ALCANTARILLA FOTOVOLTAICA, S.L.

FINANCIAL STATEMENTS

2013

No. AF - 0214	Date: 31 March 2014
ACTIVITY:	Audit Report of 2013 Abridged Financial Statements
COMPANY:	ALCANTARILLA FOTOVOLTAICA, SLU
ADDRESS:	C/ San Severo, 18 -28042 – MADRID PARQUE EMPRESARIAL BARAJAS PARK
COMMISSIONED BY:	The General Meeting
ADDRESSED TO:	The Partner
AUDITED DOCUMENTS:	Abridged Financial Statements of year 2013
CARRIED OUT BY AUDITOR:	L.I. Tahoces Escrivá de Romaní No. 22.330 of R.O.A.C Member of the Spanish Institute of Chartered Accountants, which is member of the F.E.E., I.F.A.C. and I.A.S.B.

ALCANTARILLA FOTOVOLTAICA S.L.U

ABRIDGED BALANCE SHEET AS AT DECEMBER, 31ST 2013

(Euro)

ASSETS	Notes	Year 2013	Year 2012	EQUITY & LIABILITIES	Notes	Year 2013	Year 2012
NON-CURRENT ASSETS		**5.146.681**	**5.184.347**	**NET EQUITY**		**89.885**	**186.815**
Intangible assets	**Note 5**	**4.658.913**	**4.718.398**				
Concessions		4.658.913	4.718.398	***STOCKHOLDERS' EQUITY***	**Note 8**	**89.885**	**186.815**
Non-current investments	**Note 6**	**450.000**	**450.000**	**Capital**		**42.700**	**42.700**
Other financial assets		450.000	450.000	Registered capital		42.700	42.700
Deferred tax assets	**Note 10**	**37.769**	**15.949**	**Share premium**		**158.820**	**158.820**
				Reserves		**(6.577)**	**(630)**
				Other reserves		(6.577)	(630)
				Prior periods losses		**(14.075)**	**(17.911)**
				Prior periods losses		(14.075)	(17.911)
				Profit/(loss) for the year		**(90.984)**	**3.837**
				NON-CURRENT LIABILITIES		**2.239.295**	**2.410.293**
				Non current provisions		**20.305**	**18.459**
				Non-current payables	**Note 9**	**2.218.990**	**2.391.834**
				Debt with financial institutions		2.218.990	2.391.834
CURRENT ASSETS		**238.179**	**231.186**	**CURRENT LIABILITIES**		**3.055.681**	**2.818.425**
Trade and other receivables	**Note 6**	**221.992**	**210.215**	**Current payables**	**Note 9**	**172.844**	**161.628**
Trade receivables		219.724	210.215	Debt with financial institutions		172.844	161.487
Current tax assets	**Note 10**	2.268	-	Other financial liabilities		-	142
Current investments	**Note 6**	**3.923**	**12.007**	**Group companies and associates, current**	**Notes 9 y 14**	**2.529.233**	**2.397.174**
Other financial assets		3.923	12.007	**Trade and other payables**	**Note 9**	**211.303**	**111.113**
Prepayments		**2.844**	**8.879**	Suppliers		211.303	111.087
Cash and cash equivalents		**9.420**	**85**	Public entities, other	**Note 10**	-	26
Cash		9.420	85	**Current accruals**		**142.301**	**148.510**
TOTAL ASSETS		**5.384.860**	**5.415.533**	**TOTAL EQUITY AND LIABILITIES**		**5.384.860**	**5.415.533**

Notes 1 to 16 of the attached Report form an integral part of the balance sheet as at 31 December 2013

ALCANTARILLA FOTOVOLTACIA S.L.U.

ABRIDGED INCOME STATEMENT FOR THE PERIOD ENDED DECEMBER 31ST 2013

(Euros)

	Notes	Year 2013	Year 2012
CONTINUING OPERATIONS			
Revenue	**Note 11 a)**	**514.070**	**527.403**
Services rendered		514.070	527.403
Supplies	**Note 11 b)**	**(68.475)**	**(60.718)**
Subcontracted works		(68.475)	(60.718)
Other operating expenses	**Note 11 c)**	**(176.781)**	**(107.625)**
External services		(142.003)	(107.190)
Taxes		(34.778)	(435)
Amortisation and depreciation	**Note 5**	**(191.743)**	**(198.970)**
Other results		**3.251**	**8.667**
RESULTS FROM OPERATING ACTIVITIES		**80.321**	**168.757**
Finance income		**10.800**	**160**
Marketable securities and other financial instruments		10.800	160
- Group companies and associates	**Note 13**	-	160
- Other	**Note 6**	10.800	-
Finance expenses		**(162.659)**	**(225.801)**
Group companies and associates	**Note 13**	(124.017)	(182.548)
Other	**Note 9**	(38.642)	(43.253)
NET FINANCE INCOME/(EXPENSE)		**(151.859)**	**(225.641)**
PROFIT/(LOSS) BEFORE INCOME TAX		**(71.538)**	**(56.885)**
Income tax expenses	**Note 10**	(19.446)	60.721
PROFIT/(LOSS) FROM CONTINUING OPERATIONS		**(90.984)**	**3.837**
PROFIT/(LOSS) FOR THE PERIOD		**(90.984)**	**3.837**

Notes 1 to 16 of the attached Report form an integral part of the profit and loss account as at 31 December 2013

ALCANTARILLA FOTOVOLTAICA S.L.U

STATEMENT OF CHANGES IN EQUITY FOR THE PERIOD ENDED DECEMBER 31ST, 2013

A) STATEMENT OF RECOGNISED INCOME AND EXPENSE FOR THE PERIOD ENDED DECEMBER 31ST, 2013

(Euros)

	Notes	2013	2012
PROFIT AND LOSS FOR THE PERIOD (I)		**(90.984)**	**3.837**
TOTAL RECOGNISED INCOME AND EXPENSE (I+II+III)		**(90.984)**	**3.837**

Notes 1 to 16 of the attached Report form an integral part of the assigned income and expenditure in relation to accounting period 2013

ALCANTARILLA FOTOVOLTAICA S.L.U

STATEMENT OF CHANGE IN THE NET WORTH OF THE YEAR ENDED DECEMBER 31ST ,2013

B) STATEMENT OF CHANGES IN TOTAL NET WORTH

(Euros)

	Notes	Capital	Issue premium	Reserves	Prios periods losses	Profit/(loss) for the period	TOTAL
CLOSING BALANCE FOR PERIOD 2011		**42.700**	**158.820**	**(630)**	**(332)**	**(13.751)**	**186.808**
Adjustments for changes in criteria 2011	**Nota 2.7**	**-**	**-**	-	-	(3.829)	(3.829)
ADJUSTED BALANCE AT THE BEGINNING OF PERIOD 2012		**42.700**	**158.820**	**(630)**	**(332)**	**(17.580)**	**182.979**
Other transactions with equity holders and owners		-	-	-	(17.580)	17.580	-
Total recognise income and expense		**-**	**-**	**-**	**-**	3.837	3.837
CLOSING BALANCE FOR PERIOD 2012		**42.700**	**158.820**	**(630)**	**(17.911)**	**3.837**	**186.815**
Adjustments for errors and prior periods		**-**	**-**	(5.947)	-	-	(5.947)
ADJUSTED BALANCE AT THE BEGINNING OF PERIOD 2013		**42.700**	**158.820**	**(6.577)**	**(17.911)**	**3.837**	**180.868**
Other transactions with equity holders and owners		-	-	-	3.837	(3.837)	-
Total recognise income and expense		**-**	**-**	-	**-**	(90.984)	(90.984)
CLOSING BALANCE FOR PERIOD 2013		**42.700**	**158.820**	**(6.577)**	**(14.075)**	**(90.984)**	**89.885**

Notes 1 to 16 of the attached Report form an integral part of the statement changes in total net worth relating to period 2013

Alcantarilla Fotovoltaica S.L.U

Abridged Report for
year ending 31st December 2013,

1. Incorporation and activity

Incorporation

Alcantarilla Fotovoltaica S.L.U. (hereinafter the Company) was incorporated on December 17, 2010, as a single-member limited liability company for an indefinite period of time. Its corporate address is in calle San Severo 18, 28042 - Madrid.

Corporate Purpose

The purpose of the company is the management and development of the Concession Agreement for exclusive use in the public domain for the installation, maintenance and operation of systems of power production of photovoltaic technology on municipal covers of the Municipality of Alcantarilla.

All activities for which special requirements are required by Law and not fulfilled by the Company shall be excluded. If required by Law, any activity subject to the holding of some sort of professional title shall be carried out by a person holding said required title.

The activities included in the expressed corporate purpose may be totally or partially developed indirectly through the holding of shares or stakes in other companies engaging in identical or analogous activities.

The Company is part of the Elsamex Group, whose parent company is Elsamex, S.A., with business address in San Severo, 18, Madrid; this is the company that draws up the consolidated financial statements. The Directors of Elsamex, S.A. prepared Group Elsamex, S.A.'s consolidated financial statements for 2013, at the meeting of its Board of Directors held on 31st March 2014 and recorded in the Commercial Register of Madrid. In turn, Elsamex Group is controlled by an international group whose controlling company is “Infrastructure Leasing & Financial Services Limited (IL&FS)”, with business address in Bombay [Mumbai] (India) Bandra – Kurla Complex.

2. Presentation principles for the abridged financial statements

2.1 Financial Information Framework applicable to the Company

The abridged annual accounts have been carried out by the Directors in accordance with the financial information framework applicable to the Company, established in:

a) Commercial Code and other additional mercantile legislation.

b) General Accounting Plan approved by Royal Decree 1514/2007 and sector adaptations, and in particular, the Sector Adaptation of the General Accounting Plan for public infrastructure concessionaire companies, approved by Order EHA/3362/2010 of 23 December.

c) Mandatory regulations approved by the Institute of Accounting and Accounts Auditing in the development of the General Accounting Plan and complementary rules.

d) Other applicable Spanish accounting regulations.

2.2 True and fair value

The attached abridged annual accounts have been obtained from the Company’s accounts registers and are presented in accordance with the applicable financial information framework, and in particular the principles and criteria therein contained, so as to show a true view of the assets, the financial situation, the Company Balance Sheet and the cash flows during the corresponding period. These abridged annual accounts, which have been prepared by the Company Directors, are to be submitted for the approval of the Sole Shareholder, and are expected to be approved without any amendment.

In compliance with article 257 of the Consolidated Text of the Corporations Law, approved by Royal Decree 1/2010, of 2nd July, in effect since September 1st 2010, the Company prepares Abridged Annual Accounts.

According to corporate legislation in force, the Company has no obligation to submit their abridged annual accounts for auditing; however, and for the sole purposes of improving transparency in financial reporting, the Administrative Body has deemed appropriate to bring these abridged annual accounts for year 2013 for verification of an external auditor. They will be subsequently submitted for approval of the Sole Shareholder, and expected to be approved without modification.

2.3 Non-obligatory accounting principles applied

Non-obligatory accounting principles have not been applied. In addition, the Directors have prepared these annual accounts taking into consideration all the obligatory applicable accounting principles and standards which have a significant effect on said abridged annual accounts. There is no obligatory accounting principle that has not been applied.

2.4 Critical aspects of valuation and estimation of uncertainty

In the preparation of the attached abridged annual accounts estimations have been used that have been made by the Company’s Directors in order to evaluate some of the assets, liabilities, incomes, expenditure and commitments that appear in them. Basically, these estimations refer to the degradation of customer invoices and the calculation of the supplies through creditor invoices pending receipt.

In spite of these estimations having been made on the basis of the best information available at the close of the 2013 accounting period, it is possible that future events may require them to be amended (upwards or downwards) in the next periods, which would be done, if required, prospectively.

The Company has incurred losses which meant a reduction in shareholders' equity, and there is a negative working capital. These reasons question the capacity of the Company to settle its assets and liabilities for the amounts and according to the classification found on the attached abridged balance sheet, which was prepared assuming that such activity will continue. There are several reasons which contribute to reduce or eliminate any doubts about the capacity of the Company to continue operating as company. These reasons are the financial support of the sole shareholder, as well as the possibility of reducing expenses without decreasing the operating capacity of the Company, as it can be inferred from the budget for year 2014 and the business plan approved by the Company's Directors. Said business plan is based on certain ideas and trends of the market; it considers that enough revenues will be obtained to reach a positive result in year 2014, and that positive cash flows will be generated in the same period.

2.5 Comparison of information

The information contained in this abridged report referring to financial year 2012 is presented alongside the information for financial year 2013 only for comparative purposes. As explained in Note 2.7, a change in the accounting criteria has been undertaken, which means the reordering of comparative information of 2012. For these purposes, in the heading "Concessions" of the abridged consolidated balance sheet attached, the amount corresponding to the capitalization of concession interests for years 2011 and 2012, for a total amount of 132,582 Euros, was included, which meant an increase of that same amount in Reserves, which was not entered in the Abridged Financial Statements of period 2012, deposited in the Commercial Register of Madrid.

2.6 Grouping of entries

Specific items from the balance, profit and loss account, statement of changes in the net assets and cash flow statement are presented in a grouped format in order to facilitate comprehension and, insofar as it is significant, the information has been broken down in the corresponding notes in the report. There are no equity items entered in two or more entries.

2.7 Change in accounting policies

The Company has applied in this period, for the first time, the valuation rule established in section 3 of the second rule of Sector Adaptation of the General Accounting Plan to public infrastructure concessionaire companies, approved by Order EHA/3362/2010 of 23 December, which establishes the capitalization of excess between accrued financial expenses and expenses attributed to the profit and loss account (see Note 4.1). As a result of the application of this rule, the excess in financial expenses registered in periods 2011 and 2012, amounting to 132,582 Euros, has been capitalized, and entered in the heading "Concessions" of the Intangible Fixed Assets of the Abridged Balance Sheet attached (see valuation rule Note 4.1 b) and Note 5.

2.8 Correction of errors

In the preparation of the attached abridged annual accounts no significant error has been detected that might involve the recalculation of the amounts included in the annual accounts of the 2012 accounting period.

3. Application of results

The Company's directors will propose to the Sole Shareholder to apply the loss of 90,984 Euros of the financial year to negative results in previous years.

4. Standards for recording and evaluation

The main recording and evaluation standards used by the Company in the preparation of their abridged annual accounts, in accordance with those set out by the General Accounting Plan, were the following:

4.1 Intangible fixed assets

The assets grouped under this heading are valued by their acquisition price or cost of production and subsequently reduced by the corresponding accrued amortization and losses through impairment, should there be any.

Although there are losses of value indices, the Company estimates by means of the “Impairment test” the possible losses of value that reduce the redeemable value of said assets to an amount below their book value.

Concessions:

a) Regulated assets

Sector Plan for public infrastructure concessionaire companies (in force since 1 January 2011) regulates agreements concerning service concession contracts; it establishes that by these contracts the grantor commissions to a concessionaire company the construction, including improvement and operation, or only operation of infrastructures for provision of public services of economic nature during the period of time established in the agreement, obtaining in exchange the right to a compensation.

Every concession agreement should comply with the following requirements:

The grantor controls or regulates the public services to be provided by the concessionaire company with the infrastructure, to whom these services will be provided and at which price; the grantor company controls any significant residual sharing in the infrastructure at the end of the term of the agreement.

In these concession agreements, the concessionaire acts as service supplier, specifically for construction services or infrastructure improvement services, and for operation and maintenance services during the term of the agreement. In exchange for the construction services or infrastructure improvement services, the concessionaire company receives a consideration equivalent to the fair value of said service, as intangible fixed assets in those cases in which the right to charge a price to users for using the public service is received, and this right is not unconditional but conditional to the actual use of the service by the users.

The consideration for the construction or improvement works is entered as intangible asset in the section "Concession", in the heading "Intangible fixed assets" applying the model of the intangible, in which the demand risk is assumed by the concessionaire.

The company calculates the amortization of the concession asset according to their best estimations.

b) Concession agreement, financial capitalization

When the compensation for construction or improvement services consists of an intangible fixed asset, the financial expenses financing the infrastructure which are generated from the moment the infrastructure is ready to be operated are capitalized provided there is reasonable evidence of their recovery with future revenues. As for the future income, the percentage that operation income represents in each period compared to the total will be determined. That percentage will be applied to the total expected financial expenses during the concession period in order to determine the amount to be attributed to each economic period as financial expense of the period. If the amount of income in a period is higher than expected, the percentage mentioned will be determined in that period by the relation between real income and total expected income, which generally will produce an adjustment in the attribution of the last period. For each accounting year, the positive difference between the expected financial expense and the amount resulting from the previous number will be reflected in an entry of the asset whose amount will be attributed to the profit and loss account as financial expense of the period, starting from the period in which said difference is negative, and for the amount that results.

The amount capitalized as "Financial asset" in the heading "Concession" of the Intangible fixed asset of the attached abridged balance sheet, and deducted from the heading "Financial costs for debts with third parties" of the attached abridged profit and loss account in period 2013 by application of this rule amounted to 130,412 Euros. See Note 2.7, "Change in accounting policies".

4.2 Financial Instruments

4.2.1 Financial assets

Classification –

Financial assets of the Company are classified into loans and items receivable; they correspond to financial assets originating in the sale of goods or in the provision of services through the Company's trading operations, or those which do not have a commercial origin, are not equity instruments or derivatives and whose collections are a fixed or specific amount, not negotiated in an active market.

Initial valuation -

Financial assets are initially entered at the fair value of the consideration given, plus the directly attributable transaction costs.

Subsequent valuation –

Loans, items receivable and investments maintained until maturity are valued by their amortized cost.

At least at the close of the period, the Company carries out an impairment test for financial assets not entered at fair value. It is considered that there is objective evidence of impairment if the redeemable value of the financial asset is below its book value. When it occurs, this impairment is entered in the profit and loss account.

The Company writes off financial assets when they have expired or when the rights to cash flows of the financial asset have been transferred, and the risks and benefits of ownership have been significantly transferred.

On the contrary, the Company does not write off financial assets, and it recognises financial liabilities for an amount equal to the consideration received, in the transferring of financial assets in which it keeps significantly risks and benefits of ownership.

4.2.2 Financial liabilities

Financial liabilities are those debits and items payable that the Company has and which originate in the purchase of goods and services through the Company's trading operations, and also those which do not have a commercial origin and cannot be considered as derivative financial instruments.

The debits and items payable are initially valued at the fair value of the consideration received, adjusted by the directly attributable transaction costs. Subsequently, said liabilities are valued in accordance with their amortized cost.

The Company writes off financial liabilities when the obligations that generated them are extinguished.

4.2.3 Equity instruments

An equity instrument represents residual sharing in the Company Equity once all liabilities have been deducted.

Capital instruments issued by the Company are entered in the net equity for the amount received, net of issuing costs.

4.3 Corporation tax

Expense or income for income tax comprises the part corresponding to expense or income for current tax and the part corresponding to expense or income for deferred tax.

The current tax is the amount that the Company pays as a consequence of the fiscal payments of income tax relating to an accounting period. Tax credits and other tax benefits in the contribution of the tax, excluding tax withholdings and down-payments, as well as the compensable fiscal losses of previous periods and applied effectively in this current period, generate a lower amount of current tax.

The expenditure or income for deferred tax corresponds to the entry and cancellation of assets and liabilities for deferred tax. These include temporary differences that are identified as those amounts that are anticipated to be payable or recoverable, derived from the differences between the book amounts of the assets and liabilities and their fiscal value, as well as the negative tax bases pending compensation and the credits for tax credit not fiscally applied. These amounts are entered by applying a temporary difference or credit which corresponds to the tax rate at which it is expected to recover or pay.

Liabilities are included for deferred taxes for all temporary taxable differences, except those derived from the initial entry of goodwill or other assets or liabilities in an operation which does not affect either the fiscal result or the accounting result and is not a combination of businesses, as well as those related to investments in dependent and partner companies and joint businesses in which the Company can control the reversion time and it is probable that they will not revert in the foreseeable future.

However, the assets for deferred taxes are only entered insofar as it is considered probable that the Company is going to have future fiscal gains against which they can be offset.

The assets and liabilities for deferred taxes that originate from operations with direct charges or payments into equity accounts are also accountable with a counterpart in net equity.

4.4 Environment

Assets of environmental nature are those used long-term in the Company's activity. Their main purpose is the minimization of environmental impact and the protection and improvement of the environment, including the reduction or elimination of future pollution.

Due to its nature, the Company's activity does not have a significant environmental impact.

4.5 Revenue and expenditure

Revenue and expenditure are allocated in accordance with the amount accrued principle, i.e. when the actual flow of goods and services they represent occurs, notwithstanding the moment in which the cash or financial flow derived occurs. Said revenue and expenditure are valued by the fair value of the consideration received or given, once the discounts and taxes, incorporated interests or similar items have been deducted.

In order to adjust revenues in the period in which they are accrued, the Company adopts the principle of provisioning those projects in progress at the close of the period, in accordance with their level of advancement, notwithstanding the date of issue of the invoice.

4.6 Principles used in transactions between related parties

One party is considered linked to another when one of them or a group acting together, exercises or has the power to exercise directly or indirectly or in accordance with agreements between shareholders or participants, control over another or has significant influence over the other in the making of financial or operational decisions.

In any case, related parties are:

a) Companies which are considered to be a company of the group, associate or multi-group, in accordance with article 42 of the Commercial Code.

b) Natural persons who, directly or indirectly, hold participation in the voting rights of the Company, or in its dominant entity, to enable them to exercise a significant influence over one or another. Close relatives of these natural persons are also included.

c) The key staff of the Company or of its dominant entity, understood as the natural persons with authority and responsibility over the planning, management and control of the Company's activities, either directly or indirectly, including the administrators and managers. Close relatives of these natural persons are also included.

d) Companies over which any of the persons mentioned in b) and c) above can exercise a significant influence.

e) Companies that share any director or manager with the Company; except in case this person does not have any significant influence in the financial and management policies of the Company.

f) Persons who are considered as close relatives of the Company administration's agent, if this person is a legal person.

g) The pension plans for the employees of the Company or of any other which is a party linked to this.

For the purposes of this rule, close relatives are understood to be those who could exercise influence in, or be influenced by, this person in his/her decisions relating to the Company. These include:

a) The spouse or person with an analogous relationship;

b) The ascendants, descendants and siblings and the respective spouses or persons with an analogous relationship;

c) The ascendants, descendants and siblings of the spouse or persons with an analogous relationship;

d) Persons for whom the spouse or person with an analogous relationship is responsible for or persons with an analogous relationship;

The Company carries out all its operations with entities linked to market values. In addition, transfer prices are adequately supported so that the Company Directors consider that there are no significant risks related to this aspect from which liabilities for future consideration could be derived. The Company has prepared the documentation required in article 16 of the Revised Corporate Tax Act and its Regulations in order to withstand transfer prices applied in the transactions between linked entities.

5. Intangible fixed assets

Movements occurring under this heading of the abridged balance sheet during accounting periods 2013 and 2012 are as follows:

Year 2013

	Euros			
	31/12/2011	Purchases/ (allocations)	Additions (see Nota 4.1.b))	31-12-13
Cost:				
Concessions-				
Regulated asset	4.801.366	1.846	-	4.803.212
Financial capitalization	132.582	-	130.412	262.994
	4.933.948	**1.846**	**130.412**	**5.006.206**
Accumulated Amortization:				
Concessions, Regulated assets	(215.550)	(191.743)	-	(407.294)
	(215.550)	**(191.743)**	**-**	**(407.294)**
Net value	**4.718.398**			**4.658.913**

Year 2012

	Euros				
	31-12-11	Purchases/ (allocations)	Dismissals	Additions (see Nota 4.1.b))	31-12-12
Cost:					
Concessions-					
Regulated asset	4.974.240	18.459	(191.333)		4.801.366
Financial capitalization	(3.829)			136.411	132.582
	4.974.240	**18.459**	**(191.333)**	**136.411**	**4.933.948**
Accumulated Amortization:					
Concessions, Regulated assets	(16.581)	(198.969)	-	-	(215.550)
	(16.581)	(198.969)	**-**	**-**	**(215.550)**
Net value	**4.957.659**				**4.718.398**

Regulated assets:

On 11th November 2010 a concession contract was signed between Elsamex S.A and the Municipality of Alcantarilla, which was afterwards assigned to Concessionaire Company Area de Servicio Alcantarilla Fotovoltaica SLU.

The purpose of the company is the administrative concession for exclusive use in the public domain for the installation, maintenance and operation of systems of power production of photovoltaic technology on municipal covers of the Municipality of Alcantarilla.

The concession of this contract is granted for a period of twenty-five years, starting from the date of starting-up of the first of the facilities of the concession; this period shall not be postponed.

Upon termination of the contract, the concessionaire company shall transfer to the Municipality the ownership of the photovoltaic technology electric power production facility, for its subsequent use and operation. In case the Municipality is not interested in acquiring the facilities, the concessionaire shall leave, at their own expense, the location of the concession in the same conditions as before the systems were installed, within three weeks after the termination of the contract.

The Concession is pledged in guarantee of the loan granted by a bank.

Financial capitalization:

Additions in the period in heading "Concessions-Financial capitalization" correspond to the capitalization of the excess in financial expenses incurred in the period, compared with the expense accrued according to section 3 of second rule of the Sector Adaptation of the General Accounting Plan to public infrastructure concessionaire companies, approved by Order EHA/3362/2010 of 23 December (see Note 4.1.b)). The amount entered as "Adjustments" corresponds to the capitalization of the same concepts of previous years (see Note 2.7).

6. Financial assets (long and short-term)

The breakdown of the Company's financial assets is the following as of 31st December 2013 and 2012:

	Euros	
	2013	2012
Other financial assets	450,000	450,000
Total Long-term financial assets	**450,000**	**450,000**
Customers for sales and provisions of services: Other financial assets	219,724 3,923	210,215 12,007
Total Short-term financial assets	**223,647**	**222,222**

The heading "Other financial assets" of the abridged balance sheet attached as of 31st December 2013 and 2012 includes a deposit to secure compliance with the obligations of the loan granted by a financial entity in accounting year 2011 (see Note 9). Financial income earned in year 2013 by this deposit amount to 10,800 Euro.

7. Information on the nature and level of risk of financial instruments

The Management of the financial risks of the Company is centralized in Financial Management, which has established the necessary mechanisms to control exposure to variations in the interest rates, as well as to the credit and liquidity risks. The main financial risks that impact on the Company are mentioned below:

a) Credit risk:

In general, the Company holds its treasury and equivalent liquid assets in financial bodies with a high credit level.

Additionally, it should be noted that, although the company maintains a single customer, its solvency is guaranteed, so there is no high risk of credit with third parties.

b) Liquidity risk:

In order to guarantee the liquidity and to meet all payment commitments resulting from its activity, the Company relies on the Treasury shown in the balance, as well as on short-term and long-term financial investments which are detailed in Note 6.

c) Market risks:

Both the Treasury and the financial debt of the Company are exposed to the interest rate risk, which could have an adverse effect on the financial results and on the cash flow. Therefore, the Company has a policy of investing in financial assets which are almost not exposed to interest rate risks. On the other hand, the financial instruments used have been chosen for the solidity of their financial worth and the issuing institutions.

8. Own funds-

8.1 Share capital

At the close of period 2013 the Company's share capital amounted to 42,700 Euros, represented by 4,270 shares of 10 Euros nominal value each, all of the same class, fully subscribed and paid in accordance with the following detail:

	% Participation
Elsamex S.A.	100%
	100%

8.2 Legal reserve

In accordance with the Revised Corporations Act, an amount equal to 10% of the period's profit must be allocated to the legal reserve until this reaches, at least, 20% of the share capital. The legal reserve may be used to increase the capital in the part of its balance that exceeds 10% of the capital already increased. Except for the above-mentioned purpose, and provided it does not exceed 20% of the share capital, this reserve may only be assigned to the compensation of losses and provided that there are no other sufficient reserves available for this purpose.

9. Financial liabilities

Debit and items payable

The breakdown of the Company's financial liabilities is the following as of 31st December 2013 and 2012:

	Euros	
	2013	2012
Long-term debts with credit institutions	2,218,990	2,391,834
Total long-term financial liabilities	**2,218,990**	**2,391,834**
Short-term debts with credit institutions	172,844	161,487
Other financial liabilities	-	142
Debts with group companies and partners (See Note 13)	2,529,233	2,397,174
Trade creditors and other accounts payable	211,359	111,087
Total Short-term financial liabilities	**2,913,436**	**2,669,890**

Debts with credit institutions:

It includes a loan signed in 2011 with bank entity Banco Popular to finance the construction works of the concession. This loan expires in December 2023, and it is repaid by means of monthly repayments. Interests accrued by this loan amount to 169,054 Euros in period 2013, of which 130,412 Euros have been spread (see Note 4.1.b). The information according to expirations is found below:

	Euros				
Entity	2014	2015	2016	2017	2018 and beyond
Banco Popular	172,844	185,001	198,012	211,938	1,934,282

10. Public Administrations and fiscal situation

The breakdown of these balances at 31st December 2013 and 2012 is as follows:

	Euros		
	2013	2012	
	Balances Debtors	Balances Debtors	Balances Creditors
Deferred tax assets	37,769	15,949	-
Long-term balances with Public Administrations	**37,769**	**15,949**	**-**
Public Treasury, debtor for retentions	2,268	-	-
Public Treasury, creditor for IRPF	-	-	26
Short-term balances with Public Administrations	**2,268**	**-**	**26**

In accordance with the provisions of current legislation, taxes cannot be considered to be finally settled until the returns presented have been inspected by the fiscal authorities or the four-year time limit has elapsed. At close of period 2013 the Company has not any ongoing inspection. The Directors consider that the above-mentioned tax obligations have been adequately settled. Therefore, in the event of a fiscal inspection and considering there were any disagreements in the usual prevailing interpretation because of the fiscal treatment granted to operations, future resulting liabilities, if any, would not significantly affect these abridged annual accounts.

Tax on Profits

By decision of the Sole Shareholder on 26th December 2011, it was chosen to tax in the Corporate Tax through the tax consolidation regime in accordance with Chapter VII of Title VII of the Corporation Tax Act since 1st October 2007; the parent Company, Elsamex, S.A., is responsible for filing and paying the Corporate Tax of the tax group. For this reason, at the end of the financial year the payable or receivable balances for the Corporation Tax are included classified in current accounts with group companies.

Accounting reconciliation and taxable base result

The reconciliation between accounting result and taxable base of the Corporations Tax for periods 2013 and 2012 is as follows:

Financial Year 2013:

	Euros	
	Taxable base	Accounting expense
Accounting result before Taxes (Losses)	(71,538)	(71,538)
Results entered in Equity	126,635	126,635
Temporary differences		
- Amortization limit	57,523	-
Permanent differences: Non-tax deductible expenses	4,306	4,306
Taxable base / Adjusted result	113,675	59,403
Amount to be returned by the Group / Expense (30%)	**34,102**	17,820
Adjustments to taxation		1,711
Expense/(Income) for Corporation tax		**19,446**

Financial Year 2012:

	Euros	
	Taxable base	Accounting expense
Accounting result before Taxes (Losses)	(193,295)	(193,295)
Permanent Differences: Non-computable income	(9,110)	(9,110)
Taxable base / Contribution	(202,405)	(202,405)
Amount to be returned by the Group / Expense (30%)	**(60,721)**	**(60,721)**

11. Revenue and expenditure

a) Net amount of the revenue figure

The net amount of the turnover entered by the Company corresponds to the revenues obtained through the activity established in their corporate purpose.

The breakdown of this section of the abridged profit and loss account for the accounting periods 2013 and 2012 is as follows:

	Euros	
Division	2013	2012
Services to third parties	514,070	527,403
	514,070	**527,403**

All services have been rendered in national territory.

b) Supplies

The breakdown of this section of the abridged profit and loss account for the accounting periods 2013 and 2012 is as follows:

	Euros	
	2013	2012
Works carried out by other companies	68,475	60,718
	68,475	**60,718**

All the purchases to suppliers have been in national territory.

c) Other operating expenses

The detail for this section of the attached abridged profit and loss account for accounting periods 2013 and 2012 is as follows:

	Euros	
	2013	2012
Independent professional services	2,529	3,572
Insurance premiums	5,634	6,411
Bank services and other similar	1,154	827
Supplies	1,256	192
Other services	131,430	96,188
Taxes	34,778	435
	176,781	**107,625**

d) Auditing Fees

During 2013 and 2012, the fees for account auditing services and other services provided by the auditor of the Company, Ms. Laura Tahoces, or by a company related to the auditor by means of control, common ownership or management have been as follows (in Euros):

Description	2013	2012
Auditing Services	1,000	1,000
Other verification services	-	-
Total auditing and related services	**1,000**	**1,000**
Other services	-	-
Total professional services	**1,000**	**1,000**

12. Environmental aspects

In view of the main business activities carried on by the Company, it does not have any significant responsibilities, expenses, assets or provisions or contingencies of an environmental nature in relation to the equity, financial situation and results. For this reason, they are not included in the specific breakdowns in this report.

The Company's Directors consider that there are not any contingencies related to the protection and improvement of the environment, and do not deem it necessary to enter any allocation to the provision for risks and expenses of an environmental nature as at 31st December 2013 in the annual accounts.

13. Operations with related parties

The detail of the balances and transactions made during accounting periods 2013 and 2012 between the Company and the "Elsamex Group" companies is as follows:

Financial Year 2013:

	Euros		
	Accounts payable	Expenditure	
	Short-term debts with Group companies	Services received	Interests
Atenea Seguridad y Medio Ambiente, S.A.	8,690	-	438
Elsamex S.A.	2,519,988	47,555	123,579
Área de servicios Punta Umbría	555	-	-
TOTAL	**2,529,223**	**47,555**	**124,017**

Financial Year 2012:

	Euros		
	Accounts payable	Expenditure	
	Short-term debts with Group companies	Services received	Interests
Atenea Seguridad y Medio Ambiente, S.A.	8,252	300	632
Elsamex S.A.	2,388,922	35,543	181,916
TOTAL	**2,397,174**	**35,853**	**182,548**

The Company does not have its own personnel; the administrative, management and direction tasks are carried out by the parent company. The Company has included in its accounts throughout period 2013 the amount of 14,032 EUR and in 2012 the amount of 9,951 EUR for structure expenses allocated by the parent company.

13.2 Remuneration to the Board of Directors and Senior Management

During periods 2013 and 2012, no amount has been incurred for allowances or remunerations of any kind in favour of the Company's Directors. Also, there is not any kind of loan advance, life insurance, pension plan or benefit for any other concept.

There is no senior management in the Company. The managers of the Group, Elsamex, carry out the management of this Company. Elsamex, S.A. invoiced to the Company in period 2013 a total amount of 8,910 Euro for direction and administration services (6,157 Euro in period 2012).

13.3 Detail of shares in companies with similar activities and performance of the Administrative Body of similar activities on their own or another's behalf

Pursuant to Article 229.2 and 3 of the Spanish Corporate Law, in order to reinforce corporate transparency, it is informed that at the close of accounting periods 2013 and 2012 the members of the Board of Directors of Alcantarilla Fotovoltaica, S.L.U. have not held shares in companies with the same, analogous or complementary type of activity of the corporate purpose of the company. Similarly, no activities have been carried out or are being carried out, on their own or another's behalf, with the same, analogous or complementary type of activity of the Company's corporate purpose, except for those activities which the company may carry out in other Group companies.

14. Payments to suppliers

Below, the information required by the Additional third disposition of Law 15/2010 of 5 July is detailed.

	Payments made and pending payment at the closing date of the period.			
	2013		2012	
	Amount	%	Amount	%
Within the legal maximum period	14,709	23.65%	5,571	8%
Rest	47,479	76.35%	62,456	92%
Total payments of the year	**62,188**	**100%**	**68,027**	**100%**
PMPE (days) of payments	93		88	
Postponements that at closing date exceed the maximum legal term	11,863		7,986	

Data contained in the chart above on payments to suppliers refer to those which, by nature, are commercial creditors by debts with suppliers of goods and services, so they include data related to the item "Suppliers" of the current liabilities of the balance sheet.

The excess pondered average term (PMPE) of payments has been calculated as the quotient formed in the numerator by adding the products of each payment to suppliers made in the period with a deferment above the legal term of payment and the number of days of deferment which exceeds the term, and in the denominator the total amount of payments made in the period with a deferment above the legal term of payment.

The maximum legal term of payment applicable to the Company for period 2013 according to Law 3/2004 of 29 December, which establishes measures against delinquency in commercial operations, is 60 days.

15. Subsequent Events

After the close of the period, and until the date of preparation of these financial statements, no significant subsequent events have occurred that should be mentioned.

Procedure for Preparation of Abridged Annual Accounts

In compliance with the provisions established in the Corporations Act, the Board of Directors of Alcantarilla Fotovoltaica S.L.U. prepared on 28th March 2014 the Annual Accounts for accounting period 2013, which shall be submitted for the approval of the Sole Shareholder.

Mr. Fernando Jaime Bardisa Jordá	Mr. Juan Manuel González Alonso
Mr. Mallikarjun Baswanappa Baljulge	Mr. Deep Sen