

**ANNEX I**

**GENERAL**

**1st**

**HALF-YEARLY FINANCIAL REPORT FOR FINANCIAL YEAR**

**2018**

**REPORTING DATE**

**30/06/2018**

**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 six month financial report has been approved unanimously by the Board of Directors meeting of 25 July 2018, where all the directors attended, in person or dully represented. The director Mrs, María Garaña Corces, dully represented, has approved the financial report but, not being attended personally, has not signed it.*

**Person(s) responsible for this information:** *In accordance with the power delegated by the board of directors, the board secretary certifies that the half -yearly financial report has been signed by the directors.*

<b>Name/Company name</b>	<b>Position</b>
D. Santiago Eguidazu Mayor	Chairman
D. Santiago Bergareche Busquet	Vice Chairman
D. Alfred Merton Vinton	Director
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

**Signing date of this six month financial report by the corresponding board of directors:** 07/ 25/07/2018

**IV. SELECTED FINANCIAL INFORMATION**

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

Units: Thousand euros

<b>ASSETS</b>		<b>CURRENT P. 30/06/2018</b>	<b>PREVIOUS P. 31/12/2017</b>
<b>A) NON-CURRENT ASSETS</b>	<b>0040</b>	137,754	129,718
1. Intangible assets:	<b>0030</b>	149	167
a) Googwill	<b>0031</b>		
b) Other intangible assets	<b>0032</b>	149	167
2. Property, plant and equipment	<b>0033</b>	756	782
3. Investment property	<b>0034</b>		
4. Long-term investments in group companies and associates	<b>0035</b>	103,083	102,957
5. Long-term financial investments	<b>0036</b>	33,177	25,222
6. Deferred tax assets	<b>0037</b>	589	589
7. Other non-current assets	<b>0038</b>		
<b>A) CURRENT ASSETS</b>	<b>0085</b>	48,203	58,855
1. Non-current assets held for sale	<b>0050</b>		
2. Inventories	<b>0055</b>		
3. Trade and other receivables:	<b>0060</b>	30,799	32,733
a) Trade receivables	<b>0061</b>	22,575	27,984
b) Other receivables	<b>0062</b>	56	2,137
c) Current tax assets	<b>0063</b>	8,168	2,612
4. Short-term investments in group companies and associates	<b>0064</b>		
5. Short-term financial investments	<b>0070</b>	7,925	8,116
6. Prepayments for current assets	<b>0071</b>		
7. Cash and cash equivalents	<b>0072</b>	9,479	18,006
<b>TOTAL ASSETS (A+B)</b>	<b>0100</b>	185,958	188,573

## EQUITY AND LIABILITIES

		CURRENT P. 30/06/2018	PREVIOUS P. 31/12/2017
<b>A) EQUITY (A.1+A.2+A.3)</b>	<b>0195</b>	179,342	172,161
<b>A.1) CAPITAL AND RESERVES</b>	<b>0180</b>	181,798	174,495
1. Capital:	0171	111,518	111,518
a) Registered capital	0161	111,518	111,518
a) <i>Less: Uncalled capital</i>	0162		
2. Share premium	0172	94,138	94,138
3. Reserves	0173	(37,690)	(38,701)
4. <i>Less: Own shares and equity holdings</i>	0174	(1,138)	(1,138)
5. Prior periods' profit and loss	0178		
6. Other shareholders contributions	0179		
7. Profit (loss) for the period	0175	21,041	25,227
8. <i>Less: Interim dividend</i>	0176	(6,070)	(16,548)
9. Other equity instruments	0177		
<b>A.2) VALUATION ADJUSTMENTS</b>	<b>0188</b>	(2,456)	(2,334)
1. Available-for-sale financial assets	0181	(2,456)	(2,334)
2. Hedging transactions	0182		
3. Other	0183		
<b>A.3) GRANTS, DONATIONS AND BEQUESTS RECEIVED</b>	<b>0194</b>		
<b>B) NON-CURRENT LIABILITIES</b>	<b>0120</b>	3,254	3,232
1. Long-term provisions	0115	535	535
2. Long-term debts:	0116	2,398	2,351
a) Debt with financial institutions and bonds and other marketable securities	0131	2,398	2,351
b) Other financial liabilities	0132		
3. Long-term payables to group companies and associates	0117		
4. Deferred tax liabilities	0118	321	346
5. Other non-current liabilities	0135		
6. Long-term accrual accounts	0119		
<b>C) CURRENT LIABILITIES</b>	<b>0130</b>	3,362	13,180
1. Liabilities associated with non-current assets held for sale	0121		
2. Short-term provisions	0122		
3. Short-term debts:	0123	1,828	1,821
a) Bank borrowings and bonds and other negotiable securities	0133		
b) Other financial liabilities	0134	1,828	1,821
4. Short-term payables to group companies and associates	0129	4	618
5. Trade and other payables:	0124	1,530	10,741
a) Suppliers	0125	879	5,398
b) Other payables	0126	651	4,061
c) Current tax liabilities	0127		1,282
6. Other current liabilities	0136		
7. Current accrual accounts	0128		
<b>TOTAL EQUITY AND LIABILITIES (A+B+C)</b>	<b>0200</b>	185,958	188,573



<b>IV. SELECTED FINANCIAL INFORMATION</b>
<b>3. INDIVIDUAL STATEMENT OF CHANGES IN EQUITY</b>
<b>INDIVIDUAL STATEMENT OF RECOGNISED INCOME AND EXPENSE (PREPARED USING PREVAILING NATIONAL ACCOUNTING STANDARDS)</b>

Units.: Thousands euros

		<b>CURRENT PERIOD 30/06/2018</b>	<b>PREVIOUS PERIOD 30/06/2017</b>
<b>A) PROFIT (LOSS) FOR THE PERIOD (from the profit and loss account)</b>	<b>0305</b>	21,041	19,820
<b>B) INCOME AND EXPENSE RECOGNISED DIRECTLY IN EQUITY</b>	<b>0310</b>	(121)	171
1. From measurement of financial instruments:	<b>0320</b>	(162)	227
a) Available-for-sale financial assets	<b>0321</b>	(162)	227
b) Other income/(expenses)	<b>0323</b>		
2. From cash flow hedges	<b>0330</b>		
3. Grants, donations and bequests received	<b>0340</b>		
4. From actuarial gains and losses and other adjustments	<b>0344</b>		
5. Other income and expense recognised directly in equity	<b>0343</b>		
6. Tax effect	<b>0345</b>	40	(57)
<b>C) TRANSFERS TO PROFIT OR LOSS</b>	<b>0350</b>		
1. From measurements of financial instruments:	<b>0355</b>		
a) Available-for-sale financial assets	<b>0356</b>		
b) Other income/(expenses)	<b>0358</b>		
2. From cash flow hedges	<b>0360</b>		
3. Grants, donations and bequests received	<b>0366</b>		
4. Other income and expense recognised directly in equity	<b>0365</b>		
5. Tax effect	<b>0370</b>		
<b>TOTAL RECOGNISED INCOME/(EXPENSE) (A+B+C)</b>	<b>0400</b>	20,919	19,991

**IV. SELECTED FINANCIAL INFORMATION**  
**4. INDIVIDUAL STATEMENT OF CHANGES IN EQUITY (1/2)**  
**INDIVIDUAL STATEMENT OF TOTAL CHANGES IN EQUITY (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			
<b>Closing balance at 01/01/2018</b>	<b>3010</b>	111,518	38,888	(1,138)	25,227	(2,334)	-	172,161
Adjustments for changes in accounting policy	3011						-	
Adjustments for errors	3012						-	
<b>Adjusted opening balance</b>	<b>3015</b>	111,518	38,888	(1,138)	25,227	(2,334)	-	172,161
<b>I. Total recognised income/(expense)</b>	<b>3020</b>				21,041	(121)	-	20,919
<b>II. Transactions with shareholders or owners</b>	<b>3025</b>		(6,041)				-	(6,041)
1. Capital increases/(reductions)	3026						-	
2. Conversion of financial liabilities into equity	3027						-	
3. Distribution of dividends	3028		(6,070)				-	(6,070)
4. Net trading with treasury stock	3029						-	
5. Increases/(reductions) for business combinations	3030						-	
6. Other transactions with shareholders or owners	3032		29				-	29
<b>III. Other changes in equity</b>	<b>3035</b>		17,530		(25,227)		-	(7,698)
1. Equity-settled share-based payments	3036						-	
2. Transfers between equity accounts	3037		17,529		(25,227)		-	(7,698)
3. Other changes	3038						-	
<b>Closing balance at 30/06/2018</b>	<b>3040</b>	111,518	50,377	(1,138)	21,041	(2,456)	-	179,342

(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 CHANGES IN EQUITY (2/2)

## INDIVIDUAL STATEMENT OF TOTAL CHANGES IN EQUITY (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	Other equity instruments			
<b>Closing balance at 01/01/2017</b>	<b>3050</b>	106,611	50,192	(1,138)	2,278	(844)	-	157,100
Adjustments for changes in accounting policy	3051						-	
Adjustments for errors	3052						-	
<b>Adjusted opening balance</b>	<b>3055</b>	106,611	50,192	(1,138)	2,278	(844)	-	157,100
<b>I. Total recognised income/(expense)</b>	<b>3060</b>				19,820	171	-	19,991
<b>II. Transactions with shareholders or owners</b>	<b>3065</b>						-	
1. Capital increases/(reductions)	3066						-	
2. Conversion of financial liabilities into equity	3067						-	
3. Distribution of dividends	3068		(12,301)				-	(12,301)
4. Net trading with treasury stock	3069						-	
5. Increases/(reductions) for business combinations	3070						-	
6. Other transactions with shareholders or owners	3072						-	
<b>III. Other changes in equity</b>	<b>3075</b>						-	
1. Equity-settled share-based payments	3076						-	
2. Transfers between equity accounts	3077						-	
3. Other changes	3078		2,278		(2,278)		-	
<b>Closing balance at 30/06/2017</b>	<b>3080</b>	106,611	40,169	(1,138)	19,820	(673)	-	164,789

(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**

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

Units.: Thousand euros

		<b>CURRENT PERIOD 30/06/2018</b>	<b>PREVIOUS PERIOD 30/06/2017</b>
<b>A) CASH FLOW FROM OPERATING ACTIVITIES (1+2+3+4)</b>	<b>0435</b>	13,301	(1,747)
<b>1. Profit (loss) before tax</b>	<b>0405</b>	17,484	19,163
<b>2. Adjustments to profit (loss):</b>	<b>0410</b>	123	94
(+) Depreciation and amortisation charge	0411	123	94
(+/-) Other net adjustments to profit (loss)	0412		
<b>3. Changes in working capital</b>	<b>0415</b>	(19,304)	(21,789)
<b>4. Other cash flows from operating activities:</b>	<b>0420</b>	14,998	785
(+) Interest paid	0421		
(+) Dividens received	0422	16,066	
(+) Interest received	0423		
(+/-) Income tax recovered /(paid)	0430	(1,068)	35
(+/-) Other sums received/(paid) from operating activities	0425		750
<b>B) CASH FLOWS FROM INVESTING ACTIVITIES (1+2)</b>	<b>0460</b>	(8,059)	(156)
<b>1. Payment for investments:</b>	<b>0440</b>	(8,235)	(156)
(-) Group companies, associates and business units	0441		
(-) Property, plant and equipment, intangible assets and investment property	0442	(79)	(156)
(-) Other financial assets	0443	(8,157)	
(-) Other assets	0444		
<b>2. Proceeds from sale of investment:</b>	<b>0450</b>	176	
(+) Group companies, associates and business units	0451		
(+) Property, plant and equipment, intangible assets and investment property	0452		
(+) Other financial assets	0453	176	
(+) Other assets	0454		
<b>C) CASH FLOW FROM FINANCING ACTIVITIES (1+2+3)</b>	<b>0490</b>	(13,768)	(12,301)
<b>1. Sums received / (paid) in respect of equity instruments</b>	<b>0470</b>		
(+) Issuance	0471		
(-) Redemptions	0472		
(-) Acquisitions	0473		
(+) Disposal	0474		
(+) Grants, donations and bequests received	0475		
<b>2. Sums received/ (paid) in respect of financial liability instruments:</b>	<b>0480</b>		
(+) Issuance	0481		
(-) Repayment and redemption	0482		
<b>3. Payment of dividends and remuneration on other equity instruments</b>	<b>0485</b>	(13,768)	(12,301)
<b>D) EFFECT OF FOREIGN EXCHANGE RATE CHANGES</b>	<b>0492</b>		
<b>E) NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS (A+B+C+D)</b>	<b>0495</b>	(8,526)	(14,204)
<b>F) CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD</b>	<b>0499</b>	18,006	28,647
<b>G) CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD (E+F)</b>	<b>0500</b>	9,479	14,443

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

		<b>CURRENT PERIOD 30/06/2018</b>	<b>PREVIOUS PERIOD 30/06/2017</b>
(+) Cash on hand and at banks	0550	9,479	14,443
(+) Other financial assets	0552		
(-) Less: Bank overdrafts repayable on demand	0553		
<b>TOTAL CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD</b>	<b>0600</b>	9,479	14,443

**IV. SELECTED FINANCIAL INFORMATION**

**6. CONSOLIDATED BALANCE SHEET (ADOPTED IFRS) (1/2)**

Units.: Thousand euros

ASSETS		CURRENT P.	PREVIOUS P.
		30/06/2018	31/12/2017
<b>A) NON-CURRENT ASSETS</b>	<b>1040</b>	<b>132,337</b>	<b>122,690</b>
1. Intangible assets:	<b>1030</b>	68,793	68,210
a) Goodwill	<b>1031</b>	67,633	66,939
b) Other intangible assets	<b>1032</b>	1,161	1,271
2. Property, plant and equipment	<b>1033</b>	3,508	3,127
3. Investment property	<b>1034</b>		
4. Investments accounted for using the equity method	<b>1035</b>	14,832	16,058
5. Non-current financial assets	<b>1036</b>	42,654	32,604
6. Deferred tax assets	<b>1037</b>	2,550	2,691
7. Other non-current assets	<b>1038</b>		
<b>A) CURRENT ASSETS</b>	<b>1085</b>	<b>128,431</b>	<b>157,397</b>
1. Non-current assets held for sale	<b>1050</b>		
2. Inventories	<b>1055</b>		
3. Trade and other receivables:	<b>1060</b>	39,822	43,507
a) Trade receivables	<b>1061</b>	36,997	41,235
b) Other receivables	<b>1062</b>	1,133	589
c) Current tax assets	<b>1063</b>	1,691	1,683
4. Other current financial assets	<b>1070</b>	8,411	8,476
5. Other current assets	<b>1075</b>	1,123	1,006
6. Cash and cash equivalents	<b>1072</b>	79,075	104,408
<b>TOTAL ASSETS (A+B)</b>	<b>1100</b>	<b>260,768</b>	<b>280,087</b>

**IV. SELECTED FINANCIAL INFORMATION**  
**6. CONSOLIDATED BALANCE SHEET (ADOPTED IFRS) (2/2)**

Units.: Thousand euros

EQUITY AND LIABILITIES		CURRENT P. 30/06/2018	PREVIOUS P. 31/12/2017
<b>A) EQUITY (A.1+A.2+A.3)</b>	<b>1195</b>	<b>206,252</b>	<b>205,414</b>
<b>A.1) CAPITAL AND RESERVES</b>	<b>1180</b>	201,795	202,920
1. Capital:	1171	111,518	111,518
a) Registered capital	1161	111,518	111,518
a) <i>Less: Uncalled capital</i>	1162		
2. Share premium	1172	94,138	94,138
3. Reserves	1173	(10,426)	(15,365)
4. <i>Less: Own shares and equity holdings</i>	1174	(1,138)	(1,138)
5. Prior periods' profit and loss	1178		
6. Other shareholder contributions	1179		
7. Profit (loss) for the period attributable to the parent company	1175	13,774	30,316
8. <i>Less: Interim dividend</i>	1176	(6,070)	(16,548)
9. Other equity instruments	1177		
<b>A.2) ACCUMULATED OTHER COMPREHENSIVE INCOME</b>	<b>1188</b>	(2,666)	(3,442)
1. Items that are not reclassified to profit or loss	1181	(81)	32
2. Hedging transactions	1182		
3. Translation differences	1184	(2,585)	(3,473)
4. Others	1183		
<b>EQUITY ATTRIBUTABLE TO THE PARENT COMPANY (A.1+A.2)</b>	<b>1189</b>	<b>199,129</b>	<b>199,479</b>
<b>A.3) NON-CONTROLLING INTERESTS</b>	<b>1193</b>	<b>7,122</b>	<b>5,936</b>
<b>B) NON-CURRENT LIABILITIES</b>	<b>1120</b>	<b>14,163</b>	<b>15,482</b>
1. Grants	1117		
2. Long-term provisions	1115	997	886
3. Long-term financial liabilities:	1116	11,103	12,150
a) Debt with financial institutions and bonds and other marketable securities	1131	2,398	2,351
b) Other financial liabilities	1132	8,705	9,798
4. Deferred tax liabilities	1118	2,063	2,025
5. Other non-current liabilities	1135		421
<b>C) CURRENT LIABILITIES</b>	<b>1130</b>	<b>40,353</b>	<b>59,191</b>
1. Liabilities associated with non-current assets held to sale	1121		
2. Short-term provisions	1122		
3. Short-term liabilities:	1123	2,901	2,905
a) Debt with financial institutions and bonds and other marketable securities	1133		
b) Other financial liabilities	1134	2,901	2,905
4. Trade and other payables:	1124	37,143	55,995
a) Suppliers	1125	3,821	7,446
b) Other payables	1126	29,580	45,244
c) Current tax liabilities	1127	3,743	3,305
5. Other current liabilities	1136	310	290
<b>TOTAL EQUITY AND LIABILITIES (A+B+C)</b>	<b>1200</b>	<b>260,768</b>	<b>280,087</b>

**IV. SELECTED FINANCIAL INFORMATION**  
**7. CONSOLIDATED PROFIT AND LOSS ACCOUNT (ADOPTED IFRS)**

Units.: Thousand euros

		PRESENT CURR. PERIOD (2nd HALF YEAR)		PREVIOUS CURR. PERIOD (2nd HALF YEAR)		CURRENT CUMULATIVE 30/06/2018		PREVIOUS CUMULATIVE 30/06/2017	
		Amount	%	Amount	%	Amount	%	Amount	%
(+) Revenue	1205					70,219	100.00	58,720	100.00
(+/-) Change in inventories of finished products and work in progress	1206								
(+) Own work capitalised	1207								
(-) Suppliers	1208								
(+) Other operating revenue	1209					1	0.00	3	0.01
(+) Personnel expenses	1217					(38,523)	(54.86)	(30,248)	(51.51)
(+) Other operating expenses	1210					(13,956)	(19.88)	(11,222)	(19.11)
(+) Depreciation and amortisation charge	1211					(527)	(0.75)	(351)	(0.60)
(+) Allocation of grants for non-financial assets and other grants	1212								
(+) Impairment and gain (loss) on disposal of fixed	1214					(2)	(0.00)		
(+/-) Other profit (loss)	1215								
<b>= OPERATING PROFIT</b>	1245					17,212	24.51	16,902	28.78
(+) Finance income	1250					502	0.72	196	0.33
(-) Finance costs	1251					(53)	(0.08)	(34)	(0.06)
(+/-) Changes in fair value of financial instruments	1252					(189)	(0.27)		
(+/-) Exchange differences	1254					(57)	(0.08)	(735)	(1.25)
(+/-) Impairment and gain (loss) on disposal of financial instruments	1255					(1,916)	(2.73)	4,955	8.44
<b>= NET FINANCE INCOME (COSTS)</b>	1256					(1,713)	(2.44)	4,382	7.46
(+/-) Profit (loss) of equity-accounted investees	1253					1,264	1.80	1,648	2.81
<b>= PROFIT (LOSS) BEFORE TAX</b>	1265					16,763	23.87	22,933	39.05
(+/-) Income tax expenses	1270					(1,786)	(2.54)	(4,832)	(8.23)
<b>= PROFIT (LOSS) FOR THE PERIOD FROM CONTINUING ACTIVITIES</b>	1280					14,977	21.33	18,100	30.82
(+/-) Profit (loss) from discontinued operations, net of tax	1285								
<b>= CONSOLIDATED PROFIT (LOSS) FOR THE PERIOD</b>	1288					14,977	21.33	18,100	30.82
a) Profit (loss) for the period attributable to the parent company	1300					13,774	19.62	16,548	28.18
b) Profit (loss) for the period attributable to non-controlling interests	1289					1,204	1.71	1,552	2.64
<b>EARNINGS PER SHARE</b>		<b>Amount (X,XX euros)</b>		<b>Amount (X,XX euros)</b>		<b>Amount (X,XX euros)</b>		<b>Amount (X,XX euros)</b>	
Basic	1290					0.37		0.47	
Diluted	1295					0.37		0.47	

## IV. SELECTED FINANCIAL INFORMATION

## 8. CONSOLIDATED STATEMENT OF RECOGNISED INCOME AND EXPENSE (ADOPTED IFRS)

Units.: Thousand euros

		CURRENT PERIOD 30/06/2018	PREVIOUS PERIOD 30/06/2017
<b>A) CONSOLIDATED PROFIT (LOSS) FOR THE PERIOD (from the profit and loss account)</b>	<b>1305</b>	14,977	18,100
<b>B) OTHER COMPREHENSIVE INCOME - ITEMS THAT ARE NOT RECLASSIFIED TO PROFIT OR LOSS:</b>	<b>1310</b>		
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. Other income and expenses that are not reclassified to profit or loss	1343		
5. Tax effect	1345		
<b>C) OTHER COMPREHENSIVE INCOME - ITEMS THAT MAY SUBSEQUENTLY BE RECLASSIED TO PROFIT OR LOSS:</b>	<b>1350</b>	581	(3,876)
<b>1. Available-for-sale financial assets:</b>	<b>1355</b>	(215)	(2,124)
a) Valuation gains/(losses) taken to equity	1356	(192)	214
b) Amounts transferred to profit or loss	1357	(23)	(2,338)
c) Other reclassifications	1358		
<b>2. Cash flow hedges:</b>	<b>1360</b>		
a) Valuation gains/(losses) taken to equity	1361		
b) Amounts transferred to profit or loss	1362		
c) Amounts transferred at initial carrying amount of hedged items	1363		
d) Other reclassifications	1364		
<b>3. Foreign currency translation:</b>	<b>1365</b>	888	(2,280)
a) Valuation gains/(losses)	1366	888	(2,280)
b) Amounts transferred to profit or loss	1367		
c) Other reclassifications	1368		
<b>4. Share in other comprehensive income of investments in joint ventures and associates:</b>	<b>1370</b>		
a) Valuation gains/(losses) taken to equity	1371		
b) Amounts transferred to profit or loss	1372		
c) Other reclassifications	1373		
<b>5. Other income and expenses that may subsequently be reclassified to profit or loss</b>	<b>1375</b>	(195)	(4)
a) Valuation gains/(losses) taken to equity	1376	(195)	(4)
b) Amounts transferred to profit or loss	1377		
c) Other reclassifications	1378		
<b>6. Tax effect</b>	<b>1380</b>	102	532
<b>TOTAL COMPREHENSIVE INCOME FOR THE PERIOD (A+B+C)</b>	<b>1400</b>	15,558	14,224
a) Attributable to the parent company	1398	14,549	12,676
a) Attributable to non-controlling interests	1399	1,009	1,548

## IV. SELECTED FINANCIAL INFORMATION

## 9. 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			
<b>Closing balance at 01/01/2018</b>	<b>3110</b>	111,518	62,225	(1,138)	30,316	(3,442)	5,936	205,414
Adjustments for changes in accounting policy	3111							
Adjustments for errors	3112							
<b>Adjusted opening balance</b>	<b>3115</b>	111,518	62,225	(1,138)	30,316	(3,442)	5,936	205,414
<b>I. Total comprehensive income / (expense) for the period</b>	<b>3120</b>				13,774	776	1,009	15,558
<b>II. Transactions with shareholders or owners</b>	<b>3125</b>							
1. Capital increases/(reductions)	3126							
2. Conversion of financial liabilities into equity	3127							
3. Distribution of dividends	3128		(6,070)					(6,070)
4. Purchase /sale of treasury stock	3129							
5. Equity increase / (decrease) resulting form business combinations	3130							
6. Other transactions with shareholders or owners	3132		29				178	207
<b>III. Other changes in equity</b>	<b>3135</b>							
1. Equity-settled share-based payment	3136							
2. Transfers among components of equity	3137		22,618		(30,316)			(7,698)
3. Other changes	3138		(1,160)					(1,160)
<b>Closing balance at 30/06/2018</b>	<b>3140</b>	111,518	77,642	(1,138)	13,774	(2,666)	7,122	206,252

(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. 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			
<b>Closing balance at 01/01/2017</b>	<b>3150</b>	106,611	52,213	(1,138)	25,057	3,616	3,503	189,862
Adjustments for changes in accounting policy	3151							
Adjustments for errors	3152							
<b>Adjusted opening balance</b>	<b>3155</b>	106,611	52,213	(1,138)	25,057	3,616	3,503	189,862
<b>I. Total comprehensive income / (expense) for the period</b>	<b>3160</b>				16,548	(3,872)	1,548	14,224
<b>II. Transactions with shareholders or owners</b>	<b>3165</b>							
1. Capital increases/(reductions)	3166							
2. Conversion of financial liabilities into equity	3167							
3. Distribution of dividends	3168		(12,301)					(12,301)
4. Purchase /sale of treasury stock	3169							
5. Equity increase / (decrease) resulting from business combinations	3170							
6. Other transactions with shareholders or owners	3172						(448)	(448)
<b>III. Other changes in equity</b>	<b>3175</b>							
1. Equity-settled share-based payment	3176							
2. Transfers among components of equity	3177							
3. Other changes	3178		25,001		(25,057)			(56)
<b>Closing balance at 30/06/2017</b>	<b>3180</b>	106,611	64,912	(1,138)	16,548	(256)	4,603	191,280

(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**

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

Units: Thousand euros

		<b>CURRENT PERIOD 30/06/2018</b>	<b>PREVIOUS PERIOD 30/06/2017</b>
<b>A) CASH FLOWS FROM OPERATING ACTIVITIES (1+2+3+4)</b>	<b>1435</b>	<b>(273)</b>	<b>11,438</b>
<b>1. Profit (loss) before tax</b>	<b>1405</b>	<b>16,763</b>	<b>22,933</b>
<b>2. Adjustments to profit (loss):</b>	<b>1410</b>	<b>2,076</b>	<b>(4,604)</b>
(+) Depreciation and amortisation charge	1411	527	351
(+/-) Other net adjustments to profit (loss)	1412	1,549	(4,955)
<b>3. Changes in working capital</b>	<b>1415</b>	<b>(18,474)</b>	<b>(12,491)</b>
<b>4. Other cash flows from operating activities:</b>	<b>1420</b>	<b>(638)</b>	<b>5,600</b>
(+) Interest paid	1421		
(-) Payment of dividends and remuneration on other equity instruments	1430		
(+) Dividends received	1422		
(+) Interest received	1423		
(+/-) Income tax recovered/(paid)	1424	(638)	5,600
(+/-) Other sums received/(paid) from operating activities	1425		
<b>B) CASH FLOWS FROM INVESTING ACTIVITIES (1+2+3)</b>	<b>1460</b>	<b>(11,291)</b>	<b>3,535</b>
<b>1. Payments for investments:</b>	<b>1440</b>	<b>(11,467)</b>	<b>(1,614)</b>
(-) Group companies, associates and business units	1441	(707)	(81)
(-) Property, plant and equipment, intangible assets and investment property	1442	(771)	(527)
(-) Other financial assets	1443	(9,979)	(1,006)
(-) Other assets	1444	(11)	
<b>2. Proceeds from sale of investments:</b>	<b>1450</b>	<b>176</b>	<b>5,148</b>
(+) Group companies, associates and business units	1451		
(-) Property, plant and equipment, intangible assets and investment property	1452		
(-) Other financial assets	1453	176	3,729
(-) Other assets	1454		1,420
<b>3. Other cash flows from investing activities:</b>	<b>1455</b>		
(+) Dividends received	1456		
(+/-) Interest received	1457		
(+/-) Other sums received/(paid) from investing activities	1458		
<b>C) CASH FLOWS FROM FINANCIAL ACTIVITIES (1+2+3+4)</b>	<b>1490</b>	<b>(13,768)</b>	<b>(21,088)</b>
<b>1. Sum received/(paid) in respect of equity instruments</b>	<b>1470</b>		
(+) Issuance	1471		
(-) Redemption	1472		
(-) Acquisition	1473		
(+) Disposal	1474		
<b>2. Sums received/(paid) in respect of financial liabilities instruments:</b>	<b>1480</b>		
(+) Issuance	1481		
(-) Repayment and redemption	1482		
<b>3. Payment of dividends and remuneration on other equity instruments</b>	<b>1485</b>	<b>(13,768)</b>	<b>(21,088)</b>
<b>4. Other cash flow from financing activities</b>	<b>1486</b>		
(+) Interest paid	1487		
(-) Other sums received/(paid) from financing activities	1488		
<b>D) EFFECT OF FOREIGN EXCHANGE RATE FLUCTUATIONS ON CASH AND CASH EQUIVALENTS HELD</b>	<b>1492</b>		
<b>E) NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS (A+B+C+D)</b>	<b>1495</b>	<b>(25,332)</b>	<b>(6,116)</b>
<b>F) CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD</b>	<b>1499</b>	<b>104,408</b>	<b>101,612</b>
<b>G) CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD (E+F)</b>	<b>1500</b>	<b>79,075</b>	<b>95,497</b>

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

		<b>CURRENT PERIOD 30/06/2018</b>	<b>PREVIOUS PERIOD 30/06/2017</b>
(+) Cash and banks	1550	79,075	95,497
(+) Other financial assets	1552		
(-) Less: banks overdrafts repayable on demand	1553		
<b>TOTAL CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD</b>	<b>1600</b>	<b>79,075</b>	<b>95,497</b>

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

Units: Thousand euros

		PERIODO ACTUAL 30/06/2016	PERIODO ANTERIOR 30/06/2015
<b>A) CASH FLOW FROM OPERATING ACTIVITIES (1+2+3+4)</b>		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>B) CASH FLOW FROM INVESTING ACTIVITIES (1+2+3)</b>		8460	
<b>1. Payments for investments:</b>		8440	
(-) Group companies, associates and business units		8441	
(-) Property, plant and equipment, intangible assets and investment property		8442	
(-) Other financial assets		8443	
(-) Other assets		8444	
<b>2. Proceeds from sale of investments:</b>		8450	
(-) Group companies, associates and business units		8451	
(-) Property, plant and equipment, intangible assets and investment property		8452	
(-) Other financial assets		8453	
(-) Other assets		8454	
<b>3. Other cash flows from investing activities</b>		8455	
(+) Dividends received		8456	
(+) Interest received		8457	
(+/-) Other sums received/(paid) from investing activities		8458	
<b>C) CASH FLOW FROM FINANCING ACTIVITIES (1+2+3+4)</b>		8490	
<b>1. Sums received/(paid) in respect of equity instruments:</b>		8470	
(+) Issuance		8471	
(-) Redemption		8472	
(-) Acquisition		8473	
(+) Disposal		8474	
<b>2. Sums received/(paid) in respect of financial liabilities instruments:</b>		8480	
(+) Issuance		8481	
(-) Repayment and redemption		8482	
<b>3. Payment of dividends and remuneration on other equity instruments</b>		8485	
<b>4. Other cash flow from financing activities</b>		8486	
(+) Interest paid		8487	
(-) Other sums received/(paid) from financing activities		8488	
<b>D) EFFECT OF FOREIGN EXCHANGE RATE FLUCTUATIONS ON CASH AND CASH EQUIVALENTS HELD</b>		8492	
<b>E) NET INCREASE/(DECREASE)IN CASH AND CASH EQUIVALENTS (A+B+C+D)</b>		8495	
<b>F) CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD</b>		8499	
<b>G) CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD (E+F)</b>		8500	

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

		CURRENT PERIOD 30/06/2017	PREVIOUS PERIOD 30/06/2015
(+) Cash and banks		8550	
(+) Other financial assets		8552	
(-) Less: banks overdrafts repayable on demand		8553	
<b>TOTAL CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD</b>		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**  
**11. CHANGES IN THE COMPOSITION OF THE GROUP**

Table 1:

BUSINESS COMBINATIONS AND OTHERS ACQUISITIONS OR INCREASE IN HOLDINGS IN SUBSIDIARIES, JOINT VENTURES AND/OR INVESTMENTS IN ASSOCIATES (CURRENT PERIOD)						
Name of company (or business line) acquired or merged	Category	Effective date of transaction (dd-mm-yyyy)	(Net) cost of the combination (a) + (b) (thousand euros)		% of voting rights acquired	% of total voting rights in the company after acquisition
			(Net) amount paid in the acquisition + other cost directly attributable to the combination (a)	Fair value of equity instruments issued for the acquisition of the company (b)		
Alantra EQMC Asset Management SGIIC S.A.	Controlled	04/01/2018	360		60.00	60.00
Alantra Belgium NV	Controlled	29/05/2018	314		16.89	75.00
Alantra Belgium NV	Controlled	11/06/2018	33		10.00	85.00
Alantra Corporate Finance Mexico, S.A. de C.V.	Controlled	29/06/2018	0		99.00	99.00

Table 2:

REDUCTION IN HOLDINGS IN SUBSIDIARIES, JOINT VENTURES AND/OR INVESTMENTS IN ASSOCIATES OR OTHER TRANSACTIONS OF A SIMILAR NATURE (CURRENT PERIOD)					
Name of company (or business line) sold, spin off or retired	Category	Effective date of transaction (dd/mm/yyyy)	% of voting rights sold or retired	% of voting rights in the company after disposal	Profit/(Loss) generated (thousand euros)

## IV. SELECTED FINANCIAL INFORMATION

## 12. DIVIDENDS PAID

		CURRENT PERIOD			PREVIOUS PERIOD		
		% of nominal value	Euros per share (XXX)	Amount (thousand euros)	% of nominal value	Euros per share (XXX)	Amount (thousand euros)
Ordinary shares	2158	0.12	0.37	13,768	0.12	0.35	12,301
Other shares (non-voting shares, redeemable shares, etc)	2159						
<b>Total dividends paid</b>	<b>2160</b>	<b>0.12</b>	<b>0.37</b>	<b>13,768</b>	<b>0.12</b>	<b>0.35</b>	<b>12,301</b>
a) Dividends charged to profit and loss	2155	0.12	0.37	13,768			
b) Dividends charged to reserves or share premium	2156				0.12	0.35	12,301
c) Dividends in kind	2157						

## IV. SELECTED FINANCIAL INFORMATION

## 13. BREAKDOWN OF FINANCIAL INSTRUMENTS BY NATURE AND CATEGORY (1/2)

Units: thousand euros

FINANCIAL ASSETS: NATURE/CATEGORY		CURRENT PERIOD				
		Financial assets held for trading	Other financial assets at FVTPL	Available-for-sale financial assets	Loans and receivables	Held-to-maturity investments
Equity instruments	2061			30,177		
Debt securities	2062					
Derivatives	2063					
Other financial assets	2064				3,000	
<b>Long-term/non-current</b>	<b>2065</b>			30,177	3,000	
Equity instruments	2066					
Debt securities	2067					
Derivatives	2068					
Other financial assets	2069				7,925	
<b>Short-term/current</b>	<b>2070</b>				7,925	
<b>INDIVIDUAL TOTAL</b>	<b>2075</b>			30,177	10,925	
Equity instruments	2161					
Debt securities	2162					
Derivatives	2163					
Other financial assets	2164					
<b>Long-term/non-current</b>	<b>2165</b>					
Equity instruments	2166					
Debt securities	2167					
Derivatives	2168					
Other financial assets	2169					
<b>Short-term/current</b>	<b>2170</b>					
<b>CONSOLIDATED TOTAL</b>	<b>2175</b>					

FINANCIAL LIABILITIES: NATURE/CATEGORY		CURRENT PERIOD			
		Financial liabilities held for trading	Other financial liabilities at FVTPL	Debts and payables	Hedging derivatives
Bank borrowings	2076			2,398	
Bonds and other negotiable securities	2077				
Derivatives	2078				
Other financial liabilities	2079				
<b>Long-term debts/Non-current financial liabilities</b>	<b>2080</b>			2,398	
Bank borrowings	2081				
Bonds and other negotiable securities	2082				
Derivatives	2083				
Other financial liabilities	2084			1,828	
<b>Short-term debts/Current financial liabilities</b>	<b>2085</b>			1,828	
<b>TOTAL INDIVIDUAL</b>	<b>2090</b>			4,227	
Bank borrowings	2176				
Bonds and other negotiable securities	2177				
Derivatives	2178				
Other financial liabilities	2179				
<b>Long-term debts/Non-current financial liabilities</b>	<b>2180</b>				
Bank borrowings	2181				
Bonds and other negotiable securities	2182				
Derivatives	2183				
Other financial liabilities	2184				
<b>Short-term debts/Current financial liabilities</b>	<b>2185</b>				
<b>CONSOLIDATED TOTAL</b>	<b>2190</b>				

## IV. SELECTED FINANCIAL INFORMATION

## 13. BREAKDOWN OF FINANCIAL INSTRUMENTS BY NATURE AND CATEGORY (2/2)

Units: thousand euros

FINANCIAL ASSETS: NATURE/CATEGORY		PREVIOUS PERIOD				
		Financial assets held for trading	Other financial assets at FVTPL	Available-for-sale financial assets	Loans and receivables	Held-to-maturity investments
Equity instruments	5061			22,065		
Debt securities	5062					
Derivatives	5063					
Other financial assets	5064				3,157	
<b>Long-term/non-current</b>	<b>5065</b>			22,065	3,157	
Equity instruments	5066					
Debt securities	5267					
Derivatives	5068					
Other financial assets	5069				8,116	
<b>Short-term/current</b>	<b>5070</b>				8,116	
<b>INDIVIDUAL TOTAL</b>	<b>5075</b>			22,065	11,273	
Equity instruments	5161		1,371	26,271		
Debt securities	5162					
Derivatives	5163					
Other financial assets	5164				4,962	
<b>Long-term/non-current</b>	<b>5165</b>		1,371	26,271	4,962	
Equity instruments	5166					
Debt securities	5167					
Derivatives	5168					
Other financial assets	5169				8,476	
<b>Short-term/current</b>	<b>5170</b>				8,476	
<b>CONSOLIDATED TOTAL</b>	<b>5175</b>		1,371	26,271	13,438	

FINANCIAL LIABILITIES: NATURE/CATEGORY		PREVIOUS PERIOD			
		Financial liabilities held for trading	Other financial liabilities at FVTPL	Debts and payables	Hedging derivatives
Bank borrowings	5076			2,351	
Bonds and other negotiable securities	5077				
Derivatives	5078				
Other financial liabilities	5079				
<b>Long-term debts/Non-current financial liabilities</b>	<b>5080</b>			2,351	
Bank borrowings	5081				
Bonds and other negotiable securities	5082				
Derivatives	5083				
Other financial liabilities	5084			1,821	
<b>Short-term debts/Current financial liabilities</b>	<b>5085</b>			1,821	
<b>TOTAL INDIVIDUAL</b>	<b>5090</b>			4,173	
Bank borrowings	5176			2,351	
Bonds and other negotiable securities	5177				
Derivatives	5178				
Other financial liabilities	5179			9,798	
<b>Long-term debts/Non-current financial liabilities</b>	<b>5180</b>			12,150	
Bank borrowings	5181				
Bonds and other negotiable securities	5182				
Derivatives	5183				
Other financial liabilities	5184			2,905	
<b>Short-term debts/Current financial liabilities</b>	<b>5185</b>			2,905	
<b>CONSOLIDATED TOTAL</b>	<b>5190</b>			15,055	

**IV. SELECTED FINANCIAL INFORMATION**  
**14. Segment information**

Units: thousand euros

**Table 1:**

GEOGRAPHIC AREA		Distribution of revenue by geographic area			
		INDIVIDUAL		CONSOLIDATED	
		CURRENT PERIOD	PREVIOUS PERIOD	CURRENT PERIOD	PREVIOUS PERIOD
Domestic market	2210	22,350	26,882	38,264	38,411
Exports:	2215			31,956	20,308
a) European Union	2216			29,315	12,470
b) O.E.C.D. countries	2217			850	787
c) Other countries	2218			1,790	7,052
<b>TOTAL</b>	<b>2220</b>	<b>22,350</b>	<b>26,882</b>	<b>70,219</b>	<b>58,720</b>

**Table 2:**

SEGMENTOS		Ordinary revenue					
		CONSOLIDATED					
		Ordinary revenue from foreign customers		Ordinary revenue between segments		Total ordinary revenue	
		CURRENT PERIOD	PREVIOUS PERIOD	CURRENT PERIOD	PREVIOUS PERIOD	CURRENT PERIOD	PREVIOUS PERIOD
Investment Banking	2221	45,978	37,645	462	474	46,440	38,120
Asset Management	2222	23,656	20,504	846	747	24,502	21,251
Structure	2223	585	570	2,339	2,336	2,925	2,906
Portfolio	2224						
	2225						
	2226						
	2227						
	2228						
	2229						
	2230						
(-) Adjustments and elimination of ordinary revenue between segments	2231			(3,647)	(3,557)	(3,647)	(3,557)
<b>TOTAL</b>	<b>2235</b>	<b>70,219</b>	<b>58,720</b>			<b>70,219</b>	<b>58,720</b>

**Table 3:**

SEGMENTS		Resultado	
		CONSOLIDATED	
		CURRENT PERIOD	PREVIOUS PERIOD
Investment Banking	2250	7,751	13,977
Asset Management	2251	9,444	7,883
Structure	2252	(2,127)	(2,270)
Portfolio	2253	1,770	4,020
	2254		
	2255		
	2256		
	2257		
	2258		
	2259		
<b>Total profit (loss) of segments reported</b>	<b>2260</b>	<b>16,838</b>	<b>23,611</b>
(+/-) Unallocated profit (loss)	2261	(75)	(678)
(+/-) Elimination of internal profit (loss) (between segments)	2262		
(+/-) Other profit (loss)	2263		
(+/-) Income tax and/or profit (loss) from discontinued activities	2264		
<b>PROFIT (LOSS) BEFORE TAX</b>	<b>2270</b>	<b>16,763</b>	<b>22,933</b>

**IV. SELECTED FINANCIAL INFORMATION**

**15. AVERAGE WORKFORCE**

		INDIVIDUAL		CONSOLIDATED	
		CURRENT PERIOD	PREVIOUS PERIOD	CURRENT PERIOD	PREVIOUS PERIOD
<b>AVERAGE WORKFORCE</b>	2295	<b>41</b>	<b>39</b>	<b>431</b>	<b>319</b>
Men	2296	17	17	307	234
Women	2297	24	22	124	85

**IV. SELECTED FINANCIAL INFORMATION**

**16. REMUNERATION RECEIVED BY DIRECTORS AND MANAGING DIRECTORS**

**DIRECTORS:**

Type of remuneration:		Amount (thousand euros)	
		CURRENT PERIOD	PREVIOUS PERIOD
Fixed remuneration	<b>2310</b>	185	184
Variable remuneration	<b>2311</b>		
Attendance fees	<b>2312</b>	91	92
Directors' fees	<b>2313</b>		
Options on shares and/or other financial instruments	<b>2314</b>		
Others	<b>2315</b>		10
<b>TOTAL</b>	<b>2320</b>	<b>276</b>	<b>286</b>

**Other benefits:**

Advances	<b>2326</b>		
Loans granted	<b>2327</b>		
Pension funds and plans: Contributions	<b>2328</b>		
Pension funds and plans: Contracted obligations	<b>2329</b>		
Life insurance premiums	<b>2330</b>		
Guarantees granted to directors	<b>2331</b>		

**MANAGING DIRECTORS:**

Type of remuneration:		Amount (thousand euros)	
		CURRENT PERIOD	PREVIOUS PERIOD
Total remuneration paid to managing directors	<b>2325</b>	2,434	2,788

**IV. SELECTED FINANCIAL INFORMATION**

**17. RELATED-PARTY TRANSACTIONS (1/2)**

RELATED-PARTY TRANSACTIONS  EXPENSES AND REVENUES		CURRENT PERIOD				
		Significant shareholders	Directors and managing directors	Group employees, companies and entities	Other related parties	Total
1) Finance costs	2340					
2) Management and cooperation contracts	2341					
3) R&D transfers and licence agreements	2342					
4) Leases	2343					
5) Receipt of services	2344			238		238
6) Purchase of goods (finished or in progress)	2345					
7) Allowance for bad and doubtful debts	2346					
8) Losses on retirement or disposal of assets	2347					
9) Other expenses	2348					
<b>EXPENSES (1+2+3+4+5+6+7+8+9)</b>	<b>2350</b>			238		238
10) Finance income	2351			22		22
11) Management and cooperation contracts	2352	686				686
12) R&D transfers and licence agreements	2353			14		14
13) Dividends received	2354					
14) Leases	2355			6		6
15) Provisions of services	2356			526		526
16) Sale of goods (finished or in progress)	2357					
17) Gains on retirement or disposal of assets	2358					
18) Other revenues	2359					
<b>REVENUE (10+11+12+13+14+15+16+17+18)</b>	<b>2360</b>	686		569		1,255

OTHER TRANSACTIONS		CURRENT PERIOD				
		Significant shareholders	Directors and managing directors	Group employees, companies and entities	Other related parties	Total
Purchase of property, plant and equipment, intangible assets and other assets	2371					
Financing agreements: loans and capital contributions (lender)	2372					
Finance lease arrangements (lessor)	2373					
Repayment or cancellation of loans and less arrangements (lessor)	2377					
Sale of property, plant and equipment, intangible assets and other assets	2374					
Financing agreements: loans and capital contributions (borrower)	2375					
Finance lease arrangements (lessee)	2376					
Repayment or cancellation of loans and lease agreements (lessee)	2378					
Collateral and guarantees given	2381					
Collateral and guarantees received	2382					
Commitments assumed	2383					
Commitment/Guarantees cancelled	2384					
Dividends and other earnings distributed	2386					
Other transactions	2385					



**IV. SELECTED FINANCIAL INFORMATION**  
**17. RELATED-PARTY TRANSACTIONS (2/2)**

Units: Thousand euros

RELATED-PARTY TRANSACTIONS  EXPENSES AND REVENUES		PREVIOUS PERIOD				
		Significant shareholders	Directors and managing directors	Group employees, companies and entities	Other related parties	Total
1) Finance costs	6340					
2) Management and cooperation contracts	6341					
3) R&D transfers and licence agreements	6342					
4) Leases	6343					
5) Receipt of services	6344			94	4	97
6) Purchase of goods (finished or in progress)	6345					
7) Allowance for bad and doubtful debts	6346					
8) Losses on retirement or disposal of assets	6347					
9) Other expenses	6348					
<b>EXPENSES (1+2+3+4+5+6+7+8+9)</b>	<b>6350</b>			94	4	97
10) Finance income	6351			12		12
11) Management and cooperation contracts	6352					
12) R&D transfers and licence agreements	6353					
13) Dividends received	6354					
14) Leases	6355			6		6
15) Provisions of services	6356			557		557
16) Sale of goods (finished or in progress)	6357					
17) Gains on retirement or disposal of assets	6358					
18) Other revenues	6359					
<b>REVENUE (10+11+12+13+14+15+16+17+18)</b>	<b>6360</b>			575		575

OTHER TRANSACTIONS		PREVIOUS PERIOD				
		Significant shareholders	Directors and managing directors	Group employees, companies and entities	Other related parties	Total
Purchase of property, plant and equipment, intangible assets and other assets	6371					
Financing agreements: loans and capital contributions (lender)	6372					
Finance lease arrangements (lessor)	6373					
Repayment or cancellation of loans and less arrangements (lessor)	6377					
Sale of property, plant and equipment, intangible assets and other assets	6374					
Financing agreements: loans and capital contributions (borrower)	6375					
Finance lease arrangements (lessee)	6376					
Repayment or cancellation of loans and lease agreements (lessee)	6378					
Collateral and guarantees given	6381					
Collateral and guarantees received	6382					
Commitments assumed	6383					
Commitment/Guarantees cancelled	6384					
Dividends and other earnings distributed	6386					
Other transactions	6385					

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

Condensed Interim Consolidated Financial  
Statements for the half-year period from 1  
January to 30 June 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 BALANCE SHEETS AT 30 JUNE 2018 AND 31 DECEMBER 2017**

(Thousand euros)

ASSETS	30/06/2018 (Unaudited)	31/12/2017 (*)	LIABILITIES AND EQUITY	30/06/2018 (Unaudited)	31/12/2017 (*)
<b>NON-CURRENT ASSETS</b>	<b>132,337</b>	<b>122,690</b>	<b>EQUITY</b>	<b>206,250</b>	<b>205,416</b>
Intangible Assets -	68,793	68,210	<i>OWN FUNDS-</i>	201,794	202,922
Goodwill	67,632	66,939	<b>Capital -</b>	111,518	111,518
Other intangible assets	1,161	1,271	Registered capital	111,518	111,518
<b>Property, plant and equipment</b>	<b>3,508</b>	<b>3,127</b>	<i>Less: Uncalled capital</i>	-	-
<b>Investments accounted for using the equity method</b>	<b>14,832</b>	<b>16,058</b>	Share Premium	94,138	94,138
<b>Non-current financial assets</b>	<b>42,654</b>	<b>32,604</b>	Reserves	(10,426)	(15,364)
<b>Deferred tax assets</b>	<b>2,550</b>	<b>2,691</b>	<i>Less: Treasury stock and own equity holdings</i>	(1,138)	(1,138)
			Profit (loss) for the period attributable to the parent company	13,772	30,316
			<i>Less: Interim dividend</i>	(6,070)	(16,548)
			Other equity instruments	-	-
			<b>ACCUMULATED OTHER COMPREHENSIVE INCOME</b>		
			Items that are not classified to profit or loss		
			Items that may subsequently be reclassified to profit or loss -	(2,666)	(3,442)
			Available-for-sale financial assets	(81)	32
			Translation differences	(2,585)	(3,474)
			<b>EQUITY ATTRIBUTABLE TO THE PARENT COMPANY</b>	<b>199,128</b>	<b>199,480</b>
			<b>NON-CONTROLLING INTEREST</b>	<b>7,122</b>	<b>5,936</b>
			<b>NON-CURRENT LIABILITIES</b>	<b>14,163</b>	<b>15,481</b>
			Long-term provisions	997	886
			Long-term financial liabilities -	11,103	12,149
			Debt with financial institutions and bonds and other marketable securities	2,398	2,350
			Other financial liabilities	8,705	9,799
			Deferred tax liabilities	2,063	2,025
			Other non-current liabilities	-	421
			<b>CURRENT LIABILITIES</b>	<b>40,354</b>	<b>59,190</b>
<b>CURRENT ASSETS</b>	<b>128,430</b>	<b>157,397</b>	Short-term financial liabilities	2,901	2,905
Trade and other receivables -	39,821	43,507	Trade and other payables -	37,144	55,995
Trade receivables	36,997	41,235	Suppliers	3,821	7,446
Other receivables	1,133	589	Other payables	29,580	45,244
Current tax assets	1,691	1,683	Current tax liabilities	3,743	3,305
<b>Other current financial assets</b>	<b>8,411</b>	<b>8,476</b>	Other current liabilities	309	290
<b>Other current assets</b>	<b>1,123</b>	<b>1,006</b>			
<b>Cash and cash equivalents</b>	<b>79,075</b>	<b>104,408</b>			
<b>TOTAL ASSETS</b>	<b>260,767</b>	<b>280,087</b>	<b>TOTAL EQUITY AND LIABILITIES</b>	<b>260,767</b>	<b>280,087</b>

(\*) Presented solely and exclusively for comparison purposes

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

**CONSOLIDATED PROFIT AND LOSS ACCOUNTS**  
**FOR THE SIX MONTHS PERIODS ENDED**  
**30 JUNE 2018 AND 2017**

(Thousand euros)

	30/06/2018 (Unaudited)	30/06/2017 (Unaudited)
Revenue	70,219	58,720
Other operating revenue	1	3
Other current revenues	1	3
Personnel expenses	(38,523)	(30,248)
Other operating expenses	(13,956)	(11,222)
Depreciation and amortisation charge	(528)	(351)
Impairment and gain (loss) on disposal of fixed assets	(2)	-
Other profit (loss)	-	-
<b>OPERATING PROFIT (LOSS)</b>	<b>17,211</b>	<b>16,902</b>
Finance income	502	196
Finance cost	(53)	(34)
Changes un fair value of financial instruments	(189)	-
Exchange differences	(57)	(735)
Impairment and gain (loss) on disposal of financial instruments	(1,916)	4,955
<b>NET FINANCE INCOME (COSTS)</b>	<b>(1,713)</b>	<b>4,382</b>
Profit (loss) of equity-accounted investees	1,264	1,648
<b>PROFIT (LOSS) BEFORE TAX</b>	<b>16,762</b>	<b>22,932</b>
Income tax expense	(1,786)	(4,832)
<b>PROFIT (LOSS) FOR THE PERIOD FROM CONTINUING ACTIVITIES</b>	<b>14,976</b>	<b>18,100</b>
Profit (loss) from discontinued operations, net of tax	-	-
<b>CONSOLIDATED PROFIT (LOSS) FOR THE PERIOD</b>	<b>14,976</b>	<b>18,100</b>
Profit (loss) for the period attributable to the parent company	13,772	16,548
Profit (loss) for the period attributable to non-controlling interests	1,204	1,552
<b>EARNINGS PER SHARE</b>		
Basic	0.37	0.47
Diluted	0.37	0.47

(\*) Presented solely and exclusively for comparison purposes

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

**CONSOLIDATED STATEMENTS OF RECOGNISED INCOME AND EXPENSE**  
**FOR THE SIX MONTHS PERIODS ENDED 30 JUNE 2018 AND 2017**

(Thousand euros)

	30/06/2018 (Unaudited)	30/06/2017 (*) (Unaudited)
<b>CONSOLIDATED PROFIT (LOSS) FOR THE PERIOD (from the profit and loss account)</b>	<b>14,976</b>	<b>18,100</b>
<b>OTHER COMPREHENSIVE INCOME - ITEMS THAT ARE NOT RECLASSIFIED TO PROFIT OR LOSS:</b>		
- 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	-	-
- Other income and expenses that are not reclassified to profit or loss	-	-
- Tax effect	-	-
<b>OTHER COMPREHENSIVE INCOME - ITEMS THAT MAY SUBSEQUENTLY BE RECLASSIFIED TO PROFIT OR LOSS:</b>	<b>579</b>	<b>(3,876)</b>
<b>- Available-for-sale financial assets:</b>	<b>(216)</b>	<b>(2,124)</b>
Valuation gains/ (losses) taken to equity	(193)	214
Amounts transferred to profit or loss	(23)	(2,338)
Other reclassifications	-	-
<b>- Cash Flow Hedges:</b>	-	-
Valuations gains/ (losses) taken to equity	-	-
Amounts transferred to profit or loss	-	-
Amounts transferred at initial carrying amount of hedged items	-	-
Other reclassifications	-	-
<b>- Foreign currency translation:</b>	<b>889</b>	<b>(2,280)</b>
Valuation gains/ (losses) taken to equity	889	(2,280)
Amounts transferred to profit or loss	-	-
Other reclassifications	-	-
<b>- Share in other comprehensive income of investments in joint ventures and associates:</b>	-	-
Valuation gains/ (losses) taken to equity	-	-
Amounts transferred to profit or loss	-	-
Other reclassifications	-	-
<b>- Other income and expenses that may subsequently be reclassified to profit or loss:</b>	<b>(197)</b>	<b>(4)</b>
Valuation gains/ (losses) taken to equity	(197)	(4)
Amounts transferred to profit or loss	-	-
Other reclassifications	-	-
<b>- Tax effect</b>	<b>103</b>	<b>532</b>
<b>TOTAL COMPREHENSIVE INCOME FOR THE PERIOD</b>	<b>15,555</b>	<b>14,224</b>
Attributable to the parent	14,548	12,676
Attributable to non-controlling interests	1,007	1,548

(\*) Presented solely and exclusively for comparison purposes

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

**CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY FOR THE SIX MONTHS PERIODS ENDED 30 JUNE 2018 AND 2017**

(Thousand euros)

	Capital	Share premium	Reserves	Less: Treasury shares and own equity instruments	Profit (loss) for the period	Less: Interim dividends	Other equity instruments	Cumulative other comprehensive income	Non-controlling interest	Total Equity
<b>CLOSING BALANCE AT 31 DECEMBER 2017 (*)</b>	111,518	94,138	(15,364)	(1,138)	30,316	(16,548)	-	(3,442)	5,936	205,416
Adjustments for changes in accounting policy	-	-	-	-	-	-	-	-	-	-
Adjustments for errors	-	-	-	-	-	-	-	-	-	-
<b>ADJUSTED OPENING BALANCE AT 1 JANUARY 2018 (*)</b>	111,518	94,138	(15,364)	(1,138)	30,316	(16,548)	-	(3,442)	5,936	205,416
<b>Total comprehensive income/(expense) for the period</b>	-	-	-	-	13,772	-	-	776	1,007	15,555
<b>Transactions with shareholders or owners</b>	-	-	-	-	-	-	-	-	-	-
- Capital increases / (reductions)	-	-	-	-	-	-	-	-	-	-
- Conversion of financial liabilities into equity	-	-	-	-	-	-	-	-	-	-
- Distribution of dividends	-	-	-	-	-	(6,070)	-	-	-	(6,070)
- Purchase / sale of treasury stock	-	-	-	-	-	-	-	-	-	-
- Equity increase / (decrease) resulting from business combinations	-	-	-	-	-	-	-	-	-	-
- Other transactions with shareholders or owners	-	-	30	-	-	-	-	-	179	209
<b>Other changes in equity</b>	-	-	-	-	-	-	-	-	-	-
- Equity-settled share-based payment	-	-	-	-	-	-	-	-	-	-
- Transfers among components of equity	-	-	4,908	-	(30,316)	16,548	-	-	-	(8,860)
- Other changes	-	-	-	-	-	-	-	-	-	-
<b>CLOSING BALANCE AT 30 JUNE 2018 (*) (**)</b>	111,518	94,138	(10,426)	(1,138)	13,772	(6,070)	-	(2,666)	7,122	206,250

(\*) Presented solely and exclusively for comparison purposes

(\*\*) Unaudited

	Capital	Share premium	Reserves	Less: Treasury shares and own equity instruments	Profit (loss) for the period	Less: Interim dividends	Other equity instruments	Cumulative other comprehensive income	Non-controlling interest	Total Equity
<b>CLOSING BALANCE AT 31 DECEMBER 2016 (*)</b>	106,611	92,062	(39,848)	(1,138)	25,055	-	-	3,615	3,503	189,860
Adjustments for changes in accounting policy	-	-	-	-	-	-	-	-	-	-
Adjustments for errors	-	-	-	-	-	-	-	-	-	-
<b>ADJUSTED OPENING BALANCE AT 1 JANUARY 2017 (*)</b>	106,611	92,062	(39,848)	(1,138)	25,055	-	-	3,615	3,503	189,860
<b>Total comprehensive income/(expense) for the period</b>	-	-	-	-	16,548	-	-	(3,872)	1,548	14,224
<b>Transactions with shareholders or owners</b>	-	-	-	-	-	-	-	-	-	-
- Capital increases / (reductions)	-	-	-	-	-	-	-	-	-	-
- Conversion of financial liabilities into equity	-	-	-	-	-	-	-	-	-	-
- Distribution of dividends	-	(12,301)	-	-	-	-	-	-	-	(12,301)
- Purchase / sale of treasury stock	-	-	-	-	-	-	-	-	-	-
- Equity increase / (decrease) resulting from business combinations	-	-	-	-	-	-	-	-	-	-
- Other transactions with shareholders or owners	-	-	-	-	-	-	-	-	(448)	(448)
<b>Other changes in equity</b>	-	-	-	-	-	-	-	-	-	-
- Equity-settled share-based payment	-	-	-	-	-	-	-	-	-	-
- Transfers among components of equity	-	-	25,000	-	(25,055)	-	-	-	-	(55)
- Other changes	-	-	-	-	-	-	-	-	-	-
<b>CLOSING BALANCE AT 30 JUNE 2017 (*) (**)</b>	106,611	79,761	(14,848)	(1,138)	16,548	-	-	(257)	4,603	191,280

(\*) Presented solely and exclusively for comparison purposes

(\*\*) Unaudited

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

**CONSOLIDATED STATEMENTS OF CASH FLOWS**  
**FOR THE SIX MONTH PERIODS ENDED 30 JUNE 2018 AND 2017**

(Thousand euros)

	30/06/2018 (Unaudited)	30/06/2017 (Unaudited) (*)
<b>A) CASH FLOWS FROM OPERATING ACTIVITIES:</b>	<b>(274)</b>	<b>11,437</b>
Profit (loss) before tax	16,762	22,932
<b>Adjustments to profit (loss):</b>	<b>2,077</b>	<b>(4,604)</b>
- Depreciation and amortisation charge	528	351
- Other net adjustments to profit (loss)	1,549	(4,955)
<b>Changes in working capital</b>	<b>(18,475)</b>	<b>(12,491)</b>
<b>Other cash flows from operating activities:</b>	<b>(638)</b>	<b>5,600</b>
- Interest paid	-	-
- Payment of dividends and remuneration on other equity instruments	-	-
- Dividends received	-	-
- Interest received	-	-
- Income tax recovered/(paid)	(638)	5,600
- Other sums received/(paid) from operating activities	-	-
<b>B) CASH FLOWS FROM INVESTING ACTIVITIES:</b>	<b>(11,291)</b>	<b>3,292</b>
<b>Payments for investments:</b>	<b>(11,467)</b>	<b>(1,856)</b>
- Group companies, associates and business units	(707)	(80)
- Property, plant and equipment, intangible assets and investment property	(770)	(770)
- Other financial assets	(9,979)	(1,006)
- Other assets	(11)	-
<b>Proceeds from sale of investments:</b>	<b>176</b>	<b>5,148</b>
- Group companies, associates and business units	-	-
- Property, plant and equipment, intangible assets and investment property	-	-
- Other financial assets	176	5,148
- Other assets	-	-
<b>Other cash flows from investing activities:</b>	<b>-</b>	<b>-</b>
- Dividends received	-	-
- Interest received	-	-
- Other sums received/(paid) from investing activities	-	-
<b>C) CASH FLOWS FROM FINANCIAL ACTIVITIES</b>	<b>(13,768)</b>	<b>(21,088)</b>
<b>Sum received/(paid) in respect of equity instruments</b>	<b>-</b>	<b>-</b>
- Issuance	-	-
- Redemption	-	-
- Acquisition	-	-
- Disposal	-	-
<b>Sums received/(paid) in respect of financial liabilities instruments:</b>	<b>-</b>	<b>-</b>
- Issuance	-	-
- Repayment and redemption	-	-
<b>Payment of dividends and remuneration on other equity instruments</b>	<b>(13,768)</b>	<b>(21,088)</b>
<b>Other cash flows from financing activities:</b>	<b>-</b>	<b>-</b>
- Interest paid	-	-
- Other sums received/(paid) from financing activities	-	-
<b>D) EFFECT OF FOREIGN EXCHANGE RATE FLUCTUATIONS ON CASH AND CASH EQUIVALENTS HELD</b>	<b>-</b>	<b>-</b>
<b>E) NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS (A+B+C+D)</b>	<b>(25,333)</b>	<b>(6,359)</b>
Cash and equivalents, opening balances	104,408	101,612
Cash and equivalents, closing balances	79,075	95,497

(\*) Presented solely and exclusively for comparison purposes

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

Notes to the Condensed Interim Consolidated  
Financial Statements for the half-year period  
from 1 January to 30 June 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 Nmás1 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 calle Padilla, 17 in Madrid.

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

The Company is the parent of a group (hereinafter, the Group or the Alantra 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 and companies involved in acquiring direct stakes in companies. At 30 June 2018, the Group had a branch office in China, United Kingdom and Italy. Also, at 31 December 2017, the Group had a branch office in China and two in United Kingdom.

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 N+1 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 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 N+1 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 30 June 2018, and relevant information thereon, are provided below:

Present name	Registered office	Activity	% Shareholding	
			Direct	Indirect
<b>Controlling Company:</b> Alantra Partners, S.A.	Madrid	Financial advisory and consultancy services	n/a	n/a
<b>Subsidiaries:</b>				
Alantra International Corporate Advisory, S.L.U. (5) (16)	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)	Madrid	Financial advisory and consultancy services	-	70.00
Alantra s.r.l. (5) (15)	Milan	Financial advisory and consultancy services	-	60.00
Alantra Deutschland GmbH (5)	Frankfurt	Financial advisory services	-	100.00
Alantra France Corporate Finance SAS (5)	Paris	Financial advisory services	-	60.00
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)	Lisbon	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) (12)	Santiago de Chile	Financial advisory services	-	100.00
Alantra Belgium, NV (1) (5) (14)	Amberes	Financial advisory and consultancy services	-	58.11
Alantra Ireland Corporate Finance Limited (1) (2) (5)	Dublin	Financial advisory and consultancy services	-	100.00
Alantra Austria & CEE GmbH (1) (2) (5)	Vienna	Financial advisory services	-	70.00
Alantra Corporate Finance Mexico, S.A. de C.V. (3) (5)	Mexico City	Financial advisory services	-	99.00
Alantra Investment Managers, S.L.U. (7)	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. (4)	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
Partilionia 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
EQMC GP LLC (7)	Wilmington	General Partner of investment vehicles	-	100.00
Alteralia Management S.à.r.l. (7)	Luxembourg	General Partner of investment vehicles	-	100.00
Alteralia II Management S.à.r.l. (1) (7)	Luxembourg	General Partner of investment vehicles	-	100.00
Brooklin Buy-Out Limited (2) (7)	Dublin	General Partner of investment vehicles	-	100.00
Alantra Asset Management, S.G.I.I.C., S.A.U.	Madrid	Administration and management of CISs	100.00	-
Alantra EQMC Asset Management, S.G.I.I.C., S.A. (3) (7)	Madrid	Administration and management of CISs	-	60.00
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. (13)	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. (16)	Madrid	Investment and associated services	100.00	-
Alantra Wealth Management, Agencia de Valores, S.A. (4)	Madrid	Investment and associated services	50.01	-
Alantra Wealth Management Gestión, S.G.I.I.C., S.A. (4)	Madrid	Administration and management of CISs	50.01	-
Alantra Corporate Finance LLP (formerly Catalyst Corporate Finance, LLP) (2)	Birmingham	Financial advisory services	100.00	-

(1) Companies incorporated in 2017.  
(2) Companies acquired in 2017.  
(3) Companies incorporated in 2018.  
(4) Alantra Capital Privado, S.G.E.I.C., S.A.U. is sole shareholder of Alantra Private Equity Servicios, S.L.U.  
(5) Alantra International Corporate Advisory, S.L.U. holds stakes in: Alantra Corporate Finance, S.A.U. (100%); Alantra Deutschland GmbH (100%); Alantra, s.r.l (60%); Alantra France Corporate Finance SAS (60%); Alantra Corporate Finance B.V. (100%); Alantra U.S. Corporation, LLC (100%); Partnersalantra Portugal LDA (formerly Másuno Portugal Corporate Finance, Unipessoal LDA) (85%); Alantra Nordics AB (80%); Alantra Greece Corporate Advisors, S.A. (87.5%); Alantra Chile SPA (formerly Nmás1 Chile SPA) (100%); Alantra Belgium, NV (85%); Alantra Ireland Corporate Finance Limited (100%); Alantra Austria & CEE GmbH (70%); Alantra Corporate Finance Mexico, S.A. de C.V. (99%); Nplus1 Signer Ltd (27.46%); Nplus1 Daruma Finansal Danışmanlık Hizmetleri A.Ş and Nplus1 Daruma Gayrimenkul Kurumsal Finansman Danışmanlık Hizmetleri A.Ş (35%); and Alantra AG (25%).  
(6) Alantra Asset Management, S.G.I.I.C., S.A.U. is sole equityholder of QMC Directorship, S.L.U.  
(7) Alantra Investment Managers, S.L.U. is sole equityholder 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., EQMC GP LLC, Alteralia Management, S.à.r.l., Brooklin Buy-Out Limited and Alteralia II Management S.à.r.l. It also has a 60% stake in Alantra EQMC Asset Management, SGIC, S.A.  
(8) Mercapital Private Equity S.G.E.I.C., S.A.U. is sole equityholder of Paulonia Servicios de Gestión, S.L.U., Partilionia Administración, S.L.U., Mideslonia Administración, S.L.U. and Flenox, S.L.U.  
(9) Alantra Corporate Finance, S.A.U. has a 70% stake in Alantra Corporate Portfolio Advisors, S.L.  
(10) Alantra U.S. Corporation LLC is sole equityholder of Alantra, LLC.  
(11) Alantra, LLC is sole equityholder of Downer & Company, S.A.S. and has a 99% stake in C.W. Downer & Co. India Advisors LLP.  
(12) Alantra Chile SPA holds a 30.95% stake in Landmark Capital, S.A.  
(13) Alantra REIM has a 50 %stake in Tertenia Directorship, S.L.  
(14) After a share capital increase by Alantra Belgium NV approved on 29 May 2017 and the acquisition realized by Alantra International Corporate Advisory, S.L.U. on 11 June 2018 of an additional 10%, its interest in Alantra Belgium, NV rose 85%.  
(15) On 12 December 2017, Alantra International Corporate Advisory, S.L.U. sold 25% of Alantra, s.r.l.  
(16) On 8 and 9 December 2017, Alantra Partners, S.A. acquired from the other minority equityholders of Alantra International Corporate Advisory, S.L.U. all of their stakes in said company

Listed below are the jointly controlled and associate companies at 30 June 2018, together with the key information on those entities:

	Registered office	Activity	% Shareholding	
			Direct	Indirect
<b>Holdings in jointly controlled enterprises</b>				
Alpina Real Estate GP I, S.A., in liquidation	Luxembourg	Silent Partner of a limited joint-stock partnership	50.00	-
Alpina Real Estate GP II, S.A., in liquidation	Luxembourg	Silent Partner of a limited joint-stock partnership	50.00	-
Alpina Real Estate GP, S.A., in liquidation	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	-
<b>Holdings in associates</b>				
Nplus1 Singer Ltd (2)	London	Holding, usufruct and disposal of shares and stakes in non-listed companies	-	27.35
Nplus1 Singer Advisory LLP (3)	London	Financial advisory and consultancy services	-	27.35
Nplus1 Singer Capital Markets Ltd (3)	London	Investment and associated services	-	27.35
Alantra AG (2)	Zurich	Financial advisory and consultancy services	-	25.00
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)	Bogotá	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
Nplus 1 Daruma Turizm Yatırım Finansal Dan.Hiz.A.Ş (6)	Istanbul	Financial advisory and consultancy services	-	28.00

(1) Companies incorporated in 2018.

(2) Alantra International Corporate Advisory, S.L.U. holds stakes in: Alantra Corporate Finance, S.A.U. (100%); Alantra Deutschland GmbH (100%); Alantra, s.r.l (60%); Alantra France Corporate Finance SAS (60%); Alantra Corporate Finance B.V. (100%); Alantra U.S. Corporation, LLC (100%), Partnersalantra Portugal LDA (formerly Mäsuno Portugal Corporate Finance, Unipessoal LDA) (85%); Alantra Nordics AB (80%); Alantra Greece Corporate Advisors, S.A. (87.5%); Alantra Chile SPA (formerly Nmäs1 Chile SPA) (100%); Alantra Belgium, NV (85%); Alantra Ireland Corporate Finance Limited (100%); Alantra Austria & CEE GmbH (70%); Alantra Corporate Finance Mexico, S.A. de CV. (99%), Nplus1 Signer Ltd (27.46%); Nplus1 Daruma Finansal Danışmanlık Hizmetleri A.Ş and Nplus1 Daruma Gayrimenkul Kurumsal Finansman Danışmanlık Hizmetleri A.Ş (35%); and Alantra AG (25%).

(3) Nplus1 Singer Ltd is sole equityholder of Nplus1 Singer Advisory LLP and of Nplus1 Singer Capital Markets Ltd.

(4) Alantra Chile SPA holds a 30.95% stake in Landmark Capital, S.A.

(5) Landmark Capital, S.A. solely owns Landmark Capital Asesoría Empresarial Ltda., and has a 99.96% stake in Landmark Capital Argentina SRL and 100% stake in Landmark Capital Colombia SAS.

(6) Nplus1 Daruma Gayrimenkul Kurumsal Finansman Danışmanlık Hizmetleri A.Ş. has an 80% stake in Nplus 1 Daruma Turizm Yatırım Finansal Dan.Hiz.A

## **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 for the six months to 30 June 2018 have been 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.

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

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.

## **2.2 Comparability**

In accordance with the requirements of commercial legislation, the information set out in these condensed consolidated interim financial statements and in the explanatory notes at 31 December 2017 (audited) and 30 June 2017 (unaudited) has been prepared in accordance with the standards in force in 2017 and is presented solely for the purposes of comparison together with the information at 30 June 2018 (unaudited).

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 effects of the first application of IFRS 9 are presented in Note 2.4.

## **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 30 June 2018**

*The main standards, amendments to existing standards and interpretations of standards that entered into force in 2018:*

In 2018 the following amendments to IFRS and their interpretations entered into force. They had an impact on the condensed consolidated interim financial statements of Alantra Group.

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

- **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 balance sheet 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 6 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.

The IASB has laid down that the mandatory application date of IFRS 9 is 1 January 2018, with the possibility of early adoption.

The Group has applied IFRS 9 retroactively without restating the comparative information. The impact of the first application on the Group's financial statements is analysed below:

	Thousand euro			
	IAS 39 31.12.2017	Reclassification	Impairment	IFRS 9 Beginning balance sheet 01.01.2018
<b>Assets</b>				
<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
At fair value through changes in other comprehensive income	-	15,827	-	15,827
Loans (cost)	3,832	(758)	(36)	3,038
Other financial assets (cost)	1,129	(256)	(13)	860
	<b>32,604</b>	-	<b>(49)</b>	<b>32,555</b>
<i>Trade and other receivables</i>				
Trade receivables for sales and services rendered (cost)	41,235	-	(310)	40,925
Other receivables (cost)	589	-	-	589
	<b>41,824</b>	-	<b>(310)</b>	<b>41,514</b>
<i>Other current financial assets</i>				
Deposits (cost)	7,925	-	-	7,925
Other financial assets (cost)	551	-	(3)	548
	<b>8,476</b>	-	<b>(3)</b>	<b>8,473</b>

- **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.

- **IFRS 1 "First-time adoption of IFRS" and IAS 28 "Investments in associates and joint ventures"**. The annual improvement project for IFRS 2014-2016 introduces minor amendments and clarifications.

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.



*The main standards, amendments to existing standards and interpretations of standards that have not entered into force at 30 June 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 30 June 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 balance sheet (with some limited exceptions).

Management is assessing the complete effect of applying IFRS 16 to the Group's financial statements. A preliminary evaluation indicates that these agreements will comply with the lease definition established by IFRS 16 and, therefore, the Group will recognize a right-to-use asset and the relevant liability, unless they qualify as low-value or short-term leases through the application of IFRS 16. Management is quantifying that potential impact and it is not possible to provide a reasonable estimate of the financial effect until the analysis has been completed. Management does not have the intention to apply this standard early and it has not yet decided on the option that will be applied on the transition date.

- **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.

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

- **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 reassess 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.
- **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.
- **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.

- **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.
- **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 balance sheet and under “Profit (loss) attributable to noncontrolling interests” in the consolidated income 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 “Impairment losses and gains/(losses) on disposal of financial instruments” in the consolidated income 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 balance sheet.

### *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 "Exchange differences" in the consolidated income statement.
- d. Any profit or loss existing after such adjustments have been made is recognised in the consolidated income 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 income 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 income statement to recognise minority shareholders' share 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.

### *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 balance sheet. 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 “Share of profit (loss) of companies accounted for using the equity method” in the consolidated income 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 balance sheet 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 losses and gains (losses) on disposal of financial instruments” in the consolidated income 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” in the consolidated balance sheet.

#### *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 income statement from the date of acquisition to year-end. Similarly, the results of subsidiaries disposed of during the year are included in the consolidated income 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 30 June 2018 and 31 December 2017, including the most relevant disclosures on acquisitions and disposals in the period are provided below:

Investments in Group companies at 30 June 2018:

	% Shareholding		Thousands of Euros							
			Figures for each Company as at 30 June 2018 (1) (2)							
	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.	100%	-	60	405	-	-	674	211	(2)	(2)
Alantra Investment Managers, S.L.U.	100%	-	343	751	-	-	6,711	797	4,816	4,820
Alantra Capital Privado, S.G.E.I.C., S.A.U.	-	100%	311	562	(113)	-	9,865	7,308	2,397	1,797
Alantra Private Equity Servicios, S.L.U.	-	100%	3	188	-	-	165	(20)	(8)	(6)
Nmás1 Private Equity International Limited S.à.r.l	-	100%	41	(70)	-	-	46	11	64	64
Alantra Private Equity Advisor, S.A.U.	-	100%	60	(40)	-	-	45	25	-	-
Mercapital Private Equity S.G.E.I.C., S.A.U.	-	100%	301	60	-	-	2,000	1,606	45	33
Paulonia Servicios de Gestión, S.L.U.	-	100%	5	(3)	-	-	5	3	-	-
Partilonia Administración, S.L.U.	-	100%	4	(1)	-	-	3	-	-	-
Mideslonia Administración, S.L.U.	-	100%	5	(2)	-	-	5	2	-	-
Fienox, S.L.U.	-	100%	6	(5)	-	-	4	3	-	-
EQMC GP LLC	-	100%	-	(80)	2	-	-	101	(23)	(23)
Alteralia Management, S.à.r.l.	-	100%	13	(17)	-	-	146	137	14	13
Brooklin Buy-Out Limited	-	100%	3	-	-	-	94	91	-	-
Alteralia II Management, S.à.r.l.	-	100%	12	(2)	-	-	12	3	(1)	(1)
Alantra Infraestructure, S.L.U.	100%	-	6	536	-	-	593	53	(2)	(2)
Alantra International Corporate Advisory, S.L	100%	-	118	33,192	-	-	65,696	24,831	7,797	7,555
Alantra Corporate Finance, S.A.U.	-	100%	60	63	-	-	12,834	10,977	4,939	1,734
Alantra Corporate Portfolio Advisors, S.L.	-	70%	10	5,435	-	-	9,706	3,607	1,862	654
Alantra Deutschland GmbH	-	100%	25	2,378	-	-	15,176	9,471	4,891	3,302
Alantra s.r.l.	-	60%	100	587	-	-	1,552	1,246	(327)	(381)
Alantra France Corporate Finance SAS	-	60%	936	2,721	-	-	7,718	3,142	1,340	919
Alantra Corporate Finance, B.V.	-	100%	15	844	-	-	2,019	1,541	(381)	(381)
Partnersalantra Portugal LDA	-	85%	33	380	-	-	1,086	183	533	490
Alantra Nordics AB	-	80%	26	42	(27)	-	1,248	654	529	553
Alantra Greece Corporate Advisors, S.A.	-	87.50%	50	(334)	-	-	247	664	(129)	(133)
Alantra Chile SPA	-	100%	4,877	(1,286)	(371)	-	3,284	28	-	-
Alantra U.S. Corporation LLC	-	100%	23,909	87	(1,382)	-	25,518	1,879	1,027	1,025
Alantra, LLC	-	100%	1,682	1,891	-	-	34,625	33,509	(2,442)	(2,457)
Alantra Belgium, NV	-	85%	500	170	-	-	691	232	(211)	(211)
Alantra Ireland Corporate Finance Limited	-	100%	-	(67)	-	-	61	156	(28)	(28)
Alantra Austria & CEE GmbH	-	70%	117	622	-	-	377	260	(622)	(622)
Alantra Equities, Sociedad de Valores, S.A.	50.01%	-	2,000	856	-	-	4,036	926	335	254
Alantra Asset Management, S.G.I.I.C., S.A.U.	100%	-	300	750	-	-	14,104	9,808	4,333	3,246
Alantra EQMC Asset Management, S.G.I.I.C., S.A.	-	60%	125	475	-	-	2,666	1,048	1,358	1,028
QMC Directorship, S.L.U.	-	100%	3	5	-	-	135	66	61	61
Baruch Inversiones, S.L.	46.56%	-	276	7	1,133	-	1,784	-	-	368
Alantra Debt Solutions, S.L.	75%	-	4	1	-	-	741	576	213	160
Alantra REIM, S.L.U.	100%	-	10	(499)	-	-	1,287	1,400	501	102
Alantra Dinamia Portfolio II, S.L.	100%	-	100	1,968	1,929	-	6,549	1,333	(5)	1,219
Alantra Wealth Management Gestión, S.G.I.I.C., S.A.	50.01%	-	544	132	-	-	2,510	1,701	134	133
Alantra Wealth Management, A.V., S.A.	50.01%	-	380	1,150	-	-	4,419	2,630	262	259
Alantra Capital Markets, S.V., S.A.U.	100%	-	730	1,416	-	-	2,708	762	(144)	(200)
Alantra Corporate Finance LLP (formerly Catalyst Corporate Finance, LLP)	100%	-	(40)	3,804	(304)	-	6,393	2,605	327	328

(1) Figures not audited.

(2) Figures from separate financial statements except for Alantra, LLC.

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 (anteriormente denominada 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 30 June 2018:

	% Shareholding		Carrying Amount (*)	Accumulated Impairment (*)	Thousands of Euros							
					Figures for each Company as at 30 June 2018 (1) (2)						Profit (loss)	
	Direct	Indirect			Share Capital	Reserves and Share Premium	Valuation Adjustment	Interim Dividends	Total Assets	Total Liabilities	Operating	Net
<b>Holdings in jointly controlled enterprises:</b>												
Alpina Real Estate GP I, S.A.	50%	-	65	(43)	31	14	-	-	78	78	-	-
Alpina Real Estate GP II, S.A.	50%	-	16	-	31	120	-	-	211	60	-	-
Alpina Real Estate GP, S.A.	50%	-	16	-	31	217	-	-	471	223	-	-
Phoenix Recovery Management, S.L.	50%	-	102	-	4	224	-	-	911	632	55	51
Tertenia Directorship, S.L.	-	50%	2	-	3	-	-	-	307	-	304	304
<b>Holdings in associates:</b>												
Nplus1 Singer Ltd	-	27.46%	6,057	-	127	27,970	(2,110)	-	39,756	10,396	4,269	3,373
Alantra AG	-	25%	2,565	-	164	578	41	-	3,649	2,054	996	812
Landmark Capital, S.A.	-	30.95%	4,692	(1,706)	1,129	168	-	-	1,713	555	(117)	(139)
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) Figures not audited.

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



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		
<b>Holdings in jointly controlled enterprises:</b>												
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
<b>Holdings in associates:</b>												
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 financials statements".

The financial statements of Alantra Partners, S.A. are as follows:

ALANTRA PARTNERS, S.A.

**BALANCE SHEET AT 30 JUNE 2018 AND 31 DECEMBER 2017**

(Thousand of euros)

ASSET	30/06/2018 (Unaudited)	31/12/2017 (*)	LIABILITIES AND EQUITY	30/06/2018 (Unaudited)	31/12/2017 (*)
<b>NON-CURRENT ASSETS:</b>	<b>137,754</b>	<b>129,718</b>	<b>EQUITY:</b>	<b>179,343</b>	<b>172,161</b>
Intangible assets	149	166	<b>OWN FUNDS-</b>	<b>181,799</b>	<b>174,496</b>
Property, plant and equipment	756	782	Capital	111,518	111,518
Long-term investments in group companies and associates	103,083	102,957	Share premium	94,138	94,138
Equity instruments	92,354	92,604	Reserves-	(37,690)	(38,701)
Loans to companies	10,729	10,353	Legal and statutory reserves	22,316	21,335
Long-term financial investments-	<b>33,177</b>	<b>25,222</b>	Other reserves	(60,006)	(60,036)
Equity instruments	20,217	22,065	Treasury shares and own equity instruments	(1,138)	(1,138)
Loans to third parties	12,805	3,004	Profit (loss) for the period	21,041	25,227
Other financial assets	155	153	Interim dividend	(6,070)	(16,548)
Deferred tax assets	<b>589</b>	<b>591</b>	Other equity instruments	-	-
			<b>VALUATION ADJUSTMENTS-</b>	<b>(2,456)</b>	<b>(2,335)</b>
			Available-for-sale-financial assets	(2,456)	(2,335)
			<b>NON-CURRENT LIABILITIES:</b>	<b>3,254</b>	<b>3,232</b>
<b>CURRENT ASSETS</b>	<b>48,204</b>	<b>58,855</b>	Non-current provisions	534	534
Trade and other receivables-	<b>30,800</b>	<b>32,734</b>	Non-current payables	2,399	2,351
Trade receivables	41	42	Deferred tax liabilities	321	347
Receivable from Group companies and associates	17,754	27,943			
Sundry accounts receivable	4,711	2,074	<b>CURRENT LIABILITIES:</b>	<b>3,361</b>	<b>13,180</b>
Employee receivable	56	63	Current payables	1,828	1,821.00
Other receivables from the tax authorities	70.00	-	Current payables, group companies and associates	4	615
Current tax assets	8,168	2,612	Trade and other payables-	<b>1,529</b>	<b>10,744</b>
Current financial investments	<b>7,925</b>	<b>8,116</b>	Other payables	879	5,397
Cash and cash equivalents-	<b>9,479</b>	<b>18,005</b>	Employee payables	512	2,381
Cash	9,479	18,005	Other payables to the tax authorities	138	1,680
Cash equivalents	-	-	Current tax liabilities	-	1,286.00
<b>TOTAL ASSETS</b>	<b>185,958</b>	<b>188,573</b>	<b>TOTAL EQUITY AND LIABILITIES</b>	<b>185,958</b>	<b>188,573</b>

ALANTRA PARTNERS, S.A.

**INCOME STATEMENTS FOR THE SIX MONTHS**  
**PERIODS ENDED 30 JUNE 2018 AND 2017**  
 (Thousand of euros)

	30/06/2018 (Unaudited)	30/06/2017 (*) (Unaudited)
<b>CONTINUING OPERATIONS:</b>		
<b>Revenue</b>	<b>22,350</b>	<b>26,882</b>
<b>Other operating income-</b>	-	-
Non-core and other current operating income	-	-
<b>Personnel expenses-</b>	<b>(2,290)</b>	<b>(5,140)</b>
Wages, salaries and similar expenses	(2,054)	(4,918)
Employee benefits expense	(236)	(222)
<b>Other operating cost-</b>	<b>(2,884)</b>	<b>(3,131)</b>
Outside services	(2,807)	(2,997)
Taxes	(77)	(134)
Losses, impairment and changes in trade provisions	-	-
<b>Depreciation and amortisation</b>	<b>(123)</b>	<b>(94)</b>
<b>Impairment losses and gains (losses) on disposal of non-current assets-</b>	-	-
Impairment and losses	-	-
<b>Negative goodwill in business combinations</b>	-	-
<b>OPERATING PROFIT (LOSS)</b>	<b>17,053</b>	<b>18,517</b>
<b>Finance income-</b>	<b>294</b>	-
Form marketable securities and other financial instruments	-	-
Group companies and associates	272	-
Third parties	22	-
<b>Finance cost</b>	<b>(22)</b>	<b>(34)</b>
<b>Exchange differences</b>	<b>(42)</b>	<b>(1,001)</b>
<b>Impairment losses and gains (losses) on disposal of financial instruments-</b>	<b>201</b>	<b>1,681</b>
Impairment and losses	104	1,603
Gains (losses) on disposals and others	97	78
<b>NET FINANCE INCOME (EXPENSE)</b>	<b>431</b>	<b>646</b>
<b>PROFIT (LOSS) BEFORE TAX</b>	<b>17,484</b>	<b>19,163</b>
Income tax	3,557	657
<b>PROFIT (LOSS) FOR THE PERIOD FROM CONTINUING OPERATIONS</b>	<b>21,041</b>	<b>19,820</b>
<b>DISCONTINUED OPERATIONS</b>	-	-
	-	-
<b>PROFIT (LOSS) FOR THE PERIOD</b>	<b>21,041</b>	<b>19,820</b>

(\*) Presented solely and exclusively for comparison purposes

ALANTRA PARTNERS, S.A.

STATEMENTS OF CHANGES IN EQUITY  
 FOR THE SIX MONTHS PERIODS ENDED 30 JUNE 2018 AND 2017  
 A) STATEMENTS OF RECOGNISED INCOME AN EXPENSE  
 (Thousands of euros)

	30/06/2018 (Unaudited)	30/06/2017 (*) (Unaudited)
<b>PROFIT (LOSS) FOR THE PERIOD</b>	<b>21,041</b>	<b>19,820</b>
<b>Income and expense recognised directly in equity</b>		
<b>Measurement of financial instruments</b>		
Available-for-sale financial assets	(161)	227
Other income (expense)	-	-
<b>Cash flow hedges</b>	-	-
<b>Grants, donations and bequests received</b>	-	-
<b>Actuarial gains and losses and other adjustments</b>	-	-
<b>Tax effect</b>	<b>40</b>	<b>(57)</b>
<b>TOTAL INCOME AND EXPENSE RECOGNISED DIRECTLY IN EQUITY</b>	<b>(121)</b>	<b>170</b>
<b>Amounts transferred to the income statements</b>		
<b>Measurement of financial instruments</b>		
Available-for-sale financial assets	-	-
Other income (expenses)	-	-
<b>Cash flow hedges</b>	-	-
<b>Grants, donations and bequests received</b>	-	-
<b>Tax effect</b>	-	-
<b>TOTAL AMOUNTS TRANSFERRED TO THE INCOME STATEMENT</b>	<b>-</b>	<b>-</b>
<b>TOTAL RECOGNISED INCOME AND EXPENSE</b>	<b>20,920</b>	<b>19,990</b>

(\*) Presented solely and exclusively for comparison purposes

ALANTRA PARTNERS, S.A.

STATEMENTS OF CHANGES IN EQUITY  
FOR THE SIX MONTHS PERIODS ENDED 30 JUNE 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
<b>CLOSING BALANCE AT 31 DECEMBER 2017 (*)</b>	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	-	-	-	-	-	-	-	-	-	-
<b>ADJUSTED OPENING BALANCE AT 1 JANUARY 2018 (*)</b>	111,518	94,138	(38,701)	(1,138)	25,227	(16,548)	-	(2,335)	-	172,161
Total recognised income and expense	-	-	-	-	21,041	-	-	(121)	-	20,920
Transactions with shareholders:										
Equity issues	-	-	-	-	-	-	-	-	-	-
Shares canceled	-	-	-	-	-	-	-	-	-	-
Conversion of financial liabilities into equity	-	-	-	-	-	-	-	-	-	-
Dividend distribution	-	-	-	-	-	(6,070)	-	-	-	(6,070)
Transactions with treasury shares (net)	-	-	-	-	-	-	-	-	-	-
Business combinations	-	-	-	-	-	-	-	-	-	-
Other transactions	-	-	30	-	-	-	-	-	-	30
Other changes in equity	-	-	981	-	(25,227)	16,548	-	-	-	(7,698)
<b>CLOSING BALANCE AT 30 JUNE 2018 (*) (**)</b>	111,518	94,138	(37,690)	(1,138)	21,041	(6,070)	-	(2,456)	-	179,343

(\*) Presented solely and exclusively for comparison purposes

(\*\*) Unaudited

	Capital	Share Premium	Reserves	Treasury Shares	Profit (loss) for the period	Interim dividend	Other Equity Instruments	Valuation Adjustments	Grants, donations and bequests received	Total
<b>CLOSING BALANCE AT 31 DECEMBER 2016 (*)</b>	106,611	92,062	(41,870)	(1,138)	2,278	-	-	(844)	-	157,099
Adjustments for changes in accounting criteria	-	-	-	-	-	-	-	-	-	-
Restatements to correct errors	-	-	-	-	-	-	-	-	-	-
<b>ADJUSTED OPENING BALANCE AT 1 JANUARY 2017 (*)</b>	106,611	92,062	(41,870)	(1,138)	2,278	-	-	(844)	-	157,099
Total recognised income and expense	-	-	-	-	19,820	-	-	171	-	19,991
Transactions with shareholders:										
Equity issues	-	-	-	-	-	-	-	-	-	-
Shares canceled	-	-	-	-	-	-	-	-	-	-
Conversion of financial liabilities into equity	-	-	-	-	-	-	-	-	-	-
Dividend distribution	-	(12,301)	-	-	-	-	-	-	-	(12,301)
Transactions with treasury shares (net)	-	-	-	-	-	-	-	-	-	-
Business combinations	-	-	-	-	-	-	-	-	-	-
Other transactions	-	-	-	-	-	-	-	-	-	-
Other changes in equity	-	-	2,278	-	(2,278)	-	-	-	-	-
<b>CLOSING BALANCE AT 30 JUNE 2017 (*) (**)</b>	106,611	79,761	(39,592)	(1,138)	19,820	-	-	(673)	-	164,789

(\*) Presented solely and exclusively for comparison purposes

(\*\*) Unaudited

## ALANTRA PARTNERS, S.A.

### STATEMENTS OF CASH FLOWS FOR THE SIX MONTHS PERIODS ENDED 30 JUNE 2018 AND 2017

(Thousands of euros)

	30/06/2018 (Unaudited)	30/06/2017 (*) (Unaudited)
<b>CASH FLOW FROM (USED IN) OPERATING ACTIVITIES:</b>	<b>13,302</b>	<b>(1,747)</b>
<b>Profit (loss) before tax</b>	<b>17,484</b>	<b>19,163</b>
<b>Adjustments to profit and loss</b>		
Depreciation and amortisation	123	94
Other net adjustments to profit (loss)	-	-
<b>Changes in working capital</b>	<b>(19,304)</b>	<b>(21,789)</b>
<b>Other cash flows from operating activities</b>		
Interest paid	-	-
Dividends received	21,031	3,483
Interest received	-	-
Income tax recovered / (paid)	3,732	(4,580)
Other sums received / (paid) from operating activities	(64)	13,845
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>	<b>(8,060)</b>	<b>(156)</b>
<b>Payment for investments-</b>		
Group companies, associates and business units	-	-
Property, plant and equipment, intangible assets and investment property	(79)	(156)
Other financial assets	(8,157)	-
Other assets	-	-
<b>Proceeds from sale of investment-</b>		
Group companies, associates and business units	-	-
Property, plant and equipment, intangible assets and investment property	-	-
Other financial assets	176	-
Other assets	-	-
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>	<b>(13,768)</b>	<b>(12,301)</b>
<b>Sums received / (paid) in respect of equity instruments</b>		
Issuance	-	-
Redemptions	-	-
Acquisitions	-	-
Disposal	-	-
Grants, donations and bequests received	-	-
<b>Sums received / (paid) in respect of financial liability instruments</b>		
Issuance	-	-
Repayment and redemptions	-	-
<b>Dividends paid and payments on other equity instruments</b>	<b>(13,768)</b>	<b>(12,301)</b>
<b>EFFECT OF CHANGES IN EXCHANGE RATES</b>	<b>-</b>	<b>-</b>
<b>NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS</b>	<b>(8,526)</b>	<b>(14,204)</b>
Cash and cash equivalents, opening balance	18,005	28,647
Cash and cash equivalents, closing balance	9,479	14,443

(\*) 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.

Exchange differences arising on translating foreign currency balances into the functional currency are generally recognised at their net value in the consolidated income statement under "Exchange 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 income 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 balance sheet. Also, the exchange differences arising in financial instruments classified as available for sale are recorded under "Items that can be subsequently reclassified to profit and loss for the period – Available-for-sale financial assets" in the consolidated balance sheet, without differentiating them from the rest of the changes that may be recorded in their fair value.

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 income statement 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 income 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 30 June 2018 and 31 December 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 six-month period ended 30 June 2018 totalling €57 thousand (a net loss of €735 thousand during the six-month period ended 30 June 2017), and these losses are recognized under the heading "Exchange differences" in the consolidated income statement.



#### *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 balance sheets were translated at the exchange rates prevailing at the end of the reporting period.
- Equity items were translated at historical exchange rates.
- Income 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, Alantra AG and Landmark Capital, S.A., consolidated using the equity method, is the UK pound, Swiss franc and Chilean peso, respectively. 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 30 June 2018 and 31 December 2017, indicating their functional currency, is as follows:

	Currency	Thousands of euros	
		30-06-2018	31-12-2017
Nplus1 Singer Ltd (1) (6)	Pound sterling	(638)	(655)
Alantra AG (1)	Swiss franc	139	57
Alantra US Corporation, LLC (2) (3)	US dollar	(1,398)	(863)
Alantra Chile SPA (2) (4)	Chilean peso	(371)	43
EQMC GP, LLC (2)	Us dollar	2	5
Alantra Nordics, AB (2)	Swedish korona	(31)	(13)
Alantra Corporate Finance, LLP (formerly Catalyst Corporate Finance, LLP) (2) (5)	Pound sterling	(304)	23
		<b>(2,585)</b>	<b>(1,403)</b>

(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.

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

The main changes in the scope of consolidation for Alantra Group during the six-month period ended 30 June 2018 whereas follows:

- On 4 January 2018 Alantra EQMC Asset Management, Sociedad Gestora de Instituciones de Inversión Colectiva, S.A. was incorporated and authorized by the CNMV on 16 February 2018, and Alantra Investment Managers, S.L.U. holds a 60% interest.
- A share capital increase by Alantra Belgium NV was approved on 29 May 2018. After that increase the interest held by Alantra International Corporate Advisory, S.L.U. rose from 58.11% to 75%. On 11 June 2018 Alantra International Corporate Advisory, S.L.U. acquired an additional 10% from a company executive and increased its interest in Alantra Belgium NV from 75% to 85%.
- Alantra Corporate Finance Mexico, S.A. de C.V. was incorporated on 29 June 2018. This is a Mexican company whose corporate purpose consists of the rendering of financial advisory services and Alantra International Corporate Advisory, S.L.U. subscribed to 99% of the share capital through a payment of 10,000 Mexican pesos. On 5 July 2018 a share capital increase was approved through the issue and distribution of 1,000 ordinary shares, which were fully subscribed by Alantra International Corporate Advisory, S.L.U. through a payment of 1,000 Mexican pesos in capital and US\$500,000 as a share premium. After this transaction the interest held by Alantra International Corporate Advisory, S.L.U. in the company was 99.99%.

Since 22 February 2018 Alantra Capital Markets, S.V., S.A.U. has a new branch office in Italy.

Details of the subsidiaries and associates of Alantra Group at 31 December 2017, as well as information regarding the main changes in the scope of consolidation during 2017 are set out in the 2017 consolidated annual accounts for the Company and its subsidiaries.

#### **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 income statement by segment at 30 June 2018 and 30 June 2017 (both periods are unaudited):

	Investment Banking		Asset Management		Structure		Portfolio		Rest		Consolidation adjustments		Total for Group	Total for Group
	30/06/2018	30/06/2017	30/06/2018	30/06/2017	30/06/2018	30/06/2017	30/06/2018	30/06/2017	30/06/2018	30/06/2017	30/06/2018	30/06/2017	30/06/2018	30/06/2017
Revenue	45,978	37,645	23,656	20,504	585	570	-	-	-	-	-	-	70,219	58,720
Ordinary income among segments	462	474	846	747	2,339	2,336	-	-	-	-	(3,647)	(3,557)	-	-
Other operating income	-	-	-	-	-	-	-	-	1.00	3.27	-	-	1	3
Personnel expenses	(25,810)	(18,476)	(10,571)	(9,529)	(1,937)	(1,934)	(205)	(309)	-	-	-	-	(38,523)	(30,248)
Other operating expenses	(8,865)	(6,891)	(2,121)	(1,183)	(2,970)	(3,148)	-	-	-	-	-	-	(13,956)	(11,222)
Other operating expenses among segments	(1,253)	(1,050)	(2,373)	(2,507)	(21)	(21)	-	-	-	-	3,647	3,557	-	-
Depreciation and amortisation	(234)	(96)	(171)	(161)	(123)	(94)	-	-	-	-	-	-	(528)	(351)
Impairment losses and gains (losses) on disposal of non-current assets	(2)	-	-	-	-	-	-	-	-	-	-	-	(2)	-
Other income (expenses)	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Operating profit (loss)</b>	<b>10,276</b>	<b>11,608</b>	<b>9,266</b>	<b>7,870</b>	<b>(2,127)</b>	<b>(2,270)</b>	<b>(205)</b>	<b>(309)</b>	<b>1</b>	<b>3</b>	-	-	<b>17,211</b>	<b>16,902</b>
Finance income	-	-	-	-	-	-	469	106	33	90	-	-	502	196
Finance income among segments	-	-	-	-	-	-	-	-	276	558	(276)	(558)	-	-
Finance cost	-	-	-	-	-	-	-	-	(53)	(34)	-	-	(53)	(34)
Finance cost among segments	-	-	-	-	-	-	-	-	(276)	(558)	276	558	-	-
Changes in fair value of financial segments	-	-	-	-	-	-	(189)	-	-	-	-	-	(189)	-
Exchanges differences	-	-	-	-	-	-	-	-	(57)	(735)	-	-	(57)	(735)
Impairment losses and gains (losses) on disposal of financial instruments	(3,611)	734	-	-	-	-	1,695	4,224	(3)	(3)	-	-	(1,916)	4,955
<b>Net finance income (expenses)</b>	<b>(3,611)</b>	<b>734</b>	-	-	-	-	<b>1,975</b>	<b>4,329</b>	<b>(77)</b>	<b>(681)</b>	-	-	<b>(1,713)</b>	<b>4,382</b>
Share of profit (loss) of companies accounted for using the equity method	1,086	1,635	178	13	-	-	-	-	-	-	-	-	1,264	1,648
<b>Profit (loss) before tax</b>	<b>7,751</b>	<b>13,977</b>	<b>9,444</b>	<b>7,883</b>	<b>(2,127)</b>	<b>(2,270)</b>	<b>1,770</b>	<b>4,020</b>	<b>(76)</b>	<b>(678)</b>	-	-	<b>16,762</b>	<b>22,933</b>
Income tax	(3,188)	(2,738)	(2,304)	(2,107)	575	616	3,112	(773)	19	170	-	-	(1,786)	(4,832)
<b>Consolidated profit (loss) for the period</b>	<b>4,563</b>	<b>11,239</b>	<b>7,140</b>	<b>5,776</b>	<b>(1,552)</b>	<b>(1,654)</b>	<b>4,882</b>	<b>3,247</b>	<b>(57)</b>	<b>(508)</b>	-	-	<b>14,976</b>	<b>18,100</b>
<b>Net profit (loss) attributable</b>	<b>3,962</b>	<b>9,783</b>	<b>6,733</b>	<b>5,680</b>	<b>(1,552)</b>	<b>(1,654)</b>	<b>4,686</b>	<b>3,247</b>	<b>(57)</b>	<b>(508)</b>	-	-	<b>13,772</b>	<b>16,548</b>
<b>Non-controlling interests</b>	<b>601</b>	<b>1,456</b>	<b>407</b>	<b>96</b>	-	-	<b>196</b>	-	-	-	-	-	<b>1,204</b>	<b>1,552</b>

b) 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 for the six months ended 30 June 2018 and 30 June 2017 (both periods are unaudited):

	Revenue		Share of profit (loss) of companies accounted for using the equity method		Total	
	30/06/2018	30/06/2017 (*)	30/06/2018	30/06/2017 (*)	30/06/2018	30/06/2017 (*)
Domestic market	38,265	38,411	177	13	38,442	38,424
European Union-						
UK	7,102	-	926	1,117	8,028	1,117
Italy	426	760	-	-	426	760
Germany	12,383	4,636	-	-	12,383	4,636
France	5,551	4,865	-	-	5,551	4,865
Greece	104	81	-	-	104	81
Netherlands	952	2,033	-	-	952	2,033
Portugal	1,095	70	-	-	1,095	70
Sweden	1,611	25	-	-	1,611	25
Belgium	75	-	-	-	75	-
Denmark	16	-	-	-	16	-
O.E.C.D. countries-						
Luxembourg	850	787	-	-	850	787
Switzerland	-	-	203	518	203	518
Other countries-						
United States	1,785	6,931	-	-	1,785	6,931
India	-	51	-	-	-	51
China	4	70	-	-	4	70
Chile	-	-	(42)	-	(42)	-
	<b>70,219</b>	<b>58,720</b>	<b>1,264</b>	<b>1,648</b>	<b>71,483</b>	<b>60,368</b>

(\*) Presented solely and exclusively for comparison purposes

The Group's headcount (for the Company and subsidiaries), for the six-month period ended June 30, 2018 and the six-month period ended June 30, 2017 and by professional category and gender at said reporting closes, was as follows:

*Individual*

	30 June 2018			Average headcount	30 June 2017			Average headcount
	Male	Female	Total		Male	Female	Total	
General Management	2	1	3	3	2	1	3	3
University graduates	13	16	29	27	14	12	26	23
Clerical staff	2	9	11	11	2	9	11	13
	<b>17</b>	<b>26</b>	<b>43</b>	<b>41</b>	<b>18</b>	<b>22</b>	<b>40</b>	<b>39</b>

*Consolidated*

	30 June 2018			Average headcount	30 June 2017			Average headcount
	Male	Female	Total		Male	Female	Total	
General Management	27	1	28	38	27	1	28	28
University graduates	275	97	372	368	200	56	256	254
Clerical staff	2	33	35	35	2	33	35	33
	<b>304</b>	<b>131</b>	<b>435</b>	<b>431</b>	<b>229</b>	<b>90</b>	<b>319</b>	<b>317</b>

**5. Intangible assets**

**a. Goodwill**

At 30 June 2018 and 31 December 2017, "Intangible assets – Goodwill" on the assets side of the consolidated balance sheet included goodwill generated from the acquisition of shares conferring control of the following companies:

	Thousands of Euros		Year control taken	Currency
	30/06/2018	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	91	97	2016	Swedish korona
Partnersalantra Portugal, LDA	23	23	2016	Euro
Alantra, LLC	23,340	22,689	2016	US dollar
Alantra Wealth Management	4,463	4,463	2016	Euro
Alantra Austria VK	267	267	2017	Euro
Alantra Corporate Finance LLP (formerly Catalyst Corporate Finance, LLP)	35,814	35,766	2017	Pound sterling
<b>Total</b>	<b>67,632</b>	<b>66,939</b>		

**b. Other intangible assets**

The balance of this heading on the assets side of the consolidated balance sheet at 30 June 2018 and 31 December 2017 records software acquired by the Group for EUR 252 and EUR 308 thousand of euros, respectively, and the contractual rights arising from relations with customers from the acquired businesses for a net EUR 908 and EUR 963 thousand of euros, respectively.

The changes in “Other intangible assets” on the assets side of the consolidated balance sheet for the six-month period ended June 30, 2018 and the six-month period ended June 30, 2017, were as follows:

	Thousands of Euros					
	Software		List of Customers		Total	
	2018	2017	2018	2017	2018	2017
<b>Cost:</b>						
Balance at January 1	1,595	1,326	1,100	1,100	2,695	2,426
Additions	27	186	-	-	27	186
Other changes	-	(93)	-	-	-	(93)
Balances at June 30	1,622	1,419	1,100	1,100	2,722	2,519
<b>Accumulated amortisation:</b>						
Balance at January 1	(1,287)	(1,173)	(137)	(27)	(1,424)	(1,200)
Allowances	(82)	(52)	(55)	(55)	(137)	(107)
Other changes	-	10	-	-	-	10
Balance at June 30	(1,369)	(1,215)	(192)	(82)	(1,561)	(1,297)
<b>Intangible assets, net</b>	<b>253</b>	<b>204</b>	<b>908</b>	<b>1,018</b>	<b>1,161</b>	<b>1,222</b>

At 30 June 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 balance sheet for the six-month period ended June 30, 2018 and the six-month period ended June 30, 2017, entirely comprising property and equipment for own use, were as follows:



	Fixtures	Computer Hardware	Furniture	Other Items of Property and Equipment	Property and equipment in course	Total
<b>Cost:</b>						
Balances at 1 January 2018	3,827	2,188	835	260	235	7,345
Additions	370	121	240	12	-	743
Disposals	-	-	-	-	-	-
Other changes	-	-	-	-	-	-
Balances at 30 June 2018	4,197	2,309	1,075	272	235	8,008
<b>Accumulated depreciation:</b>						
Balances at 1 January 2018	(2,011)	(1,510)	(518)	(179)	-	(4,218)
Allowances	(187)	(159)	(34)	(10)	-	(390)
Disposals	-	-	-	-	-	-
Other changes	5	38	(5)	(10)	-	28
Balances at 30 June 2018	(2,193)	(1,631)	(557)	(199)	-	(4,580)
<b>Property and equipment, net:</b>						
<b>Balances at 30 June 2018</b>	<b>2,004</b>	<b>678</b>	<b>518</b>	<b>73</b>	<b>235</b>	<b>3,508</b>

	Fixtures	Computer Hardware	Furniture	Other Items of Property and Equipment	Property and equipment in course	Total
<b>Cost:</b>						
Balances at 1 January 2017	2,922	1,261	678	248	-	5,109
Additions	9	244	80	7	-	340
Disposals	-	-	-	-	-	-
Other changes	-	-	-	-	-	-
Balances at 30 June 2017	2,931	1,505	758	255	-	5,449
<b>Accumulated depreciation:</b>						
Balances at 1 January 2017	(1,311)	(928)	(357)	(157)	-	(2,753)
Allowances	(129)	(78)	(25)	(12)	-	(244)
Disposals	-	-	-	-	-	-
Other changes	4	(60)	(81)	-	-	(137)
Balances at 30 June 2017	(1,436)	(1,066)	(463)	(169)	-	(3,134)
<b>Property and equipment, net:</b>						
<b>Balances at 30 June 2017</b>	<b>1,495</b>	<b>439</b>	<b>295</b>	<b>86</b>	<b>-</b>	<b>2,315</b>

At 30 June 2018 the Group held assets acquired under finance leases amounting to EUR 279 thousand (at 31 December 2017 the Group held assets acquired under finance leases amounting to EUR 350 thousand).

#### **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 balance sheet at 30 June 2018 and 31 December 2017, contractual currency and whether or not investees' securities are listed or non-listed (all of them non-listed) are as follows:

	Thousands of euros		Currency
	30/06/2018	31/12/2017	
Nplus Singer Ltd	8,714	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.	124	125	Euro
Alantra AG, Zürich	2,873	3,654	Swiss franc
Phoenix Recovery Management, S.L.	139	147	Euro
Landmark Capital, S.A.	2,731	2,858	Chilean pesos
Tertenia Directorship, SL	154	-	Euro
<b>Total</b>	<b>14,832</b>	<b>16,058</b>	

## **8. Financial assets**

Details of the headings “Non-current financial assets” and “Other current financial assets” in the consolidated balance sheet at 30 June 2018 and 31 December 2017 are as follows:

30/06/2018

	Thousand euro			
	At fair value through changes in profit or loss	At fair value through changes in other comprehensive income	At amortised cost	Total
<b>Non-current financial assets</b>				
Equity instruments	13,125	24,443	-	37,568
Debt securities	-	-	-	-
Derivatives	-	-	-	-
Other financial assets	1,087	-	3,999	5,086
	<b>14,212</b>	<b>24,443</b>	<b>3,999</b>	<b>42,654</b>
<b>Current financial assets</b>				
Equity instruments	-	-	-	-
Debt securities	-	-	-	-
Derivatives	-	-	-	-
Other financial assets	-	-	8,411	8,411
	<b>-</b>	<b>-</b>	<b>8,411</b>	<b>8,411</b>
<b>Total</b>	<b>14,212</b>	<b>24,443</b>	<b>12,410</b>	<b>51,065</b>

31/12/2017

	Thousands of Euros				
	Other financial assets at fair value through profit and loss	Available-for-sale financial assets	Loans	Other financial assets	Total
<b>Long term/Non-current financial assets</b>					
Equity instruments	1,371	26,272	-	-	27,643
Debt securities	-	-	-	-	-
Derivatives	-	-	-	-	-
Other financial assets	-	-	3,830	1,129	4,961
	1,371	26,272	3,830	1,129	32,604
<b>Short term/Current financial assets</b>					
Equity instruments	-	-	-	-	-
Debt securities	-	-	-	-	-
Derivatives	-	-	-	-	-
Other financial assets	-	-	548	7,928	8,473
			548	7,928	8,476
<b>Total</b>	<b>1,371</b>	<b>26,272</b>	<b>4,380</b>	<b>9,057</b>	<b>41,980</b>

### **9. Financial liabilities**

Non-current financial liabilities” and “Current financial liabilities” in the consolidated balance sheet at 31 December 2017 are as follows:

31/12/2017

	Thousands of Euros				
	Financial liabilities held for trading	Other financial liabilities at fair value through profit or loss	Debt or receivables	Hedging derivatives	Total
<b>Non-current financial liabilities</b>					
Debt to financial institutions (*)	-	-	2,350	-	2,350
Debt certificates including bonds	-	-	-	-	-
Derivatives	-	-	-	-	-
Other financial liabilities	-	-	9,799	-	9,799
			12,149		12,149
<b>Current financial liabilities</b>					
Debt to financial institutions	-	-	-	-	-
Debt certificates including bonds	-	-	-	-	-
Derivatives	-	-	-	-	-
Other financial liabilities	-	-	2,905	-	2,905
			2,905	-	2,905
<b>Total</b>	<b>-</b>	<b>-</b>	<b>15,054</b>	<b>-</b>	<b>15,054</b>

(\*) Debt to financial institutions comprise a loan granted to the Company, the balancing entry of which is under assets in the consolidated balance sheet and consists of a loan granted to the former shareholders of CWD for the same amount, secured by the Company's shares.

### **10. Efectivo y otros activos líquidos equivalentes**

The breakdown of this line item at 30 June 2018 and 31 December 2017 is as follows:

	Thousands of Euros	
	30/06/2018	31/12/2017
Current accounts (euros)	68,975	94,070
Current accounts (foreign currency)	10,005	10,225
Cash	95	113
	<b>79,075</b>	<b>104,408</b>

Income generated from current accounts for the six-month period ended June 30, 2018 (together with the six-month period ended June 30, 2017) was not material for the Group.

### **11. Equity**

The changes in this line item in the consolidated balance sheet for the six-month period ended June 30, 2018 (together with the six-month period ended June 30, 2017):

	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	Othe Equity Instruments	Total	Dividends
			Legal and statutory reserve	Other Reserves	Reserves at consolidated companies	Reserves in companies accounted for using the equity method						
<b>Balances at 31 December 2017</b>	106,611	94,138	21,335	(33,930)	(3,714)	945	(1,138)	30,316	(16,548)	-	202,922	-
Distribution of profit for 2017	-	-	981	(4,413)	8,720	782	-	(30,316)	16,548	-	(7,698)	-
Purchase/sale of treasury stock	-	-	-	-	-	-	-	-	-	-	-	-
Profit for period ended 30 June 2018	-	-	-	-	-	-	-	13,772	-	-	13,772	-
Dividends	-	-	-	-	-	-	-	-	(6,070)	-	(6,070)	-
Transactions with shareholders or owners	-	-	-	30	-	-	-	-	-	-	30	-
Other changes	-	-	-	(1,055)	(107)	-	-	-	-	-	(1,162)	-
<b>Balances at 30 June 2018</b>	<b>106,611</b>	<b>94,138</b>	<b>22,316</b>	<b>(39,368)</b>	<b>4,899</b>	<b>1,727</b>	<b>(1,138)</b>	<b>13,772</b>	<b>(6,070)</b>	<b>-</b>	<b>201,794</b>	<b>-</b>

	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	Othe Equity Instruments	Total	Dividends
			Legal and statutory reserve	Other Reserves	Reserves at consolidated companies	Reserves in companies accounted for using the equity method						
<b>Balances at 31 December 2016</b>	106,611	92,062	20,215	(58,151)	(2,684)	772	(1,138)	25,055	-	-	182,742	-
Distribution of profit for 2016	-	-	1,120	29,091	(5,315)	159	-	(25,055)	-	-	-	-
Purchase/sale of treasury stock	-	-	-	-	-	-	-	-	-	-	-	-
Profit for period ended 30 June 2017	-	-	-	-	-	-	-	16,548	-	-	16,548	-
Dividends	-	(12,301)	-	-	-	-	-	-	-	-	(12,301)	-
Transactions with shareholders or owners	-	-	-	-	-	-	-	-	-	-	-	-
Other changes	-	-	-	(55)	-	-	-	-	-	-	(55)	-
<b>Balances at 30 June 2017</b>	<b>106,611</b>	<b>79,761</b>	<b>21,335</b>	<b>(29,115)</b>	<b>(7,999)</b>	<b>931</b>	<b>(1,138)</b>	<b>16,548</b>	<b>-</b>	<b>-</b>	<b>186,934</b>	<b>-</b>

### **Capital**

At 30 June 2018 and 31 December 2017 the share capital stood at €106,610,880 euros, represented by 35,536,960 shares each 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 30 June 2018 and 31 December 2017, the Company held 153,941 treasury shares.

### **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 balance sheets at 30 June 2018 and 31 December 2017 is as follows:

	Thousands of Euros	
	30/06/2018	31/12/2017
Legal reserve	22,303	21,322
Statutory reserve	13	13
Other reserves	(39,368)	(33,930)
Reserves in consolidated companies	4,899	(3,714)
Reserves in companies accounted for using the equity method	1,727	945
	<b>(10,426)</b>	<b>(15,364)</b>

#### *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.

#### *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 balance sheets at 30 June 2018 and 31 December 2017 is as follows:

	Thousands of Euros	
	30/06/2018	31/12/2017
Alantra International Corporate Advisory (*)	4,454	(2,316)
Alantra Equity and Credit Management, S.A.U.	123	123
Alantra Investment Managers, S.L.U. (*)	673	773
Alantra Infrastructure, S.L.U. (*)	571	571
Alantra Equities, Sociedad de Valores, S.A.	(1,560)	(1,574)
Alantra Asset Management, S.G.I.I.C., S.A.U. (*)	754	752
Baruch Inversiones, S.L.	208	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.	(473)	(572)
Alantra Wealth Management A.V., S.A.	(1,413)	(1,392)
Alantra Dinamia Portfolio II, S.L.	1,354	20
Alantra Capital Markets, S.V., S.A.	144	116
Alantra Corporate Finance LLP	200	
	<b>4,899</b>	<b>(3,714)</b>

(\*) 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 balance sheets at 30 June 2018 and 31 December 2017 is as follows:

	Thousands of Euros	
	30/06/2018	31/12/2017
Nplus1 Singer Ltd.	1,551	974
Alpina Real Estate GP, S.A. (in liquidation)	107	108
Alpina Real Estate GP I, S.A. (in liquidation)	29	30
Alpina Real Estate GP II, S.A. (in liquidation)	58	55
Alantra AG	18	(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)
	<b>1,727</b>	<b>945</b>

#### *Dividends paid*

Shareholders at an Extraordinary Meeting held on 21 November 2017 adopted a resolution to distribute an interim dividend against 2017 profits totalling a gross amount of €0.47082428 per share. The dividend was paid out to shareholders on 30 November 2017.

On 21 March 2018 the Company's Board of Directors agreed to propose to shareholders at a General Meeting the distribution of shareholder compensation totalling a gross amount of €0.37 per share, distributed as follows:

- Supplementary dividend charged against 2017 profits for a gross amount of €0.20794862 per share.
- Interim dividend charged against 2018 profits totalling a gross amount of €0.16397241 per share.

On 25 April 2018 Shareholders at a General Meeting adopted a resolution to distribute those dividends, which were paid out on 21 May 2018.

### **12. Non-controlling interests**

The balance of this line item in the consolidated balance sheet 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 balance sheet at 30 June 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	428	-	-	127	-	1,555
Alantra Corporate Portfolio Advisors, S.L.	3	1,631	-	-	196	-	1,830
Baruch Inversiones, S.L.	148	3	605	-	196	-	952
Alantra France Corporate Finance. S.A.S.	374	1,088	-	-	368	-	1,830
Alantra Debt Solutions, S.L.	1	-	-	-	40	-	41
Alantra Greece Corporate Advisors S.A.	6	(41)	-	-	(17)	-	(52)
Partnersalantra Portugal, LDA	5	32	-	-	73	-	110
Alantra Nordics AB	5	9	-	(6)	111	-	119
Alantra Belgium NV	75	26	-	-	(32)	-	69
Alantra Austria VK	35	187	-	-	(187)	-	35
C.W.Downer & Co. India Advisors LLP	-	(14)	-	1	(1)	-	(14)
Alantra EQMC Asset Management, SGIIC, S.A.	50	190	-	-	407	-	647
	<b>1,702</b>	<b>3,539</b>	<b>605</b>	<b>(5)</b>	<b>1,281</b>	<b>-</b>	<b>7,122</b>

“Non-controlling interests” in the consolidated balance sheet 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)
	<b>1,655</b>	<b>939</b>	<b>798</b>	<b>(1)</b>	<b>3,740</b>	<b>(1,195)</b>	<b>5,936</b>

### **13. 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.

### **14. Related parties**

#### **14.1. Transactions with Group companies and shareholders**

At 30 June 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:

*Profit and loss*

	Thousands of Euros				
	Significant shareholders	Key management personnel	Related parties	Other related parties	Total
Services	-	-	238	-	238
<b>Expenses</b>	-	-	<b>238</b>	-	<b>238</b>
Finance Income	-	-	22	-	22
Management and cooperation contracts	688	-	-	-	688
R&D transfers and licence agreements	-	-	14	-	14
Leases	-	-	6	-	6
Services rendered	-	-	526	-	526
Gains on retirement or disposal of assets	-	-	-	-	-
<b>Income</b>	<b>688</b>	-	<b>568</b>	-	<b>1,256</b>

At 30 June 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:

*Profit and loss*

	Thousands of Euros				
	Significant shareholders	Key management personnel	Related parties	Other related parties	Total
Services	-	-	94	3	97
<b>Expenses</b>	-	-	<b>94</b>	<b>3</b>	<b>97</b>
Finance Income	-	-	12	-	12
Management and cooperation contracts	-	-	-	-	-
R&D transfers and licence agreements	-	-	-	-	-
Leases	-	-	6	-	6
Services rendered	-	-	557	-	557
Gains on retirement or disposal of assets	-	-	-	-	-
<b>Income</b>	-	-	<b>575</b>	-	<b>575</b>

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

The remuneration accrued by the boards of directors of the Company for the six-month period ended June 30,

2018 (together with the six-month period ended June 30, 2017) is as follow:

	Thousands of Euros	
	30/06/2018	30/06/2017
Fixed remuneration	185	184
Variable remuneration	91	92
Attendance fees	-	10
Others	-	-
	<b>276</b>	<b>286</b>

The remuneration accrued by the key management personnel of the Company for the six-month period ended June 30, 2018 (together with the six-month period ended June 30, 2017) is as follow:

	Thousands of Euros	
	30/06/2018	30/06/2017
Remunerations	2,434	2,788
	<b>2,434</b>	<b>2,788</b>

At 31 June 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.

### **15. Events after the reporting period**

On 11 July 2018 the Company agreed to acquire KPMG LLP's global credit transaction, non-performing loan (NPL) and non-strategic bank asset division. The price of the transaction totalled:

- GBP2,000 thousand
- GBP500 thousand for the seller's interest in the revenue relating to the 38 engagements in progress at the acquisition date whose financial benefit was transferred to the Company.

The Company also assumed up to GBP6.5 million to provide financial support to the project in the initial stage if necessary. Among other conditions precedent, this transaction is subject to compliance with the process established by UK labour legislation regarding the succession of companies.

The Company's Board of Directors will propose to shareholders at an extraordinary meeting to be held on 25 July 2018 a share capital increase totalling €4,376,556 through the issue and distribution of 1,458,852 ordinary shares with a par value of €3 per share and a share premium of €12.25 per share, for a total of €17,725,051.80. Consequently, the total amount to be paid in for capital and share premium totals €22,101,607.80. The new shares in the Company will be subscribed through the following contributions:

- Contribution of 40% of the share capital in Alantra S.r.l. by its executive partners, who will receive 278,409 shares in the Company and €15.16 in cash.

- Contribution of:
  - o 196,560 shares in Alantra France Corporate Finance SAS, representing 21% of its share capital by its executive partners, who will receive 319,700 shares in the Company and €52.64 in cash.
  - o 100% of the shares representing the share capital of the company Quattrocento SAS (France), representing, in turn, 19% of the share capital of Alantra France Corporate Finance SAS, by one of its executive partners, who will receive 289,255 shares in the Company and €7.96 in cash.
- 29,998 shares (representing 29.998% of the voting rights and 14.99% of the financial rights) and 80,000 participation certificates (representing 40% of the financial rights and bearing no voting rights) contributed by the executive partners of Alantra AG, who will receive 571,488 shares in the Company and €15.16 in cash.

After 30 June 2018 and up until the date these interim financial statements were prepared no significant event took place other than those described above.

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

### **Interim Directors' Report at 30 June 2018**

#### **Income and expense**

Net revenue for the first half of 2018 totalled €70.2 million compared to €58.7 million during the same period in 2017, which is a 19.6% increase.

The financial advisory service business, which includes both advisory services for companies and other entities in corporate transactions (corporate finance) and the rendering of stock analysis and intermediary services for institutional investors generated revenue totalling €46.0 million during the first half of 2018 compared to €37.6 million during the same period the preceding year (a 22.1% increase), which represents 65.5% of the Group's total revenues. It should be noted that the merger of Catalyst Corporate Finance, LLP into Alantra Group took place at the end of 2017 and therefore the revenue from this acquisition did not have an impact on the figures relating to the first half of 2017.

Revenue from asset management totalled €23.7 million, which is a 15.4% increase compared to the first half of 2017 when €20.5 million was recognized. The following should be noted to explain this growth:

- Performance fees totalling €7.6 million were recognized this year as a result of the divestment of the QMC II vehicle compared to the €5.8 million recognized during the first half of 2017, which represents a 31.2% increase.
- The Group carries out the private banking business through the companies Alantra Wealth Management Gestión SGIC, S.A. and Alantra Wealth Management Agencia de Valores, S.A., which obtained revenue totalling €4.6 million during the first half of 2018 compared to €3.3 million during the same period in 2017, 39.4% increase.

Operating expenses increased by 24.4% to €14,0 million compared to the same period in 2017, which is a reflection of the Group's growth and the investment made in new teams, especially with respect to the international development of its financial advisory services business. There has been a notable increase in fixed personnel expenses as a result of the new teams that have joined Alantra Group, particularly in the financial advisory services area, which represents 20.3% of total fixed personnel expenses during the first half of 2018.

#### **Net profit**

The net profit attributed to the Company during the first half of 2018 amounted to €13.8 million, 16.8% less than the net profit obtained in the same period in 2017 (€16.5 million). The consolidated income statements for the first half of 2018 and 2017 are presented below:

€ Thousand	30/06/2018	30/06/2017	%
<b>Net income</b>			
Investment banking	45,978	37,645	22.1%
Asset Management	23,656	20,504	15.4%
<i>Management Fees</i>	16,053	14,708	9.1%
<i>Success Fees</i>	7,603	5,796	31.2%
Others	585	570	2.6%
<b>TOTAL Net income</b>	<b>70,219</b>	<b>58,720</b>	<b>19.6%</b>
<b>Other operating income</b>	<b>1</b>	<b>3</b>	<b>-</b>
Personnel Expenses	(38,523)	(30,248)	27.4%
<i>Fixed cost</i>	(23,251)	(16,563)	40.4%
<i>Variable cost</i>	(15,272)	(13,685)	11.6%
Other operating expenses	(13,956)	(11,222)	24.4%
Amortisation	(528)	(351)	50.4%
Impairment losses /gains on disposal of property plants & equipment	(2)	-	-
<b>TOTAL Operating Expenses</b>	<b>(53,009)</b>	<b>(41,820)</b>	<b>26.8%</b>
<b>Operating Profit (Loss)</b>	<b>17,211</b>	<b>16,902</b>	<b>1.8%</b>
Finance income (expense) attributable to Portfolio	1,975	4,329	(54.4%)
Other finance income (expense)	(3,688)	53	(7055.8%)
<b>Net Finance Income (expense)</b>	<b>(1,713)</b>	<b>4,382</b>	<b>(139.1%)</b>
Result of companies registered by the equity method	1,264	1,648	(23.3%)
Non-controlling Interests	(1,204)	(1,552)	(22.4%)
Income Tax	(1,786)	(4,832)	(63.0%)
<b>NET PROFIT ATTRIBUTABLE TO THE PARENT COMPANY</b>	<b>13,772</b>	<b>16,548</b>	<b>(16.8%)</b>
<b>NET PROFIT DERIVED FROM FEE BUSINESS</b>	<b>9,143</b>	<b>13,809</b>	<b>(33.8%)</b>
<b>NET PROFIT DERIVED FROM PORTFOLIO</b>	<b>4,686</b>	<b>3,247</b>	<b>44.3%</b>
<b>ORDINARY NET PROFIT</b>	<b>13,829</b>	<b>17,056</b>	<b>(18.9%)</b>
<b>Earnings per share (Euros)</b>	<b>30/06/2018</b>	<b>30/06/2017</b>	<b>%</b>
<b>Basic</b>	<b>0.37</b>	<b>0.47</b>	<b>(20.5%)</b>
<b>Diluted</b>	<b>0.37</b>	<b>0.47</b>	<b>(20.5%)</b>

### Consolidated balance sheet

The equity attributed to the parent company totalled €199.1 million at 30 June 2018. At the end of 2017 this figure was €199.5 million, and therefore there has been a slight decline. This stability is due to the fact that while the Group distributed dividends during the first half of 2018, an attributed profit was generated in the same proportion.

The total amount of non-current assets in the consolidated balance sheet amounted to €132.3 million at 30 June 2018, which represents a net increase of €9.6 million compared to the end of last year, mainly due to the investment commitments met during this period in special-purpose vehicles within the Group's investment portfolio.

Current assets reflected in the consolidated balance sheet declined by €29 million, practically all due to:

- a lower amount of outstanding trade and other receivables, among other things, as a result of the provisions recorded by the Group during the first half of 2018.
- The heading "Cash and cash equivalents" in the consolidated balance sheet declined from €104.4 million at the end of last year to €79.1 million at 30 June 2018, mainly as a result of the commitments to make investments in special-purpose vehicles that were satisfied during the period, the financing of new local teams and the payment of dividends by the Company.

Together with the cash balances, the Company maintains bank deposits totalling €7.9 million under the heading "Other current assets" in the consolidated balance sheet, as well as cash investments totalling €10 million recognized under the heading "Non-current financial assets".

### **Corporate development and activities**

Alantra Group has continued with its international expansion strategy during 2018. In addition to the investment made in new offices and senior profiles during the first six months of 2018, during the second half of the year an agreement was reached to acquire the KPMG LLP (UK) global credit transaction, non-performing loan (NPL) and non-strategic bank asset division, which will add a 35-member team to the 35 existing employees at Alantra Group in this line of business. London and Madrid will be the head offices with view to establishing the Group as the European leader.

During the second half of the year a share capital increase was also carried out to integrate the non-controlling shareholders in France and Italy into the company, as well as to merge the business in Switzerland, which will become part of the Group.

#### *Financial advisory services*

During the first six months of 2018 the Financial advisory services area handled a total of 75 transactions (compared to 76 during the same period in 2017).

#### *Asset Management*

The Asset Management division ended the first half of 2018 with €4,398 million in assets under management (compared to €3,691 million during the same period the preceding year). The following should be noted in this respect:

- Within the venture capital fund division, the PEF III fund made a 47% investment through 5 transactions, such as the acquisition of 65% of Unión Martín (one of the largest fish producers and marketers in Spain) and the acquisition of Hiperbaric (engineering company focusing on high pressure processing equipment), together with the executive team and a local group of co-investors with a high level of industry knowledge.
- The performance obtained by the fund QMC II within the active fund management division is notable as it is in a divestment phase and generated success fees totalling €7.6 million for Alantra Group during the first half of 2018.
- The first debt fund managed by Alantra Group within the private debt fund division, Alteralia I, invested 72% in 11 transactions.

- The private banking or wealth management division increased the assets under management by 15.2% during the first half of this year.
- Finally, the real estate asset management division made 3 new acquisitions during the first half of 2018.



## GLOSSARY OF TERMS

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### 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 balance sheet 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 €2,398 thousand recorded under liabilities in the consolidated balance sheet at 30 June 2018 (€2,350 thousand at 31 December 2017).

Financial Indebtedness is a significant indicator in evaluating the Group's consolidated balance sheet.

- **“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.