



## **INTERIM STATEMENT**

**FIRST QUARTER 2014**

## I. Interim statement

The most significant developments affecting Dinamia Capital Privado, S.C.R. S.A. ("Dinamia") during the first quarter of 2014 are summarised below:

On 17 January 2014, Dinamia, along with the other shareholders in Xanit, made an additional equity 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.

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 has 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 February 2014, Dinamia received its first distribution from Electra Partners Club 2007 LP (the Fund) as a result of the repayment of a loan in the wake of the refinancing of this Fund's investee, Nuaire. Nuaire was acquired in December 2007 and is a leading maker and distributor of ventilation systems for offices and residences in the UK. The Fund received £7.5 million, thereby recovering 63% of the cost of its investment in Nuaire. For Dinamia this event means the repayment of £1,035 thousand (€1,260 thousand) of capital contributions, which is equivalent to 10% of the amount contributed to the Fund to date.

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 Commission-sanctioned buyers. The sale, and by extension Dinamia's exit from this investment, is expected to close in the second or third quarter of 2014. The terms of the deal are the same as those announced in the significant event filing disclosed on 31 October 2013.

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 upon delivery of the terms and conditions stipulated in the Secuoya purchase agreement; and (ii) funding the Secuoya Group's organic and acquisition-led growth strategy. The amount put in by Dinamia amounted to €1,192 thousand.

### Events after the reporting period

No significant events have occurred between 31 March 2014 and the date of approving the accompanying financial information.

### III. Quarterly financial report

#### Balance sheet

ASSETS	€	€	€
	31/03/2014	31/12/2013	31/12/2012
<b>A) CURRENT ASSETS</b>	<b>20,522,528.09</b>	<b>21,817,386.63</b>	<b>50,943,074.58</b>
I. Cash and cash equivalents	20,353,949.74	21,648,808.28	49,072,210.21
II. Prepayments and accrued income	20,611.90	20,611.90	20,611.90
III. Current financial assets	-	-	-
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	147,966.45	147,966.45	1,850,252.47
VI. Other current assets	-	-	-
<b>B) NON-CURRENT ASSETS</b>	<b>112,515,791.37</b>	<b>110,643,252.18</b>	<b>84,595,788.85</b>
I. Deferred tax assets	2,476.59	2,563.30	5,499.08
II. Non-current financial assets	10,441,823.20	11,673,169.25	9,885,766.49
1 Equity instruments	9,883,015.23	11,114,361.28	9,326,958.52
1.1. Private equity investees	0.00	0.00	1,096,627.68
1.2. Other entities	9,883,015.23	11,114,361.28	8,230,330.84
2 Loans to companies	558,807.97	558,807.97	558,807.97
3 Debt securities	-	-	-
4 Derivatives	-	-	-
5 Other financial assets	-	-	-
III. Non-current investments in group companies and associates	102,071,491.57	98,967,519.62	74,704,523.28
1 Equity instruments	45,163,634.55	43,971,834.30	24,523,459.12
1.1. Private equity investees	45,163,634.55	43,971,834.30	24,523,459.12
1.2. Other entities	-	-	-
2 Loans to companies	56,907,857.02	54,995,685.32	50,181,064.16
3 Debt securities	-	-	-
4 Derivatives	-	-	-
5 Other financial assets	-	-	-
IV. Property and equipment	-	-	-
V. Intangible assets	-	-	-
VI. Other non-current assets	-	-	-
<b>TOTAL ASSETS (A + B)</b>	<b>133,038,319.46</b>	<b>132,460,638.81</b>	<b>135,538,863.43</b>

LIABILITIES AND EQUITY	€	€	€
	31/03/2014	31/12/2013	31/12/2012
<b>A) CURRENT LIABILITIES</b>	<b>442,423.09</b>	<b>1,480,023.76</b>	<b>470,775.82</b>
I. Accruals and deferred income	-	-	-
II. Trade and other payables	436,305.41	1,351,055.85	370,512.40
III. Current borrowings from group companies and associates	-	-	-
IV. Current borrowings	-	-	-
V. Current provisions	-	-	-
VI. Other current liabilities	6,117.68	128,967.91	100,263.42
<b>B) NON-CURRENT LIABILITIES</b>	<b>13,814,490.44</b>	<b>13,814,490.44</b>	<b>14,527,145.01</b>
I. Accruals and deferred income	-	-	-
II. Deferred tax liabilities	-	-	-
III. Non-current borrowings from group companies and associate:	-	-	-
IV. Non-current borrowings	12,670,545.34	12,670,545.34	13,184,400.32
V. Non-current provisions	1,143,945.10	1,143,945.10	1,342,744.69
VI. Other non-current liabilities	-	-	-
<b>TOTAL LIABILITIES (A+B)</b>	<b>14,256,913.53</b>	<b>15,294,514.20</b>	<b>14,997,920.83</b>
<b>C) EQUITY</b>	<b>118,781,405.93</b>	<b>117,166,124.61</b>	<b>120,540,942.60</b>
<b>C-1 OWN FUNDS</b>	<b>119,599,844.62</b>	<b>118,013,379.01</b>	<b>122,363,853.88</b>
I. Capital	48,837,600.00	48,837,600.00	48,837,600.00
II. Unitholdings	-	-	-
III. Share premium	56,289,906.60	56,289,906.60	67,648,374.00
IV. Reserves	35,800,426.70	35,800,426.70	35,800,426.70
V. Own equity instruments (-)	(223,330.43)	(223,330.43)	(214,135.78)
VI. Retained earnings (prior-year losses) (+/-)	(22,691,223.86)	(29,708,411.04)	(55,881,355.65)
VII. Other owner contributions	-	-	-
VIII. Profit (loss) for the period	1,586,465.61	7,017,187.18	26,172,944.61
IX. Interim dividends (-)	-	-	-
X. Other equity instruments	-	-	-
<b>C-2 MEASUREMENT ADJUSTMENTS IN EQUITY</b>	<b>(818,438.69)</b>	<b>(847,254.40)</b>	<b>(1,822,911.28)</b>
I. Available-for-sale financial assets	(818,438.69)	(847,254.40)	(1,822,911.28)
II. Hedging transactions	-	-	-
III. Other	-	-	-
<b>C-3 Grants, donations and bequests received</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>133,038,319.46</b>	<b>132,460,638.81</b>	<b>135,538,863.43</b>

<b>INCOME STATEMENT</b>	€ 3 months ended 31/03/2014	€ 3 months ended 31/03/2013	€ Year ended 31/12/2013
<b>1 Finance income</b>	<b>2,468,462.92</b>	<b>1,952,899.37</b>	<b>8,464,070.98</b>
1.1. Interest, dividend and similar income	2,468,462.92	1,952,899.37	8,464,070.98
1.2. Other finance income	-	-	-
<b>2 Finance costs</b>	-	-	-
2.1. Interest and similar charges	-	-	-
2.2. Other finance costs	-	-	-
<b>3 Net gain/(loss) on and change in fair value of financial investments (+/-)</b>	<b>(55,986.37)</b>	<b>(964,578.68)</b>	<b>2,058,753.54</b>
3.1. Net gain/(loss) on disposals (+/-)	906,755.85	(214,879.59)	(3,101,005.03)
3.1.1. Equity instruments	906,755.85	(214,879.59)	(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 of and losses on financial assets (+/-)	(962,742.22)	(749,699.09)	5,159,758.57
3.4. Net exchange differences (+/-)	-	-	-
<b>4 Other operating profit/(expense) (+/-)</b>	<b>(598,932.06)</b>	<b>(698,412.81)</b>	<b>(2,350,563.86)</b>
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. Fee and commission expense (-)	(598,932.06)	(698,412.81)	(2,350,563.86)
4.1.1. Management fee	(598,932.06)	(698,412.81)	(2,350,563.86)
4.1.2. Other fees and expenses	-	-	-
<b>GROSS MARGIN</b>	<b>1,813,544.49</b>	<b>289,907.88</b>	<b>8,172,260.66</b>
<b>5 Personnel expenses</b>	-	-	-
<b>6 Other operating expenses</b>	(226,975.02)	(177,918.63)	(1,353,873.07)
<b>7 Depreciation and amortisation</b>	-	-	-
<b>8 Overprovisions (+)</b>	-	198,799.59	198,799.59
<b>OPERATING PROFIT</b>	<b>1,586,569.47</b>	<b>310,788.84</b>	<b>7,017,187.18</b>
<b>9 Impairment of and gains/(losses) on fixed asset disposals (+/-)</b>	-	-	-
<b>10 Impairment losses on other assets (net) (+/-)</b>	-	-	-
<b>11 Other (+/-)</b>	-	-	-
<b>PROFIT BEFORE TAX</b>	<b>1,586,569.47</b>	<b>310,788.84</b>	<b>7,017,187.18</b>
<b>12 Income tax (-)</b>	-	-	-
<b>PROFIT FOR THE PERIOD</b>	<b>1,586,569.47</b>	<b>310,788.84</b>	<b>7,017,187.18</b>

In drawing up the financial statements presented in this interim report, management used the same accounting criteria as it used to prepare the 2013 annual financial statements, so that the information is comparable.

Dinamia's business performance and its impact on its financial statements during the first quarter of 2014 is summarised below:

#### A) Current assets

Dinamia had liquid assets (assets acquired under repurchase agreements and demand deposits at financial institutions) at 31 March 2014 of €20,354 thousand, marking a decline of €1,295 thousand from the year-end 2012 balance of €21,649 thousand. This reduction is attributable to:

##### 1. Cash outflows:

- i) An equity injection into Cardomana Servicios y Gestiones, S.L. (Secuoya Group) of €1,192 thousand
- ii) Payment of the management fee in respect of November to February of €768 thousand
- iii) Payment of a €514 thousand performance fee accrued in the wake of the sale of shares of Nicolás Correa purchased in 1999
- iv) Provision of a €406 thousand shareholder loan to Xanit to fund the second stage of the acquisition of 100% of Croasa
- v) Expenses of €204 thousand incurred to acquire shares of Salto Systems, S.L.
- vi) Company operating expenses of €169 thousand
- vii) Payment of tax withholdings with respect to directors and professionals of €129 thousand
- viii) Payment of €80 thousand of director remuneration earned in 2H13

##### 2. Cash inflows:

- i) Repayment of €1,260 thousand of contributions to Electra Partners Club 2007
- ii) Release of €907 thousand held in escrow as part of the ZIV Aplicaciones y Tecnología S.L. sale agreement

Receivables stood at to €148 thousand at 31 March 2014; €136 thousand relate to income tax due from the tax authorities while the remaining €12 thousand is due from sundry debtors.

## B) Non-current assets

### i) Deferred tax assets

This heading reflects the deferred tax asset generated by the measurement of the company's available-for-sale financial assets. This heading decreased by €1 thousand during the quarter due to the tax effect of the revaluation of the company's investment in Electra Partners Club 2007.

### ii) Non-current financial assets

"Equity instruments – Other entities" includes the company's investment in Electra Partners Club, which is measured at €9,883 thousand, compared to €11,114 thousand at year-end 2013. The decrease in this heading during the quarter reflects the repayment of capital contributions to the fund of €1,260 thousand and a €29 thousand revaluation, driven mainly by favourable exchange rate movements.

"Loans to companies" reflect the loan to Seguribérica in the amount of €559 thousand.

### iii) Non-current investments in group companies and associates

This heading includes the company's core private equity investments. Investments in these companies' equity net of impairment charges stood at €45,164 at the close, marking growth of €1,192 thousand due to the equity injected into Cardomana Servicios y Gestiones, S.L. (see section I). Profit-participating loans and accrued interest totalled €56,908 thousand, an increase of €1,912 thousand from year-end, due to the €406 thousand loan extended to Xanit and the accrual of interest on performing loans to investees (MBA: €1,154 thousand; Mivisa: €124 thousand; and EYSA: €228 thousand).

## C) Current liabilities

"Trade and other payables" and "Other liabilities" reflect balances pending payment to service providers totalling €436 thousand on aggregate. Most of this balance is accounted for by invoices for the management fee in respect of March (€196 thousand) and services provided by other independent professionals. This aggregate balance narrowed by €915 thousand from year-end.

## D) Non-current liabilities

This heading includes an estimated provision for the performance fee due to Dinamia's management company (€12,671 thousand).

Non-current provisions (€1,143 thousand) reflect the provision for liabilities and charges associated with the sale of ZIV.

## E) Equity – Measurement adjustments

The changes in the value of the company's investment in Electra Partners Club, which is classified as an asset available-for-sale as required under prevailing accounting rules, are recognised in "Measurement adjustments in equity – Available-for-sale financial assets". This balance narrowed by €29 thousand during the first three months of 2014 to close the quarter at a negative €818 thousand due to the abovementioned increase in the value of the investment in Electra Partners Club.

#### F) Equity – Own funds

The profit generated during the three-month period had the effect of increasing own funds by €1,586 thousand.

The amount of capital is unchanged so far this year at €48,838 thousand.

The share premium account is also unchanged at €56,290 thousand.

#### G) Income statement

“Interest, dividend and similar income” amounted to €2,468 thousand in the first quarter and was accounted for by interest on shareholder loans to investees.

The €907 thousand net gain on disposals reflects the gain triggered by the release of funds held in escrow under the ZIV sale agreements.

Impairment provisions on interest accrued on shareholder loans to investees are recognised under “Impairment of and losses on financial assets”. This balance stood at €963 thousand at 31 March 2014 and was accounted for in its entirety by interest accrued during the year on the loans extended to Bodybell.

“Other operating profit/(loss)”, which amounted to an expense of €599 thousand during the first three months of the year, reflects the management fee accrued during the quarter in keeping with the management agreement.

“Other operating expenses”, in the amount of €227 thousand, correspond to management expenses derived from the engagement of independent professionals (auditors, financial advisors, etc.), the arrangement of insurance cover and other business expenses.

As a result of the foregoing, the company generated a profit of €1,587 thousand during the three-month period ended 31 March 2013.