

2014 Annual Report

Compañía Española de Financiación
del Desarrollo, COFIDES, S.A.



COFIDES 

Funding for your investment abroad



COFIDES 
Funding for your investment abroad

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■ Foreword ■

COFIDES was founded in 1988 with state and private capital for the purpose of co-financing productive investments involving Spanish interests in emerging or developing countries. In addition to its own resources, COFIDES manages two state funds: the Fund for Foreign Investment (FIEX) and the Fund for SME Foreign Investment Operations (FONPYME). These resources can be used to finance projects in any country in the world to further the internationalisation of the Spanish economy and its enterprises. Both funds are Ministry of Economy and Competitive Policy facilities channelled through the Secretary of State for Commerce. COFIDES state shareholders include ICEX Spain Trade and Investment, the Official Credit Institute (ICO) and Empresa Nacional de Innovación (ENISA), which together account for 53.68% of the company's share capital. The remaining 46.32% is held privately, specifically by four financial institutions, Banco Bilbao Vizcaya Argentaria (BBVA), Banco Santander, Banco Popular and Banco de Sabadell and CAF Development Bank of Latin America.

COFIDES MISSION:

COFIDES mission is to promote, through its own financial resources and the funds it manages, the internationalisation of Spanish enterprises, preferably in developing countries but also in developed countries regarded as priority targets by Spain's economic and trade authorities.

Additionally, and in light of its specific activity, the Company is also called upon to contributing to Spanish consolidation and economic growth, as well as fostering development in those countries targeted by COFIDES-backed investment.

COFIDES VISION:

The company's vision includes being the de facto public-private funding vehicle of Spain's Economic and Commercial Administration for direct foreign investment and hence a model for Spanish public-private venture capital abroad.

COFIDES VALUES:

- COFIDES additionally constitutes a distinctive value which can primarily be attributed to the flexibility and versatility of the unusual financial support afforded by the company, which is not readily found in the market. Its adaptation to each project and sponsor's financial needs enables it to provide generous maturities and grace periods. It has the potential to provide institutional support for the investment projects financed, and has the 'personality' as a temporary financial partner to stand by the investor without intervening in everyday project management.
- The sustainability of the resources and funds managed by COFIDES enable the company to maintain its investment capacity over time and to continue to provide its services to a growing number of businesses.



- Responsible financing is based on compliance with a code of ethics and a series of guiding principles that in turn rest on values such as respect for human rights, social, environmental and economic sustainability of the projects being financed, a commitment to the long-term economic development for local communities, awareness of the positive impact of investment on target country development, and the public circulation of information on anti-bribery and anti-corruption agreements in international trade.
- The courteous, high quality service provided by the COFIDES team is one of the mainstays of the company's relationship with its stakeholders. COFIDES, which aspires to business excellence, has adopted a number of working guidelines in the area of corporate responsibility that ensure on-going improvements in its working methods and the quality of its services.
- Transparency, as an instrument to provide accurate and reliable information about its own market activities, its shareholders as well as the company in general, ensuring the demands of confidentiality are securely met in the management of its business.

■ Experience ■

Since its creation, COFIDES has approved a total of 733 investment projects in over 79 countries, where it has committed resources amounting to over €2,300m.

COFIDES can finance viable private investment projects such as the creation of new companies as well as the acquisition or expansion of existing companies. To qualify, projects must involve assets that require medium to long-term financing, are undertaken abroad and involve some element of Spanish interest. Since 2013 COFIDES has also financed the commercial deployments of Spanish companies overseas.

COFIDES also can provide financing to the head offices of Spanish companies with international activity.

On 31st December 2014, the portfolio of COFIDES managed projects rose to €911.79m.

■ Products ■

COFIDES offers the following range of financial products for viable, private and overseas investments projects:

- Share capital holdings of host country companies.
- Medium and long-term, subordinated, mezzanine and joint venture loans for host country companies.
- Medium and long-term loans for host country companies.
- Shareholding in the Spanish companies for their international activities.
- Medium and long-term loans for Spanish investors.
- Multi-project loans.

■ Letter from the Chairman ■

As usual, we collect in our annual report, all of our activity data highlighting both the achievements and objectives met throughout 2014.

The interest in internationalisation by Spanish companies, sponsored by the strategy laid out by the Secretary of State for Trade and the creativity and effort of COFIDES, have allowed the Company to have another year of remarkable results in its various scales and areas of measure.

COFIDES closed 2014 with a total managed portfolio in excess of €911m, the highest to date and a total committed portfolio of over €1,018m, almost 100% higher compared to the end of 2011.

Also, in a year-on-year comparison, it has reached record highs both at the level of approvals -258.20 million, 6% higher than in 2013, as well as in formalisations -244.89 million, 11% more than the previous year.

Additionally through the Law 8/2014 of 22nd April regarding coverage by the State of the risks of internationalisation of the Spanish economy, COFIDES was designated as a supporting institution in the management of FONPRODE, a service tool of the Spanish cooperation system with the aim of eradicating poverty and reducing inequalities. With the assumption of this new role, the accumulated experience in this area of COFIDES is recognised and therefore its vocation as a Spanish institution specialised in financing for development has been strengthened.

COFIDES has also acquired a new dimension reinforcing its commitment to development by extending its shareholders to include CAF-Development Bank of Latin America.

This wide activity was reinforced firstly with the provision by the State Budget of FIEEX and FONPYME funds, and secondly, with the dedication of 80% of the positive results for the year, to reserves or self-financing. Both are without doubt, a clear commitment to providing the necessary funding to promoting the internationalisation of Spanish companies.

I would highlight the internationalisation of SMEs has been one of the mandated priorities in the 2012-2015 COFIDES Strategic Plan and again this year has maintained a high number of projects promoted by SMEs, reaching a volume of €64.08m and with growth already close to 88% since the implementation of the current Strategic Plan.

In line with this strategy to support small and medium enterprises, the Royal Decree-Law 8/2014, of the 4th of July, approved urgent measures for growth, competitiveness and efficiency. FONPYME conditions were made more flexible in order to facilitate the participation in the home market of small and medium-sized enterprises in Spain with international activity, which has enabled COFIDES to have already articulated the first projects of corporate financing in SMEs with FONPYME resources.

Moreover, this year has been a good example of how to combine austerity and cost efficiency with the innovation and flexibility that shapes the environment in



which we live. This is evidenced, for example, by the creation of FINMARCA, an equity line to promote foreign expansion of branded Spanish companies, and FINFOOD, for the food sector. Along with this, the Company's figures for efficiency and effectiveness highlight consistent growth and a year-on-year improvement, as divulged in this management report.

Also in 2014, COFIDES began the “Internationalisation Advancement Awards”, created with the intention of recognising the continued work of those institutions, associations and companies who promote internationalisation.

Finally, I would like to remind you that all these achievements would not be possible without the encouragement and support of the Ministry of Commerce, the support of shareholders, directors and members of our Executive Committees, the committed relationships, loyalty and mutual recognition of our company's client, as well as the daily work performed by the excellent professionals of COFIDES. To all of them I would like to express my sincere thanks and I can confirm to them our firm commitment to continue to grow and improve together.



Salvador Marín Hernández
Chairman and Chief Executive Officer

■ Milestones of 2014 ■

- The total managed portfolio rose to €911.79m, reaching the highest level since the creation of COFIDES. The total portfolio is the difference between the amount actually disbursed and amount of repayments. Meanwhile, the committed investment portfolio is equivalent to the total portfolio plus the amounts committed but not yet disbursed and amounted to €1,018.26m.

- A maximum of €258.20m was reached at annual approval levels, 6% higher than 2013.

- A maximum of €244.89m was reached at annual execution levels, 6% higher than 2013

- The total portfolio of SME-promoted projects reached a volume of €64.08m in 2014.

- The Law 8/2014 of the 22nd of April, regarding coverage by the State of the internationalisation risks of the Spanish economy, considers COFIDES support in the management of FONPRODE and that it has the backing of the Ministry of Foreign Affairs and Cooperation.

- CAF-Development Bank of Latin America became a new COFIDES shareholder with 1.14% of the share capital. The private shareholders represent 46.32% of the COFIDES share capital whereas 53.68% is owned publically.

- FIEX had an endowment from the Spanish National Budget for 2014 amounting to €25m. The endowment for 2015 has been increased up to €40m, representing an increase of over 60%

compared to the previous year and is the highest since 2004.

- FONPYME again has an endowment from the Spanish National Budget amounting to €10m for 2014, raising its net assets to €63.33m as of 31st December 2014.

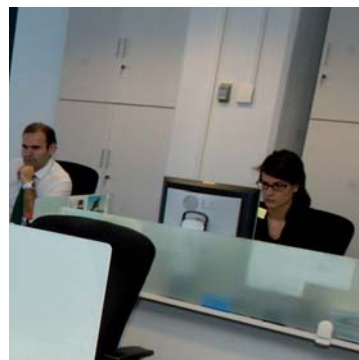
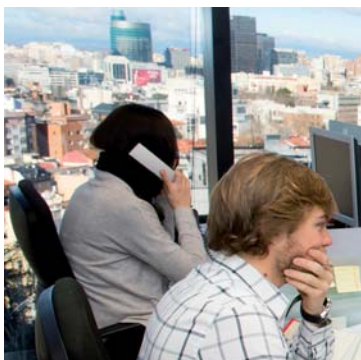
- COFIDES articulates and undertakes the funding of the first corporate financing projects of SMEs using resources from FONPYME, taking place in the Spanish home market of SMEs with international activity after the new Law 8/2014 of 4th July, approving urgent measures for growth, competitiveness and efficiency.

- Creation of the Financing Line FINMARCA to encourage foreign expansion of branded Spanish companies.

- Creation of the Financing Line FINFOOD, the new financing line for the internationalisation of the agrifood sector.

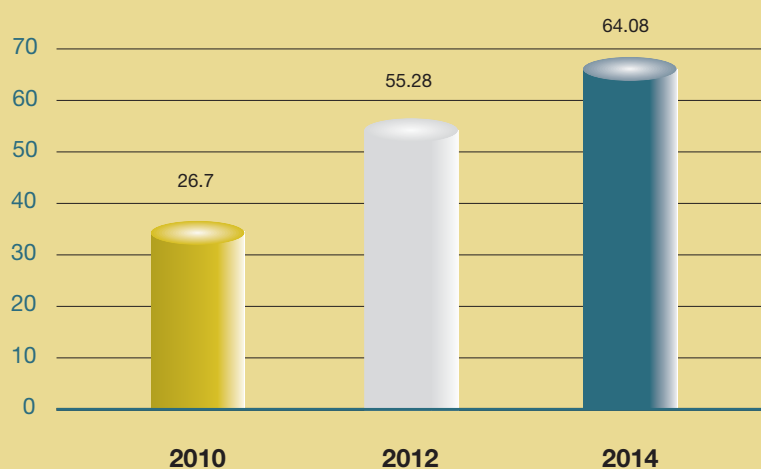
- COFIDES renewed its commitment in the third round of the Interact Climate Change Facility (ICCF), for the financing of viable private investment projects in ACP countries as well as in recipient countries of Official Development Assistance, to help mitigate climate change and promote energy efficiency.

- COFIDES held their inaugural "Internationalisation Advancement Awards".

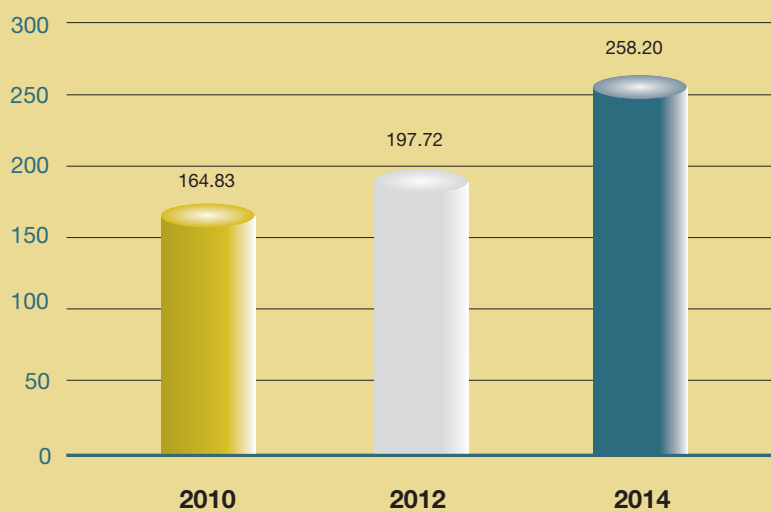


■ Portfolio evolution 2014 ■

GROWTH OF SME PORTFOLIO
2010-2014 (€million)



TOTAL APPROVED COMMITMENTS
GROWTH 2010-2014 (€million)





■ Board of Directors ■

CHAIRMAN AND CHIEF EXECUTIVE OFFICER

Salvador Marín Hernández (appointed on 6.02.2012)

BOARD MEMBERS (*)

José Ángel Amor Atienza (appointed on the 20.12.2013)

Antonio Bandrés Cajal (appointed on the 30.04.2014)

Rosario Casero Echeverri (appointed on the 24.04.2013)

Mónica Colomer de Selva (appointed on the 25.09.2014)

José Corral Vallespín (appointed on the 29.05.2007)

Javier Estévez Zurita (appointed on the 30.04.2012)

Alberto Gómez Nicolau (appointed on the 29.04.2008)

Eulalia Ortiz Aguilar (appointed on the 25.09.2013)

Roberto Pagán Díaz (appointed on the 25.09.2014)

Francisco Javier Puig Asensio (appointed on the 27.06.2006)

María Simó Sevilla (appointed on the 22.04.2013)

SECRETARY, NON-MEMBER AND LEGAL COUNSEL

Ana Victoria Fernández Sáinz de la Maza

(*) April 2015

During 2014 the following people have resigned from the Board of Directors:

Alberto Conde del Campo (appointed on the 20.12.2012 and resigned on the 30.05.2014)

Rafael Garranzo García (appointed on the 26.01.2012 and resigned on the 25.09.2014)

Mar Turrado Alonso (appointed on the 22.04.2013 and resigned on the 21.01.2014)

Official Credit Institute (appointed on the 29.01.2014 and resigned on the 30.04.2014)

■ Steering Committee ■

Chairman and Chief Executive Officer
Salvador Marín Hernández

General Manager
Luis de Fuentes Losada

General Counsel
Ana Victoria Fernández Sáinz de la Maza

Deputy Manager, Control, Internal Audit and Quality
María Victoria de Luis Durán

Deputy Manager, Commercial and Business Development
Ana Cebrián Parrondo

Deputy Manager, Operations
Miguel Ángel Ladero Santos

Deputy Manager, Risk
Consuelo Díaz Martínez

Deputy Manager, Corporate Social Development
Fernando Aceña Moreno

Deputy Manager, Economy and Finance
Héctor Turiel Valdés

Deputy Director, Development Financing and Sustainability
María Vidales Picazo



Map of activity

- countries +35 projects
- countries 10-35 projects
- countries 5-9 projects
- countries 1-4 projects
- other eligible countries



Europe

ROMANIA	18	GERMANY	4
POLAND	16	FRANCE	4
CZECH REP.	13	UNITED KINGDOM	4
PORTUGAL	10	SLOVAKIA	3
HUNGARY	9	ITALY	3
RUSSIA	7	BULGARY	2
		NETHERLANDS	2
		BELARUS	1
		SLOVENIA	1
		LATVIA	1
		LITHUANIA	1
		UKRAINE	1

Asia

CHINA	57
INDIA	21
TURKEY	7
THAILAND	3
U. A. E.	2
JORDAN	2
SAUDI ARABIA	1
KAZAKHSTAN	1
KUWAIT	1
MALAYSIA	1
MONGOLIA	1
QATAR	1

Africa

MOROCCO	23
SOUTH AFRICA	8
KENYA	7
ALGERIA	5
SENEGAL	5
MAURITIUS	3
NIGERIA	3
TANZANIA	3
ANGOLA	2
IVORY COAST	2
GHANA	2
NAMIBIA	2
TUNISIA	2
BENIN	1
GUINEA BISSAU	1
MALI	1
MOZAMBIQUE	1
TOGO	1
ZAMBIA	1

Oceania

AUSTRALIA	1
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Investment portfolio

ÁFRICA

COUNTRY	SECTOR	BUSINESS ACTIVITY
Angola	Engineering	Engineering services
Angola	Others	Plant construction for paper processing
Algeria	Engineering	Quality control centre
Algeria	Energy	Thermo solar plant construction, operation and maintenance
Ivory Coast	Energy	Gas energy generation power station expansion
Ghana	Energy	Capacity expansion of a thermal power plant
Ghana	Finance	Strengthen the TIER II capital for the expansion of the Institution
Mauritius	Services	Preventive health in workplaces
Mauritius	Agri-food-food	Processing and distribution of different commodities
Kenya	Finance	Micro-finance
Kenya	Energy	Geo-thermal electricity generation
Kenya	Finance	Sub regional multilateral development bank
Kenya	Energy	Electricity generation
Kenya	Finance	Senior debt financing for Financial Transactions
Kenya	Energy	Construction of a 310 MW wind farm
Kenya	Finance	Financing for SMEs and cooperatives
Morocco	Environment	Chemical laboratories for environmental analysis
Morocco	Services	Cancer treatment centre
Morocco	Capital goods	Manufacture of wires and cables for the automobile
Mozambique	Services	Private hospital
Nigeria	Iron and Steel	Construction, operation and management of steel casting
Nigeria	Finance	SME financing
Nigeria	Chemicals	Construction and operation of a fertilizer plant
Nigeria	Finance	Strengthen the TIER II capital for the expansion of the Institution
Senegal	Chemicals	Cement production
Senegal	Chemicals	Phosphates research and extraction for fertilizer development
South Africa	Iron and Steel	Quartz mine acquisition
South Africa	Energy	Photovoltaic of power generation plant
South Africa	Construction materials	Export of PVC
Tanzania	Services	Airlines
Tanzania	Finance	SME and corporate client financing
Togo	Construction	Cement production
Zambia	Agri-food-food	Production and distribution of basic food
Regional	Finance	Financing of investment projects
Regional	Finance	Financing of projects related to mitigating climate change and energy efficiency

LATIN AMERICA AND CARIBBEAN

COUNTRY	SECTOR	BUSINESS ACTIVITY
Argentina	Agri-food	Extraction and sale of fresh fish and seafood
Argentina	Tourism	Hotel construction and management
Argentina	Finance	Venture capital fund for local SMEs
Brazil	Telecommunications	Development and licensing of digital media applications
Brazil	Capital goods	Manufacture of equipment for industry
Brazil	Energy	Power transmission
Brazil	Consumer electronics	Manufacture and distribution of electrical products
Brazil	Metal manufacturing	Plumbing and sanitary material

PROJECT OWNER	SPONSOR	CAPITAL	QUASI-CAPITAL	LOAN
Impulso Angola	Impulso Industrial Alternativo			X
Goma Camps Angola	Goma Camps SAU		X	
Inzamac Algerie	Grupo Inzamac		X	
Solar Power Plant One	Abener Energía	X		
Azito Energie	ICCF (PROPARCO)		X	
Takoradi International Company	ICCF (FMO)			X
EFP-Fidelity Bank	EFP (DEG)			X
Careworks Africa	EFP (IFU)			X
EFP - ETC Group (ETG)	EFP (PROPARCO)		X	
Equity Bank	EFP (FMO)		X	
OrPower4	EFP (DEG)			X
PTA Bank	EFP (FMO)			X
Rabai Power	EFP (PROPARCO)			X
EFP-Chase Bank	EFP (FMO)			X
ICCF-Lake Turkana Wind Power Ltd (LTWP)	ICCF (PRO)			X
EFP - Co-operative Bank of Kenya Limited	EFP (DEG)			X
AGQ Maroc	Labs&Technological Holding SOLEA		X	
IOG	International Oncology Group			X
Relats Maroc	Relats		X	
Maputo Private Hospital	EFP (DEG)			X
African Foundries Limited (AFL)	EFP (FMO)			X
Africa Finance Corporation (AFC)	EFP (PROPARCO)			X
Indorama Eleme Fertilizar & Chemicals Ltd (IEFCL)	EFP (DEG)			X
EFP - Skye Bank	EFP (DEG)			X
Les Cements du Sahel	EFP (DEG)			X
Sephos Senegal	Térvalis Desarrollo			X
Silicon Smelters Proprietary Limited	Grupo Ferroatlantica	X		
Mulilo Renewable Energy Solar PV Prieska	Gestamp Asetym Solar			X
Molecor S.A. Ltd	Molecor Tecnología S.L.		X	
Precision Air Services	EFP (FINNFUND)		X	
NMB Tanzania	EFP (FMO)			X
Scancem International	EFP (PROPARCO)			X
Zambeef Products	EFP (DEG)			X
European Financing Partners	EDFI-BEI	X		
Interact Climate Change Facility	EDFI-AFD-BEI	X		

PROJECT OWNER	SPONSOR	QUASI-CAPITAL	LOAN
Pesquera Deseado	Grupo Profand	X	
Pulitzer Maipú	Reginahotel	X	
PYMAR	Fund. Empresa y Crecimiento	X	
Agile Contents Brasil	Agile Contents	X	
ASSA Brasil	Aguilar y Salas	X	
ATE IV - Sao Mateus Transmisora de Energia	Abengoa	X	
CESDE Indústria y Comercial de Electrodomésticos	Poine	X	
Genebre do Brasil	Genebre		X

LATIN AMERICA AND CARIBBEAN

COUNTRY	SECTOR	BUSINESS ACTIVITY
Brazil	Energy	Production of towers for wind turbines
Brazil	Services	Customer support via contact centre
Brazil	Environment	Waste management
Brazil	Automobile	Automobile components
Brazil	Construction materials	Commercialisation and rental of auxiliary construction machinery
Brazil	Environment	Wind farm power generation
Brazil	Transport infrastructure	Motorway expansion, operation, maintenance and management
Brazil	Automobile	Automobile components
Brazil	Engineering	Ventilated façade engineering
Colombia	Services	Customer support via contact centre
Colombia	Capital goods	Machinery for horizontal and directional drilling
Colombia	Services	Installation of electricity, climate and security control systems
Colombia	Services	Telecommunication engineering services
Colombia	Services	Bus transportation
Colombia	Services	Information security systems
Chile	Agri-food	Metal containers and lids production
Chile	Agri-food	Canning industry
Chile	Energy	Commercial deployment, installation and maintenance of solar structures
Chile	Construction materials	Formwork Systems
Honduras	Energy	Wind power farm
Jamaica	Energy	Electric power generation and distribution
Mexico	Metal manufacturing	Metal manufacturing
Mexico	Metal manufacturing	Metal manufacturing
Mexico	Consumer electronics	Urban and industrial power systems
Mexico	Automobile	Plastic part manufacturing
Mexico	Consumer electronics	Manufacture of electric measuring instruments
Mexico	Transport infrastructure	Construction and management of concessions
Mexico	Automobile	Manufacture of components for the automobile industry
Mexico	Transport infrastructure	Transport infrastructure
Mexico	Capital goods	Livestock machinery
Mexico	Automobile	Automobile components
Mexico	Services	Logistics warehouse for textiles
Mexico	Textiles and footwear	Sportswear production
Mexico	Capital goods	Manufacture and sales of insulated and flexible tubing
Mexico	Chemicals	Production plant for calcium carbonate
Mexico	Capital goods	Irrigation systems
Mexico	Environment	Industrial waste management and treatment
Mexico	Automobile	Automobile components
Mexico	Automobile	Automobile components
Mexico	Tourism	Hotel construction and operation
Mexico	Capital goods	Flexible and isolating tubing
Mexico	Construction	Taps and valves sales
Mexico	Automobile	Paint factory and logistics solutions
Mexico	Tourism	Management of amusement arcades
Mexico	Tourism	Construction and operation of a hotel
Mexico	Automobile	Automobile components
Mexico	Automobile	Screw manufacture
Mexico	Chemicals	Commercial subsidiary of dental implants
Mexico	Automobile	Stamping, assembly and painting
Mexico	Engineering	Tubing prefabrication
Mexico	Automobile	Decorative plastic parts manufacturing

PROJECT OWNER	SPONSOR	CAPITAL	QUASI-CAPITAL	LOAN
Gestamp Wind Steel Pernambuco	Gestamp Wind Steel		X	
Red Line Contact Center e Tecnología	Avanza Externalización de Servicios		X	
Ros Roca Brasil	Ros Roca Group		X	
Teknia Tecnotubo Automotive	Teknia Manufacturing Group		X	
Ulma Andamies, Forma e Escoramentos	Ulma C y E		X	
Ventos do Sul Energía	Elecnor		X	
Viabahia Concessionaria de Rodovias	Isolux Corsán Concesiones		X	
Zanini do Brasil	Zanini Auto Grup		X	
Inbove Empreendimentos	Global Bobe		X	
Econtact Col	Emergia Contact Center		X	
Restitubo S.A.S Colombia	Restitubo			X
Abantia Colombia S.A.S.	Abantia Empresarial S.L.		X	
Powernet Colombia SAC	Powernet I, S.L.		X	
Transporte Trasloyola S.A.S.	La Sepulvedana S.A.U.			X
S2 Grupo Colombia S.A.S.	S2 Grupo S.L.U.		X	
Auxiliar Conservera America S.A.	Auxiliar Conservera S.A.		X	
Inmuebles Cataluña	Conservas Dani		X	X
Grupo Clavijo Chile Ltda	Grupo Clavijo ELT SL		X	
Montajes Alsina Ltda	Encofrados J. Alsina S.A.		X	
Vientos de electrotecnica (Vesa)	ICCF (FMO)			X
Jamaica Public Services	EFP (PROPARCO)			X
Aernnova Componentes Aeronáuticos de México	Aernnova Aerospace		X	
Aernnova Estructuras Aeronáuticas de México	Aernnova Aerospace		X	
Aetech México	Aplicacions Electriques		X	
Altcamp Mexico	Plàstics Alt Camp		X	
Arteche México	Arteche Lantegi Elkarte			X
Autopista Urbana Norte	OHL Concesiones	X		
BATZ Mexicana Sociedad Anónima de C.V.	BATZ, Sociedad Cooperativa		X	
Concesionaria México	Aldesa Construcciones	X		
Gashor Equipos de Panificación	Equipos de Panificación		X	
IOMEX e IOSAMM	Industrias Ochoa		X	
Logisfashion México	Logisfashion		X	X
Lorpen México	Industrias Savidai		X	
Relats Leon	Relats		X	
Regio Mármol	Reverté de Productos Minerales	X		
Siberline México	Siberline		X	
Sistemas Desarrollo Sustentables	Befesa Medio Ambiente	X		
Systems & Manufacturing México	Systems & Manufacturing Spain		X	
Técnicos en Alta Producción	Bravo Enterprises			X
Hotel Hoyo Uno	OHL	X		
Relats Leon	Relats			X
Genebre Mexico	Genebre Group			X
Itech Grupo	Marsan Transformaciones Superficiales / Izmar		X	
Espectáculos Latinoamericanos Deportivos	Grupo Orenes		X	
OH México (Occihol)	Occidental Hoteles		X	
Ecenarro México SL de CV	Ecenarro S Coop		X	
Panelfisa México S.A. de C.V.	Panel Fijaciones S Coop		X	
Phibo Dental Solutions México SA de CV	Phibo Worldwide S.L.		X	
Pintura Estampado y Montaje, CIE Celaya, CIE MATIC	CIE AUTOMOTIVE, S.A.		X	
Cotinavec México S.A. de C.V.	Grupo Navec Servicios Industriales S.L.		X	
Walter Pack S.A. de C.V.	Walter Pack S.L.		X	

LATIN AMERICA AND CARIBBEAN

COUNTRY	SECTOR	BUSINESS ACTIVITY
Mexico	Automobile	Logistics project
Panama	Energy	Electricity generation and distribution
Panama	Construction	Precast reinforced concrete factory
Panama	Capital goods	Aggregates treatment plant
Panama	Energy	Wind power farm of 80 MW
Peru	Transport infrastructure	Concession to build and operate a motorway
Peru	Energy	Hydroelectric construction and operation
Peru	Consumer electronics	Manufacture of lamps and lighting
Peru	Services	Installation and maintenance of facilities
Peru	Services	Telecommunications engineering Services
Peru	Services	Building and managing telephony distribution centres
Peru	Agri-food	Manufacture and marketing of canned vegetables
Peru	Engineering	Engineering cladding
Peru	Services	Labour control services
Peru	Construction materials	Formwork Systems
Dominican Rep.	Services	Debit and credit card processing
Dominican Rep.	Energy	Library software
Dominican Rep.	Services	Municipal services management
Dominican Rep.	Commerce	Traumatology and orthopaedics product for medical and paramedical use
Uruguay	Agri-food	Manufacture and marketing of artificial casings
Uruguay	Plastics and Derivatives	Rubber products manufacture
El Salvador, Brazil	Chemicals	Oral hygiene products
Mexico, Turkey	Plastics and Derivatives	Manufacture and sale of thermoplastic geomembranes
Regional	Finance	Private equity fund for SMEs in Latam

ASIA

COUNTRY	SECTOR	BUSINESS ACTIVITY
China	Consumer electronics	Electric transformers
China	Water supply	Desalination plant Construction
China	Automobile	Automobile components
China	Chemicals	Production of active substances
China	Automobile	Automobile components
China	Automobile	Automobile components
China	Services	Conservation, handling, treatment and use of water
China	Automobile	Large-scale stamping
China	Automobile	Metal melting and processing of metal parts
China	Automobile	Roller bearing production
China	Mining	Manufacture of metal silicon
China	Textiles and footwear	Technical textile manufacturing
China	Automobile	Industrial textile finishes and coating
China	Agri-food	Wines and spirits distribution
China	Automobile	Manufacture of rubber components for automotive and appliances
China	Automobile	Cutting and stamping of components for automotive industry
China	Automobile	Cutting and stamping of components for automotive industry
China	Automobile	Brake systems for motorbikes manufacture
China	Automobile	Tyre production

PROJECT OWNER	SPONSOR	CAPITAL	QUASI-CAPITAL	LOAN
Logística Sesé México S.A. de C.V.	Grupo Lógico Sesé S.L.		X	
Hidroeléctrica San Lorenzo	Grupo Empresarial Cuerva	X		
Pacadar Panamá	Pacadar S.A.			X
Talleres ZB	Talleres ZB		X	
ICCF - Panama Wind Energy Godaveri Private Limited	ICCF (FMO)			X
Autopista del Norte	OHL Concesiones	X		
Empresa Eléctrica Río Doble	Auxiliar Transp. Const. /Alarde Soc. Energía		X	
Josfel Iluminación	Grupo Luxiona		X	
Abantia Perú	Abantia Empresarial		X	
Powernet Perú	Powernet		X	
Salesland Internacional	Salesland		X	
Green Perú	Conservas El Cidacos		X	
Inbove Perú SAC	Global Bove S.L.			X
Clever Tecnología Perú	Clever Tecnología S.L.		X	
Encofrados Alsina del Perú SAC	Encofrados J. AlsinaS.A.		X	
ProceCard	Tecnocom Telecomunicaciones y Energía		X	X
Grupo Eólico Dominicano	Genera Avante	X		
Tecvasa Internacional	Técnicas Valencianas del Agua		X	
MCT República Dominicana SRL	Medcom Tech S.A.		X	
Viscofan Uruguay	Viscofan			X
Citrans	Kauman			X
Laboratorios Kin Centroamérica y Caribe	Laboratorios Kin			X
Atarfil México / Atarfil Turkey	Atarfil			X
Aureos Latin American Fund	Aureos Latin American Managers	X		

PROJECT OWNER	SPONSOR	CAPITAL	QUASI-CAPITAL	LOAN
Arteche DYH	Arteche Lantegi Elkartea			X
Befesa CTA Qingdao	Befesa Agua	X		
Doga (Nantong) Auto Parts	Doga			X
Esteve Huayi Pharma	Esteve Química			X
Fagor Ederlan Auto Parts	Fagor Ederlan		X	X
Ficosa International Taicang	Ficosa International		X	
Fluidra Youli Fluid Systems	Fluidra		X	
Gestamp Autocomponents Kungshan	Gestamp Automoción	X		
Infun Cast (WUHU)	Infun		X	
Jiaxing Fersa Bearing	Fersa Bearings		X	
Mangshi Sinice Silicon Industry	Grupo Ferroatlántica		X	
Relats Insulation Material	Relats			X
Shanghai Coatex Technical Coating	Rosich y Puigdengolas		X	
Shanghai Torres Wine Trading	Miguel Torres			X
Wingroup Leisure and Sports Equipment	Cikautxo			X
Gestamp Autocomponents (Dongguan)	Gestamp Automoción	X		
Gestamp Autocomponents (Shenyang)	Gestamp Automoción	X		
Ciju Control Systems	Ciju Corp			X
Zanini (Changzhou) Autoparts	Zanini Auto Grup		X	X

ASIA

COUNTRY	SECTOR	BUSINESS ACTIVITY
China	Consumer electronics	Design, manufacture and assembly of electronic equipment
India	Plastics and Derivatives	Coat hanger production
India	Metal manufacturing	Irrigation system manufacturing
India	Automobile	Manufacture of parts and accessories for motor vehicles
India	Agri-food	Goods for the food industry
India	Agri-food	Production and commercialisation of food ingredients and additives
India	Energy	Thermal power plant
India	Automobile	Vehicle lighting equipment
India	Automobile	Manufacturing of metal components
India	Metal manufacturing	Wind turbine plant
India	Transport infrastructure	Transport infrastructure
India	Energy	Construction and maintenance of transmission lines
India	Telecommunications	Fixed and mobile telephone and digital TV operator
India	Automobile	Decorative plastic part manufacturing
Malaysia	Others	Manufacture and commercialisation of resting equipment
Mongolia	Energy	Wind power farm

CENTRAL AND EASTERN EUROPE. MIDDLE EAST & CIS

COUNTRY	SECTOR	BUSINESS ACTIVITY
Saudi Arabia	Construction materials	Construction of prefabricated rings for underground lines 4, 5 and 6
Bulgaria	Environment	Waste collection
E.A.U.	Chemicals	Plastics Manufacture
Slovakia	Automobile	Plastics termoinyección
Slovakia	Automobile	Plastic parts for automobile
Slovakia	Automobile	Component stamping
Jordan	Finance	Exchanging foreign currency
Kuwait	Environment	Decontamination of areas
Poland	Metal manufacturing	Lighting Products
Poland	Iron and Steel	Smelting
Poland	Chemicals	Plastic and cork parts for the automotive industry
Poland	Automobile	Manufacture of plastic parts and derivatives
Poland	Automobile	Automobile components
Qatar	Services	Installation and Maintenance
Czech Republic	Tourism	Acquisition and implementation of a hotel
Romania	Consumer electronics	Bodywork and stamping
Romania	Automobile	Automobile components
Romania	Automobile	Cork-based product manufacturing
Romania	Automobile	Manufacture of motor vehicles
Romania	Agri-food	Distillery construction
Romania	Automobile	Electrolysis treatment of metal surfaces
Romania	Automobile	Investment in lorry trailers
Romania	Automobile	Manufacture of rubber and metal components
Russia	Automobile	Component stamping
Russia	Agri-food	Turkey meat production plant
Russia	Agri-food	Warehouse construction for food industry storage
Turkey	Energy	Design, construction and operation of a wind farm
Turkey	Metal manufacturing	Manufacturing metal structures
Turkey	Sanitation	Food safety Analysis

PROJECT OWNER	SPONSOR	CAPITAL	QUASI-CAPITAL	LOAN
Chinakor Electronic Systems (Suzhou) Co Ltd	Ikor Sistemas Electrónicos S.L.		X	
Erum Hangers	Plásticos Erum		X	
Harvel Agua	Sistema Azud			X
Industrias del Recambio India	Industrias del Recambio Distribución		X	
Inoxpa India	Inoxpa			X
Premium Ingredients Food Services	Premium Ingredients		X	
Rajasthan Sun Technique Energy	ICCF (FMO)			X
Rinder India	Rinder Industrial		X	X
RPK India	RPK		X	
Shrenik Industries	Holding Gonvarri		X	
Soma Isolux NH1 Tollway	Grupo Isolux Corsán		X	
South East U.P. Power Transmission Company	Grupo Isolux Corsán	X		
EFP - Bharti Airtel International Netherlands (BAIN)	EFP (FMO)			X
Walter Pack Automotive Product India Pvt Ltd	Walter Pack S.L.		X	
Dunlopillo Holding	GrupoPikolin		X	
Mongolia Wind	ICCF (FMO)			X

PROJECT OWNER	SPONSOR	CAPITAL	QUASI-CAPITAL	LOAN
Pacadar Arabia LLC	Pacadar S.A.		X	
A.S.A. Bulgaria EOOD	A.S.A. Abfall Service AG (FCC)		X	
Atarfil Middle East Fze	Atarfil		X	
Altcam Slovakia	Plásticos Alt Camp		X	
Precision Process Technology Slovakia	Precision Process Technology		X	
Esnasa Slovensko	Estampaciones Navarra		X	
Global Exchange Jordan	Eurodivisas S.A.			X
Hera AG Ambiental	Hera Tratesa			X
Aga Light	Grupo Luxiona	X		
CELSA Polska	Barna Steel		X	
Plásticos Durex Polonia	Plásticos Durex		X	
Reiner Polska	Reiner e Hijos		X	
Teknia Polska	Teknia Manufacturing Group		X	
Tempo LLC	Abantia Empresarial			X
Městsk_ dvur	Barceló Corporación Empresarial		X	
CSC Transmetal	Consuegra	X	X	
GJM Components	GJM Components		X	
SC Cikautxo Ro Rubber & Plastic	Cikautxo		X	
SC Indcar Bus Industries	Inmobiliaria Arbuciense		X	
Bioaldevin	Productos Agrovín		X	
Electrolytic Coating	Manufactura Moderna de Metales		X	
Trans Sesé SRL	Grupo Logístico Sesé SL		X	
SC Cauchometal Productos SRL	Cauchometal Productos SL		X	
Gestamp Severstal Kaluga y S.Petersburgo	Gestamp	X		
Tambovskaya Indeika	Grupo Corporativo Fuertes			X
Starinox, OOO.	Inoxpa S.A.			X
Eolos Rüzgar Enerjisi Oretim	ICCF (PRO)			X
Schwartz Hautmont Metal Sanayi Dis Ticaret	Schwartz Hautmont Const. Metálicas	X		
Ekosmyrna S.R.L	Laboratorios Ecosur S.A		X	

NORTH AMERICA

COUNTRY	SECTOR	BUSINESS ACTIVITY
Canada	Energy	Investment management in renewable energy
Canada	Agri-food	Manufacture of pre-cooked products
USA	Energy	Operation and maintenance of power grids and pipelines
USA	Construction materials	Counterweight manufacturing plant
USA	Commerce	Manufacture and sales of outdoor furniture
USA	Services	Chemical laboratory for food, environmental and farming analysis
USA	Aeronautic	Production of carbon fibre structures
USA	Energy	Ethanol production
USA	Automobile	Automobile components
USA	Construction materials	Products and processes for surface finishes
USA	Tourism	Online distribution of tourist apartments
USA	Engineering	Electrical engineering for steel industry
USA	Others	Outdoor Furniture Showroom
USA	Agri-food	Wine production
USA	Agri-food	Wines and third party distribution
USA	Automobile	Logistics project
USA	Consumer electronics	Electronics Manufacturing

WESTERN EUROPE

COUNTRY	SECTOR	BUSINESS ACTIVITY
Germany	Environment	Waste collection vehicle production
Germany	Agri-food	Manufacture and commercialisation of jams
Germany	Chemicals	Design and manufacture of dental implants
France	Engineering	Engineering Rental services
France	Commerce	Toy production and distribution
France	Capital goods	Lift maintenance
Holland	Finance	Products derived for foreign currency hedging
Holland	Agri-food	Juice bottling and packaging
Italy	Energy	Cogeneration of electrical energy
Portugal	Energy	Construction and operation of wind farm
Portugal	Carpentry	Wooden counter manufacturing
Portugal	Iron and Steel	Purchase of an aggregates quarry and construction of a lime plant
United Kingdom	Agri-food	Cockle fishing
United Kingdom	Tourism	Youth hostel management
United Kingdom	Automobile	Production of insulated wires

INTERNATIONAL

COUNTRY	SECTOR	BUSINESS ACTIVITY
International	Energy	Electricity infrastructure
International	Services	Information and Communication Technology
International	Energy	Promotion, production and management of renewable energy, water and infrastructure
International	Environment	Hazardous waste management and recycling
International	Telecommunications	Installation and maintenance of infrastructure, especially telecommunications
International	Finance	Public-private fund to invest in debt instruments
International	Automobile	Automobile components
International	Transport infrastructure	Concessions and infrastructure

PROJECT OWNER	SPONSOR	CAPITAL	QUASI-CAPITAL	LOAN
Glen Dhu Wind Energy	Genera Avante	X		
Industrie Gastronomique Cascajares	Industria Gastronómica Blanca Mencía		X	
Elecnor Hawkeye	Elecnor		X	
Sic Lazaro US	Sic Lázaro		X	
Gandía Blasco Usa	Gandía Blasco		X	
AGQ USA	Labs & Technological Holding Solea		X	
Carbures Usa	Carbures Europe		X	
AB of Illinois & AB of Indiana	Abengoa Bioenergía	X		
Ficosa North America Corporation	Ficosa International		X	
Intrabond	Alucoil		X	
Only Apartments Inc.	Only Apartments S.A.		X	
Russula Corporation Inc.	Russula S.A.		X	
Vondom LLC	Vondom S.L.U.		X	
Codorniu Napa Inc.	Codorniu S.A.		X	
A.V. Brands Inc.	Codorniu S.A.		X	
Sesé US Corp.	Grupo Logístico Sesé S.L.		X	
P4Q USA Inc	P4Q Electronics S.L.		X	

PROJECT OWNER	SPONSOR	CAPITAL	QUASI-CAPITAL	LOAN
NH Schorling	Ros Roca Internacional	X		
MÜHLHÄUSER	Dulces y Conservas Helios		X	
Phibo Germany	Phibo Worldwide		X	
CT Ingenierie	CT Ingenieros Aeronáuticos de Automoción e Industriales		X	
Eureka Kids Francia	Damerik		X	
JBT Ascenseur, ASJ, Cie Européenne d'Ascenseurs	Fain Ascensores		X	
TCX	FMO Holanda	X		
AMC Vissingen B.V.	AMC Juices S.L.		X	
Sampol Italy	Sampol Grupo Corporativo		X	
Enerfer Producto de Energia Solar e Eólica	Enerpal		X	
Luso Finsa Indústria e Comércio de Madeiras S.A.	Financiera Maderera S.A.		X	
Microlime S.A.	Cales de Pachs S.A.		X	
Cardium Shellfish. Cardium & Trevor Boats	Conservas Dani		X	
Equity Point UK	Equity Point Holding Empresarial		X	
Relats UK	Relats		X	

PROJECT OWNER	SPONSOR	CAPITAL	QUASI-CAPITAL	LOAN
Isolux Corsán Concesiones S.A.	Grupo Isolux Corsán S.A.		X	
Tecnocom Telecomunicaciones y Energía S.A.	Tecnocom Telecomunicaciones y Energía S.A.		X	
Acciona S.A.	Acciona S.A.		X	
Tradebe Environmental Services Ltd	Grupo Tradebe Medioambiente S.L.		X	
Grupo Ezentis S.A.	Grupo Ezentis S.A.		X	
Alteralia S.C.A.	N+1		X	
Teknia Manufacturing Group S.L.	Teknia Manufacturing Group S.L.		X	
OHL Concesiones	OHL Concesiones S.A.		X	

Selection of investment projects



Agrovin Romania

Promoter:	Productos Agrovin, S.A.
SME:	Yes
Project company:	Bioaldevin, S.R.L.
Business activity:	Transformation of sub-products originating from the manufacture of wine
Sector:	Agrifood
Total investment:	€1.1m
Financing:	€897,250
Product:	Joint venture loan
Drawn from:	COFIDES and FONPYME
No. of direct jobs associated with the project: 25	

COFIDES granted a joint venture loan to Agrovin for the construction of its facilities in Odobesti, Romania. COFIDES extends its funding previously provided to the company in 2013 to build and set up a distillery, intended to make the most of the sub products originating from the manufacture of wine. With this project Agrovin, will increase the international presence of the group and will also allow greater access to raw materials.

Agrovin is one of the leading manufacturers and distributors of oenological products worldwide, with some fifty years of experience. It manufactures, processes, distributes and markets a wide range of items: from raw materials to industrial machinery, as well as providing solutions to a multitude of industries, including wine, oil, beer, fruit juices, mineral water and chemicals, among others.





AMC Netherlands

Promoter:	AMC Juices, S.L.
SME:	No
Project company:	AMC Vlissingen, B.V.
Business activity:	Production and wholesale distribution of fresh fruits, juices, smoothies and natural fruit drinks, flowers and ice cream
Sector:	Agrifood
Total investment:	€36.3m
Financing:	€8.5m
Product:	Joint venture loan
Drawn from:	FIEX
No. of direct jobs associated with the project: 105	

COFIDES financed AMC Juices, S.L. for its international growth through the implementation of a new bottling and packaging plant in Vlissingen, in the Netherlands.

The investment will go towards the adaptation of facilities and acquisition of production lines. This new factory will be an important transport cost saving measure for the company as well as being a possible entry point to new markets with high growth potential

AMC is a family business group dedicated to the

food and beverage sector in the global market, focused on Private Label, specialising in: fresh fruits, juices, smoothies and natural fruit drinks, flowers and ice cream. The group owns 3,650 hectares of citrus fruit cultivation plots distributed throughout Spain, Israel, USA, South Africa and Chile, as well as its own breeding and development centres for new vegetable varieties. Its juice squeezing facilities are located in Spain, Costa Rica, Germany and Holland. Its packing and distribution centres are in France, the United Kingdom, Germany, Norway and Dubai.





SERVICIOS DE CAMBIO DE MONEDA

EURODIVISAS Jordan

Promoter:	Eurodivisas, S.A.
SME:	No
Project company:	Global Exchange Jordan
Business activity:	Currency exchange
Sector:	Finance
Total investment:	€945,143
Financing:	€614,857
Product:	Ordinary loan
Drawn from:	COFIDES
No. of direct jobs associated with the project: 55	

COFIDES supported Global Exchange Group in its expansion to Jordan. The Spanish multinational company has recently established itself in this country by opening four foreign exchange offices at Amman Queen Alia International Airport

Global Exchange is the third largest company in the world specialising in currency exchange services at

international airports. It won the concession through an international tender process organised by the airport operator Airgroup International Airport (AIG) to manage currency exchange in this international Airport, one of the most iconic and modern in the Middle East.





Grupo Clavijo Chile

Promoter:	Grupo Clavijo, E.L.T., S.L.
SME:	Yes
Project company:	Grupo Clavijo Chile Ltda
Business activity:	Manufacture, installation and maintenance of solar structures
Sector:	Infrastructure-energy
Total investment:	€240,000
Financing:	€120,000
Product:	Joint venture loan
Drawn from:	FONPYME
No. of direct jobs associated with the project: 3	

COFIDES supported the Clavijo Group through the Fund for SME Foreign Investment Operations (FONPYME) for its commercial implementation in Chile.

This operation has been executed in accordance with the approved Royal Decree law 8/2014, of 4th July, for urgent measures in growth competitiveness

and efficiency for which the FONPYME fund can participate in the international activity of the SME parent company.

Clavijo Group main activity is the design, manufacture, installation and maintenance of a wide range of solar photovoltaic structures and trackers.





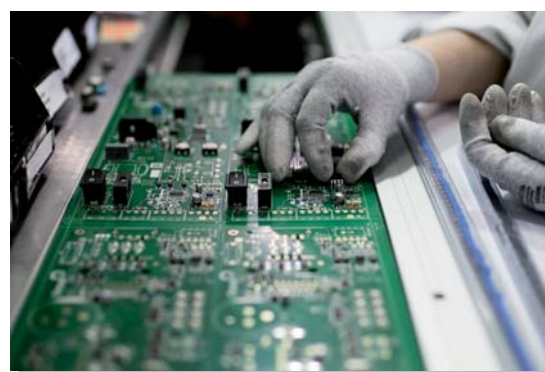
IKOR China

Promoter:	Ikor Sistemas Electrónicos, S.L.
SME:	No
Project company:	Chinakor Electronic Systems (Suzhou) Co., Ltd
Business activity:	Integrated services design and manufacture of electronic circuits
Sector:	Electrical and electronic products
Total investment:	€3m
Financing:	€1.5m
Product:	Joint venture loan
Drawn from:	FIEX
No. of direct jobs associated with the project: 280	

IKOR Sistemas Electrónicos, S.L. strengthened their position in China with the support of COFIDES by a loan to Chinakor Electronic Systems, a subsidiary of IKOR in China. IKOR China was established in 2005 in Sunzhou and specialises in the design, development and manufacture of electronic equipment for use in the automotive sector, lifts, electro-medicine industries and domestic appliances and vending among others.

With the contribution of COFIDES, IKOR China will invest in new machinery and expand its existing manufacturing lines, allowing them to service increasing demand.

IKOR has plants in Spain, China and Mexico. It provides comprehensive design services (R&D) and the manufacturing of electronic circuits (EMS).





MCT Dominican Republic

Promoter:	Medcom Tech, S.A.
SME:	Yes
Project company:	MCT República Dominicana, S.R.L.
Business activity:	Traumatology and orthopaedic products for medical and paramedical use.
Sector:	Services-commerce
Total investment:	€668,354
Financing:	€400,000
Product:	Joint venture loan
Drawn from:	FONPYME
No. of direct jobs associated with the project:	2

COFIDES signed a financing agreement with Medcom Tech for the commercial implementation and purchase of assets in Santo Domingo, Dominican Republic. To do so, COFIDES granted two joint venture loans through the Fund for SME Foreign Investment Operations (FONPYME)

Medcom Tech is a company dedicated to the commercialisation of technologically-advanced products in orthopaedic surgery, orthopaedics,

neurosurgery anaesthesia and urology-gynecology.

Currently the Medcomtech Group is made up of the Spanish head offices, Medcom Tech SA and three foreign subsidiaries in Italy, Portugal and the Dominican Republic and two Spanish subsidiaries, Medcom Flow, which is dedicated to the manufacture and marketing of anaesthesia and Medcom Advance, which focuses on the research and development of nanotechnology and its move to market.





PACADAR Saudi Arabia

Promotor:	Pacadar, S.A.
SME:	No
Project company:	Pacadar Arabia, LLC
Business activity:	Design, manufacture and installation of precast reinforced concrete
Sector:	Building materials
Total invest. capital:	€2.5m
Total invest. equipment:	€8m
Financing:	€1.2m
Product:	Joint venture loan
Drawn from:	FIEX
No. of direct jobs associated with the project:	75

COFIDES granted a joint venture loan to Pacadar for the construction of a precast concrete plant in Riyadh, Saudi Arabia. COFIDES funding will contribute to the implementation of a precast concrete plant specialising in implementing subway segments. The company has been awarded contracts for the execution of these type of products within the subway macro project of Riyadh.

This is the second operation that COFIDES has performed with Pacadar, a company that it previously

supported in 2012 in order to carry out the construction project of a precast concrete plant in Panama.

Pacadar, S.A. is the parent company of Pacadar Group and it specialises in the design, manufacture and installation of precast, pre-stressed concrete. It has six manufacturing plants in Spain and two plants in Panama and has several subsidiaries in the Middle East and Latin America.



phibo^φ

PHIBO Mexico

Promoter:	Phibo Dental Solutions, S.L.
SME:	Yes
Project company:	Phibo Dental Solutions Mexico, S.A. de C.V.
Business activity:	Marketing Phibo dental implants and dentures designed in Cad-Cam
Sector:	Health
Total investment:	€1,069,800
Financing:	€534,900
Product:	Joint venture loan
Drawn from:	COFIDES and FONPYME
No. of direct jobs associated with the project:	3

COFIDES supported Phibo for the implementation of a sales subsidiary in Mexico through a joint venture loan. This was done after the cooperation agreement between COFIDES and Phibo of its implementation in Germany.

Phibo Group is the leading Spanish multinational in implantology prosthesis in CAD-CAM, digital solutions

and services. The group currently operates subsidiaries in Germany, France, Colombia, the Middle East, Benelux, Mexico, Chile, Italy and Portugal. Its R & D centre features advanced technology, which has allowed them to hold a large number of international patents and to create innovative dental solutions.



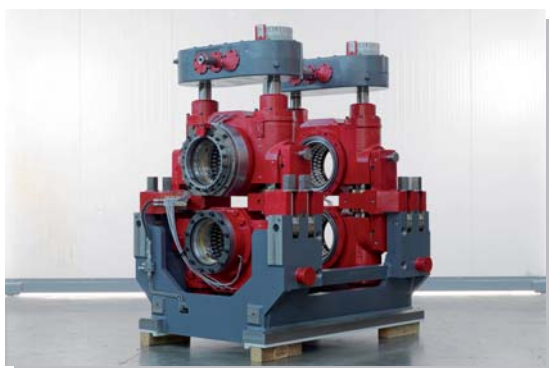


RUSSULA United States

Promoter:	Russula Corporación, S.A.U.
SME:	Yes
Project company:	Russula Corporation, Inc.
Business activity:	Research and development of new mechanical prototypes
Sector:	Engineering
Total investment:	€5.7m
Financing:	€4m
Product:	Joint venture loan
Drawn from:	FONPYME
No. of direct jobs associated with the project:	3

COFIDES financed engineering company Russula, for the launch of a new research and development division for its mechanical prototypes at its U.S. subsidiary, Russula Corporation Inc. COFIDES provided financial support through a joint venture loan to the Fund for SME for Foreign Investment Operations (FONPYME). This new division will allow the company to prototype and test new parts for its mechanical implementations.

Russula is an engineering company that delivers practical solutions for the steel, copper and aluminum sector. For over 27 years, the company has completed engineering projects for new installations, plant expansions and plant revamps. The company is specialised in practical solutions of mechanical and electrical engineering specifically integrated to the metal industry, in particular steel and aluminum plants.



Tecnocom

TECNOCOM

Promoter:	Tecnocom Telecomunicaciones y Energía, S.A.
SME:	No
Project company:	Not applicable
Business activity:	Technological solutions, application management and infrastructure management
Sector:	Services
Total investment:	Maintenance on equity of €13.7m
Financing:	€7m
Product:	Joint venture loan
Drawn from:	COFIDES and FIEX
No. of direct jobs associated with the project:	Not applicable

COFIDES contributed to the international expansion of Tecnocom in Latin America through a joint venture loan through the Fund for Foreign Investment (FIEX) and from COFIDES own resources. Tecnocom strengthened its financial structure and help to boost the international development of the company, giving the Society Corporate funding to partially finance

the investment made in its subsidiaries in Mexico, Colombia, Chile and Paraguay.

This is the second operation in which the companies have collaborated, as COFIDES supported Tecnocom in 2012 to improve the provision of services in the Dominican Republic.





TRADEBE

Promoter:	Grupo Tradebe Medioambiente, S.L.
SME:	No
Project company:	Not applicable
Business activity:	Environmental Services recycling and management of hazardous/industrial waste
Sector:	Environment
Total investment:	Equity balance eligible international companies €25m
Financing:	€20m
Product:	Joint venture loan, participation in syndicated loan
Drawn from:	COFIDES and FIEX
No. of direct jobs associated with the project:	Not applicable

COFIDES cooperated again in the international development of Tradebe by participating in a syndicated loan with other banks and aimed at consolidating its leadership position and expansion of Tradebe. The contribution of COFIDES is €20m and was made by the Fund for Foreign Investment (FIEX) and COFIDES own resources.

This is the first syndicated loan in which COFIDES has participated through the FIEX Fund, increasing

its versatility and its alignment with other funding sources.

Tradebe is a leading company in environmental recycling services and industrial waste management in Europe (UK and Spain) and the United States, with subsidiaries in France and Brazil. This is the fourth operation in which COFIDES has cooperated with Tradebe, after supporting its expansion in the US and UK.



■ Management Report ■



1. ECONOMIC ENVIRONMENT

World GDP growth in 2014 was 3.3%, according to estimates by the International Monetary Fund, with developing countries contributing the most with a growth rate of 4.4%, while advanced economies continued growing at a slower rate (1.8%). In this context, global flows of Foreign Direct Investment (FDI) increased by 8% compared to 2013 according to UNCTAD.

FDI flows to developed countries showed signs of recovery after having increased by 14%, compared to 2013. Meanwhile, FDI flows to developing countries increased by 4%, surpassing its historical record. For the third time in succession, FDI flows to developing countries exceeded the volume flows to developed countries, which represented only 56% of total global flows.

The flows from North America reduced to one third of the level they were in 2013. The European Union experienced a 13% increase in FDI flows received. Countries such as Sweden and Portugal saw significantly increased FDI flows received in 2014. Whilst countries like France and Germany saw reductions.

On the other hand, Latin America experienced a 19% decrease in FDI inflows after four years of consecutive growth. The decrease was mainly due to a significant drop (-26%) in mergers and acquisitions in the region, as well as a reduced investment in extraction industries, due in main to lower commodity prices. In Mexico, UNCTAD estimates that FDI inflows were reduced by 52% in 2014. Similarly, FDI flows received by Argentina were reduced by 60%, highlighting the compensation received by Repsol following the nationalisation in 2012 of 51% of the company. In Brazil, received investment volume fell by 4% due to a sharp drop in flows to the primary sector, despite the increase in manufacturing and services.

Moreover, FDI flows received by Asia increased by 15%, reaching historic levels. Inflows to China increased by 3% due to an increase in FDI in the service sector despite the decline in manufacturing, especially in those industries sensitive to increased labour costs. India, meanwhile saw increased volume of FDI received by 26%. On the other hand, Africa showed a slight decline of 3% through the lower volume of FDI to North Africa (-17%).

In the Spanish economy, GDP increased by 1.4% in 2014 according to the National Statistics Institute (INE). Behind this change was a downswing in domestic demand levels in its two main components, both in consumption expenditure as well as investment in fixed capital.

In 2014, net flows of Spanish investment overseas recorded positive values amounting to €4,213.23m, 68% less than those reported over the previous year. During 2014, Ireland, Brazil, USA, Chile, UK, Sweden, Italy, China, Peru and Poland were found to be among the main recipients of Spanish FDI. Between them, Ireland, Brazil and the US experienced the highest growth rates in percentage terms as target countries. The main recipient sector of Spanish FDI abroad during 2014 was financial services, followed by supply of electricity and gas.

In the real terms, the momentum of the external sector continued and this was best referenced by the good performance of Spanish exports in 2014, which recorded the best figures since its first publication in 1971 surpassing €240,000m for the first time, representing an increase of 2.5% over the previous year. Throughout 2014, demand for some of the big emerging countries shrank and was covered with mainly inter-regional demand. Sales to both the EU, as well as the Eurozone, advanced by 3.9%. The demand for non-EU countries increased slightly from January to December 2014, in a way that exports to third countries increased by an average 0.2% on a year on year basis, with significant growth in sales to North America (22.0%) and Asia (without Middle East), 16.3%. In terms of sector performance, the automotive sector excelled, with overseas sales increasing by 6.2%. A very positive performance in the manufacturing sector consumption was also observed, with growth of 7.8%; in food, beverages and tobacco, an increase of 4.4%; and energy product industry, exports grew by 7.1%, driven mainly by the significant increase in sales of gas (56.8%).

Regarding FDI flows, UNCTAD estimates suggest that economic uncertainty will remain throughout 2015. In developed countries, the divergence in economic growth between the US, the Eurozone and Japan will lead to different FDI trends. In developing and emerging countries, prospects of slower growth in certain countries as well as existing regional conflicts can affect the upward trend in investment. The International Monetary Fund expects global activity to continue to improve

over the next two years, with the world economy expected to reach slightly higher rates of growth in 2015 (+ 3.5%) and 2016 (+ 3.7%). According to the IMF, the fall in oil prices, caused largely by the increased offer, will be one of the parameters that will stimulate global growth, although this stimulus may be superseded by other negative factors such as weak investment.

2. PROJECT FINANCING

During 2014 COFIDES activity, both as a single entity and as manager of the FIEX and FONPYME funds has continued its positive growth trend. Disbursements have been maintained at a level above €200m. Approvals for the year have reached €258.20m, 6% higher than the approved volume in 2013. Formalisations have reached the highest levels in history, reaching €244.89m, 11% more than in 2013.

If we compare the biennial period of 2012-14 to 2009-11, one can notice an increase in the number of projects funded of around 50%, as well as in the number of transactions and amounts disbursed. This data shows, in the case of SMEs, an increase of around 100%.

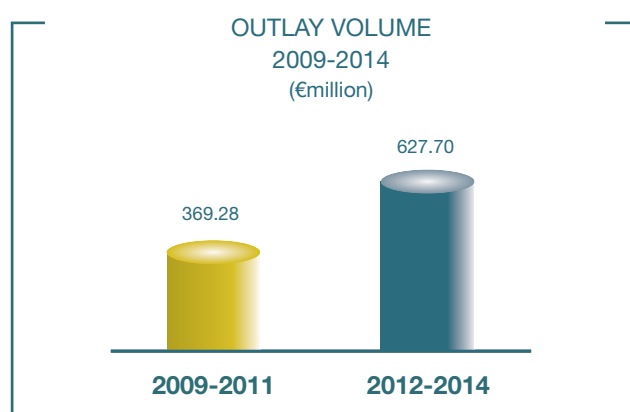
The outlays, approved and formalised operations, and total portfolio in 2014 compared to the figures for the three preceding years are in the table below:

	2009	2010	2011	2012	2013	2014
Outlays	79.24	155.35	134.69	220.72	209.69	197.29
Formalisations	139.87	141.09	170.92	227.41	221.59	244.89
Approvals	202.81	164.83	193.28	197.72	243.31	258.20
Total portfolio	452.51	561.42	551.14	737.20	872.53	911.79

(€ million)

2.1. Outlays

Total outlay volume for operations managed by COFIDES in 2014 remained similar to the levels recorded in 2013, reaching €197.29m. Of those, €169.53m was disbursed under FIEX, €5.30m came from FONPYME and €22.45m were drawn from the own resources of COFIDES.



2.2. Approvals

In 2014, 63 projects were approved for a committed value of €258.20m which marked an all-time high against the 66 projects approved in the previous year, which amounted to €243.31m, representing an increase of 6%, compared to 2013.

Drawn from COFIDES own resources were a total of 32 approved projects in 16 countries, with an overall commitment of €32.07m.

Of these 32 projects, 13 were co-financed by the Fund for Foreign Investment (FIEX), for an additional €78.81m in nine countries. The Fund for Small and Medium-sized Enterprise Foreign Investment Operations (FONPYME), in turn, co-financed together with COFIDES a total of 8 projects in four countries, increasing the total by a further €4.94m.

Drawn from FONPYME resources without co-financing, 12 projects were approved in 8 countries for a total of €12.26m. This attains a total annual commitment, drawn from FONPYME resources of €17.20m, 59% more than in 2013.

On the other hand, the FIEX Executive Committee approved 19 projects in 11 countries without COFIDES co-financing, reaching an overall total of €130.12m. In all, the commitment against FIEX resources in 2014 amounted to €208.93m. Additionally, in 2014 the FIEX Executive Committee approved 38 project profiles valued at €277.84m, representing a 35% growth from 2013.

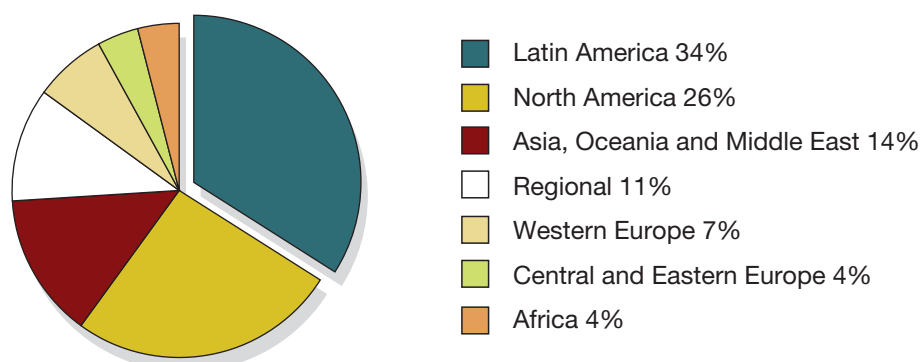
In the framework of European Financing Partners (EFP) six operations were approved amounting to €2.45m, with €0.29m undertaken using FIEX resources and the remainder from COFIDES own resources. Moreover, through the new investment facility Interact Climate Change Facility (ICCF), one project of €0.91m was approved using COFIDES own resources (50%) and FIEX (50%).

Furthermore, during this reporting year, it approved the third round of funding of the Interact Climate Change Facility (ICCF) to the value of €5m drawn from COFIDES own resources (50%) and FIEX (50%)

As for the destination areas, Latin America remained the largest recipient region of approved investments, equating to 34% of total resources committed. Behind Latin America were North America-considered as USA and Canada (26%), Asia, Oceania and Middle East (14%), Western Europe (7%), Central and Eastern Europe (4%), Africa (4%) and Regional (11%).

The latter includes regional commitments in ODA and ACP countries under ICCF facilities as well as the commitments in corporate finance projects

Approved Resources in 2014 - By Area

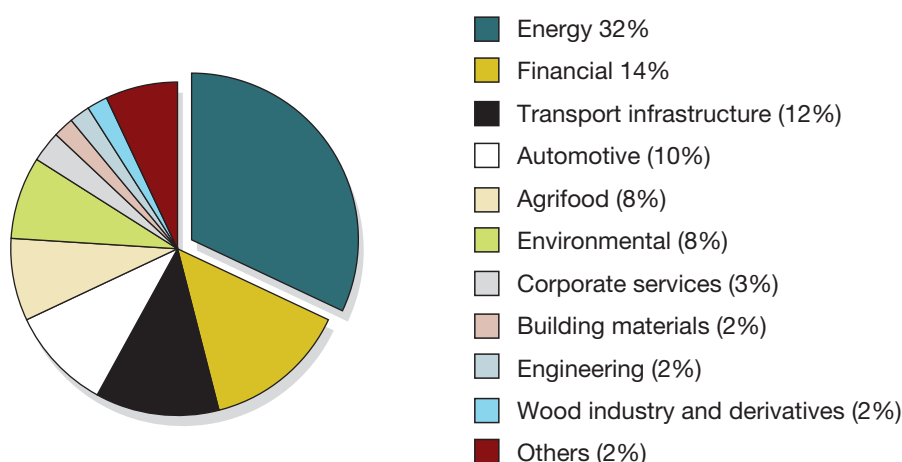


By volume commitment, Mexico (19%), USA (15%), India (12%), Canada (12%), and Brazil (6%) were the main destinations for approvals, whereas the number of approved projects was: 13 in Mexico, 9 in the USA, and 3 in each of the following countries Peru, Chile, Romania and Colombia.

The sectorial distribution of investment is very diverse. The automotive sector is the main sector, with 14 approved projects. The energy and financial sectors follow with 7 projects respectively, as well as building materials, corporate services and agrifood with 5 projects each. The engineering and electrical and electronic products have 4 projects respectively. Finally, in 2014 projects were also approved in the field of environment, trade, transport infrastructure, steel, wood industry and derivatives, chemical and pharmaceutical industry, telecommunications and hospitality, tourism and leisure.

The main recipient sectors by investment volume were: energy (32%), financial (14%), transport infrastructure (12%), automotive (10%), agrifood (8%), environmental (8%), corporate services (3%), building materials (2%), engineering (2%), industry and derivatives industry (2%) and electronic and electrical products (2%) products.

Approved Resources in 2014 - By Industry



Finally, these projects had an exponential effect on host country economies. The 2014 approvals seeded a total investment worth more than €2.0bn, which generated approximately 14,100 direct jobs, with the beneficial knock-on effects in these developing countries, of strengthening local economies and stimulating knowledge transfer. Similarly, and from the perspective of the home economy, COFIDES made significant contributions to the internationalisation of the national business fabric, enabling Spanish companies to deal with the downturn in domestic demand, maintaining their business activity and to continue generating employment in Spain.

2.3. Formalisations

A total of 56 projects were formalised in 2014, for a volume of €244.89m, compared to 57 projects formalised in 2013 with a commitment of €221.59m. This maintained its highest historical levels in formalised resource volume.

Drawn from COFIDES own resources, 27 projects were formalised in 13 countries, with an overall commitment of €29.13m.

FIEX co-financed 14 of these projects contributing an additional €78.49m, while FONPYME co-financed 5 projects amounting to a further €2.31m.

Using exclusively FONPYME resources, 11 projects have been formalised for €10.42m and with FIEX resources exclusively, 18 projects have been formalised worth €124.54m.

The total annual volume of formalisation under FONPYME amounted to €12.73m and under FIEX resources amounted to €203.03m, 15% more than in 2013 and the largest in its history.

In 2014, the Master Investment Agreements were formalised corresponding to the third round of the funding scheme Interact Climate Change Facility (ICCF) for €5m against FIEX resources (50%) and COFIDES (50%).

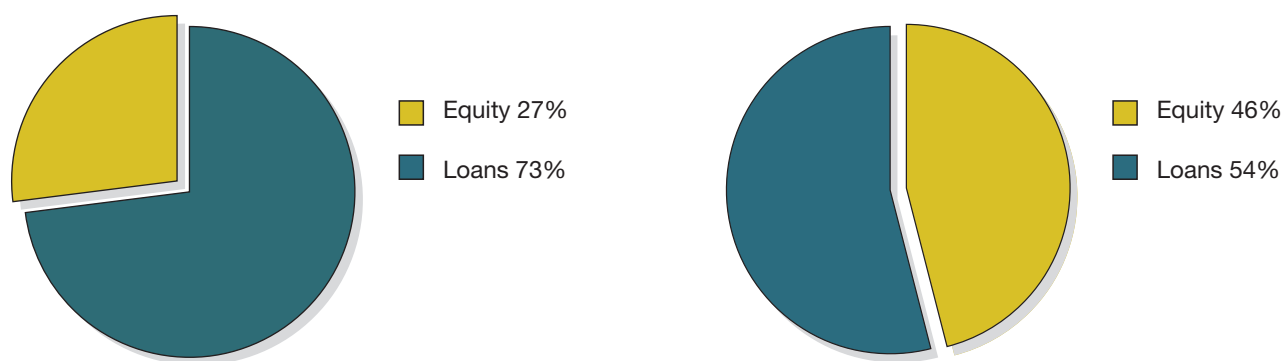
Within these schemes in 2014, three ICCF operations were formalised, totaling €1.94m with FIEX resources (50%) and COFIDES (50%), as well as, four GFS operations totaling €1.47m through COFIDES own resources (28%) and FIEX (72%).

As for the target areas of formalised projects in 2014, Latin America made up 31% of the total committed resources, and it became the main recipient of investment ahead of North America - considered U.S. and Canada- (28%), Asia, Oceania and The Middle East (14%), Western Europe (7%), Africa (4%), Central and Eastern Europe (4%) and other regions (12%), which included commitments at a regional level in ACP countries and AOD derived from GFS and ICCF facilities as well as commitments in debt funding.

By sector, the main destinations of resources originating in 2014 were energy (32%), financial (15%), transport infrastructure (12%), automotive (10%), agrifood (9%), environmental (9%). Projects in corporate services sectors (3%), engineering (2%), wood industry and derivatives (2%) building materials (2%), telecommunications (1%) steel industry (1%) have also been formalised among others.

27% of the resources invested in the assembly operations were formalised in 2014 in the form of capital, confirming the trend of COFIDES to provide additional funding through the financial products market. Given the operations formalised in quasi-equity this figure rises to 46%.

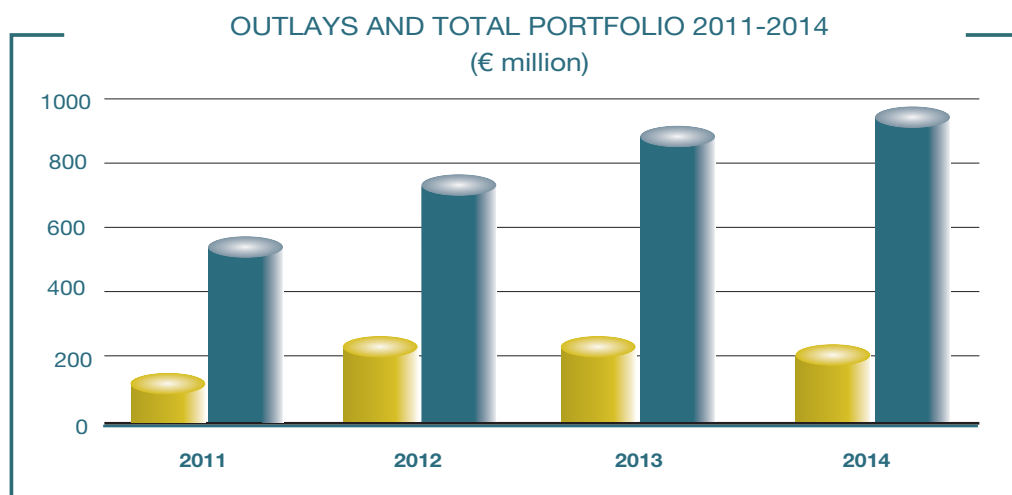
Approved Resources in 2014 - by Financial Product



2.4. Portfolio

The investment portfolio contains all the financial commitments formalised by COFIDES, FIEX and FONPYME, including committed values but not yet laid out, net of repayments. Further to these criteria, on 31st December 2014 the investments committed by the company were worth €1,018.26m, 9% more than in 2013.

Meanwhile, the total portfolio on 31st December 2014 reflected, for formalised operations, balances between the amounts actually disbursed and repaid, 330 operations (69 of them the product of co-financing) and amounting to €911.79m. This figure represents the highest ever portfolio level on record and an increase of 4% over the previous year and 24% over 2012.



3. COFIDES OPERATING AND MANAGEMENT CAPACITY

In late 2014 COFIDES had an overall operating capacity of over €2,400m.

3.1. FIEX AND FONPYME

The net assets of the FONPYME and FIEX funds rose to €9937.27m as at 31st December 2014. Of this, €873.94m corresponded to FIEX and the remaining €63.33m to FONPYME.

The FIEX fund remained a highly valued vehicle by Spanish firms that were involved in internationalisation activities in 2014 and it has maintained its high level of commitment in these activities. In 2014 the Fund committed resources to projects in countries such as Mexico, USA, Canada, India, Brazil, the Netherlands, Chile, Romania, Portugal or China, among others. In late 2014 and with revolving character, a total of 197 projects equating to €1,521.4m had been charged to the Fund, leaving at that time 132 projects valued at €856.54m in the portfolio of committed investments.

With regard to FONPYME, the volume of resources committed during 2014 amounted to €17.20m. Also during this period, 16 projects with a volume of €12.73m were formalised under this fund. In late 2014, a total of 98 projects totalling €80.84m were charged to the Fund, leaving a committed investment portfolio of 67 projects worth €54.57m.

3.2. Fund for the Promotion of Development (FONPRODE)

The Law 8/2014, of 22nd April, regarding coverage by the State of the risks of internationalisation of the Spanish economy, contemplated that FONPRODE management, including analysis, planning, negotiation and the monitoring of aid from the same, would be the responsibility of the Ministry of Foreign Affairs and Cooperation, through the Secretary of State responsible in international development cooperation and the Spanish Agency for International Development Cooperation, supported by the Spanish Finance Company development (COFIDES).

The approval of this Act provides recognition to COFIDES for its role as a Spanish Development Finance Institution as

well as the role it plays within the Association of European Development Finance Institutions EDFI. The approval of the Regulations of the law shall determine the functions corresponding to COFIDES in supporting the FONPRODE management.

3.3. ICO Lines

During 2014, there was no adhesion or no formalisation of new financing lines with the ICO, although in the COFIDES portfolio there are formalised sub-contracts from previous years from both the funding line "ICO-Internationalisation" as well as operations from Multidivisa Financing. However, the last operation in the portfolio under a contract of the financing line "ICO-Internationalisation" expired in December 2014.

3.4. Multilateral and bilateral resources

3.4.1. Multilateral Investment Fund (FOMIN)

In late 2014, COFIDES had an assigned financing line with the Multilateral Investment Fund (MIF) for investment in small businesses in Latin America and the Caribbean in its portfolio.

3.4.2. European Development Finance Institutions (EDFI):

In order to finance private sector projects in ACP countries, the financing scheme European Financing Partners (EFP) has so far had five rounds of funding, the last one having been signed in 2013, amounting to an additional €220m. In these rounds, COFIDES has contributed a total of €40m from its own resources and FIEX.

This financing scheme, promoted jointly by the European Investment Bank (EIB) and the European Development Finance Institution, both COFIDES counterparts, had committed as at 31st December 2014, a total of €445m in 34 projects located in 14 different countries. The combined FIEX/COFIDES resources invested in these projects by the end of 2014, resulted in a commitment of €16.32m, in 26 projects in 12 different countries, 11 of them belonging to the Africa Sahara region.

In 2014 COFIDES formalised its participation in the third round of Interact Climate Change Facility (ICCF). In this third round, COFIDES participated with a total of €5m, with 50% coming from FIEX and 50% drawn from their own resources.

The investment facility ICCF had an additional €184m available after the third round of funding. The ICCF was created by the French Development Agency (AFD), the European Investment Bank (EIB) and the Association of European Development Finance Institutions (EDFI) in order to finance private and viable investment projects that contribute to mitigating climate change and promote energy efficiency in countries receiving ODA. ICCF had committed, as of 31st December 2014, a total of €290.5m in 16 projects located in 10 different countries. In late 2014, COFIDES had engaged in both rounds a total of €8.35m in 15 projects in 9 different countries, all countries receiving Official Development Assistance.

Moreover, in September 2014, agreements between the EIB and EDFI were signed, establishing the terms and conditions of two new facilities (€45m in guarantees and €5m for technical assistance) within the framework of the initiative "Sustainable Energy for All", launched in September 2011 by the United Nations.

These two new facilities are the result of the agreement signed between the European Union and the EIB in 2013 to provide European funds to projects financed by EDFIs under EFP and ICCF and which, in turn, contribute to the objectives of universal access to modern energy, energy efficiency and doubling the share of renewable energies in the global mix.

3.5. Royal Decree-Law 8/2014, of 4th July, approving urgent measures for growth, competitiveness and efficiency

The 14/2013 Law to support entrepreneurs and their internationalisation, incorporated the possibility of COFIDES assisting in the identification and analysis of investment projects likely to be financed by the Fund for the Internationalisation of Companies (FIEM) managed by the Secretary of State for Trade from the Ministry of Economy and Competitiveness. Another responsibility given to COFIDES by the law was the possibility of participating, through the FIEX resource, in the home market of companies in Spain that have international activity, as well as other vehicles and / or mutual funds.

In 2014, following the above measures, the expansion of FONPYME scope was launched by Royal Decree-Law 8/2014, of 4th July, approving urgent measures for growth, competitiveness and efficiency allowing them to participate in the home market of small and medium enterprises in Spain, that have international operations.

In this sense, COFIDES has consolidated in 2014 the articulation and realisation of funding with FIEX and FONPYME resources to Spanish home markets with international investment projects.

4. INSTITUTIONAL ACTION

4.1 Other activities within the EDFI framework

In the EDFI framework, COFIDES has participated throughout 2014 in the following working groups in order to standardise the practices of member institutions and to facilitate joint funding of operations: Development Effectiveness & Environmental and Social, Human Resources, Interact Lawyer meeting y Communication Strategy. COFIDES has also attended workshops and courses organised by other European bilateral financial institutions such as a workshop on Financing of the African sub-Sahara, held in Paris, as well as an EDFI workshop about SME Finance, or the IFI/DFI SME Finance Working Group meetings, the last two held in The Hague.

As a member of EDFI, COFIDES has also participated in other meetings and working groups organised in conjunction with institutions such as the International Finance Corporation IFC (World Bank Group).

COFIDES has actively participated in meetings on the harmonisation of indicators of private sector development led by the IFC, which culminated in the signing of a memorandum by 25 international financial institutions (IFIs), including COFIDES. This memorandum seeks to harmonise the first set of indicators used by the IFIs to estimate the effects on the development of private sector operation funding. In 2014 the IFIs involved worked on a second phase of the harmonisation process consisting of three sub-working groups related to (i) governance, (ii) qualitative indicators and methodologies of conversion, (iii) monitoring and evaluation.

After the signing in January 2013 of the Communiqué, “Contributing to creating more and better jobs”, COFIDES was present through the EDFI in the Global Partnership known as “Let's Work”. This initiative aims to bring together a variety of entities - IFIs, the private sector, governments and NGOs. Its objectives include the development of methodologies and analysis to better estimate, understand and strengthen the effects of job creation in the private sector. In September 2014 the steering committee of this initiative met to address issues such as employment multiplier effects in different countries, or the compilation of reports and studies on selected pilot countries.

4.2. Other activities with Financial Institutions

In order to diversify its business, in the last two years, COFIDES has resumed contact with various international financial institutions like the European Investment Bank, European Investment Fund, the Inter-American Development Bank, the Andean Development Corporation and the International Finance Corporation (World Bank Group).

Meanwhile, throughout 2014, COFIDES attended meetings related to the framework of the European Union Platform for blending in Overseas Cooperation, where future blending facilities were discussed for inclusion in the new 2014-2020 Plan. In 2014, COFIDES asked the European Commission to initiate the process to overcome the seven pillar assessment and become an accredited institution to manage blending facility funds of the European Union.

In 2014 COFIDES continued to keep in touch with various national and international fronts, mainly European, with the aim of diversifying its business and management access to a greater variety of resources and funding sources, to enable them to extend the business activities currently under development.

The entry of CAF-Development Bank of Latin America as a COFIDES shareholder with 1.14% of capital is an opportunity to establish synergies and effective cooperation in the relationship that COFIDES maintains with EDFI and other multilateral institutions as well as in the new powers attributed to COFIDES in supporting the management of the Fund for the

Promotion of Development (FONPRODE).

4.3. Signing of partnerships

In 2014, COFIDES signed several agreements with international institutions such as CAF-Development Bank of Latin America to cooperate in the co-financing of private sector projects involving Spanish interests with a positive impact, with emerging or developing countries receiving the investments. Also, COFIDES signed a cooperation agreement with the Instituto do Fomento Empresarial de Angola (IFE) to boost Spanish investment in Angola. In 2014 COFIDES also signed a partnership agreement with Nacional Financiera SNC, Development Banking Institution (NAFINSA) to promote the internationalisation of Spanish companies in Mexico. Finally, COFIDES also signed an agreement as a contributing member to ALIDE (The Latin American Association of Development Financing Institutions).



Formal signing of CAF-Development Bank of Latin America as a COFIDES shareholder

COFIDES continues to strengthen its institutional relationship with the Autonomous Communities, mainly through regional public bodies to promote and support business internationalisation. During 2014, agreements have been signed with: AREX (Aragón Exterior) and PROEXCA (Promociones Exteriores Canarias), these agreements are in addition to those signed in 2013, with SODERCAN (Cantabria), IPEX (Castilla La Mancha) and IGAPE (Galicia) and in 2012 with ADE (Castilla y León), IVACE (Valencia), INFO (Murcia) and FOMENT DEL TREBALL (Catalonia).

In 2014 COFIDES also established agreements with other entities of great importance: Banco Popular, FIAB (Spanish Federation of Food and Beverage Industries), AMRE (Leading Brands of Spain Association) and CEPYME (Spanish Confederation of Small and Medium enterprises).

5. COMMERCIAL ACTION PLAN

The Business Action Plan followed the guidelines of the 2012-2015 COFIDES Strategic Plan, as well as the 2013-2015 Proposed Portfolio Objective that was revised at the beginning of 2014.

The development of commercial activity has been based on two core areas: on one hand, the promotion work and on the other the commercial action carried out directly with companies eligible for COFIDES financial support.

Regarding the first, COFIDES has maintained an outstanding institutional presence in conferences and seminars on financing and internationalisation.

COFIDES has continued to participate in the conferences on Instruments for Internationalisation Support which have been held in several Autonomous Communities, as initiatives of the State Secretariat of Commerce and with the support of the Regional Directorates of Commerce

Furthermore, COFIDES has participated in trade fairs (IMEX, Alimentaria, Expodental) Forums (FORINVEST, SME Capital Forum, Asociación Española de Agencias de Desarrollo Regional Annual Forum, I Financing Fair organised by Aragon Invierte, among others), as well as numerous events and conferences (Conference on internationalisation organised by



Conference on the internationalisation of engineering firms



Conference of Exportar para crecer (Export for Growth) "Destination Mexico: A country of Opportunities" held in Madrid

Banco Santander, Workshop on the new opportunities and challenges of internationalisation of SMEs organised by CEPYME and Banco Popular, the Conference of Broadcasting Funding Instruments SGIPYME, among others), in which COFIDES has actively spread its financial instruments and its support to internationalisation of Spanish companies and the development of recipient countries.

Among the activities conducted within the framework of the agreements signed with regional public bodies to promote and support business internationalisation (AREX, ADE, IGAPE, PROEXCA, IVACE, INFO, FOMENT) it also undertook the organisation of conferences and seminars for companies to display and better understand the financial offerings of COFIDES. Besides these, COFIDES has worked closely with other representative institutions such as Banco Sabadell through the participation in various events organised throughout the year under the program Exportar para crecer (Export for Growth), Exporters Club, CEOE (in different business meetings, and other conferences) as well as business associations (TECNIBERIA and ASCRI among others).

In 2014 direct commercial activity with companies was strongly promoted. Throughout 2014 COFIDES maintained contact with 700 potential customers (9% more than in 2013), the largest amount ever. By company type, 57% of contact was maintained with SMEs. It should also be noted that the Annual Plan for Visits reached a new record, with the number of companies visiting its head offices surpassing 150.

Regarding the creation of new instruments, in 2014 two new facilities were launched, FINMARCA and FINFOOD. Designed in cooperation with the Spanish Federation of Food and Beverages Industries, FIAB, under a cooperation agreement with this organisation, FINFOOD aims to promote the internationalisation of enterprises in the food industry. Meanwhile, FINMARCA is a €50m financing facility of capital promoted in cooperation with the Leading Brands of Spain Association, AMRE, under the Partnership Agreement signed to boost foreign expansion of Spanish companies integrated in this association.

Also, the first operations of financing new corporate clients originated, under the framework of the Law of Supporting of Entrepreneurship and Internationalisation, pursued by direct funding in Spain to companies promoting the development and promotion of their internationalisation.

COFIDES continued its longstanding collaboration with ICEX Spain Trade and Investment under the sponsorship of COFIDES in the Forums and Business Meetings organised by ICEX Spain Export and Investment. In addition to this sponsorship COFIDES, in 2014 actively participated in the Forums and Business Meetings held Chile, India, Vietnam, Angola, Brazil and Serbia.

Moreover, throughout 2014 it has collaborated with the ICEX Spain Trade and Investment in the operation and setting up of procedures for PYME INVIERTE, whose funding requests are forwarded to COFIDES by the Project Support Program Department of ICEX Spain Export and Investment. Throughout 2014 there has been a substantial increase in the number of funded operations under PYME INVIERTE, both productive investment and commercial deployments.

All these promotional actions and business development focus have resulted in 58 new customers passing straight into the Area of Operations for analysis (more than 45% being SMEs) and for volumes exceeding €200m, in 2014.

6. PROJECT MONITORING

With regard to monitoring activities, the rating of the total risk managed, of the portfolio level aggregate between FIEX, FONPYME and COFIDES has been revised and updated to 96%. This figure will rise to 100% in the first quarter of 2015.

In 2014, a more intensive monitoring mechanism was put in place for those operations requiring special monitoring, applying new risk levels according to the financial conditions of those viable operations in order to protect the interests of COFIDES, FIEX and FONPYME. In line with the above, last year resulted in the full and / or partial recovery of several dubious operations.

Finally, in 2014 there has been successful divestment in 4 capital operations.

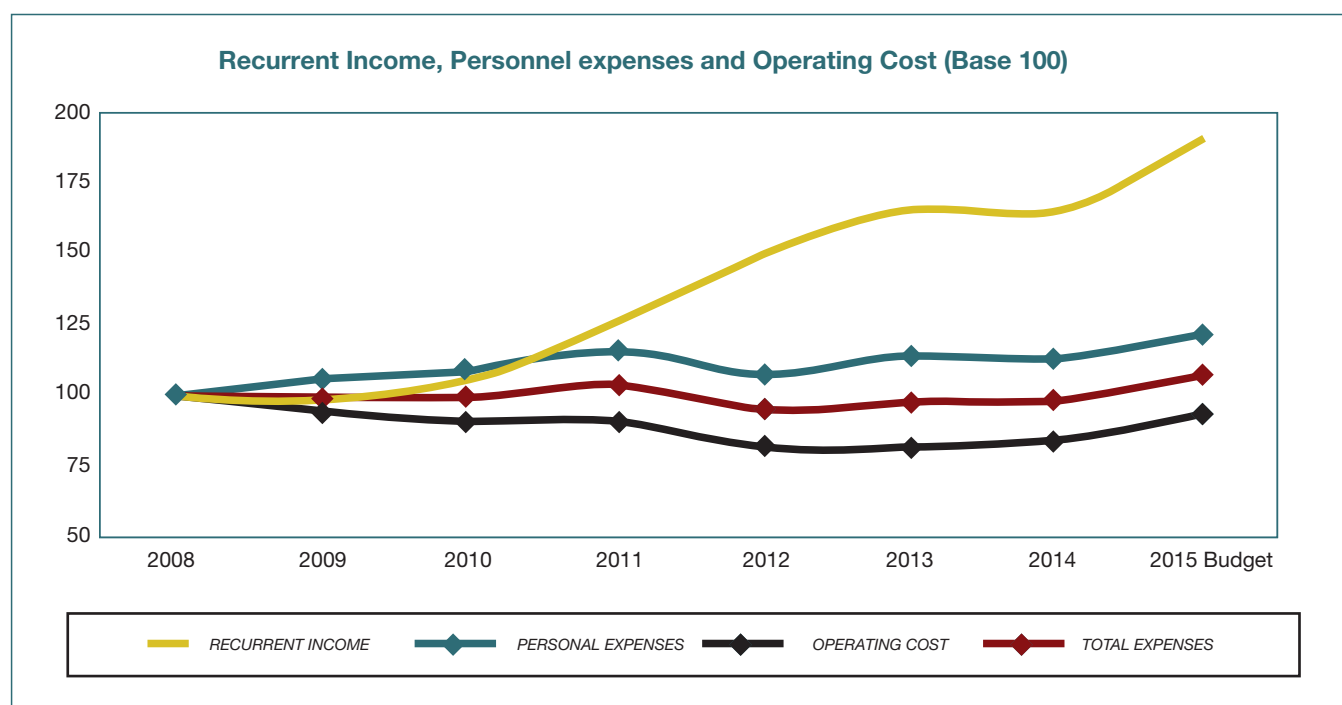
7. COFIDES FINANCIAL POSITION ON 31ST DECEMBER 2014

The turnover of recurring activities of the Company amounted to €22.86m in 2014, representing an increase of 13.87% compared to 2013, which came as a result of steady growth in activity. Given this change in income, policy optimisation and cost containment applied by the Company in the past year, staff costs experienced slow growth of 3.9% and reached €4.32m while other operating expenses remained steady at around €3.08m. As a result of these figures, the profit of recurring activities grew by 22.62% in 2014 to reach €15.19m compared to €12.38m recorded in 2013 and €10.84m in 2012, a historical record.

In turn, this substantial increase in the recurring activity of the Company was accompanied by significant improvements in efficiency, productivity indicators and profitability ratios, which continued to grow in 2014, as shown in the following table and graph:

Efficiency and Productivity indicators	2014	2013	2012
Recurrent revenues generated per operating expense	7.40	7.04	6.42
Recurrent revenues per active staff member (euros)	362,784	352,276	311,196
Investment portfolio per active staff member (euros)	1,253,292	1,205,793	858,841

Profitability Ratio	2014	2013	2012
Return on capital	38.5%	32.7%	27.9%
Return on equity	16.1%	15.9%	14.9%



In conclusion, 2014 represented the transformation of the Company as a leading, profitable and solvent institution, within the internationalisation arena of the Spanish economy, and its openness to foreign markets through entrepreneurship.

■ Staff organization chart ■

PRESIDENCY



Salvador Marín
Chairman



Pilar Cruz



Carlos Moreno

General Secretariat

General Services

GENERAL SECRETARIAT



Ana Victoria Fernández
General secretary



Eva Guerrero



Jesús Aranaz



Teresa Tamés



Luis Torres

CONTROL, INTERNAL AUDIT & QUALITY CONTROL



Mª Victoria de Luis
Deputy Director



Ángeles Prieto



Nuria Blanco

EXTERNAL CORPORATE COMMUNICATION



Laura Manzano

Internal Communication

Human Resources

CORPORATE & INSTITUTIONAL RELATIONS



Fernando Aceña
Deputy Director



Silvia Rodado



May Sánchez

SENIOR MANAGEMENT



Luis de Fuentes
Managing Director



Susana Iglesias

MARKETING AND BUSINESS DEVELOPMENT



Ana Cebrián
Deputy Director



Cristina Mena



Jone Ordeñana



Teresa Madrigal



Rocio Gutiérrez

FINANCING FOR DEVELOPMENT & SUSTAINABILITY



María Vidales
Deputy Director



Regina Pálla



José Carlos Villena



Raúl Moreno



Isabel Griñón



Lola Vázquez

Analysis



Miguel Á. Ladero
Deputy Director



Marisol García



Mar Ríos



Álvaro Hernández



José Luis Ocasar

Análisis



Yolanda Gómez de Segura



Álvaro Justo



Ana Flor



Gloria Santiago



Manuel Fernández

OPERATIONS

Jurídical



Enrique García



Mª Ángeles Vara



Eduardo Fernández



Marta Blond



Antonio Fernández



Pilar Morencos



Ana Luisa Zuleta

Risk Macro-Micro

RISK



Consuelo Díaz
Deputy Director



Cristina Rodríguez



Carolina Fernández-Puebla



Elena Lagos



Umberto Ferrer

Accounting

ECONOMIC-FINANCE



Héctor Turiel
Director



Belén de la Fuente



Laura Sanz

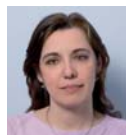


Laura Sánchez



Sergio Nieva

Settlements



Isabel Barril



Ana Romero



Sonia Gómez



Paloma Chillón

Treasury

Information Technology (IT)



Alejandro Colino



Alfonso Sánchez



Daniel Martínez



José Luis Viana



Laura Valeriani

■ Financial Statements and Management Report ■

FOR THE FINANCIAL YEAR ENDING
31 DECEMBER 2014

Letter from the Auditors

FOR THE FINANCIAL YEAR ENDING
31 DECEMBER 2014



Ernst & Young, S.L.
Torre Picasso
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INFORME DE AUDITORÍA INDEPENDIENTE DE CUENTAS ANUALES

A los Accionistas de
Compañía Española de Financiación del Desarrollo, COFIDES, S.A.:

Informe sobre las cuentas anuales

Hemos auditado las cuentas anuales adjuntas de Compañía Española de Financiación del Desarrollo, COFIDES, S.A., que comprenden el balance al 31 de diciembre de 2014, la cuenta de pérdidas y ganancias, el estado de cambios en el patrimonio neto, el estado de flujos de efectivo y la memoria correspondientes al ejercicio anual terminado en dicha fecha.

Responsabilidad de los administradores en relación con las cuentas anuales

Los administradores son responsables de formular las cuentas anuales adjuntas, de forma que expresen la imagen fiel del patrimonio, de la situación financiera y de los resultados de Compañía Española de Financiación del Desarrollo, COFIDES, S.A., de conformidad con el marco normativo de información financiera aplicable a la entidad en España, que se identifica en la Nota 2 de la memoria adjunta, y del control interno que consideren necesario para permitir la preparación de cuentas anuales libres de incorrección material, debida a fraude o error.

Responsabilidad del auditor

Nuestra responsabilidad es expresar una opinión sobre las cuentas anuales adjuntas, basada en nuestra auditoría. Hemos llevado a cabo nuestra auditoría de conformidad con la normativa reguladora de la auditoría de cuentas vigente en España. Dicha normativa exige que cumplamos los requerimientos de ética, así como que planifiquemos y ejecutemos la auditoría con el fin de obtener una seguridad razonable de que las cuentas anuales están libres de incorrecciones materiales.

Una auditoría requiere la aplicación de procedimientos para obtener evidencia de auditoría sobre los importes y la información revelada en las cuentas anuales. Los procedimientos seleccionados dependen del juicio del auditor, incluida la valoración de los riesgos de incorrección material en las cuentas anuales, debida a fraude o error. Al efectuar dichas valoraciones del riesgo, el auditor tiene en cuenta el control interno relevante para la formulación por parte de la entidad de las cuentas anuales, con el fin de diseñar los procedimientos de auditoría que sean adecuados en función de las circunstancias, y no con la finalidad de expresar una opinión sobre la eficacia del control interno de la entidad. Una auditoría también incluye la evaluación de la adecuación de las políticas contables aplicadas y de la razonabilidad de las estimaciones contables realizadas por la dirección, así como la evaluación de la presentación de las cuentas anuales tomadas en su conjunto.

Consideramos que la evidencia de auditoría que hemos obtenido proporciona una base suficiente y adecuada para nuestra opinión de auditoría.



Opinión

En nuestra opinión, las cuentas anuales adjuntas expresan, en todos los aspectos significativos, la imagen fiel del patrimonio y de la situación financiera de Compañía Española de Financiación del Desarrollo, COFIDES, S.A. a 31 de diciembre de 2014, así como de sus resultados y flujos de efectivo correspondientes al ejercicio anual terminado en dicha fecha, de conformidad con el marco normativo de información financiera que resulta de aplicación y, en particular, con los principios y criterios contables contenidos en el mismo.

Informe sobre otros requerimientos legales y reglamentarios

El informe de gestión adjunto del ejercicio 2014 contiene las explicaciones que los administradores consideran oportunas sobre la situación de Compañía Española de Financiación del Desarrollo, COFIDES, S.A., la evolución de sus negocios y sobre otros asuntos y no forma parte integrante de las cuentas anuales. Hemos verificado que la información contable que contiene el citado informe de gestión concuerda con la de las cuentas anuales del ejercicio 2014. Nuestro trabajo como auditores se limita a la verificación del informe de gestión con el alcance mencionado en este mismo párrafo y no incluye la revisión de información distinta de la obtenida a partir de los registros contables de la Sociedad.

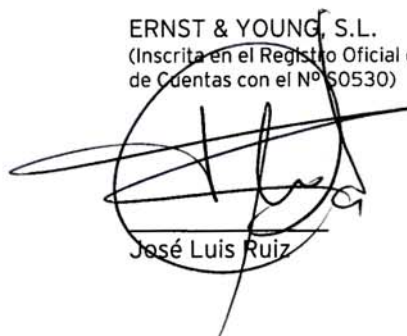


Miembro ejerciente:
ERNST & YOUNG, S.L.

Año 2015 Nº 01/15/04240
SELLO CORPORATIVO: 96,00 EUR

Informe sujeto a la tasa establecida en el artículo 44 del texto refundido de la Ley de Auditoría de Cuentas, aprobado por Real Decreto Legislativo 1/2013, de 1 de julio.

ERNST & YOUNG S.L.
(Inscrita en el Registro Oficial de Auditores de Cuentas con el Nº 60530)


José Luis Ruiz

27 de marzo de 2015

COMPañÍA ESPAÑOLA DE FINANCIACIÓN DEL DESARROLLO, COFIDES, S.A.

Balance sheet on 31th december 2014

(€m)

ASSETS	Notes	2014	2013
NON-CURRENT ASSETS		71,375	65,350
Intangible assets	5	146	314
Industrial Property		-	-
Software		124	299
Advances on software		22	15
Tangible assets	6	255	252
Other facilities		132	154
Furnishings		59	67
Computer hardware		64	31
Advances and tangible assets		-	-
Long-term financial investments		70,974	64,784
Equity instruments	10	12	12
Loans to companies	11	62,073	57,191
Other financial assets	11	79	78
Accounts receivable	11	8,810	7,503
CURRENT ASSETS		33,726	33,127
Non-current assets held for sale	7	775	775
Trade debtors and other receivables	11	8,913	6,926
Accounts receivable		705	213
Accounts receivable, Funds		8,208	6,713
Loans with General Government		-	-
Short-term financial investments	11	11,549	23,578
Loans to companies		10,375	8,250
Interest outstanding on loans to companies		439	384
Other financial assets		730	14,724
Interest outstanding on other financial assets		5	220
Short-term accrual accounts		13	14
Cash and other equivalent liquid assets	12	12,476	1,834
TOTAL ASSETS		105,101	98,477
EQUITY AND LIABILITIES	Notes	2014	2013
NET EQUITY		99,818	93,779
Issued capital	13	39,396	39,396
Reserves		51,800	41,448
Legal and statutory reserves		5,870	4,577
Other Reserves		45,930	36,871
Yearly earnings	3	8,622	12,935
NON-CURRENT LIABILITIES		1,124	1,406
Long-term debt	15	1,124	1,406
Debts with financial institutions		929	1,250
Other financial liabilities		195	156
CURRENT LIABILITIES		4,159	3,292
Liabilities associated with non-current assets held for sale	7	126	140
Short-term debt	15	494	556
Debts with financial institutions		494	556
Trade creditors and other payables		2,155	1,866
Sundry payables	15	426	320
Staff (remuneration outstanding)	15	365	269
Current tax liabilities	17	1,161	1,123
Other tax payables	17	203	146
Other financial liabilities	15	-	8
Short-term accrual accounts	16	1,384	730
TOTAL EQUITY AND LIABILITIES		105,101	98,477

COMPAÑÍA ESPAÑOLA DE FINANCIACIÓN DEL DESARROLLO, COFIDES, S.A.

Profit and Loss StatementOn 31st December 2014

(€m)

ON-GOING OPERATIONS	Notes	2014	2013
Net turnover	19,1	23,671	25,276
Employee costs	19,2	(4,321)	(4,158)
Wages and salaries		(3,392)	(3,269)
Employee welfare		(929)	(889)
Other operating expenses		(5,907)	(2,398)
Consulting	19,3	(3,039)	(2,793)
Taxes	19,3	(47)	(61)
Loss and write-downs in provisions for trade operations	11,1 & 11,2	(2,821)	456
Amortisation and depreciation of non-current assets	5.6	(267)	(258)
Impairment and gains on disposal of equity instruments		-	33
Impairment on equity instruments	10	-	23
Disposals	10	-	10
Impairment and gains on disposals of assets	5. 6 & 7	1	(421)
Impairment and Losses		-	-
Disposals and Others		1	(421)
Other Results		(3)	(2)
OPERATING INCOME		13,174	18,072
Revenues	19,4	99	564
Marketable securities and other financial instruments			
Third-party		99	564
Financial expenses		(69)	(58)
Payable to financial institutions		(26)	(42)
Other third party payables		(43)	(16)
Exchange rate differences		357	(91)
FINANCIAL INCOME		387	415
INCOME BEFORE TAX		13,561	18,487
Income Tax	17	(4,939)	(5,552)
PROFIT FOR THE YEAR	3	8,622	12,935

COMPañÍA ESPAÑOLA DE FINANCIACIÓN DEL DESARROLLO, COFIDES, S.A.

Statement of Changes in Shareholder Equity

On 31st December 2014
(€m)

A) Statement of Income and Expenditure for year ending 31st December 2014

	Notes	2014	2013
Profit/Loss for the year	3	8,622	12,935
TOTAL INCOME AND EXPENDITURE		8,622	12,935

B) Statement of Total Changes in Shareholder Equity for year ending 31st December 2014

	Share Capital (Note 13.1)	Legal Reserve (Note 13.2)	Voluntary Reserve (Note 13.3)	Profit for the year (Note 3)	Dividends (Note 3.1)	Total
Balance on 31 December 2012	39,396	3,733	30,589	8,437	-	82,155
Total income and expenditure in 2013	-	-	-	12,935	-	12,935
Distribution of 2012 profit:						
Reserves	-	844	6,282	(7,126)	(1,311)	(1,311)
Dividends	-	-	-	(1,311)	1,311	-
Balance on 31 December 2013	39,396	4,577	36,871	12,935	-	93,779
Total income and expenditure in 2014	-	-	-	8,622	-	8,622
Distribution of 2013 profit:						
Reserves	-	1,293	9,059	(10,352)	(2,583)	(2,583)
Dividends	-	-	-	(2,583)	2,583	-
BALANCE ON 31 DECEMBER 2014	39,396	5,870	45,930	8,622	-	99,818

COMPAÑÍA ESPAÑOLA DE FINANCIACIÓN DEL DESARROLLO, COFIDES, S.A.

Cash Flow StatementOn 31st December 2014

(€m)

	Notas	2014	2013
OPERATING CASH FLOW			
Earnings before tax		13,561	18,487
Adjustment		3,057	(306)
Depreciation on non-current assets (+)	5. 6	267	258
Adjustments for impairment on investments (+/-)	10	-	(23)
Variation in provisions (+/-)	11,1 & 11,2	2,821	(456)
Results for retirements and alienation of non-current assets (+/-)		(1)	421
Financial revenues (-)		(99)	(564)
Financial expenses (+)		69	58
Change in working capital		(11,895)	(28,099)
(Increase)/decrease in Debtors and other receivables		(1,987)	(1,222)
(Increase)/decrease in other current liabilities		(3,960)	(2,646)
Increase/(decrease) in Creditors and other payables		246	(3)
Increase/(decrease) in other current liabilities		654	(74)
Other non-current assets (+/-)		(6,873)	(24,198)
Other non-current liabilities (+/-) Other non-current liabilities (+/-)		25	44
Other cash flow from operations		(4,866)	(5,409)
Interest paid (-)		(69)	(66)
Interest received (+)		99	629
Receipts from (payment of) corporation tax (+/-)		(4,896)	(5,972)
Operating cash flow		(143)	(15,327)
CASH FLOWS FOR INVESTMENT ACTIVITIES			
Payments on investments (-)		(101)	(122)
Intangible assets	5	(47)	(114)
Tangible assets	6	(54)	(8)
Revenues for divestments (+)		14,209	5,721
Other financial assets		14,209	5,721
Cash flows for investment activities		14,108	5,599
CASH FLOWS FOR FINANCING ACTIVITIES			
Receivables and payments for financial liability instruments		(383)	(1,097)
Return and repayment of		(383)	(1,097)
Bank loans (-)		(383)	(1,097)
Payments on dividends and earnings on other equity instruments	3,1	(2,583)	(1,311)
Dividends		(2,583)	(1,311)
Financial Cash Flow		(2,966)	(2,408)
EFFECT OF EXCHANGE RATE VARIATIONS		(357)	91
NET INCREASE/(DECLINE) IN CASH OR CASH EQUIVALENTS		10,642	(12,045)
Cash and cash equivalents at beginning of year	12	1,834	13,879
Cash and cash equivalents at year end	12	12,476	1,834

COMPañÍA ESPAÑOLA DE FINANCIACIÓN DEL DESARROLLO, COFIDES, S.A.
Notes to the Financial Statements
On 31st December 2014

1. Company Nature, business activity and group composition

Compañía Española de Financiación del Desarrollo, COFIDES S.A. (hereafter the company or COFIDES) is a state-owned company whose corporate purpose is to provide financial support for private direct investment projects with Spanish interests and located in developing or emerging countries.

In addition to deploying its own resources to meet that purpose, the company also draws on various financing agreements concluded with State-owned or multilateral financial institutions.

Act 66/1997 of 30 December, appointed COFIDES to manage the Fund for Foreign Investment (FIEX) and the Fund for SME Foreign Investment Operations, on its own behalf and on behalf of such funds. In addition, fund activities and operations are governed by Royal Decree 1226/2006 of 27th October, which supersedes previous legislation. Provisioned yearly from the national budget, both FIEX and FONPYME pursue the internationalisation of Spanish companies and the Spanish economy in general through syndicated financial instruments under co-financing arrangements with project sponsors.

On 24th January 2000 a ten million-dollar co-financing facility was formalised between the Multilateral Investment Fund (FOMIN) and COFIDES to finance investment projects undertaken by Spanish SMEs under joint venture arrangements in all Latin American and Caribbean countries except Cuba. Although the facility was initially scheduled to remain live through 31st July 2011 that date was later set back to 31st December 2013 to ensure recovery of the investment in company projects with a subsequent repayment or divestment date. The line was closed for further operations in financial year 2006.

The 14/2013 Law, created to support entrepreneurs and internationalisation, incorporated the power of COFIDES to assist in the identification and analysis of investment projects likely to be financed by the Fund for the Internationalisation of Enterprises (FIEM) and managed by the State Secretariat of Commerce of the Ministry of Economy and Competitiveness.

The 8/2014 Act, of 22nd April, on coverage by the State of the risks of internationalisation of the Spanish economy contemplated that FONPRODE management, including analysis, planning, negotiation and monitoring of aid from the same, would be the responsibility of the Ministry of Foreign Affairs and Cooperation, through the Secretary of State responsible for international development cooperation and the Spanish Agency for International Development Cooperation, supported by the Spanish Finance Company Development (COFIDES). The approval of this Act is recognition for COFIDES as a Development Finance Institution and the role within the bilateral Association of Development Finance Institutions European EDFI. The approval of the Regulations defines the tasks corresponding to COFIDES in supporting the management of FONPRODE.

The company's registered office for business and tax purposes is located at 132 Príncipe de Vergara Street, 12th storey, Madrid, Spain.

2. Criteria for presenting statement

2.1 True and accurate view

The financial statements were drawn from COFIDES SA's accounts. The financial statements for 2014 were prepared according to existing commercial legislation and in accordance with the standards established in the National Charter of Accounts to provide a true and fair representation of the company's financial situation on 31st December 2014, as well as of the results of its operations, changes in equity and cash flow during the financial year ending on that date.

The company's directors deem that the attached financial statements for 2014 will be approved by the General Meeting of Shareholders with no amendments whatsoever.

2.2 Comparative information

The figures for the 2014 financial period, present the financial statements including the figures for the previous year, 2013, reported in the financial statements approved at the General Shareholders' Meeting held on 30th April 2014, for each item on the balance sheet, income statement, statement of changes in equity, cash flow statement.

2.3 Critical aspects of the valuation and estimation of uncertainties and relevant judgements in the application of accounting policies

The preparation of the financial statements and application of the company's accounting policies calls for significant decision-making in terms of accounting estimates, judgements, and assumptions. The following is a summary of the factors entailing the utmost discretion or complexity or in which the assumptions and estimates have a significant impact on the preparation of the financial statements

Adjustments for impairment on investments

One of the specific tasks of the company's Operations Area and Risk Area is to supervise and manage the risks involved in its commercial financial operations and analyse the impairment of such financial assets throughout the year (see Note 4.6.6).

2.4 Functional currency and reporting currency

The company presents its financial statements in thousands of euros, its functional and reporting currency, rounded to the nearest thousand.

3. Distribution of earnings

3.1 Distribution of earnings

The distribution of earnings for the year ending on 31st December 2013, proposed by the directors and approved by the General Meeting of Shareholders on 30th April 2014, was as itemised below:

	2014
	Euros
Basis for distribution	
Yearly earnings	8,622,145.85
Distribution	
Dividend distribution	1,311,000.00
Legal Reserves	2,009,144.51
Voluntary Reserves	5,302,001.34
TOTAL	8,622,145.85

3.2 Limitations on dividend payments

Ten per cent of a company's yearly profit must be earmarked for legal reserves until the funds provisioned amount to at least 20% of its share capital. Until that 20% minimum is reached, the funds in this reserve cannot be distributed among a company's shareholders (Note 13).

Once the sums specified by law or the by-laws are covered, dividends may only be distributed against the year's profit or freely available reserves providing the net equity, as a result of the proposed dividend payment, does not slide below the share capital. For these intents and purposes, the profit directly posted as net equity may not be directly or indirectly used for dividend payments. If previous years' losses lowered the company's net equity to less than the value of its share capital, any profit must be earmarked to offset such losses.

4. Accounting and valuation criteria

The accounting and valuation criteria used by the Company to draw up these financial statements are described below:

4.1 Intangible assets

Intangible assets are initially valued at their purchase price, this being the acquisition price or the production cost.

After the initial valuation, the intangible assets are valued at cost less cumulative amortisation and any accumulated impairment losses, as appropriate.

Each intangible asset is analysed to determine whether its service life is limited or open-ended.

4.1.1 Commercial Property

This entry allocates the corresponding amount to the name or trade name of the Company.

4.1.2 Software

Software is booked at its purchase price. Maintenance costs are written when incurred.

4.1.3 Service life and amortisation

Intangible assets are amortised by distributing the sum subject to amortisation evenly across the service life of the asset, pursuant to the following criteria:

	Amortisation method	Estimated service life (years)
Commercial property	Straight-line	10
Software	Straight-line	4

For all intents and purposes, the sum subject to amortisation is understood to be the acquisition cost less the residual value, as appropriate.

The company revises the residual value, service life and amortisation method for intangible assets at least yearly, at the end of the financial year. Any amendments to the criteria initially established are posted as changes in the estimate.

4.1.4 Impairment of non-current assets

The company assesses and corrects intangible assets for indications of impairment losses and reversal of such losses pursuant to the criteria set out in Note 4.3.

4.2 Tangible assets

4.2.1 Initial value

Tangible assets are booked at their purchase price or production cost and carried on the balance sheet at that value less depreciation and any accumulated impairment losses, as appropriate.

4.2.2 Amortisation

Non-current tangible assets are depreciated by distributing the sum subject to depreciation evenly across their service life. For these intents and purposes, the sum subject to depreciation is understood to be the acquisition cost less the residual

value. The company determines the depreciation costs for each asset.

Non-current tangible assets are depreciated in accordance with the criteria shown below:

	Amortisation method	Estimated service life (years)
Other facilities	Straight-line	10
Furnishings	Straight-line	10
Computer hardware	Straight-line	2-4

The company revises the residual value, service life and depreciation method for tangible assets at the end of each reporting period. Amendments to the criteria initially established are booked as changes in the estimate.

4.2.3 Subsequent costs

Subsequent to the initial posting of an asset, only costs that entail an increase in its capacity, productivity or service life are capitalised. In this regard, the routine maintenance costs for non-current tangible assets are expensed against income when they are incurred.

4.2.4 Impairment of asset value

The company assesses and corrects non-current tangible assets for indications of impairment losses and reversal of such losses pursuant to the criteria set out in Note 4.3.

4.3 Impairment of the value of non-financial assets subject to amortisation or depreciation

The company is alert to indications that might denote impairment of the value of non-financial assets subject to amortisation or depreciation. The purpose of such monitoring is to verify whether their carrying value exceeds their recoverable value, understood to be the higher of their value in use, or the fair value, less costs of sale, that they can be expected to command. After the impairment loss or loss reversal is posted, subsequent years' amortisation/depreciation is based on the new carry-over value.

That notwithstanding, if analysis of the specific circumstances of any given asset reveals an irreversible loss, such loss is expensed directly against losses on non-current assets and shown as such on the income statement.

Impairment losses are expensed against income.

4.4 Non-current assets held for sale

The Company classifies in the heading "Non-current assets held for sale" those assets whose carrying value will be recovered principally through a sale transaction rather than through continuing use, when the following requirements are met:

- The assets are available for immediate sale in their present condition subject only to terms that are usual and customary for sales of such assets.
- Their sale is highly probable.

Non-current assets held for sale are valued at the lower of their carrying amount and fair value less costs to sell, with the exception of deferred tax assets. These assets are not depreciated and, where necessary, are adjusted to ensure that the carrying amount is not higher than the fair value less costs to sell.

The related liabilities are posted under the item "Liabilities associated with non-current assets held for sale".

4.5 Leases

Leases in which the lessor essentially transfers all risks and rewards incident to legal ownership to the lessee are regarded to be financial leases; all others are classified as operational leases.

4.5.1 Lessor accounting

Revenues from operational leases are posted in the profit and loss account upon accrual. The direct costs attributable to the lease are booked as an increase in the value of the leased asset and posted as an expense during the term of the lease, in keeping with the same criterion as used for posting revenues from leased property.

4.5.2 Lessee accounting

The company has concluded operating leases with third parties for occupation of the premises where it conducts its usual business (headquarters and branch office), as well as for a vehicle used by its staff.

The rent paid for operational leases, net of incentives, is expensed evenly across the term of the lease.

4.6 Financial instruments

Classification and separation of financial instruments

When initially booked financial instruments are classified as financial assets, financial liabilities or equity instruments depending on the economic substance of the respective arrangements and in accordance with the definitions of financial assets, financial liability and equity instruments.

The company classifies its financial instruments into different categories for valuation purposes, depending on their characteristics and Management's intention when they are initially posted.

4.6.1 Loans and accounts receivable

Loans and accounts receivable consist of loans for trade and non-trade operations that are not listed on a live market and whose settlement involves fixed or determinable sums. These assets are initially carried at fair value, including the transaction costs incurred, and are subsequently valued at their amortised cost, calculated using the effective interest rate method.

Nonetheless, financial instruments with no established interest rate, with a maturity of under one year or for which repayment is expected in the short term and not significantly affected by possible updating, are appraised at face value.

4.6.2 Investments held through maturity

Investments held through maturity are debt securities with a set maturity date, involving fixed or determinable sums and traded on a live market, that the company fully intends and has sufficient capacity to hold through their maturity date, unlike securities classified under other categories. The valuation criteria applicable to financial instruments classified in this category are the same as applied to loans and accounts receivable.

4.6.3 Other financial instruments carried at fair value

Investments in companies are initially carried at cost, which is the same as the fair value of the consideration including the transaction costs incurred, and subsequently valued at cost, less any accumulated impairment losses.

Although the company holds stakes of over 20% in some firms, as these are supported investments subject to repurchase agreements by a specific deadline, they are not consolidated in company accounts. Consequently, they are neither regarded as long-term investments, nor are their management, which is not incumbent upon the company, integrated in COFIDES' overall strategy.

4.6.4 Interest

Interest is posted in keeping with the effective interest rate method and dividends when entitlement thereto is established.

4.6.5 Disposal of financial assets

Financial assets are retired from the books when the right to receive cash flows related thereto expire or are transferred and the company has effectively disposed of any risks or rewards relating to legal ownership.

The full retirement of a financial asset entails posting the profit or loss resulting from the difference between its carrying amount and the sum of the consideration received, net of transaction costs. The assets obtained or liabilities assumed and any deferred loss or gain in the company's recorded income and expense, in turn, are included in its net equity.

4.6.6 Impairment of financial instrument value

A financial asset or group of financial assets becomes impaired, generating a loss, if objective evidence of impairment is forthcoming. Such evidence consists of one or several events occurring after the instrument is initially booked that have a reliably estimable impact on the future cash flows calculated for the assets or group of instruments.

On 29th November 2013 the Board of Directors approved a policy update to the principles of Circular 4/2004 of the Bank of Spain regarding the mitigation of risk relating to portfolio impairment that the Company applies. The implementation of this new policy resulted in the following new operating line:

- Maintain an individualised analysis of the Fund's loan portfolio relating to risk quality and its extension to the equity interest and fixed-rate equity operations.
- The impairment of financial assets is based on the internal rating of the operation and any other circumstance that may affect it, after taking into account the guarantees obtained to try and ensure the success of the operations.
- The risk mitigation for impairment-classified operations or groups of operations relating to credit risk in the case of customer default risk and credit risk in respect of country risk, signifies that when both risks are present, demanding mitigation criteria will apply in each case.
- The mitigation of risk for impairment on doubtful assets follows a general distinction between debt treatment of 3 to 6 months, 6 to 9 months, 9 to 12 months and over 12 months by applying to each of these scales percentages of 25%, 50%, 75% and 100% respectively.
- In the case of real guarantees being provided and that their valuation and assessment are considered acceptable, the applicable general framework will take into account the amount of risk mitigated by the Funding for your investment abroad Financial Statements and Management Report 62 Notes to the Financial Statements value of the guarantee. Because of this, the maximum age of available appraisal reports is 3 years unless there are significant reductions in market prices, a more recent appraisal may be warranted. To the current appraisal value, an agreed percentage dependant on the type of guarantees will be applied, creating percentage values between 80% and 0% depending on the type of building collateral.
- The policy also provides the possibility of treating these operations independently for reasons other than the existence of collateral that underpins the operation. Under this assumption the deterioration of the applicable value will be determined based on the specific report issued and supported by the Operations team and/or the Secretary General.

The Value in use is calculated on the grounds of the company's share in the current value of both the estimated cash flow from ordinary business and of the final disposal of the asset, or the flows expected from the distribution of dividends and final divestment.

For equity instruments, the value becomes impaired when the asset's carrying value cannot be recovered due to a prolonged or significant decline in its fair value.

Impairment loss or reversal of loss is posted in the profit and loss account.

4.7 Financial liabilities

4.7.1 Debits and payables

These items include financial liabilities generated by the purchase of goods and services for the company's business and non-trade operation debits other than derivatives.

When initially posted on the balance sheet, they are carried at fair value which, barring evidence to the contrary, is the transaction price, i.e. the fair value of the consideration received, adjusted for any transaction costs directly attributable thereof.

After the initial post, these financial liabilities are valued at their amortised cost. The interest accruing is entered in the profit and loss account in accordance with the effective interest rate criterion.

That notwithstanding, trade operation debits with a maturity of not over one year that have no contractual interest rate, as well as outlays demanded by third parties on holdings whose sum is expected to be paid in the short term, are valued at their face value when the impact of failure to update cash flows is regarded as negligible.

4.7.2 Security deposits

Security deposits are established as a result of leases, valued in accordance with the criteria described for financial instruments.

4.7.3 Retirements and modifications in financial liabilities

The Company retires all or part of a financial liability when it meets the obligation inherent in the liability or is legally dispensed from the essential responsibility incident thereto, by virtue of a court ruling or by the creditor.

Any difference between the carrying value of the financial liability, or any part thereof, that is cancelled or assigned to a third party, and the consideration paid, including any asset assigned other than cash or the liability assumed, is posted to the profit and loss account.

4.8 Foreign exchange transactions, balances and flows

Foreign exchange transactions are converted to euros at the exchange rate in effect on the date of the transaction.

Monetary and non-monetary assets and liabilities denominated in foreign currencies are converted to euros at the exchange rate in effect at year end.

Non-monetary assets carried at fair value are converted to euros at the exchange rate in effect at year end.

In the cash flow statement, flows from foreign exchange transactions are converted to euros at the exchange rate in effect on the date of the transaction.

The positive and negative differences arising in foreign currency transaction settlements and in the conversion to euros of monetary assets and liabilities denominated in foreign currency are booked against the results.

Exchange rate losses or gains on non-monetary financial assets and liabilities assessed at fair value are posted together with variations in such fair value. That notwithstanding, the exchange rate variation component in nonmonetary financial assets denominated in foreign currency is booked against results when the assets are classified as sellable and fair value hedging is in place for such components. The rest of the variation of fair value is posted as described in Note 4.6 (Financial instruments).

4.9 Cash and other cash-equivalent liquid assets

This item includes cash at hand and in current accounts and deposits, as well as temporary acquisitions of assets that meet all the following requirements.

- They can be converted to cash.
- Their maturity at purchase was not over three months.
- They are subject to no significant risk of change in value.
- They form part of the company's standard cash management policy.

For the intents and purposes of cash flow, any overdrafts forming part of the company's cash management practice are carried as less cash and other cash-equivalent liquid assets.

4.10 Short-term remuneration for employees

The expected cost of short-term remuneration is posted as the services that afford employees entitlement thereto are rendered. The company books the expected cost of employee profit-sharing or incentive plans when a present, legal or implicit, obligation exists as a result of past events and the value of the obligation can be reliably estimated.

4.11 Severance pay

Severance payments are accounted for as soon as a detailed formal plan is in place and the staff affected notified of the intention to terminate the employment relationship, either because the plan is underway or because its chief characteristics have been announced.

Pursuant to the existing labour legislation, under certain circumstances, the company is bound to pay severance upon termination of employment. Severance pay that can be reliably quantified is expensed in the year in which the company has created a valid expectation in respect of the parties concerned.

4.12 Provisions

Provisions are posted: when the company incurs an obligation, be it legal, contractual, implicit or tactical, as the result of a past event; when an outlay of resources from future earnings is likely to be needed to meet such obligations; and when the sum of the obligation can be reliably estimated.

The financial effects of such provisions are posted in the profit and loss account as financial expenses.

Provisions include neither the fiscal effects nor the earnings expected from the sale or abandonment of assets.

Provisions are reversed against results when it becomes unlikely that outflows will be required to cancel the obligation.

4.13 Tax on earnings

Expenses or revenues under this item include both current and deferred taxes on earnings.

Current tax assets or liabilities are assessed as the sums expected to be paid to or refunded by tax authorities, further to the legislation and tax rates in effect or approved and pending publication at the end of the financial year.

The current or deferred tax on earnings is posted against results, unless it is the consequence of a combination of operations or of a transaction or economic event recorded against equity in the same or another reporting period.

Timing adjustments are systematically posted, barring the exceptions laid down in the existing legislation, while deductible timing adjustments are recorded whenever they are likely to be offset by future positive taxable income.

Deductible timing adjustments are recorded whenever future positive taxable income is likely to be large enough to offset such adjustments.

Deferred tax assets and liabilities are estimated at the tax rates that will be applicable in the years when the assets are expected to be refunded or the liabilities paid.

Deferred tax assets and liabilities are carried on the balance sheet as non-current assets or liabilities, regardless of the expected refund or payment date.

4.14 Classification of current and non-current assets and liabilities

The company classifies assets and liabilities as current when it expects settlement to be forthcoming in its normal operating cycle. They are recorded primarily for the purposes of negotiation and their expected date of liquidation is within twelve months of closing.

Financial liabilities are classified as current when they must be settled within twelve months of closing, even if the original term is for a period of more than twelve months, and when long-term refinancing or payment restructuring arrangements are in place that expire after the end of the financial year but before the financial statements are prepared.

4.15 Revenues and expenses

Revenues and expenses resulting from increases or decreases in the company's resources are recorded on an accrual basis in the target year, providing the sum thereof can be reliably determined.

Ordinary management revenues are booked at the fair value of the consideration received or to be received, in proportion to the percentage of the service provided by the end of the financial year.

The company posts the ordinary revenues and costs associated with the operations in which it acts as manager, collecting the sums involved on behalf of the funds managed. In these operations only the fees earned are booked as ordinary revenues. It posts ordinary revenues and related costs, including both fees and interest, associated with the loans granted against its own resources in keeping with the same criteria.

4.16 Related party transactions

Related party transactions are booked in accordance with the valuation standards described above.

The costs of related party operations are suitably accommodated. The company's directors deem that they entail no risk of losses that would generate significant tax credits.

5. Intangible assets

The entries under the items comprising "Intangible non-current assets" are summarised below:

(Euros ('000))	2014			
	Commercial Property	Software	Advance on computer software	Total
Cost on 1st January 2014	2	1,942	15	1,959
Acquisitions	-	40	7	47
Retirements	-	-	-	-
Transfers	-	-	-	-
Cost on 31st December 2014	2	1,982	22	2,006
Accumulated depreciation on 1st January 2014	(2)	(1,643)	-	(1,645)
Acquisitions	-	(215)	-	(215)
Retirements	-	-	-	-
Transfers	-	-	-	-
Accumulated depreciation on 31st December 2014	(2)	(1,858)	-	(1,860)
Net carrying value on 31st December 2014	-	124	22	146

Euros ('000)	2013			
	Commercial Property	Software	Advance on computer software	Total
Accumulated depreciation on 31st December 2013	2	1,831	12	1,845
Acquisitions	-	111	3	114
Retirements	-	-	-	-
Transfers	-	-	-	-
Cost on 31st December 2013	2	1,942	15	1,959
Accumulated depreciation on 1st January 2013	(2)	(1,439)	-	(1,441)
Acquisitions	-	(204)	-	(204)
Retirements	-	-	-	-
Transfers	-	-	-	-
Accumulated depreciation on 31st December 2013	(2)	(1,643)	-	(1,645)
Net carrying value on 31st December 2013	-	299	15	314

5.1 Totally depreciated assets

The cost of totally amortised intangible assets still in use on 31 December is as follows:

Euros ('000)	2014	2013
Commercial Property	2	2
Software	1,271	1,266
TOTAL	1,273	1,268

5.2. Insurance

The company has a number of insurance policies to cover the risks to its intangible assets. The cover provided by these policies is regarded as sufficient.

5.3. Other information

No purchase - sale transactions involving non-current assets were concluded with group companies. At 31st December 2014 there were no commitments related to intangible assets. The same state existed on 31st December 2013.

6. Tangible assets

The entries comprising "Tangible non-current assets" are summarised below:

Euros ('000)	2014				
	Other facilities	Furnishings	Computer hardware	Advances	Total
Cost on 1st January 2014	385	269	287	-	941
Acquisitions	-	2	54	-	56
Retirements	-	-	(79)	-	(79)
Transfers	-	-	-	-	-
Cost on 31st December 2014	385	271	262	-	918
Accumulated depreciation on 1 January 2014	(231)	(202)	(256)	-	(689)
Acquisitions	(22)	(10)	(20)	-	(52)
Retirements	-	-	78	-	78
Transfers	-	-	-	-	-
Accumulated depreciation on 31 December 2014	(253)	(212)	(198)	-	(663)
Net carrying value on 31 December 2014	132	59	64	-	255

Euros ('000)	2013				
	Other facilities	Furnishings	Computer hardware	Advances	Total
Cost on 1st January 2013	385	266	283	-	934
Acquisitions	-	3	8	-	11
Retirements	-	(1)	(1)	-	(2)
Transfers	-	-	-	-	-
Cost on 31st December 2013	385	268	290	-	943
Accumulated depreciation on 1 January 2013	(210)	(191)	(236)	-	(637)
Acquisitions	(21)	(11)	(24)	-	(56)
Retirements	-	1	1	-	2
Transfers	-	-	-	-	-
Accumulated depreciation on 31 December 2013	(231)	(201)	(259)	-	(691)
Net carrying value on 31 December 2013	154	67	31	-	252

6.1 Totally depreciated assets

The cost of totally depreciated tangible assets still in use on 31 December is as follows:

Euros ('000)	2014	2013
Other facilities	171	171
Furnishings	164	163
Computer hardware	170	237
TOTAL	505	571

6.2 Insurance

The company has a number of insurance policies to cover the risks to its tangible assets. The cover provided by these policies is regarded as sufficient.

6.3 Other information

No purchase - sale transactions involving non-current assets were concluded with group companies.

On 31st December 2014 y 2013 the company had no commitments to purchase tangible assets.

7. Non-current assets held for sale

On 28th February 2012, Commercial Court 2 of Bilbao awarded the Company a property located in the municipality of Munguia, Vizcaya, following mortgage foreclosure proceedings in connection with the repayment of a loan. The award value of the property was €1,327,000. The property was not under lease to third parties.

On 19th April 2012, the company took formal possession of the property pursuant to an instrument placed on public record at the Gernika-Lumo land office. The property was booked at its fair value (€1,356,000) on that date.

Inasmuch as company Management is actively promoting the sale of the property, it appears on the balance sheet under the caption "Non-current assets held for sale" and appears similarly detailed at 31 December 2014.

The estimated cost of sales, a value of €140.00 is listed on the balance sheet under the item "Liabilities associated with non-current assets held for sale" and appears similarly detailed at 31 December 2013 of €140,000 at 31st December 2014 of €126,000, as during the year 2014 costs of this amount have been realised.

At 31 December 2014, the company considers the valuation of the property for €775,000 is appropriated. At 31 December 2013, the company considered the valuation of the property had reduced to €775,000 and applied an impairment loss amounting to €422,000. In turn, mentioning that on 31 December 2012, the appraised value of the estate amounted to €1,197,000, so it was considered necessary to provide a valuation allowing for impairment amounting to €159,000 for that year.

8. Risk policy and management

8.1. Financial risk factors

The Company's business is exposed to foreign currency, credit, liquidity and cash flow interest rate risks. Globally speaking, its risk management focuses on the uncertainty of the economic environment and attempts to minimise the potentially adverse effects of that environment on its own financial profitability.

Active risk management comes under the remit of the Company's Operations management as well as its Risk management teams, in accordance with the policies approved by the Board of Directors and more specifically its Operating Criteria, the 2012-2015 Strategic Plan including the recent revisions, and this has greatly strengthened its control mechanisms, reporting and monitoring of financial risk. The Operations team identifies, evaluates and details the financial risks of new operations proposed to the Company and also manages financial risks of current operations to be able to better manage future mitigation. The Risk team manages the portfolio risk as a whole and monitors each company's compliance with their own internal risk criteria, both individually and globally. All this and accounting purposes, follow the provisions of paragraph 4.6.6.

8.1.1 Credit risk

In keeping with the provisions of its Operating Criteria, the company has not incurred any significant burden of credit risk. It implements policies that are able to accurately assess its financing operations and ensure that all its clients have a suitable credit history.

Corrections in valuations due to client insolvency entail a reasonable amount of discretion on the part of Management, as well as a revision of individual balances based on client credit ratings, current market trends and a historical analysis of pooled insolvencies. The country-specific component in corrections of individual valuations is based on the country's credit rating drawn from information provided by external agencies. In corrections of valuations deriving from aggregate analysis of default history, a reduction in the size of the balance implies a reduction in valuation corrections, and vice-versa.

8.1.2 Foreign currency risk

Since the company operates internationally, some of its operations are exposed to foreign currency risk, specifically as regards to the US dollar. Foreign currency or exchange rate risk is incurred in forward trade transactions, booked assets and liabilities, and net investments in business abroad.

The company has a refinancing line denominated in US dollars with the Official Credit Institute, one of its shareholders, to mitigate its foreign currency risk. Under this formula, all loans to its clients are refinanced under borrowings charged to that line.

8.1.3 Liquidity risk

The company conducts prudent liquidity risk management, maintaining sufficient cash and marketable securities, guaranteeing the availability of financing for a sufficient sum under credit facility commitments, and retaining sufficient capacity to unwind market positions.

8.2 Operational Risk Factors

Operational risk is one form of risk that can cause losses due to human error, inadequate or defective internal processes and system failures and as a result of external events. This definition includes legal risk, but excludes strategic risk and/or business risk, and the reputational risk for the Company.

Operational risk is inherent in all activities, products, systems and processes, and its origins are varied (processes, internal and external fraud, technology, human resources, business/commercial practices, suppliers). The operational risk management is integrated into the structure of global risk management of the Company.

In this regard, the Company has an integrated internal control methodology with policies covering personnel management and training, investment in information technology and policies to monitor the lending, methodology developed by different areas of the Company with the drive of the Control department, Internal Audit and Quality and Presidency, of which it depends. This area makes monitoring and periodic internal audits of these policies and established processes. In addition, it ensures regulatory compliance and adoption of best practice in Compliance, mainly in cooperation with the General Secretariat, who guards the legal aspects of the Company.

9. Operational leases - Lessee

The company concluded operating leases with third parties for occupation of the premises where it conducts its usual business (headquarters and branch office), as well as for vehicles used by its staff.

The rent paid under operating leases and booked as a cost is shown below:

Euros ('000)	2014	2013
Buildings	629	628
Vehicles	6	6
Others	11	8
TOTAL	646	642

The minimum future payments in euros for non-cancellable operating leases are given below:

Euros ('000)	2014	2013
Up to one year	901	635
From one to five years	4,175	239
Over five years	2	-
TOTAL (*)	5,078	874

(*) In 2013, it is considered that the current lease of the Company expires in May 2015. In 2014 the new lease of the Company was considered that the Company has signed as a result of the relocation of their offices.

10. Equity instrument investments

The fair value of equity instrument investments classified as "Other financial instruments carried at fair value" can be broken down as shown in the table below:

Euros ('000)		2014				
Society	Country	Business	% Holding	Cost	Impairment	Net carrying value oh holding
European Financing Partners	Luxembourg	(i)	15.38	6	-	6
Interact Climate Change Facility, S.A.	Luxembourg	(ii)	7.69	6	-	6
TOTAL				12		12

Euros ('000)		2013				
Society	Country	Business	% Holding	Cost	Impairment	Net carrying value oh holding
European Financing Partners	Luxembourg	(i)	15.38	6	-	6
Interact Climate Change Facility, S.A.	Luxembourg	(ii)	7.69	6	-	6
TOTAL				12		12

(i) Financial intermediation in environmental projects for Asian, Caribbean and Pacific countries Together with COFIDES European partners (EFP projects)

(ii) Financial intermediation in environmental projects for Asian, Caribbean and Pacific countries

The equity instruments listed in the above tables for 2014 and 2013 whose fair value cannot be reliably estimated are valued at cost less the cumulative sum of any corrections made to adjust for impairment of their value.

Moreover, all equity capital operations are subject to a minimum divestment charge, established in agreement with the respective shareholders.

In foreign holdings, the functional currency is the currency of the countries where the companies are headquartered. In addition, the net investment in holdings concurs with the carrying value of the investment.

The company has signed any joint funding agreements with other European Development Institutions:

EUROPEAN FINANCING PARTNERS S.A. (EFP)

Limited Liability Companies were formed by the Development Finance Institutions associated to EDFI including COFIDES, together with the European Investment Bank (EIB) in order to promote sustainable private sector development in Africa, Caribbean and Pacific (ACP) and strengthen the cooperation between the EIB and EDFIs.

This financing scheme has had so far five rounds of financing, last one in 2013, amounting to an additional €200m. In these rounds, COFIDES contributed a total of €40m from its own resources and the FIEX fund promoted jointly by the European Investment Bank (EIB) and the bilateral European Finance Development Institutions, COFIDES counterparts, on 31st December 2014 had committed a total of €455m for 34 projects located in 14 different countries.

The share of FIEX and COFIDES resources in these projects in late 2014 resulted in a committed volume of €16.32m in 26 projects in 12 different countries, 11 of them belonging to the Africa Saharan region.

INTERACT CLIMATE CHANGE FACILITY, S.A. (ICCF)

During 2011, the company, in conjunction with other European development institutions (European Investment Bank, EIB; Agence Française de Développement, AFD; and the bilateral European Development Finance Institutions) founded INTERACT CLIMATE CHANGE FACILITY SA (hereafter ICCF). The purpose of this institution is to finance private sector investment projects that prevent or reduce greenhouse gas emissions in ACP (Africa, Caribbean and Pacific) and in ODA (Official Development Assistance) countries.

In 2013, COFIDES formalised its participation in the second funding round of the Interact Climate Change Facility, participating with a total of €5m from its own resources and FIEX, this second fund, in addition to the previous €5m signed earlier. On 31st December 2014 a total of €290.5m, relating to 16 projects located in 10 different countries. At the end of 2014 COFIDES had committed in both rounds a total of €8.35m for 15 projects in 9 different countries. All those countries are Official Development Assistance-receiving countries.

The movement in the provision for impairment during the year was as follows:

Euros ('000)	2014 Non-current	2013 Non-current
Impairment value on 1st January	-	(634)
Net increases	-	-
Net decreases	-	23
Pay-offs	-	-
Transfer to debtors	-	611
Accumulated impairment loss on 31st December	-	-

11. Financial Assets

The composition of the company's "Financial Assets" on 31st December was as follows:

Euros ('000)	Equity instruments (Note 10)		Debit securities		Loans, derivatives and others		Total	
	Non-current	Current	Non-current	Current	Non-current	Current	Non-current	Current
Financial year 2014:								
Loans and accounts receivable	12	-	62,073	10,375	8,889	10,087	70,974	20,462
Investments held through maturity	-	-	-	-	-	-	-	-
Total	12	-	62,073	10,375	8,889	10,087	70,974	20,462
Financial year 2013:								
Loans and accounts receivable	12	-	57,191	8,250	7,581	22,254	64,784	30,504
Investments held through maturity	-	-	-	-	-	-	-	-
Total	12	-	57,191	8,250	7,581	22,254	64,784	30,504

These sums are broken down on the balance sheet as follows:

Euros ('000)	Equity instruments (Note 10)		Debit securities		Loans, derivatives and others		Total	
	Non-current	Current	Non-current	Current	Non-current	Current	Non-current	Current
Financial year 2014:								
Long-term financial investments								
Equity instruments	12	-	-	-	-	-	12	-
Loans to companies	-	-	62,073	-	-	-	62,073	-
Other financial instruments	-	-	-	-	79	-	79	-
Accounts receivable, Funds	-	-	-	-	8,810	-	8,810	-
Trade and other receivables								
Accounts receivable	-	-	-	-	-	705	-	705
Accounts receivable, Funds	-	-	-	-	-	8,208	-	8,208
Short-term financial investments								
Loans to companies	-	-	-	10,375	-	-	-	10,375
Interest accruing on loans to companies	-	-	-	-	-	439	-	439
Other financial instruments	-	-	-	-	-	730	-	730
Interest accruing on other financial assets	-	-	-	-	-	5	-	5
Total	12	-	62,073	10,375	8,889	10,087	70,974	20,462
Financial year 2013:								
Long-term financial investments								
Equity instruments	12	-	-	-	-	-	12	-
Loans to companies	-	-	57,191	-	-	-	57,191	-
Other financial instruments	-	-	-	-	78	-	78	-
Accounts receivable, Funds	-	-	-	-	7,503	-	7,503	-
Trade and other receivables								
Accounts receivable	-	-	-	-	-	213	-	213
Accounts receivable, Funds	-	-	-	-	-	6,713	-	6,713
Short-term financial investments								
Loans to companies	-	-	-	8,250	-	-	-	8,250
Interest accruing on loans to companies	-	-	-	-	-	384	-	384
Other financial instruments	-	-	-	-	-	14,724	-	14,724
Interest accruing on other financial assets	-	-	-	-	-	220	-	220
Total	12	-	57,191	8,250	7,581	22,254	64,784	30,504

11.1 Debt securities:

11.1.1 Loans and accounts receivable:

Loans are granted under financing agreements concluded with third parties to further private projects involving Spanish interest and sited in developing countries. In addition to using its own resources, the company may grant these loans through financing agreements with other public financial institutions. The term of these loans as well as the interest rate and any security required are individually stipulated in the agreement concluded for each loan.

The variations in the loan figures in the target year are listed below:

	2014		2013	
Euros ('000)	Non-current	Current	Non-current	Current
Cost on 1st January	59,563	8,757	38,260	6,657
Increases	23,277	-	29,253	1,450
Decreases	(5,318)	(8,757)	(643)	(6,657)
Transfer to short-term	(11,998)	11,998	(7,307)	7,307
Cost on 31st December	65,524	11,998	59,563	8,757
Accumulated impairment loss on 31st December	(3,451)	(1,623)	(2,372)	(507)
Net book value on 31st December	62,073	10,375	57,191	8,250

At year-end 2014, the loans granted and outstanding outlay amounted to €12,965,000 (compared to €10,283,000 at year-end 2013).

The list of yearly maturities for the loans is itemised below:

Euros ('000)	2014	2013
Year 2014	-	8,757
Year 2015	11,998	11,842
Year 2016	16,356	13,674
Year 2017	15,185	11,465
Year 2018	13,182	22,582
Subsequent years	20,801	-
Total	77,522	68,320

As a general rule, the loans granted by COFIDES are secured by real or personal collateral, depending on the case, to mitigate the risk assumed.

The financial income and interest due (but not yet paid) on these loans during the year 2014 and 2013 are as follows:

Euros ('000)	2014	2013
Income accrued (Note 19.1)	2,561	1,722
Interest accrued on outstanding receipt (Note 11.2)	439	384

The changes in the amount of impairment losses on loans as of 31 December are as follows:

	2014		2013	
Euros ('000)	Non-current	Current	Non-current	Current
Impairment loss on 1 January	(2,372)	(507)	(3,172)	(730)
Net Increases	(1,079)	(1,116)	(778)	(57)
Net Decreases	-	-	1,858	-
Pay offs	-	-	-	-
Transfer to short-term	-	-	(280)	280
Accumulated impairment loss on 31 December	(3,451)	(1,623)	(2,372)	(507)

The valuation corrections listed in the following table were calculated using the methodology applicable to each operation as described in Note 4.6.6.

11.2 Loans, derivatives and others - Loans and accounts receivable

The items under this heading on 31st December were as follows:

Euros ('000)	2014		2013	
	Non-current	Current	Non-current	Current
Trade accounts receivable:	8,810	8,913	7,503	6,926
Other financial investments:				
Interest accruing on loans to companies (Note 11.1.1)	-	439	-	384
Other financial instruments	79	730	78	14,724
Interest accruing on other financial assets	-	5	-	220
Total	8,889	10,087	7,581	22,254

11.2.1 Trade accounts receivable

The breakdown for trade accounts receivable is given below:

Euros ('000)	2014		2013	
	Non-current	Current	Non-current	Current
Accounts receivable	-	6,727	-	5,635
Accounts receivable, Funds	10,139	8,208	8,879	6,713
Other receivables	-	65	-	-
Total	10,139	15,000	8,879	12,348
Impairment, trade accounts receivable	(1,329)	(6,087)	(1,376)	(5,422)
Total trade receivables	8,810	8,913	7,503	6,926

The entries in 2014 and 2013 in "Impairment of trade accounts receivable" are summarised below:

Euros ('000)	2014		2013	
	Non-current	Current	Non-current	Current
Balance on 1st January	(1,376)	(5,422)	(1,243)	(3,940)
Net Endowments	39	(665)	(133)	(434)
Transfers	8	-	-	(611)
Inactive Provisions	-	-	-	(437)
Applications	-	-	-	-
Balance on 31st December	(1,329)	(6,087)	(1,376)	(5,422)

"Accounts receivable" refers primarily to the sums due and outstanding receipts on third party loans, in connection with the operations specified in Note 11.1.1 above.

"Accounts receivable, Funds" includes accrued and outstanding management and other service charges in connection with the FONPYME and FIEX funds.

11.2.2 Other financial assets

Euros ('000)	2014		2013	
	Non-current	Current	Non-current	Current
Other Assets				
Guarantees	79	-	78	-
Deposits	-	730	-	14,724
Total	79	730	78	14,724

Non-current:

Other (non-current) financial instruments, includes €79,000 at Year End 2014 (€78,000 at year-end 2013), consisting primarily of security deposits established in connection with the company's leases, as specified in Note 9.

Current:

At year end 2014 and 2013, the sum in "Other" (current) financial instruments consisted of certificates of deposits with terms of less than one year. The list of deposits on 31 December is given below:

Type	Yearly interest rate	Date formalised	Maturity Date	Certificates of deposit (Euros ('000))	Interest accrued and outstanding (Euros ('000))
Financial year 2014					
Time deposit Cajamar	2.1%	15/01/2014	16/01/2016	226	2
Time deposit Cajamar	1.9%	13/05/2014	16/05/2016	504	3
Total				730	5

Type	Yearly interest rate	Date formalised	Maturity Date	Certificates of deposit (Euros ('000))	Interest accrued and outstanding (Euros ('000))
Financial year 2013:					
Time deposit Cajamar	2.50%	04/07/2013	04/01/2014	224	3
Time deposit Sabadell	2.20%	08/07/2013	08/01/2014	3,000	32
Time deposit Sabadell	3.60%	25/01/2013	25/01/2014	5,000	168
Time deposit BBVA	1.30%	18/10/2013	17/01/2014	6,000	16
Time deposit Cajamar	2.25%	12/11/2013	12/05/2014	500	1
Total				14,724	220

11.3 Sums denominated in foreign currency

The breakdown of the total monetary financial instruments denominated in foreign currency (US dollars) is as shown below:

Euros ('000)	2014	2013
Long-term financial investments:		
Loans to companies	3,194	2,688
Total non-current assets	3,194	2,688
Short-term trade and other receivables:		
Accounts receivable	425	398
Short-term financial investments:		
Loans to companies	1,110	382
Interest accruing on loans to companies	30	28
Cash and other cash equivalent assets		
Cash in bank	81	59
Total current assets	1,646	867
Total financial instruments in foreign currency	4,840	3,555

The EUR/USD exchange rate at Year End 2014 and 2013 was:

	2014	2013
Exchange Rate	1.2141	1.3791

12. Cash and other cash-equivalent liquid assets

The sum under the caption "Cash and cash-equivalent liquid assets" on 31 December is itemised in the following table:

Euros ('000)	2014	2013
Commercial and savings banks.	12,475	1,834
Liquid short-term investments	-	-
Total	12,475	1,834

13. Shareholders' equity

The composition of and entries in "Shareholders' equity" are given in the statement on changes in equity.

13.1 Share Capital

The company's share capital on 31 December 2014 and 2013 consisted of 6,555 registered, subscribed and paid-up shares with a face value of €6,010.12 each. All shares have the same political and economic rights and are freely transferable. No restrictions on transference thereof.

The companies with direct holdings in the company's share capital are listed below:

Shareholder	% Holding	Value
ICEX España Exportación e Inversiones	25.74%	10,139
Instituto de Crédito Oficial	20.31%	7,999
Banco Bilbao Vizcaya Argentaria, S.A.	16.68%	6,569
Banco Santander, S.A.	11.83%	4,664
Banco Popular	8.34%	3,288
Banco Sabadell, S.A.	8.33%	3,281
Empresa Nacional de Innovación, S.A.	7.63%	3,005
Corporación Andina de Fomento	1.14%	451
Total	100%	39,396

In 2014 the Corporación Andina de Fomento came on-board as a new shareholder, with a shareholding of 1.14%, reducing the holding of the Banco Bilbao Vizcaya Argentaria S.A. by 1.14%.

13.2 Legal reserve

Pursuant to Article 274 of the Spanish Corporate Enterprises Act, 10% of a company's yearly profit must be earmarked for the legal reserve until the funds provisioned amount to at least 20% of the share capital.

Such funds may not be distributed and if used to offset losses, in the event that other reserves are insufficient to cover this item, they must be replenished with future profits.

On 31st December 2014 and 2013, the company had not funded this reserve to the minimum ceiling established by law. Notwithstanding the above, the proposed distribution of profits for 2014 prepared by the directors (Note 3) considers an amount to be distributed to Legal Reserve of €2,009 thousand, which would make the legal reserve constituted by the amount of that legal minimum.

13.3 Voluntary reserve

Voluntary reserves may be drawn on freely.

14. Contingent assets and liabilities

The company, in conjunction with its legal advisers, has classified success in a series of proceedings lodged primarily to claim sums of outstanding receipts as likely or possible. It has consequently booked a provision for such sums of outstanding receipts on 31st December 2014 and 2013 under impairment of receivables.

In relation to Article 2.4 of the Royal Decree-Act 20/2012 of 13th July which lays down the provisions on the application of the sums deriving from the elimination of State-controlled company employees' bonus salaries, additional specific bonuses and equivalent additional wages, the amounts to be earmarked in subsequent years, are as appropriate, to cover the retirement contingencies stipulated in the Constitutional Act 2/2012 on budgetary stability and financial sustainability and were routinely invested in liquid, low risk certificates of deposit.. Also at 31st December 2014 the company proceeded to provision the 24.04% of such extra time to pay workers in their 2015 pay.

15. Financial liabilities

The composition of the company's financial liabilities on 31 December was as detailed below:

Euros ('000)	Bank Borrowings		Derivatives and others		Total	
	Non-current	Current	Non-current	Current	Non-current	Current
Financial year 2014:						
Loans and accounts receivable	929	494	195	791	1,124	1,285
Total	929	494	195	791	1,124	1,285
Financial year 2013:						
Loans and accounts receivable	1,250	556	156	597	1,406	1,153
Total	1,250	556	156	597	1,406	1,153

14.1 Bank borrowings

The breakdown of accounts payable to financial institutions on 31 December is given below:

Euros ('000)	2014		2013	
	Non-current	Current	Non-current	Current
ECIP Programme	-	-	-	-
ICO Line	929	491	1,250	553
Accrued interest payable	-	3	-	3
Total	929	494	1,250	556

ECIP

By virtue of the agreement concluded by the company and the European Union in the framework of the ECIP programme, the company was given access to a line of credit to finance Spanish companies' productive investment projects under joint venture arrangements in countries included in the programme. Monies could be drawn under the above programme until 31 December 1999. The balance shown, in the 2012 financial year covers two operations still outstanding, is contingent upon payment. COFIDES has brought action for these operations and negotiated terms with ECIP whereby repayment will depend on the company's recovery of the sums involved. During the 2013 financial year, where recovery was, in practice unlikely to happen, we proceeded to cancel the liability maintaining the commitment in case of being able to recover a quantity back from these loans, in order to make payments to the ECIP as expected.

ICO

On 1 June 2009, the Official Credit Institute (ICO) and COFIDES concluded a Multi-currency Financing Agreement with a €6million ceiling. The deadline for drawing on this line was 31 May 2010.

A Master Agreement on General Financing Conditions for “ICO Lines 2010” was concluded on 11 January 2010 between Spain's Official Credit Institute (ICO) and COFIDES. The latter, in turn, adhered to the “Specific Conditions” for the “ICO International Investment 2010” line of financing on 1 March 2010, which remained in place through 2010.

On 23 July 2010, the Official Credit Institute (ICO) and COFIDES concluded a Multi-currency Financing Agreement with a 4 million-euro ceiling. The deadline for drawing on this facility was 22 July 2011.

The European Financing Partners S.A. (EFP) Master Investment Agreement was formalised by the European Investment Bank (EIB) and other European Development Finance Institutions (EDFI) members on 8 December 2010. Under that Master Agreement, European Financing Partners S.A. (EFP) has a financing capacity of €235m. The deadline for drawing on the Master Agreement for financial operations was 7 December 2012. On 31 December 2012 and 2011, no sums had yet been drawn.

A Master Agreement on General Financing Conditions for “ICO Lines 2011” was concluded on 13 January of that year between Spain's Official Credit Institute (ICO) and COFIDES. The latter, in turn, adhered to the “Specific Conditions” for the “ICO Internationalisation Investment 2011” credit line on that same date. This line was in place through year-end 2011.

The Official Credit Institute (ICO) and COFIDES concluded a Multi-currency Financing Agreement with a €4m ceiling on 27 July 2011. The deadline for drawing on the respective line was 26 July 2012. The agreement was not renewed thereafter.

A Master Agreement on General Financing Conditions for “ICO Lines 2012” was concluded on 2 January of the target year between Spain's Official Credit Institute (ICO) and COFIDES. The latter, in turn, adhered to the “Specific Conditions” for the “ICO Internationalisation 2012” credit line agreement on that same date. This line was in place through year-end 2012.

The company uses the financing obtained from the aforementioned facilities to grant loans to eligible investment projects.

The most significant data on the sums drawn from ICO credit lines as of 31 December of the target year are listed below:

31 st December 2014									
Multi-currency agreement	Draw deadline	Grace period ends	Agreement expires	Year	Sum formalised (Euros ('000))	Sum drawn (Euros ('000))	Sum outstanding (Euros ('000))	Reference interest rate	Differential (%)
2004 Agreement	15/05/2008	14/06/2009	14/06/2013	2008	541	541	-	LIBOR 6M	0.2
2006-2007 Agreement	30/05/2007	14/06/2009	14/06/2014	2006	203	203	-	LIBOR 6M	0.1
2009 Agreement	14/06/2009	-	14/12/2018	2009	368	368	165	LIBOR 6M	0.8
2009 Agreement	15/06/2009	14/06/2012	14/06/2016	2009	601	601	240	LIBOR 6M	0.8
2009 Agreement	15/06/2009	14/06/2011	14/12/2015	2009	537	537	-	LIBOR 6M	0.8
2010 Agreement	25/05/2011	24/04/2013	24/04/2018	2010	1,360	1,360	1,015	LIBOR 6M	2.5
Total in foreign currency (USD)					3,610	3,610	1,420		
Internationalisation agreement									
2007	21/12/2007	14/12/2009	14/12/2014	2007	600	600	-	EURIBOR 6M	-0.35
Total in domestic currency (euros)					600	600	-		
Total ICO loans					4,210	4,210	1,420		

31 st December 2013									
Multi-currency agreement	Draw deadline	Grace period ends	Agreement expires	Year	Sum formalised (Euros ('000))	Sum drawn (Euros ('000))	Sum outstanding (Euros ('000))	Reference interest rate	Differential (%)
2004 Agreement	15/05/2008	14/06/2009	14/06/2013	2008	541	541	-	LIBOR 6M	0.2
2006-2007 Agreement	30/05/2007	14/06/2009	14/06/2014	2006	203	203	-	LIBOR 6M	0.1
2009 Agreement	14/06/2009	-	14/12/2018	2009	368	368	181	LIBOR 6M	0.8
2009 Agreement	15/06/2009	14/06/2012	14/06/2016	2009	601	601	352	LIBOR 6M	0.8
2009 Agreement	15/06/2009	14/06/2011	14/12/2015	2009	537	537	-	LIBOR 6M	0.8
2010 Agreement	25/05/2011	24/04/2013	24/04/2018	2010	1,360	1,360	1,150	LIBOR 6M	2.5
Total in foreign currency (USD)					3,610	3,610	1,683		
Internationalisation agreement 2007	21/12/2007	14/12/2009	14/12/2014	2007	600	600	120	EURIBOR 6M	-0.35
Total in domestic currency (euros)					600	600	120		
Total ICO loans					4,210	4,210	1,803		

The costs and interest accrued and with payment outstanding for these loans for 2014 and 2013 are as follows:

Euros ('000)	2014	2013
Accrued Costs (Note 20.1)	26	42
Accrued Interest (awaiting payment)	3	3

Denominations in foreign currency

The breakdown of the total monetary financial liabilities denominated in foreign currency (U.S. dollars) is shown below:

Euros ('000)	2014		2013	
	Non-current	Current	Non-current	Current
ICO Line	929	491	1,250	433
Total	929	491	1,250	433

15.2 Derivatives and others - Loans and accounts payable

Euros ('000)	2014		2013	
	Non-current	Current	Non-current	Current
Sundry accounts	-	426	-	320
Staff (remuneration outstanding)	-	365	-	269
Other financial assets	195	-	156	8
Total	195	791	156	597

15.3 Information on delays in payment to suppliers in trade operations

The average payment period to suppliers during the year was 18.39 days (17.26 days in 2013).

15.4 Classification by maturity date

The schedule of financial liabilities by maturity date is as follows:

Euros ('000)	2014					Total
	2015	2016	2017	2018	Subsequent Years	
Bank borrowings	494	420	350	159	-	1,423
Trade accounts payable	426	-	-	-	-	426
Personnel	365	-	-	-	-	365
Other financial liabilities	-	195	-	-	-	195
Total	1,285	615	350	159	-	2,409

Euros ('000)	2013					Total
	2014	2015	2016	2017	Subsequent Years	
Bank borrowings	556	432	362	292	164	1,806
Trade accounts payable	320	-	-	-	-	320
Personnel	269	-	-	-	-	269
Other financial liabilities	8	156	-	-	-	164
Total	1,153	588	362	292	164	2,559

16. Short-term accrual accounts

The caption "Current liabilities" on the balance sheets dated 31 December 2014 and 2013 included an adjustment entry for consultant fees charged to the Fund for Foreign Investment (FIEX), billed but not regarded as having been accrued during the year, in accordance with Provision Two of the Order issued by the Minister of the Economy and Finance on 28 July 1999¹, also known as the "FIEX Rule".

¹ "...If at the end of each financial year, the expenses incurred by the Fund for Foreign Investment's fund manager in the study and tendering phase specified above amount to less than seventy five (75) per cent of the sums accruing thereto for the respective consultant fees laid down in paragraph 1.a above, fifty (50) per cent of this difference will be held in the fund manager's account and used to pay fees accruing in subsequent financial years. The fund manager may receive no further sums for this item until such surplus has been fully expended".

17. Tax

The breakdown of tax payables on 31 December is shown below:

Euros ('000)	2014		2013	
	Non-current	Current	Non-current	Current
ASSETS				
Current Tax assets	-	-	-	-
Retentions and Payments	-	-	-	-
Value added tax	-	-	-	-
Others	-	-	-	-
Total	-	-	-	-
LIABILITIES				
Current Tax Liabilities	-	1,161	-	1,123
Social security	-	80	-	61
Value added tax	-	13	-	8
Withholdings	-	110	-	77
Total	-	1,364	-	1,269

According to the existing legislation, tax settlements cannot be regarded as conclusive until audited by the tax authorities or until the obligation lapses, i.e., presently after four years. The company's books are open to audit by tax authorities for the last four years in respect of all the taxes for which it is liable. Neither the company nor its tax advisers have identified any material contingencies that might, in the event of an audit, induce conflicting interpretations of the provisions of tax law applicable to the company's operations.

The result of such conflicting interpretations may be additional liabilities. That notwithstanding, on the grounds of the available information, the analytical methodology applied and the specific counsel received, the company deems that if any such liabilities arose, they would not affect its financial statements in any material way.

17.1 Tax on earnings

The reconciliation between revenues less expenses and the tax base (fiscal earnings) for the intent and purposes of corporation tax is shown below:

Euros ('000)	2014	2013
Earnings for the year	8,622	12,935
Corporation tax	4,939	5,552
Before tax earnings	13,561	18,487
Permanent differences	3	1
Temporary differences treated as permanent, limited to period depreciation (70%)	80	77
Temporary differences treated as permanent through losses, impairment and variations in operational provisions	2,820	(58)
Taxable Income (Fiscal Balance)	16,464	18,507
Tax at 30%	4,939	5,552
Previous Adjustments		
Tax on overseas Earnings	5	13
Retentions	(5)	(13)
Tax on Earnings	4,939	5,552

The estimated corporation tax payable is given below:

Euros ('000)	2014	2013
Taxable Income (Fiscal Balance)	16,464	18,507
Corporation Tax at 30%	4,939	5,552
Other	(5)	(13)
Deductions	(3,392)	(4,202)
Payments	(381)	(214)
Retentions	-	-
Corporation tax payable	1,161	1,123

Law 27/2104, of 27th November, income tax has modified the standard tax rate, passing from 30% today, to 28% in 2015 and 25% in subsequent years.

18. Environmental Information

No significant assets were earmarked for environmental protection or improvement on 31 December 2014, nor were any relevant expenses incurred under that item during the year.

In 2014, the environmental management system implemented in the office in 2013 was internally audited.

No environment-related subsidies were received in 2014.

19. Revenues and expenses

19.1 Ordinary and ancillary management revenues

This caption covers the financial revenues and fees earned by the company on the loans granted from its own resources.

It also includes the fees earned for managing the FIEX and FONPYME funds, multilateral development organisations' programmes and funds (see Note 1). Also, revenues from the management of the FOMIN fund and EU-EIB operations and the analysis and operational reporting to FIEM are also included.

The itemised list of the interest and fees earned on the company's own transactions and the fees computed for FIEX and FONPYME on the grounds of the provisions of the Order signed by the Minister of Economy and Finance on 28 July 1999 is given in the table below.

		Euros ('000)	
Concept	Basis for calculation	2014	2013
COFIDES interest	Financial revenues from interest on loans to companies	2,561	1,722
	Total interest	2,561	1,722
Analysis fees	1.65% of the investment proposal submitted to FIEX.	2,099	1,561
Formalisation charges	1% on investments drawn from FIEX and 1.5% on FONPYME-financed investments.	1,901	1,801
Outlay fees	1% of the sums actually laid out by FONPYME.	53	111
Management fees	1.25% of the value of the FIEX live investment portfolio.	9,103	7,591
Performance fees	20% of the dividends and other returns actually received by the funds.	5,719	10,667
Settlement fees	1,5% of the value of the investment laid out and actually repaid to FIEX	1,923	1,190
Other COFIDES fees	Fees other than the FIEX and FONPYME fund management fees	312	633
	Total fees	21,110	23,554
	Total	23,671	25,276

For an enhanced view of the business particulars and to optimise the analysis of its financial asset management, the company distinguishes between two types of revenues not explicitly addressed in the standard legal format for presenting accounts: so-called recurring and non-recurring revenues.

Recurring revenues derive from the routine application of the financing agreements concluded; consequently, exogenous factors bear only minimally on their generation.

In non-recurring revenues, by contrast, exogenous factors play a significant role both in their generation and in their very existence, for the final decision is adopted not by the company but by a third party.

Company revenues so classified are distributed as shown in the table below:

		Euros ('000)	
Concept		2014	2013
Recurring fees		20,294	18,358
Financial revenues from interest on loans to companies		2,561	1,722
TOTAL RECURRING REVENUES		22,855	20,080
Non-recurring fees		816	5,196
TOTAL NON-RECURRING, ANTICIPATED FEES		816	5,196
TOTAL REVENUES		23,671	25,276

19.2 Personnel expenses

Personnel expenses are itemised below, in €'000

Euros ('000)	2014	2013
Salaries and wages	3,289	3,165
Per diem paid to members of the company's Board of Directors	103	104
Social security tax	671	622
Other personnel expenses	258	267
Total	4,321	4,158

19.3 External services and other taxes

The "External services" and "Other taxes" accounts are itemised below:

Euros ('000)	2014	2013
Publicity, advertising and public relations	173	238
Leases	646	642
Repairs and upkeep	118	87
Independent professional services	1,136	1,101
Insurance premiums	74	76
Training costs	95	87
Travel expenses	198	165
Other expenses	599	397
Total	3,039	2,793
Other taxes	47	61
Total	47	61
Total	3,086	2,854

Independent professional services, primarily covers external consultancy fees associated with projects implemented by the company in 2014 and 2013.

19.4 Financial revenues

This account primarily covers sums accruing in 2014 and 2013 as returns on investments in Treasury bills and private commercial paper held through maturity and other financial assets held in certificates of deposit.

20. Operations with related parties

The related parties with which the company conducted business and the nature thereof are listed below:

Financial year 2014	
	Nature of the relationship
FIEX	Fund managed by the company
FOMIN	Fund managed by the company
FONPYME	Fund managed by the company
Official Credit Institute	Company shareholder
Senior management:	Board members
	Chairman
	General Manager

Financial year 2013	
	Nature of the relationship
FIEX	Fund managed by the company
FOMIN	Fund managed by the company
FONPYME	Fund managed by the company
Official Credit Institute	Company shareholder
Senior management:	Board members
	Chairman
	General Manager

20.1 Related institutions

The balance of the accounts with related institutions is shown below:

	2014				2013			
	Official Credit Institute (ICO)	FIEX	FONPYME	TOTAL	Official Credit Institute (ICO)	FIEX	FONPYME	TOTAL
Euros ('000)								
ASSETS:								
Long-term financial investments		10,014	125					
Receivables, Funds (Note 11.2.1)	-			10,139	-	8,812	67	8,879
Trade and other receivables		8,039	169					
Receivables, Funds (Note 11.2.1)	-			8,208	-	6,521	192	6,713
LIABILITIES:								
Long-term payables		-	-					
Payable to financial institutions (Note 15.1)	929	-	-	929	1,250	-	-	1,250
Short-term payables								
Payable to financial institutions (Note 15.1)	494			494	556	-	-	556

The operations with related institutions are itemised below:

	2014				2013			
	Official Credit Institute (ICO)	FIEX	FONPYME	TOTAL	Official Credit Institute (ICO)	FIEX	FONPYME	TOTAL
Euros ('000)								
Net turnover	-	20,216	582	20,798	-	22,327	593	22,920
Financial expenses								
Payable to financial institutions	(26)	-	-	(26)	(42)	-	-	(42)

20.2 Directors and senior management

During the year ending on 31 December 2014, the company's directors received remuneration in the form of per diem for a total of €103,000 (€104,000 in 2013).

For the intent and purposes of information only, the following table lists the total remuneration received by the company's senior management, with the exception of the directors mentioned in the preceding paragraph:

Euros ('000)	Salaries		Other remuneration	
	Fixed	Variable	Benefits	Others
Financial year				
2014	214	57	3	-
2013	214	61	-	-

The books showed no advances or loans to any of its directors or managers on 31 December 2014 or 2012, nor had any obligations been assumed as security on their behalf. The company has undertaken no pension or life insurance obligations for any of its present or former directors.

The members of the COFIDES, S.A. board of directors attest to their compliance with the provisions of Articles 229 and 230 of the Corporate Enterprises Act. Details on their shareholdings, positions or duties, on their own or third party behalf, in companies engaging in the same business as COFIDES are contained in Annex I hereto.

21. Information on employees

The number of employees and directors of the Company in the last two years, by category, is as follows:

	2014	2013
Directors	12	12
Senior + technical management	15	15
Technical team	39	33
Support staff	9	9
Total	75*	69
* In June 2014 6 Labour Contracts are made, Technical Direction 1 and 5 Technical team		

The distribution of company staff and directors by gender is as follows:

	2014			2013		
	Women	Men	Total	Women	Men	Total
Directors	4	8	12	4	8	12
Senior + technical management	8	7	15	8	7	15
Technical team	26	13	39	22	11	33
Support staff	7	2	9	7	2	9
Total	45	30	75	41	28	69

22. Auditors fees

The fees paid for services rendered by the auditor amounted to:

Euros ('000)	2014	2013
Auditing services	26.40	26.10
Other services	-	-
Total	26.40	26.10

23. Events after the reporting period

No event worthy of note that would have any material effect on the present financial statements was forthcoming between 31 December 2014 and the date on which they were prepared by the Board of Directors.

COMPAÑÍA ESPAÑOLA DE FINANCIACIÓN DEL DESARROLLO, COFIDES, S.A.

Details of shareholdings and positions in other companies of the Company Directors

at 31 December 2014

Directors	Company	No. of shares	Holding in per cent	Position and duties
Francisco Javier Puig Asensio	Banco de Sabadell, S.A.	7,389	<0.005%	International Business Director
	Banco de Santander, S.A.	1,186	<0.005%	
José Corral Vallespín	Banco Santander, S.A.	-	< 0.005%	Deputy General Manager - Risk
	Banco Santander, S.A. (Options and performance shares)	-	< 0.005%	
	Banco Santander, S.A. - Associated parties	-	< 0.005%	
		-	< 0.005%	
Alberto Gómez Nicolau	Banco Santander, S.A.	-	<0.01%	- Board member
	Santander Factoring	-	-	
Antonio Bandrés Cajal (Instituto de Crédito Oficial ICO representative)	ICO	-	-	Deputy Director -
	AXIS -Associated parties	-	-	
José Ángel Amor Atienza	Banco Popular, S.A.	-	< 0.005%	Sales Director
María Simó Sevilla (ENISA Representative)	-	-	-	-
Roberto Pagán Díaz	Banco Bilbao Vizcaya Argentaria	-	-	Business Director (Private Bank)
Salvador Marín Hernández	Banco Santander, S.A.	732	< 0.005%	-
	CAM	825	< 0.005%	-
	Sabadell Garantía (Investment Fund)	436.89	< 0.005%	-
	Sabadell Garantía (Investment Fund)	500.89	< 0.005%	-
Mónica Colomer de Selva	-	-	-	-
Eulalia Ortiz Aguilar	-	-	-	-
Rosario Casero Echéverri	-	-	-	-

COMPAÑÍA ESPAÑOLA DE FINANCIACIÓN DEL DESARROLLO, COFIDES, S.A.

Details of shareholdings and positions in other companies of the Company Directors

at 31 December 2014

Directors	Company	No. of shares	Holding in per cent	Position and duties
Francisco Javier Puig Asensio	Banco de Sabadell, S.A.	7,324	<0.005%	International Business Director
	Banco de Santander, S.A.	1,067	<0.005%	
José Corral Vallespín	Banco Santander, S.A.	-	< 0.005%	Deputy General Manager - Risk
	Banco Santander, S.A. (Options and performance shares)	-	< 0.005%	
	Banco Santander, S.A. - Associated parties	-	< 0.005%	
		-	< 0.005%	
Alberto Gómez Nicolau	Banco Santander, S.A.	-	<0.01%	- Board member
	Santander Factoring	-	-	
Antonio Bandrés Cajal (Instituto de Crédito Oficial ICO representative)	ICO	-	-	Deputy Director -
	AXIS - Associated parties	-	-	
José Ángel Amor Atienza	Banco Popular, S.A.	-	< 0.005%	Sales Director
María Simó Sevilla (ENISA representative)	-	-	-	-
Alberto Conde del Campo	-	-	-	-
Salvador Marín Hernández	Banco Santander, S.A.	850	< 0.005%	-
	CAM	825	< 0.005%	-
	CAM (Investment Fund)	450	< 0.005%	-
	CAM - Associated parties	-	< 0.005%	-
Javier Virgilio Estévez Zurita	-	-	-	-
Rafael Garranzo García	-	-	-	-
Eulalia Ortiz Aguilar	-	-	-	-
Rosario Casero Echéverri	-	-	-	-

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Annual report

