DINAMIA

ANNUAL REPORT 2014

Summary

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

Presentation

1. Company overview

Dinamia Capital Privado, Sociedad de Capital Riesgo, S.A. ("Dinamia" or the "Company") is the first and only listed private equity firm in Spain (IPO - December 1997).

Dinamia's core mission is to provide its shareholders with a tax-efficient vehicle for investing in a diversified portfolio of unlisted companies with the ultimate goal of generating medium to long-term returns upon exit from its investees. This activity is known as private equity and constitutes an alternative investment asset class of interest to many institutional investors.

Dinamia, by virtue of being listed, provides the advantages intrinsic to the stock markets in terms of access to a diversified investor base, financial reporting transparency and liquidity, insofar as its shares are traded on the secondary market.

Dinamia's core strategy is to invest in unlisted Spanish companies with enterprise values ranging between €50m and €250m (defined as the mid-market segment). It is specialised in growth funding transactions, historically in Spain and Portugal although with an increasing focus on international growth stories. Dinamia's main remit, in contrast to that of a holding company, is to periodically turn over its investment portfolio. On average it invests in its portfolio companies for approximately five years.

Since it was incorporated in 1997, and having lived through various cyclical ups and downs, Dinamia's track record has been noteworthy. It started out with investments in 10 unlisted companies; since then it has made an additional 36 investments. Over the same timeframe it has fully exited 34 companies (the 10 initial investments plus 24 more), generating a gross annual return on realised deals of over 19%. At year-end 2014, the Company's portfolio comprised investments in 11 unlisted companies and one private equity fund (Electra Partners Club 2007 LP) and its net asset value stood at close to €175 million.

Dinamia's investment portfolio is managed exclusively by N+1 Capital Privado, S.G.E.I.C., S.A. ("N+1 Capital Privado"), one of the leading private equity players with an investment focus on Spain and Portugal.

In addition to Dinamia, N+1 Capital Privado manages the investments of N+1 Private Equity Fund LP (a closed-end British Limited Partnership fund) and N+1 Private Equity Fund II (a closed-end fund headquartered in Spain which has been active since 1Q08).

Dinamia co-invests with both of these funds in all their transactions so that the platform as a whole can take majority interests and participate in the mid-market segment.

N+1 Capital Privado pioneered the creation of the private equity market in Spain and boasts unique experience and know-how investing and divesting in the mid-market.

Since 1990 it has led investments in 83 assets (49 platforms and 34 add-ons) and concluded 37 exits, generating a pre-tax IRR of 20%.

These figures evidence its extensive acumen making temporary investments in companies in a diversified range of sectors, generally taking lead and controlling investments and an 'active management' approach. It seeks to invest in solid and profitable companies, leaders in their respective sectors or niches, with management teams capable of executing growth plans and creating shareholder value over the medium term. In recent years, the platform's support for Spanish companies' international expansion strategies, one of the key sources of value creation across the portfolio, stands out.

Lastly, N+1 Capital Privado is part of the N+1 Group (www.nplus1.com), an independent entity specialised the provision of value-added financial products and services in the middle market. Its activities can be grouped into three core business lines: direct investment in alternative assets (private equity, specialist equities, renewable energy, real estate), investment banking and private banking. The N+1 Group currently has almost €2,940 milion of assets under management and employs 289 professionals across its offices in Spain (Madrid, Barcelona and Bilbao, Zaragoza), the UK, Germany, France, Italy, Luxembourg, Turkey and Switzerland.

2. Sector[1]

2014 marked an inflexion point and the start of a new investment cycle.

After six difficult years for the sector, last year the private equity sector enjoyed an excellent performance across all its key indicators: fund-raising, investments and exits. In 2014, according to preliminary estimates, investment volumes returned to pre-crisis levels, surpassing the €3 billion mark. The fourth quarter of the year was very dynamic, with 40% of the the year's investments concentrated in the last three months.

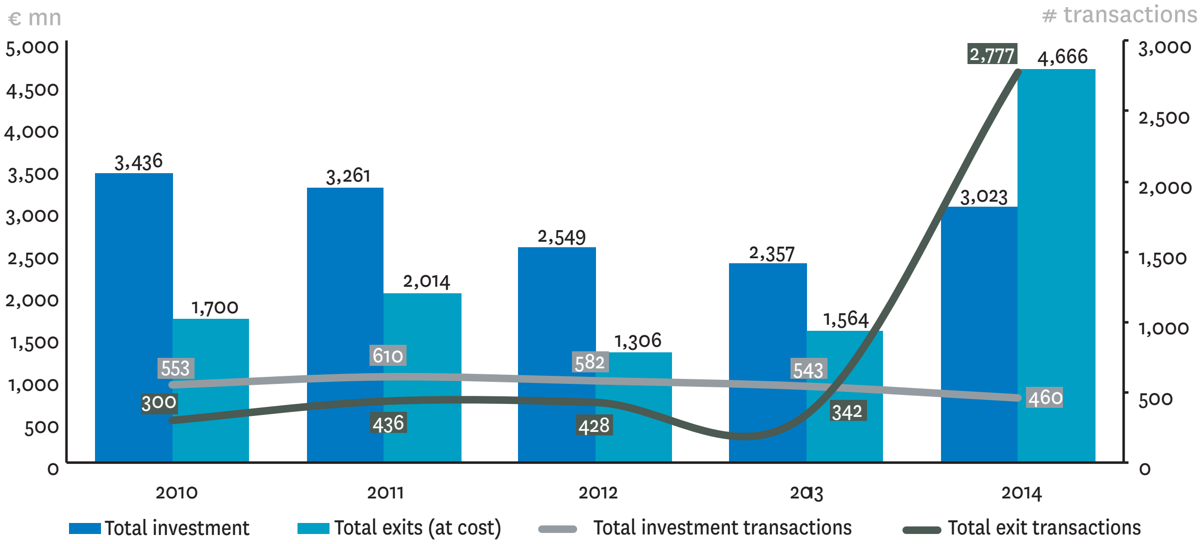
2.1 INVESTMENT VOLUMES

In 2014, according to preliminary estimates, investment volumes returned to pre-crisis levels, surpassing the €3 billion mark. The fourth quarter of the year was marked by intense investing activity, with 40% of the annual total concentrated in the last three months.

Private equity investment volumes rose 28% year-on-year to €3.02 billion (albeit masking a 15% year-on-year drop in the number of transactions). International funds accounted for 78% of investment volumes, participating in 55 deals.

As for deal size, it is worth noting the comeback staged by large transactions (equity injections of over €100 million). Nine large transactions closed in 2014, compared to five in 2013. Nevertheless, some 65% of the transactions closed in 2014 were deals entailing equity injections of less than €1 million.

INVESTMENT AND EXIT VOLUMES BY VALUE AND TRANSACTIONS (1)



(1) Investing and exit volumes of non-public private equity funds (Spanish and international). Does not reflect the business volumes of CDTI or Enisa
Source: webcapitalriesgo / ASCRI

1 This section was prepared using information compiled and published by webcapitalriesgo in January 2015.

By investment type, the predominance of growth investments stands out (64% of total investment volumes, close to €1 billion). The number of early-stage financing transactions (30% of total transactions) is also noteworthy (albeit only encompassing aggregate investment of €65 million).

The sectors attracting the most investment were consumer products (24%); hospitality and leisure (15%); medicine and healthcare (13%); and communication and industrial products and services (9% apiece).

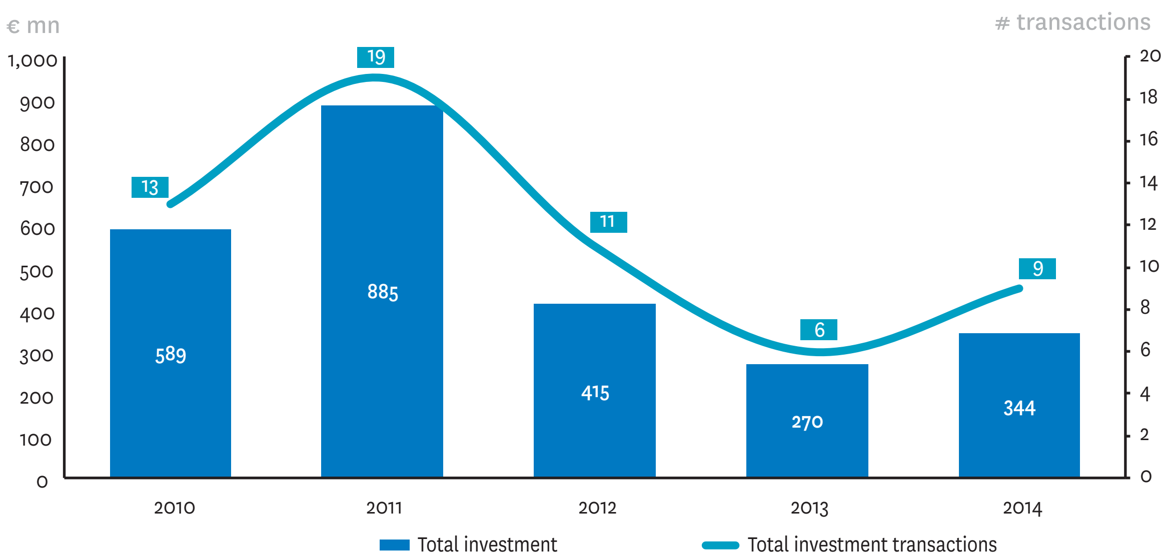
In terms of transaction volumes, the sectors attracting the most dealflow were: IT (37%); industrial products and services (14%); consumer products (9%); other services (7%) and biotechnology (5%).

The private equity sector is currently very buoyant in Spain: a rising tide that is facilitating the start-up and acceleration of companies right through to their international expansion.

Investment in the mid-market

The mid-market segment (transactions ranging from €10 to €100 million) proved dynamic, with 31 deals (6.8% of total transactions) entailing aggregate investment of €723.4 million (24% of total investment). The mid-upper segment (transaction size: €25 million to €100 million) also sustained substantial growth, receiving total investment of €344 million. The most importance transactions in the mid-market were: Nace (acquired by Magnum), Petrocorner (by JZ Capital and Avenue Capital), Acciona, OHL Concesiones, South East UP Power and Tradebe Environmental (by Cofides), Scytl (by Vulcan Capital), Industrias Dolz (by Realza Capital) and La Sirena (by Op Capita).

INVESTMENT VOLUMES IN THE MID-MARKET (€25-100 MILLION) BY VALUE AND TRANSACTIONS



Source: Webcapitalriesgo / Ascri

2.2 EXITS

The exit side of the market was one of the brightest spots last year, with volumes (measured at cost) hitting record numbers: €4.67 billion in 277 transactions, 198% more than in 2013. This performance comes on the heels of a dearth of exits in prior years, when valuations were depressed and private equity managers were busy improving and restructuring their investees, thereby pushing their exits back in time. Trade sales were the most common exit mechanism used (77% by volumes measured at cost), followed by sales to other private equity firms (12%).

2.3 FUND-RAISING

2014 was also a very strong year on the fund-raising front. Funds raised totalled €4,287 million (+88.5% over 2013), driven not only by a higher allocation by international funds but also the first three tender awards by Fond-ICO Global (which adjudicated €631 million to 23 players: 10 growth capital funds, nine venture capital vehicles, two incubator funds and two fixed-income funds). Of the total, €2.34 billion was allocated by international funds to their Spanish investments (add-ons), €1.69 billion was raised by private home-market players and the rest (€253 million), by public national players.

Fund-raising had been one of the major issues encountered by the sector during the crisis years; however the advent of Fond-ICO Global, renewed international investor appetite and the ability to conclude exits combined to invigorate fund-raising last year.

2.4 OUTLOOK FOR THE SECTOR IN 2015

At the macro level, the main indicators paint the picture of an economy that has not only recovered substantially, shaking off recession, but is registering growth of close to 2.5%. The Spanish economy might even top this forecast thanks to the combined positive impact on GDP of the oil price correction, ultra-low interest rates and the reduction in the risk premium.

The outlook for the sector is upbeat. Fund-raising is expected to keep up with the strong pace of 2014, buoyed once again by Fond-ICO Global but also by the return of the international investors. On the investment front, it looks likely that 2015 will be a busy year in term of both investment volume and transaction numbers, across all segments: venture capital, growth capital in the mid-market and large transactions.

3. Dinamia

In 2014 Dinamia continued to focus on the investments made between 2008 and 2013, having rejuvenated and turned over its portfolio and exited companies more highly geared to Spain's economic cycle.

Along this roadmap, Dinamia continued to foster the growth of its investees by increasing their exposure to international markets and helping them export their competitive advantages to new markets.

The Company stepped up its strategic focus on exits in order to take advantage of prevailing momentum and renewed market appetite, concluding several exits at valuations above NAV in 2014.

3.1 INVESTMENTS

On 17 January 2014, Dinamia, along with the other shareholders in Xanit, made an additional injection into the latter in order to finance the second stage of the acquisition of 100% of Croasa. The amount paid in by Dinamia amounted to €406 thousand and took the form of a profit-participating loan.

On 27 March 2014, Dinamia injected equity into Cardomana Servicios y Gestiones, S.L. (Grupo Secuoya) as part of a rights issue to fund the company with a view to: (i) paying the contingent acquisition price, in keeping with the terms and conditions of the Secuoya purchase agreement; and (ii) funding the Secuoya Group's acquisition-led growth strategy. Dinamia's investment amounted to €1,192 thousand.

On 16 May 2014, Dinamia, along with the other shareholders in TRYO, made an additional equity injection into the latter as part of a rights issue in order to finance the acquisition of 100% of Mier Comunicaciones. Mier is a Barcelona-based company which rounds out TRYO's product offering in the Space and Broadcasting divisions. Dinamia's investment amounted to €743 thousand.

MAIN DIVESTMENTS IN THE MID-MARKET SEGMENT IN THE LAST 12 MONTHS

PRIVATE EQUITY MANAGER	INVESTEE	CORE BUSINESS
Corpfin Capital	Cunext Copper	Copper transformation
Dinamia/N+1	**Colegios Laude**	**Education**
3i/Baring Private Equity	Derprosa	Graphic arts, labeling and packaging
Qualitas Equity Partners	Garnica Plywood	Laminated floor
Dinamia/N+1	**Xanit**	**Hospitals**
Portobello Capital/Realza Capital	Hofmann	Photo album
MCH Private Equity	Repasa	Towering services
3i	Café y Té	Restaurants
Dinamia/N+1	**Mivisa**	**Packaging**

3.2 EXITS

On 14 March 2014, the European Commission announced its approval of the sale of Dinamia investee Mivisa Envases, S.A.U. to strategic buyer Crown Holdings, Inc. In total, the transaction yielded income for Dinamia of €19,774 thousand, implying an internal rate of return (IRR) of 37.8% and an exit multiple of 2.4x the sum invested.

Dinamia closed the sale of its investment in Xanit Health Care Management S.L. ("Xanit Group") to Spanish healthcare group Vithas on 9 July 2014. Dinamia sold its entire 33.7% shareholding in Xanit Group along with the profit-participating loans it had extended to the company.

Dinamia received a total of €24,077 thousand from the sale of its investment in Xanit Group. This price could rise by as much as €0.7 million depending on delivery of certain milestones laid down in the purchase agreement.

Tamsi Spain, S.L., the company that owns 100% of the shares of Estacionamientos y Servicios, S.A.U. (EYSA), in which Dinamia Capital Privado, S.C.R., S.A. in turn holds a 25% equity interest, paid out a dividend against its share premium account on 28 July 2014. As a result of this transaction, Dinamia received a total of €6,759 million, thereby recouping 50% of its initial investment in EYSA. This distribution was made possible by a comprehensive capital restructuring and EYSA's €75 million bond issue, the biggest placement on MARF, Spain's alternative bond market, to date.

Salto Systems, S.L. paid out a dividend on 29 July 2014, generating income for Dinamia of €259 thousand.

Dinamia investee Colegios Laude II S.L. agreed and closed the outright sale of 100% of Colegios Laude UK Ltd. ("Laude UK"), the company which in turn owns Bredon School, based in Gloucestershire, Tewkesbury (England), on 3 December 2014.

Colegios Laude II, S.L. sold all its shares in Laude UK, representing 100% of the latter's share capital, and cancelled the profit-participating loans it had extended to it, totalling approximately £3.4 million (around €4.2 million). Colegios Laude II, S.L. will distribute the proceeds from the sale of Laude UK, net of transaction costs, to its shareholders in the near future. Dinamia owns 49.3% of Colegios Laude II, S.L. This transaction, coupled with the sale of 100% of the Spanish assets (Colegios Laude, S.L.) on 30 May 2014, implies Dinamia's full exit from Colegios Laude.

During the last quarter of 2014, Dinamia received two distributions from Electra Partners Club 2007 LP as a result of the repayment of shareholder contributions by two of this fund's investees: Peverel and Axio Data Group. For Dinamia these payouts entailed the collection of GBP1,388 thousand in total (€1,743 thousand). In the wake of these distributions, Dinamia has recovered 25% of the amount contributed to the fund.

SNAPSHOT OF DINAMIA'S BUSINESS ACTIVITY IN 2014

INVESTMENTS

COMPANY NAME	ACTIVITY	DINAMIA STAKE [1]	AMOUNT (€M)
ADDITIONAL INVESTMENTS TO THE PORTFOLIO			
Xanit	Hospitals	33,70%	0,41
Secuoya	Audiovisual services	13,75%	1,19
Tryo	Electronic equipment	24,80%	0,74
			2,34

EXITS

COMPANY NAME	ACTIVITY	DINAMIA STAKE [1]	AMOUNT (€M)
FULL EXIT			
ZIV	Electric products and services	-	0,91
Mivisa	Packaging	-	14,35
Xanit	Hospitals	-	24,71
Laude	Schools	-	3,58
			43,56
PARTIAL EXIT			
Electra	Private Equity Fund	11,75%	1,74
Eysa	Car parks	25,00%	6,75
Salto	Electronic locks	5,50%	0,26
			8,75

(1) % post - transaction

3.3 SIGNIFICANT DEVELOPMENTS IN 2015

In addition, on 12 January 2015, Dinamia received its fourth distribution from Electra Partners Club 2007 LP as a result of a further repayment of shareholder contributions by fund investee Axio Data Group. Dinamia received £150 thousand (€191 thousand), which, coupled with prior distributions, puts the level of capital invested in this fund that has been recouped to date at 27%.

3.4 DINAMIA - N+1 MERGER

In order to expand product and geographic diversification, as well as to increase Company's size and liquidity, Dinamia's Board of Directors has analyzed various strategic alternatives.

As a result on 23 February 2015, the Boards of Directors of Dinamia and N+1 approved and jointly executed a Joint Merger Plan. The plan envisages the absorption of N+1 by Dinamia. The exchange ratio agreed by the boards of both companies under the framework of this agreement implied attributing 43% of the merged company to Dinamia's shareholders and the remaining 57% to N+1's shareholders. This exchange ratio was confirmed in the wake of the legal and financial due diligence performed by Deloitte and PwC and by the fairness opinion issued by Banco Santander in its capacity as financial advisor to Dinamia.

Also on 23 February, the Board of Directors of Dinamia approved and executed a De-merger Agreement, under which, under the scope of and simultaneous to the merger, Dinamia's current portfolio of investees will be transferred to a newly-created entity wholly-owned by Dinamia. The De-merger Agreement will be submitted to the shareholders of Dinamia for approval at the General Meeting called to vote on the merger.

The merger between N+1 (transferor) and Dinamia (transferee) will give rise to a listed company which result in a European specialist in financial advisory services and mid-cap investing activities, which will combine:

- The asset management business, the financial advisory business and certain investment services currently provided by the N+1 Group.
- Dinamia's existing private equity business.
- A new line of asset and product investments related to the management services of the combined group.

The resulting entity will have pro forma 2014 revenue of €100.8 million, pro forma profit attributable to equity holders of the parent of €42.4 million and an investment portfolio with a net asset value of €174.5 million.

The merger will bring together the assets and capabilities of the two companies to enable the continued development of their investing activities, which will be extended to all classes of assets and products forming part of the combined group's management business, boosting business opportunities. In addition, Dinamia's shareholder base will be deepened by the addition of N+1's shareholders, including the partners who will form the new company's professional team in the wake of the merger. The merger will also give the Company increased visibility and brand recognition, facilitating market positioning vis-a-vis growth in Spain and overseas.

By virtue of the planned transaction, Dinamia's current shareholders will end up with an interest in a larger company with a more diversified revenue base, as well as exposure to a growth story with a markedly international profile. All of this should contribute to the ultimate goal of creating additional value for shareholders and making the stock more liquid.

From N+1's perspective, as noted earlier, the merger will consolidate the international expansion strategy embarked on six years ago and invigorate its asset management business by giving it more capacity to invest in products under management.

The Joint Merger Plan is expected to be put before the shareholders of both companies for approval at their Annual General Meetings, called for 29 April 2015 in the case of Dinamia and 29 April 2015 in the case of N+1. The transaction is conditional upon a series of closing conditions itemised in Joint Merger Plan, including terms relating to the right of separation of Dinamia's shareholders to which they are entitled on account of the change in corporate purpose occasioned by the transaction.

3.5 OUTLOOK FOR 2015

In 2015, in the run-up to the merger's close (once the sales deriving from the above-mentioned right of separation have been exercised), Dinamia expects to pay out a special dividend of at least €3 million, depending on developments with respect to two portfolio investees up until the date on which the merger is filed in the companies register. In addition, an ordinary dividend will be paid out to the shareholders of the new merged entity.

Dinamia and N+1 plan to have the enlarged company created by the merger pay out a dividend totalling €19.4 million to all of the newco's shareholders. The dividend will be charged against the company's share premium reserve and is subject to shareholder approval at the Annual General Meeting.

In parallel, Dinamia will attempt to conclude additional exits, taking advantage of prevailing economic momentum and increased investor appetite in the Spanish market. This will allow it to monetise the growth achieved and solidity attained during the investment years.

3.6 SHAREHOLDERS: TRANSPARENCY, SOCIAL RESPONSIBILITY AND COMMUNICATION

Dinamia has been a member of LPEQ (www.lpeq.com), a group of 19 listed European private equity vehicles with an aggregate market cap at year-end 2014 of €9.07 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.

N+1 Capital Privado signed the Principles for Responsible Investment (PRI) endorsed by United Nations (www.unpri.org) in early 2010, acknowledging in this manner the importance of factoring non-financial considerations, such as environmental, social and corporate governance criteria, into all its investment decisions.

N+1 Capital Privado 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 its 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 (2014 Annual Corporate Governance Report). When analysing each investment opportunity, and prior to taking the final investment decision, specific due diligence is performed on environmental, social and human rights matters in order to ensure the correct standards are upheld.

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 tool and source of learning in the IR field and helps to foster agreements with suppliers on favourable terms (e.g., the agreement reached with Header, the online shareholder forum platform provider, for the fourth year in a row).

The Company believes that communication and transparency vis-à-vis the market are crucial to correct price formation and to ensuring adequate shareholder liquidity. In 2013, the Company embarked on a comprehensive plan designed to raise Dinamia's profile in the market with the ultimate goal of boosting liquidity and facilitating turnover in its shares. This plan is framed by three key lines of initiative:

1. Increasing research coverage. At present three research analysts cover the stock on a regular basis while another five international analysts provide limited coverage. The goal is to achieve a higher level of regular, full coverage over the course of the year.

2. Boosting share marketing efforts by means of participation in national and international fairs and events. Against this backdrop, Dinamia participated in two broker-organised roadshows in Madrid as well as several one-on-one meetings and conference calls with existing and potential investors.

3. Fostering a more active presence in the media in order to increase press coverage of the performance of Dinamia's investees.

Elsewhere, Dinamia continues to update and upgrade the design and contents of its webpage, www.dinamia.es, and bolster its communication strategy using this electronic medium by offering subscription to its newsletter.

3.6 NAV, SHARE PRICE PERFORMANCE, DIVIDEND AND EARNINGS

Dinamia closed 2014 with a net asset value (NAV) of €174.5 million, up 17% year-on-year. The NAV of the Company's investment portfolio amounted to €118.5 million (-8% vs. 2013 as a result of disposals), while net liquid assets increased to €55.9 million.

NAV per share at 31 December 2014 stood at €10.72, growth of 17% (this growth rises to 27% adjusting for the dividends paid in 2014). The trend in the NAV per share metric is noteworthy because it marks the consolidation of the turnaround initiated in 2011. Since the end of 2011, the Company's per-share NAV has increased by 41%.

The growth in NAV was underpinned by:

1. Net investee revaluations, driven mainly by healthy earnings performances during the year. Revaluations were concentrated among the companies acquired between 2008 and 2013 (MBA, Tryo, Eysa, Secuoya, Probos, Salto Systems); the better-performing investees boast greater international exposure and/or have benefitted from more active working capital management and are the result of the portfolio turnover strategy initiated in 2010;

2. Exits concluded at valuations above NAV (Mivisa, Laude, Xanit);

3. Offset by the reduction in cash due to the dividend payment (€0.70/share), portfolio investments and operating expenses.

Dinamia's share price gained 20% in 2014 (total shareholder return of 30% adjusting for dividends), outperforming the Ibex-35 (+4%) and the main comparable listed private equity indices, the LPX50 and the LPX Direct (which gained 8% and 7%, respectively). This strong share price performance had the effect of further narrowing the gap opened up between the Company and its listed private equity comps since mid-2010.

As a result of the healthy share price performance in 2014, with the share price gain outpacing NAV growth, the trading discount to NAV narrowed to 22% at year-end. There is still room for further tightening in the discount to NAV to the extent that Dinamia converges towards the average discount of its comparable indices, the LPX50 and LPX Direct, which ended 2014 trading at discounts to NAV of 13% and 12%, respectively.

The Company plans to submit a proposal to pay an extraordinary dividend of at least €3 million at the Annual General Meeting scheduled for 29 April 2015. This dividend is conditional upon the sale of two companies in the process of being sold: if they are not sold or are not sold for more than the value assigned to them in the merger agreements, Dinamia will pay a dividend of €3 million; if they are sold for more than the assigned amount, the difference between the net proceeds and these valuations will be paid out as a dividend.

Dinamia and N+1 plan to have the enlarged company created by the merger pay out a dividend totalling €19.4 million to all of the newco's shareholders. The dividend will be charged against the company's share premium reserve and is subject to shareholder approval at the Annual General Meeting.

Board of Directors and Management Company

BOARD OF DIRECTORS OF DINAMIA CAPITAL PRIVADO, S.C.R., S.A. At 31 December 20144

Name	Position	Class of director
Santiago Bergareche Busquet	Chairman	Other external
Joaquín García-Quirós Rodríguez[1]	Vice-Chairman	Proprietary
Fernando D'Ornellas Silva	Member	Independent
José Javier Carretero Manzano[1]	Member	Independent
Emilio Carvajal Ballester	Member	Proprietary
Rafael Jiménez López	Member	Proprietary
Alfred Merton Vinton	Member	Other external
Nicolás Villén Jiménez	Member	Independent
Marta Rios Estrella	Secretary, non-member	-
Ignacio Zarzalejos Toledano	Vice-Secretary, non-member	-

(1) Joaquín García-Quirós Rodríguez formally tendered his resignation from the Board of Directors on 26 February 2015. At the formal recommendation of the Appointments and Remuneration Committee and as provided for in article 18 of the Company's bylaws, José Javier Carretero Manzano was appointed as the new Vice-Chairman of the Company's Board of Directors.

AUDIT AND APPOINTMENTS COMMITTEE OF DINAMIA CAPITAL PRIVADO, S.C.R., S.A. [1] At 31 December 2014

Name	Position	Class of director
Fernando D'Ornellas Silva[2]	Chairman	Independent
Nicolás Villén Jiménez[3]	Member	Independent
José Javier Carretero Manzano	Member	Independent
Rafael Jiménez López	Member	Proprietary
Marta Rios Estrella	Secretary	-
Ignacio Zarzalejos Toledano	Vice-Secretary	-

(1) In 2015, as required under the new Corporate Enterprises Act, the Board of Directors set up an Appointments and Remuneration Committee, so that the duties of the former Audit and Appointments Committee, whose name has been changed to that of the Audit Committee, have been reduced.

(2) Dinamia's Audit and Appointments Committee agreed to appoint Fernando D'Ornellas Silva as its chairman with effect from 9 May 2014 (the date on which the outgoing chair's tenure elapsed). Nicolás Villén remains a member of this Committee.

(3) Nicolás Villén Jiménez served as the Committee's Chairman until 9 May 2014 (the date on which his tenure elapsed), on which date he was substituted by Fernando D'Ornellas Silva, who chaired the Committee for the rest of the year.

N+1 CAPITAL PRIVADO, S.G.E.I.C., S.A. At 31 December 2014

Name	Position
Federico Pastor	Partner, Chairman
Gonzalo de Rivera	Partner, CEO
David Santos	Partner
Javier Arana	Partner
Mariano Moreno	Partner
Bruno Delgado	Partner
David Estefanell	Partner
José Alberto Parejo	Director (Investor Relations)
Fernando Sanz-Pastor	Principal
Fernando Ortega	Principal
Angel Manotas	Principal
Manuel Alamillo	Principal
Juan Luis Torres	Associate
Jaime Codorníu	Associate
Inés Álvarez	Analyst
Iñigo Querol	Analyst
Sergio Jerónimo	CFO
Beatriz Castedo	Controller
Sonsoles Bordiu	Secretary
Irene Acedos	Secretary

Key Figures and Charts

1. Key data

General data

IPO	15/12/97
Year-end (YE)	31/12/14
Stock exchanges	Madrid / Barcelona
Indices	IBEX Small Cap / LPX50 / LPXEurope / LPXComposite / LPX Direct
Ticker (Bloomberg) / RIC (Reuters)	DIN SM / DIN.MC
ISIN code	ES0126501131
2014 AGM	29/04/15
NAV reporting frequency*	Quarterly
Ordinary dividend frequency	Annual
No. of shares outstanding (YE)	16,279,200

* Reviewed half-yearly by an independent expert

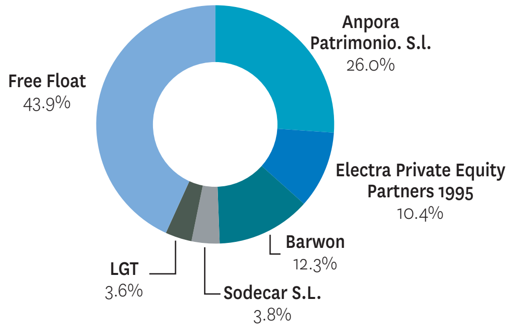
Share, NAV and dividend data

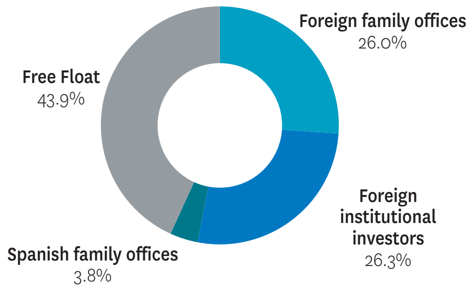
Market cap (YE)	€137m
Total net assets (YE)	€174m
NAV per share (YE)	€10.72
Price per share (YE)	€8.39
2014 high (11/06/2014)	€9.20
2014 low (03/01/2014)	€6.86
Discount to NAV (YE)	21.7%
Discount to NAV excl. cash (YE)	32.0%
DPS paid out in 2014	€0.70
2014 dividend yield (YE share price)	8.3%
No. of shares traded, 2014	4,244,185 shares
Average daily trading volume, 2014	16,644 shares
Average daily trading volume by value, 2014	€130,393.42
Turnover of free float, 2014	60.3%
Share price gain, 2014	19.9%
Total shareholder return (adj. dividend), 2014	29.9%
Share price gain YTD 2015 (01/04/15)	2.3%

Source: Dinamia's NAV report as of 01/04/2015 and Capital IQ

2. Dinamia's shareholder structure

In the early months of 2015, it is worth highlighting the position built up by Anpora, which has lifted its shareholding from 22.6% to 26.0%





Note: direct and indirect shareholdings of significant interests, i.e. of over 3%, reported to the CNMV as of 31/03/2015

3. Analyst coverage

There is a limited number of analyst that cover Dinamia regularly; the other foreign research analysts that follow Dinamia without providing full coverage do not issue specific recommendations on the stock.

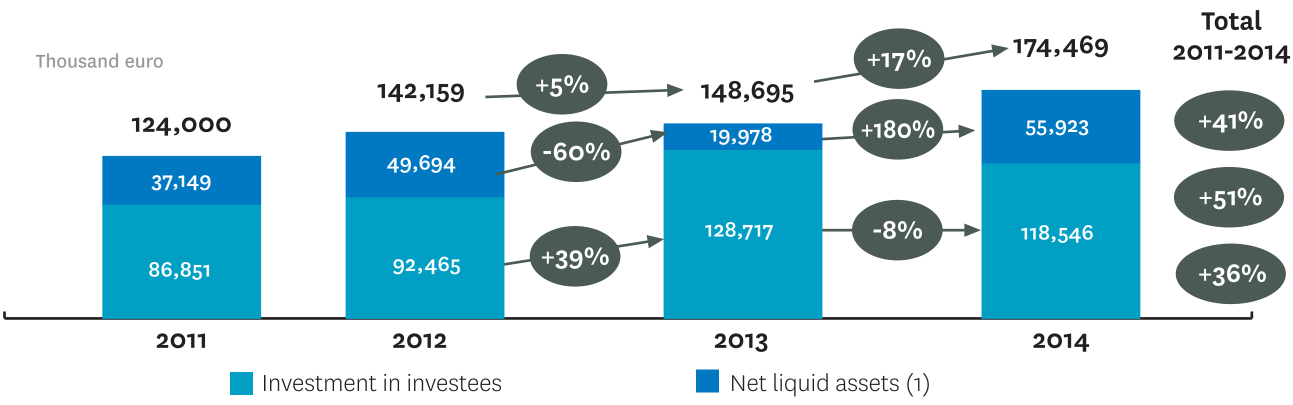
RESEARCH HOUSE	ANALYST	RECOMMENDATION
La Caixa	Antonio Castell	Overweight
Banco Sabadell	Mario Lodos	These analysts monitor Dinamia without providing full research coverage
Kepler Cheuvreux	Iñigo Egusquiza	These analysts monitor Dinamia without providing full research coverage
Cazenove	Chris Brown	These analysts monitor Dinamia without providing full research coverage
Dexion Capital	Tom Skinner	These analysts monitor Dinamia without providing full research coverage
Numis Securities	James Glass	These analysts monitor Dinamia without providing full research coverage
Jefferies Investments	Mark Ambrose	These analysts monitor Dinamia without providing full research coverage

Source: Capital IQ and the most recent research reports published by each brokerage

4. Trend in NAV, 2011 - 2014

Dinamia's net asset value (NAV), after factoring in the payment of a €0.70 per share dividend, increased by 17% in 2014.

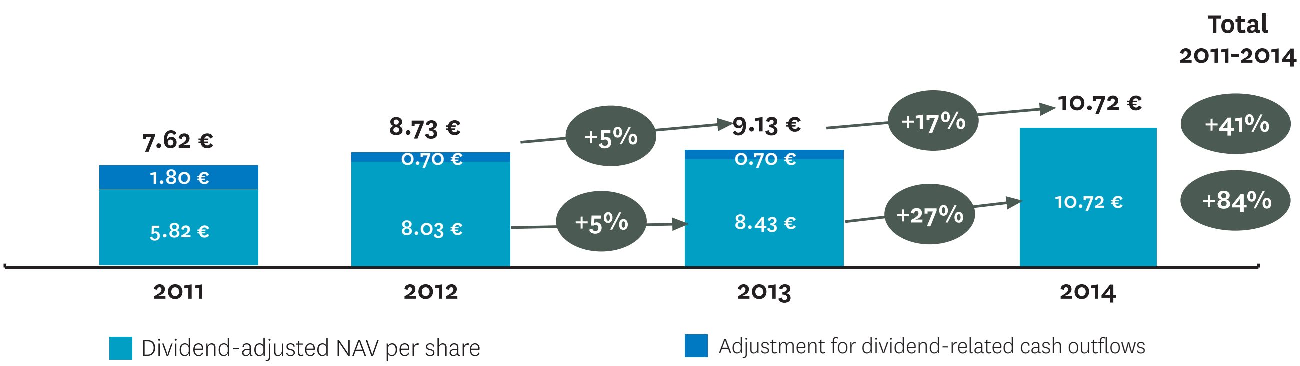
This growth was driven by an increase of 16% in the value of the Company's like-for-like investment portfolio (i.e., stripping out the companies exited) as well as a €56 million increase in net liquid assets as a result of the sales of Mivisa, Xanit and Laude for more than their respective NAVs.



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

5. Trend in Dinamia's NAV per share, 2011 - 2014

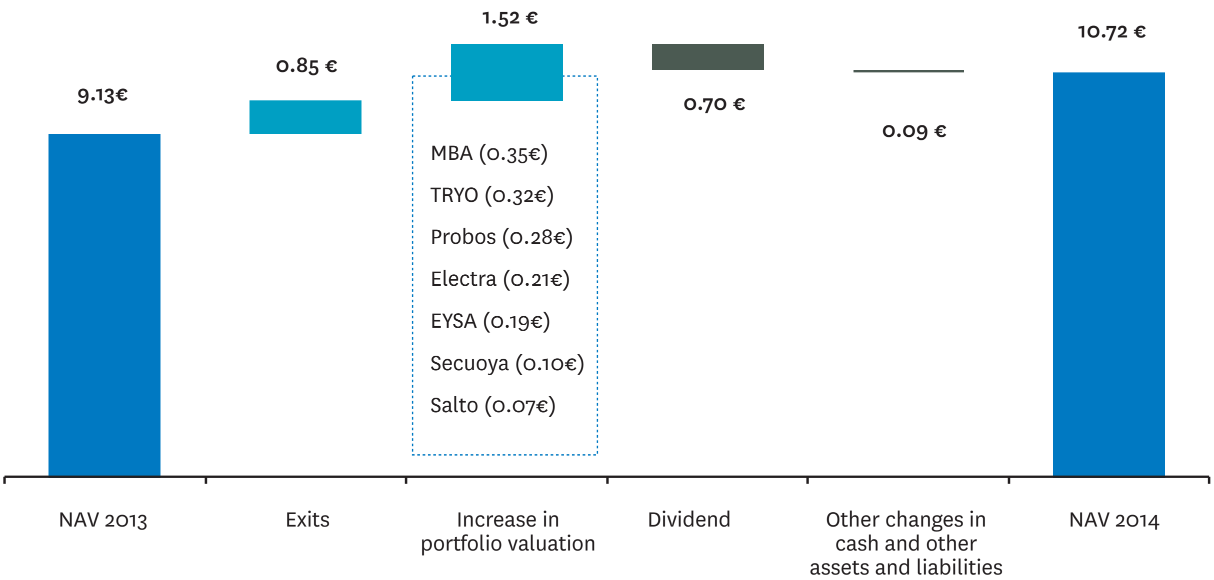
NAV per share increased by 17% in 2014. Adjusting NAV per share for the cash outflow implied by the dividend payment, this reading would have registered annual growth of 27%. NAV per share has increased by a cumulative 41% since 2011 (+84% adjusting for dividend payments), evidencing the initial results of the reorientation of Dinamia's investment strategy in 2011 predicated on the rotation of the assets in its portfolio the longest, coupled with investments in sector leaders with international geographic footprints.



6. Bridge of Dinamia's NAV per share, 2013 - 2014

The growth in NAV in 2014 was underpinned by:

1. Exits concluded at valuations above NAV;
2. Net investee revaluations, driven mainly by the investees acquired between 2008 and 2013 as a result of their healthy earnings performances during the year. The better-performing investees boast greater international exposure and/or have benefitted from more active working capital management and are the result of the portfolio turnover strategy initiated in 2010.
3. The reduction in cash due to the dividend payment (€0.70/share) and operating and other expenses.

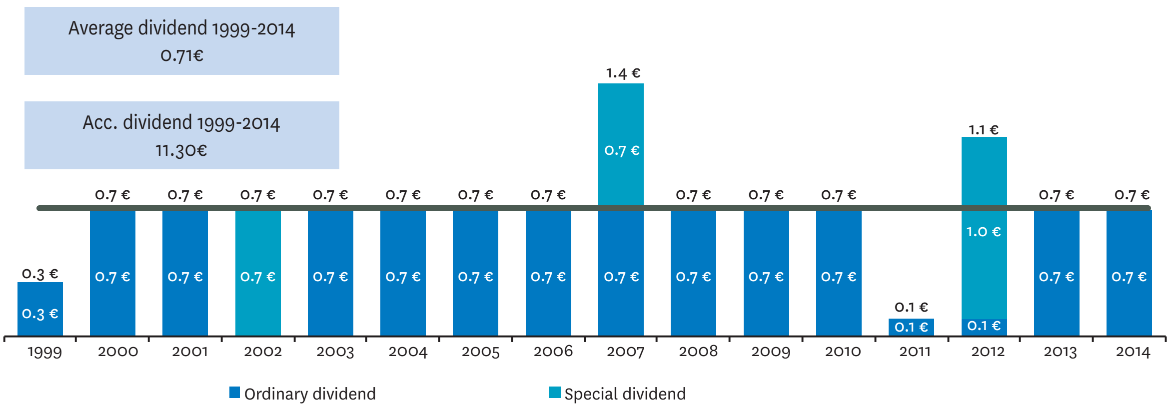


7. Shareholder remuneration policy

At the AGM scheduled for 29 April 2015, the Company will propose the payment of an extraordinary dividend, the amount of which will depend on the price secured on the sale of two investees, specifically whether or not the sale prices exceed the values assigned to these investees in the Joint Merger Agreement. If the investees are either not sold or a sold for less than their assigned values, the Company will pay a dividend of €3 million. If, conversely, they are sold for more than the allocated amounts, the difference between the net proceeds and these amounts will be distributed as an extraordinary dividend.

Dinamia and N+1 plan to have the enlarged company created by the merger pay out a dividend totalling €19.4 million to all of the newco's shareholders. The dividend will be charged against the company's share premium reserve and is subject to shareholder approval at the Annual General Meeting.

TREND IN DIVIDEND PER SHARE (1999-2014)



Source: Capital IQ, Dinamia NAV reports and annual financial statements

		Date at YE							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	16,279,200	7.00 €	7.70 €	9.13 €	(23.4%)	11,358	0.70 €	10.0%	28.4%	41.3%
2014	16,279,200	8.39 €	9.09 €	10.72 €	(21.7%)	11,358	0.70 €	8.3%	19.9%	29.9%
Total/average					**(27.8%)**	**134,023**	**11.30 €**	**6.0%**		

* Price per share and variation of price per share adjusted by dividend payments
Source: Capital IQ, Dinamia NAV reports and annual financial statements

8. Investee portfolio at YE14

The investment strategy step-change embarked on in prior years gained momentum in 2014, crystallising in greater portfolio diversification.

Last year, exits came to the fore as management took advantage of market momentum to forge ahead with the asset turnover strategy. Dinamia completed the sale of its investment in Grupo Xanit to Spanish healthcare group Vithas. The Company obtained €24.08m from the sale, an amount that could rise by €700k if certain milestones are met. It is also worth highlighting the €6.76m dividend paid out by Eysa, as a result of which Dinamia has recovered 50% of its initial investment; this distribution was made possible by Eysa's €75 million bond issue on MARF, Spain's alternative bond market, the first carried out by a private equity investee. In addition, Salto Systems paid

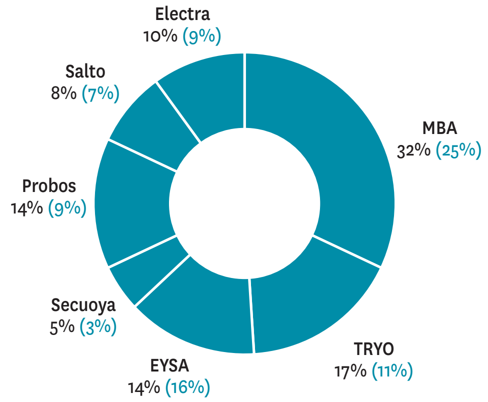
			YE14	
Investee name	**Sector**	**Year of investment**	**% Dinamia**	**Net investment**
COMPARABLE PORTFOLIO AT 31/12/2014				
MBA	Distribution of implants	2008	36.9%	32,266
Grupo TRYO	Electronic equipment	2011	24.8%	10,704
EYSA	Car parks	2011	25.0%	6,693
Probos	Plastic edge manufacturing	2013	24.3%	11,500
Electra Partners Club 2007 LP	Private equity fund	2008	11.8%	8,961
Salto	Electronic locks	2013	5.5%	8,651
Secuoya	Audiovisual services	2012	13.8%	4,796
High Tech Hoteles	Hotel chain	2003	26.0%	8,787
Bodybell	Perfume and cosmetics chain	2005	14.4%	4,021
Grupo Novolux	Outdoor lighting	2005	48.5%	12,025
Arco Bodegas Unidas	Wineries	1999	8.0%	15,458
Total NAV of comparable portfolio				**114,015**
Exits closed in 2014				
Mivisa	Food packaging	2011	2.6%	-
Xanit	Private hospital	2007	33.7%	-
Colegios Laude	Private education	2006	49.3%	-
Total value of investees exited				**-**
Total portfolio valuation				**114,015**

out a dividend that generated income for Dinamia of €259k. Colegios Laude sold all its shares in Laude UK for €4.2m, implying Dinamia's full exit from Colegios Laude. Dinamia also received two distributions from Electra Partners Club 2007, collecting €1.74k and putting the amount of capital recouped by the Company to date at 25%.

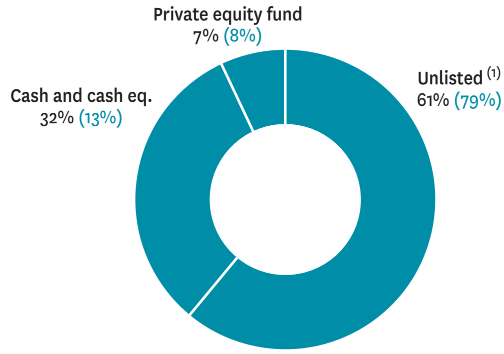
Lastly, it is worth highlighting the revaluation of the like-for-like portfolio (+16% vs. 2013), driven by growing international exposure and growth in EBITDA. The strong performance by the investees acquired more recently, i.e, between 2008 and 2013, is particularly noteworthy; these companies boast relatively greater international exposure and have been able to deleverage relatively quickly thanks to active working capital management.

YE14		YE13		Change 2014 vs.2013	
NAV (thousand €)	**NAV/ share**	**NAV** (thousand €)	**NAV/ share**	**NAV** (thousand €)	**NAV/ share**
38,316	2.35 €	32,678	2.01 €	5,639	0.35 €
19,689	1.21 €	13,700	0.84 €	5,989	0.37 €
16,673	1.02 €	20,374	1.25 €	(3,701)	(0.23 €)
16,071	0.99 €	11,500	0.71 €	4,570	0.28 €
11,563	0.71 €	11,114	0.68 €	449	0.03 €
9,756	0.60 €	8,872	0.54 €	884	0.05 €
6,479	0.40 €	3,604	0.22 €	-	0.18 €
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
118,546	**7.28 €**	**101,842**	**6.26 €**	**13,829**	**1.03 €**
-	-	14,040	0.86 €	(14,040)	(0.86 €)
-	-	9,329	0.57 €	(9,329)	(0.57 €)
-	-	3,507	0.22 €	(3,507)	(0.22 €)
-	**-**	**26,875**	**1.65 €**	**(9,329)**	**(0.57 €)**
118,546	**7.28 €**	**128,717**	**7.91 €**	**4,501**	**0.45 €**

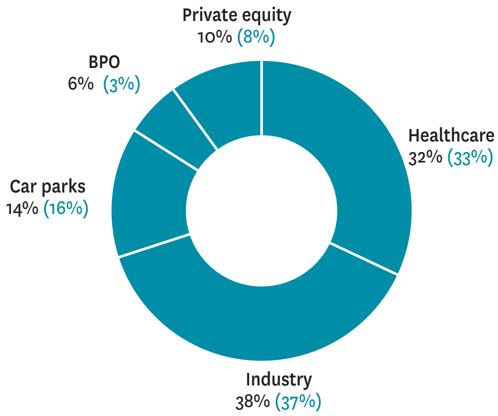
BREAKDOWN OF PORTFOLIO NAV BY INVESTEE [1]



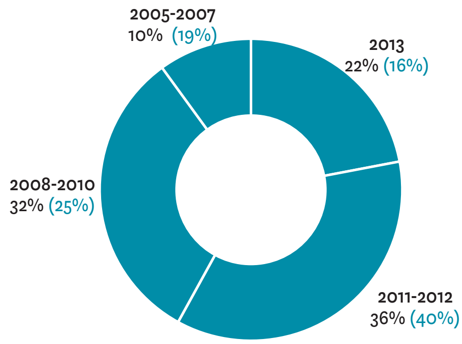
BREAKDOWN OF NAV [1]



BREAKDOWN OF PORTFOLIO NAV BY SECTOR [1]

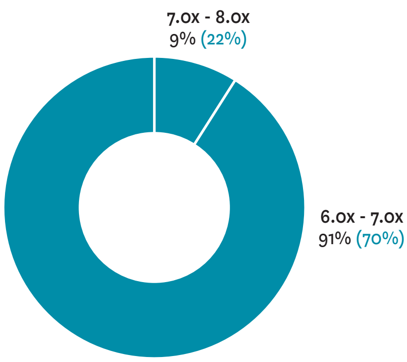


BREAKDOWN BY INVESTMENT CYCLE [1]



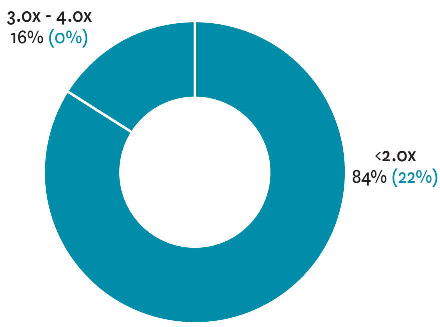
BREAKDOWN OF PORTFOLIO NAV BY VALUATION MULTIPLE [2]

Average valuation multiple 6.9x (7.2x)



BREAKDOWN OF PORTFOLIO NAV BY LEVERAGE RATIO [2]

Average leverage ratio 1.6x (3.1x)



(1) Based on the NAV of the investees as of 31/12/2014
(Using NAV as of 31/12/2013)

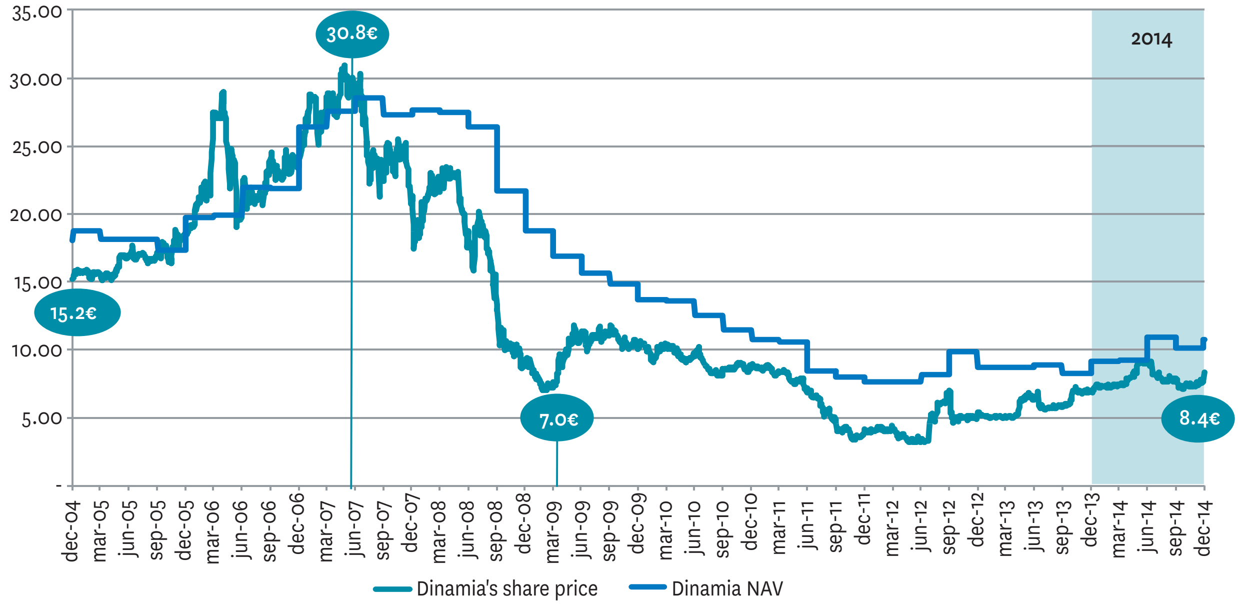
(2) Based on the investees' published NAVs as of 31/12/2014 with the exception of Electra
(Using NAV as of 31/12/2013)

9. Price vs. NAV

Dinamia's strong share price performance in 2014 reflects the consolidation of the investment strategy initiated in 2010. The company has gone to lengths to shift its portfolio away from cyclical companies exposed to the home market towards more solid companies with greater international exposure. The exits concluded since mid-2012 and the revaluation of portfolio NAV evidence the results of this strategy, driving a reduction in the trading discount to NAV to 22%.

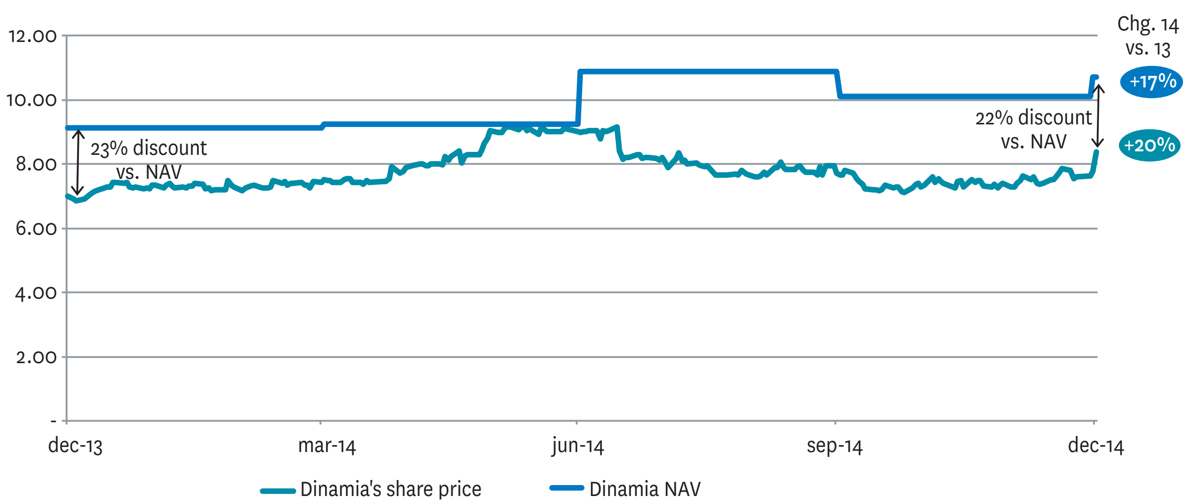
DINAMIA'S SHARE PRICE PERFORMANCE VS. NAV, LAST 10 YEARS (DEC 2004 - DEC 2014)

Figures in € per share



DINAMIA'S SHARE PRICE PERFORMANCE VS. NAV, LTM (DEC 2013 - DIC 2014)

Figures in € per share

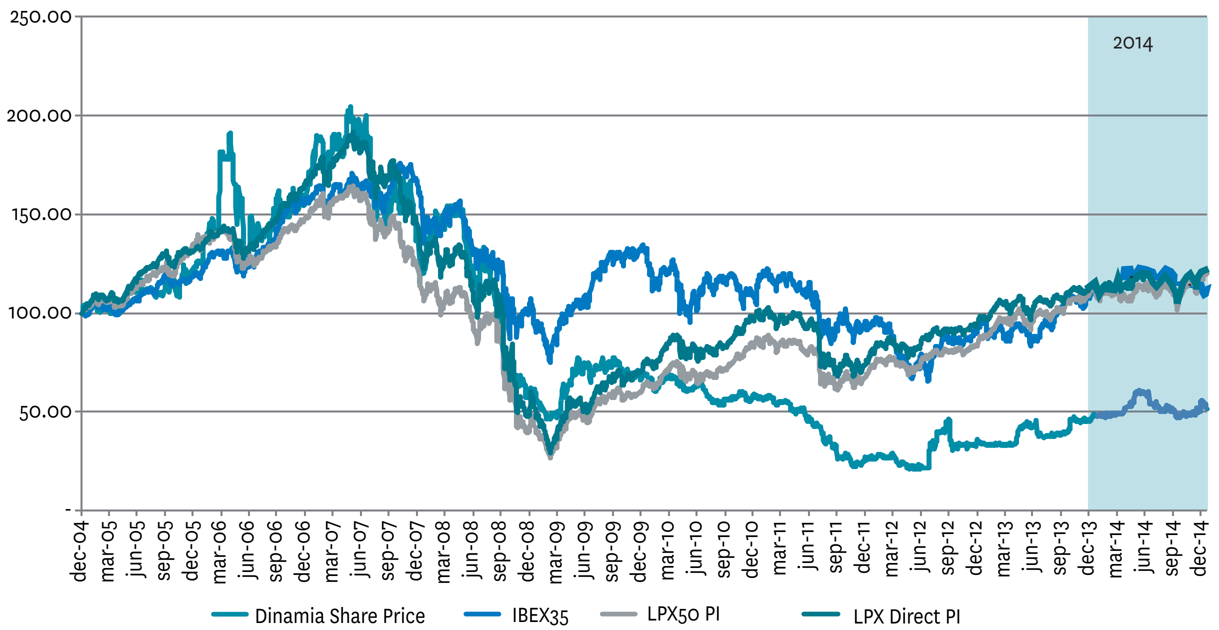


10. Share price vs comparable indices

Dinamia's share price gained 20% in 2014 (total shareholder return of 30% adjusting for dividends), outperforming the Ibex-35 (+4%) and the main comparable listed private equity indices, the LPX50 and the LPX Direct (which gained 8% and 7%, respectively). This strong share price performance had the effect of narrowing the gap opened up with respect to its listed private equity comps since mid-2010.

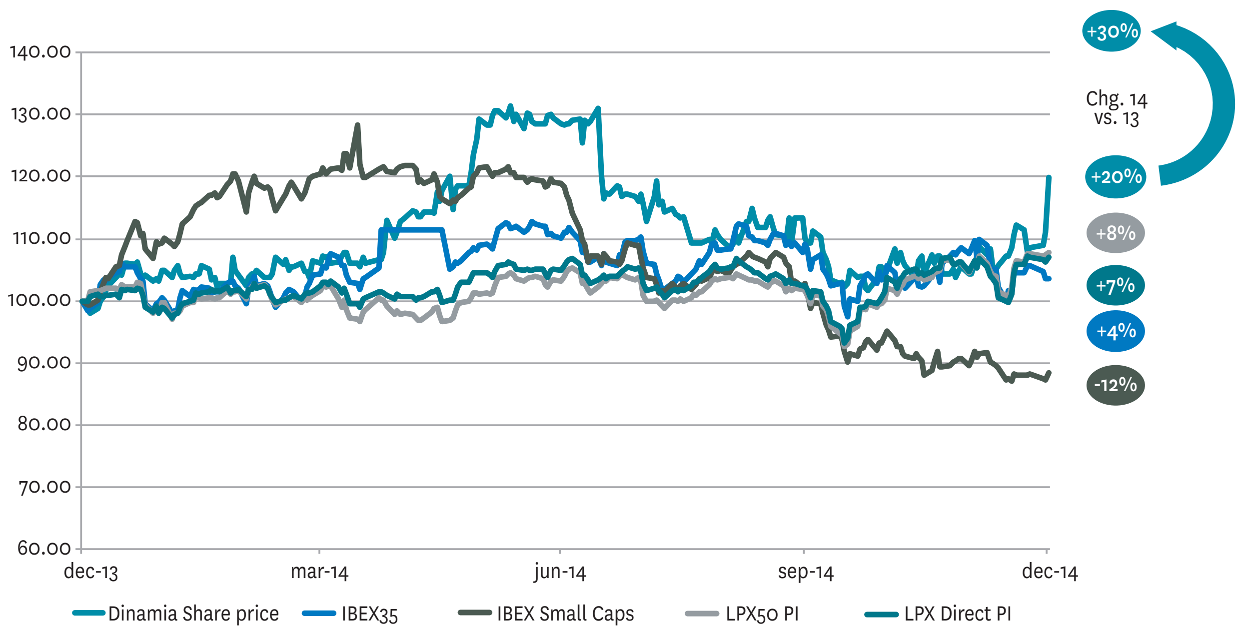
DINAMIA'S SHARE PRICE PERFORMANCE VS. THE IBEX-35 AND OTHER COMPARABLE INDICES, LAST 10 YEARS (DEC 2004 - DEC 2014)

Rebased to 100 (Dec 2004)



DINAMIA'S SHARE PRICE PERFORMANCE VS. THE IBEX-35 AND OTHER COMPARABLE INDICES, LTM (DEC 2013 - DEC 2014)

Rebased to 100 (Dec 2013)

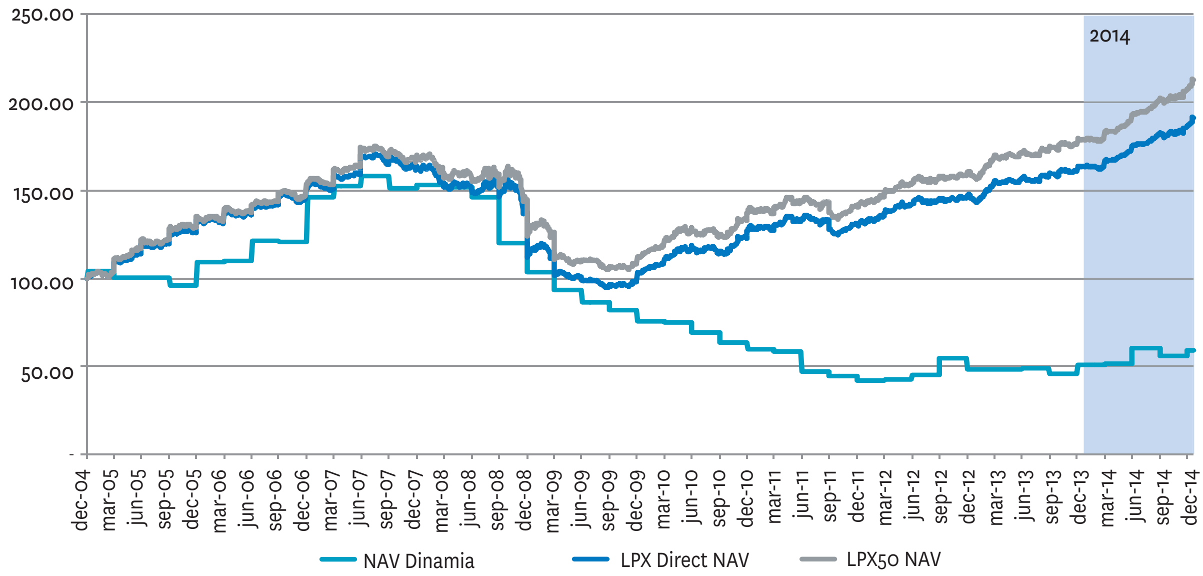


11. NAV vs comparable indices

The revaluation initiated in 2012 continued in 2014, with NAV rising 17% (27% adjusting for dividends); over the last two years, the Company's NAV has increased by 23% (53% adjusting for dividends). Dinamia's comparable indices staged a very similar performance, registering portfolio revaluations in the order of 14%/16%.

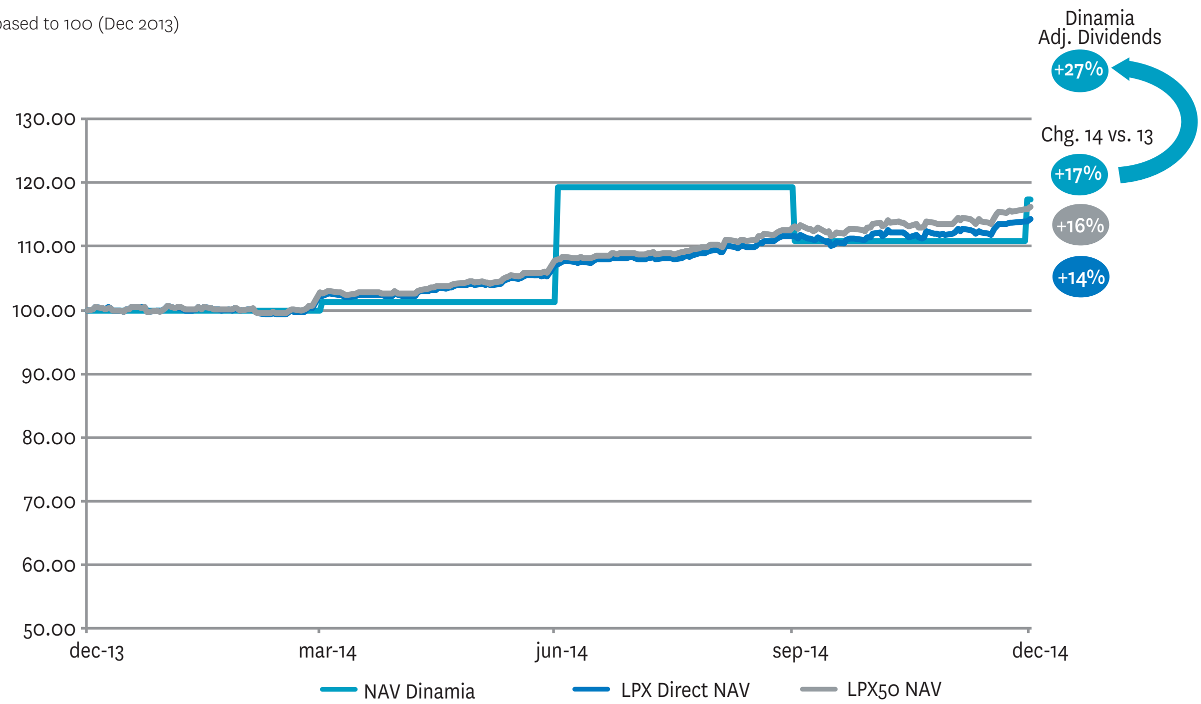
TREND IN DINAMIA'S NAV VS. THE NAV OF OTHER COMPARABLE INDICES, LAST 10 YEARS (DEC 2004 - DEC 2014)

Rebased to 100 (Dec 2004)



TREND IN DINAMIA'S NAV VS. THE NAV OF OTHER COMPARABLE INDICES, LTM (DEC 2013 - DEC 2014)

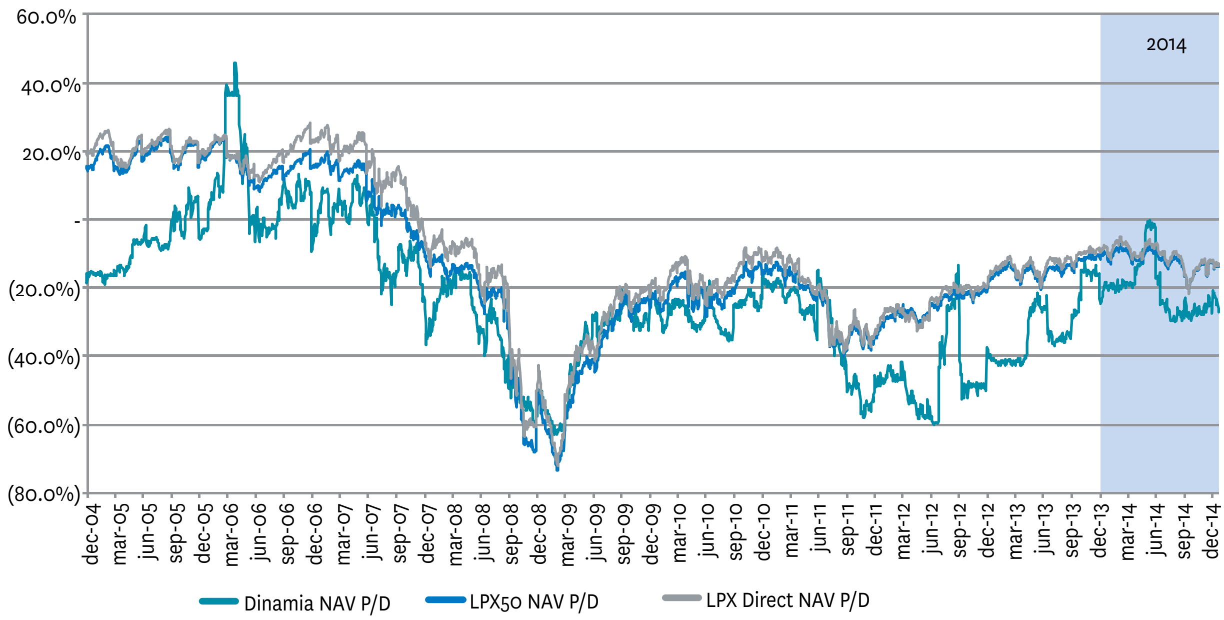
Rebased to 100 (Dec 2013)



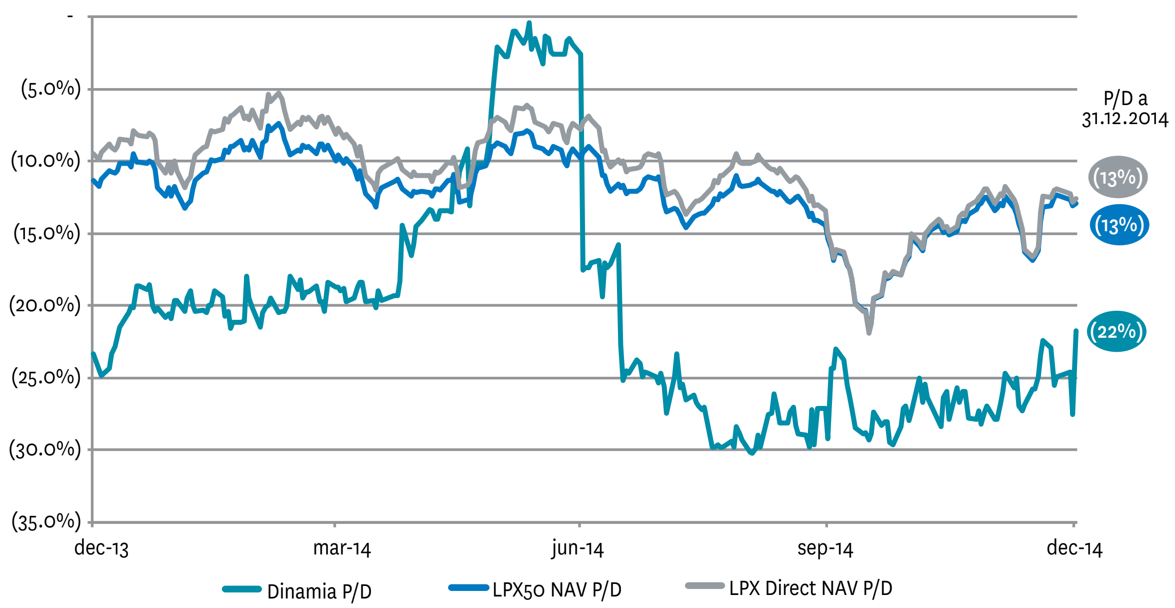
12. NAV discount vs. comparable indices

As a result of a healthy share price performance and portfolio revaluation in 2014, the trading discount to NAV continued to narrow, ending the year at 22%.

TREND IN DINAMIA'S TRADING DISCOUNT TO NAV VS. DISCOUNT TO NAV OF COMPARABLE INDICES, LAST 10 YEARS (DEC 2004 - DEC 2014)



TREND IN DINAMIA'S TRADING DISCOUNT TO NAV VS. DISCOUNT TO NAV OF COMPARABLE INDICES, LTM (DEC 2013 - DEC 2014)



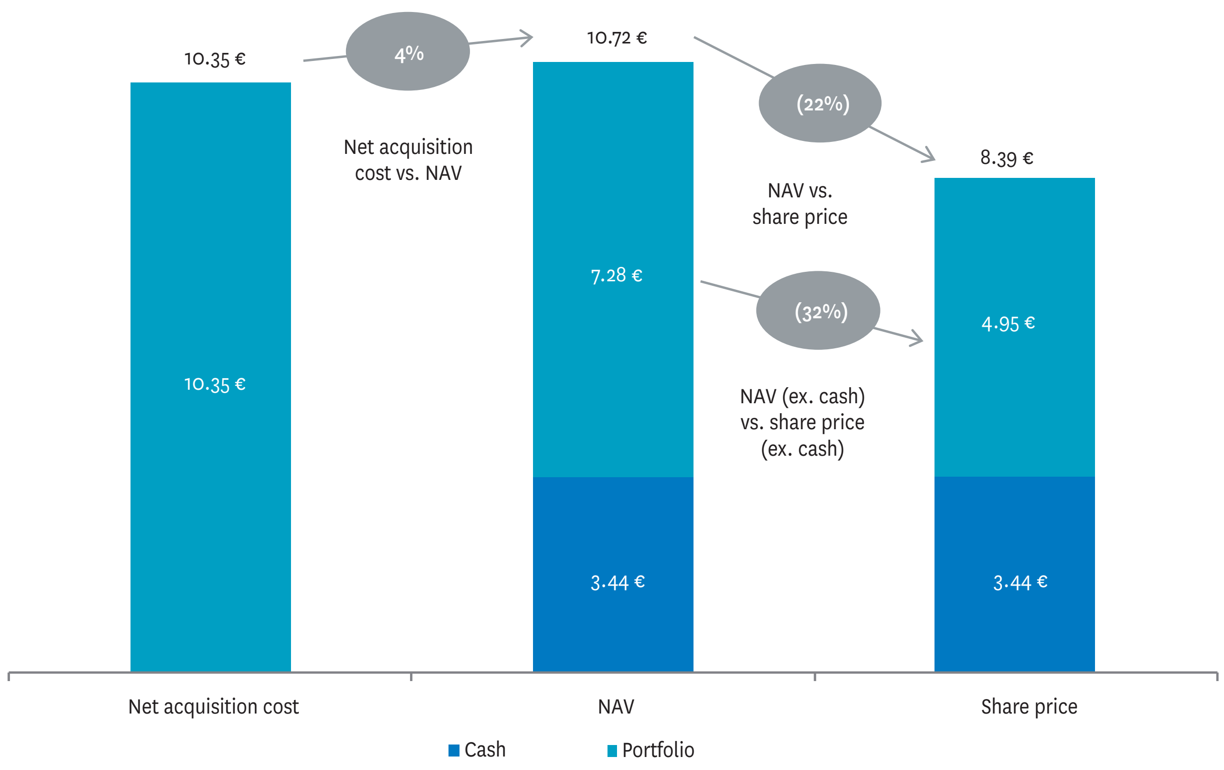
Note: P/D means Premium/Discount

13. Net acquisition cost vs. share price

The year-end share price still does not reflect the Company's intrinsic value. The discount to NAV stands at 22%. Stripping out the cash balance from both metrics, the discount rises to 32%.

PORTFOLIO NET ACQUISITION COST VS. NAV VS. SHARE PRICE (31/12/2014)

Figures in € per share



14. Split NAV

BREAKDOWN OF NAV/SHARE AT 31/12/2014

1 Cash and cash equivalents 3.44 €

2 Recent investments 6.57 €

SALTO inspiredaccess 0.60 €

PROBOS 0.99 €

secuoya 0.40 €

EYSA 1.02 €

TRYO 1.21 €

MBA 2.35 €

The Company's cash and recent investments account for NAV of €10.01 per share, more than Dinamia's share price

3 Investees with positive NAV 0.71 €

electra partners 0.71 €

The value implicit in the rest of the portfolio with a net asset value of more than zero is not reflected in the share price

4 Investees with NAV = 0 0 €

Bodybell PERFUMERIAS

HIGH TECH

GRUPO|NOVOLUX

ARCO Bodegas Unidas

There is valuation upside at some of the investees carried at zero; this value is also not reflected in the share price

TOTAL NAV 4Q-2014 10.72 €

15. Portfolio perfomance

The investees acquired between 2008 and 2013 posted revenue and profit growth, while shoring up their financial health, underpinned mainly by international expansion. The spike in leverage at Eysa reflects the company's recapitalisation, which took the form of a bond issue on Spain's MARF, thanks to which Dinamia has recouped 50% of its investment in this company.

FINANCIAL DATA; 2008-2013 INVESTEES

	Year acquired	Revenue growth	% of sales generated outside Spain	EBITDA growth	Leverage 2014 (2013)
MBA	2008	(1.7%)	25.4%	1.3%	1.7x (2.8x)
TRYO	2011	35.8%	91.1%	41.8%	1.5x (1.3x)
EYSA	2011	19.8%	–	14.1%	3.1x (1.9x)[1]
secuoya	2012	3.8%	–	13.0%	1.0x (1.5x)
PROBOS	2013	5.1%	87.5%	23.7%	1.3x (2.2x)
SALTO	2013	6.6%	95.2%	10.0%	(0.8x) (0.6x)
Total (average)		**+12%**	**50%**	**+17%**	**1.3X (1.5x)**

(1) The increase in Eysa's leverage reflects the recap exercise closed in July

SALTO SYSTEMS

www.saltosystems.com

Salto had a good year marked by earnings growth and significant investments that will bear fruit in 2015

INVESTMENT DATA	Thousand euro
Sector	Electronic locks
Investment type	Replacement capital
Acquisition date	December 2013
Investment to date[1]	8,910

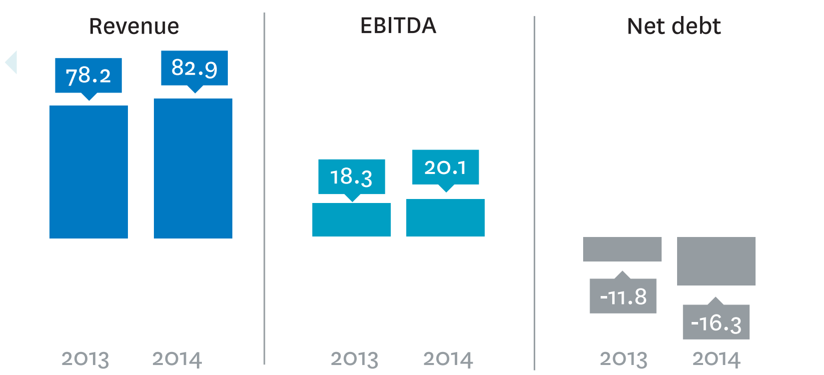
(1) In July 2014, Dinamia received a €259k dividend from Salto

INVESTEE SHAREHOLDERS	
Dinamia Capital Privado	5.5%
Nmas1 Private Equity Fund II	16.5%
Management team / Other shareholders	78.0%

FINANCIAL INFORMATION	Audited 31.12.2014	Audited 31.12.2013
Thousand euro		
Income statement		
Revenue	82,926	78,244
EBITDA	20,128	18,302
Balance sheet		
Total Assets	67,304	65,013
Equity	41,957	34,417
Net debt	(16,348)	(11,765)

FINANCIAL HIGHLIGHT

Million euro



COMPANY OVERVIEW

Founded in 1999, Salto designs and manufactures products for the access control market and is deeply specialised in the electronic locks segment. The company boasts an extensive catalogue of products and solutions. It has installed battery powered locks in over 1,500,000 doors, having notched up its highest credentials in the education niche (notably Princeton, Cambridge and Sydney universities) and the transport segment (Heathrow and Munich).

The company is firmly entrenched in the European and US markets, which have driven growth in recent years. Its worldwide footprint extends to 90 different markets. Today, more than 95% of its sales come from exports.

Salto has 300 employees. Salto is headquartered in Oiartzun, in Spain's Basque region, where the firm's management, R&D and marketing efforts are based. The sales and technical support functions are decentralised, with over half of the headcount based outside Spain.

MARKET OVERVIEW

The size of the worldwide electronic lock market is estimated at €721m. The main product-using sectors are: (i) hotels (26%); (ii) the residential sector (19%); and (iii) the retail sector (15%).

Penetration of electronic locks across the various markets remains limited, underpinning the sector's strong growth prospects (CAGR 13-17e: 12.2%).

The electronic locks sector is highly fragmented. The top 7 sector players account for 65% of the market. Salto ranks fifth, although it is the #1 player if the hotel segment is taken out of the equation.

Existing barriers to entry derive from:

- Technology: command of hardware and software.
- Lack of global standardisation requiring significant capital expenditure to penetrate specific markets.

INVESTMENT RATIONALE

- Strong international footprint (> 95% of revenue generated outside Spain).
- Excellent and vested management team (founders and leading shareholders).
- Ability to adapt to the various markets.
- Market-renowned, cutting-edge technology.
- First-class sales network and excellent after-sales service.
- Salto has modern, recently refurbished facilities.

RECENT PERFORMANCE AND OUTLOOK FOR 2015

In 2014, Salto registered revenue (+6% vs. 2103) and EBITDA (+10% vs. 2013) growth. This growth was driven mainly by the European markets in which Salto is the leader. Sales in the US were flat year-on-year, shaped somewhat by the lack of really big orders. The company's financial position improved in 2014, despite paying a dividend (of which Dinamia received €259k).

In 2014, Salto acquired a majority interest in its subsidiary Clay (a company focused on small and medium offices) and completed the acquisition of 20% of Maxxes (a company specialised in the integration of security solutions), thereby reinforcing its product catalogue.

Given the company's competitive positioning, the reinforcement of the sales area and the outlook for the market, this investee's revenue and EBITDA are expected to register double-digit growth in 2015.

PROBOS

www.probos.pt

Significant growth at the EBITDA level (+24%), driven by a strong performance in emerging markets as well as firming in European markets. The company continues to display solid cash flow generation capabilities

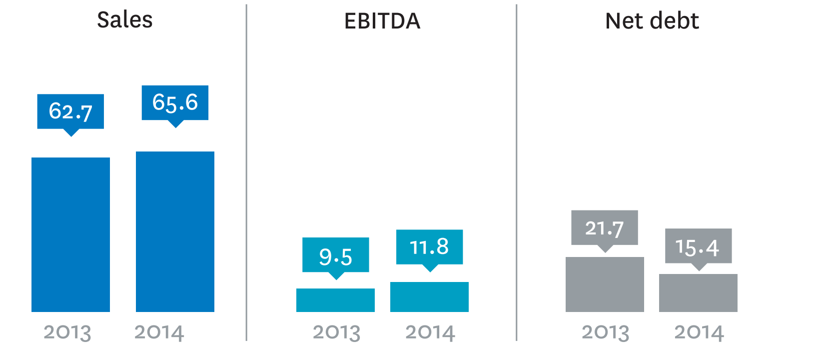
INVESTMENT DATA	Thousand euro
Sector	Manufacture of plastic edges
Investment type	MBO
Acquisition date	January 2013
Investment to date	11,500

INVESTEE SHAREHOLDERS	
Dinamia Capital Privado	24.3%
Nmas1 Private Equity Fund II	73.0%
Management team	2.7%

FINANCIAL INFORMATION		Thousand euro
	Pro-Forma 31.12.2014	Pro-Forma 31.12.2013
Income statement		
Revenue	65,562	62,719
EBITDA[1]	11,755	9,457
Balance sheet		
Assets	76,539	78,300
Equity	41,453	36,017
Net debt[1]	15,430	21,745

(1) EBITDA and net debt calculated under former Spanish GAAP of 1990 to correct for the adjustment under the new rules to charge rents on a straight line basis (no impact on cash)

FINANCIAL HIGHLIGHT	Million euro



COMPANY OVERVIEW

Probos, founded in 1977, is the world's third-largest maker of plastic band edges for the furniture industry. Its products are produced from PVC, ABS and other polymers, which, following extrusion using proprietary technology, are shaped into plastic edges.

The group distributes its products under the Proadec brand in more than 50 countries through a proprietary distribution network and sales agreements with third parties. Almost 90% of 2013 revenue was generated outside the Iberian Peninsula.

The company boasts a strong position in emerging markets such as Brazil, Mexico, Colombia and Russia, with these markets proving the growth engine in recent years. At present, close to 50% of revenue is generated in Latin America.

Its factories are located in Mindelo (Portugal) and Curitiba (Brazil). Probos also has a direct sales presence in Mexico (having acquired its Mexican distributor, Chapacinta), the UK and Germany.

MARKET OVERVIEW

The global plastic edge market is a highly concentrated niche with annual turnover of close to €630 million (excluding China). The four leading players (Rehau, Surteco, Probos and Roma) garner almost 76% of the market.

The market's performance is intricately tied with the board manufacturing market and implicitly linked to GDP growth. Probos's strong positioning in emerging economies and the increasing substitution of melamine edges by plastic edges in recent years paint a positive outlook for the industry in these markets, foreseeably more than offsetting the slowdown in more mature regions such as Europe.

INVESTMENT RATIONALE

- Sector configuration marked by stable competitive environment and attractive margins.
- High entry barriers (proprietary technology, switchover costs for customers and distributors, need for extensive product catalogues, etc.).
- Company with a very significant export bias and leadership positions in emerging, high-growth markets such as Brazil, Mexico, Colombia and Russia.
- Two highly-productive factories equipped with proprietary technology.
- Robust value proposition based on the company's: (i) ability to tailor its products to manufacturers' designs; (ii) high service standards thanks to its productive flexibility; and (iii) long-standing relationships with core customers (direct and distributors).
- Experienced management team with deep company and sector knowledge.

RECENT PERFORMANCE AND OUTLOOK FOR 2015

Probos's revenue rose by 5% year-on-year to €65.6 million in 2014. This growth was driven by a strong performance in emerging markets as well as in Spain and Portugal.

2014 EBITDA totalled €11.8 million, marking growth of 24% year-on-year. The strong earnings performance was buoyed by reformulated sales policies and the implementation of measures designed to enhance cost control. The company continues to display solid cash flow generation capabilities.

In the early months of 2014 the company started up the new facilities at the factory in Brazil designed to increase local production capacity. This investment is delivering improved service levels and helping to partially mitigate exposure to adverse exchange rate trends.

In parallel, the management team is continuing to focus its efforts on: (i) delivering growth in line with that of recent years; (ii) boosting cost-effectiveness and local production in Brazil; and (iii) eking out efficiency gains in order to increase overall profitability and reduce working capital requirements.

GRUPO SECUOYA

www. gruposecuoya.es

Secuoya sustained substantial growth in 2014 as well as laying the foundations for international expansion

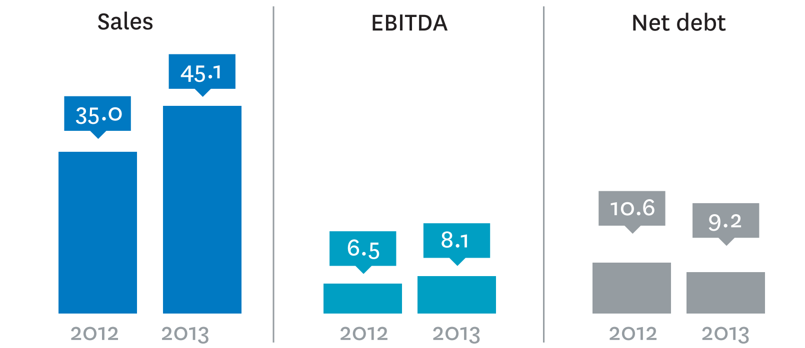
INVESTMENT DATA	Thousand euro
Sector	Audiovisual services
Investment type	Growth
Acquisition date	November 2012
Investment to date	4,796

INVESTEE SHAREHOLDERS	
Dinamia Capital Privado	13.75%
Nmas1 Private Equity Fund II	41.25%
Management team / Founders	40.60%
Free float	4.40%

FINANCIAL INFORMATION		Thousand euro
	Audited 2013	Audited 2012
Income statement [1]		
Revenue	45,089	34,985
EBITDA	8,056	6,540
Balance sheet		
Assets	32,287	21,237
Equity	3,025	2,648
Net debt	9,205	10,641

(1) Information published by the Secuoya Group on MAB

FINANCIAL HIGHLIGHT — Million euro



COMPANY OVERVIEW

The Secuoya Group is a communication company with an end-to-end presence in the audiovisual value chain. It comprises companies that are entrenched in their respective segments and has a nationwide presence thanks to production studios in the main Spanish cities. The group's main lines of business are:

- **Audiovisual services.** The provision of end-to-end outsourcing services for news programmes and the ad-hoc outsourcing of technical resources and professionals to television broadcasters and producers.
- **Content.** Production of all content formats, notably current affairs and entertainment programming, docu-shows, low-cost programming targeted at the DTT market, branded content, prime time series and documentaries.
- **Marketing & Digital.** End-to-end communication for companies and management of customers' presence and visibility in the audiovisual media.

MARKET OVERVIEW

Audiovisual services. The size of the independent audiovisual services market in Spain (meaning services not provided in-house by the TV broadcasters or producers) is estimated at €150m and is expected to triple in the years to come. There are four leading players, including Secuoya, which between them command a market share of 86%.

Content. The size of the Spanish content market is estimated at around €1.2 billion, with around half of all content produced by companies other than the TV networks. The overall market is not expected to grow although there is a trend towards increased content outsourcing. Fragmented market, albeit dominated by a small group of leading companies which account for 75% of the market.

INVESTMENT RATIONALE

- Outlook for sharp market growth.
- Earnings visibility and high percentage of repeat earnings in audiovisual services.
- Excellent management team which has been shored up with first-class executive hires.
- Scope for organic and M&A-led growth as Secuoya is the ideal platform for consolidating the market.

RECENT PERFORMANCE AND OUTLOOK FOR 2015

2014 was marked by consolidation of the home-market business and the start of international business operations.

Consolidation of the Spanish market. In April 2014, Secuoya acquired 55% of Bienvenido Gil, S.L. ('BGL"), a highly-innovative company with an extensive track record and deep specialisation in the design and execution of value-added audiovisual projects. This company also specialises in the outsourcing of audiovisual engineering projects, specific radio broadcasts (Radio TV de Aragón and Radio TV de Baleares) and the distribution and supply of equipment.

International expansion. In 2014, the company laid the groundwork for its international expansion plans: it established itself in Peru (where it completed the acquisition of 55% of Imizu), opened Secuoya USA, headquartered in Miami, reached an agreement with Chilean producer Fábula that will give it a foothold in that market and started business activities in Colombia.

The Group expects to deliver significant growth in 2015 at both the revenue and EBITDA levels. Visibility has been reinforced by a contract win in January 2015 for the indirect management of the public television broadcaster in Murcia which covers programme broadcasting, the news and advertising sales; the contract is expected to generate monthly revenue of €1 million.

EYSA

www.eysaservicios.com

The new capital structure will enable the company to accelerate its international expansion process (organic and M&A-led growth)

INVESTMENT DATA	Thousand euro
Sector	Car parks
Investment type	LBO
Acquisition date	December 2011
Gross investment to date[1,2]	13,451

(1) Includes a profit-participating loan
(2) In July 2014, Dinamia recovered €6,759k of its investment following payout of a dividend in the wake of this investee's bond issue

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

FINANCIAL INFORMATION		Thousand euro
	Pro forma [1] 31.12.2014	Audited 31.12.2013
Income statement		
Revenue	77,368	63,193
Spaces under management (on-street)	133,682	128,266
Balance sheet		
Assets	158,184	155,130
Equity [2]	37,399	62,190
Net debt	63,390	38,951

(1) Includes 12 months SCI
(2) Includes a profit-participating loan

FINANCIAL HIGHLIGHT	Million euro

COMPANY OVERVIEW

EYSA, acquired in 2011 from the FCC group, is one of Spain's leading car park operators. With annual revenue in excess of €60 million, EYSA currently manages over 130,000 parking places in more than 75 cities.

Its core business is the management, operation and maintenance of regulated on-street parking places; this business line accounts for over 80% of total revenue. The company also manages off-street car parks, municipal vehicle clamp and tow services and other urban mobility solutions.

With a market share of around 25%, EYSA is the leading on-street parking operator in Spain.

MARKET OVERVIEW

The Spanish parking market can be subdivided into two well-differentiated segments: (i) off-street parking (car parks by the hour, resident car parks and space leased by the month); and (ii) on-street parking, a regulated concession.

According to consultancy DBK, aggregate sector turnover contracted by 2.8% in 2013 to €930 million.

The off-street segment registered turnover of €675 million in 2013, according to this report, a year-on-year decline of 4.3%.

The on-street parking segment, meanwhile, registered growth of 1.2% in 2013 to €255 million, extending a decade as the sector's growth engine thanks to price resets and the creation of new spaces in small and medium sized towns.

INVESTMENT RATIONALE

- Defensive sector with strong earnings visibility and growth prospects for the years ahead.
- EYSA commands benchmark positioning in the regulated street parking segment and is one of just two players with a nationwide presence.
- Scope for organic and M&A-led growth in the street parking, off-street parking and urban mobility service segments in Spain and abroad.

RECENT PERFORMANCE AND OUTLOOK FOR 2015

EYSA's revenue jumped by 22% year-on-year in 2014 thanks to the annualised impact of the acquisition of SCI (a benchmark player in the management of fines and other levies for town halls) in September. Stripping out the impact of this acquisition, topline growth falls to 4%.

In 2014 the company managed to increase the number of parking spaces under its management by 5,400 to over 133,500, thanks to the adjudication of additional spaces in Madrid and nine new contracts, which added almost 7,500 new places to the portfolio managed by EYSA. This more than offset the loss of a three contracts last year, which encompassed 1,900 places.

In terms of off-street parking, EYSA won a contract in June for the management of the car park at Valladolid Hospital.

On the corporate financing front, EYSA closed a €75 million bond issue, the biggest placement on MARF, Spain's alternative bond market, to date. The transaction closed in July; this refinancing enabled the company to pay out a €27 million dividend. In the wake of this dividend payment, Dinamia has recovered €6.7 million of its investment.

In 2015, EYSA plans to continue to present bids for any contracts coming up for tender. The team also continues to analyse the scope for expanding the business abroad and it is studying several acquisition opportunities that would deliver growth in the car parking segment as well as in other urban mobility services.

www.teltronic.es / www.rymsa.com

GRUPO TRYO

2014 was a good year for Grupo TRYO, shaped by earnings growth and the close of one catalogue-boosting acquisition

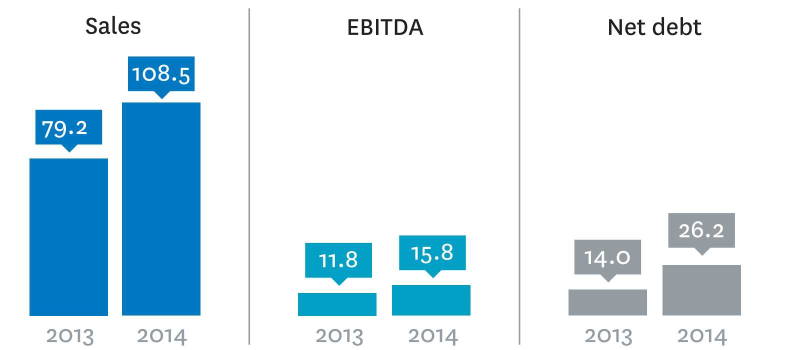
INVESTMENT DATA	Thousand euro
Sector	Electronic equipment
Investment type	Buyout
Acquisition date	July 2011
Investment to date	10,703

INVESTEE SHAREHOLDERS	
Dinamia Capital Privado	24.8%
Nmas1 Private Equity Fund II	73.7%
Management team	1.5%

FINANCIAL INFORMATION		Thousand euro
	Estimated 31.12.2014	Audited 31.12.2013
Income statement(i)		
Revenue	108,507	79,187
EBITDA	15,754	11,796
Balance sheet		
Assets	153,866	109,065
Equity	60,684	49,572
Net debt	26,238	14,040

(i) includes 100% of Scati Labs and Mier Comunicaciones

FINANCIAL HIGHLIGHT Million euro



PROJECT OVERVIEW

This project was structured as the acquisition from Corporación IBV of two companies devoted to the manufacture of electronic parts and equipment with the ultimate goal of integrating three business lines into a single company (Grupo TRYO) to configure a group specialised in the design and manufacture of high-tech electronic systems and parts which is capable of commanding a leadership position in professional, global, niche and growth markets.

The companies so acquired were:

Teltronic (radio communication): devoted to the manufacture of electronic equipment and systems for professional radio systems (e.g., for fire and police forces). TRYO Security was created in 2013 following the acquisition of Scati (video surveillance).

Rymsa (antennae and telecommunications parts): devoted to the design, manufacture and distribution of antennae for the telecommunications industry. This company in turn operates in two lines of business:

- Broadcast - Defence & radar: the manufacture of aerial systems and passive equipment for the transmission of radio and TV signals (broadcasting) and of radar air traffic control antennae and other systems (defence & radar).
- Satellite equipment: the design, manufacture and supply of on-board, high-tech satellite antennae and passive equipment.

MARKET OVERVIEW

The group operates in three different markets:

1) The radio communication market, with an estimated size of 700 million euros for the TETRA standard and of 600 million euros for the American APCO P-25 standard.
2) Broadcast - Defence & radar:
   2.1) Broadcasting: global market of an estimated €250m in which demand is stable, albeit varying by country
   2.2) Defence & radar: the main market is the flight navigation radar and pedestal market.
3) Satellite equipment: the European satellite market is estimated at between 900 million euros and 1,000 million euros and the global market at around 5,300 million euros.

INVESTMENT RATIONALE

- Strong international presence.
- Stellar management team.
- Unique technology and flexible production structure enabling product customisation and erecting high entry barriers.
- Brand recognition, which is highly valued by customers who prize reliability over price.
- Customers of substantial scale with strong institutional base.
- Leading company in its niches at the worldwide level.
- Scope for organic and M&A-led growth.

RECENT PERFORMANCE AND OUTLOOK FOR 2015

2014 was a year of significant growth for the TRYO Group: revenue rose 36% year-on-year and EBITDA, by 35% (16% and 20%, respectively, stripping out the acquisition of Mier). Leverage increased on the back of the acquisition.

The biggest milestone of the year was the acquisition, in February, of Mier Comunicaciones, a Barcelona-based company with a track record dating back 50 years. Mier Comunicaciones operates in two businesses: (i) the Broadcasting division, devoted to the design, manufacture and installation of professional equipment for TV, digital radio and DTT broadcasting; and (ii) the Space division, which handles the design and manufacture of satellite communication equipment for the ground and flight segments. Both divisions complement Grupo TRYO's space and broadcasting divisions in terms of customers, markets and product portfolios. The acquisition was financed by an equity contribution by all the company's shareholders and internal funds.

The company expects to delivery substantial topline and EBITDA growth in 2015 and to deleverage.

MBA

MBA's strategy for 2015 is to continue to expand its product catalogue, distributing new product families in its operating markets

INVESTMENT DATA	Thousand euro
Sector	Distribution of implants
Investment type	MBO
Acquisition date	July 2008
Total investment to date(1)	32,266

(1) Includes a profit-participating loan

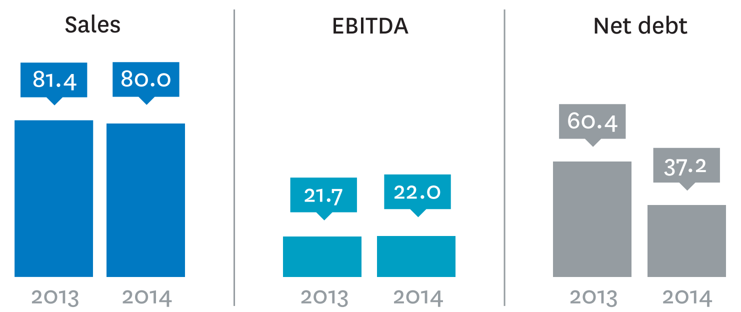
INVESTEE SHAREHOLDERS	
Dinamia Capital Privado	36.9%
Nmas1 Private Equity Fund II	36.9%
Management team	23.5%
Other	2.7%

FINANCIAL INFORMATION (Thousand euro)	Pro-Forma 31.12.2014	Pro-Forma 31.12.2013
Income statement		
Revenue	80,013	81,386
EBITDA(1)	22,007	21,662
Balance sheet		
Assets	185,110	194,486
Equity(2)	122,458	117,164
Net debt(3)	37,200	60,354

(1) Pro forma data for comparative purposes (excluding non-recurring charges)
(2) Includes a profit-participating loan
(3) Includes €10,000k of non-recourse factoring charged against the supplier payment plan as of 31 December 2013

FINANCIAL HIGHLIGHT

Million euro



COMPANY OVERVIEW

MBA is Spain's fourth largest distributor of orthopaedic products with a market share of 15%. It is also the only independent operator with a meaningful footprint in Europe, with a presence in Spain, Belgium, Italy, Portugal and the UK.

The group specialises in own-brand knee, hip and spinal implants and internal and external fixation devices. MBA also has a specialist business line in the biological products niche, operating under the BIOSER brand. The group's customers are mainly public hospitals although it also distributes its products to private insurers and individuals.

MARKET OVERVIEW

MBA's business market is dominated by multinational manufacturers with a sales presence in Spain such as Stryker, Zimmer, Depuy (J&J) and Biomet, which boast an aggregate market share of 68%.

In recent months the Spanish orthopaedic surgery market has begun to show slight signs of recovery. However, this growth is not proving even across the country. As a whole, waiting lists are expected to continue to grow, in line with the trend initiated in 2011.

The main orthopaedic market drivers are: (i) population ageing; (ii) increasing know-how and surgery success rates thanks to technology development; and (iii) growing demand for replacement parts.

INVESTMENT RATIONALE

- Business model based on recurring investment in instruments and ongoing additions of innovative, premium products to the company's catalogue (clear-cut R&D focus).
- Strong brand recognition, in Spain and abroad.
- Value-added customer service thanks to close relationships with surgeons, the provision of ongoing doctor training and in-house sales reps.
- Scope for international expansion by means of organic growth and M&A opportunities.

RECENT PERFORMANCE AND OUTLOOK FOR 2015

MBA's revenue was broadly flat year-on-year in 2014 (-2%).

The home market continues to be affected by the downtrend in surgery volumes underway since the second half of 2010 and the resulting growth in waiting lists. However, volumes began to tick slightly higher in 2014 and this trend is expected to continue in the years to come. Despite the adverse business environment, the company's volumes are growing and it is gaining market share.

Elsewhere, prices stabilised in 2014 after several years of extraordinary downward pressure as a result of the adverse macroeconomic climate. The company also expects this trend to continue in the years to come.

The Belgian market, the company's main market outside Spain, continues to perform well. The strong take-up for new products in Belgium drove this subsidiary's growth in 2014 which ultimately accounted for 22% of overall revenue; however, 2015 is expected to be marked by continued downward pressure on spinal implant prices. MBA's management team continues to work to introduce new product families in Belgium, Italy and the UK and hopes that success on this front will offset the impact of price pressure.

On the deleveraging front, the measures introduced by the Spanish government with a view to eliminating late payments by the public sector had a positive impact in 2014. In February, the company received an extraordinary payment of €18 million as a result of this scheme. MBA's management team believes there is room for further working capital upside and that leverage levels will therefore continue to come down in the months to come.

ELECTRA PARTNERS CLUB 2007 LP

In 2014, Dinamia received its first three distributions from the Fund, equivalent to 25% of the amount contributed

INVESTMENT DATA	Thousand euro
Sector	Private equity fund
Investment type	Generalist
Acquisition date	June 2008
Investment to date(1)	11,964

(1) In 2014 Electra Partners Club made two distributions; Dinamia received a total of €3,003k.

INVESTEE SHAREHOLDERS	
Dinamia Capital Privado	11.8%
Other	88.2%

DESCRIPTION

In the wake of its IPO in November 1997, and with the goal of diversifying its investments, Dinamia decided to build limited exposure (<10%) to the European private equity sector. Against this backdrop, between 1997 and 2007 it co-invested alongside Electra and other private equity companies in two transactions in Europe.

Towards the end of 2007, Dinamia decided to extend this strategy in a more structured and diversified manner, taking a 10% interest in a £100 million private equity fund called Electra Partners Club 2007 which closed on 7 May 2008 upon achieving its full commitment target; Dinamia committed to invest up to £10 million in the fund over a five-year horizon.

Electra Partners Club 2007's investment strategy dovetails with Dinamia's philosophy and is characterised as follows:

- Geographic target: the UK. The fund invests in UK companies and international companies that are headquartered or have a significant presence in the UK. An approach has also been made to look for investment opportunities in other parts of Western Europe.
- Target segment: mid-market. The fund targets companies with an enterprise value of £70-£250 million, although the upper limit can be raised under extenuating circumstances.
- Controlling stakes. Electra Partners Club 2007 takes controlling stakes alongside Electra Private Equity Plc to ensure delivery of its strategy for its portfolio investees.
- Flexible exit horizon. Business strategy designed to culminate in exit strategies that optimise investor returns.

The management team (Electra Partners LLP) has a track record in the UK mid-market stretching back over 20 years.

One of the fund's investors defaulted on a drawdown commitment on 15 March 2011, as a result of which the fund's size was reduced to £85 million and Dinamia's interest rose from 10% to 11.76%.

RECENT PERFORMANCE AND OUTLOOK FOR 2015

In 2014, Dinamia received its first three distributions from the Fund in an aggregate amount of £2,423 thousand (€3,003 thousand), which is equivalent to 25% of the amount contributed to the Fund to date.

In the wake of these distributions, Dinamia's net investment in the Fund stands at £7,381 thousand (equivalent to €8,961 thousand). The investment period for new investments has ended. A balance of £1,130 thousand (€1,451 thousand) may still to be drawn down to the extent used for add-on investments in portfolio companies and to cover expenses incurred throughout the remainder of the fund's existence. The fund ends on its 10th anniversary, i.e., 7 May 2018, but may be extended for an additional two years.

In addition, on 12 January 2015, Dinamia received its fourth distribution from Electra Partners Club 2007 LP as a result of a further repayment of shareholder contributions by fund investee Axio Data Group. Dinamia received £150 thousand (€191 thousand), which, coupled with prior distributions, puts the level of capital invested in this fund that has been recouped to date at 27%.

The fund's investees are:

- AXIO Data Group (Apr. 13), which encompasses the data services businesses of UBM acquired by Electra. These businesses provide data and information products which professionals use to support their decision-making and day-to-day business activities. It operates in 28 countries and a range of sectors including healthcare, technology, aviation and global trade. This investee's earnings performance remains healthy; it has partially disposed of one of its businesses.

- Peverel Group (Mar. 12) is a property management service provider specialised in retirement homes. The group's earnings since acquisition have been healthy; earnings momentum is being driven by process optimisation, cost savings and new product development. The Fund has recovered 60% of its investment cost since acquisition thanks to deleveraging by this investee.

- Davies Group (Oct. 11) provides claims management solutions and services to some of the most successful insurance brands in the UK. In the wake of the restructuring plan implemented by the new management team this company is beginning to grow.

- Daler-Rowney (Mar. 11) is the world's third-largest supplier of fine arts materials (watercolours, artists' paints, etc.). The investment strategy is to pursue organic growth (in the US and Europe, including the UK market) and acquisition opportunities (UK and Dominican Republic). This company's earnings are being undermined by exchange rate trends.

- Sentinel Performance Solutions Limited (Feb. 11) is the European market leader in the supply of treatment products to improve the performance and efficiency of residential heating and hot water systems. This company's performance is being hurt by the domestic residential market.

- Nuaire (Dec. 07) is a leading manufacturer and distributor of ventilation systems for the UK commercial and residential markets. It distributes directly to consumers in the heating, ventilation and air conditioning segments. This company is having a very good year thanks to a stronger market and investment in new products. This company made a shareholder distribution during the year in the wake of a refinancing exercise.

GRUPO NOVOLUX

www.gruponovolux.com

Grupo Novolux's revenue and EBITDA registered growth in 2014, driven by a slight improvement in the Spanish residential market

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

(1) Incluye préstamo participativo

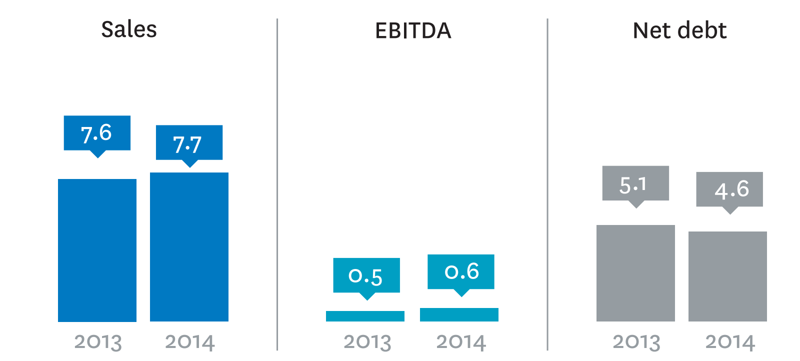
INVESTEE SHAREHOLDERS	
Dinamia Capital Privado	48.5%
Nmas1 Private Equity Fund I	45.9%
Other	5.6%

FINANCIAL INFORMATION — Thousand euro

	Audited 31.12.2014	Audited 31.12.2013
Income statement		
Revenue	7,705	7,580
EBITDA [1]	568	525
Balance sheet		
Assets	22,268	26,810
Equity [2]	12,600	16,995
Net debt	4,636	5,115

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

FINANCIAL HIGHLIGHT — Million euro



COMPANY OVERVIEW

Grupo Novolux offers an extensive range of technical and decorative solutions in the lighting field. It leads the Spanish and Portuguese outdoor lighting market and since 2010 has been active in the interior lighting solutions segment.

Novolux's leading outdoor lighting brands (Cristher and Dopo) boast unwavering recognition in the market on account of their quality, functionality and design and are benchmark products for electricians and electric material merchants, which constitute the company's traditional sales channels.

Novolux also offers the most extensive range on the market in terms of materials, installation alternatives and finishes, while providing unbeatable customer logistics fulfilment.

Grupo Novolux brought its manufacturing, logistics, administrative, technical and sales & marketing activities under a single roof in September 2012, namely a facility of over 8,000m[2] in Santa Perpetua de Mogoda (Barcelona).

MARKET OVERVIEW

The private exterior lighting segment is a niche within the overall lighting market. It represents the more technical end of the market, requiring greater input from tradesmen, thereby engaging these professionals in the process of advising the end customer.

The lighting market has been affected since mid-2008 by the crisis in the construction sector (ongoing downtrend in tenders and works) and the overall slump in consumer spending, with the decorative exterior lighting segment in which Novolux operates hit hardest of all.

2014 was marked by a modest turnaround, driven mainly by growing penetration of LED technology and a slight improvement in the property market.

INVESTMENT RATION ALE

- Strong positioning among tradesmen. Tradesmen actively recommend Cristher and Dopo products.
- Entry barriers: two established brands that forestall potential entry by other competitors, a good sales network and a high degree of automation among customers and suppliers.
- High delivery service standards and breadth of product catalogue.

RECENT PERFORMANCE AND OUTLOOK FOR 2015

Grupo Novolux reported revenue of €7.9 million in 2014, year-on-year growth of 4%, marking the first year of topline growth since the crisis erupted in 2008. The company posted EBITDA of €0.6 million, up 9% over 2013.

This growth was driven mainly by a slight improvement in the domestic market (greater property development momentum and reduction in the stock of unsold housing) and increased business volumes from electricians, the company's main customers. The growth is not yet being felt evenly across the country and is for now very concentrated in the coastal areas.

International sales, meanwhile, are still not registering the growth anticipated: so far, the company is only seeing small orders for highly specific projects.

Last year the company recorded EBITDA of €0.6 million, up 9% year-on-year and in line with budget. Despite the growth in expenditure associated with the international expansion project, EBITDA rose on the back of national sales growth (with gross margins in line with historical levels), coupled with control over the cost structure.

Lastly, the company managed to reduce debt by €0.4 million in 2014 thanks to a high EBITDA-to-cash conversion ratio (very low capex and working capital requirements).

As for the outlook for 2015, the company expects the local market to extend the trend initiated in 2014 and to register modest growth thanks to its leadership position in the outdoor housing lighting segment. The major accounts to have survived the crisis have whittled down their supplier bases, with Novolux emerging as the benchmark supplier in its niche.

The company plans to continue to earmark significant resources to its overseas markets in 2015, meaning funds (attendance at trade fairs, catalogues, business travel) and human capital (it has hired new Export Managers with responsibility over specific geographies), which is expected to translate into sales growth outside Spain.

BODYBELL

www.bodybell.com

The challenging competitive backdrop prompted a significant decline in the company's earnings in 2014

INVESTMENT DATA

Thousand euro

Sector	Perfume and cosmetics chain
Investment type	BIMBO
Acquisition date	April 2005
investment to date[1]	26,483

(1) Includes a profit-participating loan
(2) The company recovered €22,575k of its initial investment as part of a recapitalisation exercise undertaken in December 2006

INVESTEE SHAREHOLDERS

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

FINANCIAL INFORMATION

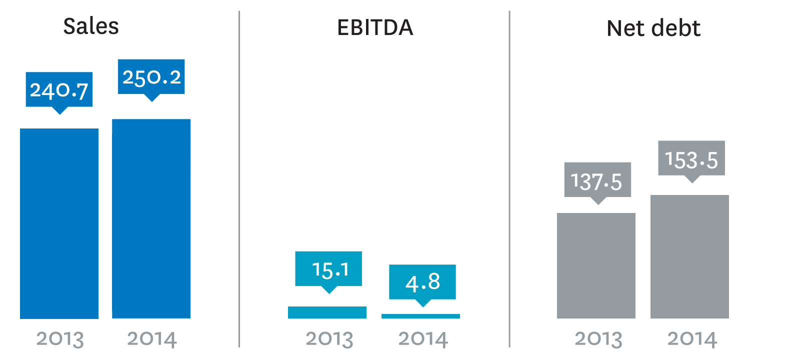
Thousand euro

	Estimated 31.12.2014	Actual 31.12.2013
Income statements		
Revenue	250,177	240,728
EBITDA[1]	4,763	15,107
Balance sheet		
Assets	312,085	325,084
Equity[2]	85,695	104,547
Net debt	153,490	137,498

* Management accounts
(1) EBITDA adjusted for non-recurring items
(2) Includes profit-participating loans

FINANCIAL HIGHLIGHT

Million euro



COMPANY OVERVIEW

With over 300 stores all over Spain (under the Bodybell and Juteco trademarks), Bodybell is one of the leading perfume and cosmetics retail chains in Spain. The group retails perfumes, cosmetics and health and beauty products and wholesales consumer health and beauty products.

MARKET OVERVIEW

The health and beauty segment, along with the rest of the retail industry, has been adversely affected by the Spanish economic downturn and the slump in consumer spending.

In terms of market structure, the universe of health and beauty establishments continues to shrink as the number of traditional outlets falls, some of which are being absorbed by the modern, self-service stores and chains.

INVESTMENT RATIONALE

- The sector presents solid fundamentals and strong growth potential (particularly in emerging segments such as men's cosmetics and non-prescription pharmacy products) without the fashion/obsolescence risks of other retail segments. High operational gearing.
- Strong brand image in Spain: a dominant market position in central Spain and excellent store locations.
- Consolidation play. The market remains highly fragmented, made up of numerous family-run, regional players.

RECENT PERFORMANCE AND OUTLOOK FOR 2015

The company continued to gain market share in 2014, driven by the integration of the Gala perfume and cosmetics chain's 35 Spanish stores, acquired in 2013. This integration enabled the company to offset the drop in same-store sales sustained across the rest of the chain's establishments.

However, Bodybell's profitability fell sharply, prompted mainly by attempts by specialist retailers to win market share by dropping prices. The company was not able to offset the pressure on margins with the integration of the new Gala stores: EBITDA fell sharply to €4.7 million.

Despite the weak earnings performance last year, the company remains a solid asset and one of the leading players in a market in the throes of consolidation. Bodybell is predominantly a retail business, whose performance is highly geared to consumer spending. As a result, the company believes it stands to benefit from significant earnings upside as the economic recovery gains traction.

The company does not expect a major market turnaround in 2015. Bodybell is, however, executing an internal turnaround strategy which is expected to translate into earnings momentum as the year unfolds.

Due to its earnings performance, the company is in the process of renegotiating its financial obligations with a view to aligning them with the market reality.

HIGH TECH

The economic recovery gradually unfolding coupled with growth in the number of foreign tourist arrivals (particularly in Madrid) enabled HTH to deliver a significant improvement in its key performance indicators

INVESTMENT DATA	Thousand euro
Sector	Hotel
Investment type	Growth
Acquisition date	January 2003
Investment to date[1]	14,576

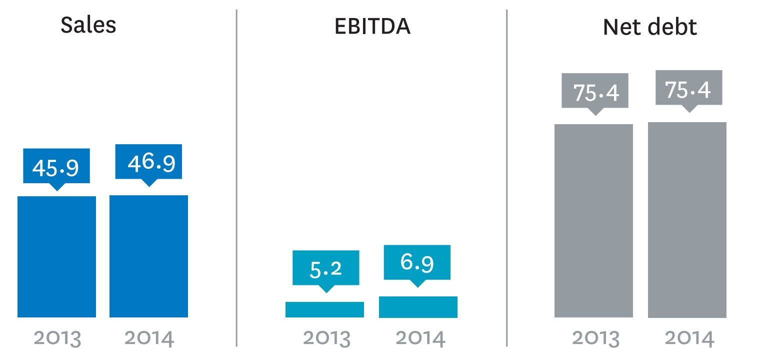
(1) EAs part of the December 2007 rights issue, Dinamia recovered €5,963k as a result of the redemption of preferred shares

INVESTEE SHAREHOLDERS	
Dinamia Capital Privado	26.0%
Nmas1 Private Equity Fund I	26.0%
Management team	26.2%
Other	21.8%

FINANCIAL INFORMATION	Estimated 31.12.2014	Pro-Forma 31.12.2013
Thousand euro		
Income statement		
Revenue	46,942	45,912
EBITDA [1]	6,937	5,195
Balance sheet		
Assets	62,179	66,738
Equity	(37,160)	(35,299)
Net debt[1]	75,447	75,414

(1) EBITDA and net debt calculated under former Spanish GAAP of 1990 to correct for the adjustment under the new rules to charge rents on a straight line basis (no impact on cash)

FINANCIAL HIGHLIGHT Million euro



COMPANY OVERVIEW

High Tech Hoteles & Resorts, SA is a hotel chain focused on the 3- and 4-star segment in the urban business travel and tourism segments. It currently operates 31 establishments. Its hotel base is concentrated in Madrid (20 properties). When Dinamia acquired this investment, High Tech was operating just four hotels.

The company's strategy is to create a leading chain in a highly-fragmented segment ripe for consolidation, comprising many family-run properties with little brand recognition.

MARKET OVERVIEW

The 3- and 4-star segments represent the backbone of the Spanish hotel industry, accounting for over 78% of capacity in terms of beds. Occupancy in this segment has trended above the sector average since 1987.

This segment, not professionally run as a rule and extremely fragmented, is dominated by family-run establishments. There are high entry barriers for major international chains looking to build a meaningful position:

- Lack of chains of sufficient scale to give them a significant foothold by means of acquisitions;
- Lack of transparency on the part of existing small-scale chains; and
- The presence of a national developer has proven a key success factor in the Spanish hotel chain sector.

The 3- and 4-star urban segment, which can be sub-divided into the business and tourist segments, is more stable throughout the year as it is less seasonal.

INVESTMENT RATIONALE

- Proven business model. A business concept that is underpinned by good relationships with the travel agencies, tour operators and end customers.
- Defendable and sustainable niche.
- Experienced, engaged and vested management team with a proven track record managing a successful chain in the same segment.

RECENT PERFORMANCE AND OUTLOOK FOR 2015

Revenue rose by 2% year-on-year in 2014 (+5% on a like-for-like basis). EBITDA jumped 34% thanks to a gradual improvement in both the occupancy and average daily rate, coupled with astute operating cost management. In addition, the gradual economic recovery in Spain is translating into growth in the number of foreign tourist arrivals (+7.1% vs. 2013). The Madrid hotel market (where 20 of the chain's 31 establishments are located) outperformed the overall the Spanish market, driven by growth in tourist numbers of 7.5%. The growth in international demand, coupled with a gradual recovery in home-market demand driven by stronger consumer spending, translated into higher occupancy and ADR readings.

In early July the company completed its bank debt refinancing process. This refinancing will allow the company to meet its debt servicing commitments more flexibly (most of the debt will now be repaid in a single bullet payment in 2018) and establishes a mechanism for replenishing equity for company law purposes (by swapping some of its senior loan for a profit-participating loan).

During 2015, the company will continue to work towards recovering historical price and occupancy levels by means of active revenue management mechanisms. In parallel it will develop formulae to enable it to further its growth plans by means of select new hotel openings and the closure of structurally loss-making establishments. This, coupled with encouraging macroeconomic forecasts, foreshadow topline and EBITDA growth in 2015.

ARCO

www.arcobu.com

RECENT PERFORMANCE AND OUTLOOK FOR 2015

ARCO is the company that has been in Dinamia's portfolio the longest, as the initial investment dates back to 1999. Dinamia has a minority interest in this company.

Dinamia has no recent information on United Wineries Holdings' financial performance.

INVESTMENT DATA

INVESTMENT DATA	Thousand euro
Sector	Wineries
Investment type	MBO
Acquisition date	March 1999
Investment to date(1)	17,477

(1) Since investing in the company, Dinamia has received €2,019k in the form of dividends.

INVESTEE SHAREHOLDERS

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

COMPANY OVERVIEW

Dinamia Capital Privado, SCR, SA is a shareholder of United Wineries Holdings ("Arco"), the holding company for the investments and business interests of the ARCO group, whose parent company since 2007 is Corporación Financiera ARCO S.L.

Since 2007, ARCO has focused on acting as the holding company for its business interests; in 2008 it concluded the transfer to its subsidiaries of the purchase, sale, marketing and distribution of wines, while transferring to the parent company those tasks related to the group's administration and financial control; these decisions were motivated by organisational and management efficiency reasons.

Arco is strategically focused on companies and projects in two of the Spanish economy's key sectors: the food industry, with an emphasis on value-added food and wines, and the specialist hospitality sector (non-conventional hotels, specialist tourist services, culinary hospitality and tourism, etc.), at all times taking majority or at least significant interests in its investees. The company views the wine industry as one of its preferred investment sectors.

It invests in Spanish companies whose products and services lend themselves to exporting and international companies that enable the distribution and marketing of these products worldwide.

Arco holds interest 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)

Through The Haciendas Company, Arco also holds an interest in Hacienda Zorita. When it opened in 2004, it was the first Wine Hotel & Spa in Spain.

Audit Report

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This version of our report is a free translation of the original, which was prepared in Spanish. All possible care has been taken to ensure that the translation is an accurate representation of the original. However, in all matters of interpretation of information, views or opinions, the original language version of our report takes precedence over this translation.

INDEPENDENT AUDITOR´S REPORT ON ANNUAL ACCOUNTS

To the shareholders of Dinamia Capital Privado, S.C.R., S.A.

Report on the Annual Accounts

We have audited the accompanying annual accounts of Dinamia Capital Privado, S.C.R., S.A., which comprise the balance sheet as at December 31, 2014, and the income statement, statement of changes in equity, cash flow statement and related notes for the year then ended.

Directors' Responsibility for the Annual Accounts

The company´s directors are responsible for the preparation of these annual accounts, so that present fairly the equity, financial position and financial performance of Dinamia Capital Privado, S.C.R., S.A., in accordance with the financial reporting framework applicable to the entity in Spain, as identified in Note 2 to the accompanying annual accounts, and for such internal control as directors determine is necessary to enable the preparation of annual accounts that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these annual accounts based on our audit. We conducted our audit in accordance with legislation governing the audit practice in Spain. This legislation requires that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the annual accounts are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the annual accounts. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the annual accounts, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation of the annual accounts in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the presentation of the annual accounts taken as a whole.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the accompanying annual accounts present fairly, in all material respects, the equity and financial position of Dinamia Capital Privado, S.C.R., S.A. as at December 31, 2014, and its financial performance and its 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.

Emphasis of Matter

We draw attention to notes 1.a) and 28) to the annual accounts, in which it is indicated that the Board of Directors of Dinamia Capital Privado, Sociedad de Capital Riesgo, S.A. and N Más Uno IBG, S.A. approved and signed an agreement for the merger of both entities through the absorption of N Más Uno IBG, S.A. by Dinamia Capital Privado, Sociedad de Capital Riesgo, S.A. The Common Merger Plan approved jointly on 23 February 2015 is forecast to be submitted to both the companies' ordinary General Shareholders Meetings for approval. These will be duly arranged by the respective Boards of Directors. This matter does not modify our opinion.

PricewaterhouseCoopers Auditores, S.L., Torre PwC, Pº de la Castellana 259 B, 28046 Madrid, España
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Inscrita en el R.O.A.C. con el número S0242 - CIF: B-79 031290

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Report on Other Legal and Regulatory Requirements

The accompanying directors' Report for 2014 contains the explanations which the directors consider appropriate regarding the company's situation, 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 2014.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 company´s accounting records.

PricewaterhouseCoopers Auditores, S.L.

Original in Spanish signed by
Pedro Richi Alberti
25 march 2015

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

Annual Financial Statements and Directors' Report 31 December 2014

BALANCE SHEET AT 31 DECEMBER 2014 AND 2013

Euros

ASSETS	31/12/2014	31/12/2013
A) CURRENT ASSETS	**55,151,535.87**	**21,817,386.63**
I. Cash and cash equivalents	54,097,191.61	21,648,808.28
II. Prepayments and accrued income	20,611.90	20,611.90
III. Current financial investments	-	-
1. Equity instruments	-	-
2. Loans to companies	-	-
3. Debt securities	-	-
4. Derivatives	-	-
5. Other financial assets	-	-
IV. Current investments in group companies and associates	-	-
V. Receivables	158,732.36	147,966.45
VI. Other current assets	875,000.00	-
B) NON-CURRENT ASSETS	**94,827,433.80**	**110,643,252.18**
I. Deferred tax assets	-	2,563.30
II. Non-current financial assets	12,177,632.78	11,673,169.25
1. Equity instruments	11,562,941.67	11,114,361.28
1.1. Private equity investees	-	-
1.2. Other entities	11,562,941.67	11,114,361.28
2. Loans to companies	614,691.11	558,807.97
3. Debt securities	-	-
4. Derivatives	-	-
5. Other financial assets	-	-
III. Non-current investments in group companies and associates	82,649,801.02	98,967,519.62
1. Equity instruments	39,076,808.48	43,971,834.30
1.1. Private equity investees	39,076,808.48	43,971,834.30
1.2. Other entities	-	-
2. Loans to companies	43,572,992.54	54,995,685.32
3. Debt securities	-	-
4. Derivatives	-	-
5. Other financial assets	-	-
IV. Property and equipment	-	-
V. Intangible assets	-	-
VI. Other non-current assets	-	-
TOTAL ASSETS (A + B)	**149,978,969.67**	**132,460,638.81**

BALANCE SHEET AT 31 DECEMBER 2014 AND 2013

Euros

LIABILITIES AND EQUITY	31/12/2014	31/12/2013
A) CURRENT LIABILITIES	**914,971.97**	**1,480,023.76**
I. Accruals and deferred income	-	-
II. Trade and other payables	821,857.42	1,351,055.85
III. Current payables, group companies and associates	-	-
IV. Current payables	-	-
V. Current provisions	-	-
VI. Other current liabilities	93,114.55	128,967.91
B) NON-CURRENT LIABILITIES	**11,529,602.91**	**13,814,490.44**
I. Accruals and deferred income	-	-
II. Deferred tax liabilities	7,792.17	-
III. Non-current payables, group companies and associates	-	-
IV. Non-current payables	10,844,137.74	12,670,545.34
V. Non-current provisions	677,673.00	1,143,945.10
VI. Other non-current liabilities	-	-
TOTAL LIABILITIES (A+B)	**12,444,574.88**	**15,294,514.20**
C) EQUITY	**137,534,394.79**	**117,166,124.61**
C-1 OWN FUNDS	**134,940,179.62**	**118,013,379.01**
I. Capital	48,837,600.00	48,837,600.00
II. Unitholdings	-	-
III. Share premium	44,931,494.50	56,289,906.60
IV. Reserves	35,800,426.70	35,800,426.70
V. Own equity instruments (-)	(223,330.43)	(223,330.43)
VI. Retained earnings (prior-year losses) (+/-)	(22,691,223.86)	(29,708,411.04)
VII. Other owner contributions	-	-
VIII. Profit for the year (+/-)	28,285,212.71	7,017,187.18
IX. Interim dividend (-)	-	-
X. Other equity instruments	-	-
C-2 MEASUREMENT ADJUSTMENTS IN EQUITY	**2,594,215.17**	**(847,254.40)**
I. Available-for-sale financial assets	2,594,215.17	(847,254.40)
II. Hedging transactions	-	-
III. Other	-	-
C-3 Grants, donations and bequests received	**-**	**-**
TOTAL EQUITY AND LIABILITIES	**149,978,969.67**	**132,460,638.81**

BALANCE SHEET AT 31 DECEMBER 2014 AND 2013

Euros

MEMORANDUM ACCOUNTS	31/12/2014	31/12/2013
1. CONTINGENCY AND COMMITMENT ACCOUNTS	**250,536.13**	**234,068.12**
1. Collateral and guarantees conferred	-	-
2. Collateral and guarantees received	-	-
3. Securities purchase commitments	250,536.13	234,068.12
3.1 Private equity investees	-	-
3.2 Other entities	250,536.13	234,068.12
4. Securities sale commitments	-	-
4.1 Private equity investees		-
4.2 Other entities	-	-
5. Other derivatives	-	-
6. Commitments with shareholders or unitholders		-
7. Other contingencies and commitments		-
2. OTHER MEMORANDUM ACCOUNTS	**112,544,618.33**	**95,610,151.46**
1. Total committed equity		-
2. Uncalled equity commitments		-
3. Assets written-off		-
4. Unused tax losses	89,113,780.64	77,884,747.52
5. Unrealised gains (losses) (net of tax effect)	23,430,837.68	17,725,403.94
6. Impairment of start-up capital		-
7. Other memorandum accounts		-
TOTAL MEMORANDUM ACCOUNTS (1+2)	**112,795,154.45**	**95,844,219.58**

INCOME STATEMENT FOR THE YEARS ENDED 31 DECEMBER 2014 AND 2013

Euros

INCOME STATEMENT	2014	2013
1. Finance income	**9,040,458.52**	**8,464,070.98**
1.1. Interest, dividend and similar income	9,040,458.52	8,464,070.98
1.2. Other finance income	-	-
2. Finance costs	**(918.13)**	**-**
2.1. Interest and similar charges	(918.13)	-
2.2. Other finance costs	-	-
3. Net gain/(loss) on and changes in fair value of financial investment portfolio (+/-)	**23,096,519.76**	**2,058,753.54**
3.1. Net gain/loss on disposals (+/-)	12,382,837.58	(3,101,005.03)
3.1.1. Equity instruments	12,382,837.58	(3,101,005.03)
3.1.2. Debt securities	-	-
3.1.3. Other financial assets	-	-
3.2. Change in fair value of financial instruments (+/-)	-	-
3.3. Impairment and losses on financial assets (+/-)	10,713,682.18	5,159,758.57
3.4. Net exchange differences (+/-)	-	-
4. Other operating income/(expense) (+/-)	**(2,578,351.84)**	**(2,350,563.86)**
4.1. Fees and other income received (+)	-	-
4.1.1. From advising private equity investees	-	-
4.1.2. Other fees, commissions and income	-	-
4.2. Fees and commission expense (-)	(2,578,351.84)	(2,350,563.86)
4.1.1. Management fee	(2,578,351.84)	(2,350,563.86)
4.1.2. Other fees and expenses	-	-
GROSS MARGIN	**29,557,708.31**	**8,172,260.66**
5. Personnel expenses	**-**	**-**
6. Other operating expenses	**(1,272,495.60)**	**(1,353,873.07)**
7. Depreciation and amortisation	**-**	**-**
8. Overprovisions (+)	**-**	**198,799.59**
OPERATING PROFIT	**28,285,212.71**	**7,017,187.18**
9. Impairment of and gains/(losses) on fixed asset disposals (+/-)	**-**	**-**
10. Impairment losses on other assets (net) (+/-)	**-**	**-**
11. Other (+/-)	**-**	**-**
PROFIT BEFORE TAX	**28,285,212.71**	**7,017,187.18**
12. Tax expense (-)	**-**	**-**
PROFIT FOR THE YEAR	**28,285,212.71**	**7,017,187.18**

STATEMENT OF CHANGES IN EQUITY FOR THE YEARS ENDED 31 DECEMBER 2014 AND 2013

Euros

A) STATEMENT OF RECOGNISED INCOME AND EXPENSE FOR THE YEARS ENDED 31 DECEMBER 2014 AND 2013

	2014	2013
A) PROFIT AS PER INCOME STATEMENT	**28,285,212.71**	**7,017,187.18**
B) INCOME AND EXPENSE RECOGNISED DIRECTLY IN EQUITY	**3,441,469.57**	**975,656.88**
I. Measurement of financial instruments	3,451,825.05	978,592.65
1. Available-for-sale financial assets	3,451,825.05	978,592.65
2. Other income/expense	-	-
II. Cash flow hedges	-	-
III. Grants, donations and bequests received	-	-
IV. Actuarial gains and losses and other adjustments	-	-
V. Tax effect	(10,355.47)	(2,935.77)
C) AMOUNTS RECLASSIFIED TO PROFIT OR LOSS	**-**	**-**
VI. Measurement of financial instruments	-	-
1. Available-for-sale financial assets	-	-
2. Other income/expense	-	-
VII. Cash flow hedges	-	-
VIII. Grants, donations and bequests received	-	-
IX. Tax effect	-	-
TOTAL RECOGNISED INCOME AND EXPENSE	**31,726,682.28**	**7,992,844.06**

STATEMENT OF CHANGES IN EQUITY FOR THE YEARS ENDED 31 DECEMBER 2014 And 2013

Euros

B) STATEMENT OF TOTAL CHANGES IN EQUITY FOR THE YEAR ENDED 31 DECEMBER 2014

	EQUITY						
	OWN FUNDS						
	Capital	Share premium and reserves	Own shares and own equity investments	Profit (loss) for the year	Own equity instruments	Measuremen adjustments	Total equity
BALANCE AT YEAR-END 2013	48,837,600.00	62,381,922.26	(223,330.43)	7,017,187.18	-	(847,254.40)	117,166,124.61
Restatements for changes in accounting criteria	-	-	-	-	-	-	-
Reclassifications	-	-	-	-	-	-	-
RESTATED OPENING BALANCE, 2014	48,837,600.00	62,381,922.26	(223,330.43)	7,017,187.18	-	(847,254.40)	117,166,124.61
I. Total recognised income and expense	-	-	-	28,285,212.71	-	3,441,469.57	31,726,682.28
II. Transactions with shareholders and owners	-	(11,358,412.11)	-	-	-	-	(11,358,412.11)
1. Equity issues	-	-	-	-	-	-	-
2. Shares cancelled	-	-	-	-	-	-	-
3. Conversion of financial liabilities into equity	-	-	-	-	-	-	-
4. Dividend distribution	-	(11,358,412.11)	-	-	-	-	(11,358,412.11)
5. Transactions with own shares and equity holdings (net)	-	-	-	-	-	-	-
6. Increase (decrease) in equity resulting from a business combination	-	-	-	-	-	-	-
7. Other transactions with shareholders and owners	-	-	-	-	-	-	-
III. Other changes in equity	-	7,017,187.18	-	(7,017,187.18)	-	-	-
1. Share-based payments	-	-	-	-	-	-	-
2. Share-based payments	-	7,017,187.18	-	(7,017,187.18)	-	-	-
3. Other changes	-	-	-	-	-	-	-
BALANCE AT YEAR-END 2014	48,837,600.00	58,040,697.33	(223,330.43)	28,285,212.71	-	2,594,215.17	137,534,394.79

STATEMENT OF CHANGES IN EQUITY FOR THE YEARS ENDED 31 DECEMBER 2013 AND 2012

Euros

B) STATEMENT OF TOTAL CHANGES IN EQUITY FOR THE YEAR ENDED 31 DECEMBER 2013

	EQUITY						
	OWN FUNDS						
	Capital	Share premium and reserves	Own shares and own equity investments	Profit (loss) for the year	Own equity instruments	Measuremen adjustments	Total equity
BALANCE AT YEAR-END 2012	48,837,600.00	47,567,445.05	-	26,172,944.61,	(214,135.78)	(1,822,911.28)	120,540,942.60
Restatements for changes in accounting criteria							
Reclassifications	-	-	(214,135.78)	-	214,135.78	-	-
RESTATED OPENING BALANCE, 2013	48,837,600.00	47,567,445.05	(214,135.78)	26,172,944.61,	-	(1,822,911.28)	120,540,942.60
I. Total recognised income and expense	-	-	-	7,017,187.18	-	975,656.88	7,992,844.06
II. Transactions with shareholders and owners -	(11,358,467.40)	(9,194.65)	-	-	-	(11,367,662.05)	
1. Equity issues	-	-	-	-	-	-	-
2. Shares cancelled	-	-	-	-	-	-	-
3. Conversion of financial liabilities into equity -	-	-	-	-	-	-	
4. Dividend distribution	-	(11,358,467.40)	-	-	-	-	(11,358,467.40)
5. Transactions with own shares and equity holdings (net)	-	-	(9,194.65)	-	-	-	(9,194.65)
6. Increase (reduction) in equity resulting from a business combination	-	-	-	-	-	-	-
7. Other transactions with shareholders and owners -	-	-	-	-	-	-	
III. Other changes in equity	-	26,172,944.61	-	(26,172,944.61)	-	-	-
1. Share-based payments	-	-	-	-	-	-	-
2. Share-based payments	-	-	-	-	-	-	-
3. Other changes	-	26,172,944.61	-	(26,172,944.61)	-	-	-
BALANCE AT YEAR-END 2013	48,837,600.00	62,381,922.26	(223,330.43)	7,017,187.18	-	(847,254.40)	117,166,124.61

STATEMENT OF CASH FLOWS FOR THE YEARS ENDED 31 DECEMBER 2013 AND 2012

Euros

	2014	2013
CASH FLOWS USED IN OPERATING ACTIVITIES	**(5,403,599.71)**	**(1,793,740.43)**
Profit before tax	28,285,212.71	7,017,187.18
Adjustments for non-cash income and expenses:	(21,066,649.73)	(10,721,624.10)
Other adjustments	(21,066,649.73)	(10,721,624.10)
Changes in working capital	(12,978,809.06)	2,197,678.98
Other cash flows from (used in) operating activities	356,646.37	(286,982.48)
Interest paid	-	-
Dividends received	258,960.62	-
Interest received	97,685.75	116,818.74
Income tax receipts (payments)	-	-
Other cash received from (paid on) operating activities	-	(403,801.22)
CASH FLOWS FROM (USED IN) INVESTING ACTIVITIES	**49,210,395.15**	**(14,001,484.10)**
Payments for investments	(1,934,444.35)	(22,810,159.30)
Group companies, associates and business units	(1,934,444.35)	(20,919,387.60)
Property and equipment, intangible assets and investment property	-	-
Other financial assets	-	-
Other assets	-	(1,890,771.70)
Proceeds from disposals	51,144,839.50	8,808,674.65
Group companies, associates and business units	48,141,594.84	8,808,674.65
Property and equipment, intangible assets and investment property	-	-
Other financial assets	-	-
Other assets	3,003,244.66	-
CASH FLOWS USED IN FINANCING ACTIVITIES	**(11,358,467.40)**	**(11,358,467.40)**
Proceeds from and payments for equity instruments	-	-
Issuance	-	-
Cancellation	-	-
Acquisition	-	-
Disposal	-	-
Grants, donations and bequests received	-	-
Proceeds from and repayment of financial liabilities	-	-
Issuance	-	-
Repayment and amortisation	-	-
Dividends and payments on other equity instruments	(11,358,467.40)	(11,358,467.40)
EFFECT OF CHANGES IN EXCHANGE RATES ON CASH AND CASH EQUIVALENTS	**-**	**-**
NET INCREASE / (DECREASE) IN CASH AND CASH EQUIVALENTS	**32,448,328.04**	**(27,423,401.93)**
Cash and cash equivalents, opening balance	21,648,808.28	49,072,210.21
Cash and cash equivalents, closing balance	54,097,191.61	21,648,808.28

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

Notes to the financial statements for the year ended 31 december 2014
(Figures in euros)

1. Company information

Dinamia Capital Privado, Sociedad de Capital Riesgo, S.A. (hereinafter, the Company or Dinamia) was incorporated as an open-ended public limited company (*sociedad anónima*) on 11 November 1997. Its registered offices are located in Madrid.

The Company is governed by the provisions of Spanish Law 22/2014 (12 November 2005), regulating private equity entities and their management firms, and CNMV Circular 11/2008 (30 December 2008) regarding accounting rules, annual financial statements and confidential reporting requirements for private equity firms, among other laws.

The Company is registered in the Administrative Register of Private Equity Firms kept by Spain's securities market regulator, the CNMV for its acronym in Spanish, under entry no. 21.

Dinamia's primary corporate object is to take temporary equity interests in companies other than financial institutions or real estate companies that, at the time of investment, are not listed on any of the primary equity markets run by Bolsas de Valores, or on an equivalent regulated market of the European Union or other member nations of the Organisation for Economic Cooperation and Development (OECD). In addition, the Company may invest in the securities of companies over 50% of whose assets are accounted for by properties, so long as at least 85% of the total carrying amount of the investee's properties is held for the purpose of carrying out an economic activity.

Notwithstanding the above, Dinamia may extend its primary corporate object to the holding of temporary equity interests in non-financial companies that are listed on a primary equity market in Spain, or on an equivalent regulated market of the European Union or another member nation of the OECD, so long as those companies are delisted during the twelve-month period following the investment. Similarly, the Company may invest in other private equity firms in accordance with the provisions laid down in prevailing legislation governing this form of entity.

In order to pursue its corporate purpose, Dinamia may grant profit-participating loans and other forms of financing, in the latter instance solely to investees that form part of the compulsory investment ratio. Lastly, the Company may perform advisory services in keeping with prevailing legislation governing private equity firms.

The Company's management and administration is tasked, under contract, to Nmás1 Capital Privado, Sociedad Gestora de Entidades de Inversión Colectiva de Tipo Cerrado, S.A.U. (formerly N Más Uno Electra Capital Privado, Sociedad Gestora de Entidades de Capital Riesgo, S.A.), hereinafter, the Management Company. The Management Company is part of the Nmás1 Group, whose parent company is N Más Uno IBG, S.A.

The Company and the Management Company agreed to partially amend their existing management

agreement on 19 December 2006 and 20 May 2008, limiting the investments that the Management Company can make on a discretionary basis to €30,000,000 or 15% of the Company's net asset value. Beyond those limits, the Management Company is obliged to ask the
Company's Board of Directors to authorise the investment.

On 6 August 2002, the Management Company entered into a co-investment agreement with Nmás1 Private Equity International Limited (formerly called Nmás1 Private Equity Jersey Limited), as General Partner of Nmás1 Private Equity Fund, L.P. (hereinafter, the Fund), which advises N Más Uno Advisor, S.A. (an Nmás1 Group entity), regulating the joint investment regime between the Company and the Fund. This co-investment agreement stipulated the intention of the Company and the Fund to invest in the equity of target investees in equal percentages. The Company and the Fund reserved the right to modify these investment percentages such that they did not invest in identical amounts and the agreement even allowed for the possibility that the Company or Fund could decline to participate in a specific investment.

On 30 May 2008, a new co-investment agreement was entered into by the Company and the various vehicles comprising the investment complex known as N+1 Private Equity Fund II (hereinafter, the N+1 II Fund), comprising the following private equity firms: (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.

The co-investment agreement provides that Dinamia and the N+1 II Fund will take equal shareholdings when investing. The Management Company reserves the right to modify both parties' investment percentages such that they do not invest in identical amounts. The agreement even allows for the possibility that either of the two parties may decline to participate in a specific investment in any of the following circumstances:

- The existence of any applicable rule, law or regulation that prevents the investment by either of the parties or implies a material adverse consequence for Dinamia or the N+1 II Fund;

- The existence of clauses in the investment agreement that prevent Dinamia or the N+1 II Fund from making the investment;

- The lack of sufficient liquidity on the part of Dinamia or the N+1 II Fund to fund the investment; and

- Any other circumstances making the investment unadvisable for Dinamia or the N+1 II Fund.

Under the scope of this agreement, Dinamia and the N+1 II Fund undertook to submit all future investments to its regulation, except for add-on investments in companies invested in by Dinamia prior to execution of the agreement and investments that Dinamia may undertake in the future that do not fall within the scope of the corporate object of the N+1 II Fund.

As stipulated in the co-investment agreement, both parties undertake that:

- The investments made jointly will be arranged so that both parties are subject to the same rights, obligations, interests and restrictions and the investments are made simultaneously. The agreement specifically stipulates that Dinamia's and the N+1 II Fund's investments need not be identically structured.

- All of the costs deriving from such joint investments will be allocated in proportion to each party's respective investment interest.

- The sale of any investments made jointly shall also be undertaken jointly and on the same terms and conditions for both parties, unless both Dinamia and the N+1 II Fund sign an agreement waiving compliance with this stipulation, insofar as the exit is advisable for one of the parties and does not significantly harm the other.

Elsewhere, article 18 of Spanish Law 22/2014 (12 November 2014) stipulates that private equity firms and funds must invest at least 60% of their eligible assets in shares of entities which form part of their corporate object. In order to reach the above threshold, these entities may devote up to 30 percentage points of their total eligible assets to profit-participating loans and up to 20 percentage points of total eligible assets to the acquisition of shares in private equity firms. Article 16 of this same law stipulates that a private equity firm may not invest more than 25% of its assets in a given company or more than 35% in companies belonging to the same group of companies.

The Company was in compliance with these requirements at both year-ends as it had assigned a portion of its profit-participating loans to its eligible percentage of discretionary investments, as permitted legally.

A) SIGNIFICANT EVENTS OCCURRING DURING THE REPORTING PERIOD

The most significant developments during the year were the investments made and the exits concluded by the Company.

In addition, on 18 December 2014, the Boards of Directors of Dinamia and N Más Uno IBG, S.A. (hereinafter, “N+1”) approved and executed an agreement for the merger of the two companies (N+1 will be absorbed by Dinamia).

As notified in a significant event filing dated 23 February 2015, the Boards of Directors have since disclosed their joint approval and execution of the related Joint Merger Plan.

In accordance with the Joint Merger Plan, attached to that significant event filing, the exchange ratio will be 7.566 Dinamia shares (with a unit par value of €3) for every Class A or Special Class N+1 share (with a unit par value of €0.10, representing 99.23% of N+1's existing share capital) and 151.325 Dinamia shares (with a unit par value of €3) for every Class E N+1 share (with a unit par value of €2, representing 0.77% of N+1's existing share capital). This exchange ratio implies attributing 43% of the merged entity to Dinamia's shareholders and the remaining 57% to the shareholders of N+1.

The above exchange offer is identical to that initially agreed by the parties, as announced by means of significant event filings dated 18 and 19 December 2014, and has been confirmed in the wake of the legal and financial due diligence work carried out.

Banco Santander, S.A., in its capacity as advisor to Dinamia, has issued a fairness opinion, addressed to the Board of Directors of Dinamia, in which it states that the agreed-upon exchange ratio is fair for Dinamia from a financial standpoint.

As part of the planned merger, Dinamia is also planning to simultaneously de-merge its existing portfolio of investees, transferring them to a newly-created entity wholly-owned by Dinamia. This transaction will be covered by the corresponding De-Merger Plan, which was authorised by the Board of Directors of Dinamia at the same time it authorised the Joint Merger Plan, for submission to the shareholders at Dinamia's 2015 Annual General Meeting (which plan is also attached to the abovementioned significant event notice).

In addition, as a result of the change in corporate object implied by its merger with N+1, Dinamia is expected to cease to qualify as a private equity firm.

Section 8 of the Joint Merger Plan refers to certain dividends which Dinamia plans to pay in connection with the merger process, both before and after the transaction closes. Specifically, it plans to pay the following dividends:

- A dividend of at least €3 million to Dinamia shareholders

- A dividend of €19.4 million to be paid by the company resulting from the merger to all of the latter's shareholders

The merger's effectiveness is conditional upon delivery of a series of closing conditions (as stipulated in section 17 of the Joint Merger Plan), including terms relating to the right of separation of Dinamia's shareholders to which they are entitled on account of the change in corporate purpose occasioned by the transaction.

The Joint Merger Plan is expected to be put before the shareholders of both companies for approval at their Annual General Meetings, which will be duly called by their respective Boards of Directors.

B) DATE OF AUTHORISATION FOR ISSUE

The Company's Board of Directors authorised the issuance of the financial statements and directors' report for the year ended 31 December 2014 at a meeting held on 16 March 2015.

2. Basis of presentation of the financial statements

A) FAIR PRESENTATION

The accompanying annual financial statements, authorised for issue by the Company's directors, were prepared from the Company's accounting records and are presented in accordance with prevailing company law and the accounting rules laid down in CNMV Circular 11/2008 (30 December 2008), in order to present fairly the Company's equity, financial position and financial performance and to present accurately the amounts shown in the statement of cash flows.

The figures included in the financial documents comprising these annual accounts are expressed in euros, unless otherwise stated.

The financial statements for the year ended 31 December 2014 will be presented to the Company's shareholders for approval at the upcoming Annual General Meeting, at which they are expected to be approved without modification.¬

B) NON-MANDATORY ACCOUNTING POLICIES APPLIED

The Company has not applied any non-compulsory accounting principles in the 2014 or 2013 reporting periods.

C) KEY SOURCES OF ESTIMATION UNCERTAINTY

Preparation of the annual 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 that are believed to be reasonable under the current circumstances.

The resulting accounting estimates will, by definition, seldom equal the related actual results. All of the investees included within investments in group companies and associates (note 7) correspond to equity investments in unlisted companies which may also have been granted profit-participating loans. The criteria used by the Company to value these investments are outlined in note 4.

D) CHANGES IN ACCOUNTING CRITERIA

There were no changes in the accounting criteria applied in 2014.

E) CHANGES IN ACCOUNTING ESTIMATES

Although the accounting estimates used were made on the basis of the best information available at year-end 2014, future events could make it necessary to revise these estimates (upwards or downwards) in coming years. Changes in accounting estimates, if any, would be applied prospectively.

F) CONSOLIDATION

The Company is not obliged under prevailing regulations to issue consolidated annual financial statements for 2014.

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

The application of the International Financial Reporting Standards adopted by the European Union (IFRS-EU) does not result in material differences in the Company's earnings or year-end equity in 2014 or 2013.

3. Proposed appropriation of profit

The proposed appropriation of 2014 profit to be submitted by the Board of Directors at the Annual General Meeting for approval and the ratified appropriation of 2013 profit is set forth below:

	2014	2013
		Euros
Available for distribution		
Profit for the period	28,285,212.71	7,017,187.18
Appropriation		
Interim dividend	3,019,028.63	-
Offset of prior-year results	25,266,184.08	7,017,187.18
	28,285,212.71	**7,017,187.18**

On 16 March 2015, the Board of Directors of Dinamia Capital Privado, S.C.R., S.A. (hereinafter, “Dinamia”) approved the distribution of a €3,019,028.63 interim dividend from 2014 profits.

The amount payable does not exceed the profit generated as of the date of the Board resolution net of estimated corporate tax payable on such profit, as stipulated in article 277 of the Spanish Corporate Enterprises Act.

In prior years Dinamia had endowed its legal reserve such that it meets the minimum threshold required under the Corporate Enterprises Act.

The provisional financial statements, drawn up in keeping with prevailing legal requirements in order to show that the Company has sufficient cash to fund the abovementioned interim dividend payment, are reproduced below.

	16/03/2015
Profit to 31/12/2014 (net of income tax)	**28,285,212.71**
Allocation to legal reserve (10%)	-
Previously proposed interim dividends	-
Distributable profit	**28,285,212.71**
Interim dividend against profits	(3,019,028.63)
Surplus	**25,266,184.08**

Liquidity statement at 31/12/2014	
Banks, current account	54,097,191.61
Restricted balances	(677,673.00)
Current liabilities	(914,971.97)
Available cash balance	**52,504,546.64**

The Company's Board of Directors believes that this balance is sufficient to cover its ordinary activities for at least the next 12 months, as well as covering the planned dividends.

4. Accounting policies and measurement criteria applied

A) FINANCIAL ASSETS

i) Current and non-current financial assets

The Company's current and non-current financial investments are classified in the balance sheet using the following criteria:

- Equity instruments

  This heading includes the Company's rights over the equity of entities not considered related parties and includes listed and unlisted shares and other securities such as equity interests in private equity firms, similar foreign entities, collective investment undertakings and limited-liability companies.

- Loans to companies

  This heading includes loans and other non-trade credit extended to third parties.

ii) Current and non-current investments in group companies and associates

These headings include current and non-current equity investments in and loans to group companies and associates.

B) RECOGNITION AND MEASUREMENT OF FINANCIAL ASSETS

Financial assets are, in general, initially recognised at fair value, which, unless there is evidence to the contrary, is the transaction price, which is equivalent to the fair value of the consideration paid plus directly attributable transaction costs.

They are subsequently measured at each reporting date in keeping with the following criteria, depending on their nature:

i) Loans and receivables

This category includes: (i) trade receivables; and (ii) non-trade receivables that are neither equity instruments nor derivatives, have fixed or determinable payments and are not traded in an active market. They are measured at amortised cost, which is the amount at which the financial asset was initially recognised less any principal repayments collected, plus or minus, as warranted, the cumulative amortisation in the income statement, using the effective interest method, of any difference between the amount at initial recognition and the maturity amount, less any impairment losses recognised.

The effective interest rate is the rate that exactly discounts the estimated future cash payments or receipts through the expected life of the financial instrument to the carrying amount of the financial asset considering all contractual terms of the instrument but without considering future credit losses. The calculation includes the fees incurred upfront. For financial instruments carrying a fixed rate of interest, the effective interest rate is that estimated at the time of upfront recognition, while for floating rate instruments it is the estimated yield until the next benchmark rate revision date.

Nevertheless, trade receivables due within less than twelve months from the reporting date are measured at nominal value upon initial recognition and for subsequent measurement purposes, so long as the effect of not discounting the cash flows is not material.

ii) Available-for-sale financial assets

The financial assets included in this category, which includes the financial assets that cannot be classified in any other category, are measured at fair value without deducting any transaction costs which may be incurred to sell them. Changes in fair value are recognised directly in equity until the financial asset is derecognised or determined to be impaired, at which time the cumulative gain or loss recognised in equity is reclassified to profit or loss. The following criteria are used to determine fair value:

- Unlisted equity investments

  If there are no recent arm's length transactions between knowledgeable, willing parties in the security being valued, and barring evidence to the contrary, fair value is determined using the criteria and methods outlined in section 4.b.iii) below.

  Dividends received, the repayment of capital contributions and other shareholder distributions and the amounts obtained from the sale of preemptive subscription rights or their decoupling for the purpose of exercising them reduce the fair value of equity investments in unlisted companies from the date on which the corresponding right is established or the related transactions close.

- Investments in start-up capital

  Investments in start-up capital are equity investments in unlisted companies that have been in existence for less than three years. This category also includes investments in entities in existence for more than three years which meet the following conditions: less than three years have elapsed from the initial investment, the investee has not posted a profit for two consecutive years during the last five years and these earnings have been verified by an independent expert.

  If there are no recent arm's length transactions between knowledgeable, willing parties, they are measured at cost. Under no circumstances are unrealised gains on investments in start-up capital recognised in the absence of arm's length transactions in the security in question.

- Shares of other private equity firms

  These investments are measured at the last net asset value published or the valuation metric disclosed by the investee at the measurement date. If no such valuation metrics are available, the valuations calculated using the criteria indicated above for equity investments in unlisted companies are used.

- Listed equity investments

  These investments are measured at fair value, which is their market value as per the most relevant exchange in terms of trading volumes, determined by applying the official close price on the day of measurement, if available, or the immediately preceding working day, or the weighted average value if no official close price is available.

- Shares of collective investment undertakings

  These investments are measured using the most recent net asset value available.

iii) Equity investments in group companies, jointly-controlled entities and associates

A group company is one that constitutes a decision-making unit over which the Company has the power, directly or indirectly, to exercise control. The power to exercise control is evidenced, generally albeit not exclusively, by direct or indirect interests of 50% or more in an investee's voting rights. Control is the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities. Control may be exercised at shareholdings below the abovementioned threshold.

A jointly-controlled entity is an entity which, not being a group entity, is jointly controlled by the Company and one or more unrelated companies. This heading includes joint ventures. Joint ventures are contractual agreements under which two or more parties or venturers undertake operations or hold assets in an entity under an arrangement in which strategic, financial and business decisions affecting the joint venture require the unanimous consent of all of the venturers, without such operations or assets being integrated into financial structures distinct from those of the venturers.

Associates are entities over which the Company has significant influence by means of an interest that creates a long-lasting relationship such that the latter makes a contribution to the business of the former. Significant influence is deemed to exist, barring evidence to the contrary, when the Company holds a direct or indirect interest of 20% or more in the investee's voting rights.

The Company has classified all of its private equity investments as investments in associates as in all instances Dinamia participates in and has the power to influence their financial and operating policies, without exercising control. The existence of this significant influence is evidenced by its representation on these entities' board of directors or its participation in their procedures for setting their financial and operating policies.

Investments in group companies, jointly-controlled entities and associates are measured at cost less any accumulated impairment losses.

Investments in group companies, jointly-controlled entities and associates which are considered investments in start-up capital (under the criteria used to measure available-for-sale financial assets, outlined in section b.ii) above) are measured at cost. In the event of recent arm's length transactions between knowledgeable, willing parties at amounts above these investments' carrying amounts, the resulting differences are included within 'Unrealised gains (losses) (net of tax effect)' in the balance sheet memorandum accounts.

'Unrealised gains (losses) (net of tax effect)' in the balance sheet memorandum accounts include the unrealised gains and/or losses, net of taxes, calculated by comparing the cost of the investment and its fair value. These unrealised gains derive from the valuation of the Company's investments in the investees listed in note 7 using the criteria outlined next.

The Company has decided to measure its investments at the fair values resulting from the application of the valuation criteria recommended by the European Venture Capital Association (EVCA), which are widely accepted in the European private equity industry. Against this backdrop, the Company measures its investments at the lower of the values resulting from the following two methods:

- Valuation using comparable listed company multiples.

- Valuation resulting from the application of the multiples at which the Company acquired its shareholdings to the investees' earnings metrics.

However, these general criteria may vary for the odd investee when it is believed that their application would trigger significant distortions in fair value on account of the investee's specific circumstances (e.g. entities held in the Company's portfolio for less than one year, entities that have yet to reach the traction needed to make the use of comparable multiples meaningful and loss-making entities).

Alternative methods used for certain investees include underlying book value and the value of binding bids received, to the extent considered to provide the best estimate of fair value at the time of measurement.

Every quarter, Dinamia's Management Company prepares a valuation report encompassing all of the Company's assets and using the above valuation criteria; moreover, the criteria used to perform this valuation exercise are reviewed by an independent expert twice a year. The underlying book values of the various unlisted investments comprising the Company's portfolio are itemised in Appendix 2.

C) IMPAIRMENT LOSSES ON FINANCIAL ASSETS

Receivables and investments (whether investments or accruals) are considered doubtful when their collection is considered problematic.

Whenever there is objective evidence that a financial asset is impaired, the asset is written down, generally with a charge in the income statement.

The criteria used for testing financial assets for impairment are outlined below by category:

i) Loans and receivables

Loans and receivables are deemed impaired when there is a reduction or delay in estimated future cash flows, possibly due to debtor insolvency.

Impairment losses and any subsequent reversals are recognised as an expense or income, respectively, in the income statement.

ii) Available-for-sale financial assets

An available-for-sale financial asset is deemed impaired as a result of one or more events (loss events) occurring after the initial recognition of the asset and which, in the case of equity instruments, trigger the inability to recover the asset's carrying amount, evidenced by a prolonged or significant decline in its fair value. Regardless, a financial instrument is deemed impaired, barring evidence to the contrary, under the following circumstances:

* A decline of 40% with respect to the initial valuation during 18 months, if unlisted.

* A decline of 40% in the share price during 18 months, if listed.

The impairment loss recognised is the difference between the asset's cost, less any impairment loss previously recognised in the income statement, and its fair value on the measurement date.

Any cumulative fair value losses recognised in equity are reclassified to profit or loss whenever there is objective evidence of financial asset impairment.

If fair value increases in subsequent years, the impairment loss(es) recognised in prior years are reversed with a credit in the income statement. In the event of an increase in the fair value of an equity instrument, prior-year impairment losses are not reversed through profit and loss but rather directly in equity.

iii) Equity investments in group companies, jointly-controlled entities and associates

Equity investments in group companies, jointly-controlled entities and associates are deemed impaired when there is objective evidence that the carrying amount of an investment is no longer recoverable. The resulting impairment loss is the difference between the investment's carrying amount and recoverable amount, based on the fair value calculated in keeping with the financial asset recognition and measurement criteria outlined above, barring evidence to the contrary.

Impairment losses and any subsequent reversals are recognised as an expense or income, respectively, in the income statement. The reversal is limited to the carrying amount of the investment that would have been recognised at the reversal date had no impairment loss been recognised.

Impairment losses on investments in group companies, jointly-controlled entities and associates that are investments in start-up capital are presented under 'Impairment of start-up capital' in the balance sheet memorandum account to the extent that these investees are delivering on their business plans, as certified by the Board of Directors of the Company or its Management Company. All other impairment losses and any subsequent reversals thereof are recognised as an expense or income, respectively, in the income statement.

D) SALE-PURCHASE OF INTERESTS IN OTHER PRIVATE EQUITY FIRMS

The investment commitment in other private equity firms is recognised at the amount effectively committed to in the balance sheet memorandum accounts under 'Securities purchase commitments - Private equity firms' or 'Securities purchase commitments - Other entities', depending on whether the investee entity meets the requirements laid down in article 14 of Spanish Law 22/2005 (of 12 November 2005) governing private equity firms and their management companies.

They are recognised on the asset side of the balance sheet within current or non-current equity instruments, depending on how long the Company intends to hold them, when the securities are acquired or subscribed for.

Uncalled drawdowns are recognised as an adjustment to the corresponding asset account until the date that these drawdowns are sought or demanded, at which time the outstanding drawdowns are recognised as a liability.

Any commitments to sell these investments are recognised within 'Securities sales commitments' in the balance sheet memorandum accounts at the agreed-upon sale price, using the same breakdown as described above for purchase commitments.

E) INTEREST INCOME AND DIVIDENDS GENERATED BY FINANCIAL ASSETS

Interest and dividend income accrued on financial assets after their date of acquisition is recognized as revenue. Interest is recognised using the effective interest rate method; dividends are recognised when the right to receive them is established.

Financial assets are recognised separately upon initial measurement based on maturity, accrued explicit interest receivable at that date, and the dividends approved by the competent governing body up to the date the assets are acquired. Explicit interest refers to the contractual interest rate applicable to the financial instrument.

F) DERECOGNITION OF FINANCIAL ASSETS

Financial assets are derecognised in full or in part when the contractual rights to the related cash flows have expired or been transferred, meaning the substantial transfer of the risks and rewards incidental to ownership of the asset. At any rate, the following transactions give rise to derecognition, among others:

- Financial assets sold outright or unconditionally.
- Financial assets sold under repurchase agreements at fair value on the repurchase date.
- Assets materially impaired for which the investment is deemed irrecoverable, with a write-off charge to the income statement.

When financial assets are derecognised due to either of the first two circumstances given above, the difference between the sum of consideration received net of attributable transaction costs, including any new financial asset obtained less any liability assumed, and the carrying amount of the financial asset transferred, determines the gain or loss generated upon derecognition, and is included in profit or loss.

If the Company has neither substantially transferred nor retained the risks and rewards, the financial asset is derecognised when control has been relinquished, control being determined on the basis of the Company's power to sell the asset in question.

G) FINANCIAL LIABILITIES

The Company recognises a financial liability when it becomes party to the contractual provisions of the instrument.

Financial instruments issued, incurred or assumed by the Company are classified as financial liabilities in part or in full so long as the economic substance of the transaction directly or indirectly contractually obliges the Company to deliver cash or another financial asset or to exchange financial assets or liabilities with third parties on potentially unfavourable terms.

For measurement purposes, financial liabilities are mainly classified as debts and payables.

H) DEBTS AND PAYABLES

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

These liabilities are initially recognised at their acquisition price which, barring evidence to the contrary, is equivalent to the fair value of the consideration received plus directly attributable transaction costs. They are subsequently measured at amortised cost. Accrued interest is recognised in the income statement using the effective interest rate method.

However, balances expected to be paid within one year from the reporting date are measured at their nominal value, insofar as the effect of not discounting them is not significant.

I) DERECOGNITION OF FINANCIAL LIABILITIES

The Company derecognises a financial liability when the obligation under the liability is extinguished. The difference between the carrying amount of the derecognised financial liability (or part thereof) and the consideration paid, including any attributable transaction costs, which extends to any asset transferred other than cash and/or any liability assumed, is recognised in the income statement currently.

J) PROVISIONS AND CONTINGENT LIABILITIES

Provisions represent the Company's present obligations, arising from past events, whose nature is clearly specified as of the reporting date but of uncertain timing or amount, the settlement of which is expected to result in an outflow of resources embodying economic benefits. These obligations may arise as a result of:

- A legal or contractual obligation;
- A constructive obligation deriving from the creation by a Company of a valid expectation on the part of third parties with regard to its discharge of certain responsibilities. These expectations are created when the Company publicly accepts certain responsibilities or by means of an established pattern of past behaviour or published policies.
- The virtually certain trend in regulation in certain aspects, specifically draft legislation which the Company will certainly be bound by.

Contingent liabilities are possible obligations arising from past events whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company. Contingent liabilities include present obligations whose settlement is not considered likely to result in an outflow of resources embodying economic benefits or, extremely rarely, whose amount cannot be estimated with sufficient reliability.

Provisions and contingent liabilities are classified as probable when they are considered more likely than not to materialise, possible when it is considered more likely that it will not materialise and remote when their materialisation is considered extremely unlikely.

The financial statements recognise all material provisions in respect of which it is considered more likely than not that a present obligation exists. Contingent liabilities are not recognised in the financial statements, but they are disclosed in the accompanying notes, unless the possibility of an outflow of resources embodying economic benefits is remote.

Provisions are quantified using the best information available regarding the consequences of the obligating event and are re-estimated at each reporting date. Provisions are only used for the specific expenditures for which they were originally recognised and they are reversed, in part or in full, when the originating obligations cease to exist or diminish.

K) EQUITY

Own equity instruments are the shares representing the Company's capital.

Own share acquisitions by the Company are recognised as a decrease in equity at the fair value of the consideration delivered. The cancellation of own shares triggers a reduction in capital in the amount of the par value of the shares cancelled. Any gain or loss resulting from the difference between the fair value and par value of the shares is recognised directly in equity.

Gains and losses deriving from the sale of own shares are recognised directly in equity.

All transaction costs intrinsic to transactions in own equity instruments are deducted directly from equity, unless the transaction was not completed or abandoned, in which case they are recognised in profit or loss. The tax effect of these expenses reduces or increases current tax liabilities or assets.

L) INCOME AND EXPENSE RECOGNITION

The expenses incurred in respect of the management, administration and representation services rendered by the Management Company are recognised in the income statement as they accrue in keeping with the terms of the Management Agreement in force.

M) INCOME TAX

Tax expense includes current and deferred tax expense (income) and is recognised in the income statement. However, the tax effects of items recognised directly with a credit or charge to equity are also recognised in equity.

Current tax is the amount of tax payable by the Company on the basis of its income tax returns after taking into consideration any unused tax credits and tax losses carried forward, and without factoring in withholdings or payments on account.

Deferred tax expense or income corresponds to the recognition and derecognition of deferred tax assets and liabilities arising from temporary differences between the carrying amounts of the assets and liabilities and their tax bases. Taxable temporary differences (which give rise to higher taxes payable or lower taxes refundable in future years) generate deferred tax liabilities. Deductible temporary differences (which give rise to lower taxes payable or higher taxes refundable in future years) and unused tax credits carried forward are recognised as deferred tax assets. Differences arising from changes in the value of available-for-sale financial assets recognised in equity are considered temporary differences.

Deferred tax expense or income corresponds to the recognition and derecognition of deferred tax assets and liabilities. These include taxable and deductible temporary differences between the carrying amount of an asset or liability in the balance sheet and its tax base, and the carryforward of unused tax credits and unused tax losses. Deferred tax assets and liabilities are measured at the tax rates that are expected to apply when the asset is realized or the liability is settled.

Deferred tax liabilities are recognised for all taxable temporary differences, whereas deferred tax assets are only recognised to the extent that it is probable that the Company will have sufficient future taxable profit against which these assets may be utilised. These criteria similarly apply to the recognition of deferred tax assets in respect of unused tax losses.

Article 55.1 of the consolidated text of Spain's Corporate Income Tax Act provides an income tax exemption on 99% of the income deriving from the sale of the equity securities of companies or the entities itemised in article 2 of Spanish Law 25/2005 (of 24 November 2005) governing private equity firms and their management companies.

N) FOREIGN CURRENCY TRANSACTIONS

The Company's financial statements are presented in euros, which is both its functional and presentation currency.

5. Risk management

The Company's core business activity exposes it to certain financial risks in respect of its investments in listed and unlisted companies.

It manages these financial risk factors by means of concentration limits, ongoing monitoring of the companies comprising its investment portfolio and, prior to investments, the commissioning of independent expert reports on the companies under analysis for possible investment.

Financial risk factor mitigation is conducted under policies set at the highest decision-making level and in keeping with established rules, policies and procedures.

Because of the nature of the Company's business activities and the financial risks to which it is exposed, it does not engage in hedging.

The possible risks relating to the financial instruments used by the Company and the related disclosures are as follows:

A) FAIR VALUE OF FINANCIAL INSTRUMENTS

The Company invests in unlisted equity instruments so that there are not market prices for the financial assets recognised on its balance sheet. Management of risk in relation to unlisted investees is achieved primarily through portfolio diversification and ongoing monitoring of the main business and financial drivers affecting the unlisted companies in the investment portfolio. However, a series of checks are performed prior to investing in unlisted companies, including the commissioning of independent expert reports and opinions on the companies under analysis and their business environments.

As a general rule, the fair value of the Company's financial instruments (investments in companies and profit-participating loans) is determined using the criteria recommended by the European Venture Capital Association (EVCA) for valuing the companies comprising a private equity portfolio. These are summarised in note 4.b.iii).

Given the uncertainty intrinsic to estimating fair value for private equity investments, the EVCA urges in its valuation principles that valuers exercise due caution.

B) CREDIT RISK

Credit risk is a possible loss as a result of the total or partial breach by the Company's debtors or counterparties of their financial obligations to it. Given the nature of the Company's core business, credit risk is primarily accounted for by the credit claims recognised on the asset side of its balance sheet in respect of profit-participating loans extended to investees, whose fair value is estimated using the above criteria. Individual credit limits are set by the Company's Board of Directors.

C) LIQUIDITY RISK

In order to ensure ongoing liquidity and the ability to service all the payment commitments arising from its business operations, the Company holds the cash and cash equivalent balances shown on the balance sheet, as detailed in note 8.

D) INTEREST RATE RISK

Interest rate risk derives mainly from the profit-participating loans extended by the Company to its equity investees. The maturity schedule of these loans is disclosed in note 7.

E) OPERATIONAL RISK

Given its business activity and internal organisational structure, the Company is not exposed to material risks as a result of unexpected events or errors related to its internal operations.

6. Non-current financial assets

The breakdown of non-current financial assets is as follows:

	2014	2013
		Euros
Equity instruments	11,562,941.67	11,114,361.28
Private equity investees	-	-
Other entities	11,562,941.67	11,114,361.28
Loans to companies	614,691.11	558,807.97
	12,177,632.78	**11,673,169.25**

All of the financial assets included in this heading are classified as available-for-sale financial assets. The fair value of these assets was determined as outlined in note 4.

Additional disclosures at year-end:

31 December 2014

	Financial assets	Measurement adjustments	Impairment charges	Total
				Euros
Unlisted shares	-	-	-	-
Private equity investees	-	-	-	-
Other	-	-	-	-
Listed shares	-	-	-	-
Private equity investees	-	-	-	-
Other	-	-	-	-
Loans to companies	614,691.11	-	-	614,691.11
Collective investment undertakings	-	-	-	-
Private equity firms	8,111,116.62	3,451,825.05	-	11,562,941.67
Spanish	-	-	-	-
International	8,111,116.62	3,451,825.05	-	11,562,941.67
	8,725,807.73	**3,451,825.05**	**-**	**12,177,632.78**

31 December 2013

Euros

	Financial assets	Measurement adjustments	Impairment charges	Total
Unlisted shares	-	-	-	-
Private equity investees	-	-	-	-
Other	-	-	-	-
Listed shares	-	-	-	-
Private equity investees	-	-	-	-
Other	-	-	-	-
Loans to companies	558,807.97	-	-	558,807.97
Collective investment undertakings	-	-	-	-
Private equity firms	10,120,102.52	994,258.76	-	11,114,361.28
Spanish	-	-	-	-
International	10,120,102.52	994,258.76	-	11,114,361.28
	10,678,910.49	**994,258.76**	**-**	**11,673,169.25**

The breakdown by the individual investments comprising this heading and the movements in this account in 2014 and 2013 are shown below:

	31.12.2013	Additions	Derecognitions	Change in fair value	Impairment charges	Accrued interest	31.12.2014
							Euros
Unlisted shares							
United Wineries Holdings, S.A.	-	-	-	-	-	-	-
Listed shares							
Nicolás Correa, S.A.	-	-	-	-	-	-	-
Collective investment undertakings							
Gescoop. Monetario Dinámico., F.I.	-	-	-	-	-	-	-
Loans to companies							
Segur Ibérica S.A.	558,807.97	-	-	-	-	55,883.14	614,691.11
Private equity firms							
Electra Partners Club 2007, LP	11,114,361.28	-	(3,003,244.66)	3,451,825.05	-	-	11,562,941.67
	11,673,169.25	**-**	**(3,003,244.66)**	**3,451,825.05**	**-**	**55,883.14**	**12,177,632.78**

	31.12.2012	Additions	Derecognitions	Change in fair value	Impairment charges	Accrued interest	31.12.2013
							Euros
Unlisted shares							
United Wineries Holdings, S.A.	-	-	-	-	-	-	-
Listed shares							
Nicolás Correa, S.A.	1,096,627.68	-	(4,914,829.33)	(15,666.11)	3,833,867.76	-	-
Collective investment undertakings							
Gescoop. Monetario Dinámico., F.I.	-	-	-	-	-	-	-
Loans to companies							
Segur Ibérica S.A.	558,807.97	-	-	-	-	-	558,807.97
Private equity firms							
Electra Partners Club 2007, LP	8,230,330.84	1,889,771.68	-	994,258.76	-	-	11,114,361.28
	9,885,766.49	**1,889,771.68**	**(4,914,829.33)**	**978,592.65**	**3,833,867.76**	**-**	**11,673,169.25**

The difference between the amount presented under 'Measurement adjustments in equity – Available-for-sale financial assets' and that shown in the table above as 'Change in fair value' at year-end 2014 corresponds to the tax effect of the capital gain implied by the valuation exercise, in the amount of €7,792.17. This difference has been recognised in 'Deferred tax liabilities'. At 31 December 2013, the difference corresponded to the tax effect of the capital loss implied by prevailing valuations of €2,563.30. This difference was recognised in 'Deferred tax assets'.

UNITED WINERIES HOLDINGS, S.A.

The Company holds a minority investment in United Wineries Holdings, S.A. (8% of share capital). This, coupled with differences with this investee's management, the existence of dividend payment resolutions that have been challenged by Dinamia and other shareholders and the lack of updated information on the business performance of United Wineries Holdings, S.A. deemed sufficiently reliable, has prompted the Company's directors to conclude that there is a high degree of uncertainty regarding its ability to recover the amount invested to date, to which end this investment was written down for impairment with charges to prior-year income statements.

NICOLÁS CORREA, S.A.

The Company sold the 1,566,583 shares it continued to hold in Nicolás Correa on the secondary market between the months of September and October 2013. The proceeds, net of fees and commissions, totalled €2,231,520.65. As a result of the outright sale of this investment, the Company recognised a realised loss of €2,683,308.68 in its income statement and income in respect of the surplus impairment provision of €3,833,867.76. The table below summarises the accounting treatment of this transaction:

Exit	Number of shares	Proceeds	Acquisition cost	Capital loss	Surplus provision	Net accounting gain
						Thousand euros
Nicolás Correa	1,566,583	2,232	4,915	(2,683)	3,834	1,151
TOTAL						**1,151**

SEGUR IBÉRICA S.A.

As a result of the agreements under which the Company sold its investments in Segur Ibérica S.A. and Hortus Mundi S.L., dated 7 September 2011, Dinamia has been a lender to Grupo Segur since that date. The loan amounts to €558,807.97 at year-end and in 2014 accrued €55,883.14 of interest. The loan's maturity is stipulated in the terms of the loan agreement.

ELECTRA PARTNERS CLUB 2007, LP

In 2014, Dinamia received its first three distributions from the Fund in an aggregate amount of GBP2,423,046.27 (€3,003,244.66), which is equivalent to 25% of the amount contributed to the Fund to date.

In the wake of these distributions, Dinamia's net investment in the Fund stands at GBP7,381,811.14 (equivalent to €8,960,934.33). The investment period for new investments has ended.

In 2013, Dinamia made a contribution to Electra Partners Club 2007, LP totalling GBP1,589,104.41. The euro equivalent of this contribution was €1,889,771.68. This contribution was drawn down on 27 March 2013 to finance the acquisition of an interest in UBM Data Services and cover Fund expenditure.

The Company has committed to invest GBP10 million in Electra Partners Club 2007, LP. At 31 December 2014, 98% of this commitment had been met (year-end 2013: 98%). However, in the wake of the distributions made, the amount that Electra Partners Club 2007, LP can call stands at GBP1,130,000 (€1,451,000) given that distributions in excess of the amount contributed can be called again for add-on investments in portfolio companies and to cover Fund expenditure for the remainder of its existence. The fund ends on its 10th anniversary, i.e., 7 May 2018, but may be extended for an additional two years.

Electra Partners Club 2007, LP is the Company's only investment denominated in foreign currency.

Electra Partners Club 2007 LP is a private equity fund managed by Electra Partners LLP. One of Dinamia's significant shareholders is Electra Private Equity Partners 1995, the private equity firm managed, in turn, by Electra Partners LLP, the same company which manages Electra Partners Club 2007, LP.

The breakdown by entity of the initial amount recognised and the corresponding accumulated measurement changes in the investments comprising available-for-sale financial assets at year-end is as follows:

	2014	2013 Euros
Listed shares - Nicolás Correa, S.A.	-	-
Initial amount	-	-
Measurement adjustments & impairment	-	-
Private equity firms - Electra Partners Club 2007, LP	**11,562,941.67**	**11,114,361.28**
Initial amount	8,960,934.33	11,964,178.99
Measurement adjustments	2,602,007.34	(849,817.71)
Unlisted shares - United Wineries Holdings, S.A.	**-**	**-**
Initial amount	4,069,406.07	4,069,406.07
Measurement adjustments & impairment	(4,069,406.07)	(4,069,406.07)
	11,562,941.67	**11,114,361.28**

7. Non-current investments in group companies and associates

The breakdown of non-current investments in group companies and associates is provided below:

	2014	2013 Euros
Equity instruments	**39,076,808.48**	**43,971,834.30**
Private equity investees	39,076,808.48	43,971,834.30
Other entities	-	-
Loans to companies	43,572,992.54	54,995,685.32
	82,649,801.02	**98,967,519.62**

All of the financial assets included in this heading are denominated in euros.

The loans extended to associates mature between 2014 and 2041.

A) EQUITY INSTRUMENTS

The portfolio of long-term investments in associates comprised investments in 13 unlisted companies at year-end 2014 (17 unlisted investments at year-end 2013). In keeping with standard nine of CNMV Circular 11/2008, the Company distinguishes between start-up and development capital when classifying these investments. The corresponding breakdown is provided in Appendix 1.

The criteria used to value these unlisted investments are summarised in note 4.

The reconciliation of the opening and year-end balances comprising this heading is as follows:

	31.12.2013	Additions(*)	Derecognitions(*)	31.12.2014
				Euros
Unlisted securities	107,655,209.68	6,251,830.50	(23,316,504.50)	90,590,535.68
Provision for impairment	(63,683,375.38)	-	12,169,648.18	(51,513,727.20)
	43,971,834.30	**6,251,830.50**	**(11,146,856.32)**	**39,076,808.48**

	31,12,2012	Additions	Derecognitions	31,12,2013
Unlisted securities	88,229,016.19	20,310,710.61	(884,517.12)	107,655,209.68
Provision for impairment	(63,705,557.07)	(862,335.43)	884,517.12	(63,683,375.38)
	24,523,459.12	**19,448,375.18**	**-**	**43,971,834.30**

(*) The table above includes transfers between Grupo Tryo companies in the amount of €4,310,826.18.

This same reconciliation is provided at the individual investment level for 2014 in the table below:

	31.12.2013	Additions	Derecognitions	31.12.2014
				Euros
Alcad, S.L	9,847,496.00	-	-	9,847,496.00
Colegios Laude, S.L.	4,015,960.00	-	(4,015,960.00)	-
Colegios Laude II, S.L.	369,471.00	-	-	369,471.00
The Beauty Bell Chain, S.L.	13,523,177.05	-	-	13,523,177.05
Xanit Health Care Management, S.L	8,153,688.18	-	(8,153,688.18)	-
High Tech Hotels & Resorts, S.A.	10,446,831.96	-	-	10,446,831.96
Grupo Gestión Integral Novolux Internacional, S.L.	4,208,750.00	-	-	4,208,750.00
MBA Incorporado, SL	15,533,124.22	-	-	15,533,124.22
Lata Lux Parent Holding S.a.r.L.	77,092.64	-	(77,092.64)	-
Tamsi Spain, S.L.	7,718,392.50	-	(6,758,937.50)	959,455.00
Cardomana Servicios y Gestiones, S.L.	3,604,336.69	1,191,800.25	-	4,796,136.94
Global Abbasi, S.L.	11,500,202.56	-	-	11,500,202.56
Tryo Communication Technologies, S.L.	5,648,740.00	742,644.10	-	6,391,384.10
Rymsa, S.L.	4,310,826.18	-	(4,310,826.18)	-
Tryo Aerospace, S.L.	742.50	1,464,287.76	-	1,465,030.26
Rymsa RF, S.L.	742.50	2,846,538.42	-	2,847,280.92
Salto Systems, S.A.	8,695,635.70	6,559.97	-	8,702,195.67
Total investment	**107,655,209.68**	**6,251,830.50**	**(23,316,504.50)**	**90,590,535.68**

	31.12.2013	Additions	Derecognitions	31.12.2014
				Euros
Alcad, S.L	(9,847,496.00)	-	-	(9,847,496.00)
Colegios Laude, S.L.	(4,015,960.00)	-	4,015,960.00	-
Colegios Laude II, S.L.	(369,471.00)	-	-	(369,471.00)
High Tech Hotels & Resorts, S.L.	(10,446,831.96)	-	-	(10,446,831.96)
The Beauty Bell Chain, S.L.	(13,523,177.05)	-	-	(13,523,177.05)
Xanit Health Care Management, S.L.	(8,153,688.18)	-	8,153,688.18	-
Grupo Gestión Integral Novolux Internacional, S.L.	(4,208,750.00)	-	-	(4,208,750.00)
MBA Incorporado, S.L.	(13,118,001.19)	-	-	(13,118,001.19)
Total impairment charges	**(63,683,375.38)**	**-**	**12,169,648.18**	**(51,513,727.20)**
Total equity instruments - Private equity investees	**43,971,834.30**	**6,251,830.50**	**(11,146,856.32)**	**39,076,808.48**

The equivalent 2013 reconciliation is provided below:

	31.12.2012	Additions	Derecognitions	31.12.2013
				Euros
Alcad, S.L	9,847,496.00	-	-	9,847,496.00
Colegios Laude, S.L.	4,015,960.00	-	-	4,015,960.00
Colegios Laude II, S.L.	369,471.00	-	-	369,471.00
The Beauty Bell Chain, S.L.	13,409,789.70	113,387.35	-	13,523,177.05
Xanit Health Care Management, S.L.	8,153,688.18	-	-	8,153,688.18
High Tech Hotels & Resorts, S.A.	11,331,349.08	-	(884,517.12)	10,446,831.96
Grupo Gestión Integral Novolux Internacional, S.L.	4,208,750.00	-	-	4,208,750.00
MBA Incorporado, SL	15,533,124.22	-	-	15,533,124.22
Lata Lux Parent Holding S.a.r.L.	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
Global Abbasi, S.L.	-	11,500,202.56	-	11,500,202.56
Tryo Aerospace, S.L.	-	742.50	-	742.50
Rymsa RF, S.L.	-	742.50	-	742.50
Salto Systems, S.A.	-	8,695,635.70	-	8,695,635.70
Total investment	**88,229,016.19**	**20,310,710.61**	**(884,517.12)**	**107,655,209.68**

	31.12.2011	Additions	Derecognitions	31.12.2012
				Euros
Alcad, S.L	(9,847,496.00)	-	-	(9,847,496.00)
Colegios Laude, S.L.	(4,015,960.00)	-	-	(4,015,960.00)
Colegios Laude II, S.L.	(369,471.00)	-	-	(369,471.00)
High Tech Hotels & Resorts, S.L.	(11,331,349.08)	-	884,517.12	(10,446,831.96)
The Beauty Bell Chain, S.L.	(13,409,789.70)	(113,387.35)	-	(13,523,177.05)
Xanit Health Care Management, S.L.	(8,153,688.18)	-	-	(8,153,688.18)
Grupo Gestión Integral Novolux Internacional, S.L.	(4,208,750.00)	-	-	(4,208,750.00)
MBA Incorporado, S.L.	(12,369,053.11)	(748,948.08)	-	(12,369,053.11)
Total impairment charges	**(63,705,557.07)**	**(862,335.43)**	**884,517.12**	**(63,683,375.38)**
Total equity instruments - Private equity investees	**24,523,459.12**	**19,448,375.18**	**-**	**43,971,834.30**

Appendix 1 itemises the registered office, core business and auditor of each of the investees at year-end.

Appendix 2 itemises the ownership interest in and equity of each of the investees at year-end.

The movements in investments in group companies and associates in 2014 were the following:

- During the first quarter of 2014, upon delivery of the terms and conditions stipulated in the ZIV Aplicaciones y Tecnología, S.L. purchase agreement, the buyer released an amount of €907 thousand, out of the total €972 thousand held in an escrow account to cover potential contingencies arising after the transaction's close, to Dinamia. This had the effect of increasing the return on the lucrative exit from ZIV Aplicaciones y Tecnología, which had already generated a gain for Dinamia of €27,889 thousand.

- On 14 March 2014, the European Commission announced its approval of the sale of Dinamia investee Mivisa Envases, S.A.U., held through Lata Lux Holding Parent S.à r.l., to strategic buyer Crown Holdings, Inc. The Commission's approval is subject to certain terms and conditions, including the execution of agreements to sell certain Crown factories in Spain and certain Mivisa facilities in Horst (Netherlands) to one or more buyers. The sale ultimately closed on 23 April 2014. Dinamia's share of the transaction price was €14,352,358.13. In total, the transaction yielded income for Dinamia of €19,774 thousand, implying an internal rate of return (IRR) of 37.8% and an exit multiple of 2.4x the sum invested.

- On 27 March 2014, Dinamia injected equity into Cardomana Servicios y Gestiones, S.L. as part of a rights issue to fund the company with a view to: (i) paying the contingent acquisition price, in keeping with the terms and conditions of the Secuoya purchase agreement; and (ii) funding the Secuoya Group's acquisition-led growth strategy. Dinamia injected €1,191,800.25 (€8,517 share capital and €1,183,283.25 share premium).

- On 16 May 2014, Dinamia, along with the other shareholders in TRYO, made an additional equity injection into the latter as part of a rights issue in order to finance the acquisition of 100% of Mier Comunicaciones. Mier is a Barcelona-based company which rounds out TRYO's product offering in the Space and Broadcasting divisions. Dinamia contributed €742,644.10.

- Dinamia agreed and closed the outright sale of its investment in Colegios Laude, S.L. (hereinafter, "Laude") to Schools Partnership (ISP), an international investment fund which specialises in the education sector, on 30 May 2014.

- Dinamia sold all of the shares it owned in Laude, representing 49.3% of this investee's share capital, along with the profit-participating loans it had extended to this company, for €3,150,455.77. Collection of €875,000.00 of the acquisition price is structured as a deferred payment. The deal terms also envisage an additional bonus payment of up to €875,000.00 conditional upon certain events, receipt of which would increase the price fetched by Dinamia on this sale. The Company believes there is reasonable doubt that it will ultimately collect all of these additional amounts and has accordingly recognised an impairment provision in the amount of €875,000.

- Dinamia closed the sale of its investment in Xanit Health Care Management S.L. (hereinafter, "Xanit Group") to Spanish healthcare group Vithas on 9 July 2014. Dinamia sold its entire 33.7% shareholding in Xanit Group along with the profit-participating loans it had extended to the company. Dinamia received a total of €24,077,170.44 from the sale of its investment in Xanit Group. In addition, the Company has collected a sum of €677,673.00 that is being held in escrow and will only be released to Dinamia upon the delivery of certain terms stipulated in the purchase agreement. This balance has been written down in full as there is reasonable doubt that the collection terms will ultimately be met.

- Tamsi Spain, S.L., the company that owns 100% of the shares of Estacionamientos y Servicios, S.A.U. (hereinafter, "EYSA"), in which Dinamia Capital Privado, S.C.R., S.A. in turn holds a 25% equity interest, paid out a dividend against its share premium account on 28 July 2014. As a result of this transaction, Dinamia received a total of €6,758,937.50, thereby recouping 50% of its initial investment in EYSA. This distribution was made possible by EYSA's recently closed €75 million bond issue, the biggest placement on MARF, Spain's alternative bond market, to date.

- Dinamia investee Colegios Laude II S.L. agreed and closed the outright sale of 100% of Colegios Laude UK Ltd. (hereinafter, "Laude UK"), the company which in turn owns Bredon School, based in Gloucestershire, Tewkesbury (England), on 3 December 2014. Colegios Laude II, S.L. sold all its shares in Laude UK, representing 100% of the latter's share capital, and cancelled the profit-participating loans it had extended to it, totalling approximately £3.4 million (around €4.2 million). Colegios Laude II, S.L. will distribute the proceeds from the sale of Laude UK, net of transaction costs, to its shareholders in the near future, this investment having been valued at its cash balance less the abovementioned costs. Dinamia owns 49.3% of Colegios Laude II, S.L. This transaction, coupled with the sale of 100% of the Spanish assets (Colegios Laude, S.L.) on 30 May 2014, implies Dinamia's full exit from Colegios Laude.

The main transactions involving the Company's investees in 2013 are summarised below:

- Dinamia Capital Privado S.C.R., S.A., together with other private equity firms managed by Nmás1 Capital Privado S.G.E.C.R., S.A., closed the acquisition of 100% of Global Abbasi, S.L., the special-purpose vehicle used to structure its investment in Probos – Plásticos, S.A. (the "Probos Group"), on 31 January 2013. Dinamia accordingly acquired an indirect 24.29% shareholding in the Probos Group for an investment of €10,650,202.56. The Probos Group, headquartered in Mindelo (Portugal), is the world's third-largest maker of plastic band edges for the furniture industry, selling its products in over 50 countries. It has two manufacturing facilities in Portugal and Brazil as well as a direct sales presence in Mexico, the UK and Germany.

- Dinamia injected an additional €850,000 of equity into Global Abbasi, S.L. on 3 April 2013 in order to increase its shareholding in Probos – Plásticos, S.A. This additional investment lifted Dinamia's indirect equity interest in Probos – Plásticos, S.A. to 24.34%.

- On 30 September 2013, Dinamia made a payment of €113,387.35 as part of the settlement of contingency payments warrantied to the investors who bought shares in The Beauty Bell Chain, S.L. in 2008.

- Simultaneously, Dinamia recognised an impairment loss on its investment in The Beauty Bell Chain, S.L. of €113,387.35 in order to restate the carrying amount to the valuation estimated by the Company as of that date.

- During the last quarter of 2013, Dinamia sold its investments in Hoteles Tecnológicos 2010 and Mysibek Investments, which formed part of its overall investment in High Tech, for €868,693.02. The investment in Hoteles Tecnológicos 2010 amounted to €884,517.12.

- On 30 December 2013, Dinamia Capital Privado S.C.R., S.A. acquired 5.50% of Salto Systems, S.L. for an investment of €8,695 thousand (excluding transaction costs). This transaction was structured as the purchase of Salto treasury shares, with the management team (and founders of Salto) staying on as controlling shareholders. Salto, headquartered in Oiartzun (Basque region), is the world's fifth-largest manufacturer of access control systems, specialising in electronic locks. Over 90% of its revenue is accounted for by exports to more than 90 different countries.

- In 2013, the Company recognised an impairment charge on its investment in MBA in order to restate the carrying amount of this investment to the net asset value estimated at each reporting date.

- During the fourth quarter of 2013, the Company partially derecognised the impairment charges recognised on its investment in High Tech (in the amount of €884,517.20), as a result of the sale of its interests in Hoteles Tecnológicos 2010 and Mysibek Investments.

B) LOANS TO COMPANIES

This heading includes the profit-participating loans extended to the associates included in the previous heading: Accrued interest

	2014	2013 Euros
Profit-participating loans		
To private equity investees		
Face value 32,983,906.68	68,469,794.06	
Accrued interest	36,830,655.80	42,415,151.47
Impairment charges	(26,241,569.94)	(55,889,260.22)
	43,572,992.54	**54,995,685.31**

The reconciliation of the opening and year-end balance of 'Non-current investments in group companies and associates - Loans to companies' is shown below:

	2014	2013 Euros
Balance at 1 January	**54,995,685.32**	**50,181,064.16**
Additions to face value of profit-participating loans	406,451.00	609,677.00
Decreases in face value of profit-participating loans	(35,821,841.83)	(3,705,740.66)
Additions to accrued interest on profit-participating loans	8,628,824.45	8,616,961.70
Decreases in accrued interest on profit-participating loans	(14,283,816.67)	(2,009,986.00)
Impairment charges recognised	(3,558,589.30)	(4,266,953.34)
Impairment charges derecognised	33,206,279.57	5,570,662.46
Balance at 31 December	**43,572,992.54**	**54,995,685.31**

On 17 January 2014, Dinamia, along with the other shareholders in Xanit Healthcare Management, S.L., made an additional injection into the latter in the form of an equity loan in order to finance the second stage of the acquisition of 100% of Croasa. The amount paid in by Dinamia amounted to €406 thousand and took the form of a profit-participating loan.

In the wake of the sales of the Company's investments in Colegios Laude, S.L., Xanit Health Care Management, S.L. and Lata Lux Parent Holding, the loans extended to these companies have been derecognised.

The investments made in investees in 2013 that were structured as profit-participating loans were as follows:

- On 9 April 2013, Lata Lux Parent Holding S.a.r.l., the company that owned 100% of the shares of Mivisa Group, partially repaid the loans extended by its shareholders (Dinamia, N+1 Private Equity Fund II, The Blackstone Group and the management team), as well as settling the interest accrued to date. Dinamia received a total of €5,692,154.00.

- On 27 June 2013, Dinamia, along with the other shareholders in Xanit, made an additional equity injection into the latter in the form of an equity loan in order to finance the acquisition of 100% of Croasa, a leading private oncology clinic that commands a privileged market position in the city of Malaga. The amount paid in by Dinamia was €609,667.00.

All the loans extended to investees were arranged in euros.

The breakdown of the loans extended to investees by company and the movements therein during 2014 and 2013 are shown in the tables below:

	31.12.2013	Additions	Derecognitions	Accrued interes receivable	31/12/2014
					Euros
The Beauty Bell Chain, S.L.	8,574,564.17	-	-	3,558,589.30	12,133,153.47
Grupo Gestión Integral Novolux Internacional, S.L.	13,986,696.78	-	-	-	13,986,696.78
Colegios Laude, S.L.	21,552,922.02	-	(21,552,922.02)	-	-
Xanit Health Care Management S.L.	23,021,849.44	406,451.00	(23,428,300.44)	-	-
MBA Incorporado, S.L.	29,607,965.38	-	-	3,923,704.86	33,531,670.24
Colegios Laude II, S.L.	1,588,626.81	-	-	70,496.55	1,659,123.36
Lata Lux Parent Holding S.a.r.L.	4,971,478.14	-	(5,124,436.04)	152,957.90	0.00
Tamsi Spain, S.L.	7,580,842.80	-	-	923,075.84	8,503,918.64
Total profit-participating loans	**110,884,945.54**	**406,451.00**	**(50,105,658.50)**	**8,628,824.45**	**69,814,562.49**

	31/12/2013	Additions	Derecognitions	Provision for impairment of accrued interest receivable	31/12/2014
					Euros
The Beauty Bell Chain, S.L.	(8,574,564.16)	-	-	(3,558,589.30)	(12,133,153.46)
Colegios Laude, S.L.	(18,046,369.78)	-	18,046,369.78	-	-
Colegios Laude II, S.L.	(1,588,626.81)	-	1,466,907.10	-	(121,719.71)
Grupo Gestión Integral Novolux Internacional, S.L.	(13,986,696.78)	-	-	-	(13,986,696.78)
Xanit Health Care Management S.L.	(13,693,002.69)	-	13,693,002.69	-	-
Total impairment provisions	**(55,889,260.22)**	**-**	**33,206,279.57**	**(3,558,589.30)**	**(26,241,569.95)**

	31.12.2012	Additions	Derecognitions	Intereses Accrued interes receivable	31/12/2013
					Euros
The Beauty Bell Chain, S.L.	5,557,690.49	-	(23,572.66)	3,040,446.34	8,574,564.17
Grupo Gestión Integral Novolux Internacional, S.L.	13,986,696.78	-	-	-	13,986,696.78
Colegios Laude, S.L.	21,552,922.02	-	-	-	21,552,922.02
Xanit Health Care Management S.L.	22,412,172.44	609,677.00	-	-	23,021,849.44
MBA Incorporado, S.L.	26,131,768.77	-	-	3,476,196.61	29,607,965.38
Colegios Laude II, S.L.	1,588,626.81	-	-	-	1,588,626.81
Lata Lux Parent Holding S.a.r.L.	9,711,101.93	-	(5,422,444.54)	682,820.75	4,971,478.14
Tamsi Spain, S.L.	6,433,054.26	-	-	1,147,788.54	7,580,842.80
Total profit-participating loans	**107,374,033.50**	**609,677.00**	**(5,446,017.20)**	**8,347,252.24**	**110,884,945.54**

	31/12/2012	Additions	Derecognitions	Provision for impairment o accrued interest receivable	31.12.2013
					Euros
The Beauty Bell Chain, S.L.	(5,534,117.82)	-	-	(3,040,446.34)	(8,574,564.16)
Colegios Laude, S.L.	(16,819,862.78)	(1,226,507.00)	-	-	(18,046,369.78)
Colegios Laude II, S.L.	(1,588,626.81)	-	-	-	(1,588,626.81)
Grupo Gestión Integral Novolux Internacional, S.L.	(13,986,696.78)	-	-	-	(13,986,696.78)
Xanit Health Care Management S.L.	(19,263,665.15)	-	5,570,662.46	-	(13,693,002.69)
Total impairment provisions	**(57,192,969.34)**	**(1,226,507.00)**	**5,570,662.46**	**(3,040,446.34)**	**(55,889,260.22)**
Total loans to companies	**50,181,064.16**	**(616,830.00)**	**(124,645.26)**	**5,306,805.90**	**54,995,685.32**

The movement in the provision for the impairment of 'Non-current investments in group companies and associates - Loans to companies' is shown below:

	2014	2013
		Euros
Balance at 1 January	**(55,889,260.22)**	**(57,192,969.34)**
Provision for impairment	(3,558,589.30)	(4,266,953.34)
Amounts derecognised	33,206,279.57	5,570,662.46
Transfers	-	-
Other	-	-
	(26,241,569.95)	**(55,889,260.22)**

The breakdown by entity of the carrying amounts of non-current investments in group companies and associates at year-end 2014 and 2013 is provided below:

	Equity instruments		Loans to companies	
	2014	2013	2014	2013
				Euros
High Tech Hotels & Resorts, S.A.	-	-	-	-
Investment	10,446,831.96	10,446,831.96	-	-
Provision for impairment of investment	(10,446,831.96)	(10,446,831.96)	-	-
Accumulated accrued interest			-	-
Accumulated accrued interest impairment			-	-
The Beauty Bell Chain, S.L.	-	-	-	-
Investment	13,523,177.05	13,523,177.05	1,592,512.76	1,592,512.76
Provision for impairment of investment	(13,523,177.05)	(13,523,177.05)	(1,592,512.76)	(1,592,512.76)
Accumulated accrued interest			10,540,640.70	6,982,051.40
Accumulated accrued interest impairment			(10,540,640.70)	(6,982,051.40)
Grupo Gestión Integral Novolux Internacional, S.L.	-	-	-	-
Investment	4,208,750.00	4,208,750.00	7,816,250.00	7,816,250.00
Provision for impairment of investment	(4,208,750.00)	(4,208,750.00)	(7,816,250.00)	(7,816,250.00)
Accumulated accrued interest			6,170,446.78	6,170,446.78
Accumulated accrued interest impairment			(6,170,446.78)	(6,170,446.78)
Colegios Laude, S.L.	-	-	-	**3,506,552.24**
Investment	-	4,015,960.00	-	13,047,863.40
Provision for impairment of investment	-	(4,015,960.00)	-	(13,047,863.40)
Accumulated accrued interest			-	8,505,058.62
Accumulated accrued interest impairment			-	(4,998,506.38)
Xanit Health Care Management, S.L.	-	-	-	**9,328,846.75**
Investment	-	8,153,688.18	-	17,809,515.96
Provision for impairment of investment	-	(8,153,688.18)	-	(8,480,669.21)
Accumulated accrued interest			-	5,212,333.48
Accumulated accrued interest impairment			-	(5,212,333.48)
Alcad, S.L.	-	-	-	-
Investment	9,847,496.00	9,847,496.00	-	-
Provision for impairment of investment	(9,847,496.00)	(9,847,496.00)	-	-
Accumulated accrued interest			-	-
Accumulated accrued interest impairment			-	-
Colegios Laude II	-	-	**1,537,403.65**	**1,537,403.65**
Investment	369,471.00	369,471.00	1,108,374.98	1,108,374.98
Provision for impairment of investment	(369,471.00)	(369,471.00)	-	-
Accumulated accrued interest			550,748.38	550,748.38
Accumulated accrued interest impairment			(121,719.71)	(121,719.71)
MBA Incorporado, S.L.	**2,415,123.03**	**2,415,123.03**	**33,531,670.24**	**29,607,965.38**
Investment	15,533,124.22	15,533,124.22	16,732,873.72	16,732,873.72
Provision for impairment of investment	(13,118,001.19)	(13,118,001.19)	-	-
Accumulated accrued interest			16,798,796.52	12,875,091.66
Accumulated accrued interest impairment			-	-
Lata Lux Parent Holding S.a.r.L.	-	**77,092.64**	-	**4,971,478.14**
Investment	-	77,092.64	-	4,628,508.02
Provision for impairment of investment	-	-	-	-
Accumulated accrued interest			-	342,970.12
Accumulated accrued interest impairment			-	-

	Equity instruments		Loans to companies	
	2014	2013	2014	2013
				Euros
Tamsi Spain, S.L.	**959,455.00**	**7,718,392.50**	**8,503,918.64**	**7,580,842.80**
Investment	959,455.00	7,718,392.50	5,733,895.22	5,733,895.22
Provision for impairment of investment	-	-	-	-
Accumulated accrued interest			2,770,023.42	1,846,947.58
Accumulated accrued interest impairment			-	-
Cardomana Servicios y Gestiones, S.L.	**4,796,136.94**	**3,604,336.69**	**-**	**-**
Investment	4,796,136.94	3,604,336.69	-	-
Provision for impairment of investment	-	-	-	-
Accumulated accrued interest			-	-
Accumulated accrued interest impairment			-	-
Global Abbasi, S.L.	**11,500,202.56**	**11,500,202.56**	**-**	**-**
Investment	11,500,202.56	11,500,202.56	-	-
Provision for impairment of investment	-	-	-	-
Accumulated accrued interest			-	-
Accumulated accrued interest impairment			-	-
Salto Systems, S.A.	**8,702,195.67**	**8,695,635.70**	**-**	**-**
Investment	8,702,195.67	8,695,635.70	-	-
Provision for impairment of investment	-	-	-	-
Accumulated accrued interest			-	-
Accumulated accrued interest impairment			-	-
TRYO Group				
Tryo Communication Technologies, S.L.	**6,391,384.10**	**5,648,740.00**	**-**	**-**
Investment	6,391,384.10	5,648,740.00	-	-
Provision for impairment of investment	-	-	-	-
Accumulated accrued interest			-	-
Accumulated accrued interest impairment			-	-
Rymsa, S.L.	**-**	**4,310,826.18**	**-**	**-**
Investment	-	4,310,826.18	-	-
Provision for impairment of investment	-	-	-	-
Accumulated accrued interest			-	-
Accumulated accrued interest impairment			-	-
Tryo Aerospace, S.L.	**1,465,030.26**	**742.50**	**-**	**-**
Investment	1,465,030.26	742.50	-	-
Provision for impairment of investment	-	-	-	-
Accumulated accrued interest			-	-
Accumulated accrued interest impairment			-	-
Rymsa RF, S.L.	**2,847,280.92**	**742.50**	**-**	**-**
Investment	2,847,280.92	742.50	-	-
Provision for impairment of investment	-	-	-	-
Accumulated accrued interest			-	-
Accumulated accrued interest impairment			-	-
Subtotal TRYO GROUP	**10,703,695.28**	**9,961,051.18**	**-**	**-**
TOTAL	39,076,808.48	43,971,834.30	43,572,992.53	54,995,685.31

The maturity schedule for 'Non-current investments in group companies and associates - Loans to companies' having fixed or determinable maturities (face values) is as follows:

	MATURITY				
	2015	2016	2017	Subsequent years	Total
					Euros
Loans to companies	-	24,549,123.72	14,346,560.30	6,842,270.20	45,737,954.22
Debt securities	-	-	-	-	-
Derivatives	-	-	-	-	-
Other financial assets	-	-	-	-	-
	0.00	**24,549,123.72**	**14,346,560.30**	**6,842,270.20**	**45,737,954.22**

The unrealised gains and losses corresponding to the Company's investments break down as follows:

	2014	2013
		Euros
Tamsi Spain, S.L.	7,209,936.09	5,074,766.59
TRYO Group	8,984,875.8	3,713,003.52
Salto Systems, S.A.	1,053,352.23	-
Cardomana Servicios y Gestiones, S.L.	1,682,864.26	-
Global Abbasi, S.L.	4,570,313.33	-
Lata Lux Parent Holding S.a.r.L.	-	8,990,970.06
Total unrealised gains (losses) before tax	23,501,341.71	17,778,740.17
Tax effect	(70,504.03)	(53,336.22)
Total unrealised gains (losses) after tax	**23,430,837.68**	**17,725,403.95**

The criteria used by the Company to test its investments in unlisted shares and profit-participating loans for impairment in 2014 and 2013 are detailed in note 4, which should be read in conjunction with the following paragraphs. Note that for impairment testing purposes, the Company values each investment as of the reporting date, generally using multiples methodology, taking the lower of readings obtained using acquisition or average comparable trading multiples.

The table below shows the quantitative difference resulting from the application of the various valuation methods used by the Company with respect to their underlying book value at 31 December 2014 and 2013:

2014
Thousands of euros

Investee	Ownership interest	Equity	Underlying book value	Equity value	Difference	Value of PPL
High Tech Hotels & Resorts, S.A.	26.00%	(35,965)	(9,351)	-	-	-
The Beauty Bell Chain, S.L.	14.35%	(181,315)	(26,019)	-	-	-
Grupo Gestión Integral Novolux Internacional, S.L.	48.54%	(16,401)	(7,961)	-	-	-
Colegios Laude II, S.L.	49.27%	424	209	-	-	1,537
Alcad, S.L.	37.68%	N/A	N/A	-	-	-
MBA Incorporado, S.L.	36.91%	74,785	27,603	2,415	25,188	33,531
TRYO	24.57%	60,684	14,910	19,689	(4,779)	-
Tamsi Spain, S.A.	25.00%	6,087	1,522	8,183	(6,661)	8,491
Cardomana Servicios y Gestiones, S.L.	25.00%	N/A	N/A	6,479	N/A	-
Global Abbasi, S.L.	24.34%	41,147	10,015	16,071	(6,055)	-
Salto Systems, S.A.	5.50%	41,902	2,305	9,756	(7,451)	-

2013
Thousands of euros

Investee	Ownership interest	Equity	Underlying book value	Equity value	Difference	Value of PPL
High Tech Hotels & Resorts, S.A.	26.00%	(35,299)	(9,178)	-	-	-
The Beauty Bell Chain, S.L.	14.35%	(164,581)	(23,617)	-	-	-
Grupo Gestión Integral Novolux Internacional, S.L.	48.54%	(12,006)	(5,828)	-	-	-
Colegios Laude, S.L.	49.27%	(25,194)	(12,413)	-	-	3,232
Colegios Laude II, S.L.	49.27%	(410)	(202)	-	-	275
Alcad, S.L.	37.68%	(10,820)	(4,077)	-	-	-
Xanit Health Care Management, S.L.	33.71%	(25,144)	(8,476)	-	-	9,329
MBA Incorporado, S.L.	36.91%	74,787	27,604	2,529	25,074	30,148
Lata Lux Holding Holding S.a.r.l.	2.60%	147,558	3,837	8,902	(5,066)	5,137
TRYO Group	24.57%	51,508	12,656	13,700	(1,044)	-
Tamsi Spain, S.A.	25.00%	32,189	8,047	12,785	(4,738)	7,589
Cardomana Servicios y Gestiones, S.L.	25.00%	N/A	N/A	3,604	N/A	-
Global Abbasi, S.L.	24.34%	36,017	8,767	11,500	(2,734)	-
Salto Systems, S.A.	5.50%	34,417	1,893	8,872	(6,979)	-

HIGH TECH HOTELS & RESORTS, S.L.

a) Company overview

High Tech Hoteles & Resorts, SA is a hotel chain focused on the 3- and 4-star segment in the urban business travel and tourism segments. It currently operates 31 establishments. Its presence is concentrated in Madrid (20 properties) but it also has properties in the main Spanish provincial capitals. When Dinamia acquired this investment, High Tech was operating just four hotels.

The company's strategy is to create a leading chain in a highly-fragmented segment ripe for consolidation, comprising many family-run properties with little brand recognition.

b) Company situation

Revenue rose by 2% year-on-year in 2014 (+5% on a like-for-like basis). EBITDA jumped 34% thanks to a gradual improvement in both the occupancy and average daily rates, coupled with astute operating cost management. In addition, the gradual economic recovery in Spain is translating into growth in the number of foreign tourist arrivals (+7.1% vs. 2013). The Madrid hotel market (where 20 of the chain's 31 establishments are located) outperformed the overall the Spanish market, driven by growth in tourist numbers of 7.5%.

The growth in international demand, coupled with a gradual recovery in home-market demand driven by stronger consumer spending, translated into higher occupancy and ADR readings.

In early July the company completed its bank debt refinancing process. This refinancing will allow the company to meet its debt servicing commitments more flexibly (most of the debt will now be repaid in a single bullet payment in 2018) and establishes a mechanism for replenishing equity for company law purposes (by swapping some of its senior loan for a profit-participating loan).

The terms ultimately negotiated as part of the above restructuring agreement, giving the lender banks title over all of the credit rights as a result of the amendment of the former financial instruments, make the recovery of Dinamia's investment highly uncertain.

During 2015, the company will continue to work towards recovering historical price and occupancy levels by means of active revenue management mechanisms. In parallel it will develop formulae to enable it to further its growth plans by means of select new hotel openings and the closure of structurally loss-making establishments.

c) Company valuation

The Company has classified this investment as an interest in an associate given that it believes it has significant interest over the investee by virtue of its shareholding in excess of 20%. The investment has been valued by applying acquisition multiples, which yields a lower valuation than the use of comparable trading multiples, to the investee's financial metrics at each year-end. This exercise results in the following valuation:

	Equity instruments		Loans to companies	
	2014	2013	2014	2013
				Euros
High Tech Hotels & Resorts, S.A.	-	-	-	-
Investment	10,446,831.96	10,446,831.96	-	-
Provision for impairment of investment	(10,446,831.96)	(10,446,831.96)	-	-
Accumulated accrued interest	-	-	-	-
Accumulated accrued interest impairment	-	-	-	-

THE BEAUTY BELL CHAIN, S.L.

a) Company overview

With over 300 stores all over Spain (under the Bodybell and Juteco trademarks), Bodybell is one of the leading perfume and cosmetics retail chains in Spain. The group retails perfumes, cosmetics and health and beauty products and wholesales consumer health and beauty products.

b) Company situation

The company continued to gain market share in 2014, driven by the integration of the Gala perfume and cosmetics chain's 35 Spanish stores, acquired in 2013. This integration enabled the company to offset the drop in same-store sales sustained across the rest of the chain's establishments.

However, Bodybell's profitability fell sharply, prompted mainly by attempts by specialist retailers to win market share by dropping prices. The company was not able to offset the pressure on margins with the integration of the new Gala stores: EBITDA fell sharply to €4.7 million.

Despite the weak earnings performance last year, the company remains a solid asset and one of the leading players in a market in the throes of consolidation. Bodybell is predominantly a retail business, whose performance is highly geared to consumer spending. As a result, the company believes it stands to benefit from significant earnings upside as the economic recovery gains traction.

The company does not expect a major market turnaround in 2015. Bodybell is, however, executing an internal turnaround strategy which is expected to translate into earnings momentum as the year unfolds.

Due to its earnings performance, the company is in the process of renegotiating its financial obligations with a view to aligning them with the market reality.

c) Company valuation

The Company has classified this investment as an interest in an associate given that it has a long-term relationship with this investee and a shareholding designed to contribute to its business performance. The investment has been valued by applying acquisition multiples, which yields a lower valuation than the use of comparable trading multiples, to the investee's financial metrics at each year-end. This exercise results in the following valuation:

	Equity instruments		Loans to companies	
	2014	2013	2014	2013
				Euros
The Beauty Bell Chain, S.L.	-	-	-	-
Investment	13,523,177.05	13,523,177.05	1,592,512.76	1,592,512.76
Provision for impairment of investment	(13,523,177.05)	(13,523,177.05)	(1,592,512.76)	(1,592,512.76)
Accumulated accrued interest			10,540,640.70	6,982,051.40
Accumulated accrued interest impairment			(10,540,640.70)	(6,982,051.40)

GRUPO GESTIÓN INTEGRAL NOVOLUX INTERNACIONAL, S.L.

a) Company overview

Grupo Novolux offers an extensive range of technical and decorative solutions in the lighting field. It leads the Spanish and Portuguese outdoor lighting market and since 2010 has been active in the interior lighting solutions segment.

Novolux's leading outdoor lighting brands (Cristher and Dopo) boast unwavering recognition in the market on account of their quality, functionality and design and are benchmark products for electricians and electric material merchants, which constitute the company's traditional sales channels. Novolux also offers the most extensive range on the market in terms of materials, installation alternatives and finishes, while providing unbeatable customer logistics fulfilment.

Grupo Novolux brought its manufacturing, logistics, administrative, technical and sales & marketing activities under a single roof in 2012, namely a facility of over 8,000m2 in Santa Perpetua de Mogoda (Barcelona).

b) Company situation

Grupo Novolux reported revenue of €7.9 million in 2014, year-on-year growth of 4%, marking the first year of topline growth since the crisis erupted in 2008. The company posted EBITDA of €0.6 million, up 9% over 2013.

This growth was driven mainly by a slight improvement in the domestic market (greater property development momentum and reduction in the stock of unsold housing) and increased business volumes from electricians, the company's main customers. The growth is not yet being felt evenly across the country and is for now very concentrated in the coastal areas.

International sales, meanwhile, are still not registering the growth anticipated: so far, the company is only seeing small orders for highly specific projects.

Last year the company recorded EBITDA of €0.6 million, up 9% year-on-year and in line with budget. Despite the growth in expenditure associated with the international expansion project, EBITDA rose on the back of national sales growth (with gross margins in line with historical levels), coupled with control over the cost structure.

Lastly, the company managed to reduce debt by €0.4 million in 2014 thanks to a high EBITDA-to-cash conversion ratio (very low capex and working capital requirements).

As for the outlook for 2015, the company expects the local market to extend the trend initiated in 2014 and to register modest growth thanks to its leadership position in the outdoor housing lighting segment. The major accounts to have survived the crisis have whittled down their supplier bases, with Novolux emerging as the benchmark supplier in its niche. The company plans to continue to earmark significant resources to its overseas markets in 2015, meaning funds (attendance at trade fairs, catalogues, business travel) and human capital (it has hired new Export Managers with responsibility over specific geographies), which is expected to translate into sales growth outside Spain.

c) Company valuation

The Company has classified this investment as an interest in an associate given that it believes it has significant interest over the investee by virtue of its shareholding in excess of 20%. The investment has been valued by applying acquisition multiples, which yields a lower valuation than the use of comparable trading multiples, to the investee's financial metrics at each year-end. This exercise results in the following valuation:

	Equity instruments		Loans to companies	
	2014	2013	2014	2013 Euros
Grupo Gestión Integral Novolux Internacional, S.L.	-	-	-	-
Investment	4,208,750.00	4,208,750.00	7,816,250.00	7,816,250.00
Provision for impairment of investment	(4,208,750.00)	(4,208,750.00)	(7,816,250.00)	(7,816,250.00)
Accumulated accrued interest			10,540,640.70	6,170,446.78
Accumulated accrued interest impairment			(10,540,640.70)	(6,170,446.78)

COLEGIOS LAUDE S.L. AND COLEGIOS LAUDE II, S.L

Colegios Laude II, S.L. sold all its shares in Laude UK, representing 100% of the latter's share capital, and cancelled the profit-participating loans it had extended to it, totalling approximately £3.4 million (around €4.2 million). Colegios Laude II, S.L. will distribute the proceeds from the sale of Laude UK, net of transaction costs, to its shareholders in the near future. Dinamia owns 49.3% of Colegios Laude II, S.L. This transaction, coupled with the sale of 100% of the Spanish assets (Colegios Laude, S.L.) on 30 May 2014, implies Dinamia's full exit from Colegios Laude.

ALCAD, S.L.

a) Company overview

Founded in 1988, Alcad's business spans the research, design, manufacture and marketing of high-frequency digital and analogue television signal reception and distribution products for residential buildings (high frequency). In 2001, the company entered the entryphones, videophones and intercommunication systems business (entry control), leveraging its sales structure and nationwide reach.

The company has a sizeable R&D department which continually develops new products (communication, domotics, etc.). This effort led to the entry into another new business in 2008 related to the healthcare and hotel sectors (solutions), evidencing the company's ongoing R&D firepower.

b) Company situation

This company filed for bankruptcy protection in 2014.

c) Company valuation

The Company has classified this investment as an interest in an associate given that it believes it has significant interest over the investee by virtue of its shareholding in excess of 20%. This investee is in the process of liquidation. Dinamia does not expect to recover any of its investment in this company.

	Equity instruments		Loans to companies	
	2014	2013	2014	2013
				Euros
Alcad, S.L.	-	-	-	-
Investment	9,847,496.00	9,847,496.00	-	-
Provision for impairment of investment	(9,847,496.00)	(9,847,496.00)	-	-
Accumulated accrued interest	-	-	-	-
Accumulated accrued interest impairment	-	-	-	-

MBA INCORPORADO, S.L.

a) Company overview

MBA is Spain's fourth largest distributor of orthopaedic products with a market share of 15%. It is also the only independent operator with a meaningful footprint in Europe, with a presence in Spain, Belgium, Italy, Portugal and the UK.

The group specialises in own-brand knee, hip and spinal implants and internal and external fixation devices. MBA also has a specialist business line in the biological products niche, operating under the BIOSER brand. The group's customers are mainly public hospitals although it also distributes its products to private insurers and individuals.

b) Company situation

MBA's revenue was broadly flat year-on-year in 2014 (-2%).

The home market continues to be affected by the downtrend in surgery volumes underway since the second half of 2010 and the resulting growth in waiting lists. However, volumes began to tick slightly higher in 2014 and this trend is expected to continue in the years to come. Despite the adverse business environment, the company's volumes are growing and it is gaining market share.

Elsewhere, prices stabilised in 2014 after several years of extraordinary downward pressure as a result of the adverse macroeconomic climate. The company also expects this trend to continue in the years to come. The Belgian market, the company's main market outside Spain, continues to perform well. The strong take-up for new products in Belgium drove this subsidiary's growth in 2014 which ultimately accounted for 22% of overall revenue; however, 2015 is expected to be marked by continued downward pressure on spinal implant prices. MBA's management team continues to work to introduce new product families in Belgium, Italy and the UK and hopes that success on this front will offset the impact of price pressure.

On the deleveraging front, the measures introduced by the Spanish government with a view to eliminating late payments by the public sector had a positive impact in 2014. In February, the company received an extraordinary payment of €18 million as a result of this scheme. MBA's management team believes there is room for further working capital upside and that leverage levels will therefore continue to come down in the months to come.

c) Company valuation

The Company has classified this investment as an interest in an associate given that it believes it has significant interest over the investee by virtue of its shareholding in excess of 20%. The investment has been valued by applying acquisition multiples to normalised earnings, which yields a lower valuation than the use of comparable trading multiples, to the investee's financial metrics at each year end. This exercise results in the following valuation:

	Equity instruments		Loans to companies	
	2014	2013	2014	2013
				Euros
MBA Incorporado, S.L.	**2,415,123.03**	**2,415,123.03**	**33,531,670.24**	**29,607,965.38**
Investment	15,533,124.22	15,533,124.22	16,732,873.72	16,732,873.72
Provision for impairment of investment	(13,118,001.19)	(13,118,001.19)	-	-
Accumulated accrued interest			16,798,796.52	12,875,091.66
Accumulated accrued interest impairment			-	-

RADIACIÓN Y MICROONDAS, S.A. & TRYO TECHNOLOGIES, S.L. - GRUPO TRYO

a) Project overview

This project was structured as the acquisition from Corporación IBV of two companies devoted to the manufacture of electronic parts and equipment with the ultimate goal of integrating three business lines into a single company (Grupo TRYO) to configure a group specialised in the design and manufacture of high-tech electronic systems and parts which is capable of commanding a leadership position in professional, global, niche and growth markets.

The companies so acquired were:

- Teltronic (radio communication): devoted to the manufacture of electronic equipment and systems for professional radio systems (e.g., for fire and police forces). TRYO Security was created in 2013 following the acquisition of Scati (video surveillance).

- Rymsa (antennae and telecommunications parts): devoted to the design, manufacture and distribution of antennae for the telecommunications industry. This company in turn operates in two lines of business:

  - Broadcast - Defence & radar: the manufacture of aerial systems and passive equipment for the transmission of radio and TV signals (broadcasting) and of radar air traffic control antennae and other systems (defence & radar)

- Satellite equipment: the design, manufacture and supply of on-board, high-tech satellite antennae and passive equipment

Market overview

The group operates in three different markets:

1) The radio communication market, with an estimated size of €700m for the TETRA standard and of €600m for the American APCO P-25 standard

2) Broadcast - Defence & radar:

    - Broadcasting: global market of an estimated €250m in which demand is stable, albeit varying by country

    - Defence & radar: the main market is the flight navigation radar and pedestal market

3) Satellite equipment: the European satellite market is estimated at between €900m and €1bn and the global market at around €5.3bn

Investment rationale

- Strong international presence

- Stellar management team

- Unique technology and flexible production structure enabling product customisation and erecting high entry barriers

- Brand recognition, which is highly valued by customers who prize reliability over price

- Customers of substantial scale with strong institutional base

- Leading company in its niches at the worldwide level

- Scope for organic and M&A-led growth

b) Company situation

2014 was a year of significant growth for the TRYO Group: revenue rose 36% year-on-year and EBITDA, by 35% (16% and 20%, respectively, stripping out the acquisition of Mier). Leverage increased on the back of the acquisition.

The biggest milestone of the year was the acquisition, in February, of Mier Comunicaciones, a Barcelona-based company with a track record dating back 50 years. Mier Communicationes operates in two core businesses:

(i) the Broadcasting division, devoted to the design, manufacture and installation of professional equipment for TV, digital radio and DTT broadcasting

(ii) the Space division, which handles the design and manufacture of satellite communication equipment for the ground and flight segments. Both divisions complement Grupo TRYO's space and broadcasting divisions in terms of customers, markets and product portfolios. The acquisition was financed by an equity contribution by all the company's shareholders and internal funds.

The company expects to delivery substantial topline and EBITDA growth in 2015 and to deleverage.

c) Company valuation

The Company has classified this investment as an interest in an associate given that it believes it has significant interest over the investee. The investment has been valued by applying acquisition multiples, which yields a lower valuation than the use of comparable trading multiples, to the investee's financial metrics at each year end. This exercise results in the following valuation:

	Equity instruments 2014	Equity instruments 2013	Loans to companies 2014	Loans to companies 2013
				Euros
Rymsa, S.L.	**-**	**4,310,826.18**	**-**	**-**
Investment	-	4,310,826.18	-	-
Provision for impairment of investment	-	-	-	-
Accumulated accrued interest			-	-
Accumulated accrued interest impairment			-	-
Tryo Communication Technologies, S.L.	**6,391,384.10**	**5,648,740.40**	**-**	**-**
Investment	6,391,384.10	5,648,740.40	-	-
Provision for impairment of investment	-	-	-	-
Accumulated accrued interest			-	-
Accumulated accrued interest impairment			-	-
Tryo Aerospace, S.L.	**1,465,030.26**	**742.50**	**-**	**-**
Investment	1,465,030.26	742.50	-	-
Provision for impairment of investment	-	-	-	-
Accumulated accrued interest			-	-
Accumulated accrued interest impairment			-	-
Rymsa RF, S.A.	**2,847,280.92**	**742.50**	**-**	**-**
Investment	2,847,280.92	742.50	-	-
Provision for impairment of investment	2,847,280.92	742.50	-	-
Accumulated accrued interest			-	-
Accumulated accrued interest impairment			-	-

TAMSI SPAIN, S.L.

a) Company overview

Dinamia invested in EYSA through Tamsi Spain, S.A. EYSA, acquired in 2011 from the FCC group, is one of Spain's leading car park operators. With annual revenue in excess of €60 million, EYSA currently manages over 128,000 parking places in more than 60 cities.

Its core business is the management, operation and maintenance of regulated on-street parking places; this business line accounts for over 80% of total revenue. The company also manages off-street car parks, municipal vehicle clamp and tow services and other urban mobility solutions.

With a market share of around 25%, EYSA is the leading on-street parking operator in Spain.

b) Company situation

EYSA's revenue jumped by 22% year-on-year in 2014 thanks to the annualised impact of the acquisition of SCI (a benchmark player in the management of fines and other levies for town halls) in September. Stripping out the impact of this acquisition, topline growth falls to 4%.

In 2014 the company managed to increase the number of parking spaces under its management by 5,400 to over 133,500, thanks to the adjudication of additional spaces in Madrid and nine new contracts, which added almost 7,500 new places to the portfolio managed by EYSA. This more than offset the loss of a three contracts last year, which encompassed 1,900 places.

In terms of off-street parking, EYSA won a contract in June for the management of the car park at Valladolid Hospital. On the corporate financing front, EYSA closed a €75 million bond issue, the biggest placement on MARF, Spain's alternative bond market, to date. The transaction closed in July; this refinancing enabled the company to pay out a €27 million dividend. In the wake of this dividend payment, Dinamia has recovered €6.7 million of its investment.

In 2015, EYSA plans to continue to present bids for any contracts coming up for tender. The team also continues to analyse the scope for expanding the business abroad and it is studying several acquisition opportunities that would deliver growth in the car parking segment as well as in other urban mobility services.

c) Company valuation

The Company has classified this investment as an interest in an associate given that it believes it has significant interest over the investee. The investment has been valued by applying acquisition multiples, which yields a lower valuation than the use of comparable trading multiples, to the investee's financial metrics at each year end. This exercise results in the following valuation:

	Equity instruments		Loans to companies	
	2014	2013	2014	2013
				Euros
Tamsi Spain, S.L.	**959,455.00**	**7,718,392.50**	**8,503,918.64**	**7,580,842.80**
Investment	959,455.00	7,718,392.50	5,733,895.22	5,733,895.22
Provision for impairment of investment	-	-	-	-
Accumulated accrued interest			2,770,023.42	1,846,947.58
Accumulated accrued interest impairment			-	-

CARDOMANA SERVICIOS Y GESTIONES, S.L.

a) Company overview

Dinamia invested in the Secuoya Group through Cardomana Servicios y Gestiones, S.L., taking an indirect interest of 13.75%. The Secuoya Group is a communication company with an end-to-end presence in the audiovisual value chain. It comprises companies that are entrenched in their respective segments and has a nationwide presence thanks to production studios in the main Spanish cities. The group's main lines of business are:

- Audiovisual services. The provision of end-to-end outsourcing services for news programmes and the ad-hoc outsourcing of technical resources and professionals to television broadcasters and producers.

- Content. Production of all content formats, notably current affairs and entertainment programming, docu-shows, low-cost programming targeted at the DTT market, branded content, prime time series and documentaries.

- Marketing. End-to-end communication for companies and management of customers' presence and visibility in the audiovisual media.

b) Company situation

2014 was marked by consolidation of the home-market business and the start of international business operations.

Consolidation of the Spanish market.

In April 2014, Secuoya acquired 55% of Bienvenido Gil, S.L. ('BGL"), a highly-innovative company with an extensive track record and deep specialisation in the design and execution of value-added audiovisual projects. This company also specialises in the outsourcing of audiovisual engineering projects, specific radio broadcasts (Radio TV de Aragón and Radio TV de Baleares) and the distribution and supply of equipment.

International expansion.

In 2014, the company laid the groundwork for its international expansion plans: it established itself in Peru (where it completed the acquisition of 55% of Imizu), opened Secuoya USA, headquartered in Miami, reached an agreement with Chilean producer Fábula that will give it a foothold in that market and started business activities in Colombia.

The Group expects to deliver significant growth in 2015 at both the revenue and EBITDA levels. Visibility has been reinforced by a contract win in January 2015 for the indirect management of the public television broadcaster in Murcia which covers programme broadcasting, the news and advertising sales; the contract is expected to generate monthly revenue of €1 million.

c) Company valuation

The Company has classified this investment as an interest in an associate given that it believes it has significant interest over the investee. In light of this investee's healthy performance, the investment continues to be valued at the level of 30 September as this company has yet to report its 2014 results.

	Equity instruments		Loans to companies	
	2014	2013	2014	2013
				Euros
Cardomana Servicios y Gestiones, S.L.	**4,796,136.94**	**3,604,336.69**	**-**	**-**
Investment	4,796,136.94	3,604,336.69	-	-
Provision for impairment of investment	-	-	-	-
Accumulated accrued interest			-	-
Accumulated accrued interest impairment			-	-

GLOBAL ABBASI, S.L.

a) Company overview

Dinamia invested in Probos Plásticos through Global Abbasi, S.L. Probos, founded in 1977, is the world's third-largest maker of plastic band edges for the furniture industry. Its products are produced from PVC, ABS and other polymers, which, following extrusion using proprietary technology, are shaped into plastic edges.

The group distributes its products under the Proadec brand in more than 50 countries through a proprietary distribution network and sales agreements with third parties. Currently close to 90% revenue is generated outside the Iberian Peninsula.

The company boasts a strong position in emerging markets such as Brazil, Mexico, Colombia and Russia, with these markets providing the growth engine in recent years. Forty-seven per cent of 2013 revenue was generated in Latin America.

Its factories are located in Mindelo (Portugal) and Curitiba (Brazil). Probos also has a direct sales presence in Mexico (having acquired its Mexican distributor, Chapacinta), the UK and Germany.

b) Company situation

Probos's revenue rose by 5% year-on-year to €65.6 million in 2014. This growth was driven by a strong performance in emerging markets as well as in Spain and Portugal.

2014 EBITDA totalled €11.8 million, marking growth of 24% year-on-year. The strong earnings performance was buoyed by reformulated sales policies and the implementation of measures designed to enhance cost control. The company continues to display solid cash flow generation capabilities.

In the early months of 2014 the company started up the new facilities at the factory in Brazil designed to increase local production capacity. This investment is delivering improved service levels and helping to partially mitigate exposure to adverse exchange rate trends.

In parallel, the management team is continuing to focus its efforts on: (i) delivering growth in line with that of recent years; (ii) boosting cost-effectiveness and local production in Brazil; and (iii) eking out efficiency gains in order to increase overall profitability and reduce working capital requirements.

c) Company valuation

The Company has classified this investment as an interest in an associate given that it believes it has significant interest over the investee. The investment has been valued by applying acquisition multiples, which yields a lower valuation than the use of comparable trading multiples, to the investee's financial metrics at each year end. This exercise results in the following valuation:

	Equity instruments		Loans to companies	
	2014	2013	2014	2013
				Euros
Global Abbasi, S.L.	**11,500,202.56**	**11,500,202.56**	**-**	**-**
Investment	11,500,202.56	11,500,202.56	-	-
Provision for impairment of investment	-	-	-	-
Accumulated accrued interest			-	-
Accumulated accrued interest impairment			-	-

SALTO SYSTEMS, S.A.

a) Company overview

Founded in 1999, Salto designs and manufactures products for the access control market and is deeply specialised in the electronic locks segment. The company boasts an extensive catalogue of products and solutions. It has installed battery powered locks in over 1,500,000 doors, having notched up its highest credentials in the education niche (notably Princeton, Cambridge and Sydney universities) and the transport segment (Heathrow and Munich).

The company is firmly entrenched in the European and US markets, which have driven growth in recent years. Its worldwide footprint extends to 90 different markets. In 2012, over 90% of revenue was accounted for by exports; this figure is expected to rise to 95% in 2013.

Salto has 300 employees. Salto is headquartered in Oiartzun, in Spain's Basque region, where the firm's management, R&D and marketing efforts are based. The sales and technical support functions are decentralised, with over half of the headcount based outside Spain.

b) Company situation

In 2014, Salto registered revenue (+6% vs. 2103) and EBITDA (+10% vs. 2013) growth.

This growth was driven mainly by the European markets in which Salto is the leader. Sales in the US were flat year-on-year, shaped somewhat by the lack of really big orders. The company's financial position improved in 2014, despite paying a dividend (of which Dinamia received €259).

In 2014, Salto acquired a majority interest in its subsidiary Clay (a company focused on small and medium offices) and completed the acquisition of 20% of Maxxes (a company specialised in the integration of security solutions), thereby reinforcing its product catalogue.

Given the company's competitive positioning, the reinforcement of the sales area and the outlook for the market, this investee's revenue and EBITDA are expected to register double-digit growth in 2015.

c) **Company valuation**

The Company has classified this investment as an interest in an associate given that it believes it has significant interest over the investee. The investment has been valued by applying acquisition multiples, which yields a lower valuation than the use of comparable trading multiples, to the investee's financial metrics at each year end. This exercise results in the following valuation:

	Equity instruments		Loans to companies	
	2014	2013	2014	2013
				Euros
Global Abbasi, S.L.	**11,500,202.56**	**11,500,202.56**	**-**	**-**
Investment	11,500,202.56	11,500,202.56	-	-
Provision for impairment of investment	-	-	-	-
Accumulated accrued interest			-	-
Accumulated accrued interest impairment			-	-

8. Cash and cash equivalents

The breakdown of this heading in the accompanying balance sheet at year-end 2014 and 2013 is as follows:

	2014	2013
		Euros
Cash	49,097,191.61	16,640,022.30
Cash equivalents	5,000,000.00	5,008,785.98
	54,097,191.61	**21,648,808.28**

At 31 December 2014, the repurchase agreements comprised an asset maturing in January 2015 (an asset maturing in January 2014 at year-end 2013).

The balance at year-end 2014 includes a sum of €677,673.00 whose use is restricted subject to compliance with certain terms stipulated in an investee share purchase agreement.

The movement in cash equivalents (government debt repos) in 2014 and 2013 was as follows:

	Cash equivalents	
	2014	2013
		Euros
Opening balance	**5,008,785.98**	**41,000,765.58**
Acquisitions	47,260,248.47	248,508,020.83
Sales	(47,269,034.35)	(284,500,000.00)
Closing balance	**5,000,000.00**	**5,008,785.41**

The interest accrued on repos amounted to €43,744.20 in 2014 (€60,819.13 in 2013) and on cash balances, €53,941.55 (€55,999.61 in 2013); this interest is recognised under finance income in the income statement (note 21).

9. Prepayments and accrued income

This heading breaks down as follows:

	2014	2013
		Euros
Prepaid fees and sundry charges	14,879.58	14,879.58
Other	5,732.32	5,732.32
	20,611.90	**20,611.90**

10. Receivables

Receivables break down as follows:

	2014	2013
		Euros
Receivable from public authorities	146,645.14	135,879.23
Other receivables	12,087.22	12,087.22
	158,732.36	**147,966.45**

The majority of the year-end balances receivable from the public authorities related to income tax receivable in respect of prior years which is collected the following year.

11. Trade and other payables

Trade payables break down as follows:

	2014	2013
		Euros
Payable for services received	821,857.42	1,351,051.86
	821,857.42	**1,351,051.86**

This heading mainly reflects the balances payable by the Company to its Management Company.

On 5 July 2010, Spain published Law 15/2010, amending Law 3/2004 of 29 December 2004, establishing measures to tackle supplier non-payment.

Among other measures, the new legislation eliminates the scope for 'agreements among the parties' with respect to extending supplier payment terms. The legislation came in response to the financial ramifications of the economic crisis on all sectors which was translating into an increase in non-payment and delays in settling past due invoices, with particularly serious consequences for small and medium sized companies owing to their high dependence on short-term credit, all of which compounded by the prevailing liquidity crunch. In addition, in order to tackle these issues, the law sets a general maximum term for payment among companies of 60 calendar days from the date of delivery of the merchandise or performance of the service, which took effect on 1 January 2013.

Additional provision three of the new legislation further stipulates that companies must publicly and expressly disclose information on supplier payment terms in the notes accompanying their individual and consolidated financial statements.

The Company, applying transitory provision two of the Resolution issued on 29 December 2010 by the Spanish Audit and Accounting Institute (ICAC) regarding annual account disclosures on the deferral of payment to trade suppliers, provides information regarding balances pending payment to its suppliers which at year-end are outstanding by more than the legal term established in Spanish Law 15/2010, i.e., more than 60 days from the receipt of the good or service.

The breakdown of trade payables settled during the year and those pending payment at year-end in relation to the legally-permitted payment terms stipulated in Spanish Law 15/2010 is as follows:

Payments made to suppliers and outstanding at the end of the reporting period

	2014		2013	
	Euros	**%**	**Euros**	**%**
Payments made during the year within the maximum legal limit	4,604,083.99	88.08	2,669,767.80	98.41
Other	622,806.76	11.92	43,214.99	1.59
Total payments during the year	**5,226,890.75**	100.00	**2,712,982.79**	100.00
Average period by which payments were past due (days)	**137**		**124**	
Trade payables outstanding at year end that are past due by more than the legally-mandated maximum term	**39,532.76**		**44,725.54**	

12. Other current liabilities

Other current liabilities break down as follows:

	2014	2013
		Euros
Personal income withholdings	93,114.55	128,967.91
	93,114.55	**128,967.91**

13. Non-current provisions

The breakdown of non-current provisions is as follows:

	2013	Additions	Derecognitions	2014
				Euros
Non-current provisions	1,143,945.10	1,518,945.10	(1,052,673.00)	677,673.00
	1,143,945.10	**1,518,945.10**	**(1,052,673.00)**	**677,673.00**

	2012	Additions	Derecognitions	2013
				Euros
Non-current provisions	1,342,744.69	-	(198,799.59)	1,143,945.10
	1,342,744.69	**-**	**(198,799.59)**	**1,143,945.10**

This heading includes the provision estimated in respect of the warranties extended by the Company as part of the Xanit sale agreement.

14. Non-current payables

At both reporting dates this heading encompasses the provision for the performance fee accruing to the Management Company to date. This provision is recognised in order to earmark the resources needed to cover the payment of the performance fee in the future if the triggering circumstances agreed between the Company and Management Company are met. The gains generated on exits from its investments may oblige Dinamia to pay the Management Company a performance fee in the future on the terms established in the management agreement. To this end, the Company maintains a provision on the liability side of its balance sheet in respect of the possible performance fee it would be obliged to pay the Management Company if the terms and conditions stipulated in the management agreement are met. This liability is therefore not enforceable until the abovementioned conditions are met. In estimating this provision, management factors in the gains realised on disposals and the valuations at the time of such disposals of the rest of the investments in companies acquired in the same fiscal year as that sold. In addition, in adjusting this amount, the Company takes into consideration any valuations based on recent benchmark transactions of sufficient importance to establish price precedence and any losses that are unlikely to revert, e.g., if an investee has declared bankruptcy and is very likely to be liquidated.

A success or performance fee is accrued every time the Company sells an investment or receives a return from any of its investees; the fee is equivalent to 20% of the net gains realised by the Company on the disposal of all investments acquired in companies that fall under its corporate object in a given year and any returns on these investments, net of the annual management fee and so long as the implied return exceeds the average yield on 3-year Spanish government bonds during the month of December prior to the start of the calendar year (note 20).

The accrual of a performance fee may also be triggered in respect of a specific investment without the Company having to sell the investment in the event that the returns received by the Company on its investment in question are higher than the investment cost plus the investment management costs paid by Dinamia in respect of the same investment. In these instances, the amount obtained by the Management Company will be equal to the returns paid to the Company by the investee in question less the expenses needed to cover payments made by the Company.

Accrual of the performance fee in respect of each investment does imply its immediate settlement. Settlement is only triggered when Dinamia reaches, by means of the sale of its investments or via the payment of returns by its investees, the Acquisition Price of the Annual Portfolio plus Hurdle, this being the acquisition price of all the investees acquired in a given year multiplied by the abovementioned minimum return threshold. Accordingly, the Company will only have to pay the performance fee when it obtains net returns on all the investments made in a given year.

The balances payable are restated at the end of every Annual Investment Portfolio.

The change in this heading during the year was as follows:

	2013	Additions	Derecognitions	2014
				Euros
Performance fee	12,670,545.34	4,130,463.82	(5,956,871.42)	10,844,137.74
	12,670,545.34	**4,130,463.82**	**(5,956,871.42)**	**10,844,137.74**

The addition recognised in 2014 corresponds to the investment portfolios articulated in 2007 and 2011 (Lata Lux Holding Parent S.à r.l. (Mivisa), Colegios Laude, S.L. and Xanit Health Care Management, S.L.).

The amounts derecognised in 2014 correspond to the portfolios articulated in 2003, 2004 and 2005 in the wake of the refinancing terms agreed in 2014 for High Tech Hotels & Resorts, S.L. and payments made during the year following the exit from Xanit Health Care Management, S.L.

	2012	Transfer to current	2013
			Euros
Performance fee	13,184,400.32	(513,854.98)	12,670,545.34
	13,184,400.32	**(513,854.98)**	**12,670,545.34**

Following the sale in 2013 of shares of Nicolás Correa (note 4), the performance fee payable in respect of the portfolio acquired in 1999 was transferred to current liabilities.

The breakdown, on the basis of the number of underlying investments, of the performance fee pending payment at 31 December 2014 and 2013 is as follows:

Year	2014 No. of investments made that year	2014 No. of investments exited	2014 Performance fee pending payment	2013 No. of investments made that year	2013 No. of investments exited	2013 Performance fee pending payment
						Euros
1999	7	6	1,558,080.35	7	6	1,558,080.35
2000	6	5	2,423,568.60	6	5	2,423,568.60
2001	3	3	-	3	3	-
2003	4	3	-	4	3	1,457,717.10
2004	5	4	-	5	4	2,380,038.83
2005	8	5	4,341,786.10	8	5	4,341,786.10
2006	4	4	-	4	2	148,545.37
2007	6	4	75,604.54	6	3	75,604.54
2008	7	3	285,204.45	7	3	285,204.45
2009	4	-	-	4	-	-
2010	5	2	-	5	2	-
2011	6	2	2,159,893.70	6	1	-
2012	3	-	-	3	-	-
2013	5	1	-	5	1	-
2014	3	1	-	3	1	-
			10,844,137.74			**12,670,545.34**

15. Equity

(a) Share capital

The Company's shareholders approved the distribution of a €0.70 per share dividend with a charge against the share premium account at the Annual General Meeting of 11 June 2014. This dividend was paid on 15 July 2014 and implied a total outlay of €11,358,467.40.

The Company's shareholders approved the distribution of a €0.70 per share dividend with a charge against the share premium account at the Annual General Meeting of 13 June 2013. This dividend was paid on 15 July 2013 and implied a total outlay of €11,358,467.40.

Share capital stood at €48,837,600.00 at both year-ends, divided into 16,279,200 shares with a unit par value of €3.

All shares belong to the same class and carry identical voting and dividend rights.

The shares are traded on the Madrid and Barcelona stock exchanges.

The list of shareholders holding an interest of 5% or more at 31 December 2014:

Name or company name of shareholder	% of direct voting rights	% of indirect voting rights	% of total voting rights
ANPORA PATRIMONIO, S.L.	22.60	-	22.60
RICARDO PORTABELLA PERALTA	-	22.60	22.60
ELECTRA PRIVATE EQUITY PARTNERS 1995	10.44	-	10.44
ELECTRA PARTNERS LLP	-	10.44	10.44
BARWON INVESTMENT PARTNERS PTY LTD	12.73	-	12.73

The list of shareholders holding an interest of 5% or more at 31 December 2013:

Name or company name of shareholder	% of direct voting rights	% of indirect voting rights	% of total voting rights
ANPORA PATRIMONIO, S.L.	22.60	-	22.60
RICARDO PORTABELLA PERALTA	-	22.60	22.60
ELECTRA PRIVATE EQUITY PARTNERS 1995	10.44	-	10.44
ELECTRA PARTNERS LLP	-	10.44	10.44
CORPORACION FINANCIERA ARCO, S.L.	5.00	-	5.00
EW EQUITY PARTNERS, S.L.	-	5.00	5.00
BARWON INVESTMENT PARTNERS PTY LTD	11.78	-	11.78

b) Share premium

The consolidated text of the Spanish Corporate Enterprises Act expressly permits the use of the share premium account balance to increase capital and provides no specific limitation with respect to the availability of that balance.

c) Legal reserve

Spanish companies must transfer at least 10% of profits for the year to a legal reserve until this reserve is equivalent to at least 20% of share capital. The Company had fully endowed its legal reserve at both year-ends.

d) Voluntary reserves

Voluntary reserves are freely distributable at both reporting dates.

e) Own equity instruments

This heading reflects the reserve for the capital cancelled in the amount of the par value of the shares bought back by the Company and later cancelled with a charge against unrestricted reserves. This reserve can be availed of subject to the same formalities as are required to reduce share capital.

The Company did not buy or sell any own shares in 2014, continuing to hold 52,818 such shares. In 2013, the Company acquired 200 own shares for a total of €1,019.20.

16. Measurement adjustments in equity

The breakdown of 'Measurement adjustments in equity' is as follows:

	2014	2013
		Euros
Listed shares	-	-
Collective investment undertakings	-	-
Private equity firms	2,594,215.17	(847,254.40)
Unlisted shares	-	-
Measurement adjustments in equity - Available-for-sale financial assets	**2,594,215.17**	**(847,254.40)**

The balance recorded under 'Measurement adjustments in equity – Available-for-sale financial instruments' reflects the changes in the fair value of the financial instruments, net of the corresponding tax effect, which have to be deferred in equity under prevailing accounting rules. The deferred tax assets recognised under this heading at 31 December 2013 amounted to €2,563.30. When the related financial assets are sold, the cumulative gains or losses recognised in equity are reclassified to profit or loss.

17. Memorandum accounts

The memorandum accounts break down as follows:

	2014	2013
		Euros
Contingency and commitment accounts	**250,536.13**	**234,068.12**
Collateral and guarantees conferred	-	-
Collateral and guarantees received	-	-
Securities purchase commitments	250,536.13	234,068.12
Private equity investees	-	-
Other entities	250,536.13	234,068.12
Other memorandum accounts	**112,544,618.33**	**95,610,151.46**
Assets written-off	-	-
Unused tax losses	89,113,780.64	77,884,747.52
Unrealised gains (losses) (net of tax effect)	23,430,837.68	17,725,403.94
Total memorandum accounts	**112,795,154.45**	**95,844,219.58**

The main components of the memorandum accounts are the following:

a) On 20 December 2007, Dinamia committed to invest up to GBP10 million (€11.26 million at the 31/12/2009 exchange rate) in Electra Partners Club 2007 LP, a private equity firm, over a five-year period. At year-end 2014, the Company had put up 98% of its total commitment. Electra Partners Club 2007 LP is a private equity fund managed by Electra Partners LLP. One of Dinamia's significant shareholders is Electra Private Equity Partners 1995, the private equity firm managed, in turn, by Electra Partners LLP, the same company which manages Electra Partners Club 2007, LP (note 6).

b) The balance of unused tax losses carried forward on the basis of the Company's income tax returns (note 23).

c) The unrealised gains (losses) (net of the corresponding tax effect) resulting from the valuations deriving from the use of the criteria outlined in note 7.

18. Finance income

Finance income breaks down as follows:

	2014	2013
		Euros
From cash and cash equivalents (note 8)	97,685.15	116,818.74
From loans to companies		
Profit-participating loans		
To private equity investees	8,683,812.15	8,347,252.24
Other finance income	258,960.62	-
Interest, dividend and similar income	**9,040,457.92**	**8,464,070.98**

19. Net gain/loss on and changes in fair value of financial investment portfolio

The breakdown of 'Net gain/loss on and changes in fair value of financial investment portfolio' is provided below:

	2014	2013
		Euros
Net gain/loss on disposals	**12,382,837.58**	**(3,101,005.03)**
Equity instruments	**12,382,837.58**	**(3,101,005.03)**
Listed shares		
Unlisted shares	**12,382,837.58**	**(3,101,005.03)**
Private equity investees	**12,382,837.58**	**(3,101,005.03)**
Other entities	-	-
Collective investment undertakings	-	-
Debt securities	-	-
Other financial assets	-	-
Impairment and losses on financial assets	**10,713,682.18**	**5,159,758.57**
Cash and cash equivalents	-	-
Equity instruments	649,765.34	3,856,049.45
Debt securities	-	-
Loans to companies	10,063,916.84	1,303,709.12
Derivatives	-	-
Other financial assets	-	-
Net exchange differences	-	-
	23,096,519.76	**2,058,753.54**

The breakdown of 'Net gain/(loss) on disposals' and 'Impairment and losses on financial assets' in the accompanying 2014 and 2013 income statements is as follows:

	2014	2013
		Euros
Net gain/loss on disposals		
Lata Lux Holding Holding S.a.r.l.	9,150,829.45	-
Colegios Laude, S.L.	1,181,307.18	-
ZIV Aplicaciones y Tecnología, S.L.	2,050,700.95	-
High Tech Hotels & Resorts, S.A.	-	(15,824.10)
Emfasis Marketing & Billing, S.A.	-	(179,500.00)
Unica	-	(198,799.59)
The Beauty Bell Chain, S.L.	-	(23,572.66)
Grupo Nicolás Correa Anayak	-	(2,683,308.68)
	12,382,837.58	**(3,101,005.03)**

The breakdown of 'Impairment and losses on financial assets' in the accompanying 2014 and 2013 income statements is as follows:

	2014	2013
		Euros
The Beauty Bell Chain, S.L.	(3,558,589.30)	(3,040,446.34)
Colegios Laude II, S.L.	(70,496.55)	-
Xanit Health Care Management, S.L.	5,212,333.48	-
Impairment of interest accrued on profit-participating loans	**1,583,247.63**	**(3,040,446.34)**
Colegios Laude, S.L.	-	(1,226,507.00)
Xanit Health Care Management, S.L.	8,480,669.21	5,570,662.46
Grupo Gestión Integral Novolux Internacional, S.L.	-	-
Impairment of profit-participating loans	**8,480,669.21**	**4,343,155.46**
TThe Beauty Bell Chain, S.L.	-	(113,387.35)
MBA Incorporado, S.L.	-	(748,948.08)
Nicolás Correa	-	3,833,867.76
Hoteles Tecnológicos 2010	-	650,000.00
Mysibek Investments, S.L.	-	234,517.12
High Tech Hotels & Resorts, S.A.	-	-
United Wineries Holdings, S.A.	-	-
Xanit Health Care Management, S.L.	649,765.34	-
Impairment of equity instruments	**649,765.34**	**3,856,049.45**
Total impairment and losses on financial assets	**10,713,682.18**	**5,159,758.57**

20. Other operating income/(expense)

This heading includes the management and performance fee in an aggregate amount of €2,578,651.84 in 2014 (€2,350,563.86 in 2013).

The remuneration regime agreed with the Management Company has two components:

- A fixed annual management fee of 1.75% of the amount of the Company's 'valued assets' (this metric is determined by the Management Company based on a quarterly valuation report using generally accepted international industry criteria; in turn this report is reviewed by an independent expert twice-yearly). The amount accrued in 2014 this respect was €2,434,189.32 (2013: €2,350,563.86).

- A performance fee (note 14). In 2014 a net amount of €144,162.52 was recognised in this respect (no performance fee was recognised in 2013).

21. Other operating expenses

The breakdown of the items comprising 'Other operating expenses' in 2014 and 2013 is provided below:

	2014	2013
		Euros
Bank fees	(1,661.65)	(8,281.72)
Independent professional services	(807,512.73)	(935,472.69)
Outsourced administrative services	(418,076.96)	(331,420.28)
Other expenses	(4,907.26)	(78,698.38)
	(1,272,495.60)	**(1,353,873.07)**

22. Foreign currency transactions

The only transaction performed by the Company in foreign currency in 2014 was the acquisition of shares of private equity fund Electra Partners Club 2007, LP for €3,003,244.66 (€1,889,771.68 in 2013).

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing on the dates of the transactions.

23. Income tax and tax matters

The Company applies the tax benefits provided for in article 55 of Spanish Royal Decree-Law 4/2004 (5 March 2004) enacting the consolidated text of the Spanish Income Tax Act, which regulates the tax regime governing private equity firms and funds and which can been summarised as follows:

- Partial tax exemption on income generated by the sale of shares of companies depending on the number of years elapsing between the acquisition and sale. This exemption is 99% from the beginning of year two of the investment until year 15, inclusive. This exemption does not apply in year one or after year 15 of the investment, barring the exceptions laid down in prevailing tax legislation. If an investee is listed on a securities market regulated under Council Directive 93/22/EEC of 10 May 1993, applicability of this exemption is conditional upon the sale of the listed investment within no more than three years from the listing date.
- Tax deduction of 100% of dividends and, in general, shares of profits received from investees, regardless of the Company's ownership interest or the investment holding period.

The Company has its tax returns open to inspection for the last four years in respect of all key applicable taxes at year-end 2014.

Given the various possible interpretations of the tax regulations applicable to the Company's business transactions, tax contingencies which cannot be objectively quantified could arise with respect to the years open to inspection. However, the Company's directors believe that the likelihood that any such contingencies could arise from a potential tax inspection is remote and that, at any rate, any resultant tax liability would not have a material impact on the accompanying financial statements.

The reconciliation of accounting profit to taxable income (tax loss) in 2014 and 2013 is set forth below:

	2014	2013
		Euros
Accounting profit (profit before tax)	28,285,212.71	7,017,187.18
Permanent differences	(10,554,147.21)	3,301.16
Decreases	(10,555,645.00)	-
Increases	1,497.79	3,301.16
Adjusted accounting profit	17,731,065.50	7,020,488.34
Temporary differences	(28,960,098.63)	(4,923,765.99)
Negative	(33,285,776.12)	(10,289,047.34)
Positive	4,325,677.49	5,365,281.35
Taxable income (tax loss)	(11,229,033.12)	2,096,722.36
Offset of unused tax losses	-	(2,096,722.36)
Tax expense (at statutory 30% rate)	-	-
Tax credits and tax relief	-	-
Withholdings and payments on account	-	-
Other	-	-
Tax payable	-	-

The permanent differences primarily reflect the exemption of 99% of eligible income from the sale of investments.

The temporary differences mainly reflect the difference between the criteria used to treat impairment provisions for accounting and tax purposes.

The breakdown of unused tax losses carried forward at year-end is as follows:

Year of origin	2014	2013
		Euros
2002	6,441,396.03	6,441,396.03
2005	1,301,197.23	1,301,197.23
2006	4,836,063.95	4,836,063.95
2007	10,701,386.91	10,701,386.91
2008	4,733,267.71	4,733,267.71
2009	14,751,974.41	14,751,974.41
2010	13,733,469.82	13,733,469.82
2011	5,685,095.66	5,685,095.66
2012	15,700,895.80	15,700,895.80
2014	11,229,033.12	15,700,895.80
	89,113,780.64	**77,884,747.52**

The breakdown of unused tax credits carried forward at year-end is as follows:

Year of origin	Last year for offset	2014	2013
			Euros
2005	2012	-	-
2006	2013	-	70,147.65
		-	**70,147.65**

'Deferred tax assets' in the accompanying balance sheet recognise the tax impact of the measurement at fair value of the financial assets classified as available for sale.

24. Commitments

All of the Company's shares in High Tech Hotels & Resorts, S.A., Grupo Gestión Integral Novolux Internacional, S.L., Alcad S.L., Tamsi Spain, S.L. and MBA Incorporado, S.A. have been pledged at both year-ends to secure the loans extended to these investees by certain financial institutions.

25. Director compensation and balances

The remuneration received by the Company's directors as a whole in their capacity as members of the Board of Directors during the year ended 31 December 2014 totalled €418,076.78 (€331,420.28 in 2013) and corresponded entirely to the bylaw-stipulated amounts which vary as a function of attendance at the board's meetings and the number of meetings held.

Dinamia's directors did not receive any other benefits during the years ended 31 December 2014 or 2013.

The breakdown of the remuneration paid in 2014 and 2013 to the individual members of the Company's Board of Directors is disclosed below:

2014

	Remuneration for membership of the Board of Directors	Remuneration for membership of the Audit Committee
		Euros
Santiago Bergareche Busquet	66,892.13	-
Javier Carretero Manzano	44,594.88	13,378.46
Alfred Merton Vinton	40,135.39	-
Rafael Jiménez López	42,365.13	12,263.59
Emilio Carvajal y Ballester	44,594.88	-
Joaquín García-Quirós Rodríguez	40,135.39	-
Fernando D'Ornellas Silva	44,594.88	13,378.46
Nicolás Villén Jiménez	42,365.13	13,378.46
	365,677.81	**52,398.97**

2013

	Remuneration for membership of the Board of Directors	Remuneration for membership of the Audit Committee
		Euros
Santiago Bergareche Busquet	51,587.43	-
Javier Carretero Manzano	35,675.90	15,608.21
Alfred Merton Vinton	26,756.93	-
Rafael Jiménez López	33,446.16	15,608.21
Juan Arena de la Mora	8,918.98	4,459.49
Emilio Carvajal y Ballester	31,216.41	-
Joaquín García-Quirós Rodríguez	24,527.18	-
Fernando D'Ornellas Silva*	31,216.41	10,033.85
Nicolás Villén Jiménez*	31,216.41	11,148.72
	274,561.81	**56,858.47**

* Fernando D'Ornellas Silva and Nicolás Villén Jiménez were appointed by co-option on 19 February 2013. Their appointments were ratified at the Annual General Meeting of 13 June 2013, at which they were also re-elected as members of the Board of Directors

No advances or loans have been extended to any members of the Board of Directors at either year-end, nor did the Company have any pension or life insurance commitments to its directors.

26. Directors' fiduciary duties

The Company's directors and their related parties, as defined in article 231 of the consolidated text of the Spanish Corporate Enterprises Act, have stated that they were not party as of 31 December 2014 to any conflicts of interest requiring disclosure in accordance with the terms of 229 of this same piece of company law.

Elsewhere, in the past Alfred Merton Vinton represented Electra Private Equity Partners 1995 (a significant shareholder of Dinamia) on the Board of Directors of Dinamia, serving at the time as proprietary director. However, having left Electra Private Equity Partners 1995, the shareholders of Dinamia approved the Board of Director's proposal to reappoint Mr. Vinton as external director at the Annual General Meeting of 28 June 2007. The relationship between Mr. Vinton and Grupo Electra is currently limited to the following:

- Mr. Vinton is a consultant and external advisor to Electra Partners LLP in relation to its investments in several companies in the UK, Spain and Latin America (including Dinamia); however he has no decision-making power and is not a member of any of Electra Partners, LLP's committees or decision-making bodies.

As for the other disclosures required under article 260 of the Corporate Enterprises Act, and which have not been provided in these notes, it is hereby noted that these disclosure requirements do not apply to the Company as it does not meet any of the circumstances contemplated in the various sections of that article.

27. Environmental disclosures

The Company's operations respect applicable environmental protection and workplace health and safety laws. The Company's directors believe that it complies substantially with these laws to which end it has designed and implemented procedures for encouraging and guaranteeing due compliance.

The Company has adopted the opportune measures in relation to protecting the environment, improving its environmental record and minimising any environmental fallout from its business activities, in compliance with prevailing regulations. The Company did not deem it necessary to recognise any provisions for liabilities or charges of an environmental nature during the year as it has no environmental protection related contingencies or responsibilities.

28. Events after the reporting period

On 12 January 2015, Dinamia received its fourth distribution from Electra Partners Club 2007 LP as a result of a further repayment of shareholder contributions by fund investee Axio Data Group. Dinamia received £150 thousand (€191 thousand), which puts the level of capital recouped to date at 27%.

On 23 February 2015, the Boards of Directors of Dinamia and N Más Uno IBG, S.A. ("N+1") jointly approved and executed an agreement for the merger of the two companies (the Joint Merger Agreement).

In accordance with the Joint Merger Agreement terms, the exchange ratio will be 7.566 Dinamia shares (with a unit par value of €3) for every Class A or Special Class N+1 share (with a unit par value of €0.10, representing 99.23% of N+1's existing share capital) and 151.325 Dinamia shares (with a unit par value of €3) for every Class E N+1 share (with a unit par value of €2, representing 0.77% of N+1's existing share capital). This exchange ratio implies attributing 43% of the merged entity to Dinamia's shareholders and the remaining 57% to the shareholders of N+1.

The above exchange offer is identical to that initially agreed by the parties, as disclosed by means of significant event filings dated 18 and 19 December 2014, and has been confirmed in the wake of the legal and financial due diligence work carried out.

As notified in a significant event filing dated 23 February 2015, the Boards of Directors have since disclosed their joint approval and execution of the related Joint Merger Plan.

Banco Santander, S.A., in its capacity as advisor to Dinamia, has issued a fairness opinion, addressed to the Board of Directors of Dinamia, in which it states that the agreed-upon exchange ratio is fair for Dinamia from a financial standpoint.

Section 8 of the Joint Merger Plan (which has been uploaded onto the websites of Dinamia and the CNMV) refers to certain dividends which Dinamia plans to pay in connection with the merger process, both before and after the transaction closes.

The transaction is conditional upon a series of closing conditions (itemised in section 17 of the Draft Terms of Merger), including terms relating to the right of separation of Dinamia's shareholders to which they will be entitled on account of the change in the Company's corporate purpose occasioned by the transaction.

The Joint Merger Plan is expected to be put before the shareholders of both companies for approval at their Annual General Meetings, which will be duly called by their respective Boards of Directors.

On 23 February 2015, the Board of Directors of Dinamia approved and executed a De-merger Agreement, by virtue of which, under the scope of and simultaneous to the merger, Dinamia's current portfolio of investees will be transferred to a newly-created entity wholly-owned by Dinamia.

29. Auditor fees

The fees accrued during the year by PricewaterhouseCoopers Auditores, S.L. for audit services (including the review of the half-year financial statements) amounted to €48,940.00 (2013: €47,296.00) before VAT.

The fees paid to the audit firm and related parties for other complementary services (translations and advisory services) amounted to €26,681.12 in 2014 (€64,706 in 2013), also excluding VAT.

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

Informe de Gestión

1 I. Performance in 2014

Eurozone GDP growth was 0.2% in the fourth quarter of 2014, consolidating the momentum gathering during the previous three quarters. Eurozone unemployment stabilised in 2014 to end the year at 11.5%, the lowest reading since August 2012. Spain accounted for over 60% of the reduction in joblessness in the eurozone in 2014 and almost one-quarter (24.5%) of the reduction in the EU as a whole.

In the course of 2014, the Spanish economic recovery initiated during the second half of 2013 gained traction against the backdrop of the continued improvement in financing conditions, growing confidence and favourable job market trends. As in previous quarters, this growth was underpinned by robust private domestic demand, while net trade detracted from growth slightly. In all, GDP growth came to 1.4% last year.

Spain's stock market indices rallied sharply last year. The Ibex-35 gained 21.4%, while the Ibex Small Caps, an index which includes Dinamia, corrected by 10.9%. Factoring in the dividend paid out in July (€0.70 per share), Dinamia's share price gained 29.86% to €8.39, implying outperformance with respect to its benchmark indices. 2014 marked the first time since 2009 that the blue chip Ibex 35 index closed above 10,000 points.

In the private equity sector, initial estimates for 2014 point to a very strong year, specifically investment volumes of €3.02 billion across 460 transactions, according to ASCRI, the Spanish private equity association, in collaboration with www.webcapitalriesgo.com. It is worth noting that although 90% of the investments were less than €5 million in size (evidencing the fact that SMEs were the biggest recipients of private equity funding), 2014 also marked the return of large transactions, all of which closed by international funds. Of the nine large transactions (representing 62% of total funds invested), we would highlight the Desigual (acquired by Eurazeo), Gas Natural Fenosa (Cinven) and Port Aventura and Telepizza (KKR) deals.

In Dinamia's target market, the mid-market segment, which encompasses transactions ranging from €10 to €100 million, there were 31 deals (6.8% of total transactions), entailing aggregate investment of €723.4 million (24% of total investment). The most important transactions in this segment included the Nace (acquired Magnum), Petrocorner (JZ Capital & Avenue Capital) and Acciona, OHL Concesiones, South East UP Power and Tradebe Environmental (Cofides) deals.

The predominance of growth investments stands out (63.5% of total investment volumes, at close to €1 billion).

The number of early-stage financing transactions (30% of total transactions) is also noteworthy (albeit only encompassing aggregate investment of €65 million).

The sectors attracting the most investment were: consumer products (24%); hospitality and leisure (15%); medicine and healthcare (13%); and communication and industrial products and services (9% apiece).

In terms of transaction volumes, the sectors attracting the most dealflow were: IT (37%); industrial products and services (14%); consumer products (9%); other services (6.5%) and biotechnology (5%).

2013 had foreshadowed a turnaround on the exit front: that year exit volumes (measured at cost) rose by 21% from 2012 to €1.56 billion. This trend not only continued in 2014 but disposals hit a record high of over €4.67 billion (277 transactions). Trade sales were the most common exit mechanism used (77% by volumes measured at cost), followed by sales to other private equity firms (12%). Some of the most noteworthy exits were the sales of Mivisa and Xanit by N+1 and Dinamia and of Cunext Copper by Corpfin Capital.

As for the Company's own investments and disposals, on 14 March 2014, the European Commission announced its approval of the sale of Dinamia investee Mivisa Envases, S.A.U., held through Lata Lux Holding Parent S.à r.l., to strategic buyer Crown Holdings, Inc. The Commission's approval was subject to certain terms and conditions, including the execution of agreements to sell certain Crown factories in Spain and certain Mivisa facilities in Horst (Netherlands) to one or more buyers. The sale ultimately closed on 23 April 2014. Dinamia's share of the transaction price was €14,352 thousand.

In total, the transaction yielded income for Dinamia of €19,774 thousand, implying an internal rate of return (IRR) of 37.8% and an exit multiple of 2.4x the sum invested.

Dinamia closed the outright sale of its investment in Colegios Laude, S.L. ("Laude") to International Schools Partnership (ISP), an investment fund specialised in the education sector, on 30 May 2014. Laude owns and operates seven benchmark schools in Spain. The company sold owned the schools based in Spain; the school operated in the UK (Bredon School) fell outside the scope of this transaction.

Dinamia closed the sale of its investment in Xanit Health Care Management S.L. ("Xanit Group") to Spanish healthcare group Vithas on 9 July 2014. Dinamia sold its entire 33.7% shareholding in Xanit Group along with the profit-participating loans it had extended to the company. Dinamia received a total of €24,077 thousand from the sale of its investment in Xanit Group.

Tamsi Spain, S.L., the company that owns 100% of the shares of Estacionamientos y Servicios, S.A.U. (EYSA), in which Dinamia Capital Privado, S.C.R., S.A. in turn holds a 25% equity interest, paid out a dividend against its share premium account on 28 July 2014. As a result of this transaction, Dinamia received a total of €6,759 million, thereby recouping 50% of its initial investment in EYSA. This distribution was made possible by EYSA's €75 million bond issue, the biggest placement on MARF, Spain's alternative bond market, to date and the first carried out by a private equity investee.

Salto Systems, S.L. paid out a dividend on 29 July 2014, thanks to which Dinamia collected €259 thousand.

Dinamia investee Colegios Laude II S.L. agreed and closed the outright sale of 100% of Colegios Laude UK Ltd. ("Laude UK"), the company which in turn owns Bredon School, based in Gloucestershire, Tewkesbury (England), on 3 December 2014.

Colegios Laude II, S.L. sold all its shares in Laude UK, representing 100% of the latter's share capital, and cancelled the profit-participating loans it had extended to it, totalling approximately £3.4 million (around €4.2 million). Colegios Laude II, S.L. will distribute the proceeds from the sale of Laude UK, net of transaction costs, to its shareholders in the near future. Dinamia owns 49.3% of Colegios Laude II, S.L. This transaction, coupled with the sale of 100% of the Spanish assets (Colegios Laude, S.L.) on 30 May 2014, implies Dinamia's full exit from Colegios Laude.

During the last quarter of 2014, Dinamia received two distributions from Electra Partners Club 2007 LP as a result of the repayment of shareholder contributions by two of this fund's investees: Peverel and Axio Data Group. For Dinamia these payouts entailed the collection of GBP1,388 thousand in total (€1,743 thousand). In the wake of these distributions, Dinamia has recovered 25% of the amount contributed to the fund.

In 2014, the Company settled 97% of its supplier payments within the legally-stipulated term. At year-end 2014 the balance pending payment to suppliers that was outstanding by more than the legally permitted term stood at 39 thousand euros.

On 18 December 2014, the Boards of Directors of Dinamia and N Más Uno IBG, S.A. (hereinafter, "N+1") approved and executed an agreement for the merger of the two companies (N+1 will be absorbed by Dinamia). The exchange ratio agreed by the two companies attributes 43% of the merged entity to Dinamia's shareholders and the remaining 57% to the shareholders of N+1.

N+1 is the parent of the group to which Nmás1 Capital Privado SGEIC, S.A., Dinamia's management company, belongs. The audited financial statements of N+1 for the last two years are available on its corporate website (www.nplusone.com). The merger will give rise to a listed company which will combine: (i) the asset management business, the financial advisory business and certain investment services currently provided by the N+1 Group; (ii) Dinamia's existing private equity business; and (iii) a new line of asset and product investments related to the management services of the combined group. The merger of the two entities will give the combined group greater investment firepower with which to continue to pursue the international expansion of its financial services and specialist asset management activities targeted at mid-market companies and professional investors.

2 Outlook

The economic recovery is expected to continue in 2015, with current estimates pointing to growth of 2%. In recent months the external environment has deteriorated, particularly in the European Monetary Union, prompting a raft of downward revisions to 2015 growth forecasts for several countries. The foreseeable downturn in Spain's export markets over the course of the year is, however, expected to be offset by the continued improvement in financial conditions, euro depreciation and significant oil price correction.

The drop in the inflation rate intensified in the last quarter, by more than had been anticipated, as a result of the accelerating oil price correction towards the tail end of the year and the commensurate impact on energy product prices. This phenomenon coincided with a widespread trend toward lower inflation - even negative inflation - in almost every component of the general index, as is evident in the rate of core inflation (proxy: IBSEBENE), which has been running at zero or in slightly negative territory since May 2014. Inflation has corrected by more in Spain in recent months than in the EMU as a whole, making the inflation differential more favourable to Spain (at 0.9 percentage points in November).

At the macro level, the main indicators paint the picture of an economy that has not only recovered substantially, shaking off recession, but is registering growth of 2.0-2.5%. The Spanish economy might even top this forecast thanks to the combined positive impact on GDP of the oil price correction, ultra-low interest rates and the reduction in the risk premium.

The outlook for the sector is upbeat. Fund-raising is expected to keep up with the strong pace of 2014, buoyed once again by Fond-ICO Global but also by renewed confidence on the part of international investors. Several fund managers are in the market with fund raises (N+1, Trea Capital, Magnum, Proa Capital, MCH Private Equity, Qualitas Equity Partners, Bullnet Capital, Swaanlaab, Inveready Technology Investment Group, Nauta Capital, etc.). On the investment front, it looks likely that 2015 will be a busy year in term of both investment volume and transaction numbers, and across all segments: venture capital, growth capital in the mid-market and large transactions (with some major transactions such as the acquisition of Ruber by CVC or Pepe Jeans by PAI already in the pipeline).

3 Research and development expenditure

The Company did not earmark any money to research or development in 2014.

4 Buyback of own shares

The Company did not buy or sell any own shares in 2014. At year-end 2014 it held 52,818 own shares, which were acquired for a total of €223,330.43.

5 Events after the reporting date

On 12 January 2015, Dinamia received its fourth distribution from Electra Partners Club 2007 LP as a result of a further repayment of shareholder contributions by fund investee Axio Data Group. Dinamia received £150 thousand (€191 thousand), which puts the level of capital recouped to date at 27%.

On 23 February 2015, the Boards of Directors of Dinamia and N Más Uno IBG, S.A. ("N+1") jointly approved and executed an agreement for the merger of the two companies (the Joint Merger Agreement).

In accordance with the Joint Merger Agreement terms, the exchange ratio will be 7.566 Dinamia shares (with a unit par value of €3) for every Class A or Special Class N+1 share (with a unit par value of €0.10, representing 99.23% of N+1's existing share capital) and 151.325 Dinamia shares (with a unit par value of €3) for every Class E N+1 share (with a unit par value of €2, representing 0.77% of N+1's existing share capital). This exchange ratio implies attributing 43% of the merged entity to Dinamia's shareholders and the remaining 57% to the shareholders of N+1.

The above exchange offer is identical to that initially agreed by the parties, as disclosed by means of significant event filings dated 18 and 19 December 2015, and has been confirmed in the wake of the legal and financial due diligence work carried out by PwC and Deloitte in respect of Dinamia and N+1, respectively.

Banco Santander, S.A., in its capacity as advisor to Dinamia, has issued a fairness opinion, addressed to the Board of Directors of Dinamia, in which it states that the agreed-upon exchange ratio is fair for Dinamia from a financial standpoint.

Section 8 of the Joint Merger Plan (which has been uploaded onto the websites of Dinamia and the CNMV) refers to certain dividends which Dinamia plans to pay in connection with the merger process, both before and after the transaction closes.

The transaction is conditional upon a series of closing conditions (itemised in section 17 of the Draft Terms of Merger), including terms relating to the right of separation of Dinamia's shareholders to which they are entitled on account of the change in the Company's corporate purpose occasioned by the transaction.

The Joint Merger Plan is expected to be put before the shareholders of both companies for approval at their Annual General Meetings, which will be duly called by their respective Boards of Directors.

On 23 February 2015, the Board of Directors of Dinamia approved and executed a De-merger Agreement, by virtue of which, under the scope of and simultaneous to the merger, Dinamia's current portfolio of investees will be transferred to a newly-created entity wholly-owned by Dinamia.

6 VI.Financial risk management targets and policies

The Company's risk exposure is concentrated in its investment portfolio. To mitigate its risk factors, a series of checks are performed prior to investing. Dinamia diversifies its investments by sector and engages independent experts to prepare reports and opinions on the companies under analysis and their business environments. Once they are part of the Company's portfolio, risk control is achieved primarily through ongoing monitoring of the main business and financial drivers affecting the investees.

Given the Company's business activity, the use of financial instruments with listed securities as underlyings has been limited to the use of public debt repurchase agreements, to which end price, credit, liquidity and cash flow risk management policies and targets are aligned with the limits and ratios laid down in prevailing legislation.

7 Average supplier payment terms

In 2014, the Company settled 88% of its supplier payments within the legally-stipulated term. At year-end 2014 the balance pending payment to suppliers that was outstanding by more than the legally permitted term stood at 40 thousand euros.

Appendix 1

BREAKDOWN OF THE PORTFOLIO OF FINANCIAL INVESTMENTS AT 31 DECEMBER 2014

Thousands of euros

Investee	Type of investment	Registered office	Business sector	Auditor
Grupo Gestión Integral Novolux Internacional, S.L.	Development capital	Madrid	N/A*	KPMG
The Beauty Bell Chain, S.L.	Development capital	Madrid	N/A*	Ernst & Young
High Tech Hotels & Resorts, S.A.	Development capital	Madrid	Hotels	Deloitte
Colegios Laude II, S.L.	Development capital	Madrid	Education	KPMG
TBBC Helena Investments, S.L.	Development capital	Madrid	N/A*	Unaudited
Alcad, S.L.	Development capital	Madrid	N/A*	Unaudited
Helena Debtco	Development capital	Luxembourg	N/A*	Unaudited
United Wineries Holdings, S.A.	Development capital	Madrid	Wineries	Abante Audit Auditores, S.L.P.
MBA Incorporado, S.L.	Development capital	Gijón	Prosthetics	PwC
TRYO GROUP				
Rymsa, S.A.	Development capital	Madrid	Telecommunications	Deloitte
Tryo Communication Technologies, S.L.	Development capital	Bilbao	N/A*	Deloitte
Tryo Aerospace, S.L.	Development capital	Madrid	Telecommunications	Deloitte
Rymsa RF, S.L.	Development capital	Madrid	Telecommunications	Deloitte
Tamsi Spain, S.L.	Development capital	Madrid	N/A*	PwC
Cardomana Servicios y Gestiones, S.L.	Development capital	Madrid	N/A*	Deloitte
Global Abbasi, S.L.	Development capital	Madrid	N/A*	Unaudited
Salto Systems, S.A.	Development capital	Guipuzcoa	Security	KPMG

* Special-purpose vehicle

Appendix 2

DETALLE DE LA CARTERA DE INVERSIONES FINANCIERAS 31 DE DICIEMBRE DE 2013

Miles de euros

Investee	Type of investment	Registered office	Business sector	Auditor
Grupo Gestión Integral Novolux Internacional, S.L.	Development capital	Madrid	N/A*	KPMG
The Beauty Bell Chain, S.L.	Development capital	Madrid	N/A*	Ernst & Young
High Tech Hotels & Resorts, S.A.*	Development capital	Madrid	Hotels	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	N/A*	Unaudited
Alcad, S.L.	Development capital	Madrid	N/A*	PwC
Helena Debtco	Development capital	Luxembourg	N/A*	Unaudited
Xanit Health Care Management, S.L.	Development capital	Madrid	Healthcare	PwC
United Wineries Holdings, S.A.	Development capital	Madrid	Wineries	Abante Audit Auditores, S.L.P.
MBA Incorporado, S.L.	Development capital	Gijón	Prosthetics	PwC
TRYO GROUP				
Rymsa, S.A.	Development capital	Madrid	Telecommunications	Deloitte
Tryo Communication Technologies, S.L.	Development capital	Bilbao	N/A*	Deloitte
Tryo Aerospace, S.L.	Development capital	Madrid	Telecommunications	Deloitte
Rymsa RF, S.L.	Development capital	Madrid	Telecommunications	Deloitte
Tamsi Spain, S.L.	Development capital	Madrid	N/A*	PwC
Cardomana Servicios y Gestiones, S.L.	Start-up capital	Madrid	N/A*	Deloitte
Global Abbasi, S.L.	Start-up capital	Madrid	N/A*	Unaudited
Salto Systems, S.A.	Development capital	Guipuzcoa	Security	KPMG
Lata Lux Holding Parent S.a.r.l.	Development capital	Luxembourg	N/A*	Deloitte

* Special-purpose vehicle

Appendix 2

BREAKDOWN OF THE PORTFOLIO OF FINANCIAL INVESTMENTS AT 31 DECEMBER 2013

Thousands of euros

		EQUITY					
Investee	Ownership interest	Capital	Reserves	Profit/(loss) for the year	Other	Total	Adj. underlying book value
Grupo Gestión Integral Novolux Internacional, S.L.	48.54%	917	(12,923)	(3,537)	-	(15,543)	-
The Beauty Bell Chain, S.L.	14.35%	986	(158,155)	(24,146)	-	(181,315)	-
High Tech Hotels & Resorts, S.A.	26.00%	60	(35,619)	(708)	302	(35,965)	-
Colegios Laude II, S.L.	49.27%	82	(492)	834	-	424	209
TBBC Helena Investments, S.L.	24.98%	N/A	N/A	N/A	N/A	N/A	N/A
Helena Debtco	26.76%	N/A	N/A	N/A	N/A	N/A	N/A
Alcad, S.L.	37.68%	N/A	N/A	N/A	N/A	N/A	N/A
United Wineries Holdings, S.A.	8.00%	N/A	N/A	N/A	N/A	N/A	N/A
MBA Incorporado, S.L.	36.91%	4,770	70,986	(119)	(853)	74,784	27,603
TRYO GROUP							
Rymsa, S.A.	24.57%	1,252	6,395	2,859	-	10,506	2,581
Tryo Communication Technologies, S.L.	24.57%	3,428	32,106	4,130	171	39,835	9,787
Tryo Aerospace, S.L.	24.57%	5,919	(1)	(362)		5,556	-
Rymsa RF, S.L.	24.57%	4,315	5,922	(998)	-	9,239	2,270
Tamsi Spain, S.L.	25.00%	3,090	3,178	(423)	279	6,124	1,531
Cardomana Servicios y Gestiones, S.L.	25.00%	N/A	N/A	N/A	N/A	N/A	N/A
Global Abbasi, S.L.	24.34%	1,000	35,380	4,945	(178)	41,147	10,015
Salto Systems, S.A.	5.50%	153	28,939	11,986	824	41,902	2,305

Appendix 2

BREAKDOWN OF THE PORTFOLIO OF FINANCIAL INVESTMENTS AT 31 December 2013

Thousands of euros

Investee	Ownership interest	EQUITY Capital	Reserves	Profit/(loss) for the year	Other	Total	Adj. underlying book value
Grupo Gestión Integral Novolux Internacional, S.L.	48.54%	917	(9,826)	(3,097)	-	(12,006)	-
The Beauty Bell Chain, S.L.	14.35%	986	(138,016)	(30,551)	3,000	(164,581)	-
High Tech Hotels & Resorts, S.A.	26.00%	60	6,603	(42,223)	261	(35,299)	-
Colegios Laude, S.L.	49.27%	894	(23,233)	(2,894)	38	(25,195)	-
Colegios Laude II, S.L.	49.27%	82	(419)	(73)	-	(410)	-
TBBC Helena Investments, S.L.	24.98%	-	-	-	-	-	-
Helena Debtco	26.76%	-	-	-	-	-	-
Alcad, S.L.	37.68%	2,302	3,388	(17,188)	678	(10,820)	-
Xanit Health Care Management, S.L.	33.71%	3,713	(28,239)	(380)	(238)	(25,144)	-
United Wineries Holdings, S.A.	8.00%	N/A	N/A	N/A	N/A	N/A	N/A
MBA Incorporado, S.L.	36.91%	4,770	69,621	435	(39)	74,787	27,604
TRYO GROUP							
Rymsa, S.A.	24.57%	1,252	5,011	1,384	133	7,780	1,912
Tryo Communication Technologies, S.L.	24.57%	3,029	25,655	4,244	811	33,739	8,290
Tryo Aerospace, S.L.	24.57%	3	-	(1)		2	-
Rymsa RF, S.L.	24.57%	4,315	7,184	(1,208)	(136)	10,155	2,495
Tamsi Spain, S.L.	25.00%	3,090	27,905	2,428	(1,234)	32,189	8,047
Cardomana Servicios y Gestiones, S.L.	25.00%	94	2,170	484	277	3,025	416
Global Abbasi, S.L.	24.34%	1,000	37,998	(2,836)	(145)	36,017	8,767
Salto Systems, S.A.	5.50%	153	21,856	12,146	262	34,417	1,893
Lata Lux Holding Parent S.a.r.l.	2.60%	118,795	7,274	21,346	143	147,558	3,837

Approval of Financial Statements

The undersigned, in their capacity as directors of Dinamia Capital Privado, S.C.R., S.A., hereby represent that:

I. In keeping with the provisions of article 253 of Spain's Corporate Enterprises Act, they have authorised the accompanying financial statements and directors' report for the year ended 31 December 2014 for issue.

The abovementioned financial statements comprise the balance sheet, income statement, statement of changes in equity, statement of cash flows and explanatory notes for the year ended 31 December 2014.

The abovementioned directors' report includes Dinamia Capital Privado S.C.R., S.A.'s annual corporate governance report for 2014.

II. The abovementioned accompanying financial statements and directors' report are those presented to PricewaterhouseCoopers Auditores, S.L. for the purpose of verification and review by the latter account audit firm.

UNDERSIGNED:

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Santiago Bergareche Busquet

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José Javier Carretero Manzano

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Emilio de Carvajal y Ballester

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Rafael Jiménez López

____
Fernando D'Ornellas Silva

____
Nicolás Villén Jiménez

____
Alfred Merton Vinton

I, Marta Rios Estrella, Secretary of the Board of Directors, hereby certify the authenticity of the signatures entered above the names of the gentlemen listed above, all of which are members of the Company's Board of the Directors

Madrid, 16 March 2015

To the best of our knowledge, the annual financial statements presented (the unconsolidated 2014 financial statements of Dinamia Capital Privado, S.C.R., S.A.), prepared under prevailing accounting principles, provide a true and fair view of the equity, financial position and financial performance of Dinamia Capital Privado, S.C.R., S.A. taken as a whole, while the directors' report includes a true and fair analysis of the business performance and results and financial situation of Dinamia Capital Privado, S.C.R., S.A., when read together with the description of the main risks and uncertainties faced.

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Santiago Bergareche Busquet

________________________________	________________________________
José Javier Carretero Manzano	Emilio de Carvajal y Ballester
________________________________	________________________________
Rafael Jiménez López	Fernando D'Ornellas Silva
________________________________	________________________________
Nicolás Villén Jiménez	Alfred Merton Vinton

Statement

As provided in article 253.2 of Spain's Corporate Enterprises Act, it is hereby stated that Company director Emilio de Carvajal y Ballester has not signed the accompanying annual financial statements (balance sheet, income statement, statement of changes in equity, statement of cash flows and accompanying notes) or the directors' report of Dinamia Capital Privado, Sociedad de Capital Riesgo, Sociedad Anónima ("Dinamia") for 2014, based on his opinion, using his criteria, that the amount of the provisioned management fee payable to the management company of Dinamia, Nmás1 Capital Privado, S.G.E.C.R., S.A., is excessive.

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Ms. Marta Rios Estrella
Secretary of the Board of Directors of
Dinamia Capital Privado, S.C.R., S.A.

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