ANNUAL REPORT 2012

Summary

(*) The Annual Corporate Governance Report is available on the CNMV and the company´s website.

Presentation

1. Company overview

Dinamia Capital Privado, Sociedad de Capital Riesgo, S.A. was the first Spanish private equity firm to go public on 15 December 1997.

Dinamia's overriding goal is to provide its shareholders with a tax-efficient opportunity for investment in a diversified portfolio of unlisted companies, combined with the transparency, corporate governance, accessibility and liquidity benefits of investing in a listed vehicle.

Dinamia's core strategy is to invest in unlisted companies with enterprise values ranging between €50mn and €250mn. It is specialised in buy and build opportunities in Spain and Portugal and is increasingly focusing on international growth stories. Dinamia is not a holding company: its goal is to turnover its portfolio regularly, generating returns for its shareholders. The average investment holding period, including disposals and current investees, stands at approximately five years.

Since its IPO in 1997, Dinamia has overcome diferent cycles and its track record has been good. Having started out with investments in 10 unlisted companies, it has since made an additional 34 investments. Over the same timeframe it has concluded 30 exits (the 10 initial investments plus 20 more), generating a gross annual return on realised deals of 22%. As of 31 December 2012, Dinamia was invested in 12 unlisted companies, one listed stock (Nicolás Correa) and one British private equity fund (Electra Partners Club 2007 Lp) with a combined net asset value (NAV) of €142.2 million, including €49.7 million in net cash[1].

N+1 Capital Privado S.G.E.C.R., S.A.U. (hereinafter, "N+1 Private Equity") is Dinamia's management company, responsible for investment selection, management, oversight and exit strategy, as enshrined in the related Management Contract[2]. At the end of 2012, alongside two closed private equity funds of €176 million (raised in March 2003) and €304 million (raised in April

[1] Cash and cash equivalents plus other current assets less current liabilities (operating expenses and escrow accounts).

[2] Under the terms of this Contract, the Board of Directors' duties include setting dividend and treasury share policy and oversight of the financial reporting process and the management contract with N+1 Private Equity.

2008), respectively, N+1 Private Equity had over €600mn of assets under management. Combined investment capacity, between Dinamia and N+1 Private Equity Fund II (under a 25/75 co-investment agreement), stood at around €70mn.

In July 2012, N+1 Private Equity announced its merger with Mercapital, one of Spain's pioneering private equity players. The merger closed in the first few months of 2013 and does not imply any change of control at N+1 Private Equity.

N+1 MERCAPITAL
Madrid | São Paulo | Ciudad de México | Bogotá

The resulting company ("N+1 Mercapital") is the leading private equity firm in Spain, with a track record dating back almost 30 years, punctuated by 107 investments, 80 add-on investments and 85 exits. N+1 Mercapital comes into existence as the benchmark investor for Spanish mid-cap companies seeking to expand abroad, thanks to the scope for supporting these strategies on the ground in Latin America and Europe.

N+1 Mercapital has offices in Madrid, Sao Paulo (Brazil), Mexico DF (Mexico) and Bogota (Colombia), staffed with a team of 27 professionals.

2. Sector[3]

The private equity sector contracted in 2012, as did the overall economy, highlighting the impact of the macroeconomic environment (with GDP shrinking by 1.4%) on the private equity market.

Investment volumes amounted to €2.58 billion, down 23% on 2011 (albeit remaining well above the low of 2009 – €1.63 billion), while the number of transactions fell by 11%.

This investment volume represented 0.24% of Spain's GDP in 2012, compared to 0.30% in 2011.

[3] This section was prepared using information compiled and published by *Webcapitalriesgo* in May 2013.

As in prior years, the biggest transactions were led by international funds - as is evident in the fact that they accounted for 64% of total investment volumes but just 5% of total transactions – demonstrating foreign appetite for Spanish assets.

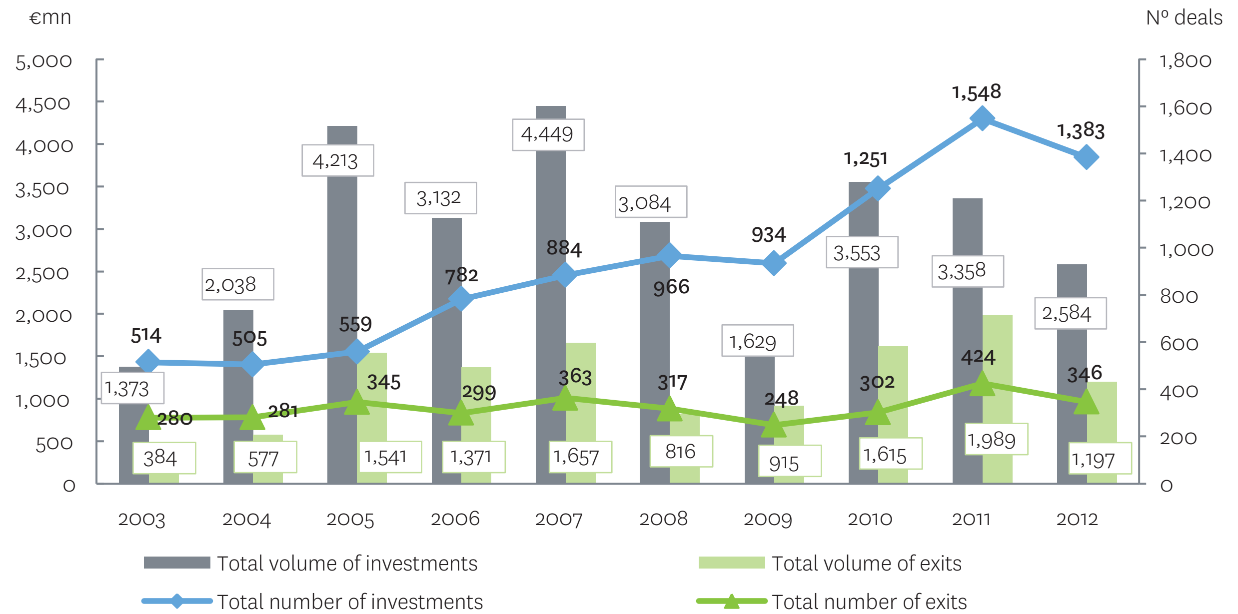
Leveraged buyouts accounted for 50% of total investment volumes but just 1% of total transactions.

The decline in volumes in the upper mid-market was not, however, mirrored in the venture capital segment (investments in start-ups), which remained dynamic: investment volumes in this segment rose by 5% in 2012, while the number of transactions held steady.

On the disposal front, aggregate figures declined by volume and value with respect to 2011. The good news, however, was the growth in trade sales and the decline in write-offs.

Lastly, total fund-raising fell by 17% over 2011 to €2.03 billion. Stripping out public injections and allocations by international funds to their investments in Spain, the volume raised falls to a scant €239 million.

INVESTMENTS AND EXITS BY TRANSACTION NUMBER AND VOLUME



Note: disposals (by volume and value) do not include those taking the form of repayment of loans extended by public Spanish organisms (ENISA and CDTI)

Source: Webcapitalriesgo / ASCRI

2.1 INVESTMENT VOLUMES

Investment volumes in Spain amounted to €2.58 billion, down 23% on 2011, highlighting the fact that the private equity sector is not immune to the economic crisis.

International funds continued to prop the sector up, as was the case in the two preceding years, accounting for 64% of total investments. These funds spearheaded the largest transactions of last year, including Atento, Maxam, Quirón-USP Hospitales, HIG and Borawind.

By development stage, the largest transactions of 2012 (by value) took the form of buyouts (LBO/MBO/MBI), which accounted for 50% of the total (below 2011 levels of 65%).

The volume of investments earmarked to companies at the earliest stages of development (seed capital and start-ups) amounted to €155 million, in line with 2011 levels.

The number of transactions fell by 11% to 1,383 in 2012. The most notable trend within this headline figure was the drop in the number of buyouts to 14 (compared to 32 in 2011), the lowest number since 2001. This figure highlights a double scarcity: a shortfall of debt and a limited number of projects that are attractive to financiers (between 2005 and 2007 the number of buyouts averaged 57 a year).

The above figures include transactions arranged by public organisms (CDTI and ENISA), which lent €100 million to small and medium sized companies in the form of 656 loans to small and medium size companies. The role of these bodies as lenders has been growing since 2005, with these institutions plugging the hole created by the dearth of bank financing.

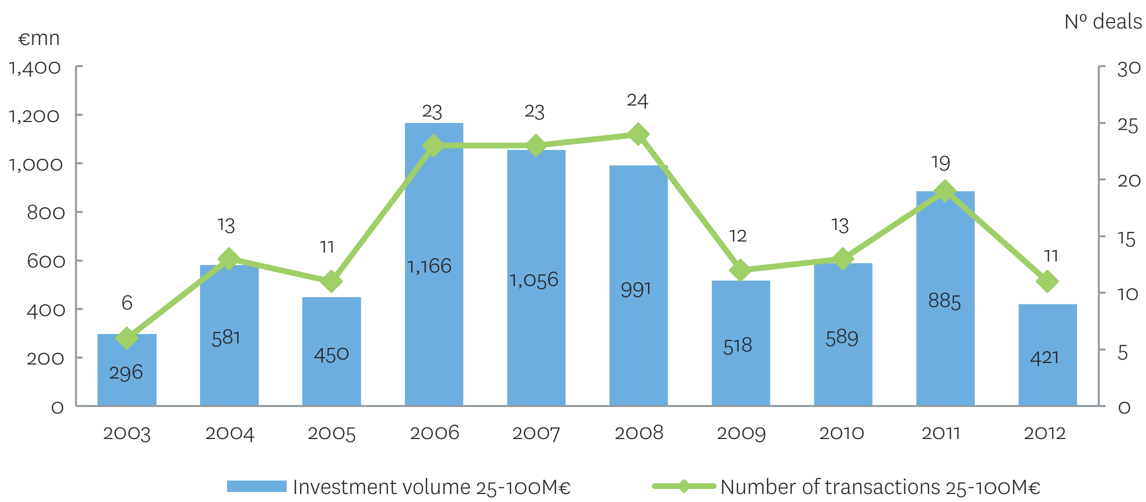
Lastly, the breakdown by target sector shows that “Other services”, encompassing deals such as the Atento and Clece transactions, garnered the most investment volumes. It was followed by “Industrial products and services”, a sector in which the Maxam deal stood out, and then by the “Medicine / Healthcare” segment, shaped by transactions such as the Quirón-USP Hospitales and Geriatros deals.

Investment in the upper mid-market segment

Activity in the upper mid-market (investments ranging from €25mn to €100mn), Dinamia’s core segment, slumped notably in 2012.

The number of transactions declined to 11, compared to 19 in 2011 and 13 in 2010. The deal highlights in this segment included the acquisitions of Secuoya (a deal done by Dinamia and N+1 Private Equity), Geriatros, Clece and Rubaiyat.

INVESTMENT IN THE UPPER MID-MARKET SEGMENT (€25MN-€100MN)



Source: Webcapitalriesgo / ASCRI

Investment in Europe

According to the most recent data published by the EVCA[4] (European Venture Capital Association), investment volumes totalled €36.9 billion in 2012, down 22% on 2011 levels.

By transaction category, buyouts accounted for 76% of total investment volumes, broadly flat with respect to the 2011 figures.

The number of transactions edged 1.5% higher year-on-year from 4.9 million to 5 million.

2.2 FUNDS RAISED

The private sector private equity firms raised a total of €239 million in 2012, which was very much in line with the sum raised in 2011 (€238 million). Adding in the funds injected by public entities (€209 million), coupled with allocations by international funds to finance their investments in Spain (€1.58 billion), the volume of new funds raised in 2012 rises to almost €2.03 billion (down 17% on 2011).

[4] EVCA (2013): "Yearbook_2013 - Europe & country tables". April 2013.

The Spanish private equity players have been having a very hard time raising fresh funds for extending their investment cycles since 2010. The funds raised by Spanish private equity firms in the past two years are at their lowest levels since 1999.

By investor category, 64% of the new funds raised by Spanish entities came from public investors, up from 40% in 2011. This category was followed by non-financial corporates and retail investors. The share of the pie contributed by banks and savings banks was almost testimonial (7%), in stark contrast to the role played by these entities in the past, when they accounted for as much as 40%. Funds raised from pension funds and insurers were similarly negligible (a scant 1% of the total).

2.3 EXITS [5]

The volume of exits at cost was €1.2 billion in 2012, down 40% over 2011. The number of exits, meanwhile, narrowed by 18% year-on-year to 346.

Despite the picture painted by the numbers, there are grounds for concluding that 2012 was a better year than the year on the exit front due to the growth in the number of trade sales (50% of exits at cost) and the reduction in write-off numbers.

The most noteworthy exits of the year include the divestment of ZIV by Dinamia and N+1 Private Equity and the Maxam and Gasmedi sales.

2.4 OUTLOOK FOR 2013

The private equity business volumes registered in 2012 mirror the prevailing challenging economic climate which is not expected to improve until the end of 2013 or, more notably, 2014.

The sector's key business metrics declined in Spain and the rest of the leading European private equity markets compared to 2011. Factors such as the scarcity of bank credit (coupled with increasingly stringent provisioning requirements), dim short and medium term visibility with respect to companies' business plans and an impaired macroeconomic environment have slowed the economy in general and the private equity sector in particular.

Nevertheless, over the past six months there are tentative signs of a change in trend, thanks above all to the inflow of foreign capital (acquisitions of public debt and equities and FDI) due to the Spanish economy's enhanced credibility

[5] The impact of the exits carried out by public organisms (ENISA and CDTI) are reduced from this figures due to their extraordinary contribution in 2012, due primarily to the repayment of loans to ENISA under a 'youth facility' scheme.

in the wake of the harsh structural reforms rolled out. In addition, recent investments by major international asset managers in Spanish companies, and the opening of offices of Blackstone and KKR, reinforce the idea that the years to come will be good vintages in the private equity business.

Regarding the debt market, in Dinamia's segment (i.e. the mid-market) the protracted restoration of the health of the Spanish financial system and aversion to country risk on the part of most foreign entities will limit the scope for raising funding for new transactions in general terms. Only the most select transactions will be able to garner bank financing. This limitation is prompting a proliferation of transactions in which the leverage is concentrated on the targets' balance sheets, as is the case in the latest acquisition completed by Dinamia and N+1 Private Equity Fund II in 2013 (Probos).

In addition, the disposal of non-core assets by large companies and/or banks is likely to throw up another good source of opportunities. Meanwhile, the private equity portfolio companies acquired in 2005-07 are also expected to fuel the dealflow.

As for fund-raising, the challenges of recent years are likely to continue in the near term, particularly until investors start to receive higher distributions on paid-in capital via portfolio sales. This phenomenon could well trigger more intense sector consolidation along the lines of the merger spearheaded by N+1 and Mercapital to create the leading private equity platform in Spain.

In short, the private equity sector is shaping up to play a vital role in the provision of capital to small and medium sized companies and entrepreneurs in light of the scarcity of bank financing. The private equity funds are emerging as an ideal solution for companies that, for example, need funds and backing to design and execute international expansion plans, strengthen their presence in home markets or spearhead M&A-led growth strategies.

In response to the call by industry for support measures from public organisms, Spanish public entity ICO (acronym in Spanish for the Official Credit Institute) recently created a fund of funds, endowed with €1.2 billion which, with the support of public moneys, should facilitate fund-raising on the part of private investors, particularly private equity managers with proven track records and/or unique ideas for helping small and medium sized companies with their growth plans.

3. Dinamia

In 2012, in a generally difficult environment, Dinamia forged ahead with the steady portfolio turnover and rejuvenation strategy initiated 24 months ago. This strategy has entailed its exit from companies highly exposed to the economic cycle in Spain, coupled with investments in companies with greater international exposure and/or growth prospects abroad. The new investees compete in more high-tech industrial sectors and are established exporters. Against this backdrop, in 2012 the company made one new acquisition, injected equity into two of its portfolio investees and successfully exited an established company. The latter exit provides tangible evidence that the international expansion strategy is beginning to pay off.

In 2012, Dinamia injected equity into two of its portfolio companies: MBA Incorporado, S.L. ("MBA") and the Electra Partners Club 2007, LP. fund ("Electra").

On the investment front, Dinamia made a sole acquisition in 2012, investing €3.6 million for a 13.75% stake in Secuoya, Grupo de Comunicación, S.A. ("Secuoya"), an audiovisual sector player.

Last year, Dinamia sold its investment in ZIV Aplicaciones y Tecnología, S.L. ("ZIV") for €40.5 million, which implies a realisation multiple of 3.5x the initial investment. The sale price is subject to certain adjustments; assuming all these adjustments materialise, the net proceeds would total €37.1 million.

Dinamia also sold its shareholding in HP Health Club Iberia, S.A. ("Holmes Place"), a company devoted to the operation of high-end health clubs in Spain and Portugal. The shareholding was bought by the companies managing the Holmes Place trademark in several countries in Europe.

Once again last year Dinamia was one the most active players in its segment by number of deals completed, leaving it with a total of €49 million of cash at year-end with which to continue investing.

KEY INVESTMENT TRANSACTIONS COMPLETED IN THE IBERIAN MID-MARKET IN THE PAST 18 MONTHS

PRIVATE EQUITY FIRM	TARGET	BUSINESS ACTIVITY
N+1 / Dinamia	**Probos**	**Edges for the furniture industry**
Mercapital	**Betapack**	**Plastic lids**
Trilantic / Investindustrial	Euskatel	Telecommunications
Bain	Atento	Outsourcing services
HIG	Vértice 360	Audiovisual
N+1 / Dinamia	**Secuoya**	**Audiovisual**
Mercapital	**Rubaiyat**	**Restaurants**
Magnum	Geriatros	Geriatric services
Mercapital	**Clece**	**Facility management**
Doughty Hanson	USP	Hospital chain
Advent	Maxam	Civilian explosives
Nazca	Grupo IMO	Cancer treatments centres
N+1 / Dinamia	**EYSA**	**Car parks**

— **N+1 Mercapital / Dinamia**

3.1 INVESTMENTS

In 2012, Dinamia invested a total of €6.6 million, a sum it earmarked to: (i) investing in new companies (€3.6 million); (ii) supporting growth at its existing investees (€1.2 million); and (iii) contributing to the Electra private equity fund (€1.8 million).

On 24 February, Dinamia extended a €1.2 million equity loan to MBA in the context of the acquisition of a European player which reinforces this investee's international presence by adding a stream of sales from Belgium, the UK, Portugal and Italy.

Between 23 March, 24 October and 28 September 2012, Dinamia contributed €1.81 million to Electra in order to finance the acquisition of an interest in Peveral Group, a provider of property-related services in the UK, and to cover the fund's management fee and other operating expenses.

Dinamia, together with other private equity firms managed by N+1, closed the acquisition of 55% of Secuoya on 1 November 2012. This investment implied an initial outlay for Dinamia of €3.6 million.

3.2 EXITS

On 4 January 2013, Dinamia sold its shareholding in HP Health Club Iberia, S.A. ("Holmes Place"), a company devoted to the operation of high-end health clubs in Spain and Portugal, to the companies managing the Holmes Place trademark in several countries in Europe.

On 27 July 2012, Dinamia sold its entire shareholding (37.25%) in ZIV, along with the related equity loan, to India's Crompton Greaves, which acquired the company through CG International B.V. The sale price for Dinamia amounted to approximately €40.5 million, implying a realisation multiple of 3.5x. The sale price is subject to certain adjustments; assuming all these adjustments materialise, the net proceeds would total €37.1 million.

ZIV, headquartered in Bilbao, is one of the leading manufacturers, distributors and installers of safety, control, metering and telecommunications products for power utilities.

Dinamia's investment in ZIV can be classified into three very distinct phases:

(i) Earnings growth (2007-08): In the first two years in Dinamia's portfolio, with the Spanish market still booming and the utilities continuing to invest, ZIV even managed to outperform the business plan drawn up at the time of the investment.

(ii) Decline in activity and restructuring (2009-10): The weak state of the Spanish economy and the utilities' eroded budgets drove a sharp drop in the company's sales and profits, triggering the need for a far-reaching restructuring effort in terms of the capital (bank debt refinancing) and business structure (reinforcement of international expansion in India, Brazil, the US, etc.), all without compromising the R&D effort to enable the company to retain its innovative edge. As part of the recapitalisation effort, Dinamia, along with the other shareholders and the management team, took part in the rights issue undertaken in 2010.

(iii) Consolidation and exit (2011-12): With the restructuring behind it and the international expansion strategy on track, the company found its way back to growth. Following a highly competitive sale process, with several international strategic investors showing interest in the asset, Dinamia exited the investment in 2012.

SUMMARY OF KEY INVESTMENTS AND EXITS CONCLUDED IN 2012

	BUSINESS ACTIVITY	DINAMIA'S SHAREHOLDING	AMOUNT (€ MN)
ACQUISITIONS			
Grupo Secuoya	Audiovisual services	13.75%	3.6
FOLLOW-ON INVESTMENTS			
MBA	Distribution of orthopaedic products	36.90%	1.2
Electra	Private equity fund	11.76%	1.8

EXITS, 2012

	BUSINESS ACTIVITY	DINAMIA'S SHAREHOLDING	AMOUNT (€ MN)
FULL EXITS			
Holmes Place	Health club chain	21.30%	-
ZIV	Electric equipment for companies	37.25%	40.5

3.3 SIGNIFICANT DEVELOPMENTS IN 2013

On 31 January 2013, Dinamia acquired, together with N+1 Private Equity Fund II and the target's management team, 100% of Probos – Plásticos, S.A. from Explorer II, another private equity fund. In the end, following an €850k rights issue closed on 3 April 2013, Dinamia has invested a total of €11.5 million in Probos for a 24.34% stake. Probos, headquartered in Mindelo (Portugal), is the world's third-largest maker of plastic edge bands for the furniture industry. It sells its products in over 50 countries and 90% of its revenue is generated by exports. The Group has two manufacturing facilities in Portugal and Brazil as well as a direct sales presence in Mexico, the UK and Germany.

In March 2013, Dinamia contributed €1.9 million to private equity fund Electra Partners Club to help fund the acquisition of an interest in UBM Data Services, a portfolio of businesses which provide data and information products used by professionals to support their decision-making.

On 13 April, 2012, Dinamia recovered 65% of its initial investment in food packaging company Mivisa following to the partial repayment of loans and payment of interest by the company that controls Mivisa, Lata Lux Parent Hólding S.a.r.l. The partial redemption of the loans extended by the shareholders of Lata Lux (Dinamia, N+1 Private Equity Fund II, The Blackstone Group and the management team) implied a cash inflow for Dinamia of €5.42 million just two years on from the upfront investment.

3.4 OUTLOOK FOR 2013

The company has €49 million of cash for continuing to fund its diversified private equity investment strategy (geographically and by sector), marked by a bias towards manufacturers and high-tech companies with exporting impetus and/or international growth plans. Against this backdrop, and leveraging the new platform's increased human capital and geographic footprint, Dinamia will seek to predominantly lead controlling investments (sourced from its proprietary dealflow) in solid, profitable and leading companies in their respective sectors or niches, whose management teams are capable of executing growth plans and creating shareholder value over the medium term.

3.5 SHAREHOLDERS: RESPONSIBILITY, TRANSPARENCY AND COMMUNICATION

LPEQ
LISTED PRIVATE EQUITY

Dinamia has been a member of LPEQ (www.lpeq.com), today a group of 18 listed European private equity vehicles with an aggregate market cap of around €7.38 billion, since the beginning of 2009. LPEQ was formed in 2006 to raise awareness and increase understanding of private equity as an asset class among the investment and analyst communities and in the trade press. Membership is increasing familiarity with Dinamia, enabling it to enhance its international positioning.

PRI

In early 2010, N+1 Private Equity, Dinamia's management company, signed the Principles for Responsible Investment (PRI) endorsed by United Nations (www.unpri.org). In this manner, N+1 Private Equity has expressly acknowledged the importance of factoring non-financial considerations, such as environmental, social and corporate governance criteria, into all its investment decisions.

N+1 Private Equity is convinced that socially responsible investing is a vital component of decision-making and management at its investees and that this form of decision-making aligns these companies' interests with those of their shareholders and society at large. One of N+1 Private Equity investment vehicles, Dinamia, in its capacity as a listed company supervised by the

Spanish securities market watchdog, is obliged to report on the extent to which it complies with corporate governance recommendations in an annual report [IAGC 2012]. When analysing each investment opportunity, and prior to taking the final investment decision, the company performs specific due diligence with respect to environmental, social and human rights matters in order to ensure the correct standards are upheld.

In 2012, the company forged ahead with the policy initiated in prior years with a view to boosting communication with the market and transparency in all dealings with the public. This strategy is mirrored in Dinamia's participation last year in three broker conferences and in roadshows in London and Madrid. It also participated in events organised by LPEQ and multiple one-on-one meetings and conference calls with existing and prospective investors. Dinamia also continued to update and upgrade the design and contents of its webpage, www.dinamia.es, and bolstered its communications strategy using this electronic medium by offering subscription to its newsletter.

aeri

Asociación Española para las Relaciones con Inversores

Dinamia joined AERI (acronym for the Spanish IR association) in 2011. (www.aeri.es). This association was founded in 1991 with a view to identifying and disseminating best practice in the field of IR. AERI currently has close to 50 listed members. The association serves as a training and source of learning in the IR field and helps to foster agreements with suppliers (e.g., the agreement reached with Header, the online shareholder forum platform provider, in 2012).

Georgeson

In a new development, in 2013 Dinamia engaged the services of Georgeson to facilitate communication between the company and its shareholders on the occasion of the Annual General Meeting.

3.6 NAV, SHARE PRICE PERFORMANCE, DIVIDEND, TREASURY STOCK AND RESULTS

Dinamia closed 2012 with a net asset value (NAV) of €142.1 million, up 14.6% year-on-year. The NAV of the company's investment portfolio amounted to €92.4 million (+6.5% vs. 2011), while net liquid assets totalled €49.7 million (+33.8% vs. 2011). Dinamia's cash balance at year-end was equivalent to 35% of NAV.

NAV per share at 31 December 2012 stood at €8.75, growth of 14.6% (this growth rises to 33.9% adjusting for the dividends paid in 2012). It is worth highlighting the increase in this metric as NAV per share had been trending lower year-on-year since 2007. The growth in NAV was underpinned by:

1. The increase in the net cash position following the successful exit from ZIV (€2.06/share).

2. Net growth in investee NAV, driven by (i) the acquisitions made in 2008-2011; (ii) strong underlying investee earnings performances in 2012 (particularly by the more internationally-oriented businesses and those taking a more proactive approach to their working capital management); and (iii) the asset turnover strategy embarked on in 2010.

3. The reduction in cash due to the dividend payment (€1.10/share) and operating expenses.

Dinamia's share price gained 38% in 2012 (total shareholder return of 66% adjusting for dividends), outperforming the Ibex35 (-5%) and the leading comparable listed private equity indices, the LPX50 and the LPX Direct (which gained 23% and 26%, respectively). This strong share price performance, the second largest gain of any of the company's listed private equity peers in Europe, narrowed the lag opened up with respect to its comps since mid-2010.

As a result of this healthy share price performance, with the share price gain outpacing the growth in NAV, the trading discount to NAV diminished sharply, from 48% in 2011 to 38% at year-end 2012, albeit remaining substantially above the long-run average of 24%. Note in this respect that the year-end cash balance plus the cost of the last six investments, made between 2008 and 2012, amounts to €7.68 per share, a premium of 48.8% to the closing share price (€5.45).

Dinamia held 52,618 own shares (0.32% of share capital) at year-end 2012. The company's trading activity in own shares was curtailed by low liquidity levels throughout the year.

At the upcoming Annual General Meeting, scheduled for 13 June 2013, the Board will propose payment of a €0.70 per share dividend against the share premium account. This payment, coupled with the special dividend paid in October 2012 (€1/share), will imply the distribution of the entire gain generated by the sale of ZIV.

The proposed dividend would imply a dividend yield of 11% based on the share price as of 31 May 2013 (€6.35/share)

Net profit totalled €26.2 million in 2012, marking the first profit since 2008.

Board of Directors and Management Company

BOARD OF DIRECTORS OF DINAMIA CAPITAL PRIVADO, S.C.R., S.A. at 31 December 2012

Name	Position	Class of Director
Santiago Bergareche Busquet	Chairman	Independent
Joaquín García-Quirós Rodríguez (1)	Vice-Chairman	Proprietary
Alfred Merton Vinton	Member	Other external
Emilio Carvajal y Ballester	Member	Proprietary
Rafael Jiménez Lopez	Member	Proprietary
Javier Carretero Manzano (1)	Member	Independent
Juan Arena de la Mora (2)	Member	Independent
Marta Rios Estrella	Board Secretary, non-member	-
Ignacio Zarzalejos Toledano	Deputy Secretary, non-member	-

(1) On 22 March 2012, the Board exercised its cooption powers to appoint José Javier Carretero Manzano to fill the vacancy left by José Fernando Sánchez-Junco Mans. This appointment was ratified at the AGM on 7 June 2012. Also on 22 March 2012, the Board named Joaquín García-Quirós Rodríguez as the replacement for José Fernando Sánchez-Junco Mans as Vice-Chairman of the Board.

(2) On 21 March 2013, the Board accepted Juan Arena de la Mora's resignation.

Notes:

* Agrupació Mútua del Comerç i la Indústria, M.A.i R.P.F. stepped down as proprietary director on 17 December 2012.
* Grupo Corporativo Empresarial de Caja de Ahorros de Navarra, S.A.U. stepped down as proprietary director on 22 October 2012.
* On 19 February 2013, the Board exercised its cooption powers to appoint Nicolás Villén Jiménez and Fernando D'Ornellas Silva as directors. Their appointments are on the agenda for ratification at the upcoming AGM on 13 June 2013.

AUDIT AND APPOINTMENTS COMMITTEE OF DINAMIA CAPITAL PRIVADO, S.C.R., S.A. at 31 December 2012

Name	Position	Class of Director
Javier Carretero Manzano (1)	Chairman	Independent
Juan Arena de la Mora (2)	Member	Independent
Rafael Jiménez López	Member	Proprietary
Marta Rios Estrella	Board Secretary, non-member	-
Ignacio Zarzalejos Toledano	Deputy Secretary, non-member	-

(1) On 9 May 2013, Nicolás Villén Jiménez took over the chairmanship from José Javier Carretero, who is still a member of the committee.

(2) On 21 March 2013, the Board accepted Juan Arena de la Mora's resignation from the Board of Directors and Audit and Appointments Committee and appointed Nicolás Villén Jiménez and Fernando D'Ornellas Silva to the committee.

N+1 CAPITAL PRIVADO S.G.E.C.R., S.A. UNIPERSONAL

Management Company of Dinamia Capital Privado, S.C.R., S.A.	at 31 December 2012
Name	Position
Jorge Mataix	Chairman
Ignacio Moreno	Chief Executive Officer
Federico Pastor	Chief Executive Officer
David Santos	Partner - Investment Director
Javier Arana	Partner - Investment Director
Gonzalo de Rivera	Partner - Investment Director
Mariano Moreno	Partner - Investment Director
José Alberto Parejo	Principal (Investor Relations)
Iván Pérez	Principal
Manuel Blanco	Principal
Fernando Sanz-Pastor	Principal
Fernando Ortega	Principal
Manuel Alamillo	Principal
Jaime Codorníu	Associate
Juan Luis Torres	Associate
Sergio Jerónimo	Chief Financial Officer
Sonsoles Bordiu	Staff

Key Figures and Charts

1. Key data

General data

IPO date	15/12/1997
Year-end (YE)	31/12/2012
Stock Exchanges	Madrid / Barcelona
Indices	IBEX Small Cap / LPX50 / LPXEurope / LPXComposite / LPX Direct
Ticker (Bloomberg) / RIC (Reuters)	DIN SM / DIN.MC
ISIN Code	ES0126501131
2013 AGM	13/06/2013
NAV reporting frequency*	Quarterly
Ordinary dividend payments	Annual
No. of shares (YE)	16.279.200

* Reviewed half-yearly by an independent expert

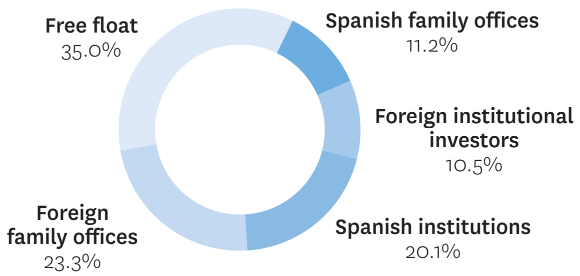
Share, NAV and dividend data

Market cap (YE)	€89mn
Total net assets (YE)	€142mn
NAV per share (YE)	€8,73
Price per share (YE)	€5,45
2012 high (28 Sept)	€7,05
2012 low (22 May, 1 June and 28 June)	€3,17
Discount to NAV (YE)	37,6%
Discount to NAV excl. cash (YE)	57,4%
DPS paid in 2012 (ordinary and special)	€1,10
2012 dividend yield (YE share price)	20,2%
Proposed dividend, July 2013	€0,70
2013 dividend yield (share price as of 31/05/2013)	11,0%
No. of shares traded, 2012	3.338.974 shares
Average daily trading volume, 2012	13.464 shares
Average daily trading volume by value, 2012	€59.855
Turnover of free float, 2012	58,6%
Share price gain, 2012	38,0%
Total shareholder return, 2012 (adj. dividend)	65,8%
Share price gain, YTD 2013 (31/05/2013)	16,5%

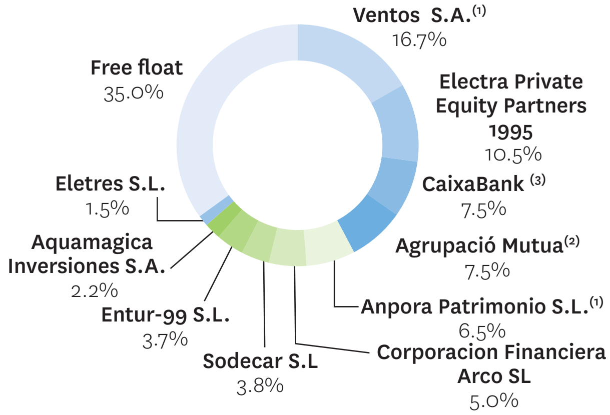
Source: Dinamia's NAV report as of 31/12/12, Capital IQ

2. Dinamia´s shareholder structure

The key movements in the company's shareholder structure in 2012 were : (i) the acquisition of a 5.0% stake by Corporación Financiera Arco; and (ii) the sale by Pactio Gestion, S.A. of its 4.3% interest.



Note: Direct and indirect shareholdings of 3% or more reported to the CNMV 31.12.2012



(1) Both companies are controlled by Ricardo Portabella
(2) Agrupació Mutua sold part of its shareholding (4.1%) to Barwon Investment Partners on 8 May 2013
(3) On 24 May 2013, CaixaBank sold its 7.5% shareholding to Barwon Investment Partners

* Note: On 3 June 2013, Barwon Investment Partners declared an 11.8% ownership interest in Dinamia

3. Analyst coverage

Most of the analysts that cover Dinamia regularly hold positive recommendations. Other foreign analysts cover the stock but do not provide full coverage or issue specific recommendations.

RESEARCH HOUSE	ANALYST	RECOMMENDATION	DATE
Kepler Cheuvreux	Iñigo Egusquiza	Buy	09/05/13
La Caixa	Antonio Castell	Overweight	01/04/13
Banco Sabadell	María Cebollero	Sell	01/02/13
Banesto Bolsa	Juan Tuesta	Buy	13/04/12
BES	Nuno Estacio	Neutral	26/07/11
Cazenove	Chris Brown	Follow up of Dinamia without full coverage	
Numis Securities	James Glass	Follow up of Dinamia without full coverage	
Jefferies Investments	Louisa Symington-Mills	Follow up of Dinamia without full coverage	
Dexion Capital	Tom Skinner	Follow up of Dinamia without full coverage	

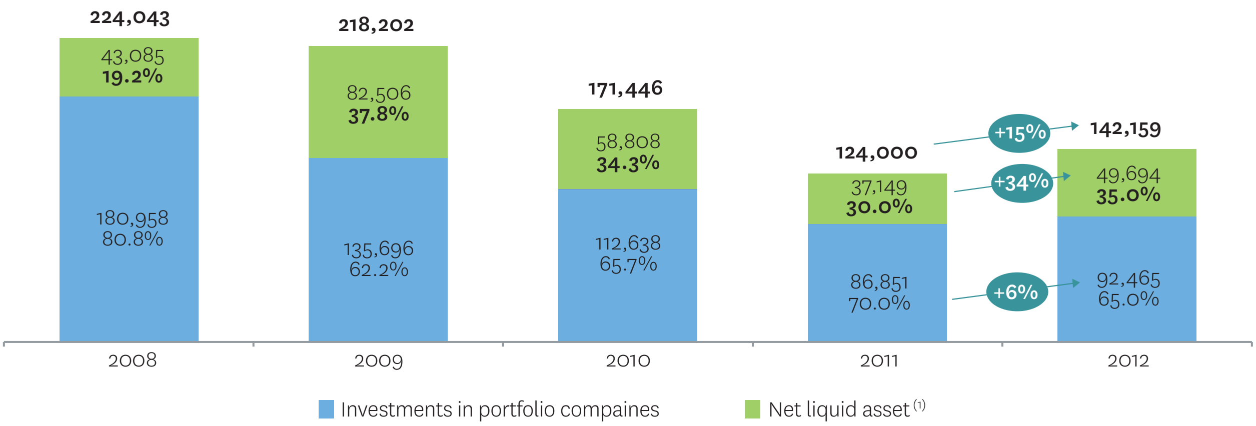
Source: Capital IQ and the latest reports published by each research house

4. Trend in net liquid assets, 2008-2012

In 2012 Dinamia's net liquid assets increased by 34% (despite payment of €1.1 per share in dividends) to c. €50 million, placing the company in a strong position for extending the investment cycle of the last two years.

The net asset value of Dinamia's investees rose by 6% thanks to: (i) the exits from ZIV and Holmes Place; (ii) the increase in the investment in Grupo Secuoya; and (iii) the net revaluation of the rest of the company's investees, driven by the strong performance of the more recently acquired companies (2008-2011).

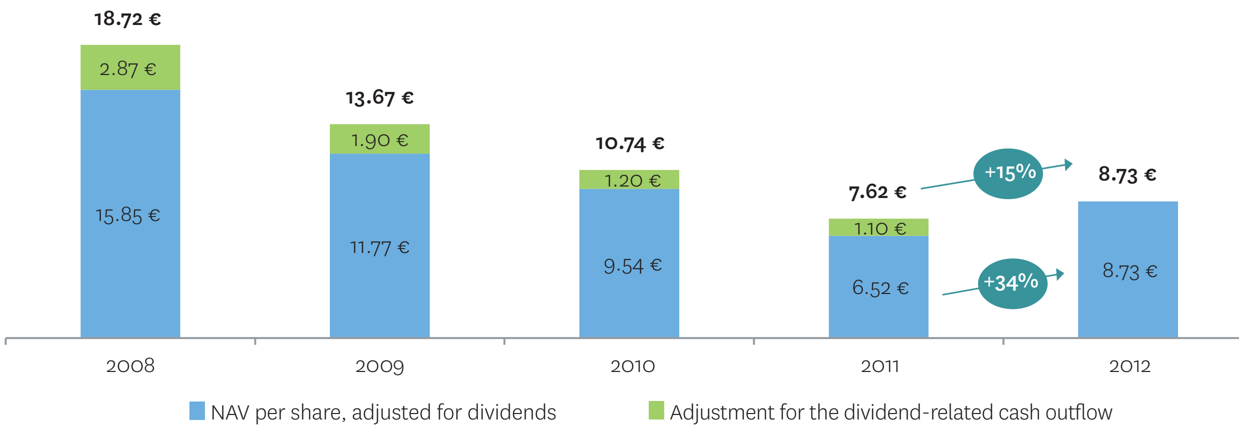
This valuation remains conservative and implies further valuation upside.



(1) Cash + other current assets – other current liabilities

5. Trend in Dinamia´s NAV per share, 2008-2012

Significant 15% uptick in NAV per share (+34%, adjusting for the dividend payments)



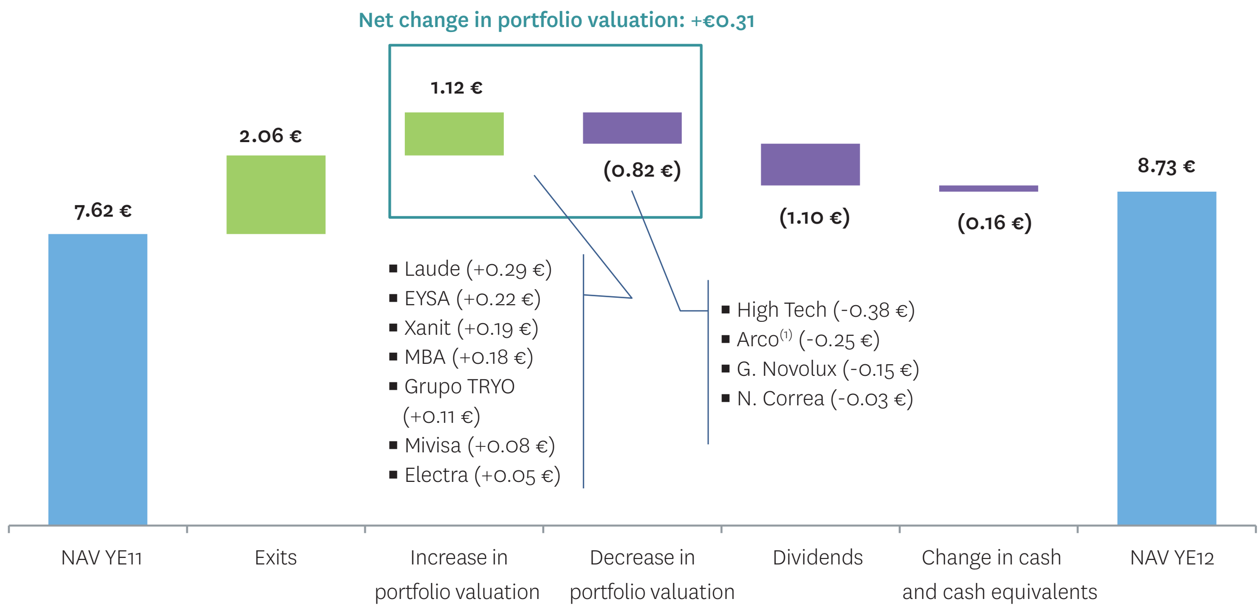
6. Trend in Dinamias´s NAV per share, 2011-2012

The increase in NAV was driven by:

1. The increase in the net cash position following the successful exit from ZIV (€2.06/share).

2. Net growth in investee NAV, driven by (i) the acquisitions made in 2008-2011, (ii) strong underlying earnings investee performances in 2012 (particularly by the more internationally-oriented businesses and those taking a more proactive approach to their working capital management) and (iii) the asset turnover strategy embarked on in 2010.

3. The reduction in cash due to the dividend payment (€1.1/share), operating expenses and other items.



1) N/A. See disclosures on Arco on page 59 of Dinamia's Annual Report.

7. Historical shareholder remuneration policy

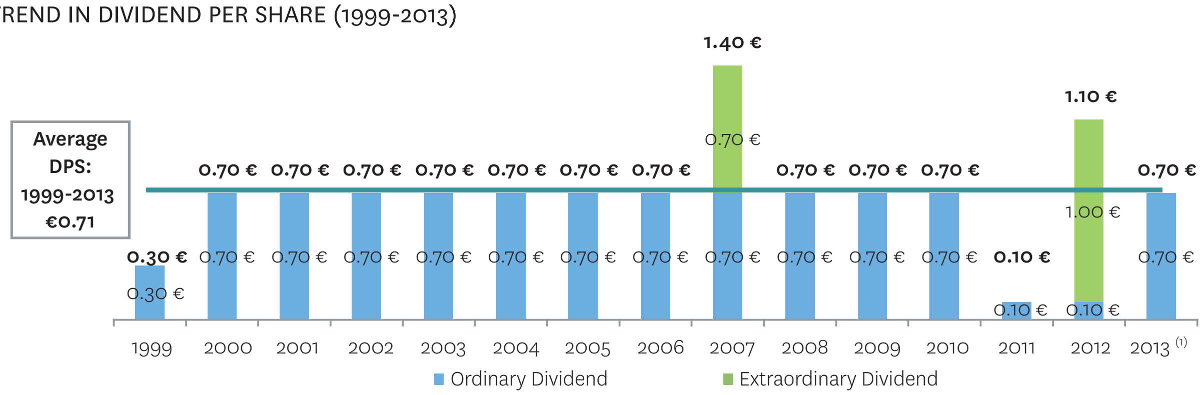
At the upcoming Annual General Meeting, scheduled for 13 June 2013, the Board will propose payment of a €0.70 per share dividend against the share premium account. This payment, coupled with the special dividend paid in October 2012 (€1.0/share), will imply the distribution of the entire gain generated by the sale of ZIV.

The proposed dividend is in line with the long-run average paid by the company since 1999 and implies a yield of 11% with respect to the closing price of 31/05/2013 (€6.35/share), which is substantially higher than the dividends yields on the comparable European listed private equity indices or Spanish small caps indices.

		Data at 31 December							Change in	
Year	**No. of shares**	**Share price**	**Share price (adj. div)**	**NAV/ Share**	**Premium (discount) vs.NAv**	**Dividend (€ ´000)**	**DPS**	**Dividend yield**	**Share price**	**Share price (adj. div)**
1997	9,000,000	14.63 €	14.63€	13.28 €	10.2%	-	-	-	-	-
1998	8,550,000	9.74 €	9.74 €	15.49 €	(37.2%)	-	-	-	(33.5%)	-
1999	8,550,000	8.65 €	8.95 €	16.18 €	(46.5%)	2,569	0.30 €	3.5%	(11.2%)	(8.1%)
2000	8,550,000	10.35 €	11.05 €	19.66 €	(47.4%)	5,985	0.70 €	6.8%	19.7%	27.7%
2001	8,550,000	11.19 €	11.89 €	20.50 €	(45.4%)	5,985	0.70 €	6.3%	8.1%	14.9%
2002	8,550,000	11.45 €	12.15 €	18.06 €	(36.6%)	5,985	0.70 €	6.1%	2.3%	8.6%
2003	8,550,000	12.59 €	13.29 €	17.55 €	(28.2%)	5,985	0.70 €	5.6%	10.0%	16.1%
2004	8,550,000	14.44 €	15.14 €	18.76 €	(23.1%)	5,985	0.70 €	4.8%	14.7%	20.2%
2005	11,970,000	18.50 €	19.20 €	19.78 €	(6.5%)	6,284	0.70 €	3.8%	28.1%	33.0%
2006	11,970,000	23.49 €	24.19 €	26.38 €	(11.0%)	8,379	0.70 €	3.0%	27.0%	30.8%
2007	11,970,000	20.98 €	22.38 €	27.65 €	(24.1%)	16,758	1.40 €	6.7%	(10.7%)	(4.7%)
2008	11,970,000	13.35 €	14.05 €	18.86 €	(29.2%)	8,379	0.70 €	5.2%	(36.4%)	(33.0%)
2009	15,960,000	10.10 €	10.80 €	13.67 €	(26.1%)	8,379	0.70 €	6.9%	(24.3%)	(19.1%)
2010	15,960,000	8.78 €	9.48 €	10.74 €	(18.3%)	11,172	0.70 €	8.0%	(13.1%)	(6.1%)
2011	16,279,200	3.95 €	4.05€	7.62 €	(48.1%)	1,596	0.10 €	2.5%	(55.0%)	(53.9%)
2012	16,279,200	5.45 €	6.55 €	8.73 €	(37.6%)	17,865	1.10 €	20.2%	38.0%	65.8%
2013 (1) (2)	16,279,200	6,35 €	6.35 €	8.68 €	(26.8%)	11,395	0.70 €	11.0%	16.5%	16.5%
Total/Average					**(28.3%)**	**122,702**	**10.60 €**	**5,9%**		

Source: Capital IQ and Dinamia valuation and Annual Reports
(1) Share price as of 31/05/2013 and latest NAV report published (as of 1Q2013)
(2) Dividend subject to shareholder approval at the AGM scheduled for 13 June 2013

TREND IN DIVIDEND PER SHARE (1999-2013)



(1) Dividend subject to shareholder approval at the AGM scheduled for 13 June 2013
Source: Capital IQ and Dinamia valuation and Annual Reports

8. Investee portfolio at 31/12/2012

2012 marked the consolidation of the trend initiated in prior years, with Dinamia further diversifying its investee portfolio at both the company and sector levels.

On 24 February, Dinamia extended investee MBA a €1.2 million equity loan to help fund the acquisition by the latter of a European player which will reinforce this investee's international footrpint, adding a revenue stream in Belgium, the UK, Portugal and Italy.

On 23 March, 24 October and 28 Spetember 2012, Dinamia injected €1.8 million into Electra to fund the acquisition of an interest in Peverel Group, a UK provider of real estate management services, and to cover the management fee and other of the fund's operating expenses.

Investee name	Sector	Year of investment	% Dinamia	Net investment
COMPARABLE PORTFOLIO AT 31/12/2012				
MBA	Distribution of implants	2008	36.9%	32,266
EYSA	Car parks	2011	25.0%	13,451
Mivisa	Tin packaging for food	2011	2.6%	8,388
Grupo TRYO	Electronic equipment	2011	24.8%	9,960
Electra Partners Club 2007 LP	Private equity fund	2008	11.8%	10,074
Colegios Laude	Private education	2006	49.3%	18,542
Xanit	Private hospital	2007	33.7%	25,353
Grupo Nicolás Correa Anayak	Manufacture of heavy machinery	1999	12.6%	2,599
High Tech Hoteles	Hotel chain	2003	26.0%	9,656
Bodybell	Perfume and cosmetics chain	2005	14.4%	3,908
Grupo Novolux	Exterior lighting	2005	48.5%	12,025
Alcad	High frequency	2007	37.7%	9,847
Arco Bodegas Unidas [1]	Wineries	1999	8.0%	15,458
Total value of comparable portfolio				**171,526**
NEW INVESTMENTS IN 2012				
Secuoya	Audiovisual services	2012	13.8%	3,604
Total value of new investments				**3,604**
EXITS CONCLUDED IN 2012				
Holmes Place	Health club chain	2005	21.3%	9,070
ZIV	Electric products and services	2007	37.3%	11,734
Total value of exits concluded			**20,804**	
Total portfolio valuation				

(1) N/A. See disclosures on Arco on page 59 of Dinamia's Annual Report.

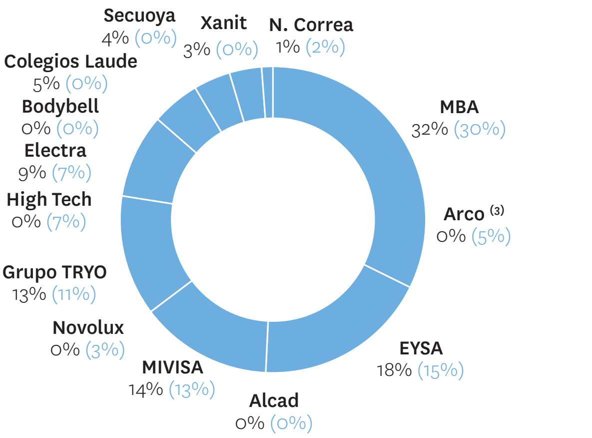
In 2012 Dinamia competed the first phase of its investment in Grupo Secuoya, putting up €3.6 million (4% of YE12 NAV.). Over the next two years, Dinamia expects to invest up to €5 million more in this company as part of a sector consolidation and geographic expansion play.

In addition, Dinamia exited two investments in 2012 (Holmes Place and ZIV), which represented 7% of YE12 NAV, enabling it to boost shareholder remuneration last year and shore up Dinamia's investment capacity.

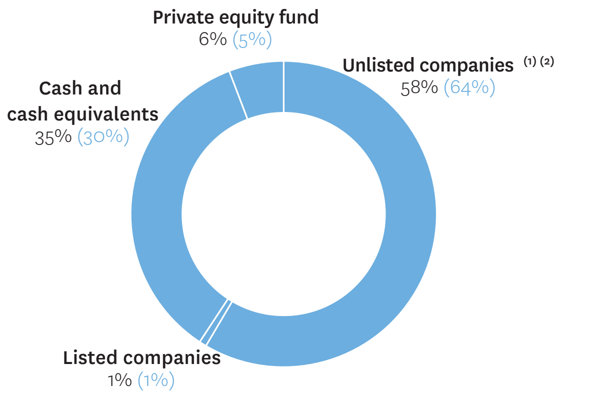
Lastly, it is worth highlighting the revaluation of the current portfolio (+10% vs. 2011), thanks to investee earnings momentum throughout the year. Note particularly the strong performances of the most recent investees (investments made from 2008 to 2011).

	YE12		**YE11**		**Change 2012 vs. 2011**	
	NAV	**NAV/ share**	**NAV**	**NAV/ share**	**NAV**	**NAV/ share**
	29,851	1.83 €	25,787	1.58 €	4,064	0.25 €
	17,080	1.05 €	13,452	0.83 €	3,628	0.22 €
	12,930	0.79 €	11,603	0.71 €	1,327	0.08 €
	11,791	0.72 €	9,960	0.61 €	1,831	0.11 €
	8,230	0.51 €	5,680	0.35 €	2,550	0.16 €
	4,733	0.29 €	-	-	4,733	0.29 €
	3,149	0.19 €	-	-	3,149	0.19 €
	1,097	0.07 €	1,621	0.10 €	(524)	(0.03 €)
	-	-	6,251	0.38 €	(6,251)	(0.38 €)
	-	-		-	-	-
	-	-	2,473	0.15 €	(2,473)	(0.15 €)
	-	-	-	-	-	-
	N/A	-	4,061	0.25 €	(4,061)	(0.25 €)
	88,860	**5.46 €**	**80,888**	**4.97 €**	**7,972**	**0.49 €**
	3,604	0.22 €	-	-	3,604	0.22 €
	3,604	**0.22 €**	**-**	**-**	**3,604**	**0**
	-	-	-	-	-	-
	-	-	5,964	0.37 €	(5,964)	(0.37 €)
-	**-**	**5,964**	**0.37 €**	**(5,964)**	**(0.37 €)**	
	92,465	**5.68 €**	**86,852**	**5.34 €**	**5,613**	**0.34 €**

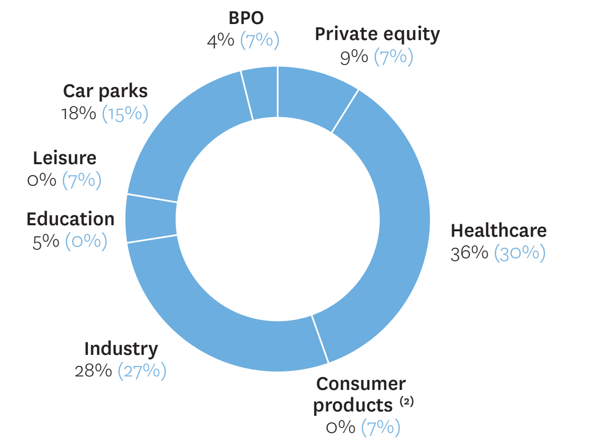
BREAKDOWN OF PORTFOLIO NAV BY COMPANY [1] [2]



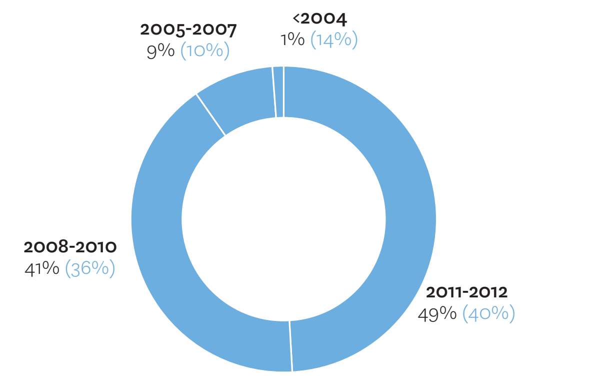
BREAKDOWN OF NAV [1]



PORTFOLIO NAV BY SECTOR [1]

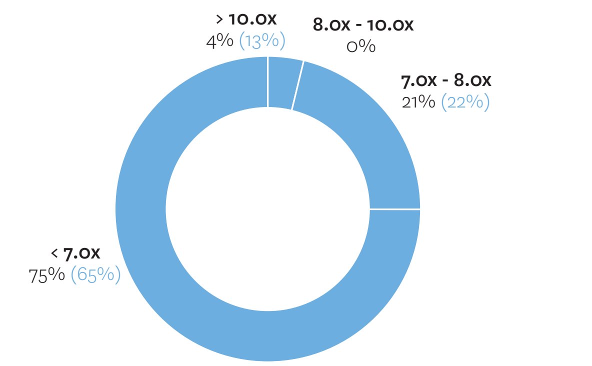


DIVERSIFICATION BY INVESTMENT CYCLE [1]



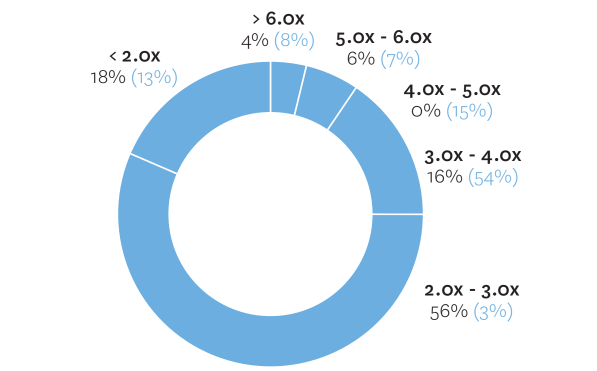
BREAKDOWN OF PORTFOLIO NAV BY VALUATION MULTIPLE [4]

Average valuation multiple: 7.0x (7.3x)



BREAKDOWN OF PORTFOLIO NAV BY LEVERAGE RATIO [4]

Average leverage ratio: 3.0x (3.8x)

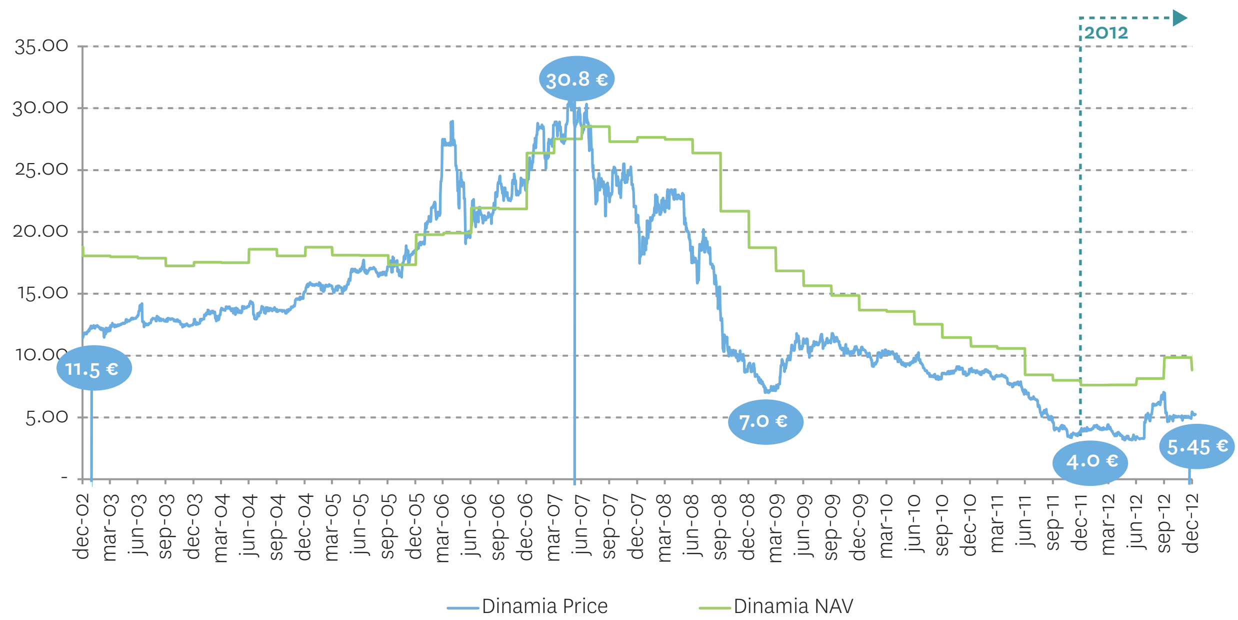


(1) Based on the NAV of the investees at 31/12/2012
(Using NAV as of 31/12/11)
(2) Dinamia exited Holmes Place and ZIV, which, combined, accounted for 7% of NAV as of 31/12/2011, in the course of 2012
(3) Information for Arco not available. See disclosures on Arco on page 59 of Dinamia's Annual Report.
(4) According to the investees' published NAVs as of 31/12/2012 with the exception of Nicolás Correa and Electra.
(Using NAV as of 31/12/11)

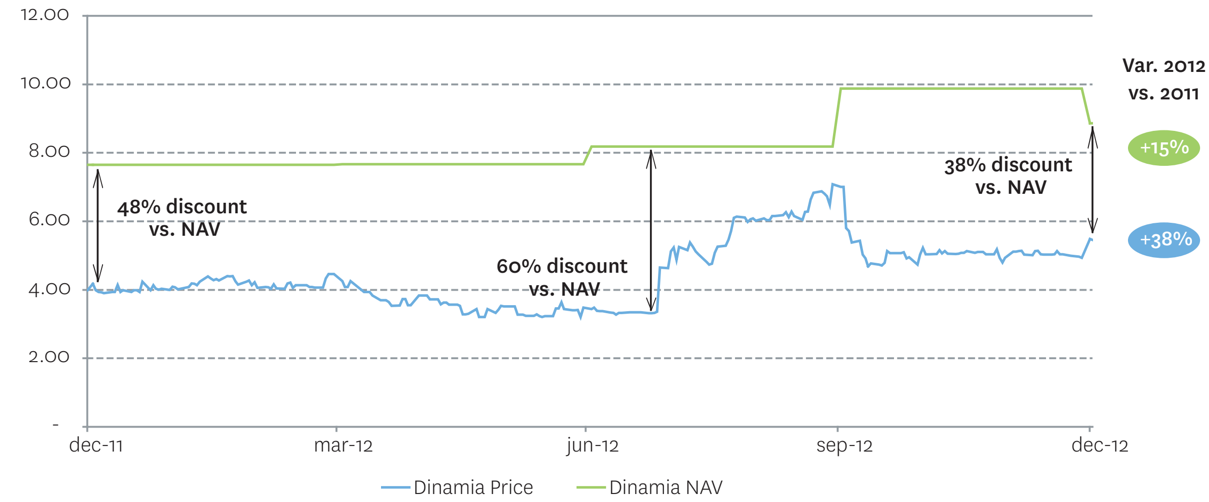
9. Price vs. NAV

Dinamia's share price rally in 2012 was largely triggered by the successful exit from ZIV, one of the first tangible positive results of the strategic reorientation initiated by Dinamia in 2010. The company has gone to significant lengths to turn over its portfolio, shifting the investor focus away from cyclical companies concentrated on the Spanish market to more solid companies with international reach or ambitions.

TREND IN DINAMIA'S SHARE PRICE VS. NAV (DEC 2002 - DEC 2012)



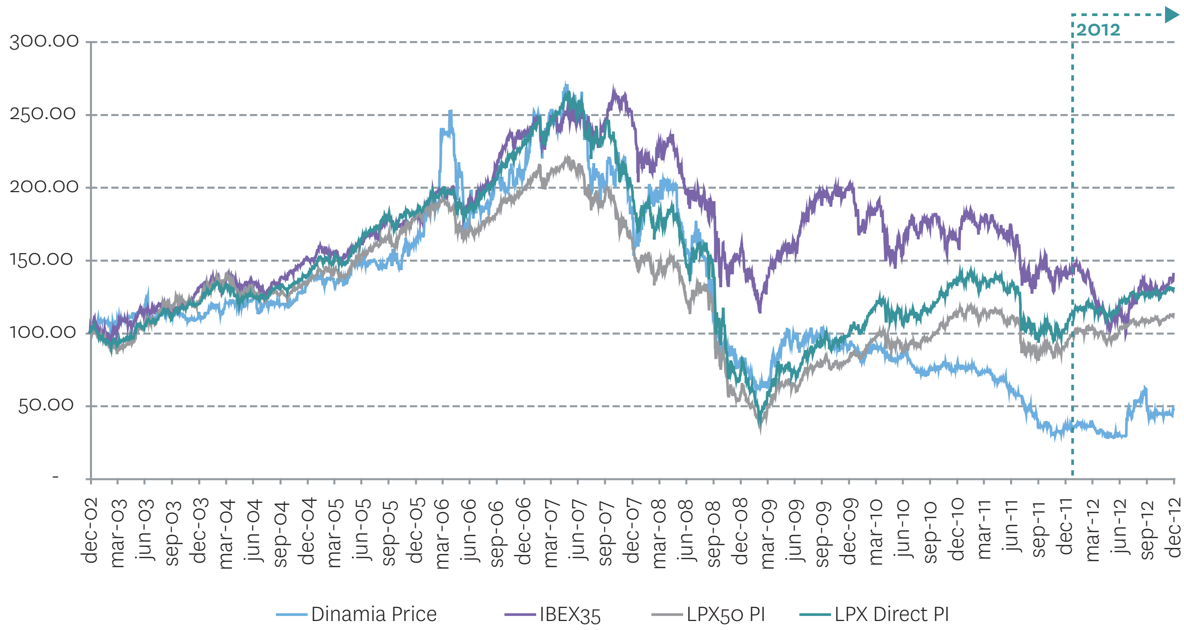
TREND IN DINAMIA'S SHARE PRICE VS. NAV (DEC 2011 - DEC 2012)



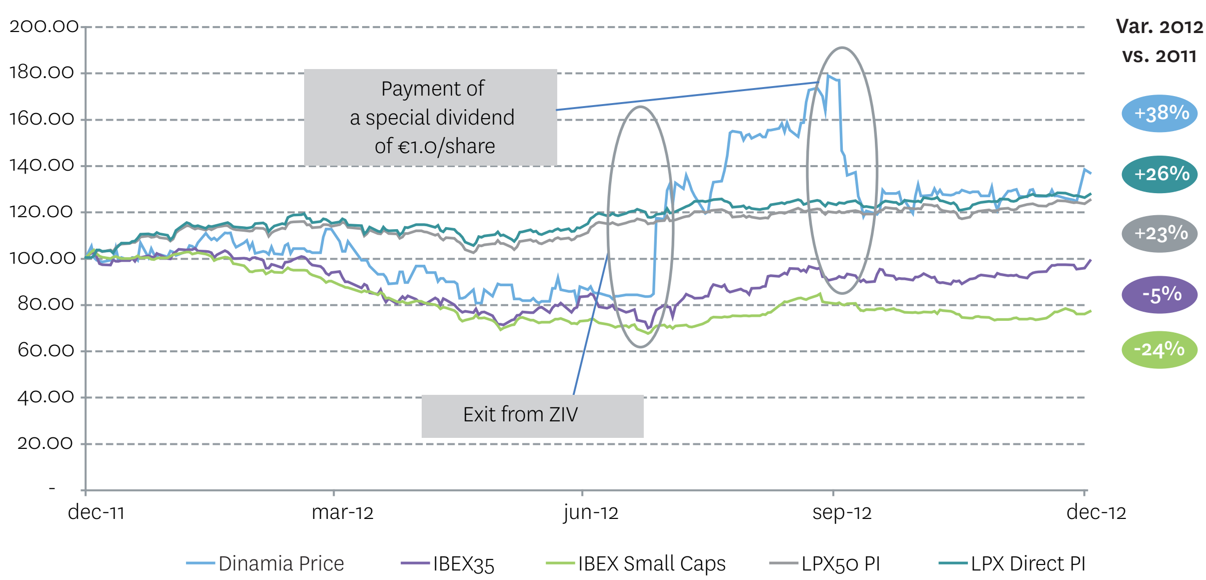
10. Share price vs comparable indices

Dinamia's share price gained 38% in 2012 (total shareholder return of 66% adjusting for dividends), outperforming the Ibex35 (-5%), the Ibex Small Caps index (-24%) and the leading comparable listed private equity indices, the LPX50 and the LPX Direct (which gained 23% and 26%, respectively). This strong share price performance, the second largest gain of any of the company's listed private equity peers in Europe, narrowed the lag opened up with respect to its comps since mid-2010.

TREND IN DINAMIA'S SHARE PRICE VS. IBEX35 AND OTHER COMPARABLE INDICES (DEC 2002 - DEC 2012)



TREND IN DINAMIA'S SHARE PRICE VS. IBEX35 AND OTHER COMPARABLE INDICES (DEC 2011 - DEC 2012)

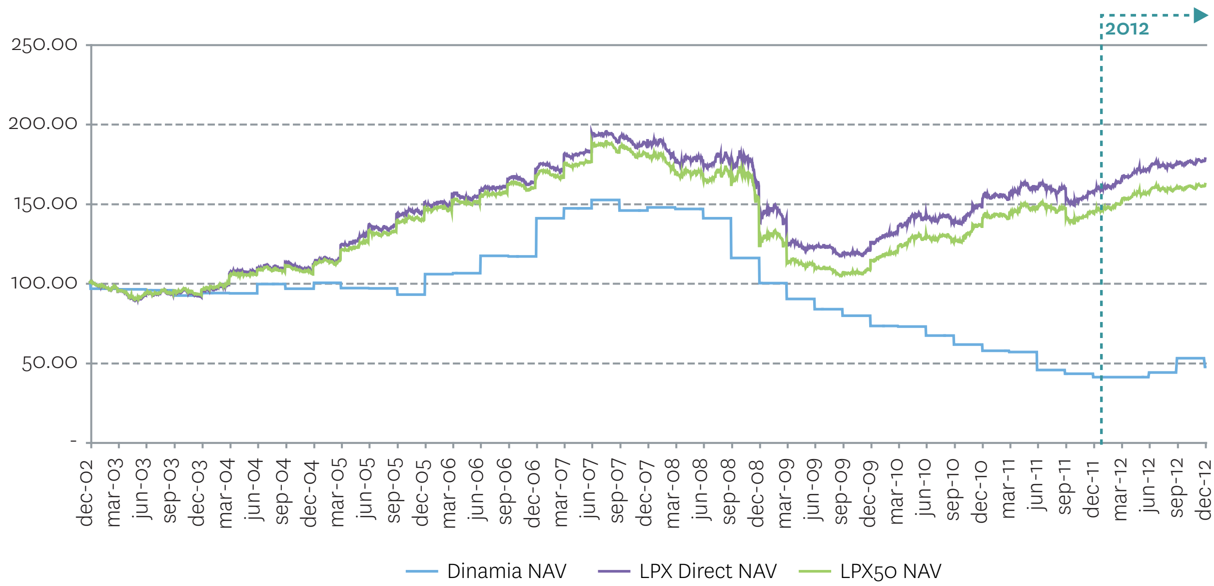


11. NAV vs comparable indices

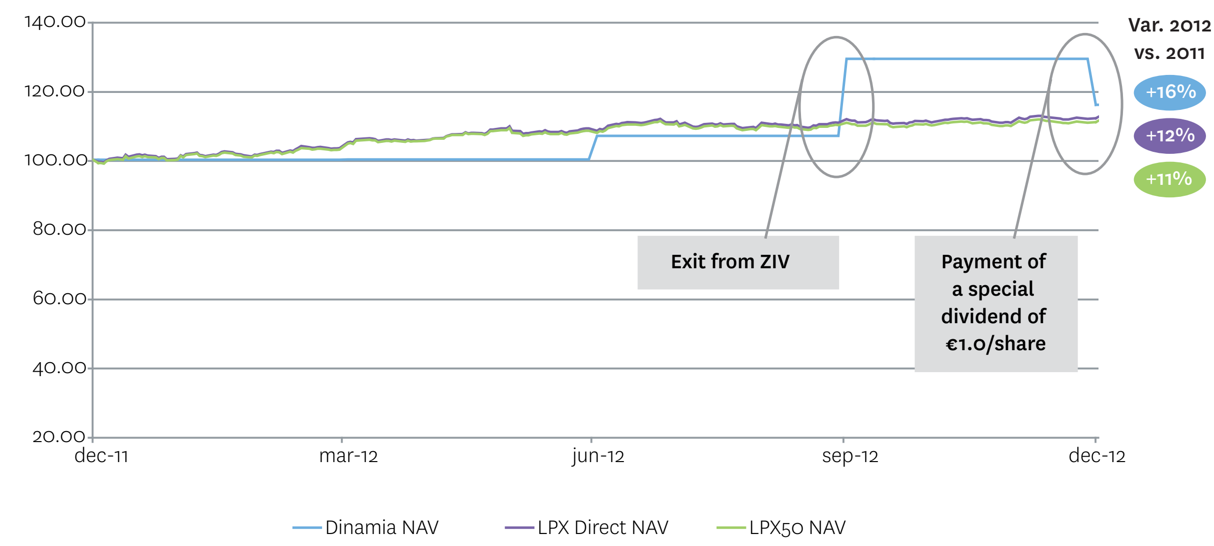
2012 was the first year in which NAV registered year-on-year growth since 2007, with this metric tracking very much in line with that of the company's closest benchmark indices. The turnaround staged in 2012 was underpinned by the portfolio turnover strategy initiated in 2010 and the healthy performance of the more recently acquired and internationally-oriented investees.

The conservative valuation approaches taken, coupled with upside to the investees' intrinsic value, should drive further growth in NAV in the years to come.

TREND IN DINAMIA'S NAV VS. THE NAV OF OTHER COMPARABLE INDICES (DEC 2002 - DEC 2012)



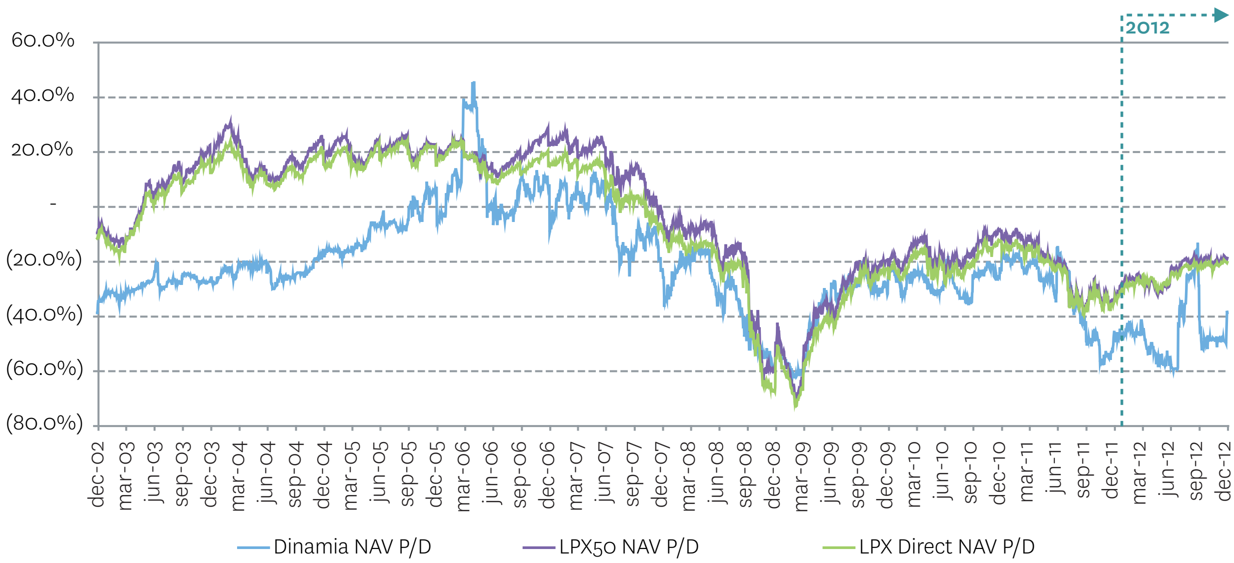
TREND IN DINAMIA'S NAV VS. THE NAV OF OTHER COMPARABLE INDICES (DEC 2011 - DEC 2012)



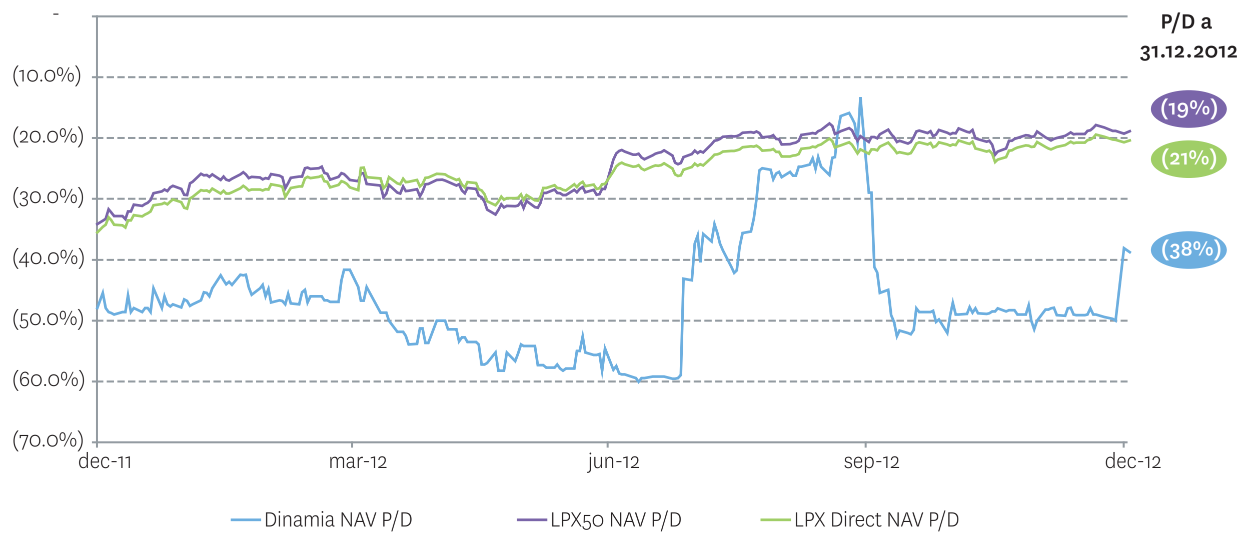
12. NAV discount vs. comparable indices

As a result of the strong share price rally sustained in 2012 and renewed growth in NAV, the trading discount to NAV narrowed sharply, from 48% in 2011 to 38% at year-end 2012. The company plans to continue to work in the years to come to reduce the gap opened up with respect to its listed peers.

TREND IN DINAMIA'S TRADING DISCOUNT TO NAV VS. THE DISCOUNT TO NAV OF OTHER COMPARABLE INDICES (DEC 2002 - DEC 2012)



TREND IN DINAMIA'S TRADING DISCOUNT TO NAV VS. THE DISCOUNT TO NAV OF OTHER COMPARABLE INDICES (DEC 2011 - DEC 2012)

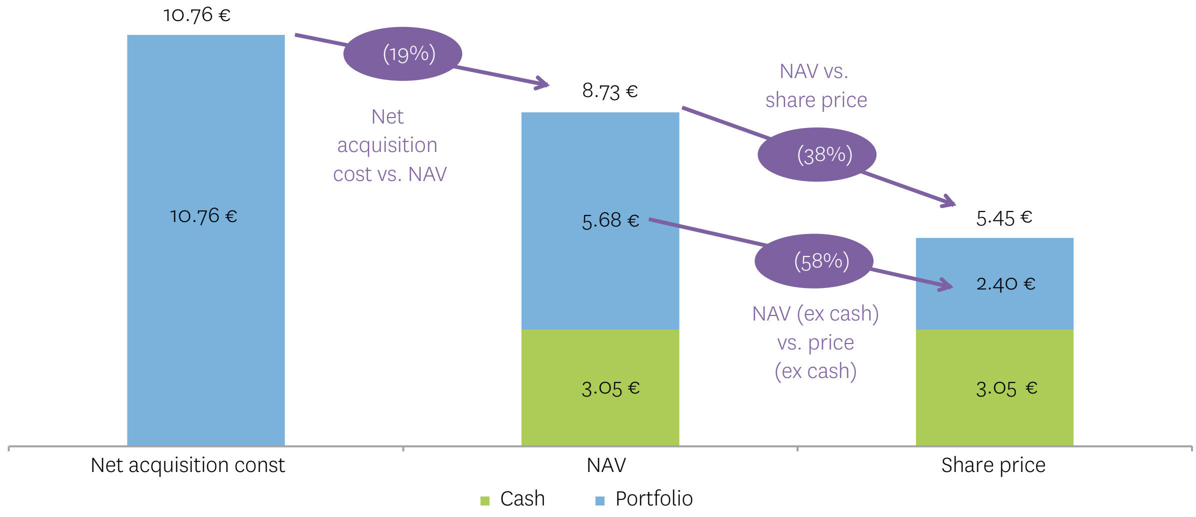


The share price at 31/12/2012 still does not reflect the company's intrinsic value. Dinamia's share price discount vs. NAV stood at 38%. Stripping out the cash balance from both metrics, the discount rises to 58%.

13. Net acquisition cost vs NAV vs share price

PORTFOLIO NET ACQUISITION COST VS. NAV VS. SHARE PRICE (31/12/2012)

Figures in € per share



14. Split NAV

BREAKDOWN OF NAV/SHARE AT 31/12/2012

1. Cash and other cash equivalents — €3.05
2. Recent investments — €4.62
   - Secuoya €0.22
   - EYSA €1.05
   - TRYO €0.72
   - MIVISA €0.79
   - MBA €1.83
3. Investees with positive NAV — €1.06
   - Xanit Hospital Internacional €0.19
   - electra partners €0.51
   - LAUDE Colegios €0.29
   - GNC correaanayak €0.07
4. Investees with NAV = 0 — 0 €
   - Bodybell Perfumerias
   - Grupo Novolux
   - ARCO Bodegas Unidas
   - ALCAD

Cash plus the most recent investments sum to €7.68 per share, well above Dinamia's share price

The rest of the portfolio with positive NAV is not reflected in the share price

There is value optionality at some of the investees with a NAV of zero, which is also not reflected in the share price

TOTAL YE12 NAV €8.73

GRUPO SECUOYA

www. gruposecuoya.es

Secuoya achieved considerable growth in 2012 and plans to continue with the sector consolidation process and increase foreign activities in 2013

INVESTMENT DATA

Thousand euro

Sector	Audiovisual services
Investment type	Growth
Acquisition date	October 2012
Investment to date	3,604

COMPANY'S SHAREHOLDERS

Dinamia Capital Privado	13.75%
Nmas1 Private Equity Fund II	41.25%
Executive team / Founders	40.6%
Free Float	4.40%

FINANCIAL INFORMATION

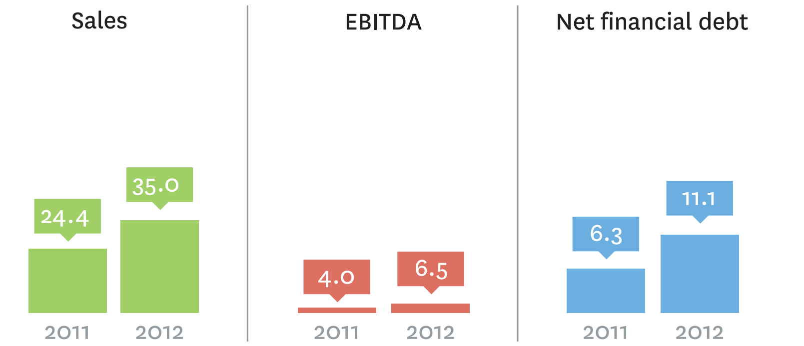
Thousand euro

	Audited 31.12.2012	Audited 31.12.2011
Income statement[1]		
Operating income	34,985	24,429
EBITDA	6,540	4,008
Balance sheet		
Total assets	21,237	18,091
Shareholders' funds	2,648	1,858
Net financial debt	11,087	6,333

(1) Pro forma including company acquisitions as from 1 January 2012 and excluding non-recurring expenses

FINANCIAL HIGHLIGHTS

Million euro



DESCRIPTION OF THE COMPANY

Grupo Secuoya is a communications company operating throughout audiovisual business value chain. The Group is formed by companies that are well established in their sectors and have operations across Spain, including production centres in the main cities. Its main business lines are described below:

- **Audiovisual services.** Provision of integrated branch management services for news and other programmes, and occasional services providing technical and human resources.
- **Content.** Production of all content formats, particularly news, entertainment, docu-shows, low-cost content for the DTT market, branded content, prime time series and documentaries.
- **Marketing.** Comprehensive communication services for companies and enhancement of customers' presence and visibility in audiovisual media.

DESCRIPTION OF THE MARKET

Audiovisual services. The market for independent Audiovisual Services (not provided entirely by television or production companies) in Spain stands at € 150 million and is expected to triple in size in coming years. As regards market structure, there are four main players, including Secuoya, with a combined market share of 86%.

Content. The Content market in Spain amounts to around € 1,200 million and 50% of the total is created outside the TV channels. The total market is not expected to grow, although the purchase of externalised content is increasing. This market is highly fragmented but has a small number of leading companies accounting for 75% of the total.

INVESTMENT BASICS

- Strong market growth expectations.
- Visibility and recurring nature of revenue.
- Excellent executive team that has been bolstered by hiring first-class people.
- Organic and inorganic growth are possible, Secuoya being the ideal platform for market consolidation.

RECENT EVOLUTION AND PROSPECTS FOR 2013

For Secuoya, 2012 was a year of growth and expansion, sales having risen by 43% and EBITDA by 63% (on 2011), while the leverage ratio remained below 2x EBITDA.

In qualitative terms, all the audiovisual services contracts expiring in 2012 were renewed and new contracts were secured with customers such as Telemadrid and TVE, reducing Secuoya's dependence on Antena 3. Secuoya produced over 700 hours of content, placing it among the Top 5 Spanish production companies.

In 2012, Secuoya embarked on sector consolidation and the extension of its operations throughout the value chain, having acquired New Atlantis (content producer) and Vnews (audiovisual services).

In 2013 the Group aims to (i) grow further in existing customers and (ii) take part in any regional tenders that may be called. Plans for 2013 also include sector consolidation and the start of international activities.

EYSA

www.eysaservicios.com

There are internationalisation and organic growth opportunities in the form of acquisitions in the car parks sector and in other services related to urban mobility

INVESTMENT DATA

Thousand euro

Sector	Car parks
Investment type	LBO
Acquisition date	December 2011
Investment to date[1]	13,451

(1) Includes participating loan

COMPANY'S SHAREHOLDERS

Dinamia Capital Privado	25.0%
Nmas1 Private Equity Fund II	75.0%

FINANCIAL INFORMATION

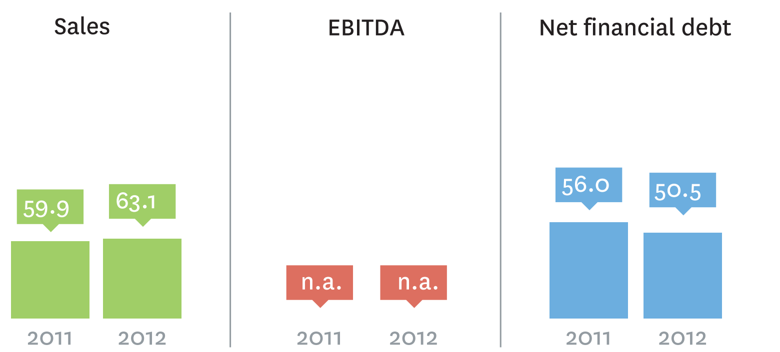
Thousand euro

	Audited 31.12.2012	Pro forma [1] 31.12.2011
Income statement		
Operating income [1]	63,063	59,901
Spaces managed (ORA)	123,570	122,879
Balance sheet		
Total assets	158,856	163,056
Shareholders' funds [2]	55,656	51,593
Net financial debt	50,478	55,999

(1) 2011 sales data for the full year (only consolidated in annual accounts as from 29 December)
(2) Includes participating loan

FINANCIAL HIGHLIGHTS

Million euro



DESCRIPTION OF THE COMPANY

EYSA, acquired in 2011 from the FCC Group, is one of the leading companies in the car park sector in Spain. With turnover above € 60 million, EYSA currently manages over 120,000 parking spaces in more than 60 town and cities.

It is engaged mainly in managing, operating and maintaining regulated on-street parking spaces an activity that accounts for over 80% of the company's business volume. EYSA also manages off-street car parks, municipal tow truck and vehicle depot services, and other inner-city mobility solutions.

EYSA has a market share of close to 25% and is the leading operator in Spain's on-street segment.

DESCRIPTION OF THE MARKET

The Spanish car parks market is subdivided into two distinct segments. There is off-street parking (rotating, permit holders or residents) and there is regulated on-street parking.

According to the consultancy DBK, aggregate revenue in this sector declined in 2012 by 1.2% to € 810 million.

The off-street car parks segment reported aggregate turnover of € 575 million in 2012, representing a fall of 4.2% on 2011.

The on-street parking segment, which has been the main driver of sector growth in the last 10 years, posted revenue of € 235 million, 4.4% up on 2011 due to tariff increases and new spaces in small- and medium-sized towns.

INVESTMENT BASICS

- It is a defensive sector with good revenue visibility and growth prospects for coming years.
- EYSA has a leading position in the regulated on-street parking space segment as one of only two national operators.
- Organic and inorganic growth opportunities in the ORA-system and off-street parking segments and in other services related to inner-city mobility, in Spain and internationally.

RECENT EVOLUTION AND PROSPECTS FOR 2013

EYSA ended 2012 with billings of € 63 million, representing 5% growth on 2011. The like-for-like business performed as expected, having achieved moderate growth with respect to the previous year. However, the budgeted sales target was not reached due to (i) a departure in the number of contracts awarded as a result of the lower-than-expected number of tenders called by town councils; and (ii) a delay in the start-up and maturing of some contracts and new car parks.

During the year the company was the successful bidder for minor contracts such as Calvià, Sa Rapita, Cabrera and the Levante wharf car park in Almería. Additionally, on-street in Burgos was renewed at the beginning of 2013. These contracts will contribute towards the company's growth in 2013.

In September 2012, the executive team was strengthened by hiring a new General Manager and improving other areas of the executive and operations team.

The company will submit bids in any tenders called during 2013. Additionally, the team is studying the possibility of internationalising the business and is analysing various acquisition opportunities to grow in the car parks sector and in other services related to mobility in cities.

GRUPO TRYO

www.teltronic.es / www.rymsa.com

Grupo TRYO had a positive performance in 2012, having achieved budgeted growth in results and significant deleveraging; 2013 commenced with the acquisition of a complementary company with major international presence

INVESTMENT DATA

Thousand euro

Sector	Electronic equipment
Investment type	Buy-out
Acquisition date	July 2011
Investment to date	9,960

COMPANY'S SHAREHOLDERS

Dinamia Capital Privado	24.8%
Nmas1 Private Equity Fund II	73.7%
Executive team	1.5%

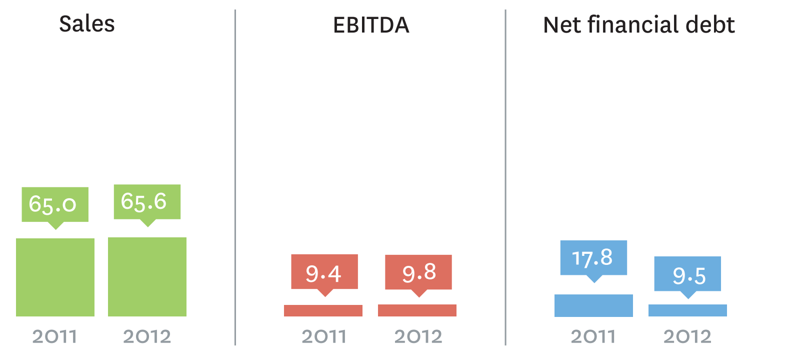
FINANCIAL INFORMATION

Thousand euro

	Audited 31.12.2012	Audited 31.12.2011
Income statement		
Operating income	65,602	65,040
EBITDA	9,817	9,407
Balance sheet		
Total assets	89,520	92,043
Shareholders' funds	44,246	40,924
Net financial debt	9,522	17,801

FINANCIAL HIGHLIGHTS

Million euro



DESCRIPTION OF THE COMPANY

The project is based on the acquisition from Corporación IBV of two companies operating in the electronic components and equipment sector with the final objective of integrating in a single company (the Group) three business lines and to achieve a group engaged in the design and manufacture of electronic systems and components with a high technological component, including leading positions in growing, global, niche markets.

The companies acquired are:

Teltronic (radio communications): engaged in the manufacture of electronic equipment and systems for professional radios systems, such as those used by the fire brigade and the police force.

Rymsa (telecommunications antennas and components): design, manufacture and distribution of antennas for the telecommunications industry. It has two business lines:

- Broadcast-Defense & Radar: manufacture of radiant systems and passive equipment for broadcasting radio and TV signals (Broadcasting) and air traffic control radar antennas and other systems (Defense & Radar);
- Equipment for satellites: design, manufacture and supply of high-tech antenna and passive components to be fitted in satellites.

DESCRIPTION OF THE MARKET

The Group operates in three different markets:

1) Radiocommunications market, with a size of € 700 million under the TETRA standard and an additional € 600 million under the US APCO P-25 standard.
2) Broadcast-Defense & Radar:
    2.1) Broadcasting: Global market with a size of approximately € 250 million and stable demand that differs in each country.
    2.2) Defense & Radar: The main market is for radars and navigation pedestals.
3) Equipment for satellites: Europe's satellite market is estimated at € 900-1,000 million and the global market at € 5,300 million.

INVESTMENT BASICS

- Strong international presence.
- Excellent executive team.
- Distinguishable technology and flexible production process allowing product customisation and generating high entry barriers.
- Recognised brand image. Fundamental for customers since reliability takes priority over price.
- Large customers with a strong institutional component.
- A leading company in its business niches worldwide.
- Opportunities for both organic and inorganic growth.

RECENT EVOLUTION AND PROSPECTS FOR 2013

In 2012, in quantitative terms, the company fulfilled the annual budget, entailing EBITDA growth (+4.4%) and a significant reduction in net financial debt (around € 8 million).

At the qualitative level, the TRYO Group focused on four main areas: (i) operational integration of the companies Rymsa and Teltronic in a single group (TRYO Group); (ii) strengthening and redesign of the commercial structure to bolster international operations, which has already paid off (first radio-communications contract in the USA and several relevant contracts in LatAm); (iii) increase in R&D investment (+16.7% vs. 2011); and (iv) improvement of company management at the institutional level, bringing three new members into the Board of Directors.

The consolidation of the above aspects leads the TRYO Group to feel optimistic with respect to 2013, when (i) strong growth in revenue and EBITDA, and (ii) a reduction in net financial debt are envisaged.

In the first quarter of 2013, the TRYO Group acquired Scati Labs, a video surveillance company with a product that complements the group's divisions; the group continues to analyse other acquisitions to complement its product catalogue.

MIVISA

www.mivisa.com

The investment's sound performance since the acquisition date has allowed the partial repayment of loans and the payment of interest, resulting in income for Dinamia

INVESTMENT DATA	Thousand euro
Sector	Food packaging
Investment type	MBO
Acquisition date	April 2011
Investment to date [1]	8,388

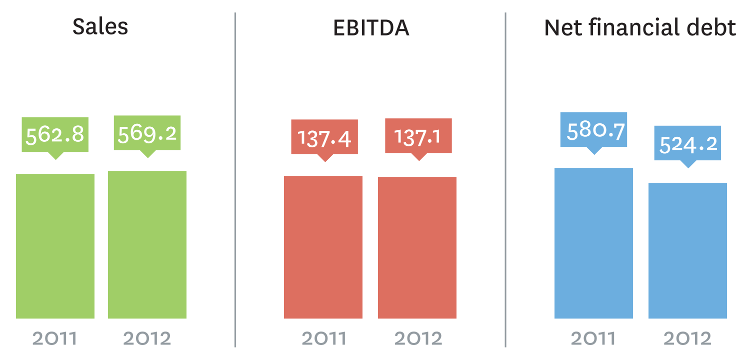
(1) Includes participating loan

COMPANY'S SHAREHOLDERS	
Dinamia Capital Privado	2.8%
Nmas1 Private Equity Fund II	8.6%
Other	88.6%

FINANCIAL INFORMATION		Million euro
	Audited 31.12.2012	Audited 31.12.2011
Income statement		
Operating income	569	563
EBITDA	137	137
Balance sheet		
Total assets	1,056	1,070
Shareholders' funds [1]	333	338
Net financial debt	524	581

(1) Includes participating loan

FINANCIAL HIGHLIGHTS Million euro



DESCRIPTION OF THE COMPANY

Mivisa is the leading manufacturer of tinplate cans for the food industry in the Spanish market and the third-ranked in Europe. The company is present in more than 70 countries. It has more than 2,000 employees and 10 plants in Spain, the Netherlands, Hungary, Morocco and, recently, Peru.

DESCRIPTION OF THE MARKET

The food packaging production sector in the countries in which Mivisa operates totalled approximately € 2,300 million in 2009 and has proven highly resistant to the economic crisis, having grown by 2.9% per annum between 2005 and 2009. The market is expected to grow 2.6% per annum from 2009 to 2012, driven by the production of healthy tinned foods and the steady rise in prices.

The main drivers of packaged food consumption (size of households and nutritional habits) show virtually no correlation with economic cycles, entailing highly stable demand for food packaging.

Mivisa's market has high entry barriers due to the need for major investments in production plants, economies of scale and the significance of relations with packaged food producers.

Finally, the global tinplate can production market is dominated by three companies (Crown, Impress and Mivisa), which are leading the consolidation process.

INVESTMENT BASICS

- Extraordinary executive team: Has led Mivisa for 27 years and has achieved impressive steady organic growth in sales and operating margins well above those of its competitors.
- A market that is resistant to cycle changes: Mivisa's end market (packaged foods) shows no correlation with GDP cycles and has proven to be resistant in the current economic crisis.
- Manufacturing model: The hub-and-spoke production model (centralised production, local assembly) developed organically by Mivisa in recent decades reduces logistic costs and provides significant economies of scale.
- Cash generation: The company's operating efficiency and low capex needs entail excellent conversion of EBITDA into cash.
- Growth opportunities: Multiple growth opportunities have been identified in new markets through exports from existing factories and the opening of small assembly plants (a model already tested in Morocco, Hungary and the Netherlands).

RECENT EVOLUTION AND PROSPECTS FOR 2013

In a particularly difficult year such as 2012, Mivisa's business continued to show resilience to economic cycles. Revenue rose, margins were maintained and leverage was reduced by 0.4x EBITDA.

In the domestic market, Mivisa's revenue increased by more than 7%, once most demonstrating its solid positioning in a difficult market. As indicated in the previous valuation report, Mivisa's growth rates rose in the second half compared with the previous year.

International sales fell slightly, mainly due to the slowdown in France. Nonetheless, Mivisa continued to consolidate its position as an international benchmark company, achieving sound results in Morocco, Ecuador, Hungary and Peru, where a new plant was recently opened.

In 2012, as in prior years, Mivisa's margins remained steady and a significant portion of EBITDA was converted into cash, reducing leverage by 3.8x 2012 EBITDA.

In view of the complicated market context, the executive team remains cautious in its forecasts for 2013. Domestic business is expected to grow further at moderate but stable rates. At the international level, the company is studying new projects to increase its operations in a number of markets and its international presence in general.

Since year-end 2012, Dinamia has recovered 65% of the initial investment made to acquire Mivisa, as a result of the partial repayment of loans and the payment of interest by the company that controls Mivisa. In this respect, Dinamia obtained a cash inflow of € 5.42 million.

MBA

www.mba.eu

The company's debt was reduced considerably during the year thanks to the improvement in working capital

INVESTMENT DATA

Thousand euro

Sector	Prosthesis distribution
Investment type	MBO
Acquisition date	July 2008
Investment to date (1)	32,266

(1) Includes participating loan

COMPANY'S SHAREHOLDERS

Dinamia Capital Privado	36.9%
Nmas1 Private Equity Fund II	36.9%
Executive team	23.5%
Other	2.7%

FINANCIAL INFORMATION

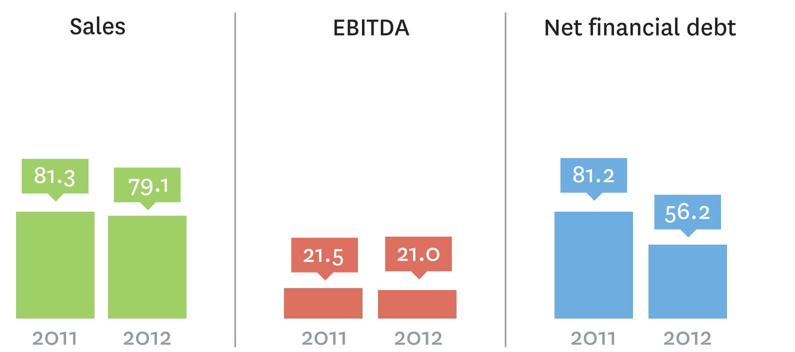
Thousand euro

	Pro Forma 31.12.2012	Pro Forma 31.12.2011
Income statement		
Operating income	79,142	81,257
EBITDA (1)	21,002	21,525
Balance sheet		
Total assets	194,589	219,239
Shareholders' funds (2)	111,958	110,169
Net financial debt	56,188	81,187

(1) Pro forma data to obtain comparable information (excluding non-recurring expenses)
(2) Includes participating loan

FINANCIAL HIGHLIGHTS

Million euro



DESCRIPTION OF THE COMPANY

MBA is the fourth-ranked distributor of orthopaedic products in Spain and has a 15% market share. It is the only independent operator with significant presence in the European market, with operations in Spain, Belgium, Italy, Portugal and the United Kingdom.

The group specialises in internal and external knee, hip and spine prostheses, which are distributed under its own brand name. MBA also has a biological product business line under the brand name BIOSER, which complements its core business. The group's customers are mainly public hospitals, although its products are also distributed to private insurance companies and individuals.

DESCRIPTION OF THE MARKET

MBA's market is led by multinational manufacturers with commercial operations, such as Stryker, Zimmer, Depuy (J&J) and Biomet, which have an aggregate share of 68%.

In 2011 and 2012 the Spanish market for orthopaedic surgery and orthopaedics was affected by a generalised slowdown in the healthcare sector and the resulting increase in waiting lists.

The main drivers in the orthopaedic market are listed below: (i) ageing of the population; (ii) growing knowledge and success of this type of operations due to technological improvements; and (iii) increasing demand for replacements.

INVESTMENT BASICS

- Business model based on recurring investment in instruments for customers and continuous inclusion of innovative, top-quality products in the company's portfolio (clear R&D&i focus).
- Strong, internationally recognised brand image.
- High value added customer service through close relationships with surgeons and ongoing training of doctors and sales staff.
- Organic and non-organic international expansion opportunities.

RECENT EVOLUTION AND PROSPECTS FOR 2013

The decline in the number of surgical operations in the domestic market that commenced in the middle of 2010 was aggravated in 2012 by strikes affecting certain regional healthcare services. As a result, waiting lists increased.

Price pressure intensified during the year due to cost cutting in public hospitals. MBA's sales fell by 3% on 2011.

In 2012 sales of one of the group's products recovered partially, putting an end to delays in the supplier replacement process that began in the middle of 2010. MBA now has a full catalogue for that product and is operating as normal

In 2012 the savings envisaged in the plan implemented by the executive team to enhance operating efficiency were achieved, allowing profitability levels to be maintained despite the decline in revenue.

Additionally, the company's debt was reduced considerably during the year thanks to the improvement in working capital attributable to (i) active management by the executive team and (ii) the supplier payment plan.

In 2013 MBA will seek to increase its product portfolio in Belgium and the United Kingdom. A contracting and investment plan has been implemented to build a sales network that will allow the group to grow more efficiently in these markets.

The coming months will reveal market trends and there will be greater visibility of measures that may be adopted by the Public Administration and will enhance the role of the benchmark operators. In this context, the executive team expects MBA's market share to continue to grow.

ELECTRA PARTNERS CLUB 2007 LP

The Electra Fund is almost entirely paid up and has six investees...and improved value creation prospects compared with previous years

INVESTMENT DATA

Thousand euro

Sector	Private equity fund
Investment type	General
Acquisition date	June 2008
Investment to date	11,964

FUND SHAREHOLDERS

Dinamia Capital Privado	11.8%
Other	88.2%

DESCRIPTION

Since the flotation in November 1997, and in order to diversify its investments, Dinamia decided to acquire a limited exposure to the private equity business in Europe (<10%). Between 1997 and 2007, Dinamia co-invested with Electra and other private equity companies in two transactions in Europe.

At the end of 2007, the decision was taken to continue with this policy in a more diversified and structured fashion by acquiring a 10% interest in the 100 million GBP venture capital fund "Electra Partners Club 2007", which was made in April 2008, entailing a commitment to invest up to 10 million GBP over a five-year period.

Electra Partners Club 2007's investment strategy matches Dinamia's philosophy and has the following characteristics:

- Geographic target, United Kingdom: The investments are based on domestic and international companies with headquarters or significant presence in the United Kingdom. An initial analysis has been performed to seek opportunities in other parts of Western Europe.
- *Mid-market*: Target companies have a target enterprise value of 70-250 million GBP, although the upper limit may be increased if advisable in the circumstances.
- Controlling interests: Electra Partners Club 2007 will invest in controlling shareholdings together with Electra Private Equity Plc to permit the implementation of a strategy in line with the company's portfolio.
- Flexible exit timeline: The business strategy should include exit plans for investors to optimise value.

The management team (Electra Partners LLP) has more than 20 years' experience in the UK's middle-market segment.

On 15 March 2011 an investor failed to make a payment and the fund's size decreased to €85 million, Dinamia's interest in the fund increasing from 10% to 11.76%.

RECENT EVOLUTION AND PROSPECTS FOR 2013

The investments at year-end are:

- **Peverel Group** (March 12) is a supplier of property management services, residential services and services for the elderly (insurance, security, telephone care, etc.). Results have been positive since the acquisition.

- **Davies Group** (October 11) is a provider of solutions and services in response to demands from the UK's largest insurers to enhance process and claim payment efficiency. There is room for growth in customers and in new services. Results at December 2012 remained disappointing, due to volatility and a reduction in claims volume when a major contract was lost.

- **Daler-Rowney** (March 11) is the world's third largest supplier of fine arts materials (watercolours, paints, etc.). The investment was made to implement a strategy of organic growth (USA and Europe, including the UK) and inorganic growth (UK and Dominican Republic). The business performed well in 2012; growth was above the previous year and above budget, particularly in the North American market and increasingly in the other markets. The acquisition of a competitor in Germany was also completed.

- **Sentinel Performance Solutions Limited** (February 11), Europe's leading supplier of products to treat and improve the performance and efficiency of hot water and residential heating systems. Sentinel has an established brand with high margins; the investment will be attractive provided new products are developed outside the UK (Germany and USA) and through selective acquisitions. The European domestic market is experiencing difficulties. The company is broadening its product range and its markets.

- **Nuaire** (December 07) Nuaire, one of the UK's leading manufacturers and distributors of office and residential building ventilation systems. This company distributes directly to consumers in the heating, ventilation and air-conditioning sector, as well as in the electricity sector. The investment rationale is based on the growing demand for and value of ventilation products, changes in construction legislation and environmental concerns. Sales fell slightly in 2012 but margins rose. Cash generated was used to pay debts.

On 27 March 2013, Dinamia paid out GBP 1,574 thousand (equivalent to € 1,890 thousand) to acquire UBM's data services businesses. These businesses supply information and data products that are used by professionals in decision-taking and in daily activities. The company operates in 28 countries, in sectors such as health, healthcare, technology, aviation, foreign trade and forestry products.

At the date of this report, Dinamia has therefore paid out GBP 9,805 thousand (equivalent to € 11,964 thousand). The fund is thus 98% paid up and the investment period ended in April 2013. The remaining 2% will be applied to costs and add on investments in the Fund's portfolio.

XANIT

www.xanit.net

The positive performance of the Hospital Xanit project is clear and growth prospects are good following the operational and financial reorganisation measures implemented in the past two years

INVESTMENT DATA

Thousand euro

Sector	Hospitals
Investment type	MBI build-up
Acquisition date	December 2007
Investment to date [1]	25,353

(1) Includes participating loan and ordinary loan

COMPANY'S SHAREHOLDERS

Dinamia Capital Privado	33.7%
Nmas1 Private Equity Fund II	33.7%
Other	32.6%

FINANCIAL INFORMATION

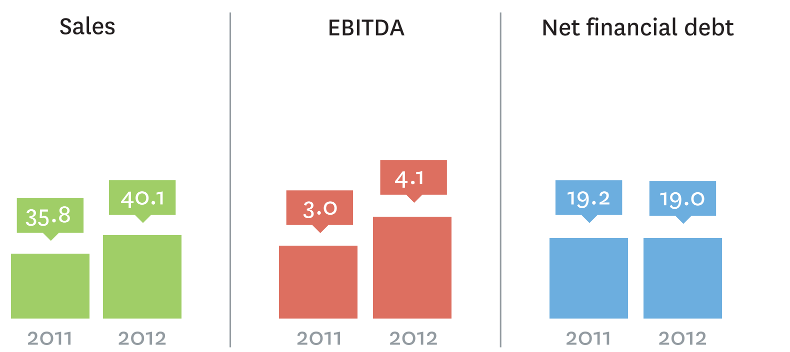
Thousand euro

	Audited 31.12.2012	Audited 31.12.2011
Income statement		
Operating income	40,069	35,779
EBITDA(1)	4,056	2,961
Balance sheet		
Total assets	75,485	76,523
Shareholders' funds [2]	40,944	42,898
Net financial debt	19,017	19,238

(1) EBITDA adjusted for non-recurring expenses
(2) Includes participating loan

FINANCIAL HIGHLIGHTS

Million euro



DESCRIPTION OF THE COMPANY

Xanit Hospital Internacional, which commenced business in January 2006, is located in the geographic centre of the Costa del Sol and is a hospital of reference in the south of Spain. It recently received the Best Hospital 2011 award from the prestigious publication *International Travel Insurance Journal* during the ITIC held in Lisbon.

Xanit's business is conducted in a five-storey 13,000 m2 building with 108 individual rooms and a peripheral medical centre located in Fuengirola.

Xanit is a private hospital with a human team formed by more than 650 professionals, 250 of which are domestically and internationally reputed doctors specialised in the latest diagnostic and therapeutic techniques.

The hospital invests strongly in innovation, science and technology. It has excellent, multidisciplinary medical teams that provide comprehensive, quality care and the latest healthcare technology.

Xanit Hospital Internacional's technological capacity and highly qualified professionals allow it to perform highly complex techniques. Its target market is the whole of the Andalusia region in general and the rest of Spain for certain specialties or techniques. Particularly worthy of note is the Instituto Oncológico Xanit (IOX), which combines all structures related to treatment and diagnosis, including all cancer treatment tools (radiology, nuclear medicine, pathological anatomy, surgery and medical and radiotherapy oncology).

INVESTMENT BASICS

- Fragmented sector with future consolidation prospects.
- Resistance to cycle changes and fast growth.

RECENT EVOLUTION AND PROSPECTS FOR 2013

Hospital Xanit Internacional posted sales of € 40.1 million in 2012, representing an increase of 12% on 2011 and of over € 10 million in scarcely two years.

The growth in domestic company patients (+13%), thanks to the inclusion of Sanitas, among other factors, was the main driver of sales growth, although private (+13%) and foreign (6%) patients also increased considerably. The relative significance of these two patient categories with respect to total sales remains above 40% and is a distinguishing factor for the Hospital.

In profitability terms, estimated year-end EBITDA amounted to € 4.1 million (10% margin), which is 2% up on the 2011 margin. This improvement has been achieved in a context of strong tariff pressures exerted by insurance companies.

As regards the 2013 budget, the Hospital continues to develop new revenue lines to increase its distinctive offering and consolidate its position as the region's leading hospital.

Agreements have been concluded with external partners (IVI, El Corte Inglés) to bolster the Hospital's image (cobranding), medical teams have been strengthened (particularly the oncology area) and new prestigious international professionals have been contracted.

Growth prospects are highly positive in the medium and long term. Xanit has an increasingly broad and loyal customer portfolio, as the Hospital of reference for the region's inhabitants. Additionally, the quality of its medical teams and facilities is attracting patients from other regions, thereby increasing the catchment area.

ALCAD

www.alcad.net

The domestic market's unfavourable evolution has not been offset by international business

INVESTMENT DATA

Thousand euro

Sector	Telecommunications
Investment type	MBO
Acquisition date	March 2007
Investment to date	9,847

COMPANY'S SHAREHOLDERS

Dinamia Capital Privado	37.7%
Nmas1 Private Equity Fund I	37.7%
Executive team	8.3%
Other	16.3%

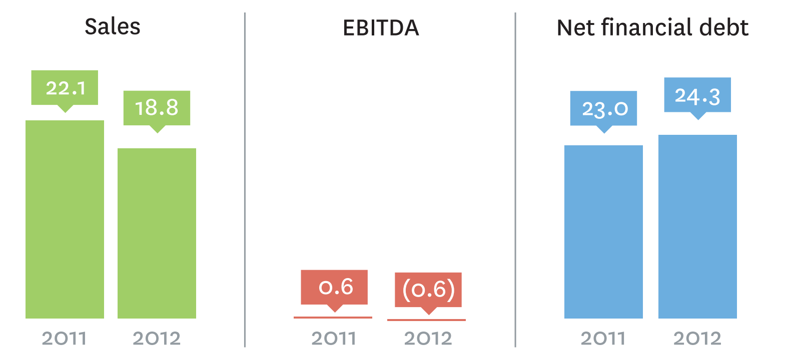
FINANCIAL INFORMATION

Thousand euro

	Audited 31.12.2012	Audited 31.12.2011
Income statement		
Operating income	18,766	22,050
EBITDA	(605)	626
Balance sheet		
Total assets	38,225	44,152
Shareholders' funds	6,831	12,715
Net financial debt	24,315	22,978

FINANCIAL HIGHLIGHTS

Million euro



DESCRIPTION OF THE COMPANY

Alcad was founded in 1988 and is engaged in the research, design, manufacture and marketing of high-frequency products used to receive and distribute digital and analogue television signals in residential buildings (High Frequency). In 2001, activities increased due to the development of the range of entryphones, video-entryphones and intercom systems ("Access Control"), allowing the company to enter this market and leverage marketing synergies and high capillarity in Spain.

The company has a large R&D Department that continuously develops new products (communication, domotics, etc.). In 2008, a business line was added relating to the healthcare and hotel sectors (Solutions), reflecting the company's ongoing progress in R&D.

DESCRIPTION OF THE MARKET

The market in which the company operates has been affected by several factors in recent years:

- The analogue blackout and transition to the digital television model is now complete and generated a lower business volume than expected.
- Business associated with the residential market has been reduced by the real estate crisis.

The international market has recently recovered past growth levels that were interrupted by the crisis in 2009.

Future market growth is envisaged due to the reallocation of frequencies currently used by television operators to telephony operators ("digital dividend").

INVESTMENT BASICS

- Alcad has a leading position in the high-frequency market based on investments in R&D and on product quality.
- The company's high distribution capillarity through a large number of agents and representatives ensures a fast and efficient installation service.
- It has a strong international position and high brand recognition.
- There are considerable entry barriers in the high frequency market. The installed product base, commercial network (service rendered) and product quality are three of the main entry barriers faced by new competitors.

RECENT EVOLUTION AND PROSPECTS FOR 2013

In 2012, as a result of the unfavourable domestic market situation due to (i) the end of the analogue blackout in 2010 and the resulting replacement of all residential equipment; and (ii) the unfavourable evolution of the residential market for new construction work, the negative trend in Alcad's domestic sales continued and the lowest figure in recent years was posted. As the frequency reallocation ("digital dividend") approaches, activity levels are expected to rise; the date is expected to be announced within the next few months. The international business shows levels similar to 2011.

In this market environment, the company continues to focus on (i) maintaining domestic and international High Frequency and Access Control sales; (ii) increasing sales in the Solutions business line; (iii) extending the existing catalogue by preparing innovative products; and (iv) enhancing operating efficiency to achieve sustainable results in the face of unfavourable evolution in domestic sales and the limited visibility of domestic sales in coming months.

The Company has completed a refinancing process to bring its financial structure into line with current business levels.

LAUDE

www.colegioslaude.com

After reorganising the business three years ago, the chain has continued to post highly positive results and has consolidated a benchmark reputation in its areas of influence

INVESTMENT DATA

Thousand euro

Sector	Private education
Investment type	MBI build-up
Acquisition date	June 2006
Investment to date (1)	18,542

(1) Includes participating loan

COMPANY'S SHAREHOLDERS

Dinamia Capital Privado	49.3%
Nmas1 Private Equity Fund I	49.3%
Executive team	0.6%
Other	0.8%

FINANCIAL INFORMATION

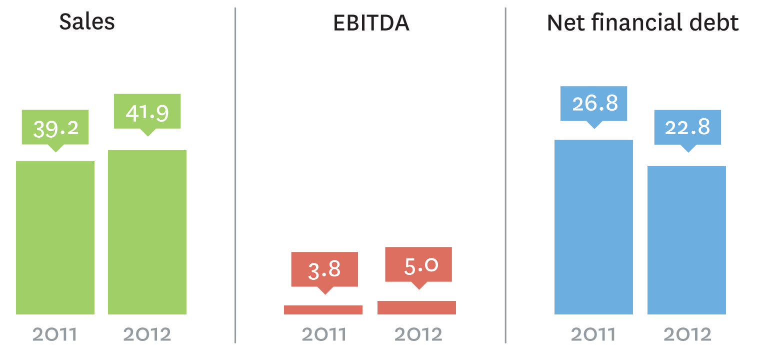
Thousand euro

	Reporting(2) 31.12.2012	Reporting(2) 31.12.2011
Income statement		
Operating income	41,919	39,245
EBITDA	4,971	3,753
Balance sheet		
Total assets	69,154	70,551
Shareholders' funds (1)	24,217	25,557
Net financial debt	22,768	26,816

(1) Includes participating loan
(2) Company's management accounts

FINANCIAL HIGHLIGHTS

Million euro



DESCRIPTION OF THE COMPANY

Since it was formed, Colegios Laude has been one of the largest chains of private, bilingual schools in Spain. Pupils are aged between two and 18. The chain currently includes seven schools and nine centres in different Spanish towns, in addition to a school in the United Kingdom.

DESCRIPTION OF THE MARKET

The regulated pre-university education market in Spain encompassed 7.7 million registered pupils in 2010, a record figure.

The current scenario has brought about a temporary reversal in the transfer of pupils from state schools to private subsidised schools and from private subsidised schools to private schools. A gradual decline in the private subsidised school model may also be observed due to the need for voluntary contributions from parents to finance the schools and management dependence on the Public Administration. Generally speaking, the rate of registration at private schools is expected to recover once the Spanish economy stabilises.

Private (non-subsidised) schools guarantee independence from the Administration since they are free to establish their internal regime, admission and evaluation procedures, and fees.

INVESTMENT BASICS

- Demand exceeds supply. There is growing demand for private schools due to:
    - Growing concern for education, leading medium-high income families to seek a higher quality education for their children.
    - Saturation of preschool classes in public schools and private subsidised establishments.
- Opportunity to consolidate the sector. Sector development is limited, professionalism is low and the market is highly fragmented.
- Growth sector. The number of pre-university students grew, particularly in preschool education (+2.8%), where private schools are gaining market share with respect to private subsidised and state schools.

RECENT EVOLUTION AND PROSPECTS FOR 2013

During the academic year 2011/12, Laude's sales rose by 5%. This growth is explained mainly by the increase in school pupils, but also by a change of sales mix, the schools and courses with the highest fees having gained in relative significance. The increase in pupil numbers has been possible thanks to the efforts made in recent years to improve service quality.

As regards results, the business model's operational leverage and cost growth containment have allowed a 25% rise in EBITDA. These sound results and solid working capital management have reduced leverage by 1.7x EBITDA.

The beginning of the 2012/13 academic year and evolution since then were positive, the number of pupils having risen on the previous period. This points to revenue and results growth over the full year, which would be the third year running in a very tough market.

GRUPO NOVOLUX

www.gruponovolux.com

The domestic market is weakening further and growth in 2013 is expected to derive from foreign markets, where the company's entire attention is focused

INVESTMENT DATA	Thousand euro
Sector	Exterior lighting
Investment type	MBI
Acquisition date	September 2005
Investment to date[1]	12,025

(1) Includes participating loan

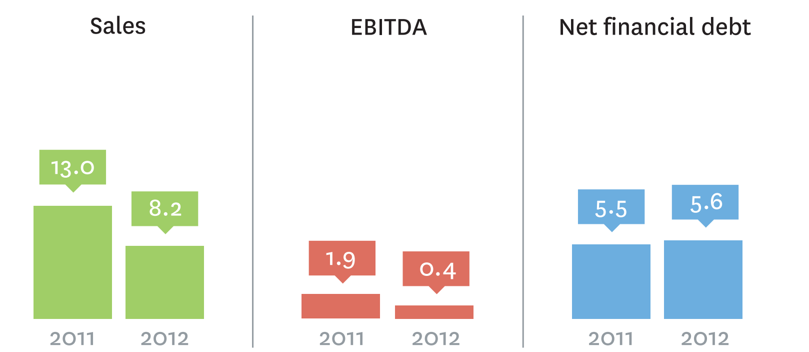
COMPANY'S SHAREHOLDERS	
Dinamia Capital Privado	48.5%
Nmas1 Private Equity Fund I	45.9%
Other	5.6%

FINANCIAL INFORMATION — Thousand euro

	Audited 31.12.2012	Audited 31.12.2011
Income statement		
Operating income	8,215	12,979
EBITDA[2]	411	1,891
Balance sheet		
Total assets	30,043	44,887
Shareholders' funds[3]	20,092	30,419
Net financial debt	5,602	5,459

(1) EBITDA adjusted for non-recurring expenses
(2) Includes participating loan

FINANCIAL HIGHLIGHTS — Million euro



DESCRIPTION OF THE COMPANY

Grupo Novolux is the only pure distributor in the private exterior lighting segment in Spain and one of the main distributors in the Iberian Peninsula.

Novolux's main brands (Cristher and Dopo) are well known in the market and are a reference for installers, electricians and electrical materials warehouses, which are the company's sales channels.

The company is positioned at the high end through products that are made in Europe, with leading technical quality and state-of-the-art designs. The company's suppliers mostly manufacture exclusively for Novolux.

In 2010 the company began to distribute interior lighting products under the Venezina brand.

DESCRIPTION OF THE MARKET

The exterior lighting market is a niche within the general lighting market. It is a segment with a higher technical component that generally requires support from an installer, who plays a prescriptive role in relation to final customers.

Since mid-2008 the lighting market has been affected by the construction industry crisis and by the general decline in consumption. The lighting segment is estimated to have declined by 30% in 2012 and even more in the residential private segment.

INVESTMENT BASICS

- Good channel positioning. Installers recommend Cristher and Dopo products.
- Two consolidated brands, preventing the potential entry of new competitors, a solid commercial network and fragmented customers and suppliers.
- The delivery service and the breadth of the catalogue product range.

RECENT EVOLUTION AND PROSPECTS FOR 2013

The company's activity, focused on Spain's residential private segment, still shows no signs of a recovery, due to two main factors: (i) the number of new and officially completed dwellings is still at a minimum and (ii) the light (non-essential product) replacement market has declined sharply due to the generalised slump in consumption. Consequently, in 2012 Novolux's sales fell to € 8.2 million (-37% on 2011).

In this scenario, the company has focused on two aspects: (i) cost structure review and (ii) geographic diversification of sales.

As regards the first aspect, in October 2012 the company completed a move to new facilities, generating an annual saving of close to € 500 thousand in rent. The company has also restructured its sales network and permanent workforce.

With respect to geographic diversification, Novolux's entry into new markets is proving slower than expected and exports accounted for scarcely 5% of total sales in 2012. For this reason, the decision has been taken to boost the internationalisation project.

Having regard to the business outlook, the domestic market is not expected to recover in the short term and growth is only envisaged in export sales.

In 2013 the company will need to refinance bank borrowings.

BODYBELL

www.bodybell.com

Bodybell, in a harsh market, has increased market share and expects to continue to do so in 2013

INVESTMENT DATA

Thousand euro

Sector	Chain of perfumery stores
Investment type	BIMBO
Acquisition date	April 2005
Gross investment to date (1)	26,483
Net investment to date (2)	3,908

(1) Includes participating loan.

(2) Recap in December 2006 in which € 22,575 thousand of the investment was recovered.

COMPANY'S SHAREHOLDERS

Dinamia Capital Privado	14.4%
Nmas1 Private Equity Fund I	14.2%
Executive team	2.0%
Other	69.4%

FINANCIAL INFORMATION

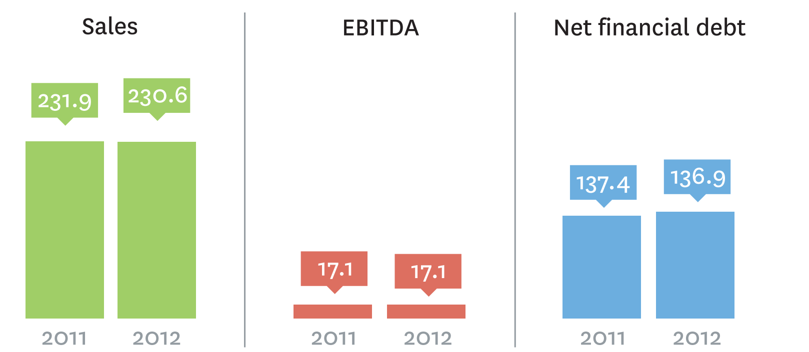
Thousand euro

	Actual 31.12.2012	Actual 31.12.2011
Income statement		
Operating income	230,615	231,864
EBITDA (1)	17,061	17,052
Balance sheet		
Total assets	307,177	303,323
Shareholders' funds (2)	112,458	114,320
Net financial debt	136,875	137,351

* Company's management accounts
(1) EBITDA adjusted for non-recurring business items
(2) Includes participating loans

FINANCIAL HIGHLIGHTS

Million euro



DESCRIPTION OF THE COMPANY

Bodybell, with over 280 stores around the country (under the trade names Bodybell and Juteco), is one of the leading chains in Spain's Household, Cleaning and Perfumery Products channel. The group's activities include the retailing of perfumes, cosmetics and household cleaning products, and the wholesaling of low-end perfumes and household cleaning materials and products.

DESCRIPTION OF THE MARKET

As with the rest of the retail consumer market, the household cleaning products and perfumery market was affected by the deterioration in the macroeconomic situation and diminished consumption.

As regards market structure, the number of establishments continues to decrease as traditional businesses are absorbed by self-service points of sale for cleaning products and perfumes.

INVESTMENT BASICS

- Solid macros. This is a sector with high growth potential (particularly new segments such as cosmetics for men or para-pharmacy) and is less exposed to economic crises, fashion trends and obsolescence.
- Bodybell has a strong brand image in Spain, a dominant position in the centre of the country and excellent locations.
- Consolidation opportunity. It is a highly fragmented market with many regional family businesses.

RECENT EVOLUTION AND PROSPECTS FOR 2013

Bodybell is principally a retail distribution business and evolution is closely related to consumption. Consequently, this economic crisis has inevitably affected the group's sales.

In recent months the group has continued with its store improvement and refurbishment policy. The stores still provide a solid and profitable base, even in the current, more difficult context, and will allow the group to recover historical sales and operating profits once the macroeconomic crisis is over. The group has also increased its store base by taking advantage of market opportunities in recent months.

Business appeared to have stabilised somewhat in the final months of 2012. However, we must await events in 2013 to see the impact of the macro environment on the reference market and on the group's business in particular. The group expects to continue to increase its share in the modern self-service channel and to confirm the return to its historical rates of sales growth that commenced in 2010, once the current crisis has been overcome.

HIGH TECH

www.hthoteles.com

Although HTH shows better operating ratios than its competitors, the current recession combined with fierce price competition in Madrid caused a decline in results in 2012

INVESTMENT DATA	Thousand euro
Sector	Hotels
Investment type	Expansion
Acquisition date	January 2003
Gross investment to date	15,452
Net investment to date [1]	9,656

1 In the capital increase carried out in December 2007, € 5,796 thousand was recovered through the redemption of preferred shares

COMPANY'S SHAREHOLDERS	
Dinamia Capital Privado	26.0%
Nmas1 Private Equity Fund I	26.0%
Executive team	26.2%
Other	21.8%

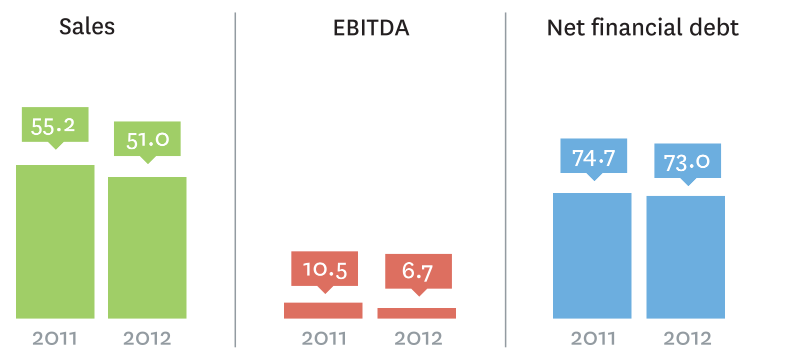
FINANCIAL INFORMATION

	Pro forma 31.12.2012	Pro forma 31.12.2011
Income statement		
Operating income	51,015	55,249
EBITDA [1]	6,687	10,491
Balance sheet		
Total assets	108,409	114,297
Shareholders' funds	6,557	9,760
Net financial debt [1]	73,027	74,734

(1) EBITDA and Net financial debt calculated as per the 1990 Chart of Accounts to correct the rent linearisation adjustment brought in by the new Chart (no impact on cash)

FINANCIAL HIGHLIGHTS

Million euro



DESCRIPTION OF THE COMPANY

High Tech Hotels & Resorts, S.A. is a hotel chain operating in the three-star and four-star segment for business customers and city tourists. In 2012 the company opened a new hotel in Madrid. It currently has thirty-four operational hotels, mainly located in Madrid (22 hotels) and in the larger provincial capitals. When the company was acquired, High Tech had only four operational hotels.

The company plans to create a leading chain in a segment that is not yet consolidated, is highly fragmented and is characterised by family management with little brand recognition.

DESCRIPTION OF THE MARKET

The three-star and four-star segments are the backbone of the hotel industry in Spain and account for more than 78% of total room capacity. Since 1987, occupancy in this segment has been above the hotel sector average.

Professionalism is low and the segment is extremely fragmented, comprising mainly family businesses. Entry barriers faced by large international chains wishing to achieve a good positioning are therefore high:

- There are no chains of a sufficient size to enter the Spanish market on a strong footing through acquisitions;
- There is a lack of transparency in the small, established chains; and
- The presence of a domestic promoter has been seen to be a key to the success of chains in Spain.

The municipal three-star and four-star segment, which may be subdivided into tourism and business, shows the best performance in the current scenario of decreasing consumption. The municipal hotels are also more stable throughout the year, as business is less seasonal.

INVESTMENT BASICS

- Proven business model. Business concept endorsed by good relations with agencies, tour operators and final consumers.
- Market niche that is defendable and sustainable, without any multinational groups.
- Experienced and motivated executive team, with management skills demonstrated during careers as executives of a chain in the same segment.

RECENT EVOLUTION AND PROSPECTS FOR 2013

Sales and EBITDA for 2012 totalled € 51.0 million and € 6.7 million, respectively. The current decline in consumption combined with strong price competition (particularly in the Madrid hotel market) is eroding average prices, which has not been offset by occupancy increases.

At the operational level, High Tech continues to implement measures to increase efficiency through both cost control and marketing policies, having achieved operating ratios above those of the majority of its competitors.

During 2013 the company will continue to work to recover historical price and occupancy levels, affected by the current economic environment. Those levels are expected to be recovered progressively over the coming two or three years, although the current macroeconomic scenario raises uncertainties in the short term. In parallel, alternative approaches are being developed to continue the group's expansion through the selective opening of new hotels and formulae to achieve more flexible debt servicing in the short and medium term.

ARCO

www.arcobu.com

INVESTMENT DATA

INVESTMENT DATA	Thousand euro
Sector	Winery
Investment type	MBO
Acquisition date	March 1999
Gross investment to date	17,477
Net investment to date [1]	15,458

1 During the period in which this investment has been held, € 2,019 thousand has been recovered through dividends.

COMPANY'S SHAREHOLDERS

Dinamia Capital Privado	8.0%
Corporación Financiera Arco	73.5%
Other	18.5%

DESCRIPTION OF THE COMPANY

United Wineries Holdings, S.A. (Arco), an investee of Dinamia, is the holding company for the investments and shareholdings of the consolidated group ARCO, which has been parented by Corporación Financiera ARCO S.L. since 2007.

United Wineries Holdings, S.A. has focused on mere holding company activities since 2007, having transferred the direct wine purchase, sale, marketing and distribution activities to its subsidiaries, and the administration and financial control activities to its parent company, in 2008 for organisational and business efficiency purposes in both cases.

Arco invests in companies and projects in two key sectors of Spain's economy; the agrofood industry, particularly food and wine with high added value, and the specialised hospitality sector (unconventional hotel sector, specialised tourist services, catering and gastronomy, etc.), always through majority or significant shareholdings in its investees. The company views the wine industry as a preferred investment sector.

It invests in Spanish companies whose products and services are exportable and in international companies to allow the distribution and marketing of the Spanish products and services.

Arco has interests in the following wineries, among others

- Berberana (Spain)
- Lagunilla (Spain)
- Marqués de Griñón (Spain)
- Marqués de la Concordia (Spain)
- Marqués de Monistrol (Spain)
- Lavis (Spain)
- Canaletto (Spain)
- Cesarini Sforza (Spain)

Arco also holds an interest in Hacienda Zorita through The Haciendas Company. After opening in 2004, this company became Spain's leading Wine Hotel & Spa.

RECENT EVOLUTION AND PROSPECTS FOR 2013

ARCO is Dinamia's most longstanding investee, the initial investment having been made in 1999. Dinamia holds a minority interest.

Given the tough market environment and the fact that Dinamia does not have reliable up-to-date information in relation with Arco, Dinamia cannot value its investment on the company.

NICOLÁS CORREA

www.correaanayak.es

INVESTMENT DATA

Thousand euro

Sector	Machinery manufacture
Investment type	MBO
Acquisition date	September 1999
Gross investment to date	7,033
Net investment to date [1]	2,599

1 Dinamia has recovered € 4,434 thousand of this investment via dividends or capital redemption and the divestment of listed stock

COMPANY'S SHAREHOLDERS

Dinamia Capital Privado	12.6%
Other	87.4%

DESCRIPTION OF THE COMPANY

Grupo Nicolás Correa is engaged in the conception, design, manufacture and marketing of milling and machining equipment and is a major European industrial group in term of both size and innovation.

The company has a workforce of 385 employees and posted revenue of over € 30 million at year-end 2012. It offers solutions that are fully tailored to the most exacting production environments, such as the manufacture of matrices and large moulds, and monolithic components for the aerospace, railroad, energy and mechanics sectors in general. Nicolás Correa currently exports 98% of its products to the main industrialised and emerging countries, such as China, Germany, India, Turkey, France, UK, USA, Italy, etc.

DESCRIPTION OF THE MARKET

It is also extremely active in the research and development area through its own projects and participation in various cutting-edge projects on a Spanish and European level.

Spain's machine tool industry is the third largest in terms of production in the European Union and has considerable presence in international markets (exports account for 89% of production).

Demand for milling equipment has traditionally derived from the car industry and its auxiliary sectors, although demand from other industries has risen considerably. Demand from companies in the energy, aerospace, railroad, capital goods, matrices and large moulds sectors has significantly increased in volume terms.

The company's sector is regarded as a basic and strategic industry that is affected by economic cycles if volume is insufficient. This could cause the disappearance of a large number of companies and the appearance of sector consolidation opportunities.

INVESTMENT BASICS

- Diversification of customers and markets: 98% of the company's production is exported and it has a broad network of commercial distributors and subsidiaries that allows direct, personalised contact with customers.
- Quality and highly-motivated executive team.
- The multiple possibilities for alliances with other machine tool manufacturers in the sector gives rise to synergies in the sales, production, SAT and possibly R&D areas.

RECENT EVOLUTION AND PROSPECTS FOR 2013

For the company's recent evolution, financial highlights and prospects for 2013, we refer to the periodic public information published by the regulator (Spanish National Securities Market Commission) and also available in the company's website.

Audit Report on the Annual Accounts

pwc

A free translation of the report on the annual accounts originally issued in Spanish and prepared in accordance with generally accepted accounting principles in Spain. In the event of a discrepancy, the Spanish language version prevails

AUDIT REPORT ON THE ANNUAL ACCOUNTS

To the Shareholders of Dinamia Capital Privado, Sociedad de Capital Riesgo, S.A.

We have audited the annual accounts of Dinamia Capital Privado, Sociedad de Capital Riesgo, S.A. consisting of the balance sheet at 31 December 2012, the income statement, the statement of changes in equity, the cash flow statement and related notes for the year then ended. The Company's Directors are responsible for the preparation of these annual accounts in accordance with the financial reporting framework applicable to the Company (identified in Note 2 to the accounts) and, in particular, with the accounting principles and criteria included therein. Our responsibility is to express an opinion on the annual accounts taken as a whole, based on the work performed in accordance with legislation governing the audit practice in Spain, which requires the examination, on a test basis, of evidence supporting the annual accounts and an evaluation of whether their overall presentation, the accounting principles and criteria applied and the estimates made are in accordance with the applicable financial reporting framework.

In our opinion, the accompanying annual accounts for 2012 present fairly, in all material respects, the financial position of Dinamia Capital Privado, Sociedad de Capital Riesgo, S.A. at 31 December 2012 and the results of its operations and cash flows for the year then ended in accordance with the applicable financial reporting framework, and in particular, with the accounting principles and criteria included therein.

The accompanying Directors' Report for 2012 contains the explanations which the Company's Directors consider appropriate regarding the situation of Dinamia Capital Privado, Sociedad de Capital Riesgo, S.A., the development of its business and other matters and does not form an integral part of the annual accounts. We have verified that the accounting information contained in the Directors' Report is in agreement with that of the annual accounts for 2012. Our work as auditors is limited to checking the directors' report in accordance with the scope mentioned in this paragraph and does not include a review of information other than that obtained from the accounting records of Dinamia Capital Privado, Sociedad de Capital Riesgo, S.A..

PricewaterhouseCoopers Auditores, S.L.

Original in Spanish signed by Pedro Richi Alberti
Partner

April 24th, 2013

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Dinamia Capital Privado, Sociedad de Capital Riesgo, S.A.

Financial Statements and Directors' Report 31 December 2012 and 2011

BALANCE SHEETS AS AT 31 DECEMBER 2012 AND 2011

(Expressed in euro)

ASSETS	31/12/2012	31/12/2011
A) CURRENT ASSETS	**50,943,075.58**	**37,598,566.16**
I. Cash and cash equivalents	49,072,210.21	33,956,380.51
II. Prepayments and accrued income	20,611.90	20,611.90
III. Short-term investments	-	1,750,000.00
1. Equity instruments	-	-
2. Loans and credit facilities to companies	-	-
3. Debt securities	-	1,750,000.00
4. Derivatives	-	-
5. Other financial assets	-	-
IV. Short-term investments in group companies and associates	-	-
V. Receivables	1,850,252.47	1,871,573.75
VI. Other current assets	-	-
B) NON-CURRENT ASSETS	**101,816,218.80**	**102,862,113.40**
I. Deferred tax assets	5,499.08	28,452.14
II. Long-term investments	9,885,766.49	12,576,587.99
1. Equity instruments	9,326,958.52	11,370,828.10
1. 1. Of venture capital investees	1,096,627.68	5,690,848.45
1. 2. Of other entities	8,230,330.84	5,679,979.65
2. Loans and credit facilities to companies	558,807.97	558,807.97
3. Debt securities	-	-
4. Derivatives	-	-
5. Other financial assets	-	646,951.92
III. Long-term investments in Group companies and associates	91,924,953.18	90,257,073.28
1. Equity instruments	24,523,459.12	27,175,006.11
1. 1. Of venture capital investees	24,523,459.12	27,175,006.11
1. 2. Of other entities	-	-
2. Loans and credit facilities to companies	67,401,494.06	63,082,067.17
3. Debt securities	-	-
4. Derivatives	-	-
5. Other financial assets	-	-
IV. Property. plant and equipment	-	-
V. Intangible assets	-	-
VI. Other non-current assets	-	-
TOTAL ASSETS (A + B)	**152,759,293.40**	**140,460,679.60**

BALANCE SHEETS AS AT 31 DECEMBER 2012 AND 2011

(Expressed in euro)

LIABILITIES AND EQUITY	31/12/2012	31/12/2011
A) CURRENT LIABILITIES	**470,775.82**	**850,688.14**
I. Accruals and deferred income	-	325,749.57
II. Creditors and accounts payable	370,512.40	484,686.44
III. Short-term payables to Group companies and associates	-	-
IV. Short-term payables	-	-
V. Short-term provisions	-	-
VI. Other current liabilities	100,263.42	40,252.13
B) NON-CURRENT LIABILITIES	**31,747,574.91**	**31,266,395.10**
I. Accruals and deferred income	-	-
II. Deferred tax liabilities	-	-
III. Long-term payables to Group companies and associates	-	-
IV. Long-term payables	13,184,400.32	13,184,400.32
V. Long-term provisions	1,342,744.79	861,564.88
VI. Other non-current liabilities	17,220,429.90	17,220,429.90
TOTAL LIABILITIES (A+B)	**32,218,350.83**	**32,117,083.24**
C) EQUITY	**120,540,942.60**	**108,343,596.30**
C-1 SHAREHOLDERS' FUNDS	**122,363,853.90**	**114,254,176.50**
I. Capital	48,837,600.00	48,837,600.00
II. Members	-	-
III. Share premium	67,648,374.00	85,514,142.80
IV. Reserves	35,800,426.70	35,800,426.70
V. Own equity instruments (-)	(214,135.78)	(16,637.33)
VI. Prior-year results (+/-)	(55,881,355.65)	-
VII. Other shareholder contributions	-	-
VIII. Profit/(loss) for the year (+/-)	26,172,944.61	(55,881,355.65)
IX. Interim dividend (-)	-	-
X. Other equity instruments	-	-
C-2 EQUITY VALUATION ADJUSTMENTS	**(1.822.911,28)**	**(5.910.580,19)**
I. Available-for-sale financial assets	(1,822,911.28)	(5,910,580.19)
II. Hedging transactions	-	-
III. Other	-	-
C-3 Grants, donations and bequests received	**-**	**-**
TOTAL LIABILITIES AND EQUITY	**152,759,293.40**	**140,460,679.60**

BALANCE SHEETS AS AT 31 DECEMBER 2012 AND 2011

(Expressed in euro)

MEMORANDUM ACCOUNTS	31/12/2012	31/12/2011
1. EXPOSURE AND COMMITMENT ACCOUNTS	**3,044,629.10**	**5,255,829.88**
1. Guarantees granted	-	646,951.92
2. Guarantees received	750,000.00	750,000.00
3. Securities purchase commitments	2,294,629.10	3,858,877.96
3.1. Venture capital investees	-	-
3.2. Other companies	2,294,629.10	3,858,877.96
4. Commitments for the sale of securities	-	-
4.1. Venture capital investees	-	-
4.2. Other companies	-	-
5. Other derivatives	-	-
6. Commitments with shareholders or members	-	-
7. Other exposures and commitments	-	-
2. OTHER MEMORANDUM ACCOUNTS	**79,732,461.24**	**67,809,306.68**
1. Total committed equity	-	-
2. Committed equity not called	-	-
3. Write-off assets	-	-
4. Tax losses available for offset	79,179,005.47	67,809,306.68
5. Latent capital gains (net of tax effect)	553,455.77	-
6. Impairment initial capital group	-	-
7. Other memorandum accounts	-	-
TOTAL MEMORANDUM ACCOUNTS (1+2)	**82,777,090.34**	**73,065,136.56**

INCOME STATEMENTS
FOR THE YEARS ENDED 31 DECEMBER 2012 AND 2011

(Expressed in euro)

	31/12/2012	31/12/2011
1. Financial income (+) (Note 21)	**7,954,118.96**	**8,266,021.68**
1.1 Interest, dividends and similar income	7,954,118.96	8,266,021.68
1.2 Other financial income	-	-
2. Financial expense (-)	**(226.35)**	**-**
2.1 Interest and similar charges	(226.35)	-
2.2 Other financial expenses	-	-
3. Results and changes in fair value of Financial investment portfolio (net) (+/-) (Note 22)	**19,887,959.66**	**(59,061,063.22)**
3.1 Net income/(expense) on disposals (+/-)	32,266,073.39	(8,910,391.38)
3.1.1 Equity instruments	32,409,782.63	(5,765,110.11)
3.1.2 Debt securities	(130,697.25)	(3,145,281.27)
3.1.3 Other financial investments	(13,011.99)	-
3.2 Change in fair value of financial instruments (+/-)	-	-
3.3 Impairment and losses on investments(-/+)	(12,378,113.73)	(50,150,671.84)
3.4 Exchange differences (net) (+/-)	-	-
4. Other operating results (Note 20)	**(1,709,147.55)**	**(4,487,570.67)**
4.1 Fees and other income received (+)	-	-
4.1.1 Advice to venture capital investees	-	-
4.1.2 Other fees and expenses	-	-
4.2 Fees paid (-)	(1,709,147.55)	(4,487,570.67)
4.2.1 Management fees	(1,709,147.55)	(4,487,570.67)
4.2.2 Other fees and expenses	-	-
GROSS MARGIN	**26,132,704.72**	**(55,282,612.21)**
5. Staff costs (-)	**-**	**-**
6. Other operating expenses (-) (Note 23)	**(938,037.90)**	**(904,255.13)**
7. Fixed asset depreciation (-)	**-**	**-**
8. Overprovision (+)	**978,277.79**	**305,511.69**
OPERATING PROFIT/(LOSS)	**26,172,944.61**	**(55,881,355.65)**
9. Impairment and profit/ (loss) on fixed asset disposals (+/-)	**-**	**-**
10. Other asset impairment (net) (+/-)	**-**	**-**
11. Other (+/-)	**-**	**-**
PROFIT/(LOSS) BEFORE TAXES	**26,172,944.61**	**(55,881,355.65)**
12. Corporate income tax (-)	**-**	**-**
PROFIT/(LOSS) FOR THE YEAR	**26,172,944.61**	**(55,881,355.65)**

STATEMENTS OF CHANGES IN EQUITY
FOR THE YEARS ENDED 31 DECEMBER 2012 AND 2011

(Expressed in euro)

A) STATEMENTS OF RECOGNISED INCOME AND EXPENSE FOR THE YEARS ENDED 31 DECEMBER 2012 AND 2011

	31/12/2012	31/12/2011
A) RESULTS IN INCOME STATEMENT	**26,172,944.61**	**(55,881,355.65)**
B) INCOME AND EXPENSE ALLOCATED DIRECTLY TO EQUITY	**4,087,668.91**	**3,931,618.60**
I. Measurement of financial instruments	4,067,713.37	3,903,166.45
1. Available-for-sale financial assets	4,067,713.37	3,903,166.45
2. Other income / expenses	-	-
II. On cash-flow hedges	-	-
III. Grants, donations and bequests received	-	-
IV. Actuarial gains and losses and other Adjustments	-	-
V. Tax effect	19, 955.54	28, 452.15
C) TRANSFERS TO THE INCOME STATEMENT	**-**	**-**
VI. Measurement of financial instruments	-	-
1. Available-for-sale financial assets	-	-
2. Other income / expenses	-	-
VII. Cash-flow hedges	-	-
VIII. Grants, donations and bequests received	-	-
IX. Tax effect	-	-
TOTAL RECOGNISED INCOME AND EXPENSE	**30,260,613.52**	**(51,949,737.05)**

STATEMENT OF CHANGES IN EQUITY FOR THE YEARS ENDED 31 DECEMBER 2012 AND 2011

(Expressed in euro)

B) TOTAL STATEMENT OF EQUITY FOR THE YEAR ENDED 31 DECEMBER 2012

	Capital	Reserves and Share premium
BALANCE, YEAR END 2011	48,837,600.00	121,314,569.50
Adjustments due to policy changes	-	-
Adjustments due to errors	-	-
ADJUSTED BALANCE, BEGINNING 2012	48,837,600.00	121,314,569.50
I. Total recognised income and expenses	-	-
II. Transactions with shareholders or owners	-	(17,865,768.80)
1. Capital increases	-	-
2. Capital reductions	-	-
3. Conversion of financial liabilities into equity	-	-
4. Dividend distribution	-	(17,865,768.80)
5. Transactions with treasury shares (net)	-	-
6. Increase (Decrease) in equity resulting from a business combination	-	-
7. Other transactions with shareholders or owners	-	-
III. Other changes in equity	-	(55,881,355.65)
1. Share based payments	-	-
2. Share based payments	-	-
3. Other changes	-	(55,881,355.65)
BALANCE, YEAR END 2012	48,837,600.00	47,567,445.05

EQUITY				
SHAREHOLDERS' FUNDS				
Treasury shares	Profit/(loss) for the year	Own equity instruments	Measurement adjustments	Total equity
-	(55,881,355.65)	(16,637.33)	(5,910,580.19)	108,343,596.30
-	-	-	-	-
-	-	-	-	-
-	(55,881,355.65)	(16,637.33)	(5,910,580.19)	108,343,596.30
-	26.172.944,61	-	4.087.668,91	30.260.613,52
-	-	(197,498.45)	-	(18,063,267.25)
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	(17,865,768.80)
-	-	(197,498.45)	-	(197,498.45)
-	-	-	-	-
-	-	-	-	-
-	55,881,355.65	-	-	-
-	-	-	-	-
-	-	-	-	-
-	55,881,355.65	-	-	-
-	26,172,944.61	(214,135.78)	(1,822,911.28)	120,540,942.60

STATEMENT OF CHANGES IN EQUITY
FOR THE YEARS ENDED 31 DECEMBER 2012 AND 2011

(Expressed in euro)

B) TOTAL STATEMENT OF EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2011

	Capital	Reserves and Share premium
BALANCE, YEAR END 2010	47,880,000.00	151,300,745.69
Adjustments due to policy changes	-	-
Adjustments due to errors	-	-
ADJUSTED BALANCE, BEGINNING 2011	47,880,000.00	151,300,745.69
I. Total recognised income and expenses	**-**	**-**
II. Transactions with shareholders or owners	**957,600.00**	**(2,553,600.00)**
1. Capital increases	957,600.00	(957,600.00)
2. Capital reductions	-	-
3. Conversion of financial liabilities into equity	-	-
4. Dividend distribution	-	(1,596,000.00)
5. Transactions with treasury shares (net)	-	-
6. Increase (Decrease) in equity resulting from a business combination	-	-
7. Other transactions with shareholders or owners	-	-
III. Other changes in equity	**-**	**(27,432,576.19)**
1. Share based payments	-	-
2. Share based payments	-	-
3. Other changes	-	(27,432,576.19)
BALANCE, YEAR END 2011	48.837.600,00	121.314.569,50

EQUITY				
SHAREHOLDERS' FUNDS				
Treasury shares	Profit/(loss) for the year	Own equity instruments	Measurement adjustments	Total equity
-	(27,432,576.19)	-	(9,842,198.78)	161,905,970.72
-	-	-	-	-
-	-	-	-	-
-	(27,432,576.19)	-	(9,842,198.78)	161,905,970.72
-	(55,881,355.65)	-	3,931,618.59	(51,949,737.06)
-	-	(16,637.33)	-	(1,612,637.33)
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	(1,596,000.00)
-	-	(16,637.33)	-	(16,637.33)
-	-	-	-	-
-	-	-	-	-
-	27,432,576.19	-	-	-
-	-	-	-	-
-	-	-	-	-
-	27,432,576.19	-	-	-
-	(55.881.355,65)	(16.637,33)	(5.910.580,19)	108.343.596,33

CASH FLOW STATEMENTS
FOR THE YEARS ENDED 31 DECEMBER 2012 AND 2011

(Expressed in euro)

	31/12/2012	31/12/2011
CASH FLOWS FROM OPERATING ACTIVITIES	**(749,775.59)**	**(4,515,984.15)**
Profit/ (loss) for the year before tax	26,172,944.61	(55,881,355.65)
Adjustments to results	(28,414,166.64)	50,489,529.85
Other adjustments to results	(28,414,166.64)	50,489,529.85
Changes in working capital	1,370,067.68	485,417.78
Other cash flows from operating activities	121,378.76	390,423.87
Interest payments	-	-
Dividend collection	-	-
Interest collection	121,378.76	390,423.87
Corporate income tax income/expense	-	-
Other collections / payments on operating activities	-	-
CASH FLOWS FROM INVESTING ACTIVITIES	**33,928,872.53**	**(17,550,396.46)**
Amounts paid on investments	(6,260,042.92)	(39,725,100.44)
Group companies. associates and business units	(6,260,042.92	(39 725 100.44)
Property. plant and equipment. intangible assets and investment property	-	-
Other financial assets	-	-
Other assets	-	-
Amounts collected from divestments	40,188,915.45	22,174,703.98
Group companies. associates and business units	39,546,936.91	22,174,703.98
Property. plant and equipment. intangible assets and investment property	-	-
Other financial assets	641,978.54	-
Other assets	-	-
CASH FLOWS FROM FINANCING ACTIVITIES	**(18,063,267.25)**	**(1,612,637.33)**
Collections and payments on equity instruments	(197,498.45)	(16,637.33)
Issue	-	-
Amortisation/depreciation	-	-
Acquisition	(197 498.45)	(16,637.33)
Disposals	-	-
Grants. donations and bequests received	-	-
Receipts and payments on financial liability instruments	-	-
Issue	-	-
Repayment and redemption	-	-
Dividend payments and return on other equity instruments	(17,865,768.80)	(1,596,000.00)
EFFECT OF EXCHANGE RATE FLUCTUATIONS	**-**	**-**
NET INCREASE/DECREASE IN CASH AND CASH EQUIVALENTS	**15,115,829.70**	**(23,679,017.94)**
Cash and cash equivalents at beginning of the year	33,956,380.51	57,635,398.45
Cash and cash equivalents at end of the year	49,072,210.21	33,956,380.51

Dinamia Capital Privado, Sociedad de Capital Riesgo, S.A.

Notes to the financial statements for the year ended 31 december 2012

(Expressed in euro)

1. Activities and general information

Dinamia Capital Privado, Sociedad de Capital Riesgo, S.A. (the Company or Dinamia) was incorporated as a public limited company on 11 November 1997 for an indefinite time. Its registered office for mercantile purposes is located in Madrid.

The Company is governed, inter alia, by Law 25/2005 (24 November) on venture capital entities and their management companies and National Securities Market Commission Circular 11/2008 (30 December) on accounting standards, financial statements and reserved information statements of venture capital entities.

The Company was entered under number 21 in the Venture Capitalist Administrative Register of the National Securities Market Commission.

Dinamia's main corporate purpose consists of acquiring temporary investments in the capital of non-financial, non-real estate companies which, at the investment date, are not listed on the primary market of a stock exchange or any other equivalent regulated market in the European Union or in other member countries of the Organisation for Economic Cooperation and Development (OECD). The Company may also invest in securities issued by companies more than 50% of the assets of which consist of real estate, provided at least 85% of the total carrying amount of the investee's real estate is used in a business activity.

This notwithstanding, Dinamia may extend its main corporate purpose to the acquisition of temporary shareholdings in non-financial companies listed in the primary market of a stock exchange or in any other equivalent regulated market in the European Union or in other member countries of the OECD, provided such companies are delisted within twelve months of the investment date. It may also invest in other venture capital companies, pursuant to prevailing legislation governing venture capital entities.

In order to carry on its core business activity, Dinamia may grant participating loans and other forms of financing (in the latter case, only to investees that form part of the mandatory investment coefficient). Finally, the Company may provide advisory services pursuant to prevailing legislation governing venture capital entities.

The Company's management and administration functions are entrusted, under a contract, to Nmás1 Capital Privado, Sociedad Gestora de Entidades de Capital Riesgo, S.A.U.(the Management Company). The Management Company forms part of the Nmás1 Group, parented by N Más Uno IBG, S.A.

On 19 December 2006 and 20 May 2008, the Company and the Management Company agreed to partially amend the existing management contract, establishing the limit on the investments that the Management Company may make on a discretionary basis at €30 million or 15% of the Company's asset value. Above those limits, the Management Company must obtain prior authorisation from the Company's Board of Directors to make the investment.

On 6 August 2002 the Management Company entered into a co-investment agreement with Nmás1 Private Equity International Limited (formerly Nmás1 Private Equity Jersey Limited), as the General Partner of Nmás1 Private Equity Fund, L.P. (the Fund), that advises N Más Uno Advisor, S.A., (which belongs to the Nmás1 Group), through which the joint investments between the Company and Fund were governed. This co-investment agreement established the intention of the Company and the Fund to invest in the same percentage shareholdings in companies. The Company and the Fund reserved the right to change their shareholding percentages, including the possibility that the two percentages were not the same and even that the Company or the Fund could choose not to take part in an investment.

On 30 May 2008, a new co-investment agreement was concluded between the Company and the vehicles forming the investment complex known as N+1 Private Equity Fund II (hereinafter "Fund N+1 II"), comprising the following venture capital entities: (i) Nmas1 Private Equity Fund II, Erisa F.C.R de Régimen Simplificado; (ii) Nmas1 Equity Fund II, Non Erisa F.C.R de Régimen Simplificado; and (iii) Nmas1 Equity Fund II, Families S.C.R de Régimen Simplificado, S.A.

This co-investment agreement stipulates that Dinamia and Fund N+1 II will invest in the same percentage shareholdings. The Management Company reserves the right to change their shareholding percentages, including the possibility that the two percentages are not the same and even that the Company or the Fund may choose not to take part in an investment in any of the following circumstances:

- Existence of an applicable rule, law or regulation precluding the investment by either party or having a significantly adverse impact on Dinamia or the Fund N+1 II.

- Existence of clauses in the investment agreement preventing Dinamia or Fund N+1 II from investing.

- Dinamia or Fund N+1 II has insufficient liquidity to make the investment

- Existence of any other circumstance that makes the investment by Dinamia or Fund N+1 II undesirable.

In the agreement, Dinamia and Fund N+1 II stipulate that all investments to be made in the future must be regulated by the agreement, barring those that derive from the continuation of investments made by Dinamia before the agreement was signed and investments that Dinamia may make in the future that fall out with Fund N+1 II's corporate objects.

The co-investment agreement includes the following commitments by the parties:

Joint investments will be effected such that both parties have the same rights, obligations, interests and restrictions, and the investments will be made simultaneously. The agreement stipulates that the investments made by Dinamia and Fund N+1 II need not have the same structure.

- All the costs of the investments in companies made by the parties will be allocated in proportion to the investment percentage held.

- Divestment of the joint investments shall also be made jointly and on the same terms for both parties, unless an agreement is concluded between Dinamia and Fund N+1 II authorising the non-observance of this point, one of the parties wishes to divest and no significant harm is caused to the other party..

Moreover, Article 18 of Law 25/2005, 25/2005 stipulates that venture capital companies and funds must maintain at least 60% of their computable assets invested in shares and interests in the capital of companies forming part of their business activity. As part of the above-mentioned percentage, up to 30% of total computable assets may relate to participating loans to investees and up to 20% may be invested in the acquisition of shares or interests in venture capital entities, accordance with that Law. Article 22 of the above-mentioned law stipulates that more than 25% of computable assets may not be invested in the same company and that more than 35% may not be invested in companies forming part of the same group of companies.

At 31 December 2012 and 2011, the Company fulfils the requirements described above, as a part of its participating loans are covering the free distribution coefficient stipulated in Article 21 of Law 25/2005.

A) SIGNIFICANT EVENTS TAKING PLACE DURING THE YEAR

The principal events taking place during the year concern the investments and divestments carried out.

B) DATE OF PREPARATION

On 21 March 2013 the Company's Board of Directors prepared the financial statements and directors' report for the year ended 31 December 2012.

2. Basis of presentation of the financial statements

A) FAIR PRESENTATION

The accompanying financial statements, drawn up by the Company's Directors, have been prepared on the basis of its accounting records in accordance with current commercial legislation and the standards contained in National Securities Market Commission Secular 11/2008 (30 December) in order to fairly present its equity, financial position and results and accurately reflect cash flows in the cash flow statements.

The figures contained in the documents making up these financial statements are expressed in euro unless otherwise expressly stated.

Although the financial statements at 31 December 2012 have not yet been approved by the General Shareholders' Meeting, they are expected to be approved without changes.

B) NON-MANDATORY ACCOUNTING PRINCIPLES

The Company has not applied non-mandatory accounting principles during the years ended 31 December 2012 and 2011.

C) CRITICAL MEASUREMENT ISSUES AND ESTIMATES OF UNCERTAINTY

The preparation of the financial statements requires the Company to make certain estimates and judgements concerning the future. These are continually evaluated and are based on historical experience and other factors, including expectations of future events considered to be reasonable under the circumstances.

The resulting accounting estimates will, by definition, seldom match the related actual results. Virtually all the investees indicated in Investments in group companies and associates (Note 7) relate to equity instruments in unlisted companies. The criteria used by the Company to value these investments are detailed in note 4.

D) CHANGES IN ACCOUNTING POLICIES

In 2012 there were no changes in the accounting standards applied by the Company.

E) CHANGES IN ACCOUNTING ESTIMATES

Although estimates have been calculated on the basis of the best information available at the 2012 year end, there may be events which, if they occur in the future, will make it necessary to change them (upwards or downwards) in the next few years. Any changes would be made in accordance with applicable legislation on a prospective basis.

F) CONSOLIDATION

At 31 December 2012 and 2011 the Company is not required, in accordance with current legislation, to prepare consolidated financial statements for the year 2012.

G) IMPACT OF INTERNATIONAL FINANCIAL REPORTING STANDARDS ADOPTED BY THE EUROPEAN UNION

At 31 December 2012 and 2011 there are no significant differences in the Company's results and equity as a result of the application of International Financial Reporting Standards adopted by the EU (IFRS-EU).

3. Proposed distribution of results

The distribution of 2012 results that the Board of Directors will propose to the General Shareholders' Meeting for approval and the proposal approved for 2011 are detailed below:

	2012	2011 Euro
Available for distribution		
Profit/(loss)	26,172,944.61	(55,881,355.65)
Application		
Prior-year losses	-	(55,881,355.65)
Offset of prior-year losses	26,172,944.61	-
	26,172,944.61	**(55,881,355.65)**

4. Accounting Principles and Standards

A) FINANCIAL ASSETS

i) Long and short-term investments

Short and long-term investments are classified on the balance sheet on the basis of the following:

- Equity instruments

  This includes investments in rights over the equity of entities not considered related parties and reflects shares listed or otherwise on regulated markets and other securities such as shares in Venture Capital entities and similar foreign entities and Collective Investment Undertakings and shares in private limited companies.

- Loans and credit facilities to companies

  This relates to loans and other non-trade credit granted to third parties.

ii) Long and short-term investments in group companies and associates

These headings include long and short-term investments in relation to the same items as indicated above but with respect to group companies and associates.

B) RECORDING AND VALUATION OF FINANCIAL ASSETS

Financial assets are initially generally carried at fair value which unless otherwise evidenced is the transaction price which is equal to the fair value of the consideration delivered plus any transaction costs that are directly attributable.

They are subsequently valued in each accounting close in accordance with the following criteria and by nature:

i) Loans and receivables

This heading reflects trade receivables and non-trade receivables which while not equity instruments or derivatives, may be collected for a specific or determinable amount and are not traded on an active market. They are carried at amortised cost which relates to the amount at which the financial asset was initially valued less any repayments of the principal, adjusted, as appropriate, for the part allocated to the income statement through the use of the effective interest rate, of the difference between the initial amount and repayment value at maturity less any impairment recognised.

The effective interest rate is the discount rate which brings the carrying value of a financial instrument into line with estimated cash flows over the instrument's forecast term on the basis of its contractual conditions and not taking into account future credit risk losses. Its calculation includes financial commissions charged in advance at the time financing is granted. For fixed rate financial instruments, the effective rate is the estimated rate at the date on which they are arranged while for variable rate financial instruments, it is the rate until the reference rate is next reviewed.

Those items the amount of which is expected to be received in less than one year are carried at their face value at both initial recognition and subsequent measurement, provided that the effect of not discounting flows is not significant.

ii) Available-for-sale financial assets

The financial assets included in this category, which relate to those financial assets that are not classified in any of the other categories, are carried at fair value, without deducting the transaction costs that may be incurred on their disposal. Changes in fair value are reflected directly in equity until the financial asset is written off the balance sheet or becomes impaired at which time the amount recognised is taken to the income statement. Fair value is determined on the basis of the following:

- Equity instruments of unlisted companies

  Where there are no recent arm's length transactions involving the actual security, fair value is determined, unless otherwise better evidenced, using the criteria and methods described in paragraph 4.b.iii) below.

  Dividends collected, the repayment of contributions owing to a capital decrease and other distributions to shareholders and the sales value of preferential subscription rights or their segregation in order to exercise them, reduce the fair value of the interests held in unlisted companies' capital at the time the pertinent right is declared or such transactions take effect.

- Investments in start-up capital

  Interests in unlisted companies which are less than 3 years old are considered investments in start-up capital. Additionally, investments in entities which are more than 3 years old but in which the initial equity investment is less than 3 years old and which have not reported profits in two consecutive years in the last five years and where such profits have not been verified by an independent expert are also considered Investments in start-up capital.

  Where there are no recent arm's length transactions involving the actual security, start-up investments are carried at cost. In no event are latent capital gains on start-up investments recognised in the absence of transactions involving the actual security.

- Shares and interests in other venture capital entities

  They are carried at the latest liquidation value published or value reported by the investee at the time of the valuation. If such values are not available, they are measured at carrying value, calculated as indicated above for Equity instruments of unlisted companies.

- Equity instruments in listed entities

  They are measured at fair value which is the market value on the most representative market in terms of trading volume, considering as such that resulting from applying the official closing rate on the reference date, if any, or on the immediately preceding working day or the average weighted rate if there is no official closing rate.

- Shares or interests in Collective Investment Undertakings

  They are measured at the latest liquidation value available.

iii) Investments in the equity of group and jointly-controlled companies and associates

Those companies that make up a single decision-making unit with the Company and where the Company has directly or indirectly the capacity to exercise control are considered group companies. Such capacity to exercise control is generally although not exclusively deemed to exist when more than 50% of the investee's voting rights are directly or indirectly held. Control is understood as the power to direct an investee's financial and operational policies in order to obtain a profit from its activities and may be exercised although the aforementioned percentage interest is not held.

A jointly-controlled entity is a company which although not a group company is controlled jointly by the Company and by another or other non-related entities and joint ventures. Joint ventures are contractual agreements under which two or more entities or members carry out operations or hold assets such that any strategic financial or operational decision affecting them calls for the unanimous consent of all members, without such operations or assets being included in financial structures differing from those of the members.

An associate is a company in which the Company has significant influence through the interest held and which through the creation of a long-lasting relationship, is set to contribute to its operations. Unless otherwise evidenced, significant influence is assumed to exist when the Company directly or indirectly holds 20% or more of the investee's voting rights.

The Company has considered all unlisted venture capital investees as associates since Dinamia has the power to be involved in their financial and operating policies without having control. The existence of this significant influence is evidenced through representation on the Boards of Directors or the investees' policy-making processes.

Equity investments in group and jointly-controlled companies and associates are measured at cost, less, if appropriate, accumulated valuation adjustments for impairment.

Equity investments in group and jointly-controlled companies and associates that are considered start-up capital, under the criteria for Available-for-sale financial assets in paragraph b.ii), above, are carried at cost. When there are recent arm's length transactions at a value which exceeds the carrying value of these investments, the differences are included in latent capital gains (net of the tax effect) in memorandum accounts on the balance sheet.

Latent capital gains (losses) (net of the tax effect) in memorandum accounts on the balance sheet include latent capital gains and / or losses net of taxes, calculated by comparing the cost of the investment and its fair value. These latent variations result from the valuation of the Company's interest in the investees detailed in note 7, on the basis of the following criteria.

The Company has decided to use the value obtained by applying the criteria proposed by the European Venture Capital Association (EVCA), which is generally accepted in the European venture capital sector, as the fair value of its investments. Accordingly, the Company will attribute to its investments the most conservative value obtained by means of the following two methods:

- Valuation as per multiples of listed or comparable companies.

- Application of multiples at which the Company acquired companies to their results.

Nonetheless, these general criteria may change for some investees when because of their specific characteristics (companies which have been on the portfolio for less than one year, companies that have not yet attained the necessary maturity for a comparable multiple valuation to be applicable or companies reporting operating losses), they may generate major distortions in fair value.

As alternative valuation methods, the Company has used the attributable carrying value for certain investees and certain binding purchase offers received as these are the best estimate of their fair value.

Dinamia's Management Company prepares a quarterly valuation report of all its assets based on the aforementioned criteria which are reviewed by an independent expert on a six-monthly basis. The attributable carrying value of the unlisted investments in the Company's portfolio is set out in Appendix 2.

C) IMPAIRMENT LOSSES ON FINANCIAL ASSETS

Balances receivable, either investments or accruals, the repayment of which is considered problematic are considered doubtful.

The necessary valuation adjustments are generally made by charge to the income statement provided that there is objective evidence that the asset is impaired.

The criteria for determining the impairment of financial assets on the basis of their nature are as follows:

i) Loans and receivables

Impairment is considered to exist when there is a reduction or delay in estimated future cash flows that may result from the debtor's insolvency.

Value adjustments for impairment and, if appropriate, their reversal, are recognised as an expense or income in the income statement.

ii) Available-for-sale financial assets

Available-for-sale financial assets are considered to be impaired as a result of one or more events taking place after initial recognition and which, in the case of equity investments result in the non-recoverability of the asset's carrying value, evidenced by a protracted or significant fall in fair value. In any event, a financial instrument is considered to be impaired, unless otherwise evidenced, when:

* If not listed, there is a fall during one and a half years or of 40% compared with the asset's initial valuation.

* If listed, there is a fall during one and a half years or of 40% compared with the listed price.

The value adjustment for impairment is the difference between cost less, if appropriate, any value adjustment for impairment previously recognised in the income statement and fair value at the time of the valuation.

Accumulated losses recognised in equity on the decrease in fair value, provided that there is objective evidence of impairment of the relevant asset, are recognised in the income statement.

If in subsequent years, fair value increases, the value adjustment recognised in previous years is reversed by credit to the income statement for the year. In the event that the increase in fair value relates to an equity instrument, the value adjustment recognised in previous years is not reversed by charge to the income statement and is reflected as an increase in fair value directly against equity.

iii) Investments in the equity of group and jointly-controlled companies and associates

Equity investments in group and jointly-controlled companies and associates are considered to be impaired when there is objective evidence that the investment's carrying value is not recoverable. The amount of the value adjustment is the difference between carrying value and the recoverable amount, which, unless otherwise better evidenced, is based on fair value, calculated, as indicated above, in Accounting and valuation of financial assets.

Value adjustments for impairment and, if appropriate, their reversal, are recognised as an expense or income, respectively, in the income statement. The reversal of impairment is limited to the carrying value of the investment which would be recognised at the reversal date if impairment had not been reflected.

Value adjustments for impairment of Equity investments in group and jointly-controlled companies and associates that are start-up capital are reflected under Impairment start-up capital – group in memorandum accounts on the balance sheet if such entities have complied with their business plans as laid down by the Board of Directors of the Venture Capital entity or its Management Company. Otherwise, value adjustments and, if appropriate, their reversal, are taken to the income statement as an expense or income, respectively.

D) PURCHASE - SALE OF INTERESTS IN OTHER VENTURE CAPITAL ENTITIES

The part of the investment committed in other Venture Capital entities is reflected at the effectively committed amount, in memorandum accounts on the balance sheet under Commitments for the purchase of securities - of venture capital companies or under Commitments for the purchase of securities – other companies, depending on whether the investee complies with the characteristics established in Article 19 of Law 25/2005 (24 November), governing Venture Capital entities and their Management Companies.

They are reflected on the balance sheet under Equity instruments under current or non-current assets, depending on when the Company intends to sell them, at the time the securities are acquired or subscribed.

For uncalled amounts on share capital, an account is recognised adjusting the pertinent asset until the time such amounts are called in which case a liability is recognised for the outstanding amount.

Where appropriate, commitments to sell these shares are reflected under Commitments for the sale of securities in memorandum accounts on the balance sheet at the agreed price and with the disclosure indicated for purchase commitments.

E) INTERESTS AND DIVIDENDS RECEIVED ON FINANCIAL ASSETS

Interest and dividends on financial assets accrued after the time of acquisition are recognised as income in the income statement. Interest is recognised using the effective interest rate method while dividends are recognised when the right to receive them is declared.

At the time of the initial valuation of financial assets, the amount of explicit interest accrued and not due at that time is reflected separately, on the basis of maturity, together with the amount of dividends agreed by the Competent body at the time of acquisition. For such purposes explicit interest is understood to refer to interest obtained on applying the contractual interest rate of the financial instrument.

F) DE-RECOGNITION OF FINANCIAL ASSETS

A financial asset or part of a financial asset is written off when the contractual rights over the relevant cash flows have expired or have been assigned, it being necessary that substantially all the risks and rewards of ownership have been transferred. In any event, the following, inter alia, are written off:

- Financial assets sold on a firm or unconditional basis.
- Financial assets sold under agreements for repurchase at fair value on the repurchase date.
- Assets where there is significant and irrecoverable impairment of the investment by charge to the income statement.

When a financial asset is written off for the first two reasons indicated above, the difference between the consideration received, less attributable transaction costs, taking into account any new asset obtained less any liability assumed, and the carrying value of the financial asset, constitutes the gain or loss on the write-off of such asset and is included in the income statement.

When the Company has not assigned or retained substantially the risks and rewards, the financial asset is written off when control over it has not been retained, as determined on the basis of the Company's capacity to transfer such asset.

G) FINANCIAL LIABILITIES

The Company recognises a financial liability on the balance sheet when it becomes party to a contract or legal business in accordance with the provisions of the same.

The financial instruments issued, incurred or assumed by the Company are classified as financial liabilities as a whole or in part provided that, on the basis of the economic reality, they represent a contractual obligation, direct or indirect, for the Company to deliver cash or another financial asset or to exchange financial assets or liabilities with third parties under potentially unfavourable conditions.

Financial liabilities are mainly classified for valuation purposes as creditors and payable.

H) CREDITORS AND PAYABLES

This category includes trade and non-trade financial liabilities. Financial liabilities are classed as current liabilities unless the Company has an unconditional right to defer settlement for at least 12 months as from the balance sheet date.

These liabilities are initially recognised at their acquisition price which, unless otherwise evidenced, is equal to the fair value of the consideration received, adjusted for the transactions costs which are directly attributable and subsequently reflected at amortised cost. Accrued interest is recorded in the income statement using the effective interest rate method.

Nonetheless, those items that are expected to be paid in less than one year are carried at their nominal value provided that the effect of not discounting cash flows is not significant.

I) WRITE-OFF OF FINANCIAL LIABILITIES FROM THE BALANCE SHEET

The Company writes off a financial liability when the related obligation has been extinguished. The difference between the carrying value of the financial liability or the part of the same that has been written off and the consideration paid including attributable transaction costs and which also includes any asset assigned other than cash or the liability assumed, is recognised in the income statement for the year.

J) PROVISIONS AND CONTINGENT LIABILITIES

The Company's present obligations resulting from past events that are clearly specified in terms of their nature at the date of the financial statements but the amount and time of settlement of which cannot be determined, upon maturity of which and in order to cancel them, the Company expects an outflow of resources incorporating economic benefits, are considered provisions. Such obligations may arise in relation to the following:

- A legal or contract provision.

- An implicit or tacit obligation, originating in a valid expectation created by the Company with respect to third parties in relation to the assumption of certain types of responsibilities. Such expectations are created when the Company publicly accepts responsibility and derive from past performance or business policies of public domain.

- The practically certain development of certain aspects of regulations, in particular, legislative bills, the application of which the Company will be unable to avoid.

Contingent liabilities are possible obligations resulting from past events, the existence of which is contingent upon the occurrence or otherwise of one or more future events independent of the Company's intentions. Contingent liabilities include the Company's current obligations the settlement of which is unlikely to result in a decrease in resources including economic benefits or the amount of which, in extremely rare cases, may not be quantified with sufficient reliability.

Provisions and contingent liabilities are classified as probable when they are more likely to materialise than not and remote when their materialisation is extremely rare.

The Company includes in the balance sheet all significant provisions where the probability of the obligation having to be met is greater than the probability of its not having to be met. Contingent liabilities are not recognised in the financial statements but rather are reported unless the possibility of an outflow of funds including economic benefits is considered remote.

Provisions are quantified taking into account the best information available on the consequences of the event that originated them and are estimated at each accounting close. They are used to cover the specific obligations for which they were recognised and are reversed in full or in part when such obligations cease to exist or are reduced.

K) EQUITY

Treasury shares are shares representing capital.

The Company's acquisition of treasury shares is reflected in equity with a negative sign at the fair value of the consideration delivered. The redemption of treasury shares results in a decrease in capital for the par value of such shares. The positive or negative difference between the valuation and the par value of the shares is charged or credited, respectively, to reserve accounts.

The differences obtained on the disposal of treasury shares are reflected in equity in reserve accounts.

All transaction costs and expenses inherent in trading in treasury shares are reflected directly against equity as a decrease in reserves, net of the tax effect, unless the transaction has been abandoned in which case they are allocated to the income statement. The tax effect relating to these expenses increases or decreases the current tax asset or liability.

L) RECOGNITION OF REVENUE AND EXPENSES

The management, administrative and entertainment expenses paid to the Management Company are recognised on an accruals basis in the income statement, in accordance with the Management Contract arranged between both parties.

M) CORPORATE INCOME TAX

Corporate income tax is considered an expense, is reflected under Corporate Income Tax in the income statement and is made up of the current tax expense or income and the deferred tax expense or income. However, the tax effect of items recorded directly in equity is recognised in equity.

Current tax relates to the amount paid by the Company as a result of corporate income tax assessments after deductions, credits and available tax loss carryforwards and not taking into account withholdings and payments on account.

The deferred tax expense or income relates to the recognition and cancellation of deferred tax liabilities and assets arising on temporary differences deriving from the different valuation for accounting and tax purposes of assets and liabilities. Taxable temporary differences, giving rise to an increase in amounts payable or a decrease in amounts refundable in future years are recognised as deferred tax liabilities. Deductible temporary differences that give rise to a decrease in amounts payable or an increase in amounts refundable in future years and tax deductions and credits pending application are recognised as deferred tax assets. Temporary differences are considered to be differences deriving from the variations in value reflected in equity of the financial assets considered as available for sale.

The deferred tax expense or income relates to the recognition and cancellation of deferred tax assets and liabilities. These include the temporary differences that are identified as those amounts that are expected to be payable or recoverable deriving from the differences between the carrying value of the assets and liabilities and their tax value and available tax loss carryforwards and credits for deductions not applied for tax purposes. These amounts are measured at the tax rates that are expected to apply in the period when the asset is realised or the liability is settled.

Deferred tax liabilities are at all times recorded while deferred tax assets are recognised only insofar as it is probable that the Company will have future tax gains enabling the application of such assets. This criterion also applies to the recognition of rights to the offset of tax losses.

Article 55.1 of the Corporate Income Tax Act establishes a 99% exemption for income from the transfer of interests in capital of the companies or entities referred to in Article 2 of Law 25/2005, (24 November) governing Venture Capital entities and their Management Companies.

N) FOREIGN CURRENCY TRANSACTIONS

The Company's financial statements are presented in euro, which is the Company's functional and presentation currency.

5. Risk management

The Company is exposed to certain financial risks relating to investments in listed and unlisted companies which form its core corporate objects.

These financial risks are managed by limiting concentration, monitoring the performance of the companies that form part of the portfolio and obtaining, prior to investment, independent expert reports on potential targets.

Financial risks are limited under the policies approved at the highest executive level and in accordance with established rules, policies and procedures.

In light of the nature of the Company's operations and the financial risks which it faces, no hedging of any kind is arranged.

The possible risks related to the financial instruments used by the Company and related information is as follows:

A) FAIR VALUE OF FINANCIAL INSTRUMENTS

The Company invests in unlisted equity instruments and therefore there are no market prices for the financial assets on its balance sheet. The risk of investments in unlisted companies is largely controlled through diversification and the on-going follow-up of the main economic variables that may affect the companies that make up the unlisted investment portfolio. Nonetheless, there are controls before the investments in unlisted companies are made such as the obtainment of reports and independent expert decisions concerning potential targets and their environment.

As a general rule to arrive at the fair value of financial instruments (interests in companies and participating loans), the criteria set by the EVCA (European Venture Capital Association) for the valuation of companies that form part of the portfolio of a venture capital company, described in Note 4.b.ii), are used.

In view of the uncertainties inherent in any valuation process, the EVCA recommends users of its valuation principles that they maximise prudence.

B) CREDIT RISK

The credit risk arises on the possible loss deriving from total or partial non-compliance by the Company's debtors with their obligations or the consideration for their financial obligations with the same. Given the Company's operations, the credit risk is mainly made up of the credit rights granted through the participating loans that are reflected under assets on the balance sheet, which are estimated taking into account fair value, as described above. Individual credit limits are set by the Company's Board of Directors.

C) LIQUIDITY RISK

In order to ensure liquidity and meet all payment commitments deriving from its operations, the Company holds cash and equivalents on its balance sheet as reflected in Note 8.

D) INTEREST RATE RISK

The interest rate risk mainly derives from the participating loans that the Company has granted to investees. A breakdown of these loans by year of maturity is included in Note 7.

E) OPERATIONAL RISK

In view of its business and internal structure, the Company is not exposed to significant risks as a result of the occurrence of unexpected events or faults related to its internal operation.

6. Long-term investments

This heading breaks down as follows:

	2012	2011
		Euro
Equity instruments	9,326,958.52	11, 370,828.10
Of venture capital investees	1,096,627.68	5,690,848.45
Of other entities	8,230,330.84	5,679,979.65
Loans and credit facilities to companies	558,807.97	558,807.97
Other financial assets	-	646,951.92
	9,885,766.49	**12,576,587.99**

All financial assets included in this heading have been classified as Available-for-sale financial assets and their fair value has been obtained in accordance with Note 4.

			31 December 2012	
	Financial investments	Measurement adjustments	Provisions for impairment	Total
				Euro
Unlisted shares	4,069,406.07	-	(4,069,406.07)	-
Of venture capital investees	4,069,406.07	-	(4,069,406.07)	-
Other	-	-	-	-
Listed shares	1,621,442.38	3,309,053.07	(3,833,867.77)	1,096,627.68
Of venture capital investees	1,621,442.38	3, 309,053.07	(3,833,867.77)	1,096,627.68
Other	-	-	-	-
Loans and credit facilities to companies	558,807.97	-	-	558,807.97
Collective Investment Undertakings	-	-	-	-
Venture Capital entities	7,471,670.54	758,660.30	-	8,230,330.84
Spanish	-	-		-
Foreign	7,471,670.54	758,660.30	-	8,230, 330.84
	13.721.326,96	**4.067.713,37**	**(7.903.273,84)**	**9.885.766,49**

	31 December 2011			
				Euro
	Financial investments	Measurement adjustments	Provisions for impairment	Total
Unlisted shares	8,232,000.00	(4,162,593.93)	-	4,069,406.07
Of venture capital investees	8,232,000.00	(4,162,593.93)	-	4,069,406.07
Other	-	-	-	-
Listed shares	4,914,829.33	(3,293,386.95)	-	1,621,442.38
Of venture capital investees	4,914,829.33	(3,293,386.95)	-	1,621,442.38
Other	-	-	-	-
Loans and credit facilities to companies	558,807.97	-	-	558,807.97
Collective Investment Undertakings	689,860.53	(42,908.61)	-	646,951.92
Venture Capital entities	5,374,002.92	305,976.73	-	5,679,979.65
Spanish	-	-	-	-
Foreign	5,374,002.92	305, 976.73	-	5,679,979.65
	19.769.500,75	**(7.192.912,76)**	**-**	**12.576.587,99**

Set out below is an analysis of each of the investments classified in this heading in 2012 and 2011 showing movements:

	31.12.2011	Additions	Disposals	Variation fair value	Adjustments for impairment	31.12.2012
						Euro
Unlisted shares –						
United Wineries Holdings, S.A.	4,069,406.07	-	-	-	(4,069,406.07)	-
Listed shares –						
Nicolás Correa, S.A.	1,621,442.38	-	-	3,309,053.07	(3,833,867.77)	1,096,627.68
Collective Investment Undertakings –						
Gescoop. Monetario Dinámico, F.I.	646,951.92	-	(646,951.92)	-	-	-
Loans and credit facilities to companies –						
Seguribérica	558,807.97	-	-	-	-	558,807.97
Venture capital entities –						
Electra Partners Club 2007, LP	5,679,979.65	1,791,690.89	-	758,660.30	-	8,230,330.84
	12,576,587.99	**1,791,690.89**	**(646,951.92)**	**4,067,713.37**	**(7.903.273,84)**	**9,885,766.49**

	31.12.2010	Additions	Disposals	Variation fair value	Adjustments for impairment	31.12.2011
						Euro
Unlisted shares -						
United Wineries Holdings, S.A.	8,232,000.00	-	-	4,339,468.66	(8,502,062.59)	4,069,406.07
Listed shares -						
Nicolás Correa, S.A.	2,318,584.28	-	-	(697,141.90)	-	1,621,442.38
Collective Investment Undertakings -						
Gescoop. Monetario Dinámico, F.I.	651,820.35	-	-	(4,868.43)	-	646,951.92
Loans and credit facilities to companies -						
Seguribérica	-	558,807.97	-	-	-	558,807.97
Venture capital entities -						
Electra Partners Club 2007, LP	1,147,298.29	4,226,704.63	-	305,976.73	-	5,679,979.65
	12,349,702.92	**4,785,512.60**	**-**	**3,943,435.06**	**(8,502,062.59)**	**12,576,587.99**

The difference between the amount reflected in “Equity valuation adjustments – Available-for-sale financial assets” and that recorded in the table above as a variation in fair value relates to the tax effect of the losses resulting from the valuation performed at 31 December 2012 amounting to €5,499.08 (€28,452.14 at 31 December 2011). This amount is recognised in “Deferred tax assets”.

During the year Dinamia made contributions to the fund Electra Partners Club 2007, Lp amounting to 1,439,072.82 pound sterling. The equivalent value of this contribution in euro is €1,791,690.89.

- On 23 March 2012 a contribution was made to the Electra Partners Club venture capital fund amounting to €1,686 thousand to acquire an interest in Peverel Group, a provider of real estate management services in the UK. In addition to general real estate management services (eg, rent collection, maintenance management and refurbishment projects), the group companies operate in other areas such as social healthcare or "telecare" services (enabling residents to ask for assistance in an emergency through the use of specialist equipment linking them to the Peverel Call Centre), the installation and maintenance of security systems and insurance services. Headquartered in New Milton,Hampshire, Peverel has offices in London, Luton, Birmingham, Kent and Glasgow and employs more than 4,200 people.

- On 28 September 2012 a contribution was made to the venture capital fund Electra Partners Club amounting to €86 thousand to cover the fund's management fees and other current expenses.

- On 24 October a contribution was made to the venture capital fund Electra Partners Club amounting to €20 thousand to cover the fund's management fees and other current expenses.

The Company has an investment commitment in Electra Partners Club 2007, Lp of 10 million pound sterling, which may last until April 2013, of which at 31 December 2012, 82% has been completed. This is the only investment denominated in foreign currency. Electra Partners Club 2007 LP is a venture capital fund managed by Electra Partners LLP. In addition, one of the significant shareholders of DINAMIA is Electra Private Equity Partners 1995, a venture capital entity managed, in turn, by Electra Partners LLP, the same entity that manages Electra Partners Club 2007.

On 16 April 2012 the Company sold its interest in Fondo Gescooperativo Dinámico, F.I. The Company recognised €42,908.61 under Valuation Adjustments as a result of the accumulated decline in value of that interest since its acquisition date. The sale amounted to €641,978.54 thousand. The Company recognised a loss under Profit/(loss) on disposals in the income statement for the difference between the carrying amount of its interest in that fund and its effective reimbursement value amounting to €47,881.99. Similarly, the Company derecognised the provision it had recognised under Long-term provisions since the interest was held by way of an unavailable guarantee amounting to €652,528.22.

In 2012 the Company considered the accumulated variation in fair value as impairment which should therefore to be reflected in the income statement together with additional impairment recognised in 2012 in respect of Nicolás Correa, S.A. amounting to €3,833,867.77 .

The Company's investment in United Wineries Holdings, S.A. represents a minority position (8% of share capital). This minority position, together with existing differences with the Company's management and managers, the agreements for the distribution of dividends by this company which have been contested by Dinamia and other shareholders, the worrying situation of the sector and the fact that there is no up-to-date information considered to be reliable concerning the business performance of United Wineries Holdings, S.A., have led the Company's directors to conclude that it is highly uncertain that the amount invested will be recovered. Therefore €4,069,406.07 has been recognised in the income statement under Impairment and losses on investments for the impairment of this investment.

During 2011 Dinamia made contributions to the fund Electra Partners Club 2007, Lp amounting to 3,635,679.24 pound sterling. The equivalent value of this contribution in euro is €4,226,704.63.

- On 9 March a contribution was made to the venture capital fund Electra Partners Club amounting to €965 thousand to pay current expenses and acquire an interest in Sentinel Performance Solutions Limited.

- On 11 April a second contribution was made to the venture capital fund Electra Partners Club amounting to €1,083 thousand to acquire an interest in Daler-Rowney.

- On 28 April Dinamia made another contribution of €337 thousand to the Electra Partners Club venture capital fund as an additional contribution in the above-mentioned investments in Sentinel and Daler-Rowney.

- On 26 September a contribution was made to the Electra Partners Club venture capital fund amounting to €1,842 thousand to acquire an interest in Davies Group, a leading provider of claims management and other services in the UK insurance sector, from LDC.

The Company has an investment commitment in Electra Partners Club 2007, Lp of 10 million pound sterling, which may last until April 2013, of which at 31 December 2011, 68% had been completed. This is the only investment denominated in foreign currency. Electra Partners Club 2007 LP is a venture capital fund managed by Electra Partners LLP. In addition, one of the significant shareholders of Dinamia is Electra Private Equity Partners 1995, a venture capital entity managed, in turn, by Electra Partners LLP, the same entity that manages Electra Partners Club 2007.

- On 7 September 2011 and as a result of the agreements for the sale of the Company's interest in Segur Ibérica S.A. and Hortus Mundi S.L., Dinamia recognised a loan in Grupo Segur of €559 thousand.

The breakdown by entity of the initial value and valuation adjustments of Long-term investments - Equity instruments that relates to investments in Available-for-sale financial assets is as follows:

	2012	2011
		Euro
Listed shares - Nicolas Correa, S.A.(*)	**1,096,627.65**	**1.621.442.35**
Opening value	4,914,829.30	4,914,829.30
Measurement adjustments	(3,818,201.65)	(3,293,386.95)
Collective Investment Undertakings - Gescoop Monetario Dinámico., F.I.	**-**	**646,951.92**
Opening value	-	689,860.53
Measurement adjustments	-	(42,908.61)
Venture capital firms - Electra Partners Club 2007, LP	**8,230,330.84**	**5,679,979.65**
Opening value	10,074,407.31	8,282,716.42
Measurement adjustments	(1,844,076.47)	(2,602,736.77)
Unlisted shares - United Wineries Holdings, S.A.	**-**	**4.069.406,07**
Opening value	4,069,406.07	8,232,000.00
Measurement and impairment adjustments	(4,069,406.07)	(4.162.593.93)
	9,326,958.49	**12,017,779.99**

(*) The valuation of this investment is reviewed quarterly on the basis of its listed price. Taking into account the share price performance in the last 18 months, the Company understands that at the 2011 year end, there was nothing to suggest that impairment existed, any changes in measurement therefore being taken to equity until the time of divestment.

7. Long-term investments in Group companies and associates

The breakdown of Long-term investments in group companies and associates is as follows:

	2012	2011
		Euros
Equity instruments	24,523,459.12	7,175,006.11
Of venture capital investees	24,523,459.12	27,175,006.11
Of other entities	-	-
Loans and credit facilities to companies	67,401,494.06	63,082,067.17
	91,924,953.18	**90,257,073.28**

All financial assets included in this heading are denominated in euro.

Loans and credit facilities granted to associates mature in the period 2012 to 2025.

A) EQUITY INSTRUMENTS

The portfolio of long-term investments in associates consists of 14 and 15 investments in unlisted companies at 31 December 2012 and 2011, respectively. In accordance with rule 9 of Circular 11/2008, the Company has classified such investments in start-up capital and development capital. The breakdown of that classification is recorded in Appendix 1.

The criterion for valuing unlisted investments is summarised in Note 4.

The movement in this balance sheet heading is as follows:

	31.12.2011	Additions	Disposals	31.12.2012
				Euro
Unlisted securities	90,903,929.50	3,604,336.69	(,6,279,250.00)	88,229,016.19
Impairment of investments	(63,728,923.39)	(6,255,883.68)	6,279,250.00	(63,705,557.07)
	27,175,006.11	**(2,651,546.99)**	**-**	**24,523,459.12**

	31.12.2010	Additions	Disposals	31.12.2011
Unlisted securities	99,122,725.78	20,742,534.11	(28,961,330.39)	90,903,929.50
Impairment of investments	(42,546,507.80)	(34,610,070.83)	13,427,655.24	(63,728,923.39)
	56,576,217.98	**(13,867,536.72)**	**(15,533,675.15)**	**27,175,006.11**

The movement in 2012 in the unlisted securities portfolio and provision for impairment of each unlisted shareholding is as follows:

	31.12.2011	Additions	Disposals	31.12.2012
				Euro
High Tech Hotels & Resorts, S.A.	11,331,349.08	-	-	11,331,349.08
The Beauty Bell Chain, S.L.	13,409,789.70	-	-	13,409,789.70
HP Health Clubs Iberia, S.A	1,883,750.00	-	(1,883, 750.00)	-
Grupo Gestión Integral Novolux Internacional, S.L.	4,208,750.00	-	-	4,208,750.00
Colegios Laude, S.L.	4,015,960.00	-	-	4,015,960.00
Alcad, S.L.	9,847,496.00	-	-	9,847,496.00
ZIV Aplicaciones y Tecnología, S.L.	4,395,500.00	-	(4,395, 500.00)	-
Xanit Health Care Management, S.L.	8,153,688.18	-	-	8,153,688.18
MBA Incorporado, S.L.	15,533,124.22	-	-	15,533,124.22
Colegios Laude II, S.L.	369,471.00	-	-	369,471.00
Mivisa	77,092.64	-	-	77,092.64
Tryo Communication Technologies, S.L.	5,648,740.00	-	-	5,648,740.00
Rymsa, S.L.	4,310,826.18	-	-	4,310,826.18
Tamsi Spain, S.L	7,718,392.50	-	-	7,718,392.50
Cardomana Servicios y Gestiones, S.L.	-	3,604, 336.69	-	3,604,336.69
	90,903,929.50	**3,604,336.69**	**(6,279,250.00)**	**88,229,016.19**

Provisions for impairment	31.12.2011	Additions	Disposals	31.12.2012
				Euro
Alcad, S.L.	(9,847,496.00)	-	-	(9,847,496.00)
Emfasis Billing & Marketing Services, S.L.	-	-	-	-
Colegios Laude, SL	(4,015,960.00)	-	-	(4,015,960.00)
Colegios Laude II, S.L.	(369,471.00)	-	-	(369,471.00)
HP Health Clubs Iberia, S.A	(1,883,750.00)	-	1,883,750.00	-
High Tech Hotels & Resorts, S.L.	(5,075,465.40)	(6,255, 883.68)	-	(11,331,349.08)
The Beauty Bell Chain, S.L.	(13,409,789.70)	-	-	(13,409,789.70)
Xanit Health Care Management, S.L.	(8,153,688.18)	-	-	(8,153,688.18)
ZIV Aplicaciones y Tecnología, S.L.	(4,395,500.00)	-	4, 395, 500.00	-
Gestión Integral Novolux Internacional, S.L.	(4,208,750.00)	-	-	(4,208,750.00)
MBA Incorporado, S.L.	(12,369,053.11)	-	-	(12,369,053.11)
	(63,728,923.39)	**(6,255,883.68)**	**6,279,250.00**	**(63,705,557.07)**

The movement in 2011 in the unlisted securities portfolio and provision for impairment of each unlisted shareholding is as follows:

	31.12.2010	Additions	Disposals	31.12.2011
				Euro
High Tech Hotels & Resorts, S.A.	11,328,339.08	3, 010.00	-	11,331,349.08
The Beauty Bell Chain, S.L.	13,409,789.70	-	-	13,409,789.70
Emfasis Billing & Marketing Services, S.L.	3,145,560.00	-	(3,145,560.00)	-
HP Health Clubs Iberia, S.A	1,883,750.00	-	-	1,883,750.00
Gestión Integral Novolux Internacional, S.L.	4,208,750.00	-	-	4,208,750.00
Serventa, S.L.	13,648,733.24	1,900, 362.00	(15,549,095.24)	-
Colegios Laude, S.L.	4,015,960.00	-	-	4,015,960.00
Hortus Mundi, S.L.	543,110.00	-	(543,110.00)	-
Alcad, S.L.	9,847,496.00	-	-	9,847,496.00
ZIV Aplicaciones y Tecnología, S.L.	4,395,500.00	-	-	4,395,500.00
Xanit Health Care Management, S.L.	7,069,577.39	1,084,110.79	-	8,153,688.18
MBA Incorporado, S.L.	15,533,124.22	-		15,533,124.22
Colegios Laude II	369,471.00	-	-	369,471.00
Segur Ibérica, S.A.	9,723,565.15	-	(9,723 565.15)	-
Mivisa	-	77,092.64	-	77,092.64
Tryo Technologies, S.L.	-	5,648,740.00	-	5,648,740.00
Rymsa, S.L.	-	4,310,826.18	-	4,310,826.18
Tamsi Spain, S.L	-	7,718,392.50	-	7,718,392.50
	99,122,725.78	**20,742,534.11**	**(28,961,330.39)**	**90,903,929.50**

Provisions for impairment	31.12.2010	Additions	Disposals	31.12.2011
				Euros
Alcad, S.L.	(9,847,496.00)	-	-	(9,847,496.00)
Emfasis Billing & Marketing Services, S.L.	(3,145,560.00)	-	3,145, 560.00	-
Colegios Laude, SL	(4,015,960.00)	-	-	(4,015,960.00)
Colegios Laude II, S.L.	(369,471.00)	-	-	(369,471.00)
HP Health Clubs Iberia, S.A	(1,814,000.00)	(69,750.00)	-	(1,883,750.00)
High Tech Hotels & Resorts, S.L.	-	(5,075,465.40)	-	(5,075,465.40)
The Beauty Bell Chain, S.L.	(11,779,299.24)	(1,630,490.46)	-	(13,409,789.70)
Xanit Health Care Management, S.L.	(7,069,577.39)	(1,084,110.79)	-	(8,153,688.18)
ZIV Aplicaciones y Tecnología, S.L.	(3,911,250.00)	(484,250.00)	-	(4,395,500.00)
Serventa, S.L.	(593,894.17)	(9,688,201.07)	10,282, 095.24	-
Gestión Integral Novolux Internacional, S.L.	-	(4,208,750.00)	-	(4,208,750.00)
MBA Incorporado, S.L.	-	(12,369,053.11)	-	(12,369,053.11)
	(42,546,507.80)	**(34,610,070.83)**	**13,427,655.24**	**(63,728,923.39)**

Appendix 1 includes details of the registered office, activity and auditor of the investee companies at 31 December 2012 and 2011.

Appendix 2 includes details of the percentage interest in and equity of the investee companies at 31 December 2012 and 2011.

The principal operations in investees performed in 2012 by the Company are summarised below:

- On 4 January 2012 Dinamia sold its 21.3% interest in HP Health Clubs Iberia, S.A, a company devoted to the operation of upmarket gymnasiums in Spain, for €0 to the management companies of the Holms Place brand in several European countries. This interest was fully impaired and the Company therefore recognised the amount obtained on the sale as a profit in Profit/(loss) on disposals in the income statement.

- On 27 July 2012, Dinamia Capital Privado S.C.R. S.A. sold its 37.25% interest in ZIV Aplicaciones y Tecnología, S.L., together with its participating loan in the same, to the Indian company Crompton Greaves, that acquired it through CG International B.V. The selling price for Dinamia Capital Privado S.C.R. S.A. amounted to approximately €40,679,704.25, as a result of which Dinamia Capital Privado S.C.R. S.A. multiplied 3.5 times the cost of its initial investment. The selling price is subject to potential adjustments that have been provided for and there is a potential reimbursement right of €972 thousand. Net income from such adjustments would amount to €38,413,678.87.

- On 27 September 2012 the Company, together with other venture capital entities managed by N+1 Capital Privado, SGECR SA, entered into an agreement for the acquisition of a maximum of 55% of the share capital of Secuoya, Grupo de Comunicación, S.A. whose shares are listed on the Alternative Stock Market (MAB). Dinamia's investment resulted in an initial disbursement of €3,604,336.69. The acquisition was completed on 25 October following the end of the period which Secuoya shareholders had for accepting the Offer.

The principal operations in investees performed in 2011 by the Company are summarised below:

- On 1 February Dinamia took part in a capital increase in Xanit amounting to €1,084,110.

- On 18 February Dinamia took part in a capital increase in Serventa amounting to €1,900,362. Of this amount, €1,650,346 was contributed by bank transfer. The remaining €250,016 was contributed through the capitalisation of a loan granted in December 2010. As a result of this operation, Dinamia's shareholding increased to 48.86%.

- On 25 March, the Directorate General for Competition of the European Commission approved the acquisition of 100% of the Mivisa Group announced on 30 December 2010. Following this approval, on 12 April 2011, Dinamia Capital Privado S.C.R., S.A. subscribed and paid €77,092.64, corresponding to 2.9% of the share capital of Lata Lux Holding Parent S.a.r.l., the parent company of the Mivisa Group. The N+1 Private Equity Fund II funds co-invest with Dinamia and between them they own 11.4% of the capital of Lata Lux Holding Parent S.a.r.l. The rest of the company's share capital has been subscribed by The Blackstone Group and management team of the Mivisa Group.

- On 22 July Dinamia, together with the venture capitalist Nmás1 Private Equity Fund II, executed the agreement entered into in June to purchase 100% of the share capital of Radiación y Microondas, S.A.U. ("Rymsa") and 100% of the capital of Teltronic, S.A.U. ("Teltronic") from Corporación IBV. Dinamia paid €9,960 thousand for 25% of the share capital of both companies. The rest of the company's capital up to 100% was subscribed by other venture capital entities managed by Nmás1 Capital Privado S.G.E.C.R., S.A. The technological group is made up of two leading and complementary companies (Rymsa and Teltronic) operating in the equipment and electronic component sector (in the professional radio-communication and antenna manufacturing and telecommunications niches) with a clear export vocation. The investment in Teltronic was carried out through the special purpose company Tryo Technologies, S.L.

- On 21 July 2011 Dinamia together with the fund Nmás1 Private Equity Fund LP with which it co-invested, sold its 48.86% interest in Servicio de Venta Automática S.A. (Serventa) to the Autobar Group, a vending company for leading companies in Europe and Serventa's main competitor in Spain. The net amount of the sale of Dinamia's interest finally amounted to €5,510 thousand. The Company recognised a loss on the sale of €9,446 thousand that was recorded under Profit/(loss) on disposals in the Income Statement.

- On 29 July 2011 Dinamia entered into a commitment to sell its 17.86% interest in Segur Ibérica S.A. and Hortus Mundi S.L. to the financial investors MCH Private Equity and Corpfin Capital, that were also shareholders of both companies, and to Segur Ibérica S.A. itself. The agreement was executed on 7 September, following the approval of the transaction by the Spanish anti-trust authorities. In March 2004 Dinamia Capital Privado S.C.R, S.A. invested in the company together with the fund Nmás1 Private Equity Fund LP, which sold its interest under the same terms and conditions as Dinamia Capital Privado S.C.R, S.A. The sale amounted to €12,405 thousand in Dinamia . Additionally, Dinamia recorded a loan in Grupo Segur amounting to €559 thousand. The Company recognised a profit on the sale of Seguribérica, S.A. amounting to €2,501 thousand and on the sale of Hortus Mundi amounting to €79 thousand, that was recorded under Profit/(loss) on disposals in the income statement.

- On 25 October 2011 Dinamia sold its 44.90% interest in Émfasis Billing & Marketing, S.L. (Émfasis) to Grupo Servinform, a technology and outsourcing company. Émfasis engaged in offering billing and direct marketing services to large companies throughout Spain. The sale amounted to €6,009 thousand. The Company recognised a loss on the sale of €1,993 thousand that was recorded under Profit/(Loss) on disposals in the Income Statement.

- On 29 December 2011 Dinamia, together with the other venture capital entities managed by Nmás1 Capital Privado S.G.E.C.R., S.A., executed the agreement reached in July for the purchase of 100% of the share capital of Estacionamientos y Servicios S.A ("EYSA"). Dinamia invested €7,718,392.50 for 25% of share capital. Dinamia has an interest in EYSA through the SPV Tamsi Spain, S.L. EYSA, which until that time formed part of FCC Versia, a subsidiary comprising several services divisions of the FCC group, operates in the car park sector and manages more than 120,000 off-street regulated parking spaces (80% of sales) and underground car parks, municipal vehicle tow and deposit services in various locations. The acquisition was carried out through Tamsi Spain, S.L.

The breakdown by entity of the value of the interest and impairment under Long-term investments in group companies and associates - Equity instruments is as follows at 31 December 2012 and 2011:

INVESTMENTS IN GROUP COMPANIES AND ASSOCIATES	2012	2011
		Euros
High Tech Hotels & Resorts, S.A.	**-**	**6.255.883,68**
Opening value	11,331,349.08	11,331,349.08
Impairment	(11,331,349.08)	(5,075,465.40)
The Beauty Bell Chain, S.L.	**-**	**-**
Opening value	13,409,789.70	13,409,789.70
Impairment	(13,409,789.70)	(13,409,789.70)
HP Health Clubs Iberia, S.A	**-**	**-**
Opening value	-	1,883,750.00
Impairment	-	(1,883,750.00)
Gestión Integral Novolux Internacional, S.L.	**-**	**-**
Opening value	4,208,750.00	4,208,750.00
Impairment	(4,208,750.00)	(4,208,750.00)
Colegios Laude, S.L.	**-**	**-**
Opening value	4,015,960.00	4,015,960.00
Impairment	(4,015,960.00)	(4,015,960.00)
Xanit Health Care Management, S.L.	**-**	**-**
Opening value	8,153,688.18	8,153,688.18
Impairment	(8,153,688.18)	(8,153,688.18)
Alcad Spain, S.L.	**-**	**-**
Opening value	9,847,496.00	9,847,496.00
Impairment	(9,847,496.00)	(9,847,496.00)
ZIV Aplicaciones y Tecnología, S.L.	**-**	**-**
Opening value	-	4,395,500.00
Impairment	-	(4,395,500.00)
Colegios Laude II	**-**	**-**
Opening value	369,471.00	369,471.00
Impairment	(369,471.00)	(369,471.00)
MBA Incorporado, S.L.	**3,164,071.11**	**3,164,071.11**
Opening value	15,533,124.22	15,533,124.22
Impairment	(12,369,053.11)	(12,369,053.11)
Rymsa, S.L.	**4,310,826.18**	**4,310,826.18**
Opening value	4,310,826.18	4,310,826.18
Impairment	-	-

INVESTMENTS IN GROUP COMPANIES AND ASSOCIATES – START-UP CAPITAL	2012	2011
		Euro
Mivisa, S.L.	**77,092.64**	**77,092.64**
Opening value	77,092.64	77,092.64
Impairment	-	-
Tryo Technologies, S.L.	**5,648,740.40**	**5,648,740.40**
Opening value	5,648,740.40	5,648,740.40
Impairment	-	-
Tamsi Spain, S.L.	**7,718,392.50**	**7,718,392.50**
Opening value	7,718,392.50	7,718,392.50
Impairment	-	-
Cardomana Servicios y Gestiones, S.L.	**3,604,336.69**	**-**
Opening value	3,604,336.69	-
Impairment	-	-

These capital gains and losses relate to those on the Company's shareholdings as detailed below:

	2012	2011
		Euro
MBA Incorporado, S.L.	555,126.16	-
Total gross latent capital gains /(losses)	555,126.16	-
Tax effect	(1,670.39)	-
Total latent capital gains / (losses) - net	**553,455.77**	**-**

B) LOANS AND CREDIT FACILITIES TO COMPANIES

This heading includes the participating loans granted to the associates listed above:

	2012	2011
		Euro
Participating loans		
Venture capital investees	67,401,494.06	63,082,067.17
Nominal	84,296,332.60	97,616,333.10
Accrued interest	40,298,130.80	40,664,892.96
Impairment	(57,192.969.34)	(75,199,158.89)
	67,401,494.06	**63,082,067.17**

The movement in Long-term investments in group companies and associates – Loans and credit facilities to companies is summarised below:

	2012	2011
		Euro
Balance at start of the year	**63,082,067.17**	**65,525,304.53**
Additions nominal amounts of participating loans	1,250,000.00	14,755,861.70
Disposals nominal amounts of participating loans	(14,570,000.50)	(5,312,975.00)
Additions accrued interest on loans	7,832,740.20	7,875,597.81
Disposals accumulated accrued interest on loans	(8,199,502.36)	(3,691,467.36)
Additions Impairment	(6,245,797.75)	(22,970,078.47)
Transfers Impairment	-	-
Disposals Impairment (*)	24,251,987.30	6,899,823.96
Balance at year end	**67,401,494.06**	**63,082,067.17**

(*) The amount of impairment written off in 2012 includes the change resulting from the assessment of the recoverability of the loans granted to Colegios Laude y Xanit. The amount of impairment written off in 2011 relates to the repayment of the loans in Emfasis Billing & Marketing Services, S.L., as a result of the sale of that investment.

Investments in investees through loans arranged in 2012 have been as follows:

- On 4 January 2012 the Company cancelled the participating loan granted to HP Health Clubs Iberia, S.A., amounting to €11,324,879.62 as a result of the sale by Dinamia of its interest in this company.

- Moreover, on 24 February 2012, as part of the refinancing agreement reached with banks, Dinamia granted a participating loan to MBA Incorporado, S.L. totalling €1,250,000. Subsequently, on 27 February 2012, the Company assigned to third parties part of the nominal amount of that loan amounting to €50,250.50 thousand.

- On 27 July 2012 the Company cancelled the participating loan granted to ZIV Aplicaciones y Tecnologia S.L., S.A., amounting to €10,975,903.65 as a result of the sale by Dinamia of its interest in this company.

All transactions involving loans and credit facilities to companies have been carried out in euro.

Investments in investees through loans arranged in 2011 have been as follows:

- On 12 April 2011 Dinamia Capital Privado S.C.R., S.A. granted a loan of €8,310,676.02 to Lata Lux Holding Parent S.a.r.l., the parent of the Mivisa group. The loan accrues interest at a fixed rate of 10% p.a.

- On 29 December 2011 Dinamia granted a participating loan of €5,733,895.22 to Tamsi Spain, S.L. This loan accrues fixed interest at an annual rate of 12% and variable interest at a compound rate of 3% a year, that will only accrue if the consolidated EBITDA of Tamsi Spain SL exceeds by 40% consolidated EBITDA for the immediately preceding year.

- On 22 November 2011 a contribution of funds was made to Xanit Health Care Management, S.L. of €711 thousand.

The breakdown of loans granted to investees and movements during the period 31 December 2012 and 2011 are as follows:

	31.12.2011	Additions	Disposals	Accrued interest receivable	31.12.2012
					Euro
The Beauty Bell Chain, S.L.	20,053,671.50	-	-	2,724,448.88	22,778,120.38
HP Health Clubs Iberia, S.A	11,324,879.62	-	(11,324 879.62)	-	-
Grupo Gestión Integral Novolux Internacional, S.L.	13,986,696.78	-	-	-	13,986,696.78
Colegios Laude, S.L.	20,782,429.15	-	-	770,492.87	21,552,922.02
Xanit Health Care Management, S.L.	22,412,172.44	-	-	-	22,412,172.44
MBA Incorporado, S.L.	22,623,403.16	1,250, 000.00	(468,719.59)	2,727,085.20	26,131,768.77
Colegios Laude II, S.L.	1,455,945.35	-	-	132,681.46	1,588,626.81
ZIV Aplicaciones y Tecnología, S.L.	10,903,266.15	-	(10,975,903.65)	72,637.50	-
Mivisa	8,804,283.46	-	-	906,818.47	9,711,101.93
Tamsi Spain, S.L	5,934,478.44	-	-	498,575.82	6,433,054.26
Total	**138,281,226.05**	**1,250,000.00**	**(22,769,502.86)**	**7,832,740.20**	**124,594,463.40**

	31.12.2010	Additions	Disposals	Accrued interest receivable	31.12.2011
					Euros
The Beauty Bell Chain, S.L.	17,630,649.34	-	-	2,423,022.16	20,053,671.50
Emfasis Billing & Marketing Services, S.L.	8,148,551.77	-	(8, 637,035.44)	488,483.67	-
HP Health Clubs Iberia, S.A	10,732,148,32	-	-	592,731.30	11,324,879.62
Grupo Gestión Integral Novolux Internacional, S.L.	13,022,978.43	-	-	963,718.35	13,986,696.78
Colegios Laude, S.L.	20,604,766.90	-	-	177,662.25	20,782,429.15
Hortus Mundi, S.L.	115,239.21	-	(117,390.92)	2,151.71	-
Xanit Health Care Management, S.L.	21,700,881.98	711, 290.46	-	-	22,412,172.44
MBA Incorporado, S.L.	20,234,045.18	-	-	2,389,357.98	22,623,403.16
Colegios Laude II, S.L.	1,455,945.35	-	-	-	1,455,945.35
ZIV Aplicaciones y Tecnología, S.L.	10,758,986.42	-	-	144,279.73	10,903,266.15
Serventa, S.L.	250,016.00	-	(250, 016.00)	-	-
Mivisa	-	8,310, 676.02	-	493,607.44	8,804,283.46
Tamsi Spain, S.L	-	5, 733, 895.22	-	200,583.22	5,934,478.44
Total	**124,654,208.90**	**14,755,861.70**	**(9,004,442.36)**	**7,875,597.81**	**138,281,226.05**

On 18 March 2005 the Company and other shareholders of The Beauty Bell Chain, S.L. agreed to provide funding to this company through the grant of a participating loan of which the Company subscribed €16,125 thousand. That loan with final maturity in March 2013, accrued interest at a fixed annual rate of 10% and at a variable rate equivalent to 5%, provided that the consolidated EBITDA of the group of which The Beauty Bell Chain, S.L. is the parent exceeds 35% of turnover.

On 28 December 2006 a novation agreement was formalised concerning the characteristics of the financing described above that included the capitalisation and conversion with respect to the principal of the loan of accrued interest amounting to €2,894 thousand and setting as a new maturity 29 January 2017, accruing interest at a fixed interest rate of 18% and a variable return of 8% provided that the group's consolidated EBITDA exceeds 35% of turnover.

On 28 October 2008 there was a capital increase through the capitalisation of accounts payable. It was resolved to declare the early maturity of the principal of the loan, specifically, €7,061 thousand and all interest accrued under the participating loan contract. Such interest amounts to €6,325 thousand.

On 29 July 2010 the Bodybell Group (The Beauty Bell Chain, S.L. and subsidiaries) successfully completed the refinancing of its balance sheet with its creditor entities. As part of that process, Dinamia increased the loans granted to that company by €2,389 thousand.

At 31 December 2012 and 2011, the principal of the debt of The Beauty Bell Chain with the Company amounts to €14,347 thousand while accrued interest at said dates amounts to €8,432 thousand and €5,707 thousand, respectively.

On 5 August 2005 the shareholders of HP Health Clubs Iberia, S.A., resolved to finance this company through the granting of a participating loan of which the Company subscribed a nominal amount of €7,256 thousand, representing 23.26% of the total granted. This loan is set to mature in August 2025. Interest accrues at a fixed annual rate of 5% if the EBITDA of the group of which the parent is HP Health Clubs Iberia, S.A. is less than €3 million, of 10% if it stands at between €3 million and €5 million and 16% if it exceeds €5 million. Moreover, it accrues interest at a variable rate equivalent to 3% of the group's net consolidated profit provided that this exceeds 15% of turnover. At 31 December 2011 the loan accrued interest amounting to €4,069 thousand.

On 22 September 2005 the shareholders of Grupo Gestión Integral Novolux Internacional, S.L. (formerly Deimoral Inversiones 2005, S.L.) resolved to finance this company through a participating loan of which the Company subscribed a nominal amount of €7,816 thousand. This loan is set to mature in September 2015 and accrues annual interest at a rate of 10% and a variable rate equivalent to 5% of the principal provided that the net operating profit of the consolidated group of which Deimoral Inversiones 2005, S.L. is the parent exceeds 20% of turnover. At 31 December 2012 and 2011, the loan accrued interest amounting to €6,170 thousand.

On 29 September 2006 the shareholders of Colegios Laude, S.L. resolved to finance this company through a participating loan of which the Company subscribed a nominal amount of €6,753 thousand. This loan is set to mature in June 2020 and accrues fixed annual interest at a rate of 12% and a variable rate equivalent to 5% of the principal provided that the EBITDA of the consolidated group of which Colegios Laude, S.L. is the parent exceeds 65% of turnover. On 12 July 2007 this loan was repaid in advance in an amount of €4,200 thousand and the Company collected €143 thousand in respect of interest associated with the amount repaid, as is established in the contract.

Similarly, on 26 March and 23 July 2007, the Company resolved to increase the financing granted to Colegios Laude, S.L. through two participating loans, amounting to €8,400 thousand and €1,095 thousand, respectively and with maturities and accrued interest rates identical to the loan granted on 29 September 2006.

On 24 July and 20 October 2009 the Company increased the loan granted to Colegios Laude, S.L. by €500 thousand on each date.

At 31 December 2012 and 2011 the loans granted to Colegios Laude, S.L. and Colegios Laude II, S.L. amount to €13,048 thousand and accrue interest amounting to €8 505 thousand and €7,735 thousand, respectively.

During the second half of 2008 the Company granted a loan to Colegios Laude II, S.L. amounting to €1,108 thousand. Dinamia has invested in this company the objects of which are the same as those of Colegios Laude, S.L, whose balance sheet reflects the investment in the school Bredon.

At 31 December 2012 and 2011 the loans granted to Colegios Laude II, S.L. amount to €1,108 thousand and accrue interest amounting to €480 thousand and €348 thousand, respectively.
On 17 April 2007 the Company resolved to finance ZIV Aplicaciones y Tecnología, S.L. through a participating loan for a nominal amount of €7,264 thousand. The loan was set to mature in three years which may be extended, following an agreement between both parties. This loan accrued interest at a fixed annual rate of 2% plus a variable annual rate of 18.63% of profit, taking into account that the total interest rate may not exceed 7.5% of the amount due on the loan. At 31 December 2012 that loan (cancelled in 2012) accrued interest amounting to €3,639 thousand.

On 13 December 2007 the Company resolved to finance Xanit Health Care Management, S.L. through the grant of two participating loans for a nominal amount of €20,400 thousand. These loans mature on 13 December 2012. These loans accrue interest at a variable rate of 5% p.a. on the amount of the loan repayable if the borrower's consolidated EBITDA exceeds 65% of consolidated revenues and at a fixed rate, calculated at the loan termination date. On the same date the Company granted Leucorodia S.L. a convertible loan for a nominal amount of €10,300 thousand, which matures on 31 May 2008. At that date, the loan could, at the Company's choice, be repaid in full by Xanit Health Care Management, S.L. or converted into shares in this company. The loan accrued interest at Euribor+2 base points.

On 26 February 2008 the Company granted a convertible loan of €5,000 thousand to its investee Xanit Health Care Management, S.L. in accordance with the investment agreements between both companies. This loan was increased by €916 thousand on 16 June 2008. Similarly, at that date, and in accordance with the above-mentioned co-investment agreement with Nmas1 Private Equity Fund II, 50% of the economic interests held by Dinamia in Xanit Health Care Management, S.L at that date were assigned to the former (€21,000 thousand).

On 1 February 2010 Dinamia took part in a capital increase in Xanit amounting to €1,084,110. On 28 February, Dinamia extended a bridging loan to Xanit for the same amount. This loan has been assigned to N+1 Private Equity Fund II. Following these operations, Dinamia's holding in Xanit stands at 33.29%.

At 31 December 2010 the Company had entered into an agreement with Xanit Health Care Management, S.L. to amend the conditions of that participating loan, indicating that it will only generate interest if the investee obtains profits during the year in progress. During 2012 and 2011 the loan granted to Xanit generated no interest.

On 22 July 2008, and as a result of the acquisition of the interest in MBA Incorporado S.L., the Company granted to it a participating loan amounting to €15,533 thousand. This loan accrues fixed interest at an annual rate of 12% and variable interest at a compound rate of 3% a year, that will only accrue if the consolidated EBITDA of the MBA Group exceeds consolidated EBITDA of the MBA Group for the immediately preceding year.

At 31 December 2012 and 2011 the loan accrued interest amounting to €9,399 thousand and €7,090 thousand, respectively.

On 12 April 2011 Dinamia Capital Privado S.C.R., S.A. granted a loan of €8,311 thousand to Lata Lux Holding Parent S.a.r.l., the parent of the Mivisa group. The loan accrues interest at a fixed rate of 10% p.a. At 31 December 2012 and 2011 the loan granted accrued interest amounting to €1,400 thousand and €494 thousand, respectively.

On 29 December 2011, and as a result of the acquisition of the interest in Tamsi Spain S.L., the Company granted to it a participating loan amounting to €5,734 thousand. This loan accrues fixed interest at an annual rate of 12% and variable interest at a compound rate of 3% a year, that will only accrue if the consolidated EBITDA of Tamsi Spain S.L. exceeds consolidated EBITDA for the immediately preceding year. At 31 December 2012 and 2011 the loan accrued interest amounting to €699 thousand and €201 thousand, respectively.

On 18 February 2011 the loan of €250 thousand granted by the Company to Serventa S.L. on 31 December 2011 and already cancelled was capitalised through a capital increase.

On 25 October 2011 Dinamia assigned the participating loan granted to Émfasis Billing & Marketing, S.L. to the Servinform Group and recognised the write-off of that loan plus accrued interest not paid amounting to €8,637 thousand.

On 29 July 2011, as part of the sale of the company, Hortus Mundi repaid the loan granted by Dinamia and recognised its write-off in an amount of €117 thousand.

All transactions involving loans and credit facilities to companies have been carried out in euro.

The movement in the provision for impairment losses under Long-term investments in group companies and associates - Loans and credit facilities to companies is summarised below:

	2012	2011
		Euro
Balance at start of the year	**(75,199,158.89)**	**(59,128,904.38)**
Transfers for impairment losses	(6,245,797.75)	(22,970,078.47)
Write-off impairment losses (*)	24,251,987.30	6,899,823.96
Transfers	-	-
Other	-	-
	(57,192,969.34)	**(75,199,158.89)**

(*) The amount of impairment written off in 2012 includes the change resulting from the assessment of the recoverability of the loans granted to Colegios Laude y Xanit. The amount of impairment written off in 2011 relates to the repayment of the loans in Emfasis Billing & Marketing Services, S.L., as a result of the sale of that investment.

The breakdown and movement in 2012 and 2011 of impairment adjustments on each of the loans to unlisted companies are as follows:

Impairment adjustments	31.12.2011	Additions	Disposals	31.12.2012
				Euro
The Beauty Bell Chain, S.L.	(2,809,668.94)	(2,724,448.88)	-	(5,534, 117.82)
Colegios Laude, S.L.	(20,782,429.15)	(770,492.87)	4,733,059.24	(16,819,862.78)
Colegios Laude II, S.L.	(1,455,945.35)	(132,681.46)	-	(1,588,626.81)
HP Health Clubs Iberia, S.A	(11,324,879.62)	-	11,324,879.62	-
Grupo Gestión Integral Novolux Internacional, S.L.	(11,513,797.24)	(2,472,899.54)	-	(13,986,696.78)
Xanit Health Care Management, S.L.	(22,412,172.44)	-	3,148,507.29	(19,263,665.15)
ZIV Aplicaciones y Tecnología, S.L.	(4,900,266.15)	(145,275.00)	5,045,541.15	-
	(75.199.158,89)	**(6.245.797,75)**	**24.251.987,30**	**(57.192.969,34)**

Impairment adjustments	31.12.2010	Additions	Disposals	31.12.2011
				Euro
The Beauty Bell Chain, S.L.	(2,017,137.24)	(792,531.70)	-	(2,809,668.94)
Emfasis Billing & Marketing Services, S.L.	(657,700.67)	(2,353,659.77)	3,011,360.44	-
Colegios Laude, SL	(20,604,766.90)	(177,662.25)	-	(20,782,429.15)
Colegios Laude II, S.L.	(1,455,945.35)	-	-	(1,455,945.35)
HP Health Clubs Iberia, S.A	(6,209,221.82)	(5,115,657.80)	-	(11,324,879.62)
Grupo Gestión Integral Novolux Internacional, S.L.	(4,404,420.66)	(10,997,840.10)	3,888,463.52	(11,513,797.24)
Xanit Health Care Management, S.L.	(21,700,881.98)	(711,290.46)	-	(22,412,172.44)
ZIV Aplicaciones y Tecnología, S.L.	(2,078,829.76)	(2,821,436.39)	-	(4,900,266.15)
	(59.128.904,38)	**(22.970.078,47)**	**6.899.823,96**	**(75.199.158,89)**

The breakdown by entity of the participating loans, taking into account their nominal value, accrued interest and provision for impairment (where appropriate) is as follows:

	2012	2011
		Euros
The Beauty Bell Chain, S.L.	**17,244,002.57**	**17,244,002.57**
Nominal value	14,346,560.30	14.346.560,30
Accumulated accrued interest	5,707,111.21	5,707,111.21
Impairment	(2,809,668.94)	(2,809,668.94)
HP Health Clubs Iberia, S.A.	**-**	**-**
Nominal value	-	7,256,000.00
Accumulated accrued interest	-	4,068,879.62
Impairment	-	(11,324,879.62)
Grupo Gestión Integral Novolux Internacional, S.L.	**-**	**2.472.899,54**
Nominal value	7,816,250.00	7,816,250.00
Accumulated accrued interest	6,170,446.78	6,170,446.78
Impairment	(13,986,696.78)	(11,513,797.24)
Colegios Laude, S.L.	**-**	**-**
Nominal value	13,047,863.40	13,047,863.40
Accumulated accrued interest	8,505,058.62	7,734,565.75
Impairment	(21,552,922.02)	(20,782,429.15)
ZIV Aplicaciones y Tecnologías S.L	**-**	**6,003,000.00**
Nominal value	-	7,263,750.00
Accumulated accrued interest	-	3,639,516.15
Impairment	-	(4,900,266.15)
Xanit Health Care Management S.L	**3,148,507.29**	**-**
Nominal value	17,199,838.96	17,199,838.96
Accumulated accrued interest	5,212,333.48	5,212,333.48
Impairment	(19,263,665.15)	(22,412.172.44)
Colegios Laude II, S.L.	**-**	**-**
Nominal value	1,108,374.98	1,108,374.98
Accumulated accrued interest	480,251.83	347,570.37
Impairment	(1,588,626.81)	(1,455,945.35)
MBA Incorporado, S.L.	**26,131,768.77**	**22,623,403.16**
Nominal value	16,732,873.72	15,533,124.22
Accumulated accrued interest	9,398,895.05	7,090,278.94
Mivisa, S.L.	**9,711,101.93**	**8,804,283.46**
Nominal value	8,310,676.02	8,310,676.02
Accumulated accrued interest	1,400,425.91	493,607.44
Tamsi Spain, S.L.	**6,433,054.26**	**5,934,478.44**
Nominal value	5,733,895.22	5,733,895.22
Accumulated accrued interest	699,159.04	200,583.22
Impairment	-	-

The amounts in Long-term investments in group companies and associates - Loans and credit facilities to companies with a specific or determinable maturity, classified by year of maturity, are as follows (nominal amount):

	MATURITY					
	2013	2014	2015	2016	Subsequent years	Total
						Euros
Loans and credit facilities to companies	17,199,838.96	-	7,816,250.00	16,732,873.72	42,547,369.92	84,296,332.60
Debt securities	-	-	-	-	-	-
Derivatives	-	-	-	-	-	-
Other financial assets	-	-	-	-	-	-
	17,199,838.96	**-**	**7,816,250.00**	**16,732,873.72**	**42,547,369.92**	**84,296,332.60**

In 2012 and 2011 the Company tested interests in unlisted companies and participating loans for impairment in the manner described in Note 4 to the Accounts and in particular, those indicated in the paragraphs below. It should be noted that in order to determine impairment, each investment is measured at the balance sheet date, generally using the multiple method, taking into account the lower of the purchase multiple and average of comparable multiples.

HIGH TECH HOTELS & RESORTS, S.L.

The Company has classed this investment as an investment in associates on the understanding that it has significant influence over the company through its interest of more than 20% in the share capital. The investment has been valued applying the purchase multiple because it is lower than the comparable listed company purchase multiple to the investee`s financial information at the year end. The valuation obtained at 31 December 2012 amounts to €0 Valuation adjustments have been made for impairment at 31 December 2011 amounting to €5,075,465.40. At 31 December 2011 the investment was valued using the purchase multiple, it being lower than the comparable listed company purchase multiple with respect to the investee`s financial information at the year end. The valuation obtained amounts to €6,255,883.68.

In 2012 the company recognised a fall in revenues of 8% and sales totalled €51,015 thousand. The company's occupancy levels in figures were not very different from those recognised in 2011. However, the present economic scenario and global decline in the sector as a whole, which has mainly affected the Madrid hotel market (11% fall in the number of visitors and a 13% drop in overnight stays according to FRONTUR) have impacted the performance of prices in the industry which have generally fallen, which has in turn affected the profitability of High Tech. On an operational level, High Tech continues to work on the implementation of operational measures, enabling efficiency to be increased in terms of both cost control and improvements in marketing policies, enabling the company to obtain better operational ratios than most of its competitors. Alternative projects are being developed to enable the group's expansion process to continue through the selective opening of new hotels.

THE BEAUTY BELL CHAIN, S.L.

The Company has classified this investment as an investment in associates because of its long-standing relationship with the investee and an interest interceded to contribute to its operations. The investment has been valued using the purchase multiple because it is lower than the comparable listed company purchase multiple with respect to the investee`s financial information at the year end. The valuation obtained at 31 December 2012 amounts to zero. The valuation of the investment has not changed with respect to 31 December 2011. Valuation adjustments have been made for impairment at 31 December 2012 amounting to €18 943 907.52.

Bodybell is principally a retail distribution business and evolution is closely related to consumption. Consequently, this economic crisis has inevitably affected the Group’s sales.

In recent months the Group has continued with its store improvement and refurbishment policy. The stores still provide a solid and profitable base, even in the current difficult context, and will allow the Group to recover historical sales and operating profits once the macroeconomic crisis is over. In addition, the Group has grown its store base, leveraging the opportunities that have arisen in the real estate market in the last few months.

In the last few months of 2012 the market scenario has been unstable. Therefore, it will be necessary to wait for its development in 2013 to see the impact of the macro-economic environment on the market of reference and the level of the Group's operations in particular. The Group hopes to continue to increase its share in the modern self-service channel and confirm its return to its historical rates of sales growth, which started in 2011 once the current recession has been overcome.

GRUPO GESTIÓN INTEGRAL NOVOLUX INTERNACIONAL, S.L.

The Company has classed this investment as an investment in associates on the understanding that it has significant influence over the company through its interest of more than 20% in the share capital. The investment has been valued using the purchase multiple because it is lower than the comparable listed company purchase multiple with respect to the investee`s financial information at the year end. The valuation obtained at 31 December 2012 amounts to zero. At 31 December 2011 the same valuation method was used and the valuation obtained at 31 December 2011 amounted to €2,472,899.54. Value adjustments for impairment have been made at 31 December 2011 amounting to €18,195,466.78 of which €4,208,750.00 relates to adjustments for impairment of the equity investment, €7,816,250.00 to adjustments for impairment of the principal of the participating loan and €6,170,446.78 to adjustments for impairment of accrued interest not paid.

The company's operations, focused on the private residential segment in Spain, still shows no sign of recovery, mainly impacted by two factors : (i) the number of new dwellings and work approvals continues at minimum levels and (ii) the lighting replacement market (non-essential product) has declined owing to the drop in general consumption. As a result of the above, in 2012 Novella's sales fell to €8.3 million (-36% on 2011).

Within this scenario, the company focused its efforts on two matters: (i) review of the cost structure and (ii) geographical diversification of sales.

With respect to the first, in October 2012 the company completed its move to new facilities saving €500 thousand in rent a year. Additionally, the company carried out the restructuring of its commercial network and permanent workforce, adapting it to the current market situation. The year on year impact of such savings amounts to approximately €600 thousand.

With respect to geographical diversification, the entry of Novolux into new markets has been slower than expected and exports in 2012 hardly accounted for 5% of total sales. Therefore the decision has been taken to give fresh impetus to the internationalisation process in order to speed up its start-up, based on the following: (i) contribution of new personal and material resources, (ii) increased presence in international fairs , (iii) preparation of specific export catalogues and (iv) products under its own brand and packaging, through agreements with current suppliers.

COLEGIOS LAUDE, S.L. Y COLEGIOS LAUDE II, S.L

LThe Company has classed this investment as an investment in associates on the understanding that it has significant influence over the company through its interest of more than 20% in the share capital. The interest has been valued applying the comparable listed company multiple, it being lower than the purchase multiple, to the investee`s financial information at the year end. The total valuation obtained of the investment at 31 August 2012 is €4,733,059.24. At 31 August 2011 the same valuation method was used and the total valuation obtained amounted to 0. Impairment recognised at 31 December 2011 amounts to €22,793,920.59 of which €4,385,431.00 relates to adjustments for impairment of the equity investment, €9,423,179.14 to adjustments for impairment of the principal of the participating loan and €9,985,310.45 to adjustments for impairment of accrued interest not paid.

In 2011/12 Laude grew sales by 5%. This growth was basically due to the increase in student numbers as well as a change in the sales mix, the relative significance of higher fee paying schools increasing. The growth in student numbers is possible thanks to the efforts made in the past few years to improve the quality of the service provided.

With respect to results, operational leveraging of the business model and cost containment have enabled growth of 25% in EBITDA. This robust performance and the good management of working capital reduced the level of leveraging of 1.7x EBITDA.

The commencement of 2012/13 and performance since the start of the year were positive and student numbers again increased compared with the previous year. This in turn permits us to forecast growth for the complete year in both revenues and results, which would generate for the third consecutive year growth in a very difficult market.

The campaign to win students for the year 2013/14, which is set to take place as from April, is currently being designed.

ALCAD, S.L.

The Company has classed this investment as an investment in associates on the understanding that it has significant influence over the company through its interest of more than 20% in the share capital. The interest has been valued by applying the purchase multiple because it is lower than the comparable listed company multiples to the investee`s financial information at the 2012 year end. The total valuation obtained of the investment at 31 December 2011 is zero, the same as at 31 December 2011. Therefore no value adjustments were recognised in 2012 apart from those already recognised amounting to €9,847,496.00.

In 2012, as a result of the unfavourable situation of the domestic market due to (i) the finalisation of the analogue switch-off in 2010 and the resulting replacement of all residential devices and (ii) the unfavourable performance of the new housing market, the on-going negative tendency in domestic sales continued and Alcad posted the lowest figure in the last few years. In this respect, and as the time for frequency reassignment (digital dividend), which is expected to be announced in the next few months, approaches, activity levels will increase. International business levels have remained consistent with 2011.

In view of this market scenario, the company continues to focus its efforts on (i) maintaining its domestic and international sales in High Frequency and Access Control, (ii) growing sales of the Solutions business line, (iii) increasing the current catalogue through the preparation of innovative products and (iv) improving operational efficiency to enable results to be sustained in the event of the unfavourable performance of domestic sales and their limited visibility in the next few months.

The company has finalised the process designed to refinance the financial structure in order to adapt it to the level of current operations.

XANIT HEALTH CARE MANAGEMENT, S.L.

The Company has classed this investment as an investment in associates on the understanding that it has significant influence over the company through its interest of more than 20% in the share capital. The interest has been valued by applying the average comparable transaction multiple, this being lower than the average multiple of comparable transactions, to financial information at the 2012 year end. The valuation obtained at 31 December 2012 amounts to €3,148,507.29. At 31 December 2011 the investment was valued using the average comparable transaction multiple, it being lower than the comparable purchase multiple with respect to the investee`s financial information at the year end. The valuation obtained amounts to 0.

As a result of the above, the value adjustment for impairment recognised at 31 December 2012 amounts to €27,417,353.33 which relates to the impairment of the equity investment in the company and part of the nominal value of the participating loan granted to this company and accrued interest not matured on the aforementioned loan.

Hospital Xanit Internacional posted sales in 2012 of €40.8 million, up 14% on 2011 and up €20 million in just two years.

The increase in patients from domestic companies (+13%), thanks, among other things, to the entry of Sanitary, is the main driver of the growth in sales although there have also been major increases in private patients (+13%) and foreign patients (6%). These two types of patients continue to account for more than 40% of total sales and is a distinguishing feature of the hospital.

In terms of profitability, estimated EBITDA at the year end amounts to €4.1 million (a 10% margin), a 2 percentage point improvement in the margin. This increase has taken place within a scenario marked by considerable pressure on rates on the part of insurance companies.

The net financial debt has remained consistent at €20 million due to the need to finance growth. Noteworthy is the fact that in 2012 new banks joined the project.

MBA INCORPORADO, S.L.

The Company has classed this investment as an investment in associates on the understanding that it has significant influence over the company through its interest of more than 20% in the share capital. The interest has been valued by applying the purchase multiple because it is lower than the comparable listed company multiples to the investee`s financial information at the year end. The total valuation obtained of the investment at 31 December 2012 is €29,850,966.04. Using the same method, at 31 December 2011 the investment was valued at €25,787,474.27. Impairment adjustments at 31 December 2012 and 2011 amount to €12,369,053.11 and relate to the impairment of the company's equity investment.

In 2012 sales of one of the group's products recovered partially and brought the delays in its supplier's replacement process since mid 2010 to an end. MBA currently has a complete catalogue of that product and is operating at normal levels of operation.

During 2012 forecast savings were attained under the plan launched by the management team to increase the company's operational efficiency. These savings have enabled profitability levels to be maintained despite the drop in invoicing.

In 2013 MBA will commit to growing its product portfolio in Belgium and UK. In this respect, it has started up a business and investment plant in order to build a commercial network enabling it to efficiently go to market.

The next few years will reveal the market trend, with the increased visibility of those measures which may be adopted by the Public Administrations, entailing a more significant role of the operators of reference .

MIVISA, S.A.

The Company has classified this investment as an investment in associates - start-up capital on the understanding that it has a position of significant influence. The interest has been valued by applying the purchase multiple, it being lower than the comparable listed company multiples, to the investee`s financial information at the year end. The total valuation obtained of the investment at 31 December 2012 is €12,929,832.19. At 31 December 2011 the investment was valued at cost because the purchase was completed in the preceding 12 months for €8,387,768.66.

In a particularly difficult year like 2012 Mivisa continued to bear out the resistance of its business to economic cycles. The company grew its revenues, maintained margins and reduced leverage by 0,4x EBITDA.

In terms of revenues, Mivisa grew by more than 7% in the domestic market which again evidences the robustness of its position as we are dealing with a difficult market. As we already mentioned in our valuation report at 30 June 2012, published by Dinamia, the rate of growth posted by Mivisa increased in the second half of the year compared with the previous year .

International sales fell slightly largely due to the slow-down in France. Nonetheless, Mivisa has continued to consolidate its position as the international benchmark. Particularly noteworthy is its performance in Morocco, Ecuador, Hungary and Peru, where a new factory was recently opened.

In 2012 as in previous years, Mivisa's margins remained stable and a significant percentage of EBITDA was converted into cash, its level of leverage being reduced by 0.4x EBITDA.

TAMSI SPAIN, S.L.

The Company has classified this investment as an investment in associates - start-up capital on the understanding that it has a position of significant influence. The interest has been valued by applying the purchase multiple, it being lower than the comparable listed company multiples, to the investee´s financial information at the year end. The total valuation obtained of the investment at 31 December 2012 is €17,080,055.73. At 31 December 2011 this investment was valued at cost because the purchase was completed in the preceding 12 months for €3,652,870.94.

Dinamia invests in EYSA through Tamsi Spain, S.A.. EYSA is one of the leading companies in the car park sector in Spain. With invoicing of more than €60 million, EYSA currently manages more than 120,000 parking spaces in more than 60 cities.

EYSA ended 2012 with invoicing of €62 million, up 3.5% on 2011. The like-for-like business developed as expected with moderate growth compared with the previous year. However, it was impossible to attain the budgeted sales target owing to:

i) The deviation in the number of contracts awarded as a result of the decrease in the number of tenders organised by town councils compared with forecasts and

(ii) The delay in the start-up and completion of certain contracts and newly created car parks.

During the year the company won certain minor contracts such as Calvià, Sa Rapita, Cabrera or the car park at the Levante quay in Almería. Additionally, the important renewal of the ORA contract in Burgos was won in the first few months of 2013. These contracts will contribute to the company's growth during the year.

In 2013 bids will continue to be submitted in those tenders arranged. Additionally, the team is analysing the possibility of internationalising the business in several Latin American countries, where the "play and display" segment has significant growth potential. EYSA is analysing several acquisition opportunities in Spain and Latin American to grow in the car park segment and other services related to city mobility.

RADIACIÓN Y MICROONDAS, S.A. Y TRYO TECHNOLOGIES, S.L.

The Company has classified these investments as an investment in associates - start-up capital on the understanding that it has a position of significant influence. The interest has been valued by applying the purchase multiple, it being lower than the comparable listed company multiples, to the investee´s financial information at the year end. The total valuation obtained of the investment at 31 December 2012 is €11,790,956.51. At 31 December 2011 this investment was valued at cost because the purchase was completed in the preceding 12 months for €9, 959,566.18.

The project is based on the acquisition of two companies from corporación IBV, operating in the electronic component and equipment sector with the ultimate objective of including three lines of business in a single company and achieving a group devoted to the design and manufacture of electronic systems and components with a high technological component, global leadership positions in global professional markets, niches and growth. The companies acquired are:

1. Teltronic (Radiocomunicaciones): engaged in the manufacture of electronic equipment and systems for professional radio systems such as for example, firemen and police. Dinamia invests in Teltronic, S.A. through Tyro Technologies, S.L.

2. Rymsa (telecommunications antenna and components): it designs, manufactures and distributes antennae for the telecommunications industry.

In 2012, at quantitative level, the company met the budget for the year, representing growth at EBITDA level (+4.4%) and a major reduction in the net financial debt (approx.€8 million).

On a qualitative level, the TYRO Group focused mainly on 4 areas:

(i) the operational integration of Rymsa and Teltronic in a single Group (the TRYO Group),

(ii) strengthening and redesigning of the commercial structure to reinforce its international presence, which has already produced results, namely, the first radio-communications contract in USA and several major contracts in Latin America)

(iii) increase in R&D investment (+16.7% compared with 2011), and

(iv) strengthening the company's management at institutional level, with the inclusion of three new Board members.

As a result of the consolidation of all the foregoing, the TRYO Group is optimistic about 2013 and expects (i) marked growth in revenues and EBITDA and(ii) a fall in net financial debt.

Similarly, the TRYO Group is analysing the acquisition of companies that complement its product catalogue, which is expected to be completed in 2013.

CARDOMANA SERVICIOS Y GESTIONES, S.L.

The Company has classified these investments as an investment in associates - start-up capital on the understanding that it has a position of significant influence. The interest has been valued at cost because the purchase was completed in the last 12 months. The valuation totals €3,604,336.69.

Dinamia's investment in Grupo Secuoya was arranged through Cardomana Servicios y Gestiones, S.L.. Grupo Secuoya is a communications company present throughout the audio-visual value change. The group is made up of companies that have consolidated in their position in the sector and is present throughout Spain with production centres in major cities. The company's key lines of business are:

- Audio-visual services. Rendering of integrated management services for news programmes and occasional services involving technical and human means for television and production companies.
- Content. Production of all content formats, particularly noteworthy of which are: news content, entertainment, docu-shows, "low cost" content aimed at the DTT market, "brand content", "prime time" series and documentaries.
- Marketing. Devoted to integrated communication for companies and the management of client presence and visibility in audio-visual media.

The year 2012 was a year of growth and expansion for Secuoya. Sales grew by 47% while EBITDA jumped by 57% (compared with 2011), the leveraging ratio remaining below 2x EBITDA.

On a qualitative level, all audio-visual services contracts maturing in the year were renewed and new contracts were won with customers such as Telemadrid and TVE, reducing reliance on Antena 3. Concerning content, Secuoya produced more than 700 hours of content, which means that company is one of the five leading Spanish producers.

In 2012 Secuoya started consolidating its position in the sector and extending its presence throughout the value chain, acquiring New Atlantis (a content producer) and Vnews (audio-visual services).

For 2013 the aim is to (i) continue growing current customers and (ii) participating in the regional tenders arranged. In 2013, there are also plans to continue with the sector's consolidation and the start-up of international activities.

The table below sets out the quantification of the difference that the application of the different valuation methods used by the Company entails with respect to the use of the attributable carrying value for investees at 31 December 2012 and 2011:

2012
Thousand euro

Investee company	Interest percentage	Total equity	Attributable carrying amount	Valuation Equity	Difference	Valuation participating loan
High Tech Hotels & Resorts, S.A.	26.00%	8,995	2,339	0	2,339	0
The Beauty Bell Chain, S.L.	14.35%	-137,030	-19,664	0	-19,664	0
Grupo Gestión Integral Novolux Internacional, S.L.	48.54%	-2,034	-987	0	-987	0
Colegios Laude, S.L.	49.27%	-22,636	-11,153	0	-11,153	4,733
Alcad, S.L.	37.68%	9,503	3,580	0	3,580	0
Xanit Health Care Management, S.L.	33.71%	-24,767	-8,349	0	-8,349	3,149
MBA Incorporado, S.L.	36.91%	74,328	27,434	2,973	24,461	26,878
Mivisa, S.A.	2.60%	195,479	5,082	3,117	1,965	9,813
Grupo TRYO	24.76%	44,246	10,955	11.791	-836	0
Tamsi Spain, S.L	25.00%	28,984	7,246	10,314	-3,068	6,766
Cardomana Servicios y Gestiones, S.L.	13.75%	n/a	n/a	3,604	n/a	0

2011
Thousand euro

Investee company	Interest percentage	Total equity	Attributable carrying amount	Valuation Equity	Difference	Valuation participating loan
Colegios Laude, S.L.	49.27%	(20,093)	(9,900)	-	(9,900)	-
HP Health Clubs Iberia, S.A	21.33%	n.a.	n.a.	-	n.a.	-
Xanit Health Care Management, S.L.	32.85%	(22,883)	(7,517)	-	(7,517)	-
Alcad, S.L.	37.68%	12,365	4,659	-	4,659	-
The Beauty Bell Chain, S.L.	14.35%	(113,689)	(16,314)	-	(16,314)	-
High Tech Hotels & Resorts, S.A.	26.00%	11,527	2,997	6,256	(3,259)	-
ZIV Aplicaciones y Tecnología, S.L.	37.25%	19,741	7,354	-	7,354	6,003
MBA Incorporado, S.L.	36.74%	79,200	29,098	3,164	25,934	22,623
Radiación y Microondas, S.A.	25.00%	15,382	3,845	4,311	(466)	-
Tryo Technologies, S.L.	25.00%	25,661	6,415	5,649	766	-
Tamsi Spain, S.L	25.00%	66,850	16,713	7,718	8,995	5,934
Mivisa, S.A.	2.85%	179,957	5,129	77	5,052	8,804
Grupo Gestión Integral Novolux Internacional, S.L.	44.70%	1,420	631	-	631	2,473

8 Cash and other cash equivalents

The balance of this balance sheet heading at 31 December 2012 and 2011 breaks down as follows:

	2012	2011
		Euro
Cash at bank and in hand	8,071,445.06	7,956,032.03
Other cash equivalents	41,000,765.15	26,000,348.48
	49,072,210.21	**33,956,380.51**

At 31 December 2012 and 2011 asset repos were made up of two assets maturing in January 2012 (one asset maturing in January 2011).

The movement during 2012 and 2011 in cash equivalents (public debt repos) is as follows:

	Other cash equivalents	
	2012	2011
		Euro
Opening balance	**26,000,348.48**	**36,000,348.49**
Acquisitions	1,043,500,000.01	1,779,999,999.99
Sales	1,028,499,583.34	1,790,000,000.00
Closing balance	**41.000.765,58**	**26.000.347,47**

Interest accrued in 2012 and 2011 relating to asset repos amounted to €98,559.15 (€331,620.28 in 2011) and interest accrued on cash balances amounted to €22,819.61 (€58,803.59 in 2011). Interest is reflected under financial income in the income statement (Note 21).

9 Prepayments and accrued income

This current asset heading breaks down as follows:

	2012	2011
		Euro
Commission and sundry expenses paid in advance	14,879.58	14,879.58
Other prepayments and accrued income	5,732.32	5,732.32
	20,611.90	**20,611.90**

10 Short-term investments

This heading breaks down as follows:

	2012	2011
		Euro
Debt securities	-	1,750,000.00
	-	**1,750,000.00**

The balance under this heading related to two promissory notes, maturing on 14 October 2012, received as part of the payment on the sale of Emfasis Billing & Marketing, S.L.

11 Receivables

Accounts receivable break down as follows:

	2012	2011 Euro
Public authorities	1,838,165.25	1,852,156.79
Other receivables	12,087.22	19,416.96
	1,850,252.47	**1,871,573.75**

Most of the balance receivable relates mainly to withholdings applied by the Company to the return on capital.

12 Accruals and deferred income

This current liability heading breaks down as follows:

	2012	2011 Euro
Accrued expenses not paid	-	325,749.57
	-	**325,749.57**

13 Creditors and other payables

This heading breaks down as follows:

	2012	2011 Euro
Amounts payable for services provided	370,512.40	484,686.44
	370,512.40	**484,686.44**

The balance payable for services provided relates mainly to the balances reflected by the Company with the Management Company.

Law 15/2010, which amended Law 3/2004 on measures to combat default in business operations, was enacted on 5 July 2010.

Among other issues, this law eliminates the possibility of an "agreement between the parties" concerning the extension of supplier payment periods as a result of the financial repercussions of the recession on all sectors of the economy. This has led to a rise in delinquency, late payment and extensions to periods for paying overdue invoices, with a particularly serious impact on small and medium sized enterprises due to their considerable dependence on short-term credit and to the cash restrictions resulting from the financial climate. To counter these difficulties, the law stipulates a maximum general period for payment between businesses of 60 calendar days as from the date of delivery of the goods or services. This will come into effect as from 1 January 2013. Until then, a transitional system will be implemented with longer maximum legal payment periods, which will be progressively adjusted for those companies that have been allowing longer payment periods.

Additional provision three of the regulation indicates that companies should expressly publish information on supplier payment periods in the notes to their individual and consolidated financial statements.

In accordance with transitional provision 2 of the ICAC Resolution dated 29 December 2010 on financial reporting disclosures relating to delays in payment to trade creditors, the Company hereby provides information concerning the amount of the balances pending payment to suppliers which at the year end reflect a delay in excess of the legal term stipulated in Law 15/2010, i.e. over 85 days as from the supply of the service or goods. At 31 December 2012 there are no outstanding payments to trade creditors in excess of the legal limit.

Payments on business operations carried out during the year which are pending at the year end, with respect to the maximum terms allowed by Law 15/2010, are as follows:

	Payments made and pending at the balance sheet date			
	2012		2011	
	Euro	%	Euro	%
Payments for the year within maximum legal term	2,158,418.92	93.52	4,406,186.75	
Remainder	149,499.09	6.48	324,116.13	
Total payments during the year	**2,307,918.01**	**100**	**4,730,302.88**	**100**
Average payment period exceeded (days)	**135**		**82**	
Balance payable at year end in excess of maximum legal limit	**107,340.58**		**48,110.27**	

14 Other current liabilities

This heading breaks down as follows

	2012	2011
		Euro
Personal income tax withholdings payable	100,263.42	40,252.13
	100,263.42	**40,252.13**

15 Long-term provisions

This heading breaks down as follows:

	2011	Additions	Disposals	2012
				Euro
Long-term provisions	861,564,88	1,133,708.03	(652,528.12)	1,342,744.79
	861,564.88	**1,133,708.03**	**(652,528.12)**	**1,342,744.79**

This heading records the provision for unavailable assets held as security in accordance with the contracts for the sale of ZIV and Unica.

16 Long-term payables

This heading breaks down as follows:

	2012	2011
		Euro
Long-term payables	13,184,400.32	13,184,400.32
	13,184,400.32	**13,184,400.32**

At 31 December 2012 and 2011 this heading records the provision for the Management Entity's success fee accrued to date amounting to €13,184 thousand.

17 Other non-current liabilities

This heading breaks down as follows:

	2012	2011
		Euro
Long-term payables	17,220,429.90	17,220,429.90
	17,220,429.90	**17,220,429.90**

The balance under this heading relates in full to deferred income on the partial sale of the interest in BodyBell, in 2006. This amount will be written off the Company's balance sheet when the interest in this company is disposed of.

18 Reimbursable funds

(A) SHARE CAPITAL

On 6 June 2012 the General Shareholders' Meeting approved the payment of a dividend of €0.1 per share by charge to the share premium account. On 15 July 2012 that dividend was paid out amounting to €1,624,160.80.

On 3 October 2012, under the resolution adopted during the Extraordinary General Shareholders' Meeting held on 17 September 2012, the effective distribution of the share premium was carried out at one euro per share. The gross amount distributed totals €16,241,698.00.

Concerning the resolution adopted by the General Shareholders' Meeting on 7 June 2011 related to the bonus share issue of 1 new share per every 50 existing shares, which entails the issue of 319,200 shares with a par value of €3 each, on 25 October 2011 the Board of Directors agreed to make the full payment by charge to the Share premium reserve and to complete the capital increase. The 319,200 new ordinary shares issued through the bonus share issue were subscribed on 7 November.

On 17 November 2009 the Board of Directors, exercising the powers delegated by the Company's General Shareholders' Meeting on 29 June 2008, resolved to increase the Company's capital by a nominal amount of €11,970,000 through the issue of three million nine hundred and ninety thousand (3,990,000) new ordinary shares represented through book entries, of the same class and series as existing shares and carrying a preferred subscription right for the shareholders, in proportion of one new share for every three former shares.

The issue rate of the new shares was €10 per share, relating to a par value of €3 and a share premium of 7 euro per share. The issue amounted to €39,900,000 (representing 25% of share capital following that increase) and the shares started trading on 23 December 2009.

At 31 December 2012 and 2011 share capital amounts to €48,837,600.00 and is divided into 16,279,200 shares with a par value of 3 euro each.

All shares are of the same class and carry the same voting and dividend rights

Such shares are listed on the Madrid and Barcelona stock exchanges.

The Company's shareholders at 31 December 2012 with a percentage interest of 5% or more are as follows:

Name of shareholder	% of direct voting rights	% of indirect voting rights	% Percentage of total voting rights
VENTOS, S.A.	16.66	0	16.66
ANPORA PATRIMONIO, S.L.	6.52	0	6.52
RICARDO PORTABELLA PERALTA	0	23.18	23.18
ELECTRA PRIVATE EQUITY PARTNERS 1995	10.44	0	10.44
ELECTRA PARTNERS LLP.	0	10.44	10.44
AGRUPACIO AMCI DE SEGUROS Y REASEGUROS, S.A.	7.52	0	7.52
CAJASOL INVERSIONES DE CAPITAL, S.C.R., S.A.U.	7.52	0	7.52
CAIXABANK, S.A.	0	7.52	7.52
CORPORACION FINANCIERA ARCO, S.L.	5	0	5
EW EQUITY PARTNERS, S.L.	0	5	5

The Company's shareholders at 31 December 2011 with a percentage interest of 5% or more are as follows:

Name of shareholder	% of direct voting rights	% of indirect voting rights	% Percentage of total voting rights
VENTOS, S.A.	16.82	0	16.82
ANPORA PATRIMONIO, S.L.	5.64	0	5.64
RICARDO PORTABELLA PERALTA	0	22.46	22.46
ELECTRA PRIVATE EQUITY PARTNERS 1995	10.44	0	10.44
ELECTRA PARTNERS LLP.	0	10.44	10.44
AGRUPACIÓ MÚTUA DEL COMERÇ I DE LA INDUSTRIA, MUTUA D'ASSEGURANCES I R.P.F.	7.52	0	7.52
GRUPO CORPORATIVO EMPRESARIAL DE LA CAJA DE AHORROS Y MONTE DE PIEDAD DE NAVARRA	7.52	0	7.52
BANCA CIVICA, S.A. *	0	7.52	7.52

* As a result of the split of Caja de Ahorros y Monte de Piedad de Navarra in order to contribute assets and liabilities to Banca Cívica, S.A., the latter obtained indirect ownership of the interest of Grupo Corporativo Empresarial de la Caja de Ahorros y Monte de Piedad de Navarra, S.A.U.

B) SHARE PREMIUM ACCOUNT

The Spanish Companies Act 2010 expressly permits the share premium account balance to be used to increase capital and provides no specific limitation with respect to the availability of that balance.

On 6 June 2012 the General Shareholders' Meeting approved the payment of a dividend of €0.1 per share by charge to the share premium account. On 15 July 2012 that dividend was paid out amounting to €1,624,160.80.

On 3 October 2012, under the resolution adopted during the General Shareholders' Meeting held on 17 September 2012, the effective distribution of the share premium was carried out at one euro per share. The amount distributed totals €16,241,698.

On 7 June 2011 the General Shareholders' Meeting approved the payment of a dividend of €0.1 per share by charge to the share premium account, resulting in a total of €1,596,000. This dividend was paid on 15 July 2011. The General Shareholders' Meeting also approved a bonus share issue by charge to the share premium account of one new share for every 50 old shares, which led to the issue of 319,200 new shares for a total par value of €957,600. The new shares were listed on 7 November 2011.

On 2 June 2010 the General Shareholders' Meeting approved the payment of a dividend of €0.7 per share by charge to the share premium account, resulting in a total of €11,172,000. This dividend was paid on 15 July 2010.

C) LEGAL RESERVE

Spanish companies are required to apportion a minimum of 10% of profits for each year to the formation of a reserve fund until the balance of this reserve reaches at least an amount equal to 20% of share capital. At 31 December 2012, the Company has reached this minimum limit.

D) VOLUNTARY RESERVES

Voluntary reserves are freely available for distribution at 31 December 2012 and 2011.1.

E) OWN EQUITY INSTRUMENTS

This heading records the reserve for amortised capital relating to the par value of the shares that were acquired by the Company and subsequently redeemed by charge to available reserves. This reserve is available subject to the same formal requirements as those applicable to the reduction of share capital.

During 2012 48,302 treasury shares were acquired for a total of €205,400.37 thousand. With respect to the treasury share position at 31 December 2012, 52,618 shares were acquired amounting to €221,994.96. At 31 December 2011, 4 316 treasury shares were acquired amounting to €16,594.59. No treasury shares have been sold.

19 Equity valuation adjustments

This heading breaks down as follows:

	2012	2011
		Euro
Financial assets available for sale		
Listed shares	15,619,11	(3,283,506.79)
Collective Investment Undertakings	-	(32,158.68)
Venture Capital Entities	(1,838,530.39)	(2,594,914.72)
Unlisted shares	-	-
Equity valuation adjustments	**(1,822,911.28)**	**(5,910,580.19)**

The balance under Equity valuation adjustments – Available-for-sale financial assets relates to the amount, net of the corresponding tax effect, of those changes in fair value of those financial instruments that should be classified under the Company's equity. Deferred tax assets recognised in this heading at 31 December 2012 and 2011 amount to €5,499.08 and €28,452.14, respectively. At the time of the sale of the financial assets, changes are reflected in the income statement.

20 Memorandum accounts

This heading breaks down as follows:

	2012	2011
		Euro
Accounts for exposures and commitments	**3,044,629.10**	**5,255,829.88**
Guarantees granted	-	646,951.92
Guarantees received	750,000.00	750,000.00
Securities purchase commitments	2,294,629.10	3,858,877.96
Venture capital investees	-	-
Other entities	2,294,629.10	3,858,877.96
Other memorandum accounts	**79,732,461.24**	**67,809,306.68**
Write-off assets	-	-
Tax losses available for offset	79,179,005.47	67,809,306.68
Latent capital gains (losses) (net of tax effect)	553,455.77	-
Total memorandum accounts	**82,777,090.34**	**73,065,136.56**

The main items included in memorandum accounts are:

a) On 20 December 2007 DINAMIA entered into an investment commitment up to a maximum of GBP10 million, i.e. €12.25 million at 31 December 2012, in the venture capital fund Electra Partners Club 2007 LP for a five year period, freely available over time, and of which at the 2012 year end €8,283 thousand has been contributed. Electra Partners Club 2007 LP is a venture capital fund managed by Electra Partners LLP. In addition, one of the significant shareholders of DINAMIA is Electra Private Equity Partners 1995, a venture capital entity managed, in turn, by Electra Partners LLP, the same entity that manages Electra Partners Club 2007 (See Note 6).

b) The amount of tax loss carryforwards available for offset in subsequent years, according to the corporate income tax returns filed. (Note 23)

c) The latent capital gains (losses) (net of the corresponding tax effect) deriving from the valuation of the shares following the criteria indicated in Note 7.

21 Financial income

Financial income breaks down as follows:

	2012	2011
		Euro
Interest, dividends and similar income	7,954,118.96	8,266,021.68
Cash and cash equivalents (Note 8)	121,378.76	390,423.87
Loans and credit facilities to companies	7,832,740.20	7,875,597.81
Participating loans	7,832,740.20	7,875,597.81
Companies targeted by venture capital operations	7,832,740.20	7,875,597.81
	7,954,118.96	**8,266,021.68**

22 Results and changes in the fair value of the investment portfolio

This heading breaks down as follows:

	2012	2011
		Euro
Profit/(loss) on disposals	32,266,073.39	(8,910,391.38)
Equity instruments	32,409,782.63	(5,765,110.11)
Listed shares	-	-
Unlisted shares	32,409,782.63	(5,765,110.11)
Venture capital investees	32,409,782.63	(5,765,110.11)
Other entities	-	-
Collective Investment Undertakings	-	-
Debt securities	(130,697.25)	(3,145,281.27)
Other investments:	(13,011.99)	-
Impairment and losses on financial investments	(12,378,113.73)	(50,150,671.84)
Cash and cash equivalents		
Equity instruments	(14,159,157.51)	(33,423,932.35)
Debt securities	-	-
Loans and credit facilities to companies	1,781,043.78	(16,726,739.49)
Derivatives	-	-
Other financial assets	-	-
Exchange differences (net)	-	-
	19,887,959.66	**(59,061,063.22)**

Similarly, the breakdown of Profit/loss on disposals in the accompanying income statement at 31 December 2012 and 2011 is as follows:

Profit/(loss) on disposals	2012	2011
		Euro
Emfasis Billing & Marketing Services, S.L.	-	(1,993,254.57)
Segur Ibérica, S.A.	-	2,501,321.09
Hortus Mundi, S.L.	-	78,766.00
Aseguramiento Técnico de Calidad, S.A.	(58,506.00)	(52,200.00)
HP Health Clubs Iberia, S.A	34,870.00	-
Gescooperativo Dinámico, F.I.	47,881.99	-
Serventa, S.L.	-	(9,445,023.90)
ZIV Aplicaciones y Tecnología, S.L.	32,241,827.40	-
	32,266,073.39	**(8,910,391.38)**

23 Other operating profit/(loss)

This heading breaks down as follows:

	2012	2011
		Euro
Commissions paid	1,709,147.55	4,487,570.67
Management commission	1,709,147.55	4,487,570.67
Fixed management commission	1,709,147.55	2,385,573.59
Success fee	-	2,101,997.08
Other operating expenses	938,037.90	904,255.13
	2,647,185.45	**5,391,825.80**

The remuneration system agreed with the Management Company is made up of two components:

- An annual fixed management commission of 1.75% of the value of the Company’s “valued asset" (in order to determine the “valued asset", the Management Company prepares a quarterly valuation in accordance with generally recognised criteria in international practice, reviewed every six months by an independent third party). The amount accrued for this item in 2012 and 2011 totalled €1,709,147.55 and €2,385,573.59, respectively.

A 20% success fee on the net capital gain obtained by the Company on the transfer of all shares in companies targeted by its operations in the same year and the return that such shares generate, less a set annual management commission and provided that the capital gain exceeds a minimum return equal to the IRR of Spanish Government Bonds at 3 years during the most recent month of December prior to the commencement of each calendar year. This fee will be paid to the Management Company insofar as all the investments acquired in the same year by the Company have been made. The amount accrued for this item in 2012 and 2011 totalled €0 and €2,101,997.08, respectively.

Other operating expenses in the accompanying income statement for 2012 and 2011 relate mainly to External Services.

24 Foreign currency transactions

The only foreign currency transactions made during 2012 by the Company relate to the subscription of participation units in the venture capital fund Electra Partners Club 2007, LP amounting to €1,791,690.89 (€4,226,704.63 in 2011).

Foreign currency transactions are translated to the functional currency using the exchange rates prevailing at the transaction dates.

25 Corporate income tax and tax situation

The Company has availed itself of the tax benefits contained in Article 55 of Legislative Royal Decree 4/2004 of 5 March 2004 that sets out the Corporate Income Tax Act, governing the tax regime applicable to venture capital firms and funds. A summary is as follows:

- Partial exemption of the income obtained on the transfer of shares and interests in the capital of companies, according to the year of transfer, determined from the time of acquisition. This exemption will amount to 99% from the commencement of the second year through to year 15. In the first year and as from year 15, no exemption will be applied other than that established in current tax legislation. In the event that the investee is floated on a stock market governed by Council Directive 93/22/EEC of 10 May 1993, the application of this exemption will be contingent on this interest being transferred within no more than three years of the date of its flotation.

- Deduction of 100% of dividends and in general, of the shares in profits received from companies promoted by venture capital companies and funds, irrespective of the interest percentage held and the period during which the shares are held.

At 31 December 2012 all the Company's tax returns for the last four years for the principal taxes to which it is subject are open to inspection by the tax authorities.

Due to the different interpretations that may be afforded to tax regulations applicable to the transactions performed by the Company, for the years pending inspection, there could be contingent tax liabilities that cannot be objectively quantified. However, in the opinion of the Company's directors, the possibility, in the event of a tax inspection, of such contingent liabilities arising is remote and, in any event, the tax debt which may derive would not have a significant effect on these financial statements.

The reconciliation between reported results for 2012 and 2011 and the tax base is as follows:

	2012	2011
		Euro
Reported results before income tax	26,172,944.61	(55,881,355.65)
Permanent differences	(34,798,042.84)	5,624,627.36
Decreases	(34,799,922.54)	(3,726,248.25)
Increases	1,879.70	9,350,875.61
Offset of tax loss carryforwards	-	-
Adjusted accounting results	(8,625,098.23)	(50,256,728.29)
Temporary differences	(6,268,631.67)	48,637,105.51
Negative	(28,430,815.93)	(5,272,973.71)
Positive	22,162,184.26	53,910,079.22
Tax base	(14,893,729.90)	(1,619,622.78)
Gross tax (30%)	-	-
Deductions and tax credits	-	-
Withholdings and interim payments	3,815.80	9,025.44
Other	-	-
Tax payable	-	-

Permanent differences mainly relate to the 99% exemption of qualifying income obtained on the transfer of shares.

Temporary differences basically reflect the difference between tax and accounting criteria when recording the provision for the decline in value of the portfolio and the provision for impairment established in the year.

At 31 December 2012 and 2011, the breakdown of tax loss carryforwards available for offset in future years is as follows:

YEAR OF ORIGIN	AVAILABLE FOR OFFSET UNTIL	2012	2011
			Euro
2001	2016	1,466,148.17	1,466,148.17
2002	2017	7,071,970.22	7,071,970.22
2005	2020	1,301,197.23	1,301,197.23
2006	2021	4,836,063.95	4,836,063.95
2007	2022	10,701,386.91	10,701,386.91
2008	2023	4,733,267.71	4,733,267.71
2009	2024	14,751,974.40	14,751,974.40
2010	2025	13,738,171.31	13,738,171.31
2011	2026	5,685,095.66	5,685,095.66
2012	2027	14,893,729.90	-
		79,179,005.46	**64,285,275.56**

At 31 December 2012 and 2011 the breakdown of corporate income tax deductions and credits pending application in future years is as follows:

YEAR OF ORIGIN	AVAILABLE UNTIL	2012	2011
			Euro
2005	2012	1,427,220.71	1,427,220.71
2006	2013	70,147.65	70,147.65
		1,497,368.36	**1,497,368.36**

Deferred tax assets in the accompanying balance sheet reflect the tax effect of the valuation of financial assets classified as Available-for-sale Financial Assets.

26 Commitments with third parties

All shares in High Tech Hotels & Resorts, S.A., Grupo Gestión Integral Novolux Internacional, S.L., Colegios Laude, S.L., Alcad S.L., Tamsi Spain, S.L. and MBA Incorporado, S.A., held by the Company, have been pledged at 31 December 2012 to secure the loans granted to those companies by certain financial institutions.

27 Remuneration and balances with the members of Board of Directors

Remuneration received by the Company's directors as a whole as members of the Board of Directors in the 12 month period ended 31 December 2012 and 2011 amounted to an overall sum of €385,710.00 (€312,387.10 in 2011), and related in full to a fixed statutory allowance for attending Board meetings.

Dinamia's Directors have received no other emoluments in the 12 month period ended 31 December 2012 and 2011.

In accordance with Article 23 of Dinamia's by-laws, the chairman's fixed statutory allowance is higher than that established for the other directors.

Remuneration paid in 2012 and 2011 to each member of the Company's Board of Directors breaks down as follows:

		2012
	Remuneration Board Members	**Remuneration Audit Committee Members**
		Euro
Mr. Santiago Bergareche Busquet	62,129.58	-
Mr. José Fernando Sánchez-Junco Mans*	8,918.98	4,459.49
Mr. Javier Carretero Manzano**	31,216.41	11,148.72
Mr. Alfred Merton Vinton	26,756.93	-
Agrupació Mutua de la Industria i del Comerci***	40,469.85	-
Mr. Rafael Jimenez López	35,675.90	2,229.74
Mr. Juan Arena de la Mora	37,905.64	14,493.33
Mr. Emilio Carvajal y Ballester	40,135.39	-
Mr. Joaquín García-Quirós Rodríguez****	37,905.64	13,378.46
Grupo Corporativo Empresarial Caja Navarra*****	18,885.93	-
	340,000.25	**45,709.75**

* Mr. José Fernando Sánchez-Junco Mans resigned as a director on 20 March 2012 .

** Mr. Javier Carretero Manzano was appointed by co-option on 20 March 2012. Mr. Carretero was ratified in his position and re-elected as a member of the Board of Directors by the General Shareholders' Meeting held on 7 June 2012 .

*** Agrupació Mútua del Comerç i la Indústria, Mútua d'Assegurances i Reassegurances a Prima Fixa was absorbed by Agrupació AMCI de Seguros y Reaseguros, S.A. as a result of the merger between both companies, effective 17 December 2012. This led to the extinguishment of the legal personality of Dinamia's director.

**** Mr. Joaquín García-Quirós Rodríguez was appointed deputy chairman of the Board of Directors on 20 March 2012, replacing Mr. José Fernando Sánchez-Junco Mans.

***** Grupo Corporativo Empresarial de la Caja de Ahorros y Monte de Piedad de Navarra, S.A.U., represented by Mr. Juan Odériz San Martín, who resigned as a director on 22 October 2012.

	2011	
	Remuneration Board Members	Remuneration Audit Committee Members
		Euro
Mr. Santiago Bergareche Busquet	46,824.62	-
Mr. José Fernando Sánchez-Junco Mans	31,216.41	13,378.46
Mr. Alfred Merton Vinton	26,756.93	-
Agrupació Mutua del Comerci de la Industria Mutua d´Assegurances	31,573.17	-
Mr. Juan Arena de la Mora	28,986.67	12,263.59
Mr. Emilio de Carvajal y Ballester	26,756.93	-
Mr. Ricardo Portabella Peralta	6,689.23	-
Mr. Joaquín García Quirós	31,216.41	13,378.46
Mr. Rafael Jimenez López**	22,297.44	-
Grupo Corporativo Empresarial Caja Navarra	21,048.78	-
	273,366.59	**39,020.51**

* Mr. Ricardo Portabella Peralta resigned as a director on 22 March 2011.
** Mr. Rafael Jiménez López was appointed a director by co-option on 22 March 2011. His appointment was ratified by the General Shareholders' Meeting on 7 June 2011.

At 31 December 2012 and 2011 there were no advances or loans or any pension or life insurance arrangements with the members of the Board of Directors.

28 Directors' duty of loyalty

In accordance with Article 229 of the Spanish Companies Act 2010, approved by Legislative Royal Decree 1/2010, in order to strengthen transparency in Spanish public limited companies, set out below is the list of members of the Board of Directors who are shareholders or carry out functions in companies carrying out activities which are identical, analogous or complementary to those which constitute the Company's corporate objects at 31 December 2012:

Shareholder	Company	Activity	Offices or duties held or performed in company indicated
Alfred Merton Vinton	Nmas1 Private Equity International Ltd.	Venture capital	Director
Alfred Merton Vinton	GP Investments Ltd.	Venture capital	Director and minority shareholder

Other than the above, there is no member of the Board of Directors holding shares in companies with an identical, analogous or complementary corporate objects to those of the Company.

Mr. Alfred Merton Vinton is a member of the Board of Directors of Nmás1 Private Equity International Limited, that acts as the “general partner” of Nmás1 Private Equity Fund L.P. There is an agreement between Nmás1 Private

Equity International Limited and Nmás1 Capital Privado S.G.E.C.R., S.A., the Management Company of Dinamia, under which both entities undertake to offer all investments that may be made under identical conditions to the fund Nmás1 Private Equity Fund and the Company. Similarly, Mr. Alfred Merton Vinton is a director and minority shareholder (with an interest of less than 0.1% of capital) of GP Investments Ltd., a company listed in Brazil (Bovespa) and engaged in venture capital operations although its activities focus on investments in Latin America.

In the past Mr. Alfred Merton Vinton represented Electra Private Equity Partners 1995 (a significant shareholder of DINAMIA) on the Board of Directors of DINAMIA and was therefore a nominee director. Nonetheless, in June 2007 and after leaving Electra Private Equity Partners 1995, the General Shareholders' Meeting of DINAMIA of 28 June 2007 approved, at the proposal of the Company's Board of Directors, the reclassification of Mr. Vinton as an external director. Mr. Vinton's relationship with the Electra Group is currently limited as follows:

- Mr. Vinton is a consultant and external advisor of Electra Partners LLP in relation to its investments in various investees in UK, Spain and Latin America (including Dinamia) although he has no decision making power and nor does he form part of any decision making committee or body in Electra Partners, LLP.

Set out below is a list of the members of the Board of Directors holding positions or carrying out duties in companies carrying out an identical or analogous kind of activity as that which constitutes the Company's corporate objects at 31 December 2011:

Shareholder	Company	Activity	Offices or duties held or performed in company indicated
Alfred Merton Vinton	Nmas1 Private Equity International Ltd.	Venture capital	Director
Alfred Merton Vinton	GP Investments Ltd.	Venture capital	Director and minority shareholder
Agrupació Mutua del Comerci de la Industria Mutua d´Assegurances i R.P.F.	Inverpyme, S.C.R. S.A.	Venture capital	Shareholder
Grupo Corporativo Empresarial Caja Navarra	Inversiones Alaris, S.L.	Venture capital	Chairman of the Board of Directors and shareholder
Grupo Corporativo Empresarial Caja Navarra	CCAN 2005 Inversiones Societarias, SCR de Régimen Simplificado, S.A.	Venture capital	Chairman of the Board of Directors and single shareholder
Grupo Corporativo Empresarial Caja Navarra	Eurecan Alto Rendimiento, S.L.U.	Venture capital	Shareholder and sole administrator
Grupo Corporativo Empresarial Caja Navarra	CCAN 2007 Inversiones internacionales, E.T.V.E. S.L.U.	Venture capital	Chairman of the Board of Directors and single shareholder
Grupo Corporativo Empresarial Caja Navarra	Anira Inversiones, S.L.	Venture capital	Director and shareholder

There is no member of the Board of Directors holding shares in companies with an identical, analogous or complementary corporate objects to those of the Company.

At 31 December 2011 Mr. Alfred Merton Vinton was a member of the Board of Directors of Nmás1 Private Equity International Limited, that acts as the "general partner" of Nmás1 Private Equity Fund L.P. There is an agreement between Nmás1 Private Equity International Limited and Nmás1 Capital Privado S.G.E.C.R., S.A., the Management Company of Dinamia, under which both entities undertake to offer all investments that may be made under identical conditions to the fund Nmás1 Private Equity Fund and the Company. Similarly, Mr. Alfred Merton Vinton is a director and minority shareholder (with an interest of less than 1% of capital) of GP Investments Ltd., a listed company whose objects are identical to those of Dinamia Capital Privado, S.C.R., S.A.

29 Environmental disclosures

The Company's overall operations are governed by the laws on environmental protection (environmental laws) and employee health and safety (laws on safety at the workplace) . The Company's directors consider that it largely meets environmental regulations and has procedures in place designed to encourage and assure such compliance.

The Company has taken the necessary measures to protect and improve the environment and to minimize environmental impact, if applicable, in compliance with current environmental legislation. During the year it has not been deemed necessary to record any provision for environmental liabilities and charges as there are no contingencies related to environmental protection and improvement.

30 Events after the balance sheet date

On 31 January 2013 Dinamia acquired, together with the funds N+1 Private Equity Fund II and the company's management team, 100% of the capital of Probos – Plásticos, S.A. from Explorer II – Fundo de Capital de Risco. Finally, Dinamia's investment in the operation amounted to €11,500 thousand and the percentage interest acquired amounted to 24.34%.

There have been no other events in the period 31 December 2012 to the date of these accounts that have a significant effect on the Company or its financial statements.

31 Auditors' fees

The fees accrued by PricewaterhouseCoopers Auditores, S.L. for auditing the Company's financial statements (including the six month review) in 2012 amount to €71,118.60 (€31,944.00 in 2011), not including VAT. The fees paid to the audit firm or other companies related to it for other complementary services (translation and advisory services) amounted to €10,324.43 in 2012 (€17,948.05 in 2011),not including VAT.

Dinamia Capital Privado, Sociedad de Capital Riesgo, S.A.

Directors' Report

1 Business performance during the financial year

2012 was a negative year in terms of the development of the main macro-economic ratios in Europe. GDP in the Eurozone fell by 0.1% in the third quarter of 2012 which, together with the decline of 0.2% in the second quarter of 2012, pushed the Eurozone into recession In addition, in 2012 unemployment in the Eurozone jumped to record levels (11.7% in October). This negative performance had a direct impact on peripheral countries - Greece, Italy, Spain and Portugal - which were hit by the debt crisis and austerity budget policies.

According to the estimate advanced by the National Institute of Statistics (INE), Spanish GDP fell by 1.37% in 2012, suffering its fifth consecutive quarter of decline. According to the INE, this results from a more negative performance of domestic demand, partly offset by the positive contribution of external demand.

In Spain stock market indexes fell during the year. The Ibex-35 fell by 4.7% while the Ibex Small Caps, which includes Dinamia, lost 24% of its value in 2012. In this respect, noteworthy is the performance of Dinamia shares, which outperformed the small cap index and even the Ibex 35, with growth of 37.7% in 2012.

With respect to the venture capital sector in Spain, the absence of financing for leveraged operations continued in 2012, impacting the volume of investment. In 2012 investment amounted to €2,525 million, according to ASCRI, down 22.5% on 2011. It is important to note that 94% of total operations involved companies of less than €5 million. The most noteworthy investments in the year were the acquisitions of Atento by Bain Capital, Maxam by Advent Capital and the Quirón Group by Doughty Hanson.

With respect to the development stage, 58% of operations were carried out in expansion-stage companies while 38% were completed in start-ups. Although accounting for 54% of the total volume, leveraged operations represented only 1.7% of operations.

From a sector perspective, the categories where most transactions were completed were IT (32%), Industrial Products and Services (13%) and Biotechnology/Genetic Engineering (9%).

Activity in divestments was significant and the volume of divestment at cost amounted to €956 million, down 47% on 2011. The divestment mechanism most used was "Sale to third parties " (65%) followed by the recognition of capital losses (16%). The most noteworthy divestments included that of Dinamia y N+1 Private Equity Fund Lp in ZIV, that of Mercapital in Gasmedi and that of Portobello y Vista in Maxam.

With respect to the Company's activities during the year, on 4 January Dinamia sold its interest in HP Health Club Iberia S.A. ("Holmes Place"), a company devoted to the operation of upmarket gymnasiums in Spain. The buyers were the management companies of the Holmes Place brand in several European countries.

On 24 February Dinamia granted a participating loan to MBA Incorporado S.L. ("MBA") amounting to €1.2 million within the framework of the acquisition of a European operator.

On 23 March a contribution was made to the Electra Partners Club venture capital fund amounting to €1.7

million to acquire an interest in Peverel Group, a provider of real estate management services in the UK.

On 27 July 2012 Dinamia sold its entire 37.25% interest in ZIV Aplicaciones y Tecnología, S.L., together with its participating loan in the same, to the Indian company Crompton Greaves, that acquired it through CG International B.V. The selling price for Dinamia amounted to approximately €40.7 million, multiplying by 3.5 times the cost of its initial investment. The selling price is subject to potential adjustments. Net income from such adjustments amounted to €38.5 million.

On 28 September 2012 a contribution was made to the venture capital fund Electra Partners Club amounting to 67 thousand pounds sterling (€86 thousand) to cover the fund's management fees and other current expenses.

On 24 October 2012 a contribution was made to the venture capital fund Electra Partners Club amounting to 16 thousand pounds sterling (€20 thousand) to cover the fund's management fees and other current expenses.

On 1 November 2012 Dinamia, together with other venture capital entities managed by N+1 Capital Privado, SGECR SA, completed the acquisition of 55% of the share capital of Secuoya, Grupo de Comunicación, S.A.. Dinamia's investment entailed an initial payment of €3,604 thousand.

2 Outlook

With respect to the outlook for the rest of the year, the Government considers that activity in Spain will decline by 0.5% in 2013, which is less than in 2012 and will give rise to growth, coming out of recession in the last two quarters. The OECD's estimate is slightly lower and points to a decline of 0.8%.

Private consumption is expected to remain weak due to the high jobless rate, significant levels of household debt and contracting credit. On the upside, exports are expected to increase and unit labour costs to fall, thereby improving the competitiveness of the Spanish economy.

The measures adopted by the Spanish government to reduce the public deficit will have an adverse effect on economic activity in the short term, contributing to the aforementioned fall in GDP. Nonetheless, the rationalisation of public finances, together with the programme of structural reforms which is being implemented, is expected to have a positive impact on investor and business confidence. This is the scenario which Spanish markets seem not to be counting on in light of the positive start to 2013, particularly by small and mid caps.

In Private Equity, the shortage of debt, the difficulty in raising new funds and economic uncertainty will continue to condition its performance and we do not expect a significant recovery in investor volume in 2013. On the upside, noteworthy is the fact that within this scenario, venture capital funds with the resources to finance the growth of companies (mainly to accompany them on their international expansion) will play an active part in the economic recovery process. Moreover, the entry of international operators and funds in the capital of Spanish companies gives cause for optimism concerning investment opportunities.

On the debt market, the priority to rationalise the Spanish financial system and the aversion of foreign entities to country risk limit the possibility of financing new operations in general and only the most select projects will benefit from that financing. This limitation has triggered the proliferation of operations where debt figures on the company’s balance sheet such as in the case of the latest investment made by Dinamia and N+1 Private Equity Fund II in Probos.

Additionally, the divestment of non-strategic assets carried out by large corporations or financial institutions may offer an additional source of opportunities, together with the companies currently on the portfolio of venture capital entities which were acquired in the period 2005 to 2007 and are subject to divestment .

The Company had cash on hand and at bank amounting to €49 million at 31 December 2012 in order to continue its investment strategy, based on sector and geographical diversification, with a preference for companies in the industrial and technological sector and with a clear export vocation.

3 Research and development expenses

The Company did not carry out any activity related to research and development.

4 Acquisition of treasury shares

During 2012 48,302 treasury shares were acquired for a total of €205,400.37 thousand. With respect to the treasury share position at 31 December 2012, 52,618 shares were acquired amounting to €221,994.96. At 31 December 2011, 4,316 treasury shares were acquired amounting to €16,594.59. No treasury shares have been sold.

5 Events after the balance sheet date

On 31 January 2013 Dinamia acquired, together with the funds N+1 Private Equity Fund II and the company's management team, 100% of the capital of Probos – Plásticos, S.A. from Explorer II – Fundo de Capital de Risco. Finally, Dinamia's investment in the operation amounted to €11,500 thousand and the percentage interest acquired amounted to 24.34%.

On 9 July 2012, N+1 Capital Privado, the management company of Dinamia, reported that it had reached an agreement with the shareholders of Mercapital Private Equity, SGECR, S.A .in order to integrate their respective venture capital activities. This integration will take place in the first few months of 2013 and does not entail a change of control in N+1 Capital Privado.

6 The Company's risk management objectives and policies

The risk to which the Company is exposed is mainly concentrated in the investee portfolio. In order to mitigate such risks, controls are carried out prior to the completion of the investments such as the diversification of the economic sectors in which Dinamia invests and the obtaining of independent expert reports and opinions on the potential targets and their environment. Once they form part of the Company's portfolio, risk is mainly controlled through the on-going follow-up of the main economic variables affecting the business involved.

Given the Company's activity, the use of financial instruments with respect to the listed security investment portfolio has been confined to the temporary subscription of public debt assets and the objectives and policies concerning the management of the price, credit, liquidity and cash flow risks have been limited, basically in accordance with the limits and coefficients laid down in current legislation.

Appendix 1

BREAKDOWN OF INVESTMENT PORTFOLIO AT 31 DECEMBER 2012 Thousand euro

Investee company	Interest	Registered address	Activity sector	Auditor
Grupo Gestión Integral Novolux Internacional, S.L.	Development capital	Barcelona	Vehicle entity	KPMG
The Beauty Bell Chain, S.L.	Development capital	Madrid	Vehicle entity	Ernst & Young
High Tech Hotels & Resorts, S.A.	Development capital	Madrid	Hotel	Deloitte
Colegios Laude, S.L.	Development capital	Madrid	Education	KPMG
Colegios Laude II, S.L.	Development capital	Madrid	Education	KPMG
TBBC Helena Investments, S.L.	Development capital	Madrid	Vehicle entity	Not audited
Alcad, S.L.	Development capital	Madrid	Vehicle entity	PwC
Helena Debtco	Development capital	Luxemburgo	Vehicle entity	Not audited
Xanit Health Care Management, S.L.	Development capital	Madrid	Healthcare	PwC
United Wineries Holdings, S.A.	Development capital	La Rioja	Wine production	Abante Audit Auditores, S.L.P.
Nicolas Correa, S.A.	Development capital, listed	Burgos	Iron & Steel	KPMG
MBA Incorporado, S.L.	Development capital	Gijón	Prosthesis	PwC
Rymsa, S.L.	Development capital	Madrid	Telecommunications	Deloitte
Lata Lux Holding Parent S.a.r.l.	Start-up capital	Luxemburgo	Vehicle entity	Deloitte
Tryo Technologies, S.L.	Start-up capital	Zaragoza	Vehicle entity	Deloitte
Tamsi Spain, S.L.	Start-up capital	Madrid	Vehicle entity	PwC
Cardomana Servicios y Gestiones, S.L.	Start-up capital	Madrid	Vehicle entity	Deloitte

Appendix 1

BREAKDOWN OF INVESTMENT PORTFOLIO AT 31 DECEMBER 2011

Thousand euro

Investee company	Interest	Registered address	Activity sector	Auditor
Grupo Gestión Integral Novolux Internacional, S.L.	Development capital	Barcelona	Vehicle entity	KPMG
The Beauty Bell Chain, S.L.	Development capital	Madrid	Vehicle entity	Ernst & Young
High Tech Hotels & Resorts, S.A.	Development capital	Madrid	Hotel	Deloitte
HP Health Clubs Iberia, S.A. (formerly Colegiata Invest, S.L.)	Development capital	Madrid	Vehicle entity	Deloitte
Colegios Laude, S.L.	Development capital	Madrid	Education	KPMG
TBBC Helena Investments, S.L.	Development capital	Madrid	Vehicle entity	Not audited
ZIV Aplicaciones y Tecnología, S.L.	Development capital	Madrid	Electricity	PwC
Alcad, S.L. (formerly Limestone Spain, S.L.)	Development capital	Madrid	Vehicle entity	PwC
Helena Debtco	Development capital	Luxemburgo	Vehicle entity	Not audited
Xanit Health Care Management, S.L.	Development capital	Madrid	Healthcare	PwC
Arco Bodegas Reunidas, S.A.	Development capital	Madrid	Wine production	Ernst & Young
Nicolas Correa, S.A.	Development capital, listed	Burgos	Iron & Steel	KPMG
MBA Incorporado, S.L.	Development capital	Gijón	Prosthesis	PwC
Lata Lux Holding Parent S.a.r.l.	Start-up capital	Luxemburgo	Vehicle entity	Deloitte
Newco Tecnología y Comunicación, S.L.	Start-up capital	Zaragoza	Vehicle entity	Deloitte
Rymsa, S.L.	Development capital	Madrid	Telecommunications	Deloitte
Tamsi Spain, S.L.	Start-up capital	Madrid	Vehicle entity	PwC

Appendix 2

BREAKDOWN OF INVESTMENT PORTFOLIO AT 31 DECEMBER 2012

Thousand euro

Investee company	% Interest	Capital
Grupo Gestión Integral Novolux Internacional, S.L.	48.54%	917
The Beauty Bell Chain, S.L.	14.35%	986
High Tech Hotels & Resorts, S.A.	26.00%	9,335
Colegios Laude, S.L.	49.27%	894
Colegios Laude II, S.L.	49.27%	82
TBBC Helena Investments, S.L.	24.98%	-
Helena Debtco	26.76%	-
Alcad, S.L.	37.68%	2,696
Xanit Health Care Management, S.L.	33.71%	3,713
United Wineries Holdings, S.A.	8.00%	17,987
Nicolás Correa, S.A.	12.57%	-
MBA Incorporado, S.L.	36.91%	4,770
Rymsa, S.L.	24.76%	5,008
Lata Lux Holding Parent S.a.r.l.	2.60%	177,894
Tryo Technologies, S.L.	24.76%	247
Tamsi Spain, S.L	25.00%	3,090
Cardomana Servicios y Gestiones, S.L.	25.00%	27,990

EQUITY				
Reserves	Results of the year	Other	Total	Attributable carrying value- adjusted
503	(10,329)	-	(8,909)	-
(114,661)	(23,355)	-	(137,030)	-
1,713	(4,420)	462	7,090	1,843
(20,564)	(2,668)	38	(22,300)	-
(547)	129	-	(336)	-
-	-	-	-	-
-	-	-	-	-
10,298	(3,030)	(461)	9,503	3,581
(26,395)	(1,844)	(311)	(24,837)	-
76,326	(593)	(265)	93,455	7,476
-	-	-	-	-
75,156	(4,682)	(915)	74,329	27,435
11,186	2,273	(762)	17,705	4,384
2,031	14,901	653	195,479	5,082
25,654	2,158	(349)	27,710	6,861
25,651	2,261	(2,018)	28,984	7,246
31,249	7,611	-	66,850	16,713

Appendix 2

BREAKDOWN OF INVESTMENT PORTFOLIO AT 31 DECEMBER 2011

Thousand euro

Investee company	% Interest (e)	Capital
Grupo Gestión Integral Novolux Internacional, S.L. (c)	44.47%	947
The Beauty Bell Chain, S.L. (c)	14.35%	986
High Tech Hotels & Resorts, S.A. (c)	26.00%	9,335
HP Health Clubs Iberia, S.A	21.33%	-
Colegios Laude, S.L. (b)	49.27%	894
Colegios Laude II, S.L. (b)	49.27%	82
TBBC Helena Investments, S.L.	24.98%	-
Helena Debtco	26.76%	-
Alcad, S.L. (formerly Limestone Spain, S.L.)	37.68%	2,032
ZIV Aplicaciones y Tecnología, S.L.	37.25%	1,180
Xanit Health Care Management, S.L.	32.85%	3,713
Arco Bodegas Reunidas, S.A. (d)	8.00%	-

Investee company	% Interest (e)	Capital
Nicolás Correa, S.A.	13.27%	-
MBA Incorporado, S.L.	36.74%	4,770
Lata Lux Holding Parent S.a.r.l.	2.85%	177,894
Newco Tecnología y Comunicación, S.L.	25.00%	247
Rymsa, S.L.	25.00%	4,960
Tamsi Spain, S.L	25.00%	27,990

(a) Data obtained from the financial statements at 31 December 2011 (consolidated, in the case of group companies), except for Arco Bodegas Reunidas, S.A. and Colegios Laude, S.L. and Colegios Laude II, S.L.(see (b) and (d))
(b) Year ended 31 December 2010 . The data recorded are at that date.
(c) Data not auddited at formulation date of the Annual Accounts corresponding to year-end 2011
(d) Year ended 30 September 2010 . The data recorded are at that date.
(e) The effect of treasury shares is included , if appropriate

This appendix is an integral part of note 7 to the financial statements for 2012 together with which it should be read

EQUITY (a)				
Reserves	Results for the year	Other	Total	Attributable carrying value- adjusted
3,702	(3,129)	(100)	1,420	631
(97,150)	(17,525)	-	(113,689)	-
3,073	(1,360)	480	11,527	2,950
-	-	-	-	-
(19,055)	(1,508)	40	(19,629)	-
(459)	(88)	-	(465)	-
-	-	-	-	-
-	-	-	-	-
13,881	(3,112)	(436)	12,365	4,659
16,764	1,735	62	19,741	7,354
(22,700)	(3,695)	(201)	(22,883)	-
-	-	-	-	-

EQUITY (a)				
Reserves	Results for the year	Other	Total	Attributable carrying value- adjusted
-	-	-	-	-
76,286	(924)	(932)	79,200	29,287
-	43,489	-	221,383	6,309
24,318	1,341	(245)	25,661	6,415
11,253	(215)	(616)	15,382	3,846
31,249	7,611	-	66,850	16,713

Dinamia Capital Privado, Sociedad de Capital Riesgo, S.A.

Appropriation of profit for 2012

In accordance with the provisions of article 273.1 of the Spanish Corporate Enterprises Act, and in light of the profit of € 26,172,944.61 earned in 2012, it is agreed to apply this profit in full to the following heading:

- OFFSET OF PRIOR-YEAR LOSSES .... € 26,172,944.61

Dinamia Capital Privado, Sociedad de Capital Riesgo, S.A.

Report prepared by the Audit and Appointments Committee of Dinamia Capital Privado, S.C.R., S.A. giving Account of its activities in 2012

I. Introduction

The Bylaws and Board Rules of Dinamia Capital Privado, S.C.R., S.A. ("**Dinamia**" or the "**Company**"), in reference to the Audit and Appointments Committee, stipulate that the Committee itself draw up an annual report on its activities, highlighting the main incidents arising, if any, in relation to the duties vested in it. In light of the foregoing, the Committee has prepared this report, in which there is scope, as deemed appropriate, for proposals for improving the Company's governance rules, in keeping with article 22.2 of the Bylaws and article 13 of the Board Rules.

This report, giving account of the activities undertaken by the Audit and Appointments Committee in 2012, can be downloaded by the Company's shareholders and investors from the corporate website (www.dinamia.es).

II. Composition of the Committee

The abovementioned article 22.2 of the Bylaws and article 13 of the Board Rules stipulate that the Audit and Appointments Committee comprise at least three external directors appointed by the Board of Directors for a term of three years.

In 2012, the Audit and Appointments Committee was made up of the following three external directors:

- Javier Carretero Manzano (chairman in 2012 from the meeting of 24 April) was appointed independent director on 20 March 2012, an appointment which was ratified at the General Meeting of 7 June 2012, when he was re-elected for the statutory term of office of five years.
- Juan Arena de la Mora (member and chairman until the Committee meeting of 24 April) was appointed independent director at the General Meeting of 28 June 2007. He was re-elected for the statutory term of five years at the General Meeting of 7 June 2012.
- José Fernando Sánchez-Junco Mans (member of the Committee until its meeting of 20 March 2012, inclusive) was appointed independent director on 11 December 2002 by co-option, an appointment that was ratified at the General Meeting of 23 June 2003. His position was last renewed on 5 June 2008. Mr. Sánchez-Junco presented his resignation as director and member of the Audit and Appointments Committee of Dinamia on 20 March 2012.

- Joaquín García Quirós Rodríguez (member) was appointed proprietary director at the General Meeting of 4 June 2009. Mr. García-Quirós's tenure as member of the Audit and Compliance Committee ended on 29 October 2012; on 23 October 2012, the Board of Directors agreed to replace him with Rafael Jiménez López with effect from 29 October.

- Rafael Jiménez López (member) was appointed proprietary director by co-option on 22 March 2011; his appointment was ratified at the General Meeting of 7 June 2011.

As for the various posts held within the Committee, Juan Arena de la Mora (independent director) chaired the Audit and Appointments Committee in 2012 until he was replaced by Javier Carretero Manzano, who chaired the Committee from 24 April 2012 on, based on the annual chairmanship rota agreed by the Committee itself, as provided for in the Company's Bylaws and Board Rules.

Luis de Carlos Bertrán, a partner at law firm Uría Menéndez, served as Secretary to the Audit and Appointments Committee until 23 October 2013, which is when Marta Rios Estrella (not a director) replaced him. Ms. Rios is a lawyer at Uría Menéndez and also serves as Secretary to the Company's Board of Directors (since 23 October 2012). Until 23 October 2013, Ms. Rios served as Vice-Secretary of the Board of Directors and of the Audit and Appointments Committee.

Ignacio Zarzalejos Toledano, similarly not a director, is currently the Vice-Secretary to the Company's Audit and Appointments Committee and Board of Directors (since 23 October 2012). Ignacio Zarzalejos is a lawyer at Uría Menéndez.

As a result, at 31 December 2012, the Audit and Appointments Committee was made up of the following members:

- D. Javier Carretero Manzano (chairman, independent director)

- D. Juan Arena de la Mora (member, independent director)

- D. Rafael Jiménez López (member, proprietary director)

- Marta Rios Estrella (non-member secretary)

- Ignacio Zarzalejos Toledano (non-member secretary)

III. Activities performed in 2012

The Audit and Appointments Committee adopted resolutions on seven occasions in 2012 (once in writing and the other six times without a formal meeting).

The Audit and Appointments Committee, in keeping with the duties vested in it under article 13 of the Board Rules, centred its session agendas on the following activities:

- **INSPECTION OF PERIODIC PUBLIC FINANCIAL REPORTING:**

As it does every year, the Committee supervised the process of preparing and disclosing the Company's quarterly, half-yearly and annual financial information, verifying the accuracy and completeness thereof. The Board of Directors disclosed this information to the market and submitted it to the Spanish securities market regulator (the “CNMV”) in keeping with the periodic reporting requirements incumbent upon Dinamia in its capacity as listed company.

In this respect, the Committee reviewed, prior to submission to the CNMV by the Board, compliance with applicable regulatory requirements and the correct application of prevailing accounting criteria to the periodic financial information, all within the legally stipulated deadlines.

- **REVIEW OF THE ANNUAL FINANCIAL STATEMENTS:**

The Committee, with a view to ensuring that the annual financial statements authorised by the Board of Directors for submission at the General Meeting do not contain audit report qualifications, performed the following duties, among others, before submitting them to the Board for authorisation:

- Reviewing the Company’s financial statements;
- Monitoring compliance with applicable legal requirements and the correct application of generally accepted accounting policies;
- Supervising the process of preparing and presenting the financial information, the effectiveness of the Company’s internal controls, internal audit, and risk management systems, including a discussion of any weaknesses detected in the internal control system in the course of the audit with the external auditor; and
- Reviewing the periodic financial information which the Board of Directors must provide to the markets and their regulators.

In relation to the foregoing, the Audit and Appointments Committee has taken upon itself not only to review the presentation of Dinamia’s financial information but also the financial reporting processes themselves.

Prior to the Board’s granting authorisation to issue the financial statements, the Audit and Appointments Committee issued a report recommending said authorisation.

It is hereby noted that the Audit Report attached to Dinamia’s individual financial statements for 2011 did not contain any qualifications and it is not expected that the corresponding report on the 2012 statements will contain any either.

- **INTERNAL CONTROL OVER FINANCIAL REPORTING (ICFR) SYSTEMS:**

In relation to ICFR matters and in keeping with articles 22.2.2.e) of the Bylaws and 13.2 of the Board Rules, the Audit Committee supervised the preparation and presentation of the financial information of the Company in order to oversee its comprehensiveness, ensure compliance with legal requirements and the correct application of generally accepted accounting policies, to which end it had the direct support of the internal audit service and the Company’s external auditor.

- **EXTERNAL AUDIT:**

The Audit and Appointments Committee supervised compliance with the audit engagement contract, endeavouring that the audit opinion attaching to the annual financial statements and the main contents of the audit report were clearly and precisely drafted.

The Committee recommended that the Board of Directors submit the reappointment of PriceWaterhouseCoopers Auditores, S.L. as external auditor for the 2012 financial statements to the General Shareholders’ Meeting for approval.

The Committee also reviewed the fees invoiced in 2012 by the Company’s external auditor for all services rendered, including non-audit services, with the aim of preserving its independence.

In 2012 the Audit and Compliance Committee verified in respect of 2011 that the work contracted with the external auditor engaged to audit that year’s financial statements complied with the independence requirements provided for under Royal Decree-Law 1/2011 (of 1 July 2011), enacting the consolidated text of the Audit Act (the “Audit Act”).

It also verified (in 2013) that the work contracted with the external auditor engaged to audit the 2012 financial statements complied with the independence requirements currently in force under the Audit Act.

The Audit Act requires the Audit and Appointments Committee to issue, prior to issuance of the audit report, an annual report expressing an opinion on the independence of the auditor(s). Based on this requirement and the confirmation of independence provided by the auditor, the Audit and Appointments Committee issued a report in respect of 2012 expressing its opinion on the independence of its auditor, PriceWaterhouseCoopers Auditores, S.L., in which it concluded that there were no objective reasons to question its independence in 2012.

- **INTERNAL AUDIT:**

Dinamia's Management Company has outsourced the internal audit function to another company.

As part of its supervision of the internal audit service, the Audit and Appointments Committee received a report from Internal Audit and Financial Control, S.L. ("Interafi"), in its capacity as Dinamia's Internal Audit Unit. The main purposes of this report are to verify the extent of compliance with and the effectiveness of the written procedures designed by the Company, identify potential sources of risk and/or deviation with respect to the authorised procedures and to monitor the recommendations or areas for improvement flagged in prior reports. Interafi presented its report to the Audit and Appointments Committee.

- **VERIFICATION OF COMPLIANCE WITH CORPORATE GOVERNANCE REGULATIONS:**

In 2012 the Audit and Appointments Committee also verified compliance with and implementation of Dinamia's in-house rules. In the opinion of the Audit and Appointments Committee, the Company's rules were upheld.

In addition, as it does every year, the Audit and Appointments Committee ensured compliance with the Internal Securities Markets Code of Conduct and the Company's governance rules in 2012, not detecting any material breach in this respect.

- **APPOINTMENT OF DIRECTORS AND OF DIRECTORS TO BOARD POSITIONS:**

The Audit and Appointments Committee, in keeping with the terms of article 13.2 of the Board Rules, is tasked, among other duties, with the duty of reporting to the Board of Directors on the appointment, ratification and dismissal of directors, as well as on their pay and other conditions required to enable them to properly fulfil their commitments.

In its meeting of 20 March 2012, the Audit and Appointments Committee agreed to propose to the Board of Directors the appointment by co-option of Javier Carretero Manzano as independent director to fill the vacancy created by the resignation of José Fernando Sánchez-Junco Mans.

It also proposed the re-election of Emilio de Carvajal (proprietary director) and of Juan Arena (independent director), which proposals were raised to the Board of Directors which in turn submitted the appointments to vote at the Annual General Meeting.

Lastly, in 2012 the Audit and Appointments Committee agreed to report favourable to the Board of Directors on the appointment of Marta Rios Estrella as Secretary to the Company's Board of Directors, taking over from Luis de Carlos Bertrán, and of Ignacio Zarzalejos Toledano as Vice-Secretary of the Board of Directors.

- **DIRECTOR REMUNERATION POLICY:**

As stipulated in article 13.2 of the Board Regulations, the Audit and Appointments Committee is tasked with ensuring transparency with respect to director pay, including the legally-required director remuneration disclosures in the report on director remuneration and the annual corporate governance report.

To this end, in 2012 the members of the Audit and Appointments Committee agreed unanimously to recommend that the Board of Directors formally approve the Report on director remuneration for 2012, which was drawn up in keeping with the provisions of article 61.3 of the Spanish Securities Market Act (Law 24/1988, of 28 July 1998) for submission to the Company's shareholders (as a separate agenda item) at the Annual General Meeting.

• PROPOSALS FOR IMPROVING THE COMPANY'S CORPORATE GOVERNANCE

The Audit and Appointments Committee examined compliance with and implementation of the Company's in-house corporate governance rules in 2012, in keeping with article 22.2 of the Bylaws and article 13 of the Board Rules.

The Committee also analysed the regulatory changes with respect to corporate governance at listed companies that could have an impact on the Company's governance or other internal rules.

To this end, the Audit and Appointments Committee reviewed and updated Dinamia's in-house rules in 2012. As a result of the aforementioned review, at a meeting held on 20 March 2012 and at the recommendation of the Audit and Appointments Committee, the Board of Directors ratified amendments to the Company's Board Rules in order to incorporate the amendments to the Company's Bylaws that were to be submitted for approval at the Annual General Meeting. These amendments were also designed to guarantee the overall consistency of the various bodies of internal rules and update and fine-tune the wording of the Board Rules in order to round out and clarify certain rules and provisions.

In addition, and also on the basis of a recommendation by the Audit and Appointments Committee, the Board of Directors agreed to submit amendments to the Company's Bylaws and General Meeting Rules to the Company's shareholders at the General Meeting in order to: (i) incorporate the regulatory changes introduced following entry into effect on 2 October 2011 of Spanish Law 25/2011 (1 August 2011), partially amending the Corporate Enterprises Act and transposing Directive 2007/36/EC, of the European Parliament and of the Council of 11 July 2007 on the exercise of certain rights of shareholders of listed companies ("Law 25/2011") and Royal Decree-Law 9/2012 (16 March 2012), simplifying reporting and documentation requirements in relation to corporate mergers and spin-offs (RDL 9/2012) which modifies, among other laws, the Corporate Enterprises Act; (ii) fine-tune the wording of certain articles to adapt them to new article 61.3 of the Spanish Securities Market Act introduced following the enactment of Law 2/2011 (4 March 2011); and (iii) introduce wording and technical improvements to the articles whose amendment was being proposed.

In 2013, the Audit and Compliance Committee plans to analyse the new corporate governance rules being contemplated in Spain (as announced by the Ministry for the Economy and Competitiveness) to determine the need for and contents of a potential amendment to Dinamia's body of in-house rules for the purpose of adapting them to applicable legislation and enhancing and updating them as required.

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