

Independent Audit Report.

AMPER, S.A. AND SUBSIDIARIES
Consolidated Financial Statements and
Consolidated Management Report
for the year ended
December 31, 2016



Building a better
working world

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

INDEPENDENT AUDIT REPORT ON THE CONSOLIDATED FINANCIAL STATEMENTS

To the Shareholders of AMPER, S.A.:

Report on the consolidated financial statements

We have audited the accompanying consolidated financial statements of AMPER, S.A. (the parent company) and its subsidiaries (the Group), which comprise consolidated statement of financial position at December 31, 2016, the consolidated income statement, the consolidated statement of comprehensive income, the consolidated statement of changes in equity, the consolidated statement of cash flows, and the notes thereto for the year then ended.

Directors' responsibility for the consolidated financial statements

The directors of the parent company are responsible for the preparation of the accompanying consolidated financial statements so that they give a true and fair view of the consolidated equity and consolidated financial position and the consolidated results of AMPER, S.A. and its subsidiaries, in accordance with International Financial Reporting Standards, as adopted by the European Union, and other provisions in the regulatory framework applicable to the Group in Spain, and for such internal control as they determine is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's responsibility

Our responsibility is to express an opinion on the accompanying consolidated financial statements based on our audit. We conducted our audit in accordance with prevailing audit regulations in Spain. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit requires performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the preparation of consolidated financial statements by the directors of the parent company 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 entity'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 consolidated 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 accompanying consolidated financial statements give a true and fair view, in all material respects, of the consolidated equity and consolidated financial position of AMPER, S.A. and its subsidiaries at December 31, 2016, and its consolidated results and consolidated cash flow for the year then ended, in accordance with International Financial Reporting Standards, as adopted by the European Union, and other provisions in the regulatory framework for financial information applicable in Spain.

Emphasis of matter

We draw attention to the matter described in Note 2.4 of the accompanying consolidated financial statements, which indicates that at September 23, 2016, the Group signed the agreement for the sale of all South Pacific business lines; however, this agreement is subject to meeting certain conditions and obtaining permits from the relevant authorities. As a result of the agreement, an advance payment of 26 million US dollars was collected against the sale of the South Pacific businesses, which is expected to generate a final estimated price of 79 million US dollars. In addition, an additional 4 million US dollars is to be collected in 2017. As explained in the aforementioned note, the ability to close this sale, scheduled to take place in the last quarter of 2017, is important to the Group's business operations and to execution of its business plan. This matter does not modify our audit opinion.

Report on other legal and regulatory requirements

The accompanying consolidated 2016 management report contains such explanations as the directors of the parent company consider appropriate concerning the situation of the Group, the evolution of its business and other matters; however, it is not an integral part of the consolidated financial statements. We have checked that the accounting information included in the aforementioned consolidated management report agrees with the 2016 consolidated financial statements. Our work as auditors is limited to verifying the consolidated management report in accordance with the scope mentioned in this paragraph, and does not include the review of information other than that obtained from the accounting records of AMPER, S.A. and its subsidiaries.

ERNST & YOUNG, S.L.

(signed in the original version)

Ambrosio Arroyo Fernández-Rañada

March 1, 2017



AMPER, S.A. and subsidiaries

2016 consolidated financial statements

There follows a transcription of the consolidated annual financial statements of AMPER, S.A. and subsidiaries, authorized for issue by the Board of Directors of AMPER, S.A. at a meeting held on February 28, 2017, drawn up in accordance with the International Financial Reporting Standards. The transcribed document encompasses 87 double-sided sheets of regular paper featuring AMPER's logo on the upper right-hand corner; the sheets are numbered 1 to 87 in the footer. All pages have been witnessed by the Secretary of the Board of Directors for identification purposes and the last page has been signed by all of the members of the Board of Directors.



AMPER, S.A. AND SUBSIDIARIES

**CONSOLIDATED STATEMENT OF FINANCIAL POSITION FOR THE YEARS ENDED
DECEMBER 31, 2016 & 2015**

(Thousands of euros)

| | Note | 2016 | 2015 |
|--|------|----------------|----------------|
| NON-CURRENT ASSETS | | 20,029 | 89,248 |
| Goodwill | 4 | 14,485 | 40,965 |
| Intangible assets | 5 | 407 | 1,614 |
| Property, plant and equipment | 6 | 613 | 38,447 |
| Investments in associates | 7 | 189 | 185 |
| Non-current financial assets | 8 | 3,334 | 6,461 |
| Deferred tax assets | 19 | 1,001 | 1,576 |
| NON-CURRENT ASSETS HELD FOR SALE | 2.7 | 94,012 | --- |
| CURRENT ASSETS | | 33,232 | 83,410 |
| Inventories | 9 | 5,744 | 15,718 |
| Trade and other receivables | 10 | 15,345 | 47,351 |
| Current financial assets | 8 | 4,720 | 1,630 |
| Cash and cash equivalents | 8 | 7,423 | 18,711 |
| TOTAL ASSETS | | 147,273 | 172,658 |
| EQUITY | 11 | 24,270 | 5,572 |
| Attributable to owners of the parent | | (6,789) | (20,848) |
| Share capital | | 40,390 | 29,530 |
| Share premium | | 3,912 | --- |
| Reserves and retained earnings | | (69,452) | (69,079) |
| Equity instruments | | 18,068 | 17,390 |
| Translation differences | | 293 | 1,311 |
| Attributable to non-controlling interests | | 31,059 | 26,420 |
| NON-CURRENT LIABILITIES | | 27,879 | 51,665 |
| Bank borrowings | 13 | 13,700 | 37,823 |
| Government grants | | 25 | 25 |
| Non-current provisions | 12 | 5,043 | 3,115 |
| Other non-current liabilities | 14 | 9,111 | 10,702 |
| LIABILITIES OF NON-CURRENT ASSETS HELD FOR SALE | 2.7 | 62,094 | --- |
| CURRENT LIABILITIES | | 33,030 | 115,421 |
| Bank borrowings | 13 | 2,462 | 38,279 |
| Trade and other payables | 14 | 29,041 | 70,902 |
| Tax liabilities | 19 | 991 | 3,570 |
| Income tax liabilities | 19 | 536 | 2,670 |
| TOTAL EQUITY AND LIABILITIES | | 147,273 | 172,658 |

The accompanying notes are an integral part of the consolidated 2016 financial statements.



AMPER, S.A. AND SUBSIDIARIES
CONSOLIDATED INCOME STATEMENT
FOR THE YEARS ENDED DECEMBER 31, 2016 & 2015
 (Thousands of euros)

| | Note | Continuing operations | Discontinued operations (note 2.7) | Total 2016 | Continuing operations | Discontinued operations (note 2.7) | Total 2015 ⁽¹⁾ |
|---|-------|-----------------------|------------------------------------|---------------|-----------------------|------------------------------------|---------------------------|
| Revenue | 15 | 35,602 | 72,629 | 108,231 | 39,253 | 84,850 | 124,103 |
| Changes in inventory of finished products and work in progress | 18 | (131) | — | (131) | (437) | — | (437) |
| Raw materials and consumables used | 18 | (19,646) | (24,054) | (43,700) | (21,006) | (32,431) | (53,437) |
| GROSS PROFIT | | 15,825 | 48,575 | 64,400 | 17,810 | 52,419 | 70,229 |
| Own work capitalized | | — | — | — | — | 86 | 86 |
| Other operating income | | — | — | — | 301 | 47 | 348 |
| Employee benefits expense | 18 | (12,586) | (14,565) | (27,151) | (13,202) | (18,229) | (31,431) |
| Depreciation and impairment charges | 18 | (446) | (4,680) | (5,126) | (1,195) | (7,648) | (8,843) |
| Other operating expenses | 18 | (1,927) | (15,713) | (17,640) | (3,827) | (15,377) | (19,204) |
| Gain/(loss) on disposal of businesses | 2.3 | — | 5,742 | 5,742 | — | 2,860 | 2,860 |
| Gains/(loss) on fixed asset disposals | | 61 | — | 61 | 9 | — | 9 |
| Impairment charges and provisions relating to discontinued activities | 4 | (58) | (17,218) | (17,276) | (748) | (2,627) | (3,375) |
| OPERATING PROFIT/(LOSS) | | 869 | 2,141 | 3,010 | (952) | 1,531 | 10,679 |
| Finance income | 16 | 4,906 | 1,174 | 6,080 | 94,132 | 250 | 94,382 |
| Finance costs | 16 | (2,134) | (3,834) | (5,968) | (2,039) | (6,224) | (8,263) |
| Changes in fair value of financial instruments | 14/16 | — | — | — | 235 | — | 235 |
| Exchange differences | 16 | 1,600 | (234) | 1,366 | 259 | (196) | 63 |
| PROFIT/(LOSS) BEFORE TAX | | 5,241 | (753) | 4,488 | 91,735 | 5,361 | 97,096 |
| Tax income/(expense) | 19 | (579) | (1,894) | (2,473) | (1,182) | (2,332) | (3,514) |
| GROUP PROFIT/(LOSS) FOR THE YEAR | | 4,662 | (2,647) | 2,015 | 90,553 | 3,029 | 93,582 |
| Attributable to: | | | | | | | |
| Owners of the parent | | 6,449 | (9,115) | (2,666) | 91,699 | (1,655) | 90,044 |
| Non-controlling interests | 11 | (1,787) | 6,468 | 4,681 | (1,146) | 4,684 | 3,538 |
| Earnings per share | | | | | | | |
| Basic | 11 | 0.009 | (0.013) | (0.004) | 0.297 | (0.014) | 0.283 |
| Diluted | 11 | 0.007 | (0.010) | (0.003) | 0.188 | (0.009) | 0.179 |

The accompanying notes are an integral part of the consolidated 2016 financial statements.

⁽¹⁾ Amended with respect to the information published in 2015 in order to render the financial statements comparable, i.e., adjusting for (i) the classification of the subsidiaries in the South Pacific, the Amper Systems Integration Unit and the subsidiaries in Ecuador, Panama, Nicaragua, Honduras, Guatemala, El Salvador, North Central America and the United States as discontinued operations (refer to note 2.7); and (ii) the income statement effect of the companies being liquidated in Brazil and Argentina.



AMPER, S.A. AND SUBSIDIARIES

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEARS ENDED
DECEMBER 31, 2016 & 2015

(Thousands of euros)

| | Note | 2016 | 2015 |
|---|------|----------------|----------------|
| GROUP PROFIT/(LOSS) FOR THE YEAR | | 2,015 | 93,582 |
| ITEMS THAT MAY BE SUBSEQUENTLY RECLASSIFIED TO PROFIT OR LOSS | | (1,018) | (3,223) |
| Translation differences | 11 | (1,018) | (3,223) |
| ITEMS THAT WILL NOT BE SUBSEQUENTLY RECLASSIFIED TO PROFIT OR LOSS | | — | — |
| TOTAL COMPREHENSIVE INCOME | | 997 | 90,359 |
| a) Attributable to owners of the parent | | (3,684) | 86,821 |
| b) Attributable to non-controlling interests | | 4,681 | 3,538 |

The accompanying notes are an integral part of the consolidated 2016 financial statements.



AMPER, S.A. AND SUBSIDIARIES

(Thousands of euros)

CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE YEARS ENDED
DECEMBER 31, 2016 & 2015

| | Note | 2016 | 2015 |
|---|------|-----------------|-----------------|
| Profit for the year before tax and net interest | | 5,241 | 91,735 |
| Depreciation and amortization | 18 | 446 | 1,195 |
| Effect of bank debt refinancing | 16 | (4,676) | (93,514) |
| Other changes in non-current assets and liabilities | | 1,482 | 2,982 |
| Finance costs | | 2,134 | 11,065 |
| Interest paid (net of interest income) | | (1,907) | (10,316) |
| Income tax paid | | --- | (1,884) |
| Impairment losses | | --- | 2,849 |
| Cash flows from operating activities before changes in working capital | | 2,720 | 4,112 |
| Change in inventories | | 9,974 | 6,169 |
| Change in trade receivables and other current assets | | 28,916 | 12,412 |
| Change in trade and other accounts payable | | (41,861) | (33,704) |
| Change in other assets and liabilities | | (3,239) | (5,625) |
| Net cash flows from operating activities of discontinued operations | | 24,230 | --- |
| NET CASH FROM/(USED IN) OPERATING ACTIVITIES | | 20,740 | (16,636) |
| - Property, plant and equipment | | (100) | (6,712) |
| - Financial investments / equity investments in Group companies | 4 | --- | (15,975) |
| - Proceeds from disposals in the South Pacific | | 24,666 | --- |
| - Net cash flows used in investing activities of discontinued operations | | (10,140) | --- |
| Total payments (net) | | 14,426 | (22,687) |
| NET CASH FROM/(USED IN) FROM INVESTING ACTIVITIES | | 14,426 | (22,687) |
| Proceeds from issuance of own equity instruments | 11 | 5,834 | 27,323 |
| Proceeds from issuance of equity instruments | 11 | 11,325 | --- |
| Change in current borrowings | | (55,264) | 10,670 |
| Net cash flows used in financing activities of discontinued operations | | (8,436) | --- |
| NET CASH (USED IN)/FROM FINANCING ACTIVITIES | | (46,541) | 37,993 |
| Effect of changes in exchange rates on cash of foreign subsidiary | | 87 | 884 |
| Net cash acquired/disposed of pursuant to business combinations | | --- | 5,182 |
| Net change in cash and cash equivalents | | (11,288) | 4,736 |
| Cash and cash equivalents at beginning of year | | 18,711 | 13,975 |
| Cash and cash equivalents at end of year | 8 | 7,423 | 18,711 |

The accompanying notes are an integral part of the consolidated 2016 financial statements.

AMPER, S.A. AND SUBSIDIARIES

(Thousands of euros)

**CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE YEARS
ENDED DECEMBER 31, 2016 & 2015**

| (Thousands of euros) | Share capital | Share premium | Retained earnings (prior-year losses) | Own shares | Equity instruments | Translation differences | Profit for the year attributable to owners of the parent | Equity attributable to owners of the parent | Non-controlling interests | Equity |
|--|---------------|---------------|---------------------------------------|----------------|--------------------|-------------------------|--|---|---------------------------|------------------|
| Balance at December 31, 2014 | 2,207 | --- | (82,220) | (2,069) | --- | 4,534 | (75,132) | (152,680) | 12,073 | (140,607) |
| Total comprehensive income | --- | --- | --- | --- | --- | (3,223) | 90,044 | 86,821 | 3,538 | 90,359 |
| Proceeds from shares issued (note 11) | 27,323 | --- | --- | --- | --- | --- | --- | 27,323 | --- | 27,323 |
| Buyback of non-controlling interests and other changes | --- | --- | (59) | (243) | --- | --- | --- | (302) | 546 | 244 |
| Purchase-sale of own shares (note 11) | --- | --- | (1,712) | 2,312 | --- | --- | --- | 600 | --- | 600 |
| Appropriation of prior-year profit or loss | --- | --- | (75,132) | --- | --- | --- | 75,132 | --- | --- | --- |
| Proceeds from equity instruments issued (note 11) | --- | --- | --- | --- | 17,390 | --- | --- | 17,390 | --- | 17,390 |
| Additions to consolidation scope (note 11) | --- | --- | --- | --- | --- | --- | --- | --- | 10,263 | 10,263 |
| Balance at December 31, 2015 | 29,530 | --- | (159,123) | --- | 17,390 | 1,311 | 90,044 | (20,848) | 26,420 | 5,572 |
| Total comprehensive income | --- | --- | --- | --- | --- | (1,018) | (2,666) | (3,684) | 4,681 | 997 |
| Recognition of equity instruments (note 11) | --- | --- | --- | --- | 12,433 | --- | --- | 12,433 | --- | 12,433 |
| Cash proceeds from shares issued (note 11) | 3,622 | 2,212 | --- | --- | --- | --- | --- | 5,834 | --- | 5,834 |
| Non-cash proceeds from shares issued (note 11) | 7,238 | 1,700 | 2,817 | --- | (11,755) | --- | --- | --- | --- | --- |
| Share issuance expenses | --- | --- | (524) | --- | --- | --- | --- | (524) | --- | (524) |
| Appropriation of prior-year profit or loss | --- | --- | 90,044 | --- | --- | --- | (90,044) | --- | --- | --- |
| Translation differences, NCI | --- | --- | --- | --- | --- | --- | --- | --- | (42) | (42) |
| Balance at December 31, 2016 | 40,390 | 3,912 | (66,786) | --- | 18,068 | 293 | (2,666) | (6,789) | 31,059 | 24,270 |

The accompanying notes are an integral part of the consolidated 2016 financial statements.

NOTES TO THE 2016 CONSOLIDATED FINANCIAL STATEMENTS

1. Group information

Amper, S.A. (hereinafter, Amper, the Company or the Parent) was incorporated on January 19, 1971 as a result of the transformation of Amper Radio, S.L., a limited company. Its registered business name has not changed since its incorporation. Its registered office is located at calle Virgilio, 2, Edificio 4 in the Ciudad de la Imagen in Pozuelo de Alarcón (Madrid).

It is principally engaged in the research, development, manufacture, marketing, engineering, installation and maintenance of telecommunication and electronic systems and equipment and related components, as well as the acquisition, holding, administration, mediation, encumbrance or disposal of all manner of moveable and immovable property, shares, equity instruments and securities in general.

In addition to the operations performed by it directly, Amper, S.A. is the parent of a group of subsidiaries that pursue a series of different activities and comprise, along with it, the Amper Group (hereinafter, the Group). As a result, Amper, S.A. is obliged to issue, in addition to its own separate financial statements, consolidated financial statements for the Group, which includes investments in associates.

Amper, S.A. is part of the so-called "High-Tech" sector. The Company's shares are publicly traded and have been part of the Ibx Small Cap index since July 1, 2005.

The Group's 2015 consolidated financial statements were approved at Amper, S.A.'s Annual Shareholders General Meeting on May 13, 2016.

The consolidated financial statements are presented in thousands of euros (unless expressly indicated otherwise) since the euro is the Parent's functional and presentation currency. Transactions performed by the foreign subsidiaries with functional currencies other than that of the Parent are consolidated using the accounting criteria described in note 3 below.

2. Basis of presentation of the financial statements and basis of consolidation

2.1 Application of International Financial Reporting Standards (IFRS)

The 2016 consolidated annual financial statements have been prepared in accordance with the International Financial Reporting Standards (IFRS), specifically those prevailing as at December 31, 2016, as adopted by the European Union (hereinafter, IFRS-EU), in keeping with Regulation (EC) No. 1606/2002 of the European Parliament and Council, as subsequently amended; all mandatory accounting principles and rules and measurement criteria with a material impact on the financial statements have been applied, as have the alternatives permitted under IFRS-EU in this respect.

In keeping with the above Regulation, it is worth highlighting the following in respect of the scope of application of IFRS and the preparation of the Group's annual financial statements:

- IFRS-EU are applied to prepare the Group's consolidated financial information. The separate financial statements of the individual companies that comprise the Group continue to be prepared and presented in accordance with the accounting standards prevailing in their respective countries of domicile. In the case of Amper's investees in Spain, these standards are those stipulated in the Spanish General Accounting Plan.

- As required under IFRS-EU, these consolidated financial statements comprise the following statements for 2016:
 - Consolidated statement of financial position
 - Consolidated income statement
 - Consolidated statement of comprehensive income
 - Consolidated statement of cash flows
 - Consolidated statement of changes in equity

- Also pursuant to IFRS-EU, the consolidated financial statements provide comparative information in respect of the previous period, namely the consolidated statement of financial position, the consolidated income statement, the consolidated statement of comprehensive income, the consolidated statement of cash flows and the consolidated statement of changes in equity corresponding to 2015, similarly prepared under IFRS-EU.

Standards and interpretations approved by the European Union applied for the first time in 2016

The accounting standards used to prepare the accompanying consolidated financial statements are the same as those used to prepare the consolidated financial statements for the year ended December 31, 2015, except for the following standards and interpretations which have been applied for the first time this year:

- Annual Improvements to IFRS, 2010-2012 Cycle

This set of improvements introduces the following amendments:

- IFRS 8 *Operating Segments*

These amendments apply retrospectively and clarify that:

An entity must disclose the judgments made by management in applying the aggregation criteria itemized in paragraph 12 of IFRS 8, including a brief description of the operating segments that have been aggregated and the economic characteristics (e.g. sales and gross margins) used to assess whether the segments are 'similar'.

Reporters only need to reconcile segment assets to total assets if this reconciliation is presented to the chief operating decision maker, similar to the required disclosure for segment liabilities.

The Group has not applied the aggregation criteria provided for in IFRS 8.12. The Group has presented a reconciliation of segment assets to total assets in prior years and continues to provide this disclosure in note 17 of these 2016 consolidated financial statements as this reconciliation is reported to its chief operating decision maker.

- IAS 16, *Property plant and equipment* and IAS 38, *Intangible assets*

This amendment must be applied retroactively and clarifies that an asset can be revalued by reference to observable data by adjusting the gross carrying amount of the asset to market value or by determining the market value and adjusting the gross carrying amount proportionately so that the resulting carrying amount equals the market value. In addition, the accumulated depreciation or amortization is the difference between the gross and carrying amounts of the asset. This amendment has not had any impact on the revaluation adjustments recognized by the Group in the current reporting period.

o IAS 24 *Related party disclosures.*

This amendment applies retrospectively and clarifies that a management entity - an entity that provides key management personnel services to group entities - is a related party subject to the related party disclosures. Moreover, expenses incurred for management expenses must be disclosed. This amendment is not material in respect of the Group, which does not receive management services from other entities.

• Annual Improvements to IFRS, 2012-2014 Cycle

These improvements include the following amendments:

IFRS 5 Non-current assets held for sale and discontinued operations.

Assets (or disposal groups) are generally disposed of either through sale or through distribution to owners. The amendment to IFRS 5 clarifies that changing from one of these disposal methods to the other should not be considered a new plan of disposal, rather it is a continuation of the original plan. There is therefore no interruption of the application of the requirements under IFRS 5. This amendment must be applied prospectively.

IFRS 7 Financial instruments: Disclosures.

(i) **Servicing contracts:** This amendment clarifies that a servicing contract that includes a fee can constitute continuing involvement in a financial asset. An entity must assess the nature of the fee and arrangement against the guidance for continuing involvement in IFRS 7 in order to assess whether the disclosures are required. The assessment of whether servicing contracts constitute continuing involvement will need to be done retrospectively. However, comparative information for the prior year is not necessary.

(ii) **Applicability of the IFRS 7 offsetting disclosures to condensed interim financial statements:** The amendment clarifies that the IFRS 7 disclosures regarding the offset of financial assets and financial liabilities are not required in the condensed interim financial report unless such disclosures provide a significant update to the information reported in the most recent annual financial statements. This amendment applies retrospectively.

IAS 34 Interim financial reporting.

This amendment clarifies that the required interim disclosures may either be provided in the interim financial statements or incorporated by cross-reference between the interim financial statements and wherever they are included within the greater interim financial report (e.g., in the management report). Any such cross-referenced interim financial information must be made available to financial statement users on the same terms as the interim financial statements and at the same time. This amendment applies retrospectively.

These amendments have had no impact on the Group.

• Amendments to IAS 1 *Disclosure initiative.*

The amendments to IAS 1 *Presentation of financial statements* clarify rather than significantly change reporter requirements under IAS 1. More specifically, the amendments clarify:

- Materiality requirements under IAS 1.
- The fact that the specific line items in income statement(s) and OCI and the statement of financial position may be disaggregated.

- That reporters have flexibility as to the order in which they present the notes to financial statements.
- That the share of OCI of associates and joint ventures accounted for using the equity method must be presented in aggregate as a single line item, classified between those items that will and will not be subsequently reclassified to profit or loss.

The amendments also clarify the requirements applicable when additional sub-totals are presented in the statement of financial position or the income statement(s) and OCI. These amendments have had no impact on the Group.

- Amendments to IAS 16 and IAS 38 *Clarification of acceptable methods of depreciation and amortization*.

These amendments clarify the principle that revenue reflects a pattern of economic benefits that are generated from operating a business (of which the asset is part) rather than the economic benefits that are consumed through use of the asset. As a result, the ratio of revenue generated to total revenue expected to be generated cannot be used to depreciate property, plant and equipment and may only be used in very limited circumstances to amortize intangible assets. These amendments apply prospectively. The Group does not use revenue-based depreciation/amortization methods; accordingly, it is not affected by this change.

Standards and interpretations issued but not yet effective

At the date of authorizing the accompanying consolidated financial statements for issue, the following standards had been issued but are not effective in this reporting period (the Group expects to adopt them on or after January 1, 2018):

- IFRS 9 *Financial instruments*

In July 2014, the IASB published the final version of IFRS 9 *Financial instruments*, which replaces IAS 39 *Financial instruments: measurement and classification* and all prior versions of IFRS 9. This standard consolidates the three phases of the financial instrument project: classification and measurement, impairment and hedge accounting. IFRS 9 is effective in annual periods beginning on or after January 1, 2018; earlier application is permitted. Except for hedge accounting, IFRS 9 must be applied retrospectively (albeit without having to restate comparative information). The new hedge accounting requirements are generally applicable prospectively, with some limited exceptions. In 2016, the Group evaluated the impact of the three aspects of IFRS 9 at a high level. This preliminary evaluation is based on currently-available information and may be subject to change in the event of more detailed analyses or new information. In general, the Group does not expect application of IFRS 9 to have a material impact on its assets, liabilities or equity. Its loans and trade receivables are held to collect contractual cash flows which are only expected to take the form of principal and interest payments. As a result, the Group expects to continue to recognize these assets at amortized cost under IFRS 9. However, the Group will analyze these instruments' contractual cash flow characteristics before concluding whether all of these instruments meet the criteria for measurement at amortized cost under IFRS 9. IFRS 9 requires the Group to recognize expected credit losses (ECLs) in respect of all of its debt securities, loans and trade receivables either on a 12-month or lifetime basis. The Group expects to apply the simplified approach and recognize a loss allowance based on lifetime ECLs for all trade receivables. Although the Group does not expect IFRS 9 to have a material impact on its equity, this assessment is subject to more detailed analysis.

- IFRS 15 *Revenue from contracts with customers*

IFRS 15 was published in May 2014 and establishes a new five-step model applicable to the recognition of revenue from contracts with customers. Under IFRS 15, revenue must be recognized at an amount that reflects the consideration to which an entity expects to be entitled in exchange for transferring promised goods or services to a customer.

This standard repeals all prior revenue recognition related standards. IFRS 15 must be adopted using either a fully or modified retrospective approach. The standard is mandatorily effective for annual periods beginning on or after January 1, 2018. Early adoption is permitted. The Group plans to adopt the new standard on the required application date using the fully retrospective approach. In 2016, the Group conducted a preliminary assessment of the impact of application of IFRS 15; this assessment is subject to change in the wake of the more detailed analysis underway. In parallel, the Group is factoring in the IFRS 15 clarification and amendments issued by the IASB in April 2016 and will keep an eye on any other relevant developments. The Group's business is the provision of electronic equipment and equipment servicing. The equipment and services are sold under both separate contracts and in bundled packages of goods and services.

(a) Revenue from the sale of goods

The new standard is not expected to have an impact on the Group's profits from contracts with customers under which the sale of equipment is generally the only contractual obligation. The Group expects to recognize the related revenue when control of the asset is transferred to the customer, which is customarily when the goods are delivered. The Group offers warranties covering general repairs. The Group believes that these warranties will continue to be recognized in keeping with IAS 37 *Provisions, contingent liabilities and contingent assets*, as has been the case to date.

b) Revenue from the provision of services

The Group primarily provides maintenance services. These services are sold either separately under contracts with customers or are bundled in packages along with customer equipment sales. At present, the Group recognizes the equipment and services sold as separate transactions when they are sold as a bundle and allocates the consideration received on the basis of the relative fair values. The Group recognizes revenue from the provision of services based on the percentage of completion. Under IFRS 15, this allocation will have to be made on a relative standalone selling prices basis. As a result, the allocation of the consideration and, by extension, the timing of the recognition of the revenue from these sales could be affected. The Group's preliminary assessment is that the service obligations are satisfied over time, as the customer simultaneously receives and consumes the benefits provided by the Group. As a result, the Group would continue to recognize the revenue from these service contracts or the service components of bundled contracts over time rather than at a specific point in time. IFRS 15 includes more detailed presentation and disclosure requirements compared to the prevailing standard. The presentation requirements represent a significant change with respect to current practice and will significantly increase the volume of information required in the Group's financial statements. Many of the IFRS 15 disclosure requirements are totally new. In 2016, the Group developed and began to test the systems, internal controls, policies and procedures needed to compile and obtain the required information.

- IFRS 16 Leases

IFRS 16 was issued in January 2016. It replaces IAS 17 *Leases*, IFRIC 4 *Determining whether an arrangement contains a lease*, SIC-15 *Operating leases - Incentives* and SIC-27 *Evaluating the substance of transaction in the legal form of a lease*. IFRS 16 establishes the rules for recognizing, measuring and presenting leases and the related disclosure requirements. It requires that all leases be accounted for using a single balance sheet model similar to that prescribed for finance leases under IAS 17. The new standard provides two lease recognition exceptions for lessees: (i) leases of low-value assets (e.g., personal computers); and (ii) short-

term leases (i.e., leases with a term of 12 months or less). On the lease inception date, the lessor has to recognize a liability for the payments to be made under the lease (i.e., the lease liability) and an asset representing the right to use the underlying asset during the lease term (i.e., the right-of-use asset). Lessees must recognize the interest corresponding to the lease liability and the expense associated with amortization of the right of use separately. Lessees are also obliged to reassess the lease liability if certain events occur (such as a change in the lease term, a change in future lease payments or a change in the index or rate used to determine those payments). The amount of any such restatements will generally be recognized by the lessee by adjusting the right-of-use asset. Lease accounting by lessors under IFRS 16 is not substantially different from the model currently prescribed under IAS 17. Lessors will continue to classify their leases using the same classification criteria as in IAS 17 and will recognize two classes of lease: operating and finance leases. IFRS also requires lessees and lessors to provide more extensive disclosures than under IAS 17. IFRS 16 is effective for annual periods beginning on or after January 1, 2019. Early application is permitted, albeit only if reporters have also applied IFRS 15. Lessees may choose between a full or modified retrospective transition approach. The standard provides certain transition relief. Although the Group is planning to evaluate the potential impact of IFRS 16 on its consolidated financial statements in the course of 2017, it does not expect the new standard to have a significant impact.

- **IFRIC 22 *Foreign currency transactions and advanced consideration***

The interpretation clarifies that in determining the spot exchange rate to use on initial recognition of the related asset, expense or income (or part of it) on the derecognition of a non-monetary asset or non-monetary liability relating to advance consideration, the date of the transaction is the date on which an entity initially recognizes the non-monetary asset or non-monetary liability arising from the advance consideration. If there are multiple payments or receipts in advance, then the entity must determine a date of the transactions for each payment or receipt of advance consideration. Entities may apply the amendments on a fully retrospective basis. Alternatively, an entity may apply the interpretation prospectively on or after the beginning of the reporting period in which it first applies the interpretation or the beginning of a prior reporting period presented as comparative information.

- **Annual Improvements to IFRS, 2014-2016 Cycle.** This set of improvements introduces the following amendments:

- **IFRS 1 *First-time adoption of IFRS***

- This improvement eliminates the short-term exemptions in paragraphs E3–E7 of IFRS 1, because they have now served their intended purpose. The related amendments are effective for annual periods beginning on or after January 1, 2018.

- **IAS 28 *Investments in associates and joint ventures***

- The amendment clarifies that:

- An entity that is a venture capital organization, or other qualifying entity, may elect, at initial recognition to measure its investments in associates and joint ventures at fair value through profit or loss. Further, this choice can be made on an investment-by-investment basis.

- If an entity that is not itself an investment entity has an interest in an associate or joint venture that is an investment entity, the entity may, when applying the equity method, elect to retain the fair value measurement applied by that investment entity associate or joint venture to the investment entity associate's or joint venture's interests in subsidiaries. This election is made separately for each investment entity associate or joint venture, at the later of the date on which

(a) the investment entity associate or joint venture is initially recognized; (b) the associate or joint venture becomes an investment entity; and (c) the investment entity associate or joint venture first becomes a parent.

The amendments should be applied retrospectively and are effective from 1 January 2018.

IFRS 12 *Disclosures of interests in other entities*

The amendments clarify that the disclosure requirements in IFRS 12, other than those in paragraphs B10–B16, apply to an entity's interest in a subsidiary, a joint venture or an associate that is classified as held for sale. The amendments are effective from January 1, 2017 and must be applied retrospectively.

Amendments to IAS 7 *Statement of cash flows: Disclosure initiative*

The amendments to IAS form part of the IASB's Disclosure Initiative and require reporters to provide information that enables financial statement users to evaluate changes in liabilities arising from financing activities, including changes from financing cash flows and other changes. Comparative information is not required in the year the amendments are first applied. The amendments are effective for annual periods beginning on or after January 1, 2017. Earlier application is permitted. Application of these amendments will require the Group to provide additional disclosures.

Amendments to IAS 12 *Recognition of deferred tax assets for unrealized losses*

These amendments clarify that an entity must consider whether tax law restricts the taxable profit they can utilize to offset existing deductible temporary differences. The amendments also provide guidance regarding the manner in which an entity should determine its future taxable profits and explain the circumstances under which taxable profit may assume the recovery of certain assets for more than their carrying amount.

Reporters are required to apply these amendments retrospectively. However, in applying the amendments retrospectively in the first opening statement of financial position, an entity may present the impact in reserves (or another component of equity, whichever is most appropriate) and is not required to make transfers between reserves and other components of equity to restate cumulative amounts previously recognized. Entities availing of this exception must disclose that fact.

The amendments are effective for annual periods beginning on or after January 1, 2017. Earlier application is permitted. If an entity applies the amendments to its comparative information, it should similarly disclose that fact. These amendments are not expected to affect the Group.

The Group intends to apply the standards, interpretations and amendments issued by the IASB whose application is not mandatory in the European Union as at the date of authorizing the accompanying consolidated financial statements for issue when they are effective, to the extent applicable to the Group. As indicated above, the Group is currently in the process of analyzing their impact, which is nevertheless not expected to be significant.

2.2. Basis of presentation

The Amper Group's 2016 consolidated financial statements have been prepared in accordance with IFRS-EU and other financial reporting framework provisions in order to present fairly the consolidated equity and consolidated financial position of Amper, S.A. and its subsidiaries at December 31, 2015 and its consolidated financial performance and consolidated cash flows for the year then ended.

The accompanying 2016 financial statements were authorized for issue in accordance with a resolution of the directors and will be submitted for approval at the Annual Shareholders General Meeting where they are expected to be ratified without modification.

The Amper Group's 2016 consolidated financial statements have been prepared from the accounting records kept by the Company and the other entities comprising the Group. Each company prepares its separate financial statements using the principles and criteria in effect in the country in which they operate; accordingly, adjustments and reclassifications are made upon consolidation to align these principles and criteria with IFRS-EU.

2.3 Changes in Group composition

Sale of certain subsidiaries in Latam

Against the backdrop of the disposals being carried out by the Group, the Parent agreed the sale of certain businesses in Latin America in the course of 2016. On February 10, 2017, Amper closed the sale of all of its businesses in Ecuador, Panama, the Dominican Republic, North Central America (Honduras, El Salvador, Nicaragua and Guatemala) and the United States by means of the sale of all of the shares of the subsidiaries of Grupo Amper Descaserv Ecuador, S.A., Desca Nicaragua, S.A. Desca S & S Guatemala, C.A.S.A., Desca Honduras, S.A. de C.F., Desca El Salvador, S.A., Desca Panamá, Inc., Desca Caribe Limitada and Desca Corp, upon satisfaction of all the closing conditions, including the obtention of a waiver from the banks.

The above-listed subsidiaries were sold to a company newly incorporated by Osmundo Lúquez (the Amper Group's Managing Director in Latam until December 31, 2016) for no consideration, with the buyer assuming all the profits, risks, obligations and liabilities existing at the companies sold from December 31, 2016, as indicated in the terms of the share purchase agreement. Note that the share purchase agreement did not include the transfer of inter-company debt with other Group subsidiaries in the amount of 2,813 thousand euros.

The table below itemizes the major classes of assets and liabilities affected by the deconsolidation of these subsidiaries as at December 31, 2016 (in thousands of euros):

| | Desca Ecuador | Desca Panama-Caribbean | Desca Corp | Desca North Central America ⁽¹⁾ | TOTAL |
|--|---------------|------------------------|--------------|--|---------------|
| Non-current assets | 385 | 2,623 | 278 | 10 | 3,296 |
| Trade receivables and other current assets | 6,058 | 3,617 | 1,567 | 922 | 12,164 |
| Total assets | 6,443 | 6,240 | 1,845 | 932 | 15,460 |
| Trade and other payables | 11,812 | 6,662 | 5,194 | 347 | 24,015 |
| Total liabilities | 11,812 | 6,662 | 5,194 | 347 | 24,015 |

⁽¹⁾ Includes the subsidiaries in Honduras, El Salvador, Nicaragua and Guatemala.

The breakdown of the gain recognized in the consolidated income statement as a result of the above-mentioned transaction is shown below:

| Thousands of euros | 2016 |
|--|--------------|
| Gain recognized on the disposal of the net liabilities | 8,555 |
| Impairment losses on intra-company debt | (2,813) |
| Gain on the sale of the subsidiaries | 5,742 |

The subsidiaries sold contributed the net operating losses shown below to the Amper Group's profit/(loss) from discontinued operations in 2016 and 2015:

| Thousands of euros | 2016 | 2015 |
|---|----------------|----------------|
| Revenue | 15,130 | 28,581 |
| Expenses | (18,225) | (32,983) |
| Profit/(loss) from discontinued operations | (3,095) | (4,402) |

Sale of the Integration Unit by the Group's Spanish subsidiary, Amper Sistemas

The Integration Unit, which formed part of the Spanish subsidiary, Amper Sistemas, S.A., and carried out large-scale integrated communication network engineering and design projects for telecommunications operators, industrial customers, financial players and the public sector, was sold on September 1, 2016.

The business unit was sold for one euro, that price representing the best evidence of its fair value. The unit contributed the following net losses to the Amper Group's consolidated profit/(loss) from discontinued operations in 2016 and 2015 (in thousands of euros):

| Thousands of euros | 2016 | 2015 |
|--|----------------|--------------|
| Revenue | 1,084 | 3,233 |
| Operating expenses | (1,084) | (3,998) |
| Expenses associated with the liquidation of the business unit's structure not included in the scope of the transaction | (1,980) | — |
| Impairment losses related with the business unit sold (note 4) | (3,000) | — |
| Profit/(loss) from discontinued operations | (4,980) | (765) |

In keeping with IFRS 5, the sale of the above-listed subsidiaries and the Amper Sistemas Integration Unit were deemed discontinued activities as they each represented separate major lines of business. Against the backdrop of the sale of the above subsidiaries and business unit, all of the income and expenses of those subsidiaries and that business unit were included under the "Discontinued operations" column in the accompanying consolidated income statement until the date on which they were deconsolidated.

In addition, the information included in the 2015 consolidated statement income statement was restated, pursuant to IFRS 5, in order to present a comparable statement. As a result, the comparative 2015 figures presented in the accompanying 2016 consolidated financial statements differ from those included in the 2015 consolidated financial statements.

Changes in the Group's composition in 2015:

Sale of the Venezuelan subsidiary

The sale of the shares of the Venezuelan subsidiary, Desarrollo de soluciones Específicas, Compañía Anónima to Ertona Business, S.A., closed on December 29, 2015, all the closing requirements having been duly satisfied. The sale-purchase had been agreed, the shares exchanged and the price agreed between the parties paid on February 18, 2015. The sale had been conditional upon the release of the pledge over the shares of the Venezuelan company provided to Amper, S.A.'s bank syndicate; this pledge was released on December 29, 2015. The purchase price was 1 euro, with the buyers assuming all of the Venezuelan company's outstanding trade debt. Note that the share purchase agreement did not include the transfer of the inter-company debt with other Group subsidiaries in the amount of 6,386 thousand euros.

In keeping with IFRS 5, the sale of Desarrollo de Soluciones Específicas, Compañía Anónima was treated as a discontinued operation as it represented a separate major line of business. Accordingly, as a result of its sale, all of this subsidiary's results until the date of its deconsolidation were included under the "Discontinued operations" column in the accompanying consolidated income statement.

The table below itemizes the major classes of assets and liabilities affected by the deconsolidation of this subsidiary on December 29, 2015:

| | Thousands of euros |
|--|--------------------|
| Non-current assets | 277 |
| Trade receivables and other current assets | 21,800 |
| Total assets | 22,077 |
| Trade and other payables | 31,324 |
| Total liabilities | 31,324 |

The breakdown of the post-tax profit or loss of the discontinued operation presented as a single amount in the consolidated income statement is as follows:

| Thousands of euros | 2015 | 2014 |
|--|--------------|------------|
| Revenue | 1,406 | 6,180 |
| Expenses | (1,411) | (6,000) |
| Profit/(loss) before tax from discontinued operations | (5) | 180 |
| Gain recognized on the disposal of the net liabilities | 9,247 | --- |
| Loss on the disposal of the inter-company borrowings | (6,387) | --- |
| Post-tax profit/(loss) of discontinued operations | 2,855 | 180 |

Acquisition of Cook Islands subsidiary

On February 23, 2015, Amper Group subsidiaries, AST Telecom LLC (American Samoa) and Bluesky Samoa Limited (Samoa), along with investors from the Cook Islands, took a majority shareholding in Telecom Cook Islands Limited (TCI), the local telecommunications operator, through Teleraro Limited (Cook Islands) (note 4). The transaction entailed the acquisition of 60% of the operator held by Spark New Zealand for NZD23 million (15,975 thousand euros). The transaction was financed by local banks. The acquisition debt was structured to facilitate repayment from the business's cash flows within a maximum term of seven years. The table below itemizes the major classes of assets and liabilities affected by the first-time consolidation of this subsidiary (in thousands of euros):

| | 2015 |
|--|---------------|
| PP&E and intangible assets | 9,920 |
| Non-current financial assets | 1,006 |
| Trade receivables | 2,196 |
| Other current assets | 5,752 |
| Total assets | 18,874 |
| Non-current borrowings and other non-current liabilities | 6,382 |
| Trade and other payables | 4,429 |
| Total liabilities | 10,811 |
| Revenue | 14,300 |
| Expenses | (10,960) |
| Profit/(loss) after tax | 3,340 |

2.4 Going concern

Over the course of 2016, the Group successfully secured new sources of financing and concluded very significant transactions (as detailed below). This, coupled with the other measures already taken at the end 2015 (as outlined in the 2015 consolidated financial statements) and those expected to be executed over the course of 2017, substantiates the Company's directors' decision to prepare the accompanying annual financial statements on a going concern basis. Among the measures implemented in 2016, the following stand out:

- Share issues

On February 8, 2016, Tecnola SL became the main creditor in respect of the borrowings of the Group's Brazilian subsidiaries, Medidata Informática and XC Comercial. The debt acquired by the new lender totals 5,784 thousand euros, representing 79% of these subsidiaries' overall debt.

Continuing the process of enhancing the Group's capital structure, the Parent (which had previously borne the debt of its Brazilian subsidiary) offered to acquire this debt from Tecnola S.L. by capitalizing it (by delivering new-issue Amper shares). This conversion structure was similar to that recently agreed upon with the Group's financial creditors, as crystallized in the Syndicated Loan Agreement dated April 15, 2015. Specifically, the balance of debt swapped into shares in 2016 amounted to 5,784 thousand euros and the number of new shares (valued at 0.59 per share) issued to this end was 9,802,850.

This equity issue was registered in the Madrid Companies Register on July 1, 2016. That transaction implied a gain of 4,676 thousand euros, which is recognized in the consolidated income statement under "Finance income", as a result of the derecognition of the corresponding financial liability (note 16).

The Company registered another equity issue with the Madrid Companies Register on April 25, 2016, specifically a 4,995 thousand euro rights issue comprising the issuance of 62,436,290 new shares with a unit par value of 0.05 euros and a per-share premium of 0.03 euros. That rights issue was a rounding success as it was oversubscribed by a factor of 7.5.

- Additional sources of financing

On June 9, 2016, the Company arranged an equity line with Renta 4 Banco, S.A. under which the Company is entitled but not obliged to require Renta 4 to subscribe to one or more rights issues covering a total sum of 4 million euros during a period of one year from the date of its execution. Renta 4, for its part, has arranged a securities loan over ordinary shares with Catalectic, S.L. and Emilanteos, S.L., the holding companies owned by the Chairman of the Board of Directors of Amper, who will receive no remuneration whatsoever for the loan of these securities.

Against this backdrop, a first subscription period began on June 15, 2016 and ended on July 5, 2016 with Renta 4 deciding to subscribe and pay for a capital increase in the amount of 839 thousand euros, comprising 10 million new shares with a par value of 0.05 euros and a share premium of 0.03388 euros per share.

On July 15, 2016, the Group entered into a syndicated finance agreement with Alternative Financing Estructuración y Originación, S.L. securing 4 million euros of debt convertible into shares at a price of 0.07 euros per share. That agreement was amended on August 4, 2016 to increase the size of the financing agreement to 8 million euros. That financing agreement had been fully paid in as at December 31, 2016; all of the formalities needed to capitalize an initial tranche of 6 million euros into new Amper shares had been satisfied and the steps needed to capitalize the remaining 2 million euros were underway (note 11).

Lastly, Amper arranged a financing agreement with Alternative Financing Estructuración y Originación, S.L. in the amount of 6.75 million euros convertible into shares of Amper at a price of 0.085 euros per share in connection with the acquisition of Nervión, S.L. as detailed below.

- Strategic agreements with third parties

Sale of the South Pacific businesses

The Amper Group entered into an agreement with Amalgamated Telecom Holdings Ltd. ("ATH", the leading telecommunications company in Fiji and an investee of the National Provident Fund of Fiji) for the sale of all of its businesses in the South Pacific, which had achieved the scale and level of maturity needed to facilitate this transaction, with the aim of fortifying the Group's own funds and moving towards a positive net cash position at the consolidated level. That sale is subject to certain terms and conditions and is conditional upon obtaining all of the pertinent authorizations and permits required by the various authorities of Samoa, New Zealand, Samoa America, the Cook Islands and the Federal US authorities, the latter being the most important.

Amper's telecommunications businesses in the South Pacific encompass 22 companies divided across the five states and territories listed above, all of which owned by North American companies. As already noted, for the sale of all of the telecommunications businesses to close it is imperative that all the required authorizations and permits are obtained, mainly from the various local governments and telecommunications regulators, the most important being the US bodies.

In 2016, Amper collected an advance payment of 26 million US dollars against the sale of the South Pacific businesses, which is expected to generate a final estimated price of 79 million US dollars. A second advance payment of 4 million US dollars is due in the second quarter of 2017, with the remainder of the purchase price expected during the fourth quarter of 2017. The ability to close this sale is important to the Amper Group's business operations and to execution of its business plan.

Given the characteristics of this transaction, Amper believes that, although the sale cannot be deemed closed at December 31, 2016, the requirements stipulated in IFRS 5 for classification as held for sale are met as of the reporting date, to which end, and in light of the high probability that the transaction will close as planned, the businesses have been so classified, specifically under the "Discontinued operations" column in the accompanying consolidated income statement.

Finalization of the financing agreement with Fore Multi Strategy Master Fund, Ltd.

On July 1, 2016, Fore Multi Strategy Master Fund, Ltd and the Parent agreed to extend the Ordinary Maturity Date of the Financing Agreement initially set for June 30, 2016 until December 15, 2016 and to modify the repayment schedule for the outstanding balance of 4,444,445 US dollars. The new repayment schedule contemplated monthly payments between July 15 and December 15, 2016. At year-end 2016, this Refinancing Agreement had been fully settled.

Agreement with CISCO

On July 20, 2015, an agreement was signed with the Group's biggest supplier, CISCO, setting the definitive payment schedule for the months to come. The agreement fell under the scope of delivery of the conditions precedent stipulated in the Syndicated Loan Agreement. The Group had complied with that payment schedule, which had contemplated the payment of 10 million US dollars, by September 14, 2016 so that at the date of authorizing the accompanying consolidated financial statements for issue the Group was current on its debt obligations vis-a-vis this supplier (note 14).

Agreement with NERVIÓN, S.L.

On December 27, 2016, Amper reached an agreement with Nervión, S.L., a company devoted to the provision of industrial services in strategic sectors, wholly-owned by Barisan, an enterprise belonging to the portfolio advised on by Springwater Capital LLC, for the provision to Nervión of a loan convertible into shares of Nervión of up to 4,750 thousand euros. The loan is divided into an initial tranche of 3,325 thousand euros deliverable immediately which entitles Amper to convert its loan into new shares representing 57.57% of Nervión's issued capital during the first four months of 2017. Subsequently, at the end of June 2017, if Nervión is fulfilling its business expectations reasonably, Amper can contribute the remaining 1,425 thousand euros; that tranche would entitle it to convert its loan into additional shares in Nervión that would lift its equity stake to 78.375%. This transaction is closely intertwined with the transaction described above under which Alterfin has granted Amper a loan to fund the financing in turn provided to Nervión; at year-end 2016, that loan had been drawn down by 3,325 thousand euros, precisely the sum extended to Nervión by Amper.

2.5 Responsibility for the significant information, estimates and judgments made in applying the accounting policies

The Group Parent's directors are responsible for the information included in these consolidated financial statements.

In preparing the consolidated financial statements, they have relied on certain estimates made by the Group's management in order to measure certain of the assets, liabilities, income, expenses and commitments recognized therein. Essentially, these estimates refer to:

- The measurement of non-current assets and goodwill for goodwill impairment testing purposes and the assessment of the recoverable amount of deferred tax assets (notes 4, 5, 6 and 19).
- The assumptions used to calculate the fair value of financial instruments (note 3.e).

- The probability of occurrence and amount of liabilities of uncertain amounts and/or contingent liabilities (note 3.h).
- The recognition of contract revenue by reference to the stage of completion. This method is based on estimating the percentage of project completion. The significant estimates made to determine the stage of completion include total costs to be incurred under the contract, remaining costs to complete the service, total revenue under the contracts, contract risks and other judgments (note 3.i).

Although these estimates were made on the basis of the best information available at the date of authorizing these consolidated financial statements for issue regarding the facts analyzed, future events could make it necessary to revise these estimates (upwards or downwards) in coming years. Changes in accounting estimates would be applied prospectively, recognizing the effects of the changes in estimates in the related consolidated financial statements.

In preparing these consolidated financial statements, the directors of each company have analyzed the functional currencies of the companies comprising the eLandia sub-group which encompasses the Amper Group's international businesses. In the wake of this analysis, it has been determined, in accordance with applicable standards, that the functional currency of the eLandia sub-group, with the exception of Medidata Informática and Desca Colombia, is the US dollar.

The following factors were taken into consideration in determining the US dollar to be the functional currency of the eLandia subsidiaries (except for Medidata Informática and Desca Colombia) under IAS 21:

- A very significant portion of the revenue of these subsidiaries is benchmarked to the US dollar, as the price of the contracts with customers is set in US dollars, so that revenue from these sales is generated in this currency, implying that the customers pay in dollars (except for Medidata Informática and Desca Colombia, whose functional currencies are the Brazilian real and Colombian peso, respectively, as most of their sales transactions and costs are denominated in those currencies and their borrowings are similarly settled in those currencies).
- Cost of sales: a very significant portion of purchases are denominated and settled in US dollars.
- Financing: most of the borrowings of eLandia's subsidiaries take the form of inter-company loans denominated in US dollars. There are also local borrowings in local currency in some countries but they do not generally constitute long-term financing for the Group.
- Senior management: the salaries of the senior managers and key management personnel of all eLandia subsidiaries are set and linked to US dollars so that remuneration of certain positions is standard across multiple countries.

For all of the foregoing reasons, the Group's management deems that the US dollar is the currency that most faithfully represents the economic effects of the underlying transactions, events and conditions.

2.6 Basis of consolidation

Subsidiaries:

The Group's subsidiaries are accounted for using the full consolidation method; all of their assets, liabilities, income, expenses and cash flows, duly adjusting for intra-group transactions, are included in the consolidated financial statements.

The subsidiaries' income, expenses and operating cash flows are consolidated from the acquisition date, i.e., the date on which the Group obtains effective control over them. Subsidiaries are deconsolidated from the date on which such control is relinquished.

1. The translation of the financial statements of foreign subsidiaries whose functional currency is not the euro (applicable to businesses abroad whose functional currency is not that of a hyperinflationary economy) is carried out as follows:
 - a. Assets and liabilities are translated using the exchange rate prevailing on the reporting date.
 - b. Income statement items are translated using the average exchange rate during the reporting period which approximates the exchange rate applicable to each transaction.
 - c. Equity is carried at historical rates.
 - d. The exchange differences arising from the translation of these financial statements into euros are recognized within "Translation differences" in other comprehensive income.
2. The subsidiaries' accounting policies have been aligned with those used by the Group for like transactions and events in similar circumstances.
3. The financial statements of the subsidiaries consolidated refer to the same presentation date and reporting period as those of the Parent.
4. Intragroup balances and transactions have been eliminated in full upon consolidation, as have unrealized profits and losses from intragroup transactions.

However, unrealized losses have been deemed an indication of the potential impairment of the assets sold.

Note 27 provides details about the Group's subsidiaries and their salient information (including their names, countries of incorporation and the Parent's shareholding).

Business combinations:

The Group availed of the exception contemplated in IFRS 1 *First-time adoption of International Financial Reporting Standards* so that only business combinations undertaken after January 1, 2004, the IFRS-EU transition date, have been accounted for using the acquisition method. Acquisitions completed prior to the transition date were accounted for in accordance with the then-prevailing Spanish generally accepted accounting principles, corrected and adjusted as required as of the transition date. The Group has applied IFRS 3 *Business combinations*, as revised in 2008, to the transactions it has closed since January 1, 2010. The Group applies the acquisition method to account for its business combinations. The acquisition date is that on which the Group obtains control of the acquired business.

The consideration transferred in a business combination is the sum of the acquisition-date fair values of the assets transferred, the liabilities incurred or assumed and the equity instruments issued and any contingent consideration, i.e., subject to the occurrence of future events or fulfilment of specific conditions,



in exchange for control of the acquired business. The consideration transferred excludes any amounts that do not form part of the exchange for the acquiree. Acquisition-related costs are recognized as incurred. The Group recognizes any liabilities assumed at their fair value at the acquisition date. Any non-controlling interest in the acquiree is recognized at the non-controlling interest's proportionate share of the fair value of the net assets acquired.

The liabilities assumed include contingent liabilities to the extent that they represent present obligations that arise as a result of past events and their fair value can be reliably measured. The assets acquired and liabilities assumed are classified and designated for subsequent measurement purposes on the basis of contractual agreements, financial terms, accounting policies, operating conditions and other pertinent circumstances that exist at the acquisition date.

Associates:

Investments in associates are accounted for using the equity method from the date on which significant influence is obtained until the date on which the Company can no longer justify its continuing existence.

Non-controlling interests:

Non-controlling interests in subsidiaries acquired after January 1, 2004 are recognized at the respective acquisition dates at the percentage interest in the fair value of the identified net assets acquired. Non-controlling interests in subsidiaries acquired prior to the transition date are recognized at the percentage interest in these subsidiaries' equity as of the date of first-time consolidation.

Surplus losses attributable to non-controlling interests generated prior to January 1, 2010 that are not allocable to such interests as they exceed the amount of the equity interest in the related subsidiary are recognized as a reduction in equity attributable to owners of the parent, unless the non-controlling interests have a binding obligation to assume some or all of such losses and have the capacity to make any additional investments necessary. Any profits obtained in subsequent years are then allocated to equity attributable to owners of the parent until the amount of losses absorbed in prior reporting periods in respect of non-controlling interests has been replenished.

From January 1, 2010, the results and each component of other comprehensive income are allocated to equity attributable to owners of the parent and to the non-controlling interests in proportion to their respective ownership interests, even if this implies a negative non-controlling interests balance. Agreements entered into between the Group and non-controlling shareholders are recognized as a separate transaction.

2.7 Non-current assets held for sale and associated liabilities

As indicated in note 2.4, the Group has agreed the sale of its businesses in the South Pacific. Although this sale is subject to certain closing conditions and receipt of the pertinent authorizations and permits from the various authorities, such that it cannot be considered closed at December 31, 2016, it does meet the requirements laid down in IFRS 5 for classification as 'held for sale' and has been classified accordingly, specifically under "Non-current assets held for sale" and "Liabilities of non-current assets held for sale" in the accompanying consolidated statement of financial position and in the column titled "Discontinued operations" in the accompanying consolidated income statement.

The main groups of assets and liabilities of the South Pacific Unit classified as held for sale at December 31, 2016 are shown below:

| | Dec. 31, 2016 |
|--|---------------|
| PP&E and intangible assets | 62,278 |
| Non-current financial assets | 2,185 |
| Trade receivables | 14,743 |
| Other current assets | 14,806 |
| Total non-current assets held for sale | 94,012 |
| Non-current borrowings and other non-current liabilities | 20,828 |
| Trade and other payables | 16,600 |
| Advance payment against sale price | 24,666 |
| Total liabilities of non-current assets held for sale | 62,094 |

The line item "Advance payment against sale price" recognizes the prepayment of 24,666 thousand euros (26 million US dollars) received on account of the total price receivable for the sale of all of the South Pacific businesses, which totals approximately 79 million US dollars.

The sale of the South Pacific businesses is conditional upon receipt of all the pertinent permits; one of the closing conditions stipulated in the share purchase agreement is the sale of the entirety of Amper's interests in the Pacific. The anticipated difference in the timing of the likely receipt of the local permits and authorizations and receipt of the definitive go-ahead from the US Federal authorities make it vital to balance Amper's interest in selling all of the South Pacific businesses in respect of the final estimated sales price of 79 million US dollars and ATH's interest in being able to recover the 26 million US dollars paid in advance in the event that the above authorities were ultimately not to authorize the transaction. As a result, the advance payment has been secured by a second pledge over the shares in the South Pacific companies not resident in American Samoa that are to be sold to ATH.

Were the North American regulatory authorities (FCC, Team Telecom, CFIUS) not to give their consent, the parties can agree to terminate the agreement, unless they decide to pursue the so-called "Alternative Transaction". The Alternative Transaction is a sort of plan B for the sale of the South Pacific assets and could come into play if one of the following two conditions are met: either the FCC rules definitively against the acquisition of Samoa USA by ATH; or the deadline for the acquisition of all of the South Pacific assets (the Long Stop Date, an estimated 18 months from execution of the agreement, i.e., the end of March 2018) elapses without the transaction materializing. In either instance, ATH must look for a solution to permit the sale of the South Pacific assets to a buyer willing to assume the terms negotiated with ATH.

As a result, the 26 million US dollars received by Amper against the final sale price are repayable until the conditions precedent for the share sale to go through are met or deemed met, which is why its repayment has been fully secured in the manner detailed above.

The net cash flows generated by South Pacific Unit:

| | Dec. 31, 2016 | Dec. 31, 2015 |
|--|---------------|---------------|
| Net cash flows from operating activities | 14,129 | 17,150 |
| Net cash flows used in investing activities | (10,140) | (23,213) |
| Net cash flows (used in)/from financing activities | (8,436) | 9,706 |

The tables below present the results of the South Pacific Unit in 2016 and 2015, along with the results of the other subsidiaries and business units sold (note 2.3) or in the process of being liquidated that have been classified as discontinued operations in the accompanying consolidated income statement (thousands of euros):

| 2016 | South Pacific | Latam subsidiaries sold (note 2.3) | Latam subsidiaries in liquidation | Integration BU sold (note 2.3) | Total |
|---|---------------|------------------------------------|-----------------------------------|--------------------------------|----------------|
| Revenue | 56,415 | 15,130 | --- | 1,084 | 72,629 |
| Cost of sales | (12,693) | (10,696) | --- | (665) | (24,054) |
| Employee benefits expense | (10,028) | (4,118) | --- | (419) | (14,565) |
| Other operating expenses | (12,724) | (2,989) | --- | --- | (15,713) |
| Depreciation and amortization | (4,333) | (347) | --- | --- | (4,680) |
| Gain/(loss) on disposal of businesses | --- | 5,742 | --- | --- | 5,742 |
| Impairment of goodwill (note 4) | --- | (4,950) | --- | (3,000) | (7,950) |
| Provisions recognized against activities being liquidated (note 12) (*) | --- | --- | (7,288) | (1,980) | (9,268) |
| Operating profit/(loss) | 16,637 | (2,228) | (7,288) | (4,980) | 2,141 |
| Net finance expense | (2,359) | (535) | --- | --- | (2,894) |
| Profit/(loss) before tax | 14,278 | (2,763) | (7,288) | (4,980) | (753) |
| Income tax | (1,562) | (332) | --- | --- | (1,894) |
| Profit/(loss) for the year | 12,716 | (3,095) | (7,288) | (4,980) | (2,647) |

(*) Includes the losses associated with the integration activities that were not sold but were liquidated (mainly staff costs) and the losses associated with the activities being unwound in Latin America, mainly in Brazil and Argentina.

| 2015 | South Pacific | Latam subsidiaries sold (note 2.3) | Latam subsidiaries in liquidation | Integration BU sold (note 2.3) | Total |
|---|---------------|------------------------------------|-----------------------------------|--------------------------------|---------------|
| Revenue | 51,630 | 29,987 | --- | 3,233 | 84,850 |
| Cost of sales | (10,929) | (21,384) | --- | (118) | (32,431) |
| Employee benefits expense | (9,540) | (5,785) | --- | (2,771) | (18,096) |
| Other operating expenses | (12,195) | (2,297) | --- | (885) | (15,377) |
| Depreciation and amortization | (7,152) | (272) | --- | (224) | (7,648) |
| Gain/(loss) on disposal of businesses | --- | 2,860 | --- | --- | 2,860 |
| Impairment of goodwill (note 4) | --- | --- | --- | --- | --- |
| Provisions recognized against activities being liquidated (note 12) (*) | --- | --- | (2,627) | --- | (2,627) |
| Operating profit/(loss) | 11,814 | 3,109 | (2,627) | (765) | 11,531 |
| Net finance expense | (1,962) | (4,208) | --- | --- | (6,170) |
| Profit/(loss) before tax | 9,852 | (1,099) | (2,627) | (765) | 5,361 |
| Income tax | (1,884) | (448) | --- | --- | (2,332) |
| Profit/(loss) for the year | 7,968 | (1,547) | (2,627) | (765) | 3,029 |

3. Summary of significant accounting policies

The main measurement standards used to prepare the consolidated financial statements are summarized below:

a) Goodwill

Goodwill from business combinations represents the excess of the cost of an acquisition over the Group's share of the acquisition-date fair value of the identifiable assets and liabilities of the acquiree.

Goodwill is recognized as an asset and at the end of each reporting period, or whenever there are indications of impairment, is tested for impairment. If its value is less than its carrying amount, it is written down to its recoverable amount by means of the recognition of the corresponding impairment losses in "Impairment losses/reversal of impairment losses on other assets" in the consolidated income statement. Goodwill impairment losses cannot be reversed in subsequent reporting periods.

b) Intangible assets

Intangible assets are initially recognized at acquisition or production cost and subsequently measured at cost less any accumulated amortization and impairment loss. Intangible assets are generally amortized over a five-year period.

Expenditure on research activities is recognized as an expense when it is incurred. Development costs that can be individually itemized by project and for which the Group can demonstrate technical feasibility, how it will generate economic benefits and the availability of adequate technical and financial resources to complete the development are recognized at their acquisition or production cost and amortized on a straight-line basis over a five-year period.

The criteria used to recognize impairment losses on intangible assets and any potential reversal of impairment losses recognized in prior years are described in note 3.d.

c) Property, plant and equipment

Property, plant and equipment are carried at acquisition cost less accumulated depreciation and impairment losses, if any.

The replacement or overhaul of entire items that extend the asset's useful life or increase its capacity are capitalized and the replaced or overhauled assets are derecognized. Regular maintenance, repair and conservation costs are expensed as incurred.

The criteria used to recognize impairment losses on these assets and any potential reversal of impairment losses recognized in prior years are described in note 3.d.

Items of property, plant and equipment, net of any residual value, are depreciated by allocating the cost of the various parts of an item of property, plant and equipment over their estimated useful lives - the years the companies expect to use them for - on a straight-line basis, as follows:

| | Annual percentage |
|-------------------------------------|-------------------|
| Buildings | 2.0% - 14.0% |
| Plant and machinery | 10.0% - 20.0% |
| Other fixtures, tools and furniture | 10.0% - 33.0% |
| Other PP&E | 10.0% - 33.0% |

The gain or loss arising from the disposal or derecognition of an item of property, plant and equipment is calculated as the difference between the net disposal proceeds and the carrying amount of the asset and is included in profit or loss.

d) Impairment of property, plant and equipment, intangible assets and goodwill

The Group tests its property, plant and equipment, intangible assets and goodwill for impairment. In the event it detects an indication of impairment, it estimates the recoverable amount of the asset to determine the amount of the required impairment loss, if any. In the case of identifiable assets that do not generate cash flows that are largely independent, the Group estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Goodwill is not amortized but it is tested for impairment. Impairment tests are carried out annually or whenever there is an indication that the assets' carrying amount may not be recovered in full. Goodwill impairment losses cannot be reversed. Goodwill is allocated among the cash-generating units (or groups of CGUs) expected to benefit from the synergies generated by the business combination and is tested for impairment along with the other assets allocated to that CGU.

An asset's recoverable amount is the higher of its fair value less costs of disposal and its value in use, the latter calculated as the present value of the CGUs' future estimated cash flows.

To estimate value in use, the Group projects the assets' future cash flows using the most updated budgets approved by the Parent's directors; these projections are prepared in local currency or in the functional currency of each CGU. These budgets reflect the best available estimates of the CGUs' revenue and costs and are based on sector forecasts, prior experience and future expectations. These projections cover five-year periods and include an appropriate terminal value for each business, derived using a reasonable growth rate for each CGU based on average long-term growth for the product or industry associated with each CGU and for the country or countries in which these CGUs operate.

The cash flows are discounted to present value using an after-tax discount rate that reflects the business's cost of capital. The cost of capital calculation factors in the current cost of money and the risk premiums deemed reasonable for each business in light of the business being analyzed, country risk in each region, the risks deriving from the business's leverage structure and other specifics related to the business plans (note 4).

Fair value is a market-based measurement and not an entity-specific measurement. For some assets and liabilities, observable market transactions or market information might be available. For other assets and liabilities, observable market transactions and market information might not be available. However, the purpose of the fair value measurement is the same in both cases - to estimate the price at which an orderly transaction to sell the asset or to transfer the liability would clear between market participants at the measurement date under prevailing market conditions (i.e., an exit price at the measurement date from the perspective of a market participant that holds the asset or owes the liability).

The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

If the recoverable amount of an asset is less than its carrying amount, an impairment loss is recognized for the difference in the consolidated income statement.

Impairment losses recognized on an asset in prior years are reversed if there has been a change in the estimates used to determine the asset's recoverable amount by increasing the carrying amount of the asset to its recoverable amount with a credit to profit or loss; the increased carrying amount may not exceed the carrying amount that would have been determined had no impairment loss been recognized. Goodwill impairment losses cannot be reversed. Impairment losses on cash-generating units are allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to reduce the carrying amount of the other assets of the unit *pro rata* on the basis of the carrying amount of each asset in the unit, albeit without reducing an asset's carrying amount below the higher of its fair value less costs to sell, value in use or zero.

e) Financial instruments

Financial assets

Loans and receivables are recognized initially at fair value, including transaction costs incurred, and are subsequently measured at amortized cost, which is equivalent to the amount of cash delivered less any principal repaid plus interest accrued and outstanding in the case of loans and the present value of the consideration given in the case of receivables.

The Group recognizes impairment provisions for any differences between the amount of its accounts receivable it reasonably expects to recover and their carrying amount.

The Group derecognizes financial assets when the contractual rights to the cash flows from the financial asset expire or are transferred, which implies transferring substantially all the risks and rewards of ownership of the financial asset; this is the case of trade receivable factoring transactions in which the entity retains neither credit risk nor interest rate risk (non-recourse).

In contrast, the Group does not derecognize financial asset transfers in which it retains substantially all the risks and rewards of ownership, recognizing instead a financial liability in the amount of any consideration received; this is the case of discounted bills and recourse-factoring arrangements.

Cash and cash equivalents

Cash and cash equivalents includes cash in hand and deposits held at call with banks. This heading also includes other short-term highly-liquid investments readily convertible into specific amounts of cash, the value of which is not subject to significant risks. To this end, cash equivalents includes investments with original maturities of three months or less.

Financial liabilities

Debts and payables are initially recognized at fair value, less transaction costs incurred. These liabilities are subsequently measured at amortized cost using the effective interest rate method.

Derecognition and modification of financial liabilities

The Group derecognizes a financial liability (or a part of it) when it discharges the obligation specified in the contract or has been legally released from primary responsibility for the liability, either by process of law or by the creditor.

The exchange of debt instruments between the Group and a counterparty and/or the substantial modification of initially-recognized financial liabilities are accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability.

The Group deems that the terms are substantially different if the discounted present value of the cash flows under the new terms, including any fees paid net of any fees received and discounted using the original effective interest rate, is at least 10 per cent different from the discounted present value of the remaining cash flows of the original financial liability.

If the exchange of debt instruments or modification of terms is accounted for as an extinguishment, any costs or fees incurred are recognized as part of the gain or loss on the extinguishment. If not accounted for as an extinguishment, any costs or fees incurred adjust the carrying amount of the liability and are amortized on a straight-line basis over the remaining term of the modified liability.

The Group recognizes the difference between the carrying amount of a financial liability (or part of a financial liability) extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, in profit or loss.

The amounts corresponding to the sale or discounting of trade receivables continue to be carried until they mature, unless substantially all the risks and rewards of ownership of these assets have been transferred, in which case they are derecognized.

f) Inventories

Inventories are measured at the lower of cost or net realizable value. Cost includes the cost of direct materials, the cost of any direct labor and general expenses incurred to get the inventories to their current location and conditions.

Cost is priced using the weighted average method. Net realizable value is the estimated selling price less estimated costs of completion and the estimated costs necessary to market, distribute and sell the goods.

Trade discounts, rebates and other similar items are deducted in determining the cost of purchase.

The Group assesses the net realizable value of its inventories at each year-end as a function of their age and turnover, recognizing impairment losses as required. When the circumstances previously substantiating the impairment loss have ceased to exist or there is clear evidence of an increase in their net realizable value due to a change in economic circumstances, these losses are reversed.

g) Government grants (set up as deferred income)

Grants related to assets are awarded to subsidize investments in long-lived assets and they are recognized in profit or loss on a systematic basis over the useful life of the subsidized assets.

Grants awarded to compensate for expenses are recognized in profit or loss in the reporting period in which they are granted.

h) Provisions

At the date of authorizing the financial statements of the consolidated entities for issue, their respective directors made a distinction between:

- **Provisions:** credit balances covering present obligations at the reporting date arising from past events which could give rise to a loss for the entities, which is certain as to its nature but uncertain as to its amount and/or timing; and
- **Contingent liabilities:** a possible obligation that arises 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 consolidated entities.

The Group's consolidated financial statements recognize all material provisions in respect of which it is considered more likely than not that a present obligation exists (note 12). Although contingent liabilities are not recognized in the consolidated financial statements, related disclosures are provided in the notes (note 24).

Provisions, which are estimated using the best information available regarding the consequences of the event giving rise to their recognition and re-estimated at each reporting date, are used to cover the specific obligations for which they were initially recognized; they are reversed, in full or in part, with a credit in profit or loss when these obligations cease to exist or diminish.

At year-end 2016, the consolidated entities were party to a number of legal proceedings and claims arising in the ordinary course of their business activities. Both the Parent's directors and the Group's legal counsel deem that the outcome of these proceedings and claims will not have a material impact on the consolidated financial statements in the years in which they are resolved.

i) Income and expense recognition

Interest income is recognized using the effective interest method, by reference to the principal outstanding and the applicable effective interest rate.

(i) Sale of goods

The Group recognizes ordinary revenue from the sale of goods when:

- It has transferred to the buyer the significant risks and rewards of ownership of the goods;
- It retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;
- The amount of revenue can be measured reliably;
- It is probable that the economic benefits associated with the transaction will flow to the Group; and
- The costs incurred or to be incurred in respect of the transaction can be measured reliably.

The Group sells certain goods under warranty. In these instances, the revenue from the sale of the goods is recognized when the above conditions are met and it is possible to reliably estimate the amount of the warranties on the basis of prior experience and other relevant factors. The amount of the estimated warranties is recognized with a credit to the provision recognized for the related costs.

(ii) Sale of goods subject to installation and inspection

The Group sells goods subject to installation and inspection. Revenue from these sales are recognized when the buyer accepts the goods and the installation and inspection is complete.

(iii) Services rendered

The ordinary revenue deriving from the rendering of services is recognized based on the stage of completion of the transaction at the end of the reporting period to the extent that the outcome of the transaction can be estimated reliably. This is deemed possible when the amount of revenue, the stage of completion of the transaction, the costs incurred for the transaction and the costs to complete it can all be measured reliably and it is probable that the economic benefits associated with the transaction will flow to the Group.

The Group determines the stage of completion of a transaction using the incurred cost method. To estimate the percentage of completion, it considers the total costs of the transaction, the costs to complete the transaction and total revenue under the service contracts.

When the outcome of the transaction involving the rendering of services cannot be estimated reliably, revenue is recognized only to the extent of the expenses recognized that are recoverable.

The Group checks regularly to make sure none of its contracts are onerous, recognizing provisions as required.

j) Discontinued operations

A discontinued operation is a component of the Group that has either been disposed of or is classified as held for sale; and:

- represents a separate major line of business or geographical area of operations;
- is part of a single coordinated plan to dispose of a separate major line of business or geographical area of operations; or
- is a subsidiary acquired exclusively with a view to resale.

A component of the Group comprises operations and cash flows that can be clearly distinguished, operationally and for financial reporting purposes, from the rest of the entity.

The consolidated income statement (consolidated statement of comprehensive income) for the prior year has been restated with the aim of making the accompanying consolidated financial statements more comparable (note 2.7).

If the Group ceases to classify a component as a discontinued operation, the results of operations of the component previously presented in discontinued operations are reclassified and included in income from continuing operations for all periods presented.

k) Distinction between current and non-current assets and liabilities

In the accompanying consolidated statement of financial position, assets and liabilities are classified by maturity, i.e., as current if they mature within 12 months of the reporting date and as non-current if they mature in more than 12 months.

Financial liabilities are classified as current liabilities when they are due to be settled within twelve months from the reporting date, even if the original term was for a period longer than twelve months, and an agreement to refinance, or to reschedule payments on a long-term basis has been struck after the reporting period and before the financial statements are authorized for issue.

l) Current and deferred income tax

Tax expense (income) comprises current tax and deferred tax.

Current tax is the amount of income taxes payable (recoverable) in respect of consolidated taxable profit (tax loss) for the year. Current tax liabilities and assets are measured at the amount expected to be paid to or recovered from the taxation authorities, using the tax rates and tax laws that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax liabilities are the amounts of income taxes payable in future periods in respect of taxable temporary differences while deferred tax assets are the amounts of income taxes recoverable in future periods in respect of deductible temporary differences, the carryforward of unused tax losses and the carryforward of unused tax credits. Temporary differences are defined as differences between the carrying amount of an asset or liability in the statement of financial position and its tax base.

Current and deferred tax is recognized in profit or loss, except to the extent that the tax arises from: (i) a transaction or event which is recognized, in the same or a different period, outside profit or loss, directly in equity; or (ii) a business combination.

A deferred tax liability is recognized for all taxable temporary differences, except to the extent that the deferred tax liability arises from the initial recognition of goodwill, or the initial recognition of an asset or liability in a transaction which is not a business combination and at the time of the transaction affects neither accounting profit nor taxable profit (tax loss).

A deferred tax asset is recognized for all deductible temporary differences to the extent that it is probable that sufficient taxable income will be available against which the deductible temporary difference can be utilized, unless the deferred tax asset arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither accounting profit nor taxable profit (tax loss).

Tax planning opportunities are only considered for the purpose of assessing the recoverability of deferred tax assets if the Group intends to use them or it is probable that it will use them.

The Group reclassifies a deferred tax asset as a balance receivable from the tax authorities when its claim is enforceable in keeping the prevailing tax law provisions.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the periods in which the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period and factoring in the tax consequences that would follow from the manner in which the Group expects to recover or settle the carrying amount of its assets and liabilities.

The Group reviews the carrying amounts of its deferred tax assets at the end of each reporting period with a view to reducing these carrying amounts to the extent that it is no longer probable that sufficient taxable profit will be available to allow part or all of the assets to be utilized.

Deferred tax assets that do not satisfy the above conditions are not recognized in the consolidated statement of financial position. At the end of each reporting period, the Group reassesses unrecognized deferred tax assets to determine whether the recognition criteria have been met.

The Group only offsets current tax assets and current tax liabilities if it has a legally enforceable right to set off the recognized amounts and intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously.

The Group offsets deferred tax assets and deferred tax liabilities only if it has a legally enforceable right to set off current tax assets against current tax liabilities and the deferred tax assets and the deferred tax liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities which intend either to settle current tax liabilities and assets on a net basis, or to realize the assets and settle the liabilities simultaneously, in each future period in which significant amounts of deferred tax liabilities or assets are expected to be settled or recovered.

Deferred tax assets and deferred tax liabilities are recognized in the consolidated statement of financial position as non-current assets and non-current liabilities, irrespective of the expected date of recovery or settlement.

m) Earnings per share

Basic earnings per share is calculated by dividing the profit or loss attributable to the shareholders of the Parent by the weighted average number of ordinary Parent shares outstanding during the period (not including the average number of Parent shares held as treasury stock by the Group companies).

Diluted earnings per share is calculated by adjusting the weighted average number of ordinary shares outstanding to assume conversion of all dilutive potential ordinary shares.

To this end, it is assumed that conversion takes place at the beginning of the period or when the dilutive potential ordinary shares are issued in the event of issuance during the year.

In 2016, the conversion of warrants and the financing transaction arranged with Alterfin resulted in different diluted versus basic earnings per share figures (note 11).

n) Foreign currency transactions

Transactions performed in currencies other than the functional currency of each company are translated into the Group's functional currency at the exchange rates prevailing at the transaction dates (note 2).

During the year, the differences arising as a result of movements between the exchange rate used for initial recognition purposes and that prevailing on the date of collection or payment are recognized as finance income or costs in the consolidated income statement.

The accounts receivable and payable that are denominated in currencies other than the currency in which the Group companies' financial statements are denominated are translated into the functional currency at each year-end using the closing rate.

Goodwill and fair value adjustments arising on the acquisition of a foreign entity are classified as assets and liabilities of the foreign entity and translated at the rate prevailing at the reporting date.

o) Equity instruments

The equity instruments issued by the Parent are recognized in equity at the amount received net of any issuance costs.

Own shares acquired by the Parent during the year are recognized at the amount of consideration given in exchange and are presented as a deduction from equity. Gains or losses resulting from the purchase, sale, issuance or cancellation of own equity instruments are not recognized in profit or loss; rather any difference between the value at which they are acquired and value at which they are sold is recognized within reserves in equity.

p) Leases

Leases are classified as finance leases when, based on the economic terms of the arrangement, substantially all the risks and rewards incidental to ownership of the leased item are transferred to the lessee. All other leases are classified as operating leases.

Payments on operating leases are expensed in the consolidated income statement in the year in which they accrue.

q) Termination benefits

Termination benefits are recognized at the earlier of the date from which the Group can no longer withdraw its offer and that on which it recognizes the costs of a restructuring effort that will entail the payment of termination benefits.

In respect of termination benefits as a result of the employees' decision to accept an offer, the Group is deemed unable to withdraw its offer at the earlier of the date on which the employees accept the offer and the date of effectiveness of any form of restriction on the Group's ability to withdraw the offer.

In respect of involuntary termination, the Group is deemed unable to withdraw its offer when it has communicated the plan to the affected employees or their union representatives and the actions needed to complete the plan suggest that it is unlikely that there will be significant changes in the plan; the plan identifies the number of employees whose services are to be terminated, their job classification or function, their location and their expected termination date; and the termination benefits to be received by the laid-off employees have been established in sufficient detail to enable them to determine the type and amount of remuneration they will receive upon termination.

Termination benefits related with restructuring processes are recognized when the Group has a constructive obligation, i.e., when there is a detailed formal plan for such process identifying at a minimum the business (or parts of the business) concerned, the main locations affected, the

function and approximate number of employees who will be compensated for termination of their services, the termination benefits to be paid, and the plan's implementation timing, and a valid expectation has been raised among those affected that the restructuring will be carried out either because the plan has started to be implemented or because the main features of the plan have been announced to those affected by it.

r) Hedge accounting

Derivative financial instruments are initially recognized using the criteria outlined above for the recognition of financial assets and liabilities. Derivative financial instruments which do not satisfy hedge accounting requirements are classified and measured as financial assets and financial liabilities at fair value through profit and loss.

s) Share-based payments

The Group recognizes the goods or services received or acquired in a share-based payment transaction when it obtains the goods or as the services are received. If the goods or services are received as part of an equity-settled share-based payment, it recognizes an increase in equity; if they are received as part of a cash-settled share-based payment, it recognizes a liability along with a balancing charge in profit or loss or an asset in the consolidated statement of financial position.

The Group recognizes equity-settled share-based transactions, including non-monetary equity contributions, and the corresponding increase in equity at the fair value of the goods or services received, unless such fair value cannot be estimated reliably, in which case the increase in equity is determined by reference to the fair value of the equity instruments granted.

The delivery of equity instruments as consideration for the services performed by the employees of the Group or third parties providing similar services are measured by reference to the fair value of the equity instruments granted.

t) Interest

Interest is recognized using the effective interest rate method. The effective interest rate is the rate that exactly discounts the estimated future cash payments or receipts through the expected life of the financial instrument to the carrying amount of the financial asset considering all contractual terms of the instrument but without considering future credit losses.

u) Environmental assets and liabilities

Environmental assets are long-lived assets used in the ordinary course of the Group companies' businesses whose ultimate purpose is to minimize the Group's environmental impact and to improve its environmental record and include assets designed to reduce or eliminate future contamination.

The business activities of the Amper Group companies, by their very nature, do not have a material impact on the environment.

4. Goodwill

The reconciliation of the carrying amount of goodwill at the beginning and end of 2016 and 2015 is provided below:

| | (Thousands of euros) | | | | | Dec. 31, 2016 |
|-----------------------------------|----------------------|----------------------|-------------------------|-----------------------|----------------|---------------|
| | Dec. 31, 2015 | Assets held for sale | Translation differences | Additions / disposals | Impairment | |
| Communication & Security, Spain | 14,757 | — | — | — | (3,000) | 11,757 |
| Communication & Security, Latam | 7,936 | — | (258) | — | (4,950) | 2,728 |
| Telecommunications, South Pacific | 18,272 | (18,272) | — | — | — | — |
| Total | 40,965 | (18,272) | (258) | — | (7,950) | 14,485 |

| | (Thousands of euros) | | | | Dec. 31, 2015 |
|-----------------------------------|----------------------|---------------|-------------------------|-----------------------------|---------------|
| | Dec. 31, 2014 | Additions | Translation differences | Impairment / Derecognitions | |
| Communication & Security, Spain | 14,757 | — | — | — | 14,757 |
| Communication & Security, Brazil | 2,454 | — | (622) | (1,832) | — |
| Communication & Security, Latam | 7,376 | — | 560 | — | 7,936 |
| Telecommunications, South Pacific | 7,134 | 10,114 | 1,024 | — | 18,272 |
| Total | 31,721 | 10,114 | 962 | (1,832) | 40,965 |

Changes in 2016

As a result of the classification, pursuant to IFRS 5, of the Group's business interests in the South Pacific as a discontinued operation, the Group proceeded to classify all of the goodwill associated with that CGU, totaling 18,272 thousand euros, within "Non-current assets held for sale", based on its belief that the carrying amount of this goodwill is lower than its fair value less costs to sell in light of the price agreed for the sale of all of the businesses associated with the Telecommunications, South Pacific CGU (note 2.7).

In 2016, the Group recognized an impairment loss of 3,000 thousand euros against the Communication and Security, Spain CGU and a loss of 4,950 thousand euros against the Communication and Security, Latam CGU under "Impairment charges and provisions relating to discontinued activities", as these impairment losses derive from the reduction in future cash flow generation by the Latam and Integration CGUs sold in 2016.

Changes in 2015

The additions in 2015 reflected the first-time consolidation of the Cook Islands subsidiary (note 2.3).

The goodwill acquired as a result of this business combination was allocated, in keeping with the Amper Group's organizational and operational structure, to the cash-generating units expected to benefit from the transaction. This allocation represented the lowest level at which goodwill is monitored for internal management purposes as it is the smallest group of assets that generate cash flows that are independent of those of other groups of assets. Against this backdrop, the Group allocated the goodwill generated by the acquisition of Telecom Cook Islands Limited (TCI) to the Telecommunications, South Pacific CGU.

The recognition of this goodwill was influenced primarily by the business prospects of the business acquired. At year-end 2015, this business combination's initial accounting was incomplete; specifically, the identification and allocation of the purchase price to certain other intangible assets acquired was still pending.

The business acquired generated an ordinary profit of 3,340 thousand euros between the date of its acquisition in 2015 and December 31, 2015.

The breakdown of the consideration delivered, the estimated fair value of the net assets acquired and the goodwill generated is shown below (in thousands of euros):

| | Thousands of euros |
|--|--------------------|
| Property, plant and equipment (note 6) | 11,118 |
| Intangible assets (note 5) | 215 |
| Non-current financial assets (note 8) | 2,320 |
| Cash and cash equivalents (note 8) | 5,182 |
| Borrowings (note 13) | (6,882) |
| Other assets and liabilities (net) | (1,258) |
| Total identifiable net assets at fair value | 10,695 |
| Non-controlling interest measured at fair value | (4,834) |
| Fair value of the net assets acquired | 5,861 |
| Goodwill | 10,114 |
| Purchase consideration transferred | 15,975 |

Allocation of goodwill to the CGUs

The goodwill generated by business combinations has been allocated, based on the nature of the Amper Group's organizational and operational structure, to the groups of cash-generating units expected to benefit from the corresponding business combinations.

The Group tests its goodwill for impairment at least once a year or whenever there are indications that its goodwill may be impaired.

The Company's decision-making bodies identified three cash-generating units in 2016 and 2015 - "Communication & Security, Spain", "Communication & Security, Latam", and "Telecommunications, South Pacific", along with the residual so-called "Corporate" unit, for impairment testing purposes. In turn, these three cash-generating units correspond, for impairment testing purposes, to the Group's operating segments, as this is the level at which the Group controls and monitors its activities.

Whenever the carrying amount of goodwill is determined to be higher than its recoverable amount, an impairment loss is recognized. To do so, the Group writes down its carrying amount to its recoverable amount, recognizing a charge in "Impairment losses/reversal of impairment losses" in the consolidated income statement.

For impairment testing purposes, the Amper Group classifies its Access, Security and Integration business units into the CGU called "Communication & Security, Spain".

Note that on September 1, 2016, Amper sold the integration business line, thereupon classifying its revenue and expenses within discontinued operations and recognizing a 3 million euro impairment loss as a result of the loss of future cash flows for the Integration Business Unit.

Impairment testing, 2016

The recoverable amount is the higher of value in use and fair value less costs to sell (FVLCS). At year-end 2016, in the specific instances of the "Communication & Security, Spain" and "Communication & Security, Latam" CGUs, the recoverable amounts were calculated using discounted cash flow analysis, whereas the recoverable amount of the goodwill allocated to the "Telecommunications, South Pacific" CGU, recognized under "Non-current assets held for sale" at year-end 2016, was estimated on the basis of its fair value less costs to sell (FVLCS).

In determining the recoverable amounts of its CGUs using discounted cash flow analysis, the Group uses cash flow projections underpinned by each unit's financial budgets, which are approved by the Parent's management and directors.

The steps taken by the Group to determine the value in use of each CGU to which goodwill has been allocated are as follows:

- i) The cash flow projections for each CGU are taken from the financial budgets and five-year financial projections approved by management and the Parent's directors.
- ii) After year five, the cash flows are extrapolated using growth rates deemed reasonable, in keeping with IAS 36.
- iii) The projected cash flows for each CGU are discounted to present value using a discount rate that contemplates risk factors and is based on the WACC model and market inputs.

The Amper Group's management based its cash flow projections on reasonable and substantiated assumptions, giving greater weight to external evidence to the extent such information was available. The cash flow projections are based on the most recent management-approved business plan (covering 2017-2021), which was in turn formulated on the basis of past experience, using external information to the extent possible and factoring in the prevailing growth forecast for the ITC market in Spain and Latin America for the next five years according to prestigious sector experts and sources.

Those projections do not include any estimates whatsoever related to potential cash inflows or outflows as a result of future restructuring work or asset performance upgrades; nor do they rely on projections beyond the above-mentioned five-year period. Beyond year five, the projections were extrapolated using a constant rate of growth that does not exceed the average long-term growth forecast for either the ITC market or the geographies in which the Group does business.

The cash-generating units in existence at December 31, 2016 have delivered, within reason, the expectations reflected in the updated business plan which contemplated: (i) total revenue from continuing

operations of 37,811 thousand euros compared to actual 2016 revenue of 35,602 thousand euros; and (ii) EBITDA of 1,730 thousand euros compared to reported 2016 EBITDA of 1,312 thousand euros, as shown in the table below:

| (Thousands of euros) | Revenue | | EBITDA | |
|---------------------------------|---------------|---------------|--------------|--------------|
| | 2016A | Budgeted | 2016A | Budgeted |
| Communication & Security, Spain | 14,858 | 14,745 | 712 | 720 |
| Communication & Security, Latam | 20,944 | 23,066 | 600 | 1,010 |
| Total | 35,602 | 37,811 | 1,312 | 1,730 |

The shortfall reported by the "Communication & Security, Latam" CGU reflects delays in the execution of certain projects; this phenomenon will have a positive impact on this unit's performance in the first quarter of 2017, i.e., execution of these projects simply took longer than anticipated.

The figures itemized above are the key variables the Group's directors track in order to monitor and analyze the units' underlying business performance.

The various assets and liabilities included in the carrying amount of each CGU are broken down in the next tables:

| (Thousands of euros) | Spain Security Division | Spain Access Division | Latin America | South Pacific |
|--|-------------------------|-----------------------|---------------|---------------|
| Total assets | 3,797 | 1,499 | 14,026 | 75,740 |
| Intangible assets and PP&E (excluding goodwill) | 86 | 22 | 2,931 | 43,900 |
| Inventories | 666 | 168 | 1,725 | 2,547 |
| Trade and other accounts receivables and cash and cash equivalents | 3,045 | 1,309 | 9,370 | 29,293 |
| Total enforceable liabilities | 4,466 | 1,032 | 19,529 | 62,094 |
| Non-current liabilities | 233 | — | 5,345 | 19,511 |
| Trade and other payables | 4,233 | 1,032 | 14,184 | 42,583 |

Below are the main assumptions used in 2016 to determine the recoverable amount of goodwill as represented by value in use, which in turn factored in prior experience and external information sources, alongside the value in use so determined for each CGU for impairment testing purposes:

| Name of the CGU | Financial projections | Average rate of sales growth | WACC | Growth rate in perpetuity (g) |
|---------------------------------|-----------------------|------------------------------|--------------|-------------------------------|
| Communication & Security, Spain | 2017-21 | 9.62% | 10.4% | 1.60% |
| Communication & Security, Latam | 2017-21 | 8.9%-17.5% | 11.5%-13.19% | 2.5%-6% |

The risk-free rate for Spain was calculated as the average yield on the 10-year sovereign bond over the last 3.5 years, as management believes that the current yield is not a good indicator of the risk-free rate due to the impact of the ECB's current monetary policy, specifically that of buying back sovereign bonds.

For the countries comprising the Latam CGU, the average quarterly yield on each country's 10-year dollar-denominated sovereign bonds was taken.

The unlevered beta was obtained from monthly observations for the two years prior to the impairment test date based on IT sector comparables, using the 90th percentile on account of the Group's specific risk profile.

The debt-equity structure for each CGU was determined on the basis of the gearing structure of the comparable companies used for beta calculation purposes, taking the average.

The equity market risk premium was estimated using a prospective model that correlates the 10-year bond yield to the implicit cost of capital for Spain's benchmark stock index, the Ibex, which is similar to the yardstick used by the Bank of Spain to estimate the cost of capital for the equities markets. This exercise was replicated for each of the countries comprising the Latam CGU.

The pre-tax cost of debt was determined as the average bi-annual 10-year Euroswap plus a spread of 300bp in the case of Spain. For the Latam CGUs, the subsidiaries' borrowing rates were used.

Taxes were calculated using the tax rates prevailing in each country. In the case of Colombia, management modeled an effective tax rate for each year within the projection horizon (2017-2021) in light of the applicable tax regime, such that the cost of debt (and WACC, by extension) varies between 2017 and 2021.

The cost of equity was calculated as the sum of the risk-free rates plus the business-specific risk factor, using levered market betas, multiplied by the equity market risk premium. This was then grossed up by an additional risk premium to reflect the profile of the business plan (based on the Ibbotson tables) of 3.54%.

The cost of equity and cost of debt was then weighted for market leverage to derive the applicable WACC.

The growth in perpetuity rates were calculated as a function of forecast inflation for each country using IMF projections.

The average revenue growth rates were taken from the Group's projections for 2017-2021.

The main inputs used to estimate the recoverable amount of the "Telecommunications, South Pacific" CGU using FVLCS methodology were:

- The price agreed for the purchase of all of Amper's business in the South Pacific within the scope of the transaction detailed above, which in turn comprise virtually all of this CGU.
- The estimated fair value of the net financial position of the South Pacific assets at December 31, 2016.

The "Telecommunications, South Pacific" CGU's recoverable amount, so calculated, exceeded the corresponding carrying amount at year-end 2016.

Impairment testing, 2015

Below are the main assumptions used in 2015 to determine the recoverable amount of goodwill as represented by value in use, which in turn factored in prior experience and external information sources:

| Name of the CGU | Financial projections | Average rate of sales growth | WACC | Growth rate in perpetuity (g) |
|-----------------------------------|-----------------------|------------------------------|------------|-------------------------------|
| Communication & Security, Spain | 2016-20 | 11.5% | 13.07% | 1.52% |
| Communication & Security, Latam | 2016-20 | 7.6% | 16.2% | 2.32% |
| Telecommunications, South Pacific | 2016-20 | 2.2% | 7.6% -7.9% | 1.56% - 2.06% |

At year-end 2015, the recoverable amounts exceeded the carrying amounts of all of the cash-generating units except for the "Communication & Security, Brazil" unit: the goodwill initially allocated to this unit has been written down in full (1,822 thousand euros). The assumptions used to determine this unit's value in use were an average sales growth rate of 29.9%, a WACC of 19.4% and a "g" of 4.53%.

In addition, the Group performed sensitivity analysis on its impairment tests, increasing / decreasing the discount rate (WACC) and/or the growth in perpetuity rate by 0.5 percentage points; this analysis did not indicate potential goodwill impairment. In the event that the average growth rate assumed for EBITDA over the five-year projection period were reduced by 500 percentage points, all other assumptions remaining equal, the recoverable amount of the cash-generating units would still exceed their carrying amount.

Nor would the use of the enterprise value methodology employed in 2014 for the "Communication & Security, Spain" and "Communication & Security, Brazil" CGUs have indicated the need to recognize additional impairment losses in 2015.

5. Intangible assets

The reconciliation of the carrying amounts of the various items comprising intangible assets at the beginning and end of 2016 and 2015:

| (Thousands of euros) | | | | | | |
|----------------------|----------------------------|----------------------------|--|--------------|----------------------------|-------------------------------|
| | Carrying amount YE 2015 | Assets held for sale | Additions/ Derecognitions/ Transfers | Amortization | Translation differences | Carrying amount YE 2016 |
| Development costs | 254 | (241) | 1 | (13) | (1) | — |
| Software | 5 | — | 22 | (8) | — | 19 |
| Industrial property | 1,355 | (938) | (10) | (70) | 51 | 388 |
| Total | 1,614 | (1,179) | 13 | (91) | 50 | 407 |

| (Thousands of euros) | | | | | |
|----------------------|-------------------------------|--|--------------|----------------------------|-------------------------------|
| | Carrying amount YE 2014 | Additions/ Derecognitions/ Transfers | Amortization | Translation differences | Carrying amount YE 2015 |
| Development costs | 656 | 67 | (487) | 18 | 254 |
| Software | 57 | (1) | (51) | — | 5 |
| Industrial property | 1,339 | 213 | (259) | 62 | 1,355 |
| Total | 2,052 | 279 | (797) | 80 | 1,614 |

The additions recognized in 2015 related primarily to the first-time consolidation of the Cook Islands subsidiary: 215 thousand euros (note 2).

The aggregate amount of development costs charged directly to the consolidated income statement was 67 thousand euros in 2015. No development costs were charged to profit or loss in 2016.

No intangible assets were subject to title restrictions at either reporting date other than as disclosed in notes 13 and 24.

At year-end 2016, the gross amount of fully-amortized intangible assets still in use was 7,825 thousand euros (year-end 2015: 7,671 thousand euros).

6. Property, plant and equipment

The reconciliation of the carrying amounts of the various items comprising property, plant and equipment at the beginning and end of 2016 and 2015:

| Property, plant and equipment in use | Dec. 31, 2016 | | |
|--------------------------------------|----------------------|--------------------------|-----------------|
| | (Thousands of euros) | | |
| | Cost | Accumulated depreciation | Carrying amount |
| Land and buildings | 195 | (195) | --- |
| Plant and machinery | 2,285 | (2,271) | 14 |
| Other fixtures, tools and furniture | 11,599 | (11,506) | 93 |
| Other items of PP&E | 18,693 | (18,187) | 506 |
| Total | 32,772 | (32,159) | 613 |

| Property, plant and equipment in use | Dec. 31, 2015 | | | |
|--------------------------------------|----------------------|--------------------------|--------------------------|-----------------|
| | (Thousands of euros) | | | |
| | Cost | Accumulated depreciation | Construction in progress | Carrying amount |
| Land and buildings | 8,654 | (3,707) | --- | 4,947 |
| Plant and machinery | 81,585 | (53,564) | --- | 28,021 |
| Other fixtures, tools and furniture | 16,095 | (15,090) | --- | 1,005 |
| Other items of PP&E | 22,884 | (21,092) | 2,682 | 4,474 |
| Total | 129,218 | (93,453) | 2,682 | 38,447 |

| Cost of PP&E in use and under construction | (Thousands of euros) | | | | | | Balance at Dec. 31, 2016 |
|--|--------------------------|----------------------|------------|----------------------|-------------------|-------------------------|--------------------------|
| | Balance at Dec. 31, 2015 | Assets held for sale | Additions | Amounts derecognized | Transfers & other | Translation differences | |
| Land and buildings | 8,654 | (7,800) | --- | (965) | 137 | 169 | 195 |
| Plant and machinery | 81,585 | (79,299) | --- | (1) | --- | --- | 2,285 |
| Other fixtures, tools and furniture | 16,095 | (4,943) | 9 | (102) | 434 | 106 | 11,599 |
| Other items of PP&E | 22,884 | (2,214) | 91 | (2,723) | (571) | 1,226 | 18,693 |
| PP&E under construction | 2,682 | (2,682) | --- | --- | --- | --- | --- |
| Total | 131,900 | (96,938) | 100 | (3,791) | --- | 1,501 | 32,772 |

| Cost of PP&E in use and under construction | (Thousands of euros) | | | | | | Balance at Dec. 31, 2015 |
|--|--------------------------|--------------|--------------------------|----------------------|-------------------|-------------------------|--------------------------|
| | Balance at Dec. 31, 2014 | Additions | Changes in consol. scope | Amounts derecognized | Transfers & other | Translation differences | |
| Land and buildings | 6,664 | 352 | 2,770 | (1,499) | 1 | 366 | 8,654 |
| Plant and machinery | 47,128 | 1,772 | 27,185 | (440) | 778 | 5,162 | 81,585 |
| Other fixtures, tools and furniture | 14,323 | 679 | 1,945 | (1,040) | --- | 188 | 16,095 |
| Other items of PP&E | 23,494 | 741 | --- | (964) | 9 | (396) | 22,884 |
| PP&E under construction | 1,801 | --- | 1,497 | (46) | (778) | 208 | 2,682 |
| Total | 93,410 | 3,544 | 33,397 | (3,989) | 10 | 5,528 | 131,900 |

| Accumulated depreciation | (Thousands of euros) | | | | | | Balance at Dec. 31, 2016 |
|-------------------------------------|--------------------------|----------------------|--------------|----------------------|-------------------|-------------------------|--------------------------|
| | Balance at Dec. 31, 2015 | Assets held for sale | Charges | Amounts derecognized | Transfers & other | Translation differences | |
| Land and buildings | 3,707 | (3,317) | 125 | (785) | 334 | 131 | 195 |
| Plant and machinery | 53,564 | (51,324) | 32 | (1) | — | — | 2,271 |
| Other fixtures, tools and furniture | 15,090 | (3,515) | 106 | (285) | — | 110 | 11,506 |
| Other items of PP&E | 21,092 | (2,625) | 808 | (1,861) | (335) | 1,108 | 18,187 |
| Total | 93,453 | (60,781) | 1,071 | (2,932) | (1) | 1,349 | 32,159 |

| Accumulated depreciation | (Thousands of euros) | | | | | | Balance at Dec. 31, 2015 |
|-------------------------------------|--------------------------|--------------|----------------------|-------------------|-------------------------|-----------------------|--------------------------|
| | Balance at Dec. 31, 2014 | Charges | Amounts derecognized | Transfers & other | Translation differences | Chg. in consol. scope | |
| Land and buildings | 2,419 | 323 | (283) | 33 | (1) | 1,216 | 3,707 |
| Plant and machinery | 25,033 | 8,221 | (1,639) | (534) | 2,782 | 19,701 | 53,564 |
| Other fixtures, tools and furniture | 13,651 | (8) | (615) | 499 | 201 | 1,362 | 15,090 |
| Other items of PP&E | 21,159 | 621 | (184) | 3 | (507) | — | 21,092 |
| Total | 62,262 | 9,157 | (2,721) | 1 | 2,475 | 22,279 | 93,453 |

Additions and derecognitions, 2016

The amounts derecognized in 2016 and 2015 correspond mainly to assets no longer in use or obsolete, essentially computer equipment, vehicles and sundry items of plant. In addition, at year-end 2016, the Group derecognized assets upon the sale of the companies in Ecuador, Panama and North Central America which are no longer consolidated: specifically it derecognized assets with an original cost of 2,860 thousand euros and accumulated depreciation of 1,658 thousand euros.

The fixed assets belonging to the South Pacific subsidiaries were classified as non-current assets held for sale (note 2.7), specifically assets with an original cost of 96,938 thousand euros and accumulated depreciation of 60,781 thousand euros.

Additions in 2015

The additions recognized in 2015 related primarily to the first-time consolidation of the Cook Islands subsidiary: a gross amount of 33,397 thousand euros and associated depreciation of 22,279 thousand euros. These assets correspond to telecommunications facilities for the provision of fixed and mobile telephony services and access to broadband networks in 12 islands of the archipelago comprising the Cook Islands (note 4).

Additional information

At December 31, 2016, the Group did not recognize significant amounts of assets located outside of Spain within "Property plant and equipment". In 2015, it recognized 36,997 thousand euros of assets outside of Spain under this heading, mainly technical facilities for the provision of telecommunication activities in the South Pacific.

Property, plant and equipment not in use is not material. The Group had no contractual commitments for the acquisition of property, plant and equipment at either year-end.

The items of property, plant and equipment subject to restrictions on title or pledged as security at the reporting dates are detailed in notes 13 and 24.

At December 31, 2016, the gross carrying amount of fully-depreciated property, plant and equipment still in use was 21,849 thousand euros (year-end 2015: 24,071 thousand euros).

The Group has taken out insurance policies to cover the possible risks to which the various items of its property, plant and equipment are exposed and the potential claims that may arise in the ordinary course of its business operations and believes that these policies are sufficient to cover the risks to which these assets are exposed.

Leases

At year-end 2016 and 2015, the Group had third-party leases, primarily over the offices from which it conducts its business. These leases are classified as operating leases. The future minimum payments under non-cancelable leases, without factoring in costs to be reimbursed by the lessor, inflation-related adjustments or contractually-agreed rent increases, are as follows:

| Minimum payments under operating leases | Nominal value (thousands of euros) | |
|---|---------------------------------------|---------------|
| | Dec. 31, 2016 | Dec. 31, 2015 |
| Within one year | 899 | 1,378 |
| Between one and five years | 766 | 4,281 |
| More than five years | 141 | 679 |
| Total | 1,806 | 6,338 |

7. Investments in associates

The Group's investments in associates at year-end 2016 and 2015:

| | (Thousands of euros) | |
|---------------------|----------------------|---------------|
| | Dec. 31, 2016 | Dec. 31, 2015 |
| Finaves | 88 | 88 |
| Associates in Latam | 101 | 97 |
| Total | 189 | 185 |

The gross changes in this heading of the consolidated statement of financial position in 2016 and 2015 (in thousands of euros) were as follows:

| | Dec. 31, 2014 | Other changes | Dec. 31, 2015 | Other changes | Dec. 31, 2016 |
|---------------------|---------------|---------------|---------------|---------------|---------------|
| Finaves | 88 | --- | 88 | --- | 88 |
| Associates in Latam | 87 | 10 | 97 | 4 | 101 |
| Total | 175 | 10 | 185 | 4 | 189 |

None of the shares of the investees accounted for by the Group using the equity method are publicly traded.

8. Financial assets and cash and cash equivalents

8.1 Financial assets

The reconciliation of the carrying amount of the Group's financial assets by category at the beginning and end of the reporting periods (in thousands of euros) is provided in the table below:

| | Balance at Dec. 31, 2015 | Additions | Derecognitions, decreases and transfers | Assets held for sale | Balance at Dec. 31, 2016 |
|------------------------------|--------------------------------|--------------|---|-------------------------|--------------------------------|
| <u>NON-CURRENT</u> | | | | | |
| Non-current financial assets | 6,461 | 651 | (1,453) | (2,325) | 3,334 |
| Total non-current | 6,461 | 651 | (1,453) | (2,325) | 3,334 |
| <u>CURRENT</u> | | | | | |
| Current financial assets | 1,630 | 3,325 | (235) | — | 4,720 |
| Total current | 1,630 | 3,325 | (235) | --- | 4,720 |
| Total | 8,091 | 3,976 | (1,688) | (2,325) | 8,054 |

| | Balance at Dec. 31, 2014 | Additions | Derecognitions, decreases and transfers | Balance at Dec. 31, 2015 |
|------------------------------|--------------------------------|--------------|---|--------------------------------|
| <u>NON-CURRENT</u> | | | | |
| Non-current financial assets | 2,931 | 3,603 | (73) | 6,461 |
| Total non-current | 2,931 | 3,603 | (73) | 6,461 |
| <u>CURRENT</u> | | | | |
| Current financial assets | 4,328 | 167 | (2,865) | 1,630 |
| Total current | 4,328 | 167 | (2,865) | 1,630 |
| Total | 7,259 | 3,770 | (2,938) | 8,091 |

Non-current financial assets

This heading mainly includes the amounts placed on deposit to secure leases at the head offices and buildings where the various Amper Group companies conduct their business and assets pledged by the Latam subsidiaries to secure performance of certain commitments vis-a-vis third parties in the amount of 2,067 thousand euros. As a result of the classification of the South Pacific businesses under IFRS 5, the Group reclassified 2,325 thousand euros of non-current financial assets to "Non-current assets held for sales", specifically investments held by the Cook Islands subsidiaries that were recognized in 2015.

Current financial assets

At year-end 2016, this heading included the first of the two tranches, in the amount of 3,325 thousand euros, of the loan extended to Nervión under the scope of the M&A transaction referred to in note 2 above. Specifically, on December 27, 2016, Amper, S.A. extended Nervión Industries, Engineering and Services, S.L.U. ("Nervión") a loan in the amount of 4,750 thousand euros.

The loan is structured into two tranches for drawn down as follows:

- Tranche 1. A sum of 3,325,000 euros extended by Amper, S.A. on December 27, 2016.
- Tranche 2. A sum of 1,425,000 euros to be contributed by Amper prior to June 27, 2017 assuming delivery within reason of the business expectations vested in Nervión; this contribution is totally discretionary on the part of Amper.

Nervión, for its part, is obliged to repay the amounts drawn down and outstanding under the loan agreements as follows:

- Repayment of Tranche 1: In a single bullet payment on June 27, 2017.
- Repayment of Tranche 2: In a single bullet payment on September 27, 2017.

Notwithstanding the foregoing, and given the convertible nature of the loan, the agreement also contemplates the possibility of converting Tranche 1 and Tranche 2 into shares of Nervión. That conversion would take the form of the issuance of shares for credit offsetting purposes, entitling Amper to subscribe, at its sole discretion, during the corresponding conversion windows, a number of new-issue Nervión shares to offset either Tranche 1 or Tranche 2, or both together, as warranted, so long as the conversion takes place during either of the following two conversion windows:

- Window 1: The conversion window beginning after January 31, 2017 and running until June 27, 2017, during which time Amper can freely choose to exercise its conversion rights on any date.
- Window 2: The conversion window beginning on the first working day following the disbursement of Tranche 2 until September 27, 2017.

Conversion of Tranche 1 during window 1 would entitle Amper to shares of Nervión giving it an equity interest of up to 57.75%. Conversion of Tranche 2 during window 2 would entitle Amper to shares of Nervión giving it an equity interest of up to 78.375% (on aggregate with the interest obtained during window 1).

The principal drawn down and outstanding accrues interest for Amper S.A. at Euribor plus a spread of 3%. The Parent has opted to recognize the entire financial asset at fair value through profit or loss.

The entire loan to Nervión has been financed with a convertible loan extended by Alternative Financing, Estructuración y Origenación, S.L.U (Alterfin) in the amount of up to 6,750 thousand euros; the Alterfin loan in turn comprises the following tranches:

- Tranche 1: A sum of 3,325 thousand euros, extended on December 27, 2016.
- Tranche 2: A sum of 1,425 thousand euros. The date for drawing down this tranche is June 15, 2017 or another date notified by Amper at least 10 working days prior to the intended drawdown date; subject to delivery of the suspensive condition that the average share price of Amper during the 10 trading sessions immediately prior to June 15, 2017 (or another date indicated by Amper, in keeping with the foregoing notice period) be above 0.085 per share, Alterfin is obliged to disburse this tranche.
- Tranche 3: A sum of 2,000 thousand euros. The date for drawing down this tranche is June 15, 2017 or another date notified by Amper at least 10 working days prior to the intended drawdown date; this tranche is subject to the same suspensive condition as Tranche 2.

The loan carries interest at a fixed annual rate of 5%.

The loan is convertible into Amper shares. The right to convert Tranche 1, Tranche 2 and Tranche 3 into Amper shares will materialize in the issuance of shares for credit offsetting purposes, entitling Alterfin to subscribe, during the corresponding conversion windows, a number of new-issue Amper shares in proportion to Alterfin's interest in Tranche 1, Tranche 2 and Tranche 3, as applicable, at the conversion price defined next:

The conversion price, meaning the price at which each share may be purchased, has been set at 0.085 euros per share, i.e., the unit par value of an Amper share plus a share premium of 0.035 euros per share. Alterfin may opt to convert its entire interest in Tranche 1, its entire interest in Tranche 2, or its entire interest in Tranche 3, at its sole discretion, so long as the conversion takes place during either of the following conversion windows:

- (i) **Ordinary:** The Conversion Window starting on the working day after the date on which the Annual Shareholders General Meeting of the borrower takes place and running for ten (10) days from then.
- (ii) **Extraordinary:** In the event that the shareholders of Amper in general meeting (or the Board of Directors, as the case may be) resolve to raise money by issuing shares other than to cater to the conversion of this loan, Alterfin may exercise its conversion right without the conversion date having to fall within the Ordinary Conversion Window stipulated in (i) above. In addition, Alterfin may exercise its conversion right without the conversion date having to fall within the Ordinary Conversion Window in the event that a public tender offer is presented at any time for the shares of the borrower (in keeping with the terms of the Securities Market Act).

Conversion would be automatic and mandatory for the creditor in respect of the full amount of each tranche.

As at December 31, 2016, the Parent determined that the liability component associated with the financing arrangement and in relation to Tranche 1, already disbursed, was not material, recognizing all of Tranche 1, in the amount of 3,325 thousand euros, under "Equity instrument" within the Parent's equity (note 11).

8.2 Cash and cash equivalents

Cash and cash equivalents, in the amount of 7,423 thousand euros at year-end 2016 (18,711 thousand at year-end 2015), include the balances held in current bank accounts and other immediately-drawable financial assets held at banks.

9. Inventories

The breakdown of this heading at year-end is as follows (in thousands of euros):

| | Dec. 31, 2016 | Dec. 31, 2015 |
|---------------------------------------|----------------------|----------------------|
| Products held for resale and finished | 3,582 | 9,492 |
| Work in progress | 766 | 5,087 |
| Raw materials and other | 581 | 161 |
| Prepayments to suppliers | 815 | 978 |
| Total | 5,744 | 15,718 |

The breakdown of the impairment charges recognized at year-end to write inventories down to their net realizable value:

| | Dec. 31, 2016 | Dec. 31, 2015 |
|---------------------------------------|----------------|----------------|
| Products held for resale and finished | (689) | (1,740) |
| Work in progress | (70) | (190) |
| Raw materials and other | (309) | (644) |
| Total | (1,068) | (2,574) |

The Group companies have taken out a range of insurance cover against inventory-related risk. The coverage provided by these policies is considered sufficient.

10. Trade and other receivables

The breakdown of this heading at year-end is as follows (in thousands of euros):

| | Dec. 31, 2016 | Dec. 31, 2015 |
|---|---------------|---------------|
| Trade receivables | 11,749 | 46,835 |
| Due from customers for contract work | 3,886 | 8,345 |
| <i>Tax receivable from tax authorities</i> | 135 | 77 |
| <i>Input VAT</i> | 214 | 245 |
| <i>Current tax of non-Spanish companies</i> | 3,542 | 4,971 |
| Tax assets (note 19) | 3,891 | 5,293 |
| Other receivables | 1,141 | 1,690 |
| Impairment | (5,322) | (14,812) |
| Total | 15,345 | 47,351 |

The table below reconciles the movement in the provision for the impairment of trade and other receivables in 2016 and 2015:

| | Dec. 31, 2015 | Charges | Amounts utilized / Unused amounts reversed | Derecognitions | Non-current assets held for sale | Dec. 31, 2016 |
|--------------|-----------------|--------------|--|----------------|----------------------------------|----------------|
| Impairment | (14,812) | (158) | (613) | 4,180 | 6,081 | (5,322) |
| Total | (14,812) | (158) | (613) | 4,180 | 6,081 | (5,322) |

| | Dec. 31, 2014 | Charges | Utilized | Unused amounts reversed | Dec. 31, 2015 |
|--------------|-----------------|----------------|--------------|-------------------------|-----------------|
| Impairment | (10,208) | (6,255) | 1,573 | 78 | (14,812) |
| Total | (10,208) | (6,255) | 1,573 | 78 | (14,812) |

The average term of collection for trade receivables across the Amper Group companies is 79 days (84 days in 2015), without considering the impact of receivables discounted via factoring arrangements.

Trade receivables include past due balances for which the Group has not recognized impairment provisions as it does not believe that their credit quality has deteriorated and still expects to recover the amounts recognized.

At December 31, 2016, the Amper Group had the following assets past due but not written down for impairment (in thousands of euros):

| | Less than 90 days | 90 – 180 days | More than 180 days |
|---------------|-------------------|---------------|--------------------|
| Dec. 31, 2016 | 2,525 | 202 | 520 |
| Dec. 31, 2015 | 2,805 | 167 | 2,238 |

The directors believe that the carrying amounts of the Group's trade and other receivables approximate their fair value.

Depending on market conditions and its liquidity requirements, the Group transfers trade receivables to banks.

At both year-ends, the Group had non-recourse factoring agreements with several financial institutions that meet the criteria for derecognition of the related accounts receivable in the amount of the invoices issued to certain customers up to the limits summarized below:

| | (Thousands of euros) | | |
|----------------------------|----------------------|-------------------|-------------------|
| | Limit | Drawn down | |
| | | December 31, 2016 | December 31, 2015 |
| Non-recourse factoring (*) | 48,000 | 2,674 | 1,581 |
| Total | 48,000 | 2,674 | 1,581 |

(*) This sum has been derecognized from the corresponding accounts receivable

11. Equity

Share capital

At December 31, 2016, the Parent's share capital amounted to 40,390 thousand euros (year-end 2015: 29,530 thousand euros) and was represented by 807,802,527 ordinary shares each with a unit par value of 0.05 euros, fully subscribed and paid in (2015: 590,600,174 shares with a par value of 0.05 euros, similarly fully subscribed and paid in).

For the purpose of the Group's capital management, capital constitutes the equity attributable to the equity holders of the Parent. The only external requirements to which the Group's capital management is subject are those deriving under prevailing company law and those stipulated in its financing agreement (note 13). The primary objective of the Group's capital management is to enable the funding of the business plan defined by the Company's directors and to facilitate an appropriate shareholder remuneration policy. The Parent's directors pursue capital management policies and processes designed to enable delivery of this objective without jeopardizing the Group's financial situation.

All the shares comprising capital entitle their holders to the same rights and at December 31, 2016 they were all admitted to trading. The Company's share price ended 2016 at 0.221 euros (0.129 euros at year-end 2015). The share price averaged 0.224 and 0.139 euros during the fourth quarters of 2016 and 2015, respectively. At year-end 2016, no single shareholder held more than a 10% equity interest in the Company.

Changes in equity in 2016:

The movements in equity in 2016 are itemized below, broken down by their impact on reserves, the share premium account and equity instruments. While explained in the corresponding heading descriptions below, they are also summarized in the following table:

| | No. of shares | Share capital | Share premium | Reserves | Equity instruments |
|---|--------------------|---------------|---------------|----------|--------------------|
| Balance at Dec. 31, 2015 | 590,600,174 | 29,530 | --- | --- | 17,390 |
| Shares issued to cover 1 st warrants conversion window | 46,250,000 | 2,313 | --- | 2,035 | (4,348) |
| Cancellation of the loan from Tecnola and generation of the corresponding equity interest | --- | --- | --- | --- | 1,108 |
| Shares issued in conjunction with the Brazil refinancing transaction | 9,802,850 | 490 | --- | 619 | (1,108) |
| Shares issued for cash | 62,436,290 | 3,122 | 1,873 | --- | --- |
| Expansion of the equity line | 10,000,000 | 500 | 339 | --- | --- |
| Shares issued to cover 2 nd warrants conversion window | 3,713,213 | 185 | --- | 163 | (349) |
| Issuance of equity instruments (Alterfin) | --- | --- | --- | --- | 11,325 |
| Shares issued to offset credit claims (Alterfin) | 85,000,000 | 4,250 | 1,700 | --- | (5,950) |

| | | | | | |
|--------------------------|-------------|--------|-------|-------|--------|
| Balance at Dec. 31, 2016 | 807,802,527 | 40,390 | 3,912 | 2,817 | 18,068 |
|--------------------------|-------------|--------|-------|-------|--------|

Shares issued to cover 1st warrants conversion window

On January 25, 2016, the Company's Board of Directors resolved to increase capital by offsetting part of the debt deriving from the Company's Refinancing Agreement, specifically Tranche B, in response to the conversion applications filed by BNP Paribas S.A. Sucursal España, BNP Paribas Fortis SA/NV Sucursal España and Fore Multi Strategy Master Fund Ltd. The balance of debt swapped for equity (and which in 2015 had been recognized as an equity instrument in the amount of 4,348 thousand euros) was 27,726 thousand euros and gave rise to the creation of 46,250,000 new shares.

That credit-offsetting equity issue was registered in the Madrid Companies Register on February 19, 2016. As a result, the Parent issued 46,250,000 new shares at a value of 0.59 euros per share; the difference between the equity instrument derecognized and the shares issued was recognized in reserves. Specifically, this issue was registered in the Madrid Companies Register (*Registro Mercantil de Madrid*) in tome 30,649, folio 27, section 8, sheet M-21107; entry no. 410.

Shares issued in conjunction with the Brazil refinancing transaction

On February 8, 2016, Tecnola SL became the main creditor in respect of the borrowings of the Group's Brazilian subsidiaries, Medidata Informática and XC Comercial. The debt acquired by the new lender totaled 5,784 thousand euros, representing 79% of these subsidiaries' overall debt.

As part of the ongoing process of streamlining the Group's capital structure, the Parent offered to acquire that debt from Tecnola S.L. in exchange for an equity instrument measured at 1,108 thousand euros; the difference, of 4,677 thousand euros, has been recognized in the accompanying consolidated income statement within "Finance income". In 2016, that equity instrument was converted into 9,802,850 shares valued at 0.59 euros per share; the difference between the equity instrument derecognized and the value of the new shares issued was recognized in reserves. This conversion structure is similar to that recently agreed upon with the Group's financial creditors, as crystallized in the Syndicated Loan Agreement signed on April 15, 2015.

This share issue was registered with the Madrid Companies Register on July 1, 2016.

Shares issued for cash

The Company registered another equity issue with the Madrid Companies Register on April 25, 2016, specifically a 4,995 thousand euro rights issue comprising the issuance of 62,436,290 new shares with a unit par value of 0.05 euros and a per-share premium of 0.03 euros. That rights issue was a rounding success as it was oversubscribed by a factor of 7.5.

Expansion of the equity line

On June 9, 2016, the Company arranged an equity line with Renta 4 Banco, S.A. under which Amper, S.A. is entitled but not obliged to require Renta 4 to subscribe to one or more rights issues covering a total sum of 4 million euros during a period of one year from the date of its execution. Renta 4, for its part, has arranged a securities loan over ordinary shares with Catalectic, S.L. and Emilanteos, S.L., the holding companies owned by the Chairman of the Board of Directors of Amper, who will receive no remuneration whatsoever for the loan of these securities.

Against this backdrop, a first subscription period began on June 15, 2016 and ended on July 5, 2016 with Renta 4 deciding to subscribe and pay for a capital increase in the amount of 839 thousand euros, comprising 10 million new shares with a par value of 0.05 euros and a share premium of 0.03388 euros per share.

The deeds to the shares issued for 838,787.12 euros of cash in connection with this equity line were registered with the Madrid Companies Register on September 28, 2016. The issue entailed the issuance of 10,000,000 new shares with a unit par value of 0.05 euros.

Shares issued to cover 2nd warrants conversion window

In addition, pursuant to the resolution adopted at the Annual Shareholders General Meeting of June 30, 2015 and ratified at the Annual Shareholders General Meeting of May 13, 2016, the Company's Board of Directors resolved, at a meeting held on July 11, 2016, to increase capital by offsetting part of the debt deriving from the Company's Refinancing Agreement, specifically Tranche B, in response to the second conversion applications filed by BNP Paribas S.A. Sucursal España and BNP Paribas Fortis SA/NV Sucursal España. The balance of debt swapped for equity (and which in 2015 had been recognized as an equity instrument in the amount of 349 thousand euros) was 2,226 thousand euros and gave rise to the creation of 3,713,213 new shares. The equity issue carried out to offset part of the debt deriving from the Company's Refinancing Agreement, specifically Tranche B, in response to the conversion applications filed by BNP Paribas S.A. Sucursal España and BNP Paribas Fortis SA/NV Sucursal España was registered with the Madrid Companies Register on September 28, 2016. The balance of debt converted into equity was 2,226,000.94 euros and implied the issuance of 3,713,213 new shares with a unit par value of 0.05 euros; the difference between the equity instrument derecognized and the value of the shares issued was recognized in reserves.

Shares issued to offset credit claims

As indicated in note 8.1, in 2016, the Group received payments of 11,325 thousand euros that have been classified as equity instruments on account of their characteristics.

One of the motions carried at the Extraordinary General Meeting held by Amper S.A. on October 3, 2016 was the issuance of shares as consideration for the offset of credit claims against the Company under the syndicated financing agreement entered into with Alternative Financing, Estructuración y Origenación, S.L.U. (Alterfin) and the delegation in the Board of Directors of the power to issue shares as necessary to this end. Duly exercising this delegated right, on November 11, 2016, the Board of Directors of Amper, S.A. resolved to issue shares for the purpose of offsetting credit claims against the Company in respect of tranches 1 and 2 of the financing agreement with Alterfin. The equity raise totaled 5,950 thousand euros (canceling the equity instruments in the same amount), namely 2,000 thousand euros in respect of tranche 1 and 3,950 thousand euros in respect of tranche 2; in exchange, the Company issued 85 million shares with a unit par value of 0.05 euros and a share premium of 0.02 euros. That resolution was placed on public record on November 21, 2016. This equity issue was registered in the Madrid Companies Register on January 10, 2017.

Changes in equity in 2015:

At a meeting held on March 31, 2015, the Board of Directors of Amper, S.A., exercising the power vested in it at the Extraordinary General Meeting of March 15, 2015, resolved to increase the Company's share capital by 19,940 thousand euros by means of the issuance of 398,815,175 ordinary shares, each with a par value of 0.05 per share and no share premium.

These shares were subscribed for during three periods:

- The Preemptive Subscription Period, which ended on May 28, 2015, during which existing shareholders subscribed for 300,931,015 ordinary new-issue Amper, S.A. shares, representing 75.5% of the rights issue.

- The Additional Share Allocation Period, which ended on June 3, 2015, during which shareholders subscribed for 21,217,603 ordinary new-issue Amper, S.A. shares, representing 5.3% of the rights issue.
- The Discretionary Allocation Period, which ended on June 4, 2015, for which demand amply exceeded the number of shares still to be allocated, such that the rights issue was declared fully subscribed at a total effective amount of 19,940 thousand euros.

The rights issue was recorded in the Madrid Companies Register on June 12, 2015 in tome 30,649, folio 21, section 8, sheet M-21107, entry no. 406.

At the Annual Shareholders General Meeting held on June 30, 2015, the Company's shareholders ratified another rights issue of 7,383 thousand euros via the issuance of 147,650,043 ordinary shares with a par value of 0.05 euros and no share premium. This issue gave the investment community broader access to the Company's equity and satisfied latent demand for shares in the wake of the prior rights issue, which had been oversubscribed. This capital increase was recorded in the Madrid Companies Register in the amount of 7,381 thousand euros on August 18, 2105 in tome 30,649, folio 23, section 8, sheet M-21107, entry no. 407.

Share premium

The consolidated text of the Spanish Corporate Enterprises Act expressly permits the use of the share premium balance to increase capital and provides no specific limitation with respect to the availability of that balance. The share premium account stood at 3,912 thousand euros at December 31, 2016 as a result of the various issues of shares with a premium. This account breaks down as follows:

| | Share premium (thousands of euros) |
|---------------------------------------|---------------------------------------|
| Balance at Dec. 31, 2015 | --- |
| Shares issued for cash | 1,873 |
| Expansion of the equity line | 339 |
| Shares issued to offset credit claims | 1,700 |
| Balance at Dec. 31, 2016 | 3,912 |

Other reserves

a) Legal reserve (Spanish companies)

The Spanish Corporate Enterprises Act stipulates that 10% of profit for each year be transferred to the legal reserve until it represents at least 20% of share capital. The legal reserve may be used to increase capital in an amount equal to the portion of the balance that exceeds 10% of capital after the increase. Otherwise, until it exceeds 20% of share capital and provided there are no sufficient available reserves, the legal reserve may only be used to offset losses. The sum of 5,906 thousand euros was allocated to this reserve in 2016.

b) Other reserves

The various non-cash equity issues had an aggregate impact on reserves of 2,817 thousand euros, as follows:

| | Other reserves (thousands of euros) |
|--|---|
| Shares issued to cover 1 st warrants conversion window | 2,035 |
| Shares issued in conjunction with the Brazil refinancing transaction | 619 |
| Shares issued to cover 2 nd warrants conversion window | 163 |
| Total | 2,817 |

Translation differences

The breakdown by region of translation differences in the consolidated statement of financial position at year-end:

| | 2016 | 2015 |
|----------------------|------------|--------------|
| Amper do Brasil | 1,580 | 1,749 |
| Hemisferio do Sul | (2,247) | (2,916) |
| Medidata Informática | 6,614 | 6,387 |
| eLandia sub-group | (6,120) | (3,729) |
| Cook | 466 | (180) |
| Total | 293 | 1,311 |

Own shares

The Group did not hold any own shares at year-end 2016 or 2015.

In 2015, 1,564,093 Amper S.A. shares were recovered under agreements entered into by the Board of Directors. Those shares, issued in September 2013, had been originally delivered to offset credit claims held by minority shareholders in eLandia International, Inc. (note 14).

Given the impossibility of actually delivering the shares as contemplated in the initial agreement to one of the minority shareholders, the directors of Amper S.A. deemed the agreement terminated and proceeded to recoup the Parent's own shares, thereby reducing the Company's equity by 243 thousand euros.

After it recovered the above own shares, Amper, S.A. proceeded to sell them all along with the own shares it held at the start of 2015. The above-mentioned transactions had the effect of reducing "Reserves" in the consolidated statement of financial position by 1,712 thousand euros in 2015, the disposal having generated a cash inflow of 600 thousand euros.

Equity instruments

The reconciliation of this heading (in thousands of euros):

| | |
|--|---------------|
| Balance at Dec. 31, 2015 | 17,390 |
| 1 st warrants conversion window | (4,348) |
| Brazil refinancing transaction | (1,108) |
| 2 nd warrants conversion window | (349) |
| Offset of credit claims held by Alterfin | (5,950) |
| Total derecognized | (11,755) |
| Brazil refinancing transaction | 1,108 |
| Offset of credit claims held by Alterfin | 8,000 |
| Offset of credit claims held by Alterfin (Nervión transaction) | 3,325 |
| Total additions | 12,433 |
| Balance at Dec. 31, 2016 | 18,068 |

1st and 2nd warrants conversion windows

As stipulated in the syndicated refinancing agreement entered into on April 13, 2015, which took effect on September 24, 2015, and by virtue of a shareholder resolution taken at the Extraordinary General Meeting of Amper, S.A. on March 15, 2015, the debt held by the financial institutions corresponding to Tranche B (note 13), in the amount of 111 million euros, was converted into shares of Amper, S.A. at the individual discretion of each lender (on the understanding that such conversion constitutes a right and not an obligation).

The only alternative offered under the agreement to the conversion of their debt into shares is the forgiveness of 100% of the fixed-income securities representing Tranche B. In short, if on the Final Maturity Date all of the warrants have not been converted during the various conversion windows, the debt outstanding under Tranche B would be canceled pursuant to the above forgiveness clause and Amper, S.A. would have no contractual obligation to deliver cash to the lenders. As a result, under no circumstances is Amper obliged to deliver cash to the lenders in respect of Tranche B.

The right to convert the Tranche B debt into shares of Amper, S.A. was structured by issuing warrants to the Tranche B lenders; these warrants entitle the latter to subscribe exclusively for credit offsets and, during the corresponding conversion windows, for a number of new shares of Amper, S.A. in proportion to their interest in the Tranche B debt at the conversion price of 0.05 euros (i.e., each warrant, once exercised, entitles its holder to one Amper share with a par value of 0.05 euros). Notwithstanding the foregoing, the maximum number of shares that can be subscribed by means of exercising the warrants is 185,000,000.

The conversion windows stipulated in the refinancing agreement are as follows:

| Windows | Conversion date | Maximum number of warrants convertible |
|------------|-------------------------------|--|
| First | December 2015 | 46,250,000 |
| Second | June 2016 | 46,250,000 |
| Third | September 2017 | 46,250,000 |
| Thereafter | Annually until September 2025 | 46,250,000 |
| | | 185,000,000 |

At December 31, 2016, the equity instrument associated with the Tranche B debt was carried at 12,693 thousand euros (17,390 thousand euros at December 31, 2015).

In 2016, in keeping with the above conversion windows, 46,250,000 and 3,713,213 warrants were converted during the first and second conversion windows, respectively, and the Board of Directors of Amper, S.A. resolved to issue 46,250,000 and 3,713,213 new shares in exchange for the corresponding credit offsets.

For measurement purposes, and in keeping with the settlement mechanism by which Amper issues own shares, the rule applicable to measuring the equity instrument issued is IAS 32 (specifically paragraphs 11, 16, 21 to 24 and AG27). In keeping with the terms of the syndicated loan agreement, the only manner in which the warrants are expected to be settled is by means of the issuance of a fixed number of Amper, S.A. shares (specifically, 185 million). Pursuant to the syndicated loan agreement, the lenders (i.e., the warrant holders) can choose not to exercise their warrants, instead forgiving their interest in the loan.

In this instance, the number of shares to be issued would be variable rather than fixed. However, Amper has assumed that despite this legal entitlement, the possibility of not exercising their rights is not a real option given that all the investors, following economic logic, will opt to convert their warrants into shares, the alternative being no remuneration whatsoever.

In light of the foregoing, the instrument meets the 'fixed for fixed' condition stipulated in IAS 32 as the warrants will be settled solely by the issuance of a fixed number of shares, which means that it must be treated as equity for accounting purposes.

Offset of credit claims held by Alterfin

"Equity instruments" also includes 2,050 thousand euros at year-end 2016 in respect of the equity component (the entire amount as the liability component is not material) associated with the 8 million euros of financing extended by Alterfin (note 2.4).

As at the date of authorizing the accompanying consolidated financial statements for issue, Alterfin has formally asked Amper to convert the outstanding balance of 2,050 thousand euros, such that the Parent was in the process of formally issuing 29,285,713 shares at the established conversion price, i.e., the par value of an Amper share plus a share premium of 0.02 euros per share.

Offset of credit claims held by Alterfin - Nervión transaction

Lastly, at December 31, 2016, this heading included the equity component - in the amount of 3,325 thousand euros - of the financing extended by Alterfin on December 27, 2016 such that Amper could in turn extend Nervión the financing described in note 8 above.

Against this backdrop, Amper has entered into a syndicated financing agreement with Alternative Financiación Estructuración y Origenación, S.L. in the amount of 6.75 million euros, which is convertible into Amper shares at a price of 0.085 euros per share; this loan can be drawn down in three tranches, one on the date of the contract's execution, i.e., December 27, 2016 (which was fully disbursed in the amount of 3,325 thousand euros) and the other two, up to the full amount of the loan, to be disbursed by Alterfin during the first half of 2017 (note 8).

Conversion into shares of Amper will take the form of an equity issue for the offset of credit claims that will have to be approved, in keeping with the Corporate Enterprises Act, by the Company's shareholders in general meeting. Conversion of the entire 6.75 million euro loan will imply the issuance of 79,411,763 new Amper shares. The Parent estimates that the liability component is not material in light of the conversion terms stipulated in the financing agreement.

Earnings per share (EPS)

Basic EPS amounts are calculated by dividing profit / (loss) for the year attributable to ordinary equity holders of the Parent by the weighted average number of ordinary shares outstanding during the year, excluding own shares.

The number of basic shares differs from diluted shares at December 31, 2016 by 243,734,263 shares. As outlined above, 135,036,787 shares have been earmarked for the exercise of warrants, 29,285,713 to conversion of the last tranche of the loan extended by Alterfín and 79,411,763 to conversion of the loan granted in connection with the Alterfín-Nervi3n transaction.

The basic and diluted earnings per share calculations are detailed below:

| | 2016 | 2015 |
|--|----------------|--------------|
| Profit/(loss) attributable to ordinary equity holders of the Parent (thousands of euros) | (2,666) | 90,044 |
| Weighted average number of ordinary shares outstanding, excluding own shares (no. of shares) | 681,603,005 | 318,531,743 |
| Basic EPS (euros per share) | (0.004) | 0.283 |
| Effects of dilution: shares to be issued when warrants are exercised | 243,734,263 | 185,000,000 |
| Diluted EPS (euros per share) | (0.003) | 0.179 |

The weighted average number of ordinary shares was calculated as follows:

| | 2016 | 2015 |
|---|--------------------|--------------------|
| Ordinary shares outstanding at January 1 | 590,600,174 | 44,134,956 |
| Effect of changes in own shares | — | (927,655) |
| Effect of shares issued on June 12, 2015 | — | 220,714,152 |
| Effect of shares issued on August 18, 2015 | — | 54,610,290 |
| Effect of shares issued on February 19, 2016 | 39,931,694 | — |
| Effect of shares issued on April 25, 2016 | 42,647,739 | — |
| Effect of shares issued on July 1, 2016 | 4,901,425 | — |
| Effect of shares issued on September 28, 2016 | 3,521,973 | — |
| Weighted average ordinary shares | 681,603,005 | 318,531,743 |

Non-controlling interests

The breakdown, by geography, of "Non-controlling interests" in the consolidated statement of financial position at December 31, 2016 and 2015 and the profit/(loss) attributable to non-controlling interests in the years then ended is provided below:

| Company with non-controlling interests | (Thousands of euros) | | | |
|--|---------------------------|---|---------------------------|---|
| | Dec. 31, 2016 | | Dec. 31, 2015 | |
| | Non-controlling interests | Profit/(loss) attributable to non-controlling interests | Non-controlling interests | Profit/(loss) attributable to non-controlling interests |
| Medidata Informática | 2,023 | (367) | 2,299 | 113 |
| eLandia International Inc. | 10,976 | 860 | 10,868 | 329 |
| South Pacific | 18,060 | 4,188 | 13,253 | 3,096 |
| Total | 31,059 | 4,681 | 26,420 | 3,538 |

The reconciliation of the opening and closing balances of non-controlling interests is summarized below (in thousands of euros):

| | Dec. 31, 2016 | Dec. 31, 2015 |
|---|---------------|---------------|
| Opening balance | 26,420 | 12,073 |
| Change in non-controlling interests in Landata Comunc. de Empresa, S.A. | --- | (973) |
| Translation differences and other movements | (42) | 1,387 |
| Share of profit/(loss) for the year | 4,681 | 3,538 |
| First-time consolidation of Cook Islands (note 2.3) | --- | 10,395 |
| Total | 31,059 | 26,420 |

The non-controlling interest in Landata Comunicaciones de Empresa, S.A. was derecognized in 2015. On December 23, 2015, the Group increased its shareholding in Landata Comunicaciones de Empresa, S.A. to 100%, having acquired the 19.9% formerly held by this investee's minority shareholder, Ericsson España, S.A. The shareholding was acquired for one euro. This transaction enabled the Amper Group to continue to optimize its subsidiary holding structure.

12. Non-current provisions

The reconciliation of the opening and closing balances of non-current provisions (thousands of euros):

| | Legal proceedings and/or claims | Other provisions | Total |
|--|---------------------------------|------------------|--------------|
| Balance at Dec. 31, 2015 | 409 | 2,706 | 3,115 |
| Unused amounts reversed through profit or loss | --- | (595) | (595) |
| Provisions recognized | --- | 3,175 | 3,175 |
| Transfer to "Other current liabilities" | (409) | --- | (409) |
| Translation differences | --- | (243) | (243) |
| Balance at December 31, 2016 | --- | 5,043 | 5,043 |

This heading mainly encompasses provisions recorded to cover the liquidation of the Amper Group's companies in Latin America, which are itemized in note 2.7 above.

13. Borrowings

Current and non-current borrowings break down as follows at year-end:

| | (Thousands of euros) | | | |
|---------------------------|----------------------|---------------|---------------|---------------|
| | Dec. 31, 2016 | | Dec. 31, 2015 | |
| | Current | Non-current | Current | Non-current |
| Local currency borrowings | 2,462 | 13,700 | 38,279 | 37,823 |
| Total borrowings | 2,462 | 13,700 | 38,279 | 37,823 |

Maturity profile of the Group's borrowings at December 31, 2016

The table below summarizes the maturity profile of the Group's bank borrowings at year-end 2016 (thousands of euros):

| | Balance at Dec. 31, 2016 | Current | Non-current | | | Total non-current |
|----------------------|--------------------------|--------------|-------------|------------|-----------------|-------------------|
| | | 2017 | 2018 | 2019 | 2020 and beyond | |
| Local-currency loans | 16,162 | 2,462 | 800 | 900 | 12,000 | 13,700 |
| Total | 16,162 | 2,462 | 800 | 900 | 12,000 | 13,700 |

At year-end 2016, the Amper Group had different kinds of bank financing in its various operating regions, as described below:

| | Balance at Dec. 31, 2016 | Current (2017) | Non-current |
|------------------------|--------------------------|----------------|---------------|
| Local financing, Spain | 14,882 | 1,182 | 13,700 |
| Local financing, Latam | 1,280 | 1,280 | — |
| Total | 16,162 | 2,462 | 13,700 |

"Local financing, Spain" includes the following financial instruments:

- (i) A 15 million euro syndicated loan (Tranche A of the bank refinancing agreement) granted by a syndicate of financial institutions, with LPI Loan Agency Services, S.L. acting as agent bank and Fore Research Management LP the lead member of the syndicate with an interest of approximately 52% in the facility at year-end 2016.

Tranche A is repayable to the banks in five annual instalments, as detailed below:

| Instalment # | Amortization date | Interest rate | Amount to be repaid (Thousands of euros) |
|--------------|-------------------|---------------|--|
| 1 | April 13, 2017 | Euribor + 3% | 700 |
| 2 | April 13, 2018 | Euribor + 3% | 800 |
| 3 | April 13, 2019 | Euribor + 3% | 900 |
| 4 | April 13, 2020 | Euribor + 3% | 12,000 |
| | | | 14,400 |

The financing agreement establishes a minimum rate (a floor rate) in respect of the applicable Euribor rate of 0%. This means that in the event that the Euribor rate were negative at any time during the life of the loan, Amper, S.A. would pay a rate equivalent to zero.

The 600 thousand euro instalment due in 2016 was repaid on time in 2016.

- (ii) In addition, on October 7, 2015, Amper, S.A. arranged a credit facility with Fore Multi Strategy Master Fund, a fund managed by Fore Research Management LP. This 10 million US dollar facility was due in June 2016 and the proceeds were used to fund the Group's working capital needs. The principal outstanding at December 31, 2015 totaled 9,185 thousand euros and had been repaid in full by year-end 2016.
- (iii) Lastly, the Spanish companies have drawn down other loans totaling 482 thousand euros, which are classified within current financial liabilities.

"Local financing, Latam" includes loan facilities drawn down at year-end 2016 by 1,280 thousand euros; these loans accrue interest at market rates. This heading primarily includes the borrowings of the following Amper Group subsidiaries:

| | Balance at Dec. 31, 2016 | Current (2017) | Currency | Financial institution | Interest rate |
|--------------|--------------------------|----------------|----------|--------------------------------------|---------------|
| Colombia | 963 | 963 | USD | Banco de Bogotá & Banco de Occidente | 9.71% |
| Colombia | 229 | 229 | USD | Factoring Av Vilas | 8.67% |
| Costa Rica | 88 | 88 | USD | Banco San José | 6.5% |
| Total | 1,280 | 1,280 | | | |

The amortized cost of the fixed-rate loans approximates their fair value.

Maturity profile of the Group's borrowings at December 31, 2015

The table below summarizes the maturity profile of the Group's bank borrowings at year-end 2015 (thousands of euros):

| | Borrowings at December 31, 2015 maturing in: | | | | | |
|----------------------|--|---------------|--------------|--------------|-----------------|-------------------|
| | Balance at Dec. 31, 2015 | Current | Non-current | | | Total non-current |
| | | 2016 | 2017 | 2018 | 2019 and beyond | |
| Local-currency loans | 76,102 | 38,279 | 5,986 | 6,684 | 25,153 | 37,823 |
| Total | 76,102 | 38,279 | 5,986 | 6,684 | 25,153 | 37,823 |

At year-end 2015, the Amper Group had different kinds of bank financing in its various operating regions, as described below:

| | Balance at Dec. 31, 2015 | Current (2016) | Non-current |
|--------------------------------|--------------------------|----------------|---------------|
| Local financing, Spain | 25,357 | 10,474 | 14,883 |
| Local financing, Latam | 18,130 | 17,146 | 984 |
| Local financing, South Pacific | 32,615 | 10,659 | 21,956 |
| Total | 76,102 | 38,279 | 37,823 |

"Local financing, Spain" included the following financial instruments:

- (iv) A 15 million euro syndicated loan (Tranche A of the bank refinancing agreement) granted by a syndicate of financial institutions, with LPI Loan Agency Services, S.L. acting as agent bank and Fore Research Management LP the lead member of the syndicate with an interest of nearly 50% in the facility. Tranche A is repayable to the banks in five annual instalments, as detailed below (in thousands of euros):

| Instalment # | Amortization date | Interest rate | Amount to be repaid |
|--------------|-------------------|---------------|---------------------|
| 1 | April 13, 2016 | Euribor + 3% | 600 |
| 2 | April 13, 2017 | Euribor + 3% | 700 |
| 3 | April 13, 2018 | Euribor + 3% | 800 |
| 4 | April 13, 2019 | Euribor + 3% | 900 |
| 5 | April 13, 2020 | Euribor + 3% | 12,000 |
| | | | 15,000 |

- (v) In addition, on October 7, 2015, Amper, S.A. arranged a credit facility with Fore Multi Strategy Master Fund, a fund managed by Fore Research Management LP. This USD10 million facility was due in June 2016 and the proceeds were used to fund the Group's working capital needs. The balance outstanding under this facility at year-end 2015 was 9,185 thousand euros.
- (vi) Lastly, the Spanish companies had drawn down other loans totaling 1,172 thousand euros, 689 thousand euros of which was classified within current financial liabilities.

"Local financing, Latam" included loan facilities drawn down at year-end 2015 by 18,130 thousand euros; these loans accrued interest at market rates. This heading primarily included the borrowings of the following Amper Group subsidiaries:

| | Balance at Dec. 31, 2015 | Current (2016) | Non-current | Currency | Financial institution | Interest rate |
|--------------|--------------------------|----------------|-------------|----------|--|---------------|
| Colombia | 2,218 | 2,218 | — | USD | Banco de Bogotá & Banco de Occidente | Fixed 8.9% |
| Ecuador | 3,209 | 3,209 | — | USD | Latam Networking | Fixed 10.5% |
| Panama | 3,836 | 3,836 | — | USD | Banco de Panamá & Banesco | Fixed 6.75% |
| Brazil | 8,867 | 7,883 | 984 | RBL | Votorantim / Citibank / Bradesco / Finep | Fixed 17% |
| Total | 18,130 | 17,146 | 984 | | | |

Part of the borrowings of the Brazilian subsidiary were converted into shares of the Parent as part of the ongoing process of optimizing the Group's capital structure, reducing this subsidiary's liabilities by 5,784 thousand euros.

"Local financing, South Pacific" included loans drawn down in the different locations comprising this business unit, as shown below:

| | Balance at Dec. 31, 2015 | Current (2016) | Non-current | Currency | Financial institution | Interest rate |
|----------------|--------------------------|----------------|---------------|----------|------------------------|---------------|
| Samoa | 11,659 | 1,830 | 9,829 | USD | ANZ Samoa Limited | Fixed 4.25% |
| American Samoa | 14,074 | 8,103 | 5,971 | USD | ANZ Amerika Samoa Bank | Fixed 4.9% |
| Cook Islands | 6,882 | 726 | 6,156 | USD | ANZ Cook Islands | Fixed 8.3% |
| Total | 32,615 | 10,659 | 21,956 | | | |

2013-2015 refinancing work

On April 30, 2013, the Amper Group embarked on the process of restructuring its syndicated loan in Spain in order to adjust it to the Business Plan and the new capital structure. This process culminated successfully, as outlined next.

The Syndicated Loan Agreement covering the Group's Spanish borrowings was signed on April 13, 2015 with 92.2% of the banks in the syndicate signing this agreement. This development triggered the start of the judicial recognition proceedings, which culminated on September 23, 2015 with Commercial Court No. 5 of Madrid issuing the recognition deed for the Syndicated Loan Agreement.

Accordingly, the record attesting delivery of that Agreement's conditions precedent was signed on September 24, 2015, upon which it took effect.

The main aspects of the Loan Agreement associated with the restructured debt are outlined below:

- The restructuring of the Spanish debt - in the amount of 125,904 thousand euros - into a secured loan in the amount of 15,000 thousand euros (Tranche A) and convertible debt of 110,904 thousand euros (Tranche B) (note 11).
- As a result, the shareholders of Amper S.A., at the Annual Shareholders General Meeting of June 30, 2015, authorized the issuance of warrants in order to capitalize the banks' Tranche B credit claims; these warrants are convertible into 185 million new-issue Company shares with a unit par value of 0.05 euros and a share premium.

Given the nature of the sector and the financial situation of Amper, S.A. at the time of the restructuring work, it was determined that the best evidence of the fair value of its new borrowings (price of the debt) was the rate of interest at which the new loan was extended. The new debt was extended at 3-month Euribor plus a spread of 3% such that its fair value was its face value: 15 million euros.

IAS 39 (paragraphs 39 to 42 and AG57 to AG63) regulates the conditions under which the modification of the terms of a liability triggers its derecognition. Management determined that the restructured debt constituted new debt (substantially different terms and conditions), because:

- The old debt was converted partly into new debt and partly into an equity instrument. In fact, most of it was capitalized. In this respect, the transaction had to be accounted for under IFRIC 19 *Extinguishing financial liabilities with equity instruments*.
- The old debt comprised various loans with different contractual and legal characteristics: a syndicated loan, credit lines, an official loan (ICO) and official and trade finance, etc. That debt was converted into a single financing facility comprising two tranches (Tranche B being an equity instrument and Tranche A being a debt instrument).
- Part of the old debt was past due at the date of the restructuring.
- The old and new creditors were largely but not exactly the same.
- On aggregate, the fair value of the newly issued instruments (for the large part constituted by the new Tranche B) and the carrying amount of the old instruments was substantially different.

In light of the above, at year-end 2015, the carrying amount of the original liability was derecognized and, in keeping with paragraphs 6, 7 and 10 of IFRIC 19 *Extinguishing financial liabilities with equity instruments* and paragraphs 40 and 41 of IAS 39, the newly-issued instruments (Tranche A and Tranche B) were recognized at their fair value as of the restructuring date. The difference was recognized in the statement of profit and loss. As stipulated in paragraph 6 of IFRIC 19, management determined that it could reliably measure the equity instruments issued for the creditors as part of the restructuring work in order to fully or partially cancel their financial claims because Amper's shares are publicly traded.

Given that the terms of the loan constituting Tranche A differed substantially from the previously existing loan, the carrying amount of the old loan was derecognized and the new loan was initially recognized at its fair value which, according to the analysis performed by Amper, S.A., coincided with its face value. Amper, S.A. also analyzed whether the existence of a minimum interest rate could imply the existence of an embedded derivative. However, since this instrument was out of the money at the inception of the contract, it was decided that it could not be separated from the host instrument (the loan) and accordingly no sum was recognized in this respect.

As for Tranche B, the warrants issued were accounted for at their fair value as of the date of effectiveness of the refinancing agreement in the amount of 17,390 thousand euros (note 11). Meanwhile, the carrying amount of the corresponding financial liability, in the amount of 110,904 thousand euros, was derecognized. As a result of this transaction, the Group recognized a gain of 93,514 thousand euros within "Finance income" in the 2015 consolidated income statement (note 16).

Borrowings: guarantees and covenants

The Spanish Syndicated Loan Agreement was signed by the banks on April 13, 2015; the agreement had been contingent upon the delivery of a series of conditions precedent. On September 23, 2015, Commercial Court No. 5 of Madrid issued the recognition deed for the Syndicated Loan Agreement, triggering execution of the record attesting delivery of the agreement's conditions precedent, upon which it took effect.

In keeping with the above-mentioned Syndicated Loan Agreement, the syndicated loan received by Amper, S.A., which is guaranteed by multiple Group companies (Amper Sistemas S.A., Sociedad Limitada de Finanzas y Telecomunicaciones, S.L., eLandia International, LTD, Servidesca México, SRL de CV, Desca Panamá and Desca Colombia S.A.) entails the following key obligations and commitments:

First-lien priority over:

- Pledge over all of the shares owned by Amper - or its Group companies - in the following companies: Desca Transistemas, S.A., eLandia International Inc, Servidesca México, SRL de CV, Desca Panamá, Desca Colombia, S.A., Medidata informática, S.A. and Descaserv Ecuador, S.A.
- Credit claims deriving under the main intra-group contracts executed by Amper S.A. with any of the Amper Group companies itemized immediately above.

The Syndicated Loan Agreement includes several undertakings to do or not to do certain things, notable among which:

- Positive covenants:
 - Undertaking to maintain existing direct and indirect shareholdings in the Group companies.
- Negative covenants:
 - Undertaking not to dispose of assets, existing or created in the future in the ordinary course of business operations, of any of the companies that represent individually or in aggregate during the life of Tranche A over 5% of consolidated EBITDA or the consolidated revenue of the Amper Group in the immediately preceding financial year.
 - Undertaking not to transact in own shares in any way.

The loans received by the Amper Group company located in the South Pacific, AST Telecom, LLC, with a carrying amount at year-end 2016 of 6,176 thousand euros, which are guaranteed by eLandia International, Inc and American Samoa Entertainment, Inc., entail the following key obligations:

- A pledge over all of the assets of AST Telecom LLC, whose carrying amount at December 31, 2016 stood at 29,743 thousand euros, a figure which includes the shares in Group company Bluesky Samoatel Investment Ltd and certain land and improvements in the city of Ilili.
- A pledge over certain of the assets of Group subsidiary eLandia International, Inc., including trade receivables, inventories and its shares in AST Telecom LLC, among other things.

The loans received by the Amper Group company located in the South Pacific, American Samoa Hawaii Cable, LLC, with a carrying amount at year-end 2016 of 932 thousand euros, which are guaranteed by eLandia International, Inc. and American Samoa Hawaii Undeployed Cable, LLC., entail the following key obligations:

- A pledge over all of the assets of Group companies American Samoa Hawaii Cable, LLC and American Samoa Hawaii Undeployed Cable, LLC, whose carrying amount at year-end 2016 stood at 17,790 thousand euros, and a pledge over future profits under certain contracts with customers of American Samoa Hawaii Cable, LLC.

The loans received by the Amper Group company located in the South Pacific, Bluesky Samoa, Ltd, with a carrying amount at year-end 2016 of 10,581 thousand euros, are secured as follows:

- A mortgage over all of the assets of Group company Amper Bluesky Samoa, Ltd., with a carrying amount at year-end 2016 of 30,298 thousand euros, including the mortgage on the company's offices in Maluafou.

The loan received by the Amper Group company located in the Cook Islands, Teleraro, Ltd, with a carrying amount at year-end 2016 of 6,488 thousand euros, which is guaranteed by Bluesky Samoa, Ltd and AST Telecom LLC, entails the following key obligations:

- A pledge over the assets of Group company Teleraro, Ltd, with a carrying amount at year-end 2016 of 18,535 thousand euros, which assets include the shares in Group company TCNZ Cook Islands, Ltd., as well as a negative pledge in respect of the shares of the latter.

In addition, Group companies eLandia, International, eLandia Technologies and AST Telecom LLC have extended guarantees over the advance payment received from Amalgamated Telecom Holdings Limited (note 14), thereby assuming the following commitments:

- A pledge over 65% of the shares held by eLandia Technologies in American Samoa Hawaii Cable, LLC.
- A pledge over 100% of the shares held by Amper eLandia International in eLandia Technologies.
- A pledge over certain of the assets of AST Telecom LLC, including:
 - 65% of the shares held by AST Telecom LLC in American Samoa Entertainment and Bluesky Communications Limited.
 - 88.44% of the shares held by AST Telecom LLC in Bluesky SamoaTel Investments.
 - 64% of the shares held by AST Telecom LLC in Moana Communications Limited.
 - 64% of the shares held by AST Telecom LLC in Bluesky Pacific Holdings.

The amortized cost of the bank borrowings of the Group companies not located in Spain is not materially different from their fair value at December 31, 2016.

Tranche A of the syndicated loan includes a covenanted leverage obligation throughout the term of the loan. Leverage for this purpose is defined as Net Debt over EBITDA. There is also an interest coverage ratio, measured as EBITDA over net interest expense. The limits stipulated in the loan agreement for these ratios in 2016 are shown below:

| Ratio | Limit |
|---|-------|
| Leverage ratio (maximum threshold) | 2.40 |
| Interest coverage ratio (minimum threshold) | 3.49 |

The Amper Group was in compliance with these covenanted ratios at year-end 2016.

14. Trade and other current and non-current payables

These consolidated statement of financial position headings break down as follows:

- Other non-current liabilities

| | (Thousands of euros) | |
|------------------------------------|----------------------|---------------|
| | 2016 | 2015 |
| Other financial liabilities | 197 | 230 |
| Deferred tax liabilities (note 19) | 11 | 1,187 |
| Other non-current payables | 8,903 | 9,285 |
| Total | 9,111 | 10,702 |

"Other financial liabilities" essentially includes the loans received from Spain's Ministry of Industry, Tourism and Commerce and from the CDTI, the acronym in Spanish for the Centre for the Development of Industrial Technology, for various projects being undertaken by Amper Sistemas, S.A.U.

"Other non-current liabilities" includes 2,842 thousand euros (year-end 2015: 5,461 thousand euros) of trade credit arranged with the Group's main supplier, the negotiation of which entailed its classification as non-current debt at year-end 2015. That debt is repayable in the amount of 2,520 thousand US dollars a year (210 thousand US dollars a month). In addition, "Trade and other accounts payable" in the accompanying consolidated statement of financial position include the balance payable to this supplier in 2017 in the amount of 2,391 thousand euros.

This heading also includes a 3,604 thousand euro liability covering all of the settlement reached with the tax authority of the state of Rio de Janeiro in respect of certain tax assessments levied against the Brazilian subsidiary. The parties have agreed upon a 10-year repayment schedule, thereby waiving entitlement to any additional claims in this respect.

In addition, it includes the amount payable in respect of the Cable Andino lawsuit under the terms of the settlement reached by the parties to the dispute. This settlement agreement, entered into between Amper and Cable Andino on October 16, 2014, implies the payment of damages to Cable Andino totaling USD4 million, payable between the date of the agreement and 2018, plus the delivery of 20 million options over new shares to be issued by Amper which Cable Andino may exercise during set windows at a fixed price of 0.55 euros.

The 2016 consolidated financial statements recognize the liability in respect of the damages payable, as stipulated in the agreement with Cable Andino, in the amount of 1,214 thousand euros (1,617 thousand euros at year-end 2015), with 759 thousand euros recognized under this heading and 455 thousand euros under "Other current liabilities" (1,094 and 523 thousand euros at year-end 2015, respectively).

The related options meet the criteria for recognition as an equity instrument as they will be settled by issuing a fixed number of shares at a fixed price. Accordingly, in keeping with prevailing accounting regulations, they are initially recognized at their fair value and are not subject to remeasurement. At the date of the agreement with Cable Andino, the share price of Amper, S.A. was around 0.11 euros versus a strike price of 0.55 euros, so that it was deemed improbable that these options would be exercised; accordingly, these instruments' fair value was considered zero and the accompanying consolidated financial statements do not recognize any amount in this connection.

- Trade and other payables (thousands of euros):

| | 2016 | 2015 |
|-------------------------------|---------------|---------------|
| Trade payables, third parties | 20,156 | 58,202 |
| Advances received | 759 | 4,645 |
| Other current liabilities | 6,194 | 4,598 |
| Employee benefits payable | 1,932 | 3,457 |
| Total | 29,041 | 70,902 |

"Other current liabilities" recognizes the financial instrument, measured at its fair value in the amount of 1,936 thousand euros (3,321 thousand euros at December 31, 2015), corresponding to the derivative related to the price guaranteed to minority shareholders in eLandia. The instrument is valued at the difference between the price of 3.68 euros per Amper, S.A. share guaranteed to the non-controlling shareholders of eLandia in exchange for the purchase of their interests and the value of Amper's shares two years after execution of the agreement. The Parent's directors believe that the amount recognized in this respect is sufficient to cover the potential claims of the minority shareholders in connection with the subsidiary's delisting.

The delisting of Group subsidiary eLandia International, Inc. implied a 12% increase in Amper, S.A.'s shareholding to 98.95% as of December 31, 2013. The delisting was structured as a share-purchase agreement entered into on February 6, 2013, with new-issue shares of the Parent delivered as consideration. At the Annual Shareholders General Meeting held on June 18, 2013, the Company resolved to issue 2,691,452 new Amper S.A. shares to the 41 qualifying former minority shareholders of eLandia. Those minority shareholders signed the above-mentioned agreement on February 6, 2013, thereby accepting to sell their eLandia shares to Amper in exchange for new Amper shares at a guaranteed minimum price. The difference between the quoted price of Amper's shares and the minimum guaranteed price has been provided for in the Amper Group's consolidated financial statements and adjusted as this balance has varied. This provision amounted to 8,963 thousand euros at year-end 2014.

Of the total number of shares issued, 1,644,408, equivalent to 61% of the total, could not be delivered to their holders as they did not have a securities account with a Spanish custodian bank. To address this situation, an account was opened at a depository institution where they were placed on loan for use until such time as their holders set up their corresponding accounts.

Stanford International Bank Ltd. ("Stanford", eLandia's main minority shareholder), which is currently in the process of being liquidated, held 1,564,093 of the shares so deposited. Amper attempted on three occasions (on September 28, 2013, January 24, 2014 and May 21, 2014) to get in contact with the liquidators' lawyers, Baker Boots, in order to deliver the shares. The contract of February 6, 2013 is governed by Spanish legislation and as stated in article 1445 of Spain's Civil Code: "Pursuant to the contract of sale and purchase, one of the contracting parties undertakes to deliver a specific thing and the other to pay a certain price for it, in money or something which represents it". In addition, article 1124 of the Civil Code empowers one of the parties to terminate an agreement in the event that one of the obligors fails to perform his obligations.

On this basis, on June 27, 2014, Amper informed Baker Boots of its decision to terminate the agreement of February 3, 2013 with the restitution to each party of their respective consideration. Given the lack of response, on June 27, 2014, Amper's Board of Directors resolved to return its eLandia shares to Stanford, sending its lawyers at Baker Boots the corresponding certificates in August 2014.

Again faced by a lack of response, Amper waited one year from when it returned the shares, until August 2015, the statute of limitations deemed necessary for the purpose of recovering or retaining possession of the shares under article 1968, paragraph 1 of the Civil Code, to change title to the Amper shares originally issued to Stanford and reclassify them as own shares.

At this juncture it was determined that the agreement with Stanford was terminated, to which end Amper, S.A. reversed the associated provision of 4,864 thousand euros in 2015. In addition, in 2015, in the wake of the above termination, the Company recovered 1,564,093 own shares which were classified as treasury stock (note 11). As a result, Amper reduced its shareholding in eLandia International, Inc. by 6.97%

In addition, in 2015, agreements were secured to buy out minority shareholders holding 59,406 Amper shares for 209 thousand euros, a figure that is substantially lower than that initially contemplated in the agreement, thereby definitely closing the transaction.

At the date of authorizing the accompanying consolidated financial statements for issue, legal proceedings had been initiated by certain minority shareholders against the Company in relation to the above-mentioned obligation. However, both the Parent's directors and their legal counsel believe that the outcome of these proceedings will not have a material impact on the consolidated financial statements over and above the amounts already provided for.

Non-current provisions and liabilities are measured at the present value of the best estimate of the expenditure required to settle or transfer the obligation using available information regarding the event and its consequences. Given the fact that the provisions recognized in this respect are 'current', the Company's directors have not considered the impact of the time value of money on the amounts recognized.

Information on late payments to suppliers under Additional Provision Three 'Disclosure requirements', of Spanish Law 15/2010

The disclosures regarding the average supplier payment term by the Spanish companies are provided below:

| | 2016 | 2015 |
|--------------------------------|-------|-------|
| (Days) | | |
| Average supplier payment term | 93 | 76 |
| Paid transactions ratio | 89 | 71 |
| Outstanding transactions ratio | 86 | 59 |
| (Thousands of euros) | | |
| Total payments made | 6,484 | 7,607 |
| Total payments outstanding | 3,363 | 7,293 |

15. Revenue

The breakdown of consolidated revenue by business and market is provided below (thousands of euros):

| Continuing operations | 2016 | 2015 |
|---------------------------------|---------------|---------------|
| Communication & Security, Spain | 14,658 | 10,343 |
| Communication & Security, Latam | 20,944 | 28,910 |
| Total | 35,602 | 39,253 |
| International | 23,578 | 30,783 |
| Spain | 12,024 | 8,470 |
| Total | 35,602 | 39,253 |
| Sale of goods | 19,261 | 21,766 |
| Sale of services | 16,341 | 17,487 |
| Total | 35,602 | 39,253 |

16. Net finance income/(cost)

The breakdown of these consolidated income statement headings is provided in the tables below (thousands of euros):

| | 2016 | 2015 |
|---|----------------|----------------|
| Income from financial assets | 227 | 200 |
| Exchange gains | 2,563 | 3,827 |
| Other interest and finance income (note 13) | 4,679 | 93,932 |
| Finance income | 7,469 | 97,959 |
| Interest expense | (416) | (523) |
| Other finance costs | (1,718) | (1,516) |
| Exchange losses | (963) | (3,568) |
| Finance costs | (3,097) | (5,607) |
| Changes in fair value of financial instruments | — | 235 |
| Net finance income/(cost) | 4,372 | 92,587 |

"Other interest and finance income" includes a 4,676 thousand euro gain recognized as a result of the cancellation of the financial liability as part of the restructuring of the Amper Group. In 2015, this heading included a 93,514 thousand euro gain on the convertible instrument related to Tranche B of the syndicated loan agreement (note 13).

17. Business and geographical segments

The operating segments have been determined using the 'management approach', which requires the presentation of segments on the basis of internal management reports about the components of the Group that are analyzed regularly by the Group's 'chief operating decision maker' such that the reportable operating segments are structured around the Group's various business lines. Segment performance is evaluated on the basis of revenue and EBITDA and is measured in conformity with the revenue and EBITDA figures presented in the consolidated financial statements.

In accordance with IFRS 8, an operating segment is a component of the Group that engages in business activities from which it may earn revenues and incur expenses, whose operating results are regularly reviewed by the entity's chief operating decision maker to make decisions about resources to be allocated to the segment and assess its performance, and for which discrete financial information is available.

In light of the foregoing, the business lines described below have been articulated around the Amper Group's organizational structure at year-end 2016 and the information used by management internally to assess the performance of its business segments, considering the nature of the products and services marketed, on the one hand, and the customer segments to which they are targeted, on the other.

In 2016, the Amper Group's business activities were centered on the following continuing business lines:

- Communication & Security, Spain
- Communication & Security, Latam

The main countries included in the 'Communication & Security, Latam' segment are Colombia, Mexico, Costa Rica and Peru. The information regarding other corporate activities is aggregated into the segment titled 'Corporate', separate from other reconciliation items.

Assets, liabilities, income and expenses of a corporate nature are allocated to the segments using rational allocation criteria. Inter-segment sales are carried out on an arm's length basis.

As a result of the sale of Descaserv Ecuador, S.A., Desca Nicaragua, S.A., Desca S & S Guatemala, C.A.S.A., Desca Honduras, S.A. de C.F., Desca El Salvador, S.A., Desca Panamá, Inc., Desca Caribe Limitada and Desca Corp, the sale of the Integration Unit of the Spanish subsidiary of Amper Sistemas, and the classification under IFRS 5 of the South Pacific operations, this note provides disclosures for the segments pertaining to continuing operations only. In addition, the information taken from the 2015 consolidated statement income statement has been restated to reflect this distinction.

Geographical information

The revenue split provided below is allocated between Spain and Latam. The tables also provide the geographical breakdown of non-current assets. The structure of this information is designed as if each business line were an autonomous and independently funded business unit; capital is allocated to each as a function of the risk of the assets assigned to each line using an internal percentage cost distribution system. The attendant segment disclosures are provided below (thousands of euros):

| 2016 | Comm. & Security, Spain | Comm. & Security, Latam | Corporate | Total cont. op. |
|--|--|-------------------------|-----------------|-----------------|
| Revenue | 14,658 | 20,944 | — | 35,602 |
| Cost of sales | (6,863) | (12,914) | — | (19,777) |
| Employee benefits expense | (5,843) | (4,935) | (2,008) | (12,586) |
| Depreciation and amortization | (55) | (223) | (168) | (446) |
| Other expenses (net) | (1,440) | (2,495) | 2,008 | (1,927) |
| Impairment of assets (net) | 3 | — | — | 3 |
| OPERATING PROFIT/(LOSS) | 660 | 377 | (168) | 869 |
| Finance income/(cost) | (227) | (1,221) | 4,220 | 2,772 |
| Exchange differences (net) | (135) | (550) | 2,285 | 1,600 |
| PRE-TAX PROFIT/(LOSS) FROM CONTINUING OPERATIONS | 298 | (1,394) | 6,337 | 5,241 |
| Income tax expense | — | (579) | — | (579) |
| PROFIT/(LOSS) FOR THE YEAR FROM CONTINUING OPERATIONS | 298 | (1,973) | 6,337 | 4,662 |
| Non-controlling interests | — | 1,787 | — | 1,787 |
| PROFIT/(LOSS) ATTRIBUTABLE TO OWNERS OF THE PARENT | 298 | (186) | 6,337 | 6,449 |
| STATEMENT OF FINANCIAL POSITION | | | | |
| Non-current assets | 11,865 | 5,909 | 2,255 | 20,029 |
| Current assets | 5,188 | 11,095 | 16,949 | 33,232 |
| TOTAL ASSETS | 17,053 | 17,004 | 19,204 | 53,261 |
| Non-current liabilities | 233 | 5,345 | 22,301 | 27,879 |
| Current liabilities | 5,265 | 14,434 | 13,331 | 33,030 |
| TOTAL NET ASSETS | 11,555 | (2,775) | (16,428) | (7,648) |
| | Total net non-current assets held for sale | | | 31,918 |
| | TOTAL AMPER GROUP NET ASSETS | | | 24,270 |

| 2015 | Comm. & Security, Spain | Comm. & Security, Latam | Tele. South Pacific | Corporate | Total cont. op. |
|--|-------------------------|-------------------------|---------------------|-----------------|-----------------|
| Revenue | 10,223 | 28,910 | --- | 120 | 39,253 |
| Cost of sales | (2,741) | (18,701) | --- | (1) | (21,443) |
| Other income | 284 | --- | --- | 17 | 301 |
| Employee benefits expense | (4,688) | (6,626) | --- | (1,888) | (13,202) |
| Depreciation and amortization | (519) | (477) | --- | (199) | (1,195) |
| Other expenses (net) | (2,806) | (3,481) | --- | 2,460 | (3,827) |
| Impairment of assets (net) | (168) | (473) | --- | (98) | (739) |
| OPERATING PROFIT/(LOSS) | (415) | (848) | --- | 411 | (852) |
| Finance income/(cost) | 804 | 207 | --- | 91,317 | 92,328 |
| Exchange differences (net) | (115) | 345 | --- | 29 | 259 |
| PRE-TAX PROFIT/(LOSS) FROM CONTINUING OPERATIONS | 274 | (296) | --- | 91,757 | 91,735 |
| Income tax expense | --- | (1,182) | --- | --- | (1,182) |
| PROFIT/(LOSS) FOR THE YEAR FROM CONTINUING OPERATIONS | 274 | (1,478) | --- | 91,757 | 90,553 |
| Non-controlling interests | -- | 1,146 | --- | --- | 1,146 |
| PROFIT/(LOSS) ATTRIBUTABLE TO OWNERS OF THE PARENT | 274 | (332) | --- | 91,757 | 91,699 |
| STATEMENT OF FINANCIAL POSITION | | | | | |
| Non-current assets | 15,042 | 15,424 | 57,933 | 849 | 89,248 |
| Current assets | 5,614 | 43,189 | 33,550 | 1,057 | 83,410 |
| TOTAL ASSETS | 20,656 | 58,613 | 91,483 | 1,906 | 172,658 |
| Non-current liabilities | 266 | 11,675 | 22,804 | 16,920 | 51,665 |
| Current liabilities | 9,472 | 63,944 | 23,555 | 18,450 | 115,421 |
| TOTAL NET ASSETS CONTINUING OPERATIONS | 10,918 | (17,006) | 45,124 | (33,464) | 5,572 |

18. Expenses

Group expenditure is broken down below (thousands of euros):

| Heading | 2016 | 2015 |
|-------------------------------|---------------|---------------|
| Cost of sales | 19,646 | 21,006 |
| Change in inventories | 131 | 437 |
| Employee benefits expense | 12,586 | 13,202 |
| Depreciation and amortization | 446 | 1,195 |
| Other operating expenses | 1,927 | 3,827 |
| Total | 34,736 | 39,667 |

Cost of sales

The analysis of this heading is as follows:

| | 2016 | 2015 |
|----------------|---------------|---------------|
| Procurements | 18,354 | 19,684 |
| Subcontractors | 1,292 | 1,322 |
| Total | 19,646 | 21,006 |

Employee benefits expense

The breakdown of "Employee benefits expense" is provided below (thousands of euros):

| | 2016 | 2015 |
|----------------------|---------------|---------------|
| Wages and salaries | 8,411 | 9,107 |
| Termination benefits | 1,008 | 681 |
| Social security | 3,167 | 3,414 |
| Total | 12,586 | 13,202 |

The Amper Group had a total headcount of 280 (202 men and 78 women) and 965 (671 men and 294 women) at year-end 2016 and 2015, respectively; the number of employees at Amper's Spanish companies with a disability represent 0.3% of the total Group headcount.

The average headcount by job category and gender is provided in the next table:

| | 2016 | | | 2015 | | |
|---------------------------|------------|------------|------------|------------|------------|--------------|
| | Men | Women | Total | Men | Women | Total |
| Graduates | 234 | 91 | 325 | 448 | 166 | 614 |
| Non-graduates | 58 | 32 | 90 | 278 | 186 | 464 |
| Total | 292 | 123 | 415 | 726 | 352 | 1,078 |
| Board of Directors | 4 | 1 | 5 | 5 | 1 | 6 |

There were no stock option plans in effect at year-end 2016.

The fees accrued by the group that audits the consolidated financial statements for the audit of its financial statements, other accounting assurance work and other services provided to the Amper Group are detailed below:

| Services provided by the auditor and its related parties (thousands of euros) | 2016 | 2015 |
|---|------------|------------|
| Audit services | 135 | 131 |
| International audit services | 265 | 299 |
| Total audit and related services | 420 | 430 |
| Other services | 17 | — |
| Total professionals services | 437 | 430 |

The amounts presented in the table above include all of the fees related to the services rendered in 2016 and 2015, regardless of when they were invoiced.

As stipulated in the Regulations of the Board of Directors of Amper, S.A., the Audit and Control Committee's duties include that of receiving information about matters that could jeopardize the auditor's independence and any other matters related to the account auditing process, as well as otherwise engaging with the auditor as required in prevailing auditing legislation and accounting standards.

19. Tax matters

Spanish tax consolidation group 31/90 was extinguished in December 31, 2014 with effect from 2013. Article 67 of the consolidated text of the Spanish corporate income tax act stipulates that the existence of negative equity is grounds for exclusion from a tax consolidation group and for its dissolution. Having duly rebalanced the Group's capital structure in 2015, the Parent's directors are undertaking the legal steps and other formalities necessary in order to set up the tax consolidation group in Spain again, having established tax consolidation group 107/17 with effect from January 1, 2017; the new tax group encompasses Amper S.A, as parent of the Amper Group, Amper Sistemas, S.A. and Sociedad Limitada de Finanzas y Telecomunicación.

The reconciliation of accounting profit/(loss) and tax expense/(income) is provided below (thousands of euros):

| | 2016 | 2015 |
|---|--------------|----------------|
| Profit/(loss) before tax | 5,241 | 91,735 |
| Adjustments to pre-tax profit (article 17.2) | (4,676) | (93,514) |
| 25% tax rate | (141) | 498 |
| Impairment of tax credits | (615) | — |
| Effect of different tax rates at foreign subsidiaries | 177 | (1,448) |
| Adjustments in respect of prior year income tax | — | (232) |
| Total tax (expense)/income | (579) | (1,182) |

The breakdown of income tax expense:

| | 2016 | 2015 |
|-----------------------------------|--------------|----------------|
| Current tax (expense) / income | (214) | (1,182) |
| Deferred tax | (365) | — |
| Total tax (expense)/income | (579) | (1,182) |

In 2015, the Group recognized the effects of the capitalization of 100% of Tranche B as an equity instrument before actually executing the conversion, to be carried out over the course of several windows, as indicated in note 11 above. Amper's tax advisors believe that this in no way impedes application of article 17.2 of Spain's Corporate Income Tax Act (Law 27/2014, of November 27, 2014), which states that transactions in which equity is issued to offset credit claims shall be valued for tax purposes at the amount of the equity issued from a market perspective, regardless of the amounts recognized for accounting purposes.

The Company has applied article 17.2 seeking to duly marry tax regulations and accounting rules. In this instance, this approach required the upfront recognition in 2015 of the market conversions; accordingly, the provisions of article 17.2 apply to the accounting gain of 93 million euros recognized in the 2015 income statement, allowing for its exclusion from taxable income in 2015.

In keeping with article 17.2, capitalization of the credit claim should not generate any gain or expense for tax purposes. The tax authorities have agreed with Amper's interpretation when formally queried about the issue. Accordingly, the gain recognized in 2015 in connection with the capitalization of Tranche B was been included in taxable income for that year.

At year-end, the Group's tax assets and liabilities were classified under "Deferred tax assets", "Deferred tax liabilities" and "Trade and other receivables" (note 10) in the accompanying statement of financial position. The reconciliation of these headings (thousands of euros):

| | Dec. 31, 2015 | Additions | Impairment / Derecognitions | Assets held for sale | Dec. 31, 2016 |
|---|------------------|--------------|--------------------------------|----------------------------|------------------|
| Deferred tax assets, foreign subsidiaries | 1,576 | --- | (575) | --- | 1,001 |
| Total deferred tax assets | 1,576 | --- | (575) | --- | 1,001 |
| Current tax assets (note 10) | 5,293 | 57 | (1,436) | (23) | 3,891 |
| Deferred tax liabilities (note 14) | 1,187 | | (345) | (831) | 11 |
| - Output VAT payable | 2,759 | 431 | (1,989) | (770) | 431 |
| - Personal income tax | 513 | 294 | (513) | --- | 294 |
| - Social security | 177 | 124 | (177) | --- | 124 |
| - Corporate income tax | 2,670 | 536 | (1,940) | (730) | 536 |
| - Other tax liabilities | 121 | 142 | (121) | --- | 142 |
| Total current tax liabilities | 6,240 | 1,527 | (4,740) | (1,500) | 1,527 |

| | Dec. 31, 2014 | Additions | Derecognitions | Dec. 31, 2015 |
|---|------------------|--------------|----------------|------------------|
| Deferred tax assets, foreign subsidiaries | 1,756 | --- | (180) | 1,576 |
| Total deferred tax assets | 1,756 | --- | (180) | 1,576 |
| Current tax assets (note 10) | 9,570 | 61 | (4,338) | 5,293 |
| Deferred tax liabilities (note 14) | 199 | 1,073 | (85) | 1,187 |
| - Output VAT payable | 5,449 | 2,759 | (5,449) | 2,759 |
| - Personal income tax | 1,051 | 513 | (1,051) | 513 |
| - Social security | 500 | 177 | (500) | 177 |
| - Corporate income tax | 2,460 | 2,670 | (2,460) | 2,670 |
| - Other tax liabilities | 110 | 121 | (110) | 121 |
| Total current tax liabilities | 9,570 | 6,240 | (9,570) | 6,240 |

The Group has assessed the recoverability of its deferred tax assets on the basis of taxable income projections for each of the subsidiaries. These projections are in turn based on the budget prepared for the "Communication & Security, Latam" CGU. Based on these estimates, it was deemed necessary to write down the deferred tax assets associated with the Latin American subsidiaries for impairment by 365 thousand euros in 2016.

The details of the unused tax losses and unused tax credits generated in Spain, stated before the effects of the 2016 return, are as follows (thousands of euros):

| Year generated | Tax losses | Year of prescription | Tax credits |
|----------------|----------------|----------------------|---------------|
| 1999 | 10,401 | 2016 | 817 |
| 2000 | 10,300 | 2017 | 1,790 |
| 2002 | 26,206 | 2018 | 1,441 |
| 2003 | 13,937 | 2019 | 2,009 |
| 2004 | 10,667 | 2020 | 972 |
| 2009 | 10,398 | 2021 | 760 |
| 2010 | 15,440 | 2022 | 190 |
| 2011 | 14,749 | 2023 | 1,482 |
| 2012 | 4,280 | 2024 | 631 |
| 2013 | 25,246 | 2025 | 1,814 |
| 2014 | 18,281 | 2026 | 1 |
| 2015 | 5,096 | Total | 11,907 |
| Total | 165,001 | | |

In addition, several of the Group's international subsidiaries had unused tax losses at December 31, 2016, broken down as follows (thousands of euros):

| Year generated | Year of prescription | Country | Tax losses |
|----------------|----------------------|-----------|--------------|
| 2013 | 2018 | Argentina | 154 |
| 2009 | 2019 | Mexico | 593 |
| 2010 | 2020 | Mexico | 111 |
| 2013 | 2023 | Mexico | 500 |
| 2015 | 2025 | Mexico | 680 |
| Total | | | 2,038 |

The years open to inspection in respect of the main taxes applicable to the Group at year-end:

- Corporate income tax: From 2010 to 2015.
- Value added tax: Tax periods elapsing between 2013 and 2016.
- Personal income tax withholdings: Tax periods elapsing between 2013 and 2016.

In 2013, the tax authorities initiated a partial inspection of the 2008 returns filed by Amper, S.A. and Amper Sistemas, S.A.; this inspection concluded satisfactorily in 2015.

20. Events after the reporting period

The issuance of shares to offset the credit claims held against the Company by Alternative Financing, Estructuración y Originación, S.L.U. ("Alterfin") in the amounts of (i) 1,999,999.96 euros in respect of Tranche 1; and (ii) 3,950,000.04 euros in respect of Tranche 2 was registered with the Madrid Companies Register on January 10, 2017. Specifically, the Company issued 85,000,000 new shares with a unit par value of 0.05 euros and a share premium of 0.02 euros, all of which were subscribed by Alterfin. In the wake of the issue, the Company's share capital stood at 40,390 thousand euros (note 11). The new shares were admitted to trading on the Madrid and Barcelona stock exchanges with effect from January 18, 2017.

The sale of certain Latin American subsidiaries (note 2.3) closed on February 10, 2017. Pursuant to that agreement, Osmundo Lúquez, Managing Director of the Amper Group's subsidiaries in Latam, has assumed the control, risks and benefits of the Group companies present in Ecuador, Panama, the Dominican Republic and Central America (which includes the subsidiaries in Guatemala, Nicaragua, El Salvador and Honduras) and the US (via Desca Corp.), with effect from December 31, 2016. The sale went through for no consideration; rather, the buyer has assumed all the benefits, risks, obligations and liabilities existing at the companies sold as from December 31, 2016. In relation to the foregoing, the lenders under the Company's financing agreement formally authorized the sale (a formality stipulated in the sale agreement) on February 22, 2017.

21. Related-party transactions

The Group deems the following its related parties:

- Its directors and executives: understood as the members of the Company's Board of Directors and the Group's key management personnel (note 22)
- Significant shareholders (note 11)
- In 2015, the Group carried out significant transactions of a financial nature with its shareholder Fore Research Management Lp through a fund managed by the latter (Fore Multi Strategy Master Fund), specifically the receipt of a USD10 million loan and credit agreement carried at 9,185 thousand euros at December 31, 2015 (note 13). That loan had been fully repaid at December 31, 2016, leaving no balances outstanding with that related party.
- In addition to the foregoing, Fore Research Management Lp held nearly 52% of the Tranche A debt at December 31, 2016 (see note 13 above for the terms and conditions of this facility) and the warrants associated with Tranche B of the refinancing agreement (the terms of which are outlined in note 11 above).

- In 2016, the Company carried out transactions of a financial nature with its shareholder and director, Mr. Rafael Cabezas Valeriano, who extended one of its subsidiaries, Amper Sistemas, a 300 million US dollar loan on February 5, 2016. That loan accrued interest at a fixed rate of 7%. That loan had been fully repaid at December 31, 2016, leaving no balances outstanding with that Company shareholder and director.

22. Director and key management remuneration

Bylaw-stipulated remuneration and salaries

The members of the Board of Directors of Amper, S.A. accrued remuneration of 559 thousand euros in total in 2016 (551 thousand euros in 2015).

Of this total, 210 thousand euros correspond to the fixed remuneration and fees for attending the meetings of the Board and its committees accrued but not paid in full to the directors.

This figure is under the limit set at the Annual Shareholders General Meeting in accordance with article 24 of its Bylaws, which is 750 thousand euros for both items.

The breakdown of the amount accrued by director and remuneration category is provided below (thousands of euros):

| | Fixed remuneration | | Meeting attendance fees | | Total Bylaw-stipulated remuneration | |
|--|--------------------|------------|-------------------------|------------|-------------------------------------|------------|
| | 2016 | 2015 | 2016 | 2015 | 2016 | 2015 |
| Jaime Espinosa de los Monteros Pitarque (Executive Chairman) (since March 13, 2014) | 26 | 68 | 10 | 43 | 36 | 111 |
| Juan Ceña Poza (since January 10, 2014) | 26 | 26 | 14 | 19 | 40 | 45 |
| Socorro Fernández Larrea (since March 13, 2014) | 26 | 25 | 11 | 11 | 37 | 36 |
| Rafael Cabezas Valeriano (since March 13, 2014) | 26 | 26 | 14 | 18 | 40 | 44 |
| Antonio Arenas Rodríguez (since January 28, 2015) | 26 | 26 | 11 | 15 | 37 | 41 |
| Jianjun Lu (until October 11, 2016) | 20 | 6 | — | 3 | 20 | 9 |
| Pedro Mateache Sacristán (until January 28, 2015) | — | — | — | 1 | — | 1 |
| Total | 150 | 177 | 60 | 110 | 210 | 287 |

The remaining 349 thousand euros (264 thousand euros in 2015) corresponds to the pay (fixed and variable, cash and in-kind) corresponding to the Chairman for the performance of executive duties at the Company in accordance with terms of his contract.

No contributions were made to pension funds on behalf of the members of the Board of Directors in 2016 or 2015; nor had any loans or guarantees been extended to any of its members at either year-end. No stock options were granted to any member of the Board of Directors in 2016. The Parent did not extend its directors any advances or credit in either reporting period; nor has it assumed any obligations on their behalf by way of guarantees extended. The members of the Board of Directors received in-kind remuneration in the form of life insurance of 4 thousand euros in both 2016 and 2015.

Remuneration of the members of the Board deriving from the Company's equity interests in other entities

The directors that represent the Group in the boardrooms of other investees do not receive any remuneration for so doing.

Key management personnel remuneration

The remuneration received by the Parent's key management personnel - excluding those executives who are also members of the Board of Directors (whose remuneration is itemized above) - in 2016 and 2015 is summarized below:

| No. of people | 2016 | | | Other remuneration | Total |
|---------------|-------|----------------------------|-------|--------------------|-------|
| | Fixed | Wage remuneration Variable | Total | | |
| 5 | 747 | 108 | 855 | 470 | 1,325 |

| No. of people | 2015 | | | Other remuneration | Total |
|---------------|-------|----------------------------|-------|--------------------|-------|
| | Fixed | Wage remuneration Variable | Total | | |
| 5 | 813 | 118 | 931 | 56 | 987 |

These executives' remuneration consists of fixed and variable remuneration. The variable remuneration is determined as a percentage of each individual's fixed remuneration and depends on delivery of certain targets.

No contributions were made to pension funds on behalf of the Group's key management personnel in either 2016 or 2015; nor had any loans or guarantees been extended to them at either year-end. The key management personnel received in-kind remuneration in the form of life insurance of 2 thousand euros in both 2016 and 2015. In 2016, the Company paid premiums totaling 53 thousand euros for civil liability insurance for its directors and executives covering potential damages caused by their acts or omissions in the course of carrying out their duties.

23. Other board-related disclosures

Neither the Company's directors nor any persons related to them were party to any conflicts of interest requiring disclosure in these notes pursuant to the provisions of article 229 of the consolidated text of the Corporate Enterprises Act.

24. Guarantees extended to third parties and other contingent assets and liabilities

The guarantees provided by the Amper Group's subsidiaries to third parties at year-end to secure their respective undertakings were as follows:

- Group company Hemisferio do Sul S.A. is the guarantor on the loans owed by Medidata Informática S.A. to FINEP in the amount of 1,960 thousand euros.
- As defined in the agreement restructuring the trade debt with the CISCO Group executed on July 20, 2015, Group companies Desca Holding, LLC and Amper S.A. are guarantors on the principal and interest corresponding to the debt refinanced with this supplier.

- The Group has extended performance bonds totaling 2,515 thousand euros, mainly in Spain.
- Group company Desca SyS Centroamérica has pledged bank account balances to secure compliance with contracts with several customers in the amount of 711 thousand euros.

Some of the Group's subsidiaries in Latin America face certain tax contingencies equivalent to 9,336 thousand euros (12,700 thousand at year-end 2015). The Group's legal counsel does not expect the outcome of the appeals lodged by the Company to have adverse consequences for it.

25. Environmental disclosures

The expenses incurred by the Amper Group in the course of 2016 and 2015 through its investees to protect and enhance the environment were not material and were recognized in the consolidated income statement.

The Company has identified and described the environmental situation of its facilities and activities in respect of:

- Applicable environmental legislation.
- Environmental aspects and their associated aspects.
- Environmental procedures and management practices used.
- Incidents occurring and instances of non-performance.
- Current status of the environmental management effort in the context of ISO 14001 requirements.

Based on the foregoing, the Company's directors believe there are no significant environmental protection or enhancement contingencies and, therefore, have not deemed it necessary to recognize any environmental-related provisions at year-end.

26. Risk management objectives and policies

The Amper Group is exposed to certain market risks which it manages using risk identification, measurement, concentration limit and supervision systems.

The basic principles defined by the Amper Group in establishing the policies for managing its most significant risks are as follows:

Interest-rate risk

Movements in interest rates affect both the fair value of the assets and liabilities that carry interest at a fixed rate and the future cash flows of assets and liabilities whose prices are benchmarked to floating rates.

The goal of the Group's interest rate risk management policy is to achieve a balanced capital structure to enable it to mitigate these risks and minimize the cost of debt.

At year-end, the Group's borrowings were benchmarked to floating interest rates, primarily Euribor, and it had not arranged any interest rate hedges.

Foreign currency risk

The Group operates in the international arena and is exposed to exchange rate risk on transactions denominated in foreign currency, especially in US dollars and Brazilian reais. Foreign currency risk derives from future commercial transactions, recognized assets and liabilities and net investments in foreign operations.

At year-end 2016, the Group had not arranged any exchange rate hedges. The exchange risk on the net assets of the Group's foreign operations (exposure to the US dollar) is mainly managed by denominating borrowings in the same currency. The Group also seeks to balance cash receipts and payments in respect of its assets and liabilities denominated in foreign currency.

The Group also has several investments in foreign operations whose net assets are exposed to foreign currency translation risk. The exchange risk on the net assets of the Group's foreign operations (exposure to the US dollar and the Brazilian real) is mainly managed by denominating these operations' borrowings in the corresponding foreign currencies.

At December 31, 2016, if the euro had been 10% weaker with respect to the US dollar and the Brazilian real, all other variables held constant, consolidated profit after tax would have been 2,484 thousand euros lower, mainly due to the effect of translating trade receivables and debt instruments classified as held-for-sale into euros.

Foreign currency risk derives mainly from trade and financing transactions performed by the Group in Latin America and the South Pacific.

The table below details the Group's exposure to foreign exchange risk at December 31, 2016. The accompanying tables reflect the carrying amounts of the Group's financial instruments or classes of financial instruments denominated in foreign currency:

| | Thousands of dollars | Thousands of reais |
|---|----------------------|--------------------|
| Non-current financial assets | 2,179 | 4,134 |
| Total non-current assets | 2,179 | 4,134 |
| Trade receivables and other current assets | 8,880 | 11,712 |
| Cash and cash equivalents | 429 | 69 |
| Total current taxes receivable | 9,309 | 11,781 |
| Total assets | 11,488 | 15,915 |
| Non-current borrowings | — | 1,036 |
| Other non-current accounts payable | 3,733 | — |
| Total non-current liabilities | 3,733 | 1,036 |
| Current borrowings | 1,349 | 7,866 |
| Trade and other payables | 42,337 | 12,991 |
| Total current liabilities | 43,686 | 20,857 |
| Total liabilities | 47,419 | 21,893 |
| Gross statement of financial position exposure | (35,931) | (5,978) |

The subsidiaries operating outside of Spain are not significantly exposed to foreign currency risk as they do not perform significant amounts of transactions in currencies other than the functional currency.

Liquidity risk

Liquidity risk is defined as an entity's inability to service its commitments as a result of adverse circumstances in the debt and/or equity markets that hinder or impede the raising of the financing needed to do so.

To ensure compliance with the payment commitments assumed, in 2015, the Group restructured its bank debt in Spain and carried out a series of equity issues, as detailed elsewhere in this report. In addition, the Parent's directors have prepared a business plan which establishes the roadmap for improving the Group's financial structure.

As for the cash available at certain subsidiaries, the Group has factored into its liquidity planning and current cash needs the difficulties existing in certain countries in terms of repatriating this cash.

Credit risk

In relation to financial transactions, credit risk is the potential loss arising from a counterparty's inability to meet its contractual obligations. The Group's exposure to credit risk is not significantly concentrated. The Group has policies for guaranteeing the recoverability of its investment in projects and the collection of receivables due in exchange for the provision of services to customers with an appropriate credit history. The Group discounts certain receivables by means of non-recourse factoring arrangements. The Group's past due financial assets at year-end are itemized in note 10 above.

Price risk

The Group's exposure to changes in the price of the derivative instrument detailed in note 14 is related to variability in Amper, S.A.'s share price. In 2015, Amper, S.A.'s share price performance decreased the carrying amount of the related liability by 235 thousand euros; in 2016, there was no movement in this respect.

Capital management

The Group's capital management objectives are:

- Safeguarding the Group's ability to continue to pursue sustainable growth
- Providing shareholders with an adequate return
- Maintaining an optimal capital structure

The Group manages the capital structure and makes adjustments in light of changes in economic conditions. To maintain or adjust the capital structure, the Group may adopt several policies such as returning capital to shareholders, buying back shares, self-financing its investments, securing long-term borrowings, etc.

27. Subsidiaries

Key information about the Company's subsidiaries at December 31, 2016:

| Company | Registered office | Business activity | Ownership interest, % Direct & Indirect |
|--|--|--|--|
| Amper Do Brasil Telecom, Ltd | Rua Marques de Alegrete, 45 - Porto Alegre (Rio Grande do Sul) Brazil | Telecommunication systems - installation and technical assistance | 100 |
| Amper Sistemas, S.A. | C/Virgilio, 2 Edificio 4, 28223 - Pozuelo de Alarcón | Integrated telecommunication and control system engineering | 100 |
| Sociedad Limitada de Finanzas y Telecomunicación | C/Virgilio, 2 Edificio 4, 28223 - Pozuelo de Alarcón | Financial intermediation | 100 |
| Hemisferio Norte Brasil, S.A. | C/Virgilio, 2 Edificio 4, 28223 - Pozuelo de Alarcón | Temporary equity investments in unlisted non-financial corporates | 92.81 |
| Hemisferio do Sul Participações Ltda. | Rua de Assembleia, 58 20011-000 Rio de Janeiro - RJ - Brazil | Temporary equity investments in unlisted non-financial corporates | 92.81 |
| Medidata Informática, S.A. | Rua Rodrigo de Brito, 13 - Botafogo 22280 - 100 Rio de Janeiro - RJ - Brazil | Manufacture and marketing of electronic systems and associated equipment and service provision | 82.57 |
| XC. Comercial Exportadora, Ltda. | Rua Nossa Senhora de Penha, 367 Sala 302 Parte A. Praia do Canto Vitória Espírito Santo - Brazil | Import and marketing of data processing equipment (software & hardware) | 82.57 |
| eLandia International, Inc. | 8333 NW 53 rd Street, Doral, Florida 33166 - USA | Infrastructure engineering and network and systems integration services | 91.98 |
| Elandia/Desca Holdings LLC (Delaware) | Delaware (USA) | Network and systems engineering and telecommunications services and supplies | 91.98 |
| DescaTransistemas, S.A. (Argentina) | Argentina | Network and systems engineering and telecommunications services and supplies | 91.98 |
| ServidescaMéxico S. de R.L. de C.V (Mexico) | Mexico | Network and systems engineering and telecommunications services and supplies | 91.98 |
| Desca Holding, LLC (Delaware) | Delaware (USA) | Network and systems engineering and telecommunications services and supplies | 91.98 |
| Desca SYS Centroamérica S.A. (Costa Rica) | Costa Rica | Network and systems engineering and telecommunications services and supplies | 73.58 |
| Desca El Salvador, S.A. (**) | El Salvador | Network and systems engineering and telecommunications services and supplies | 73.58 |
| Desca Nicaragua S.A. (**) | Nicaragua | Network and systems engineering and telecommunications services and supplies | 73.58 |



| | | | |
|--|----------------|--|-------|
| Desca Guatemala, S.A. (**) | Guatemala | Network and systems engineering and telecommunications services and supplies | 73.58 |
| Desca Honduras S.A. de C.V. (Honduras) (**) | Honduras | Network and systems engineering and telecommunications services and supplies | 73.58 |
| Desca Panamá Inc (Panama) (**) | Panama | Network and systems engineering and telecommunications services and supplies | 82.78 |
| Descaserv Ecuador S.A. (Ecuador) (**) | Ecuador | Network and systems engineering and telecommunications services and supplies | 84.62 |
| Desca Perú S.A.C. (Peru) | Peru | Network and systems engineering and telecommunications services and supplies | 91.77 |
| Desca Colombia S.A. (Colombia) | Colombia | Network and systems engineering and telecommunications services and supplies | 90.14 |
| DescaCorp (Florida) (**) | Florida (USA) | Network and systems engineering and telecommunications services and supplies | 91.98 |
| eLandia Technologies Inc. (Delaware) | Delaware (USA) | Infrastructure engineering and network and systems integration services | 91.98 |
| American Samoa Hawaii Undeployed Cable, LLC (Delaware) (*) | Delaware (USA) | Network and systems engineering and telecommunications services and supplies | 61.35 |
| Samoa American Samoa Cable, LLC (Delaware) | Delaware (USA) | Network and systems engineering and telecommunications services and supplies | 61.35 |
| AST Telecom LLC (Delaware) | Delaware (USA) | Network and systems engineering and telecommunications services and supplies | 91.98 |
| American Samoa Etmt, Inc. (American Samoa) | American Samoa | Network and systems engineering and telecommunications services and supplies | 91.98 |
| BlueskySamoaTel Investment, Ltd. (Samoa) | Samoa | Network and systems engineering and telecommunications services and supplies | 66.23 |
| Bluesky Samoa Limited (Samoa) | Samoa | Network and systems engineering and telecommunications services and supplies | 49.67 |
| Bluesky Pacific Holding Ltd | Samoa | Network and systems engineering and telecommunications services and supplies | 44.98 |
| Bluesky Cook Islands Investments Ltd | Cook Islands | Network and systems engineering and telecommunications services and supplies | 44.98 |
| Teleraro Ltd | Cook Islands | Network and systems engineering and telecommunications services and supplies | 33.73 |
| TCNZ Cook Islands Ltd | Cook Islands | Network and systems engineering and telecommunications services and supplies | 33.73 |
| Telecom Cook Islands Ltd | Cook Islands | Network and systems engineering and telecommunications services and supplies | 20.24 |
| | | | |



| | | | |
|--|--------------------|--|-------|
| Teleraro Management Ltd | Cook Islands | Network and systems engineering and telecommunications services and supplies | 44.98 |
| Bluesky Management Limited | Samoa | Network and systems engineering and telecommunications services and supplies | 49.67 |
| Bluesky Holdings NZ Limited | New Zealand | Network and systems engineering and telecommunications services and supplies | 44.98 |
| Moana Communications | Samoa | Network and systems engineering and telecommunications services and supplies | 84.32 |
| Desca Caribe Limitada | Dominican Republic | Network and systems engineering and telecommunications services and supplies | 82.78 |
| CTT Center of Technology Transfer Corporation (Panama) | Panama | Organization and provision of network and systems training courses | 91.98 |
| CTT Corporation Sucursal Colombia (Colombia Branch) | Colombia | Organization and provision of network and systems training courses | 91.98 |
| CTT Centro de Transferencia de Tecnología S.A de C.V. (Mexico) | Mexico | Organization and provision of network and systems training courses | 91.98 |
| CTT Perú SAC (Peru) | Peru | Organization and provision of network and systems training courses | 91.98 |
| CTT Centro de Transferencia de Tecnología S.A. (Costa Rica) | Costa Rica | Organization and provision of network and systems training courses | 91.98 |
| CTT Centro de Transferencia de Tecnología C.A. (Venezuela) | Venezuela | Organization and provision of network and systems training courses | 91.98 |
| Centro de Transferencia de Tecnología México, S. A. de C. V. | Mexico | Organization and provision of network and systems training courses | 91.98 |
| Elandia/CTT Holding LP | Cayman Islands | Organization and provision of network and systems training courses | 91.98 |
| Lander Technology, INC. | Florida (USA) | Supply of telecommunication equipment | 91.98 |
| Datec Pacific Holdings Limited (*) | Virgin Islands | --- | 91.98 |
| Generic Technology Group Limited (*) | Fiji | --- | 91.98 |
| Telecom Pacific Limited (*) | Fiji | --- | 91.98 |
| Network Services Limited (*) | Fiji | --- | 91.98 |
| Peripherals Computers Pacific Limited (*) | Fiji | --- | 45.99 |
| American Samoa License (*) | American Samoa | --- | 91.98 |
| Blue Sky Communicat.Limited Samoa Dormant (*) | Samoa | --- | 91.98 |

| | | | |
|--|---------------------|-----|-------|
| American Samoa Hawaii Undeployed (*) | American Samoa | --- | 61.35 |
| Comunicaciones Digitales S.A. (*) | Argentina | --- | 91.98 |
| Mawill, S.A. (*) | Argentina | --- | 91.98 |
| Desca T&T Limited (*) | Trinidad and Tobago | --- | 91.98 |
| Desca Caribe LLC (*) | Puerto Rico | --- | 91.98 |
| Desca Jamaica Limited (*) | Jamaica | --- | 91.98 |
| Desca Remote Operations Center Inc. (*) | Panama | --- | 91.98 |
| Desca Chile (*) | Chile | --- | 91.98 |
| CTT Brasil Participações Ltda (*) | Brazil | --- | 91.98 |
| CTT Guatemala, S.A. (*) | Guatemala | --- | 91.98 |
| Centro de Transferencia de Tecnología El Salvador S.A. de C.V. (*) | El Salvador | --- | 91.98 |
| CTT Chile, S.A. (*) | Chile | --- | 91.98 |
| CTT Corporation (Costa Rica) (*) | Costa Rica | --- | 91.98 |
| CTT Panamá (Costa Rica) (*) | Costa Rica | --- | 91.98 |
| Servicios en Aprendizaje y Tecnología Aprentec S.A. (*) | Venezuela | --- | 36.79 |
| Finavés II S.C.R. S.A (*) | Spain | --- | 6.25 |
| Magna Consult, LLC (*) | Delaware | --- | 18.4 |
| Magna Mexico S.A. de C.V. (*) | Mexico | --- | 18.4 |
| Magna Caribe (*) | Puerto Rico | --- | 18.4 |
| Integrated Consulting Services International, C.A. d/b/a Magna Consult Venezuela (*) | Venezuela | --- | 3.68 |
| eLandia LATAM Holdings, CV (*) | Netherlands | --- | 91.98 |

(*) Companies not included within the Amper Group's consolidation scope because they have been inactive since incorporation; their details are provided in the table above for information purposes only. The impact of not consolidating these companies is not material.

(**) In 2016, the Group deconsolidated the subsidiaries with business operations in Ecuador (Descaserv Ecuador, SA), Panamá (Desca Panamá Inc), North Central America (Desca El Salvador, SA, Desca Nicaragua, SA, Desca Guatemala, SA, Desca Honduras SA de CV) and the US (Desca Corp).

In 2015, the Group's Venezuelan subsidiary, Desarrollo de Soluciones Específicas, Compañía Anónima, was deconsolidated, as detailed in note 2.



The foregoing consolidated financial statements of AMPER, S.A. and its subsidiaries for the year ended December 31, 2016 were authorized for issue by the Board of Directors at a meeting held on February 28, 2017; they span 87 pages, numbered from 1 to 87, both inclusive.

Article 253 of Spain's Corporate Enterprises Act stipulates that all the members of the Board of Directors sign these financial statements.

Jaime Espinosa de los Monteros
Executive Chairman

Rafael Cabezas Valeriano

Juan Ceña Poza

Ms. Socorro Fernández Larrea

Antonio Arenas Rodríguez



AMPER, S.A. and subsidiaries

2016 Management Report

The Management Report of AMPER, S.A. and subsidiaries, authorized for issue by the Board of Directors of AMPER, S.A. at a meeting held on February 28, 2017, is transcribed below. The transcription spans 59 double-sided sheets of regular paper featuring AMPER's logo on the upper right-hand corner; the sheets are numbered 1 to 59 in the footer. All pages have been signed by the Secretary of the Board of Directors for identification purposes and the last page has been signed by all of the members of the Board of Directors.

AMPER GROUP

2016 MANAGEMENT REPORT

Performance in 2016

The Amper Group's traditional businesses continued to recover throughout 2016, foreshadowing growth in the short and medium term.

2016 marked the culmination of the process of fortifying the Group's financial and organizational structure, having gained access to new sources of financing and closed important transactions, as itemized below:

- ***The Amper Group's EBITDA topped 25 million euros in 2016, year-on-year growth of 10% (2015: 22.9 million euros). The EBITDA margin widened to 23% in 2016, compared to 18% in 2015.***

- ***Net debt declined to 7,344 thousand euros***, compared to 52,967 thousand euros at year-end 2015, thanks to the sale of leveraged businesses in Latin America and the agreement to sell the South Pacific business unit.

- ***Reinforcement of the Group's capital structure. Consolidated equity ended the year at 24,270 thousand euros***, up from 5,572 thousand euros at year-end 2015. That means that the Group ***boosted its equity four-fold***, thanks mainly to the equity issues undertaken during the year, as well as the M&A activity pursued in 2016.

- ***Corporate transactions with compelling financial and strategic rationale that add value for the Amper Group:***
 - As part of the process of selling the ***South Pacific*** businesses, the Group has received a ***USD26 million cash injection*** as an upfront payment against the final sale price. Note that the 2016 statement of profit or loss does not recognize any amount whatsoever in connection with this sale.
 - The sale of the Group's businesses in Ecuador, Panama, North Central America and the US did, however generate ***a gain in the statement of profit or loss of 5.8 million euros***.

- ***Reinforcement of the shareholder structure with the advent of new investors in Amper.*** In 2016, Alternative Financing Estructuración y Originación, S.L. (Alterfin) entered into financing agreements of 8 million euros and 6.75 million euros with the Amper Group under which Alterfin's fixed-income investment is mandatorily convertible into Amper shares.

- At year-end 2016, the Amper Group had ***unrecognized tax losses and tax credits totaling 177 million euros***.

- ***The Group's after-tax profit amounted to 2 million euros.***

The Amper Group's key financial metrics - pipeline, revenue and EBITDA - are provided below:

| | Pipeline | | Revenue | | EBITDA | |
|---------------------------------------|---------------|---------------------|----------------|---------------------|---------------|---------------------|
| | 2016 | 2015 ⁽¹⁾ | 2016 | 2015 ⁽¹⁾ | 2016 | 2015 ⁽¹⁾ |
| Spain | 9,316 | 8,122 | 14,658 | 10,343 | 712 | 980 |
| Latin America | 18,711 | 16,156 | 20,944 | 28,910 | 600 | 102 |
| Total continuing operations | 28,027 | 24,278 | 35,602 | 39,253 | 1,312 | 1,082 |
| South Pacific | --- | --- | 56,415 | 51,630 | 20,970 | 18,966 |
| Discontinued operations | 6,515 | 12,803 | 16,214 | 33,220 | (2,673) | (20) |
| Gain/(loss) on disposal of businesses | --- | --- | --- | --- | 5,742 | 2,860 |
| TOTAL AMPER GROUP | 34,542 | 37,081 | 108,231 | 124,103 | 25,351 | 22,888 |

(1) Modified with respect to the information published in 2015 in order to adjust for the classification as discontinued operations of the Amper Group's subsidiaries in the South Pacific, Ecuador, Panama, North Central America, the US and Spain (the Integration Unit).

The trend in the Amper Group's pipeline in its continuing operations displayed ongoing signs of recovery: at year-end 2016, the pipeline stood at 28,027 thousand euros. This business metric has been recovering since the end of 2015, evidencing the momentum in the Amper Group's traditional businesses.

Revenue in 2016 totaled 108,231 thousand euros, compared to 124,103 thousand euros in 2015, attributable mainly to the reduction in revenue at the businesses sold in Latin America and Spain. It is worth highlighting the *positive trend in revenue at the Spanish businesses, which registered topline growth of 42%*.

EBITDA amounted to 25,351 thousand euros in 2016, up from 22,888 thousand euros in 2015, due to margin expansion, coupled with the decline in staff costs and other operating expenses.

Lastly, the Amper Group posted a net profit of 2,015 thousand euros.

Group equity was significantly reinforced in 2016 thanks to a series of milestones, extending the work initiated in 2015. Thus, equity ended 2016 at *24.3 million euros, up substantially from the 5.6 million euros reported at year-end 2015*.

Continuing the deleveraging process, in 2016, the Group achieved a number of important goals, notable among which the restructuring of the Brazilian subsidiary's borrowings, the arrangement of new sources of debt financing that will subsequently be capitalized, the timely scheduled repayment of its bank debt obligations, collection of an upfront payment as part of the sale of the South Pacific subsidiary, the derecognition of a substantial amount of net debt in connection with the sale of certain leveraged Latin American subsidiaries and the classification of the net debt of the South Pacific business unit to discontinued operations. As a result, the Group's *net debt declined to 7.3 million euros at year-end 2016* (52.9 million euros at year-end 2015).

The figures itemized above are the key variables the Group's directors track in order to monitor and analyze the underlying business performance of Amper and its subsidiaries. These alternative performance measures are defined as follows:

EBITDA: Operating profit adjusted for asset depreciation and amortization charges and gains on the disposal/liquidation of assets. The reconciliation of EBITDA with the consolidated statement of profit or loss headings is provided below:

| Thousands of euros | EBITDA | |
|---|---------------|---------------|
| | 2016 | 2015 |
| Operating profit/(loss) | 3,010 | 10,679 |
| Depreciation and amortization | 5,126 | 8,843 |
| Gains/(loss) on fixed asset disposals | (61) | (9) |
| Impairment charges and provisions relating to discontinued activities | 17,276 | 3,375 |
| EBITDA | 25,351 | 22,888 |

Pipeline: The value of business projects whose execution has been adjudicated to the Group for performance in the short or medium term. There is no way of reconciling this alternative measure with the financial statement headings.

Net debt: The difference between gross bank debt (current and non-current) and cash and cash equivalents. The reconciliation of net debt or borrowings and the consolidated statement of financial position headings is provided in the table below:

| Thousands of euros | Net debt | |
|---------------------------------|--------------|---------------|
| | 2016 | 2015 |
| Non-current borrowings | 13,700 | 37,823 |
| Current borrowings | 2,462 | 38,279 |
| Less: Cash and cash equivalents | (8,818) | (23,135) |
| NET DEBT | 7,344 | 52,967 |

Key business milestones in 2016

The Spanish subsidiary, through its two business units - Access and Security - was very active in generating new business in 2016, as is evident in its delivery of revenue of 14,658 thousand euros, marking year-on-year growth of 42%. The pipeline at year-end 2016 stood at 9,316 thousand euros, compared to 8,122 thousand euros at year-end 2015.

- More specifically, the **Access Business Unit** focused its efforts on expanding its product catalogue, adding equipment that enables it to offer broadband services to its target customers, namely the telecommunications players. It added customer terminals and equipment capable of offering the above-mentioned services over both fiber-optic and coaxial cable networks, as well as through cellular networks powered by LTE technology.

The order intake in 2016, which topped 7 million euros, evidences the success of that strategy. The plan is to continue to make progress on this strategic initiative in 2017, expanding the market by adding new products and penetrating new customers.

- The **Security Unit** renewed its contract with Metro de Madrid, S.A. for the provision of technical support and maintenance services for the central station radio and audio stations of Madrid's underground train company.

- The unit signed the contract for the installation and commissioning for Metro de Madrid of the digital TETRA (Terrestrial Trunked Radio) system for underground line 1. The base station contracts for lines 7,8, 10 and 11 had already been renewed previously.
- Telefónica de España awarded the Security Unit a contract for the upgrade and modernization of the fleet of switching routers corresponding to the operations centers of the Ministry of the Interior, as part of the SIRDEE network (acronym in Spanish for the state emergency digital radio communications system). The SIRDEE network provides the voice and data infrastructure needed to ensure the operability of the state security forces and bodies. The project, to be executed between 2016 and 2019, includes the provision of hardware, the development of specific software, the provision of licenses, training and documentation and will translate into a substantial improvement in the center's operational functioning.
- The Security Unit is catering to Aena's need to replace the mobile radio telecommunications system at Santander airport; the system will be renewed with new digital technology and equipment which is needed to provide indoor and outdoor radio coverage in the vicinity of the airport.
- As for the Security Unit's international operations, through its French partner, Sysoco, the leader in radio communication network integration in France, the Group secured a contract for the supply and commissioning of the so-called radio communications management systems for the fire and security service of the Seine-Maritime department in Normandy (France).
- The Security Unit also has an international presence through its emergency service management projects in Mexico.
 - The Group completed the rollout of the emergency centers in the state of Guanajuato deploying the 911 service in León, the state's most important city, with close to 2 million inhabitants.
 - It also worked on expansion of the emergency center in Mexico City, increasing the number of people staffing the 911 emergency service by a further 80 operators, bringing the total number of installed positions to 390, as part of its management of emergency communications for one of the world's largest cities. In all, the Group is managing over 30 citizen attention centers.
- The Security Unit's international presence, coupled with the healthy performance of the Spanish businesses, drove revenue 27% higher year-on-year to 8.7 million euros; the pipeline at year-end stood at over 6 million euros.

Elsewhere, the Group's subsidiaries in Costa Rica, Mexico, Colombia and Peru also landed important contracts in 2016, as outlined below:

- Through its subsidiary in **Costa Rica**, the Amper Group secured a contract for the provision of a unified communications solution for a state-owned Costa Rican bank. The solution will provide the platform's users with new communication channels and enhance the customer service offering.
- Also in **Costa Rica**, the Group secured a services contract for the provision of immediate access to Cisco technology experts through the Technical Assistance Center and online resources 24 hours a day, 7 days a week, 365 days a year. This contract also includes rapid resolution of any network problem that may be affecting critical business systems.
- In addition, the Group signed another agreement with a state-owned financial institution in Costa Rica for the provision of a unified video-conferencing solution and the rollout of flexible and secure user-friendly video infrastructure for internal use and customer service with the aim of enhancing employee productivity and getting the most from its investments in communication and network technology.

- At year-end 2016, **the Group's Peruvian subsidiary** presented a pipeline of 5,041 thousand euros, which is 2.6 times the pipeline at the start of 2015.
- The subsidiary in **Peru** is devoted to meeting the technological needs of the health sector. It has secured large-scale hospital projects all over the country. This company's work consists of the design, supply, implementation and maintenance of all of the components comprising the information and communication technology (ITC) needed so that modern hospitals can function optimally. At year-end 2016, the following health institutions were up and running:
 - ATE VITARTE Emergency Hospital - LIMA
 - Santa Gema Hospital - YURIMAGUAS
 - Daniel Alcides II Hospital - HUANCAYO
 - Marina de Guerra Polyclinic - LIMA
- This track record makes the company the benchmark technology provider in the Peruvian market and has earned it the recognition of the Peruvian health ministry and the main construction firms and translated into new business opportunities, specifically roles in the development of at least five new health centers destined to generate new orders in 2017.
- In 2016, the **Mexican subsidiary** renewed its contract for the management of Telmex's communications platform all over Latin America. These services include preventative and corrective maintenance at the Mexican center from which the various facilities and offices across Latin America (Mexico, Brazil, Argentina, Colombia, Chile, Venezuela and Peru) are monitored. This services agreement (support and monitoring) makes the Mexican subsidiary one of Telmex's strategic partners.
- During the second half of 2016, the Mexican subsidiary was adjudicated a contract by the national security commission (CNS) for the preventative and corrective maintenance of the electromagnetic infrastructure and surroundings of this customer's rooms (UPS, access control, physical security, etc.) in its three data centers in the country.
- It also secured the contract awarded by the port authority for the provision of integrated voice, data and video services at 16 sea ports in Mexico, which are considered the most important in the country and are located in both the Pacific Ocean and the Gulf of Mexico.
- Lastly, and still with the security business, at the end of 2016, the Mexican subsidiary won the contract for expanding the voice service project at Coahuila prison, such that the penitentiary will be able to offer prisoners controlled and monitored communications with the outside world.
- As for the **Colombian subsidiary**, it is worth highlighting its capabilities in the integration of management solutions and network control systems, enabling it to manage and control networks from end to end, including the provision of multiple connectivity options, in high-profile sectors such as the public sector, the financial sector (where its client list includes AV Villas, Banco Pópular and Banco de Colombia) and other sectors (with customers such as Cartón De Colombia, Colgate, UNE, EPM and Claro).

Going concern

Over the course of 2016, the Group successfully secured new sources of financing and concluded very significant transactions (as detailed below). This, coupled with the other measures already taken at the end 2015 (as outlined in the 2015 consolidated financial statements) and those expected to be executed over the course of 2017, substantiates the Company's directors' decision to prepare the accompanying annual financial statements on a going concern basis. Among the measures implemented in 2016, the following stand out:

► Share issues

On February 8, 2016, Tecnola SL became the main creditor in respect of the borrowings of the Group's Brazilian subsidiaries, Medidata Informática and XC Comercial. The debt acquired by the new lender totaled 5,784 thousand euros, representing 79% of these subsidiaries' overall debt.

Continuing the process of enhancing the Group's capital structure, the Parent (which had previously borne the debt of its Brazilian subsidiary) offered to acquire this debt from Tecnola S.L. by capitalizing it (by delivering new-issue Amper shares). This conversion structure was similar to that recently agreed upon with the Group's financial creditors, as crystallized in the Syndicated Loan Agreement dated April 15, 2015. Specifically, the balance of debt swapped into shares in 2016 amounted to 5,784 thousand euros and the number of new shares (valued at 0.59 per share) issued to this end was 9,802,850.

This equity issue was registered in the Madrid Companies Register on July 1, 2016. That transaction implied a gain of 4,676 thousand euros, which is recognized in the consolidated statement of profit or loss under "Finance income", as a result of the derecognition of the corresponding financial liability (note 16).

The Company registered another equity issue with the Madrid Companies Register on April 25, 2016, specifically a 4,995 thousand euro rights issue comprising the issuance of 62,436,290 new shares with a unit par value of 0.05 euros and a per-share premium of 0.03 euros. That rights issue was a rounding success as it was oversubscribed by a factor of 7.5.

► Additional sources of financing

On June 9, 2016, the Company arranged an equity line with Renta 4 Banco, S.A. under which the Company is entitled but not obliged to require Renta 4 to subscribe to one or more rights issues covering a total sum of 4 million euros during a period of one year from the date of its execution. Renta 4, for its part, has arranged a securities loan over ordinary shares with Catalectic, S.L. and Emilanteos, S.L., the holding companies owned by the Chairman of the Board of Directors of Amper, who will receive no remuneration whatsoever for the loan of these securities.

Against this backdrop, a first subscription period began on June 15, 2016 and ended on July 5, 2016 with Renta 4 deciding to subscribe and pay for a capital increase in the amount of 839 thousand euros, comprising 10 million new shares with a par value of 0.05 euros and a share premium of 0.03388 euros per share.

On July 15, 2016, the Group entered into a syndicated finance agreement with Alternative Financing Estructuración y Originación, S.L. securing 4 million euros of debt convertible into shares at a price of 0.07 euros per share. That agreement was amended on August 4, 2016 to increase the size of the financing agreement to 8 million euros. That financing agreement had been fully paid in as at December 31, 2016; all of the formalities needed to capitalize an initial tranche of 6 million euros into new Amper shares had been satisfied and the steps needed to capitalize the remaining 2 million euros were underway (note 11).

Lastly, Amper arranged a financing agreement with Alternative Financing Estructuración y Origenación, S.L. in the amount of 6.75 million euros convertible into shares of Amper at a price of 0.085 euros per share in connection with the acquisition of Nervión, S.L., as detailed below.

➤ **Strategic agreements with third parties**

Sale of the South Pacific businesses

The Amper Group entered into an agreement with Amalgamated Telecom Holdings Ltd. ("ATH", the leading telecommunications company in Fiji and an investee of the National Provident Fund of Fiji) for the sale of all of its businesses in the South Pacific, which had achieved the scale and level of maturity needed to facilitate this transaction, with the aim of fortifying the Group's own funds and moving towards a net cash position at the consolidated level. That sale is subject to certain terms and conditions and is conditional upon obtaining all of the pertinent authorizations and permits required by the various authorities of Samoa, New Zealand, Samoa America, the Cook Islands and the Federal US authorities, the latter being the most important.

Amper's telecommunications businesses in the South Pacific encompass 22 companies divided across the five states and territories listed above, all of which owned by North American companies. As already noted, for the sale of all of the telecommunications businesses to close it is imperative that all the required authorizations and permits are obtained, mainly from the various local governments and telecommunications regulators, the most important being the US bodies.

In 2016, Amper collected an advance payment of 26 million US dollars against the sale of the South Pacific businesses, which is expected to generate a final estimated price of 79 million US dollars. A second advance payment of 4 million US dollars is due in the second quarter of 2017, with the remainder of the purchase price expected during the fourth quarter of 2017. The ability to close this transaction is important to the Amper Group's business operations and to execution of its business plan.

Given the characteristics of this transaction, Amper believes that, although the sale cannot be deemed closed at December 31, 2016, the requirements stipulated in IFRS 5 for classification as 'held for sale' are met as of the reporting date, to which end, the businesses have been so classified, specifically under the "Discontinued operations" column in the accompanying consolidated statement of profit or loss.

Finalization of the financing agreement with Fore Multi Strategy Master Fund, Ltd.

On July 1, 2016, Fore Multi Strategy Master Fund, Ltd and the Parent agreed to extend the Ordinary Maturity Date of the Financing Agreement initially set for June 30, 2016 until December 31, 2016 and to modify the repayment schedule for the outstanding balance of 4,444,445 US dollars. The new repayment schedule contemplated monthly payments between July 15 and December 15, 2016. At year-end 2016, this Refinancing Agreement had been fully settled.

Agreement with CISCO

On July 20, 2015, an agreement was signed with the Group's biggest supplier, CISCO, setting the definitive payment schedule for the months to come. The agreement fell under the scope of delivery of the conditions precedent stipulated in the Syndicated Loan Agreement. The Group had complied with that payment schedule, which had contemplated the payment of 10 million US dollars, by September 14, 2016, so that at the date of authorizing the accompanying consolidated financial statements for issue the Group was current on its debt obligations vis-a-vis this supplier (note 14).

Agreement with NERVIÓN, S.L.

On December 27, 2016, Amper reached an agreement with Nervión, S.L., a company devoted to the provision of industrial services in strategic sectors, wholly-owned by Barisan, an enterprise belonging to the portfolio advised by Springwater Capital LLC, for the provision to Nervión of a loan convertible into shares of Nervión of up to 4,750 thousand euros.

The loan is divided into an initial tranche of 3,325 thousand euros deliverable immediately which entitles Amper to convert its loan into new shares representing 57.57% of Nervión's issued capital during the first four months of 2017.

Subsequently, at the end of June 2017, if Nervión is fulfilling its business expectations reasonably, Amper can contribute the remaining 1,425 thousand euros; that tranche would entitle it to convert its loan into additional shares in Nervión that would lift its equity stake to 78.375%.

This transaction is closely intertwined with the transaction described above under which Alterfin has granted Amper a loan to fund the financing in turn provided to Nervión; at year-end 2016, that loan had been drawn down by 3,325 thousand euros, precisely the sum extended to Nervión by Amper.

Average payment period

The disclosures regarding the average supplier payment term by the Spanish companies are provided below:

| | 2016 | 2015 |
|--------------------------------|-------|-------|
| (Days) | | |
| Average supplier payment term | 93 | 76 |
| Paid transactions ratio | 89 | 71 |
| Outstanding transactions ratio | 86 | 59 |
| (Thousands of euros) | | |
| Total payments made | 6,484 | 7,607 |
| Total payments outstanding | 3,363 | 7,293 |

The measures described elsewhere in this report are also aimed at reducing the average payment term.

Events after the reporting date

The issuance of shares to offset the credit claims held against the Company by Alternative Financing, Estructuración y Originación, S.L.U. ("Alterfin") in the amounts of (i) 1,999,999.96 euros in respect of Tranche 1; and (ii) 3,950,000.04 euros in respect of Tranche 2 was registered with the Madrid Companies Register on January 10, 2017. Specifically, the Company issued 85,000,000 new shares with a unit par value of 0.05 euros and a share premium of 0.02 euros, all of which were subscribed by Alterfin. In the wake of the issue, the Company's share capital stood at 40,390 thousand euros (note 11). The new shares were admitted to trading on the Madrid and Barcelona stock exchanges with effect from January 18, 2017.

The sale of certain Latin American subsidiaries (note 2.3) closed on February 10, 2017. Pursuant to that agreement, Osmundo Lúquez, Managing Director of the Amper Group's subsidiaries in Latam, has assumed the control, risks and benefits of the Group companies present in Ecuador, Panama, the Dominican Republic and Central America (which includes the subsidiaries in Guatemala, Nicaragua, El Salvador and Honduras) and the US (via Desca Corp.), with effect from December 31, 2016. The sale went through for no consideration; rather, the buyer has assumed all the benefits, risks, obligations and liabilities existing at the companies sold as from December 31, 2016. In relation to the foregoing, the lenders under the Company's financing agreement formally authorized the sale (a formality stipulated in the sale agreement) on February 22, 2017.

Human resources

The breakdown of the Group's average headcount is provided below:

| Average headcount | 2016 | 2015 |
|-------------------|------------|--------------|
| Men | 292 | 726 |
| Women | 123 | 352 |
| Total | 415 | 1,078 |

Risks and sources of uncertainty

Amper has a corporate risk map which it uses to facilitate the identification, management and monitoring of all the significant risks which could impede delivery of the Group's objectives. The various market and product departments and the internal audit function are tasked with monitoring and updating the corporate risk map. The Audit and Control Committee supervises and verifies this information and also makes sure that the risks assumed by the Company are aligned with its strategy.

The main risks contemplated by the risk map and model are the following:

- Process-related risks
- Financial/reporting risks
- Technology risks
- Human capital risks

The basic principles defined by the Amper Group in establishing the policies for managing its most significant risks are as follows:

Interest-rate risk

Movements in interest rates affect both the fair value of the assets and liabilities that carry interest at a fixed rate and the future cash flows of assets and liabilities whose prices are benchmarked to floating rates.

The goal of the Group's interest rate risk management policy is to achieve a balanced capital structure to enable it to mitigate these risks and minimize the cost of debt.

At year-end, the Group's borrowings were benchmarked to floating interest rates, primarily Euribor, and it had not arranged any interest rate hedges.

Foreign currency risk

The Group operates in the international arena and is exposed to exchange rate risk on transactions denominated in foreign currency, especially in US dollars and Brazilian reais. Foreign currency risk derives from future commercial transactions, recognized assets and liabilities and net investments in foreign operations.

At year-end 2016, the Group had not arranged any exchange rate hedges. The exchange risk on the net assets of the Group's foreign operations (exposure to the US dollar) is mainly managed by denominating borrowings in the same currency. The Group also seeks to balance cash receipts and payments in respect of its assets and liabilities denominated in foreign currency.

The Group also has several investments in foreign operations whose net assets are exposed to foreign currency translation risk. The exchange risk on the net assets of the Group's foreign

operations (exposure to the US dollar and the Brazilian real) is mainly managed by denominating these operations' borrowings in the corresponding foreign currencies.

At December 31, 2016, if the euro had been 10% weaker with respect to the US dollar and the Brazilian real, all other variables held constant, consolidated profit after tax would have been 2,484 thousand euros lower, mainly due to the effect of translating trade receivables and debt instruments classified as held-for-sale into euros.

Foreign currency risk derives mainly from trade and financing transactions performed by the Group in Latin America and the South Pacific.

The accompanying tables reflect the carrying amounts of the Group's financial instruments or classes of financial instruments denominated in foreign currency:

| | Thousands of dollars | Thousands of reais |
|---|----------------------|--------------------|
| Non-current financial assets | 2,179 | 4,134 |
| Total non-current assets | 2,179 | 4,134 |
| Trade receivables and other current assets | 8,880 | 11,712 |
| Cash and cash equivalents | 429 | 69 |
| Total current assets | 9,309 | 11,781 |
| Total assets | 11,488 | 15,915 |
| Non-current borrowings | — | 1,036 |
| Other non-current accounts payable | 3,733 | — |
| Total non-current liabilities | 3,733 | 1,036 |
| Current borrowings | 1,349 | 7,866 |
| Trade and other payables | 42,337 | 12,991 |
| Total current liabilities | 43,686 | 20,857 |
| Total liabilities | 47,419 | 21,893 |
| Gross statement of financial position exposure | (35,931) | (5,978) |

The subsidiaries operating outside of Spain are not significantly exposed to foreign currency risk as they do not perform significant amounts of transactions in currencies other than the functional currency.

Liquidity risk

Liquidity risk is defined as an entity's inability to service its commitments as a result of adverse circumstances in the debt and/or equity markets that hinder or impede the raising of the financing needed to do so.

To ensure compliance with the payment commitments assumed, in 2015, the Group restructured its bank debt in Spain and carried out a series of equity issues, as detailed elsewhere in this report. In addition, the Parent's directors have prepared a business plan which establishes the roadmap for improving the Group's financial structure. As for the cash available at certain subsidiaries, the Group has factored into its liquidity planning and current cash needs the difficulties existing in certain countries in terms of repatriating this cash.

Credit risk

In relation to financial transactions, credit risk is the potential loss arising from a counterparty's inability to meet its contractual obligations. The Group's exposure to credit risk is not significantly concentrated. The Group has policies for guaranteeing the recoverability of its investment in projects and the collection of receivables due in exchange for the provision of services to customers with an appropriate credit history. The Group discounts certain receivables by means of non-recourse factoring arrangements. At year-end 2016 and 2015, the Group recognized certain past due financial assets.

Price risk

The Group's exposure to changes in the price of derivative instruments is related to variability in Amper, S.A.'s share price. In 2015, Amper, S.A.'s share price performance decreased the carrying amount of the related liability by 235 thousand euros; in 2016, there was no movement in this respect.

Capital management

The Group's capital management objectives are:

- Safeguarding the Group's ability to continue to pursue sustainable growth
- Providing shareholders with an adequate return
- Maintaining an optimal capital structure

The Group manages the capital structure and makes adjustments in light of changes in economic conditions. To maintain or adjust the capital structure, the Group may adopt several policies such as returning capital to shareholders, buying back shares, self-financing investments and securing long-term borrowings, etc.

Research and development costs

Given the financial restrictions experienced by the Group in prior years, its R&D policy and effort have suffered. However, the Group remains committed to innovation as the means to developing unique products and services with which to compete with the main sector players, home-market companies and multinationals alike.

As part of the Group's innovation policy, it continues to prioritize R&D developments that enhance and adapt existing products and services to emerging customer needs and demands. As a result of this effort, the Group is eking out capacity improvements in the control and command systems targeted at emergency management services and in terms of the integration of legacy systems, user interfaces, enhanced data merger algorithms and interoperability thanks to next-generation communication networks.

On the communications front, development work was performed on the bandwidth-to-the-home systems. Research was conducted into the potential addition of value-added services such as energy efficiency, home automation and remote security applications. The work performed to enhance systems with proprietary technology is capitalized and developed in accordance with customer needs.

Environmental issues

The Group has no environmental liabilities, expenses, assets, provisions or contingencies that could be material in respect of its equity, financial position or performance. Therefore, no specific disclosures relating to environmental issues are included in this Management Report.

Derivatives and hedging transactions

At year-end 2016, the liability side of the Group's statement of financial position recognizes the financial instrument, measured at its fair value in the amount of 1,936 thousand euros (3,382 thousand euros at December 31, 2015), corresponding to the derivative related to the price guaranteed to minority shareholders in eLandia. The instrument is valued at the difference between the price of 3.68 euros per Amper share guaranteed to the non-controlling shareholders of eLandia in exchange for the purchase of their interests and the value of Amper's shares two years after execution of the agreement.

In 2015, the change in the fair value of this financial instrument gave rise to the recognition of a gain of 235 thousand euros. There was no impact in this connection in 2016.

The Parent's directors believe that the amount recognized in this respect is sufficient to cover the potential claims of the minority shareholders in connection with the subsidiary's delisting.

Amper's share price performance

At December 31, 2016, Amper, S.A.'s share capital amounted to 40,390 thousand euros (year-end 2015: 23,530 thousand euros) and was represented by 807,802,527 ordinary shares (year-end 2015: 590,600,174 shares) each with a unit par value of 0.05 euros, all fully subscribed and paid in.

The Company's share price performed as follows in 2016:

- The share price ended 2016 at 0.221 euros, up from 0.129 euros at year-end 2015, having peaked at 0.248 euros during the year and hit a low of 0.071 euros.
- The Company's market capitalization at year-end stood at 159.7 million euros (76.2 million euros at year-end 2015).
- 3,409,439,433 shares changed hands in 2016, compared to 2,800,412,132 shares in 2015.
- The total trading volume by value was 467.4 million euros versus 516.6 million euros in 2015.

Amper's shares were traded every day the stock exchange opened in 2015. Amper, S.A. is part of the so-called "High-Tech" sector.

Amper's shares have been part of the Ibex Small Cap index since July 1, 2005.

Treasury shares

The Group did not hold any own shares as treasury stock at year-end 2016.

The foregoing Group Management Report of AMPER, S.A. and its subsidiaries for the year ended December 31, 2016 was authorized for issue by the Board of Directors at a meeting held on February 28, 2017; it spans 59 pages, numbered from 1 to 59, both inclusive.

Article 253 of Spain's Corporate Enterprises Act stipulates that all the members of the Board of Directors sign this report.

Jaime Espinosa de los Monteros
Executive Chairman

Rafael Cabezas Valeriano

Antonio Arenas Rodríguez

Ms. Socorro Fernández Larrea

Juan Ceña Poza

ANEXO I

INFORME ANUAL DE GOBIERNO CORPORATIVO DE LAS SOCIEDADES ANÓNIMAS COTIZADAS

DATOS IDENTIFICATIVOS DEL EMISOR

| | |
|---------------------------------------|------------|
| FECHA FIN DEL EJERCICIO DE REFERENCIA | 31/12/2016 |
|---------------------------------------|------------|

| | |
|--------|------------|
| C.I.F. | A-28079226 |
|--------|------------|

| |
|---------------------|
| DENOMINACIÓN SOCIAL |
|---------------------|

| |
|-------------|
| AMPER, S.A. |
|-------------|

| |
|------------------|
| DOMICILIO SOCIAL |
|------------------|

| |
|--|
| VIRGILIO 2, EDIFICIO 4 (POZUELO DE ALARCÓN) MADRID |
|--|

**INFORME ANUAL DE GOBIERNO CORPORATIVO
DE LAS SOCIEDADES ANÓNIMAS COTIZADAS**

A ESTRUCTURA DE LA PROPIEDAD

A.1 Complete el siguiente cuadro sobre el capital social de la sociedad:

| Fecha de última modificación | Capital social (€) | Número de acciones | Número de derechos de voto |
|------------------------------|--------------------|--------------------|----------------------------|
| 28/11/2016 | 40.390.126,35 | 807.802.527 | 807.802.527 |

Indique si existen distintas clases de acciones con diferentes derechos asociados:

Sí No

A.2 Detalle los titulares directos e indirectos de participaciones significativas, de su sociedad a la fecha de cierre del ejercicio, excluidos los consejeros:

| Nombre o denominación social del accionista | Número de derechos de voto directos | Número de derechos de voto indirectos | % sobre el total de derechos de voto |
|---|-------------------------------------|---------------------------------------|--------------------------------------|
| DON JUAN CARLOS HERRERO MUÑOZ | 0 | 19.250.000 | 2,38% |
| ALTERNATIVE FINANCING, ESTRUCTURACIÓN Y ORIGINACIÓN, S.L.U. | 85.000.000 | 0 | 10,52% |

| Nombre o denominación social del titular indirecto de la participación | A través de: Nombre o denominación social del titular directo de la participación | Número de derechos de voto |
|--|---|----------------------------|
| DON JUAN CARLOS HERRERO MUÑOZ | FINCAS BIZKAIA, S.L. | 19.250.000 |

Indique los movimientos en la estructura accionarial más significativos acaecidos durante el ejercicio:

| Nombre o denominación social del accionista | Fecha de la operación | Descripción de la operación |
|---|-----------------------|---|
| FORE RESEARCH & MANAGEMENT, LP | 28/11/2016 | Se ha descendido el 3% del capital Social |

A.3 Complete los siguientes cuadros sobre los miembros del consejo de administración de la sociedad, que posean derechos de voto de las acciones de la sociedad:

| Nombre o denominación social del Consejero | Número de derechos de voto directos | Número de derechos de voto indirectos | % sobre el total de derechos de voto |
|---|-------------------------------------|---------------------------------------|--------------------------------------|
| DOÑA JUAN CEÑA POZA | 10 | 0 | 0,00% |
| DON JAIME ESPINOSA DE LOS MONTEROS PITARQUE | 2 | 20.384.202 | 2,52% |
| DOÑA SOCORRO FERNÁNDEZ LARREA | 9.944 | 0 | 0,00% |
| DON ANTONIO ARENAS RODRIGÁNEZ | 0 | 1.000 | 0,00% |
| DON RAFAEL CABEZAS VALERIANO | 7.686.286 | 0 | 0,95% |

| Nombre o denominación social del titular indirecto de la participación | A través de: Nombre o denominación social del titular directo de la participación | Número de derechos de voto |
|--|---|----------------------------|
|--|---|----------------------------|

| | | |
|--|-----------------------------|------------|
| DON JAIME ESPINOSA DE LOS MONTEROS PITARQUE | CATALETIC CORPORATION, S.L. | 10.679.957 |
| DON JAIME ESPINOSA DE LOS MONTEROS PITARQUE | EMILANTEOS, S.L. | 9.704.245 |
| DON ANTONIO ARENAS RODRIGÁNEZ | RODANTARE, S.L.P | 1.000 |
| % total de derechos de voto en poder del consejo de administración | | 3,88% |

Complete los siguientes cuadros sobre los miembros del consejo de administración de la sociedad, que posean derechos sobre acciones de la sociedad

A.4 Indique, en su caso, las relaciones de índole familiar, comercial, contractual o societaria que existan entre los titulares de participaciones significativas, en la medida en que sean conocidas por la sociedad, salvo que sean escasamente relevantes o deriven del giro o tráfico comercial ordinario:

A.5 Indique, en su caso, las relaciones de índole comercial, contractual o societaria que existan entre los titulares de participaciones significativas, y la sociedad y/o su grupo, salvo que sean escasamente relevantes o deriven del giro o tráfico comercial ordinario:

A.6 Indique si han sido comunicados a la sociedad pactos parasociales que la afecten según lo establecido en los artículos 530 y 531 de la Ley de Sociedades de Capital. En su caso, descríbalos brevemente y relacione los accionistas vinculados por el pacto:

Sí No

Indique si la sociedad conoce la existencia de acciones concertadas entre sus accionistas. En su caso, descríbalas brevemente:

Sí No

En el caso de que durante el ejercicio se haya producido alguna modificación o ruptura de dichos pactos o acuerdos o acciones concertadas, indíquelo expresamente:

N/A

A.7 Indique si existe alguna persona física o jurídica que ejerza o pueda ejercer el control sobre la sociedad de acuerdo con el artículo 4 de la Ley del Mercado de Valores. En su caso, identifíquela:

Sí No

| |
|---------------|
| Observaciones |
|---------------|

A.8 Complete los siguientes cuadros sobre la autocartera de la sociedad:

A fecha de cierre del ejercicio:

| Número de acciones directas | Número de acciones indirectas (*) | % total sobre capital social |
|-----------------------------|-----------------------------------|------------------------------|
| 0 | 0 | 0,00% |

(*) A través de:

Detalle las variaciones significativas, de acuerdo con lo dispuesto en el Real Decreto 1362/2007, realizadas durante el ejercicio:

| |
|---|
| Explique las variaciones significativas |
|---|

A.9 Detalle las condiciones y plazo del mandato vigente de la junta de accionistas al consejo de administración para emitir, recomprar o transmitir acciones propias.

Se autoriza al Consejo de Administración, con facultad de sustitución, de acuerdo con lo establecido en el Artículo 146 y concordantes de la Ley de Sociedad Capital y demás normativa aplicable, a la adquisición de acciones propias por parte de la propia sociedad y/o por parte de sus sociedades dominadas, con los siguientes límites:

- a) El número máximo de acciones a adquirir no rebasará el límite legal establecido del 10% del capital social de la Sociedad.
- b) Las adquisiciones no podrán realizarse a un precio inferior al valor nominal de las acciones propias adquiridas ni superior al 150% de su valor de cotización de las mismas en un mercado secundario oficial en el momento de la adquisición. Las modalidades de adquisición podrán consistir tanto en compraventa, como en permuta, o cualquier otra modalidad de negocio a título oneroso, según las circunstancias lo aconsejen.
- c) En el desarrollo de estas operaciones se procederá, además, al cumplimiento de las normas que sobre la materia se contienen en el Reglamento Interno de Conducta de la Sociedad.

Para la efectiva ejecución del presente acuerdo y cumplimiento de los límites legales establecidos, la totalidad o parte de las acciones adquiridas conforme a la presente autorización podrán ser enajenadas, mantenidas en autocartera, o amortizadas.

La presente autorización se concede, entre otras, con objeto de que las acciones adquiridas por la Sociedad o sus filiales puedan destinarse, en todo o en parte, a su entrega a los administradores, directivos o empleados de la Sociedad o de su Grupo cuando exista un derecho reconocido directamente o del que puedan ser titulares al amparo de sistemas retributivos debidamente aprobados, haciéndose constar expresamente la finalidad de esta autorización a los efectos previstos en el Art. 146.1 de la LSC.

Y para todo ello se autoriza al Consejo de Administración, a la Comisión Ejecutiva y al Consejero Delegado, con facultad de sustitución, tan ampliamente como fuera necesario, a solicitar cuantas autorizaciones y adoptar cuantos acuerdos fueran convenientes para dar cumplimiento a la normativa vigente, ejecución y buen fin al presente acuerdo.

La duración de la presente autorización será de 5 años contados a partir de la fecha de la celebración de la Junta General de Accionistas celebrada el 26 de mayo de 2014 y cubre todas las operaciones de autocartera que se efectúen dentro de dicho plazo, así como las correspondientes dotaciones a reservas si procediera con sujeción a lo previsto en el presente acuerdo y en la normativa aplicable.

A.9.bis Capital flotante estimado:

| | % |
|---------------------------|-------|
| Capital Flotante estimado | 83,63 |

A.10 Indique si existe cualquier restricción a la transmisibilidad de valores y/o cualquier restricción al derecho de voto. En particular, se comunicará la existencia de cualquier tipo de restricciones que puedan dificultar la toma de control de la sociedad mediante la adquisición de sus acciones en el mercado.

Sí No

A.11 Indique si la junta general ha acordado adoptar medidas de neutralización frente a una oferta pública de adquisición en virtud de lo dispuesto en la Ley 6/2007.

Sí No

En su caso, explique las medidas aprobadas y los términos en que se producirá la ineficiencia de las restricciones:

A.12 Indique si la sociedad ha emitido valores que no se negocian en un mercado regulado comunitario.

Sí No

En su caso, indique las distintas clases de acciones y, para cada clase de acciones, los derechos y obligaciones que confiera.

B JUNTA GENERAL

B.1 Indique y, en su caso detalle, si existen diferencias con el régimen de mínimos previsto en la Ley de Sociedades de Capital (LSC) respecto al quórum de constitución de la junta general.

Sí No

B.2 Indique y, en su caso, detalle si existen diferencias con el régimen previsto en la Ley de Sociedades de Capital (LSC) para la adopción de acuerdos sociales:

Sí No

Describa en qué se diferencia del régimen previsto en la LSC.

B.3 Indique las normas aplicables a la modificación de los estatutos de la sociedad. En particular, se comunicarán las mayorías previstas para la modificación de los estatutos, así como, en su caso, las normas previstas para la tutela de los derechos de los socios en la modificación de los estatutos.

La modificación de estatutos se acordará en Junta General de Accionistas. Habrán de concurrir a ella, en primera convocatoria, accionistas presentes o representados que posean al menos el 50% del capital suscrito con derecho a voto. En segunda convocatoria, será suficiente la concurrencia del 25% de dicho capital. Cuando concurren accionistas que representen menos del 50% del capital suscrito con derecho a voto, los acuerdos de modificación de estatutos sólo podrán adoptarse válidamente con el voto favorable de los dos tercios del capital presente o representado en la Junta.

B.4 Indique los datos de asistencia en las juntas generales celebradas en el ejercicio al que se refiere el presente informe y los del ejercicio anterior:

| Fecha junta general | Datos de asistencia | | | | |
|---------------------|-----------------------|---------------------|--------------------|-------|--------|
| | % de presencia física | % en representación | % voto a distancia | | Total |
| | | | Voto electrónico | Otros | |
| 15/03/2015 | 21,55% | 5,17% | 0,00% | 0,00% | 26,72% |
| 30/06/2015 | 10,51% | 20,75% | 0,00% | 0,00% | 31,26% |
| 13/05/2016 | 20,68% | 5,58% | 0,00% | 0,00% | 26,26% |
| 03/10/2016 | 23,25% | 11,02% | 0,00% | 0,00% | 34,27% |

B.5 Indique si existe alguna restricción estatutaria que establezca un número mínimo de acciones necesarias para asistir a la junta general:

Sí No

B.6 Apartado derogado.

B.7 Indique la dirección y modo de acceso a la página web de la sociedad a la información sobre gobierno corporativo y otra información sobre las juntas generales que deba ponerse a disposición de los accionistas a través de la página web de la Sociedad.

Dirección: www.amper.es. Al contenido referente a gobierno corporativo se accede a través del apartado denominado accionistas que aparece en la página principal de la Sociedad.

Además, para Junta General de Accionistas se crea un apartado específico con la documentación para los accionistas para facilitar su acceso a la misma.

C ESTRUCTURA DE LA ADMINISTRACIÓN DE LA SOCIEDAD

C.1 Consejo de administración

C.1.1 Número máximo y mínimo de consejeros previstos en los estatutos sociales:

| | |
|-----------------------------|---|
| Número máximo de consejeros | 8 |
| Número mínimo de consejeros | 5 |

C.1.2 Complete el siguiente cuadro con los miembros del consejo:

| Nombre o denominación social del consejero | Representante | Categoría del consejero | Cargo en el consejo | Fecha Primer nomb. | Fecha Último nomb. | Procedimiento de elección |
|---|---------------|-------------------------|-------------------------------|--------------------|--------------------|--------------------------------------|
| DOÑA JUAN CEÑA POZA | | Independiente | CONSEJERO | 10/01/2014 | 26/05/2014 | ACUERDO JUNTA GENERAL DE ACCIONISTAS |
| DON JAIME ESPINOSA DE LOS MONTEROS PITARQUE | | Ejecutivo | PRESIDENTE-CONSEJERO DELEGADO | 21/05/2012 | 26/05/2014 | ACUERDO JUNTA GENERAL DE ACCIONISTAS |
| DOÑA SOCORRO FERNÁNDEZ LARREA | | Dominical | CONSEJERO | 13/03/2014 | 26/05/2014 | ACUERDO JUNTA GENERAL DE ACCIONISTAS |
| DON ANTONIO ARENAS RODRIGÁNEZ | | Independiente | CONSEJERO | 28/01/2015 | 15/03/2015 | ACUERDO JUNTA GENERAL DE ACCIONISTAS |
| DON RAFAEL CABEZAS VALERIANO | | Independiente | CONSEJERO | 13/03/2014 | 26/05/2014 | ACUERDO JUNTA GENERAL DE ACCIONISTAS |

| | |
|----------------------------|---|
| Número total de consejeros | 5 |
|----------------------------|---|

Indique los ceses que se hayan producido en el consejo de administración durante el periodo sujeto a información:

| Nombre o denominación social del consejero | Categoría del consejero en el momento de cese | Fecha de baja |
|--|---|---------------|
| DON JIANJUN LU | Independiente | 10/11/2016 |

C.1.3 Complete los siguientes cuadros sobre los miembros del consejo y su distinta categoría:

CONSEJEROS EJECUTIVOS

| Nombre o denominación social del consejero | Cargo en el organigrama de la sociedad |
|---|--|
| DON JAIME ESPINOSA DE LOS MONTEROS PITARQUE | Presidente Ejecutivo |

| | |
|---------------------------------------|--------|
| Número total de consejeros ejecutivos | 1 |
| % sobre el total del consejo | 20,00% |

CONSEJEROS EXTERNOS DOMINICALES

| Nombre o denominación social del consejero | Nombre o denominación del accionista significativo a quien representa o que ha propuesto su nombramiento |
|--|--|
| DOÑA SOCORRO FERNÁNDEZ LARREA | EMILANTEOS, S.L. |

| | |
|--|--------|
| Número total de consejeros dominicales | 1 |
| % sobre el total del consejo | 20,00% |

CONSEJEROS EXTERNOS INDEPENDIENTES

Nombre o denominación del consejero:

DOÑA JUAN CEÑA POZA

Perfil:

Es Licenciado en Ciencias Económicas y Empresariales por la Universidad Pontificia de Comillas (ICADE, E-2).

Actualmente desarrolla sus propios proyectos empresariales, orientados a la creación, co-creación y/o inversión directa en compañías de distintos sectores: sound branding&music, marketing, eficiencia energética, correduría de seguros y turismo, inversión personal y gestión de coinversión con grupo inversor privado, e involucración en el desarrollo de las compañías con implicación continuada a distintos niveles.

Hasta 2011 ha sido consejero delegado de la cadena de hoteles Room Mate, donde destacó su labor de reposicionamiento y reorganización del Grupo. Con anterioridad desarrolló funciones en el área de fusiones y adquisiciones de la firma Socios Financieros y KPMG.

Nombre o denominación del consejero:

DON ANTONIO ARENAS RODRIGÁNEZ

Perfil:

Es licenciado en Derecho por la Universidad Complutense, complementó sus estudios en el Instituto Parisino de Ciencias Políticas (ScPo.) y en Harvard Business Scholl (PMD y Corporate Governance).

Es abogado en ejercicio especializado en reestructuración de empresas industriales y de servicios, actuando como Consultor, Gerente, Administrador y Consejero de entidades tanto nacionales como extranjeras.

Así mismo ha ejercido o ejerce el cargo de Administrador de empresas en sectores como la Comunicación, Ocio Hoteles, Alimentación, Fábrica de cigarrillos y Bienes de equipo, así como Promotoras inmobiliarias.

Es también administrador y accionista de Rodantare SLP, dedicada a la asesoría jurídica y de gestión, actuando como Administrador Concursal en diferentes procedimientos de los Juzgados de lo Mercantil.

Nombre o denominación del consejero:

DON RAFAEL CABEZAS VALERIANO

Perfil:

Es licenciado en Empresariales por CUNEF (Madrid), especialidad Financiación, y MBA por ESADE (Barcelona).

Desde 1992 es socio fundador y director general del Grupo HDM, grupo de empresas que ofrecen servicios de logística integral. Anteriormente fue director de Control y Gestión de Kühne Nagel Tres H España, compañía multinacional alemana de logística integral, así como director de marketing y adjunto a la Dirección General de United Parcel Services (UPS), compañía multinacional norteamericana del sector del transporte, especializada en la distribución de paquetería.

| | |
|---|--------|
| Número total de consejeros independientes | 3 |
| % total del consejo | 60,00% |

Indique si algún consejero calificado como independiente percibe de la sociedad, o de su mismo grupo, cualquier cantidad o beneficio por un concepto distinto de la remuneración de consejero, o mantiene o ha mantenido, durante el último ejercicio, una relación de negocios con la sociedad o con cualquier sociedad de su grupo, ya sea en nombre propio o como accionista significativo, consejero o alto directivo de una entidad que mantenga o hubiera mantenido dicha relación.

Ningún consejero independiente percibe cantidades o beneficio por un concepto distinto de la remuneración de consejero.

En su caso, se incluirá una declaración motivada del consejo sobre las razones por las que considera que dicho consejero puede desempeñar sus funciones en calidad de consejero independiente.

OTROS CONSEJEROS EXTERNOS

Se identificará a los otros consejeros externos y se detallarán los motivos por los que no se puedan considerar dominicales o independientes y sus vínculos, ya sea con la sociedad, sus directivos o sus accionistas:

Indique las variaciones que, en su caso, se hayan producido durante el periodo en la categoría de cada consejero:

C.1.4 Complete el siguiente cuadro con la información relativa al número de consejeras durante los últimos 4 ejercicios, así como el carácter de tales consejeras:

| | Número de consejeras | | | | % sobre el total de consejeros de cada tipología | | | |
|-----------------------|----------------------|----------------|----------------|----------------|--|----------------|----------------|----------------|
| | Ejercicio 2016 | Ejercicio 2015 | Ejercicio 2014 | Ejercicio 2013 | Ejercicio 2016 | Ejercicio 2015 | Ejercicio 2014 | Ejercicio 2013 |
| Ejecutiva | 0 | 0 | 0 | 0 | 0,00% | 0,00% | 0,00% | 0,00% |
| Dominical | 1 | 1 | 1 | 0 | 100,00% | 100,00% | 100,00% | 0,00% |
| Independiente | 0 | 0 | 0 | 0 | 0,00% | 0,00% | 0,00% | 0,00% |
| Otras Externas | 0 | 0 | 0 | 0 | 0,00% | 0,00% | 0,00% | 0,00% |
| Total: | 1 | 1 | 1 | 0 | 20,00% | 16,67% | 20,00% | 0,00% |

C.1.5 Explique las medidas que, en su caso, se hubiesen adoptado para procurar incluir en el consejo de administración un número de mujeres que permita alcanzar una presencia equilibrada de mujeres y hombres.

Explicación de las medidas

La Comisión de Nombramientos y Retribuciones sigue un criterio de selección de los posibles candidatos para formar parte del Consejo de Administración totalmente objetivo e imparcial, proponiendo a sus candidatos en consideración a sus cualidades personales y profesionales, independientemente del sexo de los mismos.

C.1.6 Explique las medidas que, en su caso, hubiese convenido la comisión de nombramientos para que los procedimientos de selección no adolezcan de sesgos implícitos que obstaculicen la

selección de consejeras, y la compañía busque deliberadamente e incluya entre los potenciales candidatos, mujeres que reúnan el perfil profesional buscado:

Explicación de las medidas

No se establece ningún procedimiento específico, sin embargo si se asume en su integridad el principio de no discriminación por razón de sexo de los posibles candidatos.

Cuando a pesar de las medidas que, en su caso, se hayan adoptado, sea escaso o nulo el número de consejeras, explique los motivos que lo justifiquen:

Explicación de los motivos

El Consejo de Administración de Amper S.A. está compuesto en la actualidad por 5 personas, una mujer y cuatro hombres.

La Comisión de Nombramientos y Retribuciones, en el momento de cubrir vacantes o de proponer el nombramiento o reelección de Consejeros sigue procedimientos de selección objetivos e imparciales que no obstaculizan la selección de consejeras, buscando e incluyendo entre los potenciales candidatos a las personas, sean hombres o mujeres, que reúnan el perfil buscado.

C.1.6 bis Explique las conclusiones de la comisión de nombramientos sobre la verificación del cumplimiento de la política de selección de consejeros. Y en particular, sobre cómo dicha política está promoviendo el objetivo de que en el año 2020 el número de consejeras represente, al menos, el 30% del total de miembros del consejo de administración.

Explicación de las conclusiones

La Comisión de Nombramientos y Retribuciones sigue un criterio de selección de los posibles candidatos para formar parte del Consejo de Administración totalmente objetivo e imparcial, proponiendo a sus candidatos en consideración a sus cualidades personales y profesionales, independientemente del sexo de los mismos.
No se establece ningún procedimiento específico, sin embargo si se asume en su integridad el principio de no discriminación por razón de sexo de los posibles candidatos.

C.1.7 Explique la forma de representación en el consejo de los accionistas con participaciones significativas.

El presidente del Consejo, D. Jaime Espinosa de los Monteros Pitarque, es a su vez accionista con una participación significativa en la Sociedad (3,33%). Además, Dña. Socorro Fernández Larrea es consejera dominical designada en representación de una de las sociedades controladas por D. Jaime Espinosa de los Monteros Pitarque a través de la cual ostenta parte de su participación en la sociedad (Emilanteos, S.L.).

Los demás accionistas con participación significativa no están representados en el Consejo de Administración.

C.1.8 Explique, en su caso, las razones por las cuales se han nombrado consejeros dominicales a instancia de accionistas cuya participación accionarial es inferior al 3% del capital:

Indique si no se han atendido peticiones formales de presencia en el consejo procedentes de accionistas cuya participación accionarial es igual o superior a la de otros a cuya instancia se hubieran designado consejeros dominicales. En su caso, explique las razones por las que no se hayan atendido:

Sí

No

C.1.9 Indique si algún consejero ha cesado en su cargo antes del término de su mandato, si el mismo ha explicado sus razones y a través de qué medio, al consejo, y, en caso de que lo haya hecho por escrito a todo el consejo, explique a continuación, al menos los motivos que el mismo ha dado:

Nombre del consejero:

DON JIANJUN LU

Motivo del cese:

Motivos personales

C.1.10 Indique, en el caso de que exista, las facultades que tienen delegadas el o los consejero/s delegado/s:

Nombre o denominación social del consejero:

DON JAIME ESPINOSA DE LOS MONTEROS PITARQUE

Breve descripción:

Tendrá todas las facultades que puedan ser objeto de delegación de conformidad con la legislación vigente, excepto las materias recogidas en el artículo 5 del Reglamento del Consejo de Administración de la Sociedad, donde se recogen las materias que son competencia exclusiva del Consejo de Administración y, por tanto no serán delegables.

C.1.11 Identifique, en su caso, a los miembros del consejo que asuman cargos de administradores o directivos en otras sociedades que formen parte del grupo de la sociedad cotizada:

| Nombre o denominación social del consejero | Denominación social de la entidad del grupo | Cargo | ¿Tiene funciones ejecutivas? |
|---|--|--|------------------------------|
| DON JAIME ESPINOSA DE LOS MONTEROS PITARQUE | eLandia International Inc.; Amper Sistemas; Sociedad Limitada de Finanzas y Telecomunicación; Hemisf | Presidente del Consejo; Representante del Administrador; Consejero | Si |

C.1.12 Detalle, en su caso, los consejeros de su sociedad que sean miembros del consejo de administración de otras entidades cotizadas en mercados oficiales de valores distintas de su grupo, que hayan sido comunicadas a la sociedad:

| Nombre o denominación social del consejero | Denominación social de la entidad del grupo | Cargo |
|--|---|-----------|
| DOÑA SOCORRO FERNÁNDEZ LARREA | Red Eléctrica de España, S.A. | CONSEJERO |

C.1.13 Indique y, en su caso explique, si la sociedad ha establecido reglas sobre el número de consejos de los que puedan formar parte sus consejeros:

Si No **Explicación de las reglas**

El artículo 34 del Reglamento del Consejo de Administración establece que, los consejeros deberán evitar situaciones de conflicto de interés y obliga a abstenerse entre otros, de desarrollar actividades por cuenta propia o cuenta ajena que entrañen una competencia efectiva, sea actual o potencial, con la Sociedad o que, de cualquier otro modo, le sitúen en un conflicto permanente con los intereses de la Sociedad.

El artículo 37 del Reglamento del Consejo de Administración, a su vez determina que el consejero deberá informar a la Sociedad de los cargos que desempeñe y de las actividades que realice en otras sociedades y, en general, de los hechos, circunstancias o situaciones que puedan resultar relevantes para su actuación como administrador de la Sociedad.

C.1.14 Apartado derogado.

C.1.15 Indique la remuneración global del consejo de administración:

| | |
|---|-----|
| Remuneración del consejo de administración (miles de euros) | 559 |
| Importe de los derechos acumulados por los consejeros actuales en materia de pensiones (miles de euros) | 0 |
| Importe de los derechos acumulados por los consejeros antiguos en materia de pensiones (miles de euros) | 0 |

C.1.16 Identifique a los miembros de la alta dirección que no sean a su vez consejeros ejecutivos, e indique la remuneración total devengada a su favor durante el ejercicio:

| Nombre o denominación social | Cargo |
|------------------------------------|---------------------------|
| DON ADOLFO MONTENEGRO | Director General Pacífico |
| DON JUAN CARLOS GARMONA SCHMOLLING | Director General España |
| DON JORGE MUÑOZ PEINADOR | Director Recursos Humanos |
| DON JUAN CASTELLANOS DE ARMAS | Auditoría Interna |
| DON OSMUNDO LUQUEZ | Director General Latam |

| | |
|---|-------|
| Remuneración total alta dirección (en miles de euros) | 1.325 |
|---|-------|

C.1.17 Indique, en su caso, la identidad de los miembros del consejo que sean, a su vez, miembros del consejo de administración de sociedades de accionistas significativos y/o en entidades de su grupo:

Detalle, en su caso, las relaciones relevantes distintas de las contempladas en el epígrafe anterior, de los miembros del consejo de administración que les vinculen con los accionistas significativos y/o en entidades de su grupo:

C.1.18 Indique si se ha producido durante el ejercicio alguna modificación en el reglamento del consejo:

Si No

| Descripción modificaciones |
|---|
| Actualización del Reglamento para adecuarlo a la nueva normativa. |

C.1.19 Indique los procedimientos de selección, nombramiento, reelección, evaluación y remoción de los consejeros. Detalle los órganos competentes, los trámites a seguir y los criterios a emplear en cada uno de los procedimientos.

NOMBRAMIENTO:

1. Los consejeros serán designados por la Junta General o por el Consejo de Administración (caso de nombramientos por cooptación) de conformidad con las previsiones contenidas en la normativa de aplicación y en las normas de gobierno de la Sociedad.

2. La propuesta de nombramiento o reelección de los miembros del Consejo de Administración corresponde a la Comisión de Nombramientos y Retribuciones, si se trata de consejeros independientes, y al propio Consejo de Administración, en los demás casos. La propuesta deberá ir acompañada en todo caso de un informe justificativo del Consejo de Administración en el que se valore la competencia, experiencia y méritos del candidato propuesto, que se unirá al acta de la Junta General o del propio Consejo de Administración. La propuesta de nombramiento o reelección de cualquier consejero no independiente deberá ir precedida, además, del informe de la Comisión de Nombramientos y Retribuciones. Cuando el Consejo de Administración se aparte de las recomendaciones de la Comisión de Nombramientos y Retribuciones habrá de motivar las razones de su proceder y dejar constancia en acta de sus razones.

REELECCIÓN DE CONSEJEROS:

Las propuestas de reelección de consejeros que el Consejo de Administración decida someter a la Junta General de accionistas habrán de sujetarse a un proceso formal de elaboración, del que necesariamente formará parte un informe emitido por la Comisión de Nombramientos y Retribuciones.

DURACIÓN DEL CARGO:

1. Los consejeros ejercerán su cargo durante el plazo máximo establecido en los Estatutos Sociales, pudiendo ser reelegidos una o más veces por periodos de igual duración.
2. Los consejeros designados por cooptación ejercerán su cargo hasta la fecha de reunión de la primera Junta General en que se someterá, en su caso, a ratificación su nombramiento o hasta que transcurra el término legal para la celebración de la Junta General que deba resolver sobre la aprobación de las cuentas del ejercicio anterior. Asimismo, en el caso en el que se produzca una vacante en el Consejo de Administración una vez convocada la Junta General y antes de su celebración, el Consejo podrá designar un consejero hasta la celebración de la siguiente Junta General.
3. El consejero que termine su mandato o por cualquier otra causa cese en el desempeño de su cargo no podrá prestar servicios en otra entidad que tenga un objeto social análogo al de la Sociedad durante el plazo de dos años cuando el Consejo de Administración entienda motivadamente que se ponen en riesgo los intereses de la Sociedad.

CESE DE CONSEJEROS:

1. Los consejeros cesarán en el cargo cuando (i) habiendo transcurrido el período para el que fueron nombrados, se reúna la primera Junta General o haya transcurrido el plazo para la celebración de la Junta General que ha de resolver sobre la aprobación de las cuentas del ejercicio anterior, (ii) cuando notifiquen su renuncia o dimisión a la Sociedad o (iii) cuando lo decida la Junta General en uso de las atribuciones que tiene conferidas legal o estatutariamente.
2. Los consejeros deberán poner su cargo a disposición del Consejo de Administración y formalizar, si éste lo considera conveniente, la correspondiente dimisión en los siguientes casos:
 - (a) cuando cesen en los puestos ejecutivos a los que estuviere asociado su nombramiento como consejero;
 - (b) cuando se vean incurso en alguno de los supuestos de incompatibilidad o prohibición que le inhabilite para continuar en su cargo;
 - (c) cuando resulten gravemente amonestados por la Comisión de Auditoría y Control por haber infringido sus obligaciones como consejeros;
 - (d) cuando su permanencia en el Consejo de Administración pueda poner en riesgo los intereses de la Sociedad o afectar negativamente a su crédito y reputación o cuando desaparezcan las razones por las que fueron nombrados; y
 - (e) en caso de consejeros dominicales, cuando el accionista a quien representen venda íntegramente su participación en la Sociedad o, haciéndolo parcialmente, alcance un nivel que conlleve la obligación de reducción de sus consejeros dominicales.

DEBER DE SECRETO DEL CONSEJEROS:

1. El consejero, aun después de cesar en sus funciones, deberá guardar secreto de las informaciones de carácter confidencial, estando obligado a guardar reserva de las informaciones, datos, informes o antecedentes que conozca como consecuencia del ejercicio del cargo, sin que las mismas puedan ser comunicadas a terceros o ser objeto de divulgación cuando pudiera tener consecuencias perjudiciales para el interés social. Se exceptúan del deber a que se refiere el párrafo anterior los supuestos en que la normativa de aplicación permita su comunicación o divulgación a terceros o que, en su caso, sean requeridos o hayan de remitir a las respectivas autoridades de supervisión, en cuyo caso la cesión de información deberá ajustarse a lo dispuesto por la normativa de aplicación.
2. Cuando el consejero sea persona jurídica, el deber de secreto recaerá sobre su representante persona física, sin perjuicio del cumplimiento de la obligación que tenga de informar a aquella.

C.1.20 Explique en qué medida la evaluación anual del consejo ha dado lugar a cambios importantes en su organización interna y sobre los procedimientos aplicables a sus actividades:

| Descripción modificaciones |
|----------------------------|
|----------------------------|

| |
|--|
| Al final de cada ejercicio económico el Consejo de Administración dedicará una sesión a evaluar su funcionamiento y la calidad de sus trabajos, y partiendo de un informe de la Comisión de Nombramientos y Retribuciones, el desempeño de |
|--|

C.1.20.bis Describa el proceso de evaluación y las áreas evaluadas que ha realizado el consejo de administración auxiliado, en su caso, por un consultor externo, respecto de la diversidad en su composición y competencias, del funcionamiento y la composición de sus comisiones, del desempeño del presidente del consejo de administración y del primer ejecutivo de la sociedad y del desempeño y la aportación de cada consejero.

N/A

C.1.20.ter Desglose, en su caso, las relaciones de negocio que el consultor o cualquier sociedad de su grupo mantengan con la sociedad o cualquier sociedad de su grupo.

N/A

C.1.21 Indique los supuestos en los que están obligados a dimitir los consejeros.

En los supuestos previstos en el artículo 23.2 del Reglamento del Consejo:

"Los consejeros deberán poner su cargo a disposición del Consejo de Administración y formalizar, si éste lo considera conveniente, la correspondiente dimisión en los siguientes casos:

- (a) cuando cesen en los puestos ejecutivos a los que estuviere asociado su nombramiento como consejero;
- (b) cuando se vean incurso en alguno de los supuestos de incompatibilidad o prohibición que le inhabilite para continuar en su cargo;
- (c) cuando resulten gravemente amonestados por la Comisión de Auditoría y Control por haber infringido sus obligaciones como consejeros;
- (d) cuando su permanencia en el Consejo de Administración pueda poner en riesgo los intereses de la Sociedad o afectar negativamente a su crédito y reputación o cuando desaparezcan las razones por las que fueron nombrados; y
- (e) en caso de consejeros dominicales, cuando el accionista a quien representen venda íntegramente su participación en la Sociedad o, haciéndolo parcialmente, alcance un nivel que conlleve la obligación de reducción de sus consejeros dominicales."

C.1.22 Apartado derogado.

C.1.23 ¿Se exigen mayorías reforzadas, distintas de las legales, en algún tipo de decisión?:

Sí

No

En su caso, describa las diferencias.

C.1.24 Explique si existen requisitos específicos, distintos de los relativos a los consejeros, para ser nombrado presidente del consejo de administración.

Sí

No

C.1.25 Indique si el presidente tiene voto de calidad:

Sí No

C.1.26 Indique si los estatutos o el reglamento del consejo establecen algún límite a la edad de los consejeros:

Sí No

C.1.27 Indique si los estatutos o el reglamento del consejo establecen un mandato limitado para los consejeros independientes, distinto al establecido en la normativa:

Sí No

C.1.28 Indique si los estatutos o el reglamento del consejo de administración establecen normas específicas para la delegación del voto en el consejo de administración, la forma de hacerlo y, en particular, el número máximo de delegaciones que puede tener un consejero, así como si se ha establecido alguna limitación en cuanto a las categorías en que es posible delegar, más allá de las limitaciones impuestas por la legislación. En su caso, detalle dichas normas brevemente.

El Reglamento del Consejo de Administración establece que en el desempeño de sus funciones, el consejero obrará con la diligencia de un ordenado empresario, quedando obligado, en particular y entre otros, a participar activamente en el Consejo de Administración y en sus Comisiones y tareas asignadas, informándose, expresando su opinión, e instando de los restantes consejeros su concurrencia a la decisión que se entienda más favorable para la defensa del interés social. De no asistir, por causa justificada, a las sesiones a las que haya sido convocado, procurará instruir de su criterio al consejero que, en su caso, le represente.

C.1.29 Indique el número de reuniones que ha mantenido el consejo de Administración durante el ejercicio. Asimismo señale, en su caso, las veces que se ha reunido el consejo sin la asistencia de su presidente. En el cómputo se considerarán asistencias las representaciones realizadas con instrucciones específicas.

| | |
|--|----|
| Número de reuniones del consejo | 10 |
| Número de reuniones del consejo sin la asistencia del presidente | 0 |

Si el presidente es consejero ejecutivo, indíquese el número de reuniones realizadas, sin asistencia ni representación de ningún consejero ejecutivo y bajo la presidencia del consejero coordinador

| | |
|---------------------|---|
| Número de reuniones | 0 |
|---------------------|---|

Indique el número de reuniones que han mantenido en el ejercicio las distintas comisiones del consejo:

| Comisión | Nº de Reuniones |
|---|-----------------|
| Comisión de Nombramientos y Retribuciones | 3 |
| Comisión de Auditoría y Control | 5 |

C.1.30 Indique el número de reuniones que ha mantenido el consejo de Administración durante el ejercicio con la asistencia de todos sus miembros. En el cómputo se considerarán asistencias las representaciones realizadas con instrucciones específicas:

| | |
|---|---------|
| Número de reuniones con las asistencias de todos los consejeros | 10 |
| % de asistencias sobre el total de votos durante el ejercicio | 100,00% |

C.1.31 Indique si están previamente certificadas las cuentas anuales individuales y consolidadas que se presentan al consejo para su aprobación:

Sí No

Identifique, en su caso, a la/s persona/s que ha/han certificado las cuentas anuales individuales y consolidadas de la sociedad, para su formulación por el consejo:

C.1.32 Explique, si los hubiera, los mecanismos establecidos por el consejo de Administración para evitar que las cuentas individuales y consolidadas por él formuladas se presenten en la junta general con salvedades en el informe de auditoría.

El Consejo de Administración procurará formular definitivamente las cuentas de manera tal que no haya lugar a salvedades por parte del auditor. No obstante, cuando el Consejo de Administración considere que debe mantener su criterio, explicará públicamente el contenido y el alcance de las discrepancias.

Para ello, las Cuentas individuales y consolidadas se someten a la revisión previa de la Comisión de Auditoría y Control de la sociedad que tiene asignadas, entre otras, la responsabilidad de mantener relaciones con los auditores externos, evaluando los resultados de cada auditoría y las respuestas del equipo de gestión a sus recomendaciones así como la mediación en los casos de discrepancia entre aquellos y éste en relación con los principios y criterios aplicables en la preparación de los estados financieros.

La Comisión de Auditoría y Control será responsable asimismo de revisar las cuentas de la sociedad, y vigilar el cumplimiento de los requerimientos legales y de la correcta aplicación de los principios de contabilidad generalmente aceptados.

C.1.33 ¿El secretario del consejo tiene la condición de consejero?

Sí No

Si el secretario no tiene la condición de consejero complete el siguiente cuadro:

| Nombre o denominación social del secretario | Representante |
|---|---------------|
| DON JOSÉ MIGUEL PINILLOS LORENZANA | |

C.1.34 Apartado derogado.

C.1.35 Indique, si los hubiera, los mecanismos establecidos por la sociedad para preservar la independencia de los auditores externos, de los analistas financieros, de los bancos de inversión y de las agencias de calificación.

Sin perjuicio de otros cometidos que le asigne el Consejo de Administración o de los previstos en los Estatutos Sociales, la Comisión de Auditoría y Control tendrá las siguientes responsabilidades básicas:

(a) informar, a través de su Presidente y/o su Secretario, en la Junta General de accionistas sobre las cuestiones que en ella planteen los accionistas en materias de competencia de la Comisión de Auditoría y Control.

(b) proponer al Consejo de Administración, para su sometimiento a la Junta General de accionistas, la designación del auditor de cuentas, de conformidad con la normativa aplicable, así como las condiciones de contratación, el alcance del mandato profesional y, en su caso, la revocación o no renovación;

(c) revisar las cuentas de la Sociedad, vigilar el cumplimiento de los requerimientos legales y la correcta aplicación de los principios de contabilidad generalmente aceptados, así como informar las propuestas de modificación de principios y criterios contables sugeridos por la dirección;

(d) supervisar la eficacia del control interno de la Sociedad, la auditoría interna y los sistemas de gestión de riesgos y revisar la designación y sustitución de sus responsables, así como discutir con el auditor de cuentas las debilidades significativas del sistema de control interno detectadas en el desarrollo de la auditoría;

(e) servir de canal de comunicación entre el Consejo de Administración y los auditores, evaluar los resultados de cada auditoría y las respuestas del equipo de gestión a sus recomendaciones y mediar en los casos de discrepancias entre aquéllos y éste en relación con los principios y criterios aplicables en la preparación de los estados financieros;

(f) mantener las relaciones con los auditores externos para recibir información sobre aquellas cuestiones que puedan poner en riesgo la independencia de éstos y cualesquiera otras relacionadas con el proceso de desarrollo de la auditoría de cuentas, así como recibir información y mantener con el auditor de cuentas otras comunicaciones previstas en la legislación de auditoría de cuentas y en las normas técnicas de auditoría; en todo caso, la Comisión de Auditoría y Control deberá recibir anualmente del auditor de cuentas la confirmación escrita de su independencia frente a la entidad o entidades vinculadas a ésta directa o indirectamente, así como la información de los servicios adicionales de cualquier clase prestados a estas entidades por el citado auditor, o por las personas o entidades vinculadas a éste de acuerdo con lo dispuesto en la normativa sobre auditoría de cuentas;

(g) emitir anualmente, con carácter previo a la emisión del informe de auditoría de cuentas, un informe en el que se expresará una opinión sobre la independencia del auditor de cuentas. Este informe deberá pronunciarse, en todo caso, sobre la prestación de los servicios adicionales a que hace referencia el punto anterior;

(h) supervisar el proceso de elaboración y presentación de la información financiera regulada;

(i) supervisar el cumplimiento del contrato de auditoría, procurando que la opinión sobre las cuentas anuales y los contenidos principales del informe de auditoría sean redactados de forma clara y precisa;

(j) supervisar la información financiera periódica que deba suministrar el Consejo de Administración a los mercados y sus órganos de supervisión;

(k) recibir información sobre el cumplimiento del Reglamento Interno de Conducta, de este Reglamento y, en general, de las reglas de gobierno de la Sociedad y hacer las propuestas necesarias para su mejora; en particular, corresponde a la Comisión de Auditoría y Control recibir información y, en su caso, emitir informe sobre medidas disciplinarias a miembros del alto equipo directivo de la Sociedad;

(l) supervisar los servicios de auditoría interna de la Sociedad, sin perjuicio de la dependencia jerárquica de los mismos, ejerciendo las siguientes competencias: (i) supervisión de los sistemas de selección y contratación del personal de auditoría interna, (ii) aprobación del plan anual de auditoría interna, (iii) aprobación del presupuesto anual del departamento, (iv) relaciones con el responsable del departamento de auditoría interna, para recibir informe sobre las conclusiones de la auditoría interna y el cumplimiento del plan anual, y (v) en general, supervisión de cuantas materias correspondan al ámbito de competencia de los mencionados servicios de auditoría interna;

(m) informar en relación con las transacciones con consejeros de la Sociedad que impliquen o puedan implicar conflictos de interés, cuando la Comisión Ejecutiva lo considere necesario;

(n) cualquier otra prevista en este Reglamento o que específicamente le venga atribuida por la ley o los Estatutos Sociales vigentes, en cada momento.

C.1.36 Indique si durante el ejercicio la Sociedad ha cambiado de auditor externo. En su caso identifique al auditor entrante y saliente:

Sí

No

En el caso de que hubieran existido desacuerdos con el auditor saliente, explique el contenido de los mismos:

C.1.37 Indique si la firma de auditoría realiza otros trabajos para la sociedad y/o su grupo distintos de los de auditoría y en ese caso declare el importe de los honorarios recibidos por dichos trabajos y el porcentaje que supone sobre los honorarios facturados a la sociedad y/o su grupo:

Sí

No

C.1.38 Indique si el informe de auditoría de las cuentas anuales del ejercicio anterior presenta reservas o salvedades. En su caso, indique las razones dadas por el presidente del comité de auditoría para explicar el contenido y alcance de dichas reservas o salvedades.

Sí

No

C.1.39 Indique el número de ejercicios que la firma actual de auditoría lleva de forma ininterrumpida realizando la auditoría de las cuentas anuales de la sociedad y/o su grupo. Asimismo, indique el porcentaje que representa el número de ejercicios auditados por la actual firma de auditoría sobre el número total de ejercicios en los que las cuentas anuales han sido auditadas:

| | Sociedad | Grupo |
|--|----------|-------|
| Número de ejercicios ininterrumpidos | 2 | 2 |
| Nº de ejercicios auditados por la firma actual de auditoría / Nº de ejercicios que la sociedad ha sido auditada (en %) | 7,14% | 7,14% |

C.1.40 Indique y, en su caso detalle, si existe un procedimiento para que los consejeros puedan contar con asesoramiento externo:

Sí

No

Detalle el procedimiento

Con el fin de ser auxiliados en el ejercicio de sus funciones, los consejeros externos pueden solicitar la contratación con cargo a la Sociedad de asesores legales, contables, financieros u otros expertos. El encargo ha de versar necesariamente sobre problemas concretos de cierto relieve y complejidad que se presenten en el desempeño del cargo.

La decisión de contratar ha de ser comunicada al Presidente del Consejo de Administración y puede ser vetada por el Consejo de Administración si acredita:

- (a) que no es precisa para el cabal desempeño de las funciones encomendadas a los consejeros externos;
- (b) que su coste no es razonable a la vista de la importancia del problema y de los activos e ingresos de la Sociedad; o
- (c) que la asistencia técnica que se recaba puede ser dispensada adecuadamente por expertos y técnicos de la Sociedad.

C.1.41 Indique y, en su caso detalle, si existe un procedimiento para que los consejeros puedan contar con la información necesaria para preparar las reuniones de los órganos de administración con tiempo suficiente:

Sí

No

Detalle el procedimiento

Los Consejeros asisten a presentaciones y exposiciones, a cargo de directores y empleados de la Sociedad, como de profesionales externos a la misma de reconocido prestigio, en las que se les informa adecuadamente sobre los negocios de la Sociedad.

Además, con carácter general, una parte de cada una de las reuniones del Consejo de Administración se destina a la exposición de temas económicos, jurídicos y político-sociales con trascendencia para la Sociedad.

Por último, el artículo 28.2 del Reglamento del Consejo de Administración, establece que el consejero está obligado, entre otros, a "informarse y preparar adecuadamente las reuniones del Consejo de Administración y de los órganos delegados y consultivos a los que pertenezca".

C.1.42 Indique y, en su caso detalle, si la sociedad ha establecido reglas que obliguen a los consejeros a informar y, en su caso, dimitir en aquellos supuestos que puedan perjudicar al crédito y reputación de la sociedad:

Sí

No

Explique las reglas

El artículo 23.2 del Reglamento del Consejo de Administración prevé que los consejeros deberán poner su cargo a disposición del Consejo de Administración, formalizando la correspondiente dimisión, entre otros, cuando su permanencia en el Consejo de Administración pueda poner en riesgo los intereses de la Sociedad o afectar negativamente su crédito y reputación o cuando desaparezcan las razones por las que fueron nombrados.

El artículo 37.3 del Reglamento del Consejo de Administración de la Sociedad establece que 2 el consejero deberá informar a la Sociedad de aquellas circunstancias que le afecten y puedan perjudicar al crédito o reputación de la Sociedad, en especial, de las causas penales en que aparezca como imputado y de sus vicisitudes procesales de importancia. El Consejo de Administración podrá exigir al consejero, después de examinar la situación que éste presente, su dimisión y esta decisión deberá ser acatada por el consejero".

C.1.43 Indique si algún miembro del consejo de administración ha informado a la sociedad que ha resultado procesado o se ha dictado contra él auto de apertura de juicio oral, por alguno de los delitos señalados en el artículo 213 de la Ley de Sociedades de Capital:

Sí

No

Indique si el consejo de administración ha analizado el caso. Si la respuesta es afirmativa explique de forma razonada la decisión tomada sobre si procede o no que el consejero continúe en su cargo o, en su caso, exponga las actuaciones realizadas por el consejo de administración hasta la fecha del presente informe o que tenga previsto realizar.

C.1.44 Detalle los acuerdos significativos que haya celebrado la sociedad y que entren en vigor, sean modificados o concluyan en caso de cambio de control de la sociedad a raíz de una oferta pública de adquisición, y sus efectos.

N/A

C.1.45 Identifique de forma agregada e indique, de forma detallada, los acuerdos entre la sociedad y sus cargos de administración y dirección o empleados que dispongan indemnizaciones, cláusulas de garantía o blindaje, cuando éstos dimitan o sean despedidos de forma improcedente o si la relación contractual llega a su fin con motivo de una oferta pública de adquisición u otro tipo de operaciones.

Número de beneficiarios: 2

Tipo de beneficiario:

Directivos

Descripción del Acuerdo:

2 directivo tiene un preaviso de 6 meses.

Indique si estos contratos han de ser comunicados y/o aprobados por los órganos de la sociedad o de su grupo:

| | Consejo de administración | Junta general |
|-----------------------------------|---------------------------|---------------|
| Órgano que autoriza las cláusulas | Sí | No |

| | Sí | No |
|---|----|----|
| ¿Se informa a la junta general sobre las cláusulas? | X | |

C.2 Comisiones del consejo de administración

C.2.1 Detalle todas las comisiones del consejo de administración, sus miembros y la proporción de consejeros ejecutivos, dominicales, independientes y otros externos que las integran:

Comisión de Nombramientos y Retribuciones

| Nombre | Cargo | Categoría |
|-------------------------------|------------|---------------|
| DOÑA JUAN CEÑA POZA | PRESIDENTE | Independiente |
| DON RAFAEL CABEZAS VALERIANO | VOCAL | Independiente |
| DON ANTONIO ARENAS RODRIGÁNEZ | VOCAL | Independiente |

| | |
|--------------------------------|---------|
| % de consejeros dominicales | 0,00% |
| % de consejeros independientes | 100,00% |
| % de otros externos | 0,00% |

Explique las funciones que tiene atribuidas esta comisión, describa los procedimientos y reglas de organización y funcionamiento de la misma y resuma sus actuaciones más importantes durante el ejercicio.

NORMAS DE ORGANIZACIÓN Y FUNCIONAMIENTO:

La Comisión de Nombramientos y Retribuciones estará integrada en su totalidad, por consejeros no ejecutivos nombrados por el Consejo de Administración, dos de los cuales, al menos, deberán ser consejeros independientes, designados en función de sus conocimientos y experiencia profesional.

La Comisión de Nombramientos y Retribuciones se reunirá cada vez que el Consejo de Administración o su Presidente solicite la emisión de un informe o la adopción de propuestas y, en cualquier caso, siempre que resulte conveniente para el buen desarrollo de sus funciones. En todo caso, se reunirá una vez al año para preparar la información sobre las retribuciones de los consejeros que el Consejo de Administración ha de aprobar.

La Comisión de Nombramientos y Retribuciones se reunirá previa convocatoria del Presidente, por decisión propia o respondiendo a la solicitud de dos de sus miembros o, en su caso, de la Comisión Ejecutiva. En la medida en que sea compatible con su naturaleza, será aplicable a la convocatoria de esta Comisión lo dispuesto en los Estatutos Sociales y en este Reglamento para la convocatoria del Consejo de Administración.

RESPONSABILIDADES:

Sin perjuicio de otros cometidos que le asigne el Consejo de Administración, la Comisión de Nombramientos y Retribuciones tendrá las siguientes responsabilidades básicas:

- elevar al Consejo de Administración las propuestas de nombramiento (para su designación por cooptación o para su sometimiento a la decisión de la Junta General de accionistas) de los consejeros independientes;
- informar las propuestas de nombramiento (para su designación por cooptación o para su sometimiento a la decisión de la Junta General de accionistas) de los restantes consejeros;
- proponer al Consejo de Administración los miembros que deban formar parte de cada una de las Comisiones;
- proponer al Consejo de Administración el sistema y la cuantía de las retribuciones de los consejeros y, en su caso, miembros del Comité de Dirección y de la alta dirección;
- revisar periódicamente los programas de retribución, ponderando su adecuación y sus rendimientos;
- velar por la transparencia de las retribuciones;
- cualquier otra prevista en este Reglamento o que específicamente le venga atribuida por la ley o los Estatutos Sociales vigentes, en cada momento.

Comisión de Auditoría y Control

| Nombre | Cargo | Categoría |
|-------------------------------|------------|---------------|
| DON RAFAEL CABEZAS VALERIANO | PRESIDENTE | Independiente |
| DOÑA JUAN CEÑA POZA | VOCAL | Independiente |
| DOÑA SOCORRO FERNÁNDEZ LARREA | VOCAL | Dominical |

| | |
|--------------------------------|--------|
| % de consejeros dominicales | 33,33% |
| % de consejeros independientes | 66,67% |
| % de otros externos | 0,00% |

Explique las funciones que tiene atribuidas esta comisión, describa los procedimientos y reglas de organización y funcionamiento de la misma y resuma sus actuaciones más importantes durante el ejercicio.

NORMAS DE ORGANIZACIÓN Y FUNCIONAMIENTO:

De acuerdo con el artículo 15 del Reglamento del Consejo de Administración, los miembros de la Comisión de Auditoría y Control serán, en su totalidad, consejeros no ejecutivos nombrados por el Consejo de Administración. Al menos dos de ellos deberán ser consejeros independientes y uno de ellos será designado teniendo en cuenta sus conocimientos y experiencia en materia de contabilidad, auditoría o en ambas.

Se reunirá, al menos, una vez al trimestre y todas las veces que resulte oportuno, previa convocatoria del Presidente, por decisión propia o respondiendo a la solicitud de dos de sus miembros o, en su caso, de la Comisión Ejecutiva. En la medida en que sea compatible con su naturaleza, será aplicable a la convocatoria de la Comisión de Auditoría y Control lo dispuesto en los Estatutos Sociales y en este Reglamento para la convocatoria del Consejo de Administración.

Estará obligado a asistir a las sesiones de la Comisión de Auditoría y Control y a prestarle su colaboración y acceso a la información de que disponga, cualquier miembro del equipo directivo o del personal de la Sociedad que fuese requerido a tal fin. También podrá requerir la Comisión de Auditoría y Control la asistencia a sus sesiones de los auditores de cuentas.

RESPONSABILIDADES:

Sin perjuicio de otros cometidos que le asigne el Consejo de Administración o de los previstos en los Estatutos Sociales, la Comisión de Auditoría y Control tendrá las siguientes responsabilidades básicas, entre otras:

- informar, a través de su Presidente y/o su Secretario, en la Junta General de accionistas sobre las cuestiones que en ella planteen los accionistas en materias de competencia de la Comisión de Auditoría y Control.
- proponer al Consejo de Administración, para su sometimiento a la Junta General de accionistas, la designación del auditor de cuentas, de conformidad con la normativa aplicable, así como las condiciones de contratación, el alcance del mandato profesional y, en su caso, la revocación o no renovación;
- revisar las cuentas de la Sociedad, vigilar el cumplimiento de los requerimientos legales y la correcta aplicación de los principios de contabilidad generalmente aceptados, así como informar las propuestas de modificación de principios y criterios contables sugeridos por la dirección;
- supervisar la eficacia del control interno de la Sociedad, la auditoría interna y los sistemas de gestión de riesgos y revisar la designación y sustitución de sus responsables, así como discutir con el auditor de cuentas las debilidades significativas del sistema de control interno detectadas en el desarrollo de la auditoría;

Identifique al consejero miembro de la comisión de auditoría que haya sido designado teniendo en cuenta sus conocimientos y experiencia en materia de contabilidad, auditoría o en ambas e informe sobre el número de años que el Presidente de esta comisión lleva en el cargo.

| | |
|---------------------------------------|------------------------------|
| Nombre del consejero con experiencia | DON RAFAEL CABEZAS VALERIANO |
| Nº de años del presidente en el cargo | 2 |

C.2.2 Complete el siguiente cuadro con la información relativa al número de consejeras que integran las comisiones del consejo de administración durante los últimos cuatro ejercicios:

| | Número de consejeras | | | | | | | |
|---|----------------------|-------|----------------|-------|----------------|-------|----------------|-------|
| | Ejercicio 2016 | | Ejercicio 2015 | | Ejercicio 2014 | | Ejercicio 2013 | |
| | Número | % | Número | % | Número | % | Número | % |
| Comisión de Nombramientos y Retribuciones | 0 | 0,00% | 0 | 0,00% | 0 | 0,00% | 0 | 0,00% |

| | Número de consejeras | | | | | | | |
|---------------------------------|----------------------|--------|----------------|--------|----------------|-------|----------------|-------|
| | Ejercicio 2016 | | Ejercicio 2015 | | Ejercicio 2014 | | Ejercicio 2013 | |
| | Número | % | Número | % | Número | % | Número | % |
| Comisión de Auditoría y Control | 1 | 33,33% | 1 | 33,33% | 0 | 0,00% | 0 | 0,00% |

C.2.3 Apartado derogado

C.2.4 Apartado derogado.

C.2.5 Indique, en su caso, la existencia de regulación de las comisiones del consejo, el lugar en que están disponibles para su consulta, y las modificaciones que se hayan realizado durante el ejercicio. A su vez, se indicará si de forma voluntaria se ha elaborado algún informe anual sobre las actividades de cada comisión.

La regulación de las comisiones del consejo se encuentra disponible en la página web de la sociedad (www.amper.es). Al contenido se accede a través del apartado denominado accionistas que aparece en la página principal de la Sociedad, pinchando en gobierno corporativo, se encuentra el reglamento del consejo, el cual recoge la regulación de las comisiones. Se elaboran anualmente, informes sobre las actividades de cada comisión, los cuales se llevan a la Junta General de Accionistas.

C.2.6 Apartado derogado.

D OPERACIONES VINCULADAS Y OPERACIONES INTRAGRUPPO

D.1 Explique, en su caso, el procedimiento para la aprobación de operaciones con partes vinculadas e intragrupo.

Procedimiento para informar la aprobación de operaciones vinculadas

El Consejo de Administración conocerá y, en su caso y salvo en aquellos supuesto en que la autorización esté atribuida a la Junta General, autorizará las operaciones que la Sociedad realice, directa o indirectamente, con consejeros, con accionistas significativos o representados en el Consejo de Administración, o con personas a ellos vinculadas.

El Consejo de Administración ejercerá directamente entre otras, la responsabilidad de aprobar, previo informe de la Comisión de Auditoría y Control, las operaciones que la sociedad o sociedades de su grupo realicen con consejeros, en los términos de los artículos 229 y 230 de la Ley de Sociedades de Capital, o con accionistas titulares, de forma individual o concertadamente con otros, de una participación significativa, incluyendo accionistas representados en el consejo de administración de la sociedad o de otras sociedades que formen parte del mismo grupo o con personas a ellos vinculadas. Los consejeros afectados o que representen o estén vinculados a los accionistas afectados deberán abstenerse de participar en la deliberación y votación del acuerdo en cuestión. Solo se exceptuarán de esta aprobación las operaciones que reúnan simultáneamente las tres características siguientes:

- 1.º que se realicen en virtud de contratos cuyas condiciones estén estandarizadas y se apliquen en masa a un elevado número de clientes;
- 2.º que se realicen a precios o tarifas establecidos con carácter general por quien actúe como suministrador del bien o servicio de que se trate, y
- 3.º que su cuantía no supere el uno por ciento de los ingresos anuales de la sociedad.

D.2 Detalle aquellas operaciones significativas por su cuantía o relevantes por su materia realizadas entre la sociedad o entidades de su grupo, y los accionistas significativos de la sociedad:

D.3 Detalle las operaciones significativas por su cuantía o relevantes por su materia realizadas entre la sociedad o entidades de su grupo, y los administradores o directivos de la sociedad:

| Nombre o denominación social de los administradores o directivos | Nombre o denominación social de la parte vinculada | Vínculo | Naturaleza de la operación | Importe (miles de euros) |
|--|--|--|-------------------------------------|--------------------------|
| DON RAFAEL CABEZAS VALERIANO | Amper Sistemas, S.A.U. | operaciones de naturaleza financiera con el accionista y consejero de la sociedad, D. Rafael Cabezas Valeriano, que ha concedido un préstamo a la sociedad filial. | Acuerdos de financiación: préstamos | 300 |

D.4 Informe de las operaciones significativas realizadas por la sociedad con otras entidades pertenecientes al mismo grupo, siempre y cuando no se eliminen en el proceso de elaboración de estados financieros consolidados y no formen parte del tráfico habitual de la sociedad en cuanto a su objeto y condiciones.

En todo caso, se informará de cualquier operación intragrupo realizada con entidades establecidas en países o territorios que tengan la consideración de paraíso fiscal:

D.5 Indique el importe de las operaciones realizadas con otras partes vinculadas.

0 (en miles de Euros).

D.6 Detalle los mecanismos establecidos para detectar, determinar y resolver los posibles conflictos de intereses entre la sociedad y/o su grupo, y sus consejeros, directivos o accionistas significativos.

El Reglamento del Consejo de Administración establece que los consejeros deberán comunicar a la Comisión de Auditoría y Control y al Consejo de Administración, a través de su Presidente, su Secretario o Vicesecretario, de cualquier situación de conflicto, directo o indirecto, que ellos o Personas Vinculadas a ellos pudieran tener con el interés de la Sociedad. De concurrir un conflicto de interés, y sin perjuicio de lo dispuesto en el Reglamento, el consejero atenderá a lo dispuesto en el Reglamento Interno de Conducta

Además los consejeros están obligados a abstenerse de participar en la deliberación y votación de acuerdos o decisiones en las que él o una persona vinculada tenga un conflicto de intereses, directo o indirecto. Se excluirán de la anterior obligación de abstención los acuerdos o decisiones que le afecten en su condición de consejero, tales como su designación o revocación para cargos en el órgano de administración u otros de análogo significado.

Adicionalmente, se obliga a los consejeros a abstenerse a realizar transacciones con la Sociedad, excepto que se trate de operaciones ordinarias, hechas en condiciones estándar para los clientes y de escasa relevancia, entendiéndose por tales aquellas cuya información no sea necesaria para expresar la imagen fiel del patrimonio, de la situación financiera y de los resultados de la Sociedad.

D.7 ¿Cotiza más de una sociedad del Grupo en España?

Sí

No.

Identifique a las sociedades filiales que cotizan en España:

Sociedad filial cotizada

Indique si han definido públicamente con precisión las respectivas áreas de actividad y eventuales relaciones de negocio entre ellas, así como las de la sociedad dependiente cotizada con las demás empresas del grupo;

Defina las eventuales relaciones de negocio entre la sociedad matriz y la sociedad filial cotizada, y entre ésta y las demás empresas del grupo

Identifique los mecanismos previstos para resolver los eventuales conflictos de intereses entre la filial cotizada y las demás empresas del grupo:

Mecanismos para resolver los eventuales conflictos de interés

E SISTEMAS DE CONTROL Y GESTION DE RIESGOS

E.1 Explique el alcance del Sistema de Gestión de Riesgos de la sociedad, incluidos los de materia fiscal.

El Reglamento del Consejo de Administración de Amper, S.A., en su artículo 5, establece que el Consejo de Administración se configura como un órgano de supervisión y control, y entre sus funciones destaca la de aprobar la política de control de riesgos, así como el seguimiento periódico de los sistemas internos de información y control.

La política de control de riesgos es de aplicación para la Sociedad y todas las filiales sobre las que la Sociedad tiene un control efectivo y su correcta aplicación requiere la implicación de todo el personal del Grupo.

E.2 Identifique los órganos de la sociedad responsables de la elaboración y ejecución del Sistema de Gestión de Riesgos, incluido el fiscal.

El Consejo de Administración tiene la responsabilidad de aprobar y fijar la política de control y gestión de riesgo, identificando los principales riesgos de la Sociedad y de sus filiales y organizando los sistemas de control interno.

La Comisión de Auditoría y Control como órgano consultivo del Consejo de Administración tiene entre sus funciones:

- supervisar la eficacia del control interno de la Sociedad, la auditoría interna y los sistemas de gestión de riesgos y revisar la designación y sustitución de sus responsables, así como discutir con el auditor de cuentas las debilidades significativas del sistema de control interno detectadas en el desarrollo de la auditoría.

- supervisar los servicios de auditoría interna de la Sociedad, sin perjuicio de la dependencia jerárquica de los mismos, ejerciendo las siguientes competencias: (i) supervisión de los sistemas de selección y contratación del personal de auditoría interna, (ii) aprobación del plan anual de auditoría interna, (iii) aprobación del presupuesto anual del departamento, (iv) relaciones con el responsable del departamento de auditoría interna, para recibir informe sobre las conclusiones de la auditoría interna y el cumplimiento del plan anual, y (v) en general, supervisión de cuantas materias correspondan al ámbito de competencia de los mencionados servicios de auditoría interna.

E.3 Señale los principales riesgos, incluidos los fiscales, que pueden afectar a la consecución de los objetivos de negocio.

El Grupo Amper, se encuentra sometido a diversos riesgos inherentes a los distintos países, sectores y mercados en los que opera y define riesgo como cualquier contingencia de carácter externo o interno que pueda, en caso de materializarse, dificultar o impedir la consecución de los objetivos fijados por la organización.

Los riesgos principales se pueden agrupar en las siguientes categorías:

- Financieros:

Riesgos de mercado, riesgo de crédito, liquidez y solvencia.

- Tecnológicos:

Dadas las actividades llevadas a cabo por las distintas Unidades de Negocio de Amper, la protección de su tecnología y desarrollos es un hito primordial para el mantenimiento de su ventaja competitiva.

- Riesgos de Capital Humano:

Amper es consciente de la necesidad de contar con el mejor Capital Humano para desarrollar sus actividades y mantener su ventaja competitiva.

- Riesgos relativos a procesos.

E.4 Identifique si la entidad cuenta con un nivel de tolerancia al riesgo, incluido el fiscal.

Las escalas de valoración de los riesgos del Mapa de Riesgos del Grupo están planteadas para adaptarse a la estrategia y circunstancias del negocio. Estas escalas de valoración determinan distintos niveles de riesgo que son empleados para priorizar la gestión, control y supervisión de los mismos.

En función de la valoración según la probabilidad, la ocurrencia y el impacto, se establece cuáles de los riesgos son más significativos para el Grupo Amper.

E.5 Indique qué riesgos, incluidos los fiscales, se han materializado durante el ejercicio.

Destacar dentro de los riesgos financieros y de continuidad de las operaciones, que a lo largo del ejercicio 2016 se han conseguido con éxito nuevas fuentes de financiación, y se han realizado operaciones corporativas muy significativas tal y como se detallan en las cuentas anuales consolidadas, que unidas al resto de medidas ya conseguidas al cierre del ejercicio 2015 y explicadas en las cuentas anuales consolidadas del citado ejercicio, junto a las que se esperan ejecutar en el ejercicio 2017, permitirá al Grupo Amper obtener la financiación necesaria para realizar las operaciones corporativas necesarias que permitan la continuidad de sus operaciones.

Adicionalmente, durante el ejercicio se han materializado otros riesgos relacionados con la actividad del Grupo y las circunstancias concretas de algunos mercados, que no han tenido un impacto relevante sobre el negocio al haber funcionado adecuadamente las medidas de prevención y/o mitigación de los mismos.

E.6 Explique los planes de respuesta y supervisión para los principales riesgos de la entidad, incluidos los fiscales.

En el caso de los principales riesgos del Grupo:

-Riesgos financieros,

los riesgos de índole financiera son gestionados a través del Comité de Riesgos Financieros, efectuando dicho Comité, un seguimiento detallado, entre otros, de la exposición al riesgo de tipo de cambio y/o de tipo de interés de cada Unidad de Negocio y proponiendo políticas y decisiones de cobertura a la Comisión de Auditoría y Control.

Respecto a la exposición a riesgos de crédito, Amper dispone de una solvente cartera de clientes, tanto a nivel nacional como internacional que conlleva un riesgo muy poco significativo respecto del riesgo de crédito.

-Riesgos tecnológicos,

dadas las actividades llevadas a cabo por las distintas Unidades de Negocio de Amper, la protección de su tecnología y desarrollos es un hito primordial para el mantenimiento de su ventaja competitiva. A tal fin el Grupo dispone de determinados criterios y políticas de desarrollo, contratación de personal y subcontratación de actividades que garantizan dicha protección.

-Riesgos de Capital Humano,

al igual que lo comentado respecto de la tecnología, Amper es consciente de la necesidad de contar con el mejor Capital Humano para desarrollar sus actividades y mantener su ventaja competitiva, por ello todas las sociedades del grupo disponen de una política retributiva de carácter variable ligada a al desarrollo profesional y a la consecución de objetivos personales para, de esta forma, identificar y premiar a sus mejores profesionales.

Asimismo,

-la sociedad dispone de un canal de denuncias creado por la Comisión de Auditoría y Control para que cualquier empleado del grupo pueda formular denuncias sobre cuestiones ligadas al control interno, contabilidad o auditoría,

-la sociedad dispone de una estructura de apoderamiento que permite elevar las garantías y controles sobre todos los actos jurídicos,

-la sociedad dispone de un Código Interno de Conducta en materia relacionada con el mercado de valores.

-Riesgos relativos a procesos,

estos riesgos son gestionados a nivel de Unidad de Negocio y los procesos de obtención de la información económico-financiera consolidada se desarrollan de manera centralizada y bajo criterios corporativos, siendo las Cuentas Anuales de la Sociedad, las consolidadas así como las correspondientes a cada sociedad participada con peso significativo verificadas por auditores externos.

F SISTEMAS INTERNOS DE CONTROL Y GESTIÓN DE RIESGOS EN RELACIÓN CON EL PROCESO DE EMISIÓN DE LA INFORMACIÓN FINANCIERA (SCIIF)

Describa los mecanismos que componen los sistemas de control y gestión de riesgos en relación con el proceso de emisión de información financiera (SCIIF) de su entidad.

F.1 Entorno de control de la entidad

Informe, señalando sus principales características de, al menos:

F.1.1. Qué órganos y/o funciones son los responsables de: (i) la existencia y mantenimiento de un adecuado y efectivo SCIF; (ii) su implantación; y (iii) su supervisión.

El Reglamento del Consejo de Administración de Amper, S.A., en su artículo 5, establece que el Consejo de Administración se configura como un órgano de supervisión y control, y entre sus funciones destaca la de aprobar la política de control de riesgos, así como el seguimiento periódico de los sistemas internos de información y control.

Adicionalmente, el Consejo de Administración aprobó en el ejercicio 2011 la política marco en la que se establecen las líneas básicas del SCIF del Grupo Amper. Entre otras cuestiones, esta política marco atribuye la responsabilidad última sobre la existencia de un SCIF adecuado en Amper, S.A. a su Consejo de Administración. En esta política se atribuyen, asimismo, las responsabilidades sobre su implantación práctica, que recae en la Dirección Económico-Financiera, y sobre su supervisión, que recae en la Comisión de Auditoría.

F.1.2. Si existen, especialmente en lo relativo al proceso de elaboración de la información financiera, los siguientes elementos:

- Departamentos y/o mecanismos encargados: (i) del diseño y revisión de la estructura organizativa; (ii) de definir claramente las líneas de responsabilidad y autoridad, con una adecuada distribución de tareas y funciones; y (iii) de que existan procedimientos suficientes para su correcta difusión en la entidad.

La ejecución de la revisión de la estructura organizativa del Grupo Amper a alto nivel es responsabilidad del Consejo de Administración.

Adicionalmente, Grupo Amper cuenta con una política específica ("Procedimiento de revisión de la estructura organizativa") cuyo objeto fundamental es establecer qué revisiones, con qué frecuencia y por quién deben ser realizadas, para mantener una estructura organizativa que propicie la emisión de información financiera completa, fiable y oportuna en tiempo y forma.

En dicha política se establece que, anualmente, la Dirección Económico-Financiera habrá de revisar (i) la estructura actual en cuanto a organización y recursos, (ii) las funciones y dependencias de cada uno de los involucrados en el proceso de preparación y emisión de la información financiera y (iii), la compatibilidad de la estructura organizativa con el resto de procedimientos internos del Grupo Amper.

Asimismo, dicha política establece que las revisiones efectuadas habrán de ser informadas al área de recursos humanos corporativa, responsable de la implementación de aquellos cambios organizativos que se hayan acordado, así como de la comunicación formal a los afectados y, a través de la correspondiente difusión de los organigramas actualizados, al resto de la entidad, así como de la actualización de la documentación descriptiva de puestos de trabajo.

Por último, y en relación con el proceso de elaboración de la información financiera, la ejecución de la revisión de la estructura organizativa es responsabilidad de la Dirección Financiera junto con el Director Corporativo de Recursos Humanos, y está sujeto a la aprobación en última instancia del Consejero Delegado del Grupo.

- Código de conducta, órgano de aprobación, grado de difusión e instrucción, principios y valores incluidos (indicando si hay menciones específicas al registro de operaciones y elaboración de información financiera), órgano encargado de analizar incumplimientos y de proponer acciones correctoras y sanciones.

Grupo Amper cuenta con un Código Ético, cuya última actualización fue aprobada en diciembre de 2012 por el Consejo de Administración y que está disponible a través de la web corporativa. El Código es sometido a actualizaciones, siempre que las circunstancias así lo requieran.

El Código Ético afecta a todos los empleados, directivos y consejeros del Grupo Amper. Asimismo, a los terceros que contraten con el Grupo se les solicitará su adhesión al Código Ético.

En cuanto a la información financiera y al registro de operaciones, en el Código se recoge el compromiso de mantener los registros contables y la información económica-financiera completa, precisa, comprensible y veraz, prohibiendo cualquier acción encaminada a ocultar a sus accionistas e inversores información económico-financiera que deba hacerse pública de conformidad con la legislación vigente.

La Comisión de Auditoría, a través de la Dirección de Auditoría Interna, dirigirá y coordinará las investigaciones que se realicen sobre la posible comisión de actos de incumplimiento, proponiendo, en su caso, las acciones correctoras y/o sanciones que procedan.

- 40• Canal de denuncias, que permita la comunicación al comité de auditoría de irregularidades de naturaleza financiera y contable, en adición a eventuales incumplimientos del código de conducta y actividades irregulares en la organización, informando en su caso si éste es de naturaleza confidencial.

Amper cuenta y promueve el uso de un canal de denuncias implementado para canalizar, entre otros, comunicaciones sobre eventuales irregularidades en la organización de potencial trascendencia, de incumplimiento de normativa interna y externa, así como prácticas irregulares contables y financieras e incumplimientos del Código de Valores. El canal de denuncias es confidencial, existiendo como soporte para efectuar las denuncias una dirección de correo electrónico.

El departamento de Auditoría Interna, como órgano ejecutor de la Comisión de Auditoría, es el encargado y único miembro de la organización con acceso a las denuncias y receptiona las mismas a través del canal instaurado para tal fin. La confidencialidad de la denuncia queda garantizada, al ser tratados todos los datos personales que, en su caso, aparezcan en la denuncia conforme a la Ley Orgánica de Protección de Datos 15/1999, pasando a formar parte de un fichero de denuncias internas, protegidos por las Políticas de Seguridad de la información y al que sólo tendrá acceso el Departamento de Auditoría Interna.

- Programas de formación y actualización periódica para el personal involucrado en la preparación y revisión de la información financiera, así como en la evaluación del SCIF, que cubran al menos, normas contables, auditoría, control interno y gestión de riesgos.

La política de formación del Grupo Amper tiene por objeto estructurar la actividad de formación con el fin de cubrir las necesidades de formación y conocimiento de los empleados de acuerdo a los objetivos estratégicos del Grupo.

En relación al SCIF, Grupo Amper cuenta con una Política de Formación específicamente dirigida a asegurar que el conjunto de involucrados en el proceso de preparación y revisión de la información financiera cuente con la formación necesaria para desarrollar sus funciones adecuadamente.

Dicha política asigna a la Dirección Económica-Financiera la responsabilidad de que, para cada ejercicio (en último trimestre del ejercicio inmediatamente anterior), se identifiquen las áreas formativas necesarias para asegurar que los empleados reciban formación sobre (i) nuevos estándares de preparación de la información financiera aplicables al Grupo, (ii) modificaciones en las regulaciones de reporting establecidas por el regulador de los mercados de capitales aplicables al Grupo, (iii) modificaciones en las prácticas y procedimientos de reporting internos de Amper, S.A. y (iv), modificaciones a las políticas internas de Amper.

El área de Recursos Humanos del Grupo Amper es responsable de monitorizar la ejecución de las actividades de formación y de los planes de formación individuales.

F.2 Evaluación de riesgos de la información financiera

Informe, al menos, de:

F.2.1. Cuáles son las principales características del proceso de identificación de riesgos, incluyendo los de error o fraude, en cuanto a:

- Si el proceso existe y está documentado.

Grupo Amper dispone de un Mapa de Riesgos Corporativo configurado como herramienta para facilitar la identificación, gestión y seguimiento de todos aquellos riesgos con impacto significativo sobre los objetivos de la entidad.

- Si el proceso cubre la totalidad de objetivos de la información financiera, (existencia y ocurrencia; integridad; valoración; presentación, desglose y comparabilidad; y derechos y obligaciones), si se actualiza y con qué frecuencia.

El seguimiento y actualización del Mapa de Riesgos Corporativo es responsabilidad de las diferentes Direcciones de Mercado y Producto y de la Auditoría Interna. La Comisión de Auditoría y Control supervisa y verifica dicha información asegurando adicionalmente la alineación de los riesgos afrontados por la sociedad con su estrategia.

Las principales categorías de riesgos contempladas son las siguientes:

- Riesgos relativos a procesos.

- Riesgos financieros.
- Riesgos tecnológicos.
- Riesgos de capital humano.

En relación al proceso de identificación de riesgos de error en la información financiera seguido por el Grupo Amper en el ejercicio 2016, éste cubre la totalidad de los objetivos de la información financiera y se encuentra documentado en una de las políticas que componen el SCIIF, la "Política de Identificación de Riesgos de Error en la Información Financiera del Grupo Amper". Grupo Amper considera esencial dicha política en el conjunto de políticas que componen su SCIIF. El objetivo principal de esta política es desarrollar en detalle las propias líneas básicas aprobadas por el Consejo de Administración (ver Apartado 1) en cuanto a quién, cómo y con qué periodicidad deben identificarse los riesgos de error. Dichas líneas básicas pueden resumirse como sigue:

- Responsabilidades: La Dirección Financiera es responsable del diseño, ejecución y supervisión del proceso de identificación de los riesgos de error en la información financiera del Grupo Amper. La Comisión de Auditoría y Control del Grupo Amper, basado en los informes emitidos por Auditoría Interna, supervisa en última instancia el proceso.

- Frecuencia: Al objeto de que los riesgos se identifiquen con una antelación suficiente, la ejecución del proceso para su identificación se realizará, al menos, anualmente (y en cualquier caso, cuando se pongan de manifiesto hechos relevantes que afecten a las operaciones de la Sociedad u otras circunstancias con impacto sustancial en la información que debe presentar el Grupo Amper, se evaluará la existencia de riesgos que debieran añadirse a aquellos ya identificados).

- Tipologías de riesgos: Los riesgos a considerar en el proceso de identificación de riesgos seguido por el Grupo Amper se clasifican en:

o Riesgos de carácter general: afectan a la estructura organizativa y tienen efecto potencial en todos los procesos relacionados con la preparación de la información financiera.

o Riesgos relacionados con el correcto registro de las operaciones específicas del Grupo.

o Riesgos relacionados con el proceso de preparación de información financiera periódica regulada

o Riesgos relacionados con los sistemas de TI utilizados por el Grupo Amper.

- La existencia de un proceso de identificación del perímetro de consolidación, teniendo en cuenta, entre otros aspectos, la posible existencia de estructuras societarias complejas, entidades instrumentales o de propósito especial.

Como se desprende de las distintas tipologías de riesgos (cuantitativos y cualitativos) que cubre la "Política de Identificación de Riesgos de Error en la Información Financiera del Grupo Amper", el Grupo considera la posibilidad de riesgos de error en determinados procesos no ligados a clases de transacciones específicas, pero especialmente relevantes habida cuenta de su trascendencia en la preparación de la información reportada (tales como el proceso de cierre, de operación de sistemas de información, de revisión de juicios o políticas significativas...) Entre estos últimos se encuentra el proceso de consolidación, motivo por el cual el Grupo Amper tiene establecidos procedimientos dirigidos a asegurar, tanto la correcta configuración y ejecución del proceso, como la correcta identificación del perímetro de consolidación (dichos procedimientos forman parte del Procedimiento de cierre corporativo).

- Si el proceso tiene en cuenta los efectos de otras tipologías de riesgos (operativos, tecnológicos, financieros, legales, reputacionales, medioambientales, etc.) en la medida que afecten a los estados financieros.

El proceso de identificación de riesgos contempla los posibles efectos de otras tipologías de riesgos (operativos, tecnológicos, financieros, legales, reputacionales, medioambientales, etc.) en la medida en que éstos puedan afectar a los estados financieros.

- Qué órgano de gobierno de la entidad supervisa el proceso.

La ejecución del proceso de identificación de riesgos es responsabilidad del Área de Auditoría Interna y Financiera. La supervisión del proceso es responsabilidad de la Comisión de Auditoría de Amper, a través del Área de Auditoría Interna.

F.3 Actividades de control

Informe, señalando sus principales características, si dispone al menos de:

- F.3.1. Procedimientos de revisión y autorización de la información financiera y la descripción del SCIIF, a publicar en los mercados de valores, indicando sus responsables, así como de documentación descriptiva de los flujos de actividades y controles (incluyendo los relativos a riesgo de fraude) de los distintos tipos de transacciones que puedan afectar de modo material a los estados

financieros, incluyendo el procedimiento de cierre contable y la revisión específica de los juicios, estimaciones, valoraciones y proyecciones relevantes.

En lo relativo a actividades y controles relacionados directamente con transacciones que puedan afectar de modo material a los estados financieros, el Grupo Amper dispone de descripciones de controles para mitigar el riesgo de error material (intencionado o no) en la información reportada a los mercados. Anualmente se procede a la revisión, actualización, formalización y documentación de las actividades de control de acuerdo con las recomendaciones efectuadas por la CNMV en su Guía para la preparación de la descripción del sistema de control interno sobre la información financiera.

Dichas descripciones contienen información sobre en qué debe consistir la actividad de control, para qué se ejecuta, quién debe ejecutarla, con qué frecuencia, así como otra información sobre qué sistemas de información o qué actividades realizadas por terceros son relevantes para la eficacia de la actividad de control correspondiente.

Las descripciones cubren controles sobre las transacciones más relevantes, entre las que se encuentran: la generación de ingresos, las adquisiciones y posterior valoración de otro inmovilizado, el análisis de la recuperabilidad de las inversiones, el registro de impactos sobre beneficios o la correcta presentación de las operaciones de financiación del Grupo.

Grupo Amper cuenta asimismo con políticas destinadas a mitigar los riesgos de error en procesos no relacionados con transacciones específicas. En particular, existen políticas documentadas sobre (i) los procesos de cierre (tanto a nivel corporativo, que incluye el proceso de consolidación, como a nivel de subsidiaria), (ii) políticas de revisión de contratos o (iv), políticas para identificar y establecer niveles de aprobación para juicios y estimaciones relevantes. En relación con estos últimos, Grupo Amper informa en sus cuentas anuales de aquellas áreas de incertidumbre especialmente relevantes. Las hipótesis clave contempladas por el Grupo con respecto a éstas, son específicamente abordadas y revisadas por la Comisión de Auditoría y por el Consejo de Administración.

F.3.2. Políticas y procedimientos de control interno sobre los sistemas de información (entre otras, sobre seguridad de acceso, control de cambios, operación de los mismos, continuidad operativa y segregación de funciones) que soporten los procesos relevantes de la entidad en relación a la elaboración y publicación de la información financiera.

Grupo Amper tiene establecidas políticas dirigidas a asegurar la correcta operación de los sistemas y aplicaciones relevantes en el proceso de preparación de la información financiera, cuya adecuada cobertura y documentación se revisa anualmente. La política, cubre la seguridad, tanto física como lógica, en cuanto a accesos, procedimientos de comprobación, del diseño de nuevos sistemas o de modificaciones en los ya existentes, y la continuidad de su funcionamiento (o entrada en funcionamiento de sistemas y aplicaciones alternativos) ante imprevistos que afecten a su operación.

Los sistemas y aplicaciones que se consideran relevantes a efectos de preparación de la información financiera incluyen, tanto aquellos directamente utilizados en la preparación de la información financiera, como aquellos que son relevantes para la eficacia de los controles que mitigan el riesgo de error en ella. Los sistemas y aplicaciones que el Grupo tiene identificados incluyen, asimismo, tanto desarrollos complejos como otras aplicaciones desarrolladas a nivel de usuario (por ejemplo hojas de cálculo), cuando éstas son relevantes para las actividades de preparación o control.

F.3.3. Políticas y procedimientos de control interno destinados a supervisar la gestión de las actividades subcontratadas a terceros, así como de aquellos aspectos de evaluación, cálculo o valoración encomendados a expertos independientes, que puedan afectar de modo material a los estados financieros.

Grupo Amper revisa anualmente qué actividades ejecutadas por terceros son relevantes para el proceso de preparación de la información financiera. Hasta la fecha, el Grupo no ha externalizado procesos de los que se derive información financiera relevante para los estados financieros, por lo que no ha requerido de informes acerca de la eficacia de los controles establecidos por entidades ajenas al Grupo. De forma recurrente, el Grupo utiliza informes de expertos independientes de cara a la evaluación de litigios o valoración de sus instrumentos financieros. En este sentido, el Grupo cuenta con una política ("Políticas y procedimientos de control interno destinados a supervisar la gestión de las actividades subcontratadas a terceros") cuyo objeto es la evaluación, fundamentalmente, del trabajo realizado por expertos independientes, y por la que se requiere la comprobación de su competencia, capacitación, acreditación e independencia, así como de la validez de los datos y métodos utilizados y la razonabilidad de las hipótesis utilizadas.

F.4 Información y comunicación

Informe, señalando sus principales características, si dispone al menos de:

F.4.1. Una función específica encargada de definir, mantener actualizadas las políticas contables (área o departamento de políticas contables) y resolver dudas o conflictos derivados de su interpretación, manteniendo una comunicación fluida con los responsables de las operaciones en la organización, así como un manual de políticas contables actualizado y comunicado a las unidades a través de las que opera la entidad.

La Dirección Económico-Financiera y, en particular, el Responsable de Consolidación y Reporting son los responsables de identificar, definir y mantener actualizadas las políticas contables que afectan al Grupo así como de resolver dudas o conflictos derivados de la interpretación y aplicación de políticas contables del Grupo en cualquiera de las sociedades filiales del Grupo.

Grupo Amper cuenta con un manual de políticas contables (implantado en el ejercicio 2011) que recoge las políticas a seguir para las tipologías de transacciones habituales del Grupo.

El propio manual establece la responsabilidad sobre su mantenimiento, que será al menos anual, por parte de la Dirección Económico-Financiera (en particular del Responsable de Consolidación y Reporting), de modo que:

- Recoja las políticas contables aplicables a eventuales nuevas transacciones que no estuvieran cubiertas en versiones anteriores.
 - Se vea corregido cuando se produzcan desarrollos normativos que obliguen a modificar las políticas del Grupo para que éstas sean conformes a Normas Internacionales de Información Financiera adoptadas por la Unión Europea (NIIF-UE) y,
 - Se vea corregido ante cambios en las políticas contables aprobadas por la Dirección Económico-Financiera.
- Las modificaciones significativas realizadas se comunican a las sociedades dependientes a las que les sean de aplicación vía e-mail o a partir de la realización de reuniones específicas con los responsables de las mismas.

F.4.2. Mecanismos de captura y preparación de la información financiera con formatos homogéneos, de aplicación y utilización por todas las unidades de la entidad o del grupo, que soporten los estados financieros principales y las notas, así como la información que se detalle sobre el SCIIF.

Todas las sociedades del Grupo preparan la información financiera de acuerdo a un formato de reporte estándar que recoge la totalidad de la información necesaria para la preparación de la información financiera consolidada del Grupo.

F.5 Supervisión del funcionamiento del sistema

Informe, señalando sus principales características, al menos de:

F.5.1. Las actividades de supervisión del SCIIF realizadas por el comité de auditoría así como si la entidad cuenta con una función de auditoría interna que tenga entre sus competencias la de apoyo al comité en su labor de supervisión del sistema de control interno, incluyendo el SCIIF. Asimismo se informará del alcance de la evaluación del SCIIF realizada en el ejercicio y del procedimiento por el cual el encargado de ejecutar la evaluación comunica sus resultados, si la entidad cuenta con un plan de acción que detalle las eventuales medidas correctoras, y si se ha considerado su impacto en la información financiera.

El Grupo Amper, tal y como se establece en el Reglamento del Consejo de Administración, cuenta con una función de Auditoría Interna con dependencia directa de la Comisión de Auditoría cuyas funciones, entre otras, está la de supervisar los servicios de Auditoría Interna del Grupo.

La política de supervisión del SCIIF del Grupo Amper establece los criterios que esa supervisión debe seguir, así como las tareas que se reserva la Comisión de Auditoría y qué actividades son delegadas en la función de Auditoría Interna. Dicha política reserva a los miembros de la Comisión de Auditoría las siguientes funciones:

- i) la aprobación de los planes de auditoría
- ii) la determinación de quiénes han de ejecutarlos
- iii) la evaluación de la suficiencia de los trabajos realizados
- iv) la revisión y evaluación de los resultados y la consideración de su efecto en la información financiera y
- v) la priorización y seguimiento de las acciones correctoras.

F.5.2. Si cuenta con un procedimiento de discusión mediante el cual, el auditor de cuentas (de acuerdo con lo establecido en las NTA), la función de auditoría interna y otros expertos puedan comunicar a la alta dirección y al comité de auditoría o administradores de la entidad las debilidades significativas de control interno identificadas durante los procesos de revisión de las cuentas anuales o aquellos otros que les hayan sido encomendados. Asimismo, informará de si dispone de un plan de acción que trate de corregir o mitigar las debilidades observadas.

La Comisión de Auditoría se reúne como mínimo cada tres meses (con anterioridad a la publicación de información regulada) con el objetivo de obtener y analizar la información necesaria para dar cumplimiento a las competencias que tiene encomendadas por parte del Consejo de Administración.

En dichas reuniones se revisa en profundidad las Cuentas Anuales y Semestrales y las declaraciones intermedias trimestrales del Grupo así como al resto de información puesta a disposición del mercado. Para llevar a cabo este proceso, la Comisión de Auditoría previamente recibe toda la documentación y mantiene reuniones con la Dirección financiera (responsable de la preparación de la información financiera), la Dirección de Auditoría Interna y el Auditor de cuentas en el caso de las Cuentas Anuales y Semestrales, con el objeto de velar por la correcta aplicación de las normas contables vigentes y la fiabilidad de la información financiera. Adicionalmente, durante este proceso de discusión se evalúan eventuales debilidades en el SCIIF que se hayan identificado y, en su caso, de las propuestas para su corrección y el estado de las acciones implementadas. De este modo, con periodicidad anual y dentro del marco del SCIIF, la Comisión de Auditoría revisa y aprueba los planes de acción propuestas por la Dirección de Auditoría Interna a los efectos de corregir o mitigar las debilidades observadas.

Por su parte el auditor de cuentas del Grupo tiene acceso directo con la Alta Dirección del Grupo manteniendo reuniones periódicas tanto para obtener información necesaria para el desarrollo de su trabajo como para comunicar las debilidades de control detectadas durante el mismo. Respecto a este último aspecto, con carácter anual el auditor externo presenta a la Comisión de Auditoría un informe en el que se detallan las debilidades de control interno detectadas en el desarrollo de su trabajo. Este informe incorpora los comentarios de la Dirección del Grupo y, en su caso, los planes de acción que se han puesto en marcha para remediar las correspondientes debilidades de control interno.

F.6 Otra información relevante

N/A

F.7 Informe del auditor externo

Informe de:

F.7.1. Si la información del SCIIF remitida a los mercados ha sido sometida a revisión por el auditor externo, en cuyo caso la entidad debería incluir el informe correspondiente como anexo. En caso contrario, debería informar de sus motivos.

El Grupo Amper no ha sometido a revisión por parte del auditor externo la información del SCIIF remitida a los mercados para el ejercicio 2016 por no ser obligatoria la misma.

Es de destacar que en el ejercicio 2011, el Consejo de Administración aprobó la política marco del SCIIF y que en ese mismo ejercicio el Grupo Amper sometió a revisión por parte de su auditor externo la información del SCIIF publicada sin que se pudiesen de manifiesto inconsistencias o incidencias que pudieran afectar a dicha información.

G GRADO DE SEGUIMIENTO DE LAS RECOMENDACIONES DE GOBIERNO CORPORATIVO

Indique el grado de seguimiento de la sociedad respecto de las recomendaciones del Código de buen gobierno de las sociedades cotizadas.

En el caso de que alguna recomendación no se siga o se siga parcialmente, se deberá incluir una explicación detallada de sus motivos de manera que los accionistas, los inversores y el mercado en general, cuenten con información suficiente para valorar el proceder de la sociedad. No serán aceptables explicaciones de carácter general.

1. Que los Estatutos de las sociedades cotizadas no limiten el número máximo de votos que pueda emitir un mismo accionista, ni contengan otras restricciones que dificulten la toma de control de la sociedad mediante la adquisición de sus acciones en el mercado.

Cumple

Explique

2. Que cuando coticen la sociedad matriz y una sociedad dependiente ambas definan públicamente con precisión:

- a) Las respectivas áreas de actividad y eventuales relaciones de negocio entre ellas, así como las de la sociedad dependiente cotizada con las demás empresas del grupo.
b) Los mecanismos previstos para resolver los eventuales conflictos de interés que puedan presentarse.

Cumple

Cumple parcialmente

Explique

No aplicable

3. Que durante la celebración de la junta general ordinaria, como complemento de la difusión por escrito del informe anual de gobierno corporativo, el presidente del consejo de administración informe verbalmente a los accionistas, con suficiente detalle, de los aspectos más relevantes del gobierno corporativo de la sociedad y, en particular:

- a) De los cambios acaecidos desde la anterior junta general ordinaria.
b) De los motivos concretos por los que la compañía no sigue alguna de las recomendaciones del Código de Gobierno Corporativo y, si existieran, de las reglas alternativas que aplique en esa materia.

Cumple

Cumple parcialmente

Explique

4. Que la sociedad defina y promueva una política de comunicación y contactos con accionistas, inversores institucionales y asesores de voto que sea plenamente respetuosa con las normas contra el abuso de mercado y dé un trato semejante a los accionistas que se encuentren en la misma posición.

Y que la sociedad haga pública dicha política a través de su página web, incluyendo información relativa a la forma en que la misma se ha puesto en práctica e identificando a los interlocutores o responsables de llevarla a cabo.

Cumple

Cumple parcialmente

Explique

Si bien no existe una política de comunicación y contactos aprobada, en la Sociedad se verifica la existencia de una comunicación con los accionistas e inversores respetando las normas contra el abuso de mercado.

5. Que el consejo de administración no eleve a la junta general una propuesta de delegación de facultades, para emitir acciones o valores convertibles con exclusión del derecho de suscripción preferente, por un importe superior al 20% del capital en el momento de la delegación.

Y que cuando el consejo de administración apruebe cualquier emisión de acciones o de valores convertibles con exclusión del derecho de suscripción preferente, la sociedad publique inmediatamente en su página web los informes sobre dicha exclusión a los que hace referencia la legislación mercantil.

Cumple

Cumple parcialmente

Explique

6. Que las sociedades cotizadas que elaboren los informes que se citan a continuación, ya sea de forma preceptiva o voluntaria, los publiquen en su página web con antelación suficiente a la celebración de la junta general ordinaria, aunque su difusión no sea obligatoria:
- a) Informe sobre la independencia del auditor.
 - b) Informes de funcionamiento de las comisiones de auditoría y de nombramientos y retribuciones.
 - c) Informe de la comisión de auditoría sobre operaciones vinculadas.
 - d) Informe sobre la política de responsabilidad social corporativa.

Cumple

Cumple parcialmente

Explique

La Sociedad publica en su página web con antelación a la Junta de Accionistas el informe de funcionamiento de las comisiones.

7. Que la sociedad transmita en directo, a través de su página web, la celebración de las juntas generales de accionistas.

Cumple

Explique

En el momento de la celebración de la Junta, no se consideró oportuno la retransmisión en directo a través de la página web y la compañía está valorando actualmente la posibilidad de facilitar este tipo de retransmisión para la próxima Junta General.

8. Que la comisión de auditoría vele porque el consejo de administración procure presentar las cuentas a la junta general de accionistas sin limitaciones ni salvedades en el informe de auditoría y que, en los supuestos excepcionales en que existan salvedades, tanto el presidente de la comisión de auditoría como los auditores expliquen con claridad a los accionistas el contenido y alcance de dichas limitaciones o salvedades.

Cumple

Cumple parcialmente

Explique

9. Que la sociedad haga públicos en su página web, de manera permanente, los requisitos y procedimientos que aceptará para acreditar la titularidad de acciones, el derecho de asistencia a la junta general de accionistas y el ejercicio o delegación del derecho de voto.

Y que tales requisitos y procedimientos favorezcan la asistencia y el ejercicio de sus derechos a los accionistas y se apliquen de forma no discriminatoria.

Cumple

Cumple parcialmente

Explique

10. Que cuando algún accionista legitimado haya ejercitado, con anterioridad a la celebración de la junta general de accionistas, el derecho a completar el orden del día o a presentar nuevas propuestas de acuerdo, la sociedad:

- a) Difunda de inmediato tales puntos complementarios y nuevas propuestas de acuerdo.
- b) Haga público el modelo de tarjeta de asistencia o formulario de delegación de voto o voto a distancia con las modificaciones precisas para que puedan votarse los nuevos puntos del orden del día y propuestas alternativas de acuerdo en los mismos términos que los propuestos por el consejo de administración.
- c) Someta todos esos puntos o propuestas alternativas a votación y les aplique las mismas reglas de voto que a las formuladas por el consejo de administración, incluidas, en particular, las presunciones o deducciones sobre el sentido del voto.

d) Con posterioridad a la junta general de accionistas, comunique el desglose del voto sobre tales puntos complementarios o propuestas alternativas.

Cumple Cumple parcialmente Explique No aplicable

11. Que, en el caso de que la sociedad tenga previsto pagar primas de asistencia a la junta general de accionistas, establezca, con anterioridad, una política general sobre tales primas y que dicha política sea estable.

Cumple Cumple parcialmente Explique No aplicable

12. Que el consejo de administración desempeñe sus funciones con unidad de propósito e independencia de criterio, dispense el mismo trato a todos los accionistas que se hallen en la misma posición y se guíe por el interés social, entendido como la consecución de un negocio rentable y sostenible a largo plazo, que promueva su continuidad y la maximización del valor económico de la empresa.

Y que en la búsqueda del interés social, además del respeto de las leyes y reglamentos y de un comportamiento basado en la buena fe, la ética y el respeto a los usos y a las buenas prácticas comúnmente aceptadas, procure conciliar el propio interés social con, según corresponda, los legítimos intereses de sus empleados, sus proveedores, sus clientes y los de los restantes grupos de interés que puedan verse afectados, así como el impacto de las actividades de la compañía en la comunidad en su conjunto y en el medio ambiente.

Cumple Cumple parcialmente Explique

13. Que el consejo de administración posea la dimensión precisa para lograr un funcionamiento eficaz y participativo, lo que hace aconsejable que tenga entre cinco y quince miembros.

Cumple Explique

14. Que el consejo de administración apruebe una política de selección de consejeros que:

a) Sea concreta y verificable.

b) Asegure que las propuestas de nombramiento o reelección se fundamenten en un análisis previo de las necesidades del consejo de administración.

c) Favorezca la diversidad de conocimientos, experiencias y género.

Que el resultado del análisis previo de las necesidades del consejo de administración se recoja en el informe justificativo de la comisión de nombramientos que se publique al convocar la junta general de accionistas a la que se someta la ratificación, el nombramiento o la reelección de cada consejero.

Y que la política de selección de consejeros promueva el objetivo de que en el año 2020 el número de consejeras represente, al menos, el 30% del total de miembros del consejo de administración.

La comisión de nombramiento verificará anualmente el cumplimiento de la política de selección de consejeros y se informará de ello en el informe anual de gobierno corporativo.

Cumple Cumple parcialmente Explique

La Sociedad no tiene una política de selección de consejeros, si bien la Comisión de Nombramientos y Retribuciones, en el momento de cubrir vacantes o de proponer el nombramiento o reelección de Consejeros sigue procedimientos de selección objetivos e imparciales que no obstaculizan la selección de consejeras; buscando e incluyen entre los potenciales candidatos a las personas, sean hombres o mujeres, que reúnan el perfil buscado.

15. Que los consejeros dominicales e independientes constituyan una amplia mayoría del consejo de administración y que el número de consejeros ejecutivos sea el mínimo necesario, teniendo en cuenta la complejidad del grupo societario y el porcentaje de participación de los consejeros ejecutivos en el capital de la sociedad.

Cumple

Cumple parcialmente

Explique

16. Que el porcentaje de consejeros dominicales sobre el total de consejeros no ejecutivos no sea mayor que la proporción existente entre el capital de la sociedad representado por dichos consejeros y el resto del capital.

Este criterio podrá atenuarse:

a) En sociedades de elevada capitalización en las que sean escasas las participaciones accionariales que tengan legalmente la consideración de significativas.

b) Cuando se trate de sociedades en las que exista una pluralidad de accionistas representados en el consejo de administración y no existan vínculos entre sí.

Cumple

Explique

17. Que el número de consejeros independientes represente, al menos, la mitad del total de consejeros.

Que, sin embargo, cuando la sociedad no sea de elevada capitalización o cuando, aun siéndolo, cuente con un accionista o varios actuando concertadamente, que controlen más del 30% del capital social, el número de consejeros independientes represente, al menos, un tercio del total de consejeros.

Cumple

Explique

18. Que las sociedades hagan pública a través de su página web, y mantengan actualizada, la siguiente información sobre sus consejeros:

a) Perfil profesional y biográfico.

b) Otros consejos de administración a los que pertenezcan, se trate o no de sociedades cotizadas, así como sobre las demás actividades retribuidas que realice cualquiera que sea su naturaleza.

c) Indicación de la categoría de consejero a la que pertenezcan, señalándose, en el caso de consejeros dominicales, el accionista al que representen o con quien tengan vínculos.

d) Fecha de su primer nombramiento como consejero en la sociedad, así como de las posteriores reelecciones.

e) Acciones de la compañía, y opciones sobre ellas, de las que sean titulares.

Cumple

Cumple parcialmente

Explique

19. Que en el informe anual de gobierno corporativo, previa verificación por la comisión de nombramientos, se expliquen las razones por las cuales se hayan nombrado consejeros dominicales a instancia de accionistas cuya participación accionarial sea inferior al 3% del capital; y se expongan las razones por las que no se hubieran atendido, en su caso, peticiones formales de presencia en el consejo procedentes de accionistas cuya participación accionarial sea igual o superior a la de otros a cuya instancia se hubieran designado consejeros dominicales.

Cumple

Cumple parcialmente

Explique

No aplicable

20. Que los consejeros dominicales presenten su dimisión cuando el accionista a quien representen transmita íntegramente su participación accionarial. Y que también lo hagan, en el número que corresponda, cuando dicho accionista rebaje su participación accionarial hasta un nivel que exija la reducción del número de sus consejeros dominicales.

Cumple

Cumple parcialmente

Explique

No aplicable

21. Que el consejo de administración no proponga la separación de ningún consejero independiente antes del cumplimiento del período estatutario para el que hubiera sido nombrado, salvo cuando concurra justa causa, apreciada por el consejo de administración previo informe de la comisión de nombramientos. En particular, se entenderá que existe justa causa cuando el consejero pase a ocupar nuevos cargos o contraiga nuevas obligaciones que le impidan dedicar el tiempo necesario al desempeño de las funciones propias del cargo de consejero, incumpla los deberes inherentes a su cargo o incurra en algunas de las circunstancias que le hagan perder su condición de independiente, de acuerdo con lo establecido en la legislación aplicable.

También podrá proponerse la separación de consejeros independientes como consecuencia de ofertas públicas de adquisición, fusiones u otras operaciones corporativas similares que supongan un cambio en la estructura de capital de la sociedad, cuando tales cambios en la estructura del consejo de administración vengán propiciados por el criterio de proporcionalidad señalado en la recomendación 16.

Cumple

Explique

22. Que las sociedades establezcan reglas que obliguen a los consejeros a informar y, en su caso, dimitir en aquellos supuestos que puedan perjudicar al crédito y reputación de la sociedad y, en particular, les obliguen a informar al consejo de administración de las causas penales en las que aparezcan como imputados, así como de sus posteriores vicisitudes procesales.

Y que si un consejero resultara procesado o se dictara contra él auto de apertura de juicio oral por alguno de los delitos señalados en la legislación societaria, el consejo de administración examine el caso tan pronto como sea posible y, a la vista de sus circunstancias concretas, decida si procede o no que el consejero continúe en su cargo. Y que de todo ello el consejo de administración dé cuenta, de forma razonada, en el informe anual de gobierno corporativo.

Cumple

Cumple parcialmente

Explique

23. Que todos los consejeros expresen claramente su oposición cuando consideren que alguna propuesta de decisión sometida al consejo de administración puede ser contraria al interés social. Y que otro tanto hagan, de forma especial, los independientes y demás consejeros a quienes no afecte el potencial conflicto de intereses, cuando se trate de decisiones que puedan perjudicar a los accionistas no representados en el consejo de administración.

Y que cuando el consejo de administración adopte decisiones significativas o reiteradas sobre las que el consejero hubiera formulado serias reservas, este saque las conclusiones que procedan y, si optara por dimitir, explique las razones en la carta a que se refiere la recomendación siguiente.

Esta recomendación alcanza también al secretario del consejo de administración, aunque no tenga la condición de consejero.

Cumple

Cumple parcialmente

Explique

No aplicable

24. Que cuando, ya sea por dimisión o por otro motivo, un consejero cese en su cargo antes del término de su mandato, explique las razones en una carta que remitirá a todos los miembros del consejo de administración. Y que, sin perjuicio de que dicho cese se comunique como hecho relevante, del motivo del cese se dé cuenta en el informe anual de gobierno corporativo.

Cumple

Cumple parcialmente

Explique

No aplicable

25. Que la comisión de nombramientos se asegure de que los consejeros no ejecutivos tienen suficiente disponibilidad de tiempo para el correcto desarrollo de sus funciones.

Y que el reglamento del consejo establezca el número máximo de consejos de sociedades de los que pueden formar parte sus consejeros.

Cumple

Cumple parcialmente

Explique

El Consejo de Administración considera preferible valorar caso por caso los cargos desempeñados por cada uno de los consejeros para determinar si disponen del tiempo necesario para desempeñar el cargo de administrador de la Sociedad.

26. Que el consejo de administración se reúna con la frecuencia precisa para desempeñar con eficacia sus funciones y, al menos, ocho veces al año, siguiendo el programa de fechas y asuntos que establezca al inicio del ejercicio, pudiendo cada consejero individualmente proponer otros puntos del orden del día inicialmente no previstos.

Cumple

Cumple parcialmente

Explique

27. Que las inasistencias de los consejeros se reduzcan a los casos indispensables y se cuantifiquen en el informe anual de gobierno corporativo. Y que, cuando deban producirse, se otorgue representación con instrucciones.

Cumple

Cumple parcialmente

Explique

28. Que cuando los consejeros o el secretario manifiesten preocupación sobre alguna propuesta o, en el caso de los consejeros, sobre la marcha de la sociedad y tales preocupaciones no queden resueltas en el consejo de administración, a petición de quien las hubiera manifestado, se deje constancia de ellas en el acta.

Cumple

Cumple parcialmente

Explique

No aplicable

29. Que la sociedad establezca los cauces adecuados para que los consejeros puedan obtener el asesoramiento preciso para el cumplimiento de sus funciones incluyendo, si así lo exigieran las circunstancias, asesoramiento externo con cargo a la empresa.

Cumple

Cumple parcialmente

Explique

30. Que, con independencia de los conocimientos que se exijan a los consejeros para el ejercicio de sus funciones, las sociedades ofrezcan también a los consejeros programas de actualización de conocimientos cuando las circunstancias lo aconsejen.

Cumple

Explique

No aplicable

31. Que el orden del día de las sesiones indique con claridad aquellos puntos sobre los que el consejo de administración deberá adoptar una decisión o acuerdo para que los consejeros puedan estudiar o recabar, con carácter previo, la información precisa para su adopción.

Cuando, excepcionalmente, por razones de urgencia, el presidente quiera someter a la aprobación del consejo de administración decisiones o acuerdos que no figuraran en el orden del día, será preciso el

consentimiento previo y expreso de la mayoría de los consejeros presentes, del que se dejará debida constancia en el acta.

Cumple Cumple parcialmente Explique

32. Que los consejeros sean periódicamente informados de los movimientos en el accionariado y de la opinión que los accionistas significativos, los inversores y las agencias de calificación tengan sobre la sociedad y su grupo.

Cumple Cumple parcialmente Explique

33. Que el presidente, como responsable del eficaz funcionamiento del consejo de administración, además de ejercer las funciones que tiene legal y estatutariamente atribuidas, prepare y someta al consejo de administración un programa de fechas y asuntos a tratar; organice y coordine la evaluación periódica del consejo, así como, en su caso, la del primer ejecutivo de la sociedad; sea responsable de la dirección del consejo y de la efectividad de su funcionamiento; se asegure de que se dedica suficiente tiempo de discusión a las cuestiones estratégicas, y acuerde y revise los programas de actualización de conocimientos para cada consejero, cuando las circunstancias lo aconsejen.

Cumple Cumple parcialmente Explique

34. Que cuando exista un consejero coordinador, los estatutos o el reglamento del consejo de administración, además de las facultades que le corresponden legalmente, le atribuya las siguientes: presidir el consejo de administración en ausencia del presidente y de los vicepresidentes, en caso de existir; hacerse eco de las preocupaciones de los consejeros no ejecutivos; mantener contactos con inversores y accionistas para conocer sus puntos de vista a efectos de formarse una opinión sobre sus preocupaciones, en particular, en relación con el gobierno corporativo de la sociedad; y coordinar el plan de sucesión del presidente.

Cumple Cumple parcialmente Explique No aplicable

35. Que el secretario del consejo de administración vele de forma especial para que en sus actuaciones y decisiones el consejo de administración tenga presentes las recomendaciones sobre buen gobierno contenidas en este Código de buen gobierno que fueran aplicables a la sociedad.

Cumple Explique

36. Que el consejo de administración en pleno evalúe una vez al año y adopte, en su caso, un plan de acción que corrija las deficiencias detectadas respecto de:

- a) La calidad y eficiencia del funcionamiento del consejo de administración.
- b) El funcionamiento y la composición de sus comisiones.
- c) La diversidad en la composición y competencias del consejo de administración.
- d) El desempeño del presidente del consejo de administración y del primer ejecutivo de la sociedad.
- e) El desempeño y la aportación de cada consejero, prestando especial atención a los responsables de las distintas comisiones del consejo.

Para la realización de la evaluación de las distintas comisiones se partirá del informe que estas eleven al consejo de administración, y para la de este último, del que le eleve la comisión de nombramientos.

Cada tres años, el consejo de administración será auxiliado para la realización de la evaluación por un consultor externo, cuya independencia será verificada por la comisión de nombramientos.

Las relaciones de negocio que el consultor o cualquier sociedad de su grupo mantengan con la sociedad o cualquier sociedad de su grupo deberán ser desglosadas en el informe anual de gobierno corporativo.

El proceso y las áreas evaluadas serán objeto de descripción en el informe anual de gobierno corporativo.

Cumple Cumple parcialmente Explique

37. Que cuando exista una comisión ejecutiva, la estructura de participación de las diferentes categorías de consejeros sea similar a la del propio consejo de administración y su secretario sea el de este último.

Cumple Cumple parcialmente Explique No aplicable

38. Que el consejo de administración tenga siempre conocimiento de los asuntos tratados y de las decisiones adoptadas por la comisión ejecutiva y que todos los miembros del consejo de administración reciban copia de las actas de las sesiones de la comisión ejecutiva.

Cumple Cumple parcialmente Explique No aplicable

39. Que los miembros de la comisión de auditoría, y de forma especial su presidente, se designen teniendo en cuenta sus conocimientos y experiencia en materia de contabilidad, auditoría o gestión de riesgos, y que la mayoría de dichos miembros sean consejeros independientes.

Cumple Cumple parcialmente Explique

40. Que bajo la supervisión de la comisión de auditoría, se disponga de una unidad que asuma la función de auditoría interna que vele por el buen funcionamiento de los sistemas de información y control interno y que funcionalmente dependa del presidente no ejecutivo del consejo o del de la comisión de auditoría.

Cumple Cumple parcialmente Explique

41. Que el responsable de la unidad que asuma la función de auditoría interna presente a la comisión de auditoría su plan anual de trabajo, informe directamente de las incidencias que se presenten en su desarrollo y someta al final de cada ejercicio un informe de actividades.

Cumple Cumple parcialmente Explique No aplicable

42. Que, además de las previstas en la ley, correspondan a la comisión de auditoría las siguientes funciones:

1. En relación con los sistemas de información y control interno:

a) Supervisar el proceso de elaboración y la integridad de la información financiera relativa a la sociedad y, en su caso, al grupo, revisando el cumplimiento de los requisitos normativos, la adecuada delimitación del perímetro de consolidación y la correcta aplicación de los criterios contables.

b) Velar por la independencia de la unidad que asume la función de auditoría interna; proponer la selección, nombramiento, reelección y cese del responsable del servicio de auditoría interna; proponer el presupuesto de ese servicio; aprobar la orientación y sus planes de trabajo, asegurándose de que su actividad esté enfocada principalmente hacia los riesgos relevantes de la sociedad; recibir información periódica sobre sus actividades; y verificar que la alta dirección tenga en cuenta las conclusiones y recomendaciones de sus informes.

c) Establecer y supervisar un mecanismo que permita a los empleados comunicar, de forma confidencial y, si resulta posible y se considera apropiado, anónima, las irregularidades de

potencial trascendencia, especialmente financieras y contables, que adviertan en el seno de la empresa.

2. En relación con el auditor externo:

- a) En caso de renuncia del auditor externo, examinar las circunstancias que la hubieran motivado.
- b) Velar que la retribución del auditor externo por su trabajo no comprometa su calidad ni su independencia.
- c) Supervisar que la sociedad comunique como hecho relevante a la CNMV el cambio de auditor y lo acompañe de una declaración sobre la eventual existencia de desacuerdos con el auditor saliente y, si hubieran existido, de su contenido.
- d) Asegurar que el auditor externo mantenga anualmente una reunión con el pleno del consejo de administración para informarle sobre el trabajo realizado y sobre la evolución de la situación contable y de riesgos de la sociedad.
- e) Asegurar que la sociedad y el auditor externo respetan las normas vigentes sobre prestación de servicios distintos a los de auditoría, los límites a la concentración del negocio del auditor y, en general, las demás normas sobre independencia de los auditores.

Cumple

Cumple parcialmente

Explique

43. Que la comisión de auditoría pueda convocar a cualquier empleado o directivo de la sociedad, e incluso disponer que comparezcan sin presencia de ningún otro directivo.

Cumple

Cumple parcialmente

Explique

44. Que la comisión de auditoría sea informada sobre las operaciones de modificaciones estructurales y corporativas que proyecte realizar la sociedad para su análisis e informe previo al consejo de administración sobre sus condiciones económicas y su impacto contable y, en especial, en su caso, sobre la ecuación de canje propuesta.

Cumple

Cumple parcialmente

Explique

No aplicable

45. Que la política de control y gestión de riesgos identifique al menos:

- a) Los distintos tipos de riesgo, financieros y no financieros (entre otros los operativos, tecnológicos, legales, sociales, medio ambientales, políticos y reputacionales) a los que se enfrenta la sociedad, incluyendo entre los financieros o económicos, los pasivos contingentes y otros riesgos fuera de balance.
- b) La fijación del nivel de riesgo que la sociedad considere aceptable.
- c) Las medidas previstas para mitigar el impacto de los riesgos identificados, en caso de que llegaran a materializarse.
- d) Los sistemas de información y control interno que se utilizarán para controlar y gestionar los citados riesgos, incluidos los pasivos contingentes o riesgos fuera de balance.

Cumple

Cumple parcialmente

Explique

46. Que bajo la supervisión directa de la comisión de auditoría o, en su caso, de una comisión especializada del consejo de administración, exista una función interna de control y gestión de riesgos ejercida por una unidad o departamento interno de la sociedad que tenga atribuidas expresamente las siguientes funciones:

- a) Asegurar el buen funcionamiento de los sistemas de control y gestión de riesgos y, en particular, que se identifiquen, gestionan, y cuantifican adecuadamente todos los riesgos importantes que afecten a la sociedad.
- b) Participar activamente en la elaboración de la estrategia de riesgos y en las decisiones importantes sobre su gestión.
- c) Velar por que los sistemas de control y gestión de riesgos mitiguen los riesgos adecuadamente en el marco de la política definida por el consejo de administración.

Cumple

Cumple parcialmente

Explique

47. Que los miembros de la comisión de nombramientos y de retribuciones –o de la comisión de nombramientos y la comisión de retribuciones, si estuvieren separadas– se designen procurando que tengan los conocimientos, aptitudes y experiencia adecuados a las funciones que estén llamados a desempeñar y que la mayoría de dichos miembros sean consejeros independientes.

Cumple

Cumple parcialmente

Explique

48. Que las sociedades de elevada capitalización cuenten con una comisión de nombramientos y con una comisión de remuneraciones separadas.

Cumple

Explique

No aplicable

49. Que la comisión de nombramientos consulte al presidente del consejo de administración y al primer ejecutivo de la sociedad, especialmente cuando se trate de materias relativas a los consejeros ejecutivos.

Y que cualquier consejero pueda solicitar de la comisión de nombramientos que tome en consideración, por si los encuentra idóneos a su juicio, potenciales candidatos para cubrir vacantes de consejero.

Cumple

Cumple parcialmente

Explique

50. Que la comisión de retribuciones ejerza sus funciones con independencia y que, además de las funciones que le atribuya la ley, le correspondan las siguientes:

- a) Proponer al consejo de administración las condiciones básicas de los contratos de los altos directivos.
- b) Comprobar la observancia de la política retributiva establecida por la sociedad.
- c) Revisar periódicamente la política de remuneraciones aplicada a los consejeros y altos directivos, incluidos los sistemas retributivos con acciones y su aplicación, así como garantizar que su remuneración individual sea proporcionada a la que se pague a los demás consejeros y altos directivos de la sociedad.
- d) Velar por que los eventuales conflictos de intereses no perjudiquen la independencia del asesoramiento externo prestado a la comisión.
- e) Verificar la información sobre remuneraciones de los consejeros y altos directivos contenida en los distintos documentos corporativos, incluido el informe anual sobre remuneraciones de los consejeros.

Cumple

Cumple parcialmente

Explique

51. Que la comisión de retribuciones consulte al presidente y al primer ejecutivo de la sociedad, especialmente cuando se trate de materias relativas a los consejeros ejecutivos y altos directivos.

Cumple

Cumple parcialmente

Explique

52. Que las reglas de composición y funcionamiento de las comisiones de supervisión y control figuren en el reglamento del consejo de administración y que sean consistentes con las aplicables a las comisiones legalmente obligatorias conforme a las recomendaciones anteriores, incluyendo:

- a) Que estén compuestas exclusivamente por consejeros no ejecutivos, con mayoría de consejeros independientes.
- b) Que sus presidentes sean consejeros independientes.
- c) Que el consejo de administración designe a los miembros de estas comisiones teniendo presentes los conocimientos, aptitudes y experiencia de los consejeros y los cometidos de cada comisión, delibere sobre sus propuestas e informes; y que rinda cuentas, en el primer pleno del consejo de administración posterior a sus reuniones, de su actividad y que respondan del trabajo realizado.
- d) Que las comisiones puedan recabar asesoramiento externo, cuando lo consideren necesario para el desempeño de sus funciones.
- e) Que de sus reuniones se levante acta, que se pondrá a disposición de todos los consejeros.

Cumple

Cumple parcialmente

Explique

No aplicable

53. Que la supervisión del cumplimiento de las reglas de gobierno corporativo, de los códigos internos de conducta y de la política de responsabilidad social corporativa se atribuya a una o se reparta entre varias comisiones del consejo de administración que podrán ser la comisión de auditoría, la de nombramientos, la comisión de responsabilidad social corporativa, en caso de existir, o una comisión especializada que el consejo de administración, en ejercicio de sus facultades de auto-organización, decida crear al efecto, a las que específicamente se les atribuyan las siguientes funciones mínimas:

- a) La supervisión del cumplimiento de los códigos internos de conducta y de las reglas de gobierno corporativo de la sociedad.
- b) La supervisión de la estrategia de comunicación y relación con accionistas e inversores, incluyendo los pequeños y medianos accionistas.
- c) La evaluación periódica de la adecuación del sistema de gobierno corporativo de la sociedad, con el fin de que cumpla su misión de promover el interés social y tenga en cuenta, según corresponda, los legítimos intereses de los restantes grupos de interés.
- d) La revisión de la política de responsabilidad corporativa de la sociedad, velando por que esté orientada a la creación de valor.
- e) El seguimiento de la estrategia y prácticas de responsabilidad social corporativa y la evaluación de su grado de cumplimiento.
- f) La supervisión y evaluación de los procesos de relación con los distintos grupos de interés.
- g) La evaluación de todo lo relativo a los riesgos no financieros de la empresa –incluyendo los operativos, tecnológicos, legales, sociales, medio ambientales, políticos y reputacionales.
- h) La coordinación del proceso de reporte de la información no financiera y sobre diversidad, conforme a la normativa aplicable y a los estándares internacionales de referencia.

Cumple

Cumple parcialmente

Explique

La Sociedad no cumple con la recomendación debido al reducido tamaño de su Consejo de Administración por lo que las funciones son asumidas por el Consejo en pleno.

54. Que la política de responsabilidad social corporativa incluya los principios o compromisos que la empresa asuma voluntariamente en su relación con los distintos grupos de interés e identifique al menos:

- a) Los objetivos de la política de responsabilidad social corporativa y el desarrollo de instrumentos de apoyo.
- b) La estrategia corporativa relacionada con la sostenibilidad, el medio ambiente y las cuestiones sociales.
- c) Las prácticas concretas en cuestiones relacionadas con: accionistas, empleados, clientes, proveedores, cuestiones sociales, medio ambiente, diversidad, responsabilidad fiscal, respeto de los derechos humanos y prevención de conductas ilegales.
- d) Los métodos o sistemas de seguimiento de los resultados de la aplicación de las prácticas concretas señaladas en la letra anterior, los riesgos asociados y su gestión.
- e) Los mecanismos de supervisión del riesgo no financiero, la ética y la conducta empresarial.
- f) Los canales de comunicación, participación y diálogo con los grupos de interés.
- g) Las prácticas de comunicación responsable que eviten la manipulación informativa y protejan la integridad y el honor.

Cumple

Cumple parcialmente

Explique

55. Que la sociedad informe, en un documento separado o en el informe de gestión, sobre los asuntos relacionados con la responsabilidad social corporativa, utilizando para ello alguna de las metodologías aceptadas internacionalmente.

Cumple

Cumple parcialmente

Explique

56. Que la remuneración de los consejeros sea la necesaria para atraer y retener a los consejeros del perfil deseado y para retribuir la dedicación, cualificación y responsabilidad que el cargo exija, pero no tan elevada como para comprometer la independencia de criterio de los consejeros no ejecutivos.

Cumple

Explique

57. Que se circunscriban a los consejeros ejecutivos las remuneraciones variables ligadas al rendimiento de la sociedad y al desempeño personal, así como la remuneración mediante entrega de acciones, opciones o derechos sobre acciones o instrumentos referenciados al valor de la acción y los sistemas de ahorro a largo plazo tales como planes de pensiones, sistemas de jubilación u otros sistemas de previsión social.

Se podrá contemplar la entrega de acciones como remuneración a los consejeros no ejecutivos cuando se condicione a que las mantengan hasta su cese como consejeros. Lo anterior no será de aplicación a las acciones que el consejero necesite enajenar, en su caso, para satisfacer los costes relacionados con su adquisición.

Cumple

Cumple parcialmente

Explique

58. Que en caso de remuneraciones variables, las políticas retributivas incorporen los límites y las cautelas técnicas precisas para asegurar que tales remuneraciones guardan relación con el rendimiento profesional de sus beneficiarios y no derivan solamente de la evolución general de los mercados o del sector de actividad de la compañía o de otras circunstancias similares.

Y, en particular, que los componentes variables de las remuneraciones:

- a) Estén vinculados a criterios de rendimiento que sean predeterminados y medibles y que dichos criterios consideren el riesgo asumido para la obtención de un resultado.
- b) Promuevan la sostenibilidad de la empresa e incluyan criterios no financieros que sean adecuados para la creación de valor a largo plazo, como el cumplimiento de las reglas y los procedimientos internos de la sociedad y de sus políticas para el control y gestión de riesgos.
- c) Se configuren sobre la base de un equilibrio entre el cumplimiento de objetivos a corto, medio y largo plazo, que permitan remunerar el rendimiento por un desempeño continuado durante un período de tiempo suficiente para apreciar su contribución a la creación sostenible de valor, de forma que los elementos de medida de ese rendimiento no giren únicamente en torno a hechos puntuales, ocasionales o extraordinarios.

Cumple Cumple parcialmente Explique No aplicable

59. Que el pago de una parte relevante de los componentes variables de la remuneración se difiera por un período de tiempo mínimo suficiente para comprobar que se han cumplido las condiciones de rendimiento previamente establecidas.

Cumple Cumple parcialmente Explique No aplicable

60. Que las remuneraciones relacionadas con los resultados de la sociedad tomen en cuenta las eventuales salvedades que consten en el informe del auditor externo y minoren dichos resultados.

Cumple Cumple parcialmente Explique No aplicable

61. Que un porcentaje relevante de la remuneración variable de los consejeros ejecutivos esté vinculado a la entrega de acciones o de instrumentos financieros referenciados a su valor.

Cumple Cumple parcialmente Explique No aplicable

62. Que una vez atribuidas las acciones o las opciones o derechos sobre acciones correspondientes a los sistemas retributivos, los consejeros no puedan transferir la propiedad de un número de acciones equivalente a dos veces su remuneración fija anual, ni puedan ejercer las opciones o derechos hasta transcurrido un plazo de, al menos, tres años desde su atribución.

Lo anterior no será de aplicación a las acciones que el consejero necesite enajenar, en su caso, para satisfacer los costes relacionados con su adquisición.

Cumple Cumple parcialmente Explique No aplicable

63. Que los acuerdos contractuales incluyan una cláusula que permita a la sociedad reclamar el reembolso de los componentes variables de la remuneración cuando el pago no haya estado ajustado a las condiciones de rendimiento o cuando se hayan abonado atendiendo a datos cuya inexactitud quede acreditada con posterioridad.

Cumple Cumple parcialmente Explique No aplicable

64. Que los pagos por resolución del contrato no superen un importe establecido equivalente a dos años de la retribución total anual y que no se abonen hasta que la sociedad haya podido comprobar que el consejero ha cumplido con los criterios de rendimiento previamente establecidos.

Cumple Cumple parcialmente Explique No aplicable

H OTRAS INFORMACIONES DE INTERÉS

1. Si existe algún aspecto relevante en materia de gobierno corporativo en la sociedad o en las entidades del grupo que no se haya recogido en el resto de apartados del presente informe, pero que sea necesario incluir para recoger una información más completa y razonada sobre la estructura y prácticas de gobierno en la entidad o su grupo, detállelos brevemente.
2. Dentro de este apartado, también podrá incluirse cualquier otra información, aclaración o matiz relacionado con los anteriores apartados del informe en la medida en que sean relevantes y no reiterativos.

En concreto, se indicará si la sociedad está sometida a legislación diferente a la española en materia de gobierno corporativo y, en su caso, incluya aquella información que esté obligada a suministrar y sea distinta de la exigida en el presente informe.

3. La sociedad también podrá indicar si se ha adherido voluntariamente a otros códigos de principios éticos o de buenas prácticas, internacionales, sectoriales o de otro ámbito. En su caso, se identificará el código en cuestión y la fecha de adhesión:

La Sociedad aún no se ha adherido al Código de Buenas Prácticas Tributarias, si bien está plenamente comprometida a cumplir con las mejores prácticas de gobierno corporativo, transparencia y cooperación en asuntos fiscales

Este informe anual de gobierno corporativo ha sido aprobado por el consejo de Administración de la sociedad, en su sesión de fecha 28/02/2017.

Indique si ha habido consejeros que hayan votado en contra o se hayan abstenido en relación con la aprobación del presente Informe.

Si

No