1.1 Cover Letter

January 16, 2018

Sonoma County

Attention: Patrick Carter | Executive Director,

RE: Request for Proposals (RFP) for Organic Materials Processing Services

Mr. Patrick Carter,

We are pleased to present our team's qualifications and design solution in response to the RFP for Organic Materials Processing Services for Sonoma County.

Similar to the situation in Sonoma County, municipalities all over the country are looking for robust and economical organic diversion solutions to better serve their communities and the environment. Every community is challenged to make positive and economical change, while balancing the type and terms of disposal contracts, inherited infrastructure, and available resources.

Selecting a firm for a long-term contract such as yours means you need to have certainty that the company you select is financially solid and will be there for you decades into the future. Our team possesses all of these traits; we are a professional and financially-strong team who has proven longevity and is highly-experienced in construction and operation of solid waste facilities. Our proposal response is supported by evidence of our team's experience with building and operating several dozen material recovery and composting facilities across the world with similar technologies and throughput capacities and recovery rates. As a result, our team has expert knowledge and industry expertise necessary to develop and successfully operate this composting facility for the Sonoma County Waste Management Authority. Our proposed solution will not only contribute to the success of existing environmental initiatives, but also promote increase sustainability through the regions solid waste management programs.

Our team is led by Sacyr Environment USA, LLC, and supported by local companies such as Auburn Constructors Inc, Synagro and JRMA.

Sacyr Environmental USA, LLC is the American branch under which "Valoriza" operates in United States. Valoriza (aka The Sacyr Group) is a global infrastructure firm headquartered in Spain which operates in more than twenty countries through four different business areas: Construction, Concession, Industrial and Environmental Services. Sacyr currently maintains offices in Washington, D.C., Miami, Florida, and Toronto, Canada.

Proven long-term durability and predictable results are imperative for municipalities to operate efficiently. Our proposal is based on our first-hand experience of building 58 solid waste treatment facilities and operates 41 of them. With our extensive experience

in construction and operation, we have a unique perspective on how solid waste technologies enhance service to the community and waste-handling performance.

Pursuant to the RFP instruction, Sacyr acknowledges the following:

- Sacyr certifies that we have examined, understood, and agreed to the Draft Agreement;
- Sacyr acknowledges the requirements and expectations of the Agreement as described in the RFP document, its enclosures, and all addenda:
  - Addendum No.1 received on July 7, 2017
  - Addendum No.2 received on July 27, 2017
  - Addendum No.3 received on September 22, 2017
  - Addendum No.4 received on November 21, 2017

  as well as the seven (8) documents as listed on page 11 of the RFP document, have been thoroughly reviewed and Sacyr has conducted all due diligence necessary to confirm material facts upon which our proposal is based.

This proposal and its contents, including proposed tipping and pricing are valid for a period of two hundred sixty (260) days from the date of the submission of the proposal.

Sacyr acknowledges that we will enter into the Agreement with the SCWMA if selected as the SCWMA's Collection Service provider.

Thank you for the opportunity to introduce our team and we look forward to assisting the Sonoma County Waste Management Agency to make the Organic Materials Processing Services a successful project.

Sincerely,

Jose Manuel Naharro,

Country Manager Sacyr Environment USA

3330 N Washington Blvd, Suite 400, Arlington, VA 22201

jnaharro@sacyr.com

Direct line: 202.349.7140

Cell Phone: 202.394.6468

Fax: 202.795.4268

1.2 Proposal Bond

Document A310™ – 2010

Conforms with The American Institute of Architects AIA Document 310

Bid Bond

CONTRACTOR:
(Name, legal status and address)
Sacyr Environment USA LLC
5201 Blue Lagoon Drive, Suite 829
Miami, FL 33126

SURETY:
(Name, legal status and principal place of business)
Federal Insurance Company
202B Hall's Mill Road
Whitehouse Station, NJ 08889
Mailing Address for Notices
202B Hall's Mill Road
Whitehouse Station, NJ 08889

OWNER:
(Name, legal status and address)
Sonoma County Waste Management Agency
2300 County Center Dr., B-100
Santa Rosa, CA 95403

This document has important legal consequences. Consultation with an attorney is encouraged with respect to its completion or modification.

Any singular reference to Contractor, Surety, Owner or other party shall be considered plural where applicable.

BOND AMOUNT: $ 25,000.00 Twenty Five Thousand and 00/1000 Dollars

PROJECT:
(Name, location or address, and Project number, if any)
Request for Proposals (RFP) for Organic Materials Processing Services

The Contractor and Surety are bound to the Owner in the amount set forth above, for the payment of which the Contractor and Surety bind themselves, their heirs, executors, administrators, successors and assigns, jointly and severally, as provided herein. The conditions of this Bond are such that if the Owner accepts the bid of the Contractor within the time specified in the bid documents, or within such time period as may be agreed to by the Owner and Contractor, and the Contractor either (1) enters into a contract with the Owner in accordance with the terms of such bid, and gives such bond or bonds as may be specified in the bidding or Contract Documents, with a surety admitted in the jurisdiction of the Project and otherwise acceptable to the Owner, for the faithful performance of such Contract and for the prompt payment of labor and material furnished in the prosecution thereof; or (2) pays to the Owner the difference, not to exceed the amount of this Bond, between the amount specified in said bid and such larger amount for which the Owner may in good faith contract with another party to perform the work covered by said bid, then this obligation shall be null and void, otherwise to remain in full force and effect. The Surety hereby waives any notice of an agreement between the Owner and Contractor to extend the time in which the Owner may accept the bid. Waiver of notice by the Surety shall not apply to any extension exceeding sixty (60) days in the aggregate beyond the time for acceptance of bids specified in the bid documents, and the Owner and Contractor shall obtain the Surety's consent for an extension beyond sixty (60) days.

If this Bond is issued in connection with a subcontractor's bid to a Contractor, the term Contractor in this Bond shall be deemed to be Subcontractor and the term Owner shall be deemed to be Contractor.

When this Bond has been furnished to comply with a statutory or other legal requirement in the location of the Project, any provision in this Bond conflicting with said statutory or legal requirement shall be deemed deleted herefrom and provisions conforming to such statutory or other legal requirement shall be deemed incorporated herein. When so furnished, the intent is that this Bond shall be construed as a statutory bond and not as a common law bond.

Signed and sealed this 4th day of January, 2018.

Sacyr Environment USA LLC
(Principal) *(Seal)*

By: _____
(Title)

(Witness)

(Witness) Elizabeth Lang

Federal Insurance Company
(Surety) *(Seal)*

By: _____
(Title) Michael Marino , Attorney-in-Fact

ACKNOWLEDGEMENT OF CONTRACTOR - IF A CORPORATION

STATE OF VIRGINIA

COUNTY OF ARLINGTON

ON THE 12 DAY OF JANUARY, 2018 BEFORE ME PERSONALLY APPEARED JOSE MANUEL NAVARRO TO BE KNOWN, WHO, BEING BY ME DULY SWORN, DID DEPOSE AND SAY; THAT (S)HE IS THE COUNTRY MANAGER OF **SACYR ENVIRONMENT USA LLC** THE CORPORATION THAT EXECUTED THE FOREGOING INSTRUMENT, AND ACKNOWLEDGED TO ME THAT SUCH CORPORATION EXECUTED THE SAME.

IN WITNESS WHEREOF, I HAVE HEREUNTO SET MY HAND AND AFFIXED MY OFFICIAL SEAL, AT MY OFFICE IN THE ABOVE COUNTY, THE DAY AND YEAR WRITTEN ABOVE.

Notary Public

WADE HAMILTON FRANKLIN NOTARY PUBLIC REG # 7539034 COMMISSION EXPIRES 01/31/2021 COMMONWEALTH OF VIRGINIA

ACKNOWLEDGEMENT OF SURETY COMPANY

STATE OF **FLORIDA**

COUNTY OF **MIAMI-DADE**

ON THE 4TH DAY OF JANUARY, 2018 BEFORE ME PERSONALLY APPEARED **MICHAEL MARINO** TO ME KNOWN, WHO BEING BY ME DULY SWORN, DID DEPOSE AND SAY; THAT (S)HE IS THE ATTORNEY-IN-FACT OF **FEDERAL INSURANCE COMPANY** THE CORPORATION THAT EXECUTED THE FOREGOING INSTRUMENT, AND ACKNOWLEDGED TO ME THAT SUCH CORPORATION EXECUTED THE SAME.

IN WITNESS WHEREOF, I HAVE HEREUNTO SET MY HAND AND AFFIXED MY OFFICIAL SEAL, AT MY OFFICE IN THE ABOVE COUNTY, THE DAY AND YEAR WRITTEN ABOVE.

Notary Public

TORRE TAYLOR
MY COMMISSION #FF213292
EXPIRES: MAR 24, 2019
Bonded through 1st State Insurance

FEDERAL INSURANCE COMPANY

STATEMENT OF ASSETS, LIABILITIES AND SURPLUS TO POLICYHOLDERS

Statutory Basis

DECEMBER 31, 2016

(in thousands of dollars)

ASSETS		*LIABILITIES AND SURPLUS TO POLICYHOLDERS*	
Cash and Short Term Investments	$ (66,990)	Outstanding Losses and Loss Expenses	$ 11,482,308
United States Government, State and Municipal Bonds	8,135,311	Unearned Premiums	2,723,875
Other Bonds	5,471,330	Ceded Reinsurance Premiums Payable	566,868
Stocks	130,689	Provision for Reinsurance	29,339
Other Invested Assets	1,289,903	Other Liabilities	1,144,976
TOTAL INVESTMENTS	14,940,243	TOTAL LIABILITIES	15,947,366
Investments in Affiliates:			
Chubb Investment Holdings, Inc.	3,727,406	Capital Stock	20,980
Pacific Indemnity Company	2,926,619	Paid-In Surplus	3,106,809
Executive Risk Indemnity Inc.	1,250,965	Unassigned Funds	8,296,020
Great Northern Insurance Company	504,162		
Vigilant Insurance Company	319,505		
Chubb European Investment Holdings, SLP	277,361	SURPLUS TO POLICYHOLDERS	11,423,809
Chubb Custom Insurance Company	214,956		
Chubb National Insurance Company	162,929		
Chubb Indemnity Insurance Company	163,668		
Other Affiliates	70,204		
Premiums Receivable	1,510,107		
Other Assets	1,303,050		
TOTAL ADMITTED ASSETS	$ 27,371,175	TOTAL LIABILITIES AND SURPLUS TO POLICYHOLDERS	$ 27,371,175

Investments are valued in accordance with requirements of the National Association of Insurance Commissioners. At December 31, 2016, investments with a carrying value of $565,702,495 were deposited with government authorities as required by law.

State, County & City of New York, — ss:

Dawn M. Chloros, Assistant Secretary of the Federal Insurance Company being duly sworn, deposes and says that the foregoing Statement of Assets, Liabilities and Surplus to Policyholders of said Federal Insurance Company on December 31, 2016 is true and correct and is a true abstract of the Annual Statement of said Company as filed with the Secretary of the Treasury of the United States for the 12 months ending December 31, 2016.

Subscribed and sworn to before me
this March 3, 2017.

Jeanette Shipsey
Notary Public

JEANETTE SHIPSEY
Notary Public, State of New York
No. 02SH5074142
Qualified in Nassau County
Commission Expires March 10, 2019

Dawn M. Chloros
Assistant Secretary

CHUBB

Power of Attorney

Federal Insurance Company | Vigilant Insurance Company | Pacific Indemnity Company

Know All by These Presents, That **FEDERAL INSURANCE COMPANY**, an Indiana corporation, **VIGILANT INSURANCE COMPANY**, a New York corporation, and **PACIFIC INDEMNITY COMPANY**, a Wisconsin corporation, do each hereby constitute and appoint Ricardo Davila, Will Griffin and Michael Marino of Miami, Florida ----------

each as their true and lawful Attorney-in-Fact to execute under such designation in their names and to affix their corporate seals to and deliver for and on their behalf as surety thereon or otherwise, bonds and undertakings and other writings obligatory in the nature thereof (other than bail bonds) given or executed in the course of business, and any instruments amending or altering the same, and consents to the modification or alteration of any instrument referred to in said bonds or obligations.

In Witness Whereof, said **FEDERAL INSURANCE COMPANY, VIGILANT INSURANCE COMPANY**, and **PACIFIC INDEMNITY COMPANY** have each executed and attested these presents and affixed their corporate seals on this **20th** day of **June, 2017.**

Dawn M. Chloros

Dawn M. Chloros, Assistant Secretary

Stephen M. Haney

Stephen M. Haney, Vice President

STATE OF NEW JERSEY

County of Hunterdon ss.

On this **20th** day of **June, 2017** before me, a Notary Public of New Jersey, personally came Dawn M. Chloros, to me known to be Assistant Secretary of FEDERAL INSURANCE COMPANY, VIGILANT INSURANCE COMPANY, and PACIFIC INDEMNITY COMPANY, the companies which executed the foregoing Power of Attorney, and the said Dawn M. Chloros, being by me duly sworn, did depose and say that she is Assistant Secretary of FEDERAL INSURANCE COMPANY, VIGILANT INSURANCE COMPANY, and PACIFIC INDEMNITY COMPANY and knows the corporate seals thereof, that the seals affixed to the foregoing Power of Attorney are such corporate seals and were thereto affixed by authority of said Companies; and that she signed said Power of Attorney as Assistant Secretary of said Companies by like authority; and that she is acquainted with Stephen M. Haney, and knows him to be Vice President of said Companies; and that the signature of Stephen M. Haney, subscribed to said Power of Attorney is in the genuine handwriting of Stephen M. Haney, and was thereto subscribed by authority of said Companies and in deponent's presence.

Notarial Seal

KATHERINE J. ADELAAR
NOTARY PUBLIC OF NEW JERSEY
No. 2318885
Commission Expires July 16, 2019

Notary Public

CERTIFICATION

Resolutions adopted by the Boards of Directors of FEDERAL INSURANCE COMPANY, VIGILANT INSURANCE COMPANY, and PACIFIC INDEMNITY COMPANY on August 30, 2016:

"RESOLVED, that the following authorizations relate to the execution, for and on behalf of the Company, of bonds, undertakings, recognizances, contracts and other written commitments of the Company entered into in the ordinary course of business (each a "Written Commitment"):

(1) Each of the Chairman, the President and the Vice Presidents of the Company is hereby authorized to execute any Written Commitment for and on behalf of the Company, under the seal of the Company or otherwise.

(2) Each duly appointed attorney-in-fact of the Company is hereby authorized to execute any Written Commitment for and on behalf of the Company, under the seal of the Company or otherwise, to the extent that such action is authorized by the grant of powers provided for in such person's written appointment as such attorney-in-fact.

(3) Each of the Chairman, the President and the Vice Presidents of the Company is hereby authorized, for and on behalf of the Company, to appoint in writing any person the attorney-in-fact of the Company with full power and authority to execute, for and on behalf of the Company, under the seal of the Company or otherwise, such Written Commitments of the Company as may be specified in such written appointment, which specification may be by general type or class of Written Commitments or by specification of one or more particular Written Commitments.

(4) Each of the Chairman, the President and the Vice Presidents of the Company is hereby authorized, for and on behalf of the Company, to delegate in writing to any other officer of the Company the authority to execute, for and on behalf of the Company, under the Company's seal or otherwise, such Written Commitments of the Company as are specified in such written delegation, which specification may be by general type or class of Written Commitments or by specification of one or more particular Written Commitments.

(5) The signature of any officer or other person executing any Written Commitment or appointment or delegation pursuant to this Resolution, and the seal of the Company, may be affixed by facsimile on such Written Commitment or written appointment or delegation.

FURTHER RESOLVED, that the foregoing Resolution shall not be deemed to be an exclusive statement of the powers and authority of officers, employees and other persons to act for and on behalf of the Company, and such Resolution shall not limit or otherwise affect the exercise of any such power or authority otherwise validly granted or vested."

I, Dawn M. Chloros, Assistant Secretary of FEDERAL INSURANCE COMPANY, VIGILANT INSURANCE COMPANY, and PACIFIC INDEMNITY COMPANY (the "Companies") do hereby certify that

(i) the foregoing Resolutions adopted by the Board of Directors of the Companies are true, correct and in full force and effect,

(ii) the Companies are duly licensed and authorized to transact surety business in all 50 of the United States of America and the District of Columbia and are authorized by the U.S. Treasury Department; further, Federal and Vigilant are licensed in the U.S. Virgin Islands, and Federal is licensed in Guam, Puerto Rico, and each of the Provinces of Canada except Prince Edward Island; and

(iii) the foregoing Power of Attorney is true, correct and in full force and effect.

Given under my hand and seals of said Companies at Whitehouse Station, NJ, this January 4, 2018

Dawn M. Chloros

Dawn M. Chloros, Assistant Secretary

IN THE EVENT YOU WISH TO NOTIFY US OF A CLAIM, VERIFY THE AUTHENTICITY OF THIS BOND OR NOTIFY US OF ANY OTHER MATTER, PLEASE CONTACT US AT:
Telephone (908) 903-3493 Fax (908) 903-3656 e-mail: surety@chubb.com

1.3 Performance Bond Commitment Letter

CHUBB

Liberty Mutual

Liberty Mutual **Surety**

January 4, 2018

Sonoma County Waste Management Agency
2300 County Center Dr., B-100
Santa Rosa, CA 95403

RE: Sacyr Environment USA LLC - Surety Prequalification Letter
Request for Proposals (RFP) for Organic Materials Processing Services
Estimated Contract Value – $67,000,0000.00

To Whom It May Concern:

Federal Insurance Company and Liberty Mutual Insurance Company are the sureties for Sacyr Environment USA LLC ("Sacyr") and we have developed a high regard for them as a surety customer. At the present time, Sacyr has an aggregate bonding program of up to $1,000,000,000 and we are willing to consider support for Sacyr on single projects up to $600,000,000. Federal Insurance Company and Liberty Mutual Insurance Company have the utmost confidence in their ability to perform construction contracts and work programs in the above-mentioned range.

We understand that preliminary conversations are taking place regarding the above referenced project. Should a contract/project be awarded to and accepted by Sacyr, we are prepared to provide the required bonds on their behalf. We have reviewed and accept the performance bond language and the amount of the performance bond as stipulated by the Sonoma County Waste Management Agency in the referenced RFP.

This letter is solely a contractor prequalification letter for Sacyr, which is being furnished upon their request. Any arrangement for bonds is strictly a matter between Sacyr and Federal Insurance Company and Liberty Mutual Insurance Company.

Sincerely,

Federal Insurance Company
A.M. Best Rating A++, XV

By: _____
Michael Marino, Attorney-In-Fact

Liberty Mutual Insurance Company
A.M. Best Rating A, XV

By: _____
Michael Marino, Attorney-In-Fact

ACKNOWLEDGEMENT OF SURETY COMPANY

STATE OF **FLORIDA**

COUNTY OF **MIAMI-DADE**

ON THE 4TH DAY OF JANUARY, 2018 BEFORE ME PERSONALLY APPEARED **MICHAEL MARINO** TO ME KNOWN, WHO BEING BY ME DULY SWORN, DID DEPOSE AND SAY; THAT (S)HE IS THE ATTORNEY-IN-FACT OF **FEDERAL INSURANCE COMPANY AND LIBERTY MUTUAL INSURANCE COMPANY** THE CORPORATION THAT EXECUTED THE FOREGOING INSTRUMENT, AND ACKNOWLEDGED TO ME THAT SUCH CORPORATION EXECUTED THE SAME.

IN WITNESS WHEREOF, I HAVE HEREUNTO SET MY HAND AND AFFIXED MY OFFICIAL SEAL, AT MY OFFICE IN THE ABOVE COUNTY, THE DAY AND YEAR WRITTEN ABOVE.

Notary Public

TORRE TAYLOR
MY COMMISSION #FF213292
EXPIRES: MAR 24, 2019
Bonded through 1st State Insurance

FEDERAL INSURANCE COMPANY

STATEMENT OF ASSETS, LIABILITIES AND SURPLUS TO POLICYHOLDERS

Statutory Basis

DECEMBER 31, 2016

(in thousands of dollars)

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Stocks	130,689	Provision for Reinsurance	29,339
Other Invested Assets	1,289,903	Other Liabilities	1,144,976
TOTAL INVESTMENTS	14,940,243	TOTAL LIABILITIES	15,947,366
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Chubb European Investment Holdings, SLP	277,361	SURPLUS TO POLICYHOLDERS	11,423,809
Chubb Custom Insurance Company	214,956		
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Chubb Indemnity Insurance Company	163,668		
Other Affiliates	70,204		
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TOTAL ADMITTED ASSETS	$ 27,371,175	TOTAL LIABILITIES AND SURPLUS TO POLICYHOLDERS	$ 27,371,175

Investments are valued in accordance with requirements of the National Association of Insurance Commissioners. At December 31, 2016, investments with a carrying value of $565,702,495 were deposited with government authorities as required by law.

State, County & City of New York, — ss:

Dawn M. Chloros, Assistant Secretary of the Federal Insurance Company being duly sworn, deposes and says that the foregoing Statement of Assets, Liabilities and Surplus to Policyholders of said Federal Insurance Company on December 31, 2016 is true and correct and is a true abstract of the Annual Statement of said Company as filed with the Secretary of the Treasury of the United States for the 12 months ending December 31, 2016.

Subscribed and sworn to before me
this March 3, 2017.

Jeanette Shipsey
Notary Public

JEANETTE SHIPSEY
Notary Public, State of New York
No. 02SH5074142
Qualified in Nassau County
Commission Expires March 10, 2019

Dawn M. Chloros
Assistant Secretary

Liberty Mutual. SURETY

LIBERTY MUTUAL INSURANCE COMPANY

FINANCIAL STATEMENT — DECEMBER 31, 2016

Assets

Cash and Bank Deposits	$1,092,914,837
*Bonds — U.S Government	1,406,763,970
*Other Bonds	11,379,916,523
*Stocks	10,349,761,988
Real Estate	290,265,760
Agents' Balances or Uncollected Premiums	4,709,977,463
Accrued Interest and Rents	112,757,395
Other Admitted Assets	14,659,523,751
Total Admitted Assets	**$44,001,881,687**

Liabilities

Unearned Premiums		$6,929,723,299
Reserve for Claims and Claims Expense		17,233,877,300
Funds Held Under Reinsurance Treaties		208,362,823
Reserve for Dividends to Policyholders		944,909
Additional Statutory Reserve		39,649,905
Reserve for Commissions, Taxes and Other Liabilities		3,061,117,958
Total		**$27,473,676,194**
Special Surplus Funds	$95,257,334	
Capital Stock	10,000,000	
Paid in Surplus	9,229,250,104	
Unassigned Surplus	7,193,698,055	
Surplus to Policyholders		**16,528,205,493**
Total Liabilities and Surplus		**$44,001,881,687**

LIBERTY MUTUAL INSURANCE COMPANY INCORPORATED 1912 MASSACHUSETTS

* Bonds are stated at amortized or investment value; Stocks at Association Market Values.
The foregoing financial information is taken from Liberty Mutual Insurance Company's financial statement filed with the state of Massachusetts Department of Insurance.

I, TIM MIKOLAJEWSKI, Assistant Secretary of Liberty Mutual Insurance Company, do hereby certify that the foregoing is a true, and correct statement of the Assets and Liabilities of said Corporation, as of December 31, 2016, to the best of my knowledge and belief.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the seal of said Corporation at Seattle, Washington, this 23rd day of March, 2017.

T A Mikolajewski

Assistant Secretary

THIS POWER OF ATTORNEY IS NOT VALID UNLESS IT IS PRINTED ON RED BACKGROUND.
This Power of Attorney limits the acts of those named herein, and they have no authority to bind the Company except in the manner and to the extent herein stated.

Certificate No. 7656040

Liberty Mutual Insurance Company
The Ohio Casualty Insurance Company West American Insurance Company

POWER OF ATTORNEY

KNOWN ALL PERSONS BY THESE PRESENTS: That The Ohio Casualty Insurance Company is a corporation duly organized under the laws of the State of New Hampshire, that Liberty Mutual Insurance Company is a corporation duly organized under the laws of the State of Massachusetts, and West American Insurance Company is a corporation duly organized under the laws of the State of Indiana (herein collectively called the "Companies"), pursuant to and by authority herein set forth, does hereby name, constitute and appoint,
Michael Marino; Ricardo D. Lamar; Torre Taylor; William G. Griffin

all of the city of MIAMI, state of FL each individually if there be more than one named, its true and lawful attorney-in-fact to make, execute, seal, acknowledge and deliver, for and on its behalf as surety and as its act and deed, any and all undertakings, bonds, recognizances and other surety obligations, in pursuance of these presents and shall be as binding upon the Companies as if they have been duly signed by the president and attested by the secretary of the Companies in their own proper persons.

IN WITNESS WHEREOF, this Power of Attorney has been subscribed by an authorized officer or official of the Companies and the corporate seals of the Companies have been affixed thereto this 8th day of March, 2017.

The Ohio Casualty Insurance Company
Liberty Mutual Insurance Company
West American Insurance Company

By: David M. Carey
David M. Carey, Assistant Secretary

STATE OF PENNSYLVANIA ss
COUNTY OF MONTGOMERY

On this 8th day of March, 2017, before me personally appeared David M. Carey, who acknowledged himself to be the Assistant Secretary of Liberty Mutual Insurance Company, The Ohio Casualty Company, and West American Insurance Company, and that he, as such, being authorized so to do, execute the foregoing instrument for the purposes therein contained by signing on behalf of the corporations by himself as a duly authorized officer.

IN WITNESS WHEREOF, I have hereunto subscribed my name and affixed my notarial seal at King of Prussia, Pennsylvania, on the day and year first above written.

COMMONWEALTH OF PENNSYLVANIA
Notarial Seal
Teresa Pastella, Notary Public
Upper Merion Twp., Montgomery County
My Commission Expires March 28, 2021
Member, Pennsylvania Association of Notaries

By: Teresa Pastella
Teresa Pastella, Notary Public

This Power of Attorney is made and executed pursuant to and by authority of the following By-laws and Authorizations of The Ohio Casualty Insurance Company, Liberty Mutual Insurance Company, and West American Insurance Company which resolutions are now in full force and effect reading as follows:

ARTICLE IV – OFFICERS – Section 12. Power of Attorney. Any officer or other official of the Corporation authorized for that purpose in writing by the Chairman or the President, and subject to such limitation as the Chairman or the President may prescribe, shall appoint such attorneys-in-fact, as may be necessary to act in behalf of the Corporation to make, execute, seal, acknowledge and deliver as surety any and all undertakings, bonds, recognizances and other surety obligations. Such attorneys-in-fact, subject to the limitations set forth in their respective powers of attorney, shall have full power to bind the Corporation by their signature and execution of any such instruments and to attach thereto the seal of the Corporation. When so executed, such instruments shall be as binding as if signed by the President and attested to by the Secretary. Any power or authority granted to any representative or attorney-in-fact under the provisions of this article may be revoked at any time by the Board, the Chairman, the President or by the officer or officers granting such power or authority.

ARTICLE XIII – Execution of Contracts – SECTION 5. Surety Bonds and Undertakings. Any officer of the Company authorized for that purpose in writing by the chairman or the president, and subject to such limitations as the chairman or the president may prescribe, shall appoint such attorneys-in-fact, as may be necessary to act in behalf of the Company to make, execute, seal, acknowledge and deliver as surety any and all undertakings, bonds, recognizances and other surety obligations. Such attorneys-in-fact subject to the limitations set forth in their respective powers of attorney, shall have full power to bind the Company by their signature and execution of any such instruments and to attach thereto the seal of the Company. When so executed such instruments shall be as binding as if signed by the president and attested by the secretary.

Certificate of Designation – The President of the Company, acting pursuant to the Bylaws of the Company, authorizes David M. Carey, Assistant Secretary to appoint such attorneys-in-fact as may be necessary to act on behalf of the Company to make, execute, seal, acknowledge and deliver as surety any and all undertakings, bonds, recognizances and other surety obligations.

Authorization – By unanimous consent of the Company's Board of Directors, the Company consents that facsimile or mechanically reproduced signature of any assistant secretary of the Company, wherever appearing upon a certified copy of any power of attorney issued by the Company in connection with surety bonds, shall be valid and binding upon the Company with the same force and effect as though manually affixed.

I, Renee C. Llewellyn, the undersigned, Assistant Secretary, The Ohio Casualty Insurance Company, Liberty Mutual Insurance Company, and West American Insurance Company do hereby certify that the original power of attorney of which the foregoing is a full, true and correct copy of the Power of Attorney executed by said Companies, is in full force and effect and has not been revoked.

IN TESTIMONY WHEREOF, I have hereunto set my hand and affixed the seals of said Companies this 4th day of January, 20 18.

By: Renee C. Llewellyn
Renee C. Llewellyn, Assistant Secretary

Not valid for mortgage, note, loan, letter of credit, currency rate, interest rate or residual value guarantees.

To confirm the validity of this Power of Attorney call 1-610-832-8240 between 9:00 am and 4:30 pm EST on any business day.

CHUBB

Power of Attorney

Federal Insurance Company | Vigilant Insurance Company | Pacific Indemnity Company

Know All by These Presents, That **FEDERAL INSURANCE COMPANY**, an Indiana corporation, **VIGILANT INSURANCE COMPANY**, a New York corporation, and **PACIFIC INDEMNITY COMPANY**, a Wisconsin corporation, do each hereby constitute and appoint Ricardo Davila, Will Griffin and Michael Marino of Miami, Florida ----------

each as their true and lawful Attorney-in-Fact to execute under such designation in their names and to affix their corporate seals to and deliver for and on their behalf as surety thereon or otherwise, bonds and undertakings and other writings obligatory in the nature thereof (other than bail bonds) given or executed in the course of business, and any instruments amending or altering the same, and consents to the modification or alteration of any instrument referred to in said bonds or obligations.

In Witness Whereof, said **FEDERAL INSURANCE COMPANY, VIGILANT INSURANCE COMPANY**, and **PACIFIC INDEMNITY COMPANY** have each executed and attested these presents and affixed their corporate seals on this **20th** day of **June, 2017.**

Dawn M. Chloros

Dawn M. Chloros, Assistant Secretary

Stephen M. Haney

Stephen M. Haney, Vice President

STATE OF NEW JERSEY

County of Hunterdon ss.

On this **20th** day of **June, 2017** before me, a Notary Public of New Jersey, personally came Dawn M. Chloros, to me known to be Assistant Secretary of FEDERAL INSURANCE COMPANY, VIGILANT INSURANCE COMPANY, and PACIFIC INDEMNITY COMPANY, the companies which executed the foregoing Power of Attorney, and the said Dawn M. Chloros, being by me duly sworn, did depose and say that she is Assistant Secretary of FEDERAL INSURANCE COMPANY, VIGILANT INSURANCE COMPANY, and PACIFIC INDEMNITY COMPANY and knows the corporate seals thereof, that the seals affixed to the foregoing Power of Attorney are such corporate seals and were thereto affixed by authority of said Companies; and that she signed said Power of Attorney as Assistant Secretary of said Companies by like authority; and that she is acquainted with Stephen M. Haney, and knows him to be Vice President of said Companies; and that the signature of Stephen M. Haney, subscribed to said Power of Attorney is in the genuine handwriting of Stephen M. Haney, and was thereto subscribed by authority of said Companies and in deponent's presence.

Notarial Seal

KATHERINE J. ADELAAR
NOTARY PUBLIC OF NEW JERSEY
No. 2316685
Commission Expires July 16, 2019

Notary Public

CERTIFICATION

Resolutions adopted by the Boards of Directors of FEDERAL INSURANCE COMPANY, VIGILANT INSURANCE COMPANY, and PACIFIC INDEMNITY COMPANY on August 30, 2016:

"RESOLVED, that the following authorizations relate to the execution, for and on behalf of the Company, of bonds, undertakings, recognizances, contracts and other written commitments of the Company entered into in the ordinary course of business (each a "Written Commitment"):

(1) Each of the Chairman, the President and the Vice Presidents of the Company is hereby authorized to execute any Written Commitment for and on behalf of the Company, under the seal of the Company or otherwise.

(2) Each duly appointed attorney-in-fact of the Company is hereby authorized to execute any Written Commitment for and on behalf of the Company, under the seal of the Company or otherwise, to the extent that such action is authorized by the grant of powers provided for in such person's written appointment as such attorney-in-fact.

(3) Each of the Chairman, the President and the Vice Presidents of the Company is hereby authorized, for and on behalf of the Company, to appoint in writing any person the attorney-in-fact of the Company with full power and authority to execute, for and on behalf of the Company, under the seal of the Company or otherwise, such Written Commitments of the Company as may be specified in such written appointment, which specification may be by general type or class of Written Commitments or by specification of one or more particular Written Commitments.

(4) Each of the Chairman, the President and the Vice Presidents of the Company is hereby authorized, for and on behalf of the Company, to delegate in writing to any other officer of the Company the authority to execute, for and on behalf of the Company, under the Company's seal or otherwise, such Written Commitments of the Company as are specified in such written delegation, which specification may be by general type or class of Written Commitments or by specification of one or more particular Written Commitments.

(5) The signature of any officer or other person executing any Written Commitment or appointment or delegation pursuant to this Resolution, and the seal of the Company, may be affixed by facsimile on such Written Commitment or written appointment or delegation.

FURTHER RESOLVED, that the foregoing Resolution shall not be deemed to be an exclusive statement of the powers and authority of officers, employees and other persons to act for and on behalf of the Company, and such Resolution shall not limit or otherwise affect the exercise of any such power or authority otherwise validly granted or vested."

I, Dawn M. Chloros, Assistant Secretary of FEDERAL INSURANCE COMPANY, VIGILANT INSURANCE COMPANY, and PACIFIC INDEMNITY COMPANY (the "Companies") do hereby certify that

(i) the foregoing Resolutions adopted by the Board of Directors of the Companies are true, correct and in full force and effect,

(ii) the Companies are duly licensed and authorized to transact surety business in all 50 of the United States of America and the District of Columbia and are authorized by the U.S. Treasury Department; further, Federal and Vigilant are licensed in the U.S. Virgin Islands, and Federal is licensed in Guam, Puerto Rico, and each of the Provinces of Canada except Prince Edward Island; and

(iii) the foregoing Power of Attorney is true, correct and in full force and effect.

Given under my hand and seals of said Companies at Whitehouse Station, NJ, this January 4, 2018

Dawn M. Chloros

Dawn M. Chloros, Assistant Secretary

IN THE EVENT YOU WISH TO NOTIFY US OF A CLAIM, VERIFY THE AUTHENTICITY OF THIS BOND OR NOTIFY US OF ANY OTHER MATTER, PLEASE CONTACT US AT:
Telephone (908) 903-3493 Fax (908) 903-3656 e-mail: surety@chubb.com

1.4 Receipt of Signed Addenda

Sonoma County Waste Management Agency
Request for Proposals for Organic Materials Processing Services

Addendum No. 1 **Issued – July 7, 2017**

THEREFORE: All Applicants are required to sign this page of this Addendum No. 1, and shall submit a signed copy of this page with their Proposal package.

Thank you for your participation,

Sonoma County Waste Management Agency
Patrick Carter
Executive Director

ADDENDUM NO. 1 **DATE: July 7, 2017**

COMPANY / AGENCY NAME: SACYR ENVIRONMENT USA, LLC

COMPANY ADDRESS: 3330 N WASHINGTON BLVD, ARLINGTON, VA 22201

REPRESENTATIVE'S NAME: JOSE MANUEL NAHARRO CASTRILLO

SIGNATURE:

DATE: 01/12/2018

All Applicants are required to sign this page of this Addendum No. 2, and shall submit a signed copy of this page with their Proposal package.

Thank you for your participation,

Sonoma County Waste Management Agency
Patrick Carter
Executive Director

ADDENDUM NO. 2 DATE: July 27, 2017

COMPANY / AGENCY NAME: SACYR ENVIRONMENT USA, LLC

COMPANY ADDRESS: 3330 N WASHINGTON BLVD, ARLINGTON, VA 22201

REPRESENTATIVE'S NAME: JOSE MANUEL NAVARRO CASTILLO

SIGNATURE:

DATE: 01/12/2018

All Applicants are required to sign this page of this Addendum No. 3, and shall submit a signed copy of this page with their Proposal package.

Thank you for your participation,

Sonoma County Waste Management Agency
Patrick Carter
Executive Director

ADDENDUM NO. 3 DATE: September 22, 2017

COMPANY / AGENCY NAME: SACYR ENVIRONMENT USA, LLC

COMPANY ADDRESS: 3330 N WASHINGTON BLVD, ARLINGTON, VA 22201

REPRESENTATIVE'S NAME: JOSE MANUEL NAHARRO CASTRILLO

SIGNATURE:

DATE: 01/12/2018

All Applicants are required to sign this page of this Addendum No. 4, and shall submit a signed copy of this page with their Proposal package.

Thank you for your participation,

Sonoma County Waste Management Agency
Patrick Carter
Executive Director

ADDENDUM NO. 4 DATE: November 21, 2017

COMPANY / AGENCY NAME: SACYR ENVIRONMENT USA, LLC

COMPANY ADDRESS: 3330 N WASHINGTON BLVD, ARLINGTON, VA 22201

REPRESENTATIVE'S NAME: JOSE MANUEL NAVARRO CASTRILLO

SIGNATURE:

DATE: 01/12/2018

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SECTION 2 QUALIFICATIONS

In order to accomplish the SCMWA´s objective of sitting, permitting, owning and operating an Organic Materials Processing Facility, the city must select a firm with a long-standing history of performance and reliability. A long-term contract such as the one proposed in Sonoma County to develop an Organic Materials Processing Facility requires absolute confidence in the technical and financial capability of the selected company.

Proven long-term durability and predictable results are imperative for municipalities to operate efficiently. Our team members have constructed 58 solid waste treatment systems, 41 of which we are currently operating. With our extensive experience in construction and operation, we have a unique perspective on how organic composting technologies enhance service to the community and waste-handling performance. Our design and composting technology is automated in most areas, increasing safety and percent of organic material recovered.

The Sacyr Team looks to bring world-class recovery and recycling technology to the state of California. Our team and its members have a long-standing and respected history in the waste treatment and management industry around the world. Our team consists of a variety of skilled professionals to provide you the best value, lasting certainty, and financial stability for your project. Our proposed team includes the following companies:

- **Sacyr Environment USA,LLC (Lead Developer)**

Sacyr Environment (subsidiary of Valoriza Servicios Medioambientales) specializes in design, construction and operation of mechanical sorting plants and biological treatment systems. Sacyr Environment USA leans on the international experience of Sacyr who has constructed 58 solid waste treatment systems, 41 of which are still currently in operation. Sacyr as lead developer of the contract brings the following experience

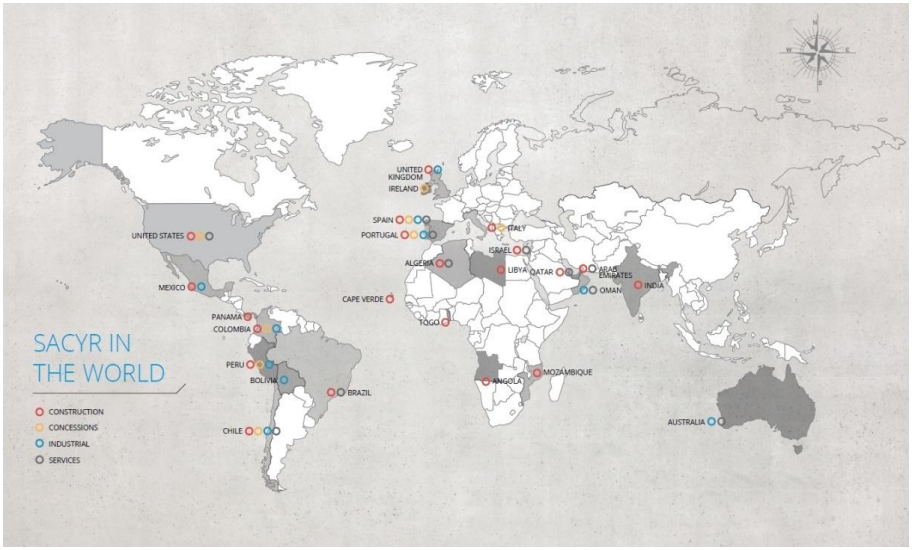
- ✓ Management and operation of solid waste treatment facilities including organics processing facilities, composting facilities, anaerobic digestion facilities, material recovery facilities, waste-to-energy facilities, and environmental recovery landfill.
- ✓ Development, financing and management of domestic and international infrastructures.
- ✓ Major technical and technological capacity for all manner of civil works infrastructures (roads, hydraulic facilities, airports, rail, etc.), and building construction.
- ✓ Industrial capability in the design and construction of a wide variety of waste water treatment plants, desalination plants, drinking water plants, and industrial facilities (oil & gas and power generation).

Valoriza Servicios Medioambientales (parent company of Sacyr Environment USA, LLC), began operating in 1982 and was integrated into Sacyr in 2005. Valoriza Servicios Medioambientales (VSM) operates the treatment and recovery plants

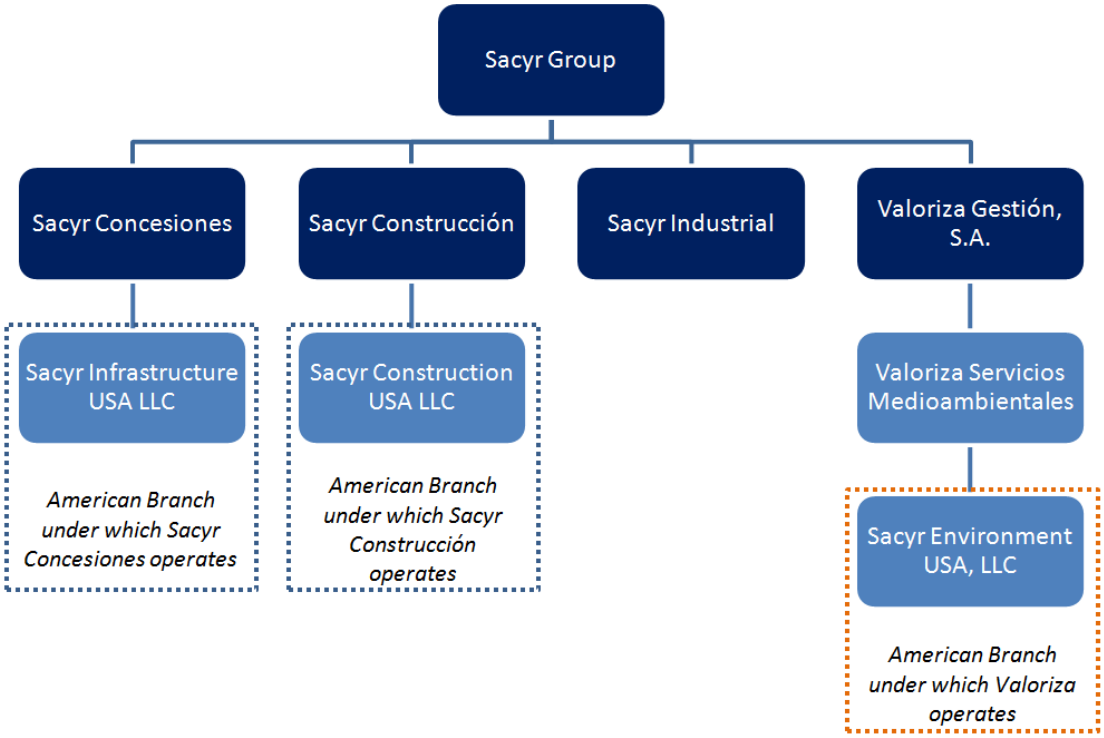
worldwide and currently serves 5.6 million customers. VSM will be responsible for the conceptual global design and operation of your facility.

VSM has experience in more than 20 countries in the development, financing and management of waste management and recovery facilities. VSM manages and operates waste treatment and management facilities including recycling plants, waste-to-energy plants, anaerobic digestion facilities, composting facilities, organics processing facilities, and environmental recovery landfill. VSM has successfully designed and constructed 58 waste treatment facilities, and operates 41 of them in different countries for more than 10 years.

Sacyr SA (parent company of Valoriza Servicios Medioambientales) was founded in 1986, and is now one of the largest publicly traded Spanish firms. They are based in Madrid, have a business portfolio of over $3.2 billion, and are one of the world's leaders in the financing, design, construction and operation of P3 projects. Sacyr is a multinational infrastructures and services company. Its focus on innovation and international expansion has made it a world leader in the building and management of infrastructures, industrial projects and services in 29 countries.



Below depicts an organizational chart of the Sacyr Group of companies:



- **Synagro**

Sacyr Environment USA, LLC will be supported by Synagro for facility operations and by-product marketing. Collaboration with Synagro in the operation and marketing of the facility by-products will bring familiarity with local market trends and an understanding of the local terrain that will impact the application of the facility by-products.

Synagro's mission and core business purpose is focused on the management of organics and municipal biosolids, including project development, operations, and product recycling. This focus has resulted in Synagro being North America's leading provider of high-quality, cost-effective residuals management and beneficial use services. We have been successfully meeting the residuals management needs of hundreds of generators for more than 40 years. This includes providing transportation and management services, through various Synagro entities and contracts, for New York City's wastewater treatment plants for the past 20 years. Synagro's experience in all areas of biosolids management is unparalleled.

Synagro offers virtually all commercially viable processing options and product marketing channels for biosolids and organic residuals including:

- Composting (windrow, aerated static pile, and in-vessel projects)
- Heat drying and pelletization
- Incineration
- Alkaline stabilization
- Digestion

- Dewatering (installation & operation)
- Mobile dewatering
- Land application and reclamation
- Lagoon and digester cleaning
- Rail transportation
- Product marketing

This ability to offer the complete range of residuals management options is unique to Synagro and allows us to develop projects that fit a municipality's individual needs. In addition, this breadth of experience provides us with an in-depth understanding of organics and biosolids that other companies simply do not possess.





SYNAGRO

- **Auburn Constructors, Inc.**

In the state of California, partnering with a competent and credible construction firm can make or break a project. Understanding this, Sacyr team will be supported by the local construction company **Auburn Constructors Inc.**

By integrating design and construction management within our organizational structure early on, we hope to reduce the amount of design and construction conflicts. Integrating the design and construct team also allows for the phased construction of a project of this nature, resulting in significant reductions in project timeline.

Auburn Constructors (Auburn) is a General Engineering contractor that has been providing a wide range of construction services for Clients/Owners in California and Nevada since 1990. Based in Sacramento, CA, Auburn is committed to building long-term relationships based on integrity, performance, value, and client satisfaction.

Auburn specializes in the construction of water and wastewater treatment facilities, storm water and fresh water pumps stations, water storage facilities, and other water resource/recovery projects. Each project is approached as a joint effort between the client, design, and construction teams. The company consistently delivers the highest quality and best value to our clients by integrating teamwork, dedicated project management, and outstanding craftsmanship.



- **JRMA**

JRMA is a design firm offering comprehensive services throughout the United States and abroad. JRMA capabilities cover the complete design process from initial vision through completion.

Sacyr understands the importance of local support given the complexity of the project and the intricacies of California permitting and development requirements. As a result, JRMA will provide design support and local expertise in the intersection of waste, architecture and engineering.

For 35 years, JRMA has played an important role in the planning, design, and construction of facilities needed to efficiently receive process and transport solid waste nationwide. They have a reputation for designing facilities that are operationally excellent and for phasing expansion projects to maintain safe and orderly work places for both the facility operator and the construction contractor.

JRMA is a certified company in the USA which provides the following services:

- Preparation of Integrated Solid Waste Management Plans (SWMP´s).
- Feasibility Studies and Site Master Planning.
- Engineering and Construction Plans.
- Site/Building/Equipment Programming and Design.
- Alternative Technologies.
- Permit/Agency Processing
- Specifications
- LEED Design/Certification



- **Project Example 1**: *Lipor Waste Treatment Plant, Porto, Portugal.*







Name of the facility:

Lipor Waste Treatment Plant

Contact information:

Paula Morgado
Hidurbe Gestion de Residuos, S.A.
Plant: R. Morena 805, 4435-996 Baguim do Monte, Portugal
Central Office: R. Padre Antonio, 232 – 5º piso sala 5.3, 4470-136 Maia, Portugal
Email address:
Paula.morgado@compostagem.org
Phone number: (+351) 229 774 330
Mobile: (+351) 917 560 396

Time schedule:

Commencement of operation: 2005
End of Operation: 2023

Facility capacity:

• Plant capacity: 60,000 TPY.
• Compost production: 13,800 TPY.

Process:

Source-separated organic fraction composting plant
Pre-treatment (Three phases: primary, secondary and final).
Feedstock from, exclusively, source separation organic fraction collection.

Roles of the members of the proposer's team:

Consortium formed by Hidurbe and Somague: Design, construction and operation for 18 years with a possible 5-year extension.

- **Project Example 2:** *Los HornillosWaste Treatment Plant, Valencia, Spain*



Name of the facility:

Los Hornillos Waste Treatment Plant



Contact information:

Benjamin Bondía
Valoriza Servicios Medioambientales (VSM)
Partida De los Hornillos, s/n, 46930 Quart de Poblet, Valencia, Spain.
Email address:
benjamin.bondía@uteloshornillos.com
Phone number: + 34 650 677 7683



Time schedule:

Commencement of operation: July 2007.

Process:

Mechanical-biological treatment of MSW including recycling and composting technologies.



Facility capacity:

- Mechanical-biological treatment of MSW: 440,925 TPY
- Composting capacity production: 60,000 TPY
- Mechanical treatment (MSW) capacity: 440,925 TPY
- Biological treatment capacity: 240,000 TPY
- Refinement process capacity: 140,000 TPY

Roles of the members of the proposer's team:

Valoriza Servicios Medioambientales:
Design, construction and operation for 20 years.

- **Project Example 3:** *La Paloma Waste Treatment Plant, Madrid, Spain*



Name of the facility:

La Paloma Waste Treatment Plant



Contact information:

Rafael Sanchez Aparicio
Valoriza Servicios Medioambientales (VSM)
Carretera Vertedero Municipal Valdemingómez, s/n, Madrid, Spain
Email address: rsancheza@sacyr.com
Phone number: + 34 646 154 561



Time schedule:

Commencement of operation: January 2003.

Process:

Mechanical treatment, biological treatment, and anaerobic digestion plant of MSW with recycling, anaerobic digestion, and composting technologies as well as a biogas upgrade of the facility.



Facility capacity:

- Mechanical treatment (MSW) capacity: 342,441 TPY
- Biological treatment: 154,324 TPY
- Refinement process: 154,324 PTY
- Energy production 3.3 MW

Roles of the members of the proposer's team:

Valoriza Servicios Medioambientales:
Design, construction and operation for 20 years.



- **Project Example 4:** *Valles Oriental, Barcelona, Spain*



Name of the facility:



Vallés Oriental Waste Treatment Plant

Contact information:

Carlos Guijarro Castro
Sufi S.A. (Valoriza Servicios Mediambientales)
Client: Consorcio para la gestión de residuos del Vallés Oriental
Cami Ral s/n – 08401 Granollers
Email address: cguijarroc@sacyr.com
Phone number: +34 600 558 794

Time schedule:

Construction: From July 2008 to May 2011.

Process:

Source selected organic fraction with recycling, anaerobic digestion (wet) and composting (tunnels) technologies.

Facility capacity:

- Plant capacity: 45,000 TPY.
- Compost production 9,150 TPY.
- Capacity of electric generation: 21 GWh/year.

Roles of the members of the proposer's team:

Consortium formed 50% by Sufi S.A. (Valoriza Servicios Medioambientales):
Design, construction, start-up and commissioning

- **Project Example 5:** *La Rioja Ecopark, Spain*



Name of the facility:

La Rioja Ecopark

Contact information:

Miguel Angel Lopez del Pozo
Valoriza Servicios Medioambientales (VSM)
La Rad de Varea, s/n 26142 Villamediana de Iregua,
La Rioja, Spain
Email address: malopez@sacyr.com
Phone number: +34 627 418 054

Time schedule:

Commencement of operation: August 2009.

Process:

Recycling, Anaerobic Digestion (dry), and Composting technologies.

Facility capacity:

- Mechanical treatment (MSW) capacity: 130,000 TPY
- Compost production: 17,000 TPY
- Energy production 14,000 MWh/year

Roles of the members of the proposer's team:

Valoriza Servicios Medioambientales:
Design, construction and operation for 20 years.



- **Project Example 6:** *SE Melbourne Organics Processing Facility, Melbourne, Australia*

Name of the facility:

SE Melbourne Organics Processing Facility

Contact information:

Carlos Gross
Valoriza Servicios Medioambientales (VSM)
42-46 Villas Road, Dandenong South VIC 3175 -
Australia
Email address: cgros@sacyr.com
Phone number: + 34 608 401 201

Time schedule:

Projected commencement of operation: March 2019.

Process:

Mechanical treatment and in-vessel composting tunnels of source separated organic fraction.

Facility capacity:

• Plant capacity: 120,000 TPY.

Roles of the members of the proposer's team:

• Sacyr Environment Australia Pty Ltd (Australian entity 100% owned by Valoriza Servicios Medioambientales) – Developer.
• Sacyr Industrial – Engineering, procurement and construction.
• Valoriza Environmental Services Pty Ltd (Australian entity 100% owned by Valoriza Servicios Medioambientales) – Operation and maintenance.

Please find attached additional information regarding Valoriza Servicios Medioambientales references.

WASTE MANAGEMENT FACILITIES

Reference book



Valoriza
Servicios
Medioambientales







WASTE MANAGEMENT FACILITIES

Reference book

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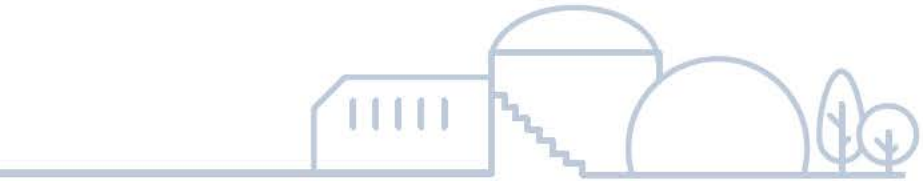


1.1. Business Activity

Sacyr is a multinational infrastructures and services company committed to innovation and international expansion.

A world leader in the building and management of infrastructures and industrial projects, and services.

Sacyr Construcción, with its technical and technological capacity, allows the Group to tackle highly complex projects requiring first-class staff and technology. This is amply demonstrated by contracts such as the Panama Canal, the Sants-La Sagrera tunnel in Barcelona for the high speed railway to France, the Sacyr Tower in Madrid (236 meters), etc.



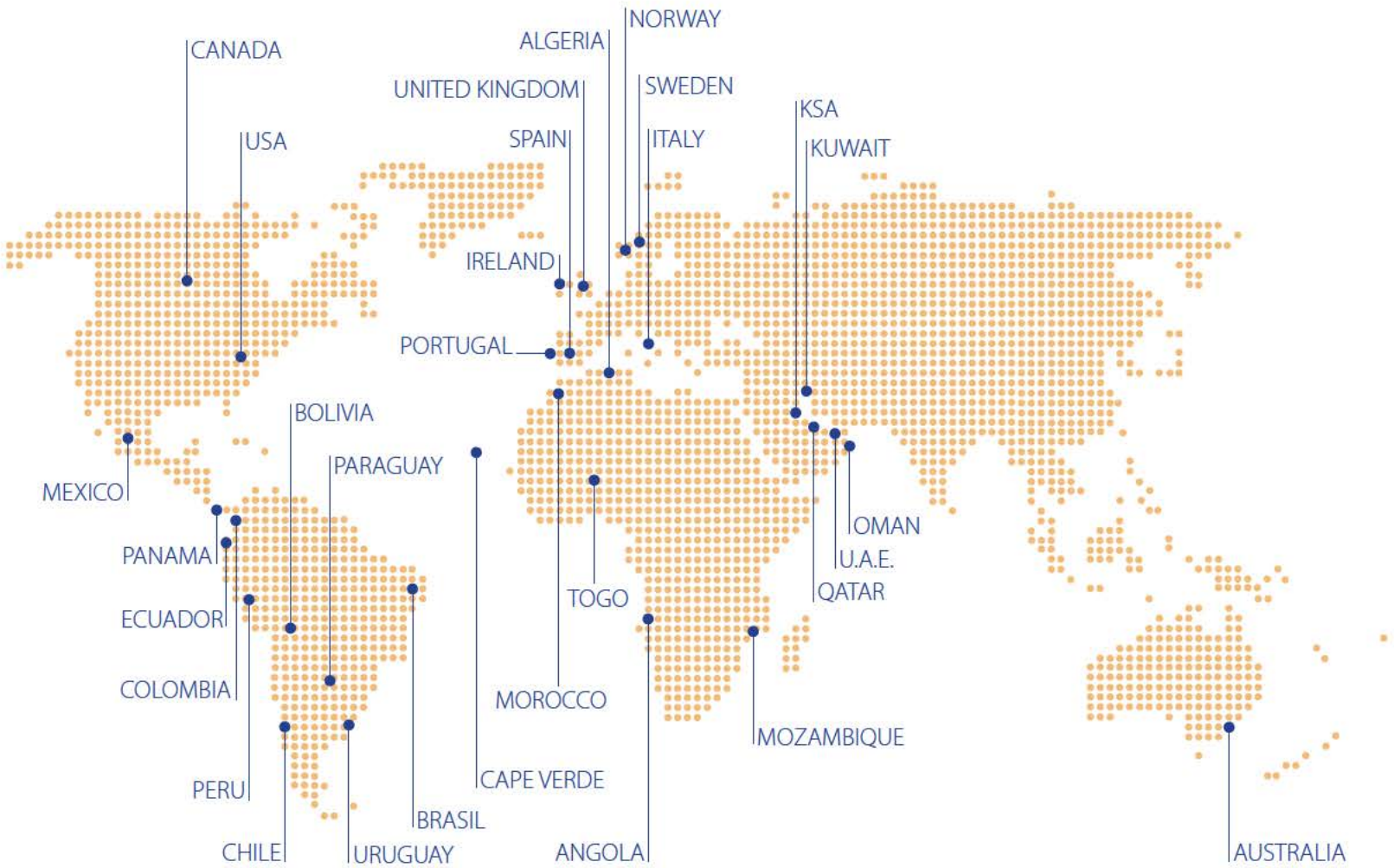
Third set of locks of the Panama Canal



Sacyr Concesiones occupies the 6th place in the world ranking of managers of concessions of transport infrastructures of PWF, with 36 concessions distributed throughout 9 countries (Spain, Portugal, Chile, Colombia, Italy, Ireland, Peru, Paraguay and Uruguay) including motorways concessions (more than 3,800 kilometers, hospitals (more than 2,200 beds), transportation hubs and metro line.

Sacyr Industrial activity meets all the experience and The Group's ability to design and build a wide variety of facilities and industrial plants (waste treatment and energy recycling plants, conventional generation, co-generation plants, electrical sub-stations, Oil & Gas Infrastructures and facilities, etc.).





Among the services provided by the group include those related to a complete water cycle management where Valoriza Agua is the largest Spanish company in this sector by capacity of desalinated water; development of mining projects; environmental services (complete management of different types of waste and street cleaning); complete servicing and maintenance of infrastructures, properties and health centers, catering services (road, hospitals, government agencies and transportation hubs), among others.



1.2. Highlights

58
Facilities Constructed

+5.2
Million tonnes of waste processed

41
Facilities under Operation

34
MSW Recycling Facilities

18
Waste-to-Energy Facilities

405
MW in Waste-to-Energy Generation

+5.4
Million Customers

9
Commingled Recycling Facilities

Over **3,000** employees

25 Landfill-gas-to Energy Projects

8 OFMSW Anaerobic Digestion Facilities

7 Source selected Organic Processing Facilities

6 Construction & Demolition Recycling Facilities

€350 Million in revenues in 2016

1.3. Value Drivers

International market growing, led by environmental (waste treatment), water (desalination plants) and energy segments (cogeneration, biomass, etc.)

Recurring and stable cash flow thanks to diversification of Valoriza activities and operating cash flows from concessions.

Proven capacity for contracting and developing new profitable businesses, leveraging (i) the technical capacity of VSM, (ii) the competitiveness generated by integration with other Sacyr Group activities, and (iii) international access to different markets where the Sacyr Group operates.

Focus on profitable growth with limited capital intensity: plants with public-sector financing, environmental services, engineering, etc.

Growth in the Spanish market (environmental services and multi-services) and abroad (engineering/turnkey construction projects, desalination, etc.)

Contribution to financing future growth through rotation of mature assets.



1.4. Capabilities

Company Resources

2,448 employees : 100 master' degrees in engineering, 114 bachelors' degrees (6 years), 67 bachelor degree (3 years), 102 administrative

Technical staff in Engineering Design and Construction area, Mechanical Engineering, Architecture, Civil Engineering, Biology, Enviromental Sciences, Agronomic Engineering, Construction, Mining, Industrial Chemistry, Topography, etc.

113 Branches of VSM (91) and Consortiums (22)



1.5. Strategic Positioning



Leadership

Valoriza develops its activity in areas that require technical experience and high qualification, with limited competition. Therefore, these are sectors of appropriate profitability (desalination plants, incinerators and waste treatment plants, thermo-solar, cogeneration and biomass, etc…). Order backlog of 12 b Euros focus on long term contracts and limited volatility sectors.

Presence in high growth markets

Increasing due to relevance of environmental activities supported by strengthened legal requirements and evolving corporate responsibility. Strong and proven internationalization potential in water management activities. We are present in Mediterranean countries (the last one Israel), Brazil and Australia. Leading player in the emerging renewable energies. Identified profitable growth opportunities in the multiservice sector (i.e. social and elderly services) / Energy service company.

Outstanding growth track record coupled with operational efficiencyupside

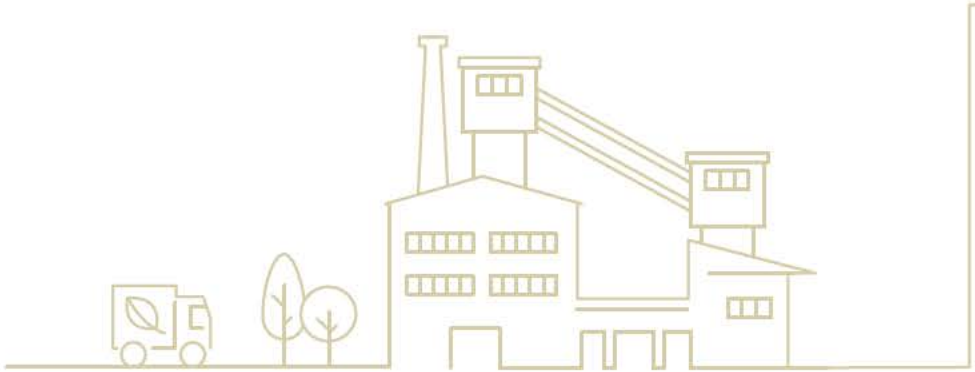
Significantly above market average organic growth delivered over the recent past (22.3% revenue CAGR) Strategic decision to promote partnerships with local players has resulted in a key growth driver.

Committed and experienced management team

Highly experienced, committed and reputable management team. Strong technical and commercial expertise of the intermediate management levels.

Outstanding growth track record leveraging on management's understanding of market dynamics and key constituencies.

1.6. References Summary



Municipal Solid Waste Mechanical-Biological Treatment Plant

	Capacity (t/year)
Quart de Poblet (Valencia - Spain)	400.000
Miramundo (Cádiz - Spain)	275.000
La Paloma (Madrid - Spain)	255.500
Arico II (Tenerife - Spain)	240.000
Armulaza (Bilbao - Spain)	180.000
Jerez de la Frontera (Cádiz - Spain)	180.000
Gomecello (Salamanca - Spain)	170.000
Villamediana de Iregua (La Rioja - Spain)	130.000
SE Melbourne (Australia)	120.000
Zonzamas I (Lanzarote - Spain)	75.000
Salto del Negro II (Gran Canaria - Spain)	75.000
Talavera de la Reina (Toledo - Spain)	70.000
Lipor (Oporto - Portugal)	60.000
Abajas (Burgos - Spain)	58.000
Toledo (Toledo - Spain)	52.000
Granollers (Barcelona - Spain)	45.000
Aranda de Duero (Burgos - Spain)	35.000
Serín (Asturias - Spain)	30.000
Colmenar Viejo (Madrid - Spain)	25.000
Trigueros (Huelva - Spain)	25.000
Arenas de San Pedro (Ávila - Spain)	20.000
Molins de Rei (Barcelona - Spain)	20.000
Tárrega (Lleida - Spain)	10.000
Alt Urgell i la Cerdanya (Lleida - Spain)	10.000
Salamanca (Salamanca - Spain)	5.000
El Majano (El Hierro - Spain)	3.000

Waste to Energy Plants

	Capacity (t/year)
Macau (China)	300.000
Mataró (Barcelona - Spain)	190.000
Funchal (Madeira - Portugal)	150.000

Controlled Landfills

Jerez de la Frontera (Cádiz - Spain)
Miramundo (Cádiz - Spain)
Valdemingómez (Madrid - Spain)

Commingled Recyclables Plants

Colmenar Viejo (Madrid-Spain)	25,000
Trigueros (Huelva-Spain)	25,000
Molins de Rei (Barcelona-Spain)	20,000
Villamediana de Iregua (La Rioja - Spain)	10.000
Salamanca (Salamanca - Spain)	5.000
Jerez de la Frontera (Cádiz - Spain)	5.000

Organic Fraction of MSW Anaerobic Digestion Plants

	Capacity (t/year)
La Paloma (Madrid - Spain)	140.000
Villamediana de Iregua (La Rioja - Spain)	75.000
Zonzamas II (Lanzarote - Spain)	50.000
Granollers (Barcelona - Spain)	45.000
Gomecello (Salamanca - Spain)	45.000
Salto del Negro II (Gran Canaria - Spain)	37.000
Serín (Asturias - Spain)	30.000
Mataró (Barcelona - Spain)	30.000

Construction & Demolition Waste Plants

Alcores (Sevilla - Spain)	760.000
Arganda del Rey (Madrid - Spain)	450.000
Vitoria (Álava - Spain)	300.000
Navalcarnero (Madrid - Spain)	200.000

WWTP Sludge Plants

ERAR Sur (Madrid - Spain)	290.000
Sant Adria del Besos (Barcelona - Spain)	230.000
ERAR de Butarque (Madrid - Spain)	110.000
Reocín (Cantabria - Spain)	52.500
Loeches (Madrid - Spain)	50.000
Guadalete (Jerez - Spain)	50.000
Alcalá de Gurrea (Huesca - Spain)	50.000
Cuesta de Burgos (Burgos - Spain)	44.000

Food and Yard Waste Treatment Plants

	Capacity (t/year)
SE Melbourne (Australia)	120.000
Lipor (Oporto - Portugal)	60.000

Electronic Waste Treatment Plants

Náquera (Valencia - Spain)	30.000

Used Tyres Recycling Plants

Chiloeches (Guadalajara - Spain)	30.000

Biomass Energy Plants

Olextra (Málaga - Spain)	150.000
Linares (Jaén - Spain)	110.000
Mengíbar (Jaén - Spain)	90.000
Puente Genil (Córdoba - Spain)	80.000
Extragol (Málaga - Spain)	70.000

Industrial Sludge Energy Plants

Las Villas (Jaén - Spain)	300.000
Pata de Mulo (Córdoba - Spain)	150.000
Puente de Obispo (Jaén - Spain)	150.000
Linares (Jaén - Spain)	150.000
La Roda (Sevilla - Spain)	60.000

TYPE	SITE	DESCRIPTION	POWER GENERATION
INCINERATION and ENERGY RECOVERY from MSW	MATARÓ (BARCELONA-SPAIN)	Construction of the MBT plant, retrofitting, waste to energy process and operation during 15 years (2010-2024).	12.0 MW
	MADEIRA (PORTUGAL)	Construction and operation during 5 years of a waste to energy plant (2002-2007).	10.0 MW
	MACAU (CHINA)	Construction and operation during 5 years of a waste to energy plant (2004-2009).	12.0 MW
THERMO SOLAR	LEBRIJA (SEVILLA-SPAIN)	Thermoelectric solar plant for electricity production with cylinder-parabolic technology.	50.0 MW
THERMAL DRYING, COGENERATION and THERMAL ENERGY RECOVERY OF BIOMASS	LINARES (JAÉN-SPAIN)	Construction and operation of co-generation plant with combined cycle and electric generation from Biomass of Linares.	25.0 MW
	PATA DE MULO (CÓRDOBA-SPAIN)	Construction and operation of treatment plant and integral reduction of products provided from olive industry, with cogeneration in combined cycle and electric generation from Biomass origin.	27.0 MW
	LA RODA (SEVILLA-SPAIN)	Design, construction and operation of a waste treatment with co-generation plant.	8.2 MW
	LAS VILLAS (JAÉN-SPAIN)	Design, construction and operation of a waste treatment with co-generation plant.	25.0 MW
	PUENTE DEL OBISPO (JAÉN-SPAIN)	Design, construction and operation of a waste treatment with co-generation plant.	25.0 MW
	SANTA CRUZ (BOLIVIA)	Design and construction of a generation plant with electric generation in the refinery facility for the State Company YPFB Refinación S.A.	5.0 MW
	COCHABAMBA (BOLIVIA)	Design, construction and operation of a waste treatment with co-generation plant.	8.0 MW

ANAEROBIC DIGESTION FOR ORGANIC FRACTION OF MSW	**ZONZAMAS I and II (LANZAROTE-SPAIN)**	Design, construction and start-up of anaerobic digestion, composting and landfill deposit plant of Environmental Complex in Zonzamas.	**1.2 MW**
	SALTO DEL NEGRO (GRAN CANARIASPAIN)	Design, construction and start-up of anaerobic digestion plant and SORTING plant "all-in-one" of Environmental Complex in Salto de Negro.	**1.2 MW**
	GOMECELLO (SALAMANCA-SPAIN)	Construction of a mechanical-biological treatment plant with anaerobic processes.	**1.0 MW**
	MATARÓ (BARCELONA-SPAIN)	MSW mechanical-biological treatment plant in Integral Centre of Waste Valorization Construction and operation during 15 years.	**1.6 MW**
	GRANOLLERS (BARCELONA-SPAIN)	Anaerobic Digestion plant for MSW organic fraction.	**1.2 MW**
	LA ZOREDA (ASTURIAS-SPAIN)	Anaerobic Digestion plant for MSW organic fraction.	**6.0 MW**
	LA PALOMA (MADRID-SPAIN)	Design, construction and operation of anaerobic digestion plant for organic waste and biogas treatment plant for its use as fuel in public transport.	**3.3 MW**
BIOGAS from LANDFILL	**VALDEMINGÓMEZ (MADRID-SPAIN)**	Sealing and MSW landfill deposit degasification, with energetic valorization of biogas.	**18.0 MW**
	CALAHORRA (LA RIOJA-SPAIN)	MSW landfill deposit degasification, with energetic valorization of biogas generated.	**0.5 MW**
	MIRAMUNDO (CÁDIZ-SPAIN)	Design, construction and maintenance of installation for degasification of landfill deposit.	**3.0 MW**
	BIOMERUELO (CANTABRIA-SPAIN)	Design, construction and maintenance of installation for degasification of landfill deposit.	**3.0 MW**
	ARTIGAS (BILBAO-SPAIN)	Installation of landfill deposit degasification.	**1.5 MW**
	SERRALLARGA (LLEIDA-SPAIN)	Installation of landfill deposit degasification.	**0.5 MW**

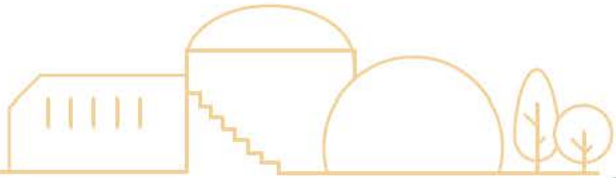
TYPE	SITE	DESCRIPTION	POWER GENERATION
ENERGY RECOVERY from Biomass	LINARES (JAÉN-SPAIN)	Design, construction and operation of electric energy production plant from Biomass.	15.0 MW
	PUENTE GENIL (CÓRDOBA-SPAIN)	Design, construction and operation of electric energy production plant from Biomass.	9.8 MW
	EXTRAGOL (MÁLAGA-SPAIN)	Design, construction and operation of electric energy production plant from Biomass.	8.9 MW
	OLEXTRA (MÁLAGA-SPAIN)	Design, construction and operation of waste treatment plant with cogeneration.	16.9 MW
	MENGÍBAR (JAÉN-SPAIN)	Heat and cold production for climatization of business park through Biomass boiler, absorption cold machine.	6.0 MW
THERMAL DRYING of SLUDGE from WWTP	SANT ADRIÁ DEL BESÓS (BARCELONA-SPAIN)	Construction and operation of thermal drying plant of biosolids.	24.7 MW
	BUTARQUE (MADRID-SPAIN)	Construction and operation of thermal drying plant of biosolids.	18.0 MW
	ERAR SUR (MADRID-SPAIN)	Construction and operation of thermal drying plant of biosolids.	24.8 MW
	LOECHES (MADRID-SPAIN)	Construction and operation of sludge treatment plant, with composting and thermal drying.	19.8 MW
	REOCÍN (CANTABRÍA-SPAIN	Construction and operation of biosolids thermal drying plant.	12.0 MW
TOTAL POWER GENERATION			**405.1 MW**

2. Research and Development Projects

The **"Valoriza Technology for the Environment"** Chair at the **Polytechnic University of Madrid** (since June 2010) guarantees the performance of Research and Development projects through a public private partnership.

The main objective of this Chair is the development and innovation of environmental technologies, especially those related to recycling and recovery with biological processes of MSW and others waste streams.

- Research project for the development of a **wet pretreatment process in the anaerobic digestion** of MSW.
- R&D of a new intelligent robotic system applied to biological mechanical treatment in MSW plants.
- R&D work on comprehensive management of building waste. Development of pilot **preclassification systems at waste plants prior to recycling.** Research into new sustainable uses for the products.
- Development of **dynamic composting tunnel system** as an alternative to the traditional static tunnel system.
- Development of systems **to upgrade** construction and demolition waste and MSW and use it as an alternative at cement plants.
- Development of grinding technologies for high-quality tyre dust. **Application of tyre dust for use on asphalt road surfaces.**
- Project for research and development of systems to **upgrade paper** waste via cocomposting, thermal drying and sealing of landfills.
- R&D project to develop a system to **separate unsuitable material** (sand and glass) from the organic fraction in order to optimize the anaerobic digestion process.
- Research project to optimize technology and develop **new industrial applications for material from used tyres.**
- R&D concerning an **inertization process for incinerator fly ashes.**





3. Waste Management Activities

- **Municipal Solid Waste**
  - Waste-to-Energy Plants
  - Municipal Solid Waste Mechanical Biological Treatment (MBT) Plants
  - Organic Fraction of MSW Anaerobic Digestion Plants
  - Organic Fraction of MSW Composting Plants
  - Commingled Recyclables Sorting Plants
  - Landfilling, including Landfill Gas Control and Valorization
- **Construction and Demolition Waste Plants**
- **WWTP Sludge Plants**
- **Electric & Electronic Waste Treatment Plants**
- **Used Tyres Recycling Plants**
- **Biomass Plants**
- **Thermosolar Plants**
- **Industrial Sludge Energy Plants**

Treatment Capacity
190,000
T/year (of MSW)

500,000
Inhabitants
(In the Maresme Region
in Catalonia, Spain)

Nominal Power
12 MW

Contract Value
Design + Construction + O&M
(15 years)

1
WTE Waste to Energy Plants

Mechanical and Biological Treatment Plant (MBT) with Waste to Energy Process

Mataró
Barcelona - Spain

Process

- Design, construction and operation for MSW treatment and waste-to-energy Plant of Maresme
- Client: **"Consorci per al Tractament de Residus Solids Urbans del Maresme"**
- Mechanical pre-treatment of MSW
- Composting line of the Organic fraction
- Anaerobic Digestion (wet) of biodegradable organic fraction
- Thermal valorization of reject from MBT plant
- Guarantee of compliance with EU 2000/76/EC guideline for waste incineration

Time Schedule

- Construction: **From May 2007 to Jun 2011**
- Commencement of Operation: **Jan 2010**
- End of Operation: **Dec 2024**

Main technical data

- Recycled material: **16,000 t/year**
- Compost production: **27,000 t/year**
- Thermal Treatment Power Generation: **96 GWhe/y**
- Anaerobic Digestion Power Generation: **13 GWhe/y**
- Photovoltaic Power Generation: **0.4 GWhe/y**





245,000
Inhabitants

Contract Value
O&M
(5 years)

Power Capacity
10 MW

Treatment Capacity
150,000
T/year

2
WTE Waste to Energy Plants

Energy from Waste Treatment Center - Meia Serra

Funchal
Madeira - Portugal



- 2 incineration lines of MSW with a unitary capacity of 8 t/h per line
- 2 incineration lines of medical waste with a unitary capacity of 500 kg/h per line
- Guarantee of compliance with EU 2000/76/EC guideline for waste incineration
- 1 composting line of 60 t/day
- Landfill deposit

Time Schedule

- Commencement of Operation: **Dec 2003**
- End of Operation: **Dec 2008**

450,000
Inhabitants

Contract Value
O&M

Power Capacity
12 MW

Incineration of
300,000
T/year (of MSW)

3
WTE Waste to Energy Plants

MSW Thermal Treatment Plant

Macau
China



Client:
Government of the Macao Special Administrative Region

Service:
Provision of Operation and Maintenance Services

Treatment Capacity

- Vapour production: **84 m³/h**
- Energy production: **100 Gwh/year**

Time Schedule

End of Operation: **Dec 2004**

Treatment Capacity
21.7
million tonnes from MSW landfill

Power Capacity
18 MW

Contract Value
Design + Construction + O&M
(15 years)

4
WTE Waste to Energy Plants

Sealing and Degasification of MSW Landfill Deposit, with Energetic Valorization of Biogas

Valdemingómez
Madrid - Spain

- Electricity generation capacity achieved from landfill biogas
- 8 generators of 2.12 MW each
- Steam boiler and turbine of 1.96 MW
- Total energy generated: **140 GWh/year**
- Sealing and degasification of 120 ha controlled landfill

Time Schedule

- Construction: **From Jun 2002 to Jun 2003**
- Commencement of Operation: **Jun 2003**
- End of Operation: **Jun 2017**



65

Recycling and Composting
400,000
t/year

1,200,000
Inhabitants
Valencia city population

Contract Value
Design + Construction + O&M
(20 years)

1
MSW
Treatment
Plants

Hornillos Mechanical-Biological Treatment Plant (MBT) for Mixed MSW

Quart de Poblet
Valencia - Spain

Process

- 4 Separation sorting lines for MSW and 1 treatment line for medical waste
- Fermentation process in controlled enclosed tunnels
- Automatic maturation park
- Works and installations financed by Valoriza

Time Schedule

- Construction: **From Jul 2005 to Jul 2010**
- Commencement of Operation: **Feb 2005**
- End of Operation: **Jul 2025**

Capacity of treatment:
400,000 t/year of mixed MSW

Recycled Material:
25,000 t/year

Compost production:
35,000 t/year



Plant Capacity
120,000
t/year

1,200,000
Inhabitants
South eastern suburbs of Melbourne

Contract Value
Design + Construction + O&M
(15 years)

2
MSW Treatment Plants

Melbourne Mechanical-Biological Treatment Plant (MBT) for MSW

SE Melbourne
Australia

Process

- Organics Processing Facility
- Mechanical treatment and in-vessel composting tunnels of source separated organic fraction
- Municipal Food waste and Yard waste

Time Schedule

- Construction: **From Mar 2017 to Feb 2019**
- Projected commencement of operation: **Mar 2019**
- End of Operation: **Mar 2034**





Recycling, Stabilization and SRF Preparation for
180,000
t/year of Mixed MSW

550,000
Inhabitants
Bilbao municipality and surroundings

3
MSW Treatment Plants

Contract Value
Design + Construction + O&M
(15 years)

Mechanical-Biological Treatment Plant (MBT) for Municipal Waste

Armulaza
Bilbao - Spain



Time Schedule

- Construction:
  From Oct 2010 to Dec 2013
- Commencement of Operation:
  Jan 2014
- End of Operation:
  Jan 2029

Capacity of Treatment
130,000 t/year
of Mixed MSW

320,000
Inhabitants
La Rioja Region

4
MSW Treatment Plants

Contract Value
Design + Construction + O&M
(20 years)

Mechanical-Biological Treatment Plant (MBT) for Municipal Waste in La Rioja (La Rioja Ecopark)

Villamediana de Iregua
La Rioja - Spain



Process

- Recycling, Anaerobic Digestion (dry) and Composting for 130,000 t / year of MSW and 10,000 t/year of commingled recyclables
- Technological and Technical modernization of the MSW processing plant

Time Schedule

- Construction: **From Aug 2009 to Jul 2011**
- Commencement of Operation: **Aug 2009**
- End of Operation: **Aug 2029**

Capacity of Treatment
255,500
t/year

3,5
million Inhabitants
City of Madrid

Contract Value
Design + Construction + O&M
(20 years)

5
MSW Treatment Plants

MSW Recycling, Composting and Anaerobic Digestion Plant.
Plastics Recycling Plant

La Paloma
Madrid - Spain

Process

- Anaerobic Digestion (dry) of organic fraction: **140,000 t/year**
- Classification of source separated commingled: **54,750 t/year**
- Composting of organic fraction: **131,400 t/year**

Time Schedule

- Construction: **From Jul 2005 to Jun 2007**
- Commencement of Operation: **Jan 2003**
- End of Operation: **Dec 2022**



Treatment Capacity
275,000
t/year

500,000
Inhabitants
Cádiz, San Fernando and 16 other municipalities

Contract Value
Design + Construction + O&M
(20 years)

6
MSW Treatment Plants

Mechanical-Biological Treatment (MBT) Plant for Municipal Waste

Miramundo
Cádiz - Spain

Process

- Recycling, Composting, Landfilling of MSW
- Recycled material: **53,000 t/year**
- Compost production: **18,000 t/year**
- Gas flow: **11.5 million Nm3/year**

Time Schedule

- Construction: **From Jul 1998 to May 2003**
- Commencement of Operation: **Jul 1998**
- End of Operation: **Jul 2028**





MSW Recycling and Composting
180,000
t/year

488,000
Inhabitants
Jerez de la Frontera and the entire northern area of the province of Cádiz

Contract Value
O&M
(20 years)

7
MSW Treatment Plants

Mechanical-Biological Treatment (MBT) Plant for Municipal Waste

Jerez de la Frontera
Cádiz - Spain

Process
- Pressing, baling and transporting of Rejects
- Classification of source separated commingled: **5,000 t/year**

Time Schedule
- Commencement of Operation: **Apr 2003**
- End of Operation: **Apr 2023**



Plant Capacity
170,000
t/year

420,000
Inhabitants
Salamanca province

Contract Value
Design + Construction

8
MSW Treatment Plants

MSW Recycling, Composting, Anaerobic Digestion and Elimination Plant

Gomecello
Salamanca - Spain

Process

- Anarobic digestion (wet) of organic fraction (35,000 t/y)
- Aerobic composting tunnels
- Landfill deposit with aprox. Capacity of 1,000,000 m^3

Time Schedule

- Construction: **From Apr 2003 to Jan 2007**



Plant Capacity
30,000
t/year

1,000,000
Inhabitants
Asturias region

9
MSW
Treatment
Plants

Contract Value
Design + Construction

Cogersa Anaerobic Digestion Plant of Source Separated Organic Fraction of MSW

Serín
Asturias - Spain

Process

- Source Selected OFMSW Recycling, anaerobic digestion (wet) and composting

Time Schedule

- Construction: **From Sept 2009 to Nov 2013**



Plant Capacity
45,000
t/year

500,000
Inhabitants
Population of Area of
Maresme and Vallés Oriental
(Catalonia, Spain)

10
MSW
Treatment
Plants

Contract Value
Design + Construction

Vallés Oriental Anaerobic Digestion Plant of Source Separated Organic Fraction of MSW

Granollers
Barcelona - Spain

Process

- Source Selected OFMSW Recycling, anaerobic digestion (wet) and composting

Time Schedule

- Construction: **From Jul 2008 to May 2011**



Plant Capacity
50,000 t/year
and
75,000 t/year

130,000
Inhabitants

Contract Value
Design + Construction

11
MSW Treatment Plants

Zonzamas-I and Zonzamas-II Composting Plant and Anaerobic Digestion oF MSW

Lanzarote
Canary Islands - Spain

- Anaerobic digestion (wet) of MSW (organic fraction) and sludge organic fraction (30,000 t/y)
- Reception and preparation of WWTP sludge from sewage treatment (6,000 t/y)
- Mechanical dehydration (103,000 t/y)
- Energy valorization of generated biogas

Time Schedule

- Construction: **From May 2000 to Aug 2001 (Zonzamas I)**
  From Aug 2001 to Dic 2003 (Zonzamas II)



Plant Capacity
58,000
t/year

130,000
Inhabitants
North of the province
of Burgos

12
MSW
Treatment
Plants

Contract Value
Design + Construction + O&M
(5 years)

Mechanical-Biological Treatment Plant (MBT) for Municipal Waste in Burgos

Abajas
Burgos - Spain



Process

- MSW Recycling and Composting (52,000 t/year) and Source Selected commingled (3,000 t/year)

Time Schedule

- Construction: **From Jul 2008 to May 2011**
- Commencement of Operation: **Apr 2011**
- End of Operation: **Apr 2014**

Recycling and Composting
35,000 t/year
of Municipal
Solid Waste (MSW)

85,000
Inhabitants
South of the province
of Burgos

13
MSW
Treatment
Plants

Contract Value
O&M
(15 years)

Mechanical-Biological Treatment Plant (MBT) for Municipal Waste in Burgos

Aranda de Duero
Burgos - Spain



Time Schedule

- Commencement of Operation: **Jan 2008**
- End of Operation: **Dec 2022**

Recycling, and Composting for
20,000
t/year

14
MSW
Treatment
Plants

"MSW" Recycling and Composting Plant

Arenas de San Pedro

Ávila - Spain

50,000
Inhabitants
Province of Ávila

Contract Value
O&M
(8 years)

Time Schedule

- Commencement of Operation: **Jun 2008**
- End of Operation: **Jun 2016**



Plant Capacity
75,000
t/year

380,000
Inhabitants

15
MSW
Treatment
Plants

Salto del Negro Anaerobic Digestion and MSW Clasification Plant

Las Palmas de Gran Canaria

Canary Islands - Spain

Contract Value
Design + Construction

Process

- Sorting and anaerobic treatment (wet) of MSW and WWTP sludge organic fraction
- Sludge reception and conditioning line (6,000 t/y)
- Biogas operation (1,370 kWe)

Time Schedule

- Construction: **From Jan 2005 to Nov 2007**



Plant Capacity
240,000
t/year

658,000
Inhabitants
Santa Cruz de Tenerife
and all the municipalities
of the island

16
MSW
Treatment
Plants

Contract Value
Design + Construction

Arico I and Arico II Waste Sorting Plants of Commingled Recyclables

Tenerife
Canary Islands - Spain

Process

- Recycling and Sorting, according to ECOEMBES specifications

Time Schedule

- Construction: **From Aug 2008 to May 2011**



Plant Capacity
60,000
t/year

220,000
Inhabitants
Oporto city and
neighborhoods

17
MSW
Treatment
Plants

Contract Value
O&M
(20 years)

Source Separated Organic Fraction Composting Plant

Lipor
Porto - Portugal

Process

- Primary and Secondary Mechanical Treatment
- Organic Recovery - Composting And Biological Treatment Tunnels

Time Schedule

- Commencement of Operation: **2004**
- End of Operation: **2024**



Plant Capacity
70,000
t/year

196,000
Inhabitants
Talavera de la Reina and
another 26 villages

18
MSW
Treatment
Plants

Contract Value
Design + Construction

Recycling, Composting and Sorting of Recyclables Waste Plant

Talavera de la Reina

Toledo - Spain

Process

- MSW Recycling and Composting, Sorting of Packaging Waste and 2 Transfer Stations

Time Schedule

- Construction: **From Aug 2001 to Dic 2002**

Plant Capacity
52,000
t/year

145,000
Inhabitants
Toledo and another
16 villages of the province

19
MSW
Treatment
Plants

Contract Value
Design + Construction

Recycling, Composting and Sorting of Recyclables Waste Plant

Toledo

Spain

Process

- MSW recycling, Composting in tunnels, Sorting of used packages and end disposal landfill

Time Schedule

- Construction: **From Oct 2000 to Apr 2003**



Plant Capacity
10,000
t/year

20,000
Inhabitants
Alt Urgell La Cerdanya Region
(Catalonia, Spain)

20
MSW
Treatment
Plants

Contract Value
Design + Construction + O&M
(3 years)

Source Separated Organic Fraction and WWTP Sludge Composting Plant

Tárrega, Alt Urgell

Lleida - Spain

Process

- Composting

Time Schedule

- Construction: **From May 2001 to Mar 2002**
- Commencement of Operation: **Apr 2002**
- End of Operation: **Mar 2012**



Plant Capacity
20,000
t/year

110,000
Inhabitants
Molins de Rei and 3 other municipalities of the Metropolitan Area of Barcelona

21
MSW
Treatment
Plants

Contract Value
Design + Construction + O&M
(15 years)

Waste Sorting Plant for Source Separated Commingled

Molins de Rei

Barcelona - Spain

Process

- Recycling and Sorting, according to ECOEMBES specifications

Time Schedule

- Construction: **From Mar 1999 to Jan 2000**
- Commencement of Operation: **Feb 2001**
- End of Operation: **Sept. 2016**



680,000
Inhabitants
Alcobendas, San Sebastián de los Reyes and
40 more municipalities of northern Madrid

22
MSW
Treatment
Plants

Waste Sorting Plant from for Source Separated Commingled

Colmenar viejo
Madrid - Spain



Contract Value
Design + Construction + O&M
(13 years)

Recycling and Classification, according
to ECOEMBES specifications
25,000 t/year

Time Schedule
- Construction: **From Jul 1997 to Jul 1999**
- Commencement of Operation: **Jul 1999**
- End of Operation: **Jul 2012**

Plant Capacity
5,000
t/year of commingled
recyclables

420,000
Inhabitants
Salamanca province

23
MSW
Treatment
Plants

Waste Sorting Plant for Source Separated Commingled

Salamanca
Spain



Contract Value
Design + Construction + O&M
(4 years)

Process
- Recycling and Classification, according
to ECOEMBES specifications

Time Schedule
- Construction: **From May 2001 to Mar 2002**
- Commencement of Operation: **Mar 2003**
- End of Operation: **Aug 2008**

100 000
Inhabitants
Ayamonte, Isla Cristina, Moguer and other towns of the coast

24
MSW Treatment Plants

Waste Sorting Plant from Separate Collection of Source Separated Commingled

Trigueros
Huelva - Spain

Contract Value
Design + Construction + O&M
(2 years)

Time Schedule

- Construction:
  From Oct 2002 to Jul 2004



Recycling and Classification, according to ECOEMBES specifications
25,000 t/year

25
MSW Treatment Plants

El Majano MSW Organic Fraction Composting Plant

El Hierro
Canary Islands - Spain

Plant Capacity
3,000
t/year

Process

- Composting and refinement plant of organic fraction of mixed MSW

Municipalities and Population Served

- El Hierro Island (Canary Island)

Contract Value
Construction

Plant Capacity
450,000
t/year

3.5 million
Inhabitants Community of Madrid

Contract Value
Design + Construction + O&M
(4 years)

1
C&D Waste Treatment Plants

Construction and Demolition Waste Treatment Plant

Arganda del Rey
Madrid - Spain

Process

- Recycling and Recovery from C&D waste

Time Schedule

- Construction: **From Jul 2007 to Oct 2009**
- Commencement of Operation: **Oct 2009**
- End of Operation: **Oct 2013**





Plant Capacity
300,000
t/year

1,000,000
Inhabitants

Contract Value
Design + Construction + O&M
(15 years)

2
C&D Waste Treatment Plants

Construction and Demolition Waste Treatment Plant

Vitoria Gasteiz
Spain

Process
- Recycling and Recovery from C&D waste

Time Schedule
- Construction: **From May 2006 to Apr 2007**
- Commencement of Operation: **May 2007**
- End of Operation: **May 2022**



Plant Capacity
760,000
t/year

1,000,000
Inhabitants

Contract Value
Design + Construction + O&M
(20 years)

3
C&D Waste Treatment Plants

Construction and Demolition Waste Treatment Plant and Controlled Landfill

Alcores
Sevilla - Spain

Process

- Recycling and Recovery from C&D waste
- Controlled Landfill

Time Schedule

- Construction: **From Feb 2005 to Jul 2005**
- Commencement of Operation: **Jul 2005**
- End of Operation: **Jul 2025**



Plant Capacity
200,000
t/year

Contract Value
Construction

4
C&D Waste Treatment Plants

Construction and Demolition Waste Treatment Plant and Controlled Landfill

Navalcarnero

Madrid - Spain

Process

- Recycling and Recovery from C&D waste
- Controlled Landfill

Municipalities and Population Served

- Southwest region of the Community of Madrid

Time Schedule

- Construction: **From Sept 2003 to Sept 2005**

Sludge Managed
50,000
t/year

Contract Value
Design + Construction + O&M

1
WWTP
Sludge Plants

Guadalete Plant
Jerez - Spain

Production data
- Composting: **50,000 t/year**
- Compost Production: **10,000 t/year**

Time Schedule
- Duration of Construction: **From Apr 1993 to Feb 1994**
- Commencement of Operation: **Mar 1994**
- End of Operation: **Mar 2016**

Sludge Managed
44,000
t/year

Contract Value
Design + Construction + O&M
(7 years)

2
WWTP
Sludge Plants

Cuesta de Burgos Plant
Burgos - Spain

Production data
- Composting: **38,472 t/year**
- Agricultural application: **4,848 t/year**
- Compost Production: **7,694 t/year**

Time Schedule
- Duration of Construction: **From Nov 1995 to Jan 1997**
- Commencement of Operation: **Feb 1997**
- End of Operation: **Jul 2014**



Plant Capacity
50,000
t/year

Power Capacity
19.8 MW

3
WWTP Sludge Plants

Contract Value
O&M
(4 years)

Composting and Thermal Drying Energy Plant

Loeches
Madrid - Spain

- Type of drying: **indirect convection**
- Compost Production: **28,950 t/year**

Time Schedule

- Commencement of Operation: **Apr 2011**
- End of Operation: **May 2015**



Power Capacity
6 N.G. motors
24.75 MWe

4
WWTP Sludge Plants

Max. Dehydrated sludges treatment capacity
230,000
t/year

Thermal "WWTP" Sludge Drying Energy Plant

Sant Adrià del Besòs
Barcelona - Spain

Process

- Drying procces: **Thermal Drying at Low Temperature (80ºC)**
- Evaporation capacity: **12.0 t/hour**
- Max. Dry biosolids production: **92,500 t/year**



Capacity of Evaporation
290,000
t/year
of dehydrated sludge

Power Capacity
25 MW

5
WWTP
Sludge Plants

Contract Value
Design + Construction + O&M
(25 years)

Thermal "WWTP" Sludge Drying Energy Plant

Erar Sur
Madrid - Spain

- Type of drying: **Indirect convection**
- 1 gas turbine of 25.08 MW
- Constant operation with min. 8,000 h/year

Time Schedule

- Construction: **From May 1999 to Oct 2000**
- Commencement of Operation: **Jul 2001**
- End of Operation: **Oct 2026**



Capacity of
Annual Treatment
52,500
t/year

Electrical Power
12 MW

6
WWTP
Sludge Plants

Contract Value
Design + Construction + O&M
(5 years)

Thermal Drying Energy Plant of Biomass Combined with WWTP Sludge and Cattle Waste

Reocín
Santander - Spain

- Dry matter: **23 %**
- Lines of drying: **2**
- Motors (Of Natural Gas): **2**

Time Schedule

- Construction: **From Dec 2006 to Dec 2008**
- Commencement of Operation: **Jan 2009**
- End of Operation: **Jun 2014**



Erar Butarque (Madrid-Spain). Thermal "WWTP"
Sludge Drying Energy Plant

7
WWTP
Sludge Plants

Erar Butarque
Madrid - Spain

3 Motors of Natural Gas
18 MW

Capacity of Evaporation
110,000
t/year
of dehydrated sludge

Contract Value
Design + Construction + O&M
(25 years)

Characteristics

- Number of lines: **2**
- Type of drying: **Indirect convection with total condensation**

Installed Power

- Max. production of dry biosolids (90% dry matter): **28,300 t/year**

Time Schedule

- Construction: **From Nov 2000 to Dec 2002**
- Commencement of Operation: **Apr 2003**
- End of Operation: **Dec 2028**



Plant Capacity
30,000
t/year

Contract Value
Construction

1
Electronic Waste Treatment Plants

Waste Electrical and Electronic Equipment (WEEE) Classification Plant

Náquera
Valencia - Spain

Process

- Storage and transportation to treatment and sorting
- Treatment of plastics
- Treatment of cathode ray tubes (CRT)
- Treatment of computer equipment: computers, printers, scanners
- Treatment of consumer devices: **TV video**

Municipalities and Population Served

- Valencia (720 Units/year)

Built & Operate Project Used Tyres Recycling Plant

Chiloeches

Guadalajara - Spain

1 Used Tyres Recycling Plants

Plant Capacity
30,000
t/year

Contract Value
Design + Construction + O&M
(10 years)

Process

- Primary shredding
- Size reducing in secondary processing
- Granulation (grinding) process

Time Schedule

- Construction: **From Oct 2008 to Jun 2009**
- Commencement of Operation: **Jul 2009**
- End of Operation: **Mar 2020**



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Treatment Capacity
110,000
t/year

Power Capacity
25 MW

Contract Value
Design + Construction + O&M
(25 years)

1
Biomass
Energy Plants

Electric Energy Production Plant by Biomass

Linares
Jaén - Spain

Boiler
- Technology: **Refrigerated grill**
- Steam production: **69 t/h**
- Cycle yield: **22.5 %**
- Fuel: **Biomass from olive oil industry**

Steam turbine
- Nominal power: **15 MW**

Annual production data
- Energy generated: **112,500 MWh/y**
- Energy introduced to the network: **101,250 MWh/y**
- Energy consumed from the network: **11,250 MWh/y**
- Consumption of auxiliaries: **11,250 MWh/y**

Time Schedule
- Construction: **From Nov 2007 to Feb 2010**
- Commencement of Operation: **Mar 2010**
- End of Operation: **Mar 2035**



Treatment Capacity
80,000
t/year

Nominal Power
9.8 MW

Contract Value
Design + Construction + O&M
(25 years)

2
Biomass Energy Plants

Electric Energy Production Plant by Biomass

Puente Genil
Córdoba - Spain

- Energy generated: **69,000 MWh**
- Energy introduced to the network: **64,170 MWh/y**
- Energy consumed from the network: **300 MWh/y**
- Consume of auxiliars: **4,830 MWh/y**

Boiler
- Technology: **Grill**
- Steam production: **41.6 t/h**
- Cycle yield: **22.5 %**
- Fuel: **Biomass from olive oil industry**

Steam turbine
- Nominal power: **9.8 MW**

Time Schedule
- Construction:
  From Mar 2005 to Jun 2007
- Commencement of Operation:
  Jul 2007
- End of Operation:
  Jul 2032



Treatment Capacity
70,000
t/year

Nominal Power
8.9 MW

Contract Value
Design + Construction + O&M
(11 years)

3
Biomass Energy Plants

Electric Energy Production Plant by Biomass

Extragol
Málaga - Spain

Boiler
- Steam production: **41.6 t/h**
- Fuel: **Biomass from olive oil industry**

Steam turbine
- Nominal power: **8.9 MW**

Annual production data
- Energy generated: **63,785 MWh/y**
- Energy introduced to the network: **57,407 MWh/y**
- Energy consumed from the network: **200 MWh/y**
- Consumption of auxiliaries: **6,379 MWh/y**

Time Schedule
- Construction: **From Sept 2000 to Dec 2002**
- Commencement of Operation: **Jan 2003**
- End of Operation: **Feb 2014**



Plant of Sludge Thermal Drying With Cogeneration in Combined Cycle and Electric Generation from Biomass

4 Biomass Energy Plants

Olextra

Málaga - Spain

Treatment Capacity
150,000
t/year

Nominal Power
16.9 MW

Contract Value
Design + Construction + O&M
(11 years)

- Operation of installation: **8,410 h/year**
- Operation of dryers: **5,832 h/year**
- Consumption of gas turbine: **32,718 thm**
- Electric power of turbine: **12,704 kW**
- Average power of auxiliars: **600 kW**
- Gross yield (average): **38.5 %**
- Net yield (average): **36.9 %**

Time Schedule

- Construction: **From Jul 2001 to Dec 2002**
- Commencement of Operation: **Jan 2003**
- End of Operation: **Feb 2014**



Treatment Capacity
90,000
t/year

Contract Value
Design + Construction + O&M
(25 years)

5
Biomass Energy Plants

Heat and Cold Production Plant for Climatization of Business Park by Biomass Boiler, Machine of Cold by Absorption and Pipe Network

Mengíbar
Jaén - Spain

- 2 shell boilers of Biomass of 3,000 kW each
- 3 groups of absorption cooling of 2,000 kW each
- Network of isolated pipes for heat and cold within the business park
- Temperature of hot water provided: **150ºC**
- Temperature of cold water provided : **7ºC**

Consumption data with planned occupancy of the park:

- Heat consumed: **1,708,400 kWh/y**
- Cold consumed: **3,608,320 kWh/y**
- Gas consumed: **2,459 t/year**

Time Schedule

- Construction: **From Nov 2008 to Dec 2009**
- Commencement of Operation: **Jan 2010**
- End of Operation: **Jan 2035**



Solucia Renovables I Thermoelectric Solar Plant for Electricity Production with Cylinder-Parabolic Technology

1 Thermosolar Plants

Lebrija

Sevilla - Spain

Energy Generated
131,250
MWh/y

Nominal Power
50 MW

Contract Value
Design + Construction + O&M
(25 years)

- Occupied surface: **200 ha**
- Surface of mirrors: **400,000 m²**

Annual production data

- Energy supplied to network: **117,500 MWh/y**
- Equivalent hours of annual production: **2,350 h/y**

Time Schedule

- Construction: **From Sept 2009 to Aug 2011**
- Commencement of Operation: **Sept 2011**
- End of Operation: **Sept 2036**



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Treatment Capacity
150,000
t/year

Total electric power of the plant
25 MW

Contract Value
Design + Construction + O&M
(25 years)

1 Industrial Sludge Energy Plants

Thermal Drying of Alperujo Plant by Cogeneration with Alternative Motor Supplied by Natural Gas

Linares
Jaén - Spain

Motors
- Number of motors: **3**
- Electric power per motor : **8.33 MW**
- Guaranteed yield: **43.7 %**

Annual production data
- Energy generated: **200,000 MWh /y**
- Energy introduced into the network: **193,000 MWh/y**
- Energy consumed by auxiliaries: **7,000 MWh/y**
- Gas consumption: **500,000 MWh/y**

Time Schedule
- Construction: **From Nov 2007 to Apr 2009**
- Commencement of Operation: **May 2009**
- End of Operation: **May 2034**



Thermal Drying of Alperujo Plant by Cogeneration

Pata de Mulo

Córdoba - Spain

2 Industrial Sludge Energy Plants

Treatment Capacity
150,000
t/year

Nominal Power
27 MW

Contract Value
Design + Construction + O&M
(25 years)

- Energy generated: **112,4 MWh/y**
- Energy introduced into the network: **108,830 MWh/y**
- Energy comsumed by auxiliaries: **4.134 MWh/y**
- Consumption of Gas Turbines: **328,488 MWh/y**

Technical data

- Electric power of turbine gas: **13 MW**
- Max. Electric power of steam turbine: **4 MW**
- Total electric power of the plant: **17 MW**
- Electric yield guarenteed of turbine gas: **33.5 %**
- Electric yield of the cycle: **39.0 %**

Annual production data

- Energy generated: **112,964 MWh/y**
- Energy introduced to the network: **108,830 MWh/y**
- Energy consumed in auxiliars: **4,134 MWh/y**
- Consumption of Gas Turbines: **328,488 MWh/y**
- Thermal drying Capacity: **150,000 t/year**

Time Schedule

- Construction: **From Aug 2003 to Jan 2005**
- Commencement of Operation: **Feb 2005**
- End of Operation: **Feb 2030**



Treatment Capacity
60,000
t/year

Nominal Power
8.2 MW

Contract Value
Design + Construction + O&M
(25 years)

3
Industrial Sludge Energy Plants

Thermal Drying of Alperujo by Cogeneration with Alternative Motor Supplied by Natural Gas

La Roda
Sevilla - Spain

Motors
- Number of motors: **3**
- Electric power per motor : **2.734 MW**
- Guaranteed yield: **41%**

Annual production data
- Energy generated: **62,080 MW**
- Energy introduced into the network: **58,399 MWh/y**
- Energy consumed by auxiliaries: **3,681 MWh/y**
- Gas consumption: **172,444 MWh/y**

Time Schedule
- Construction: **From Sept 2002 to Feb 2004**
- Commencement of Operation: **Mar 2004**
- End of Operation: **Mar 2029**



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Alperujo Sludge Treatment and Reduction Plant with Cogeneration

4 Industrial Sludge Energy Plants

Las Villas

Jaén - Spain

Treatment Capacity
300,000
t/year

Nominal Power
25.0 MW

Contract Value
Design + Construction + O&M
(25 years)

- 8 dryers with max. Capacity of 12,000 t/h
- Installation operation: **8,322 h/year**
- Dryers operation: **5,400 h/year**
- Gas turbines fuel consumption: **59,129 thm**
- Electric power of turbine: **24,977 kW**
- Average power of auxiliares (1.8%): **450 kW**
  - Gross yield (average): **36.4 %**
  - Net yield (average): **35.7%**

Time Schedule

- Construction: **From Dec 2006 to May 2008**
- Commencement of Operation: **Jun 2008**
- End of Operation: **Jun 2033**



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5
Industrial Sludge Energy Plants

Cogeneration Plant with Alperujo Thermal Drying

Puente del Obispo

Jaén - Spain

Treatment Capacity
150,000
t/year

Nominal Power
25.0 MW

Contract Value
Design + Construction + O&M
(25 years)

- Energy generated: **200,000 MWh/y**
- Energy introduced in network: **189,322 MWh/y**
- Energy consumed in auxiliaries: **8,000 MWh/y**
- Gas consumption: **511,326 MWh/y**

Number of motors: 3

- Electric power per motor: **8.33 MW**
- Total electric power of the plant: **25 MW**
- Guaranteed yield: **43.4 %**

Time Schedule

- Construction: **From Sept 2005 to Feb 2007**
- Commencement of Operation: **Mar 2007**
- End of Operation: **Mar 2032**



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- Synagro

Synagro's core business purpose is focused on the management of municipal biosolids, including project development, operations, and biosolids product recycling. This focus has resulted in Synagro being North America's leading provider of high-quality, cost-effective biosolids management and beneficial use services. We have been successfully meeting the biosolids management needs of hundreds of generators for more than 38 years. Synagro's experience in all areas of biosolids management is unparalleled.

Synagro annually manages over 12 million tons of biosolids and other organic by-products for more than 650 generators (including 600 municipal clients). Synagro employs a team of over 850 professional engineers, soil scientists, agronomists, construction managers, financial managers and the largest, most diverse operational staff in the industry. Our team is dedicated to working with our clients to find the right solution to their organic residuals management challenges. Synagro, and its various subsidiaries, have been at the forefront of the environmental movement to safely process and beneficially market organic residual materials.

Synagro offers virtually all commercially viable processing options and product marketing channels for biosolids and organic residuals including: heat drying and pelletization, incineration, composting, alkaline stabilization, digestion, dewatering, land application, and more. This ability to offer the complete range of biosolids options is unique to Synagro and allows us to develop projects that fit a municipality's unique needs. In addition, this breadth of experience provides us with an in-depth understanding of biosolids that other companies simply do not possess.

As the industry leader in providing various forms of project delivery options, we have extensive experience developing and managing biosolids facility design-build-own-operate (DBOO) projects. We currently operate nine heat-drying facilities, three thermal processing facilities, four composting facilities, over a dozen alkaline stabilization facilities, and approximately 70 permanent and mobile dewatering facilities.

Synagro has industry-leading biosolids processing facility development and operating experience, as evidenced with over 100 collective years of successfully operating drying/pelletizing and composting facilities. Synagro has more experience in operating dryer facilities than any other company. Synagro's extensive operational experience helps us to continually improve on the planning, design, construction and operation of successful biosolids drying and pelletization systems. Currently, Synagro operates municipal biosolids dryers at nine municipalities including Philadelphia, PA, Baltimore, MD (2), Sacramento, CA, Honolulu, HI, Pinellas County, FL, Stamford, CT, Hagerstown, MD, and Camden County, NJ. Each of these drying facilities was delivered on time and within budget.

In short, Synagro has more specialized expertise developing and managing large biosolids treatment facilities than any other company in North America. We have $1 billion in committed long-term contract revenues at our 16 operating biosolids processing facilities. These projects totaled approximately $500 million in capital infrastructure value.

Experience and Qualifications

Synagro's mission and core business purpose is focused on the management of organics and municipal biosolids, including project development, operations, and product recycling. This focus has resulted in Synagro being North America's leading provider of high-quality, cost-effective residuals management and beneficial use services. We have been successfully meeting the residuals management needs of hundreds of generators for more than 40 years. This includes providing transportation and management services, through various Synagro entities and contracts, for New York City's wastewater treatment plants for the past 20 years. Synagro's experience in all areas of biosolids management is unparalleled.

Synagro offers virtually all commercially viable processing options and product marketing channels for biosolids and organic residuals including:

- Composting (windrow, aerated static pile, and in-vessel projects)
- Heat drying and pelletization
- Incineration
- Alkaline stabilization
- Digestion
- Dewatering (installation & operation)
- Mobile dewatering
- Land application and reclamation
- Lagoon and digester cleaning
- Rail transportation
- Product marketing

This ability to offer the complete range of residuals management options is unique to Synagro and allows us to develop projects that fit a municipality's individual needs. In addition, this breadth of experience provides us with an in-depth understanding of organics and biosolids that other companies simply do not possess.

Company Information

Synagro is owned by EQT, a Swedish private equity firm with over $20 billion in assets under management, and is part of EQT Infrastructure II, a fund with a hard cap of over $2 billion. This fund is dedicated to creating improved value through investing capital and support resources to companies like Synagro that provide vital infrastructure services. EQT is a strong, stable, financial partner with a stellar performance history and an emphasis on long-term, sustainable investment. Synagro-WWT, Inc. has been in business for over 39 years. The company has previously operated biosolids management contract in the State of Maryland under the names Wheelabrator Water Technologies, Inc. – Bio Gro Division and Bio Gro Systems, Inc.

Product Marketing Expertise

Synagro is the largest producer and distributor of biosolids compost in the United States. We successfully marketed over 700,000 cubic yards of biosolids compost last year for the various facilities and customers that we serve. Our facilities handle green waste, biosolids, pre-consumer food waste, and increasingly we are being asked to handle post-consumer food waste.

Highlights of Synagro's product marketing experience include:

- Experience operating eight large scale composting facilities, across the United States, gaining multi-state experience producing and marketing compost in a wide variety of climates.
- Serve numerous large municipalities with compost production and marketing, including base population in excess of 30 Million people.
- Marketed more than 10 million cubic yards of biosolids compost over the past 25 years.
- Currently produce and market more than 700,000 cubic yards of biosolids compost each year – approximately 40% of all U.S. production.
- Markets fifteen different Class A biosolids products in seventeen States, across the Country – Provides a truly unique and valuable perspective on the market.
- Full time staff of more than 40 agronomists, soil scientists, certified crop onsultants, and sales professionals to support our product marketing efforts.

Table 2.1 - Biosolids Compost Marketing Experience

Biosolids Compost Facility	Startup Year	Inbound Capacity (ton/year average)	Compost Marketed (cubic yard/year average)
City of Austin Composting Facility	2013	35,000	60,000
Charlotte County Bio-Recycling Center	2014	46,000	30,000
AZ Soils Composting Facility	1989	100,000	60,000
Central Valley Composting Facility	2005	65,000	80,000
South Kern Compost Facility	2007	190,000	200,000
Nursery Products Facility	2016*	400,00	340,000

*Acquired by Synagro in 2016

In addition to the above listed facilities, Synagro designed, built, and operated an in-vessel agitated bed biosolids composting facilities for Burlington County, NJ and Rockland County, NY. Delivery of these facilities required the development of markets for the compost where no market previously existed.

Professional & Technical Organization Memberships

As a company focused on biosolids management, Synagro has leadership participation in many regional and national organizations affiliated with the wastewater, biosolids, and organic product industry. Some of the relevant memberships include:

- The Water Environment Federation – National and Local Chapters
- The Water Environment Association of Texas
- The Water Environment Research Foundation
- The United States Composting Council
- The National Association of Clean Water Agencies
- The Farm Bureau
- Numerous Nursery Products, Turf Grass and Landscape Associations

US Composting Council® Proud Member

Both Synagro and our customers have received numerous regional and national awards for biosolids program excellence, including:

Synagro's award as U.S. Composting Council's 2010 "Composter of the Year" and National Biosolids Partnership Platinum Level Certification Are highlights of the company's qualifications and focus on operational excellence

- **2010 "Composter of the Year"**
  US Composting Council
- **EPA Region 4; Beneficial Use of Biosolids Award**
  with Charlotte-Mecklenburg Utility Department, NC
- **EPA National, 1st Place; Exemplary Biosolids Management Award**
  with Anne Arundel County, MD
- **EPA Region 5, 1st Place; Beneficial Use of Biosolids Award**
  with City of Wyoming, MI
- **EPA National, 2nd Place; Beneficial Use of Biosolids Award**
  with City of Gastonia, NC
- **EPA National, 3rd Place; Beneficial Use of Biosolids Award**
  with Knoxville, TN Utilities Board
- **GWPCA's Gold Award for Complete & Consistent Permit Compliance**
- **GWPCA's Industrial Land Application Award**
  with Anheuser-Busch, Inc.
- **EPA Special Recognition Award for Efforts in Educating the Nation about EPA 503 Rule**
- **EPA Award for Public Acceptance Programs**
- **WPA Award for Longevity & Contributions to the Field of Sludge & Biosolids Recycling**
- **Water Resources Association of the Delaware River Basin 2013 Business & Industry Award**
  Philadelphia Biosolids Recycling Center – City of Philadelphia, PA
- **National Biosolids Partnership Platinum-Level Recognition for Biosolids Management Program**

Relevant Composting Experience

Synagro owns/operates several biosolids/yard waste composting facilities with associated product marketing programs, including: These facilities utilize a variety of compost methodologies and are described in detail below.

South Kern Compost Manufacturing Facility

Project Description

Seated approximately 50 km southwest of Bakersfield, California, South Kern Compost Manufacturing Facility (SKIC) was commissioned in 2006 to alleviate Synagro's Los Angeles area customer's concerns about long-term viability of land application of Class B biosolids in Southern California. Beyond this objective, SKIC aimed to meet the highest standards in addressing air quality and odor control while expanding regional biosolids and organics recycling capacity.



Synagro utilizes an enclosed biosolids receiving and mixing building along with biofiltration in its compost system that effectively controls VOCs and odors.

SKIC was originally designed to utilize a state-of-the-art Engineered Negative Aerated Static Pile composting technology to blend and compost up to 400,000 tons annually of treated biosolids in combination with up to 270,000 tons annually of wood wastes (i.e., agricultural and green material) and other available carbon-rich sources, into Class A - Exceptional Quality (EQ) composted soil amendment.

- The SKIC design includes an enclosed biosolids receiving and feedstock mixing building, along with the Engineered Negative Aerated Static Pile compost system, including Biofiltration to control Volatile Organic Compounds (VOC's) and odors by over 80%.
- In the first quarter of 2016 the facility has been converted from negative Aerated Static

Pile (ASP) to positive ASP. The benefits of this conversion include:
  - Reduced electric consumption and improved energy efficiency
  - Lower equipment repair and maintenance costs due to less materials movement during the compost process
  - More efficient biofilter utilization
  - Less water handling which simplifies pond management
  - Continued compliance and leadership with BACT
- We have also secured County approval to utilize pre-consumer food waste for a portion of our amendment needs. The benefits of this approval include:
  - Lower amendment costs
  - Solution for removal of organics from landfill
  - Helps counties and food waste generators in Southern California meet the new state Assembly Bill 1826.

In addition, the compost facility has lined asphaltic concrete composting pads, a water collection system and lined retention basin to ensure that all process water and contact stormwater is collected and contained.

Dates and Duration of Project

- Contract commenced: June 2004
- Commercial operations: December 2006
- Contract end date: January 2026

Charlotte County Bio-Recycling Center, FL Composting Facility

Project Description

The Charlotte County Bio-Recycling Center (CCBRC) is a public private partnership between Charlotte County, FL and Synagro. The project created a Facility for recycling of up to 50,000 tons per year of biosolids and organic wastes from in-County and regional generators.



Through a public/private partnership, Synagro financed the compost facility with internal funds and initiated construction in September 2013; the facility was ready to begin accepting biosolids within five months.

The County previously maintained a small yard waste and biosolids composting program on an area adjacent to their landfill; the output of this composting program was used as final cover for the landfill. In 2011, the County selected Synagro as its partner to expand, modernize and commercialize the compost facility via a design-build-finance-operate and maintain agreement. Synagro financed the facility with internal funds and initiated construction in September 2013; the facility was ready to begin accepting biosolids within five months.

The public/private partnership benefits the County through a lease arrangement for the 8.5-acre site, a host fee for out-of-County biosolids received for composting, and a below-market rate for processing County biosolids. The County also sheds internal costs associated with their composting process. In addition to the site, the County provides road maintenance, storm water control, and wastewater treatment.

Synagro markets the compost from the CCBRC although the County has access to a portion for use as final cover. Additionally, on an as requested basis, some of the compost is provided to County ratepayers and to generators whose biosolids are being processed.

Dates and Duration of Project



With operations encompassing 40 acres, Arizona Soils is one of the largest outdoor biosolids composting facilities in the U.S.

- Contract award: 2011
- Commercial operation: January 2014
- Contract end date: December 2033

Arizona Soils Composting Facility

Project Description

Synagro's Arizona Soils Composting Facility is one of the largest outdoor biosolids composting facilities in the United States. The facility is located in La Paz County, Arizona and has been servicing the Arizona and Southern California region since 1991. The 40-acre windrow composting facility provides recycling of up to 500 wet tons of biosolids and pre/post consumer food waste per day, along with select bulking agents consisting of greenwaste, stable bedding and/or wood chips. These materials are used in the production of high-grade compost products that are sold in bulk to the agricultural sector.

Dates and Duration of Project

- Commercial operation: 1991
- Contract end date: ongoing

Central Valley Compost Facility

Project Description

The Central Valley Composting was opened in the fall of 2005. The facility is located in Dos Palos, CA and serves the Central Valley of California. The facility processes 375 tons of biosolids and green waste per day, producing a beneficial soil amendment (or compost). The finished compost is used by farmers, horticulturalists, landscapers, nurseries, and product blenders who distribute and market composted products in retail stores.



At our Central Valley Composting facility, Synagro utilizes a mobile chip and grind operation for inbound feedstock size reduction.

The composting operation is conducted on a 32-acre lined compost operations area that includes 27.5 acres dedicated to composting and 2 acres for a storm water retention basin. A mobile chip and grind operation is used when necessary for inbound feedstock size reduction. The composting operation is conducted over a soil cement-lined operations area that slopes and drains to a contained storm water retention basin. Upon arrival, feedstock materials (biosolids & greenwaste) are mixed within the lined operations area and formed into windrows approximately 500 feet in length. Following windrow construction, the windrows are mixed and aerated using a windrow turner in order to meet pathogen reduction process requirements per California regulations. Once pathogen reduction has been achieved (up to 40 days after initial windrow formation and mixing), the compost may remain in the windrow for up to an additional 80 days, at which time the material will be screened and sold to agricultural customers.

Dates and Duration of Project

- Commercial operation: 2005
- Contract end date: ongoing

The following are some of Synagro's composting services customer references:

City of Austin – Biosolids Handling and Land Application Contract
Ken Lockard, Site Superintendent
Hornsby Bend Biosolids Management Plant
2210 FM 973

Austin, TX 78725
512-972-1953
kenneth.lockard@austintexas.gov

Charlotte County, FL – Charlotte County Bio-Recycling Center Composting Facility
Richard Allen, Solid Waste Operations Manager
25550 Harbor View Road, Suite 2
Port Charlotte, FL 33980-2503
941-764-4393
richard.allen@charlottefl.com

Key Personnel Qualifications

Resumes for Synagro's key personnel assigned to the Anne Arundel compost facility operations are provided below as well as the hiring of an onsite project manager located conveniently to the facility. These members of our staff will be available and assigned to this project for the duration of the contract.

In addition to those people identified, Synagro has a full team of project development support staff with expertise in facility engineering, design, construction, financing and operation. The company has "back of the house" staff such as legal, marketing, HR and other support functions designed to ensure that its projects are successful and "field" staff have the resources they need to meet or exceed customer expectations.

Synagro's plant manager will be an experienced compost site manager to coordinate our team's efforts across the compost sites. Synagro's team has significant experience in working through operational challenges and will be able to offer a variety of approaches to provide the most efficient compost operations with respect to key cost components such as electricity, asset management, labor and throughput.

Job descriptions for the positions that Synagro proposes to provide for management of the Anne Arundel compost facility are included in Appendix A.

NICK CAGGIANO, Director of Compost Operations

Current Role:

Overall leadership responsibility for financial, operational and personnel performance for Synagro's Compost Business Unit. Facilities under this unit include: AZ Soils Composting Facility, Central Valley Composting Facility, Charlotte County Bio-Recycling Center, South Kern Compost Manufacturing Facility, as well as the compost product sales associated with these facilities.

Previous Experience:

Carmeuse North America

Multi-Site Area Operations Manager

Managed three lime manufacturing facilities. Directed a staff of six with indirect responsibility for 120 associates. Held full P&L for $76M operating budget.

Business Manager/Project Leader

Oversaw the business evaluation, design, engineering, and permitting analysis for a $168M facility expansion project and managed a Joint Venture Partnership for a new $45M lime facility.

Site Operations Manager

Directed one of the largest lime manufacturing facilities in the company consisting of multiple kilns, a stone processing operation, a lime hydrating plant and a 3M+ ton per

year underground limestone mining operation. Managed a $64M operating budget with 6 direct reports and indirect responsibility for 200 associates.

- Increased site EBITDA by 34% in five years with stagnant sales during the period
- Improved site safety performance by reducing Recordable Incidents by 60% and was successful in getting the facility removed from an MSHA Pattern of Violation status
- Corrected environmental air compliance deficiencies and developed systems to ensure future compliance

Knight Celotex
General Manager
Managed a fiberboard manufacturing facility including operations, customer service, logistics, engineering, maintenance, accounting and human resources. Directed a staff of six with indirect responsibility for 120 associates. Held full P&L for $24.2M operating budget.

- Renegotiated a five year Labor Agreement with PACE Union.
- Managed $10M clean up, rebuilding and start-up of an 85 acre, 800,000 square foot manufacturing facility after Hurricane Katrina.
- Coordinated the plant product development and product launch efforts for new Door Core product line.
- Pivotal role on company Energy Taskforce Team to reduce energy costs. Realized over $1.8M in annualized savings in less than six months and projected $2.5M within 12 months.

Operations Manager
Recruited to direct all manufacturing, logistics, operations and customer service. Managed $10.7M budget and eight direct reports with indirect responsibility for 75 associates.

- Increased productivity 3%, reduced downtime 2% and reduced reject rate 68%
- Spearheaded reduction of finished goods inventory by $10M
- Reduced grievances 40% by improving associate and union relations.
- Coordinated five month unpacking, installation and start-up of a Rikett Quartz tile flooring line.

Education:
B.S., Industrial Engineering, West Virginia University
Advanced Leadership Training, Dale Carnegie

Fred Brutsche,
Area Plant Director
Fred Brutsche is Synagro's Area Plant Director responsible for overseeing California compost facility operations. Prior to joining Synagro, he was the SIMS Recycling Solution Manager and General Manager at Fortress Resources LLC, where he was responsible for leading all phases of the organization - de-manufacturing, sales, purchasing, planning and inventory operations.

Mr. Brutsche has over 15 years of experience in materials and manufacturing management.

Education:

He has a Bachelor of Arts in Economics and a Master of Business Administration. In addition, he is a Six Sigma Black Belt, a Certified Purchasing Manager (CPM), and is Certified in Production and Inventory Management (CPIM).

CRAIG GEYER, Sr. Compost Operations Director

Current Role:

Responsible for management of Synagro's biosolids daily haul, composting, and event operations in Arizona and Southern California. Provides leadership and operations start-up support to Synagro's compost facilities throughout the country. Includes daily managed of ingoing biosolids and outgoing compost product at the company's Arizona Soils Compost Facility.

Previous Experience:

Gilbert Pump
Construction Superintendent
Supervised construction for water facilities.

Camp, Dresser and McKee
Construction Superintendent
Supervised construction for water and wastewater treatment plants.

Latigo, Inc.
Assisted with the management and operation of a family-owned business specializing in truck transportation and construction.

Certification:

State of Arizona Class A General Contractor's License

ROBERT PEPPERMAN, Director of Product Sales and Marketing

Current Role:

Mr. Pepperman is responsible for leading the company's product sales and marketing team to develop new markets and enhance existing markets to increase the value of the Synagro's compost and pellet products and maximize the return on invested capital (ROIC) from our installed facilities. This includes enhancing Synagro's brand awareness and value by selling Synagro-branded products nationally, in turn providing product marketing benefits to our customers.

Mr. Pepperman is a recognized expert in the field of residuals/biosolids management with over 30 years of direct involvement in planning, development and implementation of beneficial use programs. Since 1985, he has been intimately involved in the marketing and expansion of markets for biosolids-derived fertilizers and soil conditioners. Through 1993, he marketed and directed the sales of heat dried biosolids from a number of facilities, generating in excess of $1 million in annual revenues. These products were distributed in the long-standing markets throughout Florida as well as to new regional outlets, developed generally in proximity to the biosolids processing facility. Markets included bulk agricultural and specialty fertilizer manufacturers, direct application end-users, and site-specific applications (e.g. golf courses). Since 1993, Mr. Pepperman has utilized his experience and contacts from marketing dried biosolids to support numerous municipal and commercial clients in implementing long-term residuals management systems. In addition, Mr. Pepperman has worked with technology providers to develop techniques for enhancing the fertilizer value of biosolids, such that the end product can generate substantially higher revenues and take advantage of a broader range of outlets and end-users.

Previous Experience:

Environmental Group Services, LLC

President

All aspects, including project management/performance, technical support, and business development for new consulting enterprise. Recently assembled team and crafted short-listed proposal to the City of Philadelphia Water Department for Innovative Uses of Biosolids. Currently, involved in research and operational program endeavoring to expand reclamation program utilizing energy crops. Working with national engineering company in development of a proposal for long term biosolids processing and management. Serving as expert in litigation related to biosolids processing and marketing.

Technical Manager - Biosolids

Served as primary internal expert for all sludge, biosolids, and residuals management matters. Participate in new project and acquisition due diligences; internal due diligence efforts (audits); oversaw corporate-wide regulatory reporting for biosolids; and new business development related to biosolids product lines.

Education:

M.S., Agronomy, Pennsylvania State University
B.S., Environmental Resource Management, Pennsylvania State University

Professional Affiliations:

- Water Environment Federation, Residuals and Biosolids Committee; Bioenergy Subcommittee
- Chesapeake Water Environment Association, Biosolids & Residuals Management Committee, Past Chair
- Mid-Atlantic Biosolids Association, Past Member, Board of Managers

Operate and Maintain Compost Facilities

Synagro proposes to operate and maintain the MLFRRF compost facility to the highest standards and adhere to all Code of Maryland Regulations (COMAR) and Maryland Department of the Environment's composting standards including:

- COMAR 26.04.11 – Composting Facilities. This includes COMAR 26.04.11.09 – Composting Facility Operating Requirements.
- COMAR 15.18.04 – Compost. This includes COMAR 15.18.04.04 – Composting Facility Operator Requirements.

Synagro plans to operate the composting facility in accordance with the specifications provided in Section 1.1 to 6.5 of the MLFRRF – Compost Facility Operations Plan ("The Plan") of the RFP. Synagro will continue to compost incoming organics in open windrows. Our operations approach and plan are described below in Section 2.2 and include 6 day receiving, the operations of 20' x 8' tunnel width x height; 21 days windrow, 60 days curing, and 30 days product storage assumed – need ~ 6 acres for windrow compost, curing, product storage, & screening. We will assume 50% TS for the Yard Waste with the addition of up to 7,500 gallons per day.

One Preliminary Operations Manuals is provided in Appendix D. Of special note are the following items that are handled similarly at all facilities as needed:

A. **Permitting/Annual Reports –** Synagro will prepare and submit all permit applications, renewals, and annual reports to Maryland Department of the Environment on behalf of the county for approval as required and/or needed. We will submit all applications and reports as needed, for their review and approval, sixty (60) days prior to submittal to

the State. Synagro understands that additional permits may be necessary to operate the compost facility and will comply with all regulations and permits needed to successfully operate the facility. Also see our section on reporting.

B. Operations Schedule –

1) A display board will be mounted at the site to display the schedules for operations tasks at each site including:
    i. Waste receiving
    ii. Organics pre-processing (where applicable)
        1. Debagging
        2. Chipping
    iii. Irrigation
    iv. Compost turning
    v. Screening
2) Operating hours:
    i. 7:30 am – 5 pm Monday through Saturday
    ii. 8 am – 4 pm Sunday
    iii. The facility will be closed on the following Holidays as observed by Anne Arundel County (the County):
    iv. We will plan to observe all state, county and federal holidays as required.

C. Operations and Maintenance Manuals – Protocols are provided below and/or in the Operation & Maintenance manuals to address the following operational items:

1) Environmental Controls for odors, noise, dust control, vectors reduction, leachate and fire
2) Litter Control – Synagro will ensure a band 25 feet in width surrounding the perimeter of the facilities are kept free of all litter, debris and residue generated from deliveries or the composting processes. Any litter generated from the compost facility or process is found outside the 25 foot buffer will be removed and disposed of as well. All precautions will be made to ensure plastic bags or other litter is prevented from flying off site.
3) We will meet compost stability and manage PFRP and temperature regulations through monitoring by a certified composting operator.
4) Plan includes monitoring for temperature and moisture levels.
5) Plan will include water and a stormwater management plan.
6) New regulations for composting enforced by MDE will be adhered to as noted in COMAR 26.04.11
7) Security - Synagro will ensure the facilities, equipment and supplies are kept secure and safe from vandalism or theft by:
    i. locking all doors, gates securely when staff leaves the sites
    ii. inspecting and repairing fencing as needed

    Synagro will review and evaluate current security and work together with the county on determining whether any upgrades could benefit the site and operations.
8) Site Access – Synagro will maintain safe travel conditions on all composting facility roadways and rights of ways that county collection vehicles, private haulers and authorized representatives may travel.
9) Signs & lighting – Synagro will install signs and temporary lighting to guide vehicles into and around the facility as necessary or as instructed by the county.
10) Safety – Synagro will operate all the facilities safely at all times and in accordance with OSHA and other applicable regulations per the Synagro safety plan in the O&M Manual.
11) Site Tours & visitor access – Synagro will allow county access during normal business hours to conduct tours of the Facility. Synagro will seek permission

from the county in advance to conduct our own tours.

D. Project Approach - To develop Synagro's operational strategies at the MLFRRF compost facility, the history of received materials as presented in the RFP were reviewed, dataset compiled, charted and evaluated. .

1) Compost Facility Approach - Synagro proposes to manage the flow of materials onsite similar to current open windrow operations managed by Synagro. \ Feedstock will consist of:
   i. The Composting Facility at the MLFRRF is a Tier 1 Facility.
      - Yard Waste. This includes leaves, grass clippings and some garden waste and brush (such as twigs, pruning's, and small branches). These organics may also be referred to as compostable materials.
      - In the County, yard waste is collected curbside once per week per household using separate collection trucks. The City of Annapolis also delivers yard waste to the MLFRRF. Yard waste may also be received at the MLFRRF via self-haul customers.
      - Although the County only composts certain organic materials at the MLFRRF, there are other organics, such as wood waste/brush, that the County collects and manages separately through grinding or chipping.
   ii. **Initial Operational Approach**
   All deliveries will enter the scale and be weighed upon arrival to the MLFRRF Yard Waste composting piles in separate areas.

When loads do arrive, they will be directed to the pre-processing areas for discharge, debagging, contaminant removal and shredding. The debagging area consists of two bunker areas, one a tipping area.

Yard waste deliveries will arrive in vehicles of various sizes. Those containing 10 cy loads and less are understood to comprise the majority of traffic onto the site. Organic loads consisting of leaves and/or grass will be directed to discharge their load directly to the Yard Waste windrows. Woody Yard Waste will be directed to the chipping area to be shred into a uniform sized feedstock for the Yard Waste windrows and for use as bulking agent. There is potential for the residential Yard Waste stream to arrive in bags so that material will require separation prior to further processing. Vehicles containing bags will be directed to discharge onto the tip area to be determined during site layout phases and loaders will be used to transport to the trommel screen to mechanically remove the bags. Front end loaders will also be used to transport the material between the areas, mix and build the windrow piles. Once at the Compost Facility, the feedstock material is deposited onto an all-weather asphalt pad in the designated receiving and inspection area. A Spotter or other Synagro Staff will inspect the feedstock to determine if there are unacceptable wastes within the load such as trash, treated wood waste or other debris. If identified, unacceptable wastes or contaminants are separated from the acceptable feedstock material and placed into containers for temporary storage. Disposal of the unacceptable materials will occur at the active working face of the Millersville Landfill as needed.

Yard Waste piles will be turned by either SCARAB windrow turners or loaders. After 30 to 60 days, the material is moved to the maturation area for further stabilization prior to being refined further through the star, trommel or scalping screen. The final product will be ready for distribution or mulch. Synagro expects to work diligently to distribute whatever stockpiles remain from the previous Contractor (if any) to clear the storage area for our operations.

Synagro understands the interstices of composting of organic waste and the attention to detail needed to balance:

- Nutrients, Particle size, Moisture, Oxygen, Temperature, pH

Accept Organics Collected by the County and other Authorized City Agencies

It is critical to evaluate the quality and quantity of incoming organic materials to operate a compost facility effectively without creating nuisance odor and litter problems.

Pre-processing and Debagging Organic Waste and Remove Inorganic Contamination

Synagro has substantial operational experience handling a vast array of contamination in the inbound feedstock at many of our organic waste composting locations. We understand the need to have a clean feedstock to achieve the highest level of quality in the finished compost and mulch products at all three locations. As composting professionals, we will continually monitor the incoming material stream to prevent odor problems and high levels of contamination so that high quality compost is produced.

Inspecting and managing incoming materials are essential to evaluate the quality and quantity of incoming organic materials for effective compost operations. We understand the logistics of screening, depackaging of waste and debagging of green waste incoming feedstock in order to retain the maximum tonnage of organic material and limit the amount lost as residue. Quality control for contamination starts with proper public education. We can work with the county as need on public awareness programs.

Screens

Screening is a dry separation process for both feedstock preparation prior to composting and for final product refinement to go to market and will be utilized at all three locations. All screens work on the basis of the separation characteristic being size and the separation switch being the screen opening size. This is also a feature of grinders and shredders, which also use size and screen openings to separate unground material from ground material.

Grinding and Size Reduction

Grinding will be managed and performed at the facility to chip and shred the wood waste, Christmas trees and woody yard wastes. Size-reduction enhances the composting process by increasing the surface areas of particles to maximize the microbial activity resulting in more efficient and uniform degradation.

For material arriving at the site in plastic or paper biodegradable bags, or other acceptable containment, size-reduction may be necessary so that decomposition of these materials is within a time frame allowed by the designed throughput rate of the yard waste. Such size-reduction will also facilitate oxygenation of the material within the bags, as well as enhance the operator’s ability to maintain optimum moisture conditions.

Mixing may also be necessary to create uniform feedstock when delivered yard waste varies in composition or if other organic materials are added to the windrows.

Air Separation

The air containment system as exampled below on the Komptech star screen could be used at the composting facility to separate film plastic from the oversized woody particles during the product screening process. Figure 5 illustrates the design of the air entrainment process to remove film plastic from the oversized particles on the discharge belt of a trommel screen. This particular device has both a positive pressure blower and a negative suction blower to remove lightweight contaminants. The density of the material on the discharge belt is the separation characteristic and air velocity is the switching mechanism.

The plastic removed will be blown into a roll off box with other residue. When full of residue, the roll off will be scheduled for removal and disposal with the County.

Contaminant removal invariably requires some materials be separated from other materials. In its simplest form, separation is a binary process, splitting a feed material into two components.

These components could be called the extract (or that which you are trying to recover) and the reject (that which you do not want). The objective of a binary materials separator is to split a feed material into two different components by exploiting some difference in the material's properties. We feel that Synagro is the leader at this in the compost industry.

Air entrainment system on compost screening

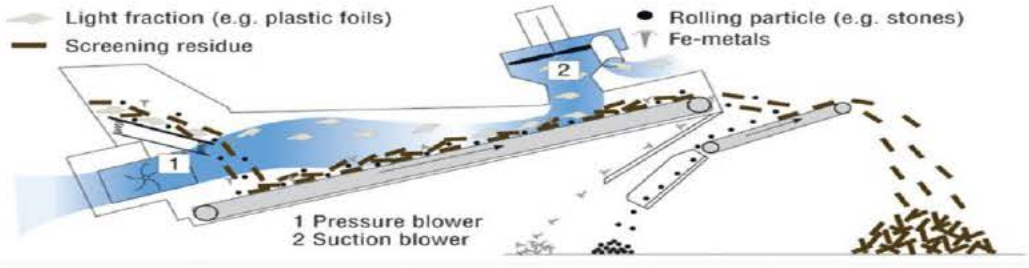


Illustration courtesy Komptech USA

Produce Finished Usable Compost that Meets Specified Standards

Curing – over time the rate of decomposition will decrease as the compost material within the windrow fails to return to the higher thermophilic temperature range. Temperatures will steadily decrease and stabilize at around 105ºF as the Process to Further Reduce Pathogens (PFRP) processes are completed. This trend generally indicates the start of the maturation process within the lower temperature mesophilic phase.

The residency period for curing is approximate and will be better estimated once the windrows have been built with the counties material and prior to screening. However, field monitoring for temperature and moisture as well as the windrow turning will determine the required the residency period. We will have a better handle on this once we have had ample time to handle the material. From receipt of feedstock to curing, the life cycle of compost is estimated to be approximately several months. To confirm the compost material is fully cured and stabilized, the Synagro uses the Solvita Emissions Test for Compost Maturity. These tests will measures carbon dioxide (CO2) and ammonia (NH3) emissions, which can be indicators of material instability. At the end of the composting process, low levels of CO2 and NH3 are expected for cured and stabilized compost. If high emissions of either or both gases are present, the compost material is still actively decomposing. In these situations, the compost material is not stabilized and we will continue the curing process.

Compost Program Goals

Synagro is North America's foremost provider of organic residuals and municipal biosolids management services. We are the largest composter in the US in terms of tons of capacity. We operate six composting sites across the US. Synagro intends to develop a long-term marketing program for the compost generated from the MLFRRF. We believe, based on our years of experience in marketing and distributing compost, that bulk distribution to a diversified customer base will be most successful in moving product. After the base market avenues have been established, Synagro will pursue the viability of creating value added products by utilizing and blending compost with surplus soils from the County's landfill development activities as well as other products with appropriate approvals. Synagro will also explore whether bagging product through cooperative ventures with companies that have specialized equipment and distribution networks are worthwhile to pursue.

The primary objectives for the compost-marketing program are as follows:

- Distribute bulk compost in accordance with regulations and permits issued to Synagro.
- Distribute all compost in a timely manner to minimize the volume of compost kept in storage.
- Strive for positive net revenues (sales price minus costs of trucking) through

expansion and diversification of the customer base
- Enroll in and achieve certification standards required under the U.S. Composting Council Seal of Testing Assurance Program.

Key Aspects of Synagro Marketing Plan -Synagro's marketing plan includes the following basic tenets:
- Compost shall be marketed in accordance with all state and federal regulations governing the distribution of compost.
- Compost will be removed from the designated storage facility in a timely manner.
- Diverse compost markets will be established to assure long-term distribution of compost and optimal revenues.
- Compost sales program will be promoted through sales literature, web site, newsletters, consultations with landscape architects and exhibits at professional shows to develop improved awareness of product and increase demand.
- Synagro will continue to work within professional organizations such as the United States Composting Council (USCC) to support efforts to promote organics based products.
- Synagro will continuously monitor to identify product quality issues that may pose a barrier, real or perceived, to compost distribution and use and adjust process as necessary if issues do arise.

As is the case with all products, consumers constantly seek the highest value options for dollars spent. Ideally, while the desire is always to sell all production to high value markets from day one, practical experience has shown a combination of various outlets are necessary to achieve a successful program. In examining the best approach to expand future compost sales volumes and revenues, Synagro has developed a specific, targeted approach. Three key tasks are necessary to promote sales and expand the MLFRRF product marketing efforts:

1. Utilize the brand "AllGro® compost" to tie into Synagro's existing collateral and marketing efforts
2. Allocate corporate resources to maintain a strong sales and marketing presence in the region. Our corporate office is only 26 miles North of the facility so we have many local marketing resources to assist on this project; and
3. target Anne Arundel County and regional outlets to expand local compost use

Utilize "AllGro® compost" Brand
Synagro proposes to market the compost under its proprietary *AllGro®* brand. It is anticipated these products will be sold in bulk directly to end-users. Using the *AllGro®* brand maintains an identifiable product with a recognized quality standard as well as links to Synagro's established marketing resources.

Synagro's resources will include in the near future a website to provide prospective customers information that can facilitate their interest and ordering of product. The site provides a broad suite of information such as:
- Compost process details
- Manufacturing and product quality assurance
- Compost and mulch use instructions with informational videos
- Product ordering/purchase link
- Recent STA testing data
- Contact forms
- Compost tools
  - compost use calculator
  - FAQ's with answers

In addition to developing a strong web presence with an easy-to-use point of entry for compost sales, the *AllGro*® compost brand extends to all interactions and media. Our distinct logo is used across platforms such as product data sheets, labels, printed brochures, business cards as well as the website. With our experience marketing compost products and ability to produce high quality promotional materials, Synagro provides a unique benefit to this project.

As an established brand, the product provides the commercial users, bulk customers, landscapers, retailers, and residents with a single primary point of reference for incorporating this recycled product into their projects. Once the *AllGro*® compost brand is introduced to the region and the ground work positioned, the next important step is Synagro's commitment to a dedicated sales staff.

Staffing and Staff Support
Synagro's second key task is to dedicate local, corporate compost marketing specialists who will be dedicated to this facility and the Maryland market as a whole. Overall program management, customer service, and office support staff to assist this staff member will be provided by Synagro's Corporate Product Sales and Marketing group. Transport logistics will primarily be set up by the marketing support team and Synagro corporate staff will invoice, assist in preparing reports, track deliveries, and handle payables and receivables.

Marketing Strategies

Our strategies for establishing and servicing the compost markets include the following elements:

- Establish and maintain a diversified market with significant penetration into the higher value sectors.
- Promote the product as superior quality compost.
- Explore new markets to expand product uses.
- Develop and maintain an active product promotion plan.

Operations and Maintenance Manuals

It is understood that limited information is available on manuals for the operations and maintenance for such a new composting facility therefore, Synagro will gather all available equipment information and combine with Synagro operating procedures to create O&M manuals for the facility. We understand a manual does exist for the new composting operation and have reviewed the current manual based on the current, smaller operation. However, we will require updating to conform to the Synagro standards. Refer to Appendix D for excerpts from current Synagro O&M Manuals as well as select Standard Operating Procedures and Emergency Spill Plan, Emergency Response Plans for similarly operating compost facilities.

A. An Emergency Response Plan will be included relating to fire, extreme weather events, environmental controls, health, safety spills and other emergency conditions with operational and notification procedures.

B. A Personnel Training Program Plan for the facility will also be included to ensure the facility is managed and operated in accordance with the Contract Standards as well as Synagro protocols for safety and integrity. The training will be offered to County personnel at the start of the Contract as well as six months prior to the expiration of the Contract if desired. The training will include the following topics.

1. Training guidelines
2. Policies & procedures
3. Operations standards, training and experience
4. Instruction on Hazard Waste and Unacceptable Feedstock identification

5. Safety and Emergency Response training
6. General Security procedures
7. Preventative Maintenance procedures and documentation (Fiix)
8. Scale operations (if needed)
9. Data collection, reporting and documentation requirements
10. Operator certification as required

Upon receipt of an odor complaint, Synagro staff will record the following information on an odor complaint form:

1. Complainant's name, address, and telephone number
2. Date and specific time the complaint was received
3. Specific nature of the complaint, including type of odor, time odor observed, duration of odor, and odor intensity
4. Any other relevant information

Safety

Synagro uses a process called Job Hazard Analysis (JHA) which is comprised of safety-based SOPs – existing standards that have proven effective at Synagro operated facilities to create a safe work environment. The JHA defines the optimal safety practices for more than 35 commonly performed OMR tasks. Samples from Synagro's JHA policies are included in Appendix D. Staff members are extensively trained on JHA procedures. Synagro's focus on safety translates into optimally run facilities and facility operations at the highest level of service with no interruptions.

- Auburn Constructors, Inc.

Project References

Project Name: Los Osos Water Recycling Facility

Location: Los Osos, CA

Owner: County of San Luis Obispo

Owner Contact (name and current phone number):

John Waddell (805) 788-2713

Architect or Engineer: Carollo Engineering

Architect or Engineer Contact (name and current phone number):

Han Kang (714) 593-5100

Construction Manager (name and current phone number):

James Brantley, HDR Engineering, (805) 801-6162

Description of Project, Scope of Work Performed:

New water reclamation facility including influent screening, clarifiers, oxidation ditches, solids handling, tertiary filtration, maintenance, electrical and administartion buildings, emergency storage and standby power facilities.

Total Value of Construction (including change orders): $48,630,450

Original Scheduled Completion Date: April 22, 2016 (Beneficial Use)

Time Extensions Granted (number of days): 10 Days

Actual Date of Completion: April 22, 2016

* * * * * * *

Project Name: West Hills Water Treatment Plant

Location: Hollister, CA

Owner: San Benito Water District

Owner Contact (name and current phone number):

Jeff Cattaneo (831) 637-8218

Architect or Engineer: HDR Engineering

Architect or Engineer Contact (name and current phone number):

Jenny Skrel (925) 584-4868

Construction Manager (name and current phone number):

John Dahl (916) 717-0162

Description of Project, Scope of Work Performed:

New 4.5 MGD treatment facility including raw water pump station, raw water pipeline, gravity filters, concrete resevoir, electrical, instrumentation and controls.

Total Value of Construction (including change orders): $27,702,371

Original Scheduled Completion Date: September 2017

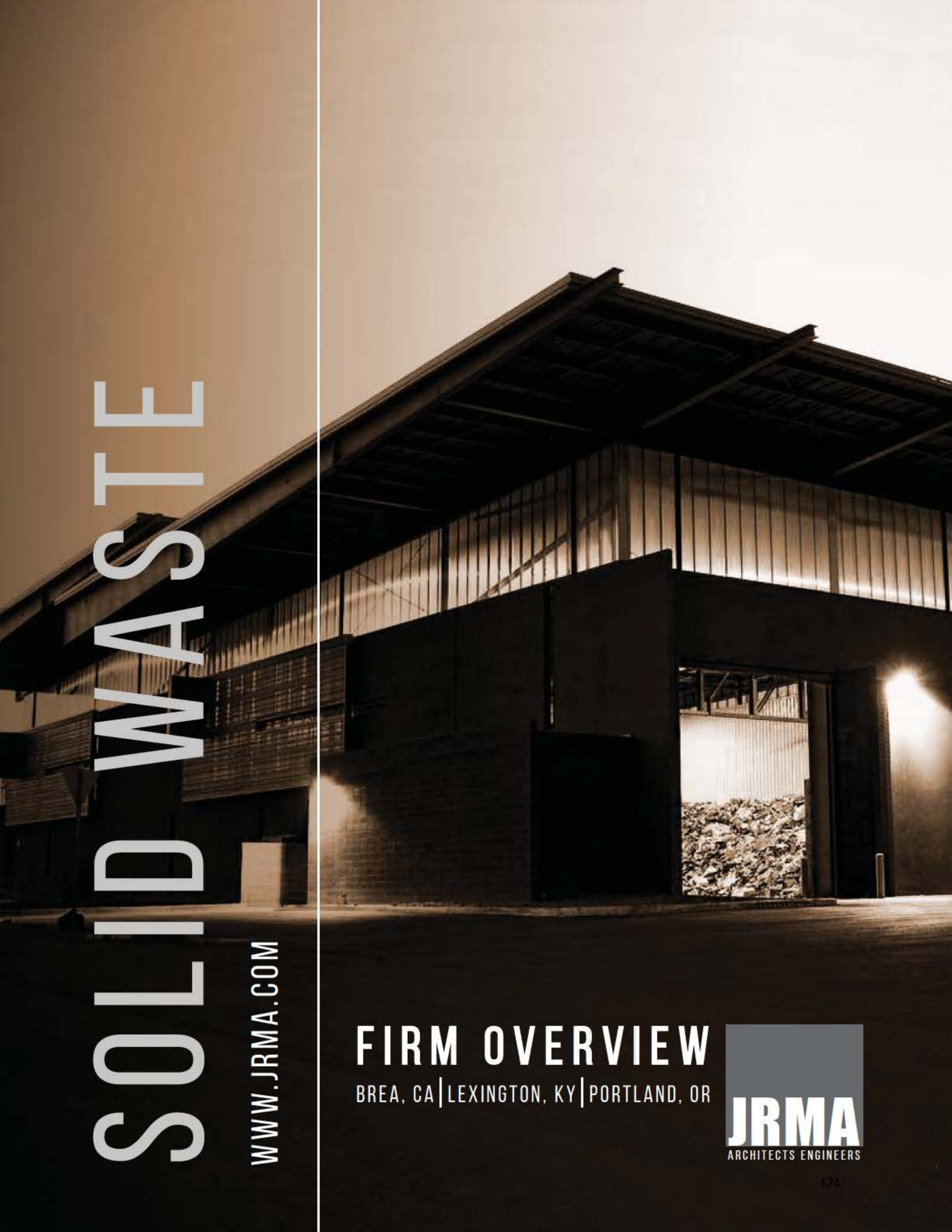
Time Extensions Granted (number of days): 0

Actual Date of Completion: September 2017

* * * * * * *

- JRMA

Project References



SOLID WASTE

WWW.JRMA.COM

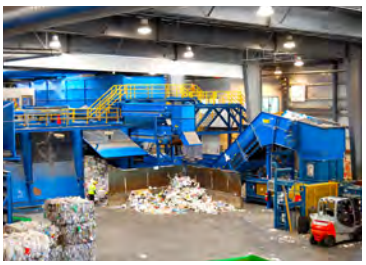
FIRM OVERVIEW

BREA, CA | LEXINGTON, KY | PORTLAND, OR

JRMA
ARCHITECTS ENGINEERS

Architectural Design
Structural **Engineering**
Site Planning/ Alternative **Site Studies**
Computer **Graphics/** Renderings
Assessment Agency Processing
Contract **Documents**
Construction Phase **Services**
Contract Administration







CORPORATE Profile

Founded in 1982, JRMA has consistently provided design and engineeing services to owners and design/ build construction contractors with focus on functionality, efficiency and life-cycle cost reduction. Prior to founding the firm, Jim Miller spent seven years as a design engineer in design/ build construction and two years as a facility engineer. In 1986, an architectural staff was added in order to provide complete facility design services. Today, our firm has grown with offices in Brea, CA; Lexington, KY and Portland, OR.

Our firm has completed site planning and designs for over 4,500 projects including steel frame, masonry, tilt-up concrete and pre-engineered steel construction (PEMB). In addition, we have designed over 1,500 structural engineering projects involving seismic retrofits and equipment foundations. All projects utilize state-of-the-art computer capability in structural analysis

JRMA Professional affiliations include the American Institue of Architects, the Structural Engineers' Association of California, American Society of Civil Engineers, the National Society of Professional Engineers, the International Council of Building Officials and Silver Member of the US Green Building Council. Additionally, we are also active members of the Systems BuildersAssociation, where we've made a significant contribution to the establishment of Handbook on Design Aspects of Systems Buildings by the Architectural Department at Cal Poly Pomona.

Our Architecture and Engineering staff hold licenses in over 23 US States as well as NCARB (National Council of Architectural Registration Boards) registration to facilitate design practice throughout the country.

JRMA
ARCHITECTS ENGINEERS

SOLID WASTE
Profile






For 35 years, JRMA has played an important role in the planning, design, and construction of facilities needed to efficiently receive process and transport solid waste nationwide. We have a reputation for designing facilities that are operationally excellent and for phasing expansion projects to maintain safe and orderly work places for both the facility operator and the construction contractor.

During the programming and preliminary design phase, we take the time to fully understand the client's visions and mission and how the proposed facility will contribute to that mission. Then we engage the engineering and operational staff to develop concepts that enable the facility to satisfy the needs of the mission, meet regulatory requirements and reflect good engineering practices. Our facilities are models of efficiency and safety.

We work proactively and in a team setting with construction management firms and contractors to develop timely cost estimates and introduce cost saving measures into our designs. Based on our background in the design of industrial and food processing facilities, JRMA has brought many design innovations to the solid waste industry, including process flow design and improved housekeeping standards. JRMA designed facilities contain a wide range

Service Include

- Preparation of Integrated Solid Waste Management Plans (SWMP's)
- Feasibility Studies and Site Master Planning
- Engineering and Construction Plans
- Site/Building/Equipment Programming and Design
- Alternative Technologies/AD System Integration
- Permit/ Agency Processing
- Specifications
- LEED Design/Certification

JRMA
ARCHITECTS ENGINEERS

Organics comprise significant portions of the residential and commercial disposal streams. The composition of organic sub-streams can range from very "clean" to highly contaminated, depending on the source and method of collection.

The majority of organics that enter the disposal stream have historically gone to landfills where their decomposition produces greenhouse gases. In California this has changed dramatically since the inception of residential green waste collection and the rise of a robust and successful composting industry. Currently, a large portion of green waste is source-separated and collected or received from self haul customers at transfer stations. These materials are then aerobically digested to produce compost and related products.

The situation with food waste is considerably different. Food waste is typically collected as a component of a residential or commercial MSW stream that is highly contaminated and has been traditionally been used as alternate daily landfill cover (ADC). Recently, a small number of anaerobic digestion (AD) facilities have been built to process both clean and residual organic streams from mixed-waste MRF's to produce renewable energy in the form of electricity or vehicle fuel.

For many years, JRMA has had a critical and important role in statewide efforts to develop facilities to effectively and efficiently receive and process organic materials and mitigate environmental impacts. By providing a very high level of professional design and consulting services, JRMA has helped Clients meet these challenges and develop successful projects, including composting yards, mixed-waste MRF's, organics pre-processing and anaerobic digestion facilities.

ORGANICS PROCESSING





Profile

JRMA focuses on the most salient aspects of a particular process to determine the most efficient and effective way to integrate the process with the design of the overall facility. To maximize efficiency and effectiveness, JRMA considers operational aspects such as vehicle and pedestrian traffic, material flow, surge capacity and storage requirements. We also incorporate vital non-process design considerations including zoning requirements, storm water management, and staff support functions.

As a result of our leadership in the design of solid waste facilities, JRMA is a recognized leader in the Industry. JRMA facilities are recipients of various awards and have received five Gold Awards for "Solid Waste Facility of the Year" by the Solid Waste Association of North America. In addition, four of our solid waste facilities have achieved USGBC LEED® Gold Certifications.

JRMA
ARCHITECTS ENGINEERS

JRMA's approach to sustainable design is to collaborate with our clients in implementing design solutions that meet their goals. The way we build will effect the lives of future generations. For that reasron, JRMA is committed to sustainable design - we focuses on incorporating JRMA/Green design that conserves valuable resources, protects the ecosystem, and provides a sensible economic solution for the project.

Our LEED/ Sustainable design staff includes 8 LEED Accredited Professionals contributing to sustainable design on over 75% of our current projects. They are focused on delivering sustainable solutions that best suit projects goals and building parameters.

Over the past few years, we have successfullydelivered the first LEED Platinum Certified Hangar for Avjet Corporation in Burbank, CA and the first Cal-Green Certified Hangar for Castle & Cooke, Inc. In Van Nuys, CA.Furthermore, we have designed three LEED Gold Certified Solid Waste facilities, a LEED Gold Certified manufacturing facility, a LEED Certified testing/ lab facility,and have incoporated a number of sustainable design practices in over 50 facilities.

We are proud to be silver Member if the United States Green Building Council (USGBC)









Platinum
Avjet Hangar 25

Gold
Pomona Valley Transfer Station
Shoreway Environmental Center
Davis St. Transfer Station
Tacoma Recycling & Transfer Station
Mission Foods

Certified
Volkswagen Emissions Control Center &Vehicle Testing Lab

Pending Certification
Factoria Recycling & Transfer Station
Athens Transfer Station & MRF
ZWEDC Anaerobic Digestion & compost facility

LEED Certified Projects

SUSTAINABLE Profile

JRMA ARCHITECTS ENGINEERS









Solid Waste EXPERIENCE

JRMA
ARCHITECTS ENGINEERS



Bee'ah MRF

Sharjah
United Arab Emirates

The new 90 TPH residential and commercial materials recovery facility, this project included development of green field site and construction of:

(1) A MRF building with a tipping floor; three parallel sorting systems; elevator, enclosed sorting station; bailing and bale storage area; exterior residue loading bay; and shipping dock
(2) A two-bay vehicle maintenance building
(3) A two-story aministration building.







JRMA Provided:

- *Conceptual layout*
- *Facility Size*
- *Operations and maintenance work flows*
- *Storage capabilities*
- *Alternate means and methods for residue load-out*
- *Administrative and other non-process requirements*
- *Engineering and Architectural Consideration for the building shell and concrete slab*

North Gateway Transfer Station & MRF

Phoenix, AZ











This new facility is a part of the North Gateway City Services Complex and provides municipal solid waste processing for the rapidly growing communities of North Phoenix. Completed in 2005 and operational in early 2006, the 43-acre site includes a 193,000 S.F. transfer and processing building, administrative offices, visitor areas, driver assembly building, and scale houses. The main building has a transfer area processing capacity of 4,000 tons per day (TPD), and the materials recovery facility is capable of processing 400 TPD of commingled recyclables.

JRMA's design acknowledges the local landscape, the dark earth tones palette of the building materials reflect the natural desert hues. The dynamic sloped roof forms express the strong angular lines of the natural rock formations of the horizon and the deep overhangs create strong shadows that cool, shade and emphasize building shapes.

In addition, sustainable design features were integrated within the design and include:

- Steel framing with approximately 90% recycled content
- Cool roof with a high emissivity coating
- Photovoltaic panel arrays
- Interior finishes with recycled material content
- High thermal mass walls
- Fly ash content for all concrete
- Daylighting with translucent materials
- Daylight controlled lighting systems

JRMA
ARCHITECTS ENGINEERS

Tacoma Recycling & Transfer Station

Tacoma, WA

Owned and operated by the City of Tacoma, this landfill site began operations in 1960 and covers approximately 240-acres located on the west side of the City and receives 200,000 tons per year of municipal solid waste (MSW and compost). The City proposed improvements to the existing municipal solid waste and yard waste (compost) operations and transfer facilities.

The primary goals of these improvements were:

- Improve operational efficiency along with improving the health/safety of customers and employees.
- Reduce operation and maintenance costs.
- Meet current municipal solid waste transfer facility design standards and regulations.
- Provide operational flexibility to meet future operational needs and future regulations.
- Increase facility capacity to match
- projected increases for municipal solid waste tonnage and vehicle volumes as determined by the City.











Special Considerations:

- *The existing facilities are located on both native ground and capped refuse areas of the landfill. The designs utilize the existing building foundations in capped regions of the landfill in order to reduce costs.*
- *Construction phasing to allow solid waste operations to be maintained during project construction.*
- *Close coordination with the City's current and future consultants working on various other improvements occurring concurrently at the landfill.*



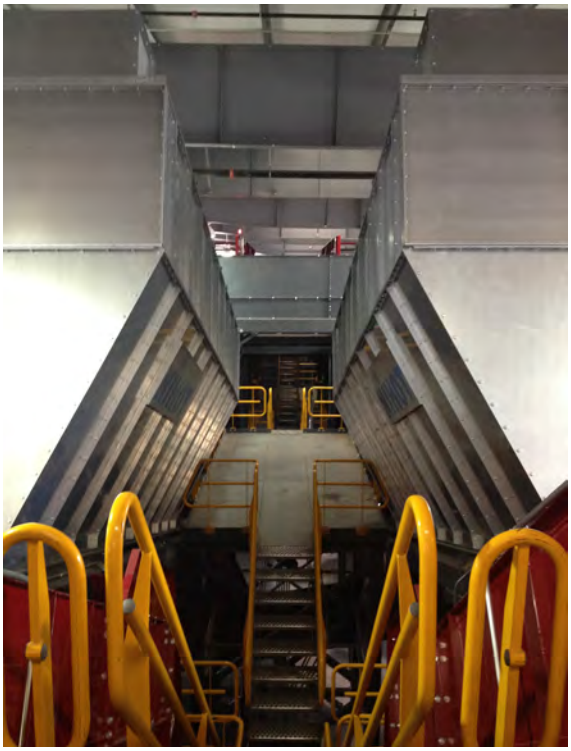
Athens Services

Sun Valley, CA

JRMA provided architectural and structural engineering design services for this new 80,000 S.F. PEMB solid waste and recycling facility. The new facility features a state-of-the-art dual line Material Recovery Facility (MRF), Bale Storage and Recyclable Loadout Dock, Transfer Station with a Load-out Tunnel and an elevated Office/Administration/Visitor Area with direct view of the entire operations. A hybrid pre-engineered metal building system was used to provide the large clear-spans and for the framing of the exterior architectural metal panels and polycarbonate panel skin. The project incorporated a number of LEED/Sustainable design features including a roof-top photovoltaic system, automated lighting control system, use of high-content recycled materials, and abundant natural daylighting to nearly all areas of the facility. The new building is currently on track to receive LEED® Silver Certification.

2016 **SWANA**
Silver Excellence Award
Recycling Systems







JRMA ARCHITECTS ENGINEERS

Puente Hills Transfer Station & MRF

Whittier, CA

Designed to meet the growing municipal Solid Waste needs of the County of Los Angeles, this new facility has the capacity to process 4,400 tons per day (TPD). The Puente Hills Materials Recovery Facility's expansive 300' by 750' superstructure provides for operational flexibility. The main building is 215,000 S.F. and has a clear span of 300 ft. with a clear height of 55 ft.

Located within the main building, the 37,000 S.F. MRF provides mechanized sorting of recycables for compaction, baling and shipment from a loading dock.

The second floor of the 13,000 S.F. administration building features a bridge connection to an odor-free, climate controlled public viewing gallery above the processing and tipping floors. Six subterranean load-out positions provide transfer capabilities to off-site landfill locations and a dedicated redemption center is available for the public's recycables.

Design Completed 2003
Project Completed 2005

2006 SWANA
Gold Excellence Award
Transfer Station Design











JRMA ARCHITECTS ENGINEERS

Shoreway Environmental Center

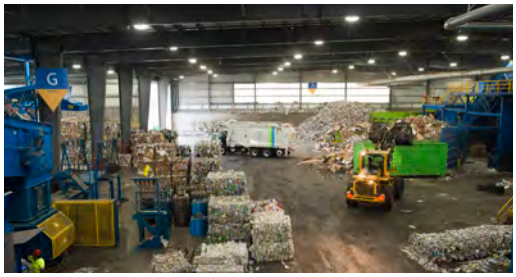
South Bayside Waste Management Authority San Carlos, CA

JRMA's design approach for the project aimed at redefining operational efficiency and improve customer safety. The existing dual stream MRF building was demolished and replaced with a new 71,000 S.F. single stream MRF. A new 21,000 S.F. addition to the existing transfer station provided the space to increase recovery of materials from waste delivered by contractors and self haulers.

The result was a complete transformation that resulted in the New Shoreway Environmental Center (SEC)











Key Features Include:

- *Environmental Education center for hosting tours and events.*
- *Solar panels installed on the roof to supply renewal energy sufficient that provides over 50% of the energy needs of the entire facility.*
- *Green Design features recycled materials for the Pre-Engineered Metal Building and interior wall and floor finishes; translucent wall and skylight for natural lighting and rain water harvest and reuse.*
- *An advanced recycling system to process both single stream and commercial recyclables.*

2012 **SWANA**
Gold Excellence Award
Transfer Station Design

JRMA ARCHITECTS ENGINEERS

Awards

AWARDS

2015

General Aviation - Architectural Project of the Year
Southeast Chapter of the American Association of Airport Executives (AAAE)
Blue Grass Airport, Westside General Aviation Campus, Lexington, KY

Best Industrial Project of the Year
San Fernando Valley Business Journal
Commercial Real Estate Award
Athens Services MRF Fcility, Sun Valley, CA

2014

Gold Excellence Award - Composting
Solid Waste Association of North America (SWANA)
Monterey Regional Waste Management District
SMARTFERM Systems, Marina, CA



2013

Gold Excellence Award - Transfer Station Design
Solid Waste Association of North America (SWANA)
City of Tacoma Environmental Services
Tacoma Solid Waste Management Recovery, and Transfer Station



Project of the Year - Environmental
American Public Works Association (APWA)
Tacoma Recycling and Transfer Station

Green Building Award - Industrial

California State Assembly Recognition Award for Sustainability

State of California Senate Recognition Award for Sustainability
San Mateo County
Shoreway Environmental Center, San Carlos, CA



JRMA
ARCHITECTS ENGINEERS

AWARDS

2012

Gold Excellence Award - Transfer Station Design
Solid Waste Association of North America (SWANA)
Shoreway Environmental Center, San Carlos, CA

ENR Magazine - Best Industrial Project
City of Tacoma Recovery and Transfer Center





2010

Congressional Merit Award
Million Air
San Bernardino International Airport (SBD)

Design Award for New Construction
San Bernardino Chamber of Commerce
Million Air
San Bernardino International Airport (SBD)



2009

Environmental Achievement Management
Airport Council International - North America (ACI-NA)
Hangar 25/ AVJET Corporation, Bob Hope Airport

Design Award
Southern California Development Forum (SCDF)
TWC Aviation - Maguire Aviation Facility
Van Nuys Municipal Airport (VNY)

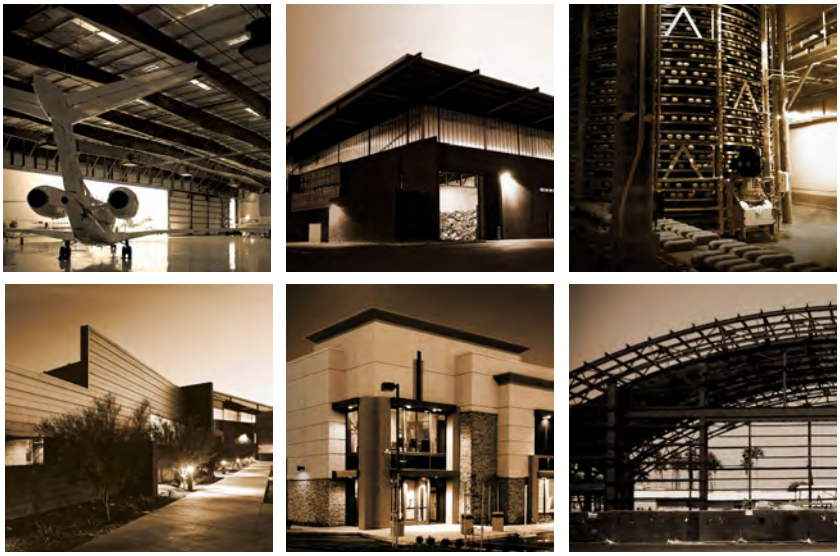
2007

Gold Excellence Award - Transfer Station Design
Solid Waste Association of North America (SWANA)
North Gateway Transfer Station & MRF, Phoenix, AZ

JRMA
ARCHITECTS ENGINEERS

Contact Us

ARCHITECTS ENGINEERS



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T. 971.386.5193

Kentucky Office
624 Wellington Way
Ste C
Lexington, KY 40503
T. 859.245.0049

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2.3 Conflict of Interest Statement

Proposer hereby warrants that no gratuities have been or will be offered or given by Proposer, or any agent or representative of the Proposer, to any officer or employee of the SCWMA or any participant in the selection of a Proposer to furnish the services described herein in order to secure a favorable treatment regarding the evaluation, scoring, and Agreement award process.

SACYR ENVIRONMENT USA LLC

By: _____

Name: _____

Title: _____

2.4 Litigation and Notice of Violation History

Neither the Proposer, nor its parent company, subsidiaries, partners, or principals have any items to disclose in response to the “Litigation and Notice of Violation History” section of Section 5.5.2 of the RFP.

SECTION 3 STATEMENT OF FINANCIAL QUALIFICATIONS

3.3 Audited Financial Statements

JOSÉ LUIS GÓMEZ RODRÍGUEZ
Traductor-Intérprete jurado de
INGLÉS
Nº 1144
10 de junio de 2015

Independent Audit Report

VALORIZA SERVICIOS MEDIOAMBIENTALES, S.A.

Annual Accounts and Management Report corresponding to business year ended on December 31st, 2014

JOSÉ LUIS GÓMEZ RODRÍGUEZ
Traductor-Intérprete jurado de
INGLÉS
Nº 1144
10 de junio de 2015

ANNUAL ACCOUNTS INDEPENDENT AUDIT REPORT

To Valoriza Servicios Medioambientales, S.A. shareholders:

Annual accounts Report

We have audited Valoriza Servicios Medioambientales, S.A. annual accounts, which is comprised by the balance sheet on December 31st, 2014, profit and loss account, statement of changes in equity, cash flows statement, and the report corresponding to the business year ended on said date.

Directors' responsibility with regard to annual accounts

Directors are responsible for the preparation of the enclosed annual accounts, so they express a truthful image of the equity, financial situation and results of Valoriza Servicios Medioambientales, S.A., according to the regulatory framework of the financial information applicable to the company in Spain, identified in note 2 of appended report, and to internal control deemed necessary to allow preparation of annual accounts free of any material misstatements, due to fraud or mistake.

Auditor's responsibility

Our responsibility is to express an opinion on enclosed annual accounts, based on our audit results. We have carried out our audit process in accordance with accounts audit regulatory standards effective in Spain. Such standards require to comply with ethical requirements, as well to plan and perform audit for the purpose of obtaining a reasonable guarantee that annual accounts are free of material misstatements

An audit requires to apply procedures to obtain audit evidence on the amounts and information detailed in the annual accounts. Selected procedures depend in auditor's view, including material misstating risks evaluation, due to fraud or mistake. When performing such risk evaluations, auditor considers internal control relevant to draw up annual accounts by the entity, in order to design suitable audit procedures depending on the circumstances, and not in order to express an opinion on entity's internal control efficiency. An audit also includes to evaluate applicable accounting policies adequacy and reasonableness of accounting estimates, as well as to evaluate annual accounts submission as a whole.

We consider that the audit evidence we have obtained provided a sufficient and suitable foundation for our audit opinion.

JOSÉ LUIS GÓMEZ RODRÍGUEZ
Traductor-Intérprete jurado de
INGLÉS
Nº 1144

Opinion

In our opinion, the enclosed annual accounts indicate, in all relevant aspects, an accurate representation of the equity and financial situation of Valoriza Servicios Medioambientales, S.A. as for December 31st, 2014, as well as of the results and cash flow statements corresponding to the business year ended on that date, according to the applicable financial information regulatory framework and, particularly to the accounting principles and criteria contained therein.

Report about other legal and regulatory requirements

Enclosed management report for the 2014 business year contains the explanations considered suitable by the Directors about Valoriza Servicios Medioambientales, S.A. situation, its business evolution and other matters and is not part of annual accounts. We have verified that the accounting information in the management report is consistent with that contained in 2014 annual accounts. Our task as auditors is limited to checking the management report with the scope mentioned in this paragraph, and does not include a review of any information other than that the one drawn from Company's accounting records.

Madrid, May 25th, 2015

[Stamp of the Sworn Account Auditors Institute of Spain - Exercising member: ERNST & YOUNG, S.L. - Year 2015 - Nº 01/15/10518 - CORPORATE STAMP: 96.00 Euros
Report is subject to tax established in article 44 of the Account Auditing Laws redrafted text, approved by Royal Legislative Decree 1/2011 of July 1st.

ERNST & YOUNG, S.L.
(Registered in the Accounts Auditors Official Registry with number S0530)
[Illegible signature]
José Enrique Quijada Casillas

JOSÉ LUIS GÓMEZ RODRÍGUEZ
Traductor-Intérprete jurado de
INGLÉS
Nº 1144
10 de junio de 2015

VALORIZA SERVICIOS MEDIOAMBIENTALES, S.A.

Annual accounts and Management Report corresponding to business year ended on December 31st, 2014

JOSÉ LUIS GÓMEZ RODRÍGUEZ
Traductor-Intérprete jurado de
INGLÉS
Nº 1144
10 de junio de 2015

VALORIZA SERVICIOS MEDIOAMBIENTALES, S.A.
BALANCE SHEETS ON DECEMBER 31st, 2014 and 2013
(In Euros)

ASSET	Report notes	2014	2013
A) Non-current assets		**197,846,737.96**	**204,775,905,.21**
I. Intangible assets	5	35,880,254.64	42,605,149.64
1. Concessions		-	2,482,982.82
2. Patents, licenses, trademarks and similar		-	859.59
3. Trade fund		-	70,000.00
4. Software applications		64,818.86	85,737.65
5. Other intangible assets		64,435.00	78,337.00
6. Concession agreement	6	35,751,000.78	39,887,232.58
a) Concession agreement, regulated assets		33,317,211.13	37,501,608.37
b) Concession agreement, financial amounting		2,188,894.09	1,639,628.10
c) Advanced payments by concession agreement, regulated assets		244,895.56	745,996.11
II. Tangible fixed assets	7	70,268,295.19	72,704,458.47
1. Land and buildings		5,377,646.56	5,071,769.98
2. Technical facilities and other tangible fixed assets		64,748,563.50	65,739,407.22
3. Ongoing fixed assets and advanced payments		142,085.13	1,893,281.27
III. Long-term investments in group and associated companies	10, 21b	17,548,478.48	20,678,691.64
1. Equity instruments		5,168,986.19	7,481,635.57
2. Corporate credits		12,379,492.29	13,197,056.07
IV. Long-term financial investments	9a	6,535,470.22	5,919,488.96
1. Equity instruments		7,515.00	7,752.50
2. Credits to third parties		1,142,437.52	1,281,556.18
3. Other financial assets		5,385,517.70	4,630,180.28
V. Deferred taxes assets	19b	11,153,494.52	3,419,207.72
VI. Non-current trade payables	6,9a	56,460,744.91	59,448,908.78
1. Concession agreement, collection right		56,460,744.91	59,448,908.78
B) **CURRENT ASSETS**		**148,291,162.39**	**170,331,207.27**
I. Stock	12	1,876,196.91	1,350,702.74
1. Trade		1,527,073.57	1,184,425.01
2. Raw materials and other supplies		105,890.06	-
3. Finished products		15,228.00	-
4. Sub-products, waste and recovered materials		59,037.67	9,819.12
5. Advanced payment to suppliers		168,967.61	156,458.61
II. Trade and other receivables	9a	125,516,096.17	145,698,718.84
1. Customers from sales and services provisions		109,571,661.94	114,153,073.48
2. Customers, group's companies and related	21b	6,958,075.93	23,900,247.63
3. Various receivables		3,811,579.88	2,663,051.54
4. Staff		547,437.80	182,005.08
5. Other credits with Public Administrations	19a	1,164,368.78	1,399,580.68
6. Concession agreement, collection right	6, 9a	3,462,971.84	3,400,760.43
III. Short-term group's and related companies investments	10, 21b	5,467,903.76	5,511,024.89
1. Corporate credits		445,139.97	438,897.23
2. Other financial assets		5,022,763.79	5,072,127.66
IV. Short-term financial investment	9a	835,104.52	1,190,008.05
1. Corporate Credits		-	399.51
2. Other financial assets		835,104.52	1,189,608.54
V. Short-term accruals	16a	1,334,773.94	1,082,662.44
VI. Cash and other equivalent liquid assets	13	13,261,087.09	15,498,090.31
1. Treasury		13,261,087.09	15,498,090.31
TOTAL ASSET		**346,137,900.35**	**375,107,112.48**

Notes 1 to 24 described in the appended Report are a part of the balance sheet.

JOSÉ LUIS GÓMEZ RODRÍGUEZ
Traductor-Intérprete jurado de
INGLÉS
Nº 1144
10 de junio de 2015

VALORIZA SERVICIOS MEDIOAMBIENTALES, S.A.
BALANCE SHEETS ON DECEMBER 31st, 2014 and 2013
(In Euros)

EQUITY AND LIABILITIES	Report notes	2014	2013
A) EQUITY		**67,046,672.35**	**66,725,364.34**
A-1) **SHAREHOLDERS EQUITY**		72,388,530.03	71,443,921.40
I. Capital			
1. Subscribed capital	14a	17,129,235.00	17,129,235.00
		17,129,235.00	17,129,235.00
II. Issue Premium	14a	17,881,778.66	17,881,778.66
III. Reserves			
1. Legal and statutory	14b	28,724,751.99	28,021,264.18
2. Other reserves		3,425,847.00	3,425,847.00
		25,298,904.99	24,595,417.18
IV. Business year's result	3	8,652,764.38	8,411,643.56
A-2) **ADJUSTMENT BY VALUE CHANGES**	9d	(5,449,865.46)	(4,790,298.25)
I. Hedge operations		(5,449,865.46)	(4,790,298.25)
A-3) **GRANTS, DONATIONS AND LEGACIES RECEIVED**	14c, 17	108,007.78	71,741.19
B) NON-CURRENT LIABILITIES		**160,907,605.85**	**176,253,882.41**
I. Long-term provisions	15a	5,780,321.59	6,986,772.40
1. Other provisions		5,034,137.17	5,801,352.43
2. Provisions by actions over infrastructures		746,184.42	1,185,419.97
II. Long-term debts	9b	91,797,312.58	97,323,743.83
1. Debts with credit entities		73,972,198.11	79,383,165.05
2. Creditors by financial leasing	8	6,905,114.59	7,252,742.03
3. Derivatives	9d	5,961,037.75	5,096,418.45
4. Other financial liabilities		4,958,962.13	5,591,418.45
III. Debts with groups' companies and related	21b	56,990,414.37	64,280,988.81
IV. Liabilities by deferred taxes	19b	6,339,557.31	7,662,377.37
C) CURRENT LIABILITY		**118,183,622.15**	**132,127,865.73**
I. Short-term provisions	15b	6,504,436.00	3,282,755.50
II. Short-term debts	9b	43,424,538.83	50,895,270.94
1. Debts with credit entities		36,531,659.19	43,226,636.43
2. Creditors by financial leasing	8	4,278,252.05	50,895,270.94
3. Derivatives	9d	1,186,104.08	1,613,342.16
4. Other financial liabilities		1,428,523.51	1,113,435.00
III. Short-term debts with groups' companies and related	21b	4,756,111.07	5,915,158.04
IV. Trade and other payables	9b	62,373,047.55	70,782,541.01
1. Suppliers		37,741,303.00	40,787,909.30
2. Suppliers, groups' companies and related	21b	4,263,150.37	9,651,523.45
3. Various creditors		7,953,051.84	6,632,133.35
4. Staff (remunerations pending payment)		4,949,913.83	5,266,799.46
5. Other debts with public administrations	19a	7,465,628.51	8,444,175.45
V. Short-term accruals and deferrals	16b	1,125,488.70	1,252,140.24
TOTAL EQUITY AND LIABILITIES		346,137,900.35	375,107,112.48

Notes 1 to 24 described in the appended Report are a part of the balance sheet.

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10 de junio de 2015

VALORIZA SERVICIOS MEDIOAMBIENTALES, S.A.
PROFIT AND LOSS ACCOUNT CORRESPONDING TO THE BUSINESS YEARS ENDED
ON DECEMBER 31st, 2014 AND 2013
(In Euros)

	Report notes	2014	2013
A) CONTINUED OPERATIONS			
1. Net turnover	20a	282,769,609.06	258,788,810.56
a) Services provision		279,600,109.73	255,525,770.66
b) Financial income, concession agreement		3,169,499.33	3,263,039.90
2. Finished products and products under manufacture stock variance		898,171.74	79,687.92
3. Works performed by the company for its assets		14,383.68	1,123,253.52
4. Supplies	20b	(36,383,088.94)	(49,144,958.51)
a) Merchandise consumption		(10,020,869.46)	(8,916,022.36)
b) Raw materials and other consumables		(3,276,508.69)	(10,894,992.27)
c) Works executed by other companies		(23,085,710.79)	(29,333,943.88)
5. Other operating revenue		10,988,649.30	12,209,838.73
a) Non-core and other current operating revenues	20f	10,957,225.01	12,201,727.17
b) Operation subsidies included in the business year's result		31,424.29	7,656.56
6. Staff expenses	20d	(175,632,948.16)	(139,685,487.47)
a) Wages, salaries and similar expenses		(130,510,962.08)	(105,286,859.01)
b) Social charges		(45,121,986.08)	(34,398,628.46)
7. Other operating expenses		(53,123,487.16)	(47,959,735.39)
a) External services	20e	(46,519,424.89)	(42,636,016.63)
b) Tributes		(1,345,623.09)	(1,680,781.65)
c) Losses, impairment and variation of provisions by commercial operations		(4,745,325.07)	(1,670,117.67)
d) Other current management expenses		(513,114.11)	(1,972,819.44)
8. Fixed-assets depreciation	5,7	(15,335,311.89)	(14,558,741.48)
9. Attribution of grants on non-financial fixed assets and others	9b	72,691.29	125,311.72
10. Provisions surpluses	15b	504,293.17	315,802.21
11. Depreciation and results by fixed assets disposals	7	(859,242.91)	(91,071.78)
a) Depreciation and losses		(261,906,70)	220,591.67
b) Results by disposals and others		(597,336.21)	(311,663.45)
A.1) OPERATING RESULT		**13,913,719.18**	**21,202,255.03**
12. Financial revenues	9c	6,445,551.27	2,085,428.78
a) Of equity instruments interest		556,555.30	385,983.45
- In group and related companies	21a	-	384,571.88
- In third parties		556,555.30	1,411.57
b) Of negotiable values and other financial instruments		5,888,995.97	1,699,445.33
- In group and related companies	21a	333,479.11	467,733.42
- In third parties		5,555,516.86	1,231,711.91
13. Financial expenses	9c	(7,530,214.31)	(9,513,840.82)
a) By debts with group and related companies	21a	(2,276,167.84)	(2,584,896.68)
b) By debts with third parties		(4,697,327.65)	(6,342,765.47)
c) By provisions update		(7,452.83)	(9,161.23)
d) Inclusion of financial expenses to assets	5	(549,265.99)	(577,017.44)
14. Variation of fair value in financial instruments	9c	(1,217,581.22)	(1,274,688.24)
a) Trading portfolio and others		(1,217,581.22)	(1,274,688.24)
15. Exchange differences		(30.89)	-
16. Depreciation and results by disposal of financial instruments	9c	1,024,965.51	(98,175.41)
a) Depreciation and losses		(2,251,626.92)	(106,893.69)
b) Results by disposals and others		3,276,592.43	8,718.28
A.2) FINANCIAL RESULT		**(1,277,309.64)**	**(8,801,275.69)**
A.3) RESULT BEFORE TAXES		12,636,409.54	12,400,979.34
17. Profit tax	19	(4,030,482.05)	(4,511,868.55)
18. Tax variation	19	46,836.89	522,532.77
A.4) BUSINESS YEAR'S RESULT FROM CONTINUED OPERATIONS		**8,652,764.38**	**8,411,643.56**
A.5) BUSINESS YEAR'S RESULT		**8,652,764.38**	**8,411,643.56**

Notes from 1 to 24 detailed in attached Report are part of the Profit and Loss Account.

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VALORIZA SERVICIOS MEDIOAMBIENTALES, S.A.
EQUITY CHANGES CORRESPONDING TO THE BUSINESS YEARS ENDED ON DECEMBER 31st, 2014 AND 2013
(In Euros)

A) INCOME AND EXPENSES CONDITION AND RECORDED EXPENSES RELATED TO THE BUSINESS YEARS ENDED ON DECEMBER 31st, 2014 AND 2013

	2014	2013
A) PROFIT AND LOSS ACCOUNT RESULTS	**8,652,764.38**	**8,411,643.56**
Income and expenses charged directly to equity		
I. By cash flow hedge	(2,159,820.09)	964,025.69
II. Grants, donations and legacies	104,195.96	37,043.35
III. Tax effect	630,900.56	(295,203.44)
B) TOTAL INCOME AND EXPENSES CHARGED DIRECTLY TO EQUITY	**(1,424,723.57)**	**705,865.60**
Transfer to the profit and loss account		
IV. By cash flows hedge	1,217,581.22	1,274,688.24
V. Grants, donations and legacies	(72,691.29)	(55,020.82)
VI. Tax effect	(343,466.98)	(365,900.24)
C) TOTAL TRANSFERS TO THE PROFIT AND LOSS ACCOUNT	**801,422.95**	**853,767.18**
TOTAL RECORDED INCOME AND EXPENSES (A + B + C)	**8,029,463.76**	**9,971,276.34**

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VALORIZA SERVICIOS MEDIOAMBIENTALES, S.A.
EQUITY CHANGES CORRESPONDING TO THE BUSINESS YEARS ENDED ON DECEMBER 31st, OF 2014 AND 2013
(Indicated in Euros)

B) EQUITY CHANGES TOTAL CONDITION CORRESPONDING TO THE BUSINESS YEARS ENDED ON DECEMBER 31st, 2014 AND 2013

	Recorded capital	Issue premium	Reserves	Business year result	Adjustments by Value changes	Grants, donations and legacies	TOTAL
A) BALANCE ON 01/01/2013	**17,129,235.00**	**17,881,778.66**	**26,795,524.11**	**13,044,912.22**	**(6,357,398.00)**	**79,208.16**	**68,573,260.15**
I. Adjustments by criteria changes	-	-	-	-	-	-	-
II. Adjustments by errors	-	-	-	-	-	-	-
B) ADJUSTED BALANCE, BEGINNING OF 2013 BUSINESS YEAR	**17,129,235.00**	**17,881,778.66**	**26,795,524.11**	**13,044,912.22**	**(6,357,398.00)**	**79,208.16**	**68,573,260.15**
I. Total recorded income and expenses	-	-	-	8,411,643.56	1,567,099.75	(7,466.97)	**9,971,276.34**
II. Operations with partners or owners	-	-	-	(11,819,172.15)	-	-	**(11,819,172.15)**
1. Dividend distribution	-	-	-	(11,819,172.15)	-	-	**(11,819,172.15)**
III. Other equity variations	-	-	1,225,740.07	(1,225,740.07)	-	-	-
C) 2013 BUSINESS YEAR FINAL BALANCE	**17,129,235.00**	**17,881,778.66**	**28,021,264.18**	**8,411,643.56**	**(4,790,298.25)**	**71,741.19**	**66,725,364.34**
I. Adjustments by criteria changes	-	-	-	-	-	-	-
II. Adjustments by errors	-	-	-	-	-	-	-
D) ADJUSTED BALANCE, BEGINNING OF 2014 BUSINESS YEAR	**17,129,235.00**	**17,881,778.66**	**28,021,264.18**	**8,411,643.56**	**(4,790,298.25)**	**71,741.19**	**66,725,364.34**
I. Total recorded income and expenses	-	-	-	8,652,764.38	(659,567.21)	36,266.59	**8,029,463.76**
II. Operations with partners or owners	-	-	-	(7,708,155.75)	-	-	**(7,708,155.75)**
1. Dividend distribution	-	-	-	(7,708,155.75)			**(7,708,155.75)**
III. Other equity variations			703,487.81	(703,487.81)			
E) 2014 BUSINESS YEAR FINAL BALANCE	**17,129,235.00**	**17,881,778.66**	**28,724,751.99**	**8,652,764.38**	**(5,449,865.46)**	**108,077.78**	**67,046,672.35**

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VALORIZA SERVICIOS MEDIOAMBIENTALES, S.A.
CASH FLOW STATEMENT CORRESPONDING TO THE BUSINESS YEARS ENDED ON DECEMBER 31st, 2014 AND 2013
(In Euros)

	2014	2013
A) OPERATING ACTIVITIES CASH FLOW		
1. Business year result before taxes	12,636,409.54	12,400,979.34
2. Result adjustments:	21,640,205.05	24,680,092.69
a) Fixed assets depreciation	15,335,311.89	14,558,741.48
b) Impairment assessment corrections	2,513,533.62	(113,697.98)
c) Provisions variations	4,241,031.90	1,354,315.46
d) Subsidies charging	(72,691.29)	(125,311.72)
e) Results by fixed assets cancelations and disposals	597,336.21	311,663.45
f) Results by financial instruments fixed assets cancelations and disposals	(3,276,592.43)	(8,718.28)
g) Financial income	(6,445,551.27)	(2,085,428.78)
h) Financial expenses	6,980,948.32	8,936,823.38
i) Exchange differences	30.89	-
j) Variation of fair value in financial instruments	1,217,581.22	1,274,688.24
k) Other income and expenses	549,265.99	577,017.44
3. Working capital changes	1,979,477.62	4,983,560.41
a) Stock	(525,494.17)	(77,364.45)
b) Debtors and other receivables	23,193,230.19	17,111,712.92
c) Other current assets	(252,111.50)	(805,901.81)
d) Creditors and other payables	(7,558,627.00)	(6,975,367.36)
e) Other current liabilities	(1,174,195.17)	(1,944,637.10)
f) Other non-current assets and liabilities	(11,703,324.73)	(2,324,881.79)
4. Other operational activities cash flow	(2,580,870.09)	(8,201,349.03)
a) Interests payments	(4,264,885.48)	(5,774,909.26)
b) Dividends collection	556,555.30	385,983.45
c) Interests collection	5,888,995.97	1,699,445.33
d) Collections (payments) by profit tax	(4,761,535.88)	(4,511,868.55)
5. Operational activities cash flows	**33,675,222.12**	**33,863,283.41**
B) INVESTMENT ACTIVITIES CASH FLOWS		
6. Payment by investments	(15,096,715.46)	(15,906,859.04
a) Group and related companies	(206,837.51)	(3,608,891.50)
b) Intangible fixed assets	(1,931,810.77)	(1,188,607.01)
c) Tangible fixed assets	12,202,729.76)	(11,094,804.90)
d) Other financial assets	(755,337.42)	(14,555.63)
7. Collections by disinvestments	11,470,052.56	9,303,417.50
a) Group and related companies	4,424,014.85	2,900,457.64
b) Intangible fixed assets	5,690,095.41	1,132,321.48
c) Tangible fixed assets	861,682.61	1,015,925.40
d) Other financial assets	494,259.69	4,254,712.98
8. Investment activities cash flow	**(3,626,662.90)**	**(6,603,441.54)**
C) FINANCING ACTIVITIES CASH FLOW		
9. Equity instruments collections and payments	22,853.18	(52,281.38)
a) Grants, donations and legacies	22,853.18	(52,281.38)
10. Liabilities instruments collections and payments	**(24,600,228.98)**	**(20,614.616.29)**
a) Issue	(2,510,345.32)	(1,864,266.32)
1. Debts with group and related companies	(2,825,433.83)	(2,185,808.91)
2. Other debts	315,088.51	321,542.59
b) Return and depreciation of	(22,089,883.66)	(18,750,349.97)
1. Obligations and other negotiable values	(663,605.30)	(906,132.15)
2. Debts with credit entities	(12,344,200.63)	(17,115,644.09)
3. Debts with group and related companies	(8,449,621.41)	(143,620.78)
4. Other debts	(632,456.32)	(584,952.95)
11. Payments by dividends and remunerations of other equity instruments	(7,708,155,75)	(11,819,172.15)
a) Dividends	(7,708,155.75)	(11,819,172.15)
12. Financing activities cash flows	**(32,285,531.55)**	**(32,486,069.82)**
D) EXCHANGE RATE VARIATIONS EFFECT	**(30.89)**	-
E) CASH OR EQUIVALENT NET INCREASE/DECREASE	**(2,237,003.22)**	**(5,226,227.95)**
Cash or equivalents at the beginning of the business year	15,498,090.31	20,724,318.26
Cash or equivalents at the end of the business year	13,261,087.09	15,498,090.31

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1. Company activity

The Company SUFI, S.A. was incorporated in March 24th, 1982 and changed its corporate name in October 14th, 2010 by the current one of Valoriza Servicios Medioambientales, S.A. (hereinafter VSM, S.A.) and has its current corporate address in 11-13 Juan Esplandiú Street 13 floor, Madrid.

VSM, S.A., Company acquired by Sacyr Vallehermoso group during the 2005 business year, is integrated in Valoriza Gestión S.A.U., company that manages the Group Services Department. The Company's scope of action encompasses the environment area, in which the management of waste, from its collection and transportation to its treatment, recycling and sub-product evaluation acquires special importance. The Company performs other complementary activities, such as environmental recovery of forest environment or river basins, maintenance of green areas and landscape integration works.

Its corporate purpose consists of performing studies, projects, works, supplies, assembly and operation of industrial and civil services engineering. Its activities are structured in 2 large Departments or business lines:

- Waste treatment
- Urban services

Additionally it participates in companies with analogous activities.

The Company is ruled by its by-laws and the current Spanish Corporations Act, approved by Royal Legislative Decree 1/2010, of July 2nd.

All activities are executed in Spain and a Permanent Presence is maintained in Portugal.

The Company is comprised by Sacyr Group, which parent Company is Sacyr, S.A., with corporate address in Madrid, Paseo de la Castellana, number 83-85, being this Company the one preparing the consolidate annual accounts.

On July 15th, 2013 Sacyr, S.A. changed its prior name of Sacyr Vallehermoso, S.A. by that of Sacyr, S.A. according to protocol 1,398 before Madrid's Illustrious Notary Mr. Rafael Monjo Carrió. This modification was afterwards recorded in Madrid's Commercial Registry on July 25th, 2013.

The consolidated annual statements of Sacyr Group for the 2013 business year were formulated by the Directors of Sacyr, S.A. in the Board of Directors' Meeting held on March 27th, 2014 and approved by the General Shareholders Meeting held on June 12th, 2014 and deposited in Madrid's Commercial Registry.

2. Annual annual accounts presentation bases

a) Regulation frame

The regulation frame related to financial information applicable to the Company is:

1. Trade Code and the remaining applicable commercial law.
2. General Accounting Plan and sector adaptations.
3. Mandatory compliance Regulations approved by the Accounting and Account Audit Institute for the development of the General Accounting Plan and complementary regulations.
4. Remaining applicable Spanish accounting regulation

b) Sector regulation

The company activity is directly affected by the following regulations on energy approved by the Public Administration:

- RD 661/2007 of May 28th, 2007 which regulates the electricity production under special regime established in the legal and economic framework of this activity, in force until July 13th, 2013.

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- Law 13/2010 which modifies the trade regime of greenhouse gases emission rights. With the new regime the acquisition of market rights becomes necessary to cover emissions from the Company activity which cannot be covered by those rights assigned for free.

- Royal Decree Law 15/2012 on tax measures about energy sustainability. In November 27th, 2012 Royal Decree Law 15/2012 on tax measures for energy sustainability which establishes a 7% tax over the electricity production value of was published.

- Royal Decree Law 2/2013.- Dated February 2nd, 2013, the State Official Bulletin published Royal Decree Law 2/2013 of urgent measures in the electric systems and the financial sector. As provided in the presentation of reasons behind said RD, with the purpose of relieving the increase of complementary value due to its indexing on the Brent listing, without increasing the access toll paid by electric consumers, the methodology for the retribution update of the different electric sector activities have been changed, separating them from Consumer Price Index (CPI) evolution, which could influence positive variations, particularly relevant in the past year. Likewise, it disappears the retribution option of energy generated under special regime of premium that complements the production market price.

- Royal Decree Law 9/2013 of July 13th, under which urgent measures are adopted to guarantee the financial stability of the electric system. This Royal Decree, in the sole Derogation Provision comes from Royal Decree 661/07 and the third Transitory Provision declares that, transitorily, the economic regime set forth under RD 661/07 will continue to be applied until approval of Royal Decree regulating the legal and economic regime of the special regime. In this transitory provision of the economic regime contained in Royal Decree 661/07, collection as Reactive Energy Complement is specifically removed.

  The main effects of above mentioned Royal Decree Law which modifies Law 54/1997 of the Electric Sector are the following:

  - The retribution for all facilities (including the existing ones) will consists on the income from the market plus a specific additional retribution which depends, for most facilities, solely on the power installed and not the generated power.

  - The specific additional retribution will be defined, by a subsequent Ministry Order, according to standard values for standard facilities, during the regulatory useful life and in relation to the activity performed by an efficient and well-managed company.

  - It defines the fair profitability as the average performance of 10 year-State Obligations plus 300 basis points before taxes.

  - Retribution parameter can be reviewed every six years (in some cases every 3 years).

  - Efficiency complement and reactive energy bonus are eliminated, maintaining the penalty.

  After publication of Royal Decree Law 9/2013, drafts of a bill for electric sector, six royal decrees and four ministerial decrees, were presented for the necessary report to the Market and Competition National Commission, with the purpose of further detailing the changes included in other activities of the electric sector.

- In December 26th, 2013 the new Law 24/2013 on Electric Sector is published, which ratifies what is established in Royal Decree Law 9/2013; eliminates the special regime and presents a new retribution model for renewable, cogeneration and waste facilities. This new retribution will be applicable starting July 2013, date in which Royal Decree Law 9/2013 comes into effect. Since neither new retribution nor standards in the corresponding ministerial order are known, the closing of 2013 business year is liquidated provisionally with Royal Decree 661/2007 regulation.

- Royal Decree 1041/2013 dated December 27th, 2013, where in section 22 of article 1 sections 3 and 4 are modified and sections 5 and 6 are added in article 108 of the Special Tax Regulation, approved by Royal Decree 1165/1995, of July 7th. This modification establishes that the part of the natural gas consumption devoted to Useful Thermal Energy production will have a reduced tax rate, also

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difference between normal and reduced tax rates.

- Royal Decree 413/2014, dated June 6th, 2014, definitively establishes new retributions and new retribution framework distinguishing between each the renewable energy generators, cogeneration and waste, as well as considering temporary reviews of said retribution conditions.

Based on Royal Decree Law 9/2013 of July 13th, 2013 and the Draft of Royal Decree and Ministerial Order of February 2014, the Company performed a negative adjustment in 2013 turnover corresponding to the estimate of premium reductions received during the business year and that amounted to 513,150.63 Euros of lower income.

Once published R.D.413/2014 during 2014, which regulates production with renewable energies, cogeneration and waste, derived into a minor adjustment value of 121,825.90 € which is found under the results of the year 2014.

The Directors, particularly regarding assets contributed by Sociedades de Boremer, S.A., (7.3 million Euros, 4 million Euros in 2013) and UTE Secado Térmico Butarque (6.9 million Euros, 8 million Euros in 2013) consider that there are grounds to obtain from the City Council the reestablishment of concessions economic financial balance, due to no evaluation correction due to depreciation has been registered. Nevertheless, in case that above mentioned new balance does not prosper as expected, Valoriza Gestión S.A. (Sociedad Unipersonal) will equitably reestablish the company, for the possible depreciation of the above mentioned assets, if necessary.

c) Accurate image

Appended Annual Accounts have been procured from the Company accounting records and are presented according to the applicable financial information regulation framework and specifically, and thus provide an accurate image of Company's equity, financial situation and profit and loss, as well as equity changes, and cash flows existing during corresponding business year. These annual accounts, which have been drawn up by the Company Directors will be presented for approval to General Ordinary Shareholders Meeting, considering they will be approved without any modifications. As for 2013 annual accounts, they were approved by General Ordinary Shareholders Meeting on June 30th, 2014. The amounts included in the annual accounts are provided in Euros, except when otherwise stipulated.

d) Applied Non-mandatory accounting principles

Non-mandatory accounting principles have not been applied. Additionally, Directors have prepared current annual accounts by taking into consideration all mandatory accounting regulations and principles applicable with significant impact on said annual accounts. There are no accounting principles which, being mandatory, have not been applied.

e) Key considerations of uncertainty evaluation and estimate

During the preparation of Company annual accounts, the Directors have calculated estimates based on historical experience and other factors considered reasonable according to current circumstances and that are the basis to establish accounting value of assets and liabilities which value is not easy to determine using other sources.

Main performed estimates refer to:

- Evaluation of possible losses by certain assets depreciation.
- Tangible and intangible assets useful life.
- Asset deferred taxes recovery.
- Concession assets consumption estimates.
- Provisions calculations.
- Fair value, values in use and current values calculation.

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The Company reviews its estimates continuously. Nevertheless, due to the inherent uncertainty, there is an important risk which may cause significant adjustments in the future over affected assets and liabilities values, in case of a significant change in hypothesis, facts and circumstances on which they are based. Key scenarios about the future, as well as other relevant data about uncertainty evaluation on the business year closing date, which have associated an important risk if significant changes for assets and liabilities value take place in the following business year are the following:

Noncurrent assets value depreciation

The evaluation of noncurrent assets, different from financial, requires the execution of estimates with the purpose of establishing their fair value, in order to evaluate a possible deterioration, particularly in trade funds and intangible assets with undefined useful life. To establish this fair value, the Company Directors estimate future cash flows expected from assets or cash generating units they are part of and use an adequate discount rate to calculate the real value of those cash flows (Notes 5 and 7)

Assets by deferred taxes

Assets by deferred taxes are recorded for all those deductible temporary differences. To establish the amount of the assists by deferred taxes that can be recorded, Directors consider the amounts and dates in which future tax earnings will be obtained and the reversion period of taxable temporary differences. Regarding applicable bases pending compensation, the Company has recorded assets by deferred taxes for an amount of 11,153,494.52 Euros and 3,419,207.72 Euros in the years 2014 and 2013 respectively. (Note 19b).

Provisions

The company acknowledges provisions over risks, according to the accounting policy provided in section 4 of this report. The company has performed evaluations and estimates concerning those risks occurrence probability, as well as the amount thereof, and has recorded a provision when the risk has been considered as likely, estimating the cost which such obligation would lead to.

Calculation of reasonable values, in use values and current values

The calculation of reasonable values, use values and current values implies calculating future cash flows and assuming hypothesis related to future flow values as well as applicable discount rates. Related estimates or assumptions will be based on historical experience and other different factors understood as reasonable according to the circumstances.

Provision for assets dismantling costs

There are no dismantling costs to be highlighted in any of the operating Stations or works. Vitoria RCD Station facilities are the only with a contractual obligation for dismantling, where once concession is ended, the Joint Venture tenderer must withdraw all goods provided to the business with the exception of the executed civil works. During 2013 a provision was applied in this regard in Cogersa Station, supplied during 2012, (Note 15).

f) Information comparison

The Company presents, for comparison purposes, in each of the items in the balance sheet, profit and loss account, statement of changes in equity, cash flows conditions and report, besides 2014 figures, those corresponding to the prior business year, obtained by applying the General Accounting Plan approved by Royal Decree 1514/2007, which has been modified by Royal Decree 1159/2010 of September 17th.

g) Items grouping

The Company has performed no item groupings in the balance sheet, profit and loss account, statement of changes in equity and cash flow.

h) Elements gathered under several entries

The Company has no equity item recorded in several entries.

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i) Changes in accounting criteria

During the 2014 business year there have been no significant changes in accounting criteria compared to criteria applied during the 2013 business year.

j) Error correction

In the preparation of appended annual accounts no significant error has been detected which have led to a recounting of amounts included in 2013 business year annual accounts.

3. Profit and Loss Allocation

The proposal of profit and loss allocation for 2014 business year, formulated by the Company Directors and that will be presented to the General Shareholders Meeting approval, is the following:

	2014
Distribution bases	***8,652,764.38***
Profit and loss account balance	*8,652,764.38*
Application	***8,652,764.38***
To voluntary reserves	*(704,799.34)*
To dividends	*(7,947,965.04)*

Distribution of profit and loss corresponding to 2013 business year is provided in the statement of changes in equity.

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Limitations for dividends distribution

The Company is obligated to allocate 10% of business year profits to incorporate a legal reserve, until it reaches, at least, 20% of the capital stock. This reserve, while it does not exceed 20% of the capital stock, is not distributable to shareholders.

This proportion of 20% was reached during 2008.

Once stipulations established by Law or the by-laws have been covered, only can be distributed those dividends charged to the business year profit, or to free availability reserves, if equity value is not or, as a consequence of the distribution, does not turn out to be inferior to the capital stock. For these purposes, profits charged directly to equity cannot be subject to distribution, neither direct nor indirect. In case of losses from prior business years that made Company equity value inferior to capital stock figure, profit will be destined to the compensation of these losses.

In any case an unavailable reserve equivalent to the trade fund appearing on the assets of the balance sheet must be endowed, allocating for said purpose an amount of benefit that represents at least five percent of the above mentioned trade fund amount. In case of no benefit or this was insufficient, free availability reserves would be used.

4. Record and evaluation regulations

The main record and evaluation regulations used by the Company in the formulation of its annual accounts for the 2014 business year have been the following:

a) Intangible fixed assets

Intangible fixed assets are initially evaluated at their cost, whether the acquisition or production cost. It is subsequently evaluated at its reduced cost by the corresponding accrued amortization and, as the case may be, losses due to deterioration.

Each intangible asset is analyzed and established if their useful life is defined or undefined.

Intangible assets with defined useful life are amortized systemically depending on estimated goods' useful life and its residual value. The amortization methods and periods are reviewed at the closing of each business year and are adjusted, in a prospective manner, if necessary. At least at the closing of the business year, depreciation evidence existence is evaluated, in which case recoverable amounts are estimated, performing the necessary evaluation corrections.

Intangible assets with a defined useful life are not amortized and, at least annually, they are subject to an analysis of their possible depreciation. Consideration of undefined useful life for these assets is annually reviewed.

It will be considered that an intangible asset has an indefinite useful life when, based on all relevant factors analysis, there is no foreseeable period on which the asset is expected to generate net cash flow income for the company.

- *Concessions*

The costs incurred to obtain each of the concessions awarded to the Company are linearly depreciated in the life period of each concession.

Main concession agreements of the Company and its concession periods are the following:

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Name	Number of concession years	Concession end year
Parking de Puertollano (Ciudad Real)	38	2045
Planta de RSU de Hornillos (Valencia)	25	2030
Planta de compostaje de Calandrias (Cádiz)	20	2022
Parque de Guadarrama	13	2020
Planta de residuos de la Paloma (Madrid)	21	2023
Planta de Residuos de Maresme (Barcelona)	15	2024
Planta de secado término Butarque (Madrid)	25	2028

- *Computer applications*

Computer applications' section includes those costs incurred with regard to computer applications acquired from third parties or developed by the Company itself that comply with the above mentioned conditions for their activation. Their amortization is performed linearly during its estimated useful life of 4 years.

- *Research and development*

The Company records research expenses as expenses corresponding to the business year in which they take place.

Repairs that do not represent a useful life and maintenance costs extension are charged to the profit and loss account in the business year in which they take place.

Trade fund

Trade fund is initially evaluated, at the time of its acquisition, at its cost, being this the excess of cost from the combination of businesses at fair value of the identifiable acquired assets less the assumed liabilities.

The trade fund is not amortized. In its place, cash generating units which trade fund was assigned to on the acquisition date are subject, at least yearly, to the verification of their possible depreciation, registering, where appropriate, the corresponding evaluation correction due to depreciation.

Evaluation corrections by depreciation of the trade fund cannot be subject to reversion in subsequent business years.

Gas emission rights

On August 27th, 2004 Royal Decree Law 5/2004 which regulates trade regime of greenhouse gas emission rights was published. This Royal Decree is the result of incorporating Directive 2003/87, of October 13th about the Greenhouse Gases Emission Rights Trading into Spanish legal system.

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Section number seven of Royal Decree Law 5/2004 which regulated greenhouse gases emission rights trading regime established that during the effective period of carbon dioxide emission rights assignments, (EUA), the company could switch 7.9% of the total assignment of carbon credits emission rights (CER).

Royal Decree 1722/2012, of December 28th, approved the Greenhouse Effect Gases Emission Rights Assignment National Plan, for the period 2013-2020. Among the list of facilities are the facilities owned by the Company. Gas emission rights assigned to the Company through its Joint Ventures has been of 12.414 tons for 2014 and zero tons for 2013.

Emission rights are evaluated at their lowest acquisition price or market value. Nevertheless, when dealing with titles acquired for free, their acquisition price is considered as the market price at the time of acquisition.

Emission rights are recorded in the balance sheet assets, in the Intangible Assets section under the name "Emission rights" and are not subject to accounting amortization.

Emission rights will be cancelled upon transfer to a third party, maturity or delivery to the Administration.

Emission rights acquired for free have their contribution in the account "Received equities, subsidies and legacies" of the balance sheet.

The Company records a short term provision called "Provision by emission rights", gathered within the Commercial creditors section of the balance sheet liabilities as the emission of greenhouse effect gases take place. This provision is maintained in the balance sheet liabilities until the emission rights corresponding to the produced emission are delivered to the Administration.

The amount of the above mentioned expenses and the consecutive provision is established taking into consideration that the obligation will be canceled by the emission rights transferred to the Company by the Administration for free.

When gases emission during the business year leads to the Company's need to acquire emission rights, additional to those assigned by the Administration, corresponding expense for this right deficit is considered, evaluating it at the right market price at the closing of business years.

Concession Agreements

The Company qualifies a concessional agreement as intangible assets when the compensation received by the concessionary company consists of the right to collect certain rates determined by the public service use degree. The compensation received by the concessionary company is accounted at its fair value of the acquired or constructed infrastructure.

If the compensation received consists of an unconditional right to receive cash or another financial asset, the Company qualifies the concessional agreement as financial assets (Note 6).

If the compensation received consists partly of a financial asset and partly of an intangible asset, the Company records such compensation in terms of proportion, except if some of its components represent less than 90% of the compensation received, in which case the entire compensation is recorded as financial asset or intangible assets.

The subsequent evaluation of the concession agreements qualified as intangible assets will follow the 5th and 6th record and evaluation regulations of the General Accounting Plan.

According to the terms established in the concession, until the infrastructure is not under operating conditions, all planning, construction, expropriation and other expenses, including part of administration expenses, as well as other intangible assets applicable financial and amortization expenses, will be considered as concession agreement's costs. (Note 6)

Concession agreement's amortization will begin when the infrastructure is under operating conditions.

The Company has opted for applying the linear amortization method during concessional period.

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Accrued financial expenses until the infrastructure is in operating conditions, in case the agreement is qualified as intangible assets, are included in the concession agreement's initial evaluation.

Infrastructure conservation expenses will be charged to the profit and loss account in which they are incurred.

The replacement and large repair actions which use period exceeds one year, as they show infrastructure wear and tear or consumption, represent the endowment of a systematic provision in relation to the infrastructure use and until they are executed. (Note 15.a).

The same procedure has the necessary actions to revert the infrastructure, except when constituting obligations equivalent to disassembly expenses, in which case they will be a part of the obligations current value initial estimate of the concession agreement value.

Capacity improvements or increases will be treated as a new concession if they are compensated with the possibility of having greater income, otherwise a provision is required for the current value of the best payment estimate to be made to cancel the associated obligation and a greater acquisition price of the concession agreement is acknowledge. When performances are executed provision will be cancelled.

Concession agreements financial activation

Only in cases of concession agreements qualified as intangible fixed assets, starting from the point at which the infrastructure is under operating conditions, financial expenses will be activated as long as they can be identified separately, measured reliably, that there is reasonable evidence and it is likely that future income allows the recovery of activated amount.

Financial expenses are charged to results proportionally to income forecasted in the Financial Economic Plan, activating the difference. Regarding forecasted revenues, it is established for each business year the proportion from the total represented by operating revenues of such year. That proportion is applied to total forecasted financial expenses during the concessional period in order to determine the amount to be charged to each business year as business year's financial expenses.

In cases in which real business year income exceeds the forecast, proportion above will be calculated between real income and total forecasted income.

If a business year's financial expenses amount is different from forecast, the difference will be charged to the profit and loss account according to paragraphs above.

If income forecast is changed, change's effects will be applied prospectively according to what is established in the previous paragraphs.

b) Tangible fixed assets

Tangible fixed assets are initially evaluated at their cost, whether acquisition or production one, and subsequently evaluated at its reduced cost by corresponding accrued amortization and, where appropriate, losses due to deterioration according to criterion mentioned in Note 7.

Conservation and maintenance expenses of different elements composing tangible fixed assets are registered in the profit and loss account of the business year they take place. On the contrary, amounts invested in the improvements that contribute to increase said goods' capacity or useful lives are registered as a greater cost.

For those tangible assets that require a period greater than a year to be under use conditions, capital costs include financial expenses that have been accrued before implementing operating conditions and that have been provided by the supplier or correspond to loans or other types of financing, specific or general, directly attributable to its acquisition or manufacturing.

Works that the Company performs for its own assets are recorded at the accumulated cost resulting from adding internal costs to external costs, established depending on own materials consumption, direct incurred manpower and general manufacturing expenses calculated according to similar absorption rate to those applied for purposes of stock evaluation.

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At the time of the initial asset evaluation the Company estimates the current value of future obligations derived from disassembly, removal and other associated items of aforementioned asset, such as site restoration costs. On December 31st, 2014 and 2013 these costs are not significant.

Company amortizes tangible fixed assets by using linear method, applying annual amortization percentages calculate in relation with respective goods useful life, according to the following detail:

	Amortization Percentage
Constructions	3%
Technical installations	10-33%
Machinery	15%
Utilities	10-33%
Transportation elements	16%
Other Fixed assets	10%

At each business year closing, the Company reviews residual values, useful life and tangible fixed assets amortization methods and, if necessary, these are prospectively adjusted.

c) Non-financial assets value depreciation

At least at the closing of each business year, the Company assess if there are signs that any noncurrent asset or, where appropriate, any cash generating might have depreciated. If there are indications and, in any case, for trade funds and tangible fixed assets with indefinite useful life their amounts are deemed recoverable.

The recoverable amount is the greater one among reasonable value minus sale costs and value in use. When the accounting value is greater than the recoverable amount a loss by depreciation takes place. The value in use is the expected future cash flows current value, using non-risk market interest rates, adjusted by specific risks associated to the asset. For those assets that do not generate cash flows, largely independent from those derived from other assets or groups of assets, the recoverable amount is established for cash generating units to those belonging to said assets.

Note 4,a carefully describes evaluation criterion followed to calculate trade fund recoverable value, as well as the rest of intangible fixed assets with defined useful life.

Value corrections by depreciation and their reversion are accounted in the profit and loss account. Value corrections by depreciation are reverted when the circumstances causing them cease to exist, except those corresponding to the trade fund. Depreciation reversion has as limit the accounting value of the asset that would be recorded if corresponding value depreciation had not been previously recorded.

d) Leasing

Leasings are classified as financial leasings provided it can be deduced from conditions thereof that risks and benefits inherent to property of assets subject to contract are extensively transferred to the lessee. The other leasing is classified as operational leasing.

- Financial leasing

In capital leasing operations in which the company acts as lessee, the cost of lease assets is presented in the balance sheet according to the nature of the contracted good and simultaneously a liability for the same amount. Such amount will be the lower one between the leased good's fair value and current value at the beginning of the leasing of the minimum amounts agreed, including the purchase option, when there is no reasonable doubt about its execution. Contingent quotas, cost of the services and taxes chargeable by the lessor will not be included in the calculations. Total contract's financial encumbrance is

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interest rate. Contingent quotas are recorded as expenses in the business year in which they are incurred.

Assets recorded by this type of operations are amortized with similar criteria to those applied in the set of material assets, depending on their nature.

- Operational leasing

When the Company is acting as lessee:

Expenses derived from the operational lease agreements are charged to the profit and loss account of the business year in which they take place.

Any collection or payment which may be made when contracting an operational leasing, will be treated as an advanced collection or payment that will be charged to results during the lease period, as profits from the leased goods are granted or received.

When the Company is acting as lessor

Income and expenses derived from the operational lease agreements are charged to the profit and loss account of the business year in which they take place.

Likewise, the acquisition cost of the lease good is detailed in the balance sheet according to its nature, increased by the amount of directly chargeable contract's costs, which are recorded as expenses during the contract period, applying the same criteria used for the recording of the lease income.

Any collection or payment which may be made when contracting an operational leasing, will be treated as an advanced collection or payment that will be charged to results during the lease period, as profits from the leased goods are granted or received.

e) Financial instruments

e.1) Financial assets

Financial assets owned by the Company are classified in the following categories:

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e.1.1) Classification and evaluation

- *Loans and accounts collectable:*

Financial assets derived from goods sales or services provisions by company's traffic operations, or those that not having a commercial origin, are neither equity instruments nor derivatives and which collection amounts are fixed or to be determined and are not negotiated in an active market.

They are initially evaluated at their fair value that, unless otherwise indicated, will be the operation, which will be equivalent to the fair value of the provided counterpart, plus directly chargeable operation costs.

Concession agreements which received consideration consist of an unconditional right to receive cash or another financial asset, are qualified as financial assets within the category of collectable loans and accounts. These are initially evaluated at the fair value of the service provided, originally equivalent to the cost plus the construction margin.

Subsequently, they are evaluated at their amortized cost.

Nevertheless, credits by trade operations with a maturity not exceeding one year and that do not have a contractual interest rate, as well as advancements and credits to staff, dividends to be collected and mandatory payments over equity instruments, which amount is expected to be received in the short term, are initially and subsequently evaluated at their face value, when the effect from not updating the cash flows is not significant.

In cases of concessions agreements qualified as financial assets, the performance of repositions, of great repairs, those necessary to revert or conserve the infrastructure, as well as improvements or expansions of the original capability, cause the recording of the corresponding financial asset. Accrued financial expenses until the infrastructure is under operating conditions, as well as those that take place afterwards, are charged to the profit and loss account when accrued.

- *Investment in group, associated and multi-group companies equity:*

Group companies are considered those linked to the Company by a control relation and associated companies are those over which the Company exercises a significant influence. Additionally, within multigroup category are included those Companies over which, by virtue of agreement, a joint control by one or more partners is exercised.

They are initially evaluated at their fair value, that, except otherwise indicated, will be the transaction price, which will be equivalent to the fair value of the delivered counterpart, plus directly chargeable transaction costs, except non-cash provisions to a group company where the purpose is a business, for which conversions is evaluated by the accounting value of the elements composing the business. The amount of preferential subscription rights and similar that have been acquired will be part of the initial evaluation amount.

Subsequently, they are evaluated by their cost, reduced, if appropriate, by the accumulated amount of depreciation evaluation correction. Such corrections are calculated as the difference between their book value and the recoverable amount, understanding as such the greater amount between its reasonable value less sale costs and current value of future cash flows derived from the investment. Except when there is a better evidence on recoverable amount, participated company's equity, corrected by the existing surpluses on the evaluation (including the trade fund, if any) is considered.

e.1.2) Financial assets cancellation

The Company cancels financial assets when they mature or when rights over cash flows have been assigned for the corresponding financial assets and have substantially transferred the risks and benefits inherent to its property, such as sales on assets, assignment of commercial credits in factoring operations in which the company has no credit nor interest risk, financial assets sales with repurchase agreement by their fair value or financial assets securitizations in which the granting company does not hold subordinated financing nor grants any type of guarantee or assumes any other type of risk.

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On the contrary, the Company does not cancel financial assets and records financial liabilities for an amount equal to the received consideration, in the concessions of financial assets in which risks and benefits inherent to their property are substantially retained, such as discount of effects, factoring with resource, sales of financial assets with repurchase agreements at a fixed price or a sales price plus an interest and securitizations of financial assets in which the granting company holds subordinate financing or another type of guarantees that substantially absolve all expected losses.

e.1.3) Interests and dividends received from financial assets

Interests and dividends from financial assets accrued after the acquisition time are recorded as income in the profit and loss account. Interests must be recorded using real interest rate method and dividends when the right to receive them is declared.

For these purposes, in the financial assets initial evaluation they are independently recorded, considering their maturity, the amount of explicit interests accrued and not matured at the time, as well as the amount of agreed dividends by the competent body until the acquisition time. It is understood as explicit interests those that are obtained from applying the financial instrument's contractual interest rate.

Likewise, when distributed dividends are unequivocally derived from results generated prior to the acquisition date since amounts exceeding generated profits have been distributed by the subsidiary since the acquisition, they are not recorded as income and reduce the investment accounting value.

The amount of accrued financial income associated to collection rights by concession agreements are a part of the turnover net amount.

e.1.4) Financial assets value depreciation

Financial assets' book value is corrected by the Company with a charge to the profit and loss account when there is an objective evidence that there has been a loss due to depreciation.

In order to establish losses by financial assets depreciation, the Company evaluated possible losses for individual assets as well as groups of assets with similar risk characteristics.

- Debt instruments

It exists an objective depreciation evidence in the debt instruments, understood as collectable accounts, credits and values representing debt, when after their initial recording an event takes place that represents a negative impact in its future estimated cash flows.

The Company considers as depreciated assets (nonperforming assets) those debt instruments for which there is objective depreciation evidences that mainly lead to the existence of risks, defaults, refinancing and the existence of data evidencing the possibility of not recovering all agreed future flows or a delay in their payment.

In case of financial assets evaluated at their amortized cost, the amount of losses by depreciation is equal to the difference between its book value and the current value of future cash flows that are estimated to be generated, reduced at the existing interest rate at the time of the asset initial recording. For financial assets at a variable interest rate using the real interest rate at the closing of the annual accounts. For commercial debtors and other accounts collectable, the Company considers as risk assets those balances that have expired entries for which collection is not certain and balances of companies that have requested an arrangement with creditors. The Company considers for listed instruments their market value as a replacement of the current value of future cash flows, as long as it is sufficiently reliable.

Depreciation reversion is recorded as income in the profit and loss account and has as limit the book value of financial assets that would be recorded on the reversion data if value deterioration has not been recorded.

- Equity instruments

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There is objective evidence that equity instruments have been depreciated when after their initial recording there is an event or a combination of events that represent the book value will not be recovered due to a continuous or significant reduction of its reasonable value.

Reversion of depreciation evaluation corrections is recorded in the profit and loss account, with the book value limit the investment would have on the reversion date if value depreciation had not been recorded, for investments in group, multigroup and associated companies equity; while for financial assets available for sale that are evaluated as cost reversion of recorded evaluations in previous business years is not possible.

e.2) Financial liabilities

Company financial liabilities are classified in the following categories:

e.2.1) Classification and Evaluation

- Debits and accounts payable:

Are those debits and accounts payable the company has and that have been originated in the goods and services acquisition by company's traffic operations, or those that without having a commercial origin, cannot be considered as derived financial instruments.

Initially evaluated at the received consideration fair value, adjusted by the directly chargeable transaction cost.

Subsequently evaluated at the amortized cost.

Nevertheless, debits for commercial operations with maturity not exceeding one year and that have no contractual interest rate, as well as disbursements demanded by third parties over participations, which amount is expected to be paid on the short term, are evaluated at their nominal value, when the effect of updating cash flows is not significant.

- Hedge derivatives:

Includes financial derivatives classified as hedge instruments.

Financial instruments which have been appointed as hedge instruments or as hedged items are evaluated according to what is established in the corresponding note of the registry standard and their evaluation.

e.2.2) Cancellation or retirement of financial liabilities

The Company retires a financial liability when the obligation has expired.

When a debt instruments exchange takes place, provided these have substantially different conditions, original financial liability cancellation is recorded and the new emerging financial liability is recognized. In the same manner, a substantial modification on financial liabilities current conditions is recoded.

The difference between financial liability's book value, or between the part thereof that has been cancelled, and the paid counterpart, including chargeable transition costs, and which also gathers any asset granted other than the assumed cash or liability, is recorded in the business year profit and loss account in which it takes place.

In the event of a debt instruments exchange that have no substantially different conditions, the original financial liability is not cancelled in the balance sheet, recording the paid commissions amount as accounting value adjustment. New financial liability amortized cost is established by applying applicable interest rate, which is the one equal to the value in the financial liability ledgers on the modification date with the payable cash flows according to new conditions.

e.3) Equity instruments

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An equity instrument represents a residual participation in the Company Equity, once all liabilities have been deduced.

The capital instruments issued by the Company are recorded in the equity at the amount received, net of issuing expenses

e.4) Hedge

The Company uses derived financial instruments to cover the risks to which its future cash flows are subject. Mainly, these risks are derived from exchange rates and interest rates. Within the frame of said operations the Company contracts hedge financial instruments.

In order for these financial instruments to be classified as hedge they are initially assigned as such, documenting all the hedge relation. Likewise the Company initially and periodically verifies during its useful life (at least at each accounting closing) that the hedge relation is effective, this means, that is to be prospectively expected that the hedged item's cash flow changes (attributable to covered risk) are almost fully compensated by that of the hedge instruments and that, in retrospect, the hedge results have had a variation range from 80 to 125% in relation to the hedged item result.

In order to account hedge, these are qualified as:

- Fair value hedges, when they cover the exposure to changes in the fair value of a recorded asset or liability.
- Cash flow hedges, when they cover the exposure of the cash flows variation that is attributable to a specific associated risk with an asset or liability or to a scheduled operation.
- Hedges of a net investment in a business abroad.

The Company applies the following type of hedge, which is accounted as described below:

- Cash flow hedge: This type of hedge, the part of the hedge instrument gain or loss that is established as efficient hedge is recorded temporarily in the equity, charged to the profit and loss account in the same period in which the element subject to hedging affects the result, except when the hedging corresponds to an schedule operation which results in the recording of a non-financial asset or liability, in which case the recorded equity amounts will be included in the cost of the asset or liability when acquired or assumed.

The hedge accounting is interrupted when the hedge item matures or is sold, finished or exercised, or it stops complying with the criteria for the hedge accounting. At that time, any accrued profit or loss corresponding to the hedge item that has been recorded in the equity is maintained within the equity until the scheduled operation takes place. When the operation which is the purpose of the hedge is not expected to take place, the net accrued profit and losses recorded in the equity are transferred to the period net results.

f) Stock

Stock is evaluated at their acquisition price, production cost or net realizable value, whichever is the lowest. The trade debtors, obtained deductions, other similar entries and the interests included in the nominal of the debits that are deduced in establishing the acquisition price.

The production cost includes the direct materials costs and, as the case may be, the direct workforce costs and general manufacturing expenses.

The net realizable value represents the estimate of the sales price less the estimated costs to finish the manufacturing and the costs that will be incurred in the commercialization, sale and distribution.

For those stocks that do not need a time exceeding one year to be in condition to be sold, these do not include financial expenses in the acquisition and production cost.

When the net realizable value of stock is under its acquisition price or production cost, the necessary evaluation corrections are made, recording them as an expense in the profit and loss account. For raw materials and other consumable materials in the production process, no evaluation correction is made if it is

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expected that the finished products to which they are to be included will be sold over their cost.

For the stock that needs a period of time exceeding one year to be in conditions to be sold, the cost includes the financial expenses that have been drawn by the supplier or correspond to loans or other type of third party financing, specific or generic, directly chargeable to the manufacture or construction.

In the assignment of value to their inventories the Company uses the FIFO method.

g) Cash and other net assets

This section includes the cash desk, the banking current accounts and the deposits and asset temporal acquisitions that comply with the following requirements:

- They are convertible to cash.
- At the acquisition time its maturity did not exceed three months.
- They are not subject to a value change significant risk.
- They are part of the Company's treasury normal management policy.

For the purposes of cash flow conditions are included with less cash and other equivalent net assets the occasional overdraft that are a part of the Company cash management.

h) Transactions in currency different from Euro

The functional currency used by the Company is the Euro. Consequently, operations with other currencies different from Euro are considered in foreign currency and are recorded according to the exchange rates in effect on the operations dates.

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At the closing of the business year, currency assets and liabilities in currency other than the Euro are converted applying the exchange rate on the date of the balance sheet. Declared profits or losses are directly charged to the business year profit and loss account in which they take place.

The non-currency entries at historic cost are evaluated applying the exchange rate on the transaction date.

The non-cash entries evaluated at a fair value are evaluated applying the exchange rate on the date the fair value is established. Exchange rate differences are recorded directly into equity and in the profit and loss account if evaluated against the business year result.

i) Income tax

Expenses or income due to income tax includes the section related to the income or expenses of the current tax and the section corresponding to the expenses or income by deferred tax.

The current tax is the amount that the Company satisfies as a consequence of income tax liquidations related to a business year. Deductions and other tax advantages in the tax quota, excluded from retentions and payments, as well as tax losses compensated in different business years and finally applied to this one, lead to a lower current tax amount.

The expenses or the income due to deferred taxes corresponds to the recognition and cancellation of the assets and liabilities due to deferred taxes. These include temporal differences that are identified as those amounts that are considered payable or recoverable derived from the differences between the recorded amounts of the assets and liabilities as well as their fiscal value, as well as the negative applicable bases pending compensation and the credits or tax deductions not applied fiscally. Said amounts are recorded applying the temporary or loan difference that corresponds to the encumbrance type in which they are expected to be recovered or liquidated.

In November 28th, 2014 Law 27/2014 about Income Tax was published, which establishes the thirty fourth transitory disposition i), an applicable tax rate for the 2015 business year of 28 percent, and an applicable rate for the 2016 and subsequent year of 25 percent. The Company has adjusted its assets and liabilities by temporary differences (Note 19).

Liabilities due to deferred taxes are recognized for all applicable temporary differences, except those derived from the initial recognition of the trade funds or other assets and liabilities in operation that do not affect the tax or accounting result and is not a combination of businesses, as well as those associated to subsidiary companies in investments, associated and joint businesses in which the Company can control the moment of the reversion and is likely that they do not revert in foreseeable future.

On the other hand, the assets by deferred taxes are only recognized if the Company foresees future positive results from which to benefit fiscally and against to which it can cash them.

Assets and liabilities by deferred taxes, originated by operations with direct charges and payments in equity accounts, are also accounted as a counterpart in equity.

Assets are reconsidered as each accounting closing by recorded deferred taxes, making the necessary corrections in the measure there are doubts about their future recovery. Likewise, at each closing the non-recorded asset and liability statements by deferred taxes are subject to recognition in the measure its recovery is likely with future fiscal profits.

Assets and liabilities by deferred taxes are assessed at the expected encumbrance rates at the time of reversion, according to approved regulation in effect and according to the manner in which it is rationally expected to recover or pay deferred taxes assets or liabilities.

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Assets and liabilities by deferred taxes are not discounted and are classified as noncurrent assets and liabilities.

Sacyr, S.A. and its investee companies, which fulfill the establishments of Royal Decree 4/2004 March 5th, by which corporate tax law redrafted text is approved, has opted by agreement of the different Administration Entities, complying with the Tax Consolidation System, executing the mandatory communication to the A.E.A.T., integrating the tax consolidated group 20/02 which parent Company is Sacyr, S.A. with VAT A-28013811.

The Company, for complying with what is established in Corporate Law 43/1995, has opted for complying with the Tax Consolidation System, by agreement of the Administrative Entities, together with the rest of the companies composing the tax consolidated group.

j) Income and expenses

Income is recorded when it is likely that the Company receives the profits or economic results derived from the transaction and amount of the income and the costs incurred or to be incurred can be evaluated reliably. Income is evaluated at the reasonable value of the received or to be received consideration, deducting the discounts, price reductions and other similar entries that the Company can grant, as well as the case may be, the interests included in the credit nominal. The indirect taxes that encumber operations and that are chargeable to third parties are not a part of the income.

Sales income recording takes place at the time in which the property of the sold good inherent significant risks and profits are transferred to the buyer, not maintaining the current management over this good, nor holding control over it.

In relation to income by services rendering, these are recorded considering the degree of execution of the rendering on the date of the balance sheet, as long as the result of the transaction can be estimated reliably.

Financial assets interests received are recorded using the real interest rate and the dividends, when the right of the shareholders to receive them is declared. In any case, the interests and dividends of accrued financial assets after the acquisition time are recorded as income in the profit and loss account.

Income and expenses are charged in relation to the accrual, i.e., when the real goods and services current which are presented, regardless of the occurrence period of the monetary or financial current in which they take place.

k) Provisions and contingencies

The Company Director in the preparation of the annual accounts differences between:

- Provisions: creditor balances that cover share obligations derived from prior successes, which cancellation is likely to originate resource output but are undetermined in relation to their amount and/or cancellation time.

- Contingent liabilities: possible liabilities arising as a consequence of past events, which future materialization is conditioned regardless of it taking place or not, one or more future events regardless of the Company's desires.

Provisions are recorded in the balance sheet when the Company has a contractual obligation (either by a legal provision, contractual or by an implied or express obligation), arising as a consequence of past successes, that is considered likely will represent a disbursement for their liquidation and that is quantifiable. Contingent liabilities are not recorded in the annual accounts, but are informed in the report notes, as long as they are not considered remote.

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Provisions are evaluated at their current value of the best possible estimate of the necessary amount for cancelling or transferring the obligation, taking into consideration information available about the success and its consequences and recording the adjustments that arise by the update of said provisions such as a financial expense as accrued. When dealing with provisions with a maturity date under or equal to one year and the financial effect not being significant, it will not be necessary to perform any discount.

Provisions are reviewed at the closing date of each balance sheet and are adjusted with the objective of reflecting the best current estimate of the corresponding liability at each time.

Compensation to be received from a third party at the time of obligation liquidation, whenever there are no doubts that the disbursement will be made, except in cases where there is a legal relation by which part of the risk has been externalized and by reason of which the company is not obligated to respond; in this situation, the compensation will be taken into account to estimate the amount by which, as the case may be, the corresponding provision will be recorded.

Policy followed in relation to the accounting of provisions for risks and expenses consists on recording the estimated amount to face the probable or certain responsibilities, born from ongoing lawsuits and by compensations or pending obligations, guarantees and other similar procedures. Its endowment is performed at the birth of the responsibility or the obligation establishing compensation or payment.

Provisions for works termination, included in the balance liability, correspond to the amount estimated for possible obligations and termination of works which payment is still not quantifiable in relation to the exact amount or is uncertain in relation to the date in which it will take place, depending on certain conditions. Endowments are made according to the best estimated of annual accrual, based on the sector experience.

l) Equity elements of an environmental nature

Environmental nature assets are considered as those goods that are used in a lasting manner in Company activity, which main purpose is to minimize the environmental impact and the protection and improvement of the environment, including the reduction or elimination of future pollution.

Costs incurred in the acquisition of systems, equipments and installations which purpose is elimination limitation or control of possible impacts that may cause the normal development of the Company activity over the environment are considered as fixed assets investments.

The remaining expenses related with the environment, different than those performed for the acquisitions of fixed asset elements, are considered as business year expenses.

In relation to possible contingencies that may take place in environmental matters, directors consider that these are sufficiently covered with the currently subscribed civil liability insurance policies.

m) Subsidies, donations and legacies

For the accounting of subsidies, donations and legacies from third parties different than the owners, the Company follows the following criteria:

- Subsidies, donations and legacies of non-reimbursable capital: These are evaluated at the fair value of the granted good or amount, depending on whether they are or not cash. Accounted as income directly recorded into the Equity and charged to results by the section of the endowment to the amortization made in the period for the subsidized elements or, as the case may be, when its disposal or evaluation due to depreciation takes place, with the exception of those received form partners or proprietors that are recorded directly in the own funds and do not have the condition of income.

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- Reimbursable type subsidies: While these are considered as reimbursable they are accounted as liabilities.

- Operational subsidies: Are paid to results when they are granted except if they are destined to finance operation deficit of future business years, in which case they are charged in those business years. Is it is approved to finance specific expenses, the charge will be made as the financed expenses are accrued.

n) Joint Ventures

The Company records joint ventures that are not manifested through a company incorporation but in a participation in them through Joint Ventures (JV) in the balance sheet, in relation to its participation, accounting the proportional shares of the jointly controlled assets and liabilities incurred, as well as the assets subject to joint operation that are under its control and liabilities incurred as a consequence of the joint venture.

The proportional share of generated income and incurred expenses by the joint business that correspond to the company are recorded in the profit and loss account, as well as the expenses incurred in relation to its participation in the joint business

The proportional share of generated income and incurred expenses due to the business corresponding to the Company as well as those expenses incurred in relation to its participation in the joint venture is recorded in the profit and loss account.

Likewise in the equity changes and cash flow conditions the proportional amount of the joint business entries corresponding to the Company in relation to the participation percentage are recorded.

Results not executed by transactions between the Company and the joint business are eliminated in relation to the participation. Assets, liabilities, income expenses and reciprocal cash flows amounts are also eliminated.

The notes corresponding to this report detail each significant entry of the balance sheet and the profit and loss account for amounts corresponding to joint businesses.

On December 31st, 2014 the Company participates in Joint Ventures with the activities detailed in Note 11.

o) Operations with related parties

Operations with related parties are executed and recorded at their fair value according to the criteria as methods established in the General Accounting Plan section 6 and regulation evaluations detailed above.

Prices of executed operations with related parties are adequately supported, by which the Company Joint Directors consider there are no risks that may cause significant tax liabilities.

p) Assets and liabilities classification as current and noncurrent

Assets and liabilities are presented in the balance sheet classified between current and noncurrent. For these purposes, asset and liabilities are classified as current when they are related to the normal cycle of company operations and are expected to be sold, consumed, executed or liquidated during this procedure; those others which maturity, alienation or execution is expected to take place in the period of one year; those classified as maintained to negotiate, except those derived at long term; and cash and equivalents. The rest will be classified as noncurrent.

The normal operational cycle is under one year for all activities, except for the construction, installation, assembly and conservation that depend on the periods of each of the projects.

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q) Dismissal compensations

According to the current labor law the Company has to pay compensation to the employees it dismisses without having an adequate cause. Therefore the compensations due to dismissals subject to a reasonable qualification are recorded as an expense in the business year in which there is a valid expectation, created by the Company in relation to the affected third party.

5. Intangible fixed assets

The operations within this section of the balance sheet during the 2012 and 2013 financial years has been the following:

	Initial balance 12/31/2012	Subscriptions	Increases or decreases by transfers	Changes in participation % in JV	Outflows, cancelations or reductions	Final balance 12/31/2013
Cost:						
Gas emission rights	-	78,337.00	-	-	-	78,337.00
Concessions	4,020,026.38	-	-	-	-	4,020,026.38
Patents, licenses, brands and similar	5,951.10	-	-	-	-	5,951.10
Computer applications	805,623.74	27,520.00	-	-	-	833,143.74
Other intangible assets	70,000.00	-	-	-	-	70,000.00
Concession agreement, regulated assets (note 6)	48,508,569.49	296,199.21	321,578.05	408,262.45	-	49,534,579.20
Concession agreement, financial triggering (note 6)	1,062,610.66	577,017.44	-	-	(1,132,321.48)	745,996.11
Advancement by concession agreement, regulated (note 6)	1,612,221.52	209,533.36	-	56,562.71		
Total cost	**56,085,032.89**	**1,188,607.01**	**321,578.05**	**464,765.16**	**(1,132,321.48)**	**56,927,661.03**
Amortization:						
Concessions	(1,376,043.45)	(161,000.11)	-	-	-	(1,537,043.56)
Patents, licenses, brands and similar	(4,099.66)	(991.85)	-	-	-	(5,091.51)
Computer applications	(717,623.99)	(29,782.10)	-	-	-	(747,406.09)
Concession agreement, regulated assets (note 6)	(9,488,027.66)	(2,476,784.84)	(40,787.15)	(27,371.18)	-	(12,032,970.83)
Total amortization	**(11,585,794.76)**	**(2,668,558.90)**	**(40,787.15)**	(27,371.18)	-	**(14,322,511.99)**
Total depreciation	-	-	-	-	-	-
Total	**44,499,238.13**	**(1,479,951.89)**	**280,790.90**	**437,393.98**	-	**42,605,149.64**

PERIOD SUBSCRIPTIONS

- The registrations of Gas emission rights fully correspond to UTE Butarque.

- The registration over Computer applications correspond to UTE Jardines Centro de Sevilla for an amount of 27,520.00 Euros, in the participation percentage of VSM, S.A. which is of 50% consisting in the acquisition and commissioning of the Arbomap program.

- The most significant registrations over Concession agreements correspond to the increase works of UTE TEM for a value of 139,062.04 Euros, as well as UTE Hornillos for a value of 89,449.36 Euros and the increase in UTE Butarque for a value of 57,067.88 Euros.

- The registrations under section Concession agreements financial activation come from the Joint Ventures: Butarque with a value of 105,376.94 Euros and Hornillos with 471,640.50 Euros, in both cases the requirements for financial expenses to be identified and recoverable during the contract life are complied with.

- The most significant registration under the section Concession agreements advancements is caused by UTE TEM with 209,533.36 Euros.

PERIOD CANCELLATIONS

- Cancellations made over Concession agreement advancements mainly correspond to UTE TEM fixed assets for a value of 1,132,321.48 Euros of administration expenses for its invoking to UTE Concesionaria.

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PERIOD TRANSFERS

- The transfers over Concessions mainly correspond to the amount composing Other intangible assets of UTE Cariño TEM that after its initial analyses has considered adequate to take it to the concession Agreement for an amount of 321,578.05 Euros during the 2013 business year.

All the company intangible assets are related to own entrepreneurial activities of its operations and are located within the national territory.

The details and operations of this section of the balance sheet for the 2014 business year are the following:

	Initial balance on 12/31/2012	Entries	Increases or decreases by transfers	Changes in JV participation %	Outflows, cancelations or reductions	Final balance on 12/31/2013
Cost:						
Gas emission rights		78,337.00			(13,902.00)	64,435.00
Concessions	4,020,026.38				(4,020,026.38)	
Patents, licenses, brands and similar	5,951.10					5,951.10
Computer applications	833,143.74	3,333.68	1,900.00		(7,793.32)	830,584.10
Other intangible fixed assets	70,000.00				(70,000.00)	
Concession agreements reg. ast. (note 6)	49,534,579.20	90,414.24		1,450,968.67	(4,557,250.90)	46,518,711.21
Concession agreement fin. Act. (note 6)	1,639,628.10	549,265.99				2,188,894.09
Advancement by concession agreement, regulated asset (note 6)	745,996.11			36,429.45	(537,530.00)	244,895.56
Total cost	**56,927,661.63**	**643,013.91**	**1,900.00**	**1,487,398.12**	**(9,206,502.60)**	**49,853,471.06**
Amortization:						
Concessions	(1,537,043.56)				1,537,043.56	
Patents, licenses, brands and similar	(5,091.51)	(859.59)				(5,951.10)
Computer applications	(747,406.09)	(26,152.48)			7,793.33	(765,765.24)
Concession agreements reg. ast. (note 6)	(12,032,970.83)	(2,344,162.08)		(198,601.26)	1,374,234.09	(13,201,500.08)
Total amortization	**(14,322,511.99)**	**(2,371,174.15)**		**(198,601.26)**	**2,919,070.98**	
Depreciation						
Total depreciation						
Total	**42,605,149.64**	**(1,728,160.24)**	**1,900.00**	**1,288,796.86**	**(6,287,431.62)**	**35,880,254.64**

PERIOD SUBSCRIPTIONS

- The subscription of Computer applications fully corresponds to UTE Jardines Centro Sevilla for the "Arbomap" program software.

- The subscription of Concession agreements, regulated asset corresponds to the increase in UTE TEM of the concession value.

- The subscriptions of section Concession agreements, financial act, come from the Joint Ventures: Butarque with a value of 103,763.99 Euros and Hornillos with 445,502.00 Euros, in both cases the requirements for financial expenses to be identified and recoverable during the contract life are complied with.

PERIOD CANCELLATIONS

- The cancellations of Gas emission rights fully correspond to UTE Butarque.

- The cancellation of Concessions fully corresponds to UTE Aguas Alcalá, participation which has been sold during the business year.

- The cancellations of Computer applications correspond to those appearing for a value of 4,960.32 Euros in the statement of UTE Aguas Alcalá which participation has been sold during the business year as well as two VSM cancellations, one for a value of 2,465.50 Euros for the toll software sold with Reocín and 367.50 Euros corresponding to the Náquera project.

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- The cancellation of Other Intangible Assets fully corresponds to the trade fund of UTE Lince y Aguila which has finished its corporate purpose and is under dissolution proceedings.

- The most significant cancellations in Concession agreements, regulated assets correspond again to UTE Aguas Alcalá for a value of 4,216,796.43 Euros, to the works of Atmósferas Antiexplosivas of UTE Butarque for a value of 135,760.19 Euros and the cancellation of Nave de Cercedilla, since the client rescued the service during the business year.

- The cancellations that have taken place in Concession agreements advancements correspond to costs activated during the previous business year corresponding to investments that are not going to take place and that are no longer active in UTE Butarque for a value of 537,530.00 Euros.

PERIOD TRANSFERS

- The transfers over Computer applications correspond to the amount which comprised the Intangible assets advancements of UTE Gardelegui and that after its subsequent analysis has been considered adequate to change it to Computer applications for an amount of 1900.00 Euros during the 2014 business year.

All the Company intangible assets are related to own entrepreneurial activities and are located within the national territory.

The Joint Ventures provide a total amount of 31,893,701.15 Euros (38,265,304.01 Euros in 2013 to the above chart). The most significant ones in 2014 as well as in 2013 are the following:

2013	UTE BUTARQUE	UTE EDAR ARIÑO	UTE AGUAS ALCALÁ	UTE TEM	UTE HORNILLOS	OTHER JV	JV Amounts
Net value:							
Emission rights	78,337.00	-	-	-	-	-	78,337.00
Concessions	-	-	2,482,982.82	-	-	-	2,482,982.82
Computer applications	851.20	-	-	-	11,641.80	24,673.36	37,166.36
Concession agreement, regulated asset	7,412,950.89	1,106,038.32	2,969,086.88	7,166,623.26	14,626,494.27	-	33,281,193.62
Financial triggering	494,876.10	-	-	-	1,144,750.00	-	1,639,628.10
Advancement by concession agreement	537,530.00	-	-	208,466.11	-	-	745,996.11
Total net value	**8,524,547.19**	**1,106,038.32**	**5,452,069.70**	**7,375,089.37**	**15,782,886.07**	**24,673.36**	**38,265,304.01**

2014	UTE BUTARQUE	UTE EDAR ARIÑO	UTE AGUAS ALCALÁ	UTE TEM	UTE HORNILLOS	OTHER JV	JV Amounts
Net value:							
Emission rights	64,435.00	-	-	-	-	-	64,435.00
Concessions	-	-	-	-	-	-	-
Computer applications	406.71	-	16,659.52	-	5,817.99	1,944.33	24,828.55
Concession agreement, regulated asset	6,759,941.99	1,042,049.60	-	7,814,599.64	13,754,056.71	-	29,370,647.94
Financial triggering	598,642.09	-			1,590,252.00		2,188,894.09
Advancement by concession agreement	-	-	-	244,895.57	-	-	244,895.57
Total net value	**7,423,425.79**	**1,402,049.60**	**16,659.52**	**8,059,495.21**	**15,350,126.70**	**1,944.33**	**31,893,701.15**

At the closing of the 2014 and 2013 business years the Company had intangible assets elements fully amortized that remained in use, according to the following detail:

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Description	Net accounting value (gross)	
	2014	2013
Computer applications	600,352.38	602,855.86
Total	600,352.38	602,855.86

Of the above chart the Joint Ventures represent 104,333.44 Euros in the year 2014 (10..333.44 Euros in the year 2013).

In the UTE Butarque there are gas emission rights starting from the year 2013 and its detail in Euros as well as in units is the following percentage of ownership y of the Company in the Joint Venture for the year 2013:

	RIGHTS in Euros				
	Balance on 12/31/2012	Subscriptions	Sales	Rights delivery	Nº of rights on 12/31/2013
C02 subsidized rights	-	78,337	-	-	78,337
Total Rights	-	78,337	-	-	78,337

Changes in units of measurement	RIGHTS in units					
	Nº of rights on 12/31/2013	Subscriptions	Sales	Consumption	Rights delivery	Nº of rights on 12/31/2013
Subsidized CO2 rights	-	12,635	-	12,635	-	-
Total rights	-	12,635	-	12,635	-	-

And for the 2014 business year

	RIGHTS in Euros				
	Balance on 12/31/2013	Subscriptions	Sales	Rights delivery	Nº of rights on 12/31/2014
C02 subsidized rights	78,337	64,435	-	78,337	64,435
Non-subsidized CO2 rights	-	170,124	-	170,124	-
Total Rights	78,337	234,559	-	248,461	64,435

Changes in units of measurement	RIGHTS in units					
	Nº of rights on 12/31/2013	Subscriptions	Sales	Consumption	Rights delivery	Nº of rights on 12/31/2014
Subsidized CO2 rights	-	12,412	-	1	-	12,414
Non-subsidized CO2 rights	-	26,523	-	-	26,523	-
Total rights	-	38,938	-	1	26,523	12,414

There are no relevant disassembly, withdrawal or restoration costs.

It is the Company policy to contract all insurance policies that are considered necessary to cover the possible risks that may affect the intangible assets elements.

The Company has capitalized financial expenses within the section Concessional agreement within the intangible assets during 2014 for an amount of 549,265.99 Euros, (577,017.44 Euros in 2013) from UTE Butarque for a value of 103,763.99 Euros and 445,502.00 Euros of Hornillos Joint Venture, (105,376.94 Euros and 471,640.50 Euros in 2013 respectively). The total of compounded financial expenses from origin amount to 21,806,275.47 Euros, (21,257,009.48 Euros in 2013).The criteria followed for establishing said expenses is the following: they are included in the acquisition or production coast of financial expenses, drawn to the

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amounts of that correspond to specific and general third party financing directly chargeable to the acquisition or construction of the fixed assets, accrued during the construction stage of those assets that need a period of time exceeding one year to be under use conditions.

CHANGES IN THE JOINT VENTURES PARTICIPATION PERCENTAGES

This column provides the performed adjustments due to changes in the participation of different Joint Ventures. During the 2014 business year, the company has acquired part of its participation to two partners in the UTE TEM, to reach 46.99% from the 40% of the previous year.
During 2013, changes take place in two Joint Ventures, the Ute Orihuela in which participation has been increased due to the acquisition to two partners of their respective shares, going from 40% to 100%, as well as UTE TEM in which the company participation has been reorganized and VSM has increased its participation from 38% to 40%.

6. Concession Agreements

6.1 PUERTOLLANO PARKING

a) Agreement description and accounting qualification of the received consideration:

Dated 04/26/2007 the VSM, S.A. Company signs with the Puertollano City council a concession agreement consisting in the construction and subsequent operation of a parking in Puertollano. The construction stage ended in March 2011 and its operation started from the month of April 2011.

The Company has qualified the received consideration as an intangible asset, since it consists in the right to collect the corresponding fees based on the degree of use of the rendered public service, with a draft fee which is charged in cash and a different one by monthly payment that is collected by domiciled receipt. Therefore the Company assumes the demand risk in the concession agreement. The net value by which this concession is recorded in the Intangible Assets on December 31st, 2014 is of 3,643,115.19 Euros, (3,750,003.66 Euros in 2013).

b) Agreement general regulations:

The concession agreement is for a period of 38 years, due to which the concession period will end on April 26th, 2045. The total amount of the agreed investment is of 4,018,927.92 Euros which is the parking final cost, amount that will be recovered by the operation by subscribers and rotation, the sale of parking spaces is also foreseen when the parking is one-off payment, but at this time no sales have taken place. The apprised price for the sales of the spaces is of 16,713 Euros without VAT and said price is subject to review depending on demand. The price of the rotation spaces and installments is established according to the fees in effect established by the Administration.

c) Nature and scope:

c.1) Right to use specific assets

The concession agreement contemplates the City Council right to use 20 parking spaces during the entire concession period, spaces evaluated in 413,000 Euros.

c.2) Obligations to provide or rights to receive the rendered services.

The Company has the obligation to render the surface parking management services (SER), the vehicle collection tow services and the operation during 2' years of another underground parking already existing in Puertollano.

c.3) Significant actions over the infrastructure

The significant actions performed during the 2014 business year, during prior business years and those that will be performed in future periods are detailed below:

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	AMOUNTS			
	Prior business years	2013	2014	Future business years
Types of actions:				
Conservation	327,927.12	2,491.49	1,739.40	742,841.99
Total	**327,927.12**	**2,491.49**	**1,739.40**	**742,841.99**

c.4) Obligations and rights at the end of the concession period

At the end of the concession period the Company has the obligation of delivering all assets that comprise the item "concession agreement" under optimal operational conditions.

c.5) Renewal and cancellation options

The concessional agreement can be extended to a maximum of 50 years.

The concession agreement includes the following cancellation options:
- Extinction of the concessionary legal entity.
- Bankruptcy declaration, liquidation proceedings, administration, insolvent or arrangement with creditors.
- Mortgage execution declared not awarded or the impossibility to start the mortgage execution procedure due to lack of interested parties authorized for this purpose.
- Agreement between grantor and concessionary.
- Concession seizure for a period exceeding the one established as maximum without the contractor having guaranteed the complete assumption of all its obligations.
- Delay greater than six months by the City Council in the delivery of the consideration to the concessionary, of the terrains and auxiliary means agreed upon within the contract.
- Operational redemption by the City Council.
- Service suspension due to public interest reasons.
-Impossibility of service rendering due to agreements adopted by the Administration after the contract.
- Default or non-compliance of contractual obligations by the concessionary.
- Any other causes contemplated in the regulation in effect or in the contract.

d) Concessional agreement modifications which have taken place during the business year

During the 2014 business year the concession agreement has not undergone any changes.

e) Financial expenses triggering justification

The concession agreement does not have specific associated financing due to which financial expenses associated to the concession agreement are not being triggered.

f) Financial Economic Plan relevant magnitudes

The relevant magnitudes gathered under the Financial Economic Plan of the concession agreement are the estimated traffic volume (ETV), calculated according to similar parking concessions; the estimated consumer index price, which is considered as 3% for the entire concession price; and the interest rate type for the associated debt, for which the average financing interest rate has been calculated for financing outside the Company.

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6.2. HORNILLOS STATION

a) Agreement description and accounting qualification of the received consideration:

Dated 02/10/2005 UTE Hornillos signs with Entidad Metropolitana para el Tratamiento de Residuos de Valencia a concession agreement consisting in the management of an existing station as well as the execution and operation of the Quart de Poblet waste treatment station. The company has qualified the received consideration as intangible assets and financial assets, since is a mixed model, due to it receiving a fixed rent and a variable one in relation to the treated tons. The net value by which this concession is recorded in the Intangible Assets on December 2014 is of 13,754,056.70 Euros (14,626,494.27 Euros in 2013) and the Collection rights by 50,188,005.98 Euros (52,163,317.33 Euros in 2013).

b) Agreement general regulations:

The concession agreement for the execution of the Waste treatment station is of 30 months since the awarding, the execution of a Transfer station is of 30 months at most conditioned at the beginning of the testing and that of the Ecoparques is for a maximum period of 5 years since the awarding date. The operation of installations executed in 2030 will also be performed. The total amount of agreed investment is of 142,046,704 Euros. The fee structure and its review are annual. The contract distinguishes between two types of rents: operational rent and amortization rent. The operational rent is made in relation with the treated tons and can be reviewed once a year in January 1st of each business year in relation to a polynomial equation, which includes the considered average cost index of the collective agreement, generic energy products and CPI of the Valencia Community. The amortized rent of the investments is not revisable, since it is considered as independent form the tons managed in the facilities and is collected to ensure the recovery of the investment, by a fixed amount calculated based on 400,000 tons per year.

c) Nature and scope:

c.1) Right to use specific assets

The concession agreement contemplates the right to use the existing station as well as the constructed installations. As use and utilization rent of the terrains over which the new station is built, the contractor and Ute Hornillos are obligated to pay a rent of 8 million Euros, increased in 60,000 Euros for each 1,000 square meters in which the current installation surface is exceeded. This use rent will be paid as follows: 4 million in the beginning month of the works and the rest in twenty sections until the end of the concession.

c.2) Obligations to provide or rights to receive the rendered services.

The Company has the obligation of rendering the services contained in the awarding contract and modified on March 9th, 2005:

a. Execute the works and installations defined in the management project.
b. Take care of the good service order.
c. Compensate damages to third parties.
d. Recognizing the service to all users authorized by the EMTRE.
e. Exercise the rendering of services.
f. Comply with the law in effect.

The Company also has the right to receive from EMTRE the operational rent in relation to the number of tons treated in the installations, as well as the amortization rent multiplied by the 400,000 yearly tons.

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c.3) Significant actions over the infrastructure

The significant actions performed during the 2014 business year, during prior business years and those that will be performed in future periods are detailed below:

	AMOUNTS			
	Prior business years	2013	2014	Future business years
Types of actions:				
Conservation	6,948,506.04	483,763.43	621,912.54	16,088,511.41
Total	**6,948,506.04**	**483,763.43**	**621,912.54**	**16,088,511.41**

c.4) Obligations and rights at the end of the concession period

At the end of the concessional period the Company has the obligation to deliver all assets that comprise the "concession agreement" item in perfect operation and conservation conditions assigning for this purposes with an advancement of 20 months before the end of the contract a technical auditor who certifies the installation is in perfect condition, informing about any defect found therein.

c.5) Renewal and cancellation options

The concessional agreement does not contemplate any renewal option.

The concession agreement includes the following cancellation options:
- The default of the contractor obligation to hold confidential the background data related to the contract purpose.
- The contractor default of any of the obligations stipulated in the contract.

d) Concessional agreement modifications which have taken place during the business year

During the 2014 business year the concession agreement has not undergone any changes.

e) Financial expenses triggering justification

The financial expenses associated to the concession agreement is being triggered according to what is described in the evaluation regulations herein, due to the Company Directors considering all requirements stipulated in section three of the second regulation of Order EHA/3362/2010 are complied with.

At the closing of the 2013 and 2014 business years the amounts triggered by the construction of the Station are the following:

	Prior business years	2013	2014
Triggered financial assets	**19,602,130.38**	**471,640.50**	**445,502.00**

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d) FEP relevant magnitudes

The relevant magnitudes gathered in the Financial Economic Plan of the concession agreement are the volume of the treated tons stipulated by the EMTRE in the Terms of Reference of the tender, the estimated consumer price index and the interest rate estimated for the associated debt. For the CPI it was considered a 2.5% for the 20 concession years, since it was considered adequate to the contract prices review formula (Valencia Community CPI). The interest rate used in the FEP is the one considered by the banking syndicate that finances the project (between 4.25% and 4.90% of the senior debt).

6.3 CALANDRIAS STATION

a) Agreement description and accounting qualification of the received consideration:

Dated 06/28/2006 the Company signs with Verinsur, S.A. a contractual position assignment agreement with the company Aguas de Jerez Empresa Municipal, S.A. in its concession consisting in the operation, conservation and maintenance of the installations that are comprised by the Composting and Recycling Station "Las Calandrias" located in Jerez de la Frontera (Cádiz). The company has qualified the received consideration as financial asset since there is no risk of demand due to the amount being collected is of the fixed rent type. The net value by which this concession is recorded on December 31st, 2014 in Collection rights is of 1,435,978.33 Euros, (1,505,225.29 Euros in 2013).

b) Agreement general regulations:

The concession agreement is for a period of 20 years renewable for a minimum period of 1 year, up to a maximum of 50 years due to which the concession period will end on July 4th, 2022, the amount of the annual fixed rent in effect is of 6,075,292.08 Euros VAT included and yearly price reviews will be established from the first year of contract with the Polynomial formula based on the CPI.

c) Nature and scope:

c.1) Right to use specific assets.

The concession agreement contemplates that the following supplies will be borne by the successful bidder:

g. The consumable products necessary for the Station maintenance.
h. The consumed electric energy.
i. The drinkable water consumption.
j. The Telephone consumption.
k. Any other consumption necessary for the correct operation of the station.

c.2) Obligations to provide or rights to receive the rendered services.

The Company has an obligation to satisfy at the time of the grating operation rights for a value of 4,808,097 Euros, the following services are also specified as purpose of the contract:
- Installations maintenance.
- Remove the produced debris.
- Repair the damaged elements.
- Maintain a 24 hours surveillance service.
- Communicate any incident to the successful bidder.

c.3) Significant actions over the infrastructure

The significant actions performed during the 2014 business year, during prior business years and those that will be performed in future periods are detailed below:

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	AMOUNTS			
	Prior business years	2013	2014	Future business years
Types of actions:				
Conservation	-	87,047.34	74,016.59	641,287.07
Replacement and large repairs	-	-		53,339.75
Total	-	**87,047.34**	**74,016.59**	**694,626.82**

c.4) Obligations and rights at the end of the concession period

At the end of the concessional period the Company has the obligation of continuing the service until the new concessionary takes charge of it, as well as the delivery of the installations in perfect use condition leaving the installations free and organized.

c.5) Renewal and cancellation options

The concession agreement contemplates a maximum of 50 years to render the service, extensions included.

The concession agreement includes the following cancellation options:
- Due to the default of the Clauses contained in the contract or by the deficient rendering therein.
- Due to the termination of the company legal entity or its bankruptcy.
- Due to agreement of the company and the subcontractor.
- Due to fraudulent manipulation.

d) Concessional agreement modifications which have taken place during the business year.

During the 2014 business year the concession agreement has not undergone any changes.

e) Financial expenses triggering justification

The concession agreement does not have specific associated financing due to which financial expenses associated to the concession agreement are not being triggered.

f) FEP relevant magnitudes

The relevant magnitudes gathered in the Financial Economic Plan of the concession agreement are the volume of the treated tons, the increase of staff, the estimated consumer price index taking the National Statistics Institute and the estimated interest rate for the associated debt, as the Company means.

6.4 UTE BUTARQUE

a) Agreement description and accounting qualification of the received consideration:

Dated 11/25/1999 the Company signs with Madrid City Council a contract for the construction and operation during 25 years of a Sludge Thermal Drying Station in the E.R.A.R. Butarque, having started the operation on December 2002. The Company participates in the concession through Ute Butarque, joint business in which it participates by 70%.

The Company has qualified the received consideration as an intangible asset, since it consists in the right to collect the corresponding fees based on the degree of use of the rendered public service. The

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net value by which this concession is recorded in the Intangible Assets on December, 2014 is of 6,759,941.99 Euros, (8,445,328.99 Euros in 2013).

The concession contract establishes the operational remuneration of the Thermal Drying Station by the use of three rents that the Joint Venture receives, namely the following:

- amortization rent per ton: It is obtained by repercussion of the investments. It is a variable amount in relation to the sludge volume that is subject to thermal drying. The price per applicable ton was established at the beginning of the concession and it is not up for review
- Operational rent per ton: Reflects the maintenance, conservation and operational costs of the installation. Is a variable amount in relation to the volume of sludge subject to thermal drying and it can be reviewed yearly according to the formula established in the concession documents.
- Composting rent: Corresponds to the sludge that is received at the station but that cannot be treated in it due to justified reasons, due to which it must be subject to a conventional composting procedure. Its amount is variable in relation to the volume and it can be reviewed yearly according to the formula established in the concession documents.

b) Agreement general regulations:

The concession agreement is for a period of 25 years, due to which the concession period will end on December 16th, 2028. The contract establishes the certificate of monthly tonnage of sludge subject to treatment in the station to the rents stipulated above. Likewise, it forecasts a review of annual prices of the operational and composting rent, but not the amortization one.

c) Nature and scope:

c.1) Right to use specific assets

The concession agreement considers the right to use all existing assets in the station with the purpose of complying with the obligation stipulated in the contract to perform the thermal drying if the sludge that comes into the station from different purification stations of the Madrid City Council.

c.2) Obligations to provide or rights to receive the rendered services

The Company has the right to receive from the Madrid City Council the rents listed above for each treated ton.

c.3) Significant actions over the infrastructure

The significant actions performed during the 2014 business year, during prior business years and those that will be performed in future periods are detailed below:

	AMOUNTS			
	Prior business years	2013	2014	Future business years
Types of actions:				
Replacement and large repairs	27,110.69	38,454.57	18,084.68	123,056.98
Capacity improvement or expansion	213,872.11	26,414.68	-	313,260.83
Total	**240,982.80**	**64,869.25**	**18,084.68**	**436,317.81**

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c.4) Obligations and rights at the end of the concession period

At the end of the concession period the Company has the obligation of delivering all assets that comprise the item "concession agreement" under operational conditions.

c.5) Renewal and cancellation options

The concessional agreement does not contemplate any renewal option.

The concession agreement contemplates as possible cancellation clause the default of any of the clauses or periods contained in the contract.

c.6) Other rights and obligations

The concession agreement does not contemplate other rights and obligations beyond the above stated.

d) Concessional agreement modifications which have taken place during the business year.

During the 2014 business year the concession agreement has not undergone any changes.

e) Financial expenses triggering justification

The financial expenses associated to the concession agreement is being triggered according to what is described in the evaluation regulations herein, since it is considered all requirements stipulated in section three of the second regulation of Order EHA/3362/2010 are complied with.

At the closing of the 2013 and 2014 business years the amounts triggered are the following:

	Prior business years	2013	2014
Triggered financial expenses	389,501.16	105,376.94	103,763.99

In the 2013 and 2014 business years the Joint Venture has charged financial expenses of the business year 243,092.40 Euros and 125,084.82 Euros respectively, of which 105,376.94 Euros and 103,763.99 Euros have been triggered respectively.

f) Financial Economic Plan relevant magnitudes

The relevant magnitudes gathered in the Financial Economic Plan of the concession agreement are the volume number the treated tons, the estimated consumer price index and the interest rate estimated for the associated debt.

The concession activity is directly affected by RD 661/2007, which regulates electric energy production activity in special regime. Dated July 13 the Official State Bulletin publishes RD 9/2013 which approves the new legal and economic regime for the existing electric energy production installations from sources of renewable energy, cogeneration and waste, repealing all other regulations of the same or lesser consideration in the sections that contradict or opposed the dispositions therein and particularly in the Sole Repealing provision which specifically repeals RD 661/2007.

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The new regulation frame represents a reduction of forecasted income in future business years, which is not accompanied with a parallel reduction in costs. The Directors consider there is a founded basis to get from the City Council the reestablishment of the above mentioned concession economic financial rebalance, due to which no depreciation evaluation correction has been recorded.

6.5 GUADARRAMA PARK

a) Agreement description and accounting qualification of the received consideration:

Dated 11/20/2006 the Company signs with the Guadarrama City Council a concession agreement consisting in the management of the conservation, cleaning, maintenance and improvement of green areas, plantations and free spaces public services of the municipality. It is also proposed as an improvement in the construction of a park and its subsequent maintenance. The company has qualified the received consideration as financial asset since there is no risk of demand due to fixed rent collection. The net value by which this concession is recorded on December 31st, 2014 in Collection rights is of 573,874.05 Euros. (618,776.45 Euros in 2013).

b) Agreement general regulations:

Initially the concession agreement is for a period of 13 years renewable to a maximum of 50 years due to which the concession period will end on February 1st, 2020, during 2012 it was extended 2 more years until 2022, the total amount of the agreed upon investment is of 1,110,904 Euros VAT included, yearly price reviews are established starting the second contract year with a polynomial formula based on the Euribor and the CPI.

c) Nature and scope:

c.1) Right to use specific assets.

The concession agreement contemplates the right to use a shed for the contract period, with obligation by the contracting party to endow it with a telephone land line and paint and disinfect it at least yearly.

c.2) Obligations to provide or rights to receive the rendered services.

The Company has the obligation of rendering the conservation services of the municipality green areas, including the investment of improvements agreed with the City Council.

c.3) Significant actions over the infrastructure.

The significant actions performed during the 2014 business year, during prior business years and those that will be performed in future periods are detailed below:

	AMOUNTS			
	Prior business Years	2013	2014	Future business years
Types of actions:				
Infrastructure reversion	-	-	-	805,349.30
Total	-	-	-	**805,349.30**

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c.4) Obligations and rights at the end of the concession period.

At the end of the concessional period the Company has the obligation of continuing the service until the new concessionary takes charge of it, as well as the delivery of the installations in perfect use condition.

c.5) Renewal and cancellation options.

The concession agreement contemplates a maximum of 50 years to render the service, extensions included.

The concession agreement includes the following cancellation options:
- Due to the default of clauses within the contract.
- Due to agreement of the company and the subcontractor.
- Due to force majeure events.

d) Concessional agreement modifications which have taken place during the business year:

There have been no concessional agreement modifications in 2014.

e) Financial expenses triggering justification:

The concession agreement does not have specific associated financing due to which financial expenses associated to the concession agreement are not being triggered.

f) FEP relevant magnitudes:

The relevant magnitudes gathered in the Financial Economic Plan of the concession agreement are the rent with its corresponding price reviews, the estimated consumer price index and the interest rate estimated for the associated debt, these estimates have been made fairly.

6.6 UTE LA PALOMA

a) Agreement description and accounting qualification of the received consideration:

Dated 11/01/2002 UTE LA Paloma comprised by Urbaser at 62% and VSM at 38% sign with the Madrid City Council a concession agreement consisting in the operation of the Treatment Center and, with the purpose of adapting to the new legal, administrative and technical demands, the successful bidder of the current tender will perform adaptation works to the current operational installations of said Center to comply with the new demands imposed by the most recent environmental law and, particularly, to the commitments acquired by the Madrid City Council to adhere to the Convention subscribed by Madrid's Community (CAM) and ECOEMBES.

The company has qualified the received consideration as financial assets, since the receive consideration consists in an unconditional right to receive cash, which allows for the recovery of the performed investment, obtaining a reasonable margin. Receiving an amortization rent of 1,602,817.20 Euros for organic waste and 401,094.85 Euros for containers waste. Therefore the Company does not assume the demand risk in the concession agreement. The net value by which this concession is recorded in Collection rights is of 7,288,762.06 Euros, (8,178,011 Euros in 2013).

b) Agreement general regulations:

The concession agreement is for a period of 21 years due to which the concession period will end on November 1st, 2023, the total amount of the agreed upon investment is of 35,547,890 Euros. In

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December 2011 the different operational and amortization rents of the year 2008 to 2010 are reviewed, remaining outstanding for review the rents of the year 2011 and subsequent ones.

c) Nature and scope:

c.1) Right to use specific assets.

The concession agreement contemplates the right to use the existing station until such a time as the new station is built.

c.2) Obligations to provide or rights to receive the rendered services.

The Company has the obligation of rendering the service for the manual and semiautomatic separation of containers and treating organic waste by the use of composting tunnels. The Company also has the right to receive from the Madrid City Council the following rents for amortization as well as for operation.

c.3) Significant actions over the infrastructure.

There are currently no scheduled significant actions.

c.4) Obligations and rights at the end of the concession period.

At the end of the concession period the Company has the obligation of delivering all assets that comprise the item "Concession Agreement" under perfect operational conditions.

c.5) Renewal and cancellation options.

The concession agreement contemplates the renewal option for a period of 2 years, after which it cannot be renewed again.

d) Concessional agreement modifications which have taken place during the business year.

During the 2014 business year the concessional agreement has not undergone any changes.

e) Financial expenses triggering justification

The concession agreement does not have specific associated financing due to which financial expenses associated to the concession agreement are not being triggered.

f) Financial Economic Plan relevant magnitudes

The relevant magnitudes gathered in the Financial Economic Plan of the concession agreement are the volume number the treated tons, the estimated consumer price index and the interest rate estimated for the associated debt, these magnitudes are established fairly.

6.7 UTE TEM

a) Agreement description and accounting qualification of the received consideration:

Dated 07/05/2007 the UTE TEM comprised by VSM, S.A. by 46.99% at the end of the 2014 business year, (40% at the end of the 2013 business year) signs with Tratamiento de Residuos Sólidos Urbanos del Maresme consortium a concession agreement consisting in the expansion, adaptation and operation of the Maresme Centre Integral de Valorización de Residuos.

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The Joint Venture has qualified the received consideration as an intangible asset, since the received consideration consists in the right to collect the corresponding fees based on the degree of use of the rendered public service. The net value by which this concession is recorded in the Intangible Assets on December, 2014 is of 7,814,599.64 Euros, (7,375,089.37 Euros in 2013).

b) Agreement general regulations:

The concession agreement is for a period of 15 years due to which the concession period will end on December 31st, 2024 according to the economic-administrative documents, the total agreed upon investment amount is of 69,575,550 Euros, VAT not included, plus the expansions of the initial concession contract: Modified for a value of 4,394,874.70 Euros and the Riera works for a value of 645,789.25euros.

The installations operation will be remunerated according to the offered operational rents, under nominal load conditions. Yearly price reviews are established. The operational rents are calculated in relation to the center process area and the remuneration is made based on the different composition of the fixed costs, variable costs, guaranteed income by energy and guaranteed income by recovered materials.

c) Nature and scope:

c.1) Right to use specific assets.

The concession agreement contemplates a use rent for the cargo facilities by UTE TEM, evaluated at 9,957,507 Euros which corresponds to the property value established in the 2006 business year. A rate of 3.39% is applied over this base, which makes the 2012 rent amount to 337,559.49 Euros. The rent for 2014 is of 367,082.97 Euros, (366.629,29 Euros in 2013). Said rent will be for a period of 15 years, which will be reviewed each year according to the published CPI.

c.2) Obligations to provide or rights to receive the rendered services.

Concessionaire Rights

1) Operate the public works and receive the economic retribution scheduled in the contract
2) Use the products and sub-products derived from the installation operation, including the energy.
3) Receive the compensation that, as they case may be, corresponds for the accredited damages that take place during the contract execution due to causes chargeable to the Consortium.

c.3) Obligations and rights at the end of the concession period.

At the end of the concessional period the Company must return the service of all elements, installations and existing material under perfect operating conditions as well as the new related elements even though not physically at the facilities such as spare parts and mobile machinery among others.

c.4) Renewal and cancellation options.

The concession will be terminated by compliance at the end of the period or by cancellation. In case the concession period ends, the Consortium will have the possibility to renew it 3 times for additional periods of 5 years until reaching a total additional period of 15 years. In any case, once the concession period has been fulfilled, the concessionaire must ensure the continuity of the service until the new concessionaire takes care of the service.

The contract termination causes are the following:
1) Extinction of the concessionary Company legal entity.
2) Bankruptcy declaration, liquidation proceedings or arrangement with creditors.

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5) Service bailing.
4) By agreement between the Consortium and the UTE TEM (Concessionaire)
5) The lack of provision by UTE TEM (Concessionaire) of the final Warranty or those special and complementary ones within the conditions under the cases scheduled in the law and the non-formalization of the contract within the allotted period.
6) The delay in the compliance of the terms by UTE TEM.
7) The suspension in the beginning of the works for a period exceeding 8 months by the Public Administration
8) The non-formalization of the administrative contract in the established period, due to reasons chargeable to UTE TEM
9) If once the concession intervention has been lifted, the concessionaire once again incurs in the same causes that gave rise to said intervention.

d) Concessional agreement modifications which have taken place during the business year:

During the 2014 business year the concessional agreement relevant topics have not undergone any changes.

e) Financial expenses triggering justification:

The concession agreement does not have specific associated financing due to which financial expenses associated to the concession agreement are not being triggered.

f) Financial Economic Plan relevant magnitudes:

The relevant magnitudes gathered in the Financial Economic Plan of the concession agreement are the volume number the treated tons, the estimated consumer price index and the interest rate estimated for the associated debt, these magnitudes are established fairly.

7. Intangible assets

The existing movements during this section of the balance sheet for the 2013 business year is the following

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	Initial balance on 12/31/2012	Subscriptions	Increases or decreases by transfers	Changes in JV participation %	CANCELLATIONS, cancellations or reductions	Final balance on 21/31/2013
Cost:						
Terrains and constructions	7,203,663.36	68,701.00	-	-	(80,518.75)	7,191,845.61
Technical installations	20,550,951.79	518,261.91	797,284.96	-	(164,450.01)	21,702,048.05
Machinery	18,321,299.86	1,921,129.33	-	924,657.10	(202,361.00)	20,964,725.29
Utilities and other installations	9,644,575.80	1,068,514.26	(2,300.00)	-	(389,272.52)	10,321,517.54
Transportation elements	36,322,517.20	4,661,459.67	-	136,192.67	(1,317,830.90)	39,802,338.64
Furbishing	983,319.84	51,522.14	-	-	(366.93)	1,034,475.05
Information protection equipment	610,817.22	76,765.41	-	-	(5,868.02)	681,714.61
Other fixed assets	35,453,179.17	924,975.96	(319,278.05)	1,275,309.89	(13,500.34)	37,320,686.63
Advancements for fixed assets	1,537,433.90	1,226,458.38	(797,284.96)	-	(73,326.05)	1,893,281.27
Total cost	130,627,758.1	10,517,787.46	(321,578.05)	2,336,159.66	(2,247,494.52)	140,912,632.69
Amortization:						
Terrains and constructions	(1,795,122.00)	(924,953.63)	-	-	37,192.21	(8,277,773.38)
Technical installations	(6,485,822.64)	(1,829,142.95)	-	-	145,762.14	(12,225,565.81)
Machinery	(10,249,205.29)	(1,828,483.16)	-	(293,639.00)	274,052.02	(6,018,397.56)
Utilities and other installations	(5,143,829.94)	(1,150,137.43)	1,517.79	-	449,589.19	(20,927,141.09)
Transportation elements	(17,713,421.63)	(3,606,666.99)	-	(56,641.66)	305.75	(838,791.18)
Furbishing	(774,067.02)	(65,029.91)	-	-	5,868.03	(540,174.74)
Information protection equipment	(493,290.11)	(52,752.66)	-	-	7,136.33	(14,630,466.83)
Other fixed assets	(11,235,850.97)	(3,033,015.85)	39,269.36	(408,005.70)	37,192.21	(8,277,773.38)
Total amortization	(53,890,609.60)	(11,890,182.58)	40,787.15	(758,286.36)	919,905.67	(65,578,386.22)
Depreciation:						
Machinery	(420,678.40)	-	-	(631,017.60)	-	(1,051,696.00)
Transportation elements	(273,625.67)	-	-	(79,551.00)	220,591.67	(132,585.00)
Other fixed assets	(578,202.80)	-	-	(867,304.20)	-	(1,445,507.00)
Total depreciation	(1,272,506.87)		-	(1,577,872.80)	220,591.67	(2,629,788.00)
Total	75,464,641.67	(1,372,395.12)	(280,78990.90)	-	(1,106,997.18	72,704,458.47

PERIOD SUBSCRIPTIONS

- The subscriptions over Terrains and Constructions correspond to the conditioning of the workshop shed in Alcalá for an amount of 68,701 Euros.

- The subscriptions of Technical Installations mainly include subscriptions fir 179 parking meters of Casteldefels for an amount of 214,335 Euros, a drier electrical engine of O.P for the maintenance of Reocín for an amount of 6,740 Euros, a mini cube cleaning spout for Majadahonda for an amount of 2,224.65 Euros and the milestones of the ICO 2009 in the tire station of Chiloeches for an amount of 131,082.50 Euros.

-The most significant amounts subscribed in Machinery during the period are:

The Alcalá service for a value of 1,164,144 Euros which correspond to the acquisition of several street washers, lateral load collectors, lateral load compacting collectors and several sweepers; of the Madrid sets the subscription value of machinery amounts to 593,398.45 Euros which are comprised by the sum of several harvesters, compactors, gardening machinery, sweepers and hydro cleaning equipment and the Majadahonda cleaning contract with winter machinery for an amount of 15,740 Euros.

- Utilities and other installations is mainly comprised of:

Material for the expansion of the docks for an amount of 28,438.61 Euros of cleaning and collection contract for, of the Madrid sets subscriptions reach 159,604 Euros corresponding to the acquisition of hedge trimmers, tools, street sweepers, buckets, gardening machinery, aluminum ramps and signaling carts, of the Alcalá de Henares service 384,409 Euros that amount to the acquisition of 28 underground containers, the adaptation for the image of vehicles, several containers with different capacities, a Walser Top Cleaner equipment, an Inox Road cleaning cart, a Nissan Basculante equipment, a metal container of 3.200 L, a tank of 8m3 Soundproof, an area platform, screen printed textile equipment, an air conditioning device, installation of the hardware equipment, Casteldefels concession, carpentry works, paving and installation of restrooms in

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Casteldefels for an amount of 144,784.19 Euros, also, facilities restoration in the Isla de Arosa offices for an amount of 77,638.29 Euros and the Madrid sets for an amount of 39,552.25 Euros which belong to the waste collection mobile location.

- Transportation Elements:

The accounted inscriptions are due to a series of lease contracts signed with different financial entities for the acquisitions of necessary elements in the different service contracts. The contracts with the most significant amounts corresponding to the cleaning of Majadahonda with an approximated amount of 2,394,202.15 Euros, Servicio de Alcalá for an amount of 1,135,799 Euros, Jardines Sevilla for a value of 47,627.20 Euros and Haro for an amount of 46,548 Euros.

- Fittings subscriptions mainly correspond to:

The acquisitions performed during the business year for the management of the cleaning and waste collection services of Lotes de Madrid for an amount of 50,321.60 Euros.

- In Information process equipment the subscriptions are mainly due to:

acquisitions performed for the Management of the Madrid offer service computer program for an amount of 15,100 Euros and for the printing and manufacturing of Casteldefels cards for an amount of 36,961.14 Euros.

- In Other fixed assets the most significant amounts are the following:

Signaling works of San Cugat del Valles for an amount of 54,469.97 Euros, 1,111 containers of 120 L of the Majadahonda service for an amount of 23,632 Euros, lateral and vertical signaling works and parking meters of Casteldefels for an amount of 483,330.50 Euros and Haro parking meters for an amount of 91,469.50 Euros.

- In Tangible assets advancements the following are recorded:

the related costs incurred with the works performed for San Cugat del Valles for a value of 1,135,118.67 Euros.

PERIOD CANCELLATIONS

- In Terrains and Constructions fully amortized assets of the Sludge Composting Station have been unsubscribed for an amount of 80,518.75 Euros.

- The CANCELLATIONS over Technical Installations mainly correspond to the cancellation by scrapping of a maintenance shed for the Vallecas expansion belonging to the Madrid Tree Conservation Service for an amount of 63,616.40 Euros.

- In Machinery the CANCELLATIONS mainly correspond to the sale of a leasing associated to the leasing contract of Navalcarnero Cleaning for an amount of 117,800 Euros.

- In Utilities and installations the CANCELLATIONS correspond to the cancellation of assets fully amortized of the Madrid Sludge Management Service corresponding to a leasing for an amount of 143,250 Euros and the Vallecas Execution of the Madrid Tree Conservation Service for an amount 48,013.87 Euros.

- In the item Fitting for an amount of 366.93 Euros the Madrid Municipalities Service must be unsubscribed.

- In Transportation elements the CANCELLATIONS amount to 1,317,830.90 Euros the main CANCELLATIONS correspond to the Majadahonda cleaning leasing for an amount of 547,869.5 Euros and Madrid Sludge Management for an amount of 385,000 Euros.

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- In Other Fixed Assets the main CANCELLATIONS correspond to the Madrid Municipal Service for an amount of 720 Euros and the rest to the cancellation of UTE Sierra del Segura, dissolved during the business year.

PERIOD TRANSFERS

- The transfers over Technical Installations correspond to the transfers from Advancements from the fixed assets section to the Chiloeches Station fixed assets in Valoriza for a value of 797,2847. 96 Euros.

- In Other Installations the transfer corresponds to a container of 10 m3 if the Leganés Pneumatic Cleaning Service for a value of 2,300 Euros.

- In Other Tangible assets the transfer corresponds to a subscription of the above mentioned container and for a cancellation of UTE Cariño which is explained in the Intangible Assets within the section Concessional Agreement for 321,578.05 Euros.

PERIOD DEPRECIATIONS

- In Transportation elements there is a cancellation by depreciation of several trucks with their traction heads of the Torrecilla sludge project endowed by a value of 220,591,067 Euros in 2012, since its sale has been made during the 2013 business year.

The changes during this section of the balance sheet for the 2014 business year is the following

	Initial balance on 12/31/2011	Subscriptions	Increases or decreases by transfers	Changes in JV participation %	CANCELLATIONS, cancellations or reductions	Final balance on 21/31/2012
Cost:						
Terrains and constructions						
Technical installations	7,191,845.61	-	-	-	-	77,191,845.61
Machinery	21,702,048.05	3,559,730.76	110,008.82	-	(761,828.11)	24,609,959.52
Utilities and other installations	20,964,725.29	802,240.04	-	-	(487,649.77)	21,279,315.56
Transportation elements	10,321,517.54	938,712.80	1,854,017.31	-	(318,563.10)	12,795,684.55
Furbishing	39,802,338.64	4,061,466.84	-	-	(475,437.52)	43,388,367.96
Information protection equipment	1,034,475.05	58,114.27	-	-	(956.90)	1,091,632.42
Other fixed assets	681,714.61	288,893.10	-	-	(26,924.42)	943,683.29
Advancements for fixed assets	37,320,686.63	1,604,117.91	-	-	(175,789.16)	38,749,015.38
	1,893,281.27	214,729.99	(1,965,926.13)	-	-	142,085.13
Total cost	**140,912,632.69**	**11,528,005.71**	**(1,900.00)**	**-**	**(2,247,148.98)**	**150,191,589.42**
Amortization:						
Constructions	(2,120,075.63)	(241,198.17)	547,074.76	-	-	(1,814,199.04)
Technical installations	(8,277,773.38)	(2,033,916.03)	(547,074.76)	-	498,788.58	(10,359,975.59)
Machinery	(12,225,565.81)	(1,981,327.34)	-	-	334,972.85	(13,871,920.30)
Utilities and other installations	(6,018,397.56)	(1,488,934.01)	-	-	156,820.01	(7,350,511.56)
Transportation elements	(20,927,141.09)	(4,006,626.61)	-	-	386,794.05	(24,546,973.65)
Furbishing	(838,791.18)	(62,023.58)	-	-	837.29	(899,977.47)
Information protection equipment	(540,174.74)	(80,321.90)	-	-	26,467.59	(594,029.05)
Other fixed assets	(14,630,466.83)	(3,069,790.10)	-	-	106,244.06	(17,594,012.87)
Total amortization	**(65,578,386.22)**	**(12,964,137.74)**	**-**	**-**	**1,510,924.43**	**(77,031,599.53)**
Depreciation:						
Technical installations	-	(261,906.70)	-	-	-	(261,906.70)
Machinery	(1,051,696.00)	-	-	-	-	(1,051,696.00)
Transportation elements	(132,585.00)	-	-	-	-	(132,585.00)
Other fixed assets	(1,445,507.00)	-	-	-	-	(1,445,507.00)
Total depreciation	**(2,629,788.00)**	**(261,906.70)**	**-**	**-**	**-**	**(2,891,694.70)**
Total	**72,704,458.47**	**(1,698,038.73)**		**-**	**(736,224.55)**	**(70,268,295.19)**

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PERIOD SUBSCRIPTIONS

- The subscriptions over Technical Installations mainly include:

subscriptions for the new parking meters installed in Madrid by UTES Lot III and Lot IV for an amount of 1,187,233.02 Euros and 1,938,489.05 Euros respectively, 82,000.00 Euros for a shredding equipment of the Chiloeches pneumatics station and a magnetic splitter and a metal collection for a value of 182,409.94 Euros in UTE Hornillos.

-The most significant amounts subscribed in Machinery during the period are:

The Madrid capital cleaning service for a value of 429,125.27 Euros that correspond to the acquisition of several washers, salt spreaders, blades for snow and mowers, of the Chiloeches pneumatics station, 54,933.25 Euros of a reception hopper and the road and collection cleaning contract of Leganés, 95,120.00 Euros of a washer. In relation to Joint Ventures, the most notorious acquisition is that of UTE Valoriza Gestyona, for a value of 73,060.00 Euros of Cleango sweeper of several mowers, compactors, gardening machinery and hydro cleaning equipment

- Utilities and other installations is mainly comprised of:

612,419.29 Euros from the Madrid lots corresponding to the acquisitions of hedge trimmers, tools, mobile clean locations, adaptation for sheds for salt, buckets, restoration of electric facilities in different districts aside from gardening machinery as blowers and vacuums, of the Alcalá de Henares service 36,433.16 Euros that amount to the acquisition of several plates for containers as well as several blowers, 95,575.98 Euros of UTE Hornillos for the acquisition of a washer and 8 containers, 34,635.31 Euros of UTE Valoriza Gestyona for the restoration of the Pinto Shed Electric installation as well as the installation of several elevating columns, also 30,666.00 Euros of UTE Ilnet containers.

- Transportation Elements:

The accounted inscriptions are due to a series of lease contracts signed with different financial entities for the acquisitions of necessary elements in the different service contracts. The contracts with the most significant amounts correspond to Madrid cleaning sets for a value of 2,101,117.47 Euros, the acquisition of 7 Volvo trucks and 4 vans for the Guía de Isora cleaning and collection service for a value of 967,504.16 Euros, the acquisition of 10 vans and a washer for an amount of 196,458.81 Euros for the Leganés cleaning service, two Renault vans with hydro cleaning equipment in Sant Cugat for an amount of 104,168.70 Euros, the acquisition of 3 Volvo brand trucks for the service of UTE de Arona for an amount of 166,737.93 Euros and 118,540.00 Euros in UTE Badajoz Sur for the acquisition of two Volvo trucks.

- Fittings subscriptions mainly correspond to:

the acquisitions performed during the business year for the management of the cleaning and collection service of the Madrid lots, specifically for the Chamartín district for an amount of 36,159.21 Euros, 10,172.40 of equipment for Coslada and 7,359.00 Euros in lockers for the Leganés service and Moncloa district.

- In Equipments for information processes:

Subscriptions are mainly due to acquisitions performed for the upgrading of Castillo de los Fieles parking meter management for an amount of 220,395.06 Euros consisting in the new screens and update kits for hardware, as well as the acquisitions of Black Dolphins with GSM, GPS and included camera for the management of parking meters in Madrid city, 120 units for UTE Lot III for a value of 35,032.71 Euros and 80 units for UTE Lot IV for an amount of 22,650.52 Euros.

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- In Other fixed assets the most significant amounts are the following:

Signaling works with bollards and fences as well as the acquisition of trashcans for the Madrid city cleaning services for a value of 1,163,402.48 Euros, the acquisition of 200 containers for the Guía de Isora service for an amount of 82,849.82 Euros, acquisition of trash cans in the Majadahonda service for an amount of 66,498 Euros and different acquisitions in the Coslada service for 70,314.13 Euros.

- In Tangible assets advancements the following are recorded:

The incurred costs related to the construction of several eco parks, a new glass line and mainly the installation of 4 new trommels for UTE Hornillos, all for a value of 214,729.98 Euros.

PERIOD CANCELLATIONS

- the CANCELLATIONS over Technical Installations mainly correspond to:

the sale to the Cantabria Government of the Reocín station installations for a value of 358,177.63 Euros and the recovery by the Cercedilla City Council of the cleaning service, which causes the cancellation of the four underground container sections that it had triggered in this section and at that at the time of the recovery they had a value of 77,538 Euros, as well as sales for an amount of 291,410.78 Euros of several recollecting compactors of UTE Urgenet to its client, Mancomunitat de escombreries de Urgellet and that have caused losses of 2,319.93 Euros.

- In Machinery main CANCELLATIONS correspond to:

to the same of what was provided in the above section to Reocín for a value of 185,472.52 Euros and to Cercedilla for an amount of 179,991.36 Euros.

- In Utilities and other installations the main CANCELLATIONS correspond to:

to Reocín for an amount of 164,400.80 Euros, as well as the 84,845.00 Euros for the cancellation of some offices that are not going to be executed in the Chiloeches station and 44,800.54 Euros for different installations unsubscribed for the sale of the participation the company had in UTE Aguas Alcalá and that has been sold to Canal de Isabel II during the business year.

- In Transportation Elements:

the CANCELLATIONS from Cercedilla amounts to 345,068.75 Euros and those of UTE Aguas Alcalá of 71,056.36 Euros.

- In the section Fittings:

for an amount of 956.90 Euros is due to a cancellation of a Reocín Station office.

- In the section Equipments for information processes most of the CANCELLATIONS correspond to:

25,562.40 Euros from UTE Aguas de Alcalá for the above mentioned reasons.

- In Other fixed assets the CANCELLATIONS are fully related to:

Cercedilla for a value of 145,606.99 and Reocín for an amount of 30,182.17 Euros as explained above.

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PERIOD TRANSFERS

- The transfers over Technical installations correspond to transfers from the item for fixed assets of UTE Hornillos for a value of 110,008.82 Euros consisting in the structures, electric installation, hardware and the metal collection equipments of the Hornillos station.

- In Other installations the transfer corresponds to offices and a shed that is being built for the cleaning and collection system of San Cugat del Valles and that was under the item Advancements for tangible assets for an amount of 1,854,017.31 Euros.

- The transfer of periods in the amortization section of Terrains and Constructions and Technical Installations, are due to a reclassification made during the business year by UTE Gardelegui for 547,074.76 Euros.

PERIOD DEPRECIATIONS

- In technical Installations there is a calculated depreciation for a value of 261,906.70 Euros of the underground containers of Sant Cugat del Vallés due to being found in conditions of abandonment and having to be replaced.

CHANGES IN THE JOINT VENTURES PARTICIPATION PERCENTAGES

This column provides the performed adjustments due to changes in the participation of different Joint Ventures. During the 2014 business year, the company has acquired part of its participation to two partners in the UTE TEM, to reach 46.99% from the 40% of the previous year.
During 2013, Ute Orihuela has expended the participation with the acquisition to two partners of their respective shares, going from 40% to 100%, as well as UTE TEM in which the company participation has been reorganized and VSM has increased its participation from 38% to 40% during the 2013 business year.

All the tangible assets are related to own entrepreneurial activities and are located within the national territory.

The Joint Ventures provide a total amount of 11,690,728.57 Euros (9,973,091.07 Euros in 2013). The most significant ones in thousands of Euros are:

2014	UTE GARDELEGUI	UTE ILNET	UTE RSU CADIZ	PARQUIMETROS LOTE 3	PARQUIMETROS LOTE 4	OTHER JV	JV amounts
Net value:							
Terrains and constructions	1,482	5	-	-	-	2	1,489
Technical installations	718	863	511	1,187	1,938	1,062	6,276
Machinery	-	-	-	-	0	1,398	1,398
Other installations	-	-	-	-	23	94	117
Utilities	-	315	217	-	1	201	734
Transportation elements	1	4	14	1	5	1,626	1,651
Furbishing	-	-	-	2	-	16	18
Information protection equipment	-	1	-	30	20	35	86
Other fixed assets	-	4	-	27	-	2,378	2,409
Advancements for fixed assets	-	-	-	-	-	142	142
Depreciation fixed assets	-	-	-	-	-	(2,630)	(2,630)
Total net value	**2,198**	**1,192**	**742**	**1,247**	**1,987**	**4,324**	**11,690**

The Company owns real-estate which value aside from the construction and the terrain, at the closing of the 2014 and 2013 business year, is the following:

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Real-Estate	2014	2013
Terrains	2,120,409.69	2,120,409.69
Constructions	5,071,435.92	5,071,435.92
Total	**7,191,845.61**	**7,191,845.61**

In relation to the Terrains section, the greater item corresponds to the plot of 12.5 hectares located in Madrid, in Finca La Torrecilla for an amount of 1,352,500 Euros.

All the Company tangible assets is related to entrepreneurial activities.

At the closing of the 2014 and 2013 business years the Company had intangible assets elements fully amortized that remained in use, according to the following detail:

Description	Accounting value (gross)	
		2013
Procedures equipments	343,277.23	343,277.23
Transportation elements	7,905,950.07	7,368,320.91
Technical installations	1,106,066.13	870,769.50
Machinery	3,727,752.07	3,642,589.54
Furbishing	559,732.60	505,084.27
Other fixed assets	3,605,588.36	3,429,889.48
Other installations	500,122.34	158,053.11
Utilities	403,140.80	321,912.58
Total	**18,151,629.60**	**16,639,896.62**

In relation to the figures from the above chart, the amounts of 4,122,749.52 Euros (3,927,207.15 Euros, en the year 2013) correspond to join ventures.

It is the Company policy to contract all insurance policies that are considered necessary to cover the possible risks that may affect the tangible asset elements.

There are no relevant disassembly or removal costs and the large repair costs are detailed in the note of concession agreements (Note 6).

There have been no fixed assets acquisitions among group companies considering the CANCELLATIONS a result of obsolescence.

There are assets related to mortgage warranties that are explained under Note 9a.

As provided in Note 8, at the closing of the 2014 and 2013 business years the Company had contracted several financial leasing operations over its tangible assets.

8. Leasing

Financial leasing, with the Company acting as lessee

The net accounting value of tangible assets acquired by financial leasing contracts on December 31st, 2013 and 2014 is the following:

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VALORIZA SERVICIOS MEDIOAMBIENTALES, S.A.
2014 BUSINESS YEAR ANNUAL ANNUAL ACCOUNTS

	2013		
	Cost	Amortization	VNC
Technical installations	239,021.51	(31,869.53)	207,151.98
Machinery	13,142,603.54	(7,787,630.75)	5,354,972.79
Utilities and other installations	1,092,728.05	(581,523.43)	511,204.62
Transportation elements	30,501,581.63	(17,021,778.91)	13,479,802.72
Other fixed assets	8,292,341.56	(5,421,769.68)	2,870,571.88
	53,268,276.29	**(30,844,572.30)**	**22,423,703.99**

	2014		
	Cost	Amortization	VNC
Technical installations	2,812,358.60	(142,889,05)	2,669,469.55
Machinery	11,449,751.08	(7,882,942.53)	3,566,808.55
Utilities and other installations	909,762.11	(723,483.05)	186,279.06
Transportation elements	33,820,740.72	(20,905,990.80)	12,914,749.92
Other fixed assets	8,360,390.56	(6,053,877.71)	2,306,512.85
	57,353,003.06	**(35,709,183.14)**	**21,643,819.93**

Of the above net accounting value, the amount of 2,089,738.83 Euros, (2,579,223.92 Euros in 2013) are from Joint ventures, the most significant ones are:

2013	UTE CALANDRIAS	UTE SUFI TARAJAL	UTE ARONA	UTE JARDINES GUADALAJARA	UTE PLASENCIA	OTHER JV	TOTAL
Machinery	95,326.50	95,194.71	-	12,227.50	-	550,897.00	753,645.71
Transportation elements	28,246.00	198,589.21	1,151,769.50	9,031.00	230,602.50	39,828.00	1,658,066.21
Other fixed asses	-	-	-	-	123,937.00	40,220.00	164,157.00
Utilities	-	3,355.00	-	-	-	-	3,355.00
	123,572.50	**297,138.92**	**1,151,769.50**	**21,258.50**	**354,539.50**	**630,945.00**	**2,579,223.92**

2014	UTE CALANDRIAS	UTE SUFI TARAJAL	UTE ARONA	UTE JARDINES GUADALAJARA	UTE PLASENCIA	OTHER JV	TOTAL
Machinery	77,578.50	67,641.75		14,551.00	-	70,427.50	230,198.75
Transportation elements	19,326.50	132,637.23	909,126.00	5,294.00	205,445.50	89,800.95	1,361,630.18
Other fixed asses	-	-	-		110,417.00	385,701.00	496,118.00
Utilities	-	1,791.90	-	-	-	-	1,791.90
	96,905.00	**202,070.88**	909,126.00	**19,845.00**	**315,862.50**	**545,929.45**	**2,089,738.83**

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The value of the cost with which the financial lease assets were initially recorded was the real value of the minimum payments to be performed at the time of the contract signature for the financial leasing.

The conciliation between the amount of future minimum payments and its current value on December 31st, 2013 and 2014 is the following:

	2013	
	Minimum future payments	Current value
Less than one year	6,208,977.32	4,941,857.35
Between one and five years	10,170,069.09	7,252,742.03
Total	**16,379,066.41**	**12,194,599.38**

	2014	
	Minimum future payments	Current value
Less than one year	4,534,947.17	4,278,252,05
Between one and five years	9,240,600.96	6,905,114.59
Total	**13,775,548.13**	**11,183,366.64**

The most significant financial leasing contracts that the Company has at the closing of the 2014 business year are the following:

	Period	Interest rate	Purchase option	Acquisition value
Machinery				
Sabadell 6905	5	5.32%	15,245.24	816,878.30
Banco Gallego 2483	5	5.06%	6,836.92	373,550.00
Ibercaja 1368	5	5.00%	6,988.54	193,200.00
Popular 2828	5	3.60%	11,531.10	621,342.61
Transportation elements				
Toyota 4390	5	5.39%	342.25	18,500.28
Ibercaja 0283	5	4.67%	2,078.84	119,989.00
Iveco	5	8.73%	50.00	135,354.10
Sabadell 6904	5	5.32%	6,926.18	371,122.15
Simeon 12473	5	2.15%	8,246.65	476,957.00
Popular 3601	5	3.40%	6,832.61	369,778.00
Mercedes 1373	5	6.41	3,723.06	197,229.93
Other fixed assets				
AKF 0019	5	6.00%	9,215.75	697,059.98
Sabadell 6903	5	5.32%	10,519.97	563,686.26
Ros Roca	4	4.50%	34,397.52	1,514,089.00

There are no contingent quotas recorded as expenses in the 2013 and 2014 business years.

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Operational leasing, with the Company acting as lessee

At the closing of the 2013 and 2014 business years the company has the following minimum quotas of operational leasing, related to contracts which cannot be canceled, according to current contracts in effect, without taking into account the repercussion of common expenses, future increases by CPI, nor future updates of the contractually agreed income:

Operational leasing minimum quotas	Face value	
	2014	2013
Less than one year	1,376,076.79	1,360,822.35
Between one and five years	903,760.72	1,077,621.50
Total	**2,279,837.51**	**2,438,443.85**

The most significant operational leasing are short term and renewable and they can generally be canceled, for which no important future payments are detailed.

In its position of lessee, the most significant operational lease contract the Company has at the closing of the 2014 and 2013 business years is the one with the company from group Testa Inmuebles en Renta, S.A. for the central offices in Juan Esplandiú 11-13.

Operational leasing, with the Company acting as lessor

At the closing of the 2014 and 2013 business years the company has contracted as lessor the following operational leasing quotas which cannot be canceled, according to current contracts in effect, without taking into account the repercussion of common expenses, future increases by CPI, or future updates of the contractually agreed income:

Operational leasing minimum quotas	Face value	
	2014	2013
Less than one year	605.46	747.68
Total	**605.46**	**747.68**

There are no contingent quotas recorded as income in the 2013 and 2014 business years.

In its position of lessor, the sole operational lease contract the Company holds on December 31st, 2014 is for the establishment of Piscinas del Recinto Ferial de Haro restoration.

9. Financial instruments

a) Financial assets

a.1) Categories of financial assets

The composition of financial assets, except investments in group, multigroup and associated companies, detailed in Notes 10 and 21 on 31 of December 31st, 2013 is as follows:

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Categories	Classes	Equity instruments	Debt representing values	Credits, derivatives and others	Total
		2013			
Long term financial assets:					
Loans and receivables		-	-	60,733,125.38	60,733,125.38
Other financial assets		7,752.50	-	4,627,519.86	4,635,272.36
Total long term financial assets		**7,752.50**	**-**	**65,360,645.24**	**65,368,397.74**
Short term financial assets:					
Loans and receivables		-	-	144,299,537.67	144,299,537.67
Other financial assets		-	-	1,189,608.54	1,189,608.54
Total short term financial assets		**-**	**-**	**145,489,146.21**	**145,489,146.21**
Total		**7,752.50**	**-**	**210,849,791.45**	**210,857,543.95**

These amounts are detailed in the balance sheet of December 31st, 2013 as follows:

Statement items	Classes	Equity instruments	Debt representing values	Credits, derivatives and others	Total
		2013			
Non-current financial assets:					
Long term financial investments		**7,752.50**	**-**	**5,911,736.46**	**5,919,488.96**
- Equity instruments		7,752.50	-	-	7,752.50
- Credits to third parties		-		1,281,556.18	1,281,556.18
- Other financial assets		-		4,630,180.28	4,630,180.28
Commercial debtors and other receivables		-		59,448,908.78	59,448,908.78
Total non-current financial assets		**7,752.50**	**-**	**65,360,645.24**	**65,368,397.74**
Current financial assets:					
Short term financial investment		-	-	1,190,008.05	1,190,008.05
- Credits to third parties		-	-	399.51	399.51
- Other financial assets		-	-	1,189,608.54	1,189,608.54
Commercial debtors and other receivables (*)		-	-	144,299,138.16	144,299,138.16
Total current financial assets		-	-	**145,489,146.21**	**145,489,146.21**
Total		**7,752.50**	**-**	**210,849,791.45**	**210,857,543.95**

(*) Excluding "Assets by current taxes" and "Other credits with Public Administrations".

The composition of financial assets, except investments in group, multigroup and associated companies, detailed in Notes 10 and 21 on 31 of December 31st, 2014 are as follows:

Categories	Classes	Equity instruments	Debt representing values	Credits, derivatives and others	Total
		2014			
Long term financial assets:					
Loans and receivables		-	-	57,605,842.85	57,605,842.85
Other financial assets		7,515.00	-	**5,382,857.28**	5,390,372.28
Total long term financial assets		**7,515.00**	-	**62.988,700.13**	**62,996,215.13**
Short term financial assets:					
Loans and receivables		-	-	124,351,727.39	124,351,727.39
Other financial assets		-	-	835,104.52	835,104.52
Total short term financial assets		-	-	**125,186,831.91**	**125,186,831.91**
Total		**7,515.00**	-	**188,175,532.04**	**188,183,047.04**

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Statement items	Classes	Equity instruments	Debt representing values	Credits, derivatives and others	Total
		2014			
Non-current financial assets:					
Long term financial investments		**7,515.00**	-	**6,527,955.22**	**6,535,470.22**
- Equity instruments		7,515.00	-	-	7,515.00
- Credits to third parties		-	-	1,142,437.52	1,142,437.52
- Other financial assets		-	-	5,385,517.70	5,385,517.70
Commercial debtors and other receivables		-	-	56,460,744.91	56,460,744.91
Total non-current financial assets		**7,515.00**	-	**62,988,700.13**	**62,996,215.13**
Current financial assets:					
Short term financial investment		-	-	**835,104.52**	**835,104.52**
- Other financial assets		-	-	835,104.52	835,104.52
Commercial debtors and other receivables (*)		-	-	124,351,727.39	124,351,727.39
Total current financial assets		-	-	125,186,831.91	125,186,831.91
Total		**7,515.00**	-	**188,175,532.04**	**188,183,047.04**

(*) Excluding "Assets by current taxes" and "Other credits with Public Administrations".

- Loans and receivables

The detail of financial assets included in this category on December 31st, 2014 and 2013 is the following:

	2014	2013
Long term loans and receivables:		
Credits to third parties	1,142,437.52	1,281,556.18
Long term clients	2,660.42	2,660.42
Concession agreement , collection right	56,460,744	59,448,908.78
Total long term loans and receivables	**57,605,842.85**	**60,733,125.38**
Short term loans and receivables		
Credit to third parties	-	399.51
Commercial debtors and other receivables	**124,351,727.39**	**144,299,138.16**
Clients by sales and services rendering	109,571,661.94	114,153,073.48
Client group and associated companies	6,958,075.93	23,900,247.63
Miscellaneous debtors	3,811,579.88	2,663,051.08
Personnel	547,437.80	182,005.08
Concession agreement, collection right	3,462,971.84	3,400,760.43
Total short term loans and receivables	**124,351,727.39**	**144,299,537.67**
Total loans and receivables	**181,957,570.24**	**205,032,663.05**

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The explanation of the most important items is as follows:

- Long term loans to third parties.

The long term credit items mainly correspond to the collection rights the company has with:

- The Alcalá de Henares City Council as lost profits 500,920.05 Euros.
- Hermanos Santana Cazoria as partners in UTE Arona for a value of 295,897.40 Euros.
- Other long term debts of Sufi branch in Portugal for a value of 345,620.07 Euros.

- Long term clients.

The item of other long term financial assets corresponds to an update of receivables to the Alcalá de Henares City Council.

- Short and long term collection rights.

The long and short term collection rights item correspond to the Joint Ventures and two VSM projects,

- UTE Hornillos for a value of 48,105,076.33 Euros long term and 2,082,929.65 Euros short term,
- UTE La Paloma for a value of 6,364,172.31 Euros long term and 924,589.75 Euros short term,
- UTE Calandrias for a value of 1,103,550.64 Euros long term and 332,427.69 Euros short term,
- Parque de Guadarrama concession agreement for a value of 549,661.37 Euros long term and 24,212.68 Euros short term,
- Majadahonda concession agreement for a value of 338,284.26 Euros long term and 98,812.07 Euros short term,

- Commercial debtors and other receivables.

On December 31st, 2014 the company maintains outstanding balances within the section Commercial debtors and other receivables with Public entities, with a life exceeding one year without taking into consideration the issued invoices for a value of 0.9 million Euros, (1.7 million Euros in 2013), which are forecasted to collect fully in the year 2015.

During the year 2014, commercial debts have been reduced in 4,581 thousands of Euros, (12,297 thousands of Euros, during 2013 result of Royal Decree 8/2013 which facilitated its collection).

The balances held under section "Commercial debtors and other receivables" are recorded at its face value since they do not significantly differ from its fair value.

In relation to outstanding balances with Public Entities with periods exceeding one year the Company opted to not update the value of said debt in the annual accounts, due to it not accounting the delay interest to which it was entitled to according to what is stipulated under article 7 of Law 3/2004, which establishes measures for the fight against .payment default Said article provides that the legal delay interest rate to be applied will be Euribor plus seven percent points biannually by the Official State Bulletin. The Company claims delay interests to all its clients and these are only accounted when a certificate approving the above mentioned is received, whatever takes places first.

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VALORIZA SERVICIOS MEDIOAMBIENTALES, S.A.
2014 BUSINESS YEAR ANNUAL ANNUAL ACCOUNTS

In relation to the need to improve cash flows, the Company has performed active management before City Councils, canceling contracts with defaulting problems or negotiating long term payment plans. In this regard, during the business year Cercedilla (Madrid) road cleaning and waste collection or gardening contracts have been canceled.

These receivables are recorded in the current assets since they have expired and have been demanded. Since these are with Public entities the Directors estimate they will be collected and therefore there is no need for provisions.

Of the total amount gathered under section "Commercial debtors and other receivables" at the closing of the 2014 business year, 52,383,672.97 Euros correspond to Joint Ventures(51,901,685.66 Euros in the year 2013 without taking into consideration the assets accounts by deferred taxes nor other credits with public administrations). The main ones are the following, provided in thousands of Euros:

2013	UTE RSU SUFI-COINTER	UTE LOS HORNILLOS	UTE HIXIENE	UTE TMB ARRAIZ	UTEM TEM	OTHER JV	TOTAL
Clients	5,962	7,718	4,788	3,027	2,904	25,494	49,893
Debtors	4	-	3	-	86	1,903	1,996
Personnel	8	1	3	-	-	-	12
Total	**5,974**	**7,719**	**4,794**	**3,027**	**2,990**	**27,397**	**51,901**

2014	UTE RSU SUFI-COINTER	UTE LOS HORNILLOS	UTE HIXIENE	UTE TMB ARRAIZ	UTEM TEM	OTHER JV	TOTAL
Clients	8,878	6,717	4,172	3,653	2,436	23,231	49,087
Debtors	455	-	-	-	538	2,274	3,267
Personnel	13	-	5	-	-	12	30
Total	**9,346**	**6,717**	**4,177**	**3,653**	**2,974**	**25,517**	**52,384**

- Other financial assets

The detail of financial assets included in this category on December 31st, 2014 and 2013 is the following:

	2014	2013
Impositions	3,273,398.64	3,631,473.47
Constituted warranties	2,109,458.64	996,046.39
Other financial assets	7,515.00	7,752.50
Total long term other financial assets	**5,390,372.28**	**4,635,272.36**
Impositions	476,941.64	516,071.36
Constituted warranties	276,457.09	204,891.47
Other financial assets	81,705.79	468,645.71
Total short term other financial assets	**835,104.52**	**1,189,608.54**
Total other financial assets	**6,225,476.80**	**5,824,880.90**

The remaining short and long term financial assets include delivered warranties for 2,385,915.73 Euros, (1,200,937.86 Euros in 2013) and banking disposition retention that on the long term are mainly originated by UTE Hornillos for an amount of 3,273,398.64 Euros, (3,631,473.47 Euros in 2013) and the participation percentage of the company, as work warranty and possible costs for project deviations that are

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remunerated by loaning financial entities due to their availability restrictions. These short term impositions also correspond mainly to UTE Hornillos for a value of 441,691.64 Euros, (480,821.36 Euros in 2013).

a.2) Classification by maturity

The detail by item maturity that comprised the long and short term assets on December 31st, 2013 is as follows:

	2014	2015	2016	2017	2018	2019 and following	Total
Loans and receivables	144,299,537.67	3,221,030.45	3,726,167.12	3,507,172.55	3,420,906.44	46,857,848.81	205,032,663.05
Other financial assets	1,189,608.54	-	186,758.63	-	-	4,448,513.73	5,824,880.90
Total	**145,489,146.21**	**3,221,030.45**	**3,912,925.75**	**3,507,172.55**	**3,420,906.44**	**51,306,362.54**	**210,857,543.95**

The detail by item maturity that comprises the long and short term assets on December 31st, 2014 is as follows:

	2015	2016	2017	2018	2019	2020 and following	Total
Loans and receivables	124,351,727.39	3,206,382.89	3,678,786.87	3,470,551.74	3,435,863.97	43,814,257.38	181,957,570.24
Other financial assets	835,104.52	172,719.99	-	652,353.69	-	4,565,298.60	6,225,476.80
Total	**125,186,831.91**	**3,379,102.88**	**3,678,786.87**	**4,122,905.43**	**3,435,863.97**	**48,379,555.98**	**188,183,047.04**

a.3) Depreciation corrections of value due to credit risk

The recorded variations by depreciation losses derived from credit risk in this section during the 2013 business year has been the following:

	Depreciation accumulated at the beginning of 2013	Endowments	Applications	Depreciation accumulated at the end of 2013
Loans and receivables	493,092.56	133,351.48	(274,078.95)	352,365.09

The recorded variations by depreciation losses derived from credit risk in this section during the 2014 business year has been the following:

	Depreciation accumulated at the beginning of 2014	Endowments	Applications	Depreciation accumulated at the end of 2014
Loans and receivables	352,365.09	78,871.47	(107,063.70)	324,172.86
Total	352,365.09	78,871.47	(107,063.70)	324,172.86

There are losses due to deterioration related with receivables, these are included in the item clients by sales and service rendering and amount to in the year 2014 to 324,172.86 Euros, (352,365.08 Euros in the year 2013), of which 45,316.84 Euros correspond to Joint Ventures (28,038.26 Euros in the year 2013).

Of the previously described depreciation during the year 78,871.47 Euros (133,351.48 Euros in the year 2013) have been endowed and have been applied during the year 107,063.70 Euros, (274,078.95 Euros in 2013).

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These are included in the section of losses, depreciation and variation of provisions by trade operations within the section of profit and losses.

The most important endowments of the 2014 period correspond to two Sant Cugat del Vallés cleaning and collection clients for an amount of 17,693.42 Euros, of another Arona cleaning and collection project client for an amount of 6,566.98 Euros and 6,238.10 Euros of another private client of cleaning and collection of San Fernando de Henares, and 20,146.50 Euros of a client of UTE Plasencia, the rest of the amounts are very distributed.

The most important application during 2014 has been generated by the collection of a balance corresponding to the debt with the client Asfaltómeros of the Chiloeches Station for an amount of 36,386.24 Euros.

The most important endowments of the 2013 period correspond to a client of the San Cugat del Valles cleaning and collection project for an amount of 42,486.70 Euros and 36,386.24 Euros of another private client of the Chiloeches station, the rest of the amounts are very distributed.

The most important application during 2013 has been generated by the collection of a balance corresponding to the debt with the client Transportes y excavaciones el Chozas for an amount of 82,600.40 Euros.

a.4) Transfers of financial assets

During the business year of 2013 and 2014 the Company has signed factoring contracts with several financial entities for the assignment of all the existing triggered balances with specific clients, with the following characteristics:

- Dated July 15th, 2008 a factoring contract was signed with Bancaja with resource to anticipate outstanding debts of the Madrid and Toledo City Council. The contract establishes that, in case of default by the client, the initially paid amounts by the financial entity as a consequence of said assignment, must be repaid in a period of 30 days. In July 12th, 2011 the new modification novation contract is signed, in this case already with Bankia (absorbing company of Bancaja) due to which is stipulated to be able to advance payments of up to 10 million Euros of the Madrid City Council client. Dated July 31st, 2014 a conditions' modification annex is signed: increase of maximum limit to 11,500,000 Euros, maturity extension until July 31st, 2015, modification of the margin to add to the agreed upon interest rate (margin of 3.50%) and disposal list increase (Madrid City Council, Alcalá de Henares City Council, Toledo City Council, Leganés City Council, Mejorada del Campo City Council, Cercedilla City Council and Baza City Council). At the closing of the 2014 business year the amount of accounts receivable according to this contract is of 2,854,145.99 Euros (0.00 Euros in the year 2013).

- Dated July 31st, 2012 Valoriza Servicios Medioambientales S.A. together with Sacyr Vallehermoso S.A., currently Sacyr S.A., and Sacyr Construcción S.A.U., jointly sign as assignors a Hedge Policy for factoring for a global amount of 10,000,000 Euros, with Unicaja Banco S.A.U acting as concessionary and Testa Inmuebles en Renta S.A. as pledger and mortgager. The purpose of the policy is the discount of invoices and/or certificates issued by Sacyr Construcción S.A. and Valoriza Servicios Medioambientales S.A. to the Public Administration, its autonomic entities or commercial companies in which it participates. The policy maturity is July 31st, 2015, it is a factoring with resources to the assignors, which maximum maturity of collection rights assigned is 180 days since the factoring request. At the closing of the 2014 business year the amount of accounts receivable by the Company according to this contract is of 0.00 Euros (4,528,742.24 Euros in the year 2013).

-On November 23rd, 2013 Valoriza Servicios Medioambientales S.A. together with Valoriza Gestión S.A.U. and Sacyr Construcción, S.A., jointly and severally sign a Credit Assignment and Factoring contract whit Bancantabria Inversiones, S.A., E.F.C. for an amount of 2,500,000 Euros. This policy has as guarantors as cosurety Sacyr, S.A., Sacyr Construcción, S.A.U. and Valoriza Gestión, S.A.U. The initially approved debtors are

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the Toledo City Council, MARE (Medio Ambiente, Agua, Residuos y Energía de Cantabria, S.A) and the Vilanova I La Geltrú City Council. The contract establishes that since this is a Factoring operation with recourse, Bancantabria does not assume the risk of debtors' insolvency. As a consequence the granters specifically commit to pay to Bancantabria the amount of the matured credits, under its first request. At the closing of the 2014 business year the amount of accounts receivable assigned by the Company according to this contract is of 0.00 Euros (2,528,293.17 Euros in the year 2013).

-On February 12th, 2014 Valoriza Servicios Medioambientales, S.A. signs a factoring contract with recourse with Ibercaja for a total amount of 1,000,000€. Said contract includes an annex in relation with the debtor City Council. Vilanova I La Geltrú which eliminates the universality and exclusivity of Ibercaja, the consignment must be delivered no later than 15 days in relation to the credit birth date, the collection period of each credit must not exceed 120 days and the number of days since maturity for the consideration of default is 90 days. For the remaining of the policy debtors no sections are modified. At the closing of the 2014 business year the amount of accounts receivable assigned by the Company according to this contract amounts to 0.00 Euros.

In relation to Joint Ventures, the most important operations are the following:

- Dated November 21st, 2013 UTE Ilnet signed with Bankia a factoring contract with recourse to anticipate outstanding debts from the Lerida City Council debtor. The contract establishes that, in case of default by the client, the initially paid amounts by the financial entity as a consequence of said assignment, must be repaid in a negotiable period. At the closing of the 2014 business year the amount of accounts receivable by the Company according to this contract amounts to 407,983.91 Euros (0.00 Euros in the year 2013).

- Dated March 5th, 2010 UTE Ilnet signed with Caixa Cataluña a factoring contract with recourse to anticipate outstanding debts from the Lerida City Council client. The contract establishes that, in case of default by the client, the initially paid amounts by the financial entity as a consequence of said assignment, must be repaid in a negotiable period. At the closing of the 2014 business year the amount of accounts receivable according to this contract amounts to 815,967.82 Euros (811,981.10 Euros in the year 2013).

- Dated April 6th, 2011 UTE Plasencia signed with Caja Extremadura now Liberbank a factoring contract with recourse to anticipate outstanding debts from the Plasencia City Council client. The contract establishes that, in case of default by the client, the initially paid amounts by the financial entity as a consequence of said assignment, must be repaid in a negotiable period. At the closing of the 2014 business year the amount of accounts receivable by the Company according to this contract amounts to 217,708.34 Euros (217,708.34 Euros in the year 2013).

- Dated March 7th, 2014 UTE Madrid Sur Movilidad Lote III signed with Bankia a factoring contract with recourse to anticipate outstanding debts from the Madrid City Council client. The contract establishes that, in case of default by the client, the initially paid amounts by the financial entity as a consequence of said assignment, must be repaid in a period of 90 days. At the closing of the 2014 business year the amount of accounts receivable according to this contract is of 0.00 Euros.

- Dated March 7th, 2014 UTE Madrid Sur Movilidad Lote III signed with Bankia a factoring contract with recourse to anticipate outstanding debts from the Madrid City Council client. The contract establishes that, in case of default by the client, the initially paid amounts by the financial entity as a consequence of said assignment, must be repaid in a period of 90 days. At the closing of the 2014 business year the amount of accounts receivable according to this contract is of 0.00 Euros.

a.5) Assets granted and accepted in warranty

During the 2014 and 2013 business year the Company has not delivered any asset as warranty.

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Financial Liabilities

b.1) Categories of financial liabilities

The composition of financial liabilities on December 31st, 2013, excluding the debts with group companies detailed in Notes 10 and 21, is the following:

Classes / Categories	Debts with credit entities	Obligations and other marketable securities	Derivatives and others	Total
	2013			
Long term financial liabilities:				
Debts and receivables	86,635,907.08	-	-	86,635,907.08
Derivatives	-	-	5,096,418.30	5,096,418.30
Other financial liabilities	-	-	5,591,418.45	5,591,418.45
Total long term financial liabilities	**86,635,907.08**	-	**10,687,686.75**	**97,323,743.83**
Short term financial liabilities:				
Debts and receivables	48,168,493.78	-	62,338,365.56	110,506,859.34
Derivatives	-	-	1,613,342.16	1,613,342.16
Other financial liabilities	-	-	1,113,435.00	1,113,435.00
Total long term financial liabilities	**48,168,493.78**	-	**65,065,142.72**	**113,283,636.50**
Total	**134,804,400.85**	-	**75,752,979.27**	**210,557,380.33**

These amounts are detailed in the balance sheet of December 31st, 2013:

Classes / Statement items	Debts with credit entities	Obligations and other marketable securities	Derivatives and others	Total
	2013			
Non-current financial liabilities				
Long term debts:	**86,635,907.08**	-	**10,687,836,75**	**97,323,743.83**
- Debts with credit entities	79,383,165.05	-	-	79,383,165.05
- Creditors by financial leasing	7,252,742.03	-	-	7,252,742.03
- Derivatives	-	-	5,096,418.30	5,096,418.30
- Other financial liabilities	-	-	5,591,418.45	5,591,418.45
Total non-current financial liabilities	**86,635,907.08**	-	**10,687,836.75**	**97,323,743.83**
Current financial liabilities				
Commercial creditors and other receivables (*)			62,338,365.56	62,338,365.56
Short term debts:	**48,168,493.78**	-	**2,726,777.16**	**50,595,270.94**
- Debts with credit entities	43,226,636.43	-	-	43,226,636.43
- Creditors by financial leasing	4,941,857.35	-	-	4,941,857.35
- Derivatives	-	-	1,613,342.16	1,613,342.16
- Other financial liabilities	-	-	1,113,435.00	1,113,435.00
Total current financial liabilities	**48,168,493.78**	-	**65,065,142.72**	**113,233,636.50**
Total	**134,804,400.86**	-	**75,752,979.47**	**210,557,380.33**

(*) Excluding "Liabilities by current taxes" and "Other debts with Public Administrations".

The composition of financial liabilities on December 31st, 2014, excluding the debts with group companies detailed in Notes 10 and 21, is the following:

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Categories / Classes	Debts with credit entities	Obligations and other marketable securities	Derivatives and others	Total
	2014			
Long term financial liabilities:				
Debits and payable items	80,877,312.70	-	-	80,877,312.70
Derivatives	-	-	5,961,037.75	5,961,037.75
Other financial liabilities	-	-	4,958,962.13	4,958,962.13
Total long term financial liabilities	**80,877,312.70**	**-**	**10,919,999.88**	**91.797,312.58**
Short term financial liabilities:				
Debits and payable items	40,809,911.24	-	54,907,419.04	95,717,330.28
Derivatives	-	-	1,186,104.08	1,186,104.08
Other financial liabilities	-	-	1,428,523.51	1,428,523.51
Total short term financial liabilities	**40,809,911.24**	**-**	**57,522,046.63**	**98,331,957.87**
Total	**121,687,223.94**	**-**	**68,442,046.51**	**190,129,270.45**

These amounts are detailed in the balance sheet of December 31st, 2014 as follows:

Categories / classes	Debts with credit entities	Obligations and other marketable securities	Derivatives and others	Total
	2014			
Current financial liabilities:				
Long term debts:	**80,877,312.70**	**-**	**10,919,999.88**	**91,797,312.58**
- Debts with credit entities	73,972,198.11	-	-	73,972,198.11
- Creditors by financial leasing	6,905,114.59	-	-	6,905,114.59
- Derivatives	-	-	5,961,037.75	5,961,037.75
- Other financial liabilities	-	-	4,958,962.13	4,958,962.13
Total non-current financial liabilities	**80,877,312.70**	**-**	**10,919,999.88**	**91,797,312.58**
Current financial liabilities				
Commercial creditors and other receivables (*)	-	-	54,907,419.04	54,907,419.04
Short term debts:	**40,809,911.24**	**-**	**2,614,627.59**	**43,424,538.83**
- Debts with credit entities	36,531,659.19	-	-	36,531,659.19
- Creditors by financial leasing	4,278,252.05	-	-	4,278,252.05
- Derivatives	-	-	1,186,104.08	1,186,104.08
- Other financial liabilities	-	-	1,428,523.51	1,428,523.51
Total current financial liabilities	**40,809,911.24**	**-**	**57,522,046.63**	**98,331,957.87**
Total	**121,687,223.94**	**-**	**68,442,046.51**	**190,129,270.45**

(*) Excluding "Liabilities by current taxes" and "Other debts with Public Administrations"

- Debits and items payable

The detail of this section on December 31st, 2014 and 2013 is the following:

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Debits and accounts payable:		
Long term:		
Debts with credit entities	80,877,312.70	86,635,907.08
Total long term debts and accounts payable	**80,877,312.70**	**86,635,907.08**
Short term:	40,809,911.24	48,168,493.78
Debts with credit entities	**54,907,419.04**	**62,368,365.56**
Commercial creditors	33,895,173.84	37,358,577.70
Suppliers	4,263,150.37	9,651,523.45
Suppliers group and associated companies	7,953,051.84	6,632,133.35
Miscellaneous suppliers	4,949,913.83	5,266,799.46
Personnel (outstanding remunerations)	3,846,129.16	3,429,331.60
Client advancement	95,717,330.28	110,506,859.34
Total short term debits and accounts payable	**176,594,642.98**	**197,142,766.42**

- Debts with credit entities

The main debts with credit entities can be detailed in three concepts: loans and credit policies that represent 107,649,711.31 Euros, (115,457,844.91 Euros in 2013), financing by leasing for a value of 11,183,366.64 Euros, (12,194,599.38 Euros in 2013) and lines of discount of effects or factoring with recourse for an amount of 2,854,145.99 Euros (7,151,956.57 Euros in 2013).

Of these three concepts, the Joint Ventures provide to the loans and credit policies figure 65,579,785.59 Euros, (68,737,372.44 Euros in 2013), to the leasing amount 4,363,576.76 Euros, (1,987,995.10 Euros in 2013), and zero Euros in discount lines , (94,921.16 in 2013).

The face value of the main loans, credit policies and lines and business lines at the closing of the 2014 and 2013 business year for VSM, S.A. is the following:

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AMOUNTS (in thousands of Euros)		
Maturity date	**Balance on 12/31/2014**	**Balance on 12/31/2013**
Matured not renewed	-	1,828
31/07/2015	4,140	2,931
20/12/2015	2,991	947
30/06/2015	4,847	9,625
25/11/2014	1,969	1,908
OTHERS and JV	11	15
Credit accounts	**13,958**	**17,254**
31/10/2019	673	800
01/01/2020	5,449	6,350
31/01/2020	1,655	1,960
10/02/2020	6,775	7,883
20/11/2015	10,000	-
22/11/2016	1,260	1,890
30/11/2016	393	584
10/10/2014	-	10,000
29/07/2019	2,000	-
OTHERS and JV	65,486	68,737
Loans	**93,691**	**98,204**
Matured not renewed	-	2,528
31/07/2015	-	4,528
31/07/2015	2,854	-
OTHERS and JV	-	96
Factoring	**2,854**	**7,152**
Total	**110,503**	**122,610**

There is a loan contract with mortgage warranty signed with BBVA which warranty is an office shed, storage and workshops of Vicálvaro, of which December 31st, 2014 there is a remaining capital of 672,990.72 Euros, (799,719.01 Euros in the year 2013).

In January 7th, 2010 a loan contract of 3,049,978.29 Euros was signed with Banco Pastor with maturity in January 31st, 2020 and as a warranty, collection rights with the San Fernando de Henares City Council until the value up to 4,000,000 Euros. on December 31st, 2014 there is pending capital of 1,655,519.15 Euros, (1,960,318.E1euros in 2013).

On December 18th, 2012 a loan contract was signed for 7,000,000.00 Euros with La Caixa with maturity on January 1st, 2020, on December 31st, 2014 there is an outstanding capital of 5,449,452.43 Euros, (6,349,635.16 Euros in 2013).

On December 27th, 2013 an ICO loan contract was signed for 10,000,000 Euros with Bankia with maturity on October 10th, 2014, said credit was cancelled and a new one was signed with maturity on November 20th, 2015, on December 31st, 2014 there is an outstanding capital of 10,000,000 Euros.

On November 22nd, 2013 a loan contract was signed for 1,890,000 Euros with Caja Rutal de Granada (Grupo Caja Rural) with maturity on November 22nd, 2016, on December 31st, 2014 there is an outstanding capital of 1,260,000 Euros, (1,890,000 Euros in 2013).

On November 29th, 2013 a loan contract was signed for 600,000 Euros with Ibercaja with maturity on November 30th, 2016, on December 31st, 2014 there is an outstanding capital of 392,598.12 Euros, (584,401.84 Euros in 2013).

On July 29th, 2014 a loan contract was signed for 2,000,000 Euros with Cajamar with maturity on July 29th, 2019. on December 31st, 2014 there is an outstanding capital of 2,000,000.00 Euros.

Meanwhile the face value of debts with credit entities of the main Joint Ventures at the closing of the 2014 and 2013 business years in Euros is the following:

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	Outstanding payment amount on December 31st, 2014	Outstanding payment amount on December 31st, 2013
BUTARQUE	1,049	2,029
HORNILLOS	52,350	54,668
ILNET	314	667
RSU SUFI-COINTER	-	438
RES.MARESME	4,754	4,447
ORIHUELA	569	569
REMAINING	217	445
LONG TERM JV CREDITS	**59,253**	**63,263**
BUTARQUE	980	917
RSU SUFI-COINTER	438	464
BADAJOZ SUR	7	33
HORNILLOS	2,318	2,127
ILNET	1,725	618
ORIHUELA	-	371
PLASENCIA	206	276
RES. MARESME	470	400
REMAINING	172	275
SHORT TERM JV CREDITS	**6,316**	**5,481**
TOTAL JV CREDITS	**65,569**	**68,744**

Accrued and not paid interests included under item "Short term debts with credit entities" at the closing of the 2014 and 2013 business year amounts to 216,630.95 Euros and 326,001.94 Euros respectively.

Dated May 10th, 2006 UTE Hornillos signed a loan contract with a series of financial entities, headed by Banco Español de Crédito (Spanish Credit Bank) operating as agent for 75 million Euros at 100% of the Joint Venture. in the 2009 year the novation of the credit contract took place long term for the financing of the waste treatment station installations to be built by UTE Los Hornillos increasing the maximum available amount to 96 million Euros and on December 13th, 2010 this loan was increased by 23.4 million Euros also at 100% of the Joint Venture. On December 31st, 2014 the capital pending amortization at the participation percentage of VSM, S.A. (50%) is of 54,667,946.70 Euros, (57,818,388.30 Euros in 2013). The contract maturity date is December 15th, 2025. The Companies that comprise the Joint Venture granted a specific warranty of the mortgage novation in favor of the crediting entities of the Syndicated Loan - Senior Loan for an amount of 89,602,999.65 Euros (at the VSM percentage). over the assets related with the construction project, as well as the pledge rights over credits derived from the project contracts and the assignment of creditors as insurance contract beneficiaries for those subscribed by the Joint Venture and in the future with third parties.

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The loan amortization is made in 32 increasing biannual quotas starting on June 15th, 2012. In relation to the hedge ration amount for the debt annual service, the interest rate will be Euribor increased between 2.75 to 3.5, using this last margin if the Joint Venture did not present the ratio, dated December 31st, 2014 the hedge ratio for the debt service has a value of 1.51 Euros (1.52 in 2013), complying therefore since is a value exceeding the necessary one (1.40).

Dated September 20th, 2001 UTE SECADO TÉRMICO BUTARQUE signed with Instituto de Crédito Oficial (Official Credit Institute) and with Dexia Sabadell Banco Local a loan for a maximum amount of 15,626,314.70 Euros, the capital pending amortization on December 31st, 2014 at percentage of VSM, S.A. is of 2,029,076.98 Euros, (2,945,716.61 Euros in 2013), destined to the financing of investments and necessary expenses for the construction and commissioning of the infrastructures for the management of E.R.A.R Butarque sludge treatment service management. This loan maturity is on December 20th, 2016 and accrues an interest rate of EURIBOR (biannually) plus the differential that evolves in relation to the service hedge ratio between 0.85 and 1.15 percent. Within the loan contract a series of limitations are established to the disposition of the Joint Venture assets, dividend distribution, as well as the demand of complying with other conditions which default can cause the advanced maturity of the loan, such as the hedge ratio is under 1.1 during three consecutive business years.

In 2012 the ratio was complied with for a value of 2,56, in 2013 it provides a value of 0.88 therefore the necessary value of 1.25 is not complied with and in 2014 the ratio is of (2.81). According to the above mentioned contract financing conditions, in the case that in any business year the RCASD is lower than 1.25 times, must be amortized in advanced for an amount equivalent to the lower between Cash-Flow without excess and an amount equivalent to the amount necessary for the new calculation of the RCASD to be equal to 1.25 times.

Dated July 8th, 2009 UTE MARESME signed with La Caixa a loan contract for a maximum amount of 15,000,000.00 Euros, the capital pending amortization on December 31st, 2014 at percentage of VSM, S.A. (that during 2014 has gone from 40% to 46.9%) is of 5,213,739.65 Euros, (4,846,686.27 Euros in 2013), destined to the financing of investments and necessary expenses for the construction and commissioning of the infrastructures. This loan has its maturity on April 1st, 2016 and accrues an interest rate of 3.292%.

Dated February 1st, 2008 UTE COINTER signed with La Caixa a loan for a maximum amount of 600,000.00 Euros, the capital pending amortization on December 31st, 2014 at percentage of VSM, S.A. is of zero Euros, (12,464.14 Euros in 2013), destined to finance the conditioning of a shed. This loan has its maturity on February 1st, 2014 and accrues an interest rate of 5.947%.

Dated November 29, 2010 UTE COINTER signed with La Caixa a loan for a maximum amount of 2,500,000.00 Euros, the capital pending amortization on December 31st, 2014 at percentage of VSM, S.A. is of 437,801.97 Euros, (889,471.44 Euros in 2013), destined to finance the conditioning of a shed. This loan has its maturity on November 28th, 2015 and accrues an interest rate of 6.001%.

Dated March 21st, 2006 UTE ILNET signed with Caixa Cataluña an initial loan contract which was expanded in subsequent dates up to an amount of 5,300,000.00 Euros, the capital pending amortization on December 31st, 2013 at percentage of VSM, S.A. is of 313,484.37 Euros, (562,071.01 Euros in 2013), destined to the financing of several investments. This loan has its maturity on March 31st, 2016 and accrues and interest rate of Euribor at three months plus 0.5 percent.

Dated March 4th, 2011 the Company together with Valoriza Gestión, S.A.U. and Hidroandaluza, S.A. and with Sacyr Vallehermoso, S.A. as guarantor signed with Dexia bank an assignment contract of 48% of the credit rights that are derived from the contract for the maintenance of the Underground Collectors with Torrejón de Ardoz City Council for an amount of 9,613,604.00 Euros, the capital pending amortization on December 31st, 2014 is of 6,774,877.73 Euros, (7,883,015.60 Euros in 2013). This credit assignment matures on March 4th, 2020 and accrues an interest rate of 3.2%. Dated December 23rd, 2011, the Company signs an amendment to the contract grating the power to pay the rights of the granted credits.

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The balances of the debts with credit entities only reflect the amount drawn. At the closing of the 2014 business year the Company has credit lines available which non-drawn section amounts to 6,727 thousands of Euros, (3..61 thousands of Euros in the year 2013).

The average interest rate of loans and credits in the year 2014 is of 4.616% (4.907% in the year 2013).

- Commercial debtors and other accounts payable.

The detail of this section on December 31st, 2013 and 2014, in thousands of Euros, for Joint Ventures is the following:

2013	UTE TMB ARRAIZ	UTE ORIHUELA	UTE TEM	UTE BUTARQUE	UTE HORNILLOS	OTHER JV	TOTAL
Suppliers	1,573	3,613	3,810	2,113	954	12,658	24,721
Personnel	25	184	34	36	411	1,753	2,443
M. creditors	109	4	-	87	7	848	1,055
Total	**1,707**	**3,801**	**3,844**	**2,236**	**1,372**	**15,259**	**28,219**

2014	UTE TMB ARRAIZ	UTE ORIHUELA	UTE TEM	UTE LA PALOMA	UTE HORNILLOS	OTHER JV	TOTAL
Suppliers	2,071	3,208	3,969	1,374	1,116	9,538	21,276
Personnel	54	184	44	11	257	1,503	2,053
M. creditors	66	-	-	-	144	1,229	1,439
Total	**2,191**	**3,392**	**4,013**	**1,385**	**1,517**	**12,270**	**24,768**

Information related with Law 15/2010 of July 5th, which modifies Law 3/2004 of December 29th, for fight against default measures:

During the 2013 and 2014 business years, the average period of payment to supplies has been of 183 days and 91 days, respectively.

These amounts do not include payments made to group and associated companies. To see the outstanding operations and notes at the closing of the 2014 and 2013 business years (see Note 21).

- Other financial liabilities

The detail of this section on December 31st, 2014 and 2013 is the following:

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Long term:	2014	2013
Received warranties and advanced receivables by leasing	72,458.94	38,368.58
Other long term debts	950,793.72	1,023,934.98
Reimbursable subsidies	3,935,709.47	4,529,114.89
Total long term	**4,958,962.13**	**5,591,418.45**
Short term:		
Received warranties and advanced receivables by leasing	3,476.82	2,596.02
Other short term debts	503,870.41	270,390.90
Reimbursable subsidies	921,176.28	840,448.08
Total short term	1,428,523.51	1,113,435.00
Total	**6,387,485.64**	**6,704,853.45**

- Other financial liabilities – Refundable subsidies

Refundable subsidies are several loans granted by the Ministry of Industry, Tourism and Trade at a 0 interest rate, for the development of technological and R&D&I projects, with an amortization period between 10 and 15 years including 3 years of qualifying period. Its effect over results during the year 2014 is of 72,691.29 Euros, (125,311.72 Euros in the year 2013) and are within the section "Non-financial fixed assets subsidies and others charges" of the Profit and Loss Account. Aside from this amount, the operational subsidies included in the result of year 2014 amount to 31,424.29 Euros, (7,656.56 Euros in the year 2013).

- Other debts

In 2014 as well as in 2013 this category on the long term includes a cooperation agreement of UTE Hornillos with the Quart de Poblet City Council for the social costs, servitudes and inconveniences that the installation of the Station may cause to the above mentioned municipality and is based on several agreements:

- Pay to the above mentioned City Council 66,500 Euros per year (at the percentage of VSM, S.A.) increasing the CPI during the concession life.
- Assuming the terrain costs and the construction costs of the Río Turia Park with a maximum of 601,012.11 Euros (at the percentage of VSM, S.A.).
- Pay to the above mentioned City Council 0.30 Euros (at the percentage of VSM, S.A.) for each ton of treated waste, amount also updated in relation to the CPI.

In other short term debts the main included debts are that of Sufi sucursal en Portugal for an amount of 422,905.35 Euros, (127,877.91 Euros in 2013).

b.2) Classification by maturity

The detail by nominal item maturity that comprises the long and short term financial liabilities on December 31st, 2013 is as follows:

	2014	2015	2016	2017	2018	2019 and following	Total
Debits and accounts payable	110,506,859.34	10,364,571.38	9,434,084.51	6,624,147.51	4,889,410.74	55,326,649.04	197,147,717.52
Other financial liabilities	1,113,435.00	1,235,033.68	1,141,263.12	1,102,722.38	1,054,762.97	1,057,636.10	6,704,853.45
Total	**111,620,294.34**	**11,599,605.06**	**10,575,347.63**	**7,726,869.89**	**5,944,173.71**	**56,384,285.14**	**203,852,570.97**

The detail by nominal item maturity that comprises the long and short term financial liabilities on December 31st, 2014 is as follows:

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	2015	2016	2017	2018	2019	2020 and following	Total
Debits and payable items	95,717,330.28	11,352,792.62	7,989,359.56	7,666,076.95	7,249,769.52	46,637,755.21	176,613,084.17
Other financial liabilities	1,428,523.51	1,141,263.12	1,102,722.38	1,054,762.97	892,944.76	767,268.90	6,387,485.64
Total	**97,148,853.79**	**12,494,055.74**	**9,092,081.94**	**8,720,839.92**	**8,142,714.28**	**47,405,024.11**	**183,000,569.78**

The difference between the nominal amounts in the above charts and the accounting debt reflected in the balance sheet is due to the difference in face value of the debts and the accounting value which is established by their amortized cost.

b.3) Default and non-compliance of contract conditions

During the 2014 and 2013 business years no contractual conditions have been defaulted for payments of outstanding loans nor any other contractual condition.

Some Company financing agreements are subject to ratio compliance clauses, by which the Company has the obligation to reach certain key performance markers.

During the year 2014, the Debt Service Hedge Ration of U.T.E. SECADO TÉRMICO BUTARQUE has been negative and with a value of 2.81 (positive and with a value of 0.61 in 2013, 2.56 in 2012, 1.34 in 2011, 0.33 in the year 2010 and 1.26 in the year 2009).

In the case said ratio is defaulted during three consecutive years, the UTE partners will have the obligation to renegotiate the loan conditions, since this could cause an early contract termination. The contract stipulates that in the case any business year the RCASD is lower than 1.25 times, must be amortized in advanced for an amount equivalent to the lower between Cash-Flow without excess and an amount equivalent to the amount necessary for the new calculation of the RCASD to be equal to 1.25 times.

There are no other financial liabilities at the closing of the business year that are required to comply with any contractual condition.

c) Other information

c.1) **Information related with the Profit and Loss Account and the EquityStatement of changes in equity**

Financial income and expenses charged to the profit and loss account calculated by applying the effective interest rate method has been of 6,112,072.16 Euros and 5,254,046.16 Euros in the 2014 business year. In the 2013 business year financial income has been of 1,233,123.48 Euros, while financial expenses have been of 6,928,944.14 Euros.

The amount of value corrections due to depreciation of commercial credits in the profit and loss account in the 2014 business year is of endowments for an amount of 100,243.29 Euros, (8,483.28 Euros of endowments in the year 2013).

c.2) Other information

- La Company since the closing of the 2009 business year is in the process of acquiring the participations of its two partners in the joint business of UTE Señoservi, at the closing of the 2014 business year said agreement is pending recording to acquired 50% of the remaining participation.

- Information about fair value

  Long term credits and debits and values representing debt not listed are recorded at their amortized cost, that unless otherwise prove will be the equivalent of their fair value.

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The book value of credits and debits by short term commercial operations constitutes an acceptable approximation of their reasonable value.

d) Information about hedge:

The Company uses derived financial instruments to cover the risks to which its future cash flows are exposed to. Within the frame of said operations the Company has contracted specific hedge financial instruments, the detail of the derived instruments contracted by the Company on December 2014 and 2013 as well as their evaluation, detail by maturity of national values is provided below:

Information on December 31st, 2013:

				maturity					
Derivatives	Type	Assessment on 12/31/2013	National	2014	2015	2016	2017	2018	2019 and following
UTE BUTARQUE ICO	Variable to fixed	(62,363.70)	981,905.55	(310,546.50)	(326,664.70)	(349,664.70)	-	-	
UTE BUTARQUE DEXIA SABADELL	Variable to fixed	(62,363.70)	981,905.55	(310,546.50)	(326,664.70)	(349,664.70)	-	-	
UTE HORNILLOS	Variable to fixed	(6,578,201.50)	38,131,452.57	(1,464,590.96)	(1,599,180.15)	-	(1,968,059.33)	(2,175,059.49)	(30,100,968.14)
UTE ORIHUELA CAPITAL DE LA VEGA BAJA	Variable to fixed	(6,830.68)	431,891.00	(431,891.00)	-	-	-	-	

The charging foreseen in the profit and loss account in the next business years of the amount derived from the cash flow hedge is as follows:

Euros	UTE Butarque	UTE Hornillos	UTE Orihuela
2014	(62,810.54)	(1,539,764.30)	(6,830.68)
2015	(36,777,06)	(1,398,012.87)	-
2016	(25,139.80)	(1,129,535.10)	-
2017	-	(868,110.04)	-
2018	-	(647,624.33)	-
2019 and subsequent ones	-	(995,154.86)	-
Total	(124,727.40)	(6,578,201.50)	(6,830.68)

Information on December 31st, 2014:

				Maturity					
Derivatives	Type	Evaluation on 12/31/2014	National	2015	2016	2017	2018	2019	2020 and following
UTE BUTARQUE ICO	Variable to fixed	(32,912.04)	676,358.90	(326,694.20)	(349,664.85)	-	-	-	
UTE BUTARQUE DEXIA SABADELL	Variable to fixed	(32,912.04)	676,358.90	(326,694.20)	(349,664.85)	-	-	-	
UTE HORNILLOS	Variable to fixed	(7,081,317.73)	37,666,861.62	(1,599,180.15)	(1,823,186.51)	(1,968,059.33)	(2,175,469.49)	(2,396,783.24)	(27,704,182.93)

The charging foreseen in the profit and loss account in the next business years of the amount derived from the cash flow hedge is as follows:

Euros	UTE Butarque	UTE Hornillos
2015	(44,932.76)	(1,141,171.31)
2016	(20,891.33)	(1,380,504.58)
2017	-	(1,264,159.08)
2018	-	(1,134,476.43)
2019	-	(978,555.88)
2020 and subsequent ones	-	(1,182,450.45)
Total	65,824.09	(7,081,317.73)

According to the requirements of the current Spanish accounting law, the Company has performed efficiency tests, prospective and retrospective, for all hedge derived instruments, as a consequence of which, derivatives have been classified in the following two categories:

- Of efficient hedge: as long as the relation between the evolution of the hedge instrument and the underlying are within the scope 80%-125%, in which case, the evaluation of the derivative is recorded against the equity.

- Of inefficient hedge: in which case, the variation effect of the derivatives marked as inefficient or speculative is gather in the business year result.

The Company has complied with the requirements detailed in Note 4 about registry and evaluation regulations, in order to classify the financial instruments qualified as hedge. Specifically, they have been assigned formally as such and it has been verified that the hedge is efficient for the 2013 and 2014 business years.

The amount recorded in the Equity during the year 2014 is of (1,511,874.06) Euros, 674,817.98 Euros in the year 2013. During the 2014 and 2013 business years 1,217,581.22 Euros and 1,274,688.24 Euros respectively have been charged to the profit and loss account from equity.

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10. Investment in group, multigroup and associated companies

The details and operations in the different entries composing this section on December 31st, 2013, except the other financial assets that are explained in note 21b, are the following:

	Balance on 12/31/2012	Subscriptions	CANCELLATIONS	Transfers	Balance on 12/31/2013
BOROMER, S.A.	1,089,468.57	-	-		1,089,468.57
COMPOST DEL PIRINEOS, S.A.	580,499.98	-	-		580,499.98
EUROCOMERCIAL, S.A.	454,375.42	-	-		454,375.42
GESTIÓN DE INFRAESTRUCTURA DE CANARIAS, S.A.	51,523.01	-	-		51,523.01
INICIATIVAS MEDIOAMBIENTALES DEL SUR, S.L.	20,000.00	-	-		20,000.00
GESTORA CANARIA DE LODOS Y DEPURADORA, S.A.	85,000.00	-	-		85,000.00
SERVICIOS MEDIO AMB, Y ENERGET DE VALENCIA 2007, S.A.	60,100.00	-	(60,100.00)		-
INFOSER ESTACIONAMIENTO AIE	66,000.00	-	-		66,000.00
TRACTEMENT METROPOLITA DE FANES, S.L.	2,711,741.89	-	-		2,711,741.89
HIDROANDALUZA, S.A.	474,957.60	-	-		474,957.60
SURGE AMBIENTAL, S.L.	69,971.02	-	-		69,971.02
RESIDUOS CONSTR. CUENCA	30,100.00	-	-		30,100.00
SECADO TÉRMICO DE CASTELLÓN, S.A.	1,800,000.00	-	-		1,800,000.00
TTO RESIDUOS LA RIOJA, S.L.	3,006.00	-	-		3,006.00
Participations in Group and Multigroup companies	**7,496,743.49**	**-**	**(60,100.00)**		**7,436,643.49**
				-	
PARTICIPES DEL BIORRECICLAJE, S.A.	20,037.74	-	-	-	20,037.74
GESTIÓN DE PARTICIPES DEL BIORRECICLAJE, S.A.	20,037.74	-	-	-	20,037.74
BIOMASAS DEL PIRINEO, S.A.	132,000.01	-	-	-	132,000.01
CULTIVOS ENERGÉTICOS DE CASTILLA, S.A.	132,030.06	-	-	-	132,030.06
VALDEMINGÓMEZ 2000, S.A.	1,202,400.00	-	-	-	1,202,400.00
INTERCD, S.L.	30,000.00	-	-	-	30,000.00
PARQUE EÓLICO LA SOTONERA, S.L.	603,250.00	-	-	-	603,250.00
ALCOREC, S.L.	66,900.00	-	-	-	66,900.00
SERVICIO DE ESTACIONAMIENTO REGULADO	3,000.00	-	-	-	3,000.00
Participations in associated companies	**2,209,655.55**	**-**	**-**	**-**	**2,209,655.55**
			-		
PARTICIPES DE BIORECICLAJE, S.A.	(20,037.74)	-	-	-	(20,037.74)
GESTIÓN DE PARTICIPES DEL BIORRECICLAJE, S.A.	(20,037.74)	-	-	-	(20,037.74)
COMPOST DEL PIRINEO, S.A.	(352,496.22)	(87,454.53)	-	-	(439,950.75)
GESTORA CANARIA DE LODOS Y DEPURADORA, S.A.	(18,784.69)	(93.05)	-	-	(18,877.54)
CULTIVOS ENERGÉTICOS DE CASTILLA, S.A.	(28,686.54)	(987.93)	-	-	(29,674.47)
BIOMASAS DEL PIRINEO, S.A.	(72,501.34)	(47.52)	-	-	(72,453.82)
INTERCD, S.L.	-	(29,266.79)	-	-	(29,266.79)
SERVICIOS MEDIO AMB, Y ENERGET DE VALENCIA 2007, S.A.	(1,552.00)	-	1,552.10	-	-
ALCOREC, S.L.	(66,900.00)	-	66,900.00	-	-
SERVICIOS DE ESTACIONAMIENTO REGULADO	(3,000.00)	-	-	-	(3,000.00)
SURGE MEDIOAMBIENTAL, S.L.	(12,475.05)	(57,495.97)	-	-	(69,971.02)
		-	-		
Investment value depreciation in Group, Multigroup and Associated companies	**(596,471.12)**	**(175,345.79)**	**68,452.10**	**-**	**(703,269.87)**
			-		
CULTIVOS ENERGÉTICOS DE CASTILLA, S.A.	(99,000.00)	-	-	-	(99,000.00)
GESTIÓN E INFRAESTRUCTURA DE CANARIAS, S.A.	(12,393.00)	-	-	-	(12,393.00)
SERVICIOS MEDIO AMB, Y ENERGET DE VALENCIA 2007, S.A.	(45,075.00)	-	45,705.00	-	-
HIDROANDALUZA, S.A.	(.60)	-	-	-	(.60)
SECADO TÉRMICO DE CASTELLÓN, S.A.	(1,350,000.00)	-	-	-	(1,350,000.00)
Outstanding payments in Group, Multigroup and Associated companies	**(1,506,468.60)**	**-**	**45,705.00**	**-**	**(1,461,393.60)**
Participations net value in Group, Multigroup and Associated companies	**7,603,459.32**	**(175,345.79)**	**53,427.10**	**-**	**7,481,695.57**
PARTICIPES DE BIORECICLAJE, S.A.	2,169,883.43	-	-	-	2,169,883.43
GESTIÓN DE PARTICIPES DEL BIORRECICLAJE, S.A.	70,084.86	-	-	-	70,084.86
PARQUE EÓLICO LA SOTONERA, S.L.	154,120.46	2,022.66	(156,143.12)	-	-
BOREMER, S.A.	1,027,279.94	1,664,677.35	-	1,400,000.00	4,091,957.29
TRACTEMENT METROPOLITA DE FANES, S.L.	21,633.15	-	(21,633.15)	-	-
TTO RESIDUOS LA RIOJA S.L	7,797,157.89	238,092.67	(1,598,092.67)	-	6,437,157.89
ALCOREC, S.L.	5,083.39	-	-	-	5,083.39
SURGE AMBIENTAL, S.L.	234,766.82	305,323.38	(117,180.99)	-	422,909.21
Long term credits to Group, Multigroup and Associated companies	**11,479,989.94**	**2,210,116.06**	**(1,893,049.93)**	**1,400,000.00**	**13,197,056.07**
BOREMER, S.A.	1,400,000.00	-	-	(1,400,000.00)	-
TRACTEMENT METROPOLITA DE FANES, S.L.	487,493.67	22,692.14	(81,205.19)	-	428,980.62
ALCOREC, S.L.	9,916.61	-	-	-	9,916.61
PARQUE EÓLICO LA SOTONERA, S.L.	15,868.00	-	(15,868.00)	-	-
Short term credits Group, Multigroup and Associated companies	**1,913,278.28**	**22,692.14**	**(97,073.19)**	**(1,400,000.00)**	**438,897.23**
Credits net value to Group, Multigroup and Associated companies	**13,393,268.22**	**2,232,808.20**	**(1,990,123.12)**		**13,635,953.30**

The movement in participations of the period has been due to the dissolution in May 2013 of the Company Servicios Medioambientales y Energéticos Valencia 2007, S.A.

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VALORIZA SERVICIOS MEDIOAMBIENTALES, S.A.
2014 BUSINESS YEAR ANNUAL ANNUAL ACCOUNTS

Credits with group and associated companies are classified in the category of loans and receivables, they are evaluated at the amortized costs and the interest rate applied during 2013 which is Euribor plus 4%, (Euribor plus 4% in 2012).

The depreciation endowment as well as their reversion is a part of item 16 "Depreciations and losses" in the profit and loss account.

The most relevant long term credit movements of the 2013 business year are:

- Partial return of the loan made in favor of Tratamientos de Residuos de la Rioja within the 9,000,000.00 Euros contracted, of which 6,437,157.89 Euros are drawn (7,797,157.89 Euros in 2012), with most of it destined to investment, with maturity from the year 2014 and an interest rate of Euribor plus 4% (Euribor plus 4% in 2012) due to the cash flow allowing its return.
- Partial return of the credit by Tractament Metropolità de Fangs for 80,146.20 Euros.
- Total return of the loan that had been granted to Parque Eólico de la Sotonera for a value of 172,011.12 Euros.
- Provision increase to Surge Ambiental for a value of 188,142.39 Euros.
- Transfer of short term loans to long term loans of 1,400,000 Euros loaned to Boremer, S.A. and its increase in value by 1,664,677.35 Euros.

The details and operations in the different entries composing this section on December 31st, 2014, except the other financial assets with related parties that are explained in Note 21b, are the following:

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	Balance on 12/31/2013	Subscriptions	CANCELLATIONS	Transfers	Balance on 12/31/2014
BOROMER, S.A.	1,089,468.57	-	-	-	1,089,468.57
COMPOST DEL PIRINEO, S.A.	580,499.98	-	-	-	580,499.98
EUROCOMERCIAL, S.A.	454,375.42	-	-	-	454,375.42
GESTION E INFRAESTRUCTURA DE CANARIAS, S.A.	51,523.01	-	-	-	51,523.01
INICIATIVAS MEDIOAMBIENTALES DEL SUR, S.L.	20,000.00	-	-	-	20,000.00
GESTORA CANARIA DE LODOS Y DEPURADORA, S.A.	85,000.00	-	(85,000.00)	-	-
INFOSER ESTACIONAMIENTO	66,000.00	-	-	-	66,000.00
TRACTEMENT METROPOLITA DE FANES, S.L.	2,711,741.89	-	-	-	2,711,741.89
HIDROANDALUZA, S.A.	474,957.60	-	-	-	474,957.60
SURGE AMBIENTAL, S.L.	69,971.02	-	-	-	69,971.02
RESIDUOS CONSTR. CUENCA	30,100.00	-	-	-	30,100.00
SECADO TÉRMICO DE CASTELLÓN, S.A.	1,800,000.00	-	-	-	1,800,000.00
TTO RESIDUOS LA RIOJA, S.L.	3,006.00	-	-	-	3,006.00
PLANTA DE TRATAMIENTO DE ARRAIZ, S.L.	-				2,100.00
		2,100.00			
Participations in Group and Multigroup companies	**7,436,643.49**	**2,100.00**	**(85,000.00)**	**-**	**7,353,743.49**
PARTICIPES DEL BIORRECICLAJE, S.A.	20,037.74	-	-	-	20,037.74
GESTIÓN DE PARTICIPES DEL BIORRECICLAJE, S.A.	20,037.74	-	-	-	20,037.74
BIOMASAS DEL PIRINEO, S.A.	132,000.01	-	-	-	132,000.01
CULTIVOS ENERGÉTICOS DE CASTILLA, S.A.	132,030.06	-	-	-	132,030.06
VALDEMINGÓMEZ 2000, S.A.	1,202,400.00	-	-	-	1,202,400.00
INTERCD, S.L.	30,000.00	-	-	-	30,000.00
PARQUE EÓLICO LA SOTONERA, S.L.	603,250.00	-	-	-	603,250.00
ALCOREC, S.L.	66,900.00	-	-	-	66,900.00
SERVICIO DE ESTACIONAMIENTO REGULADO	3,000.00	-	-	-	3,000.00
CONSORZIOSTABILE VIS SOCIETACONSORTILE PER AZIONI	-	3,000.00	-	-	3,000.00
Participations in associated companies	**2,209,655.55**	**3,000.00**	**-**	**-**	**2,212,655.55**
PARTICIPES DE BIORECICLAJE, S.A.	(20,037.74)	-	-	-	(20,037.74)
GESTIÓN DE PARTICIPES DEL BIORRECICLAJE, S.A.	(20,037.74)	-	-	-	(20,037.74)
COMPOST DEL PIRINEO, S.A.	(439,950.75)	(28.678,87)	-	-	(468,629.62)
GESTORA CANARIA DE LODOS Y DEPURADORA, S.A.	(18,877.54)	-	18,877.54	-	-
CULTIVOS ENERGÉTICOS DE CASTILLA, S.A.	(29,674.47)	(994,29)	-	-	(30,668.76)
BIOMASAS DEL PIRINEO, S.A.	(72,453.82)	(39,60)	-	-	(72,493.42)
BOREMER, S.A.	-	(1.089.468,57)	-	-	(1,089,468.57)
INTERCD, S.L.	(29,266.79)	(16.61)	-	-	(29,283.40)
SERVICIOS DE ESTACIONAMIENTO REGULADO	(3,000.00)	-	-	-	(3,000.00)
VALDEMINGOMEZ2000, S.A.	-	(1.202.400,00)	-	-	(1,202,400.00)
SURGE MEDIOAMBIENTAL, S.L.	(69,971.02)	-	69,971.02	-	-
Investment value depreciation in Group, Multigroup and Associated companies	**(703,269.87)**	**(2,321,597.94)**	**88,848.56**	**-**	**(2,936,019.25)**
CULTIVOS ENERGÉTICOS DE CASTILLA, S.A.	(99,000.00)	-	-	-	(99,000.00)
CENTRAL TÉRMICA LA TORRECILLA	(12,393.00)	-	-	-	(12,393.00)
HIDROANDALUZA, S.A.	(0.60)	-	-	-	(0.60)
SECADO TÉRMICO DE CASTELLÓN, S.A.	(1,350,000.00)	-	-	-	(1,350,000.00)
Outstanding payments in Group, Multigroup and Associated companies	**(1,461,393.60)**	**-**	**-**	**-**	**(1,461,393.60)**
Participations net value in Group, Multigroup and Associated companies	**7,481,635.57**	**(2,316,497.94)**	**3,848.56**	**-**	**5,168,986.19**
PARTICIPES DE BIORECICLAJE, S.A.	2,169,883.43	-	(807,975.16)	-	1,361,908.27
GESTIÓN DE PARTICIPES DEL BIORRECICLAJE, S.A.	70,084.86	-	-	-	70,084.86
COMPOST DEL PIRINEO, S.A.	-	177,384.88	-	-	177,384.88
BOREMER, S.A.	4,091,957.29	-	-	-	4,091,957.89
TTO RESIDUOS LA RIOJA, S.L.	6,437,157.89	-	(200,000.00)	-	6,237,157.89
ALCOREC, S.L.	5,083.39	-	5,083.39	-	-
SURGE AMBIENTAL, S.L.	422,909.21	18,109.89	-	-	440,999.10
Long term credits in Group, Multigroup and Associated companies	**13,197,056.07**	**195,494.77**	**(1,013,058.55)**	**-**	**12,379,492.29**
TRACTEMENT METROPOLITA DE FANES, S.L.	428,980.62	-	-	-	428,980.62
ALCOREC, S.L.	9,916.61	6,242.74	-	-	16,159.35
Short term credits Group, Multigroup and Associated companies	**438,897.23**	**6,242.74**	**-**	**-**	**445,139.97**
Credits net value to Group, Multigroup and Associated companies	**13,635,953.30**	**201,737.51**	**(1,013,058.55)**	**-**	**12,824,632.26**

The business year movements in the participations section for group as well as associated companies, are the following:

- In January 27th, 2014 the liquidation of the Company Gestora Canaria de Lodos de Depuradora, S.A. is recorded in the Registry.
- On July 10th, 2014 the company Planta de Arraiz, S.L. is incorporated.
- On September 29 part of the participation of Valoriza Gestión in the Company Consorzio Stabile Vis Societa Consortile per Azioni is acquired.

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Credits with group and associated companies are classified in the category of loans and receivables, they are evaluated at the amortized costs and the interest rate applied during 2014 which is Euribor plus 4%, (Euribor plus 4% in 2013).

The depreciation endowment as well as their reversion is a part of item 16 "Depreciations and losses" in the profit and loss account.

The most relevant long term credit movements of the 2014 business year are:

- Partial return of the loan made in favor of Tratamientos de Residuos de la Rioja within the 9,000,000.00 Euros contracted, of which 6,237,157.89 Euros are drawn (6,437,157.89 Euros in 2013), with most of it destined to investment, with maturity from the year 2015 and an interest rate of Euribor plus 4% (Euribor plus 4% in 2013) due to the cash flow allowing its return.
- Partial return of the credit by Partícipes de Bioreciclaje, S.A. for 807,975.16 Euros.
- Total return of the loan that had been granted to Alcorec, S.L. for a value of 5,083.39 Euros.
- Provision increase to Surge Ambiental for a value of 18,109.89 Euros.
- Concession of a loan to Compost del Pirineo, S.A. for 184,026.25 Euros with a life of 5 years and an interest rate of 6% of which on December 31st, 2014 177,384.88 Euros have been drawn December 31st, 2014.

The detail of participations in group, multigroup and associated companies at the closing of the 2013 business year is the following:

Company name	Participation %		Net accounting value	EQUITY					Received dividends
	Direct	Indirect		Capital	Reserves	Other items	Net result	Total equity	
EUROCOMERCIAL, S.A.	100.00%	-	454,375.42	116,427.00	2,751,145.30	-	28,311.62	2,895,903.92	-
GESTIÓN DE PARTÍCIPES DEL BIORRECICLAJE, S.A.	13.34%	-	-	60,101.21		(84,492.74)	(149.06)	(24,540.59)	-
BOREMER, S.A.	50.00%	-	1,089,468.57	2,175,982.00	3,337,371.04	(1,072,628.32)	(2,014,063.77)	2,426,660.75	-
PARTÍCIPES DEL BIORRECICLAJE, S.A.	13.34%	-	-	60,101.21	-	(119,811.13)	(92.00)	(59,801.92)	-
HIDROANDALUZA, S.A.	100.00%	-	474,957.00	282,517.60	2,000,559.76	192,440.00	816,074.74	3,291,592.10	-
BIOMASAS DEL PIRINEO, S.A.	44.00%	-	59,548.19	100,000.00	9,805.71	(174,563.45)	(108.00)	135,332.26	-
COMPOST DEL PIRINEO, S.A.	50.00%	-	140,549.23	1,161,000.00	72,508.35	(777,500.82)	(174,909.06)	281,098.47	-
CULTIVOS ENERGÉTICOS DE CASTILLA, S.A.	44.00%	-	3,353.59	500,000.00	-	(85,128.36)	(12,243.25)	232,626.33	-
VALDEMINGÓMEZ 2000, S.A.	40.00%	-	1,202,400.00	3,368,000.01	534,793.86	-	(565,445.77)	3,337,338.10	-
GESTIÓN E INFRACTUCTURAS DE CANARIAS, S.A.	62.00%	-	39,139.01	61,200.00	458,255.99	(187,217.39)	(133.56)	332,105.44	-
SERVICIO DE ESTACIONAMIENTO REGULADO, S.L.	50.00%	-	-	6,000.00	-	(2,267.78)	-	3,732.22	-
INFOSER	-	16.67%	66,000.00	360,000.00	-	-	-	360,000.00	-
INICIATIVAS MEDIOAMBIENTALES DEL SUR, S.L.	10.00%	-	20,000.00	40,000.00	265,942.13	(21,598.02)	(349.38)	284,003.73	-
GESTORA CANARIA DE LODOS DE DEPURADORA, S.A.	85.00%	-	66,122.46	100,000.00	6.40	(22,106.09)	(109.38)	77,791.13	-
INTER RCD, S.L.	33.00%	-	733.21	120,000.00	-	(490.05)	(287.69)	119,222.27	-
PARQUE EÓLICO LA SOTONERA, S.L.	30.18%	-	603,250.00	2,000,000.00	3,697,240.56	(308,381.30)	1,199,177.40	6,584,022.60	
SURGE AMBIENTAL	100.00%	-	-	3,010.00	54,485.97	300,000.00	(171,361.81)	186,134.16	384,571.88
RESÍDUOS DE CONSTRUCCIÓN DE CUENCA	50.00%	-	30,100.00	60,200.00	36,090.17	-	(33,177.24)	103,113.13	-
ALCOREC, S.L.	10.00%	-	66,900.00	173,940.00	-	210,753.59	(100,074.75)	293,598.86	-
TRACTEMENT METROPOLITA DE FANES, S.L.	-	21.60%	2,711,741.89	12,554,558.42	1,335,471.28	(1,337,501.15)	505,127.07	13,057,255.81	-
SECADOS TÉRMICOS CASTELLÓN SL	60.00%	-	450,000.00	3,000,000.00	29,344.99	-	4,233.90	3,033,578.78	-
TTO RESIDUOS LA RIOJA SL	100.00%	-	3,006.00	3,006.00	-	1,358,321.12	(145,683.37)	1,215,643.75	-
Total Group, Multigroup and Associated companies			7,481,635.57	15,963,843.64	20,815,029.59	(1,904,397.15)	(676,265.17)	38,108,311.32	384,571.88

PERIOD CANCELLATIONS

The CANCELLATIONS of the 2013 business year in this section correspond to the following detail:

- VSM, S.A. and a minority partner decide to dissolve the company which they hold at 99.83% and 0.07% respectively, called Servicios Medioambientales y Energéticos de Valencia 2007, S.A. said recovery represents income of 95.07 Euros reflected in the profit and loss account within section 16b of financial income.

PERIOD MODIFICATIONS

- Dated April 5th, 2013, the company INTE RCD approve a reduction of its Capital Stock amount, assigning a value of 0.25 Euros to each share

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The detail of participations in group, multigroup and associated companies at the closing of the 2014 business year is the following:

Company name	Participation %		Net accounting value	EQUITY					Received dividends
	Direct	Indirect		Capital	Reserves	Other items	Net result	Total equity	
EUROCOMERCIAL, S.A.	100.00%	-	454,375.42	136,427.000	2,759,476.92	-	(110,900.20)	2,785,003.72	
GESTIÓN DE PARTÍCIPES DEL BIORRECICLAJE, S.A.	33.34%	-	-	60,101.21	-	(84,641.80)	(60.00)	(24,600.59)	-
BOREMER, S.A.	50.00%	-	-	2,175,982.00	5,337,371.04	(4,923,354.19)	(4,108,817.41)	(1,518,614.56)	-
PARTÍCIPES DEL BIORRECICLAJE, S.A.	33.34%	-	-	60,101.211	-	(119,903.13)	(101.00)	(59,902.92)	-
HIDROANDALUZA, S.A.	100.00%	-	474,957.00	282,118.600	2,816,634.50	192,440.00	567,751.95	3,859,344.05	-
BIOMASAS DEL PIRINEO, S.A.	44.00%	-	59,506.59	300,000.000	9,803.71	(174,471.45)	(90.00)	135,242.26	-
COMPOST DEL PIRINEO, S.A.	50.00%	-	111,870.36	161,000.00	72,508.35	(952,409.88)	(57,357.74)	223,740.73	-
CULTIVOS ENERGÉTICOS DE CASTILLA, S.A.	44.00%	-	2,361.30	300,000.000	-	(67,373.65)	(2,259.76)	230,366.59	-
VALDEMINGÓMEZ 2000, S.A.	40.00%	-	-	3,006,000.000	371,338.09	-	(3,797,532.93)	(420,194.83)	-
GESTIÓN E INFRACTUCTURAS DE CANARIAS, S.A.	62.00%	-	39,130.01	61,200.000	458,255.99	(187,350.55)	(284.76)	331,820.68	-
SERVICIO DE ESTACIONAMIENTO REGULADO, S.L.	50.00%	-	-	6,000.000	-	(2,267.78)	-	3,723.22	-
INFOSER	-	16.67%	66,000.00	360,000.000	2,824.96	-	12,077.60	374,902.56	-
INICIATIVAS MEDIOAMBIENTALES DEL SUR, S.L.	50.00%	-	20,000.00	40,000.000	265,942.13	(21,938.40)	(269.81)	283,733.92	-
INTER RCD, S.L.	33.00%		716.60	3,000.00	-	(778.14)	(50.34)	2,171.52	-
PARQUE EÓLICO LA SOTONERA, S.L.	30.16%	-	603,250.00	2,000,000.00	5,601,182.01	(121,130.82)	105,526.48	7,583,577.67	-
SURGE AMBIENTAL	100.00%	-	69,971.02	3,000.000	202,072.56	(69,918.45)	57,193.59	192,357.67	-
RESIDUOS DE CONSTRUCCIÓN DE CUENCA	50.00%	-	30,100.00	60,200.00	42,913.13	-	(35,106.70)	192,357.70	-
ALCOREC, S.L.	10.00%	-	66,000.00	173,840.00	-	146,753.98	89,544.41	68,006.43	-
TRACTEMENT METROPOLITA DE FANES, S.L.	-	-	2,711,741.89	12,554,358.61	5,385,983.99	(5,257,720.73)	873,209.35	410,238.39	-
SECADOS TÉRMICOS CASTELLÓN SL	60.00%	21.60%	450,000.00	3,000,000.00	32,308.64	-	38,803.25	13,55,831.22	-
PLANTA DE TRATAMIENTOS DE ARRAIZ, S.L.	70.00%	-	1,470.00	2,100.00	-	-	-	3,071,111.89	-
CONSORZIOSTABILE VIS SOCIETACONSORTILE PER AZION	8.00%		3,000.00	37,500.00	-	-	-	2,100.00	-
TTO RESIDUOS LA RIOJA SL	100.00%	-	3,006.00	3,006.004	-	1,301,543.75	(1,246,407.95)	37,500.00	-
								58,141.80	-
Total Group, Multigroup and Associated companies			5,168,356.19	25,967,645.6	23,358,614.02	(10,342,321.24)	(5,617,131.97)	31,185,606.45	-

PERIOD SUBSCRIPTIONS

The subscriptions of the 2014 business year in this section correspond to the following detail:

VSM, S.A. y Campezo, S.A. incorporates the company Planta Arraiz, S.L. with participations percentages of 70.00% and 30.00% respectively.

- VSM, S.A. acquires from Valoriza Gestión, S.A. 8% of the company Consorzio Stabile Vis Societa Consortile per Azioni, company incorporated in Italy (Torino).

PERIOD CANCELLATIONS

The CANCELLATIONS of the 2014 business year in this section correspond to the following detail:

- VSM, S.A. and a minority partner decide to dissolve the company which they hold at 85.00% and 15.00% respectively, called Gestora Canaria de Lodos de Depuradora, S.A. said recovery represents expenses of 1,937.07 Euros reflected in the profit and loss account within section Results by disposals and others.

None of the Companies of which participations are held are listed.

The annual accounts of the most significant Companies in which VSM, S.A. participates are audited by the following external auditors:

Valdemingomez 2000 S.A.	Deloitte
Tractement Metropolita de Fangs, S.L.	Deloitte
Boremer, S.A.	Deloitte
Parque Eólico La Sotonera, S.A.	KPMG
Tratamientos de Residuos de La Rioja, S.A.	Ernst & Young

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The detail of the activities and address of group and associated companies is the following:

Company name	Corporate purpose	Corporate address
Gestión Partícipes del Biorecicla|e S.A.	Act. related with waste treatment management	Ctra. Puerto Real a Paterna. Medina Sidonia. Cádiz. España
Compost del Pirineo S.L.	Promotion of sludge composting station WWTP	C/San Bartolomé nº 11. Alcala de Gurrea. Huesca. España
Metrofangs S.L.	Management, construction during 15 years of the San Adria de Beso Purification Station	C/ Pin s/n Barcelona
Boremer S.A.	Contracting and management of sanitation Services and works cleaning	C/Principe de Vergara nº 135. Madird. España
Biomasas del Pirineo S.A.	Promotion for the energy use of biomass	C/San Bartolomé nº 11. Alcala de Gurrea. Huesca. España
Valdemingómez 2000, S.A.	Valdemingómez landfill degasification project	C/Génova 6. Madrid. España.
Cultivos Energéticos de Castilla S.A.	Promotion for the energy use of biomass	Avda. del Cid Campeador nº 4. Burgos. España
Infoser Estacionamiento Regulado, A.I.E.	Auxiliary services to the control and regulated parking of Madrid public streets	C/ Manuel Silvela 8. Madrid. España
Parque Eólico de la sotonera, S.L.	Contracting with producers of sludge removal	Pza.AntonioBeltran Martinez, 1 Zaragoza. España
Gestión de Infraest Canarias S.A.	Renewable energies production	Pza de José Arozena Paredes Sta. Cruz de Tenerife
Partícipes del Biorecicla|e S.A.	Performance of studies, works and projects	C/Federico Salmón nº 8 Madrid. España.
Iniciativas Medioambientales del Sur S.L.	Waste management	Crtra.Cadiz-Pto Real Km13 Jerez de la Frontera, Cádiz. España
Inter RCD S.L.	Road cleaning, collection, transportation and treatment of waste, water purification...	C/ Américo Vespucio, 69 Sevilla España
Eurocomercials A.U.	Promotion, development of construction and demolition debris	C/Juan Esplandiu, 11-13 Planta 13, 28007 Madrid. España
Residuos de Construcción de Cuenca	Projects for the eng., consult., or cons., and import and export of ptos for their deposit and sale	C/Federico Salmón nº 8 Madrid. España
Hidroandaluza, S.A.U.	Construction and demolition waste management in the scope of the Cuenca province	C/Arjona, 19; 1º A; Sevilla España
Alcorec, S.L.	Buying and selling of computer equipment	Av.Kansas City ED Recilo: 41007 Sevilla España
Surge Ambiental S.L.	Construction and demolition waste management in the scope of the Alcores association	C/Juan Esplandiu, 11-13 Planta 13, 28007 Madrid. España
Servicio de Estacionamiento Regulado, S.L.	Construction and demolition waste management in the scope of Madrid's Community	C/ Manuel Silvela 8. Madrid. España
TRATAMIENTO RESIDUOS LA RIOJA S.L.	Services related to parking, vehicle removal, traffic studies and public transportation	La Rad de Varea s/n Villamediana de Iregua La Rioja España
ECOTRADING 360 GRADOS S.L.	Operation and maintenance of the Ecoparque de la Rioja Waste Treatment Center	Ronda de Atocha, 37 Madrid España
SECADO TERMICO DE CASTLLON, S.A.	Buying and selling of waste for their subsequent recycling	C/Fanzara, 5. Burriana. Castellón. España
WASTERESOURCES, S.L.	Station study, project, construction and operation.	Carretera de Vicálvaro a O'Donnell nº 7 28032 Madrid España
PLANTA DE TRATAMIENTO DE ARRAIZ, S.L.	Rendering of services related with the environment	Calle Elcano, 9 Bilbao. Vizcaya. España
CONSORZIOSTABILE VIS SOCIETACONSORTILE PER AZIONI	Studies, construction and rendering of services related with the environment in Italy	Via Invorio, 24 Torino. Italia.

In relation to the participation in Tractament Metropolitá de Fangs, there are granted warranties to financial entities that are explained in detail under Note 15c.

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11. Joint Businesses

The detail of December 31st, 2013 of significant operations with joint control in which the Company participates through Joint Ventures is the following:

Joint Ventures	Participation %	Net value	Operational F.	Activity
SUR OMICRÓNBORREMER (SUR)	50%	1,502.53	3,005.06 €	Construction of a sludge thermal drying station in the Madrid south area
TEAMFAMG	27%	1,632.75	6,010.12 €	Construction and operation of sludge in Sant Adria del Besos-Barcelona
OMICRÓN-CADAGUA	25%	250.00	1,000.00 €	EDAR SUR conservation and maintenance of public service management
ARICO (SUA-TECMED)	50%	3,005.00	6,010.00 €	Drafting of projects, works execution and commissioning if the Arico environmental complex container depurification station
CBC	33%	12,022.65	36,060.95 €	Waste treatment station construction (Cádiz)
ZONZAMAS II (SUR - Hormigonera)	50%	3,000.00	6,000.00 €	Project, works execution and supply of equipments for the urban solid waste landfill adaptation of Zonzamas - Isla de Lanzarote
SUFI-MAGENTA-CONYSER (FANGOS MRABEL)	50%	1,502.50	3,005.00 €	Project drafting and sludge composting station construction
SUFI-MAGENTA-CONYSER (RSUMRABEL)	50%	1,502.53	3,005.06 €	Recycling stations works execution RSU-Ecoparque Marbel
Illegible		3,005.06	3,010.12	Lora municipality administration conservation
MAJADAHONDA (SUFI-FCC)	50%			Road cleaning, collection and transportation of urban solid waste services of Majadahonda
BOADILLA	50%			Waste collection, selective collection, street cleaning and transportation to the Boadilla del Monte station
SUR URBASER-VERTRESA (LA PALOMA)	38%	2,280.00	6,000.00 €	Public service management for the operation and maintenance of the urban solid waste treatment center in the La Paloma district (Madrid)
TODO-UNO ARICO (SUR)	30%	3,005.00	6,010.00 €	Project drafting and works execution as well as the commissioning of the 1st construction stage of the classification station "All-in-One" of the Arico environmental complex, Isla de Tenerife
SUR-TECONSA (C.I.R.SALAMANCA)	60%	600.00	1,000.00 €	Construction of an urban waste treatment center for the management of the Salamanca province municipalities
SUR J.A. ROMERO POLO (SERRALLARGA)	40%	2,400.00	6,000.00 €	Execution of the Serrallarga controlled deposit with the establishment of a gas treatment system
AGUAS ALCALÁ (SUFI-ADUAUA-CYII)	25%	1,500.00	6,000.00 €	Alcalá de Henares water supply and operation
OBRAS ALCALÁ (SUR ADUAUA)	45%	2,700.00	6,000.00 €	Execution of the works necessary for the Alcalá de Henares water supply system
PARQUES SINGULARES MÓSTOLES	50%			Execution of the cleaning and conservation services management of the Singular Parks in the Móstoles municipality
UTELOS HORNILLOS	50%	500.00	1,000.00 €	Management project of installation 1, included in the waste area plan of areas III and VIII (Management area 1) and its commissioned awarding
EDAR CARIÑO (SUFI Y CRC OBRAS Y SERVICIOS)	55%	1,650.00	3,000.00 €	Drafting of the project and general collectors operation and waste water purification station of Cariño (La Coruña)
REVENGA- ALCATEL -SUR	20%	1,800.00	9,000.00 €	Consulting, assistance and access system management contract in Barrio Las Letras
RCDGARDELEGUI 2000 (SUFI-ESCOR-LAMBIDE)	50%	1,500.00	3,000.00 €	Project drafting, construction and execution of the operation of a demolition debris treatment station in Vitoria
CONSTRUCCIÓN LA PALOMA (URBASER-SUR)	38%	11,400.00	30,000.00 €	Suitability and adaptation projects of the SUW treatment center of La Paloma (Madrid)
HORNILLOS-OBRA	30%	3,000.00	6,000.00 €	The execution of the works contemplated within the "Activity project and installation construction 1, included in the zone plan of wastes in areas III and VIII (Management area 1)" which is developed within the frame of "Management project of
(SUFI-ROMERO POLO)	40%	12,000.00	30,000.00 €	Concession of municipal services for road cleaning as well as collection and transportation of different fractions of urban waste and other complementary services in the city of Lleida.
COMPLEJO AMBIENTAL EL MAJANO (SLA-SATOCAN)	59%	3,000.00	6,000.00 €	Project drafting, execution of works and installations as well as the commissioning of the urbanization and waste infrastructures in the environmental complex of El Majano (Isla de Hierro)
APARCAMIENTOS AEROPUERTO JEREZ	50%	11,000.00	22,000.00 €	Jerez airport parking management service rendering.
PLANTA VITORIA	50%	1,500.00	3,000.00 €	Construction in Vitoria of a demolition debris treatment station
GUADALPÍN	35%	2,100.00	6,000.00 €	Arroyo Guadalpín [illegible] works execution
FAUNA BARAJAS	60%	3,600.00	6,000.00 €	Works execution project drafting of the recovery center for compensation measures associated with the Madrid Barajas Airport
SUFI-COINTER	70%	8,400.00	12,000.00 €	Rendering of the road cleaning and urban solid waste collection service for the Cádiz municipal district
VALLORO	50%	3,000.00	6,000.00 €	Construction project of the anaerobic digestion process and capacity of the composting station and composting station capacity of the Valles Oriental treatment regional center
BIOMECANIZACION LA PALOMA	36%	2,163.60	6,009.99 €	Drafting, project, construction and commissioning of a urban waste biogas station biomethanization station and a biogas treatment station for its use as fuel in public transportation buses in the La Paloma station
TORMES ZAFARDEL	60%	2,400.00	3,000.00 €	Environmental and landscape improvement in the Tormes river banks. Construction of a recreational area in the "La Esperanza" Estate and access to the "Los Hoyuelos" Estate
SUFICOINTER JARDINES	70%	8,400.00	12,000.00 €	Conservation and maintenance service of green areas and cleaning of parks and gardens as well as other public spaces in Cádiz
CONSTRUCCIONES SARRIÓN, S.A. Y SUFI, S.A. "VERTEDERO CUENCA UTE"	50%	1,550.00	3,100.00	Execution works of the inert waste landfill in Cuenca (AGS 3 CUENCA CENTRO-NORTE) as well as the auxiliary, accessory and complementary works, including those expansions and other variations that may take place
UTE TEM	38%	40,000.00	100,000.00 €	Expansion, adaptation and operation of the Maresme Waste Evaluation complete center

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Joint Ventures	Participation %	Net value	Operational F.	Activity
CENTRE INTEGRAL DE VALORIZACIÓ DE RESIDUS DC. MARESME UTE	60%	6,000.00	10,000.00	Expansion, adaptation and operation of the Maresme Waste Evaluation complete center
UTE GARABI	60%	3,600.00	6,000.00	Contract for vehicle removal from public streets and municipal deposit complete management
UTE URGENET	50%	15,000.00	30,000.00	"Collection, transportation and treatment service of USW and road cleaning service in the territory served by Mancomunitat d'Escombreres de l'Urgell"
UTE EDAR AIOFRÍN	50%	3,000.00	6,000.00	Project drafting, execution of the works and performance of the operational tests and maintenance of the Waste Water purification stations and collectors
UTE ARGENET	50%	500.00	1,000.00	Street roads, squares, sidewalks, grids, drains and fountains cleaning services in the municipality of Argentona including the necessary workforce as well as the machinery and sludge of necessary elements for the rendering of the service
PAVIMENTOS GUADALAJARA	60%	3,000.00	5,000.00	Repair, conservation and restoration service of Guadalajara pavements
UTE PLANTA DE ARICO	50%	3,000.00	5,000.00	Drafting, execution of the works and commissioning of a composting station project
UTE Restauracion- A-56	50%	3,000.00	5,000.00	Landscape restoration and construction of highway Ourense-Lugo (A-56). Section San Martín. Connection Barral [illegible]
DISPOSITIVO ALTO URGEL	35%	10,500.00	30,000.00	TURNKEY CONSTRUCTION AND OPERATION OF A LEACHATE TREATMENT IN MONTFERRER AND CATELLBO
UTE MIRANDA DEL EBRO	50%	1,500.00	3,000.00	Execution of the street cleaning, urban solid waste collection, sewage cleaning, [illegible] collection service
UTE LA PALOMA BIO	38%	2,130.00	6,000.00	Management of a public service for the operation and maintenance of a gas purification station in the La Paloma station in Parque Valdebebas
UTE CONTENIDORS SOTERRATS LLEIDA	50%	3,000.00	6,000.00	Installations of container islands in the Lleida area
UTE JARDINES PERIFERIA	70%	700.00	1,000.00	Conservation and Maintenance of Municipal Natural Spaces, Forests and Suburban Green areas
OMICRÓN-BCE II	50%		6,010.12	Maintenance, conservation and operation service of the Manzanares river in the Madrid municipal district
SUFI-TECNICRAL (ARBOLADO)	95%	950.00	1,000.00	Trees conservation, cleaning and works services in the east and west Area
SUFI SETEX APARK I	50%	3,000.00	6,000.00	Madrid public streets regulated parking service rendering
UTE COMPOSTATGE URGELL	60%	3,600.00	6,000.00	Project drafting and construction of a waste composting station in the municipality of Tarrega in the operation of said station
SUFI-VERINSUR (CALANDRIAS)	50%	500.00	1,000.00	Operation, maintenance and conservation services of the composting and recycling station "Las Calandrias"
UTE PILAS (VVO MEDIOAMBIENTE, S.L.-SUFI, S.A.)	50%	1,000.00	2,000.00	Management of used batteries Canarias 2010-2015
UTE PRADOLUENGO (SUFI SA -TEBYCON SA)	50%	3,000.00	6,000.00	Pradoluengo Burgos works execution
UTE SALTO DEL NEGRO	60%	3,600.00	6,000.00	Drafting, works execution and commissioning project of the installations corresponding to the 2nd stage of a bio methanization and the 2nd stage of the classification station "sludge [illegible]" of the Salto del Negro environmental complex
SUFI-FCC (PESA)	50%	6,000.00	12,000.00	Rendering of operational services in the container waste classification station
UTE LALÍN (SUFI-CELTAPRIK I)	100%	6,010.12	6,010.12	Rendering of street cleaning, collection and urban solid waste transportation services of the Lalín municipality
UTE TALARRUBIAS	50%	3,005.00	6,010.00	Operation of management area number 7 of Talarrubias (Badajoz)
UTE SUFI HIXENE'S ZONA VI PARQUÍMETROS	60%	1,800.00	3,000.00	Rendering of the regulated parking public service management service in the public streets of Madrid (Lot 3 - Area VI)
SUFI CADAGUA FERROVIAL M.A-OHL (SECADO TÉRMICO BUTARQUE)	70%	4,207.09	6,010.13	Construction and operation of a sludge thermal drying station in the Butarque Waste Water Regeneration Station
UTE CONSERVACIÓN MANZANARES (SUFI-IMES)	50%		12,000.00	Maintenance, conservation and operation service of the Manzanares river in the Madrid municipal district
UTE SUFI-BAYET	50%	6,000.00	6,000.00	Municipal gardening service in La Línea de la Concepción district
UTE ABAJAS	75%	4,500.00	12,000.00	Construction of the composting station in Abajas and electric supply line
UTE ESPARRAGOSA	50%	6,000.00	6,000.00	Execution of the works for the Environmental Suitability of the La Serena reservoir river bank. Esparragosa de Lares Municipal District (Badajoz Province)
UTE DEPURADORAS ALCALA OESTE (SUFI-SACYR) LOS TERCIARIOS	80%	4,800.00	3,000.00	Execution of the construction project works for the treatment for the reuse of the Alcalá Oeste, Arroyo del Soto, Casaquemada, Villanueva de la Cañada and Villaviciosa de Odón, group I purification stations
UTE SUFI-BERMEJALES	80%	9,6000.00	12,000.00	Topsoil Restoration and Adequacy works execution for Public Use in the Arroyo Bermejales Urban Surroundings in the Málaga municipal district
UTE PARQUE FORESTAL VALDEBERNARDO	50%	3,000.00	6,000.00	Execution of the works of two [illegible] in the Valdebernardo urban park
UTE GRUES DE L'HORTA (SUFI S.A.-MERAK AND DUSHE ENVIRONMENT, S.L.U)	75%	2,250.00	6,000.00	Vehicles removal service in the public streets of the Manises municipal district
UTE SUFI TARAJAL	100%	12,000.00	3,000.00	Management and operation of activities comprised in the urban cleaning service: waste collection and road cleaning in the Puerto de la Cruz district
UTE CONSTRUCCIONES EDAR CARIÑO (SUFI S.A.-CRC OBRAS Y SERVICIOS, S.L.)	55%	3,300.00	12,000.00	Project drafting and operation of general collectors and Cariño waste water purification station (A Coruña)
UTE SIERRA DEL SEGURA	100%	6,000.00	3,000.00	Collection of domestic waste, cleaning, disinfecting of containers and collection of large waste, by the installation of clean [illegible] in the Sierra del Segura Association domicile
UTE LIMPIEZA CALDES	55%	1,650.00	600.00	Road and municipal equipments cleaning service of the Caldes de Montbui City Council
UTE ORELLANA	50%	6,000.00	3,000.00	Execution of the improvement works for the Orellana Reservoir accessibility (BADAJOZ)
UTE EDIFICIOS MORATALAZ	80%	2,400.00	20,000.00	Complete management of Complementary Services for buildings affiliated to the Moratalaz district
UTE CONTENEDORES POZUELO	30%	300.00	60,000.00	Supply, works and installation of urban solid underground containers
UTE POLIDEPORTIVO F.J. CASTILLEJO (SUFI S.A-SERDRIVE S.L.)	50%	1,500.00	3,000.00	Several services in the F. J. CASTILLEJO DE PARLA municipal sports center
UTE JARDINES GUADALAJARA	50%	10,000.00	12,000.00	Municipal gardening services in the Guadalajara district
UTE ORIHUELA CAPITAL DE LA VEGA BAJA (SUFI, S.A. GOBANCAST,S.L. Y LIMPIEZAS Y ASEO URBANO,S.L.)	40%	24,000.00	6,000.00	Rendering of collection, treatment and elimination of solid waste and road cleaning services in the Orihuela municipal district
UTE SEÑORSERVI	50%	3,000.00	3,000.00	TTEE in Municipal Parque in the Litoral region, Huelva province
UTE TELDE	50%	6,000.00	6,000.00	Management of the road cleaning, beaches, SUW collection and other related services in TT.MM de Telde
UTE ENTUBADO CARBAJOSA	50%	3,000.00	6,000.00	Urbanization and piping of the Villagonzalo channel section
UTE SONDEOS PALENCIA	80%	2,400.00	5,000.00	Research surveying in the irrigated area of Valdivia Aguilar (Palencia)
UTE PASEO FLUVIAL STA MARTA DE TORMES	50%	3,000.00	6,000.00	Adaptation of the conditions project works for the Tormes river and riverside walk
UTE LINCE Y ÁGUILA	50%	5,940.00	6,000.00	Restoration of habitats for the lynx and imperial eagle in the P.N. de Andújar hills
UTE MANTENIMIENTO BOADILLA	60%			Operation of the complete management public service preventive maintenance and conservation of public illumination, sewage system, public streets paving and other municipal responsibility infrastructure services, as well as street furniture of Boadilla del Monte
UTE TMB ARRAIZ	70%	4,200.00	6,000.00	Drafting of the construction project, turnkey construction, commissioning and operation of a Mechanical-Biological Urban Waste Station in the Artxanda area, Monte Arraiz (Bilbao)
UTE ARONA	50%			Public service of urban waste and street cleaning management in the Arona district
UTE PLASENCIA	50%			Public service of urban solid waste collection, selective collection at origin, waste transportation and street cleaning in the city of Plasencia
UTE SUCETEC (SUFI-TECNIGRAL-CESPA)	33%	1,001.59	2,035.12	Joint Venture under liquidation procedure
UTE SUFI-OHL-HORNISA ZONZAMAS I	45%	270.46	601.12	Construction of a Station in Zonzamas (Canary Islands)
UTE SUFI FERCARBER S.A.	50%	3,005.06	6,010.12	Joint Venture under liquidation procedure
UTE SUFI-LAIN I MANZANARES	50%	3,005.06	6,010.12	Joint Venture under liquidation procedure

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The detail of December 31st, 2014 of significant operations with joint control in which the Company participates through Joint Ventures is the following:

Joint Ventures	Participation %	Net value	Operational F.	Activity
SUFI OMICROM BOREMER (UTE SUR)	50%	1,561.53	1,808.04	Construction of a sludge thermal drying station in the Madrid south area
TRAMPAMG	27%	1,621.73	6,910.17	Construction and operation of sludge in Sant Adria del Besos-Barcelona
C.B.C.	33%	12,022.65	16,060.73	Waste treatment station construction (Cadiz)
UTE MAJADAHONDA (SUFI FCC)	50%	0	Outstanding	Road cleaning, collection and transportation of urban solid waste services of Majadahonda
UTE BOADILLA	50%	0	Under liquidation	Waste collection, selective collection, street cleaning and transportation to the Boadilla del Monte station
SUFI URBASER VERTRESA (LA PALOMA)	38%	2,290.00	6,000.00	Public service management for the operation and restoration of the urban solid waste treatment center in the La Paloma district (Madrid)
SUFI- TECONSA (C.T.R. SALAMANCA)	60%	600.00	1,000.00	Construction of an urban waste treatment center for the management of the Salamanca province municipalities
SUFI - J A ROMERO POLO (UTE SERRALLARGA)	40%	2,400.00	6,000.00	Execution of the Serrallarga controlled deposit with the establishment of a gas treatment system
UTE LOS HORNILLOS	50%	500.00	1,000.00	Management project of installation 1, included in the waste area plan of areas III and VIII (Management area I) and its concessional awarding
UTE EDAR CARIÑO (SUR Y CRC OBRAS Y SERVICIOS)	55%	1,650.00	3,000.00	Drafting of the project and general collectors operation and waste water purification station of Cariño (La Coruña)
UTE RCD GARDELEGUI 2005 (SUFI ESCOR LAMBIDE)	50%	1,500.00	3,000.00	Project drafting, construction and concession of the operation of a demolition debris treatment station in Vitoria
UTE HORNILLOS - OBRA	50%	3,000.00	6,000.00	The execution of the works contemplated within the "Activity project and installation construction 1, included I the area plan of wastes in areas III and VIII (Management area I)" which is developed within the frame of "Management project of
UTE ILNET (SUFI - ROMERO POLO)	40%	12,000.00	30,000.00	Concession of municipal services for road cleaning as well as collection and transportation of different fractions of urban waste and other complementary services in the city of Lleida
UTE COMPLEJO AMBIENTAL EL MAJANO (SUFI SATOCAN)	50%	500.00	6,000.00	Project drafting, execution of works and installations as well as the commissioning of the urbanization and waste infrastructures in the environmental complex of El Majano (Isla de Hierro)
UTE GUADALPIN	35%	2,106.00	6,000.00	Arroyo Guadalpin map kanapo pipe 1st replenishment works execution
UTE FAUNA BARAJAS	60%	3,500.00	6,000.00	Works execution project drafting of the recovery center for compensation measures associated with the Madrid Barajas Airport
UTE SUFI - COINTER	70%	8,400.00	12,000.00	Rendering of the road cleaning and urban solid was collection service for the Cádiz municipal district
UTE BIOMETANIZACION LA PALOMA	36%	2,163.60	6,009.99	Drafting, project, construction and commissioning of a urban waste biogas station bio methanation station and a biogas treatment station for its use as fuel in public transportation buses in the La Paloma station
UTE SUFI - COINTER JARDINES	70%	8,400.00	12,000.00	Conservation and maintenance service of green areas and cleaning of parks and gardens as well as other public spaces in Cádiz
UTE TEM	40%	42,000.00	100,000.00	Expansion, adaptation and operation of the Maresme Waste Evaluation complete center
CENTRE INTEGRAL DE VALORITZACIÓ DE RESIDUS DEL MARESME UTE	60%	6,000.00	10,000.00	Execution of construction works for the expansion and adaptation of the Maresme Waste Evaluation Complete Center
UTE GARABI	60%	3,600.00	6,000.00	"Collection, transportation and treatment service of USW and road cleaning service in the territory served by Mancomunitat d'Escombraries de l'Urgellet"
UTE URGENET	50%	15,000.00	30,000.00	Project drafting, execution of the works and performance of the operational tests and maintenance of the Waste Water purification stations and collectors
UTE EDAR ARDERIN	50%	3,000.00	6,000.00	Repair, conservation and restoration service of Guadalajara pavements
PAVIMENTOS GUADALAJARA	60%	3,000.00	5,000.00	Drafting, execution of the works and commissioning of a composting station project
UTE PLANTA DE ARICO	50%	3,000.00	6,000.00	TURNKEY CONSTRUCTION AND OPERATION OF A LEACHATE TREATMENT IN MONTFERRER AND CATELLBO
DISPOSITIVO ALTO URGEL	35%	10,500.00	30,000.00	Management of a public service for the operation and maintenance of a gas purification station in the La Paloma station in Parque Valdemingomez
UTE LA PALOMA BIO	36%	2,160.00	6,000.00	Installations of container islands in the Lleida area
UTE CONTENIDORS SOTERRATS LLEIDA	50%	3,000.00	6,000.00	Indirect execution of the Management Services Contract for the operation of the Composting Station and thermal cogeneration station of Loeches
UTE SECADO TÉRMICO LOECHES	50%	3,000.00	6,000.00	Conservation and Maintenance of Municipal Natural Spaces, Forests and Suburban Green areas
UTE JARDINES PERIFERIA	70%	700.00	1,000.00	Management of public services (concession model) for the operation of two bio methanation stations and for the operation of one methanation biogas treatment station for the evaluation and commercialization of the same Valdemingomez technological park
UTE DIGESTIÓN ANAEROBIA LA PALOMA	39%	2,280.00	6,000.00	Conservation and maintenance service of green areas and street trees in the city of Seville, Center District, Triana, Los Remedios and Macarena, as well as those accessories and/or complementary ones related with the above purposes which may be required by the contracting entity
UTE JARDINES CENTRO DE SEVILLA	50%	6,000.00	12,000.00	Madrid public streets regulated parking service rendering
SUFI - SETEX APARKI	50%	3,000.00	6,000.00	Operation, maintenance and conservation services of the composting and recycling station "Las Calandrias"
UTE VERINSUR (CALANDRIAS)	50%	500.00	1,000.00	Management of used batteries Canarias 2004-2005
UTE PILAS (VVO MEDIOAMBIENTE S.L. - SUFI S.A.)	50%	1,000.00	2,000.00	Pradoluengo Burgos works execution
UTE PRADOLUENGO (SUR SA - TEBY CON SA)	50%	3,000.00	6,000.00	Drafting, works execution and commissioning project of the installations corresponding to the 1st stage of a bio methanation and the 2nd
UTE SALTO DEL NEGRO	40%	3,500.00	6,000.00	stage of the classification station "sludge one" of the Salto del Negro environmental complex
UTE TALARRUBIAS	50%	3,000.00	6,000.00	Talarrubias (Badajoz) management area number 7 operation
UTE SUFI- HIXIENE'S ZONA VI PARQUÍMETROS	60%	1,000.00	3,000.00	Rendering of the regulated parking public service management service in the public streets of Madrid (Lot 3 - Area VI)
SUFI- CADAGUA- FERROVIAL MA - OHL (SECADO TÉRMICO BUTARQUE)	70%	4,0207.08	6,010.13	Construction and operation of a sludge thermal drying station in the Butarque Waste Water Regeneration Station
UTE CONSERVACIÓN MANZANARES (SUFI-IMESI)	50%	0.00	Under liquidation	Maintenance, conservation and operation service of the Manzanares river in the Madrid municipal district

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Joint Ventures	Participation %	Net value	Operational F.	Activity
UTE SUFI RAYET	50%	6,000.00	12,000.00	Municipal gardening service in La Linea de la Concepcion district
UTER ABAJAS	75%	4,500.00	6,000.00	Construction of the composting station in Abajas and electric supply line
UTE DEPURADORAS ALCALÁ OESTE (SUFI SACYR) LOS TERCIARIOS	80%	4,800.00	6,000.00	Execution of the construction project works for the treatment for the reuse of the Alcalá Oeste, Arroyo del Soto, Casaquemada, Villanueva de la Cañada and Villaviciosa de Odón, group 1 purification stations
UTE PARQUE FORESTAL VALDEBERNARDO	50%	3,000.00	6,000.00	Execution of the works of two arrangements in the Valdebernardo urban park
UTE SUFI TARAJAL	100%	12,000.00	12,000.00	Management and operation of activities comprised in the urban cleaning service: waste collection and road cleaning in the Puerto de la Cruz district
UTE SIERRA DEL SEGURA	100%	6,000.00	6,000.00	Collection of domestic waste, cleaning, disinfecting of containers and collection of large waste, by the installation of clean locations in the Sierra del Segura Association districts
UTE LIMPIEZA CALDES	55%	1,650.00	3,000.00	Road and municipal equipments cleaning service of the Caldes de Montbui City Council
UTE EDIFICIOS MORATALAZ	80%	2,400.00	3,000.00	Complete management of Complementary Services for buildings affiliated to the Moratalaz district
UTE CONTENEDORES POZUELO	60%	360.00	600.00	Supply, works and installation of urban solid underground containers
UTE POLIDEPORTIVO CASTILLEJO (SUFI, S.A.- SERVIDRIVE, S.L.)	50%	1,500.00	3,000.00	Several services at the F. J. CASTILLEJO DE PARLA municipal sports center
UTE JARDINES GUADALAJARA	50%	10,000.00	20,000.00	Municipal gardening service in the Guadalajara district
UTE ORIHUELA CAPITAL DE LA VEGA BAJA (SUFI S.A. GOBANCAST S.L. Y LIMPIEZAS Y ASEO URBANO S.L.	40%	24,000.00	60,000.00	Rendering of collection, treatment and elimination of solid waste and road cleaning services in the Orihuela municipal district
UTE SENOSERVI	50%	3,000.00	6,000.00	TTSS in Municipal Forests in the Litoral region, Huelva province
UTE TELDE	50%	6,000.00	12,000.00	Management of the road cleaning, beaches, SUW collection and other related services in TT.MM de Telde
UTE ENTUBADO CARBAJOSA	50%	3,000.00	6,000.00	Urbanization and piping of the Villagonzalo channel section
UTE SONDEOS PALENCIA	80%	2,400.00	3,000.00	Research surveying in the irrigational area of Valdivia-Aguilar (Palencia)
UTE PASEO FLUVIAL STA MARTA DE TORMES	50%	3,000.00	6,000.00	Adaptation of the condition project works for the Tormes river and riverside walk
UTE LINCE Y ÁGUILA	50%	5,940.00	6,000.00	Restoration of habitats for the bobcat and imperial eagle in the F.N. de Andújar hills
UTE MANTENIMIENTO BOADILLA	60%	0.00	Outstanding	Operation of the complete management public service preventive maintenance and conservation of public illumination, sewage system, public streets paving and other municipal responsibility infrastructure services, as well as street furniture of Boadilla del Monte
UTE MIRANDA DEL EBRO	50%	1,500.00	3,000.00	Execution of the street cleaning, urban solid waste collection, sewage cleaning, rat exterminations and animal collection service
UTE TMB ARRAIZ	70%	4,200.00	6,000.00	Drafting of the execution project, turnkey construction, commissioning and operation of a Mechanical-Biological Urban Waste Station in the Artxandra area, Monte Arraiz (Bilbao)
UTE ARONA	50%	6,000.00	12,000.00	Public service of urban waste and street cleaning management in the Arona district
UTE PLASENCIA	50%	6,000.00	12,000.00	Public service of urban solid waste collection, selective collection in origin, waste transportation and street cleaning in the city of Plasencia Joint Venture under liquidation procedure
UTE LITORAL ARONA	50%	6,000.00	12,000.00	Public service of the Arona City Council Litoral management
UTE GALAPAGAR	80%	2,400.00	3,000.00	SER, immobilization, removal and transfer of vehicles to a municipal deposit, installation of complementary penalty elements for the improvement of street safety service and technical assistance and cooperation service in matters of ticket collection form the SER and other penalties generated by infractions under the City Council responsibilities
UTE VALDEMORO MOVILIDAD	50%	200,000.00	400,000.00	Management of the Regulated Parking public service (SER) in specific urban streets, Vehicle Removal Public Service (Tow) in the Valdemoro district and Management Service for penalties within the Regulated Parking Service area
UTE BADAJOZ SUR	50%	6,000.00	12,000.00	SUW Transportation and Collection Public Service Management contract execution of the Badajoz province south area, as well as all accessory and/or complementary services related with the above purpose which may be required by the contracting entity.
UTE CAMALOTE	60%	7,200.00	12,000.00	Execution of the Concession contract of Public Works "Guadiana River Mid Section Environmental Protection Works (environmental protection works in water masses and riverbanks of the Guadiana basin) Badajoz. Stage 1, as well as all accessory and/or complementary services related with the above purpose which may be required by the contracting entity
UTE MADRID SUR MOVILIDAD LOTE III	31.8%	3,180.00	10,000.00	The execution of Lot III of the "Madrid City Mobility complete Contract", as well as all auxiliary, accessory and/or complementary services, including the expansions and other variations which may take place
UTE MADRID SUR MOVILIDAD LITE IV	31.8%	3,180.00	10,000.00	The execution of Lot IV of the "Madrid City Mobility complete Contract", as well as all auxiliary, accessory and/or complementary services, including the expansions and other variations which may take place
UTE VALORIZA GESTYONA	65.0%	195,000.00	300,000.00	Public spaces cleaning management, collection, transportation and domestic waste treatment services and the maintenance and conservation of parks and green areas in the Pinto municipal district
UTE TRANSFERENCIAS	60.0%	3,300.00	6,000.00	Public services management and operation of the Provincial Consortium urban waste transfer installations of non-dangerous industrial waste, as well as the service provided by two pumping-projecting trucks
UTE SUCETEC (SUFI-TECNIGRAL-CESPA)	33%	1,091.39	3,035.12	Joint Venture under liquidation procedure

In the notes corresponding to this report the amounts corresponding to joint business entries of the balance sheet and profit and loss account are detailed.

The capital investment commitments acquired by the Company with its participation in the above joined business and ion own business at the closing of the 2013 and 2014 business years are the following:

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DETAIL OF SCHEDULED INVESTMENTS		
In thousands of Euros		
Project	**31/12/2014**	**31/12/2013**
Lots 2 and 3 of Street Cleaning and Gardens Madrid	1,600	6,000
Cleaning and Collection Alcalá de Henares	9,000	-
Cleaning and Collection Leganés	3,300	-
Street Maintenance Leganés	204	-
SER and Signaling Lot 3 Madrid	143	1.900
SER and Signaling Lot 4 Madrid	63	1.900
Cleaning, collection and Transportation RSU Pinto	-	650
Collection RSU Guida de Isora	-	1200
Chiloeches tire station	40	300
Total	**14.350**	**11.950**

The contingencies in which the Company has incurred as participant are the following:

UTE Sufi –Rayet presented a Contentious-Administrative remedy against the Línea de la Concepción City Council for the pending debt for the collection of the amount of 2,783,091.17 Euros, including the claim of interests, loss of profit of which in the year 2009 the City Council has acknowledged the debt and the interests, with the loss of profit being under consideration.

The UTE Majadahonda had been claimed by the Proprietors community of 20 Norias street due to acoustic pollution for the amount of 12,500 Euros, during the business year an agreement was reached and the lawsuit was withdrawn.

UTE Orihuela and VSM, S.A are sued as subsidiary liable for the alleged performance of irregularities.

The company Azahara de Comunicaciones, sues VSM, S.A. for an amount of 34,383.84 Euros for advertisement services in Lepe.

The company Reloncavi, claims the amount of 18,382.07 Euros for occupational clothing supplies.

The above mentioned contingencies are evaluated as a possible risk due to which if the adequate risk endowment is made it will not be considered as deductible from the income tax and said expenses must be adjusted.

12. Stock

The detail of stock recorded at the closing of the 2014 and 2013 business years is the following:

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	2014	**2013**
Commercial	1,527,073.57	1,184,425.01
RM and other provisioning	105,890.06	-
Finished products	15,228.00	-
Subproducts , waste and recovered materials	**59,037.67**	9,819.12
Advancements to suppliers	168,967.61	156,458.61
Total cost	1,876,196.91	**1,350,702.74**
Depreciations		-
Total stock	**1,876,196.91**	**1,350,702.74**

the stock corresponding to Joint Ventures are detailed below for the closing of the 2014 as well as the 2013 business years

2013							
	UTE BUTARQUE	UTE AGUAS ALCALÁ	UTE HORNILLOS	UTE TEM	UTE RSU SUFI COINTER	OTHER JV	TOTAL
Commercial	179,130.49	50,607.50	195,261.10	360,794.40	224,345.85	27,362.56	1.060,305.67
Subproducts	-	-	-	-	-	9,819.12	9,819.12
Advancements	-	-	75.00	20,894.62	-	80,854.64	101,824.26
Total cost	**179,130.49**	**50,364.39**	**218,382.98**	**381,689.02**	**224,345.85**	**118,036.32**	**1,171,949.05**

2014							
	UTE BUTARQUE	UTE AGUAS ALCALÁ	UTE HORNILLOS	UTE TEM	UTE RSU SUFI COINTER	OTHER JV	TOTAL
Commercial	180,177.97	29,450.14	245,957.97	602,970.13	237,148.89	12,759.28	1,308,464.38
Rm, and other provisioning	-		-		-	105,890.06	105,890.06
Finished products	-	-	15,228.00	-	-	-	15,228.00
Subproducts	-	-	**46,744.84**	-	-	**12,292.83**	**59,037.67**
Advancements	-	-	-	-	-	**77,799.39**	**77,799.39**
Total cost	**180,177.97**	**29,450.14**	**307,930.81**	**602,970.13**	**237,148.89**	**208,741.56**	**1,566,419.50**

The stock amounts come mainly from Joint Ventures.

It is the Company policy to contract all insurance policies that are considered necessary to cover the possible risks that may affect important stock items.

At the closing date of the statement, there are no significant acquisition commitments.

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13. Cash and cash equivalents

The detail of this section of the balance sheet on December 31st, 2014 and 2013 is the following:

	2014	2013
Cash	13,261,087.09	15,498,090.31
Total	**13,261,087.09**	**15,498,090.31**

All funds are freely available except:
- UTE Butarque, which financing contract demands the endowment of a reserve account in ICO. The above mentioned reserve will be endowed with charge to the generated cash flow by the project which is available after having dealt with all operational l expenses of the installation and the interests, omissions and main credits derivatives. The amounts that are deposited in this account will be unavailable except for all mandatory payments by the syndicated loan for the next six months. Its amount on December 31st, 2014 is of 0,00 Euros, (559,260.17 Euros in the year 2013).

- VSM, S.A. on December 31st, 2014 83,290.00 Euros, from the factoring account of Société General de VSM, S.A. (83,926.17 Euros in 2013).

From the total cash amount of the above chart, 11,818,432.69 Euros in the year 2014, (13,766,756.65 Euros in the year 2013) correspond to Joint Ventures. The detail by Joint Ventures in thousands of Euros is the following:

2013	UTE ORIHUELA	UTE TARAJAL	UTE BUTARQUE	UTE TMB ARRAIZ	UTE AGUAS ALCALA	OTHER JV	TOTAL
Cash	1,526	1,250	2,441	827	1,216	6,506	13,766
Total	**1,526**	**1,250**	**2,441**	**827**	**1,216**	**6,506**	**13,766**

2014	UTE ARONA	UTE TEM	UTE HIXIENE'S	UTE TMB ARRAIZ	UTE HORNILLOS	OTHER JV	TOTAL
Cash	1,708	1,459	1,185	714	671	6,084	11,818
Total	**1,708**	**1,459**	**1,185**	**714**	**671**	**6,084**	**11,818**

14. Equity and own funds

The detail and movement of own funds during the 2013 and 2014 business years are provided in the statement of changes in the equity, which is a part of the annual accounts.

a) Subscribed capital:

At the closing of the 2013 and 2014 business years the Company capital stock amounted to 17,129,235.00 Euros, represented by 3,425,847 shares of 5 Euros face value each, all of the same class, fully subscribed and disbursed. There are no founder rights.

Company shares are not listed in the stock market. The composition of the shareholders on December 31st, 2013 and 2014 is the following:

	Participation percentage
Valoriza Gestión S.A.U.	93.470%
Hidroandaluza, S.A.	6.530%
Total	**100%**

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The issue premium has the same restrictions and can be destined to the same purposes as the voluntary reserves, including its conversion into capital stock.

b) Company reserves:

The detail of the Company reserves on December 31st, 2014 and 2013 is the following

Types of reserves	2014	2013
Legal reserve	3,425,847.00	3,425,847.00
Voluntary reserve	25,588,345.26	24,884,857.45
Other reserves	(289,440.27)	(289,440.27)
Total	**28,724,751.99**	**28,021,264.18**

The companies are committed to destine a minimum 10% of each business year profits to the incorporation reserve fund until it reaches at least 20% of the capital stock This reserve is not distributable to shareholders and cannot be used to cover, in case there are no other available reserves, the debtor balance in the profit and loss account.

On December 31st, 2014 and 2013, the legal reserve amounts to 20% of the capital stock.

Company voluntary reserves are freely available.

c) Subsidies:

The information about subsidies received by the Company, which are a part of the Equity, as well as the results charged to the profit and loss account from the above mentioned are provided n Note 17.

15. Provisions, contingent liabilities, collaterals and guarantees

a) Short term provisions

Long term provisions details at the closing of the 2013 business year for the balance sheet, as well as the main movements recorded during the business year, are the following:

	Balance on 12/31/2012	Endowments	Applications	Balance on 12/31/2013
Provision for taxes	60,835.40	-	(37,374.18)	23,461.22
Provisions for contingencies	4,070,937.48	3,218,009.63	(1,574,055.90)	5,777,891.21
Provision for replacements and large repairs	994,658.88	190,761.09	-	1,185,419.97
Total long term	**5,126,431.76**	**3,471,770.72**	**(1,611,430.08)**	**6,986,772.40**

The item provisions for taxes on December 31st, 2013 gathers liabilities for tax debts over which there are uncertainties about their amount and maturity, with the possibility of the Company having to dispose resources to cancel these obligations as a consequence of a current obligation.

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The item provisions for contingencies gathers several liabilities to face responsibilities from lawsuits, compensations and obligations derived from the Company activity over which there are uncertainties about the amount or maturity.

The endowments of the year 2013 mainly correspond to provisions for lawsuits, disputes and contractual matters as well as those risks for other responsibilities generated by value depreciation of shares in equity instruments that exceed the value of the participation itself due to the existence of a financial unbalance, the most representative ones in this cases are endowments for non-executed works in the plots of the Madrid City Council for a value of 1,498,469.20 Euros, by contractual agreements with the Torrejón City Council for a value of 421,939.72 Euros, the transportation cot of sludge due to the closing of Butarque for a value of 168,633.29 Euros and the costs for dismissals in Villanova for a value of 95,000 Euros. Of the provisions from Joint Ventures under this section it is necessary to mention UTE La Paloma for 507,663.63 Euros and UTE RSU CADIZ with 407,045.10 Euros.

The endowments of year 2013 for refitting and large repairs come from UTE Butarque 132,788.47 Euros and 57,972.62 Euros of UTE Calandrias.

The applications of year 2013 under the Taxes section, mainly come from Joint Ventures, UTE Preexplotación Bio La Paloma 24,030.00 Euros, UTE Boadilla 11,073.37 Euros and UTE La Paloma 2,096.01 Euros.

The applications under the section Dispositions for contingencies in the year 2013, appearing as the most representative ones the application of dispositions due to the retraction of the Coslada City Council for a value of 321,649.44 Euros, the application of disposition for the claims by the review of prices by Madrid City Council for a value of 166,344.79 Euros, due to changes in dispositions by depreciation of negotiable securities for a value of 68,166.81 Euros and by pending lawsuits with the Fuenlabrada City Council for a value of 60,094.36 Euros. In relation to the Joint Ventures, the ones which provide the most are Paloma with 301,737.24 Euros, the pre-operation of Paloma with 220,477.14 Euros, UTE TEM with 110,372.98 Euros and UTE Telde with 49,573.32 Euros.

Long term provisions details at the closing of the 2014 business year for the balance sheet, as well as the main movements recorded during the business year, are the following:

	Balance on 12/31/2014	Endowments	Transfers	Applications	Balance on 12/31/2014
Provision for taxes	23,461.22	159,048.54	-	(12,661.22)	169,848.54
Provision for contingencies	5,777,891.21	1,753,975.41	(970,852.87)	(1,696,725.12)	4,864,288.63
Provisions by replacement and large repairs	1,185,419.97	57,972.63	-	(497,208.18)	746,184.42
Total long term	**6,986,772.40**	**1,970,996.58**	**(970,852.87)**	**(2,206,594.52)**	**5,780,321.59**

The item provisions for taxes on December 31st, 2014 gathers liabilities for tax debts over which there are uncertainties about their amount and maturity, with the possibility of the Company having to dispose resources to cancel these obligations as a consequence of a current obligation, the endowments are entirely for the Madrid road cleaning lots.

The item provisions for contingencies gathers several liabilities to face responsibilities from lawsuits, compensations and obligations derived from the Company activity over which there are uncertainties about the amount or maturity.

The endowments of the year 2013 mainly correspond to provisions for lawsuits, disputes and contractual matters as well as those risks for other responsibilities generated by value depreciation of shares in equity instruments that exceed the value of the participation itself due to the existence of a financial unbalance and amount to 927,442.89 Euros. The most representative endowment in the business year is the one endowed by UTE Orihuela for a value of 646,317.00 Euros by the lawsuit presented by the City Council which was still not fully provisioned.

The endowments of year 2014 for refitting and large repairs come from UTE Calandrias for a value of 57,972.63 Euros of UTE Calandrias.

The transfers of the business year are transfers of endowed provisions in previous business years that have been reclassified taking into account their possible resolution, between the long and short term provisions.

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The applications of year 2014 under the Taxes section, mainly come from Joint Ventures, specifically UTE Boadilla 3,926.63 Euros and UTE Majadahonda 8,734.59 Euros.

The application under the provision section for contingencies in the year 2014, mainly correspond to the application of several provisions by works of Madrid cleaning lots for a value 470,149.81 Euros, the 168,633.29 Euros endowed in prior business years in the sludge project for the for the field manual applications and in the Joint Ventures, the ones which provide the most are the Paloma operation with 198,381.43 Euros and the pre-operation of Paloma with 50,463.78 Euros.

The endowments of year 2014 for refitting and large repairs come from UTE Butarque for a value of 497,208.18 Euros in investments which are not going to take place.

The ongoing lawsuits are, just like in previous business years, evaluated by the Legal Department of the group to which the Company belongs and the corresponding provisions are recorded according to its estimates.

The endowments under section 7c of the profit and loss and the reversions are recorded in section 10 Provisions Surpluses.

What is contributed by the joint Ventures in the year 2013 as well as in the year 2014 are detailed in the following charts:

2013	SUFI HIXIENE'S	SUFI PORTUGAL	LA PALOMA	RSU SUFI COINTER	BIO LA PALOMA	OTHERS	TOTAL JV
Provision for taxes	-	-	-	-	10,800	12,661	23,461
Provision for contingencies	494,114	915,972	507,664	802,183	348,285	17,963	3,086,179
Provisions by replacement and large repairs	-	-	-	-	-	1,185,419	1,185,419
Total long term	**494,114**	**915,972**	**507,664**	**802,183**	**359,085**	**30,624**	**3,109,640**
2014	**SUFI HIXIENE'S**	**SUFI PORTUGAL**	**LA PALOMA**	**RSU SUFI COINTER**	**BIO LA PALOMA**	**OTHERS**	**TOTAL JV**
Provision for taxes		-	-	-	10,800	-	10,800
Provision for contingencies	494,114	909,772	309,282	948,435	297,821	678,683	3,638,107
Provisions by replacement and large repairs	-	-	-	-	-	746,184	746,184
Total long term	**494,114**	**909,772**	**309,282**	**948,435**	**308,621**	**1,424,867**	**4,395,091**

b) Short term provisions

Short term provisions details at the closing of the 2013 business year for the balance sheet, as well as the main movements recorded during the business year, are the following:

	Balance on 12/31/2012	Endowments	Applications	Balance on 12/31/2013
Provisions for traffic operations	2,091,795.41	441,360.06	(821,817.71)	1,711,337.76
Provisions for work finishing	1,788,312.08	160,224.10	(645,121.14)	1,303,415.04
Provisions for environmental actions	-	268,002.70		268,002.70
Total short term	**3,880,107.49**	**869,586.86**	(1,446,938.85)	**3,282,755.50**

Among the endowments performed in the year by traffic operations are 390,748.80 Euros by contractual agreement with FCC by the CTR of Salamanca, 40,939.81 by the results of Sufi Portugal and 9,644.72 by UTE Secado Térmico Loeches.

Among the applications for traffic operations appear 369,857.14 Euros from UTE Hornillos, 151,770.75 Euros of different disputes resolved of the Orihuela contract, 31,376 Euros of the San Andrés de Rabanedo contract and other 241,035.39 Euros plus by the increase by the participation percentage of UTE Orihuela as a result of the acquisition of its participations from the remaining partners.

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Among the endowments to the provision by works terminations performed in 2013 we point out that its amount, 109,011.00 Euros by the review that is necessary to perform in the Reocín engines, 32,123.00 Euros in the Salca Guadalquivir project and 12,047.95 Euros of UTE Talarrubias.

Among the applications, as it is to be expected, are composed by projects that are being finished and that apply these provisions as is the case of the Burgos Sludge Station for a value of 25,330.62, UTE Maresme for 298,365.76 Euros, CTR Salamanca for 60,000 Euros, UTE Salto del Negro for 42,000.00 Euros and by the application of endowments such as the 134,010.00 Euros of the Haro city cleaning and collection project.

In relation to provisions by environmental actions, point out that these are entirely from UTE Butarque as a result of the acquisition of gas emission rights.

Short term provisions details at the closing of the 2014 business year for the balance sheet, as well as the main movements recorded during the business year, are the following:

	Balance on 12/31/2013	Endowments	Transfers	Applications	Balance on 12/31/2014
Provision for traffic operations	1,711,337.76	3,781,748.96	970,852.87	(475,811.25)	5,988,128.34
Provision for works termination	1,303,415.04	58,453.76	-	(845,561.14)	516,307.66
Provisions for environmental actions	268,002.70	-	-	(268,002.70)	-
Totals short term	**3,282,755.50**	**3,840,202.72**	**970,852.87**	**(1,589,375.09)**	**6,504,436.00**

Among the endowments performed in the year 2014 by traffic operations appear 1,800,226.97 Euros by possible minutes consequence of the tax inspection undergone by the Company and that has encompassed business years 2007 to 2010, there is also a retraction received from the Cercedilla City Council, which is appealed for an amount of 652,400.15 Euros, as well as contingencies that have taken place with employees of the Baza contract for an amount of 193,619.01 Euros and 492,109.04 Euros for a regularization of retirement prizes of previous years pending reception at the closing of the business year.

In the case of endowments due to works termination, the most representative ones are 27,950.00 in the Aranda Station, 13,915.46 Euros in UTE Talarrubias and 9,364.39 Euros in the Miramundo Station.

The transfers of the business year are transfers of endowed provisions in previous business years that have been reclassified taking into account their possible resolution, between the long and short term provisions.

Among the applications by traffic operations of the business year, appear 335,767.80 Euros from the claim of a client in CTR Salamanca, as well as 76,035.66 Euros of UTE Hornillos, 19,349.50 Euros of different resolved disputes of UTE Polideportivo Castillejo and 44,218.29 of UTE Aguas Alcalá for the sale of said Joint Venture ownership to Canal de Isabel II.

Among the applications of the provisions by works termination, as is to be expected, are composed by projects that are being finished and that apply these provisions as is the case of the Burgos Sludge Station for a value of 15,496.39, UTE Lince y Aguila by 70,000.00 Euros, and UTE Hornillos works by 41,679.48 Euros, another reason for these applications is the amount of business that have been sold such as Reocín Station which had endowed provisions by 691,810.00 Euros.

In relation to provisions applications by environmental actions, point out that these are entirely from UTE Butarque as a result of the consumption of gas emission rights.

What is contributed by the joint Ventures in the year 2013 as well as in the year 2014 is detailed in the following charts:

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2013	UTE HORNILLOS	UTE AGUAS ALCALÁ	UTE TALARRUBIAS	UTE SECADO TÉRMICO LOECHES	UTE HORNILLOS OBRA	OTHER	TOTAL JV
Provision for traffic operation	76.036	44.218	-	25.226	-	21.271	166.751
Provision for work finishing	-	-	68.664	-	46.589	31.421	146.674
Total short term	**76.036**	**44.218**	**68.664**	**25.226**	**46.589**	**52.692**	**313.425**
2014	**UTE EDAR MARTOS**	**UTE SALTO DEL NEGRO**	**UTE TALARRUBIAS**	**UTE SECADO TÉRMICO LOECHES**	**UTE HORNILLOS OBRA**	**OTHERS**	**TOTAL JV**
Provision for traffic operation	6.625	-	-	34.958	-	2.108	46.691
Provision for work finishing	15.078	1.839	81.679	-	4.910	-	103.507
Total short term	**27.703**	**1.839**	**81.679**	**34.958**	**4.910**	**2.108**	**150.197**

c) Contingencies, collaterals and guarantees

On December 31st, 2013 and 2014 the Company has the following types of contingencies:

	2014			2013		
Securities and warranties	**National**	**Foreign**	**Total**	**National**	**Foreign**	**Total**
Tender financing	19,845,908.41	762,408.47	20,608,316.88	21,300,041.10	1,023,789.00	22,323,830.10
Definitive warranties	108,068,128.34	198,559.92	108,266,688.26	105,750,840.71	3,243,559.92	108,994,400.63
Securities granted to final subsidiaries	3,780.95	-	3,780.95	63,540.95	-	63,540.95
Economic warranties	149,535.19	-	149,535.19	-	-	-
Economic warranties to other group companies	23,155.00	-	23,155.00	-	-	-
Securities granted to group companies provisional	402,975.96	-	402,975.96	-	-	-
Securities granted to group companies final	2,278,822.33	9,545,454.54	11,824,276.87	1,837,309.96	-	1,837,309.96
Total securities and warranties	**130,772,306.18**	**10,506,422.93**	**141,278,729.11**	**128,951,732.72**	**4,317,348.92**	**133,219,081.64**

Those warranties necessary to attend tenders are considered necessary, while the final ones are those that support projects that have already been awarded to the Company.

Being the group Company with foreign warranties Sadyt and the warranty for the project of the Skikda desalinization station in Algeria.

It is not expected for there to be liabilities different than the above mentioned in the different sections of this note that may represent outflow of resources for the Company.

The Company has granted warranties to specific group companies as guarantor of the compliance with stipulated obligation in financing contract for an amount of 211,468 thousands of Euros, 101,319 thousands of Euros in 2013.

Additionally the Company granted warranties through UTE Tramfang to the company Tractament Metropolitá de Fangs, S.L. for the compliance of specific financial and non-financial conditions of a syndicated loan held by the Company. As warranty of compliance, the Joint Venture has granted the promise of a mortgage warranty over the property installations of Tractamente Metropolitá de Fangs in favor of the financial entities, as well as pledge commitments over the current and future debtor balances derived from the public service contract managed by Tractament Metropolitá de Fangs in favor of the financial entities of said company.

The Company through UTE Butarque has greenhouse effect gas emission rights, said Joint Venture does not foresee that a contingency may arise in relation with penalties or provisional measures that may detain its activity.

On January 15th, 2015 the Spanish Competition/Merger Review Authorities notifies the Company about the Resolution of the Competition Chamber by which it sanctions Valoriza Servicios Medioambientales with a fine of 15 million Euros due to the alleged infraction of article 1 of Law 15/2007, for the Defense of Competition, based on "the application of the action or agreement arranged for market distribution in the urban sanitation scope". In said Resolution more than 40 entities are penalized, among companies and associations, for a global amount exceeding 98 million Euros.

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Dated March 12th, 2015 the Company has presented an Appeal in the National High Court against this Resolution based on the following reasons:

- Expiration of the appeal procedure.
- Illegality in the calculation of the penalty amount.
- Infringement of the proportionality principle when establishing the amount of the penalty.
- Infringement of the personality and responsibility principles when sanctioning the appellant for behaviors foreign to it.
- Infringement of the motivation responsibility of the administrative resolution which has caused helplessness to this party.
- Absence of a sole and continued infraction of article 1 of the LDC.

In the opinion of the Company Directors and its legal advisors, the materialization of consequences as a result of this procedure are not expected to cause significant liabilities for the Company.

16. Accruals and deferrals

a) Asset accruals and deferrals

2013 Business year

In the 2013 business year the short term accruals and deferrals amount to 1,082,662.44 Euros and correspond among others the rent for the Aranjuez regulated parking service contract for an amount of 535,916.67 Euros and the contract of professional services signed with Rehabilitación Ecológica for a value of 110,000 Euros, as well as other minor expenses such as clothing, insurance premiums or securities, in this last case accruing and deferring 65,528.78 Euros of presented warranties for the awarding of the Madrid lots. It also includes the accruals and deferrals of several Joint Ventures for an amount of 357,842.83 Euros among which it is necessary to mention UTE La Paloma and Orihuela, of this last one, its increase comes from the acquisition of the participation from the remaining partners.

The detail of the Joint Venture is presented in the following chart:

2013	UTE ORIHUELA	UTE LA PALOMA	UTE HORNILLOS	UTE DIGEST ANAEROBIA	UTE TARAJAL	OTHERS	TOTAL JV
Advance expenses	128,845.70	95,845.32	17,819.52	77,172.54	7,825.16	30,334.59	375,842.83

2014 Business year

In the 2014 business year the short term accruals and deferrals amount to 1,334,773.94 Euros and correspond among others the rent for the Aranjuez regulated parking service contract for an amount of 481,416.67 Euros and the contract of professional services signed with Rehabilitación Ecológica for a value of 110,000 Euros, as well as other minor expenses such as clothing, insurance premiums or securities, in this last case accruing and deferring 128,448.59 Euros of improvements in Arroyo Culebro. It also includes the accruals and deferrals of several Joint Ventures for an amount of 282,011.85 Euros among which it is necessary to mention UTE La Paloma and UTE TEM, of this last one, its increase comes from the acquisition of 6.99% to two of the partners.

The detail of the Joint Venture is presented in the following chart:

2014	UTE TEM	UTE LA PALOMA	UTE HIXIENE'S	UTE DIGEST ANAEROBIA	UTE TRANSFERENCIAS	OTHERS	TOTAL JV
Advance expenses	81,163.25	34,560.26	17,627.67	39,734.28	25,949.40	92,976.99	282,011.85

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b) Liabilities accruals and deferrals

2013 Business year

The balance of the short term liabilities accruals and deferrals of the statement at the closing of the 2013 business year amount to 1,252,140.24 Euros and fully corresponds to Joint Ventures.

2014 Business year

The short term liabilities balance of the accruals and deferrals at the closing of the 2014 business year amounts to 1,125,488.70 Euros, entirely corresponding t Joint Ventures and the one which provides the most is La Paloma with 1,116,185.04 Euros for the rent of the amortization received by Madrid's City Council prior to the station commissioning.

17. Subsidies, donations and legacies

The detail and movements during this section of the balance sheet for the 2013 business year are the following

Entity	Scope	Initial balance on 12/31/2012	Increases	Transfers to results	Tax effect	Returns	Final balance on 12/31/2013
ICEX	State administration	-	9,011.50	(9,011.50)	-	-	-
Ministry of industry	State administration	79,208.16	19,985.75	(55,020.82)	10,510.50	-	54,683.59
Ministry of Industry	State administration	-	28,337.00	(61,279.40)	-	-	17,057.60
TOTAL		79,208.16	57,334.25	(125,311.72)	10,510.50	-	71,741.19

The detail and movements during this section of the balance sheet for the 2014 business year are the following

Entity	Scope	Initial balance on 12/31/2013	Increases	Transfers to results	Tax effect	Returns	Final balance on 12/31/2014
Ministry of industry	Administration	54,683.59	56,818.21	(72,691.29)	4,761.92	-	43,572.43
Ministry of industry	Administration	17,057.60	57,377.75	-	-	-	64,435.35
TOTAL		71,741.19	104,195.96	(72,691.29)	4,761.92	-	108,007.78

At the closing of the 2013 and 2014 business years the Company had complied with all necessary requirements for the assignment and use of the above mentioned subsidies.

In Note 9b of this Report, the repayable subsidies at a zero interest rate and its result are detailed

As is provided in the equitystatement of changes in equity, during the business year part of the deferred taxes by subsidies generated in previous years for a value of 5,748.58 Euros, 19,206.19 Euros in 2013 have been applied.

18. Risk Management Policy

Financial risk management policies and subsequently, the attainment instruments, are established greatly by law and specific construction activity sector regulations and the nature of the projects themselves, without forgetting the prevailing situation existing at each time in financial markets The Company is exposed to different risks

a) Credit Risk

It can be considered that the credit risk is minimum, taking into consideration that the detail of the client account is as follows:

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- Public clients: 76,82 % (70.46 % in 2013).
- Clients group companies: 15,35 % (17,24 % in 2013).
- Private clients: 7,83 % (12,30 % in 2013).

Within the public clients, a percentage of almost 84% corresponds to City Councils, (90% in 2013) and the rest to Central Administration or Autonomous Communities. The credit risk is practically inexistent, because even though public clients are not known for timely contractual payment and occasionally incur in defaults or delays, the Public Administration is not insolvent by nature and the delay is compensated with the corresponding delay interests, calculated according with Contract Laws with Public Administrations, as well as Royal Decree Law 8/2013, the relay problems existing up to this date in some corporations have been mainly solved.

The balance corresponding to group companies(Joint ventures, participated companies and Companies of the rest of Sacyr's group), logically lacks risk.

In relation to private clients with debts matured for a period exceeding six months, these do not present great insolvency problems, since in the majority of the contracts prior solvency reports are required. At the end of the year, private clients with debts matured over a period of six months are provisioned as of dubious debt and the balances of the last years are not particularly significant (Note 9, a.3).

b) Liquidity risk

The business forces the company to make strong investments at the beginning of concessions in machinery, containers, treatment stations, purifiers and other tangible assets elements Said investments are recovered during the concession period in relation to its amortization and financing quotas, with a type of interest rate applied slightly above the capital cost of the Company.

To finance these investments, the Company structures its debt so that the project itself finances the initial needs, either through "project financing" in those contacts that require the greatest investments (Waste Treatment Station Los Hornillos, Butarque Thermal Drying Station, Maresme incinerator), or financing the acquisition of machinery and equipment through leasing credit lines that are paid with the treasury the project itself generates.

The EBITDA of the business itself allows ensuring that the liquidity risk is low, since the different project self-finance its investments with the generated cash flow.

In relation to the working capital, as it was stipulated in section (a), the clients(Public Administrations) are not insolvent by Law, even though in occasions they generate important delays and punctual treasury needs To cover these needs, the Company maintains its own lines of credit, currently drawn by 67.5 % (97.% in the year 2013) of the agreed limitations. The credit rights contracted by the client are subject to negotiation through factoring lines or certificate discount lines. In case there can be any type of risk due to the unavailability of sufficient credit lines, the Company can only negotiate the certificates and use the factoring lines with recourse already contracted.

In addition, with Royal Decree Law 8/2013 and 4/2012, as it was expected, it was it was reached between the years of 2012 and 2013 a collection of more than 206 million Euros, which caused the amount pending collection to be substantially reduced and therefore the liquidity risk as well.

c) Market Risk

• Interest rate risks

A portion of the debt with credit entities of the Joint Ventures is contracted at a fixed interest rate, through financial hedge instruments such as interest swaps, thus reducing the exposure of the business to possible evolutions towards higher interest rates.

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Another important section of the debt is financed with soft loans from the Ministry of Economy and Finance, at a zero interest rate, with amortization periods between 10 and 15 years, including 3 years of qualifying period.

The structure of the classified financial debt by interest rate risk, between the debt at protected and fixed rate, once considered the derivatives contracted as hedge and the referenced debt at a variable interest rate, on December 31st, 2014 and 2013 is as follows:

Debt	2014		2013	
	Amount	%	Amount	%
At fixed or protected interest rate	61,553,909.43	45.52%	66,050,209.06	44.14%
At a variable interest rate	73,667,941.98	54.48%	83,571,159.64	55.86%
TOTAL	135,221,851.41	100.00%	149,621,368.70	100.00%

• Exchange rate risks

Currently the Company does not perform a large number of operations in foreign currency due to which there is no risk in relation with exchange rates.

• Regulatory risk

The company is subject to the compliance of specific as well as sector regulations with the type of general (accounting, environmental, labor, data protection, tax, etc.. regulations). Like in all highly regulated sectors, regulatory changes can have a negative or positive effect over the company Business.

Specifically, the new regulations of Autonomic Communities for the treatment of construction and demolition waste is opening new business possibilities since the search for the end of illegal landfills is sought. On the contrary, the regulation over composting of sludge or the new energy regulation can affect the VSM, S.A. stations dedicated to this activity negatively. In these cases and since we are dealing with contracts subscribed with the Public Administration, at the end of the transitory period for the coming into effect of the new regulation, the contracts economic-financial balance reestablishment will be requested.

The Company holds intensive workforce contracts where collective negotiation is a key point when maintaining the contract economic balance. Most of the contracts review their prices with polynomial formulas that gather the variation of the workforce costs, due to which economic balance is maintained. And on those in which these types of formulas are not available, negotiations take place with the Board to correct the differences between the agreement increases and the contract prices review.

• Lawsuit risk

This risk is inexistent in most contracts (municipal services of road cleaning, waste collection, parking meters, gardening), since the income from these contracts take place in accordance to yearly reviewed rents and according to CPI variations, salary costs, diesel prices, etc, treatment stations are a different case, since their income is based on rates by waste treated ton. There is the need to differentiate among three types of stations:

a) Urban Solid Waste (USW): these are contracts with the Public Administration and there is no risk for less waste than the amount initially planned, since most contracts establish a minimum amount of tons, under which Administrations compensate the concessionaire. In cases in which a minimum amount of tons is not established, prices and rates are established in relation to the number of annual treated tons.

b) Construction and Demolition Debris (CDD): in these types of contracts, clients are private and they deliver the debris to VSM, S.A. installations in which a rate is charged for the debris and treatment. In these contracts fees are established in relation to the number of annual tons calculated with a considerably conservative criteria. The reality of the business itself is that the

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number of tons is usually 20-25% greater than the initial estimates. The risk these stations may suffer is an operational shutdown due to malfunction or maintenance.

c) Sludge thermal drying: the Madrid City Council is defaulting the number of established tons in the Boremer and Butarque installations operation. Said number of tons was considered for the establishment of treatment rates to be received from the City Council. Due to the above mentioned reason, Boremer has requested to the City Council several requests for contracts economic rebalance and subsequently presented recourses through administrative contentious procedures due to contractual default, requesting a compensation for the caused damages.

• Raw materials market risk:

The business of sludge thermal drying industrial stations is characterized by the large dependency on natural gas prices in relation to costs and the price of electric energy in relation to sales. The income of this type of activity comes from the sale of electric energy to the network, the received rate from the City Council and the sale of sub-products. The rate received from the City Council was established in the tender in relation to gas and electric energy market prices. The differences between gas and electricity price increases caused losses in the last business years that are not expected for the following, every time that with legal changes the electric energy prices for cogeneration companies is linked to the Brent type barrel the same parameter that influences the price of gas. Therefore it can be concluded that this possible risk disappears due to this reason.

d) Capital management policy

The main objective of the capital management policy is to guarantee a financial structure based in the compliance of standards in effect in countries where the company operates. Additionally the capital management policy objective is to ensure the stability of credit ratios as well as maximizing the value of the shareholder.

The Company leverage ratio at the closing of the 2014 and 2013 business years is the following:

	2014	2013
External remunerated debt	(135,221,851.41)	(149,621,368.70)
Treasury	13,261,087.09	15,498,090.31
IFT	835,104.52	1,190,008.05
Net debt	(121,125,659.80)	(132,933,270.34)
Equity	67,046,672.35	68,133,824.49
Equity + Net Debt	(54,078,987.45)	(64,799,445.85)
Leverage ratio	1.81	1.95

With the External debt being remunerated at short and long term within the Liability sections "Short term debt" and "Long term debt" and having reduced the leverage ratio by 30% in the past 4 years.

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December 31st, 2014 the amount of 61,553,909.43 Euros, (66,050,209.06 Euros in the year 2013) is financed by syndicated loans originated by the financing of projects of UTE Los Hornillos and Ute Butarque.

19. Public administrations and tax situation

a) Balances

The detail of the balances in relation to tax assets and tax liabilities on December 31st, 2014 and 2013 is the following

- **Debtor balances:**

- **Debtor balances**

	2014	2013
Public treasury debtor by Social Security	1,235.47	6,999.58
Public treasury debtor by VAT	802,757.68	1,318,016.63
Public treasury debtor by retentions	78,761.16	3,764.01
Public treasury debtor by other items	281,614.47	70,800.46
Total	**1,164,368.78**	**1,399,580.68**

- **Creditor balances**

	2014	2013
Public treasury creditor by VAT	1,063,452.62	1,221,348.08
Public treasury creditor by retentions	2,589,592.61	2,659,779.74
Creditor Social Security Entities	3,732,266.49	4,377,556.42
Public treasury creditor by other concepts	80,316.79	185,491.21
Total	**7,465,628.51**	**8,444,175.45**

b) Assets and liabilities by deferred taxes

The detail and movements for the different entries that compose the assets and liabilities by deferred taxes are the following:

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2013 business year

	Initial balance on 12/31/2012	Variations reflected in: Profit and loss account	Variations reflected in: Equity	Final balance on 12/31/2013
Assets by deferred taxes				
Accounting amortization difference	62,921.76	1,303,300.98	-	1,366,222.74
Cash flow hedge	2,724,599.16	-	(671,614.18)	2,052,984.98
Total Assets by deferred taxes	**2,787,520.92**	**1,303,300.98**	**(671,614.18)**	**3,419,207.72**
Liabilities by deferred taxes				
Joint Venture results	(3,350,010.87)	1,343,839.70	-	(2,006,171.17)
Fixed assets free amortization	(4,215,302.76)	538,602.42	-	(3,676,700.34)
Financial Leasing	(1,800,208.98)	(52,934.72)	-	(1,853,143.70)
Sufi-Sufi Group company operations	(112,835.13)	-	-	(112,835.13)
Non-refundable subsidies	(24,037.53)	-	10,510.50	(13,527.03)
Total liabilities by deferred taxes	**(9,502,395.27)**	**1,829,507.40**	**10,510.50**	**(7,662,377.37)**

2014 business year

	Initial balance on 12/31/2012	Variations reflected in: Profit and loss account	Variations reflected in: Equity	Variations reflected in: Transfers	Final balance on 12/31/2013
Assets by deferred taxes					
Accounting amortization difference	1,366,222.74	2,296,561.12	-	-	3,662,783.86
Cash flow hedge	2,052,984.98	(472,182.83)	282,671.66	-	1,863,473.81
Outstanding deductions	-	-	-	5,627,236.85	5,627,236.85
Total Assets by deferred taxes	**3,419,207.72**	**1,824,378.29**	**282,671.66**	**5,627,236.85**	**11,153,494.52**
Liabilities by deferred taxes					
Joint Venture results	(2,006,171.17)	36,829.29	-	-	(1,969,341.28)
Fixed assets free amortization	(3,676,700.34)	664,655.78	-	-	(3,012,044.56)
Financial Leasing	(1,853,143.70)	598,227.11	-	-	(1,254,916.59)
Sufi-Sufi Group company operations	(112,835.13)	17,907.08	-	-	(94,928.05)
Non-refundable subsidies	(13,527.03)	438.27	4,761.93	-	(8,326.83)
Total liabilities by deferred taxes	**(7,662,377.34)**	**1,318,058.13**	**4,761.93**		**(6,339,557.31)**

During the 2014 business year the Company has recorded with the Public Treasury those assets by deferred taxes which recovery or reversion period was estimated to exceed one year, thus transferring its amount from the Tax Group current account.

Dated November 28th, 2014, Law 27/2014 about corporate tax was published, which establishes a modification of the tax rates, which in 2015 are of 28% and in 2016 and on will be of 25%. On December 31st, 2014 the company has proceeded to evaluate assets and liabilities by deferred taxes according to the type of expected encumbrance until their reversion date. The effect of this evaluation has represented a greater expense by deferred taxes in the profit and loss account for an amount of 320,263.98 Euros and a lesser expenses by tax for a value of 333,660.90 Euros.

The assets by deferred taxes provided above have been recorded in the balance sheet since the Company Directors consider that, according to the better estimates about future Company results, including specific actions of tax planning, it is likely that said assets are recovered before 10 years have elapsed.

Generated deductions pending application are the following:

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Generated Deductions	
Generating year	Amounts
2007	1,729,713.71
2008	1,073,621.93
2009	498,335.67
2010	159,225.59
2011	1,038,779.46
2012	0.00
2013	1,127,560,49
Total outstanding deductions	**5,627,236.85**

c) Conciliation between accounting result and tax applicable base

The conciliation between the business year net amount of income and expenses and the applicable base of income tax over Companies in 2013 is the following:

	Profit and loss account	
Balance of business year income and expenses		
	Increases	**Reductions**
Income tax	4,511,868.55	-
Income tax adjustment 2012		(522,532.77)
Permanent differences	3,874,658.15	(396,144.51)
Temporary differences	17,758,964.08	(6,464,960.15)
-originated in the business year	4,393,147.31	(16,819.80)
-originated in previous business years	13,365,816.77	
Applicable base (tax result)		27,173,496.91

The main permanent positive differences of 2013 are the following:

- Non-deductible provisions for an amount of 303,761.30 Euros.
- Donations for an amount of 22,175 Euros.
- Penalties for an amount of 51,206.15 Euros.
- Financial expenses over the limit by the matrix 3,497,515.70€

The main permanent negative differences of 2013 are the following:

- Application of endowed non-deductible provisions in prior business years 396,144.51 Euros.

The main temporary differences of 2013 are the following, distinguishing:

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Increases originated in prior business years.

- Amortizations exceeded in VSM, S.A. and its Joint Ventures for an amount of 1,803,658.52 Euros.
- Integration of applicable bases of Joint Ventures in the previous year by 10,950,943.95 Euros.
- Financial leasing operations in VSM, S.A. and its Joint Ventures for a value of 611,214.30 Euros.

Increases originated in this business year.

- Year amortization not deductible by 30% by 4,367,622.44 Euros.
- Amortizations exceeded in VSM, S.A. and its Joint Ventures for an amount of 25,524.87 Euros.

Reductions originated in prior business years.

- Application of previously non-deductible provisions endowed by 16,819.80 Euros.

Reductions originated in this business year.

- Adjustment to the integration of Joint Venture applicable bases that are deferred in 2014 by 6,448,140.35 Euros.

The conciliation between the business year net amount of income and expenses and the applicable base of income tax over Companies in 2014 is the following:

	Profit and loss account	
Balance of business year income and expenses	-	8,652,764.38
	Increases	**Reductions**
Income tax	4,303,482.05	-
Income tax adjustment 2013 and types	320,263.98	(367,100.87)
Permanent differences	2,512,426.09	(946.78)
Temporary differences	17,846,974.90	(6,987,824.86)
-originated in the business year	4,600,593.57	(6,987,824.86)
-originated in previous business years	13,246,381.33	-
Applicable base (tax result)		26,007,038.89

The main permanent positive differences of 2014 are the following:

- Non-deductible provisions for an amount of 2,189,509.08 Euros.
- Donations for an amount of 25,675.00 Euros.
- Penalties for an amount of 297,242.01 Euros.

The main permanent negative differences of 2014 are the following:

- Application of previously non-deductible provisions endowed in prior business years 946.78 Euros.

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The main temporary differences of 2014 are the following, distinguishing:

Increases originated in prior business years.

- Amortizations exceeded in VSM, S.A. and its Joint Ventures for an amount of 1,709,516.74 Euros.
- Integration of applicable bases of Joint Ventures in the previous year by 6,901,414.48 Euros.
- Financial leasing operations in VSM, S.A. and its Joint Ventures for a value of 1,475,257.84 Euros.
- Tax non-deductible provisions of 3,160,192.27 Euros.

Increases originated in this business year.

- Year amortization not deductible by 30% by 4,600,593.57 Euros.

Reductions originated in prior business years.

- Application of previously non-deductible provisions endowed by 77,868.84 Euros.

Reductions originated in this business year.

- Adjustment to the integration of Joint Venture applicable bases that are deferred in 2014 by 6,909,956.02 Euros.

d) Conciliation between accounting result and Corporate income tax

The conciliation between income tax expenses and the result of multiplying by the type of applicable encumbrances applicable to the total recorded income and expenses that compose the balance of the profit and loss account on December 31st, 2014 and 2013, is the following

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	2014	2013
Account balance PYG before taxes	12,636,409.54	12,400,979.34
Permanent differences impact	2,511,479.31	3,478,513.64
30 % quota	4,544,366.66	4,763,847.89
Deductions	(513,884.61)	(251,979.34)
By double imposition	-	(115,371.56)
By handicap contracting investment	(40,290.00)	(65,894.67)
R&D&I	(127,044.25)	(62,951.86)
Donations	(337,564.11)	-
Adjustments due to tax and other changes	(8,986.25)	(7,761.25)
	(46,836.89)	(552,532.77)
Total expenses by recorded tax in the profit and loss account	**3,983,645.16**	**3,989,335.78**
Total current tax	**841,208.74**	**856,527.40**
Total deferred tax	**3,142,436.42**	**3,132,808.38**

Of the total expense amount by deferred taxes, recorded in the 2014 business year, (13,396.92 Euros) correspond to the adjustment performed by the Company to evaluate assets and liabilities by deferred taxes as a consequence of the tax rate variation due to the application of Law 27/2014.

e) Business years pending verification and inspecting actions

Ass established by current law, taxes cannot be considered as definitively liquidated until the presented declarations have been inspected by the tax authorities or the prescription period of four years has elapsed.

Dated June 10th, 2013 the Large Taxpayers Department of the Large Taxpayers State Agency communicated to Sacyr, S.A. the beginning of inspection actions for:

- Income tax for the 2007 to the 2010 business years, as Tax Group 20/02 parent company.
- VAT for the periods from 5/2009 to 12/2010, as VAT Group 410/2008 parent company.

In addition to the business years that are currently under inspection period, the Group has open for tax inspection the business years 2011 to 2014 for all applicable taxes.

In relation with the minutes of disagreement signed by Sacyr, S.A. as Tax Group 20/02 parent company minutes were drafted for Income Tax for the periods 2004 to 2007, for an accumulated amount of 75,775,090.97 Euros, we inform that these are currently disputed before the National High Court. Said minutes were brought against Sacyr, S.A. and included liquidation and penalty imposition agreements and correspond entirely to subsidiary companies of the Tax Group. Of this figure 7,550.43 Euros correspond to the company.

The company has estimated that the final result of ongoing inspecting actions can represent an outflow of resources, due to which on December 31st, 2014 there is a provision for taxes for an amount of 1,800,226.97 Euros (Note 15b).

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f) Other tax type information

The Company is subject to the CGSR (Companies Group Special Regime) for the liquidation of VAT. The parent Company of the VAT Group is Sacyr, S.A., with VAT number A-28013811. The identification number of the companies group is IVA 0410/08.

On December 31st, 2014 the creditor balance that the Company maintained for this concept with Sacyr is of 1,094,088.65 Euros, (877,778.72 Euros in 2013).

The company is subject to the tax consolidation regime in which the Group parent Company is Sacyr, S.A., with VAT number A-28013811. The tax identification number is 20/02.

On December 31st, 2014 the debtor balance that the Company maintained for this concept with Sacyr is of 4,056,795.83 Euros, (4,246,168.97 Euros in 2013).

20. Income and expenses

a) Turnover net amount by segments

The distribution of the turnover net amount by segments corresponding to the 2014 and 2013 business year, distributed by activities categories and geographical markets, is the following

Activities	**2014**	**2013**
Construction	1,393,822.00	17,895,643.00
Industrial engineering	55,070.00	76,686.88
Waste	59,166,628.00	63,267,423.26
Services	220,599,148.06	174,882,062.72
Others	1,554,941.00	2,666,994.70
Total	**282,769,609.06**	**258,788,810.56**

Geographical markets	2014	2013
Spain	282,769,609.06	258,788,810.56
Total	**282,769,609.60**	**258,788,810.56**

From Joint Ventures in the year 2014 comes the amount of 89,892,792.60 Euros, (100,780,317.89 Euros in the year 2013), the main ones are the following:

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2014			2013	
Hornillos	11,496,383.01		Hornillos	11,777,508.98
RSU Sufi-Cointer	11,072,935.88		RSU Sufi-Cointer	11,478,983.45
Butarque	9,468,165.22		Butarque	10,228,318.55
TMB Arraiz	5,883,635.57		TMB Arraiz	8,326,383.23
Sufi Hixiene's	7,653,764.84		Sufi Hixiene's	7,283,055.52
OTHERS	45,317,908.08		OTHERS	51,686,068.16
TOTAL	**89,892,792.60**		**TOTAL**	**100,780,317.89**

b) Procurements

The procurements balance for the 2014 and 2013 business presents the following detail:

	2014	2013
Merchandise consumption:		
Acquisitions	10,020,869.46	8,916,022.36
	10,020,869.46	**8,916,022.36**
Raw materials and other materials consumptions:		
Acquisitions	3,276,508.69	10,894,992.27
Work performed by other companies	23,085,710.79	29,333,943.88
	26,362,219.48	**40,228,936.15**

From Joint Ventures in the year 2014 comes the amount of 14,441,413.53 Euros, (24,591,041.79 Euros in the year 2013), the main ones are the following:

2013	BUTARQUE	SUFI-COINTER	AGUAS ALCALÁ	TMB ARRAIZ	TEM	OTHERS	TOTAL
Acquisitions	7,679,275.43	749,472.39	663,192.93	781,967.02	569,569.70	2,083,529.43	12,527,006.92

2014	DIGESTIÓN ANAEROBIA	SUFI-COINTER	ILNET	TMB ARRAIZ	TEM	OTHERS	TOTAL
Acquisitions	505,840.52	761,687.59	335,455.82	364,201.42	911,934.31	1,345,817.80	4,224,937.46

2013	TMB ARRAIZ	HORNILLOS	LA PALOMA	ERAR SUR	BUTARQUE	OTHERS	TOTAL
Work perf. by other comp.	2,857,727.92	1,815,265.18	1,244,053.71	1,469,445.00	1,076,301.21	3,601,241.21	12,064,034.89

2014	TMB ARRAIZ	HORNILLOS	LA PALOMA	CALANDRIAS	MSM LOTE III	OTHERS	TOTAL
Work perf. by other comp.	1,292,681.72	1,929,910.14	1,461,421.80	998,706.15	909,767.36	3,623,988.90	10,216,476.07

c) Acquisitions details according to its origin

The detail of acquisitions performed by the Company during the 2014 and 2013 business years, by origin is the following:

	2014		2013	
	National	Intra-community	National	Intra-community
Acquisitions	35,717,501.92	665,587.20	48,779,701.69	365,256.82

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d) Personnel expenses

The detail of the "Personnel expenses" item of the profit and loss account on December 31st, 2014 and 2013 is the following:

	2014	2013
Salaries and similar	130,510,962.08	105.286.859,01
Social encumbrances	45,121,986.08	34.398.628,46
Total	**175,632,948.16**	**139.685.487,47**

The social encumbrances are comprised of Social security for an amount of 44,615,738.04 Euros, (34,033,445.03 Euros in the year 2013) and Other Social Encumbrances for an amount of 506,248.04 Euros, (365,183.43 Euros in the year 2013). Of the above mentioned amounts, the Joint Ventures provide as personnel expenses the amount of 41,338,665.60 Euros, (37,913,342.04 Euros in the year 2013) and their detail is provided below:

2013	SUFI-HIXIENE'S	ARONA	HORNILLOS	TARAJAL	RSU SUFI-COINTER	OTHERS	TOTAL
Salaries and similar	2,124,536.36	2,663,718.59	3,315,028.34	1,862,197.30	6,175,008.95	12,140,134.79	28,280,624.33
Social encumbrances	661,647.79	958,035.63	1,210,836.87	639,609.70	1,963,896.31	4,198,691,41	9,632,717.71
Total	**2,786,184.15**	**3,621,754.22**	**4,525,865.21**	**2,501,807.00**	**8,138,905.26**	**16,338,826.20**	**37,913,342,04**

2014	SUFI-HIXIENE'S	ARONA	HORNILLOS	TARAJAL	RSU SUFI-COINTER	OTHERS	TOTAL
Salaries and similar	2,264,374.56	2,656,185.42	3,288,766.51	1,298,537.87	5,679,551.18	15,573,975.46	30,761,391.00
Social encumbrances	728,526.47	1,005,279.12	1,220,365.21	462,872.31	2,074,783.93	5,085,447.56	10,577,274.60
Total	**2,992,901.03**	**3,661,464.54**	**4,509,131.72**	**1,761,410.18**	**7,754,335.11**	**20,659,423.02**	**41,338,655.60**

e) Third party services

The detail of the third party services item of the profit and loss account on December 31st, 2014 and 2013 is the following:

	2014	2013
Research and development expenses	134,948.82	10,348.96
Leasing and rents	5,189,479.96	5,704,047.67
Repairs and conservation	9,165,852.66	6,958,371.28
Freelance professional services	995,488.48	1,071,452.51
Transportation	976,199.79	790,405.51
Insurance premiums	2,009,457.86	2,129,038.08
Banking and similar services	1,783,074.97	1,505,290.66
Advertisement, propaganda and PR	476,006.75	295,211.69
Supplies	12,018,144.87	11,232,632.78
Other services	13,770,770.73	12,939,217.49
Total external services	**46,519,424.89**	**42,636,016.63**

Of these amounts the Joint Ventures provide during 2014 16,693,850.17 Euros, (14,791,661.81 Euros in the year 2013) and its details are the following:

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2013	HORNILLOS					OTHERS	TOTAL
Research and development expenses	10,105.73	-	-	-	-	-	10,105.73

Leasing and rents	UTE ARONA	UTE AGUAS ALCALÁ	RSU SUFI COINTER	UTE HORNILLOS	UTE TEM	OTHERS	TOTAL
	132,721.20	371,054.40	383,748.41	221,935.92	160,479.44	605,223.57	185,516.00

Repair and conservation	UTE HORNILLOS	UTE ILNET	UTE LA PALOMA	UTE TEM	UTE VALDEMORO	OTHERS	TOTAL
	483,763.43	133,906.15					
		190907.64	1127677.42	89144.78	511927.94	2496922.36	

Freelance professional services	UTE BUTARQUE	UTE HORNILLOS	UTE ORIHUELA	UTE TEM	UTE TMB ARRAIZ	OTHERS	TOTAL
	61,318.88	88,437.29	99,096.50	138,908.77	31,474.14	64,872.45	484,108.03

Transportations	UTE MANTO BOADILLA	UTE VALDEMORO	UTE LA PALOMA	UTE HORNILLOS	UTE TEM	OTHERS	TOTAL
	19,610.67	23,191.92	18,605.29	387,112.76	243,480.97	12,108.42	704,110.03

Insurance premiums	UTE BUTARQUE	UTE ARONA	RSU SUFI COINTER	UTE TEM	UTE HORNILLOS	OTHERS	TOTAL
	156,361.20	105,537.80	128,990.65	187,961.84	62,645.59	309,292.34	950,789.42

Banking and similar services	UTE ORIHUELA	UTE TMB ARRAIZ	UTE LOS HORNILLOS	UTE PLASENCIA	UTE TEM	OTHERS	TOTAL
	16,604.65	8,285.36	11,549.10	9,379.08	8,589.37	16,327.14	64,728.70

Advertisement, propaganda and PR	UTE ARONA	UTE ILNET	UTE LA PALOMA	RSU SUFI COINTER	UTE HIXIENE'S	OTHERS	TOTAL
	47,443.45	49,446.90	53,128.05	19,456.23	45,721.20	45,364.43	168,831.30

Supplies	UTE BUTARQUE	UTE ARONA	UTE LA PALOMA	UTE LOS HORNILLOS	UTE TMB ARRAIZ	OTHERS	TOTAL
	418,020.11	204,981.47	324,158.45	1,069,134.24	347,490.55	1,016,082.46	3,379,807.28

	UTE TMB ARRAIZ	UTE HORNILLOS	RSU SUFI-COINTER	RCD GARDELEGUI	UTE TEM	OTHERS	TOTAL
Other services	63,893.08	256,579.42	68,113.49	212,709.72	3,517,192.58	558,607.67	4,677,095.96
Total external services							14,791,561.81

2014	UTE HORNILLOS					OTHERS	TOTAL
Research and development Expenses	23,008.24	-	-	-	-	-	23,008.4

Leasing and rents	UTE ARONA	UTE TMB ARRAIZ	RSU SUFI COINTER	UTE HORNILLOS	UTE TEM	OTHERS	TOTAL
	193,227.08	75,926.75	356,161.04	229,634.88	163,629.91	383,451.91	1,422,031.65

Repair and conservation	UTE HORNILLOS	UTE ILNET	UTE VSM-GESTYONA	UTE TEM	UTE TARAJAL	OTHERS	TOTAL
	621,912.54	137,266.98	129,162.0	1,693,728.30	98,066.40	991,946.24	3,672,983.16

Freelance professional services	UTE BUTARQUE	UTE HORNILLOS	UTE MSM LOTE IV	UTE TEM	UTE TMB ARRAIZ	OTHERS	TOTAL
	102,282.98	63,805.76	30,012.83	62,737.13	149,808.39	113,188.45	543,835.54

Transportations	UTE MSM LOTE IV	UTE VALDEMORO	UTE LA PALOMA	UTE HORNILLOS	UTE TEM	OTHERS	TOTAL
	2,514.98	8,377.71	10,394.61	429,860.00	299,980.35	10,879.89	771,208.43

Insurance premiums	UTE BUTARQUE	UTE TARAJAL	RSU SUFI-COINTER	UTE TEM	UTE HORNILLOS	OTHERS	TOTAL
	126,118.81	46,037.33	72,209.53	148,298.66	68,785.27	311,379.17	796,828.93

Banking and similar services	UTE SMS LOTE III	UTE HIXIENE'S	UTE HORNILLOS	UTE MSM LOTE IV	UTE BADAJOZ SUR	OTHERS	TOTAL
	9,992.53	9,867.14	10,737.79	8,207.96	3,770.84	3,587.50	46,164.76

Advertisement, propaganda and PR	UTE TEM	UTE ILNET	UTE LA PALOMA	RSU SUFI-COINTER	UTE VSM-GESTYONA	OTHERS	TOTAL
	40,681.34	49,071.71	53,394.09	30,668.16	38,600.52	99,693.13	312,110.95

Supplies	UTE TEM	UTE ARONA	UTE LA PALOMA	UTE HORNILLOS	UTE TMB ARRAIZ	OTHERS	TOTAL
	251,530.66	186,764.66	457,762.25	988,480.64	430,115.53	1,033,181.09	3,367,837.81

	UTE TMB ARRAIZ	UTE HORNILLOS	RSU SUFI-COINTER	RCD GARDELEGUI	UTE TEM	OTHERS	TOTAL
Other services	181,077.33	170,310.53	59,277.90	230,359.10	4,261,489.91	936,225.96	5,838,740.73
Total external services							16,693,850.17

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f) Other operational expenses

The detail in the Other sundry and other current management within Other Operational expenses of the profit and loss account on December 31st, 2014 and 2013 is the following:

Additional and other income management	2014	2013
Insurance compensations	1,867,458.92	953.608,15
Supplies to companies	9,070,114.15	11.227.469,86
Leasing	17,437.24	18.912,72
AIE participations	2,214.70	1.736,44
Total	**10,957,225.01**	**12.201.727,17**

Of these amounts the Joint Ventures provide 6,307,694.20 Euros. (6,919,065.93 Euros in the year 2013) and its details are the following:

2013	UTE TEM	ERAR SUR	UTE LA PALOMA	UTE HIXIENE'S	UTE HORNILLOS OBRA	OTHERS	TOTAL
Additional Income	2.509.896,16	482.186,79	145.507,70	139.364,72	153.452,92	3.488.657,64	6.919.065,93

2014	UTE TEM	ERAR SUR	UTE LA PALOMA	UTE HIXIENE'S	UTE BADAJOZ SUR	OTHERS	TOTAL
Additional Income	2,635,302.85	1,190,100.91	973,233.90	241,422.89	193,982.27	1,073,651.38	**6,307,694.20**

21. Operations and balances with related parties

a) Operations with related parties

The detail of operations performed with related parties during the 2013 business year is the following:

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2013	Parent company	Other group companies	Associated companies	Other related parties	TOTAL
INCOME					
Services rendering	**37,743.00**	**5,564,314.88**	**-**	**14,437.50**	**5,582,495.388**
- Biorreciclaje de Cadiz, S.A.	-	2,223,510.22	-	-	2,223,510.22
- Boremer, S.A.	-	489,843.44	-	-	489,843.44
- Cafestore, S.A.U.	-	899.90	-	-	899.90
- Eurocomercial, S.A.	-	239.47	-	-	239.47
- Gestión de Infraestructuras Canarias, S.A.	-	312.00	-	-	312.00
- Repsol YPF, S.A.	-	-	-	14,437.50	14,437.50
- Residuos de Construcción de Cuenca, S.A.	-	4,568.15	-	-	4,567.15
- S.A.U. Depuración y Tratamiento-Sadyt	-	21,837.27	-	-	21,837.27
- Sacyr, S.A.	3,743.00	-	-	-	3,743.00
- Sacyr Construcción, S.A.	-	1,765,826.50	-	-	1,765,826.50
- Surge Ambiental, S.L.	-	135,454.79	-	-	135,454.79
- Tratamiento de Residuos La Rioja, S.L.	-	706,508.00	-	-	706,508.00
- Valoriza Conservación de Infraestructuras, S.A.U.	-	869.41	-	-	869.41
- Valoriza Servicios a la Dependencia, S.A.U	-	363.39	-	-	363.39
- Valoriza Aguas, S.L.	-	27,219.25	-	-	27,219.25
- Valoriza Facilities, S.A.	-	35,3113.00	-	-	35,313.00
- Tractament Metropolita de fangs, S.L.	-	59,479.20	-	-	59,479.20
- Scrinser, S.A.	-	72,070.89	-	-	72,070.89
- Sacyr Industrial, S.A.	-	20,000.00	-	-	20,000.00
Interests	**-**	**414,609.02**	**53,124.40**	**-**	**467,733.42**
- Surge Ambiental, S.L.	-	13,142.39	-	-	13,142.39
- Tratament Metropolita de fangs, S.L.	-	1,166.93	-	-	1,166.93
- Tratamiento de Residuos La Rioja, S.L.	-	285,622.35	-	-	285,622.35
- Boremer, S.A.	-	114,677.35	-	-	114,677.35
- Parque Eólico La Sotonera, S.L.	-	-	6,751.41	-	6,751.41
- Participes de Biorecicla|e, S.A.	-	-	46,372.99	-	46,372.99
Dividends	**-**	**-**	**384,571.88**	**-**	**384,571.88**
- Parque Eólico La Sotonera, S.L.	-	-	384,571.88	-	384,571.88
TOTAL INCOME	**3,742.00**	**5,978,923.90**	**437,696.28**	**14,437.50**	**6,434,800.68**
EXPENSES					
Services reception	**5,908,638.97**	**2,122,772.14**	**66,650.01**	**1,556,911.30**	**9,644,972.42**
- Boremer, S.A.	-	4,612.92	-	-	4,612.92
- Autovía del Arlanzón, S.A.	-	41,750.25	-	-	41,750.25
- Eurocomercial, S.A.	-	4,400.00	-	-	4,400.00
- Repsol YPF, S.A.	-	-	-	1,556,911.30	1,556,911.30
- S.A.U. Depuración y Tratamiento-Sadyt-	-	1,895.31	-	-	1,895.31
- Sacyr, S.A.	-	412,330.75	-	-	412,330.75
- Sacyr Construcción, S.A.	-	778,358.60	-	-	778,358.60
- Inte RCD, S.A.	-	-	66,650.01	-	66,650.01
- Surge Ambiental, S.L.	-	297,386.87	-	-	297,386.87
- Testa Inmuebles en Renta, S.A.	-	410,495.94	-	-	410,495.94
- Valoriza Servicios a la Dependencia, S.A.	-	66.64	-	-	66.64
- Valoriza Agua, S.L.	-	25,879.09	-	-	25,879.09
- Valoriza Facilities, S.A.	-	64,203.39	-	-	64,203.39
- Valoriza Gestión, S.A.	115,529.33	-	-	-	-
- Valoriza Conservación de Infraestructuras, S.A.U.	-	15.00	-	-	15.00
- Sacyr Industrial, S.A.	-	59,359.61	-	-	59,359.61
- Valoriza Gestión, S.L. (tas a struct)	5,793,109.64	-	-	-	-
- Biorreciclaje de Cadiz, S.A.	-	(985.18)	-	-	(985.18)
- Degasificación de Vertederos, S.L.	-	2.95	-	-	2.95
- Somague Ambiente, S.A.	-	13,000.00	-	-	13,000.00
Interests	**2,505,924.84**	**78,971.84**	**-**	**-**	**2,584,896.68**
- Hidroandaluza, S.A.	-	66,624.37	-	-	66,624.37
- Sacyr Construcción, S.A.	-	3,743.94	-	-	3,743.94
- Secado térmico de Castellón, S.A.	-	3,696.20	-	-	3,696.20
- Valoriza Gestión, S.A.	2,504,099.01	-	-	-	2,504,099.01
- Eurocomercial, S.A.	-	4,917.33	-	-	4,917.33
- Sacyr, S.A.	1,825.83	-	-	-	1,825.93
TOTAL EXPENSES	**8,414,563.81**	**2,191,743.98**	**66,650.01**	**1,556,911.30**	**12,229,869.10**

The detail of operations performed with related parties during the 2014 business year is the following:

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2013	Parent company	Other group companies	Associated companies	Other related parties	TOTAL
INCOME					
Services rendering	**5,516.00**	**2,701,992.33**	**105.93**	**3,474.00**	**2,711,088.26**
- Biorreciclaje de Cadiz, S.A.	-	945,095.20	-	-	945,095.20
- Boremer, S.A.	-	216,915.41	-	-	216,915.41
- Cafestore, S.A.U.	-	1,687.89	-	-	1,687.89
- Valorinima, S.L.	-	4,000.00	-	-	4,000.00
- INTE RCD, S.L.	-	-	105.93	-	105.93
- Eurocomercial, S.A.	-	261.94	-	-	261.94
- Repsol YPF, S.A.	-	-	-	3,747.00	3,474.00
- S.A.U. Depuración y Tratamiento-Sadyt-	-	35,066.78	-	-	35,066.78
- Sacyr, S.A.	5,516.00	-	-	-	5,516.00
- Sacyr Construcción, S.A.U.	-	81,071.43	-	-	81,071.43
- Surge Ambiental, S.L.	-	108,567.74	-	-	108,567.74
- Tratamiento de Residuos La Rioja, S.L.	-	815,674.53	-	-	815,674.53
- Valoriza Conservación de Infraestructuras, S.A.U.	-	1,281.24	-	-	1,281.24
- Valoriza Servicios a la Dependencia, S.A.U.	-	947.28	-	-	947.28
- Valoriza Agua, S.L.	-	4,000.00	-	-	4,000.00
- Valoriza Facilities, S.A.	-	31,891.60	-	-	31,891.60
- Tractament Metropolita de fangs, S.L.	-	61,492.33	-	-	61,492.33
- Scrinser, S.A.	-	46,655.92	-	-	46,655.92
- Sacyr Industrial, S.A.	-	346,583.04	-	-	346,583.04
Interests	**-**	**329,555.42**	**3,923.69**	**-**	**333,479.11**
- Surge Ambiental, S.L.	-	18,109.89	-	-	18,109.89
- Tratamiento de Residuos La Rioja, S.L.	-	286,423.29	-	-	286,423.29
- Compost del Pirineo, S.A.	-	5,021.94	-	-	5,021.94
- Participes de Biorecicla|e, S.A.	-	-	3,326.84	-	3,326.84
- Boremer, S.A.	-	20,000.30	-	-	20,000.30
- Alcorec, S.A.	-	-	596.85	-	596.85
TOTAL INCOME	**5,516.00**	**3,031,547.75**	**4,029.62**	**3,474.00**	**3,044,567.37**
EXPENSES					
Services reception	**5,992,547.10**	**1,949,764.79**	**360.94**	**1,983,748.36**	**9,926,421.19**
- Boremer, S.A.	-	4,612.92	-	-	4,612.92
- Repsol YPF, S.A.	-	-	-	1,983,748.36	1,983,748.36
- S.A.U. Depuración y Tratamiento-Sadyt-	-	37,931.84	-	-	37,931.84
- Sacyr, S.A.	-	518,558.08	-	-	518,558.08
- Sacyr Construcción, S.A.	-	671,931.14	-	-	671,931.14
- Inte RCD, S.A.	-	-	360.94	-	360.94
- Surge Ambiental, S.L.	-	237,326.89	-	-	237,326.89
- Testa Inmuebles en Renta, S.A.	-	365,676.07	-	-	365,676.07
- Valoriza Agua, S.L.	-	973.07	-	-	973.07
- Valoriza Facilities, S.A.	-	60,436.14	-	-	60,436.14
- Valoriza Gestión, S.A.	637.46	-	-	-	637.46
- Sacyr Industrial, S.A.	-	41,720.02	-	-	41,720.02
- Valoriza Gestión, S.L. (tas a struct)	5,991,909.64	-	-	-	5,991,909.64
- Biorreciclaje de Cadiz, S.A.	-	10,698.62	-	-	10,698.62
Interests	**2,175,595.28**	**100,572.56**	**-**	**-**	**100,572.56**
- Hidroandaluza, S.A.	-	95,328.98	-	-	95,328.98
- Secado Térmico de Castellón, S.A.	-	952.20	-	-	952.20
- Valoriza Gestión, S.A.	2,175,595.28	-	-	-	2,178,595.38
- Eurocomercial, S.A.	-	4,291.38	-	-	4,291.38
TOTAL EXPENSES	**8,168,142.38**	**2,050,337.35**	**360.94**	**1,983,748.36**	**12,202,589.03**

By group and associated companies, the main rendered and received services during the years of 2014 and 2013 are:

- Biorreciclaje de Cádiz S.A., transportation and treatment in the Miramundo station.
- Boremer, S.A. transportation of sludge to Torrecilla.
- Repsol YPF, S.A. fuel supplies.
- Sadyt, works related with UTE Edar de Ajofrín.
- Sacyr, S.A.U.... service rendering and supplies
- Sacyr Construcción, S.A.U. several jobs in the Alcalá de Henares collection service.
- Valoriza Gestión, S.A. includes the rate for administration and issued invoices for several surveys.

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- Surge Ambiental, S.L. management and transportation of urban solid waste in the tree maintenance projects, clean point of Torrejón and Torrecilla Sludge station.
- Tratamiento de Residuos La Rioja, S.L. support services in Ecoparque de la Rioja .
- Testa Inmuebles en Renta, S.A. for the lease of VSM, S.A. central offices.

b) Balances with related parties

The amount of the balance sheets with related parties in December 31st, 2013 is the following

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VALORIZA SERVICIOS MEDIOAMBIENTALES, S.A.
2014 BUSINESS YEAR ANNUAL ANNUAL ACCOUNTS

2013	Parent company	Other group companies	Associated companies	Other related parties	TOTAL
LONG TERM DEBTOR BALANCES					
Equity Instruments (Note 10)	-	5,545,450.58	1,936,184.99	-	4,481,635.57
Credits to companies (Note 10)	-	10,952,004.39	2,249,051.68	-	13,197,056.07
TOTAL LONG TERM DEBTOR BALANCES	-	16,497,454.97	4,181,236.67	-	20,678,691.60
SHORT TERM DEBTOR BALANCES	-				
Commercial debtors	**3,743.00**	**23,627,998.81**	**256,766.30**	**11,739.52**	**23,900,247.63**
Alcorec, S.L.	-	-	562.50	-	562.50
Biorreciaje de Cádiz, S.A.	-	3,965,963.14	-	-	3,965,963.14
Boremer,S.A.	-	217,672.23	-	-	217,672.23
Callestore SAU	-	580.33	-	-	580.33
Cultivos Energéticos de Castilla,SA	-	40,537.45	-	-	40,537.45
Gestión de Partícipes de Biorreciclaje S.A.	-	-	54,701.47	-	54,701.47
Inte RCD S.L.	-	-	105.93	-	105.93
La Restinga CB	-	100,000.00	-	-	100,000.00
Tratamiento de Residuos La Rioja, S.L.	-	492,795.66	-	-	492,795.66
Residuos de construcción de Cuenca, S.A.	-	75,353.60	-	-	75,353.60
SAU Depuración y tratamientos SADYT	-	949,111.54	-	-	949,111.54
Sacyr S.A.	3,743.00	-	-	-	3,743.00
Sacyr Construcción, SAU. (*)	-	15,876,143.50	-	-	15,876,143.50
Somague Engenharia S.A.	-	1,153,546.64	-	-	1,153,546.64
Surge Ambiental S.L.	-	246,178.90	-	-	246,178.90
Tratament Metropolita de Ferga, S.L.	-	305,984.94	-	-	305,984.94
Valoriza Conservación de Infraestructuras SAU	-	640.62	-	-	640.62
Valoriza servicios a la Dependencia, S.A.	-	57.88	-	-	57.88
Valoriza Agua, S.A.	-	114,001.70	-	-	114,001.70
Valoriza Facilities, S.A.	-	39,149.44	-	-	39,149.44
Participes de Biorreciclaje, S.A.	-	-	201,396.40	-	201,396.40
Repsol YPF, S.A.	-	-	-	11,739.52	11,739.52
Illoglobia	-	50,079.24	-	-	50,079.24
Gestión de Infraestructuras Canarias S.A.	-	312.00	-	-	312.00
Credits to companies (note 10)	-	428,980.62	9,916.61	-	438,897.23
Other financial assets	**3,359,757.96**	**1,476,158.63**	**296,211.08**	-	**5,072,127.66**
Tratamiento de Residuos La Rioja, S.L.	-	812,000.93	-	-	812,000.93
Compost del Pirineo,S.A.	-	65,536.03	-	-	65,536.03
C/C Consolidación Fiscal Grupo IS SYV	-	-	-	-	-
Sacyr Construcción, SAU.	-	597,430.91	-	-	597,430.91
Surge Ambiental S.L.	-	335.74	-	-	335.74
Desgasificación de vertederos, S.A.	-	69.96	-	-	69.96
Wasteressources, S.A.	-	21.81	-	-	21.81
Servicio de Estacionamiento Regulado	-	-	6.97	-	6.97
Gestión de Partícipes de Biorreciclaje S.A.	-	-	10,353.33	-	10,353.33
Cultivos Energéticos de Castilla,SA	-	-	128.83	-	128.83
Biomasas del Pirineo, S.L.	-	-	83,144.28	-	83,144.28
Alcorec, S.L.	-	-	142,577.67	-	142,577.67
Gestora Canaria de lodos de Depuradora, S.A.	-	733.24	-	-	733.24
Valoriza Gestión S.A.	1,348.08	-	-	-	1,348.08
TOTAL SHORT TERM DEBTOR BALANCES	**3,363,500.96**	**25,535,138.05**	**502,893.99**	**11,739.52**	**29,411,272.52**
LONG TERM CREDITOR BALANCES					
Long term debts	**64,280,988.81**	-	-	-	**64,280,988.81**
Valoriza Gestión, S.A.	64,280,988.81	-	-	-	64,280,988.81
TOTAL LONG TERM CREDITOR BALANCES	**64,280,988.81**	-	-	-	**64,280,988.81**
SHORT TERM CREDITOR BALANCES					
Short term debts	**877,778.72**	**4,933,328.48**	**104,050.84**	-	**5,915,158.04**
Hidroandaluza, S.A.	-	2,922,940.47	-	-	2,922,940.47
Sacyr Construcción S.A. (*)	-	274,758.37	-	-	274,758.37
C/C Consolidación Fiscal Grupo IS SYV	877,788.72	-	-	-	877,788.72
Iniciativas Medioambientales del Sur. S.L.	-	135,000.00	-	-	135,000.00
Eurocomercial, S.A.	-	254,489.62	-	-	254,489.62
Gestión de Infraestructuras Canarias, S.L.	-	149,928.02	-	-	149,928.02
S.A.U. Depuración y tratamientos-Sadyt-	-	666,475.60	-	-	666,475.60
Secado Térmico Castellón, S.A.	-	401,718.69	-	-	401,718.69
Valoriza Agua, S.A.	-	68,871.32	-	-	68,871.32
Valoriza Conservación de Infraestructuras SAU	-	(867.28)	-	-	(867.28)
Valoriza Facilities, S.A.	-	50,853.97	-	-	50,853.97
Boremer, S.A.	-	1,232.58	-	-	1,232.58
Sacyr Industrial, S.A.	-	7,917.12	-	-	7,917.12
Infoser, S.L.	-	-	104,050.84	-	104,050.84
Commercial creditors / suppliers:	**515,368.56**	**8,818,337.52**	**9,942.94**	**206,874.43**	**9,651,523.45**
Biorreciclaje de Cádiz, S.A.	-	100,776.56	-	-	100,776.56
Boremer, S.A.	-	279,025.36	-	-	279,025.36
Gestión de Partícipes de Biorreciclaje S.A.	-	-	9,942.94	-	9,942.94
Compost del Pirineo, S.A.	-	50,000.00	-	-	50,000.00
Eurocomercial, S.A.	-	2,346,476.74	-	-	2,346,476.74
Hidroandaluza, S.A.	-	147,837.07	-	-	147,837.07
Prinur SAU	-	24,928.14	-	-	24,928.14
Repsol YPF, S.A.	-	-	-	206,874.43	206,874.43
SAU Depuración y tratamientos SADYT	-	63,614.42	-	-	63,614.42
Sacyr S.A.	-	159,682.74	-	-	159,682.74
Sacyr Construcción S.A.	-	5,427,430.86	-	-	5,427,430.86
Secado Térmico Castellón, S.A.	-	25,951.37	-	-	25,951.37
Surge Ambiental, S.L.	-	142,759.79	-	-	142,799.79
Valoriza Agua, S.A.	-	(8,733.70)	-	-	(8,733.70)
Valoriza Facilities, S.A.	-	10,463.85	-	-	10,463.85
Valoriza Gestión, S.A.	619,368.56	-	-	-	619,368.56
Sacyr Industrial, S.A.	-	43,134.32	-	-	43,134.32
TOTAL SHORT TERM CREDITOR BALANCES	**1,497,147.28**	**13,748,666.00**	**113,993.78**	**206,874.43**	**15,566,681.49**

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The amount of the balance sheets with related parties in December 31st, 2014 is the following

2014	Parent company	Other group companies	Associated companies	Other related Parties	TOTAL
LONG TERM DEBTOR BALANCES					
Equity instruments (Note 10)		4,431,251.70	735,734.69		5,166,986.39
Credits to companies (Note 10)		10,770,114.28	1,609,378.01		12,379,492.29
TOTAL LONG TERM DEBTOR BALANCES		12,203,365.98	2,345,112.50		17,548,478.48
SHORT TERM DEBTOR BALANCES					
Commercial debtors	1,379.00	6,679,662.84	259,424.71	17,609.28	6,958,075.93
Bioreciclaje de Cadiz, S.A.		1,876,321.68			1,876,321.68
Boromer S.A.		950,030.62			950,030.62
Cafestore SAU		449.24			449.24
Cultivos Energéticos de Castilla SA		40,537.45			40,537.45
Eurocomercial, S.A.		36.00			36.00
Gestión de Participes de Bioreciclaje S.A.			54,701.47		54,701.47
Valorinima, S.A.		5,808.00			5,808.00
Secyr Industrial, S.A.		108,113.58			108,113.58
La Restinga, C.B.		100,000.00			100,000.00
Tratamiento de Residuos La Rioja, S-L		728,404.99			728,404.99
Residuos de construcción de Cuenca, S.A.		75,353.60			75,353.60
SAU Depuración y tratamientos SADYT		979,243.05			979,243.05
Secyr S.A.	1,379.00				1,379.00
Secyr Construcción, SAU		40,047.21			40,047.21
Somague Engenharia S.A.		1,122,374.38			1,122,374.38
Surge Ambiental S.L.		314,268.73			314,268.73
Tratament Metropolita de fangs, S.L.		312,609.91			312,609.91
Valorize Conservación de Infraestructuras SAU		960.93			960.93
Valorize servicios a la Dependencia, S.A.		891.52			891.52
Valoriza Facilities, S.A.		13,479.68			13,479.68
Participes de Bioreciclaje, S.A.			204,723.24		204,723.24
Repsol YPF, S.A.				17,609.28	17,609.28
Sorinser, S.A.		10,494.68			10,494.68
Credits to companies (note 10)		428,980.62	16,159.35		445,139.97
Other financial assets	8,898.51	4,777,468.54	236,396.74		5,022,763.79
Tratamiento de Residuos Lo Rioja, S.L.		1,098,737.00			1,098,737.00
Compost del Piiineo S.A.		71,003.32			71,003.32
Secyr Construcción, SAU		85,625.05			85,625.05
Surge Ambiental S.L.		335.74			335.74
Desgasificación de vertederos, S.A.		1,210.95			1,210.95
Wastenesources, S.A.		21.81			21.81
Servicio de Estacionamiento Regulado			6.97		6.97
Gestión de Participes de Bioreciclaje S.A.			10,353.33		10,353.33
Cultivos Energéticos de Castilla SA			126.83		126.83
Biomasas del Pirineo, S.L.			83,329.94		83,329.94
Alcorer, S.L.			142,577.67		142,577.67
Valorize Facilities, S.A.		16.63			16.63
Valoriza Gestión S.A.	1,848.08				
Boromer, S.A.		3,242,395.88			3,242,395.88
S.A.U. Depuración y tratamientos Sadyt-		254,368.09			254,368.09
Secyr Industrial, S.A.		5,428.74			5,428.74
Secyr, S.A.	7,550.43				7,550.43
Valorize Conservación de Infraestructuras, S.A.U.		916.64			916.64
Infoser		17,506.69			17,506.69
TOTAL SHORT TERM DEBTOR BALANCES	10,277.51	11,886,112.10	513,980.80	17,609.28	12,425,979.69
LONG TERM CREDITOR BALANCES					
Long term debts	53,593,826.12	1,396,688.25			54,990,414.37
Valoriza Gestión, S.A.	53,593,826.12				53,593,726.12
Hidroandaluza, S.A.		1,396,688.25			2,396,677.25
TOTAL LONG TERM CREDITOR BALANCES	53,593,826.12	1,396,688.25			54,990,414.37
SHORT TERM CREDITOR BALANCES					
Short term debts	2,064,529.67	2,091,981.40			4,156,511.07
Hidroandaluza, S.A.		199,943.77			199,943.77
Secyr Construcción, S.A.		291,225.76			291,225.76
C/C Consolidación Fiscal Grupo IVA SYV	1,094,088.65				1,094,088.65
C/C Consolidación Fiscal Grupo II SYV	1,570,441.02				1,570,441.02
Iniciativas Medioambientales del Sur, S.L.		135,000.00			135,000.00
Eurocomercial, S.A.		70,977.84			70,977.84
Gestión de Infraestructuras Canarias, S.L.		149,928.02			149,928.02
S.A.U. Depuración y Tratamiento-Sadyt-		737,252.71			737,252.71
Secado Térmico Castellón, S.A.		420,792.60			420,792.60
Valoriza Agua, S.A.		68,121.32			68,121.32
Valoriza Facilities, S.A.		17,094.64			17,094.64
Boromer, S.A.		1,244.74			1,244.74
Commercial creditors / suppliers:	672,024.92	3,405,317.00	30,048387	175,559.58	4,263,250.37
Bioreciclaje de Cadiz, S.A.		54,888.97			54,888.97
Boromer, S.A.		75,249.82			75,249.82
Gestion de Participes de Bioreciclaje, S.A.			9,942.94		9,942.94
Eurocomercial, S.A.		2,276,476.74			2,276,476.74
Hidroandaluza, S.A.		147,827.07			147,827.07
Primor SAU		24,928.14			24,928.14
Repsol YPF, S.A.				175,559.58	175,559.58
SAU Depuración y Tratamientos SADYT		191,066.58			191,066.58
Secyr S.A.		304,546.91			304,546.91
Secyr Construcción S.A.		88,413.80			88,413.80
Secado Térmico Castellón, S.A.		27,825.61			27,825.61
Surge Ambiental S.L.		77,360.63			77,360.63
Tratamiento de Residuos Lo Rioja, S.L.		1,221.81			1,221.81
Valoriza Agua, S.A.		(8,733.70)			(8,733.70)
Valoriza Facilities, S.A.		86,461.70			86,461.70
Valoriza Gestión, S.A.	672,024.92				
Secyr Industrial, S.A.		13,883.65			13,883.65
Infoser, S.L.		42,053.70			42,053.70
Inte RCD, S.L.			105.93		105.93
Sociedad de Economía Mixta de Aguas de Soria		35.57			35.57
TOTAL SHORT TERM CREDITOR BALANCES	3,336,554.59	5,497,098.40	30,048.87	175,559.58	9,039,261.46

JOSÉ LUIS GÓMEZ RODRÍGUEZ
Traductor-Intérprete jurado de
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10 de junio de 2015

VALORIZA SERVICIOS MEDIOAMBIENTALES, S.A.
2014 BUSINESS YEAR ANNUAL ANNUAL ACCOUNTS

The most significant amount found under long term creditors corresponds to a loan the Company has with Valoriza Gestión, S.A.U. that is renewed tacitly and accrues an interest rate of 4 per cent (Euribor plus 4 points in 2013). In the 2014 business year the balance of this loan has been reduced by 10,687,262.69 Euros, (reduction of 143,620.78 Euros in 2013) and during the year of 2012 it was transferred from short to long term, by reason of addendum to the loan contract signed on July 1st, 2012 which modifies the conditions, being able to demand said debt at the contract maturity, which validity is for 5 years and renewable year after year as long as VSM, S.A. continues in the same tax consolidation group and with the same participation percentage.

This as well as other loans with group and associated companies are classified in the category of loans and accounts payable, they are evaluated at the amortized costs and the interest rate applied during the year 2014 and 2013 is Euribor plus 4%, per cent points.

c) Board of Directors and high management retributions

The retributions received during the 2013 business year by the Company Board of Directors classified by items, has been the following:

	Salaries	Allowances	Other concepts	Pension plans	Insurance premiums	Compensation for dismissal	Payments based in equity instruments
Board of Directors	198,450.00				199.00		
Total	198,450.00	-	-	-	199.00		

The retributions received during the 2014 business year by the Company Board of Directors classified by items, has been the following:

	Salaries	Allowances	Other concepts	Insurance premiums	Compensation for dismissal	Payments based in equity instruments
Board of Directors	194,358.00	-	-	199.00	-	-
Total	194,358.00	-	-	199.00	-	-

There have been no changes in the Board of Directors during 2013 and 2014.

In addition there are no obligations contracted in matters of pensions nor life insurance premium payments, nor payments based in equity instruments, in relation with Board of Directors Members, since all these are outsourced. There are no agreements in relation to which the Company Board of Directors members have the right to receive from the Company any compensation due to their dismissal as board members.

d) Direct or indirect Directors and related people conflict of interest situations

According to what is stipulated under articles 229 and 230 of the Spanish Corporations Act, none of the directors has declared to have any conflict of interest situations with the Company or its group of companies, neither directly nor indirectly."

22. Environmental information

During the 2014 and 2013 business years, no expenses have been incurred which purpose is the environment protection and improvement. Likewise, there have not been any expenses or risks that had the need to be covered with environmental actions provisions, nor contingencies related with the environment protection and improvement.

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23. Other information

a) Personnel

The average number of people employed during the 2014 and 2013 business year, detailed by categories, is the following:

Categories	2014	2013
General manager and executive chairman	1	1
Remaining managers and directors	6	6
Technicians and scientific and intellectual professionals and support professionals	407	344
Accounting, administrative and other office employees	166	143
Basic occupations	4,818	3,768
Total	5,398	4,262

Likewise, the distribution by genders at the end of the 2014 and 2013 business year, detailed by categories, is the following:

Categories	2014		2013	
Directors	Men	Women	Men	Women
General manager and executive chairman (non-directors)	1	-	1	-
Remaining managers and directors	3	-	3	-
Technicians and scientific and intellectual professionals and support professionals	4	-	4	-
Accounting, administrative and other office employees	314	80	322	85
Basic occupations	77	86	61	95
	3,727	1,036	3,876	824
Total	4,126	1,202	4,267	1,003

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b) Audit fees

During the 2014 business year the fees related to account audit services rendered by the Company auditor, or a company of the same group or related with the auditor has amounted to 76,669.00 Euros, (76,669.00 Euros in the year 2013).

24. Subsequent facts

During the first months of the year 2015 the Company has become the successful bidder of several contracts:

- The renewal of 1 year for the Soria city cleaning and collection contract until May 31st, 2016 for an amount, without VAT, of 2,732,837 Euros.
- The renewal of 1 year for the CRT de Abajas Station operation, conservation and maintenance contract until March 31st, 2016 for an amount, without VAT, of 1,395,000 Euros.
- The upscale modification of Madrid's city mobility contract, Lot III for an amount to the percentage of the Joint Venture of 5,074,485.30 Euros.

During the 2015 business year the company Sacyr Environment USA LLC was incorporated with headquarters in the USA.

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2014 BUSINESS YEAR MANAGEMENT REPORT

The 2014 business year has been a moderate year in relation to contracting, mainly due to the absence of large contracts as in previous business years. With the purpose of approaching the company to different clients and achieving a greater efficiency and speed in problem solving, the Company has modified its structure, going back to the Regional Management system.

With these changes, the Company is organized as follows:

- Central General Management: will be in charge of managing the concessions of urban services and waste treatment in the Autonomic Communities of Madrid, Castilla-La Mancha, and Comunidad Valenciana. For this Management, the business year has been comprised by the full commissioning of Lots 2 and 3 of the road cleaning services and green areas conservation of Madrid, as well as lots 3 and 4 of the complete mobility contracts with the same municipality, with the performance of committed investments and the adjustment of the service to customer needs.

- North General Management: will be in charge of managing concessions of urban services and waste treatment for the Autonomic Communities of Galicia, Asturias, Cantabria, País Vasco, Castilla y León, Navarra, La Rioja, Aragón, Cataluña and Baleares. For this Management, the business year has been dedicated to the finishing of the treatment stations works Asturias (Cogersa) and Basque Country (TMB-Arráiz).

- South General management: will be in charge of managing the concessions of urban services and waste treatments for the Autonomic communities Andalucía Extremadura and Canarias, as well as possible contracting obtained in Murcia and the Autonomous cities of Ceuta and Melilla. This Management is developing an ambitious technological innovation project in the Jerez de la Frontera sludge station. This project foresees the transformation of plastic and other waste for their energy evaluation and subsequent commercialization of the obtained hydrocarbon.

During the 2014 business year and since tenders have been considerably reduced in the national market, the Company has started its geographic expansion abroad. It is estimated that during the first months of 2015 a contract for the construction and operation of a waste station in Melbourne (Australia) will be signed. Likewise, the company expects to incorporate in the first semester of 2015 subsidiary companies that can tender and acquire concessions in the United States of America, Italy and Bolivia. During the 2014 business year offers have been presented for the execution and operation under concession regime of waste treatment stations in Poland, Italy, Bulgaria, Israel, Abu Dhabi and Gibraltar.

The Company has maintained itself during the business year as a reference company in the sector of urban services, consolidating its leadership position in the sector of waste treatment stations and, besides the harsh circumstances, considerably reducing its level of debt.

The most outstanding fact of this business year is without a doubt the company financial situation and cash on hand. The expenses reduction and client collection management policy has represented a reduction of debt with credit entities of 13 million Euros, while the debt with the Group has been reduced in more than 7 additional million. This important procedure together with the reduction of interest rates has represented considerable financial savings.

In relation to the need to improve cash flow, the Company continues to perform active collection management with City Councils, presenting the claims allowed by law and the necessary contentious-administrative recourses, which are being resolved favorably and which have allowed the Company to collect delay interests for an amount exceeding 5 million Euros.

The invoicing of Valoriza Servicios Medioambientales in 2014 is close to 283 million Euros, which represents an increase of 9% in relation to 2013. The result before taxes has improved by 2% (12,636 thousands of Euros against the 12,400 thousands of Euros of 2013), despite the energy reform effects of 2012 and the provisions of possible contingencies in Orihuela, or the Asturias station. The total Balance has reached 346,138 thousands of Euros and the Equity 67,046 thousands of Euros having paid to the shareholders more than 7 million Euros in the business year.

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Even though the company has been selective when contracting, looking for projects that are less cash demanding or that require less initial investment, during the 2014 business year Valoriza Servicios Medioambientales has been awarded projects for an amount greater than 103 million Euros, which allows guaranteeing a great stability for the next years, since most of the mentioned awards are multi annual operations.

The main contracted awards during the 2014 business year are the following:

- Municipal services: this branch encompasses the management of road cleaning, urban centers waste collection including underground containers, gardening and green areas maintenance, the management of parking meters, tow services and removal of vehicles from public roads concessions. During 2014 it is necessary to mention the following awards, among others:

    - Road cleaning services and collection of urban solid waste, Leganés municipality (Madrid). For an amount of 18.26 million Euros and a period of 4 years, renewable by another 2 for the concession.

    - Second renewal of the exteriors cleaning services "Land Side" and "Air Side" of the "Adolfo Suarez-Barajas" Airport, Madrid. For an amount of 8.52 million Euros and a period of 2 years for the concession.

    - Green areas conservation and improvement service (Area 1) of Fuenlabrada (Madrid), for an amount of 7.51 million Euros.

    - Renewal of the Urgent Cleaning contract (SELUR) of Madrid, for an amount of 6.04 million Euros and a period of 8 months.

    - Maintenance and repair service of public roads and infrastructure of municipal services for the municipality of Leganés (Madrid), for an amount of 6 million Euros and a period of 4 years for the concession.

    - Maintenance and conservation services of the green areas, parks and linear tree layout of the Madrid location of Majadahonda. For an amount of 5.53 million Euros and a period of 4 years, renewable by another two for the concession.

    - Renewal of the green areas, road cleaning and collection of goods maintenance contract of Loranca, Nuevo Versalles and Parque Miraflores in the Madrid municipality of Fuenlabrada. For an amount of 2.85 million Euros and a period of 2 years for the concession.

    - Conservation of historical gardens of National Heritage, for an amount of 2.5 million Euros.

    - Maintenance, conservation and restoration of green areas service in the neighborhood of Arroyo Culebro, in Leganés (Madrid). For an amount of 2.33 million Euros.

    - Renewal of the contract for the maintenance of the green areas in several neighborhoods of the Getafe locality (Madrid), for an amount of 2.05 million Euros.

- Waste treatment: with important concessions obtained in the last business years and renewals of concession periods. Develops the construction and operation of Urban Solid stations, containers, batteries, treatment centers of debris from construction and demolition, degasification of landfills and bio methanation stations, incineration and energy evaluation, as well as treatment, composting and thermal drying of waste water purification sludge stations. It is necessary to mention the following contract awarded in 2014:

    - Selection and classification of inorganic station usable materials of the Molins del Rei (Barcelona) Selection Station. For an amount of 3.35 million Euros and a period of 2 years, renewable by another 2 for the concession.

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Valoriza Servicios Medioambientales develops a considerable part of their business through Joint Ventures that are managed in relation to the Company participation. The turnover amount managed by Valoriza Servicios Medioambientales in Joint Ventures is of 89.9 million Euros, which means approximately 31.79% of the total volume.

At the closing of the 2014 business year there are no own shares.

In relation to the risk management policy of the Company see Note Nota 18 of the Report in the 2014 Business Year Annual accounts.

AVERAGE METHOD OF PAYMENT TO SUPPLIERS

During the 2013 and 2014 business years, the average period of payment to supplies has been of 183 days and 91 days, respectively. The company has the intention of shortening these periods to adapt them to the applicable law.

At the closing of the 2013 y 2014, within the balance of suppliers there are no significant amounts that exceeds a period allotted by Law 15/2010 which modifies the Law of measures for the fight against default.

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VALORIZA SERVICIOS MEDIOAMBIENTALES, S.A.

SIGNATURE IDENTIFICATION AND NEGATIVE ENVIRONMENTAL DECLARATION AUTHENTICATION

SIGNATURE AUTHENTICATION:

To certify that the Valoriza Servicios Medioambientales, S.A. Board of Directors on its meeting of March 23rd, 2015 has prepared, for the purposes of article 253 of Spanish Corporations Act in effect, the Annual accounts (Balance sheet, Profit and Loss Account, Equity Changes, Cash Flow Condition and Report) and the management report of the company VSM, S.A. corresponding to the business year of 2014 for its presentation to the decision of the sole shareholder. These documents are transcribed in the above pages that are correlatively numbered from 1 to the current page included, stamped and initialed by the Board Secretary.

In compliance with what is established in the Spanish Corporations Act article 253.2, as a sign of agreement with those Annual accounts and Management Report corresponding to the 2014 business year, that on today's date are comprised by the entirety of VSM, S.A. Board of Directors, sign this authentication.

NEGATIVE ENVIRONMENTAL DECLARATION:

The undersigned, as company directors, declare that in the accounting corresponding to these Annual accounts there are no environmental nature entries that must be included in the Report, according to the third party General Accounting Plan provisions (Royal Decree 1514/07, of November 16th).

Mr. Fernando Lozano Sainz
Chairman

Mr. Javier San Millán Perezagua
Director

Mr. Cesar Gómez Blanco
Director

Of which as Vice-Secretary I certify,

Mr. Francisco Javier Arredondo Díaz
Board of Directors Vice-Secretary.

JOSÉ LUIS GÓMEZ RODRIGUEZ
Traductor-Intérprete jurado de
INGLÉS
Nº 1144

José Luis Gómez Rodríguez, Traductor - Intérprete jurado de inglés, nombrado por el Ministerio de Asuntos Exteriores y Cooperación certifica que la que antecede es traducción fiel y completa al inglés de un documento redactado en español.

En Madrid a 10 JUN. 2015

José Luis Gómez Rodríguez, Sworn Translator - Interpreter to the English Language, appointed by the Ministry of Foreign Affairs and Cooperation certifies that the above is a faithful and whole translation into English from a document drawn in Spanish.

Madrid, 10 JUN. 2015

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Traducción Jurada

Sworn Translation

Ref.:	120816-OM7356192_en
Nombre / Name:	Valoriza Servicios Medioambientales, S.A.
Doc.:	Cuentas Anuales 2015 Annual Accounts 2015

Según el Real Decreto 2555/1977, de 27 de agosto, las traducciones de una lengua extranjera al castellano y viceversa que realicen los Traductores/as-Intérpretes Jurados/as **tendrán carácter oficial.** En caso de duda sobre la autenticidad de este documento, pónganse en contacto conmigo citando la referencia de esta traducción.

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The copies included with this translation do not substitute the original document required for the formalities.

TIMBRE DEL ESTADO

0,03 EUROS

OM7356338

CLASE 8.ª

Informe de Auditoría Independiente

VALORIZA SERVICIOS MEDIOAMBIENTALES, S.A.
Cuentas Anuales e Informe de Gestión
correspondientes al ejercicio anual terminado
el 31 de diciembre de 2015

ADRIÁN P. WOODS
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Independent Audit Report

VALORIZA SERVICIOS MEDIOAMBIENTALES, S.A.

Annual Accounts and Management Report
for the financial year ended on 31st December 2015

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TIMBRE DEL ESTADO

0,03 EUROS

TRES CÉNTIMOS DE EURO

0M7356337

CLASE 8.ª

INFORME DE AUDITORÍA INDEPENDIENTE DE CUENTAS ANUALES

ADRIÁN P. WOODS
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A los accionistas de Valoriza Servicios Medioambientales, S.A.:

Informe sobre las cuentas anuales

Hemos auditado las cuentas anuales adjuntas de Valoriza Servicios Medioambientales, S.A., que comprenden el balance de situación a 31 de diciembre de 2015, la cuenta de pérdidas y ganancias, el estado de cambios en el patrimonio neto, el estado de flujos de efectivo y la memoria correspondientes al ejercicio terminado en dicha fecha.

Responsabilidad de los administradores en relación con las cuentas anuales

Los administradores son responsables de formular las cuentas anuales adjuntas, de forma que expresen la imagen fiel del patrimonio, de la situación financiera y de los resultados de Valoriza Servicios Medioambientales, S.A., de conformidad con el marco normativo de información financiera aplicable a la entidad en España, que se identifica en la nota 2 de la memoria adjunta, y del control interno que consideren necesario para permitir la preparación de cuentas anuales libres de incorrección material, debida a fraude o error.

Responsabilidad del auditor

Nuestra responsabilidad es expresar una opinión sobre las cuentas anuales adjuntas, basada en nuestra auditoría. Hemos llevado a cabo nuestra auditoría de conformidad con la normativa reguladora de la auditoría de cuentas vigente en España. Dicha normativa exige que cumplamos los requerimientos de ética, así como que planifiquemos y ejecutemos la auditoría con el fin de obtener una seguridad razonable de que las cuentas anuales están libres de incorrecciones materiales.

Una auditoría requiere la aplicación de procedimientos para obtener evidencia de auditoría sobre los importes y la información revelada en las cuentas anuales. Los procedimientos seleccionados dependen del juicio del auditor, incluida la valoración de los riesgos de incorrección material en las cuentas anuales, debida a fraude o error. Al efectuar dichas valoraciones del riesgo, el auditor tiene en cuenta el control interno relevante para la formulación por parte de la entidad de las cuentas anuales, con el fin de diseñar los procedimientos de auditoría que sean adecuados en función de las circunstancias, y no con la finalidad de expresar una opinión sobre la eficacia del control interno de la entidad. Una auditoría también incluye la evaluación de la adecuación de las políticas contables aplicadas y de la razonabilidad de las estimaciones contables realizadas por la dirección, así como la evaluación de la presentación de las cuentas anuales tomadas en su conjunto.

Consideramos que la evidencia de auditoría que hemos obtenido proporciona una base suficiente y adecuada para nuestra opinión de auditoría.

Domicilio Social: Pl. Pablo Ruiz Picasso, 1. 28020 Madrid - Inscrita en el Registro Mercantil de Madrid al Tomo 12749, Libro 0, Folio 215, Sección 8ª, Hoja M-23123, Inscripción 116. C.I.F. B-78970506.
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INDEPENDENT AUDIT REPORT ON ANNUAL ACCOUNTS

To the Shareholders of
VALORIZA SERVICIOS MEDIOAMBIENTALES, S.A.:

Report on the annual accounts

We have audited the attached annual accounts of Valoriza Servicios Medioambientales, S.A., that include the balance sheet on 31st December 2015, the profit and loss accounts, the statement of changes in the net assets, the cash flow statement and the annual report for the financial year ending on that date.

Responsibility of the Directors in relation to the annual accounts

The Directors are responsible for drawing up the attached annual accounts, so they provide a true image of the assets, the financial situation and results of Valoriza Servicios Medioambientales, S.A., pursuant to regulatory framework of financial information applicable to the company in Spain, that is identified in note 2 to the attached report, and internal control that is considered necessary to allow preparation of the annual accounts free of material incorrection due to fraud or error.

Responsibility of the auditor

Our responsibility is to express an opinion on the attached annual accounts based on our audit. We have carried out our audit pursuant to the rules governing accounts auditing in force in Spain. That regulation requires us to fulfil the requisites of ethics, as well as plan and perform the audit in order to obtain reasonable security regarding the annual accounts being free of material incorrection.

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TIMBRE DEL ESTADO
0,03 EUROS
TRES CÉNTIMOS DE EURO

Opinión

CLASE 8.ª

En nuestra opinión, las cuentas anuales adjuntas expresan, en todos los aspectos significativos, la imagen fiel del patrimonio y de la situación financiera de Valoriza Servicios Medioambientales, S.A. a 31 de diciembre de 2015, así como de sus resultados y flujos de efectivo correspondientes al ejercicio anual terminado en dicha fecha, de conformidad con el marco normativo de información financiera que resulta de aplicación y, en particular, con los principios y criterios contables contenidos en el mismo.

Informe sobre otros requerimientos legales y reglamentarios

El informe de gestión adjunto del ejercicio 2015 contiene las explicaciones que los administradores consideran oportunas sobre la situación de la sociedad, la evolución de sus negocios y sobre otros asuntos y no forma parte integrante de las cuentas anuales. Hemos verificado que la información contable que contiene el citado informe de gestión concuerda con la de las cuentas anuales del ejercicio 2015. Nuestro trabajo como auditores se limita a la verificación del informe de gestión con el alcance mencionado en este mismo párrafo y no incluye la revisión de información distinta de la obtenida a partir de los registros contables de la sociedad.

ERNST & YOUNG, S.L.
(inscrita en el Registro Oficial de Auditores de Cuentas con el Nº S0530)

Fernando González Cuervo

Auditores
ERNST & YOUNG, S.L.
Año 2016 Nº 01/16/02667
SELLO CORPORATIVO: 96,00 EUR
Informe sujeto a la normativa reguladora de la actividad de auditoría de cuentas en España

20 de abril de 2016

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An audit requires application of procedures to obtain auditing evidence regarding the amounts and information disclosed in the annual accounts. The procedures selected depend on the judgement of the auditor, including valuation of the risks of material incorrection in the annual accounts, due to fraud or error. By performing those risk evaluations, the auditor takes into account the relevant internal control for the company to draw up the annual accounts, in order to design the audit procedures that are adequate according to the circumstances, and not in order to express an opinion on the effective of internal control by the company. An audit also includes evaluation of the adequacy of the accounting policies applied and the reasonable nature of the accounting estimates made by the management, as well as evaluation of the adequacy of the accounting policies and whether the accounting estimates made by the management, as well as evaluating the presentation of the annual accounts taken overall.

We consider that the auditing evidence we have obtained provides a sufficient, adequate base for our auditor's opinion.

Opinion

In our opinion, the attached annual accounts provide, in all significant aspects, the true image of the assets, and the financial situation of Valoriza Servicios Medioambientales, S.A. on 31st December 2015, as well as its results and cash flows of the financial year ended on that date, pursuant to the regulatory framework on financial information that is applicable and, in particular, with the accounting principles and criteria contained therein.

Report on other legal and statutory requirements

The attached management report for financial year 2015 contains the explanations that the Directors consider appropriate on the situation of the company, the evolution of its business and on other matters and it does not form an integral part of the annual accounts. We have checked that the accounting information that management report contains matches that of the annual accounts of financial year 2015. Our work as auditors is limited to verification of the management report to the extent mentioned in this same paragraph and it does not include information other than that obtained from the accounting records of the company.

20th April 2016

ERNST & YOUNG, S.L.
(Registered on the Official Register of Accounts Auditors

TIMBRE DEL ESTADO

0,03 EUROS
TRES CÉNTIMOS DE EURO

CLASE 8.ª

VALORIZA SERVICIOS MEDIOAMBIENTALES, S.A.

Cuentas Anuales e Informe de Gestión correspondientes al ejercicio anual terminado el 31 de diciembre de 2015

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VALORIZA SERVICIOS MEDIOAMBIENTALES, S.A.
ABBREVIATED BALANCE SHEETS ON 31ST DECEMBER 2015 AND 2014
(Stated in Euros)

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under number S0530).
(Signature)
Fernando González Cuervo

Auditors
ERNST & YOUNG, S.L.

Year 2016 No. 01/16/02667
CORPORATE SEAL: 96.00 EUR.

Report subject to the rules that regulate accounts auditing activity in Spain.

A member firm of Ernst & Young Global Limited.

Registered office: Pl. Pablo Ruiz Picasso, 1, 28020 Madrid - Registered at the Business Registry of Madrid at Volume 12749, Book 0, Folio 215, Section 8, Sheet M-23123, Inscription 115. T.I.N. B-78970506. A member firm of Ernst & Young Global Limited.

TIMBRE DEL ESTADO 0,03 EUROS

OM7356334

VALORIZA SERVICIOS MEDIOAMBIENTALES, S.A.
BALANCES DE SITUACIÓN ABREVIADOS AL 31 DE DICIEMBRE DE 2015 y 2014
(Expresados en Euros)

ACTIVO	Notas de la memoria	2015	2014
A) ACTIVO NO CORRIENTE		**193.363.157,34**	**197.846.737,98**
I. Inmovilizado intangible	5	34.135.117,66	35.880.254,64
1. Aplicaciones informáticas		288.375,56	64.818,86
2. Otro inmovilizado intangible		295.213,92	64.435,00
3. Acuerdo de concesión	6	33.551.528,18	35.751.000,78
a) Acuerdo de concesión, activo regulado		30.818.031,67	33.317.211,13
b) Acuerdo de concesión, activación financiera		2.651.699,21	2.188.894,09
c) Anticipos por acuerdo de concesión, activo regulado		81.797,30	244.895,56
II. Inmovilizado material	7	68.008.247,50	70.268.295,19
1. Terrenos y construcciones		5.138.416,63	5.377.646,56
2. Instalaciones técnicas y otro inmovilizado material		60.631.595,62	64.748.563,50
3. Inmovilizado en curso y anticipos		2.238.235,25	142.085,13
III. Inversiones en empresas del grupo y asociadas a largo plazo	10,21b	19.056.500,20	17.548.478,48
1. Instrumentos de patrimonio		6.295.208,34	5.168.986,19
2. Créditos a empresas		12.761.291,86	12.379.492,29
IV. Inversiones financieras a largo plazo	9a	9.412.466,17	6.535.470,22
1. Instrumentos de patrimonio		7.515,00	7.515,00
2. Créditos a terceros		1.146.914,30	1.142.437,52
3. Otros activos financieros		8.258.036,87	5.385.517,70
V. Activos por impuesto diferido	19b	9.442.789,54	11.153.494,52
VI. Deudores comerciales no corrientes	6,9a	53.328.036,27	56.460.744,91
1. Acuerdo de concesión, derecho de cobro		53.328.036,27	56.460.744,91
B) ACTIVO CORRIENTE		**166.177.184,78**	**148.291.162,39**
I. Existencias	12	3.159.798,50	1.876.196,91
1. Comerciales		2.463.925,98	1.527.073,57
2. Materias primas y otros aprovisionamientos		179.948,70	105.890,06
3. Productos terminados		14.224,00	15.228,00
4. Subproductos, residuos y materiales recuperados		55.182,98	59.037,67
5. Anticipos a proveedores		496.516,84	168.967,61
II. Deudores comerciales y otras cuentas a cobrar	9a	123.122.621,70	125.516.096,17
1. Clientes por ventas y prestaciones de servicios		102.404.568,67	109.571.661,94
2. Clientes, empresas del grupo y asociadas	21b	8.462.752,71	6.958.075,93
3. Deudores varios		6.854.664,66	3.811.579,88
4. Personal		235.596,10	547.437,80
5. Otros créditos con las Administraciones Públicas	19a	1.535.046,20	1.164.368,78
6. Acuerdo de concesión, derecho de cobro	6,9a	3.629.993,36	3.462.971,84
III. Inversiones en empresas del grupo y asociadas a corto plazo	10,21b	8.407.100,53	5.467.903,76
1. Créditos a empresas		16.159,35	445.139,97
2. Otros activos financieros		8.390.941,18	5.022.763,79
IV. Inversiones financieras a corto plazo	9a	2.818.662,42	835.104,52
1. Otros activos financieros		2.818.662,42	835.104,52
V. Periodificaciones a corto plazo	16a	1.275.578,18	1.334.773,94
VI. Efectivo y otras activos líquidos equivalentes	13	27.393.423,45	13.261.087,09
1. Tesorería		27.393.423,45	13.261.087,09
TOTAL ACTIVO		**359.540.342,12**	**346.137.900,37**

Las Notas 1 a 24 descritas en la Memoria adjunta forman parte integrante del balance de situación.

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VALORIZA SERVICIOS MEDIOAMBIENTALES, S.A.

Annual Accounts and Management Report
for the financial year ended on 31st December 2015

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TIMBRE DEL ESTADO 0,03 EUROS TRES CÉNTIMOS DE EURO
CLASE 8.ª
OM7356333

VALORIZA SERVICIOS MEDIOAMBIENTALES, S.A.
BALANCES DE SITUACIÓN ABREVIADOS AL 31 DE DICIEMBRE DE 2015 y 2014
(Expresados en Euros)

PATRIMONIO NETO Y PASIVO	Notas de la memoria	2015	2014
A) PATRIMONIO NETO		**66.924.104,37**	**67.045.672,35**
A-1) FONDOS PROPIOS		71.678.285,91	72.388.530,03
I. Capital	14a	17.129.235,00	17.129.235,00
1. Capital escriturado		17.129.235,00	17.129.235,00
II. Prima de emisión	14a	17.881.778,66	17.881.778,66
III. Reservas	14b	29.429.551,33	28.724.751,99
1. Legal y estatutarias		3.425.847,00	3.425.847,00
2. Otras reservas		26.003.704,33	25.298.904,99
IV. Resultado del ejercicio	3	7.237.720,92	8.652.764,38
A-2) AJUSTES POR CAMBIOS DE VALOR	9c	(4.862.368,92)	(5.449.865,46)
I. Operaciones de cobertura		(4.862.368,92)	(5.449.865,46)
A-3) SUBVENCIONES, DONACIONES Y LEGADOS RECIBIDOS	14c,17	110.187,38	108.007,78
B) PASIVO NO CORRIENTE		**170.229.595,74**	**140.907.406,85**
I. Provisiones a largo plazo	15a	9.794.262,85	5.780.321,59
1. Otras provisiones		8.922.673,07	5.034.137,17
2. Provisiones por actuaciones sobre la infraestructura		871.589,78	746.184,42
II. Deudas a largo plazo	9b	82.313.189,70	91.797.312,58
1. Deudas con entidades de crédito		66.397.864,84	73.972.198,11
2. Acreedores por arrendamiento financiero		5.594.062,65	6.905.114,59
3. Derivados	9d	4.931.232,56	5.961.037,75
4. Otros pasivos financieros		5.390.029,65	4.958.962,13
III. Deudas con empresas del grupo y asociadas a largo plazo	21b	72.851.847,79	56.990.414,37
IV. Pasivos por impuesto diferido	17b	5.270.295,42	6.339.557,31
C) PASIVO CORRIENTE		**122.404.641,99**	**118.185.422,15**
I. Provisiones a corto plazo	15b	6.675.455,77	6.504.436,00
II. Deudas a corto plazo	9b	30.324.712,54	43.424.536,83
1. Deudas con entidades de crédito		24.115.104,78	36.531.659,19
2. Acreedores por arrendamiento financiero		3.812.669,78	4.278.252,05
3. Derivados	9d	1.372.733,54	1.186.104,08
4. Otros pasivos financieros		1.024.204,44	1.428.523,51
III. Deudas con empresas del grupo y asociadas a corto plazo	21b	4.915.246,93	4.756.111,07
IV. Acreedores comerciales y otras cuentas a pagar	9b	79.496.593,03	62.373.047,55
1. Proveedores		50.937.921,26	37.741.303,00
2. Proveedores, empresas del grupo y asociadas	21b	4.358.681,56	4.263.160,37
3. Acreedores varios		11.762.190,55	7.953.051,84
4. Personal (remuneraciones pendientes de pago)		5.053.118,95	4.949.913,83
5. Otras deudas con las Administraciones Públicas	19a	7.384.680,71	7.465.628,51
V. Periodificaciones a corto plazo	16b	992.633,72	1.125.488,70
TOTAL PATRIMONIO NETO Y PASIVO		**359.560.342,12**	**346.137.900,35**

Las Notas 1 a 24 descritas en la Memoria adjunta forman parte integrante del balance de situación.

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VALORIZA SERVICIOS MEDIOAMBIENTALES, S.A.
ABBREVIATED BALANCE SHEETS ON 31ST DECEMBER 2015 AND 2014
(Stated in Euros)

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ASSETS	Notes to the annual report	2015	2014
A) NON CURRENT ASSETS		193,383,157.34	197,846,737.96
I. Intangible fixed assets			
1. Computer applications	5	34,135,117.66	35,880,254.64
2. Other intangible fixed assets		288,375.56	64,818.86
3. Concession agreement		295,213.92	64,435.00
a) Concession agreement	6	33,551,528.18	35,751,000.78
b) Concession agreement, financial activation		30,818,031.67	33,317,211.13
c) Advances by concession agreement, regulated asset		2,651,699.21	2,188,894.09
		81,797.30	244,695.56
II. Tangible fixed assets			
1. Land and constructions	7	68,008,247.50	70,268,295.19
2. Technical installations and other tangible fixed assets		5,138,416.63	5,377,646.56
3. Current intangibles and advances		60,631,595.62	64,748,563.50
		2,238,235.25	142,085.13
III. Long term investments in group and associated companies			
1. Equity instruments	10,21b	19,056,500.20	17,548,478.48
2. Loans to companies		6,295,208.34	5,168,986.19
		12,761,291.86	12,379,492.29
IV. Long term financial investments			
1. Asset instruments	9a	9,412,466.17	6,535,470.22
2. Third party loans		7,515.00	7,515.00
3. Other financial assets		1,146,914.30	1,142,437.52
		8,258,036.87	5,385,517.70
V. Deferred tax assets	19b	9,442,789.54	11,153,494.52
VI. Non current trade debtors			
1. Concession agreement, collection right	6,9a	53,328,036.27	56,460,744.91
		53,328,036.27	56,460,744.91
B) CURRENT ASSETS		166,177,184.78	148,291,162.39
I. Stocks			
1. Trade	12	3,159,798.50	1,876,196.91
2. Raw materials and other provisions		2,463,925.98	1,527,073.57
3. Finished products		129,948.70	105,890.06
4. By-products, waste and materials recovered		14,224.00	15,228.00
5. Advances to providers		55,182.98	59,037.67
		496,516.84	168,967.61
II. Trade debtors and other accounts due			
1. Clients for sales and provisions of services	9a	123,122,621.70	125,516,096.17
2. Clients, group and associated companies	21b	102,404,568.67	109,571,661.94
3. Sundry debtors		8,462,752.71	6,958,075.93
4. Personnel		6,854,664.66	3,811,579.88
5. Other credits with Public Administrations		235,596.10	547,437.80
6. Concession agreement, collection right	19a	1,535,046.20	1,164,368.78
	6,9a	3,629,993.36	3,462,971.84
III. Short term investments in group and associated companies			
1. Loans to companies	10,21b	8,407,100.53	5,467,903.76
2. Other financial assets		16,159.35	445,139.97
		8,390,941.18	5,022,763.79
IV. Short term financial investments			
1. Other financial assets	9a	2,818,662.42	835,104.52
		2,818,662.42	835,104.52

TIMBRE DEL ESTADO 0,03 EUROS
CLASE 8ª
TRES CÉNTIMOS DE EURO

OM7356332

VALORIZA SERVICIOS MEDIOAMBIENTALES, S.A.
CUENTAS DE PÉRDIDAS Y GANANCIAS CORRESPONDIENTES A LOS EJERCICIOS ANUALES TERMINADOS EL 31 DE DICIEMBRE DE 2015 y 2014
(Expresadas en Euros)

		Notes de la Memoria	2015	2014
A)	OPERACIONES CONTINUADAS			
1.	Importe neto de la cifra de negocios	20a	302.769.758,36	282.769.609,06
	a) Prestación de servicios		299.768.795,77	279.600.109,73
	b) Ingreso financiero, acuerdo de concesión		3.000.962,59	3.169.499,33
2.	Variación de existencias de productos terminados y en curso de fabricación		1.063.127,04	898.171,74
3.	Trabajos realizados por la empresa para su activo		1.959.005,74	14.383,68
4.	Aprovisionamientos	20b	(41.653.654,50)	(36.283.088,94)
	a) Consumo de mercaderías		(10.889.676,89)	(10.020.869,46)
	b) Consumo de materias primas y otras materias consumibles		(5.499.062,08)	(3.276.508,69)
	c) Trabajos realizados por otras empresas		(25.264.915,53)	(23.085.710,79)
5.	Otros ingresos de explotación		5.732.256,99	10.988.649,30
	a) Ingresos accesorios y otros de gestión corriente	20f	5.545.328,14	10.957.225,01
	b) Subvenciones de explotación incorporadas al resultado del ejercicio		186.928,85	31.424,29
6.	Gastos de personal	20d	(175.885.398,97)	(175.632.948,16)
	a) Sueldos, salarios y asimilados		(131.342.362,99)	(130.510.962,08)
	b) Cargas sociales		(44.543.035,98)	(45.121.986,08)
7.	Otros gastos de explotación		(56.566.172,45)	(53.123.487,16)
	a) Servicios exteriores	20e	(52.623.856,68)	(46.519.424,89)
	b) Tributos		(1.322.394,68)	(1.345.623,09)
	c) Pérdidas, deterioro y variación de provisiones por operaciones comerciales		(1.955.839,58)	(4.745.325,07)
	d) Otras gastos de gestión corriente		(664.081,51)	(513.114,11)
8.	Amortización del inmovilizado	5,7	(16.184.458,08)	(15.336.311,89)
9.	Imputación de subvenciones de inmovilizado no financiero y otras	9b	236.563,06	72.691,29
10.	Excesos de provisiones	15b	53.590,83	504.293,17
11.	Deterioro y resultado por enajenaciones del inmovilizado		(1.204.131,86)	(859.242,91)
	a) Deterioros y pérdidas	7	(835.934,38)	(261.906,70)
	b) Resultados por enajenaciones y otros		(368.197,48)	(597.336,21)
A.1)	RESULTADO DE EXPLOTACION		30.320.486,16	13.913.739,38
12.	Ingresos financieros	9c	3.304.548,32	6.445.551,27
	a) De participaciones en instrumentos de patrimonio		1.124.995,09	556.555,30
	- En terceros		1.124.995,09	556.555,30
	b) De valores negociables y otros instrumentos financieros		2.179.553,23	5.888.995,97
	- En empresas del grupo y asociadas	21a	306.955,79	333.479,11
	- En terceros		1.872.597,44	5.555.516,86
13.	Gastos financieros	9c	(7.333.498,58)	(7.530.214,31)
	a) Por deudas con empresas del grupo y asociadas	21a	(2.752.375,63)	(2.276.167,84)
	b) Por deudas con terceros		(4.112.633,19)	(4.697.327,65)
	c) Por actualización de provisiones		(5.684,64)	(7.452,83)
	d) Incorporación al activo de gastos financieros	5	(462.805,12)	(549.265,99)
14.	Variación del valor razonable en instrumentos financieros	9d	(1.225.869,06)	(1.217.581,22)
	a) Cartera de negociación y otros		(1.225.869,06)	(1.217.581,22)
15.	Diferencias de cambio		238.619,19	(30,89)
16.	Deterioro y resultado por enajenaciones de instrumentos financieros	9c	(2.169.767,75)	1.024.965,51
	a) Deterioros y pérdidas		(2.172.382,34)	(2.251.626,92)
	b) Resultados por enajenaciones y otros		2.614,59	3.276.592,43
A.2)	RESULTADO FINANCIERO		(7.185.767,88)	(1.277.309,64)
A.3)	RESULTADO ANTES DE IMPUESTOS		23.134.818,28	12.636.429,74
17.	Impuestos sobre beneficios	19	(4.732.789,61)	(4.030.482,05)
18.	Ajuste al impuesto	19	(1.164.007,55)	46.836,89
A.4)	RESULTADO DEL EJERCICIO PROCEDENTE DE OPERACIONES CONTINUADAS		17.237.220,92	8.652.784,38
B)	OPERACIONES INTERRUMPIDAS			
A.5)	RESULTADO DEL EJERCICIO		17.237.220,92	8.652.784,38

Los Notas 1 a 24 descritas en la Memoria adjunta forman parte integrante de la cuenta de pérdidas y ganancias.

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VALORIZA SERVICIOS MEDIOAMBIENTALES, S.A.
ABBREVIATED BALANCE SHEETS ON 31ST DECEMBER 2015 AND 2014
(Stated in Euros)

V. Short term fimings	16a	1,275,578.18	1,334,773.94
VI. Cash and other equivalent liquid assets	13	27,393,423.45	13,261,087.09
1. Cash and banks		27,393,423.45	13,261,087.09
TOTAL ASSETS		359,560.12	346,137.35

Notes 1 to 24 described in the attached Annual Report form an integral part of the balance sheet.

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TIMBRE DEL ESTADO 0,03 EUROS TRES CÉNTIMOS DE EURO

VALORIZA SERVICIOS MEDIOAMBIENTALES, S.A. 0M7356331
ESTADOS DE CAMBIOS EN EL PATRIMONIO NETO CORRESPONDIENTES A LOS EJERCICIOS ANUALES TERMINADOS EL 31 DE DICIEMBRE DE 2015 y 2014
(Expresados en Euros)

A) ESTADOS DE INGRESOS Y GASTOS RECONOCIDOS CORRESPONDIENTES A LOS EJERCICIOS ANUALES TERMINADOS EL 31 DE DICIEMBRE DE 2015 Y 2014

CLASE 8.ª

	2015	2014
A) RESULTADO DE LA CUENTA DE PÉRDIDAS Y GANANCIAS	**7.237.720,92**	**8.652.764,38**
Ingresos y gastos imputados directamente al patrimonio neto		
I. Por cobertura de flujos de efectivo	(409.901,64)	(2.159.820,09)
II. Subvenciones, donaciones y legados recibidos	239.609,46	104.195,96
III. Efecto impositivo	47.660,16	630.900,56
B) TOTAL INGRESOS Y GASTOS IMPUTADOS DIRECTAMENTE EN EL PATRIMONIO NETO	**(122.632,03)**	**(1.424.723,57)**
Transferencias a la cuenta de pérdidas y ganancias		
IV. Por cobertura de flujos de efectivo	1.225.869,06	1.217.581,22
V. Subvenciones, donaciones y legados recibidos	(236.552,16)	(72.691,29)
VI. Efecto impositivo	(277.008,73)	(343.466,98)
C) TOTAL TRANSFERENCIAS A LA CUENTA DE PÉRDIDAS Y GANANCIAS	**712.308,17**	**801.422,95**
TOTAL INGRESOS Y GASTOS RECONOCIDOS (A + B + C)	7.827.397,06	8.029.463,76

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VALORIZA SERVICIOS MEDIOAMBIENTALES, S.A.
ABBREVIATED BALANCE SHEETS ON 31ST DECEMBER 2015 AND 2014
(Stated in Euros)

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NET ASSETS AND LIABILITIES	Notes to the Annual Report	2015	2014
A) NET ASSETS		66,926,104.37	67,046,672.35
A-1) EQUITY		71,678,285.91	72,388,530.03
I. Capital			
1. Deed capital	14a	17,129,235.00	17,129,235.00
		17,129,235.00	17,129,235.00
II. Issue premium	14a	17,881,778.66	17,881,778.66
III. Reserves			
1. Legal and statutory	14b	29,429,551.33	28,724,751.99
2. Other reserves		3,425,847.00	3,425,847.00
		26,003,704.33	25,298,904.99
IV. Result of the financial year	3	7,237,720.92	8,652,764.38
A-2) ADJUSTMENTS DUE TO VALUE CHANGES	9c	(4,862,368.92)	(5,449,865.46)
I. Coverage operation s		(4,862,368.92)	(5,449,865.46)
A-3) SUBVENTIONS, DONATIONS AND LEGACIES RECEIVED	14c,17	110,187.38	108,007.78
B) NON CURRENT LIABILITIES		170,229,595.76	160,907,605.85
I. Long term provisions			
1. Other provisions	15a	9,794,262.85	5,780,321.59
2. Provisions for actions on infrastructure		8,922,673.07	5,034,137.17
		871,589.78	746,184.42
II. Long term debt	9b	82,313,189.70	91,797,312.58
1. Debts to lending institutions		66,397,864.84	73,972,198.11
2. Creditors for financial leases		5,594,062.65	6,905,114.59
3. Derivatives	9d	4,931,232.56	5,961,037.75
4. Other financial liabilities		5,390,029.65	4,958,962.13
III. Long term debt s to group and associated companies	21b	72,851,847.79	56,990,414.37
IV. Deferred tax liabilities	19b	5,270,295.42	6,339,557.31
C) CURRENT LIABILITIES		122,404,641.99	118,183,622.15
I. Short term provisions	15b	6,675,455.77	6,504,436.00
II. Short term debts	9b	30,324,712.54	43,424,538.83
1. Debts to lending institutions		24,115,104.78	36,531,659.19
2. Financial leasing creditors		3,812,669.78	4,278,252.05
3. Derivatives	9d	1,372,733.54	1,186,104.08
4. Other financial liabilities		1,024,204.44	1,428,523.51
III. Short term debts with group and associated companies	21b	4,915,246.93	4,756,111.07
IV. Trade creditors and other accounts payable	9b	79,496,593.03	62,373,047.55
1. Providers		50,937,921.26	37,741,303.00
2. Providers, group and associated companies	21b	4,358,681.56	4,263,150.37
3. Sundry creditors		11,762,190.55	7,953,051.84
4. Personnel (remunerations pending payment)		5,053,118.95	4,949,913.83
5. Other debts with Public Administrations	19a	7,384,680.71	7,465,628.51

VALORIZA SERVICIOS MEDIOAMBIENTALES, S.A.
ESTADOS DE CAMBIOS EN EL PATRIMONIO NETO CORRESPONDIENTES A LOS EJERCICIOS ANUALES TERMINADOS EL 31 DE DICIEMBRE DE 2015 y 2014
(Expresados en Euros)

B) ESTADOS TOTALES DE CAMBIOS EN EL PATRIMONIO NETO CORRESPONDIENTES A LOS EJERCICIOS ANUALES TERMINADOS EL 31 DE DICIEMBRE DE 2015 y 2014

	Capital Escriturado	Prima de emisión	Reservas	Resultado del ejercicio	Ajustes por cambios de valor	Subvenciones donaciones y legados recibidos	TOTAL
A) SALDO A 01/01/2014	17,129,235.00	17,881,778.66	28,021,264.18	8,411,443.84	(4,790,598.25)	71,741.19	67,045,864.62
I. Ajustes por cambios de criterio	-	-	-	-	-	-	-
II. Ajustes por errores	-	-	-	-	-	-	-
B) SALDO AJUSTADO INICIO DEL EJERCICIO 2014	17,129,235.00	17,881,778.66	28,021,264.18	8,411,443.84	(4,790,598.25)	71,741.19	67,045,864.62
I. Total ingresos y gastos reconocidos	-	-	-	8,652,764.38	(659,567.21)	36,266.59	8,029,463.76
II. Operaciones con socios o propietarios	-	-	-	(7,709,155.75)	-	-	(7,709,155.75)
1. Distribución de dividendos	-	-	-	(7,709,155.75)	-	-	(7,709,155.75)
III. Otras variaciones del patrimonio neto	-	-	703,487.81	(703,487.81)	-	-	-
C) SALDO FINAL DEL EJERCICIO 2014	17,129,235.00	17,881,778.66	28,724,751.99	8,652,764.38	(5,449,865.46)	108,007.78	67,046,672.35
I. Ajustes por cambios de criterio	-	-	-	-	-	-	-
II. Ajustes por errores	-	-	-	-	-	-	-
D) SALDO AJUSTADO INICIO DEL EJERCICIO 2015	17,129,235.00	17,881,778.66	28,724,751.99	8,652,764.38	(5,449,865.46)	108,007.78	67,046,672.35
I. Total ingresos y gastos reconocidos	-	-	-	7,237,720.92	587,496.54	2,179.60	7,827,397.06
II. Operaciones con socios o propietarios	-	-	-	(7,947,965.04)	-	-	(7,947,965.04)
1. Distribución de dividendos	-	-	-	(7,947,965.04)	-	-	(7,947,965.04)
III. Otras variaciones del patrimonio neto	-	-	704,799.34	(704,799.34)	-	-	-
E) SALDO FINAL DEL EJERCICIO 2015	17,129,235.00	17,881,778.66	29,429,551.33	7,237,720.92	(4,862,368.92)	110,187.38	66,926,104.37

TIMBRE DEL ESTADO
0,03 EUROS

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VALORIZA SERVICIOS MEDIOAMBIENTALES, S.A.
ABBREVIATED BALANCE SHEETS ON 31ST DECEMBER 2015 AND 2014
(Stated in Euros)

V. Short term timings	16b	992,633.72	1,125,488.70
TOTAL NET ASSETS AND LIABILITIES		359,560,342.12	346,137,900.35

Notes 1 to 24 described in the attached Annual Report form an integral part of the balance sheet.

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TIMBRE DEL ESTADO 0,03 EUROS TRES CENTIMOS DE EURO

OM7356329

VALORIZA SERVICIOS MEDIOAMBIENTALES, S.A.
ESTADOS DE FLUJOS DE EFECTIVO CORRESPONDIENTES A LOS EJERCICIOS ANUALES TERMINADOS EL 31 DE DICIEMBRE DE 2015 y 2014
(Expresados en Euros)

CLASE 8.ª

	2015	2014
A) FLUJOS DE EFECTIVO DE LAS ACTIVIDADES DE EXPLOTACIÓN		
1. Resultado del ejercicio antes de impuestos	13.134.518,28	12.636.409,54
2. Ajustes al resultado:	26.340.243,51	21.640.205,05
a) Amortización del inmovilizado	16.184.458,08	15.335.311,89
b) Correcciones valorativas por deterioro	3.008.316,72	2.513.533,62
c) Variación de provisiones	1.902.248,75	4.241.031,90
d) Imputación de subvenciones	(236.563,06)	(72.691,29)
e) Resultados por bajas y enajenaciones de inmovilizado	368.197,48	597.334,21
f) Resultados por bajas y enajenaciones de instrumentos financieros	(2.614,59)	(3.276.592,43)
g) Ingresos financieros	(3.304.548,32)	(6.445.551,27)
h) Gastos financieros	6.870.693,46	6.980.948,32
i) Diferencias de cambio	(238.619,19)	30,89
j) Variación de valor razonable en instrumentos financieros	1.225.869,04	1.217.581,22
k) Otros ingresos y gastos	462.805,12	549.265,99
3. Cambios en el capital corriente	22.759.966,12	1.979.477,62
a) Existencias	(1.283.601,59)	(525.494,17)
b) Deudores y otras cuentas a cobrar	5.729.273,36	23.193.230,19
c) Otros activos corrientes	59.195,76	(252.111,50)
d) Acreedores y otras cuentas a pagar	17.154.142,76	(7.558.627,00)
e) Otros pasivos corrientes	(2.072.880,27)	(1.174.195,17)
f) Otros activos y pasivos no corrientes	3.173.836,10	(11.703.324,73)
4. Otros flujos de efectivo de las actividades de explotación	(6.043.884,83)	(2.580.670,09)
a) Pagos de intereses	(3.679.305,79)	(4.264.885,48)
b) Cobros de dividendos	1.124.995,09	556.555,30
c) Cobros de intereses	2.179.553,23	5.888.995,97
d) Cobros (pagos) por impuesto sobre beneficios	(5.669.127,36)	(4.761.535,88)
5. Flujos de efectivo de las actividades de explotación	**56.090.843,08**	**33.675.222,12**
B) FLUJOS DE EFECTIVO DE LAS ACTIVIDADES DE INVERSIÓN		
6. Pagos por inversiones	(26.062.688,24)	(15.096.715,46)
a) Empresas del grupo y asociadas	(7.048.581,45)	(206.837,51)
b) Inmovilizado intangible	(1.442.672,66)	(1.931.810,77)
c) Inmovilizado material	(12.710.880,28)	(12.302.729,76)
d) Otros activos financieros	(4.860.553,85)	(755.337,42)
7. Cobros por desinversiones	736.241,26	11.470.052,56
a) Empresas del grupo y asociadas	427.550,98	4.424.014,85
b) Inmovilizado intangible	(111.035,66)	5.690.095,41
c) Inmovilizado material	415.681,71	861.682,61
d) Otros activos financieros	4.044,23	494.259,69
8. Flujos de efectivo de las actividades de inversión	**(25.326.446,98)**	**(3.626.662,90)**
C) FLUJOS DE EFECTIVO DE LAS ACTIVIDADES DE FINANCIACIÓN		
9. Cobros y pagos por instrumentos de patrimonio	(11.122,06)	22.853,18
a) Subvenciones, donaciones y legados recibidos	(11.122,06)	22.853,18
10. Cobros y pagos por instrumentos de pasivo financiero	(8.911.591,83)	(24.600.228,98)
a) Emisión	85.136.473,10	(2.510.345,32)
1. Deudas con empresas del grupo y asociadas	84.705.405,58	(2.825.433,83)
2. Otras deudas	431.067,52	315.088,51
b) Devolución y amortización de	(94.048.064,93)	(22.089.883,66)
1. Obligaciones y otros valores negociables	(465.582,27)	(663.605,30)
2. Deudas con entidades de crédito	(21.278.146,84)	(12.344.200,63)
3. Deudas con empresas del grupo y asociadas	(71.900.017,05)	(8.449.621,41)
4. Otras deudas	(404.319,07)	(632.456,32)
11. Pagos por dividendos y remuneraciones de otros instrumentos de patrimonio	(7.947.965,04)	(7.708.155,75)
a) Dividendos	(7.947.965,04)	(7.708.155,75)
12. Flujos de efectivo de las actividades de financiación	**(16.870.678,93)**	**(32.285.531,55)**
D) EFECTO DE LAS VARIACIONES DE LOS TIPOS DE CAMBIO	**238.619,19**	**(30,89)**
E) AUMENTO/DISMINUCIÓN NETA DEL EFECTIVO O EQUIVALENTES	**14.132.336,36**	**(2.237.003,22)**
Efectivo o equivalentes al comienzo del ejercicio	13.261.087,09	15.498.090,31
Efectivo o equivalentes al final del ejercicio	27.393.423,45	13.261.087,09

VALORIZA SERVICIOS MEDIOAMBIENTALES, S.A.
PROFIT AND LOSS ACCOUNTS FOR THE FINANCIAL YEARS ENDED ON 31ST DECEMBER 2015 AND 2014
(Stated in Euros)

ADRIAN P. WOODS
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	Notes to the Annual Report	2015	2014
A) ONGOING OPERATIONS			
1. Net turnover	20a	302,769,758.36	282,769,609.06
a) Service provision		299,768,795.77	279,600,109.73
b) Financial revenue, concession agreement		3,000,962.59	3,169,499.33
2. Variation on stocks of finished products and work in progress		1,063,127.04	898,171.74
3. Work performed by the company on its assets		1,959,005.74	14,383.68
4. Provisions	20b	(41,653,654.50)	(36,383,088.94)
a) Consumption of goods		(10,889,676.89)	(10,020,869.46)
b) Consumption of raw materials and other consumables		(5,499,062.08)	(3,276,508.69)
c) Work performed by other companies		(25,264,915.53)	(23,085,710.79)
5. Other operating revenue	20f	5,732,256.99	10,988,649.30
a) Accessory revenue and others of current management		5,545,328.14	10,957,225.01
b) Operating subventions included in the result of the financial year		186,928.85	31,424.29
6. Personnel expenses	20d	(175,885,398.97)	(175,632,948.16)
a) Wages, salaries and related		(131,342,362.99)	(130,510,962.08)
b) Social charges		(44,543,035.98)	(45,121,986.08)
7. Other operating expenses	20e	(56,566,172.45)	(53,123,487.16)
a) Outsourcing		(52,623,856.68)	(46,519,424.89)
b) Taxes		(1,322,394.68)	(1,345,623.09)
c) Losses, deterioration and variation of provisions for trade operations		(1,955,839.58)	(4,745,325.07)
d) Other current management expenses		(664,081.51)	(513,114.11)
8. Depreciation of fixed assets	5,7	(16,184,458.08)	(15,335,311.89)
9. Assignment non financial fixed assets of subventions and others	9b	236,563.06	72,691.29
10. Surplus provisions	15b	53,590.83	504,293.17
11. Impairment and result of disposals of fixed assets	7	(1,204,131.86)	(859,242.91)
a) Impairment and losses		(835,934.38)	(261,906.70)
b) Results due to disposals and others		(368,197.48)	(597,336.21)
A.1) OPERATING RESULT		**20,320,486.16**	**13,913,719.18**
12. Financial revenue	9c	3,304,548.32	6,445,551.27
a) On stakes in equity instruments		1,124,995.09	556,555.30
- in third parties		1,124,995.09	556,555.30
b) in negotiable stock and other financial instruments	21a	2,179,553.23	5,888,995.97
- in group and associated companies		306,955.79	333,479.11
- in third parties		1,872,597.44	5,555,516.86
13. Financial expenses	9c	(7,333,498.58)	(7,530,214.31)
a) For debts with group and associated companies	21a	(2,752,375.63)	(2,276,167.84)
b) For debts with third parties		(4,112,633.19)	(4,697,327.65)
c) For updating provisions	5	(5,684.64)	(7,452.83)
d) Inclusion of financial expenses		(462,805.12)	(549,265.99)
14. Variation in the reasonable value in financial instruments	9d	(1,225,869.06)	(1,217,581.22)
a) Negotiation portfolio and others		(1,225,869.06)	(1,217,581.22)

TIMBRE DEL ESTADO
0,03 EUROS
CLASE 8ª

1. Actividad de la empresa

La Sociedad SUFI, S.A. se constituyó el 25 de marzo de 1982, y cambió la denominación social el día 14 de octubre de 2010 por la actual de Valoriza Servicios Medioambientales, S.A. (en adelante VSM, S.A.) y tiene su actual domicilio social en la calle Juan Esplandiu nº 11-13 Planta 13 de Madrid.

VSM, S.A., Sociedad adquirida por el Grupo Sacyr Vallehermoso durante el ejercicio 2005, está integrada en Valoriza Gestión S.A.U., sociedad que gestiona la División de Servicios del Grupo. Su ámbito de actuación abarca el área de medio ambiente, en el que adquiere una especial importancia la gestión de residuos, desde la recogida y transporte hasta el tratamiento, reciclaje y valorización de los subproductos. La Sociedad realiza otras actividades complementarias, como las recuperaciones medioambientales de entornos forestales o cauces de los ríos, mantenimientos de zonas verdes y obras de integración paisajística.

Su objeto social consiste en la realización de estudios, proyectos, obras, suministros, montajes y explotación de servicios de ingeniería civil e industrial. Sus actividades se estructuran en 2 grandes Direcciones o líneas de negocio:

- Tratamiento de residuos
- Servicios urbanos

Adicionalmente, participa en otras sociedades con actividades análogas.

La Sociedad se rige por sus estatutos sociales y por la vigente Ley de Sociedades de Capital, aprobado mediante el Real Decreto Legislativo 1/2010, de 2 de julio.

Todas las actividades se realizan en España y en Portugal se mantiene un Establecimiento Permanente.

La Sociedad está integrada en el Grupo Sacyr cuya sociedad dominante es Sacyr, S.A., con domicilio social en Madrid, Paseo de la Castellana, número 83-85, siendo esta sociedad la que formula estados financieros consolidados.

Con fecha 15 de julio de 2013 Sacyr, S.A. cambió su denominación anterior de Sacyr Vallehermoso, S.A. por la de Sacyr, S.A. mediante protocolo 1.398 ante el ilustre notario de Madrid don Rafael Monjo Carrió. Esta modificación fue posteriormente inscrita en el Registro Mercantil de Madrid en fecha 25 de julio de 2013.

Las cuentas anuales consolidadas del Grupo Sacyr del ejercicio 2014 fueron formuladas por los Administradores de Sacyr, S.A. en la reunión de su Consejo de Administración celebrada el 26 de marzo de 2015, y aprobadas por la Junta General Ordinaria de Accionistas celebrada el 11 de junio de 2015 y depositadas en el Registro Mercantil de Madrid.

2. Bases de presentación de las cuentas anuales

a) Marco normativo

El marco normativo relacionado con la información financiera que resulta de aplicación a la Sociedad es:

1. Código de Comercio y la restante legislación mercantil.
2. Plan General de Contabilidad y sus adaptaciones sectoriales.
3. Las Normas de obligado cumplimiento aprobadas por el Instituto de Contabilidad y Auditoría de Cuentas en desarrollo del Plan General de Contabilidad y sus normas complementarias.
4. El resto de la normativa contable española que resulte aplicable.

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VALORIZA SERVICIOS MEDIOAMBIENTALES, S.A.

PROFIT AND LOSS ACCOUNTS FOR THE FINANCIAL YEARS ENDED ON 31ST DECEMBER 2015 AND 2014

(Stated in Euros)

15. Exchange differences		238,619.19	(30.89)
16. Impairment and result due to disposals of financial instruments	9c	(2,169,767.75)	1,024,965.51
a) Impairment and losses		(2,172,382.34)	(2,251,626.92)
b) Results of disposals and others		2,614.59	3,276,592.43
A.2) FINANCIAL RESULT		(7,185,967.88)	(1,277,309.64)
A.3) BEFORE TAX RESULT		13,134,518.28	12,636,409.54
17. Tax on profit	19	(4,732,789.81)	(4,030,482.05)
18. Tax adjustment	19	(1,164,007.55)	46,836.89
A.4) RESULT OF THE FINANCIAL YEAR FROM ONGOING OPERATIONS		7,237,720.92	8,652,764.38
B) INTERRUPTED OPERATIONS			
A.5) RESULT OF THE FINANCIAL YEAR		7,237,720.92	8,652,764.38

Notes 1 to 24 described in the attached Annual Report form an integral part of the profit and loss accounts.

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b) Regulación sectorial

La actividad de la Sociedad está directamente afectada por la siguiente normativa en materia energética aprobada por la Administración Pública:

- RD 661/2007 de 28 de mayo de 2007 por el que se regula la actividad de producción de energía eléctrica en régimen especial estableciendo el marco jurídico y económico de esta actividad, vigente hasta el 13 de julio del 2013.

- La Ley 13/2010 que modifica el régimen del comercio de derechos de emisión de gases de efecto invernadero. Con el nuevo régimen, se hace necesaria la adquisición de derechos en el mercado para cubrir las emisiones derivadas de la actividad de la Sociedad que no queden cubiertas por los derechos asignados de manera gratuita.

- Real Decreto Ley 15/2012 de medidas fiscales sobre la sostenibilidad energética. El 27 de diciembre de 2012 se publicó el Real Decreto Ley 15/2012 de medidas fiscales para la sostenibilidad energética que establece un impuesto sobre el valor de la producción de la energía eléctrica del 7%.

- Real Decreto Ley 2/2013.- Con fecha 2 de febrero de 2013, se publicó en el Boletín Oficial del Estado el Real Decreto Ley 2/2013 de medidas urgentes en el sistema eléctrico y en el sector financiero. Tal y como se indica en la exposición de motivos de dicho RD, con el objeto de paliar el incremento de los valores retributivos por su indexación a la cotización del Brent, sin incrementar los peajes de acceso que pagan los consumidores eléctricos, se ha cambiado la metodología de actualización de la retribución de las diferentes actividades del sector eléctrico, desligándolas de la evolución del Índice de Precios de Consumo (IPC), en el cual podrían influir las variaciones impositivas, especialmente relevantes en el pasado año. Asimismo, desaparece la opción de retribución de la energía generada en régimen especial de prima que complemente el precio del mercado de producción.

- Real Decreto-Ley 9/2013 de 13 de Julio por el que se adoptan medidas urgentes para garantizar la estabilidad financiera del sistema eléctrico. Este Real Decreto, en la Disposición Derogatoria única procede a la derogación del Real Decreto 661/07 y en la Disposición Transitoria tercera se afirma que, de manera transitoria, se seguirá aplicando el régimen económico contemplado en el RD 661/07 hasta que se apruebe un Real Decreto de regulación del régimen jurídico y económico del régimen especial. En esta aplicación transitoria del régimen económico del RD 661/07 se elimina expresamente el cobro en concepto de Complemento por energía Reactiva.

  Los principales efectos del mencionado Real Decreto-ley 9/2013, que modifica la Ley 54/1997 del Sector Eléctrico, son los siguientes:

  - La retribución para todas las instalaciones (incluidas las existentes) consistirá en los ingresos procedentes del mercado más una retribución específica adicional que depende, para la mayoría de instalaciones, únicamente de la potencia instalada y no de la energía generada.
  - La retribución específica adicional será definida, mediante una Orden Ministerial posterior, según unos valores estándar para una instalación tipo, a lo largo de su vida útil regulatoria y en referencia a la actividad realizada por una empresa eficiente y bien gestionada.
  - Define la rentabilidad razonable como el rendimiento medio de las Obligaciones del Estado a 10 años más 300 puntos básicos antes de impuestos.
  - Los parámetros retributivos son revisables cada seis años (en algunos casos cada tres años).
  - Se elimina el complemento de eficiencia y la bonificación de energía reactiva, manteniéndose la penalización.

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Tras la publicación del Real Decreto-ley 9/2013, se presentaron para el preceptivo informe de la Comisión Nacional de los Mercados y la Competencia, los borradores de un anteproyecto de ley del

VALORIZA SERVICIOS MEDIOAMBIENTALES, S.A.
STATEMENTS OF CHANGES IN NET ASSETS FOR THE FINANCIAL YEARS ENDED ON 31ST DECEMBER 2015 AND 2014
(Stated in Euros)

A) STATEMENTS OF REVENUE AND EXPENSES REPORTED IN THE FINANCIAL YEARS ENDED ON 31ST DECEMBER 2015 AND 2014

	2015	2014
A) RESULT OF THE PROFIT AND LOSS ACCOUNTS	**7,237,720.92**	**8,652,764.38**
Revenue and expenses assigned directly to the net assets		
I. For coverage of cash flows	(409,901.64)	(2,159,820.09)
II. Subventions, donations and legacies received	239,609.46	104,195.96
III. Tax effect	47,660.16	630,900.56
B) TOTAL REVENUE & EXPENSES ASSIGNED DIRECTLY TO THE NET ASSETS	**(122,632.03)**	**(1,424,723.57)**
Transfers to the profit and loss accounts		
IV. For coverage of cash flows	1,225,869.06	1,217,581.22
V. Subventions, donations and legacies received	(236,552.16)	(72,691.29)
VI. Tax effect	(277,008.73)	(343,466.98)
C) TOTAL TRANSFERS TO THE PROFIT AND LOSS ACCOUNTS	**712,308.17**	**801,422.95**
TOTAL REVENUE AND EXPENSES REPORTED (A + B + C)	**7,827,397.06**	**8,029,463.76**

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sector eléctrico, seis reales decretos y cuatro órdenes ministeriales, con el objetivo de articular pormenorizadamente los cambios introducidos en otras actividades del sector eléctrico.

- El 26 de diciembre de 2013 se publicó la nueva Ley 24/2013 del Sector Eléctrico que ratifica lo establecido en el Real Decreto-Ley 9/2013: elimina el régimen especial y plantea un nuevo esquema de retribución para instalaciones de renovables, cogeneración y residuos. Esta nueva retribución aplicará desde julio de 2013, fecha de entrada en vigor del Real Decreto-Ley 9/2013. Al no conocerse las nuevas retribuciones, ni los estándares en la correspondiente orden ministerial, el cierre del ejercicio 2013 se liquida de forma provisional con la normativa del Real Decreto 661/2007.

- Real Decreto 1041/2013 de fecha 27 de diciembre de 2013, en cuyo apartado 22 del artículo 1 se modifican los apartados 3, 4 y se añaden los apartados 5 y 6 en el artículo 108 de Reglamento de los Impuestos Especiales, aprobado por el Real Decreto 1165/1995, de 7 de julio. Con esta modificación se establece que la parte de consumo de gas natural destinada a la producción de Energía Térmica Útil tendrá un tipo impositivo reducido, estableciéndose asimismo cómo se efectuará la justificación de dicho consumo, de modo que se pueda proceder a la correspondiente devolución de la diferencia entre el tipo impositivo normal y el reducido.

- Real Decreto 413/2014, de fecha 6 de junio de 2014, establece definitivamente las nuevas retribuciones y el nuevo marco retributivo distinguiendo entre cada una de las generadoras de energías renovables, cogeneración y residuos, además de contemplar las revisiones temporales de dichas condiciones retributivas.

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En base al Real Decreto-Ley 9/2013 de 13 de julio de 2013 y al Borrador de Real Decreto y de Orden Ministerial de febrero de 2014 la Sociedad realizó un ajuste negativo en la cifra de negocios de 2013 correspondiente a la estimación de la reducción de primas percibidas durante el ejercicio y que ascendió a 513.150,63 euros de menor ingreso.

Una vez publicado durante el 2014 el R.D.413/2014 que regula la producción con energías renovables, cogeneración y residuos, éste derivó en un menor ajuste por valor de 121.825,90€ que está recogido dentro de los resultados del año 2014.

Los Administradores, en particular en relación con los activos que aportan las Sociedades de Boremer, S.A., 7,3 millones de euros (7,3 millones de euros en 2014) y la UTE Secado Térmico Butarque 6,3 millones de euros (6,9 millones de euros, en 2014) consideran que existen bases fundadas para obtener del Ayuntamiento el restablecimiento del reequilibrio económico financiero de las concesiones, por lo que no han registrado ninguna corrección valorativa por deterioro. No obstante, en el caso de que el reequilibrio mencionado anteriormente no prosperase en los términos esperados, Valoriza Gestión S.A. (Sociedad Unipersonal) restablecerá patrimonialmente a la sociedad, por el posible deterioro de los activos mencionados anteriormente, en el caso de que sea necesario.

c) Imagen fiel

Las cuentas anuales adjuntas han sido obtenidas de los registros contables de la Sociedad y se presentan de acuerdo con el marco normativo de información financiera, de forma que muestran la imagen fiel del patrimonio, de la situación financiera y de los resultados de la Sociedad, así como de los cambios en su patrimonio neto y de los flujos de efectivo habidos durante el correspondiente ejercicio. Estas cuentas anuales, que han sido formuladas por el Administrador Único de la Sociedad, se someterán a la aprobación por la Junta General Ordinaria de Accionistas, estimándose que serán aprobadas sin modificación alguna. Por su parte, las cuentas anuales del ejercicio 2014 fueron aprobadas por la Junta General Ordinaria de Accionistas celebrada el 30 de junio de 2015.

Las cifras incluidas en las cuentas anuales están expresadas en euros salvo que se indique lo contrario.

d) Principios contables no obligatorios aplicados

No se han aplicado principios contables no obligatorios. Adicionalmente, el Administrador Único ha formulado estas cuentas anuales teniendo en consideración la totalidad de los principios y normas contables de aplicación obligatoria que tienen un efecto significativo en dichas cuentas anuales. No existe ningún principio contable que siendo obligatorio, haya dejado de aplicarse.

B) TOTAL STATEMENTS OF CHANGES IN THE NET ASSETS IN THE FINANCIAL YEARS ENDED ON 31ST DECEMBER 2015 AND 2014

	Deed capital	Issue premium	Reserves	Result of the financial year	Value change adjustments	Subventions, donations and legacies received	TOTAL
A) BALANCE ON 01/01/2014	17,129,235.00	17,881,778.66	28,021,264.18	8,411,643.56	(4,790,298.25)	71,741.19	66,725,364.34
I. Adjustments due to changes in criteria	-	-	-	-	-	-	-
II. Adjustments due to errors	-	-	-	-	-	-	-
B) ADJUSTED BALANCE, BEGINNING OF FINANCIAL YEAR 2014	17,129,235.00	17,881,778.66	28,021,264.18	8,411,643.56	(4,790,298.25)	71,741.19	66,725,364.34
I. Total revenue and expenses reported	-	-	-	8,652,764.38	(659,567.21)	36,266.59	8,029,463.76
II. Operations with shareholders or owners	-	-	-	(7,708,155.75)	-	-	(7,708,155.75)
1. Dividend distribution				(7,708,155.75)	-	-	(7,708,155.75)
III. Other variations in net assets	-	-	703,487.81	(703,487.81)	-	-	-
C) FINAL BALANCE IN FINANCIAL YEAR 2014	17,129,235.00	17,881,778.66	28,724,751.99	8,652,764.38	(5,449,865.46)	108,007.78	67,046,672.35
I. Adjustments due to changes in criteria	-	-	-	-	-	-	-
II. Adjustments due to errors	-	-	-	-	-	-	-
D) ADJUSTED BALANCE, BEGINNING OF FINANCIAL YEAR 2015	17,129,235.00	17,881,778.66	28,724,751.99	8,652,764.38	(5,449,865.46)	108,007.78	67,046,672.35
I. Total revenue and expenses reported	-	-	-	7,237,720.92	587,496.54	2,179.60	7,827,397.06
II. Operations with shareholders or owners	-	-	-	(7,947,965.04)	-	-	(7,947,965.04)
1. Dividend distribution				(7,947,965.04)	-	-	(7,947,965.04)
III. Other variations in net assets	-	-	704,799.34	(704,799.34)	-	-	-
E) FINAL BALANCE IN FINANCIAL YEAR 2015	17,129,235.00	17,881,778.66	29,429,551.33	7,237,720.92	(4,862,368.92)	110,187.38	66,926,104.37

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e) Aspectos críticos de la valoración y estimación de la incertidumbre

En la preparación de las cuentas anuales de la Sociedad el Administrador Único ha realizado estimaciones que se consideran razonables de acuerdo con la experiencia histórica y otros factores que están basadas en la experiencia histórica y otros factores que se consideran razonables de acuerdo que están basadas en la experiencia histórica y otros factores que se consideran razonables de acuerdo con las circunstancias actuales y que constituyen la base para establecer el valor contable de los activos y pasivos cuyo valor no es fácilmente determinable mediante otras fuentes.

Las principales estimaciones realizadas se refieren a:

- La evaluación de posibles pérdidas por deterioro de determinados activos.
- La vida útil de los activos materiales e intangibles.
- Recuperabilidad de impuestos diferidos de activo.
- Estimaciones de consumo de activos concesionales.
- Cálculo de provisiones.
- Cálculo de valores razonables, valores en uso y valores actuales.

La Sociedad revisa sus estimaciones de forma continua. Sin embargo, dada la incertidumbre inherente a las mismas, existe un riesgo importante de que pudieran surgir ajustes significativos en el futuro sobre los valores de los activos y pasivos afectados, de producirse un cambio significativo en las hipótesis, hechos y circunstancias en los que se basan. Los supuestos clave acerca del futuro, así como otros datos relevantes sobre la estimación de la incertidumbre en la fecha de cierre del ejercicio, que llevan asociados un riesgo importante de suponer cambios significativos en el valor de los activos o pasivos en el próximo ejercicio son los siguientes:

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Deterioro del valor de los activos no corrientes

La valoración de los activos no corrientes, distintos de los financieros, requiere la realización de estimaciones con el fin de determinar su valor recuperable, o los efectos de evaluar un posible deterioro, especialmente de los fondos de comercio y los activos intangibles con vida útil indefinida. Para determinar este valor recuperable el Administrador Único de la Sociedad estima los flujos de efectivo futuros esperados de los activos o de las unidades generadoras de efectivo de las que forman parte y utilizan una tasa de descuento apropiada para calcular el valor actual de esos flujos de efectivo (Notas 5 y 7).

Activos por impuesto diferido

Los activos por impuesto diferido se registran para todas aquellas diferencias temporarias deducibles y bases imponibles negativas pendientes de compensar para las que es probable que la Sociedad disponga de ganancias fiscales futuras que permitan la aplicación de estos activos. Para determinar el importe de los activos por impuesto diferido que se pueden registrar, el Administrador Único estima los importes y las fechas en las que se obtendrán las ganancias fiscales futuras y el período de reversión de las diferencias temporarias imponibles. En relación con las bases imponibles pendientes de compensar, la Sociedad ha registrado activos por impuesto diferido por importe de 9,442,789.54 euros en 2015 y de 11,153,494.52 euros en 2014 (Nota 19b).

Provisiones

La Sociedad reconoce provisiones sobre riesgos, de acuerdo con la política contable indicada en el apartado 4 de esta memoria. La Sociedad ha realizado juicios y estimaciones en relación con la probabilidad de ocurrencia de dichos riesgos, así como la cuantía de los mismos, y ha registrado una provisión cuando el riesgo ha sido considerado como probable, estimando el coste que le originaría dicha obligación.

Cálculo de los valores razonables de los valores en uso y de los valores actuales

El cálculo de valores razonables, valores en uso y valores actuales implica el cálculo de flujos de efectivo futuros y la asunción de hipótesis relativas a los valores futuros de los flujos así como las tasas de descuento

VALORIZA SERVICIOS MEDIOAMBIENTALES, S.A.
STATEMENT OF CASH FLOWS FOR THE FINANCIAL YEARS ENDED ON 31ST DECEMBER 2015 AND 2014
(Stated in Euros)

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	2015	2014
A) CASH FLOWS FROM THE OPERATING ACTIVITIES		
1. Result of the financial year before taxes	13,134,518.28	12,636,409.54
2. Adjustments to the result	26,240,243.51	21,640,205.05
a) Depreciation of the fixed assets	16,184,458.08	15,335,311.89
b) Valuation corrections due to impairment	3,008,316.72	2,513,533.62
c) Variation in provisions	1,902,248.75	4,241,031.90
d) Assignment of subventions	(236,563.06)	(72,691.29)
e) Results of removals and disposals of fixed assets	368,197.48	597,336.21
f) Results due to removals and disposals of financial instruments	(2,614.59)	(3,276,592.43)
g) Financial revenue	(3,304,548.32)	(6,445,551.27)
h) Financial expenses	6,870,693.46	6,980,948.32
i) Exchange differences	(238,619.19)	30.89
j) Variation in reasonable value in financial instruments	1,225,869.06	1,217,581.22
k) Other revenue and expenses	462,805.12	549,265.99
3. Changes in current capital	22,759,966.12	1,979,477.62
a) Stocks	(1,283,601.59)	(525,494.17)
b) Debts and other accounts due	5,729,273.36	23,193,230.19
c) Other current assets	59,195.76	(252,111.50)
d) Creditors and other accounts payable	17,154,142.76	(7,558,627.00)
e) Other current assets	(2,072,880.27)	(1,174,195.17)
f) Other non current assets and liabilities	3,173,836.10	(11,703,324.73)
4. Other cash flows from operating activities	(6,043,884.83)	(2,580,870.09)
a) Interest payments	(3,679,305.79)	(4,264,885.48)
b) Dividend collection	1,124,995.09	556,555.30
c) Interest collection	2,179,553.23	5,888,995.97
d) Collection (payments) due to tax on profit	(5,669,127.36)	(4,761,535.88)
5. Cash flows from the operating activities	**56,090,843.08**	**33,675,222.12**
B) CASH FLOWS FROM INVESTMENT ACTIVITIES		
6. Payments for investments	(26,062,688.24)	(15,096,715.46)
a) Group and associated companies	(7,048,581.45)	(206,837.51)
b) Intangible fixed assets	(1,442,672.66)	(1,931,810.77)
c) Intangible fixed assets	(12,710,880.28)	(12,202,729.76)
d) Other financial assets	(4,860,553.85)	(755,337.42)
7. Collection from divestment	736,241.26	11,470,052.56
a) Group and associated companies	427,550.98	4,424,014.85
b) Intangible fixed assets	(111,035.66)	5,690,095.41
c) Intangible fixed assets	415,681.71	861,682.61
d) Other financial assets	4,044.23	494,259.69

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aplicables a los mismos. Las estimaciones y las asunciones relacionadas están basadas en la experiencia histórica y en otros factores diversos que son entendidos como razonables de acuerdo con las circunstancias.

Provisión por costes de desmantelamiento de activos

CLASE 8.ª

En ninguna de las Plantas ni obras que se encuentran en ejecución existen costes de desmantelamiento dignos de ser indicados. La única instalación en la que existe la obligación contractual de desmantelar la misma es la Planta de RCD's de Vitoria, en la que, a la finalización de la concesión, la UTE adjudicataria debe retirar todos los bienes que haya aportado al negocio a excepción de la obra civil realizada.

f) Comparación de la información

La Sociedad presenta, a efectos comparativos, con cada una de las partidas del balance de situación, de la cuenta de pérdidas y ganancias del estado de cambios en el patrimonio neto, del estado de flujos de efectivo y de la memoria, además de las cifras del ejercicio 2015, las correspondientes al ejercicio anterior, que han sido obtenidas mediante la aplicación del Plan General de Contabilidad aprobado por el Real Decreto 1514/2007, el cual ha sido modificado por el Real Decreto 1159/2010.

De acuerdo con lo establecido en la disposición adicional única de la "Resolución de 29 de enero de 2016, del Instituto de Contabilidad y Auditoría de Cuentas, sobre la información a incorporar en la memoria de las cuentas anuales en relación con el periodo medio de pago a proveedores en operaciones comerciales", la Sociedad suministra en la Nota 9b exclusivamente la información relativa al ejercicio y no se presenta información comparativa, calificándose las presentes cuentas anuales como iniciales, a estos exclusivos efectos, en lo que se refiere a la aplicación del principio de uniformidad y del requisito de comparabilidad.

g) Agrupación de partidas

La Sociedad no ha realizado agrupación de partidas en el balance de situación, en la cuenta de pérdidas y ganancias en el estado de cambios en el patrimonio neto y en el estado de flujos de efectivo.

h) Elementos recogidos en varias partidas

La Sociedad no mantiene ningún elemento patrimonial recogido en varias partidas.

i) Cambios en criterios contables

Durante el ejercicio 2015 no se han producido cambios de criterios contables significativos respecto a los criterios aplicados en el ejercicio 2014.

j) Corrección de errores

En la elaboración de las cuentas anuales adjuntas no se ha detectado ningún error significativo que haya supuesto la reexpresión de los importes incluidos en las cuentas anuales del ejercicio 2014.

3. Aplicación del resultado

La propuesta de aplicación del resultado del ejercicio 2015 formulada por el Administrador Único de la Sociedad y que se someterá a la aprobación de la Junta General Ordinaria de Accionistas es la siguiente:

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VALORIZA SERVICIOS MEDIOAMBIENTALES, S.A.
STATEMENT OF CASH FLOWS FOR THE FINANCIAL YEARS ENDED ON 31ST DECEMBER 2015 AND 2014
(Stated in Euros)

8. Cash flows from investment activities	(25,326,446.98)	(3,626,662.90)
C) CASH FLOWS FROM FINANCING ACTIVITIES		
9. Collection and payment from asset instruments	(11,122.06)	22,853.18
a) Subventions, donations and legacies received	(11,122.06)	22,853.18
10. Collection and payment due to financial liability instruments	(8,911,591.83)	(24,600,228.98)
a) Issue	85,136,473.10	(2,510,345.32)
1. Debts with group and associated groups	84,705,405.58	(2,825,433.83)
2. Other debts	431,067.52	315,088.51
b) Reimbursement and amortization of	(94,048,064.93)	(22,089,883.66)
1. Debentures and other negotiable securities	(465,582.27)	(663,605.30)
2. Debts to lending institutions	(21,278,146.54)	(12,344,200.63)
3. Debts with group and associated companies	(71,900,017.05)	(8,449,621.41)
4. Other debts	(404,319.07)	(632,456.32)
11. Dividend payments and remunerations from other equity instruments	(7,947,965.04)	(7,708,155.75)
a) Dividends	(7,947,965.04)	(7,708,155.75)
12. Cash flows from the financing activities	(16,870,678.93)	(32,285,531.55)
D) EFFECT OF VARIATIONS IN THE EXCHANGE RATES	238,619.19	(30.89)
E) NET INCREASE / DECREASE OF CASH OR EQUIVALENTS	14,132,336.36	(2,237,003.22)
Cash or equivalents at the beginning of the financial year	13,261,087.09	15,498,090.31
Cash or equivalents at the end of the financial year	27,393,423.45	13,261,087.09

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	2015	2014
Base de reparto	**7.237.720,92**	**8.652.764,38**
Saldo de la cuenta de pérdidas y ganancias	7.237.720,92	8.652.764,38
Aplicación a:	**(7.237.720,92)**	**(8.652.764,38)**
A reservas voluntarias	(386.026,92)	(704.799,34)
A dividendos	(6.851.694,00)	(7.947.965,04)

La distribución del resultado correspondiente al ejercicio 2014 se muestra en el estado de cambios en el patrimonio neto.

Limitaciones para la distribución de dividendos

La Sociedad está obligada a destinar el 10% de los beneficios del ejercicio a la constitución de la reserva legal, hasta que ésta alcance, al menos, el 20% del capital social. Esta reserva, mientras no supere el límite del 20% del capital social, no es distribuible a los accionistas.

Durante el año 2008 se alcanzó esta proporción del 20%.

Una vez cubiertas las atenciones previstas por la Ley o los estatutos, sólo podrán repartirse dividendos con cargo al beneficio del ejercicio, o a reservas de libre disposición, si el valor del patrimonio neto no es o, a consecuencia del reparto, no resulta ser inferior al capital social. A estos efectos, los beneficios imputados directamente al patrimonio neto no podrán ser objeto de distribución, directa ni indirecta. Si existieran pérdidas de ejercicios anteriores que hicieran que ese valor del patrimonio neto de la Sociedad fuera inferior a la cifra del capital social, el beneficio se destinará a la compensación de estas pérdidas.

En cualquier caso, debe dotarse una reserva indisponible equivalente al fondo de comercio que aparece en el activo del balance de situación (abreviado en su caso), destinándose a tal efecto una cifra del beneficio que represente, al menos, un cinco por ciento del importe del citado fondo de comercio. Si no existiera beneficio, o éste fuera insuficiente, se emplearán reservas de libre disposición.

4. Normas de registro y valoración

Las principales normas de registro y valoración utilizadas por la Sociedad en la elaboración de las cuentas anuales del ejercicio 2015, han sido las siguientes:

a) Inmovilizado intangible

El inmovilizado intangible se valora inicialmente por su coste, ya sea éste su precio de adquisición o coste de producción. Posteriormente se valora a su coste minorado por la correspondiente amortización acumulada y, en su caso, por las pérdidas por deterioro que haya experimentado.

El coste de producción incluye los costes de materiales directos y, en su caso, los costes de mano de obra directa y la parte que razonablemente corresponda de los costes indirectamente imputables a los bienes por el período de construcción o fabricación, incluida la amortización de los gastos de investigación cuando hayan sido objeto de capitalización, los gastos específicos de administración o dirección relacionados, las mermas derivadas y las obligaciones por desmantelamiento surgidas de la producción de existencias.

Para cada inmovilizado intangible se analiza y determina si la vida útil es definida o indefinida.

Los activos intangibles que tienen vida útil definida se amortizan sistemáticamente en función de la vida útil estimada de los bienes y de su valor residual. Los métodos y periodos de amortización aplicados son revisados en cada cierre de ejercicio y, si procede, ajustados de forma prospectiva. Al menos al cierre del

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1. Activity by the company

The Company SUFI, S.A. was incorporated on 25th March 1982, and it changed its company name on 14th October 2010 to the present one of Valoriza Servicios Medioambientales, S.A. (hereinafter VSM, S.A.) and its present registered office is at calle Juan Esplandiu nº 11-13 Planta 13, Madrid.

VSM, S.A., a company acquired by the Sacyr Vallehermoso Group during financial year 2005, is integrated in Valoriza Gestión S.A.U., a company that manages the Services Division of the Group. Its scope of action covers the financial year of the environment, in which special importance is given to waste management, from collection and transport to treatment, recycling and up-cycling the by-products. The Company performs other complementary activities, such as environmental recovery of forest settings or river courses, park management and landscape integration works.

Its corporate object consists of performing studies, projects, works, supplies, assembly and operation of civil and industrial engineering services. Its activities are structured in 2 major Managements or lines of business:

- Waste treatment
- Urban services

It also participates in other companies with similar activities.

The Company is governed by its Articles of Association and by the current Stock Company Act, approved by means of Royal Legislative Decree 1/2010, of 2nd July.

All the activities are performed in Spain and a Permanent Establishment is maintained in Portugal.

The Company is integrated in the Sacyr Group, the parent company of which is Sacyr, S.A., with registered office in Madrid, Paseo de la Castellana, no. 83-85, that being the company that draws up the consolidated financial statements.

On 15th July 2013 Sacyr, S.A. changed its previous name of Sacyr Vallehermoso, S.A. to Sacyr, S.A. in deed number 1.398 granted before the Notary Public of Madrid Mr Rafael Monjo Carrió. That amendment was subsequently registered at the Business Registry of Madrid on 25th July 2013.

The consolidated annual accounts of the Sacyr Group in financial year 2014, were drawn up by the Directors of Sacyr, S.A. at the meeting of the Board of Directors held on 26th March 2015, and approved by the Ordinary General Meeting of Shareholders held on 11th June 2015 and deposited at the Business Registry of Madrid.

2. Bases for presentation of the annual accounts

a) Regulatory framework

The regulatory framework related to the financial information that is applicable to the Company is:

1. Code of Commerce and the remaining mercantile laws.

2. General Accounting Plan and its sectorial adaptations.

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ejercicio, se evalúa la existencia de indicios de deterioro, en cuyo caso se estiman los importes recuperables, efectuándose las correcciones valorativas que procedan.

Los activos intangibles con una vida útil indefinida no se amortizan y, al menos anualmente, están sujetos a un análisis de su eventual deterioro. La consideración de vida útil indefinida de estos activos se revisa anualmente.

Se considerará que un activo intangible tiene una vida útil indefinida cuando, sobre la base de un análisis de todos los factores relevantes, no exista un límite previsible del plazo a lo largo del cual se espera que el activo genere entradas de flujos netos de efectivo para la empresa.

- *Concesiones*

Los costes incurridos para obtener la concesión se consideran gastos en el momento en que se incurren.

Los principales acuerdos concesionales de la Sociedad y sus periodos concesionales son los siguientes:

Principales Acuerdos Concesionales

Denominación	Nº años concesión	Año de fin concesión
Parking de Puertollano (Ciudad Real)	38	2045
Planta de RSU de Hornillos (Valencia)	25	2030
Planta de compostaje de Calandrias (Cádiz)	20	2022
Parque de Guadarrama	13	2020
Planta de residuos de la Paloma (Madrid)	21	2023
Planta de residuos de Maresme (Barcelona)	15	2024
Planta de secado térmico Butarque (Madrid)	25	2028

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- *Aplicaciones informáticas*

La partida de aplicaciones informáticas incluye los costes incurridos en relación con las aplicaciones informáticas adquiridas a terceros o desarrolladas por la propia Sociedad que cumplen las condiciones indicadas anteriormente para la activación. Su amortización se realiza de forma lineal a largo de su vida útil estimada de 4 años.

- *Investigación y desarrollo*

La Sociedad registra los gastos de investigación como gastos del ejercicio en que se realizan salvo en el caso de los adscritos al proyecto "Lixi-Vaper".

En el caso de los gastos de investigación de éste proyecto, se activan desde el momento en que se cumplan las siguientes condiciones:

- Estar específicamente individualizados por proyectos y su coste claramente establecido para que pueda ser distribuido en el tiempo.

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3. The Regulations for mandatory fulfilment approved by the Institute for Accounting and Accounts Auditing in development of the General Accounting Plan and their complementary regulations.

4. The rest of the Spanish accounting regulations that are applicable.

b) Sectorial regulation

The activity by the Company is directly affected by the following regulations on energy matters approved by the Public Administration:

- RD 661/2007 of 28th May 2007 that regulates the activity of production of electric energy under special regime establishing the juridical and economic framework for that activity, in force until 13th July 2013.

- Act 13/2010 that amends the commercial regime of greenhouse gas emission rights. With the new regime, it is necessary to acquire rights on the market to cover the emissions arising from the activity by the Company that are not covered by the rights assigned free of charge.

- Royal Decree Act 15/2012 on fiscal measures for energy sustainability. On 27th December 2012, Royal Decree Act 15/2012 was published on tax measures for energy sustainability that establishes a tax on the value of electric energy production of 7%.

- Royal Decree Act 2/2013. On 2nd February 2013, the Official State Gazette published Royal Decree Act 2/2013 on urgent measures for the electric system and the financial sector. As indicated in the recital of motives of that Royal Decree, in order to palliate the increase in remuneration values due to them being linked to the Brent index, without increasing the access tolls paid by electricity consumers, the method to update remuneration of the different activities in the electric sector was amended, unlinking them from the evolution of the Consumer Price Index (CPI), in which the tax variations might have had an especially relevant influence in the past year. Likewise, the option of remuneration of the electric energy generated under special premium regime to complement the market price of production disappears.

- Royal Decree Act 9/2013 of 13th July that adapts urgent measures to guarantee financial stability of the electric system. This Royal Decree, in the Sole Repeal provision, proceeds to repeal Royal Decree 661/07 and Transitory Provision Three affirms that, under transitory terms, the economic regime considered in Royal Decree 661/07 shall continue to be applied until approval of the Royal Decree on regulation of the juridical and economic regulations for the special regime. That transitory application of RD 661/07 specifically eliminates the charge as a Complement for reactive energy.

  The main effects of said Royal Decree Act 9/2013, amended by Act 54/1997 on the Electric Sector, are as follows:

  - The remuneration for all the facilities (including the existing ones) shall consist of the revenue from the market plus a specific additional remuneration that depends, for the majority of the installations, solely on the installed power and not the energy generated.
  - The additional specific remuneration shall be defined by a subsequent Ministerial Order, according to standard values for a set installation, over its statutory term of useful life, and linked to activity performed by an efficient, well managed company.
  - Defines the reasonable profitability as the average yield from State Bonds at 10 years plus 300 basic points before taxes.

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- Se pueda establecer una relación estricta entre "proyecto" de investigación y objetivos perseguidos y obtenidos. La apreciación de este requisito se realizará genéricamente para cada conjunto de actividades interrelacionadas por la existencia de un objetivo común.

Los gastos de investigación que figuran en el activo se amortizan linealmente en un periodo de 5 años.

Las reparaciones que no representan una ampliación de la vida útil y los costes de mantenimiento son cargados en la cuenta de pérdidas y ganancias en el ejercicio en que se producen.

- *Fondo de comercio*

Los fondos de comercio se valoran inicialmente, en el momento de la adquisición, a su coste, siendo éste el exceso del coste de la combinación de negocios respecto al valor razonable de los activos identificables adquiridos menos el de los pasivos asumidos.

Excepcionalmente, el fondo de comercio existente en la fecha de transición al Plan General de Contabilidad aprobado por el Real Decreto 1514/2007 (Nota 2.2) se encuentra registrado por su valor neto contable al 1 de enero de 2007, es decir, por el coste menos la amortización acumulada y el deterioro que estaban registrados en dicha fecha, de acuerdo con las normas contables vigentes anteriormente.

El fondo de comercio no se amortiza. En su lugar, las unidades generadoras de efectivo a las que se ha asignado el fondo de comercio en la fecha de adquisición se someten, al menos anualmente, a la comprobación de su eventual deterioro del valor, procediéndose, en su caso, al registro de la correspondiente corrección valorativa por deterioro.

Las correcciones valorativas por deterioro del fondo de comercio no pueden ser objeto de reversión en los ejercicios posteriores.

- *Derechos de emisión de gases*

El 27 de agosto de 2004 se publicó el Real Decreto Ley 5/2004, en el que se regulaba el régimen de comercio de derechos de emisión de gases efecto invernadero. Este Real Decreto Ley era fruto de la transposición al ordenamiento jurídico español de la Directiva 2003/87 de 13 de octubre sobre Comercio de Derechos de Emisión de Gases de Efecto Invernadero.

El apartado número siete del Real Decreto Ley 5/2004 en el que se regulaba el régimen de comercio de derechos de emisión de gases efecto invernadero establecía que durante el periodo de vigencia de las asignaciones de derechos de emisión de dióxido de carbono, (EUAs), la Sociedad podría permutar el 7,9% de la asignación total por derechos de emisión de créditos de carbono (CERs).

El Real Decreto 1722/2012, de 28 de diciembre, aprobó el Plan Nacional de Asignación de Derechos de Emisión Gases de Efecto Invernadero, para el periodo 2013-2020. En el listado de instalaciones figuran recogidas las instalaciones de las que es titular la Sociedad. Los derechos de emisión de gases asignados a la Sociedad a través de sus UTES han sido de cero toneladas para el año 2015 y de 12.414 toneladas para el año 2014.

Los derechos de emisión se valoran al menor de su precio de adquisición o valor de mercado. No obstante, cuando se trata de derechos adquiridos a título gratuito se considera como precio de adquisición el valor venal de los mismos en el momento de la adquisición.

Los derechos de emisión figuran registrados en el activo del balance de situación, en el capítulo de Inmovilizado Intangible, bajo la denominación de "Derechos de emisión" y no son objeto de amortización contable.

Los derechos de emisión se dan de baja con ocasión de su transmisión a terceros, caducidad de los mismos o entrega a la Administración.

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- The remuneration parameters may be reviewed every six years (every three years in some cases).

- The efficiency complement and discount of reactive energy are eliminated, maintaining the penalty.

After publication of Royal Decree Act 9/2013, the drafts were presented for an electric sector bill, six Royal Decrees and four ministerial orders were presented for the requisite report by the Markets and Competition National Commission, in order to provide a detailed articulation of the changes introduced in other activities on the electric sector.

- On 26th December 2013, the new Act 24/2013 on the Electric Sector was published, that ratifies the terms established in Royal Decree Act 9/2013; eliminating the special regime and providing a new remuneration scheme for renewables, cogeneration and waste installations. That new remuneration shall be applicable from July 2013, the date of Royal Decree Act 9/2013 coming into force. As the new remunerations are not known, nor the standards in the relevant ministerial order, at the end of financial year 2013, these are provisionally liquidated through the regulations of Royal Decree 661/2007.

- Royal Decree 1041/2013 dated 27th December 2013, section 22 of Article 1 of which amends sections 3, 4 and adds sections 5 and 6 in Article 108 of the Regulations on Special Taxes, approved by Royal Decree 1165/1995, of 7th July. That amendment establishes that the part of natural gas consumption assigned to production of Useful Thermal Energy shall have a reduced tax rate, also establishing how justification of the consumption will be performed, so one may proceed to the relevant reimbursement of the difference between the normal tax rate and the reduced one.

- Royal Decree 413/2014, dated 6th June 2014, definitively establishes the new remunerations and the new remuneration framework, distinguishing between each of the generators of renewable energies, cogeneration and waste, in addition to considering the temporary renewals of those remuneration conditions.

On the basis of Royal Decree Act 9/2013 of 13th July 2013 and the Bill of the Royal Decree and Ministerial order of February 2014, the Company performed a negative adjustment of the turnover from 2013 for the estimated reduction of premiums received during the financial year and that amounted to 513,150.63 euros less revenue.

After publication in 2014 of R.D. 413/2014 that regulates production with renewable energies, cogeneration and waste, it led to a lower adjustment amounting to 121,825.90€ that is recorded in the results of 2014.

The Directors, in particular with regard to the assets provided by the companies Boremer, S.A., 7.3 million euros (7.3 million euros in 2014) and UTE Secado Térmico Butarque 6.3 million euros (6.9 million euros in 2014) consider there are due bases to have the City Council re-establish the financial economic balance of the concessions, so they have not recorded any valuation correction for impairment. Notwithstanding this, in the event of the rebalancing mentioned above not prospering under the terms expected, Valoriza Gestión S.A. (Sole Shareholder Company) shall reinstate the company equity, due to possible impairment of the assets aforementioned, where necessary.

c) True image

The attached annual accounts have been obtained from the accounting records of the Company, and these are presented within the regulatory framework of financial information so they provide a true image of the assets, the financial situation and results of the Company, as well as the changes in net assets and cash flows obtained during the relevant financial year. These annual accounts have been drawn up by the Sole Administrator of the Company and shall be submitted for approval by the Ordinary General Meeting of

Los derechos de emisión adquiridos a título gratuito tienen su contrapartida en la cuenta "Patrimonio-Subvenciones, donaciones y legados recibidos" del balance de situación.

La Sociedad registra una provisión a corto plazo denominada "Provisión por derechos de emisión", recogida dentro del capítulo de Acreedores comerciales, en el pasivo del balance de situación, a medida que se van produciendo las emisiones de gases efecto invernadero. Dicha provisión se mantiene en el pasivo del balance de situación hasta el momento en que los derechos de emisión correspondientes a las emisiones producidas son entregados a la Administración.

El importe de los citados gastos y de la correlativa provisión se determina considerando que la obligación será cancelada mediante los derechos de emisión trasferidos a la Sociedad gratuitamente por la Administración.

Cuando la emisión de gases durante el ejercicio conlleva la necesidad por parte de la Sociedad de adquirir derechos de emisión, adicionales a los asignados por la Administración, se considera el gasto correspondiente a este déficit de derechos, valorando éste al precio del derecho en el mercado al cierre del ejercicio.

- *Acuerdos de Concesión*

La Sociedad califica un acuerdo concesional como inmovilizado intangible cuando la contraprestación recibida por la empresa concesionaria consiste en el derecho a cobrar unas tarifas en función del grado de utilización del servicio público. La contraprestación recibida por la empresa concesionaria se contabiliza por el valor razonable de la infraestructura adquirida o construida.

Si la contraprestación recibida consiste en un derecho incondicional a recibir efectivo u otro activo financiero, la Sociedad califica el acuerdo concesional como un activo financiero (Nota 6).

Si la contraprestación recibida consiste parte en un activo financiero y parte en un inmovilizado intangible, la Sociedad registra dicha contraprestación en términos de proporción, salvo que alguno de los dos componentes suponga al menos un 90% de la contraprestación recibida, en cuyo caso se reconoce la totalidad de la contraprestación como activo financiero o inmovilizado intangible.

La valoración posterior de los acuerdos de concesión calificados como inmovilizado intangible seguirán las normas de registro y valoración 5ª y 6ª del Plan General de Contabilidad.

Según los términos establecidos en la concesión, hasta que la infraestructura no está en condiciones de explotación, todos los gastos de planificación, construcción, expropiación y otros gastos, incluyendo la parte de los gastos de administración, así como de los gastos financieros y la amortización de otro inmovilizado intangible, que le son aplicables, son considerados como coste del acuerdo de concesión (Nota 6).

La amortización del acuerdo concesional se iniciará cuando la infraestructura esté en condiciones de explotación.

La Sociedad ha optado por aplicar un método de amortización lineal a lo largo del período concesional.

Los gastos financieros devengados hasta que la infraestructura está en condiciones de explotación, en el caso de que el acuerdo se califique como inmovilizado intangible, se incluyen en la valoración inicial del acuerdo de concesión.

Los gastos relacionados con la conservación de la infraestructura se imputarán a la cuenta de pérdidas y ganancias del ejercicio en el que se incurran.

Las actuaciones de reposición y gran reparación cuyo período de utilización sea superior a un año, en la medida que ponen de manifiesto un desgaste o consumo de la infraestructura, suponen la dotación de una provisión sistemática en función del uso de la infraestructura y hasta el momento en que se realicen (Nota 6).

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Shareholders, it being considered that they shall be approved without any amendment whatsoever. On the other hand, the annual accounts for financial year 2014 were approved by the Ordinary General Meeting of Shareholders of the Sole Shareholder held on 30th June 2015.

The figures included in the annual accounts are stated in euros, except where indicated to the contrary.

d) Non mandatory accounting principles applied

No non mandatory accounting principles have been applied. Moreover, the Sole administrator has drawn up these annual accounts taking into consideration all the accounting principles and rules for mandatory application that have a significant effect on those annual accounts. There is no accounting principle that is mandatory, that has ceased to be applied.

e) Critical aspects of valuation and estimation of uncertainty

Estimates have been made by the Sole Administrator when drawing up the Company annual accounts that are based on the historic experience and other factors that are considered reasonable according to the present circumstances and that constitute the basis to establish the book virtue of assets and liabilities whose value may not easily be determined by other sources.

The main estimates made refer to:

- Evaluation of possible losses due to impairment of certain assets.
- The useful life of tangible and intangibles assets.
- Recoverability of deferred tax assets.
- Calculation of provisions.
- Calculation of reasonable values, values in use and present values.

The Company continually reviews its estimates. However, given the uncertainty inherent to these, there is an important risk of significant adjustments arising in the future with regard to the values of the assets and liabilities affected, if there is a significant change in the hypotheses, facts and circumstances on which they are based. The key cases regarding the future, as well as other relevant data on estimating uncertainty on the end date of the financial year, are associated with a major risk of involving significant changes in the value of the assets or liabilities in the coming financial year are as follows:

Impairment in the value of non current assets

Valuation of non current assets other than financial ones requires performance of estimates in order to determine their reasonable value, for the purposes of evaluating possible impairment, especially of the goodwill and the intangible assets with an indefinite useful life. In order to determine that reasonable value, the Sole Administrator of the Company estimates that the future cash flows expected from the assets or cash generating units they form part of and that use an appropriate discount rate to calculate the present value of those cash flows (Notes 5 and 7).

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El mismo tratamiento tienen las actuaciones necesarias para revertir la infraestructura, salvo que constituyan obligaciones asimilables a los gastos de desmantelamiento, en cuyo caso formará parte del valor del acuerdo de concesión la estimación inicial del valor actual de las obligaciones.

Las mejoras o ampliaciones de capacidad se tratan como una nueva concesión si se ven compensadas con la posibilidad de obtener mayores ingresos. En caso contrario se reconoce una provisión por el valor actual de la mejor estimación del desembolso a realizar para cancelar la obligación asociada y se reconoce un mayor precio de adquisición del acuerdo de concesión. Cuando se realicen las actuaciones se cancelará la provisión.

- *Activación financiera acuerdos de concesión*

Solo en el caso de los acuerdos de concesión calificados como inmovilizado intangible, a partir del momento en que la infraestructura está en condiciones de explotación, los gastos financieros se activarán siempre que sean identificables por separado, medibles con fiabilidad, que exista evidencia razonable y sea probable que los ingresos futuros permitan recuperar el importe activado.

Los gastos financieros se imputarán a resultados proporcionalmente a los ingresos previstos en el Plan Económico Financiero, activándose la diferencia. En relación con los ingresos previstos, se determinará la proporción que representan para cada ejercicio los ingresos de explotación del mismo con respecto al total. Dicha proporción se aplicará al total de gastos financieros previstos durante el periodo concesional para determinar el importe de los mismos a imputar a cada ejercicio económico como gastos financieros del ejercicio.

En el caso de que los ingresos reales del ejercicio superen los previstos, la proporción anterior se calculará entre el ingreso real y el total de ingresos previstos.

Si el importe de los gastos financieros de un ejercicio difiere del previsto, la diferencia se imputará a la cuenta de pérdidas y ganancias conforme a los párrafos anteriores.

Si se modifican las previsiones de ingresos, los efectos del cambio se aplicarán prospectivamente según lo establecido en párrafos anteriores.

b) Inmovilizado material

El inmovilizado material se valora inicialmente por su coste, ya sea éste el precio de adquisición o coste de producción, y posteriormente se minora por la correspondiente amortización acumulada y las pérdidas por deterioro, si las hubiera, conforme al criterio mencionado en la Nota 7.

El coste de producción incluye los costes de materiales directos y, en su caso, los costes de mano de obra directa y la parte que razonablemente corresponda de los costes indirectamente imputables a los bienes por el período de construcción o fabricación, incluida la amortización de los gastos de investigación cuando hayan sido objeto de capitalización, los gastos específicos de administración o dirección relacionados, las mermas derivadas y las obligaciones por desmantelamiento surgidas de la producción de existencias.

Los gastos de conservación y mantenimiento de los diferentes elementos que componen el inmovilizado material se imputan a la cuenta de pérdidas y ganancias del ejercicio en que se incurren. Por el contrario, los importes invertidos en mejoras que contribuyen a aumentar la capacidad o eficiencia o a alargar la vida útil de dichos bienes se registran como mayor coste de los mismos.

Para aquellos inmovilizados que necesitan un período de tiempo superior a un año para estar en condiciones de uso, los costes capitalizados incluyen los gastos financieros que se hayan devengado antes de la puesta en condiciones de funcionamiento del bien y que hayan sido girados por el proveedor o correspondan a préstamos u otro tipo de financiación ajena, específica o genérica, directamente atribuible a la adquisición o fabricación del mismo.

Los trabajos que la Sociedad realiza para su propio inmovilizado se registran al coste acumulado que resulta de añadir a los costes externos los costes internos, determinados en función de los consumos propios de materiales, la mano de obra directa incurrida y los gastos generales de fabricación calculados según tasas de absorción similares a las aplicadas a efectos de la valoración de existencias.

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Deferred tax assets

The deferred tax assets are recorded for all the deductible timing differences and negative taxable bases pending compensation for which it is probable that the Company may have future tax gains that allow application of these assets. In order to determine the amount of the deferred tax assets that may be recorded, the Sole Administrator estimates the amounts and dates on which future tax gains shall be obtained and the reversion period of the taxable timing differences. With regard to taxable bases pending compensation, the Company has recorded deferred tax assets amounting to 9,442,789.54 euros in 2015 and 11,153,494.52 euros in 2014 (Note 19b).

Provisions

The Company reports risk related provisions according to the accounting policy provided in section 4 of this report. The Company has made judgements and estimations in relation to the probability of such risks arising, as well as their amount, and it has recorded a provision when the risk has been considered probable, estimating the cost that such an obligation would give rise to.

Calculation of the reasonable values, the values in use and the present values

Calculation of the reasonable values, values in use and present values implies calculation of future cash flows and undertaking relative hypotheses regarding the future values of the flows as well as the discount rates applicable to these. The estimates and related assumptions are based on historic experience and on other diverse factors that are understood as reasonable according to the circumstances.

Provision for costs of dismantling assets

None of the Plants or works under execution have dismantling costs worthy of mention. The only installation where there is a contractual obligation to dismantle it is the Construction and Demolition Waste Plant in Vitoria where, on conclusion of the concession, the awardee Consortium must withdraw all the assets it has contributed to the business, except for the civil engineering works performed.

f) Comparison of the information

For the purposes of comparison, with each one of the items of the balance sheet, the profit and loss accounts, statement of changes in the net assets, the cash flow statement and annual report, in addition to the figures for financial year 2015, the Company presents those for the preceding financial year, that have been obtained by application of the General Accounting Plan approved by Royal Decree 1514/2007, that was amended by Royal Decree 1159/2010.

Pursuant to the terms established in the sole additional provision of the "Resolution of 29th January 2016, by the Institute for Accounting and Accounts Auditing, on the information to be included in the report on the annual accounts in relation to the average period for payment to providers in commercial operations", in Note 9b, the Company only provides the information on the financial year and does not provide comparative information, these annual accounts being classified as initial ones, exclusively for these purposes, with regard to application of the principle of uniformity and the requisite of comparability.

g) Grouping items

The Company has not grouped items on the balance sheet, in the profit and loss accounts in the statement of changes in the net assets and statement of cash flows.

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En el momento de la valoración inicial del inmovilizado, la Sociedad estima como un componente del mismo el valor actual de las obligaciones futuras derivadas del desmantelamiento, retiro y otras asociadas al citado inmovilizado, tales como los costes de rehabilitación del lugar donde se asienta. A 31 de diciembre de 2015 y 2014 estos costes no son significativos.

La Sociedad amortiza el inmovilizado material siguiendo el método lineal, aplicando porcentajes de amortización anual calculados en función de los años de vida útil estimada de los respectivos bienes, según el siguiente detalle:

	Porcentaje de amortización
Construcciones	3%
Instalaciones técnicas	10-33%
Maquinaria	15%
Utillaje	10-33%
Elementos de transporte	16%
Otro inmovilizado	10%

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En cada cierre de ejercicio, la Sociedad revisa los valores residuales, las vidas útiles y los métodos de amortización del inmovilizado material y, si procede, se ajustan de forma prospectiva.

c) Deterioro del valor de los activos no financieros

Al menos al cierre del ejercicio, la Sociedad evalúa si existen indicios de que algún activo no corriente o, en su caso, alguna unidad generadora de efectivo pueda estar deteriorado. Si existen indicios y, en cualquier caso, para los fondos de comercio y los activos intangibles con vida útil indefinida se estiman sus importes recuperables.

El importe recuperable es el mayor entre el valor razonable menos los costes de venta y el valor en uso. Cuando el valor contable es mayor que el importe recuperable se produce una pérdida por deterioro. El valor en uso es el valor actual de los flujos de efectivo futuros esperados, utilizando tipos de interés de mercado sin riesgo, ajustados por los riesgos específicos asociados al activo. Para aquellos activos que no generan flujos de efectivo, en buena medida, independientes de los derivados de otros activos o grupos de activos, el importe recuperable se determina para las unidades generadoras de efectivo a las que pertenecen dichos activos.

En la Nota 4a se indica de forma detallada el criterio de valoración seguido para calcular el valor recuperable del fondo de comercio, así como del resto de inmovilizados intangibles con vida útil indefinida.

Las correcciones valorativas por deterioro y su reversión se contabilizan en la cuenta de pérdidas y ganancias. Las correcciones valorativas por deterioro se revierten cuando las circunstancias que las motivaron dejan de existir, excepto las correspondientes a los fondos de comercio. La reversión del deterioro tiene como límite el valor contable del activo que figuraría si no se hubiera reconocido previamente el correspondiente deterioro del valor.

d) Arrendamientos

Los arrendamientos se clasifican como arrendamientos financieros siempre que de las condiciones de los mismos se deduzca que se transfieren al arrendatario sustancialmente los riesgos y beneficios inherentes a la propiedad del activo objeto del contrato. Los demás arrendamientos se clasifican como arrendamientos operativos.

- Arrendamiento financiero

En las operaciones de arrendamiento financiero en las que la Sociedad actúa como arrendatario, se presenta el coste de los activos arrendados en el balance de situación según la naturaleza del bien

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h) Elements recorded under several headings

The Company does not maintain any asset element recorded under various headings.

i) Changes in accounting criteria

During financial year 2015, there have been no significant access in accounting criteria with regard to the criteria applied in financial year 2014.

j) Correction of errors

When preparing the attached annual accounts, no significant error has been detected requiring restatement of the amounts included in the annual accounts of financial year 2014.

3. Application of the result

The proposal for application of the result of financial year 2015 drawn up by the Sole Administrator of the Company, and that shall be submitted for approval by the Sole Shareholder is as follows:

	2015	2014
Base for distribution	**7,237,720.92**	**8,652,764.38**
Balance of the profit and loss accounts	7,237,720.92	8,652,764.38
Application	**(7,237,720.92)**	**(8,652,764.38)**
To voluntary reserves	(386,026.92)	(704,799.34)
To dividends	(6,851,694.00)	(7,947,965.04)

The distribution of the result for financial year 2014 is shown in the statement of changes in net assets.

Limitations on distribution of dividends

The Company is bound to assign 10% of the profit from the financial year to constituting the legal reserve until it reaches at least 20% of the stock capital. That reserve, while not exceeding the limit of 20% of the stock capital, may not be distributed to the shareholders.

That proportion of 20% was reached during 2008.

Once the attentions foreseen by the Law or the Articles of Association have been covered, dividends may only be distributed to account of the profit from the financial year, or to freely available reserves, if the value of the net assets are not, or due to the distribution, do not become lower than the stock capital. To these ends, the profit assigned directly to the net assets may not be subject to direct or indirect distribution. If there are losses from previous financial years that make this value of the corporate assets lower than the stock capital figure, the profit shall be assigned to compensate such losses.

In any event, an unavailable reserve must be provided equivalent to the goodwill that is recorded in the assets of the balance sheet (abbreviated where appropriate), assigning a profit figure for that purpose that represents at least five per cent of the amount of said goodwill. If there were to be no profit, or if it were to be insufficient, freely available reserves shall be used.

objeto del contrato y, simultáneamente, un pasivo por el mismo importe. Dicho importe será el menor entre el valor razonable del bien arrendado y el valor actual al inicio del arrendamiento de las cantidades mínimas acordadas, incluida la opción de compra, cuando no existan dudas razonables sobre su ejercicio. No se incluirán en su cálculo las cuotas de carácter contingente, el coste de los servicios y los impuestos repercutibles por el arrendador. La carga financiera total del contrato se imputa a la cuenta de pérdidas y ganancias del ejercicio en que se devengan, aplicando el método del tipo de interés efectivo. Las cuotas de carácter contingente se reconocen como gasto del ejercicio en que se incurren.

Los activos registrados por este tipo de operaciones se amortizan con criterios similares a los aplicados al conjunto de los activos materiales, atendiendo a su naturaleza.

- Arrendamiento operativo

Cuando la Sociedad actúa como arrendatario

Los gastos derivados de los acuerdos de arrendamiento operativo se cargan a la cuenta de pérdidas y ganancias en el ejercicio en que se devengan.

Cualquier cobro o pago que pudiera realizarse al contratar un arrendamiento operativo, se tratará como un cobro o pago anticipado que se imputará a resultados a lo largo del período del arrendamiento, a medida que se cedan o reciban los beneficios del activo arrendado.

Cuando la Sociedad actúa como arrendador

Los ingresos y gastos derivados de los acuerdos de arrendamiento operativo se cargan a la cuenta de pérdidas y ganancias en el ejercicio en que se devengan.

Asimismo, el coste de adquisición del bien arrendado se presenta en el balance de situación conforme a su naturaleza, incrementado por el importe de los costes del contrato directamente imputables, los cuales se reconocen como gasto en el plazo del contrato, aplicando el mismo criterio utilizado para el reconocimiento de los ingresos del arrendamiento.

Cualquier cobro o pago que pudiera realizarse al contratar un arrendamiento operativo se tratará como un cobro o pago anticipado que se imputará a resultados a lo largo del período del arrendamiento, a medida que se cedan o reciban los beneficios del activo arrendado.

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e) Instrumentos financieros

e.1) Activos financieros

Los activos financieros que posee la Sociedad se clasifican en las siguientes categorías:

e.1.1) Clasificación y valoración

- *Préstamos y partidas a cobrar:*

Activos financieros originados en la venta de bienes o en la prestación de servicios por operaciones de tráfico de la empresa, o los que no teniendo un origen comercial, no son instrumentos de patrimonio ni derivados y cuyos cobros son de cuantía fija o determinable y no se negocian en un mercado activo.

Se valoran inicialmente por su valor razonable, que, salvo evidencia en contrario, será el precio de la transacción, que equivaldrá al valor razonable de la contraprestación entregada, más los costes de transacción que le sean directamente atribuibles.

Los acuerdos de concesión cuya contraprestación recibida consista en un derecho incondicional a recibir efectivo u otro activo financiero, se califican como un activo financiero dentro de la categoría

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4. Rules and registration and valuation

The main rules of registration and valuation used by the Company to prepare the annual accounts for financial year 2015, are as follows:

a) Intangible fixed assets

The intangible fixed assets are initially valued at cost, either their acquisition price or cost of production. Subsequently, they are valued at cost decreased by the relevant accumulated depreciation and, where appropriate, by the impairment losses they may have undergone.

The production cost includes the costs of direct materials and, where appropriate, the direct labour costs, and the reasonably relevant part of the cost directly assignable to the assets during the construction or fabrication, including depreciation of the research expenses when these have been subject to capitalisation, the related specific administration or management expenses arising from such and the obligations to dismantle arising from production of stocks.

Whether the useful life is definite or indefinite is analysed for each intangible fixed asset.

The intangible fixed assets that have a defined useful life are amortized systematically according to the estimated useful life of the assets and their residual value. The methods and periods of amortization applied are reviewed at each financial year end and, if appropriate, adjusted prospectively. At least at the end of the financial year, the existence of signs of impairment is evaluated, in which case the reasonable amounts are estimated, performing the relevant valuation corrections.

Intangibles assets with an indefinite useful life are not depreciated and, at least annually, they are subject to analysis of their eventual impairment. The indefinite useful life status of such assets is reviewed annually.

An intangible asset is considered to have an indefinite useful life when, on the basis of an analysis of all the relevant factors, there is a foreseeable limit to the term over which the asset is expected to generate net cash flows for the company.

- *Concessions*

The costs incurred to obtain the concession are considered expenses at the moment when incurred.

The main concession agreements of the Company and its concession periods are as follows:

Main Concession Agreements

Name	No. years of concession	Concession end year
Puertollano Parking (Ciudad Real)	38	2045
Municipal Waste Plant of Hornillos (Valencia)	25	2030
Calandrias composting plant (Cadiz)	20	2022
Guadarrama Park	13	2020
La Paloma waste plant (Madrid)	21	2023
Maresme waste plant (Barcelona)	15	2024
Butarque thermal drying plant (Madrid)	25	2028

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de préstamos y partidas a cobrar. Estos se valoran inicialmente por el valor razonable del servicio prestado, que en principio equivale al coste más el margen de construcción.

Posteriormente se valoran por su coste amortizado.

No obstante, los créditos por operaciones [illegible] vencimiento no superior a un año y que no tienen un tipo de interés contractual, así como los anticipos y créditos al personal, los dividendos a cobrar y los desembolsos exigidos sobre instrumentos de patrimonio, cuyo importe se espera recibir en el corto plazo, se valoran inicialmente y posteriormente por su valor nominal, cuando el efecto de no actualizar los flujos de efectivo no es significativo.

En el caso de los acuerdos de concesión calificados cono activos financieros, las actuaciones de reposiciones, de grandes reparaciones, las necesarias para revertir y/o conservar la infraestructura, así como las mejoras o ampliaciones de capacidad originan el reconocimiento del correspondiente activo financiero. Los gastos financieros devengados hasta que la infraestructura está en condiciones de explotación, así como los que se produzcan con posterioridad, se imputan a la cuenta de pérdidas y ganancias en el momento de su devengo.

- *Derivados de cobertura:*

Incluyen los derivados financieros clasificados como instrumentos de cobertura.

Los instrumentos financieros que han sido designados como instrumento de cobertura o como partidas cubiertas se valoran según lo establecido en la nota correspondiente de la norma de registro y valoración de los mismos.

- *Inversiones en el patrimonio de empresas del grupo, asociadas y multigrupo:*

Se consideran empresas del grupo aquellas vinculadas con la Sociedad por una relación de control, y empresas asociadas aquellas sobre las que la Sociedad ejerce una influencia significativa. Adicionalmente, dentro de la categoría de multigrupo se incluye a aquellas sociedades sobre las que, en virtud de un acuerdo, se ejerce un control conjunto con uno o más socios.

Se valoran inicialmente por su valor razonable, que, salvo evidencia en contrario, será el precio de la transacción, que equivaldrá al valor razonable de la contraprestación entregada, más los costes de transacción que le sean directamente atribuibles, excepto en las aportaciones no dinerarias a una empresa del grupo en los que el objeto es un negocio, para las que la conversión se valora por el valor contable de los elementos que integra el negocio. Formará parte de la valoración inicial el importe de los derechos preferentes de suscripción y similares que, en su caso, se hubiesen adquirido.

Posteriormente se valoran por su coste, minorado, en su caso, por el importe acumulado de las correcciones valorativas por deterioro. Dichas correcciones se calculan como la diferencia entre su valor en libros y el importe recuperable, entendido éste como el mayor importe entre su valor razonable menos los costes de venta y el valor actual de los flujos de efectivo futuros derivados de la inversión. Salvo mejor evidencia del importe recuperable, se toma en consideración el patrimonio neto de la entidad participada, corregido por las plusvalías tácitas existentes en la fecha de la valoración (incluyendo el fondo de comercio, si lo hubiera).

e.1.2) Baja de activos financieros

La Sociedad da de baja los activos financieros cuando expiran o se han cedido los derechos sobre los flujos de efectivo del correspondiente activo financiero y se han transferido sustancialmente los riesgos y beneficios inherentes a su propiedad, tales como en ventas en firme de activos, cesiones de créditos comerciales en operaciones de "factoring" en las que la empresa no retiene ningún riesgo de crédito ni de interés, las ventas de activos financieros con pacto de recompra por su valor razonable o las totalizaciones de activos financieros en las que la empresa cedente no retiene financiaciones subordinadas ni concede ningún tipo de garantía o asume algún otro tipo de riesgo.

Por el contrario, la Sociedad no da de baja los activos financieros, y reconoce un pasivo financiero por un importe igual a la contraprestación recibida, en las cesiones de activos financieros en las que se retenga

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- *Computer applications*

The heading for computer applications includes the costs incurred in relation to computer applications acquired from third parties or developed by the Company itself that fulfil the conditions stated above for activation. Their depreciation is performed by the linear method over their estimated useful life of 4 years.

- *Research and development*

The Company records research expenses as expenses in the financial year when performed, except in the case of those assigned to the "Lixi-Vaper" project.

In the case of the research expenses of that project, they are activated from the moment when the following conditions are fulfilled:

- Being specifically individualised by projects and their cost clearly established to be distributed over time.
- A strict relation may be established between research "project" and objectives pursued and achieved. Appreciation of that requisite shall be made generically for each set of interrelated activities, or due to the existence of a common objective.

The research expenses that are recorded in the assets are depreciated by the linear method over 5 years.

Repairs that do not represent an increase in the useful life and the maintenance costs are charged to the profit and loss accounts in the financial year in which they take place.

- *Goodwill*

Goodwill is initially valued at the moment of acquisition, at cost, that being the excess cost of the business combination compared with the reasonable value of the identifiable assets acquired minus the liabilities borne.

Exceptionally, the existing goodwill on the date of transition to the General Accounting Plan approved by Royal Decree 1514/2007 (Note 2.2) is reported at its net book value on 1st January 2007, that is, at cost less the accumulated depreciation and the impairment that were recorded on that date, according to the accounting rules previously in force.

The goodwill is not depreciated. Instead, the cash generating units to which the goodwill has been assigned on the date of acquisition are subject, at least annually, to checking eventual impairment of their value, proceeding to record the relevant valuation correction due to impairment where appropriate.

Valuation corrections due to impairment of the goodwill cannot be subject to reversion in subsequent financial years.

- *Gas emission rights*

On 27th August 2004, Royal Decree Act 5/2004 was published, that regulated the commercial regime of greenhouse gas issue rights. The Royal Decree Act was due to transposal to Spanish law of Directive 2003/87 of 13th October on Trading Greenhouse Gas Rights.

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sustancialmente los riesgos y beneficios inherentes a su propiedad, tales como el descuento de efectos, el "factoring con recurso", las ventas de activos financieros con pactos de recompra a un precio fijo o al precio de venta más un interés y las titulizaciones de activos financieros en las que la empresa cedente retiene financiaciones subordinadas u otro tipo de garantías que absorben sustancialmente todas las pérdidas esperadas.

e.1.3) Intereses y dividendos recibidos de activos financieros

Los intereses y dividendos de activos financieros devengados con posterioridad al momento de la adquisición se reconocen como ingresos en la cuenta de pérdidas y ganancias. Los intereses deben reconocerse utilizando el método del tipo de interés efectivo y los dividendos cuando se declare el derecho a recibirlos.

A estos efectos, en la valoración inicial de los activos financieros se registran de forma independiente, atendiendo a su vencimiento, el importe de los intereses explícitos devengados y no vencidos en dicho momento, así como el importe de los dividendos acordados por el órgano competente hasta el momento de la adquisición. Se entiende por intereses explícitos aquellos que se obtienen de aplicar el tipo de interés contractual del instrumento financiero.

Asimismo, cuando los dividendos distribuidos proceden inequívocamente de resultados generados con anterioridad a la fecha de adquisición porque se hayan distribuido importes superiores a los beneficios generados por la participada desde la adquisición, no se reconocen como ingresos, y minoran el valor contable de la inversión.

El importe de los ingresos financieros devengados asociados a derechos de cobro por acuerdos de concesión forma parte del importe neto de la cifra de negocios.

e.1.4) Deterioro del valor de los activos financieros

El valor en libros de los activos financieros se corrige por la Sociedad con cargo a la cuenta de pérdidas y ganancias cuando existe una evidencia objetiva de que se ha producido una pérdida por deterioro.

Para determinar las pérdidas por deterioro de los activos financieros, la Sociedad evalúa las posibles pérdidas tanto de los activos individuales, como de los grupos de activos con características de riesgo similares.

- Instrumentos de deuda

Existe una evidencia objetiva de deterioro en los instrumentos de deuda, entendidos como las cuentas a cobrar, los créditos y los valores representativos de deuda, cuando después de su reconocimiento inicial ocurre un evento que supone un impacto negativo en sus flujos de efectivo estimados futuros.

La Sociedad considera como activos deteriorados (activos dudosos) aquellos instrumentos de deuda para los que existen evidencias objetivas de deterioro, que hacen referencia fundamentalmente a la existencia de impagados, incumplimientos, refinanciaciones y a la existencia de datos que evidencien la posibilidad de no recuperar la totalidad de los flujos futuros pactados o que se produzca un retraso en su cobro.

En el caso de los activos financieros valorados a su coste amortizado, el importe de las pérdidas por deterioro es igual a la diferencia entre su valor en libros y el valor actual de los flujos de efectivo futuros que se estima van a generar, descontados al tipo de interés efectivo existente en el momento del reconocimiento inicial del activo. Para los activos financieros a tipo de interés variable se utiliza el tipo de interés efectivo a la fecha de cierre de las cuentas anuales. Para los deudores comerciales y otras cuentas a cobrar, la Sociedad considera como activos dudosos aquellos saldos que tienen partidas vencidas para las que no existe seguridad de su cobro y los saldos de empresas que han solicitado un concurso de acreedores. La Sociedad considera para los instrumentos cotizados el valor de mercado de los mismos como sustituto del valor actual de los flujos de efectivo futuro, siempre que sea suficientemente fiable.

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Section number seven of Royal Decree Act 5/2004 that regulated the commercial regime of greenhouse gas emission rights established that, for the period the carbon dioxide emission rights assignment (EUAs) remains in force, the Company may exchange 7.9% of the total assignment for carbon credit emission rights (CERs).

Royal Decree 1722/2012, of 28th December, approved the National Greenhouse Gas Rights Assignment Plan for the period 2013-2020. The installations list records the installations the Company owns. The gas emission rights assigned to the Company through its Consortia came to zero tonnes in 2015 and 12,414 tonnes in 2014.

The emission rights are valued at the lower figure between the acquisition price or market value. Notwithstanding this, in the case of rights acquired free of charge, their acquisition price is considered to be their market value at the moment of acquisition.

The emission rights are recorded in the assets of the balance sheet, in the Intangible Fixed Assets heading, under the name "Emission rights" and they are not subject to accounting depreciation.

Emission rights are struck off when conveyed to third parties, on their expiry or deliver to the Administration.

Emission rights acquired free of charge have their counterpart in the account "Assets - Subventions, donations and legacies received" on the balance sheet.

The Company records a short term provision called "Provision for emission rights", recorded in the Commercial Creditors chapter, in the liabilities of the balance sheet, as greenhouse gas emissions are produced. That provision is maintained in the liabilities on the balance sheet until the moment when the relevant emission rights for the emissions produced are delivered to the Administration.

The amount of those expenses and of the correlative provision is determined by considering that the obligation shall be cancelled by means of the emission rights transferred to the Company free of charge by the Administration.

When gas emission during the financial year makes it necessary for the Company to acquire additional emission rights to those assigned by the Administration, the relevant expense for that shortfall in rights is considered, valued at the price of the right on the market at the end of the financial year.

- *Concession Agreements*

The Company classifies a concession agreement as an intangible fixed asset when the consideration received by the concession company consists of the right to collect tariffs according to the degree of use of the public service. The consideration received by the concession company is accounted for at the reasonable value of the infrastructure acquired or built.

If the consideration received consists of an unconditional right to receive cash or another financial asset, the Company classifies the concession agreement as a financial asset (Note 6).

If the consideration received consists partially of a financial asset and party to an intangible fixed asset, the Company records that consideration under terms of proportion, except if any of the two components amounts to less than 90% of the consideration received, in which case it recognises all the consideration as a financial asset or an intangible fixed asset.

The subsequent valuation of the concession agreements classified as intangible fixed assets shall follow the rules of registration and valuation 5 and 6 of the General Accounting Plan.

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La reversión del deterioro se reconoce como un ingreso en la cuenta de pérdidas y ganancias y tiene como límite el valor en libros del activo financiero que estaría registrado en la fecha de reversión si no se hubiese registrado el deterioro de valor.

- Instrumentos de patrimonio

Existe una evidencia objetiva de que los instrumentos de patrimonio se han deteriorado cuando después de su reconocimiento inicial ocurre un evento o una combinación de ellos que suponga que no se va a poder recuperar su valor en libros debido a un descenso prolongado o significativo en su valor razonable.

La reversión de las correcciones valorativas por deterioro se registra en la cuenta de pérdidas y ganancias, con el límite del valor en libros que tendría la inversión en la fecha de reversión si no se hubiera registrado el deterioro de valor, para las inversiones en el patrimonio de empresas del grupo, multigrupo y asociadas.

e.2) Pasivos financieros

Los pasivos financieros que posee la Sociedad se clasifican en las siguientes categorías:

e.2.1) Clasificación y valoración

- *Débitos y partidas a pagar:*

Se trata de aquellos débitos y partidas a pagar que tiene la Sociedad y que se han originado en la compra de bienes y servicios por operaciones de tráfico de la empresa, o también aquellos que sin tener un origen comercial, no pueden ser considerados como instrumentos financieros derivados.

Se valoran inicialmente al valor razonable de la contraprestación recibida, ajustada por los costes de la transacción directamente atribuibles.

Posteriormente se valoran a coste amortizado.

No obstante, los débitos por operaciones comerciales con vencimiento no superior a un año y que no tengan un tipo de interés contractual, así como los desembolsos exigidos por terceros sobre participaciones, cuyo importe se espera pagar en el corto plazo, se valoran por su valor nominal, cuando el efecto de no actualizar los flujos de efectivo no es significativo.

- *Derivados de cobertura:*

Incluyen los derivados financieros clasificados como instrumentos de cobertura.

Los instrumentos financieros que han sido designados como instrumento de cobertura o como partidas cubiertas se valoran según lo establecido en la nota correspondiente de la norma de registro y valoración de los mismos.

e.2.2) Cancelación o baja de pasivos financieros

La Sociedad da de baja un pasivo financiero cuando la obligación se ha extinguido.

Cuando se produce un intercambio de instrumentos de deuda, siempre que éstos tengan condiciones sustancialmente diferentes, se registra la baja del pasivo financiero original y se reconoce el nuevo pasivo financiero que surja. De la misma forma se registra una modificación sustancial de las condiciones actuales de un pasivo financiero.

La diferencia entre el valor en libros del pasivo financiero, o de la parte del mismo que se haya dado de baja, y la contraprestación pagada, incluidos los costes de transacción atribuibles, y en la que se recoge asimismo cualquier activo cedido diferente del efectivo o pasivo asumido, se reconoce en la cuenta de pérdidas y ganancias del ejercicio en que tenga lugar.

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According to the terms established in the concession, until the infrastructure is ready for operation, all the expenses of planning, construction, expropriation and other expenses, including the part of the administration expenses, as well as the financial expenses and depreciation of the intangible fixed assets applicable to it, are considered as the cost of the concession agreement (Note 6).

Depreciation of the concession agreement shall commence when the infrastructure is available for operation.

The Company has opted to apply the linear depreciation method over the term of the concession period.

The financial expenses accrued until the infrastructure is in operational condition, in the case of the agreement being classified as an intangible fixed asset are included in the initial valuation of the concession agreement.

The expenses related to conservation of the infrastructure shall be assigned to the profit and loss accounts in the financial year in which they are incurred.

The replacement actions and major repairs whose period of use exceed one year, to the extent that they show wear or consumption of the infrastructure, they amount to provision of a systematic provision according to the use of the infrastructure and up to the moment when they are performed (Note 6).

The same treatment is given to the actions required to revert the infrastructure, except if they constitute similar obligations to the dismantling expenses, in which case the initial estimate of the present value of the obligations shall form part of the value of the concession agreement.

Improvements or capacity increases are treated after a new concession if they are compensated by the possibility of obtaining greater revenue; if not, it is recognised as a provision for the present value of the best estimate of disbursement to be made to cancel the associated obligation and recognises a higher acquisition price of the concession agreement. When the actions are carried out, the provision shall be cancelled.

- *Financial activation of concession agreements*

Only in the case of concession agreements classified as intangible fixed assets, as of the moment when the infrastructure is in operable conditions, shall the financial expenses be activated, as long as they may be identified separately, reliably measured, when there is reasonable evidence and it is probable that future revenue will allow the amount activated to be recovered.

The financial expenses shall be assigned to the results in proportion to the revenue foreseen in the Economic Financial Plan, activating the difference. With regard to the revenue foreseen, the proportion they represent in each financial year shall determine the proportion shall represent the operating revenue thereof for each financial year with regard to the total. That proportion shall be applied to the total financial expenses foreseen during the concession period to determine the amount thereof to assign to each financial year as financing expenses of the financial year.

In the case of the real revenue in the financial year exceeding those foreseen, the above proportion shall be calculated between the real revenue and the total revenue foreseen.

If the amount of the financial expenses of the financial year differs from that foreseen, the difference shall be assigned to the profit and gains according to the preceding paragraphs.

If the forecasts for income are amended, the effects of the change shall be applied prospectively according to the terms established in previous paragraphs.

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Cuando se produce un intercambio de instrumentos de deuda que no tengan condiciones sustancialmente diferentes, el pasivo financiero original no se da de baja del balance de situación, registrando el importe de las comisiones pagadas como un ajuste de su valor contable. El nuevo coste amortizado del pasivo financiero se determina aplicando el tipo de interés efectivo, que es aquel que iguala el valor en libros del pasivo financiero en la fecha de modificación con los flujos de efectivo a pagar según las nuevas condiciones.

e.3) Instrumentos de patrimonio

Un instrumento de patrimonio representa una participación residual en el Patrimonio de la Sociedad, una vez deducidos todos sus pasivos.

Los instrumentos de capital emitidos por la Sociedad se registran en el patrimonio neto por el importe recibido, neto de los gastos de emisión.

e.4) Coberturas

La Sociedad utiliza instrumentos financieros derivados para cubrir los riesgos a los que se encuentran expuestos sus flujos de efectivo futuros. Fundamentalmente, estos riesgos son de variaciones de los tipos de cambio y los tipos de interés. En el marco de dichas operaciones la Sociedad contrata instrumentos financieros de cobertura.

Para que estos instrumentos financieros puedan calificarse como de cobertura, son designados inicialmente como tales documentándose la relación de cobertura. Asimismo, la Sociedad verifica inicialmente y de forma periódica a lo largo de su vida (como mínimo en cada cierre contable) que la relación de cobertura es eficaz, es decir, que es esperable prospectivamente que los cambios en los flujos de efectivo de la partida cubierta (atribuibles al riesgo cubierto) se compensen casi completamente por los del instrumento de cobertura y que, retrospectivamente, los resultados de la cobertura hayan oscilado dentro de un rango de variación del 80 al 125% respecto del resultado de la partida cubierta.

Para contabilizar las coberturas, éstas son clasificadas como:

- Coberturas de valor razonable, cuando cubren la exposición a cambios en el valor razonable de un activo o pasivo registrados.
- Coberturas de flujos de efectivo, cuando cubren la exposición a la variación de los flujos de efectivo que es atribuible bien a un riesgo concreto asociado con un activo o pasivo, o bien a una transacción prevista.
- Coberturas de una inversión neta en un negocio en el extranjero.

La Sociedad aplica el siguiente tipo de cobertura, que se contabiliza tal y como se describe a continuación:

- Coberturas de flujos de efectivo: En este tipo de coberturas, la parte de la ganancia o pérdida del instrumento de cobertura que se haya determinado como cobertura eficaz se reconoce transitoriamente en el patrimonio neto, imputándose en la cuenta de pérdidas y ganancias en el mismo período en que el elemento que está siendo objeto de cobertura afecta al resultado, salvo que la cobertura corresponda a una transacción prevista que termine en el reconocimiento de un activo o pasivo no financiero, en cuyo caso los importes registrados en el patrimonio neto se incluirán en el coste del activo o pasivo cuando sea adquirido o asumido.

La contabilización de coberturas es interrumpida cuando el instrumento de cobertura vence, o es vendido, finalizado o ejercido, o deja de cumplir los criterios para la contabilización de coberturas. En ese momento, cualquier beneficio o pérdida acumulada correspondiente al instrumento de cobertura que haya sido registrado en el patrimonio neto se mantiene dentro del patrimonio neto hasta que se produzca la operación prevista. Cuando no se espera que se produzca la operación que está siendo objeto de cobertura, los beneficios o pérdidas acumulados netos reconocidos en el patrimonio neto se transfieren a los resultados netos del período.

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b) Tangible fixed assets

Tangible fixed assets are initially valued at cost, be this the acquisition price or production cost, and this is subsequently reduced by the relevant accumulated depreciation and the impairment losses if any, pursuant to the criteria mentioned in Note 7.

The production cost includes the costs of direct materials and, where appropriate, the direct labour costs, and the part that would reasonably correspond to the costs indirectly assignable to the assets for the construction or manufacturing period, including amortization of the research expenses, when these have been subject to capitalisation, the specific related expenses of administration or management, the shrinkage arising and the dismantling obligations arising from production of stocks.

The conservation and maintenance expenses of the different elements comprising the tangible assets are assigned to the profit and loss accounts in the financial year when they are incurred. On the contrary, the amounts invested in improvements that contribute to increase capacity or efficiency or to lengthen the useful life of those assets are recorded as a greater cost thereof.

For financial years that require a longer period of time than one year to be ready for use, the capitalised costs include the financial expenses that have been accrued before the asset is made available for operation and that have been issued by the provider or are for loans or another kind of specific or generic outside financing, directly attributable to acquisition or manufacturing thereof.

The work the Company carries out on its own fixed assets is recorded at the accumulated cost arising from adding the internal costs to the external costs, determined according to own consumption of materials, direct labour incurred and the general manufacturing expenses calculated according to similar absorption rates to those applied for the purposes of evaluating stocks.

At the moment of initial valuation of the fixed assets, the Company estimates the present value of future withdrawal and expenses associated with such fixed assets as a component of these, such as the costs of reinstatement of the site they stand on. On 31st December 2015 and 2014, these costs are not significant.

The Company depreciates the tangible fixed assets by the linear method, applying annual depreciation percentages calculated according to the years of estimated useful life of the respective assets, according to the following detail:

	Percentage of depreciation
Construction	3%
Technical installations	10-33%
Machinery	15%
Utilities	10%-33%
Transport elements	16%
Other fixed assets	10%

At each financial year end, the Company reviews the residual values, the useful lives and depreciation methods applied to the tangible fixed assets and, if appropriate, these are adjusted prospectively.

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f) Existencias

Las existencias se valoran a su precio de adquisición, coste de producción o valor neto realizable, el menor. Los descuentos comerciales, las rebajas obtenidas, otras partidas similares y los intereses incorporados al nominal de los débitos se deducen en la determinación del precio de adquisición.

El coste de producción incluye los costes de materiales directos y, en su caso, los costes de mano de obra directa y la parte que razonablemente corresponda de los costes indirectamente imputables a los bienes por el período de construcción o fabricación, incluida la amortización de los gastos de investigación cuando hayan sido objeto de capitalización, los gastos específicos de administración o dirección relacionados, las mermas derivadas y las obligaciones por desmantelamiento surgidas de la producción de existencias.

El valor neto realizable representa la estimación del precio de venta menos todos los costes estimados para terminar su fabricación y los costes que serán incurridos en los procesos de comercialización, venta y distribución.

Para aquellas existencias de la Sociedad que no necesitan un período de tiempo superior a un año para estar en condiciones de ser vendidas, no se incluyen gastos financieros en el precio de adquisición o coste de producción.

Cuando el valor neto realizable de las existencias es inferior a su precio de adquisición o a su coste de producción, se efectúan las oportunas correcciones valorativas, reconociéndolas como un gasto en la cuenta de pérdidas y ganancias. Para las materias primas y otras materias consumibles en el proceso de producción, no se realiza corrección valorativa si se espera que los productos terminados a los que se incorporarán sean vendidos por encima del coste.

Para aquellas existencias que necesitan un período de tiempo superior a un año para estar en condiciones de ser vendidas, el coste incluye los gastos financieros que han sido girados por el proveedor o corresponden a préstamos u otro tipo de financiación ajena, específica o genérica, directamente atribuible a la fabricación o construcción.

En la asignación de valor a sus inventarios la Sociedad utiliza el método FIFO.

g) Efectivo y otros activos líquidos equivalentes

Este epígrafe incluye el efectivo en caja, las cuentas corrientes bancarias y los depósitos y adquisiciones temporales de activos que cumplen con todos los siguientes requisitos:

- Son convertibles en efectivo.
- En el momento de su adquisición su vencimiento no era superior a tres meses.
- No están sujetos a un riesgo significativo de cambio de valor.
- Forman parte de la política de gestión normal de tesorería de la Sociedad.

A efectos del estado de flujos de efectivo se incluyen como menos efectivo y otros activos líquidos equivalentes los descubiertos ocasionales que forman parte de la gestión de efectivo de la Sociedad.

h) Transacciones en moneda distinta del euro

La moneda funcional utilizada por la Sociedad es el euro. Consecuentemente, las operaciones en otras divisas distintas del euro se consideran denominadas en moneda distinta del euro y se registran según los tipos de cambio vigentes en las fechas de las operaciones.

Al cierre del ejercicio, los activos y pasivos monetarios denominados en moneda distinta del euro se convierten aplicando el tipo de cambio en la fecha del balance de situación. Los beneficios o pérdidas puestos de manifiesto se imputan directamente a la cuenta de pérdidas y ganancias del ejercicio en que se producen.

Las partidas no monetarias valoradas a coste histórico se valoran aplicando el tipo de cambio de la fecha

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c) Impairment of the value of non-financial assets

At least at the financial year end, the Company evaluates whether there are signs that any non current asset or, where appropriate, any cash generating unit may be impaired. If there are signs, and in any event, for the goodwill and intangible assets with an indefinite useful life, their amounts are deemed to be reasonable.

The reasonable amount is the greater between the reasonable amount minus the costs of sale and number in use. When the accounting value is greater than the reasonable amount, there is a loss due to impairment. The value in use is the actual value of the expected future cash flows, using market interest rates without risk, adjusted by the specific risks associated with the asset. For assets that do not generate cash flows, to a fair extent independent of those arising from other assets or groups of assets, the reasonable amount is determined for the cash generating units to which those assets belong.

Note 4a provides a detailed description of the valuation criteria used to calculate the reasonable value of the goodwill, as well as the rest of the intangible fixed assets with indefinite useful life.

The valuation corrections for impairment and reversion thereof are accounted for in the profit and loss accounts. The valuation corrections for impairment are reverted when the circumstances that gave rise to them cease to exist, except the relevant ones for goodwill. Reversion of the impairment has the limit to the book value of the assets that shall be recorded if one has not previously recognised the relevant impairment in value.

d) Leases

Leases are classified as financial leases as long as their conditions do not lead to belief that the risks and benefits inherent to ownership of the asset forming the object of the agreement shall be transferred to the lessee. Other leases are classified as operating leases.

- Financial lease

The financial operations in which the Company acts as a lessee record the cost of the assets leased on the balance sheet according to the nature of the asset forming the object of the contract and, simultaneously, a liability for the same amount. That amount shall be the lower amount between the reasonable value of the asset leased and the present value at the beginning of the lease of the minimum amounts agreed and the present value of the minimum sums agreed at the beginning of the lease, including the purchase offer, when there is no reasonable doubt regarding its exercise. The calculation shall not include the quotas with contingent status, nor the cost of the services and taxes the lessor may repercuss. The total financial burden of the contract is assigned to the profit and loss accounts in the financial year when accrued, applying the effective interest rate method. The quotas of a contingent nature are recorded as an expense in the financial year in which they are incurred.

The assets recorded for such operations are depreciated using similar criteria to those applied to the set of tangible assets, according to their nature.

- Operating lease

When the Company is acting as a lessee

The expenses arising from the operating lease agreements are charged to the profit and loss accounts in the financial year in which they are accrued.

Any collection or payment that may be made on contracting an operating lease shall be dealt with as an advance collection or payment that shall be assigned to results over the period of lease, as the benefits of the asset leased are assigned or received.

de la transacción.

Las partidas no monetarias valoradas a valor razonable se valoran aplicando el tipo de cambio de la fecha de determinación del valor razonable. Las diferencias de cambio se registran directamente en el patrimonio neto si la partida no monetaria se valora contra patrimonio neto y en la cuenta de pérdidas y ganancias si se valora contra el resultado del ejercicio.

i) Impuestos sobre beneficios

El gasto o ingreso por impuesto sobre beneficios comprende la parte relativa al gasto o ingreso por el impuesto corriente y la parte correspondiente al gasto o ingreso por impuesto diferido.

El impuesto corriente es la cantidad que la Sociedad satisface como consecuencia de las liquidaciones fiscales del impuesto sobre el beneficio relativas a un ejercicio. Las deducciones y otras ventajas fiscales en la cuota del impuesto, excluidas las retenciones y pagos a cuenta, así como las pérdidas fiscales compensables de ejercicios anteriores y aplicadas efectivamente en éste, dan lugar a un menor importe del impuesto corriente.

El gasto o el ingreso por impuesto diferido se corresponden con el reconocimiento y la cancelación de los activos y pasivos por impuesto diferido. Éstos incluyen las diferencias temporarias que se identifican como aquellos importes que se prevén pagaderos o recuperables derivados de las diferencias entre los importes en libros de los activos y pasivos y su valor fiscal, así como las bases imponibles negativas pendientes de compensación y los créditos por deducciones fiscales no aplicadas fiscalmente. Dichos importes se registran aplicando a la diferencia temporaria o crédito que corresponda el tipo de gravamen al que se espera recuperarlos o liquidarlos.

El 28 de noviembre de 2014 se publicó la Ley 27/2014 del Impuesto sobre Sociedades, la cual establece en su disposición transitoria trigésimo cuarta i), un tipo impositivo aplicable para el ejercicio 2015 del 28 por ciento y, en su artículo 29, un tipo impositivo aplicable para el ejercicio 2016 y posteriores, del 25 por ciento. La Sociedad ha procedido a ajustar sus activos y pasivos por diferencias temporarias (Nota 19).

Se reconocen pasivos por impuestos diferidos para todas las diferencias temporarias imponibles, excepto aquellas derivadas del reconocimiento inicial de fondos de comercio o de otros activos y pasivos en una operación que no afecta ni al resultado fiscal ni al resultado contable y no es una combinación de negocios, así como las asociadas a inversiones en empresas dependientes, asociadas y negocios conjuntos en las que la Sociedad puede controlar el momento de la reversión y es probable que no reviertan en un futuro previsible.

Por su parte, los activos por impuestos diferidos sólo se reconocen en la medida en que se considere probable que la Sociedad vaya a disponer de ganancias fiscales futuras contra las que poder hacerlos efectivos.

Los activos y pasivos por impuestos diferidos, originados por operaciones con cargos o abonos directos en cuentas de patrimonio, se contabilizan también con contrapartida en patrimonio neto.

En cada cierre contable se reconsideran los activos por impuestos diferidos registrados, efectuándose las oportunas correcciones a los mismos en la medida en que existan dudas sobre su recuperación futura. Asimismo, en cada cierre se evalúan los activos por impuestos diferidos no registrados en el balance de situación y éstos son objeto de reconocimiento en la medida en que pase a ser probable su recuperación con beneficios fiscales futuros.

Los activos y pasivos por impuesto diferido se valoran a los tipos de gravamen esperados en el momento de su reversión, según la normativa vigente aprobada, y de acuerdo con la forma en que racionalmente se espera recuperar o pagar el activo o pasivo por impuesto diferido.

Los activos y pasivos por impuesto diferido no se descuentan y se clasifican como activos y pasivos no corrientes.

Sacyr, S.A. y sus sociedades participadas que cumplen lo establecido en el R.D.L. 4/2004 de 5 de marzo por el que se aprueba el texto refundido de la Ley del Impuesto sobre Sociedades han optado, mediante

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When the Company is acting as a lessor

The revenue and expenses arising from the operating lease agreements are charged to the profit and loss accounts in the financial year in which they are accrued.

Likewise, the acquisition cost of the asset is presented on the balance sheet according to their nature, increased by the amount of the costs of the contract directly assigned, that are recognised as an expense during the term of the contract, applying the same criteria used to report revenue from lease.

Any collection or payment that may be performed when entering into an operating lease shall be dealt with advance collection or payment that shall be assigned to results throughout the term of the lease, as the benefits of the asset leased are assigned or received.

e) Financial instruments

e.1) Financial assets

The financial assets the Company has are classified in the following categories:

e.1.1) *Classification and valuation*

- *Loans and items for collection:*

Financial assets arising from sale of assets or provision of services for trade operations by the company, or those that, not having a commercial origin, are not asset instruments or derivatives, and collection of which are for a fixed or determinable amount and that are not traded on an active market.

These are initially valued at their reasonable value that, except for evidence to the contrary, shall be the transaction price, that shall be equivalent to the reasonable value of the consideration delivered, plus the transaction costs directly attributable to them.

The concession resolutions whose consideration received consists of an unconditional right to receive cash or another financial asset, are classified as a financial asset within the category of loans and items collectable. These are initially valued at the reasonable value of the service provided, that in principle are equivalent to the cost plus the construction margin.

They shall subsequently be valued at their depreciated cost.

Notwithstanding this, credits for commercial operations with an expiry not exceeding one year and that do not have a contractual interest rate, as well as advances and loans to the staff, the dividends collectable and the disbursements required on asset instruments, the amount of which is expected to be received short term, are initially and subsequently valued at their face value, when the effect of not updating the cash flows is not significant.

In the case of concession agreements classified as financial assets, the replacement actions, major repairs, those necessary to revert and/or conserve the infrastructure, as well as the improvements or increases in capacity give rise to recognition of the relevant financial asset. Financial assets accrued until the infrastructure is in condition for operation, as well as those subsequently produced, are assigned to the profit and loss account at the moment of accrual.

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acuerdo de los respectivos Órganos de Administración de cada Sociedad, acogerse al Régimen de Consolidación Fiscal, realizando la preceptiva comunicación a la Agencia Tributaria, integrando el grupo fiscal consolidado 20/02 cuya Sociedad dominante es Sacyr, S.A. con C.I.F. A-28013811.

La Sociedad, por cumplir lo establecido en la ley 43/1995 del Impuesto sobre Sociedades, ha optado por acogerse al Régimen de Consolidación Fiscal, mediante acuerdo de los Órganos de Administración, junto con el resto de empresas que componen el grupo fiscal consolidado.

j) Ingresos y gastos

Los ingresos se reconocen cuando es probable que la Sociedad reciba los beneficios o rendimientos económicos derivados de la transacción y el importe de los ingresos y de los costes incurridos o a incurrir pueden valorarse con fiabilidad. Los ingresos se valoran al valor razonable de la contrapartida recibida o por recibir, deduciendo los descuentos, rebajas en el precio y otras partidas similares que la Sociedad pueda conceder, así como, en su caso, los intereses incorporados al nominal de los créditos. Los impuestos indirectos que gravan las operaciones y que son repercutibles a terceros no forman parte de los ingresos.

El reconocimiento de los ingresos por ventas se produce en el momento en que se han transferido al comprador los riesgos y beneficios significativos inherentes a la propiedad del bien vendido, no manteniendo la gestión corriente sobre dicho bien, ni reteniendo el control efectivo sobre el mismo.

En cuanto a los ingresos por prestación de servicios, éstos se reconocen considerando el grado de realización de la prestación a la fecha del balance de situación, siempre y cuando el resultado de la transacción pueda ser estimado con fiabilidad.

Los intereses recibidos de activos financieros se reconocen utilizando el método del tipo de interés efectivo y los dividendos, cuando se declara el derecho del accionista a recibirlos. En cualquier caso, los intereses y dividendos de activos financieros devengados con posterioridad al momento de la adquisición se reconocen como ingresos en la cuenta de pérdidas y ganancias.

Los ingresos y gastos se imputan en función del criterio del devengo, es decir, cuando se produce la corriente real de bienes y servicios que los mismos representa, con independencia del momento en que se produzca la corriente monetaria o financiera derivada de ellos.

k) Provisiones y contingencias

El Administrador Único de la Sociedad en la formulación de las cuentas anuales diferencian entre:

- Provisiones: saldos acreedores que cubren obligaciones actuales derivadas de sucesos pasados, cuya cancelación es probable que origine una salida de recursos, pero que resultan indeterminados en cuanto a su importe y/ o momento de cancelación.

- Pasivos contingentes: obligaciones posibles surgidas como consecuencia de sucesos pasados, cuya materialización futura está condicionada a que ocurra, o no, uno o más eventos futuros independientes de la voluntad de la Sociedad.

Las provisiones se reconocen en el balance de situación cuando la Sociedad tiene una obligación actual (ya sea por una disposición legal, contractual o por una obligación implícita o tácita), surgida como consecuencia de sucesos pasados, que se estima probable que suponga una salida de recursos para su liquidación y que es cuantificable. Los pasivos contingentes no se reconocen en las cuentas anuales, sino que se informa sobre los mismos en las notas de la memoria, en la medida en que no sean considerados como remotos.

Las provisiones se valoran por el valor actual de la mejor estimación posible del importe necesario para cancelar o transferir la obligación, teniendo en cuenta la información disponible sobre el suceso y sus consecuencias, y registrándose los ajustes que surjan por la actualización de dichas provisiones como un gasto financiero conforme se va devengando. Cuando se trate de provisiones con vencimiento inferior o igual a un año, y el efecto financiero no sea significativo, no será necesario llevar a cabo ningún tipo de descuento.

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- *Coverage derivatives:*

Include financial derivatives classified as coverage instruments.

Financial instruments that have been assigned as a coverage instrument or as items covered are valued according to the terms established in the relevant registry note and valuation thereof.

- *Investments in the equity of group, associated and multigroup companies:*

The group companies are considered those linked to the Company by a control relationship and companies associated with those over which the Company exercises a significant influence. Moreover, within the multi-group category, it includes the companies over which joint control with one or more partners is exercised by virtue of an agreement.

They are initially valued at their reasonable value that, except for evidence to the contrary, shall be the transaction price, that shall be equivalent to the reasonable value of the consideration provided, plus the transaction costs directly attributable thereto, except for non monetary contributions to a group company in which the object is a business, for which the conversion is valued at the book value of the elements forming the business. The initial valuation shall include the amount of the pre-emptive subscription rights and similar that, where appropriate, may have been acquired.

Subsequently, they shall be valued at cost, minus, where appropriate, the accumulated amount of the impairment valuation corrections. These corrections are calculated as the difference between their book value and the reasonable amount, that being understood as the lower amount between their reasonable value minus the sale costs and the present value of the future cash flows arising from the investment. Except for better evidence of the reasonable amount, the net assets of the owned company are taken into account, corrected by the existing tacit capital gains on the valuation date (including goodwill, if any).

e.1.2) Removal of financial assets

The Company strikes off financial assets when they expire or when the rights to the cash flows of the relevant financial asset have been assigned and the risks and benefits inherent to their ownership have been substantially transferred, such as definitive sales of assets, assignments of commercial credit on factoring operations in which the company does not withhold any credit risk or interest, sales of financial assets with repurchase agreement for their reasonable value, or capitalisation of financial assets in which the company assigning does not retain subordinate financing or grant any kind of guarantee or undertake any kind of risk.

On the contrary, the Company does not strike off the financial assets and recognises a financial liability for an amount equal to the consideration received, in assignments of financial assets in which the risks and benefits inherent to their ownership are substantially retained, such as discounting bills, factoring with recourse, sales of financial assets with buy-back clauses at a fixed price or at a sale price plus interest, and capitalisation of financial assets in which the company assigning retains subordinate financing or another kind of guarantee that substantially absorbs all the expected losses.

e.1.3) Interest and dividends received on financial assets

The interest and dividends accrued on financial assets after the moment of acquisition are recognised as interest on the profit and loss accounts. The interest must be recognised using the effective interest rate and the dividends when the right to receive them is declared.

To these ends, the amount of explicit interest accrued or not, mature at that moment, are recorded independently in the initial valuation of the financial assets, as well as the amount of the dividends

Las provisiones se revisan a la fecha de cierre de cada balance de situación y son ajustadas con el objetivo de reflejar la mejor estimación actual del pasivo correspondiente en cada momento.

La compensación a recibir de un tercero en el momento de liquidar la obligación, siempre que no existan dudas de que dicho reembolso será percibido, se registra como activo, excepto en el caso de que exista un vínculo legal por el que se haya exteriorizado parte del riesgo, y en virtud del cual la Sociedad no esté obligada a responder, en esta situación, la compensación se tendrá en cuenta para estimar el importe por el que, en su caso, figurará la correspondiente provisión.

La política seguida respecto a la contabilización de provisiones para riesgos y gastos consiste en registrar el importe estimado para hacer frente a responsabilidades probables o ciertas, nacidas de litigios en curso y por indemnizaciones u obligaciones pendientes, avales y otras garantías similares. Su dotación se efectúa al nacimiento de la responsabilidad o de la obligación que determina la indemnización o pago.

La provisión para terminación de obras, incluida en el pasivo del balance bajo el nombre de Provisiones a corto y largo plazo, corresponden al importe estimado de las posibles obligaciones para terminación de obras cuyo pago no es aún determinable en cuanto a su importe exacto o es incierto en cuento a la fecha en que se producirá, dependiendo del cumplimiento de determinadas condiciones. Las dotaciones se efectúan de acuerdo con las mejores estimaciones del devengo anual, en base a la experiencia del sector.

l) Elementos patrimoniales de naturaleza medioambiental

Se consideran activos de naturaleza medioambiental los bienes que son utilizados de forma duradera en la actividad de la Sociedad, cuya finalidad principal es la minimización del impacto medioambiental y la protección y mejora del medioambiente, incluyendo la reducción o eliminación de la contaminación futura.

Los costes incurridos en la adquisición de sistemas, equipos e instalaciones cuyo objeto sea la eliminación, limitación o control de los posibles impactos que pudiera ocasionar el normal desarrollo de la actividad de la Sociedad sobre el medio ambiente, se consideran inversiones en inmovilizado.

El resto de los gastos relacionados con el medio ambiente, distintos de los realizados para la adquisición de los elementos de inmovilizado, se consideran gastos del ejercicio.

Por lo que respecta a las posibles contingencias que en materia medioambiental pudieran producirse, el Administrador Único considera que éstas se encuentran suficientemente cubiertas con las pólizas de seguro de responsabilidad civil que tienen suscritas.

m) Subvenciones, donaciones y legados

Para la contabilización de las subvenciones, donaciones y legados recibidos la Sociedad sigue los criterios siguientes:

- Subvenciones, donaciones y legados de capital no reintegrables: Se valoran por el valor razonable del importe o el bien concedido, en función de si son de carácter monetario o no. Se contabilizan como ingresos directamente registrados a patrimonio neto, y se imputan a resultados en proporción a la dotación a la amortización efectuada en el periodo para los elementos subvencionados o, en su caso, cuando se produzca su enajenación o corrección valorativa por deterioro, con excepción de las recibidas de socios o propietarios que se registran directamente en los fondos propios y no constituyen ingreso alguno.

- Subvenciones de carácter reintegrables: Mientras tienen el carácter de reintegrables se contabilizan como pasivos.

- Subvenciones de explotación: Se abonan a resultados en el momento en que se conceden excepto si se destinan a financiar déficit de explotación de ejercicios futuros, en cuyo caso se imputarán en dichos ejercicios. Si se conceden para financiar gastos específicos, la imputación se realizará a medida que se devenguen los gastos financiados.

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agreed by the competent body until the moment of acquisition. Explicit interest is understood as that obtained from applying the contractual interest rate of the financial instrument.

Likewise, when the dividends distributed are unequivocally from results generated after the date of acquisition, because greater amounts than the profit generated by the subsidiary since acquisition have been distributed, they are not reported as revenue and decrease the book value of the investment.

The amount of the financial revenue accrued associated with collection rights from concession agreements forms part of the net amount of the turnover.

e.1.4) Impairment of the value of financial assets

The book value of financial assets is corrected by the Company against the profit and loss account when there is objective evidence that there has been impairment loss.

In order to determine impairment losses on financial assets, the Company evaluates the possible losses both on individual assets as well as groups of assets with similar risk characteristics.

- Debt instruments

There is objective evidence of impairment of debt instruments, understood as the accounts collectable, credits and values representing debt, when after their initial reporting, an event arises that involves a negative impact on their estimated future cash flows.

The Company considers assets to be impaired (doubtful assets) in the case of debt instruments for which there is objective evidence of impairment that fundamentally refers to the existence of bad debt, breaches, refinancing and the existence of data that proves the possibility of not being able to recover the future flows agreed or that cause a delay in collection.

In the case of financial assets valued at depreciated cost, the amounting of the impairment losses is equal to the difference between their book value and the present value of future cash flows it is estimated will be generated, discounted at the effective interest rate that exists at the moment of initial recognition of the asset. For financial assets at variable interest rate, the effective interest rate on the closing date of the annual accounts is used. For commercial debtors and other accounts collectable, the Company considers balances that have mature items for which there is no security of collection and balances of companies that have applied for receivership as bad debt. The Company considers the substitute value for instruments listed at market value to be the present value of the future cash flows, as long as this is sufficiently reliable.

Reversion of impairment is recognised as a revenue in the profit and loss accounts and it is limited to the book value of the financial assets that would have been recorded on the date of reversion if the value impairment had not been recorded.

- Equity instruments

There is objective evidence that the equity instruments that have deteriorated when an event occurs after their initial recognition, or a combination of such that involves not being able to recover their book value due to a prolonged or significant decrease in their reasonable value.

Reversion of valuation corrections due to impairment is recorded in the profit and loss accounts with the limit to the book value the investment would have on the reversion date if the value impairment had not been recorded, for investments in the assets of group, multi-group and associated companies.

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n) Negocios conjuntos

La Sociedad registra en el balance de situación los negocios conjuntos que no se manifiestan a través de la constitución de una empresa, sino que participa en ellos a través de Uniones Temporales de Empresas (UTEs), en función de su participación, contabilizando la parte proporcional de los activos controlados conjuntamente y de los pasivos incurridos como consecuencia de los mismos, así como los activos afectos a la explotación conjunta que estén bajo su control y los pasivos incurridos como consecuencia del negocio conjunto.

En la cuenta de pérdidas y ganancias se registra la parte proporcional de los ingresos generados y de los gastos incurridos por el negocio conjunto que corresponden a la Sociedad, así como los gastos incurridos en relación con su participación en el negocio conjunto.

Igualmente, en el estado de cambios en el patrimonio neto y en el estado de flujos de efectivo se integra la parte proporcional de los importes de las partidas del negocio conjunto que corresponde a la Sociedad en función del porcentaje de participación.

Los resultados no realizados por transacciones entre la Sociedad y el negocio conjunto se eliminan en proporción a la participación. También se eliminan los importes de los activos, pasivos, ingresos, gastos y flujos de efectivo recíprocos.

En las notas correspondientes de esta memoria se desglosa para cada partida significativa del balance de situación y de la cuenta de pérdidas y ganancias, los importes correspondientes a los negocios conjuntos.

A 31 de diciembre de 2015 la Sociedad participa en las Uniones Temporales de Empresas con actividad que se detallan en la Nota 11.

o) Transacciones con partes vinculadas

Las transacciones con partes vinculadas se realizan y registran por su valor razonable de acuerdo con los criterios y métodos establecidos en el apartado 6 del Marco Conceptual del Plan General de Contabilidad vigente y de las normas de valoración detalladas anteriormente.

Los precios de las operaciones realizadas con partes vinculadas se encuentran adecuadamente soportados, por lo que el Administrador Único de la Sociedad considera que no existen riesgos que pudieran originar pasivos fiscales significativos.

p) Clasificación de los activos y pasivos entre corrientes y no corrientes

Los activos y pasivos se presentan en el balance de situación clasificados entre corrientes y no corrientes. A estos efectos, los activos y pasivos se clasifican como corrientes cuando están vinculados al ciclo normal de explotación de la Sociedad y se esperan vender, consumir, realizar o liquidar en el transcurso del mismo; aquellos otros cuyo vencimiento, enajenación o realización se espera que se produzca en el plazo de un año; los clasificados como mantenidos para negociar, excepto los derivados a largo plazo; y el efectivo y otros activos líquidos equivalentes. El resto se clasificarán como no corrientes.
El ciclo normal de explotación es inferior a un año para todas las actividades, excepto para la actividad de construcción, instalación, montaje y conservación que dependen de los plazos de cada uno de los proyectos.

q) Indemnizaciones por despido

De acuerdo con la legislación laboral vigente, la Sociedad está obligada al pago de indemnizaciones a aquellos empleados con los que, en determinadas condiciones, rescinda sus relaciones laborales. Las indemnizaciones por despido susceptibles de cuantificación razonable se registran como gasto del ejercicio en el que existe una expectativa válida, creada por la Sociedad frente a los terceros afectados.

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e.2) Financial liabilities

The financial liabilities the Company holds are classified in the following categories:

e.2.1) Classification and valuation

- Debts and items payable:

These are debts and headings the Company must pay that have arisen from purchase of assets and services due to company trade operations, or also those that, without having a commercial origin, cannot be considered derivative financial instruments.

These are initially valued at the reasonable value of the consideration received, adjusted by the transaction costs directly assignable to them.

They shall subsequently be valued at depreciated cost.

Notwithstanding this, debit on commercial operations with a maturity exceeding one year that do not have a contractual interest rate, as well as disbursements demanded by third parties on stakes, the amount of which is expected to be paid short term, are valued at their face value when the effect of not updating the cash flows is not significant.

- *Coverage derivatives:*

This includes financial derivatives classified as coverage instruments.

Financial instruments that have been defined as a coverage instrument or as items covered are valued as established in the relevant note of the regulations on their regulation and valuation.

e.2.2) Cancellation or removal of financial liabilities

The Company removes financial liabilities when the obligation has expired.

When an exchange of debt instruments takes place, as long as these have substantially different conditions, the new financial liability that arises is recorded. The same applies to registration of a substantial modification of the present conditions of a financial liability.

The difference between the book value of the financial liability or the part thereof that has been struck off, and the consideration paid, including the transaction costs attributable, that also record any asset assigned other than the cash amount or liability borne, is reported it the profit and loss account of the financial year when it arises.

When there is an exchange of debt instruments that do not have substantially different conditions, the original financial liability is not struck off the balance sheet, recording the amount of the commissions paid as an adjustment in their accounting value. The new amortized cost of the financial liabilities is determined by applying the effective interest rate, which is that which equals the book value of the financial asset on the date of amendment with the cash flows to be paid according to the new conditions.

e.3) Equity instruments

An equity instrument represents a residual stake in the Equity of the Company, after all its liabilities are deducted.

5. Inmovilizado intangible

El detalle y movimientos de este capítulo de los balances de situación para el ejercicio 2014 se muestran a continuación:

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	Saldo inicial a 31/12/2013	Entradas	Salidas o dotaciones por traspasos	Cambios en el perímetro UTES	Salidas, bajas o reducciones	Saldo final a 31/12/2014
Coste:						
Derechos de emisión de gases	78.337,00	-	-	-	(13.902,00)	64.435,00
Concesiones	4.020.026,38	-	-	-	(4.020.026,38)	-
Patentes, licencias, marcas y similares	5.951,10	-	-	-	-	5.951,10
Aplicaciones informáticas	833.143,74	3.333,68	1.900,00	-	(7.793,32)	830.584,10
Otro inmovilizado intangible	70.000,00	-	-	-	(70.000,00)	-
Acuerdo de concesión, act.regulado (nota 6)	49.534.579,20	90.414,24	-	1.450.968,67	(4.557.250,90)	46.518.711,21
Acuerdo de concesión, act.financ. (nota 6)	1.639.628,10	549.265,99	-	-	-	2.188.894,09
Anticipo por acuerdo de concesión, activo regulado (nota 6)	745.996,11	-	-	36.429,45	(537.530,00)	244.895,56
Total coste	57.927.661,83	643.013,91	1.900,00	1.487.398,12	(9.206.502,60)	49.853.471,04
Amortización:						
Concesiones	(1.537.043,56)	-	-	-	1.537.043,56	-
Patentes, licencias, marcas y similares	(5.091,51)	(859,59)	-	-	-	(5.951,10)
Aplicaciones informáticas	(747.406,09)	(26.152,48)	-	-	7.793,33	(765.765,24)
Acuerdo de concesión, act.regulado (nota 6)	(12.032.970,83)	(2.344.162,08)	-	(198.601,26)	1.374.234,09	(13.201.500,08)
Total amortización	(14.322.511,99)	(2.371.174,15)	-	(198.601,26)	2.919.070,98	(13.973.216,42)
Deterioro:						
Total deterioro	-	-	-	-	-	-
Total	43.605.149,84	(1.728.160,24)	1.900,00	1.288.796,86	(6.287.431,62)	35.880.254,62

ALTAS DEL PERIODO

- El alta de las Aplicaciones informáticas corresponde íntegramente a la UTE Jardines Centro Sevilla por el software del programa "Arbomap".

- El alta de Acuerdos de concesión, activo regulado corresponden a las obras de incremento en la UTE TEM del valor de la concesión.

- Las altas del epígrafe de Acuerdos de concesión, act.financiera provienen de las UTES: Butarque con un valor de 103.763,99 euros y Hornillos con 445.502,00 euros, en los dos casos se cumplen los requisitos de que los gastos financieros son identificables y recuperables a lo largo de la vida del contrato.

BAJAS DEL PERIODO

- La baja de los Derechos de Emisión de gases corresponden íntegramente a la UTE Butarque.

- La baja de las Concesiones corresponde íntegramente a la UTE Aguas Alcalá, participación que se ha vendido durante el ejercicio.

- Las bajas de Aplicaciones informáticas corresponden a las que aparecían por un valor de 4.960,32 euros en el balance de la UTE Aguas Alcalá cuya participación se ha vendido durante el ejercicio así como dos bajas en VSM, una por valor de 2.465,50 euros por el software de pesaje vendido con Reocín y 367,50 euros correspondientes al proyecto de Náquera.

- La baja del Otro Inmovilizado Intangible corresponde íntegramente al fondo de comercio de la UTE Lince y Aguila que ha acabado su objeto social y se encuentra en proceso de disolución.

- Las bajas más significativas en Acuerdos de concesión, act.regulado corresponden otra vez a la UTE Aguas Alcalá por valor de 4.216.796,43 euros, a las obras de Atmósferas Antiexplosivas de la UTE Butarque por valor de 135.760,19 euros y por la baja de la Nave de Cercedilla, ya que el cliente rescató el servicio durante el ejercicio.

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The capital instruments issued by the Company are recorded according to the net assets at the amount received net of issue expenses.

e.4) Coverages

The Company uses financial derivatives to cover the risks to which its future cash flows are exposed. Fundamentally, those risks are variations in exchange rates and interest rates. Within the framework of those operations, the Company contracts financial coverage instruments.

In order to for these financial instruments to be classified as coverage, they are initially designed as such, documenting the coverage ratio. Likewise, the Company initially checks, and periodically throughout the whole of its life (a least every accounting closure) that the coverage ratio is effective, that is, that one may prospectively expect the changes in the cash flows of the item covered (attributable to the risk covered) are compensated nearly completely by those of the coverage instrument and that, retrospectively, the results of the coverage have oscillated within the range of variation from 80 to 125% regarding the result of the item covered.

In order to account for the coverages, these are classified as:

- Coverages of reasonable value, when covered by exposure to changes in the reasonable value of a registered asset or liability.
- Cash flow coverages, when they are covered by exposure to the variation in the cash flows that are attributable either to a specific risk associated with an asset or liability, or a transaction foreseen.
- Coverages of a net investment in a business abroad.

The Company applies the following type of coverage, that is accounted as is described below:

- Cash flow coverages: In such coverages, the part of the gains or losses on the coverage instrument that has been determined as effective coverage is reported in the net assets on a transitory basis, assigned to the profit and loss accounts at for the same period in which the element that is subject to coverage affects the results, except if the coverage is that of the transaction foreseen to end with reporting a non financial asset or liability, in which case the reports reported in the net assets shall be included in the cost of the assets or liabilities when acquired or borne.

Accounting for coverages is interrupted when the coverage instrument expires or is sold, concludes or is exercised, or when it ceases to fulfil the coverage accounting criteria. At that moment, any accumulated benefit or loss related to the coverage instrument that has been recorded in the net assets must be maintained within the net assets until the operation foreseen takes place. When the operation that is being subject to coverage is not expected to take place, the net accumulated profit or loss reported in the net assets are transferred to the net results during the period.

f) Stocks

The stocks are valued at their acquisition price, production cost or net realisable value, whichever is the lower. The commercial discounts, rebates obtained, other similar items and interest included the nominal amount of the debts are deducted when setting the acquisition price.

The production cost includes the direct material costs and, where appropriate, the direct labour costs and the part that reasonably corresponds to the costs that may be indirectly assigned to the asset in the period of construction or manufacturing, including depreciation of the research expenses when these have been

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- Las bajas producidas en Anticipos por Acuerdos de concesión corresponden a costes activados durante ejercicios anteriores correspondientes a inversiones que no se van a acometer y que se ha decidido desactivar en la UTE Butarque por valor de 537.530,00 euros.

TRASPASOS DEL PERIODO

- Los traspasos sobre Aplicaciones informáticas corresponden a la cantidad que formaba parte de Anticipos de inmovilizado Material de la UTE Gardelegui y que tras su posterior análisis se ha estimado oportuno llevarlo a Aplicaciones informáticas por importe de 1900,00 euros durante el ejercicio 2014.

Todo el inmovilizado intangible de la Sociedad se encuentra afecto a actividades empresariales propias de su actividad y está situado dentro del territorio nacional.

El detalle y movimientos de este capítulo de los balances de situación para el ejercicio 2015 se muestran a continuación:

	Saldo inicial a 31/12/2014	Entradas	Aumentos o disminuciones por traspasos	Cambios en % participación UTES	Faltas, bajas o reducciones	Saldo final a 31/12/2015
Coste:						
Derechos de emisión de gases	64.435,00	-	-	-	(7,27)	64.427,73
Patentes, licencias, marcas y similares	5.951,10	-	-	-	-	5.951,10
Aplicaciones informáticas	830.584,10	273.630,42	-	-	-	1.104.214,52
Otro inmovilizado intangible	-	243.432,00	-	-	-	243.432,00
Acuerdo de concesión, act.regulado (nota 6)	46.518.711,21	-	4.792,98	-	(116.178,88)	46.408.326,31
Acuerdo de concesión, act.financ. (nota 6)	2.188.894,09	462.805,12	-	-	-	2.651.699,21
Anticipo por acuerdo de concesión, activo regulado (nota 6)	244.895,56	-	(4.792,98)	-	(158.305,28)	81.797,30
Total coste	49.853.471,04	979.867,54			(273.491,43)	50.559.847,17
Amortización:						
Patentes, licencias, marcas y similares	(5.951,10)	-	-	-	-	(5.951,10)
Aplicaciones informáticas	(765.765,24)	(50.073,72)	-	-	-	(815.838,96)
Otro inmovilizado intangible	-	(12.645,81)	-	-	-	(12.645,81)
Acuerdo de concesión, activo regulado (nota 6)	(13.201.500,08)	(2.388.793,56)	-	-	-	(15.590.293,64)
Total amortización:	(13.973.216,42)	(2.451.513,09)				(16.424.729,51)
Deterioro:						
Total deterioro						
Total	35.880.254,62	(1.471.645,55)			(273.491,43)	34.135.117,66

ALTAS DEL PERIODO

- Las altas de las Aplicaciones informáticas corresponden fundamentalmente a adquisiciones de bases cartográficas para tomas de datos para proyectos I+D+I por valor de 84.337,75 euros y de la UTE Guadalajara por el software del programa "Smart City" por valor de 180.006,04 euros.

- El alta de Otro inmovilizado intangible corresponden íntegramente por los derechos de la cesión del contrato de arrendamiento de la finca del Polígono industrial "La Vega" en donde se encuentran las instalaciones de la Planta de Chiloeches.

- Las altas del epígrafe de Acuerdos de concesión, activación financiera provienen de las UTES: Butarque con un valor de 71.435,12 euros y Hornillos con 391.370,00 euros, en los dos casos se cumplen los requisitos de que los gastos financieros son identificables y recuperables a lo largo de la vida del contrato.

BAJAS DEL PERIODO

- La baja de los Derechos de Emisión de gases corresponden íntegramente a la UTE Butarque.

- Las bajas tanto de los Acuerdos de concesión activos regulados como de los Anticipos por Acuerdo de concesión, corresponden íntegramente a la UTE TEM, como fruto de ajustes provocados por la propiedad por el valor definitivo de las obras realizadas en la Planta.

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capitalised, the related specific administration or management expenses, shrinkage arising and the obligations for dismantling arising from production of stocks.

The net realisable value represents the estimate of the sale price minus all the costs estimated to conclude its manufacture and the costs that shall be incurred in the processes of commercialisation, sale and distribution.

As the Company stocks do not require a time exceeding one year to be in saleable condition, financial expenses are not added to the acquisition price or production cost.

When the net realisable value of the stocks is lower than their acquisition price or their production cost, the appropriate valuation corrections are performed, recognising them as an expense in the profit and loss accounts. For raw materials and other consumable materials in the process of production, correction valuation is not performed if the finished products they are included in are expected to be sold above cost.

In the case of stocks that require a period of time exceeding one year to be in saleable condition, the cost includes the financial expenses that have been issued by the provider or those of loans or any other kind of third party, specific or generic financing directly attributed to manufacturing or construction.

The FIFO method is used by the Company to assign value in its inventories.

g) Cash and other equivalent liquid assets

This heading includes cash in hand, bank current accounts and deposits and temporary acquisitions of assets that fulfil all the following requisites:

* Are cash convertible.

* Had a maturity not exceeding three months at the moment of their acquisition.

* Are not subject to a significant risk of change in value

* Form part of the normal Company cash flow management policy.

For the purposes of the cash flows, occasional overdrafts forming part of the Company cash management are included as less cash and other equivalent liquid assets.

h) Transactions in currencies other than the euro

The functional currency used by the Company is the euro. Thus, operations in currencies other than the euro are considered to be denominated in a currency other than the euro and are recorded according to the exchange rates in force on the dates of the operations.

At the financial year end, the monetary assets and liabilities denominated in a currency other than the euro are converted using the exchange rate on the balance sheet date. Profit or loss reported is assigned directly to the profit and loss accounts of the financial year in which they take place.

The non monetary items valued at historic cost are valued by applying the exchange rate on the date of the transaction.

Non monetary items valued at recoverable value are valued by applying the exchange rate on the date of determining the recoverable value. The exchange differences are recorded directly in the net assets if the non monetary item is valued against the net assets and in the profit and loss account if valued against the result of the financial year

TRASPASOS DEL PERIODO

- Los traspasos sobre Proyectos concesionales corresponden a la cantidad que formaba parte del anticipo por acuerdo de concesión de la UTE TEM y en cuyo posterior análisis se ha estimado oportuno registrarlo como Acuerdo de Concesión por importe de [illegible] durante el ejercicio 2015.

Todo el inmovilizado intangible de la Sociedad se encuentra afecto a actividades empresariales propias de su actividad y está situado dentro del territorio nacional.

Las UTEs aportan al anterior cuadro un importe total de 30.001.126,51 euros (31.893.701,15 euros en 2014). Las más significativas tanto en 2015 como en 2014 son las siguientes:

2014	UTE BUTARQUE	UTE EDAR CARIÑO	UTE JARDINES SEVILLA	UTE TEM	UTE HORNILLOS	RESTO UTES	TOTAL UTES
Valor Neto:							
Derechos de emisión	64.435,00	-	-	-	-	-	64.435,00
Concesiones	-	-	-	-	-	-	-
Aplicaciones informáticas	406,71	-	16.659,52	-	5.817,99	1.944,33	24.828,55
Acuerdo de concesión, activo regulado	6.759.941,99	1.042.049,60	-	7.814.599,64	13.754.056,71	-	29.370.647,94
Activación Financiera	598.642,09				1.590.252,00		2.188.894,09
Anticipo por acuerdo de concesión	-	-	-	244.895,57	-	-	244.895,57
Total Valor Neto	7.423.425,79	1.042.049,60	16.659,52	8.059.495,21	15.350.126,70	1.944,33	31.893.701,15

2015	UTE BUTARQUE	UTE EDAR CARIÑO	UTE JARDINES SEVILLA	UTE TEM	UTE HORNILLOS	RESTO UTES	TOTAL UTES
Valor Neto:							
Derechos de emisión	64.427,73	-	-	-	-	-	64.427,73
Concesiones	-	-	-	-	-	-	-
Aplicaciones informáticas	-	-	5.390,52	-	-	181.126,52	186.517,04
Acuerdo de concesión, activo regulado	6.216.032,89	978.060,89	-	6.928.224,72	12.894.368,72	-	27.016.687,22
Activación Financiera	670.077,22				1.981.622,00		2.651.699,22
Anticipo por acuerdo de concesión	-	-	-	81.797,30	-	-	81.797,30
Total Valor Neto	6.950.537,84	978.060,89	5.390,52	7.010.022,02	14.875.990,72	181.126,52	30.001.128,51

Al cierre de los ejercicios 2015 y 2014 la Sociedad tenía elementos del inmovilizado intangible totalmente amortizados que seguían en uso, conforme al siguiente detalle:

Descripción	Valor contable (bruto)	
	2015	2014
Aplicaciones informáticas	602.223,83	600.352,38
Total	602.223,83	600.352,38

Del cuadro anterior las UTEs representan 103.774,41 euros en el año 2015 (104.333,44 euros en el año 2014).

En la UTE Butarque existen derechos de emisión de gases a partir del año 2013 y su detalle tanto en euros como en unidades es el siguiente al porcentaje de titularidad de la Sociedad en la UTE es para el año 2014:

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i) Taxes on profits

Expense or revenue from tax on profit includes the relative part of the expense or revenue for current taxes and the relevant part of the deferred expense or revenue.

Current tax is the sum the Company pays as a consequence of the tax liquidations of tax on profit in a financial year. The deductions and other tax advantages on the tax quota, excluding withholdings and payments to account, as well as tax losses for compensation in previous financial years, effectively applied in this one, have given rise to a lower amount of current tax.

Deferred tax expense or revenue is due to recognition and cancellation of deferred tax assets and liabilities. These include the timing differences identified as the amounts that are foreseen to be payable or recoverable arising from the differences between the amounts of the assets and liabilities on the books and their tax value, as well as the negative tax bases pending compensation and the credits for tax deductions not fiscally applied. Those amounts are recorded by applying the relevant timing difference or credit for the encumbrance rate at which they are expected to be recovered or liquidated.

On 28th November 2014, Act 27/2014 on Company Tax was published, that establishes in its transitory provision thirty four i), an applicable tax rate for financial year of 2015 of 28 per cent and, in its Article 29, an applicable rate for financial year 2016 and following of 25 per cent. The Company has proceeded to adjust its assets and liabilities for timing differences (Note 19).

Deferred tax liabilities are recognised for all the taxable timing differences, except for those arising from initial recognition of goodwill or other assets and liabilities in an operation that does not affect either the tax result or the accounting result and that is not a business combination, as well as those related to investments in dependent companies, associates and joint ventures in which the Company may control the moment of reversion and in that is probable will not revert in a foreseeable future.

On their part, the deferred tax assets are only reported to the extent that it is considered probable that the Company will have future tax gains against which to be able to realise them.

The deferred tax assets and liabilities arising from operations with direct charges or payments to asset accounts shall also be accounted for with a counterpart in the net assets.

The deferred taxes recorded are reconsidered at each accounting closure, performing the appropriate corrections of these to the extent that there are doubts regarding their future recovery. Moreover, at each closure, the deferred tax assets not recorded on the balance sheet are evaluated and are subject to reporting as their recovery against future tax profits becomes probable.

The deferred tax assets and liabilities are valued at the taxation rates expected at the moment of their reversion, according to the current regulations approved, according to the manner in which one is rationally expected to recover or pay the deferred tax asset or liability.

The deferred tax assets and liabilities are not discounted and are classified as non current assets and liabilities.

Sacyr, S.A. and its subsidiaries that fulfil the terms established in R.D.L. 4/2004 of 5th March that approves the consolidated text of the Company Tax Act have opted, by resolution by the respective Governing Bodies of each Company, to adhere to the Tax Consolidation Regime, issuing the relevant notification to the Tax Agency, forming the consolidated tax group 20/02, the parent company of which is Sacyr, S.A., with Tax Identification Number A-28013811.

Due to fulfilling the terms established in Act 43/1995 of the Company Tax Act, the Company has opted to avail itself of the Tax Consolidation Regime by resolution by the Governing Bodies, along with the rest of the companies comprising the consolidated tax group.

TIMBRE DEL ESTADO

Movimiento en euros	DERECHOS en euros				
	Saldo 31/12/2013	Altas	Ventas	Entrega de derechos	Nº derechos a 31/12/2014
Derechos de CO2 Subvencionados	78.337	64.435	-	78.337	64.435
Derechos de CO2 no Subvencionados		170.124	-	170.124	-
Total Derechos	78.337	234.559	-	248.461	64.435

Movimientos en Unidad de medida	DERECHOS en unidades					
	Nº derechos a 31/12/2013	Altas	Ventas	Consumo	Entrega de derechos	Nº derechos a 31/12/2014
Derechos de CO2 Subvencionados	-	12.415	-	-	-	12.414
Derechos de CO2 no Subvencionados	-	26.523	-	-	26.523	-
Total Derechos	-	38.938	-	1	26.523	12.414

Durante el año 2015 el detalle de los derechos de emisión tanto en euros como en unidades es el siguiente al porcentaje de titularidad de la Sociedad en la UTE.

Movimiento en euros	DERECHOS en euros				
	Saldo 31/12/2014	Altas	Ventas	Entrega de derechos	Nº derechos a 31/12/2015
Derechos de CO2 Subvencionados	64.435	-	-	(7)	64.428
Total Derechos	64.435	-	-	(7)	64.428

Movimientos en Unidad de medida	DERECHOS en unidades					
	Nº derechos a 31/12/2014	Altas	Ventas	Consumo	Entrega de derechos	Nº derechos a 31/12/2015
Derechos de CO2 Subvencionados	12.414	-	-	-	(1)	12.413
Total Derechos	12.414	-	-	-	(1)	12.413

Como consecuencia de la parada de la actividad de la planta durante el ejercicio 2014 y 2015, el Registro de la Unión Europea de Derechos de Emisión no ha asignado a la UTE Butarque derechos gratuitos para la emisión de CO_2 para el ejercicio 2015. El derecho consumido durante 2015 será entregado a la Administración en los primeros meses de 2016.

Todo el inmovilizado intangible de la Sociedad se encuentra afecto a actividades empresariales propias de su actividad y está situado dentro del territorio nacional.

Es política de la Sociedad contratar todas las pólizas de seguros que se estimen necesarias para dar cobertura a los posibles riesgos que pudieran afectar a los elementos del inmovilizado intangible.

La Sociedad ha capitalizado gastos financieros dentro del epígrafe de Acuerdo Concesional dentro del inmovilizado intangible por importe de 462.805,12 euros en 2015 y de 549.265,99 euros en 2014 provenientes de la UTE Butarque por valor de 71.435,12 euros y 391.370,00 euros de la UTE de los Hamillos, (103.763,99 euros y 445.502,00 euros en 2014 respectivamente. El total de gastos financieros capitalizados desde el origen asciende a 22.269.080,59 euros, (21.806.275,47 euros en 2014). El criterio seguido para la determinación de dichos gastos es el siguiente: se incluyen en el precio de adquisición o coste de producción los gastos financieros, girados por el proveedor o que correspondan a financiación ajena específica y genérica directamente atribuible a la adquisición o construcción del inmovilizado, devengados durante el ejercicio 2014 ó 2015, asociadas a los activos que necesitan un período de tiempo superior a 1año para estar en condiciones de uso.

CAMBIOS EN EL PORCENTAJE DE PARTICIPACIÓN DE UTES

En esta columna, se encuentran los ajustes realizados por los cambios en la participación de diferentes UTES.

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j) Revenue and expenses

Revenue is recognised when it is probable that the Company may receive the profit or financial yield arising from the transaction and the amount of the revenue and costs incurred or to be incurred may be valued reliably. The revenue is valued at the recoverable value of the consideration received or to be received, deducting the discounts, price reductions and other similar amounts to those the Company may grant, as well as, where appropriate, the interest included in the nominal amount of the credit. The indirect takes on the operations that may be repercussed on third parties do not form part of the revenue.

Reporting sales revenue takes place at the moment when the buyer has been transferred the significant risks and profit inherent to ownership of the asset sold, not maintaining current management of that asset, nor retaining effective control thereof.

With regard to revenue for provision of services, these are recognised considering the degree of completion of the service on the date of the balance sheet, as long as the result of the transaction may be reliably estimated.

The interest received on financial assets is reported using the effective interest rate method and the dividends, when the right of the shareholder to receive them. In any case, the interest and dividends on financial assets accrued after the moment of acquisition are reported as revenue in the profit and loss account.

Revenue and expenses are assigned under the accrual criteria, that is, when the real current of goods and services they represent takes place, regardless of the moment when the monetary or financial current arising from them arises.

k) Provisions and contingencies

In drawing up the annual accounts, the Sole Administrator of the Company distinguishes between:

• Provisions: creditor balances that cover present obligations arising from past events, the cancellation of which will probably lead to withdrawal of resources, but that are indeterminate with regard to their amount and/or moment of cancellation.

• Contingent liabilities: possible obligations arising as a consequence of past events, the future materialisation of which is conditioned on one or more events taking place in the future independent of the will of the Company.

Provisions are reported on the balance sheet when the Company has the present obligation (either due to a legal, contractual or other implicit or tacit obligation), arising as a consequence of past events, that it is deemed probable to give rise to an expenditure of resources to liquidate such and that is quantifiable. Contingent liabilities are not reported in the annual accounts, but rather are reported in the notes to the annual report, to the extent that they are not considered remote.

The provisions are valued at the present value of the best possible estimate of the amount required to cancel or transfer the obligation, taking into account the information available on the event and its consequences, and recording the adjustments that arise due to updating those provisions as a financial expense pursuant to the sum accrued. In the case of provisions with a maturity date less than or equal to one year, and when the financial effect is not significant, it shall not be necessary to perform any kind of discount.
The provisions are reviewed on the closing date of each balance sheet and these are adjusted in order to reflect on the best present estimate of the relevant liabilities at each moment.

The compensation to be received from a third party at the moment of liquidating the obligation, as long as there are no doubts that said reimbursement will be received, is recorded as an asset, except in the case of there being a legal relation through which part of the risk has been externalised, and by virtue of which the

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0M7356303

TRES CENTIMOS DE EURO

En el ejercicio 2014, la sociedad ha adquirido parte de su participación a dos socios en la UTE TEM, para alcanzar el 46,99% desde el 40% del año precedente.

CLASE 8.ª

6. Acuerdos de Concesión

Los principales acuerdos de concesión de la Sociedad constan de las siguientes características:

CONCESIÓN	PARKING DE PUERTOLLANO	PLANTA DE HORNILLOS	PLANTA DE CALANDRIAS	M'E SURAGUA	PARQUE DE GUADARRAMA	UTE LA PALOMA	UTE TEM
Fecha Adjudicación	26/04/2007	10/02/2005	28/06/2006	25/11/1999	20/11/2006	01/11/2002	05/07/2007
CLIENTE	Ayto.Puertollano	EMTRE	AJEMSA	Ayto.Madrid	Ayto. Guadarrama	Ayto.Madrid	Consorc.Trat.Residus Maresme
CALIFICACIÓN	Inmovilizado intangible	Tipo mixto	Activo Financiero	Inmovilizado Intangible	Activo Financiero	Activo Financiero	Inmovilizado Intangible
AÑOS DE CONCESIÓN	38	25	20	25	13	21	16
FIN CONCESIÓN	26/04/2045	10/02/2030	04/07/2022	16/12/2028	01/02/2020	01/11/2023	31/12/2024
INVERSIÓN TOTAL	4.018.927,92	142.046.704,00	4.808.097,00	22.737.903,05	1.110.904,00	38.547.890,00	69.575.550,00
Valor Neto Inmulntang.a 31/12/2015	3.536.226,72	12.894.368,72		6.216.032,89			6.928.224,71
Valor Neto Inmulntang.a 31/12/2014	3.643.115,19	13.754.056,70	-	6.759.941,99	-	-	7.814.599,64
Derechos de cobro 31/12/2015	-	48.103.304,42	1.353.013,33		527.652,17	6.416.133,59	
Derechos de cobro 31/12/2014	-	50.188.005,98	1.435.978,33	-	573.874,05	7.388.762,06	-
Tipos de actuaciones en pedodos precedentes:							
Conservación	332.158,01	8.054.162,01	161.063,93		-	-	-
Reposición y gran reparación	-	-	-	83.649,94	-	-	-
Mejoras o ampliaciones de capacidad	-	-	-	240.286,79	-	-	-
Tipos de actuaciones en 2015:							
Conservación	3.113,94	1.645.572,17	160.923,27	-	-	-	-
Reposición y gran reparación	-	-	-	43.357,09	-	-	-
Mejoras o ampliaciones de capacidad	-	-	-	-	-	-	-
Tipos de actuaciones en pedodos futuros:							
Conservación	739.728,05	14.542.939,24	490.353,80	-	-	-	-
Reposición y gran reparación	-	-	53.339,73	123.066,98	-	-	-
Reversión de la Infraestructura	-	-	-	-	805.349,30	-	-
Mejoras o ampliaciones de capacidad	-	-	-	259.903,74	-	-	-
Gastos financieros activados precedentes	-	20.519.272,88	-	598.642,09	-	-	-
Gastos financieros activados 2015	-	445.502,00	-	71.435,12	-	-	-

6.1 PARKING DE PUERTOLLANO

a) Descripción del acuerdo y calificación contable de la contraprestación recibida:

Con fecha 26/04/2007 la Sociedad VSM, S.A. firma con el Ayuntamiento de Puertollano un acuerdo de concesión consistente en la construcción y posterior explotación de un parking en Puertollano. La fase de construcción se acabó en marzo de 2011 y su explotación comenzó en el mes de abril de 2011.

La Sociedad ha calificado la contraprestación recibida como Inmovilizado Intangible, dado que la misma consiste en el derecho a cobrar las correspondientes tarifas en función del grado de utilización del servicio público prestado, existiendo una tarifa minutaria que se cobra en efectivo y otra diferente por abono mensual que se cobra contra recibo domiciliado. Por tanto la Sociedad asume el riesgo demanda en el acuerdo de concesión. El valor neto por el que figura esta concesión en el Inmovilizado Intangible a 31 de diciembre de 2015 es de 3.536.226,72 euros. (3.643.115,19 euros en 2014).

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Company is not bound to respond. Under that circumstance, the compensation shall be taken into account to estimate the amount for which, if appropriate, the relevant provision shall be recorded.

The policy followed with regard to accounting for provisions for risks and expenses consists of recording the amount estimated to deal with probable or certain liabilities arising from ongoing litigation and for compensations or obligations pending, bank and other similar guarantees. Their provision is made on creation of the liability or the obligation that determines the compensation or payment.

The provision for conclusion of the works, included on the balance sheet liabilities, is the estimated amount of the possible obligations to conclude the works, payment of which may not yet be determined with regard to their exact amount, or it is uncertain with regard to the date when it will take place, depending on fulfilment of certain conditions. The provisions shall be made according to the best estimates of annual accrual on the basis of experience in the sector.

l) Asset elements of an environmental nature

Assets of an environmental nature are considered assets used lastingly in the Company activity, the main purpose of which is to minimise environmental impact and to protect and improve the environment, including reduction or elimination of future pollution.

The costs incurred in acquisition of systems, equipment and installations whose object is elimination, limitation or control of possible impacts that could arise in normal performance of the activity by the Company on the environment are considered investments in fixed assets.

The rest of expenses related to the environment other than those performed for acquisition of elements of fixed assets, shall be considered expenses in the financial year.

With regard to possible contingencies that may arise in environmental matters, the Sole Administrator considers that these are sufficiently covered by the civil liability insurance policies they have subscribed.

m) Subventions, donations and legacies

The company applies the following criteria to account for subventions, donations and legacies received:

• Subventions, donations and non reimbursable capital legacies: these shall be valued at the recoverable value of the amount or asset granted, according to whether they are monetary or not. They shall be accounted for as revenue directly recorded as Net Assets, and they are assigned to results according to the depreciation provision made in the period for the elements subsidised or, where appropriate, when they are disposed of or a valuation correction for impairment arises, except for those received from shareholders or owners that are recorded directly in the own funds and that do not constitute any revenue whatsoever.

• Subventions of a reimbursable nature: while they are reimbursable and accounted for as liabilities.

• Operating subventions: the results are paid at the moment when granted, except if assigned to finance operating deficit in future financial years, in which case they shall be assigned to those financial years. If granted to finance specific expenses, the assignment shall be made to the extent that the expenses financed are accrued.

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0,03 EUROS
TRES CENTIMOS
0M7356302

b) Términos relevantes del acuerdo:

El acuerdo de concesión es por un plazo de 38 años, por lo que el período de concesión terminará el 26 de abril de 2045. El importe total de la inversión acordada es de 4.018.927,92 euros que es el coste final del aparcamiento, importe que se recuperará vía explotación por abonados y por rotación, también se prevé la venta de plazas cuando la zona del aparcamiento sea de pago, pero por el momento no se ha materializado ninguna venta. El precio tasado por venta de plazas es de 16.713 euros sin IVA, y dicho precio está sujeto a revisiones en función de la demanda. El precio de las plazas de rotación y abonos se establecen de acuerdo con las tarifas vigentes establecidas por la Administración.

c) Naturaleza y alcance:

c.1) Derechos a usar determinados activos

El acuerdo de concesión contempla el derecho del Ayuntamiento a utilizar 20 plazas por todo el período de concesión, plazas valoradas en 413.000 euros.

c.2) Obligaciones de proporcionar o los derechos de recibir la prestación de servicios.

La Sociedad tiene obligación de prestar la gestión del aparcamiento de superficie (SER), los servicios de recogida con vehículo grúa y la explotación durante 20 años de otro aparcamiento subterráneo ya existente en Puertollano.

c.3) Obligaciones y los derechos al término del período de concesión

Al término del período concesional la Sociedad tiene obligación de entregar todos los activos que componen la partida "acuerdo de concesión" en óptimas condiciones de uso.

c.4) Opciones de renovación y de rescisión

El acuerdo concesional podrá ser prorrogado hasta un máximo de 50 años.

El acuerdo de concesión contempla las siguientes opciones de rescisión:
- Extinción de la personalidad jurídica del concesionario.
- Declaración de quiebra, suspensión de pagos, concurso de acreedores, insolvente fallido o acuerdo de quita y espera.
- Ejecución hipotecaria declarada desierta o la imposibilidad de iniciar el procedimiento de ejecución hipotecaria por falta de interesados autorizados para ello.
- Mutuo acuerdo entre concedente y concesionario.
- Secuestro de la concesión por un plazo superior al establecido como máximo sin que el contratista haya garantizado la asunción completa de sus obligaciones.
- Demora de más de seis meses por parte del Ayuntamiento en la entrega al concesionario de la contraprestación, de los terrenos o de los medios auxiliares obligados por contrato.
- Rescate de la explotación por el Ayuntamiento.
- Supresión del servicio por razones de interés público.
-Imposibilidad de la prestación del servicio por acuerdos adoptados por la Administración con posterioridad al contrato.
- Abandono o incumplimiento del concesionario de sus obligaciones contractuales.
- Cualesquiera otras causas expresamente contempladas en la normativa vigente o en el contrato.

d) Magnitudes relevantes del Plan Económico Financiero

Las magnitudes relevantes recogidas en el Plan Económico Financiero del acuerdo de concesión son el volumen de tráficos estimados (IMD), calculados de acuerdo con concesiones de aparcamientos

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n) Joint ventures

The Company records joint ventures on the balance sheet that are not recorded through company incorporation, but rather when a share in such is held through Joint Ventures (Consortia), according to the stake held, accounting for the proportional part of the assets jointly controlled and the liabilities incurred jointly, as well as the assets assigned to joint operation that are under its control and the liabilities incurred as a consequence of the joint business.

The profit and loss account is used to record the proportional part of the revenue generated and the expenses incurred in the joint venture that are due to the Company, as well as the expenses incurred in relation to its stake in the joint venture.

The statement of changes in net assets and cash flow statement also includes the proportional part of the amounts of the items of the joint business due to the Company according to the percentage stake held.
The results not realised in transactions between the Company and the joint venture are eliminated in proportion to the stake. The amounts of assets, liabilities, revenue, expenses and reciprocal cash flows are also eliminated.

The relevant amounts of joint ventures are broken down in the relevant notes of this report are broken down for each significant item of the balance sheet and the profit accounts.

On 31st December 2015, the Company holds stakes in the Consortia and with the activity detailed in Note11.

o) Transactions with related parties

The transactions with related parties are performed and recorded at their recoverable value according to the criteria and methods established in section 6 of the Conceptual Framework of the General Accounting Plan in Force and the valuation rules detailed above.

The prices of the operations performed with related parties are adequately supported so the Sole Administrator of the Company considers there are no risks that may give rise to significant tax liabilities.

p) Classification of the assets and liabilities as current and non current

The assets and liabilities are presented on the balance sheet classified as current and non current. To these ends, the assets and liabilities are classified as current when they are linked to the normal operating cycle of the Company and are expected to be sold, consumed, realised or liquidated within that term. Those whose maturity, disposal or realisation is expected to take place within the term of one year; those classified as held for trading, except those arising long term; and cash and other equivalent liquid assets. The rest shall be classified as non current.
The normal operating cycle is lower than one year for all activities, except for the activity of construction, installation, assembly and conservation, that depend on the terms of each one of the projects.

q) Compensations for dismissal

Pursuant to the labour laws in force, the Company is bound to pay compensations to employees with whom it terminates labour relations under certain circumstances. The compensations for dismissal liable to reasonable quantification are recorded as an expense in the financial year when there is a valid expectation, created by the Company with regard to third parties affected.

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OM7356301
CLASE 8.ª

similares; el índice de precios al consumo estimado, que se ha considerado de un 3% para toda la vida de la concesión; y el tipo de interés para la deuda asociada, para el que se ha considerado el interés medio de la financiación ajena de la Sociedad.

6.2 PLANTA DE HORNILLOS

a) Descripción del acuerdo y calificación contable de la contraprestación recibida:

Con fecha 10/02/2005 la UTE Hornillos firma con la Entidad Metropolitana para el Tratamiento de Residuos de Valencia un acuerdo de concesión consistente en la gestión de la planta existente así como la ejecución y explotación de una planta de tratamiento de residuos en Quart de Poblet. La Sociedad ha calificado la contraprestación recibida como inmovilizado intangible y activo financiero, al tratarse de un modelo mixto, ya que recibe un canon fijo y otro variable en función de las toneladas tratadas. El valor neto por el que figura esta concesión en el Inmovilizado Intangible a diciembre de 2015 es de 12.894.368,72 euros (13.754.056,70 euros en 2014) y en Derechos de cobro por 48.103.304,42 euros, (50.188.005,98 euros en 2014).

b) Términos relevantes del acuerdo:

El acuerdo de concesión para la ejecución de la Planta de tratamiento de residuos es de 30 meses desde la adjudicación, la ejecución de la Estación de transferencia es de un máximo de 30 meses condicionado al inicio de las pruebas y el de los Ecoparques es por un plazo máximo de 5 años desde la fecha de adjudicación. Además se realizará la explotación de las instalaciones ejecutadas hasta el año 2030. El importe total de la inversión acordada es de 142.046.704 euros. La estructura tarifaria y su revisión es anual. El contrato distingue dos tipos de cánones: canon de explotación y canon de amortización. El canon de explotación va en función de las toneladas tratadas y es revisable anualmente el 1 de enero de cada ejercicio en función de una fórmula polinómica, que incluye los índices de coste medio ponderado del convenio colectivo, índice de productos energéticos e IPC de la Comunidad Valenciana. El canon de amortización de las inversiones no es revisable, puesto que se considera independiente de las toneladas gestionadas en la instalación, y se cobra de tal modo que asegura la recuperación de la inversión, mediante un importe fijo calculado en base a 400.000 toneladas anuales.

c) Naturaleza y alcance:

c.1) Derechos a usar determinados activos

El acuerdo de concesión contempla el derecho a utilizar la planta existente, así como las instalaciones ejecutadas. En concepto de canon de utilización y aprovechamiento de los terrenos sobre los que se construye la nueva planta, se obliga al contratista, la Ute Hornillos, a pagar un canon de 8 millones de euros, incrementados en 60.000 euros por cada 1.000 metros cuadrados que se exceda la superficie actual de la instalación. Este canon de utilización se pagará del siguiente modo: 4 millones al mes del inicio de las obras y el resto en veinteavas partes hasta el final de la concesión.

c.2) Obligaciones de proporcionar o los derechos de recibir la prestación de servicios.

La Sociedad tiene obligación de prestar los servicios contenidos en el contrato de adjudicación y modificados con fecha 9 de marzo del 2005:

a. Ejecutar las obras e instalaciones definidas en el proyecto de gestión.
b. Cuidar del buen orden del servicio.
c. Indemnizar los daños a terceros.
d. Admitir el servicio a todo usuario autorizado por el EMTRE.
e. Ejercer por sí la prestación de servicios.
f. Cumplir con la legalidad vigente.

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5. Intangible fixed assets

The detail and movement of this chapter of the balance sheets for financial year is shown below:

	Initial balance on 31/12/2013	Entries	Increases or decreases due to transfers	Changes in consortium stake %	Outlay, removals or reduction	Balance at on 31/12/2014
Cost:						
Gas emission rights	78,337.00	-	-	-	(13,902.00)	64,435.00
Concessions	4,020,026.38	-	-	-	(4,020,026.38)	-
Patents, licences, brands and similar	5,951.10	-	-	-	-	5,951.10
Computer applications	833,143.74	3,333.68	1,900.00	-	(7,793.32)	830,584.10
Other intangible fixed assets	70,000.00	-	-	-	(70,000.00)	-
Concession agreement, regulated assets (note 6)	49,534,579.20	90,414.24	-	1,450,968.67	(4,557,250.90)	46,518,711.21
Concession agreement, financial assets (note 6)	1,639,628.10	549,265.99	-	-	-	2,188,894.09
Advance by concession agreement, regulated asset (note 6)	745,996.11	-	-	36,429.45	(537,530.00)	244,895.56
Total cost:	**56,927,661.63**	**643,013.91**	**1,900.00**	**1,487,398.12**	**(9,206,502.60)**	**49,853,471.06**
Depreciation:						
Concessions	(1,537,043.56)	-	-	-	1,537,043.56	-
Patents, licences, brands and similar	(5,091.51)	(859.59)	-	-	-	(5,951.10)
Computer applications	(747,406.09)	(26,152.48)	-	-	7,793.33	(765,765.24)
Concession agreement, regulated assets (note 6)	(12,032,970.83)	(2,344,162.08)	-	(198,601.26)	1,374,234.09	(13,201,500.08)
Total depreciation	**(14,322,511.99)**	**(2,371,174.15)**	**-**	**(198,601.26)**	**2,919,070.98**	**(13,973,216.42)**
Impairment						
Total impairment	-	-	-	-	-	-
Total	**42,605,149.64**	**(1,728,160.24)**	**1,900.00**	**1,288,796.86**	**(6,287,431.62)**	**35,880,254.64**

REGISTRATIONS IN THE PERIOD

- Registration of Computer Applications corresponds fully to the consortium *UTE Jardines Centro Sevilla* for the software program "Arbomap".

- Registration of Concession agreements, regulated asset corresponds to the increase in the concession value of the works at the Consortium UTE TEM.

- The registrations under the heading Concession agreements, financial assets are from the consortia: Butarque, with a value of 103,763.99 euros and Hornillos, with 445,502.00 euros. Both cases fulfil the requisites of the financial expenses being identifiable and recoverable over the life of the contract.

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0,03 EUROS
TRES CÉNTIMOS DE EURO
CLASE 8.ª

Además la Sociedad tiene derecho a recibir del EMTRE el canon de explotación en función del número de toneladas tratadas en las instalaciones, así como el canon de amortización multiplicado por 400.000 toneladas anuales.

c.3) Obligaciones y los derechos al término del período de concesión

Al término del período concesional la Sociedad tiene obligación de entregar todos los activos que componen la partida "acuerdo de concesión" en perfecto estado de funcionamiento y conservación designándose para ello con una antelación de 20 meses antes de la finalización del contrato a un interventor técnico que certifique que la instalación se encuentra en perfecto estado, informando de cualquier defecto que apreciara en ellas.

c.4) Opciones de renovación y de rescisión

El acuerdo concesional no contempla ninguna opción de renovación.

El acuerdo de concesión contempla las siguientes opciones de rescisión:
- El incumplimiento de la obligación del contratista de guardar sigilo con los datos o antecedentes que estén relacionados con el objeto del contrato.
- El incumplimiento del contratista de cualquiera de las obligaciones previstas en el contrato.

d) Magnitudes relevantes del PEF

Las magnitudes relevantes recogidas en el Plan Económico Financiero del acuerdo de concesión son el volumen de toneladas tratadas indicadas por el EMTRE en el Pliego de condiciones del concurso, el índice de precios al consumo estimado y el tipo de interés estimado para la deuda asociada. Para el IPC se consideró un 2,5% para los 20 años de concesión, por considerarlo adecuado a la fórmula de revisión de precios del contrato (IPC de la Comunidad Valenciana). El tipo de interés utilizado en el PEF es el considerado por el sindicato de bancos que financia el proyecto (entre el 4,25% y el 4,90% de la deuda senior).

6.3 PLANTA DE CALANDRIAS

a) Descripción del acuerdo y calificación contable de la contraprestación recibida:

Con fecha 28/06/2006 la Sociedad firma con Verinsur, S.A. un acuerdo de cesión de su posición contractual con la empresa Aguas de Jerez Empresa Municipal, S.A. en su concesión consistente en la explotación, conservación y mantenimiento de las instalaciones que integran la Planta de Compostaje y Reciclaje de "Las Calandrias" ubicada en Jerez de la Frontera (Cádiz). La Sociedad ha calificado la contraprestación recibida como Activo Financiero al no existir riesgo de demanda ya que el importe cobrado es de tipo canon fijo. El valor neto por el que figura ésta concesión a 31 de diciembre de 2015 en Derechos de cobro es 1.353.013,33 euros, (1.435.978,33 euros en 2014).

b) Términos relevantes del acuerdo:

El acuerdo de concesión es por un plazo de 20 años prorrogables por un periodo mínimo de 1 año, hasta un máximo de 50 años por lo que el período de concesión terminará el 4 de julio de 2022, el importe del canon fijo anual vigente es de 6.075.292,08 euros IVA incluido, y se establecerán revisiones de precios anualmente a partir del primer año de contrato con una fórmula polinómica en base al IPC.

c) Naturaleza y alcance:

c.1) Derechos a usar determinados activos.

El acuerdo de concesión contempla que serán por cuenta del adjudicatario los siguientes suministros:
g. Los productos fungibles necesarios para el mantenimiento de la Planta.
h. La energía eléctrica consumida.

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REMOVALS IN THE PERIOD

- The removal of Gas Emission Rights fully corresponds to the consortium UTE Butarque.

- Removal of the Concessions fully corresponds to the consortium UTE Aguas Alcalá, a stake that has been sold during the financial year.

- The removals under Computer applications correspond to those recorded with a value of 4,960.32 euros on the balance sheet of the consortium UTE Aguas Alcalá, the stake of which was sold during the financial year, as well as two removals in VSM valued at 2,465.50 euros for the weighing software sold with Reocín and 367.50 euros for the Náquera project.

- The removal of Other intangible fixed assets fully corresponds to the goodwill of the consortium UTE Lince y Aguila, that concluded its corporate object and is in the winding-up process.

- The most significant removals in Concession agreements, regulated assets correspond once more to the consortium UTE Aguas Alcalá, for an amount of 4,216,796.43 euros, on the Anti-explosive Atmosphere works at the consortium UTE Butarque amounting to 135,760.19 euros and for removal of the Cercedilla Building, as the client redeemed the service during the financial year.

- The removals arising in Advances due to Concession Agreements correspond to costs activated during previous financial years arising from investments that are not going to be undertaken and that it has been decided to deactivate in the consortium UTE Butarque amounting to 537,530.00 euros.

TRANSFERS IN THE PERIOD

- The transfers on Computer applications correspond to the amount that formed part of Advances on Tangible Fixed assets of the consortium UTE Gardelegui and that, after subsequent analysis, it has been deemed appropriate to assign to Computer Applications amounting to the sum of 1900.00 euros during financial year 2014.

All the intangible fixed assets of the Company are assigned to own corporate activities related to its business and located within the country.

The detail and movements of that chapter of the balance sheets for financial year 2015 are shown below:

	Initial balance on 31/12/2014	Entries	Increases or decreases due to transfers	Changes in consortium stake %	Outlay, removals or reduction	Balance at on 31/12/2015
Cost:						
Gas emission rights	64,435.00	-	-	-	(7.27)	64,427.73
Patents, licences, brands and similar	5,951.10	-	-	-	-	5,951.10
Computer applications	830,584.10	273,630.42	-	-	-	1,104,214.52
Other intangible fixed assets	-	243,432.00	-	-	-	243,432.00
Concession agreement, regulated assets (note 6)	46,518,711.21	-	4,792.98	-	(115,178.88)	46,408,325.31
Concession agreement, financial assets (note 6)	2,188,894.09	462,805.12	-	-	-	2,651,699.21
Advance by concession agreement, regulated asset (note 6)	244,895.56	-	(4,792.98)	-	(158,305.28)	81,797.30
Total cost:	**49,853,471.06**	**979,867.54**	-	-	**(273,491.43)**	**50,559,847.17**
Depreciation:						

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0,03 EUROS
TASAS JUDICIALES
CLASE 8.ª
0M7356299

i. El consumo de agua potable.
j. El consumo de teléfono.
k. Cualquier otro suministro necesario para el correcto funcionamiento de la planta.

c.2) Obligaciones de proporcionar o los derechos de recibir la prestación de servicios.

La Sociedad tiene obligación de satisfacer en el momento de la adjudicación unos derechos de explotación por valor de 4.808.097 euros, además se especifican los siguientes servicios como objeto del contrato:
- Mantenimiento de las instalaciones.
- Retirar los rechazos producidos.
- Reparar los elementos deteriorados.
- Mantener un servicio de vigilancia 24 horas.
- Comunicar cualquier incidencia al adjudicatario.

c.3) Obligaciones y los derechos al término del período de concesión

Al término del período concesional la Sociedad tiene obligación de continuar con el servicio hasta que un nuevo concesionario se haga cargo del mismo, así como de entregar las instalaciones en perfecto estado de uso dejando libres y expeditas las instalaciones.

c.4) Opciones de renovación y de rescisión

El acuerdo concesional contempla un máximo de 50 años para prestar el servicio prórrogas incluidas.

El acuerdo de concesión contempla las siguientes opciones de rescisión:
- Por el incumplimiento de las Cláusulas contenidas en el contrato o por la deficiente prestación del mismo.
- Por la extinción de la personalidad jurídica de la empresa o su quiebra.
- Por mutuo acuerdo entre la compañía y el subcontratista.
- Por manipulación fraudulenta.

d) Magnitudes relevantes del PEF

Las magnitudes relevantes recogidas en el Plan Económico Financiero del acuerdo de concesión son el número de toneladas tratadas, el incremento de personal, el índice de precios al consumo estimado tomando el del Instituto Nacional de Estadística y el tipo de interés estimado para la deuda asociada, como el medio de la Sociedad.

6.4 UTE BUTARQUE

a) Descripción del acuerdo y calificación contable de la contraprestación recibida:

Con fecha 25/11/1999 la Sociedad firma con el Ayuntamiento de Madrid un contrato para la construcción y explotación durante 25 años de una Planta de Secado Térmico de Lodos en la E.R.A.R. Butarque, habiéndose iniciado la explotación en diciembre de 2002. La Sociedad participa en la concesión a través de la Ute Butarque, negocio conjunto en la que participa en un 70%.

La Sociedad ha calificado la contraprestación recibida como Inmovilizado Intangible, dado que consiste en el derecho a cobrar las correspondientes tarifas en función del grado de utilización del servicio público prestado. El valor neto por el que figura esta concesión en el Inmovilizado Intangible a diciembre de 2015 es de 6.216.032,89 euros, (6.759.941,99 euros en 2014).

El contrato de concesión establece la remuneración de la explotación de la Planta de Secado Térmico por medio de tres cánones que percibe la UTE y que son los siguientes:

- Canon de amortización por tonelada: Se obtiene por repercusión de las inversiones. Es un importe

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Patents, licences, brands and similar	(5,951.10)	-	-	-	-	(5,951.10)
Computer applications	(765,765.24)	(50,073.72)	-	-	-	(815,838.96)
Other intangible fixed assets	-	(12,645.81)	-	-	-	(12,645.81)
Concession agreement, regulated assets (note 6)	(13,201,500.08)	(2,388,793.56)	-	-	-	(15,590,293.64)
Total depreciation						
	(13,973,216.42)	(2,451,513.09)	-	-	-	(16,424,729.51)
Impairment						
Total impairment	-	-	-	-	-	-
Total	35,880,254.64	(1,471,645.55)	-	-	(273,491.43)	34,135,117.66

REGISTRATIONS DURING THE PERIOD

- The registrations of Computer applications fundamentally correspond to acquisition of cartographic bases to take data for I&D&I projects amounting to 84,337.75 euros and of the consortium UTE Guadalajara for the software for the "Smart City" programme amounting to 180,006.04 euros.

- The registration of Other intangible fixed assets fully corresponds to assignment rights of the tenancy agreement of the property on "La Vega" Industrial Estate, where the facilities of the Chiloeches Plant are located.

- The registrations under the heading Concession agreements, financial activation are from the consortia: Butarque, amounting to 71,435.12 euros and Hornillos, 391,370.00 euros, that in both cases fulfil the requisites of the financial expenses being identifiable and recoverable over the life of the contract.

REMOVALS DURING THE PERIOD

- The removal of the Gas Emission Rights fully corresponds to the consortium UTE Butarque.

- Removals, both of Regulated asset assignment agreements and Advances on Concession Agreement, fully correspond to the consortium UTE TEM, due to the adjustments performed to the property for the definitive value of the works performed at the Plant.

TRANSFERS DURING THE PERIOD

- The transfers on Concession projects correspond to the sum that formed part of the advance on the concession award for UTE TEM and the subsequent analysis of which has led to it being considered appropriate to report as Concession Agreement amounting to 4,792.98 euros during financial year 2015.

All the intangible fixed assets of the Company are assigned to corporate activities inherent to its activity and are located within the country.

The consortia provide the above table a total amount of 30,001,128.51 euros (31,893,701.15 euros in 2014). The most significant, both in 2015 as well as in 2014 are as follows:

variable en función del volumen de fango que sometido a secado térmico. El precio por tonelada aplicable se estableció al inicio de la concesión, no siendo revisable.

- Canon de explotación por tonelada: Refleja los costes de mantenimiento, conservación y explotación de la instalación. Es un importe variable en función del volumen de fango sometido a secado térmico, y es revisable de manera anual de acuerdo con la fórmula establecida en el pliego de condiciones de la concesión.

- Canon de compostaje: Corresponde al fango que se recibe en la planta pero que no puede ser tratado en la misma por razones justificadas, por lo que debe ser sometido a un proceso convencional de compostaje. Su importe es variable en función del volumen y revisable de manera anual de acuerdo a la fórmula establecida en el pliego de condiciones de la concesión.

b) Términos relevantes del acuerdo:

El acuerdo de concesión es por un plazo de 25 años por lo que el período de concesión terminará el 16 de diciembre de 2028. El contrato establece la certificación mensual de las toneladas de lodos sometidos a tratamiento en la planta a los cánones expresados anteriormente. Así mismo, prevé una revisión de precios anual del canon de explotación y del de compostaje, no así el de amortización.

c) Naturaleza y alcance:

c.1) Derechos a usar determinados activos

El acuerdo de concesión contempla el derecho a utilizar todos los activos existentes en la planta con el objeto de que se pueda cumplir con la obligación que estipula el contrato de realizar el secado térmico de los lodos que entran en la planta proveniente de distintas depuradoras del Ayuntamiento de Madrid.

c.2) Obligaciones de proporcionar o los derechos de recibir la prestación de servicios

La Sociedad tiene el derecho a percibir del Ayuntamiento de Madrid los cánones enumerados anteriormente por cada tonelada tratada.

c.3) Obligaciones y los derechos al término del periodo de concesión

Al término del período concesional la Sociedad tiene obligación de entregar todos los activos que componen la partida "acuerdo de concesión" en condiciones de uso.

c.4) Opciones de renovación y de rescisión

El acuerdo concesional no contempla ninguna opción de renovación.

El acuerdo concesional contempla como posible cláusula de rescisión el incumplimiento de cualquier cláusula o plazos contenidos en el contrato.

c.5) Otros derechos y obligaciones

El acuerdo de concesión no contempla otros derechos y obligaciones más allá de lo anteriormente expuesto.

d) Magnitudes relevantes del Plan Económico Financiero

Las magnitudes relevantes recogidas en el Plan Económico Financiero del acuerdo de concesión son el número de toneladas de lodos, el índice de precios al consumo estimado y el tipo de interés estimado para la deuda asociada.

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2014	UTE BUTARQUE	UTE EDAR CARIÑO	UTE JARDINES SEVILLA	UTE TEM	UTE HORNILLOS	REST OF CONSORTIA	TOTAL CONSORTIA
Net value:							
Issue rights	64,427.73	-	-	-	-	-	64,427.73
Concessions	-	-	-	-	-	-	-
Computer applications	-	-	5,390.52	-	-	181,126.52	186,517.04
Concession agreement, regulated asset	6,216,032.89	978,060.89	-	6,928,224.72	12,894,368.72	-	27,016,687.22
Financial activation	670,077.22				1,981,622.00		2,651,699.22
Advance by concession agreement	-	-	-	81,797.30	-	-	81,797.30
Total Net value	**6,950,537.84**	**978,060.89**	**5,390.52**	**7,010,022.02**	**14,875,990.72**	**181,126.52**	**30,001,128.51**

2015	UTE BUTARQUE	UTE EDAR CARIÑO	UTE JARDINES SEVILLA	UTE TEM	UTE HORNILLOS	REST OF CONSORTIA	TOTAL CONSORTIA
Net value:							
Issue rights	64,427.73	-	-	-	-	-	64,427.73
Concessions	-	-	-	-	-	-	-
Computer applications	-	-	5,390.52	-	-	181,126.52	186,517.04
Concession agreement, regulated asset	6,216,032.89	978,060.89	-	6,928,224.72	12,894,368.72	-	27,016,687.22
Financial activation	670,077.22				1,981,622.00		2,651,699.22
Advance by concession agreement	-	-	-	81,797.30	-	-	81,797.30
Total Net value	**6,950,537.84**	**978,060.89**	**5,390.52**	**7,010,022.02**	**14,875,990.72**	**181,126.52**	**30,001,128.51**

At the end of financial years 2015 and 2014, the Company had fully depreciated elements of intangible fixed assets that remained in use, according to the following detail:

Description	Book value (gross)	
	2015	2014
Computer applications	602,223.83	600,352.38
Total	602,223.83	600,352.38

In the above table, the consortia amount to 103,774.41 euros in 2015 (104,333.44 euros in 2014).

The consortium UTE Butarque holds gas emission rights as of 2013 and these are detailed both in euros and in units according to the following percentage stake the Company holds in the consortium in 2014:

Movement in euros	RIGHTS en euros				
	Balance on 31/12/2013	Additions	Sales	Rights delivered	No. of rights on 31/12/2014
Subsidised CO2 rights	78,337	64,435	-	78,337	64,435
Non subsidised CO2 rights	-	170,124	-	170,124	-
Total rights	78,337	234,559	-	248,461	64,435

TIMBRE DEL ESTADO
0,03 EUROS
0M7356297

La actividad de la concesión se encontraba directamente afectada por el RD 661/2007, por el que se regulaba la actividad de producción de energía eléctrica en régimen especial. Con fecha 13 de julio se publica en el Boletín Oficial del Estado el RD 9/2013 que aprueba un nuevo régimen jurídico y económico para las instalaciones de producción de energía eléctrica existentes a partir de fuentes de energía renovable, cogeneraciones y residuos, derogando todas las normas de menor o igual rango en cuanto contradigan o se opongan a lo dispuesto en el, y en particular, en la disposición Derogatoria Única se deroga expresamente el RD 661/2007.

Este nuevo marco regulatorio supone una reducción de la cifra de ingresos esperada para los ejercicios futuros, que no se acompaña de una reducción paralela de los costes. El Administrador Único considera que existe base fundada para obtener del Ayuntamiento el restablecimiento del mencionado reequilibrio económico financiero de la concesión, por lo que no han registrado ninguna corrección valorativa por deterioro. En la actualidad la planta se encuentra en parada técnica a la espera de llegar a un acuerdo con el Ayuntamiento de Madrid.

6.5 PARQUE DE GUADARRAMA

a) Descripción del acuerdo y calificación contable de la contraprestación recibida:

Con fecha 20/11/2006 la Sociedad firma con el Ayuntamiento de Guadarrama un acuerdo de concesión consistente en la gestión del servicio público de conservación, limpieza, mantenimiento y mejora de zonas verdes, plantaciones y espacios libres del municipio. Además de ello, se propone como mejora la construcción de un parque y su posterior mantenimiento. La Sociedad ha calificado la contraprestación recibida como Activo Financiero al no existir riesgo de demanda por cobrar vía canon fijo. El valor neto por el que figura ésta concesión a 31 de diciembre de 2015 en Derechos de cobro es de 527.652,17 euros (573.874,05 euros en 2014).

b) Términos relevantes del acuerdo:

El acuerdo de concesión inicialmente es por un plazo de 13 años prorrogables hasta un máximo de 50 años por lo que el período de concesión terminará el 1 de febrero de 2020, durante el 2012 se prorrogó 2 años más hasta 2022, el importe total de la inversión acordada es de 1.110.904 euros IVA incluido, se establecerán revisiones de precios anualmente a partir del segundo año de contrato con una fórmula polinómica en base al euribor y al IPC.

c) Naturaleza y alcance:

c.1) Derechos a usar determinados activos.

El acuerdo de concesión contempla el derecho a utilizar una nave por el periodo del contrato, con la obligación por parte del contratista de dotarla de teléfono fijo, y al menos anualmente pintarla y desinfectarla.

c.2) Obligaciones de proporcionar o los derechos de recibir la prestación de servicios.

La Sociedad tiene obligación de prestar los servicios de conservación de las zonas verdes del municipio, incluyendo la inversión en mejoras pactadas con el Ayuntamiento.

c.3) Obligaciones y los derechos al término del periodo de concesión.

Al término del período concesional la Sociedad tiene obligación de continuar con el servicio hasta que un nuevo concesionario se haga cargo del mismo, así como de entregar las instalaciones en perfecto estado de uso.

c.4) Opciones de renovación y de rescisión.

El acuerdo concesional contempla un máximo de 50 años para prestar el servicio prórrogas incluidas.

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Movements in measurement Unit	Rights in units					
	No. of rights on 31/12/2013	Additions	Sales	Consumption	Rights delivered	No. of rights on 31/12/2014
Subsidised CO2 rights	-	12,415	-	1	-	12,414
Non subsidised CO2 rights	-	26,523	-	-	26,523	-
Total rights	-	38,938	-	1	26,523	12,414

During 2015, the detail of the emission rights, both in euros as well as in units is as follows according to the percentage stake held by the Company in the consortium.

Movement in euros	RIGHTS en euros				
	Balance on 31/12/2014	Additions	Sales	Rights delivered	No. of rights on 31/12/2015
Subsidised CO2 rights	64,435	-	-	(7)	64,428
Total rights	64,435	-	-	(7)	64,428

Movements in measurement Unit	Rights in units					
	No. of rights on 31/12/2013	Additions	Sales	Consumption	Rights delivered	No. of rights on 31/12/2014
Subsidised CO2 rights						
Total rights	12,414	-	-	-	(1)	12,413

As a consequence of the halt in activity by the plant during financial year 2014 and 2015, the European Union Registry for Emission Rights has not assigned UTE Butarque free CO_2 emission rights for financial year 2015. The allowance consumed during 2015 shall be delivered to the Administration in the early months of 2016.

All the intangible fixed assets the Company are assigned to corporate activities inherent to its business and are located within the country.

The Company has the policy of subscribing all the insurance policies deemed necessary to provide coverage for the possible risks that might affect the elements of the intangible fixed assets.

The Company has capitalised financial expenses within the Concession Agreement heading of the intangible fixed assets amounting to 462,805.12 euros in 2015 and 549,265.99 euros in 2014, arising from the consortium UTE Butarque amounting to 71,435.12 euros and 391,370.00 euros for the consortium UTE Los Hornillos, (103,763.99 euros and 445,502.00 euros in 2014 respectively). The total financial expenses capitalised from origin amounts to 22,269,080.59 euros, (21,806,275.47 euros in 2014). The criteria followed to determine those

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El acuerdo de concesión contempla las siguientes opciones de rescisión:
- Por el incumplimiento de las cláusulas contenidas en el contrato.
- Por mutuo acuerdo entre la compañía y el subcontratista.
- Por causas de fuerza mayor.

d) Magnitudes relevantes del PEF:

Las magnitudes relevantes recogidas en el Plan Económico Financiero del acuerdo de concesión son el canon con sus correspondientes revisiones de precios, el índice de precios al consumo estimado y el tipo de interés estimado para la deuda asociada, estas magnitudes se han determinado razonablemente.

6.6 UTE LA PALOMA

a) Descripción del acuerdo y calificación contable de la contraprestación recibida:

Con fecha 01/11/2002 la UTE LA Paloma compuesta por Urbaser al 62% y VSM al 38% firma con el Ayuntamiento de Madrid un acuerdo de concesión consistente en la explotación del Centro de Tratamiento y, al objeto de adecuarla a las nuevas exigencias legales, administrativas y técnicas, el adjudicatario del presente concurso realizará unas obras de adaptación de las instalaciones actuales así como de los sistemas operativos de dicho Centro para cumplir con las nuevas exigencias que impone la legislación medioambiental más reciente y, en particular, a los compromisos adquiridos por el Ayuntamiento de Madrid al adherirse al Convenio suscrito por la Comunidad de Madrid (CAM) y ECOEMBES.

La Sociedad ha calificado la contraprestación recibida como Activo Financiero, dado que la contraprestación recibida consiste en un derecho incondicional a recibir efectivo, que permite la recuperación de la inversión realizada, obteniendo un margen razonable. Recibiendo un canon de amortización de 1.602.817,20 euros por el residuo de resto y de 401.094,85 euros por el residuo de envases. Por tanto la Sociedad no asume el riesgo demanda en el acuerdo de concesión. El valor neto por el que figura ésta concesión en Derechos de cobro a 31 de diciembre de 2015 es de 6.416.133,59 euros, (7.288.762,06 euros a 31 de diciembre de 2014).

b) Términos relevantes del acuerdo:

El acuerdo de concesión es por un plazo de 21años por lo que el período de concesión terminará el 01 de noviembre de 2023, el importe total de la inversión acordada es de 35.547.890 euros. En diciembre de 2011 se revisan los diferentes cánones de explotación y de amortización de los años 2008 al 2010, quedando pendientes de revisión los cánones de 2011 y siguientes.

c) Naturaleza y alcance:

c.1) Derechos a usar determinados activos.

El acuerdo de concesión contempla el derecho a utilizar la planta existente hasta el momento en que se construya la nueva planta.

c.2) Obligaciones de proporcionar o los derechos de recibir la prestación de servicios.

La Sociedad tiene obligación de prestar los servicios de separación de envases manual y semiautomático y tratar el residuo orgánico mediante túneles de compostaje. Además la Sociedad tiene derecho a recibir del Ayuntamiento de Madrid los consiguientes cánones tanto de amortización como de explotación.

c.3) Obligaciones y los derechos al término del periodo de concesión.

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expenses is as follows: the acquisition price or production cost includes the financial expenses issued by the provider, or that arise from specific and generic third party financing directly assignable to acquisition or construction of the fixed assets, accrued during financial year 2014 or 2015, associated with the assets that require a period of time exceeding 1 year to be available for use.

CHANGES IN THE PERCENTAGE STAKE IN CONSORTIA

This column records the adjustments performed due to changes in the stake in different consortia.

In financial year 2014, the Company acquired part of its stake from two shareholders in the consortium UTE TEM, thus reaching 46.99% from 40% the previous year.

6. Concession Agreements

The main concession agreements by the Company record the following characteristics:

CONCESSION	PUERTOLLANO PARKING	HORNILLOS PLANT	CALANDRIAS PLANT	UTE BUTARQUE	GUADARRAMA PARK	UTE LA PALOMA	UTE TEM
Acquisition date	26/04/2007	10/02/2005	28/06/2006	25/11/1999	20/11/2006	01/11/2002	05/07/2007
CLIENT	L.Gvt. Puertollano	SMTRE	AJEMSA	L.Gvt. Madrid	L.Gvt. Guadarrama	L.Gvt. Madrid	Consorc.Trat.Res.Maresme
Classification	Intangible fixed assets	Mixed type	Financial asset	Intangible fixed assets	Financial asset	Financial asset	Intangible fixed assets
Concession years	38	25	20	25	13	21	15
Concession ends	26/04/2045	10/02/2030	04/07/2022	16/12/2028	01/02/2020	01/11/2023	31/12/2024
Total investment	4,018,927.92	142,046,704.00	4,808,097.00	22,737,903.06	1,110,904.00	35,547,890.00	69,575,550.00
Net value intang. fixed assets on 31/12/2015	3,536,226.72	12,894,368.72		6,216,032.89			6,928,224.71
Net value intang. fixed assets on 31/12/2014	3,643,115.19	13,754,056.70	-	6,759,941.99	-	-	7,814,599.64
Collection rights 31/12/2015	-	48,103,304.42	1,353,013.33		527,652.17	6,416,133.59	
Collection right 31/12/2014	-	50,188,005.98	1,435,978.33	-	573,874.05	7,288,762.06	-
Types of actions in preceding periods							
Conservation	332,158.01	8,054,182.01	161,063.93		-	-	-
Replacement and major repairs	-	-	-	83,649.94	-	-	-
Improvements or capacity extensions	-	-	-	240,286.79	-	-	-

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Al término del período concesional la Sociedad tiene obligación de entregar todos los activos que componen la partida "Acuerdo de Concesión" en las condiciones de perfecto funcionamiento.

c.4) Opciones de renovación y de rescisión

El acuerdo concesional contempla la opción de renovación por un período de 2 años improrrogable.

d) Magnitudes relevantes del Plan Económico Financiero

Las magnitudes relevantes recogidas en el Plan Económico Financiero del acuerdo de concesión son el volumen de toneladas tratadas, el índice de precios al consumo estimado y el tipo de interés estimado para la deuda asociada, estas magnitudes se han determinado de una manera razonable.

6.7 UTE TEM

a) Descripción del acuerdo y calificación contable de la contraprestación recibida:

Con fecha 05/07/2007 la UTE TEM participada por VSM, S.A. en un 46,99% al final del ejercicio 2015, firma con el Consorcio para el Tratamiento de Residuos Sólidos Urbanos del Maresme un acuerdo de concesión consistente en la ampliación, adecuación y explotación del Centre Integral de Valorización de Residuos del Maresme.

La UTE ha calificado la contraprestación recibida como Inmovilizado Intangible, dado que la contraprestación recibida consiste en el derecho a cobrar las correspondientes tarifas en función del grado de utilización del servicio público prestado. El valor neto por el que figura ésta concesión en el Inmovilizado Intangible a diciembre de 2015 es de 6.928.224,71 euros, (7.814.599,64 euros en 2014).

b) Términos relevantes del acuerdo:

El acuerdo de concesión es por un plazo de 15 años por lo que el período de concesión terminará el 31 de diciembre de 2024 según el pliego de cláusulas económico-administrativas, el importe total de la inversión acordada es de 69.575.550 euros IVA no incluido más ampliaciones del contrato de concesión inicial: Modificado por valor de 4.394.874,70 euros y las obras de la Riera por valor de 645.789,25euros.

La explotación de las instalaciones se remunerará de acuerdo a los cánones de explotación ofertados, en condiciones de carga nominal. Se establecen revisiones de precios anuales. Los cánones de explotación están calculados en función de cada área de proceso del centro, y la remuneración se realiza en base a la diferente composición de costes fijos, costes variables, ingresos garantizados por energía e ingresos garantizados por materiales recuperados.

c) Naturaleza y alcance:

c.1) Derechos a usar determinados activos.

El acuerdo de concesión contempla un canon por el uso de las instalaciones a cargo de la UTE TEM, valorado en 9.957.507 euros, que corresponde al valor catastral establecido en el ejercicio 2006. Sobre esta base se aplica un tipo del 3,39% siendo el canon para el 2010 de 337.559,49 euros. El canon para el 2015 es de 367.082,97 euros, (366.629,29 euros en el 2014). Dicho canon será por un período de 15 años, que se revisará cada año de acuerdo con el IPC publicado.

c.2) Obligaciones de proporcionar o los derechos de recibir la prestación de servicios.

Derechos del Concesionario

1) Explotar la obra pública y percibir la retribución económica prevista en el contrato

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Types of actions in 2015							
Conservation	3,113.94	1,545,572.17	150,933.27	-	-	-	-
Replacement and major repairs	-	-	-	43,357.09	-	-	-
Improvements or capacity extensions	-	-	-	-	-	-	-
Types of actions in future periods							
Conservation	739,728.05	14,542,939.24	490,353.80	-	-	-	-
Replacement and major repairs	-	-	53,339.75	123,056.98	-	-	-
Infrastructure reversion	-	-	-	-	805,349.30	-	-
Improvements or capacity extensions	-	-	-	269,903.74	-	-	-
Financial expenses previously activated	-	20,519,272.88	-	598,642.09	-	-	-
Financial expenses activated in 2015	-	445,502.00	-	71,435.12	-	-	-

6.1 PUERTOLLANO PARKING FACILITY

a) Description of the agreement and accounting classification of the consideration received:

On 26/04/2007, the Company VSM, S.A. signed a concession agreement with the Local Government of Puertollano for construction and subsequent operation of a parking facility in Puertollano. The construction phase ended in March 2011 and its operation commenced in April 2011.

The Company classified the consideration received as an Intangible Fixed Asset, as it consists of the right to collect the relevant tariffs according to the degree of use of the public service provided, there being a minute based tariff collected in cash and a different monthly subscriber one that is charged by standing order. Thus, the Company undertakes the risk established in the concession agreement. The net value at which the concession is recorded in the Intangible Fixed Assets on 31st December 2015 is 3,536,226.72 euros, (3,643,115.19 euros in 2014).

b) Relevant terms of the agreement:

The concession agreement is for a term of 38 years, so the concession term will end on 26th April 2045. The total amount of the investment agreed is 4,018,927.92 euros which is the final cost of the parking facility, an amount that shall be recovered by operation by subscribers and by rotation, also foreseeing the sale of spaces when the parking zone is subject to payment, but no sale has been formalised to date. The tariff price for sale of spaces is 16,713 euros ex-VAT, and the price is subject to review according to the demand. The price of the rotation and subscription spaces is set according to the tariffs in force established by the Administration.

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2) Disponer de los productos y subproductos derivados de la explotación de las instalaciones, incluida la energía.
3) Percibir la indemnización que, en cada caso corresponda, por los daños acreditados que sufra durante la ejecución del contrato por causas imputables al Consorcio.

c.3) Obligaciones y los derechos al término del período de concesión.

Al término del período concesional la Sociedad deberá revertir en perfecto estado de funcionamiento el servicio de todos los elementos, instalaciones y materiales existentes, y los nuevos elementos vinculados a la actividad aunque no estén físicamente en las instalaciones de proceso como pueden ser los recambios y maquinaria móvil entre otros.

c.4) Opciones de renovación y de rescisión.

La concesión se extinguirá por cumplimiento o la finalización del plazo o por resolución. En caso de finalización del plazo de concesión, el Consorcio contemplará la posibilidad de 3 prórrogas adicionales de 5 años hasta computar 15 años adicionales. En cualquier caso, cumplido el plazo de concesión, el concesionario debe asegurar la continuidad del servicio hasta que un nuevo Concesionario se hiciera cargo del mismo.

Las causas de resolución del contrato son:
1) La extinción de la personalidad jurídica de la Sociedad del Concesionario
2) La declaración de quiebra o suspensión de pago, concurso de acreedores.
3) El rescate del servicio
4) El mutuo acuerdo del Consorcio y la UTE TEM (Concesionario)
5) La falta de prestación por parte de la UTE TEM (Concesionario) de la Garantía definitiva o de las especiales complementarias de aquella dentro del término en los casos previstos por la legislación y la no formalización del contrato dentro del plazo.
6) La demora en el cumplimiento de los términos por parte de la UTE TEM.
7) La suspensión de la iniciación de obras por un término superior a 8 meses por parte de la Administración Pública
8) La no formalización del contrato administrativo en el plazo fijado, por causa imputable a la UTE TEM
9) Si levantada la intervención de la concesión, el concesionario vuelve a incurrir en las mismas causas que la provocaron.

d) Magnitudes relevantes del Plan Económico Financiero:

Las magnitudes relevantes recogidas en el Plan Económico Financiero del acuerdo de concesión son el volumen de toneladas tratadas, el índice de precios al consumo estimado y el tipo de interés estimado para la deuda asociada, estas magnitudes se han determinado de manera razonable.

7. Inmovilizado material

El detalle y movimientos de este capítulo de los balances de situación para el ejercicio 2014 se muestra a continuación:

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c) Nature and scope:

c.1) Rights to use certain assets

The concession agreement includes the right of the Local Government to use 20 spaces during the whole term of the concession, spaces valued at 413,000 euros.

c.2) Obligations to provide or rights to receive provision of services.

The Company has the obligation to provide management of the above ground parking (SER), the tow-truck vehicle removal services and operation of another underground parking facility that already exists in Puertollano for 20 years.

c.3) Obligations and rights at the end of the concession period

At the end of the concession period, the Company is bound to hand over all the assets forming the heading "concession agreement" under optimal conditions for use.

c.4) Renewal and termination options

The concession agreement may be extended up to a maximum of 50 years.

The concession agreement includes the following termination agreements:
- Extinction of the juridical status of the concessionaire.
- Declaration of bankruptcy, receivership, creditors' proceedings, bankrupt insolvent or acquittal and waiting arrangement.
- Mortgage enforcement declared vacant or impossibility to initiate mortgage enforcement proceedings due to lack of parties authorised for the purpose.
- Mutual agreement between grantor and concessionaire.
- Seizure of the concession for a term exceeding that established as the maximum without the contractor having guaranteed complete fulfilment of its obligations.
- Delay of more than six months by the Local Government in delivering the concessionaire the consideration, the land or the mandatory auxiliary means specified by the contract.
- Redemption of the operation by the Local Government.
- Suppression of the service for reasons of public interest.
- Impossibility to provide the service due to agreements adopted by the Administration after the contract.
- Abandonment or failure by the concessionaire to fulfil its contractual obligations.
- Any other causes specifically considered in the regulations in force or in the contract.

d) Relevant figures of the Economic Financial Plan

The relevant figures recorded in the Economic Financial Plan of the concession agreement are the estimated traffic volume (ADT), calculated according to similar parking concessions; the estimated Consumer Price Index, that has been considered as 3% for the whole life of the concession; and the interest rate for the associated debt, for which an average interest has been considered for third party financing of the Company.

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	Saldo inicial a 31/12/2013	Altas/dot.	Aumentos o disminuciones por traspasos	Cambios en % participacion UTEs	Salidas, bajas o reducciones	Saldo final a 31/12/2014
Coste:						
Terrenos y Construcciones	7.191.845,61	-	-	-	-	7.191.845,61
Instalaciones técnicas	21.702.048,05	[illegible]8,82	-	-	(761.828,11)	24.609.959,82
Maquinaria	20.964.725,29	10,01	-	-	(487.649,77)	21.279.315,56
Utillaje y otras instalaciones	10.321.517,54	938.712,80	1.854.017,31	-	(318.563,10)	12.795.684,55
Elementos de transporte	39.802.338,64	4.061.466,84	-	-	(475.437,52)	43.388.367,96
Mobiliario	1.034.475,05	58.114,27	-	-	(956,90)	1.091.632,42
Equipos proc.información	681.714,61	288.893,10	-	-	(26.924,42)	943.683,29
Otro inmovilizado	37.320.686,63	1.604.117,91	-	-	(175.789,16)	38.749.015,38
Anticipos inmov. material	1.893.281,27	214.729,99	(1.965.926,13)	-	-	142.085,13
Total coste	140.912.632,69	11.528.005,71	(1.900,00)	-	(2.247.148,98)	150.191.589,42
Amortización:						
Construcciones	(2.120.075,63)	(241.198,17)	547.074,76	-	-	(1.814.199,04)
Instalaciones técnicas	(8.277.773,38)	(2.033.916,03)	(547.074,76)	-	498.788,58	(10.359.975,59)
Maquinaria	(12.225.565,81)	(1.981.327,34)	-	-	334.972,85	(13.871.920,30)
Utillaje y otras instalaciones	(6.018.397,56)	(1.488.934,01)	-	-	156.820,01	(7.350.511,56)
Elementos de transporte	(20.927.141,09)	(4.006.626,61)	-	-	386.794,05	(24.546.973,65)
Mobiliario	(838.791,18)	(42.023,58)	-	-	837,29	(899.977,47)
Equipos proc.información	(540.174,74)	(80.321,90)	-	-	26.467,59	(594.029,05)
Otro inmovilizado	(14.630.466,83)	(3.069.790,10)	-	-	106.244,04	(17.594.012,87)
Total amortización	(65.578.386,22)	(12.964.137,74)	-	-	1.516.924,43	(77.031.599,53)
Deterioro:						
Instalaciones técnicas	-	(261.906,70)	-	-	-	(261.906,70)
Maquinaria	(1.051.696,00)	-	-	-	-	(1.051.696,00)
Elementos de transporte	(132.585,00)	-	-	-	-	(132.585,00)
Otro inmovilizado	(1.445.507,00)	-	-	-	-	(1.445.507,00)
Total deterioro	(2.629.788,00)	(261.906,70)	-	-	-	(2.891.694,70)
Total	72.704.458,47	(1.698.038,73)	(1.900,00)		(736.224,55)	70.268.295,19

ALTAS DEL PERIODO

- En las altas sobre Instalaciones Técnicas se incluyen principalmente:

Altas por los nuevos parquímetros instalados en Madrid por las UTES Lote III y Lote IV por importe de 1.187.233,02 euros y 1.938.489,05 euros respectivamente, 82.000,00 euros de un equipo de trituración en la Planta de neumáticos de Chiloeches y un separador magnético y un captador de metales por valor de 182.409,94 euros en la UTE Hornillos.

-En Maquinaria los importes más significativos que se han dado de alta en el periodo, son:

El servicio de la limpieza de Madrid capital por valor de 429.125,27 euros que corresponden a la compra de varias baldeadoras, esparcidores de sal, cuchillas para la nieve y segadoras, de la Planta de neumáticos de Chiloeches, 54.933,25 euros de una tolva de recepción y del contrato de la limpieza viaria y recogida de Leganés, 95.120,00 euros de una baldeadora. Respecto de las UTEs, la adquisición más notoria es la de la UTE Valoriza Gestyona, por valor de 73.060,00 euros de una barredora Cleango de varias segadoras, compactadores, maquinaria de jardinería, barredoras y equipos hidrolimpiadores

- En Utillaje y otras instalaciones se compone principalmente de:

612.419,29 euros proceden de los lotes de Madrid correspondientes a la adquisición de cortasetos, herramientas, puntos limpios móviles, adecuación de naves para la sal, cubos, reformas de instalaciones eléctricas en diferentes cantones además de maquinaria de jardinería como sopladoras y aspiradoras, del servicio de Alcalá de Henares 36.433,16 euros que suman la compra de varias chapas para contenedores así como varias sopladoras, 95.575,98 euros de la UTE Hornillos por la compra de una fregadora y 8 contenedores, 34.635,31 euros de la UTE Valoriza Gestyona de la reforma de la instalación eléctrica de la Nave de Pinto así como la instalación de varias columnas elevadoras, también 30.666,00 euros de contenedores de la UTE Iinet.

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6.2 HORNILLOS PLANT

a) Description of the agreement and accounting classification of the consideration received:

On 10/02/2005, UTE Hornillos signed a concession agreement with Entidad Metropolitana for Waste Treatment in Valencia, consisting of management of the existing plant, as well as execution and operation of a waste treatment plant in Quart de Poblet. The Company has classified the consideration received as intangible fixed assets and financial assets, due to it being a mixed model, as it receives a fixed and another variable fee according to the tonnes treated. The net value that records that concession in the intangible fixed assets in December 2015 is 12,894,368.72 euros (13,754,056.70 euros in 2014) and Collection Fees for 48,103,304.42 euros, (50,188,005.98 euros in 2014).

b) Relevant terms of the agreement:

The concession agreement for execution of the Waste Treatment Plant is 30 months from award, execution of the Transfer Station is a maximum of 30 months, on condition that the tests commence, and that of the Ecoparks is a maximum term of 5 years from the date of award. Moreover, operation of the installations executed shall take place up to 2030. The total amount of the investment agreed is 142,046,704 euros. The tariff structure and its review is annual. The contract distinguishes between two types of fees: operating fee and depreciation fee. The operating fee is according to the tonnes treated and it may be reviewed annually on 1st January every financial year, according to the polynomic formula, that includes the average cost indexes pondered in the collective bargaining agreement, energy product index and Consumer Price Index in the Autonomous Community of Valencia. The depreciation fee for the investments is not reviewable as it is considered independent of the tonnes processed by the facility, and it is charged so it ensures recovery of the investment as a fixed amount calculated on the basis of 400,000 tonnes per annum.

c) Nature and scope:

c.1) Rights to use certain assets

The concession agreement includes the right to use the existing plant as well as the facilities built. The consideration for use and operation on the land where the new plant is built binds the contractor, the consortium Ute Hornillos, to pay a fee of 8 million euros, increased by 60,000 euros for each 1,000 square metres over the present area of the facility. That fee for use shall be paid as follows: 4 million per month at the beginning of the works an the rest in twentieths until the end of the concession.

c.2) Obligations to provide or rights to receive provision of services.

The Company has the obligation to provide the services contained in the award contract and amended on 9th March 2005:

a. To execute the works and installations defined in the management project.
b. To care for proper order of the service.
c. To compensate damage to third parties.
d. To admit all users authorised by the EMTRE to the service.
e. To exercise provision of the services itself.
f. To comply with the laws in force.

Moreover, the Company is entitled to receive the operating fee from the EMTRE according to the number of tonnes processed on the premises, as well as the depreciation fee multiplied by 400,000 tonnes per annum.

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- En Elementos de Transporte:

Las altas contabilizadas se deben a una serie de contratos leasing firmados con diferentes entidades financieras para la adquisición de elementos necesarios en diferentes contratos de servicios. Los contratos con los importes más significativos corresponden a los lotes de limpieza de Madrid por valor de 2.101.117,47 euros, la adquisición de 7 camiones Volvo y 4 [illegible] servicio de limpieza y recogida de Guía de Isora por valor de 967.504,16 euros, la adquisición de 10 furgonetas y una fregadora por importe de 196.458,81 euros para el servicio de limpieza de Leganés, dos furgones Renault con equipo hidrolimpiador en Sant Cugat por importe de 104.168,70 euros, la adquisición de 3 camiones marca Volvo para el servicio de la UTE de Arona por importe de 166.737,93 euros y 118.540,00 euros en la UTE Badajoz Sur por la compra de dos camiones Volvo.

- Las altas sobre Mobiliario corresponden principalmente:

A las compras realizadas durante el ejercicio para la gestión del servicio de limpieza y recogida de residuos de los Lotes de Madrid, en concreto para el cantón de Chamartín por importe de 36.159,21 euros, 10.172,40 de equipamiento para Coslada y 7.359,00 euros en taquillas para el servicio de Leganés y el cantón de Moncloa.

- En Equipos para procesos de información:

las altas se deben fundamentalmente a compras realizadas para la actualización del equipamiento para la Gestión de los parquímetros de Castillo de los Fieles por importe de 220.395,06 euros consistentes en nuevas pantallas y kits de actualización del hardware, además de las compras de Black Dolphins con GSM, GPS y cámara incorporada para la gestión de los parquímetros de la ciudad de Madrid, 120 unidades para la UTE Lote III por valor de 35.032,71 euros y 80 unidades para la UTE Lote IV por importe de 22.650,52 euros.

- En Otro Inmovilizado las cantidades más significativas son las siguientes:

Trabajos de Balizamiento con bolardos y vallas así como compra de papeleras para los servicios de limpieza de la ciudad de Madrid por valor de 1.163.402,48 euros, la adquisición de 200 contenedores para el servicio de Guía de Isora por importe de 82.849,82 euros, compra de papeleras en el servicio de Majadahonda por importe de 66.498 euros y diferentes adquisiciones en el servicio de Coslada por 70.314,13 euros.

- En Anticipos para Inmovilizado Material se registran:

Los costes incurridos relacionados por la construcción de varios ecoparques, una línea nueva de vidrio y sobre todo por la instalación de 4 nuevos trommeles para la UTE Hornillos, todo ello por valor de 214.729,98 euros.

BAJAS DEL PERIODO

- Las bajas sobre Instalaciones Técnicas corresponde principalmente:

A la venta al Gobierno de Cantabria de las instalaciones de la Planta de Reocín por valor de 358.177,63 euros y al rescate por parte del Ayuntamiento de Cercedilla del servicio de limpieza, lo que provoca la baja de las cuatro islas de contenedores soterrados que había activadas en éste capítulo y que en el momento del rescate tenían un valor de 77.538, euros, además de ventas por importe de 291.410,78 euros de varios compactadores recolectores de la UTE Urgenet a su cliente, Mancomunitat de escombreries de Urgellet y que han provocado unas pérdidas de 2.319,93 euros.

- En Maquinaria las principales bajas corresponden:

Al igual que lo explicado en el punto anterior a Reocín por valor de 185.472,52 euros y a Cercedilla por importe de 179.991,36 euros.

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c.3) Obligations and rights at the end of the concession period

At the end of the concession period, the Company is bound to hand over all the assets forming the heading "concession agreement" in perfect working order and conservation, for which a technical inspector shall be assigned 20 months prior to termination of the contract to certify that the installation is in perfect order, reporting any defect he may notice in it.

c.4) Renewal and termination options

The concession agreement does not include any renewal option.

The concession agreement includes the following termination agreements:

- Breach of the obligation the contractor has to confidentiality regarding the data or records related to the object of the contract.
- Breach by the contractor of any of the obligations foreseen in the contract.

d) Relevant figures of the EFP

The relevant figures recorded in the Economic Financial Plan in the concession agreement are the volume of tonnes treated stated by the EMTRE in the Tender Condition Sheet, the estimated Consumer Price Index and the interest rate estimated for the associated debt. A figure of 2.5% was considered for the Consumer Price Index over the 20 years of the concession, due to it being considered adequate for the contractual price review contract (Consumer Price Index in the Autonomous Community of Valencia). The interest rate used in the EFP is that considered by the banking syndicate that finances the project (between 4.25% and 4.90% of the senior debt).

6.3 CALANDRIAS PLANT

a) Description of the agreement and accounting classification of the consideration received:

On 28/06/2006, the Company signed an agreement with Verinsur, S.A. to assign its contractual position with the company Aguas de Jerez Empresa Municipal, S.A., in its concession consisting of operation, conservation and maintenance of the installations forming "Las Calandrias" Composting and Recycling Plant located in Jerez de la Frontera, Cadiz. The Company has classified the consideration received as a Financial Asset as there is no demand risk due to the amount collected being a fixed fee. The net amount at which this concession is recorded on 31st December 2015 for Collection Fees is 1,353,013.33 euros, (1,435,978.33 euros in 2014).

b) Relevant terms of the agreement:

The concession agreement is for a term of 20 years that may be extended for a minimum period of 1 year, up to a maximum of 50 years, so the concession term will end on 4th July 2022, the amount of the annual fixed fee in force is 6,075,292.08 euros, including VAT, and annual price reviews shall be established as of the first year of the contract with a polynomic formula based on the Consumer Price Index.

c) Nature and scope:

c.1) Rights to use certain assets.

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- En Utillaje y otras instalaciones las bajas principales corresponden:

A Reocín por importe de 164.400,80 euros, además de 84.845,00 euros por la baja de unos planos de unas oficinas que finalmente no se van a realizar en la Planta de Chiloeches y 44.800,54 euros por diferentes instalaciones dadas de baja por la venta de la participación que la sociedad tenía de la UTE Aguas Alcalá y que se ha vendido al Canal de Isabel II durante el ejercicio.

- En Elementos de transporte:

Las bajas procedentes de Cercedilla ascienden a 345.068,75 euros y las de la UTE Aguas Alcalá a 71.056,36 euros.

- En el capítulo de Mobiliario:

Por importe de 956,90 euros se debe a una baja de un despacho en la Planta de Reocín.

- En el capítulo de Equipos para procesos de información la mayor parte de las bajas corresponden a:

25.562,40 euros proceden de la UTE Aguas de Alcalá por los motivos anteriormente citados.

- En Otro Inmovilizado las bajas obedecen íntegramente:

A Cercedilla por valor de 145.606,99 y a Reocín por importe de 30.182,17 euros como ya se ha explicado con anterioridad.

TRASPASOS DEL PERIODO

- Los traspasos sobre Instalaciones técnicas corresponden a traspasos desde el epígrafe de Anticipos para el inmovilizado de la UTE Hornillos por valor de 110.008,82 euros consistentes en las estructuras, la instalación eléctrica, el hardware y los equipos de captación de metales para la planta de los Hornillos.

- En Otras Instalaciones el traspaso corresponde a las oficinas y la nave que se ha estado construyendo para el servicio de limpieza y recogida de San Cugat del Valles y que se encontraba recogido en el capítulo de Anticipos para el inmovilizado material por importe de 1.854.017,31 euros.

- Los traspasos del periodo en el apartado de amortización de Terrenos y Construcciones e Instalaciones Técnicas, se debe a una reclasificación realizada durante el ejercicio por la UTE Gardelegui por 547.074,76 euros.

DETERIOROS DEL PERIODO

- En Instalaciones Técnicas figura el deterioro calculado por valor de 261.906,70 euros de los contenedores soterrados de Sant Cugat del Vallés por encontrarse en condiciones fuera de uso y haberse tenido que sustituir.

El detalle y movimientos de este capítulo de los balances de situación para el ejercicio 2015 se muestra a continuación:

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The concession agreement considers the awardee bearing the expense of the following supplies:

g. The fungible products required to maintain the Plant.
h. The electric energy consumed.
i. Drinking water consumption.
j. Telephone calls.
k. Any other supply required for correct operation of the plant.

c.2) Obligations to provide or rights to receive provision of services.

The Company has the obligation to pay operating fees at the time of award amounting to 4,808,097 euros, also specifying the following services as the object of the contract:
- Maintenance of the installations.
- Withdrawing the rejections that take place.
- Repairing deteriorated elements.
- Maintaining a round the clock surveillance service.
- Notifying the awardee of any incident.

c.3) Obligations and rights at the end of the concession period

At the end of the concession period, the Company has the obligation to continue with the service until a new concessionaire takes charge of it, as well as deliver the installations in perfect working order, leaving the facilities vacant and clear.

c.4) Renewal and termination options

The concession agreement states a maximum of 50 years to provide the service, including extensions.

The concession agreement includes the following termination agreements:
- For breach of the Clauses contained in the contract or due to deficient provision thereof.
- Due to extinction of the juridical status of the company or its bankruptcy.
- Due to mutual agreement between the company and the subcontractor.
- Due to fraudulent handling.

d) Relevant figures of the EFP

The relevant figures recorded in the Economic Financial Plan of the concession agreement are the number of tonnes treated, the personnel increase, the estimated consumer price index, taking that of the National Institute for Statistics and the estimated interest rate for the related debt as the average for the Company.

6.4 UTE BUTARQUE

a) Description of the agreement and accounting classification of the consideration received:

On 25/11/1999, the Company signed an agreement with the City Council of Madrid for construction and operation, for a 25 year term, of a Thermal Sludge Drying Plant at the Butarque Sewage Plant, operation of which commenced in December 2002. The Company participates in the concession through the consortium Ute Butarque, a joint venture in which its stake is 70%.

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	Saldo inicial a 31/12/2014	Entradas	Aumentos o disminuciones por traspasos	Cambios en % participacion UTES	Salidas, bajas o reducciones	Saldo final a 31/12/2015
Coste:						
Terrenos y Construcciones	7.191.845,61	-	-	-	-	7.191.845,61
Instalaciones técnicas	24.609.959,52	242.294,05	(238.959,42)	3.291,21	(128.160,45)	24.966.843,75
Maquinaria	21.279.315,56	[illegible]	-	-	(699.562,11)	22.569.414,91
Utillaje y otras instalaciones	12.795.684,55	[illegible]	-	875,00	(163.099,67)	13.175.541,05
Elementos de transporte	43.388.367,96	3.707.178,16	-	-	(507.327,40)	46.588.218,72
Mobiliario	1.091.632,42	27.279,37	-	-	(5.159,94)	1.113.751,85
Equipos proc.Informacion	943.663,29	64.701,01	-	845,49	(55.707,26)	953.522,53
Otro inmovilizado	38.749.015,38	3.548.996,03	-	-	(70.039,03)	42.227.972,38
Anticipos inmov. material	142.085,13	2.344.307,91	(238.959,42)	-	(9.198,29)	2.238.235,33
Total coste	180.191.589,43	13.466.909,16	-	5.011,70	(1.638.164,16)	161.025.346,13
Amortización:						
Construcciones	(1.814.199,04)	(239.229,93)	-	-	-	(2.053.428,97)
Instalaciones técnicas	(10.359.975,59)	(2.111.966,59)	-	(752,81)	168.335,85	(12.304.359,14)
Maquinaria	(13.871.920,30)	(2.025.198,42)	-	-	644.827,79	(15.252.290,93)
Utillaje y otras instalaciones	(7.350.511,56)	(1.487.379,95)	-	(200,20)	132.204,32	(8.705.887,39)
Elementos de transporte	(24.546.973,65)	(4.240.731,12)	-	-	437.625,77	(28.350.079,00)
Mobiliario	(899.977,47)	(63.458,56)	-	-	5.159,94	(958.276,09)
Equipos proc.Informacion	(594.029,05)	(85.598,59)	-	(193,49)	55.707,26	(624.113,87)
Otro inmovilizado	(17.594.012,87)	(3.479.381,83)	-	-	33.910,54	(21.039.484,16)
Total amortización	(77.031.599,53)	(13.732.944,99)	-	(1.146,50)	1.477.771,47	(89.287.919,55)
Deterioro:						
Instalaciones técnicas	(261.906,70)	-	-	-	112.243,64	(149.663,06)
Maquinaria	(1.051.696,00)	(344.160,00)	-	-	-	(1.395.856,00)
Elementos de transporte	(132.585,00)	(605.568,02)	-	-	-	(738.153,02)
Otro inmovilizado	(1.445.507,00)	-	-	-	-	(1.445.507,00)
Total deterioro	(2.891.694,70)	(949.728,02)	-	-	112.243,64	(3.729.179,08)
Total	70.268.295,19	(2.215.763,85)	-	3.865,20	(48.149,04)	68.008.247,50

ALTAS DEL PERIODO

- En las altas sobre Instalaciones Técnicas se incluyen principalmente:

52.953,62 euros de la iluminación led del mantenimiento de los viales de Leganés, 51.654,82 euros de la reforma de las oficinas de Leganés, 10.793,70 euros del suministro de los led de las instalaciones de Triatge de Molins y la rehabilitación de los vestuarios de la UTE Guadalajara por 24.234,78 euros.

-En Maquinaria los importes más significativos que se han dado de alta en el periodo, son:

1.413.954,88 euros de la maquinaria subrogada al anterior adjudicatario del servicio de la UTE Guadalajara, una barredora, una plataforma elevadora y dos máquinas, una trituradora y otra retroexcavadora en la UTE Gestyona por valor de 106.062,65 euros, una barredora Cleango por 142.400 euros para el servicio de la limpieza de Guadalajara, 40.015,00 euros de una fumigadora para el mantenimiento del campo de Golf Barberán y 34.017,45 euros en cuchillas, un extendedor y un generador Meyer para el distrito de Chamartin del lote 2 de limpieza de Madrid capital.

- En Utillaje y otras instalaciones se compone principalmente de:

62.004,65 euros de una cabina para taller de pintura para los lotes de Madrid, 55.927,71 euros de la reforma de las instalaciones en la Calle Reus del Lote 3 correspondiente al distrito de La Latina de la limpieza de Madrid, 46.008,00 euros de un muro separador para la Planta de Chiloeches, 40.558,56 euros de material eléctrico diverso para al servicio de Alcalá de Henares, 23.827,51 euros de la reforma de varios cantones correspondientes al Lote 2 de la limpieza de Madrid, distrito de Chamartin, 19.770,12 euros de varios compresores para los lotes de Madrid y 14.361,45 euros de un aspirador para camiones también para el distrito de La Latina de los lotes de Madrid. Respecto de las UTEs, las altas más representativas provienen de UTE Guadalajara con 26.635,35 euros por un depósito de combustible y varias columnas elevadoras móviles y 20.009 euros por material de taller diverso, la UTE Iinet por 49.374,00 euros por la compra de 155 contenedores para el servicio, Cointer con 32.578,00 euros por la adquisición de 80 contenedores y 450 cubos de basura y la UTE Patrimonio Jardines con 14.734,36 euros por diversos útiles de jardinería.

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The Company has classified the consideration received as an Intangible Fixed asset, due to it consisting of the right to collect the relevant tariffs according to the degree of use of the public service provided. The net value at which this concession is recorded in the Intangible Fixed assets in December 2015 is 6,216,032.89 euros, (6,759,941.99 euros in 2014).

The concession contract establishes the remuneration for operation of the Thermal Drying Plant by means of three fees received by the Consortium, that are as follows:

- Depreciation fee per tonne: This is obtained by repercussion of the investments. It is a variable amount according obtain the volume of sludge subject to thermal drying. The applicable price per tonne was established at the beginning of the concession and may not be reviewed.
- Operating fee per tonne: Shows the maintenance, conservation and operating costs of the installation. It is a variable amount according to the volume of sludge subject to thermal drying, and it may be reviewed annually according to the formula established in the concession condition sheet.
- Composting fee: This corresponds to the sludge received by the plant, but which cannot be processed by it for justifiable reasons, so it must undergo a conventional composting process. The amount is variable according to the volume and may be reviewed annually according to the formula established in the concession sheet.

b) Relevant terms of the agreement:

The concession agreement is for a term of 25 years so the concession term will end on 16th December 2028. The contract establishes the monthly certification of the tonnes of sludge subject to processing by the plant at the fees aforementioned. It also foresees an annual price review of the operating and composting fees, although not the depreciation fee.

c) Nature and scope:

c.1) Rights to use certain assets

The concession agreement considers the right to use all the existing assets at the plant in order to be able to fulfil the obligation stipulated in the contract to perform thermal drying of the sludge entering the plant from the different treatment plants of the City Council of Madrid.

c.2) Obligations to provide or rights to receive provision of services

The Company is entitled to receive the aforementioned fees for each tonne treated from the City Council of Madrid.

c.3) Obligations and rights at the end of the concession period

At the end of the concession period, the Company is bound to hand over all the assets forming the heading "concession agreement" in working order.

c.4) Renewal and termination options

The concession agreement does not consider any renewal option.

The concession agreement considers a possible renewal clause for any breach of any clause or terms set forth in the contract.

- En Elementos de Transporte:

Las altas contabilizadas se deben a una serie de contratos leasing firmados con diferentes entidades financieras para la adquisición de elementos necesarios en diferentes contratos de servicios. Los contratos con los importes más significativos corresponden a los lotes de limpieza de Madrid por valor de 667.427,33 euros, la adquisición de 10 camiones para el servicio de recogida de Poio por valor de 617.091,70 euros, la adquisición de 10 furgonetas por importe de 343.176,64 euros para el servicio de limpieza de Guadalajara, 199.655,77 euros para el contrato de Alcalá de Henares, 148.012,00 para Majadahonda, 104.366,84 euros de 3 contratos de arrendamiento financiero y varias compras para el servicio de zonas verdes de Fuenlabrada, otro contrato de leasing por valor de 82.074,50 euros para Chiloeches y otro más por valor de 60.203,48 euros para Toledo. Respecto a UTEs, las principales compras son 679.871,12 euros en la UTE Guadalajara por 13 contratos de leasing, 285.043,38 euros en la UTE Gestyona por la adquisición de un camión Volvo, otro DAF, 2 Nissan y 6 contratos de leasing y 47.730,64 euros en la UTE Lote III de Movilidad de Madrid por la adquisición de 5 Opel Corsa, 1 furgón Piaggio y la instalación de cámaras en toda la flota de vehículos de la UTE y en la UTE Trujillo 82.440,53 euros por la compra de 5 furgones y una furgoneta.

-Las altas sobre Mobiliario corresponden principalmente:

A las compras realizadas durante el ejercicio para las oficinas de Vicálvaro por importe de 11.866,27 euros y 8.914,42 euros en una mesa de juntas y 10 puestos de trabajo para al servicio de Leganés.

- En Equipos para procesos de información:

Las altas se deben fundamentalmente a compras realizadas para la actualización del equipamiento para la Gestión de los parquímetros de Madrid por importe de 19.125,00 euros para la actualización del inventario y la actualización del PLC, la compra de un ordenador específico para trabajos de I+D+I por valor de 11.737,92 euros, además de las compras de 7 Black Dolphins con GSM, GPS y cámara incorporada para la gestión de los parquímetros de la ciudad de Madrid, y 90 impresoras térmicas para la UTE Lote III por valor de 13.890,96 euros y un ordenador y 60 impresoras térmicas para la UTE Lote IV por importe de 9.689,62 euros.

- En Otro Inmovilizado las cantidades más significativas son las siguientes:

Trabajos de Balizamiento con bolardos y vallas así como compra de papeleras para los servicios de limpieza de la ciudad de Madrid por valor de 1.145.537,63 euros, la adquisición de contenedores así como su soterramiento para el servicio de limpieza de Leganés por importe de 778.425,07 euros, compra y colocación de valla metálica y trabajos de plantación en el servicio de Coslada por importe de 195.802,18 euros, trabajos de pavimentación en la Planta de Triatge de Molins, la adquisición de un lavacontenedores en la UTE Gestyona por 57.999,50 euros y diferentes adquisiciones de contenedores en varios servicios más como en Guía de Isora por 86.827,06 euros, Majadahonda por 59.879,70 euros, la UTE Arona por 88.662,88 euros o la UTE Trujillo por 79.982,50 euros.

- En Anticipos para inmovilizado Material se registran:

Los costes incurridos relacionados para la construcción una planta para la conversión de plásticos en hidrocarburos por valor de 1.550.846,18 euros en Jerez y de un Evaporador de Lixiviados por valor de 408.159,56 euros que se encuentra en fase de pruebas en la Planta de Cádiz, así como por la instalación de una nueva línea de vidrio con una nave accesoria y un Ecoparque en Albalat de Sorrels para la UTE Hornillos, todo ello por valor de 385.302,09 euros.

BAJAS DEL PERIODO

- Las bajas sobre Instalaciones Técnicas corresponde principalmente:

Al abandono de las instalaciones de la grúa de Móstoles por valor de 26.580,43 euros por haber dejado de prestar el servicio, y a la UTE Urgenet por 101.580,02 euros de activos completamente amortizados ya que ésta UTE se está empezando a disolver.

- En Maquinaria las principales bajas corresponden:

A la venta de una Pala marca Volvo por valor de 130.061,00 euros que prestaba servicio en la Planta de la Torrecilla y que ha generado un beneficio de 30.000€ y a la depreciación de varias barredoras, fregadoras e

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c.5) Other rights and obligations

The concession agreement does not consider other rights and obligations beyond the aforementioned.

d) Relevant figures of the Economic Financial Plan

The relevant figures recorded in the Economic Financial Plan of the concession agreement are those of the tonnes of sludge, the estimated index of consumer prices and the estimated interest rate for the related debt.

The concession activity was directly affected by RD 661/2007, that regulated the activity of electrical energy production under special regime. On 13th July the Official State Gazette published RD 9/2013 that approved the new juridical and economic regime for electrical energy production installations based on renewable energy sources, cogeneration and waste, repealing all the rules of lesser or equal rank in everything that contradicts or opposes the terms set forth therein, and in particular, in the Sole Repeal provision, that specifically repeals RD 661/2007.

This new regulatory framework involves a reduction in the turnover expected for future financial years, that is not accompanied by a parallel cost reduction. The Sole Administrator considers that there are proper grounds to obtain re-establishment of said economic financial balance of the concession from the City Council, so it has not recorded any valuation correction for depreciation. The plant is now subject to technical shut-down while awaiting an agreement to be reached with the City Council of Madrid.

6.5 GUADARRAMA PARK

a) Description of the agreement and accounting classification of the consideration received:

On 20/11/2006, the Company signed a concession agreement with the Local Government of Guadarrama consisting of management of the public service of conservation, cleaning, maintenance and improvement of parks, plantations and outdoor space in the municipal district. In addition to this, as an improvement, it proposed construction of a park and its subsequent maintenance. The Company has classified the consideration received as a Financial Asset due to there being no demand risk due to a fixed fee being charged. The net value recorded for this concession on 31st December 2015, for collection fees, is 527,652.17 euros (573,874.05 euros in 2014).

b) Relevant terms of the agreement:

The concession agreement is initially for an extendable term of 13 years, up to a maximum of 50 years, so the concession term will end on 1st February 2020, during 2012, it was extended for a further 2 years until 2022. The total amount of the investment agreed is 1,110,904 euros, including VAT, and price reviews shall be established annually as of the second year of the contract, with a polynomic formula based on the Euribor and the Consumer Price Index.

c) Nature and scope:

c.1) Rights to use certain assets.

The concession agreement provides the right to use the building for the term of the contract, with the obligation for the contractor to provide a telephone landline and to paint and disinfect it at least once a year.

c.2) Obligations to provide or rights to receive provision of services.

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hidrolimpiadoras adquiridas en 2007 y 2008 que ya no se encontraban en condiciones de uso por su obsolescencia.

- En Utillaje y otras instalaciones las bajas principales corresponden:

A las instalaciones deportivas de Haro, ya que no se [illegible] con el contrato por valor de 99.601,06 euros, así como diferente utillaje del contrato de Catarroja por 11.187,48 euros y el ya mencionado de la grúa de Móstoles por 1.980,00 euros. Respecto de las UTES, Ilnet con 32.592,00 euros por bajas de contenedores en unos casos quemados y en otros revertidos al Ayuntamiento y a Cointer con 6.823,60 euros por cubos y contenedores obsoletos.

- En Elementos de transporte:

Las bajas procedentes de San Cucufato del Valle por la venta de un vehículo por valor de 119.810,00 euros que ha provocado un beneficio de 92.060,17 euros, las 3 grúas del contrato de Móstoles por valor de 30.000 euros, 3 furgones del contrato de las instalaciones de Haro por valor de 21.620,38 euros y varios vehículos más de hasta 9 años de antigüedad que han quedado fuera de uso por obsoletos o por avería.

- En el capítulo de Mobiliario:

Por importe de 2.732,85 euros se debe a una baja de un despacho de la oficina de la grúa de Móstoles y 2.427,09 euros de la delegación de Alcobendas.

- En el capítulo de Equipos para procesos de información la mayor parte de las bajas corresponden a:

29.078,21 euros proceden de los equipos sitos en las oficinas de la grúa de Móstoles, anteriormente citados y a activos completamente amortizados por valor de 20.544,51 euros de la UTE Urgenet ya que se está empezando a disolver.

- En Otro Inmovilizado las bajas obedecen íntegramente:

A Catarroja por valor de 1.900,00 euros, a los lotes de Madrid por 9.667,70 euros, a componentes de los parkímetros de la UTE Movilidad zona III por 40.391,76 euros y a contenedores de la UTE Arona por 8.625,00 euros.

TRASPASOS DEL PERIODO

- Los traspasos en Instalaciones Técnicas desde Anticipos de Inmovilizado material corresponden exclusivamente:

A dos tromeles, los que hacen número 17 y 18 de las instalaciones de la UTE Hornillos y que se encontraban en anticipos de inmovilizado material durante su periodo de pruebas.

ALTAS DE DETERIOROS DEL PERIODO

- En Maquinaria figura el deterioro calculado por valor de 344.160,00 euros provocado por la modificación del contrato de Alcalá de Henares.

- En Elementos de transporte figura el deterioro calculado por valor de 542.430,27 euros provocado por la modificación del contrato de Alcalá de Henares, 7.000 euros por la UTE Guadalajara y 56.137,75 euros por el ajuste provocado por la venta de inmovilizado a la UTE Gestyona con beneficio, éste se halla minorado por 56.137,75 euros por ser entre empresas del mismo grupo.

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The Company is bound to provide the conservation services for the park areas in the municipal district, including the investment in improvements agreed with the Local Government.

c.3) Obligations and rights at the end of the concession period.

At the end of the concession period, the Company has the obligation to continue with the service until a new concession holder takes charge of it, as well as to deliver the installations in perfect working order.

c.4) Renewal and termination options.

The concession agreement provides a maximum term of 50 years to provide the service, including extensions.

The concession agreement includes the following termination agreements:
- For breach of the clauses the contract contains.
- By mutual agreement between the company and the subcontractor.
- Due to causes of force majeure.

d) Relevant figures of the EFP:

The relevant figures recorded in the Economic Financial Plan of the concession agreement are the fee with the relevant price reviews, the estimated consumption price index and the estimated interest rate for the related debt, figures that have been reasonably determined.

6.6 LA PALOMA CONSORTIUM

a) Description of the agreement and accounting classification of the consideration received:

On 01/11/2002, the consortium UTE La Paloma, formed by Urbaser with 62% and VSM with 38%, signed a concession agreement with the City Council of Madrid consisting of operation of a Treatment Centre and, in order to adapt it to the new legal, administrative and technical requires, the awardee of this a-m shall perform works to adapt the present facilities, as well as the operating systems of that Centre to fulfil the new demands imposed by the most recent environmental legislation and, in particular, for the commitments acquired by the City Council of Madrid on adhering to the Convention signed by the Autonomous Community of Madrid (CAM) and ECOEMBES.

The Company has classified the consideration received as a Financial Asset, as the consideration received consists of an unconditional right to receive cash, that allows recovery of the investment made, obtaining a reasonable margin. A depreciation fee of 1,602,817.20 euros is received for the waste and 401,094.85 euros for packaging waste. Thus, the Company does not bear demand risk in the concession agreement. The net value recorded for this concession under Collection Rights on 31st December 2015 is 6,416,133.59 euros, (7,288,762.06 euros on 31st December 2014).

b) Relevant terms of the agreement:

The concession agreement is for a term of 21 years, so the concession term will end on 1st November 2023, the total amount of the investment agreed is 35,547,890 euros. The different operating fees were reviewed in December 2011, and the depreciation for years 2008 to 2010, with the fees for 2011 and following years pending review.

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BAJAS DE DETERIOROS DEL PERIODO

- En Instalaciones Técnicas figura la baja del deterioro calculado en 2014 por valor de 112.243,64 euros de los contenedores soterrados de Sant Cugat del Vallés por encontrarse en condiciones fuera de uso y haberse tenido que sustituir.

CAMBIOS EN EL PORCENTAJE DE PARTICIPACIÓN DE UTES

En ésta columna se encuentran los ajustes realizados por los cambios en la participación de varias UTES.

En el ejercicio 2015, la sociedad ha adquirido el 10% de su participación a un socio de la UTE Galapagar, para alcanzar el 90% desde el 80% del año precedente.

En el ejercicio 2014, la sociedad ha adquirido parte de su participación a dos socios en la UTE TEM, para alcanzar el 46,99% desde el 40% del año precedente.

Todo el inmovilizado material de la Sociedad se encuentra afecto a actividades empresariales propias de su actividad y está situado dentro del territorio nacional.

Las UTEs aportan al anterior cuadro un importe total de 12.843.131,58 euros, (11.690.728,57 euros en 2014). Las más significativas en miles de euros son:

2015	UTE GARDELEGUI	UTE ILNET	UTE RSU CADIZ	PARQUIMETROS LOTE 3	PARQUIMETROS LOTE 4	OTRAS UTES	Importes utes
Valor Neto:							
Terrenos y Const.	1.301	-	-	-	-	-	1.301
Instalaciones técnicas	617	573	189	1.455	1.283	1.254	5.371
Maquinaria	-	-	-	2	0	2.640	2.642
Otras Instalaciones	-	-	-	-	25	76	101
Utillaje	-	286	106	-	1	188	581
ELde transporte	-	1	7	44	33	2.193	2.278
Mobiliario	-	-	-	2	-	12	14
Eq. proc.informacion	-	1	-	38	26	26	91
Otro inmovilizado	-	1	-	0	-	2.877	2.878
Anticipos inm. material	-	-	-	-	-	279	279
Deterioro inm.material	-	-	-	-	-	(2.693)	(2.693)
Total Valor Neto	1.918	862	302	1.541	1.368	6.852	12.843

La Sociedad posee inmuebles cuyo valor por separado de la construcción y del terreno, al cierre del ejercicio 2015 y 2014, es el siguiente:

Inmuebles	2015	2014
Terrenos	2.120.409,69	2.120.409,69
Construcciones	5.071.435,92	5.071.435,92
Total	7.191.845,61	7.191.845,61

Respecto al epígrafe Terrenos, la mayor partida corresponde a la parcela de 12,5 hectáreas, ubicada en Madrid, en la Finca La Torrecilla por importe de 1.352.500 euros.

Todo el inmovilizado material de la Sociedad se encuentra afecto a actividades empresariales.

La Sociedad ha enajenado elementos del inmovilizado material por un importe neto de 60.500,00 euros en 2015, habiéndose obtenido un beneficio como resultado de dicha venta de 50.000 euros.

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c) Nature and scope:

c.1) Rights to use certain assets.

The concession agreement provides the right to use the existing plant until the moment when the new plant is built.

c.2) Obligations to provide or rights to receive provision of services.

The Company has the obligation to provide manual and semi-automatic packaging services and to process the organic waste in composting tunnels. The Company is also entitled to receive the relevant fees from the City Council of Madrid, both for compensation as well as operation.

c.3) Obligations and rights at the end of the concession period.

At the end of the concession period, the Company is bound to hand over all the assets forming the heading "Concession Agreement" in perfect working order.

c.4) Renewal and termination options.

The commercial agreement provides the option of renewal for an unextendable period of 2 years.

d) Relevant figures of the Economic Financial Plan

The relevant figures recorded in the Economic Financial Plan of the concession agreement are the volume of tonnes processed, the estimated Consumer Price Index and the interest rate estimated for the related debt, figures that have been determined in a reasonable manner.

6.7 TEM CONSORTIUM

a) Description of the agreement and accounting classification of the consideration received:

On 05/07/2007, the consortium UTE TEM, in which VSM, S.A. held a stake of 46.99% at the end of financial year 2015, signed a concession agreement with the Consortium for Municipal Waste Treatment of Maresme consisting of extension, adaptation and operation of the Integral Waste Recycling Centre of Maresme.

The Consortium has classified the consideration received as an Intangible Fixed Asset due to the consideration received consisting of the right to collect the relevant tariffs according to the degree of use of the public service provided. The net value at which this concession is recorded in the Intangible Fixed Assets in December 2015 is 6,928,224.71 euros, (7,814,599.64 euros in 2014).

b) Relevant terms of the agreement:

The concession agreement is for a term of 15 years, so the concession term will end on 31st December 2024, according to the economic administrative clause sheet the total amount of the investment

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Al cierre de los ejercicios 2014 y 2015 la Sociedad tenía elementos del inmovilizado material totalmente amortizados que seguían en uso, conforme al siguiente detalle:

Descripción	Valor contable (bruto)	
CLASE 8.ª	2015	2014
Equipos procesos información	310.248,81	343.277,23
Elementos de transporte	8.258.823,77	7.905.950,07
Instalaciones técnicas	1.282.772,21	1.106.066,13
Maquinaria	3.963.007,18	3.727.752,07
Mobiliario	559.578,64	559.732,60
Otro inm.Material	3.652.861,43	3.605.588,37
Otras Instalaciones	529.362,39	500.122,34
Utillaje	516.292,29	403.140,80
Total	19.072.946,72	18.151.629,60

De las cifras del cuadro anterior, corresponden a UTEs la cantidad de 4.192.276,82 euros (4.122.749,52euros, en el año 2014).

Es política de la Sociedad contratar todas las pólizas de seguros que se estimen necesarias para dar cobertura a los posibles riesgos que pudieran afectar a los elementos del inmovilizado material.

No existen costes relevantes de desmantelamiento o retiro y los costes de grandes reparaciones se detallan pormenorizadamente en la nota de acuerdos de concesión.

Tampoco se han producido compras de inmovilizado entre empresas del grupo siendo la mayor parte de las bajas fruto de la obsolescencia.

Existen activos afectos a garantías hipotecarias que se encuentran explicados en la Nota 9b.

Tal y como se indica en la Nota 8, al cierre del ejercicio 2015 y 2014 la Sociedad tenía contratadas diversas operaciones de arrendamiento financiero sobre su inmovilizado material.

8. Arrendamientos

Arrendamientos financieros, actuando la Sociedad como arrendatario

El valor neto contable de las inmovilizaciones materiales adquiridas mediante contratos de arrendamiento financiero a 31 de diciembre de 2014 y 2015 es el siguiente:

	2014		
	Coste	Amortización	VNC
Maquinaria	11.449.751,08	(7.882.942,53)	3.566.808,55
Elementos de transporte	33.820.740,72	(20.905.990,80)	12.914.749,92
Otro inmovilizado	8.360.390,56	(6.053.877,71)	2.306.512,85
Utillaje	876.762,11	(702.583,05)	174.179,06
Otras Instalaciones	33.000,00	(20.900,00)	12.100,00
Instalaciones Tecnicas	2.812.358,60	(142.889,05)	2.669.469,55
	57.353.003,06	(35.709.183,14)	21.643.819,93

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agreed is 69,575,550 euros ex-VAT, plus extensions to the initial concession contract: amended in value by 4,394,874.70 euros and the Riera works amounting to 645,789.25 euros.

Operation of the facilities shall be remunerated according to the operating fees tendered, under normal load conditions. Annual price reviews are established. The operating fees are calculated according to each processing area of the centre and the remuneration is performed on the basis of different composition of fixed costs, variable costs, revenue guaranteed from energy and revenue guaranteed from materials recovered.

c) Nature and scope:

c.1) Rights to use certain assets.

The concession agreement provides a fee for use of the facilities charged to UTE TEM, valued at 9,957,507 euros, that corresponds to the cadastral value established in financial year 2006. A rate of 3.39% is applied to that base, the fee for 2010 being 337,559.49 euros. The fee for 2015 is 367,082.97 euros, (366,629.29 euros in 2014). That fee will be for a period of 15 years, that shall be reviewed every year according to the Consumer Price Index published.

c.2) Obligations to provide or rights to receive provision of services.

Concessionaire's Rights

1) To operate the public works and receive the financial remuneration foreseen in the contract.
2) To make use of the products and by-products obtained from operation of the facilities, including energy.
3) To receive the relevant compensation in each case, for proven damage it may suffer during execution of the contract for reasons due to the Consortium.

c.3) Obligations and rights at the end of the concession period.

At the end of the concession period, the Company must revert the service in perfect working order of all the existing elements, installations and materials, and the new elements related to the activity, even though not physically located in the processing facility, such as spare parts and mobile machinery, among others.

c.4) Renewal and termination options.

The concession shall be extinguished on the completion of the term elapsing, or due to termination. In the event of the concession term elapsing, the Consortium shall consider the possibility of 3 additional extensions of 5 years until completing 15 additional years. In any event, once the concession term has elapsed, the concessionaire must assure continuity of the service until a new concessionaire takes charge of it.

The causes of termination of the contract are:
1) Extinction of the juridical personality of the Concession Company.
2) Declaration of bankruptcy or receivership, creditors' proceedings.
3) Redemption of the service.
4) Mutual agreement by the Consortium and UTE TEM (Concessionaire).

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	2015		
	Coste	Amortización	VNC
Maquinaria	12.039.067,10	(9.007.911,12)	3.031.155,98
Elementos de transporte	[illegible]	(25.177.608,75)	13.881.071,17
Otro inmovilizado	11.995.976,54	(10.135.647,62)	1.860.328,92
Utillaje	877.691,44	(763.795,86)	113.895,58
Otras Instalaciones	33.000,00	(24.200,00)	8.800,00
Instalaciones Tecnicas	9.896.209,51	(1.398.755,83)	8.497.453,68
	73.900.624,51	(46.507.919,18)	27.392.705,33

El valor de coste por el que fueron reconocidos inicialmente los activos por arrendamiento financiero fue el valor actual de los pagos mínimos a realizar en el momento de la firma del contrato de arrendamiento financiero.

Del valor neto contable total del cuadro anterior, proviene de UTEs la cifra de 6.290.855,07 euros, (2.089.738,83 euros en 2014), las más significativas son

2015	PARQUIMETROS LOTE 3	PARQUIMETROS LOTE 4	UTE ARONA	UTE GUADALAJARA	UTE PLASENCIA	OTRAS UTES	TOTAL
Construcciones	-	-	-	-	-	-	-
Maquinaria	-	-	-	-	-	166.002,49	166.002,49
E. transporte	-	-	666.482,00	923.028,00	180.289,00	1.470.861,78	3.240.660,78
Otro inmovilizado	-	-	-	-	96.896,50	133.469,40	230.365,90
Utillaje	-	-	-	-	-	1.808,19	1.808,19
Instalaciones Tecnicas	1.420.552,75	1.230.964,96	-	-	-	-	2.651.517,71
	1.420.552,75	1.230.964,96	666.482,00	923.028,00	277.185,50	1.772.141,86	6.290.355,07

La conciliación entre el importe total de los pagos futuros mínimos y su valor actual a 31 de diciembre de 2014 y 2015 es el siguiente:

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5) Failure for UTE TEM (Concessionaire) to provide a definitive Guarantee, or special ones to complement it within the term, under the cases foreseen by the legislation and not formalising the contract within the term.
6) The delay in fulfilment of the terms by UTE TEM.
7) Suspension of commencement of works for a term exceeding 8 months by the Public Administration.
8) Not formalising the administrative contract within the terms of the set, for causes due to UTE TEM.
9) If, once intervention of the concession has concluded, the concessionaire incurs the causes that gave rise to it again.

d) Relevant figures of the Economic Financial Plan:

The relevant figures recorded in the Economic Financial Plan of the concession agreement are the volume of tonnes processed, the estimated Consumer Price Index and the estimated interest rate for associated debt, these figures have been determined in a reasonable manner.

7. Tangible fixed assets

The detail and movements of this chapter of the balance sheets for financial year 2014 are shown below:

	Initial balance on 31/12/2013	Entries	Increases or decreases due to transfers	Changes in % stake in consortia	Outlay, removals or reductions	Final balance on 31/12/2014
Cost:						
Land and constructions	7,191,845.61	-	-	-	-	7,191,845.61
Technical installations	21,702,048.05	3,559,730.76	110,008.82	-	(761,828.11)	24,609,959.52
Machinery	20,964,725.29	802,240.04	-	-	(487,649.77)	21,279,315.56
Utilities and other installations	10.321,517.54	938,712.80	1,854,017.31	-	(318,563.10)	12,795,684.55
Transport elements	39,802,338.64	4,061,466.84	-	-	(475,437.52)	43,388,367.96
Furniture	1,034,475.05	58,114.27	-	-	(956.90)	1,091,632.42
Information processing information	681,714.61	288,893.10	-	-	(26,924.42)	943,683.29
Other fixed assets	37,320,686.63	1,604,117.91	-	-	(175,789.16)	38,749,015.38
Advances on tangible fixed assets	1,893,281.27	214,729.99	(1,965,926.13)	-	-	142,085.13
Total cost	**140,912,632.69**	**11,528,005.71**	**(1,900.00)**	-	**(2,247,148.98)**	**150,191,589.42**
Depreciation:						
Constructions	(2,120,075.63)	(241,198.17)	547,074.76	-	-	(1,814,199.04)
Technical installations	(8,277,773.38)	(2,033,916.03)	(547,074.76)	-	498,788.58	(10,359,975.59)
Machinery	(12,225,565.81)	(1,981,327.34)	-	-	334,972.85	(13,871,920.30)
Utilities and other installations	(6,018,397.56)	(1,488,934.01)	-	-	156,820.01	(7,350,511.56)
Transport elements	(20,927,141.09)	(4,006,626.61)	-	-	386,794.05	(24,546,973.65)
Furniture	(838,791.18)	(62,023.58)	-	-	837.29	(899,977.47)
Information processing equipment	(540,174.74)	(80,321.90)	-	-	26,467.59	(594,029.05)
Other fixed assets	(14,630,466.83)	(3,069,790.10)	-	-	106,244.06	(17,594,012.87)

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2014	Pagos futuros mínimos	Valor actual
Menos de un año	4.534.947,17	4.278.252,05
Entre uno y cinco años	9.240.600,96	6.905.114,59
Total	13.775.548,13	11.183.366,64

2015	Pagos futuros mínimos	Valor actual
Menos de un año	4.041.429,97	3.812.669,78
Entre uno y cinco años	7.486.117,72	5.594.062,65
Total	11.527.547,69	9.406.732,43

Los contratos de arrendamiento financiero más significativos que tiene la Sociedad al cierre del ejercicio 2015 son los siguientes:

Contratos más significativos	Plazo	Tipo de interés	Opción compra	V.adquisicion
Maquinaria				
Sabadell 6905	5 años	5,32%	15.245,24	816.878,30
Banco Gallego 2483	5 años	5,06%	6.836,92	373.550,00
Ibercaja 1368	5 años	5,00%	6.988,54	193.200,00
Popular 7447	5 años	5,50%	6.148,84	330.403,59
Elementos de transporte				
Toyota 4390	5 años	5,39%	342.25	18.500,28
Ibercaja 0283	5 años	4,67%	2.078,84	118.898,00
Iveco 077	5 años	8,73%	50,00	135.356,10
Sabadell 6904	5 años	5,32%	6.926,18	371.122,15
Mare Nostrum 5408	5 años	3,05%	7.568,81	121.285,00
Popular 3601	5 años	3,40%	6.832,61	369.778,00
Liberbank 0145	5 años	2,30%	3.204,26	184.360,00
Otro Inmovilizado				
AKF 0019	5 años	6,00%	9.215,75	697.059,98
Sabadell 6903	5 años	5,32%	10.519,97	563.686,26
Ros Roca	4 años	4,50%	34.397,52	1.514.089,00

No existen cuotas contingentes reconocidas como gastos en los ejercicios 2014 y 2015.

Arrendamientos operativos, actuando la Sociedad como arrendatario

Al cierre de los ejercicios 2014 y 2015 la Sociedad tiene las siguientes cuotas mínimas de arrendamientos operativos, relativas a contratos no cancelables, de acuerdo con los actuales contratos en vigor, sin tener en cuenta la repercusión de gastos comunes, incrementos futuros por IPC, ni actualizaciones futuras de rentas pactadas contractualmente:

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Total depreciation	(65,578,386.22)	(12,964,137.74)	-	-	1,510,924.43	(77,031,599.53)
Impairment:						
Technical installations	-	(261,906.70)	-	-	-	(261,906.70)
Machinery	(1,051,696.00)	-	-	-	-	(1,051,696.00)
Transport elements	(132,585.00)	-	-	-	-	(132,585.00)
Other fixed assets	(1,445,507.00)	-	-	-	-	(1,445,507.00)
Total impairment	(2,629,788.00)	(261,906.70)	-	-	-	(2,891,694.70)
Total	72,704,458.47	(1,698,038.73)	(1,900.00)	-	(736,224.55)	70,268,295.19

REGISTRATIONS DURING THE PERIOD

- The registrations for Technical Installations mainly include:

Registrations for new parking meters installed in Madrid by the Consortia, Batch III and Batch IV, amounting to 1,187,233.02 euros and 1,938,489.05 euros respectively, 82,000.00 euros for shredding equipment at the Tyre Plant of Chiloeches and a magnetic separator and a metal catcher amounting to 182,409.94 euros at the consortium UTE Hornillos.

- In Machinery the most significant amounts registered during the period are:

The cleaning service in Madrid capital, amounting to 429,125.27 euros that correspond to purchase of various sprayers, salt spreaders, snow blades and mowers, at the Tyre Plant of Chiloeches, 54,933.25 euros for a reception chute and the street cleaning and collection in Leganés, 95,120.00 euros for a spray truck. With regard to the consortia, the most outstanding acquisition is that by the consortium UTE Valoriza Gestyona, amounting to 73,060.00 euros for a Cleango sweeper, various mowers, compacters, gardening machinery, sweepers and hydro-cleaners.

- Utilities and other installations mainly comprised of:

612,419.29 euros are from the batches in Madrid for acquisition of a hedge pruner, mobile disposal points, adaptation of buildings for salt, buckets, reform of different electrical installations in different districts, as well as gardening machinery such as blowers and vacuum units, of the service in Alcalá de Henares, 36,433.16 euros that add up to purchase of various metal sheets for containers, as well as various blowers, 95,575.98 euros of the consortium UTE Hornillos for purchase of a washer and 8 containers, 34,635.31 euros of the consortium UTE Valoriza Gestyona of the electrical installation of the Pinto Building, as well as installation of various hoist columns, also 30,666.00 euros of containers at the consortium UTE Iinet.

- In Transport Elements:

The registrations accounted for are due to a series of leasing contracts signed with different financial entities for acquisition of necessary elements in different service contracts. Contracts with the most significant amounts correspond to the cleaning batches in Madrid amounting to 2,101,117.47 euros, acquisition of 7 Volvo trucks and 4 vans for the cleaning service and collection of the Isora Tow-truck amounting to 967,504.16 euros, acquisition of 10 vans and a cleaning unit amounting to 196,458.81 euros for the cleaning service in Leganés, two Renault vans, with hydro-cleaning equipment in Sant Cugat amounting to 104,168.70 euros, acquisition of 3 Volvo trucks for the service by the Arona Consortium amounting to 166,737.93 euros and 118,540.00 euros in the consortium UTE Badajoz Sur for purchase of two Volvo trucks.

Arrendamientos operativos Cuotas mínimas	Valor nominal 2015	2014
Menos de un año	1,117,862.40	1,376,076.79
entre uno y cinco años	779,858.01	903,760.72
Total	1,897,720.41	2,279,837.51

Los contratos de arrendamiento operativo más significativos son a corto plazo prorrogables tácitamente y generalmente cancelables, por lo que no se detallan importes de pagos futuros.

En su posición de arrendatario, el contrato de arrendamiento operativo más significativo que tiene la Sociedad al cierre de los ejercicios 2015 y 2014 es el que tiene con la empresa del grupo Testa Inmuebles en Renta, S.A. por las oficinas centrales en Juan Esplandiú 11-13.

Arrendamientos operativos, actuando la Sociedad como arrendador

Al cierre de los ejercicios 2014 y 2015 la Sociedad tiene contratado con los arrendatarios las siguientes cuotas de arrendamiento operativo no cancelable mínimas, de acuerdo con los actuales contratos en vigor, sin tener en cuenta la repercusión de gastos comunes, incrementos futuros por IPC, ni actualizaciones futuras de rentas pactadas contractualmente:

Arrendamientos operativos Cuotas mínimas	Valor nominal 2015	2014
Menos de un año	-	605.46
Total	-	605.46

No hay cuotas contingentes reconocidas como ingresos en el ejercicio 2014 y 2015.

En su posición de arrendador, el único contrato de arrendamiento operativo que mantiene la Sociedad a 31 de diciembre de 2014 es por el establecimiento de restauración de las Piscinas del Recinto Ferial de Haro, en 2015 se ha rescindido dicho contrato.

9. Instrumentos financieros

a) Activos Financieros

a.1) Categorías de activos financieros

La composición de los activos financieros, excepto las inversiones en empresas del grupo, multigrupo y asociadas, detalladas en las Notas 10 y 21, a 31 de diciembre de 2014 es la siguiente:

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- Registrations of Furniture are mainly:

The purchases made during the financial year for management of the cleaning and waste collection service of the Batches in Madrid, specifically for the Chamartín district amounting to 36,159.21 euros, 10,172.40 of equipment for Coslada and 7,359.00 euros in lockers for the service in Leganés and the Moncloa district.

- In Equipment for information processing:

The registrations are fundamentally due to purchases made to update the equipment to manage the parking meters in Castillo de los Fieles amounting to 220,395.06 euros consisting of new screens and hardware update kits, in addition to purchases of Black Dolphins with GSM, GPS and built in camera to manage parking meters in the city of Madrid, 120 units for the consortium UTE Lote III amounting to 35,032.71 euros and 80 units for UTE Lote IV amounting to 22,650.52 euros.

- In Other Fixed Assets, the most significant amounts are as follows:

Marking works with bollards and fences, as well as purchase of waste paper bins for cleaning services in the city of Madrid amounting to 1,163,402.48 euros, acquisition of 200 containers for the Guía de Isora service amounting to 82,849,82 euros, purchase of waste paper bins for the service in Majadahonda amounting to 66,498 euros and different acquisitions in the Coslada service amounting to 70,314.13 euros.

- In Advances for Tangible Fixed Assets the following are registered:

The costs incurred listed for construction of various ecoparks, a new fibreglass line and above all for installation of 4 new trommels for the UTE Hornillos consortium, all amounting to 214,729.98 euros.

REMOVALS DURING THE PERIOD

- The removals of Technical installations were mainly:

From sale of the Reocín Plant installations to the Government of Cantabria, amounting to 358,177.63 euros and recovery of the cleaning service by the Local Government of Cercedilla, that has led to removal of the four underground container islands that had been activated in this chapter and that at the moment of the recovery had a value of 77,538, euros, in addition to sales amounting to 291,410.78 euros of various collection compactors of the consortium UTE Urgenet from its client, Mancomunitat de Escombreries de Urgellet and that led to losses of 2,319.93 euros.

- In Machinery, the main removals are:

The same as what is explained in the previous point for Reocín amounting to 185,472.52 euros and Cercedilla amounting to 179,991.36 euros.

- In Utilities and other installations, the main removals are:

At Reocín amounting to 164,400.80 euros, in addition to 84,845.00 euros for removal of some drawings of offices that finally are not going to be implemented at the Chiloeches Plant and 44,800.54 euros for different installations struck off due sale of the stake that the company had in the consortium UTE Aguas Alcalá and that had been sold to Canal de Isabel II during the financial year.

TIMBRE DEL ESTADO
0,03 EUROS
TRES CÉNTIMOS DE EURO
CLASE 8.ª

Clases / Categorías	Instrumentos de patrimonio	Valores representativos de deuda	Créditos, derivados y otros	Total
	2014			
Activos financieros a largo plazo:				
Préstamos y partidas a cobrar	-	-	57.605.842,85	57.605.842,85
Otros activos financieros	7.515,00	-	5.382.857,28	5.390.372,28
Total activos financieros a largo plazo	**7.515,00**	-	**62.988.700,13**	**62.996.215,13**
Activos financieros a corto plazo:				
Préstamos y partidas a cobrar	-	-	124.351.727,39	124.351.727,39
Otros activos financieros	-	-	835.104,52	835.104,52
Total activos financieros a corto plazo	-	-	**125.186.831,91**	**125.186.831,91**
Total	7.515,00	-	188.175.532,04	188.183.047,04

Estos importes se desglosan en el balance de situación a 31 de diciembre de 2014 de la siguiente forma:

Clases / Partidas de balance	Instrumentos de patrimonio	Valores representativos de deuda	Créditos, derivados y otros	Total
	2014			
Activos financieros no corrientes:				
Inversiones financieras a largo plazo	**7.515,00**	-	**6.527.955,22**	**6.535.470,22**
- *Instrumentos de patrimonio*	7.515,00	-	-	7.515,00
- *Créditos a terceros*	-	-	1.142.437,52	1.142.437,52
- *Otros activos financieros*	-	-	5.385.517,70	5.385.517,70
Deudores comerciales y otras cuentas a cobrar	-	-	56.460.744,91	56.460.744,91
Total activos financieros no corrientes	**7.515,00**	-	**62.988.700,13**	**62.996.215,13**
Activos financieros corrientes:				
Inversiones financieras a corto plazo	-	-	**835.104,52**	**835.104,52**
- *Otros activos financieros*	-	-	835.104,52	835.104,52
Deudores comerciales y otras cuentas a cobrar (*)	-	-	124.351.727,39	124.351.727,39
Total activos financieros corrientes	-	-	**125.186.831,91**	**125.186.831,91**
Total	7.515,00	-	188.175.532,04	188.183.047,04

(*) Excluyendo "Otros créditos con las Administraciones Públicas".

La composición de los activos financieros, excepto las inversiones en empresas del grupo, multigrupo y asociadas, detalladas en las Notas 10 y 21, a 31 de diciembre de 2015 es la siguiente:

Clases / Categorías	Instrumentos de patrimonio	Valores representativos de deuda	Créditos, derivados y otros	Total
	2015			
Activos financieros a largo plazo:				
Préstamos y partidas a cobrar	-	-	57.313.449,55	57.313.449,55
Otros activos financieros	7.515,00	-	5.419.537,89	5.427.052,89
Total activos financieros a largo plazo	**7.515,00**	-	**62.732.987,44**	**62.740.502,44**
Activos financieros a corto plazo:				
Préstamos y partidas a cobrar	-	-	121.587.575,50	121.587.575,50
Otros activos financieros	-	-	2.818.662,42	2.818.662,42
Total activos financieros a corto plazo	-	-	**124.406.237,92**	**124.406.237,92**
Total	7.515,00	-	187.139.225,36	187.146.740,36

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- In Transport Elements:

The removals in Cercedilla amount to 345,068.75 euros and those of UTE Aguas Alcalá to 71,056.36 euros.

- Under the heading of Furniture:

Amounting to 956.90 euros, is due to removal of an office from the Reocín Plant.

- Under the heading of Equipment for information processing, the majority of the removals are due to:

25,562.40 euros are from UTE Aguas de Alcalá for the reasons stated above.

- In Other Fixed Assets, the removals are fully due to:

Cercedilla, amounting to 145,606.99, and Reocín, amounting to 30,182.17 euros as explained before.

TRANSFERS DURING THE PERIOD

- The transfers on Technical Installations correspond to transfers from the heading Advances for Fixed Assets at UTE Hornillos, amounting to 110,008.82 euros consisting of the structures, installation of the structures, the electric installation, hardware and the metal catching equipment for the Hornillos plant.

- In Other Installations, the transfer corresponds to the offices and the building under construction for the cleaning and collection service at San Cugat del Valles and that was recorded in the chapter Advances for Fixed Assets material amounting to 1,854,017.31 euros.

- The transfers in the period of the depreciation section of Land and Constructions and Technical Installations, is due to a reclassification performed during the financial year by UTE Gardelegui for 547,074.76 euros.

IMPAIRMENT DURING THE PERIOD

- Technical Installations records the impairment calculated amounting to 261,906.70 euros for the underground containers in Sant Cugat del Vallés due to them being out of use and requiring replacement.

The detail and movements of this chapter of the balance sheets for financial year 2015 are shown below:

	Initial balance on 31/12/2014	Entries	Increases or decreases due to transfers	Changes in % stake in consortia	Outlay, removals or reductions	Final balance on 31/12/2015
Cost:						
Land and constructions	7,191,845.61	-	-	-	-	7,191,845.61
Technical installations	24,609,959.52	242,794.05	238,959.42	3,291.21	(128,160.45)	24,966,843.75
Machinery	21,279,315.56	1,989,661.46	-	-	(699,562.11)	22,569,414.91
Utilities and other installations	12,795,684.55	541,991.17	-	875.00	(163,009.67)	13,175,541.05
Transport elements	43,388,367.96	3,707,178.16	-	-	(507,327.40)	46,588,218.72
Furniture	1,091,632.42	27,279.37	-	-	(5,159.94)	1,113,751.85
Information processing information	943,683.29	64,701.01	-	845.49	(55,707.26)	953,522.53
Other fixed assets	38,749,015.38	3,548,996.03	-	-	(70,039.03)	42,227,972.38
Advances on tangible fixed assets	142,085.13	2,344,307.91	(238,959.42)	-	(9,198.29)	2,238,235.33
Total cost	150,191,589.42	12,466,909.16	-	5,011.70	(1,638,164.15)	161,025,346.13

TIMBRE DEL ESTADO
0,03 EUROS
OM7356281

Estos importes se desglosan en el balance de situación a 31 de diciembre de 2015 de la siguiente forma:

Clases / Partidas de balance	Instrumentos de patrimonio	Valores representativos de deuda	Créditos, derivados y otros	Total
CLASE 8.ª TRES CÉNTIMOS	2015			
Activos financieros no corrientes:				
Inversiones financieras a largo plazo	7.515,00	-	9.404.951,17	9.412.466,17
- Instrumentos de patrimonio	7.515,00	-	-	7.515,00
- Créditos a terceros	-	-	1.146.914,30	1.146.914,30
- Otros activos financieros	-	-	8.258.036,87	8.258.036,87
Deudores comerciales y otras cuentas a cobrar	-	-	53.328.036,27	53.328.036,27
Total activos financieros no corrientes	7.515,00	-	62.732.987,44	62.740.502,44
Activos financieros corrientes:				
Inversiones financieras a corto plazo	-	-	2.818.662,42	2.818.662,42
- Otros activos financieros	-	-	2.818.662,42	2.818.662,42
Deudores comerciales y otras cuentas a cobrar (*)	-	-	121.587.575,50	121.587.575,50
Total activos financieros corrientes	-	-	124.406.237,92	124.406.237,92
Total	7.515,00	-	187.139.225,36	187.146.740,36

(*) Excluyendo "Otros créditos con las Administraciones Públicas".

- Préstamos y partidas a cobrar

El detalle de los activos financieros incluidos en esta categoría a 31 de diciembre de 2014 y 2015 es el siguiente:

	2015	2014
Préstamos y partidas a cobrar a largo plazo:		
Créditos a terceros	1.146.914,30	1.142.437,52
Clientes a largo	2.838.498,98	2.660,42
Acuerdo de concesión, derecho de cobro	53.328.036,27	56.460.744,91
Total préstamos y partidas a cobrar a largo plazo	**57.313.449,55**	**57.605.842,85**
Préstamos y partidas a cobrar a corto plazo:		
Deudores comerciales y otras cuentas a cobrar	**121.587.575,50**	**124.351.727,39**
Clientes por ventas y prestaciones de servicios	102.404.568,67	109.571.661,94
Clientes empresas del grupo y asociadas	8.462.752,71	6.958.075,93
Deudores varios	6.854.664,66	3.811.579,88
Personal	235.596,10	547.437,80
Acuerdo de concesión, derecho de cobro	3.629.993,36	3.462.971,84
Total préstamos y partidas a cobrar a corto plazo	**121.587.575,50**	**124.351.727,39**
Total préstamos y partidas a cobrar	178.901.025,05	181.957.570,24

La explicación de las partidas más importantes es la siguiente:

- Créditos a terceros a largo plazo.

La partida de créditos a largo plazo corresponde principalmente a los derechos de cobro que la Sociedad tiene con

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Depreciation:						
Constructions	(1,814,199.04)	(239,229.93)	-	-	-	(2,053,428.97)
Technical installations	(10,359,975.59)	(2,111,966.59)	-	(752.81)	168,335.85	(12,304,359.14)
Machinery	(13,871,920.30)	(2,025,198.42)	-	-	644,827.79	(15,252,290.93)
Utilities and other installations	(7,350,511.56)	(1,487,379.95)	-	(200.20)	132,204.32	(8,705,887.39)
Transport elements	(24,546,973.65)	(4,240,731.12)	-	-	437,625.77	(28,350,079.00)
Furniture	(899,977.47)	(63,458.56)	-	-	5,159.94	(958,276.09)
Information processing equipment	(594,029.05)	(85,598.59)	-	(193.49)	55,707.26	(624,113.87)
Other fixed assets	(17,594,012.87)	(3,479,381.83)	-	-	33,910.54	(21,039,484.16)
Total depreciation	**(77,031,599.53)**	**(13,732,944.99)**	**-**	**(1,146.50)**	**1,477,771.47**	**(89,287,919.55)**
Impairment:						
Technical installations	(261,906.70)	-	-	-	112,243.64	(149,663.06)
Machinery	(1,051,696.00)	(344,160.00)	-	-	-	(1,395,856.00)
Transport elements	(132,585.00)	(605,568.02)	-	-	-	(738,153.02)
Other fixed assets	(1,445,507.00)	-	-	-	-	(1,445,507.00)
Total impairment	**(2,891,694.70)**	**(949,728.02)**	**-**	**-**	**112,243.64**	**(3,729,179.08)**
Total	**70,268,295.19**	**(2,215,763.85)**	**-**	**3,865.20**	**(48,149.04)**	**68,008,247.50**

REGISTRATIONS DURING THE PERIOD

- The registrations on Technical Installations mainly include:

52,953.62 euros of LED illumination for roadways in Leganés, 51,654.82 euros for refurbishment of the offices in Leganés, 10,793.70 euros to supply the LED installations at Triatge de Molins and refurbishment of the changing rooms at UTE Guadalajara for 24,234.78 euros.

- In Machinery, the most significant amounts, that have been registered during the period are:

1,413,954.88 euros of the machinery subrogated from the previous awardee of the service of the consortium UTE Guadalajara, a sweeper, an access platform and two machines, one a shredder and the other backhoe, for UTE Gestyona amounting to 106,062.65 euros, a Cleango sweeper for 142,400 euros for the cleaning service of Guadalajara, 40,015.00 euros of a fumigation unit for maintenance of the Golf Barberán course and 34,017.45 euros in blades, a spreader and a Meyer generator for the Chamartin district of batch 2 cleaning in Madrid the capital.

- In Utilities and other installations, these are mainly comprised of:

62,004.65 euros on a cabin for the paint workshop, for batches in Madrid, 55,927.71 euros of the facilities refurbishment at Calle Reus of Batch 3, for La Latina district cleaning in Madrid, 46,008.00 euros of a separator wall at the Chiloeches Plant, 40,558.56 euros of diverse electric material for the service in Alcalá de Henares, 23,827.51 euros reform of various districts for Batch 2 cleaning in Madrid, Chamartín district, 19,770,12 euros for various compressors for batches in Madrid and 14,361.45 euros of a vacuum cleaner for trucks, also in La Latina district of the batches in Madrid. Regarding the consortia, regulations from UTE Guadalajara with 26,635.35 euros on a fuel deposit and several mobile elevator columns and 20,009 euros for diverse workshop material, the consortium UTE Inet 49,374.00 euros for purchase of 155 containers for the service, Cointer with 32,578.00 euros for acquisition of 80 containers and 450 waste bins and UTE Patrimonio Jardines with 14,734.36 euros for diverse gardening tools.

TIMBRE DEL ESTADO
0,03 EUROS
TRES CÉNTIMOS DE EURO
0M7356280
CLASE 8ª

- El Ayuntamiento de Alcalá de Henares por concepto de lucro cesante 461.111,85 euros.
- Hermanos Santana Cazorla como socios en la UTE Arona por valor de 114.466,58 euros.
- Otras deudas a largo plazo de Sufi sucursal en Portugal por valor de 345.620,07 euros.
- La Plataforma Integral para la Movilidad por valor de 225.715,80 euros.

- Clientes a largo plazo.

La partida de otros activos financieros a largo plazo corresponde íntegramente a una actualización de partidas por cobrar al Ayuntamiento de Alcalá de Henares.

- Derechos de cobro a corto y largo plazo.

La partida de derechos de cobro a largo y corto plazo corresponde a tres UTEs y a dos proyectos de VSM,

- UTE Hornillos por valor de 45.907.789,63 euros a largo y 2.195.514,79 euros a corto.
- UTE La Paloma por importe de 5.491.543,84 euros a largo y 924.589,75 euros a corto.
- UTE Calandrias por 1.020.585,64 euros a largo y 332.427,69 euros a corto.
- Acuerdo concesional Parque de Guadarrama por 453.561,33 euros a largo y 74.090,84 euros a corto
- Acuerdo concesional de Majadahonda por 454.555,83 euros a largo y 103.370,29 euros a corto.

- Deudores comerciales y otras cuentas a cobrar.

Al 31 de diciembre de 2015 la Sociedad mantiene saldos pendientes de cobro dentro del epígrafe de Deudores comerciales y otras cuentas a cobrar con Entidades Públicas, con una antigüedad superior a un año sin tener en cuenta las facturas giradas por intereses por valor de 0,7 millones de euros, (0,9 millones de euros en 2014), los cuales se prevén cobrar en su totalidad en el año 2016.

Durante el año 2015, las deudas comerciales han disminuido en 7.167.093,30 euros, (4.581.411,50 euros de reducción durante el 2014).

Los saldos mantenidos en el epígrafe "Deudores comerciales y otras cuentas a cobrar" figuran registrados a su valor nominal ya que no difieren significativamente de su valor razonable.

En relación a los saldos pendientes de cobro con Entidades Públicas con una antigüedad superior a un año la Sociedad optó por no actualizar el valor de dicha deuda en los estados financieros, debido a que tampoco contabilizaba los intereses de demora a los que tenía derecho de acuerdo con lo indicado en el artículo 7 de la Ley 3/2004, en la que se establecen medidas de lucha contra la morosidad. Dicho artículo indica que el tipo legal de interés de demora a aplicar será el Euribor más siete puntos porcentuales, y se publican semestralmente mediante Boletín Oficial del Estado. La Sociedad reclama los intereses de demora a todos sus clientes, y sólo los contabiliza en el momento del cobro o en el momento que se recibe una certificación de la aprobación de los mismos, el que suceda primero.

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- In Transport Elements:

The registrations accounted for are due to a series of leasing contracts signed with different financial institutions to acquire the necessary elements in different service contracts. The contracts with more significant amounts are for the cleaning batches in Madrid amounting to 667,427.33 euros, acquisition of 10 trucks for the Polo collection service amounting to 617,091.70 euros, acquisition of 10 vans amounting to 343,176.64 euros for the cleaning service in Guadalajara, 199,655.77 euros for the Alcalá de Henares contract, 148,012.00 for Majadahonda, 104,366.84 euros for 3 financial leasing contracts and various purchases for the park area service in Fuenlabrada, another leasing contract amounting to 82,074.50 euros for Chiloeches and another amounting to 60,203.48 euros for Toledo. Regarding consortia, the main purchases are 679,871.12 euros in UTE Guadalajara for 13 leasing contracts, 285,043.38 euros at UTE Gestyona for acquisition of a Volvo truck, another DAF, 2 Nissan and 6 leasing contracts and 47,730.64 euros at UTE Lote III de Movilidad in Madrid for acquisition of 5 Opel Corsa, 1 Piaggio van and camera installation throughout the whole consortium vehicle fleet and UTE Trujillo 82,440.53 euros for purchase of 5 vans and one van.

- The registrations for Furniture are mainly:

The purchases made during the financial year for offices in Vicálvaro amounting to11,866.27 euros and 8,914.42 euros for the boardroom table and 10 workstations for the Leganés service.

- In Equipment for information processing:

The registrations are fundamentally due to purchases made to update the equipment to manage the parking meters in Madrid amounting to 19,125.00 euros to update the inventory and update the PLC, purchase of a specific computer for R&D&i work amounting to 11,737.92 euros, in addition to purchase of 7 Black Dolphins with GSM, GPS and built in camera to manage parking meters in the city of Madrid, and 90 thermal printers for UTE Lote III amounting to 13,890.96 euros and a computer and 60 thermal printers for UTE Lote IV amounting to 9,689.62 euros.

- In Other Fixed Assets, the most significant quantities are as follows:

Marking works with bollards and fences, as well as purchase of waste paper bits for cleaning services in the city of Madrid amounting to 1,145,537.63 euros, acquisition of waste bins as well as their underground placement for the cleaning service in Leganés amounting to 778,425.07 euros, purchase and erection of metal fence and plantation works for the Coslada service amounting to 195,802.18 euros, paving works at the Sorting Plant of Molins, acquisition of a container washer at UTE Gestyona for 57,999.50 euros and different acquisitions of bins for various other services as well as in Guía de Isora amounting to 86,827.06 euros, Majadahonda of 59,879.70 euros, UTE Arona of 88,662.88 euros or UTE Trujillo of 79,982.50 euros.

- In Advances for Tangible Fixed Assets the following are registered:

The costs incurred related to construction of a plant for plastics to hydrocarbon conversion amounting to 1,550,846.18 euros in Jerez and a Leachate Evaporator amounting to 408,159.56 euros that is in test phase at the Cadiz Plant, as well as installation of a new glass live with an accessory building and an Ecopark at Albalat de Sorreis for UTE Hornillos, all amounting to 385,302.09 euros.

REMOVALS DURING THE PERIOD

- The removals of Technical Installations were mainly:

Abandoning the tow-truck installations in Móstoles amounting to 26,580.43 euros due to having ceased to provide the service, and UTE Urgenet amounting to 101,580.02 euros of fully depreciated assets, as this consortium is beginning its wind-up.

En lo que a la necesidad de mejorar los flujos de caja se refiere, la Sociedad ha realizado una activa gestión ante los Ayuntamientos, planteando la rescisión de contratos con problemas de morosidad o renegociando planes de pago a largo plazo.

Estas cuentas a cobrar se registran en el activo corriente cuando que están vencidas y exigidas. Al ser con Entidades Públicas los Administradores estiman que se cobrarán y por tanto no procede provisionarlas.

Del total del importe recogido en el epígrafe de "Deudores comerciales y otras cuentas a cobrar" al cierre del ejercicio 2015, 48.290.115,64 euros corresponden a las UTEs (52.383.672,97 euros en el año 2014 sin tener en cuenta las cuentas de activos por impuesto corriente ni la de otros créditos con administraciones públicas). Las principales son las siguientes, expresados en miles de euros:

2014	UTE HOSPITAL FUENTES	UTE LOS HORNILLOS	UTE HIXENE	UTE MB ARRAIZ	UTE TEM	OTRAS UTES	TOTAL
Clientes	8.878	6.717	4.172	3.653	2.436	23.231	49.087
Deudores	455	-	-	-	538	2.274	3.267
Personal	13	-	5	-	-	12	30
Total	9.346	6.717	4.177	3.653	2.974	25.517	52.384

2015	UTE LOS HORNILLOS	UTE MB ARRAIZ	UTE TEM	UTE CALANDRIA	UTE GUADALAJARA	OTRAS UTES	TOTAL
Clientes	6.346	3.342	3.101	2.469	2.385	26.253	43.896
Deudores	0	8	362	-	1.292	2.698	4.361
Personal	0	0	0	1	-	32	34
Total	6.346	3.350	3.463	2.469	3.677	28.984	48.290

- Otros activos financieros:

El detalle de los activos financieros incluidos en esta categoría a 31 de diciembre de 2014 y 2015 es el siguiente:

	2015	2014
Imposiciones	3.273.504,17	3.273.398,64
Fianzas constituidas	2.146.033,72	2.109.458,64
Otros activos financieros	7.515,00	7.515,00
Total otros activos financieros a largo plazo	**5.427.052,89**	**5.390.372,28**
Imposiciones	1.726.413,49	476.941,64
Fianzas constituidas	546.294,70	276.457,09
Otros activos financieros	545.954,23	81.705,79
Total otros activos financieros a corto plazo	**2.818.662,42**	**835.104,52**
Total otros activos financieros	8.245.715,31	6.225.476,80

Los otros activos financieros tanto a largo como a corto plazo incluyen fianzas entregadas por 2.692.328,42 euros, (2.385.915,73 euros en 2014) y retenciones de disposición bancaria que a largo plazo provienen principalmente de la UTE Hornillos por importe de 3.273.383,95 euros, (3.273.398,64 euros en 2014) y al porcentaje de la participación de la Sociedad, en concepto de garantía de obra y de eventuales costes por desviaciones del proyecto que se encuentran remunerados por las entidades financieras prestamistas

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- In Machinery, the main removals are:

Sale of a Volvo brand shovel amounting to 130,061.00 euros serving the Torrecilla Plant and that generated a profit of 30,000€ and depreciation of various sweepers, cleaners and hydro-cleaners acquired in 2007 and 2008, as they are not in working order due to obsolescence.

- In Utilities and other installations, the main removals are:

In the sports installations in Haro, as it does not continue with the contract amounting to 99,601.06 euros, as well as different utilities from the Catarroja contract amounting to 11,187.48 euros and the aforementioned Móstoles tow-truck amounting to 1,980.00 euros. Regarding the consortia, Ilnet with 32,592.00 euros for removal of bins, burned ones in some cases, and others reverted to the Local Government and Cointer with 6,823.60 euros for obsolete wheelie and street bins.

- In Transport Elements:

Removals in San Cucufato del Valle for sale of a vehicle amounting to 119,810.00 euros that has generated a profit of 92,060.17 euros, the 3 tow-trucks from the Móstoles contract amounting to 30,000 euros, 3 vans of the installations contract in Haro amounting to 21,620.38 euros and a further vehicles that are more than 9 years old and that have ceased to be used due to being obsolete or having broken down.

- Under the heading of Furniture:

Amounting to 2,732.85 euros, due to removal of the Móstoles tow-truck office and 2,427.09 euros from the Alcobendas branch.

- Under the heading of Equipment for information processing most of the removals correspond to:

29,078.21 euros are from equipment located in the aforementioned tow-truck offices in Móstoles and fully depreciated assets amounting to 20,544.51 euros of UTE Urgenet, as it is now winding-up.

- In Other Fixed Assets, the removals are fully due to:

Catarroja, amounting to 1,900.00 euros, for batches in Madrid of 9,667.70 euros, the components of the parking meters of UTE Movilidad Zona III for 40,391.76 euros and bins of UTE Arona for 8,625.00 euros.

TRANSFERS DURING THE PERIOD

- The transfers in Technical Installations from Advances on Tangible fixed assets are exclusively from:

Two trommels, those with numbers 17 and 18 of the UTE Hornillos installations and that were in Advances on tangible fixed assets during their test period.

IMPAIRMENT REMOVALS DURING THE PERIOD

- In Machinery, it records impairment calculated amounting to 344,160.00 euros caused by amendment of the Alcalá de Henares contract.

- Transport Elements records the impairment calculated amounting to 542,430.27 euros caused by amendment of the Alcalá de Henares contract, 7,000 euros for UTE Guadalajara and 56,137.75 euros for the

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dadas las restricciones de disposición de los mismos. Estas imposiciones a corto plazo también corresponden principalmente a la UTE Hornillos por valor de 441.663,49 euros. (441.691,64 euros en 2014).

a.2) Clasificación por vencimientos

El detalle por vencimientos de las partidas que forman parte de los activos financieros a largo y corto plazo a 31 de diciembre de 2014 es el siguiente:

	2015	2016	2017	2018	2019	2020 y siguientes	Total
Préstamos y partidas a cobrar	124.351.727,39	3.206.382,09	3.678.786,87	3.470.651,74	3.435.863,97	42.814.257,38	181.957.570,24
Otros activos financieros	635.104,52	172.719,99	-	652.353,69	-	4.566.298,60	6.225.476,80
Total	125.186.831,91	3.379.102,08	3.678.786,87	4.123.005,43	3.435.863,97	47.380.555,98	188.183.087,04

El detalle por vencimientos de las partidas que forman parte de los activos financieros a largo y corto plazo a 31 de diciembre de 2015 es el siguiente:

	2016	2017	2018	2019	2020	2021 y siguientes	Total
Préstamos y partidas a cobrar	121.587.675,50	3.731.775,33	4.225.374,02	4.006.138,11	4.181.879,21	41.168.282,98	178.901.025,05
Otros activos financieros	2.818.662,42	-	62.544,93	652.353,69	-	4.712.154,27	8.245.715,31
Total	124.406.337,92	3.731.775,33	4.287.918,95	4.658.491,80	4.181.879,21	45.880.437,25	187.146.740,36

a.3) Correcciones por deterioro del valor originados por riesgo de crédito

Las variaciones de pérdidas por deterioro registradas derivadas por el riesgo de crédito en este epígrafe durante el ejercicio 2014 fueron las siguientes:

	Deterioros acumulados al inicio de 2014	Dotaciones	Aplicaciones	Deterioros acumulados al final del 2014
Préstamos y partidas a cobrar	352.365,09	78.871,47	(107.063,70)	324.172,86
Total	352.365,09	78.871,47	(107.063,70)	324.172,86

Las variaciones de pérdidas por deterioro registradas derivadas por el riesgo de crédito en este epígrafe durante el ejercicio 2015 han sido las siguientes:

	Deterioros acumulados al inicio de 2015	Dotaciones	Aplicaciones	Deterioros acumulados al final de 2015
Préstamos y partidas a cobrar	324.172,86	270.594,66	(61.798,36)	532.969,16
Total	324.172,86	270.594,66	(61.798,36)	532.969,16

Existen pérdidas por deterioro relacionadas con las cuentas por cobrar. Estas se encuentran incluidas en la partida de clientes por ventas y prestación de servicios y ascienden en el año 2015 a 532.969,16 euros, (324.172,86 euros en el año 2014), de los cuales 114.295,73 euros corresponden a UTEs (45.316,84 euros en el año 2014).

De los deterioros anteriormente descritos se han dotado durante el año 2015 270.594,66 euros (78.871,47 euros en el año 2014) y se han aplicado durante el año 2015 61.798,36 euros, (107.063,70 euros en 2014). Estos se incluyen en el epígrafe de pérdidas, deterioros y variaciones de provisiones por operaciones comerciales dentro de la cuenta de pérdidas y ganancias.

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adjustment caused by sale of fixed assets from UTE Gestyona with profit, it being decreased by 56,137.75 euros due to it being between companies in the same group.

IMPAIRMENT REMOVALS DURING THE PERIOD

- In Technical Installations records the impairment removals calculated in 2014 amounting to 112,243.64 euros for the underground bins in Sant Cugat del Vallés due to them being out of use and having to be replaced.

CHANGES IN THE CONSORTIUM STAKE PERCENTAGE

This column records the adjustments made due to changes in the stake in various consortia.

In financial year 2015, the company acquired a 10% stake from a partner of UTE Gaiapagar, to reach 90% from 80% in the preceding year.

In financial year 2014, the company acquired a part stake from two partners in UTE TEM, to reach 46.99% from 40% the preceding year.

All the tangible fixed assets of the Company are assigned to corporate activities inherent to its activity and these are located within the country.

The consortia provide previous table a total amount of 12,843,131.58 euros, (11,690,728.57 euros in 2014). The most significant in thousands of euros are:

2015	UTE GARDELEGUI	UTE ILNET	UTE RSU CADIZ	PARKING METERS BATCH 3	PARKING METERS BATCH 4	OTHER CONSORTIA	Amounts of consortia
Net value:							
Land and constructions	1,301	-	-	-	-	-	1,301
Technical installations	617	573	189	1,455	1,283	1,254	5,371
Machinery	-	-	-	2	0	2,640	2,642
Other installations	-	-	-	-	25	76	101
Utilities	-	286	106	-	1	188	581
Transport elements	-	1	7	44	33	2,193	2,278
Furniture	-	-	-	2	-	12	14
Information processing equipment	-	1	-	38	26	26	91
Other fixed assets	-	1	-	0	-	2,877	2,878
Advances on tangible fixed assets	-	-	-	-	-	279	279
Impairment of tangible fixed assets	-	-	-	-	-	(2,693)	(2,693)
Total Net value	**1,918**	**862**	**302**	**1,541**	**1,368**	**6,852**	**12,843**

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Las dotaciones más importantes del periodo 2015 en VSM corresponden a clientes de dos proyectos: Adecuación y mantenimiento Arroyo Carvajal por valor de 132.551,75 euros y Gestión de lodos de la Planta de la Torrecilla por valor de 19.654,33 euros. Respecto de las UTEs, se han dotado 38.464,44 euros en la UTE Hornillos y 26.283,54 euros en la UTE Gestyona.

La aplicación más importante durante 2015 se ha generado por el cobro de un saldo que corresponde a la deuda mantenida con el cliente Fomento de Construcciones y Contratas dotada en 2012.

Las dotaciones más importantes del periodo 2014 corresponden a dos clientes del proyecto de la limpieza y recogida de Sant Cugat del Vallés por importe de 17.693,42 euros, a otro cliente del proyecto de limpieza y recogida de Arona por importe de 6.566,98 euros, a 6.238,10 euros de otro cliente particular de la limpieza y recogida de San Fernando de Henares y a 20.146,50 euros de un cliente de la UTE Plasencia. El resto de los importes se encuentran muy atomizados.

La aplicación más importante durante 2014 se ha generado por el cobro de un saldo que corresponde a la deuda mantenida con el cliente Asfaltómeros de la Planta de Chiloeches por importe de 36.386,24 euros.

a.4) Transferencias de activos financieros

Durante los ejercicios 2014 y 2015 la Sociedad ha firmado contratos de factoring con varias entidades financieras para la cesión de la totalidad de los saldos vivos existentes de determinados clientes, las características son las siguientes:

- Con fecha 15 de julio de 2008 se firmó con Bancaja un contrato de factoring con recurso para anticipar unas deudas pendientes de cobro de los clientes Ayuntamiento de Madrid y Ayuntamiento de Toledo. El contrato establecía que, en caso de impago por el cliente, las cantidades inicialmente abonadas por la entidad financiera como consecuencia de dicha cesión, deberían ser reintegradas en un plazo de 30 días. El día 12 de julio de 2011 se firmó un nuevo contrato de novación modificativa, en éste caso ya con Bankia (entidad absorbente de Bancaja) por la que se estipulaba la posibilidad de anticipar cobros del cliente Ayuntamiento de Madrid hasta un límite de 10 millones de euros. Con fecha 31 de julio de 2014 se firmó un anexo de modificación de condiciones: aumento del límite máximo hasta 11.500.000 euros, ampliación del vencimiento hasta el 31 de julio de 2015, modificación del margen a adicionar al tipo de interés pactado hasta el momento (margen del 3,50%) y aumento de la lista de librados (Ayuntamiento de Madrid, Ayuntamiento de Alcalá de Henares, Ayuntamiento de Toledo, Ayuntamiento de Leganés, Ayuntamiento de Mejorada del Campo, Ayuntamiento de Cercedilla y Ayuntamiento de Baza). Al cierre del año 2015, el importe de las cuentas a cobrar cedidas según este contrato es de 0,00 euros (2.854.145,99 euros en el año 2014).

- Con fecha 31 de julio de 2012 Valoriza Servicios Medioambientales, S.A. junto a Sacyr Vallehermoso, S.A., (ahora Sacyr, S.A.) y Sacyr Construcción, S.A.U., firmaron conjuntamente como cedentes una Póliza de Cobertura para Cesión de Derechos de Crédito (factoring) por importe global de 10.000.000 de euros, con Unicaja Banco S.A.U actuando ésta como cesionario y Testa Inmuebles en Renta S.A. como pignorante e hipotecante. La póliza tenía como objeto el descuento de facturas y/o certificaciones emitidas por Sacyr Construcción, S.A y Valoriza Servicios Medioambientales, S.A. a la Administración Pública, sus organismos autónomos o sociedades mercantiles participadas por las mismas. El vencimiento de la póliza era 31 de julio de 2015. Se trataba de un factoring con recurso a los cedentes, cuyo vencimiento máximo de los derechos de cobro cedidos era 180 días desde la solicitud del descuento. Al cierre del ejercicio 2015, el importe de las cuentas a cobrar cedidas por la Sociedad según este contrato asciende a 0,00 euros (0,00 euros en 2014).

-El 28 de noviembre de 2013 Valoriza Servicios Medioambientales, S.A. junto a Valoriza Gestión, S.A.U. y Sacyr Construcción, S.A., firmaron conjuntamente y solidariamente un Contrato de Cesión de Créditos y factoring con Recurso con Bancantabria Inversiones, S.A., E.F.C. por importe total de 2.500.000 de euros. Esta póliza contaba como garantes o fiadores a Sacyr, S.A., Sacyr Construcción, S.A.U. y Valoriza Gestión, S.A.U. Los deudores inicialmente aprobados eran el Ayto. de Toledo, MARE (Medio Ambiente, Agua, Residuos y Energía de Cantabria, S.A) y el Ayuntamiento de Vilanova I La Geltrú. El contrato establecía que, al tratarse de una operación de factoring con recurso, Bancantabria no asumía el riesgo de insolvencia de los deudores. En consecuencia, los cedentes se obligaban de manera expresa a abonar a Bancantabria el importe de los créditos vencidos, a primer requerimiento de ésta última. Al cierre del ejercicio 2015, el

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The Company owns real estate with a separate construction and land value at the end of financial year 2015 and 2014 is as follows:

Real Estate	2015	2014
Land	2,120,409.69	2,120,409.69
Construction	5,071,435.92	5,071,435.92
Total	7,191,845.61	7,191,845.61

With regard to the Land heading, the greatest item corresponds to the 12.5 hectare plot, located in Madrid, at Finca La Torrecilla, amounting to 1,352,500 euros.

All the tangible fixed assets of the Company are assigned to corporate activities.

The Company has disposed of elements of the tangible fixed assets for a net amount of 60,500.00 euros in 2015, having obtained a profit of 50,000 euros as a result of that sale.

At the end of financial years 2014 and 2015, the Company had fully depreciated elements of the tangible fixed assets that remained in use, according to the following detail:

Description	Book value (gross)	
	2015	2014
Information processing equipment	310,248.81	343,277.23
Transport elements	8,258,823.77	7,905,950.07
Technical installations	1,282,772.21	1,106,066.13
Machinery	3,963,007.18	3,727,752.07
Furniture	559,578.64	559,732.60
Other tangible fixed assets	3,652,861.43	3,605,588.37
Other installations	529,362.39	500,122.34
Utilities	516,292.29	403,140.80
Total	**19,072,946.72**	**18,151,629.60**

The sum of 4,192,276.82 euros (4,122,749.52 euros in 2014) of the figures in the preceding table are for consortia.

It is the Company policy to subscribe all the insurance policies that are deemed necessary to provide coverage for the possible risks that may affect the elements of the tangible fixed assets.

There are no relevant costs for dismantling or withdrawal and the costs of major repairs are provided in fine detail in the note to the concession agreements.

Nor have there been purchases of fixed assets between companies in the group, the majority of removals being due to obsolescence.

There are assets assigned to mortgage guarantees that are explained in Note 9b.

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importe de las cuentas a cobrar cedidas por la Sociedad según este contrato asciende a 0,00 euros (0,00 euros en 2014).

-El 12 de febrero de 2014 Valoriza Servicios Medioambientales, S.A. firmó un contrato de factoring con recurso con Ibercaja por un importe total de 1.000.000€. En dicho contrato, se añadía un anexo en relación con el deudor Ayuntamiento Vilanova I La Geltrú por el cual se eliminaba la globalidad y exclusividad con Ibercaja. La remesa debería ser entregada no más tarde de 15 días con respecto a la fecha de nacimiento del crédito, mientras que el plazo de cobro de cada crédito no debía ser superior a 120 días y el número de días desde vencimiento para consideración de impagado era de 90 días. Para el resto de los deudores, la póliza no se modificaba en ningún extremo. Al cierre del ejercicio 2015, el importe de las cuentas a cobrar cedidas por la Sociedad según este contrato asciende a 0,00 euros (0,00 euros en 2014).

-El 5 de junio de 2015 Valoriza Servicios Medioambientales, S.A. ha firmado conjuntamente con Valoriza Facilities, S.A.U. un contrato de factoring con recurso con Bantierra por un importe total de 2.200.000. El plazo de cobro de cada crédito no deberá ser superior a 120 días y el número de días desde vencimiento para consideración de impagado es de 90 días. Al cierre del ejercicio 2015 el importe de las cuentas a cobrar cedidas por la Sociedad según este contrato asciende a 0,00 euros.

Respecto a las UTEs, las operaciones más importantes son las que siguen:

- Con fecha 21 de noviembre de 2013 la UTE Ilnet firmó con Bankia un contrato de factoring con recurso para anticipar las deudas pendientes de cobro del cliente Ayuntamiento de Lérida. El contrato establecía que, en caso de impago por el cliente, las cantidades inicialmente abonadas por la entidad financiera como consecuencia de dicha cesión, deberían ser reintegradas en un plazo negociable. Al cierre del ejercicio 2015 el importe de las cuentas a cobrar cedidas según este contrato asciende a 160.452,36 euros (407.983,91 euros en 2014).

- Con fecha 5 de marzo de 2010 la UTE Ilnet firmó con Caixa Cataluña un contrato de factoring con recurso para anticipar las deudas pendientes de cobro del cliente Ayuntamiento de Lérida. El contrato establecía que, en caso de impago por el cliente, las cantidades inicialmente abonadas por la entidad financiera como consecuencia de dicha cesión, debería ser reintegrada en un plazo negociable. Al cierre del ejercicio 2015 el importe de las cuentas a cobrar cedidas según este contrato asciende a 469.030,44 euros, (815.967,82 euros en 2014).

- Con fecha 6 de abril de 2011 la UTE Plasencia firmó con Caja Extremadura ahora Liberbank un contrato de factoring con recurso para anticipar las deudas pendientes de cobro del cliente Ayuntamiento de Plasencia. El contrato establecía que, en caso de impago por el cliente, las cantidades inicialmente abonadas por la entidad financiera como consecuencia de dicha cesión, debería ser reintegrada en un plazo negociable. Al cierre del ejercicio 2015 el importe de las cuentas a cobrar cedidas según este contrato asciende a 436.311,93 euros (217.708,34 euros en 2014).

- Con fecha 7 de marzo de 2014 la UTE Madrid Sur Movilidad Lote III firmó un contrato con Bankia de factoring con recurso para anticipar las deudas pendientes de cobro del cliente Ayuntamiento de Madrid. El contrato establecía que, en caso de impago por el cliente, las cantidades inicialmente abonadas por la entidad financiera como consecuencia de dicha cesión, deberían ser reintegradas en un plazo de 90 días. Al cierre de los ejercicios 2015 y 2014, el importe de las cuentas a cobrar cedidas según este contrato es 0,00 euros.

- Con fecha 7 de marzo de 2014 la UTE Madrid Sur Movilidad Lote IV firmó un contrato con Bankia de factoring con recurso para anticipar las deudas pendientes de cobro del cliente Ayuntamiento de Madrid. El contrato establecía que, en caso de impago por el cliente, las cantidades inicialmente abonadas por la entidad financiera como consecuencia de dicha cesión, deberían ser reintegradas en un plazo de 90 días. Al cierre de los ejercicios 2014 y 2015 el importe de las cuentas a cobrar cedidas según este contrato es 0,00 euros.

- Con fecha 9 de junio de 2015 la UTE VSM Gestyona ha firmado un contrato con el Banco de Santander de factoring con recurso para anticipar las deudas pendientes de cobro del cliente Ayuntamiento de Pinto. El contrato establece que, en caso de impago por el cliente, las cantidades inicialmente abonadas por la

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As is stated in Note 8, at the end of financial year 2015 and 2014, the Company had contracted diverse financial lease operations on its tangible fixed assets.

8. Leases

Financial leases, with the Company acting as lessee

The net book value of the tangible fixed assets acquired by financial leasing contracts on 31st December 2014 and 2015 are as follows:

	2014		
	Cost	Depreciation	Net Book Value
Machinery	11,449,751.08	(7,882,942.53)	3,566,808.55
Transport elements	33,820,740.72	(20,905,990.80)	12,914,749.92
Other fixed assets	8,360,390.56	(6,053,877.71)	2,306,512.85
Utilities	876,762.11	(702,583.05)	174,179.06
Other installations	33,000.00	(20,900.00)	12,100.00
Technical installations	2,812,358.60	(142,889.05)	2,669,469.55
	57,353,003.06	**(35,709,183.14)**	**21,643,819.93**

	2015		
	Cost	Depreciation	Net Book Value
Machinery	12,039,067.10	(9,007,911.12)	3,031,155.98
Transport elements	39,058,679.92	(25,177,608.75)	13,881,071.17
Other fixed assets	11,995,976.54	(10,135,647.62)	1,860,328.92
Utilities	877,691.44	(763,795.86)	113,895.58
Other installations	33,000.00	(24,200.00)	8,800.00
Technical installations	9,896,209.51	(1,398,755.83)	8,497,453.68
	73,900,624.51	**(46,507,919.18)**	**27,392,705.33**

The cost value at which the financial leasing assets were reported were the actual value of the minimum payments to be made at the moment of signing the financial lease contract.

The above total net book value is from the consortia with a figure of 6,290,855.07 euros, (2,089,738.83 euros in 2014), the most significant being:

2015	PARKING METERS BATCH 3	PARKING METERS BATCH 3	UTE ARONA	UTE GUADALAJARA	UTE PLASENCIA	OTHER CONSORTIA	TOTAL
Constructions	-	-	-	-	-	-	-
Machinery	-	-	-	-	-	166,002.49	166,002.49
Transport elements	-	-	666,482.00	923,028.00	180,289.00	1,470,861.78	3,240,660.78
Other fixed assets	-	-	-	-	96,896.50	133,469.40	230,365.90
Utilities	-	-	-	-	-	1,808.19	1,808.19
Technical installations	1,420,552.75	1,230,964.96	-	-	-	-	2,651,517.71
	1,420,552.75	**1,230,964.96**	**666,482.00**	**923,028.00**	**277,185.50**	**1,772,141.86**	**6,290,355.07**

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entidad financiera como consecuencia de dicha cesión, deberán ser reintegradas en un plazo de 90 días. Al cierre del ejercicio 2015 el importe de las cuentas a cobrar cedidas según este contrato es 0,00 euros.

a.5) Activos cedidos y aceptados en garantía

Durante los ejercicios 2014 y 2015 la Sociedad no ha entregado en garantía ningún activo.

b) Pasivos Financieros

b.1) Categorías de pasivos financieros

La composición de los pasivos financieros a 31 de diciembre de 2014, excluidas las deudas con empresas del grupo detalladas en las notas 21, es la siguiente:

Clases / Categorías	Deudas con entidades de crédito	Derivados y otros	Total
	2014		
Pasivos financieros a largo plazo:			
Débitos y partidas a pagar	80.877.312,70	-	80.877.312,70
Derivados	-	5.961.037,75	5.961.037,75
Otros pasivos financieros	-	4.958.962,13	4.958.962,13
Total pasivos financieros a largo plazo	**80.877.312,70**	**10.919.999,88**	**91.797.312,58**
Pasivos financieros a corto plazo:			
Débitos y partidas a pagar	40.809.911,24	54.907.419,04	95.717.330,28
Derivados	-	1.186.104,08	1.186.104,08
Otros pasivos financieros	-	1.428.523,51	1.428.523,51
Total pasivos financieros a corto plazo	**40.809.911,24**	**57.522.046,63**	**98.331.957,87**
Total	121.687.223,94	68.442.046,51	190.129.270,45

Estos importes se desglosan en el balance de situación de la siguiente forma a 31 de diciembre de 2014:

Clases / Partidas de balance	Deudas con entidades de crédito	Derivados y otros	Total
	2014		
Pasivos financieros no corrientes:			
Deudas a largo plazo:	80.877.312,70	10.919.999,88	91.797.312,58
- Deudas con entidades de crédito	73.972.198,11	-	73.972.198,11
- Acreedores por arrendamiento financiero	6.905.114,59	-	6.905.114,59
- Derivados	-	5.961.037,75	5.961.037,75
- Otros pasivos financieros	-	4.958.962,13	4.958.962,13
Total pasivos financieros no corrientes	**80.877.312,70**	**10.919.999,88**	**91.797.312,58**
Pasivos financieros corrientes:			
Acreedores comerciales y otras cuentas a pagar (*)	-	54.907.419,04	54.907.419,04
Deudas a corto plazo:	40.809.911,24	2.614.627,59	43.424.538,83
- Deudas con entidades de crédito	36.531.659,19	-	36.531.659,19
- Acreedores por arrendamiento financiero	4.278.252,05	-	4.278.252,05
- Derivados	-	1.186.104,08	1.186.104,08
- Otros pasivos financieros	-	1.428.523,51	1.428.523,51
Total pasivos financieros corrientes	**40.809.911,24**	**57.522.046,63**	**98.331.957,87**
Total	121.687.223,94	68.442.046,51	190.129.270,45

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The conciliation between the total amount of minimum future payments and their present value on 31st December 2014 and 2015 is as follows:

	2014	
	Minimum future payments	Present value
Less than one year	4,534,947.17	4,278,252.05
Between one and five years	9,240,600.96	6,905,114.59
Total	**13,775,548.13**	**11,183,366.64**

	2015	
	Minimum future payments	Present value
Less than one year	4,041,429.97	3,812,669.78
Between one and five years	7,486,117.72	5,594,062.65
Total	**1,527,547.69**	**9,406,732.43**

The most significant financial leasing contracts the Company has at the end of financial year 2015 are as follows:

Most significant contracts	**Term**	**Interest rate**	**Purchase option**	**Acquisition value**
Machinery				
Sabadell 6905	5 years	5.32%	15,245.24	816,878.30
Banco Gallego 2483	5 years	5.06%	6,836.92	373,550.00
Ibercaja 1368	5 years	5.00%	6,988.54	193,200.00
Popular 7447	5 years		6,148.84	330,403.59
Transport elements				
Toyota 4390	5 years	5.39%	342.25	18,500.28
Ibercaja 0283	5 years	4.67%	2,078.84	118,898.00
Iveco 077	5 years	8.73%	50.00	135,356.10
Sabadell 6904	5 years	5.32%	6,926.18	371,122.15
Mare Nostrum 5408	5 years	3.05%	7,568.81	121,285.00
Popular 3601	5 years	3.40%	6,832.61	369,778.00
Liberbank 0145	5 years	2.30%	3,204.26	184,360.00
Other fixed assets				
AKF 0019	5 years	6.00%	9,215.75	697,059.98
Sabadell 6903	5 years	5.32%	10,519.97	563,686.26
Ros Roca	4 years	4.50%	34,397.52	1,514,089.00

There are no contingent quotas reported as expenses in financial years 2014 and 2015.

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(*) Excluyendo ""Otras deudas con las Administraciones Públicas".

La composición de los pasivos financieros a 31 de diciembre de 2015, excluidas las deudas con empresas del grupo detalladas en las notas 10 y 21, es la siguiente:

Clases / Categorías	Deudas con entidades de crédito	Derivados y otros	Total
	2015		
Pasivos financieros a largo plazo:			
Débitos y partidas a pagar	71.991.927,49	-	71.991.927,49
Derivados	-	4.931.232,56	4.931.232,56
Otros pasivos financieros	-	5.390.029,65	5.390.029,65
Total pasivos financieros a largo plazo	**71.991.927,49**	**10.321.262,21**	**82.313.189,70**
Pasivos financieros a corto plazo:			
Débitos y partidas a pagar	27.927.774,56	72.111.912,32	100.039.686,88
Derivados	-	1.372.733,54	1.372.733,54
Otros pasivos financieros	-	1.024.204,44	1.024.204,44
Total pasivos financieros a corto plazo	**27.927.774,56**	**74.508.850,30**	**102.436.624,86**
Total	99.919.702,05	84.830.112,51	184.749.814,56

Estos importes se desglosan en el balance de situación de la siguiente forma a 31 de diciembre de 2015:

Clases / Partidas de balance	Deudas con entidades de crédito	Derivados y otros	Total
	2015		
Pasivos financieros no corrientes:			
Deudas a largo plazo:	**71.991.927,49**	**10.321.262,21**	**82.313.189,70**
- Deudas con entidades de crédito	66.397.864,84	-	66.397.864,84
- Acreedores por arrendamiento financiero	5.594.062,65	-	5.594.062,65
- Derivados	-	4.931.232,56	4.931.232,56
- Otros pasivos financieros	-	5.390.029,65	5.390.029,65
Total pasivos financieros no corrientes	**71.991.927,49**	**10.321.262,21**	**82.313.189,70**
Pasivos financieros corrientes:			
Acreedores comerciales y otras cuentas a pagar (*)	-	72.111.912,32	72.111.912,32
Deudas a corto plazo:	**27.927.774,56**	**2.396.937,98**	**30.324.712,54**
- Deudas con entidades de crédito	24.115.104,78	-	24.115.104,78
- Acreedores por arrendamiento financiero	3.812.669,78	-	3.812.669,78
- Derivados	-	1.372.733,54	1.372.733,54
- Otros pasivos financieros	-	1.024.204,44	1.024.204,44
Total pasivos financieros corrientes	**27.927.774,56**	**74.508.850,30**	**102.436.624,86**
Total	99.919.702,05	84.830.112,51	184.749.814,56

(*) Excluyendo "Otras deudas con las Administraciones Públicas".

- Débitos y partidas a pagar

El detalle de este epígrafe a 31 de diciembre de 2014 y 2015 es el siguiente:

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Operating leases with the Company acting as a lessee

At the end of financial years 2014 and 2015, the Company has the following minimum operating lease quotas, related to non cancellable contracts, according to the present contracts in force, without taking into account the repercussion of common expenses, future increases in Consumer Price Index, nor future contractually agreed rent updates:

Operating leases Minimum quotas	Face value	
	2015	2014
Less than one year	1,117,862.40	1,376,076.79
Between one and five years	779,858.01	903,760.72
Total	**1,897,720.41**	**2,279,837.51**

The most significant operating leases may be extended tacitly short term and may generally be cancelled, so amounts of future payments are not detailed.

In its position as lessee, the most significant operating lease contract the Company has at the end of financial years 2015 and 2014 is that the it has in the group Testa Inmuebles en Renta, S.A., on the head offices at Juan Esplandiú 11-13.

Operating leases, with the Company acting as lessor

At the end of financial years 2014 and 2015 the Company has contracted the following minimum non cancellable operating lease quotas with the lessors, according to the present contracts in force, without taking into account the repercussion of common expenses, future increases due to Consumer Price Index, nor present rent updates contractually agreed:

Operating leases Minimum quotas	Face value	
	2015	2014
Less than one year	-	605.46
Total	-	605.46

There are no contingent quotas reported as revenue in financial years 2014 and 2015.

In its position as lessor, the sole operating lease agreement held by the Company on 31st December 2014 is for establishment of refurbishment of the Pools in the Fair Compound of Haro. That contract was terminated in 2015.

9. Financial instruments

a) Financial Assets

a.1) Categories of Financial Assets

The composition of the Financial Assets, except for investments in group companies, multigroup and associates, detailed in Notes 10 and 21, on 31st December 2014, is as follows:

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	2015	2014
Débitos y partidas a pagar:		
A largo plazo:		
Deudas con entidades de crédito	71.991.927,49	80.877.312,70
Total débitos y partidas a pagar largo plazo	**71.991.927,49**	**80.877.312,70**
A corto plazo:		
Deudas con entidades de crédito	27.927.774,56	40.809.911,24
Acreedores comerciales	**72.111.912,32**	**54.907.419,04**
Proveedores	35.491.808,75	33.895.173,84
Proveedores empresas del grupo y asociadas	4.358.681,56	4.263.150,37
Acreedores varios	11.762.190,55	7.953.051,84
Personal (remuneraciones pendientes de pago)	5.053.118,95	4.949.913,83
Anticipos de clientes	15.446.112,51	3.846.129,16
Total débitos y partidas a pagar corto plazo	**100.039.686,88**	**95.717.330,28**
Total	172.031.614,37	176.594.642,98

Información sobre el período medio de pago a proveedores. Disposición adicional tercera, "Deber de información" de la Ley 15/2010, de 5 de julio

De acuerdo con lo establecido en la disposición adicional única de la Resolución de 29 de enero de 2016, del Instituto de Contabilidad y Auditoría de Cuentas, sobre la información a incorporar en la memoria de las cuentas anuales en relación con el periodo medio de pago a proveedores en operaciones comerciales, no se presenta información comparativa, al calificarse las cuentas anuales del ejercicio 2015 como iniciales a estos exclusivos efectos en lo que se refiere a la aplicación del principio de uniformidad y del requisito de comparabilidad.

Período medio de pago a proveedores (no administraciones públicas)

	Días
Período medio de pago a proveedores	59,22
Ratio de operaciones pagadas	57,406
Ratio de las operaciones pendientes de pago	82,08
	Importe (euros)
Total pagos realizados	41.482.088,61
Total pagos pendientes	3.285.405,78

En estos importes no se incluyen los pagos realizados a proveedores empresas del grupo y asociadas, proveedores de inmovilizado ni acreedores por arrendamiento financiero. Para ver las transacciones y saldos pendientes con empresas del grupo y asociadas al cierre de los ejercicios 2014 y 2015 ver las notas 10 y 21.

- Deudas con entidades de crédito

Las principales deudas con entidades de crédito se pueden desglosar en tres conceptos: préstamos y pólizas de crédito que suponen 88.921.935,59 euros, (107.649.711,31 euros en 2014), financiación por leasing por valor de 9.406.732,43 euros, (11.183.366,64 euros en 2014) y líneas de descuento de efectos o factoring con recurso por importe de 1.591.034,03 euros (2.854.145,99 euros en 2014).

De estos tres conceptos, las UTEs aportan a la cifra de préstamos y pólizas de crédito 60.430.157,49 euros, (65.579.785,59 euros en 2014) y a la cifra de leasing 3.978.104,94 euros (4.363.576,76 euros en 2014), y 1.591.034,03 euros en líneas de descuento, (0,00 en 2014).

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Categories / Classes	Equity instruments	Securities representing debt	Loans, derivatives and others	Total
			2014	
Long term financial assets				
Loans and items due	-	-	57,605,842.85	57,605,842.85
Other financial assets	7,515.00	-	5,382,857.28	5,390,372.28
Total long term financial assets	**7,515.00**	**-**	**62,988,700.13**	**62,996,215.13**
Long term financial assets				
Loans and items due	-	-	124,351,727.39	124,351,727.39
Other financial assets	-	-	835,104.52	835,104.52
Total short term financial assets	**-**	**-**	**125,186,831.91**	**125,186,831.91**
Total	**7,515.00**	**-**	**188,175,532.04**	**188,183,047.04**

These amounts are broken down in the balance sheet on 31st December 2014 as follows:

Balance sheet items / Classes	Equity instruments	Securities representing debt	Loans, derivatives and others	Total
Non current financial assets			2014	
Long term financial investments	**7,515.00**	**-**	**6,527,955.22**	**6,535,470.22**
- Equity instruments	7,515.00	-	-	7,515.00
- Loans to third parties	-	-	1,142,437.52	1,142,437.52
- Other financial assets	-	-	5,385,517.70	5,385,517.70
Trade debtors and other accounts for collection	-	-	56,460,744.91	56,460,744.91
Total non current financial assets	**7,515.00**	**-**	**62,988,700.13**	**62,996,215.13**
Current financial assets				
Short term financial investments	-	-	**835,104.52**	**835,104.52**
- Other financial assets	-	-	835,104.52	835,104.52
Trade debtors and other accounts due (*)	-	-	124,351,727.39	124,351,727.39
Total current financial assets	-	-	**125,186,831.91**	**125,186,831.91**
Total	**7,515.00**	**-**	**188,175,532.04**	**188,183,047.04**

(*) Excluding "Other credits with Public Administrations".

The composition of the Financial Assets, except for investments in group companies, multigroup and associates, detailed in Notes 10 and 21, on 31st December 2015 is as follows:

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El valor nominal de las principales deudas con entidades de crédito al cierre de los ejercicios 2014 y 2015 es el siguiente:

	IMPORTES (en miles de euros)	
Fecha de vencimiento	Saldo a 31/12/2015	Saldo a 31/12/2014
30/06/2016	2.629	1.969
31/07/2016	1	2.991
30/10/2016	1	4.140
20/12/2016	20	4.847
OTROS y UTES	-	11
Cuentas de crédito	**2.651**	**13.958**
20/11/2016	10.000	10.000
22/11/2016	630	1.260
30/11/2016	192	393
19/02/2018	901	-
19/02/2018	576	-
29/07/2019	1.812	2.000
31/10/2019	544	673
01/01/2020	4.503	5.449
31/01/2020	1.342	1.655
10/02/2020	5.591	6.775
OTROS y UTES	62.021	65.486
Préstamos	**88.112**	**93.691**
31/07/2015	-	2.854
Factoring	-	**2.854**
Total	**90.763**	**110.503**

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Existe un contrato de préstamo con garantía hipotecaria firmado con el BBVA cuya garantía es la nave de oficinas, almacén y talleres de Vicálvaro, del que al 31 de diciembre de 2015 queda un capital pendiente de 543.708,79 euros (672.990,72 euros en el año 2014).

El día 7 de enero de 2010 se firmó un contrato de préstamo de 3.049.978,29 euros con Banco Pastor con vencimiento 31 de enero de 2020 y, como garantía del mismo, derechos de cobro con el Ayuntamiento de San Fernando de Henares hasta el valor de 4.000.000 euros. Al 31 de diciembre de 2015 queda un capital pendiente de 1.342.302,68 euros (1.655.519,15 euros en 2014).

El día 18 de diciembre de 2012 se firmó un contrato de préstamo de 7.000.000,00 euros con La Caixa con vencimiento 1 de enero de 2020. Al 31 de diciembre de 2015 queda un capital pendiente de 4.503.471,35 euros (5.449.452,43 euros en 2014).

El día 27 de septiembre de 2013 se firmó un contrato de préstamo ICO de 10.000.000 euros con Bankia con vencimiento 10 de octubre de 2014. Durante el 2014, se canceló dicho crédito y se firmó uno nuevo con vencimiento 20 de noviembre de 2015. Durante el 2015, se ha cancelado dicho crédito y se ha firmado uno nuevo con vencimiento 20 de noviembre de 2016. Al 31 de diciembre de 2014 y 2015 queda un capital pendiente de 10.000.000 euros.

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Categories / Classes	Equity instruments	Securities representing debt	Loans, derivatives and others	Total
		2015		
Long term financial assets				
Loans and items due	-	-	57,313,449.55	57,313,449.55
Other financial assets	7,515.00	-	5,419,537.89	5,427,052.89
Total long term financial assets	**7,515.00**	-	**62,732,987.44**	**62,740,502.44**
Long term financial assets				
Loans and items due	-	-	121,587,575.50	121,587,575.50
Other financial assets	-	-	2,818,662.42	2,818,662.42
Total short term financial assets	-	-	**124,406,237.92**	**124,406,237.92**
Total	**7,515.00**	-	**187,139,225.36**	**187,146,740.36**

These amounts are broken down in the balance sheet on 31st December 2015 as follows:

Balance sheet items / Classes	Equity instruments	Securities representing debt	Loans, derivatives and others	Total
Non current financial assets		2015		
Long term financial investments	**7,515.00**	-	**9,404,951.17**	**9,412,466.17**
- Equity instruments	7,515.00	-	-	7,515.00
- Loans to third parties	-	-	1,146,914.30	1,146,914.30
- Other financial assets	-	-	8,258,036.87	8,258,036.87
Trade debtors and other accounts for collection	-	-	53,328,036.27	53,328,036.27
Total non current financial assets	**7,515.00**	-	**62,732,987.44**	**62,740,502.44**
Current financial assets				
Short term financial investments	-	-	**2,818,662.42**	**2,818,662.42**
- Other financial assets	-	-	2,818,662.42	2,818,662.42
Trade debtors and other accounts due (*)	-	-	121,587,575.50	121,587,575.50
Total current financial assets	-	-	**124,406,237.92**	**124,406,237.92**
Total	7,515.00	-	187,139,225.36	187,146,740.36

(*) Excluding "Other credits with Public Administrations".

- Loans and items collectable

The detail of the Financial Assets included in this category on 31st December 2014 and 2015 is as follows:

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0,03 EUROS
OM7356271

El día 22 de noviembre de 2013 se firmó un contrato de préstamo de 1.890.000 euros con Caja Rural de Granada (Grupo Caja Rural) con vencimiento 22 de noviembre de 2016. Al 31 de diciembre de 2015 queda un capital pendiente de 630.000 euros (1.260.000 euros en 2014).

El día 29 de noviembre de 2013 se firmó un contrato de préstamo de 600.000 euros con Ibercaja con vencimiento 30 de noviembre de 2016. Al 31 de diciembre de 2015 queda un capital pendiente de 191.982,97 euros (392.598,12 euros en 2014).

El día 29 de julio de 2014 se firmó un contrato de préstamo de 2.000.000 euros con Cajamar con vencimiento 29 de julio de 2019. Al 31 de diciembre de 2015 queda un capital pendiente de 1.811.730,13 euros (2.000.000 euros en 2014).

El día 17 de febrero de 2015 se ha firmado un contrato de préstamo de 576.000 euros con Caja España con vencimiento 19 de febrero de 2018. Al 31 de diciembre de 2015 el capital pendiente es de 576.000 euros.

El día 17 de febrero de 2015 se ha firmado un contrato de préstamo de 1.224.000 euros con Caja España con vencimiento 19 de febrero de 2018. Al 31 de diciembre de 2015 el capital pendiente es de 900.546,36 euros.

El valor nominal de las deudas con entidades de crédito de las principales UTEs al cierre de los ejercicios 2015 y 2014 y en miles de euros son las siguientes:

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	Importe pendiente de pago al 31 de Diciembre 2015	Importe pendiente de pago al 31 de Diciembre 2014
BUTARQUE	-	1.049
HORNILLOS	49.710	52.350
ILNET	144	314
RES. MARESME	4.284	4.754
ORIHUELA	198	569
RESTO	13	217
CREDITOS A LARGO UTES	**54.349**	**59.253**
BUTARQUE	2.029	980
RSU SUFI-COINTER	-	438
BADAJOZ SUR	37	7
HORNILLOS	2.640	2.318
ILNET	1.601	1.725
PLASENCIA	449	206
RES. MARESME	470	470
RESTO	361	172
CREDITOS A CORTO UTES	**7.687**	**6.316**
TOTAL CREDITOS UTES	61.936	65.569

Los intereses devengados y no pagados incluidos en la partida de "Deudas con entidades de crédito a corto" al cierre de los ejercicios 2015 y 2014 ascienden a 192.837,87 euros y a 216.630,95 euros respectivamente.

Con fecha 10 de mayo de 2006 la UTE Hornillos firmó un contrato de préstamo con una serie entidades financieras, encabezadas por el Banco Español de Crédito funcionando como agente, por 75 millones de euros al 100% de la UTE. En el año 2009 se produjo la novación del contrato de crédito a largo plazo para la financiación de las instalaciones de la planta de tratamiento de residuos a construir por la UTE Los Hornillos, elevándose el importe máximo de disposición a 96 millones de euros. El día 13 de diciembre de 2010 este préstamo se incrementó en 23,4 millones de euros también al 100% de la UTE. Al 31 de diciembre de 2015 el capital pendiente de amortizar al porcentaje de participación de VSM, S.A. (50%) es de 52.350.293,35 euros

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	2015	2014
Loans and items due long term:		
Third party loans	1,146,914.30	1,142,437.52
Long term clients	2,838,498.98	2,660.42
Concession agreement, collection right	53,328,036.27	56,460,744.91
Total loans and items due long term	**57,313,449.55**	**57,605,842.85**
Loans and items due short term:		
Trade debtors and other items due	**121,587,575.50**	**124,351,727.39**
Clients for sales and services rendered	102,404,568.67	109,571,661.94
Group and associated company clients	8,462,752.71	6,958,075.93
Sundry debtors	6,854,664.66	3,811,579.88
Personnel	235,596.10	547,437.80
Concession agreement, collection right	3,629,993.36	3,462,971.84
Total loans and items due short term	**121,587,575.50**	**124,351,727.39**
Total loans and items due	**178,901,025.05**	**181,957,570.24**

The explanation of the most important items is as follows:

- Long term third party loans.

The heading of long term loans were mainly for collection fees the Company has with:
- The Local Government of Alcalá de Henares for lost profit of 461,111.85 euros.
- Hermanos Santana Cazorla as partners of UTE Arona amounting to 114,466.58 euros.
- Other long terms of the Sufi branch in Portugal amounting to 345,620.07 euros.
- The Integral Platform for Mobility, amounting to 225,715.80 euros.

- Long term clients.

The item of other Financial Assets long term is fully due to updating items collectable by the Local Government of Alcalá de Henares.

- Short and long term collection rights.

The item of long and short term collection rights is for three consortia and two projects by VSM:

- UTE Hornillos, amounting to 45,907,789.63 euros long term and 2,195,514.79 euros short term.
- UTE La Paloma amounting to 5,491,543.84 euros long term and 924,589.75 euros short term.
- UTE Calandrias amounting to 1,020,585.64 euros long term and 332,427.69 euros short term.

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0,03 EUROS
CLASE 8.ª

(54.667.946,70 euros en el 2014). La fecha de vencimiento del contrato es el 15 de diciembre del 2025. Las sociedades que conforman esta UTE otorgaron, como garantía especifica de la novación, la hipoteca a favor de las entidades acreditantes del préstamo sindicado - crédito senior por un importe total de 89.602.999,65 euros (al porcentaje de VSM) sobre los activos relacionados al proyecto de construcción, así como los derechos de prenda sobre los créditos derivados de los contratos del proyecto y la designación de los acreedores como beneficiarios de los contratos de seguro que suscriba la UTE en el futuro con terceros.

La amortización del préstamo se realiza en 32 cuotas semestrales crecientes a partir del 15 de junio de 2012. En función de la cifra del ratio de cobertura para el servicio anual de la deuda, el tipo de interés será del euribor incrementado entre el 2,75 y el 3,5, utilizándose este último margen si la UTE no presentara el ratio. A fecha 31 de diciembre de 2015 el ratio de cobertura para el servicio de la deuda tiene un valor de 1,50 (1,51 en 2014), siendo un valor superior al necesario (1,40).

Con fecha 20 de septiembre de 2001 la UTE Secado Térmico Butarque firmó con el instituto de Crédito Oficial y con Dexia Sabadell Banco Local un préstamo por importe máximo de 15.626.314,70 euros. El capital pendiente de amortizar al 31 de diciembre de 2015 a porcentaje de VSM, S.A. es de 2.029.776,98 euros (2.029.076,98 euros en el 2014), destinado a la financiación de las inversiones y gastos necesarios para la construcción y puesta en marcha de las infraestructuras para la gestión del servicio de tratamiento de lodos en la E.R.A.R Butarque. Este préstamo tiene su vencimiento el 20 de diciembre de 2016 En el contrato del préstamo se establecen una serie de limitaciones a la disposición de los activos de la UTE, al reparto de dividendos, así como a la exigencia de cumplir con otras condiciones cuyo incumplimiento puede causar el vencimiento anticipado del préstamo, tales como que el ratio de cobertura sea inferior al 1,1 durante tres ejercicios consecutivos.

En 2012 cumplió el ratio con un valor de 2,56; en 2013 arrojaba un valor de 0,88 (por lo tanto no se cumplía el valor necesario de 1,25) ; en 2014 el ratio era de 2,81 y en 2015 de -1,00. Según las condiciones del contrato de financiación mencionadas anteriormente, en el caso de que algún ejercicio el RCASD sea inferior a 1,25 veces, se deberá amortizar anticipadamente una cantidad equivalente a la menor entre el Cash-Flow libre excedentario y una cantidad equivalente al importe necesario para que un nuevo cálculo del RCASD sea igual a 1,25 veces.

Con fecha 8 de julio de 2009 la UTE Maresme firmó con la Caixa un préstamo por importe máximo de 15.000.000,00 euros. El capital pendiente de amortizar a 31 de diciembre de 2015 a porcentaje de VSM, S.A. (que durante 2014 pasó del 40% al 46,9%) es de 4.744.739,65 euros (5.213.739,65 euros en 2014), destinado a la financiación de las inversiones y gastos necesarios para la construcción y puesta en marcha de las infraestructuras. Este préstamo tiene su vencimiento el 1 de abril de 2016
Con fecha 1 de febrero de 2008 la UTE Cointer firmó con la Caixa un préstamo por importe máximo de 600.000,00 euros,. El capital pendiente de amortizar al 31 de diciembre de 2015 a porcentaje de VSM, S.A. es de 0,00 euros, (0,00 euros en 2014), destinado a la financiación del acondicionamiento de una nave.

Con fecha 29 de noviembre de 2010 la UTE Cointer firmó con la Caixa un préstamo ICO por importe máximo de 2.500.000,00 euros. El capital pendiente de amortizar al 31 de diciembre de 2015 a porcentaje de VSM, S.A. es de 0,00 euros, (437.801,97 euros en 2014), destinado a la financiación de varias inversiones. Este préstamo ha vencido el 28 de noviembre de 2015 .

Con fecha 21 de marzo de 2006 la UTE Ilnet firmó con Caixa Cataluña un contrato préstamo inicial que fue ampliando en fechas posteriores hasta la cantidad de 5.300.000,00 euros. El capital pendiente de amortizar al 31 de diciembre de 2015 a porcentaje de VSM, S.A. es de 157.174,64 euros (313.484,37 euros en 2014), destinado a la financiación de varias inversiones .Este préstamo tiene su vencimiento el 31 de marzo de 2016.

Con fecha 4 de marzo de 2011 la Sociedad junto con Valoriza Gestión, S.A.U., Hidroandaluza, S.A. y con Sacyr Vallehermoso, S.A. (actualmente Sacyr, S.A.) como garante, firmó con el banco Dexia un contrato de cesión del 48% de los derechos de crédito que se derivan del contrato para el mantenimiento de los Contenedores Soterrados con el Ayuntamiento de Torrejón de Ardoz, por una cantidad de 9.613.604,00 euros. El capital pendiente de amortizar al 31 de diciembre de 2015 es de 6.319.527,84 euros (6.774.877,73 euros en 2014). Esta cesión de crédito tiene su vencimiento el 4 de marzo de 2020 y devenga un tipo de interés de 3,2%. Con fecha 23 de diciembre de 2011, la Sociedad firmó una adenda al contrato confiriéndose la facultad de pagar los derechos de crédito cedidos.

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- Concession agreement of the Guadarrama Park amounting to 453,561.33 euros long term and 74,090.84 euros short term.
- Concession agreement in Majadahonda amounting to 454,555.83 euros long term and 103,370.29 euros short term.

- Commercial debtors and other accounts collectable.

On 31st December 2015, the Company maintains balances pending collection under the heading of Commercial debtors and other accounts collectable with Public Entities, aged more than one year, without taking into account invoices issued for interest amounting to 0.7 million euros, (0.9 million euros in 2014), the full amount of which is foreseen to be collected in 2016.

During 2015, commercial debts have decreased by 7,167,093.30 euros, (4,581,411.50 euros reduction during 2014).

The balances held in the heading "Trade debtors and other accounts collectable" are recorded at their face value, as they do not differ significantly from their reasonable value.

In relation to the balances pending collection with Public Entities that have aged more than one year, the Company opted not to update the value of that debt in the financial statements, due to it not accounting for the delay interest either, to which it was entitled according to the terms of Article 7 of Act 3/2004, that establishes measures to combat default. The article stated that the legal rate of delay interest to be applied will be Euribor plus seven percentage points, and these are published every semester in the Official State Gazette. The Company claims delay interest from all its clients, and it only accounts for them at the moment of collection or at the moment when a certification of their approval is received, whichever takes place first.

With regard to the need to improve cash flows, the Company has carried out active management before the Local Governments, raising the termination of contracts with late payment problems or renegotiating the long term payment plans.

The following accounts collectable are registered in the current assets as they are mature and have been called. As they are with Public Entities, the Directors consider they shall be collected and thus it is not necessary to set aside provisions for these.

From the total amount recorded under the heading "Trade debtors and other accounts collectable" at the end of financial year 2015, 48,290,115.64 euros are for the consortia (52,383,672.97 euros in 2014 without taking into account the current tax assets or that of other credits with public administrations). The main ones are as follows, stated in thousands of euros:

2014	UTE RSU SUR-COINTER	UTE LOS HORNILLOS	UTE HIXIENE's	UTE TMB ARRAIZ	UTE TEM	OTHER CONSORTIA	TOTAL
Clients	8,878	6,717	4,172	3,653	2,436	23,231	49,087
Debtors	455	-	-	-	538	2,274	3,267
Personnel	13	-	5	-	-	12	30
Total	9,346	6,717	4,177	3,653	2,974	25,517	52,384

2015	UTE LOS HORNILLOS	UTE TMB ARRAIZ	UTE TEM	UTE CALANDRIAS	UTE GUADALAJARA	OTHER CONSORTIA	TOTAL
Clients	6,346	3,342	3,101	2,469	2,385	26,253	43,896
Debtors	0	8	362	-	1,292	2,698	4,361
Personnel	0	0	0	1	-	32	34
Total	6,346	3,350	3,463	2,469	3,677	28,984	48,290

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0,03 EUROS
TRES CÉNTIMOS

Los saldos de las deudas con entidades de crédito reflejan solo la parte dispuesta. La Sociedad al cierre del año 2015 tiene líneas de crédito disponibles cuya parte no dispuesta asciende a 14.549 miles de euros (6.727 miles de euros en el año 2014).

- Acreedores comerciales y otras cuentas a pagar

El detalle de éste epígrafe a 31 de diciembre de 2014 y 2015, en miles de euros, para las UTEs es el siguiente:

2014	UTE TMB ARRAIZ	UTE ORIHUELA	UTE TEM	UTE LA PALOMA	UTE HORNILLOS	OTRAS UTES	TOTAL
Proveedores	2.071	3.208	3.969	1.374	1.116	9.538	21.276
Personal	54	184	44	11	257	1.503	2.053
Acreedores varios	66	-	-	-	144	1.229	1.439
Total	2.191	3.392	4.013	1.385	1.517	12.270	24.768

2015	UTE TEM	UTE ARRAIZ	UTE HORNILLOS	UTE GUADALAJARA	UTE LA PALOMA	OTRAS UTES	TOTAL
Proveedores	5.142	1.638	1.167	1.046	735	11.549	21.277
Personal	41	131	263	112	18	1.427	1.992
Acreedores varios	-	208	179	521	-	3.103	4.011
Total	5.183	1.977	1.609	1.679	753	16.079	27.280

- Otros pasivos financieros

El detalle de este epígrafe a 31 de diciembre de 2014 y 2015 es el siguiente:

	2015	2014
A largo plazo:		
Fianzas recibidas y cobros anticipados por arrendamientos	6.000,00	72.458,94
Otras deudas a largo	879.545,63	950.793,72
Subvenciones reintegrables	4.504.484,02	3.935.709,47
Total a largo plazo	**5.390.029,65**	**4.958.962,13**
A corto plazo:		
Fianzas recibidas y cobros anticipados por arrendamientos	2.808,92	3.476,82
Otras deudas a corto	193.630,38	503.870,41
Subvenciones reintegrables	827.765,14	921.176,28
Total a corto plazo	**1.024.204,44**	**1.428.523,51**
Total	6.414.234,09	6.387.485,64

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- Other Financial Assets:

The detail of the Financial Assets included in this category on 31st December 2014 and 2015 is as follows:

	2015	2014
Taxes	3,273,504.17	3,273,398.64
Deposits constituted	2,146,033.72	2,109,458.64
Other financial assets	7,515.00	7,515.00
Total other long term financial assets	**5,427,052.89**	**5,390,372.28**
Taxes	1,726,413.49	476,941.64
Deposits constituted	546,294.70	276,457.09
Other financial assets	545,954.23	81,705.79
Total other short term financial assets	**2,818,662.42**	**835,104.52**
Total other financial assets	**8,245,715.31**	**6,225,476.80**

The other Financial Assets, both long term as well as short term, include deposits delivered amounting to 2,692,328.42 euros, (2,385,915.73 euros in 2014) and withholdings on banking withdrawal that, long term, are mainly due to UTE Hornillos, amounting to 3,273,383.95 euros, (3,273,398.64 euros in 2014) and percentage stake in the Company, to guarantee works and eventual costs for deviations from the project that are remunerated by the lending financial institutions, given the restrictions on their disposal. These short term taxes are mainly due to UTE Hornillos, amounting to 441,663.49 euros, (441,691.64 euros in 2014).

a.2) *Classification by maturities*

The detail by maturities that form part of the long and short term Financial Assets on 31st December 2014 is as follows:

	2015	2016	2017	2018	2019	2020 and following	Total
Loans and items due	124,351,727.39	3,206,382.89	3,678,786.87	3,470,551.74	3,435,863.97	43,814,257.38	181,957,570.24
Other financial assets	835,104.52	172,719.99	-	652,353.69	-	4,565,298.60	6,225,476.80
Total	125,186,831.91	3,379,102.88	3,678,786.87	4,122,905.43	3,435,863.97	48,379,555.98	188,183,047.04

The detail by maturities of the headings forming part of the long and short term Financial Assets on 31st December 2015 is as follows:

- Otros pasivos financieros – Subvenciones reintegrables

Las subvenciones reintegrables son varios préstamos concedidos por el Ministerio de Industria, Turismo y Comercio a un tipo 0 de interés, para el desarrollo de proyectos de innovación tecnológica e I + D + i, con un periodo de amortización de entre 10 y 15 años incluyendo 3 años de carencia. Su efecto en resultado durante el año 2015 es de 236.552,16 euros (72.691,29 euros en el año 2014) y se encuentran dentro del capítulo de "Imputación de subvenciones de inmovilizado no financiero y otras" de la Cuenta de Pérdidas y Ganancias. Además de este importe, las subvenciones de explotación incorporadas al resultado del año 2015 ascienden a 186.928,85 euros (31.424,29 euros en el año 2014).

- Otras deudas

Tanto en 2015 como en 2014 esta categoría a largo plazo incluye un convenio de colaboración de la UTE Hornillos con el Ayuntamiento de Quart de Poblet por los costes sociales, servidumbres y molestias que la instalación de la planta pueda suponer al citado municipio y que se basan en varios acuerdos:

- Abonar al citado Ayuntamiento 66.500 euros anuales (al porcentaje de VSM, S.A.) incrementándose en el IPC durante la vida de la concesión.
- Asunción del coste de los terrenos y de la construcción del Parque Río Turia con un máximo de 601.012,11 euros (al porcentaje de VSM, S.A.).
- Abonar al citado Ayuntamiento 0,30 euros (al porcentaje de VSM, S.A.) por cada tonelada de basura tratada, cifra también actualizable en función del IPC.

En Otras deudas a corto plazo principalmente están incluidas las deudas de Sufi sucursal en Portugal por 191.234,14 euros (422.905,35 euros en 2014).

b.2) *Clasificación por vencimientos*

El detalle por vencimientos nominales de las partidas que forman parte de los pasivos financieros a largo y corto plazo a 31 de diciembre de 2014 es el siguiente:

	2015	2016	2017	2018	2019	2020 y siguientes	Total
Débitos y partidas a pagar	95.717.330,28	11.352.792,62	7.989.359,56	7.666.076,95	7.249.769,52	46.637.755,21	176.613.084,14
Otros pasivos financieros	1.428.523,51	1.141.263,12	1.102.722,38	1.054.742,97	892.944,76	767.268,90	6.387.485,64
Total	97.145.853,79	12.494.055,74	9.092.081,94	8.720.819,92	8.142.714,28	47.405.024,11	183.000.569,78

El detalle por vencimientos nominales de las partidas que forman parte de los pasivos financieros a largo y corto plazo a 31 de diciembre de 2015 es el siguiente:

	2016	2017	2018	2019	2020	2021 y siguientes	Total
Débitos y partidas a pagar	100.039.686,88	8.699.160,02	8.453.428,28	7.725.311,30	4.247.679,63	42.866.348,25	172.031.614,37
Otros pasivos financieros	1.024.204,44	1.367.166,26	1.403.188,52	870.495,25	756.334,30	992.845,32	6.414.234,09
Total	101.063.891,32	10.066.326,28	9.856.616,80	8.595.806,55	5.004.013,93	43.859.193,57	178.445.848,46

Las diferencias entre los importes nominales de las tablas anteriores y la deuda contable reflejada en el balance de situación, se debe a la diferencia entre el valor nominal de las deudas y el valor contable que se determina por el coste amortizado de las mismas.

b.3) *Impago e incumplimiento de condiciones contractuales*

Durante el ejercicio 2014 no se han incumplido las condiciones contractuales de pago de los préstamos pendientes ni ninguna otra condición contractual, en 2015 no se ha cumplido el pago en la Ute Butarque.

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	2016	2017	2018	2019	2020	2021 and following	Total
Loans and items due	121,587,575.50	3,731,775.23	4,225,374.02	4,006,138.11	4,181,879.21	41,168,282.98	178,901,025.05
Other financial assets	2,818,662.42	-	62,544.93	652,353.69	-	4,712,154.27	8,245,715.31
Total	124,406,237.92	3,731,775.23	4,287,918.95	4,658,491.80	4,181,879.21	45,880,437.25	187,146,740.36

a.3) *Corrections due to value impairment arising due to credit risk*

The variations in losses due to impairment recorded arising from credit risk under this heading during financial year 2014 were as follows:

	Accumulated impairment at the beginning of 2014	Provisions	Applications	Accumulated impairment at the end of 2014
Loans and items due	352,365.09	78,871.47	(107,063.70)	324,172.86
Total	352,365.09	78,871.47	(107,063.70)	324,172.86

The variations in losses due to impairment arising from credit risk under this heading during financial year 2015 were as follows:

	Accumulated impairment at the beginning of 2015	Provisions	Applications	Accumulated impairment at the end of 2015
Loans and items due	324,172.86	270,594.66	(61,798.36)	532,969.16
Total	324,172.86	270,594.66	(61,798.36)	532,969.16

There are impairment losses related to the accounts collectable. These are included in the heading of clients due to sales and services provided and in 2015 they amount to 532,969.16 euros, (324,172.86 euros in 2014), of which 114,295.73 euros are for UTEs (45,316.84 euros in 2014).

A provision has been made for the aforementioned impairment during 2015: 270,594.66 euros (78,871.47 euros in 2014) and these have been applied during 2015, 61,798.36 euros, (107,063.70 euros in 2014). These are included in the heading of losses, impairment and variations in provisions for trade operations in the profit and loss accounts.

The most important provisions in the period 2015 in VSM are for clients on two projects: Adaptation and maintenance at Arroyo Carvajal amounting to 132,551.75 euros and Sludge management at the Torrecilla Plant amounting to 19,654.33 euros. With regard to the consortia, a provision of 38,464.44 euros has been set aside at UTE Hornillos and 26,283.54 euros at UTE Gestyona.

The most important application during 2015 was generated by collection of a balance for the debt held with the client Fomento de Construcciones y Contratas, set aside in 2012.

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Algunos acuerdos de financiación de la Sociedad están sujetos a cláusulas de cumplimiento de ratios, por lo que la Sociedad está obligada a alcanzar ciertos indicadores de rendimiento claves. Tanto a 31 de diciembre de 2014 como a 31 de diciembre de 2015, la Sociedad cumplía con todos ellos en 2014 e incumple el de Ute Butarque en el 2015.

Durante el año 2015, el Ratio de Cobertura del Servicio de la Deuda (RCASD) de la U.T.E. Secado Térmico Butarque ha sido negativo y de valor 1,00 (negativo por 2,81 en 2014, positivo y de valor 0,61en 2013, 2.56 en 2012, 1,34 en 2011, 0,33 en el año 2010 y 1.26 en el año 2009).

En el caso que se incumpla dicho ratio durante tres años consecutivos, los socios de la UTE están obligados a renegociar las condiciones del préstamo, ya que podría ser causa de disolución anticipada del contrato. El contrato prevé que en el caso de que algún ejercicio el RCASD sea inferior a 1,25 veces, se deberá amortizar anticipadamente una cantidad equivalente a la menor entre el Cash-Flow libre excedentario del ejercicio anterior y una cantidad equivalente al importe necesario para que un nuevo cálculo del RCASD sea igual a 1,25 veces.

No existen otros pasivos financieros al cierre del ejercicio que tengan que cumplir ningún tipo de condición contractual.

c) Otra Información

c.1) *Información relacionada con la cuenta de pérdidas y ganancias y el estado de cambios en el patrimonio neto*

Los ingresos y gastos financieros imputados a la cuenta de pérdidas y ganancias calculados por aplicación del método de interés efectivo fueron 6.112.072,16 euros y 5.254.046,47 euros en el ejercicio 2014. En el ejercicio 2015 los ingresos financieros han sido de 2.997.592,53 euros, mientras que los gastos financieros han sido de 4.581.122,95 euros.

El importe de las correcciones valorativas por deterioro de créditos comerciales en cuenta de pérdidas y ganancias en el ejercicio 2015 es de dotaciones por importe de 1.308.035,37 euros, (100.243,29 euros de dotaciones en el año 2014).

c.2) *Otra información*

- La Sociedad desde el cierre del ejercicio 2009 se encuentra en proceso para la adquisición de las participaciones a dos de sus socios en el negocio conjunto de la UTE Señoservi. Al cierre del ejercicio 2015 está pendiente de elevarse a público dicho acuerdo para adquirir el 50% restante de participación.
- Información sobre el valor razonable:

  Los créditos y débitos a largo plazo y los valores representativos de deuda no cotizados se registran por su coste amortizado, que salvo mejor evidencia sería equivalente al valor razonable del mismo.

  El valor en libros de los créditos y débitos por operaciones comerciales a corto plazo constituye una aproximación aceptable del valor razonable de los mismos.

d) Información sobre coberturas

La Sociedad utiliza instrumentos financieros derivados para cubrir los riesgos a los que se encuentran expuestos sus flujos de efectivo futuros. En el marco de dichas operaciones la Sociedad ha contratado determinados instrumentos financieros de cobertura, el detalle de los instrumentos derivados contratados por la Sociedad a 31 de diciembre de 2014 y 2015 así como su valoración, y el desglose por vencimiento de los valores nocionales, se presenta a continuación:

- Cobertura de flujos de efectivo

Información a 31 de diciembre de 2014:

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The most important provisions in the period 2014 are for two clients on the cleaning and collection project of Sant Cugat del Vallés amounting to 17,693.42 euros, for another cleaning and collection client in Arona amounting to 6,566.98 euros, to 6,238.10 euros for another private cleaning and collection client in San Fernando de Henares and 20,146.50 euros for a client of UTE Plasencia. The rest of these amounts are highly split up.

The most important application during 2014 has been generated for collection of a balance that corresponds to the debt maintained with the client Asfaltómeros at the Chiloeches Plant, amounting to 36,386.24 euros.

a.4) *Transfers of Financial Assets*

During financial years 2014 and 2015, the Company signed factoring agreements with various financial institutions for cession of all the existing live balances of certain clients, the characteristics of which are as follows:

- On 15th July 2008, a factoring with recourse agreement was signed with Bancaja to advance some debts pending collections from the clients City Council of Madrid and City Council of Toledo. The agreement established that, in the event of failure to pay by the client, the sums initially paid by the financial institution as a consequence of that assignment should be reimbursed within a term of 30 days. On 12th July 2011, a new contract renewal and amendment agreement was signed, in this case with Bankia (the bank that absorbed Bancaja) in which it stipulated the possibility of advancing collection of sums owed by the client City Council of Madrid up to a limit of 10 million euros. On 31st July 2014, an addendum was signed to amend those conditions: increase the maximum limit up to 11,500,000 euros, extend the maturity until 31st July 2015, amend the margin to add to the interest rate agreed up to the moment (margin of 3.50%) and increase the list of those released (City Council of Madrid, Local Government of Alcalá de Henares, City Council of Toledo, Local Government of Leganés, Local Government of Mejorada del Campo, Local Government of Cercedilla and Local Government of Baza). At the end of financial year 2015, the amount of the accounts collectable assigned under that agreement was 0.00 euros (2,854,145.99 euros in 2014).

- On 31st July 2012, Valoriza Servicios Medioambientales, S.A., along with Sacyr Vallehermoso, S.A., (now Sacyr, S.A.) and Sacyr Construcción, S.A.U., jointly signed as assignors of a Coverage Policy for Assignment of Credit Rights (factoring) for a global amount of 10,000,000 euros, with Unicaja Banco S.A.U., the latter acting as assignee, and Testa Inmuebles en Renta S.A. as pledgor and mortgagor. The object of the policy was to discount invoices and/or certificates issued by Sacyr Construcción, S.A. and Valoriza Servicios Medioambientales, S.A. to the Public Administration, its autonomous bodies or trading companies in which they hold stakes. The maturity of the policy was on 31st July 2015. It was a factoring with recourse to the assignors agreement, with maximum maturity of the collection rights assigned of 180 days from application for the discount. At the end of financial year 2015, the amount of the accounts collectable assigned by the Company according to this contract amounts to 0.00 euros (0.00 euros in 2014).

- On 28th November 2013, Valoriza Servicios Medioambientales, S.A., along with Valoriza Gestión, S.A.U. and Sacyr Construcción, S.A., joint and severally signed a Credit Assignment and Factoring with Recourse Agreement with Bancantabria Inversiones, S.A., E.F.C. for a total amount of 2,500,000 euros. The guarantors or backers of that policy were Sacyr, S.A., Sacyr Construcción, S.A.U. and Valoriza Gestión, S.A.U. The debtors initially approved were the Local Government of Toledo, MARE (Medio Ambiente, Agua, Residuos y Energía de Cantabria, S.A) and the Local Government of Vilanova i La Geltrú. The agreement established that, as it was a factoring with recourse operation, Bancantabria did not bear the risk of insolvency of the debtors. Thus, the assignors were specifically bound to pay Bancantabria the amount of the credits due, at first requirement by the latter. At the end of financial year 2015, the amount of the accounts collectable assigned by the Company, according to the agreement, it amounts to 0.00 euros (0.00 euros in 2014).

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TRES CÉNTIMOS DE EURO

Derivados	Tipo	Valoración a 31.12.2014	Nocional	Vencimiento 2015	2016	2017	2018	2019	2020 y Siguientes
UTE BUTARQUE ICO	Variable a Fijo	(32.912,04)	67[illegible]	(32.894,06)	[illegible]664,84)	-	-	-	-
UTE BUTARQUE DEXIA SABADELL	Variable a Fijo	(32.912,04)	67[illegible]	[illegible]	[illegible]664,84)	-	-	-	-
UTE HORNILLOS	Variable a Fijo	(7.081.317,73)	37.66[illegible]	[illegible]	[illegible]186,51)	(1.968.059,33)	(2.175.469,49)	(2.396.783,24)	(27.704.182,93)

La imputación prevista en la cuenta de pérdidas y ganancias en los próximos ejercicios del importe de los derivados de cobertura de flujos de efectivo es como sigue:

Euros	Ute Butarque	Ute Hornillos
2015	(44.932,76)	(1.141.171,31)
2016	(20.891,33)	(1.380.504,58)
2017	-	(1.264.159,08)
2018	-	(1.134.476,43)
2019	-	(978.555,88)
2020 y siguientes	-	(1.182.450,45)
Total	(65.824,09)	(7.081.317,73)

Información a 31 de diciembre de 2015:

Derivados	Tipo	Valoración a 31/12/2015	Nocional	Vencimiento 2016	2017	2018	2019	2020	2021 y siguientes
UTE BUTARQUE ICO	Variable a Fijo	(10.776,17)	349.665,35	(349.665,35)	-	-	-	-	-
UTE BUTARQUE DEXIA SABADELL	Variable a Fijo	(10.776,17)	349.665,35	(349.665,35)	-	-	-	-	-
UTE HORNILLOS	Variable a Fijo	(6.282.413,75)	36.067.680,86	(1.823.186,51)	(1.968.059,33)	(2.175.469,49)	(2.396.782,80)	(2.431.907,16)	(25.072.276,59)

La imputación prevista en la cuenta de pérdidas y ganancias en los próximos ejercicios del importe de los derivados de cobertura de flujos de efectivo es como sigue:

Euros	Ute Butarque	Ute Hornillos
2016	(21.552,35)	(1.351.181,20)
2017	-	(1.417.802,44)
2018	-	(1.259.894,69)
2019	-	(1.053.035,10)
2020	-	(866.822,78)
2021 y siguientes	-	(333.677,54)
Total	(21.552,35)	(6.282.413,75)

De acuerdo a los requerimientos de la actual normativa contable española, la Sociedad ha realizado test de eficacia, prospectivos y retrospectivos, a todos los instrumentos derivados de cobertura, como consecuencia de los cuales, los derivados se han clasificado en las siguientes dos categorías:

- De coberturas eficaz: siempre que la relación entre la evolución del instrumento de cobertura y el subyacente se encuentre dentro de la horquilla 80%-125%, en cuyo caso, la valoración del derivado se registra contra patrimonio neto.

- De cobertura ineficaz: en cuyo caso, el efecto de la variación de los derivados designados como ineficaces o especulativos se recoge en el resultado del ejercicio.

La Sociedad ha cumplido con los requisitos detallados en la nota 4 sobre normas de registro y valoración, para poder clasificar los instrumentos financieros calificados como de cobertura. En concreto, han sido

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- On 12th February 2014, Valoriza Servicios Medioambientales, S.A. signed a factoring agreement with recourse with Ibercaja for a total amount of €1,000,000. In that sense, an addendum was added in relation to the debtor, Local Government of Vilanova I La Geltrú, in which it eliminated the global scope and exclusivity with Ibercaja. The remittance should be delivered no later than 15 days with regard to the date the credit arises, while the collection term for each credit should not be greater than 120 days and the number of days from maturity to consider it a bad debt was 90 days. For the rest of the debtors, the policy did not amend any particular. At the end of financial year 2015, the amount of the accounts collectable assigned by the Company according to this contract amounts to 0.00 euros (0.00 euros in 2014).

- On 5th June 2015, Valoriza Servicios Medioambientales, S.A. and Valoriza Facilities, S.A.U. signed a joint factoring agreement with Bantierra for a total amount of 2,200,000. The term for collection of each credit may not exceed 120 days and the number of days from maturity to be considered a bad debt is 90 days. At the end of financial year 2015, the amount of the accounts collectable assigned by the Company under this agreement amounts to 0.00 euros.

With regard to the consortia, the most important operations are those that follow:

- On 21st November 2013, the consortium UTE Ilnet signed a factoring with recourse agreement with Bankia to advance the debts pending collection from the client Local Government of Lérida. The agreement established that, in the event of non payment by the client, the sums initially paid by the financial institution under the assignment should be reimbursed within a negotiable term. At the end of financial year 2015, the amount of the sums collectable assigned under this agreement comes to 160,452.36 euros (407,983.91 euros in 2014).

- On 5th March 2010, UTE Ilnet signed a factoring with recourse agreement with Caixa Cataluña to advance debts pending collection from the client Local Government of Lérida. The agreement established that, in the event of non payment by the client, the sums initially paid by the financial institution under the assignment should be reimbursed within a negotiable term. At the end of financial year 2015, the amount of the sums collectable assigned under this agreement comes to 469,030.44 euros, (815,967.82 euros in 2014).

- On 6th April 2011, UTE Plasencia signed a factoring with recourse agreement with Caja Extremadura, now Liberbank, to advance the debts pending collection from the client Local Government of Plasencia. The agreement established that, in the event of non payment by the client, the sums initially paid by the financial institution under the assignment should be reimbursed within a negotiable term. At the end of financial year 2015, the amount of the sums collectable assigned under this agreement comes to 436,311.93 euros (217,708.34 euros in 2014).

- On 7th March 2014, UTE Madrid Sur Movilidad Lote III signed a factoring with recourse agreement with Bankia to advance the debts pending collection from the client City Council of Madrid. The agreement established that, in the event of non payment by the client, the sums initially paid by the financial institution under the assignment should be reimbursed within a negotiable term. At the end of financial years 2015 and 2014, the amount of the sums collectable assigned under this agreement comes to 0.00 euros.

- On 7th March 2014, UTE Madrid Sur Movilidad Lote IV signed a factoring with recourse agreement with Bankia to advance the debts pending collection from the client City Council of Madrid. The agreement established that, in the event of non payment by the client, the sums initially paid by the financial institution under the assignment should be reimbursed within a negotiable term. At the end of financial years 2014 and 2015 the amount of the sums collectable assigned under this agreement comes to 0.00 euros.

- On 9th June 2015, UTE VSM Gestyona signed a factoring with recourse agreement with Banco de Santander to advance the debts pending collection from the client the Local Government of Pinto. The agreement established that, in the event of non payment by the client, the sums initially paid by the financial institution

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designados formalmente como tales, y se ha verificado que la cobertura resulta eficaz para los ejercicios 2014 y 2015.

El importe reconocido en el patrimonio neto durante los ejercicios 2014 y 2015 es de 1.511.874,06 euros y 295.129,18 euros respectivamente, ambos importes netos de impuestos. Durante los ejercicios 2014 y 2015 se ha imputado 1.217.581,22 euros y 1.225.869,[illegible] euros respectivamente a la cuenta de pérdidas y ganancias desde patrimonio neto.

10. Inversiones en empresas del grupo, multigrupo y asociadas

El detalle y los movimientos de las distintas partidas que componen este epígrafe a 31 de diciembre de 2014 son los siguientes:

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under the assignment should be reimbursed within a negotiable term. At the end of financial year 2015 the amount of the sums collectable assigned under this agreement comes to 0.00 euros.

a.5) *Assets assigned and accepted in guarantee*

During financial years 2014 and 2015, the Company has not assigned any asset in guarantee.

b) Financial Liabilities

b.1) *Categories of Financial Liabilities*

The composition of the Financial Liabilities on 31st December 2014, excluding debts with companies in the group detailed in Note 21, is as follows:

Categories / Classes	Debts to lending institutions	Derivatives and others	Total
	2014		
Long term financial liabilities:			
Debts and items payable	80,877,312.70	-	80,877,312.70
Derivatives	-	5,961,037.75	5,961,037.75
Other financial liabilities	-	4,958,962.13	4,958,962.13
Total long term financial liabilities	**80,877,312.70**	**10,919,999.88**	**91,797,312.58**
Short term financial liabilities:			
Debts and items payable	40,809,911.24	54,907,419.04	95,717,330.28
Derivatives	-	1,186,104.08	1,186,104.08
Other financial liabilities	-	1,428,523.51	1,428,523.51
Total short term financial liabilities	**40,809,911.24**	**57,522,046.63**	**98,331,957.87**
Total	**121,687,223.94**	**68,442,046.51**	**190,129,270.45**

These amounts are broken down as follows in the balance sheet on 31st December 2014:

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	Saldo a 31/12/2013	Altas	Bajas	Saldo a 31/12/2014
BOREMER, S.A.	1.089.468,57	-	-	1.089.468,57
COMPOST DEL PIRINEO, S.A.	580.499,98	-	-	580.499,98
EUROCOMERCIAL, S.A.	454.375,42	-	-	454.375,42
GESTION E INFRAESTRUCTURA DE CANARIAS, S.A.	51.523,01	-	-	51.523,01
INICIATIVAS MEDIOAMBIENTALES DEL SUR, S.L.	20.000,00	-	-	20.000,00
GESTORA CANARIA DE LODOS Y DEPURADORA, S.A.	85.000,00	-	(85.000,00)	-
INFOSER ESTACIONAMIENTO, AIE	66.000,00	-	-	66.000,00
TRACTEMENT METROPOLITA DE FANES, S.L.	2.711.741,89	-	-	2.711.741,89
HIDROANDALUZA, S.A.	474.957,60	-	-	474.957,60
SURGE AMBIENTAL, S.L.	69.971,02	-	-	69.971,02
RESIDUOS CONSTR.CUENCA	30.100,00	-	-	30.100,00
SECADO TERMICO DE CASTELLON, S.A.	1.800.000,00	-	-	1.800.000,00
ITO, RESIDUOS LA RIOJA, S.L.	3.006,00	-	-	3.006,00
PLANTA DE TRATAMIENTO DE ARRAIZ,S.L.	-	2.100,00	-	2.100,00
Participaciones empresas del Grupo y Multigrupo	**7.436.243,49**	**2.100,00**	**(85.000,00)**	**7.353.243,49**
PARTICIPES DEL BIORRECICLAJE, S.A.	20.037,74	-	-	20.037,74
GESTION DE PARTICIPES DEL BIORRECICLAJE, S.A.	20.037,74	-	-	20.037,74
BIOMASAS DEL PIRINEO, S.A.	132.000,01	-	-	132.000,01
CULTIVOS ENERGETICOS DE CASTILLA, S.A.	132.030,06	-	-	132.030,06
VALDEMINGOMEZ 2000, S.A.	1.202.400,00	-	-	1.202.400,00
INTE RCD, S.L.	30.000,00	-	-	30.000,00
PARQUE EOLICO LA SOTONERA, S.L.	603.250,00	-	-	603.250,00
ALCOREC, S.L.	66.900,00	-	-	66.900,00
SERVICIO DE ESTACIONAMIENTO REGULADO	3.000,00	-	-	3.000,00
CONSORZIO STABILE VIS SOCIETA CONSORTILE PER AZIONI	-	3.000,00	-	3.000,00
Participaciones empresas Asociadas	**2.209.655,55**	**3.000,00**	**-**	**2.212.655,55**
PARTICIPES DEL BIORRECICLAJE, S.A.	(20.037,74)	-	-	(20.037,74)
GESTION DE PARTICIPES DEL BIORRECICLAJE, S.A.	(20.037,74)	-	-	(20.037,74)
COMPOST DEL PIRINEO, S.A.	(439.950,75)	(28.678,87)	-	(468.629,62)
GESTORA CANARIA DE LODOS Y DEPURADORA, S.A.	(18.877,54)	-	18.877,54	-
CULTIVOS ENERGETICOS DE CASTILLA, S.A.	(29.674,47)	(994,29)	-	(30.668,76)
BIOMASAS DEL PIRINEO, S.A.	(72.453,82)	(39,60)	-	(72.493,42)
BOREMER,S.A.	-	(1.089.468,57)	-	(1.089.468,57)
INTE RCD, S.L.	(29.266,79)	(16,61)	-	(29.283,40)
SERVICIO DE ESTACIONAMIENTO REGULADO	(3.000,00)	-	-	(3.000,00)
VALDEMINGOMEZ 2000,S.A.	-	(1.202.400,00)	-	(1.202.400,00)
SURGE AMBIENTAL, S.L.	(69.971,02)	-	69.971,02	-
Deterioro de valor de inversiones en empresas del Grupo, Multigrupo y Asociadas	**(703.269,87)**	**(2.321.597,94)**	**88.848,56**	**(2.936.019,25)**
CULTIVOS ENERGETICOS DE CASTILLA S.A.	(99.000,00)	-	-	(99.000,00)
GESTION E INFRAESTRUCTURA DE CANARIAS, S.A.	(12.393,00)	-	-	(12.393,00)
HIDROANDALUZA, S.A.	(0,60)	-	-	(0,60)
SECADO TERMICO DE CASTELLON, S.A.	(1.350.000,00)	-	-	(1.350.000,00)
Desembolsos pendientes en empresas del Grupo, Multigrupo y Asociadas	**(1.461.393,60)**	**-**	**-**	**(1.461.393,60)**
Valor neto participaciones en empresas del Grupo, Multigrupo y Asociadas	**7.481.635,57**	**(2.316.497,94)**	**3.848,56**	**5.168.986,19**
PARTICIPES DEL BIORRECICLAJE, S.A.	2.169.883,43	-	(807.975,16)	1.361.908,27
GESTION DE PARTICIPES DEL BIORRECICLAJE, S.A.	70.084,86	-	-	70.084,86
COMPOST DEL PIRINEO, S.A.	-	177.384,88	-	177.384,88
BOREMER, S.A.	4.091.957,29	-	-	4.091.957,29
TIO, RESIDUOS LA RIOJA, S.L.	6.637.157,89	-	(200.000,00)	6.237.157,89
ALCOREC, S.L.	5.083,39	-	(5.083,39)	-
SURGE AMBIENTAL, S.L.	422.889,21	18.109,89	-	440.999,10
Créditos a largo a empresas del Grupo, Multigrupo y Asociadas	**13.397.055,07**	**195.494,77**	**(1.013.058,55)**	**12.579.492,29**
TRACTEMENT METROPOLITA DE FANES, S.L.	428.980,62	-	-	428.980,62
ALCOREC, S.L.	9.916,61	6.242,74	-	16.159,35
Créditos a corto a empresas del Grupo, Multigrupo y Asociadas	**438.897,23**	**6.242,74**	**-**	**445.139,97**
Valor neto créditos a empresas del Grupo, Multigrupo y Asociadas	**13.835.952,30**	**201.737,51**	**(1.013.058,55)**	**13.024.632,26**

Los movimientos del ejercicio en los apartados de participaciones tanto en empresas de grupo como asociadas, son los siguientes:

- El 27 de enero de 2014 se inscribe en el Registro la liquidación de la sociedad Gestora Canaria de Lodos de depuradora, S.A.
- El 10 de julio de 2014 se constituye la sociedad Planta de Arraiz, S.L.
- El 29 de septiembre se adquiere a Valoriza Gestión parte de su participación en la sociedad Consorzio Stabile Vis Societa Consortile per Azioni.

Los créditos con empresas del grupo y asociadas se clasifican en la categoría de préstamos y partidas a cobrar, están valorados a coste amortizado y el tipo de interés aplicado durante 2014 es el euribor más el 4%, (euribor más el 4% en 2013).

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Balance sheet items / Classes	Debts to lending institutions	Derivatives and others	Total
	2014		
Non current financial liabilities:			
Long term debts:	80,877,312.70	10,919,999.88	91,797,312.58
- Debts to lending institutions	73,972.11	-	73,972,198.11
- Creditors for financial leases	6,905,114.59	-	6,905,114.59
- Derivatives	-	5,961,037.75	5,961,037.75
- Other financial liabilities	-	4,958,962.13	4,958,962.13
Total non current financial liabilities	**80,877,312.70**	**10,919,999.88**	**91,797,312.58**
Current financial liabilities			
Trade creditors and other accounts payable (*)	-	54,907,419.04	54,907,419.04
Short term debts	40,809,911.24	2,614,627.59	43,424,538.83
- Debts to lending institutions	36,531,659.19	-	36,531,659.19
- Financial lease creditors	4,278,252.05	-	4,278,252.05
- Derivatives	-	1,186,104.08	1,186,104.08
- Other financial liabilities	-	1,428,523.51	1,428,523.51
Total current financial liabilities	**40,809,911.24**	**57,522,046.63**	**98,331,957.87**
Total	**121,687,223.94**	**68,442,046.51**	**190,129,270.45**

(*) Excluding "Other debts to the Public Administrations".

The composition of the Financial Liabilities on 31st December 2015, excluding the debts with companies in the group detailed in notes 10 and 21, is as follows:

Categories / Classes	Debts to lending institutions	Derivatives and others	Total
	2015		
Long term financial liabilities:			
Debts and items payable	71,991,927.49	-	71,991,927.49
Derivatives	-	4,931,232.56	4,931,232.56
Other financial liabilities	-	5,390,029.65	5,390,029.65
Total long term financial liabilities	**71,991,927.49**	**10,321,262.21**	**82,313,189.70**
Short term financial liabilities:			
Debts and items payable	27,927,774.56	72,111,912.32	100,039,686.88
Derivatives	-	1,372,733.54	1,372,733.54
Other financial liabilities	-	1,024,204.44	1,024,204.44
Total short term financial liabilities	**27,927,774.56**	**74,508,850.30**	**102,436,624.86**
Total	**99,919,702.05**	**84,830,112.51**	**184,749,814.56**

TIMBRE DEL ESTADO
0,03 EUROS
TRES CÉNTIMOS DE EURO
0M7356263

Tanto la dotación de los deterioros como la reversión de los mismos, está formando parte del epígrafe 16, a "Deterioros y pérdidas" de la cuenta de pérdidas y ganancias.

Los movimientos de los créditos a largo plazo, más relevantes del ejercicio 2014 son:

CLASE 8.ª

- Devolución parcial del préstamo realizado a favor de Tratamientos de Residuos de la Rioja dentro de los 9.000.000,00 euros contratados, de los que aparecen dispuestos 6.237.157,89 euros (6.437.157,89 euros en 2013), estando la mayor parte destinado a inversión, con vencimiento a partir del año 2015 y un tipo de interés de euribor más 4% (euribor más 4% en 2013) debido a que el flujo de caja empieza a permitir la devolución del mismo.
- Devolución parcial del crédito por parte de Partícipes de Bioreciclaje, S.A. por 807.975,16 euros.
- Devolución total del préstamo que se tenía concedido a largo a Alcorec, S.L. por valor de 5.083,39 euros.
- Ampliación de aportación a Surge Ambiental,S.L. por valor de 18.109,89 euros.
- Concesión de un préstamo a Compost del Pirineo, S.A. por 184.026,25 euros con una duración de 5 años y un tipo de interés del 6% de los que a 31 de diciembre de 2014 se encontraban dispuestos 177.384,88 euros.

El detalle y los movimientos de las distintas partidas que componen este epígrafe a 31 de diciembre de 2015 son los siguientes:

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These amounts are broken down as follows in the balance sheet on 31st December 2015:

Balance sheet items / Classes	Debts to lending institutions	Derivatives and others	Total
	2015		
Non current financial liabilities:			
Long term debts:	**71,991,927.49**	**10,321,262.21**	**82,313,189.70**
- Debts to lending institutions	66,397,864.84	-	66,397,864.84
- Creditors for financial leases	5,594,062.65	-	5,594,062.65
- Derivatives	-	4,931,232.56	4,931,232.56
- Other financial liabilities	-	5,390,029.65	5,390,029.65
Total non current financial liabilities	**71,991,927.49**	**10,321,262.21**	**82,313,189.70**
Current financial liabilities			
Trade creditors and other accounts payable (*)	-	72,111,912.32	72,111,912.32
Short term debts	**27,927,774.56**	**2,396,937.98**	**30,324,712.54**
- Debts to lending institutions	24,115,104.78	-	24,115,104.78
- Financial lease creditors	3,812,669.78	-	3,812,669.78
- Derivatives	-	1,372,733.54	1,372,733.54
- Other financial liabilities	-	1,024,204.44	1,024.44
Total current financial liabilities	**27,927,774.56**	**74,508,850.30**	**102,436,624.86**
Total	**99,919,702.05**	**84,830,112.51**	**184,749,814.56**

(*) Excluding "Other debts to the Public Administrations".

- Debts and items payable

The detail of this heading on 31st December 2014 and 2015 is as follows:

	2015	2014
Debts and items payable:		
Long term:		
Debts to lending institutions	71,991,927.49	80,877,312.70
Total long term debts and items payable	**71,991,927.49**	**80,877,312.70**
Short term:		
Debts to lending institutions	27,927,774.56	40,809,911.24
Trade creditors	**72,111,912.32**	**54,907,419.04**
Providers	35,491,808.75	33,895,173.84
Group and associated company providers	4,358,681.56	4,263,150.37
Sundry creditors	11,762,190.55	7,953,051.84
Personnel (remunerations pending payment)	5,053,118.95	4,949,913.83
Client advances	15,446,112.51	3,846,129.16

TIMBRE DEL ESTADO
0,03 EUROS
TRES CÉNTIMOS DE EURO

	Saldo a 31/12/2014	Altas	Bajas	Saldo a 31/12/2015
BOREMER, S.A.	1.089.468,57	-	-	1.089.468,57
COMPOST DEL PIRINEO, S.A.	580.499,98	-	-	580.499,98
EUROCOMERCIAL, S.A.	454.375,42	-	-	454.375,42
GESTION E INFRAESTRUCTURA DE CANARIAS, S.A.	51.523,01	-	-	51.523,01
INICIATIVAS MEDIOAMBIENTALES DEL SUR, S.L.	20.000,00	-	-	20.000,00
INFOSER ESTACIONAMIENTO SRL	66.000,00	-	-	66.000,00
TRACTEMENT METROPOLITA DE FANES, S.L.	2.711.741,89	-	-	2.711.741,89
HIDROANDALUZA, S.A.	474.957,60	-	-	474.957,60
SURGE AMBIENTAL, S.L.	69.971,02	-	-	69.971,02
RESIDUOS CONSTR.CUENCA	30.100,00	-	-	30.100,00
SECADO TERMICO DE CASTELLON, S.A.	1.800.000,00	-	-	1.800.000,00
TTO. RESIDUOS LA RIOJA, S.L.	3.006,00	-	-	3.006,00
PLANTA DE TRATAMIENTO DE ARRAIZ,S.L.	2.100,00	-	-	2.100,00
VALORIZA SERVICIOS MEDIOAMBIENTALES BOLIVIA,S.A.	-	18.851,21	-	18.851,21
SACYR ENVIRONMENT USA LLC	-	2.960.652,28	-	2.960.652,28
VALORIZA ENVIRONMENT SERVICES PTY (AUSTRALIA)	-	1,00	-	1,00
Participaciones empresas del Grupo y Multigrupo	**7.353.743,69**	**2.979.504,49**	**-**	**10.333.247,18**
PARTICIPES DEL BIORRECICLAJE, S.A.	20.037,74	-	-	20.037,74
GESTION DE PARTICIPES DEL BIORRECICLAJE, S.A.	20.037,74	-	-	20.037,74
BIOMASAS DEL PIRINEO, S.A.	132.000,01	-	-	132.000,01
CULTIVOS ENERGETICOS DE CASTILLA, S.A.	132.030,06	-	-	132.030,06
VALDEMINGOMEZ 2000, S.A.	1.202.400,00	1.240.400,00	-	2.442.800,00
INTE RCD, S.L.	30.000,00	-	-	30.000,00
PARQUE EOLICO LA SOTONERA, S.L.	603.250,00	-	-	603.250,00
ALCOREC, S.L.	66.900,00	-	-	66.900,00
SERVICIO DE ESTACIONAMIENTO REGULADO	3.000,00	-	-	3.000,00
CONSORZIO STABILE VIS SOCIETA CONSORTILE PER AZIONI	3.000,00	9.000,00	-	12.000,00
Participaciones empresas Asociadas	**2.212.655,55**	**1.249.400,00**	**-**	**3.462.055,55**
PARTICIPES DEL BIORRECICLAJE, S.A.	(20.037,74)	-	-	(20.037,74)
GESTION DE PARTICIPES DEL BIORRECICLAJE, S.A.	(20.037,74)	-	-	(20.037,74)
COMPOST DEL PIRINEO, S.A.	(468.629,62)	(31.680,55)	-	(500.310,17)
CULTIVOS ENERGETICOS DE CASTILLA, S.A.	(30.668,76)	(989,84)	-	(31.658,60)
BIOMASAS DEL PIRINEO, S.A.	(72.493,42)	(43,49)	-	(72.536,91)
BOREMER,S.A.	(1.089.468,57)	-	-	(1.089.468,57)
INTE RCD, S.L.	(29.283,40)	-	-	(29.283,40)
SACYR ENVIRONMENT USA LLC	-	(898.879,71)	-	(898.879,71)
RESIDUOS CONSTR.CUENCA	-	(30.100,00)	-	(30.100,00)
SERVICIO DE ESTACIONAMIENTO REGULADO	(3.000,00)	-	-	(3.000,00)
VALDEMINGOMEZ 2000,S.A.	(1.202.400,00)	(1.210.688,75)	-	(2.413.088,75)
Deterioro de valor de inversiones en empresas del Grupo, Multigrupo y Asociadas	**(2.936.019,26)**	**(2.172.382,34)**	**-**	**(5.108.401,59)**
CULTIVOS ENERGETICOS DE CASTILLA S.A.	(99.000,00)	-	-	(99.000,00)
GESTION E INFRAESTRUCTURA DE CANARIAS, S.A.	(12.393,00)	-	-	(12.393,00)
VALDEMINGOMEZ 2000,S.A.	-	(930.300,00)	-	(930.300,00)
HIDROANDALUZA, S.A.	(0,60)	-	-	(0,60)
SECADO TERMICO DE CASTELLON, S.A.	(1.350.000,00)	-	-	(1.350.000,00)
Desembolsos pendientes en empresas del Grupo, Multigrupo y Asociadas	**(1.461.393,60)**	**(930.300,00)**	**-**	**(2.391.693,60)**
Valor neto participaciones en empresas del Grupo, Multigrupo y Asociadas	5.168.986,19	1.126.222,15	-	6.295.208,34
PARTICIPES DEL BIORRECICLAJE, S.A.	1.361.908,27	-	-	1.361.908,27
GESTION DE PARTICIPES DEL BIORRECICLAJE, S.A.	70.084,86	-	-	70.084,86
COMPOST DEL PIRINEO, S.A.	177.384,88	34.053,59	-	211.438,47
BOREMER, S.A.	4.091.957,29	120.000,00	-	4.211.957,29
SURGE AMBIENTAL, S.L.	440.999,10	49.175,40	-	490.174,50
TTO. RESIDUOS LA RIOJA, S.L.	6.237.157,89	178.570,58	-	6.415.728,47
Créditos a largo a empresas del Grupo, Multigrupo y Asociadas	**12.379.492,29**	**381.799,67**	**-**	**12.761.291,86**
TRACTEMENT METROPOLITA DE FANES, S.L.	428.980,62	-	(428.980,62)	-
ALCOREC, S.L.	16.159,35	-	-	16.159,35
Créditos a corto a empresas del Grupo, Multigrupo y Asociadas	**445.139,97**	**-**	**(428.980,62)**	**16.159,35**
Valor neto créditos a empresas del Grupo, Multigrupo y Asociadas	12.824.632,26	381.799,67	(428.980,62)	12.777.451,21

Los movimientos del ejercicio en los apartados de participaciones tanto en empresas de grupo como asociadas, son los siguientes:

- El 27 de enero de 2015 se constituye Valoriza Environment Services en Australia.
- El 20 de febrero de 2015 se constituye con Sacyr Industrial, S.A.U. la sociedad Valoriza Servicios Medioambientales Bolivia S.A.
- El 23 de marzo de 2015 se decide una "operación acordeón" de disminución y aumento de capital en Valdemingomez 2000.
- El 1 de julio de 2015 se constituye la sociedad Sacyr Environment USA Llc. en Estados Unidos.

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Total short term debts and items payable	100,039,686.88	95,717,330.28
Total	172,031,614.37	176,594,642.98

Information on the average period for payment to providers. Additional provision three, "Duty of information" of Act 15/2010, of 5th July

According to the terms established in the sole additional provision of Resolution of 29th January 2016, by the Institute for Accounting and Accounts Auditing, on the information to be included in the report on the annual accounts in relation to the average period of payment to providers in trade operations, comparative information is not presented, as the annual accounts for financial year 2015 are classified as initial to these exclusive purposes with regard to application of the principle of uniformity, and the requisite of comparability.

Average period of payment to providers (not public administrations)	
	Days
Average period of payment to providers	59.22
Ratio of operations paid	57.406
Ratio of operations pending payment	82.08
	Amount (euros)
Total payments made	41,482,088.61
Total payments pending	3,285,405.78

These amounts do not include payments made to group and associated company providers, the providers of fixed assets or financial leasing creditors. To see the transactions and balances pending with group and associated companies at the end of financial years 2014 and 2015, see notes 10 and 21.

- Debts to credit institutions

The main debts to credit institutions may be broken down in three headings: loans and credit policies amounting to 88,921,935.59 euros, (107,649,711.31 euros in 2014), leasing financing amounting to 9,406,732.43 euros, (11,183,366.64 euros in 2014) and bill discounting lines or factoring with recourse amounting to 1,591,034.03 euros (2,854,145.99 euros in 2014).

Of these three items, consortia provide the figure of loans and credit policies 60,430,157.49 euros, (65,579,785.59 euros in 2014) and the leasing figure 3,978,104.94 euros (4,363,576.76 euros in 2014), and 1,591,034.03 euros in discount lines, (0.00 in 2014).

The face value of the main debts with lending institutions at the end of financial years 2014 and 2015 is as follows:

TIMBRE DEL ESTADO
0,03 EUROS
CLASE 8.ª

- El 20 de octubre se desembolsa a Valoriza Gestión S.A.U. la parte que faltaba por la compra de su participación en la sociedad Consorzio Stabile Vis Societa Consortile per Azioni.

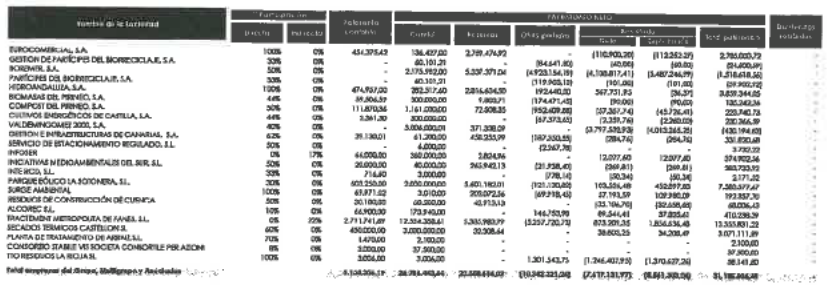
Los créditos con empresas del grupo y asociadas se registran en la categoría de préstamos y partidas a cobrar, están valorados a coste amortizado y el tipo de interés aplicado durante 2015 es el euribor más el 4% (euribor más el 4% en 2014).

Tanto la dotación de los deterioros como la reversión de los mismos, está formando parte del epígrafe 16, a "Deterioros y pérdidas" de la cuenta de pérdidas y ganancias.

Los movimientos de los créditos a corto plazo, más relevantes del ejercicio 2015 son:

- Devolución del préstamo realizado a favor de Tractament Metropolità de Fangs por parte de la UTE Tramfang por 428.980,62 euros.

El detalle de las participaciones en empresas del grupo, multigrupo y asociadas al cierre del ejercicio 2014 es el siguiente:



ALTAS DEL PERIODO

Las altas del ejercicio 2014 en este epígrafe corresponden al siguiente detalle:

- VSM, S.A. y C Campezo,S.A. constituyen la sociedad Planta Arraiz, S.L. con unos porcentajes de participación del 70,00% y 30,00% respectivamente.
- VSM,S.A. adquiere a Valoriza Gestión, S.A.U. el 8% de la sociedad Consorzio Stabile Vis Societa Consortile per Azioni, sociedad establecida en Italia (Torino).

BAJAS DEL PERIODO

La baja del ejercicio 2014 en este epígrafe corresponde al siguiente detalle:

- VSM, S.A. y un socio minoritario deciden disolver la sociedad que mantienen al 85,00% y al 15.00% respectivamente denominada Gestora Canaria de Lodos de Depuradora, S.A. Dicha operación conlleva unos gastos de 1.937,07 euros reflejados en la cuenta de pérdidas y ganancias dentro del capítulo de Resultados por enajenaciones y otros.

El detalle de las participaciones en empresas del grupo, multigrupo y asociadas al cierre del ejercicio 2015 es el siguiente:

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	AMOUNTS (in thousands of euros)	
Maturity date	**Balance on 31/12/2015**	**Balance on 31/12/2014**
30/06/2016	2,629	1,969
31/07/2016	1	2,991
30/10/2016	1	4,140
20/12/2016	20	4,847
OTHERS and CONSORTIA	-	11
Credit accounts	**2,651**	**13,958**
20/11/2016	10,000	10,000
22/11/2016	630	1,260
30/11/2016	192	393
19/02/2018	901	-
19/02/2018	576	-
29/07/2019	1,812	2,000
31/10/2019	544	673
01/01/2020	4,503	5,449
31/01/2020	1,342	1,655
10/02/2020	5,591	6,775
OTROS y UTES	62,021	65,486
Loans	**88,112**	**93,691**
31/07/2015	-	2,854
Factoring	-	**2,854**
Total	**90,763**	**110,503**

There is a loan agreement with a mortgage guarantee signed with the BBVA with the collateral of the office, warehouse and workshop building in Vicálvaro, that on 31st December 2015 had a capital pending of 543,708.79 euros (672,990.72 euros in 2014).

On 7th January 2010, a loan agreement was signed of 3,049,978.29 euros with Banco Pastor with maturity on 31st January 2020 and, to guarantee it, collection rights with the Local Government of San Fernando de Henares, up to a value of 4,000,000 euros. On 31st December 2015, there is a capital pending of 1,342,302.68 euros (1,655,519.15 euros in 2014).

On 18th December 2012, a loan agreement was signed for 7,000,000.00 euros with La Caixa, with maturity date on 1st January 2020. On 31st December 2015, there was a capital pending of 4,503,471.35 euros (5,449,452.43 euros in 2014).

TIMBRE DEL ESTADO
0,03 EUROS
TRES CÉNTIMOS
CLASE 8.ª
0M7356260



ALTAS DEL PERIODO

Las altas del ejercicio 2015 en este epígrafe corresponden al siguiente detalle:

- VSM, S.A. constituye Valoriza Environment Services en Australia con el 100% de las acciones.
- VSM, S.A. constituye con Sacyr Industrial S.A.U la sociedad Valoriza Servicios Medioambientales Bolivia, con un 70% y un 30% respectivamente.
- VSM, S.A. disminuye y aumenta el capital en Valdemingomez 2000 por su 40%.
- La Sociedad constituye Sacyr Environment USA Llc. en Estados Unidos con el 100% de acciones.
- Se desembolsa a Valoriza Gestión S.A.U la parte que faltaba por la compra de su participación en la sociedad Consorzio Stabile Vis Societa Consortile per Azioni.

Los créditos con empresas del grupo y asociadas se clasifican en la categoría de préstamos y partidas a cobrar, están valorados a coste amortizado y el tipo de interés aplicado en 2014 y 2015 es el euribor más el 4 %.

De acuerdo con las exigencias del artículo 155 de la Ley de Sociedades de Capital, la Sociedad ha cumplido con el requisito de notificar a las sociedades sobre las que había tomado una participación superior al 10%, y si ya poseía esta participación, ha comunicado las adquisiciones adicionales o ventas superiores al 10%.

Ninguna de las Sociedades de las que se tiene participación cotiza en bolsa.

Las cuentas anuales de las Sociedades más significativas de las que VSM, S.A. participa están auditadas por los siguientes auditores externos:

Valdemingomez 2000 S.A.	Deloitte
Tractement Metropolita de Fangs, S.L.	Deloitte
Boremer, S.A.	Deloitte
Parque Eólico La Sotonera, S.A.	KPMG
Tratamientos de Residuos de La Rioja, S.A.	Ernst & Young

El detalle de las actividades y domicilios de las empresas del grupo y asociadas es el siguiente:

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On 27th September 2013, an ICO loan agreement of 10,000,000 euros was signed with Bankia, maturity date on 10th October 2014. During 2014, that loan was cancelled and a new one signed with maturity date on 20th November 2015. During 2015, that loan was cancelled and a new one signed with maturity date on 20th November 2016. On 31st December 2014 and 2015, the capital pending was 10,000,000 euros.

On 22nd November 2013, a loan agreement was signed of 1,890,000 euros with Caja Rural de Granada (Caja Rural Group) with maturity on 22nd November 2016. On 31st December 2015, the capital pending was 630,000 euros (1,260,000 euros in 2014).

On 29th November 2013, a loan agreement was signed of 600,000 euros with Ibercaja, with maturity on 30th November 2016. On 31st December 2015, the capital pending was 191,982.97 euros (392,598.12 euros in 2014).

On 29th July 2014, a loan agreement was signed of 2.000.000 euros with Cajamar with maturity on 29th July 2019. On 31st December 2015, the capital pending was 1,811,730.13 euros (2,000,000 euros in 2014).

On 17th February 2015, a loan agreement was signed of 576,000 euros with Caja España with maturity on 19th February 2018. On 31st December 2015, the capital pending was 576,000 euros.

On 17th February 2015, a loan agreement was signed of 1,224,000 euros with Caja España with maturity on 19th February 2018. On 31st December 2015, the capital pending was 900,546.36 euros.

The face value of the debts with landing institutions of the main consortia at the end of financial years 2015 and 2014 and in thousands of euros are as follows:

	Amount pending payment on 31st December 2015	Amount pending payment on 31st December 2014
BUTARQUE	-	1,049
HORNILLOS	49,710	52,350
ILNET	144	314
RES. MARESME	4,284	4,754
ORIHUELA	198	569
REMAINDER	13	217
LONG TERM CREDIT CONSORTIA	54,349	59,253
BUTARQUE	2,029	980
RSU SUFI-COINTER	-	438
BADAJOZ SUR	37	7
HORNILLOS	2,640	2,318
ILNET	1,601	1,725
PLASENCIA	449	206
RES. MARESME	470	470
REMAINDER	361	172
SHORT TERM CREDIT CONSORTIA	7,587	6,316
TOTAL CREDIT CONSORTIA	61,936	65,569

The interest accrued and not paid included under the heading "Short term debts to lending institutions" at the end of financial years 2015 and 2014 amount to 192,837.87 euros and 216,630.95 euros respectively.

TIMBRE DEL ESTADO
0,03 EUROS
CLASE 8.ª
0M7356259

Nombre Sociedad	Objeto Social	Domicilio Social
Gestión Partícipes del Biorreciclaje S.A	Actividades relacionadas con la gestión y tratamiento de RSU	Ctra. Puerto Real a Paterna, Medina Sidonia. Cádiz. España
Compost del Pirineo S.L.	Promoción de proyectos de compostaje de biomasa	C/San Bartolomé nº11. Alcalá de Gurrea. Huesca. España
Metrotranga S.L.		C/ Pin s/n Barcelona
Ravemor S.A.	Contratación y gestión de servicios de saneamiento y limpieza de obras	C/Príncipe de Vergara nº135. Madrid. España.
Biomasas del Pirineo S.A.	Promoción del aprovechamiento energético de biomasas	C/San Bartolomé nº11. Alcalá de Gurrea. Huesca. España
Valdemingómez 2000,S.A.	Proyecto de desgasificación del vertedero de Valdemingómez	C/Génova 6. Madrid. España.
Cultivos Energéticos de Castilla S.A.	Promoción del aprovechamiento energético de biomasas	Avda. del Cid Campeador nº4. Burgos. España
Inbiser Estacionamiento Regulado, A.I.E.	Servicios auxiliares al control y estacionamiento regulado de vías públicas de Madrid	C/ Manuel Silvela 8. Madrid. España.
Parque Eólico la Sotonera, S.L.	Producción de energías renovables.	Paz.Antonio Beltran Martinez, 1 Zaragoza. España.
Gestión de Infoest Canarias S.A.	Realización de estudios, obras y proyectos	Pza de José Arozena Paredes Sta Cruz de Tenerife
Partícipes del Biorreciclaje S.A.	Gestión de los residuos	C/Federico Salmón nº8 Madrid. España.
Iniciativas Medioambientales del Sur S.L.	Limpieza viaria, recogida, transporte y tratamiento de residuos, depuración de aguas...	Ctra.Cadiz-Pto.Real Km13 Jerez de la Frontera, Cádiz. España
Inia RCD, S.L.	Promoción, desarrollo de nuevos de construcción y demolición.	C/América Vespucio, 69 Sevilla. España
Eurocomercial S.A.U.	Proyectos para Ing., consult. o asesor. e import.y export.de ptos para su depósito y venta	C/Juan Esplandiu, 11-13 Planta 13, 28007 Madrid. España
Residuos de Construcción de Cuenca	Gestión de los residuos de construcción y demolición en el ámbito de la Provincia de Cuenca	C/Federico Salmón nº8 Madrid. España.
Hidroandalucía, S.A.U.	Compra venta de equipos informáticos	C/Arjona, 19; 1ºc; Sevilla España.
Alcaref, S.L.	Gestión de los residuos de construcción y demolición en el ámbito de la Mancomunidad de Alcores	Av.Kansas City E D Sevilla; 41007 Sevilla España
Surge Ambiental, S.L.	Gestión de los residuos de construcción y demolición en el ámbito de la Comunidad de Madrid	C/Juan Esplandiu, 11-13 Planta 13, 28007 Madrid. España
Servicio de Estacionamiento Regulado,S.L.	Servicios relacionados con aparcamientos, retirada de vehículos, estudios de tráfico y transporte público.	C/ Manuel Silvela 8. Madrid. España.
TRATAMIENTO RESIDUOS LA RIOJA S.L.	Explotación y mantenimiento del Centro de Tratamiento de Residuos del Ecoparque de la Rioja	La Raid de Varea s/n Villamediana de Iregua.La Rioja.España
SECADO TERMICO DE CASTELLON,S.A.	Estudio, proyecto, construcción y explotación de la Planta	C/Farnesio, 5. Burriana. Castellón.España.
WASTE RESOURCES,S.L.	Prestación de servicios relacionados con el medio ambiente.	Carretera de Villalonso a O'Donnel nº7 28032 Madrid.España.
PLANTA DE TRATAMIENTO DE ARRAIZ,S.L.	Estudio, proyecto, construcción y explotación de la Planta	Calle Ekaso, 9 Bilbao. Vizcaya.España
CONSORZIO STABILE VIS SOCIETA CONSORTILE PER AZIONI	Estudios, construcción y prestación de servicios relacionados con el medio ambiente en Italia	Via Invorio, 24 Torino. Italia.
VALORIZA SERVICIOS MEDIOAMBIENTALES BOLIVIA S.A.	Construcción de una planta cementera en la localidad Boliviana de Oruro	Santa Cruz de la Sierra, Departamento de Santa Cruz, Bolivia
SACYR ENVIRONMENT USA LLC	Estudios, construcción y prestación de servicios relacionados con el medio ambiente en Estados Unidos	2711 Centerville Road, Wilmington, Delaware
VALORIZA ENVIRONMENT SERVICES PTY (AUSTRALIA)	Estudios, construcción y prestación de servicios relacionados con el medio ambiente en Australia	216 Adelaida Terrace, Perth, Western Australia
PLATAFORMA INTEGRAL DE MOVILIDAD AIE	Servicios auxiliares al control y estacionamiento regulado de vías públicas de Madrid	Calle Covarrubias nº1 Bajo Derecha, 28010 Madrid

En referencia a la participación en Tractament Metropolità de Fangs, existen garantías otorgadas a entidades financieras que se encuentran explicadas en detalle en la Nota 15,c.

11. Negocios conjuntos

El detalle a 31 de diciembre de 2014 de las explotaciones significativas controladas conjuntamente, en las que la Sociedad participa a través de uniones temporales de empresas, es el siguiente:

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On 10th May 2006, UTE Hornillos signed a loan contract with a series of financial institutions, headed by the Banco Español de Crédito, operating as an agent, of 75 million euros for 100% of the consortium. In 2009, there was a renewal in the long term loan agreement to finance the installations of the waste processing plant to be built by UTE Los Hornillos, the maximum amount available being raised to 96 million euros. On 13th December 2010, this loan was increased by 23.4 million euros, also 100% of the Consortium. On 31st December 2015, the capital pending amortization of the stake in VSM, S.A. (50%) is 52,350,293.35 euros (54,667,946.70 euros in 2014). The expiry date of the agreement is 15th December 2025. The companies that form this consortium granted a mortgage, as specific renewal guarantee, in favour of the creditor banks providing the syndicated loan - senior loan for a total amount of 89,602,999.65 euros (at the percentage held by VSM) on the assets related to the construction project, as well as the pledge rights on the loans arising from the project contracts and assigning creditors as beneficiaries of insurance contracts subscribed by the Consortium with third parties in the future.

Repayment of the loan is performed in 32 growing semester quota as of 15th June 2012. According to the coverage ratio figure to service the debt on an annual basis, the interest rate will be Euribor increased by 2.75 to 3.5, using the latter margin if the consortium does not have the ratio. On 31st December 2015, the coverage ratio to service the debt has a value of 1.50 (1.51 in 2014), with a higher value than that required (1.40).

On 20th September 2001, UTE Secado Térmico Butarque signed a loan agreement with the Instituto de Crédito Oficial and Dexia Sabadell Banco Local, for a maximum amount of 15,626,314.70 euros. The capital pending repayment on 31st December 2015 at the percentage of VSM, S.A. is 2,029,776.98 euros (2,029,076.98 euros in 2014), assigned to financing the necessary investments and expenses for construction and start-up of the infrastructures to manage the sludge treatment service at the Butarque Waste Water Treatment Plant. The loan matures on 20th December 2016. The loan contract establishes a series of limitations to provision of the consortium assets for dividend distribution, as well as the demand to fulfil other conditions whose breach may cause early maturity of the loan, such as the coverage ratio being lower than 1.1 for three consecutive financial years.

In 2012, it fulfilled the ratio with a figure of 2.56; in 2013, it provided a figure of 0.88 (so it did not fulfil the necessary value of 1.25); in 2014, the ratio was 2.81 and in 2015 -1.00. According to the conditions of the financing contract mentioned above, in the case of the DSCR being lower than 1.25 times in any financial year, an amount must be repaid in advance equivalent to the lower figure between the surplus free Cash-Flow and an equivalent surplus and an equivalent amount to the amount required for new calculation of the DSCR is equal to 1.25 times.

On 8th July 2009, UTE Maresme signed a loan agreement with Caixa for a maximum amount of 15,000,000.00 euros. The capital pending repayment on 31st December 2015, at a percentage of VSM, S.A. (that went during 2014 from 40% to 46.9%) is 4,744,739.65 euros (5,213,739.65 euros in 2014), assigned to finance the necessary investments and expenses for construction and start-up of the infrastructures. This loan matures 1st April 2016.

On 1st February 2008, UTE Cointer signed a loan agreement with La Caixa for a maximum amount of 600,000.00 euros,. The capital pending repayment on 31st December 2015 at percentage of VSM, S.A. is 0.00 euros, (0.00 euros in 2014), assigned to finance conditioning a building.

On 29th November 2010, UTE Cointer signed an ICO loan agreement with La Caixa FOR A MAXIMUM Amount OF 2,500,000.00 euros. The capital pending repayment on 31st December 2015 at percentage of VSM, S.A. is 0.00 euros, (437,801.97 euros in 2014), in order to finance various investments. The loan matured on 28th November 2015 .

On 21st March 2006, UTE Ilnet signed an initial loan agreement with Caixa Cataluña that was progressively increased on subsequent dates to the sum of 5,300,000.00 euros. The capital pending repayment on 31st

TIMBRE DEL ESTADO 0,03 EUROS TRES CÉNTIMOS DE EURO CLASE 8.ª

UTES	Participación	[illegible]	[illegible]	Actividad
SUFI - OMICRÓN - SORDNER (UTE SUR)	50%	1.502,98	3.005,06	Construcción de una planta de secado térmico de lodos en la zona sur de Madrid
TRAMVANG	27%	1.442,73	6.212,12	Construcción de planta y explotación de fangos en Sant Adrià del Besòs-Barcelona
C.B.C.	33%	[illegible]	34.060,75	Construcción planta tratamiento de Residuos (Cádiz)
UTE MAJADAHONDA (SUFI-FCC)	50%	0,00	Pendiente	Prestación de limpieza viaria, recogida y transporte de residuos sólidos urbanos de Majadahonda
UTE BOADILLA	50%	0,00	En liquidación	Recogida de residuos, recogida selectiva, limpieza viaria y transporte a la planta de Boadilla del Monte
SUFI - URBASER - VERTRESA (LA PALOMA)	38%	[illegible]	[illegible]	Gestión del servicio público para la explotación y remodelación del centro de tratamiento de residuos sólidos del distrito de la Paloma (Madrid)
SUFI - TECONSA (C.T.R. SALAMANCA)	60%	400,00	1.000,00	Gestión del centro de tratamiento de residuos urbanos para su gestión en los municipios de la provincia de Salamanca
SUFI - J.A. ROMERO POLO (UTE SIERRA LARGA)	40%	2.400,00	6.000,00	Ejecución del depósito controlado de Sierralarga con establecimiento de un sistema de tratamiento de gases
UTE LOS HORNILLOS	50%	300,00	1.000,00	Proyecto de gestión de la instalación 1, incluido en el plan zonal de residuos de las zonas II y VIII (área de gestión I) y su adjudicación concesional
UTE EDAR CARIÑO (SUFI Y CRC, OBRAS Y SERVICIOS)	55%	1.650,00	3.000,00	Redacción del proyecto y explotación de colectores generales y estación depuradora de aguas residuales de Cariño (A Coruña)
UTE RCD GARDELEGUI 2003 (SUFI - ESCOR - LAMAIDE)	50%	1.500,00	3.000,00	Redacción del proyecto, construcción y concesión de la explotación de una planta de tratamiento de residuos de demolición en Vitoria
UTE HORNILLOS - OBRA	50%	3.000,00	6.000,00	La ejecución de las obras contempladas en el "Proyecto de actividad y de construcción de la instalación 1, incluido en el plan zonal de residuos de las zonas II y VIII (área de gestión I)" el cual se desarrolla en el marco del "Proyecto de gestión de la
UTE ILNET (SUFI - ROMERO POLO)	40%	12.000,00	30.000,00	Concesión de los servicios municipales de limpieza viaria y de recogida y transporte de las diversas fracciones de los residuos urbanos y otros servicios complementarios en la ciudad de Lleida
UTE COMPLEJO AMBIENTAL EL MAJANO (SUFI - SATOCÁN)	50%	3.000,00	6.000,00	Redacción del proyecto, ejecución de las obras y las instalaciones, así como la puesta en marcha de la urbanización e infraestructuras de residuos en el complejo ambiental de El Majano (Isla de El Hierro)
UTE GUADALPÍN	35%	2.100,00	6.000,00	Ejecución obras de reposición 1ª, tubería tramo vía Arroyo Guadalpín
UTE FAUNA BARAJAS	60%	3.600,00	6.000,00	Redacción proyecto ejecución de obras del centro de recuperación de fauna de medidas compensatorias asociadas al aeropuerto de Madrid Barajas
UTE SUFI - COINTER	70%	8.400,00	12.000,00	Prestación del servicio de limpieza viaria y recogida de residuos sólidos urbanos del término municipal de Cádiz
UTE BIOMETANIZACIÓN LA PALOMA	36%	2.163,60	6.009,99	Redacción, proyecto, construcción y puesta en marcha de una planta de biometanización de residuos urbanos y una planta de tratamiento de biogas para su uso como combustible en autobuses de transporte público en la planta de La Paloma
UTE SUFI - COINTER JARDINES	70%	8.400,00	12.000,00	Servicio de conservación y mantenimiento de zonas verdes y limpieza de parques y jardines, zonas verdes y demás espacios públicos de Cádiz
UTE TEM	40%	42.000,00	100.000,00	Ampliación, adecuación y explotación del centro integral de Valorización de Residuos del Maresme
CENTRE INTEGRAL DE VALORITZACIÓ DE RESIDUS DEL MARESME UTE	40%	4.000,00	10.000,00	Ejecución de las obras de construcción para la ampliación y adecuación del Centro Integral de Valorización de Residuos del Maresme
UTE GARAJE	60%	3.600,00	6.000,00	Contrato de servicio de retirada de vehículos de las vías públicas y gestión integral del depósito municipal
UTE URGEINET	50%	15.000,00	30.000,00	"Servicio de recogida, transporte y tratamiento de R.S.U. y servicio de limpieza viaria en el territorio servido por la Mancomunitat d' Escombraries de l'Urgellet"
UTE EDAR AJORÍN	50%	3.000,00	6.000,00	Redacción del proyecto, ejecución de las obras y realización de las pruebas de funcionamiento y recepción de los colectores y estaciones depuradoras de Aguas Residuales.
PAVIMENTOS GUADALAJARA	60%	3.600,00	3.000,00	Servicio de reparación conservación y reforma de los pavimentos de Guadalajara.
UTE PLANTA DE ARICO	50%	3.000,00	6.000,00	Redacción de los proyectos, ejecución de las obras y puesta en marcha de una planta de compostaje.
DEPOSITVO ALTO URGEL	36%	10.800,00	30.000,00	CONSTRUCCIÓN LLAVES EN MANOS Y LA EXPLOTACIÓN DE UN SISTEMA DE TRATAMIENTO DE LIXIVIADOS EN MONTFERRER Y CASTELLBÓ.
UTE LA PALOMA BIO	36%	2.160,00	6.000,00	Gestión del servicio público para la explotación y venta de una planta de depuración de gas en la Planta La Paloma en el Parque Valdemingómez.
UTE CONTENEDORS SOTERRATS LLEIDA	50%	3.000,00	6.000,00	Instalación de islas de contenedores en la zona de Lleida.
UTE SECADO TÉRMICO LOECHES	50%	3.000,00	6.000,00	Ejecución del contrato de Servicios de Gestión Indirecta para la explotación de la Planta de Compostaje y secado térmico con cogeneración de Loeches
UTE JARDINES PERIFERIA	70%	700,00	1.000,00	Conservación y Mantenimiento de Espacios Naturales Municipales, Forestales y Zonas Verdes Periurbanas
UTE DIGESTIÓN ANAEROBIA LA PALOMA	38%	2.280,00	6.000,00	Gestión de servicios públicos (modalidad concesión) para la explotación de dos plantas de biometanización y para la explotación de una planta de tratamiento de biogas de biometanización para la valorización y comercialización del mismo en el parque tecnológico de Valdemingómez.
UTE JARDINES CENTRO SEVILLA	50%	6.000,00	12.000,00	Serv. De conservación y mantenimiento de zonas verdes y arbolado viario de la ciudad de Sevilla, Distrito Centro, Triana, Los Remedios y Macarena, así como todas aquellas accesorias y/o complementarias relacionadas con el objeto anterior que pudieran ser requeridas por el organismo contratante.
SUFI - ESTEX APARC	50%	3.000,00	6.000,00	Prestación de servicio público de estacionamientos regulados en las vías públicas de Madrid
SUFI - VERMEER (CALANDRIAS)	50%	800,00	1.000,00	Servicios de explotación, mantenimiento y conservación de la planta de compostaje y reciclaje "Las Calandrias"
UTE PILAS (VVO MEDIOAMBIENTE, S.L. - SUFI, S.A.)	50%	1.000,00	2.000,00	Gestión de pilas usadas Canarias 2004-2005
UTE PRADOLUENGO (SUFI SA - TERTOON SA)	50%	3.000,00	6.000,00	Ejecución de las obras de Pradoluengo en Burgos
UTE SALTO DEL NEGRO	60%	3.600,00	6.000,00	Redacción proyecto ejecución obras y puesta en marcha de las instalaciones correspondientes a la 2ª fase de la planta de biometanización y la 2ª fase de la planta de clasificación "todo uno" el complejo ambiental del Salto del Negro
UTE TALARRUBIAS	50%	3.005,00	6.010,00	Explotación de la zona de gestión número 7 de Talarrubias (Badajoz).
UTE SUFI - HIDEYET ZONA VI PARQUÍMETROS	60%	1.800,00	3.000,00	Prestación del servicio de gestión del servicio público de estacionamiento regulado en las vías públicas de Madrid (Lote 3 - Zona VI)
SUFI - CADAGUA - FERROVIAL M.A - OHL (SECADO TÉRMICO BUTARQUE)	70%	4.207,08	6.010,12	Construcción y explotación de una planta de secado térmico de lodos en la Estación Regeneradora de Aguas Residuales Butarque.
UTE CONSERVACIÓN MANZANARES (SUFI-MES)	50%	0,00	En liquidación	Servicio de mantenimiento, conservación y explotación del río Manzanares en el término municipal de Madrid.

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December 2015 at percentage of VSM, S.A. is 157,174.64 euros (313,484.37 euros in 2014), assigned to finance various investments. The loan matures on 31st March 2016.

On 4th March 2011, the Company along with Valoriza Gestión, S.A.U., Hidroandaluza, S.A. and with Sacyr Vallehermoso, S.A. (now Sacyr, S.A.) as guarantor, signed an agreement with the bank Dexia for assignment of 48% of the credit rights arising from the contract for maintenance of Underground Bins for the Local Government of Torrejón de Ardoz, for an amount of 9,613,604.00 euros. The capital pending repayment on 31st December 2015, is 6,319,527.84 euros (6,774,877.73 euros in 2014). That loan assignment matures on 4th March 2020 and accrues interest at a rate of 3.2%. On 23rd December 2011, the Company signed an addendum to the contract, granting the power to pay the credit rights assigned.

The balances of debts with lending institutions only show the part drawn. At the end of 2015, the Company has available lines of credit, the undrawn part of which amounts to 14,549 thousand euros (6,727 thousand euros in 2014).

- **Commercial creditors and other accounts payable**

The detail of this heading on 31st December 2014 and 2015, in thousands of euros, for the Consortia, is as follows:

2014	UTE TMB ARRAIZ	UTE ORIHUELA	UTE TEM	UTE LA PALOMA	UTE HORNILLOS	OTHER CONSORTIA	TOTAL
Providers	2,071	3,208	3,969	1,374	1,116	9,538	21,276
Personnel	54	184	44	11	257	1,503	2,053
Sundry creditors	66	-	-	-	144	1,229	1,439
Total	2,191	3,392	4,013	1,385	1,517	12,270	24,768

2015	UTE TEM	UTE ARRAIZ	UTE HORNILLOS	UTE GUADALAJARA	UTE LA PALOMA	OTHER CONSORTIA	TOTAL
Providers	5,142	1,638	1,167	1,046	735	11,549	21,277
Personnel	41	131	263	112	18	1,427	1,992
Sundry creditors	-	208	179	521	-	3,103	4,011
Total	5,183	1,977	1,609	1,679	753	16,079	27,280

- Other Financial Liabilities

The detail of this heading on 31st December 2014 and 2015 is as follows:

	2015	2014
Long term:		
Deposits received and advance collection for leases	6,000.00	72,458.94
Other long term debts	879,545.63	950,793.72
Reimbursable subventions	4,504,484.02	3,935,709.47
Total long term	**5,390,029.65**	**4,958,962.13**

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0,03 EUROS
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OM7356257

UTE	Participación			Actividad
UTE SUR - RAYET	50%			
UTE ARAJAS	75%	4.207,00	15.000,00	Servicio de jardinería municipal del término La Línea de la Concepción
		4.800,00	4.800,00	Construcción de la planta de compostaje en Abrojos y línea de suministro eléctrico
UTE DEPURADORAS ALCALÁ OESTE (SUR - SACYR) LOS TERCIARIOS	80%			Construcción de las obras del proyecto de construcción de las hidrometros para la recuperación en las [illegible]
UTE PARQUE FORESTAL VALDELARENDO	50%			[illegible]
UTE SUR-SARAJAL	100%			Explotación de los servicios englobados en el servicio de [illegible]
UTE [illegible]	100%	6.000,00	6.000,00	Recogida de residuos domiciliarios, limpieza y desinfección de contenedores y recogida de voluminosos, mediante la instalación de puntos limpios de los municipios de la Mancomunidad de la Sierra del Seguro
UTE LIMPIEZA CALDES	50%	1.650,00	3.300,00	Servicio de limpieza viaria y de los equipamientos municipales del Ayuntamiento de Caldes de Montbui
UTE EDIFICIOS MORALEJAS	80%	3.400,00	3.000,00	Gestión integral de los Servicios Complementarios de los edificios adscritos al Distrito de Moratalaz.
UTE CONTENEDORES POZUELO	50%	300,00	600,00	Suministro, alquiler e instalación de contenedores soterrados de residuos sólidos urbanos.
UTE POLIDEPORTIVO F. J. CASTILLEJO (SUR, S. A. – [illegible])	50%	1.200,00	3.000,00	Diversos servicios en el polideportivo municipal F.J. CASTILLEJO DE PARLA
UTE JARDINES GUADALAJARA	50%	10.000,00	20.000,00	Servicio de jardinería municipal del término de Guadalajara.
UTE ORENSELA CAPITAL DE LA VIDA BAJA (SUR, S.A. - GOSANCAR, S.L. Y EMPRESA Y ASFO URBANO, S.L.)	40%	24.000,00	60.000,00	Prestación de los servicios públicos de recogida, transporte y eliminación de residuos sólidos y de limpieza viaria del término municipal de CIFUENTE
UTE [illegible]	50%	3.000,00	6.000,00	TUDI de Montes Municipales de la Comarca del Litoral de la provincia de Huelva.
UTE TBUDE	50%	6.000,00	12.000,00	Gestión del servicio de limpieza viaria, playas, recogida de R.S.U. y otros afines en el T.M.M. de Tobía.
UTE ENTORNO CARRAJOSA	50%	3.000,00	6.000,00	Urbanización y enlubado del tramo del canal de Villaquilambre.
UTE SONDEOS PALENCIA	80%	5.450,00	9.000,00	Sondeos de inyección en la zona regable de Valdelós-Agudín (Palencia).
UTE PARQUE FLUVIAL EN MARGEN DE TORMES	50%	3.000,00	6.000,00	Ejecución de la obra del proyecto de acondicionamiento del río Tormes y Paseo Fluvial.
UTE LINCE Y ÁGUILA	50%	3.940,00	6.000,00	Embalsación de hidrolatas para el lirio y fijación impactal en sentencial P.N. de Ansálipo.
UTE MANTENIMIENTO SCADELLA	60%	0,00	Pendiente	Explotación de los servicios de gestión integral del servicio público de mantenimiento preventivo y conservación del alumbrado público, alcantarillado, pavimentación vías públicas y otras infraestructuras de competencia municipal, así como el mantenimiento urbano de Sevilla del Monte
UTE MIRANDA DE EBRO	50%	1.500,00	3.000,00	Ejecución del servicio público de limpieza viaria, recogida de residuos sólidos urbanos, limpieza de alcantarillado, desatascos y recogida de enseres.
UTE TMB ARRAIZ	70%	4.000,00	6.000,00	Redacción del proyecto de ejecución, construcción llave en mano, puesta en marcha y operación de una planta de tratamiento Mecánico-Biológico de Residuos Urbanos en el área de Arruiaza, Monte Alto (Álava).
UTE ARONA	50%	6.000,00	12.000,00	Servicio público de gestión de residuos sólidos urbanos y limpieza viaria del municipio de Arona.
UTE PLASENCIA	50%	6.000,00	12.000,00	Servicio público de recogida residuos sólidos urbanos, recogida selectiva en origen, transporte de los residuos y limpieza viaria de la ciudad de Plasencia.
UTE LITORAL ARONA	50%	6.000,00	12.000,00	Servicio público de Gestión del Litoral del municipio de Arona
UTE GALAPAGAR	80%	2.400,00	3.000,00	SER, Servicio de inmovilización, retirada y traslado de vehículos al depósito municipal, tramitación de alegaciones complementarias de sanción para mejora de la seguridad vial y servicio de asistencia técnica y colaboración en materia de cobro de multas derivadas del SER y de las sanciones generadas por infracciones en el ámbito de las competencias del Ayuntamiento.
UTE VALDEMORO MOVILIDAD	50%	300.000,00	600.000,00	Gestión del servicio público de Estacionamiento Regulado (SER) en determinadas vías urbanas, Servicio Público de Retirada de Vehículos (Grúa) del municipio de Valdemoro y Servicio de Gestión de sanciones dentro del área del Servicio de Estacionamiento Regulado.
UTE BADAJOZ SUR	50%	6.000,00	12.000,00	Ejecución del contrato de Gestión de Servicio Público de Recogida y Transporte de R.S.U. de la zona Sur de la provincia de Badajoz, así como todas aquellas accesorias y/o complementarias relacionadas con el objeto anterior que pudieran ser requeridas por el alcalde-presidente.
UTE CAMALOOB	60%	7.500,00	15.000,00	Ejecución del contrato de Concesión de obra Pública de "Trabajos de Protección Ambiental en el Tramo desde del Río Guadalmo (trabajos de protección ambiental en masas de agua y márgenes de la cuenca del Guadiana) Badajoz. Fase 1, así como todas aquellas accesorias y/o complementarias relacionadas con el objeto anterior que pudieran ser requeridas por el organismo contratante.
UTE MADRID SUR MOVILIDAD LOTE III	31,6%	9.180,00	10.000,00	La ejecución del Lote III del "Contrato Integral de Movilidad de la Ciudad de Madrid", así como los trabajos auxiliares, accesorios y/o complementarios, incluyendo aquellas ampliaciones y demás variaciones que pudieran producirse.
UTE MADRID SUR MOVILIDAD LOTE IV	31,6%	9.180,00	10.000,00	La ejecución del Lote IV del "Contrato Integral de Movilidad de la Ciudad de Madrid", así como los trabajos auxiliares, accesorios y/o complementarios, incluyendo aquellas ampliaciones y demás variaciones que pudieran producirse.
UTE VALORIZA GESTIÓN A	65,0%	190.000,00	300.000,00	Gestión de la limpieza de las espacios públicos, el servicio de recogida, transporte y tratamiento de residuos domésticos y el mantenimiento y conservación de parques y zonas verdes en el término municipal de Pinto.
UTE TRANSFERENCIAS	60,0%	3.600,00	6.000,00	Gestión de servicio público de la explotación de instalaciones de transferencia de residuos urbanos del Consorcio Provincial de tratamiento de residuos industriales no peligrosos, así como el servicio prestado por dos camiones autocompactadores respectivamente.
UTE SUCETEC (SUR-TECNOREAL-OSPA)	33%	1.207,59	8.050,12	Ute en ponsean de Rodellician.

El detalle a 31 de diciembre de 2015 de las explotaciones significativas controladas conjuntamente, en las que la Sociedad participa a través de uniones temporales de empresas, es el siguiente:

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Short term:		
Deposits received and advance collection for leases	2,808.92	3,476.82
Other short term debts	193,630.38	503,870.41
Reimbursable subventions	827,765.14	921,176.28
Total short term	1,024,204.44	1,428,523.51
Total	6,414,234.09	6,387,485.64

- Other Financial Liabilities – Reimbursable subventions

Reimbursable subventions are various loans granted by the Ministry of Industry, Tourism and Commerce at an interest rate of 0, for development of technological innovation and R&D&i projects, with a repayment period between 10 and 15 years including a period of grace of 3 years. The effect on the result during 2015 is 236,552.16 euros (72,691.29 euros in 2014) and that are under the heading "Assignment of subventions of non financial fixed assets and others" of the Profit and Loss Accounts. in addition to that amount, the operating subventions included in the records for 2015 amount to 186,928.85 euros (31,424.29 euros in 2014).

- Other debts

Both in 2015 as well as in 2014, this long term category includes a collaboration agreement between UTE Hornillos and the Local Government of Quart de Poblet for the social costs, easements and disturbances that the plant may cause that municipal district, based on various agreements:

- To pay said Local Government 66,500 euros per annum (at the percentage of VSM, S.A.) increasing the Consumer Price Index during the life of the concession.
- Bearing the cost of land and construction of the Río Turia Park with a maximum of 601,012.11 euros (at the percentage of VSM, S.A.).
- To pay said Local Government 0.30 euros (at the percentage of VSM, S.A.) for each tonne of waste processed, a figure that may also be updated according to the Consumer Price Index.

In Other short term debts, a term mainly included in the debts of the Sufi branch in Portugal for 191,234.14 euros (422,905.35 euros in 2014).

b.2) Classification by maturities

The detail by nominal maturities of items of the items forming part of the Financial Liabilities long term and short term on 31st December 2014 is as follows:

	2015	2016	2017	2018	2019	2020 and following	Total
Debts and items payable	95,717,330.28	11,352,792.62	7,989,359.56	7,666,076.95	7,249,769.52	46,637,755.21	176,613,084.14
Other financial liabilities	1,428,523.51	1,141,263.12	1,102,722.38	1,054,762.97	892,944.76	767,268.90	6,387,485.64
Total	97,145,853.79	12,494,055.74	9,092,081.94	8,720,839.92	8,142,714.28	47,405,024.11	183,000,569.78

TIMBRE DEL ESTADO
0,03 EUROS
0M7356256

UTE	Participación	Inversión	Fecha inicio	Actividad
SUFI - CAMACHO - BOMTEVER (UTE SUFI)	50%	0,00	En Explotación	Explotación de una planta de secado térmico de lodos en la zona sur de Madrid
TRANFARO	27%	1.022,71	Concluida	Explotación de una planta de secado térmico de lodos en la zona sur de Madrid
C.S.C.	33%	12.022,00	Concluida	Explotación de una planta de secado térmico de lodos en la zona sur de Madrid
UTE MAJADAHONDA (SUFI-FCC)	50%	0,00	Pendiente	Explotación de una planta de secado térmico de lodos en la zona sur de Madrid
UTE SOADELLA	50%	0,00	En Explotación	Explotación de una planta de secado térmico de lodos en la zona sur de Madrid
SUFI - URBASER - VERTRESA (LA PALOMA)	38%	0,00	En Explotación	Explotación de una planta de secado térmico de lodos en la zona sur de Madrid
SUFI - TECOMSA (C.T.U. SALAMANCA)	60%	600,00	1.200,00	Explotación de una planta de secado térmico de lodos en la zona sur de Madrid
SUFI - J.A. ROMERO POLO (UTE FERRAZ LARGA)	40%	2.400,00	6.000,00	Explotación de una planta de secado térmico de lodos en la zona sur de Madrid
UTE LOS HORNILLOS	50%	890,00	1.800,00	Explotación de una planta de secado térmico de lodos en la zona sur de Madrid
UTE FERAR CAÑÍZO (SUFI Y CICLOBRAS Y SERVICIOS)	55%	1.650,00	3.000,00	Explotación de una planta de secado térmico de lodos en la zona sur de Madrid
UTE RCD GUADALCELLU 2005 (SUFI - ISCOR - LAMBERS)	50%	1.500,00	3.000,00	Explotación de una planta de secado térmico de lodos en la zona sur de Madrid
UTE HORNILLOS - OBRA	50%	3.000,00	6.000,00	Explotación de una planta de secado térmico de lodos en la zona sur de Madrid
UTE RMT (SUFI - ROMERO POLO)	40%	10.000,00	30.000,00	Explotación de una planta de secado térmico de lodos en la zona sur de Madrid
UTE COMPLEXO AMBIENTAL EL MALANO (SUFI - RATOCÁN)	50%	3.000,00	6.000,00	Explotación de una planta de secado térmico de lodos en la zona sur de Madrid
UTE GUADIAMEN	35%	2.100,00	6.000,00	Explotación de una planta de secado térmico de lodos en la zona sur de Madrid
UTE FAUNA BARAJAS	60%	3.600,00	6.000,00	Explotación de una planta de secado térmico de lodos en la zona sur de Madrid
UTE SUR - COINTER	70%	6.400,00	12.000,00	Explotación de una planta de secado térmico de lodos en la zona sur de Madrid
UTE BIOMESTRACIÓN LA PALOMA	36%	2.160,60	6.009,99	Explotación de una planta de secado térmico de lodos en la zona sur de Madrid
UTE SUFI - COINTER JARDINES	70%	8.400,00	12.000,00	Explotación de una planta de secado térmico de lodos en la zona sur de Madrid
UTE TIDA	40%	40.000,00	100.000,00	Explotación de una planta de secado térmico de lodos en la zona sur de Madrid
CENTRE INTEGRAL DE VALORITZACIÓ DE RESIDUS DEL MARESME UTE	60%	6.000,00	10.000,00	Explotación de una planta de secado térmico de lodos en la zona sur de Madrid
UTE GARAJE	60%	3.600,00	6.000,00	Explotación de una planta de secado térmico de lodos en la zona sur de Madrid
UTE URSEMET	50%	15.000,00	30.000,00	Explotación de una planta de secado térmico de lodos en la zona sur de Madrid
UTE EDAR AJOFRÍN	50%	3.000,00	6.000,00	Explotación de una planta de secado térmico de lodos en la zona sur de Madrid
PAVIMENTOS GUADALAJARA	60%	3.600,00	6.000,00	Explotación de una planta de secado térmico de lodos en la zona sur de Madrid
UTE PLANTA DE ABCO	50%	3.000,00	6.000,00	Explotación de una planta de secado térmico de lodos en la zona sur de Madrid
DEPORTIVO ALTO URGEL	35%	10.500,00	30.000,00	Explotación de una planta de secado térmico de lodos en la zona sur de Madrid
UTE LA PALOMA RIO	36%	2.160,00	6.000,00	Explotación de una planta de secado térmico de lodos en la zona sur de Madrid
UTE CONTENEDORES SOTERRATS LLEIDA	50%	3.000,00	6.000,00	Explotación de una planta de secado térmico de lodos en la zona sur de Madrid
UTE SECADO TÉRMICO LOECHES	50%	3.000,00	6.000,00	Explotación de una planta de secado térmico de lodos en la zona sur de Madrid
UTE JARDINES FERTERA	70%	700,00	1.000,00	Explotación de una planta de secado térmico de lodos en la zona sur de Madrid
UTE DIGESTIÓN ANAEROBIA LA PALOMA	36%	2.280,00	6.000,00	Explotación de una planta de secado térmico de lodos en la zona sur de Madrid
UTE JARDINES CAMPO REAL LA	50%	6.000,00	12.000,00	Explotación de una planta de secado térmico de lodos en la zona sur de Madrid
UTE PATRIMONIO JARDINES	60%	3.600,00	6.000,00	Explotación de una planta de secado térmico de lodos en la zona sur de Madrid
UTE VALORIZA-GRAMUZ PUERTO ALICANTE	60%	30.600,00	50.000,00	Explotación de una planta de secado térmico de lodos en la zona sur de Madrid
UTE TEUJILLO	50%	6.000,00	12.000,00	Explotación de una planta de secado térmico de lodos en la zona sur de Madrid
UTE SECADO TÉRMICO LOECHES II	50%	3.000,00	6.000,00	Explotación de una planta de secado térmico de lodos en la zona sur de Madrid
SUFI - SITEX APARO	50%	3.000,00	6.000,00	Explotación de una planta de secado térmico de lodos en la zona sur de Madrid
SUFI - VERTRESA (CALAMONTE)	50%	600,00	1.200,00	Explotación de una planta de secado térmico de lodos en la zona sur de Madrid
UTE PILAS (VIVO MEDIOAMBIENTE, S.L. - SUFI, S.A.)	50%	1.500,00	3.000,00	Explotación de una planta de secado térmico de lodos en la zona sur de Madrid
UTE PRADOLLENGO (SUFI SA - TEFCON SA)	50%	3.000,00	6.000,00	Explotación de una planta de secado térmico de lodos en la zona sur de Madrid
UTE SALTO DEL NEGRO	60%	3.600,00	6.000,00	Explotación de una planta de secado térmico de lodos en la zona sur de Madrid
UTE TALAVERUELAS	50%	3.305,00	6.010,00	Explotación de una planta de secado térmico de lodos en la zona sur de Madrid
UTE SUFI - HIDRENET ZONA VI PARQUÍNEUROS	60%	1.806,96	3.000,00	Explotación de una planta de secado térmico de lodos en la zona sur de Madrid
SUFI - CADAGUA - FERROVIAL M.A - OHL (SECADO TÉRMICO RUTARGUAS)	70%	4.207,09	6010,12	Explotación de una planta de secado térmico de lodos en la zona sur de Madrid
UTE CONSERVACIÓN MANZANARES (SUFI-IMES)	51%	0,00	En Explotación	Explotación de una planta de secado térmico de lodos en la zona sur de Madrid

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The detail by nominal maturities of the items that form part of the long term and short term Financial Liabilities on 31st December 2015 is as follows:

	2016	2017	2018	2019	2020	2021 and following	Total
Debts and items payable	100,039,686.88	8,699,160.02	8,453,428.28	7,725,311.30	4,247,679.63	42,866,348.25	172,031,614.37
Other financial liabilities	1,024,204.44	1,367,166.26	1,403,188.52	870,495.25	756,334.30	992,845.32	6,414,234.09
Total	101,063,891.32	10,066,326.28	9,856,616.80	8,595,806.55	5,004,013.93	43,859,193.57	178,445,848.46

The differences between the nominal amounts of the above tables and the accounting debt recorded on the balance sheet is due to the difference between the nominal value of the debts and the book value determined by the amortized cost thereof.

b.3) *Failure to pay and breach of contractual conditions*

During financial year 2014, the contractual conditions for payment of the loans pending have not been breached, nor any other contractual condition. Payment has not been fulfilled at Ute Butarque in 2015.

Some financing agreements by the Company are subject to ratio fulfilment clauses, so the Company is bound to reach certain key performance indicators. Both on 31st December 2014 as well as 31st December 2015, the Company fulfilled them all in 2014 and breaches that of Ute Butarque in 2015.

During 2015, the Debt Service Coverage Ratio (DSCR) of U.T.E. Secado Térmico Butarque was negative, with a value of 1.00 (negative by 2.81 in 2014, positive and value of 0.61 in 2013, 2.56 in 2012, 1.34 in 2011, 0.33 in 2010 and 1.26 in 2009).

In the event of breach of that ratio between three consecutive years, the partners of the consortia shall be bound to renegotiate the conditions of the loan, as it might below a cause of early termination of the contract. The contract foresees that in the event of the DSCR being lower than 1.25 times in any financial year, it must be paid off early by an amount equivalent to the lower amount between the surplus free Cash-Flow in the previous financial year and an equivalent amount to the necessary amount for a new calculation of the DSCR being equal to 1.25 times.

There are no other Financial Liabilities at the end of the financial year that must fulfil any kind of contractual condition.

c) Other information

c.1) *Information related to the profit and loss account and the statement of changes in net assets*

The financial revenue and expenses assigned to the profit and loss account calculated by application of the effective interest method came to 6,112,072.16 euros and 5,254,046.47 euros In financial year 2014. In financial year 2015, the financial revenue was 2,997,592.53 euros, while the financial expenses were 4,581,122.95 euros.

CLASE 8.ª

TRES CÉNTIMOS DE EURO

UTES	Participación	[illegible]	[illegible]	Actividad
UTE SUR - RAFE	50%	6.000,00	12.000,00	[illegible] municipal del término La Línea de la Concepción
UTE ABAJAS	75%	4.800,00	6.000,00	[illegible] de la planta de compostaje en Abajas y línea de suministro eléctrico
				[illegible] las obras del proyecto de construcción de los tratamientos para la reutilización en las [illegible] de Alcalá Oeste, Arroyo del Soto, Casaquemada, Villanueva de la Cañada y Villaviciosa de [illegible]
UTE DEPURADORAS ALCALÁ OESTE (SUFI - SACYR) LOS TERCIARIOS	80%	[illegible]	[illegible]	[illegible]
UTE PARQUE FORESTAL VALDEBERNARDO	50%	[illegible]	[illegible]	[illegible] las obras de dos quioscos en el Parque Forestal de Valdebernardo.
UTE SUR-TARAJAL	100%	[illegible]	[illegible]	[illegible] dotación de las actividades englobadas en el servicio de aseo urbano: recogida de residuos y [illegible] en el municipio de Puerto de la Cruz
UTE SIERRA DEL SEGURA	100%	6.000,00	6.000,00	Recogida de residuos domiciliarios, limpieza y desinfección de contenedores y recogida de voluminosos mediante la instalación de puntos limpios de los municipios de la Mancomunidad de la Sierra del Segura
UTE LIMPIEZA CALDES	55%	1.650,00	3.000,00	Servicio de limpieza viaria y de los equipamientos municipales del Ayuntamiento de Caldes de Montbui
UTE EDIFICIOS MORATALAZ	80%	2.400,00	3.000,00	Gestión integral de los Servicios Complementarios de los edificios adscritos al Distrito de Moratalaz.
UTE CONTENEDORES POZUELO	30%	300,00	400,00	Suministro, obras e instalación de contenedores soterrados de residuos sólidos urbanos.
UTE POLIDEPORTIVO F. J. CASTILLEJO (SUFI, S.A. – SERVIDEPAR, S.L.)	50%	1.500,00	3.000,00	Diversos servicios en el polideportivo municipal F. J. CASTILLEJO DE PARLA.
UTE JARDINES GUADALAJARA	50%	10.000,00	20.000,00	Servicio de jardinería municipal del término de Guadalajara.
UTE ORIHUELA CAPITAL DE LA VEGA BAJA (SUFI, S.A., GOBANCAST, S.L. Y LIMPIEZAS Y ASEO URBANO, S.L.)	40%	24.000,00	60.000,00	Prestación de los servicios públicos de recogida, tratamiento y eliminación de residuos sólidos y de limpieza viaria del término municipal de Orihuela
UTE SEÑORÍO	50%	3.000,00	6.000,00	T.I.I. En Montes Municipales de la Comarca del Litoral de la provincia de Huelva.
UTE TELDE	50%	6.000,00	12.000,00	Gestión del servicio de limpieza viaria, playas, recogida de R.S.U. y otros afines en el T.M. de Telde.
UTE ENSANCHE CARBAJOSA	50%	3.000,00	6.000,00	Urbanización y entubado del tramo del canal de Villagonzalo.
UTE SONDEOS PALENCIA	80%	2.400,00	3.000,00	Sondeos de investigación en la zona regable de Valdivia-Aguilar (Palencia).
UTE PASEO FLUVIAL STA MARTA DE TORMES	50%	3.000,00	6.000,00	Ejecución de la obra del proyecto de acondicionamiento del río Tormes y Paseo Fluvial.
UTE LINCE Y ÁGUILA	50%	3.940,00	6.000,00	Restauración de hábitats para el lince y águila imperial en montesalt P.N. de Andújar.
UTE MANTENIMIENTO BOADILLA	40%	0,00	Pendiente	Explotación de los servicios de gestión integral del servicio público de mantenimiento preventivo y conservación del alumbrado público, alcantarillado, pavimentación vías públicas y otras infraestructuras de competencia municipal, así como el mobiliario urbano de Boadilla del Monte
UTE MIRANDA DE EBRO	60%	1.800,00	3.000,00	Ejecución del servicio público de limpieza viaria, recogida de residuos sólidos urbanos, limpieza de alcantarillado, desratización y recogida de animales.
UTE TMB ARRATZ	70%	4.200,00	6.000,00	Redacción del proyecto de ejecución, construcción llave en mano, puesta en marcha y operación de una planta de tratamiento Mecánico-Biológico de Residuos Urbanos en el área de Arratzu, Monte Arraiz (Bilbao).
UTE ARONA	50%	6.000,00	12.000,00	Servicio público de gestión de residuos sólidos urbanos y limpieza viaria del municipio de Arona.
UTE PLASENCIA	50%	6.000,00	12.000,00	Servicio público de recogida residuos sólidos urbanos, recogida selectiva en origen, transporte de los residuos y limpieza viaria de la ciudad de Plasencia.
UTE LITORAL ARONA	50%	6.000,00	12.000,00	Servicio público de Gestión del Litoral del municipio de Arona
UTE GALAPAGAR	80%	2.400,00	3.000,00	SER, Servicio de inmovilización, retirada y traslado de vehículos al depósito municipal, instalación de elementos complementarios de sanción para mejora de la seguridad vial y servicio de asistencia técnica y colaboración en materia de cobro de multas derivadas del SER y de las sanciones generadas por infracciones en el ámbito de las competencias del Ayuntamiento.
UTE VALDEMORO MOVILIDAD	50%	200.000,00	400.000,00	Gestión del servicio público de Estacionamiento Regulado (SER) en determinadas vías urbanas, Servicio Público de Retirada de Vehículos (Grúa) del municipio de Valdemoro y Servicio de Gestión de sanciones dentro del área del Servicio de Estacionamiento Regulado.
UTE BADAJOZ SUR	50%	6.000,00	12.000,00	Ejecución del contrato de Gestión de Servicio Público de Recogida y Transporte de R.S.U. de la zona Sur de la provincia de Badajoz, así como todos aquellos accesorios y/o complementarios relacionados con el objeto anterior que pudieran ser requeridos por el organismo contratante.
UTE CAMALOTE	60%	7.200,00	12.000,00	Ejecución del contrato de Concesión de obra Pública de "Trabajos de Protección Ambiental en el Tramo Medio del Río Guadiana (trabajos de protección ambiental en masas de agua y márgenes de la cuenca del Guadiana) Badajoz, Fase 1, así como todos aquellos accesorios y/o complementarios relacionados con el objeto anterior que pudieran ser requeridos por el organismo contratante.
UTE MADRID SUR MOVILIDAD LOTE III	31,8%	3.180,00	10.000,00	La ejecución del Lote III del "Contrato Integral de Movilidad de la Ciudad de Madrid", así como los trabajos auxiliares, accesorios y/o complementarios, incluyendo aquellas ampliaciones y demás variaciones que pudieran producirse.
UTE MADRID SUR MOVILIDAD LOTE IV	31,8%	3.180,00	10.000,00	La ejecución del Lote IV del "Contrato Integral de Movilidad de la Ciudad de Madrid", así como los trabajos auxiliares, accesorios y/o complementarios, incluyendo aquellas ampliaciones y demás variaciones que pudieran producirse.
UTE VALORIZA GESTYONA	65,0%	195.000,00	300.000,00	Gestión de la limpieza de los espacios públicos, el servicio de recogida, transporte y tratamiento de residuos domésticos y el mantenimiento y conservación de parques y zonas verdes en el término municipal de Pinto.
UTE TRANSFERENCIAS	60,0%	3.600,00	6.000,00	Gestión de servicio público de la explotación de las instalaciones de transferencia de residuos urbanos del Consorcio Provincial de tratamiento de residuos industriales no peligrosos, así como el servicio prestado por dos camiones succionadores-impulsadores.
UTE SUCHTEC (SUFI-TECNOREAL-CEEPA)	33%	1.021,59	3.095,12	Ute en proceso de liquidación.
UTE CAMALOTE II	60,0%	7.200,00	12.000,00	Concesión de Obra Pública de trabajos de control de Especies Invasoras en la Cuenca del Guadiana. Fondos Feder 2007-2013
UTE GUADALAJARA	70,0%	2.100,00	3.000,00	GESTIÓN DE LOS SERVICIOS PÚBLICOS DE RECOGIDA Y TRANSPORTE DE LOS RESIDUOS SÓLIDOS URBANOS Y SELECTIVOS Y LIMPIEZA VIARIA DE LA CIUDAD DE GUADALAJARA Y BARRIOS ANEXIONADOS
UTE GRÚA OLEIROS	60,0%	1.800,00	3.000,00	Servicio de Retirada de Vehículos de la Vía Pública y su depósito en Oleiros (A Coruña).
UTE GRÚA A CORUÑA	60,0%	1.800,00	3.000,00	Gestión y Explotación del Servicio de Estacionamiento Regulado de Vehículos y Retirada de Vehículos en La Coruña
UTE CAMANDIRA	50,0%	1.500,00	3.000,00	Explotación de una Planta para el tratamiento y la transformación de residuos plásticos y otros desechos para su valorización energética en Jerez de la Frontera (Cádiz).

En las notas correspondientes de esta memoria se desglosa para cada partida significativa del balance de situación y de la cuenta de pérdidas y ganancias, los importes correspondientes a los negocios conjuntos.

Los compromisos de inversión de capital adquiridos por la Sociedad en relación con su participación en los anteriores negocios conjuntos al cierre de los ejercicios 2014 y 2015 son los siguientes:

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The amount of valuation corrections due to impairment of commercial credit in the profit and loss accounts in financial year 2015, of provisions amounting to 1,308,035.37 euros, (100,243.29 euros of provisions in 2014).

c.2) *Other information*

- Since financial year 2009, the Company is in the process of acquiring the stakes in two of its partners in the joint business of UTE Señoservi. At the end of financial year 2015 is awaiting notarisation of that agreement to acquire the remaining 50% of the stakes.

- Information on the reasonable value:

  The following long term credits and debts and the securities representing unlisted securities are reported at amortized cost that, except for better evidence, shall be equivalent to their reasonable value.

  The book value of the credit and debit for short term commercial operations constitutes an acceptable approximation to their reasonable value.

d) Information on coverages

The Company uses derivative Financial Instruments to cover the risks to which the future cash flows are exposed. Within the framework of such operations, the Company has taken certain Coverage Financial Instruments. The detail of the derivative instruments subscribed by the Company on 31st December 2014 and 2015 as well as their valuation, and the breakdown due to maturity of the notional values, is presented below:

- Cash flow coverage

Information on 31st December 2014:

Derivatives	Rate	Valuation on 31/12/2014	National	Maturity 2015	2016	2017	2018	2019	2020 and following
UTE BUTARQUE ICO	Variable to Fixed	(32,912.04)	676,358.90	(326,694.06)	(349,664.84)	-	-	-	-
UTE BUTARQUE DEXIA SABADELL	Variable to Fixed	(32,912.04)	676,358.90	(326,694.06)	(349,664.84)	-	-	-	-
UTE HORNILLOS	Variable to Fixed	(7,081,317.73)	37,666,861.62	(1,599,180.15)	(1,823,186.51)	(1,968,059.33)	(2,175,469.49)	(2,396,783.24)	(27,704,182.93)

The assignment foreseen in the profit and loss accounts in the coming financial years of the amount of coverage derivatives of cash flows is as follows:

Euros	Ute Butarque	Ute Hornillos
2015	(44,932.76)	(1,141,171.31)
2016	(20,891.33)	(1,380,504.58)
2017	-	(1,264,159.08)
2018	-	(1,134,476.43)
2019	-	(978,555.88)

TIMBRE DEL ESTADO
0,03 EUROS
CLASE 8.ª
DE EURO
0M7356254

DESGLOSE DE INVERSIONES PREVISTAS

En miles de euros

Proyecto	31/12/2015	31/12/2014
Lotes 2 y 3 de Limpieza Viaria y Jardines Madrid	-	1.600
Limpieza y Recogida Alcalá de Henares	-	9.000
Linpieza y Recogida de Leganés	-	3.300
Mantenimiento Viales Leganés	-	204
SER y Señalización Lote 3 Madrid	-	143
SER y Señalización Lote 4 Madrid	-	63
Planta de Hornillos	1.686	-
Planta neumáticos Chiloeches	-	40
Ecoparque La Rioja	130	
Recogida RSU de Torrejon	2.785	-
Recogida y Transporte RSU Ibiza	8.100	-
Recogida RSU Albacete	11.500	-
Limpieza y Recogida de Polo	760	-
Total:	**24.961**	**14.350**

Las contingencias en las que la Sociedad ha incurrido como partícipe son las siguientes:

La UTE Sufi-Rayet interpuso recurso contencioso-administrativo contra el Ayuntamiento de la Línea de la Concepción por la deuda pendiente de cobro por importe de 2.783.091,17 euros, incluyendo reclamación de intereses y lucro cesante de los cuales en el año 2009 el Ayuntamiento ya ha reconocido la deuda y los intereses, hallándose en estudio el lucro cesante.

Se le demanda a la UTE Orihuela y a VSM, S.A como responsable subsidiario por la presunta comisión de irregularidades.

La sociedad Azahara de Comunicaciones demanda a VSM,S.A. por un importe de 34.383,84 euros por servicios de publicidad en Lepe.

La firma Reloncavi reclama la cantidad de 18.382,07 euros por suministros de ropa de trabajo.

Se incoa procedimiento abreviado contra VSM, S.A. como responsable civil subsidiaria de presuntos delitos cometidos por los responsables de Sufi, S.A. en relación con los contratos de Moratalaz y Majadahonda por un importe de 155.448,00 euros.

La sociedad Desarrollos Empresariales Cervantes, S.L. demanda a VSM, S.A. por un importe de 66.192,33 euros por la cesión de créditos de Ángel Carmona con quien se tenía un contrato de transporte de lodos.

Las anteriores contingencias están evaluadas como de riesgo "posible" por lo que si se dota la oportuna provisión de riesgos ésta no tendrá la consideración de deducible en el impuesto de sociedades y se deberá de ajustar dicho gasto.

12. Existencias

El detalle de las existencias registradas al cierre de los ejercicios 2014 y 2015 es el siguiente:

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2020 and following	-	(1,182,450.45)
Total	(65,824.09)	(7,081,317.73)

Information on 31st December 2015:

Derivatives	Rate	Valuation on 31/12/2015	National	Maturity 2016	2017	2018	2019	2020	2021 and following
UTE BUTARQUE ICO	Variable to Fixed	(10,776.17)	349,665.35	(349,665.35)	-	-	-	-	-
UTE BUTARQUE DEXIA SABADELL	Variable to Fixed	(10,776.17)	349,665.35	(349,665.35)	-	-	-	-	-
UTE HORNILLOS	Variable to Fixed	(6,282,413.75)	36,067,680.86	(1,823,186.51)	(1,968,059.33)	(2,175,469.49)	(2,396,782.80)	(2,631,907.16)	(25,072,275.59)

The assignment foreseen in the profit and loss accounts in the coming financial years for the amount of cash flow coverage derivatives is as follows:

Euros	Ute Butarque	Ute Hornillos
2016	(21,552.35)	(1,351,181.20)
2017	-	(1,417,802.44)
2018	-	(1,259,894.69)
2019	-	(1,053,035.10)
2020	-	(866,822.78)
2021 and following	-	(333,677.54)
Total	(21,552.35)	(6,282,413.75)

According to the requisites of the present Spanish accounting regulations, the Company has performed prospective and retrospective an efficiency tests on all the derivative coverage instruments, as a consequence of which the derivatives have been classified in the following two categories:

- Effective coverages: as long as the ratio between the evolution of the coverage instrument and the underlying security is within a range of 80%-125%, in which case the valuation of the derivative is recorded against net assets.

- Ineffective coverage: in which case the effect of the variation in derivatives assigned as ineffective or speculative is recorded in the results of the financial year.

The Company has fulfilled the requisites detailed in note 4 of the rules on reporting and valuation, to be able to classify the Financial Instruments classified for coverage. Specifically, these have been formally assigned as such and it has been verified that the coverage is effective for financial years 2014 and 2015.

TIMBRE DEL ESTADO 0,03 EUROS TRES CÉNTIMOS DE EURO CLASE 8.

	2015	2014
Comerciales	2.463.925,98	1.527.073,57
MM.PP. y otros aprovisionamientos	129.948,70	105.890,06
Productos terminados	14.224,00	15.228,00
Subproductos,residuos y materiales recuperados	55.182,98	59.037,67
Anticipos a proveedores	496.516,84	168.967,61
Total coste	3.159.798,50	1.876.196,91
Total existencias	3.159.798,50	1.876.196,91

Las existencias correspondientes a UTEs se detallan a continuación tanto para el cierre del ejercicio 2014 como para el 2015:

2014

	UTE BUTARQUE	UTE ENFE	UTE HORNILLOS	UTE TEM	UTE RSU SUR CONTEX	OTRAS UTES	TOTAL
Comerciales	180.177,97	29.450,14	245.957,97	602.970,13	237.148,89	12.759,28	1.308.464,38
MM.PP. y otros aprovisionamientos	-	-	-	-	-	105.890,06	105.890,06
Productos terminados	-	-	15.228,00	-	-	-	15.228,00
Subproductos	-	-	46.744,84	-	-	12.292,83	59.037,67
Anticipos	-	-	-	-	-	77.799,39	77.799,39
Total coste	180.177,97	29.450,14	307.930,81	602.970,13	237.148,89	208.741,56	1.564.419,50

2015

	UTE BUTARQUE	UTE ENFE	UTE HORNILLOS	UTE TEM	UTE RSU SUR CONTEX	OTRAS UTES	TOTAL
Comerciales	179.986,63	24.485,96	294.927,47	1.409.875,65	167.323,07	52.122,74	2.128.721,52
MM.PP. y otros aprovisionamientos	-	-	-	-	-	129.948,70	129.948,70
Productos terminados	-	-	14.224,00	-	-	-	14.224,00
Subproductos	-	-	48.738,23	-	-	6.444,75	55.182,98
Anticipos	-	-	-	93.677,69	-	66.324,90	160.002,59
Total coste	179.986,63	24.485,96	357.889,70	1.503.553,34	167.323,07	254.841,09	2.488.079,79

La cifra de existencias, se valora por su valor de compra no de producción y procede en su mayoría de UTEs.

Es política de la Sociedad contratar todas las pólizas de seguros que se estimen necesarias para dar cobertura a los posibles riesgos que pudieran afectar a partidas importantes del inventario.

A la fecha de cierre del balance, no existen compromisos de compra significativos.

13. Efectivo y equivalentes al efectivo

El detalle de esta rúbrica del balance de situación a 31 de diciembre de 2014 y 2015 es el siguiente:

	2015	2014
Efectivo	27.393.423,45	13.261.087,09
Total	27.393.423,45	13.261.087,09

Todos los fondos son de libre disposición salvo:

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The amount reported in the net assets during financial years 2014 and 2015 is 1,511,874.06 euros and 295,129.18 euros respectively, both amounts net of taxes. During financial years 2014 and 2015, respective amounts of 1,217,581.22 euros and 1,225,869.06 euros were assigned to the profit and loss accounts from net assets.

10. Investments in group, multigroup and associated companies

The detail and movements of the different items that comprise this heading on 31st December 2014 are as follows:

	Balance on 31/12/2013	Registrations	Removals	Transfers	Balance on 31/12/2014
BOREMER, S.A.	1,089,468.57	-	-	-	1,089,468.57
COMPOST DEL PIRINEO, S.A.	580,499.98	-	-	-	580,499.98
EUROCOMERCIAL, S.A.	454,375.42	-	-	-	454,375.42
GESTION E INFRAESTRUCTURA DE CANARIAS, S.A.	51,523.01	-	-	-	51,523.01
INICIATIVAS MEDIOAMBIENTALES DEL SUR, S.L.	20,000.00	-	-	-	20,000.00
GESTORA CANARIA DE LODOS Y DEPURADORA, S.A.	85,000.00	-	(85,000.00)	-	-
INFOSER ESTACIONAMIENTO, AIE	66,000.00	-	-	-	66,000.00
TRACTEMENT METROPOLITA DE FANES, S.L.	2,711,741.89	-	-	-	2,711,741.89
HIDROANDALUZA, S.A.	474,957.60	-	-	-	474,957.60
SURGE AMBIENTAL, S.L.	69,971.02	-	-	-	69,971.02
RESIDUOS CONSTR.CUENCA	30,100.00	-	-	-	30,100.00
SECADO TERMICO DE CASTELLON, S.A.	1,800,000.00	-	-	-	1,800,000.00
TTO. RESIDUOS LA RIOJA, S.L.	3,006.00	-	-	-	3,006.00
PLANTA DE TRATAMIENTO DE ARRAIZ,S.L.	-	2,100.00	-	-	2,100.00
Stakes in Group and Multigroup companies	**7,436,643.49**	**2,100.00**	**(85,000.00)**	-	**7,353,743.49**
PARTICIPES DEL BIORRECICLAJE, S.A.	20,037.74	-	-	-	20,037.74
GESTION DE PARTICIPES DEL BIORRECICLAJE, S.A.	20,037.74	-	-	-	20,037.74
BIOMASAS DEL PIRINEO, S.A.	132,000.01	-	-	-	132,000.01
CULTIVOS ENERGETICOS DE CASTILLA, S.A.	132,030.06	-	-	-	132,030.06
VALDEMINGOMEZ 2000, S.A.	1,202,400.00	-	-	-	1,202,400.00
INTE RCD, S.L.	30,000.00	-	-	-	30,000.00
PARQUE EÓLICO LA SOTONERA, S.L.	603,250.00	-	-	-	603,250.00
ALCOREC, S.L.	66,900.00	-	-	-	66,900.00
SERVICIO DE ESTACIONAMIENTO REGULADO	3,000.00	-	-	-	3,000.00
CONSORZIO STABILE VIS SOCIETA CONSORTILE PER AZIONI	-	3,000.00	-	-	3,000.00
Stakes in associated companies	**2,209,655.55**	**3,000.00**	-	-	**2,212,655.55**
PARTICIPES DEL BIORRECICLAJE, S.A.	(20,037.74)	-	-	-	(20,037.74)
GESTION DE PARTICIPES DEL BIORRECICLAJE,	(20,037.74)	-	-	-	(20,037.74)

- UTE Butarque, cuyo contrato de financiación obliga a dotar, en el ICO, una cuenta de reserva. Dicha reserva se dotará con cargo al Cash Flow generado por el Proyecto que quede disponible después de haber atendido todos los gastos de explotación de la instalación y los intereses, comisiones y principal derivados del crédito. Las cantidades que se depositen en esta cuenta serán indisponibles salvo para los pagos obligados por el préstamo sindicado para los seis meses siguientes. Su importe a 31 de diciembre de 2015 es de 0,00 euros (0,00 euros en el año 2014).

- VSM, S.A. A 31 de diciembre de 2015, la cuenta de factoring de Société General se ha cancelado por lo que no queda nada indisponible (83.290,00 euros en 2014).

De la cifra de efectivo total del cuadro anterior, a UTEs corresponden en el año 2015, 17.790.578,47 euros, (11.818.432,69 euros, en el año 2014). El detalle por UTEs en miles de euros es el siguiente:

2014	UTE ORIHUELA	UTE TARAJAL	UTE BUTARQUE	UTE TMB-ARRAIZ	UTE AGUAS ALCALA	OTRAS UTES	TOTAL
Efectivo	1.705	1.459	1.185	714	671	6.084	11.818
Total	1.705	1.459	1.185	714	671	6.084	11.818

2015	UTE COINTER	UTE ARRAIZ	UTE HIXIENE'S	UTE HORNILLOS	UTE TEM	OTRAS UTES	TOTAL
Efectivo	4.125	1.717	1.301	1.115	1.036	8.496	17.791
Total	4.125	1.717	1.301	1.115	1.036	8.496	17.791

14. Patrimonio neto y fondos propios

El detalle y movimiento de los fondos propios durante los ejercicios 2014 y 2015 se muestra en el estado de cambios en el patrimonio neto, el cual forma parte integrante de las cuentas anuales.

a) Capital suscrito:

Al cierre de los ejercicios 2014 y 2015 el capital social de la Sociedad asciende a 17.129.235,00 euros representado por 3.425.847 acciones de 5 euros de valor nominal cada una, todas ellas de la misma clase, totalmente suscritas y desembolsadas. No existen derechos de fundador.

Las acciones de la Sociedad no cotizan en Bolsa. La composición del accionariado a 31 de diciembre de 2015 y 2014 es la siguiente:

	Porcentaje participación
Valoriza Gestión, S.A.U.	93,47%
Hidroandaluza,S.A.	6,53%
Total	100%

La prima de emisión tiene las mismas restricciones y puede destinarse a los mismos fines que las reservas voluntarias, incluyendo su conversión en capital social.

b) Reservas de la Sociedad:

El detalle de las reservas de la Sociedad a 31 de diciembre de 2014 y 2015 es el siguiente:

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S.A.					
COMPOST DEL PIRINEO, S.A.	(439,950.75)	(28,678.87)	-	-	(468,629.62)
GESTORA CANARIA DE LODOS Y DEPURADORA, S.A.	(18,877.54)	-	18,877.54	-	-
CULTIVOS ENERGETICOS DE CASTILLA, S.A.	(29,674.47)	(994.29)	-	-	(30,668.76)
BIOMASAS DEL PIRINEO, S.A.	(72,453.82)	(39.60)	-	-	(72,493.42)
BOREMER,S.A.	-	(1,089,468.57)	-	-	(1,089,468.57)
INTE RCD, S.L.	(29,266.79)	(16.61)	-	-	(29,283.40)
SERVICIO DE ESTACIONAMIENTO REGULADO	(3,000.00)	-	-	-	(3,000.00)
VALDEMINGOMEZ 2000,S.A.	-	(1,202,400.00)	-	-	(1,202,400.00)
SURGE AMBIENTAL, S.L.	(69,971.02)	-	69,971.02	-	-
Impairment of the value of investments in Group, Multigroup and Associated companies	**(703,269.87)**	**(2,321,597.94)**	**88,848.56**	**-**	**(2,936,019.25)**
CULTIVOS ENERGETICOS DE CASTILLA S.A.	(99,000.00)	-	-	-	(99,000.00)
GESTION E INFRAESTRUCTURA DE CANARIAS, S.A.	(12,393.00)	-	-	-	(12,393.00)
HIDROANDALUZA, S.A.	(0.60)	-	-	-	(0.60)
SECADO TERMICO DE CASTELLON, S.A.	(1,350,000.00)	-	-	-	(1,350,000.00)
Disbursements pending in Group, Multigroup and Associated companies	**(1,461,393.60)**	**-**	**-**	**-**	**(1,461,393.60)**
Net value of stakes in Group, Multigroup and Associated companies	**7,481,635.57**	**(2,316,497.94)**	**3,848.56**	**-**	**5,168,986.19**
PARTICIPES DEL BIORRECICLAJE, S.A.	2,169,883.43	-	(807,975.16)	-	1,361,908.27
GESTION DE PARTICIPES DEL BIORRECICLAJE, S.A.	70,084.86	-	-	-	70,084.86
COMPOST DEL PIRINEO, S.A.	-	177,384.88	-	-	177,384.88
BOREMER, S.A.	4,091,957.29	-	-	-	4,091,957.29
TTO. RESIDUOS LA RIOJA, S.L.	6,437,157.89	-	(200,000.00)	-	6,237,157.89
ALCOREC, S.L.	5,083.39	-	(5,083.39)	-	-
SURGE AMBIENTAL, S.L.	422,889.21	18,109.89	-	-	440,999.10
Long term loans to Group, Multigroup and Associated companies	**13,197,056.07**	**195,494.77**	**(1,013,058.55)**	**-**	**12,379,492.29**
TRACTEMENT METROPOLITA DE FANES, S.L.	428,980.62	-	-	-	428,980.62
ALCOREC, S.L.	9,916.61	6,242.74	-	-	16,159.35
Short term loans to Group, Multigroup and Associated companies	**438,897.23**	**6,242.74**	**-**	**-**	**445,139.97**
Net value of credit to Group, Multigroup and Associated companies	**13,635,953.30**	**201,737.51**	**(1,013,058.55)**	**-**	**12,824,632.26**

The movements in the financial year in the sections on stakes, both in group as well as associated companies, are as follows:

- On 27th January 2014, liquidation of the company Gestora Canaria de Lodos de Depuradora, S.A. was lodged at the Registry.

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TIMBRE DEL ESTADO
0.03 EUROS
TRES CENTIMOS DE EURO
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Tipos de reservas	2015	2014
Reserva legal	3.425.847,00	3.425.847,00
Reserva voluntaria	26.292.744,60	25.588.345,26
Otras reservas	(289.440,27)	(289.440,27)
Total	29.429.551,33	28.724.751,99

Las sociedades están obligadas a destinar un mínimo del 10% de los beneficios de cada ejercicio a la constitución de un fondo de reserva hasta que éste alcance, al menos, el 20% del capital social. Esta reserva no es distribuible a los accionistas y sólo podrá ser utilizada para cubrir, en el caso de no tener otras reservas disponibles, el saldo deudor de la cuenta de pérdidas y ganancias.

A 31 de diciembre de 2014 y 2015, la reserva legal asciende al 20% del capital social respectivamente.

Las reservas voluntarias de la Sociedad son de libre disposición.

c) Subvenciones:

La información sobre las subvenciones recibidas por la Sociedad, las cuales forman parte del patrimonio neto, así como de los resultados imputados a la cuenta de pérdidas y ganancias procedentes de las mismas se informa en la nota 17.

15. Provisiones, pasivos contingentes, avales y garantías

a) Provisiones a largo plazo

El detalle de las provisiones a largo plazo del balance de situación al cierre del ejercicio 2014, así como los principales movimientos registrados durante el ejercicio, son los siguientes:

	Saldo a 31/12/2013	Dotaciones	Aumentos por actualización	Aplicaciones	Saldo a 31/12/2014
Provisión para impuestos	23.461,22	159.048,54	-	(12.661,22)	169.848,54
Provisión para contingencias	5.777.891,21	1.753.975,41	(970.852,87)	(1.696.725,12)	4.864.288,63
Provisión por actuaciones de reposición y gran reparación	1.185.419,97	57.972,63	-	(497.208,18)	746.184,42
Total a largo plazo	**6.986.772,40**	**1.970.996,58**	**(970.852,87)**	**(2.206.594,52)**	**5.780.321,59**

En el epígrafe de provisiones para impuestos al 31 de diciembre de 2014 se recogen pasivos para deudas tributarias sobre las que existe incertidumbre sobre su cuantía o vencimiento, siendo probable que la Sociedad tenga que desprenderse de recursos para cancelar estas obligaciones como consecuencia de una obligación presente. Las dotaciones son íntegramente por los lotes de la limpieza viaria de Madrid.

En el epígrafe de provisiones para contingencias se recogen pasivos para hacer frente a responsabilidades procedentes de litigios, indemnizaciones y obligaciones derivados de la propia actividad de la Sociedad, sobre las que existe incertidumbre sobre la cuantía o vencimiento.

Las dotaciones del año 2014 corresponden principalmente a provisiones por litigios, contenciosos y temas contractuales así como aquellos riesgos para otras responsabilidades generados por los deterioros de valor de participaciones en instrumentos de patrimonio que exceden el propio valor de la participación por encontrarse en desequilibrio financiero, y suman 927.442,89 euros. La otra dotación más representativa en el ejercicio es la dotada en la UTE Orihuela por valor de 646.317,00 euros por la parte de la demanda presentada por el Ayuntamiento que aún no se encontraba provisionada en su totalidad.

Las dotaciones del año 2014 para reposiciones y grandes reparaciones proceden de la UTE Calandrias por valor de 57.972,63 euros.

Los traslados del ejercicio son movimientos de provisiones dotadas en ejercicios anteriores que se han reclasificado atendiendo a su posible resolución, entre las cuentas de provisiones a largo y a corto.

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- On 10th July 2014, the company Planta de Arraiz, S.L. was incorporated.
- On 29th September, part of the stake in the company Consorzio Stabile Vis Societa Consortile per Azioni was acquired from Valoriza Gestión.

The credits with group and associated companies are classified in the category of loans and items collectable, being valued at amortized cost and the interest rate applied during 2014 is Euribor plus 4%, (Euribor plus 4% in 2013).

Both in provision for impairment as well as reversion thereof, this forms part of heading 16, "Impairment and losses" of the profit and loss accounts.

The most relevant long term credit movements in the financial year 2014 are:

- Partial reimbursement of the loan made in favour of Tratamientos de Residuos de la Rioja within the 9,000,000.00 euros contracted, of which 6,237,157.89 euros were drawn down (6,437,157.89 euros in 2013), the majority being assigned to investment, with maturity as of 2015 and at an interest rate of Euribor plus 4% (Euribor plus 4% in 2013) due to the cash flow beginning to allow its return.
- Partial return of the credit by Partícipes de Bioreciclaje, S.A. amounting to 807,975.16 euros.
- Total return of the loan granted long term to Alcorec, S.L. amounting to 5,083.39 euros.
- Extension of the contribution to Surge Ambiental, S.L. amounting to 18,109.89 euros.
- Granting a loan to Compost del Pirineo, S.A. for 184,026.25 euros with a term of 5 years and an interest rate of 6% of which 177,384.88 euros had been drawn down on 31st December 2014.

The detail and movements of the different items comprising the heading on 31st December 2015 are as follows:

	Balance on 31/12/2014	Registrations	Removals	Transfers	Balance 31/12/2015
BOREMER, S.A.	1,089,468.57	-	-	-	1,089,468.57
COMPOST DEL PIRINEO, S.A.	580,499.98	-	-	-	580,499.98
EUROCOMERCIAL, S.A.	454,375.42	-	-	-	454,375.42
GESTION E INFRAESTRUCTURA DE CANARIAS, S.A.	51,523.01	-	-	-	51,523.01
INICIATIVAS MEDIOAMBIENTALES DEL SUR, S.L.	20,000.00	-	-	-	20,000.00
INFOSER ESTACIONAMIENTO, AIE	66,000.00	-	-	-	66,000.00
TRACTEMENT METROPOLITA DE FANES, S.L.	2,711,741.89	-	-	-	2,711,741.89
HIDROANDALUZA, S.A.	474,957.60	-	-	-	474,957.60
SURGE AMBIENTAL, S.L.	69,971.02	-	-	-	69,971.02
RESIDUOS CONSTR.CUENCA	30,100.00	-	-	-	30,100.00
SECADO TERMICO DE CASTELLON, S.A.	1,800,000.00	-	-	-	1,800,000.00
TTO. RESIDUOS LA RIOJA, S.L.	3,006.00	-	-	-	3,006.00
PLANTA DE TRATAMIENTO DE ARRAIZ,S.L.	2,100.00	-	-	-	2,100.00
VALORIZA SERVICIOS MEDIOAMBIENTALES BOLIVIA,S.A.	-	18,851.21	-	-	18,851.21
SACYR ENVIRONMENT USA LLC	-	2,960,652.28	-	-	2,960,652.28
VALORIZA ENVIRONMENT SERVICES PTY (AUSTRALIA)	-	1.00	-	-	1.00
Stakes in Group and Multigroup companies	**7,353,743.49**	**2,979,504.49**	-	-	**10,333,247.98**
PARTICIPES DEL BIORRECICLAJE, S.A.	20,037.74	-	-	-	20,037.74

Las aplicaciones del año 2014 en el apartado de Impuestos, proceden íntegramente de UTES, concretamente de la UTE Boadilla 3.926,63 euros y de la UTE Majadahonda 8.734,59 euros.

Las aplicaciones en el apartado de provisión para contingencias del año 2014, corresponden en su mayoría a la aplicación de varias provisiones por [illegible] de limpieza de Madrid por valor de 470.149,81 euros, los 168.633,29 euros dotados en ejercicios anteriores en el proyecto de lodos por la aplicación manual a campa, y en las UTEs, las que más aportan son la Explotación la Paloma con 198.381,43 euros y la Preexplotación la Paloma con 50.463,78 euros.

Las aplicaciones del año 2014 para reposiciones y grandes reparaciones proceden de la UTE Butarque por valor de 497.208,18 euros en inversiones que no se van a acometer.

Los litigios en curso son, al igual que en los ejercicios anteriores, valorados por el departamento de Asesoría Jurídica del grupo al que pertenece la Sociedad y de acuerdo a sus estimaciones se reconocen las provisiones correspondientes.

Las dotaciones se encuentran recogidas dentro del epígrafe 7c de pérdidas y ganancias y las reversiones se registran en el epígrafe 10 Excesos de Provisiones.

El detalle de las provisiones a largo plazo del balance de situación al cierre del ejercicio 2015, así como los principales movimientos registrados durante el ejercicio, son los siguientes:

	Saldo a 31/12/2014	Dotaciones	Aplicaciones	Saldo a 31/12/2015
Provisión para impuestos	169.848,54	662.086,24	(10.303,20)	821.631,58
Provisión para contingencias	4.864.288,63	4.043.843,73	(807.090,87)	8.101.041,49
Provisión por actuaciones de reposición y gran reparación	746.184,42	125.405,36	-	871.589,78
Total a largo plazo	**5.780.321,59**	**4.831.335,33**	**(817.394,07)**	**9.794.262,85**

En el epígrafe de provisiones para impuestos a 31 de diciembre de 2015 se recogen pasivos para deudas tributarias sobre las que existe incertidumbre sobre su cuantía o vencimiento, siendo probable que la Sociedad tenga que desprenderse de recursos para cancelar estas obligaciones como consecuencia de una obligación presente. Las principales dotaciones del ejercicio corresponden a la UTE TMB Arraiz por valor de 304.542,13 euros y a los lotes de la limpieza viaria de Madrid por 357.216,99 euros.

En el epígrafe de provisiones para contingencias se recogen pasivos para hacer frente a responsabilidades procedentes de litigios, indemnizaciones y obligaciones derivados de la propia actividad de la Sociedad, sobre las que existe incertidumbre sobre la cuantía o vencimiento.

Las dotaciones del año 2015 corresponden principalmente a provisiones por contenciosos y temas contractuales y litigios por un valor de 488.707,11 euros, así como aquellos riesgos para otras responsabilidades generados por los deterioros de valor de participaciones en instrumentos de patrimonio que exceden el propio valor de la participación por encontrarse en desequilibrio financiero, y suman 1.007.515,03 euros. La otra dotación más representativa en el ejercicio es la dotada en la UTE Calandrias por valor de 750.720,92 euros por posibles contingencias contractuales.

Las dotaciones del año 2015 para reposiciones y grandes reparaciones proceden de la UTE Calandrias por valor de 57.972,62 euros y de la UTE Butarque por valor de 67.432,74 euros.

Las aplicaciones del año 2015 en el apartado de Impuestos, proceden íntegramente de UTES, concretamente de la UTE Preexplotación Bio La Paloma por 10.303,20 euros.

Las aplicaciones en el apartado de provisión para contingencias del año 2015, corresponde en primer lugar a la aplicación de reversión de deterioro de valor de participaciones en instrumentos de patrimonio de la sociedad Valdemingomez 2000 por valor de 168.077,00 euros, y en las UTEs, las que más aportan son la Cointer con 409.596,57 euros y la Preexplotación Bio la Paloma con 222.220,80 euros.

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GESTION DE PARTICIPES DEL BIORRECICLAJE, S.A.	20,037.74	-	-	-	20,037.74
BIOMASAS DEL PIRINEO, S.A.	132,000.01	-	-	-	132,000.01
CULTIVOS ENERGETICOS DE CASTILLA, S.A.	132,030.06	-	-	-	132,030.06
VALDEMINGOMEZ 2000, S.A.	1,202,400.00	1,240,400.00	-	-	2,442,800.00
INTE RCD, S.L.	30,000.00	-	-	-	30,000.00
PARQUE EOLICO LA SOTONERA, S.L.	603,250.00	-	-	-	603,250.00
ALCOREC, S.L.	66,900.00	-	-	-	66,900.00
SERVICIO DE ESTACIONAMIENTO REGULADO	3,000.00	-	-	-	3,000.00
CONSORZIO STABILE VIS SOCIETA CONSORTILE PER AZIONI	3,000.00	9,000.00	-	-	12,000.00
Stakes in Associated companies	**2,212,655.55**	**1,249,400.00**	-	-	**3,462,055.55**
PARTICIPES DEL BIORRECICLAJE, S.A.	(20,037.74)	-	-	-	(20,037.74)
GESTION DE PARTICIPES DEL BIORRECICLAJE, S.A.	(20,037.74)	-	-	-	(20,037.74)
COMPOST DEL PIRINEO, S.A.	(468,629.62)	(31,680.55)	-	-	(500,310.17)
CULTIVOS ENERGETICOS DE CASTILLA, S.A.	(30,668.76)	(989.84)	-	-	(31,658.60)
BIOMASAS DEL PIRINEO, S.A.	(72,493.42)	(43.49)	-	-	(72,536.91)
BOREMER,S.A.	(1,089,468.57)	-	-	-	(1,089,468.57)
INTE RCD, S.L.	(29,283.40)	-	-	-	(29,283.40)
SACYR ENVIRONMENT USA LLC	-	(898,879.71)	-	-	(898,879.71)
RESIDUOS CONSTR.CUENCA	-	(30,100.00)	-	-	(30,100.00)
SERVICIO DE ESTACIONAMIENTO REGULADO	(3,000.00)	-	-	-	(3,000.00)
VALDEMINGOMEZ 2000,S.A.	(1,202,400.00)	(1,210,688.75)	-	-	(2,413,088.75)
Impairment of the value of investments in Group, Multigroup and Associated companies	**(2,936,019.25)**	**(2,172,382.34)**	-	-	**(5,108,401.59)**
CULTIVOS ENERGETICOS DE CASTILLA S.A.	(99,000.00)	-	-	-	(99,000.00)
GESTION E INFRAESTRUCTURA DE CANARIAS, S.A.	(12,393.00)	-	-	-	(12,393.00)
VALDEMINGOMEZ 2000,S.A.	-	(930,300.00)	-	-	(930,300.00)
HIDROANDALUZA, S.A.	(0.60)	-	-	-	(0.60)
SECADO TERMICO DE CASTELLON, S.A.	(1,350,000.00)	-	-	-	(1,350,000.00)
Disbursements pending in Group, Multigroup and Associated companies	**(1,461,393.60)**	**(930,300.00)**	-	-	**(2,391,693.60)**
Net value of stakes in Group, Multigroup and Associated companies	**5,168,986.19**	**1,126,222.15**	-	-	**6,295,208.34**
PARTICIPES DEL BIORRECICLAJE, S.A.	1,361,908.27	-	-	-	1,361,908.27
GESTION DE PARTICIPES DEL BIORRECICLAJE, S.A.	70,084.86	-	-	-	70,084.86
COMPOST DEL PIRINEO, S.A.	177,384.88	34,053.59	-	-	211,438.47
BOREMER, S.A.	4,091,957.29	120,000.00	-	-	4,211,957.29
SURGE AMBIENTAL, S.L.	440,999.10	49,175.40	-	-	490,174.50
ITO. RESIDUOS LA RIOJA, S.L.	6,237,157.89	178,570.58	-	-	6,415,728.47
Long term credits to Group, Multigroup and Associated companies	**12,379,492.29**	**381,799.57**	-	-	**12,761,291.86**

TIMBRE DEL ESTADO 0,03 EUROS

Los litigios en curso son, al igual que en los ejercicios anteriores, valorados por el departamento de Asesoría Jurídica del grupo Sacyr, al que pertenece la Sociedad y de acuerdo a sus estimaciones se reconocen las provisiones correspondientes.

Las dotaciones se encuentran recogidas dentro del epígrafe 7c de la cuenta de pérdidas y ganancias y las reversiones se registran en el epígrafe 10 Excesos de Provisiones de la cuenta de pérdidas y ganancias.

Lo que aportan las UTEs a éste apartado tanto en el año 2014 como en el año 2015 se desglosa en los siguientes cuadros:

2014	UTE SUR HIDRENE'S	SUR PORTUGAL	UTE LA PALOMA	UTE RSU SUR CENTER	UTE RSU LA PALOMA	OTRAS	TOTAL UTES
Provisión para impuestos	-	-	-	-	10.800	-	10.800
Provisión para contingencias	494,114	909.772	309.282	948.435	297.821	678.683	3.638.107
Provisión por actuaciones de reposición y gran reparación	-	-	-	-	-	746.184	746.184
Total a largo plazo	494.114	909.772	309.282	948.435	308.621	1.424.867	4.394.091

2015	UTE SUR HIDRENE'S	SUR PORTUGAL	UTE LA PALOMA	UTE RSU SUR CENTER	UTE RSU LA PALOMA	OTRAS	TOTAL UTES
Provisión para impuestos	-	-	131	-	497	304.739	305.367
Provisión para contingencias	494.114	1.157.605	588.840	536.836	75.600	1.422.207	4.277.204
Provisión por actuaciones de reposición y gran reparación	-	-	-	-	-	871.589	871.589
Total a largo plazo	494.114	1.157.605	588.971	536.836	76.097	2.598.535	5.454.160

b) Provisiones a corto plazo

El detalle de las provisiones a corto plazo del balance de situación al cierre del ejercicio 2014, así como los principales movimientos registrados durante el ejercicio, son los siguientes:

	Saldo a 31/12/2013	Dotaciones	Aumentos por actualización	Aplicaciones	Saldo a 31/12/2014
Provisión para operaciones de tráfico	1.711.337,75	3.781.748,96	970.852,87	(475.811,25)	5.988.128,34
Provisión para terminación de obras	1.303.415,04	58.453,76	-	(845.561,14)	516.307,66
Provisiones actuaciones medioambientales	268.002,70	-	-	(268.002,70)	-
Total a corto plazo	3.282.755,49	3.840.202,72	970.852,87	(1.589.375,09)	6.504.436,00

Entre las dotaciones realizadas en el año 2014 por operaciones de tráfico figuran 1.800.226,97 euros por posibles actas consecuencia de la inspección fiscal sufrida por la Sociedad y que ha abarcado los ejercicios 2007 al 2010. También figura una detracción recibida del Ayuntamiento de Cercedilla, que se encuentra recurrida por importe de 652.400,15 euros, además de contingencias ocurridas con los trabajadores del contrato de Baza por importe de 193.619,01 euros y 492.109,04 euros por una regularización de premios de jubilación de años anteriores pendiente de recibir al cierre del ejercicio.

En el caso de dotaciones para terminación de obras, las más representativas son 27.950,00 en la Planta de Aranda, 13.915,46 euros en la UTE Talarrubias y 9.364,39 euros en la Planta de Miramundo.

Los traslados del ejercicio son movimientos de provisiones dotadas en ejercicios anteriores que se han reclasificado, atendiendo a su posible resolución, entre las cuentas de provisiones a largo y a corto.

Entre las aplicaciones por operaciones de tráfico del ejercicio figuran 335.767,80 euros provenientes de la reclamación del cliente en la CTR Salamanca, 76.035,66 euros de la UTE Hornillos, 19.349,50 euros de diferentes contenciosos resueltos de la UTE Polideportivo Castillejo y 44.218,29 de la UTE Aguas Alcalá por la venta de la titularidad de dicha UTE al Canal de Isabel II.

Las aplicaciones de las provisiones por terminación de obras, como es lógico, se componen de proyectos que están llegando a su fin y que aplican estas provisiones, como es el caso de la Planta de lodos de Burgos por valor de 15.496,39, la UTE Lince y Aguila por 70.000,00 euros y la UTE Hornillos obra por 41.679,48 euros. Otro origen de estas aplicaciones es la de negocios de los que se ha vendido la titularidad, como la Planta de Reocín, y que tenían dotadas provisiones por 691.810,00 euros.

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TRACTEMENT METROPOLITA DE FANES, S.L.	428,980.62	-	(428,980.62)	-	-
ALCOREC, S.L.	16,159.35	-	-	-	16,159.35
Short term credit to Group, Multigroup and Associated companies	**445,139.97**	-	**(428,980.62)**	-	**16,159.35**
Net value of credit to Group, Multigroup and Associated companies	**12,824,632.26**	**381,799.57**	**(428,980.62)**	-	**12,777,451.21**

The movements in the financial year in the stakes sections, both of companies in the group as well as associates, are as follows:

- On 27th January 2015, Valoriza Environment Services was incorporated in Australia.
- On 20th February 2015, the company Valoriza Servicios Medioambientales Bolivia S.A. was incorporated with Sacyr Industrial, S.A.U.
- On 23rd March 2015, an "accordion operation" was resolved, to decrease and increase stock capital in Valdemingomez 2000.
- On 1st July 2015, the company Sacyr Environment USA Llc. was incorporated in the United States.
- On 20th October, disbursement was paid to Valoriza Gestión S.A.U. of the remaining part of the purchase of its stake in the company Consorzio Stabile Vis Societa Consortile per Azioni.

Credit with group and associated companies are classified in the category of loans and items collectable, being valued at depreciated cost and the interest rate applied during 2015 is Euribor plus 4% (Euribor plus 4% in 2014).

Both the provision for depreciation as well as reversion thereof forms part of heading 16, for "Impairments and losses" of the profit and loss accounts.

The most relevant short term credit movements in financial year 2015 are:

- Return of the loan granted in favour of Tractament Metropolitá de Fangs by UTE Tramfang of 428,980.62 euros.

The detail of the stakes in group, multigroup and associated companies at the end of financial year 2014 is as follows:

Company name	% Stake		Net book value	NET ASSETS					Total assets	Dividends received
	Direct	Indirect		Capital	Reserves	Other items	Result			
							Net	Operation		
EUROCOMERCIAL, S.A.	100%	0%	454,375.42	136,427.00	2,759,476.92	-	(110,900.20)	(112,252.27)	2,785,003.72	-
GESTION DE PARTÍCIPES DEL BIORRECICLAJE, S.A.	33%	0%	-	60,101.21	-	(84,641.80)	(60.00)	(60.00)	(24,600.59)	-
BOREMER, S.A.	50%	0%	-	2,175,982.00	5,337,371.04	(4,923,154.19)	(4,108,817.41)	(5,487,246.99)	(1,518,618.56)	-
PARTÍCIPES DEL BIORRECICLAJE, S.A.	33%	0%	-	60,101.21	-	(119,903.13)	(101.00)	(101.00)	(59,902.92)	-
HIDROANDALUZA, S.A.	100%	0%	474,957.00	282,517.60	2,816,634.50	192,440.00	567,751.95	(36.37)	3,859,344.08	-
BIOMASAS DEL PIRINEO, S.A.	44%	0%	59,506.59	300,000.00	9,803.71	(174,471.45)	(90.00)	(90.00)	135,242.26	-
COMPOST DEL PIRINEO, S.A.	50%	0%	111,870.36	1,161,000.00	72,508.35	(952,409.88)	(57,357.74)	(45,726.41)	223,740.75	-
CULTIVOS ENERGÉTICOS DE CASTILLA, S.A.	44%	0%	2,361.30	300,000.00	-	(67,373.60)	(2,259.76)	(2,260.00)	230,366.59	-
VALDEMINGOMEZ 2000, S.A.	40%	0%	-	3,004,000.01	371,338.09	-	(3,797,532.93)	(4,013,265.28)	(420,194.83)	-

TIMBRE DEL ESTADO
0,03 EUROS
TRES CÉNTIMOS

Respecto a las aplicaciones de provisiones por actuaciones medioambientales, hay que señalar que íntegramente provienen de la UTE Butarque como resultado del consumo de derechos de emisión de gases.

El detalle de las provisiones a corto plazo del balance de situación al cierre del ejercicio 2015, así como los principales movimientos registrados durante el ejercicio, son los siguientes:

	Saldo a 31/12/2014	Dotaciones	Aplicaciones	Saldo a 31/12/2015
Provisión para operaciones de tráfico	5.988.128,34	3.027.423,37	(2.771.179,22)	6.244.372,49
Provisión para terminación de obras	516.307,66	166.118,27	(251.346,28)	431.079,65
Provisiones actuaciones medioambientales	-	3,63	-	3,63
Total a corto plazo	**6.504.436,00**	**3.193.545,27**	**(3.022.525,50)**	**6.675.455,77**

Entre las dotaciones realizadas en el año 2015 por operaciones de tráfico figuran responsabilidades procedentes de litigios por valor de 221.640,33 euros y una sanción recibida del Ayuntamiento de Majadahonda, que se encuentra recurrida, por importe de 227.613,12 euros. Por parte de las UTES, las más importantes son 1.165.844,52 euros en la UTE Hornillos por contingencias contractuales por la solicitud del reequilibrio económico y 925.206,16 euros de la UTE TMB Arraiz debidos al ajuste por la parada de la planta, a contingentes contractuales y al seguro de daños y averías

En el caso de dotaciones para terminación de obras, las más representativas son 74.290,73 euros de la UTE TMB Arraiz y en la UTE Patrimonio Jardines 71.375,60 euros.

Respecto a las dotaciones de provisiones por actuaciones medioambientales, señalar que íntegramente provienen de la UTE Butarque como resultado del consumo de derechos de emisión de gases.

Entre las aplicaciones por operaciones de tráfico del ejercicio, figuran entre otros: 1.650.226,97 euros aplicados de las actas firmadas en conformidad consecuencia de la inspección fiscal sufrida por la Sociedad y que ha abarcado los ejercicios 2007 al 2010, 148.929,68 euros de contingencias contractuales cubiertas en los lotes de limpieza de Madrid, 120.000 euros aplicados por temas laborales en el centro de Vilanova y 88.122,72 euros provenientes de litigios con los empleados de Baza.

Entre las aplicaciones de las provisiones por terminación de obras, como es lógico lo componen proyectos que están llegando a su fin y que aplican estas provisiones como es el caso del Saica Guadalquivir por 32.123,00 euros o el Parking de Puertollano por 195.090,16 euros.

Lo que dotan las UTEs a este apartado tanto en 2014 como en 2015 está desglosado en los siguientes cuadros

2014	UTE EDAR MANTOS	UTE SALTO DEL NEGRO	UTE TALAVERUELAS	UTE SECADO TÉRMICO LOECHES	UTE HORNILLOS CYREA	OTRAS	TOTAL UTES
Provisión para operaciones de tráfico	9.625	-	-	34.958	-	2.108	46.691
Provisión para terminación de obras	15.078	1.839	81.679	-	4.910	-	103.507
Total a corto plazo	**24.703**	**1.839**	**81.679**	**34.958**	**4.910**	**2.108**	**150.197**

2015	UTE HORNILLOS	UTE ARRAIZ	UTE TBM	UTE ARONA	UTE VALORIZA GESTIONA	OTRAS	TOTAL UTES
Provisión para operaciones de tráfico	1.165.845	925.206	116.644	70.300	56.500	41.357	2.375.852
Provisión para terminación de obras	-	74.291	-	-	-	188.880	263.171
Total a corto plazo	**1.165.845**	**999.497**	**116.644**	**70.300**	**56.500**	**230.237**	**2.639.023**

c) Contingencias, avales y garantías

En la Sociedad a 31 de diciembre de 2014 y 2015, existen los siguientes tipos de contingencias:

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GESTION E INFRAESTRUCTURAS DE CANARIAS, S.A.	62%	0%	39,130.01	61,200.00	468,255.99	(187,350.55)	(284.76)	(284.76)	331,820.68	-
SERVICIO DE ESTACIONAMIENTO REGULADO, S.L.	50%	0%	-	6,000.00	-	(2,267.78)	-	-	3,732.22	-
INFOSER	0%	17%	66,000.00	360,000.00	2,824.96	-	12,077.60	12,077.60	374,902.56	-
INICIATIVAS MEDIOAMBIENTALES DEL SUR, S.L.	50%	0%	20,000.00	40,000.00	265,942.13	(21,938.40)	(269.81)	(269.81)	283,733.92	-
INTE RCD, S.L.	33%	0%	716.60	3,000.00	-	(778.14)	(50.34)	(50.34)	2,171.52	-
PARQUE EÓLICO LA SOTONERA, S.L.	30%	0%	603,250.00	2,000,000.00	5,601,182.01	(121,130.82)	103,526.48	452,897.83	7,883,577.67	-
SURGE AMBIENTAL	100%	0%	69,971.22	3,010.00	302,072.56	(69,918.45)	57,193.59	109,960.09	192,357.70	-
RESIDUOS DE CONSTRUCCIÓN DE CUENCA	50%	0%	30,100.00	60,200.00	42,913.13	-	(35,106.70)	(32,658.68)	68,006.43	-
ALCORREC S.L.	10%	0%	66,900.00	173,940.00	-	146,753.98	89,544.41	37,825.61	410,298.39	-
TRACTEMENT METROPOLITA DE FANGS, S.L.	0%	22%	2,711,741.89	12,554,358.61	6,385,983.99	(5,267,720.72)	873,209.35	1,856,636.48	13,555,831.22	-
SECADOS TERMICOS CASTELLON SL	60%	0%	450,000.00	3,000,000.00	32,308.64	-	38,803.25	34,208.69	3,071,111.89	-
PLANTA DE TRATAMIENTO DE ARRAIZ, SL	70%	0%	1,470.00	2,100.00	-	-	-	-	2,100.00	-
CONSORZIO STABILE VIS SOCIETA CONSORTILE PER AZIONI	8%	0%	3,000.00	37,500.00	-	-	-	-	37,500.00	-
TTO RESIDUOS LA RIOJA SL	100%	0%	3,006.00	3,006.00	-	1,301,543.75	(1,246,407.95)	(1,370,627.25)	88,141.80	-
Total Group, Multigroup and Associated Companies			5,168,386.19	25,786,443.64	23,358,616.02	(10,342,321.24)	(7,617,131.97)	(8,541,303.04)	31,188,606.45	-

REGISTRATIONS DURING THE PERIOD

The registrations under this heading in financial year 2014 are detailed as follows:

- VSM, S.A. and C Campezo, S.A. constitute the company Planta Arraiz, S.L., with percentage stakes of 70.00% and 30.00% respectively.
- VSM,S.A. acquired 8% of the company Consorzio Stabile Vis Societa Consortile per Azioni, a company established in Italy (Torino), from Valoriza Gestión, S.A.U.

REMOVALS DURING THE PERIOD

The removal under this heading in financial year 2014 is detailed as follows:

- VSM, S.A. and a minority shareholder decided to dissolve the company in which they held stakes of 85.00% and 15.00% respectively, called Gestora Canaria de Lodos de Depuradora, S.A. The operation involved expenses of 1,937.07 euros, recorded in the profit and loss accounts under the heading of Results for disposals and others.

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0,03 EUROS
TIMBRE DEL ESTADO
CINCUENTA CÉNTIMOS DE EURO
BASE 8.ª
OM7356247

	2015			2014		
Avales y garantías	Nacionales	Extranjero	Total	Nacionales	Extranjero	Total
Fianzas de licitación	20.234.161,43	582.408,47	20.816.569,90	19.845.908,41	762.408,47	20.608.316,88
Fianzas definitivas	121.878.598,47	619.809,42	122.498.407,89	108.068.128,34	198.559,92	108.266.688,26
Garantías otorgadas a fianzas definitivas	-	3.780,95	3.780,95	3.780,95	-	3.780,95
Garantías económicas	-	70.994,66	70.994,66	149.535,19	-	149.535,19
Garantías económicas a otras emp.grupo	23.155,00	-	23.155,00	23.155,00	-	23.155,00
Garantías otorgadas a empresas grupo provisionales	292.030,51	-	292.030,51	402.975,96	-	402.975,96
Garantías otorgadas a empresas grupo definitivas	2.190.761,09	5.314.743,24	7.505.504,33	2.273.822,33	9.545.454,54	11.824.276,87
Total avales y garantías	144.193.684,11	7.016.948,13	151.210.445,24	130.772.306,18	10.506.422,93	141.278.729,11

Se consideran provisionales aquellas fianzas necesarias para acudir a los concursos, mientras que las definitivas son aquellas que soportan proyectos ya adjudicados a la Sociedad.

Siendo la Sociedad del grupo con avales en el extranjero Sadyt y la garantía para el proyecto de la desaladora de Skikda en Argelia.

No se espera que surjan pasivos diferentes a los anteriormente mencionados en los distintos apartados de esta nota, que puedan suponer una salida de recursos para la Sociedad.

La Sociedad tiene otorgadas garantías a determinadas sociedades del grupo como fiador del cumplimiento de las obligaciones estipuladas en los contratos de financiación por importe de 59.229,32 euros (211.468 miles de euros en 2014).

Adicionalmente, la Sociedad otorgó garantías a través de la UTE Tramfang a la sociedad Tractament Metropolità de Fangs, S.L. para el cumplimiento de determinadas condiciones financieras y no financieras de préstamo sindicado mantenido por la Sociedad. Como garantía del cumplimiento, la UTE ha otorgado promesa de garantía hipotecaria sobre las instalaciones propiedad de Tractamente Metropolitá de Fangs a favor de las entidades financieras. Además, se han otorgado promesa de prenda sobre los saldos deudores presentes y futuros derivados del contrato de servicio público que gestiona Tractament Metropolitá de Fangs a favor de las entidades financieras de dicha sociedad.

La Sociedad, a través de la UTE Butarque, tiene derechos de emisión de gases de efecto invernadero. Dicha UTE no prevé que pueda surgir ninguna contingencia relacionadas con sanciones o medidas de carácter provisional al tener parada su actividad.

El 15 de enero de 2015 la Comisión Nacional de los Mercados y de la Competencia (CNMC) notifica a la Sociedad la Resolución de la Sala de Competencia por medio de la cual sanciona a Valoriza Servicios Medioambientales con una multa de 15 millones de euros por presunta infracción del artículo 1 de la Ley 15/2007, de Defensa de la Competencia, fundamentada en "la aplicación del acuerdo o actuación concertada de reparto de mercado en el ámbito del saneamiento urbano". En dicha Resolución se sanciona a más de 40 entidades, entre empresas y asociaciones, por un importe global superior a los 98 millones de euros.

Con fecha 12 de marzo de 2015 la Sociedad ha presentado Recurso en la Audiencia Nacional contra esta Resolución basándose en los siguientes motivos:

- Caducidad en la tramitación del procedimiento.

- Ilegalidad en el cálculo del importe de la sanción.

- Vulneración del principio de proporcionalidad a la hora de determinar el importe de la sanción.

- Vulneración de los principios de personalidad y responsabilidad al sancionar a la Recurrente por unas conductas totalmente ajenas a la misma.

- Vulneración del deber de motivación de la resolución administrativa que ha causado indefensión a esta parte.

- Inexistencia de una infracción única y continuada del artículo 1 de la LDC.

En opinión de los administradores de la Sociedad y de sus asesores legales, no se espera que finalmente se materialicen como consecuencia de este procedimiento, pasivos significativos para la Sociedad.

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The detail of the stakes in group, multigroup and associated companies at the end of financial year 2015 is as follows:

Company name	% Stake		Net book value	NET ASSETS					Total assets	Dividends received
				Capital	Reserves	Other items	Result			
	Direct	Indirect					Net	Operation		
EUROCOMERCIAL S.A.	100%	0%	454.375,42	136.427,00	2.648.576,72	-	(21.733,34)	(24.386,30)	2.763.270,38	-
GESTION DE PARTÍCIPES DEL BIORRECICLAJE S.A.	33%	0%	-	60.101,21	-	(84.701,80)	(150,00)	(150,00)	(24.750,59)	-
BIOREMER, S.A.	50%	0%	-	2.175.982,00	5.337.371,04	(9.254.388,71)	(1.602.104,85)	(2.068.249,73)	(3.343.140,52)	-
PARTÍCIPES DEL BIORRECICLAJE, S.A.	33%	0%	-	60.101,21	-	(120.004,13)	(106,00)	(106,00)	(60.008,92)	-
HIDROANDALUZA, S.A.	100%	0%	474.957,00	282.517,60	3.384.386,45	192.440,00	598.485,15	-	4.457.829,20	-
BIOMASAS DEL PIRINEO, S.A.	44%	0%	59.463,10	300.000,00	9.803,71	(174.561,45)	(98,85)	(98,85)	135.143,41	-
COMPOST DEL PIRINEO, S.A.	50%	0%	80.189,81	1.161.000,00	72.508,35	(1.009.767,62)	(63.361,10)	(54.168,05)	160.379,63	-
CULTIVOS ENERGÉTICOS DE CASTILLA, S.A.	44%	0%	1.371,46	300.000,00	-	(69.633,41)	(2.249,63)	(2.249,63)	228.116,96	-
VALDEMINGÓMEZ 2000, S.A.	40%	0%	29.711,25	3.101.000,00	371.338,09	(791.532,92)	(2.606.327,08)	(2.566.298,12)	74.278,12	-
GESTION E INFRAESTRUCTURAS DE CANARIAS, S.A.	62%	0%	39.130,01	61.200,00	458.255,99	(187.635,31)	(479,84)	(479,84)	331.340,84	-
SERVICIO DE ESTACIONAMIENTO REGULADO, S.L.	50%	0%	-	6.000,00	-	(2.267,78)	-	-	3.732,22	-
INFOSER	0%	17%	46.000,00	360.000,00	-	-	-	-	360.000,00	-
INICIATIVAS MEDIOAMBIENTALES DEL SUR, S.L.	50%	0%	30.000,00	40.000,00	265.942,13	(22.208,21)	(343,51)	(343,51)	283.390,41	-
INTE RCD, S.L.	33%	0%	716,60	3.000,00	-	(218.229,16)	(1.135,35)	(1.135,35)	(216.364,51)	-
PARQUE EÓLICO LA SOTONERA, S.L.	30%	0%	603.250,00	2.000.000,00	5.704.708,49	(63.868,91)	342.126,84	644.928,10	7.982.944,42	-
SURGE AMBIENTAL	100%	0%	69.971,02	3.010,00	259.868,16	(69.918,46)	38.662,12	72.492,47	231.621,82	-
RESIDUOS DE CONSTRUCCIÓN DE CUENCA	50%	0%	-	60.200,00	9.990,80	(2.184,37)	(114.110,04)	(114.110,04)	(46.103,61)	-
ALCOMEC S.L.	10%	0%	66.900,00	173.940,00	-	203.873,61	(87.356,34)	(83.813,99)	290.457,27	-
TRACTEMENT METROPOLITA DE FANES, S.L.	0%	22%	2.711.741,89	12.654.358,61	5.473.304,92	(4.939.948,66)	1.535.124,38	1.941.942,83	14.622.839,25	-
SECADOS TERMICOS CASTELLON SL	60%	0%	450.000,00	3.000.000,00	62.473,91	-	(87,88)	(93,02)	3.062.386,03	-
PLANTA DE TRATAMIENTO DE ARRAIZ S.L.	70%	0%	2.100,00	3.000,00	-	-	-	-	3.000,00	-
CONSORCIO STABILE VIS SOCIETA CONSORTILE PER AZIONI	8%	0%	12.000,00	37.500,00	-	-	-	-	37.500,00	-
TTO RESIDUOS LA RIOJA SL	100%	0%	3.006,00	3.006,00	-	846.129,80	(755.050,17)	(778.306,82)	94.085,63	-
VALORIZA SERVICIOS MEDIOAMBIENTALES BOLIVIA,S.A.	70%	0%	18.851,21	18.851,21	-	-	-	-	18.851,21	-
SACYR ENVIRONMENT USA LLC	100%	0%	2.061.772,57	2.985.211,72	-	-	(639.390,27)	(639.360,57)	2.345.821,45	-
VALORIZA ENVIRONMENT SERVICES PTY (AUSTRALIA)	100%	0%	1,00	1,00	-	-	-	-	1,00	-
PLATAFORMA INTEGRAL DE MOVILIDAD AIE	14,48%	0%	-	-	-	-	-	-	-	-
Total Group, Multigroup and Associated Companies			**7.225.508,34**	**28.886.407,54**	**34.068.528,75**	**(16.768.427,48)**	**(3.379.885,73)**	**(3.673.985,42)**	**33.796.623,10**	-

TIMBRE DEL ESTADO
0,03 EUROS
TRES CENTIMOS DE EURO
CLASE 8.ª
OM7356246

16. Periodificaciones

a) Periodificaciones de activo

Ejercicio 2014

En el ejercicio 2014 las periodificaciones a corto plazo ascendían a 1.334.773,94 euros y correspondían, entre otras, al canon del contrato del Servicio de Estacionamiento regulado de Aranjuez por importe de 481.416,67 euros y al contrato de servicios profesionales firmado con Rehabilitación Ecológica por valor de 110.000 euros, así como a gastos menores como son vestuario, primas de seguros o avales (en este último caso se periodifican 128.448,59 euros de mejoras en Arroyo Culebro). También incluye la periodificación de varias UTEs por importe de 282.011,85 euros entre los que destacan las UTEs La Paloma y la UTE TEM (en esta última, su incremento viene provocado por la adquisición de la participación del 6,99 % a dos de los socios).

El desglose de las UTEs se presenta en el siguiente cuadro:

2014	UTE TEM	UTE LA PALOMA	UTE HIXIENE´S	UTE DIGEST ANAEROBIA	UTE TRANSFERENCIAS	OTRAS	TOTAL UTES
Gastos anticipados	81.163,25	34.560,26	17.627,67	29.734,28	25.949,40	92.976,99	**282.011,85**

Ejercicio 2015

En el ejercicio 2015 las periodificaciones a corto plazo ascienden a 1.275.578,18 euros y corresponden, entre otras, al canon del contrato del Servicio de Estacionamiento regulado de Aranjuez por importe de 426.916,67 euros, así como a otros gastos menores como son vestuario, primas de seguros o avales (en este último caso se periodifican 188.215,08 euros de mejoras en Arroyo Culebro). También incluye la periodificación de varias UTEs por importe de 507.467,13 euros, entre los que destaca la UTE Hornillos (su incremento viene provocado por gastos de mantenimiento y conservación de la planta para alargar la vida útil de la misma).

El desglose de las UTEs se presenta en el siguiente cuadro:

2015	UTE HORNILLOS	UTE TEM	UTE LA PALOMA	UTE DIGEST ANAEROBIA	UTE GUADALAJARA	OTRAS	TOTAL UTES
Gastos anticipados	238.473,00	66.844,75	52.399,26	20.778,36	19.807,20	109.164,56	**507.467,13**

b) Periodificaciones de pasivo

Ejercicio 2014

El saldo de las periodificaciones de pasivo a corto plazo del balance al cierre del ejercicio 2014 ascendía a 1.125.488,70 euros y correspondía íntegramente a UTEs, siendo la que más aportaba La Paloma, con 1.116.185,04 euros por el canon de amortización recibido por el Ayuntamiento de Madrid con anterioridad a la puesta en marcha de la planta.

Ejercicio 2015

El saldo de las periodificaciones de pasivo a corto plazo del balance al cierre del ejercicio 2015 asciende a 992.633,72 euros y corresponde íntegramente a UTEs, siendo la que más aporta La Paloma, con 976.661,89 euros por el canon de amortización recibido por el Ayuntamiento de Madrid con anterioridad a la puesta en marcha de la planta.

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REGISTRATIONS DURING THE PERIOD

The registrations in this heading during financial year 2015 are detailed as follows:

- VSM, S.A. constitutes Valoriza Environment Services in Australia with 100% of the shares.
- VSM, S.A. constitutes the company Valoriza Servicios Medioambientales Bolivia with Sacyr Industrial S.A.U., holding 70% and 30% respectively.
- VSM, S.A. decreases and increases stock capital in Valdemingomez 2000 in relation to its 40%.
- The Company constitutes Sacyr Environment USA Llc. in United States with 100% of the shares.
- Valoriza Gestión S.A.U. is provided disbursement of the remaining part for purchase of the stake in the company Consorzio Stabile Vis Societa Consortile per Azioni.

The credits with group and associated companies are classified in the category of loans and items collectable, being valued at amortized cost and the interest rate applied in 2014 and 2015 is Euribor plus 4 %.

According to the requisites of Article 155 of the Capital Companies Act, the Company has fulfilled the requisite of notifying the companies in which it had taken a stake exceeding 10%, and whether it already held that stake, it has notified the additional acquisitions or sales exceeding 10%.

None of the Companies in which it holds stakes is stock market listed.

The annual accounts of the most significant Companies in which VSM, S.A. participates are audited by the following external auditors:

Valdemingomez 2000 S.A.	Deloitte
Tractement Metropolita de Fangs, S.L.	Deloitte
Boremer, S.A.	Deloitte
Parque Eólico La Sotonera, S.A.	KPMG
Tratamientos de Residuos de La Rioja, S.A.	Ernst & Young

The detail of the activities and registered offices of the group and associated companies is as follows:

Company name	Corporate object	Registered office
Gestión Partícipes del Biorecicjaje S.A	Municipal waste management and treatment related activities	*Ctra. Puerto Real a Paterna. Medina Sidonia, Cádiz, Spain*
Compost del Pirineo S.L.	Promotion of Sewage Plant sludge composting plants	*C/San Bartolomé nº11. Alcala de Gurrea, Huesca, Spain*
Metrofangs S.L.	Management and construction for 15 years at San Adriá de Besós purification station	*C/ Pin s/n Barcelona*
Boremer S.A.	Contracting and management of drainage and site cleaning services	*C/Principe de Vergara nº135. Madrid, Spain.*
Biomasas del Pirineo S.A.	Biomass energy generation promotion	*C/San Bartolomé nº11. Alcala de Gurrea, Huesca, Spain*

TIMBRE DEL ESTADO
0,03 EUROS
TRES CENTIMOS

17. Subvenciones, donaciones y legados

El detalle y movimientos de este capítulo del balance de situación en el ejercicio 2014, se muestran a continuación:

Organismo	Ámbito	Saldo inicial a 31/12/2013	Aumentos	Traspaso a resultados	Efecto impositivo	Saldo final a 31/12/2014
Ministerio de Industria	Administración estatal	54.683,59	56.818,21	(72.691,29)	4.761,92	43.572,43
Ministerio de Industria	Administración estatal	17.057,60	47.377,75	-	-	64.435,35
TOTAL		71.741,19	104.195,96	(72.691,29)	4.761,92	108.007,78

El detalle y movimientos de este capítulo del balance de situación en el ejercicio 2015, se muestran a continuación:

Organismo	Ámbito	Saldo inicial a 31/12/2014	Aumentos	Traspaso a resultados	Efecto impositivo	Saldo final a 31/12/2015
Ministerio de Industria	Administración estatal	43.572,43	239.686,80	(236.552,16)	(944,14)	45.762,93
Ministerio de Industria	Administración estatal	64.435,35	-	(10,90)	-	64.424,45
TOTAL		108.007,78	239.686,80	(236.563,06)	(944,14)	110.187,38

Al cierre de los ejercicios 2014 y 2015 la Sociedad había cumplido con todos los requisitos necesarios para la percepción y disfrute de las subvenciones detalladas anteriormente.

En la Nota 9b.1) de la presente Memoria, se detallan las subvenciones reintegrables a tipo cero de interés y su efecto en resultado.

Como queda de manifiesto en el estado de cambios en el patrimonio neto, se ha aplicado durante el ejercicio parte del impuesto diferido por subvenciones generado en anteriores años por valor de 5.706,06 euros (5.748,58 euros en 2014).

18. Política de Gestión de Riesgos

Las políticas de gestión de riesgo financiero y consecuentemente, los instrumentos para su consecución, vienen determinadas en gran medida por la legislación y normativa específicas del sector de actividad de construcción y de la propia naturaleza de los proyectos, sin olvidar la situación prevaleciente en cada momento en los mercados financieros. La Sociedad se encuentra expuesta a los siguientes riesgos:

a) Riesgo de crédito

Se puede considerar que el riesgo de crédito es mínimo, teniendo en cuenta que el desglose de la cuenta de clientes es la siguiente:

- Clientes públicos: 66,58 % (76,82 % en 2014).
- Clientes empresas del grupo: 22,37 % (15,35 % en 2014).
- Clientes privados: 11,05 % (7,83 % en 2014).

Dentro de los clientes públicos, un porcentaje de casi el 80,52 % corresponde a Ayuntamientos (84% en 2014) y, el resto, a Administración Central o Comunidades Autónomas. El riesgo de crédito es prácticamente inexistente porque, aunque los clientes públicos no destaquen por cumplir escrupulosamente las condiciones de pago contractuales y en ocasiones incurran en moras o retrasos, la Administración Pública no es insolvente por naturaleza y el retraso se ve compensado con los correspondientes intereses de demora, calculados de acuerdo con la Ley de Contratos con las Administraciones Públicas.

El saldo correspondiente a empresas del grupo (UTEs, participadas y sociedades del resto del grupo Sacyr), lógicamente carece de riesgo.

En cuanto a los clientes privados con deudas vencidas en más de seis meses, no presentan graves problemas de insolvencias, pues en la mayoría de los contratos se piden informes previos de solvencia de los

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Valdemingómez 2000,S.A.	Valdemingómez landfill degassing project	C/Génova 6, Madrid, Spain.
Cultivos Energéticos de Castilla S.A.	Biomass energy generation promotion	Avda. del Cid Campeador nº4, Burgos, Spain.
Infoser Estacionamiento Regulado, A.I.E.	Regulated street parking control auxiliary services in Madrid	C/ Manuel Silvela 8, Madrid, Spain.
Parque Eólico la Sotonera, S.L.	Renewable energy production.	Pza.Antonio Beltran Martínez, 1 Zaragoza, Spain.
Gestión de Infraest Canarias S.A.	Performance of studies, works and projects	Pza de José Arozena Paredes Sta Cruz de Tenerife
Partícipes del Bioreciclaje S.A.	Waste management	C/Federico Salmón nº8 Madrid, Spain.
Iniciativas Medioambientales del Sur S.L.	Street cleaning, collection, transport and processing waste, water purification ...	Crtra.Cadiz-Pto.Real Km13 Jerez de la Frontera, Cádiz, Spain
Inte RCD, S.L.	Promotion, construction and demolition waste development	C/Américo Vespucio, 69 Seville, Spain
Eurocomercial S.A.U.	Engineering, comsultancy or advisory services and import and export of products for deposit and sale	C/Juan Esplandiu, 11-13 Planta 13, 28007 Madrid, Spain
Residuos de Construcción de Cuenca	Management of construction and demolition waste in the area of the Province of Cuenca	C/Federico Salmón nº8 Madrid, Spain.
Hidroandaluza, S.A.U.	Purchase and sale of computer equipment	C/Arjona, 19; 1ºA; Seville, Spain.
Alcorec, S.L.	Management of construction and demolition waste in the area of the County of Alcores	Av.Kansas City ED Realia; 41007 Seville, Spain
Surge Ambiental, S.L.	Management of construction and demolition waste in the area of the Autonomous Community of Madrid	C/Juan Esplandiu, 11-13 Planta 13, 28007 Madrid, Spain
Servicio de Estacionamiento Regulado,S.L.	Services related to parking facilities, vehicle withdrawal, traffic studies and public transport	C/ Manuel Silvela 8, Madrid, Spain.
TRATAMIENTO RESIDUOS LA RIOJA S.L.	Operation and maintenance of the Waste Treatment Centre at La Rioja Ecopark	La Rad de Varea s/n Villamediana de Iregua, La Rioja, Spain.
SECADO TERMICO DE CASTELLON,S.A.	Study, project, construction and operation of the Plant	C/Fanzara, 5. Burriana. Castellón, Spain.

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mismos. A final de año, se provisionan como dudoso cobro los clientes privados con deudas vencidas a seis meses y los saldos de los últimos años no resultan especialmente significativos (Nota 9, a.3).

b) Riesgo de liquidez

El negocio de la Sociedad obliga a realizar [illegible] al inicio de las concesiones, inversiones en maquinaria, contenedores, plantas de tratamiento, depuradoras y otros elementos del inmovilizado material. Dichas inversiones se recuperan a lo largo del período concesional en función de unas cuotas de amortización y financiación de las mismas, con un tipo de interés aplicado sensiblemente por encima del coste de capital de la Sociedad.

Para financiar estas inversiones, la Sociedad estructura su deuda de modo que el propio proyecto sea el que financia las necesidades iniciales, bien a través de "financiaciones de proyectos" en aquellos contratos que requieren las mayores inversiones (Planta de Tratamiento de RSU de Los Hornillos, Planta de Secado Térmico de Butarque, incineradora de Maresme), o bien, financiando la compra de maquinaria y equipos a través de líneas de leasing, que se abonan con la tesorería que genera el propio proyecto.

El EBITDA de los propios negocios nos permite asegurar que el riesgo de liquidez es bajo, ya que los diferentes proyectos autofinancian sus inversiones con el cash flow generado.

En cuanto a la financiación del circulante, como ya se decía en el punto (a), los clientes (Administraciones Públicas) no son insolventes por Ley, aunque en ocasiones generan retrasos importantes y necesidades puntuales de tesorería. Para cubrir estas necesidades, la Sociedad mantiene sus propias líneas de crédito, dispuestas en la actualidad a un 15.41% (67,5 % en el año 2014) de los límites pactados. Los derechos de crédito contraídos por los clientes son susceptibles de negociación a través de líneas de factoring o de descuento de certificaciones. En el caso de que pudiera haber algún tipo de riesgo por la indisponibilidad de líneas de crédito suficientes, la Sociedad puede negociar las certificaciones y utilizar las líneas de factoring con recurso contratadas ya en la actualidad.

c) Riesgo de mercado

- Riesgo de tipo de interés

Una parte de la deuda con entidades de crédito de las UTEs está contratada a tipo de interés fijo, a través de instrumentos financieros de cobertura tales como permutas financieras de intereses, reduciendo así la exposición de los negocios a posibles evoluciones al alza de los tipos de interés.

Otra parte importante de la deuda está financiada con préstamos "blandos" del Ministerio de Economía y Hacienda, a tipo 0 de interés, con períodos de amortización de entre 10 y 15 años, incluyendo 3 años de carencia.

La estructura de la deuda financiera clasificada por riesgo de tipo de interés, entre deuda a tipo fijo y protegido, una vez considerados los derivados contratados como cobertura, y la deuda referenciada a tipo de interés variable, al 31 de diciembre de 2015 y de 2014 son como sigue:

	2015		2014	
Deuda	Importe	%	Importe	%
A tipo de interés fijo o protegido	59.711.619,49	53,01%	61.553.909,43	45,52%
A tipo de interés variable	52.926.282,75	46,99%	73.667.941,98	54,48%
TOTAL	112.637.902,24	100,00%	135.221.851,41	100,00%

- Riesgo de tipo de cambio

Actualmente la Sociedad no realiza un elevado número de operaciones en monedas extranjeras por lo que no existe un riesgo relativo a los tipos de cambio. Además de ello, si de los movimientos con Bolivia se desprendiera algún movimiento, sería asumido por Sacyr Industrial conforme a acuerdo privado firmado entre ambas sociedades.

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WASTE RESOURCES,S.L.	Provision of environment related services.	*Carretera de Vicálvaro a O'Donnell nº7 28032 Madrid, Spain.*
PLANTA DE TRATAMIENTO DE ARRAIZ,S.L.	Study, project, construction and operation of the Plant	*Calle Elcano, 9 Bilbao, Vizcaya, Spain.*
CONSORZIO STABILE VIS SOCIETA CONSORTILE PER AZIONI	Studios, construction and provision of environment related services in Italy.	*Via Invorio, 24 Torino, Italy.*
VALORIZA SERVICIOS MEDIOAMBIENTALES BOLIVIA,S.A.	Construction of a cement plant in the Oruro area of Bolivia.	*Santa Cruz de la Sierra, Departamento de Santa Cruz, Bolivia.*
SACYR ENVIRONMENT USA LLC	Studies, construction and provision of environment related services in the United States.	*2711 Centerville Road, Wilmington, Delaware.*
VALORIZA ENVIRONMENT SERVICES PTY (AUSTRALIA)	Studies, construction and provision of environment related services in Australia.	*256 Adelaida Terrace, Perth, Western Australia.*
PLATAFORMA INTEGRAL DE MOVILIDAD AIE	Regulated street parking control auxiliary services in Madrid.	*Calle Covarrubias nº1 Bajo Derecha, 28010 Madrid.*

With reference to the stake in Tractament Metropolità de Fangs, there are guarantees granted to financial institutions that are explained in detail in Note 15.c.

11. Joint business

The detail on 31st December 2014, of the significant operations controlled jointly, in which the Company participates through temporary joint ventures, is as follows:

CONSORTIA	Stake %	Net Value	Operating date	Activity
SUFI-OMICRÓN - BOREMER (UTE SUR)	50%	1,502.53	3,005.06	Construction of a thermal sludge drying plant in the south zone of Madrid
TRAMFANG	27%	1,622.73	6,010.12	Construction of sludge plant and operation in Sant Adrià del Besós, Barcelona
C.B.C.	33%	12,022.65	36,060.73	Construction of waste treatment plant (Cadiz)
UTE MAJADAHONDA (SUFI FCC)	50%	0.00	Pending	Street cleaning services, collection and transport of municipal waste in Majadahonda
UTE BOADILLA	50%	0.00	In liquidation	Waste collection, selective collection, street cleaning and transport to the Boadilla del Monte plant
SUFI - UBASER - VERTRESA (LA PALOMA)	38%	2,280.00	6,000.00	Management of the public service for operation and remodelling the treatment centre for municipal waste in La Paloma district, Madrid
SUFI - TECONSA (C.T.R. SALAMANCA)	60%	600.00	1,000.00	Construction of the municipal waste for management of the municipal districts in the province of Salamanca
SUFI - J.A. ROMERO POLO (UTE SERRALLARGA)	40%	2,400.00	6,000.00	Execution of the controlled deposit in Serrallarga, with establishment of a gas treatment system
UTE LOS HORNILLOS	50%	500.00	1,000.00	Management project of installation 1, included in

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• Riesgo regulatorio

La Sociedad está sujeta al cumplimiento de normativa tanto específica sectorial como de carácter general (normativa contable, medioambiental, laboral, protección de datos, fiscal, etc.). Como en todos los sectores altamente regulados, los cambios regulatorios podrían afectar tanto positiva como negativamente al negocio de la Sociedad.

En concreto, las nuevas normativas de las Comunidades Autónomas para el tratamiento de los residuos de construcción y demolición (RCD's) están abriendo nuevas posibilidades de negocio al buscar la desaparición de los vertederos ilegales. Por el contrario, la normativa sobre compostaje de lodos o la nueva regulación energética puede afectar negativamente a las plantas de VSM, S.A. dedicadas a esta actividad. En estos casos, y al tratarse de contratos suscritos con la Administración Pública, al finalizar el período transitorio de entrada en vigor de la nueva norma, se ha planteado el restablecimiento del equilibrio económico-financiero de los contratos.

La Sociedad mantiene contratos intensivos en mano de obra, donde la negociación colectiva es un punto crítico a la hora de mantener el equilibrio económico del contrato. La mayoría de los contratos revisan sus precios con fórmulas polinómicas que recogen la variación del coste de mano de obra, por lo que se mantiene el equilibrio económico. Y en aquellos que no poseen este tipo de fórmulas de revisión, se negocia con la Administración para corregir los desfases entre los incrementos de convenio y los índices de revisión de precios del contrato.

• Riesgo de demanda

Este riesgo es inexistente en la mayoría de contratos (servicios municipales de limpieza viaria, recogida de residuos, parquímetros, jardinería), pues los ingresos de los mismos se producen en función de cánones iniciales revisables anualmente y según las variaciones de IPC, costes salariales, precios de gas-oil etc. Un caso distinto son las plantas de tratamiento de residuos, pues sus ingresos se basan en cánones por tonelada de residuo tratado. Aquí hay que diferenciar tres tipos de plantas:

a) Residuos Sólidos Urbanos (RSU): son contratos con la Administración Pública y no existe el riesgo de que hubiera menores entradas de residuos de las inicialmente estimadas, porque en la mayoría de los contratos se establece un número mínimo de toneladas, por debajo de las cuales la Administración compensa al concesionario. En los casos en que no se establece este mínimo de toneladas, se establecen precios y cánones en función del número de toneladas anuales tratadas.

b) Residuos de Construcción y Demolición (RCD's): en este tipo de contratos, los clientes son privados que llevan los residuos a las instalaciones de VSM, S.A. y se les cobra una tasa por el vertido y tratamiento. En estos contratos, se fijan las tarifas en función de un número de toneladas anuales, calculadas con un criterio bastante prudente. La realidad de los propios negocios es que el número de toneladas suele ser un 20-25% superior al estimado inicialmente. El riesgo que podrían tener estas plantas sería el de una parada del funcionamiento de las mismas por avería o mantenimiento.

c) Secado térmico de lodos: el Ayuntamiento de Madrid está incumpliendo el número de toneladas fijadas en los contratos de explotación de las instalaciones de Boremer y Butarque. Dicho número de toneladas fue el considerado para la fijación de los cánones de tratamiento a percibir del Ayuntamiento. Por esta razón, Boremer tiene solicitado al Ayuntamiento sendos expedientes de reequilibrio económico de los contratos, y posteriormente planteó recursos por la vía contencioso administrativa por el incumplimiento de las condiciones contractuales, solicitando una compensación por el perjuicio ocasionado.

• Riesgo de mercado de materias primas:

El negocio de las plantas industriales de secado térmico de lodos se caracteriza por la enorme dependencia del precio del gas natural en cuanto a los costes, y del precio de la energía eléctrica en cuanto a las ventas. Los ingresos de este tipo de actividad provienen de la venta de energía eléctrica a la red, del canon percibido del Ayuntamiento y de la venta de subproductos. El canon percibido del Ayuntamiento se estableció en la oferta en función de los precios de mercado del gas y la energía eléctrica. Las diferencias entre las subidas del precio del gas y la electricidad motivaron

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				the waste zone plan of zones III and VIII (Management Area I) and its concession award
UTE EDAR CARIÑO (SUFI & CRC WORKS AND SERVICES)	55%	1,650.00	3,000.00	Drafting the project and operating general collectors and sewage station of Cariño (La Coruña)
UTE RCD GARDELEGUI 2005 (SUFI - ESCOR - LAMBIDE)	50%	1,500.00	3,000.00	Drafting the project, construction and concession of the operation of a demolition waste in Vitoria
UTE HORNILLOS - WORKS	50%	3,000.00	6,000.00	Execution of the works considered in the "Project of activity and construction of facility 1 included in the zone plan of waste in zones III and VIII (Management Area 1)" that is performed within the framework of the "Management project of the ..."
UTE ILNET (SUFI - ROMERO POLO)	40%	12,000.00	30,000.00	Concession of the municipal street cleaning, collection and transport of the diverse fractions of the municipal waste and other complementary services in the city of Lleida.
UTE COMPLEJO AMBIENTAL EL MAJANO (SUFI - SATOCÁN)	50%	3,000.00	6,000.00	Drafting the project, execution of the works and installations, as well as start-up of town planning works and infrastructures for waste on the environment complex of El Majano (Isla de El Hierro)
UTE GUADALPÍN	35%	2,100.00	6,000.00	Execution of replacement works 1, trap pipe of Arroyo Guadalpín purification plant
UTE FAUNA BARAJAS	60%	3,600.00	6,000.00	Drafting the works execution project of the fauna recovery centre by compensatory measures linked to Madrid Barajas airport
UTE SUFI - COINTER	70%	8,400.00	12,000.00	Provision of the street cleaning service and collection of municipal waste in the municipal district of Cadiz
UTE BIOMETANIZACIÓN LA PALOMA	36%	2,163.60	6,009.99	Drafting, project, construction, start-up of a bio-methane urban waste plant, and a biogas treatment plant for use as fuel in buses for public transport at La Paloma plant
UTE SUFI - COINTER JARDINES	70%	8,400.00	12,000.00	Conservation and maintenance of park areas and cleaning parks and gardens, park areas and other public spaces in Cadiz
UTE TEM	40%	42,000.00	100,000.00	Extension, adaptation and operation of the Integral Waste Recycling Centre of Maresme
CENTRE INTEGRAL DE VALORITZACIÓ DE RESIDUS DEL MARESME UTE	60%	6,000.00	10,000.00	Execution of the construction works for extension, adaptation and operation of the Integral Waste Recycling Centre of Maresme
UTE GARABI	60%	3,600.00	6,000.00	Service contract to withdraw vehicles from the streets and integral management of the municipal pound
UTE URGENET	50%	15,000.00	30,000.00	"Municipal waste collection, transport and treatment service and street cleaning in the territory served by the Mancomunitat d'Escombraries de l'Urgellet"
UTE EDAR AJOFRÍN	50%	3,000.00	6,000.00	Drafting the project, execution of works and performance of operating and maintenance tests of collectors and sewage purification plants
PAVIMENTOS GUADALAJARA	60%	3,000.00	5,000.00	Repair service, conservation and reform of the pavements in Guadalajara
UTE PLANTA DE ARICO	50%	3,000.00	6,000.00	Drafting the projects, execution of the works and start-up of a composting plant
DISPOSITIVO ALTO URGEL	35%	10,500.00	30,000.00	Turnkey construction and operation of a leachate treatment system at Montferrer y Castellbó
UTE LA PALOMA RIO	36%	2,160.00	6,000.00	Management of the public service for operation and maintenance follow a gas purification plant at La Paloma Plant at Valdemingomez
UTE CONTENIDORS SOTERRATS LLEIDA	50%	3,000.00	6,000.00	Installation of bin islands in the Lleida zone
UTE SECADO TÉRMICO LOECHES	50%	3,000.00	6,000.00	Execution of the control of the Indirect Management Services for operation of the Compost Plant and thermal drying with cogeneration in Loeches
UTE JARDINES PERIFERIA	70%	700.00	1,000.00	Conservation and Maintenance of Municipal Natural Parks, Forests and Periurban Park Areas
UTE DIGESTIÓN	38%	2,280.00	6,000.00	Management of public services (concession mode)

unas pérdidas en los últimos ejercicios, que no se esperan para los siguientes, toda vez que con el cambio legislativo el precio de la energía eléctrica para las empresas de cogeneración queda vinculado al precio del barril tipo brent, el mismo parámetro que influye en el precio del gas. Luego se puede concluir que desaparece este posible riesgo por este motivo.

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d) Política de gestión de capital

El principal objetivo de la política de gestión de capital consiste en garantizar una estructura financiera basada en el cumplimiento de la normativa vigente en los países donde opera la Sociedad. Adicionalmente, la política de gestión de capital busca asegurar el mantenimiento de ratios crediticios estables así como de maximizar el valor del accionista.

El ratio de apalancamiento de la Sociedad al cierre de los ejercicios 2015 y 2014 son los siguientes:

	2015	2014
Deuda externa remunerada	(112.637.902,24)	(135.221.851,41)
Tesorería	27.393.423,45	13.261.087,09
IFT	2.818.662,42	835.104,52
Deuda Neta	**(82.425.816,37)**	**(121.125.659,80)**
Patrimonio Neto	**66.926.104,37**	**67.046.672,35**
Patrimonio Neto + Deuda Neta	**(15.499.712,00)**	**(54.078.987,45)**
Ratio de apalancamiento	**1,23**	**1,81**

Siendo la Deuda externa remunerada la correspondiente a corto y a largo plazo dentro de los epígrafes del Pasivo de "Deudas a corto plazo" y "Deudas a largo plazo" y habiéndose reducido el ratio de apalancamiento un 47% en los últimos 5 años.

Al 31 de diciembre de 2015 la cantidad de 59.711.619,49 euros, (61.553.909,43 euros en el año 2014) están financiados con préstamos sindicados originados por las financiaciones de proyectos de las UTEs Los Hornillos y Butarque.

19. Administraciones públicas y situación fiscal

a) Saldos

El detalle de los saldos relativos a activos fiscales y pasivos fiscales (excluidos los activos y pasivos por impuestos diferidos detallados en el apartado b) de esta nota), a 31 de diciembre de 2014 y 2015 es el siguiente:

- **Saldos deudores:**

	2015	2014
Hacienda Pública deudora por Seguridad Social	4.611,69	1.235,47
Hacienda Pública deudora por IVA	1.231.222,68	802.757,68
Hacienda Pública deudora por retenciones	94.610,52	78.761,16
Hacienda Pública deudora por otros conceptos	204.601,31	281.614,47
Total	1.535.046,20	1.164.368,78

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ANAEROBIA LA PALOMA				for operation of two bio-methane plants and for operation of a biogas treatment plant for bio-methane for use an commercialisation of this in the technological park of Valdemingomez
UTE JARDINES CENTRE SEVILLA	50%	6,000.00	12,000.00	Conservation and maintenance service of park areas and street trees in the city of Seville, Central District, Triana, Los Remedios and Macarena, as well as all accessories and/or complementary items related to the preceding object that may be required by the body awarding.
SUFI - SETEX APARKI	50%	3,000.00	6,000.00	Providing the regulated public street parking service in Madrid
SUFI - VERINSUR (CALANDRIAS)	50%	500.00	1,000.00	Operating services, maintenance and conservation of "Las Calandrias" compost and recycling plant
UTE PILAS (VVO. MEDIOAMBIENTE, S.L. - SUFI, S.A.)	50%	1,000.00	2,000.00	Used battery management in the Canary Islands 2004-2005
UTE PRADOLUENGO (SUFI, S.A. - TEBYCON, S.A.)	50%	3,000.00	6,000.00	Execution of Pradoluengo works in Burgos
SALTO DEL NEGRO	60%	3,600.00	6,000.00	Drafting the works execution project and start-up of the relevant installations in the 2nd phase of the bio-methane plant and 2nd phase of the "all in one" classification plant at the Salto del Negro environmental complex
UTE TALARRUBIAS	50%	3,005.00	6,010.00	Operation of management zone number 7 of Talarrubias, Badajoz
UTE SUFI - HIXIENE'S ZONA VI PARQUÍMETROS	60%	1,800.00	3,000.00	Provision of the management service of the public regulated street parking service in Madrid (Batch 3 - Zone VI)
SUFI - CADAGUA - FERROVIAL M.A. - OHL (SECADO TÉRMICO BUTARQUE)	70%	4,207.09	6,010.13	Construction and operation of a thermal sludge drying plant at the Butarque Sewage Plant
UTE CONSERVACIÓN MANZANARES (SUFI - IMES)	50%	0.00	In liquidation	Maintenance service, conservation and operation of the river Manzanares in the municipal district of Madrid

CONSORTIA	Stake %	Net Value	Operating date	Activity
UTE SUFI - RAYET	50%	6,000.00	12,000.00	Municipal gardening service in the district of La Línea de la Concepción
UTTE ABAJAS	75%	4,500.00	6,000.00	Construction of the compost plant of Abajas and electric supply line
UTE DEPURADORAS ALCALÁ OESTE (SUFI - SACYR) LOS TERCIARIOS	80%	4,800.00	6,000.00	Execution of the construction works of the treatments to reuse the purification plans of Alcalá Oeste, Arroyo del Soto, Casaquemada, Villanueva de la Cañada and Villaviciosa de Odón, Group 1.
UTE PARQUE FORESTAL VALDEBERNADO	50%	3,000.00	6,000.00	Execution of the works of two kiosks in the Valdebernardo Forest Park
UTE SUFI - TARAJAL	100%	12,000.00	12,000.00	Management and operation of the activities included in the urban cleaning service, waste collection and street cleaning in the municipal district of Puerto de la Cruz
UTE SIERRA DEL SEGURA	100%	6,000.00	6,000.00	Domestic waste collection, cleaning and disinfection of bins and collection of bulky waste by installation of collection points in the municipal districts of the Mancomunidad de la Sierra del Segura
UTE LIMPIEZA CALDES	55%	1,650.00	3,000.00	Street cleaning service and municipal equipment of the Local Government Caldes de Montbui
UTE EDIFICIOS MORATALAZ	80%	2,400.00	3,000.00	Full management of the complementary services of buildings assigned to the District of Moratalaz
UTE CONTENEDORES POZUELO	50%	300.00	6,00.00	Supply, works and installation of underground bins for municipal waste
UTE POLIDEPORTIVO F.J. CASTILLEJO (SUFI, S.A. - SERVIDRIVE, S.L.)	50%	1,500.00	3,000.00	Diverse service in the F.J. CASTILLEJO DE PARLA municipal sports centre.

TIMBRE DEL ESTADO
0,03 EUROS
TRES CENTIMOS DE EURO
CLASE 8.ª
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- **Saldos acreedores:**

	2015	2014
Hacienda Pública acreedora por IVA	1.773.568,07	1.063.452,62
Hacienda Pública acreedora por retenciones	1.943.618,44	2.589.592,61
Organismos de la Seguridad Social acreedores	3.653.402,67	3.732.266,49
Hacienda Pública acreedora por otros conceptos	14.091,53	80.316,79
Total	7.384.680,71	7.465.628,51

b) Activos y pasivos por impuestos diferidos

El detalle y los movimientos de las distintas partidas que componen los activos y pasivos por impuestos diferidos son los siguientes:

Ejercicio 2014

	Saldo Inicial 31/12/2013	Traspasos	Valoraciones reflejadas en Cuenta de pérdidas y ganancias	Valoraciones reflejadas en Patrimonio Neto	Saldo final 31/12/2014
Activos por impuesto diferido					
Diferencia de amortización contable	1.366.222,74	2.296.561,12	-	-	3.662.783,86
Cobertura de flujos de efectivo	2.062.984,98	(472.182,83)	282.671,66	-	1.863.473,81
Deducciones pendientes	-	-	-	5.627.236,85	5.627.236,85
Total Activos por impuesto diferido	3.429.207,72	1.824.378,29	282.671,66	5.627.236,85	11.153.494,52
Pasivos por impuesto diferido					
Resultados de las UTEs	(2.006.171,17)	36.829,89	-	-	(1.969.341,28)
Libre amortización de inmovilizado	(3.676.700,34)	664.655,78	-	-	(3.012.044,56)
Arrendamientos financieros	(1.853.143,70)	598.227,11	-	-	(1.254.916,59)
Operación societaria Sufi-Grupo Sufi	(112.835,13)	17.907,08	-	-	(94.928,05)
Subvenciones no reintegrables	(13.527,03)	439,27	4.761,93	-	(8.326,83)
Total Pasivos por impuesto diferido	(7.662.377,37)	1.318.058,13	4.761,93		(6.339.557,31)

Durante el ejercicio 2014 la Sociedad reconoció con la Hacienda Pública aquellos activos por impuesto diferido cuyo plazo de recuperación o reversión ha estimado superior al año, traspasando en consecuencia su importe desde la cuenta corriente con el Grupo Fiscal.

Con fecha 28 de noviembre de 2014, se publicó la Ley 27/2014 del Impuesto sobre Sociedades, la cual establece una modificación de los tipos impositivos, siendo éstos del 28% para 2015 y del 25% para 2016 en adelante. A 31 de diciembre de 2014 la Sociedad ha procedido a valorar los activos y pasivos por impuesto diferido según el tipo de gravamen esperado en la fecha de su reversión. El efecto de esta valoración ha supuesto un mayor gasto por impuesto diferido en la cuenta de pérdidas y ganancias por importe de 320.263,98 euros y un menor gasto por impuesto por valor de 333.660,90 euros.

Los activos por impuesto diferidos indicados anteriormente han sido registrados en el balance de situación por considerar el Administrador Único de la Sociedad que, conforme a la mejor estimación sobre los resultados futuros de la Sociedad, incluyendo determinadas actuaciones de planificación fiscal, es probable que dichos activos sean recuperados antes de que transcurran 10 años.

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UTE JARDINES GUADALAJARA	50%	10,000.00	20,000.00	Municipal gardening service in the district of Guadalajara.
UTE ORIHUELA CAPITAL DE LA VEGA BAJA (SUFI, S.A., GOBANCAST, S.L. Y LIMPIEZAS Y ASEO URBANO, S.L.)	40%	24,000.00	60,000.00	Provision of the public collection, treatment and elimination of municipal waste and street cleaning in the municipal district of Orihuela
UTE SEÑOSERVI	50%	3,000.00	6,000.00	Treatment services in municipal forests of the Costal County of the province of Huelva
UTE TELDE	50%	6,000.00	12,000.00	Management of the street cleaning, beaches, municipal waste collection and other related items in the municipal district of Telde.
UTE ENTUBADO CARBAJOSA	50%	3,000.00	6,000.00	Town planning works and pipe for stretch of the Villagonzalo canal
UTE SONDEOS PALENCIA	80%	2,400.00	3,000.00	Test drilling in the irrigation zone of Valdivia - Aguilar, Palencia
UTE PASEO FLUVIAL STA MARTA DE TORMES	50%	3,000.00	6,000.00	Execution of the conditioning works project of the river Tormes and River Promenade
UTE LINCE Y ÁGUILA	50%	5,940.00	6,000.00	Restoration of habitats for the lynx and imperial eagle in forests in the natural park of Andújar
UTE MANTENIMIENTO BOADILLA	60%	0.00	Pending	Operation of the integral management services for preventive maintenance and conservation of the public lighting, sewers, paving streets and other infrastructures of municipal remit, as well as urban fixtures in Boadilla del Monte
UTE MIRANDA DE EBRO	50%	1,500.00	3,000.00	Execution of the public street cleaning service, collection of municipal waste, sewer cleaning, rat extermination and animal removal
UTE TMB ARRAIZ	70%	4,200.00	6,000.00	Drafting the execution project, turnkey construction, start-up and operation for a mechanical biological treatment for municipal waste in the area of Armulaza, Monte Arraiz, Bilbao.
UTE ARONA	50%	6,000.00	12,000.00	Public municipal waste management service and street cleaning in the municipal district of Arona
UTE PLASENCIA	50%	6,000.00	12,000.00	Public municipal waste collection, selective collection at origin, transport of waste and street cleaning in the city of Plasencia.
UTE LITERAL ARONA	50%	6,000.00	12,000.00	Public service of Coast Management in the municipal district of Arona
UTE GALAPAGAR	80%	2,400.00	3,000.00	SER, Vehicle immobilisation, withdrawal and transport to the municipal pound service, installation of complementary penalty elements to improve road safety and technical assistance and collaboration service in matters of fine collection arising from the SER, and penalties generated by infractions in the scope of competences of the Local Government
UTE VALDEMORO MOVILIDAD	50%	200,000.00	400,000.00	Management of the Regulated Parking (SER) public service in certain streets, Public Vehicle Removal Service (Tow-truck) in the municipal district Valdemoro and Penalty Management Service within the Regulated Parking Service
UTE BADAJOZ SUR	50%	6,000.00	12,000.00	Execution of the Public Service Management for municipal waste collection in the South Zone of the Province of Badajoz, as well as all the accessories and/or complementary ones related to the prior object that may be required by the body awarding
UTE CAMALOTE	60%	7,200.00	12,000.00	Execution of the concession contract of the public works "Works for environmental protection in the middle stretch of the River Guadiana (environmental protection works in stretches of water and banks of the Guadiana basin) Badajoz. phase 1, as well as all the accessories and complementary items related tot he preceding object that may be required by the body awarding
UTE MADRID SUR MOVILIDAD LOTE III	31.8%	3,180.00	10,000.00	Execution of Batch III of the "Integral Mobility contract of the City of Madrid", as well as the auxiliary, accessory and/or complementary works, including the extensions and other variations that may arise

Ejercicio 2015

	Saldo inicial 31/12/2014	Variaciones reflejadas en Cuenta de pérdidas y ganancias	Variaciones reflejadas en Patrimonio Neto	Saldo final 31/12/2015
Activos por impuesto diferido				
Diferencia de amortización contable	[illegible]6	(248.042,59)	-	3.414.741,27
Cobertura de flujos de efectivo	[illegible]61	58.766,53	(301.526,11)	1.620.714,23
Deducciones pendientes	5.627.236,85	(1.219.902,81)	-	4.407.334,04
Total Activos por impuesto diferido	11.153.494,52	(1.409.178,87)	(301.526,11)	9.442.789,54
Pasivos por impuesto diferido				
Resultados de las Utes	(1.969.341,28)	320.404,68	-	(1.648.936,60)
Libre amortización de inmovilizado	(3.012.044,56)	516.241,26	-	(2.495.803,30)
Arrendamientos financieros	(1.254.916,59)	233.560,09	-	(1.021.356,50)
Operación societaria Sufi-Grupo Sufi	(94.928,05)	-	-	(94.928,05)
Subvenciones no reintegrables	(8.326,83)	(39.069,76)	38.125,62	(9.270,97)
Total Pasivos por impuesto diferido	(6.339.557,31)	1.031.136,27	38.125,62	(5.270.295,42)

Durante el ejercicio 2015 la Sociedad ha reconocido con la Hacienda Pública aquellos activos y pasivos por impuesto diferido cuyo plazo de recuperación o reversión ha estimado superior al año, habiendo traspasado en 2014 su importe desde la Cuenta Corriente con el Grupo Fiscal.

Con fecha 28 de noviembre de 2014, se ha publicado la Ley 27/2014 del Impuesto sobre Sociedades, la cual establece una modificación de los tipos impositivos, siendo éstos del 28% para 2015 y del 25% para 2016 en adelante. A 31 de diciembre de 2015 la Sociedad ha procedido a valorar los activos y pasivos por impuesto diferido según el tipo de gravamen esperado en la fecha de su reversión.

Los activos por impuesto diferido derivados de la de aplicación de la limitación a las amortizaciones establecida en el artículo 7 de la Ley 16/2012, de 27 de diciembre, tendrán derecho a una deducción en la cuota íntegra del 5 por ciento (2 por ciento en los períodos impositivos que se inicien en 2015) de las cantidades que integren en la base imponible, derivadas de las amortizaciones no deducidas en los períodos impositivos que se hayan iniciado en 2014 y 2015, por lo que la Sociedad no ha realizado ningún ajuste derivado de la variación del tipo impositivo. Esta deducción en 2015 ha supuesto la cantidad de 17.936,43 euros.

Las deducciones generadas pendientes de aplicar son las siguientes:

Deducciones Generadas	
Año generación	Importes
2007	1.125.713,85
2008	786.334,09
2009	328.946,16
2010	0,00
2011	1.038.779,46
2012	0,00
2013	1.127.560,49
Total deducciones pendientes	4.407.334,04

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Los activos por impuesto diferidos indicados anteriormente han sido registrados en el balance de situación por considerar el Administrador Único de la Sociedad que, conforme a la mejor estimación sobre los

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UTE MADRID SUR MOVILIDAD LOTE IV	31.8%	3,180.00	10,000.00	Execution of Batch IV of the "Integral Mobility contract of the City of Madrid", as well as the auxiliary, accessory and/or complementary works, including the extensions and other variations that may arise
UTE VALORIZA GESTYONA	65.0%	195,000.00	300,000.00	Management of the cleaning follow public spaces, collection service, transport and processing domestic waste and maintenance and conservation of parks and green areas within the municipal district of Pinto
UTE TRANSFERENCIAS	60.0%	3,600.00	6,000.00	Management of the public operating service of the municipal waste transfer and treatment service for Provincial Consortium for non hazardous waste treatment, as well as the service provided by two vacuum - impeller trucks
UTE SUCETEC (SUFI - TECNIGRAL - CEPSA)	33%	1,001.59	3,035.12	Ute in process of liquidation.

The detail on 31st December 2015, of the significant operations jointly controlled in which the Company has participated through consortia is as follows:

CONSORTIA	Stake %	Net Value	Operating date	Activity
SUFI - OMICRÓN - BOREMER (UTE SUR)	50%	1,502.53	3,005.06	Construction of a thermal sludge drying plant in the south zone of Madrid
TRAMFANG	27%	1,622.73	6,010.12	Construction of plant and sludge operation at Sant Adrià de Besós, Barcelona
C.B.C.	33%	12,022.65	36,060.73	Construction of waste treatment plant, Cadiz
UTE MAJADAHONDA (SUFI - FCC)	50%	0.00	Pending	Street cleaning, municipal waste collection and transport services in Majadahonda
UTE BOADILLA	50%	0.00	In liquidation	Waste collection, selective collection, street cleaning and transport to the Boadilla del Monte plant
SUFI - URBASER - VERTRESA (LA PALOMA)	38%	2,280.00	6,000.00	Management of the public service for operation and remodelling the municipal waste treatment centre in La Paloma district, Madrid
SUFI - TECONSA (C.T.R. SALAMANCA)	60%	600.00	1,000.00	Construction of the municipal waste treatment centre for management if the municipalities in the province of Salamanca
SUFI - J.A. ROMERO POLO (UTE SERRALLARGA)	40%	2,400.00	6,000.00	Execution of the controlled deposit of Serrallarga, with establishment of a gas treatment system
UTE LOS HORNILLOS	50%	500.00	1,000.00	Management project of installation 1, included in the waste zone plan for zones III and VIII (Management Area 1) and concession award
UTE EDAR CARIÑO SUR (SUFI Y CRC OBRAS Y SERVICIOS)	55%	1,650.00	3,000.00	Drafting the project and operating general collectors and sewage purification station in Cariño (La Coruña)
UTE RCD GARDELEGUI 2005 (SUFI - ESCOR - LAMBIDE)	50%	1,500.00	3,000.00	Drafting the project, construction and concession of the operation of a demolition waste treatment plant in Vitoria
UTE ORNILLOS OBRA	50%	3,000.00	6,000.00	Execution of the works considered in the "Projects for activity and construction of installation 1 included in the zone plan for waste in zones III and VIII (management area 1)" that is developed within the framework of the "Management project of the ..."
UTE ILNET (SUFI - ROMERO POLO)	40%	12,000.00	30,000.00	Concession of municipal street services and collection and transport of the diverse fractions of municipal waste and other complementary services in the city of Lleida
UTE COMPLEJO AMBIENTAL EL MAJANO (SUFI - SATOCÁN)	50%	3,000.00	6,000.00	Drafting the project, execution of the works and installations, as well as start-up of the town planning and waste infrastructures in the environmental complex of El Majano (Island of El Hierro)
UTE GUADALPÍN	35%	2,100.00	6,000.00	Execution of replacement works 1, trap pipe of Arroyo Guadalpín purification plants

resultados futuros del grupo fiscal, incluyendo determinadas actuaciones de planificación fiscal, es probable que dichos activos sean recuperados antes de que transcurran 10 años.

c) Conciliación resultado contable y base imponible fiscal

La conciliación entre el importe neto de los ingresos y gastos del ejercicio y la base imponible de Impuesto sobre Sociedades de 2014 es la siguiente:

	Cuenta de pérdidas y ganancias	
Saldo de ingresos y gastos del ejercicio	-	8.652.764,38
	Aumentos	Disminuciones
Impuesto sobre Sociedades	4.030.482,05	-
Ajuste al impuesto sobre sociedades 2013 y tipos	320.263,98	(367.100,87)
Diferencias permanentes	2.512.426,09	(946,78)
Diferencias temporarias	17.846.974,90	(6.987.824,86)
- con origen en el ejercicio	4.600.593,57	(6.987.824,86)
- con origen en ejercicios anteriores	13.246.381,33	-
Base imponible (resultado fiscal)		26.007.038,89

Las principales diferencias permanentes positivas del 2014 son las siguientes:

- Provisiones no deducibles por importe de 2.189.509,08 euros.
- Donaciones por importe de 25.675,00 euros.
- Sanciones por importe de 297.242,01 euros.

Las principales diferencias permanentes negativas del 2014 son las siguientes:

- Aplicaciones de provisiones no deducibles dotadas en ejercicios anteriores 946,78 euros.

Las principales diferencias temporarias del 2014 son las siguientes, diferenciando:

Aumentos con origen en ejercicios anteriores:

- Amortizaciones excedidas en VSM, S.A. y sus UTEs por importe de 1.709.516,74 euros .
- Integración de las bases imponibles de las UTEs del año anterior por 6.901.414,48 euros.
- Operaciones de arrendamiento financiero en VSM, S.A. y sus UTEs por valor de 1.475.257,84 euros.
- Provisiones no deducibles fiscalmente por 3.160.192,27 euros

Aumentos con origen en el ejercicio:

- Amortización del año no deducible en un 30% por 4.600.593,57 euros.

Disminuciones con origen en ejercicios anteriores:

- Aplicación de provisiones no deducibles anteriormente dotadas por 77.868,84 euros.

Disminuciones con origen en el ejercicio:

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UTE FAUNA BARAJAS	60%	3,600.00	6,000.00	Drafting execution of works of the fauna recovery centre for compensatory measures associated with Madrid Barajas airport
UTE SUFI - COINTER	70%	8,400.00	12,000.00	Providing the street cleaning and municipal waste service in the municipal district of Cadiz
UTE BIOMETANIZACIÓN LA PALOMA	36%	2,163.60	6,009.99	Drafting, project, construction and start-up of a bio-methane plant from municipal waste, and a biogas treatment plant for use as fuel in buses for public transport, at La Paloma plant
UTE SUFI - COINTER JARDINES	70%	8,400.00	12,000.00	Conservation and maintenance service of park areas and cleaning parks and gardens, green areas and other public spaces in Cadiz
UTE TÈM	40%	42,000.00	100,000.00	Extension, adaptation and operation of the Integral Waste Upcycling centre of Maresme
CENTRE INTEGRAL DE VALOCIZACIÓ DE RESIDUS DEL MARESME UTE	60%	6,000.00	10,000.00	Execution of the construction works to extend and adapt the Integral Waste Upcycling centre of Maresme
UTE GARABI	60%	3,600.00	6,000.00	Vehicle withdrawal service from streets and integral management of the municipal pound
UTE URGENET	50%	15,000.00	30,000.00	"Collection, transport and municipal waste treatment service and street cleaning service in the territory served by the Mancomunitat d'Escombraries de l'Urgellet":
UTE EDAR AJOFRÍN	50%	3,000.00	6,000.00	Drafting the project, execution of works and perform operating tests and maintenance of collectors and Sewage purification stations
PAVIMENTOS GUADALAJARA	60%	3,000.00	5,000.00	Repair, conservation and reform service for pavements in Guadalajara
UTE PLANTA DE ARICO	50%	3,000.00	6,000.00	Drafting projects, execution of works and start-up of a compost plant
DISPOSITIVO ALTO URGEL	35%	10,500.00	30,000.00	Turnkey construction and operation of a leachate treatment system in Montferrer and Castellbó
UTE LA PALOMA BIO	36%	2,160.00	6,000.00	Management of the public service for operation and maintenance of a gas purification plant at La Paloma Plant at the Valdemingomez Park
UTE CONTENIDORS SOTERRATS LLEIDA	50%	3,000.00	6,000.00	Installation of bin islands in the zone of Lleida
UTE SECADO TÉRMICO LOECHES	50%	3,000.00	6,000.00	Execution of the indirect Management Services for operation of the Compost Plant and thermal drying for cogeneration of Loeches
UTE JARDINES PERIFERIA	70%	7,000.00	1,000.00	Conservation and maintenance of municipal nature spaces, forests and periurban park zones
UTE DIGESTIÓN ANAEROBIA LA PALOMA	38%	2,280.00	6,000.00	Management of public services (concession mode) to operate two bio-methane plants and for operation of a biogas bio-methane treatment plant to use and commercialise it in the technological park of Valdemingomez
UTE JARDINES CENTRE SEVILLA	50%	6,000.00	12,000.00	Conservation and maintenance service of park areas and street trees in the city of Seville, Centre District, Triana, Los Remedios and Macarena, as well as all the accessories and/or complementary items related to the preceding object that may be required by the body awarding
UTE PATRIMONIO JARDINES	60%	3,600.00	6,000.00	Execution of the contract "Conservation of the historic gardens of the national heritage"
UTE VALORIZA - GEAMUR PUERTO ALICANTE	60%	30,000.00	50,000.00	Cleaning and collection of municipal waste in the Port of Alicante
UTE TRUJILLO	50%	6,000.00	12,000.00	Management of the public service for collection and transport of municipal waste (remainder fraction and organic), selective (light packaging and paper and cardboard); as well as for cleaning streets and gardens in the municipal district of Trujillo, under concession mode
UTE SECADO TÉRMICO LOECHES II	50%	3,000.00	6,000.00	Indirect management service to operate the compost plant, thermal drying with cogeneration and landfill of Loeches
SUFI - SETEX APARKI	50%	3,000.00	6,000.00	Providing a public service for regulated parking in public streets in Madrid
SUFI - VERINSUR	50%	500.00	1,000.00	Operation services, maintenance and conservation

TIMBRE DEL ESTADO
0.03 EUROS
TRES CÉNTIMOS DE EURO
0M7356238

- Ajuste a la integración de las bases imponibles de las UTEs que se difirieron a 2014 por 6.909.956,02 euros.

CLASE 8.ª

La conciliación entre el importe neto de los ingresos y gastos del ejercicio y la base imponible de Impuesto sobre Sociedades de 2015 es la siguiente:

	Cuenta de pérdidas y ganancias	
Saldo de ingresos y gastos del ejercicio		7.237.720,92
	Aumentos	Disminuciones
Impuesto sobre Sociedades	4.732.789,81	-
Ajuste al impuesto sobre sociedades 2014	1.296.767,91	(132.760,36)
Diferencias permanentes	5.249.421,73	(860.713,83)
Diferencias temporarias	11.687.392,66	(7.657.958,98)
- con origen en el ejercicio	164.106,80	(6.696.137,38)
- con origen en ejercicios anteriores	11.523.285,86	(961.821,60)
Base imponible (resultado fiscal)		21.552.659,86

El desglose de las diferencias permanentes positivas del 2015 son las siguientes:

- Provisiones no deducibles por importe de 4.810.926,43 euros.
- Donaciones por importe de 38.632,06 euros.
- Sanciones por importe de 325.684,76 euros.
- Gastos no deducibles por 74.178,48 euros.

El desglose de las diferencias permanentes negativas del 2015 son las siguientes:

- Aplicaciones de provisiones no deducibles dotadas en ejercicios anteriores 462.003,17 euros.
- Aplicaciones de sanciones de ejercicios anteriores 398.710,66 euros

El desglose de las diferencias temporarias del 2015 son las siguientes, diferenciando:

Aumentos con origen en ejercicios anteriores:

- Amortizaciones excedidas en VSM, S.A. y sus UTEs por importe de 1.747.710,50 euros .
- Integración de las bases imponibles de las UTEs del año anterior por 8.753.745,52 euros.
- Operaciones de arrendamiento financiero en VSM, S.A. y sus UTEs por valor de 1.021.336,99 euros.
- Provisiones no deducibles fiscalmente por 492,85 euros

Aumentos con origen en el ejercicio:

- Amortización contable que excede la fiscal del año por 10.953,60 euros.
- Provisiones no deducibles fiscalmente por 153.153,20 euros

Disminuciones con origen en ejercicios anteriores:

- Aplicación de provisiones no deducibles anteriormente dotadas por 65.000,00 euros.
- Reversión del 30% no deducible por gasto de amortizaciones 896.821,60 euros.

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(CALANDRIAS)				of "Las Calandrias" compost and recycling plant
UTE PILAS (VVO MEDIOAMBIENTE, S.L. - SUFI, S.A.)	50%	1,000.00	2,000.00	Used battery management Canary Islands 2004-2005
UTE PRADOLUENGO (SUFI, S.A. - TEBYCON, S.A.)	50%	3,000.00	6,000.00	Execution of Pradoluengo works in Burgos
UTE SALTO DEL NEGRO	60%	3,600.00	6,000.00	Drafting works execution project and start-up of the relevant installations of the 2nd phase of the bio-methane plant and 2nd phase of the "all in one" classification plant obtain the environmental complex of Salto del Negro
UTE TALARRUBIAS	50%	3,005.00	6,010.00	Operation of management zone number 7 of Talarrubias, Badajoz
UTE SUFI - HIXIENE'S ZONA VI PARQUÍMETROS	60%	1,800.00	3,000.00	Provision of the public service management service for regulated parking in streets in Madrid (Batch 3 - Zone VI)
SUFI - CADAGUA - FERROVIAL M.A. - OHL (SECADO TÉRMICO BUTARQUE)	70%	4,207.09	6,010.13	Construction and operation of a thermal sludge drying plant at the Butarque Sewage Regeneration Plant
UTE CONSERVACIÓN MANZANARES (SUFI - IMES)	50%	0.00	In liquidation	Maintenance, conservation and operation service of river Manzanares in the municipal district of Madrid

CONSORTIA	Stake %	Net Value	Operating date	Activity
UTE SUFI - RAYET	50%	6,000.00	12,000.00	Municipal gardening service in the district of La Línea de la Concepción
UTE ABAJAS	75%	4,500.00	6,000.00	Construction of the compost plant in Abajas and electric power line
UTE DEPURADORAS ALCALÁ OESTE (SUFI - SACYR) LOS TERCIARIOS	80%	4,800.00	6,000.00	Execution of the construction project works for treatment to reuse the purification plants at Alcalá Oeste, Arroyo del Soto, Casaquemada, Villanueva de la Cañada and Villaviciosa de Odón, Group 1.
UTE PARQUE FORESTAL VALDEBERNARDO	50%	3,000.00	6,000.00	Execution of works of two kiosks in the Forest Park of Valdebernardo
UTE SUFI - TARAJAL	100%	12,000.00	12,000.00	Management and operation of activities that fall within the urban cleaning service: waste collection and street cleaning in the municipality of Puerto de la Cruz
UTE SIERRA DEL SEGURA	100%	6,000.00	6,000.00	Collection of domestic waste, cleaning and disinfection of bins and collection of bulky waste by installation of recycling points in the municipalities of the Mancomunidad de la Sierra del Segura
UTE LIMPIEZA CALDES	55%	1,650.00	3,000.00	Street cleaning service and of municipal equipment of the Local Government of Caldes de Montbui
UTE EDIFICIOS MORATALAZ	80%	2,400.00	3,000.00	Integral management of the Complementary Services of the buildings assigned to the District of Moratalaz.
UTE CONTENEDORES POZUELO	50%	300.00	600.00	Supply, works and installation of underground bins for municipal waste
UTE POLIDEPORTIVO F.J. CASTILLEJO (SUFI, S.A. - SERVIDRIVE, S.L.)	50%	1,500.00	3,000.00	Diverse services at the F.J. CASTILLEJO DE PARLA municipal sports centre,
UTE JARDINES GUADALAJARA	50%	10,000.00	20,000.00	Municipal gardening service in the district of Guadalajara.
UTE ORIHUELA CAPITAL DE LA VEGA BAJA (SUFI, S.A., GOBANCAST, S.L. Y LIMPIEZAS Y ASEO URBANO, S.L.)	40%	24,000.00	60,000.00	Providing public services of collection, treatment and elimination of municipal waste and street cleaning in the municipal district of Orihuela
UTE SENOSERVI	50%	3,000.00	6,000.00	Treatment services in municipal forests in the Costal County in the province of Huelva
UTE TELDE	50%	6,000.00	12,000.00	Management of the street cleaning service, beaches, municipal waste collection and other related in the municipal districts of Telde.

TIMBRE DEL ESTADO
0,03 EUROS
TRES CENTIMOS DE EURO
CLASE 8.ª

OM7356237

Disminuciones con origen en el ejercicio:

- Ajuste a la integración de las bases imponibles de las UTEs que se difirieron a 2014 por 6.629.864,36 euros.
- Por arrendamientos financieros 66.273,02 euros.

d) Conciliación entre resultado contable y gasto por Impuesto sobre Sociedades

La conciliación entre el gasto por impuesto sobre beneficios y el resultado de multiplicar por los tipos de gravámenes aplicables al total de ingresos y gastos reconocidos que componen el saldo de la cuenta de pérdidas y ganancias a 31 de diciembre de 2014 y 2015 es la siguiente:

	2015	2014
Saldo cuenta PyG antes de impuestos	13.134.518,28	12.636.409,54
Impacto diferencias permanentes	4.388.707,90	2.511.479,31
Cuota al 28% / 30%	4.906.503,33	4.544.366,66
Deducciones	(173.713,52)	(513.884,61)
Por incentivos contratación minusvalidos	(29.021,40)	(40.290,00)
I+D+I	(113.234,47)	(127.044,25)
Deducibilidad del 2% amortización	(17.936,43)	-
Reinversión de beneficios	-	(337.564,11)
Donativos	(13.521,22)	(8.986,25)
Ajustes por cambio de tipos impositivos y otros	-	(46.836,89)
Total gasto por impuesto reconocido en la cuenta de pérdidas y ganancias	4.732.789,81	3.983.645,16
Total impuesto corriente	4.354.747,21	841.208,74
Total impuesto diferido	378.042,60	3.142.436,42

Del importe total de gasto por impuesto diferido, registrado en el ejercicio 2014, (13.396,92 euros) corresponden al ajuste realizado por la Sociedad para valorar los activos y pasivos por impuesto diferido como consecuencia de la variación del tipo impositivo por aplicación de la Ley 27/2015.

e) Ejercicios pendientes de comprobación y actuaciones inspectoras

Según establece la legislación vigente, los impuestos no pueden considerarse definitivamente liquidados hasta que las declaraciones presentadas hayan sido inspeccionadas por las autoridades fiscales o haya transcurrido el plazo de prescripción de cuatro años.

Al cierre del ejercicio 2015 el Grupo tiene abiertos a inspección fiscal los ejercicios 2012 a 2015 para todos los impuestos que le son de aplicación.

Con fecha 11 de diciembre de 2015 la Delegación de Grandes Contribuyentes de la Agencia Estatal de la Agencia Tributaria comunicó a Sacyr, S.A. inicio de actuaciones inspectoras por:

- Comprobación parcial de IVA por los periodos del 11/2011 a 12/2012, como entidad dominante del Grupo de IVA 410/2008.

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UTE ENTUBADO CARBAJOSA	50%	3,000.00	6,000.00	Town planning work and pipe of stretch of the Villagonzalo canal
UTE SONDEOS PALENCIA	80%	2,400.00	3,000.00	Test drilling in the irrigation zone of Valdivia - Aguilar, Palencia
UTE PASEO FLUVIAL STA MARTA DE TORMES	50%	3,000.00	6,000.00	Execution of the works of the conditioning project of the river Tormes and river promenade
UTE LINCE Y ÁGUILA	50%	5,940.00	6,000.00	Restoration of habitats for the lynx and imperial eagle in the forests of the natural park of Anaüjar
UTE MANTENIMIENTO BOADILLA	60%	0.00	Pending	Operation of the integral management services of the public preventive maintenance and conservation of the public street lamps, sewers, paving streets and other infrastructures of municipal remit, as well as the urban fixtures in Boadilla del Monte
UTE MIRANDA DE EBRO	50%	1,500.00	3,000.00	Execution of the public street cleaning service, turnkey construction, start-up and operation of a mechanical biological treatment plant for urban waste in the area of Armulaza, Monte Arraiz, Bilbao
UTE TMB ARRAIZ	70%	4,200.00	6,000.00	Public management service of municipal waste and street cleaning in the municipal district of Arona
UTE ARONA	50%	6,000.00	12,000.00	Public software to collect municipal waste, selective collection at origin, transport of waste and street cleaning in the city of Palencia
UTE PLASENCIA	50%	6,000.00	12,000.00	Public Coast Management service in the Municipal district of Arona
UTE LITORAL ARONA	50%	6,000.00	12,000.00	SER, service for immobilisation, withdrawal and transport of vehicles to the municipal pound, Installation of complementary sanction elements to improve road safety and technical assistance and collaboration in matters of collection of fines arising from the SER and fines generated for infractions in the scope of competences of the Local Government.
UTE GALAPAGAR	80%	2,400.00	3,000.00	Management of the public Regulated Parking service (SER) in certain urban streets, Public Service for Vehicle Withdrawal (Tow-truck) in the municipal district of Valdemoro and Management Service for fines within the Regulated Parking Service area
UTE VALDEMORO MOVILIDAD	50%	200,000.00	400,000.00	Execution of the Public Service Management of Municipal Waste Collection and Transport Service in the South zone of the province of Badajoz, as well as all the accessories and/or complementary items related to the previous object that may be required by the awarding body
UTE BADAJOZ SUR	50%	6,000.00	12,000.00	Execution of the Public service of municipal waste collection and transport contract in the South zone of the province of Badajoz, as well as all the accessories and/or complementary items related to the previous object that may be required by the awarding body
UTE CAMALOTE	60%	7,200.00	12,000.00	Execution of the Public works concession "Environmental protection work in the middle stretch of the River Guadiana" (environmental protection work on bodies of water and on the banks of the Guadiana basin) Badajoz, Phase 1, as well as all accessories and/or complementary items related to the previous object that may be required by the body awarding
UTE MADRID SUR MOVILIDAD LOTE III	31.8%	3,180.00	10,000.00	Execution of Batch III of the "Integral mobility contract in the city of Madrid": as well as auxiliary, accessory and/or complementary work, including extensions and other variations that might arise
UTE MADRID SUR MOVILIDAD LOTE IV	31.8%	3,180.00	10,000.00	Execution of Batch IV of the "Integral mobility contract in the city of Madrid": as well as auxiliary, accessory and/or complementary work, including extensions and other variations that might arise
UTE VALORIZA GESTYONA	65.0%	195,000.00	300,000.00	Cleaning management of public spaces, collection service, transport and processing domestic waste, and maintenance and conservation of parks and green zones in the municipal district of Pinto

En relación con las actas firmadas en disconformidad por Sacyr, S.A. como entidad dominante del Grupo Fiscal 20/02 se levantaron actas por el Impuesto sobre Sociedades para los periodos 2004 a 2007, por un importe total acumulado de 75.824.683,84 euros, se informa que actualmente están impugnadas ante la Audiencia Nacional. Dichas actas fueron incoadas a Sacyr, S.A. e incluían acuerdos de liquidación e imposición de sanciones, y se corresponden en su totalidad a sociedades dependientes del Grupo Fiscal. De esta cifra corresponde a la Sociedad 7.550,43 euros.

Y en relación con las actas firmadas en disconformidad por Sacyr, S.A. como entidad dominante del Grupo Fiscal 20/02 se levantaron actas por el Impuesto sobre Sociedades para los periodos 2007 a 2010, por un importe total acumulado de 128.796.080,93 euros, se informa que actualmente están impugnadas ante el Tribunal Económico Administrativo Central. Dichas actas fueron incoadas a Sacyr, S.A., y no supondrán, en ningún caso, ingreso en Hacienda, dado que sólo supondrán menores bases imponibles negativas declaradas, y se corresponden en su totalidad a sociedades dependientes del Grupo Fiscal. De esta cifra corresponde a la Sociedad 1.863.039,25 euros.

En relación con el acta en disconformidad del IVA firmadas por Sacyr, S.A. como entidad dominante del Grupo IVA 410/08 se levantó acta para los periodos mayo 2009 a diciembre 2010, por un importe total acumulado de 14.336.876,11 euros, se informa que actualmente están impugnadas ante el Tribunal Económico Administrativo Central.

En opinión de la dirección de la Sociedad y de sus asesores fiscales, no se estima que el resultado final de las actuaciones inspectoras en curso y de los recursos presentados tenga un impacto significativo en los estados financieros a cierre del ejercicio 2015.

En caso contrario:

La Sociedad ha estimado que el resultado final de las actuaciones inspectoras en curso puede suponer una salida de recursos, por lo que a 31 de diciembre de 2015 existe una provisión para impuestos por importe de 150.000 euros.

f) Otras informaciones de carácter fiscal

La Sociedad se encuentra acogida al REGE (Régimen Especial de Grupo de Entidades) para la liquidación del IVA. La Sociedad dominante del Grupo de IVA es Sacyr, S.A., con C.I.F. A-28013811. El número de identificación del grupo de entidades es IVA 0410/08.

A 31 de diciembre de 2014 el saldo acreedor que la Sociedad mantenía con Sacyr, S.A., por este concepto, era de 1.094.088,65 euros. A 31 de diciembre de 2015 el saldo acreedor que la Sociedad mantiene por este concepto con Sacyr, S.A. es de 1.283.079,98 euros.

La Sociedad se encuentra acogida al Régimen de Consolidación Fiscal, en el cual la Sociedad dominante del Grupo es Sacyr, S.A., con C.I.F. A-28013811. El número de identificación fiscal es 20/02.

A 31 de diciembre de 2014 el saldo acreedor que la Sociedad mantenía con Sacyr, S.A. por este concepto, era de 1.570.441,02 euros. A 31 de diciembre de 2015 el saldo acreedor que la Sociedad mantiene por este concepto con Sacyr, S.A. es de 1.609.119,69 euros.

20. Ingresos y gastos

a) Importe neto de la cifra de negocios por segmentos

La distribución del importe neto de la cifra de negocios correspondiente a los ejercicios 2014 y 2015, distribuida por categorías de actividades y por mercados geográficos:

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UTE TRANSFERENCIAS	60.0%	3,600.00	6,000.00	Management of public service operation of municipal waste by the Provincial Consortium for treatment of non hazardous industrial waste, as well as the service provided with two vacuum-impeller trucks
UTE SUCETEC (SUFI - TECNIGRAL - CEPSA)	33%	1,001.59	3,035.12	Consortium in liquidation process
UTE CAMALOTE	60.0%	7,200.00	12,000.00	Public works concession of control of invasive species in the Guadiana Basin. Feder Funds 2007-2013
UTE GUADALAJARA	70.0%	2,100.00	3,000.00	Management of public services for collection and transport of municipal waste and selective and street cleaning in the city of Guadalajara and attached neighbourhoods
UTE GRUA OLEIROS	60.0%	1,800.00	3,000.00	Vehicle withdrawal service from the street and vehicle pound in Oleiros, La Coruña
UTE GRUA A CORUÑA	60.0%	1,800.00	3,000.00	Management and operation of the regulated parking service for vehicles and vehicle withdrawal in La Coruña
UTE CASSANDRA	50.0%	1,500.00	3,000.00	Operation of a plant to treat and transform plastic waste and other refuse to produce energy in Jerez de la Frontera, Cadiz

The relevant notes of this annual report are broken down for each significant item of the balance sheet and the profit and loss accounts, into the relevant amounts for the joint ventures.

The capital investment commitments acquired by the Company in relation to its stake in the preceding joint ventures at the end of financial years 2014 and 2015 are as follows:

BREAKDOWN OF THE INVESTMENTS FORESEEN		
In thousands of euros		
Project	31/12/2015	31/12/2014
Batches 2 and 3 of Street Cleaning and Gardens, Madrid	-	1,600
Cleaning and collection, Alcalá de Henares	-	9,000
Cleaning and collection, Leganés	-	3,300
Street maintenance, Leganés	-	204
SER and Signage Batch 3, Madrid	-	143
SER and Signage Batch 4, Madrid	-	63
Hornillos Plant	1,686	-
Chiloeches tyre plant	-	40
La Rioja Ecopark	130	
Municipal waste collection, Torrejón	2,785	-
Municipal waste collection and transport, Ibiza	8,100	-
Municipal waste collection, Albacete	11,500	-
Cleaning and collection in Poio	760	-
Total	24,961	14,350

The contingencies the Company has incurred as a participant are as follows:

UTE Sufi-Rayet filed a contentious administrative appeal against the Local Government of La Línea de la Concepción for a debt pending collection amounting to 2,783,091.17 euros, including a claim for interest and lost profit in which, in 2009, the Local Government had already recognised the debt and the interest, the lost profit being subject to study.

TIMBRE DEL ESTADO
0,03 EUROS
CLASE 8.ª
TRESCIENTIMOS DE EURO

OM7356235

Actividades	2015	2014
Construcción	8.310.199,46	1.393.822,00
Ingeniería Industrial	99.932,71	55.070,00
Residuos	6.924.645,37	59.166.628,00
Servicios	225.876.739,08	220.599.148,06
Otros	1.558.241,74	1.554.941,00
Total	302.769.758,36	282.769.609,06

Mercados geográficos	2015	2014
España	290.977.988,26	282.769.609,06
Resto de países de la U.E.	41.579,50	-
América	11.750.190,60	-
Total	302.769.758,36	282.769.609,06

De UTEs proviene la cantidad de 100.798.161,74 euros en 2015 (89.892.792,60 euros en el año 2014).

Las principales son las siguientes:

2015		2014	
Hornillos	11.710.349,92	Hornillos	11.496.383,01
RSU Sufi-Cointer	11.067.308,66	RSU Sufi-Cointer	11.072.935,88
Tem	12.244.133,92	Tem	8.468.165,22
Arona	5.879.194,62	Arona	5.883.635,57
Sufi - Hixienes	7.351.176,40	Sufi - Hixienes	7.653.764,84
OTRAS	52.545.998,22	OTRAS	45.317.908,08
TOTAL	100.798.161,74	TOTAL	89.892.792,60

b) Aprovisionamientos

El saldo de aprovisionamientos de los ejercicios 2014 y 2015 presenta la siguiente composición:

	2015	2014
Consumo de mercaderías:		
Compras	10.889.676,89	10.020.869,46
	10.889.676,89	10.020.869,46
Consumo de materias primas y otras materias consumibles:		
Compras	5.499.062,08	3.276.508,69
Trab. realizados por otras empresas	25.264.915,53	23.085.710,79
	30.763.977,61	26.362.219,48

De UTEs provienen, en el año 2015, la cantidad de 13.320.523,29 euros (14.441.413,53 euros en el año 2014). Las principales son las siguientes:

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A suit was filed against UTE Orihuela and VSM, S.A. as subsidiary party liable for a presumed irregularities committed.

The company Azahara de Comunicaciones sued VSM, S.A. for an amount of 34,383.84 euros regarding advertising services in Lepe.

The firm Reloncavi claimed the sum of 18,382.07 euros for supplies of working garments.

Abbreviated proceedings were filed against VSM, S.A., for subsidiary civil liability in offences committed by the managers of Sufi, S.A. in relation to the Moratalaz and Majadahonda contracts, amounting to 155,448.00 euros.

The company Desarrollos Empresariales Cervantes, S.L. sued VSM, S.A. for an amount of 66,192.33 euros for assignment of credit to Ángel Carmona with which it had a sludge transport contract.

The above contingencies are evaluated as a "possible" risk so if they are assigned the appropriate risk provision, it would not be considered deductible in company tax and that expense should be adjusted.

12. Stocks

The detail of the stocks recorded at the end of financial years 2014 and 2015 is as follows:

	2015	2014
Commercial	2,463,925.98	1,527,073.57
Overall assets and other stocks	129,948.70	105,890.06
Finished parts	14,224.00	15,228.00
By-products, waste and materials recovered	55,182.98	59,037.67
Advances to providers	496,516.84	168,967.61
Total cost	3,159,798.50	1,876,196.91
Total stocks	3,159,798.50	1,876,196.91

The stocks for consortia are detailed below, both at the end of financial year 2014 as well as in 2015:

2014	UTE BUTARQUE	UTE ILNET	UTE HORNILLOS	UTE TEM	UTE RSU SUFI COINTER	OTHER CONSORTIA	TOTAL
Commercial	180,177.97	29,450.14	245,957.97	602,970.13	237,148.89	12,759.28	1,308,464.38
Overall assets and other stocks	-	-		-	-	105,890.06	105,890.06
Finished products	-	-	15,228.00	-	-	-	15,228.00
By-products	-	-	46,744.84	-	-	12,292.83	59,037.67
Advances	-	-	-	-	-	77,799.39	77,799.39
Total cost	180,177.97	29,450.14	307,930.81	602,970.13	237,148.89	208,741.56	1,566,419.50

2015	UTE BUTARQUE	UTE ILNET	UTE HORNILLOS	UTE TEM	UTE RSU SUFI COINTER	OTHER CONSORTIA	TOTAL
Commercial	179,986.63	24,485.96	294,927.47	1,409,875.65	167,323.07	52,122.74	2,128,721.52
Overall assets and other stocks	-	-		-	-	129,948.70	129,948.70

TIMBRE DEL ESTADO
0,03 EUROS
TRES CÉNTIMOS DE EURO
CLASE 8.ª

2014	DIGESTIÓN ANAEROBIA	SUFI-COINTER	ILNET	TMB ARRAIZ	TEM	OTRAS	TOTAL
Compras	505.840,52	761.687,59	335.455,82	364.201,42	911.934,31	1.345.817,80	4.224.937,46

2015	DIGESTIÓN ANAEROBIA	SUFI-COINTER	ILNET	TMB ARRAIZ	TEM	OTRAS	TOTAL
Compras	213.807,36	779.627,70	330.861,[illegible]	478.077,46	1.055.565,02	1.430.958,12	4.258.395,80

2014	TMB ARRAIZ	HORNILLOS	LA PALOMA	CALANDRIAS	MSM LOTE III	OTRAS	TOTAL
Trab.realiz.otr.emp.	1.292.681,72	1.929.910,14	1.461.421,80	998.706,15	909.767,36	3.623.988,90	10.216.476,07

2015	TMB ARRAIZ	HORNILLOS	LA PALOMA	ERAIK SUR	MSM LOTE III	OTRAS	TOTAL
Trab.realiz.otr.emp.	396.383,73	2.549.734,93	1.430.992,10	938.184,26	762.306,77	2.984.525,70	9.062.127,49

c) Detalle de compras según su procedencia

El detalle de las compras efectuadas por la Sociedad durante los ejercicios 2014 y 2015, atendiendo a su procedencia es el siguiente:

	2015			2014		
	Nacionales	Intracomunitarias	Importaciones	Nacionales	Intracomunitarias	Importaciones
Compras	41.466.864,24	166.982,77	19.807,49	35.717.501,92	665.587,02	

d) Gastos de personal

El detalle de la partida "Gastos de personal" de la cuenta de pérdidas y ganancias a 31 de diciembre de 2014 y 2015 es el siguiente:

	2015	2014
Sueldos, salarios y asimilados	131.342.362,99	130.510.962,08
Cargas sociales	44.543.035,98	45.121.986,08
Total	175.885.398,97	175.632.948,16

Las cargas sociales se componen de Seguridad Social por importe de 44.036.052,29 euros (44.615.738,04 euros en el año 2014) y Otras Cargas Sociales por importe de 506.983,69 euros (506.248,04 euros en el año 2014).

De las cifras anteriores, las UTEs aportan en concepto de gastos de personal 44.542.941,51euros (41.338.665,60 euros en el año 2014) y su desglose se muestra a continuación:

2014	SUFI-HIXIENE's	ARONA	HORNILLOS	TARAJAL	RSU SUFI-COINTER	OTRAS	TOTAL
Sueldos, salarios y asimilados	2.264.374,56	2.656.185,42	3.288.766,51	1.298.537,87	5.679.551,18	15.573.975,46	30.761.391,00
Cargas sociales	728.526,47	1.005.279,12	1.220.365,21	462.872,31	2.074.783,93	5.085.447,56	10.577.274,60
TOTAL	2.992.901,03	3.661.464,54	4.509.131,72	1.761.410,18	7.754.335,11	20.659.423,02	41.338.665,60

2015	SUFI-HIXIENE's	ARONA	HORNILLOS	V. GESTYONA	RSU SUFI-COINTER	OTRAS	TOTAL
Sueldos, salarios y asimilados	2.135.626,30	2.811.770,59	4.258.270,48	2.031.818,89	5.894.238,85	16.894.632,59	34.026.357,70
Cargas sociales	726.890,84	1.038.900,80	235.804,15	683.896,11	2.077.296,77	5.753.795,14	10.516.583,81
TOTAL	2.862.517,14	3.850.671,39	4.494.074,63	2.715.715,00	7.971.535,62	22.648.427,73	44.542.941,51

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Finished products	-	-	14,224.00	-	-	-	14,224.00
By-products	-	-	48,738.23	-	-	6,444.75	55,182.98
Advances	-	-	-	93,677.69	-	66,324.90	160,002.59
Total cost	179,986.63	24,485.96	357,889.70	1,503,553.34	167,323.07	254,841.09	2,488,079.79

The stock figure is valued at their purchase value, not that of production, and it is mainly from consortia.

The Company policy is to contract all the insurance policies deemed necessary to provide coverage to the possible risks that may affect important items on the inventory.

On the balance sheet end date, there are no significant purchase commitments.

13. Cash and cash equivalents

The detail of this heading of the balance sheet on 31st December 2014 and 2015 is as follows:

	2015	2014
Cash	27,393,423.45	13,261,087.09
Total	27,393,423.45	13,261,087.09

All the funds are freely available except for:

- UTE Butarque, the ICO financing contract of which requires a reserve account to be provided. That reserve will be set aside against the Cash Flow generated by the Project that is available after having settled all the operating expenses of the installation and interest, commissions, and the principal arising from the loan. The sums that are deposited in this account shall be unavailable except for obligatory payments under the syndicated loan within the following six months. Its amount on 31st December 2015 is 0.00 euros, (0.00 euros in 2014).

- On 31st December 2015, VSM, S.A. cancelled the factoring account with Société Général, so no unavailable sum is left (83,290.00 euros in 2014).

From the total cash figure in the preceding table, the following are for the consortia in 2015, 17,790,578.47 euros, (11,818,432.69 euros in 2014). The detail by consortia in thousands of euros is as follows:

2014	UTE ORIHUELA	UTE TARAJAL	UTE BUTARQUE	UTE TMB ARRAIZ	UTE AGUAS ALCALA	OTHER CONSORTIA	TOTAL
Cash	1,705	1,459	1,185	714	671	6,084	11,818
Total	1,705	1,459	1,185	714	671	6,084	11,818

2015	UTE COINTER	UTE ARRAIZ	UTE HIXIENE'S	UTE HORNILLOS	UTE TEM	OTHER CONSORTIA	TOTAL
Cash	4,125	1,717	1,301	1,115	1,036	8,496	17,791
Total	4,125	1,717	1,301	1,115	1,036	8,496	17,791

e) Servicios exteriores

El detalle de la partida servicios exteriores de la cuenta de pérdidas y ganancias a 31 de diciembre de 2014 y 2015 es el siguiente:

CLASE 8.ª

	2015	2014
Gastos en investigación y desarrollo	220.911,75	134.948,82
Arrendamientos y cánones	5.121.540,56	5.189.479,96
Reparaciones y conservación	10.221.528,38	9.165.852,66
Servicios de profesionales independientes	2.990.390,95	995.488,48
Transportes	998.307,74	976.199,79
Primas de seguros	3.187.038,81	2.009.457,86
Servicios bancarios y similares	2.319.469,72	1.783.074,97
Publicidad, propagandas y RRPP	698.829,79	476.006,75
Suministros	11.027.122,74	12.018.144,87
Otros servicios	15.838.716,24	13.770.770,73
Total servicios exteriores	52.623.856,68	46.519.424,89

De estos importes las UTEs aportan durante 2015 18.338.892,52 euros, (16.693.850,17 euros en el año 2014) y su desglose es el siguiente:

2014

Gastos en inv.y desarrollo	UTE HORNILLOS 23.008,24	-	-	-	-	OTRAS -	TOTAL 23.008,24
Arrendamientos y cánones	UTE ARONA 193.227,08	UTE TMB ARRAIZ 75.926,75	RSU SUFI COINTER 356.161,04	UTE HORNILLOS 229.634,88	UTE TEM 183.629,96	OTRAS 383.451,91	TOTAL 1.422.031,62
Reparac. y conservación	UTE HORNILLOS 621.912,54	UTE ILNET 137.266,98	UTE VSM-GESTIONA 129.162,70	UTE TEM 1.593.728,30	UTE TARAJAL 98.046,40	OTRAS 991.966,24	TOTAL 3.572.083,16
Servicios de prof.independientes	UTE BUTARQUE 102.282,98	UTE HORNILLOS 83.805,76	UTE MSM LOTE IV 30.012,83	UTE TEM 62.737,13	UTE TMB ARRAIZ 149.808,39	OTRAS 115.188,45	TOTAL 543.835,54
Transportes	UTE MSM LOTE IV 2.516,97	UTE VALDEMORO 8.377,71	UTE LA PALOMA 10.594,51	UTE HORNILLOS 439.860,00	UTE TEM 298.960,35	OTRAS 10.878,89	TOTAL 771.208,43
Primas de seguros	UTE BUTARQUE 125.118,81	UTE TARAJAL 46.037,33	RSU SUFI COINTER 97.209,55	UTE TEM 148.298,80	UTE HORNILLOS 68.785,27	OTRAS 311.379,17	TOTAL 796.828,93
Servicios bancarios y similares	UTE MSM LOTE IV 9.992,53	UTE HIXIENE'S 9.867,14	UTE HORNILLOS 10.737,79	UTE MSM LOTE IV 6.207,96	UTE BADAJOZ SUR 3.771,84	OTRAS 3.587,50	TOTAL 46.164,76
Publicidad, prop. y RRPP	UTE TEM 40.681,34	UTE ILNET 49.071,71	UTE LA PALOMA 53.394,09	RSU SUFI-COINTER 30.668,16	UTE VSM-GESTIONA 38.600,52	OTRAS 99.695,13	TOTAL 312.110,95
Suministros	UTE TEM 251.533,66	UTE ARONA 186.764,66	UTE LA PALOMA 457.762,25	UTE HORNILLOS 988.480,64	UTE TMB ARRAIZ 450.115,53	OTRAS 1.033.181,07	TOTAL 3.367.837,81
Otros servicios	UTE TMB ARRAIZ 181.077,33	UTE HORNILLOS 170.310,53	RSU SUFI-COINTER 59.277,90	RCD GARDELEGUI 230.359,10	UTE TEM 4.261.489,91	OTRAS 936.225,96	TOTAL 5.838.740,73
Total servicios exteriores							16.693.850,17

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14. Net assets and equity

The detail and movement of the equity during financial years 2014 and 2015 is shown in the statement of changes in net assets, that forms an integral part of the annual accounts.

a) Capital subscribed:

At the end of financial years 2014 and 2015, the stock capital of the Company amounted to 17,129,235.00 euros, represented by 3,425,847 shares of 5 euros face value each one, all of the same class, fully subscribed and paid up. There are no founder shares.

The Company shares are not stock market listed. The Composition of the shareholders on 31st December 2015 and 2014 is as follows:

	Percentage stake
Valoriza Gestión, S.A.U.	93.47%
Hidroandaluza, S.A.	6.53%
Total	100%

The issue premium has the same restrictions and may be assigned to the same ends as the voluntary reserves, including their conversion to stock capital.

b) Corporate Reserves:

The detail of the corporate reserves on 31st December 2014 and 2015 is as follows:

Types of reserves	2015	2014
Legal reserve	3,425,847.00	3,425,847.00
Voluntary reserve	26,293,144.60	25,588,345.26
Other reserves	(289,440.27)	(289,440.27)
Total	29,429,551.33	28,724,751.99

Companies are bound to assign a minimum of 10% of the profit in each financial year to constitute a reserve fund until it reaches at least 20% of the stock capital. That reserve may not be distributed among the shareholders and may only be used to cover the debtor balance of the profit and loss accounts if no other reserves are available.

On 31st December 2014 and 2015, the legal reserve amounts to 20% of the stock capital respectively.

The voluntary reserves of the Company are freely available.

c) Subventions:

The information on the subventions received by the Company, that form part of the net assets, as well as the results assigned to the profit and loss accounts from these, is reported in note 17.

TIMBRE DEL ESTADO
0,03 EUROS
TRES CÉNTIMOS DE EURO
CLASE 8.ª
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2015							
Gastos en inv.y desarrollo	UTE HORNILLOS 25.958,13					OTRAS -	TOTAL 25.958,13
Arrendamientos y cánones	UTE ARONA 149.432,36	UTE TMB ARRAIZ 115.002,42	ESU SUR-COINTER 533.607,11	UTE HORNILLOS 237.463,35	UTE TEM 179.398,94	OTRAS 474.111,22	TOTAL 1.509.270,30
Reparac. y conservación	UTE HORNILLOS 772.786,09	UTE ARONA 190.811,55	UTE TMB ARRAIZ 183.141,28	UTE TEM 1.764.419,81	UTE IVAET 123.205,50	OTRAS 960.324,60	TOTAL 3.994.688,83
Servicios de prof.independientes	UTE BUTARQUE 25.385,26	UTE HORNILLOS 40.201,33	UTE GUADALAJARA 24.515,17	UTE TEM 53.180,48	UTE TMB ARRAIZ 504.725,09	OTRAS 156.506,85	TOTAL 804.514,18
Transportes	UTE JARDINES SEVILLA 2.659,00	UTE VALDEMORO 11.532,53	UTE LA PALOMA 7.255,01	UTE HORNILLOS 413.725,08	UTE TEM 341.078,91	OTRAS 6.102,47	TOTAL 782.353,00
Primas de seguros	UTE BUTARQUE 58.245,85	UTE ARONA 60.000,47	ESU SUR-COINTER 118.799,84	UTE TEM 147.135,93	UTE HORNILLOS 64.781,24	OTRAS 317.806,53	TOTAL 766.769,86
Servicios bancarios y similares	UTE MSM LOTE III 5.017,73	UTE HIXIENE'S 16.237,10	UTE HORNILLOS 9.990,47	UTE GUADALAJARA 37.168,34	UTESECADO TERM LOECHES II 23.972,06	OTRAS 29.494,69	TOTAL 121.900,39
Publicidad, prop. y RRPP	UTE ARONA 31.790,84	UTE IVAET 59.261,86	UTE LA PALOMA 53.906,80	ESU SUR-COINTER 45.713,72	UTE GUADALAJARA 27.392,91	OTRAS 107.464,49	TOTAL 325.530,62
Suministros	UTE TEM 221.425,95	UTE ARONA 157.097,16	UTE LA PALOMA 465.635,38	UTE HORNILLOS 946.604,28	UTE TMB ARRAIZ 637.160,06	OTRAS 1.231.437,28	TOTAL 3.659.360,11
Otros servicios	UTE LA PALOMA DIGESTION 350.088,12	UTE HORNILLOS 159.927,33	UTE IVAET 172.261,90	ECO GARDELEGUI 225.454,43	UTE TEM 5.213.678,04	OTRAS 227.137,28	TOTAL 6.348.547,10
Total servicios exteriores							48.338.872,52

f) Otros ingresos de explotación

El detalle de la partida de Ingresos accesorios y otros de gestión corriente dentro de Otros ingresos de explotación de la cuenta de pérdidas y ganancias a 31 de diciembre de 2015 y 2014 es el siguiente:

Ingresos Accesorios y otros de gestión	2015	2014
Indemnizaciones de seguros	1.596.416,55	1.867.458,92
Suplidos a empresas	3.940.380,35	9.070.114,15
Arrendamientos	8.531,24	17.437,24
Participaciones en AIE	-	2.214,70
Total	5.545.328,14	10.957.225,01

De estos importes las UTEs aportan 1.994.359,84 euros en el año 2015 (6.307.694,20 euros en el año 2014) y su desglose es el siguiente:

2014	UTE TEM	ERAR SUR	UTE LA PALOMA	UTE HIXIENE'S	UTE BADAJOZ SUR	OTRAS	TOTAL
Ingresos Accesorios	2.635.302,85	1.190.100,91	973.233,90	241.422,89	193.982,27	1.073.651,38	6.307.694,20

2015	UTE GUADALAJARA	UTE URGENET	UTE LA PALOMA	UTE HIXIENE'S	UTE HORNILLOS	OTRAS	TOTAL
Ingresos Accesorios	201.772,16	140.237,32	778.015,61	210.018,62	132.871,28	531.444,85	1.994.359,84

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15. Provisions, contingent liabilities, bank and other guarantees

a) Long term provisions

The detail of the long term provisions on the balance sheet at the end of financial year 2014, as well as the main movements recorded during the financial year, are as follows:

	Balance on 31/12/2013	Provisions	Update increases	Applications	Balance on 31/12/2014
Provision for taxes	23,461.22	159,048.54	-	(12,661.22)	169,848.54
Provision for contingencies	5,777,891.21	1,753,975.41	(970,852.87)	(1,696,725.12)	4,864,288.63
Provision for replacement and major repair actions	1,185,419.97	57,972.63	-	(497,208.18)	746,184.42
Total Long term	6,986,772.40	1,970,996.58	(970,852.87)	(2,206,594.52)	5,780,321.59

The heading of provisions for taxes on 31st December 2014 record liabilities for tax debts regarding which there is uncertainty as to their amount and maturity, it being probable that the Company will have to dispose of resources to settle such obligations as a consequence of a present obligation. The entire provisions are for the street cleaning packages in Madrid.

The heading of provisions for contingencies records liabilities to deal with litigation related liabilities, compensations and obligations arising from the Company's own activity, regarding which there is uncertainty regarding the amount or maturity.

The provisions in 2014 mainly correspond to provisions for litigation, disputes and contractual matters, as well as risks for other liabilities generated by impairment of stake value in equity instruments that exceed the actual value of the stake due to being in financial imbalance, that amount to 927,442.89 euros. The other most representative provision in the financial year is that assigned to the consortium UTE Orihuela, amounting to 646,317.00 euros for the part of the suit filed by the Local Government that was not yet fully provisioned.

The provisions for financial year 2014 for replacements and major repairs, are from UTE Calandrias, amounting to 57,972.63 euros.

The transfers in the financial year are movements of provisions equipped in previous financial years that have been reclassified according to their possible resolution, among the long and short term provision accounts.

The applications in 2014, in the Tax section, are fully from consortia, specifically UTE Boadilla, 3,926.63 euros and UTE Majadahonda, 8,734.59 euros.

The applications in the heading of provision for contingencies in 2014, are mostly for application of various provisions for works of the cleaning packages in Madrid, amounting to 470,149.81 euros, the 168,633.29 euros provided in previous financial years in the sludge project by manual field application, and in the consortia, those that provided most are the Paloma Operation with 198,381.43 euros and Paloma Pre-Operation with 50,463.78 euros.

The applications in 2014 for replacement and major repairs are from UTE Butarque, amounting to 497,208.18 euros in investments that are not going to be made.

The litigation in progress is, as in the previous financial years, valued by the Legal Department of the group to which the Company belongs and, according to its estimates, the relevant provisions are reported.

The provisions are recorded within heading 7c on profit and loss, and the following reversions are registered in heading 10 Surplus Provisions.

TIMBRE DEL ESTADO
0,03 EUROS
TASA JUDICIAL DE EURO
CLASE 8.ª

21. Operaciones y saldos con partes vinculadas

a) Operaciones con vinculadas

El detalle de operaciones realizadas con partes vinculadas durante el ejercicio 2014 es el siguiente:

2014	Entidad dominante	Otras empresas del grupo	Empresas asociadas	Otras partes vinculadas	TOTAL
INGRESOS					
Prestación de servicios	**5.516,00**	**2.701.992,33**	**105,93**	**3.474,00**	**2.711.088,26**
-Biorreciclaje de Cadiz,S.A.	-	945.095,20	-	-	945.095,20
-Boremer,S.A.	-	216.915,41	-	-	216.915,41
-Cafestore,S.A.U.	-	1.687,89	-	-	1.687,89
-Valorinina,S.L.	-	4.800,00	-	-	4.800,00
-INTE RCD,S.L.	-	-	105,93	-	105,93
-Eurocomercial,S.A.	-	261,94	-	-	261,94
-Repsol YPF,S.A.	-	-	-	3.474,00	3.474,00
-S.A.U. Depuración y Tratamiento-Sadyt-	-	35.066,78	-	-	35.066,78
-Sacyr ,S.A.	5.516,00	-	-	-	5.516,00
-Sacyr Construcción,S.A.U.	-	81.071,43	-	-	81.071,43
-Surge Ambiental,S.L.	-	108.567,74	-	-	108.567,74
-Tratamiento de Residuos La Rioja,S.L.	-	815.674,53	-	-	815.674,53
-Valoriza Conservación de Infraestructuras,S.A.U.	-	1.281,24	-	-	1.281,24
-Valoriza Servicios a la Dependencia,S.A.U.	-	947,28	-	-	947,28
-Valoriza Agua,S.L.	-	4.000,00	-	-	4.000,00
-Valoriza Facilities,S.A.U.	-	31.891,60	-	-	31.891,60
-Tractament Metropolita de fangs,S.L.	-	61.492,33	-	-	61.492,33
-Sarinser,S.A.	-	46.655,92	-	-	46.655,92
-Sacyr Industrial,S.A.U.	-	346.583,04	-	-	346.583,04
Intereses	-	**329.555,42**	**3.923,69**	-	**333.479,11**
-Surge Ambiental,S.L.	-	18.109,89	-	-	18.109,89
-Tratamiento de Residuos La Rioja,S.L.	-	286.423,29	-	-	286.423,29
-Compost del Pirineo,S.A.	-	5.021,94	-	-	5.021,94
-Participes de Biorreciclaje,S.A.	-	-	3.326,84	-	3.326,84
-Boremar,S.A.	-	20.000,30	-	-	20.000,30
-Alcorec,S.A.	-	-	596,85	-	596,85
TOTAL INGRESOS	5.516,00	3.031.547,75	4.029,62	3.474,00	3.044.567,37
GASTOS					
Recepción de servicios	**5.992.547,10**	**1.949.784,79**	**360,94**	**1.983.748,36**	**9.926.421,19**
-Boremar,S.A.	-	4.612,92	-	-	4.612,92
-Repsol YPF,S.A.	-	-	-	1.983.748,36	1.983.748,36
-S.A.U. Depuración y Tratamiento-Sadyt-	-	37.931,84	-	-	37.931,84
-Sacyr ,S.A.	-	318.558,08	-	-	318.558,08
-Sacyr Construcción,S.A.U.	-	671.831,14	-	-	671.831,14
-Inte RCD,S.A.	-	-	360,94	-	360,94
-Surge Ambiental,S.L.	-	237.326,89	-	-	237.326,89
-Tenia Inmuebles en Renta,S.A.	-	365.676,07	-	-	365.676,07
-Valoriza Agua,S.L.	-	973,07	-	-	973,07
-Valoriza Facilities,S.A.U.	-	60.436,14	-	-	60.436,14
-Valoriza Gestión,S.A.U.	637,46	-	-	-	637,46
-Sacyr Industrial,S.A.U.	-	41.720,02	-	-	41.720,02
-Valoriza Gestión,S.A.U.(fase estruct)	5.991.909,64	-	-	-	5.991.909,64
-Biorreciclaje de Cadiz,S.A.	-	10.698,62	-	-	10.698,62
Intereses	**2.175.595,28**	**100.572,56**	-	-	**2.276.167,84**
-Hidroandaluza,S.A.	-	95.328,98	-	-	95.328,98
-Secado térmico de Castellón,S.A.	-	952,20	-	-	952,20
-Valoriza Gestión,S.A.U.	2.175.595,28	-	-	-	2.175.595,28
-Eurocomercial,S.A.	-	4.291,38	-	-	4.291,38
TOTAL GASTOS	8.168.142,38	2.050.357,35	360,94	1.983.748,36	12.202.589,03

El detalle de operaciones realizadas con partes vinculadas durante el ejercicio 2015 es el siguiente:

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The detail of the long term provisions of the balance sheet at the end of financial year 2015, as well as the main movements recorded during the financial year are as follows:

	Balance on 31/12/2014	Provisions	Applications	Balance on 31/12/2015
Provision for taxes	169,848.54	662,086.24	(10,303.20)	821,631.58
Provision for contingencies	4,864,288.63	4,043,843.73	(807,090.87)	8,101,041.49
Provision for replacement and major repair actions	746,184.42	125,405.36	-	871,589.78
Total Long term	5,780,321.59	4,831,335.33	(817,394.07)	9,794,262.85

The heading of provisions for taxes on 31st December 2015 records tax debt liabilities regarding which there is uncertainty as to their amount or maturity, it being probable that the Company may have to dispose of resources to settle those obligations as a consequence of a present obligation. The main provisions in the financial year are of UTE TMB Arraiz, amounting to 304,542.13 euros and the street cleaning packages in Madrid for 357,216.99 euros.

The heading of provisions for contingencies record liabilities to deal with litigation related liabilities, compensations and obligations arising from the Company's own activity, regarding which there is uncertainty as to their amount or maturity.

The provisions in 2015 are mainly provisions for contentious proceedings and other contractual matters and litigation amounting to 488,707.11 euros, as well as other risks for other liabilities generated by impairment in the value of stakes in equity instruments that exceed the actual value per stake due to being in financial imbalance, and they add up to 1,007,515.03 euros. The other most representative provision in the financial year is that assigned to UTE Calandrias, amounting to 750,720.92 euros for possible contractual contingencies.

The provisions in 2015 for replacements and major repairs are at UTE Calandrias, amounting to 57,972.62 euros and at UTE Butarque, amounting to 67,432.74 euros.

The applications in 2015, in the section on Taxes, are fully due to consortia, specifically the Bio La Paloma Pre-Operation amounting to 10,303.20 euros.

The applications in the provision section for contingencies in 2015, is firstly due to application of reversion in impaired value of the stakes in equity instruments of the company Valdemingomez 2000, amounting to 168,077.00 euros, and in the consortia, those that provide the most are Cointer, with 409,596.57 euros and Bio la Paloma Pre-Operation with 222,220.80 euros.

The litigation in progress is, as in previous financial years, valued by the Legal Department of the Sacyr group, to which the Company belongs, and the relevant provisions are reported according to their estimates.

The provisions are recorded under heading 7c of the profit and loss accounts and the following reversions are registered under heading 10, Surplus Provisions of the profit and loss accounts.

That is provided by the consortia in this section, both in 2014 as well as in 2015, is broken down in the following tables:

2014	UTE SUFI HIXIENE'S	SUFI PORTUGAL	UTE LA PALOMA	UTE RSU COINTER	UTE BIO LA PALOMA	OTHERS	TOTAL CONSORTIA
Provision for taxes	-	-	-	-	10,800	-	10,800
Provision for contingencies	494,114	909,772	309,282	948,435	297,821	678,683	3,638,107
Provision for replacement and major repair actions	-	-	-	-	-	746,184	746,184
Total Long term	494,114	909,772	309,282	948,435	308,621	1,424,847	4,395,091

TIMBRE DEL ESTADO
0,03 EUROS

2015	Entidad dominante	Otras empresas del grupo	Otras partes vinculadas	TOTAL
INGRESOS				
Prestación de servicios	5.516,00	**1.551.079,19**	-	**1.556.595,19**
-Biorreciclaje de Cadiz,S.A.	-	227.391,00	-	227.391,00
-Boremer,S.A.	-	51.684,48	-	51.684,48
-Cafestore,S.A.U.	-	896,96	-	896,96
-Eurocomercial,S.A.	-	48,00	-	48,00
-Consorcio Stabile Vis Società c.p.a.	-	34.465,00	-	34.465,00
-S.A.U. Depuración y Tratamiento-Sadyt-	-	3.789,96	-	3.789,96
-Sacyr ,S.A.	5.516,00	-	-	5.516,00
-Sacyr Construcción,S.A.U.	-	13.820,14	-	13.820,14
-Sacyr Industrial,S.A.U.	-	351.438,50	-	351.438,50
-Scrinser,S.A.	-	(4.558,80)	-	(4.558,80)
-Sacyr Environment Llc USA	-	27.611,76	-	27.611,76
-Surge Ambiental,S.L.	-	133.274,39	-	133.274,39
-Tractament Metropolita de fangs,S.L.	-	60.824,49	-	60.824,49
-Tratamiento de Residuos La Rioja,S.L.	-	611.625,11	-	611.625,11
-Valorza Agua,S.L.	-	4.000,00	-	4.000,00
-Valoriza Conservación de InfraestructurasS.A.U.	-	1.281,24	-	1.281,24
-Valorza Facilities,S.A.U.	-	32.730,44	-	32.730,44
-Valorza Servicios a la Dependencia,S.A.U.	-	756,52	-	756,52
Intereses	-	**306.955,79**	-	**306.955,79**
-Surge Ambiental,S.L.	-	19.175,40	-	19.175,40
-Tratamiento de Residuos La Rioja,S.L.	-	278.570,58	-	278.570,58
-Compost del Pirineo,S.A.	-	9.209,81	-	9.209,81
TOTAL INGRESOS	5.516,00	1.858.034,98	-	1.863.550,98
GASTOS				
Recepción de servicios	**6.424.934,90**	**3.704.396,41**	**1.442.474,73**	**11.571.806,04**
-Biorreciclaje de Cadiz,S.A.	-	28.103,62	-	28.103,62
-Boremer,S.A.	-	27.967,69	-	27.967,69
-Consorcio Stabile Vis Società c.p.a.	-	38.116,44	-	38.116,44
-Ecotrading 360 grados, S.L.	-	81,48	-	81,48
-Repsol YPF,S.A.	-	-	1.442.474,73	1.442.474,73
-Sacyr Concesiones,S.A.U.	-	811,06	-	811,06
-Sacyr ,S.A.	513.826,37	-	-	513.826,37
-Sacyr Construcción,S.A.U.	-	184.566,14	-	184.566,14
-Sacyr Industrial,S.A.U.	-	2.664.647,05	-	2.664.647,05
-Surge Ambiental,S.L.	-	242.081,56	-	242.081,56
-Testa Inmuebles en Renta,S.A.	-	363.686,04	-	363.686,04
-Scrinser,S.A.	-	12.886,10	-	12.886,10
-Valoriza Conservación de Infraestructuras,S.A.U.	-	82.000,00	-	82.000,00
-Valoriza Facilities,S.A.U.	-	57.500,66	-	57.500,66
-Valoriza Gestión,S.A.U.(tasa estruct)	5.911.108,53	-	-	5.911.108,53
-Valoriza Servicios Medioambientales Bolivia	-	1.948,57	-	1.948,57
Intereses	**2.636.082,18**	**116.293,45**	-	**2.752.375,63**
-Hidroandaluza,S.A.	-	106.629,91	-	106.629,91
-Sacyr Construcción,S.A.U.	-	7.089,54	-	7.089,54
-Secado térmico de Castellón,S.A.	-	2.574,00	-	2.574,00
-Valoriza Gestión,S.A.U.	2.634.256,35	-	-	2.634.256,35
-Sacyr ,S.A	1.825,83	-	-	1.825,83
TOTAL GASTOS	9.061.017,08	3.820.689,86	1.442.474,73	14.324.181,67

Por empresa del grupo y asociadas, los principales servicios prestados y recibidos durante los años 2014 y 2015 son:

- Biorreciclaje de Cádiz, S.A. transporte y tratamiento en la planta de Miramundo.
- Boremer, S.A. transporte de lodos a la Torrecilla.
- Repsol YPF, S.A. suministro de combustibles.
- Sadyt trabajos relacionados con la UTE Edar de Ajofrín.
- Sacyr, S.A.U. prestaciones de servicios y suplidos.
- Sacyr Construcción, S.A.U. trabajos diversos en el servicio de recogida de Alcalá de Henares.
- Sacyr Industrial, S.A.U. trabajos para la construcción de la planta cementera de Bolivia.
- Valoriza Gestión, S.A.U. incluye la tasa por administración y facturas emitidas por estudios diversos.
- Surge Ambiental, S.L. gestión y transporte de residuos sólidos urbanos en los proyectos de mantenimiento de arbolado, punto limpio de Torrejón y planta de lodos de la Torrecilla.
- Tratamiento de Residuos La Rioja, S.L. trabajos de apoyo en el Ecoparque de la Rioja .
- Testa Inmuebles en Renta, S.A. por el arrendamiento de las oficinas centrales de VSM, S.A.

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2015	UTE SURI HIXENE'S	SURI PORTUGAL	UTE LA PALOMA	UTE RSU COINTER	UTE BIO LA PALOMA	OTHERS	TOTAL CONSORTIA
Provision for taxes	-	-	131	-	497	304,739	305,367
Provision for contingencies	494,114	1,157,605	588,840	538,838	75,600	1,422,207	4,277,204
Provision for replacement and major repair actions	-	-	-	-	-	871,589	871,589
Total Long term	494,114	1,157,605	588,971	588,971	76,097	2,698,535	5,454,160

b) Short term provisions

The detail of the short term provisions in the balance sheet at the end of financial year 2014, as well as the main movements recorded during the financial year, are as follows:

	Balance on 31/12/2013	Provisions	Update Increases	Applications	Balance on 31/12/2014
Provision for trade operations	1,711,337.76	3,781,748.96	970,852.87	(475,811.25)	5,988,128.34
Provision for works completion	1,303,415.04	58,453.76	-	(845,561.14)	516,307.66
Provisions for environmental actions	268,002.70	-	-	(268,002.70)	-
Total Short term	3,282,755.50	3,840,202.72	970,852.87	(1,589,375.09)	6,504,436.00

Among the provisions made in 2014, there are 1,800,226.97 euros for trade operations for possible certification arising from tax inspection suffered by the Company, that covered financial years 2007 to 2010. It also records a deduction received from the Local Government of Cercedilla, that has been appealed, amounting to 652,400.15 euros, in addition to the contingencies occurred with works on the Baza contract amounting to 193,619.01 euros and 492,109.04 euros for a retirement prize regularisation from previous years pending receipt at the financial year end.

In the case of provisions for conclusion of works, the most representative are 27,950.00 at the Aranda Plant, 13,915.46 euros at UTE Talarrubias and 9,364.39 euros at the Miramundo Plant.

The transfers in the financial year are movements of provisions set aside in previous financial years that have been reclassified, according to their possible resolution, between the long and short term provisions accounts.

Among the trade operations applications in the financial year there are 335,767.80 euros from a claim by the clients of CTR Salamanca, 76,035.66 euros, of UTE Hornillos, 19,349.50 euros in different contentious proceedings resolved by the consortium UTE Polideportivo Castillejo and 44,218.29 of UTE Aguas Alcalá for the sale of the ownership of that consortium to Canal de Isabel II.

The applications of the provisions for conclusion of works, as is logical, are comprised of projects that are nearing completion and to which such provisions are applied, such as the case of the Burgos Sludge Plant, amounting to 15,496.39, UTE Lince y Aguila to 70,000.00 euros, and the UTE Hornillos works, amounting to 41,679.48 euros. Another origin of these applications is that of the business holdings sold, such as the Reocín Plant, that had provisions set aside of 691,810.00 euros.

With regard to the applications of provisions for environmental actions, one must point out that they are all due to UTE Butarque, as a result of consumption of gas emission rights.

The detail of the short term provisions on the balance sheet for financial year 2015, as well as the main movements recorded during the financial year, are as follows:

TIMBRE DEL ESTADO 0,03 EUROS

b) Saldos con vinculadas

El importe de los saldos en el balance de situación con partes vinculadas a 31 de diciembre de 2014 es el siguiente:

2014	Entidad dominante	Otras empresas del grupo	Empresas asociadas	Otras partes vinculadas	TOTAL
SALDOS DEUDORES A LARGO PLAZO					
Instrumentos de patrimonio (Nota 10)	-	4.488.251,70	735.734,49	-	5.168.986,19
Créditos a empresas (Nota 10)	-	10.770.114,28	1.609.378,01	-	12.379.492,29
TOTAL SALDOS DEUDORES A LARGO PLAZO	-	15.258.365,98	2.345.112,50		17.548.478,43
SALDOS DEUDORES A CORTO PLAZO					
Deudores comerciales	1.379,00	6.679.662,94	259.424,71	17.409,28	6.958.078,93
-Biorreciclaje de Cadiz,S.A.	-	1.876.321,68	-	-	1.876.321,68
-Boremer,S.A.	-	950.030,62	-	-	950.030,62
-Cafestore, S.A.U.	-	449,24	-	-	449,24
-Cultivos Energéticos de Castilla,S.A.	-	40.537,45	-	-	40.537,45
-Eurocomercial,S.A.	-	36,00	-	-	36,00
-Gestión de Partícipes de Biorreciclaje,S.A.	-	-	54.701,47	-	54.701,47
- Valorinima, S.L.	-	5.808,00	-	-	5.808,00
-Sacyr Industrial, S.A.U.	-	108.113,58	-	-	108.113,58
-La Restinga,C.B.	-	100.000,00	-	-	100.000,00
-Tratamiento de Residuos La Rioja,S.L.	-	728.404,99	-	-	728.404,99
-Residuos de Construcción de Cuenca,S.A.	-	75.353,60	-	-	75.353,60
-S.A.U. Depuración y Tratamiento-Sadyt-	-	979.243,95	-	-	979.243,95
-Sacyr ,S.A.	1.379,00	-	-	-	1.379,00
-Sacyr Construcción,S.A.U.	-	40.047,21	-	-	40.047,21
-Somague Engenharia,S.A.	-	1.122.374,38	-	-	1.122.374,38
-Surge Ambiental,S.L.	-	314.268,73	-	-	314.268,73
-Tractament Metropolità de Fangs,S.L.	-	312.906,91	-	-	312.906,91
-Valoriza Conservación de Infraestructuras,S.A.U.	-	960,93	-	-	960,93
-Valoriza Servicios a la Dependencia,S.A.	-	831,52	-	-	831,52
-Valoriza Facilities,S.A.U.	-	13.479,48	-	-	13.479,48
-Partícipes de Biorreciclaje,S.A.	-		204.723,24	-	204.723,24
-Repsol YPF,S.A.	-		-	17.409,28	17.409,28
-Sorinsar,S.A.	-	10.494,67	-	-	10.494,67
Créditos a empresas (Nota 10)	-	428.180,62	16.159,55	-	446.139,97
Otros activos financieros	8.898,51	4.777.468,54	236.396,74	-	5.022.763,79
-Tratamiento de Residuos La Rioja,S.L.	-	1.098.737,00	-	-	1.098.737,00
-Compost del Pirineo,S.A.	-	71.004,32	-	-	71.004,32
-Sacyr Construcción,S.A.U.	-	85.625,05	-	-	85.625,05
-Surge Ambiental,S.L.	-	335,74	-	-	335,74
-Desgasificación de Vertederos,S.A.	-	1.210,95	-	-	1.210,95
-Waste Resources,S.A.	-	21,81	-	-	21,81
-Servicio de Estacionamiento Regulado	-	-	6,97	-	6,97
-Gestión de Partícipes de Biorreciclaje,S.A.	-	-	10.353,33	-	10.353,33
-Cultivos Energéticos de Castilla,S.L.	-	-	128,83	-	128,83
-Biomasas del Pirineo,S.L.	-	-	83.329,94	-	83.329,94
-Alcorec,S.L.	-	-	142.577,67	-	142.577,67
-Valoriza Facilities,S.A.U.	-	15,63	-	-	15,63
-Valoriza Gestión,S.A.U.	1.348,08	-	-	-	1.348,08
-Boremer,S.A.	-	3.242.399,88	-	-	3.242.399,88
-S.A.U. Depuración y Tratamiento-Sadyt-	-	254.268,09	-	-	254.268,09
-Sacyr Industrial,S.A.U.	-	5.426,74	-	-	5.426,74
-Sacyr ,S.A.	7.550,43	-	-	-	7.550,43
-Valoriza Conservación de Infraestructuras,S.A.U.	-	914,64	-	-	914,64
-Inloser	-	17.506,69	-	-	17.506,69
TOTAL SALDOS DEUDORES A CORTO PLAZO	10.277,51	11.885.312,10	511.981,00	17.409,28	12.425.779,57
SALDOS ACREEDORES A LARGO PLAZO					
Deudas a largo plazo:	53.593.726,12	3.396.688,25	-	-	56.990.414,37
-Valoriza Gestión,S.A.U.	53.593.726,12	-	-	-	53.593.726,12
Hidroandaluza,S.A.	-	3.396.688,25	-	-	3.396.688,25
TOTAL SALDOS ACREEDORES A LARGO PLAZO	53.593.726,12	3.396.688,25			56.990.414,37
SALDOS ACREEDORES A CORTO PLAZO					
Deudas a corto plazo	2.664.529,67	2.091.581,40	-	-	4.756.111,07
-Hidroandaluza,S.A.	-	199.943,77	-	-	199.943,77
-Sacyr Construcción,S.A.	-	291.225,76	-	-	291.225,76
-C/C Consolidación Fiscal Grupo IVA SYV	1.094.088,65	-	-	-	1.094.088,65
-C/C Consolidación Fiscal Grupo IS SYV	1.570.441,02	-	-	-	1.570.441,02
-Iniciativas Medioambientales del Sur,S.L.	-	135.000,00	-	-	135.000,00
-Eurocomercial,S.A.	-	70.977,84	-	-	70.977,84
-Gestión de Infraestructuras Canarias,S.L.	-	149.928,02	-	-	149.928,02
-S.A.U. Depuración y Tratamiento-Sadyt-	-	737.252,71	-	-	737.252,71
-Secado Térmico Castellón,S.A.	-	420.792,60	-	-	420.792,60
-Valoriza Agua,S.A.	-	68.121,32	-	-	68.121,32
-Valoriza Facilities,S.A.U.	-	17.094,64	-	-	17.094,64
-Boremer,S.A.	-	1.244,74	-	-	1.244,74
Acreedores / Proveedores comerciales:	672.024,92	3.405.517,00	10.048,87	175.559,58	4.263.150,37
-Biorreciclaje de Cadiz,S.A.	-	54.888,97	-	-	54.888,97
-Boremer,S.A.	-	75.249,82	-	-	75.249,82
-Gestión de Partícipes de Biorreciclaje,S.A.	-	-	9.942,94	-	9.942,94
-Eurocomercial,S.A.	-	2.276.476,74	-	-	2.276.476,74
-Hidroandaluza,S.A.	-	147.837,07	-	-	147.837,07
-Prinur,S.A.U.	-	24.928,14	-	-	24.928,14
-Repsol YPF,S.A.	-	-	-	175.559,58	175.559,58
-S.A.U. Depuración y Tratamiento-Sadyt-	-	191.066,58	-	-	191.066,58
-Sacyr ,S.A.	-	304.546,91	-	-	304.546,91
-Sacyr Construcción,S.A.	-	88.413,80	-	-	88.413,80
-Secado Térmico Castellón,S.A.	-	27.825,61	-	-	27.825,61
-Surge Ambiental,S.L.	-	77.340,63	-	-	77.340,63
-Tratamiento de Residuos La Rioja,S.L.	-	1.221,81	-	-	1.221,81
-Valoriza Agua,S.L.	-	(6.733,70)	-	-	(6.733,70)
-Valoriza Facilities,S.A.U.	-	86.461,70	-	-	86.461,70
-Valoriza Gestión,S.A.U.	672.024,92	-	-	-	672.024,92
-Sacyr Industrial,S.A.U.	-	13.883,65	-	-	13.883,65
-Inloser,S.L.	-	42.053,70	-	-	42.053,70
-Iris RCD,S.L.	-	-	105,93	-	105,93
-Sociedad de Economía mixta de Aguas de Soria	-	35,57	-	-	35,57
TOTAL SALDOS ACREEDORES A CORTO PLAZO	3.336.554,59	5.497.098,40	10.048,87	175.559,58	9.019.261,44

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	Balance on 31/12/2014	Provisions	Applications	Balance on 31/12/2015
Provision for trade operations	5,988,128.34	3,027,423.37	(2,771,179.22)	6,244,372.49
Provision for works completion	516,307.66	166,118.27	(251,346.28)	431,079.65
Provisions for environmental actions	-	3.63	-	3.63
Total Short term	6,504,436.00	3,193,545.27	(3,022,525.50)	6,675,455.77

Among the provisions made in 2015 for trade operations, there are liabilities form litigation amounting to 221,640.33 euros and a fine levied by the Local Government of Majadahonda, that has been appealed, amounting to 227,613.12 euros. The most important for the consortia are 1,165,844.52 euros at UTE Hornillos for contractual contingencies arising from the application for financial rebalancing and 925,206.16 euros at UTE TMB Arraiz due to adjustment for plant shut-down, contractual contingencies and damage and breakdown insurance.

In the case of provisions for conclusion of works, the most representative are 74,290.73 euros at UTE TMB Arraiz and at UTE Patrimonio Jardines of 71,375.60 euros.

With regard to the provisions set aside for environmental actions, one must state that the full amount is for UTE Butarque as a result of consumption of gas emission rights.

Among the applications for trade operations in the financial year, there are, among others: 1,650,226.97 euros applied to the certificates signed in approval arising from the tax inspection suffered by the Company and spanned financial years 2007 to 2010, 148,929.68 euros in contractual contingencies covered by cleaning packages in Madrid, 120,000 euros applied due to labour matters at the Vilanova centre and 88,122.72 euros from litigation with employees of Baza.

Among the applications of provisions for conclusion of works, as is logical, these are comprised of projects that are nearing conclusion and these provisions are applied, as in the case of Saica Guadalquivir, of 32,123.00 euros, or the Puertollano Parking facility, of 195,090.16 euros.

The provision amounts applied to the consortia both in 2014 as well as 2015 are broken down in the following tables:

2014	UTE EDAR MARTOS	UTE SALTO DEL NEGRO	UTE TALARRUBIAS	UTE SECADO TÉRMICO LOECHES	UTE HORNILLOS OBRA	OTHERS	TOTAL CONSORTIA
Provision for trade operations	9,625	-	-	34,958	-	2,108	46,691
Provision for works completion	15,078	1,839	81,679	-	4,910	-	103,507
Total short term	24,703	1,839	81,679	34,958	4,910	2,108	150,197

2015	UTE HORNILLOS	UTE ARRAIZ	UTE TEM	UTE ARONA	UTE VALORIZA GESTYONA	OTHERS	TOTAL CONSORTIA
Provision for trade operations	1,165,845	925,206	116,644	70,300	56,500	41,387	2,375,882
Provision for works completion	-	74,291	-	-	-	188,880	263,171
Total short term	1,165,845	999,497	116,644	70,300	56,500	230,267	2,639,053

TIMBRE DEL ESTADO 0,03 EUROS

0M7356228

El importe de los saldos en el balance de situación con partes vinculadas a 31 de diciembre de 2015 es el siguiente:

CLASE 8.ª
TRES CÉNTIMOS DE EURO

2015	Entidad dominante	Otras empresas del grupo	Empresas asociadas	Otras partes vinculadas	TOTAL
SALDOS DEUDORES A LARGO PLAZO					
Instrumentos de patrimonio (Nota 10)	-	3.740.354,04	2.554.854,30	-	6.295.208,34
Créditos a empresas (Nota 10)	-	11.313.139,38	1.448.152,48	-	12.761.291,86
TOTAL SALDOS DEUDORES A LARGO PLAZO	-	15.053.493,42	4.003.006,78	-	19.056.500,20
SALDOS DEUDORES A CORTO PLAZO					
Deudores comerciales	2.758,00	8.177.090,93	259.424,71	23.479,07	8.442.752,71
-Biorreciclaje de Cadiz,S.A.	-	1.983.721,79	-	-	1.983.721,79
-Boremer,S.A.	-	2.319.488,58	-	-	2.319.488,58
-Colestore, S.A.U.	-	896,96	-	-	896,96
-Cultivos Energéticos de Castilla,S.A.	-	40.537,45	-	-	40.537,45
-Eurocomercial,S.A.	-	48,00	-	-	48,00
-Gestión de Partícipes de Biorreciclaje,S.A.	-	-	54.701,47	-	54.701,47
-La Restinga,C.B.	-	100.000,00	-	-	100.000,00
-Partícipes de Biorreciclaje,S.A.	-	-	204.723,24	-	204.723,24
-Repsol YPF,S.A.	-	-	-	23.479,07	23.479,07
-Residuos de Construcción de Cuenca,S.A.	-	75.353,60	-	-	75.353,60
-S.A.U. Depuración y Tratamiento-Sadyt-	-	940.479,94	-	-	940.479,94
-Sacyr ,S.A.	2.758,00	-	-	-	2.758,00
-Sacyr Construcción,S.A.U.	-	41.890,48	-	-	41.890,48
-Sacyr Industrial, S.A.U.	-	4.000,00	-	-	4.000,00
-Scrinser,S.A.	-	-4.117,88	-	-	(4.117,88)
-Somague Engenharia,S.A.	-	1.373.993,50	-	-	1.373.993,50
-Surge Ambiental,S.L.	-	437.162,89	-	-	437.162,89
-Tractament Metropolità de fangs,S.L.	-	24.542,76	-	-	24.542,76
-Tratamiento de Residuos La Rioja,S.L.	-	762.704,72	-	-	762.704,72
-Valoriza Conservación de Infraestructuras,S.A.U.	-	640,42	-	-	640,42
-Valoriza Facilities,S.A.U.	-	14.298,48	-	-	14.298,48
-Valoriza Servicios a la Dependencia,S.A.	-	1.172,28	-	-	1.172,28
-Sacyr Environment Uc USA	-	27.611,76	-	-	27.611,76
-Consorcio Stabile Vis Società c.p.a.	-	34.465,00	-	-	34.465,00
Créditos a empresas (Nota 10)	-	-	14.159,35	-	14.159,35
Otros activos financieros	8.517,98	8.372.049,87	10.353,33	-	8.390.941,18
-Alcorec,S.L.	-	142.577,67	-	-	142.577,67
-Biomasas del Pirineo,S.L.	-	83.329,94	-	-	83.329,94
-Boremer,S.A.	-	3.242.399,88	-	-	3.242.399,88
-C/C Consolidación Fiscal Grupo IS SYV	7.550,43	-	-	-	7.550,43
-Compost del Pirineo,S.A.	-	58.922,63	-	-	58.922,63
-Cultivos Energéticos de Castilla,S.L.	-	128,83	-	-	128,83
-Desgasificación de Vertederos,S.A.	-	1.210,95	-	-	1.210,95
-Gestión de Partícipes de Biorreciclaje,S.A.	-	-	10.353,33	-	10.353,33
- Valdemingomez 2000 S.A.	-	640.000,00	-	-	640.000,00
- Valoriza Agua, S.A.	-	14,72	-	-	14,72
- Valoriza Servicios Medioambientales Bolivia	-	2.925.426,19	-	-	2.925.426,19
-Sacyr Construcción,S.A.U.	-	171.665,90	-	-	171.665,90
-Sacyr Industrial,S.A.U.	-	6.276,74	-	-	6.276,74
-Servicio de Estacionamiento Regulado	-	6,97	-	-	6,97
-Surge Ambiental,S.L.	-	335,74	-	-	335,74
-Tratamiento de Residuos La Rioja,S.L.	-	1.098.737,00	-	-	1.098.737,00
-Valoriza Conservación de Infraestructuras,S.A.U.	-	994,18	-	-	994,18
-Valoriza Facilities,S.A.U.	-	28,72	-	-	28,72
-Valoriza Gestión,S.A.U.	967,55	-	-	-	967,55
-Waste Resources,S.A.	-	21,81	-	-	21,81
TOTAL SALDOS DEUDORES A CORTO PLAZO	11.275,98	16.549.140,80	285.937,39	23.479,07	16.847.853,24
SALDOS ACREEDORES A LARGO PLAZO					
Deudas a largo plazo:	68.898.527,51	3.953.320,28	-	-	72.851.847,79
- Valoriza Gestión,S.A.U.	68.898.527,51	-	-	-	68.898.527,51
- Hidroandaluza,S.A.	-	3.953.320,28	-	-	3.953.320,28
TOTAL SALDOS ACREEDORES A LARGO PLAZO	68.898.527,51	3.953.320,28	-	-	72.851.847,79
SALDOS ACREEDORES A CORTO PLAZO					
Deudas a corto plazo	2.892.199,67	2.023.047,26	-	-	4.915.246,93
-Boremer,S.A.	-	1.257,68	-	-	1.257,68
-C/C Consolidación Fiscal Grupo IS SYV	1.609.119,69	-	-	-	1.609.119,69
-C/C Consolidación Fiscal Grupo IVA SYV	1.283.079,98	-	-	-	1.283.079,98
-Eurocomercial,S.A.	-	70.977,84	-	-	70.977,84
-Gestión de Infraestructuras Canarias,S.L.	-	149.505,74	-	-	149.505,74
-Hidroandaluza,S.A.	-	199.943,77	-	-	199.943,77
-Iniciativas Medioambientales del Sur,S.L.	-	135.000,00	-	-	135.000,00
-S.A.U. Depuración y Tratamiento-Sadyt-	-	452.984,62	-	-	452.984,62
-Sacyr Construcción,S.A.	-	466.979,02	-	-	466.979,02
-Secado Térmico Castellón,S.A.	-	417.792,60	-	-	417.792,60
-Infoser AIE	-	14.847,38	-	-	14.847,38
-Valoriza Agua,S.A.	-	68.121,32	-	-	68.121,32
-Valoriza Facilities,S.A.U.	-	45.637,29	-	-	45.637,29
Acreedores / Proveedores comerciales:	470.012,29	3.525.843,45	9.942,94	152.882,88	4.158.681,56
-Biorreciclaje de Cadiz,S.A.	-	85.426,88	-	-	85.426,88
-Boremer,S.A.	-	52.760,77	-	-	52.760,77
-Gestión de Partícipes de Biorreciclaje,S.A.	-	-	9.942,94	-	9.942,94
-Eurocomercial,S.A.	-	2.276.476,74	-	-	2.276.476,74
-Hidroandaluza,S.A.	-	147.837,07	-	-	147.837,07
-Prinur,S.A.U.	-	24.928,14	-	-	24.928,14
-Repsol YPF,S.A.	-	-	-	152.882,88	152.882,88
-S.A.U. Depuración y Tratamiento-Sadyt-	-	251.711,40	-	-	251.711,40
-Sacyr ,S.A.	357.046,39	-	-	-	357.046,39
-Sacyr Construcción,S.A.	-	65.618,98	-	-	65.618,98
-Secado Térmico Castellón,S.A.	-	29.859,07	-	-	29.859,07
-Scrinser,S.A.	-	2.645,74	-	-	2.645,74
-Surge Ambiental,S.L.	-	100.113,06	-	-	100.113,06
-Valoriza Facilities,S.A.U.	-	83.303,61	-	-	83.303,61
-Valoriza Gestión,S.A.U.	312.965,90	-	-	-	312.965,90
-Infoser,S.L.	-	6.612,00	-	-	6.612,00
-Inte RCD,S.L.	-	105,93	-	-	105,93
-Valoriza Agua,S.A.	-	(6.733,70)	-	-	(6.733,70)
-Sacyr Industrial,S.A.U.	-	367.071,32	-	-	367.071,32
-Consorcio Stabile Vis Società c.p.a.	-	38.116,44	-	-	38.116,44
TOTAL SALDOS ACREEDORES A CORTO PLAZO	3.362.211,96	5.548.890,71	9.942,94	152.882,88	9.073.928,49

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c) Contingencies, bank and other guarantees

On 31st December 2014 and 2015, the Company had the following types of contingencies:

	2015			2014		
Bank and other guarantees	National	Foreign	Total	National	Foreign	Total
Tender guarantees	20,234,161.43	582,408.47	20,816,569.90	19,845,908.41	762,408.47	20,608,316.88
Definitive guarantees	121,378,598.47	1,119,809.42	122,498,407.89	108,068,128.34	198,559.92	108,266,688.26
Definitive guarantees granted to subsidiaries	3,780.95	-	3,780.95	3,780.95	-	3,780.95
Financial guarantees	70,996.66	-	70,996.66	149,535.19	-	149,535.19
Financial guarantees to other group companies	23,155.00	-	23,155.00	23,155.00	-	23,155.00
Provisional guarantees granted to group companies	292,030.51	-	292,030.51	402,975.96	-	402,975.96
Guarantees granted to definitive group companies	2,190,761.09	5,314,743.24	7,505,504.33	2,278,822.33	9,545,454.54	11,824,276.87
Total bank and other guarantees	144,193,484.11	7,016,961.13	151,210,445.24	130,772,306.18	10,506,422.93	141,278,729.11

The deposits required to attend tenders are considered provisional, while the definitive ones are those that support projects already awarded to the Company.

The company in the group that holds bank guarantees abroad is Sadyt and the guarantee for the desalination project is held by Skikda in Algeria.

Different liabilities to those mentioned above in the different sections of this note are not expected to arise, that may cause resources to be expended by the Company.

The Company has guarantees granted to certain companies in the group as guarantor of fulfilment of the obligations stipulated in the financing contracts amounting to 59,229.32 euros (211,468 thousand euros in 2014).

Moreover, the Company granted guarantees through UTE Tramfang to the company Tractament Metropolitá de Fangs, S.L., for fulfilment of certain financial and non financial conditions of syndicated loan maintained by the Company. To guarantee fulfilment, the Consortium has granted a promise of mortgage guarantee on the facilities owned by Tractamente Metropolitá de Fangs to the financial institutions. Moreover, a promise of pledge has been granted on the present and future debtor balances arising from the public service contract managed by Tractament Metropolitá de Fangs in favour of the banks financing that company.

The Company, through UTE Butarque, has greenhouse gas emission rights. That consortium does not foresee any contingency arising related to penalties or measures of a provisional nature due to its activity having been halted.

On 15th January 2015, the National Commission for Markets and Competition (CNMC) notified the Company of the Resolution by the Competition Chamber, by means of which it penalises Valoriza Servicios Medioambientales with a fine of 15 million euros for presumably breaching Article 1 of Act 15/2007, on Defence of Competition, on the grounds of "application of the resolution or arranged action of market distribution within the field of urban drainage". In that Resolution, it penalised more than 40 entities, among companies and associations, for a global amount exceeding 98 million euros.

El importe más significativo, que se encuentra en acreedores a largo plazo, corresponde a un préstamo que la Sociedad mantiene con Valoriza Gestión, S.A.U. que se renueva anualmente de forma tácita y devenga un tipo de interés efectivo de euribor más 4 puntos porcentuales (euribor más 4 puntos en 2014). En el ejercicio 2015 el saldo de este préstamo ha aumentado en 15.304.801,39 euros (reducción de 10.687.262,69 euros en 2014) y durante el año 2012 se traspasó de corto a largo plazo, en virtud de la adenda al contrato de préstamo firmada el día 1 de julio de 2012 por la que se modificaban las condiciones, pasando la deuda a ser exigible al vencimiento de dicho contrato (cuya validez es por 5 años y prorrogable año a año en tanto en cuanto VSM, S.A. continúe en el mismo grupo de consolidación fiscal y con el mismo porcentaje de participación).

Tanto éste como los demás préstamos con empresas del grupo, multigrupo y asociadas se clasifican en la categoría de préstamos y partidas a pagar, están valorados a coste amortizado y el tipo de interés aplicado en el año 2015 y 2014 es euribor más el 4 puntos porcentuales.

c) Retribuciones al Consejo de Administración y a la alta dirección

Durante los ejercicios 2014 y 2015, no se han producido movimientos en el Consejo de Administración.

Las retribuciones percibidas durante el ejercicio 2014 por los miembros del Consejo de Administración y la alta dirección de la Sociedad clasificadas por conceptos, fueron las siguientes:

	Sueldos	Primas de seguros
Consejo de administración	194.358,00	199,00
Total	194.358,00	199,00

Las retribuciones percibidas durante el ejercicio 2015 por los miembros del Consejo de Administración y la alta dirección de la Sociedad clasificadas por conceptos, han sido las siguientes:

	Sueldos	Primas de seguros
Consejo de administración	198.013,00	225,00
Total	198.013,00	225,00

Además no existen obligaciones contraídas en materia de pensiones ni de pago de primas de seguros de vida, ni pagos basados en instrumentos de patrimonio, respecto de los miembros del Consejo de Administración, encontrándose éstas externalizadas. No existen tampoco acuerdos en virtud de los cuales los miembros del Consejo de Administración de la Sociedad tengan derecho a percibir de la Sociedad una indemnización con motivo de su cese como consejeros.

d) Situaciones de conflicto de intereses, directa o indirecta, del Administrador Único y personas vinculadas

A efectos de lo previsto en los artículos 229, 230 y 231 de la Ley de Sociedades de Capital, el Administrador Único de la Sociedad y personas vinculadas, ha manifestado no mantener situaciones de conflictos de interés con la Sociedad o su grupo de sociedades, ni directa ni indirectamente.

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On 12th March 2015, the Company filed an Appeal before the National High Court against that Resolution based on the following grounds:

- Expiry in the proceedings formalities.
- Illegal calculation of the amount of the fine.
- Breach of the principle of proportion when determining the amount of the fine.
- Breach of the principles of personal status and liability on fining the Respondent for conduct totally unrelated to it.
- Breach of the duty to reason the administrative resolution that has caused this party defencelessness.
- Non existence of a sole, continued offence pursuant to Article 1 of the Defence of Competition Act.

The Company Directors and their legal advisors consider that significant liabilities for the Company are not expected to finally materialise as a consequence of these proceedings.

16. Timing

a) Asset timings

Financial year 2014

In financial year 2014, the short term timings amount to 1,334,773.94 euros and these correspond, among others, to the contractual fee of the regulated Service Station in Aranjuez amounting to 481,416.67 euros and to the professional services contract signed with Rehabilitación Ecológica amounting to 110,000 euros, as well as minor expenses such as garments, insurance premiums or bank guarantees (in the latter case timing of 128,448.59 euros for Arroyo Culebro improvements). It also includes timing of various consortia amounting to 282,011.85 euros among which there are the consortia UTE La Paloma and UTE TEM (the latter having an increase due to acquisition of a 6.99 % stake from two of the partners).

The breakdown of the consortia is shown in the following table:

2014	UTE TEM	UTE LA PALOMA	UTE HIXIENE'S	UTE DIGEST ANAEROBIA	UTE TRANSFERENCIAS	OTHERS	TOTAL CONSORTIA
Expenses advanced	81.163.25	34,560.26	17,627.67	29,734.28	25,949.40	92,976.99	282,011.85

Financial year 2015

In financial year 2015, the short term timings amount to 1,275,578.18 euros and are, among others, those of the fee for the regulated Service Station Contract in Aranjuez amounting to 426,916.67 euros, as well as other minor expenses such as garments, insurance premiums or bank guarantees (in the last case timing of 188,215.08 euros for Arroyo Culebro improvements). They also include timing of various consortia amounting to 507,467.13 euros, among which there is UTE Homillos (its increase arises from maintenance and conservation expenses of the plant to extend its useful life).

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TIMBRE DEL ESTADO
0,03 EUROS
CLASE 8.ª
OM7356226

22. Información sobre medio ambiente

Durante los ejercicios 2014 y 2015, no se ha incurrido en gastos cuyo fin sea la protección y mejora del medio ambiente. Asimismo, no se han producido gastos o riesgos que hayan sido necesario cubrir con previsiones por actuaciones medioambientales, ni contingencias relacionadas con la protección y mejora del medio ambiente.

23. Otra información

a) Personal

El número medio de personas empleadas durante los ejercicios 2014 y 2015, detallado por categorías, es el siguiente:

Categorías	2015	2014
Directores generales y presidentes ejecutivos	1	1
Resto de directores y gerentes	6	6
Técnicos y profesionales científicos e intelectuales y profesionales de apoyo	422	407
Empleados contables, administrativos y otros empleados de oficina	178	166
Ocupaciones elementales	5.114	4.818
Total	5.721	5.398

Asimismo, la distribución por sexos al término de los ejercicios 2014 y 2015, detallado por categorías, es la siguiente:

	2015		2014	
Categorías	Hombres	Mujeres	Hombres	Mujeres
Consejeros	1	-	1	-
Directores generales y presidentes ejecutivos (no consejeros)	3	-	3	-
Resto de directores y gerentes	4	-	4	-
Técnicos y profesionales científicos e intelectuales y profesionales de apoyo	347	94	314	80
Empleados contables, administrativos y otros empleados de oficina	73	109	77	86
Ocupaciones elementales	4.093	1.021	3.727	1.036
Total	4.521	1.224	4.126	1.202

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The breakdown of the consortia is shown in the following table:

2015	UTE HORNILLOS	UTE TEM	UTE LA PALOMA	UTE DIGEST ANAEROBIA	UTE GUADALAJARA	OTHERS	TOTAL CONSORTIA
Expenses advanced	238,473.00	66,844.75	52,399.26	20,778.36	19,807.20	109,164.56	507,467.13

b) Liability timings

Financial year 2014

The balance of the short term liability timings of the balance sheet at the end of financial year 2014 amounted to 1,125,488.70 euros and was fully due to consortia, that which provided the most being La Paloma, with 1,116,185.04 euros for the repayment fee received by the City Council of Madrid prior to the plant start-up.

Financial year 2015

The balance of the short term liability timings of the balance sheet at the end of financial year 2015 amounts to 992,633.72 euros and is fully due to consortia, that which provides the most being La Paloma, with 976,661.89 euros for the repayment fee received by the City Council of Madrid prior to the plant start-up.

17. Subventions, donations and legacies

The detail and movements of this chapter of the balance sheet in financial year 2014, are shown below:

Body	Scope	Initial balance on 31/12/2013	Increases	Transfer to results	Tax effect	Final balance on 31/12/2014
Ministry of Industry	State Administration	54,683.59	56,818.21	(72,691.29)	4,761.92	43,572.43
Ministry of Industry	State Administration	17,057.60	47,377.75	-	-	64,435.35
TOTAL		71,741.19	104,195.96	(72,691.29)	4,761.92	108,007.78

The detail and movements of this chapter of the balance sheet in financial year 2015 are shown below:

Body	Scope	Initial balance on 31/12/2014	Increases	Transfer to results	Tax effect	Final balance on 31/12/2015
Ministry of Industry	State Administration	43,572.43	239,686.80	(236,552.16)	(944.14)	45,762.93
Ministry of Industry	State Administration	64,435.35	-	(10.90)	-	64,424.45
TOTAL		108,007.78	239,686.80	(236,563.06)	(944.14)	110,187.38

At the end of financial years 2014 and 2015, the Company had complied with all the necessary requisites to receive and enjoy the subventions detailed above.

TIMBRE DEL ESTADO
0,03 EUROS
TRES CENTIMOS DE EURO
0M7356225
CLASE 8.ª

b) Honorarios de auditoria

Durante los ejercicios 2014 y 2015, los honorarios relativos a los servicios de auditoria de cuentas prestados por el auditor de la Sociedad, o por una empresa del mismo grupo o vinculada con el auditor han ascendido a 76.669,00 euros.

24. Hechos posteriores

La competencia del sector de servicios urbanos y la posibilidad de recurrir al Tribunal Especial en Materia de Contratación provoca que los procesos de adjudicación y firma de contrato se dilaten en el tiempo en espera de las resoluciones. Por esta razón, la Sociedad ha resultado adjudicataria de varios contratos, que están pendientes de la resolución del Tribunal de los recursos de los diferentes competidores:

- Servicio público de recogida de residuos y limpieza pública en el municipio de Albacete, por un importe estimado de 164 millones de euros en los 15 años de adjudicación.
- Servicio de recogida de residuos sólidos urbanos y limpieza pública en el municipio de Torrejón de Ardoz, por un importe de 101 millones de euros y 10 años de duración.
- Servicio de recogida de residuos sólidos, recogida selectiva y limpieza de playas de Ibiza, por un global de 68 millones de euros y 10 años de duración.
- Mantenimiento de las zonas verdes de Getafe (Madrid), por un importe de 4 millones de euros.
- Recogida de residuos, transporte a ecoplanta, limpieza viaria y gestión del punto limpio de As Pontes (La Coruña), por 3 millones de euros en los 12 años de contrato.

Por otro lado, se ha recibido sentencia favorable del TSJ de Madrid al recurso de la Sociedad contra la adjudicación del contrato para la Gestión de servicios públicos de explotación de las instalaciones de transferencia y eliminación de residuos urbanos de la Mancomunidad Sur (Comunidad de Madrid), por medio de la cual retrotrae el procedimiento de licitación al momento en que la Ute formada por Valoriza Servicios Medioambientales, Verinsur y Vertidos Rioja resultó adjudicataria.

En los primeros días de 2016 se ha recibido un importe total de 1,2 millones de euros, correspondientes a sentencias de intereses de demora de ejercicios anteriores por las reclamaciones interpuestas en los ayuntamientos de Madrid y Paria.

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Note 9b.1) of this Report details the subventions reimbursable at zero per cent interest and their effect on the result.

As recorded in the statement of changes in the net assets, during the financial year part of the deferred tax for subventions generated in previous financial years has been applied, amounting to 5,706.06 euros (5,748.58 euros in 2014).

18. Risk Management Policy

The financial risk management policies and, thus, the instruments to achieve such are determined to a major extent by the specific legislation and regulations of the sector of construction activity and actual nature of the projects, without forgetting the prevailing situation at each moment on the financial markets. The Company is exposed to the following risks:

a) Credit risk

The credit risk may be considered to be minimum, taking into account that the breakdown of the client account is as follows:

- Public clients: 66.58 % (76.82 % in 2014).
- Group company clients: 22.37 % (15.35 % in 2014).
- Private clients: 11.05 % (7.83 % in 2014).

Among the public clients, a percentage of nearly 80.52 % is Local Governments (84% in 2014) and the rest the Central Government or Regional Governments. The credit risk is practically non existent, although public clients do not stand out for scrupulous fulfilment of the contractual payment conditions and sometimes incur default or delay, the Public Administration is not insolvent due to its inherent nature and the delay is compensated by the relevant delay interest, calculated pursuant to the Public Administrations Contracts Act.

The relevant balance for companies in the group (Consortia, subsidiaries and companies in the rest of the Sacyr group), logically lacks risk.

With regard to private clients with debts that have matured more than six years previously, there are no severe problems of insolvencies, as the majority of the contracts require prior solvency reports on them. At the year end, private clients with debts that have matured six months before are provisioned as doubtful collection and the balances from the last years are not especially significant (Note 9, a.3).

b) Liquidity risk

The Company business requires strong investments to be made at the beginning of the concessions, investments in machinery, skips, treatment plants, purification plants and other elements of the tangible fixed assets. Those investments are recovered during the concession period according to their repayment and financing quotas, at an interest rate applied considerably above the Company capital cost.

To finance these investments, the Company structures its debt so the actual project is that which finances the initial needs, either through "project financing" on contracts that require the greatest investments (Municipal Waste Treatment plant of Los Hornillos, Thermal Drying Plant of Butarque, Maresme incinerator), or by financing purchase of machinery and equipment through leasing lines, that are paid from the cash flow generated by the actual project.

The EBITDA of the actual business allows us to assure that the liquidity risk is low, as the different projects self-finance their investments from the cash flow generated.

TIMBRE DEL ESTADO
0,03 EUROS
TRES CÉNTIMOS

OM7356224

INFORME DE GESTIÓN DEL EJERCICIO 2015

El ejercicio 2015 ha sido un año de consolidación de los contratos existentes, con una mejora en general de los ratios, y, en lo que a contratación se refiere, ha sido un año importante para reducir distancias con nuestros competidores en el sector. La empresa mantiene su estructura regional en busca de una mayor atención hacia los distintos clientes, y con objeto de mejorar la capacidad comercial de la misma.

Se ha creado una Dirección Internacional para gestionar las filiales en otros países, así como para la coordinación de las distintas licitaciones en el extranjero.

Atendiendo a la recomendación de la CNMV sobre la facultad indelegable del Consejo de Administración de aprobar la política de control y gestión de riesgos (art. 529.ter de la Ley de Sociedades de Capital), se ha creado el Departamento de Control y Gestión de Riesgos, en dependencia directa del Departamento corporativo de Control y Gestión de Riesgos.

Con estos cambios, la Sociedad queda organizada del siguiente modo:

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- Dirección General Centro: se encargará de gestionar las concesiones de servicios urbanos y tratamiento de residuos de las Comunidades Autónomas de Madrid, Castilla-La Mancha, Comunidad Valenciana y Murcia. Para esta Dirección, el ejercicio ha venido marcado por la estabilidad de los contratos de los Lotes 2 y 3 de los servicios integrales de limpieza viaria y conservación de zonas verdes de Madrid, así como por la contratación del servicio de limpieza viaria y recogida de residuos de Guadalajara.
- Dirección General Norte: se encargará de gestionar las concesiones de servicios urbanos y tratamiento de residuos de las Comunidades Autónomas de Galicia, Asturias, Cantabria, País Vasco, Castilla y León, Navarra, La Rioja, Aragón, Cataluña y Baleares. Para esta Dirección, el ejercicio ha venido marcado por el posicionamiento de la Sociedad en Galicia, así como la consolidación en La Rioja.
- Dirección General Sur: se encargará de gestionar las concesiones de servicios urbanos y tratamiento de residuos de las Comunidades Autónomas de Andalucía, Extremadura y Canarias, así como las posibles contrataciones que se obtengan en las Ciudades Autónomas de Ceuta y Melilla.

A lo largo del ejercicio 2015, la Sociedad ha mantenido su expansión geográfica en el exterior. Continúa la negociación para la resolución de los problemas técnicos y legales para la firma del contrato para la construcción y explotación de una planta de residuos en Melbourne (Australia). La Sociedad ha constituido sus sociedades filiales en Estados Unidos, Australia, Italia y Bolivia. A lo largo de 2015 se han presentado ofertas para la ejecución y explotación en régimen de concesión de plantas de tratamiento de residuos en Italia, Estados Unidos, Polonia y Portugal.

La Sociedad se ha mantenido en el ejercicio como una empresa de referencia en el sector de los servicios urbanos, consolidando su posición de liderazgo en el sector de plantas de tratamiento de residuos, y reduciendo de modo considerable su nivel de de endeudamiento.

Lo más destacable de este ejercicio es la mejora del resultado operativo, así como la solidez de la situación financiera y de caja de la Sociedad, lo que permitirá tener un balance saneado a la hora de acometer y financiar el Plan de inversiones y crecimiento previsto para los próximos ejercicios. La política de contención de gastos y gestión del cobro de clientes ha supuesto una reducción de la deuda con entidades de crédito de 22,6 millones de euros, 9,5 millones de largo plazo y 13,1 millones de corto plazo. Esta importante gestión, unida a la reducción de tipos de interés ha supuesto un considerable ahorro financiero.

En lo que a la necesidad de mejorar los flujos de caja se refiere, la Sociedad continúa realizando una activa gestión de cobro ante los Ayuntamientos, presentando las reclamaciones que la Ley permite e interponiendo los pertinentes recursos contencioso-administrativos, que se están resolviendo de modo favorable y han permitido a la Sociedad el cobro de intereses de demora por un importe superior a 2 millones de euros.

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With regard to financing the current assets, as stated in point (a), the clients (Public Administrations) are not insolvent by Law, although on occasions they generate major delays and punctual cash flow needs. To cover such needs, the Company maintains its own lines of credit, now drawn up to 15,41% (67,5 % in 2014) of the limits agreed. The credit rights contracted by the clients are liable to negotiation through the factoring lines or certifications discounting. In the event of there being any kind of risk due to unavailability of sufficient lines of credit, the Company may negotiate the certifications and use the factoring with recourse lines now contracted at present.

c) Market risk

• Interest rate risk

A part of the debt the consortia have with banks is contracted at a fixed interest rate, through Financial coverage instruments such as interest rate swaps, thus reducing business exposure to possible upward evolution in interest rates.

Another major part of the debt is financed by "soft" loans with the Ministry of Finance and Treasury, at 0 interest rate, with repayment periods between 10 and 15 years, including 3 years grace.

The structure of the financial debt classified by interest rate risk, among debt at fixed and protected rate, after the derivatives contracted as coverage are considered, and the debt referenced at variable interest rate, on 31st December 2015 and 2014 are as follows:

	2015		2014	
Debt	Amount	%	Amount	%
At fixed or protected interest rate	59,711,619.49	53.01%	61,553,909.43	45.52%
At variable interest rate	52,926,282.75	46.99%	73,667,941.98	54.48%
Total	112,637,902.24	100.00%	13,221,851.41	100.00%

• Exchange rate risk

The Company does not carry out a high number of operations in foreign currency at present, so there is no risk related to exchange rates. In addition to this, if the movements with Bolivia were to show any such movement, it would be borne by Sacyr Industrial pursuant to the private agreement signed between both companies.

• Regulatory risk

The Company is subject to specific sectorial regulatory compliance as that of a general nature (accounting, environmental, labour, data protection, fiscal regulations, etc.). Like in all highly regulated sectors, the regulatory changes may have both a positive as well as negative effect on its business.

Specifically, the new regulations by the Autonomous Communities on treatment of construction and demolition waste (CDW) are opening new possibilities of business due to seeking the disappearance of illegal landfills. On the contrary, the regulations on sludge composting or the new energy regulations may have a negative effect on the VSM, S.A. plants that perform that activity. In these cases, as they are contracts signed with the Public Administration, at the end of the transitory period of enactment of the new regulations, the need to re-establish the economic - financial balance of the contracts has been considered.

The Company maintains intensive labour contracts in which collective negotiation is a critical point when maintaining the financial balance of the contract. The majority of the contracts review their

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La facturación de Valoriza Servicios Medioambientales, S.A. en 2015 se acerca a los 303 millones de euros, lo que supone un incremento del 7% con respecto a 2014. El Resultado antes de Impuestos ha mejorado un 4% (13.134 miles de euros frente a 12.636 miles de euros de 2014), lo cual es más destacable si tenemos en consideración los resultados extraordinarios de 2014 por el cobro de intereses de demora y la venta de la participación de la UTE Aguas de Alcalá. El Fondo de Maniobra ha alcanzado los 359.560 miles de euros y el Patrimonio Neto 66.926 miles de euros habiendo pagado a los accionistas un dividendo de casi 8 millones de euros en el ejercicio.

La empresa mantiene su rigor a la hora de contratar, seleccionando los clientes adecuados y cuidando las exigencias de caja de los distintos proyectos. Durante el ejercicio 2015 Valoriza Servicios Medioambientales, S.A. se ha adjudicado proyectos por un importe total de 156 millones de euros, lo que garantiza la cifra de negocios para los próximos años, debido a que la mayoría de las mencionadas adjudicaciones son explotaciones de carácter plurianual.

Las principales adjudicaciones contratadas durante el ejercicio 2015 son las siguientes:

- Servicios municipales: esta rama engloba la gestión de concesiones de limpieza viaria, de recogida de residuos de núcleos urbanos incluyendo la contenerización soterrada, de jardinería y mantenimiento de zonas verdes, la gestión de parquímetros, servicios de grúa, y retirada de vehículos de la vía pública. Durante 2015, caben destacar, entre otras, las siguientes adjudicaciones:
  - Servicio de limpieza viaria, recogida y transporte de residuos sólidos urbanos, del municipio de Guadalajara. Por un importe de 70,5 millones de euros y un plazo de 15 años de concesión.
  - Servicio público de recogida de RSU, limpieza viaria y contenedores de la ciudad de Poio (Pontevedra), por un importe de 11,1 millones de euros en los 16 años de contrato.
  - Servicio público de recogida y transporte de RSU, limpieza viaria y mantenimiento de jardines en el municipio de Trujillo (Cáceres), por un importe de 4,6 millones de euros.
  - Prórroga por dos años del servicio de recogida y limpieza de Lérida, por un importe de 9 millones de euros.
  - Modificado del contrato de servicios integrales de movilidad, Lote III, de la ciudad de Madrid, por un importe de 5,1 millones de euros para los 10 años que restan de contrato.
  - Se han logrado varios contratos en la Comunidad Autónoma de Galicia, como los servicios de retirada de vehículos de la vía pública y depósito en las ciudades de La Coruña y Oleiros (La Coruña), y la retirada de residuos del Puerto de Marín (Pontevedra), por un importe conjunto de unos 3,2 millones de euros.
  - Prórroga del contrato de limpieza y recogida de la ciudad de Soria, por un importe de 2,7 millones de euros.
- Tratamiento de residuos: Desarrolla la construcción y explotación de plantas de Residuos Sólidos Urbanos, envases, pilas, centros de tratamiento de residuos procedentes de la construcción y demolición, desgasificación de vertederos y plantas de biometanización, incineración y valorización energética, así como instalaciones de tratamiento, compostaje y secado térmico de lodos de depuradoras de aguas residuales. Cabe destacar las siguientes adjudicaciones o prórrogas en 2015:
  - Servicio de gestión indirecta para la explotación de la planta de compostaje, secado térmico de lodos y cogeneración del vertedero de Loeches (Madrid), por un importe de 3,2 millones de euros, en un plazo de 3 años, con posible prórroga de un año adicional.
  - Prórroga por un año del servicio de mantenimiento, conservación y explotación del Centro de Tratamiento de Residuos de Abajas (Burgos), por un importe de 1,4 millones de euros.

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prices using polynomic formulas that record the variation in labour cost, so it maintains the financial balance. In those that do not have such review formulas, negotiation is carried out with the Administration to correct the offsets between the agreed increases and the contract price review indexes.

• Demand risk

This risk is not existent in the majority of the contracts (municipal street cleaning services, waste collection, parking meters, gardening), as the revenue for these is according to initial fees reviewable on an annual basis and according to variations in the Consumer Price Index, salary costs, gas-oil prices, etc. A different case are waste treatment plants, as their revenue is based on fees per tonne of waste treated. Here one must distinguish between three types of plants:

a) Municipal Waste (MW): are contracts with the Public Administration and there is no risk of there being lower waste input than that initially estimated, because the majority of the contracts establish a minimum number of tonnes, under which the Administration compensates the concession holder. In cases in which that minimum amount of tonnes is not established, prices and fees are established according to the number of tonnes per annum treated.

b) Construction and Demolition Waste (CDW): in such contracts, the clients are private concerns that take waste to the facilities of VSM, S.A. and they are charged a landfill and treatment rate. In these contracts, the tariffs are set according to a number of tonnes per annum, calculated according to a fairly cautious criteria. The reality of the actual business is that the number of tonnes is usually 20-25% higher than that initially considered. The risk such plants may have would be that of their operation being halted by breakage or for maintenance.

c) Thermal drying of sludge: the City Council of Madrid is breaching the number of tonnes set in the operation contracts at the Boremer and Butarque facilities. That number of tonnes was that considered to set the treatment fees to be received from the Local Government. Due to this, Boremer has applied to the Local Government for sundry financial re-balancing procedures regarding the contracts, and subsequently filed appeals in the contentious administrative channel due to breach of the contractual conditions, applying for compensation due to the damage caused.

• Raw materials market risk:

The thermal sludge drying industrial plant business is characterised by an enormous dependence on the price of natural gas in cost terms, and the price of electric energy for sales. The revenue from such activity comes from sale of electric energy to the network, from the fee received by the Local Government and from sale of by-products. The fee received by the Local Government was established in the tender according to the prices on the gas and electric energy market. The differences between the rises in the price of gas and electricity led to losses in the last financial years, that are not expected in the following ones, while the legislative changes in electric energy prices for cogeneration companies is linked to the price of the Brent type barrel, the same parameter that influences the price of gas. One may thus conclude that the possible risk for that reason is disappearing.

d) Capital management policy

The main objective of the capital management policy consists of guaranteeing a financial structure based on fulfilment of the regulations in force in the countries where the Company operates. Moreover, the capital

Todas éstas contrataciones se unen a las ya adjudicadas a la sociedad en el pasado conformando una cartera de 1.990 millones de euros, (2.136 a finales del 2014).

Valoriza Servicios Medioambientales, S.A. desarrolla una buena parte de su negocio a través de Uniones Temporales de Empresas que son gestionadas en función de la participación de la Sociedad. La cifra de negocios que gestiona Valoriza Servicios Medioambientales en UTES es de 100,8 millones de euros, lo que supone aproximadamente el 33,9% del volumen total.

Al cierre de 2015 no existen Acciones Propias. Respecto a la política de gestión de riesgos de la Sociedad ver la Nota 18 de la Memoria de las Cuentas Anuales del Ejercicio 2015.

PERIODO MEDIO DE PAGO A PROVEEDORES

Durante los ejercicios 2014 y 2015, el periodo medio de pago a proveedores ha sido de 91días y 59,22 días, respectivamente. La sociedad pretende continuar acortando éstos plazos para adecuarlos a la normativa vigente.

Al cierre de los ejercicios 2014 y 2015, dentro del saldo de proveedores no hay importes significativos que excedan del plazo permitido por la Ley 15/2010 que modifica la Ley de medidas de lucha contra la morosidad.

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management policy seeks to assure maintenance of stable credit ratios as well as maximise shareholder value.

The corporate leverage rate at the end of financial years 2015 and 2014 are as follows:

	2015	2014
Remunerated external debt	(112,637,902.24)	(135,221,851.41)
Cash and banks	27,393,423.45	13,261,087.09
Short term investments	2,818,662.42	835,104.52
Net Debt	(82,425,816.37)	(121,125,659.80)
Net Assets	66,926,104.37	67,046,672.35
Net Assets + Net Debt	(15,499,712.00)	(54,078,987.45)
Leverage ratio	1.23	1.81

The External Debt is remunerated by the relevant short term and long term under the Liability headings of "Short term debts" and "Long term debts" having reduced the leverage ratio by 47% in the last 5 years.

On 31st December 2015, the sum of 59,711,619.49 euros, (61,553,909.43 euros in financial year 2014) are financed with syndicated loans originated by project financing of the consortia Los Hornillos and Butarque.

19. Public administrations and tax situation

a) Balances

The detail of the balances related to tax assets and tax liabilities (excluding the tax assets and liabilities detailed in section b) of this note), on 31st December 2014 and 2015 is as follows:

- **Debtor balances:**

	2015	2014
Public Treasury debtor for Social Security	4,611.69	1,235.47
Public Treasury debtor for VAT	1,231,222.68	802,757.68
Public Treasury debtor for withholdings	94,610.52	78,761.16
Public Treasury debtor for other items	204,601.31	281,614.47
Total	1,535,042.20	1,164,368.78

- **Creditor balances:**

	2015	2014
Public Treasury debtor VAT creditor	1,773,568.07	1,063,452.62
Public Treasury debtor withholdings creditor	1,943,618.44	2,589,592.61
Social Security body creditors	3,653,402.67	3,732,266.49
Public Treasury debtor creditor for other items	14,091.53	80,316.79
Total	7,384,680.71	7,465,628.51

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DILIGENCIA DE IDENTIFICACIÓN DE FIRMAS Y DECLARACIÓN NEGATIVA MEDIOAMBIENTAL.

DILIGENCIA DE FIRMAS:

Para hacer constar que el Consejo de administración de Valoriza Servicios Medioambientales, S.A., en su sesión del día 15 de marzo de 2016 ha formulado, a efectos de lo determinado en el artículo 253 de la vigente Ley de Sociedades de Capital, las Cuentas Anuales de la Sociedad (Balance de Situación, Cuenta de Pérdidas y Ganancias, Estado de Cambios en el Patrimonio Neto, Estado de Flujos de Efectivo y Memoria), y el Informe de Gestión de la Sociedad Valoriza Servicios Medioambientales, S.A. correspondiente al ejercicio 2015, para su sometimiento a la decisión de la Junta General de Accionistas de la Sociedad. Dichos documentos figuran transcritos en los folios que preceden al presente, que están todos ellos numerados del 1 al presente incluido, sellados y visados por el Secretario del Consejo.

En cumplimiento de lo establecido en el artículo 253.2 de la vigente Ley de Sociedades de Capital, en prueba de conformidad con esas Cuentas Anuales e Informe de Gestión correspondientes al ejercicio 2015, los Administradores que al día de la fecha componen la totalidad del Consejo de Administración de Valoriza Servicios Medioambientales , S.A., firman la presente diligencia.

DECLARACIÓN NEGATIVA MEDIO AMBIENTAL:

Los abajo firmantes, como administradores de la sociedad, manifiestan que en la contabilidad correspondiente a las presentes cuentas anuales no existe ninguna partida de naturaleza medioambiental que deba ser incluida en la Memoria de acuerdo a las indicaciones de la tercera parte del Plan General de Contabilidad (RD 1514/07, de 16 de Noviembre).

D. Javier San Millán Perezagua
Representante del Administrador Único Valoriza Gestión.

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b) Deferred tax assets and liabilities

The detail and movements of the different items comprising the deferred tax assets and liabilities are as follows:

Financial year 2014			Variations reported in		
	Initial balance 31/12/2013	Transfers	Profit and loss accounts	Net Assets	Final balance 31/12/2014
Deferred tax assets					
Accounting depreciation difference	1,366,222.74	2,296,561.12	-	-	3,662,783.86
Cash flow coverage	2,052,984.98	(472,182.83)	282,671.66	-	1,863,473.81
Deductions pending	-	-	-	5,627,236.85	5,627,236.85
Total deferred tax assets	**3,419,207.72**	**1,824,378.29**	**282,671.66**	**5,627,236.85**	**11,153,494.52**
Deferred tax liabilities					
Results form Consortia	(2,006,171.17)	36,829.89	-	-	(1,969,341.28)
Free depreciation of fixed assets	(3,676,700.34)	664,655.78	-	-	(3,012,044.56)
Financial leasing	(1,853,143.70)	598,227.11	-	-	(1,254,916.59)
Sufi-Sufi Group corporate operation	(112,835.13)	17,907.08	-	-	(94,928.05)
Non reimbursable subventions	(13,527.03)	438.27	4,761.93	-	(8,326.83)
Total deferred tax liabilities	**(7,642,377.37)**	**1,318,058.13**	**4,761.93**	-	**(6,339,557.31)**

During financial year 2014, the Company reported deferred assets with the Public Treasury with a recovery or reversion term estimated to exceed one year, thus transferring their amount from the current account with the Tax Group.

On 28th November 2014, Act 27/2014 on Company Tax was enacted, that establishes an amendment in the tax rates, these being 28% for 2015 and 25% for 2016 onwards. On 31st December 2014, the Company proceeded to value the deferred tax assets and liabilities according to the taxation rate expected on the date of their reversion. The effect of that valuation has given rise to a greater deferred tax expense in the profit and loss accounts amounting to 320,263.98 euros and a lower tax expense amounting to 333,660.90 euros.

The deferred tax assets stated above have been recorded on the balance sheet due to the Sole Administrator of the Company considering that, pursuant to the best estimate regarding the future results of the Company, including certain tax planning actions, it is probable that such assets will be recovered before 10 years elapse.

Financial year 2015			Variations reported in		
	Initial balance 31/12/2013	Transfers	Profit and loss accounts	Net Assets	Final balance 31/12/2014
Deferred tax assets					
Accounting depreciation difference	3,662,783.86	-	(248,042.59)	-	3,414,741.27
Cash flow coverage	1,863,473.81	-	58,766.53	(301,526.11)	1,620,714.23

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Deductions pending	5,627,236.85	-	(1,219,902.81)	-	4,407,334.04
Total deferred tax assets	**11,153,494.52**	**-**	**(1,409,178.87)**	**(301,526.11)**	**9,442,789.54**
Deferred tax liabilities					
Results form Consortia	(1,969,341.28)	-	320,404.68	-	(1,648,936.60)
Free depreciation of fixed assets	(3,012,044.56)	-	516,241.26	-	(2,495,803.30)
Financial leasing	(1,254,916.59)	-	233,560.09	-	(1,021,356.50)
Sufi-Sufi Group corporate operation	(94,928.05)	-	-	-	(94,928.05)
Non reimbursable subventions	(8,326.83)	-	(39,069.76)	38,125.62	(9,270.97)
Total deferred tax liabilities	**(6,339,557.31)**	**-**	**1,031,136.27**	**38,125.62**	**(5,270,295.42)**

During financial year 2015, the Company reported deferred assets with the Public Treasury with a recovery or reversion term estimated to exceed one year, thus transferring their amount from the current account with the Tax Group in 2014.

On 28th November 2014, Act 27/2014 on Company Tax was enacted, that establishes an amendment in the tax rates, these being 28% for 2015 and 25% for 2016 onwards. On 31st December 2014, the Company proceeded to value the deferred tax assets and liabilities according to the taxation rate expected on the date of their reversion.

The deferred tax assets arising from the application of the limitation on the depreciations established in Article 7 of Act 16/2012, of 27th December, shall be entitled to a 5 per cent deduction on the full quota (2 per cent on tax periods commenced in 2015) on the quantities forming the taxable base, arising from depreciations not deducted in the tax periods commenced in 2014 and 2015, so the Company has not performed any adjustment arising from the variation in the tax rate. That deduction in 2015 has amounted to the sum of 17,936.43 euros.

The deductions generated and pending application are as follows:

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Deductions Generated	
Year generated	**Amounts**
2007	1,125,713.85
2008	786,334.09
2009	328,946.16
2010	0.00
2011	1,038,779.46
2012	0.00
2013	1,127,560.49
Total deductions pending	**4,407,334.04**

The deferred tax assets indicated above were registered on the balance sheet due to the Sole Administrator of the Company having considered that, pursuant to the best estimation on future results of the tax group,

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including certain tax planning actions, it is probable that such assets may be recovered before 10 years elapse.

c) Conciliation of the tax result and taxable base

The conciliation between the net amount of revenue and expenses in the financial year and the company tax base in 2014 is as follows:

	Profit and loss accounts	
Balance of revenue and expenses in the financial year	-	8,652,764.38
	Increases	**Decreases**
Company Tax	4,030,482.05	-
Adjustment to company tax 2013 and rates	320,263.98	(367,100.87)
Permanent differences	2,512,426.09	(946.78)
Timing differences	17,846,974.90	(6,987,824.86)
- originating in the financial year	4,600,593.57	(6,987,824.86)
- originating in previous financial years	13,246,381.33	-
Taxable base (tax result)		26,007,038.89

The main permanent positive differences in 2014 are as follows:

- Non deductible provisions amounting to 2,189,509.08 euros.
- Donations amounting to 25,675.00 euros.
- Penalties amounting to 297,242.01 euros.

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The main permanent negative differences in 2014 are as follows:

- Applications of non deductible provisions set aside in previous financial years 946.78 euros.

The main timing differences in 2014 are as follows, distinguishing:

Increases originating in previous financial years:

- Depreciations exceeded at VSM, S.A. and its consortia amounting to 1,709,516.74 euros.
- Integration of the taxable bases of the consortia in the previous year amounting to 6,901,414.48 euros.
- Financial leasing operations by VSM, S.A. and consortia amounting to 1,475,257.84 euros.
- Non tax deductible provisions amounting to 3,160,192.27 euros.

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Increases originating in the financial year:

- Non deductible depreciation in the year of 30% amounting to 4,600,593.57 euros.

Decreases originating in previous financial years:

Application of non deductible provisions previously assigned amounting to 77,868.84 euros.

Decreases with origin in the financial year:

- Adjustment in integration of the taxable bases of the consortia that differed in 2014 by 6,909,956.02 euros.

Conciliation between the net amount of the revenue and expenses in the financial year and the taxable base of Company Tax in 2015 is as follows:

	Profit and loss accounts	
Balance of revenue and expenses in the financial year	-	7,237,720.92
	Increases	**Decreases**
Company Tax	4,732,789.81	-
Adjustment to company tax 2014	1,296,767.91	(132,760.36)
Permanent differences	5,249,421.73	(860,713.83)
Timing differences	11,687,392.66	(7,657,958.98)
- originating in the financial year	164,106.80	(6,696,137.38)
- originating in previous financial years	11,523,285.86	(961,821.60)
Taxable base (tax result)		
Company Tax		21,552,659.86

The breakdown of the permanent positive differences in 2015 are as follows:

- Non deductible provisions amounting to 4,810,926.43 euros.
- Donations amounting to 38,632.06 euros.
- Penalties amounting to 325,684.76 euros.
- Non deductible expenses amounting to 74,178.48 euros.

The breakdown of permanent negative differences in 2015 is as follows:

- Applications of non deductible provisions in previous financial years, 462,003.17 euros.
- Application of penalties from previous financial years, 398,710.66 euros.

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The breakdown of the timing differences in 2015 is as follows, distinguishing:

Increases originating in previous financial years:

- Depreciations exceeded in VSM, S.A. and its consortia amounting to 1,747,710.50 euros.
- Integration of the taxable bases of the consortia in the previous year amounting to 8,753,745.52 euros.
- Financial leasing operations by VSM, S.A. and its consortia amounting to 1,021,336.99 euros.
- Non tax deductible provisions amounting to 492.85 euros.

Increases originating in financial year:

- Accounting depreciation that exceeds the tax amounts in the financial year amounting to10,953.60 euros.
- Non tax deductible provisions amounting to 153,153.20 euros.

Decreases originating in previous financial years:

- Application of non deductible provisions previously applied amounting to 65,000.00 euros.
- Reversion of the non deductible 30% for depreciable expense amounting to 896,821.60 euros.

Decreases originating in the financial year:

- Adjustment of the integration of the taxable bases of the consortia that differed in 2014 by 6,629,864.36 euros.
- Financial leases amounting to 66,273.02 euros.

d) Conciliation between the accounting result and expense of Company Tax

The conciliation between tax on profit and the result of multiplying by the tax rates applicable to the total revenue and expenses reported that comprise the balance of the profit and loss accounts on 31st December 2014 and 2015 is as follows:

	2015	2014
Before tax balance of P&L account	13,134,518.28	12,636,409.54
Impact of permanent differences	4,388,707.90	2,511,479.31
Quota at 28% / 30%	4,906,503.33	4,544,366.66
Deductions	(173,713.52)	(513,884.61)
Incentives to hire the disabled	(29,021.40)	(40,290.00)
R&D&i	(113,234.47)	(127,044.25)
Deductibility of 2% depreciation	(17,936.43)	-
Reinvestment of profit	-	(337,564.11)

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Donations	(13,521.22)	(8,986.25)
Adjustments due to tax rates and others	-	(46,836.89)
Total recognised tax expenditure reported in the profit and loss account	**4,732,789.81**	**3,983,645.16**
Total current assets	4,354,747.21	841,208.74
Total differed tax	378,042.60	3,142,436.42

The total amount of the deferred tax expense recorded in financial year 2014, (13,396.92 euros) correspond to the adjustment made by the Company to evaluate the deferred tax assets and liabilities arising from the variation in the tax rate by application of Act 27/2015.

e) Financial years pending checking and inspection actions

According to the terms established in the legislation in force, taxes may not be considered definitively liquidated until the returns presented have been inspected by the tax authorities or until the expiry term of four years has elapsed.

At the end of financial year 2015, the Group had financial years 2012 to 2015 open to inspection of all the taxes applicable to it.

On 11th December 2015, the Major Tax Office of the State Tax Agency notified Sacyr, S.A. of commencement of inspection actions for:

- Partial checking of VAT for the periods from 11/2011 to 12/2012, as parent company of VAT Group 410/2008.

In relation to the certificates signed with disapproval by Sacyr, S.A., as principal company in Tax Group 20/02, certification was issued for Company Tax for periods 2004 to 2007, for a total accumulated amount of 75,824,683.84 euros, reporting that these are now impugned before the National Court. The proceedings were brought against Sacyr, S.A. and included liquidation agreements and imposing fines, and these were all for dependent companies in the Tax Group. The figure assigned to this Company is 7,550.43 euros.

And in relation to the certificates signed with disapproval by Sacyr, S.A. as principal of Tax Group 20/02, proceedings were issued for Company Tax in the periods from 2007 to 2010, for a total accumulated amount of 128,796,080.93 euros, reporting that these are now impugned before the Central Economic Administrative Court. Those proceedings were brought against Sacyr, S.A. and shall not imply deposit at the Treasury in any case, as they would only amount to lower negative tax bases declared, and these all correspond to dependent companies in the Tax Group. The figure that corresponds to this Company amounts to 1,863,039.25 euros.

In relation to the certification of disapproval regarding VAT signed by Sacyr, S.A. as principal company in VAT Group 410/08, certification was issued for the periods from May 2009 to December 2010, for a total accumulated amount of 14,336,876.11 euros, reporting that this has now been impugned before the Central Economic Administrative Court.

The Company Directors and their tax advisors do not consider that the final tax result of the ongoing inspection actions and the appeals filed shall have a significant impact on the financial statements at the end of financial year 2015.

Should this not be the case:

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0M7356214

The Company has estimated that the final result of the ongoing inspection actions may amount to an expenditure of resources, so on 31st December 2015, there is a provision for taxes amounting to 150,000 euros.

f) Other information of a tax nature

The Company has availed itself of the Special Regime (REGE) for VAT settlement. The principal company in the VAT Group is Sacyr, S.A., with Tax Identification Number A-28013811. The identification number of the corporate group is IVA 0410/08.

On 31st December 2014, the creditor balance the Company held with Sacyr, S.A., for that item was 1,094,088.65 euros. On 31st December 2015, the creditor balance the Company held for that item with Sacyr, S.A. is 1.283.079,98 euros.

The Company has adhered to the Tax Consolidation Regime, in which the principal Company of the Group is Sacyr, S.A., with Tax Identification Number A-28013811. Its tax identification number is 20/02.

On 31st December 2014, the creditor balance that the Company held with Sacyr, S.A. for that item was 1,570,441.02 euros. On 31st December 2015, the creditor balance the Company held for that item with Sacyr, S.A. is 1,609,119.69 euros.

20. Revenue and expenses

a) Net amount of the turnover by segments

The distribution of the net amount of the turnover for financial years 2014 and 2015, distributed by Categories of activities and by geographic markets:

Activities	2015	2014
Construction	8,310,199.46	1,393,822.00
Industrial engineering	99,932.71	55,070.00
Waste	66,924,645.37	59,166,628.00
Services	225,876,739.08	220,599,148.06
Others	1,558,241.74	1,554,941.00
Total	**302,769,758.36**	**282,769,609.06**

Geographic Markets	2015	2014
Spain	290,977,988.26	282,769,609.06
Rest of EU countries	41,579.50	-
America	11,750,190.60	-
Total	**302,769,758.36**	**282,769,609.06**

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The consortia provided the sum of 100,798,161.74 euros in 2015 (89,892,792.60 euros in 2014).

The main ones are as follows:

2015		2014	
Hornillos	11,710,349.92	Hornillos	11,496,383.01
RSU Sufi-Cointer	11,067,308.66	RSU Sufi-Cointer	11,072,935.88
Tem	12,244,133.92	Tem	8,468,165.22
Arona	5,879,194.62	Arona	5,883,635.57
Sufi - Hixiene's	7,351,176.40	Sufi - Hixiene's	7,653,764.84
OTHERS	52,545,998.22	OTHERS	45,317,908.08
TOTAL	100,798,161.74	TOTAL	89,892,792.60

b) Stocks

The balance of stocks in financial years 2014 and 2015 provides the following composition:

	2015	2014
Consumption of goods:		
Procurement	10,889,676.89	10,020,869.46
	10,889,676.89	**10,020,869.46**
Consumption of raw materials and other consumable materials:		
Procurement	5,499,062.08	3,276,508.69
Work performed by other companies	25,264,915.53	23,085,710.79
	30,763,977.61	**26,362,219.48**

In 2015, the consortia provided the sum of 13,320,523.29 euros (14,441.413.53 euros in 2014). The main ones are as follows:

2014	DIGESTIÓN ANAEROBIA	SUFI-COINTER	ILNET	TMB ARRAIZ	TEM	OTHERS	TOTAL
Procurement	505,840.52	761,687.59	335,445.82	364,201.42	911,934.31	1,345,817.80	4,224,937.46
2015	DIGESTIÓN ANAEROBIA	SUFI-COINTER	ILNET	TMB ARRAIZ	TEM	OTHERS	TOTAL
Procurement	213,807.36	779,627.70	300,360.14	478,077.46	1,055,565.02	1,430,958.12	4,258,395.80
2014	TMB ARRAIZ	HORNILLOS	LA PALOMA	CALANDRIAS	MSM LOTE III	OTHERS	TOTAL
Work by other companies	1,292,681.72	1,929,910.14	1,461,421.80	998,706.15	909,767.36	3,623,988.90	10,216,476.07
2015	TMB ARRAIZ	HORNILLOS	LA PALOMA	ERAR SUR	MSM LOTE III	OTHERS	TOTAL
Work by other companies	396,383.73	2,549,734.93	1,430,992.10	938,184.26	762,306.77	2,984,525.70	9,062,127.49

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c) Detail of purchases according to their origin

The detail of the purchases made by the Company during financial years 2014 and 2015, according to their origin, is as follows:

	2015			2014		
	National	Intracommunity	Imports	National	Intracommunity	Imports
Procurement	41,466,854.24	166,982.77	19,807.49	35,717,501.92	665,587.02	-

d) Personnel expenses

The detail of the heading "Personnel expenses" of the profit and loss accounts on 31st December 2014 and 2015 is as follows:

	2015	2014
Wages, salaries and related	131,342,362.99	130,510,962.08
Social charges	44,543,035.98	45,121,986.08
Total	175,885,398.97	175,632,948.16

The social charges are comprised of Social Security amounting to 44,036,052.29 euros (44,615,738.04 euros in 2014) and Other Social Charges amounting to 506,983.69 euros (506,248.04 euros in 2014).

Of the preceding figures, the consortia provide the following personnel expenses of 44,542,941.51euros (41,338,665.60 euros in 2014), broken down as shown below:

2014	SUFI-HIXIENE'S	ARONA	HORNILLOS	TARAJAL	RSU SUFI-COINTER	OTHERS	TOTAL
Wages, salaries and related	2,264,374.56	2,656,185.42	3,288,766.51	1,298,537.87	5,679,551.18	15,573,975.46	30,761,391.00
Social charges	728,526.47	1,005,279.12	1,220,365.21	462,872.31	2,074,783.93	5,085,447.56	10,577,274.60
TOTAL	2,992,901.03	3,661,464.54	4,509,131.72	1,761,410.18	7,754,335.11	20,659,423.02	41,338,665.60

2015	SUFI-HIXIENE'S	ARONA	HORNILLOS	V. GESTYONA	COINTER	OTHERS	TOTAL
Wages, salaries and related	2,135,626.30	2,811,770.59	4,258,270.48	2,031,818.89	5,894,238.85	16,894,632.59	34,026,357.70
Social charges	726,890.84	1,038,900.80	235,804.15	683,896.11	2,077,296.77	5,753,795.14	10,516,583.81
TOTAL	2,862,517.14	3,850,671.39	4,494,074.63	2,715,715.00	7,971,535.62	22,648,427.73	44,542,941.51

e) Outsourcing

The detail of the outsourcing heading of the profit and loss accounts on 31st December 2014 and 2015 is as follows:

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	2015	2014
Research and development expenses	220,911.75	134,948.82
Leases and fees	5,121,540.56	5,189,479.96
Repairs and conservation	10,221,528.38	9,165,852.66
Independent professional services	2,990,390.95	995,488.48
Transport	998,307.74	976,199.79
Insurance premiums	3,187,038.81	2,009,457.86
Banking and similar services	2,319,469.72	1,783,074.97
Publicity, advertising and public relations	698,829.79	476,006.75
Supplies	11,027,122.74	12,018,144.87
Other services	15,838,716.24	13,770,770.73
Total outsourcing	**52,623,856.68**	**46,519,424.89**

The breakdown of these amounts from the consortia during 2015 is 18,338,892.52 euros, (16,693,850,17 euros in 2014) broken down as follows:

2014							
	UTE HORNILLOS					OTHERS	TOTAL
Research and development expenses	23,008.24	-	-	-	-	-	23,008.24
	UTE ARONA	UTE TMB ARRAIZ	RSU SUFI COINTER	UTE HORNILLOS	UTE TEM	OTHERS	TOTAL
Leases and fees	193,227.08	75,926.75	356,161.04	229,634.88	183,629.96	383,451.91	1,422,031.62
	UTE HORNILLOS	UTE ILNET	UTE VSM-GESTYONA	UTE TEM	UTE TARAJAL	OTHERS	TOTAL
Repairs and conservation	621,912.54	137,266.98	129,162.70	1,593,728.30	98,046.40	991,966.24	3,572,083.16
	UTE BUTARQUE	UTE HORNILLOS	UTE MSM LOTE IV	UTE TEM	UTE TMB ARRAIZ	OTHERS	TOTAL
Independent professional services	102,282.98	89,805.76	30,012.83	62,737.13	149,808.39	113,188.45	543,835.54
	UTE MSM LOTE IV	UTE VALDEMORO	UTE LA PALOMA	UTE HORNILLOS	UTE TEM	OTHERS	TOTAL
Transport	2,516.97	8,377.71	10,594.51	439,860.00	298,980.35	10,878.89	771,208.43
	UTE BUTARQUE	UTE TARAJAL	RSU SUFI-COINTER	UTE TEM	UTE HORNILLOS	OTHERS	TOTAL
Insurance premiums	125,118.81	44,037.33	97,209.55	14,298.80	68,785.27	311,379.17	796,828.93
	UTE MSM LOTE III	UTE HIXIENES	UTE HORNILLOS	UTE MSM LOTE IV	UTE BADAJOZ SUR	OTHERS	TOTAL
Banking and similar services	9,992.53	9,867.14	10,737.79	8,207.96	3,771.84	3,587.30	46,164.76
	UTE TEM	UTE ILNET	UTE LA PALOMA	RSU SUFI-COINTER	UTE VSM-GESTYONA	OTHERS	TOTAL
Publicity, advertising and public relations	40,681.34	49,071.71	53,394.09	30,668.16	38,600.52	99,695.13	312,110.95
	UTE TEM	UTE ARONA	UTE LA PALOMA	UTE HORNILLOS	UTE TMB ARRAIZ	OTHERS	TOTAL
Supplies	251,533.66	186,764.66	457,762.25	988,480.64	450,115.53	1,033,181.07	3,367,837.81
	UTE TMB ARRAIZ	UTE HORNILLOS	RSU SUFI-COINTER	RCD GARDELEGUI	UTE TEM	OTHERS	TOTAL
Other services	181,077.33	170,310.53	59,277.90	230,359.10	4,261,489.91	936,225.96	5,838,740.73
Total outsourcing							16,693,850.17

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2015							
	UTE HORNILLOS					OTHERS	TOTAL
Research and development expenses	25,958.13	-	-	-	-	-	25,958.13
	UTE ARONA	UTE TMB ARRAIZ	RSU SUR-COINTER	UTE HORNILLOS	UTE TEM	OTHERS	TOTAL
Leases and fees	149,432.36	115,002.32	353,862.11	237,463.35	179,398.94	474,111.22	1,509,270.30
	UTE HORNILLOS	UTE ARONA	UTE TMB ARRAIZ	UTE TEM	UTE ILNET	OTHERS	TOTAL
Repairs and conservation	772,786.09	190,811.55	183,141.28	1,764,419.81	123,205.50	960,324.60	3,994,688.83
	UTE BUTARQUE	UTE HORNILLOS	UTE GUADALAJARA	UTE TEM	UTE TMB ARRAIZ	OTHERS	TOTAL
Independent professional services	25,385.26	40,201.33	24,515.17	53,180.48	504,725.09	156,506.85	804,514.18
	UTE JARDINES SEVILLA	UTE VALDEMORO	UTE LA PALOMA	UTE HORNILLOS	UTE TEM	OTHERS	TOTAL
Transport	2,659.00	11,532.53	7,225.01	413,725.08	341,078.91	6,102.47	782,353.00
	UTE BUTARQUE	UTE ARONA	RSU SUR-COINTER	UTE TEM	UTE HORNILLOS	OTHERS	TOTAL
Insurance premiums	58,245.85	60,000.47	118,799.84	147,135.93	64,781.24	317,806.53	766,769.86
	UTE MSM LOTE II	UTE HIXIENE'S	UTE HORNILLOS	UTE GUADALAJARA	UTESECADO TERM LOECHES II	OTHERS	TOTAL
Banking and similar services	5,017.73	16,237.10	9,990.47	37,188.34	23,972.06	29,494.69	121,900.39
	UTE ARONA	UTE ILNET	UTE LA PALOMA	RSU SUR-COINTER	UTE GUADALAJARA	OTHERS	TOTAL
Publicity, advertising and public relations	31,790.84	59,261.86	53,906.80	45,713.72	27,392.91	107,464.49	325,530.62
	UTE TEM	UTE ARONA	UTE LA PALOMA	UTE HORNILLOS	UTE TMB ARRAIZ	OTHERS	TOTAL
Supplies	221,425.95	157,097.16	465,635.38	946,604.28	637,160.06	1,231,437.28	3,659,360.11
	UTE LA PALOMA DIGESTION	UTE HORNILLOS	RSU ILNET	RCD GARDELEGUI	UTE TEM	OTHERS	TOTAL
Other services	350,068.12	159,927.33	172,261.90	225,454.43	5,213,678.04	227,137.28	6,348,547.10
Total outsourcing							18,338,892.52

f) Other operating revenue

The detail of the accessory revenue heading and others of current management within Other operating revenue of the profit and loss accounts on 31st December 2015 and 2014 is as follows:

Accessory revenue and others of management	2015	2014
Insurance compensation	1,596,416.55	1,867,458.92
Supplements for companies	3,940,380.35	9,070,114.15
Leases	8,531.24	17,437.24
Stakes in Consortia	-	2,214.70
Total	**5,545,328.14**	**10,957,225.01**

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The breakdown of these amounts from consortia of 1,994,359.84 euros in 2015 (6,307,694.20 euros in 2014) is as follows:

2014	UTE TEM	ERAR SUR	UTE LA PALOMA	UTE HIXIENE'S	UTE BADAJOZ SUR	OTHERS	TOTAL
Accessory revenue	2,635,302.85	1,190,100.91	973,233.90	241,422.89	193,982.27	1,073,651.38	6,307,694.20

2015	UTE GUADALAJARA	UTE URGENET	UTE LA PALOMA	UTE HIXIENE'S	UTE HORNILLOS	OTHERS	TOTAL
Accessory revenue	201,772.16	140,237.32	778,015.61	210,018.62	132,871.28	531,444.85	1,994,359.84

21. Operations and balances with related parties

a) Operations with related parties

The detail of operations performed with related parties during financial year 2014 is as follows:

2014	Parent company	Other companies in the group	Associated companies	Other related parties	TOTAL
REVENUE					
Services provided	**5,516.00**	**2,701,992.33**	**105.93**	**3,474.00**	**2,711,088.26**
-Biorreciclaje de Cadiz,S.A.	-	945,095.20	-	-	945,095.20
-Boremer,S.A.	-	216,915.41	-	-	216,915.41
-Cafestore,S.A.U.	-	1,687.89	-	-	1,687.89
-Valorinina,S.L.	-	4,800.00	-	-	4,800.00
-INTE RCD,S.L.	-	-	105.93	-	105.93
-Eurocomercial,S.A.	-	261.94	-	-	261.94
-Repsol YPF,S.A.	-	-	-	3,474.00	3,474.00
-S.A.U. Depuración y Tratamiento-Sadyt-	-	35,066.78	-	-	35,066.78
-Sacyr ,S.A.	5,516.00	-	-	-	5,516.00
-Sacyr Construcción,S.A.U.	-	81,071.43	-	-	81,071.43
-Surge Ambiental,S.L.	-	108,567.74	-	-	108,567.74
-Tratamiento de Residuos La Rioja,S.L.	-	815,674.53	-	-	815,674.53
-Valoriza Conservación de Infraestructuras,S.A.U.	-	1,281.24	-	-	1,281.24
-Valoriza Servicios a la Dependencia,S.A.U.	-	947.28	-	-	947.28
-Valoriza Agua,S.L.	-	4,000.00	-	-	4,000.00
-Valoriza Facilities,S.A.U.	-	31,891.60	-	-	31,891.60
-Tractament Metropolita de fangs,S.L.	-	61,492.33	-	-	61,492.33
-Scrinser,S.A.	-	46,655.92	-	-	46,655.92

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-Sacyr Industrial,S.A.U.	-	346,583.04	-	-	346,583.04
Interest	-	**329,555.42**	**3,923.69**	-	**333,479.11**
-Surge Ambiental,S.L.	-	18,109.89	-	-	18,109.89
-Tratamiento de Residuos La Rioja,S.L.	-	286,423.29	-	-	286,423.29
-Compost del Pirineo,S.A.	-	5,021.94	-	-	5,021.94
-Partícipes de Biorreciclaje,S.A.	-	-	3,326.84	-	3,326.84
-Baremer,S.A.	-	20,000.30	-	-	20,000.30
-Alcorec,S.A.	-	-	596.85	-	596.85
TOTAL REVENUE	**5,516.00**	**3,031,547.75**	**4,029.62**	**3,474.00**	**3,044,567.37**

EXPENSES					
Services Received	**5,992,547.10**	**1,949,744.79**	**360.94**	**1,983,748.36**	**9,926,421.19**
-Baremer,S.A.	-	4,612.92	-	-	4,612.92
-Repsol YPF,S.A.	-	-	-	1,983,748.36	1,983,748.36
-S.A.U. Depuración y Tratamiento-Sadyt-	-	37,931.84	-	-	37,931.84
-Sacyr ,S.A.	-	518,558.08	-	-	518,558.08
-Sacyr Construcción,S.A.U.	-	671,831.14	-	-	671,831.14
-Inte RCD,S.A.	-	-	360.94	-	360.94
-Surge Ambiental,S.L.	-	237,326.89	-	-	237,326.89
-Testa Inmuebles en Renta,S.A.	-	365,676.07	-	-	365,676.07
-Valoriza Agua,S.L.	-	973.07	-	-	973.07
-Valoriza Facilities,S.A.U.	-	60,436.14	-	-	60,436.14
-Valoriza Gestión,S.A.U.	637.46	-	-	-	637.46
-Sacyr Industrial,S.A.U.	-	41,720.02	-	-	41,720.02
-Valoriza Gestión,S.A.U. (struct. rate)	5,991,909.64	-	-	-	5,991,909.64
-Biorreciclaje de Cadiz,S.A.	-	10,698.62	-	-	10,698.62
Interest	**2,175,595.28**	**100,572.56**	-	-	**2,276,167.84**
-Hidroandaluza,S.A.	-	95,328.98	-	-	95,328.98
-Secado térmico de Castellón,S.A.	-	952.20	-	-	952.20
-Valoriza Gestión,S.A.U.	2,175,595.28	-	-	-	2,175,595.28
-Eurocomercial,S.A.	-	4,291.38	-	-	4,291.38
TOTAL EXPENSES	**8,168,142.38**	**2,050,337.35**	**360.94**	**1,983,748.36**	**12,202,589.03**

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0M7356207

The detail of the operations performed with related parties during financial year 2015 is as follows:

2015	Parent company	Other companies in the group	Associated companies	Other related parties	TOTAL
REVENUE					
Services provided	**5,516.00**	**1,551,079.19**	-	-	**1,556,595.19**
-Biorreciclaje de Cadiz,S.A.	-	227,391.00	-	-	227,391.00
-Boremer,S.A.	-	51,684.48	-	-	51,684.48
-Cafestore,S.A.U.	-	896.96	-	-	896.96
-Eurocomercial,S.A.	-	48.00	-	-	48.00
-Consorcio Stabile Vis Societá c.p.a.	-	34,465.00	-	-	34,465.00
-S.A.U. Depuración y Tratamiento-Sadyt-	-	3,789.96	-	-	3,789.96
-Sacyr ,S.A.	5,516.00	-	-	-	5,516.00
-Sacyr Construcción,S.A.U.	-	13,820.14	-	-	13,820.14
-Sacyr Industrial,S.A.U.	-	351,438.50	-	-	351,438.50
-Scrinser,S.A.	-	(4,558.80)	-	-	(4,558.80)
-Sacyr Environment Llc USA	-	27,611.76	-	-	27,611.76
-Surge Ambiental,S.L.	-	133,274.39	-	-	133,274.39
-Tractament Metropolita de fangs,S.L.	-	60,824.49	-	-	60,824.49
-Tratamiento de Residuos La Rioja,S.L.	-	611,625.11	-	-	611,625.11
-Valoriza Agua,S.L.	-	4,000.00	-	-	4,000.00
-Valoriza Conservación de Infraestructuras,S.A.U.	-	1,281.24	-	-	1,281.24
-Valoriza Facilities,S.A.U.	-	32,730.44	-	-	32,730.44
-Valoriza Servicios a la Dependencia,S.A.U.	-	756.52	-	-	756.52
Interest	-	**306,955.79**	-	-	**306,955.79**
-Surge Ambiental,S.L.	-	19,175.40	-	-	19,175.40
-Tratamiento de Residuos La Rioja,S.L.	-	278,570.58	-	-	278,570.58
-Compost del Pirineo,S.A.	-	9,209.81	-	-	9,209.81
TOTAL REVENUE	**5,516.00**	**1,858,034.98**	-	-	**1,863,550.98**

EXPENSES					
Services received	**6,424,934.90**	**3,704,396.41**	-	**1,442,474.73**	**11,571,806.04**
-Biorreciclaje de Cadiz,S.A.	-	28,103.62	-	-	28,103.62
-Boremer,S.A.	-	27,967.69	-	-	27,967.69
-Consorcio Stabile Vis Societá c.p.a.	-	38,116.44	-	-	38,116.44
-Ecotrading 360 grados, S.L.	-	81.48	-	-	81.48
-Repsol YPF,S.A.	-	-	-	1,442,474.73	1,442,474.73
-Sacyr Concesiones,S.A.U.	-	811.06	-	-	811.06
-Sacyr ,S.A.	513,826.37	-	-	-	513,826.37
-Sacyr Construcción,S.A.U.	-	184,566.14	-	-	184,566.14

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-Sacyr Industrial,S.A.U.	-	2,664,647.05	-	-	2,664,647.05
-Surge Ambiental,S.L.	-	242,081.56	-	-	242,081.56
-Testa Inmuebles en Renta,S.A.	-	363,686.04	-	-	363,686.04
-Scrinser,S.A.	-	12,886.10	-	-	12,886.10
-Valoriza Conservación de Infraestructuras,S.A.U.	-	82,000.00	-	-	82,000.00
-Valoriza Facilities,S.A.U.	-	57,500.66	-	-	57,500.66
-Valoriza Gestión,S.A.U. (struct. rate)	5,911,108.53	-	-	-	5,911,108.53
-Valoriza Servicios Medioambientales Bolivia	-	1,948.57	-	-	1,948.57
Interest	**2,636,082.18**	**116,293.45**	-	-	**2,752,375.63**
-Hidroandaluza,S.A.	-	106,629.91	-	-	106,629.91
-Sacyr Construcción,S.A.U.	-	7,089.54	-	-	7,089.54
-Secado térmico de Castellón,S.A.	-	2,574.00	-	-	2,574.00
-Valoriza Gestión,S.A.U.	2,634,256.35	-	-	-	2,634,256.35
-Sacyr ,S.A	1,825.83	-	-	-	1,825.83
TOTAL EXPENSES	**9,061,017.08**	**3,820,689.86**	-	**1,442,474.73**	**14,324,181.67**

The main services received and provided by the group companies and associated during 2014 and 2015 are:

- Biorreciclaje de Cádiz, S.A.: transport and treatment at the Miramundo plant.
- Boremer, S.A.: sludge transport to Torrecilla.
- Repsol YPF, S.A.: fuel supply.
- Sadyt: work related to UTE Edar de Ajofrín.
- Sacyr, S.A.U.: proving services and supplements.
- Sacyr Construcción, S.A.U.: diverse work of the waste collection service in Alcalá de Henares.
- Sacyr Industrial, S.A.U.: work for construction of the cement plant in Bolivia.
- Valoriza Gestión, S.A.U.: includes a rate for administration and invoices issued for diverse studies.
- Surge Ambiental, S.L.: management and transport of municipal waste, tree maintenance projects, recycling point in Torrejón and sludge plant of Torrecilla.
- Tratamiento de Residuos La Rioja, S.L.: support work for the Ecopark of La Rioja .
- Testa Inmuebles en Renta, S.A.: for lease of the central offices of VSM, S.A.

b) Balances with related companies

The amount of the balances on the balance sheet with related parties on 31st December 2014 is as follows:

2014	Parent company	Other group companies	Associated companies	Other related parties	TOTAL
LONG TERM DEBTOR BALANCES					
Equity instruments (Note 10)	-	4,433,251.70	735,734.49	-	5,168,986.19
Credit to companies (Note 10)	-	10,770,114.28	1,609,378.01	-	12,379,492.29

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TOTAL LONG TERM DEBTOR BALANCES	-	**15,203,365.98**	**2,345,112.50**	-	**17,548,478.48**
TOTAL SHORT TERM DEBTOR BALANCES					
Trade debtors	**1,379.00**	**6,679,662.94**	**259,424.71**	**17,609.28**	**6,958,075.93**
-Biorreciclaje de Cadiz,S.A.	-	1,876,321.68	-	-	1,876,321.68
-Boremer,S.A.	-	950,030.62	-	-	950,030.62
-Cafestore, S.A.U.	-	449.24	-	-	449.24
-Cultivos Energéticos de Castilla,S.A.	-	40,537.45	-	-	40,537.45
-Eurocomercial,S.A.	-	36.00	-	-	36.00
-Gestión de Partícipes de Biorreciclaje,S.A.	-	-	54,701.47	-	54,701.47
- Valorinima, S.L.	-	5,808.00	-	-	5,808.00
-Sacyr Industrial, S.A.U.	-	108,113.58	-	-	108,113.58
-La Restinga,C.B.	-	100,000.00	-	-	100,000.00
-Tratamiento de Residuos La Rioja,S.L.	-	728,404.99	-	-	728,404.99
-Residuos de Construcción de Cuenca,S.A.	-	75,353.60	-	-	75,353.60
-S.A.U. Depuración y Tratamiento-Sadyt-	-	979,243.95	-	-	979,243.95
-Sacyr ,S.A.	1,379.00	-	-	-	1,379.00
-Sacyr Construcción,S.A.U.	-	40,047.21	-	-	40,047.21
-Somague Engenharia,S.A.	-	1,122,374.38	-	-	1,122,374.38
-Surge Ambiental,S.L.	-	314,268.73	-	-	314,268.73
-Tractament Metropolita de fangs,S.L.	-	312,906.91	-	-	312,906.91
-Valoriza Conservación de Infraestructuras,S.A.U.	-	960.93	-	-	960.93
-Valoriza Servicios a la Dependencia,S.A.	-	831.52	-	-	831.52
-Valoriza Facilities,S.A.U.	-	13,479.48	-	-	13,479.48
-Partícipes de Biorecicláje,S.A.	-	-	204,723.24	-	204,723.24
-Repsol YPF,S.A.	-	-	-	17,609.28	17,609.28
-Scrinser,S.A.	-	10,494.67	-	-	10,494.67
Credit to companies (Note 10)	-	**428,980.62**	**16,159.35**	-	**445,139.97**
Other financial assets	**8,898.51**	**4,777,468.54**	**236,396.74**	-	**5,022,763.79**
-Tratamiento de Residuos La Rioja,S.L.	-	1,098,737.00	-	-	1,098,737.00
-Compost del Pirineo,S.A.	-	71,004.32	-	-	71,004.32
-Sacyr Construcción,S.A.U.	-	85,625.05	-	-	85,625.05
-Surge Ambiental,S.L.	-	335.74	-	-	335.74
-Desgasificación de Vertederos,S.A.	-	1,210.95	-	-	1,210.95
-Waste Resources,S.A.	-	21.81	-	-	21.81
-Servicio de Estacionamiento Regulado	-	-	6.97	-	6.97
-Gestión de Partícipes de Biorreciclaje,S.A.	-	-	10,353.33	-	10,353.33
-Cultivos Energéticos de Castilla,S.L.	-	-	128.83	-	128.83
-Biomasas del Pirineo,S.L.	-	-	83,329.94	-	83,329.94
-Alcorec,S.L.	-	-	142,577.67	-	142,577.67
-Valoriza Facilities,S.A.U.	-	15.63	-	-	15.63
-Valoriza Gestión,S.A.U.	1,348.08	-	-	-	1,348.08

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-Boremer,S.A.	-	3,242,399.88	-	-	3,242,399.88
-S.A.U. Depuración y Tratamiento-Sadyt-	-	254,268.09	-	-	254,268.09
-Sacyr Industrial,S.A.U.	-	5,426.74	-	-	5,426.74
-Sacyr ,S.A.	7,550.43	-	-	-	7,550.43
-Valoriza Conservación de Infraestructuras,S.A.U.	-	916.64	-	-	916.64
-Infoser	-	17,506.69	-	-	17,506.69
TOTAL SHORT TERM DEBTOR BALANCES	**10,277.51**	**11,886,112.10**	**511,980.80**	**17,609.28**	**12,425,979.69**
LONG TERM CREDITOR BALANCES					
Long term debts:	**53,593,726.12**	**3,396,688.25**	-	-	**56,990,414.37**
-Valoriza Gestión,S.A.U.	53,593,726.12	-	-	-	53,593,726.12
Hidroandaluza,S.A.	-	3,396,688.25	-	-	3,396,688.25
TOTAL LONG TERM CREDITOR BALANCES	**53,593,726.12**	**3,396,688.25**	-	-	**56,990,414.37**
SHORT TERM CREDITOR BALANCES					
Short term debts	**2,664,529.67**	**2,091,581.40**	-	-	**4,756,111.07**
-Hidroandaluza,S.A.	-	199,943.77	-	-	199,943.77
-Sacyr Construcción,S.A.	-	291,225.76	-	-	291,225.76
-C/C Consolidación Fiscal Grupo IVA SYV	1,094,088.65	-	-	-	1,094,088.65
-C/C Consolidación Fiscal Grupo IS SYV	1,570,441.02	-	-	-	1,570,441.02
-Iniciativas Medioambientales del Sur,S.L.	-	135,000.00	-	-	135,000.00
-Eurocomercial,S.A.	-	70,977.84	-	-	70,977.84
-Gestión de Infraestructuras Canarias,S.L.	-	149,928.02	-	-	149,928.02
-S.A.U. Depuración y Tratamiento-Sadyt-	-	737,252.71	-	-	737,252.71
-Secado Térmico Castellón,S.A.	-	420,792.60	-	-	420,792.60
-Valoriza Agua,S.A.	-	68,121.32	-	-	68,121.32
-Valoriza Facilities,S.A.U.	-	17,094.64	-	-	17,094.64
-Boremer,S.A.	-	1,244.74	-	-	1,244.74
Creditors / Trade providers:	**672,024.92**	**3,405,517.00**	**10,048.87**	**175,559.58**	**4,263,150.37**
-Biorreciclaje de Cadiz,S.A.	-	54,888.97	-	-	54,888.97
-Boremer,S.A.	-	75,249.82	-	-	75,249.82
-Gestión de Partícipes de Biorreciclaje,S.A.	-	-	9,942.94	-	9,942.94
-Eurocomercial,S.A.	-	2,276,476.74	-	-	2,276,476.74
-Hidroandaluza,S.A.	-	147,837.07	-	-	147,837.07
-Prinur,S.A.U.	-	24,928.14	-	-	24,928.14
-Repsol YPF,S.A.	-	-	-	175,559.58	175,559.58
-S.A.U. Depuración y Tratamiento-Sadyt-	-	191,066.58	-	-	191,066.58
-Sacyr ,S.A.	-	304,546.91	-	-	304,546.91
-Sacyr Construcción,S.A.	-	88,413.80	-	-	88,413.80
-Secado Térmico Castellón,S.A.	-	27,825.61	-	-	27,825.61
-Surge Ambiental,S.L.	-	77,360.63	-	-	77,360.63
-Tratamiento de Residuos La Rioja,S.L.	-	1,221.81	-	-	1,221.81

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-Valoriza Agua,S.L.	-	(6,733.70)	-	-	(6,733.70)
-Valoriza Facilities,S.A.U.	-	86,461.70	-	-	86,461.70
-Valoriza Gestión,S.A.U.	672,024.92	-	-	-	672,024.92
-Sacyr Industrial,S.A.U.	-	13,883.65	-	-	13,883.65
-Infoser,S.L.	-	42,053.70	-	-	42,053.70
-Inte RCD,S.L.	-	-	105.93	-	105.93
-Sociedad de Economía mixta de Aguas de Soria	-	35.57	-	-	35.57
TOTAL SHORT TERM CREDITOR BALANCES	**3,336,554.59**	**5,497,098.40**	**10,048.87**	**175,559.58**	**9,019,261.44**

The amount of the balances on the balance sheet with related parties on 31st December 2015 is as follows:

2015	Parent company	Other group companies	Associated companies	Other related parties	TOTAL
LONG TERM DEBTOR BALANCES					
Equity instruments (Note 10)	-	**3,740,354.04**	**2,554,854.30**	-	**6,295,208.34**
Credit to companies (Note 10)	-	**11,313,139.38**	**1,448,152.48**	-	**12,761,291.86**
TOTAL LONG TERM DEBTOR BALANCES	-	**15,053,493.42**	**4,003,006.78**	-	**19,056,500.20**
TOTAL SHORT TERM DEBTOR BALANCES					
Trade debtors	**2,758.00**	**8,177,090.93**	**259,424.71**	**23,479.07**	**8,462,752.71**
-Biorreciclaje de Cadiz,S.A.	-	1,983,721.79	-	-	1,983,721.79
-Boremer,S.A.	-	2,319,488.58	-	-	2,319,488.58
-Cafestore, S.A.U.	-	896.96	-	-	896.96
-Cultivos Energéticos de Castilla,S.A.	-	40,537.45	-	-	40,537.45
-Eurocomercial,S.A.	-	48.00	-	-	48.00
-Gestión de Partícipes de Biorreciclaje,S.A.	-	-	54,701.47	-	54,701.47
-La Restinga,C.B.	-	100,000.00	-	-	100,000.00
-Partícipes de Bioreciclaje,S.A.	-	-	204,723.24	-	204,723.24
-Repsol YPF,S.A.	-	-	-	23,479.07	23,479.07
-Residuos de Construcción de Cuenca,S.A.	-	75,353.60	-	-	75,353.60
-S.A.U. Depuración y Tratamiento-Sadyt-	-	940,679.94	-	-	940,679.94
-Sacyr ,S.A.	2,758.00	-	-	-	2,758.00
-Sacyr Construcción,S.A.U.	-	41,890.48	-	-	41,890.48
-Sacyr Industrial, S.A.U.	-	4,000.00	-	-	4,000.00
-Scrinser,S.A.	-	-6,117.88	-	-	(6,117.88)
-Somague Engenharia,S.A.	-	1,373,993.50	-	-	1,373,993.50
-Surge Ambiental,S.L.	-	437,162.89	-	-	437,162.89
-Tractament Metropolita de fangs,S.L.	-	24,542.76	-	-	24,542.76

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-Tratamiento de Residuos La Rioja,S.L.	-	762,704.72	-	-	762,704.72
-Valoriza Conservación de Infraestructuras,S.A.U.	-	640.62	-	-	640.62
-Valoriza Facilities,S.A.U.	-	14,298.48	-	-	14,298.48
-Valoriza Servicios a la Dependencia,S.A.	-	1,172.28	-	-	1,172.28
-Sacyr Environment Llc USA	-	27,611.76	-	-	27,611.76
-Consorcio Stabile Vis Società c.p.a.	-	34,465.00	-	-	34,465.00
Credit to companies (Note 10)	-	-	**16,159.35**	-	**16,159.35**
Other financial assets	**8,517.98**	**8,372,069.87**	**10,353.33**	-	**8,390,941.18**
-Alcorec,S.L.	-	142,577.67	-	-	142,577.67
-Biomasas del Pirineo,S.L.	-	83,329.94	-	-	83,329.94
-Boremer,S.A.	-	3,242,399.88	-	-	3,242,399.88
-C/C Consolidación Fiscal Grupo IS SYV	7,550.43	-	-	-	7,550.43
-Compost del Pirineo,S.A.	-	58,922.63	-	-	58,922.63
-Cultivos Energéticos de Castilla,S.L.	-	128.83	-	-	128.83
-Desgasificación de Vertederos,S.A.	-	1,210.95	-	-	1,210.95
-Gestión de Partícipes de Biorreciclaje,S.A.	-	-	10,353.33	-	10,353.33
- Valdemingomez 2000 S.A.	-	640,000.00	-	-	640,000.00
- Valoriza Agua, S.A.	-	16.72	-	-	16.72
- Valoriza Servicios Medioambientales Bolivia	-	2,925,426.19	-	-	2,925,426.19
-Sacyr Construcción,S.A.U.	-	171,655.90	-	-	171,655.90
-Sacyr Industrial,S.A.U.	-	6,276.74	-	-	6,276.74
-Servicio de Estacionamiento Regulado	-	6.97	-	-	6.97
-Surge Ambiental,S.L.	-	335.74	-	-	335.74
-Tratamiento de Residuos La Rioja,S.L.	-	1,098,737.00	-	-	1,098,737.00
-Valoriza Conservación de Infraestructuras,S.A.U.	-	994.18	-	-	994.18
-Valoriza Facilities,S.A.U.	-	28.72	-	-	28.72
-Valoriza Gestión,S.A.U.	967.55	-	-	-	967.55
-Waste Resources,S.A.	-	21.81	-	-	21.81
TOTAL SHORT TERM DEBTOR BALANCES	**11,275.98**	**16,549,160.80**	**285,937.39**	**23,479.07**	**16,869,853.24**
LONG TERM CREDITOR BALANCES					
Long term debts:	**68,898,527.51**	**3,953,320.28**	-	-	**72,851,847.79**
- Valoriza Gestión,S.A.U.	68,898,527.51	-	-	-	68,898,527.51
- Hidroandaluza,S.A.	-	3,953,320.28	-	-	3,953,320.28
TOTAL LONG TERM CREDITOR BALANCES	**68,898,527.51**	**3,953,320.28**	-	-	**72,851,847.79**
SHORT TERM CREDITOR BALANCES					
Short term debts	**2,892,199.67**	**2,023,047.26**	-	-	**4,915,246.93**
-Boremer,S.A.	-	1,257.68	-	-	1,257.68
-C/C Consolidación Fiscal Grupo IS SYV	1,609,119.69	-	-	-	1,609,119.69
-C/C Consolidación Fiscal Grupo IVA SYV	1,283,079.98	-	-	-	1,283,079.98

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-Eurocomercial.S.A.	-	70,977.84	-	-	70,977.84
-Gestión de Infraestructuras Canarias,S.L.	-	149,505.74	-	-	149,505.74
-Hidroandaluza,S.A.	-	199,943.77	-	-	199,943.77
-Iniciativas Medioambientales del Sur,S.L.	-	135,000.00	-	-	135,000.00
-S.A.U. Depuración y Tratamiento-Sadyt-	-	452,984.62	-	-	452,984.62
-Sacyr Construcción,S.A.	-	466,979.02	-	-	466,979.02
-Secado Térmico Castellón,S.A.	-	417,792.60	-	-	417,792.60
-Infoser AIE	-	14,847.38	-	-	14,847.38
-Valoriza Agua,S.A.	-	68,121.32	-	-	68,121.32
-Valoriza Facilities,S.A.U.	-	45,637.29	-	-	45,637.29
Creditors / Trade providers:	**670,012.29**	**3,525,843.45**	**9,942.94**	**152,882.88**	**4,358,681.56**
-Biorreciclaje de Cadiz,S.A.	-	85,426.88	-	-	85,426.88
-Boremer,S.A.	-	52,750.77	-	-	52,750.77
-Gestión de Partícipes de Biorreciclaje,S.A.	-	-	9,942.94	-	9,942.94
-Eurocomercial.S.A.	-	2,276,476.74	-	-	2,276,476.74
-Hidroandaluza,S.A.	-	147,837.07	-	-	147,837.07
-Prinur,S.A.U.	-	24,928.14	-	-	24,928.14
-Repsol YPF,S.A.	-	-	-	152,882.88	152,882.88
-S.A.U. Depuración y Tratamiento-Sadyt-	-	251,711.40	-	-	251,711.40
-Sacyr ,S.A.	357,046.39	-	-	-	357,046.39
-Sacyr Construcción,S.A.	-	65,618.98	-	-	65,618.98
-Secado Térmico Castellón,S.A.	-	29,859.07	-	-	29,859.07
-Scrinser,S.A.	-	2,645.74	-	-	2,645.74
-Surge Ambiental,S.L.	-	100,113.06	-	-	100,113.06
-Valoriza Facilities,S.A.U.	-	83,303.61	-	-	83,303.61
-Valoriza Gestión,S.A.U.	312,965.90	-	-	-	312,965.90
-Infoser,S.L.	-	6,612.00	-	-	6,612.00
-Inte RCD,S.L.	-	105.93	-	-	105.93
-Valoriza Agua,S.A.	-	(6,733.70)	-	-	(6,733.70)
-Sacyr Industrial,S.A.U.	-	367,071.32	-	-	367,071.32
-Consorcio Stabile Vis Società c.p.a.	-	38,116.44	-	-	38,116.44
TOTAL SHORT TERM CREDITOR BALANCES	**3,562,211.96**	**5,548,890.71**	**9,942.94**	**152,882.88**	**9,273,928.49**

The most significant amount, that is in long term creditors, corresponds to a loan that the Company holds with Valoriza Gestión, S.A.U. that is renewed annually in a tacit manner and accrues effective interest of Euribor plus 4 percentage points (Euribor plus 4 points in 2014). In financial year 2015, the balance of that loan has increased by 15,304,801.39 euros (reduction of 10,687,262.69 euros in 2014) and during 2012 it was transferred long term by virtue of the addendum to the loan contract signed on 1st July 2012, that amends the conditions, the debt becoming callable on expiry of that contract (the validity of which is 5 years, renewable on a yearly base, while VSM, S.A. remains in the same tax consolidation group with the same percentage stake).

Both this as well as other loans with group, multigroup and associated loans are classified in the category of loans and items payable, are valued at amortized cost and the interest rate applied in 2015 and 2014 is Euribor plus 4 percentage points.

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c) Remunerations for the Board of Directors and top management

During financial years 2014 and 2015, there were no changes in the Board of Directors.

The remunerations received during financial year 2014 by members by the Board of Directors and top management of the Company classified by items, were as follows:

	Wages	Insurance premiums
Board of Directors	194,358.00	199.00
Total	**194,358.00**	**199.00**

The remunerations received during financial year 2015 by the members of the Board of Directors and top management of the Company classified by items, were as follows:

	Wages	Insurance premiums
Board of Directors	198,013.00	225.00
Total	**198,013.00**	**225.00**

Moreover, no obligations were contracted in matters of pensions, nor payments of life insurance premiums, nor payments based on equity instruments, regarding the members of the Board of Directors, these being outsourced. Nor are there agreements by virtue of which the members of the Board of Directors of the Company are entitled to receive compensation from the Company arising from their severance as directors.

d) Situations of direct or indirect conflict of interest by the Sole Administrator and related persons

For the purposes of what is foreseen in Articles 229, 230 and 231 of the Capital Companies Act, the Sole Administrator of the Company and related persons have declared that there are no situations of conflict of interest with the Company or its corporate group, either directly or indirectly.

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22. Information on the environment

During financial years 2014 and 2015, no expenses have been incurred for the purpose of protecting and improving the environment. Likewise, it has not been necessary to cover any expenses or risks with provisions for environmental actions, nor contingencies related to protection and improvement of the environment.

23. Other information

a) Personnel

The average number of people employed during financial years 2014 and 2015, detailed by categories, is as follows:

Categories	2015	2014
Managing Directors and Executive Chairmen	1	1
Rest of directors and managers	6	6
Technicians and scientific and intellectual professionals and support professionals	422	407
Accounting and clerical employees and other office staff	178	166
Elementary occupations	5,114	4,818
Total	5,721	5,398

Likewise, the distribution by sexes at the end of financial years 2014 and 2015, detailed by categories, is as follows:

	2015		2014	
Categories	Men	Women	Men	Women
Directors	1	-	1	-
Managing Directors and Executive Chairmen (non directors)	3	-	3	-
Rest of directors and managers	4	-	4	-
Technicians and scientific and intellectual professionals and support professionals	347	94,	314	80
Accounting and clerical employees and other office staff	73	109	77	86
Elementary occupations	4,093	1,021	3,727	1,036
Total	4,521	1,224	4,126	1,202

b) Auditing fees

During financial years 2014 and 2015, the fees for accounts auditing services provided by the auditor to the Company, or by a company in the same or related group to the auditor, have amounted to 76,669.00 euros.

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24. Subsequent events

Competition in the urban services sector and the possibility of appeal to the Special Court for Contracting Matters leads to the contract award and signing processes being drawn out in time, awaiting for the resolutions. For that reason, the Company has become an awardee of various contracts, that are pending resolution by the Court regarding the resources of the different competitors:

- Public service to collect waste and public cleaning in the municipal district of Albacete, for an estimated amount of 164 million euros in the 15 years of award.
- Municipal waste collection and public cleaning service in the municipal district of Torrejón de Ardoz, amounting to 101 million euros and lasting 10 years.
- Municipal waste collection service, selective collection and cleaning beaches in Ibiza, for a global sum of 68 million euros and a 10 year term.
- Park zone maintenance in Getafe (Madrid), amounting to 4 million euros.
- Waste collection, transport to ecoplant, street cleaning and management of recycling point at As Pontes (La Coruña), amounting to 3 million euros over the 12 years of the contract.

On the other hand, a favourable judgement has been received from the Supreme Court of Justice of Madrid to the appeal by the Company against award of the contract to manage public operating services of the transfer facilities and elimination of urban waste in the Mancomunidad Sur (Autonomous Community of Madrid), by means of which it retrofits the tender procedure at the moment when the consortium formed by Valoriza Servicios Medioambientales, Verinsur and Vertidos Rioja was an awardee.

During the first days of 2016, a total amount of 1.2 million euros was received, for the judgements on delay interest in previous financial years, for the claims filed against the Local Governments of Madrid and Parla.

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MANAGEMENT REPORT ON FINANCIAL YEAR 2015

Financial year 2015 was a year of consolidation of existing contracts, with an improvement in the general ratios, and with regard to contracting, it has been a major year to reduce distances with our competitors in the sector. The company maintains its regional structure by seeking greater attention toward the different clients, in order to improve its commercial capacity.

An International Management was created to manage the subsidiaries in other countries, as well as to co-ordinate the different tenders abroad.

Following the recommendation by the National Stock Exchange Commission regarding the non delegable power of the Board of Directors to approve the risk control and management policy (Article 529.ter of the Capital Companies Act), the Risk Control and Management Department was created, reporting directly to the corporate Risk Control and Management Department.

With these changes, the Company is organised as follows:

- Central General Management: shall take charge of the concessions of urban services and waste treatment in the Autonomous Communities of Madrid, Castilla-La Mancha, Region of Valencia, and Murcia. The financial year for the Management was marked by stability of the contracts in Batches 2 and 3 of the integral road cleaning and conservation services of parks in Madrid, as well as contracting the street cleaning and waste collection service in Guadalajara.

- North General Management: shall take charge of managing the urban service and waste treatment concessions in the Autonomous Communities of Galicia, Asturias, Cantabria, Basque Country, Castilla y León, Navarra, La Rioja, Aragón, Catalonia and the Balearic Islands. The financial year for the Management was marked by the Company's positioning in Galicia, as well as the consolidation in La Rioja.

- South General Management: shall take charge of the urban services and waste treatment in the Autonomous Communities of Andalucia, Extremadura and the Canary Islands, as well as possible contracts obtained in the Autonomous Cities of Ceuta and Melilla.

Throughout financial year 2015, the Company has maintained its geographic expansion abroad. It continues to negotiate to resolve the technical and legal issues to sign the contract for construction and operation of a waste plant in Melbourne (Australia). The Company has incorporated its subsidiaries in the United States, Australia, Italy and Bolivia. Throughout 2015, bids have been presented for execution and operation of waste treatment plants under concession regime in Italy, United States, Poland and Portugal.

During the financial year, the Company has maintained its position as a reference company in the urban services sector, consolidating its leadership in the waste treatment plant sector and considerably reducing its level of indebtment.

The most notable achievement in this financial year is the improved operating result, as well as the solidity of the financial situation and cash flow of the Company, that shall allow it to have a corrected balance sheet when undertaking and financing the Investment and Growth plan foreseen for the coming financial years. The expense containment policy and client collection management has lead to a reduction in debt to lending institutions of 22.6 million euros, 9.5 million long term and 13.1 million short term. This important management, along with the interest rate reduction, has allowed considerable financial savings.

With regard to the need to improve the cash flows, the Company continues to carry out active collection management with the Local Governments, filing the claims the law allows and filing the relevant contentious

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administrative appeals, that are being favourably resolved and have allowed the Company to collect delay interest amounting to more than 2 million euros.

The billing by Valoriza Servicios Medioambientales, S.A. in 2015 is nearly 303 million euros, which amounts to a 7% increase on 2014. The before tax result has improved by 4% (13,134 thousand euros compared with 12,636 thousand euros in 2014), which is more noteworthy if we consider the extraordinary results in 2014 for collection of delay interest and sale of the stake in UTE Aguas de Alcalá. The balance sheet total reached 359,560 thousand euros and the Net Assets 66,926 thousand euros, having paid the shareholders a dividend of nearly 8 million euros during the financial year.

The company maintains its rigor when contracting, selecting the appropriate clients and assuring the cash flow requisites on the different projects. During financial year 2015, Valoriza Servicios Medioambientales, S.A. has been awarded projects for a total amount of 156 million euros, which guarantees the turnover in the coming years, due to the majority of said awards being multiple year operations.

The main awards contracted during financial year 2015 are as follows:

- Municipal services: this branch includes concessions to manage street cleaning, waste collection in city centres, including underground waste bins, gardening and maintenance of park areas, parking meter management, tow-truck services and withdrawal of vehicles from the public thoroughfare. During 2015, the following awards, among others, must be emphasised:
    - Street cleaning service, collection and transport of machinery waste, in the municipal district of Guadalajara, amounting to 70.5 million euros, with a concession period of 15 years.
    - Public municipal waste collection service, street cleaning and bins in the city of Poio (Pontevedra), amounting to 11.1 million euros in los 16 years of the contract.
    - Public municipal waste collection and transport service, street cleaning and maintenance of gardens in the municipal district of Trujillo (Cáceres), amounting to 4.6 million euros.
    - Two extension of the collection and cleaning service in Lérida, amounting to 9 million euros.
    - Amendment of the integral mobility services, Batch III, in the city of Madrid, amounting to 5.1 million euros during the remaining 10 years of the contract.
    - Various contracts were obtained in the Autonomous Community of Galicia, as well as the service to withdraw vehicles from the streets to the public pound in the cities of La Coruña and Oleiros (La Coruña), and waste collection in the Port of Marín (Pontevedra), for a joint amount of about 3.2 million euros.
    - Extension of cleaning and collection contract in the city of Soria, amounting to 2.7 million euros.
- Waste treatment: Performs construction and operation of Municipal Waste plants, packaging, batteries, treatment centres for waste from construction and demolition, degasification of landfills and bio-methane production, incineration and energy reuse, as well as installations for treatment, composting and thermal drying of sludge form sewage purification plants. One must emphasise the following awards or extensions in 2015:
    - Indirect management service for operation of the composting plant, thermal sludge drying and cogeneration at the Loeches landfill (Madrid), amounting to 3.2 million euros, over a term of 3 years, with possible extension by another year.

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- One year extension of the maintenance, conservation and operation centre of the Waste Treatment Centre of Abajas (Burgos), amounting to 1.4 million euros.

All this contracting is along with that already awarded to the company in the past, forming a portfolio of 1,990 million euros, (2,136 at the end of 2014).

Valoriza Servicios Medioambientales, S.A. performs a fair part of its business through Consortia that are managed according to the stake held by the Company. The turnover managed by Valoriza Servicios Medioambientales in the consortia is 100.8 million euros, that amounts to approximately 33.9% of the total volume.

At the end of 2015, there are no Own Shares. With regard to the risk management policy of the Company, see Note 18 of the Annual Report on the Annual Accounts of financial year 2015.

AVERAGE PERIOD OF PAYMENT TO PROVIDERS

During financial years 2014 and 2015, the average period of payment to providers was 91días and 59.22 days, respectively. The company aims to continue to shorten these terms to adapt them to the regulations in force.

At the end of financial years 2014 and 2015, within the balance of providers, there are no significant amounts that exceed the term allowed by Act 15/2010 that amends the Act on Measures to Combat Defaulting.

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DILIGENCE TO IDENTIFY SIGNATURES AND NEGATIVE ENVIRONMENTAL DECLARATION.

SIGNATURE DILIGENCE:

In order to record that the Board of Directors of Valoriza Servicios Medioambientales, S.A., in its session on 15th March 2016, has drawn up the Annual Accounts of the Company for the purposes determined in Article 253 of the current Capital Companies Act, (Balance Sheet, Profit and Loss Accounts, Statement of Changes in Net Assets, Statement of Cash Flows and Annual Report), and the Management Report of the Company Valoriza Servicios Medioambientales, S.A., for financial year 2015, to be submitted for resolution by the General Meeting of Shareholders of the Company. Those documents are transcribed in the folios preceding the presents, that are all numbered from 1 to this one, inclusive, stamped and approved by the Secretary to the Board.

In fulfilment of the terms established in Article 253.2 of the current Capital Companies Act, to witness approval of these Annual Accounts and Management Report for financial year 2015, the Directors comprising the full Board of Directors of Valoriza Servicios Medioambientales, S.A. on this date sign this diligence.

NEGATIVE ENVIRONMENTAL DECLARATION:

The undersigned, as Directors of the company, declare that the relevant accounting for these annual accounts contains no item of an environmental nature that must be included in the Annual Report according to the indications by the third part of the General Accounting Plan (RD 1514/07, of 16th November).

Mr Javier San Millán Perezagua
Representative of the Sole Administrator of Valoriza Gestión.

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Don ADRIAN P. WOODS, Intérprete Jurado de inglés, CERTIFICA: que la que antecede es traducción fiel y completa al inglés de un documento redactado en español.
En Madrid a 12/08/2016.

I, ADRIAN P. WOODS, Sworn Translator of English DO HEREBY CERTIFY that the foregoing is a faithful, complete English translation of a document drafted in Spanish.
In Madrid on 12/08/2016.

ADRIÁN P. WOODS
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SWORN TRANSLATION

VALORIZA SERVICIOS MEDIOAMBIENTALES, S.A.

Annual Accounts and Management Report
corresponding to the year ended
31 December 2016.

Karen Rosenberg Alexander
Traductora-Intérprete Jurada de INGLÉS
Nº 4186

1/6/17

[on letterhead of Ernst & Young]

INDEPENDENT AUDITOR'S REPORT ON THE FINANCIAL STATEMENTS

To the Sole Shareholder of
VALORIZA SERVICIOS MEDIOAMBIENTALES, S.A.

Report on the financial statements

We have audited the financial statements of VALORIZA SERVICIOS MEDIOAMBIENTALES, S.A consisting of the balance sheet at 31st December 2016, the income Statement, the statement of changes in equity, the statement of changes in cash flows and the explanatory report corresponding to the financial period that finalized on that date.

Responsibility of the Sole Director with regard to the abridged financial statements

The Sole Director of the Company is responsible for drawing up the abridged financial statements in such a way as to express a true and fair image of the equity, the financial situation and the results of VALORIZA SERVICIOS MEDIOAMBIENTALES, S.A. in accordance with the financial reporting framework applicable to the company in Spain, identified in Note 2 of the attached report, and for such internal control as they consider necessary to permit the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

The responsibility of the auditor

Our responsibility is to express an opinion on the mentioned financial statements as a whole, based on our audit. We have carried out our audit in accordance with the regulations on the auditing of accounts in force in Spain. Those standards require us to uphold ethical standards, to plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the attached financial statements are a true reflection in all significant aspects, of the equity and financial situation of VALORIZA SERVICIOS MEDIOAMBIENTALES, S.A. at 31st December 2016 and of gains or losses corresponding to the financial period that finalizes on that date, in accordance with the financial reporting framework applicable and in particular with the accounting principles and criteria included therein.

Karen Rosenberg Alexander
Traductora-Intérprete Jurada de INGLÉS
Nº 4186

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Report on other legal and regulatory requirements.

The attached management report for the 2016 financial period contains the explanations that the Sole Director deems appropriate with regard to the situation of the company, the evolution of its business and to other matters, and does not form part of the financial statements.

We have checked that the accounting data contained in the mentioned management report tallies with that appearing in the financial statements for 2016. Our work as auditors is limited to checking the management report within the scope mentioned in this paragraph and does not include reviewing any information other than that obtained from the accounting records of the company.

Ernst & Young, S.L.
(Registered in the Official Registry of Auditors
with member nº S0530)

[illegible signature]
Fernando González Cuervo

9 May 2017

Karen Rosenberg Alexander
Traductora-intérprete Jurada de INGLÉS
Nº 4186

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VALORIZA SERVICIOS MEDIOAMBIENTALES, S.A.

Annual Accounts and Management Report corresponding
to the year ended 31 December 2016.

Karen Rosenberg Alexander
Traductora-intérprete Jurada de INGLÉS
Nº 4186

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VALORIZA SERVICIOS MEDIOAMBIENTALES, S.A.
BALANCE SHEETS AT 31 DECEMBER 2016 AND 2015
(Expressed in Euros)

ASSETS	NOTES IN THE REPORT	2016	2015
A) NON-CURRENT ASSETS		**202,657,533.46**	**193,383,157.34**
I. Property, Plant & Equipment	5	34,591,403.15	34,135,117.66
1. Patents, licences, brands and similar		11,805.57	-
2. Goodwill		1,913,890.94	-
3. Computer software		311,732.03	288,375.56
4. Other intangible assets		192,848.73	295,213.92
5. Concession agreement	6	32,161,125.88	33,551,528.18
a) Concession agreement, regulated asset		28,839,395.21	30,818,031.67
b Concession agreement, financial capitalisation		3,036,058.09	2,651,699.21
c) Advances for concession agreement, regulated asset		285,672.58	81,797.30
II. Property, plant and equipment	7	72,225,431.45	68,008,247.50
1. Land and Buildings		6,396,879.02	5,138,416.63
2. Technical installations and other property, plant and equipment		65,275,270.02	60,631,595.62
3. Fixed assets under construction and advances		553,282.41	2,238,235.25
III. Long term investments in group companies and associates	10,21b	26,225,858.80	19,056,500.20
1. Equity instruments		11,449,010.00	6,295,208.34
2. Loans to companies		14,776,848.80	12,761,291.86
IV. Long term financial investment	9a	9,047,806.75	9,412,466.17
1. Equity instruments		7,515.00	7,515.00
2. Loans to third parties		1,308,108.43	1,146,914.30
3. Other financial assets		7,732,183.32	8,258,036.87
V. Deferred tax assets	19b	8,828,781.53	9,442,789.54
VI. Non-current trade receivables	6,9a	51,738,251.80	53,328,036.27
1. Concession agreement, collection right		51,738,251.80	53,328,036.27
B) CURRENT ASSETS		**153,499,796.44**	**166,177,184.78**
I. Inventories	12	2,982,131.21	3,159,798.50
1. Trade		2,558,937.34	2,463,925.98
2. Raw materials and other provisions		193,738.53	129,948.70
3. Finished products		6,171.00	14,224.00
4. Waste by-products and materials recovered		37,598.57	55,182.98
5. Advances to suppliers		185,685.77	496,516.84
II. Trade debtors and other accounts receivable	9a	108,370,727.13	123,122,621.70
1. Customer receivables from sales and services rendered		90,990,835.35	102,404,568.67
2. Clients, group companies and associates	21b	8,405,601.00	8,462,752.71
3. Sundry debtors		3,271,192.33	6,854,664.66
4. Staff		193,191.70	235,596.10
5. Other receivables from the Public Administrations	19a	1,677,071.11	1,535,046.20
6. Concession agreement, collection right	6	3,832,835.64	3,629,993.36
III. Short term investments in group companies and associates	21b	20,398,974.69	8,407,100.53
1. Loans to companies	10	16,159.35	16,159.35
2. Other financial assets		20,382,815.34	8,390,941.18
IV. Short term financial investment	9a	1,589,901.16	2,818,662.42
1. Other financial assets		1,589,901.16	2,818,662.42
V. Short-term accrual accounts	16a	1,005,206.02	1,275,578.18
VI. Cash and other cash equivalents	13	19,152,856.23	27,393,423.45
1. Cash and banks		19,152,856.23	27,393,423.45
TOTAL ASSETS		356,157,329.92	359,560,342.12

Notes 1 to 24 described in the attached report form an integral part of the Balance Sheet.

Karen Rosenberg Alexander
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Nº 4186

1/6/17

VALORIZA SERVICIOS MEDIOAMBIENTALES, S.A.
BALANCE SHEETS AT 31 DECEMBER 2016 AND 2015
(Expressed in Euros)

EQUITY AND LIABILITIES	IN THE REPORT	2016	2015
A) EQUITY		**71,588,878.51**	**66,926,104.37**
A-1). Shareholders' Equity		75,951,411.01	71,678,285.91
I. Capital	14a	17,129,235.00	17,129,235.00
1 Issued Capital		17,129,235.00	17,129,235.00
II. Issue Premium	14a	17,881,778.66	17,881,778.66
III. Reserves	14b	29,815,578.25	29,429,551.33
1 Legal and statutory		3,425,847.00	3,425,847.00
2 Other reserves		26,389,731.25	26,003,704.33
IV. Income or Loss for the year	3	11,124,819.10	7,237,720.92
A-2) ADJUSTMENTS FOR CHANGES IN VALUE	9c.	-4,533,981.94	-4,862,368.92
I. Hedging operations		-4,533,981.94	-4,862,368.92
A-3). GRANTS, DONATIONS AND LEGACIES RECEIVED	14c,17	171,449.44	110,187.38
B) NON-CURRENT LIABILITIES		**148,694,687.94**	**170,229,595.76**
I. Long term provisions	15a	8,253,387.66	9,794,262.85
1 Other provisions		7,920,502.94	8,922,673.07
2 Provisions for action taken with infrastructure		332,884.72	871,589.78
II. Long term debts	9b.	83,287,796.98	82,313,189.70
1 Amounts owed to credit institutions		60,758,557.58	66,397,864.84
2 Financial lease creditors		10,064,646.24	5,594,062.65
3 Derivatives	9d.	4,104,486.47	4,931,232.56
4 Other financial liabilities		8,360,106.69	5,390,029.65
III. Long term debts with Group Companies and Associates	21b.	52,139,819.10	72,851,847.79
IV. Deferred tax liabilities	19b.	4,973,684.20	5,270,295.42
C) CURRENT LIABILITIES		**130,688,570.59**	**120,142,888.07**
I. Short term provisions	15b.	6,366,790.51	6,675,455.77
II. Short term debts	9b.	35,830,905.12	30,324,712.54
1 Amounts owed to credit institutions		29,245,225.65	24,115,104.78
2 Financial lease creditors		3,984,873.51	3,812,669.78
3 Derivatives	9d.	1,326,480.57	1,372,733.54
4 Other financial liabilities		1,274,325.39	1,024,204.44
III. Short term debts with group companies and associates	21b.	6,312,972.65	4,915,246.93
IV. Trade accounts and other accounts payable	9b.	86,563,802.52	77,234,839.11
1 Suppliers		37,792,919.47	33,230,054.83
2 Suppliers, group companies and associates	21b.	7,935,247.41	4,358,681.56
3 Sundry accounts payable		12,467,453.16	11,762,190.55
4 Staff (salaries pending payment)		5,305,335.94	5,053,118.95
5 Other payables to the Public Administrations	19a	9,891,208.74	7,384,680.71
6 Customer advances		13,171,637.80	15,446,112.51
V. Short-term accrual accounts	16b.	839,292.67	992,633.72
TOTAL EQUITY AND LIABILITIES		356,157,329.92	357,298,588.20

Notes 1 to 24 described in the attached report form an integral part of the Balance Sheet.

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VALORIZA SERVICIOS MEDIOAMBIENTALES, S.A.
INCOME STATEMENT FOR THE YEARS ENDED 31 DECEMBER 2016 AND 2015.
(Expressed in Euros)

		NOTES IN THE REPORT	2016	2015
A)	**ONGOING OPERATIONS**			
1.	Net business turnover	20%	313,129,357.74	302,769,758.36
	a) Provision of services		310,127,704.53	299,768,795.77
	b) Financial revenue. concession agreement		3,001,653.21	3,000,962.59
2.	Variation in inventory of finished and ongoing products		49,019.68	1,063,127.04
3.	Work carried out by the company on its fixed assets		91,793.09	1,959,005.74
4.	Supplies	20b	(38,385,712.57)	(41,653,654.50)
	a) Consumption of goods		(9,698,031.84)	(10,889,676.89)
	b) Consumption of raw materials and other consumables		(5,157,086.41)	(5,499,062.05)
	c) Work carried out by other companies		(23,530,594.32)	(25,264,915.53)
5.	Other operating income		10,991,258.98	5,732,256.99
	a) Accessory revenue and other current operating revenue	20f	10,911,880.15	5,545,328.14
	b) Operating grants included in the result for the financial year		79,378.83	186,928.85
6.	Personnel expenses	20d	(194,773,004.19)	(175,885,398.97)
	a) Wages, salaries and similar		(145,524,959.72)	(131,342,362.99)
	b) Social Security contributions		(49,248,044.47)	(44,543,035.98)
7.	Other operating expenses		(53,337,512.91)	(56,566,172.45)
	a) Outsourcing	20e	(51,106,752.12)	(52,623,856.68)
	b) Taxes		(1,618,725.08)	(1,322,394.68)
	c) Losses, impairment and variation on provisions due to trade operations		(11,743.59)	(1,955,839.58)
	d) Other current management expenses		(600,292.12)	(664,081.51)
8.	Depreciation of property plant and equipment	5.7	(17,401,049.41)	(16,184,458.08)
9.	Allocation of grants related to non-financial fixed assets and others	9b	114,009.74	236,563.06
10.	Provision surpluses	15b	1,531,430.63	53,590.83
11.	Impairment and profit or loss from sale of fixed assets		99,012.79	(1,204,131.86)
	a) Impairment and losses	7	115,265.65	(835,934.38)
	b) Gains or Losses on Disposals and others		(16,252.86)	(368,197.48)
A.1)	**OPERATING INCOME/LOSSES**		**22,108,603.57**	**20,320,486.16**
12.	Financial revenue	9c	2,631,419.66	3,304,548.32
	a) From interests in equity instruments		1,192,988.99	1,124,995.09
	- in others		1,192,988.99	1,124,995.09
	b) From negotiable securities and other financial instruments		1,438,430.67	2,179,553.23
	- in group companies and associates	21a	347,052.18	306,955.79
	- in others		1,091,378.49	1,872,597.44
13.	Financial expenses	9c	(7,241,299.66)	(7,333,498.58)
	a) For Debts with Group Companies and Associates	21a	(2,337,963.23)	(2,752,375.63)
	b) For debts with third parties		(4,515,432.79)	(4,112,633.19)
	c) For updating allowances		(3,544.76)	(5,684.64)
	d) Capitalisation of financial expenses	5	(384,358.88)	(462,805.12)
14.	Change in fair value of financial instruments	9d	(1,217,844.26)	(1,225,869.06)
	a) Trading portfolio and others		(1,217,844.26)	(1,225,869.06)
15.	Exchange differences		3,925.43	238,619.19
16.	Impairment and profit or loss from sale of financial instruments	9c	(2,077,868.26)	(2,169,767.75)
	a) Impairment and losses		(2,078,711.18)	(2,172,382.34)
	b) Gains or Losses on Disposals and others		842.92	2,614.59
A.2)	**FINANCIAL INCOME/LOSS**		**(7,901,667.09)**	**(7,185,967.88)**
A.3)	**PRE-TAX INCOME/LOSS**		**14,206,936.48**	**13,134,518.28**
17.	Income tax	19	(3,725,845.35)	(4,732,789.81)
18.	Tax adjustment	19	643,727.97	(1,164,007.55)
A.4)	**INCOME OR LOSS FOR THE YEAR FROM ONGOING OPERATIONS**		**11,124,819.10**	**7,237,720.92**
B)	**DISCONTINUED OPERATIONS**			
A.5)	**INCOME OR LOSS FOR THE YEAR**		**11,124,819.10**	**7,237,720.92**

Notes 1 to 24 described in the attached report form an integral part of the Income Statement.

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VALORIZA SERVICIOS MEDIOAMBIENTALES, S.A.
STATEMENTS OF CHANGES IN EQUITY
FOR THE YEARS ENDED 31 DECEMBER 2016 AND 2015
(Expressed in Euros)

A) STATEMENTS OF RECOGNISED INCOME AND EXPENSE FOR THE YEARS ENDED 31 DECEMBER 2016 AND 2015.

	2016	2015
A) BALANCE FROM THE INCOME STATEMENT	**11,124,819.10**	**7,237,720.92**
Income and expenses attributed directly to equity		
I. For cash flow hedges	(779,994.95)	(409,901.64)
II. Grants, donations and legacies received	196,517.21	239,609.46
III. Tax effect	145,250.89	47,660.16
B) INCOME AND EXPENSES ATTRIBUTED DIRECTLY TO EQUITY	**(438,226.85)**	**(122,632.03)**
Transfers to the Income Statement		
IV. For cash flow hedges	1,217,844.26	1,225,869.06
V. Grants, donations and legacies received	(114,009.74)	(236,552.16)
VI. Tax effect	(275,958.63)	(277,008.73)
C) TOTAL TRANSFERS TO THE INCOME STATEMENT	**827,875.89**	**712,308.17**
TOTAL RECOGNISED INCOME AND EXPENSES (A+B+C)	**11,514,468.14**	**7,827,397.06**

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VALORIZA SERVICIOS MEDIOAMBIENTALES, S.A.
STATEMENTS OF CHANGES IN EQUITY
FOR THE YEARS ENDED 31 DECEMBER 2016 AND 2015
(Expressed in Euros)

B) STATEMENTS OF CHANGES IN EQUITY
FOR THE YEARS ENDED 31 DECEMBER 2016 AND 2015

	Capital	Issue Premium	Reserves	Income or Loss for the year	Adjustments for Change in Value	Grants, donations and legacies received	TOTAL
A) BALANCE AT 01/01/2015	17,129,235.00	17,881,778.66	28,724,751.99	8,652,764.38	(5,449,865.46)	108,007.78	67,046,672.35
I. Adjustments for changes in accounting policies	-	-	-	-	-	-	-
II. Adjustments due to accounting errors	-	-	-	-	-	-	-
B) BALANCE ADJUSTED TO BEGINNING OF THE YEAR 2015	17,129,235.00	17,881,778.66	28,724,751.99	8,652,764.38	(5,449,865.46)	108,007.78	67,046,672.35
I. Total recognised income and expenses	-	-	-	7,237,720.92	587,496.54	2,179.60	7,827,397.06
II. Transactions with shareholders or owners	-	-	-	(7,947,965.04)	-	-	(7,947,965.04)
I. Dividend distribution	-	-	-	(7,947,965.04)	-	-	(7,947,965.04)
III. Other variations in net worth	-	-	704,799.34	(704,799.34)	-	-	-
C) FINAL BALANCE FOR THE YEAR 2015	17,129,235.00	17,881,778.66	29,429,551.33	7,237,720.92	(4,862,368.92)	110,187.38	66,926,104.37
I. Adjustments for changes in accounting policies	-	-	-	-	-	-	-
II. Adjustments due to accounting errors	-	-	-	-	-	-	-
D) BALANCE ADJUSTED TO BEGINNING OF THE YEAR 2016	17,129,235.00	17,881,778.66	29,429,551.33	7,237,720.92	(4,862,368.92)	110,187.38	66,926,104.37
I. Total recognised income and expenses	-	-	-	11,124,819.10	328,386.98	61,262.06	11,514,468.14
II. Transactions with shareholders or owners	-	-	-	(6,851,694.00)	-	-	(6,851,694.00)
I. Dividend distribution	-	-	-	(6,851,694.00)	-	-	(6,851,694.00)
III. Other variations in net worth	-	-	386,026.92	(386,026.92)	-	-	-
E) FINAL BALANCE FOR THE YEAR 2016	17,129,235.00	17,881,778.66	29,815,578.25	11,124,819.10	(4,533,981.94)	171,449.44	71,588,878.51

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VALORIZA SERVICIOS MEDIOAMBIENTALES, S.A.
STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED
31 December 2016 and 2015
(Expressed in Euros)

	2016	2015
A) CASH FLOWS FROM OPERATING ACTIVITIES		
1. **Result of the financial year before taxes**	14,206,936.48	13,134,518.28
2. **Adjustments to profit or loss:**	23,570,006.93	26,240,243.51
a) Depreciation of property plant and equipment	17,401,049.41	16,184,458.08
b) Valuation adjustments for impairment	1,963,443.53	3,008,316.72
c) Variation in provisions	(1,519,687.04)	1,902,248.75
d) Allocation of grants	(114,009.74)	(236,563.06)
e) Profit/loss from retirement and disposals of fixed assets	16,252.86	368,197.48
f) Resultados por bajas y enajenaciones de instrumentos financieros	(842.92)	(2,614.59)
g) Financial revenue	(2,631,419.66)	(3,304,548.32)
h) Financial expenses	6,856,940.78	6,870,693.46
i) Exchange differences	(3,925.43)	(238,619.19)
j) Variance in fair value of financial instruments	1,217,844.26	1,225,869.06
k) Otros ingresos y gastos	384,558.88	462,805.12
3. **Changes in working capital**	23,225,812.31	22,759,966.12
a) Inventories	177,667.29	(1,283,601.59)
b) Debtors and other accounts receivable	16,236,308.59	5,729,273.36
c) Other current assets	270,372.16	59,195.76
d) Creditors and other accounts payable	8,887,123.28	17,154,142.76
e) Other current liabilities	1,140,275.73	(2,072,880.27)
f) Other non-current assets and liabilities	(2,985,934.74)	3,173,836.10
4. **Other cash flows from operating activities**	(6,424,270.36)	(6,043,884.83)
a) Interest Payments	(4,069,881.15)	(3,679,305.79)
b) Dividends receivable	1,192,988.99	1,124,995.09
c) Receivables for interest	1,091,378.49	2,179,553.23
d) Income tax received(paid)	(4,638,756.69)	(5,669,127.36)
5. **Cash flows from Operating Activities**	**55,078,485.36**	**56,090,843.06**
B) CASH FLOWS FROM INVESTMENT ACTIVITIES		
6. **Payments on investment**	(39,193,087.22)	(26,062,688.24)
a) Group companies and associates	(20,596,113.40)	(7,048,581.45)
b) Property, Plant & Equipment	(3,225,973.09)	(1,442,672.66)
c) Property, plant and equipment	(14,971,000.73)	(12,710,880.28)
d) Other financial assets	-	(4,860,553.85)
7. **Proceeds from disposals**	1,937,759.98	736,241.26
a) Group companies and associates	103,221.64	427,550.98
b) Intangible fixed assets	2,816.59	(111,035.66)
c) Property, plant and equipment	237,458.15	415,681.71
d) Other financial assets	1,594,263.60	4,044.23
8. **Cash flows from Investment Activities**	**(37,255,327.24)**	**(25,326,446.98)**
C) CASH FLOWS FROM FINANCING ACTIVITIES		
9. **Proceeds from and payments on equity instruments**	2,190.50	(11,122.06)
a) Grants, donations and legacies received	2,190.50	(11,122.06)
10. **Proceeds from and payments of financial liability instruments**	(19,218,147.27)	(8,911,591.83)
a) Issue:	7,197,926.20	85,136,473.10
1. Debentures and other marketable securities	172,203.73	-
2. Amounts owed to credit institutions	5,130,120.87	-
3. Debts with group and associate companies	(1,324,596.39)	84,705,405.58
4. Other debts	3,220,197.99	431,067.52
b) Repayment and amortisation of	(26,416,073.47)	(94,048,064.93)
1. Debentures and other marketable securities	-	(465,582.27)
2. Amounts owed to credit institutions	(5,704,044.78)	(21,278,146.54)
3. Debts with group and associate companies	(20,712,028.69)	(71,900,017.05)
4. Other debts	-	(404,319.07)
11. **Dividends paid and payments on other equity instruments**	(6,851,694.00)	(7,947,965.04)
a) Dividends	(6,851,694.00)	(7,947,965.04)
12. **Cash flows from Financing Activities**	(26,067,650.77)	(16,870,678.93)
D) EFFECT OF EXCHANGE RATE CHANGES	**3,925.43**	**288,619.19**
E) NET INCREASE/DECREASE ON CASH AND CASH EQUIVALENTS	**(8,240,587.22)**	**14,192,336.36**
Cash or equivalent at the beginning of the financial year	27,393,423.45	13,261,087.09
Cash or equivalent at the end of the financial year	19,152,836.23	27,393,423.45

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1. Activity of the Company

The Company SUFI, S.A. was incorporated on 25 March 1982, and it changed its company name on 14 October 2010 to the present one of Valoriza Servicios Medioambientales, S.A. (hereinafter VSM, S.A.) and its present registered office is at calle Juan Esplandiu nº 11-13 Planta 13, Madrid.

VSM, S.A., a company acquired by the Sacyr Vallehermoso Group during financial year 2005, forms part of Valoriza Gestión S.A.U., the company that manages the Services Division of the Group. Its business is carried out in the field of environment, in which special importance is given to waste management, from collection and transport to treatment, recycling and recovery of by-products. The Company performs other complementary activities, such as environmental recovery of forests or river courses, park management and landscape integration works.

Its corporate object consists of carrying out studies, projects, works, supplies, assembly and operation of civil and industrial engineering services. Its activities are structured in 2 major areas of Management or lines of business:

- Waste Treatment
- Urban services

It also participates in other companies with similar activities.

The Company is governed by its Articles of Association and by the current Corporation Act, approved by means of Royal Legislative Decree 1/2010, of 2 July.

All the activities are performed in Spain and a Permanent Establishment is maintained in Portugal.

The Company is part of the Sacyr Group whose parent company is Sacyr, S.A. with registered office in Madrid, Paseo de la Castellana, nº 83-85, the latter being the Company that produces consolidated financial statements.

On 15 July 2013, Sacyr, S.A. changed its previous name from Sacyr Vallehermoso, S.A. to that of Sacyr, S.A., under deed nº 1,398 executed in the presence of the Notary Public of Madrid, Mr Rafael Monjo Carrió. That amendment was subsequently registered at the Companies Registry of Madrid on 25 July 2013.

The consolidated annual accounts of the Sacyr Group for financial year 2015 were drawn up by the Directors of Sacyr, S.A. at the meeting of the Board of Directors held on 31 March 2016, and approved by the Annual General Meeting of Shareholders held on 16 June 2016, and filed with the Companies Registry of Madrid.

2. Bases for the presentation of the Annual Accounts

a) Regulatory framework

The regulatory framework related to the financial information that is applicable to the Company is:

1. The Code of Commerce and other mercantile legislation.
2. General Chart of Accounts and its adaptations per sector.
3. The mandatory rules approved by the Spanish Accounting and Audit Institute in order to implement the Spanish National Chart of Accounts and the relevant secondary legislation.
4. All other Spanish accounting regulations that are applicable.

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b) True and fair view

The attached annual accounts have been obtained from the accounting records of the Company, and these are presented within the regulatory framework of financial information so they provide a true reflection of the equity, the financial situation and the profit or loss of the Company, as well as the changes in net worth and cash flows obtained during the relevant financial year. These annual accounts have been drawn up by the Sole Director of the Company and shall be submitted for approval by the Shareholders Annual General Meeting. They are expected to be approved without amendment. On the other hand, the annual accounts for financial year 2015 were approved by the Shareholders Annual General Meeting held on 30 June 2016.

The figures included in the annual accounts are stated in euros, except where indicated to the contrary.

c) Non-obligatory accounting principles applied

No non-obligatory accounting principles have been applied. In addition, the Sole Director has drawn up these Annual Accounts taking into consideration the whole set of accounting principles and standards of compulsory obligation that have any significant effect on those Annual Accounts. There is no accounting principle that is obligatory and has not been applied.

d) Critical aspects of the assessment and estimation of uncertainty

In preparing the Annual Accounts, the Sole Director has used estimates which are based on past experience and various other factors believed reasonable under the circumstances and which are the basis for establishing the carrying amounts of assets and liabilities not easily determinable through other sources.

The main estimates refer to:

- The assessment of potential impairment losses on certain assets.
- The useful life of property, plant and equipment and intangible assets.
- The recoverability of deferred tax assets.
- Estimates for the consumption of concession assets.
- Calculation of provisions.
- Calculation of fair values, values in use and actual values.

The Company continuously revises its estimates. However, given the inherent uncertainty of such estimates, there is a substantial risk of significant changes in the future value of both assets and liabilities should the assumptions, facts or circumstances on which these estimates were based change significantly. The key assumptions about the future and other significant data regarding the estimation of uncertainty at the reporting date that carry a significant risk of causing material changes in the value of assets or liabilities in the coming year are as follows:

Impairment losses on non-current assets

When measuring non-current assets other than financial assets, especially goodwill, estimates must be made to determine their fair value in order to assess any possible impairment losses. To determine fair value, the Sole Director of the Company estimates the expected cash flows to be generated by the assets or by the cash-generating units to which such assets belong, applying an appropriate discount rate to calculate the present value of these cash flows. (Notes 5 and 7).

Deferred tax assets

The deferred tax assets are recorded for all the deductible timing differences and tax loss carryforwards for which it is probable that the Company may have future taxable profit against which the assets could be utilised. In order to determine the amount of the deferred tax assets that may be recorded, the Sole Director estimates the amounts and dates on which future tax gains shall be obtained and the reversal period of the taxable timing differences. With regard to taxable bases pending compensation, the Company has recorded deferred tax assets amounting to 8,828,781.53 euros (9,442,789.54 euros in 2015) (Note 19.b)

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Provisions

The Company recognizes provisions against risks in accordance with the accounting policy indicated in subsection 4 of this report. The Company makes judgements and estimates regarding the probability that the liabilities will occur, as well as the related amount. It recognizes a provision when the liability is considered probable and estimates the related cost.

Measurement of fair value, value in use and present value

Measurements of fair values, of values in use and of present values require the Company to calculate future cash flows and make assumptions about the future values of these flows and the discount rates to apply. Estimates and assumptions are based on past experience and other factors believed to be fair under the circumstances.

Provision for costs of dismantling assets

None of the Plants or works under execution have dismantling costs worthy of mention. The only installation where there is a contractual obligation to dismantle it is the Construction and Demolition Waste Plant in Vitoria where, on conclusion of the concession, the awardee Consortium must withdraw all the assets it has contributed to the business, except for the civil engineering works performed.

e) Comparison of the Information

For the purposes of comparison with each of the items on the balance sheet, the income statement, statement of changes in equity, the cash flow statement and annual report, in addition to the figures for financial year 2016, the Company presents the accounts for the preceding financial year, which have been obtained by applying the General Chart of Accounts approved by Royal Decree 1514/2007, amended by Royal Decree 602/2016.

f) Grouping of items

The Company has not performed grouping of items on the balance sheet, in the income statement, the statement of changes in equity and the cash flow statement.

g) Items contained under several headings

The Company does not maintain any item of assets recorded under various headings.

h) Changes in accounting principles

In 2016 there have been no significant changes in accounting policies with regard to the policies applied in 2015.

i) Correction of errors

No significant errors have been detected in the preparation of the attached Annual Accounts that would involve the re-statement of the amounts included in the Annual Accounts for 2015.

3. Allocation of profits or losses

The proposal for the allocation of the income/loss for 2016 put forward by the Sole Director of the Company and that will be submitted for the approval of the General Meeting of Shareholders is as follows:

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	2016	2015
Basis for distribution	**11,124,819.10**	**7,237,720.92**
Balance from the Income Statement	11,124,819.10	7,237,720.92
Allocation	**(11,124,819.10)**	**(7,237,720.92)**
To Voluntary Reserves	(11,124,819.10)	(386,026.92)
To dividends	-	(6,851,694.00)

The distribution of the relevant result for 2015 is shown by the state of changes in equity.

In compliance with Art. 348 bis of the consolidated text of the Spanish Corporations Act (TRLSC), information is provided on the shareholder's right to separate in the event of failing to distribute dividends, in the following terms.

1. As from year five since the Company was registered in the Companies' Registry, any shareholder who had voted in favour of distributing company profits shall be entitled to separate if the general meeting does not vote on distributing as a dividend at least one third of the profits obtained from engaging in the business under the corporate objects during the previous financial period, and which by law can be distributed.

2. The term for exercising this right of separation will be one month from the date of holding the Shareholders Annual General Meeting.

3. The provisions of this article do not apply to listed companies

The distribution of dividends for the last five years is shown in the following table:

	Dividends
For 2011:	12,086,068.80
For 2012:	11,819,172.15
For 2013:	7,708,155.75
For 2014:	7,947,965.04
For 2015:	6,851,694.00
Total distribution	**46,413,055.74**

None of the company shareholders has exercised the right of separation in the case of failing to distribute dividends.

Limitations on distribution of dividends

The Company is bound to assign 10% of the profit from the year to setting up the legal reserve until it reaches at least 20% of the share capital. Unless that reserve exceeds the limit of 20% of the share capital, it may not be distributed to the shareholders.

In 2008 this proportion reached 20%.

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Once the reserves stipulated by Law or the Articles of Association have been covered, dividends may only be distributed out of the profit for the year, or from freely available reserves, if the value of equity is not, or as a result of the distribution, is not made less than the share capital. To these ends, the profit taken directly to equity may not be directly or indirectly distributed. If there are losses from previous years that make this equity figure lower than the share capital, the profit shall be assigned to compensate such losses.

4. Principles for recording and measurement

The main recording and valuation principles used by the Company in the preparation of its Annual Accounts for 2016, were the following:

a) Property, Plant & Equipment

Property, Plant & Equipment are initially valued at cost, either their acquisition price or cost of production. Subsequently, they are valued at cost decreased by the relevant accumulated depreciation and, where appropriate, by any impairment losses they may have undergone.

Production cost includes the costs of direct materials and, where applicable, direct labour and the reasonable portion of the costs indirectly attributable to the related assets for the period of construction or manufacture, including the amortisation of research expenses when they have been capitalised, specific related management or administration costs, resulting losses and decommissioning obligations arising from the production of inventories.

In those cases where the price agreed includes a contingent amount, the initial valuation of the intangible assets includes the best estimation of the current value of the mentioned consideration. However, any contingent payments that depend on figures related to engaging in business, such as the sales figure or the outcome for the year, are in any case booked as an expense in the income statement as they are incurred.

If there is any change in the estimation of the contingent consideration, the carrying amount of the asset is increased or decreased by the same amount as the change in the carrying amount of the liability, unless the new estimation is related to variables such as for interest rates or a prices index, in which case, it is treated as an adjustment to the effective interest rate of the debt and the purchase price of the asset is not reviewed.

The intangible assets are amortized systematically according to the estimated useful life of the assets and their residual value. The methods and periods of amortisation applied are reviewed at each financial year end and, if appropriate, adjusted prospectively. At least at the end of the financial year, the existence of signs of impairment is evaluated, in which case the recoverable amounts are estimated, performing the relevant valuation corrections.

When Royal Decree 602/2016, of 2 December came into force, amending the General Chart of Accounts approved under Royal Decree 1514/2007, of 16 November, as from 1 January 2016, intangible asset with an indefinite useful life disappear and start to be depreciable, with the assumption, unless proved otherwise, that the useful life is ten years and can be recovered on a straight-line basis.

- *Concessions*

The costs incurred to obtain the concession are considered expenses at the moment when incurred.

The main concession agreements of the Company and its concession periods are as follows:

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Main Concession Agreements

Name	Nº years of concession	Year of end of concession
Puertollano Parking (Ciudad Real)	38	2045
Hornillos Municipal Waste Plant Valencia)	25	2030
Calandrias composting plant (Cadiz)	20	2022
Guadarrama Park	13	2020
La Paloma waste plant (Madrid)	21	2023
Maresme waste plant (Barcelona)	15	2024
Butarque thermal drying plant (Madrid)	25	2028

- *Computer applications*

The heading of computer applications includes the costs incurred in relation to computer applications acquired from third parties or developed by the Company itself that comply with the conditions stated above for activation. They are depreciated on a straight-line basis over their estimated useful life of 4 years.

- *Research and development*

The Company records research expenses as expenses in the financial year when performed, except in the case of those assigned to the "Lixi-Vaper" project.

The research expenses are capitalised from the moment when the following conditions are fulfilled:

- They must be specifically individualised per project and their cost clearly established so it can be distributed over time.
- A strict relation may be established between research "projects" and objectives pursued and achieved. Appreciation of that requisite shall be made generically for each set of activities interrelated due to the existence of a common objective.

The research expenses that are recorded in the assets are depreciated by the straight-line method over 5 years.

Repairs that do not extend the useful life and maintenance costs are charged to the income statements in the financial year in which they take place.

- *Goodwill*

Goodwill is initially valued at the moment of acquisition, at cost, that being the excess cost of the business combination compared with the fair value of the identifiable assets acquired minus the liabilities borne.

After Royal Decree 602/2016, of 2 December, came into force, which amended the General Chart of Accounts approved under Royal Decree 1514/2007, of 16 November, from 1 January 2016 goodwill is amortised in accordance with its useful life.

Useful life is determined separately for each cash-generating unit to which the goodwill has been assigned. Unless there is evidence otherwise, it will be assumed that the useful life of goodwill is ten years and can be recovered on a straight-line basis. At least once a year, there will be an analysis as whether there are signs of impairment in the value of cash-generating units to which goodwill has been assigned, in which case an impairment test will be performed in accordance with the standard relating to property, plant and equipment. Value adjustments for impairment recognised in goodwill shall not be reversed in a subsequent period.

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- *Concession Agreements*

The Company classifies a concession agreement as an intangible fixed asset when the consideration received by the concession company consists of the right to collect tariffs according to the degree of use of the public service. The consideration received by the concession company is accounted for at the fair value of the infrastructure acquired or built.

If the consideration received consists of an unconditional right to receive cash or another financial asset, the Company classifies the concession agreement as a financial asset (Note 6).

If the consideration received consists partially of a financial asset and party to an intangible fixed asset, the Company records that consideration under terms of proportion, except if any of the two components amounts to less than 90% of the consideration received, in which case it recognises all the consideration as a financial asset or an intangible fixed asset

The subsequent valuation of the concession agreements classified as intangible fixed assets shall follow the rules of registration and valuation 5 and 6 of the General Chart of Accounts.

Under the terms established in the concession, until the infrastructure becomes operational, all planning, construction, expropriation and other expenses, including the corresponding portions of administration expenses and finance cost until they are put into operation, and the depreciation of other intangible assets, are considered as costs of the concession agreement (note 6).

Depreciation of the concession agreement shall commence when the infrastructure is available for operation.

The Company has opted to apply depreciation on a straight-line basis over the term of the concession period. This method is applied on the basis of the Economic-Financial Plan of the concession agreement, specifying the predicted use in each period. The depreciation charge for each year is obtained by applying to the cost of the asset the percentage resulting from comparing the predicted use for the year and the total. When the actual use for one year differs significantly from that predicted, the effects of the new estimations are applied prospectively.

The financial expenses accrued until the infrastructure is in operational condition, in the case of the agreement being classified as an intangible fixed asset, are included in the initial valuation of the concession agreement.

The expenses related to conservation of the infrastructure are taken to the income statement in the financial year in which they are incurred.

The replacement actions and major repairs whose period of use exceed one year, to the extent that they show wear or consumption of the infrastructure, entail allocating a systematic provision according to the use of the infrastructure and up to the moment when they are performed (Note 6).

The same treatment is given to the actions required to revert the infrastructure, except if they constitute similar obligations to the dismantling expenses, in which case the initial estimate of the present value of the obligations shall form part of the value of the concession agreement.

Improvements or capacity increases are treated after a new concession if they are compensated by the possibility of obtaining greater revenue; if not, a provision is recognised for the present value of the best estimate of the outlay to be made to cancel the associated obligation and a higher acquisition price of the concession agreement is recognised. When the actions are carried out, the provision shall be cancelled.

- *Capitalisation of concession agreements*

Only in the case of concession agreements classified as intangible fixed assets, as of the moment when the infrastructure is in operable conditions, shall the financial expenses be capitalised, as long as they may be identified separately, reliably measured, when there is reasonable evidence and it is probable that future revenue will allow the amount capitalised to be recovered.

The financial expenses shall be assigned to the results in proportion to the revenue expected in the Economic Financial Plan, capitalising the difference. With regard to the revenue predicted, the proportion represented for each financial year by the operating revenue of the Plan with regard to the total shall be determined. That

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proportion shall be applied to the total financial expenses predicted during the concession period to determine the amount to be charged to each financial year as financing expenses of the year.

In the case that the real revenue of the year exceeds that expected, the above proportion shall be calculated between the real revenue and the total revenue expected.

If the amount of the financial expenses of the financial year differs from that foreseen, the difference shall be charged to the profit and loss account according to the previous paragraphs.

If the forecasts for income are amended, the effects of the change shall be applied prospectively according to the terms established in previous paragraphs.

b) Property, plant and equipment

Property, plant and equipment is initially valued at cost, whether the acquisition price or production cost, and subsequently reduced by the relevant accumulated depreciation and the impairment losses if any, pursuant to the criteria mentioned in note 7).

Production cost includes the costs of direct materials and, where applicable, direct labour and the reasonable portion of the costs indirectly attributable to the related assets for the period of construction or manufacture, including the amortisation of research expenses when they have been capitalised, specific related management or administration costs, resulting losses and decommissioning obligations arising from the production of inventories.

The conservation and maintenance expenses of the different elements comprising the property, plant and equipment are assigned to the income statement in the financial year when they are incurred. Conversely, the amounts invested in improvements that contribute to increase capacity or efficiency or to lengthen the useful life of those assets are recorded as a greater cost thereof.

For items of property, plant and equipment that require a longer period of time than one year to be ready for use, the capitalised costs include the financial expenses that have been accrued before the asset is made available for operation and that have been issued by the provider or are for loans or another kind of specific or generic outside financing, directly attributable to their acquisition or manufacture.

The work the Company performs on its own fixed assets is recorded at the accumulated cost resulting from adding the internal costs, determined according to the actual consumption of materials, direct labour costs incurred, and general manufacturing expenses calculated according to similar absorption rates to those applied for the purposes of valuing inventories.

At the moment of initial valuation of the fixed assets, the Company estimates the present value of future obligations arising from the dismantling, withdrawal and others associated with such fixed assets as a component of them, such as the costs of reconditioning the site where they are located. On 31 December 2015 and 2016, these costs are not significant.

The cost of property, plant and equipment is depreciated on a straight-line basis, applying annual depreciation percentages calculated according to the years of estimated useful life of the respective assets, according to the following breakdown:

	Amortisation percentage
Buildings	3%
Technical plant	10-33%
Machinery	15%
Tools	10-33%
Items of Transport	16%
Other items of PPE	10%

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At each year end, the Company reviews the residual values, the useful lives and depreciation methods applied to the property plant and equipment and, if appropriate, these are adjusted prospectively.

c) Impairment losses on non-financial assets

At least at year end, the Company evaluates whether there are signs that any non current asset or, where appropriate, any cash generating unit may be impaired. If there are signs, and in any event, for goodwill, their amounts are deemed to be recoverable.

The recoverable amount is calculated as being the higher amount between the fair value less costs to sell and the value-in-use. When the accounting value is greater than the recoverable amount, there is a loss due to impairment. The value in use is the actual value of the expected future cash flows, using risk-free market interest rates, adjusted by the specific risks associated with the asset. For assets that do not generate cash inflows that are largely independent of those from other assets or groups of assets, the recoverable amount is determined for the cash-generating units to which the asset belongs.

Note 4.a gives a detailed explanation of the measurement method used for calculating the recoverable value of goodwill.

Valuation adjustments for impairment and their reversal are recorded in the income statement. Value adjustments for impairment are reverted when the circumstances that gave rise to them cease to exist, except for those related to goodwill. Reversal of the impairment has as its limit the carrying amount of the asset that would be recorded had the relevant value impairment not been previously recognised.

d) Leases

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards incidental to ownership of the leased asset to the lessee. Other leases are classified as operating leases.

- Financial leasing

In finance leases in which the Company acts as the lessee, the cost of the leased assets is presented in the balance sheet, based on the nature of the leased asset, and, simultaneously, a liability is recognised for the same amount. This amount will be the lower of the fair value of the leased asset and the present value, at the inception of the lease, of the agreed minimum lease payments, including the price of the purchase option, when it is reasonably certain that it will be exercised. The calculation shall not include the contingent rent, or the cost of services and taxes recoverable by the lessor. The total financial charge is distributed over the lease term and recognised in profit or loss in the year in which it accrues, using the effective interest method. Contingent rent is recorded as an expense in the financial year in which they are incurred.

Assets recorded for this type of operation are depreciated using similar criteria to those applied to tangible assets as a whole, according to their nature.

- Operating leases

When the Company is acting as a lessee:

The expenses arising from operational lease agreements are charged to the income statement in the year in which they are incurred.

Any amount collected or paid that could be made through an operational lease agreement will be treated as an advance collection or payment that will be attributed to profit or loss throughout the term of the lease, according to how the profits from the leased assets are transferred or received.

When the Company is acting as a lessor:

The revenue and expenses arising from operational lease agreements are charged to the income statement in the year in which they are incurred.

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Likewise, the acquisition cost of the asset is presented on the balance sheet according to their nature, increased by the amount of the costs of the contract directly attributable, which are recognised as an expense during the term of the contract, applying the same method used to report revenue from the lease.

Any amount collected or paid that could be made through an operational lease agreement will be treated as an advance collection or payment that will be attributed to profit or loss throughout the term of the lease, according to how the profits from the leased assets are transferred or received.

e) Financial instruments

Financial assets

e.1.1) Classification and measurement

The financial assets held by the Company are classified under the following categories:

- *Loans and items receivable*

Financial assets originating in the sale of assets or in the services rendered through company trade operations, or any that while not being of trade origin, are not equity instruments nor derivatives and will be paid for at a fixed or determinable amount and are not quoted in an active market.

They are initially measured at fair value, which, unless there is evidence to the contrary, is the transaction price, which is equivalent to the fair value of the consideration paid plus the transaction costs directly attributable to them.

The concession agreements whose consideration received consists of an unconditional right to receive cash or another financial asset, are classified as a financial asset within the category of loans and items receivable. These are initially valued at the fair value of the service provided, that in principle are equivalent to the cost plus the construction margin.

Subsequently they are valued for their amortised cost.

However, credits from commercial operations with a maturity of no more than one year and which do not have a contractual interest rate, as well as advances and loans to staff, dividends collectable and disbursements required on equity instruments, the amount of which is expected to be received in the short term, are valued, both initially and later, at their nominal value if the effect of not adjusting the cash flows is not significant.

In the case of concession agreements classified as financial assets, any replacement actions, major repairs, those necessary to revert and/or conserve the infrastructure, as well as the improvements or increases in capacity, give rise to recognition of the relevant financial asset. Financial assets accrued until the infrastructure is in condition for operation, as well as those subsequently produced, are charged to the profit and loss account at the moment of accrual.

- *Investments in the equity of group, associates and multi-group companies*

Group companies are taken to be those linked to the Company through a relationship of control, and associates are those in which the Company has a significant influence. Moreover, the multi-group category includes the companies over which joint control with one or more partners is exercised by virtue of an agreement.

They are initially valued at their fair value which, unless there is evidence to the contrary, shall be the transaction price, which shall be equivalent to the fair value of the consideration paid, plus any directly attributable transaction costs, except for non-monetary contributions to a group company in which the object is a business, for which the conversion is measured at the book value of the items forming the

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business. The amount for preferential subscription rights and similar, if, any, that may have been acquired is part of the initial valuation.

They are subsequently valued for their cost less, if the case, the accumulated amount for impairment value adjustments. Those corrections are made for the difference between the book value and the recoverable amount, this being understood as the higher amount between the fair value less the sales costs and the actual value of future cash flows derived from the investment. Unless there is better evidence of the recoverable amount, it is based on the value of the equity of the investee, adjusted by the amount of the unrealised gains existing at the date of valuation (including goodwill, if any).

e.1.2) Retiring of financial assets

The Company retires financial assets when they expire or when the rights to the cash flows of the relevant financial asset have been assigned and the risks and benefits inherent to their ownership have been substantially transferred, such as definitive sales of assets, assignments of commercial credit on factoring operations in which the company does not withhold any credit risk or interest, sales of financial assets with repurchase agreement for their fair value, or securitisation of financial assets in which the company assigning does not retain subordinate financing or grant any kind of guarantee or undertake any kind of risk.

Conversely, the Company does not retire financial assets and recognises a financial liability for an amount equal to the consideration received, in assignments of financial assets in which the risks and benefits inherent to their ownership are substantially retained, such as discounting bills, factoring with recourse, sales of financial assets with buy-back clauses at a fixed price or at a sale price plus interest, and securitisation of financial assets in which the company assigning retains subordinate financing or another kind of guarantee that substantially absorbs all the expected losses.

e.1.3) Interest and dividends received on financial assets

Interest and dividends for financial assets paid after acquisition are recognised as revenue on the income statement. The interest must be recognised using the effective interest rate and the dividends when the right to distribute them is declared.

To this end, the amount of explicit interest accrued or not, mature at that moment, are recorded independently in the initial valuation of the financial assets, as well as the amount of the dividends agreed by the competent body until the moment of acquisition. Explicit interest is understood as that obtained from applying the contractual interest rate of the financial instrument.

Likewise, when the dividends distributed are unequivocally from results generated after the date of acquisition, because greater amounts than the profit generated by the subsidiary since acquisition have been distributed, they are not reported as revenue and decrease the book value of the investment.

The amount of the financial revenue accrued associated with collection rights from concession agreements forms part of the net turnover.

e.1.4) Impairment losses on financial assets

The book value of financial assets is adjusted by the Company against the income statement when there is objective evidence that there has been an impairment loss.

In order to determine impairment losses on financial assets, the Company evaluates the possible losses both on individual assets as well as groups of assets with similar risk characteristics.

- Debt instruments

There is objective evidence of impairment of debt instruments, understood as the accounts collectable, debt securities and loans, when after their initial reporting, an event arises that involves a negative impact on their estimated future cash flows.

The Company considers assets to be impaired (doubtful assets) in the case of debt instruments for which there is objective evidence of impairment that fundamentally refers to the existence of bad debt, non-

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compliance, refinancing and the existence of information that proves the possibility of not being able to recover the future flows agreed or that cause a delay in collection.

In the case of financial assets valued at depreciated cost, the amounting of the impairment losses is equal to the difference between their book value and the present value of future cash flows it is estimated will be generated, discounted at the effective interest rate that exists at the moment of initial recognition of the asset. For financial assets at variable interest rate, the effective interest rate on the closing date of the annual accounts is used. For trade and other receivables, the Company considers balances that have overdue items for which there is no certainty of collection and balances of companies that have applied for an arrangement with creditors. The Company considers the substitute value for instruments listed at market value to be the present value of the future cash flows, as long as this is sufficiently reliable.

Reversal of impairment is recognised as revenue in the income statement and it is limited to the book value of the financial assets that would have been recorded on the date of reversal if the value impairment had not been recorded.

- Equity instruments

There is objective evidence of impairment of equity instruments when an event occurs after their initial recognition, or a combination of such that involves not being able to recover their book value due to a prolonged or significant decrease in their recoverable value.

In the case of equity instruments valued at cost, included in the category of "investments in the equity of group, multi-group and associated companies", the impairment loss is calculated as the difference between the book value and the recoverable amount, which is the higher amount between their fair value less sales costs and the present value of the future cash flows arising from the investment. Unless there is better evidence, the estimation of impairment is based on the equity of the investee company, adjusted by the amount of the unrealised gains existing at the date of valuation. These losses are recorded in the income statement, directly decreasing the equity instrument.

Reversal of valuation adjustments due to impairment is recorded in the income statement with the limit to the book value the investment would have on the reversal date if the impairment had not been recorded, for investments in equity of group, multi-group and associated companies.

Financial liabilities

e.1.5) Classification and measurement

The financial liabilities held by the Company are classified under the following categories:

- *Debts and items payable*

These are debts and items payable of the Company that have originated in the purchase of assets and services under the Company's trade operations, or also those that, whilst not of trade origin, cannot be considered as derivative instruments.

These are initially valued at the fair value of the consideration received, adjusted by the transaction costs directly assignable to them.

Subsequently they are valued for their amortised cost.

However, debits from commercial operations with a maturity of no more than one year and which do not have a contractual interest rate, as well as disbursements demanded by third parties on holdings, the amount of which is expected to be paid short term, are valued, both initially and later, at their nominal value if the effect of not adjusting the cash flows is not significant.

- *Hedge derivatives:*

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This includes financial derivatives classified as hedge instruments.

Financial instruments that have been defined as a hedge instrument or as items hedged are valued as established in the relevant note of the accounting and measurement standard that applies to them.

e.1.6) Cancellation or retirement of financial liabilities

The Company retires financial liabilities when the obligation has expired.

When an exchange of debt instruments takes place, as long as these have substantially different conditions, the Company accounts for the retirement of the original financial liability and recognises the new one that arises. The same applies to registration of a substantial modification of the current present conditions of a financial liability.

The difference between the book value of the financial liability or the part thereof that has been derecognised, and the consideration paid, including the transaction costs attributable, and which includes any asset assigned other than the cash amount or liability assumed, is reported in the income statement of the financial year when it arises.

When there is an exchange of debt instruments that do not have substantially different conditions, the original financial liability is not derecognised on the balance sheet, recording the amount of the fees paid as an adjustment in their accounting value. The new amortized cost of the financial liabilities is determined by applying the effective interest rate, which is that which equals the book value of the financial asset on the date of amendment with the cash flows to be paid according to the new conditions.

Equity instruments

An equity instrument represents a residual participation in the net worth of the Company, after all its liabilities have been deducted.

Capital instruments issued by the Company are recorded in the net worth for the amount received, net of the costs of issue.

Hedges

The Company uses financial derivatives to cover the risks to which its future cash flows are exposed. Those risks are mainly variations in exchange rates and interest rates. Within the framework of those operations, the Company contracts financial hedge instruments.

For these financial instruments to be classified as hedges, they are initially designated as such by documenting the hedge relationship. At the same time, the Company initially and periodically checks during the lifetime of the relationship (at least at each year-end) that the hedge is effective, that is to say that it can be prospectively expected that the changes in the cash flows of the hedged item (attributable to the risk hedged) are almost completely offset by those of the hedging instrument and that, retrospectively, the income from the hedge has varied within a variation range of 80% to 125% in respect of the income from the hedged portion.

For the purpose of hedge accounting, hedges are classified as:

Fair value hedges when hedging the exposure to changes in the fair value of a recognized asset or liability;

Cash flow hedges when hedging exposure to variability in cash flows that is either attributable to a particular risk associated with a recognized asset or liability or a forecast transaction;

Hedges of a net investment in a foreign operation.

The Company uses the following type of hedges which are recognised as described below:

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- Cash flow hedges: In this type of hedge, the portion of the gains or losses on the hedge instrument that has been determined as an effective hedge is reported in the net assets on a transitory basis, charged to the income statement for the same period in which the element that is subject to hedge affects the results, except if the hedge relates to a planned transaction that results in the recognition of a non-financial asset or liability, in which case the amounts recognised in equity are included in the cost of the asset when it is acquired or of the liability when it is acquired or assumed.

The hedge accounting ceases to take place when the hedging instrument matures or is sold, expires or is exercised, or if it no longer meets the criteria for hedge accounting. At that time any cumulative gain or loss corresponding to the hedge instrument that has been recorded in equity is held there until the anticipated transaction has occurred. If the hedging transaction is not longer expected to occur, any cumulative gains or losses recognised in equity are transferred to the net profit or loss for the period.

f) Inventories

Inventories are valued at their acquisition price, production cost or net realisable value, whichever is the lower. Trade discounts, rebates obtained, other similar items and interest included the nominal amount of the debts are deducted when setting the acquisition price.

Production cost includes the costs of direct materials and, where applicable, direct labour and the reasonable portion of the costs indirectly attributable to the related assets for the period of construction or manufacture, including the amortisation of research expenses when they have been capitalised, specific related management or administration costs, resulting losses and decommissioning obligations arising from the production of inventories.

The net realisable value represents the estimate of the sale price minus all the costs estimated to conclude its manufacture and the costs that shall be incurred in the processes of marketing, sales and distribution.

For Company stocks that do not require a time exceeding one year to be in saleable condition, financial expenses are not added to the acquisition price or production cost.

When the net realisable value of the inventories is lower than their acquisition price or their production cost, the appropriate valuation adjustments are performed, recognising them as an expense in the income statement. For raw materials and other consumable materials in the production process, no valuation adjustment is made if the finished products into which they are to be incorporated are expected to be sold above cost.

In the case of stocks that require a period of time exceeding one year to be in saleable condition, the cost includes the financial expenses that have been issued by the provider or are for loans or another kind of specific or generic outside financing, directly attributable to their acquisition or manufacture.

The FIFO method is used by the Company to assign value in its inventories.

- *Gas Emission Allowances*

On 27 August 2004 Royal Decree 5/2004 was published which regulated the system for trading greenhouse gas emission allowances. This Royal Decree was the result of the transposing Directive 2003/87 of 13 October on Trading Greenhouse Gas Emission Allowances to the Spanish legal system.

Subsection seven of Royal Decree 5/2004, which regulated the system for trading greenhouse gas emission allowances, established that during the period of validity of the allocations of carbon dioxide emission allowances (EUAs), the Company could swap 7.9% of the total allocation for carbon emission rights (CERs).

Royal Decree 1722/2012, of 28 December approved the National Plan for the Allocation of Greenhouse Gas Emission Allowances for the period 2013-2020. The list of facilities shows those belonging to the Company. The gas emission allowances allocated to the Company through its JVs were for zero tons for the years 2016 and 2015.

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After Royal Decree 602/2016, of 2 December, came into force, which amended the General Chart of Accounts approved under Royal Decree 1514/2007, of 16 November, amongst others, as from 1 January 2016 the accounting classification of greenhouse gas emission allowances changed from intangible assets to inventories.

In consequence, at the close of 2015 the emission allowances appeared in the assets of the balance sheet, under the heading of intangible assets, as "Emission Allowances ", while at the close of 2016 they still appear on the asset side of the balance sheet, but under the heading inventories, with the name of raw materials and other supplies. Emission allowances cannot undergo accounting depreciation.

Greenhouse gas emission allowances are measured at acquisition price or market value, whichever is the lower. However, in the case of allowances acquired at no cost, the acquisition price is considered as being their fair market value at the time of acquiring them.

Emission allowances are deregistered when sold to third parties, when they expire, or are surrendered to the Administration.

The emission allowances acquired at no cost have a balancing entry in "Assets, grants, donations and legacies received" on the balance sheet.

The Company records a short term provision called "Provision for emission allowances", recorded under Trade Payables in the liabilities of the balance sheet, as the greenhouse gas emissions are produced. That provision is maintained in the liabilities on the balance sheet until the moment when the relevant emission allowances for the emissions produced are delivered to the Administration.

The amount of those expenses and of the corresponding provision is calculated considering that the obligation will be cancelled by the Administration transferring the emission allowances to the Company, free of charge.

When gas emission during the year makes it necessary for the Company to acquire additional emission allowances to those allocated by the Administration, the relevant expense for that shortfall in allowances is valued at the market price of the allowances at the close of the financial year.

g) Cash and other cash equivalents

This heading comprises cash at banks and at hand, current accounts and deposits and temporary acquisitions of assets that fulfil all the following requisites:

- They are cash convertible.
- Their maturity did not exceed three months at the time of acquisition.
- They are not subject to a significant risk of change in value.
- They form part of the normal Company cash flow management policy.

For the purposes of the cash flow statements, occasional overdrafts forming part of the Company cash management are included as less cash and other equivalent liquid assets.

h) Transactions in currencies other than the euro

The functional currency used by the Company is the euro. Therefore, operations in currencies other than the euro are considered to be denominated in a currency other than the euro and are recorded according to the exchange rates in force on the dates of the operations.

At year end, the monetary assets and liabilities denominated in a currency other than the euro are converted using the closing exchange rate. Gains or losses from foreign currency transactions are recognized directly in the income statement as they occur.

Any non-monetary items valued at historic cost are valued by applying the exchange rate on the date of the transaction.

Any non-monetary items valued at fair value are valued by applying the exchange rate on the date of

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determining the fair value. Exchange differences are recorded directly in equity if the non-monetary item is valued against equity and in the income statement if valued against the result of the financial year.

i) Income tax

The cost or revenue from Income Tax includes the portion relative to the current tax cost or revenue and the portion corresponding to the deferred tax cost or revenue.

Current tax is the amount that the Company pays as a result of paying income tax relating to one year. Any deductions and other tax benefits in the tax charge, excluding any withholdings and payments made on account, and the tax losses that can be offset from previous years and applied effectively in this year, give rise to a lower amount of current tax.

Any deferred tax cost or revenue corresponds to the recognition and cancellation of the deferred tax assets and liabilities. These include any temporary differences that are identified as those amounts that are foreseen to be payable or recoverable, arising from the differences between the book values of the assets and liabilities and the taxable basis value, and the negative tax bases still to be offset and the credits for tax deductions that have not been applied. Those amounts are recorded by applying to the corresponding temporary difference or credit the charge at the rate at which it is expected to be recovered or paid.

On 28 November 2014, Act 27/2014 on Corporation Tax was published, which, in transitory provision thirty four i), establishes an applicable tax rate for 2015 of 28 per cent and, in Article 29, an applicable rate of 25 per cent for 2016 and subsequent years. The Company adjusted its assets and liabilities for timing differences (note 19).

Deferred tax liabilities are recognized for all taxable temporary differences, except those arising from the initial recognition of the goodwill or other assets and liabilities in a transaction that has no effect on the taxable profit or loss or on the accounting profit or loss, and is not a business combination, and also those associated to investments in subsidiaries, associates and joint ventures in which the Company is able to control the timing of the reversal of the temporary difference and it is probable that they will not reverse in the foreseeable future.

Deferred tax assets are only recognized to the extent that it is considered probable that the Company will have future taxable gains available against which they can be made effective.

Deferred tax assets and liabilities originating in transactions with charges or payments directly made in equity accounts are also entered with a balancing entry in equity.

At each closing of the accounts the recorded deferred tax assets are reviewed, and appropriate adjustments are made to the extent that there are doubts as to their future recovery. Also, at each closing of accounts, the deferred tax assets not recorded on the balance sheet are assessed and recognised to the extent that it has become probable that future taxable profit will enable them to be recovered.

The deferred tax assets and liabilities are valued at the tax rates expected at the moment of their reversal, according to the current regulations approved, and according to the manner in which it can be reasonably expected to recover or pay the deferred tax asset or liability.

Deferred tax assets and liabilities are not discounted and are classified as non-current assets and liabilities.

Sacyr, S.A. and its subsidiaries that fulfil the terms established in R.D.L. 4/2004 of 5 March that approves the consolidated text of the Company Tax Act have opted, by resolution by the respective Governing Bodies of each Company, to adhere to the Tax Consolidation System, issuing the relevant notification to the Tax Agency, forming the consolidated tax group 20/02, the parent company of which is Sacyr, S.A., with Tax Identification Number A-28013811.

As it fulfils the terms established in Act 43/1995 of the Company Tax Act, the Company has opted to avail itself of the Tax Consolidation System by resolution by the Governing Bodies, along with the rest of the companies comprising the consolidated tax group.

j) Income and expenses

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Revenue is recognised when it is probable that the Company may receive the profit gain arising from the transaction and the amount of the revenue and costs incurred or to be incurred may be valued reliably. Revenue is valued at the fair value of the consideration received or to be received, deducting any discounts, price reductions and other similar amounts that the Company may grant, as well as, where appropriate, the interest included in the nominal amount of the credit. The indirect taxes on the operations that may be passed on to third parties do not form part of the revenue.

Revenue from sales is recognised when the significant risks and rewards of ownership of the goods sold have been transferred to the buyer, and the Company neither continues to manage the goods nor retains effective control over them.

With regard to revenue for provision of services, these are recognised considering the degree of completion of the service on the balance sheet date, as long as the result of the transaction may be reliably estimated.

The interest received on financial assets is reported using the effective interest rate method and dividend income is recognised when the shareholder's right to receive payment has been established. In any case, interest and dividends for financial assets paid after acquisition are recognised as revenue on the income statement.

Income and expenses are recorded according to the principle of accrual, that is, at the moment when the goods or services represented by them are provided, regardless of when actual payment or collection occurs.

However, following the prudence concept, the company only records profits realisedat the year end, while foreseeable risks and potential losses are recorded as soon as they are identified.

k) Provisions and contingencies

In the drafting of the annual accounts, the Sole Director of the Company has differentiated between:

- Provisions: credit balances that cover current obligations arising from past events, the cancellation of which is likely to originate an outgoing of resources, but that is undefined as to the amount and/or moment of cancellation.
- Contingent liabilities: possible obligations arising as a consequence of past events, the materialization of which is conditioned to one or several future events occurring beyond the control of the Company.
- Contingent assets: Contingent assets are possible assets that arise from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the company.

Provisions are reported on the balance sheet when the Company has a current obligation (either due to a legal or contractual provision or other implicit or tacit obligation), arising as a consequence of past events, that it is deemed probable to give rise to an outflow of resources to pay for it and that can be quantified. The contingent liabilities are not recognised in the annual accounts, but information is provided on them in the Notes in the Report, to the extent that they are not considered to be remote. Contingent assets are not recognised in the annual accounts; however, the Company has to disclose their existence provided that it is probable that these assets will give rise to benefits.

Provisions are valued at the current value of the best calculation possible of the amount necessary for cancelling or transferring the obligation taking into account the information available on the event and its consequences, and recording the adjustments that arise from updating those provisions as a financial expense as they become due. Provisions maturing at one year or less that do not have a significant financial effect are not discounted.

Provisions are reviewed at each reporting date and these are adjusted in order to reflect on the best present estimate of the relevant liabilities at each moment.

The compensation to be received from a third party at the moment of liquidating the obligation, as long as there are no doubts that said reimbursement will be received, is recorded as an asset, except in the case of there being a legal relation through which part of the risk has been externalised, and by virtue of which the Company is not bound to respond; in that circumstance, the compensation shall be taken into account to estimate the amount for which, if appropriate, the relevant provision shall be recorded.

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The policy on contingencies and expenses is to make provisions for the estimated amount of probable or certain liabilities arising from legal proceedings in progress, compensation or obligations pending, and for guarantees and other similar commitments. These are recorded as soon as the liability or obligation arises.

The provision for conclusion of the works, included on the balance sheet liabilities under the name of Short and Long Term Provisions, relates to the estimated amount of the possible obligations to conclude the works, payment of which may not yet be determined with regard to their exact amount, or it is uncertain with regard to the date when it will take place, depending on fulfilment of certain conditions. The provisions shall be made according to the best estimates of annual accrual on the basis of experience in the sector.

l) Items of equity of an environmental nature

Environmental assets are deemed to be those used on a continuous basis in the Company's activity, the principal purpose of which is to minimise the environmental impact and to protect and improve the environment, including the reduction or elimination of any future pollution.

Costs incurred to acquire systems, equipment, and installations for the purpose of eliminating, mitigating or monitoring the potential environmental impact of activities carried out in the normal course of business are recorded as investments in fixed assets.

Other environment-related expenses that do not concern the acquisition of fixed assets are recorded as expenses for the year.

With regard to possible contingencies that may arise in environmental matters, the Sole Director considers that these are sufficiently covered by the civil liability insurance policies they have taken out.

m) Grants, Donations And Legacies

The company applies the following criteria to account for subventions, donations and legacies received:

- Non-refundable capital grants, donations and legacies: these are valued at the fair value of the amount or asset granted, according to whether they are monetary or not. They are accounted for as revenue directly recorded in Equity and they are allocated to gains or losses according to the provision for depreciation made in the period for the assets for which the grants were received or, where appropriate, on disposal of the asset or on the adjustment for an impairment, except for those received from shareholders or owners which are recognised directly in equity and do not give rise to the recognition of any income.
- Refundable grants: while they are refundable they are accounted for as liabilities.
- Operating grants: they are credited to income when granted, except if used to finance operating deficit for future financial periods, in which case they shall be allocated to those financial periods. If granted to finance specific expenses, the allocation shall be made to the extent that the expenses financed fall due.

n) Joint business

The Company records joint ventures on the balance sheet that are not recorded through company incorporation, but rather when a holding is taken through a Joint Venture (Consortia), according to the stake held, accounting for the proportional part of the assets jointly controlled and the liabilities incurred jointly, as well as the assets subject to joint operation that are under its control and the liabilities incurred as a consequence of the joint business.

The income statement is used to record the proportional part of the revenue generated and the expenses incurred in the joint venture that are due to the Company, as well as the expenses incurred in relation to its stake in the joint venture.

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Similarly, the statement of changes in equity and in the cash flow statement also includes the proportional part of the amounts of the items of the joint business due to the Company according to the percentage of its holding.

The results not realised in transactions between the Company and the joint venture are eliminated in proportion to the stake. The amounts of assets, liabilities, revenue, expenses and reciprocal cash flows are also eliminated.

The relevant notes of this report provide a breakdown for each significant item on the balance sheet and the income statement with the relevant amounts of the joint ventures.

On 31 December 2016, the Company holds stakes in the Joint Ventures and with the activity detailed in Note 11.

o) Transactions between related parties

Transactions with related parties are carried out and recorded at their fair value according to the criteria and methods established in section 6 of the Conceptual Framework of the General Chart of Accounts in force and the valuation rules detailed above.

There is adequate documentary evidence of the prices of operations carried out with related parties, for which reason the Sole Director of the Company considers there are no risks that may give rise to any significant tax liabilities.

p) Classification of assets and liabilities as current and non-current

Assets and liabilities are presented on the balance sheet classified as current and non-current. To this end, assets and liabilities are classified as current when they are linked to the normal operating cycle of the Company and are expected to be sold, consumed, realised or liquidated within that term; those whose maturity, disposal or realisation is expected to take place within one year; those classified as held for trading, except for long term derivatives; and cash and other cash equivalents. The rest shall be classified as non-current.

q) Commitments for long-term employee benefits

Defined Benefit Plans

The contributions made to the defined benefit plan are charged to the profit and loss on an accrual basis. At year end, any contributions accruing and not paid are recorded in liabilities, under the heading "Trade and other accounts payable- Staff Personal (outstanding remuneration)".

r) Termination indemnities

Under the labour laws in force, the Company is bound to pay compensation to employees with whom it terminates labour relations under certain circumstances. Compensation for dismissal that can be reasonably quantified is recorded as an expense in the financial year in which there is a valid expectation, created by the Company with regard to third parties affected.

5. Intangible fixed assets

The breakdown and movements of this chapter of the balance sheets for 2015 are shown below:

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	Opening balance at 31/12/2014	Entries	Increases or decreases for transfers	Changes in % holding in JVs	Disposals, retirements or reductions	Final Balance at 31/12/2015
Cost:						
Gas Emission Allowances	64,435.00	-			(7.27)	64,427.73
Patents, licences, brands and similar	5,951.10	-			-	5,951.10
Computer software	830,584.10	273,630.42	-	-	-	1,104,214.52
Other intangible assets	-	243,432.00			-	243,432.00
Concession Agreement, regulated assets (note 6)	46,518,711.21	-	4,792.98	-	(115,178.88)	46,408,325.31
Concession Agreement, capitalised fin. (Note 6)	2,188,894.09	462,805.12	-	-	-	2,651,699.21
Advance for concession agreement, regulated asset (note 6)	244,895.56	-	(4,792.98)	-	(158,305.28)	81,797.30
Total cost	**49,853,471.86**	**979,867.54**	-	-	**(273,491.43)**	**50,559,847.17**
Depreciation:						
Patents, licences, brands and similar	(5,951.10)	-	-	-	-	(5,951.10)
Computer software	(765,765.24)	(50,073.72)	-	-	-	(815,838.96)
Other intangible assets	-	(12,645.81)	-	-	-	(12,645.81)
Concession agreement, regulated asset (note x)	(13,201,500.08)	(2,388,793.56)	-	-	-	(15,590,293.64)
Total amortisation	**(13,973,216.42)**	**(2,451,513.09)**	-	-	-	**(16,424,729.51)**
Total impairment	-	-	-	-	-	-
Total	35,880,254.44	(1,471,645.55)	-	-	(273,491.43)	34,135,117.66

ADDITIONS FOR THE PERIOD

- Additions under the heading Computer Software mainly correspond to purchases of cartographic bases for collecting data for R&D&i projects amounting to 84,337.75 euros and the Guadalajara JV for the software of the "Smart City" application for the amount of 180,006.04 euros.

- The addition in Other intangible fixed assets fully corresponds to assignment rights under the lease agreement for the property in "La Vega" Industrial Estate, where the facilities of the Chiloeches Plant are located.

- The addition under the heading Concession Agreements, capitalisation of finances, comes from the JVs: Butarque for the amount of 71,435.12 euros and Hornillos for 391,370 euros. Both cases fulfil the requisites of the financial expenses being identifiable and recoverable over the life of the contract

DISPOSALS FOR THE PERIOD

- The disposal of Gas Emission Allowances relates entirely to the Butarque JV.

- The disposals for both the Concession Agreements, regulated assets, and those for Advances on Concession Agreements, relate entirely to the TEM JV, as a result of the adjustments made on the property for the final amount of the work carried out in the Plant.

TRANSFERS DURING THE PERIOD

- The transfers for Concession Projects correspond to the amount that formed part of the advance under the concession agreement for the TEM JV and which, in subsequent analysis, was considered should be recognised as a Concession Agreement for the amount of 4,792.98 euros during 2015.

The breakdown and movements of this chapter of the balance sheets for 2016 are shown below:

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	Opening Balance at 31/12/2015	Entries	Increases or decreases for transfers	Changes in % holding in JVs	Disposals, refinements or reductions	Final Balance at 31/12/2016
Cost:						
Gas Emission Allowances	64,427.73	-	(64,427.73)	-	-	-
Goodwill	-	2,022,100.89	-	-	-	2,022,100.89
Patents, licences, brands and similar	5,951.10	16,666.69	-	-	-	22,617.79
Computer software	1,104,214.52	8,098.36	2,590.80	76,888.29	(79,408.69)	1,112,383.28
Other intangible assets	243,432.00	-	-	-	-	243,432.00
Concession Agreement, reg. assets (note 6)	46,408,325.31	301,974.79	210,645.18	-	-	46,920,945.28
Concession Agreement, capitalised fin.	2,651,699.21	384,358.88	-	-	-	3,036,058.09
Advance for concession agreement, regulated asset (note 6)	81,797.30	415,885.19	(210,645.18)	-	(1,364.73)	285,672.58
Total cost	**50,659,847.17**	**3,149,084.80**	**(61,836.93)**	**76,888.29**	**(80,773.42)**	**53,643,209.91**
Depreciation:						
Fondo de comercio	-	(108,209.95)	-	-	-	(108,209.95)
Patentes, licencias, marcas y similares	(5,951.10)	(4,861.12)	-	-	-	(10,812.22)
Computer software	(815,838.96)	(62,492.62)	-	(1,728.36)	79,408.69	(800,651.25)
Other intangible assets	(12,645.81)	(37,937.46)	-	-	-	(50,583.27)
Concession Agreement, reg. assets (note 6)	(15,590,293.64)	(2,491,256.43)	-	-	-	(18,081,550.07)
Total amortisation	**(16,424,729.51)**	**(2,704,757.58)**	**-**	**(1,728.36)**	**79,408.69**	**(19,051,806.76)**
Total impairment	-	-	-	-	-	-
Total	**34,235,117.66**	**444,327.22**	**(61,836.93)**	**75,159.93**	**(1,364.73)**	**34,591,403.15**

ADDITIONS FOR THE PERIOD

- Additions under the heading of Goodwill are due to the two acquisitions made during the year, one being the purchase from the partner of practically his entire holding in the Guadalajara JV, creating goodwill of 2 million euros, and the other being the purchase from another partner of his holding in the Galapagar JV for the rest, i.e. 22,100.89 euros, which will be amortised over 10 years.

- The addition in Patents, licences and brands relates to a patent for marketing tyre powder generated in the Chiloeches Plant, and on which an R+D project is being undertaken with other Spanish and European companies.

- The additions in Computer Software mainly relate to the purchase of the software "Arbomap" for managing the parks and gardens maintenance service for the amount of 6,412.12 euros.

- The additions under the heading Concession Agreements, regulatory asset, come from the Joint Ventures: TEM for the amount of 241,660.87 euros, Hornillos for 21,480.10 euros and Edar Cariño JV for 38,833.81 euros:

- The addition under the heading Concession Agreements, capitalization of finances, comes from the Butarque JV for the amount of 384,358.88 euros, meeting the requirement that financing expenses have to be identifiable and recoverable during the life of the contract.

- The additions under the heading of Advances on Concession Agreements, regulatory asset, come from the TEM JV for the amount of 415,885.19 euros for the construction in progress of various superheaters and economisers which will come into operation during 2017.

DISPOSALS FOR THE PERIOD

- The disposal under Computer Software corresponds mainly to the dissolution of the Manzanares JV in respect of the computer software contained on its balance sheet, which was completely amortised.

TRANSFERS DURING THE PERIOD

- The transfer of gas emission allowances corresponds to the amount forming part of this heading until 2015 and which, due to the change of accounting standards, is not considered as inventory.

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- The transfer under the heading Computer Software corresponds to invoices mistakenly recorded under Data Processing Equipment that have been transferred to this heading to correct them.

- The transfers for Concession Projects correspond to the amount that formed part of the advance under the concession agreement for the TEM JV and which, in subsequent analysis, was considered should be recognised as a Concession Agreement for the amount of 210,645.18 euros during 2016.

CHANGES IN THE PERCENTAGE OF HOLDING IN THE JVs

In this column, the adjustments made for changes in the holding in the different JVs are shown.

In 2016, the Company acquired part of its holding from a partner in the Guadalajara JV, and now holds 99.99% as opposed to the 70% of the previous year.

The JVs contribute a total amount of 28,746,719.43 euros to the preceding table (30,001,128.51 euros in 2015). The most significant JVs in 2015 and 2016 are as follows:

2015	BUTARQUE JV	EDAR CARIÑO JV	SEVILLA GARDENS JV	TEM JV	HORNILLOS JV	OTHER JOINT VENTURES	TOTAL JVs
Net value:							
Emission allowances	64,427.73	-	-	-	-	-	64,427.73
Concessions	-	-	-	-	-	-	-
Computer software	-	-	5,390.52	-	-	181,126.52	186,517.04
Concession agreement, regulated asset	6,216,032.89	978,060.89	-	6,928,224.72	12,894,368.72	-	27,016,687.22
Capitalisation	670,077.22	-	-	-	1,981,622.00	-	2,651,699.22
Advances for Concession Agreement	-	-	-	81,797.30	-	-	81,797.30
Total net value	**6,950,537.84**	**978,060.89**	**5,390.52**	**7,010,022.02**	**14,875,990.72**	**181,126.52**	**30,001,128.51**

2016	BUTARQUE JV	EDAR CARIÑO JV	GUADALAJARA JV	TEM JV	HORNILLOS JV	OTHER JOINT VENTURES	TOTAL JVs
Net value:							
Computer software	-	-	233,800.97	-	1,333.34	6,584.34	241,718.65
Concession agreement, regulated asset	-	950,699.33	-	6,503,944.64	12,056,160.84	5,672,464.69	25,183,269.50
Capitalisation	704,506.59	-	-	-	2,331,551.50	-	3,036,058.09
Advances for Concession Agreement	-	-	-	285,672.58	-	-	285,672.58
Total net value	**704,506.59**	**950,699.33**	**233,800.97**	**6,789,617.22**	**14,389,045.68**	**5,679,049.03**	**28,746,718.82**

In 2016 the Company recognised goodwill from having acquired shares and holdings in the Guadalajara JV and the Galapagar JV, for a price higher than the net worth.

When Royal Decree 602/2016, of 2 December came into force, amending the General Chart of Accounts approved under Royal Decree 1514/2007, of 16 November, amongst others, as from 1 January 2016, unless proved otherwise, for the depreciation of goodwill is assumed that the useful life is ten years and can be recovered on a straight-line basis. Consequently, goodwill was amortised in 2016 for the amount of 108,209.95 euros.

All the intangible fixed assets of the Company are used for corporate activities inherent to its business and are located within the country.

During 2015 and 2016, the Company has not purchased any items of intangible assets from group companies and associates.

At the close of 2015 and 2016, the Company had fully amortised elements of the intangible fixed assets that remained in use, as detailed below:

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Description	Book value (gross)	
	2016	2015
Computer Software	531,818.54	602,223.83
Patents, licences, brands and similar	5,951.10	5,951.10
Total	537,769.64	608,174.93

On the above table, the JVs represent 42,604.44 euros (103,774.41 euros in 2015).

The Butarque JV holds Gas Emission Allowances and these are detailed both in euros and in units according to the following percentage of ownership the Company holds in the consortium in 2015:

Changes in euros	ALLOWANCES in euros				
	Balance at 31/12/2014	Additions	Sales	Surrender of allowances	Balance at 31/12/2015
CO2 allowances subsidised	64,435	-	-	(7)	64,428
Total allowances	64,435	-	-	(7)	64,428

Changes in units of measurement	ALLOWANCES in units					
	Nº of allowances at 31/12/2014	Additions	Sales	Consumption	Surrender of allowances	Nº allowances at 31/12/2015
CO2 allowances subsidised	12,414	-	-	-	(1)	12,413
Total allowances	12,414	-	-	-	(1)	12,413

As a consequence of the halt in activity by the plant during 2015, the European Union Registry for Emission Allowances did not assign the Butarque JV free CO2 emission rights for 2015.

After Royal Decree 602/2016, of 2 December, came into force, which amended the General Chart of Accounts approved under Royal Decree 1514/2007, of 16 November, amongst others, as from 1 January 2016 the accounting classification of greenhouse gas emission allowances changed from intangible assets to inventories, forming part of raw materials and other supplies. Consequently, the Company made the accounting transfer at that date.

The Group's policy is to take out all insurance deemed necessary to hedge potential risks that could affect its intangible fixed assets.

The Company has capitalised financial expenses within the Concession Agreement heading of the intangible fixed assets amounting to 384,358.88 euros in 2016 and 462,805.12 euros in 2015, arising from the Butarque JV amounting to 34,429.37 euros and 349,929.50 euros for the Los Hornillos JV, (71,435.12 euros and 391,370.00 euros in 2015 respectively). The total financial expenses capitalised since the beginning amounts to 22,653,439.46 euros, (22,269,080.59 euros in 2015). The criteria followed to determine those expenses is as follows: the acquisition price or production cost includes the financial expenses issued by the provider, or that arise from specific and generic third party financing directly assignable to acquisition or construction of the fixed assets, accrued during 2016 or 2015, associated with the assets that require a period of time exceeding 1 year to be available for use.

6. Concession Agreements

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The main concession agreements by the Company have the following characteristics:

CONCESSION	PUERTOLLANO CAR PARK	HORNILLOS PLANT	CALANCRIAS PLANT	BUTARQUE JV	PARQUE DE GUADARRAMA	LA PALOMA JV	TEM JV
Date awarded	26/04/2007	10/02/2005	28/06/2006	25/11/1999	20/11/2006	01/10/2002	05/07/2007
CUSTOMER	Puertollano Council	EMRE	AJEMSA	Madrid Council	Guadarrama	Madrid Council	Exclusive Route N. Consort.
CLASSIFICATION	Intangible fixed assets	Mixed Type	Financial assets	Intangible fixed assets	Financial assets	Financial assets	Intangible fixed assets
YEARS OF CONCESSION	38	25	20	25	13	21	15
END OF CONCESSION	26/04/2045	10/02/2030	04/07/2022	16/12/2028	01/02/2020	01/10/2023	31/12/2024
TOTAL INVESTMENT	4,018,927.92	142,046,704.00	4,808,097.00	22,737,903.05	1,110,904.00	35,547,890.00	69,575,550.00
Net value Intang. Ass. at 31/12/2016	3,203,642.06	12,056,169.84	-	5,672,464.69	-	-	6,503,944.64
Net value Intang. Ass. at 31/12/2015	3,536,226.72	12,894,368.72	-	6,216,032.89	-	-	6,928,224.71
Net value Intang. Ass. at 31/12/2014	3,643,115.19	13,754,056.70	-	6,759,941.99	-	-	7,814,599.64
Collection Rights 31/12/2016	-	47,857,160.26	1,253,612.71	-	459,648.37	5,523,380.24	-
Collection Rights 31/12/2015	-	48,103,304.42	1,353,013.33	-	527,652.17	6,416,133.59	-
Collection Rights 31/12/2014	-	50,188,006.98	1,435,978.33	-	573,874.06	7,288,762.06	-
Type of action in previous years:							
Conservation	335,271.95	9,599,754.18	311,997.20	-	-	-	-
Replacement and major repairs reversal or infrastructure	-	-	-	127,007.05	-	-	-
Improvements or increases in capacity	-	-	-	240,286.79	-	-	-
Conservation, replacements and major repairs	3,113.94	1,545,572.17	150,933.27	-	-	-	-
Reversal of infrastructure improvements or increases in capacity	-	-	-	43,357.09	-	-	-
Type of action in 2016:							
Conservation	2,571.62	772,756.09	137,548.44	-	-	-	-
Replacement and major repairs	-	-	-	21,410.18	-	-	-
Reversal of infrastructure	-	-	-	-	-	-	-
Improvements or increases in capacity	-	-	-	-	-	-	-
Type of action in future years:							
Conservation	737,156.43	13,770,150.15	382,805.37	-	-	-	-
Replacement and major repairs	-	-	53,339.75	101,646.80	-	-	-
Reversal of infrastructure	-	-	-	-	805,349.30	-	-
Improvements or increases in capacity	-	-	-	269,903.74	-	-	-
Finance expenses capitalised in the pe	-	20,619,273.88	-	598,642.09	-	-	-
Financial Expenses 2015	-	445,502.00	-	71,435.12	-	-	-
Financial Expenses 2016	-	349,929.50	-	34,429.37	-	-	-

6.1 PUERTOLLANO CAR PARK

a) Description of the agreement and accounting classification of the consideration received:

On 26/04/2007, the Company VSM, S.A. signed a concession agreement with the City Council of Puertollano for construction and subsequent operation of a parking facility in Puertollano. The construction phase ended in March 2011 and its operation commenced in April 2011.

The Company classified the consideration received as an Intangible Fixed Asset, as it consists of the right to collect the relevant tariffs according to the degree of use of the public service provided, there being a minute based tariff collected in cash and a different monthly subscriber one that is charged by standing order. Therefore, the Company assumes the risk established in the concession agreement. The net value

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at which the concession is recorded in the Intangible Fixed Assets on 31 December 2016 is 3,203,642.06 euros (3,536,226.72 euros in 2015).

b) b) Relevant terms of the agreement:

The concession agreement is for a term of 38 years, so the concession term will end on 26 April 2045. The total amount of the investment agreed is 4,018,927.92 euros which is the final cost of the parking facility, an amount that shall be recovered through operation with subscribers and by rotation, also foreseeing the sale of spaces when the parking area is used subject to payment, but no sale has been formalised to date. The appraisal price for the sale of spaces is 16,713 euros excluding VAT, and the price is subject to review depending on demand. The price of the rotation and subscription of spaces is set according to the rates in force established by the Administration.

c) Nature and scope:

c.1) Rights to use certain assets

The concession agreement includes the right of the City Council to use 20 spaces during the whole term of the concession, spaces valued at 413,000 euros.

c.2) Obligations to provide or rights to receive provision of services.

The Company has the obligation to provide management of the above ground parking (SER), the tow-truck vehicle disposal services and operation of another underground parking facility that already exists in Puertollano for 20 years.

c.3) Obligations and rights at the end of the concession period

At the end of the concession period, the Company is bound to hand over all the assets forming the heading "concession agreement" under optimal conditions for use.

c.4) Renewal and termination options

The concession agreement may be extended up to a maximum of 50 years.

The concession agreement includes the following termination agreements:
- The concession holder ceases to have legal status.
- Declaration of bankruptcy, receivership, creditors' proceedings, bankrupt insolvent or release and postponement arrangement.
- Mortgage enforcement declared vacant or impossibility to initiate mortgage enforcement proceedings due to lack of parties authorised for the purpose.
- Mutual agreement between the concession grantor and the concession holder.
- Seizure of the concession for a term exceeding that established as the maximum, without the contractor having guaranteed complete assumption of its obligations.
- Delay of more than six months by the City Council in paying the concession holder the amount of the consideration, providing the land or the mandatory auxiliary means specified in the contract.
- Cancellation of the operation by the City Council.
- Suppression of the service for reasons of public interest.
-Impossibility to provide the service due to agreements adopted by the Administration after the contract.
- Abandonment or failure by the concession holder to fulfil its contractual obligations.
- Any other causes specifically considered in the regulations in force or in the contract.

d) Relevant figures of the Economic Financial Plan

The relevant figures recorded in the Economic Financial Plan of the concession agreement are the estimated traffic volume (ADT), calculated according to similar parking concessions; the estimated Consumer Price Index, that has been considered as 3% for the whole life of the concession; and the

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interest rate for the associated debt, for which an average interest has been considered for third party external financing of the Company.

6.2 HORNILLOS PLANT

a) Description of the agreement and accounting classification of the consideration received:

On 10/02/2005, the Hornillos JV signed a concession agreement with Metropolitan Agency for Waste Treatment in Valencia, consisting of management of the existing plant, as well as execution and operation of a waste treatment plant in Quart de Poblet. The Company has classified the consideration received as intangible fixed assets and financial assets, due to it being a mixed model, as it receives a fixed and another variable fee according to the tonnes treated. The net value that records this concession in the intangible fixed assets in December 2016 is 12,056,160.84 euros (12,894,368.72 euros in 2015) and in Collection Rights for 47,857,160.26 euros (48,103,304.42 euros in 2015).

b) Relevant terms of the agreement:

The concession agreement for building the Waste Treatment Plant is 30 months from award, for building of the Transfer Station it is a maximum of 30 months, conditioned to when the testing starts, and the building of the Ecoparks is a maximum term of 5 years from the date of award. Moreover, operating the facilities built shall take place up to 2030. The total amount of the investment agreed is 142,046,704 euros. The tariff structure and its review is annual. The contract distinguishes between two types of fees: operating fee and depreciation fee. T The operating fee is according to the tonnes treated and it may be reviewed annually on 1 January every financial year, according to a polynomial formula that includes the average cost indexes pondered in the collective bargaining agreement, energy product index and Consumer Price Index in the Autonomous Region of Valencia. The depreciation fee for the investments is not reviewable as it is considered independent of the tonnes processed by the facility, and it is charged so it ensures recovery of the investment as a fixed amount calculated on the basis of 400,000 tonnes per annum.

c) Nature and scope:

c.1) Rights to use certain assets

The concession agreement includes the right to use the existing plant as well as the facilities built. As a fee for use and operation on the land where the new plant is built, the contractor, the Hornillos JV, is bound to pay a fee of 8 million euros, increased by 60,000 euros for each 1,000 square metres over and above the present area of the facility. That fee for use shall be paid as follows: 4 million after one month from the beginning of the building work and the rest in twentieths until the end of the concession.

c.2) Obligations to provide or rights to receive provision of services.

The Company has the obligation to provide the services contained in the award contract and amended on 9 March 2005.

a. To execute the works and installations defined in the management project.
b. To ensure the service is in good working order.
c. To compensate damage to third parties.
d. To admit all users authorised by the EMTRE to the service.
e. To provide the services itself.
f. To comply with the laws in force.

Moreover, the Company is entitled to receive the operating fee from the EMTRE according to the number of tonnes processed on the premises, as well as the depreciation fee multiplied by 400,000 tonnes per annum.

c.3) Obligations and rights at the end of the concession period.

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At the end of the concession period, the Company is bound to hand over all the assets forming the heading "concession agreement" in perfect working order and conservation, for which a technical inspector shall be assigned 20 months prior to termination of the contract to certify that the installation is in perfect order, reporting any defect he may notice in it.

c.4) Renewal and termination options

The concession agreement does not include any renewal option.

The concession agreement includes the following termination agreements:
- Breach of the contractor's obligation to keep confidential the data or records related to the object of the contract.
- Breach by the contractor of any of the obligations set out in the contract.

d) Relevant EFP figures

The relevant figures recorded in the Economic Financial Plan in the concession agreement are the volume of tonnes treated stated by the EMTRE in the Tender Specifications Sheet, the estimated Consumer Price Index and the interest rate estimated for the associated debt. A figure of 2.5% was considered for the Consumer Price Index over the 20 years of the concession, due to it being considered adequate for the contractual price review contract (Consumer Price Index in the Autonomous Region of Valencia). The interest rate used in the EFP is that considered by the banking syndicate that finances the project (between 4.25% and 4.90% of the senior debt).

6.2 CALANDRIAS PLANT

a) Description of the agreement and accounting classification of the consideration received:

On 28/06/2006, the Company signed an agreement with Verinsur, S.A. to assign its contractual position with the company Aguas de Jerez Empresa Municipal, S.A., in its concession consisting of the operation, conservation and maintenance of the installations forming "Las Calandrias" Composting and Recycling Plant located in Jerez de la Frontera, Cadiz. The Company has classified the consideration received as a Financial Asset as there is no demand risk due to the amount collected being a fixed fee. The net amount at which this concession is recorded on 31 December 2016 for Collection Rights is 1,253,612.71 euros (1,353,013.33 euros in 2015).

b) Relevant terms of the agreement:

The concession agreement is for a term of 20 years that may be extended for a minimum period of 1 year, up to a maximum of 50 years, so the concession term will end on 4 July 2022, the amount of the annual fixed fee in force is 6,075,292.08 euros, including VAT, and annual price reviews shall be established as of the first year of the contract with a polynomial formula based on the Consumer Price Index.

c) Nature and scope:

c.1) Rights to use certain assets.

The concession agreement considers the awardee bearing the expense of the following supplies:

g. The fungible products required to maintain the Plant.
h. The electricity consumed.
i. Drinking water consumption.
j. Telephone bills
k. Any other supply required for correct operation of the plant.

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c.2) Obligations to provide or rights to receive provision of services.

The Company has the obligation to pay operating fees at the time of award amounting to 4,808,097 euros, also specifying the following services as the object of the contract
- Maintenance of the facilities
- Removal of residues produced.
- Repair of deteriorated elements.
- Maintaining a round the clock surveillance service.
- Notifying the awardee of any incident.

c.3) Obligations and rights at the end of the concession period

At the end of the concession period, the Company has the obligation to continue with the service until a new concession holder takes charge of it, as well as to deliver the installations in perfect working order, leaving the facilities vacant and clear.

c.4) Renewal and termination options

The concession agreement states a maximum of 50 years to provide the service, including extensions.

The concession agreement includes the following termination options:
- For breach of the Clauses contained in the contract or due to deficient performance.
- Due to extinction of the juridical status of the company or its bankruptcy.
- Due to mutual agreement between the company and the subcontractor.
- Due to fraudulent handling.

d) Relevant EFP figures

The relevant figures recorded in the Economic Financial Plan of the concession agreement are the number of tonnes treated, the increase in staff, the estimated consumer price index, taking that of the National Institute for Statistics and the estimated interest rate for the related debt as the average for the Company.

6.4 BUTARQUE JV

a) Description of the agreement and accounting classification of the consideration received:

On 25/11/1999, the Company signed an agreement with the City Council of Madrid for construction and operation, for a 25 year term, of a Thermal Sludge Drying Plant at the Butarque Sewage Plant, the operation of which commenced in December 2002. The Company participates in the concession through the consortium UTE Butarque, a joint venture in which its stake is 70%.

The Company has classified the consideration received as an intangible fixed asset, due to it consisting of the right to collect the relevant tariffs according to the degree of use of the public service provided. The net value at which this concession is recorded in the Intangible Fixed assets in December 2016 is 5,672,464.69 euros (6,216,032.89 euros in 2015).

The concession contract establishes the remuneration for operation of the Thermal Drying Plant by means of three fees received by the JV, which are as follows:

- Depreciation fee per tonne: Depreciation fee per tonne. It is a variable amount depending on the volume of sludge that undergoes thermal drying. The applicable price per tonne was established at the beginning of the concession and may not be reviewed.

- Operating fee per tonne: This shows the maintenance, conservation and operating costs of the installation. It is a variable amount according to the volume of sludge that undergoes thermal drying, and it may be reviewed annually according to the formula established in the concession condition

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sheet.

- Composting fee: This corresponds to the sludge received by the plant, but which cannot be processed by it for justifiable reasons, so it must undergo a conventional composting process. The amount is variable according to the volume and may be reviewed annually according to the formula established in the terms of the concession.

b) Relevant terms of the agreement:

The concession agreement is for a term of 25 years, so the concession term will end on 16 December 2028. The contract establishes the monthly certification of the tonnes of sludge processed at the plant at the fees mentioned above. It also foresees an annual price review of the operating and composting fees, although not the depreciation fee.

c) Nature and scope:

c.1) Rights to use certain assets

The concession agreement considers the right to use all the existing assets at the plant in order to be able to fulfil the obligation stipulated in the contract to perform thermal drying of the sludge entering the plant from the different treatment plants of the City Council of Madrid

c.2) Obligations to provide or rights to receive provision of services.

The Company is entitled to receive the aforementioned fees from the City Council of Madrid for each tonne treated.

c.3) Obligations and rights at the end of the concession period

At the end of the concession period, the Company is bound to hand over all the assets forming the heading "concession agreement" in good condition for use.

c.4) Renewal and termination options

The concession agreement does not include any renewal option.

The concession agreement considers a possible renewal clause for any breach of any clause or terms set forth in the contract.

c.5) Other rights and obligations

The concession agreement does not consider other rights and obligations beyond those mentioned above.

d) Relevant figures of the Economic Financial Plan

The relevant figures recorded in the Economic Financial Plan of the concession agreement are those of the tonnes of sludge, the estimated index of consumer prices and the estimated interest rate for the related debt.

The business of the concession was directly affected by RD 661/2007, which regulated the activity of electricity production under the special regime. On 13th July the Official State Gazette published RD 9/2013 which approved the new juridical and economic regime for electricity production facilities based on renewable energy sources, cogeneration and waste, repealing all pieces of legislation of lesser or equal rank in everything that contradicts or opposes the terms set forth therein, and in particular, the Sole Repeal provision specifically repeals RD 661/2007.

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This new regulatory framework entails a reduction in the turnover expected for future financial years, which is not accompanied by a parallel cost reduction.

6.5 PARQUE DE GUADARRAMA

a) Description of the agreement and accounting classification of the consideration received:

On 20/11/2006, the Company signed a concession agreement with the City Council of Guadarrama consisting of management of the public service of conservation, cleaning, maintenance and improvement of parks, plantations and outdoor spaces in that municipal district. In addition to this, as an improvement, it proposed the construction of a park and its subsequent maintenance. The Company has classified the consideration received as a Financial Asset due to there being no demand risk due to a fixed fee being charged. The net amount at which this concession is recorded on 31 December 2016 for Collection Rights is 459,648.37 euros (527,652.17 euros in 2015).

b) Relevant terms of the agreement:

The concession agreement is initially for an extendable term of 13 years, up to a maximum of 50 years, so the concession term will end on 1 February 2020; in 2012 it was extended for a further 2 years until 2022. The total amount of the investment agreed is 1,110,904 euros, including VAT, and price reviews shall be established annually as of the second year of the contract, with a polynomial formula based on the Euribor and the Consumer Price Index.

c) Nature and scope:

c.1) Rights to use certain assets

The concession agreement provides the right to use the building for the term of the contract, with the obligation for the contractor to provide a telephone landline and to paint and disinfect it at least once a year.

c.2) Obligations to provide or rights to receive provision of services.

The Company is bound to provide the conservation services for the park areas in the municipal district, including the investment in improvements agreed with the City Council.

c.3) Obligations and rights at the end of the concession period

At the end of the concession period, the Company has the obligation to continue with the service until a new concession holder takes charge of it, as well as to deliver the installations in perfect working order.

c.4) Renewal and termination options

The concession agreement states a maximum of 50 years to provide the service, including extensions.

The concession agreement includes the following termination options:
- For breach of the clauses contained in the contract
- Due to mutual agreement between the company and the subcontractor.
- Due to causes of force majeure.

d) Relevant EFP figures

The relevant figures recorded in the Economic Financial Plan of the concession agreement are the fee with the relevant price reviews, the estimated consumption price index and the estimated interest rate for the related debt, figures that have been reasonably determined.

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6.6 LA PALOMA JV

a) Description of the agreement and accounting classification of the consideration received:

On 01/11/2002, the consortium La Paloma, formed by Urbaser with 62% and VSM with 38%, signed a concession agreement with the City Council of Madrid consisting of operating a Treatment Centre and, in order to adapt it to the new legal, administrative and technical requires, the company winning this tender shall carry out work to adapt the present facilities, as well as the operating systems of that Centre to meet the new requirements imposed under the most recent environmental legislation and, in particular, the commitments acquired by the City Council of Madrid on adhering to the Convention signed by the Autonomous Region of Madrid (CAM) and ECOEMBES.

The Company has classified the consideration received as a Financial Asset, as the consideration received consists of an unconditional right to receive cash, which allows recovery of the investment made, obtaining a reasonable margin. A depreciation fee of 1,602,817.20 euros is received for residual waste and 401,094.85 euros for packaging waste. Therefore, the Company assumes the risk established in the concession agreement. Net value recorded for this concession under Collection Rights on 31 December 2016 is 5,523,360.24 euros (6,416,133.59 euros in 2015).

b) Relevant terms of the agreement:

The concession agreement is for a term of 21 years, so the concession term will end on 1 November 2023, the total amount of the investment agreed is 35,547,890 euros. The different operating fees were reviewed in December 2011, and the depreciation for years 2008 to 2010, with the fees for 2011 and following years pending review.

c) Nature and scope:

c.1) Rights to use certain assets

The concession agreement provides the right to use the existing plant until the moment when the new plant is built.

c.2) Obligations to provide or rights to receive provision of services.

The Company has the obligation to provide manual and semi-automatic packaging services and to process the organic waste in composting tunnels. The Company is also entitled to receive the relevant fees from the City Council of Madrid, both for compensation as well as operation.

c.3) Obligations and rights at the end of the concession period

At the end of the concession period, the Company is bound to hand over all the assets under the heading "Concession Agreement" in perfect working order.

c.4) Renewal and termination options

The commercial agreement provides the option of renewal for a non-extendable period of 2 years.

d) Relevant figures of the Economic Financial Plan

The relevant figures recorded in the Economic Financial Plan of the concession agreement are the volume of tonnes processed, the estimated Consumer Price Index and the interest rate estimated for the related debt, figures that have been determined in a reasonable manner.

6.7 TEM JV

a) Description of the agreement and accounting classification of the consideration received:

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On 05/07/2007, the consortium TEM, in which VSM, S.A. held a stake of 46.99% at the end of financial year 2015, signed a concession agreement with the Consortium for Municipal Waste Treatment of Maresme consisting of the enlargement, adaptation and operation of the Integral Waste Recycling Centre of Maresme.

The JV has classified the consideration received as an Intangible Fixed Asset due to the consideration received consisting of the right to collect the relevant tariffs according to the degree of use of the public service provided. The net value at which this concession is recorded in the Intangible Fixed Assets at 31 December 2016 is de 6,503,944.64 euros (6,928,224.71 euros in 2015).

b) Relevant terms of the agreement:

The concession agreement is for a term of 15 years, so the concession term will end on 31 December 2024, according to the economic administrative specifications sheet, the total amount of the investment agreed is 69,575,550 euros ex-VAT, plus extensions to the initial concession contract: amended in value by 4,394,874.70 euros and the Riera works amounting to 645,789.25 euros.

Operation of the facilities shall be remunerated according to the operating fees tendered, under normal load conditions. Annual price reviews are established. The operating fees are calculated according to each processing area of the centre and the remuneration is performed on the basis of different composition of fixed costs, variable costs, revenue guaranteed from energy and revenue guaranteed by the materials recovered.

c) Nature and scope:

c.1) Rights to use certain assets

The concession agreement provides a fee for use of the facilities charged to the TEM JV, valued at 9,957,507 euros, which corresponds to the cadastral value established in 2006. A rate of 3.39% is applied to that base, the fee for 2010 being 337,559.49 euros. The fee for 2016 is 363,412.14 euros. (367,082.97 euros in 2015.). That fee will be for a period of 15 years, to be reviewed every year according to the Consumer Price Index published.

c.2) Obligations to provide or rights to receive provision of services.

Concession Holder's Rights

1) To operate the public works and receive the financial remuneration established in the contract
2) To make use of the products and by-products obtained from operating the facilities, including the energy.
3) To receive the relevant compensation in each case, for proven damage it may suffer during the performance of the contract for reasons attributable to the Consortium.

c.3) Obligations and rights at the end of the concession period

At the end of the concession period, the Company must revert the service in perfect working order of all the existing elements, installations and materials, and the new elements related to the activity, even though not physically located in the processing facility, such as spare parts and mobile machinery, among others.

c.4) Renewal and termination options

The concession shall be extinguished on the completion of the term expiring, or due to termination. In the event of the concession term expiring, the Consortium shall consider the possibility of 3 additional extensions of 5 years until completing 15 additional years. In any event, once the concession term has

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expired, the concession holder must ensure the continuity of the service until a new concession holder takes it over.

The causes of termination of the contract are:

1) The concession holder ceases to have legal status as a company.
2) Declaration of bankruptcy or receivership, creditors' proceedings.
3) The surrender of the service
4) Mutual agreement by the Consortium and the TEM JV (concession holder)
5) Failure of the TEM JV (concession holder) to provide a definitive Guarantee, or special supplementary guarantees within the term, for those cases foreseen by law, and failure to formalise the contract within the term.
6) Delay in fulfilment of the terms by the TEM JV.
7) Suspension by the Public Administration of commencement of building work for more than 8 months.
8) Not formalising the administrative contract within the time period established, for causes attributable to the TEM JV.
9) If, once the suspension of the concession has been lifted, the concession holder repeats the same the causes that gave rise to that suspension.

d) Relevant figures of the Economic Financial Plan

The relevant figures recorded in the Economic Financial Plan of the concession agreement are the volume of tonnes processed, the estimated Consumer Price Index and the interest rate estimated for the related debt, figures that have been determined in a reasonable manner.

7. Property, plant and equipment

The breakdown and movements of this chapter of the balance sheets for 2015 are shown below:

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	Opening Balance at 31/12/2014	Entries	Increases or decreases for transfers	Changes in % holding in JVs	Disposals, retirements or reductions	Final balance at 31/12/2015
Cost:						
Land and Buildings	7,191,845.61	-	-	-	-	7,191,845.61
Technical plant	24,609,959.52	242,794.05	238,959.42	3,291.21	(128,160.45)	24,966,843.75
Machinery	21,279,315.56	1,989,661.46	-	-	(699,562.11)	22,569,414.91
Equipment and other installations	12,795,684.55	541,991.17	-	875.00	(163,009.67)	13,175,541.05
Items of Transport	43,388,367.96	3,707,178.16	-	-	(507,327.40)	46,588,218.72
Fixtures	1,091,632.42	27,279.37	-	-	(5,159.94)	1,113,751.85
Data proc. Equipment	943,683.29	64,701.01	-	845.49	(55,707.26)	953,522.53
Other assets	38,749,015.38	3,548,996.03	-	-	(70,039.03)	42,227,972.38
Advances on PPE	142,085.13	2,344,307.91	(238,959.42)	-	(9,198.29)	2,238,235.33
Total cost	**150,191,589.42**	**12,466,909.16**	**-**	**5,011.70**	**(1,638,164.15)**	**161,025,346.13**
Depreciation:						
Buildings	(1,814,199.04)	(239,229.93)	-	-	-	(2,053,428.97)
Technical plant	(10,359,975.59)	(2,111,966.59)	-	(752.81)	168,335.85	(12,304,359.14)
Machinery	(13,871,920.30)	(2,025,198.42)	-	-	644,827.79	(15,252,290.93)
Equipment and other installations	(7,350,511.56)	(1,487,379.95)	-	(200.20)	132,204.32	(8,705,887.39)
Items of Transport	(24,546,973.65)	(4,240,731.12)	-	-	437,625.77	(28,350,079.00)
Fixtures	(899,977.47)	(63,458.56)	-	-	5,159.94	(958,276.09)
Data proc equipment	(594,029.05)	(85,598.59)	-	(193.49)	55,707.26	(624,113.87)
Other assets	(17,594,012.87)	(3,479,381.83)	-	-	33,910.54	(21,039,484.16)
Total depreciation	**(77,031,599.53)**	**(13,732,944.99)**	**-**	**(1,146.50)**	**1,477,771.47**	**(89,287,919.55)**
Impairment:						
Technical plant	(261,906.70)	-	-	-	112,243.64	(149,663.06)
Machinery	(1,051,696.00)	(344,160.00)	-	-	-	(1,395,856.00)
Items of Transport	(132,585.00)	(605,568.02)	-	-	-	(738,153.02)
Other assets	(1,445,507.00)	-	-	-	-	(1,445,507.00)
Total impairment	**(2,891,694.70)**	**(949,728.02)**	**-**	**-**	**112,243.64**	**(3,729,179.08)**
Total	70,268,295.19	(2,215,763.85)	-	3,865.20	(48,149.04)	68,008,247.50

ADDITIONS FOR THE PERIOD

- Additions for Technical Facilities mainly include:

52,953.62 euros for LED lighting in street maintenance in Leganés, 51,654.82 euros for renovating the offices in Leganés, 10,793.70 euros for supplying LED for the facilities in Triatge de Molins and the refurbishment of the changing rooms of the Guadalajara JV for 24,234.78 euros.

- In Machinery the most significant amounts registered during the period are:

1,413,954.88 euros for the machinery taken over by the Guadalajara JV from the previous contract holder of the service, a sweeper, a lifting platform and two machines, one a crusher and the other a backhoe in the Gestyona JV for the amount of 106,062.65 euros, a Cleango sweeper for 142,400 euros for the cleaning service in Guadalajara, 40,015.00 euros for a sprayer for maintaining the Golf Barberán golf course and 34,017.45 euros in blades, an extender and a Meyer generator for the Chamartín district of Lot 2 of the cleaning contract in Madrid.

- in Equipment and other installations mainly comprised of:

62,004.65 euros for a cabin for the paint workshop for the Madrid Lots, 55,927.71 euros for refurbishing the premises in Calle Reus of Lot 3 corresponding to the La Latina district of the Madrid cleaning contract, 46,008 euros for a dividing wall for the Chiloeches plant, 40,558.56 euros for various electrical items for the service in Alcalá de Henares, 23,827.51 euros for the renovation of various sectors belonging to Lot 2 of the Madrid cleaning in the Chamartín district, 19,770.12 euros for several compressors for the Madrid Lots and 14,361.45 euros for a vacuum unit for trucks, also for the La Latina district in Madrid. Regarding the JVs, the most representative additions come from the Guadalajara JV with 26,635.35 euros for a fuel tank and various mobile column lifts and 20,009 euros for various items of workshop material, the Ilnet JV for 49,374.00 euros for the purchase of 155 containers for the service, Cointer with 32,578.00 euros for the purchase of 80 containers and 450 rubbish bins and the Patrimonio Jardines JV with 14,734.36 euros for various gardening tools.

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- In Items of Transport:

The additions recorded are due to a series of leasing agreements signed with different banks for the purchase of the items necessary under the various service contracts. The agreements with the most significant amounts correspond to the Madrid cleaning lots for the amount of 667,427.33 euros, the purchase of 10 trucks for the Poio collection service for the amount of 617,091.70 euros, the purchase of 10 vans for the amount of 343,176.64 euros for the Guadalajara cleaning service, 199,655.77 euros for the Alcalá de Henares contract, 148,012 for Majadahonda, 104,366.84 euros for 3 financial lease agreements and various purchases for the green zone service in Fuenlabrada, another leasing agreement for the amount of 82,074.50 euros for Chiloeches and another for 60,203.48 euros for Toledo. Regarding the JVs, the main purchases are 679,871.12 euros in the Guadalajara JV for 13 leasing agreements. 285,043.38 euros in the Gestyona JV for the purchase of a Volvo truck, a DAF, 2 Nissan and 6 leasing agreements and 47,730.64 euros in Lot III of the Movilidad JV in Madrid for the purchase of 5 Opel Corsa, 1 Piaggio van and the installation of cameras in the whole fleet of vehicles of the JV, and in the Trujillo JV 82,440.53 euros for the purchase of 5 vans and a compact van.

- Additions to Furnishings correspond mainly to:

Purchases made during the year for the Vicálvaro offices for the amount of 11,866.27 euros and 8,914.42 euros for a conference table and 10 work stations for the Leganés service.

- In Data processing equipment:

The additions relate mainly to the purchases made for updating the equipment for the management of parking meters in Madrid for the amount of 19,125.00 euros for updating the inventory and updating the PLC, purchasing a specific computer for R+D+i work for the amount of 11,737.92 euros, in addition to purchases of Black Dolphins with GSM, GPS and built in camera to manage parking meters in the city of Madrid, and 90 thermal printers for the Lote III JV for the amount of 13,890.96 euros and a computer and 60 thermal printers for the Lote IV JV for the amount of 9,689.62 euros.

- In Other Fixed Assets, the most significant amounts are as follows:

Beaconing work with bollards and fences, as well as purchase of waste paper bins for cleaning services in the city of Madrid amounting to 1,145,537.63 euros, the purchase of containers and work for putting them underground for the Leganés cleaning service for the amount of 778,425.07 euros, purchase and placing metal fencing and planting work in the Coslada in the service amounting to 195,802.18 euros, paving work in the Triatge de Molins Plant, e the purchase of a container-cleaner in the Gestyona JV for 57,999.50 euros and sundry purchases of containers in various other services such as Guía de Isora for 86,827.06 euros, Majadahonda for 59,879.70 euros, the Arona JV for 88,662.88 euros and the Trujillo JV for 79,982.50 euros.

- In Advances for property, plant and equipment the following are recognised:

The costs incurred in relation to the construction of a plant for converting plastics into hydrocarbons for the amount of 1,550,846.18 euros in Jerez and a leachate evaporation system for the amount of 408,159.56 euros which is at the trial stage in the Cadiz Plant, and for the installation of a new glass line with an additional warehouse and an Ecopark in Albalat de Sorrels for the Hornillos JV, all amounting to 385,302.09 euros.

DISPOSALS FOR THE PERIOD

- The disposals of Technical Facilities relate mainly to:

Abandoning the crane facility in Móstoles for the amount of 26,580.43 euros as the service was no longer being provided, and the Urgenet JV for 101,580.02 euros of fully depreciated assets as this JV is now being dissolved.

- In Machinery, the main disposals are:

The sale of a Volvo loading shovel for the amount of 130,061 euros which was being used in the Torrecilla Plant and which generated a profit of 30,000 euros and the depreciation of various sweepers, scrubbers and high pressure cleaners purchased in 2007 and 2008 which were no longer in condition for use due to being obsolete.

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- In Equipment and other installations the disposals mainly relate to:

The Haro sports facilities, as the contract was discontinued for the amount of 99,601.06 euros, and other equipment under the Catarroja contract for 11,187.48 euros and the already mentioned Mostoles crane for 1,980 euros. Regarding the JVs, Ilnet with 32,592 euros for disposals of containers, some of which were burnt and other reverted to the City Council, and Cointer with 6,823.60 euros for obsolete bins and containers.

- In Items of Transport:

The disposals from San Cucufato del Valle for the sale of a vehicle for the amount of 119,810.00 euros which gave rise to a profit of 92,060.17 euros, the 3 cranes of the Móstoles contract amounting to 30,000 euros, 3 vans of the contract for the Haro facilities for the amount of 21,620.38 euros and various other vehicles up to 9 years old which were out of service due to being obsolete or having broken down.

- Under the heading of Furnishings:

2,732.85 euros for the disposal of an office at the Mostoles crane facilities and 2,427.09 euros for the Alcobendas branch office.

- Under the heading of Data processing equipment most of the disposals correspond to:

29,078.21 euros from the equipment in the offices of the Móstoles crane, mentioned above, and fully depreciated assets for the amount of 20,544.51 euros of the Urgenet JV as it is being dissolved.

- In Other Fixed Assets, the disposals are entirely due to:

Catarroja for the amount of 1,900.00 euros, the Madrid lots for 9,667.70 euros, components of the parking meters of the Movilidad zona III JV for 40,391.76 euros and containers of the Arona JV for 8,625 euros.

TRANSFERS DURING THE PERIOD

- The transfers in Technical Facilities from the heading Advances on Property, Plant and Equipment correspond entirely to:

Two trommels, which are numbers 17 and 18 at the facilities of the Hornillos JV and which were in Advances on Property, Plant and Equipment during their trial period.

ADDITIONS FOR THE PERIOD

- In Machinery, the impairment calculated for the amount of 344,160 euros arising from the changes to the Alcalá de Henares contract.

- Items of Transport reflects the impairment calculated amounting to 542,430.27 euros arising from the changes to the Alcalá de Henares contract, 7,000 euros for the Guadalajara JV and 56,137.75 euros for the adjustment arising from the sale of fixed assets to the Gestyona JV at a profit, this being reduced by 56,137.75 euros due to being between companies of the same group.

DISPOSALS OF IMPAIRMENTS FOR THE PERIOD

- Technical Facilities records the impairment calculated in 2014 amounting to 112,243.64 euros of the underground containers in Sant Cugat del Vallés due to them being out of use and requiring replacement.

The breakdown and movements of this chapter of the balance sheets for 2016 are shown below:

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	Opening Balance at 31/12/2015	Entries	Increases or decreases for transfers	Changes in % holding in JVs	Disposals, retirements or reductions	Final balance at 31/12/2016
Cost:						
Land and Buildings	7,191,845.61	30,073.95	1,520,772.22	-	-	8,742,691.78
Technical plant	24,966,843.75	885,189.66	30,073.96	10,351.71	(4,107.83)	25,888,351.25
Machinery	22,569,414.91	685,811.55	-	603,960.73	(749.56)	23,858,437.63
Equipment and other installations	13,175,541.05	1,107,651.01	-	19,924.16	(23,683.15)	14,279,433.07
Items of Transport	46,588,218.72	10,332,755.52	543.59	290,402.09	(149,209.67)	57,062,710.25
Fixtures	1,113,751.85	9,162.64	-	619.74	(106,798.39)	1,016,735.84
Data proc. Equipment	953,522.53	74,535.58	(3,134.39)	2,068.18	(31,815.58)	995,176.32
Other assets	42,227,972.38	4,674,415.06	-	306,867.85	(756.00)	47,208,499.29
Advances on PPE	2,238,235.33	23,436.01	(1,550,846.18)	-	(157,542.67)	553,282.49
Total cost	**161,025,346.13**	**17,823,030.98**	**(2,590.80)**	**1,234,194.46**	**(474,662.85)**	**179,605,317.92**
Depreciation:						
Buildings	(2,053,428.97)	(293,135.65)	751.86	-	-	(2,345,812.76)
Technical plant	(12,304,359.14)	(1,849,114.44)	(751.86)	(345.08)	697.67	(14,153,872.85)
Machinery	(15,252,290.93)	(2,211,268.82)	-	(70,048.98)	14,687.69	(17,518,921.04)
Equipment and other installations	(8,705,887.39)	(1,513,537.99)	-	(767.83)	24,213.38	(10,195,979.83)
Items of Transport	(28,350,079.00)	(4,834,356.29)	(543.59)	(4,890.28)	130,562.64	(33,059,306.52)
Fixtures	(958,276.09)	(52,181.88)	-	(31.01)	102,524.90	(907,964.08)
Data proc equipment	(624,113.87)	(108,428.05)	252.76	(245.18)	31,815.58	(700,718.76)
Other assets	(21,039,484.16)	(3,834,268.71)	290.83	(7,089.86)	144.70	(24,880,407.20)
Total depreciation	**(89,287,919.55)**	**(14,696,291.83)**	**-**	**(83,418.22)**	**304,646.56**	**(103,762,983.04)**
Impairment:						
Technical plant	(149,663.06)	-	-	-	119,162.79	(30,500.27)
Machinery	(1,395,856.00)	-	-	-	-	(1,395,856.00)
Items of Transport	(738,153.02)	-	-	(2,990.00)	17,392.68	(723,750.34)
Other assets	(1,445,507.00)	(21,289.82)	-	-	-	(1,466,796.82)
Total impairment	**(3,729,179.08)**	**(21,289.82)**	**-**	**(2,990.00)**	**136,555.47**	**(3,616,903.43)**
Total	68,008,247.50	3,105,449.33	(2,590.80)	1,147,785.24	(33,460.82)	72,225,431.45

ADDITIONS FOR THE PERIOD

- Additions for Land and Constructions mainly include an addition of the Hornillos JV for the amount of 30,073.95 euros for various improvements in the administration building.

- Additions for Technical Facilities mainly include:

130,111.12 euros for two lifting platforms for the Ibiza contract, the LED lighting in the offices of the Alcalá de Henares contract for 24,865.67 euros, the conditioning of the workshops and the industrial warehouse in Albacete for 60,474.97 euros and the Hornillos JV for 441,870.71 euros for introducing several wear-resistant plates into different tunnels in the plant, and the Movilidad de Madrid Lot II JV automatic licence plate reading devices for the amount of 107,987.40 euros.

- In Machinery the most significant amounts registered as additions during the period are:

39,830 euros of Machinery for the Sopela gardening service, 46,812.38 euros for other machinery for gardening in Vigo, 45,106 euros for a lifting platform for Alcalá de Henares, 43,364.49 euros for various mowers for the Getafe service, 51,500 euros for the new pulverising equipment installed in the disused tyres plant in Chiloeches and 49,056.68 euros for different items of machinery for the Viladecans; in the JVs, mention is made of the purchase and installation of various cylinders and cowelling for the trommels of the Plant of the Calandrias JV for the amount of 108,750 euros.

- in Equipment and other installations mainly comprised of:

23,645.21 euros for improvements in items of pneumatic cleaning equipment for Leganés, 200,079.12 euros for improvements in the facilities for the cleaning contract of Albacete, 136,917.89 euros for the installation of a natural gas filling station for the Ibiza contract, 56,087.36 euros for the construction of lockers in the service of Villanova I La Geltrú and 128,893 euros for fire protection equipment in the Torreles de Llobregat Plant. With regard to the JVs, the most representative additions come from the Ilnet JV with 320,463.60 euros for purchasing almost a thousand containers of different types and the RM2 JV for 77,434.08 euros.

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- In Items of Transport:

The additions recorded are due to a series of leasing agreements signed with different banks for the purchase of the items necessary under the various service contracts. The contracts with the most significant amounts correspond to the Ibiza contract for the amount of 4,692,286.42 euros, the Albacete contract for the amount of 1,656,835.43 euros, the Polo service for the amount of 227,110 euros, the Burgos service for the amount of 372,111.33 euros, the work under the Fuenlabrada contract for 143,500 euros, for the collection service in Alcalá de Henares for 116,000 euros, the Torrejón de la Calzada service for 119,000 euros, the Catarroja contract for 123,798 euros, the contract of Villanova I La Geltrú, 503,060.33 euros and with regard to the JVs, for the Guadalajara JV for the amount of 841,157.19 euros.

- Additions to Furnishings correspond mainly to:

Purchases made during the year for the offices of the Madrid branch office for the amount of 2,075 euros and 4,591.76 euros for several tables and work positions for the Alcobendas JV.

- In Data processing equipment:

The additions are mainly due to purchasing GPS for the street cleaning vehicles in Coslada for the amount of 10,767.38 euros, and GLS for the vehicles of the Arona JV, plus 22,117.80 euros of the Ilnet JV.

- In Other Fixed Assets, the most significant amounts are as follows:

Beaconing work with bollards and fencing as well as the purchase of waste-paper bins for the Madrid cleaning service for the amount of 849,934.38 euros, the purchase of containers and placing them underground for the Polo cleaning service for the amount of 536,183 euros, buying and placing containers in the Ibiza service for the amount of 971,406.27 euros, buying and placing containers for collecting solid urban waste in Mislata; as for the JVs, the largest contribution is from the Guadalajara JV with 1,006,344.26 euros for the purchase and assembly of containers and a further 442 containers with varying capacities for the As Pontes JV for the amount of 154,710.90 euros

- Several additions were recorded in Advances for Property, Plant and Equipment, the most representative being:

The costs incurred in relation to the construction of a workshop-warehouse for the vehicles of the Ibiza service for the amount of 12,179.35 euros.

DISPOSALS FOR THE PERIOD

- The disposals of Technical Facilities related mainly to:

The staff monitoring device at the Seville office which had broken down for the amount of 3,410.15 euros..

- In Equipment and other installations the disposals mainly relate to:

The theft of a Nikon laser level for the amount of 4,727.40 euros, the dismantling of several screens at the Seville office for the amount of 6,768.20 euros, and various items of tools assigned to the Villafranca de los Barros project for the amount of 8,562.47 euros.

- In Items of Transport:

Disposals arising from the dissolution of the Boadilla JV for the amount of 71,697.64 euros which were fully amortised and for the disposal of various vehicles in the Alcalá de Henares contract and the street cleaning contract of Fuenlabrada for 24,216 euros and 28,850.62 euros respectively, which had become unusable due to being obsolete or breakdown

- Under the heading of Furnishings:

The amount of 102,524.90 euros due to the disposal of various former rooms in the Seville office, which were already fully amortised.

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- Under the heading of Data processing equipment most of the disposals correspond to:

Disposals arising from the dissolution of the Boadilla JV for the amount of 10,716.97 euros which were fully amortised and 19,414.89 euros coming from the equipment in the Seville office, which was fully amortised.

- In Other Fixed Assets, the disposals are entirely due to:

The Madrid lots for 756 euros.

TRANSFERS DURING THE PERIOD

- The transfers in Land and Buildings from the heading Advances on Property, Plant and Equipment correspond entirely to:

To the Alcalá de Guadalete plastic plant and to its facilities, which instead of being sold to Cassandra, were capitalised and leased.

- The transfer under the heading of Data Processing Equipment goes to Intangible Fixed Assets under Computer Software and corresponds to some bills mistakenly booked which had been transferred to this heading for correction.

ADDITIONS FOR THE PERIOD

- Other Fixed Assets reflects the impairment calculated for the amount of 21,289.82 euros for the Ilnet JV for the containers that were no longer serviceable and had to be replaced.

- Items of Transport reflects the impairment calculated amounting to 542,430.27 euros arising from the changes to the Alcalá de Henares contract, 7,000 euros for the Guadalajara JV and 56,137.75 euros for the adjustment arising from the sale of fixed assets to the Gestyona JV at a profit, this being reduced by 56,137.75 euros due to being between companies of the same group.

DISPOSALS OF IMPAIRMENTS FOR THE PERIOD

- Technical Facilities records the impairment calculated in 2014 amounting to 112,243.85 euros of the underground containers in Sant Cugat del Vallés due to them being out of use and requiring replacement.

- Items of Transport reflects the disposal for the impairment calculated for 7,000 euros for the Guadalajara JV and for 7,402.68 euros for the adjustment arising from the sale of fixed assets to the Gestyona JV at a profit

CHANGES IN THE PERCENTAGE OF HOLDING IN THE JVs

In this column, the adjustments made for changes in the holding in the different JVs are shown.

In 2015, the Company acquired 10% of its holding from a partner in the Guadalajara JV, and now holds 90% as opposed to the 80% of the previous year.

In 2016, the Company acquired part of its holding from a partner in the Guadalajara JV, and now holds 99.99% as opposed to the 70% of the previous year.

All the property, plant and equipment of the Company are used for corporate activities inherent to its business and are located within the country.

The JVs contribute a total amount of 13,131,138.50 euros to the preceding table (12,843,131.58 euros in 2015). The most significant in thousands of euros are:

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2015	GARDELEGUI JV	ILNET JV	RSU CADIZ JV	LOT 3 PARKING METERS	LOT 4 PARKING METERS	OTHER JVs	Amount JVs	Net figures
Net value:								
Land and Buildings	1,300,660.55	-	-	-	-	890.22	1,301,550.77	1,301,550.77
Technical plant	617,487.85	572,641.82	188,961.59	1,455,258.95	1,282,607.21	1,253,285.29	5,370,242.71	5,370,242.71
Machinery	-	-	-	1,879.70	0.00	2,639,895.63	2,641,775.33	2,641,775.33
Other facilities	-	-	-	-	23,219.41	78,076.15	101,295.56	101,295.56
Tools	-	286,064.51	105,656.01	-	1,398.56	188,054.43	581,173.51	581,173.51
Items of transport	-	727.73	6,763.66	43,889.72	33,006.81	2,193,276.69	2,277,664.61	2,277,664.61
Fixtures	-	-	-	1,640.24	-	12,439.94	14,080.18	14,080.18
Data processing equip.	-	204.05	-	38,061.10	25,641.61	26,670.40	90,577.16	90,577.16
Other fixed assets	-	799.40	-	-	-	2,877,668.59	2,878,467.99	2,878,467.99
Advances on PPE	-	-	-	-	-	279,229.51	279,229.51	279,229.51
Deterioration PPE	-	-	-	-	-	(2,692,925.75)	(2,692,925.75)	-2,692,925.75
Total net value	**1,918,148.40**	**860,437.51**	**301,381.26**	**1,540,729.71**	**1,365,873.60**	**6,856,561.10**	**12,843,131.58**	12,843,131.58

2016	GARDELEGUI JV	ILNET JV	RSU CADIZ JV	LOT 3 PARKING METERS	LOT 4 PARKING METERS	OTHER JVs	Amount JVs	Net figures
Net value:								
Land and Buildings	1,119,167.36	-	-	-	-	(1,007,251.00)	111,916.36	111,916.36
Technical plant	519,699.53	-	-	1,370,032.72	1,137,891.14	1,926,827.25	4,954,450.64	4,954,450.64
Machinery	-	-	-	1,574.74	-	2,790,190.59	2,791,765.33	2,791,765.33
Other facilities	-	-	-	-	20,892.29	85,994.49	106,886.78	106,886.78
Fixtures	-	-	-	1,130.18	-	14,697.18	15,827.36	15,827.36
Tools	-	416,145.51	47,529.88	-	-	216,012.13	679,687.52	679,687.52
Data processing equip.	-	15,644.30	-	26,048.65	17,946.65	32,714.37	92,353.97	92,353.97
Items of transport	-	-	-	37,197.73	51,253.01	2,823,121.37	2,911,572.11	2,911,572.11
Other fixed assets	-	-	-	-	-	4,035,827.82	4,035,827.82	4,035,827.82
Advances on PPE	-	8,976.66	-	-	-	121,686.84	130,663.50	-2,699,812.89
Deterioration PPE	-	(21,289.82)	-	-	-	(2,678,523.07)	(2,699,812.89)	130,663.50
Total net value	**1,638,866.89**	**419,476.65**	**47,529.88**	**1,435,984.02**	**1,227,983.09**	**8,361,297.97**	**13,131,138.50**	13,131,138.50

The Company owns property whose separate value for the construction and the land, at the close of 2015 and 2016, is as follows:

Properties	2016	2015
Land	2,120,409.69	2,120,409.69
Buildings	6,622,282.09	5,071,435.92
Total	8,742,691.78	7,191,845.61

Regarding the heading Land, the largest item relates to the 12.5 hectare plot in Madrid, in the Finca La Torrecilla for the amount of 1,352,500 euros.

The Company has sold items of property, plant and equipment for a net figure of 24,216 euros in 2016 and 60,500 euros in 2015, having sustained a loss of 8,273.26 euros as a result of that sale in 2016 and a gain of 50,000 euros in 2015.

At the close of 2015 and 2016, the Company had fully depreciated items of property, plant and equipment that remained in use, as detailed below:

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Description	Book value (gross)	
	2016	2015
Construction	41,639.88	-
Technical plant	1,833,743.30	1,282,772.21
Machinery	5,155,181.72	3,963,007.18
Tools	1,109,567.22	516,292.29
Other facilities	1,484,099.64	529,362.39
Fixtures	640,070.64	559,578.64
Data processing equipment	371,202.40	310,248.81
Items of Transport	10,408,475.49	8,258,823.77
Other items of PPE	6,741,384.96	3,652,861.43
Total	27,785,365.24	19,072,946.72

Of the figures in the above table, the amount of 7,026,740.27 euros (4,192,276.82 euros in 2015) corresponds to JVs.

The Group's policy is to take out all insurance deemed necessary to hedge potential risks that could affect its property, plant and equipment.

There are no relevant costs for dismantling or withdrawal and the costs of major repairs are provided in fine detail in the note to the concession agreements.

Nor have there been purchases of fixed assets between companies in the group, the majority of disposals being due to obsolescence.

There are assets assigned to mortgage guarantees that are explained in Note 9b.

As indicated in Note 8, at the end of 2015 and 2016, the Company had contracted various financial lease operations on its property, plant and equipment.

8. Leases

Financial leases, with the Company acting as lessee

The net book value of property, plant and equipment acquired under financial leasing agreements on 31 December 2015 and 2016 is as follows:

	2015		
	Cost	Depreciation	VNC
Machinery	12,039,067.10	(9,007,911.12)	3,031,155.98
Items of Transport	39,058,679.92	(25,177,608.75)	13,881,071.17
Other assets	11,995,976.54	(10,135,647.62)	1,860,328.92
Tools	877,691.44	(763,795.86)	113,895.58
Other facilities	33,000.00	(24,200.00)	8,800.00
Technical plant	9,896,209.51	(1,398,755.83)	8,497,453.68
	73,900,624.51	(46,507,919.18)	27,392,705.33

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	2016		
	Cost	Depreciation	VNC
Machinery	11,789,639.01	-9,496,258.17	2,293,380.84
Items of Transport	45,105,534.66	-27,224,400.48	17,881,134.18
Other assets	8,587,661.86	-7,245,615.91	1,342,045.95
Tools	877,598.51	-810,023.04	67,575.46
Other facilities	33,000.00	-27,500.00	5,500.00
Technical plant	3,417,904.69	-850,581.19	2,567,323.50
	69,811,338.72	(45,654,378.80)	24,156,959.93

The cost value at which the financial lease assets were initially recognised was the present value of the minimum payments to be made at the moment of signing the financial lease agreement.

Out of the above total net book value, the figure of 5,136,993.83 euros (6,290,355.07 euros in 2015) comes from JVs the most significant being:

2015	LOT 3 PARKING METERS	LOT 4 PARKING METERS	ARONA JV	GUADALAJARA JV	PLASENCIA JV	OTHER JVs	TOTAL
Buildings	-	-	-	-	-	-	-
Machinery	-	-	-	-	-	166,002.49	166,002.49
Items of transport	-	-	666,482.00	923,028.00	180,289.00	1,470,861.78	3,240,660.78
Other assets	-	-	-	-	96,896.50	133,469.40	230,365.90
Tools	-	-	-	-	-	1,808.19	1,808.19
Technical plant	1,420,552.75	1,230,964.96	-	-	-	-	2,651,517.71
	1,420,552.75	1,230,964.96	666,482.00	923,028.00	277,185.50	1,772,141.86	6,290,355.07

2016	LOT 3 PARKING METERS	LOT 4 PARKING METERS	ARONA JV	GUADALAJARA JV	PLASENCIA JV	OTHER JVs	TOTAL
Machinery	-	-	-	-	-	86,376.71	86,376.71
Items of transport	-	-	423,838.50	1,585,328.09	155,132.50	151,514.25	2,315,813.34
Other assets	-	-	-	217,429.35	83,376.50	1,085.00	301,890.85
Tools	-	-	-	-	-	1,034.96	1,034.96
Technical plant	1,339,369.57	1,092,508.40	-	-	-	-	2,431,877.97
	1,339,369.57	1,092,508.40	423,838.50	1,802,757.44	238,509.00	240,010.92	5,136,993.83

The reconciliation between the total amount of minimum future payments and their current value at December 31, 2015 and 2016 is as follows:

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	2015	
	Minimum future payments	Present Value
Less than one year	4,041,429.97	3,812,669.78
From one to five years	7,486,117.72	5,594,062.65
Total	11,527,547.69	9,406,732.43

	2016	
	Minimum future payments	Present Value
Less than one year	4,223,965.92	3,984,873.51
From one to five years	12,706,383.99	10,064,646.24
Total	16,930,349.91	14,049,519.75

In its status as tenant, the most significant operative lease contracts held by the Company at the close of 2016 are as follows:

Most significant contracts	Deadline	Interest rate	Purchase Option	Purchase Price
Machinery				
Ibercaja 1368	5 years	5.82%	3,648.50	193,200.00
Popular 2828	5 years	5.08%	11,531.10	621,342.61
Popular 7447	5 years	5.20%	6,148.84	330,403.59
Items of Transport				
Toyota 4390	5 years	5.39%	342.25	18,500.28
Ibercaja 0283	5 years	4.67%	2,078.84	118,898.00
Ibercaja 0284	5 years	4.67%	2,078.84	118,898.00
Ibercaja 0285	5 years	4.67%	2,078.84	118,898.00
Ibercaja 0286	5 years	4.67%	2,078.84	118,898.00
Iveco 077	5 years	8.73%	50	135,356.10
Mare Nostrum 5408	5 years	3.05%	7,568.81	121,285.00
Liberbank 0145	5 years	2.30%	3,204.26	184,360.00
Ibercaja 6508	3 years	2.00%	2,350.22	136,400.00
Ibercaja 6510	3 years	2.00%	2,350.22	136,400.00
Other assets				
AKF 0019	5 years	6.00%	9,215.75	697,059.98
BANCO POPULAR 8616	5 years	5.00%	4,427.09	239,021.51

There are no contingent payments reported as expenses in 2015 and 2016.

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Operating leases, with the Company acting as lessee

At the end of 2015 and 2016, the Company has the following minimum operating lease payments related to non-cancellable contracts, according to the contracts currently in force, without taking into account the repercussion of common expenses, future increases in Consumer Price Index, nor future contractually agreed rent updates:

Operating leases Minimum rents	Nominal value	
	2016	2015
Less than one year	2,018,459.08	1,117,862.40
From one to five years	1,312,823.44	779,858.01
Total	3,331,282.52	1,897,720.41

The most significant operating leases are automatically renewable in the short term and may generally be cancelled, so no details are given on amounts of future payments.

In its position as lessee, the most significant operating lease contract the Company has at the end of 2016 is the one with Merlin Properties for the head offices in Juan Esplandiú 11-13 (at the close of 2015 it was with the group company Testa Inmuebles en Renta, S.A.).

Operating leases, with the Company acting as lessor.

At the end of 2015 and 2016 the Company has contracted the following minimum non-cancellable operating lease payments with the lessees, according to the contracts currently in force, without taking into account the repercussion of common expenses, future increases due to the Consumer Price Index, nor present rent updates contractually agreed

Operating leases Minimum rents	Nominal value	
	2016	2015
Less than one year	117,000.00	-
From one to five years	234,000.00	-
Total	351,000.00	-

There are no contingent payments reported as revenue in 2015 and 2016.

In its position as lessor, the only operating lease agreement held by the Company at the close of 2016 is for the industrial premises leased from Cassandra Oil España, S.L

9. Financial instruments

a) Financial assets

a.1) Categories of financial assets

The composition of the financial assets, except for investments in group, multi-group and associated companies, detailed in notes 10 and 21, on 31 December 2015, is as follows:

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Class / Category	Equity instruments	Debt Securities	Credits, derivatives and others	Total
	2015			
Long term financial assets:				
Loans and items receivable	-	-	57,313,449.55	57,313,449.55
Other financial assets	7,515.00	-	5,419,537.89	5,427,052.89
Total long term financial assets	**7,515.00**	-	**62,732,987.44**	**62,740,502.44**
Short term financial assets:				
Loans and items receivable	-	-	121,587,575.50	121,587,575.50
Other financial assets	-	-	2,818,662.42	2,818,662.42
Total short term financial assets	-	-	**124,406,237.92**	**124,406,237.92**
Total	7,515.00	-	187,139,225.36	187,146,740.36

These amounts are broken down on the balance sheet on 31 December 2015 as follows:

Class / Items on the balance sheet	Equity instruments	Debt Securities	Credits, derivatives and others	Total
	2015			
Non-current financial assets:				
Long term financial investment	**7,515.00**	-	**9,404,951.17**	**9,412,466.17**
- Equity instruments	7,515.00	-	-	7,515.00
- Loans to third parties	-	-	1,146,914.30	1,146,914.30
- Other financial assets	-	-	8,258,036.87	8,258,036.87
Trade debtors and other accounts receivable	-	-	53,328,036.27	53,328,036.27
Total non-current financial assets	**7,515.00**	-	**62,732,987.44**	62,740,502.44
Current financial assets:				
Short term financial investment	-	-	**2,818,662.42**	**2,818,662.42**
- Other financial assets	-	-	2,818,662.42	2,818,662.42
Trade debtors and other accounts receivable (*)	-	-	121,587,575.50	121,587,575.50
Total current financial assets	-	-	**124,406,237.92**	**124,406,237.92**
Total	7,515.00	-	187,139,225.36	187,146,740.36

(*)Excluding "Other receivables from the Public Administrations".

The composition of the financial assets, except for investments in group, multi-group and associated companies, detailed in notes 10 and 21, on 31 December 2016, is as follows:

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Class / Categories	Equity instruments	Debt Securities	Credits, derivatives and others	Total
	2016			
Long term financial assets:				
Loans and items receivable	-	-	55,803,252.33	55,803,252.33
Other financial assets	7,515.00	-	4,975,291.22	4,982,806.22
Total long term financial assets	**7,515.00**	-	**60,778,543.55**	**60,786,058.55**
Short term financial assets:				
Loans and items receivable	-	-	106,693,656.02	106,693,656.02
Other financial assets	-	-	1,589,901.16	1,589,901.16
Total short term financial assets	-	-	**108,283,557.18**	**108,283,557.18**
Total	7,515.00	-	169,062,100.73	169,069,615.73

These amounts are broken down on the balance sheet on 31 December 2016 as follows:

Class / Items on Balance Sheet	Equity instruments	Debt Securities	Credits, derivatives and others	Total
	2016			
Non-current financial assets:				
Long term financial investment	**7,515.00**	-	**9,040,291.75**	**9,047,806.75**
- Equity instruments	7,515.00	-	-	7,515.00
- Loans to third parties	-	-	1,308,108.43	1,308,108.43
- Other financial assets	-	-	7,732,183.32	7,732,183.32
Trade debtors and other accounts receivable	-	-	51,738,251.80	51,738,251.80
Total non-current financial assets	**7,515.00**	-	**60,778,543.55**	**60,786,058.55**
Current financial assets:				
Short term financial investment	-	-	**1,589,901.16**	**1,589,901.16**
- Other financial assets	-	-	1,589,901.16	1,589,901.16
Trade debtors and other accounts	-	-	106,693,656.02	106,693,656.02
Total current financial assets	-	-	**108,283,557.18**	**108,283,557.18**
Total	7,515.00	-	169,062,100.73	169,069,615.73

(*)Excluding "Other receivables from the Public Administrations".

- Loans and items receivable

The breakdown of financial assets included in this category on 31 December 2015 and 2016 is as follows:

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	2016	2015
Long Term:		
Loans to third parties	1,308,108.43	1,146,914.30
Long Term customers	2,756,892.10	2,838,498.98
Concession agreement, Collection right	51,738,251.80	53,328,036.27
Total long term loans and receivables	**55,803,252.33**	**57,313,449.55**
Short term:		
Trade debtors and other accounts receivable	**106,693,656.02**	**121,587,575.50**
Customer receivables from sales and services rendered	90,990,835.35	102,404,568.67
Receivables from Group companies and associates	8,405,601.00	8,462,752.71
Sundry debtors	3,271,192.33	6,854,664.66
Staff	193,191.70	235,596.10
Concession agreement, Collection right	3,832,835.64	3,629,993.36
Total short term loans and receivables	**106,693,656.02**	**121,587,575.50**
Total loans and items receivable	**162,496,908.35**	**178,901,025.05**

The explanation of the most important items for the year 2016 is as follows:

- Long term third party loans.

The heading of long term loans were mainly for collection rights the Company has with:
- The City Council of Alcalá de Henares for lost profit of 421,303.65 euros.
- Other long term debts of the Sufi branch in Portugal amounting to 345,620.07 euros.
- The Hornillos JV for a 300,000 euros loan from the CDTI.

- Long-term customers.

The item of other long term Financial Assets is fully due to updating items receivable from the City Council of Alcalá de Henares.

- Short and long term collection rights.

The item of long and short term collection rights is for three JVs and two VSM projects.

- Hornillos JV for the amount of 45,456,788.87 euros long term and 2,400,371.39 euros short term.
- La Paloma JV for the amount of 4,598,770.49 euros long term and 924,589.75 euros short term.
- Calandrias JV for 921,185.02 euros long term and 332,427.69 euros short term
- Concession Agreement with Parque del Guadarrama for 387,010.29 euros long term and 72,638.08 euros short term.
- Concession Agreement with Majadahonda for 374,497.13 euros long term and 102,808.73 euros short term.

At the end of 2015 this same item related to the same JVs and projects for the following amounts:

- Hornillos JV for the amount of 45,907,789.63 euros long term and 2,195,514.79 euros short term.
- La Paloma JV for the amount of 5,491,543.84 euros long term and 924,589.75 euros short term.
- Calandrias JV for 1,020,585.64 euros long term and 332,427.69 euros short term

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- Concession Agreement with Parque del Guadarrama for 453,561.33 euros long term and 74,090.84 euros short term.
- Concession Agreement with Majadahonda for 454,555.83 euros long term and 103,370.29 euros short term.

Trade debtors and other accounts receivable.

On 31 December 2016, the Company maintains balances pending collection under the heading of Trade and other accounts receivable with Public Entities, aged more than one year, without taking into account invoices issued for interest amounting to 0.9 million euros (0.7 million euros in 2015), which is expected to be collected in full in 2017.

During 2016, trade debts decreased by 11,413,733.32 euros (7,167,093.30 euros decrease in 2015).

The balances held in the heading "Trade and other accounts receivable" are recorded at their face value, as they do not differ significantly from their fair value.

In relation to the balances pending collection with Public Entities that have aged more than one year, the Company opted to not update the value of that debt in the financial statements, as it did not enter into the books either the late payment interest to which it was entitled according to the terms of Article 7 of Act 3/2004, which establishes measures to combat default. That article states that the legal late payment interest rate shall be Euribor + 7 points, and it is published on a half-yearly basis in the Official State Gazette. The Company claims delay interest from all its clients, and it only enters it at the moment of collection or at the moment when certification of its approval is received, whichever takes place first.

With regard to the need to improve cash flows, the Company has engaged in active measures with the City Councils, suggesting the termination of contracts with late payment problems or renegotiating the long term payment plans.

The following accounts receivable are registered in the current assets as they are mature and are due. As they are with Public Entities, the Directors expect them to be collected and therefore it is not necessary to set aside provisions for them.

From the total amount recorded under the heading "Trade and other accounts receivable" at the end of 2016, 42,053,025.05 euros correspond to the JVs (48,290,115.64 euros in 2015 without taking into account the current tax assets or other receivables from Public Administrations). The main ones are as follows, stated in thousands of euros:

2015	HORNILLOS JV	TM6 ARRAIZ JV	TSM JV	CALANDRIAS JV	GUADALAJARA JV	OTHER JVs	TOTAL
Customers	6,346	3,342	3,101	2,469	2,385	26,253	43,896
Receivables	-	8	362	-	1,292	2,698	4,361
Staff	-	-	-	-	-	32	33
Total	6,346	3,350	3,463	2,469	3,677	28,984	48,290

2016	HORNILLOS JV	TM6 ARRAIZ JV	BUTARQUE JV	HOLBENES JV	ARDNA JV	OTHER JVs	TOTAL
Customers	4,028	2,797	5,550	3,248	3,062	20,594	39,280
Receivables	1	-	1	5	-	2,731	2,737
Staff	-	-	-	2	-	34	36
Total	4,029	2,797	5,552	3,254	3,062	23,359	42,053

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- Other financial assets:

The breakdown of financial assets included in this category on 31 December 2015 and 2016 is as follows:

	2016	2015
Long Term:		
Taxation	2,929,123.01	3,273,504.17
Securities established	2,046,168.21	2,146,033.72
Other financial assets	7,515.00	7,515.00
Total other long term financial assets	**4,982,806.22**	**5,427,052.89**
Short term:		
Taxation	588,772.85	1,726,413.49
Securities established	303,557.91	546,294.70
Other financial assets	697,570.40	545,954.23
Total other short term financial assets	**1,589,901.16**	**2,818,662.42**
Total other financial assets	**6,572,707.38**	**8,245,715.31**

The other Financial Assets, both long term and short term, include deposits given amounting to 2,349,726.12 euros (2,692,328.42 euros in 2015) and withholdings on bank drawdowns which in the long term, mainly relate to the Hornillos JV for the amount of 2,929,123.01 euros (3,273,383.95 euros in 2015) and to the percentage of the Company's holding, to guarantee building work and eventual costs for deviations from the project that are remunerated by the lending banks, given the restrictions on the drawdowns. These short term charges are mainly due to the Hornillos JV for the amount of 295,522.85 euros (441,663.49 euros in 2015).

a.2) Classification by maturities

The breakdown per maturity of the items that form part of the long and short term financial assets at 31 December 2015 is as follows:

	2016	2017	2018	2019	2020	2021 and following	Total
Loans and items receivable	121,587,575.50	3,731,775.23	4,225,374.02	4,006,138.11	4,111,879.21	41,168,282.98	178,901,025.05
Other financial assets	2,816,662.42	-	62,544.93	652,353.69	-	4,712,154.27	8,245,715.31
Total	124,404,237.92	3,731,775.23	4,287,918.95	4,658,491.80	4,111,879.21	45,880,437.25	187,146,740.36

The breakdown per maturity of the items that form part of the long and short term financial assets at 31 December 2016 is as follows:

	2017	2018	2019	2020	2021	2021 and following	Total
Loans and items receivable	106,693,656.02	3,892,947.68	4,293,874.53	3,910,981.99	4,114,333.67	39,514,114.06	162,496,908.35
Other financial assets	1,589,901.16	440,608.19	394,587.31	-	-	3,547,610.72	6,572,707.38
Total	108,283,557.18	4,333,555.87	4,688,461.84	3,910,981.99	4,114,333.67	43,061,724.80	169,069,615.73

a.3) Impairment value adjustments as a result of credit risk

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The changes in impairment losses recorded arising from credit risk under this heading during 2015 were as follows:

	Cumulative impairment at beginning 2015	Provisions	Application	Cumulative impairment at close 2015
Loans and items receivable	324,172.86	270,594.66	(61,798.36)	532,969.16
Total	324,172.86	270,594.66	(61,798.36)	532,969.16

The changes in impairment losses recorded arising from credit risk under this heading during 2016 were as follows:

	Cumulative impairment at beginning 2016	Provisions	Application	Cumulative impairment at close 2016
Loans and items receivable	532,969.16	29,953.39	(112,548.39)	450,374.16
Total	532,969.16	29,953.39	(112,548.39)	450,374.16

There are impairment losses related to the accounts receivable. These are included in the heading of customer receivables for sales and services and in 2016 they amount to 450,374.16 euros (532,969.16 euros in 2015) of which 57,672.47 euros relate to JVs (114,295.73 euros in 2015).

A provision of 29,953.39 euros has been made for the aforementioned impairment in 2016, (270,594.66 euros in 2015) and 112,548.39 euros were used in 2016 (61,798.36 euros in 2015). These are included in the heading of losses, impairment and variations in provisions for trade operations in the profit and loss accounts.

The most important allocations in VSM during 2015 are for clients on two projects: Adaptation and maintenance at Arroyo Carvajal amounting to 132,551.75 euros and Sludge management at the Torrecilla Plant amounting to 19,654.33 euros. With regard to the consortia, a provision of 38,464.44 euros has been set aside for the Hornillos JV and 26,283.54 euros for the Gestyona JV.

The most important application during 2015 was generated by collection of a balance for the debt held with the client Fomento de Construcciones y Contratas, set aside in 2012.

The most important allocations in VSM during 2016 are for clients on two projects: Cleaning in Toledo for the amount of 6,539.90 euros and Collection in Majadahonda for the amount of 3,640.67 euros.

The most important applications in 2016 were generated in two JVs, in the Hornillos JV for 38,464.44 euros and in the JV Calandrias for 19,215.11 euros by taking some 2010 invoices to bad debts.

a.4) Transfers of financial assets

During 2015 and 2016, the Company signed factoring agreements with various financial institutions for assigning the whole amount of the outstanding balances of certain clients, the characteristics of which are as follows:

- On 15 July 2008, a recourse factoring agreement was signed with Bancaja to advance some debts pending collection from the customers the City Council of Madrid and City Council of Toledo. The agreement established that, in the event of the customer failing to pay, the sums initially paid by the bank as a consequence of that assignment would have to be reimbursed within 30 days. On 12th July 2011, a new contract for novation and amendment was signed, in this case with Bankia (the bank that absorbed Bancaja) in which it stipulated the possibility of advancing the collection of amounts owed by the customer the City Council of Madrid up to a limit of 10 million euros. On 31 July 2014, an addendum was signed to amend those conditions: increase the maximum limit up to 11,500,000 euros, extend the maturity until 31 July 2015, amend the margin to add to the interest rate agreed up to the moment (margin of 3.50%) and increase the list of

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those released (City Council of Madrid, City Council of Alcalá de Henares, City Council of Toledo, City Council of Leganés, City Council of Mejorada del Campo, City Council of Cercedilla and City Council of Baza). At the close of 2016, the amount of the accounts receivable assigned under that agreement was 0.00 euros (0.00 euros in 2015).

- On 31 July 2012, Valoriza Servicios Medioambientales, S.A., along with Sacyr Vallehermoso, S.A., (now Sacyr, S.A.) and Sacyr Construcción, S.A.U., jointly signed as assignors of a Hedge Policy for the Assignment of Credit Rights (factoring) for a global amount of 10,000,000 euros, with Unicaja Banco S.A.U., the latter acting as assignee, and Testa Inmuebles en Renta S.A. as pledgor and mortgagor. The object of the policy was to discount invoices and/or certificates issued by Sacyr Construcción, S.A. and Valoriza Servicios Medioambientales, S.A. to the Public Administration, its autonomous bodies or trading companies in which they have holdings. The agreement matured on 31 July 2015. It was a factoring agreement with to the assignors, with maximum maturity of the collection rights assigned of 180 days from application for the discount. At the close of 2016, the amount of the accounts receivable assigned by the Company under that agreement was 0.00 euros (0.00 euros in 2015).

- On 28 November 2013, Valoriza Servicios Medioambientales, S.A., along with Valoriza Gestión, S.A.U. and Sacyr Construcción, S.A., joint and severally signed a Credit Assignment and Factoring with Recourse Agreement with Bancantabria Inversiones, S.A., E.F.C. for a total amount of 2,500,000 euros The guarantors or backers of that policy were Sacyr, S.A., Sacyr Construcción, S.A.U. and Valoriza Gestión, S.A.U. The debtors initially approved were the City Council of Toledo, MARE (Medio Ambiente, Agua, Residuos y Energía de Cantabria, S.A) and the City Council of Vilanova I La Geltrú. The agreement established that, as it was a factoring with recourse operation, Bancantabria did not assume the risk of insolvency of the debtors. Therefore, the assignors were specifically bound to pay Bancantabria the amount of the credits due, at first requirement by the latter. At the close of 2016, the amount of the accounts receivable assigned by the Company under that agreement was 0.00 euros (0.00 euros in 2015).

- On 12th February 2014, Valoriza Servicios Medioambientales, S.A. signed a factoring agreement with recourse with Ibercaja for a total amount of €1,000,000. An addendum was added to that agreement in relation to the debtor, City Council of Vilanova I La Geltrú, in which the global scope and exclusivity with Ibercaja was eliminated. The remittance should be delivered no later than 15 days from the date when the amount is owed, while the collection term for each credit should not be greater than 120 days and the number of days from maturity for considering it as being unpaid was 90 days. For the rest of the debtors, the policy did not amend any points. At the close of 2016, the amount of the accounts receivable assigned by the Company under that agreement was 0.00 euros (0.00 euros in 2015).

- On 5 June 2015 Valoriza Servicios Medioambientales, S.A. signed a joint factoring agreement with Bantierra for a total amount of 2,200,000 euros. The period for collecting each credit may not exceed 120 days and the number of days from maturity for considering it as being unpaid was 90 days. At the close of 2016, the amount of the accounts receivable assigned by the Company under that agreement was 0.00 euros (0.00 euros in 2015).

- On 17 March 2016 Valoriza Servicios Medioambientales, S.A. signed a non-recourse factoring agreement with Banco Pichincha for a total amount of 15,000,000 euros. The term of the agreement is for one year, renewable for subsequent periods of the same duration. At the close of 2016, the amount of the accounts receivable assigned by the Company under that agreement was 0.00 euros.

- On 21 July 2016 Valoriza Servicios Medioambientales, S.A. signed a non-recourse factoring agreement with EBN Banco de Negocios for a total amount of 1,301,681.46 euros in respect of the City Council of Vilanova I La Geltrú. At the close of 2016, the amount of the accounts receivable assigned by the Company under that agreement was 0.00 euros.

- On 20 July 2016 Valoriza Servicios Medioambientales, S.A. signed a non-recourse factoring agreement with Banco Sabadell for a total amount of 6,750,000 euros. The collection period of each amount owing may not be greater than 120 days. At the close of 2016, the amount of the accounts receivable assigned by the Company under that agreement was 0.00 euros.

- 19 September 2016 Valoriza Servicios Medioambientales, S.A. signed a non-recourse factoring agreement with EBN Banco de Negocios for a total of 3,156,660.89 euros in respect of the Local Governments of Vilanova I La Geltrú, Albacete and Eivissa. At the close of 2016, the amount of the accounts receivable assigned by the Company under that agreement was 0.00 euros.

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- On 30 September 2016 Valoriza Servicios Medioambientales, S.A. signed a non-recourse factoring agreement with Liberbank for a total of 7,500,000 euros. The collection period of each amount owing may not be greater than 90 days. At the close of 2016, the amount of the accounts receivable assigned by the Company under that agreement was 0.00 euros.

- On 13 October 2016 Valoriza Servicios Medioambientales, S.A. signed a non-recourse factoring agreement with La Caixa for a total amount of 15,000,000 euros in respect of the City Council of Madrid. The collection period of each amount owing may not be greater than 60 days. At the close of 2016, the amount of the accounts receivable assigned by the Company under that agreement was 0.00 euros.

Regarding the JVs, the most important operations are the following:

- On 21 November 2013, a recourse factoring agreement was signed with Bankia to advance some debts pending collection from the customer the City Council of Léida. The agreement established that, in the event of the customer failing to pay, the sums initially paid by the bank as a consequence of that assignment would have to be reimbursed within a negotiable period. At the close of 2016, the amount of the accounts receivable assigned under that agreement was 205,897.15 euros (160,452.36 euros in 2015).

- 5 March 2010, the Ilnet JV signed a recourse factoring agreement with Caixa Cataluña to advance debts pending collection from the client City Council of Lérida. The agreement established that, in the event of the customer failing to pay, the sums initially paid by the bank as a consequence of that assignment would have to be reimbursed within a negotiable period. At the close of 2016, the amount of the accounts receivable assigned under that agreement was 0.00 euros (469,030.44 euros in 2015).

- On 6 April 2011, the Plasencia JV signed a recourse factoring agreement with Caja Extremadura (now Liberbank) to advance debts pending collection from the client City Council of Plasencia. The agreement established that, in the event of the customer failing to pay, the sums initially paid by the bank as a consequence of that assignment would have to be reimbursed within a negotiable period. At the close of 2016, the amount of the accounts receivable assigned under that agreement was 109,152.58 euros (436,311.93 euros in 2015).

- On 07 March 2014, the Madrid Sur Movilidad Lote III IV signed a recourse factoring agreement with Bankia to advance some debts pending collection from the customer the City Council of Madrid. The agreement established that, in the event of the customer failing to pay, the sums initially paid by the bank as a consequence of that assignment would have to be reimbursed within 90 days. At the close of 2016, the amount of the accounts receivable assigned under that agreement was 0.00 euros (0.00 euros in 2015).

- On 07 March 2014, the Madrid Sur Movilidad Lote III IV signed a recourse factoring agreement with Bankia to advance some debts pending collection from the customer the City Council of Madrid. The agreement established that, in the event of the customer failing to pay, the sums initially paid by the bank as a consequence of that assignment would have to be reimbursed within 90 days. At the close of 2016, the amount of the accounts receivable assigned under that agreement was 0.00 euros (0.00 euros in 2015).

- On 09 June 2015, a recourse factoring agreement was signed with Banco de Santander to advance some debts pending collection from the customer the City Council of Pinto. The agreement established that, in the event of the customer failing to pay, the sums initially paid by the bank as a consequence of that assignment would have to be reimbursed within 90 days. At the close of 2016, the amount of the accounts receivable assigned under that agreement was 0.00 euros (0.00 euros in 2015).

- On 24 June 2016, the Trujillo JV signed a recourse factoring agreement was signed with Bankinter to advance some debts pending collection from the customer the City Council of Trujillo. The agreement established that, in the event of the customer failing to pay, the sums initially paid by the bank as a consequence of that assignment would have to be reimbursed within 90 days. At the close of 2016, the amount of the accounts receivable assigned by the Company under that agreement was 149,435.61 euros.

a.5) Assets assigned and accepted as guarantee

During the years 2015 and 2016, the Company has not handed over any asset whatsoever as a guarantee.

b) Financial liabilities

b.1) Categories of financial liabilities

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The composition of financial liabilities on 31 December 2015, excluding debts with group companies as detailed in note 21 is as follows:

Class / Categories	Amounts owed to credit institutions	Debentures and other marketable securities	Derivatives and others	Total
	2015			
Long term financial liabilities:				
Accounts and items payable.	71,991,927.49	-	-	71,991,927.49
Derivatives	-	-	4,931,232.56	4,931,232.56
Other financial liabilities	-	-	5,390,029.65	5,390,029.65
Total long term financial liabiliti	**71,991,927.49**	-	**10,321,262.21**	**82,313,189.70**
Short term financial liabilities:				
Accounts and items payable.	27,927,774.56	-	72,111,912.32	100,039,686.88
Derivatives	-	-	1,372,733.54	1,372,733.54
Other financial liabilities	-	-	1,024,204.44	1,024,204.44
Total short term financial liabiliti	**27,927,774.56**	-	**74,508,850.30**	**102,436,624.86**
Total	99,919,702.05	-	84,830,112.51	184,749,814.56

These amounts are broken down on the balance sheet at 31 December 2015 as follows:

Class / Items on Balance Sheet	Amounts owed to credit institutions	Debentures and other marketable securities	Derivatives and others	Total
	2015			
Non-current financial liabilities:				
Long term debts:	71,991,927.49	-	10,321,262.21	82,313,189.70
- Amounts owed to credit institutions	66,397,864.84	-	-	66,397,864.84
- Financial lease creditors	5,594,062.65	-	-	5,594,062.65
- Derivatives	-	-	4,931,232.56	4,931,232.56
- Other financial liabilities	-	-	5,390,029.65	5,390,029.65
Total non-current financial liabilities	**71,991,927.49**	-	**10,321,262.21**	**82,313,189.70**
Current financial liabilities:				
Trade accounts and other accounts payable (*)	-	-	72,111,912.32	72,111,912.32
Short term debts:	27,927,774.56	-	2,396,937.98	30,324,712.54
- Amounts owed to credit institutions	24,115,104.78	-	-	24,115,104.78
- Financial lease creditors	3,812,669.78	-	-	3,812,669.78
- Derivatives	-	-	1,372,733.54	1,372,733.54
- Other financial liabilities	-	-	1,024,204.44	1,024,204.44
Total current financial liabilities	**27,927,774.56**	-	**74,508,850.30**	**102,436,624.86**
Total	99,919,702.05	-	84,830,112.51	184,749,814.56

(*)Excluding "Other payable to Public Administrations".

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The composition of financial liabilities on 31 December 2016, excluding debts with group companies as detailed in note 21 is as follows:

Class / Categories	Amounts owed to credit institutions	Debentures and other marketable securities	Derivatives and others	Total
	2016			
Long term financial liabilities:				
Accounts and items payable.	70,823,203.82	-	-	70,823,203.82
Derivatives	-	-	4,104,486.47	4,104,486.47
Other financial liabilities	-	-	8,360,106.69	8,360,106.69
Total long term financial liabilities	**70,823,203.82**	-	**12,464,593.16**	**83,287,796.98**
Short term financial liabilities:				
Accounts and items payable.	33,230,099.16	-	76,672,593.78	109,902,692.94
Derivatives	-	-	1,326,480.57	1,326,480.57
Other financial liabilities	-	-	1,274,325.39	1,274,325.39
Total short term financial liabilities	**33,230,099.16**	-	**79,273,399.74**	**112,503,498.90**
Total	104,053,302.98	-	91,737,992.90	195,791,295.88

These amounts are broken down on the balance sheet at 31 December 2016 as follows:

Class / Items on Balance Sheet	Amounts owed to credit institutions	Debentures and other marketable securities	Derivatives and others	Total
	2016			
Non-current financial liabilities:				
Long term debts:	**70,823,203.82**	-	**12,464,593.16**	**83,287,796.98**
- Amounts owed to credit institutions	60,758,557.58	-	-	60,758,557.58
- Financial lease creditors	10,064,646.24	-	-	10,064,646.24
- Derivatives	-	-	4,104,486.47	4,104,486.47
- Other financial liabilities	-	-	8,360,106.69	8,360,106.69
Total non-current financial liabilities	**70,823,203.82**	-	**12,464,593.16**	**83,287,796.98**
Current financial liabilities:				
Trade accounts and other accounts payable (*)	-	-	76,672,593.78	76,672,593.78
Short term debts:	**33,230,099.16**	-	**2,600,805.96**	**35,830,905.12**
- Amounts owed to credit institutions	29,245,225.65	-	-	29,245,225.65
- Financial lease creditors	3,984,873.51	-	-	3,984,873.51
- Derivatives	-	-	1,326,480.57	1,326,480.57
- Other financial liabilities	-	-	1,274,325.39	1,274,325.39
Total current financial liabilities	**33,230,099.16**	-	**79,273,399.74**	**112,503,498.90**
Total	104,053,302.98	-	91,737,992.90	195,791,295.88

(*)Excluding "Other payable to Public Administrations".

- Accounts and items payable.

The breakdown of this heading at 31 December 2015 and 2016 is as follows:

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	2016	2015
Long Term:		
Amounts owed to credit institutions	70,823,203.82	71,991,927.49
Total long term debts and payables	**70,823,203.82**	**71,991,927.49**
Short term:		
Amounts owed to credit institutions	33,230,099.16	27,927,774.56
Trade Payables	**76,672,593.78**	**72,111,912.32**
Suppliers	37,792,919.47	35,491,808.75
Suppliers, group companies and associates	7,935,247.41	4,358,681.56
Sundry accounts payable	12,467,453.16	11,762,190.55
Staff (salaries pending payment)	5,305,335.94	5,053,118.95
Customer advances	13,171,637.80	15,446,112.51
Total short term debts and payables	**109,902,692.94**	**100,039,686.88**
Total	180,725,896.76	172,031,614.37

With regard to Act 15/2010, of 5 July, the information relating to the average payment period with suppliers for the years 2015 and 2016 in accordance with the only additional provision of the Resolution of 29 January 2016, of the Institute of chartered Accountants and Auditors on the information to be included in the report accompanying the annual accounts, is as follows:

	2016	2015
	Days	Days
Average payment period to suppliers	42.09	59.22
Ratio of operations paid	28.74	57.41
Ratio of operations pending payment	97.92	82.08
	Amount (euros)	Amount (euros)
Total payments made	42,675,235.79	41,482,088.61
Total payments outstanding	12,592,298.85	3,285,405.78

These amounts do not include the payments made to suppliers that are Group and associate companies, suppliers of property, plant and equipment or financial lease creditors. The transactions and outstanding balances with Group and associate companies at year-end of 2015 and 2016 are shown in Notes 10 and 21.

- Amounts owed to credit institutions

The main debts with credit institutions can be broken down into three headings: loans and credit facilities amounting to 90,003,783.25 euros (88,921,935.59 euros in 2015), leasing financing amounting to 14,049,519.75 euros (9,406,732.43 euros in 2015) and bill discounting lines or recourse factoring amounting to 0.00 euros (1,591,034.03 euros in 2015).

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Of these three items, the IVs contribute 57,904,185.96 euros (60,430,157.49 euros in 2015) to the figure for loans and credit facilities and 4,188,856.69 euros (3,978,104.94 euros in 2015) to the figure for leasing, and 0.00 euros in discounting facilities (1,591,03403 euros in 2015).

The face value of the main debts with lending institutions at the end of financial years 2015 and 2016 is as follows:

AMOUNTS (Thousands of Euros)		
Maturity date	Balance at 31/12/2016	Balance at 31/12/2015
30/06/2017	5,110	2,629
31/07/2017	4,201	1
30/10/2017	1	1
20/12/2017	27	20
OTHERS AND JVs	-	-
Credit Accounts	**9,339**	**2,651**
22/05/2017	10,000	10,000
22/11/2016	-	630
30/11/2016	-	192
19/02/2018	495	901
19/02/2018	576	576
29/07/2019	1,618	1,812
31/10/2019	412	544
01/01/2020	3,515	4,503
31/01/2020	1,049	1,342
10/02/2020	4,327	5,591
29/06/2026	1,000	-
OTHERS AND JVs	57,904	62,021
Loans :	**80,896**	**88,112**
OTHERS AND JVs	-	-
Factoring	-	-
Total	90,235	90,763

There is a loan agreement with a mortgage guarantee signed with the BBVA with the collateral of the office, warehouse and workshop building in Vicálvaro, which on 31 December 2016 had outstanding capital of 411,821.79 euros (543,708.79 euros in 2015).

On 7 January 2010, a loan agreement was signed for 3,049,978.29 euros with Banco Pastor with maturity on 31 January 2020 and, to guarantee it, the collection rights with the City Council of San Fernando de Henares, up to a value of 4,000,000 euros. At 31 December 2016, the outstanding capital was 1,048,731.04 euros (1,342,302.68 euros in 2015).

On 18 December 2012, a loan agreement was signed for 7,000,000.00 euros with La Caixa, with maturity date on 1 January 2020. At 31 December 2016, the outstanding capital was 3,515,438.09 euros (4,503,471.35 euros in 2015).

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On 27 September 2013, an ICO loan agreement of 10,000,000 euros was signed with Bankia, maturing on 10 October 2014. During 2014, that loan was cancelled and a new one signed with maturity date on 20 November 2015. During 2015, that loan was cancelled and a new one signed with maturity date on 20 November 2016. During 2016, that loan was cancelled and a new one signed with maturity date on 22 May 2017. At 31 December 2016, the outstanding capital was 10,000,000 euros (10,000,000 euros in 2015).

On 29 November 2013, a loan agreement was signed of 1,890,000 euros with Caja Rural de Granada (Grupo Caja Rural, maturing on 22 November 2016. At 31 December 2016, the outstanding capital was 0.00 euros (630,000 euros in 2015).

On 29 November 2013, a loan agreement was signed for 600,000.00 euros with Ibercaja, maturing on 30 November 2016. At 31 December 2016, the outstanding capital was 0.00 euros (191,982.97 euros in 2015).

On 29 July 2014, a loan agreement was signed for 2,000,000.00 euros with Cajamar, maturing on 29 July 2019. At 31 December 2016, the outstanding capital was 1,617,769.80 euros (1,811,730.13 euros in 2015).

On 17 February 2015, a loan agreement was signed for 576,000.00 euros with Caja España, maturing on 19 February 2018. At 31 December 2016, the outstanding capital was 576,000 euros (576,000 euros in 2015).

On 17 February 2015, a loan agreement was signed for 1,224,000.00 euros with Caja España, maturing on 19 February 2018. At 31 December 2016, the outstanding capital was 495,385.01 euros (900,546.36 euros in 2015).

On 29 June 2016, a loan agreement was signed for 1,000,000.00 euros with Colonya Caixa Pollença, maturing on 29 June 2026. At 31 December 2016, the outstanding capital was 1,000,000 euros.

On 4 March 2011, the Company together with Valoriza Gestión, S.A.U., Hidroandaluza, S.A. and with Sacyr Vallehermoso, S.A. (now Sacyr, S.A.) as guarantor, signed an agreement with the Dexia bank for the assignment of 48% of the credit rights arising from the contract for the maintenance of Underground Bins for the City Council of Torrejón de Ardoz, for an amount of 9,613,604.00 euros. The capital pending repayment on 31 December 2016 is 4,327,397.14 euros (6,319,527.84 euros in 2015). That loan assignment matures on 4 March 2020 and accrues interest at a rate of 3.2%. On 23 December 2011, the Company signed an addendum to the contract, granting the power to pay the credit rights assigned.

The face value of the JV's debts with lending institutions at the end of 2016 and 2015 in thousands of euros is as follows:

	Amount outstanding at 21 December 2016	Amount outstanding at 21 December 2015
HORNILLOS	46,855	49,710
ILNET	35	144
RES. MARESME	4,287	4,284
ORIHUELA	-	198
OTHERS	5	13
LONG TERM JV CREDIT	**51,181**	**54,349**
BUTARQUE	2,029	2,029
CALANDRIAS	55	-
BADAJOZ SUR	60	37
HORNILLOS	2,827	2,640
ILNET	1,322	1,601
PLASENCIA	86	449
RES. MARESME	162	470
OTHERS	1	361
SHORT TERM JV CREDIT	**6,540**	**7,587**
TOTAL JV CREDIT	57,721	61,936

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Interest accrued and not paid included under the item of "Short term Amounts owed to credit institutions" at the close of 2015 and 2016 amounts to 192,837.87 euros and 257,575.39 euros respectively.

On 10 May 2006, Hornillos JV signed a loan contract with a series of financial institutions, headed by the Banco Español de Crédito, operating as an agent, of 75 million euros for 100% of the JV. In 2009, there was a renewal in the long term loan agreement to finance the installations of the waste processing plant to be built by Los Hornillos JV, the maximum amount available being raised to 96 million euros. On 13 December 2010, this loan was increased by 23.4 million euros, also 100% of the JV. On 31 December 2016, the capital pending repayment of the holding of VSM, S.A. (50%) was 49,730,154.18 euros (52,350,293.35 euros in 2015). The expiry date of the agreement is 15 December 2025. The companies that form this consortium granted a mortgage, as a specific renewal guarantee, in favour of the lending banks providing the syndicated loan - senior loan for a total amount of 89,602,999.65 euros (at the VCM percentage) on the assets related to the construction project, as well as the pledge rights on the loans arising from the project contracts and designating the creditors as beneficiaries of insurance contracts subscribed by the JV with third parties in the future.

The loan is made is repayable in 32 increasing half-yearly instalments as from 15 June 2012. According to the figure for the debt service coverage ratio on an annual basis, the interest rate will be Euribor plus 2.75 to 3.5, using the latter margin if the JV does not achieve the ratio. At 31 December 2016, the debt service coverage ratio is 1.44 (1.50 in 2015), which is a higher value than that required (1.40).

On 20 September 2001, the Secado Térmico Butarque JV signed a loan agreement with the Official Credit Institution and Dexia Sabadell Banco Local, for a maximum amount of 15,626,314.70 euros. The capital pending repayment on 31 December 2016 at the VSM, S.A. percentage was 2,029,076.98 euros (2,029,076.98 euros in 2015),assigned to financing the necessary investments and expenses for construction and start-up of the infrastructures to manage the sludge treatment service at the Butarque Waste Water Treatment Plant. This loan matures on 20 December 2016. The loan contract establishes a series of limitations to the disposal of the JV's assets, the dividend distribution, as well as the requirement to fulfil other conditions whose breach may give rise to the early maturity of the loan, such as the coverage ratio being lower than 1.1 for three consecutive financial years.

On 8 July 2009, UTE Maresme signed a loan agreement with La Caixa for a maximum amount of 15,000,000 euros. The capital pending repayment on 31 December 2016 at the VSM, S.A. Percentage (which in 2014 rose from 40% to 46.9%) was 0.00 euros (4,744,739.65 euros in 2015), used for financing the necessary investments and expenses for construction and commissioning the facilities. This loan matures on 1 April 2016.

On 2 February 2012, the Maresme JV signed a loan agreement with Bankinter for a maximum amount of 10,000,000 euros. The capital pending repayment on 31 December 2016 at the VSM, S.A. Percentage was 4,286,772.22 euros, used for financing the necessary investments and expenses for construction and commissioning the facilities. This loan matures on 2 November 2017.

On 1 February 2008, the Cointer JV signed a loan agreement with La Caixa for a maximum amount of 600,000.00 euros. The capital pending repayment on 31 December 2016 at the VSM, S.A. percentage is 0.00 euros, (0.00 euros in 2015), assigned to finance conditioning an industrial premises.

On 29 November 2010, the Cointer JV signed an ICO loan agreement with La Caixa for a maximum amount of 2,500,000 euros. The capital pending repayment on 31 December 2015 at the VSM, S.A. percentage is 0.00 euros, used for financing various investments. The loan matured on 28 November 2015.

On 21 March 2006, the Ilnet JV signed an initial loan agreement with Caixa Cataluña that was progressively increased on subsequent dates to the sum of 5,300,000.00 euros. The capital pending repayment on 31 December 2016 at the VSM, S.A. percentage is 0.00 euros, (157,174.64 euros in 2015), used for financing various investments. This loan matures on 31 March 2016.

On 20 December 2016, the Ilnet JV signed a loan agreement with Bankia for a maximum amount of 1,000,000 euros. The capital pending repayment on 31 December 2016 at the VSM, S.A. percentage is 400,000 euros, used for financing various investments. This loan matures on 20 December 2017.

Trade accounts and other accounts payable

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The breakdown of this heading in thousands of euros for the JVs at 31 December 2015 and 2016 is as follows:

2015	TEM JV	ARRAIZ JV	HORNILLOS JV	GUADALAJARA JV	LA PALOMA JV	OTHER JVs	TOTAL
Suppliers	5,142	1,638	1,167	1,046	735	11,549	21,277
Staff	41	131	263	112	18	1,427	1,992
Sundry accounts payable	-	208	179	521	-	3,103	4,011
Total	5,183	1,977	1,609	1,679	753	16,079	27,280

2016	TEM JV	ARRAIZ JV	HORNILLOS JV	GUADALAJARA JV	LA PALOMA JV	OTHER JVs	TOTAL
Suppliers	5,180	1,329	1,836	513	558	11,676	21,092
Staff	35	136	420	199	14	1,518	2,321
Sundry accounts payable	-	93	85	228	-	1,273	1,679
Total	5,214	1,558	2,341	940	572	14,467	25,092

- Other financial liabilities

The breakdown of this heading at 31 December 2015 and 2016 is as follows:

	2016	2015
Long term:		
Deposits received and advance collection for leases	19,500.00	6,000.00
Other long term debts	3,775,657.39	879,545.63
Refundable grants	4,564,949.30	4,504,484.02
Total long term	**8,360,106.69**	**5,390,029.65**
Short term:		
Deposits received and advance collection for leases	19,535.22	2,808.92
Other short term debts	1,235,260.27	193,630.38
Refundable grants	19,529.90	827,765.14
Total short term	**1,274,325.39**	**1,024,204.44**
Total	9,634,432.08	6,414,234.09

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- Other Financial Liabilities – Refundable grants

Refundable grants are various loans granted by the Ministry of Industry, Tourism and Trade at a 0 interest rate, for developing technological innovation and R&D&i projects, with a repayment period between 10 and 15 years including a period of grace of 3 years The effect on income (loss) for 2016 is 114,009.74 euros (236,552.16 euros in 2015) and they are under the heading "Allocation of grants for non-financial assets and others" of the Income Statement. In addition to that amount, the operating grants included in the income(loss) for 2016 amount to 79,378.83 euros (186,928.85 euros in 2015).

- Other debts

In 2016 the company Aplicaciones Gespol was purchased from Bilbomática and Isolux's holding in Partícipes de Biorreciclaje, S.A. Both transactions involved a payment during the year and a deferred payment, appearing under this heading as long term (almost 3 million euros), are payments which, if the necessary conditions are met, will take place during 2018 and 2019, whilst the conditional payments that could take place in 2017 appear under the heading as short term for 1 million euros.

Furthermore, both in 2016 as well as in 2015, this long term category includes a collaboration agreement between the Hornillos JV and the City Council of Quart de Poblet for the social costs, easements and disturbances that the plant might cause for that municipal district, which are based on various agreements:

- To pay that City Council 66,500 euros per annum (at the VSM, S.A. percentage) increased by the Consumer Price Index during the life of the concession.
- Assuming the cost of land and construction of the Río Turia Park with a maximum of 601,012.11 euros (at the VSM, S.A. percentage).
- Paying that City Council 0.30 euros (at the VSM, S.A. percentage) for each tonne of waste processed, a figure that may also be updated according to the Consumer Price Index.

Other short term debts, mainly includes the debts of the Sufi branch in Portugal for 224,073.42 euros (191,234.14 euros in 2015).

b.2) Classification by maturities

The breakdown per nominal maturity of the items that form part of the long and short term financial liabilities at 31 December 2015 is as follows:

	2016	2017	2018	2019	2020	2021 and following	Total
Debits and items payable	100,039,686.88	8,699,160.02	8,458,428.28	7,725,311.30	4,247,679.63	42,866,348.25	172,031,614.36
Other financial liabilities	1,024,204.44	1,367,166.26	1,403,188.52	870,495.25	756,334.30	992,845.32	6,414,234.09
Total	101,063,891.32	10,066,326.28	9,856,616.80	8,595,806.55	5,004,013.93	43,859,193.57	178,445,848.45

The breakdown per nominal maturity of the items that form part of the long and short term financial liabilities at 31 December 2016 is as follows:

	2017	2018	2019	2020	2021	2022 and following	Total
Debits and items payable	111,229,173.51	8,870,256.71	8,182,577.89	4,946,295.96	3,780,061.70	40,573,425.97	177,581,793.74
Other financial liabilities	1,274,325.39	2,229,819.64	2,462,671.84	1,179,664.96	952,537.76	1,535,412.50	9,634,432.08
Total	112,503,498.90	11,100,076.35	10,645,249.73	6,125,960.92	4,732,599.46	42,108,838.47	187,216,225.82

The differences between the nominal amounts of the above tables and the accounting debt recorded on the balance sheet is due to the difference between the nominal value of the debts and book value that is determined from their amortised cost.

b.3) Non payment and breach of contractual conditions

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There are no other Financial Liabilities at the end of the 2016 that require meeting any kind of contractual condition.

c) Other Information

c.1) Information related to the income statement

The financial revenue and expenses assigned to the income statement account calculated under the effective interest method were 2,284,367.48 euros and 4,903,336.43 euros in 2016. In 2015 the financial revenue was 2,997,592.53 euros, while the financial expenses were 4,581,122.95 euros.

The amount of value adjustments for impairment of trade receivables in the income statements in 2016 is for the allocations of 1,272,053.72 euros (1,308,035.37 euros allocated in 2015).

c.2) Other information

- Since 2009, the Company is in the process of acquiring the holding in two of its partners in the joint business of the Señoservi JV. At the close of 2016 that agreement for buying the remaining 50% of the holding is awaiting notarisation.
- Information on fair value:

  Long term credits and debits and unlisted debt securities are recorded at their amortised cost which, unless there is better evidence, shall be equivalent to their fair value.

  The book value of credits and debits for short term business operations is an acceptable estimate of their fair value.

d) Information on hedges

The Company uses financial derivatives to hedge the risks to which its future cash flows are exposed. Within the framework of those operations, the Company has entered into certain financial hedge instruments. The breakdown of the derivative instruments subscribed by the Company on 31 December 2015 and 2016 as well as their valuation, and the breakdown per maturity of the notional values, is presented below:

- Cash flow hedges

Information at 31 December 2015:

				Maturity					
Derivatives	Type	Valuation at 31/12/2015	Notional	2016	2017	2018	2019	2020	2021 and following
BUTARQUE JV ICO	Variable to Fixed	(10,776.17)	349,665.35	(349,665.35)	-	-	-	-	-
UTE BUTARQUE DEXIA SABADELL	Variable to Fixed	(10,776.17)	349,665.35	(349,665.35)	-	-	-	-	-
UTE HORNILLOS	Variable to Fixed	(6,282,413.75)	36,067,680.86	(1,822,186.51)	(1,968,058.92)	(2,175,469.49)	(2,396,782.80)	(2,631,907.16)	(25,072,275.59)

The amount expected to be charged to profit and loss in the coming financial years for cash flow hedging derivatives is as follows:

Euros /Thousands of Euros	Butarque JV	Hornillos JV
2016	(21,552.35)	(1,351,181.20)
2017	-	(1,417,802.44)
2018	-	(1,259,894.69)
2019	-	(1,053,035.10)
2020	-	(866,822.78)
2021 and following	-	(333,677.54)
Total	(21,552.35)	(6,282,413.75)

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Information at 31 December 2016:

				Maturity					
Derivatives	Type	Valuation at 31/12/2016	Notional	2017	2018	2019	2020	2021	2022 and following
UTE HORNILLOS	Variable to Fixed	(5,430,967.03)	34,244,494.21	(1,968,058.92)	(2,175,469.25)	(2,396,783.30)	(2,631,907.16)	(25,072,275.59)	

The amount expected to be charged to profit and loss in the coming financial years for cash flow hedging derivatives is as follows:

Euros /Thousands of Euros	Ute Hornillos
2017	(1,438,804.33)
2018	(1,251,252.96)
2019	(1,172,383.48)
2020	(1,077,358.09)
2021	(491,168.17)
2022 and following	-
Total	(5,430,967.03)

In accordance with the requirements of the present Spanish accounting regulations, the Company has performed prospective and retrospective efficiency tests on all the derivative hedge instruments, as a consequence of which the derivatives have been classified in the following two categories:

- Effective hedges: as long as the ratio between the evolution of the hedge instrument and the underlying security is within a range of 80%-125%, in which case the value of the derivative is recorded against net assets.
- Ineffective hedge: in which case the effect of the variation in derivatives designated as ineffective or speculative is recorded in the income(loss) for the financial year

The Company has fulfilled the requisites detailed in note 4 of the rules on reporting and measurement, in order to be able to classify the financial instruments recognised as hedges. Specifically, they have been formally designated as such and it has been verified that the hedge is effective for financial years 2015 and 2016.

The amount recognised in net assets during 2015 and 2016 is 295,129.18 euros and 584,996.22 euros respectively, both amounts net of taxes.

During 2015 and 2016, respective amounts of 1,225,869.06 euros and 1,217,581.22 euros were assigned to the income statement from net assets.

10. Investments in group, multigroup and associate companies

The breakdown and changes in the different items comprising this heading on 31 December 2015 are as follows:

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	Balance at 31/12/2014	Additions	Decreases	Transfers	Balance at 31/12/2015
BOREMER, S.A.	1,089,468.57	-	-	-	1,089,468.57
COMPOST DEL PIRINEO, S.A.	580,499.98	-	-	-	580,499.98
EUROCOMERCIAL, S.A.	454,375.42	-	-	-	454,375.42
GESTION E INFRAESTRUCTURA DE CANARIAS, S.A.	51,523.01	-	-	-	51,523.01
INICIATIVAS MEDIOAMBIENTALES DEL SUR, S.L.	20,000.00	-	-	-	20,000.00
INFOSER ESTACIONAMIENTO, AIE	66,000.00	-	-	-	66,000.00
TRACTEMENT METROPOLITA DE FANES, S.L.	2,711,741.89	-	-	-	2,711,741.89
HIDROANDALUZA, S.A.	474,957.60	-	-	-	474,957.60
SURGE AMBIENTAL, S.L.	69,971.02	-	-	-	69,971.02
RESIDUOS CONSTR.CUENCA	30,100.00	-	-	-	30,100.00
SECADO TERMICO DE CASTELLON, S.A.	1,800,000.00	-	-	-	1,800,000.00
TTO. RESIDUOS LA RIOJA, S.L.	3,006.00	-	-	-	3,006.00
PLANTA DE TRATAMIENTO DE ARRAIZ,S.L.	2,100.00	-	-	-	2,100.00
VALORIZA SERVICIOS MEDIOAMBIENTALES BOLIVIA,S.A.	-	18,851.21	-	-	18,851.21
SACYR ENVIRONMENT USA LLC	-	2,960,652.28	-	-	2,960,652.28
VALORIZA ENVIRONMENT SERVICES PTY (AUSTRALIA)	-	1.00	-	-	1.00
Holdings in Group and Multi-Group Companies	**7,353,743.49**	**2,979,504.49**	**-**	**-**	**10,333,247.98**
PARTICIPES DEL BIORRECICLAJE, S.A.	20,037.74	-	-	-	20,037.74
GESTION DE PARTICIPES DEL BIORRECICLAJE, S.A.	20,037.74	-	-	-	20,037.74
BIOMASAS DEL PIRINEO, S.A.	132,000.01	-	-	-	132,000.01
CULTIVOS ENERGETICOS DE CASTILLA, S.A.	132,030.06	-	-	-	132,030.06
VALDEMINGOMEZ 2000, S.A.	1,202,400.00	1,240,400.00	-	-	2,442,800.00
INTE RCD, S.L.	30,000.00	-	-	-	30,000.00
PARQUE EOLICO LA SOTONERA, S.L.	603,250.00	-	-	-	603,250.00
ALCOREC, S.L.	66,900.00	-	-	-	66,900.00
SERVICIO DE ESTACIONAMIENTO REGULADO	3,000.00	-	-	-	3,000.00
CONSORZIO STABILE VIS SOCIETA CONSORTILE PER AZIONI	3,000.00	9,000.00	-	-	12,000.00
Holdings in associate companies	**2,212,655.55**	**1,249,400.00**	**-**	**-**	**3,462,055.55**
PARTICIPES DEL BIORRECICLAJE, S.A.	(20,037.74)	-	-	-	(20,037.74)
GESTION DE PARTICIPES DEL BIORRECICLAJE, S.A.	(20,037.74)	-	-	-	(20,037.74)
COMPOST DEL PIRINEO, S.A.	(468,629.62)	(31,680.55)	-	-	(500,310.17)
CULTIVOS ENERGETICOS DE CASTILLA, S.A.	(30,668.76)	(989.84)	-	-	(31,658.60)
BIOMASAS DEL PIRINEO, S.A.	(72,493.42)	(43.49)	-	-	(72,536.91)
BOREMER,S.A.	(1,089,468.57)	-	-	-	(1,089,468.57)
INTE RCD, S.L.	(29,283.40)	-	-	-	(29,283.40)
SACYR ENVRONMENT USA LLC	-	(898,879.71)	-	-	(898,879.71)
RESIDUOS CONSTR.CUENCA	-	(30,100.00)	-	-	(30,100.00)
SERVICIO DE ESTACIONAMIENTO REGULADO	(3,000.00)	-	-	-	(3,000.00)
VALDEMINGOMEZ 2000,S.A.	(1,202,400.00)	(1,210,688.75)	-	-	(2,413,088.75)
Impairment of investments in Group and Multi-group companies and Associates	**(2,936,019.25)**	**(2,172,382.34)**	**-**	**-**	**(5,108,401.59)**
CULTIVOS ENERGETICOS DE CASTILLA S.A.	(99,000.00)	-	-	-	(99,000.00)
GESTION E INFRAESTRUCTURA DE CANARIAS, S.A.	(12,393.00)	-	-	-	(12,393.00)
VALDEMINGOMEZ 2000,S.A.	-	(930,300.00)	-	-	(930,300.00)
HIDROANDALUZA, S.A.	(0.60)	-	-	-	(0.60)
SECADO TERMICO DE CASTELLON, S.A.	(1,350,000.00)	-	-	-	(1,350,000.00)
Disbursements pending in Group, Multi-group and Associate companies	**(1,461,393.60)**	**(930,300.00)**	**-**	**-**	**(2,391,693.60)**
Net value of holdings in Group and Multi-group companies and Associates	5,168,986.19	1,126,222.15	-		6,295,208.34
PARTICIPES DEL BIORRECICLAJE, S.A.	1,361,908.27	-	-	-	1,361,908.27
GESTION DE PARTICIPES DEL BIORRECICLAJE, S.A.	70,084.86	-	-	-	70,084.86
COMPOST DEL PIRINEO, S.A.	177,384.88	34,053.59	-	-	211,438.47
BOREMER, S.A.	4,091,957.29	120,000.00	-	-	4,211,957.29
SURGE AMBIENTAL, S.L.	440,999.10	49,175.40	-	-	490,174.50
TTO. RESIDUOS LA RIOJA, S.L.	6,237,157.89	178,570.58	-	-	6,415,728.47
L/T Loans to Group, Multi-group and Associate companies	**12,379,492.29**	**381,799.57**	**-**	**-**	**12,761,291.86**
TRACTEMENT METROPOLITA DE FANES, S.L.	428,980.62	-	(428,980.62)	-	-
ALCOREC, S.L.	16,159.35	-	-	-	16,159.35
S/T Loans to Group, Multi-group and Associate companies	**445,139.97**	**-**	**(428,980.62)**	**-**	**16,159.35**
Net value of loans to Group and Multi-group companies and Associates	12,824,632.26	381,799.57	(428,980.62)		12,777,451.21

Changes during 2015 in the subsections of holdings in both group companies and associates were as follows:

- On 27 January 2015 Valoriza Environment Services was incorporated in Australia.
- On 20 February 2015 the company Valoriza Servicios Medioambientales Bolivia S.A. was incorporated with Sacyr Industrial, S.A.U.
- On 23 March 2015 it was decided to carry out a simultaneous capital increase and decrease operation in Valdemingomez 2000.
- On 1 July 2015, the company Sacyr Environment USA was incorporated in the United States.

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- On 20 October, payment was made to Valoriza Gestión S.A.U. for the part missing for the purchase of its holding in the company Consorzio Stabile Vis Societa Consortile per Azioni.

Both in the provision for impairment as well as their reversal, this forms part of heading 16, "Impairment and losses" of the income statement.

The most relevant short term changes in credit in 2015 were:

- Return of the loan made to Tractament Metropolitá de Fangs by the JV Tramfang for 428,980.62 euros.

The breakdown and changes in the different items comprising this heading on 31 December 2016 are as follows:

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	Balance at 31/12/2015	Additions	Decreases	Transfers	Balance at 31/12/2016
BOREMER, S.A.	1,089,468.57	1,529,500.00			2,618,968.57
COMPOST DEL PIRINEO, S.A.	580,499.98				580,499.98
EUROCOMERCIAL, S.A.	454,375.42				454,375.42
GESTION E INFRAESTRUCTURA DE CANARIAS, S.A.	51,523.01				51,523.01
INICIATIVAS MEDIOAMBIENTALES DEL SUR, S.L.	20,000.00				20,000.00
INFOSER ESTACIONAMIENTO, AIE	66,000.00				66,000.00
TRACTEMENT METROPOLITA DE FANES, S.L.	2,711,741.89				2,711,741.89
HIDROANDALUZA, S.A.	474,957.60				474,957.60
SURGE AMBIENTAL, S.L.	69,971.02				69,971.02
RESIDUOS CONSTR.CUENCA	30,100.00				30,100.00
SECADO TERMICO DE CASTELLON, S.A.	1,800,000.00				1,800,000.00
TTO. RESIDUOS LA RIOJA, S.L.	3,006.00				3,006.00
PLANTA DE TRATAMIENTO DE ARRAIZ,S.L	2,100.00				2,100.00
VALORIZA SERVICIOS MEDIOAMBIENTALES BOLIVIA,S.A.	18,851.21				18,851.21
SACYR ENVIRONMENT USA LLC	2,960,652.28	1,464,262.84			4,424,915.12
VALORIZA ENVIRONMENT SERVICES PTY (AUSTRALIA)	1.00				1.00
PARTICIPES DEL BIORRECICLAJE, S.A.		4,000,000.00		20,037.74	4,020,037.74
GESTION DE PARTICIPES DEL BIORRECICLAJE, S.A.				20,037.74	20,037.74
APLICACIONES GESPOL, S.L.		250,000.00			250,000.00
Holdings in Group and Multi-Group Companies	**10,333,347.98**	**7,243,762.84**	-	**40,075.48**	**17,617,086.30**
PARTICIPES DEL BIORRECICLAJE, S.A.	20,037.74			(20,037.74)	
GESTION DE PARTICIPES DEL BIORRECICLAJE, S.A.	20,037.74			(20,037.74)	
BIOMASAS DEL PIRINEO, S.A.	132,000.01				132,000.01
CULTIVOS ENERGETICOS DE CASTILLA, S.A.	132,030.06				132,030.06
VALDEMINGOMEZ 2000, S.A.	2,442,800.00				2,442,800.00
INTE RCD, S.L.	30,000.00				30,000.00
PARQUE EOLICO LA SOTONERA, S.L.	603,250.00				603,250.00
ALCOREC, S.L.	66,900.00				66,900.00
SERVICIO DE ESTACIONAMIENTO REGULADO	3,000.00				3,000.00
CONSORZIO STABILE VIS SOCIETA CONSORTILE PER AZIONI	12,000.00		(11,250.00)		750.00
Holdings in associate companies	**3,462,055.55**	-	**(11,250.00)**	**(40,075.48)**	**3,410,730.07**
PARTICIPES DEL BIORRECICLAJE, S.A.	(20,037.74)				(20,037.74)
GESTION DE PARTICIPES DEL BIORRECICLAJE, S.A.	(20,037.74)				(20,037.74)
COMPOST DEL PIRINEO, S.A.	(500,310.17)	(23,784.94)			(524,095.11)
CULTIVOS ENERGETICOS DE CASTILLA, S.A.	(31,658.60)	(989.89)			(32,648.49)
BIOMASAS DEL PIRINEO, S.A.	(72,536.91)	(40.04)			(72,576.95)
BOREMER,S.A.	(1,089,468.57)	(1,529,500.00)			(2,618,968.57)
INTE RCD, S.L.	(29,283.40)	(124.79)			(29,408.19)
SACYR ENVIRONMENT USA LLC	(898,879.71)	(1,127,225.10)			(2,026,104.81)
ALCOREC, S.L.		(47,635.17)			(47,635.17)
RESIDUOS CONSTR.CUENCA	(30,100.00)				(30,100.00)
SERVICIO DE ESTACIONAMIENTO REGULADO	(3,000.00)				(3,000.00)
VALDEMINGOMEZ 2000,S.A.	(2,413,088.75)		900,588.75		(1,512,500.00)
APLICACIONES GESPOL, S.L.		(250,000.00)			(250,000.00)
Impairment of Investments in Group and Multi-group companies and Associates	**(5,108,401.59)**	**(2,979,299.93)**	**900,588.75**	-	**(7,187,112.77)**
CULTIVOS ENERGETICOS DE CASTILLA S.A.	(99,000.00)				(99,000.00)
GESTION E INFRAESTRUCTURA DE CANARIAS, S.A.	(12,393.00)				(12,393.00)
VALDEMINGOMEZ 2000,S.A.	(930,300.00)				(930,300.00)
HIDROANDALUZA, S.A.	(0.60)				(0.60)
SECADO TERMICO DE CASTELLON, S.A.	(1,350,000.00)				(1,350,000.00)
Disbursements pending in Group, Multi-group and Associate companies	**(2,391,693.60)**	-	-		**(2,391,693.60)**
Net value of holdings in Group and Multi-group companies and Associates	**6,295,208.34**	**4,264,462.91**	**889,338.75**	-	**11,449,010.00**
PARTICIPES DEL BIORRECICLAJE S.A.	1,361,908.27				1,361,908.27
GESTION DE PARTICIPES DEL BIORRECICLAJE, S.A.	70,084.86				70,084.86
COMPOST DEL PIRINEO, S.A.	211,438.47		(6,005.12)		205,433.35
BOREMER, S.A.	4,211,957.29		(85,966.52)		4,125,990.77
SURGE AMBIENTAL S.L.	490,174.50	20,309.51			510,484.01
TTO. RESIDUOS LA RIOJA, S.L.	6,415,728.47	118,696.76			6,534,425.23
APLICACIONES GESPOL S.L.		1,968,522.31			1,968,522.31
L/T Loans to Group, Multi-group and Associate companies	**12,761,291.86**	**2,107,528.58**	**(91,971.64)**	-	**14,776,848.80**
ALCOREC, S.L.	16,159.35				16,159.35
S/T Loans to Group, Multi-group and Associate companies	**16,159.35**				**16,159.35**
Net value of loans to Group and Multi-group companies and Associates	**12,777,451.21**	**2,107,528.58**	**(91,971.64)**	-	**14,793,008.15**

Changes during 2016 in the subsections of holdings in both group companies and associates were as follows:

- In 2016 several contributions were made by two partners to the company Boremer, to cover the cash requirements capitalised.
- On 1 December 2016 the capital was increased in Sacyr Environment USA Llc. in the United States to meet the ratios required under American regulations.

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- On 29 August 2016 the purchase of 33% in Partícipes de Biorreciclaje, S.A. from Isolux Corsán Services, S.A. for 4 million euros was registered in the Companies Registry.
- On 4 November 2016 the purchase from Bilbomática of the Company Aplicaciones Gespol, S.L. for the amount of 250,000 euros was placed on public record.
- On 4 May 2016 7.5% of the holding in the Company Consorzio Stabile Vis Societa Consortile per Azioni was sold to Valoriza Gestión S.A.U. keeping a holding of 0.5%.

Both in the provision for impairment as well as their reversal, this forms part of heading 16, "Impairment and losses" of the income statement.

In relation to the loans provided to the Company Tratamientos de Residuos de La Rioja for 6.5 million euros (6.4 million euros in 2015) and for the 1.1 million euros of Other financial assets (1.1 million euros in 2015)(see Note 21b) the Sole Director considers there is a substantiated basis for restoring the economic and financial equilibrium of the concession for the waste treatment plant with the Water and Waste Consortium of La Rioja, for which reason no value impairment adjustment has been made. However, if the restoring of the mentioned equilibrium does not materialise within the expected term, Valoriza Gestión S.A. (Sociedad Unipersonal) will materially restore any possible impairment of the assets mentioned above to the Company, if this should be necessary.

The most relevant long term changes in credit in 2016 were:

- Contributions by way of a loan made to Aplicaciones Gespol, S.L for covering its cash requirements and its payment commitments to its previous owner.

Credits with group and associated companies are classified in the category of loans and items receivable, being valued at amortised cost and the interest rate applied in 2016 is Euribor plus 3 % (Euribor plus 4 % in 2015).

The breakdown of holdings in group, multi-group and associated companies at the end of 2015 is as follows:

Company Name	% Holding Direct	% Holding Indirect	Net book value	Equity: Capital	Equity: Reserves	Equity: Other items	Profit or Loss: Net	Profit or Loss: Operation	Total equity	Dividends received
EUROCOMERCIAL, S.A.	100%	0%	454,375.42	136,427.00	2,448,576.72		(21,733.34)	(28,386.30)	2,763,270.38	
GESTION DE PARTICIPES DEL BIORRECICLAJE, S.A.	33%	0%		60,101.21	-	(84,701.80)	(150.00)	(150.00)	(24,750.59)	
BOREMER, S.A.	50%	0%		2,773,980.00	3,137,371.04	(9,354,388.71)	(1,402,134.83)	(2,088,249.73)	(3,843,140.62)	
PARTICIPES DEL BIORRECICLAJE, S.A.	33%	0%		60,101.21		(120,004.13)	(106.00)	(106.00)	(60,008.92)	
HIDROANDALUZA, S.A.	100%	0%	474,957.20	282,517.40	3,384,386.43	192,440.00	598,485.15	-	4,457,829.20	
BIOMASAS DEL PIRINEO, S.A.	44%	0%	89,463.10	300,000.00	9,803.71	(114,561.45)	(98.85)	(98.85)	195,143.41	
COMPOST DEL PIRINEO, S.A.	50%	0%	80,189.81	1,161,000.00	72,508.35	(1,009,767.62)	(63,361.10)	(54,168.05)	160,379.63	
CULTIVOS ENERGÉTICOS DE CASTILLA, S.A.	44%	0%	1,371.46	300,000.00		(69,633.41)	(2,249.63)	(2,249.63)	228,116.96	
VALDEMINGOMEZ 2000, S.A.	40%	0%	29,711.28	3,101,000.00	371,338.09	(771,532.92)	(2,606,527.05)	(2,566,298.13)	94,278.12	
GESTION E INFRAESTRUCTURAS DE CANARIAS, S.A.	62%	0%	39,130.01	61,200.00	456,355.99	(187,635.31)	(479.84)	(479.84)	331,340.84	
SERVICIO DE ESTACIONAMIENTO REGULADO, S.L.	50%	0%		6,000.00		(2,267.78)			3,732.22	
EMBOSEP	0%	17%	66,000.00	360,000.00	-				360,000.00	
INICIATIVAS MEDIOAMBIENTALES DEL SUR, S.L.	50%	0%	20,000.00	40,000.00	265,942.13	(22,268.21)	(343.51)	(343.51)	283,330.41	
INTE RCD, S.L.	33%	0%	716.60	3,000.00		(218,229.16)	(1,135.35)	(1,135.35)	(216,364.51)	
PARQUE EÓLICO LA SOTONERA, S.L.	30%	0%	600,250.00	2,000,000.00	5,704,706.49	(63,888.91)	342,126.84	646,728.10	7,982,944.42	
SURGE AMBIENTAL	100%	0%	69,971.02	3,010.00	259,868.15	(69,918.45)	38,662.12	72,492.47	231,621.82	
RESIDUOS DE CONSTRUCCIÓN DE CUENCA	50%	0%		60,200.00	9,990.80	(2,184.37)	(114,110.04)	(114,110.04)	(46,103.61)	
ALCOREC S.L.	10%	0%	66,900.00	178,940.00	-	203,873.61	(87,356.34)	(83,883.99)	295,457.27	
TRACTEMENT METROPOLITA DE FANES S.L.	0%	22%	2,711,741.89	12,534,308.61	5,473,304.92	(4,939,948.66)	1,555,124.38	1,941,942.83	14,622,789.25	
SECADOS TÉRMICOS CASTELLON SL	60%	0%	450,000.00	3,000,000.00	62,473.91		(87.88)	(92.02)	3,062,386.03	
PLANTA DE TRATAMIENTO DE ARRAIZ,S.L.	70%	0%	2,100.00	3,000.00					3,000.00	
CONSORZIO STABILE VIS SOCIETA CONSORTILE PER AZIONI	8%	0%	12,000.00	37,500.00					37,500.00	
TTO RESIDUOS LA RIOJA SL	100%	0%	3,006.00	3,006.00		[illegible]	(755,050.17)	(778,306.82)	94,085.63	
VALORIZA SERVICIOS MEDIOAMBIENTALES BOLIVIA, S.A.	70%	0%	18,851.21	18,851.21				-	18,851.21	
SACYR ENVIRONMENT USA LLC	100%	0%	2,067,772.57	2,985,211.72			(639,390.27)	(639,360.57)	2,345,821.45	
VALORIZA ENVIRONMENT SERVICES PTY (AUSTRALIA)	100%	0%	1.00	1.00					1.00	
PLATAFORMA INTEGRAL DE MOVILIDAD AIE (*)	14.68%	0%								
Total Group, Multi-group and Associate companies			**7,225,508.34**	**28,684,407.55**	**29,056,928.78**	**(15,768,427.48)**	**(2,379,685.73)**	**(3,673,968.43)**	**33,796,455.13**	

(*) Company incorporated in 2015.

ADDITIONS FOR THE PERIOD

The additions in 2015 under this heading have the following breakdown:

- VSM, S.A. incorporated Valoriza Environment Services in Australia with 100% of the shares.
- VSM, S.A. incorporated the company Valoriza Servicios Medioambientales Bolivia with Sacyr Industrial S.A.U., holding 70% and 30% respectively.
- VSM, S.A. decreased and increased the share capital in Valdemingomez 2000 in respect of its 40%.
- The Company incorporated Sacyr Environment USA Llc. in United States with 100% of the shares.
- Payment was made to Valoriza Gestión S.A.U. for the part missing for the purchase of its holding in the company Consorzio Stabile Vis Societa Consortile per Azioni.

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The breakdown of holdings in group, multi-group and associated companies at the end of 2016 is as follows:

Company Name	% holding		Net book value	EQUITY					Dividends received
							Profit or loss		
	Direct	Indirect		Capital	Reserves	Other items	Net	Operation	Valid equity
EUROCOMERCIAL, S.A.	100%	0%	454.375,42	136.427,00			(46.757,22)		
GESTION DE PARTICIPES DEL BIORRECICLAJE, S.A.	67%	0%		60.101,21		164.851,80	(163.767,11)		
BOREMER, S.A.	50%	0%		2.175.980,00	5.337.371,04	17.997.223,64	(1.674.490,50)		
PARTICIPES DEL BIORRECICLAJE, S.A.	67%	0%	4.000.000,00	60.101,21		(120.110,13)	(1.637,59)		
HIDROMANCHA, S.A.	100%	0%	674.937,00	282.207,60	3.992.871,40	192.445,00	636.671,22		
BIOMASAS DEL PIRINEO, S.A.	44%	0%	89.428,06	300.000,00	9.805,71	(174.660,80)	(91,00)		
COMPOSTI DEL PIRINEO, S.A.	50%	0%	56.404,87	1.161.000,00	72.958,35	(1.073.128,72)	147.569,87		
CULTIVOS ENERGÉTICOS DE CASTILLA, S.A.	44%	0%	361,87	300.000,00		(91.880,04)	(2.248,74)		
VALDEMINGÓMEZ 2000, S.A.	49%	0%		3.101.000,00	-	(1.514.111,00)	(2.056.452,00)		
GESTION E INFRAESTRUCTURAS DE CANARIAS, S.A.	62%	0%		61.200,00	458.255,49	(188.115,15)	(620,58)		
SERVICIO DE ESTACIONAMIENTO REGULADO, S.L.	50%	0%	-	6.000,00		(3.067,78)	-		
INFOSER	0%	17%	66.000,00	360.000,00		-	-		
INICIATIVAS MEDIOAMBIENTALES DEL SUR, S.L.	50%	0%	30.000,00	60.000,00	565.942,13	(22.551,72)	-		
IME RCD, S.L.	30%	0%	214,49	3.000,00		(279.364,51)	(378,14)	(363,67)	
PARQUE EÓLICO LA SOTONERA, S.L.	37%	0%	603.250,00	2.000.000,00	5.996.792,63		251.917,78	551.098,08	
SURGE AMBIENTAL	48%	0%	69.971,02	3.010,00	298.300,27	(69.918,45)	35.101,66	67.126,76	
RESIDUOS DE CONSTRUCCIÓN DE CUENCA	50%	0%	-	60.200,00	9.990,82	(116.294,41)	(2.177,94)	(2.066,38)	
ALCOPEC S.L.	50%	0%	66.900,00	178.900,00	-	(28.150,60)	(62.965,20)	(47.240,97)	
TRACTEMENT METROPOLITA DE FANGS, S.L.	0%	22%	2.711.741,89	12.884.308,61	6.606.817,49	(3.538.226,76)	495.760,97	521.269,01	
SECADOS TERMICOS CASTELLON SL	60%	0%	450.000,00	3.000.000,00	62.473,91	(87,98)	1.259,29	(353,39)	
PLANTA DE TRATAMIENTO DE ARRAIZ,S.L.	70%	0%	2.100,00	3.000,00		-	-	-	
CONSORZIO STABILE VIS SOCIETA CONSORTILE PER AZIONI	50%	0%	750,00	37.500,00		-	-	-	
ITO RESIDUOS LA RIOJA SL	100%	0%	3.000,00	3.000,00		841.079,63	1.793.107,93	(816.419,51)	
VALORIZA SERVICIOS MEDIOAMBIENTALES BOLIVIA S.A.	70%	0%	18.851,21	18.851,21			-	-	
SACYR ENVIRONMENT USA LLC	100%	0%	2.998.810,39	4.813.628,44		1.960.681,85	(1.465.191,53)	(1.466.694,78)	
VALORIZA ENVIRONMENT SERVICES PTY (AUSTRALIA)	100%	0%	1,00	1,00		-	-	-	
PLATAFORMA INTEGRAL DE MOVILIDAD AIE	14,00%	0%	-	3.000,00			12.342,76	-	
APLICACIONES GESPOL S.L.	100%	0%		30.000,00			(218.448,99)	(191.037,30)	
Total Group, Multi-group and Associate companies			**11.494.329,96**	**30.787.617,09**	**24.746.201,21**	**(14.605.926,09)**	**(5.033.307,94)**	**(3.791.275,42)**	**30.329.645,44**

ADDITIONS FOR THE PERIOD

The additions in 2016 under this heading have the following breakdown:

- VSM, S.A. acquired 100% of the shares in Aplicaciones Gespol, S.L. from Bilbomática.
- VSM, S.A. purchased from Isolux Corsan Services its 33% holding in Partícipes de Biorreciclaje, S.A. increasing its holding to 66.67%.
- VSM, S.A. increased the capital in Boremer to its percentage.
- The Company increased the capital in Sacyr Environment USA Llc. in United States.

DISPOSALS FOR THE PERIOD

The additions in 2016 under this heading have the following breakdown:

- 7.5% of the 8% which was the holding in the Company Consorzio Stabile Vis Societa Consortile per Azioni was sold to Valoriza Gestión, S.A.U .

In accordance with Article 155 of the Spanish Corporate Enterprises Act, the Company has have disclosed all companies in which it has taken a shareholding of over 10% or, where it already held such a shareholding, any additional acquisitions or sales above 10%.

None of the companies in which the Company has a holding is listed on the Stock Exchange.

The annual accounts of the most significant Companies in which VSM, S.A. participates are audited by the following external auditors:

Valdemingomez 2000, S.A.	Deloitte
Tractement Metropolita de Fangs, S.L.	Deloitte
Boremer, S.A.	Deloitte
Parque Eólico La Sotonera, S.A.	KPMG
Tratamientos de Residuos de La Rioja, S.A.	Ernst & Young

The breakdown of activities and registered offices of the group and associated companies is as follows:

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Company Name	Corporate Object	Registered Address:
Gestión Partícipes de Biorreciclaje S.A.	Activ related to management and treatment of solid urban waste	*Ctra. Puerto Real a Paterna. Medina Sidonia, Cádiz. Spain*
Compost del Pirineo S.L.	Promotion of sludge composting plant WWTS	*C/San Bartolomé nº11. Alcala de Gurrea. Huesca. Spain*
Metrotenys S.L.	Management, construct. for 15 years Est. Depuradora de San Adria de Beso	*C/ Fin s/n Barcelona*
Boremer S.A.	Contracting and management of sewage services and cleaning building sites	*C/Principe de Vergara nº139. Madrid. Spain*
Biomasas del Pirineo S.A.	Selling biomass energy	*C/San Bartolomé nº11. Alcala de Gurrea. Huesca. Spain*
Valdemingómez 2000,S.A.	Degasification project Valdemingómez rubbish tip	*C/Génova 6. Madrid. Spain*
Cultivos Energéticos de Castilla S.A.	Selling biomass energy	*Avda. del Cid Campeador nº4. Burgos. Spain*
Infoser Estacionamiento Regulado, A.I.E.	Auxiliary control and parking services in public roads in Madrid	*C/ Manuel Silvela 8. Madrid. Spain*
Parque Eólico la Sotonera, S.L.	Renewable energy production	*Pza.Antonio Beltran Martinez, 1 Zaragoza. Spain*
Gestión de Infoest Canarias S.A.	Works, studies and other projects	*Pza de José Arozena Paredes Sta Cruz de Tenerife*
Partícipes del Biorreciclaje S.A.	Waste management	*C/Federico Salmón nº8 Madrid. Spain*
Iniciativas Medioambientales del Sur S.L.	Street cleaning, Collection, transport and treatment of waste, water treatment	*Ctra Cadiz-Pto.Real Km13 Jerez de la Frontera, Cádiz. Spain*
Ime RCD, S.L.	Sale, development of waste from construction and demolition	*C/Américo Vespucio, 69 Sevilla. Spain*
Eurocomercial S.A.U.	Projects for engineering, consult, import & export of products for holding and sale	*C/Juan Esplandiu, 11-13 Planta 13. 28007 Madrid. Spain*
Residuos de Construcción de Cuenca	Management of construction and demolition debris in the area of the Province of Cuenca	*C/Federico Salmón nº8 Madrid. Spain*
Hidroandaluza, S.A.U.	Buying/selling computer equipment	*C/Arjona, 19: 1ºA; Sevilla España*
Alcolec, S.L.	Management of construction and demolition debris in the area of Alcoss	*Av Kansas City ED Realia. 41007 Sevilla España*
Surge Ambiental, S.L.	Management of construction and demolition debris in the area of Madrid Region	*C/Juan Esplandiu, 11-13 Planta 13. 28007 Madrid. Spain*
Servicio de Estacionamiento Regulado,S.L.	Services related to car parks, vehicle removal, Traffic reports and public transport	*C/ Manuel Silvela 8. Madrid. Spain*
TRATAMIENTO RESIDUOS LA RIOJA S.L.	Operating and maintaining the Waste Treatment Plant of the La Rioja Ecopark	*La Rad de Varea s/n Villamediana de Iregua.La Rioja. Spain*
SECADO TERMICO DE CASTELLON,S.A.	Analysis, project, construction and operating the Plant	*C/Fanzara, 5. Burriana. Castellón. Spain.*
WASTE RESOURCES,S.L.	Providing services related to the environment..	*Carretera de Vicálvaro a O'Donnell nº7 28032 Madrid. Spain*
PLANTA DE TRATAMIENTO DE ARRAIZ,S.L.	Analysis, project, construction and operating the Plant	*Calle Elcano, 9 Bilbao. Vizcaya. Spain*
CONSORZIO STABILE VIS SOCIETA CONSORTILE PER AZIONI	Analysis, construction and provision of services related to the environment in Italy	*Via Invorio, 24 Torino. Italy.*
VALORIZA SERVICIOS MEDIOAMBIENTALES BOLIVIA,S.A.	Construction of a cement plant in Bolivia in the town of Cruso	*Santa Cruz de la Sierra, Departamento de Santa Cruz, Bolivia*
SACYR ENVIRONMENT USA LLC	Analysis, construction and provision of services related to the environment in USA	*2711 Centerville Road. Wilmington, Delaware*
VALORIZA ENVIRONMENT SERVICES PTY (AUSTRALIA)	Analysis, construction and provision of services related to the environment in Australia	*256 Adelaide Terrace, Perth, Western Australia*
PLATAFORMA INTEGRAL DE MOVILIDAD AIE	Auxiliary control and parking services in public roads in Madrid	*Calle Covarrubias nº1 Bajo Derecha, 28010 Madrid*
APLICACIONES GESPOL, S.L.	Development, programming, operating and maintenance of computer programmes for managing traffic and safety violations	*C/Juan Esplandiu, 11-13 Planta 13. 28007 Madrid. Spain*

11. Joint business

The breakdown at 31 December 2015 of significant operations under joint control in which the Company has a holding through a joint venture is as follows:

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JVs	Holding (%)	Net value	Operating data	Main activity
SUFI - CIMCRÓN - BOREMER (UTE SUR)	50%	1,502.53	3,005.06	Construction of a thermal sludge drying plant in the south zone of Madrid
TRAMAMG	27%	1,622.73	6,010.12	Construction of sludge plant and operation in Sant Adrià del Besòs, Barcelona
C.B.C.	33%	12,027.65	36,060.73	Construction of waste treatment plant (Cadiz)
[illegible]	50%	0.00	Pending	Street cleaning services, collection and transport of municipal waste in Majadahonda
BOADILLA JV	50%	0.00	Under liquidation	Waste collection, selective collection, street cleaning and transport to the Boadilla del Monte plant
SUFI - URBASER - VERTRESA (LA PALOMA)	58%	3,280.00	6,000.00	Management of the public service for operation and remodelling the treatment centre for municipal waste in La Paloma district, Madrid
SUFI - TECONSA (CTR SALAMANCA)	60%	600.00	1,000.00	Construction of the municipal waste for management of the municipal districts in the province of Salamanca
SUFI - J.A. ROMERO POLO (SERRALLARGA JV)	40%	2,400.00	6,000.00	Building the controlled storage tank in Serrallarga, with establishment of a gas treatment system
LOS HORNILLOS JV	50%	300.00	1,000.00	Management project of installation 1, included in the waste zone plan of zones II and VIII (Management Area I) and its concession award
EDAR CARIÑO JV (SUFI & CIRCOBRAS / SERVICIOS I	55%	1,650.00	3,000.00	Drafting the project and operating general collectors and sewage station of Cariño (La Coruña)
RCD GARDELEGUI 2006 JV (SUFI - ESCOR - LAMBIDE)	50%	1,500.00	3,000.00	Drafting the project, construction and concession of the operation of a demolition debris treatment plant in Vitoria
HORNILLOS JV- BUILDING WORK	50%	3,000.00	6,000.00	Execution of the works included in the "Project of activity and construction of facility I included in the zone plan of waste in zones II and VIII (Management Area I)" that is performed within the framework of the "Management project of the ..."
LINET JV (SUFI - ROMERO POLO)	40%	12,000.00	30,000.00	Concession of the municipal street cleaning, collection and transport of the various fractions of urban waste and other complementary services in the city of Lleida.
EL MAJANO ENVIRONMENTAL COMPLEX JV (SUFI - SATOCAN)	50%	3,000.00	6,000.00	Drafting the project, execution of the works and installations, as well as start-up of urbanising and infrastructure works for waste on the environmental complex of El Majano (island of El Hierro)
GUADALPIN JV	35%	2,100.00	6,000.00	Execution of replacement works I.. trap pipe of Arroyo Guadalpin water purification plant
FAUNA BARAJAS JV	60%	3,600.00	6,000.00	Drafting the building plans for the animal recovery centre under compensatory measures associated to Madrid Barajas airport
SUFI - CONTER JV	70%	[illegible]	12,000.00	Provision of the street cleaning service and collection of urban waste in the municipal district of Cadiz
UTE BIOMETANIZACIÓN LA PALOMA	36%	2,163.60	6,009.99	Drafting project, construction, start-up of a bio-methane urban waste plant, and a biogas treatment plant for use of fuel in buses for public transport at La Paloma plant
UTE SUFI - CONTER JARDINES	70%	8,400.00	12,000.00	Conservation and maintenance of park areas and cleaning parks and gardens, park areas and other public spaces in Cadiz
TEM JV	40%	42,000.00	[illegible]	Extension, adaptation and operation of the Integral Waste Recycling Centre of Maresme
CENTRE INTEGRAL DE VALORITZACIÓ DE RESIDUS DEL MARESME UTE	60%	6,000.00	10,000.00	Execution of the construction works for extension, adaptation and operation of the Integral Waste Recycling Centre of Maresme
UTE GARABI	60%	3,600.00	6,000.00	Service contract to withdraw vehicles from the streets and integral management of the municipal pound
UTE URGELNET	50%	[illegible]	30,000.00	"Municipal waste collection, transport and treatment service and street cleaning in the territory served by the Mancomunitat d'Escombraries de l'Urgellet"
UTE EDAR AJOFRÍN	50%	3,000.00	6,000.00	Drafting the project, execution of works and performance of operating and maintenance tests of collectors and sewage purification plants
PAVIMENTOS GUADALAJARA	60%	3,000.00	5,000.00	Service for repair, conservation and conditioning of the pavements in Guadalajara
UTE PLANTA DE ARICO	50%	3,000.00	6,000.00	Drafting the projects, execution of the works and start-up of a composting plant
DISPOSITIVO ALTO URGEL	35%	10,500.00	30,000.00	Turnkey construction and operation of a leachate treatment system at Montferrer y Castellbò.
UTE LA PALOMA BIO	36%	2,160.00	6,000.00	Management of the public service for operation and maintenance follow a gas purification plant at La Paloma Plant at Valdemingómez
UTE CONTENIDORS SOTERRATS LLEIDA	50%	3,000.00	6,000.00	Installation of bin islands in the Lleida area
UTE SECADO TÉRMICO LOECHES	50%	3,000.00	6,000.00	Implementation of the contract for the Indirect Management Services for operating the Compost Plant and thermal drying with cogeneration in Loeches
UTE JARDINES PERIFERIA	70%	700.00	1,000.00	Conservation and Maintenance of Municipal Natural Parks, Forests and Periurban Park Areas
UTE DIGESTIÓN ANAEROBIA LA PALOMA	38%	2,280.00	6,000.00	Management of public services (as a concession) for operating two bio-methane plants and for operating a biogas treatment plant for bio-methane for using and marketing it in the Valdemingómez technological park
UTE JARDINES CENTRO SEVILLA	50%	6,300.00	15,000.00	Conservation and maintenance service of park areas and street trees in the city of Seville, Central District, Triana, Los Remedios and Macarena, as well as all accessories and/or complementary items related to that object that may be required by the awarding body.
UTE PATRIMONIO JARDINES	60%	3,600.00	6,000.00	Implementation of the contract for "Conservation of the Historic National Heritage Gardens"
UTE VALORIZA-GEAMUR PUERTO ALICANTE	60%	30,000.00	30,000.00	LIMPIEZA Y RECOGIDA RSU PUERTO ALICANTE
UTE TRUJILLO	50%	6,000.00	72,000.00	Management of the public service for collection and transport of urban waste (remaining fraction and organic fraction), selective (light packaging and paper and cardboard); as well as for cleaning streets and gardens in the municipal district of Trujillo, in the form of a concession
UTE SECADO TÉRMICO LOECHES II	50%	3,000.00	[illegible]	Indirect management service to operate the compost plant, thermal drying with cogeneration and landfill of Loeches
SUFI - SETEX APARKI	50%	3,000.00	[illegible]	Providing the regulated public street parking service in Madrid
SUFI - VERINSUR (CALANDRIAS)	50%	500.00	1,000.00	Operating services, maintenance and conservation of "Las Calandrias" compost and recycling plant
UTE PILAS (VIVO MEDIOAMBIENTE, S.L. - SUFI, S.A.)	50%	1,000.00	2,000.00	Used battery management in the Canary Islands 2004-2005
UTE PRADOLUENGO (SUFI SA - TEBYCON SA)	50%	3,000.00	6,000.00	Execution of building work in Pradoluengo, Burgos
UTE SALTO DEL NEGRO	60%	3,600.00	6,000.00	Drafting the building project and start-up of the facilities belonging to the 2nd phase of the bio-methane plant and 2nd phase of the "all in one" classification plant at the Salto del Negro environmental complex
UTE TALARRUBIAS	50%	3,005.00	[illegible]	Operating the management zone number 7 in Talarrubias, Badajoz
UTE SUFI - HIXENE'S ZONA VI PARQUÍMETROS	60%	1,800.00	3,000.00	Provision of the management service of the public regulated street parking service in Madrid (Lot 3 - Zone VI)
SUFI - CADAGUA - FERROVIAL M.A. - OHL (SECADO TÉRMICO BUTARQUE)	70%	4,207.09	6,010.13	Construction and operation of a thermal sludge drying plant at the Butarque Wastewater Treatment Plant
UTE CONSERVACIÓN MANZANARES (SUFI-MES)	50%	0.00	Under liquidation	Maintenance service, conservation and operation of the River Manzanares in the municipal district of Madrid

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JVs	Holding (%)	Net value	Operating data	Main activity
[illegible]	50%	[illegible]	12,000.00	[illegible]
[illegible]	75%	[illegible]	6,000.00	[illegible]
UTE DEPURADORAS ALCALÁ OESTE (SUFI - SACYR) LOS TERCIARIOS	80%	[illegible]	[illegible]	Execution of the construction works of the recycling treatments in the purification plant of Alcalá Oeste, Arroyo del Soto, Casaquemada, Villanueva de la Cañada and Villaviciosa de Odón. Group I.
UTE PARQUE FORESTAL VALDEBERNARDO	50%	3,000.00	[illegible]	Execution of the works of two kiosks in the Valdebernardo Forest Park
UTE SUFI TARAJAL	100%	12,000.00	12,000.00	Management and operation of the activities included in the urban cleaning service, waste collection and street cleaning in the municipal district of Puerto de la Cruz
UTE SIERRA DEL SEGURA	100%	6,000.00	6,000.00	Domestic waste collection, cleaning and disinfection of bins and collection of bulky waste by installation of collection points in the municipal districts of the Mancomunidad de la Sierra del Segura
UTE LIMPIEZA CALDES	55%	1,650.00	3,000.00	Street cleaning service and municipal equipment of the Local Government Caldes de Montbui
UTE EDIFICIOS MORATALAZ	80%	2,400.00	3,000.00	Full management of the complementary services of buildings assigned to the District of Moratalaz
UTE CONTENEDORES POZUELO	50%	300.00	600.00	Supply, works and installation of underground bins for municipal waste
UTE POLIDEPORTIVO F. J. CASTILLEJO (SUFI, S. A. – SERVORIVE, S. L.)	50%	1,500.00	3,000.00	Various services in the F.J. CASTILLEJO DE PARLA municipal sports centre.
UTE JARDINES GUADALAJARA	50%	10,000.00	20,000.00	Municipal gardening service in the district of Guadalajara.
UTE ORIHUELA CAPITAL DE LA VEGA BAJA (SUFI S.A., OCIDANCAS, S.L. Y LIMPIEZAS Y ASEO URBANO, S.A.)	40%	24,000.00	60,000.00	Provision of the public collection, treatment and elimination of urban waste and street cleaning in the municipal district of Orihuela
UTE SEÑORSERM	50%	3,000.00	6,000.00	T1.55 En Montes Municipales de la Comarca del Litoral de la provincia de Huelva.
UTE TELDE	50%	6,000.00	[illegible]	Management of the street cleaning, beaches, USW collection and other related items in the municipal d
UTE ENTUBADO CARBAJOSA	50%	3,000.00	6,000.00	Town planning works and pipe for the stretch of the Villagonzalo canal
UTE SONDEOS PALENCIA	80%	2,400.00	3,000.00	Test drilling in the irrigation zone of Valdivia - Aguilar. (Palencia).
UTE PASEO FLUVIAL STA MARTA DE TORMES	50%	3,000.00	6,000.00	Execution of the conditioning works project of the River Tormes and River Promenade
UTE LINCE Y ÁGUILA	50%	5,940.00	6,000.00	Restoration of habitats for the lynx and imperial eagle in forests in the Andújar natural park
UTE MANTENIMIENTO BOADILLA	60%	0.00	Pending	Operation of the comprehensive management services for preventive maintenance and conservation of the public lighting, sewers, paving, public streets and other infrastructures under the control of the City Council, as well as urban fixtures in Boadilla del Monte
UTE MIRANDA DE EBRO	50%	1,500.00	3,000.00	Execution of the public street cleaning service, collection of municipal waste, sewer cleaning, rat extermination and animal removal
TMB ARTAIZ JV	70%	4,200.00	6,000.00	Drafting the execution project, turnkey construction, start-up and operation for a mechanical biological treatment for urban waste in the area of Artmulaza, Monte Arraiz, Bilbao.
UTE ARONA	50%	6,000.00	12,000.00	Public urban waste management service and street cleaning in the municipal district of Arona
UTE PLASENCIA	50%	6,000.00	12,000.00	Public urban waste collection, selective collection at origin, transport of waste and street cleaning in [illegible]
UTE LITORAL ARONA	50%	6,000.00	[illegible]	Public service of Coast Management in the municipal district of Arona
UTE GALAPAGAR	80%	2,400.00	3,000.00	Regulated Parking, vehicle immobilisation, withdrawal and transport to the municipal pound service. Installation of complementary penalty elements to improve road safety and technical assistance and collaboration service in matters of fine collection arising from the Regulated Parking Service, and penalties generated by infractions within the scope of authority of the City Council
UTE VALDEMORO MOVILIDAD	50%	200,000.00	400,000.00	Management of the Regulated Parking (SER) public service in certain streets, Public Vehicle Removal Service (Tow-truck) in the municipal district of Valdemoro and Fine Management Service within the Regulated Parking Service
UTE BADAJOZ SUR	50%	6,000.00	12,000.00	Execution of the Management of the Public Service for urban collection in the South Zone of the Province of Badajoz, as well as any accessory and/or complementary services related to that object which might be required by the awarding body
UTE CAMALOTE	60%	7,200.00	12,000.00	Execution of the concession contract of the public works " Works for environmental protection in the middle stretch of the River Guadiana (environmental protection works in stretches of water and banks of the Guadiana basin) Badajoz, phase I., as well as any accessory and/or complementary services related to that object which might be required by the awarding body
UTE MADRID SUR MOVILIDAD LOTE III	31.8%	3,180.00	[illegible]	Execution of Lot III of the "Comprehensive Mobility contract for the City of Madrid", as well as the auxiliary, accessory and/or complementary works, including any extensions and other variations that may arise
UTE MADRID SUR MOVILIDAD LOTE IV	31.8%	3,180.00	10,000.00	Execution of Lot IV of the "Comprehensive Mobility contract for the City of Madrid", as well as the auxiliary, accessory and/or complementary works, including any extensions and other variations that may arise
UTE VALORIZA GESTIONA	65%	195,000.00	300,000.00	Management of the cleaning of public spaces, service for collection, transport and processing domestic waste and maintenance and conservation of parks and green areas within the municipal district of Pinto
UTE TRANSFERENCIAS	60%	3,600.00	6,000.00	Management of the public service for operating the urban waste transfer and treatment facilities for the Provincial Consortium for non hazardous waste treatment, as well as the service provided by two vacuum - blower trucks
UTE SUCETEC (SUFI-TECNIGRAL-CESPA)	33%	1,001.59	3,035.12	JV undergoing liquidation.
UTE CAMALOTE II	60%	7,500.00	10,000.00	Public works concession for controlling invasive species in the Guadiana Basin. Feder Funds 2007-2013
GUADALAJARA JV	70%	2,100.00	3,000.00	Management of public services for collection and transport of solid and selective urban waste and street cleaning in the city of Guadalajara and adjacent neighbourhoods
UTE GRÚA OLEIROS	60%	1,800.00	3,000.00	Servicio de Retirada de Vehículos de la Vía Pública y su depósito en Oleiros (A Coruña).
UTE GRÚA A CORUÑA	60%	[illegible]	3,000.00	Management and operation of the regulated parking service for vehicles and vehicle withdrawal in La
[illegible]	50%	1,500.00	3,000.00	Operation of a plant to treat and transform plastic waste and other refuse to produce energy in Jerez de la Frontera, Cadiz.

The breakdown at 31 December 2016 of significant operations under joint control in which the Company has a holding through a joint venture is as follows:

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JVs	Holding (%)	Net value	Operating date	Main activity
[illegible]	50%	1,503.53	[illegible]	[illegible]
TRAMPAMO	27%	1,632.73	[illegible]	[illegible]
[illegible]	33%	15,203.65	[illegible]	Construction of waste treatment plant (Cadiz)
UTE MAJADAHONDA (SUFI FCC)	50%	0.00	Pending	Street cleaning services, collection and transport of municipal waste in Majadahonda
[illegible]	50%	[illegible]	Under liquidation	Waste collection, selective collection, street cleaning and transport to the Boadilla del Monte plant
SUFI - URBASER - VERTRESA (LA PALOMA)	38%	2,280.00	[illegible]	Management of the public service for operation and remodelling the treatment centre for municipal waste in La Paloma district, Madrid
SUFI - TECONSA (C.T.R. SALAMANCA)	60%	600.00	[illegible]	Construction of the municipal waste for management of the municipal districts in the province of Salamanca
SUFI - J.A. ROMERO POLO (UTE SERRALLARGA)	40%	9,600.00	6,000.00	Building the controlled storage tank in Serrallarga, with establishment of a gas treatment system
UTE LOS HORNILLOS	50%	[illegible]	1,000.00	Management project of installation 1, included in the waste zone plan of zones III and VIII (Management Area II) and its concession award
UTE EDAR CARIÑO (SUFI Y CPC OBRAS Y SERVICIOS)	55%	1,650.00	[illegible]	Drafting the project and operating general collector and sewage station of Cariño (La Coruña)
UTE RCD GARDELEGUI 2005 (SUFI - ESCOR - LAMROE)	50%	1,500.00	3,000.00	Drafting the project, construction and concession of the operation of a demolition debris treatment plant in Vitoria
UTE HORNILLOS - OBRA	50%	3,000.00	6,000.00	Execution of the works included in the "Project of activity and construction of facility 1 included in the zone plan of waste in zones III and VIII (Management Area II)" that is performed within the framework of the "Management project of the ..."
UTE RIVET (SUFI - ROMERO POLO)	40%	12,000.00	30,000.00	Concession of the municipal street cleaning, collection and transport of the various fractions of urban waste and other complementary services in the city of Lleida.
UTE COMPLEJO AMBIENTAL EL MAJANO (SUFI - SATOCÁN)	50%	3,000.00	6,000.00	Drafting the project, execution of the works and installations, as well as start-up of urbanising and infrastructure works of waste on the environmental complex of El Majano (Island of El Hierro)
UTE GUADALPÍN	35%	2,100.00	6,000.00	Execution of replacement works 1, top pipe of Arroyo Guadalpín water purification plant
UTE FAUNA BARAJAS	60%	3,600.00	6,000.00	Drafting the building plans for the animal recovery centre under compensatory measures associated to Madrid Barajas airport
UTE SUFI - CORFER	70%	8,400.00	12,000.00	Provision of the street cleaning service and collection of urban waste in the municipal district of Cadiz
UTE BIOMETANIZACIÓN LA PALOMA	36%	2,163.60	6,009.99	Drafting, project, construction, start-up of a bio-methane urban waste plant, and a biogas treatment plant for use as fuel in buses for public transport of La Paloma plant
UTE SUFI - CORFER JARDINES	70%	8,400.00	12,000.00	Conservation and maintenance of park areas and cleaning parks and gardens, park areas and other public spaces in Cadiz
TEMA JV	42%	42,000.00	100,000.00	Extension, adaptation and operation of the Integral Waste Recycling Centre of Maresme
CENTRE INTEGRAL DE VALORITZACIÓ DE RESIDUS DEL MARESME UTE	60%	6,000.00	10,000.00	Execution of the construction works for extension, adaptation and operation of the Integral Waste Recycling Centre of Maresme
UTE GARABI	60%	[illegible]	6,000.00	Service contract to withdraw vehicles from the streets and integral management of the municipal pound
UTE URGENET	50%	15,000.00	30,000.00	"Municipal waste collection, transport and treatment service and street cleaning in the territory served by the Mancomunitat d'Escombraries de l'Urgellet"
UTE EDAR AJORRÍN	50%	3,000.00	6,000.00	Drafting the project, execution of works and performance of operating and maintenance tests of collection and sewage purification plants
PAVIMENTOS GUADALAJARA	60%	3,000.00	[illegible]	Service for repair, conservation and conditioning of the pavements in Guadalajara
UTE PLANTA DE ARICO	50%	3,000.00	6,000.00	Drafting the projects, execution of the works and start-up of a composting plant
DEPOSITO ALTO URGEL	35%	10,500.00	30,000.00	Turnkey construction and operation of a leachate treatment system at Montferrer y Castellbó
UTE LA PALOMA BIO	36%	2,160.00	6,000.00	Management of the public service for operation and maintenance follow a gas purification plant at La Paloma Plant of Valdemingomez
UTE CONTENIDORS SOTERRATS LLEIDA	50%	3,000.00	6,000.00	Installation of bin islands in the Lleida area
UTE SECADO TÉRMICO LOECHES	50%	3,000.00	6,000.00	Implementation of the contract for the Indirect Management Services for operating the Compost Plant and thermal drying with cogeneration in Loeches
UTE JARDINES PERIFERIA	70%	700.00	1,000.00	Conservation and Maintenance of Municipal Natural Parks, Forests and Periurban Park Areas
UTE DIGESTIÓN ANAEROBIA LA PALOMA	38%	2,280.00	6,000.00	Management of public services (on a concession) for operating two bio-methane plants and for operating a biogas treatment plant for bio-methane for using and marketing it in the Valdemingomez technological park
UTE JARDINES CENTRO SEVILLA	50%	6,000.00	12,000.00	Conservation and maintenance service of park areas and street trees in the city of Seville, Central District, Triana, Los Remedios and Macarena, as well as all accessories and/or complementary items related to that object that may be required by the awarding body.
UTE PATRIMONIO JARDINES	60%	3,600.00	6,000.00	Implementation of the contract for "Conservation of the Historic National Heritage Gardens"
UTE VALORIZA-GEAMUR PUERTO ALICANTE	60%	30,000.00	50,000.00	LIMPIEZA Y RECOGIDA RSU PUERTO ALICANTE
UTE TRUJILLO	50%	6,000.00	12,000.00	Management of the public service for collection and transport of urban waste (remaining fraction and organic fraction), selective (light packaging and paper and cardboard); as well as for cleaning streets and gardens in the municipal district of Trujillo, in the form of a concession
UTE SECADO TÉRMICO LOECHES I	50%	3,000.00	6,000.00	Indirect management service to operate the compost plant, thermal drying with cogeneration and landfill of Loeches
UTE AS PONTES	50%	1,500.00	3,000.00	Implementation of the contract for the public waste collection service for the City Council of As Pontes de Garcia Rodriguez, transport to Nison Ecoplant, street cleaning and management of recycling point
UTE RMZ	40%	2,400.00	[illegible]	Management of the public service under a concession for containerising, collection and transporting waste in the City of Madrid - lot 2: East. Dossier 131/2016/12969
SUFI - SETEX - APARKI	50%	3,000.00	[illegible]	Providing the regulated public street parking service in Madrid
SUFI - VERINSUR (CALANDRIAS)	50%	300.00	1,000.00	Operating services, maintenance and conservation of "Las Calandrias" compost and recycling plant
UTE PILAS (VYO MEDIOAMBIENTE, S.L. [illegible])	50%	1,000.00	2,000.00	Used battery management in the Canary Islands 2004-2005
UTE PRADOLUENGO (SUFI SA - TERVOCON SA)	50%	[illegible]	4,000.00	Execution of building work in Pradoluengo, Burgos
UTE SALTO DEL NEGRO	60%	3,600.00	6,000.00	Drafting the building project and start-up of the facilities belonging to the 2nd phase of the bio-methane plant and 2nd phase of the "all in one" classification plant at the Salto del Negro environmental complex
UTE TALARRUBIAS	50%	3,005.00	6,010.00	Operating the management zone number 7 in Talarrubias, Badajoz
UTE SUFI - HIGIENE 3 ZONA VI PARQUIMETROS	60%	1,800.00	3,000.00	Provision of the management service of the public regulated street parking service in Madrid (Lot 3 - Zone VI)
SUFI - CADAGUA - FERROVIAL M.A. - OHL (SECADO TÉRMICO BUTARQUE)	70%	4,207.09	6,010.12	Construction and operation of a thermal sludge drying plant at the Butarque Wastewater Treatment Plant
UTE CONSERVACIÓN MANZANARES (SUFI IMES)	50%	0.00	Under liquidation	Maintenance service, conservation and operation of the river Manzanares in the municipal district of Madrid

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JVs	Holding (%)	Net value	Operating date	Main activity
[illegible]	50%	[illegible]	12,000.00	Municipal gardening service in the district of La Línea de la Concepción
[illegible]	75%	4,500.00	[illegible]	[illegible]
[illegible]	80%	4,800.00	6,000.00	[illegible]
UTE PARQUE FORESTAL VALDEBERNARDO	50%	3,000.00	6,000.00	Execution of the works of works in the Valdebernardo Forest Park
UTE SUFI-TARAJAL	100%	12,000.00	12,000.00	Management and operation of the activities included in the urban cleaning service, waste collection and street cleaning in the municipal district of Puerto de la Cruz
UTE SIERRA DEL SEGURA	100%	6,000.00	6,000.00	Domestic waste collection, cleaning and disinfection of bins and collection of bulky waste by installation of collection points in the municipal districts of the Mancomunidad de la Sierra del Segura
[illegible]	55%	1,650.00	3,000.00	Street cleaning service and municipal equipment of the Local Government Caldes de Montbui
UTE EDIFICIOS MORATALAZ	80%	2,400.00	3,000.00	Full management of the complementary services of buildings assigned to the District of Moratalaz
UTE CONTENEDORES POZUELO	50%	300.00	600.00	Supply, works and installation of underground bins for municipal waste
UTE POLIDEPORTIVO F. J. CASTILLEJO (SUFI, S. A. – SERVIDEPORTE, S. L.)	50%	1,500.00	3,000.00	Various services in the F.J. CASTILLEJO DE PARLA municipal sports centre.
UTE JARDINES GUADALAJARA	50%	10,000.00	20,000.00	Municipal gardening service in the district of Guadalajara.
UTE ORIHUELA CAPITAL DE LA VEGA BAJA (SUFI, S.A., GOBANCAST, S.L. Y LIMPIEZAS Y ASEO URBANO, S.L.)	40%	24,000.00	60,000.00	Provision of the public collection, treatment and elimination of urban waste and street cleaning in the municipal district of Orihuela
[illegible]	50%	3,000.00	6,000.00	TLSS En Montes Municipales de la Comarca del Litoral de la provincia de Huelva.
UTE TELDE	50%	6,000.00	12,000.00	Management of the street cleaning, beaches, USW collection and other related items in the municipal d
UTE BITURBADO CARBAJOSA	50%	3,000.00	6,000.00	Town planning works and pipe for the stretch of the Villagonzalo canal
UTE SONDEOS PALENCIA	80%	2,400.00	3,000.00	Test drilling in the irrigation zone of Valdivia - Aguilar, (Palencia).
UTE PASEO FLUVIAL STA MARÍA DE TORMES	50%	3,000.00	6,000.00	Execution of the conditioning works project of the river Tormes and River Promenade
UTE LINCE Y ÁGUILA	50%	5,940.00	6,000.00	Restoration of habitats for the lynx and imperial eagle in forests in the Andújar nature park
UTE MANTENIMIENTO BOADILLA	60%	0.00	Pending	Operation of the comprehensive management services for preventive maintenance and conservation of the public lighting, sewers, paving, public streets and other infrastructures under the control of the City Council, as well as urban fixtures in Boadilla del Monte
UTE MIRANDA DE EBRO	50%	1,500.00	3,000.00	Execution of the public street cleaning service, collection of municipal waste, sewer cleaning, rat extermination and animal removal
TMB ARTEAZ JV	70%	4,200.00	6,000.00	Drafting the execution project, turnkey construction, start-up and operation for a mechanical biological treatment for urban waste in the area of Amulaza, Monte Arraiz, Bilbao.
UTE ARONA	50%	6,000.00	[illegible]	Public urban waste management service and street cleaning in the municipal district of Arona
UTE PLASENCIA	50%	6,000.00	12,000.00	Public urban waste collection, selective collection at origin, transport of waste and street cleaning in [illegible]
UTE LITORAL ARONA	50%	6,000.00	[illegible]	Public service of Coast Management in the municipal district of Arona
UTE GALAPAGAR	80%	2,400.00	3,000.00	Regulated Parking, vehicle immobilisation, withdrawal and transport to the municipal pound service, installation of compensatory penalty elements to improve road safety and technical assistance and collaboration service in matters of the collection arising from the Regulated Parking service, and penalties generated by infractions within the scope of authority of the City Council
UTE VALDEMORO MOVILIDAD	50%	200,000.00	400,000.00	Management of the Regulated Parking (SER) public service in certain streets, Public Vehicle Removal Service (Tow-truck) in the municipal district of Valdemoro and Fine Management Service within the Regulated Parking Service
UTE BADAJOZ SUR	50%	6,000.00	12,000.00	Execution of the Management of the Public Service for urban collection in the South Zone of the Province of Badajoz, as well as any accessory and/or complementary services related to that object which might be required by the awarding body
UTE CAMALOTE	60%	7,200.00	12,000.00	Execution of the concession contract of the public works "Works for environmental protection in the middle stretch of the River Guadiana (environmental protection works in stretches of water and banks of the Guadiana basin) Badajoz, phase 1, as well as any accessory and/or complementary services related to that object which might be required by the awarding body
UTE MADRID SUR MOVILIDAD LOTE III	31.8%	[illegible]	10,000.00	Execution of Lot III of the "Comprehensive Mobility contract for the City of Madrid", as well as the auxiliary, accessory and/or complementary works, including any extensions and other variations that may arise
UTE MADRID SUR MOVILIDAD LOTE IV	31.8%	3,180.00	10,000.00	Execution of Lot IV of the "Comprehensive Mobility contract for the City of Madrid", as well as the auxiliary, accessory and/or complementary works, including any extensions and other variations that may arise
UTE VALORIZA GESTYONA	45%	195,000.00	200,000.00	Management of the cleaning of public spaces, service for collection, transport and processing domestic waste and maintenance and conservation of parks and green areas within the municipal district of Pinto
UTE TRANSFERENCIAS	60%	3,600.00	6,000.00	Management of the public service for operating the urban waste transfer and treatment facilities for the Provincial Consortium for non hazardous waste treatment, as well as the service provided by two vacuum - blower trucks
UTE SUCETEC (SUFI-TECNIGRAL-CESPA)	33%	1,001.59	3,035.12	JV undergoing liquidation
UTE CAMALOTE II	60%	7,200.00	12,000.00	Public works concession for controlling invasive species in the Guadiana Basin. Feder Funds 2007-2013
GUADALAJARA JV	70%	2,100.00	3,000.00	Management of public services for collection and transport of solid and selective urban waste and street cleaning in the city of Guadalajara and adjacent neighbourhoods
UTE GRÚA OLEIROS	60%	1,800.00	3,000.00	Vehicle withdrawal service from the street and vehicle pound in Oleiros, La Coruña
UTE GRÚA A CORUÑA	60%	1,800.00	[illegible]	Management and operation of the regulated parking service for vehicles and vehicle withdrawal in La
UTE CASSANDRA	50%	1,500.00	3,000.00	Operation of a plant to treat and transform plastic waste and other refuse to produce energy in Jerez de la Frontera, Cadiz.
UTE VALORIZA	80%	[illegible]	3,000.00	Immobilising and removal of vehicles from the public streets and taking to the pound, in the districts of Alcobendas and San Sebastián de los Reyes, as well as managing regulated parking in Alcobendas (ORA)

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UTES	Participación %	Valor neto	F. Operativo	Actividad
UTE SUFI - RAYET	50%	6.000,00	12.000,00	[illegible]
UTE ABAJAS	75%	4.000,00	6.000,00	[illegible]
UTE DEPURADORAS ALCALÁ OESTE (SUFI - SACYR LOS TERCIARIOS)	80%	4.800,00	6.000,00	Ejecución de las obras del proyecto de construcción de los tratamientos para la reutilización en las depuradoras de Alcalá Oeste, Arroyo del Soto, Casaquemada, Villanueva de la Cañada y Villaviciosa de Odón, Grupo I.
UTE PARQUE FORESTAL VALDEBERNARDO	50%	3.000,00	6.000,00	Ejecución de las obras de dos quioscos en el Parque Forestal de Valdebernardo.
UTE SUFI-TARAJAL	100%	12.000,00	12.000,00	[illegible]
UTE SIERRA DEL SEGURA	100%	3.000,00	6.000,00	Recogida de residuos domiciliarios, limpieza y desinfección de contenedores y recogida de voluminosos, mediante la instalación de puntos limpios de los municipios de la Mancomunidad de la Sierra del Segura
UTE LIMPIEZA CALDES	55%	1.650,00	3.000,00	Servicio de limpieza viaria y de los equipamientos municipales del Ayuntamiento de Caldes de Montbui.
UTE EDIFICIOS MORATALAZ	80%	2.400,00	3.000,00	Gestión integral de los Servicios Complementarios de los edificios adscritos al Distrito de Moratalaz.
UTE CONTENEDORES POZUELO	50%	300,00	600,00	Suministro, obra e instalación de contenedores soterrados de residuos sólidos urbanos.
UTE POLIDEPORTIVO F. J. CASTILLEJO (SUFI, S.A. – SERVIDEPORTE, S.L.)	50%	1.500,00	3.000,00	Diversos servicios en el polideportivo municipal F. J. CASTILLEJO DE PARLA.
UTE JARDINES GUADALAJARA	50%	10.000,00	20.000,00	Servicio de jardinería municipal del término de Guadalajara.
UTE ORIHUELA CAPITAL DE LA VEGA BAJA (SUFI, S.A., GOSAMCAST, S.L. Y LIMPIEZAS Y ASEO URBANO, S.L.)	40%	24.000,00	60.000,00	Prestación de los servicios públicos de recogida, tratamiento y eliminación de residuos sólidos y de limpieza viaria del término municipal de Orihuela
UTE SENOSERVI	50%	3.000,00	6.000,00	T.SS en Montes Municipales de la Comarca del Litoral de la provincia de Huelva.
UTE TELDE	50%	6.000,00	12.000,50	Gestión del servicio de limpieza viaria, playas, recogida de R.S.U. y otras afines en el T.M. de Telde.
UTE ENTUBADO CARBAJOSA	50%	3.000,00	6.000,00	Urbanización y entubado del tramo del canal de Villagonzalo.
UTE SONDEOS PALENCIA	80%	2.400,00	3.000,00	Sondeos de investigación en la zona regable de Valdivia-Aguilar (Palencia).
UTE PASEO FLUVIAL STA MARTA DE TORMES	50%	3.000,00	6.000,00	Ejecución de la obra del proyecto de acondicionamiento del río Tormes y Paseo Fluvial.
UTE LINCE Y AGUILA	50%	3.540,00	6.000,00	Restauración de hábitats para el lince y águila imperial en montes del P.N. de Andújar.
UTE MANTENIMIENTO BOADILLA	60%	0,00	Pendiente	Explotación de los servicios de gestión integral del servicio público de mantenimiento preventivo y conservación del alumbrado público, alcantarillado, pavimentación vías públicas y otras infraestructuras de competencia municipal, así como el mobiliario urbano de Boadilla del Monte
UTE MIRANDA DE EBRO	50%	1.500,00	3.000,00	Ejecución del servicio público de limpieza viaria, recogida de residuos sólidos urbanos, limpieza de alcantarillado, desratización y recogida de animales.
UTE TMB ARTAIZ	70%	4.200,00	6.000,00	Redacción del proyecto de ejecución, construcción llave en mano, puesta en marcha y operación de una planta de tratamiento Mecánico-Biológico de Residuos Urbanos en el área de Artulaza, Monte Artaiz (Bilbao).
UTE ARONA	50%	6.000,00	12.000,00	Servicio público de gestión de residuos sólidos urbanos y limpieza viaria del municipio de Arona.
UTE PLASENCIA	50%	6.000,00	12.000,00	Servicio público de recogida residuos sólidos urbanos, recogida selectiva en origen, transporte de los residuos y limpieza viaria de la ciudad de Plasencia.
UTE LITORAL ARONA	50%	6.000,00	12.000,00	Servicio público de Gestión del Litoral del Municipio de Arona
UTE OALAPADAR	80%	2.400,00	3.000,00	SER, Servicio de inmovilización, retirada y traslado de vehículos al depósito municipal. Instalación de elementos complementarios de sanción para mejora de la seguridad vial y servicio de asistencia técnica y colaboración en materia de cobro de multas derivadas del SER y de las sanciones generadas por infracciones en el ámbito de las competencias del Ayuntamiento.
UTE VALDEMORO MOVILIDAD	50%	200.000,00	400.000,00	Gestión del servicio público de Estacionamiento Regulado (SER) en determinadas vías urbanas. Servicio Público de Retirada de vehículos (Grúa) del municipio de Valdemoro y Servicio de Gestión de sanciones dentro del área del Servicio de Estacionamiento Regulado.
UTE BADAJOZ SUR	50%	6.000,00	12.000,00	Ejecución del contrato de Gestión de Servicio Público de Recogida y Transporte de R.S.U. de la zona Sur de la provincia de Badajoz, así como todos aquellos accesorios y/o complementarios relacionados con el objeto anterior que pudieran ser requeridos por el organismo contratante.
UTE CAMALOTE	60%	7.200,00	12.000,00	Ejecución del contrato de Concesión de obra Pública de "Trabajos de Protección Ambiental en el Tramo Medio del Río Guadiana (trabajos de protección ambiental en masas de agua y márgenes de la cuenca del Guadiana) Badajoz, Fase 1, así como todos aquellos accesorios y/o complementarios relacionados con el objeto anterior que pudiesen ser requeridos por el organismo contratante.
UTE MADRID SUR MOVILIDAD LOTE III	31,8%	3.180,00	[illegible]	La ejecución del Lote III del "Contrato Integral de Movilidad de la Ciudad de Madrid", así como los trabajos auxiliares, accesorios y/o complementarios, incluyendo aquellas ampliaciones y demás variaciones que pudieran producirse.
UTE MADRID SUR MOVILIDAD LOTE IV	31,8%	3.180,00	10.000,00	La ejecución del Lote IV del "Contrato Integral de Movilidad de la Ciudad de Madrid", así como los trabajos auxiliares, accesorios y/o complementarios, incluyendo aquellas ampliaciones y demás variaciones que pudieran producirse.
UTE VALORIZA GESTYONA	65%	195.000,00	300.000,00	Gestión de la limpieza de los espacios públicos, el servicio de recogida, transporte y tratamiento de residuos domésticos y el mantenimiento y conservación de parques y zonas verdes en el término municipal de Pinto.
UTE TRANSFERENCIAS	60%	3.600,00	6.000,00	Gestión de servicio público de la explotación de las instalaciones de transferencia de residuos urbanos del Consorcio Provincial de tratamiento de residuos industriales no peligrosos, así como el servicio prestado por dos camiones succionadores-impulsadores.
UTE SUCIETEC (SUFI-TECNIGRAL-CESPA)	33%	1.001,29	3.035,10	Ute en proceso de liquidación.
UTE CAMALOTE II	60%	7.200,00	12.000,00	Concesión de Obra Pública de trabajos de control de especies invasoras en la Cuenca del Guadiana. Fondos Feder 2007-2013
UTE GUADALAJARA	70%	2.100,00	3.000,00	Gestión de los servicios públicos de recogida y transporte de los residuos sólidos urbanos y selectivos y limpieza viaria de la ciudad de Guadalajara y barrios anexionados.
UTE GRUA OLEIROS	60%	1.800,00	3.000,00	Servicio de Retirada de Vehículos de la Vía Pública y su depósito en Oleiros (A Coruña).
UTE GRUA A CORUÑA	60%	1.800,00	3.000,00	[illegible]
UTE CASSANDRA	50%	1.500,00	[illegible]	Explotación de una Planta para el tratamiento y la transformación de residuos plásticos y otros desechos para su valorización energética en Jerez de la Frontera (Cádiz).
UTE VALORIZA	80%	2.400,00	3.000,00	Inmovilización y retirada de vehículos de la vía pública y su depósito en el depósito municipal en los municipios de Alcobendas y San Sebastián de los Reyes, así como la gestión del estacionamiento regulado de Alcobendas (ORA)

The relevant notes of this report provide a breakdown for each significant item on the balance sheet and the income statement with the relevant amounts of the joint ventures.

The capital investment commitments acquired by the Company in relation to its holding in the above joint ventures at the end of financial years 2015 and 2016 are as follows:

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BREAKDOWN OF FORESEEABLE INVESTMENT

Thousands of Euros

Project	31/12/2016	31/12/2015
Cleaning and Collection Alcalá de Henares	8,204	-
Cleaning and Collection Leganés	730	-
Collection Service in Madrid, Lot II East	8,800	-
Cleaning, Collection, Green Zones Navalcarnero	2,000	-
Hornillos Plant	-	1,686
La Rioja Ecopark	-	130
Solid Urban Waste Collection Torrejon	-	2,785
Solid Urban Waste Collection and Transport Ibiza	700	8,100
Solid Urban Waste Collection Albacete	7,500	11,500
Cleaning and Collection Poio	-	760
Total:	**27,934**	**24,961**

The contingencies the Company has incurred as a participant are as follows:

The Sufi–Rayet JV filed a contentious administrative appeal against the City Council of La Línea de la Concepción for a debt pending collection amounting to 2,783,091.17 euros, including a claim for interest and lost profit for which, in 2009, the City Council had already recognised the debt and the interest, the lost profit being subject to analysis.

A suit was filed against the Orihuela JV and VSM, S.A. as being jointly liable for presumed irregularities committed.

Suite filed against the Gestyona JV claiming the amount of 20,800 euros.

The Company Geseco, on behalf of Discem Siglo XXI, sued VSM, S.A. for 21,872.68 euros.

The above contingencies are evaluated as a "possible" risk so if they are assigned the appropriate risk provision, it would not be considered deductible under Corporation Tax and that expense will have to be adjusted.

12. Inventories

The breakdown of inventories recorded at the end of 2015 and 2016 is as follows:

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	2016	2015
Trade	2,558,937.34	2,463,925.98
Raw Mat. and other supplies	193,738.53	129,948.70
Finished products	6,171.00	14,224.00
Byproducts, residue and recovered materials	37,598.57	55,182.98
Advances to suppliers	185,685.77	496,516.84
Total cost	**2,982,131.21**	**3,159,798.50**
Impairment	-	-
Total inventories	**2,982,131.21**	**3,159,798.50**

The JV inventories are listed below, both at the end of 2015 as well as 2016:

2015	BUTARQUE JV	ILNET JV	HORNILLOS JV	TEM JV	USW SUR COINTER JV	OTHER JVs	TOTAL
Trade	179,986.63	24,485.96	294,927.47	1,409,875.65	167,323.07	52,122.74	2,128,721.52
Raw Mat. and other supplies	-	-	-	-	-	129,948.70	129,948.70
Finished products	-	-	14,224.00	-	-	-	14,224.00
Byproducts	-	-	48,738.23	-	-	6,444.75	55,182.98
Advances	-	-	-	93,677.69	-	66,324.90	160,002.59
Total cost	**179,986.63**	**24,485.96**	**357,889.70**	**1,503,553.34**	**167,323.07**	**254,841.09**	**2,488,079.79**

2016	BUTARQUE JV	ILNET JV	HORNILLOS JV	TEM JV	USW SUR COINTER JV	OTHER JVs	TOTAL
Trade	181,391.43	15,648.92	325,882.85	1,532,547.47	134,391.19	59,118.83	2,248,980.69
Raw Mat. and other supplies	-	-	-	-	-	129,948.70	129,948.70
Finished products	-	-	6,171.00	-	-	-	6,171.00
Byproducts	-	-	19,841.50	-	-	17,757.07	37,598.57
Advances	-	-	-	36,090.28	-	82,533.99	118,624.27
Total cost	**181,391.43**	**15,648.92**	**351,895.35**	**1,568,637.75**	**134,391.19**	**289,358.59**	**2,541,323.23**

The figure for inventories is valued at purchase value, not production cost, and comes mainly from the JVs.

The Group's policy is to take out all insurance deemed necessary to hedge potential risks that could affect important items of inventory.

At the end of 2015 and 2016, the Company has no significant purchase commitments.

The Butarque JV has gas emission allowances as from 2013. The Butarque JV holds gas emission allowances which are detailed both in euros and in units according to the following percentage of ownership the Company holds in the JV in 2016:

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2015					
Changes in euros	ALLOWANCES in euros				
	Balance at 31/12/2014	Additions	Sales	Surrender of allowances	Balance at 31/12/2015
Subsidised CO2 allowances	64,435	-	-	(7)	64,428
Total allowances	64,435	-	-	(7)	64,428
Changes in units of measurement	**ALLOWANCES in units**				
	Nº of allowances at 31/12/2014	Additions	Sales	Consumption	Surrender of allowances	Nº of allowances at 31/12/2015
Subsidised CO2 allowances	12,414	-	-	-	(1)	12,413
Total allowances	12,414	-	-	-	(1)	12,413

After Royal Decree 602/2016, of 2 December, came into force, which amended the General Chart of Accounts approved under Royal Decree 1514/2007, of 16 November, amongst others, as from 1 January 2016 the accounting classification of greenhouse gas emission allowances changed from intangible assets to inventories, forming part of raw materials and other supplies. Consequently, the Company made the accounting transfer at that date.

As a consequence of the halt in activity by the Butarque plant during 2015 and 2016, the European Union Registry for Emission Allowances did not assign the Butarque JV free CO2 emission rights for 2016.
On 27 December 2012, Act 15/2012 was published on tax measures regarding energy sustainability, which established a 7% levy on the value of electricity production and modified Law 38/1992, of 28 December on Special Duties, introducing a tax of 0.65 euros per gigajoule for gas used for power generation/co-generation purposes. The Sole Director of the Company has taken this change in legislation into account for calculating the recoverable value of the assets used in the business operation.

13. Cash and cash equivalents

The breakdown of this heading of the balance sheet at 31 December 2015 and 2016 is as follows:

	2016	2015
Cash	19,152,856.23	27,393,423.45
Total	**19,152,856.23**	**27,393,423.45**

Of the total cash figure above, in 2016 the JVs account for 14,522,168.08 euros (17,790,578.47 euros in 2015). The breakdown in euros per JV is as follows:

2015	COINTER JV	ARRAIZ JV	HIXIENE'S JV	HORNILLOS JV	TEM JV	OTHER JVs	TOTAL
Cash	4,125	1,717	1,301	1,115	1,036	8,496	17,791
Total	**4,125**	**1,717**	**1,301**	**1,115**	**1,036**	**8,496**	**17,791**

2016	GUADALAJARA JV	ARONA JV	LA PALOMA BIO JV	HORNILLOS JV	TEM JV	OTHER JVs	TOTAL
Cash	2,054	667	647	650	2,259	8,244	14,522
Total	**2,054**	**667**	**647**	**650**	**2,259**	**8,244**	**14,522**

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14. Equity and shareholders' equity

The breakdown and movements in equity in 2015 and 2016 are shown in the Statement of Changes In Equity, which forms an integral part of the financial statements.

a) Subscribed capital

At the close of 2015 and 2016, the share capital of the Company came to 17,129,235 euros, represented by 3,425,847 shares with a par value of 5 euros each one, all of the same class, fully subscribed and paid up. There are no founder's rights.

The Company shares are not stock market listed. The breakdown of the shareholdings at 31 December 2015 and 2016 is as follows:

	Participation percentage
Valoriza Gestión, S.A.U.	93.47%
Hidroandaluza,S.A.	6.53%
Total	**100%**

The share premium is subject to the same restrictions and can be used for the same purposes as voluntary reserves, including conversion to share capital.

b) Company Reserves:

The breakdown of Company reserves at 31 December 2015 and 2016 is as follows:

Type of Reserve	2016	2015
Legal Reserve	3,425,847.00	3,425,847.00
Voluntary Reserve	26,679,171.52	26,293,144.60
Other reserves	(289,440.27)	(289,440.27)
Total	**29,815,578.25**	**29,429,551.33**

The companies are bound to assign a minimum of 10% of the profit from each financial year to set up a reserve fund until it reaches at least 20% of the share capital. This reserve may not be distributed to the shareholders and may only be used to cover the debit balance of the income statement if no other reserves are available.

At 31 December 2015 and 2016, the legal reserve amounted to 20% of the share capital.

The voluntary reserves of the Company are freely available.

c) Grants:

The information on the grants received by the Company, which form part of the net assets, and on the amounts taken to income in this connection, is reported in note 17.

15. Provisions, contingent liabilities, bank and other guarantees

a) Long term provisions

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The breakdown of the long term provisions on the balance sheet at the end of 2015, as well as the main movements recorded during the financial year, is as follows:

	Balance at 31/12/2014	Provisions	Increases for updating	Application	Balance at 31/12/2015
Provision for taxes	169,848.54	662,086.24	-	(10,303.20)	821,631.58
Provision for contingencies	4,864,288.63	4,043,843.73	-	(807,090.87)	8,101,041.49
Provision for replacements and major repairs	746,184.42	125,405.36	-	-	871,589.78
Total long term	**5,780,321.59**	**4,831,335.33**	**-**	**(817,394.07)**	**9,794,262.85**

The heading of provisions for taxes on 31 December 2015 record liabilities for tax debts for which there is uncertainty as to their amount and maturity, and for which it is probable an outflow of resources from the Company will be required to settle those obligations as a result of a present obligation. The main allocations in 2015 relate to the TMB Arraiz JV, amounting to 304,542.13 euros and the street cleaning lots in Madrid for 357,216.99 euros.

The heading of provisions for contingencies records liabilities to deal with responsibilities related to litigation, compensations and obligations arising from the Company's own activity, for which there is uncertainty as to their amount or maturity.

The allocations in 2015 are mainly provisions for contentious proceedings and other contractual matters and litigation amounting to 488,707.11 euros, as well as other risks for other liabilities generated by impairment in the value of holdings in equity instruments that exceed the actual value per holding due to being in financial imbalance, and they add up to 1,007,515.03 euros. The other most representative allocation in the year is that assigned to the Calandrias JV, amounting to 750,720.92 euros for possible contractual contingencies.

The allocations in 2015 for replacements and major repairs are from the Calandrias JV, amounting to 57,972.62 euros and the Butarque JV, for 67,432.74 euros.

The applications in 2015, in the section on Taxes, are fully due to the JVs, specifically the Preexplotación Bio La Paloma amounting to 10,303.20 euros

The applications in the section on provision for contingencies in 2015, is firstly due to application of reversal in impaired value of the stakes in equity instruments of the company Valdemingomez 2000, amounting to 168,077.00 euros, and in the JVs, with the largest contributions coming from Cointer, with 409,596.57 euros and Preexplotación Bio La Paloma with 222,220.80 euros.

Lawsuits in progress, as in previous financial years, are valued by the Legal Department of the Sacyr group, to which the Company belongs, and the relevant provisions are recognised according to their estimates.

The provisions are recorded under heading 7c of the income statement and the following reversals are registered under heading 10, Surplus Provisions of the income statement.

The detail of the long term provisions on the balance sheet at the end of 2016, as well as the main movements recorded during the financial year, are as follows:

	Balance at 31/12/2015	Provisions	Increases for updating	Application	Balance at 31/12/2016
Provision for taxes	821,631.58	166,112.58	-	(516,773.19)	470,970.97
Provision for contingencies	8,101,041.49	1,307,736.25	-	(1,959,245.77)	7,449,531.97
Provision for replacements and major repairs	871,589.78	16,563.61	-	(555,268.67)	332,884.72
Total long term	**9,794,262.85**	**1,490,412.44**	**-**	**(3,031,287.63)**	**8,253,387.66**

The heading of provisions for taxes on 31 December 2016 recognises liabilities for tax debts for which there is uncertainty as to their amount and maturity, and for which it is probable an outflow of resources from the Company will be required to settle those obligations as a result of a present obligation. The main allocation for 2016 corresponds to the TMB Arraiz JV for the amount of 165,891.79 euros.

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The heading of provisions for contingencies records liabilities to deal with responsibilities related to litigation, compensations and obligations arising from the Company's own activity, for which there is uncertainty as to their amount or maturity.

The allocations in 2016 are mainly provisions for contentious proceedings and other contractual matters and litigation amounting to 11,897.85 euros, as well as other risks for other liabilities generated by impairment in the value of holdings in equity instruments that exceed the actual value per holding due to being in financial imbalance, and they add up to 506,924.13 euros. The other most representative allocation in the year is that assigned to the Grúa Coruña JV, amounting to 72,706.33 euros for possible contractual contingencies.

The allocations in 2016 for replacements and major repairs are from the Calandrias JV, for 16,563.61 euros.

The applications in 2016, in the section on Taxes, are entirely for the street cleaning lots in Madrid, for 516,265.53 euros.

The applications under the heading of contingencies for 2016, correspond firstly to the application of the reversal of the impairment of the value of holdings in equity instruments of the Company Boremer, S.A. for the amount of 592,404.75 euros, due to the change in risk analysis by the insurance department for the amount of 504,113.03 euros and for labour-related contingencies settled during the year for the amount of 228,809.76 euros; regarding the JVs, those contributing the most are the Calandrias JV with applications of 221,609.35 euros and the Cointer JV with 244,231.36 euros.

The applications in 2016 for replacements and major repairs are entirely from the Butarque JV, for 555,268.67 euros.

Lawsuits in progress, as in previous financial years, are valued by the Legal Department of the Sacyr group, to which the Company belongs, and the relevant provisions are recognised according to their estimates.

The provisions are recorded under heading 7c of the income statement and the following reversals are registered under heading 10. Surplus Provisions of the income statement.

The JV's contribution to this section in both 2015 (5,454,159.28 euros) and 2016 (5,255,826.37 euros), is itemised in the following tables:

2015	SUFI HIXIENE'S JV	SUFI PORTUGAL	LA PALOMA JV	USW SUFI COINTER JV	BIO LA PALOMA JV	OTHERS	TOTAL JVs
Provision for taxes	-	-	130.62	-	496.80	304,738.63	305,366.05
Provision for contingencies	494,113.60	1,157,604.54	588,839.72	538,838.23	75,600.00	1,422,207.36	4,277,203.45
Provision for replacements and major repairs	-	-	-	-	-	871,589.78	871,589.78
Total long term	**494,113.60**	**1,157,604.54**	**588,970.34**	**538,838.23**	**76,096.80**	**2,598,535.77**	**5,454,159.28**

2016	SUFI HIXIENE'S JV	SUFI PORTUGAL	LA PALOMA JV	USW SUFI COINTER JV	ARRAIZ JV	OTHERS	TOTAL JVs
Provision for taxes	-	-	-	-	470,433.92	537.05	470,970.97
Provision for contingencies	494,113.60	1,844,291.58	616,881.12	294,606.87	-	1,202,077.51	4,451,970.68
Provision for replacements and major repairs	-	-	-	-	-	332,884.72	332,884.72
Total long term	**494,113.60**	**1,844,291.58**	**616,881.12**	**294,606.87**	**470,433.92**	**1,535,499.28**	**5,255,826.37**

b) Short term provisions

The detail of the long term provisions on the balance sheet at the end of 2015, as well as the main movements recorded during the financial year, are as follows:

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	Balance at 31/12/2014	Provisions	Increases for updating	Application	Balance at 31/12/2015
Provision for Trade Operations	5,988,128.34	3,027,423.37	-	(2,771,179.22)	6,244,372.49
Provision for completion of building work	516,307.66	166,118.27	-	(251,346.28)	431,079.65
Provision for environmental actions	-	3.63	-	-	3.63
Total short term	**6,504,436.00**	**3,193,545.27**	**-**	**(3,022,525.50)**	**6,675,455.77**

Among the allocations made during 2015 for trade operations are contractual liabilities for the amount of 221,640.33 euros and a penalty received from the City Council of Majadahonda, which has been appealed against, for the amount of 227,613.12 euros. As for the JVs, the most significant are 1,165,844.52 euros in the Hornillos JV for contractual contingencies for relating to the application for economic readjustment and 925,206.16 euros of the TMB Arraiz JV due to the adjustment for the plant stoppage, to contractual contingencies and to insurance for damage and breakdowns.

In the case of allocations for finalisation of building work, the most representative are 74,290.73 euros of the TMB Arraiz JV and 71,375.60 euros of the Patrimonio Jardines JV.

With regard to the applications of provisions for environmental actions, these are entirely for the Butarque JV, as a result of consumption of gas emission allowances.

Among the provisions made during the year for trade operations are, amongst others: 1,650,226.97 euros used in relation to the statements signed under the tax inspection sustained by the Company covering the tax periods 2007 to 2010, 148,929.68 euros of contractual contingencies covered under the cleaning lots in Madrid, 120,000 euros used for labour issues in the Vilanova centre and 88,122.72 euros from litigation with employees in Baza.

Among the applications of provisions for conclusion of works, as is logical, these are comprised of projects that are nearing conclusion and these provisions are applied, as in the case of Saica Guadalquivir, of 32,123 euros, or the Puertollano Parking facility, of 195,090.16 euros.

The breakdown of the long term provisions on the balance sheet at the end of 2016, as well as the main movements recorded during the financial year, are as follows:

	Balance at 31/12/2015	Provisions	Increases for updating	Application	Balance at 31/12/2016
Provision for Trade Operations	6,244,372.49	1,817,150.16	-	(2,115,182.70)	5,946,339.95
Provision for completion of building work	431,079.65	190,338.59	-	(200,971.31)	420,446.93
Provision for environmental actions	3.63	-	-	-	3.63
Total short term	**6,675,455.77**	**2,007,488.75**	**-**	**(2,316,154.01)**	**6,366,790.51**

Among the provisions made in 2016 for trade operations are contractual liabilities for the amount of 239,273.08 euros of the Madrid lots. Regarding the JVs, the most significant are 1,179,639.67 euros of the Hornillos JV for contractual contingencies for the request for economic adjustment.

In the case of allocations for finalisation of building work, the most representative are 127,172.84 euros of the TMB Arraiz JV.

Among the provisions made during the year for trade operations are, amongst others: 150,000 euros used as a result of the tax inspection undergone by the Company and which covered the periods 2007 to 2010, 173,333.05 euros for lawsuits concluded during the year, 292,247.27 euros for the financial suits won against the City Council of La Linea, and amongst the applications made by the JVs, mention is made of 925,206.16 euros of the TMB Arraiz JV, after a solution was found to the workers strike.

Among the applications of the provisions for finalization of building work, as is to be expected, consist of projects that are coming to their conclusion and which apply these provisions, as is the case of the Aranda de Duero Plant for 115,400 euros and in JVs, the Jardines JV for 71,375.60 euros.

The JV's contribution to this section in both 2015 (2,639,052.54 euros) and 2016 (2,893,095.38 euros), is itemised in the following tables:

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2015	HORNILLOS JV	ARRAIZ JV	TEM JV	ARONA JV	VALORIZA GESTYONA JV	OTHERS	TOTAL JVs
Provision for Trade Operations	1,165,844.52	925,206.16	116,643.70	70,300.00	56,499.83	41,387.22	2,375,881.43
Provision for completion of building work	-	74,290.73	-	-	-	188,880.38	263,171.11
Total short term	**1,165,844.52**	**999,496.89**	**116,643.70**	**70,300.00**	**56,499.83**	**230,267.60**	**2,639,052.54**

2016	HORNILLOS JV	ARRAIZ JV	TEM JV	ARONA JV	VALORIZA GESTYONA JV	OTHERS	TOTAL JVs
Provision for Trade Operations	2,345,484.19	-	-	70,300.00	56,499.83	50,033.39	2,522,317.41
Provision for completion of building work	-	111,435.53	127,172.84	-	-	132,169.60	370,777.97
Total short term	**2,345,484.19**	**111,435.53**	**127,172.84**	**70,300.00**	**56,499.83**	**182,202.99**	**2,893,095.38**

c) Contingencies, bank and other guarantees

At 31 December 2015 and 2016, the Company had the following types of contingencies:

	2016			2015		
Bonds and guarantees	National	Foreign	Total	National	Foreign	Total
Tender bonds	2,526,573.62	-	2,526,573.62	20,234,161.43	582,408.47	20,816,569.90
Definitive bonds	126,129,080.79	198,559.92	126,327,640.71	121,378,598.47	1,119,809.42	122,498,407.89
Definitive guarantees given to subsidiaries	6,734.15	-	6,734.15	3,780.95	-	3,780.95
Financial guarantees	70,996.66	-	70,996.66	70,996.66	-	70,996.66
Financial guarantees to other group companies	-	-	-	23,155.00	-	23,155.00
Provisional Guarantees given to group companies	-	-	-	292,030.51	-	292,030.51
Definitive Guarantees given to group companies	1,476,311.07	5,491,109.63	6,967,420.70	2,190,761.09	5,314,743.24	7,505,504.33
Total bonds and guarantees	130,209,696.29	5,689,669.55	135,899,365.84	144,193,484.11	7,016,961.13	151,210,445.24

The deposits required to attend tenders are considered provisional, while the definitive ones are those that support projects already awarded to the Company.

The group company that holds bank guarantees abroad is Sacyr Industrial and the guarantee is for the Ecebol plant in Bolivia.

No liabilities other than those referred to the different sections of this Note that would result in an outflow of resources for the Company are expected to arise.

The Company has given guarantees to certain group companies as guarantor of fulfilment of the obligations stipulated in the financing contracts amounting to 137,175 thousand euros (59,229.32 euros in 2015).

In addition, the Company granted guarantees through the Tramfang JV to the company Tractament Metropolitá de Fangs. S.L. for the fulfilment of certain financial and non financial conditions of the syndicated loan held by the Company. To guarantee fulfilment, the JV has given a promise of mortgage guarantee on the facilities owned by Tractamente Metropolitá de Fangs to the financial institutions. Moreover, a promise of pledge has been granted on the present and future debtor balances arising from the public service contract managed by Tractament Metropolitá de Fangs in favour of the banks financing that company.

The Company, through the Butarque JV, has greenhouse gas emission allowances. That JV does not foresee any contingency arising related to penalties or measures of a provisional nature due to its activity having been halted.

On January 15, 2015, the Spanish anti-trust authority (the CNMC for its acronym in Spanish) notified the Company of a ruling fining Valoriza Servicios Medioambientales S.A. 15 million euros for alleged breach of article 1 of Spain's Anti-Trust Act (Law 15/2007), claiming "the use of concerted action in carving up the urban sanitation market". This same ruling has the effect of imposing fines on another 40 entities, between companies and associations, in the amount of over 98 million euros in total.

On March 12, 2015, the Company lodged an appeal with the National High Court against this ruling, underpinned by the following arguments:

- Expiry of the proceedings.
- Illicit calculation of the amount of the fine.

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- Violation of the principle of proportionality in determining the amount of the fine.
- Violation of the personality and liability principles by fining the appellant for conduct that was wholly outside its control.
- Violation of the duty to outline the grounds for the administrative ruling, negating the appellant's ability to defend itself.
- Non-existence of a single or continuous breach of article 1 of the Anti-Trust Act.

In the opinion of the Company's Directors and their legal counsel, these proceedings will not ultimately materialize in significant additional liabilities for the Company.

16. Accrual accounts

a) Accrued assets

2015

In 2015 the short-term accrual accounts amounted to 1,275,578.18 euros and related, amongst other, to the contractual fee of the regulated Service Station in Aranjuez amounting to 426,916.67 euros, as well as minor expenses such as garments, insurance premiums or bank guarantees (in the latter case 188,215.08 euros of improvements in Arroyo Culebro are accrued). It also includes the accrual for various JVs for a total figure of 507,467.13 euros, amongst which special mention is made of the Hornillos JV (the increase is caused by the maintenance and conservation costs of the plant for prolonging its useful life).

The breakdown of the JVs is shown in the following table:

2015	HORNILLOS JV	TEM JV	LA PALOMA JV	DIGEST ANAEROBIA JV	GUADALAJARA JV	OTHERS	TOTAL JVs
Expenses paid in advance	238,473.00	66,844.75	52,399.26	20,778.36	19,807.20	109,164.56	**507,467.13**

2016

In 2016 the short-term accrual accounts amounted to 1,005,206.02 euros and related, amongst other, to the contractual fee of the regulated Service Station in Aranjuez amounting to 372,416.67 euros, as well as minor expenses such as garments, insurance premiums or bank guarantees (in the latter case 112,929.05 euros of improvements in Arroyo Culebro are accrued) and work carried out for the Madrid Town Council under the contract for lots, amounting to 111,948.90 euros. It also includes accrual of various JVs amounting to 289,922.99 euros, amongst which the Hornillos JV with 64,978.30 euros.

The breakdown of the JVs is shown in the following table:

2016	HORNILLOS JV	TEM JV	LA PALOMA JV	DIGEST ANAEROBIA JV	VALORIZA GESTYONA JV	OTHERS	TOTAL JVs
Expenses paid in advance	64,978.30	15,530.38	31,696.31	29,693.46	26,262.59	121,761.95	**289,922.99**

b) Accrued liabilities

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2015

The balance of the short term accrued liabilities on the balance sheet at the end of 2015 amounted to 992,633.72 euros and relates entirely to JVs, the main contribution coming from the La Paloma JV, with 976,661.89 euros for the depreciation fee received from the Madrid City Council prior to commissioning the plant.

2016

The balance of the short term accrued liabilities on the balance sheet at the end of 2016 amounted to 839,292.67 euros and relates entirely to JVs, the main contribution coming from the La Paloma JV, with 837,138.75 euros for the depreciation fee received from the Madrid City Council prior to commissioning the plant.

17. Grants, Donations And Legacies

The breakdown and movements of this chapter of the balance sheets in 2015 are shown below:

Institution	Scope	Opening Balance at 31/12/2014	Increases	Transfer to profit/loss	Tax effect	Final Balance at 31/12/2015
Ministry of Industry	State Administration.	43,572.43	239,686.80	(236,582.16)	(744.14)	45,762.93
Ministry of Industry	State Administration.	64,435.38	-	(10.90)	-	64,424.45
TOTAL		108,007.78	239,686.80	(236,593.06)	(744.14)	110,187.38

The breakdown and movements of this chapter of the balance sheets in 2016 are shown below:

Institution	Scope	Opening Balance at 31/12/2015	Increases	Transfer to profit/loss	Tax effect	Final Balance at 31/12/2016
Ministry of Industry	State Administration.	45,762.93	198,991.38	(114,009.74)	(23,719.59)	107,024.99
Ministry of Industry	State Administration.	64,424.45	-	-	-	64,424.45
TOTAL		110,187.38	198,991.38	(114,009.74)	(23,719.59)	171,449.44

At year-end 2015 and 2016, the Company was in compliance with all requirements for the receipt and use of the above-described grants.

Note 9b.1) of this Report details the grants refundable at zero per cent interest and their effect on the income(loss).

As recorded in the statement of changes in equity, during the financial year part of the deferred tax for grants generated in previous financial years has been used for the amount of 22,775.45 euros (5,706.06 euros in 20154).

18. Risk management policy

Financial risk management policy and the instruments taken out to execute it are in large part determined by specific legislation and standards governing the construction business and the nature of the projects themselves and, without forgetting the prevailing situation at each moment on the financial markets. The Company is exposed to the following risks:

a) Credit Risk:

Credit risk can be considered minimal considering that the breakdown of the receivables account is as follows:

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- Public sector customers: 56.36% (66.58 % in 2015).
- Trade receivables from group companies: 31.72% (22.37 % in 2015).
- Private customers: 11.92% (11.05 % in 2015).

Nearly 81.59% of public sector customers are City Councils (80.52% in 2015), with the Central or Regional Government making up the remainder. The credit risk is practically non-existent because although public authority customers are not famous for scrupulously abiding by the contractual payment conditions and occasionally are late in paying, the Public Administration is not insolvent by nature, and the delay is compensated by the corresponding late-payment interest, calculated in accordance with the Law on Contracting with the Public Authorities.

Naturally, the balance corresponding to Group companies (joint ventures, investees, and other companies of the Sacyr Group) poses no risk.

Private customers with payables aged over six months do not post major problems of insolvency, as credit reports are required before most contracts are signed. At the end of each year, provisions for doubtful debts are recorded for private customer balances aged over six months. Balances in recent years have not been particularly significant. (Note 9, a.3).

b) Liquidity Risk

Company business requires heavy investment at the beginning of the concessions, investments in equipment, containers, water treatment and purifying plants, and other items of property, plant and equipment. These investments are recovered during the term of the concession period through repayment and financing instalments, with an interest rate significantly higher than the capital cost of the Company.

To finance these investments, the Group structures debt in such a way as to allow the project to finance the initial requirements, through project financing for the contracts entailing the largest investments (Los Hornillos Solid Urban Waste Treatment Plant, Butarque Thermal Drying Plant, Maresme incinerator) or by lease lines to finance the acquisition of machinery and equipment, which are paid with the cash generated by the project.

EBITDA of the businesses ensures that liquidity risk is low, as the various projects are financed with the cash flow they generate.

Regarding working capital, as noted in point a), Public Sector clients are legally solvent, even though they may on occasion be very slow to pay, generating specific cash requirements. To meet these needs, the Company has its own credit lines, currently 65.76% drawn down (15.41% in 2015) from the limits established. Credit terms offered to customers can be traded via factoring lines or by discounting construction certificates. In the event that a risk were to arise because the Company were unable to secure sufficient credit lines, it could trade the certificates and use with-recourse factoring lines already contracted.

c) Market risk:

•Interest rate risk:

a portion of the interest-bearing loans and borrowings of the JVs are taken out at fixed rates, as a result of hedging instruments arranged such as interest rate swaps, which reduce business exposure to possible rising interest rates.

Another major part of the debt is financed by "soft" loans with the Ministry of Finance and Treasury, at 0 interest rate, with repayment periods between 10 and 15 years, including 3 years grace.

The structure of financial debt classified by interest rate risk, at 31 December 2016 and 2015, distinguishing between fixed and hedged rate borrowings, after taking into consideration hedging arrangements - and floating rate borrowings, is as follows:

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	2016		2015	
Amount owed	Amount	%	Amount	%
At fixed or protected interest rate	56,354,864.04	47.31%	59,711,619.49	53.01%
At floating interest rate	62,763,838.07	52.69%	52,926,282.75	46.99%
TOTAL	119,118,702.10	100.00%	112,637,902.24	100.00%

• Exchange rate risk

The Company has no significant operations in foreign currency at present so there is no relative exchange rate risk. In addition to this, if the movements with Bolivia were to show any such change, it would be assumed by Sacyr Industrial S.L.U. pursuant to the private agreement signed between both companies.

• Regulatory risk

The Company is subject to general regulations as well as rules specific to the sector (accounting, environmental, labour, data protection, fiscal regulations, etc.). As in all closely regulated sectors, changes in regulations could either help or hurt the Company's business.

Specifically, the new regulations by the Autonomous Regions on treatment of construction and demolition waste (CDW) are opening up new business opportunities as they aim to do away with illegal dumps.

The Company has intensive labour contracts in place in which collective negotiation is a critical point when maintaining the financial balance of the contract. The majority of the contracts review their prices using polynomial formulas that record the variation in labour cost, so the financial balance is maintained. In those that do not have such review formulas, negotiation is carried out with the Administration to correct the disparities between the agreed increases and the contract price review indexes.

• Demand risk

This risk is non-existent in most of the contracts (municipal street cleaning services, waste collection, parking meters, gardening), as the revenue for these is according to initial fees reviewable on an annual basis and according to variations in the Consumer Price Index, salary costs, gas-oil prices, etc. A different situation exists for the waste treatment plants, as their revenue is based on fees per tonne of waste treated. Here a distinction must be made between three types of plants:

a) Municipal Waste (MW): are contracts with the Public Administration and there is no risk of there being lower waste input than that initially estimated, because the majority of the contracts establish a minimum number of tonnes, below which the Administration compensates the concession holder. In cases in which that minimum amount of tonnes is not established, prices and fees are established according to the number of tonnes treated per annum.

b) Construction and Demolition Waste (CDW): in these contracts, the customers are private concerns that take waste to the facilities of VSM, S.A. and they are charged a dumping and treatment fee. In these contracts, the rates are set according to a number of tonnes per annum, calculated using fairly cautious criteria. The reality of the actual business is that the number of tonnes is usually 20-25% higher than that initially considered. The risk such plants might have would be that of their operation being halted by breakdown or for maintenance.

d) Capital management policy:

The principal aim of the Group's capital management policy is to ensure the financial structure complies with prevailing standards in the countries where the Company operates. The Company's capital management policy also tries to ensure maintaining stable credit ratings and maximize shareholder value.

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The Company leverage ratio at the end of 2015 and 2016 was as follows:

	2016	2015
Remunerated external debt	-119,118,702.10	112,637,902.24
Cash & Banks	19,152,856.23	27,393,423.45
Temporary investments	1,589,901.16	2,818,662.42
Net Debt	**-98,375,944.71**	**-82,425,816.37**
Debt Assets	**71,588,878.51**	**66,926,104.37**
Net Assets + Net Debt	**-26,787,066.20**	**-15,499,712.00**
Leverage Ratio	1.37	1.23

The External Debt is remunerated by the relevant short term and long term under the Liability headings of "Short term debts" and "Long term debts" having reduced the leverage ratio by 47.31% over the last 6 years.

At 31 December 2016 the amount of 56,354,864.04 euros (59,711,619.49 euros in 2015) is financed with syndicated loans arising from the project funding for the Los Hornillos and Butarque JVs.

19. Public administrations and tax situation

a) Balances

The breakdown of the balances related to tax assets and tax liabilities (excluding the deferred tax assets and liabilities detailed in section b) of this note), at 31 December 2015 and 2015 is as follows:

- **Debit Balances:**

	2016	2015
Tax Authority, Social Security receivable	30,637.78	4,611.69
Tax Authority, VAT receivable	1,441,016.43	1,231,222.68
Tax Authority, withholdings receivable	655.99	94,610.52
Tax Authority, other receivables	204,760.91	204,601.31
Total	1,677,071.11	1,535,046.20

- **Credit Balances:**

	2016	2015
Tax Authority, VAT payable	2,029,363.74	1,773,568.07
Tax Authority, withholdings payable	2,964,174.10	1,943,618.44
Social Security institutions payable	4,883,378.26	3,653,402.67
Tax Authority, other payables	14,292.64	14,091.53
Total	9,891,208.74	7,384,680.71

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b) Deferred tax assets and liabilities

The breakdown and changes in the different items comprising deferred tax assets and liabilities are as follows:

2015	Opening Balance at 31/12/2014	Transfers	Variations reflected in: Profit and Loss Account	Variations reflected in: Equity	Closing Balance at 31/12/2015
Deferred tax assets					
Accounting depreciation difference	3,662,783.86	-	(248,042.59)	-	3,414,741.27
Cash flow hedges	1,863,473.81	-	58,766.53	(301,526.11)	1,620,714.23
Deductions pending	5,627,236.85	-	(1,219,902.81)	-	4,407,334.04
Total deferred tax assets	11,153,494.52	-	(1,409,178.87)	(301,526.11)	9,442,789.54
Deferred tax liabilities					
Profit/loss from Joint Ventures	(1,969,341.28)	-	320,404.68	-	(1,648,936.60)
Free depreciation of property plant and equipment	(3,012,044.56)	-	516,241.26	-	(2,495,803.30)
Finance leases	(1,254,916.59)	-	233,560.09	-	(1,021,356.50)
Sufi- Sufi Group corporate transaction	(94,928.05)	-	-	-	(94,928.05)
Non-refundable grants	(8,326.83)	-	(39,069.76)	38,125.62	(9,270.97)
Total deferred tax liabilities	(6,339,557.31)	-	1,031,136.27	38,125.62	(5,270,295.42)

During 2015, the Company recognised deferred tax assets and liabilities with the Tax Authorities whose payback or reversal period it estimated to be greater than one year, and in 2014 it transferred those amounts from the Current Account with the Tax Group.

On 28 November 2014, the Corporation Tax Act 27/2014 was published, which established an amendment of the tax rates, these being 28% for 2015 and 25% for 2016 and thereafter. At 31 December 2015 the Company began to value the deferred tax assets and liabilities according to the encumbrance rate expected on the reversal date.

The deferred tax assets arising from application of the limitation on depreciation established in Article 7 of Act 16/2012 of 27 December shall be entitled to a tax deduction of 5% of the total tax liability, (2% in the tax periods commencing as from 2015) on the sums forming the taxable base, arising from the depreciation not deducted in the tax periods commenced in 2014 and 2015, for which the Company has not made any adjustment arising from the variation in the tax rate for this reason. In 2015 that deduction amounted to 17,936.43 euros.

2016	Opening Balance at 31/12/2015	Transfers	Variations reflected in: Profit and Loss Account	Variations reflected in: Equity	Closing Balance at 31/12/2016
Deferred tax assets					
Accounting depreciation difference	3,414,741.27	-	(307,291.27)	-	3,107,450.00
Cash flow hedges	1,620,714.23	-	(377,479.44)	(109,462.33)	1,133,772.46
Deductions pending	4,407,334.04	-	180,225.03	-	4,587,559.07
Total deferred tax assets	9,442,789.54	-	(504,545.68)	(109,462.33)	8,828,781.53
Deferred tax liabilities					
Profit/loss from Joint Ventures	(1,648,936.60)	-	(65,541.48)	-	(1,714,478.08)
Free depreciation of property plant and equipment	(2,495,803.30)	-	368,316.87	-	(2,127,486.43)
Finance leases	(1,021,356.50)	-	17,555.42	-	(1,003,801.08)
Sufi- Sufi Group corporate transaction	(94,928.05)	-	-	-	(94,928.05)
Non-refundable grants	(9,270.97)	-	(2,474.18)	(21,245.41)	(32,990.56)
Total deferred tax liabilities	(5,270,295.42)	-	317,856.63	(21,245.41)	(4,973,684.20)

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During 2016, the Company has recognised deferred tax assets and/or liabilities with the Tax Authorities whose payback or reversal period it has estimated to be greater than one year, transferring the amount from the Current Account with the Tax Group.

The deferred tax assets /liabilities arising from applying the limitation on depreciation established in Article 7 of Act 16/2012 of 27 December shall be entitled to a tax deduction of 5% of the total tax liability, (2% in the tax periods commencing as from 2015) on the sums forming the taxable base, arising from the depreciation not deducted in the tax periods commenced in 2015 and 2016, for which the Company has not made any adjustment arising from the variation in the tax rate for this reason.

The deferred tax assets mentioned above were recognised in the Balance Sheet as the Sole Director of the Company considered that, considered that, based on the best estimate of the Company's future earnings, including certain tax planning measures, it is probable that these assets will be recovered within 10 years.

At the close of 2015 and 2016, the expiry of the tax loss and tax credit carryforwards recognised on the attached balance sheet as follows:

Deductions Generated	
Year generated	Amounts
2007	1,125,713.85
2008	786,334.09
2009	328,946.16
2011	1,038,779.46
2013	1,127,560.49
2015	180,225.03
Total payments outstanding	4,587,559.07

c) Reconciliation of the book income or loss and taxable base

The conciliation between the net amount of revenue and expenses in the financial year and the tax base for Corporation Tax in 2015 is as follows:

	Profit and Loss Account	
Balance of income and expenses for the year	7,237,720.92	-
	Increases	Decreases
Corporation Tax	4,732,789.81	-
Adjustment to Corporation Tax 2014	1,296,767.91	(132,760.36)
Permanent Differences	5,249,421.73	(860,713.83)
Timing differences	11,687,392.66	(7,657,958.98)
- originating in the financial year	164,106.80	(6,696,137.38)
- originating in previous financial years	11,523,285.86	(961,821.60)
Taxable base (taxable income/loss)		21,552,659.86

The breakdown of the positive permanent differences for 2015 is as follows:

- Non-deductible provisions for the amount of 4,810,926.43 euros.
- Donations for the amount of 38,632.06 euros.

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- Penalties for the amount of 325,684.76 euros.
- Non-deductible expenses for 74,178.48 euros.

The breakdown of the negative permanent differences for 2015 is as follows:

- Applications of non-deductible provisions for which allocation was made in previous years 462,003.17 euros.
- Applications of penalties from previous years 398,710.66 euros

The breakdown of the temporary differences for 2015 is as follows, differentiating:

Additions originating in previous financial years

- Depreciations exceeded at VSM, S.A. and its JVs for the amount of 1,747,710.50 euros.
- Integration of the taxable bases of the JVs for the previous year amounting to 8,753,745.52 euros.
- Financial leasing operations in VSM, S.A. and JVs amounting to 1,021,336.99 euros.
- Non-deductible expenses for 492.85 euros.

Additions originating in the year:

- Accounting depreciation that exceeds the tax amounts for the year amounting to 10,953.60 euros.
- Non-deductible expenses for 153,153.20 euros.

Decreases originating in previous financial years:

- Application of non-deductible provisions for which allocation was made in previous years for 65,000 euros.
- Reversal of the non deductible 30% for depreciation expenses amounting to 896,821.60 euros.

Decreases originating in the year:

- Adjustment to the integration of the taxable bases of the JVs that were deferred to 2014 for 6,629,864.36 euros.
- Financial leases amounting to 66,273.02 euros.

The conciliation between the net amount of revenue and expenses in the financial year and the tax base for Corporation Tax in 2016 is as follows:

	Profit and Loss Account	
Balance of income and expenses for the year	11,124,819.10	-
	Increases	**Decreases**
Corporation Tax	3,725,845.35	-
Adjustment to Corporation Tax 2015	8,740.73	(652,468.70)
Permanent Differences	3,024,011.93	(1,780,875.09)
Temporary differences	8,676,226.07	(8,177,609.37)
- originating in the financial year	-	(7,242,111.74)
- originating in previous financial years	8,676,226.07	(935,497.63)
Taxable base (taxable income/loss)		15,948,690.02

The breakdown of the positive permanent differences for 2016 is as follows:

- Non-deductible provisions for the amount of 2,706,354.22 euros.
- Donations for the amount of 69,837.84 euros.

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- Penalties for the amount of 159,264.39 euros.
- Non-deductible expenses for 88,555.48 euros.

The breakdown of the negative permanent differences for 2016 is as follows:

- Applications of non-deductible provisions for which allocation was made in previous years 1,630,875.09 euros.
- Applications of penalties from previous years 150,000 euros

The breakdown of the temporary differences for 2016 is as follows, differentiating:

Additions originating in previous financial years

- Depreciations exceeded at VSM, S.A. and its JVs for the amount of 1,685,436.68 euros.
- Integration of the taxable bases of the JVs for the previous year amounting to 6,629,864.36 euros.
- Financial leasing operations in VSM, S.A. and JVs amounting to 360,925.03 euros.

Decreases originating in previous financial years:

- Application of non-deductible provisions for which allocation was made in previous years for 65,000 euros.
- Reversal of the non deductible 30% for depreciation expenses amounting to 870,497.63 euros.

Decreases originating in the year:

- Adjustment to the integration of the taxable bases of the JVs that were deferred to 2017 for 6,892,030.29 euros.
- Financial leases amounting to 289,903.35 euros.
- For depreciations exceeded 54,773.60 euros.
- For non-deductible provisions used 5,404.50 euros.

d) Reconciliation between reported income and expense for Corporation Tax.

The reconciliation between the Income Tax expense and the result of multiplying by the encumbrance rates applicable to the total amount of revenue and expenses recorded that comprise the balance of the income statement at 31 December 2015 and 2016 is as follows:

	2016	2015
P&L account balance before tax	14,206,936.48	13,134,518.28
Impact permanent differences	1,243,136.84	4,388,707.90
Tax charge at 25% / 28%	3,862,518.33	4,906,503.33
Deductions	(136,672.98)	(173,713.52)
For incentives to hire disabled people	(41,701.25)	(29,021.40)
I+D+I	(31,728.60)	(113,234.47)
Deduction 5%/ 2% amortisation/depreciation	(43,524.89)	(17,936.43)
Donations	(19,718.24)	(13,521.22)
Total Income Tax recognised in the profit and loss account	**3,725,845.35**	**4,732,789.81**
Total current tax	3,539,156.30	4,354,747.21
Total deferred tax	186,689.05	378,042.60

e) Years open for review and tax audits

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As provided for by current legislation, taxes cannot be considered as definitively liquidated until the tax returns filed have been inspected by the tax authorities or the statute of limitation period of 4 years has lapsed.

At the close of 2016, the Group is open to inspection from 2011 to 2016 for all taxes for which it is liable.

On 11th December 2015, the Department for Major Taxpayers Office of the State Tax Agency began an inspection of Sacyr, S.A. for the partial inspection of VAT for the periods from 11/2011 to 12/2012, as the parent company of VAT Group 410/2008. That inspection has concluded with an assessment signed on a contested basis for the amount of 8,821,995.67.

With regard to the assessments signed on a contested basis by Sacyr, S.A. as parent of the Tax Group 20/02 proceedings were started for Corporation Tax for the periods 2004 to 2007, for a combined total figure of 75,824,683.84 euros, which are currently being challenged in the National High Court. Those proceedings were brought against Sacyr, S.A. and included settlement agreements and imposed fines corresponding entirely to subsidiaries of the Tax Group for those periods. Of that figure, 7,550.43 euros corresponds to the Company.

And with regard to the assessments signed on a contested basis by Sacyr, S.A. as parent of the Tax Group 20/02, proceedings were started for Corporation Tax for the periods 2007 to 2010, for a combined total figure of 128,796,080.93 euros, which are currently being challenged in the Central Economic Administrative Court (TEAC). Those proceedings were brought against Sacyr, S.A., and in no event will involve any payment made to the Tax Authorities, as they only concern minor negative tax bases declared, and correspond entirely to subsidiaries of the Tax Group for those periods. Of that figure, 1,863,039.25 euros corresponds to the Company. An appeal has also been lodged with the Central Economic Administrative Court against the disciplinary proceedings arising from that assessment.

And with regard to the VAT assessments signed on a contested basis by Sacyr, S.A. as parent of the VAT Group 410/08 proceedings were started for the periods May 2009 to December 2010, for a combined total figure of 14,336,876.11 euros, which are currently being challenged in the Central Economic Administrative Court (TEAC). An appeal has also been lodged with the same Court against the disciplinary proceedings arising from that assessment.

The Tax Group (of which Sacyr, S.A. is the parent company) and its tax advisors do not expect the final outcome of the inspections in progress and the appeals that have been lodged to have a significant impact on the financial statements at year-end 2016.

f) Other information of a tax nature

The Company has adhered to the Special Company Group Regime (REGE) for VAT liquidation. The parent company of the VAT Group is Sacyr, S.A., with Tax Identification Number A-28013811. The identification number of the corporate group is VAT 0410/08.

On 31 December 2015, the credit balance the Company had for this item with Sacyr, S.A. was 1,283,079.98 euros. On 31 December 2016, the credit balance the Company had for this item with Sacyr, S.A. was 1,348,615.56 euros.

The Company has filed Consolidated Tax Returns for Corporation Tax in which the parent company in the Group is Sacyr, S.A., with Tax Identification Number A-28013811. The tax identification number is 20/02

On 31 December 2015, the credit balance the Company had for this item with Sacyr, S.A. was 1,609,119.69 euros. On 31 December 2016, the credit balance the Company had for this item with Sacyr, S.A. was 52,480.38 euros.

Under the provisions of Royal Decree-Law 3/2016, of 2 December, impairments of the securities representing the capital or shareholders equity of companies that were tax deductible in periods prior to 2013 have to be reversed, and included, as a minimum, in equal amounts in the tax base corresponding to each of the first five tax periods as from 2016. This year the Company has reversed the amount of 116,212.63 euros, of which the most representative figure is 81,318.51 euros for impairments allocated for the holding in Compost del Pirineo, S.A.

20. Income and expenses

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a) Net amount of turnover by segments

The distribution of net turnover for 2015 and 2016, distributed by categories of activities and by geographic markets is:

Business Activity	2016	2015
Construction	6,043,808.29	8,310,199.46
Industrial engineering	-	99,932.71
Waste	58,623,916.61	66,924,645.37
Services	247,033,487.79	225,876,739.08
Others	1,428,145.05	1,558,241.74
Total	313,129,357.74	302,769,758.36

Business per Geographic Markets	2016	2015
National	**313,129,357.74**	**290,977,988.26**
Spain	313,129,357.74	290,977,988.26
International	-	**11,791,770.26**
Rest of EU countries	-	41,579.50
America	-	11,750,190.60
Total net amount portfolio of orders	313,129,357.74	302,769,758.36

The amount of 103,241,006.99 euros (100,798,161.74 euros in 2015) comes from JVs. The main ones are as follows:

2015		2016	
Hornillos	11,710,349.92	Hornillos	12,863,251.62
RSU Sufi-Cointer	11,067,308.66	RSU Sufi-Cointer	10,663,470.94
Tem	12,244,133.92	Tem	9,303,279.29
Arona	5,879,194.62	Sufi - Hixienes	7,458,961.10
Sufi - Hixienes	7,351,176.40	Guadalajara	6,881,877.35
Guadalajara	2,471,336.53	Arona	5,694,057.12
OTHERS	50,074,661.69	OTHERS	50,376,109.57
TOTAL	100,798,161.74	TOTAL	103,241,006.99

b) Supplies

The figure for supplies for the years 2015 and 2016 was composed as follows:

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	2016	2015
Consumption of goods		
Purchases	9,698,031.84	10,889,676.89
	9,698,031.84	**10,889,676.89**
Consumption of raw materials and other consumables		
Purchases	5,577,448.94	5,499,062.08
Work carried out by other companies	23,530,594.32	25,264,915.53
	29,108,043.26	**30,763,977.61**

In 2016, the amount of 7,877,737.36 euros (13,320,523.29 euros in 2015) comes from JVs. The main ones are as follows:

2015	BUTARQUE	SUR-COINTER	AGUAS ALCALÁ	TMB ARRAIZ	TEM	OTHERS	TOTAL
Purchases	213,807.36	779,627.70	300,360.14	478,077.46	1,055,565.02	1,430,958.12	**4,258,395.80**

2016	BUTARQUE	SUR-COINTER	AGUAS ALCALÁ	TMB ARRAIZ	TEM	OTHERS	TOTAL
Purchases	204,510.37	661,895.61	283,891.86	295,839.36	919,653.28	1,573,078.20	**3,938,868.68**

2015	TMB ARRAIZ	HORNILLOS	LA PALOMA	ERAR SUR	LOTE III	OTHERS	TOTAL
Work done by other	396,383.73	2,549,734.93	1,430,992.10	938,184.26	762,306.77	2,984,525.70	**9,062,127.49**

2016	TMB ARRAIZ	HORNILLOS	RSU CADIZ	ERAR SUR	ILNET	OTHERS	TOTAL
Work done by other	295,839.36	919,653.28	661,895.61	188,755.79	283,891.86	1,588,832.78	**3,938,868.68**

c) Breakdown of procurement according to origin

The breakdown of purchases by the Company during 2015 and 2016, according to their origin, is as follows:

	2016			2015		
	National	Intra-Community	Imports	National	Intra-Community	Imports
Purchases	38,681,083.46	103,338.20	21,653.44	41,466,864.24	166,982.77	19,807.49

d) Personnel expenses

The breakdown of the heading "Personnel expenses" on the income statements at 31 December 2015 and 2016 is as follows:

	2016	2015
Wages, salaries and similar	145,524,959.72	131,342,362.99
Social Security contributions	49,248,044.47	44,543,035.98
Total	194,773,004.19	175,885,398.97

The social charges are comprised of Social Security amounting to 48,794,984.95 euros (44,036,052.29 euros in 2015) and Other Social Charges amounting to 453,059.52 euros (506,983.69 euros in 2015).

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Of the preceding figures, the JVs provide the following personnel expenses of 50,153,923.15 euros (44,542,941.51 euros in 2015) broken down as shown below:

2015	SUR-HIXIENE's	ARONA	HORNILLOS	V. GESTYONA	RSU SUR-COINTER	OTHERS	TOTAL
Wages, salaries and similar	2,135,626.30	2,811,770.59	4,258,270.48	2,031,818.89	5,894,238.85	16,894,632.59	34,026,357.70
Social Security contributions	726,890.84	1,038,900.80	235,804.15	683,896.11	2,077,296.77	5,753,795.14	10,516,583.81
TOTAL	**2,862,517.14**	**3,850,671.39**	**4,494,074.63**	**2,715,715.00**	**7,971,535.62**	**22,648,427.73**	**44,542,941.51**

2016	SUR-HIXIENE's	ARONA	HORNILLOS	GUADALAJARA JV	RSU SUR-COINTER	OTHERS	TOTAL
Wages, salaries and similar	2,249,220.48	2,987,582.88	3,708,798.69	3,474,222.39	5,839,708.24	19,258,069.34	37,517,602.02
Social Security contributions	713,896.99	1,123,238.48	751,774.41	1,200,695.49	1,981,185.09	6,865,530.67	12,636,321.13
TOTAL	**2,963,117.47**	**4,110,821.36**	**4,460,573.10**	**4,674,917.88**	**7,820,893.33**	**26,123,600.01**	**50,153,923.15**

e) Outsourcing

The breakdown of the outsourcing item in the income statement on 31 December 2015 and 2016 is as follows:

	2016	2015
Research and Development Expenditure	105,395.76	220,911.75
Leases and Licence fees	5,706,759.68	5,121,540.56
Repairs and maintenance	10,956,509.00	10,221,528.38
Independent Professional Services	1,958,313.36	2,990,390.95
Transport	1,109,310.51	998,307.74
Insurance premiums	1,746,629.54	3,187,038.81
Bank charges and similar	1,733,404.76	2,319,469.72
Advertising, publicity and PR	168,255.78	698,829.79
Supplies	10,777,701.61	11,027,122.74
Other services	16,844,472.12	15,838,716.24
Total outsourced services	51,106,752.12	52,623,856.68

Of the preceding figures, in 2016 the JVs provide 17,946,705.96 euros (18,338,892.52 euros in 2015) with the following breakdown:

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2015							
Investment and development expenses	HORNILLOS JV 25,958.13	-	-	-	-	OTHERS -	TOTAL 25,958.13
Leases and Licence fees	ARONA JV 149,432.36	TMB ARRAIZ JV 115,002.32	RSU SUR COINTER 353,862.11	HORNILLOS JV 237,463.35	TEM JV 179,398.94	OTHERS 474,111.22	TOTAL 1,509,270.30
Repairs and conservation	HORNILLOS JV 772,766.09	ARONA JV 190,811.55	TMB ARRAIZ JV 183,141.28	TEM JV 1,764,419.81	ILNET JV 123,285.50	OTHERS 960,324.60	TOTAL 3,994,688.83
Independent professional services	BUTARQUE JV 25,385.26	HORNILLOS JV 40,201.33	GUADALAJARA JV 24,515.17	TEM JV 53,180.48	TMB ARRAIZ JV 504,725.09	OTHERS 156,506.85	TOTAL 804,514.18
Transport	SEVILLA GARDENS JV 2,659.00	VALDEMORO JV 11,332.53	LA PALOMA JV 7,255.01	HORNILLOS JV 413,725.08	TEM JV 341,078.91	OTHERS 6,102.47	TOTAL 782,553.00
Insurance premiums	BUTARQUE JV 58,245.85	ARONA JV 40,000.47	RSU SUR-COINTER 118,799.84	TEM JV 147,135.93	HORNILLOS JV 64,761.24	OTHERS 317,806.53	TOTAL 766,769.86
Bank charges and similar	MSM LOTE III JV 5,017.73	HIXIENE'S JV 16,237.10	HORNILLOS JV 9,990.47	GUADALAJARA JV 37,188.34	SECADO TERM LORCHES II JV 23,972.06	OTHERS 29,494.69	TOTAL 121,900.39
Advertising, publicity and PR	ARONA JV 31,790.84	ILNET JV 59,261.86	LA PALOMA JV 53,906.80	RSU SUR-COINTER 45,713.72	GUADALAJARA JV 27,392.91	OTHERS 107,464.49	TOTAL 325,530.62
Supplies	TEM JV 221,425.95	ARONA JV 157,097.16	LA PALOMA JV 455,635.38	HORNILLOS JV 946,604.28	TMB ARRAIZ JV 637,160.06	OTHERS 1,231,437.28	TOTAL 3,659,360.11
Other services	LA PALOMA DIGESTION JV 350,088.12	HORNILLOS JV 159,927.33	ILNET JV 172,261.90	RCD GARDELEGUI 225,454.43	TEM JV 5,213,678.04	OTHERS 227,137.28	TOTAL 6,348,547.10
Total outsourced services							18,338,892.52

2016							
Investment and development expenses	HORNILLOS JV 25,078.62	-	-	-	-	OTHERS -	TOTAL 25,078.62
Leases and Licence fees	ARONA JV 152,032.30	TMB ARRAIZ JV 79,106.30	RSU SUR COINTER 369,075.76	HORNILLOS JV 245,318.02	TEM JV 178,553.52	OTHERS 596,503.86	TOTAL 1,620,589.78
Repairs and conservation	HORNILLOS JV 809,548.73	ARONA JV 269,668.59	GUADALAJARA JV 250,523.20	TEM JV 1,522,239.49	VALORIZA GESTYONA JV 142,826.90	OTHERS 1,110,629.99	TOTAL 4,095,436.90
Independent professional services	RSU SUR COINTER 19,712.08	HORNILLOS JV 75,492.57	GUADALAJARA JV 21,425.23	TEM JV 46,521.10	TMB ARRAIZ JV 1,129,960.36	OTHERS 139,249.05	TOTAL 1,432,360.39
Transport	GUADALAJARA JV 13,888.93	VALDEMORO JV 7,582.93	LA PALOMA JV 7,255.01	HORNILLOS JV 417,831.98	TEM JV 383,892.19	OTHERS 24,206.18	TOTAL 854,657.24
Insurance premiums	VALORIZA GESTYONA JV 65,907.14	ARONA JV 58,638.94	RSU SUR-COINTER 133,584.77	TEM JV 145,905.98	GUADALAJARA JV 68,196.53	OTHERS 413,464.49	TOTAL 885,697.85
Bank charges and similar	TEM JV 34,626.14	HIXIENE'S JV 6,209.56	HORNILLOS JV 10,429.39	GUADALAJARA JV 7,918.59	VALORIZA GESTYONA JV 4,131.30	OTHERS 23,843.59	TOTAL 87,158.57
Advertising, publicity and PR	ARONA JV 22,613.91	ILNET JV 51,511.94	LA PALOMA JV 54,734.49	RSU SUR-COINTER 35,201.68	GUADALAJARA JV 53,094.81	OTHERS (223,966.77)	TOTAL (6,809.94)
Supplies	TEM JV 243,198.13	GUADALAJARA JV 188,653.23	LA PALOMA JV 310,351.21	HORNILLOS JV 820,129.90	TMB ARRAIZ JV 483,469.89	OTHERS 1,267,551.43	TOTAL 3,313,353.79
Other services	LA PALOMA DIGESTION JV 174,832.83	HORNILLOS JV 171,223.65	RSU SUR-COINTER 73,246.65	RCD GARDELEGUI 223,731.54	TEM JV 5,610,732.14	OTHERS (614,584.05)	TOTAL 5,639,182.76
Total outsourced services							17,946,705.96

f) Other operating income

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The breakdown of the item of accessory revenue and others of current management within Other operating revenue on the income statement at 31 December 2015 and 2016 is as follows:

Accessory revenue and other management revenue	2016	2015
Insurance compensation	366,041.13	1,596,416.55
Amounts paid to companies	10,476,789.02	3,940,380.35
Leases	69,050.00	8,531.24
Total	10,911,880.15	5,545,328.14

Of the preceding figures, in 2016 the JVs provide 6,263,319.25 euros (1,994,359.84 euros in 2015) with the following breakdown:

2015	GUADALAJARA JV	URGENET JV	LA PALOMA JV	HIXIENE'S JV	HORNILLOS JV	OTHERS	TOTAL
Additional Income	201,772.16	140,237.32	778,015.61	210,018.62	132,871.28	531,444.85	1,994,359.84

2016	GUADALAJARA JV	TEM JV	LA PALOMA JV	HIXIENE'S JV	ARONA JV	OTHERS	TOTAL
Additional Income	570,795.96	3,410,680.29	351,684.72	314,555.91	469,232.90	1,146,369.47	6,263,319.25

21. Operations and balances with related parties

a) Operations with related parties

The breakdown of operations carried out with related parties during 2015 is as follows:

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2015	Parent company	Other Group Companies	Other related parties	TOTAL
INCOME				
Provision of services	**5,516.00**	**1,551,079.19**	-	**1,556,595.19**
-Biorreciclaje de Cadiz,S.A.	-	227,391.00	-	227,391.00
-Boremer,S.A.	-	51,684.48	-	51,684.48
-Cafestore,S.A.U.	-	896.96	-	896.96
-Eurocomercial,S.A.	-	48.00	-	48.00
-Consorcio Stabile Vis Societá c.p.a.	-	34,465.00	-	34,465.00
-S.A.U. Depuración y Tratamiento-Sadyt-	-	3,789.96	-	3,789.96
-Sacyr ,S.A.	5,516.00	-	-	5,516.00
-Sacyr Construcción,S.A.U.	-	13,820.14	-	13,820.14
-Sacyr Industrial,S.L.U.	-	351,438.50	-	351,438.50
-Scrinser,S.A.	-	(4,558.80)	-	(4,558.80)
-Sacyr Environment Llc USA	-	27,611.76	-	27,611.76
-Surge Ambiental,S.L.	-	133,274.39	-	133,274.39
-Tractament Metropolita de fangs,S.L.	-	60,824.49	-	60,824.49
-Tratamiento de Residuos La Rioja,S.L.	-	611,625.11	-	611,625.11
-Valoriza Agua,S.L.	-	4,000.00	-	4,000.00
-Valoriza Conservación de Infraestructuras,S.A.I	-	1,281.24	-	1,281.24
-Valoriza Facilities,S.A.U.	-	32,730.44	-	32,730.44
-Valoriza Servicios a la Dependencia,S.A.U.	-	756.52	-	756.52
Interest	-	**306,955.79**	-	**306,955.79**
-Surge Ambiental,S.L.	-	19,175.40	-	19,175.40
-Tratamiento de Residuos La Rioja,S.L.	-	278,570.58	-	278,570.58
-Compost del Pirineo,S.A.	-	9,209.81	-	9,209.81
TOTAL INCOME	5,516.00	1,858,034.98	-	1,863,550.98
EXPENSES				
Services received	**6,424,934.90**	**3,704,396.41**	**1,442,474.73**	**11,571,806.04**
-Biorreciclaje de Cadiz,S.A.	-	28,103.62	-	28,103.62
-Boremer,S.A.	-	27,967.69	-	27,967.69
-Consorcio Stabile Vis Societá c.p.a.	-	38,116.44	-	38,116.44
-Ecotrading 360 grados, S.L.	-	81.48	-	81.48
-Repsol YPF,S.A.	-	-	1,442,474.73	1,442,474.73
-Sacyr Conceslones,S.A.U.	-	811.06	-	811.06
-Sacyr ,S.A.	513,826.37	-	-	513,826.37
-Sacyr Construcción,S.A.U.	-	184,566.14	-	184,566.14
-Sacyr Industrial,S.L.U.	-	2,664,647.05	-	2,664,647.05
-Surge Ambiental,S.L.	-	242,081.56	-	242,081.56
-Testa Inmuebles en Renta,S.A.	-	363,686.04	-	363,686.04
-Scrinser,S.A.	-	12,886.10	-	12,886.10
-Valoriza Conservación de Infraestructuras,S.A.	-	82,000.00	-	82,000.00
-Valoriza Facilities,S.A.U.	-	57,500.66	-	57,500.66
-Valoriza Gestión,S.A.U.(tasa estruct)	5,911,108.53	-	-	5,911,108.53
-Valoriza Servicios Medioambientales Bolivia	-	1,948.57	-	1,948.57
Interest	**2,636,082.18**	**116,293.45**	-	**2,752,375.63**
-Hidroandaluza,S.A.	-	106,629.91	-	106,629.91
-Sacyr Construcción,S.A.U.	-	7,089.54	-	7,089.54
-Secado térmico de Castellón,S.A.	-	2,574.00	-	2,574.00
-Valoriza Gestión,S.A.U.	2,634,256.35	-	-	2,634,256.35
-Sacyr ,S.A	1,825.83	-	-	1,825.83
TOTAL EXPENSES	9,061,017.08	3,820,689.86	1,442,474.73	14,324,181.67

The breakdown of operations carried out with related parties during 2016 is as follows:

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2016	Parent company	Other Group Companies	Other related parties	TOTAL
INCOME				
Provision of services	**4,137.00**	**1,061,410.39**	-	**1,065,547.39**
-Biorreciclaje de Cadiz,S.A.	-	272,000.00	-	272,000.00
-Boremer,S.A.	-	126,918.23	-	126,918.23
-Cafestore,S.A.U.	-	448.48	-	448.48
-Eurocomercial,S.A.	-	12.00	-	12.00
-Consorcio Stabile Vis Societá c.p.a.	-	37,079.59	-	37,079.59
-S.A.U. Depuración y Tratamiento-Sadyt-	-	246.73	-	246.73
-Sacyr ,S.A.	4,137.00	-	-	4,137.00
-Sacyr Construcción,S.A.U.	-	(1,788.68)	-	(1,788.68)
-Sacyr Industrial,S.L.U.	-	23,350.06	-	23,350.06
-Sacyr Environment Llc USA	-	59,059.24	-	59,059.24
-Surge Ambiental,S.L.	-	118,691.79	-	118,691.79
-Tractament Metropolita de fangs,S.L.	-	60,189.84	-	60,189.84
-Tratamiento de Residuos La Rioja,S.L.	-	322,049.88	-	322,049.88
-Valoriza Agua,S.L.	-	4,000.00	-	4,000.00
-Valoriza Conservación de Infraestructuras,S.A.I	-	64.06	-	64.06
-Valoriza Facilities,S.A.U.	-	27,106.84	-	27,106.84
-Valoriza Servicios a la Dependencia,S.A.U.	-	11,982.33	-	11,982.33
Interest	-	**347,052.18**	-	**347,052.18**
-Surge Ambiental,S.L.	-	20,309.51	-	20,309.51
-Tratamiento de Residuos La Rioja,S.L.	-	283,696.76	-	283,696.76
-Compost del Pirineo,S.A.	-	9,012.43	-	9,012.43
-Boremer,S.A.	-	34,033.48	-	34,033.48
TOTAL INCOME	4,137.00	1,408,462.57	-	1,412,599.57
EXPENSES				
Services received	**7,495,180.60**	**479,453.29**	**1,603,698.32**	**9,578,332.21**
-Aplicaciones Gespol S.L.	-	24,719.17	-	24,719.17
-Biorreciclaje de Cadiz,S.A.	-	26,686.34	-	26,686.34
-Boremer,S.A.	-	21,017.31	-	21,017.31
-Consorcio Stabile Vis Societá c.p.a.	-	38,116.37	-	38,116.37
-Prinur, S.L.	-	(24,928.14)	-	(24,928.14)
-Repsol YPF,S.A.	-	-	1,603,698.32	1,603,698.32
-Sacyr ,S.A.	593,379.93	-	-	593,379.93
-Sacyr Construcción,S.A.U.	-	82,158.13	-	82,158.13
-Sacyr Industrial,S.L.U.	-	22,817.57	-	22,817.57
-Surge Ambiental,S.L.	-	166,012.70	-	166,012.70
-Scrinser,S.A.	-	28,333.08	-	28,333.08
-Valoriza Conservación de Infraestructuras,S.A.	-	45.86	-	45.86
-Valoriza Facilities,S.A.U.	-	94,005.20	-	94,005.20
-Valoriza Gestión,S.A.U.(tasa estruct)	6,901,800.67	-	-	6,901,800.67
-Valoriza Servicios Medioambientales Bolivia	-	335.22	-	335.22
-Valoriza Environment Services PTY Australia	-	134.48	-	134.48
Interest	**2,215,627.76**	**122,335.47**	-	**2,337,963.23**
-Hidroandaluza,S.A.	-	115,226.29	-	115,226.29
-Sacyr Construcción,S.A.U.	-	7,109.18	-	7,109.18
-Sacyr ,S.A.	1,825.84	-	-	1,825.84
-Valoriza Gestión,S.A.U.	2,213,801.92	-	-	2,213,801.92
TOTAL EXPENSES	9,710,808.36	601,788.76	1,603,698.32	11,916,295.44

The main services received and provided per group company and associates during 2015 and 2016 are:

- Biorreciclaje de Cádiz, S.A. transport and treatment at the Miramundo plant.

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- Boremer, S.A. sludge transport to La Torrecilla.
- Repsol YPF, S.A. supply of fuel.
- Sadyt work related to the Edar de Ajofrín JV.
- Sacyr, S.A.U. providing services and expenses.
- Sacyr Construcción, S.A.U. sundry items of work in the waste collection service for Alcalá de Henares.
- Sacyr Industrial, S.L.U. work for construction of the cement plant in Bolivia.
- Valoriza Gestión, S.A.U. includes the rate for administration and invoices issued for various analyses.
- Surge Ambiental, S.L. management and transport of municipal waste, tree maintenance projects, recycling point in Torrejón and sludge plant of La Torrecilla.
- Tratamiento de Residuos La Rioja, S.L. support work for the Ecopark of La Rioja .
- Testa Inmuebles en Renta, S.A. until their sale to Merlin Properties for the lease of the central offices of VSM, S.A. in 2015. In 2016 it disappears from the table as it no longer belongs to the Group.

The transactions conducted with related parties are related to the Company's regular business and are carried out at market prices.

b) Balances with related companies

The figures on the balance sheet with related companies on 31 December 2015 are as follows:

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2015	Parent company	Other Group Companies	Associates	Other related parties	TOTAL
LONG TERM DEBIT BALANCES					
Equity Instruments (Note 10)	-	**3,740,354.04**	2,554,854.30	-	**6,295,208.34**
Loans to companies (Note 10)	-	**11,313,139.38**	1,448,152.48	-	**12,761,291.86**
TOTAL LONG TERM DEBIT BALANCES	-	15,053,493.42	4,003,006.78	-	19,056,500.20
SHORT TERM DEBIT BALANCES					
Trade Receivables	**2,758.00**	**8,177,090.93**	**259,424.71**	**23,479.07**	**8,462,752.71**
-Biorreciclaje de Cadiz,S.A.	-	1,983,721.79	-	-	1,983,721.79
-Boremer,S.A.	-	2,319,488.58	-	-	2,319,488.58
-Calestore, S.A.U.	-	896.96	-	-	896.96
-Cultivos Energéticos de Castilla,S.A.	-	40,537.45	-	-	40,537.45
-Eurocomercial,S.A.	-	48.00	-	-	48.00
-Gestión de Partícipes de Biorreciclaje,S.A.	-	-	54,701.47	-	54,701.47
-La Restinga,C.B.	-	100,000.00	-	-	100,000.00
-Partícipes de Biorreciclaje,S.A.	-	-	204,723.24	-	204,723.24
-Repsol YPF,S.A.	-	-	-	23,479.07	23,479.07
-Residuos de Construcción de Cuenca,S.A.	-	75,353.60	-	-	75,353.60
-S.A.U. Depuración y Tratamiento Sadyt-	-	940,679.94	-	-	940,679.94
-Sacyr ,S.A.	2,758.00	-	-	-	2,758.00
-Sacyr Construcción,S.A.U.	-	41,890.48	-	-	41,890.48
-Sacyr Industrial,S.L.U.	-	4,000.00	-	-	4,000.00
-Scrinser,S.A.	-	-6,117.88	-	-	(6,117.88)
-Somague Engenharia,S.A.	-	1,373,993.50	-	-	1,373,993.50
-Surge Ambiental,S.L.	-	437,162.89	-	-	437,162.89
-Tractament Metropolità de fangs,S.L.	-	24,542.76	-	-	24,542.76
-Tratamiento de Residuos La Rioja,S.L.	-	762,704.72	-	-	762,704.72
-Valoriza Conservación de Infraestructuras,S.A.	-	640.62	-	-	640.62
-Valoriza Facilities,S.A.U.	-	14,298.48	-	-	14,298.48
-Valoriza Servicios a la Dependencia,S.A.	-	1,172.28	-	-	1,172.28
-Sacyr Environment Llc USA	-	27,611.76	-	-	27,611.76
-Consorzio Stabile Vis Società c.p.a.	-	34,465.00	-	-	34,465.00
Loans to companies (Note 10)	-	-	**16,159.35**	-	**16,159.35**
Other financial assets	**8,517.98**	**8,372,069.87**	**10,353.33**	-	**8,390,941.18**
-Alcoreo,S.L.	-	142,577.67	-	-	142,577.67
-Biomasas del Pirineo,S.L.	-	83,329.94	-	-	83,329.94
-Boremer,S.A.	-	3,242,399.88	-	-	3,242,399.88
-C/C Consolidación Fiscal Grupo IS SYV	7,550.43	-	-	-	7,550.43
-Compost del Pirineo,S.A.	-	58,922.63	-	-	58,922.63
-Cultivos Energéticos de Castilla,S.L.	-	128.83	-	-	128.83
-Desgasificación de Vertederos,S.A.	-	1,210.95	-	-	1,210.95
-Gestión de Partícipes de Biorreciclaje,S.A.	-	-	10,353.33	-	10,353.33
- Valdemingomez 2000 S.A.	-	640,000.00	-	-	640,000.00
- Valoriza Agua, S.A.	-	16.72	-	-	16.72
- Valoriza Servicios Medioambientales Bolivia	-	2,925,426.19	-	-	2,925,426.19
-Sacyr Construcción,S.A.U.	-	171,655.90	-	-	171,655.90
-Sacyr Industrial,S.L.U.	-	6,276.74	-	-	6,276.74
-Servicio de Estacionamiento Regulado	-	6.97	-	-	6.97
-Surge Ambiental,S.L.	-	335.74	-	-	335.74
-Tratamiento de Residuos La Rioja,S.L.	-	1,098,737.00	-	-	1,098,737.00
-Valoriza Conservación de Infraestructuras,S.A.	-	994.18	-	-	994.18
-Valoriza Facilities,S.A.U.	-	28.72	-	-	28.72
-Valoriza Gestión,S.A.U.	967.55	-	-	-	967.55
-Waste Resources,S.A.	-	21.81	-	-	21.81
TOTAL SHORT TERM DEBIT BALANCES	**11,275.98**	16,549,160.80	**285,937.39**	**23,479.07**	16,869,853.24

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LONG TERM CREDIT BALANCES					
Long term debts:	**68,898,527.51**	**3,953,320.28**			**72,851,847.79**
- Valoriza Gestión,S.A.U.	68,898,527.51				68,898,527.51
- Hidroandaluza,S.A.		3,953,320.28			3,953,320.28
LONG TERM CREDIT BALANCES	68,898,527.51	3,953,320.28	-	-	72,851,847.79
SHORT TERM CREDIT BALANCES					
Short term debts	**2,892,199.67**	**2,023,047.26**			**4,915,246.93**
-Boremer,S.A.		1,257.66			1,257.66
-C/C Consolidación Fiscal Grupo IS SYV	1,609,119.69				1,609,119.69
-C/C Consolidación Fiscal Grupo IVA SYV	1,283,079.98				1,283,079.98
-Eurocomercial,S.A.		70,977.84			70,977.84
-Gestión de Infraestructuras Canarias,S.L.		149,505.74			149,505.74
-Hidroandaluza,S.A.		199,943.77			199,943.77
-Iniciativas Medioambientales del Sur,S.L.		135,000.00			135,000.00
-S.A.U. Depuración y Tratamiento-Sadyt-		452,984.62			452,984.62
-Sacyr Construcción,S.A.		466,979.02			466,979.02
-Secado Térmico Castellón,S.A.		417,792.60			417,792.60
-Infoser AE		14,847.38			14,847.38
-Valoriza Agua,S.A.		68,121.32			68,121.32
-Valoriza Facilities,S.A.U.		43,637.29			43,637.29
Trade creditors/ Suppliers:	**670,012.29**	**3,525,843.45**	**9,942.94**	**152,882.88**	**4,358,681.56**
-Biorreciclaje de Cadiz,S.A.		85,426.88			85,426.88
-Boremer,S.A.		52,750.77			52,750.77
-Gestión de Participes de Biorreciclaje,S.A.			9,942.94		9,942.94
-Eurocomercial,S.A.		2,278,476.74			2,276,476.74
-Hidroandaluza,S.A.		147,837.07			147,837.07
-Prinur,S.A.U.		24,928.14			24,928.14
-Repsol YPF,S.A.				152,882.88	152,882.88
-S.A.U. Depuración y Tratamiento-Sacyt-		251,711.40			251,711.40
-Sacyr ,S.A.	357,046.39				357,046.39
-Sacyr Construcción,S.A.		65,618.98			65,618.98
-Secado Térmico Castellón,S.A.		29,859.07			29,859.07
-Scrinser,S.A.		2,645.74			2,645.74
-Surge Ambiental,S.L.		100,113.06			100,113.06
-Valoriza Facilities,S.A.U.		83,303.61			83,303.61
-Valoriza Gestión,S.A.U.	312,965.90				312,965.90
-Infoser,S.L.		6,612.00			6,612.00
-Inte RCD,S.L.		105.93			105.93
-Valoriza Agua,S.A.		(6,733.70)			(6,733.70)
-Sacyr Industrial,S.L.U.		367,071.32			367,071.32
-Consorcio Stabile Vis Societá c.p.a.		38,116.44			38,116.44
TOTAL SHORT TERM CREDIT BALANCES	3,562,211.96	5,548,890.71	9,942.94	152,882.88	9,273,928.49

The figures on the balance sheet with related companies on 31 December 2016 are as follows:

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2016	Parent company	Other Group Companies	Associates	Other related parties	TOTAL
LONG TERM DEBIT BALANCES					
Equity instruments (Note 10)	-	**10,765,348.73**	683,661.27	-	**11,449,010.00**
Loans to companies (Note 10)	-	**14,776,848.80**	-	-	**14,776,848.80**
TOTAL LONG TERM DEBIT BALANCES	-	25,542,197.53	683,661.27	-	26,225,858.80
SHORT TERM DEBIT BALANCES					
Trade Receivables	**35,980.12**	**8,319,547.50**	-	**50,073.38**	**8,405,601.00**
-Biorreciclaje de Cadiz,S.A.	-	1,805,522.06	-	-	1,805,522.06
-Boremer,S.A.	-	1,713,664.22	-	-	1,713,664.22
-Consorcio Stabile Vis Societá c.p.a.	-	76,062.35	-	-	76,062.35
-Cultivos Energéticos de Castilla,S.A.	-	40,537.45	-	-	40,537.45
-Gestión de Partícipes de Biorreciclaje,S.A.	-	22,249.40	-	-	22,249.40
-La Restinga,C.B.	-	100,000.00	-	-	100,000.00
-Participes de Biorreciclaje,S.A.	-	204,723.24	-	-	204,723.24
-Repsol YPF,S.A.	-	-	-	50,073.38	50,073.38
-Residuos de Construcción de Cuenca,S.A.	-	75,353.60	-	-	75,353.60
-S.A.U. Depuración y Tratamiento-Sadyt-	-	938,868.52	-	-	938,868.52
-Sacyr ,S.A.	35,980.12	-	-	-	35,980.12
-Sacyr Construcción,S.A.U.	-	37,988.51	-	-	37,988.51
-Sacyr Environment Llc USA	-	86,702.00	-	-	86,702.00
-Sacyr Industrial,S.L.U.	-	32,255.01	-	-	32,255.01
-Scrinser,S.A.	-	(6,117.88)	-	-	(6,117.88)
-Somague Engenharia,S.A.	-	2,083,229.81	-	-	2,083,229.81
-Surge Ambiental,S.L.	-	345,752.02	-	-	345,752.02
-Tractament Metropolita de fangs,S.L.	-	30,678.45	-	-	30,678.45
-Tratamiento de Residuos La Rioja,S.L.	-	700,278.81	-	-	700,278.81
-Valoriza Agua,S.A.	-	14,229.38	-	-	14,229.38
-Valoriza Facilities,S.A.U.	-	12,657.10	-	-	12,657.10
-Valoriza Servicios a la Dependencia,S.A.	-	4,913.45	-	-	4,913.45
Loans to companies (Note 10)	-	-	16,159.35	-	**16,159.35**
Other financial assets	**129,867.68**	**20,252,947.66**	-	-	**20,382,815.34**
-Alcorec,S.L.	-	142,577.67	-	-	142,577.67
-Biomasas del Pirineo,S.L.	-	83,329.94	-	-	83,329.94
-Boremer,S.A.	-	3,242,399.88	-	-	3,242,399.88
-Aplicaciones Gespol S.L.	-	1,096,146.68	-	-	1,096,146.68
-Compost del Pirineo,S.A.	-	58,064.81	-	-	58,064.81
-Cultivos Energéticos de Castilla,S.L.	-	128.83	-	-	128.83
-Desgasificación de Vertederos,S.A.	-	1,210.95	-	-	1,210.95
-Gestión de Partícipes de Biorreciclaje,S.A.	-	10,353.33	-	-	10,353.33
- Valdemingomez 2000 S.A.	-	697,560.71	-	-	697,560.71
- Valoriza Agua, S.A.	-	88,574.90	-	-	88,574.90
- Valoriza Servicios Medioambientales Bolivia	-	10,206,459.13	-	-	10,206,459.13
-Sacyr ,S.A.	128,900.13	-	-	-	128,900.13
-Sacyr Construcción,S.A.U.	-	262,005.51	-	-	262,005.51
-Sacyr Industrial,S.L.U.	-	2,594,003.60	-	-	2,594,003.60
-Servicio de Estacionamiento Regulado	-	6.97	-	-	6.97
-Sacyr Environment Llc USA	-	277,751.98	-	-	277,751.98
-Surge Ambiental,S.L.	-	335.74	-	-	335.74
-Tratamiento de Residuos La Rioja,S.L.	-	1,098,737.00	-	-	1,098,737.00
-Valoriza Conservación de Infraestructuras,S.A.	-	994.18	-	-	994.18
-Valoriza Facilities,S.A.U.	-	28.72	-	-	28.72
-Valoriza Gestión,S.A.U.	967.55	-	-	-	967.55
-Valoriza Environment Services PTY Australia	-	392,255.32	-	-	392,255.32
-Waste Resources,S.A.	-	21.81	-	-	21.81
TOTAL SHORT TERM DEBIT BALANCES	165,847.80	28,572,495.16	16,159.35	50,073.38	28,804,575.69

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LONG TERM CREDIT BALANCES					
Long term debts:	**47,623,856.91**	**4,515,962.19**	-	-	**52,139,819.10**
- Valoriza Gestión,S.A.U.	47,623,856.91	-	-	-	47,623,856.91
- Hidroandaluza,S.A.	-	4,515,962.19	-	-	4,515,962.19
LONG TERM CREDIT BALANCES	47,623,856.91	4,515,962.19	-	-	52,139,819.10
SHORT TERM CREDIT BALANCES					
Short term debts	**1,401,095.94**	**4,911,876.71**	-	-	**6,312,972.65**
-Boremer,S.A.	-	1,271.98	-	-	1,271.98
-C/C Consolidación Fiscal Grupo IS SYV	52,480.38	-	-	-	52,480.38
-C/C Consolidación Fiscal Grupo IVA SYV	1,348,615.56	-	-	-	1,348,615.56
-Eurocomercial,S.A.	-	70,977.84	-	-	70,977.84
-Gestión de Infraestructuras Canarias,S.L.	-	149,482.18	-	-	149,482.18
-Hidroandaluza,S.A.	-	199,943.77	-	-	199,943.77
-Iniciativas Medioambientales del Sur,S.L.	-	135,000.00	-	-	135,000.00
-S.A.U. Depuración y Tratamiento-Sadyt-	-	764,061.58	-	-	764,061.58
-Sacyr Construcción,S.A.	-	364,580.03	-	-	364,580.03
-Secado Térmico Castellón,S.A.	-	417,792.60	-	-	417,792.60
-Infoser AIE	-	79,824.30	-	-	79,824.30
-Tractament Metropolita de fangs,S.L.	-	2,711,740.00	-	-	2,711,740.00
-Plataforma para la Movilidad AIE	-	107.79	-	-	107.79
-Valoriza Conservación de Infraestructuras,S.A.	-	17,094.64	-	-	17,094.64
Trade creditors/ Suppliers:	**1,149,532.46**	**6,496,261.46**	-	**289,453.50**	**7,935,247.41**
-Aplicaciones Gespol S.L.	-	42,324.95	-	-	42,324.95
-Biorreciclaje de Cadiz,S.A.	-	103,260.42	-	-	103,260.42
-Boremer,S.A.	-	46,965.31	-	-	46,965.31
-Consorcio Stabile Vis Società c.p.a.	-	76,232.81	-	-	76,232.81
-Eurocomercial,S.A.	-	2,216,476.74	-	-	2,216,476.74
-Gestión de Partícipes de Biorreciclaje,S.A.	-	9,942.94	-	-	9,942.94
-Hidroandaluza,S.A.	-	147,837.07	-	-	147,837.07
-Infoser,S.L.	-	6,612.00	-	-	6,612.00
-Inte RCD,S.L.	-	105.93	-	-	105.93
-Repsol YPF,S.A.	-	-	-	289,453.50	289,453.50
-S.A.U. Depuración y Tratamiento-Sadyt-	-	40,027.30	-	-	40,027.30
-Sacyr ,S.A.	360,345.89	-	-	-	360,345.89
-Sacyr Construcción,S.A.	-	135,292.31	-	-	135,292.31
-Sacyr Industrial,S.L.U.	-	3,434,999.62	-	-	3,434,999.62
-Scrinser,S.A.	-	5,194.92	-	-	5,194.92
-Secado Térmico Castellón,S.A.	-	29,859.07	-	-	29,859.07
-Surge Ambiental,S.L.	-	54,943.51	-	-	54,943.51
-Valoriza Agua,S.L.	-	(6,733.70)	-	-	(6,733.70)
-Valoriza Conservación de Infraestructuras,S.A.	-	55.49	-	-	55.49
-Valoriza Facilities,S.A.U.	-	152,864.76	-	-	152,864.76
-Valoriza Gestión,S.A.U.	789,186.57	-	-	-	789,186.57
TOTAL SHORT TERM CREDIT BALANCES	2,550,628.40	11,408,138.16	-	289,453.50	14,248,220.06

The most significant amount, which is in long term creditors, corresponds to a loan that the Company holds with Valoriza Gestión, S.A.U. that is automatically renewed every year and accrues effective interest at the rate of Euribor plus 4 percentage points (Euribor plus 4 points in 2015). In 2016, the balance of that loan has decreased by 20,712,028.69 euros (increase in 15,304,801.39 euros in 2015) and during 2012 it was transferred from short term to long term under an addendum to the loan contract signed on 1 July 2012 amending the conditions; the debt becomes due upon the expiry of that contract (the term of which is 5 years, renewable on a yearly base, as long as VSM, S.A. remains in the same tax consolidation group with the same percentage holding).

Both this as well as other loans with group, multigroup and associated companies are classified in the category of loans and items payable, are valued at amortized cost and the interest rate applied in 2016 and 2016 is Euribor plus 4 percentage points

c) Remunerations for the Board of Directors and top management

No changes to the Board of Directors were made in 2015 and 2016.

The remunerations received during 2015 by members by the Board of Directors and senior management of the Company classified by items, were as follows:

	Salaries	Insurance premiums
Board of Directors.	198,013.00	225.00
Total	198,013.00	225.00

The remunerations received during 2016 by members by the Board of Directors and senior management of the Company classified by items, were as follows:

	Salaries	Insurance premiums
Board of Directors.	199,045.00	241.00
Total	199,045.00	241.00

Moreover, no obligations were assumed in matters of pensions or payments of life insurance premiums, nor payments based on equity instruments, regarding the members of the Board of Directors, these being outsourced. Nor are there agreements pursuant to which the members of the Board of Directors of the Company are entitled to receive compensation from the Company due to ceasing to hold office as directors.

No advances or loans were granted to members of the Board of Directors in 2015 and 2016.

d) Situations of direct or indirect conflict of interest between the Sole Director and related parties.

For the purposes of the provisions of article 229 of the Capital Companies Act, approved under Royal Legislative Decree 1/2010 of 2 July, in the draft given in Act 31/2014, of 3 December, which amended the Capital Companies Act for the improvement of corporate governance, in 2016 the Sole Director of the Company and persons related to him during that same period have not reported having any situation of conflict of interest in Companies with a type of activity that is the same, similar or complementary to that of the Company or its Group.

22. Information on the Environment

During 2015 and 2016, no expenses have been incurred for the protection and improvement of the environment. Nor have there been expenses or risks for which it has been necessary to make provision for environmental actions or contingencies related to the protection and improvement of the environment.

23. Other information

a) Staff

The average number of employees during 2015 and 2016, broken down according to category, is as follows:

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Categories	2016	2015
General Managers and Executive Chairmen	1	1
Other executives and managers	7	6
Technical and professional, scientific, intellectual and backup professionals	630	422
Employees in accounting, administration and other office workers	192	178
Elementary occupations	5,539	5,114
Total	6,369	5,721

The distribution per gender at the end of 2015 and 2016, broken down by categories, is as follows:

	2016		2015	
Categories	Men	Women	Men	Women
Directors	1	-	1	-
General Managers and Executive Chairmen (not directors)	3	-	3	-
Other executives and managers	4	-	4	-
Technical and professional, scientific, intellectual and backup professionals	474	185	347	94
Employees in accounting, administration and other office workers	169	43	73	109
Elementary occupations	4,589	1,130	4,093	1,021
Total	5,240	1,358	4,521	1,224

Likewise, the average number of employees during 2015 and 2016 with disabilities of over 33%, broken down according to category, is as follows:

Categories	2016	2015
Technical and professional, scientific, intellectual and backup professionals	9	8
Employees in accounting, administration and other office workers	2	1
Elementary occupations	188	177
Total	199	186

b) Audit fees

In 2015 and 2016, the financial audit services provided by the Company, or by a company in the same group or related to the auditor, amounted to 76,669 euros each year.

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24. Subsequent events

On 25 January 2017 the Company increased its holding in the TEM JV from 46.99% to 47%.

On 24 February 2017 the Butarque JV received payment of 6,256,052.80 euros as the value placed on the works that revert to the City Council of Madrid as a result of the termination of the concession (effective 30/11/2016), which takes into account the amount of investment under the bid, and the City Hall's contribution and accumulated depreciation, calculated in accordance with the valuation estimated by the City Hall and with which the JV is not in agreement.

Following this decision, a claim will be lodged for compensation for damages and losses caused to the JV for the cancellation of the concession, and the financing expenses incurred during the period between the date of the JV's application of 26 May 2011 until the date of the ruling will be claimed for.

On 14 February 2017, the JV Sur received the formal decision from the City Council of Madrid informing that their contract was cancelled and the valuation made by the Administration of the building work that reverts as a result of this decision in this case, and also effective as of 30 November 2016, is 8,791,879.18 euros.

Following this decision, the company will in this case also file action for compensation for the damages caused to the Joint Venture due to the termination and will claim for the financial expenses incurred during the period elapsed from the date of the JV's request on 26 May 2011 up until the date of the ruling.

At the same time as this formal decision, on 2 February 2017 it also received the ruling upholding the claim lodged by the Sur JV in respect of the operating fee that it did not receive for the years 2008, 2009 and 2010, for the figure of 1,717,424.52 euros plus VAT.

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MANAGEMENT REPORT FOR 2016.

During the course of 2016 the Company has seen a marked improvement both in its revenue and in its final results, which means having met in advance the figure contained in the Fifteen Year Plan for the group. In addition to the contracting figures, there is also the purchase of the company Aplicaciones Gespol, and the increased holding in the Company Bioreciclaje de Cádiz. In addition to the contracting figures, there is also the purchase of the company Aplicaciones Gespol, and the increased holding in the Company Bioreciclaje de Cádiz. Aplicaciones Gespol, engaged in managing traffic penalties and mobility services, will allow the Company to expand the portfolio of services offered, and the possibility of reaching new customers and new geographical areas.

The company's organisation continues to be based on a regional structure which allows for closer contact with customers and more efficient management of projects. The International Management is maintained for running the subsidiaries in other countries, and for coordinating the various tenders abroad, and Risk Control Management is continued for analysing and selecting opportunities.

The regional structure is organised as follows:

- Central General Management: shall take charge of the concessions for urban services and waste treatment in the Autonomous Regions of Madrid, Castilla-La Mancha, Region of Valencia, and Murcia. This Management was boosted by the contracting of the street cleaning and waste collection services in Albacete, and the award of the service of urban waste collection in the city of Madrid (Lot 2), under a temporary joint venture.

- North General Management: shall take charge of managing the urban service and waste treatment concessions in the Autonomous Regions of Galicia, Asturias, Cantabria, Basque Country, Castilla y León, Navarra, La Rioja, Aragón, Catalonia and the Balearic Islands. The financial year for this Management was marked by the Company's growth in Galicia, and opening in the Balearic Islands under a contract in Ibiza for the service of urban waste collection and transportation, selective collection, and cleaning beaches.

- South General Management: shall take charge of the urban services and waste treatment in the Autonomous Regions of Andalusia, Extremadura and the Canary Islands, as well as possible contracts obtained in the Autonomous Cities of Ceuta and Melilla The most noteworthy item of the year was the acquisition of 33 per cent of the Company Bioreciclaje de Cádiz, for improved management of the Miramundo plant and dump.

At the end of 2016, the Company first contract in Australia for the construction and operation during 15 years of a waste treatment plant for handling green waste coming from the area of Melbourne (Australia). The Company has set up its subsidiaries wagering on the international business reflected in the opening of offices and signing agreement with local partners in Washington D.C (United States) and Turin (Italy). Bids were made in Baltimore and Connecticut (United States) and in Cagliari (Italy), amongst others.

By following a policy of containing costs and optimising resources, the Company has achieved a 9% improvement in its operating earnings, and also an 8% increase in pre-tax profits. There is a 3.5% growth in turnover, to which the increased revenue from the subsidiaries and investees must also be added. In spite of the situation of growth and the need to cover new investments, the Company has managed to reduce its overall borrowings by almost 13 million euros. This financial soundness and cash situation will allow the Company to face and finance the Plan for investment and growth for the coming financial years.

The Company has an active collection management policy with the City Councils, making claims where permitted by Law and lodging pertinent appeals against administrative decisions, which has resulted in a significant reduction of the average collection periods, and alleviates delays by charging late-payment interest.

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The balance sheet total reached 356,157 thousand euros and the Net Assets 71,588 thousand euros, having paid the shareholders a dividend of nearly 7 million euros during the financial year.

The company is strictly selective when entering into contracts, selecting the appropriate clients and ensuring the cash flow requirements for the different projects. During 2016 Valoriza Servicios Medioambientales, S.A. has been awarded projects for a total amount of 453 million euros, three times the amount for the previous year, which guarantees the turnover in the coming years, due to the majority of said awards being multiple year operations.

The main awards contracted during 2016 are as follows:

- Municipal services: This area comprises concessions for street cleaning, collection of municipal solid waste (MSW) (including underground recycling containers), gardening and maintenance of park areas, parking meter management, and towing services. Contracts won in 2016 included the following:

  - public street cleaning service and collection of solid urban waste for the municipality of Albacete (Castilla-La Mancha), for the amount of 164.5 million euros, and the term of the concession is 15 years.

  - public service for the collection and transport of solid urban waste, selective rubbish collection and beach cleaning for Ibiza (Balearic Islands), amounting to 67.9 million euros over a 10 year contract.

  - public service for the collection and transport of waste in Madrid, Lot 2 – East, for the amount of 87.4 million euros.

  - street cleaning service, rubbish collection and conservation of green zones for the municipal district of Navalcarnero (Madrid), for the amount of 12 million euros to be carried out over the 6 years of contract.

- Waste treatment: It builds and operates plants to treat municipal solid waste, packaging, and batteries, treatment facilities for construction and demolition debris and landfill gas removal, and plants for biomethanation, incineration, and waste-to-energy production, as well as facilities to treat, compost, and thermally dry the sludge from wastewater treatment plants. The main highlight of 2016 was the acquisition of an additional share in Bioreciclaje de Cádiz, which will allow it to take control of the company, improve its cash and liquidity situation, cover investment and optimise the running of the facility.

Valoriza Servicios Medioambientales, S.A. carries out a fair part of its business through JVs that are managed according to the stake held by the Company. The turnover managed by Valoriza Servicios Medioambientales in the JVs is 101.7 million euros, which accounts for approximately 32.5% of the total volume

At the end of 2016, there are no Own Shares.

With regard to the risk management policy of the Company, see Note 18 of the Report on the Annual Accounts for 2016.

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STATEMENT CERTIFYING SIGNATURES
AND
ENVIRONMENTAL STATEMENT.

STATEMENT CERTIFYING SIGNATURES:

This is to record that the Sole Director of Valoriza Servicios Medioambientales, S.A. In its meeting held on 24 March 2017 has drawn up the Annual Accounts of the Company for the purposes set out in Article 253 of the current Capital Companies Act, (Balance Sheet, Income statements, Statement of Changes in Equity, Statement of Cash Flows and Annual Report), and the Management Report of the Company Valoriza Servicios Medioambientales, S.A., for financial year 2016, to be submitted for resolution by the General Meeting of Shareholders of the Company. These documents are reproduced in the preceding pages numbered consecutively from first to present one, inclusive, stamped and signed.

In compliance with Article 253.2 of the Spanish Capital companies Act, and, as evidence of their acceptance of these Annual Accounts and Management Report for 2016, the Sole Director of Valoriza Servicios Medioambientales, S.A and has signed this statement.

ENVIRONMENTAL STATEMENT:

The undersigned, as Sole Director of the Company, hereby declares that the accounting for these Annual Accounts contains no item of an environmental nature that should be included in the Report pursuant to the indications of the third part of the General Chart of Accounts (Royal Decree 1514/07, of 16 November).

[illegible signature]

Mr Javier San Millán Perezagua

Representative of the Sole Director Valoriza Gestión.

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Karen ROSENBERG, Traductora-Intérprete Jurada de inglés, nombrada por el Ministerio de Asuntos Exteriores y de Cooperación, con el nº 4186, certifica que la que antecede es una traducción fiel y exacta al INGLES de un documento redactado en CASTELLANO	Karen ROSENBERG, Official Translator and Interpreter of English/Spanish, appointed by the Ministry of Foreign Affairs and Cooperation under nº 4186 hereby certifies that the above is a true and complete translation into ENGLISH of a document drawn up in SPANISH.
Esta traducción consta de CIENTO VEINTE páginas numeradas, así como una copia del documento original, todas firmadas, fechadas y selladas por la traductora intérprete jurada.	This translation consists of ONE HUNDRED AND TWENTY numbered pages and a copy of the original document, all pages signed, dated and stamped by the Official Translator and Interpreter
En Marbella, a 01 de junio de 2017	In Marbella, on 1st June 2017

Karen Rosenberg Alexander
Traductora-Intérprete Jurada de INGLÉS
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