

ANNEX I

GENERAL

2nd

HALF-YEARLY FINANCIAL REPORT FOR FINANCIAL YEAR

2018

REPORTING DATE

31-12-18

I. IDENTIFICATION DATA

Registered Company Name: ALANTRA PARTNERS, S.A.

Registered Address: Calle de Padilla, 17 - 28006

Tax Identification Number

A81862724

II. SUPPLEMENTARY INFORMATION TO PREVIOUSLY RELEASED PERIODIC INFORMATION

Explanation of key changes with respect to the information published for the previous period (only to be completed in the circumstances established in section B) of the instructions.

III. STATEMENT(S) BY THE PERSON(S) RESPONSIBLE FOR THE INFORMATION

To the best of our knowledge, the accompanying condensed annual financial statements, which have been prepared in accordance with applicable accounting principles, give a true and fair view of the assets, liabilities, financial position and profit or loss of the issuer, or of the undertakings included in the consolidated financial statements taken as a whole, and the interim management report includes a fair review of the information required.

Comments on the above statement(s): This financial report has been approved unanimously by the Board of Directors meeting of 28 February 2019, where all the directors attended, in person or dully represented. The director, Mr. Alfred Merton Vinton, dully represented, has approved the financial report but, not being attended personally, has not signed it.

Person(s) responsible for this information:

Name/Company name	Position
D. Santiago Eguidazu Mayor	Chairman
D. Santiago Bergareche Busquet	Vice Chairman
D. José Javier Carretero Manzano	Director
D. Luis Carlos Croissier Batista	Director
D. Jorge Mataix Entero	Director
D. José Antonio Abad Zorrilla	Director
D. Josep Piqué Camps	Director
D ^a . María Garaña Corces	Director

Signing date of this half-yearly financial report by the corresponding governing body:

28-02-19

IV. SELECTED FINANCIAL INFORMATION

1. INDIVIDUAL BALANCE SHEET (PREPARED USING PREVAILING NATIONAL ACCOUNTING STANDARDS)

Units: Thousand euros

ASSETS		CURRENT P. 31/12/2018	PREVIOUS P. 31/12/2017
A) NON-CURRENT ASSETS	0040	158,555	129,718
1. Intangible assets:	0030	149	166
a) Googwill	0031	-	-
b) Other intangible assets	0032	149	166
2. Property, plant and equipment	0033	126	782
3. Investment property	0034	-	-
4. Long-term investments in group companies and associates	0035	120,456	102,957
5. Long-term financial investments	0036	37,235	25,222
6. Deferred tax assets	0037	589	591
7. Other non-current assets	0038	-	-
A) CURRENT ASSETS	0085	55,446	58,855
1. Non-current assets held for sale	0050	7,853	-
2. Inventories	0055	-	-
3. Trade and other receivables:	0060	30,881	32,734
a) Trade receivables	0061	23,068	27,985
b) Other receivables	0062	80	2,137
c) Current tax assets	0063	7,733	2,612
4. Short-term investments in group companies and associates	0064	-	-
5. Short-term financial investments	0070	8,113	8,116
6. Prepayments for current assets	0071	-	-
7. Cash and cash equivalents	0072	8,599	18,005
TOTAL ASSETS (A+B)	0100	214,001	188,573

EQUITY AND LIABILITIES		CURRENT P. 31/12/2018	PREVIOUS P. 31/12/2017
A) EQUITY (A.1+A.2+A.3)	0195	195,246	172,161
A.1) CAPITAL AND RESERVES	0180	197,690	174,496
1. Capital:	0171	115,894	111,518
a) Authorised capital	0161	115,894	111,518
a) <i>Less: Uncalled capital</i>	0162	-	-
2. Share premium	0172	111,863	94,138
3. Reserves	0173	(38,330)	(38,701)
4. <i>Less: Treasury stock</i>	0174	(768)	(1,138)
5. Prior periods' profit and loss	0178	-	-
6. Other shareholders contributions	0179	-	-
7. Profit (loss) for the period	0175	34,079	25,227
8. <i>Less: Interim dividend</i>	0176	(25,048)	(16,548)
9. Other equity instruments	0177	-	-
A.2) VALUATION ADJUSTMENTS	0188	(2,444)	(2,335)
1. Available-for-sale financial assets	0181	(2,444)	(2,335)
2. Hedging transactions	0182	-	-
3. Other	0183	-	-
A.3) GRANTS, DONATIONS AND BEQUESTS RECEIVED	0194	-	-
B) NON-CURRENT LIABILITIES	0120	3,276	3,232
1. Long-term provisions	0115	534	534
2. Long-term debts:	0116	2,446	2,351
a) Debt with financial institutions and bonds and other marketable securities	0131	2,446	2,351
b) Other financial liabilities	0132	-	-
3. Long-term payables to group companies and associates	0117	-	-
4. Deferred tax liabilities	0118	296	347
5. Other non-current liabilities	0135	-	-
6. Long-term accrual accounts	0119	-	-
C) CURRENT LIABILITIES	0130	15,479	13,180
1. Liabilities associated with non-current assets held for sale	0121	-	-
2. Short-term provisions	0122	-	-
3. Short-term debts:	0123	-	1,821
a) Debt with financial institutions and bonds and other marketable securities	0133	-	-
b) Other financial liabilities	0134	-	1,821
4. Short-term payables to group companies and associates	0129	1,210	615
5. Trade and other payables:	0124	14,269	10,744
a) Suppliers	0125	2,870	5,397
b) Other payables	0126	7,624	4,061
c) Current tax liabilities	0127	3,775	1,286
6. Other current liabilities	0136	-	-
7. Current accrual accounts	0128	-	-
TOTAL EQUITY AND LIABILITIES (A+B+C)	0200	214,001	188,573

IV. SELECTED FINANCIAL INFORMATION

2. INDIVIDUAL PROFIT AND LOSS ACCOUNT (PREPARED USING PREVAILING NATIONAL ACCOUNTING STANDARDS)

Units.: Thousand euros

		PRESENT CURR.	PREVIOUS CURR.	CURRENT	PREVIOUS
		PERIOD	PERIOD	CUMULATIVE	CUMULATIVE
		(2nd HALF YEAR)	(2nd HALF YEAR)	31/12/2018	31/12/2017
		Amount	Amount	Amount	Amount
(+) Revenue	0205	19,647	1,724	41,997	28,606
(+/-) Change in inventories of finished products and work in progress	0206	-	-	-	-
(+) Own work capitalised	0207	-	-	-	-
(-) Suppliers	0208	-	-	-	-
(+) Other operating revenue	0209	-	8,880	-	8,880
(+) Personnel expenses	0217	(4,044)	61	(6,334)	(5,079)
(+) Other operating expenses	0210	(6,027)	(9,425)	(8,911)	(12,556)
(+) Depreciation and amortisation charge	0211	(126)	(112)	(249)	(206)
(+) Allocation of grants for non-financial assets and other grants	0212	-	-	-	-
(+) Reversal of provisions	0213	-	-	-	-
(+/-) Impairment and gain (loss) on disposal of non-current assets	0214	(586)	-	(586)	-
(+/-) Other profit (loss)	0215	-	-	-	-
= OPERATING PROFIT (LOSS)	0245	8,864	1,128	25,917	19,645
(+) Finance income	0250	1,273	1,147	1,567	1,147
(-) Finance cost	0251	(58)	(72)	(80)	(106)
(+/-) Changes in fair value of financial instruments	0252	-	-	-	-
(+/-) Exchanges differences	0254	8	870	(34)	(131)
(+/-) Impairment and gain (loss) on disposal of financial instruments	0255	2,782	2,315	2,983	3,995
= NET FINANCE INCOME (COSTS)	0256	4,005	4,260	4,436	4,905
= PROFIT (LOSS) BEFORE TAX	0265	12,869	5,388	30,353	24,550
(+/-) Income tax expense	0270	169	20	3,726	677
= PROFIT (LOSS) FOR THE PERIOD FROM CONTINUING ACTIVITIES	0280	13,038	5,408	34,079	25,227
(+/-) Profit (loss) from discontinued operations, net of tax	0285	-	-	-	-
= PROFIT (LOSS) FOR THE PERIOD	0300	13,038	5,408	34,079	25,227
EARNINGS PER SHARE		Amount (X,XX euros)	Amount (X,XX euros)	Amount (X,XX euros)	Amount (X,XX euros)
Basic	0290				
Diluted	0295				

IV. SELECTED FINANCIAL INFORMATION

3. INDIVIDUAL STATEMENT OF CHANGES IN EQUITY

a) INDIVIDUAL STATEMENT OF RECOGNISED INCOME AND EXPENSE (PREPARED USING PREVAILING NATIONAL ACCOUNTING STANDARDS)

Units.: Thousands euros

		CURRENT PERIOD 31/12/2018	PREVIOUS PERIOD 31/12/2017
A) PROFIT (LOSS) FOR THE PERIOD (from the profit and loss account)	0305	34,079	25,227
B) INCOME AND EXPENSE RECOGNISED DIRECTLY IN EQUITY	0310	33	(1,358)
1. From measurement of financial instruments:	0320	154	(941)
a) Available-for-sale financial assets	0321	154	(941)
b) Other income/(expenses)	0323	-	-
2. From cash flow hedges	0330	-	-
3. Grants, donations and bequests received	0340	-	-
4. From actuarial gains and losses and other adjustments	0344	-	-
5. Other income and expense recognised directly in equity	0343	-	-
6. Tax effect	0345	(121)	(417)
C) TRANSFERS TO PROFIT OR LOSS	0350	(142)	(133)
1. From measurements of financial instruments:	0355	(189)	(178)
a) Available-for-sale financial assets	0356	(189)	(178)
b) Other income/(expenses)	0358	-	-
2. From cash flow hedges	0360	-	-
3. Grants, donations and bequests received	0366	-	-
4. Other income and expense recognised directly in equity	0365	-	-
5. Tax effect	0370	47	45
TOTAL RECOGNISED INCOME/(EXPENSE) (A+B+C)	0400	33,970	23,736

IV. SELECTED FINANCIAL INFORMATION
3. INDIVIDUAL STATEMENT OF CHANGES IN EQUITY
b) INDIVIDUAL STATEMENT OF TOTAL CHANGES IN EQUITY (1/2) (PREPARED USING PREVAILING NATIONAL ACCOUNTING STANDARDS)

Units.: Thousand euros

CURRENT PERIOD		Capital and reserves					Valuation adjustments	Grants, donations and bequests received	Total Equity
		Capital	Share premium and Reserves (1)	Treasury stock	Profit (loss) for the period	Other equity instruments			
Closing balance at 01/12/2018	3010	111,518	38,889	(1,138)	25,227	-	(2,335)	-	172,161
Adjustments for changes in accounting policy	3011	-	-	-	-	-	-	-	-
Adjustments for errors	3012	-	-	-	-	-	-	-	-
Adjusted opening balance	3015	111,518	38,889	(1,138)	25,227	-	(2,335)	-	172,161
I. Total recognised income/(expense) in the period	3020	-	-	-	34,079	-	(109)	-	33,970
II. Transactions with shareholders or owners	3025	-	(7,933)	370	-	-	-	-	(7,563)
1. Capital increases/(reductions)	3026	4,376	16,777	-	-	-	-	-	21,153
2. Conversion of financial liabilities into equity	3027	-	-	-	-	-	-	-	-
3. Distribution of dividends	3028	-	(25,048)	-	-	-	-	-	(25,048)
4. Net trading with treasury stock	3029	-	309	370	-	-	-	-	679
5. Increases/(reductions) for business combinations	3030	-	-	-	-	-	-	-	-
6. Other transactions with shareholders or owners	3032	-	29	-	-	-	-	-	29
III. Other changes in equity	3035	-	17,529	-	(25,227)	-	-	-	(7,698)
1. Equity-settled share-based payments	3036	-	-	-	-	-	-	-	-
2. Transfers between equity accounts	3037	-	-	-	-	-	-	-	-
3. Other changes	3038	-	17,529	-	(25,227)	-	-	-	(7,698)
Closing balance at 31/12/2018	3040	115,894	48,485	(768)	34,079	-	(2,444)	-	195,246

(1) The column of **Share Premium and Reserves**, for the purposes of completing this statement, includes the following balance sheet equity headings: 2. Share premium, 3. Reserves, 5. Profit or loss brought forward, 6. Other shareholder contributions and 8. Less Interim dividend

IV. SELECTED FINANCIAL INFORMATION

3. INDIVIDUAL STATEMENT OF CHANGES IN EQUITY

b) INDIVIDUAL STATEMENT OF TOTAL CHANGES IN EQUITY (2/2) (PREPARED USING PREVAILING NATIONAL ACCOUNTING STANDARDS)

Units.: Thousand euros

PERIODO ANTERIOR		Capital and reserves				Valuation adjustments	Grants, donations and bequests received	Total Equity
		Capital	Share premium and Reserves (1)	Treasury stock	Profit (loss) for the period			
Closing balance at 01/01/2017	3050	106,611	50,192	(1,138)	2,277	-	(844)	157,098
Adjustments for changes in accounting policy	3051	-	-	-	-	-	-	-
Adjustments for errors	3052	-	-	-	-	-	-	-
Adjusted opening balance	3055	106,611	50,192	(1,138)	2,277	-	(844)	157,098
I. Total recognised income/(expense) in the period	3060	-	-	-	25,227	-	(1,491)	23,736
II. Transactions with shareholders or owners	3065	-	-	-	-	-	-	-
1. Capital increases/(reductions)	3066	4,907	15,269	-	-	-	-	20,176
2. Conversion of financial liabilities into equity	3067	-	-	-	-	-	-	-
3. Distribution of dividends	3068	-	(28,849)	-	-	-	-	(28,849)
4. Net trading with treasury stock	3069	-	-	-	-	-	-	-
5. Increases/(reductions) for business combinations	3070	-	-	-	-	-	-	-
6. Other transactions with shareholders or owners	3072	-	-	-	-	-	-	-
III. Other changes in equity	3075	-	-	-	-	-	-	-
1. Equity-settled share-based payments	3076	-	-	-	-	-	-	-
2. Transfers between equity accounts	3077	-	-	-	-	-	-	-
3. Other changes	3078	-	2,277	-	(2,277)	-	-	-
Closing balance at 31/12/2017	3080	111,518	38,889	(1,138)	25,227	-	(2,335)	172,161

(1) The column of **Share Premium and Reserves**, for the purposes of completing this statement, includes the following balance sheet equity headings: 2. Share premium, 3. Reserves, 5. Profit or loss brought forward, 6. Other shareholder contributions and 8. Less Interim dividend

IV. SELECTED FINANCIAL INFORMATION

4. INDIVIDUAL STATEMENT OF CASH FLOW (PREPARED USING PREVAILING NATIONAL ACCOUNTING STANDARDS)

Units.: Thousand euros

		CURRENT PERIOD 31/12/2018	PREVIOUS PERIOD 31/12/2017
A) CASH FLOW FROM OPERATING ACTIVITIES (1+2+3+4)	0435	37,583	14,972
1. Profit (loss) before tax	0405	30,353	24,550
2. Adjustments to profit (loss):	0410	(3,320)	(3,427)
(+) Depreciation and amortisation charge	0411	249	206
(+/-) Other net adjustments to profit (loss)	0412	(3,569)	(3,633)
3. Changes in working capital	0415	(22,511)	(29,423)
4. Other cash flows from operating activities:	0420	33,061	23,272
(+) Interest paid	0421	-	-
(+) Dividens received	0422	33,893	21,031
(+) Interest received	0423	-	-
(+/-) Income tax recovered /(paid)	0430	(485)	3,732
(+/-) Other sums received/(paid) from operating activities	0425	(347)	(1,491)
B) CASH FLOWS FROM INVESTING ACTIVITIES (1+2)	0460	(14,613)	3,235
1. Payment for investments:	0440	(16,712)	(25,030)
(-) Group companies, associates and business units	0441	(3,874)	(16,831)
(-) Property, plant and equipment, intangible assets and investment property	0442	(162)	(335)
(-) Other financial assets	0443	(12,676)	(7,864)
(-) Non-current assets and liabilities classified as held-for-sale	0459	-	-
(-) Other assets	0444	-	-
2. Proceeds from sale of investment:	0450	2,099	28,265
(+) Group companies, associates and business units	0451	516	7,529
(+) Property, plant and equipment, intangible assets and investment property	0452	-	-
(+) Other financial assets	0453	1,028	8,180
(-) Non-current assets and liabilities classified as held-for-sale	0461	-	-
(+) Other assets	0454	555	12,556
C) CASH FLOW FROM FINANCING ACTIVITIES (1+2+3)	0490	(32,376)	(28,849)
1. Sums received / (paid) in respect of equity instruments	0470	370	-
(+) Issuance	0471	-	-
(-) Redemptions	0472	-	-
(-) Acquisitions	0473	-	-
(+) Disposal	0474	370	-
(+) Grants, donations and bequests received	0475	-	-
2. Sums received/ (paid) in respect of financial liability instruments:	0480	-	-
(+) Issuance	0481	-	-
(-) Repayment and redemption	0482	-	-
3. Payment of dividends and remuneration on other equity instruments	0485	(32,746)	(28,849)
D) EFFECT OF FOREIGN EXCHANGE RATE CHANGES	0492	-	-
E) NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS (A+B+C+D)	0495	(9,406)	(10,642)
F) CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD	0499	18,005	28,647
G) CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD (E+F)	0500	8,599	18,005

COMPONENTS OF CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD

		CURRENT PERIOD 31/12/2018	PREVIOUS PERIOD 31/12/2017
(+) Cash on hand and at banks	0550	8,599	18,005
(+) Other financial assets	0552	-	-
(-) Less: Bank overdrafts repayable on demand	0553	-	-
TOTAL CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD	0600	8,599	18,005

IV. SELECTED FINANCIAL INFORMATION

5. CONSOLIDATED STATEMENT OF FINANCIAL POSITION (1/2) (ADOPTED IFRS)

Units.: Thousand euros

ASSETS		CURRENT P. 31/12/2018	PREVIOUS P. 31/12/2017
A) NON-CURRENT ASSETS	1040	137,408	122,690
1. Intangible assets:	1030	74,215	68,210
a) Goodwill	1031	74,023	66,939
b) Other intangible assets	1032	192	1,271
2. Property, plant and equipment	1033	2,567	3,127
3. Investment property	1034	-	-
4. Investments accounted for using the equity method	1035	12,141	16,058
5. Non-current financial assets	1036	47,626	32,604
a) At fair value through profit or loss	1047	14,022	12,830
Of which, "Designated upon initial recognition"	1041	12,531	12,830
b) At fair value through other comprehensive income	1042	28,291	15,827
Of which, "Designated upon initial recognition"	1043	28,291	15,827
c) At amortised cost	1044	5,313	3,947
6. Non-current derivatives	1039	-	-
a) Hedging	1045	-	-
b) Other	1046	-	-
7. Deferred tax assets	1037	859	2,691
8. Other non-current assets	1038	-	-
A) CURRENT ASSETS	1085	183,449	157,397
1. Non-current assets held for sale	1050	12,078	-
2. Inventories	1055	-	-
3. Trade and other receivables:	1060	59,151	43,507
a) Trade receivables	1061	52,105	41,235
b) Other receivables	1062	1,476	589
c) Current tax assets	1063	5,570	1,683
4. Current financial assets	1070	8,580	8,476
a) At fair value through profit or loss	1080	-	-
Of which, "Designated upon initial recognition"	1081	-	-
b) At fair value through other comprehensive income	1082	-	-
Of which, "Designated upon initial recognition"	1083	-	-
c) At amortised cost	1084	8,580	8,476
5. Current derivatives	1076	-	-
a) Hedging	1077	-	-
b) Other	1078	-	-
5. Other current assets	1075	1,368	1,006
6. Cash and cash equivalents	1072	102,272	104,408
TOTAL ASSETS (A+B)	1100	320,857	280,087

IV. SELECTED FINANCIAL INFORMATION

5. CONSOLIDATED STATEMENT OF FINANCIAL POSITION (2/2) (ADOPTED IFRS)

Units.: Thousand euros

EQUITY AND LIABILITIES		CURRENT P.	PREVIOUS P.
		31/12/2018	31/12/2017
A) EQUITY (A.1+A.2+A.3)	1195	213,255	205,416
A.1) CAPITAL AND RESERVES	1180	206,320	202,922
1. Capital:	1171	115,894	111,518
a) Authorised capital	1161	115,894	111,518
a) <i>Less: Uncalled capital</i>	1162	-	-
2. Share premium	1172	111,863	94,138
3. Reserves	1173	(30,652)	(15,364)
4. <i>Less: Treasury stock</i>	1174	(768)	(1,138)
5. Prior periods' profit and loss	1178	-	-
6. Other member contributions	1179	-	-
7. Profit (loss) for the period attributable to the parent	1175	35,031	30,316
8. <i>Less: Interim dividend</i>	1176	(25,048)	(16,548)
9. Other equity instruments	1177	-	-
A.2) ACCUMULATED OTHER COMPREHENSIVE INCOME	1188	(3,378)	(3,442)
1. Items that are not reclassified to profit or loss for the period	1186	(1,024)	32
a) Equity instruments through other comprehensive income	1185	(1,024)	32
b) Others	1190	-	-
2. Items that may subsequently be reclassified to profit or loss for the period	1187	(2,354)	(3,474)
a) Hedging transactions	1182	-	-
b) Translation differences	1184	(2,354)	(3,474)
c) Share in other comprehensive income for investments in joint ventures and others	1192	-	-
d) Debt instruments at fair value through other comprehensive income	1191	-	-
e) Others	1183	-	-
EQUITY ATTRIBUTABLE TO THE PARENT COMPANY (A.1+A.2)	1189	202,942	199,480
A.3) NON-CONTROLLING INTERESTS	1193	10,313	5,936
B) NON-CURRENT LIABILITIES	1120	15,602	15,481
1. Grants	1117	-	-
2. Non-current provisions	1115	2,090	886
3. Non-current financial liabilities	1116	11,965	12,149
a) Debt with financial institutions and bonds and other marketable securities	1131	2,446	2,350
b) Other financial liabilities	1132	9,519	9,799
4. Deferred tax liabilities	1118	1,547	2,025
5. Other non-current derivatives	1140	-	-
a) Hedging	1141	-	-
b) Other	1142	-	-
6. Other non-current liabilities	1135	-	421
C) CURRENT LIABILITIES	1130	92,000	59,190
1. Liabilities associated with non-current assets held to sale	1121	11,048	-
2. Current provisions	1122	-	-
3. Current financial liabilities:	1123	2,105	2,905
a) Debt with financial institutions and bonds and other marketable securities	1133	-	-
b) Other financial liabilities	1134	2,105	2,905
4. Trade and other payables:	1124	77,031	55,995
a) Suppliers	1125	6,529	7,446
b) Other payables	1126	58,157	45,244
c) Current tax liabilities	1127	12,345	3,305
5. Current derivatives	1145	-	-
a) Hedging	1146	-	-
b) Other	1147	-	-
5. Other current liabilities	1136	1,816	290
TOTAL EQUITY AND LIABILITIES (A+B+C)	1200	320,857	280,087

IV. SELECTED FINANCIAL INFORMATION
6. CONSOLIDATED PROFIT AND LOSS STATEMENT (ADOPTED IFRS)

Units.: Thousand euros

		PRESENT CURR.	PREVIOUS CURR.	CURRENT	PREVIOUS
		PERIOD	PERIOD	CUMULATIVE	CUMULATIVE
		(2nd HALF YEAR)	(2nd HALF YEAR)	31/12/2018	31/12/2017
		Amount	Amount	Amount	Amount
(+) Revenue	1205	130,671	77,407	200,890	136,127
(+/-) Change in inventories of finished products and work in progress	1206	-	-	-	-
(+) Own work capitalised	1207	-	-	-	-
(-) Suppliers	1208	-	-	-	-
(+) Other operating revenue	1209	1	11	2	14
(+) Personnel expenses	1217	(62,788)	(40,897)	(101,311)	(71,145)
(+) Other operating expenses	1210	(21,875)	(15,892)	(35,831)	(27,114)
(+) Depreciation and amortisation charge	1211	(1,559)	(474)	(2,086)	(825)
(+) Allocation of grants for non-financial assets and other grants	1212	-	-	-	-
(+/-) Impairment of non-current assets	1214	(772)	-	(774)	-
(+/-) Gain (loss) on disposal of non-current assets	1216	-	-	-	-
(+/-) Other profit (loss)	1215	-	-	-	-
= OPERATING PROFIT (LOSS)	1245	43,678	20,155	60,890	37,057
(+) Finance income	1250	1,749	666	2,251	862
a) Interest income calculated using the effective interest rate method	1262	-	-	-	-
b) Other	1263	1,749	666	2,251	862
(+) Finance cost	1251	(56)	(37)	(109)	(71)
(+/-) Changes in fair value of financial instruments	1252	(154)	546	(343)	546
(+/-) Gain (loss) from reclassification of financial assets at amortised cost to financial assets at fair value	1258	-	-	-	-
(+/-) Gain (loss) from reclassification of financial assets at fair value through other comprehensive income to financial assets at fair value	1259	-	-	-	-
(+/-) Exchange differences	1254	(110)	237	(167)	(498)
(+/-) Impairment loss/reversal on financial instruments	1255	(3,840)	40	(5,756)	40
(+/-) Gain (loss) on disposal of financial instruments	1257	3,300	(1,628)	3,300	3,327
a) Financial instruments at amortised cost	1260	-	-	-	-
b) Other financial instruments	1261	3,300	(1,628)	3,300	3,327
= NET FINANCE INCOME (COSTS)	1256	889	(176)	(824)	4,206
(+/-) Profit (loss) of equity-accounted investees	1253	1,189	1,785	2,453	3,433
= PROFIT (LOSS) BEFORE TAX	1265	45,756	21,764	62,519	44,696
(+/-) Income tax expenses	1270	(11,619)	(5,670)	(13,405)	(10,502)
= PROFIT (LOSS) FOR THE PERIOD FROM CONTINUING ACTIVITIES	1280	34,137	16,094	49,114	34,194
(+/-) Profit (loss) for the period from discontinued operations, net of tax	1285	-	-	-	-
= CONSOLIDATED PROFIT (LOSS) FOR THE PERIOD	1288	34,137	16,094	49,114	34,194
a) Profit (loss) attributable to the parent	1300	21,257	13,768	35,031	30,316
b) Profit (loss) attributable to non-controlling interests	1289	12,880	2,326	14,083	3,878

EARNINGS PER SHARE		Amount (X,XX euros)	Amount (X,XX euros)	Amount (X,XX euros)	Amount (X,XX euros)
Basic	1290	0.55	0.37	0.93	0.85
Diluted	1295	0.55	0.37	0.93	0.85

IV. SELECTED FINANCIAL INFORMATION

7. CONSOLIDATED OTHER COMPREHENSIVE INCOME (ADOPTED IFRS)

Units.: Thousand euros

		PRESENT CURR. PERIOD (2nd HALF YEAR)	PREVIOUS CURR. PERIOD (2nd HALF YEAR)	CURRENT PERIOD 31/12/2018	PREVIOUS PERIOD 31/12/2017
A) CONSOLIDATED PROFIT (LOSS) FOR THE PERIOD (from the profit and loss account)	1305	34,137	16,094	49,114	34,194
B) OTHER COMPREHENSIVE INCOME - ITEMS THAT ARE NOT RECLASSIFIED TO PROFIT OR LOSS:	1310	(744)	32	(744)	32
1. From revaluation/(reserval of revaluation) of property, plant and equipment and intangible assets	1311	-	-	-	-
2. From actuarial gains and losses	1344	-	-	-	-
3. Share in other comprehensive income of investments in joint ventures and associates	1342	-	-	-	-
4. Equity instruments through other comprehensive income	1346	(744)	32	(744)	32
5. Other income and expenses that are not reclassified to profit or loss	1343	-	-	-	-
6. Tax effect	1345	-	-	-	-
C) OTHER COMPREHENSIVE INCOME - ITEMS THAT MAY SUBSEQUENTLY BE RECLASSIFIED TO PROFIT OR LOSS:	1350	30	(3,181)	611	(7,057)
1. Hedging transactions	1360	-	-	-	-
a) Valuation gains/(losses)	1361	-	-	-	-
b) Amounts transferred to profit or loss	1362	-	-	-	-
c) Amounts transferred to initial carrying amount of hedged items	1363	-	-	-	-
d) Other reclassifications	1364	-	-	-	-
2. Translation differences	1365	232	(2,003)	1,120	(4,283)
a) Valuation gains/(losses)	1366	232	(2,003)	1,120	(4,283)
b) Amounts transferred to profit or loss	1367	-	-	-	-
c) Other reclassifications	1368	-	-	-	-
3. Share in other comprehensive income of investments in joint ventures and associates:	1370	-	-	-	-
a) Valuation gains/(losses)	1371	-	-	-	-
b) Amounts transferred to profit or loss	1372	-	-	-	-
c) Other reclassifications	1373	-	-	-	-
4. Debt instruments at fair value through other comprehensive income	1381	-	-	-	-
a) Valuation gains/(losses)	1382	-	-	-	-
b) Amounts transferred to profit or loss	1383	-	-	-	-
c) Other reclassifications	1384	-	-	-	-
5. Other income and expenses that may subsequently be reclassified to profit or loss	1375	(274)	(1,151)	(683)	(3,279)
a) Valuation gains/(losses)	1376	(488)	(7)	(683)	(11)
b) Amounts transferred to profit or loss	1377	214	(1,144)	-	(3,268)
c) Other reclassifications	1378	-	-	-	-
6. Tax effect	1380	-	-	-	-
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD (A+B+C)	1400	33,423	12,945	48,981	27,169
a) Attributable to the parent	1398	19,828	10,583	35,095	23,259
a) Attributable to non-controlling interests	1399	13,595	2,362	13,886	3,910

IV. SELECTED FINANCIAL INFORMATION

8. CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (ADOPTED IFRS) (1/2)

Units.: Thousand euros

CURRENT PERIOD	Equity attributable to the parent company					Valuation adjustments	Non-controlling interests	Total equity	
	Capital	Share premium and Reserves (1)	Treasury stock	Profit (loss) for the period attributable to the parent company	Other equity instruments				
Closing balance at 01/01/2018	3110	111,518	62,226	(1,138)	30,316	-	(3,442)	5,936	205,416
Adjustments for changes in accounting policy	3111	-	-	-	-	-	-	-	-
Adjustments for errors	3112	-	(363)	-	-	-	-	-	(363)
Adjusted opening balance	3115	111,518	61,863	(1,138)	30,316	-	(3,442)	5,936	205,053
I. Total comprehensive income / (expense) for the period	3120	-	-	-	35,031	-	64	13,886	48,981
II. Transactions with shareholders or owners	3125	-	-	-	-	-	-	-	-
1. Capital increases/(reductions)	3126	4,376	16,777	-	-	-	-	-	21,153
2. Conversion of financial liabilities into equity	3127	-	-	-	-	-	-	-	-
3. Distribution of dividends	3128	-	(25,048)	-	-	-	-	-	(25,048)
4. Net trading with treasury stock	3129	-	309.00	370	-	-	-	-	679
5. Increases / (decrease) for business combinations	3130	-	-	-	-	-	-	-	-
6. Other transactions with shareholders or owners	3132	-	(2,241)	-	-	-	-	(9,509)	(11,750)
III. Other changes in equity	3135	-	-	-	-	-	-	-	-
1. Equity-settled share-based payment	3136	-	-	-	-	-	-	-	-
2. Transfers between equity accounts	3137	-	-	-	-	-	-	-	-
3. Other changes	3138	-	4,503	-	(30,316)	-	-	-	(25,813)
Closing balance at 31/12/2018	3140	115,894	56,163	(768)	35,031	-	(3,378)	10,313	213,255

(1) The column of **Share Premium and Reserves**, for the purposes of completing this statement, includes the following balance sheet equity headings: 2. Share premium, 3. Reserves, 5. Profit or loss brought forward, 6. Other shareholder contributions and 8. Less: *Interim dividend*

IV. SELECTED FINANCIAL INFORMATION

8. CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (ADOPTED IFRS) (2/2)

Units.: Thousand euros

PREVIOUS PERIOD	Equity attributable to the parent company					Valuation adjustments	Non-controlling interests	Total equity	
	Capital	Share premium and Reserves (1)	Treasury stock	Profit (loss) for the period attributable to the parent company	Other equity instruments				
Closing balance at 01/01/2017	3150	106,611	52,214	(1,138)	25,055	-	3,615	3,503	189,860
Adjustments for changes in accounting policy	3151	-	-	-	-	-	-	-	-
Adjustments for errors	3152	-	-	-	-	-	-	-	-
Adjusted opening balance	3155	106,611	52,214	(1,138)	25,055	-	3,615	3,503	189,860
I. Total comprehensive income / (expense) for the period	3160	-	-	-	30,316	-	-7,057	3,910	27,169
II. Transactions with shareholders or owners	3165	-	-	-	-	-	-	-	-
1. Capital increases/(reductions)	3166	4,907	15,269	-	-	-	-	-	20,176
2. Conversion of financial liabilities into equity	3167	-	-	-	-	-	-	-	-
3. Distribution of dividends	3168	-	-	-	-	-	-	-	-
4. Net trading with treasury stock	3169	-	(28,849)	-	-	-	-	-	(28,849)
5. Increases / (decrease) for business combinations	3170	-	-	-	-	-	-	-	-
6. Other transactions with shareholders or owners	3172	-	(1,538)	-	-	-	-	(1,477)	(3,015)
III. Other changes in equity	3175	-	-	-	-	-	-	-	-
1. Equity-settled share-based payment	3176	-	-	-	-	-	-	-	-
2. Transfers between equity accounts	3177	-	-	-	-	-	-	-	-
3. Other changes	3178	-	25,130	-	(25,055)	-	-	-	75
Closing balance at 31/12/2017	3180	111,518	62,226	(1,138)	30,316	-	(3,442)	5,936	205,416

(1) The column of **Share Premium and Reserves**, for the purposes of completing this statement, includes the following balance sheet equity headings: 2. Share premium, 3. Reserves, 5. Profit or loss brought forward, 6. Other shareholder contributions and 8. *Less: Interim dividend*

IV. SELECTED FINANCIAL INFORMATION

9.A. CONSOLIDATED STATEMENT OF CASH FLOWS (INDIRECT METHOD) (ADOPTED IFRS)

Units: Thousand euros

		CURRENT PERIOD 31/12/2018	PREVIOUS PERIOD 31/12/2017
A) CASH FLOWS FROM OPERATING ACTIVITIES (1+2+3+4)	1435	41,723	28,187
1. Profit (loss) before tax	1405	62,519	44,696
2. Adjustments to profit (loss):	1410	5,315	(2,542)
(+) Depreciation and amortisation charge	1411	2,086	825
(+/-) Other net adjustments to profit (loss)	1412	3,229	(3,367)
3. Changes in working capital	1415	(23,014)	(9,193)
4. Other cash flows from operating activities:	1420	(3,097)	(4,774)
(+) Interest paid	1421	-	-
(-) Payment of dividends and remuneration on other equity instruments	1430	-	-
(+) Dividends received	1422	-	-
(+) Interest received	1423	-	-
(+/-) Income tax recovered/(paid)	1424	5,078	3,732
(+/-) Other sums received/(paid) from operating activities	1425	(8,175)	(8,506)
B) CASH FLOWS FROM INVESTING ACTIVITIES (1+2+3)	1460	(19,181)	3,458
1. Payments for investments:	1440	(21,755)	(26,955)
(-) Group companies, associates and business units	1441	(3,425)	(18,400)
(-) Property, plant and equipment, intangible assets and investment property	1442	(1,601)	(1,202)
(-) Other financial assets	1443	(16,729)	(7,331)
(-) Non-current assets and liabilities classified as held-for-sale	1459	-	-
(-) Other assets	1444	-	(22)
2. Proceeds from sale of investments:	1450	2,574	30,413
(+) Group companies, associates and business units	1451	-	133
(-) Property, plant and equipment, intangible assets and investment property	1452	-	-
(-) Other financial assets	1453	2,574	30,280
(-) Non-current assets and liabilities classified as held-for-sale	1461	-	-
(-) Other assets	1454	-	-
3. Other cash flows from investing activities:	1455	-	-
(+) Dividends received	1456	-	-
(+/-) Interest received	1457	-	-
(+/-) Other sums received/(paid) from investing activities	1458	-	-
C) CASH FLOWS FROM FINANCIAL ACTIVITIES (1+2+3+4)	1490	(24,678)	(28,849)
1. Sum received/(paid) in respect of equity instruments	1470	370	-
(+) Issuance	1471	-	-
(-) Redemption	1472	-	-
(-) Acquisition	1473	-	-
(+) Disposal	1474	370	-
2. Sums received/(paid) in respect of financial liabilities instruments:	1480	-	-
(+) Issuance	1481	-	-
(-) Repayment and redemption	1482	-	-
3. Payment of dividends and remuneration on other equity instruments	1485	(25,048)	(28,849)
4. Other cash flow from financing activities	1486	-	-
(+) Interest paid	1487	-	-
(-) Other sums received/(paid) from financing activities	1488	-	-
D) EFFECT OF CHANGES IN FOREIGN EXCHANGE RATE	1492	-	-
E) NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS (A+B+C+D)	1495	(2,136)	2,796
F) CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD	1499	104,408	101,612
G) CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD (E+F)	1500	102,272	104,408

COMPONENTS OF CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD

		CURRENT PERIOD 31/12/2018	PREVIOUS PERIOD 31/12/2017
(+) Cash on hand and at banks	1550	102,272	104,408
(+) Other financial assets	1552	-	-
(-) Less: banks overdrafts repayable on demand	1553	-	-
TOTAL CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD	1600	102,272	104,408

This template of the consolidated statement of cash flow (indirect method) allows the alternatives for classifying interest and dividends, both received and paid, provided for in the adopted IFRS. Each of the above items shall be classified in a single consistent manner in each period, as operating, investing or financing activities.

IV. SELECTED FINANCIAL INFORMATION

9.B. CONSOLIDATED STATEMENT OF CASH FLOWS (DIRECT METHOD) (ADOPTED IFRS)

Units: Thousand euros

		CURRENT PERIOD 31/12/2018	PREVIOUS PERIOD 31/12/2017
A) CASH FLOW FROM OPERATING ACTIVITIES (1+2+3+4)		8435	
(+) Proceeds from operating activities		8410	
(-) Payments to suppliers and to personnel for operating expenses		8411	
(-) Interest paid		8421	
(-) Payment of dividends and remuneration on other equity instruments		8422	
(+) Dividends received		8430	
(+) Interest received		8423	
(+/-) Income tax recovered / (paid)		8424	
(+/-) Other sums received / (paid) from operating activities		8425	
B) CASH FLOW FROM INVESTING ACTIVITIES (1+2+3)		8460	
1. Payments for investments:		8440	
(-) Group companies, associates and business units		8441	
(-) Property, plant and equipment, intangible assets and investment property		8442	
(-) Other financial assets		8443	
(-) Non-current assets and liabilities classified as held for sale		8459	
(-) Other assets		8444	
2. Proceeds from sale of investments:		8450	
(-) Group companies, associates and business units		8451	
(-) Property, plant and equipment, intangible assets and investment property		8452	
(-) Other financial assets		8453	
(-) Non-current assets and liabilities classified as held for sale		8461	
(-) Other assets		8454	
3. Other cash flows from investing activities		8455	
(+) Dividends received		8456	
(+) Interest received		8457	
(+/-) Other sums received/(paid) from investing activities		8458	
C) CASH FLOW FROM FINANCING ACTIVITIES (1+2+3+4)		8490	
1. Sums received/(paid) in respect of equity instruments:		8470	
(+) Issuance		8471	
(-) Redemption		8472	
(-) Acquisition		8473	
(+) Disposal		8474	
2. Sums received/(paid) in respect of financial liabilities instruments:		8480	
(+) Issuance		8481	
(-) Repayment and redemption		8482	
3. Payment of dividends and remuneration on other equity instruments		8485	
4. Other cash flow from financing activities		8486	
(+) Interest paid		8487	
(-) Other sums received/(paid) from financing activities		8488	
D) EFFECT OF FOREIGN EXCHANGE RATE FLUCTUATIONS ON CASH AND CASH EQUIVALENTS HELD		8492	
E) NET INCREASE/(DECREASE)IN CASH AND CASH EQUIVALENTS (A+B+C+D)		8495	
F) CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD		8499	
G) CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD (E+F)		8500	

COMPONENTS OF CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD

		CURRENT PERIOD 31/12/2018	PREVIOUS PERIOD 31/12/2017
(+) Cash on hand and at banks		8550	
(+) Other financial assets		8552	
(-) Less: banks overdrafts repayable on demand		8553	
TOTAL CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD		8600	

This template of the consolidated statement of cash flow (indirect method) allows the alternatives for classifying interest and dividends, both received and paid, provided for in the adopted IFRS. Each of the above items shall be classified in a single consistent manner in each period, as operating, investing or financing activities.

IV. SELECTED FINANCIAL INFORMATION

10. DIVIDENDS PAID

		CURRENT PERIOD			PREVIOUS PERIOD		
		€/share (X,XX)	Amount (thousand euros)	Nº. of shares to be delivered	€/share (X,XX)	Amount (thousand euros)	Nº. of shares to be delivered
Ordinary shares	2158	0.87	32,746		0.82	28,849	
Other shares (non-voting shares, redeemable shares, etc)	2159						
Total dividends paid	2160						
a) Dividends charged to profit and loss	2155	0.66	25,048		0.47	16,548	
b) Dividends charged to reserves or share premium	2156	0.21	7,698		0.35	12,301	
c) Dividends in kind	2157						
d) Flexible payment	2154						

IV. SELECTED FINANCIAL INFORMATION

11. Segment information

Units: thousand euros

GEOGRAPHIC AREA		Distribution of revenue by geographic area			
		INDIVIDUAL		CONSOLIDATED	
		CURRENT PERIOD	PREVIOUS PERIOD	CURRENT PERIOD	PREVIOUS PERIOD
Spanish market	2210	41,997	28,606	105,406	80,337
International markets:	2215	-	-	95,484	55,790
a) European Union	2216	-	-	85,591	42,909
a.1) Euro Area	2217	-	-	51,892	36,846
a.2) Non-Euro Area	2218	-	-	33,699	6,063
b) Other	2219	-	-	9,893	12,881
TOTAL	2220	41,997	28,606	200,890	136,127

SEGMENTS		CONSOLIDATED			
		Ordinary revenue		Profit (loss)	
		CURRENT PERIOD	PREVIOUS PERIOD	CURRENT PERIOD	PREVIOUS PERIOD
Investment Banking	2221	134,760	91,699	21,429	19,835
Asset Management	2222	64,942	43,152	16,571	9,498
Structure	2223	1,188	1,276	(7,152)	(2,945)
Portfolio	2224	-	-	5,638	4,050
Rest	2225	-	-	(1,455)	(122)
	2226	-	-	-	-
	2227	-	-	-	-
	2228	-	-	-	-
	2229	-	-	-	-
	2230	-	-	-	-
TOTAL of reportable segments	2235	200,890	136,127	35,031	30,316

IV. SELECTED FINANCIAL INFORMATION
12. AVERAGE WORKFORCE

		INDIVIDUAL		CONSOLIDATED	
		CURRENT PERIOD	PREVIOUS PERIOD	CURRENT PERIOD	PREVIOUS PERIOD
AVERAGE WORKFORCE	2295	43	40	443	359
Men	2296	20	17	314	281
Women	2297	23	23	129	78

IV. SELECTED FINANCIAL INFORMATION
13. REMUNERATION RECEIVED BY DIRECTORS AND MANAGERS

DIRECTORS:

Item of remuneration:		Amount (thousand euros)	
		CURRENT PERIOD	PREVIOUS PERIOD
Remuneration for membership on the board and/or board committees	2310	145	132
Salaries	2311	369	369
Variable remuneration in cash	2312	150	130
Share-based remuneration systems	2313	-	-
Termination benefits	2314	-	-
Long-term savings systems	2315	-	-
Other items	2316	-	-
TOTAL	2320	664	631

MANAGERS:

		Amount (thousand euros)	
		CURRENT PERIOD	PREVIOUS PERIOD
Total remuneration paid to managers	2325	4,358	7,031

IV. SELECTED FINANCIAL INFORMATION

14. RELATED-PARTY TRANSACTIONS AND BALANCES (1/2)

Units: thousand euros

		CURRENT PERIOD				
		Significant shareholders	Directors and managers	Group employees, companies and entities	Other related parties	Total
EXPENSES AND REVENUE:						
1) Finance costs	2340	-	-	-	-	-
2) Leases	2343	-	-	-	-	-
3) Services received	2344	-	-	238	-	238
4) Purchase of inventories	2345	-	-	-	-	-
5) Other expenses	2348	-	-	-	-	-
EXPENSES (1+2+3+4+5)	2350	-	-	238	-	238
6) Finance income	2351	-	-	49	-	49
7) Dividends received	2354	-	-	-	-	-
8) Services rendered	2356	1,255	-	1,133	-	2,388
9) Sale of inventories	2357	-	-	-	-	-
10) Other income	2359	-	-	-	-	-
REVENUE (6+7+8+9+10)	2360	1,255	-	1,182	-	2,437

		CURRENT PERIOD				
		Significant shareholders	Directors and managers	Group employees, companies and entities	Other related parties	Total
OTHER TRANSACTIONS:						
Financing agreements: loans and capital contributions (lender)	2372	-	-	-	-	-
Financing agreements: loans and capital contributions (borrower)	2375	-	-	-	-	-
Collateral and guarantees given	2381	-	-	-	-	-
Collateral and guarantees received	2382	-	-	-	-	-
Commitments assumed	2383	-	-	-	-	-
Dividends and other earnings distributed	2386	-	-	-	-	-
Other transactions	2385	-	-	-	-	-

		CURRENT PERIOD				
		Significant shareholders	Directors and managers	Group employees, companies and entities	Other related parties	Total
BALANCES ON THE REPORTING DATE:						
1) Trade receivables	2341	-	-	860	-	860
2) Loans and credit given	2342	-	-	4,126	-	4,126
3) Other receivables	2346	-	-	-	-	-
TOTAL RECEIVABLES (1+2+3)	2347	-	-	4,986	-	4,986
4) Trade payables	2352	-	-	-	-	-
5) Loans and credit received	2353	-	-	-	-	-
6) Other payment obligations	2355	-	-	2,833	-	2,833
TOTAL PAYABLES (4+5+6)	2358	-	-	2,833	-	2,833

IV. SELECTED FINANCIAL INFORMATION

14. RELATED-PARTY TRANSACTIONS AND BALANCES (2/2)

Units: thousand euros

		PREVIOUS PERIOD				
		Significant shareholders	Directors and managers	Group employees, companies and entities	Other related parties	Total
EXPENSES AND REVENUE:						
1) Finance costs	6340	-	-	-	-	-
2) Leases	6343	-	-	-	-	-
3) Services received	6344	-	-	194	-	194
4) Purchase of inventories	6345	-	-	-	-	-
5) Other expenses	6348	-	-	-	-	-
EXPENSES (1+2+3+4+5)	6350	-	-	194	-	194
6) Finance income	6351	-	-	36	-	36
7) Dividends received	6354	-	-	-	-	-
8) Services rendered	6356	-	-	1,635	-	1,635
9) Sale of inventories	6357	-	-	-	-	-
10) Other income	6359	-	-	-	-	-
REVENUE (6+7+8+9+10)	6360	-	-	1,671	-	1,671

		PREVIOUS PERIOD				
		Significant shareholders	Directors and managers	Group employees, companies and entities	Other related parties	Total
OTHER TRANSACTIONS:						
Financing agreements: loans and capital contributions (lender)	6372	-	-	-	-	-
Financing agreements: loans and capital contributions (borrower)	6375	-	-	-	-	-
Collateral and guarantees given	6381	-	-	-	-	-
Collateral and guarantees received	6382	-	-	-	-	-
Commitments assumed	6383	-	-	-	-	-
Dividends and other earnings distributed	6386	-	-	-	-	-
Other transactions	6385	-	-	-	-	-

		PREVIOUS PERIOD				
		Significant shareholders	Directors and managers	Group employees, companies and entities	Other related parties	Total
BALANCES ON THE REPORTING DATE:						
1) Trade receivables	6341	-	-	1,285	-	1,285
2) Loans and credit given	6342	-	-	2,536	-	2,536
3) Other receivables	6346	-	-	-	-	-
TOTAL RECEIVABLES (1+2+3)	6347	-	-	3,821	-	3,821
4) Trade payables	6352	-	-	-	-	-
5) Loans and credit received	6353	-	-	-	-	-
6) Other payment obligations	6355	-	-	7,079	-	7,079
TOTAL PAYABLES (4+5+6)	6358	-	-	7,079	-	7,079

Alantra Partners, S.A. and companies comprising the Alantra Group

Notes to the Condensed Interim Consolidated
Financial Statements for the year ended 31
December 2018

Translation of a report originally issued in Spanish and prepared in accordance with the regulatory financial reporting framework applicable to the Group in Spain. The English version is only a translation of the original in Spanish for information purposes. In case of discrepancy, the Spanish version shall prevail.

Alantra Partners, S.A. and companies comprising the Alantra Group

CONSOLIDATED STATEMENT OF FINANCIAL POSITION AT 31 DECEMBER 2018 AND 31 DECEMBER 2017

(Thousand euros)

ASSETS	31/12/2018 (Unaudited)	31/12/2017 (*)	LIABILITIES	31/12/2018 (Unaudited)	31/12/2017 (*)
NON-CURRENT ASSETS	137,408	122,690	EQUITY	213,255	205,416
Intangible assets -	74,215	68,210	CAPITAL AND RESERVES -	206,320	202,922
Goodwill	74,023	66,939	Capital -	115,894	111,518
Other intangible assets	192	1,271	Authorised capital	115,894	111,518
Property, plant and equipment	2,567	3,127	<i>Less: Uncalled capital</i>	-	-
Investments accounted for using the equity method	12,141	16,058	Share premium	111,863	94,138
Non-current financial assets	47,626	32,604	Reserves	(30,652)	(15,364)
At fair value through profit or loss	14,022	12,830	Less: Treasury stock	(768)	(1,138)
At fair value through other comprehensive income	28,291	15,827	Profit (loss) for the period attributable to the parent	35,031	30,316
At amortised cost	5,313	3,947	Less: Interim dividend	(25,048)	(16,548)
Deferred tax assets	859	2,691	Other equity instruments	-	-
			ACCUMULATED OTHER COMPREHENSIVE INCOME -	(3,378)	(3,442)
			Items that are not reclassified to profit or loss for the period	(1,024)	32
			Equity instruments through other comprehensive income	(1,024)	32
			Items that may subsequently be reclassified to profit or loss for the period	(2,354)	(3,474)
			Translation differences	(2,354)	(3,474)
			EQUITY ATTRIBUTABLE TO THE PARENT	202,942	199,480
			NON-CONTROLLING INTERESTS	10,313	5,936
			NON-CURRENT LIABILITIES	15,602	15,481
			Non-current provisions	2,090	886
			Non-current financial liabilities	11,965	12,149
			Debt with financial institutions and bonds and other marketable securities	2,446	2,350
			Other financial liabilities	9,519	9,799
			Deferred tax liabilities	1,547	2,025
			Other non-current liabilities	-	421
CURRENT ASSETS	183,449	157,397	CURRENT LIABILITIES	92,000	59,190
Non-current assets held for sale	12,078	-	Liabilities associated with non-current assets held for sale	11,048	-
Trade and other receivables	59,151	43,507	Current financial liabilities	2,105	2,905
Trade receivables	52,105	41,235	Debt with financial institutions and bonds and other marketable securities	-	-
Other receivables	1,476	589	Other financial liabilities	2,105	2,905
Current tax assets	5,570	1,683	Trade and other payables	77,031	55,995
Current financial assets	8,580	8,476	Suppliers	6,529	7,446
At fair value through profit or loss	-	-	Other payables	58,157	45,244
At fair value through other comprehensive income	-	-	Current tax liabilities	12,345	3,305
At amortised cost	8,580	8,476	Other current liabilities	1,816	290
Other current assets	1,368	1,006			
Cash and cash equivalents	102,272	104,408			
TOTAL ASSETS	320,857	280,087	TOTAL EQUITY AND LIABILITIES	320,857	280,087

(*) Presented solely and exclusively for comparison purposes

**Alantra Partners, S.A. and
companies comprising the Alantra Group**

CONSOLIDATED PROFIT AND LOSS STATEMENTS
FOR THE YEARS ENDED 31 DECEMBER 2018 AND 2017

(Thousand euros)

	2018 (Unaudited)	2017 (*)
Revenue	200,890	136,127
Other operating revenue	2	14
Other current revenues	2	14
Personnel expenses	(101,311)	(71,145)
Other operating expenses	(35,831)	(27,114)
Amortisation charge	(2,086)	(825)
Depreciation	(774)	-
Impairment and gain (loss) on disposal of fixed assets	-	-
Other profit (loss)	-	-
OPERATING PROFIT (LOSS)	60,890	37,057
Finance income	2,251	862
Finance costs	(109)	(71)
Changes in fair value of financial instruments	(343)	546
Gain (loss) from reclassification of financial assets at amortised cost to financial assets at fair value	-	-
Gain (loss) from reclassification of financial assets at fair value through other comprehensive income to financial assets at fair value	-	-
Exchange differences	(167)	(498)
Impairment loss/reversal on financial instruments	(5,756)	40
Gain (loss) on disposal of financial instruments	3,300	3,327
Financial instruments at amortised cost	-	-
Other financial instruments	3,300	3,327
NET FINANCE INCOME (COSTS)	(824)	4,206
Profit (loss) of equity-accounted investees	2,453	3,433
PROFIT (LOSS) BEFORE TAX	62,519	44,696
Income tax expense	(13,405)	(10,502)
PROFIT (LOSS) FOR THE PERIOD FROM CONTINUING ACTIVITIES	49,114	34,194
Profit (loss) for the period from discontinued operations, net of tax	-	-
CONSOLIDATED PROFIT (LOSS) FOR THE PERIOD	49,114	34,194
Profit (loss) attributable to the parent	35,031	30,316
Profit (loss) attributable to non-controlling interests	14,083	3,878
EARNINGS PER SHARE		
Basic	0.93	0.85
Diluted	0.93	0.85

(*) Presented solely and exclusively for comparison purposes

**Alantra Partners, S.A. and
companies comprising the Alantra Group**

CONSOLIDATED OTHER COMPREHENSIVE INCOME
FOR THE YEARS ENDED 31 DECEMBER 2018 AND 2017

(Thousand euros)

	2018 (Unaudited)	2017 (*)
CONSOLIDATED PROFIT (LOSS) FOR THE PERIOD	49,114	34,194
OTHER COMPREHENSIVE INCOME – ITEMS THAT ARE NOT RECLASSIFIED TO PROFIT OR LOSS	(744)	32
From revaluation/(reversal of revaluation) of property, plant and equipment and intangible assets		-
From actuarial gains and losses		-
Share in other comprehensive income of investments in joint ventures and associates		-
Equity instruments through other comprehensive income	(744)	32
Other income and expenses that are not reclassified to profit or loss		-
Tax effect		-
OTHER COMPREHENSIVE INCOME – ITEMS THAT MAY SUBSEQUENTLY BE RECLASSIFIED TO PROFIT OR LOSS	611	(7,057)
Hedging transactions:		-
Valuation gains/(losses)		-
Amounts transferred to profit or loss		-
Amounts transferred to initial carrying amount of hedged items		-
Other reclassifications		-
Translation differences:	1,120	(4,283)
Valuation gains/(losses)	1,120	(4,283)
Amounts transferred to profit or loss		-
Other reclassifications		-
Share in other comprehensive income of investments in joint ventures and associates:		-
Valuation gains/(losses)		-
Amounts transferred to profit or loss		-
Other reclassifications		-
Debt instruments at fair value through other comprehensive income:		-
Valuation gains/(losses)		-
Amounts transferred to profit or loss		-
Other reclassifications		-
Other income and expenses that may subsequently be reclassified to profit or loss:	(683)	(3,279)
Valuation gains/(losses)	(683)	(11)
Amounts transferred to profit or loss		(3,268)
Other reclassifications		-
Tax effect	174	505
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD	48,981	27,169
Attributable to the parent	35,095	23,259
Attributable to non-controlling interests	13,886	3,910

(*) Presented solely and exclusively for comparison purposes and it is different from included in audited statements of 2017

**Alantra Partners, S.A. and
companies comprising the Alantra Group**

**CONSOLIDATED STATEMENT OF TOTAL CHANGES IN EQUITY
FOR THE YEARS ENDED 31 DECEMBER 2018 AND 2017**

(Thousand euros)

	Equity attributable to the parent						Non-controlling interests	Total Equity
	Capital and Reserves					Valuation adjustments		
	Capital	Share premium and Reserves	Treasury stock	Profit (loss) for the period attributable to the parent	Other equity instruments			
CLOSING BALANCE AT 31 DECEMBER 2016	106,611	52,214	(1,138)	25,055	-	3,615	3,503	189,860
Adjustments for changes in accounting policy	-	-	-	-	-	-	-	-
Adjustments for errors	-	-	-	-	-	-	-	-
ADJUSTED OPENING BALANCE AT 1 JANUARY 2017 (*)	106,611	52,214	(1,138)	25,055	-	3,615	3,503	189,860
Total comprehensive income for the period	-	-	-	30,316	-	(7,057)	3,910	27,169
Transactions with shareholders or owners:								
- Capital increases/(reductions)	4,907	15,269	-	-	-	-	-	20,176
- Conversion of financial liabilities into equity	-	-	-	-	-	-	-	-
- Distribution of dividends	-	-	-	-	-	-	-	-
- Net trading with treasury stock	-	(28,849)	-	-	-	-	-	(28,849)
- Increases/(decrease) for business combinations	-	-	-	-	-	-	-	-
- Other transactions with shareholders or owners	-	(1,538)	-	-	-	-	(1,477)	(3,015)
Other changes in equity								
- Equity-settled share-based payment	-	-	-	-	-	-	-	-
- Transfers between equity accounts	-	-	-	-	-	-	-	-
- Other changes	-	25,130	-	(25,055)	-	-	-	75
CLOSING BALANCE AT 31 DECEMBER 2017 (*)	111,518	62,226	(1,138)	30,316	-	(3,442)	5,936	205,416
Adjustments for changes in accounting policy (note 2.4)	-	(363)	-	-	-	-	-	(363)
Adjustments for errors	-	-	-	-	-	-	-	-
ADJUSTED OPENING BALANCE AT 1 JANUARY 2018 (*)	111,518	61,863	(1,138)	30,316	-	(3,442)	5,936	205,053
Total comprehensive income for the period	-	-	-	35,031	-	64	13,886	48,981
Transactions with shareholders or owners:								
- Capital increases/(reductions)	4,376	16,777	-	-	-	-	-	21,153
- Conversion of financial liabilities into equity	-	-	-	-	-	-	-	-
- Distribution of dividends	-	(25,048)	-	-	-	-	-	(25,048)
- Net trading with treasury stock	-	309	-	-	370	-	-	679
- Increases/(decrease) for business combinations	-	-	-	-	-	-	-	-
- Other transactions with shareholders or owners	-	(2,241)	-	-	-	-	(9,509)	(11,750)
Other changes in equity								
- Equity-settled share-based payment	-	-	-	-	-	-	-	-
- Transfers between equity accounts	-	-	-	-	-	-	-	-
- Other changes	-	4,503	-	(30,316)	-	-	-	(25,813)
CLOSING BALANCE AT 31 DECEMBER 2018 (**)	115,894	56,163	(1,138)	35,031	370	(3,378)	10,313	213,255

(*) Presented solely and exclusively for comparison purposes

(**) Unaudited

**Alantra Partners, S.A. and
companies comprising the Alantra Group**

CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEARS ENDED 31 DECEMBER 2018 AND 2017

(Thousand euros)

	2018 (Unaudited)	2017 (*)
CASH FLOWS FROM OPERATING ACTIVITIES:	49,421	28,187
Profit (loss) before tax	62,519	44,696
Adjustments to profit (loss):	5,315	(2,542)
- Depreciation and amortisation charge	2,086	825
- Other net adjustments to profit (loss)	3,229	(3,367)
Changes in working capital	(23,014)	(9,193)
Other cash flows from operating activities:	4,600	(4,774)
- Interest paid	-	-
- Payment of dividends and remuneration on other equity instruments	-	-
- Dividends received	-	-
- Interest received	-	-
- Income tax recovered/(paid)	5,077	3,732
- Other sums received/(paid) from operating activities	(477)	(8,506)
CASH FLOWS FROM INVESTMENT ACTIVITIES:	(19,181)	3,458
Payments for investments:	(21,755)	(26,955)
- Group companies, associates and business units	(3,425)	(18,400)
- Property, plant and equipment, intangible assets and investment property	(1,601)	(1,202)
- Other financial assets	(16,729)	(7,331)
- Non-current assets and liabilities classified as held-for-sale	-	-
- Other assets	-	(22)
Proceeds from sale of investments:	2,574	30,413
- Group companies, associates and business units	-	133
- Property, plant and equipment, intangible assets and investment property	-	-
- Other financial assets	2,574	30,280
- Non-current assets and liabilities classified as held-for-sale	-	-
- Other assets	-	-
Other cash flows from investing activities:	-	-
- Dividends received	-	-
- Interest received	-	-
- Other sums received/(paid) from investing activities	-	-
CASH FLOWS FROM FINANCIAL ACTIVITIES:	(32,376)	(28,849)
Sum received/(paid) in respect of equity instruments	370	-
- Issuance	-	-
- Redemption	-	-
- Acquisition	-	-
- Disposal	370	-
Sums received/(paid) in respect of financial liabilities instruments:	-	-
- Issuance	-	-
- Repayment and redemption	-	-
Dividends paid and payments on other equity instruments	(32,746)	(28,849)
Other cash flows from financing activities:	-	-
- Interest paid	-	-
- Other sums received/(paid) from financing activities	-	-
EFFECT OF CHANGES IN FOREIGN EXCHANGE RATE	-	-
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS	(2,136)	2,796
Cash and equivalents, opening balances	104,408	101,612
Cash and equivalents, closing balances	102,272	104,408
Cash on hand and at banks	102,272	104,408
Other financial assets	-	-
Less: bank overdrafts repayable on demand	-	-

(*) Presented solely and exclusively for comparison purposes and it is different from included in audited statements of 2017

Alantra Partners, S.A. and companies comprising the Alantra Group

Notes to the Condensed Interim Consolidated Financial Statements for the year ended 31 December 2018

1. Description of the Alantra Group

Alantra Partners, S.A. (hereinafter, the Company) was incorporated on 11 November 1997 as Dinamia Capital Privado, Sociedad de Capital Riesgo, S.A. The deed for the takeover of N Más Uno IBG, S.A. (hereinafter, N+1 IBG) by the Company was entered in the Madrid Companies Registry on 20 July 2015. This transaction resulted in N Más Uno IBG, S.A. ceasing to exist and the Company changing its name to N más1 Dinamia, S.A., also losing its status as a private equity firm. As a result of the Group changing its name, the Company adopted its current name on 4 January 2017 (further information provided hereon).

The Company's corporate purpose therefore encompasses the following activities:

1. Provision of financial advisory services.
2. Management of any property or assets, in accordance with any prevailing legal requirements.
3. Acquisition and holding of shares and equity stakes in other companies whose corporate purpose is, pursuant to any prevailing legal requirements, financial brokerage, management of any type of asset including investment funds or portfolios of any type, and provision of all types of investment services.
4. Acquisition, holding and disposal of shares or equity stakes in any type of company; granting participating loans or other forms of finance to any type of company; investment in any securities or financial instruments, assets, movable property or real estate, or rights, in accordance with any prevailing legal requirements, in order to generate a return on said shares or equity stakes in companies and investments.

The activities comprising the corporate purpose may be performed by the Company in whole or in part, or indirectly through ownership of shares or equity stakes in companies with an identical or similar corporate purpose.

The Company carries out its business in Spain from its offices at Padilla street, 17 in Madrid. Nevertheless, it is in process of changing its registered offices to José Ortega y Gasset street, 29 in Madrid.

The Bylaws and other public information may be consulted at the Company's registered office and on its website (www.alantra.com).

The Company is the parent of a group (hereinafter, the Group or the N+1 Group) comprising various companies carrying out financial advisory and consultancy services to businesses and institutions in Spain and abroad. They also provide investment and associated services; advice on asset management; advice, administration and management for private equity firms, collective investment schemes (hereinafter, CISs) and companies involved in acquiring direct stakes in companies (see Note 2.5). Also, at 31 December 2018, the Group had branch offices in China, United Kingdom and Italy.

On 26 September 2016 the Company issued a material disclosure (*hecho relevante*) to the Spanish securities exchange authority, the Comisión Nacional del Mercado de Valores (CNMV), regarding the change in the trademark of the Group it heads. Since that date, the subsidiaries in the Alantra Group have approved the

respective changes to their corporate names in order to replace “N+1”, “Nmás1” or “Nplusone” with “Alantra”. With respect to the Company, on 4 January 2017 there was entered in the Companies Registry the change of name from Nmás1 Dinamia, S.A. to Alantra Partners, S.A., previously approved by the General Meeting of 13 December 2016. With this new trademark (and registered corporate name), the Alantra Group (formerly known as the N+1 Group) has set the goal of creating a single distinctive mark that identifies a new stage in its development as a company with a strong international focus.

On 29 July 2015, the Company’s 17,390,984 new shares were admitted to trading on the Madrid and Barcelona stock exchanges through the Spanish electronic trading platform (Sistema de Interconexión Bursátil). These shares were issued for exchange in the Takeover and added to the shares that the Company already had in circulation. Since that date, the Alantra Group’s (formerly N+1 Group) activity described in the paragraph above is therefore performed within a group whose parent is a listed company.

Alantra Equities, Sociedad de Valores, S.A., was incorporated on 10 January 2011. It was solely owned by Nmás1 Research, S.L. (both companies were subsequently merged to create Alantra Equities, Sociedad de Valores, S.A. (see Note 2.5). Since then, N+1 IBG regained its previous status as parent of a consolidable group of investment services companies. After the Merger, the Alantra Group continued to be a consolidable group of investment services companies and the Company became the parent thereof.

Details of subsidiaries at 31 December 2018, and relevant information thereon, are provided below:

Present name	Registered office	Activity	% Shareholding	
			Direct	Indirect
Controlling company				
Alantra Partners, S.A.	Madrid	Financial advisory and consultancy services	n/a	n/a
Subsidiaries:				
Alantra International Corporate Advisory, S.L.U. (5) (14) (15)	Madrid	Holding, usufruct and disposal of shares and stakes in non-listed companies	100.00	-
Alantra Corporate Finance, S.A.U. (5)	Madrid	Financial advisory and consultancy services	-	100.00
Alantra Corporate Portfolio Advisors, S.L. (9) (14)	Madrid	Financial advisory and consultancy services	-	60.00
Alantra Corporate Portfolio Advisors International Limited (1)	London	Financial advisory and consultancy services	-	42.00
Alantra Corporate Portfolio Advisors (Ireland) Limited (anteriormente denominada Alantra Ireland Corporate Finance Limited) (14) (17) (18)	Dublin	Financial advisory and consultancy services	-	42.00
Alantra s.r.l. (5)	Milan	Financial advisory and consultancy services	-	100.00
Alantra Corporate Portfolio Advisors (Italy), s.r.l. (1)	Milan	Financial advisory and consultancy services	-	100.00
Alantra Deutschland GmbH (5)	Frankfurt	Financial advisory services	-	100.00
Alantra France Corporate Finance SAS (5) (4)	Paris	Financial advisory services	-	100.00
Quattrocento, S.A.S. (2) (4)	Paris	Holding, usufruct and disposal of shares and stakes in non-listed companies	100.00	-
Alantra U.S. Corporation LLC (5)	Wilmington	Financial advisory services	-	100.00
Alantra, LLC (10)	Boston	Financial advisory services	-	100.00
Downer & Company, S.A.S. (11)	Paris	Financial advisory services	-	100.00
C.W. Downer & Co. India Advisors LLP (11)	Mumbai	Financial advisory services	-	99.00
Partnersalantra Portugal LDA (5)	Lisboa	Financial advisory services	-	85.00
Alantra Nordics AB (5)	Stockholm	Financial advisory services	-	80.00
Alantra Corporate Finance, B.V. (5)	Amsterdam	Financial advisory services	-	100.00
Alantra Greece Corporate Advisors, S.A. (5)	Athens	Financial advisory services	-	87.50
Alantra Chile SPA (5) (13)	Santiago de Chile	Financial advisory services	-	100.00
Alantra Belgium, NV (5) (16) (17)	Amberes	Financial advisory and consultancy services	-	85.00
Alantra Austria & CEE GmbH (5) (17) (18)	Vienna	Financial advisory services	-	70.00
Alantra AG (5)	Zurich	Financial advisory and consultancy services	-	80.00
Alantra Corporate Finance México, S.A. de C.V. (1) (5)	Mexico City	Financial advisory services	-	99.99
Alantra Investment Managers, S.L.U. (7) (12)	Madrid	Financial advisory services	100.00	-
Alantra Private Equity Advisor, S.A.U. (7)	Madrid	Financial advisory and consultancy services	-	100.00
Nmás1 Private Equity International S.à.r.l (7)	Luxembourg	General Partner of private equity investment firms	-	100.00
Alantra Capital Privado, S.G.E.I.C., S.A.U. (7)	Madrid	Administration and management of venture capital firms	-	100.00
Alantra Private Equity Servicios, S.L.U. (3)	Madrid	Financial advisory and consultancy services	-	100.00
Mercapital Private Equity, S.G.E.I.C., S.A.U. (7)	Madrid	Administration and management of venture capital firms	-	100.00
Paulonia Servicios de Gestión, S.L.U. (8)	Madrid	Financial advisory services	-	100.00
Partilonia Administración, S.L.U. (8)	Madrid	Financial advisory services	-	100.00
Mideslonia Administración, S.L.U. (8)	Madrid	Financial advisory services	-	100.00
Flenox, S.L.U. (8)	Madrid	Financial advisory services	-	100.00
Alteralia Management S.à.r.l. (7)	Luxembourg	General Partner of investment vehicles	-	100.00
Alteralia II Management S.à.r.l. (7) (17)	Luxembourg	General Partner of investment vehicles	-	100.00
Brooklin Buy-Out Limited (7) (18)	Dublin	General Partner of investment vehicles	-	100.00
Alantra EQMC Asset Management, S.G.I.I.C., S.A. (7) (12)	Madrid	Administration and management of CISs	-	60.00
EQMC GP LLC (12)	Wilmington	General Partner of investment vehicles	-	60.00
Alantra Asset Management, S.G.I.I.C., S.A.U.	Madrid	Administration and management of CISs	100.00	-
QMC Directorship, S.L.U. (6)	Madrid	Acquisition, holding, usufruct and disposal of shares and stakes of all kinds	-	100.00
Baruch Inversiones, S.L.	Madrid	Holding, usufruct and disposal of shares and stakes in non-listed companies	46.56	-
Alantra Equity and Credit Management, S.A.U.	Madrid	Financial advisory services	100.00	-
Alantra Debt Solutions, S.L.	Madrid	Financial advisory services	75.00	-
Alantra Infrastructure, S.L.U.	Madrid	Holding, usufruct and disposal of shares and stakes in non-listed companies	100.00	-
Alantra Equities, Sociedad de Valores, S.A.	Madrid	Investment and associated services	50.01	-
Alantra REIM, S.L.U.	Madrid	Acquisition, holding, lease, operation and disposal of real estate	100.00	-
Alantra Dinamia Portfolio II, S.L.	Madrid	Holding, usufruct and disposal of shares and stakes in non-listed companies	100.00	-
Alantra Capital Markets, Sociedad de Valores, S.A.U.	Madrid	Investment and associated services	100.00	-
Alantra Wealth Management, Agencia de Valores, S.A. (19)	Madrid	Investment and associated services	50.01	-
Alantra Wealth Management Gestión, S.G.I.I.C., S.A. (19)	Madrid	Administration and management of CISs	50.01	-
Alantra Corporate Finance, LLP (anteriormente denominada Catalyst Corporate Finance, LLP) (18)	Birmingham	Financial advisory services	100.00	-

- (1) Companies incorporated in 2018.
- (2) Companies acquired in 2018.
- (3) Alantra Capital Privado, S.G.E.I.C., S.A.U. is sole shareholder of Alantra Private Equity Servicios, S.L.U.
- (4) On 25 July 2018, Alantra Partners, S.A. acquired all the shares of Quattrocento, S.A.S., through which it controls 19% of Alantra France Corporate Finance, S.A.S.
- (5) Alantra International Corporate Advisory, S.L.U. owns 100% of Alantra Corporate Finance, S.A.U. and Alantra Deutschland GmbH, 60% of Alantra, s.r.l. and Alantra France Corporate Finance SAS, 100% of Alantra Corporate Finance B.V. and Alantra U.S. Corporation, LLC, 85% of Partnersalantra Portugal LDA, 80% of Alantra Nordics AB, 87.5% of Alantra Greece Corporate Advisors, S.A., 100% of Alantra Chile SPA, 85% of Alantra Belgium, NV, 70% of Alantra Austria & CEE GmbH, 27.46% of Nplus1 Singer Ltd, 35% of Nplus1 Daruma Finansal Danışmanlık Hizmetleri A.Ş. and Nplus1 Daruma Gayrimenkul Kurumsal Finansman Danışmanlık Hizmetleri A.Ş., 25% of Alantra AG and 99.99% of Alantra Corporate Finance México, S.A. de C.V. Also, on 25 July 2018, Alantra Partners, S.A. acquired additional interests of 55%, 40% and 21% in Alantra AG, Alantra, s.r.l. and Alantra France Corporate Finance, S.A.S., respectively.
- (6) Alantra Asset Management, S.G.I.I.C., S.A.U. owns 100% of QMC Directorship, S.L.U.
- (7) Alantra Investment Managers, S.L.U. owns 100% of Alantra Capital Privado S.G.E.I.C., S.A.U., Mercapital Private Equity S.G.E.I.C., S.A.U., Nmás1 Private Equity International S.à.r.l., Alantra Private Equity Advisor, S.A.U., Alteralia Management, S.à.r.l., Brooklin Buy-Out Limited and Alteralia II Management S.à.r.l., and 60% of Alantra EQMC Asset Management, S.G.I.I.C., S.A.
- (8) Mercapital Private Equity S.G.E.I.C., S.A.U. owns 100% of Paulonia Servicios de Gestión, S.L.U., Partilonia Administración, S.L.U., Mideslonia Administración, S.L.U. and Flenox, S.L.U.
- (9) On 4 July 2018, Alantra Corporate Finance, S.A. transferred 10% of Alantra Corporate Portfolio Advisors, S.L., and retained a 60% interest.
- (10) Alantra U.S. Corporation LLC owns 100% of Alantra, LLC.
- (11) Alantra, LLC owns 100% of Downer & Company, S.A.S. and 99% of C.W. Downer & Co. India Advisors LLP.
- (12) On 30 November 2018, Alantra Investment Manager, S.L.U. transferred all its ownership interest in EQMC GP, LLP to Alantra EQMC Asset Management, S.G.I.I.C., S.A.
- (13) Alantra Chile SPA owns 30.95% of Landmark Capital, S.A.
- (14) On 11 October 2018, Alantra International Corporate Advisory, S.L.U. sold and transferred all its ownership interest in the Irish company Alantra Ireland Corporate Finance Limited for EUR 3 thousand to Alantra Corporate Portfolio Advisors International Limited. Also, on 9 October 2018, Alantra Ireland Corporate Finance Limited changed its name to Alantra Corporate Portfolio Advisors International (Ireland) Limited.
- (15) On 8 and 9 December 2017, Alantra Partners, S.A. acquired all the shares held by the remaining non-controlling shareholders in Alantra International Corporate Advisory, S.L.U.
- (16) Following the capital increase carried out on 29 May 2018 and the acquisition of a further 10% interest by Alantra International Corporate Advisory, S.L.U. on 11 July 2018, the ownership interest in this company was 85%.
- (17) Companies incorporated in 2017.
- (18) Companies acquired in 2017.

- (19) On 14 December 2018, Alantra Partners, S.A. and Grupo Mutua reached an agreement (yet to be completed) for the acquisition by Grupo Mutua of approximately 25% of the shares of Alantra Wealth Management Agencia de Valores, S.A. and Alantra Wealth Management Gestión, SGIC, S.A.

Details of jointly-controlled and associates entities at 31 December 2018, and relevant information thereon, are provided below:

	Registered office	Activity	% Shareholding	
			Direct	Direct
Holdings in jointly controlled enterprises				
Alpina Real Estate GP I, S.A. ,en liquidación	Luxembourg	Silent Partner of a limited joint-stock partnership	50.00	-
Alpina Real Estate GP II, S.A. ,en liquidación	Luxembourg	Silent Partner of a limited joint-stock partnership	50.00	-
Alpina Real Estate GP, S.A. ,en liquidación	Luxembourg	Silent Partner of a limited joint-stock partnership	50.00	-
Phoenix Recovery Management, S.L.	Madrid	Acquisition, administration and Management of movable assets, securities portfolios and investments	50.00	-
Tertenia Directorship, S.L. (1)	Madrid	Acquisition, holding, lease, operation and disposal of real estate	-	50.00
Holdings in associates				
Nplus1 Singer Ltd (2)	London	Holding, usufruct and disposal of shares and stakes in non-listed companies	-	27.46
Nplus1 Singer Advisory LLP (3)	London	Financial advisory and consultancy services	-	27.46
Nplus1 Singer Capital Markets Ltd (3)	London	Investment and associated services	-	27.46
Landmark Capital, S.A. (4)	Santiago de Chile	Financial advisory services	-	30.95
Landmark Capital Asesoría Empresarial Ltda. (5)	Sao Paulo	Financial advisory services	-	30.95
Landmark Capital Argentina SRL (5)	Buenos Aires	Financial advisory services	-	30.94
Landmark Capital Colombia SAS (5)	Bogota	Financial advisory services	-	30.95
Nplus1 Daruma Finansal Danışmanlık Hizmetleri A.Ş. (2)	Istanbul	Financial advisory and consultancy services	-	35.00
Nplus1 Daruma Gayrimenkul Kurumsal Finansman Danışmanlık Hizmetleri A.Ş. (2)	Istanbul	Financial advisory and consultancy services	-	35.00
Nplus1 Daruma Turizm Yatırım Finansal Dan.Hiz.A.Ş (6)	Istanbul	Financial advisory and consultancy services	-	28.00

(1) Incorporated and acquired by Alantra REIM, S.L.U. in 2018.

(2) Alantra International Corporate Advisory, S.L.U. owns 100% of Alantra Corporate Finance, S.A.U. and Alantra Deutschland GmbH, 60% of Alantra, s.r.l. and Alantra France Corporate Finance SAS, 100% of Alantra Corporate Finance B.V. and Alantra U.S. Corporation, LLC, 85% of Partnersalantra Portugal LDA, 80% of Alantra Nordics AB, 87.5% of Alantra Greece Corporate Advisors, S.A., 100% of Alantra Chile SPA, 85% of Alantra Belgium, NV, 70% of Alantra Austria & CEE GmbH, 27.46% of Nplus1 Singer Ltd, 35% of Nplus1 Daruma Finansal Danışmanlık Hizmetleri A.Ş and Nplus1 Daruma Gayrimenkul Kurumsal Finansman Danışmanlık Hizmetleri A.Ş, 25% of Alantra AG and 99.99% of Alantra Corporate Finance México, S.A. de C.V. Also, on 25 July 2018, Alantra Partners, S.A. acquired additional interests of 55%, 40% and 21% in Alantra AG, Alantra, s.r.l. and Alantra France Corporate Finance, S.A.S., respectively.

(3) Nplus1 Singer Ltd owns 100% of Nplus1 Singer Advisory LLP and Nplus1 Singer Capital Markets Ltd.

(4) Alantra Chile SPA owns 30.95% of Landmark Capital, S.A.

(5) Landmark Capital, S.A. owns 100% of Landmark Capital Asesoría Empresarial Ltda., 99.96% of Landmark Capital Argentina SRL and 100% of Landmark Capital Colombia SAS.

(6) Nplus1 Daruma Gayrimenkul Kurumsal Finansman Danışmanlık Hizmetleri A.Ş. owns 80% of Nplus1 Daruma Turizm Yatırım Finansal Dan.Hiz.A.Ş

2. Basis of presentation of the summarized consolidated interim financial statements and other information

2.1 Basis of presentation of the condensed consolidated interim financial statements

In accordance with Regulation (EC) No. 1606/2012 of the European Parliament and of the Council of 19 July 2002, all companies governed by the laws of a Member State of the European Union and whose securities are traded on a regulated market in any European Union country must file consolidated financial statements in accordance with the International Financial Reporting Standards ("IFRS") as adopted by the European Union ("IFRS-EU").

The takeover of N+1 IBG (legal acquiree) by the Company (legal acquirer) described in Note 1 resulted in the formation of a listed group of investment firms, which was therefore required in 2015 to prepare for the first-time consolidated financial statements pursuant to IFRS-EU.

The accompanying condensed interim consolidated financial statements were prepared in accordance with the regulatory framework applicable to the Group, which is established in the Spanish Commercial Code and corporate law, and therefore, pursuant to the International Financial Reporting Standards as adopted by the European Union ("IFRS-EU").

The accompanying condensed interim consolidated financial statements as at and for the year ended 31 December 2018 were prepared based on IAS 34 "Interim financial reporting" for the preparation of condensed interim financial statements. In accordance with IAS 34, the financial reporting is solely intended to provide an update on the latest complete set of annual consolidated financial statements, focusing on new activities, events and circumstances that took place during the first half of the year and not duplicating information previously reported in the latest annual consolidated financial statements. These consolidated interim financial statements do not therefore include all the information required in complete consolidated financial statements prepared in accordance with International Financial Reporting Standards. Consequently, for an appropriate understanding of them, they should be read in conjunction with the Alantra Group's consolidated financial statements for the year ended 31 December 2017. The consolidated annual financial statements of the Alantra Group for the year ended 31 December 2017 were approved by shareholders at the General Meeting held on 25 April 2018 and filed with the Madrid Companies Register.

These condensed interim consolidated financial statements were prepared from the Company's accounting records and the individual records of the companies that comprise the Group and are presented in accordance with the financial reporting framework applicable to the Group.

The directors of the Group's parent company are responsible for the information contained in these condensed interim consolidated financial statements.

The Group's consolidated financial statements for 2017 were prepared in accordance with International Financial Reporting Standards as adopted by the European Union and in keeping, basically, with the general format in CNMV Circular 1/2008, of 30 January 2008, on periodic reporting by issuers with securities admitted to trading on regulated markets in the form of six-monthly financial reports, interim management statements and, if appropriate, quarterly financial reports, and subsequent amendments thereto.

CNMV Circular 3/2018, of 28 June, on periodic reporting by issuers with securities admitted to trading on regulated markets, in the form of six-monthly financial reports, interim management statements and, if appropriate, quarterly financial reports, was approved on 29 June 2018, with the aim, inter alia, of adapting the Spanish accounting regime to the changes in European accounting regulations arising from the adoption of IFRS 15 and IFRS 9. In accordance with the single transitional provision of Circular 3/2018, the new formats will be applicable to the information to be submitted to the CNMV from 1 January 2019 onwards and, accordingly, the new financial statement formats will have to be used for the first time in the financial information at 2018 year-end to be submitted to the CNMV.

Therefore, the formats for the consolidated statement of financial position, consolidated statement of profit or loss, consolidated statement of comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows, presented in this consolidated financial information of the Group for 2018, were prepared and are presented in accordance with the new financial statement formats required by Circular 3/2018, which in certain respects differ from the formats used in the Group's consolidated financial statements for 2017 under Circular 1/2008 (now repealed). The most significant differences between the two formats are described in Note 2.4 to these interim condensed consolidated financial statements.

2.2 Comparison of information

As required by corporate law, the information relating to 2017 (audited) contained in these notes to the summarized consolidated interim financial statements is presented for comparison purposes only with the information relating to 2018 (not audited).

Starting on 1 January 2018, IFRS 9 "Financial Instruments" replaced IAS 39 "Financial Instruments and measurement" and includes modifications to the requirements for the classification and measurement of financial assets and liabilities, the impairment of financial assets and the recognition of hedges. The application of IFRS 15, Revenue from Contracts with Customers did not have a material effect on these interim condensed consolidated financial statements.

The most significant changes in IFRS 9 affecting the comparative information are summarised below:

- A category for non-trading financial assets mandatorily at fair value through profit or loss is created.
- The "available-for-sale financial assets" category is replaced by the "financial assets at fair value through other comprehensive income" category.
- The "held-to-maturity investments" category is eliminated.
- The "loans" and "other financial assets" categories are replaced by the "financial assets at amortised cost" category.
- Changes in the names of certain financial statement line items and headings and of the financial statements themselves.

Therefore, the most significant changes were made to the consolidated statement of financial position (formerly called Consolidated Balance Sheet), and the effects of initial application of IFRS 9, Financial Instruments and of the new financial statement formats were not significant in the case of the consolidated statement of profit or loss, consolidated statement of comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows, where only certain minor changes were made to the descriptions of the line items or headings and the names of the financial statements themselves were modified (formerly called, respectively, consolidated income statement, consolidated statement of recognised income and expense, consolidated statement of changes in total equity and consolidated statement of cash flows). The effects of initial application of IFRS 9, Financial Instruments, together with the related name changes, are disclosed in Note 2.4.

The Group elected to use the retrospective approach for the impacts of classification and measurement under IFRS 9, and did not restate the information for prior reporting periods. However, solely for presentation purposes and to assist comparison of the current reporting period with the comparative information for the prior period following the regulatory change, the comparative formats for the consolidated statement of financial position, consolidated statement of profit or loss, consolidated statement of comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows were modified, in order to adapt them to the regulatory changes introduced by IFRS 9. Accordingly, it should be taken into account that those formats differ from those included in the statutory consolidated financial statements for the year ended 31 December 2017. For these purposes, as described in Note 2.4, the new general formats for consolidated financial statements provided in CNMV Circular 3/2018, of 28 June, were employed.

2.3 Non-mandatory accounting policies applied

No non-mandatory accounting principles have been applied. Furthermore, these condensed interim consolidated financial statements were prepared from the Company's accounting records and the individual records of the companies that comprise the Group taking into account all the mandatory accounting principles and standards with a significant effect thereon. No mandatory accounting principle has been omitted.

2.4 Main regulatory changes taking place between 1 January and 31 December 2018

Principle standards, amendments to the existing standards and interpretations of standards entering into force in 2018:

The following amendments to the IFRS and interpretations thereof entered into force in 2018; not having any material impact on the Alantra Group's consolidated financial statements.

The standards, amendments to existing standards and interpretations approved for use in the EU are described hereon:

- **IFRS 9 “Financial Instruments”**. On 24 July 2014 the IASB issued IFRS 9, which replaced IAS 39, and it includes requirements for the classification and measurement of financial assets and liabilities, the impairment of financial assets and the recognition of hedges.

Classification and measurement of financial assets and liabilities

The classification of financial assets will depend on the entity’s business model for their management and the characteristics of contractual cash flows and will mean that financial assets will be measured at amortized cost, at fair value through changes in equity or at fair value through changes in profit or loss. The combined effect of the application of the business model and the characteristics of contractual cash flows may result in differences in the financial instruments measured at amortized cost or at fair value compared with IAS 39.

Investments in debt instruments that are maintained within a business model whose objective is to obtain the contractual cash flows that consist exclusively of payments of principal and interest will generally be measured at amortized cost. When those debt instruments are maintained within a business model whose objective is attained by obtaining contractual cash flows consisting of principal and interest and the sale of financial assets will generally be measured at fair value through changes in other comprehensive income. All other investments in debt and equity will be measured at fair value through changes in profit or loss. However, companies may irrevocably choose to present subsequent changes in the fair value of certain investments in equity instruments under “Other comprehensive income” and, in general, in such cases only dividends will subsequently be recognized in profit and loss.

The categories of financial instruments are similar to those currently contained in IAS 39 and therefore there should not be relevant differences, except for any requirement to record changes in fair value related to own credit risk as a component of equity in the case of financial liabilities measured at fair value.

As a result of the analysis of the business model and the characteristics of contractual cash flows, certain accounting reclassifications have been made that affect both financial assets and any related financial liabilities.

The Group has estimated an immaterial impact on its statement of financial position and equity as a result of the new classification and measurement criteria established by IFRS 9. In particular:

- Interest-free loans to third parties associated with the gross profits or losses obtained by the lender, and receivables at amortized cost (mainly originating from the rendering of services by the Group), remain within a business model whose objective is to collect the contractual cash flows that solely consist of payments of principal and interest, if any, applicable to outstanding principal. These financial assets therefore continue to be measured at amortized cost in accordance with the application of IFRS 9.
- Interest-bearing loans to third parties associated with the gross profit or losses obtained by the lender classified at amortized cost at 31 December 2017 are now measured at fair value through changes in profit or loss (non-current financial assets-at fair value through changes in profit or loss).
- Existing portfolio shareholdings relating to closed entities (basically venture capital companies and funds) that were classified as available-for-sale investments at 31 December 2017 and whose changes in fair value were recognized under equity but taken to profit or loss when sold, are now subject to the Company’s irrevocable decision to classify them in the new category which

does not allow the attribution of those amounts to profit or loss in the event the investment is sold, and only the dividends received are recognized in profit or loss (non-current financial assets-At fair value through changes in other comprehensive income).

- Most investments in mutual funds and listed equities that were classified at 31 December 2017 as available for sale continue to be recognized at fair value, but changes in their value are recognized in profit or loss, which increases volatility (Non-current financial assets-At fair value through changes in profit or loss). The amount of retained earnings and losses, which totals approximately €1,000 net of the tax effect, and therefore immaterial, has been classified to reserves.
- All other financial assets and liabilities and, in particular, those measured at fair value through changes in profit or loss, continue to be measured using the same method previously applied under IAS 39.

Impairment of financial assets

Impairment requirements apply to financial assets measured at amortized cost and at fair value through changes in equity when involving lease agreements and certain loan commitments and financial guarantee agreements.

IFRS 9 requires the application of a model based on expected losses when determining the impairment of financial assets. Under that model the Group has recognized the expected loss, as well as changes in that amount at each reporting date, to reflect changes in credit risk since initial recognition. In other words, it is no longer necessary for an impairment event to take place before recognizing a credit loss.

A provision is required on initial recognition for the expected losses deriving from impairment events that may occur in the coming 12 months ("expected loss at 12 months").

In the event of a significant increase in credit risk, a provision is required for all possible impairment events that are expected over the life of the financial instrument ("expected loss over the duration of the entire transaction").

The assessment of whether the credit risk has significantly increased since initial recognition must be performed for each reporting period, taking into consideration the risk of non-compliance over the remaining life of the financial instrument. The assessment of credit risk and an estimate of expected losses must be carried out such that a weighted and unbiased estimate is obtained, and it must include all relevant information available for the evaluation, including information regarding past events, current conditions and reasonable projections and be supported by future events and economic conditions at the reporting date. The objective is therefore that the recognition and the measurement of impairment take place further in advance on a prospective basis.

The Group has applied the simplified approach to recognize the expected credit loss over the life of its trade and other receivables. The Group applies its own trade receivables risk measurement model to estimate expected losses based on the likelihood of non-payment and the amount of exposure, taking into account the information available for each customer. This model has a general threshold of 12 months of delinquency in order to consider that objective evidence of impairment has arisen. These criteria are applied in the absence of other objective non-compliance evidence such as, among other things, bankruptcy situations. The rest of the financial instruments, essentially loans and other current and non-current financial assets measured at amortized cost, are individually monitored in order to determine when significant impairment of the credit risk may have occurred.

The estimate of the amount of any additional allocation required due to the application of the new model to the financial asset balances maintained at 31 December 2017 totals €362 thousand, and it is therefore immaterial. Each allocation reduces Reserves at 1 January 2018.

Hedge accounting

General hedge accounting involves changes due to the attempt to align the accounts with the financial management of the risk. IFRS 9 also allows hedge accounting to be applied to a larger variety of risks and hedge instruments. The standard does not cover the accounting of the so-called micro-hedge strategies. In order to avoid any conflict between the current accounting for micro-hedges and the new general system for hedge accounting, IFRS 9 includes an accounting policy option to continue applying hedge accounting in accordance with IAS 39.

This section is not applicable since the Group does not engage in hedge accounting.

First application of IFRS 9 impacts

The IASB established 1 January 2018 as the date of obligatory application of IFRS 9, with earlier application being permitted. The Group applied IFRS 9 retrospectively, without restating the comparative information (see Note 2.7).

The adoption of IFRS 9 involved amendments -applicable since 1 January 2018- to certain accounting policies and measurement criteria. The accounting principles and policies and measurement criteria described in Note 3 replace the policies and criteria described in Note 3 to the audited consolidated financial statements of the Alantra Group for the year ended 31 December 2017.

The consolidated statement of financial position as at 31 December 2017, modified for presentation purposes only, is presented below compared with the consolidated statement of financial position authorised for issue as part of the statutory consolidated financial statements for 2017, in which the effects of adoption of the new classification and measurement criteria established in IFRS 9 were not taken into account. Thus, a description of the impact of initial application of IFRS 9 is provided, together with an indication of the significant differences between the consolidated financial statement formats established by CNMV Circular 3/2018 and the formats provided in CNMV Circular 1/2008 (see Note 2.1).

Thousand euros			31/12/2017	Transfer	31/12/2017 Modified
ASSETS	IFRS 9	Note	122,690	-	122,690
NON-CURRENT ASSETS:					
INTANGIBLE ASSETS:					
Goodwill			66,939	-	66,939
Other intangible assets			1,271	-	1,271
PROPERTY, PLANT AND EQUIPMENT			3,127	-	3,127
INVESTMENT PROPERTY			-	-	-
INVESTMENTS ACCOUNTED FOR USING THE EQUITY METHOD			16,058	-	16,058
NON-CURRENT FINANCIAL ASSETS:			32,604	-	32,604
Available for sale	Removed (*)	a	26,272	(26,272)	-
Loans	Removed (*)	b	3,832	(3,832)	-
Other financial assets	Removed (*)	b	1,129	(1,129)	-
At fair value through changes in profit or loss	Modification name (*)	c	1,371	11,459	12,830
At fair value through changes in other comprehensive income	New line	d	-	15,827	15,827
At amortised cost	New line	e	-	3,947	3,947
NON-CURRENT DERIVATIVES	New line		-	-	-
DEFERRED TAX ASSETS			2,691	-	2,691
OTHER NON-CURRENT ASSETS			-	-	-
CURRENT ASSETS:			157,397	-	157,397
NON-CURRENT ASSETS HELD FOR SALE			-	-	-
TRADE AND OTHER RECEIVABLES:					
Trade receivables			41,235	-	41,235
Other receivables			589	-	589
Current tax assets			1,683	-	1,683
CURRENT FINANCIAL ASSETS:	Modification name (*)				
At fair value through profit or loss	New line		-	-	-
At fair value through other comprehensive income	New line		-	-	-
At amortised cost	New line		8,476	-	8,476
CURRENT DERIVATIVES	New line		-	-	-
OTHER CURRENT ASSETS			1,006	-	1,006
CASH AND CASH EQUIVALENTS			104,408	-	104,408
TOTAL ASSETS			280,087	-	280,087

(*) Disclosures provided in Note 9 to the Group's consolidated financial statements for 2017.

<i>Thousand euros</i>					
EQUITY AND LIABILITIES	NIIF 9	Note	31/12/2017	Transfer	31/12/2017 Modified
EQUITY:			205,416	-	205,416
CAPITAL AND RESERVES:			202,922	-	202,922
CAPITAL:					
Authorised capital			111,518	-	111,518
Less: Uncalled capital			-	-	-
SHARE PREMIUM			94,138	-	94,138
RESERVES			(15,364)	-	(15,364)
LESS: TREASURY STOCK			(1,138)	-	(1,138)
PRIOR PERIODS' PROFIT AND LOSS			-	-	-
OTHER MEMBER CONTRIBUTIONS			-	-	-
PROFIT (LOSS) FOR THE PERIOD ATTRIBUTABLE TO THE PARENT	Modification name		30,316	-	30,316
LESS: INTERIM DIVIDEND			(16,548)	-	(16,548)
OTHER EQUITY INSTRUMENTS			-	-	-
			-	-	-
ACCUMULATED OTHER COMPREHENSIVE INCOME:	Modification name		(3,442)	-	(3,442)
ITEMS THAT ARE NOT RECLASSIFIED TO PROFIT AND LOSS FOR THE PERIOD:					
Equity instruments through other comprehensive income	New line	f	-	32	32
Other	New line		-	-	-
ITEMS THAT MAY SUBSEQUENTLY BE RECLASSIFIED TO PROFIT OR LOSS FOR THE PERIOD:					
Available for sale	Removed	f	32	(32)	-
Hedging transactions			-	-	-
Translation differences			(3,474)	-	(3,474)
Share in other comprehensive income for investments in joint ventures and others	New line		-	-	-
Debt instruments at fair value through other comprehensive income	New line		-	-	-
Others			-	-	-
EQUITY ATTRIBUTABLE TO THE PARENT	Modification name		199,480	-	199,480
NON-CONTROLLING INTERESTS	Modification name		5,936	-	5,936

<i>Thousand euros</i>					
EQUITY AND LIABILITIES	NIIF 9	Note	31/12/2017	Tranfer	31/12/2017 Modified
NON-CURRENT LIABILITIES:			15,481	-	15,481
GRANTS			-	-	-
NON-CURRENT PROVISIONS			886	-	886
NON-CURRENT FINANCIAL LIABILITIES					
Debt with financial institutions and bonds and other marketable securities		g	2,350	-	2,350
Other financial liabilities		g	9,799	-	9,799
DEFERRED TAX LIABILITIES			2,025	-	2,025
NON-CURRENT DERIVATIVES	New line		-	-	-
OTHER NON-CURRENT LIABILITIES			421	-	421
CURRENT LIABILITIES:			59,190	-	59,190
LIABILITIES ASSOCIATED WITH NON-CURRENT ASSETS HELD FOR SALE			-	-	-
CURRENTS PROVISIONS			-	-	-
CURRENT FINANCIAL LIABILITIES:					
Debt with financial institutions and bonds and other marketable securities		g	-	-	-
Other financial liabilities			2,905	-	2,905
TRADE AND OTHER PAYABLES:					
Suppliers			7,446	-	7,446
Other payables			45,244	-	45,244
Current tax liabilities			3,305	-	3,305
CURRENT DERIVATIVES	New line		-	-	-
OTHER CURRENT LIABILITIES			290	-	290
TOTAL EQUITY AND LIABILITIES			280,087	-	280,087

- (a) The equity instruments included under "Available-for-Sale Financial Assets" at 31 December 2017 were reclassified to the new line items "Financial Assets at Fair Value through Other Comprehensive Income" (EUR 15,827 thousand) and "Financial Assets at Fair Value through Profit or Loss" (EUR 10,445 thousand).
- (b) The loans and other financial assets at amortised cost were reclassified to the new line items "At Amortised Cost" (EUR 3,947 thousand) and "Financial Assets at Fair Value through Profit or Loss" (EUR 1,014 thousand) (see below).
- (c) The loans to third parties with interest tied to the gross profit or loss obtained by the borrower classified at 31 December 2017 as at amortised cost, amounting to EUR 1,014 thousand, are now measured at fair value through profit or loss. Also, most of the shares in collective investment undertakings and of the listed equity securities that were classified at 31 December 2017 as available-for-sale financial assets, amounting to EUR 10,445 thousand, continue to be measured at fair value, but with changes in their fair value recognised through profit or loss.
- (d) With regard to the portfolio investments relating to closed-end entities (basically venture capital firms and funds), which were classified as available-for-sale financial assets at 31 December 2017, amounting to EUR 15,827 thousand, the Group elected to irrevocably classify these investments in the new FVTOCI category, as a result of which it is not permitted to take the relevant amounts to profit or loss if the investment is sold, and only dividends received from the investments are recognised in profit or loss.
- (e) The loans to third parties without interest tied to the gross profit or loss obtained by the borrower and accounts receivable at amortised cost continue to be measured at amortised cost.
- (f) Transfer of the total balance classified under "Items that May Be Reclassified Subsequently to Profit or Loss – Available-for-Sale Financial Assets", arising from the portfolio investments relating to closed-end entities, amounting to EUR 32 thousand at 31 December 2017, to the new line item "Items that will not Be Reclassified to Profit or Loss - Equity Instruments through Other Comprehensive Income".
- (g) Debt instruments carried at amortised cost. At 31 December 2017, they were not disclosed at line item level, but at heading level, showing the aggregate balance.

The impacts of initial application of IFRS 9 on the consolidated statement of financial position as at 31 December 2017, modified for presentation purposes, to arrive at the consolidated statement of financial position as at 1 January 2018, comprise the effect of changes in the measurement of financial instruments due to their new classification, amounting to EUR 1 thousand, net of the related tax effect, and the effect of impairment losses

under the new standard, amounting to EUR 362 thousand, which resulted in a reduction in reserves at 1 January 2018. These effects are not material to the Group's consolidated financial statements.

The impact of the first application on the Group's financial statements is analysed below:

	Thousand euro				
	IAS 39 31.12.2017	Reclassification	Modified 31/12/17	Valuation adjustments and impairment losses	IFRS 9 Beginning balance sheet 01.01.2018
Assets					
<i>Non-current financial assets</i>					
Available for sale	26,272	(26,272)	-	-	-
At fair value through changes in profit or loss	1,371	11,459	12,830	(1)	12,829
At fair value through changes in other comprehensive income	-	15,827	15,827	-	15,827
Loans (cost)	3,832	(758)	3,074	(36)	3,038
Other financial assets (cost)	1,129	(256)	873	(13)	860
	32,604	-	32,604	(50)	32,554
<i>Trade and other receivables</i>					
Trade receivables for sales and services rendered (cost)	41,235	-	41,235	(310)	40,925
Other receivables (cost)	589	-	589	-	589
	41,824	-	41,824	(310)	41,514
<i>Other current financial assets</i>					
Deposits (cost)	7,925	-	7,925	-	7,925
Other financial assets (cost)	551	-	551	(3)	548
	8,476	-	8,476	(3)	8,473

- **IFRS 15 “Revenue from contracts with customers”**. Establishes the principles that a company must apply to recognize revenue and cash flows deriving from contracts with customers for the sale of goods or services.

Under this new standard, companies will recognize the revenue deriving from a contract with customers when it has satisfied its obligation to transfer goods or to perform services for its customers in accordance with the relevant contract, and a good or service is considered to have been transferred when the customer obtains control over the item. The amount that must be recognized will be that which reflects the payment that is expected for the transferred goods or services.

IFRS 15 replaces IAS 18- “Revenue”, IAS 11- “Construction contracts”, IFRIC 13 - “Customer loyalty programs”, IFRIC 15- “Agreements for the construction of real estate”, IFRIC 18 - “Transfers of assets from Customers” and SIC 31 - “Revenue-Barter transactions involving advertising services”.

This standard entered into force on 1 January 2018 and did not have a material impact on the Group's consolidated financial statements.

- **Amendment of IFRS 2 - “Classification and measurement of share-based payments”**. The amendments made to IFRS 2 establish the requirements to be applied in three aspects:
 - When measuring the fair value of a share-based payment settled in cash, conditions for the irrevocable nature of the grant other than market conditions will only be taken into account to adjust the number of shares to be included in the transaction amount.
 - When a company retains a number of equity instruments that equals the cash value of the legal obligation to withhold taxes in a transaction that would be classified as a share-based payment settled using equity instruments, the entire transaction will be classified as a share-based payment settled using equity instruments.

- When a share-based payment that is settled in cash despite being classified as a share-based payment settled using equity instruments, the change will be recognized by eliminating the original liability and recognizing the fair value of the equity instruments granted under equity for which goods or services were received on the change date. Any differences will be recognized immediately in the income statement.

This standard entered into force on 1 January 2018 and did not have a material impact on the Group's consolidated financial statements.

- **Amendment of IFRS 4 "Insurance Contracts"**. The amendments made to IFRS 4 cover the accounting repercussions deriving from applying IFRS 9 before the future standard on insurance contracts through the introduction of two solutions whose application is optional:
 - The deferral or temporary exemption approach, which allows companies whose primary activities are related to an insurance business to defer the application of IFRS 9 and to continue applying IAS 39 until 2021.
 - The overlapping approach, which allows any company that issues insurance contracts to recognize in equity, instead of the income statement, the additional accounting volatility arising from the application of IFRS 9 compared with IAS 39 prior to the application of the future standard regarding insurance contracts.

This standard entered into force on 1 January 2018 and did not have a material impact on the Group's consolidated financial statements.

- **Amendment of IAS 40 "Reclassification of investment properties"**. The amendments establish that a company will transfer a property to, or from, investment properties only when there is a change in the use of a property supported by evidence that such a change has occurred. A change in use is considered to have taken place when the property meets, or ceases to meet, the definition of investment property.

This standard entered into force on 1 January 2018 and did not have a material impact on the Group's consolidated financial statements.

- **IFRIC 22 - "Foreign currency transactions and advance consideration"**. The interpretation covers how to determine the date of the transaction and, therefore, the exchange rate to be used to convert the related asset, expense or income on initial recognition in circumstances in which there was no previous recognition of a non-cash asset for advance consideration or a non-cash liability for deferred income deriving from the advance payment or collection of the consideration, and it establishes that the transaction date will be that on which the company initially recognizes the non-cash asset or the non-cash liability. If there are several advance payments or collections, the company will determine a transaction date for each advance consideration payment made or received.

This standard entered into force on 1 January 2018 and did not have a material impact on the Group's consolidated financial statements.

- **Improvements to IFRSs, 2014-2016 cycle**. Minor amendments are made to a series of standards (IFRS 1 and IAS 28). The changes are effective for reporting periods beginning on or after 1 January 2018 and earlier application is permitted.

The main standards, amendments to existing standards and interpretations of standards that have not entered into force at 31 December 2018:

At the date these condensed consolidated interim financial statements were prepared International Financial Reporting Standards, and interpretations, had been issued and amended but were not mandatory at 31 December 2018. Although in some cases the early application of these standards, amendments or interpretations is allowed before entering into force, the Group has not yet applied them as it is analysing the effects that they could have.

The standards, amendments and interpretations approved for use in the European Union are set out below:

- **IFRS 16 "Leases"**. It will enter into force on 1 January 2019 and replaces IAS 17 and the current associated interpretations. The main novelty is that there will be a single accounting model for lessees, which will include all leases that have an impact similar to current finance leases (the asset will be depreciated due to wear and tear and the financial expense at the amortised cost of the liability) in the statement of financial position (with some limited exceptions). There are substantially no changes in lessor accounting, so that lessors will continue to apply a model similar to that prescribed by IAS 17.

IFRS 16 is based on a control model for identifying leases and draws a distinction between leases of an identified asset and contracts to receive services. It includes certain practical expedients and allows short-term leases and leases of low-value assets to be accounted for directly as an expense.

The distinction between finance and operating leases is eliminated as there is a single lease accounting model in which all leases are recognised in the consolidated statement of financial position (an asset and an associated liability are recognised).

Entities must measure the lease liabilities at the present value of their lease payments. These liabilities will include fixed payments and in-substance fixed payments, as well as variable lease payments that depend on an index or a rate (such as a consumer price index or a reference interest rate). Lease liabilities do not include variable payments linked to future performance or use of an underlying asset (for example, variable payments dependent on sales).

In 2018 management conducted an analysis with the assistance of the areas concerned to assess the total effect of applying IFRS 16 on the Alantra Group's consolidated financial statements. This assessment indicated that, for arrangements that meet the definition of a lease under IFRS 16, the Group will recognise a right-of-use asset and the related liability unless they qualify as low-value or short-term leases. Accordingly, it is considered that both the leases of offices of the controlling company and its subsidiaries and the full-service leases of certain vehicles will be recognised in the consolidated statement of financial position.

An entity may initially apply IFRS 16 using a full retrospective approach or a cumulative catch-up approach. If the entity elects to apply the second approach, it shall not restate comparative information, and shall recognise the cumulative effect of initially applying the Standard as an adjustment to the opening balance of equity at the date of initial application.

With regard to the estimated effect on these consolidated financial statements, the Group has elected to apply the cumulative catch-up approach, whereby it will recognise lease liabilities at an amount equal to the present value of the future payment commitments at 1 January 2019. With respect to assets, the Group has elected to recognise right-of-use assets at an amount equal to the lease liabilities.

- **Amendment of IFRS 9 "Prepayment features with negative compensation"**. This amendment introduces changes to the SPPI test (solely payments of principal and interest) to allow, under certain circumstances, assets that are repaid early by the borrower and which involve the payment of compensation

reflecting the changes in interest rates to be measured at amortized cost subject to the rest of the criteria established by IFRS 9.

This amendment will be applicable to all years commencing as from 1 January 2019, although early adoption is allowed.

- **IFRIC 23 “Uncertainty over income tax treatments”**. This interpretation clarifies how the recognition and measurement criteria established by IAS 12 should be applied when there is uncertainty regarding the acceptance by tax authorities of a certain tax treatment used by the Company. The company must determine whether it will consider each tax treatment involving uncertainty separately or together with others based on an approach that allows for the best prediction as to the final outcome of the uncertainty and analysing whether the uncertainty will affect its financial statements. The company must also evaluate if the tax authorities will accept a certain tax treatment assuming that the authorities will review all tax items and will have access and knowledge of all related information. Finally, the interpretation requires that the company consistently apply judgments in the estimates of current and deferred taxes and that it reassesses those judgments and estimates when there are changes in the facts and circumstances. The effect of those changes must be recognized as a change in estimates. This interpretation is applicable in all years commencing as from 1 January 2019.

The standards, amendments and interpretations not yet approved for use in the European Union are set out below:

- **Amendment of IAS 28 “Non-current interests in associates and joint Ventures”**. Clarifies that IFRS 9 must be applied to non-current interests in associates and joint ventures if the equity method is not applied. This amendment is applicable in all years commencing as from 1 January 2019.
- **Improvements to IFRS, 2015-2017 cycle**. Minor amendments to IFRS 3-Business combinations; IFRS 11- Joint arrangement; IAS 12- Income taxes and IAS 23- Borrowing costs. The amendments are effective in all periods commencing as from 1 January 2019.
- **Amendment of IAS 19 “Modification, reduction or liquidation of a plan”**. Based on the proposed amendments, when there is a change in a defined benefit plan (due to a modification, reduction or liquidation), the Company will use discounted assumptions when determining the cost of services and the net interest for the period after the plan is changed. The amendments are effective in all periods commencing as from 1 January 2019.
- **Definition of a Business (Amendments to IFRS 3)** This amendment provides clarifications on the definition of a business and will be applicable for reporting periods beginning on or after 1 January 2020.
- **Definition of Material (Amendments to IAS 1 and IAS 8)**, This amendment is intended to align the definition of material with the definition in the conceptual framework and will be applicable for reporting periods beginning on or after 1 January 2020.
- **IFRS 17 “Insurance Contracts”**. Replaces IFRS 4. Covers the principles for recognising, measuring, reporting and disclosing insurance contracts in order for the Company to provide relevant and reliable information that allows users of the financial information to determine the effect that the contracts have on the company’s financial statements. This standard will be applicable in years commencing 1 January 2021 (date of first application), although the presentation of comparative information is mandatory (the transition date is 1 January 2020). Early application is allowed provided that on the date of first application IFRS 15 and IFRS 19 are also applied. IFRS 17 must be applied retroactively unless impractical.

2.5 Basis of consolidation

2.5.1. Subsidiaries

Subsidiaries are defined as entities over which the Group has the capacity to exercise control; control is, in general but not exclusively, presumed to exist when the Company owns directly or indirectly 50% or more of the voting rights of the investee or, even if this percentage is lower or zero, when, for example, there are other circumstances or agreements that give the Company control. A company has control over another investee when it is exposed or has rights to variable returns from its involvement with the investee, and when it has the ability to use its power to affect its returns, even if the aforesaid percentage stake is not held.

The financial statements of the Group's subsidiaries are fully consolidated as per prevailing accounting standards. The following criteria, inter alia, were therefore adopted during consolidation:

1. All material balances and results of transactions carried out between consolidated companies, along with the material results of internal transactions that did not involve third parties were eliminated on consolidation.
2. Minority shareholders' shares in the equity and results of consolidated subsidiaries are shown under "Noncontrolling interests" in the consolidated statement of financial position and under "Profit (loss) attributable to noncontrolling interests" in the consolidated profit and loss statement, respectively.
3. On acquisition, the assets, liabilities and contingent liabilities of a subsidiary are recognised at their fair value at the date of acquisition. Any excess of the cost of acquisition over the fair value of the identifiable net assets acquired is recognised as goodwill. Any negative differences are taken to income on the acquisition date.
4. When control over an associate is acquired, the investment prior to the date of acquisition is measured at fair value. Any positive or negative differences compared to the carrying amount are recognised under the line item "Gain (loss) on disposal of financial instruments - Other financial instruments" in the consolidated profit and loss statement.
5. Any changes in the equity of consolidated subsidiaries as from the date of acquisition that are not due to changes in the percentages of capital held or percentage share of results, or to changes in their valuation adjustments are recognised under "Reserves" in the consolidated statement of financial position.

Loss of control over a subsidiary

When control over a subsidiary is lost, for consolidation purposes only, the profit or loss recognised in the separate financial statements of the company reducing its equity interest must be adjusted as per the following criteria:

- a. The amount relating to the reserves in consolidated companies generated since acquisition is taken to reserves in the company, reducing its equity interest.
- b. The amount relating to income and expenses generated by the subsidiary during the year until the date control is lost is presented based on its substance.
- c. The amounts relating to income and expenses recognised directly in the subsidiary's equity since the acquisition date that have not been taken to consolidated profit or loss are reclassified based on their substance. Associated translation differences are recognised under "Translation differences" in the consolidated profit and loss statement.

- d. Any profit or loss existing after such adjustments have been made is recognised in the consolidated profit and loss statement.

If control is lost without divestment of the equity interest in the subsidiary, the result of the transaction is also presented in the consolidated profit and loss statement.

On the other hand, if the subsidiary in question becomes a jointly-controlled entity or associate, it is consolidated using the equity method on initial recognition at the fair value of the shareholding retained at said date. The balancing entry of the adjustment needed to measure the new equity interest at fair value is recognised as per the criteria described in the previous points.

Lastly, and for consolidation purposes only, an adjustment must be recognised in the consolidated profit and loss statement to recognise non-controlling interests of income and expenses generated by the subsidiary during the year until the date control is lost, and in the income and expenses recognised directly in Equity transferred to profit and loss statement.

2.5.2. Jointly-controlled entities

A jointly-controlled entity is an entity which, not being a subsidiary, is jointly controlled by the Group and one or more companies not related to the Group. This heading includes joint ventures. Joint ventures are contractual arrangements whereby two or more entities (“venturers”) undertake an economic activity or hold assets so that any strategic financial or operating decisions affecting them requires the unanimous consent of all venturers, and those operations and assets are not part of any financial structure other than those of the venturers. Jointly-controlled entities are measured using the equity method, as defined in prevailing accounting standards and below.

2.5.3. Associates

Associates are defined as companies over which the Company is in a position to exercise significant influence, but not control or joint control. This influence is usually evidenced by a direct or indirect holding of 20% or more of the investee’s voting rights, unless it can be clearly demonstrated that such influence does not exist. Associates are measured using the equity method, as defined in prevailing accounting standards.

On acquisition, associates are recognised at fair value under “Investments accounted for using the Equity method” in the consolidated statement of financial position. Fair value is equal to the share of the investee’s equity held, excluding any treasury shares. Goodwill generated due to any excess of the cost of acquisition over the fair value of the identifiable net assets acquired is recognised as part of the value of the equity interest held under “Investments accounted for using the equity method” and not separately under “Intangible assets – Goodwill”.

Associates were consolidated using the equity method. Investments in associates were therefore measured for an amount equivalent to the Group’s share of the associates’ capital, after taking into account the dividends received and other equity eliminations. The profit or loss of associates is recognised for an amount equal to the percentage of equity held under “Profit (loss) of equity - accounted investees” in the consolidated profit and loss statement. If, as a result of losses incurred by an associate, its equity were negative, the investment would be presented in the Group’s consolidated statement of financial position with a zero value, unless the Group is obliged to give it financial support.

Pursuant to prevailing accounting rules, when there is evidence of impairment of investments in associates, the amount of the impairment is estimated as the negative difference between the recoverable amount (calculated as the higher of fair value of the investment less costs to sell and value in use; value in use is defined as the present value of the cash flows expected to be received on the investment in the form of dividends and those from its sale or other disposal) and the carrying amount. Unless there is better evidence of the recoverable

amount of the investment, the estimate of impairment of this asset class is based on the equity of the investee (consolidated where applicable) adjusted for unrealised gains at the date of measurement. Losses due to impairment of these investments are recognised under “Impairment loss/reversal on financial instruments” in the consolidated profit and loss statement. The reversal of any impairment loss is limited to the carrying amount of the investment that would have been recognised at the reversal date had no impairment loss been recognised.

In accordance with IAS 28, any investments in associates held indirectly through private equity firms, investment funds, unit trusts or similar entities are not accounted for using the equity method. Since Alantra Dinamia Portfolio II, S.L. is considered to be an “investment firm” for the purposes defined in IFRS 10, this entity is classified in this group and therefore the investees over which the Group has significant influence through the subsidiary Alantra Dinamia Portfolio II, S.L. are excluded from the requirement to be accounted for using the equity method. These investees are measured at fair value through profit and loss (see note 8) and recognised under “Non-current financial assets – At fair value thorough profit or loss” in the consolidated statement of financial position.

2.5.4 CISs and private equity firms

Where the Group incorporates entities or holds stakes in them in order to provide its customers with access to certain investments, consideration is given pursuant to internal criteria and procedures and considering IFRS 10 as to whether the Group controls them and therefore, whether or not they should be consolidated. These methods and procedures take into consideration, inter alia, the risks and rewards retained by the Group, including all material items such as guarantees given or losses associated with the collection of receivables retained by the Group. These entities include CISs and private equity firms managed by the Group, which are not consolidated as the stipulations on the Group’s control over them are not met. Specifically, the Group acts as an agent not a principal because it does so in the name of and to the benefit of investors or parties concerned (the principal or principals) and therefore, does not control said undertakings or vehicles when it exercises its decision-making powers.

In the case of both subsidiaries and jointly-controlled entities and associates, the results of companies acquired during the year are included in the consolidated profit and loss statement from the date of acquisition to year-end. Similarly, the results of subsidiaries disposed of during the year are included in the consolidated profit and loss statement from the beginning of the year to the date of disposal.

In the case of Group companies whose accounting and measurement methods differ from those of the parent, adjustments based on the Group’s criteria were made upon consolidation in order to present the consolidated financial statements on a like-for-like basis.

Details of consolidated companies and the most relevant information thereon at 31 December 2018 and 2017, including the most relevant disclosures on acquisitions and disposals in the period are provided below:

Investments in Group companies at 31 December 2018:

	% Shareholding		Thousands of Euros								
	Direct	Indirect	Figures for each Company as at 31 December 2018 (1) (6)						Profit (Loss)		
			Share Capital	Reserves and Share Premium	Valuation Adjustments	Interim Dividends	Total Assets	Total Liabilities	Operating	Direct	
Alantra Equity and Credit Management, S.A.U. (2)	100%	-	60	405	-	-	-	513	54	(8)	(6)
Alantra Investment Managers, S.L.U. (2)	100%	-	343	751	(64)	(2,500)	3,312	36	4,812	4,818	4,818
Alantra Capital Privado, S.G.E.I.C., S.A.U. (3)	-	100%	311	562	(151)	-	7,570	3,394	4,483	3,454	3,454
Alantra Private Equity Servicios, S.L.U. (2)	-	100%	3	188	-	-	170	-	(26)	(21)	(21)
Nmás1 Private Equity International S.á.r.l. (2)	-	100%	41	(70)	-	-	6	6	28	29	29
Alantra Private Equity Advisor, S.A.U.(2)	-	100%	60	(40)	-	-	18	-	(3)	(2)	(2)
Mercapital Private Equity S.G.E.I.C., S.A.U. (3)	-	100%	301	60	-	-	681	301	33	19	19
Paulonia Servicios de Gestión, S.L.U. (2)	-	100%	5	(3)	-	-	4	3	(1)	(1)	(1)
Partilionia Administración, S.L.U. (2)	-	100%	4	(1)	-	-	3	-	-	-	-
Mideslonia Administración, S.L.U. (2)	-	100%	5	(2)	-	-	4	1	-	(1)	(1)
Flenox, S.L.U. (2)	-	100%	6	(4)	-	-	3	2	(6)	(6)	(6)
EOMC GP LLC (2)	-	60%	-	(91)	1	-	-	96	(6)	(6)	(6)
Alteralia Management, S.á.r.l. (2)	-	100%	13	(17)	-	-	141	141	5	4	4
Brooklin Buy-Out Limited (3)	-	100%	3	-	-	-	116	113	(1)	-	-
Alteralia II Management, S.á.r.l. (2)	-	100%	12	-	-	-	414	392	10	10	10
Alantra Infrastructure, S.L.U. (2)	100%	-	6	4,439	-	-	4,471	5	(5)	21	21
Alantra International Corporate Advisory, S.L.U. (3)	100%	-	118	43,359	-	-	65,336	11,276	11,537	10,583	10,583
Alantra Corporate Finance, S.A.U. (3)	-	100%	61	63	-	-	13,275	8,856	8,133	4,295	4,295
Alantra Corporate Portfolio Advisors, S.L. (3)	-	60%	8	5,498	-	-	19,792	9,298	9,901	4,988	4,988
Alantra Deutschland GmbH (3)	-	100%	25	2,378	-	(3,000)	15,002	10,433	7,654	5,166	5,166
Alantra s.r.l. (2)	40%	60%	100	19	-	-	5,317	4,226	1,783	972	972
Alantra France Corporate Finance SAS (3)	21%	79%	936	166	-	-	6,623	4,092	2,140	1,429	1,429
Alantra Corporate Finance, B.V. (2)	-	100%	15	845	-	-	644	1,190	(1,406)	(1,406)	(1,406)
Partnersalantra Portugal LDA (2)	-	85%	33	212	-	-	1,292	520	580	527	527
Alantra Nordics AB (2)	-	80%	26	42	(11)	-	1,544	698	820	789	789
Alantra Greece Corporate Advisors, S.A. (2)	-	87.50%	50	(334)	-	-	3,039	2,451	1,122	872	872
Alantra Chile SPA (2)	-	100%	4,877	(1,282)	(509)	-	3,039	34	121	(81)	(81)
Alantra U.S. Corporation LLC (2)	-	100%	25,771	(175)	(719)	-	27,899	2,045	1,041	977	977
Alantra, LLC (4)	-	100%	2,938	1,490	(118)	-	34,712	31,278	(684)	(876)	(876)
Alantra Belgium, NV (3)	-	85%	500	9	-	-	442	128	(193)	(195)	(195)
Aantra Corporate Portfolio Advisors (Ireland) Limited (formerly Alantra Ireland Corporate Finance Limited (2)	-	42%	-	(67)	-	(156)	605	372	511	456	456
Alantra Austria & CEE GmbH (2)	-	70%	117	614	-	-	390	512	(853)	(853)	(853)
Alantra Equities, Sociedad de Valores, S.A. (3)	50.01%	-	2,000	1,032	-	-	4,023	783	268	208	208
Alantra Asset Management, S.G.I.I.C., S.A.U. (3)	100%	-	300	750	-	(2,000)	7,158	6,028	2,777	2,080	2,080
QMC Directorship, S.L.U. (2)	-	100%	3	5	-	-	144	71	88	65	65
Baruch Inversiones, S.L.(2)	46.56%	-	28	(189)	85	(15,852)	9,616	7,790	(1,412)	17,754	17,754
Alantra Debt Solutions, S.L. (2)	75%	-	4	1	-	-	1,790	1,128	876	657	657
Alantra REIM, S.L.U. (2)	100%	-	10	498	-	-	1,982	996	600	478	478
Alantra Dinamia Portfolio II, S.L. (2)	100%	-	100	20	1,636	(1,000)	3,331	864	38	1,711	1,711
Alantra Wealth Management Gestión, S.G.I.I.C., S.A. (3)	50.01%	-	543	132	-	-	2,986	2,210	107	101	101
Alantra Wealth Management, A.V., S.A. (3)	50.01%	-	380	1,150	-	-	4,826	3,215	83	81	81
Alantra Capital Markets, S.V., S.A.U. (3)	100%	-	730	1,416	-	-	3,760	1,539	132	75	75
Alantra Corporate Finance, LLP (formerly Catalyst Corporate Finance, LLP) (3)	100%	-	926	3,125	(80)	-	14,045	6,139	3,924	3,935	3,935
Alantra EQMC Asset Management, S.G.I.I.C., S.A. (3)	-	60%	125	475	-	-	7,019	3,611	3,884	2,808	2,808
Alantra Corporate Portfolio Advisors International Limited (2)	-	42%	2,252	309	(475)	-	7,866	5,037	680	743	743
Quattrocento, S.A.S. (2)	100%	-	1	181	-	-	194	17	(5)	(5)	(5)
Alantra Corporate Finance México, S.A. de C.V. (2)	-	99.99%	1	-	-	-	116	156	(37)	(41)	(41)
Alantra Corporate Portfolio Advisors (Italy), s.r.l. (2)	-	100%	10	-	-	-	10	-	-	-	-
Alantra AG (2)	55%	25%	164	578	109	-	5,931	2,603	3,147	2,477	2,477

- (1) Figures from separate annual financial statements except for Alantra, LLC.
(2) Companies whose annual financial statements are not audited, although they are submitted to a limited review for the purposes of an audit of the consolidated financial statements.
(3) Companies whose annual financial statements are subject to statutory audit by Deloitte.
(4) Company whose annual financial statements are subject to an audit of consolidated financial statements.
(5) The profit or loss of each entity for the whole of 2017 is included, irrespective of the date on which it was included in the Group.
(6) Unaudited figures at the date of presentation of the Condensed Interim Consolidated Financial Statements.

Investments in Group companies at 31 December 2017:

	% Shareholding		Thousands of Euros							
			Figures for each Company as at 31 December 2017 (1)							
	Direct	Indirect	Share Capital	Reserves and Share Premium	Valuation Adjustments	Interim Dividends	Total Assets	Total Liabilities	Profit (Loss)	
									Operating	Net
Alantra Equity and Credit Management, S.A.U. (2)	100%	-	60	405	-	-	691	177	65	49
Alantra Investment Managers, S.L.U. (2)	100%	-	343	751	-	(2,000)	1,899	-	2,801	2,805
Alantra Capital Privado, S.G.E.I.C., S.A.U. (3)	-	100%	311	562	-	-	8,924	4,285	5,095	3,766
Alantra Private Equity Servicios, S.L.U. (2)	-	100%	3	238	-	-	191	-	(67)	(50)
Nmás1 Private Equity International Limited S.à.r.l. (2)	-	100%	41	-	-	-	59	41	(21)	(23)
Alantra Private Equity Advisor, S.A.U.(2)	-	100%	60	(38)	-	-	45	26	(3)	(3)
Mercapital Private Equity S.G.E.I.C., S.A.U. (3)	-	100%	301	60	-	-	2,076	649	1,421	1,066
Paulonia Servicios de Gestión, S.L.U. (2)	-	100%	5	(3)	-	-	5	3	-	-
Partilonia Administración, S.L.U. (2)	-	100%	4	(1)	-	-	4	1	-	-
Mideslonia Administración, S.L.U. (2)	-	100%	5	(2)	-	-	5	2	-	-
Flenox, S.L.U. (2)	-	100%	6	(3)	-	-	4	3	(2)	(2)
EQMC GP LLC (2)	-	100%	-	(30)	5	-	-	74	(49)	(49)
Alteralia Management, S.à.r.l. (2)	-	100%	13	(41)	-	-	130	137	22	21
Brooklin Buy-Out Limited (3)	-	100%	3	-	-	-	95	92	-	-
Alteralia II Management, S.à.r.l. (2)	-	100%	12	-	-	-	12	2	(2)	(2)
Alantra Infrastructure, S.L.U. (2)	100%	-	6	534	-	-	599	11	(40)	48
Alantra International Corporate Advisory, S.L. (3)	100%	-	118	33,192	-	-	57,624	10,075	8,814	14,239
Alantra Corporate Finance, S.A.U. (3)	-	100%	61	63	-	-	13,667	8,171	6,667	5,373
Alantra Corporate Portfolio Advisors, S.L. (3)	-	70%	10	107	-	(604)	11,774	5,690	8,764	5,932
Alantra Deutschland GmbH (3)	-	100%	25	1,700	-	(2,000)	11,419	9,016	3,967	2,678
Alantra s.r.l. (2)	-	60%	100	45	-	-	2,165	1,479	750	541
Alantra France Corporate Finance SAS (3)	-	60%	936	69	-	-	9,398	5,744	3,722	2,649
Alantra Corporate Finance, B.V. (2)	-	100%	15	(187)	-	-	3,029	2,169	1,271	1,032
Partnersalantra Portugal LDA (formerly Másuno Portugal Corporate Finance, Unipessoal LDA) (2)	-	85%	33	380	-	-	462	216	(165)	(167)
Alantra Nordics AB (2)	-	80%	26	484	(12)	-	336	282	(440)	(444)
Alantra Greece Corporate Advisors, S.A. (2)	-	87.50%	50	(222)	-	-	387	671	(104)	(112)
Alantra Chile SPA (formerly Nmás1 Chile SPA) (2)	-	100%	4,439	(1,283)	14	-	3,194	28	247	(4)
Alantra U.S. Corporation LLC (2)	-	100%	22,192	791	(723)	-	24,190	2,869	(47)	(939)
Alantra, LLC (4)	-	100%	1,636	377	(323)	-	37,580	33,560	1,912	2,344
Alantra Belgium, NV (3)	-	58.11%	186	-	-	-	1,848	1,492	258	170
Alantra Ireland Corporate Finance Limited (2)	-	100%	-	-	-	-	85	155	(70)	(70)
Alantra Austria & CEE GmbH (formerly VK Advisory GmbH) (2)	-	70%	117	1,243	-	-	968	172	(564)	(564)
Alantra Equities, Sociedad de Valores, S.A. (3)	50.01%	-	2,000	828	-	(1,700)	6,658	3,802	2,327	1,728
Alantra Asset Management, S.G.I.I.C., S.A.U. (3)	100%	-	300	750	-	-	15,964	11,780	4,179	3,134
QMC Directorship, S.L.U. (2)	-	100%	3	3	-	-	199	191	4	2
Baruch Inversiones, S.L.(2)	46.56%	-	276	(39)	1,492	(307)	1,821	45	-	354
Alantra Debt Solutions, S.L. (2)	75%	-	4	1	-	-	1,011	701	406	305
Alantra REIM, S.L.U. (2)	100%	-	10	(602)	-	-	719	1,209	137	102
Alantra Dinamia Portfolio II, S.L. (2)	100%	-	100	634	1,801	(614)	5,333	1,464	(1)	1,948
Alantra Wealth Management Gestión, S.G.I.I.C., S.A. (3)	50.01%	-	544	115	-	-	3,324	2,348	317	317
Alantra Wealth Management, A.V., S.A. (3)	50.01%	-	380	1,547	-	-	5,553	3,531	90	95
Alantra Capital Markets, S.V., S.A.U. (3)	100%	-	730	1,386	-	-	3,906	1,125	929	665
Catalyst Corporate Finance, LLP (3)(5)	100%	-	1,281	2,371	(37)	-	8,533	4,718	14,672	2,717

- (1) Figures from separate annual financial statements except for Alantra, LLC.
- (2) Companies whose annual financial statements are not audited, although they are submitted to a limited review for the purposes of an audit of the consolidated financial statements.
- (3) Companies whose annual financial statements are subject to statutory audit by Deloitte.
- (4) Company whose annual financial statements are subject to an audit of consolidated financial statements.
- (5) The profit or loss of each entity for the whole of 2017 is included, irrespective of the date on which it was included in the Group.

Interests in associates and jointly-controlled entities at 31 December 2018:

	% Shareholding		Carrying Amount (*)	Accumulated Impairment (*)	Thousands of Euros Figures for each Company as at 31 December 2018 (1) (5)								
					Capital Capital	Reserves and Share Premium	Valuation Adjustment	Dividendos Dividends	Total Liabilities Share	Total Capital	Profit (loss)		
	Direct	Indirect							Total Operating	Capital			
Jointly-controlled companies:													
Alpina Real Estate GP I, S.A., en liquidación (2)	50%	-	65	(43)	31	14	-	-	75	30	-	-	(1)
Alpina Real Estate GP II, S.A., en liquidación (2)	50%	-	16	-	31	120	-	-	206	55	-	-	(5)
Alpina Real Estate GP, S.A., en liquidación (2)	50%	-	16	-	31	218	-	-	466	222	(4)	-	64
Phoenix Recovery Management, S.L. (3)	50%	-	102	-	4	224	-	-	970	678	88	-	-
Tertenia Directorship, S.L. (2)	-	50%	2	-	3	-	-	(225)	79	-	301	-	301
Associates:													
Nplus1 Singer Ltd (3)	-	27.46%	6,081	-	128	27,970	(2,404)	-	45,294	12,253	9,293	-	7,347
Landmark Capital, S.A. (3)	-	30.95%	4,525	(1,840)	1,082	(43)	(16)	-	2,766	919	1,152	-	824
Nplus1 Daruma Finansal Danışmanlık Hizmetleri A.Ş.	-	35%	470	(470)	-	-	-	-	-	-	-	-	-
Nplus1 Daruma Gayrimenkul Kurumsal Finansman Danışmanlık Hizmetleri A.Ş.	-	35%	35	(35)	-	-	-	-	-	-	-	-	-
Nplus1 Daruma Turizm Yatırım Finansal Dan.Hiz.A.Ş.	-	28%	13	-	-	-	-	-	-	-	-	-	-

(*) In the separate financial statements of the company holding the equity interest.

(1) Unaudited data

(2) Figures from separate financial statements, except for Nplus1 Singer Ltd and Landmark Capital, S.A., for which consolidated data are provided.

Interests in associates and jointly-controlled entities at 31 December 2017:

	% Shareholding		Carrying Amount (*)	Accumulated Impairment (*)	Thousands of Euros							
					Figures for each Company as at 31 December 2018 (1)							Profit (loss) (4)
	Direct	Indirect			Share Capital	Reserves and Share Premium	Valuation Adjustment	Interim Dividends	Total Assets	Total Liabilities	Operating	Net
Holdings in jointly controlled enterprises:												
Alpina Real Estate GP I, S.A. (2)	50%	-	65	(43)	31	17	-	-	78	33	(3)	(3)
Alpina Real Estate GP II, S.A. (2)	50%	-	15	-	31	113	-	-	210	60	9	6
Alpina Real Estate GP, S.A. (2)	50%	-	16	-	31	220	-	-	472	223	(2)	(2)
Phoenix Recovery Management, S.L. (3)	50%	-	102	-	4	224	-	-	818	523	90	67
Holdings in associates:												
Nplus1 Singer Ltd (3)	-	27.35%	6,057	-	127	25,354	(2,240)	-	60,774	29,471	10,205	8,062
Alantra AG (2)	-	25%	2,565	-	164	637	(173)	-	7,360	2,529	5,296	4,203
Landmark Capital, S.A. (3)	-	30.95%	4,692	(1,706)	1,158	33	(45)	-	2,090	472	788	472
Nplus1 Daruma Finansal Danışmanlık Hizmetleri A.Ş. (2)	-	35%	470	(470)	-	-	-	-	-	-	-	-
Nplus1 Daruma Gayrimenkul Kurumsal Finansman Danışmanlık Hizmetleri A.Ş. (2)	-	35%	35	(35)	-	-	-	-	-	-	-	-
Nplus1 Daruma Turizm Yatırım Finansal Dan.Hiz.A.Ş. (2)	-	28%	13	-	-	-	-	-	-	-	-	-

(*) In the separate financial statements of the company holding the equity interest.

- (1) Figures from separate annual financial statements, except for Nplus1 Singer Ltd and Landmark Capital, S.A., which are from consolidated accounts.
- (2) Companies whose annual financial statements are not audited, although they are submitted to a limited review for the purposes of an audit of the consolidated financial statements.
- (3) Companies whose annual financial statements are audited by Deloitte and at the consolidated level in the cases of Nplus1 Singer Ltd and Landmark Capital, S.A.
- (4) The profit or loss of each entity for the whole of 2017 is included, irrespective of the date on which it was included in the Group.

Separate financial statements

The separate financial statements of the Group's parent (Alantra Partner, S.A.) were prepared in accordance with the Spanish general Chart of Accounts (*Plan General de Contabilidad*) approved by Royal Decree 1.514/2007 of 16 November, and the sector-specific versions thereof. The Group recognises its investments in subsidiaries, associates and jointly-controlled entities at cost in the separate financial statements, as stipulated in the Spanish General Chart of Accounts and permitted by IAS 27 "Consolidated and separate financial statements".

The financial statements of Alantra Partners, S.A. at 31 December 2018 and 2017 are as follows:

ALANTRA PARTNERS, S.A.

BALANCE SHEET AT 31 DECEMBER 2018 AND 2017

(Thousand of euros)

ASSET	31/12/2018 (Unaudited)	31/12/2017 (*)	LIABILITIES AND EQUITY	31/12/2018 (Unaudited)	31/12/2017 (*)
NON-CURRENT ASSETS:	158,555	129,718	EQUITY:	195,246	172,161
Intangible assets	149	166	OWN FUNDS-	197,690	174,496
Inmovilizado material	126	782	Capital	115,894	111,518
Property, plant and equipment -	120,456	102,957	Share premium	111,863	94,138
Equity instruments	120,428	92,604	Reserves-	(38,330)	(38,701)
Loans to companies	28	10,353	Legal and statutory reserves	22,316	21,335
Long-term financial investments-	37,235	25,222	Other reserves	(60,646)	(60,036)
Equity instruments	33,775	22,065	Treasury shares and own equity instruments	(768)	(1,138)
Loans to third parties	3,304	3,004	Profit (loss) for the period	34,079	25,227
Other financial assets	156	153	Interim dividend	(25,048)	-16,548.00
Deferred tax assets	589	591	Other equity instruments	-	-
			VALUATION ADJUSTMENTS-	(2,444)	(2,335)
			Available-for-sale-financial assets	(2,444)	(2,335)
CURRENT ASSETS	55,446	58,855	NON-CURRENT LIABILITIES:	3,276	3,232
Non-current assets held for sale	7,853	-	Non-current provisions	534	534
Trade and other receivables:-	30,881	32,734	Non-current payables	2,446	2,351
Trade receivables	67	42	Deferred tax liabilities	296	347
Receivable from Group companies and associates	23,001	27,943			
Sundry accounts receivable	-	2,074	CURRENT LIABILITIES:	15,479	13,180
Employee receivable	80	63	Current payables	-	1,821.00
Other receivables from the tax authorities	-	-	Current payables, group companies and associates	1,210	615
Current tax assets	7,733	2,612	Acreeedores comerciales y otras cuentas a pagar-	14,269	10,744
Current financial investments	8,113	8,116	Other payables	2,870	5,397
Cash and cash equivalents-	8,599	18,005	Employee payables	3,379	2,381
Cash	8,599	18,005	Other payables to the tax authorities	4,245	1,680
Cash equivalents	-	-	Current tax liabilities	3,775.00	1,286.00
TOTAL ASSETS	214,001	188,573	TOTAL EQUITY AND LIABILITIES	214,001	188,573

(*) Presented solely and exclusively for comparison purposes

ALANTRA PARTNERS, S.A.

INCOME STATEMENTS FOR THE YEARS ENDED

31 DECEMBER 2018 AND 2017

(Thousand of euros)

	2018 (Unaudited)	2017 (*)
CONTINUING OPERATIONS:		
Revenue	28,606	11,950
Other operating income-	8,904	4,645
Non-core and other current operating income	8,904	4,645
Personnel expenses-	(4,992)	(4,021)
Wages, salaries and similar expenses	(4,136)	(3,352)
Employee benefits expense	(856)	(669)
Other operating cost-	(12,556)	(10,808)
Outside services	(12,485)	(10,706)
Taxes	(71)	(102)
Losses, impairment and changes in trade provisions		
Depreciation and amortisation	(206)	(171)
Impairment losses and gains (losses) on disposal of non-current assets-		
Impairment and losses	-	-
Negative goodwill in business combinations	-	-
OPERATING PROFIT (LOSS)	19,756	1,595
Finance income-	1,567	1,147
Form marketable securities and other financial instruments		
Group companies and associates	1,176	767
Third parties	391	380
Finance cost	(80)	(106)
Exchange differences	(34)	(131)
Impairment losses and gains (losses) on disposal of financial instruments-	2,983	3,995
Impairment and losses	983	3,814
Gains (losses) on disposals and others	2,000	181
NET FINANCE INCOME (EXPENSE)	4,436	4,905
PROFIT (LOSS) BEFORE TAX	24,192	6,500
Income tax	3,726	677
PROFIT (LOSS) FOR THE PERIOD FROM CONTINUING OPERATIONS	27,918	7,177
DISCONTINUED OPERATIONS	-	-
	-	-
PROFIT (LOSS) FOR THE PERIOD	27,918	7,177

(*) Presented solely and exclusively for comparison purposes

ALANTRA PARTNERS, S.A.

STATEMENTS OF CHANGES IN EQUITY
FOR THE YEARS ENDED 31 DECEMBER 2018 AND 2017
A) STATEMENTS OF RECOGNISED INCOME AN EXPENSE
(Thousands of euros)

	2018 (Unaudited)	2017 (*)
PROFIT (LOSS) FOR THE PERIOD	27,918	7,177
Income and expense recognised directly in equity		
Measurement of financial instruments	154	(941)
Available-for-sale financial assets	154	(941)
Other income (expense)	-	-
Cash flow hedges	-	-
Grants, donations and bequests received	-	-
Actuarial gains and losses and other adjustments	-	-
Tax effect	(121)	(417)
TOTAL INCOME AND EXPENSE RECOGNISED DIRECTLY IN EQUITY	33	(1,358)
Amounts transferred to the income statements		
Measurement of financial instruments	-	-
Available-for-sale financial assets	(189)	(178)
Other income (expenses)	-	-
Cash flow hedges	-	-
Grants, donations and bequests received	-	-
Tax effect	47	45
TOTAL AMOUNTS TRANSFERRED TO THE INCOME STATEMENT	(142)	(133)
TOTAL RECOGNISED INCOME AND EXPENSE	27,809	5,686

(*) Presented solely and exclusively for comparison purposes

ALANTRA PARTNERS, S.A.

STATEMENTS OF CHANGES IN EQUITY
FOR THE YEARS ENDED AT 31 DECEMBER 2018 AND 2017

B) STATEMENTS OF TOTAL CHANGES IN EQUITY

(Thousands of euros)

	Capital	Share Premium	Reserves	Treasury Shares	Profit (loss) for the period	Interim dividend	Other Equity Instruments	Valuation Adjustments	Grants, donations and bequests received	Total
BALANCE AT YEAR ENDED 2016 (*)	106,611	92,062	(41,870)	(1,138)	2,277	-	-	(844)	-	157,098
Adjustments for changes in accounting criteria	-	-	-	-	-	-	-	-	-	-
Restatements to correct errors	-	-	-	-	-	-	-	-	-	-
RESTATED OPENING BALANCE, 2017 (*)	106,611	92,062	(41,870)	(1,138)	2,277	-	-	(844)	-	157,098
Total recognised income and expense	-	-	-	-	25,227	-	-	(1,491)	-	23,736
Transactions with shareholders:										
Equity issues	4,907	14,377	892	-	-	-	-	-	-	20,176
Shares canceled	-	-	-	-	-	-	-	-	-	-
Conversion of financial liabilities into equity	-	-	-	-	-	-	-	-	-	-
Dividend distribution	-	(12,301)	-	-	-	(16,548)	-	-	-	(28,849)
Transactions with treasury shares (net)	-	-	-	-	-	-	-	-	-	-
Business combinations	-	-	-	-	-	-	-	-	-	-
Other transactions	-	-	-	-	-	-	-	-	-	-
Other changes in equity	-	-	2,277	-	(2,277)	-	-	-	-	-
CLOSING BALANCE, 2017 (*)	111,518	94,138	(38,701)	(1,138)	25,227	(16,548)	-	(2,335)	-	172,161
Adjustments for changes in accounting criteria	-	-	-	-	-	-	-	-	-	-
Restatements to correct errors	-	-	-	-	-	-	-	-	-	-
RESTATED OPENING BALANCE, 2018	111,518	94,138	(38,701)	(1,138)	25,227	(16,548)	-	(2,335)	-	172,161
Total recognised income and expense	-	-	-	-	34,079	-	-	(109)	-	33,970
Transactions with shareholders:										
Equity issues	4,376	17,725	(948)	-	-	-	-	-	-	21,153
Shares canceled	-	-	-	-	-	-	-	-	-	-
Conversion of financial liabilities into equity	-	-	-	-	-	-	-	-	-	-
Dividend distribution	-	-	-	-	-	(25,048)	-	-	-	(25,048)
Transactions with treasury shares (net)	-	-	309	370	-	-	-	-	-	679
Business combinations	-	-	-	-	-	-	-	-	-	-
Other transactions	-	-	29	-	-	-	-	-	-	29
Other changes in equity	-	-	981	-	(25,227)	16,548	-	-	-	(7,698)
CLOSING BALANCE, 2018 (**)	115,894	111,863	(38,330)	(768)	34,079	(25,048)	-	(2,444)	-	195,246

(*) Presented solely and exclusively for comparison purposes

(**) Unaudited

ALANTRA PARTNERS, S.A.

STATEMENTS OF CASH FLOWS FOR THE YEARS ENDED 31 DECEMBER 2018 AND 2017

(Thousands of euros)

	2018 (Unaudited)	2017 (*)
CASH FLOW FROM (USED IN) OPERATING ACTIVITIES:	31,422	(3,078)
Profit (loss) before tax	24,192	6,500
Adjustments to profit and loss	(3,320)	(3,427)
Depreciation and amortisation	249	206
Other net adjustments to profit (loss)	(3,569)	(3,633)
Changes in working capital	(22,511)	(29,423)
Other cash flows from operating activities	33,061	23,272
Interest paid	-	-
Dividends received	33,893	21,031
Interest received	-	-
Income tax recovered / (paid)	(485)	3,732
Other sums received / (paid) from operating activities	(347)	(1,491)
CASH FLOW FROM INVESTING ACTIVITIES	3,235	(35,260)
Payment for investments-	(16,712)	(25,030)
Group companies, associates and business units	(3,874)	(16,831)
Property, plant and equipment, intangible assets and investment property	(162)	(335)
Other financial assets	(12,676)	(7,864)
Other assets	-	-
Proceeds from sale of investment-	2,099	28,265
Group companies, associates and business units	516	7,529
Property, plant and equipment, intangible assets and investment property	-	-
Other financial assets	1,028	8,180
Non-current assets and liabilities classified as held-for-sale	-	-
Other assets	555	12,556
CASH FLOW FROM FINANCING ACTIVITIES	(32,376)	(28,849)
Sums received / (paid) in respect of equity instruments	370	-
Issuance	-	-
Redemptions	-	-
Acquisitions	-	-
Disposal	370	-
Grants, donations and bequests received	-	-
Sums received / (paid) in respect of financial liability instruments	-	-
Issuance	-	-
Repayment and redemptions	-	-
Dividends paid and payments on other equity instruments	(32,746)	(28,849)
EFFECT OF CHANGES IN EXCHANGE RATES	-	-
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	2,281	(67,187)
Cash and cash equivalents, opening balance	18,005	28,647
Cash and cash equivalents, closing balance	8,599	18,005

(*) Presented solely and exclusively for comparison purposes

2.6 Foreign currency transactions

The Group's functional currency and presentation currency in its consolidated financial statements is the euro. Therefore, transactions in currencies other than the euro are deemed to be foreign currency transactions and are recognised by applying the exchange rates prevailing at the date of the transaction.

Balances in foreign currencies are translated to euros in two consecutive phases:

- Translation of foreign currency to the functional currency (currency of the primary economic environment in which the entity operates) and
- Translation to euros of the aforesaid balances in the functional currencies of the entities with a non-euro functional currency.

Las diferencias de cambio que se producen al convertir los saldos denominados en moneda extranjera a la moneda funcional se registran, generalmente, por su importe neto, en el capítulo "Translation differences", del estado del resultado consolidado, a excepción de las diferencias de cambio producidas en instrumentos financieros clasificados a su valor razonable con cambios en resultados, las cuales se registran en el estado del resultado consolidado sin diferenciarlas del resto de variaciones que pueda sufrir su valor razonable, y las diferencias de cambio surgidas en las partidas no monetarias cuyo valor razonable se ajusta con contrapartida en patrimonio neto, que se registran en el epígrafe "Partidas que pueden reclasificarse posteriormente al resultado del ejercicio - Diferencias de conversión" del estado de situación financiera consolidado, hasta que éstas se realicen.

Exchange differences arising on translating foreign currency balances into the functional currency are generally recognised at their net value in the consolidated profit and loss statement under "Translation differences". As an exception to this rule, exchange differences affecting the value of financial instruments measured at fair value through profit or loss are recognised in the consolidated profit and loss statement together with all other changes that may affect the fair value of the instrument, and exchange differences affecting exchange differences arising on non-monetary items measured at fair value through equity under "Items that can be subsequently reclassified to profit and loss for the period – Translation differences" in the consolidated statements of financial position, until they are realized.

At the reporting date, monetary assets and liabilities denominated in foreign currencies are translated to euros at the rates then prevailing. Any resulting gains or losses, where applicable, are recognised directly in the consolidated statement of financial position in the year in which they arise.

The gain from acquiring a foreign operation is expressed in the functional currency of the foreign operation and converted at the year-end exchange rate.

Exchange gains or losses deriving from intragroup monetary items payable or receivable in a currency other than the functional currency of one of the parties are not eliminated on consolidation. Unless the monetary item forms part of the net investment in a foreign company, these differences are therefore recognised in the consolidated profit and loss statement.

The exchange rates used by the Company in translating the foreign currency balances to euros for the purpose of preparing the financial statements, taking into account the criteria mentioned above, were the official rates published by the European Central Bank.

At 31 December 2018 and 2017 the Group held foreign currency in cash (understood to be a currency other than the functional currency for each individual company). The Group granted foreign currency loans to the

former shareholders of Downer & Company, LLC and holds other assets and liabilities in foreign currency. The Company also recognized loans denominated in foreign currency with some Group companies. These items essentially generated a net loss during the annual period ended 31 December 2018 totalling €167 thousand (a net loss of €498 thousand during the annual period ended 31 December 2017), and these losses are recognized under the heading “Exchange differences” in the consolidated statement of financial position.

Translation of financial statements denominated in foreign currencies

The financial statements of subsidiaries with a functional currency other than the presentation currency (the euro) were translated to euros as follows:

- The assets and liabilities in their consolidated statements of financial position were translated at the exchange rates prevailing at the end of the reporting period.
- Equity items were translated at historical exchange rates.
- Profit and loss statement items and the corresponding reserves were translated at the cumulative average exchange rates for the period in which they arose. Pursuant to that policy, the Group considers that during the year there were significant variations in exchange rates which, due to their relevance for the accounts as a whole, required application of the exchange rate prevailing at the transaction date instead of the aforesaid average exchange rates.
- Any resulting exchange differences were recognised as a separate component of equity under “Items that can be subsequently reclassified to profit and loss for the period – Translation differences” or “Non-controlling interests”.

When control, joint control or a significant influence over a company with a functional currency other than the euro is lost, the translation differences recognised as a component of equity relating to that company are recognised in profit or loss at the same time as the gain or loss on the disposal is recognised. If the investee with a functional currency other than the euro is a jointly-controlled entity or associate and it is partially disposed of, without giving rise to a change in its classification as an investee or the jointly-controlled entity becomes an associate, only the proportional part of the translation differences is recognised in profit or loss. If an ownership interest in a subsidiary with these characteristics is disposed of without losing control over said company, this proportional part of the cumulative translation difference is attributed to the share of non-controlling interests.

The functional currency of the companies Nplus1 Singer Ltd and Landmark Capital, S.A., consolidated using the equity method, is the UK pound and Chilean peso, respectively. The functional currency for the company Alantra AG is Swiss franc. The functional currency for the companies Alantra, LLC, Alantra US, Corporation LLC and EQMC GP, LLC is the US dollar, for the company Alantra Corporate Finance, LLP (formerly Catalyst Corporate Finance, LLP) the UK pound, for the company Alantra Chile SPA the Chilean peso, for the company Alantra Nordics, AB the Swedish kroner and for the company Alantra Corporate Finance Mexico, S.A. de C.V. the Mexican peso. All of these companies are fully consolidated.

The effect of converting the value of the functional currency of the foreign companies into the Company's functional currency is recorded under the heading “Items that may be subsequently reclassified to profit/(loss) for the year - Exchange differences. The breakdown of this heading by company at 31 December 2018 and 2017, indicating their functional currency, is as follows:

	Currency	Thousands of euros	
		31-12-2018	31-12-2017
Nplus1 Singer Ltd (1) (6)	Pound sterling	(725)	(1.265)
Alantra AG (1)	Swiss franc	454	14
Alantra US Corporation, LLC (2) (3)	US dollar	(826)	(1.848)
Alantra Chile SPA (2) (4)	Chilean peso	(495)	(395)
EQMC GP, LLC (2)	Us dollar	(1)	5
Alantra Nordics, AB (2)	Swedish korona	(17)	(13)
Alantra Corporate Finance, LLP (anteriormente Catalyst Corporate Finance, LLP) (2) (5)	Pound sterling	(726)	28
Alantra Corporate Portfolio Advisors International Limited (2) (7)	Pound sterling	(18)	-
Alantra Corporate Finance México, S.A. de C.V. (2) (7)	Pound sterling	-	-
		(2.354)	(3.474)

- (1) Equity-accounted companies (see Note 2.5).
(2) Fully-consolidated companies (see Note 2.5).
(3) Includes the effect of unifying the consolidation of Alantra, LLC, which is fully consolidated and has the US dollar as its functional currency.
(4) Includes the effect of unifying the consolidation of Landmark Capital, S.A., which is consolidated using the equity method and has the Chilean peso as its functional currency.
(5) Company acquired during 2017.
(6) Includes the effect of unifying the consolidation of Nplus1 Singer Ltd., which is consolidated using the equity method and has the Pound sterling as its functional currency.
(7) Company incorporated during 2018.
(8) Company acquired during 2018.

3. Main changes in the Alantra Group's scope of consolidation

Acquisition of additional ownership interests in Alantra AG and obtainment of control

On 4 July 2018, Alantra Partners, S.A. reached an agreement for the acquisition of an ownership interest representing 55% of the dividend rights and 30% of the voting power of Alantra AG, a Swiss company engaging in the provision of financial advisory services in corporate transactions. This ownership interest is additional to the one held since 2014, representing 25% of the dividend rights and 50% of the voting power of Alantra International Corporate Advisory, S.L. Consequently, following the aforementioned acquisition, the Group, through the Company and Alantra International Corporate Advisory, S.L., owns 80% of the voting power and dividend rights of Alantra AG.

Also on 4 July 2018, an agreement was entered into among shareholders (Group and non-controlling interests) which addressed various matters relating to the governance of Alantra AG. Based on the terms of the aforementioned agreement, the Company's directors considered that the conditions for Alantra AG to be classified as a subsidiary would be met once the conditions precedent stipulated for the transaction had been satisfied. Lastly, the transaction was completed and the Group obtained control on 25 July 2018, when the Company's General Meeting approved a capital increase.

The main terms and conditions of the transaction were as follows:

- Delivery of 571,488 new shares of Alantra Partners, S.A. (following a capital increase approved by the General Meeting), which were subscribed and paid by the (non-controlling) shareholders of Alantra AG, as consideration for the non-monetary contribution of 29,998 Alantra AG shares representing 29.998% of the voting power and 14.999% of the dividend rights, as well as 80,000 certificates representing 40% of Alantra AG's dividend rights but not carrying any voting power.

Thus, as publicly announced by way of a Material Disclosure, on 25 July 2018, the shareholders at the General Meeting of Alantra Partners, S.A. resolved to increase its share capital through the issuance of 1,458,852 ordinary shares of EUR 3 par value each and a share premium of EUR 12.15 per share, which were subscribed and paid through a series of non-monetary contributions including, inter alia, the Alantra AG shares and certificates referred to above. The Company shares received by the non-controlling shareholders as a result of the transaction are subject to a lock-up period of up to six years.

At the same time as the above-mentioned agreements, the Group and the non-controlling shareholders agreed to exchange the cash flows relating to the earnings obtained in 2018 to 2020 from, respectively, the Alantra AG dividend rights acquired by the Group and the dividend rights of the Company shares issued in the capital increase carried out for the aforementioned acquisition and subscribed by the non-controlling shareholders. The rules governing this exchange of cash flows are included in the shareholders agreements and, in practice, signified that in 2018 the Group was entitled to attribute to itself 80% of the dividend rights of Alantra AG from the date on which control was obtained.

Lastly, as described below, the agreements between the Group and the non-controlling shareholders included the grant of cross-options (put and call options) on the 20% of the dividend and voting rights still held by the non-controlling shareholders.

- The shareholders agreements included cross-options on all the Alantra AG shares still held by the non-controlling shareholders, corresponding to 20% of the dividend and voting rights. Under these options Alantra International Corporate Advisory, S.L. has the right, but not the obligation, to purchase, acquire and pay the agreed price for all the aforementioned shares in the first quarter of 2021, and the non-controlling shareholders have the right to sell those shares to the Group in the three months thereafter (non-controlling shareholders' put option), if the call option has not been exercised beforehand.

The Group accounts for the put options on shares of subsidiaries granted to non-controlling interests on the acquisition date of a business combination by recognising a financial liability for the present value of the best estimate of the amount payable in this connection, based on the terms and conditions established in the shareholders agreement. In subsequent reporting periods, any changes in the financial liability are recognised in reserves. The discretionary dividends, if any, paid to the non-controlling interests up to the date the options are exercised are recognised as a distribution of profit. If the options are ultimately not exercised, the transaction will be accounted for as a sale of shares to the non-controlling shareholders. Accordingly, "Non-Current Financial Liabilities – Other Financial Liabilities" on the liability side of the consolidated statement of financial position as at 31 December 2018 includes EUR 2.312 thousand relating to the put options held by the non-controlling shareholders of Alantra AG.

This transaction was accounted for in accordance with IFRS 3, Business Combinations (see Note 3-w). The consideration transferred was calculated on the basis of the fair value of the equity instruments of Alantra Partners, S.A. In this connection, the Company's directors considered the stock market capitalisation to be the best reference for this fair value. Consequently, the consideration transferred was calculated as the result of applying the market price at the date on which the General Meeting approved the above-mentioned capital increase to the 571,488 shares exchanged, which gave a total consideration of EUR 8,287 thousand. The difference between the par value plus share premium of the capital increase and the amount corresponding to the consideration of the 571,488 transferred shares of Alantra Partners, S.A. at their market price was recognised under "Reserves" in the Company's equity (see Note 11).

In addition, as specified by IFRS 3, Business Combinations, since the Company obtained control of Alantra AG in a step acquisition because it previously already held an equity interest in this investee, it remeasured the previously held equity interest - which was recognised under "Investments Accounted for Using the Equity Method" in the consolidated statement of financial position - at fair value, taking the amount of the transaction described above as a reference to obtain this value. As a result, a gain of EUR 697 thousand was recognised, which is included under

“Gains or Losses on Disposals of Financial Instruments - Other Financial Instruments” in the consolidated statement of profit or loss for 2018.

The difference between the consideration transferred, plus the amount of the non-controlling interests, plus the fair value of the previously held equity interest, and the fair value of the assets and liabilities of Alantra AG at the date of the latest available accounting close prior to the date on which the Group obtained control constitutes goodwill. This goodwill, amounting to EUR 11,919 thousand (CHF 13.845 thousand), was allocated to the cash-generating unit comprising the company itself, and is recognised under “Intangible Assets – Goodwill” on the asset side of the consolidated statement of financial position as at 31 December 2018 (see Note 5.a.). The equivalent euro value shown for the aforementioned amount was calculated by the Group using the exchange rate published by the European Central Bank (see Note 2.6).

Agreement for the sale of a partial ownership interest in Alantra Wealth Management (agreement entered into in 2018 but whose completion, scheduled for 2019, is subject to certain conditions precedent):

As announced by way of a Material Disclosure dated 14 December 2018, Alantra Partners, S.A. and Grupo Mutua reached an agreement for the acquisition by Grupo Mutua of approximately 25% of the share capital of Alantra Wealth Management Agencia de Valores, S.A. and Alantra Wealth Management Gestión, SGIIC, S.A. The transaction also involved the participation of the management team of Alantra Wealth Management, from whom Grupo Mutua acquired another ownership interest of approximately 25% of the share capital. Following completion of the transaction, the Group would have an equity interest of approximately 25% in both companies.

The main terms and conditions of the transaction, with regard to the agreed consideration, are as follows:

- Cash consideration of EUR 23,755 thousand.
- Contingent consideration of up to EUR 6,250 thousand that will be determined based on the degree of fulfilment of the 2018-2022 business plan of Alantra Wealth Management.

Completion of this transaction is subject only to no objection being raised by the CNMV and to its being authorised, as appropriate, by the markets and competition supervisory authorities. It is expected to be completed in the course of 2019.

If the transaction were ultimately to be completed in 2019, the Group would lose control over Alantra Wealth Management, which would be reclassified to “Investments Accounted for Using the Equity Method” on the asset side of the consolidated statement of financial position. In addition, the accounting for this transaction would give rise to significant income for the Group in 2019. Lastly, as a result of this sale agreement, which had virtually been completed at 2018 year-end, and in accordance with IFRS 5, Non-Current Assets Held for Sale and Discontinued Operations, the Company’s directors classified the assets and liabilities allocable to the two companies as held for sale, which entails certain presentation and disclosure obligations with regard to these consolidated financial statements. In any event, the foregoing refers solely to presentation requirements and does not have any impact on the Group’s consolidated shareholders’ equity and total equity figures at 31 December 2018.

Acquisition of a 50% ownership interest in the Landmark Group (transaction performed in 2016) and amendments made to the purchase agreements subsequent to 2018 year-end

As announced by way of a Material Disclosure dated 24 May 2016, Alantra Chile SPA (formerly Nmás1 Chile SPA) entered into an agreement on 23 May 2016 for the acquisition of 50% of the shares of Landmark Capital, S.A., a Chilean company that is the head of a group (“the Landmark Group”) present in – in addition to Chile – Argentina, Brazil and Colombia and which engages in the provision of advisory services for corporate transactions in Latin

America. Landmark Capital, S.A. has the following investees: Landmark Capital Asesoría Empresarial Ltda., Landmark Capital Argentina SRL and Landmark Capital Colombia SAS.

The acquisition was initially structured in two stages:

- First stage (already completed): on the date of the purchase agreement, Alantra Chile SPA (formerly Nmás1 Chile SPA) acquired 30.0705% of the share capital of Landmark Capital, S.A. for USD 5,011,758, which were paid in cash upon the signing of the share purchase agreement. The purchase agreement set 1 January 2016 as the effective acquisition date of 30.0705% of the Landmark Group's shares. Since that date, 30.0705% of the earnings of the Landmark Group have belonged, for accounting purposes, to Alantra Chile SPA (formerly Nmás1 Chile SPA).
- Second stage (not completed at the reporting date): acquisition by Alantra Chile SPA (formerly Nmás1 Chile SPA) of, approximately, a further 20% of the share capital of Landmark Capital, S.A. in 2019, at a price that would be calculated on the basis of the Landmark Group's earnings in 2016, 2017 and 2018. However, on 9 June 2017 the Group acquired additional shares of Alantra Chile SPA, bringing its ownership interest to 30.95%. The effective date of this second transaction was established as 1 January 2019, and from this date Nmás1 Chile SPA would have acquired the rights and obligations pertaining to approximately 50% of the Landmark Group. The Group regarded this second stage as giving rise to a financial derivative, because it constituted a future commitment to purchase an additional 19.05% of the Landmark Group. At 31 December 2017, since the earnings for two of the three years used to calculate the purchase price were already known, the Group recognised a financial derivative amounting to EUR 256 thousand under "Non-Current Financial Assets – At Fair Value through Profit or Loss" on the asset side of the consolidated statement of financial position – see Note 9.4 -. At 31 December 2018, the aforementioned financial derivative was derecognised, and a loss was recorded under "Variation of fair value in financial instruments" in the consolidated statement of profit or loss for 2018.

Other transactions in 2018

As announced by way of a Material Disclosure dated 11 July 2018, Alantra Partners, S.A. reached an agreement for the acquisition, by Alantra Infrastructure, S.L.U., of Portfolio Solutions Group, the global division of KPMG LLP (UK) which engages in the provision of advisory services for transactions involving credit portfolios, non-performing loans (NPLs) and non-strategic bank assets. Portfolio Solutions Group has 35 professionals located in various European markets, who will join the 40 Alantra Group professionals who in recent years have been operating in this business line out of Madrid and in other countries.

The transaction was subject to, inter alia, the condition precedent that the transfer of undertakings procedure established in UK employment law be completed. Lastly, on 14 August 2018 the Company announced, by way of a Material Disclosure, that the transaction had been completed, following satisfaction of the condition precedent.

The main terms and conditions of the transaction, which establish the consideration transferred, were as follows:

- Cash consideration of GBP 2 million, which has already been paid.
- Contingent consideration of GBP 500 thousand, which has already been paid in full, for the share of the seller (KPMG LLP–UK) in the revenue from the 38 mandates in progress at the date of the agreement whose economic benefits were transferred to the Alantra Group.

This business was acquired by Alantra Corporate Portfolio Advisors International Limited, a company incorporated for this purpose on 26 June 2018, 70% of whose share capital was ultimately subscribed by Alantra Infrastructure, S.L.U. In addition, within the framework of this transaction, Alantra Infrastructure, S.L.U. granted a credit facility of up to GBP 6.5 million to Alantra Corporate Portfolio Advisors International Limited.

The difference between the consideration transferred plus the amount of the non-controlling interests and the fair value of the acquiree's assets and liabilities at the date control was obtained (taking as a reference the carrying amounts at 31 July 2018) gave rise to a non-material amount of goodwill, which was allocated to the cash-generating unit comprising the company itself and is recognised under "Intangible Assets – Goodwill" on the asset side of the consolidated statement of financial position as at 31 December 2018 (see Note 5). The equivalent euro value shown for the aforementioned amount was calculated by the Group using the exchange rate published by the European Central Bank (see Notes 2.6 and 5).

In addition, on 4 July 2018 a shareholders agreement was entered into which stipulated that if Alantra Corporate Portfolio Advisors International Limited were to achieve a specified cumulative profit from operations in the period from the date on which control was obtained (the date on which the conditions precedent were satisfied) to 31 December 2022, an additional percentage (10%) of the company's dividend rights would be transferred to the non-controlling shareholders, who are at the same time executives of this company. This scenario was accounted for in accordance with the amendments to IFRS 2, Classification and Measurement of Share-based Payment Transactions (see Note 3-y), and, accordingly, the Group recognised EUR 308 thousand under "Staff Costs" in the consolidated statement of profit or loss for 2018, relating to the best available estimate at the reporting date of the number of equity instruments that are expected to be delivered in 2022, since the Company's directors consider that the company will meet the agreed conditions for them to be delivered.

Also, on 11 October 2018 an agreement was entered into whereby Alantra International Corporate Advisory, S.L.U. sold and transferred all the shares held by it in the Irish company Alantra Ireland Corporate Finance Limited, for EUR 3 thousand, to Alantra Corporate Portfolio Advisors International Limited. Furthermore, on 9 October 2018 Alantra Ireland Corporate Finance Limited changed its name to Alantra Corporate Portfolio Advisors International (Ireland) Limited.

Lastly, on 28 December 2018 an agreement was entered into whereby Alantra Infrastructure, S.L.U. sold and transferred the ownership interest held by it in Alantra Corporate Portfolio Advisors International Limited (representing 70% of the share capital) for approximately GBP 2 million (similar to the value of the consideration described above) to Alantra Corporate Portfolio Advisors, S.L., which is 60% owned by the Group. As a result, the indirect ownership interest held by the Group in Alantra Corporate Portfolio Advisors International Limited stood at 42%. In addition, Alantra Infrastructure, S.L.U. transferred to Alantra Corporate Portfolio Advisors, S.L. its position in the credit facility granted to Alantra Corporate Portfolio Advisors International Limited. At the aforementioned date, EUR 1,684 thousand had been drawn down against this facility.

On 16 February 2018, Alantra EQMC Asset Management, S.G.I.I.C., S.A., a management company whose company object is the management of assets and 60% of whose share capital was subscribed by Alantra Investment Managers, S.L.U. for EUR 75 thousand, was registered in the specific register of the CNMV. On 9 March 2018, management of the vehicles EQMC, Fondo de Inversión Libre and EQMC Europe Development Fund, plc, which until then had been managed by Alantra Asset Management, S.G.I.I.C., S.A.U., was effectively transferred. Lastly, on 19 April 2018 management of the vehicle Mercer Investment Fund 2, until then also managed by the aforementioned management company, was effectively transferred.

In addition, on that same date a shareholders agreement was entered into which provided for cross-options on all the shares of Alantra EQMC Asset Management, S.G.I.I.C., S.A. held by non-controlling shareholders (40% of its share capital). Under these options Alantra EQMC Asset Management, S.G.I.I.C., S.A. has the right, but not the obligation, to purchase, acquire and pay the agreed price for all the aforementioned shares and the non-controlling shareholders have the right to sell those shares to the Group (non-controlling shareholders' put option). The terms and conditions, dates, scenarios and amounts to be disbursed for the exercise of these options are included in the shareholders agreements. The accounting policy for the recognition of the liability generated by these options, and of the subsequent changes therein, is described in the "Acquisition of additional ownership interests in Alantra AG and obtainment of control" section (see above). Accordingly, "Non-Current Financial Liabilities – Other Financial Liabilities" on the liability side of the consolidated statement of financial position as at 31 December 2018 includes EUR 7,724 thousand relating to the put options held by the non-controlling shareholders of Alantra EQMC Asset Management, S.G.I.I.C., S.A.

Also, on 30 November 2018 an agreement was entered into whereby Alantra Investment Managers, S.L.U. transferred all the shares held by it in the US company EQMC GP, LLC to Alantra EQMC Asset Management, S.G.I.I.C., S.A.

As publicly announced by way of a Material Disclosure dated 11 July 2018, on 25 July 2018, as described above, the shareholders at the General Meeting of Alantra Partners, S.A. resolved to increase its share capital through the issuance of 1,458,852 ordinary shares of EUR 3 par value each and a share premium of EUR 12.15 per share, to be subscribed and paid through a series of non-monetary contributions of Alantra AG shares and certificates (see description above), as well as shares of Alantra France Corporate Finance, S.A.S. and of Alantra, s.r.l. The non-monetary contributions of these two last-mentioned companies consisted of:

- Delivery of 196,560 shares representing 21% of the share capital of Alantra France Corporate Finance, S.A.S. (additional to the 60% already held since 2015 through Alantra International Corporate Advisory, S.L.)
- Delivery of all the shares of Quattrocento, S.A.S., the company that owns 289,255 shares of Alantra France Corporate Finance, S.A.S., representing 19% of the latter's share capital.

As a result of the foregoing, the Alantra Group's ownership interest in Alantra France Corporate Finance, S.A.S. increased from 60% to 100%. Furthermore, given that Alantra France Corporate Finance, S.A.S. already formed part of the Group, this transaction gave rise to a negative reserve of EUR 6.999 thousand.

- Quota comprising 40% of the share capital of Alantra, s.r.l. (additional to the 60% already held through Alantra International Corporate Advisory, S.L.) As a result, the Alantra Group's ownership interest in Alantra, s.r.l. increased from 60% to 100%. Furthermore, given that Alantra, s.r.l. already formed part of the Group, this transaction gave rise to a negative reserve of EUR 3.915 thousand.

The Company shares received by the French and Italian non-controlling shareholders as a result of the aforementioned transactions are subject to a lock-up period of up to six years.

In addition, based on the agreement entered into on 12 December 2017 between Alantra International Corporate Advisory, S.L. and Alantra s.r.l., "Non-Current Financial Liabilities - Other Financial Liabilities" on the liability side of the consolidated statement of financial position as at 31 December 2017 included EUR 275 thousand relating to the put options held by the then non-controlling shareholders of Alantra s.r.l. (see Note 1). As a result of the acquisition of the additional ownership interest, this agreement was terminated.

Lastly, on 30 November 2018 Alantra Corporate Portfolio Advisors (Italy) s.r.l., whose company object is the provision of financial advisory services, was incorporated. Alantra, s.r.l. subscribed all the share capital of this company through a disbursement of EUR 10 thousand.

On 29 May 2018, Alantra Belgium NV resolved to increase its share capital through the issuance of 126,001 shares. Alantra International Corporate Advisory, S.L. subscribed all the aforementioned shares and, as a result of this capital increase, its ownership interest in Alantra Belgium NV increased from 58.11% to 75%. In addition, on 11 June 2018 Alantra International Corporate Advisory, S.L. acquired 31,250 shares of Alantra Belgium NV from one of the shareholders for EUR 32,750, thus raising its stake in this company to 85%. Furthermore, given that Alantra Belgium NV already formed part of the Group, this transaction gave rise to a negative reserve of EUR 46 thousand.

Since 22 February 2018, Alantra Capital Markets has had a new branch office located in Italy.

On 10 May 2018, Alantra Reim, S.L.U. acquired 50% of the share capital of Tertenia Directorship, S.L. through a disbursement of EUR 3 thousand, without a significant impact on these consolidated financial statements.

On 29 June 2018, Alantra Corporate Finance México, S.A., de C.V., a Mexican company whose object is the provision of financial advisory services, was incorporated. Alantra International Corporate Advisory, S.L. subscribed 99% of the share capital of this company through a disbursement of MXN 10 thousand. In addition, on 5 July 2018 it was resolved to increase its share capital through the issuance of 1,000 shares. Alantra International Corporate Advisory, S.L.U. subscribed all the aforementioned shares, for which it disbursed MXN 1 thousand together with a share premium of USD 500 thousand. As a result of this transaction, the Group increased its stake in Alantra Corporate Finance México, S.A., de C.V. to 99.99%, without a significant impact on these consolidated financial statements.

On 4 July 2018, a supplementary shareholders agreement was entered into whereby Alantra Corporate Finance, S.L.U. transferred, on the terms provided for in the existing agreement dated 20 January 2014, 10% of Alantra Corporate Portfolio Advisors, S.L. to the non-controlling shareholders. Ultimately, on 17 December 2018 it was resolved to perform this transaction through a capital reduction that was approved at a General Meeting. The capital reduction was effected by retiring 2,500 of the 10,000 shares held by Alantra Corporate Finance, S.L.U. in Alantra Corporate Portfolio Advisors, S.L. Consequently, the Alantra Group's 70% ownership interest in Alantra Corporate Portfolio Advisors, S.L. fell to 60%. In addition, given that Alantra Corporate Portfolio Advisors, S.L. already formed part of the Group, this transaction gave rise to a negative reserve of EUR 533 thousand.

4. Segment reporting

In line with IFRS 8, which establishes the obligation to apply and disclose segment reporting for those companies whose equity or debt securities are quoted on public markets, or for companies which are in the process of issuing securities for quotation on public securities market, the Group presented this information in five segments in the accompanying consolidated financial statements.

An operating segment is a component of the Group that engages in business activities from which it may earn revenues and incur expenses and whose operating results are regularly reviewed by the Group's most senior operating decision-maker (Board of Directors) to make decisions about resources to be allocated to the segment and assess its performance, and for which discrete financial information is available.

The Group's segment reporting forms the basis for internal management and oversight of the performance of the different business areas. The Board of Directors is ultimately responsible for said information and for taking operating decisions concerning each of these business areas. The Group's management segments its activity pursuant to the nature of the services provided and they correspond with the business units for which accounting and management information is available:

a) Business segments

- *Financial Advisory ("Investment Banking")*

Alantra business segment that covers the provision of financial advisory services to companies or entities in corporate finance operations and the provision of stock market brokerage and analysis services to institutional investors.

- *Asset management*

Alantra business segment that according to the Prospectus, covers management and advising in respect of assets of different types for institutional investors, high net-asset families and other professional investors and provided through specialised investment funds or through customer investment portfolios.

- *Structural*

Alantra business segment that includes revenues and expenses related to the governance structure and development of the Alantra Group (corporate governance, strategic coordination, corporate and business development, and corporate services, such as accounting and reporting, risk control, IT systems, human resources management and legal services, amongst others) and which, because they refer to the parent company of the Group (as listed company) or to the overall management thereof, are not directly attributable to the Financial Advisory or Asset Management or Portfolio segments. The Structural segment also includes invoicing of services in respect of Alantra Group companies that are classified as associates, that is, that are not fully consolidated. In Alantra's current growth phase, both in corporate and business terms, the importance of services classified as Structural justifies its consideration as an independent segment.

These three segments are identified in aggregate as the **Fee Business**. It consists of the grouping or aggregation of the Financial Advisory, Asset Management and Structural segments, and is defined as a whole as the service provision activity, be they advisory or management services, the revenue from which is in the form of remuneration or fees and the expenses of which are those needed for its pursuit, mainly personnel expenses. Specifically excluded from the Fee Business are losses or gains originating from investments of the Group's parent company in the companies that carry on said activities (for example, from the sale of interests in companies or businesses, impairment of goodwill or net financial income from foreign currency), where such is the case, which are included in the Rest segment.

The reason for attributing 100% of the activity of the Structural segment to the Fee Business is that the greater part of time and/or funds invested in Structure are used to manage the growth and complexity from the activity classified in the Financial Advisory and Asset Management segments. This concept is especially significant because several alternative performance measures (APMs) are constructed on it.

- *Portfolio*

This Alantra business segment is defined as consisting in obtaining capital gains by investing and subsequently selling stakes in companies or in investment funds or vehicles managed by the Alantra Group management teams. The current investment portfolio has a dual origin: (i) in the companies invested in by the Company as venture capital firm before the Merger and which, at the date of the Merger, had not yet been disposed of or sold; and (ii) investments of the Alantra Group in vehicles managed or advised by the Group itself. This is the Group's own portfolio investment activity.

- *Rest.*

This is a residual category that includes all activities that do not belong in any of the four previous business segments (that is, neither Financial Advisory, nor Asset Management, nor Structural, nor Portfolio).

The segments and other alternative performance measures used by the Alantra Group are defined in attached **Glossary of Terms**.

The table below contains the Group's consolidated profit and loss statement by segment at 31 December 2018 (unaudited) and 31 December 2017:

	Investment Banking		Asset Management		Structure		Portfolio		Rest		Consolidation adjustments		Total for Group	Total for Group
	31/12/2018	31/12/2017	31/12/2018	31/12/2017	31/12/2018	31/12/2017	31/12/2018	31/12/2017	31/12/2018	31/12/2017	31/12/2018	31/12/2017	31/12/2018	31/12/2017
Revenue	134,760	91,699	64,942	43,152	1,188	1,276	-	-	-	-	-	-	200,890	136,127
Ordinary income among segments	2,143	1,512	3,326	4,622	6,791	6,242	-	-	-	-	(12,260)	(12,376)	-	-
Other operating revenue	2	14	-	-	-	-	-	-	-	-	-	-	2	14
Personnel expenses	(71,736)	(44,919)	(22,141)	(21,147)	(6,842)	(4,754)	(592)	(325)	-	-	-	-	(101,311)	(71,145)
Other operating expenses	(22,982)	(15,949)	(4,668)	(6,888)	(8,181)	(4,277)	-	-	-	-	-	-	(35,831)	(27,114)
Other operating expenses among segments	(5,606)	(4,127)	(5,941)	(5,576)	(713)	(2,673)	-	-	-	-	12,260	12,376	-	-
Depreciation and amortisation charge	(1,495)	(275)	(344)	(344)	(247)	(206)	-	-	-	-	-	-	(2,086)	(825)
Impairment of non-current assets	(144)	-	(44)	-	(586)	-	-	-	-	-	-	-	(774)	-
Gain (loss) on disposal of non-current assets	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other profit (loss)	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Operating profit (loss)	34,942	27,955	35,130	13,819	(8,590)	(4,392)	(592)	(325)	-	-	-	-	60,890	37,057
Finance income	-	-	-	-	-	-	2,166	779	85	83	-	-	2,251	862
Finance income among segments	-	-	-	-	-	-	753	-	439	798	(1,192)	(798)	-	-
Finance cost	-	-	-	-	-	-	-	-	(109)	(71)	-	-	(109)	(71)
Finance cost among segments	-	-	-	-	-	-	(753)	-	(439)	(798)	1,192	798	-	-
Changes in fair value of financial segments	-	-	-	-	-	-	(92)	286	(251)	260	-	-	(343)	546
Gain (loss) from reclassification of financial assets at amortised cost to financial assets at fair value	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Gain (loss) from reclassification of financial assets at fair value through other comprehensive income to financial assets at fair value	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Exchanges differences	-	-	-	(7)	-	-	(1)	-	(166)	(491)	-	-	(167)	(498)
Impairment loss/reversal on financial instruments	(3,291)	(1,013)	-	-	-	-	1,105	1,053	(3,570)	-	-	-	(5,756)	40
Gain (loss) on disposal of financial instruments	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Financial instruments at amortised cost	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other financial instruments	-	-	-	-	-	-	792	3,271	2,508	56	-	-	3,300	3,327
Net Finance Income (Costs)	(3,291)	(1,013)	-	(7)	-	-	3,970	5,389	(1,503)	(163)	-	-	(824)	4,207
Profit (loss) of equity-accounted investees	2,273	3,399	180	34	-	-	-	-	-	-	-	-	2,453	3,433
Profit (loss) before tax	33,924	30,341	35,310	13,846	(8,590)	(4,392)	3,378	5,064	(1,503)	(163)	-	-	62,519	44,697
Income tax expense	(9,240)	(6,993)	(8,701)	(4,172)	1,438	1,447	3,050	(825)	48	41	-	-	(13,405)	(10,502)
Consolidated profit (loss) for the period	24,684	23,348	26,609	9,674	(7,152)	(2,945)	6,428	4,239	(1,456)	(122)	-	-	49,114	34,194
Profit (loss) attributable to the parent	21,429	19,835	16,571	9,498	(7,152)	(2,945)	5,638	4,050	(1,456)	(122)	-	-	35,031	30,316
Profit (loss) attributable to non-controlling interests	3,255	3,513	10,038	176	-	-	790	189	-	-	-	-	14,083	3,878

a) Geographical segment reporting

The following table provides a summary of ordinary income from each of the Group's assets, broken down by geographical area. Trading volume is considered to be equivalent to the net turnover reported in the Group's consolidated income statement in 2018 and 2017:

	Turnover net amount			
	Individual		Consolidated	
	2018	2017 (*)	2018	2017 (*)
Domestic market	41,997	28,606	105,406	80,337
International market -				
European Union:				
Euro Zone:				
Italy	-	-	4,186	3,446
Germany	-	-	23,706	14,251
France	-	-	11,291	12,218
Greece	-	-	2,359	195
Netherlands	-	-	1,106	2,988
Portugal	-	-	1,774	393
Belgium	-	-	5,055	1,646
Austria	-	-	144	-
Luxembourg	-	-	2,271	1,709
Non-Euro Zone:				
United Kingdom	-	-	30,143	5,891
Sweden	-	-	2,574	107
Denmark	-	-	26	27
Switzerland	-	-	956	38
Other countries:				
United States	-	-	9,771	12,822
India	-	-	26	26
China	-	-	(17)	21
Chile	-	-	-	-
Mexico	-	-	108	-
Others	-	-	5	12
	41,997	28,600	200,890	136,127

(*) Presented solely exclusively for comparison purposes.

The Group's headcount (for the Company and subsidiaries) in 2018 and 2017, and by professional category and gender at said reporting closes, was as follows:

Individual

	Employees at 31 December 2018			Average headcount	Employees at 31 December 2017		Total average headcount
	Male	Female	Total		Male	Female	
General Management	2	1	3	3	2	1	3
University graduates	18	13	31	28	18	13	31
Clerical staff	2	9	11	12	2	9	11
	22	23	45	43	22	23	45

Consolidated

	Employees at 31 December 2018			Average headcount	Employees at 31 December 2017		Total average headcount
	Male	Female	Total		Male	Female	
General Management	41	3	44	40	41	3	44
University graduates	314	82	396	350	314	82	396
Clerical staff	3	54	57	53	3	54	57
	358	139	497	443	358	139	497

5. Intangible assets

a. Goodwill

At 31 December 2018 and 2017, "Intangible assets – Goodwill" on the assets side of the consolidated statement of financial position included goodwill generated from the acquisition of shares conferring control of the following companies:

	Thousands of Euros		Year control taken	Currency
	31/12/2018	31/12/2017		
Alantra Equities, Sociedad de Valores, S.A.	2,999	2,999	2010	Euro
Alantra Deutschland GmbH	416	416	2013	Euro
Alantra Investment Managers, S.L.U.	47	47	2013	Euro
Alantra Corporate Portfolio Advisor, S.L.	31	31	2014	Euro
Alantra France Corporate Finance S.A.S.	141	141	2015	Euro
Alantra Nordics AB	93	97	2016	Swedish korona
Partnersalantra Portugal, LDA	23	23	2016	Euro
Alantra, LLC	21,842	22,689	2016	US dollar
Alantra Wealth Management	-	4,463	2016	Euro
Alantra Austria VK	-	267	2017	Euro
Alantra Corporate Finance, LLP (formerly Catalyst Corporate Finance LLP)	35,474	35,766	2017	Pound sterling
Alantra AG	12,286	-	2018	Swiss franc
Corporate Portfolio Advisor International, Ltd	671	-	2018	Pound sterling
Total	74,023	66,939		

b. Other intangible assets

The balance of this heading on the assets side of the consolidated statement of financial position at 31 December 2018 and 2017 records software acquired by the Group for 192 and 308 thousand of euros, respectively, and the contractual rights arising from relations with customers from the acquired businesses for a net 963 thousand of euros at 31 December 2017. At 31 December 2018, the aforementioned contractual rights amount to 853 thousand of euros and have been reclassified to the heading "Non-current assets held for sale" of the consolidated statement of financial position.

The changes in "Other intangible assets" on the assets side of the consolidated statement of financial position for 2018 and 2017, were as follows:

	Software		List of Customers		Total	
	2018	2017	2018	2017	2018	2017
Cost:						
Balance at January 1	1,595	1,326	1,100	1,100	2,695	2,426
Additions	123	280	-	-	123	280
Disposals ⁽¹⁾	(779)	-	(1,100)	-	(1,879)	-
Other changes	-	(11)	-	-	-	(11)
Balance at December 31	939	1,595	-	1,100	939	2,695
Accumulated amortisation:						
Balance at January 1	(1,287)	(1,173)	(137)	(27)	(1,424)	(1,200)
Allowances	(271)	(125)	(110)	(110)	(381)	(235)
Disposals ⁽¹⁾	700	-	247	-	947	-
Other changes	111	11	-	-	111	11
Balance at December 31	(747)	(1,287)	-	(137)	(747)	(1,424)
Activo intangible neto	192	308	-	963	192	1,271

- (1) Intangible assets corresponding to Wealth Management reclassified to the heading "Non-current assets held for sale" of the consolidated statement of financial position at 31 December 2018.

At 31 December 2018 and 31 December 2017 there were no intangible assets acquired or transferred under a finance lease.

6. Property and equipment

The changes in "Property and equipment" on the assets side of the consolidated statement of financial position in 2018 and 2017, entirely comprising property and equipment for own use, were as follows:

	Thousands de Euros					
	Fixtures	Computer Hardware	Furniture	Other Items of Property and Equipment	Property and equipment in course	Total
Cost:						
Balances at 1 January 2017	2,922	1,261	678	248	-	5,109
Additions	132	416	127	12	235	922
Disposals	-	-	-	-	-	-
Other changes	773	511	30	-	-	1,314
Balances at 31 December 2017	3,827	2,188	835	260	235	7,345
Additions	553	469	414	96	-	1,532
Disposals	(739)	(255)	(258)	(41)	(235)	(1,528)
Impairments	-	-	-	-	-	-
Others changes	16	-	-	-	-	16
Balances at 31 December 2018	3,657	2,402	991	315	-	7,365
Accumulated depreciation:						
Balances at 1 January 2017	(1,311)	(928)	(357)	(157)	-	(2,753)
Allowances	(284)	(181)	(103)	(22)	-	(590)
Disposals	-	-	-	-	-	-
Other changes	(416)	(401)	(58)	-	-	(875)
Balances at 31 December 2017	(2,011)	(1,510)	(518)	(179)	-	(4,218)
Allowances	(400)	(325)	(79)	(24)	-	(828)
Disposals	635	214	171	39	-	1,059
Impairments	(774)	-	-	-	-	(774)
Other changes	-	-	(12)	(25)	-	(37)
Balances at 31 December 2018	(2,550)	(1,621)	(438)	(189)	-	(4,798)
Property and equipment, net:						
Balances at 31 December 2017	1,816	678	317	81	235	3,127
Balances at 31 December 2018	1,107	781	553	126	-	2,567

At 31 December 2018 and 31 December 2017, there was property and equipment acquired or transferred for 232 and 350 thousand euros, respectively.

7. Investments accounted for using the equity method

This line item comprises the equity/capital instruments issued by Alantra Group investees, which are associated and jointly-controlled entities accounted for using the equity method.

Details of this line item on the assets side of the consolidated statement of financial position at 31 December 2018 and 2017, contractual currency and whether or not investees' securities are listed or non-listed (all of them non-listed) are as follows:

	Thousands de euros		Currency
	31/12/2018	31/12/2017	
Participated entity			
Nplus Singer Ltd	9,718	9,177	Pound sterling
Alpina Real Estate GP I, S.A.	22	22	Euro
Alpina Real Estate GP II, S.A.	75	75	Euro
Alpina Real Estate GP, S.A.	122	125	Euro
Alantra AG, Zürich	-	3,654	Swiss franc
Phoenix Recovery Management, S.L.	146	147	Euro
Landmark Capital, S.A.	2,018	2,858	Chilean pesos
Tertenia Directorship, SL	40	-	Euro
Total	12.141	16,058	

8. Financial assets

At 31 December 2018 and 2017, details of "Non-current financial assets" and "Other current financial assets" in the consolidated statement of financial position are as follows:

31 December 2018

	Thousands of Euros			
	At fair value through profit or loss	At fair value through changes in other comprehensive income	At amortised cost	Total
Long term/Non-current financial assets				
Equity instruments	11,495	28,291	-	39,786
Debt securities	-	-	-	-
Derivatives	-	-	-	-
Other financial assets	2,527	-	5,313	7,840
	14,022	28,291	5,313	47,626
Short term/Current financial assets				
Equity instruments	-	-	-	-
Debt securities	-	-	-	-
Derivatives	-	-	-	-
Other financial assets	-	-	8,580	8,580
	-	-	8,580	8,580
Total	14,022	28,291	13,893	56,206

31 December 2017

	Thousands of Euros			
	At fair value through profit or loss	At fair value through changes in other comprehensive income	At amortised cost	Total
Long term/Non-current financial assets				
Equity instruments	11,819	15,827	-	27,646
Debt securities	-	-	-	-
Derivatives	-	-	-	-
Other financial assets	1,011	-	3,947	4,958
	12,830	15,827	3,947	32,604
Short term/Current financial assets				
Equity instruments	-	-	-	-
Debt securities	-	-	-	-
Derivatives	-	-	-	-
Other financial assets	-	-	8,476	8,476
	-	-	8,476	8,476
Total	12,830	15,827	12,423	41,080

9. Cash and cash equivalents

The breakdown of this line item at 31 December 2018 and 2017 is as follows:

	Thousands of Euros	
	31/12/2018	31/12/2017
Current accounts (euros)	79,914	94,070
Current accounts (foreign currency)	22,312	10,225
Cash	46	113
	102,272	104,408

Income generated from current accounts in 2018 and 2017 was not material for the Group.

10. Equity

The changes in 2018 and 2017 in this line item in the consolidated statement of financial position were as follows:

	Thousands of Euros											
	Capital	Share Premium	Reserves				Less: Treasury shares and own equity investments	Profit (loss) for the year attributable to the parent	Interim dividend	Other equity instruments	Total	Dividends
			Legal and statutory reserve	Other reserves	Reserves at consolidated companies	Reserves in companies accounted for using the equity method						
Balances at 31 December 2017	111,518	94,138	21,335	(33,930)	(3,714)	945	(1,138)	30,316	(16,548)	-	202,922	-
Adjustments for changes in accounting policy	-	-	-	(363)	-	-	-	-	-	-	(363)	-
Adjusted balances at 1 January 2018	111,518	94,138	21,335	(34,293)	(3,714)	945	(1,138)	30,316	(16,548)	-	202,559	-
Capital increase	4,376	17,725	-	(948)	-	-	-	-	-	-	21,153	-
Distribution of profit for 2017	-	-	981	916	3,373	800	-	(30,316)	16,548	-	(7,698)	7,698
Purchase/sale of treasury stock	-	-	-	309	-	-	370	-	-	-	679	-
Profit for period ended 31 December 2017	-	-	-	-	-	-	-	35,031	-	-	35,031	-
Dividends	-	-	-	-	-	-	-	-	(25,048)	-	(25,048)	-
Transactions with shareholders or owners	-	-	-	(2,241)	-	-	-	-	-	-	(2,241)	-
Other changes	-	-	-	(1,619)	(16,478)	(18)	-	-	-	-	(18,115)	-
Balances at 31 December 2018	115,894	111,863	22,316	(37,886)	(16,819)	1,727	(768)	35,031	(25,048)	-	206,320	7,698

	Thousands of Euros											
	Capital	Share Premium	Reserves				Less: Treasury shares and own equity investments	Profit (loss) for the year attributable to the parent	Interim dividend	Other equity instruments	Total	Dividends
			Legal and statutory reserve	Other reserves	Reserves at consolidated companies	Reserves in companies accounted for using the equity method						
Balances at 31 December 2016	106,611	92,062	20,215	(58,151)	(2,684)	772	(1,138)	25,055	-	-	182,742	-
Capital increases	4,907	14,377	-	892	-	-	-	-	-	-	20,176	-
Distribution of profit for 2016	-	-	1,120	24,729	(950)	156	-	(25,055)	-	-	-	-
Purchase/sale of treasury stock	-	-	-	-	-	-	-	-	-	-	-	-
Profit for period ended 31 December 2016	-	-	-	-	-	-	-	30,316	-	-	30,316	-
Dividends	-	(12,301)	-	-	-	-	-	-	(16,548)	-	(28,849)	-
Transactions with shareholders or owners	-	-	-	(1,538)	-	-	-	-	-	-	(1,538)	-
Other changes	-	-	-	138	(80)	17	-	-	-	-	75	-
Balances at 31 December 2017	111,518	94,138	21,335	(33,930)	(3,714)	945	(1,138)	30,316	(16,548)	-	202,922	-

Capital

At 31 December 2017 the share capital stood at €111,517,656 euros, represented by 37,172,552 shares each with a nominal value of €3.

On 25 July 2018, the Company's General Meeting voted to increase capital by issuing 1,458,852 new ordinary shares with a par value of 3 euros each and a share premium of 12.15 euros per share, which were fully subscribed and paid up through a non-monetary contribution and certifies corresponding to participated companies in the framework of the corporate operations to be integrated into the Group. Those non-monetary contributions and certifies were received by Swiss, French and Italian partners (see Note 3).

As a result, the share capital stood at €115,894,212 euros at 31 December 2018, represented by 38,631,404 shares with a nominal value of €3.

All shares are of the same class and carry the same economic and political rights. These shares are listed on the electronic trading platforms of the Madrid and Barcelona stock exchanges.

At 31 December 2018, the Company held 103,941 treasury shares (153,941 at 31 December 2017).

Shareholders' equity evolution is contained in the Consolidated Statement of Total Changes in Equity attached.

Share premium

The Spanish Corporate Enterprises Act expressly permits the use of the share premium to increase capital and establishes no specific restrictions as to its use.

Reserves

The breakdown, by type, of this line item in the consolidated statement of financial position at 31 December 2018 and 2017 is as follows:

	Thousands of Euros	
	31/12/2018	31/12/2017
Legal reserve	31/12/2018	31/12/2017
Statutory reserve		
Other reserves	22,303	21,322
Reserves in consolidated companies	13	13
Reserves in companies accounted for using the equity method	(37,876)	(33,930)
	(16,819)	(3,714)

Legal and statutory reserve

Pursuant to the revised text of the Spanish Corporate Enterprises Act, companies posting a profit in a financial year must transfer 10% of profit to the legal reserve until the balance of this reserve reaches at least 20% of the share capital, except when losses from previous years reduced the Company's equity to less than its share capital. In the latter case, profit shall be allocated to offset such losses until equity equals share capital, and will transfer 10% of the remaining profit to the corresponding legal reserve.

The legal reserve may be used to increase capital, provided that the remaining reserve balance does not fall below 10% of the increased share capital. Otherwise, until the legal reserve exceeds 20% of share capital, it can only be used to offset losses, provided that sufficient other reserves are not available for this purpose.

After the capital increase, the company legal reserve did not reach the minimum amount legally established. Therefore, it is intended to increase legal reserve charged to 2018 results.

Other reserves

“Other reserves” includes freely distributable reserves.

Reserves in consolidated Group companies and jointly-controlled entities

The breakdown of this line item in the consolidated statement of financial position at 31 December 2018 and 2017 is as follows:

	Thousands of Euros	
	31/12/2018	31/12/2017
Alantra International Corporate Advisory (*)	(9,974)	(2,316)
Alantra Equity and Credit Management, S.A.U.	123	123
Alantra Investment Managers, S.L.U. (*)	(5,156)	773
Alantra Infraestructure, S.L.U. (*)	571	571
Alantra Equities, Sociedad de Valores, S.A.	(1,472)	(1,574)
Alantra Asset Management, S.G.I.I.C., S.A.U. (*)	754	752
Baruch Inversiones, S.L.	(26)	44
Alantra Debt Solutions, S.L.	1	-
Alantra Reim, S.L.U.	(157)	(259)
Alantra Wealth Management Gestión, S.G.I.I.C., S.A.	(453)	(572)
Alantra Wealth Management A.V., S.A.	(1,412)	(1,392)
Alantra Dinamia Portfolio II, S.L.	20	20
Alantra Capital Markets, S.V., S.A.	144	116
Alantra Corporate Finance LLP (anteriormente Catalyst Corporate Finance LLP)	200	-
Alantra AG	18	-
	(16,819)	(3,714)

(*) Corresponds to the reserves contributed to the Alantra Group by each of the consolidated sub-groups therein.

Reserves in companies accounted for using the equity method

The breakdown, by company, of this line item in the consolidated statement of financial position at 31 December 2018 and 2017 is as follows:

	Thousands of Euros	
	31/12/2018	31/12/2017
Nplus1 Singer Ltd.	1,569	974
Alpina Real Estate GP, S.A. (en liquidación)	107	108
Alpina Real Estate GP I, S.A. (en liquidación)	29	30
Alpina Real Estate GP II, S.A. (en liquidación)	58	55
Alantra AG	-	(35)
Phoenix Recovery Management, S.L.	12	12
Nplus1 Daruma Finansal Danışmanlık Hizmetleri A.Ş.	41	41
Nplus1 Daruma Gayrimenkul Kurumsal Finansman Danışmanlık Hizmetleri A.Ş.	(69)	(69)
Landmark Capital, S.A.	(20)	(171)
	1,727	945

Dividends pay-out

On November 21, 2017, the Company Extraordinary Shareholders' Meeting agreed to distribute a dividend against the result for the year 2017 in the amount of 0.47082428 euros gross per share. Said dividend was paid to the shareholders on November 30, 2017.

On March 21, 2018, the Board of Directors agreed to propose the Shareholders' Meeting a remuneration pay-out to the shareholder, amounting €0.37 per share and distributed as follows:

- Supplementary dividend charged to year 2017 result, in the amount of 0.20794862 gross euros per share.
- Dividend against the result of the year 2018, in the amount of 0.16397241 gross euros per share.

On 25 April 2018, the Ordinary Shareholders' Meeting agreed to distribute the aforementioned dividends, which payment was effective on 21 May 2018.

Additionally, on December 5, 2018 the Company Board of Directors agreed to distribute a dividend against the year 2018 result in the amount of 0.50 gross euros per share. Said dividend was paid on December 17, 2018.

11. Non-controlling interests

The balance of this line item in the consolidated statement of financial position comprises the value of the ownership interests of minority shareholders and partners in the subsidiaries. The balance under "Profit (loss) attributable to noncontrolling interests" in the consolidated income statement represents the share of subsidiaries' profit or loss to which these minority shareholders and partners are entitled.

"Non-controlling interests" in the consolidated statement of financial position at 31 December 2018 related to the ownership interests in the following companies:

	Thousands of Euros						
	Capital	Reserves	Valuation Adjustments	Traslation differences	Profit (loss) for the year	Interim dividends	Total
Alantra Equities, Sociedad de Valores, S.A.	1,000	516	-	-	101	-	1,617
Alantra Corporate Portfolio Advisors, S.L.	3	1,567	-	-	2,333	-	3,903
Alantra Corporate Portfolio Advisors International, Ltd.	1,306	196	-	(13)	152	-	1,641
Alantra Corporate Portfolio Advisors (Ireland) Ltd (anteriormente denominada Alantra Ireland Corporate Finance Ltd)	-	(14)	-	-	135	-	121
Baruch Inversiones, S.L.	15	(102)	46	-	9,488	(8,471)	976
Alantra Debt Solutions, S.L.	1	-	-	-	164	-	165
Alantra Greece Corporate Advisors S.A.	6	(41)	-	-	109	-	74
Partnersalantra Portugal, LDA	5	32	-	-	79	-	116
Alantra Nordics AB	5	8	-	(2)	158	-	169
Alantra Belgium NV	75	1	-	-	(29)	-	47
Alantra Austria VK	35	184	-	-	(256)	-	(37)
C.W.Downer & Co. India Advisors LLP	-	(14)	-	1	(2)	-	(15)
Alantra EQMC Asset Management, SGIIC, S.A.	50	149	-	-	1,165	-	1,364
EQMC GP, LLP	-	6	-	(1)	(3)	-	2
Alantra AG	33	115	-	22	-	-	170
	2,534	2,603	46	7	13,594	(8,471)	10,313

“Non-controlling interests” in the consolidated statement of financial position at 31 December 2017 related to the ownership interests in the following companies:

	Thousands of Euros						
	Capital	Reserves	Valuation Adjustments	Traslation differences	Profit (loss) for the year	Interim dividends	Total
Alantra Equities, Sociedad de Valores, S.A.	1,000	413	-	-	864	(850)	1,427
Alantra Corporate Portfolio Advisors, S.L.	3	32	-	-	1,779	(181)	1,633
Baruch Inversiones, S.L.	148	(21)	798	-	189	(164)	950
Alantra France Corporate Finance. S.A.S.	374	28	-	-	1,060	-	1,462
Alantra Debt Solutions, S.L.	1	-	-	-	76	-	77
Alantra Greece Corporate Advisors S.A.	6	(28)	-	-	(14)	-	(36)
Partnersalantra Portugal, LDA	5	57	-	-	(25)	-	37
Alantra Nordics AB	5	97	-	(2)	(89)	-	11
Alantra Belgium NV	78	-	-	-	71	-	149
Alantra Austria VK	35	373	-	-	(169)	-	239
C.W.Downer & Co. India Advisors LLP	-	(12)	-	1	(2)	-	(13)
	1,655	939	798	(1)	3,740	(1,195)	5,936

12. Tax matters

The Company files consolidated tax returns for the tax group of which it is the parent. The Spanish Corporate Tax Act 27/2014 of 27 November, introduces, *inter alia*, a corporate tax rate at 25% for the years 2018 and 2017.

Companies out of the tax group are taxed at the rates applicable to them.

13. Related parties

Details of transactions with related parties are as follows. All transactions with related parties have been performed under market conditions.

13.1. Transactions with Group companies and shareholders

At 31 December 2018, details of transactions with related parties (excluding investments accounted for using the equity method and investments in the vehicles managed by the Group) are as follows:

Expenses and Revenues

	Thousands of Euros				
	Significant shareholders	Key management personnel	Related parties	Other related parties	Total
Finance costs	-	-	-	-	-
Services received	-	-	238	-	238
Total expenses	-	-	238	-	238
Finance income	-	-	49	-	49
Services rendered	1,255	-	1,133	-	2,388
Other income	-	-	-	-	-
Total revenue	1,255	-	1,182	-	2,437

Statement of financial position

	Thousands of Euros				
	Significant shareholders	Key management personnel	Related parties	Other related parties	Total
Trade receivables	-	-	860	-	860
Loans and credit given	-	-	4,126	-	4,126
Other receivables	-	-	-	-	-
Total Receivables	-	-	4,986	-	4,986
Trade payables	-	-	-	-	-
Loans and credit received	-	-	-	-	-
Other payment obligations	-	-	2,833	-	2,833
Total Payables	-	-	2,833	-	2,833

At 31 December 2017, details of transactions with related parties (excluding investments accounted for using the equity method and investments in the vehicles managed by the Group) are as follows:

Expenses and Revenues

	Thousands of Euros				
	Significant shareholders	Key management personnel	Related parties	Other related parties	Total
Finance costs					
Services received	-	-	194	-	194
Total expenses	-	-	194	-	194
Finance income	-	-	36	-	36
Services rendered	-	-	1.635	-	1.635
Other income	-	-	-	-	-
Total revenue			1.671	-	1.671

Statement of financial position

	Thousands of Euros				
	Significant shareholders	Key management personnel	Related parties	Other related parties	Total
Trade receivables	-	-	1,285		
Loans and credit given	-	-	2,536		
Other receivables	-	-			
Total Receivables	-	-	3,821		
Trade payables	-	-	-	-	-
Loans and credit received	-	-	-	-	-
Other payment obligations	-	-	7,079	-	-
Total Payables	-	-	7,079	-	-

13.2. Transactions with members of the Board of Directors and key management personnel

The remuneration accrued by the boards of directors of the Company in 2018 and 2017 is as follow:

	Thousands of Euros	
	31/12/2018	31/12/2017
Remuneration for membership on the board and/or board committees	145	132
Salaries	369	369
Variable remuneration in cash	150	130
Share-based remuneration systems	-	-
Termination benefits	-	-
Other items	-	-
	664	631

The remuneration accrued by the key management personnel of the Company in 2018 and 2017 is as follow:

	Thousands of Euros	
	31/12/2018	31/12/2017
Remunerations	4,358	7,031
	4,358	7,031

At 31 December 2018 and 2017, no loans or advances had been granted to the Company's serving and former key management personnel, and no guarantee obligations or pension or life insurance commitments had been assumed on their behalf.

14. Events after the reporting period

As communicated as Relevant Fact to CNMV (Spanish Stock Market Commission), on 19 December 2018 the Company agreed a double-phase acquisition of a 48.98% of Access Capital Partners Group, S.A. This acquisition is to be done through the taking-out of shares in Group Access' holding company and operational company. After the operation, Access will remain to be controlled by the actual management team. This management company offers investment strategies in non-listed companies, infrastructure and private debt, through funds of funds, co-investment funds and specific solutions to customers. Access is present in France, Belgium, United Kingdom, Germany, Finland and Luxembourg.

At a first stage, Alantra will acquire a 24.49% of Access Capital Partners Group, S.A. for an effective price of €18,997 million. Under the terms of the put and call options, in 2022 the Company may increment its stake until a 48.98%. The price will be determined depending on the evolution of Access Capital Partners Group, S.A. in 2021 and 2022. The operation allows Alantra to participate of Access result in 2018, by a dividend to be distributed in 2019.

The closing of the aforementioned operation is exclusively conditioned upon the approval of Supervisor Authorities in the markets where Access operates.

Subsequent to year-end 2018 there has been no other significant event than those described in these notes to the consolidated financial statements.

Translation of a report originally issued in Spanish. In the event of a discrepancy, the Spanish-language version prevails.

Alantra Partners, S.A. and Companies composing the Alantra Group

Directors' Report at 31 December 2018

Income and expenses

In 2018 revenue amounted to EUR 200.9 million, compared with EUR 136.1 million in 2017, up 47.6%.

The financial advisory business, which comprises advising companies and institutions on corporate finance transactions and providing stock market analysis and brokerage services to institutional investors, generated revenue of EUR 134.8 million in 2018, compared with EUR 91.7 million in 2017 (up 47.0%), accounting for 67.1% of the Group's total revenue.

Such growth was attributable mainly to both the organic growth of the existing businesses -which have been expanding in recent years- and the growth achieved through corporate development. In this regard, 2018 was influenced by the integration of Alantra Corporate Finance, LLP (formerly, Catalyst Corporate Finance, LLP) into the Alantra Group at the end of 2017, followed in July 2018 by that of the Swiss-based corporate finance business (in which the Group had until then held a non-controlling interest). Another noteworthy event was the acquisition early in the second half of 2018 of the global division of KPMG LLP (UK) engaged in advising financial institutions in relation to portfolios, non-performing loans and non-strategic banking assets.

In the asset management and advisory business, revenue stood at EUR 64.9 million, up 50.5% on the EUR 43.2 million figure in 2017. Particularly noteworthy, in addition to the increase in fee and commission income from ordinary management activities, were the performance fees earned by the Group amounting to EUR 32.2 million in 2018.

Operating expenses amounted to EUR 140.0 million, up 41.3% on 2017 (EUR 99.1 million), reflecting the growth achieved by the Group and the expenditure on new equipment, especially that aimed at sustaining the international development of its financial advisory business. Fixed staff costs rose as new teams joined the Alantra Group (see above paragraphs), especially in the financial advisory business.

Net profit

The net profit attributable to the Group totalled EUR 35.0 million in 2018, up 15.6% on the figure for 2017 (EUR 30.3 million). The consolidated statements of profit or loss for 2018 and 2017 are as follows:

€ Thousand	31/12/2018	31/12/2017	%
Net income			
Investment banking	134,760	91,699	47.0%
Asset Management	64,942	43,152	50.5%
<i>Management Fees</i>	32,703	29,304	11.6%
<i>Success Fees</i>	32,239	13,848	132.8%
Others	1,188	1,276	(6.9%)
TOTAL Net income	200,890	136,127	47.6%
Other income	2	14	0.0%
Personnel Expenses	(101,311)	(71,145)	42.4%
<i>Fixed cost</i>	(52,553)	(36,477)	44.1%
<i>Variable cost</i>	(48,758)	(34,668)	40.6%
Other operating expenses	(35,831)	(27,114)	32.1%
Amortisation	(2,086)	(825)	152.8%
Impairment	(774)	-	-
TOTAL Operating Expenses	(140,002)	(99,084)	41.3%
Operating Profit (Loss)	60,890	37,057	64.3%
Finance income (expense) attributable to Portfolio	3,970	5,389	(26.3%)
Other finance income (expense)	(4,794)	(1,183)	305.2%
Net Finance Income (expense)	(824)	4,206	(119.6%)
Profit (loss) of equity-accounted investees	2,453	3,433	(28.5%)
Non-controlling Interests	(14,083)	(3,878)	263.2%
Income tax expense	(13,405)	(10,502)	27.6%
NET PROFIT ATTRIBUTABLE TO THE PARENT	35,031	30,316	15.6%
NET PROFIT DERIVED FROM FEE BUSINESS	30,849	26,388	16.9%
NET PROFIT DERIVED FROM PORTFOLIO	5,638	4,050	39.2%
ORDINARY NET PROFIT	36,487	30,438	19.9%
Earnings per share (Euros)	31/12/2018	31/12/2017	%
Basic	0.93	0.85	9.0%
Diluted	0.93	0.85	9.0%

Consolidated statement of financial position

The equity attributable to the controlling company amounted to EUR 202.9 million at 2018 year-end, up slightly on the 2017 year-end figure (EUR 199.5 million). This stemmed from the fact that the capital increase performed in 2018 offset the adverse effects on reserves of the corporate transactions carried out in 2018.

In the consolidated statement of financial position at 31 December 2018, non-current assets totalled EUR 137.4 million, a EUR 14.7 million net increase (10.7%) on the 2017 year-end figure, mainly as a result of the investment commitments met in 2018 in the Group's investment vehicle portfolio and of the addition of new companies to the scope of consolidation of the Group (affecting mainly goodwill). It should be noted, however, that the non-current assets relating to the wealth management business in the consolidated statement of financial position were reclassified to the Group's current assets as a result of the corporate transaction described in Note 3 to the accompanying consolidated financial statements.

Current assets amount EUR 183.4 million (+EUR 26 million) in the consolidated statement of financial position, driven mainly by the following:

- Reclassification of the non-current assets relating to the wealth management business to "Current Assets - Non-Current Assets Classified as Held for Sale" in the Group's consolidated statement of financial position as a result of the corporate transaction described in Note 3 to the accompanying consolidated financial statements.
- An increase in trade accounts receivable outstanding as a result of a rise in the Group's volume of business.
- "Cash and Cash Equivalents" in the consolidated statement of financial position, which remained virtually unchanged with respect to 2017 in spite of the investments made in 2018 through new corporate transactions and commitments to invest in investment vehicles, fell slightly, as did dividends paid. It should be noted that the cash and cash equivalent amounts relating to wealth management were reclassified within current assets, to the line item described above.

In addition to the cash balances, the Group holds bank deposits amounting to EUR 7.9 million classified under "Other Current Financial Assets" and monetary investments amounting to EUR 10 million classified under "Non-Current Financial Assets" in the consolidated statement of financial position.

Corporate development and business activity

Furthered steps towards internationalizing its advisory and asset management business by incorporating new teams and activities in Investment Banking and the announced acquisition of a strategic stake in Access Capital Partners, a leading independent European private asset manager with €8.8 Bn of cumulated assets raised during its 20-year history.

Additionally, in asset management it is worth to point out:

- In Wealth Management, Alantra, the wealth management executives and Grupo Mutua have agreed to the acquisition of 50.01% of the share capital of Alantra Wealth Management by Grupo Mutua.
- In Private Equity, Alantra teamed with Partners Group to launch a secondary vehicle for the remaining portfolio of Alantra PEF II. The secondary transaction consolidated the successful track-record of Alantra PEF II, with a 2.0x return to investors. Furthermore, Alantra was one of the most active firms of the year in Iberia, having completed five investments, one add-on and three divestments.
- The Private Debt team closed six investments and three divestments and achieved over €140 Mn of assets under management in its new fund. Alantra's first private debt fund, Alteralia I, obtained a return of over 6% in 2018, which merited the fund to rank as the top FIL fund in its category in Spain, according to Inverco (the Spanish Association of Investment and Pension Funds).

- The Real Estate business completed five investments with an aggregate equity investment of €98 Mn.

Moreover, in Investment Banking we should remark:

- The Investment Banking division advised on a firm record 202 transactions (+8.6%), while making excellent progress in deal quality
- By type of service, Alantra advised 97 transactions in M&A, 55 were in portfolio advisory, 22 in debt advisory, 18 in capital markets and 10 in strategic advisory.
- The Group expanded its global technology practice by adding a specialized team in San Francisco, strengthened its China presence by incorporating four senior professionals, acquired KPMG UK's global loan portfolio advisory business and incorporated an Equity Capital Markets team in Italy.

GLOSSARY OF TERMS

Business segments identified

- **“Business Segment”** means each operating segment or identified component of Alantra classified as such because (a) it carries on business activities that can generate revenue and incur expenses (including revenues and expenses from transactions with other components of the same entity); (b) its operating results are examined at regular intervals at the highest level of operating decision making in the entity in order to decide the resources that should be allocated to the segment and assess its performance; and (c) differentiated financial information is available in relation to the segment.
- **“Financial Advisory” (Investment Banking)**. Identified business segment in Alantra which includes financial advisory services to companies and entities in corporate finance operations, as well as the provision of stock market brokerage and analytical services to institutional investors.
- **“Asset Management”**. Identified business segment in Alantra which consists in managing and advising assets of different types for institutional investors, wealthy families and other professional investors and which is provided through specialised investment funds or through customer investment portfolios.
- **“Structural”**. Identified business segment in Alantra that includes revenues and expenses related to the governance structure and development of the Alantra Group (corporate governance, strategic coordination, corporate and business development, and corporate services, such as accounting and reporting, risk control, IT systems, human resources management and legal services, amongst others) and which, because they refer to the parent company of the Group (as listed company) or to the overall management thereof, are not directly attributable to the Financial Advisory or Asset Management or Portfolio segments. The Structural segment also includes invoicing of services in relation to Alantra Group companies that are classified as associates, that is, that are not fully consolidated. In Alantra’s current growth phase, both in corporate and business terms, the importance of services classified as Structural justifies its consideration as an independent segment.
- **“Portfolio”**. Identified business segment in Alantra that is defined as the activity of obtaining capital gains by investing and subsequently selling stakes in companies or in investment funds or vehicles managed by the Alantra Group management teams. The current investment portfolio has a dual origin: (i) in the companies invested in by the Company as venture capital firm before the Merger and which, at the date of the Merger, had not yet been disposed of or sold; and (ii) investments of the Alantra Group in vehicles managed or advised by the Group itself.
- **“Rest”**. This is a residual category that includes all activities that do not belong in any of the four previous business segments (that is, neither Financial Advisory, nor Asset Management, nor Structural, nor Portfolio).
- **“Fee Business”**. This is the grouping or aggregation of the Financial Advisory, Asset Management and Structural segments, and is defined as a whole as the service provision activity, be it advisory or management services, the revenue from which is in the form of remuneration or fees and the expenses of which are those needed for its pursuit, mainly personnel expenses. Specifically excluded from the Fee Business are losses or gains originating from investments of the Group’s parent company in the companies that carry on said activities (for example, from the sale of interests in companies or businesses, impairment of goodwill or net financial income from foreign currency), which are included in the Rest segment.

The reason for attributing 100% of the activity of the Structural segment to the Fee Business is that the greater part of time and/or funds invested in Structure are used to manage the growth and complexity from the activity classified in the Financial Advisory and Asset Management segments. This concept is especially significant because several alternative performance measures (APMs) are constructed on it.

- **“Ordinary Business”**. Grouping or aggregation of segments comprised by the Fee Business (Financial Advisory, Asset Management and Structural) plus the Portfolio segment.

Alternative performance measures

- **“Alternative performance measure”** is a financial measure of past or future financial performance, financial position or cash flows of a company other than the financial measures defined or detailed in the applicable financial reporting framework.
- **“Fee Business Net Profit”** means the profit generated from the provision of advisory and management services of the Fee Business (that is, the Financial Advisory, Asset Management and Structural segments), the revenue from which is in the form of remuneration or fees and the expenses of which are those needed for its pursuit, mainly personnel expenses.

The Fee Business Net Profit is calculated as the sum of the Profit attributable to the parent company in respect of the said three segments.

The distinct nature of the two areas of Alantra's activity (Fee Business and Portfolio) justifies the relevance of specifically identifying the net profit from the Fee Business attributable to the parent company in the information released to the market.

- **“Portfolio Net Profit”** is the profit generated from investment and subsequent sale of holdings in companies, investment funds or investment vehicles managed by the Alantra Group. The Portfolio Net Profit is equal to the profit attributable to the parent company in respect of the Portfolio segment.

The distinct nature of the two areas of Alantra's activity (Fee Business and Portfolio) justifies the relevance of specifically identifying the Portfolio Net Profit attributable to the parent company in the information released to the market.

- **“Ordinary Net Profit”** is the profit generated by the Group's normal or ordinary activity, that is, the activity included in the Financial Advisory, Asset Management and Portfolio segments. Ordinary Net Profit is calculated as the sum of the Fee Business Net Profit and the Portfolio Net Profit.

Ordinary Net Profit is a significant indicator or net profit (or profit attributable to the parent company) and for determining what part of net profit comes from the company's ordinary activity and not from extraordinary items.

- **Financial Indebtedness** is the aggregate volume of the Group's debt to banks, credit institutions and similar entities for the purpose of funding its activity. This does not include debts to employees, suppliers or companies within the scope of consolidation or their shareholders. It likewise does not include liabilities to banks, credit institutions or similar entities if those liabilities have specific associated assets of the same amount.

Financial indebtedness is calculated as the sum of the statement of financial position captions grouped under “Debts with financial institutions” that meet the criteria mentioned in the definition of this Measure, which means it does not include the €2,446 thousand recorded under liabilities in the consolidated statement of financial position at 31 December 2018 (2,350 at 31 December 2017).

Financial Indebtedness is a significant indicator in evaluating the Group's consolidated statement of financial position.

- **“Pay Out”** means the percentage of the Group's profits that the Company distributes to its shareholders.

It is calculated by dividing the aggregate amount per share distributed by the Company to its shareholders for a given period (whether as dividends or as distribution of reserves or share premium) by the diluted earnings per share generated during that period.

The Pay Out indicates the degree to which shareholder remuneration is paid out of profit for the year (or of the period of reference).

- **Dividends Yield** means the yield obtained by the Company's shareholders from the distribution of dividends.

The Dividend Yield is calculated by dividing the aggregate amount per share distributed by the Company to its shareholders for a given period (whether as dividends or as distribution of reserves or share premium) by the price of the share at a given date (the date that will be indicated when this Measure is mentioned).

Shareholders receive returns from two sources: from the appreciation of the share price and from the remuneration received in the form of distributions of dividends, reserves or share premium. Dividend Yield is the measure or indicator of reference for the latter source.