

2015 Activity Report

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



COFIDES 

Funding for your investment abroad



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► Foreword

COFIDES was founded in 1988 with state and private capital with 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 State Secretariat for Trade.

Since 2015, COFIDES has supported the Ministry of Foreign Affairs and Cooperation through the management of the Development Promotion Fund (FONPRODE) in reimbursable funding operations.

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.

Also, 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 reference public-private funding vehicle of Spain's Economic and Commercial Administration for direct foreign investment and consequently 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 enables 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 antibribery and anticorruption 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

Over the last twenty-seven years, COFIDES has approved a total of 792 investment projects in over 82 countries, where it has committed resources amounting to over €2,600m.

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, be undertaken abroad and involve

some element of Spanish interest. COFIDES also finances commercial deployments of Spanish companies overseas.

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

On 31st December 2015, the portfolio of COFIDES managed projects rose to €926.96m.

▶ Products

COFIDES offers the following range of financial products for viable private investment projects:

- Share capital holdings of host country companies.
- Shareholding in the Spanish companies for their international activities.
- Medium and long-term, subordinated,

mezzanine and joint venture loans for host country companies.

- Medium and long-term loans for host country companies.
- Medium and long-term loans for Spanish investors.
- Multi-project loans.



▶ Letter from the Chairman

The high level of innovation and effort that was achieved in 2015 has once again enabled COFIDES to attain and even exceed the highest levels of growth in the various areas of the Company.

In fact, this year COFIDES has successfully executed its 2012-2015 Strategic Plans with an increased rate of performance that has far exceeded its defined responsibilities and demanding goals. Over the past twelve months we have maintained our dynamism through promoting initiatives that have helped to facilitate the internationalisation of Spanish companies, which has helped to us to achieve unpreceden-

ted levels in the development of our activity.

Operating in an environment of global economy, the Company reached a peak approval volume of €334.4m, while recording the highest managed portfolio total so far with nearly €927m and a committed portfolio in excess of €1,017m.

The drive in innovation was also tied to the strong commitment of SME internationalisation. The result of this was the consolidation of Pyme Invierte and the launch of the Commercial Implementation 4.0 Young Entrepreneurs and Commercial Implementation 3.0 Facilities. This

has generated a portfolio of SMEs that this year saw an increase of almost 80% in comparison with 2012, which was the first year in which a special plan was developed to support SMEs.

COFIDES has also launched the following country-linked facilities: Algeria, Egypt, Chile, Cuba and Turkey. These are considered to be a priority by the Spanish Trade Administration. With these, there are now 19 country-linked facilities, with which the company can offer specific advantages for the financing of Spanish companies.

Another example of the Company's innovative nature can be found in the agreement, signed in late April between COFIDES and the State General Reserve Fund of Oman, the MOU COFIDES-Oman Fund. This agreement represents a pioneering joint venture vehicle to facilitate the capitalisation of Spanish companies in their clear commitment towards internationalisation.

We should highlight other important milestones, such as COFIDES' recognition and reinforcement as a development institution, as this has been its first year supporting the management of FONPRODE. We have also initiated and developed all the procedures to comply with the European Commission's Seven Pillar Assessment, in order to become part of the Blending Facilities of the EU, whilst the process to obtain accreditation as a financial institution involved in the Green Climate Fund has also begun.

For the fourth consecutive year, the 2015 National Budget has strengthened the FIEX and FONPYME funds with an additional €40m for FIEX and €10m for FONPYME. In line with this, the 2016 Budget has again extended the funds with an endowment of €5m for FONPYME and

€50m for FIEX, in what amounts to the highest allocation since 2006.

This has also been a year of changes in our head office. Since May 2015, COFIDES has offered its services based in a new, modern and spacious location, in order to facilitate accessibility and convenience for our customers. Furthermore, we are especially pleased to see the positive reception of the COFIDES awards, now in their second edition, and through which the Company recognises companies and institutions that stand out in the foreign sector.

Finally, I would like to point out that, once again, COFIDES has excelled in their professionalism, excellence and quality of service delivery, according to the results of the customer satisfaction survey conducted in 2015.

Finally, this year has been exemplified by how, through the professionalism and efforts of an excellent team, combined with shareholder confidence in a clear strategy between COFIDES and the Ministry of Economy and Competitiveness, primarily through the State Secretariat of Commerce, planned goals can be converted into achieved goals, which in turn has positioned us well to be able to face new and future challenges. My sincere thanks to all of them.



Salvador Marín Hernández
COFIDES Chairman and CEO

COFIDES 

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► Milestones of 2015

- The **total managed portfolio** rose to **€926.96m**, reaching the highest level since the creation of COFIDES. The total portfolio is the difference between the amount actually disbursed and amount of repayments. The **committed investment portfolio** is equivalent to the total portfolio plus the amounts committed but not yet disbursed and amounted to **€1,017.91m**.

- A maximum of **€334.43m** was reached at annual approval levels, 30% higher than 2014.

- Negotiation with **sovereign funds** for the establishment of regulated funds or equivalent structures aimed at attracting resources to invest in private equity structures in Spanish companies or their subsidiaries and ultimately for the development of their internationalisation policies. The result of these negotiations, in 2015 the **COFIDES-Oman Fund** was approved.

- COFIDES begins to act as a supporting entity to manage **FONPRODE**.

- COFIDES begins the **accreditation process** to comply with the **Seven Pillar Assessment** of the European Commission in order to take part in the **Blending Facilities of the EU**.

- COFIDES begins its accreditation as a structu-

ring financial institution in the **Green Climate Fund**.

- Two new commercial products were launched: "**Commercial Implementation 3.0**" and "**Commercial Implementation 4.0 Young Entrepreneurs**", the latter with a minimum funding threshold of €50,000.

- Design and launch of **5 new country facilities**: Chile, Algeria, Egypt, Turkey and Cuba.

- **FIEX** had an **endowment** from the Spanish National Budget for 2015 amounting to **€40m**. The **endowment for 2016** has been increased up to **€50m**, representing an increase of over **25%** compared to the previous year and is the highest since 2006.

- **FONPYME** again has had an **endowment** from the Spanish National Budget amounting to €10m for 2015, raising its **net assets** to **€74.48m** as of 31st December 2015.

- Consolidation of the COFIDES "Internationalisation Advancement" awards by holding its second edition.

- New COFIDES offices with more space and more facilities for our customers.

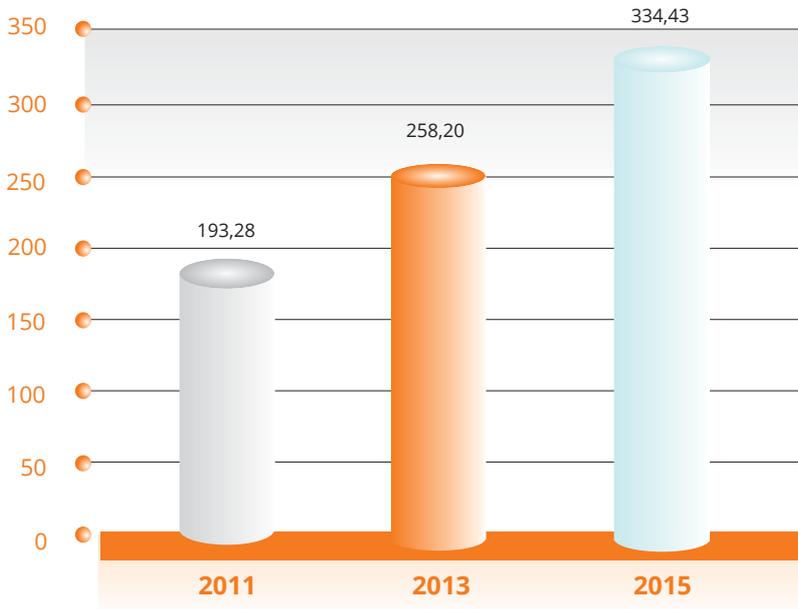




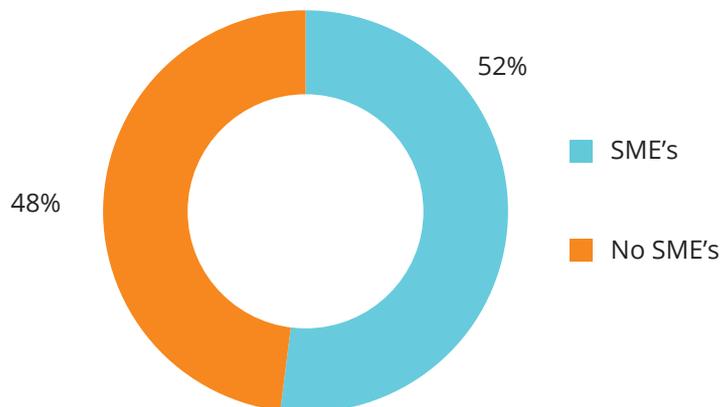
COFIDES 

Funding for your investment abroad

TOTAL APPROVED COMMITMENTS GROWTH 2011-2015
 (€million)



DISTRIBUTION OF APPROVED PROJECTS IN 2015





▶ Board of Directors



CHAIRMAN AND CHIEF EXECUTIVE OFFICER

Salvador Marín Hernández (appointed on the 6.02.2012)

BOARD MEMBERS (*)

José Ángel Amor Atienza (appointed on the 20.12.2013)
Antonio Bandrés Cajal (appointed on the 30.04.2014)
Mar Casanova Llorens (appointed on the 29.09.2015)
Rosario Casero Echeverri (appointed on the 24.04.2013)
Roberto Pagán Díaz (appointed on the 25.06.2014)
José Corral Vallespín (appointed on the 29.05.2007)
Javier Estévez Zurita (appointed on the 30.04.2012)
Mónica Colomer de Selva (appointed on the 25.09.2014)
Alberto Gómez Nicolau (appointed on the 29.04.2008)
Francisco Javier Puig Asensio (appointed on the 27.06.2006)
José Antonio Zamora Rodríguez (appointed on the 28.10.2015)

SECRETARY, NON-MEMBER AND LEGAL COUNSEL

Ana Victoria Fernández Sáinz de la Maza

Invited to Board of Directors: CAF Representative, Guillermo Fernández de Soto

(*) April 2016

*During 2015 the following people have resigned from the Board of Directors:
Eulalia Ortiz Aguilar (Board member from 25.09.2013 to 29.09.2015)
María Simó Sevilla (Board member from 22.04.2013 to 19.10.2015)*

▶ 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 and Institutional Relations
Fernando Aceña Moreno

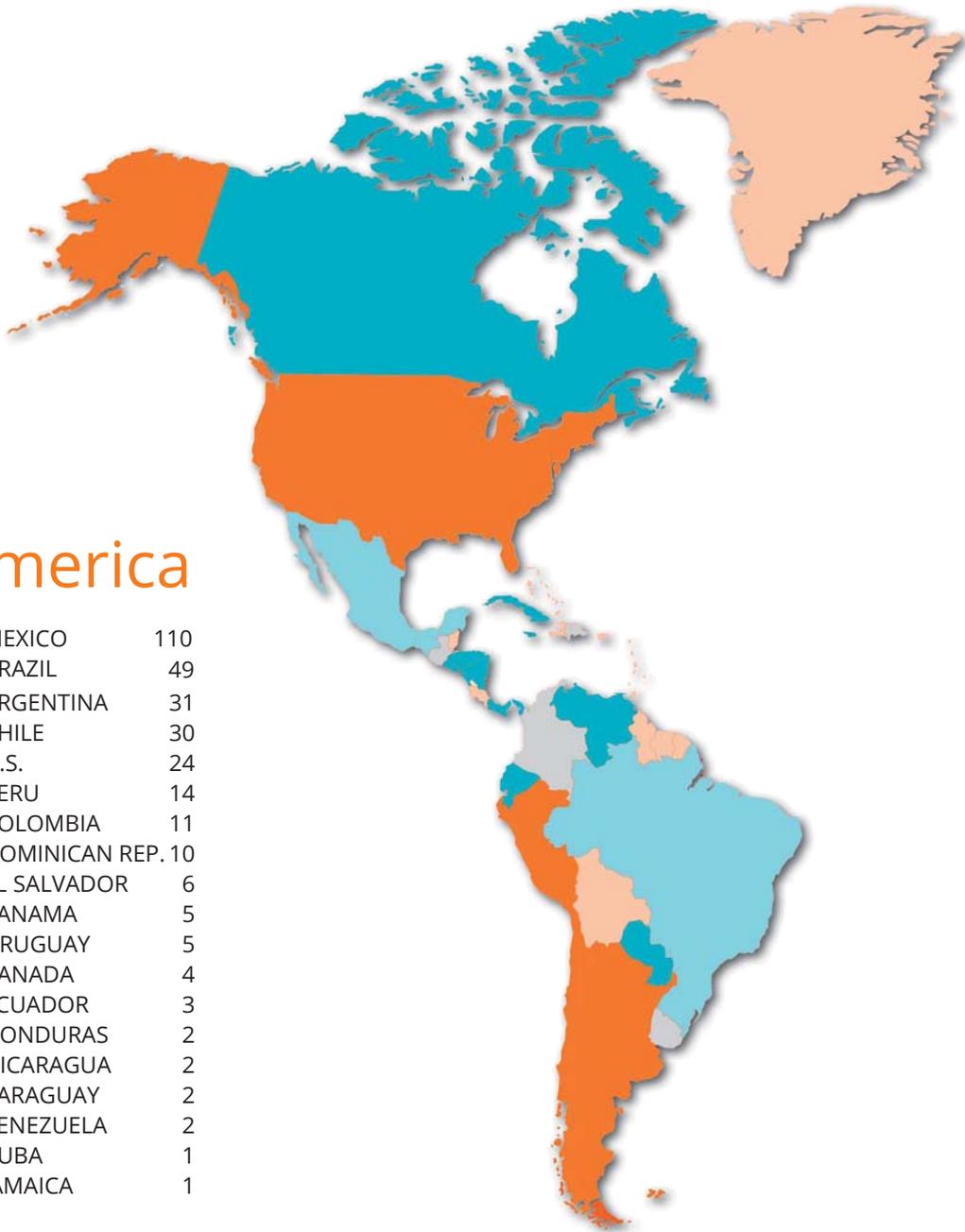
Deputy Manager, Economy and Finance
Héctor Turiel Valdés

Deputy Manager, Financing for Development and Sustainability
María Vidales Picazo



▶ Activity map

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



America

■ MEXICO	110
■ BRAZIL	49
■ ARGENTINA	31
■ CHILE	30
■ U.S.	24
■ PERU	14
■ COLOMBIA	11
■ DOMINICAN REP.	10
■ EL SALVADOR	6
■ PANAMA	5
■ URUGUAY	5
■ CANADA	4
■ ECUADOR	3
■ HONDURAS	2
■ NICARAGUA	2
■ PARAGUAY	2
■ VENEZUELA	2
■ CUBA	1
■ JAMAICA	1

Europe

ROMANIA	18	GERMANY	4
POLAND	16	SLOVAKIA	4
CZECH REP.	13	THE NETHERLANDS	4
PORTUGAL	10	SLOVENIA	4
HUNGARY	9	BULGARY	2
RUSSIA	7	BELARUS	1
UNITED KINGDOM	6	LATVIA	1
FRANCE	5	LITHUANIA	1
ITALY	5	MONTENEGRO	1
		UKRAINE	1



Asia

CHINA	59
INDIA	26
TURKEY	8
THAILAND	3
U.A. EMIRATES	2
JORDAN	2
SAUDÍ ARABIA	1
KAZAKHSTÁN	1
KUWAIT	1
MALAYSIA	1
MONGOLIA	1
QATAR	1

Africa

MOROCCO	23
SOUTH AFRICA	8
KENYA	7
ALGERY	5
SENEGAL	5
NIGERIA	4
TANZANIA	4
ANGOLA	3
MAURITIUS	3
IVORY COAST	2
GHANA	2
NAMIBIA	2
TUNISIA	2
BENÍN	1
GUINEA-BISSAU	1
MALI	1
MOZAMBIQUE	1
TOGO	1
UGANDA	1
ZAMBIA	1

Oceania

AUSTRALIA	1
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► Investment Portfolio

AFRICA

COUNTRY	SECTOR	BUSINESS ACTIVITY
Angola	Engineering	Engineering services
Angola	Agri-food	Manufacture and distribution of snacks
Algeria	Engineering	Quality control centre
Algeria	Energy	Thermo-solar plant construction, operation and maintenance
Ivory Coast	Energy	Gas energy generation power station expansion
Ghana	Finance	Strengthen the TIER II capital for the expansion of the Institution
Ghana	Energy	Capacity expansion of a thermal power plant
Mauritius	Services	Preventive health in workplaces
Mauritius	Agri-food	Processing and distribution of different commodities
Kenya	Finance	Senior debt financing for Financial Transactions
Kenya	Finance	Financing for SMEs and cooperatives
Kenya	Energy	Construction of a 310 MW wind farm
Kenya	Energy	Geo-thermal electricity generation
Kenya	Finance	Sub regional multilateral development bank
Kenya	Energy	Electricity generation
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	Finance	SME financing
Nigeria	Iron and Steel	Construction, operation and management of steel casting
Nigeria	Chemicals	Construction and operation of a fertilizer plant
Nigeria	Finance	Funds Provision to financial institution for its SMEs expansion
Senegal	Chemicals	Cement production
Senegal	Chemicals	Phosphates research and extraction for fertilizer development
South Africa	Construction materials	Export of PVC
South Africa	Iron and Steel	Quartz mine acquisition
Tanzania	Energy	Solar photovoltaic power generation for self consumption
Tanzania	Finance	SME and corporate client financing
Tanzania	Services	Airlines
Togo	construction	Cement production
Uganda	Energy	Exploitation of a mini hydroelectric power station
Zambia	Agri-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	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	Services	Online marketing and big data analysis
Brazil	Metal manufacturing	Plumbing and sanitary material

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

PROJECT COMPANY	SPONSOR	EQUITY	QUASI-EQUITY	LOAN
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	Polne		X	
Findasense Brasil Serviços de Consultoria LTDA	Art Digital Holding 2013 S.L.		X	
Genebre do Brasil	Genebre			X

**LATIN AMERICA AND CARIBBEAN (cont.)**

COUNTRY	SECTOR	BUSINESS ACTIVITY
Brazil	Energy	Production of towers for wind turbines
Brazil	Engineering	Ventilated façade engineering
Brazil	Services	Customer support via contact centre
Brazil	Environment	Waste management
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
Chile	Agri-food	Salmon farm
Chile	Agri-food	Metal containers and lids production
Chile	Finance	Fund for power generation plants by renewable source
Chile	Energy	Commercial deployment, installation and maintenance of solar structures
Chile	Agri-food	Canning industry
Chile	Construction materials	Formwork Systems
Colombia	Services	Climate, electricity, control and security installation and assembly
Colombia	Services	Customer service
Colombia	Commerce	Eyewear and sunglasses
Colombia	Chemicals	Odonatological implants and dental prostheses
Colombia	Services	Telecommunication engineering services
Colombia	Capital goods	Machinery for horizontal and directional drilling
Colombia	Services	Information security systems
Colombia	Engineering	Engineering services, architecture and consulting
Colombia	Capital goods	Cooling towers production
Colombia	Services	Bus transportation
Ecuador	Agri-food	King prawns aquaculture
Honduras	Energy	Wind power farm
India	Energy	Wind power farm of 80 MW
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	Consumer electronics	Manufacture of electric measuring instruments
Mexico	Transport infrastructure	Construction and management of concessions
Mexico	Services	Library software
Mexico	Automobile	Manufacture of components for the automobile industry
Mexico	Transport infrastructure	Construction and operation of roads
Mexico	Engineering	Tubing prefabrication
Mexico	Automobile	Tooling services for the automobile industry
Mexico	Automobile	Automobile components
Mexico	Hostelry	Gambling halls management
Mexico	Services	Online marketing and big data analysis
Mexico	construction	Taps and valves sales
Mexico	Hostelry	Construction and operation of a hotel
Mexico	Automobile	Paint factory and logistics solutions
Mexico	Services	Logistics warehouse for textiles
Mexico	Automobile	Logistics project
Mexico	Services	Business Management Software
Mexico	Automobile	Screw manufacture
Mexico	Chemicals	Commercial subsidiary of dental implants
Mexico	Automobile	Stamping, assembly and painting
Mexico	Agri-food	Production and commercialisation of food ingredients and additives

PROJECT COMPANY	SPONSOR	EQUITY	QUASI-EQUITY	LOAN
Gestamp Wind Steel Pernambuco	Gestamp Wind Steel		X	
Inbove Empreendimentos	Global Bobe		X	
Red Line Contact Center e Tecnología	Avanza Externalización de Servicios		X	
Ros Roca Brasil	Ros Roca 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	
Acuinova Chile	Pescanova		X	
Auxiliar Conservera America S.A.	Auxiliar Conservera S.A.		X	
Copihue Capital I Fondo de Inversión Privado	Argo Capital Partners S.L.	X		
Grupo Clavijo Chile Ltda.	Grupo Clavijo ELT S.L.		X	
Inmuebles Cataluña	Conservas Dani		X	X
Montajes Alsina Ltda	Encofrados J. Alsina S.A.		X	
Abantia Colombia S.A.S.	Abantia Empresarial S.L.		X	
Econtact Col	Emergia Contact Center		X	
Opticalia Colombia S.A.S.	Opticalia Global Holding S.A.		X	
Phibo CAD CAM Colombia S.A.S.	Phibo Dental Solutions S.L.		X	
Powernet Colombia S.A.C.	Powernet I, S.L.		X	
Restitubo S.A.S Colombia	Restitubo			X
S2 Grupo Colombia S.A.S.	S2 Grupo S.L.U.		X	
Seg Ingeniería S.A.S.	Sondeos Estructuras y Geotecnia S.A.U.		X	
Torraval Colombia S.A.S.	Torraval Cooling S.L.		X	
Transporte Trasloyola S.A.S.	La Sepulvedana S.A.U.			X
Promarisco	Pescanova		X	
Vientos de electrotecnica (Vesa)	ICCF (FMO)			X
Panama Wind Energy Godaveri Private Limited	ICCF (FMO)			X
Jamaica Public Services	EPF (PROPARCO)			X
Aernnova Componentes Aeronáuticos de México	Aernnova Aerospace		X	
Aernnova Estructuras Aeronáuticas de México	Aernnova Aerospace		X	
Aetech México	Aplicacions Elctriques		X	
Arteche México	Arteche Lantegi Elkartea			X
Autopista Urbana Norte	OHL Concesiones	X		
Baratz México	Baratz		X	
BATZ Mexicana Sociedad Anónima de C.V.	BATZ, Sociedad Cooperativa		X	
Concesionaria México	Aldesa Construcciones	X		
Cotinavec México S.A. de C.V.	Grupo Navec Servicios Industriales S.L.		X	
Dover Tooling Mexico S.A. de C.V.	Troquelería Dover S.L.		X	
Ecenarro México S.L. de C.V.	Ecenarro S. Coop.		X	
Espectáculos Latinoamericanos Deportivos	Grupo Orenes		X	
Findasense México S.A de C.V.	Art Digital Holding 2013 S.L.		X	
Genebre Mexico	Genebre Group			X
Hotel Hoyo Uno	OHL	X		
Itech Grupo	Marsan Transformaciones Superficiales / Izmar		X	
Logifashion México	Logifashion		X	X
Logística Sesé México S.A. de C.V.	Grupo Lógico Sesé S.L.		X	
Nexis IT Group S.A. de C.V.	Izertis S.L.U.		X	
Panelfisa México S.A. de C.V.	Panel Fijaciones S. Coop.		X	
Phibo Dental Solutions México S.A. de C.V.	Phibo Worldwide S.L.		X	
Pintura Estampado y Montaje, CIE Celaya, CIE MATIC	CIE AUTOMOTIVE, S.A.		X	
Premium Ingredients México S.A. de C.V.	Premium Ingredients S.L		X	

**LATIN AMERICA AND CARIBBEAN (cont.)**

COUNTRY	SECTOR	BUSINESS ACTIVITY
Mexico	Chemicals	Production plant for calcium carbonate
Mexico	Capital goods	Manufacture and sales of insulated and flexible tubing
Mexico	Capital goods	Irrigation systems
Mexico	Environment	Industrial waste management and treatment
Mexico	Automobile	Automobile components
Mexico	construction	Auxiliary machinery for construction sector
Mexico	Automobile	Decorative plastic pieces manufacturing
Nicaragua	Agri-food	Expanding shrimp farming and processing facilities
Panama	Energy	Hydroelectric construction and operation
Panama	Energy	Hydroelectric construction and operation
Panama	Energy	Electricity generation and distribution
Panama	construction	Precast reinforced concrete factory
Paraguay	Services	Aircraft Maintenance
Peru	Services	Installation and maintenance of facilities
Peru	Transport infrastructure	Concession to build and operate a motorway
Peru	Services	Labour control services
Peru	Construction materials	Formwork Systems
Peru	Agri-food	Manufacture and marketing of canned vegetables
Peru	Engineering	Ventilated façade engineering
Peru	Consumer electronics	Manufacture of lamps and lighting
Peru	Services	Telecommunication engineering services
Peru	Services	Building and managing telephony distribution centres
Dominican Republic	Hospitality	Hospitality training
Dominican Republic	Commerce	Traumatology and orthopaedics product for medical and paramedical use
Dominican Republic	Services	Debit and credit card processing
Dominican Republic	Services	Municipal services management
Uruguay	Plastics and Derivatives	Rubber products manufacture
Uruguay	Agri-food	Manufacture and marketing of artificial casings
Multicountry: El Salvador, Brazil	Chemicals	Oral hygiene products
Multicountry: Mexico, Turkey	Plastics and Derivatives	Manufacture and sale of thermoplastic geomembranes
Multicountry: Mexico, Ecuador	Engineering	"Design and infrastructure development, topographic studies, etc."
Regional	Finance	Private equity fund for SMEs in Latam

ASIA

COUNTRY	SECTOR	BUSINESS ACTIVITY
China	Consumer electronics	Electric transformers
China	Consumer electronics	Design, manufacture and assembly of electronic equipment
China	Automobile	Brake systems for motorbikes manufacture
China	Chemicals	Manufacturing of active ingredients
China	Automobile	Automobile components
China	Automobile	Automobile components
China	Services	Conservation, handling, treatment and use of water
China	Automobile	Cutting and stamping of components for automotive industry
China	Automobile	Cutting and stamping of components for automotive industry
China	Automobile	Large-scale stamping
China	Automobile	Roller bearing production
China	Mining	Manufacture of metal silicon
China	Chemicals	Manufacture and marketing of laryngoscopes

PROJECT COMPANY	SPONSOR	EQUITY	QUASI-EQUITY	LOAN
Regio Mármol	Reverté de Productos Minerales	X		
Relats Leon	Relats		X	X
Siberline México	Siberline		X	
Sistemas Desarrollo Sustentables	Befesa Medio Ambiente	X		
Systems & Manufacturing México	Systems & Manufacturing Spain		X	
Ulma Cimbras y Andamios de México S.A. de C.V.	Ulma CyE S. Coop.		X	
Walter Pack S.A. de C.V.	Walter Pack S.L.		X	
Camanica, Camanica Zona Franca, Zona Franca Río Real	Pescanova		X	
Electrón Investment S.A. (Proyecto 1)	Genera Avante S.L.	X		
Electrón Investment S.A. (Proyecto 2)	Genera Avante S.L.	X		
Hidroeléctrica San Lorenzo	Grupo Empresarial Cuerva	X		
Pacadar Panamá	Pacadar S.A.			X
Air Nostrum Technic América S.A.	Air Nostrum Líneas Aéreas del Mediterráneo S.A.		X	
Abantia Perú	Abantia Empresarial		X	
Autopista del Norte	OHL Concesiones	X		
Clever Tecnología Perú	Clever Tecnología S.L.		X	
Encofrados Alsina del Perú S.A.C.	Encofrados J. Alsina S.A.		X	
Green Perú	Conservas El Cidacos		X	
Inbove Perú S.A.C.	Global Bobe S.L.			X
Josfel Iluminación	Grupo Luxiona		X	
Powernet Perú	Powernet		X	
Salesland Internacional	Salesland		X	
C.S.H. del Mediterráneo, S.R.L. (CSHM)	C.S.H. del Mediterráneo, S.R.L.		X	
MCT República Dominicana S.R.L.	Medcom Tech S.A.		X	
ProceCard	Tecnocom Telecomunicaciones y Energía		X	X
Tecvasa Internacional	Técnicas Valencianas del Agua		X	
Citrans	Kauman			X
Viscofan Uruguay	Viscofan			X
Laboratorios Kin Centroamérica y Caribe	Laboratorios Kin			X
Atarfil México / Atarfil Turkey	Atarfil			X
SEG México S.A. de C.V. / SEG Sucursal Ecuador S.A. y Sodesegoy S.A.	Sondeos Estructuras y Geotecnia S.A.U.		X	
Aureos Latin American Fund	Aureos Latin American Managers	X		

PROJECT COMPANY	SPONSOR	EQUITY	QUASI-EQUITY	LOAN
Arteche DYH	Arteche Lantegi Elkartea			X
Chinakor Electronic Systems (Suzhou) Co Ltd.	Ikor Sistemas Electrónicos S.L.		X	
Ciju Control Systems	Ciju Corp			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 (Dongguan)	Gestamp Automoción	X		
Gestamp Autocomponents (Shenyang)	Gestamp Automoción	X		
Gestamp Autocomponents Kungshan	Gestamp Automoción	X		
Jiaxing Fersa Bearing	Fersa Bearings		X	
Mangshi Sinice Silicon Industry	Grupo Ferroatlántica		X	
Prodol Meditec Limited	Prodol Meditec S.A.		X	

**ASIA (cont.)**

COUNTRY	SECTOR	BUSINESS ACTIVITY
China	Automobile	Industrial textile finishes and coating
China	Agri-food	Wines and spirits distribution
China	Others	Production and printing of paper bags
China	Automobile	Manufacture of rubber components for automotive and appliances
China	Automobile	Tyre production
India	Plastics and Derivatives	Coat hanger production
India	Automobile	Automotive parts supply
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	Energy	Construction and operation of a wind farm
India	Automobile	Vehicle lighting equipment
India	Automobile	Manufacturing of metal components
India	Metal manufacturing	Wind tower plant
India	Transport infrastructure	Construction and operation of roads
India	Energy	Construction and maintenance of transmission lines
India	Construction	Frits manufacture
India	Automobile	Decorative plastic part manufacturing
Mongolia	Energy	Wind power farm

CENTRAL AND EASTERN EUROPE, MIDDLE EAST AND 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	Component stamping
Slovakia	Automobile	Metal castings for components and automotive industry
Jordan	Finance	Exchanging foreign currency
Kuwait	Environment	Decontamination of areas
Montenegro	Energy	Development, construction and operation of a wind farm
Poland	Metal manufacturing	Lighting Products
Poland	Iron and Steel	Smelting
Qatar	Services	Installation and Maintenance
Romania	Agri-food	Distillery construction
Romania	Consumer electronics	Bodywork and stamping
Romania	Automobile	Metals electrolytic surface treatment
Romania	Carpentry	Wooden counter
Romania	Automobile	Manufacture of rubber and metal components
Romania	Automobile	Rubber products manufacture
Romania	Automobile	Motor vehicles manufacture
Romania	Automobile	Investment in tractor heads
Russia	Automobile	Component stamping
Russia	Agri-food	Warehouse construction for food industry storage
Russia	Agri-food	Turkey meat production plant
Turkey	Energy	Financing of 10-20 MW renewable energy projects
Turkey	Sanitation	Food safety Analysis
Turkey	Energy	Design, construction and operation of a wind farm
Turkey	Metal manufacturing	Manufacturing metal structures

PROJECT COMPANY	SPONSOR	EQUITY	QUASI-EQUITY	LOAN
Shanghai Coatex Technical Coating	Rosich y Puigdengolas		X	
Shanghai Torres Wine Trading	Miguel Torres			X
Toybe Easy Asia	Toybe S.A.U.		X	
Wingroup Leisure and Sports Equipment	Cikautxo			X
Zanini (Changzhou) Autoparts	Zanini Auto Grup		X	X
Erum Hangers	Plásticos Erum		X	
Grupo Cosmos India Private Ltd.	Grupo Cosmos XXI S.L.		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
ReNew Wind Energy (Rajasthan 3)	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		
Sterling Ceramics PVT Ltd.	Vidres S.A.		X	
Walter Pack Automotive Product India Pvt Ltd.	Walter Pack S.L.		X	
Mongolia Wind	ICCF (FMO)			X

PROJECT COMPANY	SPONSOR	EQUITY	QUASI-EQUITY	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	
Esnasa Slovensko	Estampaciones Navarra		X	
SKC FOUNDRY SRO.	Fundería Condals S.A.		X	
Global Exchange Jordan	Eurodivisas S.A.			X
Hera AG Ambiental	Hera Tratesa			X
Krnovo Green Energy	ICCF (PROPARCO)			X
Aga Light	Grupo Luxiona	X		
CELSA Polska	Barna Steel		X	
Tempo LLC.	Abantia Empresarial			X
Bioaldevin	Productos Agrovin		X	
CSC Transmetal	Consuegra		X	
Electrolytic Coating	Manufactura Moderna de Metales		X	
Losan Romania	Aserpal		X	
SC Cauchometal Productos S.R.L.	Cauchometal Productos S.L.		X	
SC Cikautxo Ro Rubber & Plastic	Cikautxo		X	
SC Indcar Bus Industries	Inmobiliaria Arbuciense		X	
Trans Sesé S.R.L.	Grupo Logístico Sesé S.L.		X	
Gestamp Severstal Kaluga y S.Petersburgo	Gestamp	X		
Starinox, OOO.	Inoxpa S.A.			X
Tambovskaya Indeika	Grupo Corporativo Fuertes			X
Bank Pozitif	ICCF (PROPARCO)			X
Ekosmyrna S.R.L.	Laboratorios Ecosur S.A.		X	
Eolos Rüzgar Enerjisi Oretim	ICCF (PROPARCO)			X
Schwartz Hautmont Metal Sanayi Dis Ticaret	Schwartz Hautmont Cons. Metálicas	X		

**NORTH AMERICA**

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

WESTERN EUROPE

COUNTRY	SECTOR	BUSINESS ACTIVITY
Germany	Agri-food	Manufacture and commercialisation of jams
Germany	Environment	Waste collection vehicle production
Germany	Chemicals	Design and manufacture of dental implants
France	Chemicals	Air-fresheners commercialisation
France	Engineering	Engineering Rental services
France	Commerce	Production and distribution of toys
France	Capital goods	Lift maintenance
Holland	Agri-food	Juice bottling and packaging
Holland	Finance	Products derived for foreign currency hedging
Holland	Services	Internet tracking Software
Italy	Chemicals	Vegetable oils for cosmetic industry
Italy	Commerce	Commercialisation of toys
Italy	Energy	Cogeneration of electrical energy
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	Chemicals	Manufacture and sale of industrial adhesives
United Kingdom	Chemicals	Commercialisation of dermatological products
United Kingdom	Automobile	Production of insulated wires

INTERNATIONAL

COUNTRY	SECTOR	BUSINESS ACTIVITY
International	Energy	Promotion, production and management of renewable energy, water and infrastructure
International	Finance	Public-private fund to invest in debt instruments
International	construction	Manufacture and commercialisation of cement and concrete
International	Agri-food	Coca-Cola processing and bottling
International	Others	Assisted reproduction
International	Others	Production and sale of bed articles
International	Transport infrastructure	Concessions and infrastructure
International	Services	Information and Communication Technology
International	Automobile	Automobile components
International	Environment	Hazardous waste management and recycling
International	Services	Water and multiservice, environmental services

PROJECT COMPANY	SPONSOR	EQUITY	QUASI-EQUITY	LOAN
Glen Dhu Wind Energy	Genera Avante	X		
AB of Illinois & AB of Indiana	Abengoa Bioenergía	X		
AGQ USA	Labs & Technological Holding Solea		X	
Carbures Usa	Carbures Europe		X	
Elecnor Hawkeye	Elecnor		X	
Ficosa North America Corporation	Ficosa International		X	
Gandía Blasco Usa	Gandía Blasco		X	
Intrabond	Alucoil		X	
Sic Lazaro US	Sic Lázaro		X	
A.V. Brands Inc.	Codorniu S.A.		X	
Codorniu Napa Inc.	Codorniu S.A.		X	
Only Apartments Inc.	Only Apartments S.A.		X	
P4Q USA Inc.	P4Q Electronics S.L.		X	
Prodesa North America Corporation	Prodea Medioambiente S.L.		X	
Russula Corporation Inc.	Russula S.A.		X	
Sesé US Corp.	Grupo Logístico Sesé S.L.		X	
Verbio Incorporated	Verbio Technologies S.L.		X	
Vondom LLC.	Vondom S.L.U.		X	

PROJECT COMPANY	SPONSOR	EQUITY	QUASI-EQUITY	LOAN
MÜHLHÄUSER	Dulces y Conservas Helios		X	
NH Schorling	Ros Roca Internacional	X		
Phibo Germany	Phibo Worldwide		X	
Cristalines Centre Europe SRAL	Hugworld International Distributions S.L.		X	
CT Ingenierie	CT Ingenieros Aeron. Autom. e Ind.		X	
Eureka Kids Francia	Damerik		X	
JBT Ascenseur, ASJ, Cie Européenne d'Ascenseurs	Fain Ascensores		X	
AMC Vissingen B.V.	AMC Juices S.L.		X	
TCX	FMO Holanda	X		
Wakooopa B.V.	Soluciones Netquest de Investigación S.L.		X	
GP Textrón S.R.L.	Textrón Técnica S.L.U.		X	
IMC Toys Italy S.R.L.	IMC Toys S.A.		X	
Sampol Italy	Sampol Grupo Corporativo		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	
Forest Chemical Group Ltd.	Forest Chemical Group S.A.		X	
Reig Jofré Uk Ltd.	Laboratorios Reig Jofré S.A.	X		
Relats UK	Relats		X	

PROJECT COMPANY	SPONSOR	EQUITY	QUASI-EQUITY	LOAN
Acciona S.A.	Acciona S.A.		X	
Alteralia S.C.A.	N+1	X		
Cemolins Internacional S.L.	Cementos Molins		X	
Equatorial CocaCola Bottling Company S.L. (ECCBC)	Equatorial CocaCola Bottling Comp. S.L.		X	
Equipo IVI S.L.	Equipo IVI S.L.			X
GrupoPikolín S.L.	GrupoPikolín S.L.		X	
OHL Concesiones	OHL Concesiones S.A.		X	
Tecnocom Telecomunicaciones y Energía S.A.	Tecnocom Telecom. y Energía S.A.		X	
Teknia Manufacturing Group S.L.	Teknia Manufacturing Group S.L.		X	X
Tradebe Environmental Services Ltd.	Grupo Tradebe Medioambiente S.L.		X	
Valoriza Gestión S.A.U.	Valoriza Gestión S.A.U.		X	

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Capital para tu inversión exterior

▶ Selection of Investment Projects



IVI International

Promoter:	Equipo IVI, S.L.
SME:	No
Project Company:	Not applicable
Business activity:	Assisted-reproduction
Sector:	Services-Others (health)
Total investment:	€10m
Financing:	€4m
Product:	Ordinary loan
Drawn from:	COFIDES
No. of direct jobs associated with the project:	Not applicable
No. of head office employees:	950

COFIDES has supported Equipo IVI S.L. in its international expansion to strengthen its assisted reproduction clinics network in Latin America.

IVI is a medical institution purely dedicated to assisted reproduction. Its main purpose is to offer a high-level reproductive medicine, offering the most advanced treatments and techniques, as well as promoting research, teaching and professional excellence, as the core of its activity.

IVI has over 40 clinics in 10 countries (Spain, Argentina, Portugal, Mexico, Panama, Brazil, Chile, Italy, India and the UAE). It is a reference in the field of reproductive medicine. Since it was founded in 1990, IVI presidents and founders, Professor José Remohí and Professor Antonio Pellicer, along with a large staff of 1,500 professionals have helped giving birth to more than 100,000 babies, revolutionising year after year the advances in reproductive medicine.





Opticalia Colombia

Promoter:	Opticalia Global Holding S.A.
SME:	Yes
Project Company:	Opticalia Colombia, S.A.S.
Business activity:	Purchase, sale, marketing and distribution of eyewear articles and sunglasses
Sector:	Services-Commerce
Total investment:	€1.6m
Financing:	€600,000
Product:	Joint venture loan
Drawn from:	COFIDES (25%) FONPYME (75%)
No. of direct jobs associated with the project:	9 direct employees and 100 indirect
No. Of head office employees:	29

COFIDES came to a financing agreement with OPTICALIA to support their commercial deployment in Colombia, with a joint venture loan structured through the Fund for SME Foreign Investment Operations (FONPYME) and COFIDES own resources. With this loan Opticalia will cover their commercial deployment costs for the development of the project. Opticalia Colombia was established in January 2015 and is associated with over 100 opticians with wide acceptance in the country.

Opticalia is involved in the purchase, commercialization and distribution of eyewear articles

and sunglasses. Its business model is based on the association of Optical professionals and selling exclusive brands. Opticalia has a variety of products that complement their position in the sector through massive advertising campaigns for exclusive fashion brands, setting them apart from their competitors.

The company has about 600 outlets in Spain, 200 in Portugal and 100 in Colombia and has the exclusive rights to commercialise optical products for major Spanish brands.





Premium Ingredients México

Promoter:	Premium Ingredients, S.L.
SME:	Yes
Project Company:	Premium Ingredients México S.A. de C.V.
Business activity:	Production and marketing of food ingredients and additives
Sector:	Agrifood
Total investment:	€242,000
Financing:	€121,000
Product:	Joint venture loan
Drawn from:	FONPYME
Total investment:	€1,195,714
Financing:	€837,000
Product:	Joint venture loan
Drawn from:	FONPYME
No. of direct jobs associated with the project:	12
No. of head office employees:	60

COFIDES has supported Premium Ingredients, a company which forms part of the Blendhub Corporation, specialized in the design, production and marketing of functional, blended food ingredients to support their commercial and production implementation in Mexico. COFIDES has provided two joint venture loan structured through the FONPYME Fund. One of them for the commercial rollout of their subsidiary in Mexico and the other one, for the construction, equipment, commissioning and associated investment of the new mobile "Portable Powder Blending" (PPB).

Premium Ingredients, through Blendhub Corp offers an integrated service platform that will prepare the mixing and production of high quality powered food products for any company in any location.

The deployment of Premium Ingredients in Mexico is a major step forward in the commitment that the Spanish company has with its customers in Mexico and Latin America.





Prodesa USA

Promoter:	Prodesa Medioambiente S.L.
SME:	Yes
Project Company:	Prodesa North America Corporation
Business activity:	Design, supply, installation and commissioning of the biomass plants production
Sector:	Engineering - Environmental
Total investment:	€400,000
Financing:	€200,000
Product:	Joint venture loan
Drawn from:	FONPYME
No. of direct jobs associated with the project:	10
No. Of head office employees:	56

Prodesa Medioambiente has received financing from the FONPYME fund for their deployment in Georgia, United States. This project is the response to the willingness of the company to enter the North American market, considered as one of the most important markets within the biomass sector, allowing to increase its portfolio and North American customers.

PRODESA Medioambiente S.L. is a company dedicated to engineering, focused on providing

solutions to its customers by supplying turnkey plants for the production of solid biofuels.

Prodesa carries out the design, supply, installation and commissioning of the plants, being specialists in thermal drying, wood processing, biomass cogeneration and gas treatments. Based in Zaragoza is in the full delivery phase of its internationalisation plan.



REIG JOFRE

Reig Jofre UK

Promoter:	Laboratorios Reig Jofre, S.A.
SME:	No
Project Company:	Reig Jofre UK Ltd.
Business activity:	Research, development, manufacture and marketing of medicines and nutritional supplements
Sector:	Chemical & Pharmaceutical Industries
Total investment:	£4.05 million
Financing:	€3.1m (maximum)
Product:	Share capital
Drawn from:	FIEX
No. of direct jobs associated with the project:	8
No. of head office employees:	705

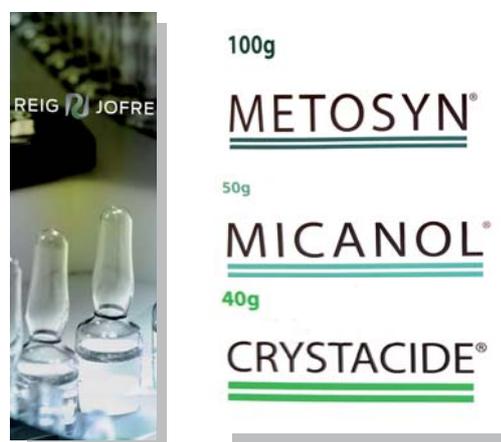
COFIDES has acquired a shareholding in the capital of Reig Jofre UK Ltd, its UK subsidiary, with the option to leave in 6-8 years.

The resources provided by COFIDES through the Fund for Foreign Investment (FIEX) have been used to finance the acquisition of marketing licenses required for four dermatology products.

Reig Jofre UK manages the sales in the pharmaceutical channel through the new licenses, the range of nutritional supplements by Forté Pharma, as well as the sales to hospitals.

The company's core business specialises in the development of prescription and non-prescription-based pharmaceutical products, generic injectable products based on specialised technologies, medical devices, dietary supplements and cosmetics.

Reig Jofre directs its R&D to develop new pharmaceutical products or variations on known active principles in order to modify its release, improve its dosage and get new routes of administration or indications. It also develops generic specialities to be manufactured by the company and licensed. Reig Jofre has an outstanding experience in the development and manufacture of injectable lyophilised antibiotics, beta lactam antibiotics, topical dermatological products and nutraceuticals, as well as the development of new innovative molecules in partnership with start-ups and research centres.





Textron Técnica Italy

Promoter:	Textron Técnica S.L.U.
SME:	Yes
Project Company:	G.P. Textron S.R.L.
Business activity:	Manufacture and commercialisation of chemical products
Sector:	Manufacturing-Chemical and Pharmaceutical Industry
Total investment:	€700,000
Financing:	€490,000
Product:	Joint venture loan
Drawn from:	FONPYME
Total investment:	€1m
Financing:	€500,000
Product:	Joint venture loan
Drawn from:	FONPYME
No. of direct jobs associated with the project:	11
No. Of head office employees:	67

COFIDES has financially supported the company which belongs to the PLIMON GROUP, Textron Técnica, for its deployment in Colverde, Como, Italy. Through two joint venture loans, COFIDES has provided the funding for them to carry out their commercial deployment as well as to purchase assets necessary for the development, manufacture and commercialization of natural thickeners for textile printing.

Textron Técnica’s main activity is the production and distribution of raw materials, used predominantly in the Cosmetic, Food and Pharmaceutical sectors, among others. With the subsidiary

in Italy, GRUPO PLIMON will strengthen their international position, in line with its strategy for sustainable and diversified growth.

Textron Técnica has two production plants in the province of Lérida (Spain) specialising in the production of oils and biocides for the cosmetic sector, amongst others.

GRUPO PLIMON with subsidiaries in the United States, Japan, India and Italy, as well as a sales network in more than 70 countries on five continents, has contributed to the development and growth in an international context.





Ulma C y E Mexico

Promoter:	Ulma C y E, S Coop.
SME:	No
Project Company:	Ulma Cimbras y Andamios de México, S.A. de C.V.
Business activity:	Design, development, production, sales, rental of industrialised assembling systems
Sector:	Construction
Total investment:	€10m
Financing:	€5m
Product:	Joint venture loan
Drawn from:	FIEX
No. of direct jobs associated with the project:	45 direct employees and 15 indirect
No. Of head office employees:	617

UMA C y E has acquired machinery with the financial support of the fund FIEX in order to increase the activity of its Mexican subsidiarie.

ULMA C y E's main activity is the manufacturing, commercialization and rental of scaffolding and formwork. Its products are focused on the construction and building sector of residential works, public works and renovations, with construction companies being their major clients.

The company is part of the ULMA Group. It is made up of 9 cooperative societies and it's multi-sectoral. ULMA group is also part of Mondragón Corporación. It is currently present, among others, in Germany, Brazil, Italy, Poland, United States and Mexico.

ULMA C y E collaborated in an internationalisation project of the company in Brazil in 2010.





Vidres India

Promoter:	Vidres, S.A.
SME:	Yes
Project Company:	Sterling Ceramics P.V.T. Ltd.
Business activity:	Manufacture and sell of glazes for the ceramic sector
Sector:	Construction materials
Total investment:	€5.2m
Financing:	€1,848,000
Product:	Joint venture loan
Drawn from:	FONPYME
No. of direct jobs associated with the project:	15
No. Of head office employees:	151

COFIDES has granted a joint venture loan to the ceramic company Vidres in order to boost its international expansion. With this loan Vidres has acquired the Indian company Sterling Ceramics, together with its distributor (VICPL) for the implementation of a frit factory. Frit is a glass-based material resulting from the melting of a mixture of raw materials at high temperature in a melting furnace and with this project Vidres will include the installation of three frit furnaces, in order to make this product.

This is the first operation between COFIDES and

Vidres, which has 15 employees managing the Indian market.

Vidres SA is a family SME founded in Castellón in 1975 which manufactures and sells glazes for the ceramic sector. Its main activity is the production and marketing of materials used in the production of ceramic pavings and facings, among which are the frits, glazes, serigraphs, inks, etc. Its customers are tile manufacturers, concentrated mainly in Valencia. The company has a subsidiary in Italy and a technical office in Iran.



COFIDES



Management Report



▶ Management Report

1. ECONOMIC ENVIRONMENT

World GDP growth in 2015 was 3.1%, according to the estimation done by the International Monetary Fund, with developing countries contributing the most with a growth rate of 4.0%, while advanced economies continued growing at a slower rate (1.9%).

Despite the slowdown in global GDP growth, the foreign direct investment (FDI) flows of developed countries showed signs of recovery after having increased by 36% compared to 2014, according to UNCTAD, reaching its highest level since the start of the economic and financial crisis in 2008-2009.

This increase is mainly due to the rise in FDI flows to developed countries, which increased by 90% during 2015 after suffering a historic fall the previous year. Meanwhile, FDI flows to developing countries increased by 5%, reaching its best historical record. After three consecutive years in which the FDI flow volume to developing countries exceeded that received by developed countries, in 2015 this trend reversed and the developed countries received 55% of the total global flows.

In 2015, the USA became again the primary recipient of FDI flows after having been moved to third place in 2014. The European Union experienced an increase of 68% in FDI flows received in 2015. Countries such as the Netherlands (+146%) and the UK (+29%) FDI flows were significantly increased. Countries such as France or Germany also experienced growth, having seen reductions in the previous year.

On the other hand, as well as in 2014, Latin America experienced a decrease in FDI inflows (11%), a result due to the lower prices in raw materials. Brazil, the largest FDI recipient country in the region, saw its inflows reduced by 23%, as well as Chile (-38%) and Colombia (-15%). In Mexico, UNCTAD estimated that FDI inflows had increased by 14% and in Peru by 11%.

Moreover, FDI flows received by Asia increased by 15%, reaching historic levels and establishing itself as the primary recipient region of FDI in the world. Inflows in China increased by 6% due to an intensification in FDI in the service sector despite the decline in manufacturing. India, meanwhile almost doubled the volume of FDI received, partly due to the result of the measures taken by the government to improve the investment climate. On the other hand, Africa showed a decline of 31% with significant decreases in countries such as South Africa (-74%), Mozambique (-21%) and Nigeria (-27%).

In the Spanish economy, GDP increased by 3.2% in 2015 according to the National Statistics Institute (INE), 1.8 points more than in 2014 and the highest since 2007. National demand has been the main growth engine, driven by the strong private consumption and productive investment.

Moreover, according to the State Secretariat for Trade, during the first three quarters of 2015, net flows of Spanish investment overseas recorded positive values amounting to €14,310.71m, 166% higher than those reported in the same period last year. During the first three quarters of the year, Canada, UK, Germany, Italy, France, USA, China, Norway, Mexico and Sweden were found to be among the main recipients of Spanish FDI. Among them, Canada and Sweden experienced the highest growth rates in percentage terms as target countries. The main recipient sector of Spanish FDI abroad during the first three quarters of 2015 was financial services, followed by civil engineering, real estate and telecommunications.

In real terms, the momentum of the external sector continued and this was best referenced by the good performance of Spanish exports in 2015, which recorded the best figures since their first publication in 1971 surpassing €250,000m, representing an increase of 4% over the previous year.

Exports to the EU-28 (64.8% of the total) advanced by 6.4% in 2015, driven by the economic recovery in this region. Also noteworthy is the growth in exports to other regions such as Oceania (8.3%), America (7.1%) and Asia (5.3%). Likewise, exports to countries with great potential such as USA (7.2%), China (8.8%), Mexico (21.6%), Chile (23.9%), the Philippines (11.5%), Saudi Arabia (36.0%) and Australia (15.1%) also rose. As for sectors, the automotive sector (17.0% of the total) excelled, where sales abroad rose 19.6% year-on-year. A very positive performance was also noted in the food, beverages and Tobacco sector (16.2% of the total) as well as chemicals products (14.4% of the total) with growth of 9.0% and 5.5% respectively.

Regarding FDI flows, UNCTAD estimates suggest that economic uncertainty, the volatility of global financial markets and the slowdown in some major emerging economies, will be reduced in 2016. The International Monetary Fund expects global activity to continue improving over the next two years with the world economy expected to reach slightly higher rates of growth in 2016 (+3.4%) and 2017 (+3.6%). According to the IMF, the downturn and rebalancing of the Chinese economy and the fall in raw material prices are factors which can negatively influence the global growth in the coming years, while the gradual improvement forecast in growth rates for countries such as Brazil, Russia or Middle East can stimulate it.

2. PROJECT FINANCING

During 2015 the activity of COFIDES, both as a single entity and as manager of the FIE X and FONPYME funds has continued its positive growth trend. Disbursements have exceeded €150m. Approvals for the year have reached €334.43m, 30% higher than the approved volume in 2014. Formalisations have reached a very high level, reaching €157.11m.

If we compare the quadrennial period of 2012-15 to 2008-11, it can be noticed an increase in the number of formalised projects (83%), as well as in amounts disbursed (50%). This data shows, in the case of SMEs, an increase of around 120%.

The outlays, approved and formalised operations, and the total portfolio in 2015 compared to the figures for the five preceding years are in the table below:

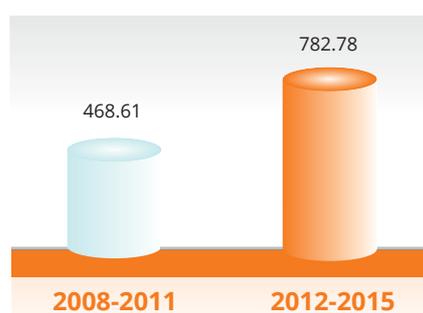
	2010	2011	2012	2013	2014	2015
Outlays	155.35	134.69	220.72	209.69	197.29	155.08
Formalisations	141.09	170.92	227.41	221.59	244.89	157.11
Approvals	164.83	193.28	197.72	243.31	258.20	334.43
Total portfolio	561.42	551.14	737.20	872.53	911.79	926.96

(€million)

2.1. Outlays

The total outlay volume for operations managed by COFIDES in 2015 remained at slightly lower levels recorded in 2014, reaching €155.08m. Of those, €115.41m was disbursed under FIE X, €14.93m came from FONPYME and €24.74m were drawn from the own resources of COFIDES.

Outlay volume 2008-2015
(€million)





2.2. Approvals

In 2015, 59 projects were approved for a committed value of €334,43m which marked an all-time high against the 63 projects approved in the previous year, which amounted to €258.20m, representing an increase of 30%, compared to 2014.

Drawn from COFIDES own resources there were a total of 28 approved projects in 14 countries, with an overall commitment of €28.66m.

Of these 28 projects, 14 were co-financed by the Fund for Foreign Investment (FLEX), for an additional €186.98m in six 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 six countries, increasing the total by a further €6.57m.

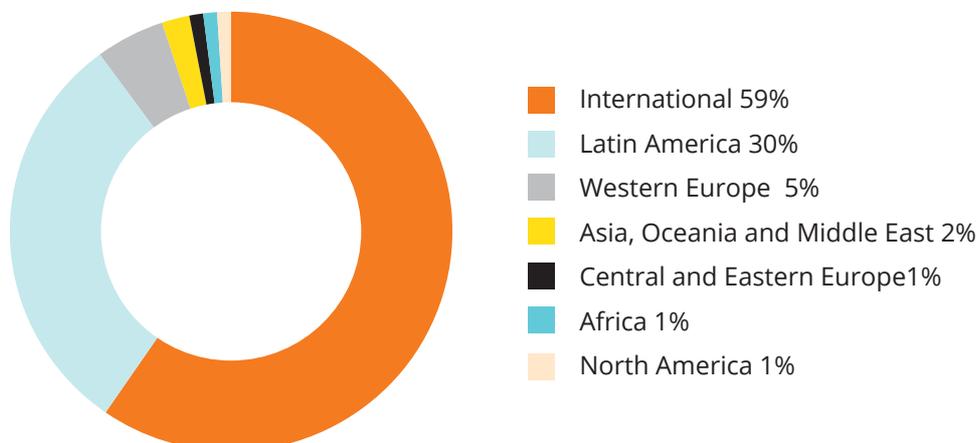
Drawn from FONPYME resources without co-financing, 19 projects were approved in 13 countries for a total of €11.60m. This attains a total annual commitment, drawn from FONPYME resources of €18.17m, 6% more than in 2014.

On the other hand, the FLEX Executive Committee approved 12 projects in 9 countries without COFIDES co-financing. In all, the commitment against FLEX resources in 2015 amounted to €287.61m, through FLEX Fund resources, 38% more than in 2014. Additionally, in 2015 the FLEX Executive Committee approved 24 project profiles valued at €355.99m, representing a 28% growth from 2014.

In the framework of European Financing Partners (EFP) two operations were approved amounting to €0.46m, from COFIDES own resources. Moreover, through the new investment facility Interact Climate Change Facility (ICCF), five projects of €2.42m were approved using COFIDES own resources (50%) and FLEX (50%).

As for the destination areas, Latin America remained the largest recipient region of approved investments, equating to 30% of total resources committed. Behind Latin America were Western Europe (5%), Asia, Oceania and Middle East (2%), Central and Eastern Europe (1%), Africa (1%) and North America - considered as USA and Canada- (1%). The remaining 59% has been classified according to the "International" category that includes (i) the COFIDES-Oman Fund aimed to the participation in the capital of subsidiary companies of Spanish groups or in Spanish parent companies to facilitate support for the international development of these groups or generally promote the international development of the Spanish economy and (ii) loans related to Spanish parent companies to develop oversea projects identified in several countries.

Approved resources in 2015 - By Area

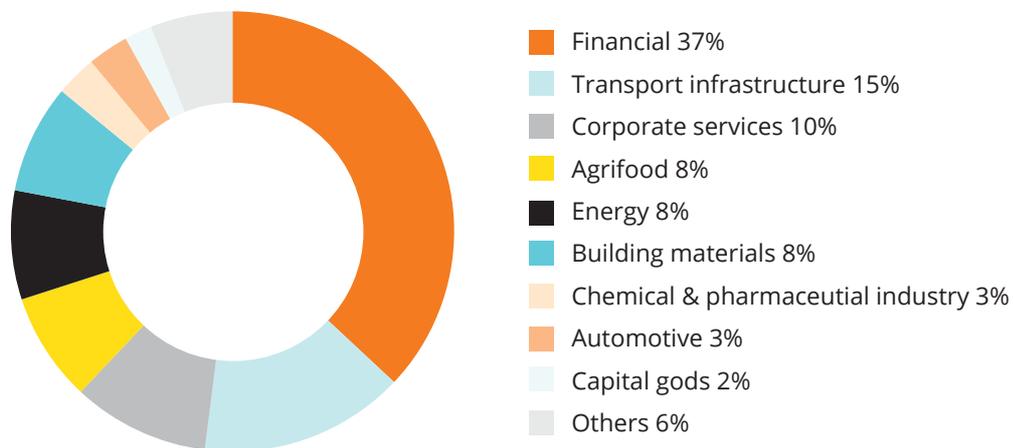


By commitment volume, Colombia (16%), Panama (7%), Chile (3%), Mexico (2%), and the Netherlands (2%) were the main destinations for approvals, whereas the number of approved projects was: 7 in Mexico and Colombia respectively, 4 in India and 4 in the USA, and 3 in Italy.

The sectorial distribution of investment is very diverse. The chemical and pharmaceutical, agrifood and energy sectors are the main sectors, with 8 approved projects. The corporate services sector follows with 7 projects, automotive sector with 5, and engineering and transport infrastructure with 3 projects each. Finally, in 2015 some projects were also approved in the field of construction materials, capital goods, financial, trade, telecommunications, hospitality, tourism and leisure and others.

The main recipient sectors by investment volume were: financial (37%), transport infrastructure (15%) corporate services (10%), agrifood (8%), energy (8%), chemical and pharmaceutical (3%), Automotive (3%) and capital goods (2%).

Approved Resources in 2015 - By Area



Finally, these projects have had an exponential effect on host country economies. The 2015 approvals seeded a total investment worth more than €3.400m. (of which around half relates to two major infrastructure projects) which generated approximately 3,390 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 46 projects were formalised in 2015, for a volume of €157.11m, compared to 56 projects formalised in 2014 with a commitment of €244.89m. The lower formalisation volume in 2015 over the previous year is mainly explained by the approval of large value projects and long project cycles that delays formalization until 2016.

Drawn from COFIDES own resources, 21 projects were formalised in 12 countries, with an overall commitment of €19.10m.

FIEX co-financed 8 of these projects contributing an additional €30.75m, while FONPYME co-financed 8 projects amounting to a further €6.15m.



Using exclusively FONPYME resources, 16 projects have been formalised for €9.32m and with FIEX resources exclusively, 9 projects have been formalised worth €91.78m.

The total annual volume of formalisation under FONPYME amounted to €15.47m and under FIEX resources amounted to €122.53m.

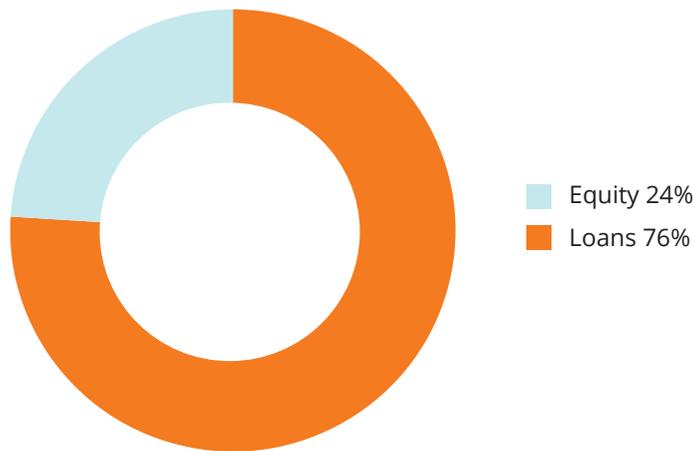
In the framework of European Financing Partners (EFP) four operations were approved amounting to €1.96m, using COFIDES own resources (50%) and FIEX (50%). Moreover, through the new investment facility Interact Climate Change Facility (ICCF), in 2015, two projects of €0.78m were approved using COFIDES own resources.

As for the target areas of formalised projects in 2015, Latin America was made up 30% of the total committed resources, and it became the main recipient of investment. Behind Latin America were Western Europe (7%), Asia, Oceania and Middle East (5%), Central and Eastern Europe (3%), Africa (1%) North America (0.3%). The remaining 53% has been classified according to the "International" category that includes loans related to Spanish parent companies to develop overseas projects identified in several countries.

By sector, the main destinations of resources originated in 2015 were corporate services (22%), construction materials (17%) energy (17%), agrifood (15%), others, automotive (6%), financial services (6%). Projects in corporate chemical and pharmaceutical (4%), trade (1%), engineering (1%), hospitality, tourism and leisure (1%) and capital goods (0.1%) have also been formalised.

24% of the resources invested in the assembly operations were formalised in 2015 in the form of capital, confirming the trend of COFIDES to provide additional funding through the financial products market.

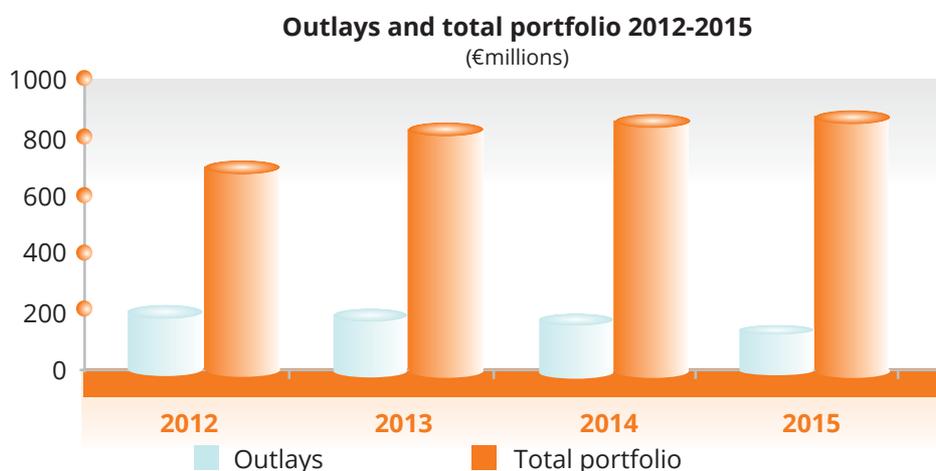
Approved Resources in 2015 - by Financial Product



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 2015 the investments committed by the company were worth €1,017.91m, related to 262 projects in 58 countries.

Meanwhile, the total portfolio on 31st December 2015 reflected, for formalised operations, balances between the amounts actually disbursed and repaid, amounts to €926.96m. This figure represents the highest ever portfolio level on record and an increase of 2% over the previous year.



3. COFIDES OPERATING AND MANAGEMENT CAPACITY

In late 2015 COFIDES had an overall operating capacity of over €2,500m.

3.1. FIEX AND FONPYME

The net assets of the FONPYME and FIEX funds rose to €993.6m as at 31st December 2015. Of this, €919.12m corresponded to FIEX and the remaining €74.48m to FONPYME.

The FIEX fund remains as a high valued vehicle by Spanish firms that were involved in internationalisation activities in 2015 and it has maintained its high level of commitment in these activities. The volume of resources approved by FIEX during 2015 amounted to €287.61m and 17 projects were formalised under this fund with a total volume of €122.53m.

In 2015 the Fund committed resources in countries such as Panama, Chile, the Netherlands, Mexico, UK, Paraguay, Italy and India, among others. In late 2015 and with revolving character, a total of 207 projects equating to €1,634.06m had been charged to the Fund, leaving at that time 136 projects valued at €869.72m in the portfolio of committed investments.

With regard to FONPYME fund, the volume of resources committed during 2015 amounted to €18.20m. Also during this period, 24 projects with a volume of €15.47m were formalised under this fund. In late 2015, a total of 122 projects totalling €96.31m were charged to the Fund, leaving a committed investment portfolio of 75 projects worth €55.81m.

3.2. Development Promotion Fund (FONPRODE)

With the approval of the Royal Decree 597/2015, of 3rd July, the regulatory development process was concluded. 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



Meeting with the UN Secretary-General organised by the Global Compact Network Spain



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 Compañía Española de Financiación del Desarrollo (COFIDES).

The approval of this Act determines the functions corresponding to COFIDES in supporting the FONPRODE management, and 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.

Since October 2015, once the COFIDES remuneration has been established by Ministerial Order, the support work to FONPRODE management bodies have been started.

3.3. ICO Lines

During 2015, there was no adhesion or no formalisation of new financing lines with the ICO, although in the COFIDES portfolio there are two formalised operations under contracts from previous year for Multidivisa Financing.

3.4. Multilateral and bilateral resources

3.4.1. 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. COFIDES has contributed with 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 2015, a total of €454m in 35 projects located in 14 different countries. The combined FIEX/COFIDES resources invested in these projects by the end of 2015, resulted in a commitment of €16.76m, in 27 projects in 12 different countries, 11 of them belonging to the Africa Sahara region.

On the other hand, the investment facility Interact Climate Change Facility (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 mitigate climate change and promote energy efficiency in countries receiving ODA. ICCF had committed, as of 31st December 2015, a total of €346.11m in 21 projects located in 11 different countries. In late 2015, COFIDES had engaged in ICCF projects a total of €11.91m in 21 projects in 11



The "Financing for development. A Comparative Perspective" Conference

different countries, all countries receiving Official Development Assistance.

4. INSTITUTIONAL ACTION

4.1. Other activities within the EDFI framework

In the EDFI framework, COFIDES has participated throughout 2015 in the following working groups in order to standardise the practices of member institutions and to facilitate the joint funding of operations: Development Effectiveness & Environmental and Social, Human Resources, Interact Lawyer meeting and Communication Strategy. COFIDES has also attended workshops and courses organised by other European bilateral financial institutions such as the presentation of the new line ElectriFI, the training sessions for EDFIs new employees and the EDFI Finance SME workshop.

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 2015, COFIDES attended meetings related to the framework of the European Union Platform for Blending in Overseas Cooperation, where future blending facilities were discussed for their inclusion in the new 2014-2020 Plan. Also, since 2015 it has participated in the "Technical Assessment Meetings" and "Boards" Blending Facility in which is authorised. In 2015, 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. The process is in an advanced stage and its completion is expected throughout 2016.



Meeting with the United Nations Organisation for Food and Agriculture (FAO)

During 2015 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 Development Promotion Fund (FONPRODE).



On the other hand, in 2015, within the HIPSO (Harmonized Indicators for Private Sector Operations) initiative, launched in 2011, a second commitment for the adoption of a new development indicators package was signed between the IFIs participators. It is about 10 qualitative indicators, which bind to the 29 quantitative indicators approved in 2013.

Also during last year, COFIDES began the accreditation process to the Green Climate Fund (GCF, its acronym in English). The Green Climate Fund (GCF) is a fund within the framework of the UNFCCC founded as a mechanism to assist developing countries in adaptation and mitigation practices to counter climate change. It is intended to be the centrepiece of efforts to raise Climate Finance of \$100 billion a year by 2020, promoting a significant shift towards developing low-carbon emissions and resilience against the effects of climate change through programme-based approaches driven by countries.

This way, the GCF will play a key role in channelling funds for climate finance. It can create and promote programs, projects, government policies and strategies aimed at reducing the amount of greenhouse gases emissions (GHGs), one of the main contributors of climate change.

4.3. Signing of partnerships

In 2015, COFIDES maintained its approach strategy to national development financial institutions in third countries with the objective of making the financial and non-financial support that these entities can offer in cooperation with COFIDES available to Spanish companies. In this regard, cooperation agreements with FINDETER Financiera de Desarrollo Territorial SA (Colombia) and the Foreign Investment Committee (CIE-Chile) were signed.



Follow-up meeting related to the cooperation agreement with AREX

As a member of ALIDE (The Latin American Association of Development Financing Institutions), COFIDES actively took part in the 45th Annual General Assembly held in Mexico. COFIDES It also participated in the Annual Meeting of the World Bank Group and the International Monetary Fund held in Peru. From the contacts maintained in both events, and in line with its new supporting role in managing the FONPRODE and the future accreditation in Blending and the Green Climate Fund lines, COFIDES has initiated contact for its future membership in the ADFIMI (Association of National Development Finance Institutions in Member Countries of the Islamic Development Bank), as well as ADFIAP (Association of development Financing

institutions in Asia and the Pacific), creating an integration nexus between development institutions in the world.



Signing of the cooperation agreement between CEAJE and COFIDES

In Spain, COFIDES continues to strengthen its institutional relationship with the Autonomous Communities. During 2015, agreements have been signed with: EXTENDA of Andalusia, practically closing the autonomic collaborative map.

In 2015 COFIDES also established agreements with other entities of great importance: FAE (Federación Asturiana de Empresarios) and CEAJE (Spanish Confederation of Young Entrepreneurs)

and has initiated actions, training and research collaborations with various universities and business schools.



Signing of the cooperation agreement between FADE and COFIDES

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 2015.

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.

COFIDES has maintained an outstanding institutional presence in conferences and seminars on financing and internationalisation. In this regards, COFIDES has continued to participate in the Financial Support for Business Internationalisation Conference held in several Autonomous Communities at the request of the State Secretariat for Trade and with the support of the Regional Directorates of Commerce.

Furthermore, COFIDES has taken part in trade fairs Forums (FORINVEST, SME Capital Forum, IMEX, Foro de Internacionalización de la Empresa organised by INFO, among others) as well as numerous events and conferences in which COFIDES has actively divulged 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, SODERCAN, IVACE, INFO, EXTENDA...). 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



COFIDES Exhibition Stand at the 2nd AREX Exhibition Fair



the program Exportar para Crecer (Export for Growth), Exporters Club, CEOE (in different business meetings, and other conferences) as well as business associations (FIAB, TECNIBERIA and ASCRI among others).

In 2015 direct commercial activity with companies was strongly promoted, with the proactivity impetus in identifying target companies (more than 60% of the contacts have been proactive in 2015) being especially noteworthy. Throughout 2015 COFIDES maintained contact with 685 potential customers. By company type, 58% of contact was maintained with SMEs. It should also be noted that the Annual Plan for Visits reached 300.



"Business in Africa" Seminar organised by ICEX

Regarding the creation of new instruments, in 2015 two new facilities were launched, Commercial Implementation 3.0 and Commercial Implementation 4.0 Young Entrepreneurs as well as five new Country Facilities (Algeria, Egypt, Turkey, Chile and Cuba). The Commercial Implementation 3.0 includes a number of benefits over the previous version, with stress on the extension of the temporal scope of the expenditure to be financed. Meanwhile, Commercial Implementation 4.0 Young Entrepreneurs Facility eased eligibility requirements and reduces the minimum amount of funding to €50,000, with the understanding that international projects companies run by young entrepreneurs may require less investment. Regarding the new Country Facilities, Egypt, Turkey, Chile and Algeria incorporate the same benefits already in the existing Country Facilities.

On the other hand, Cuba Facility launched after opening up of Cuba to the outside world, Cuba Financing Facility was created to support SMEs and large Spanish companies' projects in this country and is endowed with €40m (€30 from FIEC and €10 FONPYME). The Cuba facility includes two sub products, the facility for financing projects developed in any province in the country and the other for operations specific to the Special Economic Development Zone Mariel (ZEDM).

COFIDES continues its longstanding collaboration with ICEX Spain Trade and Investment under the sponsorship of COFIDES in the Forums and Business Meetings organised by ICEX Export Trade and Investments. In addition to this sponsorship COFIDES, in 2015 actively participated in the Forums and Business Meetings held in South Africa, Puerto Rico, United States and Indonesia.

Moreover, throughout 2014 COFIDES has collaborated with the ICEX Spain Trade and Investment in setting up procedures for PYME INVIERTE, whose funding requests are forwarded to COFIDES by



Exportar para Crecer (Export for Growth) "Destination Peru: A country of Opportunities" Conference



Meeting with Cuban Minister of Foreign Trade and Foreign Investment, Rodrigo Malmierca

the Project Support Program Department of ICEX Export for Trade. Throughout 2015 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 59 new customers passing straight into the Area of Operations for analysis (more than 46% being SMEs compared to 45% in 2014) and for volumes exceeding €225m, in 2015.



"New opportunities in the internationalisation of the agri-food sector" Seminar

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 95%. This figure will rise to 100% in the first quarter of 2016.

In 2015, a more intensive monitoring mechanism was still carried 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 2015 there has been a successful divestment in two capital operations.

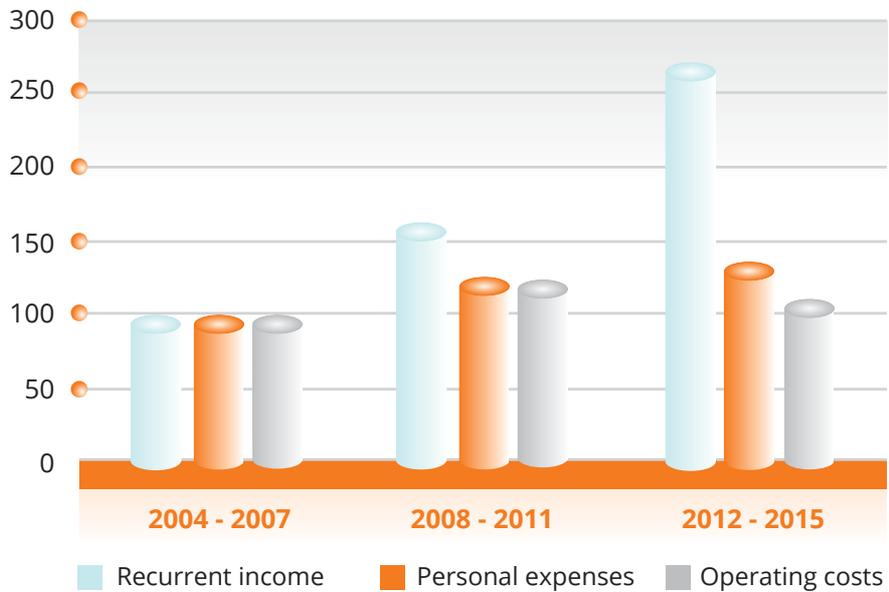


7. COFIDES FINANCIAL POSITION ON 31ST DECEMBER 2015

The financial year 2015 coincided with the conclusion of the strategic plan developed for the quadrennial 2012-15. As shown in the table below, it meant achieving significant improvements in efficiency, productivity indicators and profitability ratios compared to previous equivalent periods:

Efficiency Productivity and Profitability indicators	2012-15	2008-11	2004-07
(E) Recurrent revenues generated per operating expense	7.11	3.79	2.86
(P) Recurrent revenues per active staff member (euros)	331,983	228,588	163,414
(R) Recurring profits / share capital (%)	33.5	12.5	3.8

Recurrent Income, Personnel expenses and Operating Cost (Base 100)



In conclusion, 2015 has supposed the successful completion of four-year strategic plan implemented in 2012 reaching full financial strength, an important strengthening in its solvency and the maturity of a business model with proven profitability and efficiency as well as company consolidation as the national reference within the internationalisation arena of the Spanish economy, and its openness to foreign markets through entrepreneurship.



COFIDES 2nd Edition of the "Internationalisation Advancement" Awards



▶ 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 & Studies – Human Resources

CORPORATE & INSTITUTIONAL RELATIONS



Fernando Aceña
Deputy Director



Silvia Rodado



May Sánchez

SENIOR MANAGEMENT



Luis de Fuentes
Managing Director



Susana Iglesias

COMMERCIAL & BUSINESS DEVELOPMENT



Ana Cebrián
Deputy Director



Cristina Mena



Margarita López-Galiacho



Teresa Madrigal



Rocío Gutiérrez



Sergio Sánchez

Sustainability

FINANCING FOR DEVELOPMENT & SUSTAINABILITY



María Vidales
Deputy Director



Mª Luz García



Regina Pálla



Raúl Moreno



Isabel Griñón

FINANCING FOR DEVELOPMENT & SUSTAINABILITY

Financing for Development



Lola Vázquez



José Carlos Villena



María Martínez



Mª Dolores Mercader



Beatriz Morant



Jone Ordeñana



Julia Rabadán



Cristina Rodríguez

Analysis



Miguel Á. Ladero
Deputy Director



Marisol García



Mar Ríos



Álvaro Hernández



José Luis Ocasar

Analysis



Yolanda Gómez de Segura



Álvaro Justo



Ana Flor



Gloria Santiago



Manuel Fernández

OPERATIONS

Juridical



Mª Ángeles Vara



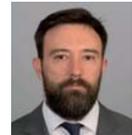
Eduardo Fernández



Umberto Ferrer



Marta Blond



Antonio Fernández



Pilar Morencos



Ana Luisa Zuleta



Paula Hernández

RISK



Consuelo Díaz
Deputy Director



Cristina Rodríguez



Carolina Fernández-Puebla



Carlos Mata

Accounting

ECONOMIC-FINANCE



Héctor Turiel
Deputy Director



Belén de la Fuente



Laura Sanz



Laura Sánchez



Sergio Nieva

Settlements

Treasury



Emma Méndez



Isabel Barril



Ana Romero



Sonia Gómez



Paloma Chillón

Information Technology (IT)



Alejandro Colino



Alfonso Sánchez



Daniel Martínez



José Luis Viana



Laura Valeriani



▶ Financial Statements

Financial Statements and Management Report
for the financial year ending 31 December 2015



Letter from the auditors

FOR THE FINANCIAL YEAR ENDING
31 DECEMBER 2015



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 2015, 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 2015, 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 2015 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 2015. 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.

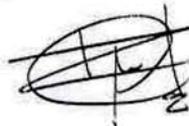


ERNST & YOUNG, S.L.
(Inscrita en el Registro Oficial de Auditores de Cuentas con el N° S0530)

ERNST & YOUNG, S.L.

Año 2016 N° 01/16/03780
SELLO CORPORATIVO: 96,00 EUR

Informe sujeto a la normativa reguladora de la actividad de auditoría de cuentas en España



José Luis Ruiz

1 de abril de 2016

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

Balance sheet

 on 31st December 2015

(€m)

ASSETS	Notes	2015	2014
NON-CURRENT ASSETS		70,248	71,375
Intangible assets	5	115	146
Software		100	124
Advances on software		15	22
Tangible assets	6	1,118	255
Other facilities		772	132
Furnishings		251	59
Computer hardware		93	64
Transport		2	-
Long-term financial investments		69,015	70,974
Equity instruments	10	12	12
Loans to companies	11	60,608	62,073
Other financial assets	11	117	79
Accounts receivable, Funds	11	8,278	8,810
CURRENT ASSETS		44,687	33,726
Non-current assets held for sale	7	725	775
Trade debtors and other receivables	11	7,095	8,913
Accounts receivable		795	705
Accounts receivable, Funds		6,300	8,208
Short-term financial investments	11	16,299	11,549
Loans to companies		15,265	10,375
Interest outstanding on loans to companies		403	439
Other financial assets		627	730
Interest outstanding on other financial assets		5	5
Short-term accrual accounts		16	13
Cash and other equivalent liquid assets	12	20,551	12,476
TOTAL ASSETS		114,935	105,101

EQUITY AND LIABILITIES	Notes	2015	2014
NET EQUITY		110,828	99,818
Issued capital	13	39,396	39,396
Reserves		59,111	51,800
Legal and statutory reserves		7,879	5,870
Other reserves		51,232	45,930
Yearly earnings	3	12,321	8,622
NON-CURRENT LIABILITIES		577	1,124
Long-term debt	15	577	1,124
Debts with financial institutions		577	929
Other financial liabilities		-	195
CURRENT LIABILITIES		3,530	4,159
Liabilities associated with non-current assets held for sale	7	126	126
Short-term debt	15	372	494
Debts with financial institutions		372	494
Trade creditors and other payables		1,716	2,155
Sundry payables	15	319	426
Staff (remuneration outstanding)	15	365	365
Current tax liabilities	17	770	1,161
Other tax payables	17	262	203
Short-term accrual accounts	16	1,316	1,384
TOTAL EQUITY AND LIABILITIES		114,935	105,101



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

Profit and Loss Statementon 31st December 2015

(€m)

ON-GOING OPERATIONS	Notes	2015	2014
Net turnover	19.1	22,805	23,671
Employee costs	19.2	(4,908)	(4,321)
Wages and salaries		(3,820)	(3,392)
Employee welfare		(1,088)	(929)
Other operating expenses		(1,704)	(5,907)
Consulting	19.3	(2,894)	(3,039)
Taxes	19.3	(81)	(47)
Loss and write-downs in provisions for trade operations	11.1 & 11.2	1,271	(2,821)
Amortisation and depreciation of non-current assets	5, 6	(171)	(267)
Impairment and gains on disposals of assets	5, 6 & 7	(164)	1
Impairment and losses		-	-
Disposals and others		(164)	1
Other Results		188	(3)
OPERATING INCOME		16,046	13,174
Revenues	19.4	31	99
Marketable securities and other financial instruments			
Third-party		31	99
Financial expenses		(82)	(69)
Payable to financial institutions		(16)	(26)
Other third party payables		(66)	(43)
Exchange rate differences		397	357
FINANCIAL INCOME		346	387
INCOME BEFORE TAX		16,392	13,561
Income Tax	17	(4,071)	(4,939)
PROFIT OF THE YEAR	3	12,321	8,622

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

Statement of Changes in Shareholder Equity

 on 31st December 2015
 (€m)

A) Statement of Income and Expenditure for year ending 31st December 2015

	Notes	2015	2014
Profit/Loss for the year	3	12,321	8,622
TOTAL INCOME AND EXPENDITURE		12,321	8,622

B) Statement of Total Changes in Shareholder Equity for year ending 31st December 2015

	Share Capital (Note 13.1)	Legal Reserve (Note 13.2)	Voluntary Reserve (Note 13.3)	Profit of the year (Note 3)	Dividends (Note 3.1)	Total
BALANCE ON 31ST 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 31ST DECEMBER 2014	39,396	5,870	45,930	8,622	-	99,818
Total income and expenditure in 2015	-	-	-	12,321	-	12,321
Distribution of 2014 profit:						
Reserves	-	2,009	5,302	(7,311)	(1,311)	(1,311)
Dividends	-	-	-	(1,311)	1,311	-
BALANCE ON 31 DECEMBER 2015	39,396	7,879	51,232	12,321	-	110,828



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

Cash Flow Statementon 31st December 2015

(€m)

	Notes	2015	2014
OPERATING CASH FLOW			
Earnings before tax		16,392	13,561
Adjustment		(885)	3,057
Depreciation on non-current assets (+)	5, 6	171	267
Adjustments for impairment on investments (+/-)	11.1 & 11.2	(1,271)	2,821
Variation in provisions (+/-)		164	(1)
Results for retirements and alienation of non-current assets (+/-)		(31)	(99)
Financial revenues (-)		82	69
Change in working capital		277	(11,895)
(Increase)/decrease in Debtors and other receivables		1,818	(1,987)
(Increase)/decrease in other current liabilities		(3,795)	(3,960)
Increase/(decrease) in Creditors and other payables		(48)	246
Increase/(decrease) in other current liabilities		(68)	654
Other non-current assets (+/-)		2,565	(6,873)
Other non-current liabilities (+/-) Other non-current liabilities (+/-)		(195)	25
Other cash flows from operating activities		(4,513)	(4,866)
Interest paid (-)		(82)	(69)
Interest received (+)		31	99
Receipts from (payment of) corporate tax (+/-)		(4,462)	(4,896)
Operating cash flow		11,271	(143)
CASH FLOWS FOR INVESTMENT ACTIVITIES			
Payments on investments (-)		(1,117)	(101)
Intangible assets	5	(79)	(47)
Tangible assets	6	(1,038)	(54)
Revenues for divestments (+)		103	14,209
Other financial assets		103	14,209
Cash flows for investment activities		(1,014)	14,108
CASH FLOWS FOR FINANCING ACTIVITIES			
Receivables and payments for financial liability instruments		(474)	(383)
Issues		-	-
Return and repayment of		(474)	(383)
Bank loans (-)		(474)	(383)
Payments on dividends and earnings on other equity instruments	3.1	(1,311)	(2,583)
Dividends		(1,311)	(2,583)
Financial Cash Flow		(1,785)	(2,966)
EFFECT OF EXCHANGE RATE VARIATIONS			
		(397)	(357)
NET INCREASE/(DECLINE) IN CASH OR CASH EQUIVALENTS			
		8,075	10,642
Cash and cash equivalents at beginning of year	12	12,476	1,834
Cash and cash equivalents at year end	12	20,551	12,476

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

Notes to the Financial Statements

31st December 2015

1. GROUP COMPANY NATURE, BUSINESS ACTIVITY AND GROUP COMPOSITION

Compañía Española de Financiación del Desarrollo, COFIDES SA (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 interest and located in developing or emerging countries.

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

Pursuant to Act 66/1997 of 30 December, COFIDES manages the Fund for Foreign Investments (FIEX - Fondo para Inversiones en el Exterior) and the Fund for Small and Medium-sized Enterprise Foreign Investment Operations (FONPYME - Fondo para Operaciones de Inversión en el Exterior de la Pequeña y Mediana Empresa), on its own behalf and on behalf of such funds. In addition, fund activities and operations are governed by Royal Decree 1226/2006 of 27 October, which supersedes previous legislation, which in turn has also been amended by R.D.321 / on 24th April 2015. 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 (MSIF) and managed by the State Secretariat for Trade 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, regulated in Article 8 of R. D. 597/2015 on 3rd July where the Regulations of the Promotion of Development Fund was approved.

The company's registered office for business and tax purposes is located at Paseo de la Castellana, 278 3rd 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 2015 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 2015, 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 2015 will be approved by the General Meeting of Shareholders with no amendments whatsoever.

2.2 Comparative information

The figures for the 2015 financial period, present the financial statements including the figures for the previous year, 2014, reported in the financial statements approved at the General Shareholders' Meeting held on 4th May 2015, 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

a. Distribution of earnings

The distribution of earnings for the year ending on 31st December 2014, proposed by the directors and approved by the General Meeting of Shareholders on 4th May 2015, 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

The proposal for profit distribution for the year ended December 3 2015, prepared by the directors and pending approval by the General Meeting, consists of:

	2015
	Euros
Basis for distribution	
Yearly earnings	12,320,789.57
Distribution	
Dividend distribution	1,868,175.00
Legal Reserves	-
Capital Reserve (*)	530,200.13
Voluntary Reserves	9,922,414.44
TOTAL	12,320,789.57

(*) In compliance with the requirements of Article 25 of Law 27/2014, of the 27th November, related to corporate income tax, with regard to the capitalisation reserve, as part of the profit distribution for 2015, an allocation from the positive results for the year amounting to €530,200.13 to the Capitalisation Reserve equivalent to 10% of the positive tax base for the year 2015 is proposed (Note 17).

b. 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 highest 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 carryover value.

Notwithstanding, if that 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 assets 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.

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. 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 Redundancy 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)	2015			
	Commercial Property	Software	Advance on computer software	Total
Cost on 1st January 2015	2	1,982	22	2,006
Acquisitions	-	86	(7)	79
Retirements	(2)	(834)	-	(836)
Transfers	-	-	-	-
Cost on 31st December 2015	-	1,234	15	1,249
Accumulated depreciation on 1st January 2015	(2)	(1,858)	-	(1,860)
Acquisitions	-	(110)	-	(110)
Retirements	2	834	-	836
Transfers	-	-	-	-
Accumulated depreciation on 31st December 2015	-	(1,134)	-	(1,134)
Net carrying value on 31st December 2015	-	100	15	115

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

5.1 Totally depreciated assets

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

Euros ('000)	2015	2014
Commercial Property	-	2
Software	1,083	1,271
TOTAL	1,083	1,273

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 2015 there were no commitments related to intangible assets. The same state existed on 31st December 2014.



6. TANGIBLE ASSETS

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

Euros ('000)	2015				
	Other facilities	Furnishings	Computer hardware	Transport	Total
Cost on 1st January 2015	385	271	262	-	918
Acquisitions	774	221	51	2	1,048
Retirements	(333)	(128)	-	-	(461)
Transfers	-	(10)	-	-	(10)
Cost on 31st December 2015	826	354	313	2	1,495
Accumulated depreciation on 1 January 2015	(253)	(212)	(198)	-	(663)
Acquisitions	(23)	(16)	(22)	-	(61)
Retirements	222	125	-	-	347
Transfers	-	-	-	-	-
Accumulated depreciation on 31 December 2015	(54)	(103)	(220)	-	(377)
Net carrying value on 31 December 2015	772	251	93	2	1,118

Euros ('000)	2014				
	Other facilities	Furnishings	Computer hardware	Transport	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

6.1 Totally depreciated assets

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

Euros ('000)	2015	2014
Other facilities	18	171
Furnishing	58	164
Computer hardware	198	170
TOTAL	274	505

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 2015 y 2014 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 2015.

The estimated cost of sales related to this asset, amounting to €140.000 is listed on the balance sheet under the item Liabilities associated with non-current assets held for sale, being the amount detailed at 31 December 2015 of €126,000.

On 31st December 2015, the company considered, as a result of a new land valuation commissioned from a specialist company, that the valuation of the property had been reduced to €725,000 and therefore applied an impairment loss amounting to €50,000. On 31st December 2014, the company considered that the valuation of the property amounting to €775.000 was reasonable.

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)	2015	2014
Buildings	842	629
Vehicles	8	6
Others	20	11
TOTAL	870	646

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

Euros ('000)	2015	2014
Up to one year	854	901
From one to five years	4,156	4,175
Over five years	1,662	2
TOTAL (*)	6,672	5,078

(*) In 2014 a new lease had already been considered that the Company had signed due to the change of location of its offices, which entered into force on 1st January 2015 with an initial eight year term.

10. EQUITY INSTRUMENTS 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)		2015					Net carrying value on holding
Society	Country	Business	% Holding	Cost	Impairment		
European Financing Partners	Luxembourg	(i)	15,38	6	-	6	
Interact Climate Change Facility, S.A.	Luxembourg	(ii)	7,69	6	-	6	
TOTAL			12	12	-	12	

Euros ('000)		2014					Net carrying value on holding
Society	Country	Business	% Holding	Cost	Impairment		
European Financing Partners	Luxembourg	(i)	15,38	6	-	6	
Interact Climate Change Facility, S.A.	Luxembourg	(ii)	7,69	6	-	6	
TOTAL			12	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 2015 and 2014 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.

With the aim of financing private sector projects in ACP countries, the financing scheme of the European Financing Partners (EFP) had five rounds of funding so far, the last one was signed in 2013 and amounted to an additional €220 million. In these rounds, COFIDES contributed in total with €40 million through its own resources and the FIEX Fund. This financing scheme, promoted jointly by the European Investment Bank (EIB) and the European Development Financial Institutions counterparts of COFIDES, had committed on 31st December 2015 a total of €454 million for 35 projects in 14 different countries. COFIDES and FIEX participation in such projects by the end of 2015, resulted in a volume of a €16.76 million commitment in 27 projects in 12 different countries, 11 of them belonging to the geographical area of Saharan Africa.

**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 S.A. (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 FLEX, this second fund, in addition to the previous €5m signed earlier. On 31st December 2015 a total of €346.11m, relating to 21 projects located in 11 different countries. At the end of 2015 COFIDES committed in ICCF projects a total of €11.91m for 21 projects in 11 different countries. All those countries are Official Development Assistance-receiving countries.

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

Euros ('000)	2015	2014
	Non-current	Non-current
Impairment value on 1st January	-	-
Net increases	-	-
Net decreases	-	-
Pay-offs	-	-
Transfer to debtors	-	-
Accumulated impairment loss on 31st December	-	-

11. FINANCIAL ASSETS

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

Euros ('000)	Instrumentos Equity instruments (Note 10))				Loans, derivatives and others		Total	
	Non current		Debit securities		Non current		Non current	
	current	Current	current	Current	current	Current	current	Current
Financial year 2015:								
Loans and accounts receivable	12	-	60,608	15,265	8,395	8,130	69,015	23,395
Investments held through maturity	-	-	-	-	-	-	-	-
Total	12	-	60,608	15,265	8,395	8,130	69,015	23,395
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

These sums are split into on the balance sheet as follows:

Euros ('000)	Instrumentos 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 2015:								
Long-term financial investments								
Equity instruments	12	-	-	-	-	-	12	-
Loans to companies	-	-	60,608	-	-	-	60,608	-
Other financial instruments	-	-	-	-	117	-	117	-
Accounts receivable, Funds	-	-	-	-	8,278	-	8,278	-
Trade and other receivables								
Accounts receivable	-	-	-	-	-	795	-	795
Accounts receivable, Funds	-	-	-	-	-	6,300	-	6,300
Short-term financial investments								
Loans to companies	-	-	-	15,265	-	-	-	15,265
Interest accruing on loans to companies	-	-	-	-	-	403	-	403
Other financial instruments	-	-	-	-	-	627	-	627
Interest accruing on other financial assets	-	-	-	-	-	5	-	5
Total	12	-	60,608	15,265	8,395	8,130	69,015	23,395

Euros ('000)	Instrumentos 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

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:

Euros ('000)	2015		2014	
	Non current	Current	Non current	Current
Cost on 1st January	65,524	11,998	59,563	8,757
Increases	25,015	-	23,277	-
Decreases	(10,332)	(11,998)	(5,318)	(8,757)
Transfer to short-term	(16,635)	16,635	(11,998)	11,998
Cost on 31st December	63,572	16,635	65,524	11,998
Accumulated impairment loss on 31st December	(2,964)	(1,370)	(3,451)	(1,623)
Net book value on 31st December	60,608	15,265	62,073	10,375



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)	2015	2014
Year 2015	-	11,998
Year 2016	16,635	16,356
Year 2017	14,162	15,185
Year 2018	13,139	13,182
Year 2019 y and subsequent years to 2014	10,815	20,801
Year 2020 y and subsequent years to 2015	25,456	-
Total	80,207	77,522

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 2015 and 2014 are as it follows:

Euros ('000)	2015	2014
Income accrued (Note 19.1)	2,564	2,561
Interest accrued on outstanding receipt (Note 11.2)	403	439

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

Euros ('000)	2015		2014	
	Non current	Current	Non current	Current
Impairment loss on 1 January	(3,451)	(1,623)	(2,372)	(507)
Net increases	487	253	(1,079)	(1,116)
Net decreases	-	-	-	-
Pay offs	-	-	-	-
Transfer to short-term	-	-	-	-
Accumulated impairment loss on 31 December	(2,964)	(1,370)	(3,451)	(1,623)

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 it follows:

Euros ('000)	2015		2014	
	Non current	Current	Non current	Current
Trade accounts receivable:	8,278	7,095	8,810	8,913
Other financial investments:				
Interest accruing on loans to companies (Note 11.1.1)	-	403	-	439
Other financial instruments	117	627	79	730
Interest accruing on other financial assets	-	5	-	5
Total	8,395	8,130	8,889	10,087

11.2.1 Trade accounts receivable

The breakdown for trade accounts receivable is given below:

Euros ('000)	2015		2014	
	Non current	Current	Non current	Current
Accounts receivable	-	4,996	-	6,727
Accounts receivable, Funds	9,885	6,300	10,139	8,208
Other receivables	-	519	-	65
Total	9,885	11,815	10,139	15,000
Impairment, trade accounts receivable	(1,607)	(4,720)	(1,329)	(6,087)
Total trade receivables	8,278	7,095	8,810	8,913

The entries in 2015 and 2014 in "Impairment of trade accounts receivable" are summarised below:

Euros ('000)	2015		2014	
	Non current	Current	Non current	Current
Balance on 1st January	(1,329)	(6,087)	(1,376)	(5,422)
Net endowments	(278)	809	39	(665)
Transfers	-	-	8	-
Inactive provisions	-	-	-	-
Applications	-	558	-	-
Balance on 31st December	(1,607)	(4,720)	(1,329)	(6,087)

"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)	2015		2014	
	Non current	Current	Non current	Current
Other Assets				
Guarantees	117	-	79	-
Deposits	-	627	-	730
Total	117	627	79	730

Non-current:

Other (non-current) financial instruments, includes €117.000 at Year End 2015 (€79,000 at year-end 2014), consisting primarily of security deposits established in connection with the company's leases, as specified in Note 9.

Current:

At year end 2015 and 2014, 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 2015					
Time deposit Cajamar	2,1%	15/01/2014	16/01/2016	123	2
Time deposit Cajamar	1,9%	13/05/2014	16/05/2016	504	3
Total				627	5



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

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)	2015	2014
Long-term financial investments:		
Loans to companies	3,934	3,194
Total non-current assets	3,934	3,194
Short-term trade and other receivables:		
Accounts receivable	501	425
Short-term financial investments:		
Loans to companies	676	1,110
Interest accruing on loans to companies	47	30
Cash and other cash equivalent assets		
Cash in bank	1,055	81
Total current assets	2,279	1,646
Total financial instruments in foreign currency	6,213	4,840

The EUR/USD exchange rate at Year End 2015 and 2014 was:

	2015	2014
Exchange Rate	1.0887	1.2141

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)	2015	2014
Commercial and savings banks	20,551	12,476
Liquid short-term investments	-	-
Total	20,551	12,476

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 2015 and 2014 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 Spain Trade and Investment	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

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, 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 2015 and 2014 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 2015 the company proceeded to provision the 49.73% of such extra time to pay workers in their 2016 pay.



15. FINANCIAL LIABILITIES

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

Euros ('000)	Debts with financial institutions Derivatives and others				Total	
	Non current	Current	Non current	Current	Non current	Current
Financial year 2015:						
Loans and accounts receivable	577	372	-	684	577	1,056
Total	577	372	-	684	577	1,056
Financial year 2014:						
Loans and accounts receivable	929	494	195	791	1,124	1,285
Total	929	494	195	791	1,124	1,285

15.1 Bank borrowings

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

Euros ('000)	2015		2014	
	Non current	Current	Non current	Current
ICO Line	577	370	929	491
Accrued interest payable	-	2	-	3
Total	577	372	929	494

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. In 2014 it was not renewed.

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:

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	138	LIBOR 6M	0,8
2009 Agreement	15/06/2009	14/06/2012	14/06/2016	2009	601	601	-	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	809	LIBOR 6M	2,5
Total in foreign currency (USD)					3,610	3,610	947		
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	947		

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		

The costs and interest accrued and with payment outstanding for these loans for 2015 and 2014 are as it follows:

Euros ('000)	2015	2014
Accrued Costs (Note 20.1)	15	26
Accrued Interest (awaiting payment) (Note 15.1)	2	3

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

Euros ('000)	2015		2014	
	Non current	Current	Non current	Current
ICO Line	577	370	929	491
Total	577	370	929	491



15.2 Derivatives and others - Loans and accounts payable

Euros ('000)	2015		2014	
	Non current	Current	Non current	Current
Sundry accounts	-	319	-	426
Staff (remuneration outstanding)	-	365	-	365
Other financial assets	-	-	195	-
Total	-	684	195	791

15.3 Information on delays in payment to suppliers in trade operations

The average payment period to suppliers during the year was 25.12 days (18.39 days in 2014).

15.4 Classification by maturity date

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

Euros ('000)	2015					
	2016	2017	2018	2019	Subsequent Years	Total
Bank borrowings	372	369	208	-	-	949
Trade accounts payable	319	-	-	-	-	319
Personnel	365	-	-	-	-	365
Other financial liabilities	-	-	-	-	-	-
Total	1,056	369	208	0	0	1,633

Euros ('000)	2014					
	2015	2016	2017	2018	Subsequent Years	Total
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

16. SHORT-TERM ACCRUAL ACCOUNTS

The section "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)	2015		2014	
	Non current	Current	Non current	Current
Assets				
Current Tax assets	-	-	-	-
Retentions and Payments	-	-	-	-
Value added tax	-	-	-	-
Others	-	-	-	-
Total	-	-	-	-
Liabilities				
Current Tax Liabilities	-	770	-	1,161
Social security	-	85	-	80
Value added tax	-	87	-	13
Withholdings	-	90	-	110
Total	-	1,032	-	1,364

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. 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 corporate tax is shown below:

Euros ('000)	2015	2014
Earnings for the year	12,322	8,622
Corporate tax	4,071	4,939
Before tax earnings	16,393	13,561
Permanent differences	8	3
Temporary differences treated as permanent, limited to period depreciation (70%)	(16)	80
Capital reserve (*)	(530)	
Temporary differences treated as permanent through losses, impairment and variations in operational provisions	(1,314)	2,820
Permanent differences for impairment of non-current assets held for sale	50	(1)
Temporary differences treated as permanent through losses, impairment and variations in operational provisions	(1,364)	2,821
Taxable Income (Fiscal Balance)	14,541	16,464
Tax of 28% in 2015 and 30% in 2014	4,071	4,939
Previous Adjustments		
Tax on overseas earnings	45	5
Retentions	(45)	(5)
Tax on earnings	4,071	4,939



(*) In compliance with the requirements of Article 25 of Law 27/2014 of 27th November, related to corporate income tax, with regard to capital reserve, as indicated in Note 3, the Company Board of Directors proposes that as part of the profit distribution for 2015 an allocation from the positive results for the year amounting to €530,200.13 to the Capitalisation Reserve equivalent to 10% of the positive tax base is proposed for the year 2015.

The estimated corporate tax payable is given below:

Euros ('000)	2015	2014
Taxable Income (Fiscal Balance)	14,541	16,464
Tax of 28% in 2015 and 30% in 2014	4,071	4,939
Deductions	(45)	(5)
Payments	(2,942)	(3,392)
Retentions	(314)	(381)
Tax on overseas earnings	-	-
Corporate tax payable	770	1,161

Law 27/2104, of 27th November, income tax has modified the standard tax rate, passing from 30% in 2014, 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 2015, 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 2015 and 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.

Concept	Basis for calculation	Euros ('000)	
		2015	2014
COFIDES interest	Financial revenues from interest on loans to companies	2,564	2,561
	Total Interest	2,564	2,561
Analysis fees	1.65% of the investment proposal submitted to FIEX.	1,839	2,099
Formalisation fees	1% on investments drawn from FIEX and 1.5% on FONPYME financed investments.	1,878	1,901
Outlay fees	1% of the sums actually laid out by FONPYME.	149	53
Management fees	1.25% of the value of the FIEX live investment portfolio.	8,897	9,103
Performance fees	20% of the dividends and other returns actually received by the funds.	5,254	5,719
Settlement fees	1,5% of the value of the investment laid out and actually repaid to FIEX.	1,443	1,923
Other COFIDES fees	Fees other than the FIEX and FONPYME fund management fees	781	312
	Total fees	20,241	21,110
	Total	22,805	23,671

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:

Concept	Euros ('000)	
	2015	2014
Recurring fees	19,780	20,294
Financial revenues from interest on loans to companies	2,564	2,561
TOTAL RECURRING REVENUES	22,344	22,855
Non-recurring fees	461	816
TOTAL NON-RECURRING, ANTICIPATED FEES	461	816
TOTAL REVENUES	22,805	23,671

19.2 Personnel expenses

Personnel expenses are itemised below, in €'000:

Euros ('000)	2015	2014
Salaries and wages	3,716	3,289
Per diem paid to members of the company's Board of Directors	104	103
Social security tax	763	671
Other personnel expenses	325	258
Total	4,908	4,321



19.3 External services and other taxes

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

Euros ('000)	2015	2014
Publicity, advertising and public relations	152	173
Leases	870	646
Repairs and upkeep	137	118
Independent professional services	793	1,136
Insurance premiums	73	74
Training costs	118	95
Travel expenses	172	198
Other expenses	579	599
Total	2,894	3,039
Taxes	81	47
Total	81	47
Total	2,975	3,086

Independent professional services, primarily covers external consultancy fees associated with projects implemented by the company in 2015 and 2014.

19.4 Financial revenues

This account primarily covers sums accruing in 2015 and 2014 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 2015	
	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 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

20.1 Related institutions

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

2015				
Euros ('000)	Official Credit Institute (ICO)	FIEX	FONPYME	TOTAL
ASSETS:				
Long-term financial investments				
Receivables, Funds (Note 11.2.1)	-	9,789	196	9,985
Trade and other receivables				
Receivables, Funds (Note 11.2.1)	-	616	129	745
LIABILITIES:				
Long-term payables				
Debts with financial institutions (Note 15.1)	577	-	-	577
Short-term debt				
Debts with financial institutions (Note 15.1)	370	-	-	370

2014				
Euros ('000)	Official Credit Institute (ICO)	FIEX	FONPYME	TOTAL
ASSETS:				
Long-term financial investments				
Receivables, Funds (Note 11.2.1)	-	10,014	125	10,139
Trade and other receivables				
Receivables, Funds (Note 11.2.1)	-	8,039	169	8,208
LIABILITIES:				
Long-term payables				
Debts with financial institutions (Note 15.1)	929	-	-	929
Short-term debt				
Debts with financial institutions (Note 15.1)	494	-	-	494

The operations with related institutions are itemised below:

2015				
Euros ('000)	Official Credit Institute (ICO)	FIEX	FONPYME	TOTAL
Net turnover	-	18,789	690	19,459
Financial expenses				
Payable to financial institutions	(15)	-	-	(15)

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

20.2 Directors and senior management

During the year ending on 31 December 2015, the company's directors received remuneration in the form of per diem for a total of €104,000 (€103,000 in 2014).



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
2015	214	57	-	-
2014	214	57	3	-

The books showed no advances or loans to any of its directors or managers on 31 December 2015 or 2014, 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 it follows:

	2015	2014
Directors	12	12
Senior + technical management	18	15
Technical team	44	39
Support staff	10	9
Total	84*	75*

* In 2015, the contracts signed were based on: a) the provisions of paragraph 1 of the fifteenth additional provision of Law 34/2014 of 30 December of the General State Budget for 2015 in which staff and officials with a pre-existing relationship can be hired on a fixed and indefinite nature in the state public sector. b) A number of appointments are made as authorised by Law 8/2014 of 22nd April 22, on coverage by the State of the internationalisation risks on the Spanish economy. In its second final provision, it authorises COFIDES access to all or part of the workforce of the State Society Spain, Expansion Exterior S.A. dedicated to developing the activity as its own environment in relation to the management of FONPRODE and which will be integrated into COFIDES as part of their workforce. c) Other, being temporary, they are made under the provisions of paragraph 1 of the fifteenth additional provision of Law 34/2014 of 30th December in the General State Budget for 2015

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

	2015			2014		
	Women	Men	Total	Women	Men	Total
Directors	3	9	12	4	8	12
Senior + technical management	9	9	18	8	7	15
Technical team	31	13	44	26	13	39
Support staff	8	2	10	7	2	9
Total	51	33	84	45	30	75

22. AUDITORS FEES

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

Euros ('000)	2015	2014
Auditing services	26.40	26.40
Other services	-	-
Total	26.40	26.40

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 2015 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 31st December 2015

Directors	Company	Nº. of shares	Holding in per cent	Position and duties
Francisco Javier Puig Asensio	Banco de Sabadell, S.A.	9,604	<0.005%	Internat. Business Director
	Banco de Santander, S.A.	1,222	<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%	-
	-	-	-	-
Alberto Gómez Nicolau	Banco Santander, S.A.	-	<0.01%	-
	Santander Factoring	-	-	Board Member
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
Salvador Marín Hernández	Banco Santander, S.A.	753	< 0.005%	-
	CAM	825	< 0.005%	-
	Sabadell Garantía Extra 19 (Options and performance shares)	436,89	< 0.005%	-
	Sabadell Garantía Extra 16 (Investment Fund)	500,89	< 0.005%	-
	Sabadell CAM - Associated parties	100	< 0.005%	-
Javier Virgilio Estévez Zurita	-	-	-	-
Mónica Colomer de Selva	-	-	-	-
Rosario Casero Echéverri	-	-	-	-
José Antonio Zamora Rodríguez	BBVA	174	< 0.005%	-
	Banco Santander, S.A:	1003	< 0.005%	-
	BANKIA - Associated parties	-	< 0.005%	-
Roberto Pagán Díaz	BBVA	-	-	Business Director
María del Pilar Casanova Llorens	-	-	-	-

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

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

at 31st December 2015

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%	Internat. 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%	-
	Santander Factoring	-	-	Board Member
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 Banking Companies
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	-	-	-	-

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Activity Report

Compañía Española de Financiación
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