Auriga Capital Investments, S.L. and Subsidiaries

Consolidated Annual Accounts
31 December 2013

Consolidated Directors' Report
2013

(With Auditors' Report Thereon)

(Free translation from the original in Spanish. In the event of discrepancy, the Spanish-language version prevails.)

KPMG Auditores S.L.
Edificio Torre Europa
Paseo de la Castellana, 95
28046 Madrid

Independent Auditors' Report on the Consolidated Annual Accounts

(Translation from the original in Spanish. In the event of discrepancy, the Spanish-language version prevails.)

To the Shareholders of
Auriga Capital Investments, S.L.

We have audited the consolidated annual accounts of Auriga Capital Investments, S.L. ("the Company") and its subsidiaries ("the Group"), which comprise the consolidated balance sheet at 31 December 2013 and the consolidated income statement, consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, and consolidated notes. The Directors are responsible for the preparation of these consolidated annual accounts in accordance with the financial reporting framework applicable to the Group (specified in note 2 to the accompanying consolidated annual accounts) and, in particular, with the accounting principles and criteria set forth therein. Our responsibility is to express an opinion on these consolidated annual accounts taken as a whole, based on our audit. We conducted our audit in accordance with prevailing legislation regulating the audit of accounts in Spain, which requires examining, on a test basis, evidence supporting the amounts and disclosures in the consolidated annual accounts and evaluating whether their overall presentation, the accounting principles and criteria used and the accounting estimates made comply with the applicable financial reporting framework.

In our opinion, the accompanying consolidated annual accounts for 2013 present fairly, in all material respects, the consolidated equity and consolidated financial position of Auriga Capital Investments, S.L. and subsidiaries at 31 December 2013 and their financial performance and consolidated cash flows for the year then ended in accordance with the applicable financial reporting framework and, in particular, with the accounting principles and criteria set forth therein.

The accompanying consolidated directors' report for 2013 contains such explanations as the Directors of Auriga Capital Investments, S.L. consider relevant to the situation of the Group, its business performance and other matters, and is not an integral part of the consolidated annual accounts. We have verified that the accounting information contained therein is consistent with that disclosed in the consolidated annual accounts for 2013. Our work as auditors is limited to the verification of the consolidated directors' report within the scope described in this paragraph and does not include a review of information other than that obtained from the accounting records of Auriga Capital Investments, S.L. and subsidiaries.

KPMG Auditores, S.L.

(Signed on original in Spanish)

María Eugenia Fernández-Villarán Ara

30 April 2014

AURIGA CAPITAL INVESTMENTS, S.L.,
AND SUBSIDIARIES

Consolidated Balance Sheets

31 December 2013 and 2012

(Expressed in Euros to two decimal places)
(Free translation from the original in Spanish. In the event of discrepancy, the Spanish-language version prevails.)

Assets	Note	31/12/2013	31/12/2012
Cash in hand and at banks		6,584.92	5,117.29
Financial assets held for trading	5		
Debt securities		19,312,154.40	15,409,632.04
Equity instruments		7,310,326.54	6,733,021.42
Trading derivatives		526,101.44	29,852.69
Other financial assets		200,962.95	391,140.82
Memorandum item: Loaned or pledged		-	-
		27,349,545.33	22,563,646.97
Available-for-sale financial assets	6		
Equity instruments		4,945,399.56	5,337,700.54
Memorandum item: Loaned or pledged		*3,247,548.01*	*3,104,286.15*
		4,945,399.56	5,337,700.54
Loans and receivables	7		
Due from financial intermediaries		64,796,745.41	32,977,043.15
Due from customers		13,753,332.69	8,112,227.70
		78,550,078.10	41,089,270.85
Equity investments	8		
Associates		2,989,369.88	1,114,688.88
Property, plant and equipment	9		
For own use		443,113.12	655,740.31
Investment property		586,365.67	857,689.86
		1,029,478.79	1,513,430.17
Intangible assets	10		
Goodwill		561,708.18	587,124.26
Other intangible assets		339,153.06	409,874.84
		900,861.24	996,999.10
Tax assets	12		
Deferred		356,418.58	243,373.06
Other assets	13	4,789,865.06	3,369,577.55
TOTAL ASSETS		120,917,601.46	76,233,804.41

The accompanying notes form an integral part of the consolidated annual accounts for 2013.

AURIGA CAPITAL INVESTMENTS, S.L.,
AND SUBSIDIARIES

Consolidated Balance Sheets

31 December 2013 and 2012

(Expressed in Euros to two decimal places)

Equity and liabilities	Note	31/12/2013	31/12/2012
Financial liabilities held for trading	5	19,351,335.66	-
Financial liabilities at amortised cost	14		
Due to financial intermediaries		28,144,031.41	14,409,266.61
Due to customers		28,318,234.90	20,263,573.75
		56,462,266.31	34,672,840.36
Tax liabilities	12		
Current		1,284,083.53	788,401.22
Deferred		294,810.14	272,237.91
		1,578,893.67	1,060,639.13
Other liabilities	13	7,766,289.40	8,821,705.85
Total liabilities		85,158,785.04	44,555,185.34
Shareholders' equity	15		
Share capital			
Registered share capital		3,000,000.00	3,000,000.00
Share premium		19,883,668.66	21,633,668.66
Reserves		5,325,734.05	1,985,439.43
Profit for the year		3,907,432.83	3,356,495.27
		32,116,835.54	29,975,603.36
Valuation adjustments	16		
Available-for-sale financial assets		550,322.73	359,375.98
Exchange losses		(212,778.96)	(26,926.73)
		337,543.77	332,449.25
Equity attributable to the Parent		32,454,379.31	30,308,052.61
Minority interests		3,304,437.11	1,370,566.46
Total equity and liabilities		120,917,601.46	76,233,804.41

MEMORANDUM ITEM	Note	31/12/2013	31/12/2012
Risk and commitment accounts	17		
Guarantees extended		9,238,244.49	9,116,024.63
Forward security purchase and sale commitments		33,336,871.53	61,180,478.15
Derivative financial instruments		4,106,407.70	1,384,905.00
		46,681,523.72	71,681,407.78
Other off-balance-sheet items	17		
Securities held on deposit		103,534,695.06	336,242,969.96
Portfolios managed		311,500,315.59	239,923,590.65
Other off-balance-sheet items		235,948,458.79	78,128,765.82
		650,983,469.44	654,295,326.43
Total off-balance-sheet items		697,664,993.16	725,976,734.21

The accompanying notes form an integral part of the consolidated annual accounts for 2013.

AURIGA CAPITAL INVESTMENTS, S.L.,
AND SUBSIDIARIES

Consolidated Income Statements
for the years ended
31 December 2013 and 2012

(Expressed in Euros to two decimal places)
(Free translation from the original in Spanish. In the event of discrepancy, the Spanish-language version prevails.)

	Note	2013	2012
Interest and similar income	19	1,489,363.62	910,480.61
Interest expense and similar charges	20	(944,979.98)	(673,439.52)
Interest margin		544,383.64	237,041.09
Dividend income	19	20,780.18	205,246.24
Share of profit or loss of equity-accounted entities	8	198,941.97	(105,238.38)
Fee and commission income	21	19,476,011.82	31,684,328.96
Fee and commission expense	21	(3,649,863.68)	(3,987,485.53)
Gains/(losses) on financial assets and liabilities			
Held for trading	5	21,256,444.77	17,200,004.87
Other	6	661,036.40	-
Exchange gains/(losses)		131,157.34	(405,968.06)
Other operating income		280,756.09	94,909.30
Other operating expenses		(273,835.32)	(230,145.33)
Gross margin		38,645,813.21	44,692,693.16
Personnel expenses	22	(23,220,596.57)	(29,165,429.93)
Overheads	23	(9,149,756.19)	(9,753,627.02)
Amortisation and depreciation	9 and 10	(553,870.04)	(526,588.78)
Impairment losses on financial assets (net)			
Loans and receivables	7 (e)	-	(900,000.00)
Results from operating activities		5,721,590.41	4,347,047.43
Gains/(losses) on disposal of assets not classified as non-current assets held for sale	24	(56,267.94)	73,330.37
Profit before income tax		5,665,322.47	4,420,377.80
Income tax	25	(1,964,976.48)	(1,298,243.81)
Profit from continuing operations		3,700,345.99	3,122,133.99
Consolidated profit for the year		3,700,345.99	3,122,133.99
Profit attributable to the Parent		3,907,432.83	3,356,495.27
Profit attributable to minority interests		(207,086.84)	(234,361.28)
Earnings per share (Euros)			
Basic		12.33	10.41

The accompanying notes form an integral part of the consolidated annual accounts for 2013.

AURIGA CAPITAL INVESTMENTS, S.L.,
AND SUBSIDIARIES

Consolidated Statements of Changes in Equity for the years ended 31 December 2013 and 2012

A) Consolidated Statements of Recognised Income and Expense for the years ended 31 December 2013 and 2012

(Expressed in Euros to two decimal places)
(Free translation from the original in Spanish. In the event of discrepancy, the Spanish-language version prevails.)

	2013	2012
Profit for the year	3,700,345.99	3,122,133.99
Other recognised income/(expenses)		
Available-for-sale financial assets		
Revaluation gains/(losses)	933,817.47	601,192.43
Amounts transferred to the income statement	(661,036.40)	631.49
Exchange gains/(losses)		
Other reclassifications	(265,503.19)	135,842.56
Income tax	(2,183.36)	(168,817.70)
	5,094.52	568,848.78
Total recognised income and expense	3,705,440.51	3,690,982.77
Attributable to the Parent	3,912,527.35	3,925,344.05
Attributable to minority interests	(207,086.84)	(234,361.28)

The accompanying notes form an integral part of the consolidated annual accounts for 2013.

AURIGA CAPITAL INVESTMENTS, S.L.,
AND SUBSIDIARIES

Consolidated Statements of Changes in Equity for the years ended
31 December 2013 and 2012

B) Consolidated Statement of Total Changes in Equity for the year ended
31 December 2013

(Expressed in Euros to two decimal places)
(Free translation from the original in Spanish. In the event of discrepancy, the Spanish-language version prevails.)

			Reserves						
	Registered share capital	Share premium	Legal reserve	Voluntary reserve	Reserves in consolidated companies	Profit for the year	Total shareholders' equity	Valuation adjustments	Total
Balance at 31 December 2012	3,000,000.00	21,633,668.66	600,000.00	1,159,056.25	226,383.18	3,356,495.27	29,975,603.36	332,449.25	30,308,052.61
Other movements	-	-	-	-	-	-	-	-	-
Adjusted balance at 1 January 2013	3,000,000.00	21,633,668.66	600,000.00	1,159,056.25	226,383.18	3,356,495.27	29,975,603.36	332,449.25	30,308,052.61
Total recognised income and expense	-	-	-	-	-	3,907,432.83	3,907,432.83	5,094.52	3,912,527.35
Transfers between equity items	-	-	-	3,356,495.27	-	(3,356,495.27)	-	-	-
Other changes in equity									
Increase/(decrease) due to business combinations									
Other movements	-	-	-	(2,246,942.57)	2,230,741.92	-	(16,200.65)	-	(16,200.65)
Distribution of dividends	-	(1,750,000.00)	-	-	-	-	(1,750,000.00)		(1,750,000.00)
Balance at 31 December 2013	3,000,000.00	19,883,668.66	600,000.00	2,268,608.95	2,457,125.10	3,907,432.83	32,116,835.54	337,543.77	32,454,379.31

The accompanying notes form an integral part of the consolidated annual accounts for 2013.

AURIGA CAPITAL INVESTMENTS, S.L.,
AND SUBSIDIARIES

Consolidated Statements of Changes in Equity for the years ended
31 December 2013 and 2012

B) Consolidated Statement of Total Changes in Equity for the year ended
31 December 2012

(Expressed in Euros to two decimal places)
(Free translation from the original in Spanish. In the event of discrepancy, the Spanish-language version prevails.)

			Reserves						
	Registered share capital	Share premium	Legal reserve	Voluntary reserve	Reserves in consolidated companies	Profit for the year	Total shareholders' equity	Valuation adjustments	Total
Balance at 31 December 2011	3,000,000.00	22,733,668.66	600,000.00	-	(341,546.01)	2,123,316.74	28,115,439.39	(236,399.53)	27,879,039.86
Other movements	-	-	-	-	-	-	-	-	-
Adjusted balance at 1 January 2012	3,000,000.00	22,733,668.66	600,000.00	-	(341,546.01)	2,123,316.74	28,115,439.39	(236,399.53)	27,879,039.86
Total recognised income and expense	-	-	-	-	-	3,356,495.27	3,356,495.27	568,848.78	3,925,344.05
Transfers between equity items	-	-	-	2,123,316.74	-	(2,123,316.74)	-	-	-
Other changes in equity									
Increase/(decrease) due to business combinations									
Other movements	-	-	-	(964,260.49)	567,929.19	-	(396,331.30)	-	(396,331.30)
Distribution of dividends	-	(1,100,000.00)	-	-	-	-	(1,100,000.00)	-	(1,100,000.00)
Balance at 31 December 2012	3,000,000.00	21,633,668.66	600,000.00	1,159,056.25	226,383.18	3,356,495.27	29,975,603.36	332,449.25	30,308,052.61

The accompanying notes form an integral part of the consolidated annual accounts for 2013.

AURIGA CAPITAL INVESTMENTS, S.L.,
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Consolidated Statements of Cash Flows for the years ended
31 December 2013 and 2012

(Expressed in Euros to two decimal places)
(Free translation from the original in Spanish. In the event of discrepancy, the Spanish-language version prevails.)

	31/12/2013	31/12/2012
1. Cash flows from operating activities	49,898,650.73	3,030,970.05
Profit for the year	5,665,322.47	4,420,377.80
Adjustments to obtain cash flows from operating activities		
Valuation adjustments	5,094.52	568,848.78
Amortisation and depreciation (+)	553,870.04	526,588.78
Net impairment losses on assets (+/-)	-	1,062,920.73
Other items (+/-)	922,057.72	1,070,591.64
	1,481,022.28	3,228,949.93
Adjusted profit (+/-)	7,146,344.75	7,649,327.73
Net increase/(decrease) in operating assets		
Loans and receivables (+/-)	10,141,412.55	(16,381,194.74)
Financial assets held for trading (+/-)	(4,785,898.36)	(6,852,674.95)
Available-for-sale financial assets (+/-)	392,300.98	(1,735,275.30)
Other operating assets (+/-)	(1,533,333.03)	1,217,472.16
	4,214,482.14	(23,751,672.83)
Net increase/(decrease) in operating liabilities		
Financial liabilities at amortised cost (+/-)	21,789,425.95	20,552,844.83
Financial liabilities held for trading	19,351,335.66	-
Other operating liabilities	(1,055,416.45)	208,923.86
	40,085,345.16	20,761,768.69
Income tax payments (+/-)	(1,547,521.32)	(1,628,453.54)
2. Cash flows used in investing activities	(546,430.93)	(1,683,861.60)
Payments (-)		
Equity investments	(447,393.23)	(813,895.26)
Property, plant and equipment	(82,694.53)	(322,857.02)
Intangible assets	(244,748.47)	(451,156.07)
Investment property	(22,744.88)	(987,112.49)
	(797,581.11)	(2,575,020.84)
Collections (+)		
Investment property	251,150.18	891,159.24
3. Cash flows used in financing activities	(1,750,000.00)	(1,100,000.00)
Dividends and interest on other equity instruments paid	(1,750,000.00)	(1,100,000.00)
4. Effect of exchange rate fluctuations on cash and cash equivalents	-	-
5. Net increase/decrease in cash and cash equivalents (1+2+3+4)	47,602,219.80	247,108.45
Cash and cash equivalents at beginning of year	15,922,964.98	15,675,856.53
Cash and cash equivalents at year end	63,525,184.78	15,922,964.98

The accompanying notes form an integral part of the consolidated annual accounts for 2013.

AURIGA CAPITAL INVESTMENTS, S.L.,
AND SUBSIDIARIES

Notes to the Consolidated Annual Accounts

31 December 2013
(Free translation from the original in Spanish. In the event of discrepancy, the Spanish-language version prevails.)

(1) Nature and Principal Activities

Auriga Capital Investments, S.L. (hereinafter the Parent) was incorporated under Spanish law in Madrid on 2 March 2011. Its statutory activity is the purchase, subscription, swap and sale of real estate and other securities, both in Spain and abroad, on its own behalf and without intermediation, for the purpose of administrating and managing these investments.

The Company's registered office is located at Calle Cuesta del Sagrado Corazón, 6, in Madrid.

The Group forms part of a consolidated group of financial institutions, pursuant to Royal Decree 1332/2005, with the following entities:

- Auriga Global Investors, Sociedad de Valores, S.A., Sociedad Unipersonal
- Auriga Special Holdings LLC
- Xzerta Solar I Spain LLC
- Auriga Renovables, S.L. (formerly Ausabi España, S.L.)
- Xzerta Mesa Spain LLC

As required by the Spanish National Securities Market Commission (CNMV), Auriga Capital Investments, S.L. is responsible for ensuring compliance with the requirements of article 8 of Royal Decree 1332/2005 and, accordingly, prepares separate consolidated annual accounts, which are subject to an independent audit.

The consolidated Group performed the following operations during 2013 and 2012:

Auriga Global Investors, Sociedad de Valores, S.A.U.:

On the date of its incorporation, the Parent received the non-monetary contribution of 100% of the shares held by the shareholders of Auriga Global Investors S.V., S.A., Sociedad Unipersonal, with a fair value of Euros 33,729,656.99. However, as required by law, these non-monetary contributions of investments in Group companies should be recognised at the carrying amount of the net assets of the investment contributed, amounting to Euros 27,333,668.66, and consequently the difference between the fair value and the carrying amount, totalling Euros 6,395,988.33, has been adjusted against the share premium.

There have been no transactions with this subsidiary in 2013 or 2012.

At 31 December 2013 and 2012, the Group held a 100.00% interest in this subsidiary.

Auriga Special Holdings LLC:

This company is the parent of the consolidated US sub-group. The Group integrates the assets and liabilities, as well as the results from the operating activities of the subsidiaries comprising the US sub-group into its financial statements, after eliminating intra-group transactions. This consolidated US sub-group has also equity accounted the following associates:

- Xzerta-Tec, LLC
- Ausabi Spain, LLC

On 11 February 2013 the Parent made additional capital contributions of Euros 210,131.33 (US Dollars 280,000.00) to Auriga Special Holdings, LLC.

On 1 March 2012, Auriga Global Investors, S.V., S.A.U. transferred Euros 1,736,361.52 (US Dollars 2,338,820.00) of the loan obtained from Auriga Holdings LLC to the Parent. As a consideration for this operation, the Parent obtained a loan from Auriga Global Investors, S.V., S.A.U. The Parent capitalised the full amount of this loan on 12 April 2012.

On 1 October and 24 December 2012 the Parent made additional capital contributions of Euros 373,831.78 (US Dollars 480,000.00) and Euros 135,500.48 (US Dollars 179,104.53), respectively, to Auriga Special Holdings, LLC.

On 27 September 2012 Auriga Special Holdings, LLC, returned Euros 778,869.21 (US Dollars 1,007,000.00) of the contributions to the Parent.

At 31 December 2013 and 2012, the Group held a 100.00% interest in this subsidiary.

Xzerta Solar I Spain LLC:

Xzerta Solar I Spain, LLC was incorporated on 27 March 2012. Its registered office is in New York (USA).

This company is the parent of the consolidated US sub-group. The Group integrates the assets and liabilities, as well as the results from the operating activities of the subsidiaries comprising the US sub-group into its financial statements, after eliminating intra-group transactions.

On 15 February 2013, the Parent subscribed a Euros 243,409.23 (US Dollars 325,000.00) capital increase of this company. The Company received financing for the full amount of the transaction from Auriga Global Investors, S.V., S.A.U.

On 29 May 2012, the Parent subscribed a Euros 1,515,840.53 (US Dollars 2,000,000.00) capital increase of this company. The Parent received financing for the full amount of the transaction from Auriga Global Investors, S.V., S.A.

At 31 December 2013 and 2012 the Group holds a 48.31% and 48.63% interest in this subsidiary, respectively, over which the Parent therefore exercises control.

Auriga Renovables, S.L.:

Auriga Renovables, S.L. was incorporated under Spanish law on 21 December 2012 and its registered office is located at Cuesta del Sagrado Corazón, 6, in Madrid. The Parent subscribed Euros 2,000.00 of the shares of this company.

At 31 December 2013 and 2012, the Group held a 50.00% interest in this subsidiary.

Xzerta Mesa Spain LLC:

This company is the parent of the consolidated US sub-group. The Group consolidates the interests held in associates in its financial statements using the equity method and at 31 December 2013 and 2012 there are no fully consolidated subsidiaries in this consolidated sub-group.

During 2012 the Group acquired shares of this entity for Euros 3,789.60 (US Dollars 5,000.00).

On 12 September 2011 the Group acquired shares of this entity for US Dollars 600,000.00.

At 31 December 2013 and 2012, the Group held a 25.16% interest in this subsidiary.

During 2013 the Parent obtained control of this subsidiary, which is subsequently fully consolidated. At 31 December 2012, there was no control over this entity but only significant influence, and it was therefore equity accounted.

The equity-accounted associates of this consolidated US sub-group are as follows:

- AUSAF VII, LLC

Appendix I attached, which forms an integral part of this note, includes information on the fully consolidated companies and the percentage of interest held by the Parent in each at 31 December 2013 and 2012.

Appendix II attached, which forms an integral part of this note, includes information on the equity-accounted associates and the percentage of interest held by the Parent in each at 31 December 2013 and 2012.

Details of the Parent's interests in other non-consolidated entities are disclosed in the consolidated balance sheet under financial assets held for trading and available-for-sale financial assets. These interests have been measured using the criteria described in note 4(g).

(2) Basis of Presentation of the Consolidated Annual Accounts

(a) Fair view

The accompanying consolidated annual accounts have been prepared on the basis of the accounting records of Auriga Capital Investments, S.L. and its subsidiaries, which comprise the Auriga Group in Spain.

The consolidated annual accounts for 2013 have been prepared in accordance with prevailing legislation and CNMV Circular 7/2008 of 26 November 2008, partly amended by CNMV Circular 5/2011 of 12 December 2011, to present fairly the consolidated equity and consolidated financial position at 31 December 2013 and consolidated results of operations, changes in consolidated equity and consolidated cash flows for the year then ended.

The directors of Auriga Capital Investments, S.L. consider that the consolidated annual accounts for 2013 will be approved with no significant changes.

The consolidated annual accounts include certain adjustments and reclassifications necessary to harmonise the accounting and presentation principles applied by the subsidiaries with those used by the Group. These consolidated annual accounts are pending approval by the shareholders. Nevertheless, the board of directors of the Group's Parent considers that the consolidated annual accounts for 2013 will be approved with no significant changes.

(b) Comparative information

As required by accounting legislation, the consolidated balance sheet, consolidated income statement, consolidated statement of changes in equity, consolidated statement of cash flows and the notes thereto for 2013 include comparative figures for 2012, which formed part of the consolidated annual accounts approved at the annual general meeting held on 30 April 2013. Certain figures for 2012 have been reclassified to facilitate comparison.

(c) Functional and presentation currency

The figures disclosed in the consolidated annual accounts are expressed in Euros, the Parent and the Group's functional and presentation currency, rounded off to two decimal places. However, the Group includes three US sub-groups whose functional currency is the US Dollar.

The criteria for translation of foreign operations are set out in note 4(f).

(d) Critical issues regarding the valuation and estimation of relevant uncertainties and judgements used when applying accounting principles

There have been no changes in the judgements and accounting estimates used by the Group in 2013 compared to the prior year.

Relevant accounting estimates and judgements and other estimates and assumptions have to be made when applying the Group's accounting principles to prepare the consolidated annual accounts. A summary of the items requiring a greater degree of judgement or which are more complex, or where the assumptions and estimates made are significant to the preparation of the consolidated annual accounts, is as follows:

The most significant estimates used in preparing these consolidated annual accounts are as follows:

- Estimates to calculate the fair value of the financial instruments held by the Group (see notes 5 and 6).
- Estimates to calculate the impairment of goodwill (see note 10).
- Estimates to calculate the bonus payable to Group employees (see note 13).
- Estimates to calculate the income tax expense and deferred tax assets and liabilities (see notes 12 and 25).

Although estimates are calculated by the Group's directors based on the best information available at 31 December 2013, future events may require changes to these estimates in subsequent years. Any effect on the consolidated annual accounts of adjustments to be made in subsequent years would be recognised prospectively.

(3) Distribution of Profit

The board of directors will propose to the shareholders of the Parent at their annual general meeting that the consolidated profit for the year ended 31 December 2013 be transferred to voluntary reserves.

At their annual general meeting held on 30 April 2013, the shareholders of the Parent agreed that the consolidated profit for the year ended 31 December 2012 be taken to voluntary reserves.

Details of consolidated non-distributable reserves at 31 December 2013 and 2012 are as follows:

	Euros	
	31/12/2013	31/12/2012
Non-distributable reserves		
Legal reserve	600,000.00	600,000.00

Distributable reserves and consolidated profit for the year are not subject to distribution limitations.

(4) Significant Accounting Policies

(a) Subsidiaries

Subsidiaries, including special purpose vehicles, are those entities over which the Company, either directly or indirectly, through subsidiaries, exercises control as defined in article 42 of the Spanish Code of Commerce.

For presentation and disclosure purposes, Group companies are those which are controlled, by any means, by one or more individuals or legal entities in conjunction or are solely managed in accordance with statutory clauses or agreements.

Control is the power to govern the financial and operating policies of an entity or business so as to obtain benefits from its activities. In assessing control, potential voting rights held by the Group or other entities that are exercisable or convertible at the end of each reporting period are considered.

Subsidiaries are fully consolidated.

Information on the Group’s consolidated subsidiaries is provided in Appendix I.

The income, expenses and cash flows of subsidiaries are included in the consolidated annual accounts from the acquisition date, which is when the Group obtains effective control. Transactions and balances with subsidiaries have been eliminated on consolidation.

The annual accounts of subsidiaries used in the consolidation process have the same reporting date and are for the same reporting period as those of the Company.

(b) Business combinations

The acquisition method is applied to business combinations. The acquisition date is the date on which the Group obtains control of the acquiree.

The cost of the business combination is calculated as the sum of the acquisition-date fair values of the assets transferred, the liabilities incurred or assumed, and equity instruments issued by the Group in exchange for control of the acquiree, plus any costs directly attributable to the business combination. Any additional consideration contingent on future events or the fulfilment of certain conditions is included in the cost of the combination provided that it is probable that an outflow of resources embodying economic benefits will be required and the amount of the obligation can be reliably estimated.

(c) Goodwill on consolidation

Goodwill on consolidation deriving from business combinations reflects the excess of the cost of the business combination over the acquisition-date value of the assets acquired, liabilities and contingent liabilities assumed from the acquired business, as explained in the preceding point.

Goodwill on consolidation is not amortised but tested for impairment annually or more frequently where events or circumstances indicate that an asset may be impaired.

Each cash generating unit (CGU) is tested for impairment on the same date each year. Impairment tests are carried out by comparing the value of the net assets of each CGU with their recoverable amount, based on discounting future cash flows at the pre-tax discount rate applicable to the type of business. Cash flows are estimates made by management in its five-year financial and business plans. Management verifies the reasonableness of its plans through sensitivity analyses. The discount rate reflects the present value of money and the business risk rate associated with each CGU. Business risk is taken into account when determining cash flows. Neither the discount rate nor the business cash flows take the inflation rate into consideration.

After initial recognition, goodwill on consolidation is measured at cost less any accumulated impairment losses.

(d) Minority interests

Minority interests in subsidiaries are recognised at the acquisition date at the amount of the percentage ownership in the fair value of the identifiable net assets. Minority interests are recognised in equity in the consolidated balance sheet separately from equity attributable to the Parent. Minority interests in profit or loss for the year are also recognised separately in the consolidated income statement.

The profit or loss and changes in equity of the subsidiaries attributable to the Group and minority interests, after consolidation adjustments and eliminations, is determined based on percentage ownerships at year end, without considering the possible exercise or conversion of potential voting rights and after discounting the effect of dividends, agreed or otherwise, on preference shares with cumulative rights classified in equity accounts.

Profit and loss, and income and expenses, recognised in equity of subsidiaries are allocated to equity attributable to the Parent and minority interests in proportion to their respective percentage ownership, even if this results in a balance receivable from minority interests. Agreements entered into by the Group and minority interests are recognised as a separate transaction.

(e) Associates

Associates are companies over which the Company, either directly, or indirectly through subsidiaries, exercises significant influence, and are not subsidiaries or jointly-controlled entities. Significant influence shall be deemed to exist, inter alia, in the following situations:

a) Representation on the board of directors or equivalent governing body of the investee;

b) Participation in the policy-making processes, including those relating to dividends and other distributions.

c) Material transactions between the investor and the investee.

d) Interchange of senior management personnel.

e) Provision of essential technical information.

When determining whether there exists a significant influence over an entity, the importance of the investment in the investee, the length of service on the governing bodies of the investee and the existence of potential voting rights convertible or exercisable on the reporting date shall also be taken into account.

Unless there is evidence to the contrary, significant influence shall be presumed to exist when the investor, on its own or along with the other entities of the Group, hold at least 20 per cent of the voting rights of the investee.

Investments in associates are initially recognised at cost at the acquisition date, and subsequently measured, by increasing or decreasing this amount, based on any changes in the entity's equity after that date and reflecting the share of the Parent. The Parent's income statement shall include its proportional share in the results of the investee.

The consolidated or individual financial statements of the investee shall be used when applying the equity method. On acquisition of the investment, any difference between the cost and the portion of the investee's equity attributable to the Parent shall be treated as follows:

a) When positive, as goodwill on the acquisition of the investee, which, for presentation purposes, shall be included in the carrying amount of the investment. As this goodwill is not recognised separately, the analysis of its impairment shall form part of the analysis of the impairment of the whole investment.

b) When negative, a review shall be performed on the techniques and methods used as a basis for estimating the fair values of the assets and liabilities of the investee, as well as of the resulting amounts. After this review, any remaining negative difference shall be recognised as a gain in the investor's income statement.

A proportion of the gain or loss arising from transactions between the associate and group entities equal to that represented by the group’s interest in the associate shall be eliminated.

The profit or loss for the period of the associate after the elimination referred to in the previous subparagraph shall, as the case may be, increase or reduce the value of the investment in the consolidated financial statements. This increase or reduction shall be limited to that part of the profit or loss attributable to the investment concerned.

The amount of this profit or loss shall be recorded in the consolidated income statement in the item “share of profit or loss of entities accounted for using the equity method”.

The changes in the valuation adjustments of the associate subsequent to the acquisition date, shall, as the case may be, increase or reduce the value of the investment. The amount of this profit or loss shall be recorded in the consolidated income statement in the item “share of profit or loss of equity-accounted entities”.

The profits distributed by the associate to other group entities shall reduce the value of the investment in the consolidated financial statements.

The investment in the associate shall be increased by the amount of items which, on account of their substance, form part of the net investment in it, such as long-term loans, unless they have sufficient guarantee or collateral, but not including trade receivables or payables.

When the share of the losses of an associate relating to the investor or, as the case may be, the group is equal to or exceeds the carrying amount of the investment therein, the latter shall reduce the value of its investment to zero, unless it has incurred some type of legal obligation or it has to make payments on behalf of the associate. In that case, they shall be applied to the other components of the net investment by order of priority in the settlement.

Details of equity-accounted investments are provided in Appendix II.

(f) Foreign currency transactions, balances and cash flows

i. Foreign currency transactions, balances and cash flows

Foreign currency transactions are translated into Euros using the exchange rates prevailing at the transaction date.

Monetary assets and liabilities denominated in foreign currencies have been translated into Euros at the closing rate, while non-monetary assets and liabilities measured at historical cost have been translated at the exchange rate prevailing at the transaction date. Non-monetary assets measured at fair value have been translated into Euros at the exchange rate at the date that the fair value was determined.

Cash flows from foreign currency transactions presented in the statement of cash flows are translated into Euros using the exchange rates prevailing at the transaction date. The effect of exchange rate fluctuations on cash and cash equivalents denominated in foreign currencies is recognised separately in the statement of cash flows as effect of exchange rate fluctuations on cash and cash equivalents.

Exchange gains and losses arising on the settlement of foreign currency transactions and the translation into Euros of monetary assets and liabilities denominated in foreign currencies are recognised in profit or loss. However, exchange differences arising on a monetary item that forms part of a net investment in a foreign operation are recognised as foreign exchange translation differences in equity.

The Group uses the exchange rates published by the European Central Bank when translating foreign currency balances into Euros.

Exchange gains or losses relating to monetary financial assets and financial liabilities denominated in foreign currencies are recognised in profit and loss.

Foreign exchange gains or losses relating to non-monetary financial assets and financial liabilities are recognised in conjunction with the change in fair value. Nevertheless, the exchange rate fluctuation component of non-monetary financial assets denominated in foreign currencies classified as available-for-sale and as hedged items in fair value hedges of the component is recognised in the income statement.

ii. Translation of foreign operations

Foreign operations have been translated into Euros as follows:

- Assets and liabilities, including goodwill and net asset adjustments derived from the acquisition of the operations, are translated at the rate prevailing at the reporting date.

- Income and expense are translated at the average exchange rate for the year.

- All resulting exchange differences are recognised as translation differences in consolidated equity.

In the consolidated statement of cash flows, foreign currency transaction cash flows have been translated into Euros at the average exchange rate for the year.

Translation differences recorded in consolidated equity are recognised in the consolidated income statement on disposal or partial disposal of the businesses or companies. Disposal can be through liquidation, reimbursement of the investment or abandonment. Payment of a dividend constitutes a disposal insofar as it entails reimbursement of the investment. In transactions to reduce the interest in subsidiaries, exchange gains or losses are recognised in the consolidated income statement using the criteria described for income and expenses recognised in consolidated equity.

(g) Recognition, measurement and classification of financial instruments

Financial assets and financial liabilities are recognised when the Group becomes party to the contract, in accordance with the provisions of that contract.

Debt instruments are recognised from the time that a legal right to receive or pay cash arises and derivatives are recognised from the trade date. In general the Group derecognises financial instruments on the date from which the rewards, risks, rights and obligations or the control thereof are transferred to the purchaser.

The Group classifies financial instruments into different categories based on the nature of the instruments and management’s intentions on initial recognition.

Financial instruments are presented and measured, depending on their classification, based on the following criteria:

- Financial assets at fair value through profit or loss:

    - Financial assets held for trading comprise securities earmarked for market transactions in the short term, and derivatives other than hedging instruments. These are measured at fair value, recognising net differences with the transaction price in the consolidated income statement.

Financial assets that are not derivatives can be reclassified out of the trading portfolio when they cease to be held for the purpose of being sold or repurchased in the near term, provided that the following circumstances arise:

  * In the event of exceptional circumstances arising from a particular, isolated event not associated with the company, in which case the assets are reclassified to available-for-sale financial assets.

  * The Group has the intention and financial ability to hold the assets until maturity and the assets met the definition of loans and receivables on initial recognition, in which case they are classified as loans and receivables.

  - Other financial assets at fair value through profit or loss comprise hybrid financial assets, jointly-managed assets and hedging derivatives. These are measured at fair value, recognising net differences with the transaction price in the consolidated income statement.

- Held-to-maturity investments comprise debt securities with fixed maturity and fixed or determinable cash flows that the Group has decided to hold until maturity. Government debt, bonds and other fixed income securities in the held-to-maturity portfolio are initially recognised at the fair value of the consideration given and are subsequently carried at amortised cost using the effective interest rate.

- Loans and receivables comprise financial assets that are not derivatives, with fixed or determinable cash flows, on which the Group will recover all expenditure incurred. These assets are initially recognised at the fair value of the consideration given, and are subsequently carried at amortised cost using the effective interest rate. Assets purchased at a discount are recognised at the amount disbursed. The difference between the redemption amount and the cash disbursed is recognised as finance income in the consolidated income statement over the residual period until maturity.

- Available-for-sale financial assets include those securities not classified in any of the preceding portfolios. These assets are carried at fair value and net differences with the transaction price are recognised in equity until the asset is derecognised, with the profit or loss on disposal taken to the consolidated income statement.

- Financial liabilities at fair value through profit or loss:

  - Financial liabilities held for trading comprise securities issued with an intention to repurchase them in the near term, short positions, or which form part of a portfolio of identified financial instruments that are jointly managed, for which there is evidence of a recent pattern of short-term profit-taking, and derivatives other than hedging instruments. These are measured at fair value, recognising net differences with the transaction price in the income statement.

- Other financial liabilities at fair value through profit or loss comprise hybrid financial instruments that do not form part of the trading portfolio and must therefore be measured at fair value, when the associated financial assets are also measured at fair value through profit or loss. This category also includes jointly managed liabilities and liabilities that may be cancelled by the holder at fair value. These are measured at fair value, recognising net differences with the transaction price in the income statement.

- Financial liabilities at fair value through consolidated equity include all financial liabilities associated with available-for-sale financial assets that have been transferred but do not meet the conditions for derecognition. These liabilities are measured at fair value through equity, as are the associated assets.

- Financial liabilities at amortised cost include those securities not classified in any of the preceding portfolios. They are initially recognised at the fair value of the consideration received and subsequently carried at amortised cost, accounting for net differences with the transaction price in the income statement.

The carrying amounts of financial instruments are adjusted with a charge to the income statement when there is objective evidence that an impairment loss has occurred.

(h) Criteria for calculating the fair value of financial instruments

Fair value is the amount for which an asset could be exchanged, or a liability settled, between knowledgeable, willing parties in an arm's length transaction. The Group applies the following systematic criteria to determine the fair value of financial assets and financial liabilities:

- The Group first applies the quoted market price in the most advantageous active market to which it has immediate access, adjusted to reflect any difference in the credit risk between instruments traded in that market and the one being valued. The bid price is used for assets purchased or liabilities to be issued and the asking price is used for assets to be purchased or liabilities issued. If the Group has assets and liabilities with offsetting market risks, it uses mid-market prices for the offsetting risk positions and applies the bid or asking price to the net position, as appropriate.

- Where market prices are not available, the Group uses recent transaction prices adjusted to market conditions.

- Otherwise, for most derivatives the Group applies generally accepted valuation techniques that make maximum use of market inputs and rely as little as possible on entity-specific inputs.

(i) Impairment of financial assets

A financial asset or a group of financial assets is impaired and impairment losses are incurred if there is objective evidence of impairment as a result of one or more events that occurred after the initial recognition of the asset and that event or events have an impact on the estimated future cash flows of the financial asset or group of financial assets that can be reliably estimated.

- Impairment of financial assets carried at cost or amortised cost

  Impairment losses on assets carried at cost reflect the difference between the carrying amount of the financial asset and the present value of estimated future cash flows discounted at the present market yield for similar financial assets. These losses are not reversible and are therefore recognised directly against the value of the asset rather than as a valuation allowance.

- Impairment of available-for-sale financial assets

  When a decline in the fair value of an available-for-sale financial asset has been accounted for in recognised income and expense, the accumulative loss is reclassified from consolidated equity to profit or loss when there is objective evidence that the asset is impaired, even though the financial asset has not been derecognised. The impairment loss recognised in the income statement is calculated as the difference between the acquisition cost, net of any reimbursement or repayment of the principal, and the present fair value, less any impairment losses previously recognised in profit or loss for the year.

  Impairment losses on investments in equity instruments are not reversible and are therefore recognised directly against the value of the asset rather than as a valuation allowance.

  If the fair value of debt instruments increases and the increase can be objectively related to an event occurring after the impairment loss was recognised, the increase is recognised in profit and loss up to the amount of the previously recognised impairment loss and any excess is accounted for in recognised income and expense in consolidated equity.

(j) Transfer of financial assets

Financial asset transfers are measured as follows:

- When substantially all risks and rewards are transferred, the financial asset is derecognised and any right or obligation retained or created in the transfer is recognised separately.

- When substantially all risks and rewards are retained, the financial asset is not derecognised and a financial liability is recognised for an amount equal to the consideration received, which is subsequently measured at amortised cost.

- When substantially all risks and rewards are neither transferred nor retained and the Company does not retain control, the financial asset is derecognised and any right or obligation retained or created through the transfer is recognised. If the Entity retains control, the financial asset is not derecognised.

(k) Fees and commissions, interest and dividend income

- Fees and commissions

Fees and commissions from activities and services rendered during a specific period of time are recognised in the income statement over the duration of the activities or services.

Fees and commissions from activities and services rendered during a period of time that is not specific are recognised in the income statement in line with the stage of completion.

Fees and commissions from a service rendered in a single act are recognised in the income statement when the single act is carried out.

Variable management fees are recognised based on the best estimate at any given time. The Group adjusts these fees, retrospectively if appropriate, when it has access to information on trends in the calculation bases.

- Interest and dividend income

Interest is recognised using the effective interest method.

Dividends from investments in equity instruments are recognised when the Group is entitled to receive them. If the dividends are clearly derived from profits generated prior to the acquisition date because amounts higher than the profits generated by the investment since acquisition have been distributed, the carrying amount of the investment is reduced.

(l) Coverage of credit risk

Valuation allowances are calculated individually for overdue or doubtful debt instruments not measured at fair value through profit or loss, based on ageing, guarantees extended and recovery expectations for these balances.

(m) Financial futures and forward sale and purchase transactions

Financial futures and forward sale and purchase transactions are recognised in the relevant commitment account when contracted and until the position closes or the contract expires, at the effective amount contracted or the nominal amount committed, distinguishing between hedging and non-hedging operations. Funds deposited in respect of the initial margin and additional guarantees are accounted for under assets in due from financial intermediaries.

(n) Options and warrants

Options and warrants over securities are recognised in commitment accounts when contracted and until the position closes or the contract expires, at the committed nominal amount of the underlying items in the sale and purchase agreements, distinguishing between hedging and non-hedging operations. Funds deposited in respect of the initial margin and additional guarantees are accounted for under assets in due from financial intermediaries. Premiums for options and warrants purchased, and premiums deriving from options issued or warrants sold, are recognised in derivatives under assets or liabilities, respectively, at the date the transaction is contracted.

(o) Swaps

Swap transactions are recognised in the relevant commitment account when contracted and until the position closes or the contract expires, at the nominal amount committed, distinguishing between hedging and non-hedging operations.

(p) Hedging operations to reduce risks: Hedge accounting

The Group presents and measures individual hedges (distinguishing between hedged instruments and hedging instruments) based on their classification, using the following criteria:

- Fair value hedges: hedges of the exposure to changes in fair value. The gains or losses attributable to both the hedging instrument and the hedged risk are recognised immediately in the income statement.

- Cash flow hedges: hedges of the exposure to variations in cash flows that is attributable to a particular risk associated with an asset or liability or a forecast transaction. The gain or loss attributable to the portion of the hedging instrument that qualifies as an effective hedge is recognised temporarily under valuation adjustments in equity at the lower of the cumulative gain or loss on the hedging instrument from the inception of the hedge and the cumulative change in the present value of expected future cash flows of the hedged item from the inception of the hedge.

- Hedges of a net investment in a foreign operation: hedges of currency risk of a subsidiary, associate or branch that operates in a different country or currency to that of the Group. The gain or loss attributable to the portion of the hedging instrument that qualifies as an effective hedge is recognised temporarily in equity, until the disposal or derecognition of the instruments, whereupon they are recognised in the income statement. The remaining gain or loss is immediately recognised in profit and loss.

The cumulative gains or losses on each hedge are taken to the income statement in the periods in which the designated hedged items affect the income statement, unless the hedge relates to a forecast transaction that results in the recognition of a non-financial asset or liability, in which case the gains or losses are included in the cost of that asset or liability.

(q) Property, plant and equipment

Property, plant and equipment for own use are measured at cost, less accumulated depreciation and any impairment losses.

Depreciation is provided on a straight line basis over the estimated useful lives of the assets as follows:

	Years of useful life
Installations	5
Information technology equipment	3
Furniture	5
Motor vehicles	3
Other property, plant and equipment	5

Depreciation methods and useful lives of each item of property, plant and equipment are reviewed at least at each year end.

Repairs and maintenance costs that do not improve the related assets or extend their useful lives are recognised in profit and loss when incurred. Only those costs likely to generate future profits are capitalised, provided that the amount of such costs can be estimated reliably.

(r) Investment property

Investment property comprises property which is earmarked totally or partially to earn rentals or for capital appreciation or both, rather than for use in the production or supply of goods or services, for administrative purposes or for sale in the ordinary course of business.

Property that is being constructed or developed for future use as investment property is classified as property, plant and equipment under development until construction or development is complete. Nevertheless, redevelopment work to extend or improve property is classified as investment property.

The Group measures and recognises investment property following the policy for property, plant and equipment.

(s) Intangible assets

Intangible assets are carried at cost, less any accumulated amortisation and impairment.

Repairs and maintenance costs that do not improve the related assets or extend their useful life are recognised in profit and loss when incurred.

The Group assesses whether the useful life of each intangible asset acquired is finite or indefinite. An intangible asset is regarded by the Company as having an indefinite useful life when there is no foreseeable limit to the period over which the asset will generate net cash inflows.

Intangible assets with indefinite useful lives are not amortised, but are instead tested for impairment on an annual basis or whenever there is an indication that the intangible asset may be impaired.

Intangible assets with finite useful lives are amortised by allocating the depreciable amount of an asset on a systematic basis over its useful life, applying the following criteria:

	Amortisation method	Estimated years of useful life
Computer software	Straight-line	3
Other intangible assets	Straight-line	3

The depreciable amount of intangible assets is measured as the cost of the asset, less any residual value.

The Group reviews the residual value, useful life and amortisation method for intangible assets at each financial year end. Changes to initially established criteria are accounted for as a change in accounting estimates.

(t) Leases

The Group has rights to use certain assets through lease contracts.

Leases in which the Group assumes substantially all the risks and rewards incidental to ownership are classified as finance leases, otherwise they are classified as operating leases.

- Finance leases

  At the commencement of the lease term, the Group recognises finance leases as assets and liabilities at the lower of the fair value of the leased asset and the present value of the minimum lease payments. Initial direct costs are added to the asset’s carrying amount. Minimum lease payments are apportioned between the finance charge and the reduction of the outstanding liability. Interest is expensed using the effective interest method. Contingent rents are recognised as an expense when it is probable that they will be incurred.

  The accounting policies applied to the assets used by the Group under finance lease contracts are the same as those set out in section l) of this note. However, if there is no reasonable certainty at the commencement of the lease that the Group will obtain ownership by the end of the lease term, the assets are fully depreciated over the shorter of the lease term and their useful lives.

- Operating leases

  Lease payments under an operating lease, net of incentives received, are recognised as an expense on a straight-line basis over the lease term, unless another systematic basis is more representative of the time pattern of the lease’s benefit.

(u) Security deposits

Security deposits paid in relation to lease contracts are measured using the same criteria as for financial assets. The difference between the amount extended and the fair value is classified as a prepayment and recognised in profit and loss over the lease term.

(v) Termination benefits

Termination benefits for involuntary redundancy are recognised as a liability when the Group has a detailed formal plan for the termination and there is a valid expectation among the affected employees that termination will arise either because the plan has already started to be implemented or because its main characteristics have been published.

When termination benefits fall due more than 12 months after the reporting date, they are discounted based on the market yield on high quality corporate bonds.

Termination benefits for voluntary redundancy are recognised when an offer has been made and the Group is without realistic possibility of withdrawal, and are measured based on the number of employees expected to accept the offer.

(w) Provisions

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event; it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation; and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the expenditure required to settle the present obligation at the end of the reporting period, taking into account all risks and uncertainties surrounding the amount to be recognised as a provision and, where the time value of money is material, the financial effect of discounting provided that the expenditure to be made each period can be reliably estimated. The discount rate is a pre-tax rate that reflects the time value of money and the specific risks for which future cash flows associated with the provision have not been adjusted at each reporting date.

(x) Income tax

The income tax expense or tax income for the year comprises current tax and deferred tax.

Current tax is the amount of income taxes payable or recoverable in respect of the taxable profit or tax loss for a period.

Deferred tax liabilities are the amounts of income taxes payable in future periods in respect of taxable temporary differences, while deferred tax assets are the amounts of income taxes recoverable in future periods in respect of deductible temporary differences, tax loss carryforwards and unused tax credits. Temporary differences are differences between the carrying amount of an asset or liability in the balance sheet and its tax base.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the years when the asset is realised or the liability is settled, based on tax rates and tax laws that have been enacted or substantially enacted. The tax consequences that would follow from the manner in which the Group expects to recover or settle the carrying amount of its assets or liabilities are also reflected in the measurement of deferred tax assets and liabilities.

Deferred tax assets and liabilities are recognised in the consolidated balance sheet under non-current assets or liabilities, irrespective of the expected date of recovery or settlement.

On 20 December 2011 the Auriga Capital Investments Group submitted an application to the Spanish Ministry of Economy and Finance, notifying the taxation authorities of its decision to avail of the special consolidated tax regime. On 17 February 2012 the taxation authorities notified the Group that it had been assigned the tax group number 298/12. This consolidated tax group was created in 2012 and comprises the Parent and Auriga Global Investors, S.V., S.A.U.

(y) Contributions to the Investment Guarantee Fund

The Group forms part of the Investment Guarantee Fund and makes annual contributions to this fund in compliance with Royal Decree 948/2001 of 3 August 2001 governing investor indemnity systems, amended by Law 53/2002 of 30 December 2002 governing tax, administrative and social measures.

In 2013 and 2012, the Group accrued contributions to the fund of Euros 80,594.88 and Euros 70,920.89, respectively, recognised as other operating expenses in the consolidated income statement.

(z) Off-balance sheet customer funds

The Group recognises off-balance sheet customer funds, notably the following, in memorandum accounts:

- Securities and other financial instruments held on deposit: own or third-party securities and other financial instruments, measured at market value at the reporting date or relevant statement date, for which the Group assumes the custody risk, except for the amount of assets entrusted to other entities for the purposes of custody, management or administration.

- Own or third-party securities and other instruments held by other entities: securities and financial instruments held by the Group or received on deposit from third parties, measured at market value at the reporting date or relevant statement date, for which the Company retains responsibility as custodian and which are entrusted to other entities for the purposes of custody, management or administration.

- Managed portfolios: third-party securities and financial instruments managed by the Group under the terms of the contract signed with each customer, measured at market value at the reporting date or relevant statement date.

(aa) Related party transactions

Transactions with Group companies and related parties are recognised at the fair value of the consideration given or received. The difference between this value and the amount agreed is recognised in line with the underlying economic substance of the transaction.

(bb) Statement of cash flows

The Group reports its cash flows using the indirect method, using the following expressions and classification criteria:

- Cash flows: inflows and outflows of cash and cash equivalents, the latter being short-term, highly liquid investments subject to a low risk of changes in value.

- Operating activities: typical activities of credit institutions and other activities that cannot be classified as investing or financing.

- Investing activities: the acquisition, sale or other disposal of non-current assets and other investments not included in cash and cash equivalents.

- Financing activities: activities that result in changes in the size and composition of equity and of liabilities that do not form part of operating activities.

Cash and cash equivalents include cash on hand and demand deposits in financial institutions. They also include other short-term, highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value. An investment normally qualifies as a cash equivalent when it has a maturity of less than three months from the date of acquisition.

The Group recognises cash payments and receipts for financial assets and financial liabilities in which turnover is quick on a net basis in the consolidated statement of cash flows. Turnover is considered to be quick when the period between the date of acquisition and maturity does not exceed six months.

In the statement of cash flows, bank overdrafts that are repayable on demand and form an integral part of the Group's cash management are not included as a component of cash and cash equivalents. Bank overdrafts are recognised in the consolidated balance sheet as financial liabilities from bank borrowings.

(cc) Statement of total changes in equity

This statement shows a reconciliation of the opening and closing carrying amounts of all items comprising equity, grouping movements according to their nature, as follows:

- Reclassifications, reflecting changes in equity due to the adjustment of balances in the financial statements as a result of changes in accounting principles or corrections of errors.

- Income and expenses recognised during the year, comprising the aggregate amount of the items recognised in the statement of recognised income and expense.

- Other changes in fund net assets, comprising the remaining items recognised in fund net assets, such as distribution of profit or application of losses, transactions with own equity instruments, equity-settled payments, transfers between equity items, and any other increases or decreases in fund net assets.

(5) Financial Assets Held for Trading

Details of financial assets held for trading at 31 December 2013 and 2012 are as follows:

	Euros	
	31/12/2013	31/12/2012
Debt securities		
Internal portfolio		
Deposit institutions	1,621,717.66	10,485,860.00
Non-financial companies	332,595.00	814,424.50
Regional governments	45,841.32	-
External portfolio	17,306,606.03	4,044,030.16
Valuation adjustments		
Accrued interest receivable	5,394.39	65,317.38
	19,312,154.40	15,409,632.04
Shares and equity investments		
Internal portfolio		
Deposit institutions	1,195,906.88	2,033,691.80
Non-financial companies	2,010,034.73	2,661,165.06
External portfolio	4,104,384.93	2,038,164.56
	7,310,326.54	6,733,021.42
Trading derivatives (note 17)	526,101.44	29,852.69
Other financial assets	200,962.95	391,140.82
	27,349,545.33	22,563,646.97
Euros	7,135,401.31	16,408,837.11
Foreign currencies	20,214,144.02	6,154,809.86
	27,349,545.33	22,563,646.97

At 31 December 2013 and 2012 details of debt securities (excluding valuation adjustments) and equity instruments included in the Group's trading portfolio, classified as listed and unlisted financial instruments, are as follows:

	Euros	
	31/12/2013	31/12/2012
Debt securities		
Internal portfolio		
Listed	2,000,153.98	11,300,284.50
External portfolio		
Listed	17,306,606.03	4,044,030.16
	19,306,760.01	15,344,314.66
Shares and equity investments		
Internal portfolio		
Listed	3,205,941.61	4,694,856.86
External portfolio		
Listed	3,666,086.80	1,526,406.77
Unlisted	438,298.13	511,757.79
	7,310,326.54	6,733,021.42

The Group did not transfer any financial instruments between portfolios in 2013 or 2012.

Details of the effect on the 2013 and 2012 consolidated income statements of changes in the fair value of financial assets held for trading, depending on the valuation method used, are as follows:

	Euros	
Valuation method	31/12/2013	31/12/2012
Listed prices in active markets	(43,582.24)	2,833,008.98

Effective interest rates by type of financial asset held for trading at 31 December 2013 and 2012 are as follows:

	Percentage	
	2013	2012
Debt securities	2.76%	6.25%

Details of interest, yield and net gains or losses on financial assets by type of instrument held for trading recognised in the consolidated income statements for 2013 and 2012 are as follows:

	Euros					
	2013			2012		
	Interest	Yield	Gains/(losses) on financial assets (net)	Interest	Yield	Gains/(losses) on financial assets (net)
Debt securities	555,970.71	-	17,247,973.04	501,425.49	-	13,949,551.10
Shares and equity investments	-	20,780.18	3,434,825.91	-	205,246.24	2,673,968.05
Trading derivatives	-	-	613,347.28	-	-	391,262.06
Other assets at fair value	-	-	(39,701.46)	-	-	185,223.66
	555,970.71	20,780.18	21,256,444.77	501,425.49	205,246.24	17,200,004.87
	(note 19)	(note 19)		(note 19)	(note 19)	

At 31 December 2013 the fair value of securities loaned or pledged (short positions) is Euros 19,351,335.66, recognised under financial liabilities held for trading in the consolidated balance sheet, of which Euros 1,900,756.49 are positions of the subsidiary Auriga Global Investors, Sociedad de Valores, S.A. Sociedad Unipersonal (see note 17). The Group had no securities loaned or pledged at 31 December 2012.

(6) Available-for-sale Financial Assets

Details at 31 December 2013 and 2012 are as follows:

	Euros	
	31/12/2013	31/12/2012
Shares and equity investments		
Internal portfolio		
Unlisted	319,858.94	134,941.00
External portfolio		
Unlisted	4,625,540.62	5,202,759.54
	4,945,399.56	5,337,700.54
Euros	3,567,406.95	4,156,457.60
Foreign currencies	1,377,992.61	1,181,242.94
	4,945,399.56	5,337,700.54

A breakdown of unlisted shares and equity investments is as follows:

	Euros	
	31/12/2013	31/12/2012
Investment funds	4,625,540.62	4,285,529.09
Equity instruments	317,360.94	1,050,230.45
Gestora del Fondo General de Garantía de Inversiones, S.A.	2,498.00	1,941.00
	4,945,399.56	5,337,700.54

Investment funds and equity instruments are measured and recognised at fair value. The fair value of investment funds is calculated based on the net asset value of the fund provided by the management company at each month end, while the Group considers the best estimate of the fair value of equity instruments to be their carrying amount. The investment in Gestora del Fondo General de Garantía de Inversiones, S.A. is recognised at cost.

At 31 December 2013 and 2012, as a stock exchange member broker, the Group company Auriga Global Investors, S.A., Sociedad Unipersonal holds 2,498 and 1,941 shares, respectively, in Gestora del Fondo General de Garantía de Inversiones, S.A.

The net change in the fair value of investment funds held by the Group during 2013 and the accumulated changes since designation of the financial assets at fair value through equity reflect an increase of Euros 238,008.07 and an increase of Euros 550,322.73 (net of the tax effect), respectively (an increase of Euros 273,482.55 and an increase of Euros 312,314.66, respectively, at 31 December 2012). This amount is recognised in equity – valuation adjustments at 31 December 2013 (see note 16), while the related tax effect is accounted for under deferred tax liabilities (see note 12).

The net change during 2013 in the fair value of the equity instruments held by the Group at 31 December 2013, as well as the accumulated net changes in fair value since designation of the financial assets at fair value through equity, reflect an increase of Euros 415,664.16 and Euros 0 (net of tax effect) (increase of Euros 147,983.64 and decrease of 47,061.32 (net of tax effect) at 31 December 2012). This amount is recognised in equity – valuation adjustments at 31 December 2013 and 2012 (see note 16), while the related tax effect is accounted for under deferred tax assets (see note 12). During 2013 and 2012 the amount transferred to the income statement as a result of the sale of these assets is Euros 462,725.48 and Euros 631.49 (net of tax effect), respectively (see note 16).

On 19 April 2013 the Group acquired 285,714 shares of Qustodian Trust, S.L. for Euros 200,000.00, which have been measured at cost at 31 December 2013.

During 2013, the Group has sold financial assets classified under this category for Euros 1,511,036.40, which is still receivable at 31 December 2013 (see note 7).

On 14 February 2012 the Group acquired 11,301 units in the investment fund Montserrat Global Fund B, with a fair value of Euros 1,377,992.61 and Euros 1,181,242.94 at 31 December 2013 and 2012, respectively.

On 5 June 2012 the Group acquired 266 shares of Acuerdo Investment Car Loans, S.L. for Euros 133,000.00, which have been measured at cost at 31 December 201 and 2012. During 2013, the Group has received Euros 15,639.06 because the cost of the transaction was finally set at Euros 117,360.94.

On 19 October 2012 the Group acquired 1,048.99 units in the investment fund Belgravia Lynx Fund Class A for Euros 100,000.00. On 30 October 2012 the Group sold all of its units in this fund, incurring a loss of Euros 902.13.

At 31 December 2013 and 2012 the Group has no doubtful assets in this consolidated balance sheet caption and has not recognised any valuation allowances in respect of credit risk.

At 31 December 2013 the Group has pledged assets classified under this caption to secure a Euros 3,247,548.01 credit facility (Euros 3,104,286.15 at 31 December 2012).

At 31 December 2013 and 2012 the Group has no assets in this caption that have been conveyed or received on loan.

(7) Loans and Receivables

Details at 31 December 2013 and 2012 are as follows:

	Euros	
	31/12/2013	31/12/2012
Due from financial intermediaries		
Demand deposits	28,118,339.66	19,637,561.46
Receivables from transactions on behalf of the Group pending settlement		
With Systems Group	199,311.89	222,542.05
With other financial intermediaries	514,267.16	707,928.85
Reverse repurchase agreements	35,200,948.31	11,696,633.37
Other receivables	163,351.35	112,377.42
Doubtful trade receivables	1,500,000.00	1,500,000.00
Valuation adjustments	527.04	-
Impairment	(900,000.00)	(900,000.00)
	64,796,745.41	32,977,043.15
Due from customers		
Loans and advances for securities transactions	1,837,221.62	866,882.41
Other loans and advances	11,088,185.82	6,893,672.02
Valuation adjustments		
Accrued interest	827,925.25	351,673.27
	13,753,332.69	8,112,227.70
	78,550,078.10	41,089,270.85
Euros	62,041,247.63	30,029,077.33
Foreign currencies	16,508,830.47	11,060,193.52
	78,550,078.10	41,089,270.85

(a) Demand deposits

At 31 December 2013 and 2012 demand deposits comprise current account balances with credit institutions at year end, which yield interest at a rate of between 0.00% and 1.90%.

At 31 December 2013 and 2012 this heading includes balances deposited by the Company on behalf of customers with financial intermediaries totalling Euros 18,293,374.73 and Euros 15,638,889.19, respectively.

Income obtained on demand deposits during 2013 amounts to Euros 419,367.51 (Euros 56,017.61 at 31 December 2012) (see note 19).

Customer deposits with the Group for these transactions are recognised in financial liabilities at amortised cost – due to customers.

(b) Receivables from transactions on behalf of the Group pending settlement

Balances in respect of transactions on behalf of the Company pending settlement were settled in early January of the following year.

(c) Reverse repurchase agreements

At 31 December 2013 and 2012 details of reverse repurchase agreements and movement are as follows:

	Euros	
	31/12/2013	31/12/2012
Opening balance	11,696,633.37	5,400,000.00
Additions	206,206,476.77	1,127,648,095.13
Disposals	(182,702,161.83)	(1,121,351,461.76)
Closing balance	35,200,948.31	11,696,633.37

At 31 December 2013 and 31 December 2012 reverse repurchase agreements yield interest at an annual rate of 0% and 0.1% (0.2% in 2012) and mature on 2 January 2014 and 2 January 2013, respectively. Income obtained on reverse repurchase agreements in 2013 amounts to Euros 1,555.04 (Euros 3,369.69 at 31 December 2012) (see note 19).

(d) Other loans

Details at 31 December 2013 and 2012 are as follows:

	Euros	
	31/12/2013	31/12/2012
Clearing and Settlement System of the Barcelona Securities Market	30,000.00	30,000.00
Book-entry and Settlement System of the Valencia Securities Market	10,303.07	10,303.07
Latibex guarantee	30,000.00	30,000.00
Other	93,048.28	42,074.35
	163,351.35	112,377.42

(e) Doubtful trade receivables

Details at 31 December 2013 and 2012 are as follows:

	Euros	
	31/12/2013	31/12/2012
Cost	1,500,000.00	1,500,000.00
Provision	(900,000.00)	(900,000.00)
	600,000.00	600,000.00

At 31 December 2013 and 2012 this caption includes the estimated fair value calculated by the Group of the recoverability of a credit from a financial intermediary in respect of the settlement of a financial instrument. During 2012 the Group made a Euros 900,000.00 provision for doubtful trade receivables with a charge to the income statement caption "Impairment losses on financial assets (net) – Loans and Receivables".

(f) Loans and advances for securities transactions

At 31 December 2013 this caption includes Euros 493,140.11 in success commissions receivable for intermediation in securities operations (Euros 787,111.88 at 31 December 2012).

(g) Other loans and advances

Details at 31 December 2013 and 2012 are as follows:

	Euros	
	31/12/2013	31/12/2012
Other loans		
Loans	6,348,640.65	5,757,990.23
Other (note 6)	1,511,036.40	-
Advances		
Advances to Group companies (note 26(a))	2,030,309.67	-
Other advances	1,198,199.10	1,135,681.79
	11,088,185.82	6,893,672.02

Details and characteristics of these loans at 31 December 2013 and 2012 are as follows:

At 31 December 2013:

	Currency	Interest rate	Maturity	Euros Loan	Euros Interest	Euros Total
Member of the board of directors (note 26(a))	Euros	5%	01.08.2014	192,957.91	22,605.68	215,563.59
Distribución y venta de material eléctrico y productos de bricolaje Inoko, S.L. (note 26(a))	Euros	8%	01.03.2014	1,400,000.00	284,668.52	1,684,668.52
Xzerta Tec LLC (note 26(a))	US Dollars	8%	31.03.2015	3,843,086.07	446,391.13	4,289,477.20
Cablerías Auto, S.L.	Euros	10%	June 2014	612,596.67	74,259.92	686,856.59
Cerro de las Damas, S.L.	Euros	-	17.03.2014	300,000.00	-	300,000.00
				6,348,640.65	827,925.25	7,176,565.90

At 31 December 2012:

	Currency	Interest rate	Maturity	Euros Loan	Euros Interest	Euros Total
Member of the board of directors (note 26(a))	Euros	5%	01.08.2013	192,957.91	12,340.75	205,298.66
Distribución y venta de material eléctrico y productos de bricolaje Inoko, S.L. (note 26(a))	Euros	8%	01.03.2013	1,400,000.00	172,668.51	1,572,668.51
Xzerta Tec LLC (note 26(a))	US Dollars	8%	31.03.2014	3,107,473.10	155,776.10	3,263,249.20
Cablerías Auto, S.L.	Euros	10%	May 2013	673,091.71	4,861.22	677,952.93
Wasabi	US Dollars	8%	23.10.2013	384,467.51	6,026.69	390,494.20
				5,757,990.23	351,673.27	6,109,663.50

Movement in loans extended at 31 December 2013 and 2012 is as follows:

During 2013 and 2012 the Group has extended a loan to Cablerías Auto, S.L. as an advance for invoices from this company's suppliers. At 31 December 2013 and 2012 the amount receivable totals Euros 686,856.59 and Euros 677,952.93, respectively.

On 17 December 2013, the Group extended a Euros 300,000.00 interest-free participating loan to Cerro de las Damas, S.L. which falls due on 17 March 2014. On 20 February 2014 this participating loan was capitalised for Euros 299,980.64 (see note 33).

During 2011 the Group extended a Euros 800,000.00 loan to Distribución y venta de material eléctrico y productos de bricolage Inoko, S.L, which was increased by a further Euros 600,000.00 on 11 November 2011. This loan was repaid on 1 March 2014 as the Group had collected the full amount of the principal plus interest accrued until maturity.

During 2012, the Group extended a loan of Euros 2,972,953.38 (US Dollars 4,100,000.00) to Xzerta Tec LLC., which was increased by a further Euros 870,132.70 (US Dollars 1,200,000.00) in 2013. These loans are secured by the solar panels acquired by Xzerta Tec LLC.

At 31 December 2013 and 2012 this caption also includes a Euros 192,957.91 loan extended to a member of the board of directors.

On 23 October 2012 the Group extended a US Dollars 500,000.00 loan to Wasabi Capital SPRL, which was settled in advance in early 2013.

Income obtained on loans and advances during 2013 and 2012 amounts to Euros 512,470.36 and Euros 349,667.82, respectively (see note 19).

Income obtained on loans and advances with related parties during 2013 amounts to Euros 430,408.71 (Euros 289,302.10 at 31 December 2012) (see note 26 (a)).

At 31 December 2013 other comprises the amount receivable on the sale of a financial asset, which has been collected in early 2014 (see note 6).

Advances to Group companies at 31 December 2013 reflect a Euros 2,030,309.67 advance made by the Group to incorporate the Solar Credits Opportunities Fund.

At 31 December 2013 and 2012 other advances mainly include balances extended to US customers.

(8) Equity Investments

Details of this item at 31 December 2013 and 2012 are as follows:

	Euros	
Equity investment	31/12/2013	31/12/2012
Xzerta Mesa Spain, LLC	-	516,224.11
Xzerta-Tec, LLC	394,473.56	182,087.58
Ausabi Spain, LLC	634,289.41	416,377.19
AUSAF VII, LLC	1,960,606.91	-
	2,989,369.88	1,114,688.88
	(note 26(a))	(note 26(a))

The associates performed the following transactions during 2013 and 2012:

Xzerta Mesa Spain, LLC

During 2013 the Parent obtained control of this subsidiary, which is subsequently fully consolidated. At 31 December 2012, there was no control over this entity but only significant influence, and it was therefore equity accounted.

On 12 September 2011 the Group acquired interest in the US company Xzerta Mesa Spain, LLC for US Dollars 600,000.00. During 2012 the Group acquired additional shares of this entity for Euros 3,789.60 (US Dollars 5,000.00). At 31 December 2013 and 2012, the Group held a 25.16% interest in this subsidiary.

Xzerta-Tec, LLC

At 31 December 2013 and 2012 the Parent holds an indirect interest in this associate through the subsidiary Auriga Special Holdings LLC.

During 2013 the Group has increased its interest in this company for Euros 244,362.27 (US Dollars 337,000.00). In 2012 the Group acquired Euros 345,008.31 (US Dollars 450,930.00) of the capital of this associate.

At 31 December 2013 and 2012 the percentage ownership held in this US associate is 50%.

Ausabi Spain, LLC

At 31 December 2013 and 2012 the Parent holds an indirect interest in this associate through the subsidiary Auriga Special Holdings LLC.

During 2013 the Group has increased its interest in this company for Euros 203,030.96 (US Dollars 280,000). In 2012 the Group acquired Euros 416,377.19 (US Dollars 549,368.07) of the capital of this associate.

At 31 December 2013 and 2012 the percentage ownership held in this US associate is 49.61%.

AUSAF VII, LLC

At 31 December 2013 the Parent holds an indirect interest in this associate through the subsidiary Xzerta Mesa Spain LLC. The interest in this associate amounts to Euros 1,960,606.91(US Dollars 2,703,873.00), equivalent to a percentage ownership of 39.32%.

The amount of the profit or loss obtained by the associates in 2013 recorded in the consolidated income statement under share of profit or loss of entities accounted for using the equity method against the value of the interest, is Euros 198,941.97 in profits (Euros 105,238.38 in losses in 2012).

Appendix I attached includes information on the equity-accounted associates and the percentage of interest held by the Parent in each at 31 December 2013 and 2012.

(9) Property, Plant and Equipment

(a) For own use

Details of property, plant and equipment and movement for the years ended 31 December 2013 and 2012 are as follows:

	Euros				
2013	31/12/2012	Additions	Disposals	Exchange gains/(losses)	31/12/2013
Installations	591,789.62	19,861.15	(4,065.93)	(11,736.78)	595,848.06
Information technology equipment	408,094.48	61,623.90	(67,569.73)	(8,472.40)	393,676.25
Furniture	377,892.43	1,209.48	(15,522.86)	(7,793.21)	355,785.84
Motor vehicles	45,106.34	-	(45,106.34)	-	-
Other property, plant and equipment	860,797.92	-	(6,576.05)	(35,806.66)	818,415.21
Total property, plant and equipment	2,283,680.79	82,694.53	(138,840.91)	(63,809.05)	2,163,725.36
Installations	(302,833.67)	(95,396.04)	4,065.93	8,913.28	(385,250.50)
Information technology equipment	(255,625.33)	(102,721.22)	67,569.73	7,549.18	(283,227.64)
Furniture	(205,907.52)	(64,969.06)	15,522.86	4,724.10	(250,629.62)
Motor vehicles	(41,614.29)	(3,492.05)	45,106.34	-	-
Other property, plant and equipment	(821,959.67)	(21,430.39)	6,576.05	35,309.53	(801,504.48)
Total accumulated depreciation	(1,627,940.48)	(288,008.76)	138,840.91	56,496.09	(1,720,612.24)
Net property, plant and equipment	655,740.31	(205,314.23)	-	(7,312.96)	443,113.12
In Euros	407,526.83				291,659.91
In US Dollars	248,213.48				151,453.21
Total	655,740.31				443,113.12

	Euros				
2012	31/12/2011	Additions	Disposals	Exchange gains/(losses)	31/12/2012
Installations	570,022.05	148,989.36	(122,116.11)	(5,105.68)	591,789.62
Information technology equipment	556,640.90	149,707.97	(295,027.61)	(3,226.77)	408,094.48
Furniture	445,804.88	20,547.87	(85,317.33)	(3,142.99)	377,892.43
Motor vehicles	45,106.34	-	-	-	45,106.34
Other property, plant and equipment	888,751.17	3,611.82	(15,283.18)	(16,281.89)	860,797.92
Total property, plant and equipment	2,506,325.34	322,857.02	(517,744.23)	(27,757.33)	2,283,680.79
Installations	(330,793.82)	(97,759.78)	122,116.11	3,603.82	(302,833.67)
Information technology equipment	(414,506.96)	(139,185.66)	295,027.61	3,039.67	(255,625.33)
Furniture	(223,355.27)	(69,601.50)	85,317.33	1,731.93	(205,907.52)
Motor vehicles	(26,398.95)	(15,215.34)	-	-	(41,614.29)
Other property, plant and equipment	(815,837.39)	(37,254.46)	15,283.18	15,849.00	(821,959.67)
Total accumulated depreciation	(1,810,892.39)	(359,016.74)	517,744.23	24,224.42	(1,627,940.48)
Net property, plant and equipment	695,432.95	(36,159.72)	-	(3,532.92)	655,740.31
In Euros	392,154.78				407,526.83
In US Dollars	303,278.17				248,213.48
Total	695,432.95				655,740.31

At 31 December 2013 and 2012 disposals of property, plant and equipment include items derecognised during the year, which were fully depreciated.

During 2013 and 2012 the Company has not recognised any gains or losses on disposal of property, plant and equipment.

The Group has no fully depreciated items at 31 December 2013 and 2012.

On 25 March 2010 the Group entered into a finance lease contract with a credit institution for a motor vehicle. The total price of the finance lease is Euros 48,464.49, including interest of Euros 3,358.15, payable in 60 monthly instalments. The contract expires on 25 February 2015 and the cost of the purchase option is Euros 800.34. The reference interest rate for the transaction is one-year Euribor plus a spread of 2%, reviewed on a half-yearly basis and set at 3.50% at the latest half-yearly review performed on 2 October 2013 (3.50% at 4 October 2012).

A summary of the liabilities relating to these transactions at 31 December 2013 and 2012 is as follows:

	Euros
Opening balance in 2012	29,700.98
Payments and cancellations in 2012	(8,770.64)
Finance lease payables at 31 December 2012 (note 13)	20,930.34
Payments and cancellations in 2013	(9,102.64)
Finance lease payables at 31 December 2013 (note 13)	11,827.70

At 31 December 2013 and 2012, the Group has no property, plant or equipment with ownership restrictions or which are pledged as collateral.

At 31 December 2013 and 2012, the Group has no commitments to purchase property, plant or equipment from third parties.

In 2013 and 2012 no compensation or indemnities have been received or are expected to be received from third parties for the impairment or decline in value of property, plant and equipment for own use.

The Group has taken out insurance policies to cover the risk of damage to its property, plant and equipment. The coverage of these policies is considered sufficient.

(b) Investment property

Details of investment property at 31 December 2013 and 2012 and movement during the years then ended are as follows:

	Euros	
	2013	2012
Cost at beginning of year	865,276.62	769,323.37
Additions	22,744.88	987,112.49
Disposals	(232,986.10)	(891,159.24)
Cost at end of year	655,035.40	865,276.62
Depreciation at beginning of year	(7,586.76)	-
Depreciation	(24,823.05)	(7,586.76)
Disposals	-	-
Depreciation at end of year	(32,409.81)	(7,586.76)
Exchange losses	(36,259.92)	-
Carrying amount	586,365.67	857,689.86

The Group has no fully depreciated investment property at 31 December 2013 and 2012.

During 2013 the Group has made new investments in property assets totalling Euros 22,744.88 (Euros 987,112.49 in 2012).

During 2013 the Group sold a building located in the USA generating gains of Euros 18,164.08 (see note 24). During 2012 the Group sold a residential complex for the elderly located in the USA generating gains of Euros 50,389.97 (see note 24).

In 2013, these investment properties have accrued income of Euros 155,714.40, which has been recognised under other operating income in the consolidated income statement. These investments did not accrue income in 2012.

(10) Intangible Assets

Details of this item and movement for the years ended 31 December 2013 and 2012 are as follows:

	Euros				
2013	31/12/2012	Additions	Disposals	Exchange gains(losses)	31/12/2013
Goodwill	616,286.83	-	-	(25,416.08)	590,870.75
Other intangible assets					
Computer software	642,293.46	244,748.47	(324,062.85)	-	562,979.08
Other intangible assets	610.00	-	-	-	610.00
Total intangible assets	1,259,190.29	244,748.47	(324,062.85)	(25,416.08)	1,154,459.83
Computer software	(232,690.25)	(240,835.10)	249,630.83	-	(223,894.52)
Other intangible assets	(338.37)	(203.13)	-	-	(541.50)
Total accumulated amortisation	(233,028.62)	(241,038.23)	249,630.83	-	(224,436.02)
Impairment					
Goodwill	(29,162.57)	-	-	-	(29,162.57)
Net intangible assets	996,999.10	3,710.24	(74,432.02)	(25,416.08)	900,861.24

	Euros				
2012	31/12/2011	Additions	Disposals	Exchange gains(losses)	31/12/2012
Goodwill	627,857.79	-	-	(11,570.96)	616,286.83
Other intangible assets					
Computer software	209,585.39	451,156.07	(18,448.00)	-	642,293.46
Other intangible assets	610.00	-	-	-	610.00
Total intangible assets	838,053.18	451,156.07	(18,448.00)	(11,570.96)	1,259,190.29
Computer software	(91,356.66)	(159,781.59)	18,448.00	-	(232,690.25)
Other intangible assets	(134.68)	(203.69)	-	-	(338.37)
Total accumulated amortisation	(91,491.34)	(159,985.28)	18,448.00	-	(233,028.62)
Impairment					
Goodwill	(29,162.57)	-	-	-	(29,162.57)
Net intangible assets	717,399.27	291,170.79	-	(11,570.96)	996,999.10

On 29 September 2008, the Group acquired a 100% interest in Garden City Capital, Inc., generating goodwill of Euros 29,162.57. Following the impairment test carried out in 2009, the value of this goodwill has been reduced to zero at 31 December 2013 and 2012.

On 9 February 2010, Auriga Special Holdings, LLC and Xzerta Holdings, LLC entered into a contract for the former to acquire a 62.5% interest in the latter company (and its subsidiaries) in exchange for a 37.5% interest in Auriga Holdings, LLC. Aggregate details of the cost of the business combination, equivalent to the fair value of the net assets transferred, the fair value of the net assets acquired, and goodwill are as follows:

	US Dollars
Fair value of net assets transferred	997,488.68
Fair value of net assets acquired	(296,473.59)
Goodwill on consolidation	701,015.09
Euro equivalent	524,633.29

The terms and conditions of the acquisition did not entail additional consideration contingent on future events.

In 2013, disposals of intangible assets include items derecognised during the year, for which the Group recognised an impairment loss of Euros 74,432.02, reflecting the difference between the carrying amount of the derecognised assets and their accumulated amortisation at the date they were derecognised. This loss has been recognised under gains/(losses) on the disposal of assets not classified as non-current assets available for sale in the consolidated income statement (see note 24). In 2012 disposals of intangible assets included items derecognised during the year, which were fully amortised.

The Group has no fully amortised items at 31 December 2013 and 2012.

In 2013 and 2012 the Group incurred no computer software or program development costs that could not be capitalised due to failure to qualify for recognition.

At 31 December 2013 and 2012 the Group has no intangible assets with ownership restrictions or which are pledged as collateral.

At 31 December 2013 and 2012, the Group has no commitments to purchase intangible assets from third parties.

(11) Operating Leases - Lessee

At 31 December 2013 the Group has leased buildings in which it carries out its activities, three apartments and three garage parking spaces under an operating lease (the buildings in which it carries out its activities, one apartment and four garage parking spaces at 31 December 2012).

At 31 December 2013 and 2012 details of the most relevant lease contracts are as follows:

Lease	Expiry/ Renewal	Penalties
C/ Cuesta del Sagrado Corazón, 6-8 Madrid	31.12.2022	Full payment of contract until expiry date (*)
Oficina Avda. Diagonal 468-3ºC (**) Barcelona	1 year/annual	Full payment of contract until expiry date
C/ Gobelas, 19, La Florida, Madrid	1.11.2016	Full payment of contract during the first two years
546 5th Avenue, 9th Floor, New York (10036)	03.11.2016	-
550 5th Avenue, New York (10036)	03.11.2016	-
Newport Office in Los Angeles (California) (**)	January 2013	-

(*) In the event of early termination of the contract subsequent to 1 December 2015, no penalties will be charged if 6 months' prior notice is given and all the contract terms are met.

(**) The Group has cancelled this lease contract during 2013.

Operating lease instalments have been recognised as an expense for 2013 and 2012 as follows:

	Euros	
	2013	2012
Minimum lease payments (note 23)	1,079,662.27	1,236,053.54

At 31 December 2013 the Group has recognised Euros 502,844.57, reflecting lease security deposits, under other assets (Euros 528,636.72 at 31 December 2012) (see note 13).

(12) Tax Assets and Liabilities

Details at 31 December 2013 and 2012 are as follows:

	Euros			
	31/12/2013		31/12/2012	
Tax assets	Current	Deferred	Current	Deferred
Public entities				
Tax credit (note 25)	-	244,236.34	-	231,833.03
Temporary differences (note 25)	-	20,991.26	-	-
Translation differences (note 16)	-	91,190.98	-	11,540.03
	-	356,418.58	-	243,373.06
Tax liabilities				
Public entities				
Income tax				
Current year (note 25)	895,952.52	-	776,262.03	-
Prior year (note 25)	388,131.01	-	-	-
Late payment interest	-	-	12,139.19	-
Temporary differences (note 25)	-	58,957.53	-	118,219.63
Revaluation of financial instruments (note 6)	-	235,852.61	-	154,018.28
	1,284,083.53	294,810.14	788,401.22	272,237.91

Tax assets and liabilities are denominated in Euros at 31 December 2013 and 2012.

Movement in deferred tax assets and liabilities arising from the revaluation of financial instruments in 2013 and 2012 is as follows:

	Euros	
	Assets	Liabilities
Balance at 31/12/2011	43,252.43	16,642.34
Additions	-	137,375.94
Disposals	(43,252.43)	-
Balance at 31/12/2012	-	154,018.28
Additions	-	280,145.25
Disposals	-	(198,310.92)
Balance at 31/12/2013	-	235,852.61

Deferred tax assets and liabilities for revaluation of financial instruments reflect the effect on the Group's equity of measurement of available-for-sale financial assets. These balances will be realised or reversed in less than 12 months.

(13) Other Assets and Liabilities

Details at 31 December 2013 and 2012 are as follows:

Other assets	Euros 31/12/2013	Euros 31/12/2012
Commissions and prepaid expenses	110,056.52	132,663.03
Public entities		
Withholdings and payments on account		-
Taxation authorities, recoverable VAT	7,817.97	-
Other items		
Security deposits (note 11)	502,844.57	528,636.72
Shareholders and senior management personnel (notes 26 (a) and 26 (b))	245,258.83	389,720.77
Advances to personnel	174,265.46	13,059.79
Other	3,749,621.71	2,305,497.24
	4,789,865.06	3,369,577.55
Euros	1,125,074.47	1,751,306.34
Foreign currencies	3,664,790.59	1,618,271.21
	4,789,865.06	3,369,577.55

Other liabilities	Euros 31/12/2013	Euros 31/12/2012
Accrued expenses	1,081,546.00	3,230,460.02
Public entities		
Taxation authorities, tax withholdings on salaries	1,926,806.01	1,713,791.60
Taxation authorities, VAT	-	8,233.82
Social Security contributions payable	83,176.66	72,655.11
Public entities, other	126,422.20	180,892.35
Finance lease payables (note 9)	11,827.70	20,930.34
Other payables unrelated to securities transactions	4,536,510.83	3,594,742.61
	7,766,289.40	8,821,705.85
Euros	3,646,404.55	5,411,741.30
Foreign currencies	4,119,884.85	3,409,964.55
	7,766,289.40	8,821,705.85

At 31 December 2013 and 2012 these assets and liabilities are on demand, except for finance lease payables.

(a) Shareholders and senior management personnel

At 31 December 2013 and 2012, this item primarily comprises balances receivable from two shareholders of the Parent.

(b) Other

At 31 December 2013 this item primarily comprises receivables deriving from the activity of the subsidiary Auriga Special Holdings, LLC, as well as advances of Euros 67,422.56 extended to the cash desk, which have been collected in early 2014 (Euros 891,568.24 at 31 December 2012).

(c) Accrued expenses

At 31 December 2013 and 2012 accrued expenses include Euros 100,000.00 and Euros 1,955,000.00, respectively, reflecting the multi-year bonus accrued from 2008 to 2010, of which a balance of Euros 100,000.00 at 31 December 2013 and 2012 is payable to a former shareholder of the Parent (see notes 26(a) and 26(b)). Euros 100,000.00 is payable at the date these consolidated annual accounts were authorised for issue. At 31 December 2013 and 2012 no remuneration is payable to the directors of the Group in respect of services rendered during 2013 and 2012.

At 31 December 2013 and 2012 this caption also included Euros 792,927.55 and Euros 1,161,400.68, respectively, for monthly variable remuneration payable to employees, which was settled at the beginning of the following year.

(d) Other payables unrelated to securities transactions

At 31 December 2013 and 2012, this item primarily comprises balances payable to US suppliers.

(14) Financial Liabilities at Amortised Cost

Details at 31 December 2013 and 2012 are as follows:

	Euros	
	31/12/2013	31/12/2012
Due to financial intermediaries		
Loans and payables	2,383,510.03	3,489,423.72
Other intermediaries	12,577,474.68	10,919,842.89
Repurchase agreements	13,183,046.70	-
Due to customers		
Transitory balances for securities transactions	26,482,105.65	19,278,053.28
Cash guarantees	1,836,129.25	985,520.47
	56,462,266.31	34,672,840.36

All balances in this caption are denominated in Euros.

(a) Loans and payables

Loans and payables mainly reflect the balance drawn down on credit facilities obtained in 2013 and 2012, as well as bank loans obtained in 2013 and 2012 with the following terms:

- Credit facilities

At 31 December 2013:

			Euros	
Entity	Expiry date	Interest rate	Limit	Amount drawn down
Banco de Valencia (*)	05.01.2014	3-month Euribor + 2.35%	2,500,000.00	-
Bankinter (**)	30.06.2014	12-month Euribor + 3.50%	600,000.00	183,156.17
Banca March	18.12.2014	4.363%	400,000.00	395,000.00
Banca March	17.06.2014	5.25%	300,000.00	295,000.00
				873,156.17

(*) Facility cancelled on 5 January 2014.
(**) Facility renewable automatically in half-yearly periods

At 31 December 2012:

			Euros	
Entity	Expiry date	Interest rate	Limit	Amount drawn down
Banesto	27.04.2013	12-month Euribor +	500,000.00	226,000.00
Banco de Valencia	05.01.2013 (*)	+3.85%	2,500,000.00	1,575,000.00
Bankinter	30.05.2013	3-month Euribor +	600,000.00	600,000.00
Banca March	18.12.2013	2.35%	400,000.00	399,965.78
		12-month Euribor +		
		3.75%		
		5.25%		
				2,800,965.78

(*) Policy renewed in 2013 and maturing on 5 January 2014.

- Loans

At 31 December 2013:

Entity	Maturity	Interest rate	Balance 31/12/2013	Maturity 2014	2015	2016	2017
Banco de Valencia	16.03.2015	6.65%	220,479.31	174,909.35	45,569.96	-	-
Bankinter	26.09.2014	4.04%	800,000.00	800,000.00	-	-	-
Banco Popular	10.03.2017	6.35%	239,874.55	68,626.21	73,109.42	77,885.53	20,253.39
Banco Popular	25.09.2014	5.50%	250,000.00	250,000.00	-	-	-
			1,510,353.86	1,293,535.56	118,679.38	77,885.53	20,253.39

At 31 December 2012:

Entity	Maturity	Interest rate	Balance 31/12/2012	Maturity 2013	2014	2015	2016	2017
Banco de Valencia	16.03.2015	6.65%	384,165.52	163,686.23	174,909.33	45,569.96	-	-
Banco Popular	10.03.2017	6.35%	304,292.42	64,417.88	68,626.20	73,109.42	77,885.53	20,253.39
			688,457.94	228,104.11	243,535.53	118,679.38	77,885.53	20,253.39

At 31 December 2013 and 2012 the interest expense and similar charges amount to Euros 423,838.84 and Euros 305,105.12, respectively (see note 20).

(b) Other intermediaries

At 31 December 2013 other intermediaries primarily comprise an account of Euros 12,556,323.24 with Saxo Bank for the sale and purchase of securities. At 31 December 2012 other intermediaries primarily comprised an account of Euros 3,251,484.25 with Interactive Brokers and an account of Euros 6,669,292.70 with Saxo Bank, for the sale and purchase of securities.

(c) Transitory balances for securities transactions

The majority of transitory balances for securities transactions at 31 December 2013 were settled in early 2014.

(d) Cash guarantees

At 31 December 2013 and 2012 this item reflects cash balances deposited by customers in financial institutions to maintain the margins established on financial transactions.

(15) Shareholders' Equity

Details of equity and movement during the year are shown in the consolidated statement of changes in equity.

(a) Registered share capital

At 31 December 2013 the share capital of the Parent is represented by 300,000 indivisible and cumulative shares of Euros 10.00 par value each, subscribed and fully paid (see note 1). These shares have the same voting and profit-sharing rights.

At 31 December 2013 and 2012 the Parent's shareholder structure is as follows:

Shareholder	Number of shares	Percentage ownership
Marfeco, S.L.	126,750	42.25%
Iresco Inversiones, S.L.	126,750	42.25%
Mr Amadeo Hernández Bueno	15,000	5.00%
Mr Ignacio Contreras González	13,530	4.51%
Fresanela S.L.	6,000	2.00%
Francisco de Borja Torres Bruzón	6,000	2.00%
Mr Alfredo Jiménez Fernández	3,000	1.00%
Mr Vasco Manuel Ventura Machado	2,970	0.99%
	300,000	100.00%

At 31 December 2013 and 2012 neither the Company nor any third party operating on its behalf holds any own shares. The Group extended a loan to a former shareholder of the Parent to purchase shares (see note 15(e)).

The Group's shares are not listed on the stock exchange.

(b) Share premium

At 31 December 2013 the share premium comprises the difference between the value of the assets contributed to the Company and the amount of these items at the date of their contribution.

This reserve is freely distributable.

(c) Reserves

(i) Legal reserve

The legal reserve has been appropriated in compliance with article 274 of the Spanish Companies Act, which requires that companies transfer 10% of profits for the year to a legal reserve until this reserve reaches an amount equal to 20% of share capital.

This reserve is not distributable to shareholders and may only be used to offset losses if no other reserves are available. This reserve may be used to increase share capital.

At 31 December 2013 and 2012 the Parent has appropriated the minimum amount required by law to the legal reserve.

(ii) Voluntary reserves

Voluntary reserves are freely distributable.

(iii) Dividends

At the general meeting held on 22 May 2013, the shareholders of the Parent, Auriga Capital Investments, S.L., agreed to distribute a dividend of Euros 1,750,000.00 with a charge to the share premium.

At the general meeting held on 15 February 2012, the shareholders of the Parent, Auriga Capital Investments, S.L., agreed to distribute a dividend of Euros 1,100,000.00 with a charge to the share premium.

(d) Profit attributable to the Parent

At 31 December 2013 and 2012, the contribution of each company to consolidated profit, after consolidation adjustments, is as follows:

	Euros	
	31/12/2013	31/12/2012
Auriga Capital Investments, S.L	(48,831.03)	309,113.45
Auriga Global Investors, S.V., S.A.U	4,666,527.29	4,738,570.61
Auriga Special Holdings LLC	(875,408.27)	(1,825,908.01)
Xzerta Solar I Spain LLC	132,391.71	77,290.80
Auriga Renovables, S.L.	(14,470.52)	(253.93)
Xzerta Mesa Spain LLC	47,223.65	57,682.35
	3,907,432.83	3,356,495.27

(e) Capital management

CNMV Circular 12/2008 of 30 December 2008, partly amended by Circular 5/2011 of 12 December 2011 on the solvency of investment firms and their consolidated groups, regulates the capital requirements of these companies and their consolidated groups, how capital should be determined, the different capital self-assessment processes to be implemented by entities and the public information these entities should submit to the market.

This circular completes the adaptation of Spanish legislation to European Community directives 2006/48/EC of the European Parliament and of the Council of 14 June 2006 on the taking-up and pursuit of the business of credit institutions and 2006/49/EC of the European Parliament and of the Council of 14 June 2006 on the capital adequacy of investment firms and credit institutions, establishing a common framework, with few exceptions, for investment firms and credit institutions.

Group management has established the following strategic objectives in relation to its capital management:

- Consistently comply with applicable legislation on minimum capital requirements, at both individual and consolidated level.

- Seek maximum capital management efficiency in order for capital consumption to be considered, alongside other return and risk variables, as a fundamental variable in analyses associated with Group decision-making.

- Reinforce the proportion of Tier I capital with respect to Group capital as a whole.

The Group has implemented a number of capital management policies and processes to meet these objectives, with the following main characteristics:

- The Group carries out monitoring and controls that continuously analyse levels of compliance with capital regulations and are equipped with alarms to guarantee, at any given time, compliance with applicable legislation and the coherency of decisions made by the different areas and units of the Group with the objectives set to ensure that minimum capital requirements are met. Contingency plans are also in place to ensure that limits stipulated in applicable legislation are respected. Details of these contingency plans are provided in the Capital Consumption Procedures Manual.

- The impact of these units on the Group’s capital base and the consumption-return-risk ratio are considered a key decision-making factor in the Group’s strategic and commercial planning and in the analysis and monitoring of Group transactions. The Group has parameters to serve as guidelines for its decision-making on minimum capital requirements or decisions affecting such requirements.

Consequently, the Group considers capital and the capital requirements established by the aforementioned legislation as a fundamental aspect of its management, which affects the Group’s decisions, the analysis of transaction feasibility and the profit distribution strategy of the Group's subsidiaries, etc.

CNMV Circular 12/2008 of 30 December 2008, partly amended by Circular 5/2011 of 12 December 2011, stipulates which items should be considered as capital for compliance with the minimum capital requirements set out in the Circular. For the purposes of the aforementioned Circular, capital is classified as Tier I and Tier II capital (core and supplementary capital). This differs from capital calculated in accordance with Circular 7/2008, as it considers certain items as such and requires other items considered as capital under Circular 7/2008 to be deducted. The investee consolidation and measurement methods to be applied when calculating the minimum capital requirements of the Group differ under prevailing legislation from those applied in the preparation of the consolidated annual accounts of the Group. This situation also leads to differences in the calculation of capital under the two different Circulars.

The capital management of the Group is in line with CNMV Circular 12/2008 of 30 December 2008, which has been partly amended by Circular 5/2011 of 12 December 2011, in terms of conceptual definitions.

The minimum capital requirements established by CNMV Circular 12/2008 of 30 December 2008, partly amended by Circular 5/2011 of 12 December 2011, are calculated based on the Group's exposure to credit and dilution risk (based on the assets, commitments and other off-balance sheet items associated with these risks, and in line with their amounts, characteristics, counterparties, guarantees, etc.), counterparty, position and settlement risk relating to items held for trading, exchange rate and raw materials price risk, operational risk and at a ratio of five per mil of the volume of the portfolios managed. The Group is also required to comply with the risk concentration limits set out in the Circular and with internal corporate governance, capital self-assessment and interest rate risk measurement obligations, as well as obligations regarding public information to be issued to the market, also specified in the aforementioned Circular. To guarantee that these objectives are met, the Group has implemented an integrated risk management process based on the above-mentioned policies.

Details of Group capital at 31 December 2013 and 2012 classified as Tier I capital and Tier II capital, calculated in accordance with CNMV Circular 12/2008 of 30 December 2008, partly amended by Circular 5/2011 of 12 December 2011, which, as mentioned previously, reflects consolidated "capital for management purposes", are as follows:

	Euros	
	31/12/2013	31/12/2012
Tier I capital		
Registered share capital	3,000,000.00	3,000,000.00
Own shares (note 15(a))	(114,745.66)	(110,185.44)
Share premium	19,883,668.66	21,633,668.66
Reserves	5,325,734.05	1,985,439.43
Valuation adjustments	(212,778.96)	(26,926.73)
Minority interests	3,504,782.62	1,604,927.73
Intangible assets	(900,861.24)	(996,999.10)
	30,485,799.47	27,089,924.55
Minimum capital requirement (the greater of):		
Two thirds of minimum required capital	1,333,333.33	1,333,333.33
Level of risk assumed	13,699,000.00	14,520,000.00
Overheads	4,977,000.00	4,977,000.00
Portfolios managed	1,558,000.00	1,200,000.00
Total surplus	16,786,799.47	12,569,924.55

At 31 December 2013 and 2012, the capital base of the Group exceeds the requirements of the aforementioned Circular.

(16) Valuation Adjustments

(a) Available-for-sale financial assets

This item comprises the net amount of changes in the fair value of assets classified as available-for-sale which should be included in the Group's equity, in accordance with note 4(g). These changes are taken to the consolidated income statement when the related assets are sold.

Movement in 2013 and 2012 is as follows:

	Euros	
	31/12/2013	31/12/2012
Opening balance	359,375.98	(62,090.21)
Changes in the fair value of investment funds (note 6)	238,008.07	273,482.55
Changes in the fair value of equity instruments (note 6)	415,664.16	147,983.64
Transfers to the income statement due to disposals of equity instruments (note 6)	(462,725.48)	-
Closing balance	550,322.73	359,375.98

(b) Translation differences in consolidated companies

Movement in valuation adjustments relating to translation differences in 2013 and 2012 is as follows:

	Euros	
	31/12/2013	31/12/2012
Opening balance	(26,926.73)	(174,309.32)
Additions (disposals)	(185,852.23)	147,382.59
Closing balance	(212,778.96)	(26,926.73)

Details of translation differences of Group subsidiaries at 31 December 2013 and 2012 are as follows:

	Euros	
	31/12/2013	31/12/2012
Auriga Special Holdings LLC sub-group	(119,785.65)	(8,855.29)
Xzerta Solar I Spain LLC sub-group	(75,260.18)	(18,071.45)
Xzerta Mesa Spain LLC sub-group	(17,733.13)	-
Closing balance	(212,778.96)	(26,926.73)

Translations differences in consolidated companies have been recognised at their net amount and the tax effect recorded under deferred tax assets in the consolidated balance sheet (see note 12).

(17) Risk and Commitment Accounts and Other Off-balance Sheet Items

Details at 31 December 2013 and 2012 are as follows:

	Euros	
	31/12/2013	31/12/2012
Risk and commitment accounts		
Guarantees extended	9,238,244.49	9,116,024.63
Forward security purchase commitments	16,778,490.81	29,426,603.83
Forward security sale commitments	16,558,380.72	31,753,874.32
Derivative financial instruments		
Security and interest rate futures		
Purchased	3,128,852.70	-
Sold	977,555.00	1,384,905.00
Total risk and commitment accounts	46,681,523.72	71,681,407.78
Other off-balance-sheet items		
Credit facilities available for drawdown (note 14 (a))	2,926,843.83	1,199,034.22
Customer purchase orders pending settlement	1,859,627.36	3,862,570.70
Customer sale orders pending settlement	1,557,912.75	4,162,070.88
Deposit of financial instruments		
Own	1,503,174.32	3,901,463.19
Third-party (note 18(b))	102,031,520.74	332,341,506.77
	103,534,695.06	336,242,969.96
Own and third-party financial instruments held by other entities		
Own	13,295,690.26	19,321,786.38
Third-party	214,407,628.10	49,583,303.64
	227,703,318.36	68,905,090.02
Securities loaned		
Securities sold (note 5)	1,900,756.49	-
Managed portfolios (note 18(a))		
Investments in listed domestic shares and equity holdings	79,542,864.00	55,846,586.87
Investments in listed domestic fixed income securities	75,716,775.13	56,053,726.38
Investments in listed foreign securities	126,585,948.06	102,539,657.98
Cash with financial intermediaries	29,654,728.40	25,483,619.42
	311,500,315.59	239,923,590.65
Total other off-balance sheet items	650,983,469.44	654,295,326.43
TOTAL	697,664,993.16	725,976,734.21

Details of the nominal amount of financial instruments included in trading derivatives at 31 December 2013 and 2012, by maturity, fair value and type of instrument, are as follows:

	Euros		
At 31 December 2013	1 year	Total	Fair value
Share/index derivatives			
Official markets			
Futures purchased	2,942,131.95	2,942,131.95	3,128,852.70
Futures sold	944,618.24	944,618.24	977,555.00
	3,886,750.19	3,886,750.19	4,106,407.70

	Euros		
At 31 December 2012	1 year	Total	Fair value
Share/index derivatives			
Official markets			
Futures sold	1,391,067.50	1,391,067.50	1,384,905.00

At 31 December 2013 futures positions had outstanding margins of Euros 526,101.44, which were settled in early 2014. At 31 December 2012 futures positions had outstanding margins of Euros 29,852.69, which were settled in early 2013 (see note 5).

Financial instruments held on deposit and own and third-party financial instruments held by other entities reflect the Group's own and customer securities deposited in the Group or with other custodians at 31 December 2013 and 2012, which were recognised at market value at those dates.

Details of own and third-party securities held by the Group or other entities are as follows:

	Euros	
	31/12/2013	31/12/2012
Derivatives	(696,925.80)	12,692,982.50
Variable income securities	304,300,864.73	359,813,554.08
Fixed income securities	27,634,074.49	32,641,523.40
	331,238,013.42	405,148,059.98

(18) Off-Balance Sheet Customer Funds

(a) Portfolios managed

At 31 December 2013 and 2012 details of managed portfolios, by tranche, are as follows:

	Euros					
	31/12/2013			31/12/2012		
Tranche in thousands of Euros	Number of contracts	Equity	Fees and commissions December 2013	Number of contracts	Equity	Fees and commissions December 2012
60	-	-	-	-	-	-
61-300	-	-	-	1	200,103.00	-
301-600	-	-	-	-	-	-
601-1,500	-	-	-	-	-	-
1,501-6,000	3	10,497,267.73	6,369.18	4	14,068,791.07	9,085.66
More than 6,000	12	301,003,047.86	166,600.59	9	225,654,696.58	115,697.01
	15	311,500,315.59	172,969.77	14	239,923,590.65	124,782.67
		(note 17)			(note 17)	

At 31 December 2013 the Group manages the portfolios of five resident and ten non-resident collective investment undertakings (three resident and ten non-resident collective investment undertakings at 31 December 2012).

(b) Custody of customer securities held on deposit

At 31 December 2013 and 2012 details of customer assets in custody of the Group are as follows:

	Euros			
	31/12/2013		31/12/2012	
Tranche in thousands of Euros	Number of customers	Asset value	Number of customers	Asset value
60	1,024	9,915,400.91	133	2,154,571.59
61-300	157	20,900,354.82	29	3,456,527.94
301-600	25	10,778,653.80	7	2,652,267.25
601-1,500	15	13,811,995.44	15	14,834,177.24
1,501-6,000	7	15,107,468.14	4	11,162,655.37
More than 6,000	1	31,517,647.63	1	298,081,307.40
	1,229	102,031,520.74	189	332,341,506.77
		(note 17)		(note 17)

(19) Interest and Similar Income

Details at 31 December 2013 and 2012, based on the nature of operations, are as follows:

Interest and similar income	Euros	
	2013	2012
Financial intermediaries		
Demand deposits (note 7 (a))	419,367.51	56,017.61
Resident individuals Other (note 7(g))	204,326.59	146,715.52
Non-resident individuals Other (note 7(g))	308,143.77	202,952.30
Monetary assets and government debt (note 7(c))	1,555.04	3,369.69
Other fixed income securities (note 5)	555,970.71	501,425.49
	1,489,363.62	910,480.61
Dividend income		
Dividends from shares and equity investments (note 5)	20,780.18	205,246.24

In 2013 and 2012 the Group's revenue was generated primarily in Spain.

(20) Interest Expense and Similar Charges

Details at 31 December 2013 and 2012, based on the nature of operations, are as follows:

Interest expense and similar charges	Euros	
	2013	2012
Financial intermediaries		
Other (note 14(a))	423,838.84	305,105.12
Other interest	521,141.14	368,334.40
	944,979.98	673,439.52

(21) Fee and Commission Income and Expense

Details of fee and commission income and expense in 2013 and 2012, by nature, are as follows:

Fee and commission income	Euros	
	2013	2012
Processing and execution of customer orders for securities sales and purchases		
Variable income transactions	11,768,852.47	14,608,562.72
Fixed income transactions	37,385.47	12,027,704.80
Derivative transactions	1,122,490.98	620,685.18
Deposit and book entry of securities	70,008.15	77,714.88
Portfolio management	6,286,887.64	4,079,891.14
Other fees and commissions	190,387.11	269,770.24
	19,476,011.82	31,684,328.96
Fee and commission expense		
Securities transactions	(331,237.14)	(98,788.68)
Derivative transactions	(101,385.64)	(36,062.14)
Fees and commissions paid to markets and clearing and settlement systems	(2,527,262.90)	(2,860,973.95)
Guarantees for collective market guarantee fund	(81,631.72)	(97,715.59)
Fees and commissions paid to representatives and other entities	(440,274.90)	(705,277.00)
Other fees and commissions	(168,071.38)	(188,668.17)
	(3,649,863.68)	(3,987,485.53)

(22) Personnel Expenses

Details of personnel expenses for 2013 and 2012 are as follows:

	Euros	
	2013	2012
Salaries and wages	21,434,060.97	27,041,307.02
Employee benefits expense		
Social Security payable by the Company	1,156,250.96	1,213,039.31
Termination benefits	37,328.63	99,431.09
Training expenses	12,856.38	24,284.98
Other personnel expenses	580,099.63	787,367.53
	23,220,596.57	29,165,429.93

At 31 December 2012 termination benefits include Euros 91,013.07 in severance pay for the termination of a member of the Group's senior management (see note 26 (a)).

Distribution of Group employees, by category and gender, is as follows:

	Annual average 2013	31/12/2013			Annual average 2012	31/12/2012		
		Male	Female	Total		Male	Female	Total
Management	10	9	1	10	12	9	1	10
Technicians	110	85	29	114	126	82	26	108
Clerks	5	2	2	4	7	4	1	5
	125	96	32	128	145	95	28	123

(23) Overheads

Details at 31 December 2013 and 2012 are as follows:

	Euros	
	2013	2012
Rental of buildings and installations (note 11)	1,079,662.27	1,236,053.54
Communications	1,212,395.08	3,148,099.36
Information technology systems	1,341,150.58	90,436.96
Utilities	92,545.22	99,291.78
Repairs and maintenance	293,270.67	218,910.86
Advertising and publicity	403,368.97	192,832.96
Entertainment and staff travel expenses	809,311.75	894,546.76
Governing bodies (note 26(b))	855,000.00	175,000.00
Outsourced administrative services	31,025.47	41,357.28
Other independent professional services	1,754,743.67	2,309,315.50
Contributions and taxes	644,490.99	577,803.76
Other	632,791.52	769,978.26
	9,149,756.19	9,753,627.02

At 31 December 2013 this caption includes Euros 1,050,535.61 payable to related parties (Euros 438,593.51 in 2012) (note 26(a) and (b)).

(24) Gains/(losses) on Disposal of Assets Not Classified as Non-Current Assets Held for Sale

Details at 31 December 2013 and 2012 are as follows:

	Euros	
	2013	2012
Profit on sale of investment property (note 9 (b))	18,164.08	50,389.97
Losses on disposal of intangible assets (note 10)	(74,432.02)	-
Other gains and losses	-	22,940.40
	(56,267.94)	73,330.37

(25) Taxation

The standard rate of tax is 30%, which may be reduced by certain credits and deductions.

A reconciliation of consolidated accounting profit for 2013 and 2012 with the taxable income expected to be declared by the Group following approval of the 2011 consolidated annual accounts, and with the 2010 tax return, respectively, is as follows:

	Euros	
	2013	2012
Consolidated profit before income tax	5,665,322.47	4,420,377.80
Consolidation adjustments	716,110.69	162,430.85
Accounting profit/(loss) before tax		
Profits	7,798,993.13	5,520,019.36
Losses	(1,417,559.97)	(937,210.71)
	6,381,433.16	4,582,808.65
Permanent differences	(1,202,313.51)	(1,105,012.95)
Taxable accounting income/(tax loss)		
Income	6,596,679.62	4,415,006.41
Loss	(1,417,559.97)	(937,210.71)
Timing differences on profits		
Originating in current year	69,970.88	(171,128.84)
Reversal of prior years	197,540.33	221,933.12
Taxable income/(tax loss)		
Income	6,864,190.83	4,465,810.69
Loss	(1,417,559.97)	(937,210.71)
Tax at 30% of taxable income	2,059,257.25	1,339,743.21
Deductions	(3,914.43)	(46,474.61)
Net income tax	2,055,342.82	1,293,268.60
Withholdings and payments on account	(1,159,390.30)	(517,006.57)
Taxation authorities, income tax (note 12)	895,952.52	776,262.03

The consolidated income tax expense is calculated as follows:

	Euros	
	2013	2012
Taxable accounting income at 30%	1,979,003.89	1,324,501.93
Tax credits capitalised in the year	(12,403.31)	-
Deductions	(3,914.43)	(46,474.61)
Deductions for international double taxation	2,290.33	20,380.17
Adjustments to income tax for the prior year	-	(163.68)
	1,964,976.48	1,298,243.81

Temporary differences reflect the difference between amortisation and depreciation for accounting purposes and tax-deductible amortisation and depreciation. Movement in deferred tax liabilities arising from temporary differences in 2013 and 2012 is as follows:

	Euros						
	31/12/2011	Additions	Disposals	31/12/2012	Additions	Disposals	31/12/2013
Assets							
Monetisation amortisation/depreciation limit	-	-	-	-	20,991.26	-	20,991.26 (note 12)
Liabilities							
Accelerated amortisation/depreciation	133,460.92	51,338.65	(66,579.94)	118,219.63 (note 12)	-	(59,262.10)	58,957.53 (note 12)

In accordance with current legislation, taxes cannot be considered definitive until they have been inspected by the taxation authorities or before the inspection period of four years has elapsed. At 31 December 2013 the Group has open to inspection by the taxation authorities all the main applicable taxes since 1 January 2009. The directors do not expect that any significant additional liabilities would arise in the event of an inspection.

In accordance with Spanish tax legislation, losses declared may be carried forward to be offset against profits of the fifteen subsequent accounting periods, the amount being distributed as considered appropriate. Losses are offset when the tax declarations are filed, without prejudice to the taxation authorities' power of inspection.

The Parent has the following loss carryforwards to be offset against future profits:

Year of origin	Available until	Euros
2011	2029	772,776.78

The subsidiary Auriga Renovables S.L. has the following loss carryforwards to be offset against future profits:

Year of origin	Available until	Euros
2013 (estimated)	2031	41,344.35

In July 2013 the Group requested deferral of the income tax payable for 2012 by the consolidated tax group comprising the Parent and the subsidiary Auriga Global Investors, Sociedad de Valores, S.A.U., and this was approved by the taxation authorities. At 31 December 2013 the amount payable to the taxation authorities in this respect is Euros 388,131.01, which was settled shortly after the reporting date (see note 12).

(26) Related Parties

(a) Balances and transactions with Group companies

At 31 December 2013 and 2012, in addition to the amounts indicated in note 15 on equity, the Group has the following payables to and receivables from Group companies:

	Euros	
	31/12/2013	31/12/2012
Assets		
Loans and receivables		
Other loans and advances (note 7(g))	8,220,018.98	5,041,216.37
Equity investments (note 8)	2,989,369.88	1,114,688.88
Shareholders and senior management personnel (note 13(a))	245,258.83	389,720.77
	11,454,647.69	6,545,626.02
Liabilities		
Multi-year bonus (note 13(c))	100,000.00	100,000.00
	100,000.00	100,000.00

Income and expenses deriving from the Group’s transactions with related parties are as follows:

	Euros	
	2013	2012
Income		
Interest and similar income (note 7(g))	430,408.71	289,302.10
Expenses		
Personnel expenses (note 22)	-	91,013.07
Overheads (note 23)	1,050,535.61	438,593.51
	1,050,535.61	529,606.58

(b) Information on the Group’s directors and senior management personnel

The members of the board of directors received remuneration of Euros 855,000.00 in 2013 and Euros 175,000.00 in 2012(see note 23).

At 31 December 2013 Euros 245,258.83 are receivable from former shareholders and members of senior management) (Euros 389,720.77 at 31 December 2012) (see note 13 (a)).

At 31 December 2013 and 2012 the Group has no pension obligations with former or current board members.

At 31 December 2013 and 2012 distribution of the board members by gender is as follows:

Male	Female	Total
3	1	4

In 2013 the members of the Group's board of directors accrued remuneration of Euros 1,050,535.61 (Euros 438,593.51 in 2012). At 31 December 2013 and 2012 an amount of Euros 100,000.00 is payable to a shareholder in respect of the multi-year bonus mentioned in note 13 (c).

(c) Investments and positions held by directors in other companies

Details of interests held by the directors in companies with identical, similar or complementary statutory activities to that of the Group, as well as positions held and functions and activities performed in these companies, are as follows:

Director	Company	% ownership	Position
Mr Alfredo Jiménez Fernández	Bankinter Gestión de Activos, S.A., Sociedad Gestora de Instituciones de Inversión Colectiva	-	Director
Mr Iñigo Resusta Covarrubias	Inversiones Retablo, S.L.	33%	Director
	Claudenia Participaciones Empresariales, S.L.	100%	Sole director
	Iresco Inversiones, S.L.	-	Sole director
Ms Rosa Serda Rodriguez	-	-	-
Mr Enrique Martinavarro Ferrer	Inversiones Retablo, S.L.	-	Director

Parties related to the director	Company	% ownership	Position
Private individual	EBN Banco de Negocios S.A.	-	Chairman
	Finanduero S.V.,S.A.	-	Chairman
	Caja España Mediación, Operador de Banca de Seguros vinculado, S.A.	-	Chairman
	Unión Duero Compañía de Seguros Generales, S.A.	-	Chairman
	Grupo de Negocios Duero, S.A.		Director
	Inmocaja, S.A.	-	Director
	Invergestión Sociedad de Inversiones y Gestión S.A.		Director
	Unión del Duero Compañía de Seguros de Vida, S.A.		Director

(27) Environmental Information

The directors of the Group consider that the environmental risks deriving from its activity are minimal and adequately covered and that no additional liabilities will arise therefrom. The Group did not incur any expenses or receive any environment-related grants during the years ended 31 December 2013 and 2012.

(28) Audit Fees

KPMG Auditores, S.L., the auditors of the consolidated annual accounts of the Group, and other companies related to the auditors as defined in the fourteenth additional provision of legislation governing the reform of the financial system, have invoiced the Company fees and expenses for professional services during the years ended 31 December 2011 and 2012, as follows:

	Euros	
	2013	2012
Audit services in Spain	57,355.00	57,025.00
Audit services in the USA	154,072.00	135,326.72
Other audit services in Spain	19,950.00	19,950.00
Other audit services in the USA	15,958.00	-
	247,335.00	212,301.72

Audit services detailed in the above table include the total fees for the 2013 and 2012 audits, irrespective of the date of invoice.

(29) Customer Service Department

In 2007 the Group implemented the appropriate measures to comply with the requirements and obligations set out in Ministry of Economy Order ECO/734/2004 of 11 March 2004 on customer service departments and the financial institution ombudsman.

During 2013 four complaints have been received, one of which has been resolved in favour of the Group and the other three have been settled with the customers. One complaint was received in 2012, which was resolved in favour of the Group.

(30) Representatives

At 31 December 2013 the Group operates with six representatives authorised to deal directly with customers in the name and on behalf of the Group, to carry out transactions pertaining to securities dealers (five representatives at 31 December 2012). Details of these representatives have been deposited with the Spanish National Securities Market Commission (CNMV).

Details at 31 December 2013 are as follows:

- Arganzón, S.L. (*)

- Ana María González-Elipe Rosales (*)

- Horizon Capital, S.L. (*)

- Sistemas de Trading Futuros, S.L. (*)

- Mega Cuadro, S.A.

- SDC Markets Forex, S.L.

(*) Representatives with powers of attorney at 31 December 2012.

Mujitivos, S.L. ceased to be an authorised representative of the Group in 2013.

(31) Risk Management Policy

In 2013 risk exposure of the Group's capital has performed as follows in comparison with the prior year:

- An increase in fixed income activity which has led to a greater number of transactions, with the associated rise in counterparty and settlement risk. These risks are now inherent in the activity, alongside legal and operational risk.

- An increase in variable income transactions on the Company's own behalf.

The measures adopted in 2012 to control the level of risks inherent in fixed income intermediation activity were maintained in 2013:

- Avoid accumulation of transactions pending settlement with a single counterparty.

- Avoid accumulation of transactions pending settlement, depending on the issuer.

- Avoid transactions in which the issuer and purchaser are the same institution.

Most transactions are settled by Euroclear on the third day after their arrangement and the counterparties at which this business is aimed are institutional, mainly financial institutions such as Spanish and international credit institutions (primarily banks and savings banks), management companies of collective investment undertakings, pension funds, social welfare mutual companies and insurance companies.

The fixed income trading desk receives orders directly from counterparties and has a telephone recording system in place. This system is managed by a software application which compiles and classifies calls received by or made from each trading desk workstation. From their workstation each operator can, at any time, listen again to calls received or made during the day. In the event of doubt or discrepancy, these calls are made available to the counterparty. Otherwise, for Bloomberg trading, an electronic file of these calls is kept for a full trading year.

Identification of the counterparty placing the order is the responsibility of the fixed income trading desk operator who receives or makes the call. As there is ongoing contact, and each trading desk operator has their own assigned customers, identification is usually carried out orally by telephone and with caller line identification. Transactions are confirmed by the middle office department.

Each operator keeps a record of all sale and purchase transactions, including the following data:

- Transaction date
- Time
- Issuer
- Nominal
- Cash
- Substance
- Price
- Customer name (counterparty)

The transaction log book is filed in the middle office.

The transaction forms completed by the trading desk have a pre-defined format. The form should also include the identification code of the customer requesting the transaction and the operator performing the transaction.

The Auriga Group lists reference prices for the sale and purchase of different fixed income assets on the Bloomberg screen, providing market operators with a source of information in markets that, on occasions, lack liquidity.

The Auriga Group seeks out entities in the market that are interested in selling or purchasing the same type of fixed income security.

The trading desk operator contacts the counterparty to negotiate the transaction over the telephone. If a price agreement is reached, the transaction is confirmed.

Once the transaction has been agreed, the trading desk operator introduces the details of the transaction into the electronic record book of transactions. There is a single book for the entire trading desk, which constitutes a daily record of all transactions carried out by the fixed income trading desk.

The operator also includes details of the transaction on the form:

- Counterparty
- Code and name of the security
- Date contracted and value date
- Nominal, cash and rate
- Transaction number (provided by the seller)
- Transaction code
- Specific settlement instructions

The form is sent to the middle office for the transaction to be confirmed with the counterparty.

The middle office department is located alongside the fixed income trading desk, enabling instantaneous transaction verification.

When a transaction is carried out, the middle office operator verifies the accuracy of the data included in the transaction record book and transaction form with the counterparty.

In the event of incomplete, confusing or erroneous data, the middle office completes the forms so that these reach the back office with all data confirmed and complete.

Once the transaction has been confirmed the form is sent to the settlement entity.

The settlement entity continuously monitors the transaction matching and in the event of any differences resulting in the order introduced by the counterparty not reconciling with the order introduced by the settlement entity, the latter contacts the middle office to clarify these differences with the counterparty.

The financial gain on these transactions reflects the margin between the purchase and sale of the assets. There are no additional fees or commissions, except those paid to the settlement entity.

The technical equipment the Group uses to carry out its operations basically comprises telephones connected to the central recording device, Bloomberg and microcomputing systems with in-house calculation and valuation tools (using spreadsheets).

All the risks inherent in books kept by the company on its own behalf are regulated by the respective procedures manuals, which determine the type of asset or instrument for which operations are authorised, as well as the maximum open volumes, stop losses and stop trading. In all cases the non-reinvestment principle and the policy of not applying average exchange rates when the open position is incurring losses are applicable.

The diversification policy is also applicable to this activity, as the Company has kept around 15 open books operating in different derivative and cash markets, most of which operate during the day. On very few occasions is the position not closed at the end of the session.

(32) Late Payments to Suppliers. "Reporting Requirement", Third Additional Provision of Law 15/2011 of 5 July 2011

Details of late payments to suppliers are as follows:

	Payments made and outstanding at the reporting date			
	2013		2012	
	Amount	%	Amount	%
Within the maximum legal period (60 days in 2013 / 75 days in 2012)	10,844,596.51	96.92%	7,571,157.72	96.89%
Other	344,363.45	3.08%	242,625.20	3.11%
Total payments for the year	11,188,959.96	100.00%	7,813,782.92	100.00%
Weighted average late payment days (> 60/75 days)	38	-	85	-
Late payments exceeding the maximum legal period at the reporting date	90,876.18	3.33%	19,047.62	0.68%

(33) Events after the Reporting Period

On 29 January 2014 the Group acquired 2,000 shares of Meet With Success S.L. for Euros 2,000.00. On 28 February 2014, the Group subscribed a Euros 500,000.00 capital increase of this company by acquiring 500,000 shares. The Group holds a 66.66% interest in this company at the date these consolidated annual accounts were authorised for issue.

On 20 February 2014, the Group subscribed a share capital increase of Cerro de las Damas, S.L. for Euros 299,980.64, acquiring 7,888 shares of Euros 6.00 par value each and a share premium of Euros 252,652.64. This transaction was carried out by capitalising a Euros 300,000.00 participating loan extended in 2013 (see note 7 (g)).

On 25 February 2014, the Spanish National Securities Market Commission requested that the subsidiary Auriga Global Investors, Sociedad de Valores, S.A. Sociedad Unipersonal provide the minimum documentation required to perform a supervisory visit during 2014.

On 28 March 2014 the Group acquired 3,000 shares of General Universal Business S.L. for Euros 3,000.00. On that same date the Group also approved its subscription of the share capital increase of this company by acquiring 600,000 shares for Euros 600,000.00, reaching a percentage ownership of 33.44% in the capital of this company.

Besides the matters mentioned in these notes to the consolidated annual accounts, no other significant events occurred between 31 December 2013 and 31 March 2014, the date on which the directors authorised the consolidated annual accounts for issue, which should be included in the accompanying consolidated annual accounts.

Appendix I

AURIGA CAPITAL INVESTMENTS, S.L.,
AND SUBSIDIARIES

Details of Investments in Fully-consolidated Group companies

31 December 2013

(Free translation from the original in Spanish. In the event of discrepancy, the Spanish-language version prevails.)

Company	Registered office	Activity	Listed	Percentage	Thousands of Euros			
					Share capital	Reserves	Profit/(loss)	Total equity
Auriga Special Holdings LLC (*)	546 5th Avenue, 9th Floor, New York	Holding company	No	100.00%	9,956	(5,730)	(845)	3,381
Auriga Global Investors S.V., S.A., Sociedad Unipersonal (*)	C/ Cuesta del Sagrado Corazón, 6-8 (Madrid)	Financial intermediation	No	100.00%	3,000	19,911	4,666	27,577
Xzerta Solar I Spain LLC (**)	546 5th Avenue, 9th Floor, New York	Holding company	No	48.31%	3,490	163	264	3,917
Auriga Renovables, S.L. (**)	C/ Cuesta del Sagrado Corazón, 6-8 (Madrid)	Holding company	No	50.00%	4	(1)	(29)	(26)
Xzerta Mesa Spain, LLC (**)	546 5th Avenue, 9th Floor, New York	Investment in investment fund	No	25.16%	1,744	221	183	2,147

(*) Data obtained from the audited annual accounts of the companies at 31 December 2013.

(**) *The Parent exercises control over this investee. Data obtained from the limited review of the financial statements of the company at 31 December 2013*

31 December 2012

Company	Registered office	Activity	Listed	Percentage	Thousands of Euros			
					Share capital	Reserves	Profit/(loss)	Total equity
Auriga Special Holdings LLC (*)	546 5th Avenue, 9th Floor, New York	Holding company	No	100.00%	10,195	(5,381)	(609)	4,205
Auriga Global Investors S.V., S.A., Sociedad Unipersonal (*)	C/ Cuesta del Sagrado Corazón, 6-8 (Madrid)	Financial intermediation	No	100.00%	3,000	18,058	3,603	24,661
Xzerta Solar I Spain LLC (**)	546 5th Avenue, 9th Floor, New York	Holding company	No	48.63%	3,117	-	156	3,273
Auriga Renovables, S.L. (**)	C/ Cuesta del Sagrado Corazón, 6-8 (Madrid)	Holding company	No	50.00%	4	-	(1)	3

(*) Data obtained from the audited annual accounts of the companies at 31 December 2012.

(**) *The Parent exercises control over this investee.*

This Appendix forms an integral part of note 1 to the consolidated annual accounts at 31 December 2013, in conjunction with which it should be read.

AURIGA CAPITAL INVESTMENTS, S.L.,
AND SUBSIDIARIES

Valuation of Investments in Equity-accounted Group companies

31 December 2013

(Free translation from the original in Spanish. In the event of discrepancy, the Spanish-language version prevails.)

				Thousands of Euros (*)			
Name	Registered office	Activity	Percentage ownership	Share capital	Prior years' losses	Net profit for the year	Shareholders' equity
Xzerta-Tec, LLC	546 Fifth Avenue, 9th Floor, New York	Investment in solar energy project	50.00%	1,143	(306)	(48)	789
Ausabi Spain, LLC	546 Fifth avenue, 9th Floor, New York	Holding company	49.61%	1,111	100	66	1,227
Ausaf VII, LLC	546 Fifth avenue, 9th Floor, New York	Holding company	39.32%	3,959	562	466	4,987

31 December 2012

				Thousands of Euros (*)			
Name	Registered office	Activity	Percentage ownership	Share capital	Prior years' losses	Net profit for the year	Shareholders' equity
Xzerta Mesa Spain, LLC	546 Fifth avenue, 9th Floor, New York	Investment in investment fund	25.16%	1,823	(17)	248	2,053
Xzerta-Tec, LLC	546 Fifth avenue, 9th Floor, New York	Investment in solar energy project	50.00%	684	-	(319)	364
Ausabi Spain, LLC	546 Fifth avenue, 9th Floor, New York	Holding company	49.61%	758	-	105	863

(*) Unaudited figures at 31 December 2013 and 2012

This Appendix forms an integral part of note 8 to the consolidated annual accounts at 31 December 2013, in conjunction with which it should be read.

AURIGA CAPITAL INVESTMENTS, S.L.,
AND SUBSIDIARIES

Directors' Report

2013

(Free translation from the original in Spanish. In the event of discrepancy, the Spanish-language version prevails.)

The statutory activity of AURIGA CAPITAL INVESTMENTS, S.L. consists of the following:

a) The purchase, sale, holding and management, either directly or indirectly, of shares or equity investments in all types of companies in Spain or abroad, irrespective of mercantile form.

b) Intermediation in the rendering of services involving advisory, consultancy, development and organisation of companies; advisory and rendering of services in the field of teaching at all educational levels, conferences and classes delivered to companies, professionals and institutions, as well as the publication and commercialisation of books and teaching and scientific materials, on paper, magnetic tape, electronic or other technological format.

c) Trade and hold shares, equity holdings, bonds, debentures, promissory notes, bills and other public or private securities, and financial assets in general, which do not have the nature of activities reserved for collective investment undertakings and stock exchange brokers and member brokers.

d) The acquisition of all kinds of rural and urban estates, the construction and administration, development, holding and lease of such assets and their total or partial sale for urban, industrial, agricultural or any other use.

e) The integrated management and operation of all types of rural and urban estates on behalf of third parties.

f) Development, operation and sale-purchase of trademarks and systems for developing businesses through franchises.

The institutional fixed income contracting activity of Auriga Global Investors Sociedad de Valores, S.A. (hereinafter Auriga) has continued to be the Company's principal activity in 2013 in terms of revenues.

Auriga's desk has played a leading role in this market, consolidating its reputation in channelling funds and providing liquidity, enabling a large number of financial institutions to take positions in Spanish treasury bills and therefore take advantage of the aforementioned rally. Three types of assets have played a major role in this movement: mortgage bonds, bonds issued by autonomous governments and treasury bonds (senior, subordinated and securitisations).

In the retail customer area, stock market and derivatives activity in the "online broker", which operates under the Click Trade brand, has increased as a result of the constant rise in new contracts secured.

In its variable income contracting, the Company has upheld its policy of continuously monitoring risks and results and there have been no noteworthy incidents. The year has been satisfactory.

The primary objective of the management area for 2013 was to consolidate the funds launched in previous years. All UCITS funds have obtained very good results and meet all expectations.

The US subsidiaries have maintained a constant line of activity in the fixed-income markets, becoming increasingly specialised in mortgage assets and renewable energy assets.

The Company did not acquire any own shares in 2013, nor did it carry out any research or development activities during the year.