of the investee companies of DINAMIA.

iii. Risk of concentrating the investment

Without prejudice to the limits of concentration of the investments in the same company or in companies of the same group established by the 25/2005 Act, the risk assumed by the Company in each individual investment in companies of its portfolio might be highly significant in relation to their equity. Although the institution entrusted with managing the Company equity, Nmás1 Capital Privado SGECR, S.A.U. (hereinafter the "**Management Entity**" or the "**Management Company**"), with the support of independent experts, makes a review for each project of its most important aspects, there is no guarantee regarding the recovery of the investments.

The degree of concentration of DINAMIA's investments in its investee companies is described in section 6.1 of the Registry Document. The investment in the largest investee company, and in the two and five largest investee companies (of sixteen in total), represents a degree of concentration of the investments made by the Company of 14.1%, 24.2% and 49.9%, respectively. If making the concentration analysis based on the NAV at 30 June 2009 of each investee company, the degree of concentration would rise to 24.7%, 39.3% and 72.0%, respectively.

Likewise, the concentration of the investments in the Iberian Peninsula and specifically in Spain, may involve special exposure to the economic situation of the country. In this sense, Spain's fragile economic situation and the modern forecasts of evolution and the moderate forecasts of evolution in the coming years could affect the activity of the investee companies by reducing their value.

Despite the general investment policy carried out by the Company, and the lack of legal restriction on carrying out investments by sectors, it is not possible to discount a possible risk of concentration of DINAMIA's investments in certain sectors. In this sense, DINAMIA would be exposed to the difficulties being felt by these sectors, which might have a considerable impact on the Company and its valuation. At the present time, as described in section 6 of the Registry Document, the sectors in which DINAMIA's portfolio of investee companies is mostly concentrated, with respect to the initial investment, are (i) consumption (wine, exterior lighting, perfumes and hygiene, and vending services), (ii) health (hospitals and orthopaedics), (iii) business services, and (iv) leisure and tourism, which account for 28%, 24%, 23% and 10% of the invested amount, respectively. These concentration percentages based on the NAV at 30 June 2009 of each investee company would be (i) consumption sector 24%, (ii) health sector 39%, (iii) business service sector 22% and, (iv) security sector 9%. It must be said that the health and security sectors would be affected less by the economic cycle than services and consumption.

Risk derived from the guarantees granted in the financing contracts of investee companies and guarantee: pledging of shares, profit participating loans and assets in portfolio.

Although there has never been a guarantee of DINAMIA or proceedings against it nor guarantees crossed between the investee companies, bank financing generally requires pledging in favour of the financial institutions of the shares or shareholdings of the investee companies, of the profit participating loans if any, and of the vehicles through which DINAMIA materialises its investment in them. Therefore, if the investee company in question were unable to meet the conditions agreed with the financing institutions, they would be enabled to execute the guarantees granted in their favour. Likewise, the financing credit institutions typically have a mortgage promise on the assets of the investee companies, which could be materialised upon breakage of certain financial ratios or covenants related to the evolution of the financial statements and indebtedness of the investee company.

The present adverse economic environment has caused certain of DINAMIA's investee companies to be obliged, or to possibly be obliged in the future, to renegotiate the financing conditions or the referred covenants with the credit institutions in order to guarantee that they will adapt to the economic environment and reality of the present market. This maladjustment is caused because the structures, the financing conditions and the covenants agreed in these financing contracts were designed in line with the economic and market circumstances at the time of subscription, which, in the present economic environment, have lost consistency or have become obsolete.

In order to minimise the risks derived from the infringement of financial ratios or covenants, or of the inability to meet payment obligations, conversations have been started with the financial institutions lending the loans or credits of which the ratios have been infringed or which are likely to be infringed in the future, in order to reach an agreement with the said institutions and obtain the relevant waivers. At the date of this Prospectus, these negotiations have been completed satisfactorily or are expected to be completed satisfactorily, although if an agreement is not reached with the financing institutions or another alternative solution, including renegotiation of the financing conditions, the credit may require the early maturity of the debt. Although borrowers are not obliged by virtue of the financing contracts to inject funds into the investee companies, it cannot be discounted that DINAMIA might consider the possibility of injecting additional funds into an investee company to finance its business plan, provided it receives future returns from the investment.

Similarly, the aforementioned pledging of shares and/or company shareholdings may imply a limitation on their liquidity, for the pledge only expires upon the total cancellation of the bank financing. The expiry of the pledge in the case of the sale of shares or company shareholdings only occurs with the cancellation or replacement of the said bank financing by the seller with part of the resources obtained in the sale. In the possible event of the purchaser wishing to be subrogated on the existing debt of the investee company, as described in section 6.1 of the Registry Document, instead of proceeding to settle it at the time of the purchase, the control exchange should be approved by the creditors or bank syndicate.

Risks in relation to the Management Company

i. Risk of dependence by the Company and conflict of interests

The management of the Company equity is entrusted to a Management Entity by virtue of an open-ended management contract (hereinafter "**the Management Contract**"), without prejudice to this being able to be terminated by either of the parties under certain conditions.

By virtue of the Management Contract, the Management Entity is appointed as the exclusive manager of DINAMIA, which together with the fact that DINAMIA has no employees or management team of its own, would prevent the Company from immediately managing its assets independently in the event of termination of the Management Contract.

Likewise, without prejudice to the continuous follow-up exercised by the Board of Directors of the Company, the delegation of the management to a specialised expert means that DINAMIA generally does not adopt the majority of investment and divestment decisions that are taken, which represents a certain degree of dependence on the Management Entity.

The parties have agreed on a period of three years notice for terminating the

Management Contract unilaterally. If DINAMIA should decide to unilaterally terminate the Management Contract with the Management Entity and without respecting the aforementioned notice, they would have to compensate the Management Entity with an amount equivalent to three years of fixed annual fees or two years if the termination has been agreed by two-thirds of the capital entitled to vote of the Company, and an amount equivalent to the theoretical success fee agreed to as of that date, as stated in section 6.4 of the Registry Document, which may imply a difficulty for the Company when taking the unilateral decision to terminate the Management Contract immediately. Compensation is also considered for an amount equivalent to three years of fixed annual fees if it is the Management Entity that terminates the Management Contract without notice.

Furthermore, the Management Contract does not establish that the management of the Company equity by the Management Entity be carried out exclusively by the said Management Entity, which could give rise to a conflict of interests if the Management Entity should manage equities other than that of DINAMIA, in similar sectors and related to the same type of operations. On the date on which this Prospectus is registered, the Management Entity, in addition to managing the equity of DINAMIA, has been entrusted with the management of the so-called complex of the investment N+1 Private Equity Fund II, formed by three venture capital institutions in the Simplified Regime (Nmás1 Private Equity Fund II ERISA, FCR Simplified Regime, Nmás1 Private Equity Fund II Non-ERISA, FCR Simplified Regime and Nmás1 Private Equity Fund II Families, S.A. SCR Simplified Regime), which invests along with DINAMIA.

As is established in the following section 14 of the Registry Document, no administrator of the Management Entity or of its parent, or any significant direct or indirect shareholder are members of the Board of Directors of the Company or have direct or indirect shareholdings in the DINAMIA share capital.

Finally, the fact that the Management Entity is integrated in the Group N+1, where there are other companies that give advisory services to companies on the structure of their capital, industrial strategy and similar questions, and the assessment and other services in relation to company mergers and takeovers, might cause conflicts of interests between DINAMIA, the Management Entity and/or the aforementioned companies. However, the Group N+1 has rules for suitably dealing with conflicts of interests that prevent the said companies giving their advisory services to DINAMIA's investee companies, save in the cases in which they have a minority share, and provided the provision of the said advisory services has previously been approved by the majority of partners of the investee company in question.

Furthermore, within the Group N+1 there is venture capital entity management company (Nmás1 Eolia, S.G.E.C.R., S.A.) with an activity that consists of taking shareholdings in companies of the sector of renewable energies. However, Group N+1 has an organisational structure in which the separation is established between the different companies forming it, assuring the functional and spatial segregation of the different business areas, and Internal Code of Conduct and a Procedure Manual with the necessary mechanisms to avoid conflicts of interests between the different companies making up the Group N+1.

ii. Risk derived from the management of the investee companies

The Management Entity of DINAMIA does not intervene in the daily management of the activity developed by the investee companies, which could imply a loss of control over the daily operation of the investee companies thereby. However, the Management Entity, through its team of professionals, has a presence on the Board of Directors of the investee companies, which attempts, as far as possible, to reflect the structure of the holding in the share capital. Likewise, the faculties of the management team of the investee companies are limited, and there are also reserved matters that must be the object of consultation in the respective boards of directors. These measures avoid or significantly minimise the risk referred to in this section.

Risk of conflict of interests derived from the co-investment with the Funds

DINAMIA generally joint invests 50% with the Funds (N+1 Private Equity Fund I and with N+1 Private Equity Fund II), in the conditions established in sections 5.1.5 and 6.4 of the Registry Document.

The co-investment agreements with the Funds allow DINAMIA to reach a larger number of companies and companies of a larger size, along with a partner whose interests are in line with those of the Company, which avoids or significantly reduces conflicts of interest and strengthens the Company's position both in investments and in divestments.

However, the fact that the Funds are configured as entities of limited duration and with a total closed equity at the time of their constitution might, as mentioned in sections 5.1.5 and 14.2 of the Registry Document, cause conflicts between the interests of DINAMIA and the Funds regarding potential complementary investments in the investee companies in which they joint invest, in order to give them greater financial support, or before potential divestment operations in environments of economic crisis.

DINAMIA's co-investment systems with the Funds are subject to the convenience of the investments for both entities, so if the Company is not interested, or it is prejudiced by the performance of a specific investment, it is not obliged to make it.

The defined duration of the Funds means a time horizon is established for the divestments in their constitutional regulations, which could imply a conflict of interests between DINAMIA and them at the time of deciding on making the said divestment operations. However, as mentioned in section 14.2 of the Registry Document, in cases in which the divestments might have a negative effect for DINAMIA or the Funds, the Board of Directors of DINAMIA and the respective Fund Advisory Committee will be informed to be able to analyse possible alternatives for resolving the situation.

In particular, Fund N+1 PEF has been constituted with a certain duration and has an investment period that ended in December 2007 (and which allows investments in the companies that are already investee companies in the following 3 years) and a divestment period that will end in December 2015 (without prejudice to any possible agreements to extend it). The complementary investments that this Fund might make after the investment period may only involve 10% of the total committed equity of Fund I, which means that if funds had to be injected into any investee company in which there is co-investment with DINAMIA, the capacity of N+1 PEF I for making the said complementary investments is limited.

The configuration of Fund I as an entity with a certain duration and a maximum total committed equity might, in extraordinary situations, affect the co-investment system in relation to (i) potential complementary investments that might have to be made to inject funds into some investee company, and (ii) with potential divestment operations at times unsuitable for DINAMIA in the opinion of the Management Entity, which could cause a conflict of interests between DINAMIA and Fund I. Section 5.1.5 of the Registry Document describes the possible solutions if any of these cases should occur.

Risk of not sharing out dividends

The Company has distributed a dividend of a constant amount per share to its shareholders in the past, not related to the results generated by it. However, there is the risk that the Company might not be able to maintain the amount of the dividend per share maintained up to now, or, in the extreme, the dividend itself, as a result of different factors, the most relevant of which are: (i) the increase in the number of shares once the capital increase that is the object of this Prospectus is carried out, which, if the amount of the dividend per share remained constant, would imply a greater outlay for the Company in terms of dividends, and (ii) limited cash funds that the Company might have as a result of any investments which might have taken place, together with the impossibility or inconvenience of materialising investments in its portfolio.

2. RISK FACTORS FOR THE SECURITIES THAT ARE OFFERED AND/OR ADMITTED TO TRADING

Market of the preferential subscription rights

The preferential subscription rights to the capital increase object of this Prospectus will be tradable on the Madrid and Barcelona Stock Exchanges through the Stock Market Interconnection System (Continuous Market) during a period of seventeen calendar days as of the day following the publication of the announcement of the capital increase in the Official Gazette of the Companies Registry. DINAMIA cannot assure that an active trading market is going to develop on said Stock Exchanges during that period or that, during the same, there is going to be sufficient liquidity for said rights.

Likewise, given that the trading price of the rights depends on the trading price of the ordinary shares, a possible significant drop in the trading price of DINAMIA shares could negatively affect the value of the preferential subscription rights. DINAMIA cannot assure the holders of preferential subscription rights that the trading price of DINAMIA's shares will not drop below the subscription price of the shares after the holders of the preferential subscription rights may have decided to exercise them. If this occurs, the holders of the preferential subscription rights will have committed to acquiring newly issued shares at a price above the market price and will therefore incur a loss.

Irrevocability of the subscriptions

The shareholders who exercise the subscription rights that they hold and the investors who acquire and exercise such rights during the Preferential Subscription Period may not revoke the subscriptions exercised.

All share subscription orders in the Additional Share Assignment and Discretionary Assignment Periods likewise cannot be revoked and are unconditional, meaning that the subscriptions exercised during those periods also cannot be revoked.

Non-existence of lock-up commitments

The sale of a substantial number of DINAMIA shares on the market after the capital increase, or the perception that such sales may occur, could negatively affect the trading price of DINAMIA's shares or the company's possibility of obtaining additional capital in the future through new public offerings for the subscription of shares.

These sales could occur given that there is no lock-up agreement by the significant shareholders of DINAMIA, no commitment to maintain the investment and no time limit regarding the sale for the recipients of the shares issued in this capital increase.

The aforementioned notwithstanding, the company's Board of Directors has assumed the commitment to not issue shares or other securities that may give a right to the subscription or acquisition of DINAMIA shares or to propose the issue thereof at the General Shareholders Meeting until 180 days have elapsed after the date when the new shares that will be issued within the framework of the capital increase, object of this Prospectus, have been admitted to trading on the Securities Markets.

Market for the shares

It cannot be ensured that, once the capital increase object of this Prospect has closed, the issued shares are going to be traded on the market at a price that is equal to or similar to the subscription price (10 Euros per share), despite the fact that the decrease of said subscription price with respect to the mean trading price of the DINAMIA share over the last 6 months as from 16 November 2009 is 8.55% and that the theoretical value of the share after the capital increase is 10.675 Euros per share (ex-right share price on 16 November 2009) or 10.701 Euros per share (mean price of the share, ex-right, of the last 6 months). Therefore, the holders of ordinary shares who take part in the capital increase could sustain capital losses.

Volatility of the trading price

The price of DINAMIA's shares on the market can be volatile. Factors such as the evolution of the company's operating results or of the valuation of its portfolio of investee companies, changes in the recommendations of stock market analysts about DINAMIA or changes in the venture capital sector, as well as in the overall conditions of the financial markets, could have a negative effect on the trading price of the company's shares. Moreover, in recent months, the securities markets in Spain and in the world have been subject to considerable volatility in terms of the trading volume and trading prices of securities. This volatility could have adverse effects on the trading price of shares and, specifically, on DINAMIA, regardless of the financial situation and the operating results of the company. In the one-year period between 16 November 2008 and 16 November 2009, the mean volatility of the DINAMIA share price was 39.6%, with a maximum of 11.79 Euros and a minimum of 6.56 Euros, versus a volatility of 28.4% for the IBEX-35 index and a volatility of 20.2% for the IBEX-Small Caps index, of which DINAMIA forms a part. The price of the DINAMIA share on 16 November 2009 amounted to 10.90 Euros, and the share prices on 16 November 2008 and 16 November 2009 were 10.05 Euros and 10.90 Euros, respectively.

Reduced market capitalisation security

DINAMIA's market capitalisation at the close of the session on 16 November 2009 was 130.47 million Euros, and that same figure on 31 December 2008 and 2007 was 110.12 and 251.13 million Euros, respectively. The company's free-float market capitalisation on 16 November 2009 was 57.62 million Euros. The IBEX-Small Caps index, of which DINAMIA forms a part, encompasses 30 companies with a market capitalisation of between 80 and 728 million Euros, while the company with the lowest market capitalisation on the IBEX-35 amounted to 1,581 million Euros on 16 November 2009, so DINAMIA can be considered a small capitalisation security. These securities tend to be characterised by their greater sensitivity to operator orders, less depth and higher volatility. The average daily trading volume of DINAMIA over the last twelve months as from 16 November 2009 was 18,156 shares. The annual capital turnover ratio amounts to 38.2% over the last 12 months, as from 16 November 2009. If the number of the company's shares is adjusted by its free-float, the ratio rises to 86.6%. The stock market capitalisation ratio of the free-float over total capitalisation on 16 November 2009 amounted to approximately 44%.

Dilution due to the non-exercise of the preferential subscription rights

Given that with the capital increase, object of this Prospectus, new ordinary shares of DINAMIA will be issued, those shareholders who do not exercise their preferential subscription rights will see their shareholding in the capital of DINAMIA diluted by up to 25% of their current shareholding in the event that 100% of the newly issued shares are subscribed to. In the event that 50% of the newly issued shares are subscribed to, those shareholders who do not exercise their preferential subscription rights will see their shareholding in the capital stock of DINAMIA diluted by up to approximately 14% of their current shareholding. In the event that the shareholders who have verbally stated their intention to take part in the capital increase object of this Prospectus subscribed 27% of the capital stock prior to the increase, approximately and as a whole, then the shareholders who do not exercise their preferential subscription rights will see their shareholding in the capital of DINAMIA diluted by up to approximately 8% of their current shareholding.

Likewise, even in the event that shareholders transferred their non-exercised preferential subscription rights, the price that they would receive in consideration might not be sufficient to completely compensate them for the dilution of their shareholding in the capital of DINAMIA as a consequence of the capital increase to which this Prospectus refers. Moreover, once the Preferential Subscription Period has ended, all preferential subscription rights that have not been exercised will be extinguished, and the shareholders who have not exercised their rights will not be compensated in any way.

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III. INFORMATION REGARDING THE SECURITIES TO BE ISSUED – COMMUNICATION ABOUT THE SHARES (ENCLOSURE III OF THE REGULATIONS (EC) Nº 809/2004 OF THE COMMISSION DATED 29 APRIL 2004)

1. THE RESPONSIBLE PARTIES

1.1 Identification of the responsible parties for Communication regarding the Securities

DINAMIA CAPITAL PRIVADO, S.C.R., S.A. (hereinafter, "**DINAMIA**", "**the Company**" or "**the Issuer**"), an entity with corporate headquarters in Madrid, at Calle Padilla, number 17, and with Tax Identification Number A-81.862.724 and CNAE number 6523, entered in the Registry of Capital Risk Companies of the National Securities Market Commission (hereinafter, "**the CNMV**") with number 21, through Mr. Federico Pastor Arnauda, holding National Identity Document number 21.641.701-N, Managing Director of Nmás1 Capital Privado, S.G.E.C.R., S.A., a company in which DINAMIA has delegated the management of its net worth and its assets (the "**Managing Company**"), who will act on behalf of the Company, as the Manager by virtue of the powers of attorney in force and granted for this purpose in his name, by the Board of Directors of the Company, in its session held on 17 November 2009, assumes the responsibility for the contents of this Communication on the Shares.

1.2 Declaration of the responsible parties for the Communication regarding the Securities

DINAMIA, through Mr. Federico Pastor Arnauda, in his capacity as Manager especially empowered to do so, declares that he has proceeded with due diligence in order to guarantee that the information contained in the Prospectus is, to the best of his knowledge, true to the facts and does not contain any omissions that might affect its contents.

2. RISK FACTORS

See Heading II "Risk Factors", of the foregoing Section 2.

3. BASIC INFORMATION

3.1 Declaration regarding the working capital

With the information available on the registration date of this Prospectus, DINAMIA feels that the cash funds existing at the present time, together with what it hopes to generate in the next 12 months, that is, approximately until the closing of the financial year which ends on 31 December 2010, will be sufficient to attend to the minimum operating requirements of the Company. In the following forecast of origin and application of funds, (i) the hypothesis has been assumed that DINAMIA will not make any investments or divestments during the period under consideration, and (ii) the policy of remuneration to the stockholders has not been taken into account.

As regards the origins of the funds for the last quarter of 2009, the Company relies on the following:

1. The cash position on 30 September 2009, in accordance with the Intermediate Management Declaration published by the Company, was 44.7 million Euros.

2. The financial income foreseen for the last quarter of the 2009 financial year as a result of the management of the available Treasury totals approximately 0.1 million Euros.

Therefore, DINAMIA will have cash funds of 44.8 million Euros for the last quarter of the 2009 financial year.

As regards the applications of the funds foreseen for this same period, an estimate is included for those outlays from the cash funds that are necessary in order to maintain the normal development of the Company's activity:

1. The Management fee of the Managing Entity corresponding to the third quarter of the 2009 financial year for the approximate sum of 0.7 million Euros.

2. An additional contribution to the Electra Partners Club 2007 LP Fund in which the Company participates for a sum of 0.1 million Euros. This contribution was made in October 2009.

3. The current expenditure foreseen for this last quarter of 2009 will total approximately 0.1 million Euros.

In all, it will represent an outlay from the cash funds of 0.9 million Euros, and so the net position of DINAMIA's cash funds at the closing of the 2009 financial year will total 43.9 million Euros.

In the 2010 financial year, it is expected that the origins of the funds will as follows:

1. The cash position on 1 January 2010 would be 43.9 million Euros.

2. The financial income foreseen for the 2010 financial year as a result of the management of the available Treasury would total 0.4 million Euros.

Therefore, DINAMIA will count on the origins of the funds for a total of 44.3 million Euros.

As regards the applications of the funds expected for the 2010 financial year, an estimate is included of those outlays from the cash funds, which are necessary for the normal development of the Company's activity:

1. The Management fee of the Managing Entity relating to the 2010 financial year for the approximate sum of 3.5 million Euros.

2. An additional estimated contribution to the Electra Partners Club 2007 LP Fund, for the sum of approximately de 2.2 million Euros. In order to estimate this contribution, the promised sum not furnished until 31 de December de 2009 has been adopted as the base, which totals 6 million Pounds Sterling (approximately 6.6 million Euros) and the investment period of the fund of which 3 years still remain.

3. The current estimated expenses for the 2010 financial year is foreseen to total approximately 0.3 million Euros, relating basically to the services of independent professionals and the remuneration of the Company's Board of Directors. This estimated sum does not include the possible consultancy expenses associated with the investment and divestment activities of the portfolio whose accrual and volume depend exclusively on the characteristics of each operation, when the hypothesis is assumed that no operations of any kind will be realised in that period. The amount incurred by the Company for this item in the 2007 and 2008 financial years totalled 106 thousand Euros and 602 thousand Euros, respectively.

The total outlays from the cash funds would then make a total of 6 million Euros.

Therefore, without taking into account any possible investments or divestments in companies in which it holds stock, nor the eventual payment of dividends, the Company would have, upon the closing of the 2010 financial year, the sum of 38.3 million Euros in the Treasury. It would be wise to highlight the fact that the foregoing scenario can be considered as conservative to the extent that (i) it assumes that no divestments would be made during the next 12 months, where the divestment of its portfolio would represent the main source of DINAMIA's cash funds, and (ii) it does not take into account the funds which might possibly be obtained from the increase in the capital which is the object of this Prospectus.

With the previously indicated level of cash funds, it would be possible to make some investments or proceed to the sharing of dividends, or even both actions (depending upon the sum both of the investment under consideration, as well as the dividends which the Board agrees to share, if this were the case).

In addition, if the increase in the capital, which is the object of this Prospectus, were subscribed to in its entirety, this would mean an income for the Treasury of approximately 39.9 million Euros. In the event that 50% of the increase in capital were subscribed to, the Treasury would be increased by 20.0 million Euros, and if a 27% increase of the share capital is subscribed to (the percentage which corresponds, on the whole, with what is in the hands of the owners of the stock who have verbally stated their intentions to participate in the increase in the capital), the Treasury would be increased by 10.7 million Euros. To this sum, it would be necessary to add the 38.3 million Euros that are estimated for the closing of the 2010 financial year.

As regards the amount for the payment of the dividends, it would depend upon what is agreed upon by the General Shareholders Meeting, as well as on the increase in capital which is the object of this Prospectus, if in fact it is carried out (and to what extent). In the last financial year, dividends have been shared for the approximate sum of 8.4 million Euros.

3.2 Capitalization and Indebtedness

A declaration will now be furnished for the Capitalization and Indebtedness (distinguishing between the Guaranteed and the Non-guaranteed Indebtedness, an Insured and Uninsured Indebtedness), in relation with 30 September 2009 (a date not prior to 90 days as of the date of registration of the Prospectus). The Indebtedness also includes the Indirect and Contingent Indebtedness.

Millions of Euros DINAMIA Data	**Situation on 30 September 2009**	**Situation on 31 December 2008** (3)
CAPITALISATION AND INDEBTEDNESS		
A. Total Short-term Debt	-	-
Guaranteed (1)	-	-
Insured (2)	-	-
Not guaranteed / Not insured	-	-
B. Total Long-term Debt	-	-
Guaranteed (1)	-	-
Insured (2)	-	-
Not guaranteed / Not insured	-	-
C. Equity	**182**	**198**
Share capital	**36**	**36**
Legal reserves	**7**	**7**
Other reserves	**148**	**191**
Results	**-9**	**-36**
TOTAL LIABILITIES (A+B+C)	**182**	**198**
D. Liquidity	**45**	**45**
Cash	**10**	**22**
Temporary financial investments	**35**	**23**
Securities and Investments	-	-
E. Short-term Financial Debt	-	-
E.1 Short-term Bank Debt	-	-
E.2 Short-term maturity of long-term debt	-	-
E.3 Other short-term financial debts	-	-
F. Short-term net financial debt (E-D)	**-45**	**-45**
G. Long-term financial debt	-	-
G.1 Long-term banking debt	-	-
G.2 Bonds issued	-	-
G.3 Other long-term loans	-	-
H. Net financial debt (F+G)	**-45**	**-45**

1. Debts guaranteed with personal guarantees.
2. Debts guaranteed with real guarantees.
3. According to the annual accounts of the 2008 financial year

In the event that 100% of the increase in capital which is the object of this Prospectus is subscribed to at a price of 10 Euros per share, the share capital would be increased to 47.9 million Euros and the liquidity, to 84.9 million Euros. This increase in the balances would be effective for the Company's equity, which would total 221.9 million Euros, and the net financial debt would then be 84.9 million Euros.

If we assume that only 50% of the increase in the capital is subscribed to or underwritten at that same price, the share capital would be increased to 41.9 million Euros and the liquidity to 65.0 million Euros. This increase in the balances would be made effective on the Equity, which would total 202.0 million Euros and the net financial debt, which would become 65.0 million Euros.

In the event that 27% of the share capital prior to the increase is subscribed to (which would represent roughly and on the whole, the stockholders who have verbally stated their intention to participate in the increase in the capital which is the object of this Prospectus), the share capital would be increased to 39.1 million Euros and the liquidity to 55.7 million Euros. This increase in the balances would have the corresponding effect on the equity, which would total 192.7 million Euros, and on the net financial debt, which would be 55.7 million Euros.

Given the liquidity of the Company on the date on which the data shown on the foregoing chart has been gathered and the limited level of its Indebtedness, the Company is found to have a negative net financial debt.

Notwithstanding the foregoing, it is necessary to highlight the fact that the Company's Balance Sheet on 31 December 2008, which is included in sections 6.4. and 20.1 of the following Registration Document, covers, under the section entitled "Long-term Provisions", 12,343 thousand Euros, a sum which corresponds to the estimate for the success fee on behalf of the Managing Entity.

It should also be pointed out that the Annual Accounts corresponding to the Company's financial years ending on 31 December 2006, 2007 and 2008 do not reflect the financing of the companies as a vehicle through which DINAMIA has invested in certain entities in which it has a holding, for these accounts have not been consolidated with DINAMIA.

As regards the Guarantees granted to other entities, the Company has pledged shares of some of its companies in which it has a holding (see the details given in section 6 of the Registration Document). Namely, all of the shares of High Tech Hotels & Resorts, S.A. (High Tech), Emfasis Billing & Marketing Services, S.L. (Emfasis), HP Health Clubs Iberia, S.A. (Holmes Place), Gestión Integral Novolux Internacional, S.L. (Christer), Servicio de Venta Automática, S.A. (Serventa), Colegios Laude, S.L., Colegios Laude II, S.L. (Laude), Alcad S.L. (Alcad), ZIV Aplicaciones y Tecnología S.L (ZIV), MBA Incorporado, S.L. (MBA) and Bestin Supply Chain, S.L. (Bestin) are pledged as of 30 September 2009, as a guarantee for the loans granted to these companies by certain financial entities.

In addition, DINAMIA has guarantees, granted by the bank entities Banco Cooperativo Español and Banca March, for a total maximum sum of 1,690 thousand Euros.

The Company has an investment commitment in Electra Partners Club 2007, LP of 10 million Pounds Sterling, of which on the date of registration of this Prospectus, 30.60% had been paid up and this is the only investment made expressed in foreign currency.

3.3 Interests of the natural and legal persons in the Issue / Offer

The Company is not aware of the existence of any kind of relationship or significant economic interest which may be important for the issue between the entities which have participated in the Offer and which are mentioned in section 10.1 of this Communication regarding the Shares, except for the strictly professional relationship derived from the legal and financial advice furnished in relation with the Offer and which is indicated below.

In accordance with what is indicated in section 5.4.3 following this Communication regarding the Shares, in the Contract which DINAMIA has entered into with the Banco Espírito Santo de Investimento, S.A., Spanish Office (as the Placement Agent, as it is defined in this Prospectus), it is established that said Placement Agent will have the collaboration of the entity Nmás1 Agencia de Valores, S.A. (belonging to the N+1 Group to which the Managing Entity of DINAMIA also belongs), as the Associated Placement Agent, in order to effect the Placement of the New Shares among the investors to which the increase in the capital is intended in the different Periods (of Preferential Subscription, Second Round and Third Round). The terms and conditions for collaboration of the Nmás1 Agencia de Valores, S.A., as the Associated Placement Agent, are reflected in section 5.4.3 following the Communication on the Shares.

3.4 Reasons for the Offer and use of the income

The increase in the capital, which is the object of this Prospectus, is intended to increase the Company's Treasury in order to undertake future investments in new companies, which are the object of its activity.

DINAMIA, in accordance with the normal rate of business, continuously evaluates opportunities for investment in new companies. Even though a slowdown in the decrease in the national level of business is foreseen in 2010 prior to the growth of the economy foreseen for the following years, beginning in 2011, it is expected that as of the present time and especially during the next two years, investment opportunities will be generated for DINAMIA due to the aforementioned recovery, as well as due to the evolution of the multiples of the purchase, which are currently more attractive than in its historical levels. Furthermore, the materialisation of the aforementioned investment opportunities will depend upon the availability of bank financing and as a result of the improvement in the credit market.

As regards the foregoing, and given that the current general context is not favourable for liquidating investments from the Company's portfolio, in order to be able to maintain DINAMIA's rate of investment, it is necessary to increase its Treasury position, so that DINAMIA can continue making new investments which can generate important values for the Company and its stockholders.

Therefore, DINAMIA's Board of Directions has considered increasing the Company's capital as a more suitable alternative to financing future investments, because it is not the Company's policy to acquire debts in order to carry out new investments.

As is reflected in the foregoing section 3.1, DINAMIA, with the information currently available, feels that the Treasury resources which it has at the present time, together with the expected Treasury flows in accordance with the estimate of origins and applications of funds for the 2009 and 2010 financial years, will be sufficient in order to attend to the Company's minimum operating requisites. However, it will nevertheless not allow for the undertaking of new investment opportunities that may emerge.

For this purpose, it is necessary to clarify that, in view of the nature of DINAMIA's business, these recurring entries and outlays from the cash funds relate mainly to the remuneration from the Company's Treasury and its current expenditure (basically the Management fee of the Managing Entity and other consultant expenses), respectively, as was discussed in the foregoing section 3.1.

According to the estimate reflected in the foregoing section 3.1, the Treasury at the end of the 2009 financial year, according to the Company's forecasts, will total 43.9 million Euros, and at the end of the 2010 financial year, it will total 38.3 million Euros, based on a scenario in which no investment or divestment is made (and so there would be no expenditure related to said investments or divestments). In this case, the policy of remuneration to the stockholder is not taken into account, nor the funds that could be obtained from the increase in the capital that is the object of this Prospectus.

Therefore, it would be appropriate for the Company to obtain new funds, which would allow it to enjoy a Treasury, which would be sufficiently comfortable so that it could be capable of taking advantage of the investment opportunities that may arise in the 2010 and 2011 financial years and also consider the possibility of remunerating its stockholders. Beginning with the Treasury forecast for the 2010 financial year and bearing in mind the increase in the capital which is the object of this Prospectus, it is expected that almost all of the estimated funds (understanding these funds to be those which are available after the minimum annual consumptions of the Treasury, together with those which would be obtained from the increase in the capital) would be used to make new investments. Furthermore, a sum that would not exceed 10% of the total of the aforementioned funds would be allotted to investments in companies in the current portfolio (approximately 6-8 million Euros during the next two financial years, 2010 and 2011).

The foregoing section 3.1 reflects, for illustrative purposes, the estimate of the forecasts for DINAMIA's Treasury.

4. INFORMATION RELATING TO THE SECURITIES TO BE OFFERED/ADMITTED TO OFFICIAL STOCK EXCHANGE LISTING

4.1 Description of the type and class of securities to be offered and/or admitted to official stock exchange listing, with ISIN Code (International Securities Identification Number) or other securities identification code.

The securities referred to in this Prospectus are DINAMIA ordinary shares with a par value of three (3) Euros each, and belong to the same class and series and confer the same rights on their holders as the rest of the DINAMIA shares currently in circulation (hereinafter the "**New Shares**").

The National Numbering Agency (ANCV: La Agencia Nacional de Codificación de Valores Mobiliarios), an ancillary entity of Spain's National Securities Market Commission (the CNMV), shall assign a ISIN code to identify the New Shares which are the object of the aforementioned capital increase. Notwithstanding the foregoing, this ISIN will be temporary and will be merged with the ISIN of the rest of DINAMA's shares, number ES0126501131, prior to the moment when the New Shares are admitted to listing on the Madrid and Barcelona Stock Exchanges.

4.2 Legislation pursuant to which the securities have been created.

The issue of the New Shares of the Company to which this Prospectus refers is in accordance with the provisions of Spanish law, and in particular with the provisions of Royal Legislative Decree 1564/1989 of 22 December, which approved the consolidated text of the Companies Act (hereinafter the "**Companies Act**") and the Securities Market 24/1988 Act of 28 July (hereinafter the "**Securities Market Act**"), in addition to the relevant applicable implementation regulations.

4.3 Indication of whether the securities are in registered or bearer form and whether they are represented by certificates or account entries. In the latter case, the name and address of the entity responsible for recording the account entries are stated below.

The DINAMIA New Shares that are the object of the aforementioned capital increase will be registered shares and will be represented by account entries. The entity responsible for maintaining the account entries of the aforementioned shares is Sociedad de Gestión de los Sistemas de Registro, Compensación y Liquidación de Valores, S.A.U. (hereinafter "**Iberclear**"), with registered address in Madrid, Plaza de la Lealtad, nº 1 and its authorised participant entities (hereinafter the "**Participant Entities**").

4.4 Currency of securities issue

The currency of the New Shares of the Company referred to in this Prospectus is the Euro (€).

4.5 Description of the rights linked to the securities, including any limitations thereto, and the procedure for exercising those rights.

Holders of the New Shares shall have the rights and obligations associated with their capacity as shareholders as established in the Companies Act and in DINAMIA's Bylaws. The subscribers of the New Shares shall acquire the capacity of shareholders of the Company when the aforementioned Shares are registered in their name in the account entries of Iberclear and its Participant Entities.

– **Dividend rights:**

- Date or fixed dates from which these rights are applicable

  The New Shares to be issued by virtue of the aforementioned capital increase shall have the same economic rights as the rest of the DINAMIA shares currently in circulation. The New Shares will confer the right to participate in dividends, and the distribution thereof shall be agreed from the date on which they are registered in the name of their holders in the corresponding account entries. Notably, the New Shares will be included in the Company results from 1 January 2009, and therefore their holders will have the right to receive the full value of the dividends agreed to be distributed, if applicable, charged to the results of the 2009 financial year.

  It is hereby stated that as of the date on which this Prospectus is filed, no active dividends have been charged to the results of any financial years prior to 1 January 2009, nor are there any outstanding dividend sums for the 2009 financial year yet to be paid to DINAMIA's shareholders.

  As is the case with the rest of the shares comprising the share capital, the New Shares do not confer the right to receive a minimum dividend as a result of their classification as ordinary shares.

- Deadline after which the right to dividends expires and indication of the person in whose favour the expiry acts.

The profits generated by the New Shares may be collected in the form announced in each instance, and the deadline for the expiry of the right to collect dividends is that established by the Code of Commerce, namely five years. The beneficiary of the aforementioned expiry is DINAMIA.

- Dividend restrictions and procedures for non-resident holders

  The Company does not have any knowledge of the existence of any restrictions whatsoever on the collection of dividends by non-resident shareholders, notwithstanding any personal income tax withholdings that may be applicable (see point 4.11 below).

- Dividend rate or calculation method, frequency and whether payments are cumulative or non-cumulative.

  As is the case with the rest of the shares comprising the share capital, the New Shares do not confer the right to receive a minimum dividend as a result of their classification as ordinary shares. Therefore, the right to dividends from the aforementioned shares shall only be applicable from the date on which the General Shareholders Meeting, or where applicable, the Board of Directors of DINAMIA, reach an agreement on sharing corporate profits.

  See point 20.7 below for detailed information on dividend policy.

– **Attendance and voting rights**

The subscribers of the shares issued by virtue of the capital increase that is the object of this Prospectus shall have the right to attend and vote in the General Shareholders Meeting, and the right to contest corporate resolutions, subject to the same conditions as the other Company shareholders, in accordance with the general system established in the Companies Act and in DINAMIA's Bylaws.

The General Shareholders Meeting will be called via publication of an announcement in the Official Gazette of the Mercantile Registry and in a mass circulation newspaper of the province of Madrid, at least one month prior to the date set for the Meeting. The announcement shall be sent to the CNMV as a Relevant Fact and will be included in the Company's website.
The announcement shall contain the information required by law, and most notably, the following points:

a) Place, date and time of the meeting on first call, and if applicable, on second call, with the requirement to allow for a space of at least twenty-four hours between the first and second meeting.

b) The agenda of the meeting, which shall be written with clarity and precision, and shall include the items to be discussed during the meeting.

c) The requirements for attendance at the meeting and how to have them authorised by the Company.

d) The right of shareholders to be represented in the Meeting by another person, even if the person is not a shareholder, and the requirements and procedure for exercising this right.

e) The right to information that assists shareholders and how to exercise this right.

f) The means of long-distance communications that, in accordance with the Law, the Bylaws, and the Regulations of the Meeting, shareholders may use to exercise their right to information, representation and eventual revocation, grouping, and vote, and the requirements, deadlines and procedures for the use of the aforementioned communications.

Notably, with regard to the right to attend General Shareholders Meetings, there is no requirement for a minimum number of shares in order to have the right to attend the Meeting. Moreover, article 9 of the Regulations of the DINAMIA General Shareholders Meeting stipulates that also permitted to attend the meeting are shareholders who have acquired shares at least five days before the date on which the General Shareholders Meeting is held, and who are registered as shareholders (i) in the relevant registers of one of the Participant Entities in Iberclear, which will provide the corresponding attendance cards authorising the shareholder to attend and/or (ii) in the Company's register of nominative shareholders. Therefore, the shareholders must bring to the Meeting the aforementioned attendance cards or a document that, in accordance with the regulations, proves that they are shareholders.

There is one vote per share, and there are no limitations to the number of votes that may be cast by one shareholder, or for legal persons, by companies belonging to the same group. The subscribers of the shares issued by virtue of the capital increase that is the object of this Prospectus shall have the right to attend the General Shareholders Meeting and vote in person, or to assign their vote to a third party, even if the person is not a shareholder, in writing or via long-distance means of communication, whether by post or e-mail, or any other means, provided that the identity of the person exercising their right to vote by proxy is duly proven.

– **Preferential subscription rights for offers for subscription of securities that are freely allocated and of the same class**

In accordance with the provisions of the Companies Act, the subscribers of the shares issued by virtue of the capital increase that is the object of this Prospectus shall have preferential subscription rights in the capital increase via the issue of new ordinary or privileged shares, and in the issue of convertibles, notwithstanding the possibility of total or partial exclusion of the aforementioned right if agreed by the DINAMIA General Shareholders Meeting, or by the Board of Directors, pursuant to the terms set forth in article 159 of the Companies Act.

The deadline for exercising preferential subscription rights is within 15 calendar days, in accordance with the Companies Act. This right may be exercised via the Participant Entities in Iberclear where DINAMIA shareholders may have deposited their ordinary shares, pursuant to the terms set forth in this Prospectus and in the capital increase announcement published in the Official Gazette of the Mercantile Registry prior to the Preferential Subscription Period, and other documentation disclosed to the public on the occasion of the capital increase which is the object of this Prospectus.

Preferential subscription rights shall be assigned to Company shareholders who can prove their legitimacy by appearing listed on Iberclear's account entries at 11:59 pm Madrid time, on the day of publication of the capital increase announcement in the Official Gazette of the Mercantile Registry.

Shareholders also benefit from the right to free allocation of shares, recognised by the Companies Act for the event of fully paid-up capital increases by charge to reserves.

– **Right to participate in the profits of the issuer**

The shares to be issued by virtue of the capital increase that is the object of this Prospectus will confer on their holders the right to participate in the sharing of corporate profits, under the same conditions as the other shares in circulation.

The payment of dividends to shareholders will be made by transfer of the corresponding amount to the securities account of the Participant Entity where they have deposited their ordinary shares on the payment date set by the Company's Board of Directors.

– **Right to participate in sharing of equity in the event of liquidation**

The shares to be issued by virtue of the capital increase that is the object of this Prospectus will confer on their holders the right to participate in the sharing of equity resulting from liquidation, under the same conditions as the other shares in circulation.

As of the date on which this Prospectus is filed, no shares of any class have been issued which have any preference over the ordinary shares for the distribution of any surplus in the event of liquidation.

– **Right to information**

The shares representing DINAMIA's share capital which are the object of the aforementioned capital increase confer on their holders the right to information pursuant to the provisions of article 48.2 d) of the Companies Act, and more particularly, articles 112 and 212 of the same legal text.

Under the terms of the provisions set forth in article 212 of the Companies Act, following a call for a General Shareholders Meeting, any shareholder is entitled to obtain immediate access, free of charge, to the documentation which is to be submitted for approval in the meeting, at the Company's registered business address, including documentation such as: financial statements, the management report and the audit report.

Moreover, in accordance with the aforementioned articles and with article 10 of DINAMIA's Bylaws, shareholders may, from the day on which the call for a General Shareholders Meeting is published up until and including the seventh day prior to the meeting, request from the Board of Directors any additional information or clarifications they deem necessary on the items on the agenda or ask any questions considered appropriate. In addition, in the same timeframe and manner, shareholders may request additional information or clarifications, or ask questions in writing, in relation to the information disclosed to the public by the Company via the CNMV from the date on which the last General Shareholders Meeting was held. The Board of Directors will be required to provide the information requested in writing up until the day of the meeting.

The Board of Directors will be required to provide the information requested as explained in the previous paragraph, except in the event that the Chairman deems that the publication of such information could be detrimental to the interests of the Company. This last exception will not be applicable in the event that the request is supported by shareholders representing at least 25% of the share capital.

Moreover, in accordance with the provisions of article 15 of the Company's Bylaws, during the meeting shareholders may verbally request any additional information or clarifications they deem necessary on the items on the agenda. The Board of Directors will be required to provide such information at that time, or in the event that this is not possible, the Board must provide it in writing within the seven days following the close of the General Shareholders Meeting.

– **Repayment clauses**

Not applicable

– **Conversion clauses**

Not applicable

4.6 In the event of new issues, declaration of the resolutions, authorisations and approvals by virtue of which the securities have been and/or will be created or issued

Corporate issue agreements

The DINAMIA Annual General Shareholders Meeting held on 29 June 2006 agreed to transfer to the Board of Directors, under the provisions of article 153.1.b) of the Companies Act, the capacity to increase the share capital for a maximum period of 5 days starting from the date of the agreement and setting out the conditions for the capital increase to the Board of Directors.

By virtue of the aforementioned authorisation of the Annual General Shareholders Meeting, the DINAMIA Board of Directors, in a meeting held on 17 November 2009, agreed to increase the share capital by a nominal amount of eleven million, nine hundred and seventy thousand (11,970,000) Euros and an effective amount of thirty-nine million, nine thousand (39,900,000) Euros, with preferential subscription rights, via the issue of three million, nine hundred and ninety thousand (3,990,000) ordinary shares with a par value of three (3) Euros each, with a share premium of seven (7) Euros per share, represented by account entries. The Meeting transferred to the Board all the authorities necessary to carry out the aforementioned capital increase.

The aforementioned capital increase has been agreed with preferential subscription rights in favour of DINAMIA shareholders to a ratio of one (1) New Share for every three (3) old shares owned by the shareholders, as described in point 5.1.10 below.

Authorisations and approvals

In accordance with the provisions of article 12 of the 25/2005 Act of 24 November, regulating venture capital companies and their management companies (hereinafter the"**25/2005 Act**"), any modifications to the articles of incorporation, bylaws or management rules of venture capital companies should be authorised in advance by the CNMV.

However, section three of article 12 provides that the following modifications shall not require prior authorisation, provided that they are subsequently communicated to the CNMV to be recorded in the relevant file: modifications to corporate bylaws with the aim of increasing capital by charge to reserves and cash contributions of venture capital companies, and increases in equity of venture capital funds, until the committed equity is reached.

The share issue referred to in this Prospectus does not require any prior administrative authorisation, apart from the general system of approval and recording of public offers for the sale of securities by the CNMV.

4.7 <u>In the event of new issues, date scheduled for issue of securities</u>

As indicated in point 5.1.8 below, it is anticipated that the closure of the capital increase shall take place on 16 December 2009 at the latest, and that on the following day, 17 December 2009, the notarial deed for the capital increase shall be granted (date of issue), which shall be subsequently registered (which it is anticipated shall take place on 18 December 2009). Once the capital increase is disbursed and the certificate authorising the transfer of the funds into an open bank account in the name of DINAMIA in the Agent Entity, Banco Espírito Santo de Investimento, S.A., Spanish Office, has been issued, the capital increase shall be declared closed, subscribed and disbursed, and the corresponding notarial deed shall be granted to subsequently be included in the Mercantile Registry of Madrid. Once the registration of the deed in the Mercantile Registry has been carried out, the capital increase deed shall be delivered to the CNMV, Iberclear and the Madrid Stock Exchange. On the same day that the entry is made in the central registrar by Iberclear, the Participant Entities shall make the corresponding entries in their records in favour of the subscribers of the New Shares that are the object of the capital increase.

4.8 <u>Description of any restrictions to the free transfer of securities</u>

There are no restrictions in the Bylaws or in any other regulation to the free transfer of DINAMIA shares. Therefore, the shares will be freely transferable in accordance with the provisions of the Companies Act, the Stock Market Law and other current applicable legislation.

4.9 <u>Indication of the existence of any obligatory public purchase offer and/or obligatory withdrawal and buyback norms in relation to the securities</u>

Not applicable.

4.10 <u>Indication of any public purchase offers made by third parties on the capital of the issuer, which may have occurred during the last and current financial years. The price or the exchange conditions of any such offers and the result should be stated.</u>

No public purchase offers have been made for DINAMIA shares during the current financial year, or during the 2008 financial year.

4.11 Regarding the source country of the issuer and the country or countries in which the offer is being made or admission to official stock exchange listing is sought:

– **Information on income tax on securities retained at source**

The following is a general description, in accordance with current Spanish legislation (including the enabling regulations) as of the date on which this Prospectus was approved, of the tax regime applicable to the purchase, ownership, and where applicable, subsequent transfer of DINAMIA's New Shares.

It should be noted that this analysis does not take into account all the possible tax implications of the operations mentioned nor the regime applicable to every category of shareholder, some of which (such as, for example, financial institutions, collective investment institutions, cooperatives or income allocation entities) may be subject to special regulations. Moreover, this description also does not take into account the special regional tax regimes applicable in the Basque Country and Navarre, nor the legislation passed by various Autonomous Communities that, in terms of certain taxes, may be applicable to shareholders.

Therefore, both Spanish and foreign potential investors are advised to consult with their solicitors or tax advisors, who can provide them with personalised advice that takes into account their particular circumstances. Likewise, potential investors must ensure that they are informed of any changes to current applicable legislation in order to ensure that their interpretation of legislation does not suffer in future.

Notably, the State Budget Draft Bill for 2010 is currently before parliament, which proposes a reform of various different tax-related legislative provisions. The proposed reform affects, but is not limited to, taxation within personal income tax of "income from savings" (which would include dividends and resulting equity gains, and where applicable, the transfer of New Shares). The taxation rate would rise from the current fixed rate of 18% to a rate of 19% (applicable to the first 6,000 Euros of income from savings obtained by the individual) and 21% (for income over the first 6,000 Euros). However, it must be noted that the reform may undergo changes in the course of the parliamentary review, and therefore potential investors are advised to remain informed on the development of the reform. In any case, if the reform does come into force in the future, it seems likely that the taxation of investment income (for example, dividends) and the equity gains derived from the transfer of New Shares shall increase with respect to the current tax burden.

1. Taxation in the recognition, exercise and transfer of preferential subscription rights in relation to shares

1.1. <u>Indirect taxation</u>

The recognition and exercise of preferential subscription rights, and also the transfer, where applicable, of these rights shall be exempt from VAT and from the Estate and Property Transfer Tax, pursuant to the provisions of article 108 of the Securities Market 24/1988 Act of 28 July ("**LMV**"), and in accordance with the legislation regulating the aforementioned taxes.

1.2. <u>Direct taxation</u>

a) Natural persons resident in Spain for taxation purposes

- Recognition and exercise of preferential subscription rights:
  The recognition and exercise of preferential subscription rights is not considered to be a taxable event within Spanish personal income tax ("**IRPF**").

- The transfer of preferential subscription rights:

  The sum obtained from the transfer of preferential subscription rights shall reduce the purchase price of the shares from which the rights are derived, in terms of future transfers thereof. However, if the amount obtained is higher than the purchase price, the difference will be considered as an equity gain for the transferring party during the financial year in which the transfer is made (see section entitled "Natural persons who pay personal income tax – Equity gains and losses" below). When subscription rights are partially transferred, but not in their entirety, it shall be understood that the rights transferred correspond to the securities acquired in the first instance.

b) Parties liable to Corporation Tax

- Recognition and exercise of preferential subscription rights:
  The recognition and exercise of preferential subscription rights is not considered to be a taxable event within the Spanish Corporation Tax ("**IS**").

- Transfer of preferential subscription rights:

  The legislation regulating IS does not contain any legal rules relating to the transfer of preferential subscription rights, and therefore the income to be included, where applicable, in the tax base shall be determined by the book income of the operation.

c) Investors who are not resident in Spain for taxation purposes

- Recognition and exercise of preferential subscription rights:
  The recognition and exercise of preferential subscription rights is not considered to be a taxable event within the Spanish income tax for non-residents ("**IRnR**").

- Transfer of preferential subscription rights:

  The sum obtained from the transfer of preferential subscription rights shall reduce the purchase price of the shares from which the rights are derived, in terms of future transfers thereof. However, if the amount obtained is higher than the purchase price, the difference will be considered as an equity gain for the transferring party on the date of the transfer (see section entitled "Shareholders who are not resident in Spain - Income tax for non-residents - Equity gains and losses" below). When subscription rights are partially transferred, but not in their entirety, it shall be understood that the rights transferred correspond to the securities acquired in the first instance.

2. Taxation derived from the ownership, purchase and transfer of the New Shares

2.1. <u>Indirect taxation in the purchase and transfer of the New Shares</u>

The purchase and, where applicable, subsequent transfer of the New Shares shall be exempt from VAT and from the Estate and Property Transfer Tax, pursuant to the provisions of article 108 of the LMV, and in accordance with the legislation regulating the aforementioned taxes.

2.2. <u>Direct taxation derived from the ownership and transfer of the New Shares</u>

2.2.1 Shareholders resident in Spain

This section analyses the tax treatment applicable both to shareholders who are resident in Spain, and to shareholders who, as they are not yet residents, pay IRnR and have a permanent establishment in Spain, and also to individual investors who are resident in other Member States of the European Union (provided they are not resident in a tax haven) and who also pay IRnR, who opt to pay IRPF, in accordance with the provisions of article 46 of the Consolidated Text of the Income Tax for Non-Residents Act, passed by Royal Legislative Decree 5/2004 of 5th March ("**TRLIRnR**").

Entities resident in Spain shall be considered to be shareholders resident in Spain for tax purposes, without prejudice to the provisions of the Double Taxation Agreement (hereinafter "**DTA**") signed by Spain, in accordance with article 8 of the Consolidated Text of the Corporation Tax Act (hereinafter "**TRLIS**") passed by Royal Legislative Decree 4/2004 of 5 March, as shall natural persons who have their habitual place of residence in Spain, as defined in article 9.1 of the 35/2006 Act of 28 November, on Personal Income Tax and the partial modification of the Laws on Corporation Tax, Income Tax for Non-Residents and Equity (hereinafter the "**Law on IRPF**"). Likewise, members of Spanish diplomatic missions and individuals who work in Spanish consular offices and in other official capacities and who are resident abroad shall also be considered to be shareholders resident in Spain for tax purposes, under the terms of article 10.1 of the aforementioned law, as shall natural persons of Spanish nationality who have ceased to have a fiscal residence in Spain and have taken up residence in a tax haven, during both the tax period when the change in residency takes place, and during the following four tax periods.

Natural persons who acquire fiscal residency in Spain as a result of moving to Spain may opt to pay IRPF or IRnR during the tax period when the change in residency takes place and the following five tax periods provided that they comply with the stipulations of article 93 of the Law on IRPF.

2.2.1.1. Natural persons who pay personal income tax:

a) Investment income

In accordance with article 25 of the Law on IRPF, the following, inter alia, shall be considered to be investment income: dividends, bonuses for attending board meetings, income derived from the creation or transfer of rights or entitlements of use and enjoyment of the New Shares, generally any interests in DINAMIA's profits, and any other income received from the Company as a shareholder.

The investment income obtained by shareholders as a result of ownership of the New Shares shall consist of the net income resulting from the deduction, where applicable, of administration costs and deposit of the gross amount, but not the costs of the discretionary and personalised portfolio management, on the tax base of the savings of the financial year in which they are liable to be paid to the payee. A fixed rate of 18% shall be applied and no other deduction may be applied to avoid double taxation.

However, in accordance with the provisions of section y) of article 7 of the Law on IRPF, the following shall be exempt from IRPF up to a limit of 1,500 Euros per year: dividends, bonuses for attending board meetings, interests in the profits of any type of entity (including interests in the profits of DINAMIA), and income derived from any type of asset, except for the receipt of fully paid shares (which shall not determine the receipt of income for payees), which, whether provided for in bylaws or by decision of corporate bodies, enable participation in the profits of an organisation (including DINAMIA). This limit shall be applicable to all of the dividends and interests in profits obtained during the calendar year by the personal income tax payer in his/her capacity as a shareholder or partner in any entity.

The aforementioned exemption shall not apply to dividends from securities purchased during the two months prior to the date on which they would have been paid when, after that date and within the same deadline, there is a transfer of the same type of securities.

Moreover, the shareholders shall incur a general deduction of personal income tax of 18% of the full amount of the profit distributed, without taking into account for these purposes, the aforementioned exemption of 1,500 Euros. The deduction shall be made from the tax liability of the aforementioned tax, and in the event of insufficient funds, the refunds set forth in article 103 of the Law on IRPF shall be made.

b) Equity gains and losses

The variations in the value of the equity of personal income taxpayers that become evident in the event of any alterations made to said equity will give rise to equity gains and losses which, in the event of a transfer to any valuable consideration of the New Shares, shall be quantified by the negative or positive difference, respectively, between the purchase price of these securities and their transfer price, which shall be determined (i) by their listed price on the date of the transfer, or (ii) by the price agreed when it is higher than the listed price.

Both the purchase and transfer prices shall increase or decrease, depending on whether the costs and taxes associated with these operations have been paid by the sender or the receiver of the shares.

The equity gains and losses resulting from transfers of New Shares made by shareholders shall be combined and be offset in their respective tax bases of the savings of the financial year in which the equity alteration takes place. If the figure resulting from the combining and offsetting on the tax base of the savings is positive, a fixed rate of 18% shall be applied, irrespective of the tax period in which they were generated.

The equity gains derived from the transfer of New Shares are not subject to tax.

Finally, the losses incurred from the transfer of the New Shares shall not be recorded as equity losses when the same type of securities have been purchased within a period of two months prior or subsequent to the date of the transfer that incurred said losses. In these cases, the equity losses are included as and when the securities remaining in the equity of the sender are transferred.

The future issue of new partially or fully paid-up shares by DINAMIA to its shareholders does not constitute income for said shareholders.

The purchase price of partially paid-up shares shall be the real price amount paid for the shares. The purchase price of fully paid-up shares shall be calculated by distributing the total cost of the old shares equally among the total number of certificates, both the old ones and the corresponding paid-up ones. In the latter case, the age of the shares will be considered to be that corresponding to the old shares.

2.2.1.2. Corporation Taxpayers:

a) Dividends

IS taxpayers, or those who pay IrnR and have a permanent establishment in Spain, shall include in their taxable base the full amount of dividends or interests in profits received in their capacity as holders of the New Shares and the costs associated with these interests, in the manner stipulated in article 10 and the following articles of the TRLIS.

Interests in profits received from venture capital companies enjoy a 100% deduction of the total tax amount in the IS of the resident partner legal entity or the IRnR taxpayer with a permanent establishment in Spain, pursuant to the provisions of article 55.3.a) of the TRLIS.

This deduction is applicable irrespective of the percentage of interests and length of time the interests have been held by the shareholder.

Insofar as the aforementioned profits are not subject to taxation in the shareholder's place of residence, there will be no retention at source thereof in accordance with article 140.4.d) of the TRLIS.

b) Income derived from the transfer of New Shares

The profits or losses derived from an onerous transfer of the shares, or transfer for no valuable consideration, or from any other such alteration of equity, shall be included in the taxable base of IS taxpayers, or IRnR taxpayers with a permanent establishment in Spain, pursuant to the provisions of article 10 and the following articles of the TRLIS.

As DINAMIA is a venture capital company, the profit made evident by the transfer of its New Shares shall enjoy a deduction in the total tax amount, as the tax rate is applied to the net increase in the undistributed profits that correspond to the interest transferred, pursuant to the provisions of article 30.5 of the TRLIS. This deduction is applicable irrespective of the percentage of interests and length of time the interests have been held by the shareholder.

There is no deduction obligation in these instances.

2.2.1.3. Tax on Equity:

Article 3 of the 4/2008 Act of 23 December, which lifts the tax burden of the Tax on Equity, generalises the system of monthly repayments of VAT and introduces other modifications to tax legislation, has lifted the tax burden of the Tax on Equity, including both the obligation based on residency and the de facto obligation, which will take effect on 1 January 2008. To this end, the aforementioned Law has introduced a 100% reduction of the tax amount, and has at the same time eliminated the obligation to present the relevant declaration at the tax office.

Therefore, all holders of the New Shares, whether they are Spanish residents for tax purposes or not, will not have to pay this tax.

Moreover, legal persons are not subject to the Tax on Equity.

2.2.1.4 Inheritance and Gift Tax:

The transfer of shares for gainful purpose (due to death or a gift) to natural persons residing in Spain is subject to the Inheritance and Gift Tax (hereinafter the "**ISD**") under the terms stipulated in the 29/1987 Act of 18 December, and the receiver of the shares shall be required to pay the aforementioned tax without prejudice to the specific legislation passed, where applicable, in each Autonomous Community. The tax rate applicable to the final tax base ranges from 7.65% to 34%, once the full tax amount is obtained, to which specified multiplier coefficients are applied according to the pre-existing equity of the taxpayer and his/her relationship with the deceased or donor, and which may end up as an effective tax rate ranging from 0% to 81.6% of the tax base.

Legal persons, whether they pay IS or IRnR and have a permanent establishment in Spain, do not have to pay ISD. Therefore, the income generated as a result of the purchase of the New Shares at no cost will be taxed in accordance with the conditions of the IS.

2.2.2. Shareholders that are not resident in Spain

This section analyses the tax treatment applicable to shareholders who are not resident in Spain, not including those who have a permanent establishment in Spain, whose fiscal regime has been described together with the regime of shareholders who pay the IS, and who exercise the option to pay taxes under the same conditions as Spanish residents, as indicated in point 2.2.1 above.

Legal persons that do not pay personal income tax and entities that are not resident in Spain shall be considered to be non-resident shareholders in accordance with the provisions of article 6 of the TRLIRnR.

The regime described below is a general system, and therefore the individual characteristics of each taxpayer and the differences according to the DTAs signed between third countries and Spain should be taken into consideration.

2.2.2.1 Income Tax for Non-Residents:

a) Investment Income

In accordance with article 55.3.b) of the TRLIS, interests in profits distributed by venture capital companies where the payee is a natural person or legal entity that pays IRnR and does not have a permanent establishment in Spain, the interests are not considered to have been obtained in Spain, and therefore they are not subject to taxation in Spain.

This tax treatment shall not be applicable when the income is obtained via a country or territory that is defined as a tax haven.

b) Equity gains and losses

In accordance with article 55.4.b) of the TRLIS, equity gains derived from the transfer of shares from venture capital companies where the payee is a natural person or legal entity that pays IRnR and does not have a permanent establishment in Spain, the equity gains are not considered to have been obtained in Spain, and therefore they are not subject to taxation in Spain.

This tax treatment shall not be applicable when the income is obtained via a country or territory that is defined as a tax haven.

2.2.2.2 Tax on Equity:

See point 2.2.1.3 above.

2.2.2.3 Inheritance and Gift Tax:

Without prejudice to the provisions of the DTAs signed by Spain, the acquisitions for gainful purpose by natural persons residing outside of Spain, and wherever the residence of the transferring party, shall be subject to ISD when the purchase is of goods located in Spain and the rights which may be exercised and which are required to be fulfilled in Spain. The Spanish tax authorities understand that the shares of a Spanish company must be considered to be goods located in Spain for tax purposes in any case.

Companies that are not resident in Spain are not subject to ISD, and therefore, the income that they obtain for gainful purpose is generally taxed as equity gains in accordance with the provisions of the IRnR described above, without prejudice to the provisions of the DTAs which may be applicable.

Shareholders resident outside Spain are advised to consult their tax advisors on the conditions under which, in each case, the ISD would be applicable.

– **Indication of whether the Issuer assumes responsibility for withholding taxes at source**

DINAMIA, as Issuer and payer of any sums that may be derived from the ownership of the New Shares, assumes responsibility for withholding taxes at source in Spain in accordance with the stipulations of current legislation.

5. TERMS AND CONDITIONS OF THE OFFER

5.1 Conditions, details of the Offer, planned schedule and procedure to be followed for subscription of the Offer

5.1.1 Conditions to which the Offer is subject

The Offer of New Shares of the Company referred to herein is not subject to any circumstance that might condition the effective performance thereof.

5.1.2 Full value of the Issue/Offer, differentiating between shares offered for sale and those offered for subscription; in the event of a non-fixed value, description of the agreements and time when public announcement of the final value of the Offer is to take place

THREE MILLION NINE HUNDRED AND NINETY-NINE THOUSAND (3,999,000) ordinary shares of DINAMIA., each of a par value of three (3) Euros, are offered at an issue price of TEN (10) Euros per share, of the same class and series as those currently in circulation, represented by book entries, equal to a total par value of THIRTY NINE MILLION NINE HUNDRED THOUSAND (39,900,000) Euros. This amount shall be fully paid in via cash contributions.

The New Shares shall be issued with an issue premium of SEVEN (7) Euros per share, equal to a total issue premium of TWENTY-SEVEN MILLION NINE HUNDRED AND THIRTY THOUSAND EUROS (27,930,000) and a par value of THREE (3) Euros per share, resulting in a single issue price per unit (par value plus issue premium) of TEN (10) Euros per share, that is, 333.33% over the par value thereof.

The subscription price carried a decrease of 8.26% on the market listed price of a share in DINAMIA at market close on 16 November 2009 (which was 10.09 Euros) and a decrease of 8.55% on the average quotation price of Company shares over the 6 months previous to the date of this Placement Memorandum (which was 10.9344 Euros). The subscription price is lower than the theoretical book value of shares in DINAMIA, which, as of 31 December 2008, was equal to 16.49 Euros.

The overall par value of the increase is equal to 33% of the share capital of DINAMIA at the date of this Placement Memorandum and prior to the capital increase thereof and to 25% of the share capital following said capital increase.

The issue agreement approved by the Board of Directors of DINAMIA on 17 November 2009, in the exercise of the powers granted thereto by the Annual General Meeting of 29 June 2006, has expressly set forth the possibility of a partial subscription, in accordance with what is set forth in article 161 of the Spanish Public Limited Companies Act, so that in the event that the increase is not fully subscribed within the period of time established for this purpose, the capital shall be increased by the amount of the subscriptions made. Upon the end of the subscription period, the Board of Directors or persons duly empowered by said Board, shall determine the final amount of the capital increase, to be made public as early as possible via the sending to the CNMV (Spanish National Securities Market Commission) of the corresponding Relevant Fact.

5.1.3 Period, including any possible modification thereof, during which the Offer shall remain open and description of the application process

Planned schedule

The following page shows a planned schedule of the main stages of the capital increase process subject to this Placement Memorandum, of which a more detailed description is included later in this document.

Action	Date
Approval and registration of Prospectus by the CNMV.	19 November 2009
Publication of press release in the Official Gazette of the Companies Register.	20 November 2009
Start of Preferential Subscription Period and of additional requests. *	21 November 2009
End of Preferential Subscription Period and of additional requests.	7 December 2009
Sending of information regarding subscription applications during the Preferential Subscription Period by Participant Companies to Agent company (includes information required for the Additional Shares Allocation Period).	8 December 2009, before 10am
Conveyance of applications (preferential subscription period and additional shares period) by the Participant Companies (before 10am) Assigning of preferential subscription shares.	9 December 2009
Date for disbursement of shares awarded in the Preferential Subscription Period (by the Participant Companies to the Agent Company) (before 11am). End of Additional Shares Allocation Period (Second Round), as the case may be (maximum 3 stock market business days from the end of the Preferential Subscription Period). Assigning of Additional Shares and, as the case may be, the allocation process.	10 December 2009
Date for disbursement of shares awarded in the Additional Shares Allocation Period (by the Participant Companies to the Agent Company) (before 11am). Publication of the Relevant Fact on the result of the Preferential Subscription Period and the Additional Shares Allocation Period, and on the opening and maximum duration of the Discretional Assignment Period. Start of Discretional Assignment Period (maximum 2 stock market business days from the end of the Additional Shares Allocation Period).	11 December 2009
End of Discretional Assignment Period.	14 December 2009
Communication to investors in New Awarded Shares in the Discretional Assignment Period.	15 December 2009
Date for disbursement of New Awarded shares in the Discretional Assignment Period (before 10am). End of capital increase. Publication of the Relevant Fact on the level of subscription in the Discretional Assignment Period and the definitive capital increase amount.	16 December 2009
Granting of public instrument.	17 December 2009
Entry of capital increase in Companies Register.	18 December 2009
Assignment by Iberclear of the registry references for the new shares.	21 December 2009
The Participant Companies will provide information on the registry references for new shares.	22 December 2009
Official admission to trading for new shares.	28 December 2009

*	During the Period of Preferential Subscription the Initial Subscribers shall present New Share subscription orders and Additional Share subscription orders.

In the event that the Discretionary Allocation Period or the Period of Allocation of Additional Shares has not begun due to full subscription of all shares during the Preferential Subscription Period, the schedule shall be brought forward accordingly as far as possible.

Preferential Subscription Period

a) Allocation of the rights of preferential subscription and term of exercise of rights of preferential subscription

As is mentioned in Section 5.1.10 below, in this capital increase the rights of preferential subscription of shares to be issued, at the rate of one (1) New Share per every three (3) old shares, of the holders of Company shares appearing legitimately as such in Iberclear accounting entries and Shareholder Companies as of 11:59 pm in Madrid on the day of publication of the capital increase notice in the Official Gazette of the Mercantile Register (hereinafter, "**BORME**"), are hereby recognised.

The rights of preferential subscription may be exercised within a period of seventeen (17) calendar days as of the day following publication in the BORME of the notice of offer of subscription of New Shares in the Company (hereinafter, "**Preferential Subscription Period**"), a period during which such rights may also be purchased on the Stock Exchange. The publication of the aforementioned notice is expected to take place on 20 November 2009, following approval and registration of the documentation regarding the issue by the CNMV. The Preferential Subscription Period is thus expected to commence on 21 November 2009 and end 7 December 2009.

b) Transferability of preferential subscription rights

The rights of preferential subscription shall be transferable under the same conditions as the shares to which they are attached.

As a result, all holders of ordinary shares of the Company who have not transferred all rights of preferential subscription shall be entitled to preferential subscription, as well as any third party investors who have purchased such rights in the market in sufficient number to subscribe to New Shares (the **"Investors"** and, jointly with the legitimate holders, the **"Initial Subscribers"**).

c) Process for exercising preferential subscription rights

In order to exercise preferential subscription rights, the Initial Subscribers must write to the Iberclear Shareholder Company, under whose name the accounting entries for such shares are registered, indicating their intention to exercise the aforementioned subscription right. Any orders processed with regard to said right of exercise of preferential subscription shall be understood as having been finally, irrevocably and unconditionally presented.

Each Company share currently in circulation shall carry a right of preferential subscription. 3 preferential subscription rights shall be required to subscribe to 1 New Share.

Any preferential subscription rights not exercised during the Period of Preferential Subscription shall be automatically extinguished upon the end thereof.

During the Period of Preferential Subscription, Banco Espirito Santo de Investimento, S.A., Spanish Office, in its capacity as Agent and Nmás1 Agencia de Valores, S.A. as Associated Placing Agent (as such terms are defined herein) shall carry out active promotion and dissemination initiatives with the objective of obtaining subscription applications for New Shares and applications for Additional Shares from potential investors.

d) Application for Additional Shares

During the Preferential Subscription Period, in addition to exercising their right to preferential subscription, Initial Subscribers may request from the Iberclear Shareholder Company under whose name the shares are registered, the subscription of additional New Shares (the "**Additional Shares**") in the event that, following the end of the Preferential Subscription Period, New Shares are unsubscribed with regard to preferential subscription right (**"Surplus Shares"**) and thus, the full amount of the capital increase subject hereto is not reached.

In order to apply for Additional Shares, the Initial Subscribers must have exercised all rights of preferential subscription with regard to the Shareholder Company subject to such exercise of rights. Orders regarding the application of Additional Shares must be made for a specific amount and shall not be subject to any restriction in terms of number thereof.

Shareholder Companies shall be responsible for verifying that the Initial Subscribers applying for Additional Shares have exercised all preferential subscription rights with regard to the Shareholder Company in question.

Notwithstanding the fact that they may not be met in full, applications for Additional Shares shall be understood as having been finally, irrevocably and unconditionally presented.

The allocation shall be in any event subject to the existence of Surplus Shares after the exercise of preferential subscription rights during the Preferential Subscription Period. Under no circumstance will Initial Subscribers be allocated a higher number of shares than that applied for.

e) Communications from Shareholder Companies

During the Preferential Subscription Period, Shareholder Companies shall notify Banco Espirito Santo de Investimento, S.A., Spanish Office (the **"Agent")**, on a daily basis and no later than 5 pm, by electronic mail or, alternatively, by fax, of the total number of New Shares subscribed in the exercise of the right of preferential subscription and the total number of Additional Shares requested, in all cases in cumulative form, from the beginning of the Period of Preferential Subscription.

Shareholder Companies shall inform the Agent, on behalf of their principals and, if applicable, on their own behalf, of the total number of New Share subscriptions presented and, separately, of the total number of Additional Share subscription applications presented to them no later than 10 am Madrid time on the first trading day following the end of the Period of Preferential Subscription (that is, according to the planned schedule, no later than 8 December 2009), in accordance with the instructions established for this purpose by the Agent and by Iberclear. The Agent, shall in turn inform the Company of the total subscription data.

Shareholder Companies must send to the Agent the electronic transfer of files or, in the absence thereof, electronic files including the information regarding shares subscribed during the Preferential Subscription Period and applications for subscription of Additional Shares, which must comply with all specifications contained in Booklet number 61, format A1, of the Issuer Transaction Handbook of the AEB [Spanish Banking Association] in 120 position format, adding the modifications brought about by AEB Communications 857 and 875, no later than 10 am Madrid time on the second trading day following the end of the Preferential Subscription Period (that is, according to the planned schedule, no later than 9 December 2009).

The Agent may refuse to accept any communications of electronic transfer of files from Shareholder Companies that fail to meet any of the requirements or instructions set forth herein regarding Shares or in the legislation in force, with no liability for it or the Company and without prejudice to any possible liability that the infringing Shareholder Company might incur to the holders of the orders presented within the correct time and form to said company.

Period of Allocation of Additional Shares (Second Round)

In the event that there are Surplus Shares at the end of the Preferential Subscription Period, the Period of Allocation of Additional Shares shall begin (hereinafter, the "**Period of Allocation of Additional Shares")**, aiming to distribute any Surplus Shares among the Initial Subscribers who had applied for Additional Shares. The Period of Allocation of Additional Shares shall have a maximum duration of three (3) trading days as of the end of the Period of Preferential Subscription (according to the planned schedule, from 8 to 10 December 2009).

The allocation of Additional Shares shall take place at no later than 5 pm of the third trading day following the end of the Preferential Subscription Period (that is, in accordance with the planned schedule, on 10 December 2009).

To this end, the Agent shall begin to specify the number of Surplus Shares and allocate these to those Initial Subscribers who had applied for subscription of Additional Shares:

- In the event that the number of Additional Shares requested for subscription during the Period of Allocation of Surplus Shares is equal or lower than the number of Surplus Shares, these shall be allocated to the applicants until requests are met in full.

- In the event that the number of Additional Shares requested for subscription during the Period of Allocation of Surplus Shares is higher than the number of Surplus Shares, the Agent shall allocate the available shares in proportion to the applications for Additional Shares made. To this end, the number of Surplus Shares shall be divided by the total number of additional share applications made, according to the following rules:

    - In the event of fractions in the allocation, these shall be rounded down, leading to an exact number of shares to be allocated.

    - Percentages used for proportional allocation shall also be rounded down to three decimal places (that is, 0.12345 shall become 0.123).

    - In the event that following this apportionment, shares remain unallocated due to the rounding down, these shall be allocated one by one in descending order (higher to lower) of number of shares requested and, in the event of equal numbers, by alphabetical order of the applicants, using the first position in the field "Name and surname or company name" (in the case of co-applicants, the name of the first applicant appearing in the application) as of the letter "A".

    - The apportionment shall be carried out by the Agent acting on behalf of DINAMIA, in accordance with the applications received from the

Shareholder Companies, and following receipt of the files sent by them, no later than the end date of the Period of Allocation of Additional Shares.

The Agent shall inform the Shareholder Companies through which the applications for subscription of Additional Shares were made, of the number of New Shares allocated to the applicants, which shall take place no later than 11 am of the trading day following the end of the Period for Allocation of Additional Shares (that is, according to the planned schedule, on 11 December 2009).

The Surplus Shares allocated to the applicants of Additional Shares during the Period of Allocation of Additional Shares shall be understood as having been subscribed during the Period of Allocation of Additional Shares.

Once the apportionment of Surplus Shares has been carried out, the Company shall inform the CNMV of the results of the share subscriptions during the Period of Preferential Subscription and the Period of Allocation of Additional Shares, as well as of whether an apportionment was required, by means of Relevant Fact communication as early as possible.

Period for Discretionary Allocation (Third Round)

In the event that, at the end of the Period of Allocation of Additional Shares, the shares subscribed during the Period of Preferential Subscription and the Period of Allocation of Additional Shares are not sufficient to meet all New Shares, with unsubscribed shares thus remaining (the "**Shares for Discretionary Allocation")** the Agent shall inform the Company no later than 11 am Madrid time on the fourth trading day following the end of the Period of Allocation of Additional Shares (that is, according to the planned schedule, 11 December 2009).

In this case, the Agent shall open a new period for application presentation, by Third Round, for all unsubscribed shares, open to any Company shareholder (even if rights of preferential subscription are not exercised at the time), as well as non-shareholder natural or legal persons. This period (the "**Period of Discretionary Allocation**") shall have a maximum duration of two trading days following the end of the Period of Allocation of Additional Shares (that is, beginning on 11 December 2009 and ending on 14 December 2009, at 5 pm).

In the event of a Period of Discretionary Allocation having begun, the Company shall inform the CNMV by means of a Relevant Fact communication indicating the duration thereof.

During the Period of Discretionary Allocation, Banco Espirito Santo de Investimento, S.A., Spanish Office, in its capacity as Placing Agent and Nmás1

Agencia de Valores, S.A., in its capacity as Associated Placing Agent (as such terms are defined herein) shall carry out active promotion and dissemination initiatives aimed at obtaining subscription applications for Shares of Discretionary Allocation from potential investors.

The applicants must present their applications via the Agent. Applications shall be final and irrevocable and shall include the number of Shares of Discretionary Allocation that each investor is prepared to subscribe to at the subscription price, shall be addressed in writing (fax included) to Banco Espirito Santo de Investimento, S.A., Spanish Office, as the Agent, within the time set forth for the Discretionary Allocation Period (Third Round).

The Company Board of Directors (or persons authorised by the Board for this purpose) shall assess (having heard the recommendations of the Placing Agent) the applications for New Shares received during the Period of Discretionary Allocation, applying quality and stability criteria to the investment, empowered to accept, either in full or in part, or reject any of said applications on New Shares at its full discretion and without any justification whatsoever, but acting at all times in good faith and ensuring that no unfair discriminations are made between proposals of equal rank and characteristics.

The Company shall inform the Agent of the final allocation of the Discretionary Allocation Shares no later than the trading day following the end of the Period of Discretionary Allocation (that is, according to the planned schedule, no later than 15 December 2009). On the same day of allocation of shares during the Period of Discretionary Allocation (Third Round) as set forth in previous paragraphs, the Agent shall inform the applicants of the number of allocated shares and the result of the Period of Discretionary Allocation (Third Round) shall be made public by Relevant Fact communication made to the CNMV on the following day (that is, according to the planned schedule, 16 December 2009).

The possibility of access to subscription of New Shares during this Period of Discretionary Allocation (Third Round) shall be subject to the existence of surplus shares following the exercise of preferential subscription rights by the holders thereof and following the Period of Additional Share Allocation (Second Round).

However, it is hereby stated that no commitment to the guarantee of shares has been undertaken with any company regarding New Shares in the event that, following conclusion of the Period of Preferential Subscription, the Period of Allocation of Additional Shares and the Period of Discretionary Allocation, unsubscribed New Shares remain.

Partial Subscription

Notwithstanding what has been set forth in previous paragraphs, the issuing Company may decide on the early conclusion of the issue, in any event following the Period of Preferential Subscription, at any time, provided the issue of shares subject hereto has been fully subscribed.

In the event that, following the successive share subscription periods referred to above, unsubscribed shares remain, the capital increase subject hereto may remain partial or incomplete, in accordance with what is set forth in article 161 of the Spanish Public Limited Companies Act, so that the increase would not be fully subscribed within the period stipulated for subscription and the capital would be increased by the amount of subscriptions made.

5.1.4 Indication of when, and under what circumstances, an Offer may be suspended or revoked and whether revocation can take place once trading is under way

No cause for abandonment or automatic revocation of the issue of New Shares subject to this Memorandum has been contemplated, other than those which might be derived from the application of the law or fulfilment of a legal or administrative resolution.

5.1.5 Description of the possibility of reducing subscriptions and means of returning surplus amount paid by applicants

In accordance with what is set forth in Section 5.1.3. above, no possibility of reducing of subscriptions during the Period of Preferential Subscription has been considered. Nevertheless, the possibility of reducing subscription applications for Additional Shares as a result of an apportionment in the event that subscriber demand for Additional Shares exceeds the number of Surplus Shares available, has been considered. In this case, said Surplus Shares shall be distributed in proportion to the number requested by each Initial Subscriber applying for Additional Shares, in accordance with the rules expressed in Section 5.1.3 herein.

As is explained in more detail in Section 5.1.8. below, the Participant Companies and the Agent may request from the subscribers a provision of funds equal to the subscription price to be paid for Additional Shares and, if applicable, any Discretionary Allocation Shares requested. In any event, if the number of Surplus Shares or of Discretionary Allocation Shares finally allocated to each applicant is lower than that applied for, the Participant Company or the Agent shall be obliged to return to the applicant the amount corresponding to the provision of funds requested, or the surplus amount for non-allocated shares in accordance with the procedure applicable to said Participant Companies.

5.1.6 Details regarding the minimum and/or maximum application amount (either by number of shares or by total investment amount)

During the preferential subscription period, Initial Subscribers may request a subscription of no more than one (1) New Share per every three (3) old shares held. Likewise, as is expressed in Section 5.1.3. above, Initial Subscribers may request subscription of Surplus Shares with no restriction whatsoever on the application number.

5.1.7 Indication of the period within which applications may be withdrawn, provided investors are allowed such a withdrawal

Applications for subscription of shares made during the Preferential Subscription Period (both those made in the exercise of preferential subscription and applications for Additional Shares) or during the Period of Discretionary Allocation of Shares, shall be deemed to be final and thus irrevocable, without prejudice to the fact that such applications for Additional Shares or Discretionary Allocation Shares may not be met in full by application of the rules of allocation described in Section 5.1.3. above or by decision of the Board of Directors of the Company (in the case of Discretionary Allocation Shares).

5.1.8 Method and terms for payment for shares and delivery thereof

Payment for shares

(a) Payment for New Shares subscribed during Period of Preferential Subscription

Full payment of the subscription price (made up of the par value and issue premium) for each New Share subscribed to during the Period of Preferential Subscription must be made by the Initial Subscribers when making the subscription, via the Participant Companies through which the application orders have been made. Any subscription orders not settled in this manner shall be deemed invalid.

The Participant Company through which subscription orders for New Shares have been made shall deposit the amounts paid in the account opened by DINAMIA for this purpose at Banco Espirito Santo de Investimento, S.A. Spanish Office, on the Payment Date of the Subscription Period, as set forth below and in accordance with the instructions given to this end by the Agent to each of the Participant Companies.

The Participant Companies shall pay the amount corresponding to the subscription orders before 11 am on 10 December 2009 (the **"Subscription Period Payment Date"**). If any of the Participant Companies that, having informed the Agent of the exercise of preferential subscription rights as stipulated in Section 5.1.3. above fail to pay the amounts corresponding to the subscriptions made via said Participating

Company within the period stipulated above in full, the Agent shall allocate such New Shares in the name of said Participant Company, which shall be obliged to make the payments due for said New Shares, with no liability on the part of the Agent or the Company, and without prejudice to any liability that the infringing Participant Company might incur to the holders of the orders of subscription of New Shares made within the period via this Participant Company.

If any of the Participant Companies, having paid the amounts corresponding to the subscription of New Shares within the Period of Preferential Subscription within the periods set forth for this purpose, fails to notify the Agent of the list of subscribers in the manner set forth, the Agent shall allocate said New Shares to the Participant Company, with no liability on the part of the Agent or the Company, and without prejudice to any liability that the infringing Participant Company might incur to the holders of the orders of subscription of New Shares made within the period via this Participant Company.

(*b) Payment for New Shares subscribed to during the Period of Allocation of Additional Shares*

Full payment of the subscription price for each New Share subscribed during the Period of Additional Share Subscription must be made by said subscribers no later than 10 am on the day following the end of the Period of Allocation of Additional Shares, that is, according to the planned schedule, no later than 11 December 2009 via the Participant Companies through which the application orders have been made. Any subscription orders not settled in this manner shall be deemed invalid.

Notwithstanding the foregoing, the Participant Companies may request from subscribers a provision of funds equal to the subscription price of the Additional Shares requested upon application thereof, as set forth in Section 5.1.5. above. In any event, if the number of Surplus Shares eventually allocated to each applicant is lower than that applied for, the Participant Company shall be obliged to return to the applicant, free of any expense or commission, the amount paid as provision of funds or, the excess amount for non-allocated shares, in accordance with the procedure applicable to said Participant Companies.

The Participant Companies who have made subscription applications for Additional Shares during the Period for Allocation of Additional Shares shall pay the corresponding amount for such shares into the account opened by DINAMIA for this purpose at Banco Espirito Santo de Investimento, S.A., Spanish Office, no later than 11 am on 11 December 2009.

If any of the Participant Companies, having informed the Agent of the application for Additional Shares as stipulated in Section 5.1.3. above, fails to pay the amounts corresponding to the subscriptions made via said Participant Company within the period stipulated above in full, the Agent shall allocate such New Shares in the name of said Participant Company, which shall be obliged to make the payments due for said New Shares, with no liability on the part of the Agent or the Company, and without prejudice to any liability that the infringing Participant Company might incur to the holders of the orders of subscription to New Shares made within the period via this Participant Company.

If any of the Participant Companies, having paid up the amounts corresponding to the subscription for Additional Shares within the stipulated period, fails to notify the Agent of the list of subscribers in the manner set forth, the Agent shall allocate said New Shares to the Participant Company, with no liability on the part of the Agent or the Company, and without prejudice to any liability that the infringing Participant Company might incur to the holders of the orders of subscription to New Shares made within the period via this Participant Company.

(c) Payment for New Shares subscribed to during the Period of Discretionary Allocation

Full payment of the subscription price for each New Share subscribed to during the Period of Discretionary Allocation must be made by recipient investors by no later than 10 am on 16 December 2009 via the Agent. The Agent shall in turn pay the funds received from recipient investors into the account opened by the Company at the Agent bank by no later than 11am on 16 December 2009.

Notwithstanding the foregoing, the Agent receiving applications for New Shares during the Period of Discretionary Allocation may request from subscribers a provision of funds equal to the subscription price of the Shares of Discretionary Allocation which, if any, were allocated to them. In the event of rejection of the application for New Shares, the Agent shall be obliged to return to the applicants, free of any expense or commission, the amount paid as provision of funds on the next working day following the end of the Period of Discretionary Allocation. In the event of partial selection of an application for New Shares, the return of the provision of funds shall only affect the part of the application for New Shares that has not been met.

Delivery of Shares

Each of the subscribers to New Shares in DINAMIA subject to this capital increase shall be entitled to obtain a signed copy of the subscription slip from the Participant Company through which the subscription has been made, in accordance with the terms established in article 160 of the Spanish Public Limited Companies Act.

Such subscription slips cannot be traded and shall remain valid until the registration references for the subscribed New Shares have been allocated, without prejudice to the validity thereof as evidence in the event of potential claims or incidents.

Once the capital increase has been paid up in full and the certificate confirming the payment of the funds in the bank account opened in the name of DINAMIA with the Agent, said capital increase shall be deemed to be closed and subscribed, and will be followed by execution of the capital increase deed before a Notary for subsequent registration at the Mercantile Registry of Madrid. Once registration has been carried out, a copy of the deed shall be delivered to Iberclear, to the CNMV and to the Governing Companies of the Madrid Stock Exchange, as the leading stock exchange.

Given that these are securities processed by book entry system, the shares shall be created by virtue of entry thereof in the central registry of Iberclear, once all procedures expressed in the paragraph above have been completed. On the same day as the entry in the central registry of Iberclear, the Participant Companies shall make the appropriate book entries in their own accounting systems in the name of the subscribers of New Shares subject to this capital increase.

The new shareholders shall be entitled to obtain from the Participant Companies where the New Shares are registered the official certificates for such shares, in accordance with what is set forth in Royal Decree 116/1992 of 14 February. Participant Companies shall issue said official certificates before the end of the working day following the request thereof by the subscribers.

The close of the capital increase is expected to take place by 16 December 2009 at the latest, with execution of the public deed of capital increase on the following day. In any event, it is pointed out herein that these are only estimated periods of time that might not be met, thereby delaying the performance of the transactions described.

5.1.9 Full description of the manner and date on which the results of the Offer must be made public

In accordance with what is set forth in Section 5.1.3 above, publication by the Company of certain Relevant Facts is planned on the following dates:

(i) 11 December 2009: stating the level of subscription during the Period of Preferential Subscription and the result of the Period of Allocation of Additional Shares and apportionment, if any, as well as the beginning, if any, of the Period of Discretionary Allocation.

(ii) 16 December 2009: if applicable stating (i) level of subscription during Period of Discretionary Allocation and (ii) final amount of capital increase.

5.1.10 <u>Procedure for the exercise of any preferential right of purchase, tradability of subscription rights and handling of unexercised subscription rights</u>

Holders of preferential subscription rights

All shareholders officially appearing as such in the book entries of Iberclear and the Participant Companies at 11:59 pm on the day of publication of the capital increase in the BORME shall be entitled to preferential subscription to New Shares subject to this capital increase, as well as any investors who purchase such preferential subscription rights on the market, in accordance with what is set forth in the next paragraph. Unexercised preferential subscription rights shall be automatically extinguished at the end of the Period of Preferential Subscription.

Markets where trades may be made

Preferential subscription rights are transferable under the same terms and conditions as the shares to which they are attached, as set forth in article 158.3 of the Spanish Public Limited Companies Act. Therefore, said rights of preferential subscription shall be traded on the Stock Exchanges of Madrid and Barcelona and via the Stock Exchange Interconnection System during the Period of Preferential Subscription of seventeen (17) calendar days as of the day following publication of the capital increase announcement in the BORME.

Theoretical value of the right of preferential subscription

Assuming the value of the shares prior to capital increase to be that of 10.90 Euros per share (value at close of 16 November 2009), the theoretical value of the preferential subscription right in the increase would be 0.225 Euros/share, calculated using the following formula:

$$TVR = \frac{(SPC - SP) \times NSI}{NSP + NSI}$$

Where:

TVR: Theoretical Value of the Right

SPC: Share price at close of trading on 16 November 2009

SP: Subscription Price (10.00 Euros)

NSP: Number of shares prior to capital increase subject hereto (11,970,000 shares)

NSI: Number of Shares issued in the capital increase subject hereto (3,990,000 shares)

As an example, this formula applied to the price at close of 16 November 2009, of 10.90 Euros, would result in a theoretical value of the right to subscription of 0.225 Euros per share:

$$TVR = \frac{(10.9–10,00) \text{ x } 3,990,000}{11,970,000 + 3,990,000} = 0.225 \text{ Euros}$$

In this regard, the post capital increase theoretical value per share would be of 10.675 Euros per share and the decrease of the issue price with regard to the post increase theoretical quotation would be 6.32%.

The previous formula applied to the Company's average quotation during the previous six months (10.9344 Euros per share), would result in a theoretical value of the subscription right of 0.2336 Euros. This would mean that the post increase theoretical value of the share would be of 10.7008 Euros per share and the decrease of the issue premium vs. post increase theoretical quotation would be of 6.55%.

In any event, as has been stated, preferential subscription rights shall be freely traded on the Stock Exchanges of Madrid and Barcelona, via the Stock Exchange Interconnection System (Electronic Trading System) and as such, the value that the market will assign cannot be predicted.

Once the Period of Preferential Subscription has ended, any rights of preferential subscription that have remained unexercised shall be extinguished.

5.2 Distribution and Allotment Plan

5.2.1 The various categories of possible investors to whom shares are offered. If the offer is made simultaneously on the markets of two or more countries and where a tranche has been reserved or is going to be reserved for certain countries, indicate tranche

The capital increase mentioned in this Memorandum may be subscribed to by the shareholders of DINAMIA, by any investor acquiring the corresponding preferential subscription rights or by any third party who may be awarded surplus shares during the Period of Discretionary Allocation. Subscription applications may come from investors residing in Spain, both qualified and unqualified, and from qualified and institutional investors residing abroad, in the event that New Shares are not subscribed to during the Period of Preferential Subscription or the Period of Allocation of Additional Shares. Such applications for subscriptions may or may not be accepted by the Board of

Directors of DINAMIA (or any person authorised to do so by the Board) at its own discretion, assessing (having heard the recommendation in this regard made by the Placing Agent) the applications for New Shares remaining during this Period of Discretionary Allocation, applying criteria of quality and stability to the investment and able to accept, either in full or in part, or reject any of the applications made for New Shares at its sole discretion and with no need for justification, but acting in good faith and ensuring that no unfair discrimination is made between proposals of the same rank and characteristics. In any event, and in accordance with what is set forth in Section 5.1.3. above, no public offer shall be made nor will the Memorandum be registered in any jurisdiction other than that of Spain.

Specifically, the information included in this Memorandum shall not be made public or distributed to persons residing in the United States of America or in any other countries where distribution of this type of information is restricted by law, and shall not be regarded as an offer of sale nor an application for purchase or subscription to shares in the United States or in any other country where it is illegal to make an offer or application of this nature or when a memorandum or similar document must first be registered with the authorities of the country.

DINAMIA hereby states that neither the preferential subscription rights nor the New Shares of DINAMIA, nor the offer thereof have been registered in the United States in accordance with the US Securities Act of 1933, nor in any country other than in Spain.

For the purposes of what has been set forth in the foregoing paragraphs, and in accordance with what is established in Section 5.1.10. above, shareholders of DINAMIA shall be all natural or legal persons appearing in the book entries of Iberclear and those of Participant Companies, as holders of the shares of the Company as of 11:59 pm on the day of publication of the offer of subscription to New Shares in the BORME.

5.2.2 Insofar as the issuer has knowledge thereof, indicate whether the main shareholders or the members of the Board of Directors, the management or the supervisory bodies of the issuer intend to subscribe to the Offer or if any person intends to subscribe to over five per cent of the Offer

As of the date of registration of this Memorandum, the shareholders (Electra Private Equity Partners 1995) and members of the Board of Directors (in the name of Ventos, S.A.) of the Company that are joint holders of approximately 27% of the share capital prior to the increase, have verbally stated their intention to participate in the capital increase subject hereto and to subscribe to all corresponding rights, although this is not a final commitment to do so. However, the Company has no knowledge that all of the members of the Board plan to subscribe to the issue.

5.2.3 Prior information on the allotment:

a) Division of the offer into tranches, including the institutional, retail, issuer employees and other tranches

Not applicable

b) Conditions under which such tranches can be reallocated, maximum amount of said reallocation and, if any, minimum percentage for each tranche

Not applicable

c) Method or methods of allocation to be used for the retail tranche and that for issuer employees in the event of over-subscription of these tranches

In accordance with what is set forth in Section 5.1.3. above, it is possible that an apportionment must be carried out in the allocation of Surplus Shares during the Period of Allocation of Additional Shares. The rules for allotment of Surplus Shares are included in that Section.

d) Description of any predetermined preferential treatment to be given to certain class of investors or certain similar groups (including programmes for friends and family members) in the allotment, percentage of the offer reserved for such preferential treatment and criteria for inclusion into such classes or group

Not applicable

e) Whether the handling of the subscriptions or offers for subscription in the allotment depends on the company carrying them out or on the company through which these are carried out

Not applicable

f) Minimum allotment amount, if any, in the retail tranche

Not applicable

g) Conditions for close of the Offer as well as earliest date on which the Offer may be closed

In accordance with what is expressed in Section 5.1 above, DINAMIA may end the issue once the Period of Preferential Subscription has ended, at any time, if the capital increase subject to this Memorandum has been fully subscribed to and paid up.

h) Whether multiple subscriptions are accepted and, if not accepted, how multiple subscriptions are handled

Not applicable

5.2.4 Process of notification to applicants of amount allocated and indication of whether trading can begin before notification

See Section 5.1.3. above.

Trading of ordinary subscribed shares may not begin until notification to the subscribers within the stipulated periods has been carried out.

5.2.5 Over-allocation and "green shoe"

Not applicable

a) Existence and amount of any over-allocation and/or "green shoe" mechanism

Not applicable

b) Period of existence of over-allocation and/or "green shoe" mechanism

Not applicable

c) Any condition for use of the mechanism of over-allocation and/or "green shoe"

Not applicable

5.3 Prices

5.3.1 Indication of the price at which shares will be offered. When price is not known or when there is no established and/or liquid market for the shares, indicate the method for determining the price of the Offer, including a statement by whoever has established the criteria or is formally responsible for determination thereof. Indication of amount of any expense or duty charged specifically to the subscriber or buyer.

The New Shares referred to herein are issued at an issue price of ten (10) Euros per share, equivalent to three (3) Euros of par value and an issue premium of seven (7) Euros per share.

Likewise, the capital increase of this Memorandum is carried out free of expenses for the subscribers, who shall only be obliged to pay up the issue price of each Share subscribed.

In any event, the purchase or sale of preferential subscription rights shall be subject to the fees freely established by the companies through which such purchase is made.

No expenses shall be charged to subscribers to New Shares for the registration of such shares in their names in the Iberclear book entry system and those of its Participant Companies. Nevertheless, these companies may charge, in accordance with legislation currently in force, any fees and duties that they may freely determine in terms of securities management or maintenance thereof in the accounting records, published by the CNMV or Bank of Spain in their respective fee lists.

5.3.2 Process of publication of the price of the Offer

As shown above, the price of each New Share shall be of ten (10) Euros per share, equivalent to three (3) Euros of par value and an issue premium of seven (7) Euros per share.

5.3.3 If the holders of issuer shares have preferential subscription rights and this right is restricted or removed, indicate the base of the issue price if this is monetary, and the reasons and beneficiaries of said restriction or removal

Not applicable, due to preferential subscription rights not having been removed.

5.3.4 In the cases in which there may be a considerable disparity between the Public Offer price and the real cost for the members of the governing management or supervisory bodies, or senior executives or associated individuals, of the shares purchased by them in transactions made over the past year, or which they may have a right to purchase, a comparison must be included between the public contribution of the proposed Public Offer and the real cash contributions of these persons

The Company has no knowledge of any considerable disparity over the last year between the public offer price and the real cash price of the shares purchased by the members of the Board of Directors, from the Auditing and Appointments Committee or the Managing Company.

5.4 Placement and underwriting

5.4.1 Name(s) and address(es) of coordinator or coordinators of the overall offer and certain parts thereof and, insofar as the issuer or offerer have knowledge thereof, of the placement agents in the different countries where the Offer is made

For this issue no financial institution has been appointed to carry out the global coordination or management of the offer.

5.4.2 Name and address of any payment agent and depositary institutions in each country

Banco Espirito Santo de Investimento, S.A., Spanish Office, with corporate address at calle Serrano 88, 28006 Madrid, and Tax Identity number W0102170H shall act as the Agent and Placement Agent for this issue (either "**Agent**" or "**Placement Agent**").

5.4.3 Name and address of companies agreeing to underwrite the issue with a firm commitment, and details regarding the companies agreeing to place the issue with no firm commitment or without a 'best effort' agreement. Indicate significant characteristics of the agreements, including all fees. In the event of non-subscription of the entire issue, state unsubscribed section. Indicate overall amount of subscription commission and placement commission

(a) Underwriting commitment

No institution has underwritten the placement of New Shares subject to this capital increase.

(b) Placement Commitments

Banco Espirito Santo de Investimento, S.A., Spanish Office, and DINAMIA have entered into a Placement Agency Agreement (the "**Agreement**") on 18 November 2009 by virtue of which, Banco Espirito Santo de Investimento, S.A., Spanish Office, as a Collaborating Institution, has undertaken to actively participate by locating subscribers among investors to whom the capital increase is targeted during the Period of Preferential Subscription and, if any, the Period of Allocation of Additional Shares and the Period of Discretionary Allocation. The Agreement governs the procedures for subscription, placement, payment and execution of the Offer under the terms set forth herein, as well as the appointment of Banco Espirito Santo de Investimento, S.A., Spanish Office as the Agent and Placement Agent of the Capital Increase.

Likewise, the Agreement states that Banco Espirito Santo de Investimento, S.A., Spanish Office, shall work in collaboration with the company Nmás1 Agencia de Valores, S.A. (belonging to the N+1 Group to which the Management Company of DINAMIA also belongs) as Associated Placement Agent to place the New Shares among the investors to whom this capital increase is targeted throughout its various time periods (of Preferential Subscription, Second Round and Third Round).

Commissions

The Agreement establishes the following commissions:

• For placement services, Banco Espirito Santo de Investimento, S.A., Spanish Office shall received a total commission (the "**Overall Commission**") made up of:

- A fixed commission of one hundred and seventy-five thousand Euros (€175,000) (the "**Fixed Commission**").

- A floating commission equal to the difference, if positive, between one per cent (1%) of the amount on the resulting amount subscribed in the capital increase and the Fixed Commission (the "**Variable Commission**").

• For broking services, Banco Espirito Santo de Investimento, S.A., Spanish Office shall receive:

- A commission of twenty thousand Euros (€20,000).

Banco Espirito Santo de Investimento, S.A., Spanish Office has undertaken to remunerate Nmás1 Agencia de Valores, S.A for their collaboration only in the event that a Variable Commission has been paid as per the Agreement. This remuneration (hereinafter, **"the Initial Remuneration"**) shall be equal to 37.5% of the amount of the Overall Commission (including both Fixed and Variable Commissions). Nevertheless, in the event that the amount of the Initial Remuneration is higher than that of the Variable Commission, Nmás1 Agencia de Valores, S.A. shall be paid an amount equal to the Variable Commission.

Lock-up Obligations

In addition, it is agreed that DINAMIA shall not issue shares nor other securities which may give a right to the subscription or purchase of DINAMIA shares, and to not propose the issue to the General Meeting until after 180 days have passed since the date of admission to trading of the New Shares.

5.4.4 When an underwriting agreement is to be reached or has been reached

There is no underwriting agreement.

6. AGREEMENTS WITH REGARD TO ADMISSION OF SECURITIES TO LISTING AND TRADING

6.1 Indicate whether the securities offered are or will be the object of an request for listing, for the purposes of their distribution in a regulated market or in other equivalent markets, indicating the markets involved. This circumstance must be mentioned, without it meaning that the listing request would necessarily be approved. If known, the earliest dates at which the securities will be admitted to listing should be provided

The Board of Directors of DINAMIA, at their meeting of November 17 2009, mentioned in section 4.6 above, agreed to request the admission to trading of all of the New Shares or, in the event of incomplete subscription, request the admission to trading of those securities which finally comprise the amount of the share capital increase, in the Madrid and Barcelona Stock Markets, and have also requested their admission to trading in the Stock Exchange Link-up (Continuous Market), designating the Madrid Stock Exchange as the Head Stock Market for purposes of the corresponding admission to trading procedure.

The requirement which must be met prior to official quotation on the aforementioned Stock Markets and trading in the Spanish Stock Exchange Link-up (Continuous Market) are basically as follows:

(a) Verification by the CNMV that the New Shares comply with the legal requirements which must be met before being traded on the Madrid and Barcelona Stock Markets;

(b) Presentation of the notarial instrument or authorized copy of the DINAMIA public deed for the execution of the capital increase, as duly entered in the Mercantile Registry of Madrid, along with various certificates and supplementary documentation to the CNMV, Iberclear and the Madrid and Barcelona Stock Exchanges Councils;

(c) Resolution to admit the New Shares to official trading on the Madrid and Barcelona Stock Markets, passed by their respective Stock Exchange Councils.

It is the intention of DINAMIA that listing of the New Shares begin as soon as possible, once the capital increase which is the subject of this Prospectus has been subscribed and closed, in incomplete form when necessary, with the New Shares being listed, in any case, not later than thirty days after the date of capital increase closing, when appropriate, to which effect DINAMIA will perform all of the required actions.

In any case, in the event that the New Shares are not admitted to trading in the Madrid and Barcelona Stock markets in the thirty days following the date on which the capital increase is closed, DINAMIA will publicly announce said circumstance and the reasons for the delay by means of an announcement published in the Madrid and Barcelona Stock Exchange Bulletins and in a nationally circulated newspaper, with the CNMV also receiving notification of said circumstance and reasons, by means of notification of the corresponding Relevant Fact.

It is entered into the record that DINAMIA is aware of the requirements and conditions which must be fulfilled in order for the shares constituting its share capital to be admitted to listing, remain listed and be removed from listing on the aforementioned organized markets, pursuant to current legislation and the requirement of their governing entities, and DINAMIA agrees to comply therewith.

6.2 <u>All of the regulated or equivalent markets in which, to the best of the issuer's knowledge, securities of the same class as those which are going to be offered or admitted to listing are already listed</u>

On the date of registration of this Offer, the 11,970,000 ordinary shares, with a par value of 3 Euros each, which comprise the total share capital of DINAMIA before the capital increase, are admitted to official trading on the Madrid and Barcelona Stock Exchanges, by means of the Stock Exchange Link-up (Continuous Market).

6.3 <u>If, at the same time or nearly at the same time as the creation of the securities whose admission to the regulated market is sought, an issue of the same class is privately launched or subscribed, or if other classes of issue are created for public or private launching, details with regard to the nature of these operations and the number and characteristics of the securities mentioned must be provided.</u>

Not applicable

6.4 <u>Information on the entities which have formally agreed to act as brokers in the secondary transactions, contributing liquidity by means of orders offering or requesting shares and the description of the main terms of the their agreement.</u>

On the date of registration of this Offer, DINAMIA has a free float of approximately 44%. For this reason, the Company considers that for the moment it is not necessary to involve an entity to act as a supplier of liquidity for the security.

6.5 Stabilization: in those cases in which an issuer or a shareholder-seller has granted an over-allotment option, or it is anticipated that price stabilization activities can be performed in relation with the offer

Not applicable

6.5.1 The fact that the stabilization can be performed, that there is no guarantee that it will be performed, and that it may be halted at any moment;

Not applicable

6.5.2 The beginning and end of the period during which the stabilization can be performed

Not applicable

6.5.3 Identity of the entity which directs the stabilization for each relevant jurisdiction, unless it is unknown at the time of publication

Not applicable

6.5.4 The fact that the stabilization operations can give rise to a market price which is higher than it would otherwise have been

Not applicable

7. HOLDERS - SELLERS OF SECURITIES

7.1 Name and professional address of the person or entity who offers to sell the securities, the nature of any office held or other relationship of importance which the sellers may have had in the last three years with the issuer or with any of his predecessors or related persons

Since a capital increase is involved, the shares will be offered by the Issuer himself, whose information must be recorded in section 1.1 above.

7.2 Number and class of securities offered by all of the holders or sellers of securities

This is not applicable since what is involved is a subscription of shares issued in order to increase capital.

7.3 Lock-up agreements:

The principal shareholders of DINAMIA have not entered into any lock-up agreement.

– **Involved parties**

Not applicable

– **Content and exceptions to the agreement**

Not applicable

– **Indicate the lock-up period**

Not applicable

Notwithstanding the foregoing, the Board of Directors of the Company has agreed not to issue shares or other securities which would give rise to the right to subscription or purchase of shares from DINAMIA, and has agreed not to propose their issue to the General Meeting until 180 days have elapsed since the date on which the new shares which will be issued in connection with the capital increase that is the subject of this Prospectus are admitted to trading on the Stock Markets.

8. ISSUE/OFFER EXPENSES

8.1 Total net earnings and calculation of the total costs of Issue/Offer

The maximum amount of DINAMIA's gross earnings derived from this capital increase will be THIRTY NINE MILLION NINE HUNDRED THOUSAND (39,900,000) Euros in the event that said capital increase is fully subscribed.

The calculated issue costs (not including VAT), based on the assumption of the full subscription of the capital increase, are indicated below, merely for illustrative purposes:

Item	Amount calculated in Euros
Legal expenses (Notary, Registry, public announcements and other)	20,000
Legal consultation – financial and auditors	117,000
Agency fee	20,000
Underwriting fee	399,000
Spanish Stock Market charges and fees	13,130
CNMV fees	1,700
Iberclear fees	1,197
Various (announcements, translation and possible deviations)	125,000
TOTAL	697,027

The total indicated issue expenses represent approximately 1.75 % of the effective amount of the issue, assuming that the anticipated capital increase amount is fully subscribed.

Consequently, the approximate net earnings associated with the capital increase, assuming that said capital increase is fully subscribed, have been calculated to amount to 39,202,973 Euros (that is, the total amount of the increase minus the aforementioned expenses).

9. DILUTION AND LIQUIDITY

9.1 Amount and percentage of immediate dilution resulting from the Offer

As was mentioned in section 5.1.10 above, DINAMIA shareholders have preferential subscription rights with respect to the capital increase which is the subject of this Prospectus and, therefore, in the event that they exercise said right, there will be no dilution of their DINAMIA stake holding.

9.2 In the event that a subscription offer is made to current holders, the amount and percentage of the immediate dilution if they do not subscribe to the new Offer

In the event that any of the current DINAMIA shareholders do not subscribe to the issue of New Shares in accordance with their corresponding percentage, and the capital increase is fully subscribed (that is to say, 100% of the New Shares issued are subscribed), the aforementioned shareholders' stake holding will be diluted by 25% of the share capital resulting from the increase. In the event that 50% of the issued New Shares are subscribed, those shareholders who do not exercise their preferential subscription rights will have their DINAMIA stake holding diluted by approximately 14.3% of their current stake holding.

The Company's shareholding situation after execution of the capital increase, with the entire capital increase having been subscribed, would be as follows with the corresponding dilutions:

	PRIOR TO CAPITAL INCREASE		AFTER CAPITAL INCREASE	
	Total Shares	% Shares	Total Shares	% Shares
TOTAL DIRECTORS	3,209,961	26.82%	3,876,628	24.29%
PRINCIPAL SHAREHOLDERS	3,473,717	29.02%	3,890,357	24.38%
MINORITY SHAREHOLDERS (<3%)	5,286,322	44.16%	8,193,015	51.33%
BOUGHT-BACK SHARES	0	0.00%	0	0.00%
TOTAL SHARES	**11,970,000**	**100%**	**15,960.000**	**100%**

The Company's shareholding situation after execution of the capital increase, with 27% having been subscribed as represented by the shareholders who, as a whole, have orally declared their intention to participate in the capital increase that is the subject of this Prospectus and to subscribe to their corresponding rights, would be as follows with the corresponding dilutions:

	PRIOR TO CAPITAL INCREASE		AFTER CAPITAL INCREASE	
	Total Shares	% Shares	Total Shares	% Shares
TOTAL DIRECTORS	3,209,961	26.82%	3,876,628	29.70%
PRINCIPAL SHAREHOLDERS	3,473,717	29.02%	3,890,357	29.80%
MINORITY SHAREHOLDERS (<3%)	5,286,322	44.16%	5,286,322	40.50%
BOUGHT-BACK SHARES	0	0.00%	0	0.00%
TOTAL SHARES	**11,970,000**	**100%**	**13,053,307**	**100%**

10. ADDITIONAL INFORMATION

10.1 **If the note with regard to the securities mentions the consultants connected to an issue, a declaration of the capacity in which said consultants have acted**

The following entities have rendered consulting services in connection with the capital increase that is the subject of this Prospectus:

a) URIA MENENDEZ ABOGADOS, S.L.P., a law firm responsible for providing DINAMIA with legal consultation regarding Spanish legislation.

b) PricewaterhouseCoopers Auditores, S.L., auditors of DINAMIA's annual accounts.

c) CMS Albiñana & Suárez de Lezo, S.L.P., the law firm responsible for providing legal consultation to the Broker and Placement Agent.

10.2 **Indicate other information in the securities note which has been audited and inspected by the auditors, and whether or not the auditors have presented the report. Reproduction of the report or, with authorization from the competent authority, a summary of said report**

Not applicable

10.3 **When the Securities Note includes a declaration or report attributed to a person acting in the capacity of expert, provide the name of said persons, professional address, qualifications and significant interest in the issuer, as warranted. If the report is presented at the request of the issuer, a declaration that said declaration or report is included, the form and the context in which it is included, with the consent of the person who has authorized the content of said part of the Securities Note**

Not applicable

10.4 **In those cases in which the information comes from a third party, provide confirmation that the information has been reproduced exactly and that, insofar as the issuer has knowledge thereof and to the extent that said issuer can so determine from the information published by said third party, no fact has been omitted which would render the reproduced information inexact or duplicitous The issuer must furthermore identify the information source or sources**

Not applicable

IV. INFORMATION ABOUT THE ISSUER, OR SHARE REGISTRATION DOCUMENT (ANNEX I – COMMISSION REGULATION (CE) 809/2004 OF 29 APRIL 2004)

1. THE RESPONSIBLE PARTIES

1.1 Identification of the persons responsible for the share registration document

DINAMIA CAPITAL PRIVADO, S.C.R., S.A. (hereinafter, "**DINAMIA**", "**the Company**" or "**the Issuer**"), an entity with registered address in Madrid, calle Padilla, number 17, Tax Identification Number A-81.862.724 and National Classification of Economic Activities number 6523, entered in the CNMV's Administrative Register of Venture Capital Companies under number 21, through Mr. Federico Pastor Arnauda, whose National Identity Document number is 21.641.701-N, the Chief Executive Officer of Nmás1 Capital Privado, S.G.E.C.R., S.A., the company to which DINAMIA has entrusted the management of its equity and assets (the "**Management Entity**"), acting in name and in representation of the Company by virtue of the powers currently vested in him to that effect by the Company's Board of Directors at its meeting held on 17 November 2009, takes responsibility for the contents of the present Prospectus.

1.2 Declaration by the person(s) responsible for the share registration document

DINAMIA, through Mr. Federico Pastor Arnauda, acting in his capacity as representative by virtue of the powers granted to him specifically for that purpose, declares that, having acted with reasonable diligence to ensure that such is the case, the information set forth in this Prospectus is, to his knowledge, in accordance with the facts and contains no omission that might affect the contents hereof.

2. STATUTORY AUDITORS

2.1 Name and address of the issuer's auditor for the period covered by the historical financial information (together with its membership in a professional body)

The Auditors that have verified DINAMIA's annual accounts for the Company's last three completed and audited financial years are the following:

- DINAMIA's annual accounts for the financial year ended 31 December 2006 were audited by KPMG Auditores, S.L., with registered address in Madrid, Paseo de la Castellana, 95, holder of the Tax Identification Number B- 78510153, entered in the Official Register of Auditors under number S0702 and in the Madrid Register of Companies, Volume 11.961, Sheet 84, Section 8ª, Page M-188007.

- DINAMIA's annual accounts for the financial years ended 31 December 2008 and 31 December 2007 were audited by PricewaterhouseCoopers Auditores, S.L., with registered address in Madrid, Paseo de la Castellana, 43, holder of the Tax Identification Number B-79031290, entered in the Official Register of Auditors under number S0242 and in the Madrid Register of Companies, Volume 9.267, Sheet 75, Section 8ª, Page M-87.250-1.

- DINAMIA's valuation reports dated 31 December 2006, 2007, and 2008 and 30 June 2009 were the object of a limited audit by Deloitte, S.L. (formerly Deloitte & Touche España, S.L.), with registered address in Madrid, Plaza Pablo Ruiz Picasso, 1 (Torre Picasso), holder of the Tax Identification Number B-79104469, entered in the Official Register of Auditors under number S0692 and in the Madrid Companies Register, Volume 13.650, Sheet 188, Section 8ª, Page M-54414.

2.2 If the auditors have resigned, been removed or not been re-appointed during the period covered by the historical financial information, indicate details if material

DINAMIA's General Shareholder Meeting held on 28 June 2007 agreed to appoint PricewaterhouseCoopers Auditores, S.L as its financial auditor for an initial period of three years. The appointment of PricewaterhouseCoopers Auditores, S.L as the company's financial auditor entailed the replacement of the Company's former financial auditor, KPMG Auditores, S.L.

The appointment of PricewaterhouseCoopers Auditores, S.L. was made upon the proposal by the Company's then Audit Committee. In this regard, after considering various alternatives, the Audit Committee agreed to propose the appointment of the said firm given than it was currently auditing several companies in which DINAMIA has a stake, thus facilitating the auditing.

Since its appointment as the Company's financial auditor, PricewaterhouseCoopers Auditores, S.L. has not resigned or been removed.

3. SELECTED FINANCIAL INFORMATION

3.1 Selected historical financial information regarding the issuer, presented for each financial year for the period covered by the historical financial information, and any subsequent interim financial period, in the same currency as the financial information

The most relevant items from DINAMIA's historical financial information for the financial years ended 31 December 2006 and 2007, prepared in accordance with the CNMV Circular 5/2000, 19 September, and for the financial years ended 31 December 2007 and 2008 and prepared in accordance with CNMV Circular 11/2008, 30

December, which came into force on 15 January 2009 and replaced Circular 5/2000, as well as the main financial ratios are shown below. As the Company does not have a group, and therefore does not prepare consolidated annual accounts, the individual annual financial statements are provided. At 31 December 2008, the Company did not hold a majority of voting rights, nor did it appoint the majority of the members of the board of directors for any of the companies in which it has a stake, and therefore, no control relationship exists. It is this control relationship that determines whether a group of companies exists. The General Accounting Plan, approved by Royal Decree 1514/2007 of 16 November, says that, for the purposes of a business or company's annual accounts, it is understood that a company is part of a group when the two are bound by a control relationship. Consequently, DINAMIA is not part of a group of companies and does not prepared consolidated annual accounts.

The information for the 2007 financial year, prepared in accordance with CNMV Circular 11/2008, 30 December, is included in the present Prospectus for comparative purposes only. In addition, an "adjusted" column that reconciles the data for the 2007 financial year between CNMV Circular 11/2008 and CNMV Circular 5/2000 is provided. This reconciliation was reviewed by PricewaterhouseCoopers Auditores, S.L.

The aforementioned CNMV Circular 11/2008, 30 December (hereinafter, "**Circular 11/2008**") on accounting standards, annual financial statements and confidential reporting statements for venture capital entities, replaced Circular 5/2000 according to which the annual financial statements for 2006 and 2007 were prepared. The new Circular 11/2008 refers to accounting criteria as well as the presentation of financial information for venture capital entities. It should be noted that, due to the fact that the main object of venture capital entities is the acquisition of short-term investments in the capital of companies, the Circular places special importance on accounting rules for financial assets that take into account that these entities have to determine worth and calculate net asset value. Another noteworthy aspect of Circular 11/2008 is that it specifies the methods to be used to determine fair value, particularly for unlisted entity instruments, which in principle will be the Venture Capital Entities most characteristic investments.

Specifically, DINAMIA's investments in unlisted companies have been entered as investments in associate companies and, according to Rule 11 of Circular 11/2008, must be accounted at cost, less the amount of any valuation adjustments due to impairment, and latent capital gains net of tax must be presented in off-balance-sheet accounts, except for investments that are classified as seed capital. In this regard, and according to the December 2008 annual accounts, the difference between the NAV (180.9 million Euros) of the investment portfolio and its net book value (166.2 million Euros) came to 14.7 million Euros. This difference was entered in its entirety in the off-balance-sheet accounts.

Investments in listed companies, investment funds and venture capital funds are classified as available-for-sale financial assets and are entered on the balance sheet at fair value, recording the changes to that fair value in net worth, and should it become impaired, removing any such amount to the income statement. For these investments, there are no differences with the Valuation Report.

More information on Circular 11/2008 is included in sections 5.1.4 and 20 below.

As for the Company's income, one of the most relevant items is the interest on participating loans made to investee companies. Even though these interests accrue in each financial year, they are not recorded in the Company treasury as cash flow until it is divested. Consequently, there time difference between the accrual and payment of these interests can sometimes be large.

Likewise, with regard to one of the more important items of cost, the performance fee that DINAMIA pays the Management Entity, there is a time lag as well between the accrual of the performance fee and the related cash flow. This is due to the provisions of the Management Agreement. As explained below, the Management Agreement specifies that the performance fee is only to be paid once acquisition costs for all businesses acquired in the year the relevant company is sold have been covered and is subject to a minimum yield equal to the average IRR on Spanish three-year bonds in December of the year in question.

Most important items from the Balance Sheet at 31 December (figures in thousands of Euros)

	Circular 11/2008			Circular 5/2000		% Var.	
	2008	2007 (not audited)[1]	Adjusted[2]	2007	2006	2007-2008	2006-2007
Long-term investments in group companies and associates[3]	176,156	178,144	(8)	178,152	130,494	-1.12%	36.52%
Equity instruments	83,636	73,322	0	73,322	72,233	14.07%	1.51%
Loans granted to and receivables from companies	92,520	104,822	(8)	104,830	58,261	-11.74%	79.93%
Long-term financial assets[4]	7,919	10,421	3,686	6,735	9,002	-24.01%	-25.18%
Cash and cash equivalents	44,547	91,955	0	91,955	98,088	-51.56%	-6.25%
Share Capital	35,910	35,910	0	35,910	35,910	0.00%	0.00%
Shareholder's Equity[5]	198,743	242,924	0	242,924	206,752	-18.19%	17.50%
Current liabilities	2,575	6,236	3	6,233	907	-58.71%	587.21%
Non-current liabilities[6]	30,715	32,212	1,105	31,107	32,950	-4.65%	-5.59%
Total balance	230,677	283,952	3,688	280,264	240,609	-18.76%	16.48%

[1] Included for comparative purposes only, as it is not part of the annual accounts for 2007 or for 2008
[2] Adjustments that are necessary to adapt 2007 financial information to Circular 11/2008. These adjustments were reviewed by the Company's auditors.
[3] Includes equity share and participating loans to unlisted companies.
[4] Includes shares in listed companies, venture capital funds and investment funds
[5] Includes Share Capital, Share Premium, Reserves and profit (loss) for the year (+/-)
[6] Includes long-term provisions for management fees and long-term payables

Most important items from the income statement at 31 December (figures in thousands of Euros)

	Circular 11/2008			Circular 5/2000		% Var.	
	2008	2007 (not audited)[1]	Adjusted[2]	2007	2006	2007-2008	2006-2007
Financial income[3]	16,322	13,418	0	13,418	7,217	21.64%	85.92%
Profit (loss) from disposals (net) (+/-)	3,575	67,028	0	67,028	39,533	-94.67%	69.55%
Impairment and losses on financial investments (+/-)[4]	(50,090)	(7,439)	0	(7,439)	(2,016)	573.34%	n/a
Fees and other income received	(6,163)	(19,664)	0	(19,664)	(11,652)	-68.66%	68.76%
Profit (loss) for the year	(35,803)	52,930	0	52,930	37,046	-167.64%	42.88%
Operating cash flow	(47,409)	(6,133)	0	(6,133)	45,589		

[1] Included for comparative purposes only, as it is not part of the annual accounts for 2007 or 2008

[2] Adjustments that are necessary to adapt 2007 financial information to Circular 11/2008. These adjustments were reviewed by the Company's auditors

[3] Includes interest on current accounts, repos, participating loans and dividends

[4] Corrections to the value of participating loans and shares

Main financial ratios at 31 December

	Circular 11/2008		Circular 5/2000	
	2008	2007 (not audited)	2007	2006
Leverage Ratio (Total assets / Equity)	1.16	1.17	1.15	1.16
ROE (Net profits / Equity)	-18.01%	21.79%	21.79%	17.92%
ROA (Net profits / Total assets)	-15.52%	18.64%	18.89%	15.40%
NAV per share (not adjusted for performance fee)[2]	18.72	27.65	27.65	26.38
NAV per share (adjusted for performance fee)	18.17	25.51	25.51	24.73
Share price5	9.20	20.98	20.98	23.49
PER	n/a	4.74	4.74	7.59
Discount / Premium on NAV	50.9%	24.1%	24.1%	11.0%
Dividend per share	0.70	0.70	0.70	1.40[1]
Pay-out[3]	n/a[4]	15.83%	15.83%	45.24%

[1] In 2006, an extraordinary dividend of 0.70 per share was distributed on the occasion of the divestment of General de Alquiler de Maquinaria and the 10th anniversary of the Company's IPO

[2] Refers to the Management Entity's performance fee equal to 20% of the capital gain obtained from divestments, which is only paid once acquisition costs for all of the businesses acquired in the year the relevant company is sold have been covered

[3] Every year, dividends are distributed by charge to the share premium account. Dividends are paid in the year following the year in which they are earned.

[4] In 2008, the distribution of dividends in the amount of 8.379 million Euros was approved, and the shareholder remuneration policy remained intact.

[5] At year end

3.2 If selected financial information for interim periods is provided, comparative data from the same period in the prior financial year must also be provided, unless the requirement for comparative balance sheet information is satisfied by presenting the year end balance sheet

Selected financial information from the first half of 2009 compared to the prior year, in accordance with CNVM Circular 11/2008, 30 December, and the main financial ratios are given below. The Company's auditors performed a limited audit of the financial information for the first half of 2009. The financial information for the period ending 31 December 2008 was audited by the Company's auditors.

Most important items from the Balance Sheet at 30 June (figures in thousands of Euros)

	Circular 11/2008 30/06/2009	Circular 11/2008 31/12/2008
Long-term investments in group companies and associates[1]	156,615	176,156
Equity instruments	74,558	83,636
Loans granted to and receivables from companies	82,057	92,520
Long-term financial assets[2]	5,467	7,919
Cash and cash equivalents	55,198	44,547
Share Capital	35,910	35,910
Shareholder's Equity[3]	181,234	198,743
Current liabilities	10,852	2,575
Non-current liabilities[4]	31,604	30,715
Total balance	220,541	230,677

[1] Includes equity share and participating loans

[2] Includes shares in listed companies, capital venture funds and investment funds

[3] Includes Share Capital, Share Premium, Reserves and profit (loss) for the year (+/-)

[4] Includes, among others, long-term provisions for management fees and long-term payables

Most important items from the income statement at 30 June (figures in thousands of Euros)

	Circular 11/2008 30/06/2009	Circular 5/2000 30/06/2008
Financial income	6,127	8,078
Profit/(loss) from disposals (net) (+/-)	6,007	2,969
Impairment and losses on financial investments (+/-)	(18,295)	(12,365)
Fees and other income received	(2,714)	(4,403)
Profit (loss) for the year	(9,130)	(5,604)

Main financial ratios at 30 June

	30/06/2009	30/06/2008
Leverage ratio (Total assets / Equity)	1.22	1.16
ROE (Net profits / Equity)	-5.04%	n/a
ROA (Net profits / Total assets)	-4.14%	n/a
NAV per share	15.65	26.38
NAV per share adjusted for performance fee	14.98	24.57
Share price	11.37	18.79
Discount/Premium on NAV	27.3%	28.8%

The most important items from the financial information at 30 September 2009 are given below and expand on the information provided in the present prospectus. This information has not been audited in its entirety or in a limited fashion by any auditor or independent third party. The information shows that there have not been any significant variations over the prior quarter.

Most important items from the Balance Sheet at 30 September (figures in thousands of Euros)

	30/09/2009[1]
Long-term investments in group companies and associates[2]	158,581
Equity instruments	74,078
Loans granted to and receivables from companies	84,502
Long-term financial assets[3]	6,329
Cash and cash equivalents	44,661
Share capital	35,910
Shareholder's Equity[4]	181,680
Current liabilities	2,060
Non-current liabilities[5]	31,384
Total balance	212,578

[1] Includes non audited accounts and not reviewed by an expert

[2] Includes equity share and participating loans

[3] Includes long term provisions for management fees and income to be distributed over several years

[4] Includes Share Capital, Share Premium, Reserves and profit(loss) for the year

[5] Includes long-term provisions for management fees and income to be distributed over several years

Most important items from the income statement at 30 September (figures in thousands of Euros)	
	30/09/2009[1]
Financial income	9,399
Profit/(loss) from disposals (net) (+/-)	6,007
Impairment and losses on financial investments (+/-)	(20,449)
Fees and other income received	(3,479)
Profit (loss) for the year	(8,684)

[1] Includes non audited accounts and not reviewed by an expert

Principal financial ratios at 30 September	30/09/2009
Leverage ratio (Total Assets / Equity)	1.17
ROE (Net profits / Equity)	-4.78%
ROA (Net profits / Total assets)	-4.09%
NAV per share	14.86
NAV per share (adjusted for performance fee)	14.16
Share price	11.34
Discount/Premium on NAV	23.7%

4. RISK FACTORS

See Section II "Risk Factors" above.

5. INFORMATION ABOUT THE ISSUER

5.1 History and evolution of the issuer

5.1.1 Legal and commercial name of the issuer

The full name of the issuer of the securities under this Prospectus is "DINAMIA CAPITAL PRIVADO, SOCIEDAD DE CAPITAL RIESGO DE RÉGIMEN COMÚN, S.A.", as defined in Article 1 of the Company's Bylaws. The Company was incorporated under its current name (which was amended in accordance with the provisions of the 25/2005 Act, to include the statement "common regime") and the Company trades under this name.

5.1.2 Place of registration of the issuer and registration number

The Company is registered with the Mercantile Registry of Madrid in Volume 12,530, Section 8, Book 0, Folio 163, and Page No. M-199,956, and with the Registry of Venture Capital Companies of the CNMV [Spanish SEC] under number 21. The economic activity code is NCEA 6523.

The Company's tax identification code is A-81,862,724.

5.1.3 Date of incorporation and period of activity of the issuer, when these are not open-ended

The Company is a Venture Capital Company under the common regime, approved as such following a favourable decision reached by the Ministry for the Economy and the Inland Income, which was issued on 31 October 1997, and the Company was incorporated as a Public Limited Company by deed executed on 11 November 1997, before the Notary of Madrid, Mr. Luis Rueda Esteban, with number 5,818 of his official record. DINAMIA was registered with the Registry of Venture Capital Organisations of the CNMV on 24 November 1997.

5.1.4 Address and legal status of the issuer, the legislation under which it operates, its country of incorporation and the address and telephone number of its registered office (or main place of business if other than its registered address)

The Company has its registered office in Madrid, in Calle Padilla, No. 17, and its telephone number is +34 91 745 85 44.

The Company, of Spanish nationality, has a commercial nature and has the legal status of a Public Limited Company. It is therefore subject to the regulations set forth by the Spanish Law on Public Limited Companies, the amended text of which was approved by Royal Decree 1,564/1989 of 22 December, and other related legislation.

In addition, the Company, in its capacity as a Venture Capital Company and as a listed company, is subject to special arrangements provided for venture capital firms and listed companies, the basic regulations of which are contained, inter alia, in the following legislation:

(i) the 25/2005 Act of 24 November, regulating Venture Capital Organisations and the management companies thereof

The 25/2005 Act of 24 November, regulating Venture Capital Organisations and the management companies thereof (hereinafter, **"the 25/2005 Act")** has the purpose of easing the legal framework to which venture capital firms and their management companies are subject to in comparison with previous legislation, while at the same time fostering the development of the same as an alternative financing source for firms involved in R&D+i.

The 25/2005 Act establishes the administrative regime of venture capital organisations, providing a different administrative treatment to these organisations depending on whether they are subject to the common regime or the simplified regime.

The 25/2005 Act regulates the conditions for access to and the pursuit of venture capital activities, the investment regime of this type of organisation, reporting and auditing requirements, the legal regime, in particular, of venture capital companies; venture capital funds and companies managing venture capital organisations and standards of conduct, monitoring, inspection and the sanctions applicable to all of the abovementioned organisations.

Furthermore, the 25/2005 Act delivers the CNMV the bulk of the powers of authorisation for venture capital organisations and duties of supervision and registration of these organisations.

Venture capital organisations are classified under the common and simplified regimes. With the simplified regime, the purpose was to create a more flexible and less protectionist vehicle to suit qualified investors. The inherent advantages of this system are mainly the simplicity of the authorisation and information requirements, in which organisations under the simplified regime must have a number of shareholders or stakeholders not exceeding twenty and, primarily, due to the possibility this scheme offers for the issue of special shares for its owners or founders. According to annual reports of the CNMV, the majority of organisations registered since the entry into force of the 25/2005 Act requested the simplified regime scheme.

As regards the **investment regime,** the 25/2005 Act relaxes investment rules by adopting, inter alia, the following steps: introducing financial statuses that are common in practice in surrounding countries, extending the scope of advice of the organisations and their management companies, although it is in line with companies that are the target of the investment of the organisations and it allows the venture capital companies to acquire stakes in non-financial companies listed on the primary market for the purpose of delisting such companies within a specific period. Besides the above, and with the aim of reducing risk, investment is diversified with the creation of venture capital funds and venture capital companies that primarily invest in venture capital organisations. This form of company is designed to attract retail investors to venture capital. With these elements, the sector is provided new and important tools to facilitate the productive investment activity.

The investment system is summarised as follows:

- *Portfolio Components*

1. Mandatory investment coefficient

According to Article 18 of the 25/2005 Act, at least 60% of the accountable assets of a Venture Capital Company must be materialised in shares or equity investments in companies that are within the scope of its activity. These companies are defined as non-financial companies not listed on the primary market of the Stock Exchanges. Non-financial companies are defined as organisations whose main activity is the ownership of shares or stakes issued by organisations belonging to non-financial sectors.

In addition, under this system investments which are deemed as within the scope of venture capital firms, are investments in securities issued by companies whose assets comprise more than 50% of property, provided that the properties represent at least 85 per 100 of the book value of the total properties of the investee are, for the entire period of possession of these securities, subject to the development and economic activity as set forth in Royal Legislative Decree 3/2004 of 5 March, which approves the Amended Text of the Law on Income Tax of Natural Persons.

Within this 60% figure of accountable assets, up to 30% can be used for participating loans to companies within the scope of its activities and up to 20% of total accountable assets to the acquisition of shares or stakes of venture capital companies, as long as, in accordance with the Law, each of the investee venture capital firms does not have, in turn, an investment of 10% of its assets in other venture capital firms.
Also included in the mandatory investment coefficient are shares and stakes in the capital of non-financial companies which are listed or traded on a secondary market of a Spanish Stock Exchange or on equivalent markets in other countries.

To this end markets considered valid are those which simultaneously meet the following conditions:

a) Being a special segment of a market or a foreign stock exchange where admission requirements are similar to those established in Spanish regulations for secondary markets.

b) Being a niche market, specialising in securities of small and medium enterprises.

c) Not being located in an area considered a tax haven by Spanish legislation.

2. Unrestricted coefficient

The remaining assets not subject to mandatory investment coefficient can be devoted to:

a) Fixed-income securities traded on regulated markets.

b) Investments in companies other than those within the scope of its business activity, including stakes in Undertakings for Collective Investments in Transferrable Securities (UCITS) and venture capital organisations which do not meet the requirements set forth in the foregoing.

c) Cash.

d) Participating loans.

e) Financing of any description to investee companies which are included in the scope of its main corporate purpose.

f) Up to 20% of its share capital can be devoted to fixed assets.

- *Diversification of investments*

In addition, Article 22 of the 25/2005 Act states that an investment accounting for over 25% of the accountable assets may not be invested in the same company, nor over 35% in companies belonging to the same group, where a group of companies follows the definition set forth in Article 4 of the Securities Market 24/1988 Act. Venture capital organisations may invest up to 25% of their assets in companies belonging to their group or their management company, as set out in the aforementioned Article 4 of the Securities Market Law, provided they meet the following requirements:

i. That the Bylaws or regulations provide for these investments.

ii. The organisation or, when applicable, the management company has a formal internal procedure, included in its internal code of conduct, allowing conflicts of interest to be avoided.

iii. That prospectuses and periodic public information of the organisation provides detailed information on the investments made in group companies.

- *Transitional periods*

The percentages stated above, in relation to the composition of the portfolio of venture capital companies, do not have to be followed by Venture Capital Organisations during the following periods:

i. During the first three years following registration in the relevant CNMV register.

ii. For twenty-four months, starting from a divestment of investments which relate to mandatory coefficients.

For this purpose, in the event of a return of contributions to stakeholders or shareholders, coefficients shall be calculated on the basis of initial share capital.

In the case of a share capital increase or a fresh injection of resources, which is not required by legal regulations, coefficients may be ignored for the first three years following the increase or the new contribution.

Furthermore, the CNMV may, under exceptional circumstances, grant exemptions for compliance of coefficients or authorise the extension of the deadlines referred to in sub-sections i and ii of this section, at the request of the Venture Capital Company, in response to market conditions and difficulties which the company may encounter in finding projects to cover the abovementioned percentages appropriately.

DINAMIA meets the requirements set forth above on the date of registration of this prospectus (as far as the initial investment and the current value of the portfolio are concerned), and its future performance shall be subject to the limitations contained in the 25/2005 Act or, when applicable, those contained in the regulation that may replace such Law in the future.

As for the authority and **competencies of the CNMV** as the body supervising venture capital organisations, the 25/2005 Act sets forth that:

- to start their activities, venture capital organisations must obtain the CNMV's prior approval of the draft incorporation project and the registration thereof in the relevant CNMV administrative register. The authorisation granted to venture capital organisations may only be revoked by the CNMV in certain cases;

- changes affecting the incorporation project or the management regulations of venture capital organisations must be approved by the CNMV, except in some appraised cases;

- in cases where the previous authorisation described above is not mandatory, the amendment of the incorporation projects, bylaws and regulations must be notified immediately to the CNMV;

- changes taking place within the boards of directors of venture capital companies and management companies and changes of general managers and similar posts shall be notified to the CNMV;

- within the first four months of each financial year, investment companies or management companies, in the case of investment funds, provided that these are companies and funds under the common regime, must submit the annual financial statements, the proposal for distribution of earnings and the management report together with the auditor's report to the CNMV;

- venture capital companies and companies managing venture capital organisations must furnish the CNMV with all information required of them, and in particular, information concerning their activities, investments, resources, assets, financial statements, shareholders or stakeholders, economic and financial situation, as well as any matters concerning relevant facts, with the frequency, scope and content established;

- transformation, merger, division and other corporate transactions that a venture capital company carries out leading to the creation of a venture capital company require the CNMV's prior approval;

- the CNMV may establish, where appropriate, certain requirements to shareholders' equity and solvency standards of the venture capital organisation management companies;

- the CNMV may monitor and collect any information deemed necessary on matters of interest related to the subjects covered by the 25/2005 Act and, with the purpose of receiving such information or confirming its truthfulness, the CNMV may conduct any inspections deemed necessary. The venture capital firms and the management companies thereof are obliged to make available the books, records and documents to the CNMV which the CNMV considers appropriate, whatever the format thereof;

- the imposition of penalties for serious and minor offences is the responsibility of the CNMV, which is also responsible for proposing the imposition of serious sanctions to the Ministry of Economy.

As regards the **tax regime** applicable to companies and venture capital funds, it is as described below in summary form:

1. Venture capital companies and funds enjoy, in general, an exemption of 99% of the income they obtain from the transfer of securities representing the stake in the share capital or shareholders' equity of the venture capital companies or organisations listed in the 25/2005 Act, as long as transmission occurs from the second year of ownership of such share accounted from the time of acquisition or delisting, up to the fifteenth year, inclusive.

2. Venture capital companies may apply, regardless of the percentage of ownership and length of ownership of their shares or stakes in the organisations that they set up or promote: (a) a deduction to avoid double taxation of 100% on dividends and shares of profits arising from organisations resident in Spain; and (b) an exemption on dividends and shares of profits arising from organisations which are not resident in Spain.

3. Recipients that are taxpayers of Corporate Income Tax or taxpayers of Income Tax of Non-residents with permanent establishment in Spain receive tax benefits for dividends and capital gains they obtain from the sale or transfer of shares of DINAMIA, as set out in Section 4.11 of the Note on the Shares in this Prospectus.

(ii) Order of 17 June 1999, which partially implements the Spanish Law on Venture Capital Companies, enabling the CNMV to make provisions for the authorisation procedure for new organisations, accounting standards and reporting obligations of venture capital organisations and the management companies thereof;

The purpose of this Order is the implementation of the 25/2005 Act on the CNMV competencies in the procedure for authorisation of new organisations, accounting standards and reporting requirements of venture capital companies and their management companies.

(iii) Circular 4/1999 of 22 September, of the CNMV, on administrative procedures and standardised forms for venture capital companies and their management firms;

The regulation letter sets forth the criteria and instructions for processing draft incorporation projects for venture capital companies and their management firms which shall commence with the filing with the CNMV of an application for authorisation and of the documentation provided, which shall comply with the requirements set forth under this Circular.

(iv) Circular 1/2008 of 30 January, the National Securities Market Commission (CNMV) on the periodic information of issuers with securities admitted to trading on regulated markets concerning six-monthly financial reports, interim management statements and, when applicable, quarterly financial reports.

Circular 1/2008 on regular reporting, governs models for periodic information concerning summary, individual and consolidated financial statements, with a six-monthly frequency, as well as interim management statements. Regarding individual financial statements, given that DINAMIA is not part of any consolidated group, the new applicable national accounting standards require adapting existing models to the provisions of these standards and drafting summary individual annual financial statements in accordance with these accounting regulations.

One of the new items of this rule are statements of responsibility which, in accordance with the provisions of Royal Decree 1362/2007 of 19 October, which implements the Securities Market 24/1988 Act of 28 July, in relation to the transparency requirements concerning information about issuers whose securities are admitted to trading on an official secondary market or another regulated market in the European Union, that must be undertaken by the managers of the issuer, the names and posts of which shall be clearly stated in the specific section of the models every six months. A further new regulation included in this Circular refers to the specification of prior statistical information under the provisions of Article 18 of Royal Decree 1362/2007. To facilitate compliance with these regulations by issuers and avoid creating new models for specific information for statistical purposes, regulators have decided to consider that a part of the financial information contained in chapter IV of the semi-annual reporting model called "selected financial information" may, additionally, be considered statistical information.

(v) Circular 11/2008 of 30 December by the National Securities Market Commission, on accounting standards, annual financial statements and confidential information statements of venture capital organisations.

With the approval of the new General Accounting Plan and its entry into force on 1 January 2008, the CNMV, by Circular 11/2008, adjusted the accounts of venture capital organisations to new accounting standards, therefore repealing Circular

5/2000 regulating the accounting principles applied to the drafting of financial reports of Venture Capital Organisations up until that date.

Firstly, Circular 11/2008 regulates the procedure and formal issues regarding the preparation of individual financial statements of the venture capital organisations and the management companies thereof and other confidential financial statements.

Secondly, it establishes the accounting principles and general accounting criteria, with a special focus on accounting rules for financial assets. Thus, the Circular specifies the methods for determining fair value, particularly for investments in unlisted companies, which are the primary targets for investment by venture capital organisations. Specifically, DINAMIA's investments in unlisted companies have been recorded as investments in associated companies and, where applicable, in accordance with Rule 11 of Circular 11/2008, the accumulative amount of the value corrections due to impairment must be accounted at its lower value, recording the underlying capital gains net of taxes in off-balance accounts, except in the case of investments classified as start-up capital.

Lastly, the Circular includes models for public and confidential statements to submit to the CNMV on an annual basis and the auditor's report, which, in the event of including qualified opinions due to limitations of scope when it was not possible to gather sufficient evidence regarding the fair value of investment, must be accompanied by a special monitoring report from the auditors.

(vi) Royal Decree 7/1996 of 7 June, on Urgent Fiscal and Development and Liberalisation Measures for Economic Activities which regulates, inter alia, participating loans

Royal Decree 7/1996 of 7 June, on Urgent Fiscal and Development and Liberalisation Measures for Economic Activities regulating participating loans must be taken into account, given that, although this regulation is not specifically applicable to venture capital organisations or listed companies, it does regulate a common institution in the structure of the venture capital sector's investment. In Article 20 of this Decree, participating loans are defined as loans which have the following characteristics:

a) The lending organisations shall receive a variable rate of interest which shall be determined depending on the evolution of the business of the borrowing company. The criteria used to establish this evolution can be any of the following: net profit, turnover, total capital, or any other criteria freely agreed between the parties to the agreement. In addition, the parties may agree a fixed rate of interest, regardless of the development of the company's business.

b) The parties to the agreement may agree to include a penalty clause for an early repayment scenario. In any case, the borrower may only repay the participating loan in advance if this early payment is offset against an increase in shareholders' equity for the same amounts and provided that this increase is not sourced to an asset update.

c) Participating loans, regarding preference claims, are situated after common creditors.

d) Participating loans shall be considered as net equity for the purposes of capital reduction and winding-up of companies under commercial legislation.

(vii) Proposal for a Directive on Alternative Investment Fund Managers

Additionally, a further regulation to be borne in mind is the Proposal for a Directive of the European Parliament and the Council on Managers of Alternative Investment Funds (hereinafter, the **"Proposal for a Directive").** The approval of the Directive which intends to harmonise regulations on alternative investments in the European Union (**"EU"**) is initially planned for the end of 2009. However, given that it is pending a first reading by the European Parliament and the Council, it is unlikely that approval shall take place on schedule.

Under the proposed Directive, alternative investment funds are defined as any funds which are not regulated by the UCITS Directive or Directive on Undertakings for Collective Investment in Transferable Securities (UCITS), with the scope of alternative investment funds including hedge funds, venture capital funds, real estate funds, etc.

The Proposal for a Directive has the following purposes: (i) establishing a safe and harmonised Community framework with a view to controlling and monitoring the risks that organisations developing the activity of management and administration of alternative investment funds (**"EGFIAs"**) involve for their investors, counterparties, other stakeholders on financial markets and financial stability; and (ii) to enable EGFIAs to render their services and market their funds on the internal market, provided they meet certain strict requirements.

Therefore, the scope of the Proposal for a Directive covers all EGFIAs managing alternative investment funds within the Community, irrespective of their legal domicile, provided that they manage alternative investment fund portfolios in excess of 100 million Euros, or over 500 million Euros in the case of EGFIAs exclusively managing non-leveraged alternative investment funds and which do not grant investors the right to reimbursement for a period of five years from the date of incorporation of the fund.

The Proposal for a Directive sets forth that, in order to operate in the EU, all EGFIAs must obtain permission from the competent authorities of their Member States of origin, and prove that they are duly qualified to provide fund management services for alternative investment funds, as well as supply detailed information about the activity they intend to develop, the identity and characteristics of managed funds, management of the EGFIAs (including delegation of management services), the provisions on valuation issues and safekeeping of assets and mandatory reporting systems, as appropriate. Also, EGFIAs must at all times maintain a minimum level of capital. They should also prove the robustness of internal risk management systems, especially liquidity risks and other operational and counterparty risks associated with short sales; management and declaration of conflicts of interest, fair valuation of assets and safety of the devices regarding deposit and safekeeping. Specific requirements, in particular reporting obligations, will be tailored to the specific investment strategy employed.

As far as investors are concerned, a minimum level of information is established, both initial and ongoing information, for professional investors. Thus, EGFIAs are obliged to provide their investors with a clear description of the investment policy implemented, the refund policy under both normal and exceptional circumstances, and procedures for valuation, custody, administration and risk management and commissions, charges and expenses related to the investment. They must also report periodically to the competent authorities on the key markets and channels in which they trade, and also report on their main exposures, performance and risk concentrations, and shall be obliged to notify the Member State on the identity of alternative investment funds managed, the markets and assets in which these funds invest and the organisational structure and risk management mechanisms for such funds.

To facilitate the development of the single market, all EGFIAs authorised in their Member State of origin shall be entitled to market their funds to professional investors within the territory of any Member State and Member States shall not be allowed to impose additional requirements on EGFIAs established in another Member State regarding marketing among professional investors. Cross-border marketing of alternative investment funds shall be subject solely to a notification procedure. The Proposal for a Directive does not provide any rights in connection with the marketing of alternative investment funds among individual investors, which may be permitted by Member States within their territory, and may require additional safeguards in the legislation to on this matter.

As far as the detailed content of the regulation is concerned, the following items may be noted:

1. Rules are established on fund management.

2. An initial authorisation is required for the management of alternative investment funds, which also involves the fulfilment of organisational requirements. Up

until now, this was a deregulated activity in some Member States. In Spain, the management of hedge funds, as well as real estate and venture capital funds is already an activity subject to the authorisation and supervision of the CNMV.

3. The Directive introduces a wide range of measures for transparency of such funds regarding the investor and the competent authority.

4. The Directive includes a separate chapter with specific obligations regarding certain categories of investment funds: leveraged investment funds (hedge funds and venture capital funds) and investment funds which control a company (especially venture capital funds, but also hedge funds).

    - In the first case (leveraged funds); additional reporting requirements are included for investors and for the supervisor, on the degree of leverage and the main sources of funding. This is to allow authorities to identify potential sources of systemic risks in the system and to alert other competent authorities on the effects on their respective markets.

    - In the case of funds which acquire more than 30% of the share capital of a company (whether listed or not and whenever the company involved is not a small or medium-sized enterprise), additional reporting requirements are included. When a stake is obtained in an unlisted company, this fact must be notified to the company itself and the rest of the shareholders, with the scope of the regulation also affecting the contents of the notification. When this percentage is acquired in a listed company or unlisted company, information must also be supplied to the company itself, to the shareholders and worker representatives (or the workers themselves), on information required by IPO regulations, the policy on conflicts of interest management and external and internal communication policies. In the case of unlisted companies, information on the development plans for the company shall be supplied.

5. Cross-border marketing and management of investment funds.

    - An authorised manager under the Proposal for a Directive may market its investment funds to professional investors both in the State where the fund was authorised and in any other Member States. It therefore provides a passport system for marketing among professional investors.

    - Each Member State shall decide whether to allow the marketing of these funds among its private investors, in which case additional conditions may be required from the fund or the manager.

- An authorised manager in a State may also manage funds incorporated in another member state, subject to certain conditions.

6. Relations with third-party countries.

   A manager authorised in a Member State, may market a fund domiciled in a third-party state if there is, inter alia, an agreement between both states regarding the fulfilment of tax obligations. Meanwhile, third-party country fund managers shall be allowed to market funds to professional investors in the EU if they are subject to equivalent legislation and cooperation among supervisors in both countries is ensured.

Spain already has demanding regulations in place, both in the case of hedge funds and venture capital and real estate investment undertakings.

In the case of DINAMIA, in addition to the regulations applicable as a venture capital company, there are also regulations applicable to companies listed on stock markets, in such a way that many of the provisions of the Proposal for a Directive (such as minimum share capital requirements, transparency and information to investors, fair treatment to investors, submission of periodic audited reports to the investor and the competent authority, prior authorisation from the competent authority, regular review of asset valuation by an independent party, etc.), are already imposed, given its status as a listed company and venture capital organisation. Moreover, the Proposal for a Directive especially addresses managers of alternative investment funds primarily of venture capital funds and, to a lesser extent, venture capital companies. Therefore, it is expected that the implementation of the Proposal for a Directive shall not pose significant risks for DINAMIA's future business.

Notwithstanding the foregoing, DINAMIA and its Management Company must pay attention to changes affecting domestic or Community legislation in force at this time or changes which interpretation criteria may undergo in the future as a result of the implementation of the Proposal for a Directive, under the terms which are finally approved and, in particular, the regulations that may be implemented on management and risk control issues, asset valuation methods, information on leveraged investments, limits on the level of leverage and conditions for the delegation of duties of the Management Company. In addition, it is possible that the cross-border marketing and management scheme of investment funds established by the Proposal for a Directive may increase the number of competitors with DINAMIA.

5.1.5 <u>Milestones in the development of the issuer's business</u>

The Company was incorporated as a venture capital firm on 11 November 1997 with the purpose of maintaining an investment portfolio in unlisted companies. DINAMIA's incorporation was sponsored by the AB Asesores Group and Electra Fleming Holdings Limited, the founding shareholders of the Company, with 50% shareholdings. However, on the date of registration of this Prospectus, neither of the aforementioned founding shareholders maintains a stake in DINAMIA's share capital.

On 24 November 1997, the Company entrusted the management of their assets to AB Asesores Electra Capital Privado, S.A.(now called Nmás1 Capital Privado, SGECR, S.A., that is, the Management Company as defined in this Prospectus), with this organisation developing these duties from the abovementioned date until today.

Electra Fleming Holdings Limited was the parent company of Electra Group, and in November 1997, it purchased a 50% interest in the Management Company. The Electra Group is an independent British group devoted to the management of venture capital (hereinafter referred to as **"Electra Group").**

The Electra Group maintained its stake in the Management Company for the period between November 1997 and May 2003 when it left the ownership of the Management Company. At this time, no company belonging to Electra Group has links with the Management Company or with any company of the group which the latter is a part of.

DINAMIA was incorporated with a share capital of 200,000,000 pesetas (approximately 1,202,024 Euros) fully subscribed and paid up, represented by 400,000 shares worth 500 pesetas (about 3 Euros) each. In December 1997, the Company was admitted to trading by means of an Initial Public Offering of shares for an approximate cash amount of 20,000 million pesetas, that is 120 million Euros. The aforementioned public offering was executed through a capital increase with the issue of 9,000,000 shares with an issue premium of 1,740 pesetas (around 10.46 Euros) per share, which was fully subscribed and paid up.

Prior to the admission to trading of its shares, DINAMIA signed a purchasing option, by means of which it acquired the purchasing rights of a portfolio of holdings in eleven unlisted Spanish companies, property of five foreign venture capital funds managed by Grupo AB Asesores and Electra Fleming Holdings Limited, as described in the IPO Prospectus. After going public, this purchasing option was exercised over ten of aforementioned holdings (hereinafter, the **"Initial Investee Portfolio").**

The strike price of the purchasing option of the Initial Investee Portfolio was 57.214 million Euros. In order to establish this price, an appraisal prepared by KPMG Peat Marwick as an independent expert was carried out, included in a report dated 25 November 1997.

In keeping with its policy on the rotation of the investee portfolio, DINAMIA fully divested the Initial Investee Portfolio, with a weighted annual return (**"IRR")** of 30% and capital gains of 34.639 million Euros (gross of spending and taxes, as applicable), with the initial investment being multiplied 1.6 times. The average aggregated investment period of the 10 Initial Portfolio companies was 2.0 years. The final divestment of the Initial Investee Portfolio occurred in October 2001, less than four years after DINAMIA went public. Additional information on the historical development of DINAMIA can be found in Section 6.1 below.

On 6 August 2002, the Management Organisation, as DINAMIA's management company and Nmás1 Private Equity International Limited in its capacity as general partner (hereinafter, the **"General Partner")** of Nmás1 Private Equity Fund LP (hereinafter, the **"Fund I"** or **"N +1 PEF I"),** undersigned a co-investment agreement (hereinafter, the **"Agreement on Co-Investment in Fund I")** whereby, as of that date, all investments made by DINAMIA (except those made in the investees that were investees prior to the agreement) and by Fund I, would be 50% investments and under the same terms and conditions, thus also sharing the same rights and obligations, for the purpose of facilitating investment for DINAMIA and Fund I in larger companies without the need to co-invest together with third parties and therefore to exercise greater control over the investees. Furthermore, this joint venture agreement provides that DINAMIA and Fund I shall divest simultaneously in companies in which they co-invest, under the same terms and conditions.

However, the Co-Investment Agreement with Fund I provides for certain circumstances in which co-investment shall not occur or in which the stakes may be other than 50%.These scenarios are detailed below in section 6.4 of the Prospectus.

N+1 PEF I is a venture capital organisation managed by the General Partner, which is wholly owned by N Más Uno IBG, S.A., parent company of the N+1 Group. Notwithstanding the above, the General Partner has a board of directors mainly comprising independent persons or investor representatives. This body comprises five members, including two members of the Board of Directors of the Management Company.

N+1 PEF I has been incorporated for a fixed term, with this meaning that when its term ends, winding up through an orderly procedure has been scheduled. Fund I, as is customary in the venture capital industry, has an investment period and a divestment period. According to the Co-Investment Agreement with Fund I, during the period of investment, the Fund has been making its investments jointly with DINAMIA. The investment period of N+1 PEF I ended in December 2007. However, from this date onwards and for a maximum term of 3 years, Fund I, together with DINAMIA, can perform additional investments in investees in which they have been investing jointly. These additional investments may only represent 10% of the total committed assets of Fund I (176 million Euros), and in no case may these investments involve additional expenditure over such total, meaning that these additional investments are undertaken with the part of the total committed assets of Fund I which are uncalled, with the remaining cash which Fund I has and the amounts from the divestments made by N+1 PEF I.

Fund I began its divestment period in December 2007, with the period ending in March 2015, notwithstanding that N+1 PEF I investors may agree to extend this period, and there is no predetermined maximum period for such extension , which may be agreed on one or more successive occasions. During the divestment period, Fund I shall carry out the divestment of its joint shareholdings with DINAMIA, under the same terms and conditions (except in the cases specified in Section 6.4 of the Prospectus). At this time joint holdings of N+1 PEF I and DINAMIA include the following holdings: High Tech Hotels, Segur Ibérica, Bodybell, Émfasis, Holmes Place, Cristher, Serventa, Laude Schools, Alcad and ZIV. As explained in the previous paragraph, N+1 PEF I's ability to make additional investments in these companies, in the event that they needed funds, would be limited.

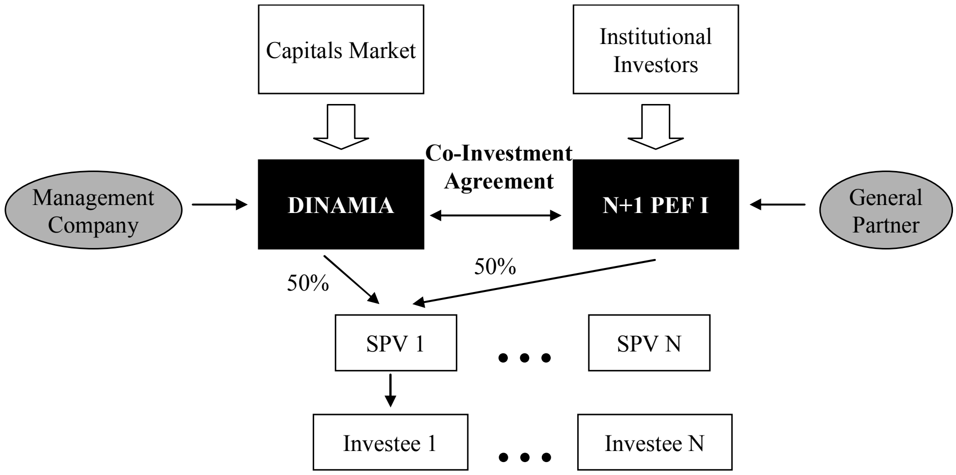
The makeup of Fund I as an organisation with a fixed term, and with a committed maximum total equity, could, under exceptional conditions, affect the aforementioned co-investment arrangement, regarding (i) potential additional investments which could be convenient for the injection of funds into any of the investee companies; and (ii) in the case of potential divestment transactions which were not convenient for DINAMIA, in the opinion of the Management Company, which could create a conflict between the interests of the DINAMIA and Fund I.

In the event that a situation is reached where funds are needed for an investee company and Fund I cannot make the contribution in proportion to its holding, an attempt shall be made to reach the most appropriate agreement to provide funds to the investee. The solution could involve multiple structures including, among others, the decision of Fund I investors to provide new additional funds to the total committed assets so that N+1 PEF I could undertake the said contribution, or that the provision of this necessary contribution was performed by the remaining shareholders of the relevant investee company or by third-party stakeholders, with the resulting dilution for Fund I.

Co-investment Agreements provide that divestments in investee companies may not occur simultaneously or under the same terms and conditions, if these divestments could bring about, in the opinion of the Management Company or, where applicable, the General Partner, detrimental effects for DINAMIA or Fund I.

In the event where, given the duration of Fund I, a situation occurs where a divestment has to be carried out at a time which, in the opinion of the Management Company, is not convenient for DINAMIA, different solutions may be considered, among which are the following: (i) an agreement by Fund I's Advisory Committee to extend the duration of the same with the purpose of avoiding divestments with negative effects; (ii) the identification by the Management Company of an investor for Fund I to buy Fund I's stake in the investee company or companies in which divestment is sought; (iii) the option for investors in Fund I who are not in agreement with the extension of the divestment period of the same to sell their stakes to other investors interested in the divestment taking place under optimum conditions; (iv) the possibility of proportionate transfer of the ownership of the shares of Fund I investees to investors, without liquidation of the same being therefore necessary; or, finally, (v) unilateral divestment on behalf of Fund I.

The following graph illustrates the structure of the co-investment scheme agreed between DINAMIA and N+1 PEF I:



On 14 September 2005, the Company approved a capital increase with preferential subscription rights amounting to 44,887,500 Euros, by issuing 2,992,500 ordinary shares of 3 Euros par value each. The new shares were offered at an issue rate of 15 Euros, that is, with a premium of 12 Euros per share.

The aforementioned capital increase was fully subscribed, and as a consequence, the share capital of DINAMIA reached 35,910,000 Euros, represented by 11,970,000 shares of 3 Euros par value, all of which have the same class and series.

The total nominal amount of the increase reached 33% of DINAMIA's share capital prior to the execution of the aforementioned share capital increase, and 25% after this share capital increase was carried out.

Following the aforementioned share capital increase, DINAMIA obtained nearly 45 million Euros in new funds to finance new investment operations. The market capitalisation before the capital increase amounted to 146 million Euros, after the share capital increase described, it stood at 191 million Euros.

In order to preserve the beneficial co-investment structure that DINAMIA had maintained with Fund I, and given the termination of the investment period of the same, the Management Company sponsored the incorporation of Nmás1 Private Equity Fund II Families, S.A. SCR, under the Simplified Regime, and Nmás1 Private Equity Fund II ERISA, FCR, under the Simplified Regime, and Nmás1 Private Equity Fund II Non-ERISA, FCR, under the Simplified Regime, all of which were registered on 30 May 2008 in the Register of Venture Capital Organisations at the CNMV with numbers 174, 100 and 101, respectively. These venture capital firms, that for all intents and purposes operate as a single fund, make up the investment complex called N+1 Private Equity Fund II, (hereinafter, referred to as **"Fund II"** or **"N+1 PEF II")** and they have entrusted the management of their assets to the Management Company.

The structure of Fund II through three venture capital organisations under the Simplified Regime was solely carried out for tax efficiency motives for each of the investors in Fund II.

On 30 May 2008, DINAMIA and N+1 PEF DINAMIA II signed a co-investment agreement, the terms of which were very similar to those set forth in the Co-investment Agreement with Fund I, whereby, as of that date, (i) all investments made by DINAMIA (except those that it could undertake in the investees that were already investees prior to signing the joint venture agreement with N+1 PEF II) and Fund II would be made as fifty-fifty investments under the same terms and conditions; and (ii) the divestment of investees where a co-investment had taken place would be developed simultaneously and under the same terms and conditions. Like the Co-investment Agreement with Fund I, the joint venture agreement between DINAMIA and Fund II sets out certain scenarios in which the co-investments may not occur or in which such investments may occur in a proportion other than fifty-fifty, and in which divestments will not occur simultaneously or under the same terms and conditions, as detailed below in section 6.4 of the Prospectus.

At the date of registration of this document, the common holdings shared by DINAMIA and N+1 PEF II are Xanit, Bestin and MBA.

As in the case of the Fund I, N+1 PEF II has an investment period and a period of divestment. The investment period began in May 2008 and his term will end in April 2013. The total committed and closed equity of Fund II amounts to 304 million Euros. Notwithstanding the above, following termination of the investment period, Fund II may make additional investments in its investee portfolio, under the same terms and conditions established for Fund I, which shall be undertaken jointly with DINAMIA. The divestment period shall commence when the investment period ends, and shall finalise in April 2020, without prejudice to the entitlement of investors to agree on an extension of such period, and there is no preset limit for this extension.

As in the case of Fund I, the fact that Fund II has been created as an organisation with a fixed term, and with a maximum committed total equity, could, under exceptional

circumstances, affect the co-investment scheme agreed between DINAMIA and this Fund, and also the expectation that the divestments are carried out simultaneously and under the same terms and conditions, which could lead to potential conflicts of interest. Where appropriate, as in the case of the Fund I, the Co-investment Agreements provide that divestments in investee companies may not occur simultaneously or under the same terms and conditions, if such divestment could be a source of detrimental effects for DINAMIA or for Fund II in the opinion of the Management Company.
Notwithstanding the above, there may also be a variety of alternatives for these scenarios, as described in the case of Fund I.

Unlike Fund I, in the case of N+1 PEF II, the investment and divestment decisions are reached by the same organisation, i.e. the Management Company, notwithstanding the restrictions to the powers of the Managing Body that the DINAMIA's Board of Directors has set out in the Management Contract.

Fund I and Fund II are jointly referred to hereinafter as the **"Funds"**.

5.2 Investments

5.2.1 Description, (including the amount) of the issuer's main investments in each financial year for the period covered by the historical financial information to date in the registration document

In Section 6.1 of the Registration Document, detailed information is provided on the key factors of DINAMIA's investment business, including: (i) the choice of investment opportunities, structuring and financing of investments; (ii) monitoring of investees; and (iii) divestment mechanisms. The main aspects worth noting are as follows:

- DINAMIA investments are characterised by a focus on companies with qualified management teams in services sectors, as opposed to sectors with a high industrial component. As detailed in Section 6.1 hereunder of the Registration Document, DINAMIA invests in medium size unlisted companies ("*mid-market" companies)* with enterprise values ranging from EUR 50 to 300 million, with this involving a shareholders' equity investment of 15 to 60 million Euros, being within the market segment that includes investments in shareholders' equity ranging from 10 to 100 million Euros (*"mid-market" investments)* under classification defined by the Spanish Association of Venture Capital Organisations (hereinafter, **"ASCRI"**).

- DINAMIA structures its operations through an investment vehicle which acquires a stake in share capital in addition to the granting of a participating loan to the target company, in most cases. As detailed in Section 5.1.5 above, DINAMIA co-invests with Funds I and II, respectively, with fifty-fifty stakes, under the same terms and conditions, and can thus reach majority shareholdings in larger companies and therefore strengthen its position in the investees, and have a greater ability to reach agreements during divestments. DINAMIA's average investment per company in the period from January 2006 to June 2009, as described in the historical information for the Registration Document, was 15 million Euros. Furthermore, as described in Section 6.1 of the Registration Document, the investment vehicles are funded, in most cases, with bank debt, which generally requires the pledging of shares in the investment vehicle as collateral. Within a period of between one and two years from the time of acquisition, as a rule, vehicles merge with the operating companies. Moreover, the bank debt generates leverage enhancing performance of shareholder resources.

Below we offer a description of the main investments and divestments of the Company over the period from 1 January 2006 to 30 September 2009:

Investments made over the period between 2006 and the first nine months of 2009 (figures in thousands of Euros)

Year	Company Name	Investment	Share Cap. and Issue Premium	Participating Loan	Post-operation percentage[(1)]	Business Activity
2006	Serventa	**7,188**	2,095	5,093	**46.7%**	Vending services
	Laude	**9,004**	2,251	6,753	**45.1%**	Private Education
	Investment in new companies	*16,192*	*4,346*	*11,846*		
	High Tech	**1,000**	1,000	-	**45.1%**	Hotel chain
	Segur Ibérica	**767**	767	-	**17.9%**	Security services
	NetTV	**140**	140	-	**2.3%**	Digital TV management
	Investment in investee companies	*1,907*	*1,907*	-		
	2006 total	*18,099*	*6,253*	*11,846*		
2007	Alcad	**9,847**	9,847	-	**37.7%**	High Frequency
	ZIV	**11,250**	3,937	7,313	**37.5%**	Electrical products and services
	Xanit[(2)]	**21,000**	6,300	14,700	**32.0%**	Health
	Investment in new companies	*42,097*	*20,084*	*22,013*		
	Laude	**7,060**	1,765	5,295	**45.1%**	Private Education
	Segur Ibérica	**149**	-	149	**17.9%**	Security services
	NetTV	**76**	76	-	**2.3%**	Digital TV management
	Investment in investee companies	*7,285*	*1,841*	*5,444*		
	2007 total	*49,382*	*21,925*	*27,457*		
2008	MBA	**31,066**	15,533	15,533	**36.8%**	Prosthesis distribution
	Bestin Supply Chain	**13,400**	6,700	6,700	**42.0%**	Logistics services
	Electra Partners Club 2007 LP	**3,813**	3,813	-	**10.0%**	Venture Capital
	Investment in new companies	*48,279*	*26,046*	*22,233*		
	Laude	**1,478**	370	1,108	**44.9%**	Private Education
	Serventa	**3,630**	1,058	2,572	**46.7%**	Vending services
	Net TV	**261**	261	-	**2.3%**	Digital TV management
	Emfasis	**50**	50	-	**45.3%**	Marketing and Billing
	Xanit	**1,308**	392	916	**32.0%**	Health
	Investment in investee companies	*6,727*	*2,131*	*4,596*		
	2008 total	*55,006*	*28,177*	*26,829*		
2009[(3)]	Laude	**500**	-	500	**44.9%**	Private Education
	Xanit	**508**	152	356	**32.0%**	Health
	Electra Partners Club 2007 LP	**111**	111	-	**10.0%**	Venture Capital
	Investment in investee companies	*1,119*	*263*	*856*		
	2009 total	*1,119*	*263*	*856*		

(1) Additional investments in companies where DINAMIA already holds stakes. The percentage shown refers to DINAMIA's post-transaction shareholding.
(2) The % resulting from the initial operation was 48.55%, up until the definitive structuring of shareholdings.
(3) Investments made over the first nine months of 2009

In the period from 1 January 2006 to 30 September 2009, from a total investment of 123.6 million Euros, 86.2% of the investments, i.e. 106.6 million Euros have been devoted to new investments and 13.8%, that is 17 million Euros, have been devoted to investments in investee companies.

Section 6.1 of the Registration Document includes a detailed description of the main characteristics of the investments made by DINAMIA until 30 June 2009, including investment multiples, investment fundamentals, and a description of the market in which it operates and the key financial figures of the investee company which was the target of the investment. In addition, DINAMIA structures the contribution of shareholders' equity to investee companies through the subscription of share capital increases and the granting of participating loans or similar schemes (for instance, preferred shares) in favour of the investee companies. Further information on the aforementioned loans can be found in Section 5.1.4 above and in Section 6.1 of the Registration Document below

Notwithstanding the above, among the investments in new companies amounting to 106.6 million Euros in the period January 2006 to September 2009, there are three important investments over that period on the basis of the amount of the same, which were: (i) MBA, operating in the health sector, with an investment of 31 million Euros in 2008, representing 25.1% of total investment over the period, (ii) Xanit, which operates in the healthcare sector, with an investment of 23 million Euros within the abovementioned period, which involved 18.5% of the total investment over the period; and (iii) Laude, which operates in the education sector, with an investment of 18 million Euros within the abovementioned period, amounting to 14.6% of the total investment over the period.

Moreover, during the aforementioned period, DINAMIA made investments for a sum of 17 million Euros in its portfolio, which were mainly devoted to financing the growth of *build-up* projects, for example, the Laude, Serventa and Xanit projects.

Of the total amount invested over the period (123.6 million Euros), 45.8%, or 56.6 million Euros, was invested in the form of share capital contributions and 54.2%, which is 67.0 million Euros was in the form of participating loans. As detailed in Section 6.1 of the Registration Document below, the Management Company believes that structures including participating loans are advantageous as they allow the design of incentive structures for the management team, as well as taxation optimisation of the investee, thus allowing for increased profitability.

In order to clarify the actual cash flows of the business, reconciliation has been carried out between the figures presented in the Cash Flow Statement provided in Section 20 of the Registration Document below and the cash flows that reflect the activity of the investment business, which are shown in the table provided above. The investments included in the Cash Flow Statement are 25,643, 71,650 and 87,008 thousand Euros in

2006, 2007 and 2008, respectively. Adjustments have been made to reduce these amounts by 7,544, 22,268 and 32,002 thousand Euros in 2006, 2007 and 2008, respectively. As a consequence of the above, business-related investments are those reflected in the table provided above, and these investments were 18,099, 49,382 and 55,006 thousand Euros in 2006, 2007 and 2008, respectively

These adjustments mainly serve to correct the temporary loans from DINAMIA to N+1 PEF I or N+1 PEF II, granted over the period of incorporation of the same. The adjustments included in the investment table in the foregoing are those corresponding to loans granted to N+1 PEF II, at the time of its incorporation. These loans should not be taken into account in the cash flows of the investment business and they were solely granted for a short period of time and therefore do not reflect an investment.

Divestments made over the period between 2006 and the first nine months of 2009 (figures in thousands of Euros)

Year	Company Name	Divestment	Divestment in Share Cap.	Divestment Participating Loan	Other Income[(1)]	Post-operation %[(2)]	Business Activity
2006	Bodybell	**22,575**	22,575			**26.8%**	Cosmetics and perfumery stores
	Nicolás Correa	**1,357**	1,357	-	-	**15.4%**	Heavy machinery manufacturing
	Serventa	**73**	-	-	**73**	**46.7%**	Vending services
	General de Alquiler de Maquinaria	**50,320**	50,320	-	-	**10.4%**	Machinery rental
	Partial divestments/other income	***74,325***	***74,252***	**-**	***73***		
	2006 total	***74,325***	***74,252***	**-**	***73***		
2007	Unión Deriván	**396**	321	-	**75**	**49.1%**	Manufacturer of fatty acids and by-products
	High Tech Hoteles	**5,964**	5,964	-	-	**26.0%**	Hotel chain
	Partial divestments/other income	***6,360***	***6,285***	**-**	***75***		
	Capital Safety Group	**20,933**	20,933	-	-	-	Work safety equipment
	Unión Deriván	**13,453**	13,453	-	-	-	Manufacturer of fatty acids and by-products
	General de Alquiler de Maquinaria	**42,201**	42,201	-	-	-	Machinery rental
	Full divestments	***76,587***	***76,587***	**-**	**-**		
	2007 total	***82,947***	***82,872***	**-**	***75***		
2008	ZIV	**75**	75	-	-	**37.3%**	Electrical products and services
	Segur Ibérica	**36**	-	36	-	**17.9%**	Security services
	Bodybell	**208**	-	-	**208**	**26.8%**	Cosmetics and perfumery stores
	Ydilo	**106**	106	-	-	**7.1%**	Voice recognition technologies
	Xanit	**736**	-	-	**736**	**32.0%**	Health
	Bestin Supply Chain	**147**	-	-	**147**	**42.0%**	Logistics Services
	Nicolás Correa	**1,654**	1,654	-	-	**13.3%**	Heavy machinery manufacturing
	Partial divestments/other income	***2,962***	***1,835***	***36***	***1,091***		
	Forth Panel	**1,500**	1,500	-	-	-	Department Stores
	Net TV	**3,153**	3,153	-	-	-	Digital TV management
	Full divestments	***4,653***	***4,653***	**-**	**-**		
	2008 total	***7,615***	***6,488***	***36***	***1,091***		

Divestments made over the period between 2006 and the first nine months of 2009 (figures in thousands of Euros)

Year	Company Name	Divestment	Divestment in Share Cap.	Divestment Participating Loan	Other Income(1)	Post-operation %(2)	Business Activity
2009(3)	Ydilo	**106**	106	-	-	**37.3%**	Voice recognition technologies
	Partial divestments/other income	***106***	***106***	-	-		
	ATECSA	**14,523**	14,523	-	-	-	Technical vehicle inspection
	Full divestments	***14,523***	***14,523***	-	-		
	2009 total	***14,629***	***14,629***	-	-		

(1) Other income refers to collection of interest from the concession of bridging loans or payments in instalments
(2) In operations were full divestment of DINAMIA'S stake has taken place, the post-operation percentage does not apply
(3) Divestments made over the first nine months of 2009

In the period from 1 January 2006 to September 30, 2009, the total of 179.5 million Euros of divestment, 46.7% of investments, that is 83.7 million Euros from partial divestments of investee companies and 53.3%, i.e. 95.8 million Euros, are from full divestments.

On 7 October 2009, DINAMIA sold its stake in Ydilo for a sum of 1,377 thousand Euros, with this involving a return of 1.1 times over the net acquisition cost and an IRR of 1%.

In this entire period, the divestments of General de Alquiler de Maquinaria ("**GAM**"), Capital Safety Group, Union Derivan S.A. (UNDESA), Forthpanel (Woolworth), Net TV and ATECSA were completed. The return of these full divestments was 3.8 times the cost of investment (280% capital gains) with a weighted annual IRR of 28%.In 2006, no full divestments were completed. In 2007, three full divestments were carried out, including the aforementioned divestment of GAM and those of Capital Safety Group and UNDESA, for a total of 76.6 million Euros. In 2008, despite the adverse economic environment, two full divestments were completed for Forthpanel and NetTV, for a total of 4.7 million Euros. In the first half of 2009, the divestment of ATECSA was completed, with a 1.9 time return on investment through the sale to a financial investor for a sum of 14.5 million Euros.

Section 6.1 of the Registration Document includes a detailed description of the main characteristics of the divestments carried out by DINAMIA up to 30 June 2009, including investment multiples, length of the investment and capital gains.

Partial divestments have occurred mainly due to shareholder movements such as the entry of new shareholders to allow the continuation of the growth rate (this was the case of High Tech, for instance), shareholdings acquired by new members of the management team members (for example, ZIV) or the collection of interest on temporary loans described in previous paragraph on investments.

Among the major partial divestments, excluding the abovementioned two-stage divestment of GAM, we find the following divestments: Bodybell, with a recovery of 22.57 million Euros of investment in the debt restructuring process in 2006, High Tech, with the recovery of a 6-million Euro investment in the process of capital increase for amortisation of preferential shares in 2007 and Nicolas Correa, with a recovery of 1.4 million Euros of the investment in 2006 and 1.7 million Euros in 2008, as a result of divestments involving various disposals on the capital markets.

In order to clarify the actual cash flows of the business, reconciliation has been carried out between the figures submitted in the Cash Flow Statements appearing in Section 20 of the Registration Document below and the Cash Flows that reflect the disinvestment business activity shown in the table appearing above. Divestments included in the Cash Flow Statement are for sums of 88,010, 84,221 and 55,662 thousand Euros in 2006, 2007 and 2008, respectively. Adjustments have been made to reduce these amounts by 13,685, 1,274 and 48,047 thousand Euros in 2006, 2007 and 2008, respectively. Consequently, business-related divestments are included in the table appearing above, that is, the sums of 74,325, 82,947 and 7,615 thousand Euros in 2006, 2007 and 2008, respectively.

These adjustments mainly correct the repayment of loans from DINAMIA to the Funds, which were almost in their entirely, temporary loans granted during the period of incorporation of such funds, with those included in the divestment chart being those corresponding to the loans granted to N+1 PEF II. These loans should not be taken into account in the cash flows of investments for the business as they were solely granted for a short period of time and therefore do not involve an investment.

Finally, an analysis of the net investments of divestments for the period from 2006 to September 2009 is provided. A highlight for this period were positive earnings reaching 56 million Euros, with the divestments exceeding investments for all periods with the exception of the 2008 period, where 47 million Euros net were invested.

	2009[(1)]	**2008**	**2007**	**2006**	**Period total**
Investments	**(1,119)**	**(55,006)**	**(49,382)**	**(18,099)**	**(123,606)**
Divestments	**14,629**	**7,615**	**82,947**	**74,325**	**179,516**
Net investments	**13,510**	**(47,391)**	**33,565**	**56,226**	**55,910**

(1) Investments and divestments made over the first nine months of 2009

Since its incorporation, the Company has not made any investments in tangible and intangible assets, nor has any future commitment to invest in this type of assets been made by the management bodies of the company.

5.2.2 <u>Description of the main investments of the issuer currently in progress, including the geographical distribution of these investments (national and foreign investments) and the financing method (internal or external)</u>

Given the nature of the business activity of the Company, there are no investments being studied for which materialisation can be ensured, and the potential investments in the study phase or under negotiation are subject to confidentiality agreements that prohibit the dissemination of information on such investments.

Given the number of operations currently under consideration and in the process of negotiation, it is likely that DINAMIA will be able to keep up the same pace of investment as in the past. Funds obtained from the capital increase described in this Prospectus will be allocated mainly to the implementation of these new investments.

5.2.3 Information on the issuer's main future investments for which a firm commitment has been made by the company's management bodies

On 20 December 2007, DINAMIA acquired an investment commitment of up to 10 million Pounds Sterling, that is, 11.2 million Euros at the exchange rate on 1 November 2009, in the venture capital fund Electra Partners Club 2007 LP for a period of 5 years, with free time distribution, of which at the date of registration of this Prospectus, 3,924 thousand Euros have been provided. The remaining amount of that investment commitment will be disbursed in accordance with the requests that the managing body of the aforementioned fund makes to DINAMIA over the term of the validity of this investment commitment. To date, there have been no other firm future-looking agreements in companies which belong to DINAMIA's current portfolio or in potential target companies.

Notwithstanding the foregoing, DINAMIA is constantly assessing investment opportunities in new companies, in accordance with the normal development of its business, as well as investments in investee companies which may allow it to increase the value of such companies over the coming months, although no assurances can be made on the existence of positive credit environment conditions which would allow the structuring of leveraged operations to take place.

In connection with the above, and given that the current context is generally not conducive to cash in investments in the Company's portfolio, to maintain the necessary pace of DINAMIA's investments, an increase in the treasury status is needed, so that DINAMIA can continue to make new investments that can generate value for the Company and its shareholders.

Given the income and cost structure of the Company (as detailed above in Section 3.1 of the Note on the Shares), the minimum cash consumption per year (excluding success fees and dividends) is around 6 million Euros per year. Considering the current cash availability of the Company (approximately 45 million Euros at 30 September 2009), these resources would be sufficient to meet the future years 2010 and 2011, although no divestments are made over that period due to reasons relating to the situation of the economy, as mentioned beforehand.

As far as DINAMIA's treasury forecast for the coming years (2010 and 2011) is concerned, and although given the nature of its business DINAMIA does not have a fixed budget for investments and/or divestments, estimates are that the Company expects to spend virtually all available funds (defined as those resulting from the cash currently available plus any funds arising as a result of the share capital increase under this Prospectus) to the development of new investments, with the sum devoted to investments in companies within the current portfolio of investees being for a sum under 10% of the total of the aforementioned funds, as explained above in greater detail in Section 3.4 of the Note on the Shares of this Prospectus.

6. DESCRIPTION OF THE BUSINESS

6.1 Principal activities

DINAMIA's main corporate objectives consist of the acquisition of temporary interests in the capital of non-financial and non-real estate companies which, at the time of acquisition of the interest, are not listed (except if the investment is for the purposes of its exclusion) on a primary market of the stock exchange or any other equivalent regulated market in the European Union or other OECD country, with the intention of providing its shareholders with capital gains.

It is worth noting that the investments made by DINAMIA focus on (i) the service sector, as opposed to sectors with a strong industrial component, (ii) fragmented, niche, and dynamic markets with a high potential for consolidation (possibility of "*build-up*"), (iii) companies with the capacity for financial leverage and with leading management teams in their sector, which as a general rule coinvest with DINAMIA, and (iv) companies with the potential to undertake future divestments.

DINAMIA acquires temporary interests in the share capital of a target company which is, in the majority of cases, complemented by the grant of a participating loan in the same company. Likewise, the operations are financed, in the majority of cases, by bank financing, generating leverage to improve the return on shareholder equity.

As of 30 June 2009, DINAMIA had a portfolio of seventeen investments (among which Ydilo that was sold in October 2009), with a total value of 220 million Euros, held for an average of 3.8 years. DINAMIA, through its Management Company, actively participates in and undertakes follow up of investee companies, through representation on the board of directors of the investee companies. This task is carried out by representatives of the Management Company who periodically follow up the evolution of these companies, although they do not participate in their daily management. The presence of DINAMIA on the board of directors reflects, as faithfully as possible, its stake in those companies. Thus, DINAMIA has interests that if added, on the basis of Co-Investment Agreements, to the N+1 PEF I or N+1 PEF II, represent a majority in

71.3% of the total amount invested. In addition, if those investments are considered in which other financial investors with common interests have a stake, through relevant shareholder agreements, the aforementioned percentage rises to 90.9% of total investment.

The divestment process is key as DINAMIA makes capital gains, at that moment in time, from the sale of its capital investments in the companies as well as from the amortization of the principal and interest on the participating loan at that moment, if there were one. The returns that DINAMIA can obtain arise principally from the appreciation of the value of shares and investments which constitute the share capital of the companies in which DINAMIA has invested, from interest on the participating loans and marginally from dividends.

The generation of capital gains in the process of selling off companies can arise as a result of: (i) growth in the company (sales and operating results), (ii) negotiation of favourable sales prices and sales and/or (iii) leveraged financial structures.

As of 30 of June 2009, DINAMIA had exited twenty-three companies amounting to a total of 364 million Euros, yielding 199 million Euros in capital gains over an average portfolio investment period of 3.8 years, which implies a recovery rate of 2.2 times the initial investment and an annual weighted IRR of 25%.

Principal financial figures

The following tables show the profit and loss accounts corresponding to the financial years closed as from 31 December 2006, 2007 and 2008:

Profit and Loss Account

	2008	2007 [1]	2006
Financial income	**16,322**	**13,418**	**7,217**
Interests, dividends and similar income	16,322	13,418	6.884
Other financial income	0	0	333
Results and changes in fair value of Investment Portfolio (net) (+/-)	**(46,515)**	**59,589**	**41,547**
Profit/(Loss) on disposals (net) (+/-)	3,575	67,028	39.533
Equity instruments	3,575	67,028	39.533
Change in fair value of financial instruments (+/-)	0	0	0
Impairment and losses on financial investments (+/-)	(50,090)	(7,439)	2.016
Exchange differences (net) (+/-)	0	0	(2)
Other operating results (+/-)	**(6,163)**	**(19,664)**	**(11,652)**
Commissions paid (-)	(6,163)	(19,664)	(11.652)
Management fee [2]	(5,254)	(5,746)	(4.371)
Other commissions and expenses [3]	(909)	(13,917)	(7.281)
GROSS MARGIN	**(36,356)**	**53,343**	**37.112**
Other operating costs	(1,209)	(1,096)	(519)
Over-provisions (+)	1,763	683	453
PROFIT (LOSS) BEFORE INCOME TAX	**(35,802)**	**52,930**	**37,046**
Corporate income tax (-)	0	0	0
PROFIT/LOSS FOR THE YEAR	**(35,802)**	**52,930**	**37,046**

[1] There are no differences due to changes in accounting standards

[2] Annual fixed management charge due to the Management Company in the financial year

[3] Exit commission due to the Management Company in the financial year

The entries that constitute DINAMIA's Profit and Loss Account for the 2006 and 2008 financial years are presented in greater detail under section 20.1 and following of the Registration Document. Given the activities of DINAMIA, it does not present a breakdown of the financial magnitudes by sector, business area or geographical area.

6.1.1 Description and key factors relating to the operations of the issuer and their principal activities, stating the principal categories of products sold and/or services offered in each financial year over the period covered by this historical financial statement

DINAMIA's business model offers its shareholders the possibility of indirect access to investments in a diversified portfolio of unlisted companies, in which it invests, in the majority of cases, together with the management team of the investee company. The principal source of value generation for DINAMIA is profitable divestment of investee companies, with attractive fiscal benefits, as 99% of these gains are tax exempt, as previously detailed in section 5.1.4. As a result, the evolution of DINAMIA is conditioned by the evolution of its investee companies and the possibility of making highly profitable capital gains due to divestment. Given that the visibility of capital gains from divestment is limited, since 1999, DINAMIA has been complementing the value proposal offered to its shareholders with a constant dividend that has given the Company greater stability in the generation of value for its shareholders. According to the contents of section 6.1 of the Registration Document, DINAMIA bases the success of its operations on various key factors that allow it to optimize the profitability of its capital investments.

The key factors can be grouped into three large blocks, according to the phases of DINAMIA's activity, which are as follows: (1) investment process, (2) follow up and (3) divestment process.

In the first place, a strict selection process of investment opportunities must be made, as well as satisfactory structuring of the investment. Subsequently, it must be assured that the company meets its objectives, which entails ongoing follow up of those investments. Finally, a satisfactory exit must be achieved to make capital gains for DINAMIA, taking into account that aforementioned exits encounter the difficultly of having to be made in a non-liquid market.

Before examining the key factors in greater detail that relate to the nature of DINAMIA's business, it is worth highlighting the following:

i. The Company is subject to investment regime due to the nature of its operations, its principal activity, and due to it being a venture capital company, as defined in the 25/2005 Act of 24 November, which regulates venture capital companies and their management companies. This regime is detailed in section 5.1.4. of the Registration Document; and

ii. A further key factor is the existence of directives issued by the Company to the Management Company for the management and administration by the latter of DINAMIA's finances, all of which are contained in the Management Contract signed by both. These directives, together with the limits of the mandate granted by the Company to the Management Company, are detailed in section 14.1.a.2) and following.

(1) The investment process

Selection of investment opportunities

In general, the Management Company seeks to find in the investments some or all of the following characteristics:

i. Diversification by sector: orientation towards firms in the services sector or services to companies, within a general scope, as opposed to investments with a strong industrial component. DINAMIA's portfolio based on the total investment made up to 30 June 2009 is concentrated in the following sectors: (i) 28% in consumer products (wine growing, exterior lighting, perfumes and pharmaceuticals, and vending services), (ii) 24% in the health sector (hospitals and orthopaedics), (iii) 23% in services and products for companies, (iv) 10% in leisure and tourism, (v) 8% in education, (vi) 5% in security and (vii) 2% in venture capital.

ii. Target companies with an enterprise value of between 50-300 million Euros.

iii. Fragmented sectors with opportunities for consolidation.

iv. The existence or probability of having a high quality management team of proven experience.

v. Strong market share, or a niche in the market.

vi. Differentiated product range or a recognized brand that gives the company a competitive advantage.

vii. Potential for future growth, fundamentally through their disposal to financial investors or industrial purchasers. 32% and 30% of funds divested by DINAMIA in the twenty-three divestments undertaken up until 30 June, 2009, have been made to financial and industrial investors, respectively.

viii. Investments at troughs in the economic cycle to obtain greater profitability.

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The following table shows estimates of the opportunities analyzed and finally undertaken over the past three financial years:

Year	Analyzed projects	Fulfilled investments[1]
2006	66	2
2007	55	3
2008	66	3
Sept 2009	46	0
TOTAL	**233**	**8**

Source: DINAMIA

There are different types of operations that come under the scope of venture capital according to their degree of development:

i. Seed Capital: Contribution of resources prior to the mass production stage (product definition, prototype testing, etc.). Technological risk still exists.

ii. Start-up: Financing for the first, initial development and commercialization of the products or services of recently created companies.

iii. Capital Expansion: Financing the growth of sound and profitable companies. The destination of the funds might be the acquisition of fixed assets, increasing the working capital for the development of new products and access to new markets.

iv. Bridge: Resources contributed to a company in the months leading up to its flotation on the stock market.

[1] For the purposes of this calculation, only the year in which the initial investment was made in the companies is taken into account. There are companies in which investment has risen over successive years.

v. Replacement: Acquisition of existing shares held by another shareholder or shareholders.

vi. Buy-out: Purchase of majority positions in companies in which a substantial part of the price of the operation is financed by third party resources. Acquisitions led by the directors of a company - Management Buy-outs (MBO)- or by directors of a similar company - Management Buy-ins (MBI)- are frequent in venture capital.

vii. BIMBO: Mixed acquisition operations involving MBO and MBI, led by the directors of a company as well as by the directors of another similar company.

viii. Turnaround: Resources contributed to a firm in financial difficulties to facilitate its floatation.

ix. Build-up: Concentration operations in fragmented sectors, without clear leaders. These are usually accompanied by BIMBO operations.

The inception of these operations is undertaken in an exclusive manner, and to a lesser extent, through an open auction process with consultants. Evidence of this is that 68.7% of the portfolio funds held by DINAMIA, as of 30 June 2009, were invested in bilateral negotiation processes. Although auction processes facilitate localization and analysis of opportunities, they have some drawbacks in relation to the latter, among which the following are of special relevance: greater difficulty of opportunities being brought about as it is a competitive process, the final price of the operation that is generally greater due to the competition generated by the auction process itself, and possible dependence on third parties, as an invitation from the seller's consultant is required to participate in these processes.

Following the selection of projects, a negotiation process is initiated with the objective of determining the size and price of the investment. With regard to the size of the investment, the objective is to achieve a stake that, together with DINAMIA's co-investor, allows control to be taken of the investee company. Generally, the restructuring process is started with the presentation by the Management Company of a preliminary non-binding offer or through the signing of a letter of intent. Prior to formalizing a firm offer, the Management Company undertakes a detailed analysis and a legal and financial review of the project supported by a team of external consultants to ensure due diligence, which usually includes the following aspects, among others:

i. Visits to the production installations.

ii. Interviews with the management team.

iii. Market study of the company’s product or service.

iv. Legal review of the corporate juridical aspects, contracts, insurance policies, fixed assets, real estate, industrial property, litigation, subsidies, and labour and tax issues, undertaken by an recognized independent expert.

v. Accounting review or audit undertaken by a recognized independent expert.

vi. Analysis of financial projections and possible degree of compliance with them.

vii. Valuation of the project.

The review of the above points will constitute the starting point of the negotiation over the final structure of the operation.

Co-Investment agreements between DINAMIA and the Funds

DINAMIA, together with Fund I and Fund II, within the framework of their respective Co-Investment Agreements, usually acquire in their own right, or together with other financial co-investors that share the same investment temporal horizon, majority percentages in the capital of the investee companies. The objective of majority participation is to facilitate active participation in the decision-making bodies of the investee companies, as well as to facilitate future divestment. Evidence of this is that 71.3% of DINAMIA’s portfolio funds, as of 30 June 2009, have been invested in companies in which, if DINAMIA’s interests are added to those of the Funds, their joint capital stake is over 50%. In addition, if those investments are considered in which it coin vests with other financial investors with common interests, arrived at through the corresponding shareholder agreements, the aforementioned percentage rises to 90.9% of total investments.

Each one of the investments in coinvestment with other investors is regulated on the basis of a specific shareholder agreement. These pacts regulate the management of company decisions as well as the regulation of possible partial or total divestments, among other aspects.

One example of the aspects regulated with regard to decision management would be the minority protection clauses. In these, the decisions are agreed referring to the decision-making bodies that will have to be approved by a supermajority, thereby requiring the approval of minority shareholders. Furthermore, as a general rule, shareholder agreements also regulate divestments through drag-along or tag-along clauses, based on certain parameters such as profitability and/or divestment time horizons. The drag-along clauses oblige minority shareholders to sell their interest together with the majority shareholders and the tag-along clauses allow the minority shareholders to adhere to the offer received by the majority shareholders, at all times in accordance with certain parameters such as profitability and/or divestment time horizons.

If a need for further funds arises and one of the co-investors cannot contribute in proportion to their stake, without this situation being contemplated in the relevant shareholder agreement, the most satisfactory solution must be agreed to contribute funds to the investee company. The solution may include multiple structures including the contribution of the aforementioned investment that is needed by the other shareholders as well as by third parties, with the ensuing dilution of those shareholders that do not buy into the capital increase.

Structuring and financing of the operation

DINAMIA, along with the other co-investors, structures the majority of their acquisitions through a Special Purpose Vehicle (SPV) to facilitate the structuring of the operation. These investments are financed with (i) equity and (ii) financial debt structured in the investee company in the long term with the objective of improving capital profitability. It is important to highlight that DINAMIA does not incur additional bank debt in the structured debt of the investee companies in order to undertake the aforementioned investments as they are carried out through its liquid assets, and by resorting at times to capital markets. One of the main reasons for not incurring third-party debt is that it creates a current liability and financial costs, compliance with which could not assured as the principal source of income for DINAMIA, that is to say divestments, have a limited visibility.

<u>Equity financing:</u>

DINAMIA structures the contribution of equity through the subscription of capital increases and the granting of participating loans, or similar (e.g. preferential shares), to support its investee companies. These participating loans consist of a principal with an interest rate that usually fluctuates between 10% and 12%, complemented by a variable component, which accrues as a consequence of one or more operative ratios. Accrual is annual up until the redemption date and is recuperated at the time of its divestment. Notwithstanding the above, the deadline for these loans normally varies between 8 and 10 years. However, were it the case that the debt was settled prior to the exit, the loan would be renewed by the amount of the principal and interest accrued to date as the philosophy of this loan is that it is only redeemable at the time of divestment by DINAMIA in the investee company.

As a result, these loans are of a hybrid nature somewhere between debt and equity as, on the one hand, at an accounting level, they accrue periodic interest, and on the other, their order of precedence is superior to equity but subordinate to the other debts that the investee company might have. They are treated as net worth for the purposes of capital reduction and company liquidations as envisaged in mercantile legislation.

The structures that involve participating loans are advantageous for various reasons:

In the first place, they allow the design of structures in which different shareholders can hold different responsibilities according to the percentage that they invest in share capital (with unlimited profitability in any eventual divestment), and the percentage that they invest in participating loans (with profitability limited to the interests in an eventual divestment). The relative percentages of participating loans with respect to total investment are usually between 50% and 75% of total investment, and they are structured on an *ad-hoc* basis in each case. On the other hand, in cases in which the investment is not recovered, the loan will be cancelled by the amount at which the investment is liquidated; the principal and/or pending interests will not be payable in the future, in accordance with market practices applied by the Company; a condition that is not included, in principle, in DINAMIA's participating loan contracts. The greater the proportion of equity investments in relation to the proportion invested in participating loans, the greater the profitability. This allows the creation of incentive structures for the management team if they invest a greater proportion, or the totality of their investment in share capital. These structures could, eventually, ratchet up incentives as detailed in sub-section "(3) Exits" following this present section.

Secondly, interests associated with participating loans allow the tax benefits of investee companies to be optimized, thereby increasing investment profitability. Moreover, the annual interest payable to DINAMIA, even though it is not received until divestment, is taxable income for DINAMIA.

In particular, the following investee companies have taken out participating loans: Segur Ibérica, Bodybell, Émfasis, Holmes Place, Cristher, Colegios Laude, ZIV, Xanit, Bestin and MBA.

Financing with third-party resources:

Financing with third-party resources is carried out through structured debt in various tranches, including senior financial debt and, in some cases, tranches of subordinate debt at a higher cost, as detailed in section 9.2.3 and following in the Registration Document. As set out in section 6.2 and following in the Registration Document, financial debt has represented, over the period 2005-2007, one of the principal profit generation mechanisms for venture capital companies. Thus, the venture capital sector has been affected by the downturn in financial markets and especially by greater difficulties in accessing credit financing; a reduction having been seen in the number and amount of completed operations, and the proportion and volume of available bank debt over the past few months in comparison with earlier years.

In order to illustrate the effect of leverage on an investment, the following simplified example describes the effect of applying a leverage ratio of 80% debt with respect to total investment compared against a leverage of 50% debt with respect to total investment for an investment of 65 million Euros that was divested for the same amount over a period of 5 years, the financial leverage being the only lever for value generation. The principal results are as follows:

Leverage 50%	
Start of period	
Equity	32.5
Debt	32.5
Purchase Price	**65.0**
Sources in period	40.0
Uses in period	(16.2)
Cash generated in period	**23.8**
End of period	
Sale price	65.0
Net debt(1)	(8.7)
Equity	**56.3**
IRR	**11.6%**
Return on investment	**1.7x**

Leverage 80%	
Start of period	
Equity	13.0
Debt	52.0
Purchase Price	**65.0**
Sources in period	40.0
Uses in period	(20.3)
Cash generated in period	**19.7**
End of period	
Sale price	65.0
Net debt(1)	(32.3)
Equity	**32.7**
IRR	**20.3%**
Return on investment	**2.5x**

(1) Net debt is the result of subtracting cash generated in the period from initial debt

The principal conclusion that may be drawn is that the leverage optimizes the use of own resources, although the illustrative simplified example should be explained further if one wishes to examine the conclusion in greater depth.

Specifically, if the operation is financed at 80% debt, an equity value of 13 million Euros in the illustrative example generates about 20 million Euros at the end of the period, which implies a return on investment of 2.5 times its value (capital gains of 150%). However, if the operation is financed at 50% debt, with equity of 35.5 million Euros (19.5 million Euros more than in the former case), it generates a gain of only 4 million Euros more than in the former case (24 million Euros). The capital gains that it generates do not even equal the investment, with a return of only 1.7 times the investment (capital gains of 70%).

The structured finance of venture capital operations carries with it, in the majority of cases, a pledge on the shares and/or investments of the Special Purpose Vehicle (SPV) through which DINAMIA invests in the investee companies, as well as the participating loans made available to them by the financing entities. Although the SPV is the owner of 100%

of the shares of the acquired company and of the debt, in a period of between one or two years since its acquisition, as a general rule, the special purpose vehicles merge with the operative companies and the existing structure is simplified, allowing the creditors to pledge company shares which help to service the debt. If an investment is divested in which the SPV is not merged with the target company, then the shares held by the SPV are disposed of.

Structured finance is always syndicated. Consequently, as the syndicates are formed by various banks, it is more complex to arrive at agreements than if there were only one creditor, such as for example in a renegotiation of the conditions of the financing contract or obtaining waivers. The financial costs of this type of financing arise from the cost of debt that is usually the EURIBOR interest rate over a set term (normally between 3 to 6 months) and a margin on the aforementioned EURIBOR that generally fluctuates between 1.50% and 3.50% annually, in the case of senior debt.

The previously mentioned pledge on shares and/or equity investments can imply a limit on their liquidity, given that the pledge is only extinguished upon total repayment of bank finance. In the case of sales of shares or equity investments, extinction of the aforementioned pledge only takes place where there is a sale of 100% of the investee company's capital and simultaneous cancellation or substitution of the aforementioned bank finance by the purchaser. Furthermore, the financial credit entities habitually rely on a promise of a mortgage on investee company assets, which can take place following the breach of certain financial ratios related to the evolution of financial positions and excessive indebtedness in the investee company.

The investee companies have agreed loan and credit contracts with financial entities that, as is habitual in this type of finance, require the fulfilment of certain financial covenants, which were designed with particular economic and market conditions in mind that existed at the time of their subscription. The adverse economic climate at present has meant that some of the covenants agreed in the aforementioned loan and credit contracts have lost consistency or have become obsolete, which has brought about a situation in which some of the investee companies supported by DINAMIA are unable to meet or, in the near future, are not going to meet some of the aforementioned covenants in their financing contracts.

With a view to minimizing the risk derived from incompliance with covenants, conversations with the financial entities behind those loans and credits whose covenants remain unfulfilled or that are likely to be unfulfilled in the future, with a view to arriving at an agreement with the aforesaid entities and to obtain the appropriate waivers. If this agreement or other solutions cannot be reached, the creditor could require early maturity of the debt. However, the nature of DINAMIA's investee companies, the majority of which have a reduced economic structure (fixed assets such as for example real estate, machinery, etc.), and the adversity of enduring this type of process for the business of the investee company (generator of cash that permits payment of the contracted debt), brings the parties closer together in order to find a solution to the situation.

Financing contracts do not include specific conditions or agreements on the minimum investment period in the capital of the company or similar conditions. At the time of divestment, DINAMIA has to channel part of the cash flow obtained from the sale of the investee company to the cancellation, through early amortization, of investee company debt, so that the creditors can not demand these or any other conditions, the contract by virtue of which they are creditors having been cancelled. In the eventuality of the purchaser seeking to subrogate existing company debt instead of moving to liquidation at the time of purchase, the creditors or banking syndicate should approve the change of control.

The following table summarizes the terms and conditions for investment through equity and debt of the investee companies as of 30 June 2009 set by DINAMIA at the time of its initial investment:

Figures in thousands of Euros Company name	Initial Transaction Price[(1) (2)]	Initial investment from DINAMIA Total	Shares and Pref. Issues	Participating Loan	Initial Acquisition Debt[(3)]	% Bank Debt[(4)] over Transaction Price	Amortization Deadline Acquisition Debt
Arco Bodegas Unidas, S.A.	224,922	5,457	5,457	0	0	0.0%	n/a
Nicolás Correa, S.A.[(5)]	13,733	7,033	7,033	0	0	0.0%	n/a
Ydilo Advanced Solutions, S.A.	23,307	1,393	1,393	0	0	0.0%	n/a
High Tech Hotels & Resorts, S.A.	28,000	9,500	9,500	0	0	0.0%	n/a
Segur Ibérica, S.A.	115,121	9,500	9,500	0	59,408	52%	7 to 9 years
Grupo Bodybell	n.d.[(6)]	21,500	5,375	16,125	n.d.[(6)]	50% to 75%	7 to 9 years
Grupo éMfasis	33,489	8,062	3,881	4,181	12,686	38%	7 years
Holmes Place Iberia	n.d.[(6)]	9,070	1,814	7,256	n.d.[(6)]	50% to 75%	7 to 10
Cristher	55,455	12,025	4,209	7,816	30,000	54%	7 to 8 years
Serventa	31,572	7,188	2,095	5,093	16,500	52%	7 to 8 years
Laude	36,791	9,004	2,251	6,753	16,000	43%	11 to 12 years
Alcad	54,948	9,847	9,847	0	28,013	51%	8 years
ZIV	69,664	11,250	3,937	7,313	39,664	57%	7 to 8 years
Xanit	82,313	21,000	6,300	14,700	0	0.0%	n/a
Bestin	54,712	13,400	6,700	6,700	22,702	41%	7 to 8 years
MBA	160,339	31,066	15,533	15,533	76,050	47%	7 to 8 years
Electra Partners Club 2007 LP[(7)]	3,813	3,813	3,813	0	n/a	n/a	n/a

(1) The price of the transaction also includes, in addition to the value of the firm, the expenditure derived from completing the transaction which are basically made up of consultancy costs provided to DINAMIA (due financial diligence, fiscal, legal, market and insurance) as well as the cost of restructuring and the insurance of bank finance and other costs arising from the operation (notarial and others)

(2) Capital increases at different prices have existed in the majority of investee companies since their acquisition by DINAMIA, as well as new shareholder incorporations. All these movements in equity capital are explained in greater detail in the description of the companies. These movements entail a variation in the proportion of DINAMIA's investment with respect to the start of the investment.

(3) Acquisition debt refers to the bank debt used to finance share purchases and investments at the time of the investment in the target company (it does not include participating loans)

(4) Bank debt does not include the amount of participating loans. If it were considered, the leverage obtained over the total transaction could in some cases reach values of between 80% and 90%.

(5) The figures corresponding to the initial acquisition of Industrias Anayak, S.A. which at that time had an operating debt of 2.5 million Euros.

(6) n.d. - There is a confidentiality agreement with the sellers/coinvestors over the amount of the acquisition price as well as the acquisition debt.

(7) In the case of the investment in Electra Partners Club 2007 LP, only the amount corresponding to the first investment is shown. This amount will be increased in the future as a consequence of the total amount of the investment commitment acquired in2007 (up to a maximum of 10 million Pounds Sterling). This case is explained in greater detail later on.

(2) Follow up of the investments

The Management Company participates actively in the decision-making bodies of the companies in which it has invested on behalf of DINAMIA (thus, one or more professionals on the board of directors of the investee companies are there in representation of the Management Company so that they can represent as faithfully as possible the joint interests of DINAMIA and the Funds), but they do not participate in the daily management of the businesses.

Notwithstanding the above, in exceptional situations, the Management Company can modify the management teams or even incorporate specialized management professionals.

Periodically, the Management Company receives information from the company in which DINAMIA invests in order to value the investments and to inform DINAMIA's Board of Directors.

(3) Exits

In order to make good capital gains and for the continuation of its activity, it is necessary for DINAMIA to exit the companies in its portfolio. As shown in the preceding section, part of the cash flows obtained from the sale of an investee company is used for early amortization of the debt of the investee company, so that the creditors are no longer able to demand compliance with the conditions and/or covenants to which the borrower is subject once the contract by virtue of which they are creditors is cancelled.

As commented on in the section on structuring the operation in question, the management team could co-invest with DINAMIA under favourable conditions, through structures with participating loans. Likewise, this incentive could eventually be complemented by ratcheting at the time of DINAMIA's divestment. These investments, as a general rule, are structured in such a way that the financial investors, having surpassed a profitability threshold, concede a limited part of the capital gains above that profitability. In consequence, the greater profitability achieved as a result of the incentives, even when corrected due to the part conceded to the directors, results in greater overall profitability for DINAMIA.

The divestment of an investee company can be channelled through (i) stock market flotations, (ii) the sale to a strategic purchaser (industrial), (iii) financial or (iv) a buy back (share repurchase) of DINAMIA's interest by the original shareholders or the management of the company. Of all funds divested (volume) by DINAMIA in twenty-three companies, 30% have been sales to industrial or strategic purchasers, 30% have been sales to industrial or strategic buyers, 30% in stock market flotations, 32% sold to financial buyers, and 8% to original shareholders or directors.

	Exit method			
	Industrial Buyer	Financial Buyer	Stock Market Flotation	Management Team/Maj. Shareholders
As per the number of operations	43.48%	34.78%	8.70%	13.04%
As per funds divested (volume)	30.25%	32.40%	29.64%	7.71%

The principal characteristics of the different disposal mechanisms are briefly summarised as follows. It may be concluded from the above table that divestments of the most profitable investee companies for DINAMIA have been stock market flotations, as 8.7% of these operations represent almost 30% of divested funds. However stock market flotations are difficult to carry out due to their dependence of capital markets and the economic environment. Moreover, sales to financial purchasers show average profitability and, although they depend on the economic environment, their greatest risk is dependence on the credit market to be able to achieve levels of leverage that are applied to these types of operations. Sales to industrial buyers are the most common and represent 43.5% all operations, as the strategic purchasers have a more direct interest in the business of the company and do not have such a high dependency on external factors for the execution of operations (generally with greater availability of funds). Finally, sales to management teams are those with the lowest profitability and relevance in terms of divested funds. These sales may be brought about by the entry of members to the management team after the initial operation or in other particular situations. It is hardly frequent as a type of sale in the majority of operations.

Historical evolution of DINAMIA's activities

<u>Profitability of DINAMIA's Initial Portfolio of Investee Companies</u>

As previously pointed out, DINAMIA has liquidated the totality of the Initial Portfolio of Investee Companies, thereby obtaining an average annual weighted IRR of 30% and capital gains of 34,639 thousand Euros (gross of expenditure and tax, where applicable), with a multiple of 1.6 times the initial investment (which represents capital gains of 60%) and an average duration of 2.0 years.

The detail of all the divestment operations of DINAMIA's Initial Portfolio of Investee Companies is as follows:

Figures in thousands of Euros

	Activity	Total amount invested	Total income obtained	Total capital gains	Multiple of the investment	Annual profitability (IRR)	Investment duration
Funespaña, S.A.	Funeral services	11,930	15,487	3,557	1.3x	25%	1.5
Jaime Martinez de Ubago, S.A.	Food preserves	9,304	13,227	3,924	1.4x	20%	2.0
Europastry, S.A.	Frozen Dough	8,570	12,020	3,450	1.4x	19%	2.2
Educa Sallent, S.A.	Puzzles and educational games	5,529	4,627	-902	0.8x	-7%	3.0
Equipamientos Urbanos, S.A.	Urban publicity spaces	4,437	11,000	6,563	2.5x	60%	2.2
Fundiciones Viuda de Ansola, S.A.	Automobile accessories manuf.	6,076	6,886	810	1.1x	35%	0.4
Industrias Murtra, S.A.	Textile products producer	1,428	2,839	1,410	2.0x	87%	1.3
Movinord, S.A.	Office furniture manuf.	5,998	17,050	11,052	2.8x	33%	3.8
Multimedia Cable, S.A.	Cable television	397	1,486	1,090	3.7x	388%	0.8
Duraval, S.A.	Paints and resins	3,545	7,231	3,687	2.0x	77%	1.2
TOTAL		**57,214**	**91,853**	**34,639**	**1.6x**	**30%**	**2.0**

* IRR and multiple of the investment calculated individually for each company, the total being the sum of inflows and outflows of funds produced individually in DINAMIA by each company

In addition to investment in the ten companies of the Initial Portfolio of Investee Companies, DINAMIA has acquired interests in another thirty-three companies up until

30 June, 2009, with a total investment of 328.5 million Euros, as shown in the following table:

INITIAL PORTFOLIO	Total quantity invested	PORTFOLIO FOLLOWING STOCK MARKET FLOTATION	Total amount invested
Funespaña, S.A.	11,930	Ei System, S.A.	7,513
Jaime Martinez de Ubago, S.A.	9,304	Marie Claire, S.A.	4,820
Europastry, S.A.	8,570	Deustche Woolworth, GmbH	5,309
Educa Sallent, S.A.	5,529	Capital Safety Group Limited	8,294
Equipamientos Urbanos, S.A.	4,437	Arco Bodegas Unidas, S.A.	17,480
Fundiciones Viuda de Ansola, S.A.	6,076	Grupo Isolux, S.A.	14,424
Industrias Murtra, S.A.	1,428	Cables Perti, S.A.	6,275
Movinord, S.A.	5,998	Nicolás Correa, S.A.	7,033
Multimedia Cable, S.A.	397	Tintas Robbialac, S.A.	17,880
Duraval, S.A.	3,545	Sociedad Gestora de Televisión NetTV, S.A.	910
		Unión Deriván, S.A.	10,277
		Educa Borrás, S.L.	3,005
		Ydilo Advanced Solutions, S.A.	1,470
		Universal Cleaning Activities, S.A. (Unica)	8,514
		High Tech Hotels & Resorts, S.A.	13,000
		General de Alquiler de Maquinaria, S.A.	13,854
		Grupo Segur Ibérica (1)	10,469
		Grupo Bodybell (2)	21,500
		Grupo éMfasis (3)	8,113
		Aseguramiento ATECSA, S.L.	7,125
		Holmes Place Iberia (4)	9,070
		Grupo Cristher (5)	12,025
		Serventa (6)	10,818
		Laude (7)	17,542
		Alcad, S.L.	9,847
		ZIV (8)	11,250
		Xanit (9)	22,308
		Electra Partners Club 2007 LP	3,924
		Bestin Supply Chain, S.L.	13,400
		MBA (10)	31,066
	57,214		**328,515**

(1) DINAMIA invests through Segur Ibérica, S.A.
(2) DINAMIA invests through The Beauty Bell Chain, S.L.
(3) DINAMIA invests through Emfasis Billing & Marketing Services, S.L.
(4) DINAMIA invests through HP Health Clubs Iberia, S.A.
(5) DINAMIA invests through Grupo Gestión Integral Novolux Internacional, S.L.
(6) DINAMIA invests through Servicio de Venta Automática S.A.
(7) DINAMIA invests through Colegios Laude, S.L. y Colegios Laude II, S.L.
(8) DINAMIA invests through ZIV Aplicaciones y Tecnología, S.L.
(9) DINAMIA invests through Leucorodia, S.L.
(10) DINAMIA invests through MBA Incorporado S.L.

Since August 2002, on the basis of the Co-Investment Agreements described in the section 5.1.5 of the Registration Document, the investments made by DINAMIA have been through Fund I or Fund II. In particular, co-investment has taken place in the last 15 operations, two of which are now exited (High Tech, GAM, Segur Ibérica, éMfasis, Bodybell, ATECSA, Holmes Place, Cristher, Serventa, Colegios Laude, Alcad, ZIV, Xanit, Bestin Supply Chain and MBA). These Co-Investment Agreements establish that certain investments that imply an additional outlay in an existing company in

DINAMIA's portfolio prior to the signing of the agreement will be made exclusively by DINAMIA (Bodegas Arco, Nicolás Correa and Ydilo). As detailed in the section "Investments" in the present section, Co-Investment with the Funds or with third parties is regulated by *ad-hoc* agreements with shareholders that regulate the management of majority and minority shareholders during the investment and in possible liquidity problems.

Divestment Activity

As well as having divested the totality of the Initial Portfolio of Investee Companies, DINAMIA has been able to continue the rotation cycle of its portfolio. Thus, it has exited thirteen companies acquired following their flotation on the stock market. Average annual weighted profitability by volume of investment obtained by all the divestments (twenty three) up to 30 June 2009 rises to 25% having yielded total capital gains of 199 million Euros, multiplying the investment by a factor or 2.2 (which represents a capital gain of 120%) over a time horizon of 11 years if the first investment carried out in December 1997 is taken into account and the most recent divestment in February 2009.

The detail of total divestments carried out by DINAMIA since its flotation on the stock market up until 30 June 2009 is as follows:

Figures in thousands of Euros

	Activity	Acquisition date	Date of divestment	Total amount invested	Total income obtained	Total capital gain	Investment multiple	Annual profitability (IRR)	Investment Duration (Years)
Funespaña, S.A.	Funeral services	Dec-97	1/6/99	11,930	15,487	3,557	1.3x	25%	1.5
Jaime Martinez de Ubago, S.A.	Food preserves	Dec-97	Dec-99	9,304	13,227	3,924	1.4x	20%	2.0
Europastry, S.A.	Frozen Dough	Dec-97	Feb-00	8,570	12,020	3,450	1.4x	19%	2.2
Educa Sallent, S.A.(1)	Puzzles and educational games	Dec-97	Dec-00	5,529	4,627	-902	0.8x	-7%	3.0
Equipamientos Urbanos, S.A.	Urban publicity spaces	Dec-97	Feb-00	4,437	11,000	6,563	2.5x	60%	2.2
Fundiciones Viuda de Ansola, S.A.	Automobile accessories manuf.	Dec-97	May-98	6,076	6,886	810	1.1x	35%	0.4
Industrias Murtra, S.A.	Textile products producer	Dec-97	Abr-99	1,428	2,839	1,410	2.0x	87%	1.3
Movinord, S.A.	Office furniture manuf.	Dec-97	Oct-01	5,998	17,050	11,052	2.8x	33%	3.8
Multimedia Cable, S.A.	Cable television	Dec-97	Oct-98	397	1,486	1,090	3.7x	388%	0.8
Duraval, S.A.	Paints and resins	Dec-97	Mar-99	3,545	7,231	3,687	2.0x	77%	1.2
Ei System, S.A.	Manuf. & Dist. Computer	Jan-98	Jan-00	7,513	9,833	2,319	1.3x	15%	2.0
Marie Claire, S.A.	Textile production	Jul-98	Aug-05	4,820	1,420	-3,400	0.3x	-24%	7.1
Deustche Woolworth, GmbH	Large Stores	Dec-98	Mar-08	5,309	1,500	-3,809	0.3x	-14%	9.3
Capital Safety Group Limited (2)	Occupational safety equipment	Jan-99	Jun-07	8,294	32,764	24,470	4.0x	24%	8.4
Grupo Isolux, S.A.	Engineering and contractor	Jun-99	Aug-02	14,424	44,321	29,897	3.1x	43%	3.2
Cables Perti, S.A.	Supplier of automobiles	Jul-99	Dec-03	6,275	2,010	-4,265	0.3x	-47%	4.4
Tintas Robbialac, S.A.	Manuf. of decorative paint	Dec-99	Sep-04	17,880	27,642	9,762	1.5x	11%	4.8
Unión Deriván, S.A.	Manuf. fatty acids and deriv.	Jul-99	Jul-07	10,277	23,365	13,088	2.3x	15%	7.0
NetTV, S.A.	Management of Digital TV	Jun-00	Feb-08	910	3,306	2,396	3.6x	47%	7.7
Educa Borrás, S.L.	Puzzles and educational games	Dec-00	Dec-05	3,005	5,130	2,125	1.7x	9%	5.0
Universal Cleaning Activities, S.A. (Unica)	Industrial cleaning services	May-01	Jul-04	8,514	14,827	6,313	1.7x	22%	3.2
General de Alquiler de Maquinaria, S.A.	Plant hire	Jul-03	Jun-06	13,854	92,521	78,667	6.7x	84%	3.5
Aseguramiento ATECSA, S.L.	Technical inspection of vehicles	Jun-05	Feb-09	7,125	13,870	6,745	1.9x	20%	3.7
TOTAL				**165,415**	**364,362**	**198,947**	**2.2x**	**25%**	**3.8**

(1) DINAMIA divested its interests in Educa Sallent in December 2000. Subsequently, through a merger with Borrás, DINAMIA once again gained an interest in Educa (Educa Borrás, S.L.)
(2) DINAMIA divested its interests in the Capital Safety Group in September 2005. Simultaneously, it subscribed to a capital increase in the purchasing company Glowtrail Limited together with the other investors

On 7 October 2009, DINAMIA sold its participation in Ydilo for 1,377 thousand Euros, which represents a return of 1.1 times the net cost of the acquisition and an IRR of 1%.

The most relevant factors in the profitability of divestments are the achievement of a good sales price which is the outcome of a successful negotiation; the generation of value through company growth (including the expansion of the business and the influence of the economic climate, among others); a financing structure with financial leverage (including various tranches of subordinate debt) and finally obtaining a good sales price which is the outcome of a successful negotiation, the influence of the economic environment and the leverage capacity of the purchaser, among others.

Portfolio of Investee Companies:

As previously explained, DINAMIA's assets are principally made up of *Long-Term Investments in firms of the group and associates* (where the portfolio of unlisted firms is registered), as well as by *Long-term financial investments* (including both the listed portfolio and the interests in venture capital funds). The valuation of these interests, together with the amount corresponding to *Cash and other equivalent liquid assets* are the principal elements in the calculation of *Net Asset Value (NAV)*. The following is a summary of NAV according to the Valuation Report conducted by DINAMIA:

Net Asset Value as of 30 June 2009[(1)]	**NAV at**	**NAV at**	**NAV at**	**NAV at**
***Figures in thousands of Euros, except for shares**	**30.06.2009**	**31.12.2008**	**31.12.2007**	**31.12.2006**
Actual portfolio existing as of 31.12.06	59,267	88,857	157,482	139,958
Existing Portfolio as of 31.12.06 currently divested(2)	-	13,870	14,252	21,779
Portfolio non-existent as of 31.12.06 invested in 30.06.09	67,709	70,968	58,939	-
Total Unlisted Portfolio	**126,976**	**173,695**	**230,673**	**161,737**
Listed Portfolio	3,680	4,913	7,785	50,075
Venture capital funds	1,130	2,350	-	-
Cash and cash equivalents	55,198	44,547	91,509	97,565
Other Assets[(3)]	3,917	2,064	1,581	6,968
Total Assets	**190,901**	**227,569**	**331,548**	**316,345**
Liabilities[(4)]	(3,624)	(3,527)	(610)	(527)
Total Net Assets	**187,277**	**224,042**	**330,938**	**315,818**
Adjusted by dividend 2007				(16,758)
Adjusted by dividend 2008			(8,379)	(8,379)
Adjusted by dividend 2009	(8,379)	(8,379)	(8,379)	(8,379)
Total Net Assets Adjusted by Dividend (A)	**178,898**	**215,663**	**314,180**	**282,302**
Theoretical Performance Fee [(6)]	(7,992)	(6,513)	(25,567)	(19,860)
Total Net Assets Adjusted by Dividend and Performance Fee	**170.906**	**209,150**	**288,613**	**262,442**
Nº of shares adjusted (B)	11,970,000	11,970,000	11,970,000	11,970,000
NAV adjusted by dividend per share (A)/(B)	14.95 €	18.02 €	26.25 €	23.58 €
Quotation [(5)] (adj. by dividend)	10.67 €	8.50 €	19.58 €	20.69 €
Discount (Premium) on NAV	28.6%	52.8%	25.4%	12.3%

(1) According to DINAMIA's Valuation Report dated 30 June 2009, forwarded to the CNMV as a Relevant Fact on 30 July 2009

(2) Refers to the investee companies, at present divested, at the set date (when they still formed part of the Portfolio)

(3) Basically corresponds to entry items for circulating assets as a consequence of Public Authorities, other investment funds, or amounts awaiting collection from exits

(4) Refers to circulating debt for concepts pending such as management fees, various creditors.

(5) Listed on 31 December of the corresponding fiscal year.

(6) Refers to the exit commission of the Management Company, which is set at 20% over the capital gains obtained in the divestments, and is only made effective once the acquisition costs are covered of all the companies acquired in the same year as the one which is sold.

As may be observed from the above table, when adjusted for dividends the share is quoted at (10.67 Euros) with a discount to NAV ex–dividend of 28.6% as of 30 June 2009. This discount stood at 52.8% as of 31 December 2008 with a quoted share price adjusted for dividends of 8.5 Euros. The variations in this discount correspond to the drop (-17%) in the NAV per share as much as to the positive (+25%) evolution of the quoted share price. The evolution of NAV since December 2008 up until June 2009, is principally due to the evolution of the unlisted portfolio. Accordingly, the main reasons for the evolution have been (i) a loss in the portfolio value of unlisted companies of 32.8 millions Euros, and (ii) the divestment (Atecsa) made over these six months of an amount of 13.9 million Euros.

In accordance with the Valuation Report of DINAMIA as of 30 September 2009 forwarded to the CNMV on 3 November 2009, the NAV per share amounted to 14.86

Euros derived from total net assets of 177,827 thousand Euros. As of 30 September, the quoted share price (11.34 Euros) represented a discount with respect to the per-share NAV of 23.7%. However, both the NAV and the Market Value include approximately 45 million Euros of liquid assets to which the discount is not considered applicable. As a result, if the aforementioned liquid assets are excluded from both amounts, the implicit discount of the quoted share price with respect to the valuation of the portfolio per share rises to 31.6%.

As established in the Valuation Report issued on a quarterly basis by DINAMIA, audited on a six-monthly basis by an independent expert, the Management Company applies the valuation criteria established by the EVCA (European Venture Capital Association) – internationally accepted standards for the valuation of Venture Capital portfolios of investee companies-. According to the type of investment, the applicable valuation criteria may be summarized as:

- Unlisted companies: each of these investments is assigned the lowest value derived from applying the results of the companies (i) the EV[2]/EBITDA multiples of comparable listed companies or (ii) the EV/EBITDA and/or EV/EBIT multiple corresponding to the time of acquisition of the corresponding company. Likewise, the investments recently acquired as well as those that have not reached sufficient maturity are valued by their acquisition costs less, if applicable, the appropriate adjustments. This method will provide the company value of the business in question, from which the amount corresponding to net financial debt would have to be deducted in order to calculate the equity value (understood as a combination of participating loans and shares).

- Listed companies: the investments in listed companies appear with their market value on the date of valuation, market value being understood as its quoted price at the close of the valuation day (or the day immediately before).

- Venture capital funds: last published liquidity value is used.

For the purposes of interpreting the difference as of 31 December 2008, between the NAV amount in the portfolio of investee companies (180.9 million Euros) and its net book value (166.2 million Euros) recorded in the Company accounts, it should be mentioned that the difference (14.7 million Euros) is noted in the memorandum account included in the annual accounts of the Company.

The following shows the composition of the DINAMIA's portfolio as of 30 June 2009 (hereinafter "**Investee Company Portfolio**"):

[2] EV: enterprise value

Figures in thousands of Euros	Activity	Acquisition Date	% DINAMIA	% DINAMIA and Funds	Total amount invested	Capital and issue prem.	Participating Loan	Valuation(1) participation at 30/06/2009
Bodegas Arco[2]	Wine producers	mar-99	8.00%	8.00%	**17,480**	17,480	0	**9,208**
Ydilo[3]	Voice recognition technologies	apr-01	7.06%	7.06%	**1,470**	1,470	0	**1,364**
High Tech[4]	Hotel Chain	jan-03	26.00%	52.00%	**13,000**	13,000	0	**0**
Segur Ibérica[5]	Security services	mar-04	17.86%	35.72%	**10,469**	10,267	202	**11,635**
Grupo Bodybell [6]	Perfume Chain	apr-05	14.35%	28.55%	**21,500**	5,375	16,125	**0**
Grupo éMfasis [7]	Mailing and billing services	apr-05	44.90%	89.15%	**8,113**	3,146	4,967	**7,491**
Holmes Place Iberia [8]	Fitness chain	aug-05	20,61%	41.22%	**9.070**	1,814	7,256	**7,734**
Cristher [9]	Exterior lighting	sep-05	44.47%	88.94%	**12,025**	4,209	7,816	**6,256**
Serventa [10]	Vending services	apr-06	46.66%	93.32%	**10,818**	3,154	7,664	**15,579**
Laude [11]	Private education	jun-06	44.94%	89.88%	**17,542**	4,386	13,156	**0**
Alcad [12]	High Frequency	mar-07	37.68%	75.36%	**9,847**	9,847	0	**0**
ZIV [13]	Electrical services and products	apr-07	37.25%	74.50%	**11,250**	3,937	7,313	**15,954**
Xanit [14]	Health	deic-07	32.02%	64.04%	**22,308**	6,692	15,616	**19,167**
Bestin [15]	Logistics Services	apr-08	42.01%	84.02%	**13,400**	6,700	6,700	**0**
MBA [16]	Distribution of prosthesis	jul-08	36.82%	73.64%	**31,066**	15,533	15,533	**32,588**
Total Unlisted Shares					**209.358**	**107,010**	**102,348**	**126,976**
Nicolás Correa[17]	Manufacturer of heavy plant	sep-99	13.27%	13.27%	**7,033**	7,033	0	**3,680**
Total listed actions					**7,033**	**7,033**	**0**	**3,680**
Electra[18]	Venture capital	dec-07	10.00%	10.00%	**3,924**	3,924	0	**1,130**
Total Venture Capital Investment Funds					**3,924**	**3,924**	**0**	**1,130**
TOTAL PORTFOLIO					**220,315**	**117,967**	**102,348**	**131,786**

Eliminado: Dinamia

(1) According to the Valuation Report of DINAMIA Capital Privado, S.C.R., S.A. of 30 June 2009, sent to the CNMV as a Relevant Fact on 30 July 2009
(2) DINAMIA invests in Bodegas Arco through Arco Bodegas Unidas, S.A.
(3) DINAMIA invests in Ydilo through Ydilo Advanced Solutions, S.A.
(4) DINAMIA invests in High Tech through High Tech Hotels & Resorts, S.A.
(5) DINAMIA invests in Segur Ibérica through Segur Ibérica, S.A.
(6) DINAMIA participates in the holding company 100% owner of the Bodybell group, the name of which is the Beauty Bell Chain, S.L.
(7) DINAMIA invests in the Émfasis Group through Émfasis Billing & Marketing Services, S.L.
(8) DINAMIA invests in Holmes Place Iberia through HP Health Clubs Iberia, S.A.
(9) DINAMIA invests in Cristher through Grupo Internacional Novolux Internacional, S.L.
(10) DINAMIA invests in Serventa through Servicio de Venta Automática, S.A.
(11) DINAMIA invests in Laude through the companies Colegios Laude, S.L.and Colegios Laude II, S.L.
(12) DINAMIA invests in Alcad through Alcad, S.L.
(13) DINAMIA invests in ZIV through ZIV Aplicaciones and Tecnología, S.L.
(14) DINAMIA invests in Grupo Xanit through Leucorodia, S.L.
(15) DINAMIA invests in Bestin Supply Chain, S.L.
(16) DINAMIA invests in MBA through the company MBA Incorporado, S.L.
(17) DINAMIA invests in Nicolás Correa through Nicolás Correa, S.A.
(18) DINAMIA invests in Electra through Electra Partners Club 2007 LP

Eliminado:

The value of DINAMIA's portfolio as of 30 June 2009 presented a discount of 40% with respect to the total amount invested, a figure which remained unaltered in the valuation of the same portfolio on 30 September 2009.

More information on trustee companies can by found in the DINAMIA's valuation reports dated 31 December 2008, 30 June 2009, both reviewed by an independent expert (Deloitte, S.L.), and 30 September 2009, which are available from the CNMV website (www.cnmv.es) as well as from the Company website (www.dinamia.es).

As may be appreciated in the above company valuation table, on 30 June 2009 there were a total of five companies in which DINAMIA valued its investment at zero. However, it should be pointed out that, despite the valuation that DINAMIA assigned to its investment in those companies, that in itself does not mean that their value is null. In other words, as previously explained, they are companies with an *enterprise value* that is higher than zero but the gearing of which means that the equity valuation is reduced to zero. Thus, insofar as those companies were to recover the historical activity levels they had prior to the crisis as well as if there were a recovery of the markets in terms of (multiple) valuations, it would allow them to increase their *enterprise value* and consequently their *equity value*.

DINAMIA has historically shown a diversified policy on investment, which can be grouped into three different levels:

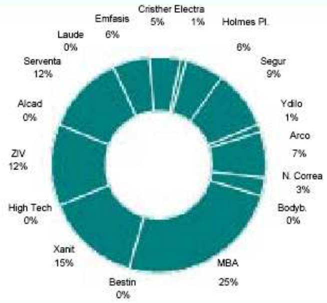
- Company investments: the Company has seventeen investments (currently sixteen following the sale of Ydilo), of which, according to the investment made, the largest implies 14.1%, the two largest 24.2% and the five largest imply 49.9% of total investment in the current portfolio.

- Sectoral diversity of the companies: the strategic evolution of DINAMIA over recent years in accordance with the macro-economic trends has led the Company away from companies of a markedly industrial nature towards the objective of investing in companies that are more focused on the services, in its different aspects, and with a certain anti-cyclical nature as in the case of health and security services, investments in which as of 30 June 2009 represented a NAV of 48% and 29% of the total amount invested. At present there is a certain concentration in the health and consumer products sectors.

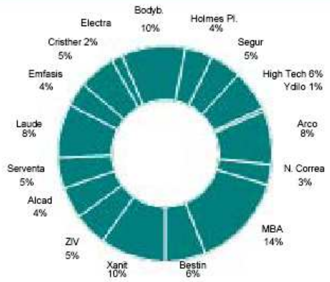
- Investment years: the Company has undertaken at least one investment per year over the last six closed fiscal years (up until 2008) and over half of all investee companies correspond to investments made in 2006 or in subsequent years, nevertheless, investee companies with 4 years or more in the Company represent over 45% of the total amount invested, while those with over 6 years represent 18%. This analysis undertaken on the basis of NAV per-company, would as a result give 36% of the NAV to investees with 4 years or more in the Company, and 11% to those with over six years.

Illustrative graphs are shown below of DINAMIA's investment diversification:

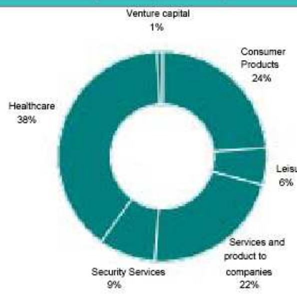
Portfolio composition by company
(NAV 30 June 2009)



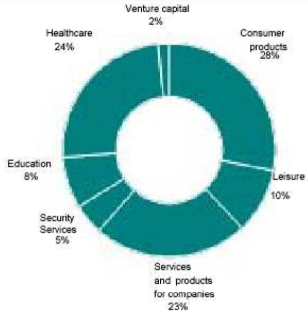
Portfolio Composition by company
(investments as of 30 June 2009)



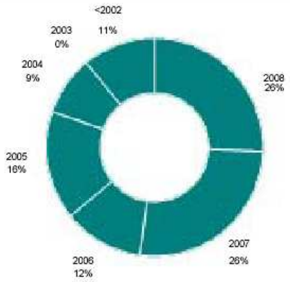
Portfolio Composition by Sector
(NAV 30 June 2009)



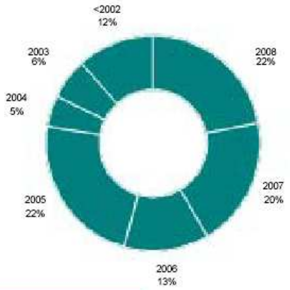
Portfolio Composition by Sector
(investments as of 30 June 2009)



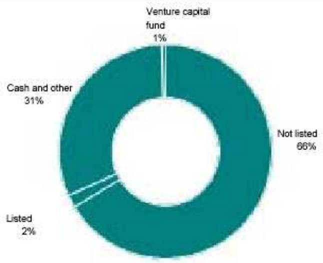
Diversification by Investment year
(according to NAV June 2009)



Diversification by investment year
(according to committed investment)



Breakdown of NAV as of 30 June 2009



Below there is a brief description of each of the companies DINAMIA has invested in, the size of the investment, and a description of the market as well as the characteristics of the investment transactions made by the Management Group in its role as manager and administrator of the Company assets.

1) MBA

Investment year	July of 2008
DINAMIA investment through 30 June 2009 (thousands of Euros)	31,066
Investment in Capital and Issue Premium (thousands of Euros)	15,533
Investment in Profit Participating Loan (thousands of Euros)	15,533
DINAMIA ownership interest	36.82%
Type of Transaction	MBO
Valuation December 2008 (thousands of Euros)(1)	31,640
Valuation June 2009 (thousands of Euros)(1)	32,588
Method of Valuation(1)	Cost(2)

(1) Based on the DINAMIA valuation report dated 30 June 2009

(2)The company is valued at cost due to recent acquisition; nevertheless (and under EVCA regulation) an adjustment to that value has been performed with the accrued interest of the profit participating loan up to the date of the publication of said report

In July 2008, DINAMIA invested 31,066 thousand Euros to acquire 36.8% of MBA Incorporado, S.A. and its subsidiary companies (hereinafter the group is referred to as "**MBA**"). The company Ronda Corporate, S.L. was used as the investment vehicle. Capital was increased in the amount of 15,533 thousand Euros and an profit participating loan of 15,533 thousand Euros was made.

For this transaction DINAMIA made a co-investment with the private capital fund, N+1 PEF II which invested the same amount under the same conditions as DINAMIA, making the two together indirect owners of 73.6% of MBA's capital. The rest of the capital is controlled by the management team.

The acquisition price was determined using purchase multiples (2007 numbers) of:

EBITDA	EBIT
7.0 times	9.7 times

a) Shareholders as of 30 June 2009

DINAMIA	36.8%
N+1 PEF II	36.8%
Management Team	26.4%
Total	**100.0%**

b) Company Description

MBA is the only independent player in Europe with a significant presence in the orthopaedics product distribution market (the company currently operates in Spain, Italy, Portugal and the United Kingdom). With 14% of the domestic market, it is number 4 distributor in Spain.

The group is specialized in prosthesis for knees, hips, spine, and internal and external fixation. The products are distributed under their own brand. In addition, MBA has a line of business specialized in biological products that complement their primary business. They come under the BIOSER brand. The group's primary clients are public hospitals, private insurers, and individuals.

c) Market description

The orthopaedic and trauma surgery markets in Europe experienced an average growth of 7% in the period from 2004-2007. For the 2008-2010 period the same type of annual growth was expected.

The main orthopaedics market drivers are: (i) aging of the population, (ii) growing knowledge and success of this type of these types of procedures due to improved technology and (iii) increase in demand for replacements due to the continual improvement of technology.

The market is highly fragmented. The Spanish market is led by multinational manufactures such as Stryker, Zimmer, Depuy (J&J), and Biomet which together have a 68% share. In 2007 its size reached 420 million Euros.

d) Investment rationale[3]

- Leadership position in a market that is naturally hedged against downturn.

- Business model based on recurring investment for customers and continuous incorporation of innovative high quality products (clear R&D+i focus) into the company product portfolio.

- Strong brand image, recognized internationally.

- Excellent, value added customer service thanks to close relationships with surgeons, the provision of ongoing doctor training and in-house sales reps.

[3] Refers to the factors taken into account when the investment was made. It is applied to all companies in the equity portfolio.

- Management team with a solid track record in the sector, complementary skills, committed to the business, and with an orientation towards international development.

e) Recent performance and main financial numbers

Sales during the first half of 2009 were in line with the plan and the market (growth of 3.2% in 2008).

During the first half of 2009 the company continued the internal reorganization it began at the end of 2008.

It also continues strengthening its management skills with the incorporation of first class managers in the positions or geographic areas needing them (Italy and the U.K.) Currently, the company is analyzing new opportunities in European markets where it does not yet have a presence. The objective is to take its competitive advantages to these countries (business model, catalogue of products, international supplier relationships, technological know-how, etc.).

MBA currently meets all its obligations related with the banks that helped finance the investment. It also completely meets the financial ratios agreed to by the parties as performance indicators for the company.

The company expects to close 2009 on target with its initial business plan (84 million Euros in sales and EBITDA of 25.6 million, 8% growth over 2008).

Given its good performance for 2009 in a complicated macro-economic environment, and based on international market opportunities for a company with the brand image and business model of MBA, the company is expected to perform according to its initial business plan. Future revaluation of this investment is deemed possible given MBA's business performance.

The company's key financial data is as follows:

*Amounts in thousands of Euro	Consolidated Reporting (1) 30.06.2009	Consolidated Pro-Forma(2) 31.12.2008	Consolidated Pro-Forma(2) 31.12.2007	Consolidated Pro-Forma(2) 31.12.2006
P&L				
Operating Income	44,073	77,689	73,828	68,416
EBITDA	14,407	23,575	20,038	18,718
EBIT	12,504	17,319	16,813	15,140
EBT	10,110	12,980	18,139	15,849
Net Income	8,376	10,074	12,311	10,414
P&L Ratios				
Op. Income Growth (%)(3)	3,2%	5,2%	7,9%	n.a.
Margin EBITDA (%)	32,7%	30,3%	27,1%	27,4%
Fin. Exp(4) / EBITDA (%)	13,9%	10,8%	3,2%	3,4%
Net Income Margin (%)	19,0%	13,0%	16,7%	15,2%
Balance Sheet				
Goodwill	92,918	92,918	0	0
Cash & Cash Equivalents	5,301	2,371	3,285	1,172
Total Assets	187,023	178,401	88,721	86,453
Equity	72,143	63,767	57,902	52,561
Profit participating loan	17,113	16,139	0	0
Bank debt	78,175	81,746	10,949	13,092

(1)Corresponds to the company management accounts (unaudited) as of the date indicated. Applies to all companies invested in

(2) The Pro-Forma data for 2006-2008 were done in order to obtain comparable data based on individual audited annual accounts.

(3) The income variation for June 2009 compares against the same period in 2008

(4) Financial expense pertains to debt with credit institutions, excluding interest accrued by the profit participating loan. Nevertheless, said expenses are entered in the books annually and are liquidated at the time of divestment.

2) Grupo Xanit

Investment year	December of 2007
DINAMIA investment through 30 June 2009 (thousands of Euros)	22,308
Investment in Capital and Issue Premium (thousands of Euros)	6,692
Investment in Profit Participating Loan (thousands of Euros)	15,616
DINAMIA ownership interest	32.02%
Type of Transaction	MBI- Build up
Valuation December 2008 (thousands of Euros)(1)	19,167
Valuation June 2009 (thousands of Euros)(1)	19,167
Method of Valuation(1)	Cost(2)

(1) Based on the DINAMIA valuation report dated 30 June 2009

(2) The company is valued at cost due to recent acquisition; nevertheless (and according to EVCA regulation) that value is adjusted by the delay in business plan execution

DINAMIA made an initial investment of 42 million Euros to buy Centro Hospitalario San Rafael de Benalmádena, S.L. and Hospital de Benalmádena Xanit, S.L. (including the acquisition of common stock, and the concession of ordinary and profit participating loans. The two companies are respectively the owner and operator if the Hospital Internacional Xanit. The Swiss fund Lombard Odier Darier Hentsch (LODH) and Partners Group jointly invested with the same conditions and currently between them own 30.5% of the capital. The rest of the capital is in the hands of the management team. Subsequently, DIAMIA cancelled one of the loans, 5 million Euros, made to the Xanit Group and sold 50% of its initial investment to N+1 PEF II.

During the first half of 2008, Grupo Xanit acquired equity in Gabinete Médico Velázquez, S.L (GMV), medical centres dedicated to providing gynaecology and obstetrics services. The investment was made as a capital increase in the amount of 1,308 thousand Euros. The rest of the increase was subscribed for by N+1 PEF II and LODH and Partners Group in corresponding percentages. After these transactions DINAMIA holds 32.02% of Grupo Xanit equity.

In August 2009 DINAMIA invested an additional 508 thousand Euros to finance the expansion of GMV with the opening of a new building in Madrid.

At the time of acquisition, Xanit had negative operating results due to its status as a developing company. As such, an analysis of purchase multiples was meaningless.

a) Shareholders as of 30 June 2009

DINAMIA	32.0%
N+1 PEF II	32.0%
LODH Private Equity	15.3%
Partners Group	15.2%
Management Team	5.5%
Total	**100.0%**

b) Company Description

Xanit is market consolidation project in the Spanish healthcare sector. The goal is to build one of the leading private hospital groups in the country The group is currently comprised of Hospital Xanit Internacional de Benalmádena (Málaga) and GMV de Madrid, a group of medical clinics.

The hospital began operations in January 2006. Since then it has become one of the leading hospitals in southern Spain as well a leader in several specialties including oncology and heart surgery. GMV is the leading provider of gynaecological and obstetrics services in the Madrid region.

c) Market description

The private healthcare market in Spain is extremely fragmented. The sector is highly resistant to economic cycles and is expected to grow rapidly in the three main customer categories (Spanish health insurance providers, international insurance providers, and individuals.

Hospital Xanit Internacional operates in the private healthcare market in the province of Malaga. However, the hospital's target market extends to the entire region of Andalusia and more sporadically to all of Spain. GMV operates in Madrid where there is a very high demand for centres serving women, especially for oncology diagnostics, obstetrics, and fertility treatment.

d) Investment rationale

- Very fragmented market with tremendous possibilities for consolidation.

- Resistant to economic downturns; rapid growth

- A build-up Project with substantial income and cost synergies, and good exit prospects.

e) Recent performance and main financial numbers

In the first half of 2009 Xanit Hospital Internacional established itself as a leader on the Costa del Sol with excellent earnings with respect to the prior year and its forecast. The hospital achieved accumulated sales growth of 22% over the year before.

The growth was particularly notable with respect to patients of international companies where the increase over the previous year was more than 55%. In the case of foreign patients, the decrease in the area's tourism counteracted an aggressive commercial plan that preserved the same patient traffic as the year before.

In 2009 GMV continued performing well and exceeded the earnings of the prior year. The company is currently analyzing various options for increasing facility capacities.

Among active projects at the hospital two stand out: the implementation of new management and control systems, and the opening of a medical centre in Fuengirola enabling Xanit to widen its target market and complement its activities in the area.

The Xanit Group has no acquisition debt on its balance sheet. As such, the company does not face the problem of covenant compliance and the like. Xanit is working with banks on various possibilities for increasing financing to support growth.

The company growth prospects are very positive for both Xanit Internacional and GMV. Incorporating new insurers for clients committed to the opening of new medical centres in the Costa del Sol area will keep the Xanit Internacional growth steady at its current rate for 2010 and the following years. In the case of GMV, opening a new building that consolidates all operations and increases installed capacity, gives the business excellent possibilities for medium term growth.

As mentioned previously DINAMIA uses the cost method to calculate investment value in Xanit, adjusting said value down for delay in business plan execution. Nevertheless, if Xanit's and GMV's recent business performance is maintained, it is possible that the investment will appreciate.

The company's key financial data is as follows:

**Amounts in thousands of Euro*	Consolidated Reporting (1) 30.06.2009	Consolidated Pro-Forma(2) 31.12.2008	Consolidated Audit 31.12.2007
P&L			
Operating Income	20,065	34,494	23,402
EBITDA(3)	3,167	2,418	(1,932)
EBIT	781	(5,419)	(13,242)
EBT	(4,158)	(13,639)	(16,591)
Net Income	(4,158)	(13,247)	(16,650)
P&L Ratios			
Op. Income Growth (%)(4)	6.8%	47.4%	n.a.
Margin EBITDA (%)	15.8%	7.0%	-8.3%
Fin. Exp(5) / EBITDA (%)	29.0%	63.3%	n.s.
Net Income Margin (%)	-20.7%	-38.4%	-71.1%
Balance Sheet			
Goodwill	37,089	37,089	33,229
Cash & Cash Equivalents	167	345	1,839
Total Assets	86,019	84,839	81,300
Equity	(1,801)	2,137	4,344
Profit participating loan(6)	57,397	53,502	44,959
Bank debt	19,447	19,922	19,550

(1) GMV data adjusted to 66% participation
(2) Audit accounts of Grupo Xanit and data reported by GMV adjusted to 66% participation
(3)Pro-Forma EBITDA before central expenses (management team leading the project) and non-recurring expenses.
(4) The income variation for June 2009 compares against the same period in 2008
(5) Financial expense pertains to debt with credit institutions, excluding interest accrued by the profit participating loan.
(6) The profit participating loans are considered net equity for the purposes of capital

reduction and company liquidation provided for in commercial law.

3) Bodybell

Investment year	April of 2005
DINAMIA investment through 30 June 2009 (thousands of Euros)	21,500
Investment in Capital and Issue Premium (thousands of Euros)	5,375
Investment in Profit Participating Loan (thousands of Euros)	16,125
DINAMIA ownership interest	14.35%
Type of Transaction	BIMBO
Valuation December 2008 (thousands of Euros)(2)	0
Valuation June 2009 (thousands of Euros)(2)	0
Method of Valuation(2)	Multiple of comps (3)

(1) Results of the various capitalizations, the principal of the profit participating loan as of 30 June 2009 is 11.959 million Euros

(2) Based the DINAMIA valuation report dated 30 June 2009

(3) The most comparable listings are Douglas, Sally Beauty and Alliance Boots; meaning a multiple of 7.0 times EBITDA

On 18 March 2005, DINAMIA reached an agreement to invest 21.5 million Euros in The Beauty Bell Chain, S.L. This company is the vehicle used for acquiring 100% of Ibérica de Droguería y Perfumería, S.A. and Compañía de Almacenaje, Distribución y Servicios, S.A. (hereinafter "**Bodybell**"). The agreement included subscribing to a capital increase with 5.375 million Euros and granting a profit participating loan of 16.125 million Euros. On 27 April 2005, after being approved by the Competition Services, the transaction was completed. As a result of that transaction and after a capital increase that took place afterwards and was fully subscribed for by the sellers' families, DINAMIA owns 27.6% of the capital in The Beauty Bell Chain, S.L.

In December of 2006, the Group completed shareholder and financial restructuring. It consisted in the reduction and subsequent amortization of a significant portion of the share capital and acquisition of a new bank debt structure. With this transaction, DINAMIA, as well as the rest of the shareholders, recovered 105% of its original investment (22.575 million Euros) including capital gain. The share of ownership was not affected in any significant way.

On 10 May 2007, Grupo Bodybell reached an agreement to acquire 100% of the Juteco group, thus strengthening the Group's position in the central part of the country.

In order to advance its growth efforts, Grupo BodyBell admitted the private equity fund managed by Mercapital as a shareholder on 28 October 2008. This was done through the grant of a profit participating loan and a capital increase where the fund acquired 49% of the share capital of Grupo Bodybell. As a result, DINAMIA's holding was diluted from 26.8% to its current 14.4%.

a) Shareholders as of 30 June 2009

Mercapital	49.0%
DINAMIA	14.4%
N+1 PEF I	14.2%
Other investors	22.4%
Total	**100.0%**

Investment companies of the same type hold 77.6% of the share capital and are protected with a shareholders agreement that regulates, among other things, exit scenarios (divestment).

b) Company Description

Bodybell has 240 stores nationwide (including Bodybell and Juteco), and is one of the main chains dominating the Health and Beauty channel in Spain. Its operations include retail stores selling health and beauty products and household goods as well as wholesale operations for household goods and health and beauty consumer products.

Future strategy is focused on increasing growth of the business model that the company has already developed.

c) Market description

The health and beauty market as well as the rest of the retail market is being affected by the macroeconomic situation and reduction in consumer buying. The more than 5% growth experience in prior years is shrinking away.

In regards to the structure of the health and beauty market, we continue seeing a reduction in the overall number of establishments. This is due a decrease in the number of traditional shops some of which have been absorbed by the modern self-serve health and beauty shops.

d) Investment rationale

- Solid macros. Growth sector (especially in new segments such as cosmetics for men), reduced economic cyclicality and continued absence of risk from exposure to fashion trends.

- Bodybell enjoys strong brand image in Spain, a dominant market position in central Spain and excellent store locations.

- Opportunity for consolidation. The market remains highly fragmented, made up of numerous family-run, regional players.

- Experienced management team.

e) Recent performance and main financial numbers

Bodybell is primarily a retail company whose performance is linked to the current consumption crisis. As result, it was inevitable that the current economic crisis affect the Group sales volume. And this has been proven out, not so much in number of visits to the stores and number of purchases made, but in the average amount of each sale. This is a direct result of the customer deciding to trade down that the business has been seeing in recent months. They don't buy fewer items, but they have reduced their budgets. They are buying lower priced (and lower quality) items, not abandoning them altogether. Finally, although the business is maintaining its sales volume, the amount of each purchase has decreased and affected total sales. The business is suffering the consequences of a reduction in consumer disposable income, deriving either from lower overall income or more propensities to save in uncertain economic times.

The most positive aspect of Bodybell's recent performance is the confirmation of a high degree of loyalty among customers (there are 600,000 "Club Cómplice" loyalty card holders) who continue trusting their purchases to Bodybell. The Group has continued its policy of expansion and store remodelling. They continue being a solid profitable base even in this challenging environment and will help the group recover its historical levels of sales and operating profitability once the current macroeconomic crisis is overcome.

The Group is also continuing with its extensive internal work, focusing on the development and implementation of projects to improve business operating efficiency as well as financial management and control: on the one hand (i) move to a new logistic platform that enables service to a network of up to 500 shops, and on the other (ii) implementation of an integrated management system (ERP). Both projects are expected to be completed during the first half of 2010.

The company bank debt pertains to loans that a group of national and international banks granted for financing the business. Since debt was renegotiated last year, the group is current with all of its financial obligations. It maintains ongoing conversations in order assure that the financial structure provides enough flexibility to allow the company to adapt to the current market situation where historic company growth is reduced.

The group expects to retake the path to growth in 2010. It also expects to gain market share in the modern self-service channel once the peak of the crisis is past and the impact it has had on the individual consumer overcome.

As noted previously, DINAMIA allotted no value to its investment in this company. However, taking into account the results of the company, its enterprise value would be positive since the net financial debt is not removed for that calculation.

To the extent that Bodybell recuperates its prior operational levels when the market recovers (in terms of valuation multiples), and reduces debt, the company value will increase. That, along with a progressive reduction of bank debt could mean potential appreciation of DINAMIA's investment.

The company's key financial data is as follows:

**Amounts in thousands of Euro*	Consolidated Reporting 30.06.2009	Consolidated Audit 31.12.2008	Consolidated Audit 31.12.2007	Consolidated Audit 31.12.2006
P&L				
Operating Income	125,088	261,277	277,189	193,017
EBITDA(1)	13,217	30,322	39,845	28,317
EBIT	10,137	15,429	15,206	7,803
EBT(2)	(6,279)	(14,576)	(11,090)	8,552
Net Income	(4,396)	(7,639)	(10,826)	4,754
P&L Ratios				
Op. Income Growth (%)(3)	-5.8%	-5.7%	43.6%	n.a.
Margin EBITDA (%)	10.6%	11.6%	14.4%	14.7%
Fin. Exp(4) / EBITDA (%)	42.1%	39.9%	19.8%	21.4%
Net Income Margin (%)	-3.5%	-2.9%	-3.9%	2.5%
No. of shops	244	241	240	229
Balance Sheet				
Goodwill	200,795	200,795	205,472	125,217
Cash & Cash Equivalents	19,209	27,538	11,590	33,577
Total Assets	362,680	379,050	362,948	253,762
Equity	(26,166)	(21,770)	(86,124)	(75,298)
Profit participating loan(5)	187,004	183,968	217,955	213,702
Bank debt	161,123	170,424	167,942	75,755

(1) Adjusted EBITDA based on audited annual accounts with transaction expenses and non-recurring business expenses

(2) With respect to the company results, its important to mention that the capital structure, for both equity (including the impact of profit participating loans) and bank debt, and amortization are the main reasons for the period profits beginning with positive operating profits

(3) The income variation for June 2009 compares against the same period in 2008

(4) Financial expense pertains to debt with credit institutions, excluding interest accrued by the profit

participating loan.

(5) The profit participating loans are considered net equity for the purposes of capital reduction and company liquidation provided for in commercial law.

4) Colegios Laude

Investment year	June of 2006
DINAMIA investment through 30 June 2009 (thousands of Euros)	17,542
Investment in Capital and Issue Premium (thousands of Euros)	4,386
Investment in Profit Participating Loan (thousands of Euros)	13,156
DINAMIA ownership interest	44.94%
Type of Transaction	MBI- Build up
Valuation December 2008 (thousands of Euros)(1)	9,740
Valuation June 2009 (thousands of Euros)(1)	0(2)
Method of Valuation(1)	Multiple of comps (3)

(1) Based on the DINAMIA valuation report dated 30 June 2009
(2) The decrease in valuation from one period to the next is due as much to a fall in the listed comparable multiples as to any decrease in company business (see the summary table of financial statements that follows)
(3) The most representative listings are Career Education, Corinthian and Devry. The multiple used in the valuation is 8.4 times EBITDA

Colegios Laude is a build-up project in the private education sector. Laude has become the largest chain of private bilingual schools in Spain.

DINAMIA made an initial investment of 9,004 thousand Euros in June 2006 when it acquired Newton College (Elche), British School of Vila-real (Villarreal), El Altillo (Jerez) and Fontenebro (Madrid). Since that time, the build-up project has established itself with more acquisitions: The Lady Elisabeth School (Benitachell/Llíbert), Palacio de Granda (Oviedo) and Laude San Pedro International College (San Pedro de Alcántara). By the end of 2007, DINAMIA's investment had reached 16,063 thousand Euros.

In the second half of 2008 the first school outside Spain was acquired, Bredon School. Including the last acquisition, DINAMIA's investment in the project reached 17,542 thousand Euros of which 13,156 thousand Euros are profit participating loans. During July 2009, DINAMIA invested 500 thousand Euros to support establishing and growing the chain.

The acquisition price was determined using purchase multiples (2006 numbers) of:

EBITDA	EBIT
10.8 times	13.4 times

As noted previously, DINAMIA allotted no value to its investment in this company. Nevertheless, Laude's enterprise value as calculated in the 30 June 2009 Valuation Report was 27 million Euros.

a) Shareholders

DINAMIA	44.9%
N+1 PEF II	44.9%
Management Team	10.1%
Total	**100.0%**

b) Company Description

Colegios Laude has been, since its incorporation, the largest chain of private bilingual schools in Spain, teaching students between 12 and 18 years old. The chain currently runs 7 schools and 9 centres across Spain as well as one school in Gloucestershire in the U.K.

c) Market description

In 2007, 6.7 million students comprised the Spanish pre-university education market.

It looks like the trend experience in recent years for students from public schools to transfer to semi-private centres and from the latter to private schools is reversing. Nevertheless, it is expected that the rhythm will be recovered once the tide turns in the Spanish economy. In addition, the semi-private school system is gradually deteriorating from insufficient financing and the need to meet the demands of government. It is estimated that over 600 new private schools will be required by 2012 to meet growing demand.

Fully private schools (no state intervention/subsidisation) guarantee independence from government on policy as they are free to set their internal code, admissions procedures and fees.

d) Investment rationale

- Demand outstrips supply. Demand for private schools is growing due to:

    - Growing concern for education is driving middle-upper class families to seek higher quality education for their children.

    - The public schools are saturated at the kindergarten / young children level.

- Opportunity for sector consolidation. The sector is very underdeveloped, not professionally run and highly fragmented.

- Growth sector: The market is expected to grow at 2.6% by volume and 5.7% by value through 2012, absorbing 24% of the total growth in the number of students between 2004 and 2012.

e) Recent performance and main financial numbers

After completing the acquisition of its first foreign school in the middle 2008, Laude is focusing, during the 2008/9 and 2009/10 school years, on establishing its current school platform from an educational, operational, and financial perspective.

The educational efforts made have yielded, resulting in 97% passing. Of note is the new building was constructed for Junior School students at Lady Elisabeth School in Benitachell and the revision of contracts with primary vendors. New construction is also being started at the British School of Vila-real and will be completed during the 2009/2010 school year.

The intensity of the economic crisis is impacting this sector traditionally considered immune to economic cycles. Some parents are having to move their children from private schools to semi-private schools for economic reasons. Nevertheless, the impact of the economic situation on the number of children leaving Laude has been limited in net terms, demonstrating the high degree of student loyalty and their involvement in the schools.

The banks financing Laude openly support the chain's plans. They have agreed to adjust the group's financial obligations so it can navigate its way through this period of economic uncertainty. This gives it the operating flexibility needed to continue educating students. It should be noted that the debt is backed by mortgages on real estate currently valued at 25 million Euros, close the net debt amount. One of the current strategic objectives of DINAMIA is to strengthen the chain's existing management resources in order to continue growth in the sector.

As noted previously, DINAMIA allotted no value to its investment in this company. Nevertheless, Colegios Laude's enterprise value as calculated in the 30 June 2009 Valuation Report was 27 million Euros. Outlook for the chain is positive. Once past the most critical months of the economic crisis in Spain, and to the extent that current school occupancy levels stays moderate, the number of students will increase considerably in the medium to long term. Recovery to prior levels of activity, combined with the foreseeable recuperation of market levels (and valuation multiples) point to growth of company value and of the DINAMIA investment in it.

The company's key financial data are as follows:

Figures in thousands of Euros	Consolidated Reporting 31.08.2009	Consolidated Audit 31.08.2008	Consolidated Pro-forma 31.08.07(1)	Consolidated Audit 31.08.2006(2)
P&L				
Operating income	39,830	38,742	29,768	490
EBITDA	3,569	4,713	2,446	(3,229)
EBIT	2,453	1,657	1,759	(3,338)
EBT(3)	(3,809)	(4,339)	(7,162)	(4,106)
Net Income	(3,884)	(4,413)	(7,162)	(4,031)
P&L Ratios				
Op. Income Growth (%)	2.8%	30.1%	n.s.(4)	n.d.
EBITDA Margin (%)	9.0%	12.2%	8.2%	n.s.(4)
Finan. costs(5) / EBITDA (%)	44.7%	38.2%	51.4%	n.s.(4)
Net Income Margin (%)	-9.8%	-11.4%	-24.1%	n.s.(4)
No. of schools	8	8	7	4
Balance Sheet				
Goodwill	28,654	28,654	23,332	10,389
Cash & Cash Equivalents	1,775	2,185	2,232	3,431
Total Assets	68,537	69,352	68,369	39,964
Equity	(10,442)	(6,546)	(2,589)	(4,027)
Profit participating loan(6)	34,542	29,813	26,499	13,776
Financial debt(7)	32,103	33,027	33,726	18,798

(1) Operating income, EBITDA and pro forma EBIT (annualised impact of purchase of 3 schools)
(2) Year from 20 February to 31 August
(3) It should be pointed out that the capital structure, both equity (including the impact of the participating loans) and bank debt, is the main reason for the year's profit with positive operating results
(4) n.s. - not significant. This is because the period under consideration does not represent a full school year.
(5) Financial expenses are for bank debts, excluding interest due on the participating loan.
(6) Participating loans are to be considered net worth for the purpose of capital reduction and settlement of companies as laid down in commercial regulations.
(7) Includes sellers' loan

5) Arco Wine Investment Group, S.A.

Investment year	March of 1999
DINAMIA investment through 30 June 2009 (thousands of Euros)	17,480
Investment in Capital and Issue Premium (thousands of Euros)	17,480
Investment in Profit Participating Loan (thousands of Euros)	0
DINAMIA ownership interest	8.00%
Type of Transaction	MBO
Valuation December 2008 (thousands of Euros)(1)	12,571
Valuation June 2009 (thousands of Euros)(1)	9,208(2)
Valuation method(1)	Book value

(1) According to DINAMIA valuation report 30 June 2009
(2) The decrease in valuation from one period to another is due to the decrease in the company's business (see table summarising financial statements)

In March 1999, Arco Bodegas Unidas (formerly Grupo Berberana) reorganised its capital structure with the purchase from NH Hoteles (formerly Cofir) of 56% of its capital by several partners, including DINAMIA. In March 2000, the capital was increased by 30 million Euros, of which DINAMIA took 12 million Euros, bringing its stake in the company up to 8.00%.

The purchase price involved acquisition multiples (based on 1999 figures) of:

EBITDA	EBIT
10.9 times	12.3 times

a) Shareholders as of 30 June 2009

Corporación Financiera Arco	59.4%
DINAMIA	8.0%
Others	32.3%
Bought-back shares	0.3%
Total	**100.0%**

b) Description of the company

Arco Wine Investment Group, S.A. is the holding company for the investments and shareholdings of the ARCO consolidated group, whose parent company since 2007 has been Corporación Financiera ARCO S.L.

Since the 2007 financial year, Arco Wine Investment Group, S.A. has focused on acting as a holding company for shareholdings, transferring in 2008 direct operations regarding the purchase, sale, marketing and distribution of wines to its investees and the duties of administration and financial control to its parent company, for reasons of organisation and to achieve management efficiency.

The company mainly focuses its strategy on strengthening international development, offering a range of products based on quality, diversifying the business to include the production of wines outside the region of La Rioja and guaranteeing grape supplies, as well as promoting direct sales and e-commerce.

c) Description of the market

- According to the latest report from the Spanish Wine Federation, the Spanish market has continued the decline seen over the last few years and characterised by higher levels of exports and lower domestic consumption. Wine exports increased by 6.6% (CAGR 87-07), while domestic consumption decreased by 1.9% over the same period.

- According to this report, in spite of the crisis affecting the macroeconomic environment there are still some segments that have been achieving positive sales figures over the year. However, the effects of the crisis have been noted in (i) decreasing domestic sales (especially in catering), (ii) increased exports (mainly DO, sparkling and bulk wines), and (iii) increasing numbers of requests to pull up vine stocks.

- Consumption per person continues to drop on a yearly basis (with a CAGR 87-07: -3.3%), although the level is still higher than in other European Union countries, such as France, Italy and Portugal.

- The Spanish winemaking market is a fragmented one, with a large number of small companies. This suggests that the future will see a process of concentration, and the disappearance of the least competitive wineries.

d) Reasons for the investment

- Potential for globalisation, offering a product range of recognised quality.

- Sector concentration, with an increase in the weight of large groups as against smaller, single-origin wineries.

- Improved product portfolio, in terms of origin, brand, and positioning.

e) Recent trends and main financial figures

The company has been working on globalisation and the development of new product lines while adopting the Strategic Plan (which involves substantial organisational changes) in a context of negative trends in the wine business in Spain.

The financial structure used for the purchase of the company involved no borrowing, so there is no risk regarding compliance with covenants and repayment capacity.

The business has recently been affected by decreasing prices and volumes, which in turn have affected the company's profit margins and performance. In spite of this worsening of the results, DINAMIA considers that the company offers strategic value because it is one of Spain's largest wine groups.

ARCO is the oldest of the DINAMIA investee companies, with the initial investment dating back to 1999. One of the main reasons why there has been no divestment is because the capital structure is diverse, with wide-ranging interests, so no agreement amongst the shareholders had been negotiated for the divestment process. In addition, any offers received during the period were not accepted by the minimum number of shareholders that was required by the purchaser.

Several alternatives are being considered at present allowing divestment in the company by a majority group of shareholders.

The company's key financial data are as follows:

**figures in thousands of Euros*	Consolidated Audit 31.09.2008	Consolidated Audit 31.09.2007[1]	Consolidated Audit 31.12.2006
P&L			
Operating income	184,160	134,659	219,390
EBITDA	9,040	5,171	16,208
EBIT	2,980	1,222	11,599
EBT	60	194	14,023
Net Income	60	803	12,001
P&L ratios			
Op. Income Growth (%)[2]	n.d.	n.d.	n.d.
EBITDA Margin (%)	4.9%	3.8%	7.4%
Finan. Costs / EBITDA (%)	35.1%	34.7%	5.2%
Net Income Margin (%)	0.0%	0.6%	5.5%
Balance Sheet			
Goodwill	1,390	1,436	1,436
Cash & Cash Equivalents	2,874	2,608	6,184
Total Assets	236,762	241,071	212,774
Equity	115,095	129,343	121,263
Profit participating loan	0	0	0
Financial debt	71,424	63,140	50,561

(1) In 2007, the company drew up its annual accounts as of 30 September to adapt its financial year to

its cycle of activity. This explains why the audited accounts cover a period of nine months.
(2) Sales trends are not analysed because the periods are not comparable. Nevertheless, if the last two 12-month periods closed are compared (2008 vs. 2006), there is a drop in sales of 16%.

Financial data as of 30 June 2009 were not available when drawing up this Prospectus.

6) Bestin

Investment year	April of 2008
DINAMIA investment through 30 June 2009 (thousands of Euros)	13,400
Investment in Capital and Issue Premium (thousands of Euros)	6,700
Investment in Profit Participating Loan (thousands of Euros)	6,700
DINAMIA ownership interest	42.,01%
Type of Transaction	BIMBO - Build up
Valuation December 2008 (thousands of Euros)(1)	7,266
Valuation June 2009 (thousands of Euros)(1)	0
Valuation method(1)	Cost(2)

(1) According to DINAMIA valuation report 30 June 2009
(2) The company is valued at cost because it is in the early years of the investment; but (and in line with the EVCA regulations) a decrease in this value has been recognised because of decreasing business. Therefore, the value as of 30 June 2009 is 0 thousand Euros (see financial statement table).

On 17 April 2008, DINAMIA reached an agreement to invest 13.4 million Euros in Bestin Supply Chain, S.L ("**Bestin**"), with the aim of acquiring, together with the Bestin management team and two shareholders from the companies purchased, 100% of Integral Transport Services, S.A. (ITS), and Barnatrans, S.A. This investment involved underwriting a rights issue for 6.7 million Euros and a participating loan of 6.7 million Euros. N+1 PEF II invested under the same conditions and with the same amounts as DINAMIA.

The Bestin capital structure is therefore held by DINAMIA and N+1 PEF II with 84% of the company, and the Bestin management team together with other shareholders with the remaining 15.99%.

The purchase price involves acquisition multiples (based on 2007 figures) of:

EBITDA	EBIT
8.0 times	7.9 times

The purchase of the two companies, which took place simultaneously, is part of a growth strategy based on the selective inclusion of companies that specialise in different areas of the supply chain.

a) Breakdown of capital structure as of 30 June 2009

DINAMIA	42.0%
N+1 PEF II	42.0%
Management Team	16.0%
Total	**100.0%**

b) Description of the company

Bestin Supply Chain is one of the main logistics operators in the Iberian Peninsula. It is able to offer services in every one of the areas of the supply chain, from design and planning to operational activities such as storage and transport, such activities being outsourced to independent companies.

The project was started up in 2008 with the simultaneous purchase of 2 additional companies which are well-known in their respective locations – ITS and Barnatrans. The two companies have a sound background in the international logistics market, carrying out air, land and sea transport, customs processing, distribution and foreign trade advisory services.

The purchases form part of a build-up strategy, based on the selective inclusion of companies that specialise in different areas of the supply chain.

c) Description of the market

The logistics market grew from 2000 to 2007 at an average rate of 9%. However, since the start of the crisis, import and export logistics have suffered price drops in excess of 70% in maritime freight.

d) Reasons for the investment

- Income and cost synergies resulting from integration of the companies purchased.
- Potential for consolidation within a fragmented sector.
- Opportunity for positioning in the middle market, which has traditionally been neglected by the large operators.
- Good prospects for divestment because this sector is becoming consolidated on a European level.

e) Recent trends and main financial figures

The international economic crisis has greatly affected Bestin group's sales, especially in the transit segment (agents providing foreign trade advisory and management services to both importers and exporters). In this field, the drop in sales has been caused by (i) intense shrinking of international trade, and (ii) the marked drop in international transport prices because of the excess supply of ships.

The management team has placed special emphasis on adapting the cost structure to the new level of activity and the general economic context, trying to avoid as far as possible any damage to the added value services offered by the company. In spite of the company's efforts, it is still recording operating losses.

The company has had to decide to take on a team of experts in restructuring to lead the company's management.

It is therefore difficult to determine to what extent the investment will be recovered because of the significant drop in sales.

The company's key financial data are as follows:

** figures in thousands of Euros*	Consolidated Reporting 30.06.2009	Consolidated Pro-Forma(1) 31.12.2008	Accrued Pro-Forma(1) 31.12.2007	Accrued Pro-Forma(1) 31.12.2006
P&L				
Operating income	23,108	100,485	110,346	96,304
EBITDA	(2,749)	2,434	7,377	7,835
EBIT	(3,213)	1,600	6,898	7,312
EBT	(5,415)	(1,797)	6,435	7,323
Net Income	(3,791)	(1,228)	4,343	4,762
P&L ratios				
Op. Income Growth (%)(2)	-57.4%	-8.9%	14.6%	n.d.
EBITDA Margin (%)	-11.9%	2.4%	6.7%	8.1%
Finan. costs(3) / EBITDA (%)	n.s.	67.5%	13.8%	9.2%
Net Income Margin (%)	-16.4%	-1.2%	3.9%	4.9%
Balance Sheet				
Goodwill	37,520	37,520	0	0
Cash & Cash Equivalents	1,781	3,672	1,437	2,678
Total Assets	71,417	81,404	55,003	52,320
Equity	9,945	13,736	14,019	11,305
Profit participating loan	16,557	15,624	0	0
Financial debt	29,798	30,009	12,450	11,134

(1) The pro-forma data for 2006-2008 were drawn up to give comparable data based on individual audited annual accounts.
(2) The difference in income for June 2009 is compared against the same period in 2008
(3) Financial costs are for bank debt, and exclude interest due on the participating loan.

7) High Tech

Investment year	January of 2003
DINAMIA investment through 30 June 2009 (thousands of Euros)	13,000
Investment in Capital and Issue Premium (thousands of Euros)	13,000
Investment in Profit Participating Loan (thousands of Euros)	0
DINAMIA ownership interest	26.00%
Type of Transaction	Expansion
Valuation December 2008 (thousands of Euros)(1)	16,917
Valuation June 2009 (thousands of Euros)(1)	0(2)
Valuation method(1)	Multiple of comparables (3)

(1) According to DINAMIA valuation report 30 June 2009
(2) The decrease in valuation from one period to another is due to the decrease in the company's business (see table summarising financial statements)
(3) The most representative comparable listed companies are Accor, Sol Meliá and NH Hoteles. The multiple used in the valuation is 9.9 times EBITDA

In January 2003, DINAMIA invested 9,500 thousand Euros in the High Tech hotel chain, in a mixed operation involving the purchase of shares and subscription to a rights issue. The company's capital took the form of ordinary and preferential shares. In February 2004, DINAMIA invested an additional 1,750 thousand Euros as part of the investment commitment taken on by the management team at the time of the initial investment. N+1 PEF I fund invested under the same conditions as DINAMIA. In September 2005, there was a further rights issue, as included in the initial plan, involving a payment for DINAMIA of 750 thousand Euros.

On 27 January 2006, the General Shareholders Meeting of High Tech Hotels & Resorts, S.A. agreed to undertake a rights issue of 2 million Euros by issuing preferential shares. In this rights issue, DINAMIA subscribed and paid out 1 million Euros.

On 20 December, High Tech Hoteles & Resorts, S.A, undertook a further rights issue for 55 million Euros, in which DINAMIA participated with the funds from amortisation of the preferential shares. Post-rights issue capital was valued at 181,879 thousand Euros. The purpose of this rights issue was to amortise the preferential shares and finance the company's growth projects.

At the time of the initial acquisition, the operating profit of High Tech was negative because it was a growing company, so in this case analysis of the acquisition multiples is not relevant.

a) Shareholders as of 30 June 2009

DINAMIA	26.0%
N+1 PEF I	26.0%
Management team	26.2%
Other investors	21.8%
Total	**100.0%**

b) Description of the company

High Tech Hotels & Resorts, S.A. is a hotel chain that focuses on the three and three plus star segment, for city business and tourist customers. It currently has thirty-one hotels in operation, located mainly in Madrid (nineteen of them) and in the main Spanish provincial cities. When the company was purchased, High Tech had four hotels in operation[4].

The company's strategy is to create a leading chain in a segment that can be consolidated as currently it is highly fragmented, and is characterised by family-run concerns and little brand recognition.

c) Description of the market

The three-star segment is the backbone of the hotel sector in Spain, with over 45% of beds. Since 1987, this segment has had higher levels of occupancy than average for the sector.

In this highly fragmented and poorly professionalised segment, the majority of concerns are family-run. There are therefore serious entry barriers for international chains wishing to acquire a good positioning:

- There are no chains of sufficient size allowing them to enter strongly in the Spanish market through acquisitions,
- There is a lack of transparency in the existing small chains, and
- The presence of a nationwide developer is key for the chain's success in Spain.

The urban, 3-star segment, which can be subdivided into tourism and business customers, is the one that behaves best in times of decreasing consumption. Moreover,

[4] Not including hotels that were closed down soon after the acquisition because they did not fit in the chain's strategy.

urban hotels show more stable behaviour all year round because of lower levels of seasonality.

d) Reasons for the investment

- Proven business model. Business concept backed by good relations with agencies, tour operators and end consumers.

- A market niche that can be defended and sustained, without the presence of international groups.

- Resistant to the crisis. Flexibility in management of peak and off-peak periods. In the current environment, the chain has been showing that its business model is sound in spite of decreasing demand. By way of example, international demand was temporarily replaced by domestic demand after the terrorist attacks of 11 September 2001 and 11 March 2004.

- Experienced and involved management team, with management skills that were proved in their years at the head of a chain in the same segment.

e) Recent trends and main financial data

After closing 2008 with sales of 60 million Euros (growth of 5.7% over 2007), High Tech Hoteles has been affected by the current situation of the sector, with falls in its main operating ratios.

The company's RevPAR (average income per room available) fell in the first half to 61.91 Euros, a much higher ratio than the figures published by competitors for the same period of the year (NH Hoteles 41.96 Euros in its hotels in Spain and Portugal, and Sol Meliá 42.30 Euros).

During this period, the company set up a cost control process which to some extent has held back the fall in income. However, the high level of operational leverage (high fixed cost structure) that characterises the sector means that the effect of such a process on the P&L is limited, leaving not much room for action.

Finally, the opening of new hotels in the current economic environment has affected both the chain's profitability and its cash position, so a substantial improvement can be expected in both as soon as the market trend turns round.

The company is currently at the last stage of the process of formalising the renegotiation of the financial contract which gives covenant levels and a repayment schedule that are appropriate for the current market situation. This means the company's financial structure will be reorganised and strengthened, allowing it to achieve a better standing in the future.

From the point of view of operations, after moderating the ambitious plan for growth that had been sustained over recent years, the company will now focus on speeding up a recovery in price levels and occupancy, both of which have been affected by the current economic environment. These levels are expected to recover gradually over the next two or three years. Meanwhile, the company has decided to minimise its plan for new investments. It is now looking for alternative methods of continuing with its growth process by opening up hotels with the investment in refurbishment being made by third parties, unlike the current business model applied in most of its hotels. With this model, High Tech can carry out refurbishment in hotels leased to third parties.

As stated above, DINAMIA assigns zero value to its investment in this company. Yet the enterprise value of High Tech as calculated in the Valuation Report on 30 June 2009 is 47 million Euros.

So, as recovery takes place both in the historic levels of activity for the present hotels and in the results of the potential new hotels, and considering a recovery in the sector's multiples, the company's value can be expected to increase, pushing up the value of DINAMIA's investment in it.

The company's key financial data are as follows:

**figures in thousands of Euros*	Consolidated Reporting 30.06.2009	Consolidated Audit 31.12.2008	Consolidated Audit 31.12.2007	Consolidated Audit 31.12.2006
P&L				
Operating income	24,900	60,062	56,805	45,400
EBITDA	2,180	15,132	16,153	12,616
EBITDA NPGC	n,d,	14,068	n,d,	n,d,
EBIT(1) (3)	(3,106)	6,190	2,555	1,803
EBT(1)	(4,776)	2,008	1,133	(1,175)
Net Income (1)	(4,776)	1,922	956	(1,331)
P&L ratios				
Op. Increase Growth (%)(2)	-22.1%	5.7%	25.1%	n.d.
EBITDA Margin (%)	8.8%	25.2%	28.4%	27.8%
Finan. costs / EBITDA (%)	81.7%	20.7%	16.7%	12.9%
Net Income margin (%)	-219.1%	12.7%	5.9%	-10.6%
No. of hotels	31	31	27	25
Balance Sheet				

Goodwill	0	0	0	0
Cash & Cash Equivalents	1,933	4,433	25,539	1,070
Total Assets	134,396	133,834	135,961	81,871
Equity	24,227	29,003	41,389	15,707
Financial debt	45,908	40,295	34,609	22,979

(1) Figures for EBIT not comparable under the New General Accounting Plan introduced in 2009 2008
(2) The difference in income for June 2009 is compared against the same period in 2008
(3) The amount for amortisation on capitalised investments made in hotels is the main reason for the difference from EBITDA to EBIT in the above figures.

8) Cristher

Investment year	September of 2005
DINAMIA investment through 30 June 2009 (thousands of Euros)	12,025
Investment in Capital and Issue Premium (thousands of Euros)	4,209
Investment in Profit Participating Loan (thousands of Euros)	7,816
DINAMIA ownership interest	44.47%
Type of Transaction	MBI
Valuation December 2008 (thousands of Euros) (1)	12,025
Valuation June 2009 (thousands of Euros) (1)	6,256(2)
Valuation method (1)	Purchase multiple

(1) According to DINAMIA valuation report 30 June 2009
(2) The decrease in valuation from one period to another is due to the decrease in the company's business (see table summarising financial statements)

In September 2005, DINAMIA invested 12.025 million Euros in the purchase of 45.62% of Cristher S.L. and Dopo S.L. (called "**Cristher**"). The investment was carried out through Deimoral Inversiones 2005, S.L., by means of a rights issue for 4.209 million Euros and a participating loan of 7.816 million Euros.

DINAMIA invested in this operation alongside the private capital fund N+1 PEF I which paid the same amounts and under the same conditions as DINAMIA.

In March 2007, a rights issue allowed the Sales Manager to take out a stake in the company. Today DINAMIA and N+1 PEF I together hold 89% of the Cristher capital. The remainder is held by the management team and other investors invited by DINAMIA.

The purchase price involved acquisition multiples (based on 2004 figures) of:

EBITDA	EBIT
6.5 times	6.8 times

a) Shareholders as of 30 June 2009

DINAMIA	44.5%

N+1 PEF I	44.5%
Management team	5.6%
Other investors	5.4%
Total	**100.0%**

b) Description of the company

Cristher, through its Cristher and Dopo brands, is the only pure distributor in the private outdoor lighting subsector in Spain and one of Spain's main distributors.

The group has two established brand names that are the reference for installers, electricians and electrical material outlets.

This position provides the group with a captive distribution channel which, along with a delivery service, two ample catalogues and an exclusive network of foreign manufacturers for the Spanish market, has enabled it to achieve a market share of approximately 20% and a strong brand image in the face of customers and suppliers.

c) Description of the market

The illumination market has been affected by the current crisis in the construction sector and the general fall in consumption since the middle of 2008. The market is expected to contract by 20-30% for 2009.

The external lighting market is a niche within the whole market and is estimated to be worth 150 million Euros. It is a niche with a higher technical character that generally requires the support of the installer, which implies a prescriptive job from the installer to the final customer.

d) Bases of the investment

- Good channel positioning, The installers prescribe the Cristher and Dopo product by reason of the number of references in the catalogue and the important discounts available.

- High entry barriers. Two consolidated brands that impede the entry of possible competitors, good commercial network and the atomisation of customers and suppliers.

- The delivery service and the wide range of the catalogue are other differentiating factors in the face of the competition.

e) Recent development and principal financial parameters

Group sales have been negatively affected in the first half of 2009, in line with the fall in the market, as a result of the reduction of activity in the construction sector and the fall in consumption, a drop in replacement activity and a reduction in spending on non-essential material.

The fall in billing has affected results. However, the impact on EBITDA has been minimised by active management to maintain the gross margin and control costs, thus maintaining a positive operating result and a solid liquidity position enabling all third-party commitments to be met.

The company has low leverage (in bank debt terms) and a positive cash position that enables it to meet its commitments and obligations with financial entities. The application of the acquisition multiples to actual results means the valuation by DINAMIA has fallen to almost half of the acquisition price.

It is estimated that once the consumer market and the economic situation improve, sales and EBITDA of the company will return to historic levels and, as a result, the valuation will recover.

The financial data of the company follows:

	Consolidated	Consolidated	Consolidated	Consolidated
**Figures in thousands of Euros*	Reporting 30.06.2009	Audited 31.12.2008	Audited 31.12.2007	Audited 31.12.2006
P&L				
Operating Income	9,447	25,379	31,562	31,350
EBITDA	1,574	5,196	9,424	9,248
EBIT	212	2,299	5,099	3,571
EBT	-1,219	-496	1,436	-270
Net Income	-1,219	-348	992	-271
P&L ratios				
Op. Income Growth (%)(1)	-37.5%	-19.6%	0.7%	n.a.
EBITDA Margin (%)	16.7%	20.5%	29.9%	29.5%
Fin. Exp.(2) / EBITDA (%)	31.1%	29.2%	17.2%	2.1%
Net Income Margin (%)	-12.9%	-1.4%	3.1%	-0.9%
Balance Sheet				
Goodwill	28,328	29,526	32,184	36,333
Cash & Cash Equivalents	9,126	11,801	9,483	7,074
Total Assets	53,166	56,543	57,505	60,487
Equity	8,219	9,318	9,694	8,462
Profit participating loan	23,866	22,750	20,649	18,747

Financial Debt	16,858	20,486	23,251	28,886

(1) The variation in income to June 2009 compared with the same period in 2008
(2) Financial expenses correspond to debts with credit entities excluding accrued interest on the participating loan

9) ZIV

Investment year	April of 2007
DINAMIA investment through 30 June 2009 (thousands of Euros)	11,257
Investment in Capital and Issue Premium (thousands of Euros)	3,937
Investment in Profit Participating Loan (thousands of Euros)	7,313
DINAMIA ownership interest	37.25%
Type of Transaction	MBO - Replacement
Valuation at December 2008 (thousands of Euros)(1)	12,894
Valuation at June 2009 (thousands of Euros)(1)	15,954(2)
Valuation method(1)	Multiple of purchase price

(1) According to the DINAMIA valuation report a t June 30, 2009
(2) The valuation of the investment in the company was increased due to a strong generation of cash and the consequent reduction in the level of net debt

On April 17, 2007, DINAMIA invested 11.250 million Euros in ZIV. With this investment, DINAMIA reached 37.50% of the share capital. Along with DINAMIA, N+1 PEF I co-invested on the same conditions and in the same amounts. The total investment of financial partners was 22.5 million Euros, split between ordinary shares and participating loan. The rest of the capital remained in the hands of the management team.

Since then, DINAMIA has sold a stake of 0.25% of the share capital and a share in the participating loan for a principal amount of 40.961 million Euros. Following these operations, DINAMIA now holds 37.25% of the share capital of ZIV.

The purchase price contemplates acquisition multiples (based on 2006 figures) of:

EBITDA	EBIT
8,0 times	10,5 times

a) Shareholders

DINAMIA	37.3%
N+1 PEF I	37.3%
Management Team	25.5%
Total	**100.0%**

b) Description of the company

ZIV is one of the principal manufacturers, distributors and installers of protection, control, measurement and telecommunications products for electricity generating companies.

ZIV products are critical to the proper operation of electrical sub-stations and electricity grids as a result of which the sales of ZIV are closely related to the investment of electricity generating companies in transport, distribution and telecommunications equipment.

c) Description of the market

The electricity distribution system consists of a set of the necessary equipment and elements to generate, transport and distribute electrical energy. This set is equipped with control, security and protection mechanisms.

Electricity consumption in Spain has shot up in recent years and, according to data from the industry association, *Unesa*, consumption has increased by 56% in the period 1998-2008 to a level of 271,000 gigawatts-hour (GWh). In the light of future investments envisaged by the electrical sector in the different business areas, strong investment in infrastructure, where there is an important correlation between investment and the demand for ZIV products, is expected to continue.

d) Bases of the investment

- Visibility of the development expected in the reference market as indicated by the investment of the electricity companies.

- Preferential position in the market for protection, control, telecommunications and measurement of electricity generating equipment in Spain, and one of the few competitors that guarantee flexibility in customer relations.

- Positive customer evaluation in terms of product quality and customer attention.

e) Recent development and principal financial parameters

ZIV, after two financial years that were better than initial projections, has suffered a fall in results in the first half of 2009. This is due to a slow-down in the rate of investment by the electrical companies following recent corporate movements in the sector and the negotiations between the electrical companies and the Government with respect to the tariff deficit. This slow-down has resulted in a reduction in contracts with suppliers such as ZIV.

The situation is expected to normalise as from 2010. In this period, the electrical companies should undertake investments postponed during 2009 as well as those corresponding to the period.

In any event, ZIV has more than 15 million Euros in cash derived from the results of prior financial years and an efficient management of the operating fund.

The fall in results for 2009 has forced the company to start revising the covenants with the bank syndicate. The negotiations are well advanced and no difficulties are expected in obtaining a waiver enabling the company to operate with revised covenants until the end of 2010.

The company has analysed the prospects for 2010 and following years in a business plan that demonstrates a significant improvement in results derived from (i) recovery of the protection and control business with the electrical companies, (ii) massive implementation of residential digital controllers and (iii) growth in renewable energy for the engineering business.

In recent valuations DINAMIA has applied the acquisition multiples. On this basis, the valuation was sustained, due to the generation of cash in the period thus reducing the net financial debt. However, if the expected improvement in results is not achieved, it may be necessary to revise the valuation.

The financial data of the company follows:

**Figures in thousands of Euros*	Consolidated Reporting 30.06.2009	Consolidated Audited 31.12.2008	Consolidated Audited 31.12.2007	Consolidated Audited 31.12.2006
P&L				
Operating Income	21,436	56,271	56,507	45,031
EBITDA	1,944	13,801	13,048	9,365
EBIT	1,111	11,823	11,251	7,269
EBT	(1,274)	6,621	7,682	6,746
Net Income	(1,274)	6,765	6,432	5,666
P&L ratios				
Op. Income Growth (%)(1)	-24.6%	-0.4%	25.5%	n.a.
EBITDA Margin (%)	9.1%	24.5%	23.1%	20.8%
Fin. Exp.(2) / EBITDA (%)	64.3%	22.7%	17.4%	5.3%
Net Income Margin (%)	-5.9%	12.0%	11.4%	12.6%
Balance Sheet				
Goodwill	1,957	1,957	1,957	220
Cash & Cash Equivalents	14,521	5,087	9,282	672

Total Assets	92,871	97,054	91,289	46,579
Equity	22,294	24,269	15,039	19,422
Profit participating loan	25,084	23,827	21,292	0
Financial Debt	35,258	36,140	39,233	11,796

(1) The variation in income to June 2009 compared with the same period in 2008
(2) Financial expenses correspond to debts with credit entities excluding accrued interest on the participating loan

10) Serventa

Investment year	April of 2006
DINAMIA investment through 30 June 2009 (thousands of Euros)	10,818
Investment in Capital and Issue Premium (thousands of Euros)	3,937
Investment in Profit Participating Loan (thousands of Euros)	7,313
DINAMIA ownership interest	46.66%
Type of Transaction	MBO – Build up
Valuation at December 2008 (thousands of Euros)(1)	13,148
Valuation at June 2009 (thousands of Euros)(1)	15,579(3)
Valuation method(1)	Multiple of comparables(4)

(1) In December 2008 the participating loan was capitalised in full and converted to Share Capital and Share Premium
(2) According to the DINAMIA valuation report a t June 30, 2009
(3) The valuation of the investment by DINAMIA in the company was increased due to an increase in the multiples of comparable listed companies
(4) The most representative comparable quotations are Compass, Sodexo and Autogrill. The multiple employed in the valuation was 7.1 x EBITDA

On April 24, 2006, DINAMIA invested 7,188 thousand Euros in Serventa (including participating loan). With this investment, DINAMIA reached 46.66% of the share capital. Along with DINAMIA, N+1 PEF I co-invested on the same conditions and in the same amounts. In this way, the total investment of the financial partners at the time of the acquisition was 14,375 thousand Euros, split between ordinary shares and participating loans. The rest of the share capital is held by the management team.

On January 22, 2008 and November 23, 2008, DINAMIA subscribed to the two capital increases of the Seventa group along with the other investors. In these operations DINAMIA subscribed and disbursed 1,058 thousand Euros in capital and 2,572 thousand Euros in participating loan, giving a total investment of 10,818 thousand Euros. DINAMIA’s participation remains at 46.66% of the share capital of the company. N+1 PEF I subscribed to the capital increases on the same conditions as DINAMIA.

On December 23, 2008, the company capitalised the whole of the participating loan and the interest accrued to that date.

The purchase price contemplates acquisition multiples (based on 2005 figures) of:

EBITDA
8.3 times

a) Shareholders as of 30 June 2009

DINAMIA	46.7%
N+1 PEF I	46.7%
Management Team	6.7%
Total	**100.0%**

b) Description of the company

Serventa is a reference company in the sector for food and drink distribution via vending machines.

Serventa manages a park of 20,000 food and drink vending machines that supply vending services to more than 4,000 companies throughout the Iberian Peninsula.

The majority of Serventa customers are private companies or public entities that need hot drinks, soft drinks and food for their employees.

c) Description of the market

During the 2008 financial year, the Spanish market for traditional vending billed 1,206 million Euros, estimating for 2009 a slight fall in the market and a recovery for the following years with annual growth of 4-7%.

The market is highly atomised with the largest companies representing just around 15% of the market, while the remaining 85% is split between 14,000 companies.

An unprofessional market undergoing a process of complete change, adapting itself to new payment methods and services within the range of traditional vending products.

d) Bases of the investment

- Growth sector. The Spanish market is largely undeveloped compared with other European markets where the penetration of vending machines is much greater.

- Highly atomised sector. Some 97.5% of operators in the sector have less than 100 vending machines.

- Change of trend. There is a clear opportunity for those operators that are capable of adapting their offer to the change in consumer behaviour who demand greater service and an increase in the range of vending products.

- Solid management team with wide experience in the sector.

e) First half development and principal financial parameters

During the first half of the year and in spite of the current economic situation in Spain Serventa, by focusing on the optimisation of existing customers and the capture of new customers, has maintained the level of activity of the previous year.

Serventa has obtained during the year important contracts to locate its machines in companies and organisations that offer great visibility to income being companies that are more resistant to the economic cycle (Madrid Metro, Endesa, HP, etc). The volume of activity of these new machines, corresponding to their new locations, and for those that have undergone the necessary investment, will mature in sales and profitability during the coming months and, as a result, it will not be until 2010 until the impact will be reflected in results.

Likewise, in the same period, the company installed a new management system (SAP) that ensures a greater control of inventory, operating expenses, etc. This system means an improvement in the quality of services provided as a result of the optimisation of the product offer by customer and an improvement in the management of incidents.

In spite of the impact of employment on the income from some customers of the Company Serventa, thanks to its commercial management, the investment undertaken in productive assets and the optimisation of operations, expects to close 2009 with a growth in EBITDA of approximately 3% with respect to 2008.

The important investments in productive assets undertaken in recent years, which have not yet fully matured, means the company is searching to re-define its sources of finance and the repayment calendar with creditors and banks to align it with the rate of income generation. These investments are highly relevant since they amplify the park of installed machines, which will give a greater impetus to the company in the face of a recovery cycle.

The company’s key financial data are as follows:

Figures in thousands of Euros	Consolidated Reporting 30.06.2009	Consolidated Pro -forma(1) 31.12.2008	Consolidated Audited 31.12.2007	Consolidated Audited 31.12.2006
P&L				
Operating Income	23,624	46,730	36,921	32,867
EBITDA	3,817	7,264	5,848	5,043
EBIT	428	763	349	(91)
EBT [(2)]	(784)	(4,231)	(3,299)	(5,876)
Net Income	(784)	(3,465)	(4,244)	(5,889)
P&L ratios				
Op. Income Growth (%)[(3)]	-0.6%	26.6%	12.3%	n.a.
EBITDA Margin (%)	16.2%	15.5%	15.8%	15.3%
Fin. Exp.[(4)] / EBITDA (%)	28.1%	29.3%	20.1%	19.0%
Net Income Margin (%)	-3.3%	-7.4%	-11.5%	-17.9%
Balance Sheet				
Goodwill	1,183	1,183	13,150	10,370
Cash & Cash Equivalents	2,236	2,222	2,244	1,354
Total Assets	58,338	57,927	47,745	35,629
Equity	14,444	15,228	(5,578)	(1,334)
Profit participating loan [(5)]	0	0	12,874	11,294
Financial Debt	25,747	24,728	25,462	17,566

(1) Data for 2008 is pro-forma due to extraordinary and non-recurring expenses derived from the acquisition of companies and group re-structuring but based on the audited annual accounts

(2) The amount corresponding to the amortisation of fixed assets (basically the machine park) and the capital structure, both for equity as well as for bank debt largely explain the difference between EBITDA and BAI

(3) The variation in income to June 2009 compared with the same period in 2008

(4)Financial expenses correspond to debts with credit entities excluding accrued interest on the participating loan

(5) The participating loans are treated as net equity for the purposes of capital reduction and company liquidations as envisaged in company law

11) Segur Ibérica Group

Investment year	March of 2004
DINAMIA investment through 30 June 2009 (thousands of Euros)	10,469
Investment in Capital and Issue Premium (thousands of Euros)	3,937
Investment in Profit Participating Loan (thousands of Euros)	7,313
DINAMIA ownership interest	17.86%
Type of Transaction	BIMBO
Valuation at December 2008 (thousands of Euros)(1)	10,391
Valuation at June 2009 (thousands of Euros)(1)	11,635
Valuation method(1)	Multiple of comparables(3)

(1) Participating loan made to Hortus Mundi, S.L.

(2) According to the DINAMIA valuation report a t June 30, 2009

(3) The most representative comparable quotations are Seguritas, Prosegur and G4S. The multiple emplo

the valuation was 6.5 x EBITDA

On March 23, 2004, DINAMIA finalised an investment of 9.5 million Euros in Coranzuli S.L., a company created to acquire 100% of the holding company of Segur Ibérica Group. In September 2006, a member of the management team sold his participation to the other partners of Coranzuli, S.L., requiring an aggregate additional disbursement of 224,000 Euros by DINAMIA. On the other hand, the shareholders of Segur Ibérica Group, among them DINAMIA, acquired EAS Group at the end of the 2006 financial year with the objective of strengthening the surveillance lines of business. This acquisition required an aggregate disbursement by DINAMIA between the acquisition of shares and the concession of a participating loan of 745 thousand Euros.

The purchase price represents the following entry multiples (based on 2003 figures):

EBITDA	EBIT
6.8 times	7.8 times

a) Shareholders as of 30 June 2009

DINAMIA	17.8%
N+1 PEF I	17.8%
Corpfirn Capital	35.7%
MCH Private Equity	13.2%
Espiga Capital	11.3%
Management Team	4.2%
Total	**100.0%**

The alignment of the holders of 95.8% of the share capital, all the same type of financial investor, is supported by the corresponding shareholders' agreement that regulates, among other things, the exit circumstances (divestment).

b) Description of the company

The Segur Ibérica Group is one of the principal companies in the security services sector in Spain, being the third in terms of the volume of business. Its activity is centred on four lines of business: (i) provision of surveillance services, (ii) installation and management of alarms, (iii) installation of security systems and (iv) fire protection.

The strategy of the company is based on taking advantage of the increasing externalisation in the security sector, above all in surveillance services, to establish itself as one of the reference companies in the sector.

c) Description of the market

The sector is characterised by increasing externalisation of surveillance services and high entry barriers.

The security market in recent years has experience considerable growth and is characterised by the concentration of providers.

The Spanish market for the installation and management of alarms can be distinguished from other markets by reason of the low current level of penetration and the creation of important economies of scale.

The fire protection market has shown a constant growth trend in recent years due to stricter regulations in this area.

d) Bases of the investment

- The surveillance market is growing. The security sector and comparable listed companies have demonstrated a reduced exposure to the economic cycle compared with other sectors, and have grown in spite of the negative macro-economic trend.

- The alarms segment continues to grow in Spain. Sector penetration is much less compared with the rest of Europe.

e) Recent development and principal financial parameters

Sales by Segur Ibérica for the first half of 2009 are in line with the previous year. However, in terms of profitability, EBITDA has improved by 11% with respect to the same period of the previous year due to an improvement in margin and an adjustment in the structure of the company.

The company is up-to-date with repayments to those banks that helped to finance the investment. Likewise, the company is compliant with all financial ratios fixed between the parties as a means of following the performance of the company.

The company hopes to close 2009 with an EBITDA of 19 million Euros (15% higher than in 2008).

Based on its positive evolution during FY 2009 in a complicated macroeconomic environment that is negatively affecting both the level of services demanded by clients and the number of alarms contracted (especially due to business closings), we hope that in the coming fiscal years the company will maintain or even exceed the results of 2009.

The financial data of this company are as follows:

Figures in thousand of Euros	Consolidated Pro forma(1) 30.06.2009	Consolidated Pro forma(1) 31.12.2008	Consolidated Pro forma(1) 31.12.2007	Consolidated Pro forma(1) 31.12.2006
P&L				
Operating income	108,717	226,541	216,129	202,113
EBITDA(2)	9,006	16,531	16,178	12,885
EBIT	7,514	13,191	8,796	5,568
EBT	5,890	8,741	(1,239)	(9,301)
Net Income	4,121	8,741	(1,783)	(9,605)
Ratios P&L				
Op. Income growth (%)(3)	0.5%	4.8%	6.9%	n.a.
EBITDA Margin (%)	8.3%	7.3%	7.5%	6.4%
Fin. Expenses (4) / EBITDA (%)	18.3%	27.3%	27.0%	28.8%
Net Income Margin (%)	3.8%	3.9%	-0.8%	-4.8%
Balance sheet				
Goodwill	83,067	83,082	77,700	82,884
Cash & Cash Equivalents.	4,135	4,964	4,010	3,452
Total assets	162,536	164,174	154,460	163,611
Own funds	65,704	63,718	51,023	53,126
Profit participating loans	31	31	31	28
Financing debt	46,494	48,094	52,303	58,584

(1) Pro forma figures are based on individual audited accounts Segur Ibérica Group and EAS Group. The company Hortus Mundi is not included in the perimeter.

(2) EBITDA adjusted for non-recurring expenses.

(3) The income variation from 2009 compared with the same period in 2008

(4) The financial expenses are debts with credit entities, excluding the interest due on the profit participating

loan.

12) Alcad

Investment year	March of 2007
DINAMIA investment through 30 June 2009 (thousands of Euros)	9,847
Investment in Capital and Issue Premium (thousands of Euros)	9,847
Investment in Profit Participating Loan (thousands of Euros)	0
DINAMIA ownership interest	37.68%
Type of Transaction	MBO
Valuation December 2008 (thousands of Euros)(1)	0
Valuation June 2009 (thousands of Euros)(1)	0
Valuation method(1)	Purchase multiple

(1) According to DINAMIA's valuation, June 30, 2009

On March 9, 2007, DINAMIA reached an agreement for investing 9,847 thousand Euros in the company Alcad, S.A. (hereafter "**Alcad**"). The aforesaid investment was implemented by means of a capital increase in the special purpose vehicle Limestone Spain, S.L. With that investment, DINAMIA controls a 37.68% share of equity in Alcad, S.L.

Together with DINAMIA, N+1 PEF I co-invested under the same conditions and in the same amounts. The total investment in capital of the capital partners comes to 19,694 thousand Euros, divided into ordinary stock and preferred stock.

The purchase price assumes purchase multiples (based on figures from 2006) of:

EBITDA	EBIT
5.4 times	6.1 times

a) Composition of shareholders on June 30, 2009

DINAMIA	37.7%
N+1 PEF I	37.7%
Management team	8.3%
Other investors	15.7%
Treasury shares	0.7%
Total	**100.0%**

b) Company description

Alcad is a medium-sized company, founded in 1988. Its activity comprises research, design and manufacture, including also the marketing, of products dedicated to reception and distribution of digital and analogical television signals in residential buildings. In 2001, it extended its activities with the development of a line of residential intercoms, video-intercoms and other intercommunication devices. Alcad decided to enter this market by taking advantage of the communications synergies and the high density of networks in Spain.

The company has an important R+D department, which continually develops new products (communications, domestic automation, etc.). In this regard, it has recently incorporated a line of business related to the health sector, which demonstrates the company's continual advances in terms of R+D.

c) Market description

The new regulations relating to digital terrestrial television (DTTV), which, starting in March of 2010, will make this area the only modality for television broadcasting (at the present time the analogical signal is more common), will mean the complete substitution of the installed base (digital television transition).

At the present date, the market for TV reception and distribution in Spain is rather concentrated, with a small group of agents (among which Alcad is included) controlling the market. The market is subdivided into different products that together form the whole of the installation; Alcad is best positioned in the amplifier sector.

d) Investment principles

- Strong competitive position within the sector in which it operates. Alcad maintains a leading position within the high-frequency market. This position is sustained by the product quality and the service provided.

- Market with strong growth. In relation to high frequency, in addition to the digital television transition mentioned previously, we expect market growth in Spain for the period 2005-2010, together with a considerable development of the access control market.

- High entry barriers in the high frequency market. The installed base of products, and the business network (service performed), accompanied by the product quality, are three of the principle entry barriers for new competitors.

e) Recent evolution and principle financial magnitudes

During the first half of the fiscal year, the evolution of sales, as predicted, has been less than in the previous fiscal year. The evolution of the national business, the principle line of activity, has been marked by the sales associated with the DTTV and the first phase of the digital television transition. In spite of the previous statement, only in the second half of the fiscal year will we see an increase in the rhythm of said sales, as the definitive date for the digital television transition nears.

As far as launching new lines of business, the company, as planned, has begun with the commercialization of the new product for the business line oriented toward the health care sector (basically a shared communication system for the health care centres), whose development was completed at the end of 2008.

Taking into account the business evolution during the recent period and, in spite of the favourable prospects as the moment of the digital television transition draws near, we have decided, using a cautious criterion, to maintain the valuation of Alcad as it has been in the most recent periods.

During the first trimester of 2009 the Company restructured its debt with credit entities to adapt the payment calendar to the foreseen rhythm of profits.

As we have previously commented, DINAMIA assigns a zero value to its investment in this company. In spite of the previous statement, the enterprise value of Alcad, as calculated in the Valuation Report of June 30, 2009, is 26 million Euros.

The Company expects a substantial increase in income in the coming months as the date of the digital television transition draws near (April 3, 2010). Likewise, we predict that residences will need the installers to do additional work on their antennas in order to readapt to the broadcast frequencies of the television broadcasters. Delays in the transition could retard the foreseen income several months. In this respect, the foreseen increase in income derived from the digital television transition will mean an extraordinary cash flow for the business that will permit a greater level of debt repayment, which, combined with an increase in value of the business, as a consequence of recuperation of the historic levels of activity of the Company (before the announcement of the digital television transition –2005–) could mean a revaluation of DINAMIA's investment in the company.

The company's financial data are as follows:

**Figures in thousands of Euros*	Consolidated Reporting 30.06.2009	Consolidated Auditing 31.12.2008	Consolidated Auditing 31.12.2007	Consolidated Auditing 31.12.2006
P&L				
Operating Income	11,781	28,840	32,917	37,391
EBITDA(1)	838	2,382	6,486	9,602
EBIT	309	(60)	3,277	8,459
EBT	(290)	(2,349)	2,322	8,581
Net Income	(290)	(2,350)	2,780	7,099
Ratios P&L				
Op. Income growth (%)(2)	-13.4%	-12.4%	-12.0%	n.a.
EBITDA Margin (%)	7.1%	8.3%	19.7%	25.7%
Fin. Expenses /EBITDA (%)	65.8%	96.1%	23.7%	0.9%
Net Income Margin (%)	-2.5%	-8.1%	8.4%	19.0%
Balance sheet				
Goodwill	10,091	10,091	10,511	0
Cash & Cash Equivalents	5,660	5,164	4,186	9,234
Total assets	59,936	63,289	65,209	37,070
Own funds	22,851	22,710	25,594	22,855
Profit participating loan	0	0	0	0
Financing debt	30,662	34,733	33,298	6,879

(1) EBITDA is calculated based on audited annual accounts, adjusted for transaction fees and non-recurring business expenses.

(2) The income variation, June 2009, compared with the same period in 2008.

13) Holmes Place Iberia

Investment year	August of 2005
DINAMIA investment through 30 June 2009 (thousands of Euros)	9,070
Investment in Capital and Issue Premium (thousands of Euros)	1,814
Investment in Profit Participating Loan (thousands of Euros)	7,256
DINAMIA ownership interest	20.61%
Type of Transaction	MBO
Valuation December 2008 (thousands of Euros)(2)	7,734
Valuation June 2009 (thousands of Euros)(2)	7,734
Valuation method(2)	Multiple of comparables(3)

(1) Percentage adjusted for treasury shares

(2) According to DINAMIA's valuation report June 30, 2009

(3) The most representative comparable companies listed are Town Sports Limited, Life Time Fitness and Health Fitness. The multiple used in the valuation is a 6.4 times EBITDA

In August 2005, DINAMIA acquired 20.61% of the equity in "Holmes Place Iberia". The aforesaid investment was implemented by means of a contribution in the total amount of 9.070 million Euros, made up of capital, an issue premium and a profit participating loan.

In this operation DINAMIA invested together with the private capital fund N+1 PEF I which contributed the same quantities and under the same conditions as DINAMIA, and for this reason both acquired indirectly 41.2% of the equity in Holmes Place Iberia with a total investment of 18.140 million Euros. The investment was channelled through a special purposes vehicle called Colegiata Invest, S.L.

The purchase price assumes purchase multiples (based on estimated figures for 2005) of:

EBITDA	EBIT
7.1 times	10.6 times

a) Shareholders as of 30 June 2009 (adjusted for treasury shares corresponding to 2.2% of the equity)

DINAMIA	20.6%
N+1 PEF I	20.6%
Mercapital	41.2%
Explorer	6.2%
Management team	11.4%
Total	**100.0%**

The alignment of 88.6% of the shareholders, all of whom are financial investors of the same type, is supported by the corresponding agreement of shareholders that regulates, among other things, the exit scenarios (disinvestment).

b) Company description

Holmes Place Iberia is the leading operator of up-scale fitness clubs in the Iberian Peninsula. The group is present in important cities such as Madrid, Barcelona, Lisbon and Oporto.

It has its origin in the clubs that the British chain Holmes Place (which, in turn, was acquired at the end of 2006 by the company Virgin Active) had in the Iberian Peninsula.

At present, the company manages a network of twenty-nine centres (on a rental basis) in Spain and Portugal, twenty-six under the name Holmes Place, and three under the name Európolis. In addition, it operates nine franchises under the name "FitnessWorX" in Portugal.

c) Market description

The reaction of the sector's different market segments to the present economic environment is demonstrating greater sustainability of business models based on quality products and customer service. The business's key factors continue to be (i) an increase in sports participation by people with above-average income and (ii) a population increasingly aware of physical state, health and the problems caused by obesity.

The Iberian market for centres remains fragmented, which means that there is an opportunity for consolidating the sector.

d) Principles of investment

- Growth sector. Increasing concern with health has made physical exercise a life habit. The Spanish and Portuguese markets have great growth potential since the penetration indices (members per resident) are lower than in markets like those of the UK and the USA.

- Opportunity for growth in the existing centres. Holmes Place Iberia constantly increases the services that it offers to its members (personal fitness trainer, massage, etc.), which means increased billing per member and greater promotion of customer loyalty. In addition, some centres are maturing, and we hope that the number of members will increase.

- Opportunity to acquire and open new centres. Since Spain and Portugal have lower penetration indices than other markets, and there are chains with only one centre, Holmes Place Iberia is situated as the best platform from which to consolidate a growth project.

e) Recent evolution and principle financial magnitudes

Sales in the first half of 2009 reached 37 million Euros, a result slightly lower than that obtained in the same period of 2008. The tools designed by the management team to increase member loyalty (e.g. ToP24 – 24-month membership commitment with advantageous conditions), have allowed the weathering of the impact that the present economic environment has had in the first quarter of 2009. In this respect, the company bases its business model in a strategy of increased value-added services to improve the retention of quality clients.

The geographic expansion plan, with its consequently reduced level of maturity of the newly opened fitness clubs, has affected the company's profitability, which has yielded a lower EBITDA than in the first half of the previous fiscal year. Nevertheless, the aforesaid plan will allow the company to maintain its important growth into the future. In 2009 the plan resulted in an increase of two fitness clubs, over the base of 27 held as of December 31, 2008. The opening of a club of 4,800 m^2 in the shopping centre Palacio de Hielo (Madrid) has been especially significant.

In spite of the fact that the company's results in 2009 have maintained a level similar to 2008, the inadequacy of the levels of covenants and of repayment of credits established in 2005 in a market and economic environment of increased growth has forced the company to begin a process of renegotiation with the banking union to adapt said conditions to the present market environment. We expect that in the first three months of the next year the company will have covenant levels and repayment calendars adapted to the new market environment.

The company has reinforced its management team and designed a growth plan for 2010 and successive years based on (i) the growth in the client base through the maturity of clubs that have recently been opened, (ii) retaining of clients in the mature clubs and (iii) adaptation of the organizational structures and of costs to the new market environment.

The financial data of this company are as follows:

**Figures in thousands of Euros*	Consolidated Reporting 30.06.2009	Consolidated Auditing 31.12.2008	Consolidated Auditing 31.12.2007	Consolidated Auditing 31.12.2006
P&L				
Operating Income	36,751	72,887	68,975	59,513
EBITDA (SCOA 90)(1)	6,494	14,057	16,322	15,014
EBITDA (Spanish GAAP)(2) (3)	9,351	19,730	n,a,	n,a,
EBIT(3)	4,466	2,790	9,205	8,340
EBT (3) (4)	(3,377)	(13,537)	(3,219)	3,494
Net Income (3)	(3,377)	(14,132)	(4,224)	3,784
Ratios P+L				
Op. Income Growth (%)(5)	-2.0%	5.7%	15.9%	n.a.
EBITDA Margin (%)	17.7%	19.3%	23.7%	25.2%
Fin. Expenses (6) / EBITDA (%)	44.0%	41.5%	35.2%	36.0%
Net Income Margin (%)	-9.2%	-19.4%	-6.1%	6.4%
No. of Fitness clubs(7)	29	27	24	20
Balance sheet				
Goodwill	32,280	32,280	50,979	49,399
Cash & Cash Equivalents	6,480	5,348	6,064	3,463
Total assets	175,488	176,306	132,768	127,890
Own funds	(14,511)	(11,134)	6,189	10,417
Profit participating loan(7)	51,029	48,519	43,444	38,383
Financing debt	68,156	63,072	71,762	69,170

(1) SCOA 90: Standard chart of accounts 1990

(2) Spanish GAAP: Spanish generally applied accounting principles 2008

(3) Magnitudes based on EBIT are not comparable due to the change in the Standard Accounting Plan. Moreover, the principle motivation for the increase in amortization during FY 2008 is the decline in some elements in fixed assets.

(4) As to the company's results, we must mention that the capital structure, both in own funds (including the impact of the profit participating loans) and in the banking debt and the amortizations are the principle motives that explain the income for the FY, based on positive operating results.

(5) The income variation June 2009 compared with the same period 2008.

(6) The financing costs are debts with credit entities, excluding the interest due on the profit participating loan.

(7) In addition to its own fitness clubs, the chain manages nine fitness club franchises with the brand name FintessWorx

(8) The profit participating loans are considered net assets for the purposes of capital reduction and corporate liquidation intended in the corporate legislation

14) Émfasis

Investment year	April of 2005
DINAMIA investment through 30 June 2009 (thousands of Euros)	8,113
Investment in Capital and Issue Premium (thousands of Euros)	3,146
Investment in Profit Participating Loan (thousands of Euros)	4,967
DINAMIA ownership interest	44.9%
Type of Transaction	BIMBO - Build up
Valuation December 2008 (thousands of Euros)(1)	4,967
Valuation June 2009 (thousands of Euros)(1)	7,491(2)
Valuation method (1)	Purchase multiple

(1) According to DINAMIA's valuation report June 30, 2009
(2) The company's positive evolution during the first half of 2009 has caused the Management Company to opt to reduce the provision that it had previously bestowed.

On April 20, 2005, DINAMIA reached an agreement to invest 8,062 thousand Euros in the company Émfasis Billing & Marketing Services, S.L., a vehicle used to acquire 100% of the companies Nueva Publimail, S.L., Mecapost, S.A. and Informática Proceso y Cálculo, S.L. In 2006, Émfasis continued its build-up strategy by acquiring Securpost, financed with bank credits.

The purchase price represents the following entry multiples (average purchase multiple):

EBITDA	EBIT
5.7 times	9.5 times

a) Shareholders as of 30 June 2009

After some shareholders' movements, DINAMIA's total investment (distributed between shares and profit participating loan) at the present day is 8.113 million Euros. The shareholders in the company comprise DINAMIA (44.9%), N+1 PEF I (44.25%) and the management team (10.85%).

DINAMIA	44.9%
N+1 PEF I	44.3%
Management team	10.9%
Total	**100.0%**

b) Company description

Émfasis is one of the principle companies leading the market on the Iberian Peninsula in services of billing and direct marketing for large corporations, especially in the utilities, telecommunications and financial products sectors.

Among its activities are handling, envelope stuffing, printing, and data base management, re-franking of large-volume mailings and transactional document production (billing).

The company's strategy is based on the consolidation of the sector by acquiring small companies. Émfasis was founded as a result of this strategy, after the simultaneous acquisition of three companies in 2005 and a fourth in 2006.

c) Market description

Personalized mailings are a marketing tool used increasingly by large corporations. The principle clients operate in the telecommunications, energy, banking and media agency sectors.

Billing consists of mass production of bills and transactional documents, which can also be used as tools of marketing since it allows for a certain personalization of the letters. There is an increasing trend toward externalization of this service, regulated with short- and long-term contracts.

d) Investment principles

- A highly fragmented sector.

- Economies of scale derived from the optimization of resources and capability.

- Macros attractive in both markets. Growth of the trend toward outsourcing (enabled by the growth of a market-leader such as Émfasis); and important growth expected in the mailing, given the lower degree of penetration in Spain (the mailings per capita in Spain are only a third of the European average).

e) Recent evolution and principle financial magnitudes

As of June, the company had obtained a sales figure of 17.4 million Euros, slightly higher than in the previous fiscal year.

The direct marketing sector is suffering a decline in advertising investment caused by the present macroeconomic situation. Hence, during the first half of 2009 marketing activity declined by 26% with respect to the same period in 2008. We estimate that the decline in the sector during the same period has been more than 30%. In this context, the company is making a considerable effort as a business in acquiring new clients, who are compensating in part for the decline in advertising investment, while allowing the re-orientation of the portfolio towards clients with more potential. This effort is reflected in the fact that at present the number of direct marketing clients is greater than in 2008.

The billing line continues the positive evolution of the previous year, growing 32% with respect to the same period and reaching a billing of 10 million Euros, owing to the contributions of contracts acquired in the 2008 financial year. In addition, the company is working on incorporating new clients that would have a significant impact on sales at the end of the year. In this respect we may report that the company has recently concluded an agreement for the management of the billing activity of one of the principle financial institutions in Spain (meaning annual sales of 3 million Euros).

After the recent adaptation of the repayment calendar, together with the renegotiation of covenants, the company is up-to-date with payments to the banks that helped to finance the investment. Likewise, the company fulfils all the financial ratios established by the parties as a follow-up measure of the company's performance.

The company expects to close 2009 with an EBITDA of, approximately, 5.2 million Euros, slightly higher than in 2008.

On the basis of the company's performance in 2009, in the context of a very complicated macroeconomic situation, we expect that in coming fiscal years, once the clients return to reasonable levels of advertising investment, the company will surpass the historic level of results generated at the moment of its acquisition (EBITDA of 6.4 million Euros in 2006). As an indication, if the activity level in the direct marketing sector of 2008 had been maintained in 2009, the estimated EBITDA at the close of the FY would be more than 7 million Euros.

The company's key financial figures are as follows:

* Figures in thousands of Euros	Consolidated Reporting 30.06.2009	Consolidated Auditing 31.12.2008	Consolidated Auditing 31.12.2007	Consolidated Pro forma[1] 31.12.2006
P&L				
Operating Income	17,392	33,430	30,542	31,693
EBITDA	2,619	5,042	4,780	6,425
EBIT	1,773	2,333	251	3,600
EBT	278	(743)	(2,495)	(2,023)
Net Income	278	137	(2,381)	(1,627)
Ratios of P&L				
Op. Income Growth (%)[2]	0.7%	9.5%	-3.6%	n.a.
EBITDA Margin (%)	15.1%	15.1%	15.7%	20.3%
Fin. Expenses[3]/EBITDA (%)	22.5%	27.3%	32.0%	20.0%
Net Income Margin (%)	1.6%	0.4%	-7.8%	-5.1%
Balance sheet				
Goodwill	25,938	25,938	25,938	26,819
Cash & Cash Equivalents	2,529	1,434	1,374	2,907
Total assets	47,383	46,725	46,611	51,181
Own funds	2,315	2,037	1,956	4,854
Profit participating loan	14,469	13,796	12,522	9,863
Financing debt	19,003	20,202	23,122	21,494

(1) The pro forma data for FY 2006 correspond to an adjustment in the company's financial accounting statements due to the annualized impact of Securpost (acquired in 2006)
(2) The income variation for 2009 compared with the same period of 2008
(3) The financing expenses correspond to debts with credit entities, excluding the interest due on the profit participating loan

15) Nicolás Correa, S.A.

Investment year	September of 1999
DINAMIA investment through 30 June 2009 (thousands of Euros)	7,033
Investment in Capital and Issue Premium (thousands of Euros)	7,033
Investment in Profit Participating Loan (thousands of Euros)	0
DINAMIA ownership interest	13.27%
Type of Transaction	MBO
Valuation December 2008 (thousands of Euros)[1]	4,913
Valuation June 2009 (thousands of Euros)[1]	3,680
Valuation method [1]	Quoted price

(1) According to DINAMIA's valuation report, June 30, 2009

In September of 1999, DINAMIA lead a management buy-out (MBO) of Industrias Anayak, acquiring 56.87% of equity in the company. One year later, DINAMIA acquired an additional 6.19%.

In July 2005, DINAMIA began to prepare the merger between Industrias Anayak S.A. and the listed company Nicolás Correa S.A., with the latter absorbing the former on January 1, 2006. The operation implied a previous elimination of certain non-strategic assets of Nicolás Correa (real-estate activities and high-pressure machines for conservation of foodstuffs), whose early state of maturity, consumption of resources and non-complementarity with the activity of fabricating machines made it advisable to leave them outside of the perimeter of the transaction. This operation of concentration was justified by important business synergies of R+D and of rationalization. A conversion equation was established that assumed a value for Nicholás Correa (after elimination of said assets) of 2.5 times that of Anayak. After this DINAMIA was the title-holder of 15.35% of the equity in the resulting company.

In the second half of FY 2008, DINAMIA reduced its shareholding in this company to 13.27%.

The purchase price implies the following purchase multiples (based on results of 1999) of:

EBITDA	EBIT
4.4 times	6.3 times

a) Shareholders as of 30 June 2009

With respect to the composition of the shareholders of Nicolás Correa, we refer to the company's periodic public information, published, in turn, by the regulatory body (the CNMV).

b) Company description

The Nicolás Correa Group is dedicated to the design, manufacture and commercialization of medium-sized to large machine tools (milling machine and machining centre).

The size of the milling machine is directly related with its complexity: the greater its size, the greater its complexity and value-added, and, logically, greater profits. In fact, the smallest machines (manufactured in Asia) have taken over part of the European market, since due to their simplicity, they can be mass-produced. For this reason, at this time in Europe the trend is toward producing machines of greater size, which, due to their complexity, would be able to add greater value. In these machines, moreover, the technical service is fundamental, creating complications for integrating them into mass-production schemes.

c) Market description

- The Spanish machine tools industry is the third largest in the European Union in terms of production, with notable exposure to international markets (exportation represents almost 60% of the production). The milling machine sub-sector is the most important with 26.6% of the total market value.

- The automobile industry and its auxiliary industries have traditionally had the most demand for milling machines, although in recent years the aeronautic industry is increasing its volume at an elevated rate.

- The sector is considered to be basic and strategic, and it could be affected by economic cycles when the necessary volume does not exist, which could cause, as occurred in the crisis of the early 90s, the disappearance of a great number of companies, creating opportunities for consolidating the sector.

d) Investment principles

- Diversification of clients and markets so that the company has limited exposure to economic cycles (Germany, France, Italy, USA and Spain represent almost 80% of the company's sales)

- High-level, highly motivated management team.

- Multiple possibilities to form alliances with another manufacturer in the machine tools sector, creating business and manufacturing synergies, and synergies of technical assistance service, and possibly also of R+D, as has taken place in the case of the merger with Nicolás Correa. With this merger, the indisputable leader of the milling machine sector in Spain and Europe was created, which controls more than 30% of the national production of milling machines and machining centres with a demand of more than 20% of total national consumption. Moreover, the consolidation of the sales of both companies created an exportation portfolio that was much more balanced due to the greater presence of Nicolás Correa in the American, British and Scandinavian markets.

e) Recent evolution and principle financial magnitudes

With respect to the company's evolution in the first half of 2009 and its principle financial data, we refer to the company's periodic public information, published in turn by the regulatory body (the CNMV).

The NAV of DINAMIA's investment in Nicolás Correa on September 30, 2009 is 4,696 thousand Euros.

16) Electra Partners Club 2007

Investment year	December of 2007
DINAMIA investment through 30 June 2009 (thousands of Euros)	3,924
Investment in Capital and Issue Premium (thousands of Euros)	3,924
Investment in Profit Participating Loan (thousands of Euros)	0
DINAMIA ownership interest	10.00%
Type of Transaction	General
Valuation December 2008 (thousands of Euros)(1)	2,350
Valuation June 2009 (thousands of Euros)(1)	1,130
Valuation method(1)	Liquidating value

(1) According to DINAMIA's valuation report, June 30, 2009

Electra Partners Club 2007 is a venture capital fund with an investment capacity of 100 million Pounds Sterling.

At the end of FY 2007, in order to diversify its investments, the company committed to the investment of 10 million Pounds Sterling for the next 5 years, which is 10% of the fund's total volume.

The investment strategy of Electra Partners Club 2007 fits together closely with DINAMIA's philosophy and has the following characteristics:

- Geographical objective: United Kingdom: The investments are based in domestic and international companies with corporate seat or with significant presence in the United Kingdom. There has been progress toward an agreement to seek opportunities in other parts of Western Europe.

- Mid-market: the companies that are objects of investment have a objective enterprise value between 70-250 million Pounds Sterling, although the upper limit could be increased if it is advisable under the circumstances.

- Control investments: Electra Partners Club will invest in control shareholding in order to ensure the following of a strategy for the company's portfolio.

- Flexible on the exit horizon: The business strategy must conform with the investor's exit plans in order to optimize the value.

The management team has an experience of more than 20 years in the middle-market segment in the UK.

To the present day, DINAMIA has paid 3.06 million Pounds Sterling, equivalent to 3.924 million Euros for the purchase of two investments and for the funds own expenses. The two investments are Nuaire, one of the leading manufacturers of ventilation systems for offices and residential real estate in the United Kingdom, and Vasanta, the second largest distributor of office products in the United Kingdom and Ireland.

Evolution in the first six months

The fund's management team (Electra Partners) has reduced the valuation of the two investments.

In the case of Nuaire, the decline in valuation reflects the decline of comparable companies listed in the exchange, while in the case of Vasanta it is due to the general decline in its business.

6.1.2 Indication of every significant new product and/or service that has been presented and, to the extent that its development has been announced publically, statement of the present phase

We would like to emphasize that, in December 2007, DINAMIA invested for the first time in a venture capital fund, Electra Partners Club 2007. The details are in the previous section 6.1 of the Registry Document.

6.2 Principle markets.

Description of the principle markets in which the issuing company competes, including a breakdown of the total income by activity category and geographic market for each FY during the period covered by the historic financial information.

Investment market in companies not listed in the exchange

The investment market in companies not listed in the exchange is heterogeneous, which makes its analysis difficult, both from the perspective of volume and the goals of the investment that has been made and also from the perspective of the sort of investor.

DINAMIA is included in a group of investors, called financial investors that are different from strategic or industrial investors in various respect, with the most important being the following:

(i) retaining the organization and, especially, the management team, with some exceptions (e.g., in carrying out MBIs or BIMBOs). It utilizes the management team with which it co-invests, and to which it delegates the daily management;

(ii) supporting the strategy of the management team by means of funds to further the company's development, but opposing the integration of the company into a combined strategy for the industrial group; and

(iii) a limited time-period of presence of the capital, between 3 and 6 years.

Considering the profile DINAMIA's financial investors, it is especially interesting to analyze the investment market in companies not listed in the exchange for venture capital companies in Spain.

The Venture Capital sector

The Venture Capital activity entails investments by professional investors in unlisted companies (or in listed companies with the aim to exclude them from the stock market), that are non-financial and not real estate, with no intention of stable duration with the shareholders, and with an average duration period between 3 and 6 years.

The venture capital activity came about in Spain in the 70's as a means for the public sector to develop the country's still fledgling industrial fabric. Later, from the mid 80's, there was an increase in the private and/or foreign capital that was destined to developing companies. In the 90's, due to a series of difficulties in this sector, for the first time there was a withdrawal of a significant number of venture capital companies. At the same time, the flow of available financing was redirected towards medium-sized and already consolidated companies. A characteristic of the current decade is the steep growth of the venture capital market in most of the worldwide markets, stimulated in Spain by favourable legislation (the 1/1999 Act and the 25/2005 Act) which has encouraged the creation of new entities. The large volume of operations was based mainly on large transactions over the period 2005-2007 (for example Amadeus, Auna/Ono, Cortefiel, Recoletos, Panrico, Mivisa or Applus+) led by international and pan-European funds, followed by a market contraction, especially in the large transactions segment, due to the worldwide financial crisis that hit in the summer of 2007.

Participants in the venture capital sector in Spain

Pursuant to data compiled by Webcapitalriesgo (an entity that produces market reports, in close cooperation with the Spanish Association of Venture Capital, hereinafter "**ASCRI**") and Spain's main venture capital players, 180 venture capital entities (hereinafter "**ECR**") were operating in Spain at 30 June 2009, segmented by the investment commitments of the funds managed by the Management Companies. Of the total of management companies, 60 are within the large company segment (with individual management exceeding 150 million Euros) where DINAMIA's Management Company is situated, 39 are middle-sized (with individual management between 50-150 million Euros) and 81 are small-sized (with individual management under 50 million Euros). Depending on the origin of the resources, 158 are private ECR and 22 are public. In summary, they can be divided into the following categories:

- **National venture capital funds or companies:** These are Spanish companies or funds (SCR and FCR) that select and manage investments for themselves or for third parties. They have a set of criteria for selection of investments pursuant to different parameters, the most common of which are: (i) investment localisation and geographical focus, (ii) size and type of investment and (iii) market sector or niche (the most distinctive being those that demand a high specialisation, such as biotechnology or renewable energy, among others).

- **International/pan-European funds:** Funds based outside of Spain, with international or European investment objectives, which have a group of professionals based in Spain dedicated to selecting and managing the investments made in Spain. These funds have investment commitments that are much higher than those of national funds, in some cases even exceeding 10 billion Euros.

- **Financial entities and corporations investment companies (industrial/services):** Companies involved in the investment of resources directly provided by a financial entity or corporation, that is usually an industrial or services company with a strategic interest in the investment, as it complements its business. The resources do not originate from this company, they are provided by the parent company when the investment is materialised.

4 new companies were created in the first quarter of 2009. The current situation has reduced the emergence of new operators, but it has not eliminated it. In the 2005-2008 period 79 new ECR were created, pursuant to data compiled by Webcapitalriesgo. This is almost 20 per year, encouraged by the new legal framework provided by the 25/2005 Act, described in detail in section 5.1.1 of the Registration Document, which has encouraged the creation of Simplified Regime Venture Capital Companies.

DINAMIA's competitors, although they may sometimes be of a different nature, are usually venture capital funds or companies that invest in medium sized or middle-market companies (between 10-100 million Euros equity invested), with an investment focal point in the Iberian Peninsula, as shown in the bar graph in the following sub-section. We must bear in mind that DINAMIA's average investment is between 50-300 million Euros company value, which represents an equity investment, taking into account co-investment with the Funds, of approximately between 15-60 million Euros.

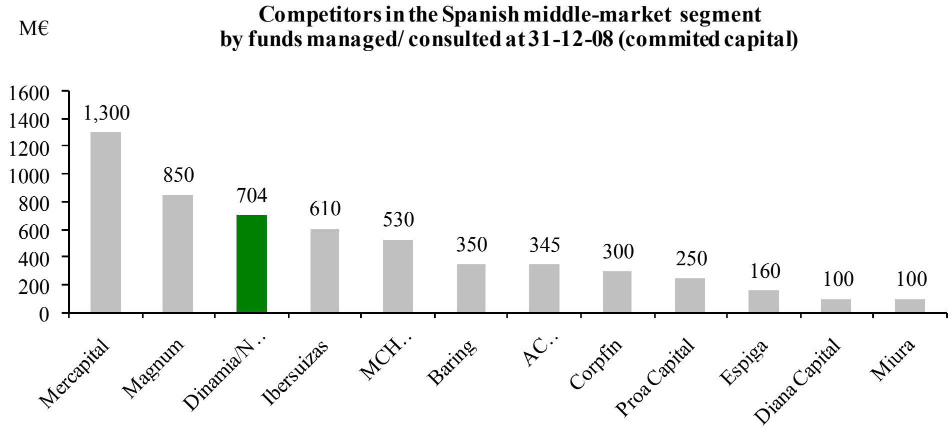
<u>Competitive area depending on the resources available for investment in Spain and the Iberian Peninsula:</u>

From a geographical point of view, DINAMIA's investment activity is currently limited to the Iberian Peninsula. Only two non-Spanish companies are held in DINAMIA's portfolio, indirectly through Electra Partners Club 2007, these are Nuaire and Vasanta. Nuaire is one of the UK's leading producers of fans for offices and residential buildings, and Vasanta, the second largest distributor of office products in the UK and Ireland. Investment in these companies represented around 0.85% of DINAMIA's total valuated assets at 30 June 2009.

The following chart shows twelve management companies with specific venture capital funds to invest in the Iberian Peninsula in the middle-market segment.

We must point out that, in addition to the national competitors shown below, there are also pan-European and international venture capital operators with offices in Spain, who may eventually compete with DINAMIA. These generally operate in the segment over 100 million Euros invested capital transaction. Some of the most active of these pan-European funds are: 3i, Advent, Apax Partners, Bridgepoint, Candover, Carlyle, CVC, PAI or Permira. Although these funds allot part of their copious resources (exceeding 10 billion Euros investment commitments in some cases) to transactions in the Iberian Peninsula, they are not included in the following chart as most of them do not have a schedule or specific resources dedicated to the Spanish/Iberian market, rather they invest based on investment opportunities.

On the other hand, investment companies controlled by financial entities are another possible competitor for DINAMIA, among which the most active are: Vista Capital (Banco Santander), Valanza (BBVA), Espiga (agricultural credit banks) and AC Desarrollo (Grupo Ahorro Corporación). These are partially included in the following chart, as some of them do not have a specific investment obligation in the Spanish/Iberian market within a certain timeframe. Specifically, the ASCRI Yearbook, a homogenous source of the following data, does not include investment commitment information or funds managed by Vista Capital and, regarding Valanza, funds of 350 million Euros managed only as of 31 December 2006 are included, thus, as there is no fully updated information, they are not included in the chart.



Source: ASCRI Yearbook

<u>Fundraising activity:</u>

New funds raised during the first nine months of 2009 amounted to 553 million Euros, representing a 73% fall regarding the same period last year. For further detail, the first quarter of 2009 should be analysed, in which the funds raised were 360 million Euros, as opposed to the 1.822 billion Euros in the first quarter of 2008, representing an 80% decline. During this period funds raised by national funds were predominant, comprising 57% of the total, as opposed to 43% of international funds for investment in Spain. The capital increases in venture capital companies were more important than the closing of new funds. Financial entities were the main contributors of resources, comprising 30.1%, followed by public investors (24.0%), non-financial companies (14.2%), resources from funds (14.1%), pension funds (9.1%), stock market (3.3%), private investors (2.2%), insurance companies (1.5%), value increases for reinvestment (1.0%) and others (0.5%) (Webcapitalriesgo).

The evolution of fundraising over the last three years, that is 2006, 2007 and 2008, was 3,909, 5,257 and 2,778 million Euros, respectively, representing a 34% increase and a 47% decrease, respectively.

However, in spite of the difficult situation for raising new funds, we must take into account that there is a large volume of available resources in the sector for new investments, for around 5.169 billion Euros, as opposed to the 6,050 million Euros in the same period of the previous year.

At 30 June 2009, the total assets managed, that is, the amounts invested by companies in the venture capital sector, were 23,302 million Euros according to the report of 30

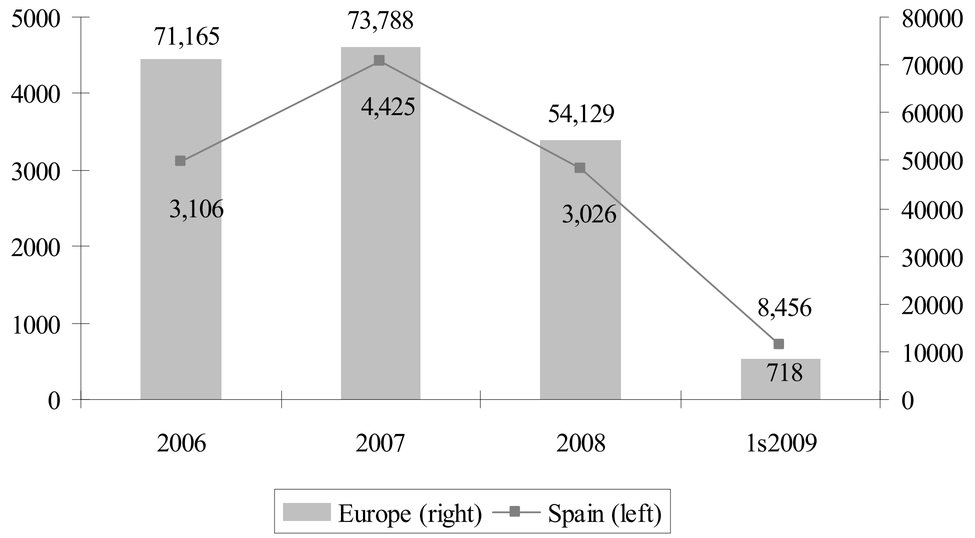
June 2009 issued by Webcapitalriesgo, as opposed to the 22,733 million Euros registered a year before. Of these funds, 49% come from abroad, with special relevance of the resources managed by pan-European operators, focused on the segment of transactions of over 100 million Euros invested capital.

Investments:

Recent evolution of investment in Europe and Spain, pursuant to the EVCA Yearbook, ASCRI Yearbook and Webcapitalriesgo, has undergone a drastic decrease regarding the maximum amounts of 2007. Funds invested by the venture capital sector in the Spanish market in the first nine months of 2009 were 1,041 million Euros, representing a 49% decrease regarding the same period in 2008. In the first quarter of 2009, the investment volume in Spain was 718 million Euros, as opposed to 1,339 million Euros in the same 2008 period and 1809 million Euros in the same 2007 period, which represents a decrease of 46% and 60%, respectively. In the first nine months of 2009, the sectors that accumulated the highest percentage of resources were medical / healthcare (Generis or Grupo Sar, among others) and consumer products (Siro or Hoffman, among others), with 21.3% and 20.4% of the total investment, respectively. In Europe, the investment volume in that same period was 8,456 million Euros, 70% less than in the same period of the previous year. Difficulties in attracting bank financing for LBO operations, diverging expectations on price among buyers and sellers, and the lack of visibility of business plans, have all contributed to retract the completion of deals.

The reduction of activity in the 2006-2008 period in Spain (CAGR 06-08 of -1%) was much lower than Europe's (CAGR 06-08 of -13%), showing a better solidity in the face of an economic recession. Likewise, investment in Spain in the first quarter of 2009 represented 24% of the total investment of 2008, as opposed to the 16% represented in Europe, regarding the total of its own investment. The impact of the crisis that hit in mid-2007 has led to a decrease in the volume of capital invested in 2008 by venture capital companies at a European and Spanish level, with decreases in the volume invested of 27% and 32% between 2007 and 2008, respectively. Of the total 718 million Euros invested in the first quarter of 2009 in the venture capital sector in Spain, 82% were new investments and 18% investments in investee companies, as opposed to 84% and 78% in new investments that took place in the first and second quarters of 2008, respectively.

Investment evolution in Europe and in Spain



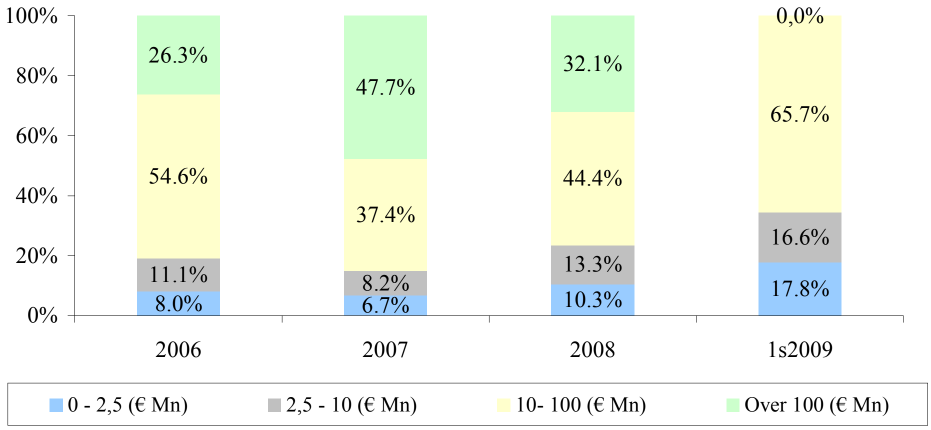
Source: EVCA Yearbook, ASCRI Yearbook and Webcapitalriesgo

The number of transactions in Spain reached 576 in the first nine months of 2009, a 13% regression regarding the same period in 2008. The total amount comprised 56% of new operations and 44% increase of investment in former investees. The average amount per transaction exceeded 2.5 million Euros per transaction in 85% of the operations.

Competitive area depending on the size of the investment:

The segment in which DINAMIA operates, pursuant to the breakdown provided by ASCRI and Webcapitalriesgo, is the middle-market (between 10-100 million Euros equity invested). The following graph shows how this segment contains the largest percentage of investment since late 2007, coinciding with the progressive disappearance of transactions exceeding 100 million Euros carried out, mainly, by pan-European funds with presence in Spain. This market segment, of larger amount transactions, is the most exposed to the availability of bank financing in order to carry out these transactions. Thus, in 2008 and in the first quarter of 2009, the higher amount transactions contributed 25% of the total investment of the sector, versus an average of 50% in the 2005-2007 period. Therefore, the middle-market sector is less vulnerable to financing availability and, consequently, to economic cycles.

Investment evolution in Spain according to investment size



Source: ASCRI Yearbook and Webcapitalriesgo.

The middle-market segment registered 16 transactions in the first quarter of 2009, versus the 23 that it had registered in the same 2008 period.

Below is DINAMIA's market share regarding the volume invested in middle-market transactions (10-100 million Euros, being DINAMIA's investment rank and the Funds with which it converts comprised between 15-60 million Euros) as well as DINAMIA's share regarding the total volume invested in Spain and regarding the total of the venture capital market.

Market share (%)	**2006**	**2007**	**2008**	**June-09**
10-100 million Euros	1.9%	5.1%	7.2%	0.0%
Total Market Investment	1.0%	1.9%	3.2%	0.0%

Source: ASCRI Yearbook and Webcapitalriesgo.

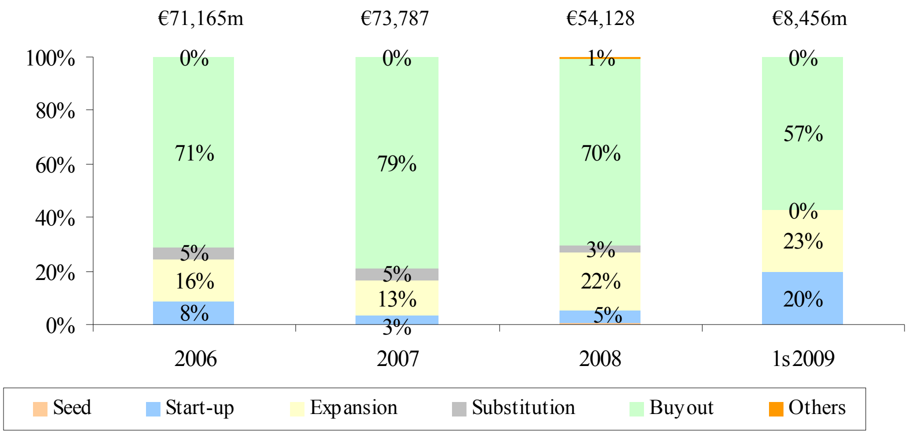
<u>Competitive area depending on the type of investment:</u>

As described in the section on investment structure in section 6.1 of the Registration Document, investments can be classified depending on their type, the main ones being: Seed Capital, start-up, capital expansion, buy-out BIMBO or build-up, among others.

At a European level, we see a slight decrease of the buy-out transactions that have dominated the market by amount invested in recent years, and which remains the main type of operation, representing 57% versus 79% in 2007, of the total investment in

Europe. On the other hand, capital expansion represented 23% of the total investment as of June 2009, versus 13% in 2007, as shown in the following chart:

Investment evolution in Europe according to investment stage

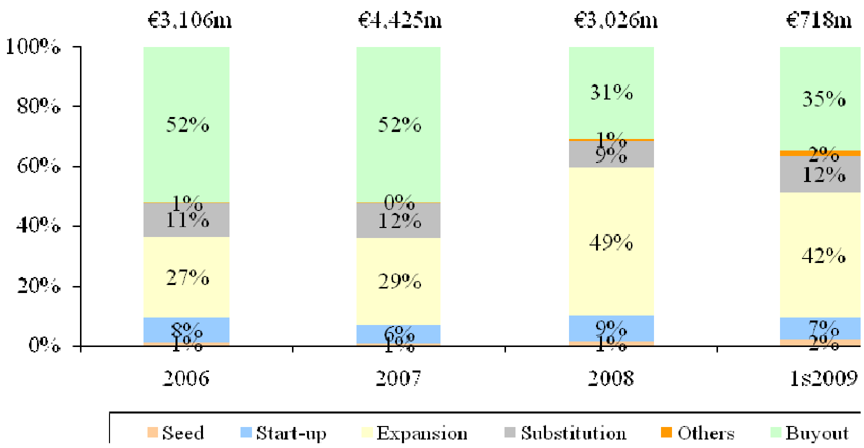


Source: EVCA Yearbook

Nationally, after some peak years of buy-out transactions (2005-2007), the capital expansion segment has comprised in Spain most of the investors' interest and most of the operations of the sector, with 42% of the transactions versus 29% in 2007. This return to the origins is mainly due to the difficulty in accessing bank financing for the buy-out transactions, which has led to a significant fall in the investment volumes in the last 18 months, as shown in the investment volume chart below.

The chart shows a change in trend since late 2007 towards a larger weight of the expansion transactions to the detriment of the buy-out transactions, with a higher dependency on the availability of financing debt. The buy-out segment, in which DINAMIA mainly operates, represented 35% of the total transactions in June 2009, versus 52% in 2007. On the other hand, on that date expansion capital represented 42% of the total, versus 29% in 2007.

Investment evolution in Spain according to investment stage



Source: ASCRI Yearbook and Webcapitalriesgo.

DINAMIA's strategy is defined and centred mainly on buy-out and BIMBO transactions, with special emphasis on build-up transactions, consolidation of fragmented sectors. Of the last 8 transactions, over 50% of the investment volume was for this type of transaction. However, there were some transactions prior to 2006, corresponding to other categories, basically replacement or capital expansion transactions.

During the period covered by the historical financial information included in this Brochure, DINAMIA's activity related to investments depending on the type of transaction was as follows (figures in thousands of Euros):

Investment by type of operation	**2006**	**2007**	**2008**	**Jun-09**
Buy-out (includes MBO, MBI)	16,192	30,847	34,880	-
BIMBO	-	-	13,400	-
Replacement	-	11,250	-	-
Total investment	**16,192**	**42,097**	**48,280**	**-**
Build-up	16,192	21,000	13,400	
% Build-up	*100.0%*	*49.9%*	*27.8%*	

Of the 220,315 thousand Euros investment of DINAMIA's current portfolio as of 30 June 2009, 88% of the invested capital fits into the buy-out or BIMBO categories.

Divestment:

At a national level, the divestments of investee companies with venture capital funds in Spain in recent years have evolved from 1.358 billion Euros in 2006 to 1.602

billion Euros in 2007 (18% growth) and to 711 million Euros in 2008 (55% decrease), according to Webcapitalriesgo. The volume divested at cost at 30 September 2009 was 325 million Euros, representing a 44% decrease regarding the first nine months of 2008. The divested amount was 84% in total divestments and 16% in partial divestments. The number of divestment transactions increased by 17%, from 120 to 140 in the last year, basically due to the increase of partial divestments. As described in section 6.1 of the Registration Document, DINAMIA has performed two full divestments for 16 million Euros.

The average amount divested per transaction went from 2.7 to 1.9 million Euros in the first quarter of 2009, although 85% of the transactions in the first nine months were for over 2.5 million Euros. In the first quarter of 2009, the average duration of the ECRs in the divested companies was 5 years. The sale to third parties was the main exit mechanism, representing 39.9% of the total (over a quarter corresponding to sales to financial entities), followed by the acknowledgement of depreciation or loss of investment (21.2%) This segment includes the investments that had to be assumed as loss. Lastly, the repurchase transactions (by former shareholders) represented 16.6%, followed by sale to other ECRs (11.8%) and the repayment of loans (7.7%) and others (2.8%).

The current liquidity crisis situation is therefore the least conducive to divest the performing portfolio of investees. Notwithstanding, it is expected that in coming investment years (2010 and 2011) the company valuations will be attractive for investments, in comparison with their historical values, although dependence on the evolution of the credit market, as described in section 9.2.3 of the Registration Document, will affect the leverage capacity of the transactions and, consequently, their materialisation.

6.3 When the information provided in Sections 6.1 and 6.2 has been influenced by exceptional factors, this must be mentioned

As has been detailed in Section 6.2 herein, the market situation has been exceptionally affected by the economic crisis that began in summer 2007, which has had an impact both on the development of companies and on the valuations thereof. In particular, this market situation has affected the availability and conditionals of bank financing, a key factor in the performance of venture capital operations.

Likewise, Section 9.2.3. herein, contains details of the recent development of the credit market, with main characteristics and trends of this market over the coming months provided in Section 12.2 herein.

6.4 Whether it is important for the business activity or issuer's profitability, provide succinct information on the extent of issuer's dependence on

patents or licences, industrial, business or financial contracts, or new manufacturing processes

DINAMIA does not depend on patents and trademarks.

With regard to business contracts entered into by the Company which might entail a degree of dependence for the Company, (i) the Management Agreement, and (ii) the Co-Investment Agreements entered into between DINAMIA and the Funds, are worthy of note.

a) The current Management Agreement was entered into between DINAMIA and the Management Company on 29 June 2000, having replaced the agreement entered into by both parties on 24 November 1997. Subsequently to said date, the Management Contract has been modified on the 29 June 2000, 24 May 2001, 5 May 2004, 19 December 2006 and, finally, 20 May 2008, seeking to render more flexible some of the restrictions and limitations established with regard to the performance of the Management Company in various drafts and adapt these to the operating environment of the Company.

   As stated in the Management Contract, DINAMIA appoints the Management Company as the exclusive manager of the Company. By means of this Contract, the Company delegates to the Management Company (i) the management of the Company's assets, which involves establishing the investment policy, the preparation of regular valuation reports on the Company's portfolio, and the analysis and execution of DINAMIA's investments and divestment; and (ii) administration duties, such as accounting, ensuring compliance by the Company of official reporting and ledgers, in addition to other administrative duties. Section 14.1 herein contains details on the powers delegated by DINAMIA to the Management Company.

   Likewise, the Management Contract establishes certain restrictions on the powers of the Management Company, including the requirement by the latter of authorisation from the Board of Directors of DINAMIA prior to carrying out investments or divestment operations in certain cases; such restrictions are detailed in Section 14.1 herein.

   By virtue of the Management Contract, the Management Company is entitled to be paid commissions, summarised as follows:

   i) An annual fixed fee equal to one point seventy-five per cent (1.75%) of the value of the Valued Assets of the Company, as calculated in the latest valuation available thereon, the parties further establishing that, of the full aforementioned percentage, one point sixty-five per cent (1.65%) will be paid for the management of the Company's assets, and the remaining zero point ten per cent (0.10%) will be paid for administrative services rendered by the Management Company to the Company.

In the context of the Management Contract, Valued Assets of DINAMIA are understood to be the assets of the Company valued by the Management Company in accordance with the valuation criteria recommended by the EVCA and approved by the Board of Directors of DINAMIA, following a review thereof by an independent expert appointed by the Company Board of Directors. To this end, Valued Assets of DINAMIA shall be understood as the value stated in the six-monthly valuation reports.

The annual fixed fee shall be paid by the Company at the end of each month on the last day thereof.

ii) A contingent fee of 20% of the net capital gains obtained by the Company from the transfer of all shareholdings as part of the business activity within one financial year, as well as the income generated from such shareholdings (dividends, distribution of issue premiums, etc), having discount the annual fixed fee from said percentage, and always provided that the capital gain is higher than a minimum profitability equal to the average of the annual internal rate of return of 3 year Spanish Government Bonds during the month of December (as quoted on the corresponding regulated market) prior to the beginning of the calendar year in which investments have been made.

This fee shall be accrued in the name of the Management Company each time an investment is transferred, and settled once the cost of all investments carried out in the same financial year as the transferred shareholding has been covered and provided the minimum profitability referred to in the paragraph above has been surpassed.

In accordance with what has been agreed between DINAMIA and the Management Company, the Management Agreement may be terminated by either party, at any time, by giving advance notice of at least 3 years. In the event of not observing this notice period, DINAMIA may terminate the agreement by paying an indemnity equal to three years of annual fixed fee paid to the Management Company or equal to two years thereof, in the event that said termination has been agreed by two thirds of the voting capital of the Company, plus an amount equal to the contingent fee, based on the valuation made to this end by an independent third party, which would be paid to the Management Company if the transfer of all the Company's shareholdings at the time of termination were to take place with no advance notice.

In accordance with the above, and for the purposes of illustration thereof, a theoretical calculation of the indemnity has been made. In this case, if the termination of the Contract were to take place with no advance notice on the date of this Memorandum, the indemnity would be equal to 17.75 million Euros, of which 9.45 million Euros would relate to the annual fixed management fee over three years according to the latest NAV made by an independent expert, and 8.3 million Euros relating to the theoretical contingent fee if the transfer of all Company shareholdings at that time should take place, according to the most recently published NAV.

In the event that the Management Company should unilaterally decided to terminate the Management Contract, the Management Company would have to observe the aforementioned notice period or otherwise pay DINAMIA an indemnity equal to three years of annual fixed fee paid to the Management Company.

b) On the other hand, on 6 August 2002 and 30 May 2008, DINAMIA entered into co-investment agreements with Fund I and Fund II respectively (the "**Co-Investment Agreements"**), by virtue of which DINAMIA's investments, whilst the Management Company has been entrusted with the management thereof, shall be subject to the co-investment plan of the Funds.

As described in Section 5.1.5 above, by virtue of the Co-Investment Agreements, DINAMIA's co-investment with the Funds, notwithstanding what is set forth below, will generally be of 50% and shall carry out investments and divestments simultaneously with the Funds and under the same terms and conditions.

In accordance with what is set forth in the Co-Investment Agreements, it is nevertheless agreed that there is no obligation to co-invest Company assets in such Funds or, if carried out in the abovementioned ratio of 50%, there will be no obligation in the event that the target investment (i) should entail the breach of a legal, governmental or administrative provision applicable to DINAMIA or the Funds, (ii) the breach of a provision contained in the Company management contract or in the incorporation documentation of the Funds (such as, for instance, investment exceeding established limits without previous authorisation from the Board of Directors of DINAMIA or that are incompatible with the latter's investment policy or that of the Funds); (iii) should have, in the opinion of the Management Company or, if applicable, the General Partner, a negative effect on the Company or on the Funds, (iv) cannot be carried out by DINAMIA or by the Funds due to insufficient financing to do so; (v) there should be any other circumstance which, in the opinion of the Management Company or, if applicable, of the General Partner, should prevent or hinder the performance of such an investment by the Company or the Funds; or (vi) should mean additional investment in a company already contained in DINAMIA's portfolio prior to entering into the Co-Investment Agreement.

Likewise, the Co-Investment Agreements set forth that divestments in shareholdings may not take place simultaneously or under the same terms and conditions, if such divestments might have, in the opinion of the Management Company or, if applicable, of the General Partner, a negative effect on DINAMIA or on the Funds.

The Co-Investment Agreements set forth that these shall be automatically terminated in the event of: i) that for any reason the Management Company should lose its position as the manager of DINAMIA; ii) that for any reason the General Partner should cease to be so of Fund I or that the Management Company should lose its position as manager of Fund II; and iii) cessation of activity or liquidation of DINAMIA or of Fund I or Fund II.

The Co-Investment Agreements represent a qualitative advantage for DINAMIA and for the Funds when making investments or divestments in the co-invested shareholdings, in the sense that it enables them to have access to more companies and larger companies, and purchase control shareholdings which reinforce their position in investment and divestment negotiations.

Nevertheless, as has been stated in Section 5.1.5., the temporary and asset-based limitations of the Funds may lead to potential conflicts of interest between the Funds and DINAMIA. In these cases, the Management Company or, if applicable, the General Partner, shall inform the Company Board of Directors or the Funds Advisory Committee of such conflicts, in order to seek the best solution for all parties, among which several alternatives referred to in Section 5.1.5. may be of application.

6.5 Include the basis for any statement made by the issuer with regard to its competitive position

Market sources deemed reliable by the Issuer are the yearbooks of EVCA and ASCRI and Webcapitalriesgo.

7. ORGANISATIONAL STRUCTURE

7.1 If the issuer is part of a group, enter a brief description of the group and the position of the issuer within it

The General Accounting Plan approved by Royal Decree 1514/2007 of 16 November states that, for the purposes of presenting consolidated annual accounts of a company it shall be understood that another company forms part of the group when both companies are connected by a control relationship. As of 31 December 2008, the Company holds no majority voting rights nor appoints the majority of the members of the Board of Directors in any of the shareholder companies, therefore there is no control relationship.

The Company is therefore not the leader of a group of companies and does not present consolidated annual accounts.

In ascending order, no Company shareholder has a control relationship with the Company, neither does the Management Company or the other company of the N+1Group, therefore not forming part of a group of companies presenting consolidated annual accounts.

Nevertheless, in accordance with the rules of preparation of annual accounts included in the General Accounting Plan, a company shall be understood as a partner when, despite not being a group company in the sense described above, the company exercises on said company a considerable influence due to having a shareholding in it that, resulting in a longstanding bond, is used to contribute to its commercial activity. According to this rule, the Company has classified almost all of its investments as partner companies.

7.2 List of significant subsidiaries of the issuer, including name, country of incorporation or residence, capital share and, if different, proportion of voting rights

Below is a list of company shareholdings and percentage shareholding as of 30 June 2009:

Shareholdings	Country of incorporation	Country of domicile	Percentage shareholding	Own equity Capital	Reserves	P&L for the year	Other	Total
Arco Bodegas Reunidas, S.A.	Spain	Spain	8.00%	n,a	n,a	n,a,	n,a,	115,095
Bestin Supply Chain, S.L.	Spain	Spain	42.01%	1,595	14,356	(2,215)	(694)	13,042
Colegios Laude, S.L.	Spain	Spain	44.94%	893	(3,152)	(4,499)	0	-6,758
Emfasis Billing & Marketing Services, S.L.	Spain	Spain	44.90%	n,a	n,a	n,a,	n,a,	1,433
Grupo Gestión Integral Novolux Internacional, S.L	Spain	Spain	44.47%	947	8,720	(348)	126	9,445
High Techs Hotels & Resorts, S.A.	Spain	Spain	26.00%	6,736	24,406	1,792	0	32,935
Hortus Mundi, S.L.	Spain	Spain	17.86%	n,a	n,a	n,a,	n,a,	n,a,
HP Health Clubs Iberia, S.A.	Spain	Spain	20.61%	900	2,074	(14,137)	29	-11,134
Leucorodia S.L.	Spain	Spain	32.02%	2,090	13,064	(13,105)	0	2,049
Alcad, S.L.	Spain	Spain	37.68%	2,302	23,269	(2,347)	0	23,224
ZIV aplicaciones y tecnología SL	Spain	Spain	37.25%	1,050	16,454	6,765	(750)	23,519
Nicolás Correa, S.A.	Spain	Spain	13.27%	10,044	30,721	3,663	0	44,428
Ronda Corporate, S.L.	Spain	Spain	36.82%	6,132	57,153	482	(9)	63,758
Saint Germain Grupo de Inversiones, S.L.	Spain	Spain	46.66%	11,824	6,007	(3,632)	0	14,199
Segur Ibérica, S.A.	Spain	Spain	17.86%	1,852	51,745	7,002	(322)	60,277
The Beauty Bell Chain, S.L.	Spain	Spain	14.35%	986	66,283	(8,974)	0	58,295
Ydilo Advanced Voice Solutions, S.A.	Spain	Spain	7.06%	714	5,183	1,196	98	7,191

As has been mentioned before, the Company sold its shareholding in Ydilo in October.

8. PROPERTY, FACILITIES AND EQUIPMENT

8.1 Information regarding all existing or projected tangible fixed assets, including leased properties and any important lien thereon

DINAMIA has no tangible fixed assets whatsoever in its balance sheet and no addition of tangible fixed assets is planned.

8.2 Description of any environmental aspect which might affect the issuer's use of tangible fixed assets.

DINAMIA has no tangible fixed assets.

9. OPERATIONAL AND FINANCIAL ANALYSIS

9.1 Financial situation

Insofar as it does not appear in any other part of the document, describe the issuer's financial situation, changes in said financial situation and results from transactions in each year and within the years, requiring historic financial data, including the causes behind important changes from year to year in financial information, in a sufficient manner so as to render an overall perspective of the issuer's activity.

See Sections 10 and 20.1 below.

9.2 Operational results

Given that DINAMIA is a venture capital company, its operating results are based on the expenditure incurred as a result of its normal course of business, not having any operating income.

Nevertheless, given the nature of venture capital companies, in which the main income is financial, the following is a breakdown of the most significant items in terms of income and expenditure of the Company.

Profit and Loss Account

	Circular 11/2008	Circular 5/2000	
	2008	2007 [1]	2006

Financial income	**16,322**	**13,418**	**7,217**
Interest, dividends and similar income	16,322	13,418	6.884
Other financial income	0	0	333
Results and changes in fair value of investment portfolio (net) (+/-)			
	(46,515)	**59,589**	**41,547**
Profit/loss on disposals (net) (+/-)	3,575	67,028	39.533
Equity instruments	3,575	67,028	39.533
Change in fair value of financial instruments (+/-)	0	0	0
Impairment and losses in financial investment (+/-)	(50,090)	(7,439)	2.016
Exchange differences (net) (+/-)	0	0	(2)
Other operating results (+/-)	**(6,163)**	**(19,664)**	**(11,652)**
Commissions paid (-)	(6,163)	(19,664)	(11.652)
Management fee 2	(5,254)	(5,746)	(4.371)
Other commissions and expenses 3	(909)	(13,917)	(7.281)
GROSS MARGIN	**(36,356)**	**53,343**	**37.112**
Other operating results	(1,209)	(1,096)	(519)
Over-provisions (+)	1,763	683	453
PROFIT/LOSS BEFORE INCOME TAX	**(35,802)**	**52,930**	**37,046**
Corporate income tax (-)	0	0	0
PROFIT/LOSS FOR THE YEAR	**(35,802)**	**52,930**	**37,046**

[1] No differences due to change in accounting regulations
[2] Fixed management fee accrued by Management Company during the year
[3] Contingent fee accrued by Management Company during the year

The remuneration of the cash balances in current accounts appears as interest from cash.

Under the heading interest from temporary purchase of assets is the interest received from a repo investment. The Company policy is to keep part of the available cash in a current account to pay immediate bills and invest the rest in one-week repos on public debt issues.

Under the heading of interest of loans to companies is the accrued interest of profit participating loans. As can be seen in Section 3.1., during the 2007 financial year there was a significant increase in investments in company shareholdings via profit participating loans, with the accrued interest thus also having experienced considerable growth. During the 2008 financial year the increase in interest income continued, given that all loans granted during 2007 accrued interest for the first time over a full year in

2008. Interest accrual from profit participating loans has not direct relation with cash flows, as such interest is settled at divestment.

Dividend income during 2006 related to a dividend paid by Undesa, whereas the heading other financial income includes the release of part of the sale price of Robbialac withheld as a guarantee against latent defect. As can be observed from the development of the last three financial years, this income is non-recurring.

Profits from sales of public traded companies in 2006 for a total of 39.533 million Euros and in 2007 for 39.266 million Euros relate to the sale of General de Alquiler de Maquinaria. And in 2008 those entered for a total of 754 thousand Euros relate to the partial sale of Nicolás Correa.

With regard to profits from sales of non-publicly traded companies during 2007 relating to the sale of Capital Safety Group (18,476 thousand Euros), Union Derivan (7,443 thousand Euros) and High Tech (1,843 thousand Euros). Profits accounted for in 2008 basically relate to the sale of Net TV (2,469 thousand Euros) and Forthpanel Limited (500 thousand Euros).

Income from sales of companies in which shares are held may be quite high, accounting for a high percentage of total income, and its non-recurring nature must also be taken into account when analysing the balance sheet.

The shortfall and financial investment losses account includes corrections due to shortfalls in investments of partner companies in accordance with what is set forth in rule 11 of Circular 11/2008 of the CNMV. The most significant expenditure relates to accrued commissions with the Management Company of the Company. As can be observed, the expenditure arising from the annual fixed fee incurred by the Company depends on the valuation of the assets thereof and is of a recurring nature, whereas the contingent fee will depend on the sale of the annual portfolio of the Company and the result of that sale and is of a nonrecurring nature. Likewise, between accrual of the contingent fee and its settlement there is a time lapse which might be considerable.

The income account for surplus provisions, whose balance as of 31 December 2008 was 1.763 million Euros, pertains to reversals for corrections made to that date. The most important amount pertains to the reversal for a provision made by the Company at close of the previous year for a loan granted by the Company to Unión Deriván, S.A.

Finally the heading "Other Operating Expenditure" includes all expenditure for services engaged from third party companies and professional fees such as notaries, lawyers, auditors and other advisors. This expenditure is of a recurring nature as a result of Company activity.

Lastly, the fall in results in 2008 compared to the previous years (2006 and 2007) is mainly due to (i) corrections due to shortfalls in partner companies, and (ii) the lack of profits from company sales (traded or not) during 2008.

9.2.1 Information regarding significant factors, including unusual or infrequent events or new advancements which have a considerable effect on the issuer's income from operations, indicating to what extent income has been affected

No significant factors outside the ordinary course of business or unusual events have taken place that would have a considerable effect on DINAMIA's financial situation.

9.2.2 When the financial statements reflect significant changes in net sales or income, provide a narrative commentary on the reasons for such changes

No significant changes in net sales or income have taken place beyond what has been mentioned in Section 9.2 above.

9.2.3 Information regarding any action or factor of a governmental, economic, fiscal, monetary or political nature which, directly or indirectly, has affected or might affect the issuer's operations in a significant manner

Given the nature of its business and the use of financial debt for carrying out operations, the Issuer is exposed to the credit markets and therefore has been affected by the world financial crisis that began in summer 2007. The main trends in the credit market confirmed up to September 2009 are as follows:

Fall in number and volume of operations: According to Standard&Poor's data (**" hereinafter S&P"**) during the first nine months of 2009 a total of sixteen LBO operations were done in Europe. These sixteen transactions, led to the issue of 12.7 billion Euros in new LBO debt, which is only one quarter of the 47.25 billion Euros in the same period the previous year, with the volume per transaction also experiencing a drop. It is worth mentioning that 8.9 billion Euros were generated from one single transaction so that, if this transaction is excluded, the average volume of bank debt used in the operations in the period is below 255 million Euros.

Restriction of the funding tranches: Operations carried out in recent years included many tranches with very varied associated risk profiles. Such tranches can be classified according to (i) the priority and enforceability of the debt, (ii) the method of principal amortisation and (iii) the method of payment of accrued interest. The debt may have a higher or lower cost depending on these factors. Briefly, the most frequent tranches in venture capital operations in the middle market are:

- **Senior Debt:** This is guaranteed debt (for instance, share pledges, profit participating loans and/or mortgage promise), with a priority above all other financial debt. Within this Senior Debt, we usually find tranches A and B. The main difference between them is the associated risk profile: in Tranche A debt is amortised periodically, whereas in Tranche B debt is amortised with one single payment upon maturity of the loan, increasing the associated risk. Both types of debts accrue interest over time.

- **Mezzanine debt:** Also very frequent in transactions carried out in recent years, this debt is characterised by being subordinate to Senior Debt and by not having, in principle, any specific guarantees (e.g. second tier pledges). Conditions generally include amortisation of the principal upon maturity and payment of interest over regular periods and a larger debt to be settled at maturity. Given that the risk assumed in such operations is greater, this tranche has a higher spread in terms of financial cost.

In contrast with the many tranches existing in transactions carried out in previous years, the financing structure of the European LBOs carried out up to September 2009 has been made up in 76.5% of the cases, according to S&P, of senior debt exclusively. Of the sixteen operations carried out so far this year, only 23.5% have included a combination of senior and mezzanine debt.

Debt price increase and stricter financing conditions: Prices of operations have increased, given that the average spread of tranche A of the senior debt during 2009 has attained EURIBOR + 385.5 basis points, which means a significant increase with regard to the levels recorded for 2007 and 2008, with EURIBOR + 207.7 basis points and EURIBOR + 251.5 basis points respectively. In the case of Tranche B, the average price of the debt has attained EURIBOR + 452.8 basis points, 115.8 and 222.7 basis points higher than the average spread for 2008 and 2007 respectively. Finally, in the case of the mezzanine tranche, the average price of the debt has attained EURIBOR + 1,028 basis points, 50 basis points more than the average spread in 2008. Financing conditions have tightened given that, in contrast to the structure of underwriting company debt and syndicating out to other banking institutions as has been done in recent years, financing companies currently group together in club-deals. This type of structure requires, in contrast to the syndicates, that financial terms and conditions are agreed upon by all the companies before obtaining the funding. Some of the main trends in conditions set by financing companies, beyond the rise in debt price and leverage reduction, include funding on the basis of more conservative business plans and investment in more solid sectors that are less exposed to the economic cycle.

Reduction of the proportion of debt with regard to total funds contributed: Over recent years, the operations carried out have required debt contributions which, practically throughout the period 1999-2007, have remained, according to S&P, in a ratio of 2/3 of total funds contributed (the remaining percentage being capital contributions). The indicators provided by S&P for the first nine months of the year show how such contributions have reduced to 51.8% of total funds contributed. This is a significant reduction compared to the 57.9% contribution of debt with regard to total funds contributed in 2008 operations.

10. FINANCIAL RESOURCES

10.1 Information concerning the issuer's (short and long-term) financial resources

Up to the date of this Prospectus, DINAMIA's resource requirements have been covered by the equity contributed by the Company's shareholders and by the cash generated in the ordinary conduct of its activities. DINAMIA therefore has no bank financing whatsoever. The Company does not habitually tap into capital markets, and the last capital increase was held in 2005 and amounted to 44,887,500 Euros in cash, via the issue of 2,992,500 ordinary shares, accounting for 33% of the capital prior to the increase and 25% in the wake of the increase.

Below is a table showing the breakdown and performance of reimbursable funds in accordance with accounting standards at 30 June 2009 and 31 December 2008, 2007 and 2006:

	Figures in thousands of Euros				
	Share Capital	Issue premium	Reserves	Individual result	Total reimbursable funds
Balance at 31 December 2006	35,910	105,307	28,489	37,046	206,752
Balance at 31 December 2007 (1)	35,910	88,549	65,535	52,930	242,924
Balance at 31 December 2008	35,910	80,170	118,465	(35,802)	198,743
Balance at 30 June 2009	35,910	71,791	82,663	(9,130)	181,234

(1) There are no differences due to changes in accounting standards

As set forth in detail in section 20.7 below, in all years for which financial information is shown in this Prospectus, a dividend charged to the issue premium has been approved. Accordingly, the balance of this account has diminished considerably every year. The following table shows the dividends paid each year.

	Figures in thousands of Euros			
	2009 (2)	2008	2007 (1)	2006
Gross dividend	8,379	8,379	16,758	8,379

(1) In 2007 an extraordinary dividend of 0.70 per share was paid due to the divestment of General de Alquiler de Maquinaria and to celebrate the tenth anniversary of DINAMIA's listing on the stock market
(2) Figures through 30 June 2009

The table below shows DINAMIA's external financing:

	Figures in thousands of Euros			
	2009 (2)	**2008**	**2007 (1)**	**2006**
Non-current liabilities	14,384	13,495	12,750	10,590
Short-term liabilities	2,099	2,218	6,233	907

(1) There are no differences due to changes in accounting standards

(2) Figures through 30 June 2009

Notably, the amounts shown in the table above are not bank financial debt but deferred payments to suppliers.

In the case of Non-Current liabilities they include the projected success fee payable to the Management Company. (See section 20.1. Comments on the main Balance Sheet items – Non-Current liabilities).

As regards DINAMIA's short-term financing, it is worth noting that it usually comprises accounts payable as part of the ordinary conduct of its business to the Company's service providers, such as Management Company, auditors, lawyers, notaries and other advisors. This financing covers the period from when DINAMIA receives a service to when the corresponding invoice is paid.

10.2 <u>Explanation of the sources and amounts and narrative description of the issuer's cash flows</u>

DINAMIA's cash is considered to be comprised of the balances which the Company records on its sight deposit accounts and due to the temporary acquisition of assets (repos).

The main sources of cash are closely linked to financial income. The main source of cash inflows are the disposal of shareholdings, participation loans granted and interest accrued throughout a loan's lifetime. Notably, there is a timing difference between the accrual of interest performed throughout a loan's lifetime and the resulting cash flow when an investee is sold. To a lesser extent, there are entries that correspond to return on cash used in the temporary acquisition of financial assets. Although in the last few years there has not been income from dividends on shareholdings, such dividends have been recorded in previous years. At all events, there were no negative amounts under this heading.

Furthermore, the main cash outflows were due to investments undertaken, the payment of fees to the Management Company and other service providers and the payment of dividends to shareholders. To be precise, the higher volume of investment in 2008 and the lower volume of divestments in that year resulted in a contraction of available liquid assets with respect to the year 2007. The summary below (see full table in section 20.1) shows how cash flows have performed in this connection. 2009 includes only the first nine months.

Figures in thousands of Euros

	2009(1)	2008	2007	2006
Liquid assets at start of year	**44,546**	**91,955**	**98,088**	**52,499**
Cash outflows for investments	(1,008)	(87,008)	(71,650)	(25,643)
Cash inflows from divestments	13,976	55,662	84,221	88,010
Payments to suppliers	(4,354)	(9,930)	(13,597)	(11,366)
Collections from accounts receivable	18	474	7,605	1,403
Other cash outflows linked to operations	(420)	0	(50)	(51)
Finance income	281	1,772	4,096	1,615
Dividend payment	(8,379)	(8,379)	(16,758)	(8,379)
Liquid assets at close of year	**44,661**	**44,546**	**91,955**	**98,088**

(1) Through 30 September 2009

The amount recorded as payments to suppliers includes the payment of success fees to the Management Company, which as we have already mentioned are variable and non-recurring. In 2009 there have been no payments under this heading, so cash outflows in this connection are much lower than in the other years included in the table. The minimum amount of payments to suppliers maintaining the Company's level of activity and not undertaking any new investments is broken down under heading 5.2.3.

The following table shows the performance of working capital in the last three complete financial years and the first three quarters of 2009:

	Figures in thousands of Euros			
	2009(1)	**2008**	**2007 (2)**	**2006**
Receivables	2,022	1,583	3,351	7,320
Cash and cash equivalents	44,661	44,546	91,955	98,088
Accruals	21	21	81	36
Accounts payable	(1,734)	(2,218)	(6,233)	(907)
Working capital	**44,970**	**43,932**	**89,154**	**104,537**

(1) Through 30 September 2009

(2) There are no differences due to changes in accounting standards

There follows a table showing the performance of cash in the last three complete financial years and the first three quarters of 2009:

	Figures in thousands of Euros			
	2009(1)	**2008**	**2007 (2)**	**2006**
Repos	35,000	22,502	73,000	89,375
Cash	9,661	22,044	18,955	8,713
Total liquidity	**44,661**	**44,546**	**91,955**	**98,088**

(1) Through 30 September 2009

(2) There are no differences due to changes in accounting standards

10.3 Information concerning the conditions of loans and the financing structure of the issuer

DINAMIA's general policy is to use the cash generated by its business to undertake new investments. For this purpose, it must achieve a balance in portfolio rotation, so that divestments generate liquidity in order to undertake new investment projects.

During the period covered by the historical financial information and at present, the Company has had and presently has no external financing in order to conduct its normal business. The Company's policy in this connection is conservative in view of the low degree of visibility on future cash income and its non-recurring nature. Furthermore, as regards the financing structure at DINAMIA, it is worth noting that since 2005, when DINAMIA performed its last rights issue, and until the date of Registering this Prospectus, the Company has not tapped into capital markets as a source of financing.

Nevertheless, DINAMIA has granted financing to some investees, with the following repayment schedule:

Figures in thousands of Euros	Year of maturity					
	2009	**2010**	**2011**	**2012**	**Subsequent Years**	**Total**
Loans to investee companies	0	7,264	0	20,697	62,420	90,381
Interest on loans to investee companies	0	3,271	0	20,177	139,921	163,369
Total	0	10,535	0	40,874	202,341	253,750

The information in the above table includes loans granted through 31 December 2008. However, as commented in section 6.1 above of the Registration Document, should a loan mature prior to divestment, the loan would be renewed in the amount of the principal plus interest accrued to date, since the philosophy behind said loans means that they are only called when DINAMIA disposes of the investee.

As regards interest on participating loans, as well as the fixed remuneration component, there is a variable component which is added in the event that any variable (generally EBITDA or operating earnings at the investee) is higher than a specific percentage of total sales. At the time of registering this Prospectus, these conditions had not been fulfilled at any of the investees.

10.4 Information concerning any restriction on the use of capital resources which, directly or indirectly, has had or may have a material impact on the issuer's operations

There are no restrictions on the use of capital resources which, directly or indirectly, have had or may have a material impact on DINAMIA's operations.

Notwithstanding the above, as part of the normal conduct of its business, the Company holds part of its cash deposited in accounts with certain restrictions (escrow accounts) deriving from investment or divestment operations, as deferred prices or to respond in the event of possible hidden defects. These restrictions totalled 2.904 billion Euros at 30 June 2009.

10.5 Information concerning the projected sources of funds necessary to meet the commitments mentioned in 5.2.3. and 8.1.

As mentioned previously in section 3 of the Note on Shares of this Prospectus, DINAMIA, in accordance with cash presently available (around 45 million Euros at 30 September 2009), as well as projected minimum annual cash consumption (6 million Euros, not including success fees or dividends) for 2010, would close the period with an estimated 38.3 million Euros in cash. Accordingly, in the specific case of 2010, the

Company, in line with its cash projections, could both (i) undertake an investment and (ii) maintain its dividend policy of the last few years, should the Board of Directors and the General Shareholders Meeting so decide.

Nevertheless, if (i) the pace of investment increases in 2010, (ii) investment continues in 2011, (iii) the dividend policy remains in place in the next few years (2010-2011) and (iv) there are no divestments providing liquidity to finance new investments and/or dividend payments, DINAMIA would need additional funds.

Accordingly, in the event that the capital increase discussed herein is 100% subscribed, DINAMIA, in line with its estimates for 2010 (described in 3.4 of the Note on Shares), could (i) undertake the investment projected for each of the periods and (ii) maintain its dividend policy, if the Board and the Shareholders Meeting so decide. However, in the event that the capital increase were only 50% subscribed, DINAMIA would not be able to maintain the pace of investment together with the dividend payments, and the Board would have to choose between them, as applicable.

11. RESEARCH AND DEVELOPMENT, PATENTS AND LICENCES

DINAMIA has not carried out any activity relating to Research and Development during the period covered by this financial information.

12. INFORMATION ON TRENDS

12.1 Most significant recent trends of production, sales and inventory and costs and prices since the end of the financial year until the date of the registration of the document

The Society is not aware of any significant trend affecting its activity which has occurred since the end of the previous financial year up to the date of the registration of this Report, other than that mentioned previously in Point 6.2 regarding the development in investment categories in the venture capital sector.

12.2 Information concerning any known trend, uncertainties, claims, obligations or matters that could, within reason, have a significant effect on the market prospects of the issuer, for at least this financial year

The activity of venture capital has experienced strong growth followed by a deceleration in its activity in recent years. It has been significantly affected by the economic crisis which began at the end of 2007 which specifically affected the volume of committed funds and transactions that were already completed as discussed previously in Point 6.2.

The world economic crisis, and particularly that of Spain, has significantly affected some of DINAMIA'S portfolio companies. This has resulted in the Management reducing its appraisal to zero, in accordance with the appraisal criteria of the EVCA [European private equity and Venture Capital Association] and making the opportune provisions allocation. This has had a special impact on the profit and loss account.

Also, decline in economic activity and the market outlook have generally affected the entire venture capital sector, reducing the volume of transactions carried out due to the following factors, amongst others:

(i) **The restriction of external finance** which the present crisis has caused and which has reduced the investment capacity of venture capital entities. This in turn has reduced the value that these entities have been able to offer sellers, as is mentioned in Point 9.2.3 of the Registration Document. As was specified in the market trends analysis in Point 6.2 of the Registration Document, it has been highly leveraged transactions which have been the market segment most affected by the credit crisis.

However, the middle-market segment in which DINAMIA operates has shown less exposure to this factor due to a greater flexibility in the applied finance structures. Evidence of this is that there was a sharp fall in highly leveraged transactions of over 100 million Euros which in 2007 made up approximately 50% of transaction in Spain, in comparison with the 37% that the middle-market transactions, (10-100 million Euros), the market in which DINAMIA operates. In 2008 even though these transactions suffered a fall in volume in absolute terms, they have increased 44.4% in market shares in the first six-month period of 2009, according to ASCRI and Webcapitalriesgo.

(ii) **Discrepancies in issues of valuation between sellers and buyers.** Sellers, based on the historical evolution of business in the past, wanted valuations that were usually higher than those which the buyers were able to offer, as the latter based valuations on recent developments in business and the current market situation. As is specifically described in point 6.2 of the Registration document, in the first six months of 2009, the volume of investment was 46% lower compared with that of the same period in 2008.

(iii) **Lack of vision concerning business plans** and financial projections by portfolio companies, which was a result of the present-day uncertainty of the market and of worse results from companies, generated uncertainty in the Cash Flow of companies and, as a consequence, the ability of buyers to offer a more attractive price. Evidence of this is observed transactions that have been carried out recently, which are becoming more defensive and more anti-cyclical. As described in Point 6.2 of the Registration Document, transactions carried out in 2009 have been in defensive sectors, cash generators, of a concessional nature or with governmental guarantees: specifically, Medicine/Health (30.1%), Consumer Products (20.6%), Energy and Natural Resources (8.6%).

However, certain trends and changes in the factors previously mentioned have been observed. According to the reports published periodically by the International Money Fund (“**IMF”**), a gradual global recovery is forecast for 2010 and also to a lesser degree for the Spanish economy. This recovery will depend on maintaining efforts to re-establish a healthy financial sector and more expansive fiscal and monetary policies continuing to be implemented. Therefore, although on a national level a moderation in decrease in 2010 before an economic increase beginning in 2011 is forecast, it is expected that as of now and especially throughout the next two years, investment opportunities in DINAMIA will be generated from the aforesaid recovery and from the foreseeable evolution in buying multiples. These multiples are at the moment more attractive than in their historic values, especially in the middle-market sector. The materialisation of these investment opportunities depends upon the availability of financing. The main trends which will show the aforementioned evolution taking place will be:

(i) **Flexible structures:** regarding structures applied by venture capital entities, greater flexibility in the pure financial leverage which is beginning to take place, points to a greater materialisation of transactions in the coming months. Some of the more common structures for dealing with credit limitations are the ‘*vendor-loan’* or financing of seller, a calendar of payments based on the agreed price and the *‘earn-out’* where conditions or goals are set to increase the payment made at the time of buying.

However, regarding bank debt, caused by the multiple measures applied by government and world central banks, banking institutions have progressively increased the availability of finance although with larger fee and margins, lower figures per transaction and in the more defensive sectors, as described in Point 9.2.3 of the Registration Document.

(ii) **Rationalization of valuations:** progressively, seller and buyer valuations are in the process of becoming closer to each other, which in most cases is due to the need for liquidity for the sellers. Valuations which are adjusted to the market reality show that in the following months investments can be made at valuations which are attractive to the investor. Investment analysis, undertaken by a market expert, carried out by venture capital entities at different times of the economic cycle confirm that, historically, investments carried out in times of crisis have had greater benefits than those carried out at times of economic growth.

(iii) **Stabilization of the operative level:** After some months of adjustment, and although it still cannot be confirmed that the Spanish economy is at a turning point, the forecasts of the Bank of Spain show that in 2010 the most acute phase of adjustment will have passed and it is forecast that the second half of the next financial year the GDP will stabilize and even that it will begin to grow again although at a very modest pace. Spanish demand will still show negative figures, although these will be more moderate. As a consequence, stabilization in the majority of markets involving portfolio companies is expected, which gives a better vision of results and projected business plans and consequently this is expected to lead to a reduction in the difference in buyers and sellers' valuations.

13. PROFIT FORECASTS AND ESTIMATES

DINAMIA has chosen to not include any forecast or estimate regarding profits

13.1 Statement which outlines the principal factors on which the issuer has based its forecast or estimate

Not Applicable

13.2 An independent accountant or auditor's report to be included, declaring that, in their opinion, the forecast or estimate has been correctly calculated on the declared basis and that the accounting groundwork used for the forecast or estimation of the profit is consistent with the accountancy policies of the issuer.

Not Applicable

13.3 The profits forecast or estimate must be prepared using a basis comparable with information in the financial historical information.

Not Applicable

13.4 If the issuer has published a profit forecast in a document for a future date, it must also provide a declaration effectively stating if this forecast continues to be as correct as it was at the time of the registration of the document, or explain why the forecast is no longer valid, if necessary.

Not Applicable

14. BOARD, MANAGEMENT AND SUPERVISORY BODIES, AND COMPANY EXECUTIVES

14.1 Name, Business Address and office held by the following persons in the Issuing Company, indicating the main activities that they are carrying out, independently of the latter, if those activities are of any significance with respect to the Issuing Company:

a) Members of the board, management and supervisory bodies;

a.1) Members of the board and supervisory bodies:

The Directors of DINAMIA are organised as a Board of Directors. During 2008, the Board of Directors of the Company held six meetings and during 2009, up until the date of registering this Memorandum, a further seven meetings have been held.

The Board of Directors of the Company is made up by the number of Directors that is set by the General Meeting within the limits established in the Bylaws. The General Meeting held on 4 June 2009 set the number of members of the Board of Directors of DINAMIA at nine (9). At the present moment, the Secretary of the Board of Directors is not a Director.

The members of the Board of Directors of the Company at the time of registering this Memorandum, and their offices within the Board itself, the nature of those offices and their Business Addresses, are listed below:

Members of the Board of Directors	Office	Type of Director	Age of the Directors (in years)	Business Address
Mr. Santiago Bergareche Busquet	Chairman	Independent	64	Serrano, 32-3º E 28001 Madrid
Mr. José Fernando Sánchez-Junco Mans	Vice-Chairman	Independent	62	Avenida del Partenón, 16-5ª Planta Campo de las Naciones Madrid
Mr. Juan Domingo Ortega Martínez	Member	Independent	59	María of Molina, 54 9º, 28006 Madrid
Mr. Alfred Merton Vinton[1]	Member	Other External Directors	61	Paternoster House, 65 St Paul's Churchyard, London, EC4M 8AB
Mr. Juan Arena de la Mora	Member	Independent		Padilla 17, 28006 Madrid
Mr. Emilio de Carvajal Ballester	Member	Propietary		Padilla 17, 28006 Madrid
Mr. Joaquín García-Quiros Rodríguez	Member	Propietary		Serrano 6, 28001 Madrid
Mr. Ricardo Portabella Peralta	Member	Propietary	49	Rue du Cure, 40, Luxemburgo
Agrupacio Mutua del Comerci de la Industria, Mutua D'assegurances i Reassegurances .P.F.	Member	Propietary	NA	Gran Vía de les Corts Catalanes, 621 (Barcelona)
Mr. Luis de Carlos Bertrán	Non-executive Secretary	-	49	Príncipe de Vergara, 187 28002 Madrid

[1] Mr. Alfred Merton Vinton in the past represented Electra Private Equity Partners 1995 (major shareholder of DINAMIA) on the Board of Directors of DINAMIA and was therefore a proprietary Director. However, in June 2007 and after disassociating himself from Electra Private Equity Partners 1995, the General Shareholders Meeting of DINAMIA held on 28 June 2007 at the proposal of the Board of Directors of the Company, approved reclassifying Mr. Vinton as another external Director. The relationship of Mr. Vinton with the Electra Group, is at present limited to the following:

- Mr. Vinton is Director of a Brazilian subsidiary of the Electra Group and of a company with English shareholders in which he has been appointed by Electra Partners LLP as their representative on the board.
- Since October of 2009, Mr. Vinton has been an external consultant and advisor for Electra Partners LLP in relation to their investments in various companies with shareholdings in England, Spain and Latin America (including DINAMIA) but not, however, having any power to make decisions nor to form part of any decision-making committee or body of Electra Partners, LLP.

The relationship of Mr. Vinton with the N+1 Group is currently as follows:

- He is a Director of Nmas1 Private Equity International. Ltd;

- He is a Director, representing certain shareholders unassociated with N+1, of the Irish fund, EQMC EUROPE DEVELOPMENT CAPITAL, whose asset-management company is Nmas1 Gestión SGIIC, S.A.

The members of the Auditing Committee are as follows

Members of the Auditing Committee and Appointments	Office	Business Address
Mr. Juan Arena de la Mora	Chairman (in 2009)	Padilla 17, 28006 Madrid
Mr. José Fernando Sánchez-Junco Mans	Member	Av. del Partenon, 16 - 5ª planta Campo de las Naciones Madrid
Mr. Juan Domingo Ortega Martínez	Member	María de Molina, 54 9º, 28006 Madrid
Mr. Joaquín García-Quirós Rodríguez	Member[1]	Serrano 6, 28001 Madrid
Mr. Luis de Carlos Bertrán	Non-executive Secretary	Príncipe de Vergara, 187 (Madrid)

[1] Mr.García-Quirós was appointed by the Board of Directors held on 17 November 2009.

- Mr. Santiago Bergareche Busquet, Chairman of the Board of Directors of the Company, exercises no executive duties in the Company. Mr. Bergareche also performs the following activities, independently of his duties in the Company which are relevant to the business of the latter:

- Chairman of the Compañía Española de Petróleos, S.A. (CEPSA)
- Vice-Chairman and member of the Executive Committee and the Committee for Appointments and Remuneration of the Ferrovial Group.
- Natural person representing Bycomels Prensa, S.L., Director and member of the steering committee of Vocento, S.A.
- Director of Gamesa Corporación Tecnológica, S.A.
- Director of MaxamCorp. Holding, S.L.

- Mr. José Fernando Sánchez-Junco Mans, Vice-Chairman of the Board of Directors of the Company, exercises no executive duties in the Company. Mr. Sanchez-Junco also performs the following activities, independently of his duties in the Company which are relevant to the business of the latter:

  - Chairman and Managing Director of MaxamCorp. Holding, S.L. Maxam is an industrial and services group that operates internationally, a leader in the development, manufacture and marketing of civil explosives and ignition systems for mining, quarries and infrastructure; cartridges and gunpowder for sport and game hunting; and products for the defence industry.

  - Director and Chairman of the Auditing Committee of CINTRA, Concesiones de Infraestructuras de Transporte, S.A.

  - After the merger between CINTRA Concesiones de Infraestructuras de Transporte, S.A. and the Ferrovial Group, which is currently in process, Mr. José Fernando Sánchez-Junco Mans will become a Director of the Ferrovial Group.

- Mr. Juan Domingo Ortega Martínez, member of the Board of Directors of the Company, exercises no executive duties in the Company. Mr. Ortega also performs the following activities, independently of his duties in the Company which are relevant to the business of the latter:

  - CEO of the Forlasa Group. The Forlasa Group is involved in different sectors, such as the food sector (dairy products), energy and renewable energy, and real estate.

  - CEO of the Renovalia Energy Group.

  - Directors of Ebro Puleva, S.A.

  - Chairman of Ortemar Capital SCR de Régimen Simplificado S.A.

- Mr. Alfred Merton Vinton, member of the Board of Directors of the Company, exercises no executive duties in the Company. Mr. Vinton also performs the following activities, independently of his duties in the Company which are relevant to the business of the latter:

  - Director of Nmás1 Private Equity International Ltd, the company that acts as general partner of N+1 PEF I.

- Director of Hochschild Mining, plc, a mining company listed on the London Stock Exchange.

- Director of GP Investments Ltd, a company operating in the venture capital sector.

• Mr. Juan Arena de la Mora member of the Board of Directors of the Company, exercises no executive duties in the Company. Mr. Arena also performs the following activities, independently of his duties in the Company which are relevant to the business of the latter:

  - Director of the Ferrovial Group.

  - Director of Laboratorios Almirall, S.A.

  - Director of Everis Spain, S.L.

  - Director of Sol Meliá, S.A.

• Mr. Emilio de Carvajal Ballester, member of the Board of Directors of the Company, exercises no executive duties in the Company. Mr. de Carvajal also performs the following activities, independently of his duties in the Company which are relevant to the business of the latter:

  - Sole Director of Afisar Marketing, S.L.

  - Chairman of the Board and CEO of Global Helping Group, S.L.

• Mr. Ricardo Portabella Peralta, member of the Board of Directors of the Company, exercises no executive duties in the Company. Mr. Portabella also performs the following activities, independently of his duties in the Company which are relevant to the business of the latter:

  - CEO of Ventos, S.A., a Luxemburg holding company that invests in listed or unlisted companies in Europe, North America and Asia.

  - Director of the Danone Group.

  - Director of Anpora Patrimonio, a company operating in the purchase, subscribing, exchange and sale of national and foreign stocks and shares, on its own behalf and without any intermediaries.

  - Director of Guineu Inversió S.A.

- Agrupacio Mutua del Comerç i la Industria, Mutua D'assegurances i Reassegurances P.F, member of the Board of Directors of the Company, exercises no executive duties in the Company.

  - Agrupacio Mutua del Comerç i la Industria, Mutua D'assegurances i Reassegurances P.F is Vice Chairman of AMCI Habitat, S.A.

  Mr. Miguel Navas Moreno, was the natural person representing Agrupacio Mutua del Comerç i la Industria, Mutua D'assegurances i Reassegurances P.F. on the Board of DINAMIA, until 29 October 2009, when he presented his resignation. The director Agrupacio Mutua del Comerç i la Industria, Mutua D'assegurances i Reassegurances P.F. has yet to appoint a new representative at the time of registering this Memorandum.

- Mr. Joaquín García-Quiros Rodríguez, member of the Board of Directors of the Company, exercises no executive duties in the Company. Mr. García-Quiros also performs the following activities, independently of his duties in the Company which are relevant to the business of the latter:

  - Director of Saarema Inversiones, S.A., a security holding company.

  - Representative of Saarema Inversiones, S.A. on the Board of OHL.

There is no executive management of the Company as the management and administration of its assets have been delegated to a management company.

<u>Nature of any family relationship between the members of the board and supervisory bodies of the Company, and between these and the management company:</u>

There is no family relationship between the members the board and supervisory bodies of the Company, or between these and the management company.

<u>Information regarding the qualifications and experience of the members of the board and supervisory bodies of the Company that are relevant to the performing of their duties:</u>

- Mr. Santiago Bergareche Busquet, is a graduate of Economic Sciences and Law from the Deusto University in Bilbao. He is currently Chairman of the Board of Directors of the Compañía Española odePetróleos, S.A. (CEPSA). Mr.Bergareche is also Vice Chairman of the Ferrovial Group. He entered that group as Chairman of Agromán. In 1999 he was appointed as CEO of the Ferrovial Group, and occupied this office until January of 2002, when he was appointed Vice Chairman of the Board of Directors. Mr. Bergareche is also a member of the Executive Committee and the Committee for Appointments and Remuneration of that group. Furthermore, Mr. Bergareche is the natural person representing Bycomels Prensa, S.L. performing the duties of director and member of the Steering Committee of Vocento (Spanish Newspaper Group) and is Director of Gamesa Corporación Tecnológica, S.A. In the past he was General Manager and member of the Management Committee of the Banco Bilbao Vizcaya and Chairman of the real estate company, Metrovacesa.

- Mr. José Fernando Sánchez-Junco Mans, is an Industrial Engineer, a member of the ISMP from Harvard Business School. He is currently Chairman and Director General of the Maxam Group (formerly the Spanish Union of Explosives). He has also been independent external director since 2004 of Cintra Concesiones de Infraestructuras de Transporte, S.A. and Chairman of its Auditing Committee. In the past he was Director General of the Iron and Steel Industry and the Shipping Industry and Director General of Industry for the Ministry of Industry and Energy,

- Mr. Juan Domingo Ortega Martínez, has been CEO of the Forlasa Group since 1983. The Forlasa Group operates in various sectors such as the food and drink industry, energy and renewable energy, and real estate. He is also CEO of the Renovalia Energy Group, which operates in the promotion, development, operating and sale of electricity generated by renewable energy sources, essentially through wind power and solar power, and also mini-hydraulics. He is a director of Ebro Puleva, S.A. and Chairman of Ortemar Capital SCR de Régimen Simplificado, S.A.

- Mr. Alfred Merton Vinton has been working professionally with JP Morgan occupying positions such as Vice Chairman and Managing Director of the London branch of JP Morgan; in the Company NM Rothschild & Sons, Ltd. as Managing Director and in the Bemberg Group as CEO. Also, Mr. Alfred Merton Vinton was Chairman of the Company EP Private Equity Ltd (previously named Electra Partners Limited) from 1995 to August of 2009, this company, until 2007, being associated with Electra Private Equity Partners 1995 (major shareholder of DINAMIA), which is controlled by Electra Partners LLP (management company of Electra Private Equity Partners 1995). At present, Mr. Vinton, apart from being a director of Nmas1 Private Equity International Limited, is a General Partner of N+1 PEF I. He is also a member of the Board of Directors of GP Investments Limited, of Hochschild Mining, PLC and of various fund management companies.

- Mr. Juan Arena de la Mora holds a doctorate in Electro-Mechanical Engineering from the ICAI University, a degree in Business Administration from the ICADE, a diploma in Tax Studies, a degree in Progressive Child Psychology and a degree in AMP from Harvard Business School. In 1970 he joined Bankinter, holding the position of Assistant General Director, Director of the International Division, General Manager and CEO, until being appointed, in 2002, as Chairman of the Bank. He is currently a Director of the Ferrovial Group, of Laboratorios Almirall, S.A. and of Everis (Chairman of the Committee of Appointments and Remuneration and Member of the Auditing Committee of Everis), Chairman of the Enterprise and Society Foundation, Chairman of the Professional Board of ESADE, member of the Board of Directors of the Harvard Club Spain and member of the European Advisory Board of the Harvard Business School.

- Mr. Emilio de Carvajal y Ballester is a graduate in Business Administration from the ICAI and holds a Master in Sales and Marketing Management. He has built his professional career in Canon España e Iberica de Reprografia, S.A., in addition to being a founder of various companies in the services sector.

- Mr. Ricardo Portabella Peralta, Mr. Portabella is a law graduate from Barcelona University. He holds an MBA from ESADE Barcelona. Mr. Portabella has served on the boards of several companies, including Banque Degroof, Private Bank and Suma Capital, which he chaired in 2005. Currently Ricardo Portabella is chief executive of Ventos, a securities company listed in Luxembourg and on Alternext. He is also a board member of Danone, S.A. and chairs the board of Anpora Patrimonio.

- Mr. Joaquín García-Quirós Rodríguez is a graduate in Industrial Engineering from Cornell University and has an MBA from the IESE. He began his professional career at Alcatel as an industrial engineer, later joining the Banco de Crédito Oficial as Investment Manager. Mr. García-Quirós joined Grupo Cortefiel as Director in 1985 where he served as board secretary in 2005. Today, Mr. García-Quirós acts as the natural person representing Saarema Inversiones, S.A. on the board of OHL and is also a Director of Saarema Inversiones, S.A.

Companies and associations in which the members of the board and supervisory bodies of the Company are currently, or have been at any time during the five years previous to the registering of this Memorandum, members of the board, management or supervisory bodies, or partners.

Only those companies are listed in which the Directors are partners with a significant shareholding.

- Mr. Santiago Bergareche has, in the past five years, been a member of the Board of Directors of the Ferrovial Group, Vocento, DINAMIA and the Maxam Group.

- Mr. José Fernando Sánchez-Junco has in the past five years been a member of the Board of the following companies:

  - DEFEX, S.A., an industrial machinery and equipment wholesaler, exporting defence materials

  - Cintra Concesiones e Infraestructuras de Transporte, S.A.

  - MAXAMCorp Holding, S.L., involved in the manufacture, sale and distribution of civil explosives for mining and public works; cartridges for game hunting and sports, and products for the defence industry

  - He has been a partner of MaxamCorp Holding, S.L.

- Mr. Juan Domingo Ortega Martínez in the past five years has been a member of the Board of Directors of Forlasa, Ebro Puleva and of DINAMIA and a partner in the Forlasa Group and in the Renovalia Energy Group.

- Mr. Alfred Merton Vinton in the past five years has been a member of the Board of Directors of the following companies:

  - Electra Partners Private Equity Ltd (previously Electra Partners Limited) operating in fund- private equity management.

  - Unipark Ltd (UGC Group of companies) rendering logistic services

  - Lambert Howarth Group PLC, distributor of footwear

  - Emergent Asset Management Ltd operating in fund management in emerging countries

- Pactual Electra Capital Partners

- Sand Aire Investment Management Ltd (currently operating as Applerigg Ltd) involved in family fund management

- Patagonia Recovery Fund Ltd, investment fund in Argentina

- Amerindo Internet Fund PLC, an investment fund in companies offering Internet services in Europe

- EQMC European Development Capital Fund- that invests in small companies listed in Europe

- MBA Multistrategy fund - investing in Argentina

- MBA Latin American Opportunity fund - investing in Latin America

- Hochschild Mining, PLC, a mining company

* Mr. Juan Arena de la Mora in the past five years has been a member of the Board of Directors of Bankinter, Laboratorios Almirall, Grupo Ferrovial, Everis, Sol Meliá and Unience.

* Mr. Emilio Carvajal y Ballester in the past five years has been member of the Board of Directors and partner of Sodecar, S.A., Afiscar Marketing, S.L. and Global Helping Group, S.L.

* Mr. Ricardo Portabella Peralta in the past five years has been member of the Board of Directors of Ventos, S.A. (Luxemburg holding company), Danone, Anpora Patrimonio, Suma Capital, and Bearbull Degroof Suisse SA Banque Privée (Suisse) and partner in Ventos, S.A., and through Ventos, S.A., in Turenne Investissement and Deutsche Beteiligung, both venture capital companies.

* Joaquín García-Quirós Rodríguez in the past five years has been member of the Board of Directors of Saarema Inversiones, S.A.

<u>Other declarations concerning the members of the board and supervisory bodies of the Company.</u>

- According to the information provided by the members of the administrative bodies of the Company, it is recorded that none them (i) has been sentenced in relation to any crime of fraud at least during the past five years (ii) is connected to any bankruptcy, temporary receivership or winding up of any business company in which he holds a seat on the Board of Directors or occupies any executive office at least during the past five years, nor (iii) has been publicly or officially charged and/or penalised by any of the legal or regulatory authorities (including the designated official bodies) or disqualified by any court for his activity as a member of the board, management or supervisory bodies of the Issuing Company, at least during the past five years.

a.2) Members of the management body of DINAMIA.

Name, Business Address and office held by the Management in the Issuing Company and principal activities carried out by them independently of the latter, if those activities are of any significance to the latter.

Article 20 of the Bylaws of DINAMIA sets out that "*the management of the Company's assets shall be carried out by a Private Equity Management Company with which the corresponding management contract will be signed*". To that effect, DINAMIA and the Management Company signed a management contract on 24 November 1997, pursuant to which the management and administration of DINAMIA's assets is entrusted to a Management Company, and which was replaced by the new management contract signed between DINAMIA and the Management Company by virtue of the resolution adopted on 29 June 2000 (hereinafter referred to as **"the Management Contract"**), subsequently modified on 29 June 2000, 24 May 2001, 5 May 2004, 19 December 2006 and lastly on 20 May 2008, in order to update the limitations and restrictions of the powers of the Management Company whilst performing the management and administration of the Company.

Consequently, from that date, the management of the Company's assets has been carried out by the Management Company. DINAMIA has no kind of management staff or of any other kind for handling the duties of administration and management, which are performed by the Management Company itself.

The Management Company was incorporated on 11 July 1995 as a Private Equity Management Company under the name of "A.B. CAPITAL DESARROLLO, SOCIEDAD GESTORA DE FONDOS DE CAPITAL RIESGO, S.A.", and is registered in the Special Administrative Register for Private Equity Management Companies as number 7.

On the 14th October 1997 it was decided to extend the corporate object of the Management Company to include the management of all kind of Private Equity

Companies, and not being limited exclusively to the management of Private Equity Funds.

The Management Company changed its name to that of "A.B. ASESORES ELECTRA CAPITAL PRIVADO SOCIEDAD GESTORA DE ENTIDADES DE CAPITAL RIESGO S.A.", subsequently to "N MÁS UNO ELECTRA CAPITAL PRIVADO, S.G.E.C.R., S.A." (in 2001), and finally to its current name, "NMÁS1 CAPITAL PRIVADO S.G.E.C.R., S.A." (in 2003).

The Management Company adapted its Articles of Incorporation to the provisions of Act nº 25/2005, dated 24 November, that regulates Private Equity companies and their management companies, under the deed dated 30 July 2007.

The share capital of the Management Company, at the time of registering this Memorandum, stands at the figure of 300,506.05 Euros, belonging entirely to N Más Uno IBG, S.A, parent company of the N+1 Group. 25.82% of the capital of N Más Uno IBG, S.A. in turn belongs to Certimab Control, S.L., 17.21% belongs to Dirervalor, S.A., 17.21% belongs to AV Málaga Capital, S.L., 17.21%, to Tasmania Gestión, S.L. and 21.72% belongs to executive partners of the company. The remaining 0.83% of the share capital of N Más Uno IBG, S.A. is in treasury stock.

At the present moment, the Management Company has been entrusted with the exclusive management of the assets of DINAMIA (meaning that the Management Company is the only manager handling the assets of DINAMIA) and of the Private Equity companies that make up N+1 PEF II, which co-invest with DINAMIA following the provisions of section 5.1.5 and 6.4 of the Registration Document.

Notwithstanding the above, the Management Company may manage and administer the assets of any other company or Private Equity fund as it is not obliged to render its services to the Company on an exclusive basis, although at the time of Registering this Memorandum, it is solely managing the assets of DINAMIA and N+1 PEF II. The Management Company does not manage any other Private Equity company managed by companies forming part of the N+1 Group.

The Management Company is registered in the Special Administrative Register for Private Equity Management Companies of the CNMV as number 7.

The Management Company, as has been indicated above, has been commissioned to handle the management and administration of the Company's assets and, to do so, is empowered to manage and administer, in the name and on behalf of the Company, the whole of the Company's assets and to perform any acts that are necessary for carrying out their task, with the limitations that are set out below.

In addition to the legal restrictions imposed by current legislation applicable to the Company at any given moment, the powers of the Management Company are limited by the restrictions imposed by the Company, and by DINAMIA's investment policy, as set out in the Management Contract, in the following terms:

I Limitations to the powers of the Management Company imposed by the Management Contract:

The Management Company may not, on behalf and for the account of the Company, carry out any of the following actions:

(i) Any agreements that will put DINAMIA into debt with third parties that are not accompanied by a document issued by DINAMIA indicating its approval of such debt.

(ii) Investment transactions considered individually, in one single company, or in companies belonging to the same group of companies, where the total cost of the investments exceeds the greater of the two limits as set out below:

- THIRTY MILLION EUROS (€30,000,000).

- Fifteen per cent (15%) of the last Asset Value of DINAMIA, at the time of making the investment, as this concept is defined in the Management Contract. According to the Management Contract, as stated in section 6.4 above of this Memorandum, the Asset Value of DINAMIA at any given moment is that established in the last six-monthly Valuation Report.

- In those cases where, due to involving investments exceeding the sum of THIRTY MILLION EUROS (€30,000.000), the limit to be taken is the mentioned 15% of the Asset Value of DINAMIA, a document must be provided by Nmás1 Capital Privado SGECR, S.A. stating that the purchase does not involve an excess of the referred percentage of the Asset Value of DINAMIA.

  For the purposes of this section, "group of companies" is deemed to be the concept defined in article 4 of the Securities Market Act 24/1998, dated 28 July.

(iii) The granting of tangible security, regardless of the amount, unless the following requisites are met in full:

- That the tangible security is set up in relation with the financing given either to DINAMIA, or to the vehicles utilised by the latter to carry out any investment in a company in which it has a shareholding, or a company in which a shareholding is taken by investment, or in any subsidiary of the latter.

- That the financing operation being guaranteed is related either to an investment transaction of DINAMIA, or its investment vehicle, in an investee company.

- That the tangible security is set up on the whole or part of the shares or stakes into which the share capital of DINAMIA is divided (as found in the treasury stock) and/or on the cash deposits of the latter, or on the whole or part of the shares or stakes of the investee company, the purchase or business of which was the subject of the financing operation of reference, or on the whole or part of the shares or stakes into which the share capital of the vehicle used for making the invest is divided.

(iv) The granting of personal security, unless the following requisites are met in full:

- That the main obligation guaranteed is an obligation of the vehicles used by DINAMIA to make an investment in an investee company, either of the investee company itself in which the investment is being made, or of any subsidiary of the latter.

- That the main obligation guaranteed is related either with an investment operation by DINAMIA or by its investment vehicle, in an investee company.

- That the amount of the personal security, together with the amount of the investments made or for which a commitment has been given, up until the same date in the company whose main obligation is being guaranteed, does not exceed the greater of the two following cases:

    - Thirty million Euros (€30,000,000.00).

- Fifteen per cent (15%) of the last Asset Value of DINAMIA, at the time of making the investment, as this concept is defined in the Management Contract.

In those cases where, due to involving investments exceeding the sum of THIRTY MILLION EUROS (€30,000.000.00), the limit to be taken is the mentioned 15% of the Asset Value of DINAMIA, a document must be provided by Nmás1 Capital Privado SGECR, S.A. stating that the purchase does not involve an excess of the referred percentage of the Asset Value of DINAMIA.

(v) The granting of credit or loans by DINAMIA regardless of the amount; an exception to the above is the granting by DINAMIA of participative or convertible loans and subordinated financing to any of the companies in which it has a shareholding.

(vi) The transfer of DINAMIA's stakes in unlisted companies if it is not accompanied by a document issued by Nmás1 Capital Privado SGECR, S.A. stating that the transfer has not been made for a consideration that is less than the value of that stake in the Asset Value of DINAMIA.

II Limitations established by the investment policy of DINAMIA:

The Management Contract sets out the guidelines established by the Company to the Management Company regarding its investment policy, which are summarized as follows:

i. Investments made by the Company must be made mainly in unlisted Spanish companies belonging to one of the following groups:

   a. Companies with a growth potential that permits expectations of a substantial increase in value;

   b. Companies with potential operative or financial restructuring;

   c. Family companies in which the generational changeover would advise the incorporation of new partners and/or new managers;

   d. Privatisation processes of public companies in which the participation of financial partners would be advisable;

   e. Non-strategic subsidiaries of corporate groups, whether domestic or foreign, that, independently of the parent company and with the management company's stake in the shareholding, offer a prospective increase in value.

ii. The objective of the Company's investment policy is to maintain a diversified amount of shareholdings, with an appropriate rotation of investments.

iii. Company investments in stocks or securities representing the share capital of companies whose principal assets are not situated within the Iberian Peninsula may in no circumstance exceed thirty percent (30%) of the amount of the "Asset Value of the Company", this being taken to be the quarterly valuation of DINAMIA's assets realised by the Management Company, in accordance with the valuation criteria and procedures established in the aforesaid management contract, and reviewed biannually by an independent third party.

iv. The Company may hold stakes in the share capital of companies that are the object of its activity, whether directly or indirectly, through the taking of stakes in Companies or Venture Capital Funds or other funds or companies that have as their object the taking of stakes in the share capital of businesses that are the object of the activity of the Company.

v. The Company, in addition to the taking-up of stakes, may also realise its investments through participating loans as well as through other forms of financing, although in the latter case only for companies in which it has stakes.

vi. The Company shall invest its excess liquid capital in fixed-income or variable-income securities with the objective of obtaining profitability that is as close as possible to the appreciation experienced by the general indices of the Spanish Stock Exchanges.

vii. The indebtedness of the Company at any time shall represent, as a maximum, one-third of the value of the Asset Value of the Company.

viii. The Company may not take stakes in companies whose financial statements are not subject to annual audits. Notwithstanding the foregoing, the Company may channel operations of taking of stakes through vehicles that are not subject to an obligation to audit provided that the company that is the end object of the investment is obliged to audit its financial statements.

ix. The Company shall not invest in derivative financial products save when they are subscribed by the Company as hedging or as a way whereby the excess liquid capital of the Company reaches the profitability stated in Section vi above.

These investment criteria are reviewed by the Company as frequently as it deems appropriate.

The Management Company, pursuant to the Management Contract, is commissioned with the provision to DINAMIA, amongst other things, of the following, for the realisation of which the Management Company has powers of attorney over the Company in addition to those stated above:

- To keep the accounts of the Company, duly separating that which belongs to it.

- To assure itself of the performance by the Company of the latter's duty of periodical information, information about relevant facts and notification, where applicable, of important stakes, in accordance with the Securities Market regulations applicable at any time.

- To process and request all the authorisations, communications and registrations the Company needs in order to be able to perform its activities with full compliance with the applicable regulations.

- To deal with the supervision of the accounting and legal books and registers that the Company is obliged to keep in accordance with the regulations applicable to it at any time.

- To facilitate the inspection and review by the Company's auditors or its Directors of the books and registers of the Company.

- To co-operate with the auditors and the Board of Directors of the Company in the process of verification of the annual accounts of the Company and, in particular, the valuation of its assets.

- To supply to the Board of Directors of the Company any relevant information received in relation to the assets and investments of the Company.

- To deal with the deposit and custody of property title-deeds, securities certificates, share certificates and other documents related to the property and possession of the investments of the Company.

- To deal with the general relations between the Company and its shareholders, to carry out the share policy that the Company indicates to it and to inform the Company of everything that takes place between the Company and its shareholders.

The names and professional addresses of the members of the Board of Directors of the Management Company, as well as the principal significant activities that they perform outside the Company are detailed below.

Name	Office	Professional address
Mr. Jorge Mataix Entero	Chairman	Padilla, 17 (Madrid)
Mr. Federico Pastor Arnauda	Chief Executive Officer	Padilla, 17 (Madrid)
Mr. Francisco Albella Amigo	Board Secretary	Padilla, 17 (Madrid)

Mr. Mataix and Mr. Pastor, senior executives of the Management Company, are members of the Board of Directors of some of the companies in which DINAMIA has stakes. The exercise of the said offices forms part of the activity of management of the Company's assets. In particular, the said persons exercise the following offices in entities in which DINAMIA has stakes:

- Mr. Jorge Mataix Entero is, as a natural person, the representative of Nmás1 Capital Privado Servicios, S.L., director of Nicolás Correa, S.A.

- Mr. Federico Pastor Arnauda, is Director of High Tech Hoteles & Resorts, S.A., and of MBA Incorporado, S.L. Similarly, Mr. Federico Pastor Arnauda is, as a natural person, the representative of Nmás1 Capital Privado Servicios, S.L., director of Grupo Gestión Integral Novolux International, S.L. and ZIV Aplicaciones Tecnológicas, S.A.

Likewise, the member of the Board of Directors of the Management Company occupy the following positions in entities belonging to Grupo N+1, the activity of which is significant with respect to DINAMIA:

- Mr. Jorge Mataix Entero:

  - Director of N Más Uno IBG, S.A., parent company of Grupo N+1.

  - Chairman of N Más Uno Advisor, S.A., company whose principal activity consists of the provision of business, advisory, financial and consultancy services in the venture capital sector.

- Chairman of Nmás1 Capital Privado Servicios, S.L., wholly-owned subsidiary company of the Management Company through which the latter participates in the governing bodies of the companies in which DINAMIA has stakes.

- Chairman of Nmás1 Eolia, SGECR, S.A., Management Company of venture capital companies whose activity consists of the taking of stakes in companies in the renewable energy sector.

- Director of Nmás1 Private Equity International Limited, general partner of N+1 PEF I.

- Chairman and joint and several Chief Executive Officer of Nmás1 Private Equity Fund II Families, S.A. SCR de Régimen Simplificado, venture capital company that forms part of N+1 PEF II.

• Mr. Federico Pastor Arnauda:

  - Chief Executive Officer of N Más Uno Advisor, S.A., company whose principal activity consists of the provision of business, advisory, financial and consultancy services in the venture capital sector.

  - Chief Executive Officer of Nmás1 Capital Privado Servicios, S.L., wholly-owned subsidiary of the Management Company, through which the latter participates in some of the governing bodies of the companies in which DINAMIA has stakes.

  - Director of Nmás1 Private Equity International Limited, general partner of N+1 PEF I.

  - Joint and several Chief Executive Officer of Nmás1 Private Equity Fund II Families, S.A. SCR de Régimen Simplificado, venture capital company that forms part of N+1 PEF II.

• Mr. Francisco Albella Amigo:

  - Non-board member Secretary of N Más Uno IBG, S.A., parent company of Grupo N+1.

  - Secretary and Board member of N Más Uno Advisor, S.A., company whose principal activity consists of the provision of business, advisory, financial and consultancy services in the venture capital sector.

- Secretary and Board member of Nmás1 Capital Privado Servicios, S.L., wholly-owned subsidiary of the Management Company, through which the latter participates in some of the governing bodies of the companies in which DINAMIA has stakes.

- Secretary and Board member of Nmás1 Eolia, SGECR, S.A., Management Company of venture capital companies whose activity consists of the taking of stakes in companies in the renewable energy sector.

- Secretary, Board member and joint and several Chief Executive Officer of Nmás1 Private Equity Fund II Families, S.A. SCR de Régimen Simplificado, venture capital company that forms part of N+1 PEF II.

<u>The nature of any familial relationships between the members of the Board of Directors of the Management Company, and between those members and the members of the supervisory and governing bodies of DINAMIA:</u>

There are no familial relationships between the members of the Board of Directors of the Management Company or between the said directors and the members of the supervisory and governing bodies of DINAMIA.

<u>Details of the training and experience of the members of the Board of Directors of the Management Company relevant to the performance of the said work:</u>

- Mr. Jorge Mataix Entero, Chairman of the Management Company and founding partner of Grupo N+1, has a degree in Economics and Law from *ICADE* ("Department of Economics, Business Studies and Law of the Universidad Pontificia Comillas"). He has been a Chief Executive Officer in the private equity field with AB Asesores and AB Asesores Morgan Stanley (1993-2000) and Chief Executive Officer of Bestinver (1987-1992).

- Mr. Federico Pastor Arnauda, Chief Executive Officer of the Management Company and founding partner of Grupo N+1, has a degree in law and MBA from the *Instituto de Empresa* ("IE Business School"). He has been investments director in the private equity field with AB Asesores and AB Asesores Morgan Stanley (1993-2000). Previously, he was an analyst with MG Valores and Euroventures.

- Mr. Francisco Albella Amigo, Secretary and Board member of the Management Company and founding partner of Grupo N+1, has a degree in Law from the University of Valencia (specialising in Private Law). Mr. Albella was a member of the legal department of AB Asesores from 1990 to

1998. From 1998 to 2000 he was Director of the legal department of AB Asesores Morgan Stanley. Since 2000 he has been Board Secretary, General Secretary and Partner-Director of the legal department of Grupo N+1.

Businesses and associations of which the Management Company and the members of its Board of Directors are currently or have been, at any time during the five years preceding the date of registration of this Memorandum, members of the governing, management or supervisory bodies, or partners.

The Management Company is and has been for the last five years the sole shareholder in Nmás1 Capital Privado Servicios, S.L.

Only those companies in which the Directors of the Management Company are partners with a significant stake or with a stake that may be relevant to the Company are detailed.

- Mr. Jorge Mataix Entero has, in the last five years, been and continues to be a member of the Board of Directors of some of the companies that form Grupo N+1, as stated above, and is the holder of an indirect stake in N Más Uno IBG, S.A., parent company of Grupo N+1, representing 17.21% of its share capital. Within the last five years Mr. Jorge Mataix Entero has held the office of Chairman of the Spanish Association of Private Equity Companies Venture Capital Entities. At the same time, Mr. Jorge Mataix Entero has, in the last five years, been and continues to be a member of the governing bodies of some of the companies in which DINAMIA has stakes.

- Mr. Federico Pastor Arnauda has, in the last five years, been and continues to be a member of the Board of Directors of some of the companies that form Grupo N+1, as stated above, and is the holder of a stake that is not significant in N Más Uno IBG, S.A. At the same time, Mr. Federico Pastor Arnauda has, in the last five years, been and continues to be a member of the governing bodies of some of the companies in which DINAMIA has stakes.

- Mr. Francisco Albella Amigo has, in the last five years, been and continues to be a member of the Board of Directors of some of the companies that form Grupo N+1, the most relevant to the Company being those stated above, as well as being in charge of the legal department of Grupo N+1, and he is the holder of a stake that is not significant in N Más Uno IBG, S.A.

Other declarations in relation to the Management Company and the members of its Board of Directors.

In accordance with the information supplied by the Management Company and the members of the Board of Directors thereof, it is put on record that neither the Management Company nor the members of its Board of Directors (i) have been convicted in relation to offences of fraud, at least in the last five years, (ii) have been connected with any bankruptcy, suspension of payments or liquidation of any company in which they acted as members of the Board of Directors or senior management, at least in the last five years (save for the Management Company itself which was a Director of Cables Perti, S.A., a company that formed part of the portfolio of DINAMIA and which –after the Management Company ceased to occupy the said office- was declared in suspension of payments and, later, to be insolvent) or (iii) have been publically and officially charged and/or punished by any statutory or regulatory (including the designated official bodies) or disqualified by any tribunal for their acting as member of the governing, management or supervisory bodies of an Issuer or for their acting in the management of the affairs of an Issuer, at least in the previous five years.

b) Limited partners, if it involves a partnership limited by shares

Not applicable as it involves a public limited company.

c) Founders, if the issuer was incorporated less than five years ago

Not applicable as the ISSUER was incorporated more than five years ago.

d) Any senior management that may be relevant in order to establish that the issuer possesses the appropriate qualifications and experience to manage the activities of the issuer

DINAMIA does not have managers or employees.

14.2 Conflicts of interest of the administrative, management and supervisory bodies and senior managers

According to the information that the Company has available, none of the persons referred to in part 14.1 above has a conflict of interest between his duties to the Company and his private interests of any other type nor do any of them carry out activities on their own or others' account analogous or additional to the activity that constitutes the corporate object of the Company, save as stated in the following paragraphs.

a) Members of the administrative and supervisory bodies of the Company.

In accordance with the contents of article 127 of the Law of Public Limited Companies, the following is put on record with regard to the Directors Mr. Alfred Merton Vinton, Mr. Juan Domingo Ortega Martínez and Mr. Ricardo Portabella:

- Mr. Alfred Merton Vinton:

  - He is a Director of Nmás1 Private Equity International Limited and of GP Investments Limited, entities that perform their activities in the venture capital sector. Nmás1 Private Equity International Limited is the entity that acts as general partner of N+1 PEF I. There is an agreement between Nmás1 Private Equity International Limited and the Management Entity, in accordance with which both entities undertake to offer to N+1 PEF I and the Company on equal conditions all the investments that may be realised. However, at the date of registration of this Memorandum the investment period of N+1 PEF I had ended but not the divestment period.

  - Mr. Vinton is Director and minority shareholder (with a holding of less than 1% of the share capital) of GP Investments Limited, a listed company, whose corporate object, as mentioned in the paragraph above, is analogous to that of DINAMIA. GP Investments Limited operates in Latin America.

- Mr. Juan Domingo Ortega Martínez is Chairman and majority shareholder of Ortemar Capital SCR de Régimen Simplificado, S.A., whose corporate object is analogous to that of DINAMIA.

- Mr. Ricardo Portabella is an indirect shareholder, through Ventos, S.A., of Turenne Investissement and Deutsche Beteiligung, whose corporate objects are analogous to that of DINAMIA.

In any event, article 26 of the Rules of the Board of Directors of the Company details the mechanisms established to detect, determine and resolve possible conflicts of interest between the Company and its directors, managers or significant shareholders.

In particular, the aforesaid article provides that the Director must notify the Board of Directors of the existence of conflicts of interest and abstain from attending and intervening in the deliberations that may affect the matters in which he may have a personal interest. It is deemed that there also exists a personal interest of the Director when the matter may affect related persons, with the following being deemed persons related to the Directors:

I) In the case of a Director who is a natural person:

a) His or her spouse or person of a similar intimate relationship.

b) The ancestors, descendants and siblings of the director or of the spouse of the Director.

c) The companies in which the Director, either through his own person or a third party, is found in any of the situations set out in article 4 of the Securities Market 24/1988 Act (28 July).

II) In the case of a Director that is a legal person, the following shall be deemed related persons:

- The partners who are found, with respect to the director that is a legal person, in any of the situations set out in article 4 of the Securities Market 24/1998 Act (28 July).

- The directors, *de facto* or *de iure*, the liquidators and the agents with general powers of the Director that is a legal person.

- The companies that form part of the same group, as defined in article 4 of the Securities Market 24/1998 Act (28 July) and their partners.

- The persons who, in respect of the representative or Director that is a legal person, are classified as persons related to the directors in accordance with part I) above.

The Director may not, directly or indirectly, realise professional or commercial transactions with the company unless he gives advance notice of the conflict of interest and the Board approves the transaction with prior notice to the Audit and Appointments Committee. In respect of transactions within the ordinary course of the corporate business and which are of habitual or recurrent character, generic authorisation of the line of operations and of its conditions of execution shall suffice.

The Director may not make use of the assets of the company or avail himself of his position in the Company in order to obtain a pecuniary advantage unless he has paid appropriate consideration.

The Director must observe the rules of conduct established in the securities market laws, rules and regulations, in particular those set down in the Company's Internal Code of Conduct in the Securities Market in relation to the handling of privileged information and confidential information.

Article 12 of the Internal Code of Conduct of DINAMIA establishes the general principles of acting that Persons Subject to the said Rules (as the term "Persons Subject" is defined in article 1.3 of the said Rules) must observe when they have a conflict of interest, being as follows:

(a) Independence. The Persons Subject must act at all times with freedom of judgement, with loyalty to DINAMIA and its shareholders, and independent of their own interests or the interests of others. Consequently, they must abstain from giving priority to their own interests at the expense of those of the Company or those of certain investors at the expense of other investors.

(b) Abstention. They must abstain from intervening in or influencing the taking of decisions relating to transactions or decisions that may affect the persons or entities with which there is a conflict and must abstain from accessing confidential information that may affect the said conflict.

(c) Notification. The Persons Subject must inform in writing the Secretary or Vice-Secretary about the possible conflicts of interest in which they may be found by reason of their activities outside DINAMIA, their familial relationships, their personal assets or for any other reason, with:

- DINAMIA.
- Important suppliers or clients of DINAMIA.
- Entities that may be dedicated to the same type of business or which may be competitors of DINAMIA.
- The Management Company.

In the written notice, the Person Subject affected by the conflict of interest must state if the conflict affects him personally or through a person with whom he has a close relationship (as defined in article 7.2 of the Internal Code of Conduct) in which case he must identify that person. Likewise, he must specify the situation that gives rise to the conflict, detailing, where applicable, the object and the principal conditions of the planned transaction or decision, its amount or approximate financial valuation, as well as the department or person of the Company or of the Management Company with whom the corresponding contacts have been initiated.

Any doubt over the possible existence of a conflict of interest shall be the subject of consultation with the Secretary or Vice-Secretary, with the final decision falling to the Audit and Appointments Committee.

A conflict of interest shall be deemed to exist when the Person Subject has any of the following conditions with respect to the entities to which part (c) above applies:

- He is a director or senior manager.

- He is the holder of a significant stake (being understood by that, in the case of companies listed on any official Spanish or foreign secondary market, those cases referred to in article 53 of the Securities Market 24/1988 Act (28 July) and in its implementing legislation, and in the case of unlisted Spanish or foreign companies, any direct or indirect stake superior to twenty per cent. (20%) of its issued share capital).

- He is related, in accordance with the definition of a person with a close relationship established in the Internal Code of Conduct, to its directors, holders of significant stakes in its share capital or senior managers.

- He has relevant contractual relationships, whether direct or indirect.

Any transaction in which there is a conflict of interest shall be subject, in any event, to the authorisation of the Board of Directors, with a prior favourable report from the Audit and Appointments Committee.

The Board of Directors shall, through the Audit and Appointments Committee, oversee the said transactions to ensure that they are realised on market conditions and with respect to the principal of legality of dealings with the shareholders.

b) <u>The Management Company</u>

The Management Contract does not establish that the management by the Management Company of the assets of DINAMIA is realised under a regime of exclusivity. Although currently the assets of DINAMIA and of Fund II are the only assets managed by the Management Company, it could manage assets other than those of the Company and Fund II, which could give rise to a risk of conflicts of interest. The Management Company does not manage any other venture capital company related to Grupo N+1.

N Más Uno IBG, S.A. has a 100% stake in the General Partner of N+1 PEF I, and in the latter's governing body participate, in the minority (two of a total of five), members of the Board of Directors of the Management Company, together with other independent directors and representatives of the investors of Fund I. The decisions adopted by the

Management Entity and the General Partner are adopted independently and in the interests of DINAMIA and Fund I, respectively. In the case of N+1 PEF II, the Management Entity acts as such both for Fund II as well as DINAMIA, for which reason, notwithstanding that its actions may be in the interests of both entities, potential conflicts of interest could arise.

The system of coinvestment and divestment of DINAMIA with the Funds, although fundamentally involving an advantage since their respective positions are strengthened both in the investments and the divestments, could entail a hypothetical conflict of interest, given the determined duration and the pledged maximum total assets of the Funds as set out in part 5.1.5 of the Registration Document.

In the event that such conflicts of interest arise, the Management Company or, where applicable, the General Partner shall give notice of such conflicts to the Board of Directors of the Company or to the Funds' Advisory Committee, respectively, with the aim of finding the most appropriate solution for the parties, which may consider multiple structures both in relation to the investments as well as the divestments, as mentioned in part 5.1.5 above of the Registration Document.

Additionally, DINAMIA's Management Contract establishes that the Management Company shall not, without the prior authorisation of the Board of Directors of the Company, undertake divestments of the companies in which stakes are held a price lower that that established in the last Valuation Report of the Company approved by the Board of Directors of DINAMIA, without the prior authorisation of DINAMIA.

Finally, it must be born in mind that Management Company pertains to Grupo N+1, which includes another management entity of venture capital companies, Nmás1 Eolia SGECR, S.A., which manages the assets of three companies that invest in windfarms and other renewable energy installations. Although that company and DINAMIA look for investments in companies of distinct natures, there is a hypothetical risk of conflicts of interest in the performance by the Management Company of the management of the assets of the Company. To that regard, Grupo N+1 has an organisational structure by which is established separation of the various companies that form it, in such a way that it ensures the functional and spatial separation of the different areas of business. Likewise, Grupo N+1 has Internal Code of Conduct and a Procedures Manual which establishes the segregation of duties of the different areas of business with the aim of avoiding the flow of confidential information, as well as the necessary mechanisms to avoid conflicts of interest between the various companies of Grupo N+1 and the clients of each one of those companies.

At the date of Registration of this Memorandum, neither the Management Entity nor any company belonging to Grupo N+1, nor any of the significant shareholders, direct or indirect, of N Más Uno IBG, S.A. has a stake in the share capital of DINAMIA or the power to appoint directors of DINAMIA.

Similarly, at the date of registration of this Memorandum, no significant shareholder, direct or indirect, of DINAMIA has a stake, direct or indirect, in any of the companies that are part of Grupo N+1.

The members of the Board of Directors of the Management Entity, together with other employees and indirect partners thereof, maintain a stake in CPI Private Equity International Limited and in Baruch Inversiones, S.L., companies that have subscribed to an investment undertaking that is not significant in Fund I and Fund II, respectively.

15. REMUNERATION AND BENEFITS

In relation to the last complete financial year of the Issuer, for the persons mentioned in a) and d) of the first Section of part 14.1 above:

15.1 Amount of the remuneration paid (including contingent or outstanding fees) and benefits in kind granted by the Issuer or its subsidiary companies to the persons mentioned in part 14.1 above for services of all types provided to the Issuer and its subsidiary companies.

Remuneration paid to the members of the governing body of the Company

The Articles of Incorporation of DINAMIA establish that the Directors, for their attendance at the meetings of the Board of Directors, shall receive the amount of three thousand five hundred Euros (€3,500), with the exception of the Chairman who shall receive the amount of five thousand two hundred fifty Euros (€5,250) per meeting. In the event of non-attendance at the meetings of the Board of Directors, the Directors shall receive half the aforesaid amount.

The remuneration of the members of the Audit and Appointments Committee consists of the assignment of a fixed amount equivalent to 50% of that paid to the Directors in each case.

The amounts to be received by the Directors and the members of the Audit and Appointments Committee shall be updated annually in accordance with the increase in the Consumer Price Index published by the Spanish National Statistics Office.

However, in no event shall the collective annual remuneration of the Directors of the Company and the members of the Audit and Appointments Committee exceed the amount of €350,000, an amount that likewise shall be updated annually in accordance with the increase in the Consumer Price Index published by the Spanish National Statistics Office.

A table is set out below showing the remuneration received by the members of the Board of Directors of the Company during the 2008 financial year and the first half of the financial year for reason for attendance at Board meetings:

	Thousands of Euros	
Remuneration for Board Members	Year 2009(*)	Year 2008
Mr Santiago Bergareche Busquet	25	37
Mr Juan Domingo Ortega Martínez	15	18
Mr José Fernando Sánchez-Junco Mans	17	23
Mr Juan José Sánchez Canovas(1)	N.A.	12
Mr Jordi Conejos Sancho(2)	N.A.	12
Mr Alfred Merton Vinton	13	21
Mr Gonzalo Hinojosa Fernández de Ángulo(3)	13	23
Mr Juan Arena	17	23
Mr Emilio de Carvajal	17	21
Agrupació Mutua del Comerci i de la Industria	13	5
	130	195

(*) As of 30 June 2009
(1) Mr. Sánchez-Cánovas was an independent Board Member of the Company until June2008, when his term ended.
(2) Mr. Conejos was a shareholder-representative Board member (representing Agrupació Mútua del Comerç i la Industria) until 6 November 2008, when he resigned.
(3) Mr Hinojosa was a shareholder-representative Board member representing Eletrés, S.L. and Aquamágica Inversiones, S.A. until 27 of April 2009, when he was replaced by Mr. Joaquín García Quirós.
N.A.= Not Applicable

The members of the Board of Directors of the Company have not received from the Company or its subsidiaries or companies in which it has stakes any remuneration other than as stated in the above table and the following table for their positions as members of the Audit and Appointments Committee during the 2008 financial year and the first half of the 2009 financial year. In particular, the members of the Board of Directors of the Company have not received remuneration for reason of participation in profits or bonuses, they do not have loans or advances, and they have not exercised options and have no outstanding options to exercise.

Remuneration paid to the members of the supervisory body of the Company

A table is set out below showing the remuneration received by the members of the Audit and Appointments Committee of the Company during the 2008 financial year and the first half of the 2009 financial year for reason of attendance at meetings of the said Committee:

	Thousands of Euros	
Remuneration for membership of Audit and Appointments Committee	Year 2009(*)	Year 2008
Mr Juan Domingo Ortega Martínez	5	6
Mr José Fernando Sánchez-Junco Mans	6	8
Mr Juan José Sánchez Canovas	N.A.	4
Mr Juan Arena	6	7
	17	25

(*) As of 30 June 2009

(1) Mr. Sánchez-Cánovas was an independent board member until June 2008, when his term ended.

N.A.= Not Applicable

The members of the Audit and Appointments Committee of the Company have not received from the Company or its subsidiaries or companies in which it has stakes any remuneration other than as stated in the above table or that stated for the exercising of the office of member of the Board of Directors during the 2008 financial year and the first half of the 2009 financial year.

Remuneration paid to the Management Entity and to the members of the Board of Directors thereof

Below is set out a table showing the fees accrued in favour of the Management Company during the 2008 financial year and the first half of the 2009 financial year:

	Thousands of Euros	
	Year 2009(*)	Year 2008
Management fee	1,802	5,254
Contingent fee	888	909
TOTAL REMUNERATION TO MANAGEMENT COMPANY	**2,690**	**6.163**

(*) As of 30 June 2009

In part 20 of the Registration Document is detailed the amount effectively paid for the items mentioned.

The members of the Board of Directors of the Management Company and of the company that controls it have not received any remuneration from the Company.

15.2 Total amounts saved or accumulated by the Issuer or its subsidiary companies for the provisions of pension, retirement or similar

There are no amounts saved or accumulated or any undertaking in respect of pensions with the current or former members of the Board of Directors or the Audit and Appointments Committee, or with the current or previous members of the Board of Directors of the Management Company or of N Más Uno IBG, S.A.

16. MANAGEMENT PRACTICES

16.1 Expiry date of current term, if appropriate, and period during which the person has provided their services in this role

In accordance with the stipulations of the DINAMIA's Corporate Bylaws, the Board Members are appointed for a period of five years and may be re-elected by the General Shareholders Meeting for periods of equal duration.

Members of the Company's board of directors.

Name	Start date of exercise of duties	Expiry date of appointment
Mr. Santiago Bergareche Busquet (Chairman)	11 December 2002 (appointment by cooptation, ratified at the General Shareholders Meeting of 23 June 2003)	5 June 2013
Mr. José Fernando Sánchez-Junco Mans (Vice-Chairman)	11 December 2002 (appointment by cooptation, ratified at the General Shareholders Meeting of 23 June 2003)	5 June 2013

Name	Start date of exercise of duties	Expiry date of appointment
Mr. Juan Domingo Ortega Martínez (Member)	11 December 2002 (appointment by cooptation, ratified at the General Shareholders Meeting of 23 June 2003)	5 June 2013
Agrupació Mútua del Comerç i la Indústria, M.A.i R.P.F. (Member)	6 November 2008 (appointment by cooptation, ratified at the General Shareholders Meeting of 4 June 2009)	4 June 2014
Mr. Alfred Merton Vinton (Member)	17 December 2003 (appointment by cooptation, ratified at the General Shareholders Meeting of 29 June 2004)	4 June 2014
Mr. Juan Arena de la Mora (Member)	28 June 2007	28 June 2012
Mr. Emilio de Carvajal y Ballester (Member)	28 June 2007	28 June 2012
Mr. Ricardo Portabella Peralta (Member)	4 June 2009	4 June 2014
Mr Joaquín García-Quirós Rodríguez (Member)	4 June 2009	4 June 2014
Mr. Luis de Carlos Bertrán (Secretary, non-member)	19 February 2003	-

Members of the Company's Supervisory Body.

Members of the Audit and Appointments Committee.

Name	Start date of exercise of duties	Expiry date of appointment
Mr Juan Arena de la Mora (Chairman in 2009)	28 June 2007	28 June 2010
Mr José Fernando Sánchez-Junco Mans (Member)	17 December 2003	6 June 2011
Mr Juan Domingo Ortega Martínez (Member)	17 December 2003	6 June 2011
Mr Joaquín García-Quirós Rodríguez (Member)	29 October 2009	29 October 2012
Mr Luis de Carlos Bertrán (Secretary)	17 December 2003	-

The Management Company

The Management Company has managed DINAMIA's equity since the date the Management Contract was underwritten, 24 November 1997. The Management Contract, as noted on various occasions in this Prospectus, has an open-ended duration, notwithstanding the fact that any of the parties may terminate it at any time subject to a minimum of three years notice or, in the event said notice period is not adhered to, by payment of compensation to the other party to the equivalent value of the fixed annual fee required by the Management Company for a period equal to three years as well as the success fee theoretically due to that date.

The fees to which the Management Company are entitled are listed in sections 6.4 and 20.1 of the Registration Document.

Management Company Board of Directors

Name	Start date of exercise of duties	Expiry date of appointment
Mr. Jorge Mataix Entero (Chairman)	11 July 1995	24 June 2013
Mr. Federico Pastor Arnauda (Chief Executive Officer)	21 April 2004	30 April 2014
Mr. Francisco Albella Amigo (Secretary to the Board)	15 June 2003	24 June 2013

16.2 Information regarding the contracts between members of the governing, management or supervisory bodies and the issuer or any of its subsidiaries which provide gains for the termination of their duties, or corresponding negative clearance

There are no contracts between DINAMIA's Board of Director members and the Company or its subsidiaries in which gains are offered to the aforementioned persons upon termination of their duties as Board Members. Similarly, in the past three years there have not been any payments by way of compensation for the termination of a Member's duties.

On the other hand, as indicated previously, the Management Contract entitles the Management Company to receive compensation from the Company in the event that the latter terminates the contract without giving three years notice. The compensation is fixed and equivalent to the fixed annual fee required by the Management Company for a three year period or, for a two year period in the event that the termination is agreed by two thirds of DINAMIA shareholders.

Additionally, the Management Contract establishes the right for the Management Company to receive, in the event that the Management Contract is terminated by DINAMIA, compensation equivalent to the success fees that would correspond in the event that interests in the Company were transferred at that time, the determination of which is entrusted to a designated merchant bank commonly agreed by the parties. Section 6.4 of the Registration document stipulates that the compensation would be for the theoretical amount at the date of registration of the Prospectus.

In the event that the Management Company decides to terminate the Management Contract three years notice is required or compensation to DINAMIA of an amount equivalent to the fixed annual fee required by the Management Company for a three year period.

16.3 Information on the issuer's audit committee and compensations committee, including the names of the committee members and a summary of internal regulations

The Company Board of Directors believed it has delegated its management to a venture capital management company due to the characteristics of DINAMIA, therefore, it does not have a management team or employees; and in the interests of simplification and rationalisation of the operation of the Board of Directors, it seemed inappropriate to form a new Appointments and Compensations Committee and that it would make more sense to combine this committee with the Audit Committee as one single executive body for the Board, which undertakes the duties of both committees.

In particular, it was deemed appropriate that this single Committee, in addition to the audit duty established in the company's internal regulations, should inform the Board of Directors as to the appointment, ratification and termination of members of the Company Board of Directors, as well as on compensation and the requirements for the good performance of the roles.

The Company Board of Directors proposed the creation of this single Committee and the attribution of the aforementioned powers of appointment and compensation as well as the amendment of its name to the "Audit and Appointments Committee" to the General Shareholders Meeting, which was approved in its meeting of 28 June 2007.

Similarly, and with the aim of assisting the development of the new duties attributed to the Committee, the composition of the Committee was modified so that it comprises a minimum of 3 external Directors and the maximum number of members, which is currently four Directors may be increased, who shall be appointed by the Company Board of Directors for a term of three years.

On the date this Prospectus was registered, the following external directors were on the Audit and Appointments Committee:

- Mr. Juan Domingo Ortega Martínez (Chairman during 2008), independent director, appointed director on 11 December 2002 by cooptation and his appointment ratified by the Ordinary General Shareholders Meeting held on 23 June 2003. The last renewal of his post took place on 5 June 2008.

- Mr. Juan Arena de la Mora (Member in 2008 and current Chairman of the Committee), independent director, appointed director at the General Shareholders Meeting held on 28 June 2007.

- Mr. José Fernando Sánchez-Junco Mans (Member), independent director, appointed on11 December 2002 by cooptation and his appointment was ratified by the General Shareholders Meeting held on 23 June 2003. The last renewal of his post took place on 5 June 2008.

- Mr. Joaquín García-Quirós Rodríguez (Member), proprietary director, appointed director by the last General Shareholders Meeting on 4 June 2009.

- Mr. Luis de Carlos Bertrán, who is not a member, is the Secretary of the Audit and Appointments Committee.

In terms of the operating rules of the Committee, it is regulated by the Company Board of Directors Regulations and may be summarised as follows:

- The Chairmanship of the Audit and Appointments Committee shall be rotated among the members for yearly terms. Secretary and Vice Secretary positions will be held my non-members of the Audit and Appointments Committee and the Board of Directors respectively.

- The duties of the Audit and Appointments Committee are essentially the following:

  - To inform the General Shareholders Meeting on the matters raised by the shareholders on issues under their competence.

  - To raise the selection, appointment, re-election and replacement of external account auditors who should verify annual accounts, as well as their contract conditions, the scope of their professional mandate and, as the case may be, their revocation or non-renewal with the Board of Directors, for submission to the General Shareholders Meeting, .

  - To inform the Company Board of Directors as to the appointment, ratification and termination of members of the Company Board, as well as on its compensation and the requirements for the good performance of its duties. It shall also report on the appointment and termination of the Secretary or Vice Secretary.

  - To review the Company's annual accounts and periodic financial information, looking after legal requirements and the proper application of generally accepted accounting principles.

- To maintain relationships with external auditors so in order to regularly receive information on the audit plan and the results of its execution, and on matters which may put the independent nature of these at risk as well as any other matters relating to the account auditing process in addition to those other communications stipulated in account auditing legislation and technical auditing rules, and to verify that the Management Company takes account of its recommendations.

- To supervise the drafting and integrity of periodic financial information pertaining to the Company and to the group, as the case may be, which the Board must provide to the markets and to its supervisory bodies whilst reviewing compliance with statutory requirements, the appropriate limitation of the scope of consolidation and the correct application of accounting criteria. Similarly, it shall inform the Board, prior to passing the corresponding motions on financial information which, being a listed company, the Company must publish periodically. The Committee must ensure that the interim financial statements are compiled applying the same accounting criteria as the annual accounts and, to this end, consider the merits of a limited review of the external auditor.

- To supervise the preparation process and the integrity of the financial information, internal control systems and the risk management of the Company and to verify the appropriateness and integrity of these.

- To supervise compliance with the audit contract, ensuring that the opinion on the annual accounts and the main content of the audit report are drafted clearly and precisely, as well as evaluating the results of each audit.

- To report to the Board on the agreements and significant facts which take place in meetings.

- To report to the Company Board of Directors on related party transactions before it adopts the corresponding motions.

- To supervise compliance with internal codes of conduct and corporate governance regulations.

- Other duties assigned to it by the Company Board of Directors.

• The Audit and Appointments Committee hold ordinary meetings on a quarterly basis to review periodic financial information which must be issued to the stock exchange authorities as well as information that the Company Board of Directors must approve and include within its annual public documentation. Similarly, it shall meet each time its Chairman calls a meeting which he must do when the Board or the Chairman of the Board requests the issue of a report, and in any case, when it is appropriate for the good development of its duties.

- The Audit and Appointments Committee shall draft an annual report on its operation when the incidents which arise, should there be any, regarding duties relating to it. Furthermore, when the Audit and Appointments Committee deems it appropriate, the aforementioned report shall include proposals for the improvement of governing rules of the Company.

16.4 Statement as to whether the issuer conforms to the corporate governance regimes of the country wherein it was established. In the event that the issuer does not comply with said regime, a statement to this effect must be included, as well as an explanation of the reasons why the issuer does not comply with the regime

As indicated in the last DINAMIA corporate governance report, presented to the CNMV on 30 April 2009, DINAMIA believes that it complies to a large extent with the recommendations and practices generally accepted by the bodies and international codes and, very specifically, those of the Unified Code of Recommendations on the Good Corporate Governance of Listed Companies in Spain, approved and published by the Spanish Securities and Exchange Commission on 22 May 2006 ("**CUBG**").

Notwithstanding the above, DINAMIA partially complies with some recommendations and given the specific characteristics of the Company some others do not apply or cannot be complied with. In particular, the following points are worth mention:

- With regard to recommendation 3, which recommends that "*operations which entail the structural modification of the company should be submitted to the General Shareholder's Meeting and in particular the following: a) the conversion of listed companies to holding companies, through "subsidiarization" or incorporation into a subsidiary organisations of essential activities undertaken until now by the company itself, even although the latter maintains full ownership of these; b)the acquisition or transfer of essential operating assets, when these entail an effective modification of the corporate purpose; and c) the operations for which the effect would be equivalent to liquidation of the company*". It is necessary to point out that operations such as subsidiarization or incorporation to subsidiary organisations of essential activities, undertaken by the Company, in order to convert listed companies to holding companies, are not and have not been submitted to the General Meeting due to the very activity and structure of the Company which is in fact a holding company. With regard to the aforementioned operations under point b) above, given the structure and nature of DINAMIA which as delegated its management to the Management Company, the Company lacks essential operational assets except for its own resources and borrowings which the Management Company will use for investment in the companies which it has decided to take shares and the current holdings or shares it has in companies. The acquisition or transfer of operational assets does not entail the amendment of the corporate purpose since, in essence, the Company's activity is comprised of the acquisition and transfer of holdings in other companies.

- With regard to Recommendation 8, regarding the powers of the Board of Directors, DINAMIA complies partially with this recommendation since the Board has the full power to approve the majority of the aspects contained in the Recommendation. In particular, besides the duty attributed to it by the Public Limited companies Act, the Company Board of Directors of DINAMIA has the power to approve the general investment policy, the corporate governance policy, the dividend and treasury shares policies, compensation of directors, review of the financial information which must be published periodically, larger investments (as defined in the Management contract underwritten with the Management Company and contained in section 14.1.a.1).a.2) of the Registration Document), set the payment to the Management Company and control the undertaking of its tasks in the framework of the Management Contract, approve related party transactions, appoint and terminate the Secretary del Board of Directors. Considering the Company's activity and its structure which does not include executive directors or senior directors and the management of Company assets has been entrusted to a Management Company for Venture Capital Corporations, some of the Board's powers or decisions noted in the recommendation do not apply to DINAMIA as is the case with the payment policy and the evaluation senior directors; the appointment and eventual termination of senior directors, as well as the indemnity clauses; or the definition of the structure of the group of companies.

- With respect to Recommendation 15 regarding gender diversity on the Board of Directors, it should be noted that there is currently no inherent bias that hinders the selection of female directors. Article 16 of the Board Regulations establishes that the Company Board of Directors and the Audit and Appointments Committee shall ensure under their powers that the selection of candidates is issued to people of recognised authority, competence and experience. Although it is not expressly stated in DINAMIA's internal regulations, in practice, the Audit and Appointments Committee shall ensure that when new Board of Directors vacancies arise the selection procedures do not suffer inherent biases that would hinder the selection of female directors.

- Recommendation 26 which recommends that "*companies require that directors dedicate the time and effort required to effectively undertake their duties and, consequently: a) that directors inform the Appointments Committee of their other professional obligations, in case these might interfere with the dedication required; and b) that companies establish rules on the number of director son their boards*", is partially complied with by DINAMIA since, although the Regulation of the Company Board of Directors of DINAMIA expects directors to report duties on other Boards of listed companies and of facts or situations that may be relevant in their role as administrator, which might interfere with the dedication required (in line with point a) of this recommendation), however, the Regulation of the Board has not established any express rule on the number of Directors on the Board (in accordance with point b) of this recommendation).

- In terms of Recommendation 32 which recommends that "*companies establish rules which obligate directors to report and, as the case may be, to resign in cases where they may prejudice the credit and reputation of the company and, in particular, obligate them to report criminal proceedings in which they are involved to the Board, as well as subsequent procedural changes*", the Regulation of the DINAMIA Company Board of Directors requires its directors to generally inform the company of events or situations which may be relevant to their activity as Company administrator, as well as any event or situation which might interfere with the dedication required in the undertaking of their role. Although not expressly stated, it is understood that this generic requirement includes the obligation to report criminal proceedings in which any Director is involved. On the other hand, in practice this recommendation is complied with since the company requests information on criminal proceedings in which Directors may be involved on a yearly basis, as well as subsequent procedural changes and, in particular at the date of registration of this Prospectus all its Directors reported that they have not been charged or tried.

- In relation to Recommendation 35, which points out matters for which it recommends that the compensations policy be pronounced, in DINAMIA's case the payment policy approved by the Board pronounces over the matters in the recommendation which are applicable to the Company, bearing in mind that there is no variable payment, provision system, executive or senior directors in the Company and, therefore, that matters such as variable compensation items, conditions that must be respected in the contracts with those who undertake senior management roles (such as senior directors) or the main characteristics of the provision systems, do not apply in this case.

- Recommendation 40 requires that the Company Board of Directors submits, as a separate point to the agenda, a report on the compensation policy for Directors to the General Shareholders Meeting for a vote. This report would focus in particular on the compensation policy approved by the Board for the current year and, as the case may be, the plans for future years. In DINAMIA's case, the Company Board of Directors does not submit a report on the compensation policy for Directors to the General Shareholders Meeting for a vote since the compensation of Directors (and the annual CPI update) is expressly contained in Article 23 of the DINAMIA Articles of Association approved by the General Shareholders Meeting. Similarly, the Board of Directors has approved a compensation policy which substantially includes that stipulated in the Articles of Association on the matter.

- With regard to Recommendation 44, which recommends that "*the Company Board of Directors constitutes a Committee, or two separate commissions, for Appointments and Compensation within its own ambit in addition to the Audit Committee required by the Securities Market Act*". Given the structure of DINAMIA (which has delegated its management to a Management Company and has no employees or managers) the Company Board of Directors has established one single Audit and Appointments Committee, which has assumed the duties which the Corporate Governance recommendations attribute to the audit committee and the appointments and contributions committee in so far as they are applicable to the Company.

- For its part, Recommendation 47 requires listed companies to have an internal audit duty. DINAMIA has entrusted the management of its assets to a Management Company for Venture Capital Corporations which ensures the good operation of its internal information and control systems.

- With regard to Recommendation 48, on the duties of the person responsible for internal audit, there is no internal audit duty for the reasons explained above in the explanation to Recommendation 47 above.

- With regard to Recommendation 49, regarding the risk control and management policy, the Company, pursuant to Article 20 of the Articles of Association, has granted the management of corporate assets to a Management Company for Venture Capital Corporations. The Management Company regularly drafts a report on the risks that affect both the Company and its investee companies, a report which it submits to the Audit and Appointments Committee and the Board of Directors. Furthermore, the Board has approved a risk control and management policy and controls and monitors the undertaking of tasks by the Management Company within the framework of the Management Contract and must authorise, in those cases established in the Board Regulation and the Management Contract underwritten with the Management Company, those specific operations the Management Company carries out.

- In terms of Recommendation 50 which recommends the duties which correspond to the Audit Committee, this is partially complied with since, in terms of the internal audit and control duties, the management of the Company assets is carried out by a Management Company for Venture Capital Corporations, hence the Management Company ensures the operation of the internal audit and control. The Audit and Appointments Committee supervises the risk management policy drafted by the Management Company. Similarly, the Company does not have employees either, hence it has not been necessary to establish channels for communication between the Board and employees.

- With regard to Recommendation 56, the first part of the Recommendation, regarding the Appointments Committee consulting the Chairman and the first executive of the Company on matters that affect executive directors, this does not apply to DINAMIA since there are no executive directors. In terms of the second part of the Recommendation, the Company does comply, given that any Director may request that the Audit and Appointments Committee considers where it deems appropriate, potential candidates for Director vacancies.

Similarly and as mentioned above, the specific characteristics of DINAMIA mean that some of the recommendations are not applicable to the unique features of the Company. In particular, the following do not apply:

- Those regarding parent companies or listed subsidiary companies, since DINAMIA has no parent company nor does it have subsidiary companies. (Recommendation 2).

- Those related to aspects that affect the company's first executive, managers and employees since DINAMIA has no first executive, managers, or employees. (Recommendations 17, 51, 57 partially and 58).

- Those regarding variable compensation, since compensation to Directors and Audit and Appointments Committee members at DINAMIA, by virtue of Article 23 of the Articles of Association, are fixed, exclusively in cash and do in Company shares, share options or stock-referenced certificates, variable contributions or provision systems. (Recommendations 36, 38 and 39).

- Those which mention structure, duties or operation mentioned for a Delegate or Executive Committee, since this type of Committee does not exist at DINAMIA. (Recommendations 42 and 43).

17. EMPLOYEES

17.1 Either the number of employees at the end of the period or the average for each financial year for the period covered by the historical financial information up to the date of the registration document (and changes in such numbers, if material) and, if possible and material, a breakdown of persons employed by main type of activity and geographic location. If the issuer employs a significant number of temporary employees, include disclosure of the number of temporary employees on average during the most recent financial year

The Company has no staff.

The management company has thirteen employees.

17.2 Shareholdings and stock options

With respect to directors of the company and, therefore, also of the members of the supervisory body thereof, provide information as to their share ownership and any purchase options and other financial instruments over the capital of the Issuer.

Below is a list with the shareholding interest of the members of the Board of Directors of DINAMIA in the share capital of the company and, therefore, also of the members of the Audit and Appointments Committee in the capital thereof, pursuant to the books of major shareholdings of the CNMV and the information sent to the Company:

Director	Total amount of shares	Direct shareholding interest	Indirect shareholding interest	Total %
Mr Santiago Bergareche Busquet	6,804	0.028	0.029	0.057
Mr José Fernando Sánchez- Junco Mans	3,301	0.028	0	0.028
Mr Juan Domingo Ortega Martínez	1	0	0	0.000
Mr Alfred Merton Vinton	0	0	0	0.000
Mr Juan Arena de la Mora	0	0	0	0.000
Mr Emilio de Carvajal Ballester	0	0	0	0.000
Mr Joaquín García-Quirós Rodríguez	100	0.001	0	0.001
Mr Ricardo Portabella Peralta	2,000,000	0	16.708	16.708
Agrupació Mutua del Comerç i la Industria, Mutua D'assegurances I.R.P.F	1,199,755	10.023	0	10.023
TOTAL	**3,209,961**	**10.08**	**16.737**	**26.817**

None of the members of the Board of Directors of the company and, thus, of the Audit and Appointments Committee thereof, has any DINAMIA stock option and there is no stock option or any shareholding agreement for the capital thereof between the said persons and the company.

Neither the Management Company nor any of the members of the Board of Directors thereof, or any company that is part of the N+1 Group, or any major direct or indirect shareholder of N Más Uno IBG, S.A., have any share or stock option in the company or any other financial instrument which entitles them to acquire shares or other securities issued by DINAMIA.

17.3 Description of any arrangements for involving the employees in the capital of the issuer

The Company has no staff.

18. MAJOR SHAREHOLDERS

18.1 Insofar as is known to the issuer, the name of any person other than a member of the administrative, management or supervisory bodies who, directly or indirectly, has an interest in the issuer's capital or voting rights which is notifiable under the issuer's national law, together with the amount of each person's interest or, if there are no such persons, an appropriate negative statement

Pursuant to the data available to DINAMIA, according to the public information announced under the provisions contained in Royal Decree 1362/2007, of 19 October, implementing the Securities Market 24/1988 Act, in relation to transparency requirements regarding information on issuers whose securities are accepted for trading on an official secondary market or on another regulated market of the European Union, below is a list of the shareholders of the company who hold major shareholdings and their share in the capital of DINAMIA:

Shareholder	Total amount of shares	Direct shareholding interest	Indirect shareholding interest	Total %
Ventos, S.A.[1]	2,000,000	16.708	0	16.708
Electra Private Equity Partners 1995[2]	1,249,920	10.442	0	10.442
Agrupació Mutua del Comerç i la Industria, Mutua D'assegurances I.R.P.F (Director)	1,199,755	10.023	0	10.023
Pactio Gestión, SGIIC, S.A.[3]	661,297	0	5.525	5.525
Sodecar, S.A.[4]	600,000	5.013	0	5.013
Entur-99, S.L.[5]	603,400	5.041	0	5.041
Aquamagica Inversiones, S.A.[6]	359,100	3	0	3.000
TOTAL	**6,673,472**	**50.23**	**5.53**	**55.752**

[1] The company Ventos, S.A. is controlled by the controlling Director Mr Ricardo Portabella Peralta.
[2] The company Electra Partners LLP is an indirect owner of the aforesaid shareholding as it is in charge of managing the assets of Electra Private Equity Partners 1995, as per major shareholding communication to the CNMV. Furthermore, Electra Partners LLP has the voting rights discretionality in DINAMIA of Electra Private Equity Partners 1995, according to a major shareholding communication to the CNMV.
[3] Pactio Gestión SGIIC, S.A. is the owner of the aforesaid indirect shareholding through various UCITS whose management has been entrusted thereto. Of the total shareholding owned by Pactio Gestión SGIIC, S.A., 4.990% is held through Allocation SICAV, S.A. Pactio Gestión SGIIC, S.A. has DINAMIA voting rights discretionality of Allocation SICAV, S.A., pursuant to a major shareholding communication to the CNMV. The directors of Allocation SICAV, S.A. are Mr Joaquín del Pino y Calvo-Sotelo, Mr Eusebio Vidal-Ribas Martí and Mr José Ignacio Ysasi-Ysasmendi
[4] Sodecar, S.A. is controlled by Mr Emilio de Carvajal y Pérez and is represented at the Board of Directors of DINAMIA by the controlling Director Mr Emilio de Carvajal y Ballester.
[5] The corporate activity of the company Entur 99, S.L. entails the purchase, subscription, exchange and sale of securities, whether domestic or foreign, for itself and without any brokering activity, whose sole director is Mr Buenaventura Durall Rafols. Mr Ricardo Portabella also has a family relationship with the sole director of the company Entur 99, S.L. (Mr Buenaventura Durall), a major shareholder of DINAMIA holder of 5% of the share capital. Nevertheless, there is no arranged share between Ricardo Portabella and Entur 99, S.L.
[6] The company Aquamagica Inversiones, S.A. is controlled by the Hinojosa family, holder also of 2% of the share capital of the company through Eletrés, S.L., which is represented on the Board of Directors of DINAMIA by the controlling Director Mr Joaquín García-Quirós Rodríguez.

The relationship between the Electra Group and the N+1 Group to which the management company belongs has its historical origin in the incorporation of DINAMIA, as mentioned in section 5.1.5 above in the Registration Document. Apart from this relationship, and as mentioned in section 5.2.3 above, DINAMIA has executed an investment commitment with the Joint Venture Electra Partners Club 2007, LP, managed by Electra Partners, LLP which is also the management company of Electra Private Equity Partners 1995 (major shareholder of DINAMIA).

The free float capital of the company (understood as the number of shares not held by the Board or represented by major shareholders or in treasury stock) to the registration date of this Offer is about 44%, which means a capitalisation to 16 November 2009 of 57.62 million Euros.

The number of shareholders of DINAMIA at 17 November 2009 was 3,313.

18.2 Whether the issuer's major shareholders have different voting rights, or an appropriate negative statement

The major shareholders of the Issuer do not hold different voting rights.

18.3 Insofar as is known to the issuer, state whether the issuer is directly or indirectly owned or controlled and by whom and describe the nature of such control and describe the measures in place to ensure that such control is not abused

The Issuer is not aware whether DINAMIA is directly or indirectly owned or controlled by any natural or legal person.

18.4 A description of any arrangements, known to the issuer, the operation of which may at a subsequent date result in a change in control of the issuer

The Issuer is not aware of the existence of any arrangement the application of which may result in a change in control of DINAMIA.

In particular, the company has no record of the existence of any para-corporate arrangement executed by its shareholders.

19. OPERATIONS WITH RELATED PARTIES

All DINAMIA operations with related parties, according to the definition contained in Ministerial Order EHA/3050/2004 of 15 September on information respecting related operations during the 2006, 2007 and 2008 financial years, are within the definition of the Company's ordinary trade and have been carried out under market conditions. According to said Ministerial Order, one party is considered related to another when one of them, or a group acting in concert, exercises or has the power to exercise directly or indirectly or by virtue of pacts or agreements between shareholders, significant influence over the financial and operational decisions of the other. Likewise, the Order considers any transfer of resources, services or obligations between related parties, regardless of whether or not a consideration exists, to constitute related operations.

The DINAMIA Board of Director's Rules state that a Director shall not carry out, directly or indirectly, professional or commercial transactions with the Company without giving prior notification of possible conflict of interests and obtaining the express approval of the Board based on a prior report by the Audits and Appointments Committee.

Likewise, the DINAMIA's Code of Conduct establishes that all transactions involving conflict of interests shall be subject to authorisation by the Board of Directors, based on a prior favourable report by the Audits and Appointments Committee. The Board of Directors, through the Audits and Appointments Committee, shall ensure that said transactions are carried out in market conditions and in compliance with the principle of equal treatment of shareholders.

There are no operations related to shareholders or directors of this company or of the management company related to DINAMIA with the exception of those indicated in this same section below.

There are no significant related operations that are not set forth in this present section or in the Annual Report of the annual accounting statements closed at 31 December 2006, 2007, and 2008 or which do not form part of DINAMIA's habitual trade objects and conditions.

As already mentioned, on 20 December 2007 DINAMIA acquired a commitment to invest up to a maximum of 10 million Pounds Sterling (that is 11.2 million Euros at the exchange rate of 1 November 2009) in the venture capital fund Electra Partners Club 2007 LP for a period of 5 years, with free distribution over time and of which, at the date of registry of this same Prospectus, 3.926 million Euros had been provided. Electra Partners Club 2007 LP is a venture capital fund managed by Electra Partners LLP. Likewise, one of DINAMIA's most significant shareholders is Electra Private Equity Partners 1995, a venture capital company managed in turn by Electra Partners LLP, the same organisation that manages Electra Partners Club 2007.

In consideration of which, the investment in Electra Partners Club 2007 LP has been carried out under normal market conditions and pertains to the usual business activities of the Company.

Apart from the above, for the period covered by the background financial information and up to the date of registry of this present Prospectus, the following operations with related parties have taken place:

Related party	Financial Year	Type of Operation	Amount (figures in thousands of Euros)
Management company	2006	Management committee	4,371
	2007		5,746
	2008		5,254
	2009 (1)		1,826
	2006	Provision for Performance Fee	7,281
	2007		13,917
	2008		909
	2009 (1)		888

Related party	Financial Year	Type of Operation	Amount (thousands of Euros)
Board of Directors	2006	Remunerations	147
	2007		178
	2008		220
	2009 (1)		145

(1) From 30 September 2009

Related party	Year	Type of Operation	Total
Bestin Supply Chain, S.L.	2008	Participating loan interests	694
(Bestin)		Participating Loan	13,400
	2009 (1)	Participating loan interests	648
Colegios Laude II, S.L.	2008	Participating loan interests	62
(Laude)		Participating Loan	1,108
	2009 (1)	Participating loan interests	104
Colegios Laude, S.L.	2006	Participating loan interests	405
(Laude)		Participating Loan	6,753
	2007	Participating loan interests	1,351
		Participating Loan	9,495
	2008	Participating loan interests	1,618
	2009 (1)	Participating loan interests	1,382
		Participating Loan	500
Deutsche Woolworth, Gmbh	2007	Participating Loan Capitalization	653
Émfasis Billing & Marketing Services, S.L.	2006	Participating loan interests	425
(Grupo Émfasis)	2007	Participating loan interests	572
		Participating Loan	786
	2008	Participating loan interests	647
	2009 (1)	Participating loan interests	429
Grupo Gestión Integral Novolux Internacional, S.L.	2006	Participating loan interests	814
(Christer)	2007	Participating loan interests	897
	2008	Participating loan interests	991
	2009 (1)	Participating loan interests	802
Hortus Mundi, S.L.	2007	Amortization loan to Shareholders	53
(Segur Ibérica)		Participating loan interests	4
		Participating Loan	202
	2008	Amortization loan to Shareholders	36
		Participating loan interests	7
	2009 (1)	Participating loan interests	4
HP Health Clubs Iberia, S.A.	2006	Participating loan interests	1,177
(Holmes Place Iberia)	2007	Participating loan interests	1,177
	2008	Participating loan interests	1,180
	2009 (1)	Participating loan interests	349
Leucorodia, S.L.	2007	Participating loan interests	177
(Xanit)		Convertible Loan	10,300
		Participating Loan	20,400
	2008	Participating loan interests	3,308
		Participating Loan	5,916
	2009 (1)	Participating loan interests	2,012
		Participating Loan	712
ZIV Aplicaciones y Tecnología SL	2007	Participating loan interests	664
(ZIV)		Participating Loan	7,313
	2008	Participating loan interests	1,055
	2009 (1)	Participating loan interests	874
Ronda Corporate, S.L.	2008	Participating loan interests	575
(MBA)		Participating Loan	15,533
	2009 (1)	Participating loan interests	1,432
Saint Germain Grupo de Inversiones, S.L.	2006	Amortization loan to Shareholders	7,613
(Serventa)		Participating loan interests	542
		Participating Loan	12,705
	2007	Participating loan interests	788
	2008	Capitalization of interests	2,331
		Capitalization of Participating Loan	8,017
		Participating loan interests	1,002
		Participating Loan	2,925
The Beauty Bell Chain, S.L.	2006	Participating loan interests	1,690
(Grupo Bodybell)		Participating Loan	1,604
	2007	Participating loan interests	3,423
	2008	Amortization loan to Shareholders	25,000
		Capitalization of interests	6,325
		Capitalization of Participating Loan	7,061
		Participating loan interests	3,757
		Participating Loan	25,000
	2009 (1)	Participating loan interests	1,046
Undesa, S.L.	2008	Participating loan interests	52
		Interest payments	89

(1) From 30 September 2009

With respect to related operations it would be as well to underline and clarify that, in the case of Deutsche Woolworth, Gmbh, The Beauty Bell Chain, S.L., Hortus Mundi, S.L. and Serventa, S.A., part or the whole of the participating loans and the interests payable have been converted into equity by means of a new equity issue. It is also pointed out that these transactions did not involve treasury movements.

The amounts of the related operations in the above table can not be compared to the Company's total business turnover since said figure can not be calculated due to the very nature of DINAMIA's activity.

The Management Contract contemplates the option that the Managing Company, should it be so required by any of the companies in which DINAMIA has an interest, shall provide advisory services to said companies or to the vehicles used to invest in the same. During the financial periods covered by the background financial information, no income have been produced under this head.

20. FINANCIAL INFORMATION CONCERNING ISSUERS ASSETS AND LIABILITIES, FINANCIAL POSITION AND PROFIT AND LOSS

20.1 Financial Background

Financial information corresponding to the financial years ending 31 December 2006 and 2007 is set forth below. Said information has been drawn up in compliance with CNMV Circular 5/2000, of 19 of September, audited by KPMG Auditores, S.L. and PricewaterhouseCoopers Auditores, S.L. respectively, and likewise the information corresponding to the periods ending 31 December 2007 and 2008, drawn up in compliance with CNMV Circular 11/2008, of 30 December, of which that relative to the 2008 financial year has been audited by PricewaterhouseCoopers Auditores, S.L.. Information corresponding to the 2007 financial year, drawn up in compliance with CNMV Circular 11/2008 of 30 December is herein included merely for comparative purposes since it does not form part of the audited annual financial statements for 2007 or 2008. Notwithstanding, it has been reviewed by the auditor with the object of its inclusion in this present Prospectus. There is, additionally, an "Adjustment" column with reconciliation of the 2007 financial year data between the provisions of CNMV Circulars 11/2008 and 5/2000. The information is presented through individual financial statements since, not belonging to or figuring at the head of the group of companies, the Company does not draw up Consolidated Financial Statements (see 3.1 and 7.1 of the Registered Documents).

On 15 January 2009 CNMV Circular 11/2008, of 30 December on accounting norms and standards, annual accounts and venture capital organisations' reserved information statements entered into force, and replaces Circular 5/2000, of 19 September, under which the annual financial statements of the periods 2006 y 2007 were drawn up.

Due to this regulatory change, and in order to permit the comparison of the figures herein presented, the financial information relating to the 2008 financial year complies with Circular 11/2008 while that relating to 2007 has been adapted to the same. We include this information here since in the financial statements for the period ending 31 December 2008, adaptation to CNMV Circular 11/2008 of the financial statements corresponding to the 2007 financial year is not included, for which reason comparative tables are not therein given. Likewise, the financial information corresponding to the 2006 financial year and 2007 is presented under the terms of CNMV Circular 5/2000. Lastly, reconciliation of all data corresponding to the 2007 financial year is given.

CNMV Circular 11/2008, on Accounting Norms, Annual Accounts and Reserved Information Statements for Venture Capital Organisations

CNMV Circular 11/2008, on accounting norms, annual accounts and reserved information statements for venture capital organisations highlights the particular relevance of accounting practise in relation to financial assets. Given that the main objective of Venture Capital companies is to take temporary interests in the capital of other companies, the fact that these organisations must determine their total equity and calculate net worth is taken into account. Another aspect of Circular 11/2008 that merits underlining is the definition of methods to determine fair and reasonable value and recognition of such in the Company's accounts, and especially for unlisted equity instruments which generally constitute the most usual investments of venture capital organisations.

Investments in unlisted companies undertaken specifically by DINAMIA have been assigned, in general, to investments in associated companies and, as Rule 11 indicates, "General criteria of registration, classification and valuation of financial assets" under Circular 11/2008 are valued at cost less, where appropriate, the accumulated amount of the value of corrections for impairment. In any case, potential yields net of taxes must be notified in balance sheet contra accounts which shall be determined by comparison of the cost of the investment with its fair value. In the event that investment in the equity of associated companies is part of seed capital as defined in Rule 9:5, such investment shall be valued at cost, and if impairment exists the amount of the recognised value adjustments for impairment shall also be reflected in contra accounts, provided that the company is fulfilling its business plan according to the dictum of the Board of Directors of the venture capital organisation or its management company.

In the event that recent transactions under conditions of mutual independence should exist between interested and duly informed parties at a value different from the book value of the investments, the differences shall be recognised in contra accounts. Value changes for impairment and also their reversion when the circumstances which caused them cease to exist, are recognized as expenses or income respectively, in the Income Statement. Reversion of impairment is limited to the book value of the asset in question recognized at the time of reversion if the value impairment had not been entered.

Insofar as investments in listed companies, investment funds and venture capital funds are concerned, they are classified as financial assets available for sale and, in compliance with said Rule 11, are assessed at their fair value without deduction of any transaction costs that could be incurred on account of their disposal. Any change in the fair value will be entered directly to net equity, until the financial asset balance is written off or impaired, at which time the amount duly recognised will be assigned to the Income Statement Notwithstanding the above, valuation corrections due to value impairment and losses or accruals due to exchange differences of financial assets in foreign currency in compliance with the provisions of Rule 15, shall be entered in the Income Statement.

Hence, for reasons which the current applicable regulation explains in the two paragraphs above, the amount of the investment portfolio reflected in the balance sheet differs from the value assigned to the same in the Valuation Report. This is a consequence of the use of different valuation criteria in the one and the other. Notwithstanding, the amount of this difference shall be registered in the contra accounts included in the annual accounts, except for investments considered to constitute seed capital as indicated in Circular 11/2008.

In the DINAMIA portfolio Valuation Report the main criteria used for the valuation of unlisted companies are two criteria established by the European Venture Capital Association (EVCA), as follows:

1. Valuation according to multiples from comparable listed companies.

2. Application of the multiples at which DINAMIA acquired the companies to estimated yield at the end of 2008.

Of these two criteria the one offering the lower valuation of the investment shall be chosen in each case. Notwithstanding, general criteria may be varied in some valuations in the event that, due to the particular features of the company involved or to the nature of the data collected, important distortions are detected in the valuations. In these cases other criteria also contemplated by EVCA are employed. In DINAMIA's case the valuation method employed is applied to the total investment, which is to say company equity plus participating loans and interests.

The fundamental variables affecting valuation in the aforesaid main criteria are i) Earnings Before Interest, Taxes, Depreciation, and Amortization (EBITDA), ii) the enterprise value (EV)/EBITA multiple, iii) iliquidity risk discount and iv) net financial debt. Increases in variables i) and ii) increase the valuation, whereas increase in variables iii) and iv) decrease it, and vice-versa.

The main feature of these (internationally accepted) valuation methods is that they are responsive to the year's operating performance (EBITDA), as against the stability of other valuation methods such as the theoretical book value which takes account of shareholders' contributions plus retained company earnings from past financial years.

As a result of compliance with the structure of CNMV Circular 1/2008 of 30 January, the structure of the balance sheet and of the income statement included in this section differ with respect to those presented for the 2006 financial year. The differences in this sense are not relevant to an adequate understanding and interpretation of the financial information.

As we have already pointed out in this Prospectus and for a correct understanding of the income statement, it is worth mentioning that the structure of investments in companies, as far as participating investments are concerned, entails accrued interests for each period not to be reflected in the Company's treasury as cash flow until the moment of the divestment. Thus there is a temporary difference between accrual and collection of said interests which can reach significant proportions. Likewise there is a temporary difference between accrual of the performance fee and the corresponding cash flow. This is due to covenants in the Management Contract which, as shall be pointed out below, stipulate that this performance fee shall only be paid once the cost of investment per year, plus additional profit, has been covered.

__Annual Accounts (all figures in thousands of Euros unless otherwise stated)__

The following section shows the balance sheets for the 2008, 2007 and 2006 financial years:

Balance Sheet

	Circular 11/2008			Circular 5/2000	
ASSETS	**2008**	**2007 (unaudited)**	**Adjustments**	**2007**	**2006**
A) CURRENT ASSETS	**46,150**	**95,387**	**10**	**95,377**	**100,822**
I. Cash and cash equivalents	44,547	91,955	0	91,955	98,088
II. Accruals	20	81	0	81	36
III. Short term financial investments	0	0	0	0	0
1 Equity instruments	0	0	0	0	0
2 Loans and credits to companies	0	0	0	0	0
3 Securities representing debt	0	0	0	0	0
4 Derivatives	0	0	0	0	0
5 Other financial assets	0	0	0	0	0
IV. Short term investments in groups and assoc, companies	0	0	0	0	0
V. Debtors	1,583	3,351	10	3.341	2,698
VI. Other current assets	0	0	0	0	0
B) NON.CURRENT ASSETS	**184,527**	**188,565**	**3,678**	**184,887**	**139,787**
I. Deferred tax asset	452	0			
II. Long term financial investments	7,919	10,421	3,686	6,735	9,002
1 Equity instruments	7,263	9,731	3,686	6,045	9,002
1,1, Of Venture Capital Investee Companies	4,913	9,731	3,686	6,045	9,002
1,2, Of other organizations	2,350	0	0	0	0
2 Loans and credits to companies	0	0	0	0	0
3 Securities representing debt	0	0	0	0	0
4 Derivatives	0	0	0	0	0
5 Other financial assets	656	690	0	690	
III. Long term investments in groups and assoc, companies	176,156	178,144	(8)	178,152	130,494
1 Equity instruments	83,636	73,322	0	73,322	72,233
1,1, Of Venture Capital Investee Companies	83,636	73,322	0	73,322	72,233
1,2, Of other organizations	0	0	0	0	0
2 Loans and credits to companies	92,520	104,822	(8)	104,830	58,261
3 Securities representing debt	0	0	0	0	0
4 Derivatives	0	0	0	0	0
5 Other financial assets	0	0	0	0	0
IV. Tangible fixed assets	0	0	0	0	0
V. Intangible fixed assets:	0	0	0	0	0
VI. Other non-current assets	0	0	0	0	291
TOTAL ASSETS (A + B)	**230,677**	**283,952**	**3,688**	**280,264**	**240,609**

LIABILITIES AND NET WORTH	Circular 11/2008 2008	Circular 11/2008 2007 (unaudited)	Adjustments	Circular 5/2000 2007	Circular 5/2000 2006
A) CURRENT LIABILITIES	**2,576**	**6,236**	**3**	**6,233**	**907**
I. Accruals	326	326	326		
II. Creditors and other accounts payable	2,219	5,880	(353)	6,233	907
III. Short term debts with groups and assoc. companies	0	0	0	0	0
IV. Short term debts	0	0	0	0	0
V. Short term provisions	0	0	0	0	0
VI. Other current liabilities	31	30	30	0	0
B) NON.CURRENT LIABILITIES	**30,715**	**32,212**	**1,105**	**31,107**	**32,950**
I. Accruals	0	0	0	0	0
II. Deferred tax liability	0	1,106	1,106	0	0
III. Long term debts with groups and assoc. companies	0	0	0	0	0
IV. Long term debts	0	12,750	(1)	12,751	10,590
V. Long term provisions	13,495	1,136	0	1,136	523
VI. Other non-current liabilities	17,220	17,220	0	17,220	21,837
TOTAL LIABILITIES (A + B)	**33,291**	**38,448**	**1,108**	**37,340**	**33,857**
C) NET WORTH	**197,386**	**245,504**	**2,580**	**242,924**	**206,752**
C-1-OWN EQUITY	**198,742**	**242,924**	**0**	**242,924**	**206,752**
I. Capital	35,910	35,910	0	35,910	35,910
II. Parties	0	0	0	0	0
III. Issue premium	80,170	88,549	0	88,549	105,307
IV. Reserves	118,465	65,535	0	65,535	28,489
V. Own equity instruments	0	0	0	0	0
VI. Previous years performance (+/-)	0	0	0	0	0
VII. Other shareholder contributions	0	0	0	0	0
VIII. Earnings for the year (+/-)	(35,803)	52,930	0	52,930	37,046
IX. Dividends on account (-)	0	0	0	0	0
X. Other Net Equity instruments	0	0	0	0	0
			0	0	0
C-2 ADJUSTMENTS FOR VALUATION IN NET WORTH	**(1,356)**	**2,580**	**2,580**	**0**	**0**
I. Financial assets avail. for sale	(1,356)	2,580	2,580	0	0
II. Cover operations	0	0	0	0	0
III. Others	0	0	0	0	0
C-3) Subsidies, donations and legacies received.	**0**	**0**	**0**	**0**	**0**
TOTAL LIABILITIES AND NET WORTH	**230,677**	**283,952**	**3,688**	**280,264**	**240,609**

With respect to the balance sheet presented above please note the adjustments made to the 2007 accounts due to compliance with CNMV Circular 11/2008. Said adaptation affects registries related to Nicolás Correa in the annual accounts. In compliance with applicable legislation in force at year's end 2007, this investment was registered in assets at cost. In the event that unrealised losses occurred, a provision was endued. With the entrance into force of Circular 11/2008 the investment in Nicolás Correa was classified within financial assets available for sale and was registered in the Company's assets at its fair value with the resulting changes in Net Worth.

In the case of this investment the fair value is the share price, since it is a listed company. The variation in fair value at 31 December 2007 with respect to that assigned under the previous regulations represented a capital gain of 3.686 million Euros which was entered under assets to long-term financial investments. The liability for deferred taxes due to this increment is 1.106 million Euros. Lastly, the net effect is registered in equity to the amount of 2.580 million Euros.

Finally, a reclassification of long-term accrued expenses to the amount of 326 million Euros was entered to current liabilities.

All changes in net worth not proceeding from capital operations with proprietors or allocations to proprietors are shown in the next table:

	Figures in thousands of Euros						
	Equity	Issue premium and reserves	Shares and holdings in own equity	Earnings for Year	Other Net Equity instruments	Adjustments for valuation	Total Net Worth
Balance at 31 December 2005	**35,910**	**139,258**	**0**	**2,917**	**0**	**0**	**178,085**
Profit allocation for 2005 year	0	2,917	0	(2,917)		0	0
Dividends	0	(8,379)	0	0	0	0	(8,379)
Exchange differences	0	0	0	0	0	0	0
Other movements	0	0	0	0	0	0	0
Earnings for the year 2006	0	0	0	37,046	0	0	37,046
Balance at 31 December 2006	**35,910**	**133,796**	**0**	**37,046**	**0**	**0**	**206,752**
Profit allocation for 2006 year	0	37,046	0	(37,046)	0	0	0
Issue premium allocation	0	(16,758)	0	0	0	0	(16,758)
Exchange differences	0	0	0	0	0	0	0
Other movements	0	0	0	0	0	0	0
Earnings for the year 2007	0	0	0	52,930	0	0	52,930
Balance at 31 December 2007	**35,910**	**154,084**	**0**	**52,930**	**0**	**0**	**242,924**
Adjustments for criteria changes 2007 and prior	**0**	**0**	**0**	**0**	**0**	**3,686**	**3,686**
Profit allocation for 2007 year	0	0	0	0	0	0	0
Issue premium allocation	0	0	0	0	0	0	0
Exchange differences	0	0	0	0	0	0	0
Total income and expenditure	0	(8,379)	0	(35,803)	0	(5,042)	(49,224)
Earnings for the year 2008	0	52,930	0	(52,930)	0	0	0
Balance at 31 December 2008	**35,910**	**198,635**	**0**	**(35,803)**	**0**	**(1,356)**	**197,386**

The following chart shows cash flow statements at 31 December 2006, 2007, and 2008:

	Thousands of Euros		
	2008	**2007**	**2006**
Treasury at year's beginning	18,956	8,714	2,499
Temporary Financial Investments (repos) at year's beginning	73,000	89,375	50,000
Liquid assets at year's beginning (4)	**91,956**	**98,088**	**52,499**
Cash outlays for investment	(87,008)	(71,650)	(25,710)
Cash income for divestment	55,662	84,221	88,078
Net cash flow from investment activity (1)	**(31,346)**	**12,571**	**62,368**
Payments to suppliers	(9,930)	(13,597)	(11,366)
Debts collected	474	7,605	1,403
Other operating cash outlays	0	(50)	(51)
Financial income	1,772	4,096	1,615
Net cash flow from investment activity (2)	**(7,684)**	**(1,946)**	**(8,399)**
Net variation in temporary financial investments (repos)	50,498	16,375	(39,375)
Dividend paid out	(8,379)	(16,758)	(8,379)
Net cash flow from financing activity (3)	**42,119**	**(383)**	**(47,754)**
Total net cash flow (1) + (2) + (3)	**3,089**	**10,242**	**6,215**
Treasury at year's end	22,045	18,956	8,714
Temporary Financial Investments (repos) at year's end	22,502	73,000	89,375
Liquid assets at year's end (5)	**44,547**	**91,956**	**98,088**
Variation in liquid assets for the year (5) - (4)	**(47,409)**	**(6,132)**	**45,589**

In the above cash flow statement the increase in dividends paid out for the 2007 period is noteworthy. In the 2007 financial year the dividend paid out was greater due to earnings generated by the divestment of General Alquiler de Maquinaria (GAM) and to the tenth anniversary of the listing of the company.

The amounts registered as cash outlays for investment and cash collected for divestments do not coincide with the investments and divestments from the point of view of management of the business. As we have pointed out in section 5.1, adjustments to the magnitudes presented in the previous Cash Flow Statement have been carried out. Said adjustments mainly correct loans to Fondo II by DINAMIA at the time of incorporation of the former. Notwithstanding the above, said loans are not to be taken into account in the cash flow of investments for the business since they are granted only for a short space of time and thus do not constitute an investment.

Comments on the Principle Items on the Balance Sheet:

The following is an explanation of the main items on the Balance Sheet and of their evolution.

- Cash and cash equivalents: treasury reflects the liquid assets which the Company maintains in deposits on demand and temporary acquisition of assets (repos). The breakdown is the following:

	Figures in thousands of Euros		
	2008	**2007**	**2006**
Repos	22,502	73,000	89,375
Treasury	22,044	18,955	8,713
Total liquidity	**44,546**	**91,955**	**98,088**

- Debtors: movement in the breakdown under the head of debtors during the 2008, 2007 and 2006 periods is the following:

	Figures in thousands of Euros				
	Circular 11/2008			Circular 5/2000	
	2008	2007	Adjustments	2007	2006
Public Administrations	1,404	598	0	598	480
Other debtors	179	2,753	10	2,743	2,218
	1,583	**3,351**	**10**	**3,341**	**2,698**

As can be seen, the most important item under this head at 31 December 2008 was the account with the Public Administration. This includes the amount of application for return of company tax retained on account of the 2007 financial year, and retention on account of the 2008 financial year.

- Long term financial investments: This corresponds to the participation which the Company maintains in Financial Assets Available for Sale and which have been assigned at their fair value. Investment in these assets has evolved as follows.

	Thousands of Euros
Balance at 31 December 2006	**9,002**
Registrations	690
Written Off	(2,957)
Impairment adjustment	0
Balance at 31 December 2007 (Circular 5/2000)	**6,735**
Restatement of the fair value of Nicolás Correa	**3,686**
Balance at 31 December 2007 (Circular 11/2008)	**10,421**
Registrations	3,813
Written Off	(821)
Impairment adjustment	(5,494)
Balance at 31 December 2008	**7,919**

New registrations in 2008 correspond to the investment in Electra Partners Club 2007 LP.

Items written off in the 2007 financial year correspond to the sale of interests in GAM, and those of 2008 to the part sale of the investment in Nicolas Correa.

- Long-term Investments in Group and Associated Companies: this section embraces participation (loan and capital) in investees which the Company considers to be associates due to the high percentage of interest in their equity structure and the influence which DINAMIA exercises over the investee company. Investment in these assets in the period between 2006 and 2008 has evolved as follows:

	Thousands of Euros
Balance at 31 December 2006	**130,494**
Registrations	66,529
Written Off	(26,464)
Accrued interest	9,053
Impairment adjustment	(1,460)
Balance at 31 December 2007 (Circular 5/2000)	**178,152**
Adjustment to Circular 11/2008	**(8)**
Balance at 31 December 2007 (Circular 11/2008)	**178,144**
Registrations	118,277
Written Off	(76,311)
Accrued interest	14,662
Impairment adjustment	(58,616)
Balance at 31 December 2008	**176,156**

As can be seen there are differences between the movements registered in the annual accounts as additions and withdrawals of investments reflected in the above table with investment and divestment treasury movements. These differences are due to the capitalization of participating loans and accrued interest which produce accounting movements but not cash flow.

Due to the rules currently in force as explained above (CNMV Circular 11/2008 on accounting rules, annual accounts and reserved information statements on venture capital institutions) at the beginning of this present section 20.1, the value of the investee companies reflected in the balance sheet differs from the value assigned to the same in the Valuation Report. Notwithstanding, the amount of this difference shall be registered in the contra accounts included in the annual accounts, except for investments considered to constitute seed capital. Thus, and in conformance with the annual accounts at December 2008 the difference between the NAV (180.9 million Euros) of the investee companies portfolio and the net book value of the same (166.2 million Euros), is 14.7 million Euros. Said difference is fully registered in the contra accounts.

- Creditors and Accounts Payable: At 31 December 2008 this item embraced basically the value of management fees outstanding to 965 thousand Euros and a debt of 1,138 thousand Euros with an investee company for retention on account of company tax.

- Long Term Provisions: This item reflects the forecast for performance fees payable to the Management Company. By virtue of the Management Contract, the Management Company has the right to a performance fee of 20% over net yield (over the total of the investment which includes participation and participating loan) which the Company may obtain for the transfer of the full amount of participation in companies object of its activity in the same fiscal year, and for the yield which said participation contributes once the annual management fee has been deducted, provided that said yield exceeds a minimum profitability equal to the average IRR on Spanish three-year bonds in December of the year in question. This fee shall be payable to the Management Company to the extent that investments acquired in the same year are transferred by the Company, once the cost of the full amount of the investment made in said fiscal year has been covered, although it is not necessary to wait for disposal of the last company. In this way the Company shall only pay out the performance fee when yields are obtained for one whole year's investments and not only for yield from each investment even though the remaining investments shall have made losses.

- Other Non-current Liabilities: The balance of this item at year's end 2008 (17.2 million Euros) corresponds to income to allocate in various periods due to the partial sale of the interest in Bodybell. This amount shall be cancelled when divestment of this company is carried out.

- Reimbursed Funds: The value of movements in the capital and reserves accounts in thousands of Euros is shown in a previous table in this same section.

- Net Worth Valuation Adjustments: This head includes variation in the fair value of assets available for sale in accordance with the provisions of Circular 11/2008.

The following section shows the income statements for the financial years ending 31 December 2006, 2007 and 2008:

Income Statement

	2008	2007 [1]	2006
Financial income	**16,322**	**13,418**	**7,217**
Interests, dividends and similar	16,322	13,418	6,884
Other financial income	0	0	333

Performance and var. of fair value fin. invest. portfolio (net) (+/-)	**(46,515)**	**59,589**	**41,547**
Yield from disposals (net) (+/-)	3,575	67,028	39,533
Equity instruments	3,575	67,028	39,533
Variation in fair value financial instruments (+/-)	0	0	0
Impairment and loss of financial investments (+/-)	(50,090)	(7,439)	2,016
Net exchange differences (+/-)	0	0	(2)
Other results of operations (+/-)	**(6,163)**	**(19,664)**	**(11,652)**
Paid out fees (-)	(6,163)	(19,664)	(11,652)
Management Fee [2]	(5,254)	(5,746)	(4,371)
Other fees and expenses [3]	(909)	(13,917)	(7,281)
GROSS MARGIN	**(36,356)**	**53,343**	**37,112**
Other operating expenses	(1,209)	(1,096)	(519)
Excess Provisions (+)	1,763	683	453
EARNINGS BEFORE TAXES	**(35,802)**	**52,930**	**37,046**
Tax on profits (-)	0	0	0
EARNINGS FOR YEAR	**(35,802)**	**52,930**	**37,046**

[1.] There are no differences due to change in criteria
[2] Fixed management fees accrued to the Management company for the year
[3] Performance fees accrued to the Management company for the year

Comments on the Main Items of the Income Statements:

- Other Operating Results and Other Operating Expenses: Gathers Company general expenses. The following table shows the accounting heads and the evolution of this item in the 2008, 2007, and 2006 periods:

	Thousands of Euros		
	2008	**2007 (1)**	**2006**
Fixed Management Fee	5,254	5,746	4,371
Performance Fee	909	13,917	7,281
Total Fees	6,163	19,663	11,652
External services	1,099	576	230
Others	111	520	289
Other operating expenses	1,209	1,096	519
Total operating expenses	**7,372**	**20,759**	**12,171**

(1) There are no differences due to change in criteria

The practical totality of the expenses gathered in these items correspond to fees accrued to the Management Company which, as described in sections 6.4 above, correspond to the fixed annual fee and the performance fee.

The following table shows the real amounts paid under the head of fixed management fees and performance fees during the 2006, 2007 and 2008 financial years:

	Figures in thousands of Euros		
	2008	**2007**	**2006**
Fixed fee paid to Management Company	5,254	5,746	4,371
Variable fee paid to Management Company	1,058	6,460	6,377
Total	6,312	12,206	10,748

- Financial Income: The evolution of financial income broken down according to the type of activity generating said movement is shown as follows:

	Thousands of Euros		
	2008	**2007 (1)**	**2006**
Cash interests	642	552	148
Interest on temporary assets acquisition	1,334	3,645	1,382
Loans and credits to companies	14,347	9,221	5,120
Dividends	0	0	234
	16,322	**13,418**	**6,884**

(1) There are no differences due to change in criteria

Remuneration of balances maintained in current accounts is registered as cash interests. Temporary asset acquisition interests include those interests received for investment in repos. The policy of the Company is to maintain a part of the disposable treasury available to meet immediate payments and to invest the remainder in repos at one week over issues of public debt.

Lastly, accrual of interest on participating loans is entered as interest on loans to companies. As can be seen in section 19 on related operations, during the 2007 and 2008 financial years there is a very significant increase in investee companies by means of participating loans and thus the accrued interests also show considerable growth. It should be remembered at this point that that accrual of interests does not cause immediate repercussions on cash flow. To this effect it is worth noting that in the previous years under review the Company has not collected any amount whatsoever under the head of interest on participating loans.

- <u>Financial Investment Portfolio Performance and Fair Value Adjustment (net) (+/-):</u> The following table shows a breakdown of financial investment impairment and loss as well as profit from the sale of financial assets by type of activity producing said movements:

	Thousands of Euros		
	2008	**2007 [1]**	**2006**
Impairment and loss of financial investments			
Of Equity instruments [2]	(36.221)	(7.439)	2.016
Of credits to investee companies [3]	(13.869)	0	0
Of other financial assets	0	0	(2)
	(50.090)	(7.439)	2.014
Profit from sale and amortization of financial assets			
Profit from sale of listed companies	754	39.266	39.533
Profit from sale of unlisted companies	2.821	27.762	0
	3.575	67.028	39.533
	(46.515)	**59.589**	**41.547**

1. There are no differences due to change in criteria

2. Investment in equity

[3] Investment in participating loans

When an investment suffers impairment, the contra when assigning said impairment to financial instruments is, firstly, to investment in the equity of the investee company. If the impairment exceeds the above amount, it shall be assigned in second place to interest on participating loans and, lastly, to the principal of the participating loans.

The downturn in performance in the 2008 period with respect to that obtained in 2006 and 2007 is basically the result of adjustments for impairment registered in said financial year. Additionally, in 2006 and 2007 divestments were carried out whose yield, once collected, were registered in the income statement, whilst in 2008 no such divestment was made.

Profits from sale of listed companies correspond to the sale of General de Alquiler de Maquinaria in the 2006 and 2007 periods and the partial sale of Nicolás Correa in 2008. As for profits from unlisted companies in 2007, these correspond to the sale of Capital Safety Group (18,476 thousand Euros), Unión Derivan (7,443 thousand Euros) and High Tech (1,843 thousand Euros). Profits registered in the 2008 financial year correspond to the sale of Net TV (2,469 thousand Euros), Forthpanel Limited (500 thousand Euros) and the partial sale of Xanit (loss of 148 thousand Euros).

<u>- Excess Provisions</u>: This head, the balance of which at 31 December 2008 stood at 1.763 million Euros, corresponds to reversions of provisions made to said date. The most significant amount corresponds to the reversion of a provision set up by the Company at the end of the previous financial year for a loan granted to Unión Deriván, S.A.

20.2 Pro-forma Financial Information

Pro-forma information is not given in the present prospectus since it is considered that no significant change has taken place that would make the inclusion of such information advisable for a better understanding of the financial information.

20.3 Financial Statements

See section 20.1 of the Registered Document.

20.4 Audit of Annual Financial Background Information

20.4.1 Statement that the Financial Background Information has been Audited. Should the auditory reports of the legal auditors on the background financial information contain an adverse opinion or contain reserves, limitations of scope or except for opinions, such adverse opinions, reserves,

limitations of scope or except for opinions shall be fully recorded, with explanation of the reasons.

The individual annual accounts of DINAMIA for the financial year ending 31 December 2006 have been audited by KPMG Auditores, S.L., registered address in Madrid, Paseo de la Castellana, 45, tax registration number B-78510153, registered R.O.A.C number S0702 and registered with the Madrid Mercantile Registry in Volume 11.961, Document 90, Section 8ª, Page M-188.007.

The individual annual accounts of DINAMIA for the financial year ending 31 December 2007 and 31 December 2008 have been audited by PricewaterhouseCoopers Auditores, S.L., registered address in Madrid, Paseo de la Castellana, 43, with tax registration number B-79031290, R.O.A.C. registration number S0242 and registered with the Madrid Mercantile Registry in Volume 9.267, Document 75, Section 3ª, Page M-87.250-1.

The auditors' opinion in all cases has been favourable and unqualified.

20.4.2 Indication of any Other Information in the Registered Document that has been Audited

No other audited information different from the background financial information is included.

Notwithstanding the aforesaid, the half yearly Valuation Report has undergone limited review by Deloitte S.L. as independent expert. The scope of the review is to verify the application of criteria established in the Management Contract and other verifications on quantitative information used in the calculation of each valuation.

20.4.3 In the event that financial data in the Registered Document does not proceed from the issuer's audited Financial Statements, said issuer shall state the source of the data and state that such data has not been audited.

All financial information related to DINAMIA included in the present Prospectus has been taken from the audited annual accounts, except information corresponding to 30 June 2008 and 2009, which proceeds from intermediate financial information in the Company's possession and has been subjected to a limited review by PricewaterhouseCoopers Auditores, S.L., and that corresponding to 31 December 2007 drawn up in accordance with Circular 11/2008 which is included exclusively for comparative purposes and does not form part of the 2007 financial statements.

20.5 Age of the most recent financial information

The most recent financial information contained in the present Prospectus dates from 30 September 2009. However, detailed information at 30 June is included since it is the latest that has been reviewed by an independent third party.

Notwithstanding, the most recent audited financial information on the Company included in this present Prospectus corresponds to 31 December 2008, so that the period between the aforesaid date and the date of registration of the Prospectus does not exceed fifteen months.

20.6 Intermediate information and remaining financial information

20.6.1 Should the issuer have published quarterly or half-yearly financial information since the date of its last audited financial statements, these shall be included in the registered document. Should said quarterly or half-yearly information have been revised or audited, the auditors' or review reports shall also be included. Should the quarterly or half-yearly financial information not have been audited or reviewed, this circumstance shall be clearly stated.

The intermediate financial information included below has been object of a limited review by auditors of the Company PricewaterhouseCoopers Auditores, S.L., registered address in Madrid, Paseo de la Castellana, 43, with tax registration number B-79031290, R.O.A.C. registration number S0242 and registered with the Madrid Mercantile Registry in Volume 9.267, Document 75, Section 3ª, Page M-87.250-1.

Due to the regulatory change mentioned in section 20.1, and in order to permit the comparison of the figures herein presented, the intermediate financial information at 30 June 2009 is drawn up under the provisions of Circular 11/2008, and that relating to 30 June 2008 has been adapted to said provisions.

Balance sheets at 30 June 2009 and 31 December 2008 (unaudited data):

ASSETS	30/06/2009	31/12/2008
A) NON.CURRENT ASSETS	163,305	184,527
1. Intangible fixed assets:	0	0
a) Goodwill	0	0
b) Other intangible fixed assets	0	0
2. Tangible fixed assets	0	0
3. Real estate investments	0	0
4) Long term investments in groups and assoc. companies	156,615	176,156
5. Long term financial investments	5,467	7,919
6. Deferred tax asset	1,223	452
7. Other non-current assets	0	0
B) CURRENT ASSETS	57,236	45,990
1. Non-current assets for sale	0	0
2. Stocks	0	0
3. Commercial debtors and other accounts receivable	2,017	1,423
a) Sales and service provision to clients	0	0
b) Other debtors	2,017	1,423
c) Current tax asset	0	0
4) Short term investments in groups and assoc. companies	0	0
5. Short term financial investments	0	0
6. Short term accrual	21	21
7. Cash and cash equivalents	55,198	44,547
TOTAL ASSETS (A + B)	220,541	230,517

LIABILITIES AND NET WORTH	30/06/2009	31/12/2008
A) NET WORTH (A.1+A.2+A.3)	178,085	197,386
A.1 OWN EQUITY	181,234	198,743
1. Capital:	35,910	35,910
a) Stated capital	35,910	35.910
b) Minus: uncalled capital	0	0
2. Issue premium	71,791	80,170
3. Reserves	82,663	118,465
4. Minus shares and holdings in own equity	0	0
5) Previous years performance	0	0
6) Other shareholder contributions	0	0
7) Earnings for year	(9,130)	(35,803)
8. Minus: dividend on account	0	0
9. Other Equity instruments	0	0
A.2) ADJUSTMENT FOR VALUATION CHANGE	(3,149)	(1,356)
1. Financial assets avail. for sale	(3,149)	(1,356)
2) Cover operations	0	0
3. Others	0	0
A.3) SUBSIDIES, DONATIONS AND LEGACIES RECVD.	0	0
B) NON.CURRENT LIABILITIES	31,604	30,556
1) Long term provisions	1,152	1,152
2. Long term debts	13,232	12,184
a) Debts with banks, bonds & other negotiable securities	0	0
b) Other financial liabilities	13,232	12,184
3) Long term debts with groups and assoc. companies	0	0
4. Deferred tax liability	0	0
5. Other non-current liabilities	17,220	17,220
6. long term accruals	0	0
C) CURRENT LIABILITIES	10,852	2,575
1. Liabilities related to non-current assets for sale	0	0
2) Short term provisions	0	0
3. Short term debts	8,379	0
a) Debts with banks, bonds & other negotiable securities	0	0
b) Other financial liabilities	8,379	0
4) Short term debts with groups and assoc. companies	0	0
5. Commercial creditors and other accounts payable	2,099	2,219
a) Suppliers	0	0
b) Other creditors	2,099	2,219
c) Current tax liability	0	0
6. Other current liabilities	48	31
7. Short term accrual	326	326
TOTAL NET WORTH AND LIABILITIES (A + B + C)	220,541	230,517

For informative purposes the following Company balance sheet at 30 September 2009 is included. This information has not been audited or reviewed by an independent third party.

ASSETS	30/09/2009
A) NON-CURRENT ASSETS	165,874
1. Intangible fixed assets:	0
a) Goodwill	0
b) Other intangible fixed assets	0
2. Tangible fixed assets	0
3. Real estate investments	0
4. Long-term investments in group companies and assoc.	158,581
5. Long-term financial investments	6,329
6. Deferred tax assets	964
7. Other non-current assets	0
B) CURRENT ASSETS	46,704
1. Non-current assets for sale	0
2. Stocks	0
3. Commercial debtors and other Accounts payable:	2,022
a) Sales and service provision, clients	0
b) Other debtors	2,022
c) Current taxes assets	0
4. Short-term investment in group companies and assoc.	0
5. Short-term financial investments	0
6. Short-term accruals	21
7. Cash and other liquid equivalent assets	44,661
TOTAL ASSETS (A + B)	212,578

LIABILITIES AND NET WORTH	30/09/2009
A) NET WORTH (A.1 + A.2 + A.3)	179,134
A.1) OWN EQUITY	181,680
1. Capital:	35,910
a) Stated capital	35,910
b) Minus: uncalled capital	0
2. Issue premium	71,791
3. Reserves	82,663
4. Minus shares and holdings in own equity	0
5) Previous years performance	0
6) Other shareholder contributions	0
7) Earnings for year	(8,684)
8. Minus: dividend on account	0
9. Other Equity instruments	0
A.2) ADJUSTMENT FOR VALUATION CHANGE	(2,546)
1. Financial assets avail. for sale	(2,546)
2) Cover operations	0
3. Others	0
A.3) SUBSIDIES, DONATIONS AND LEGACIES RECVD.	0
B) NON.CURRENT LIABILITIES	31,384
1) Long term provisions	931
2. Long term debts	13,232
a) Debts to banks, bonds & other negotiable securities	0
b) Other financial liabilities	13,232
3) Long term debts to company groups and assoc.	0
4. Deferred tax liability	0
5. Other non-current liabilities	17,220
6. long term accruals	0
C) CURRENT LIABILITIES	2,060
1. Liabilities related to non-current assets for sale	0
2) Short term provisions	0
3. Short term debts	0
a) Debts to banks, bonds & other negotiable securities	0
b) Other financial liabilities	0
4) Short term debts to company groups and assoc.	0
5. Commercial creditors and other accounts payable	1,734
a) Suppliers	0
b) Other creditors	1,734
c) Current tax liability	0
6. Other current liabilities	0

7. Short term accrual	326
TOTAL NET WORTH AND LIABILITIES (A + B + C)	212,578

It can be seen that there are hardly any significant changes in this quarter with the exception of the shareholders' dividend which represents a treasury outlay of 8.379 million Euros and the cancellation of the amount registered as short-term debts.

With respect to items in the balance sheet the following is noteworthy:

Long term investments in group and associated companies Contains the company portfolio to the amount of 74.558 million Euros as well as participating loans granted by the Company to the amount of 82.057 million Euros at 30 June 2009:

	thousands of Euros	
	30/06/2009	**31/12/2008**
Equity instruments	74,558	83,636
Venture Capital Investee Companies	74,558	83,636
other organisations	0	0
Loans and credits to companies	82,057	92,521
	156,615	**176,156**

As can be seen from the following table, the decrease in the balance of the companies portfolio is due mainly to restatements for impairment to a net amount of 1.953 million Euros and to the sale of the entire participation in the investee company Aseguramiento Atecsa, S.L. (7.125 million Euros). There have been no investments during the period.

	thousands of Euros			
	30/06/2009	**Registrations**	**Written Off**	**31/12/2008**
Unlisted securities	120,357	0	(7,125)	127,482
Investment impairment	(45,799)	(2,281)	328	(43,846)
	74,558	(2,281)	(6,797)	83,636

Movement in loans and credit to companies is given as follows:

	thousands of Euros
Balance at 31 December 2008	92,521
Reg, participating loans par value	0
Write-off participating loans par value	18
Reg. interest accrued on loans	5,862
Write-off interest accrued on loans	0
Impairment registration	(18,585)
Impairment write-off	2,243
Balance at 30 June 2009	82,057

The entries for impairment involve loans granted to Leucorodia, S.L. (Xanit) to the amount of 9.739 million Euros, Bestin Supply Chain, S.L. (Bestin) to the amount of 6.7 million Euros, and interest on participating loans to the amount of 2.146 million Euros.

Withdrawals for impairment to the amount of 2.246 million Euros corresponds entirely to the recovery of the provision for the participating loan to Émfasis due to adjustment of the fair value of the investment.

Long term financial investments

The breakdown of this head is the following:

	30-jun-09			
	Initial Value	Adjustment for valuation change	Impairment provisions	Total
Listed shares	5,224	(1,544)	0	3,680
Of investee companies (Nicolas Correa)	5,224	(1,544)	0	3,680
Collective investment institutions.	690	(33)	0	657
Venture Capital Companies	3,925	(2,795)	0	1,130
Spanish	0	0	0	0
Foreign (Electra Partners Club 2007 LP)	3,925	(2,795)	0	1,130
Total	9,839	(4,372)	0	5,467

As the above table at 30 June 2009 shows, accumulated potential capital losses from long term financial investments of 4.372 million Euros have been registered. Of this amount, 1.223 million Euros correspond to assets for deferred taxes (tax effect of the losses) and 3.149 million Euros to restatements of Net Worth.

The difference between the figure in the head "Adjustments for changes in value of financial assets available for sale" and that of the above table corresponds to the tax effect due to losses resulting from the valuation carried out at 30 June 2009, which stands at 1.223 million Euros and which has been registered under the head "assets for deferred taxes".

The decrease in this item with respect to the same period in the previous period is due to a fall in the fair value of the investments.

Cash and cash equivalents

The balance under this head in the balance sheet at 30 June 2009 comprises 5.198 million Euros in sight deposit accounts and 50 million Euros in temporary asset acquisitions broken down as follows (in thousands of Euros):

Sight deposits with credit institutions	5,198
Temporary asset acquisitions:	50,000
	55,198

Net liquidity of the Company at 30 June 2009 stood at 55.198 million Euros against 44.547 million Euros at the end of the 2008 financial year. The difference is mainly explained by divestment of Aseguramiento Atecsa, S.L. On 5 February 2009, the Company sold its entire interest in the investee company Aseguramiento Atecsa, S.L. for the amount of 13.870 million Euros. Said investment was registered for the amount of 7.125 million Euros, so that the sale has represented a profit for DINAMIA of 6.007 million Euros net of associated sales costs.

Long term debt - Other financial liabilities

Register provision for performance fees to the Management Company accrued to date to the amount of 13.232 million Euros.

Other non-current liabilities

The balance of this item (17.2 million Euros) corresponds entirely to income to allocate in various periods for the partial sale of the interest in Bodybell which took place in December 2006. This figure will be removed from the Company balance sheet at the time of disposal of the participation in the company.

Short term debt - Other financial liabilities

The dividend declared by the General Shareholders Meeting to the amount of 8.379 million Euros, outstanding as of 30 June 2009, has been assigned to this account.

Corporate equity

Corporate equity has suffered a significant decrease at 30 June 2009 with respect to the same date of the previous financial year. On the one hand, the General Shareholders Meeting of 4 June 2009 declared a dividend of 0.7 Euros per share to be charged to the issue premium for a total of 8.379 million Euros. At 30 June 2009 this amount was still outstanding and was registered under the head of "Short Term Debt". The dividend was paid out on 15 July 2009.

On the other hand, losses recognised at year's end 2008 for 35.803 million Euros were declared for entry against reserves.

Income statement for the first half of 2008 and 2009 (unaudited data):

INCOME STATEMENT	CURRENT ACCRUED 30/06/2009 Amount	PRIOR ACCRUED 30/06/2008 Amount
(+) Net turnover	0	0
(+-) Var. stocks finished/in process	0	0
(+) Imp. & maint. own fixed assets	0	0
(-) Supplies	0	0
(+) Other operating income	0	0
(-) Personnel expenses	0	0
(-) Other operating expenses	(2,969)	(4,403)
(-) Depreciation	0	0
(+) Subsidies of non-financial fixed assets and others.	0	0
(+) Excess Provisions	0	0
(+-) Impairment and yield for fixed asset disposal	0	0
(+/-) Other earnings	0	117
OPERATING PERFORMANCE	(2,969)	(4,286)
(+) Financial income	6,127	8,078
(-) Financial expenses	0	0
(+/-) Var. fair value financial instruments	0	0
(+)-) Exchange differences	0	0
(+-) Impairment and yield for fin. instruments disposal	(12,288)	(9,396)
FINANCIAL PERFORMANCE	(6,161)	(1,318)
EARNINGS BEFORE TAXES	(9,130)	(5,604)
(+/-) Tax on profits	0	0
YEAR PERFORMANCE FROM CONTINUOUS OPERATIONS	(9,130)	(5,604)
(+/-)Year performance interrupted ops. before taxes.	0	0
EARNINGS FOR YEAR	(9,130)	(5,604)

For informative purposes the following Company Income Statement at 30 September 2009 is included. This information has not been subjected to a limited review by an independent third party.

INCOME STATEMENT	30/09/2009
	Amount
(+) Net turnover	0
(+-) Var. stocks finished/in process	0
(+) Imp. & maint. own fixed assets	0
(-) Supplies	0
(+) Other operating income	0
(-) Personnel expenses	0
(-) Other operating expenses	(3,861)
(-)Depreciation	0
(+) Subsidies of non-financial fixed assets and others.	0
(+) Excess Provisions	221
(+-) Impairment and yield for fixed asset disposal	0
(+/-) Other earnings	0
OPERATING PERFORMANCE	(3,640)
(+) Financial income	9,399
(-) Financial expenses	0
(+/-) Var. fair value financial instruments	0
(+)-) Exchange differences	0
(+-) Impairment and yield for fin. instruments disposal	(14,443)
FINANCIAL PERFORMANCE	(5,044)
EARNINGS BEFORE TAXES	(8,684)
(+/-) Tax on profits	0
YEAR PERFORMANCE FROM CONTINUOUS OPERATIONS	(8,684)
(+/-)Year performance interrupted ops. before taxes.	0
EARNINGS FOR YEAR	(8,684)

With respect to the Main Items of the Income Statement:

Other Operating Expenses: the breakdown of the balance under this income statement head at 30 June 2009 is the following (thousands of Euros):

Fees paid out	2,714
Management fees	1,826
Performance fees	888
Other operating costs	254
	2,969

<u>Financial income</u>: This head of the income statement at 30 June 2009 includes the following amounts (thousands of Euros):

Profit from sale of financial assets	
Interest	
For temporary assets acquisition	182
For current accounts	84
For credits to Investee Companies	5,862
	6,127

With respect to the same period of the previous year there has been a decrease in the amount of accrued interest on credits to investee companies. This decrease is explained by the capitalization of the entire participating loan and accrued interests of Serventa to the amount of 8.023 million Euros and 2.331 million Euros respectively. Likewise for partial capitalization of the same concepts in Bodybell for 7.061 million Euros and 6.325 million Euros respectively.

Interest accrued for credits to investees to the amount of 5.862 million Euros is the only financial income registered which has not produced cash flow. As has been pointed out in previous sections, the entire amount of accrued interest from participating loans is liquidated on divestment, so there is a temporary difference between the accrual of the income and the cash flow.

Impairment and income from disposal of financial instruments This item gathers on the one hand income from yield for the sale of Atecsa in February 2009 for the sum of 6.007 million Euros. Also, for impairment of investments account for 18.295 million Euros.

<u>Retributions and other provisions to the Board of Directors and Senior Management</u>

Remunerations received by members of the board of directors as a whole for the six months ending 30 June 2009 stand at 127,189.08 Euros, and members of the Audits and Appointments Committee for the same period received 17,723.07 Euros under the head of expense accounts. During the entire financial year ending 31 December 2008 these same heads amounted to 193,948.23 and 25,703.49 Euros respectively.

The Company Administrators did not receive any other benefits during the six months ending 30 June 2009.

20.6.2 <u>Should the date on the registered document be more than nine months after the end of the last audited financial year, the Prospectus shall contain</u>

<u>intermediate financial information embracing at least the first six months of the current period and may be presented unaudited (this circumstance must be stated).</u>

The financial information corresponding to the first half of 2009, including section 20.6.1 above has not been audited. Notwithstanding, information mentioned above has been object of a limited review by auditors of the company PricewaterhouseCoopers Auditores, S.L., registered address in Madrid, Paseo de la Castellana, 43, with tax registration number B-79031290, R.O.A.C. registration number S0242 and registered with the Madrid Mercantile Registry in Volume 9.267, Document 75, Section 3ª, Page M-87.250-1.

20.7 <u>Dividend Policy</u>

The Company does not have a formal policy with respect to dividend allocation. Consequently, in each financial year and according to the Company's performance and investment perspectives, the Board of Directors of DINAMIA considers the advisability of allocating dividends and the amount of the same.

Notwithstanding, since 1999 the Company has maintained an allocation policy of paying out a constant dividend of 0.7 Euros per share except in 2007 when, for special reasons, payout of a dividend of 1.4 Euros per share was declared.

20.7.1 <u>Amount of dividends per share for each financial year of the background period under review, adjusted if the total number of shares has changed in order to facilitate comparison.</u>

In the financial years 2006 and 2008 DINAMIA allocated 8.379 million Euros to dividends, or 0.70 Euros per share. In the 2007 financial year DINAMIA allocated 16.758 million Euros to dividends, or 1.40 Euros per share, due to yield generated by the sale of GAM and to mark the tenth anniversary of the listing of the Company.

The Company paid out a dividend of 0.70 Euros per share for 2009, charged to issue premium. The total amount paid out to dividends in 2009 stands at 8.379 million Euros.

The following table shows dividends per share allocated during the 2006, 2007 and 2008 financial years:

	Financial Year 2008	Financial Year 2007	Financial Year 2006
Dividend (amount in Euros) [1]	8,379,000	8,379,000	16,758,000
Charged to previous year's earnings	0	0	0
Charged to issue premium	8,379,000	8,379,000	16,758,000
Outstanding shares	11,970,000	11,970,000	11,970,000
Gross dividend (Euros per share)	0.70	0.70	1.40
Pay out	n/a	15.83%	45.24%

[1.] It refers to its year of accrual and it is paid in the following year

No additional shareholder remuneration has been allocated in the period under review. Without prejudice to the above, a bonus issue was carried out in February 2005 valued at 1,282,500 Euros.

20.8 Legal Proceedings and Arbitration

DINAMIA is not currently engaged in any litigation or arbitration in process or awaiting sentence which could entail significant influence on the financial situation of the Company or over its business activity, or that has done so during the period covered by the financial background information under review in this present Prospectus.

20.9 Significant changes in the issuer's financial or commercial position

Since the date of the latest financial information presented in this Prospectus (30 June 2009) the main significant changes in the financial and commercial position of DINAMIA have been the following:

On 15 July 2009 a dividend of 0.7 Euros per share totalling 8,379 thousand Euros in cash and cash equivalents was paid out and charged to the issue premium, having been declared by the Shareholders General Meeting on 4 June 2007.

On 7 October 2009 Dinamia Capital Privado S.C.R., S.A sold its entire 7.06% interest in Ydilo Advanced Voice Solutions S.A. (Ydilo) to funds managed by Espiga Capital Inversión S.G.E.C.R., S.A. The final price of the sale was 1,377 thousand Euros, 1.1 times the net cost of acquisition. The company was valued at 30 June 2009 slightly below the final sale price (at 1.364 million Euros).

21. ADDITIONAL INFORMATION

21.1 Share capital

21.1.1 Sum of the capital issued and for each class of share capital:

The nominal sum of DINAMIA's share capital issued, on the date of registration of this Prospectus, amounts to €35,910,000 (THIRTY-FIVE MILLION NINE HUNDRED AND TEN THOUSAND EUROS). DINAMIA's share capital is currently represented by 11,970,000 (ELEVEN MILLION NINE HUNDRED AND SEVENTY THOUSAND) nominative shares, with a par value of 3 Euros each, all of them belonging to the same series and class.

a) number of shares authorised:

On 29 June 2006, the General Shareholders Meeting granted the Company's Board of Directors powers to increase the share capital, within the limits and according to the requisites established in the Stock Company Law, for a maximum period of five years from the date the agreement was reached by the Meeting. The maximum amount by which the share capital could be increased on the grounds of this agreement will be half the Company's share capital on the date said agreement was adopted.

In the case of the total subscription to the capital increase object of this Prospectus, and once carried out, DINAMIA's share capital would be fixed at forty-seven million, eight hundred and eighty thousand (47,880,000) EUROS represented by 15,960,000 shares.

Similarly, the General Shareholders Meeting of the previous year, of 29 June 2005, granted the Board of Directors, for a period of five years from said date, the powers to issue obligations, bonds and other securities, of fixed rate interest, simple, swap and/or convertible into shares and promissory notes, for a total and maximum sum equivalent to that which would allow the Company's degree of debt not to exceed in any circumstances one third of the worth of the Company's assets at the time of the issue, valued in compliance with the criteria and procedure envisaged in the Management Contract subscribed to with the Management Company.

b) number de shares issued and fully paid up and those issued but not fully paid up:

There are no called-for dividends as DINAMIA's share capital is totally subscribed to and paid up in full.

c) par value per share, or where the shares have no par value:

All the shares into which DINAMIA's share capital is divided have a par value of 3 (THREE) Euros each.

d) reconciliation of the number of shares in circulation at the beginning and at the end of the year. If more than 10% of the capital is paid with assets other than cash within the period covered by the historic financial information, this fact should be declared.

From 01 January 2006 and up to the date of registering this Prospectus, the number of the Company's shares in circulation has remained unvaried, meaning a total of 11,970,000 shares.

However, as has been mentioned in Section 5.1.5, during the year 2005 the Company made a capital increase through the issue of 2,992,500 new shares.

21.1.2 <u>If there are any shares that do not represent capital, the number and main characteristics of these shares is to be declared</u>

There are no shares which do not represent the share capital.

21.1.3 <u>Number, book value and par value of the Issuer's shares held by, or in the name of, the Issuer or its subsidiaries</u>

On the date of registration of this Prospectus, the Company does not hold any of its own shares. Similarly, during the last three financial years, the Company has not held any of its own shares, and none of those companies in which DINAMIA participates had held any of its shares.

However, the General Shareholders Meeting, held on 04 June 2009, authorised the DINAMIA's Board of Directors to proceed with the acquisition of its own shares in compliance with the legal requisites established in the Stock Company Law and in the conditions indicated below in a literal transcription of the agreement:

"The proposal is to authorise the Company's Board of Directors for the acquisition by "DINAMIA CAPITAL PRIVADO S.C.R., S.A." of its own shares, respecting the limits and legally established requisites, and in the following conditions:

1. *Means: By purchase and sale, swap, donation, adjudication or dation as payment and, in general, by any other means of acquisition for payment of shares in circulation and fully paid up.*

2. *Maximum number of shares that can be acquired: Up to the limit of five per cent (5%) of the share capital.*

3. *Maximum and minimum prices: The maximum and minimum prices will, respectively, not exceed five per cent (5%) of the price at which the shares quote on the Stock Exchange, nor be lower than the par value of the share.*

4. *Duration of the authorisation: Eighteen (18) months from the date of the General Meeting. The shares acquired in this manner will not have any political right, not even that of vote, with the economic rights corresponding to them being attributed proportionally among the remainder of the shares, in accordance with what is established in Article 79 of the Stock Company Law.*

   Expressly included in the framework of the authorisation granted in this point is the acquisition of own shares with the purpose of delivering them directly to the Company's employees or administrators or, as a consequence of the use of the right of option, those holding such rights.

   In view of the above, the proposal is to leave to no effect the fourth agreement adopted by the Ordinary General Shareholders Meeting held last 05 June 2008, by virtue of which the Company's Board of Directors was authorised for the acquisition of its own shares."

21.1.4 Sum of the convertible securities, swap securities or securities with warrants, indicating the conditions and procedures that govern their conversion, swap or subscription

On the date of registration of this Prospectus, there are no swap or convertible securities nor those with warrants.

21.1.5 Information and conditions of any right of acquisition and/or obligations with regard to the authorised but not issued capital or a commitment to increase the capital

On the date of registration of this Prospectus, there are no rights of acquisition and/or obligations regarding the capital authorised but not issued or on the decision to increase the capital.

21.1.6 Information about any other capital of any member of the group which is under option, or where there has been an agreement to submit to option, conditionally or unconditionally, and details of said options, including the persons to whom said options are directed

On the date of registration of this Prospectus, there is no agreement of option regarding the Company's capital.

21.1.7 Evolution of the share capital, highlighting the information about any change during the period covered by the historic financial information

Over the last three financial years, DINAMIA's share capital has been unaltered.

However, as mentioned in section 5.1.5, during the year 2005 the Company made a capital increase by issuing 2,992,500 new shares with an effective value of 44,887,500 Euros.

Shown below is a table with the evolution of the number of shares in circulation and of the capital during the period covered by the historic financial information:

	Number of shares	Variation over the period	Par Value (Euros)	Share capital
Shares at 31 December 2006	11,970,000	0	3	35,910,000
Shares at 31 December 2007	11,970,000	0	3	35,910,000
Shares at 31 December 2008	11,970,000	0	3	35,910,000

21.2 By-laws and Deeds of Constitution

21.2.1 Description of the Company's object and aims, and where they can be found in the by-laws and Deeds of Constitution

In compliance with Article 2 of the Company's by-laws, its main object consists of "*taking temporary holdings in the capital of non financial and non real estate companies which, at the time of taking the holding, are not listed on the first market of Stock Exchanges or in any other equivalent regulated markets in the European Union or other countries members of the Organisation for Economic Co-operation and Development.*

Similarly, the Company may carry out investment activities in securities issued by companies whose assets are formed, in more than 50%, by real estate, as long as the real estate representing at least 85% of the total book value of the real estate of the affiliated company is dedicated, uninterruptedly during the time the securities are held, to an economic activity in the terms envisaged in Royal Decree 3/2004, of 5 March, in which approval was granted to the Amended Text of the Income Tax Bill.

Despite the above, the Company may extend its main object to include the taking of temporary participation in the capital of non financial companies which quote in the first market of Stock Exchanges or in any other equivalent regulated markets in the European Union or other member countries of the Organisation for Economic Co-operation and Development (OECD), as long as said companies are excluded from quoting during the twelve months following the taking of the participation. Likewise, it may also invest in other venture capital institutions in accordance with the legislation in force regarding venture capital institutions.

In the development of its main object, the Company may provide participatory loans as well as other forms of financing, in this case only for affiliated companies which form part of the compulsory investment co-efficient. Likewise, the Company may carry out advisory activities in accordance with what is envisaged in the legislation in force regarding venture capital institutions".

The Company's by-laws in force and last modified in June 2007 can be found at DINAMIA's company address, on its web page (www.dinamia.es), in the National Securities Market Commission and in the Commercial Register in Madrid.

21.2.2 Brief description of any resolution of the clauses of the by-laws or internal regulations of the Issuer regarding members of the administrative, management and supervisory bodies

DINAMIA's by-laws as well as the Board of Directors Rules, establish the following most relevant aspects regarding the Company's administrative, management and supervisory bodies:

- The Board of Directors will be formed by a minimum of three and maximum of ten Directors. Currently, the Company's Board of Directors is formed by nine members.

- To be a Director, it is not necessary to be a Company shareholder.

- The Directors will fulfil their obligations for a period of five years, without detriment to the General Meeting's sovereign right to agree on the removal or all or some of them at any time.

- If, during the period for which the Directors are appointed, any vacancies arise, the Board of Directors may nominate from among the shareholders the persons who shall occupy said vacancies, up to when the first next General Meeting is held and agrees with the nomination or revokes it.

- The Board of Directors, from among its members, will nominate a Chairman and one or more Vice-chairmen. It will also nominate a Secretary and, in due course, a Vice-Secretary, irrespective of whether or not they are Directors.

- The Board will be validly set up when half plus one of its members are present and, unless the Law were to demand otherwise, the agreements -once the Chairman has set out the reasons for them and their having been discussed- will be adopted by absolute majority of the Directors present. There are no issues that require a qualified majority for their approval with the exception of those established in the mercantile legislation in force.

- The faculties of the Board as the body representing the Company must be understood in all cases in the broadest sense and for all kinds of actions or business and with no further limitations than those established expressly in these by-laws and in Law.

- Management of the Company's assets will be carried out by a Venture Capital Institution Management Company, subscribing to the corresponding management contract.

- The Board of Directors will meet whenever this is deemed appropriate by its Chairman. In particular, the Board of Directors should meet prior to the publication of the announcement of the call for the Company's Ordinary General Shareholders Meeting of the financial year to approve the Annual Report on the Corporate Management. The regime of its operation will be as determined by Law at any time in force and its Rulings.

- The Board of Directors may also act in writing without holding a session if none of the Directors opposes the practice.

- The Board of Directors will be responsible for establishing the content of the information to be included in the Company's web page to assist the shareholders in using their right to receive information and to spread the relevant information. The content of said web page will be that legally established at each moment.

- The Board of Directors may nominate one or more Managing Directors, an Executive Committee as well as the Commissions or Committees it deems necessary for the good running of the Company, in each case granting them all or some of the powers inherent to it and which can legally be delegated. The Board of Directors, in any case, will set up an Audit and Nominations Committee. The permanent delegation of faculties, to be valid, will require the favourable vote of two thirds of the members of the Board.

- Similarly, the Board of Directors may grant powers of attorney in favour of any person external to the Company.

- The post of Director will be recompensed. A recompense in favour of each Director will be granted, equal to the sum of three thousand five hundred Euros (€3,500) with the exception of the Chairman who will receive the sum of five thousand two hundred and fifty Euros (€5,250) per meeting. In the case of any Director not attending the meetings of the Board of Directors, he/she will receive half of what is indicated above. The amounts to be received by the Directors will be updated annually in accordance with the increase in the Consumer Price Index published by the Spanish National Statistics Office.

- The recompense of the members of the Audit and Nominations Committee will consist of assigning a fixed sum equivalent to 50% of that paid to the Directors in each case. Said recompense will be paid upon set-up of the Committee.

- In no case will the combined recompense of the Company's Directors and members of the Audit and Nominations Committee exceed the sum of €350,000, a sum which will be updated each year in accordance with the increase in the Consumer Price Index published by the Spanish National Statistics Office.

- The Audit and Nominations Committee will be formed by three external non-executive Directors nominated by the Board of Directors for a period of three years or, in due course, up to when they cease to be Directors. They can be elected for one or several periods of the same duration. To the effects of the above, by executives one is to understand Directors who, for any reason, have responsibilities in the management of the Company. The rules regarding the Audit and Nominations Committee are shown in point 16.3 above.

DINAMIA's Internal Code of Conduct will apply to (i) the members of DINAMIA's Board of Directors, its Secretary and, in due course, its Vice-Secretary; (ii) anyone who, in the opinion of DINAMIA's Board of Directors, should be subject to them given their special link with the Company; (iii) the Management Body, the members of its Board of Directors, its Secretary, its top executives and direct or indirect shareholders; and (iv) any other person who, in the opinion of DINAMIA's Board of Directors, should be subject to them given their special link with said Management Body.

The Secretary or, in due course, the Vice-Secretary of the Board of Directors will keep an updated list of the persons subject to the Internal Code of Conduct, informing them of their condition as such and their duty to know about and comply with what is set out in this document.

The Internal Code of Conduct were approved by the Company's Board of Directors at its meeting on 11 June 1999 and later modified on 02 June 2003, 29 June 2004 and 28 June 2007. This latest modification was made in order to adapt the draft of the Internal Code of Conduct to Royal Decree 1333/2005, dated 11 November, implementing the Securities Market 24/1988 Act, regarding market abuse. The new text of the Rules was sent to the National Securities Market Commission on 27 June 2008.

Worthy of mention as the most significant aspects in DINAMIA's Internal Code of Conduct are the following:

- It establishes the Management Body's obligation to keep a Register of Insiders which will show the following: (i) the identity of every person who has access to Privileged Information and, in particular, all those people –internal or external to the Company or to the Management Body– who work for them by way of a labour contract of similar, who have access to Privileged Information relating, directly or indirectly, to the Company either on a regular or occasional basis; (ii) the reason why said people have been included in the Register of Insiders; and (iii) the dates said Register was created and updated.

- Standards of conduct are set to be observed by those subject to the Internal Code of Conduct regarding Privileged Information and the Relevant Information to which they have access in carrying out their professional activity.

- Regulations are set regarding the communications of Relevant Information referring to DINAMIA, in accordance with the following:

  - It corresponds to the Management Body to notify the National Securities Market Commission about the relevant facts concerning DINAMIA's investment policy as a Venture Capital Institution.

  - It corresponds to DINAMIA, through the Secretary or, in due course, the Vice-Secretary of the Board of Directors, to notify the National Securities Market Commission about relevant facts other than the above.

- Restrictions and conditions are set for the purchase or sale of DINAMIA's shares or financial instruments by the persons subject thereto and persons associated with them, as well as by the people who have Privileged Information about the Company. Similarly, the Regime of Authorisation and Communication is established for carrying out said operations. Also established is the obligation of the Secretary or, in due course, the Vice-Secretary of the Board of Directors, to keep an updated register about information concerning DINAMIA's Affected Securities belonging to the people subject to the Internal Code of Conduct.

- It establishes that the people subject to the Internal Code of Conduct will refrain from preparing or carrying out practices that falsify the free setting of the prices of DINAMIA's securities or financial instruments.
- It establishes the regime for action regarding carrying out operations on the Company's own shares, which is subject to the resolutions of the Stock Company Law and Stock Market Act and their standards of development.

- It establishes the criteria which determine the existence of conflicts of interests, as well as the standards to be observed by the people subject to the Internal Code of Conduct concerning Conflicts of Interests.

The responsibility of monitoring compliance with the Internal Code of Conduct corresponds to the Audit and Nominations Committee.

21.2.3 <u>Description of the rights, preferences and restrictions relating to each existing class of shares</u>

All DINAMIA's shares currently in circulation, which are in their entirety ordinary shares, give their holders the same political and economic rights, which are the full economic and political rights inherent thereto, gathered up in the Stock Company Law and in the Company's by-laws. Said rights are those listed in Section 4.5 (Description of the rights linked to securities, including any limitation of those rights, and of the procedure for the use thereof) of the Note on the shares.

21.2.4 <u>Description of what should be done to change the rights of the holders of the shares, indicating if the conditions are more significant that those required in law</u>

Any modification of the rights of the holders of the shares into which DINAMIA's share capital is divided will require the opportune modification in the by-laws which, in the event of affecting only some of the shares and resulting in discriminatory treatment between them, should be approved by the majority of the shares affected, without detriment to being subject to the National Securities Market Commission's regime of authorisation for the modification of by-laws included in the law on Venture Capital institutions.

DINAMIA's by-laws do not include any special mention in this particular respect regarding what is established in the Stock Company Law.

21.2.5 <u>Description of the conditions that govern the means of summonsing the Annual General Shareholders Meetings and the Extraordinary General Shareholders Meetings, including the conditions of admission</u>

The conditions governing the means of summonsing the Ordinary General Shareholders Meetings and Extraordinary General Shareholders Meetings, including the conditions of admission, are gathered up in Heading V of DINAMIA's by-laws as well as in the Regulations of the General Shareholders Meeting approved by the Company and deposited with the National Securities Market Commission.

Without prejudice to what is established in the Stock Company Law concerning the Universal Meetings and legal summons, it is the responsibility of the Board of Directors to call the General Shareholders Meeting. Said call will be made:

a) For a date that allows it to be held during the first six months of the financial year, in the case of the Ordinary General Meeting.

b) Whenever the Board of Directors deems it convenient for the Company's interests, in the case of the Extraordinary General Meetings.

c) In any case, whenever it is requested, through a Public Notary, by shareholders who hold at least 5% of the paid-up share capital, expressing in the request the issues to be dealt with at the Meeting whose call they are requesting. In this case, the Meeting should be called to be held within thirty days following the date on which the Administrators had been required by the Public Notary to summons it, with their having to include in the Agenda the issues which were the object of the request.

If the Ordinary General Meeting is not called within the legal period of, if the call of the Extraordinary General Meeting requested by shareholders holding 5% of the capital has not been made, it may be done at the request of any shareholder, in the former case, and of the applicants in the latter, by the Judge of First Instance of the Company address who, moreover, will nominate the person who should chair it.

The call to the General Shareholders Meeting will be made by way of an announcement published in the Official Gazette of the Mercantile Register and in one of the newspapers of mass circulation in the province of Madrid, at least one month prior to the date set for holding the Meeting, excluding therefrom the day indicated for holding the Meeting in its first summons. The announcement will be sent as a Relevant Issue to the National Securities Market Commission and will be included on the Company's web page.

The shareholders who represent at least five (5) per cent of the share capital may request the publication of a complement to the summons to the General Shareholders Meeting including one or more points on the Agenda. The use of this right should be made through verifiable notification which must be received at the Company's address within five (5) days following the publication of the summons. The complement to the summons should be published at least fifteen (15) days prior to the date set for the meeting to be held.

The holders of shares who, at least five days prior to the date indicated for holding the Meeting are registered as such (i) in the respective registers of any of the entities participating in the Register Systems Management, Compensation and Liquidation of Securities Company (*Sociedad de Gestión de los Sistemas de Registro, Compensación y*

Liquidación de Valores - Sociedad de Sistemas o Iberclear), which will provide the corresponding admission cards which will have legitimate efficacy before the Company and/or (ii) in the Company's Register of Nominative Shares, will be entitled to attend. Thus, the shareholders must attend the Meeting bearing said admission cards or the document which, in law, certifies them as such.

Every shareholder with a right to attend may be represented at the General Meeting by another person, even when that person is not a Company shareholder, by meeting the requisites and formalities exacted in law and in the by-laws. The representation, which will be specific for each Meeting, must be granted in writing and in accordance with the instructions and procedures specified. When it is granted by means of remote communication, it will only be deemed valid when it is done:

a) By post, sending to the Company the admission card issued by the body or bodies entrusted with keeping the Register of notes in account, duly signed and filled out by the shareholder.

b) By electronic means of remote communication which properly ensure the representation granted and the identity of the represented party.

The members of the Board of Directors will attend the General Meetings unless they can give justified reasons for not doing so. The non-attendance of the Directors will not affect the valid constitution of the Meeting and will not be grounds for contesting the agreements adopted therein. Others who may attend the Meeting, participating but with no right to vote, are the representatives of the Management Company, the Auditors, Directors, Officers and other persons who, in the opinion of the Board of Directors, have an interest in the good progress of the Company's issues and whose intervention at the Meeting, should it be necessary, could be useful for the Company. The Chairman of the General Meeting may authorise the attendance of the press, financial analysts or any other person he believes convenient, without detriment to the Meeting's right to revoke said authorisation.

The Table of the General Meeting will be formed by the Chairman and the Secretary of the General Meeting and by the Board of Directors.

The General Meeting will be chaired by the Chairman of the Board of Directors or, in his absence, by the Vice-Chairman or, in the absence of both, by the shareholder or representative of the shareholders, elected in each case by the shareholders attending the meeting. In the case of a judicial summons, the Judge will determine who should preside over the meeting.

In addition, the Chairman, should he so wish, may be assisted by any expert he deems convenient.

21.2.6 Brief description of any resolution in the clauses of the by-laws or internal regulations of the Issuer, the effect of which is to delay, postpone or impede a change of control of the Issuer

There are no resolutions in the by-laws or internal regulations whose effect is to delay, postpone or impede a change of control of the Company.

21.2.7 Indication of any resolution in the clauses of the by-laws or internal regulations, in due course, which governs the threshold of participation above which the participation of the shareholder should be disclosed

There is no resolution in DINAMIA's by-laws which compels the shareholders with significant participation to disclose this circumstance, without detriment to the demands established in the legislation in force and, in particular, by Royal Decree 1362/2007, dated 19 October, implementing the Securities Market 24/1988 Act dated 28 July, regarding the transparency requirements related to information about the Issuers whose shares are admitted to trading in a secondary official market or other regulated market in the European Union.

21.2.8 Description of the conditions imposed by the clauses in the by-laws or internal regulations governing changes in capital, if these conditions are more rigorous than those required in Law

The conditions to be fulfilled by the modifications of DINAMIA's share capital and of the respective rights of its shares are governed by what is resolved in the Stock Company Law, with the Company's by-laws not setting any special condition in this respect. However, modifications to the by-laws of DINAMIA as a Venture Capital Company, are subject to the regime of administrative authorisation envisaged in Article 12 of the 25/2005 Act on Venture Capital Companies and their Management Companies.

In compliance with said Article, prior authorisation will not be required, but the NATIONAL SECURITIES MARKET COMMISSION should be notified afterwards so that the modifications of the Company's by-laws may figure in the corresponding Register, when the object of those modifications includes:

a) Change of address in national territory as well as any change of name.

b) Incorporation in the Company's by-laws of concepts of law or regulation, imperative or prohibitive, or the fulfilment of judicial or administrative resolutions.

c) Capital increases chargeable to reserve funds and monetary funds of Venture Capital Companies.

d) Any other modifications for which the National Securities Market Commission, in response to a prior enquiry or by resolution of a general nature, considered the formality of authorisation unnecessary due to their being of slight importance.

22. IMPORTANT CONTRACTS

Apart from the contracts subscribed to in the normal development of the Company's business activity, there are no important contracts to which the Issuer is a party and which have been subscribed to during the two years immediately before the date of registering this Prospectus.

With regard to other contracts not subscribed to in the normal development of the business activity, to which the Issuer is a party and which are important for it, to be highlighted up to the date of the Registration Document, is the Management Contract subscribed to between DINAMIA and the Management body, the content of which is detailed in section 14.1.1 a.2) above, and the agreements of co-investment subscribed to between DINAMIA and the Funds referred to in sections 5.1.5 and 6.4 of the Registration Document.

23. INFORMATION FROM THIRD PARTIES, DECLARATIONS OF EXPERTS AND DECLARATIONS OF INTEREST

23.1 When the Registration Document includes a declaration or report attributed to an expert, the mention should provide the name of that person, his/her professional address, his/her qualifications and, in due course, and interest of importance he/she may have in the Issuer. If the report is presented at the Issuer's request, a statement that said declaration or report is included, the form and context in which it is included, and the consent of the person who had authorised the content of that part of the Registration Document

No declaration or report attributed to an independent expert is included in the Registration Document.

23.2 In those cases where the information comes from a third party, confirmation is to be provided that the information has been reproduced accurately and that, to the degree that the Issuer is aware, and can determine from the information published by that third party, that no fact had been omitted which could make the reproduced information either inaccurate or misleading. In addition, the Issuer should identify the source or sources of the information

The Valuation Report has been revised by Deloitte, S.L. (previously known as Deloitte & Touche España, S.L.).

The Company confirms that the Valuation Report has been reproduced accurately and that, to the degree that the Issuer is aware, no fact which could make the reproduced information inaccurate or misleading has been omitted.

The information on which the Valuation Report is based is as follows:

- Latest financial statements available of the non-audited participated companies as well as other financial information relating to them;

- Documentation supporting the operations of purchase and sale, capital increases, concessions of loans or other transactions;

- Details of quoting companies considered comparable, in due course, as well as the multiples and other data used and other information supporting the valuations carried out, and

- Other relevant information.

24. DOCUMENTS FOR CONSULTING

The following documents can be inspected in the places indicated below:

Company by-laws and Deeds of its Constitution:

DINAMIA's by-laws are at the public's disposal and can be consulted at the Company's address located in Madrid, calle Padilla, 17, as well as at the National Securities Market Commission and in the Mercantile Register of Madrid. In addition, DINAMIA's by-laws can be consulted on the Company's web page (www.dinamia.es).

DINAMIA's Articles of Incorporation are at the public's disposal and can be consulted at the Company's aforementioned address as well as in the Mercantile Register of Madrid.

Annual Corporate Government Report:

DINAMIA's Annual Corporate Government Report mentioned in this Prospectus has been deposited with the National Securities Market Commission and is also available on DINAMIA's web page (www.dinamia.es), as well as on the web page of the National Securities Market Commission (www.cnmv.es).

DINAMIA's Valuation Report:

The Valuation Report at 30 June 2009, from which most of the information in this Prospectus has been obtained, has been deposited with the National Securities Market Commission, as a relevant fact, on 30 July 2009 and is likewise available on DINAMIA's web page (www.dinamia.es), as well as on the web page of the National Securities Market Commission (www.cnmv.es).

In addition, the latest Valuation Report at 30 September 2009, which has not been revised, has been deposited with the National Securities Market Commission, as a relevant fact, on 3 November 2009 and is likewise available on DINAMIA's web page (www.dinamia.es), as well as on the web page of the National Securities Market Commission (www.cnmv.es).

Similarly on the web page of the National Securities Market Commission it is possible to consult the Company's Valuation Reports published during the financial years from 2006 to 2008, both inclusive.

The historic financial information of the Company for each one of the financial years prior to the publication of the Registration Document.

DINAMIA's audited annual accounts and management report corresponding to the financial years ended on 31 December 2006, 2007 and 2008 are at the public's disposal and can be consulted at the Company's address located in Madrid, calle Padilla, 17, as well as on the web page of the National Securities Market Commission (www.cnmv.es) and in the Mercantile Register of Madrid. In addition, DINAMIA's historic financial information can be consulted on the Company's web page (www.dinamia.es).

The intermediate financial information at 30 June 2008 and 30 June 2009.

DINAMIA's intermediate financial information corresponding to the first quarter of the financial years 2008 and 2009 is at the public's disposal and can be consulted at the Company's address located in Madrid, calle Padilla, 17, as well as on the web page of the National Securities Market Commission (www.cnmv.es) and on the Company's own web page (www.dinamia.es).

25. INFORMATION ABOUT PARTICIPATIONS

See section 6.1 of the Registration Document.

In Madrid, on 18 November 2009

DINAMIA CAPITAL PRIVADO, S.C.R. de Régimen Común, S.A.

By Order

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Mr Federico Pastor Arnauda

Legal Representative

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